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# The Croatian Annual PE&VC Investment Awards Conference

6 July 2021, hotel Westin Zagreb  
and livestream

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# WELCOME TO BESTINVEST CROATIA!



If I were to formally summarize the essence of private equity and venture capital investment in one sentence, I would say that they support the most propulsive part of the Croatian economy, mainly the latest generation industries with global market access and excellent growth potential. Also, BestInvest Croatia as an investment-business conference with awards would be described as a stimulus to the growth of these investments so that the consequent business success would have a positive impact on economic development, positive transformation and long-term sustainability of the Croatian economy and society as a whole.

However, on this occasion, I would like to present a different and less formal perspective. I want to talk about private equity and venture capital investments from the perspective of relationships between various stakeholders in Croatian everyday life. I firmly believe private equity and venture capital investments represent a fair and honest partnership between the entrepreneur and investor. The investor only earns if the company develops and grows, which means that the entrepreneur also benefits. And when that is the case, employees, as well as the Croatian state, ultimately make money too. So, we can rightly call this a win-win situation.

The added value of private equity investments is that in this type of business, as a rule, there is no space and need for services, which, unfortunately, often occur in some traditional forms of businesses in Croatia. Here, of course, in the light of current events, I mean the “services” of money transfers for bribery and corruption, and consequently the intervention of the Office for the Suppression of Corruption and Organized Crime (Uskok). The private equity industry has a zero-tolerance rate for corruption. Therefore, it focuses on investing in companies that see their market globally, where there is no role for local community bosses in developing their businesses.

Private equity and venture capital investments represent the economy that we as a society want, the economy that will take us as a society to the circle of the most developed countries. Private equity and venture capital investments have the ambition to scale up the high potential Croatian companies globally, or at least regionally, and be fully aligned with global market trends, instead of being dependent exclusively on the Croatian state. Private equity and venture capital investments aim to support Croatian businesses to open up their offices worldwide, thus replacing closures in local secret clubs. Private equity and

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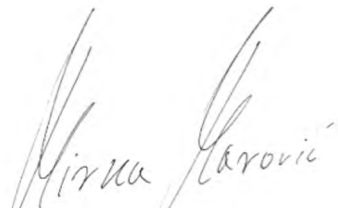
ZAGREB • CROATIA

venture capital investments aspire to help Croatian current and future unicorns to list their shares at the world-leading stock exchanges, thus replacing the listing of corrupt business practices in the newspapers. Private equity and venture capital funds have already identified the potential of the Croatian economy. Despite the pandemic and consequential fall in GDP, we witness a sharp increase in private equity and venture capital investments. Thanks to the confidence of private equity and venture capital investments and their activities, we see the arrival of the Japanese investors to Sesvete and the increase in high-profile experts working for Croatian companies, instead of witnessing the brain-drain or departure of the Croatian experts abroad.

When I talk about the infamous examples in our economy, I want to clearly emphasize that this is not an accurate picture of the Croatian economy. Only much more is written and said about it. That is why our ambition is to celebrate positive and successful Croatian business stories with events like BestInvest Croatia. And to reward them!

The Croatian economy today is significantly different than it was five or ten years ago. The investment climate is much different, better and more optimistic, just like the legal and regulatory framework for investments. Our reputation abroad, especially experts in new technologies, is much better than the way we look at ourselves. The adage that it is hardest to be a prophet in your own village still seems to live on. That is why private equity and venture capital investments open the doors of the world!

Thanks to all this, I believe that the best investment years are ahead of us, just as I think that the development of awareness among Croatian entrepreneurs that this form of investment is one of the most desirable forms of cooperation and growth is inevitable. Figuratively speaking, our entrepreneurs have an easy choice, whether they want to have a whole muffin or a half of the wedding cake. Private equity and venture capital investments are an opportunity for the growth of each individual business in which they invest and the growth of the economy and the development of society as a whole. We look forward to that opportunity!



Mirna Marovic  
President, Croatian Private Equity and Venture Capital Association (CVCA)

# CONFERENCE AGENDA

## 8:30 – 9:00 REGISTRATION AND WELCOME COFFEE

Please come early to take advantage of networking before the official start of the conference.

## 9:00 – 9:30 CONFERENCE OPENING

Welcome address, Mirna Marovic, President, Croatian Private Equity and Venture Capital Association (CVCA)

## CEREMONIAL CONFERENCE OPENING

Tamara Perko, President of the Management Board, Croatian Bank for Reconstruction and Development (HBOR)

Victoria Zinchuk, Director, Head of Croatia, European Bank for Reconstruction and Development (EBRD)

Tomislav Coric, Minister, Ministry of the Economy and Sustainable Development

## 9:30 – 10:30 BESTINVEST.HR AWARD CEREMONY

Award ceremony with a short presentation of the nominees by the expert jury in six categories:

### 1. PRIVATE EQUITY INVESTMENT TO THE YEAR

(awarded by Velimir Srica, PhD, Professor Emeritus, University of Zagreb Faculty of Economics, management and IT consultant)

### 2. VENTURE CAPITAL INVESTMENT OF THE YEAR

(awarded by Leo Mrcic, PhD, Director, Algebra LAB; Professor, Vice Dean for Research and Development, Algebra and Hajdi Cenani, Vice President, CroAI)

### 3. FOUNDER OF THE YEAR

(awarded by Tomislav Coric, PhD, Minister of Environment and Energy)

### 4. INVESTOR OF THE YEAR

(awarded by Iva Tomic, PhD, Chief Economist, Croatian Employers` Association (HUP))

### 5. EXIT OF THE YEAR

(awarded by Ivana Gazic, President of the Management Board at Zagreb Stock Exchange and Morana Plejic, Head of Progress Market, Zagreb Stock Exchange (ZSE))

### 6. FUNDRAISING OF THE YEAR

(awarded by Hrvoje Serdariusic, Financial Analyst, serdariusic.com)

## 10:30 – 10:50 COFFEE BREAK

Take advantage of networking with the leading private equity and venture capital investors, as well as the founders of successful startups and scaleups.

# CONFERENCE AGENDA

## 10:50 – 11:50 PANEL DISCUSSION - INVESTORS

Despite the pandemic, private equity and venture capital financing opportunities in Croatia have flourished. In the last two years, six new private equity and venture capital funds started their operations with capital under management and dry powder exceeding EUR 300 million. In addition to the new Croatian funds, there are foreign and existing funds. CVCA members manage capital above EUR 3 billion. Learn all about the possibilities of private equity and venture capital financing from leading representatives of the funds investing in Croatia. Find out where they invest and what their strategies are.

Panellists:

- Michal Kedzia, Partner, Enterprise Investors
- Igor Hrzic, Regional Investment Manager, CEE Equity Partners
- Ivan Zec, Partner, Blue Sea Capital, TBC
- Luka Oreskovic, Managing Partner, Prosperus Invest
- Igor Cacak, Managing Partner Provectus Capital
- Slaven Kordic, Managing Partner, Invera Equity Partners
- Vedran Blagus, Investment Manager, South Central Ventures
- Renata Brkic, Managing Partner, Feelsgood Capital
- Julien Coustaury, Managing Partner, Fil Rouge Capital

Moderator: Mirna Marovic, President, CVCA

## 11:50 – 12:50 PANEL DISCUSSION - FOUNDERS

Startups and scaleups have become a new paradigm of the Croatian economy, mostly the latest generation industries with a global approach to the market and with great growth potential. Find out more about the great successes of the new Croatian heroes - the founders - who managed to successfully launch new propulsive entrepreneurial projects.

Panellists:

- Damir Sabol, CEO & Founder, Photomath and Microblink
- Tana Zimmermann, CEO & Co-Founder, Bazaar.hr
- Stjepan Buljat, CTO & Co-Founder, Cognism
- Antonio Separovic, CEO & Co-Founder, Oradian
- Marijan Mumdziev, CEO & Founder, Amodo
- Jan de Jong, CEO & Founder, Webpower Adria, Crop
- Mate Knezovic, COO, Agrivi
- Josip Cestic, Co-founder & CTO, Gideon Brothers

Moderator: Mirna Marovic, President, CVCA

## 12:50 – 13:00 CLOSING REMARKS

Mirna Marovic, President, Croatian Private Equity and Venture Capital Association (CVCA)

## 13:00 – 14:00 LUNCH

Take advantage of networking with the leading private equity and venture capital investors, as well as the founders of successful startups and scaleups.

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# SPEAKERS

## CONFERENCE OPENING



**Mirna Marovic**

*President, CVCA / Managing Director, VentureXchange Ltd.*

## CEREMONIAL CONFERENCE OPENING



**Tomislav Coric**

*Minister, Ministry of the Economy and Sustainable Development*



**Tamara Perko**

*President of the Management Board, Croatian Bank for Reconstruction and Development (HBOR)*



**Victoria Zinchuk**

*Director, Head of Croatia, European Bank for Reconstruction and Development (EBRD)*

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# SPEAKERS

## PANEL DISCUSSION - INVESTORS



**Michal Kedzia**

*Partner,  
Enterprise Investors*



**Igor Hrzic**

*Regional Investment Manager,  
CEE Equity Partners*



**Ivan Zec**

*Partner,  
Blue Sea Capital*



**Luka Oreskovic**

*Managing Partner,  
Prosperus Invest*



**Igor Cicak**

*Managing Partner,  
Provectus Capital*



**Slaven Kordic**

*Managing Partner,  
Invera Equity Partners*



**Vedran Blagus**

*Investment Manager,  
South Central Ventures*



**Renata Brkic**

*Managing Partner,  
Feels Good Capital*



**Julien Coustaury**

*Managing Partner,  
Fil Rouge Capital*

# SPEAKERS

## PANEL DISCUSSION - FOUNDERS



**Damir Sabol**

*Founder & CEO,  
Photomath / Microblink*



**Tana Zimmermann**

*CEO & Co-Founder,  
Bazzar.hr*



**Stjepan Buljat**

*CTO & Co-Founder, Cognism*



**Antonio Separovic**

*CEO & Co-Founder, Oradian*



**Josip Cestic**

*Co-founder & CTO, Gideon Brothers*



**Marijan Mumdziev**

*CEO, Amodo*



**Jan de Jong**

*Co-founder, Webpower Adria / CROP  
/ Digital Nomad Associaton*



**Mate Knezovic**

*COO, Agrivi*

# AWARDS BY CATEGORY



## PRIVATE EQUITY INVESTMENT OF THE YEAR (2019 & 2020)



In January 2020, private equity fund CVC Capital Partners fully acquired all three Croatian marinas from D-Marin, following acquisition of the Greek, Croatian & United Arab Emirates businesses of premium marinas Turkish operator D-Marin (Dogus Group).

**MARINES - TOURISM**



In June 2019, Studenac acquired the 100% stake in Istarski supermarket, consolidating Enterprise Investors position in the sector.

**RETAIL**



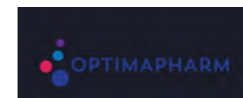
Mid Europa Partners acquired a 75% stake in Mlinar for EUR 75 million in April 2019.

**RETAIL FOOD - BAKERIES**



Mid Europa acquired a minority stake in M+Grupa in a combined merger and sale of its Turkey-based BPO company CMC in January 2020.

**BUSINESS PROCESS OUTSOURCING (BPO) COMPANY**



In May 2020, private equity fund operating under the US-based Rohatyn Group invested in Optimapharm, acquiring the stake from Mezzanine Management (now Accession Capital Partners (ACP)).

**BIOTECH, CLINICAL RESEARCH TRIALS**



In October 2020, private equity investor in CEE region. Enterprise Investors acquired a 35% stake in Pan-Pek, increasing ownership to 100%, following initial investment in 2018.

**RETAIL FOOD - BAKERIES**



In January 2020, United Group owned by BC Partners acquired the 100% stake in Tele2 for EUR 220 million, after obtaining regulatory approval. Transaction was announced in 2019.

**TELECOMMUNICATIONS**

## VENTURE CAPITAL INVESTMENT OF THE YEAR (2019&2020)



In April 2019, AdScanner secured EUR 1.7 million from South Central Ventures.

ADVERTISING



In November 2020, Agrivi raised EUR 3.9 million in Series A Round from South Central Ventures (leading investor), Fil Rouge Capital, EIF and AgriTech Hub.

FARM MANAGEMENT SOFTWARE



In May 2020, Amodo secured EUR 3 million from Lead Ventures.

INSURTECH



In July 2020, Ascalia secured EUR 0.5 million from Fil Rouge Capital.

IOT PLATFORM



In July 2019, Cognism raised USD 10 million from PeakSpan Capital.

B2B DATA SPECIJALIST



In October 2019, Gideon Brothers raised EUR 2.7 million in seed round from Pentland Ventures.

ROBOTICS & AI



In July 2020, Infobip raised USD 200 million in funding from One Equity Partners in Series A round at USD 1 billion valuation.

CLOUD COMMUNICATIONS



In October 2020, Lebesgue secured EUR 0.5 million from Fil Rouge Capital.

AI ADVERTISING



In December 2020, Microblink secured EUR 49 million from Silversmith Capital Partners. The investment marks the first time Microblink has raised outside capital since its founding 7 years ago.

AI-POWERED COMPUTER VISION SOFTWARE



In February 2020, OptimoRoute raised USD 6.5 million from Prelude Ventures.

ONLINE ROUTE PLANNER



In September 2019, Fil Rouge Capital invested EUR 1.5 million in Oradian.

FINTECH



In September 2019, Rimac Automobili secured funding from Porsche Ventures, which lead to Porsche increasing its stake in Rimac to 15.5 percent.

AUTOMOTIVE

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## FOUNDER OF THE YEAR (2019&2020)



Josip Begic  
Lebesgue

AI



Stjepan Buljat  
Cognism

B2B DATA SPECIJALIST



Marin Curkovic  
AdScanner

ADTECH



Izabel Jelenic, Silvio Kusic, Roberto Kusic  
Infobip

CLOUD COMMUNICATION



Matija Kopic  
Gideon Brothers

ROBOTICS & AI



Marijan Mumdziev  
Amodo

INSURTECH



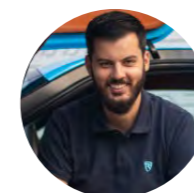
Pamela Osman  
E-Poets

E-BOOKS



Katarina Pavlovic  
DGRoops

SAAS FOR TOURISM



Mate Rimac  
Rimac Automobili

AUTOMOTIVE & ELECTRIC VEHICLE



Damir Sabol  
Microblink

AI



Matija Zulj  
Agrivi

AGRITECH

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## INVESTOR OF THE YEAR (2019&2020)



Enterprise  
Investors

Enterprise Investors is the oldest and one of the largest private equity funds in CEE, active since 1990 and raising nine funds with total fundraised capital exceeding EUR 2.5 billion. Enterprise Investors invested EUR 2 billion in 147 companies, exited 135 realizing the total gross proceeds of EUR 4.2 billion.

Enterprise Investors acquired 2 Croatian companies: retail chain Studenac and chain of bakeries Pan-Pek, as well as Intersport operating in Slovenia and Croatia.

FIL ROUGE CAPITAL

Fil Rouge Capital (FRC) is one of the most active investors investing in pre-seed, seed and early stage rounds.

Some of FRC's larger investments include Agrivi, Ascalia, Oradian, Include, Flexkeeping, Entrio, Hoss...

MID EUROPA  
PARTNERS

Mid Europa is a leading buyout investor focused on the growth markets of Central and Eastern Europe with over EUR 5.3 billion of funds raised and managed since inception.

Mid Europa Partners made 3 investments so far in Croatia: minority stake in M+Grupa and majority stake in chain of bakeries Mlinar, as well as Calucem in 2005.

One Equity  
Partners

One Equity Partners is a middle market private equity fund with over USD 6 billion in assets under management (AUM).

In July 2020, One Equity Partners invested USD 200 million in Croatian cloud communications firm Infobip valuing it at 1 billion USD.

SILVERSMITH  
CAPITAL PARTNERS

Silversmith Capital Partners was founded in 2015 and has USD 2 billion capital under management

In December 2020, Silversmith Capital Partners invested USD 60 million in Croatian AI-powered computer vision software company Microblink.



South Central  
Ventures

South Central Ventures (SCV) is focused on tech companies in the SEE region.

Some of SCV's investments in Croatia include AdScanner, Agrivi, Bulb, Sentinel Marine Solutions.

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## EXIT OF THE YEAR (2019&2020)



In November 2020, Prosperus Invest successfully realised the exit from its investment in Dalmacija hoteli, operating under the Aminess brand as the majority shareholder of Korčula hotels and Orebič hotels.

This exit strategy was realised through a trade sale to the strategic partner, Laguna Novigrad, under the ownership of Auctor Holding, a joint partnership of Oleg Uskokovic and J&T Private Equity Group Croatia Investmenst from Prague.

The realisation of this exit strategy is part of the fund investment cycle since Prosperus FGS is nearing the end of its term and has a mandate and a responsibility to exit all of its investments. Laguna Novigrad will continue developing Dalmacija hoteli to develop them in one of the leading Croatian hotel groups.



THE ROHATYN GROUP

Mezzanine Management operates for more than 20 years as the leading mezzanine investor in the CEE region and has recently rebranded Accession Capital Partners (ACP). During the 18-month investment period, Optimapharma significantly scaled up the operations by completing three strategic acquisitions in the Czech Republic, Switzerland, and Austria, and thereby becoming the leading European company for clinical research trials.

In May 2020, Mezzanine Management successfully exited its investment in Optimapharm, the leading European biotech company specialized in clinical research trials, through a sale to the US-based private equity fund operating under the Rohatyn Group. Mezzanine Management invested in Optimapharm through its fund AMC Capital IV, and EUR 10 million investment comprised of both mezzanine facility and minority ownership stake.

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## FUNDRAISING OF THE YEAR (2019&2020)



Fil Rouge Capital (FRC) completed the first closing in April 2019 under the the Croatian Venture Capital Initiative (CVCi). CVCi was launched by the Croatian Ministry of Regional Development and EU Funds and the EIF to accelerate the development of the Croatian venture capital market. FRC has been one of the most active VC investors in the region successfully deploying capital in over 50 Croatian companies and supporting the Croatian startup ecosystem.



Invera Equity Parters completed the first closing in July 2020 with cornerstone investors including both EIF and EBRD. Although Invera Equity Partners is the first time PE fund team, they are well known and established in the region coming IMAP SEE (ex Ascendant Capital)

Invera is looking to invest in small and medium-sized enterprises and small- and mid-caps while holding majority positions in prospective portfolio companies.



Provectus Capital has successfully completed the first closing for their first fund, Adriatic Structured Equity, in September 2020 supported by the CROGIP programme co-sponsored by the European Investment Fund (EIF) and the Croatian Bank for Reconstruction and Development (HBOR).

Target final closing for the fund is EUR 100 million. The fund has made first two investments in 2021 in Keindl Sport and Dental Polyclinic Arena.



Prosperus Invest has successfully completed the first closing for their third fund, Prosperus Growth, in December 2020, fundraising EUR 51 million for investment in the Croatian growth companies under the CROGIP programme co-sponsored by the European Investment Fund (EIF) and the Croatian Bank for Reconstruction and Development (HBOR).

This is Prosperus Invest's third fund, and their investors in the previous two funds continued to support them in their third fund.

## AWARD COMMITTEE MEMBERS



**Hajdi Cenani**

*Vice President, CroAI*



**Ivana Gazic**

*President of the Management Board, Zagreb Stock Exchange (ZSE)*



**Leo Mrsic, PhD**

*AlgebraLAB Director, Assistant Professor, Vice Dean for Science and Research, Algebra University*



**Morana Plejic**

*Head of Progress Market, Zagreb Stock Exchange (ZSE)*



**Hrvoje Serdariusic**

*Financial Analyst, Serdariusic.com*



**Velimir Srica, PhD**

*University Professor Emeritus, Faculty of Economics and Business, Management and IT Consultant*



**Iva Tomic, PhD**

*Chief Economist, Croatian Employers` Association (HUP)*

# CROATIAN PRIVATE EQUITY AND VENTURE CAPITAL INDUSTRY

Numerous Croatian companies have also attracted investments from private equity and venture capital funds. The fourth generation of these funds, which have been operating in Croatia since 1997, is currently starting in Croatia. All new funds have fresh capital to invest in Croatian companies with the potential of fast growth and scale, which can be crucial for economic development and recovery, especially if some other sources of financing, such as banking, are more difficult to access.

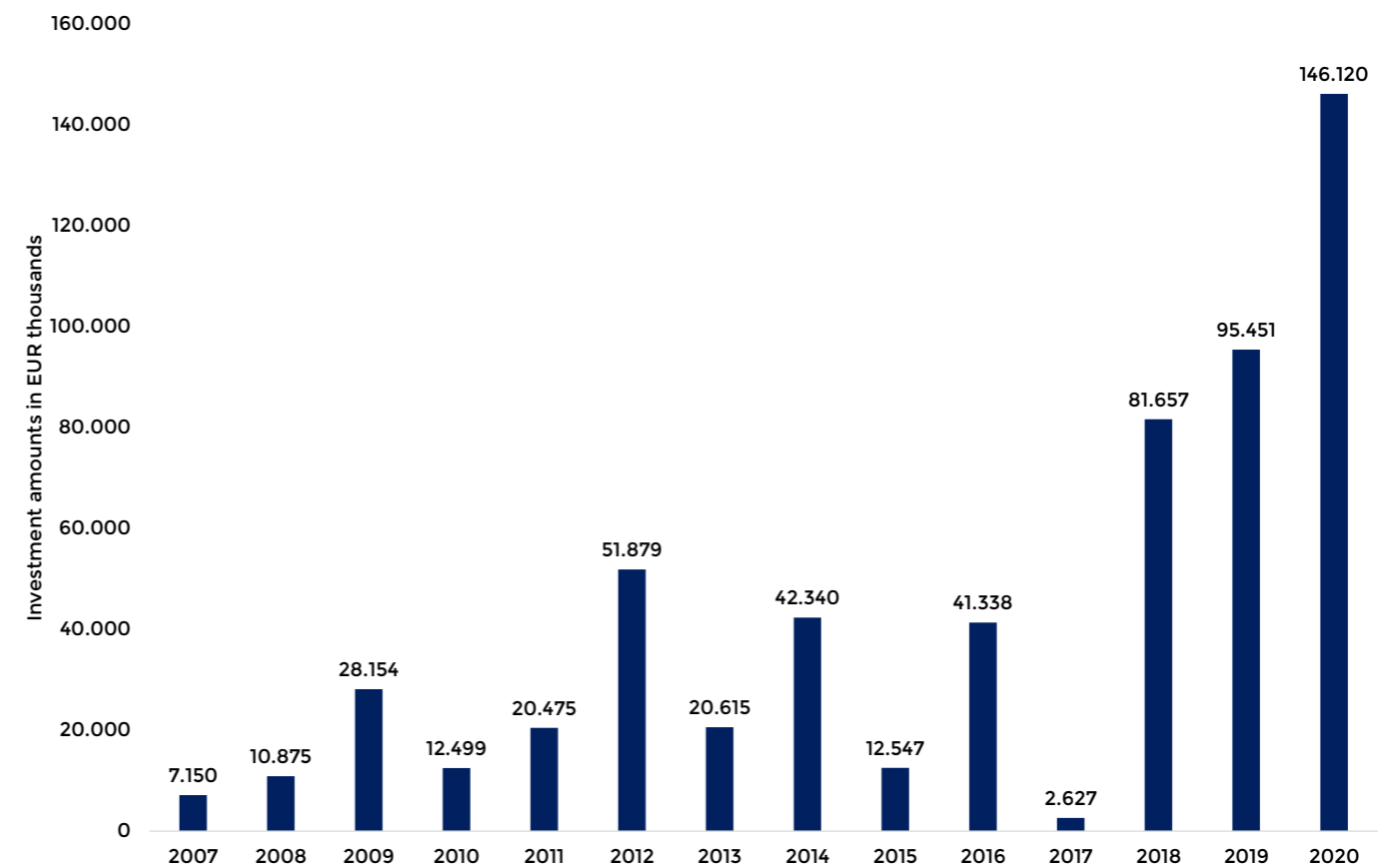
The new generation of Croatian funds includes the Croatian venture capital fund, Fil Rouge Capital, which began operations in 2019. In 2020, three new private equity funds began investing under the fund management companies Invera Equity Partners, Provectus Capital Partners and Prosperus Invest. In June 2021, Feelsgood Capital started venture capital investments with social impact. By the end of 2021, we expect the launch of two new Croatian funds under the management companies Mezzanine Partners (Croatia Mezzanine) and Maverick Wealth Management.

In addition to domestic funds, foreign funds have been operating in Croatia in the last few years, contributing significant amounts of capital. Some foreign private equity funds also have their representative offices in Croatia, including CEE Private Equity Partners and Enterprise Investors. Regional SEE funds also operate from Zagreb-based offices, including Blue Sea Capital and South Central Ventures, and both are currently fundraising their follow-on funds. Two Slovenian funds are also actively investing as part of their investment mandate in Croatia: Alfi Private Equity and Generali Growth Equity. Some other foreign funds that have made one or more investments in Croatia in the last few years include One Equity Partners, Mid Europa Partners, Silversmith Capital Partners, Menlo Ventures, Prelude Ventures, Pentland Ventures, Lead Ventures, Swisscom Ventures, Aol Ventures, Pearl Infrastructure Capital and many others. Most importantly, all these private equity and venture capital funds can already offer the Croatian economy significant amounts of 'dry powder' or available investment capital. This represents a unique opportunity for Croatian companies. Only Croatian private equity and venture capital funds have 'dry powder' or available investment capital in excess of EUR 300 million. However, if we add foreign funds, there has never been more private equity and venture capital available to Croatian companies - from startups and scaleups to mature businesses.

Private equity funds have been very active in Croatia in the last few years and have invested in many well-known Croatian companies. It is evident that domestic and foreign funds recognised the potential in Croatia, and chose Croatia to deploy their capital.

According to statistics collected by Invest Europe, where CVCA participates as a partner in data gathering, private equity and venture capital funds invested EUR 547 million in Croatian companies in the period from 2007 to 2020. Of that amount, 40% was invested in the consumer goods and services sector and 29% in the ICT sector. However, the last three years were especially significant, since the private equity and venture capital investment amounted to EUR 323 million in 2018 – 2020. Furthermore, private equity and venture capital investment is growing from year to year: from EUR 82 million in 2018, over EUR 95 million in 2019, to a record EUR 146 million in 2020.

Private equity & venture capital investments in Croatia (2007 - 2020)

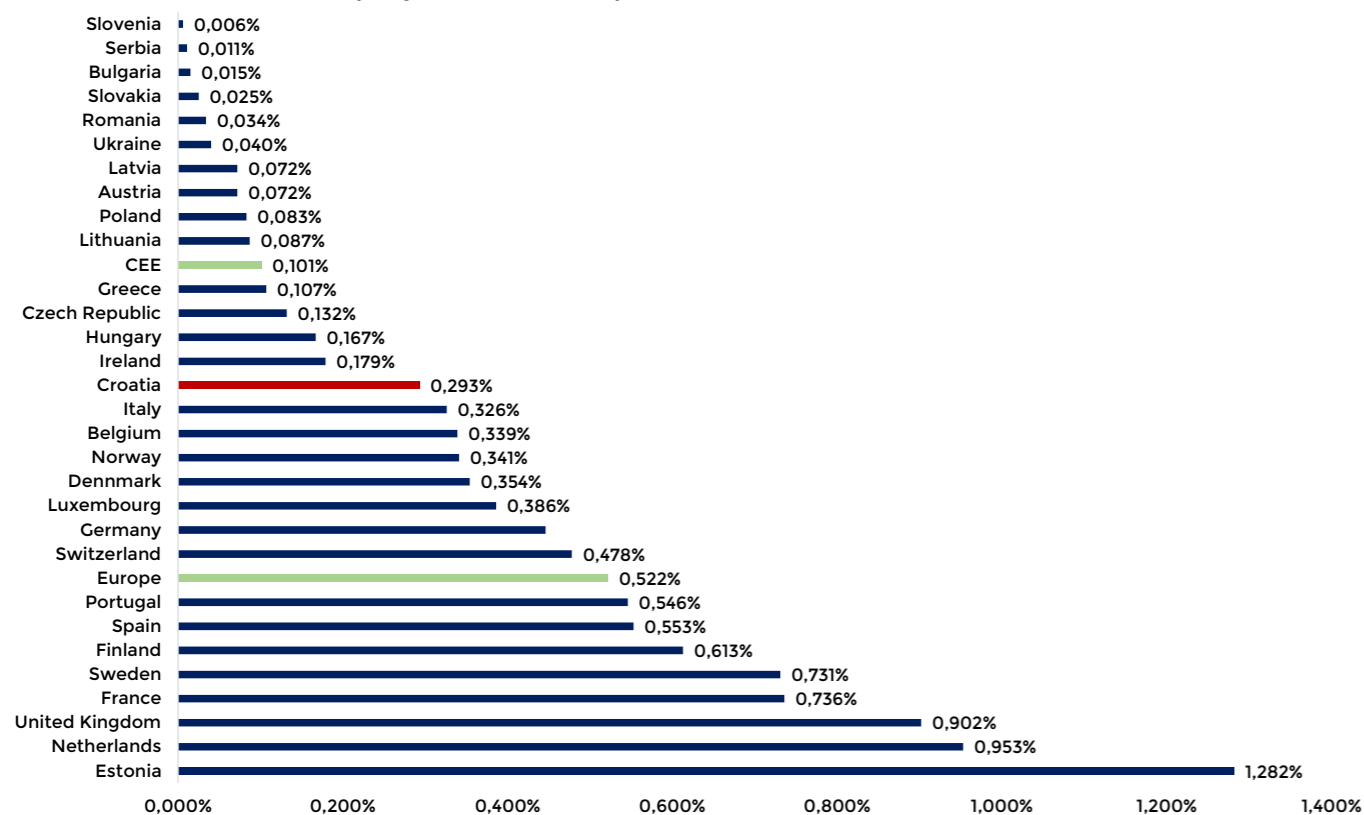


Source: Invest Europe, European Data Cooperative (EDC), data gathering platform in which CVCA participates

The last pandemic year was highly successful for Croatia in terms of attracting private equity and venture capital investments. In 2020, equity investment amounting to EUR 146 million was invested in Croatia, representing 0,3% of GDP. In the same year, the average CEE country realised only 0,1% of GDP in private equity and venture capital investments. Estonia is an outlier and absolute leader in attracting private equity and venture capital investment with 1,3% of GDP invested in 2020. This is well above the European average of 0.5% of GDP in annual private equity and venture capital investments.

However, it should be emphasised that these official statistics underestimate the private equity and venture capital amounts actually invested. For example, Mikroblink, Damir Sabol's company, is not included in this statistic because the company is headquartered in the United States. In December 2020, Microblink raised USD 60 million. In addition, these amounts include only private equity and venture capital investments by fund themselves. An average buyout or acquisition transaction has a much higher total transaction value, as statistics do not consider bank debt. Finally, the investment of portfolio of companies is frequently not visible in official statistics either. For example, BC Partners acquired Tele 2 (now Telemach Croatia) through its United Group for USD 245.7 million, and that transaction is not visible in the statistics. These are just a few examples of how the official statistics underestimate the actual value of private equity and venture capital transactions.

Private equity & venture capital investments as % of GDP in 2020



Source: Invest Europe, European Data Cooperative (EDC), data gathering platform in which CVCA participates

Private equity and venture capital funds have multiple investment strategies. All investment strategies are based on realising the potential for fast growth and scale.

The buy-and-build strategy refers to the potential for consolidation of a sector in which one company is identified to further expand in the same industry. For example, Enterprise Investors invested in Studenac in 2018 and then bought Istrian supermarkets and Sonik, and will continue to consolidate that sector. Growth capital is intended for already existing and developed companies that want to successfully expand their business. Investing in Keindl Sport is a good example. Turnaround / rescue capital is intended for companies in need of financial and/or operational restructuring, and examples of such investments are Dalekovod, Zagreb Montaža and Spačva, where private equity capital saved the financially troubled export-oriented businesses and preserved many existing jobs. Frequently, venture capital has the reputation for being the most attractive and venture capital investments support startups and scaleups ranging from the seed phase to pre-IPO financing. Regardless of the stage of investment, venture capital funds seek globally competitive businesses. Examples of venture capital investments in Croatia include Photomath, Microblink, ReversingLabs, Bellabeat, Agrivi, Amondo, Cognism, OptimoRoute, Gideon Brothers and numerous others. Pre-IPO financing is hard to put in the same venture capital group. Our most famous example is Infobip raising USD 200 million in the A-series from One Equity Partners at the valuation of USD 1 billion – and thus, Infobip became our first official unicorn. Further to the initial funding round, Infobip secured two further rounds on its acquisition spree and the path to IPO on the New York Stock Exchange (NYSE).

# CROATIAN PRIVATE EQUITY AND VENTURE CAPITAL ASSOCIATION (CVCA)

Croatian Private Equity and Venture Capital Association (CVCA) aims to facilitate the creation of a conducive environment for private equity and venture capital investments in Croatia and the region. In addition, CVCA seeks to encourage the development and promotion of investment culture in general. Besides being active in Croatia, CVCA promotes the development of the region's private equity and venture capital industry (SEE and CEE).

CVCA is the central meeting place for all private equity and venture capital industry members in Croatia. Through its activities, CVCA strives to bring together all private equity and venture capital funds with their headquarters or representative office in Croatia. Regular members of CVCA are Blue Sea Capital, CEE Equity Partners, Enterprise Investors, Feelsgood Capital, Fil Rouge Capital, Croatian Pension Investment Company (HMID), Inspire Investments, Invera Equity Partners, Maverick, Prosperus Invest, Provectus Capital, Quaestus Private Equity and South Central Ventures, and associate members are VentureXchange and law firm Bradavica Maric Wahl Cesarec (BMWV).

CVCA members manage capital above EUR 3.2 billion. Private equity and venture capital investments are significant for the Croatian economy, as they invest in propulsive Croatian companies with the potential for rapid growth and job creation.

The Croatian private equity and venture capital market flourished despite the COVID-19 crisis. In 2020, private equity and venture capital funds invested record amounts in Croatian companies. Two hundred million dollars have been invested in Infobip alone (total transaction size), the first official Croatian unicorn with an estimated market value exceeding one billion dollars. The same company has since completed two follow-on funding rounds on its acquisition spree and path to NYSE IPO.

Besides investment activities, private equity and venture capital funds were very successful in fundraising and exit activities. In 2020, three new funds had completed the first closing of their fundraising activities and started investing under the management companies Invera Equity Partners, Provectus Capital Partners and Prosperus Invest. In June 2021, Feelsgood Capital finally completed the first closing and started its venture capital investment operations with social impact objective. And by the end of 2021, we expect the launch of the first Croatian mezzanine fund, Croatia Mezzanine (managed by Mezzanine Partners) and another Croatian private equity fund managed by Maverick. Besides, Fil Rouge Capital has been one of the most active investors since 2019, when they started actively investing. We also expect two other SEE regional funds in Croatia to raise follow-on funds (Blue Sea Capital and South Central Ventures).

All new funds have 'dry powder' or available capital to invest in propulsive Croatian companies, which can be crucial for economic development and recovery. In addition to domestic funds, foreign funds have been operating in Croatia in the last few years, contributing significant amounts of invested private equity and venture capital. CEE Private Equity Partners and Enterprise Investors have a dedicated Zagreb-based office in Croatia.

With the emergence of new private equity and venture capital funds in Croatia, there will undoubtedly be the development of new, solid and innovative companies that will successfully scale up to the regional and global markets. Private equity and venture capital funds bring to entrepreneurs and companies they invest into much more than just capital. In addition to capital, private equity and venture capital funds contribute with the know-how to scale up successfully with their expertise, knowledge, support and industry expertise.

Looking ahead, the private equity and venture capital industry in Croatia will continue to grow and support the most propulsive part of the Croatian economy. At CVCA, we have actively supported the private equity and venture capital market since 2004. We are thrilled to finally witness how the market has flourished and will continue to develop in the future. It has never been a more exciting time to be a part of the private equity and venture capital community.

Are you interested in joining? Please contact us, or fill in the membership application form at our website. CVCA membership is open to all members of the private equity and venture capital community. In addition to private equity and venture capital funds, membership is open to investment and pension funds, banks, law firms, accounting and other advisory firms, and individual members interested in the industry.

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AND VENTURE CAPITAL  
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