CEE Legal Matters

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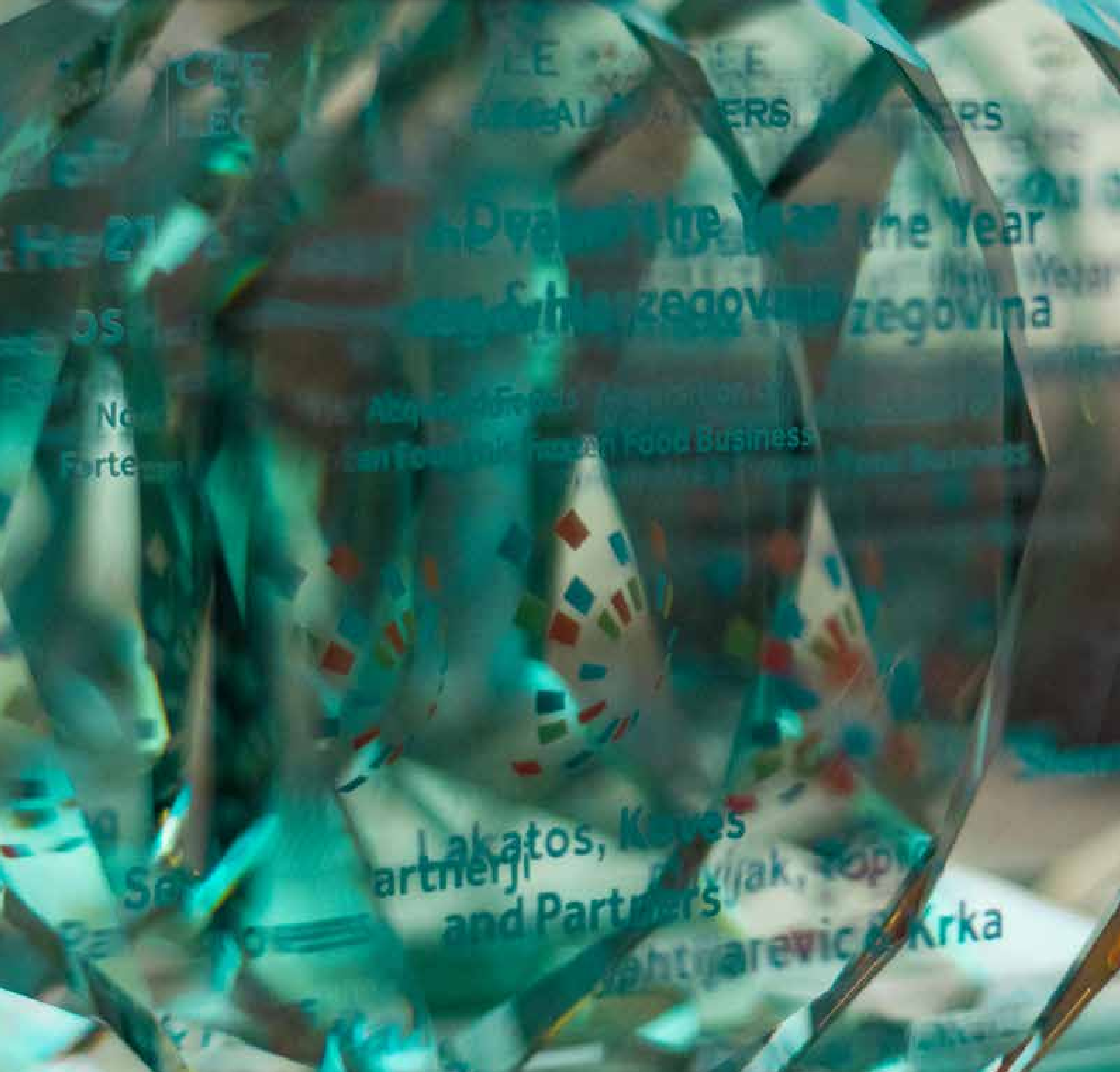
In-Depth Analysis of the News and Newsmakers That Shape Europe's Emerging Legal Markets



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If you like what you read in these pages (or even if you don't) we really do want to hear from you. Please send any comments, criticisms, questions, or ideas to us at: press@ceelm.com

ACROSS THE WIRE: DEALS AND CASES

Date Covered	Firms Involved	Deal/Litigation	Value	Country
21-Apr	Brandl Talos	Brandl Talos advised Austrian fintech start-up Coinpanion on a EUR 3.7 million expansion of its 2021 seed round.	EUR 3.7 million	Austria
25-Apr	Schoenherr	Schoenherr advised the Vermehrt Group on its sale of the former Tlapa department store to LLB Semper Real Estate.	N/A	Austria
27-Apr	Baker Mckenzie; Kirkland & Ellis	Baker McKenzie advised Datwyler on its acquisition of the QSR Group from Q Holding and 3i. Kirkland & Ellis reportedly advised the sellers.	N/A	Austria
28-Apr	EY Law; Hogan Lovells; Schoenherr	Schoenherr, working with Hogan Lovells in Germany, advised S&T on a voluntary partial public takeover offer by Grosso Tec. EY Law advised Grosso Tec.	N/A	Austria
4-May	Dorda; PHH Rechtsanwalte	PHH Rechtsanwalte advised Banijay Germany on its acquisition of a stake in Influence.Vision. Dorda advised the sellers.	N/A	Austria
5-May	Schoenherr	Schoenherr advised the HS Timber Group and Blue Minds on their sale of the Interfloat Corporation and Glasmanufaktur Brandenburg to Borosil Renewables.	N/A	Austria
9-May	Cerha Hempel; Clifford Chance; Oppenhoff	Cerha Hempel, working with Clifford Chance Germany, advised RHI Magnesita on its recycling and disposal joint venture with the Horn & Co Group. Oppenhoff reportedly advised Horn & Co.	N/A	Austria
10-May	Brandl Talos	Brandl Talos advised Austrian start-up Fretello on its EUR 3 million seed financing round.	EUR 3 million	Austria
11-May	Castren & Snellman; Hannes Snellman; Schoenherr	Schoenherr, working with Hannes Snellmann, advised the HS Timber Group on the acquisition of Luvian Saha. Castren & Snellman reportedly advised the seller.	N/A	Austria
11-May	Binder Groesswang; SCWP Schindhelm	Binder Groesswang advised Cryoshelter on the entry of Hexagon Composites into its liquid natural gas business segment and the entry of Hexagon Purus into its liquid hydrogen business segment via a minority shareholding with an option for acquiring all shares. SCWP Schindhelm advised Hexagon on the deal.	N/A	Austria
12-May	Noerr; PHH Rechtsanwalte	PHH advised the MM Group on a EUR 65 million syndicated loan for the reconstruction of the cardboard machine at its Neuss site. Noerr's Frankfurt office reportedly advised IKB Deutsche Industriebank on the deal.	EUR 65 million	Austria
12-May	Herbst Kinsky	Herbst Kinsky advised Rendity and United Benefits Holding on an up to EUR 10 million bond issuance.	EUR 10 million	Austria
12-May	Allen & Overy; E+H; GDP Rechtsanwalte; V. Keussler Rechtsanwalte	E+H, working with Allen & Overy Germany, advised the Riverside Company on the acquisition of GFP Handels by its portfolio company Toolport. GDB Rechtsanwalte and, reportedly, V. Keussler Rechtsanwalte advised the seller.	N/A	Austria
13-May	Herbst Kinsky; Orrick Herrington & Sutcliffe; Skye Partners	Herbst Kinsky, working with Frankfurt-based Skye Partners, advised Invision AG on the acquisition of the Austrian EduPro Group from Luxempart German Investments. Orrick's Duesseldorf office reportedly advised EduPro.	N/A	Austria

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6-May	BDK Advokati; Divjak Topic Bahtijarevic & Krka; Selih & Partners	BDK Advokati advised the sellers on the sale of Termoplast Grupa to Greiner Packaging. Divjak Topic Bahtijarevic & Krka and Selih & Partnerji reportedly advised the sellers as well.	N/A	Austria; Croatia; Serbia; Slovenia
22-Apr	Cerha Hempel; DWF; Renzenbrink & Partner; Wolf Theiss	Cerha Hempel and DWF advised Teufelberger on its joint acquisition with the Sigma Plastics Group of Maillis Plastics Solutions from Maillis Holdings. Reportedly, Wolf Theiss advised Sigma and Germany-based Renzenbrink & Partner advised the sellers.	N/A	Austria; Poland
5-May	Baros Bicakcic & Partners; Bojovic Draskovic Popovic & Partners	Baros Bicakcic & Partners and Bojovic Draskovic Popovic & Partners successfully represented Viaduct doo in an ICSID claim against Bosnia and Herzegovina.	EUR 40 million	Bosnia and Herzegovina
21-Apr	Logofetova and Associates; Tsvetkova Bebov & Partners	Tsvetkova Bebov & Partners advised James Bergman and other sellers on the sale of the Transact Europe Group to GreenBox POS. Logofetova and Associates advised GreenBox on the deal.	N/A	Bulgaria
28-Apr	Schoenherr	Schoenherr advised the Bulstrad Life Vienna Insurance Group on its brokerage and outsourcing agreements with the Global Benefits Group and the related reinsurance agreement with AXA France Vie.	N/A	Bulgaria
29-Apr	Oppenlaender Rechtsanwalte; Schoenherr; Tzvetkova and Partners	Schoenherr and Stuttgart-based Oppenlaender Rechtsanwalte advised NTT Data Business Solutions on its acquisition of Business Services and Technologies. Tzvetkova & Partners advised the target's shareholders.	N/A	Bulgaria
26-Apr	Divjak Topic Bahtijarevic & Krka	Divjak Topic Bahtijarevic & Krka provided legal support to the organizing committee of the WRC Croatia Rally 2022, including regarding the necessary agreements, permits, and the implementation of international sporting regulations.	N/A	Croatia
28-Apr	Porobija & Spoljaric	Porobija & Spoljaric advised Croatian tourism company Mon Perin on listing its shares on the Zagreb Stock Exchange.	HRK 106.7 million	Croatia
19-Apr	Dentons; Kinstellar; Linklaters	Dentons advised a syndicate of banks including joint bookrunners Citi, Deutsche Bank, Erste Group, and SMBC Nikko and co-lead manager Raiffeisen Bank International on the EUR 600 million debut sustainability-linked bond issuance by CEZ. Kinstellar and, reportedly, Linklaters advised CEZ on the issuance.	EUR 600 million	Czech Republic
21-Apr	Allen & Overy	Allen & Overy advised the Intermediate Capital Group and Konecta on their partnership agreement with Comdata.	N/A	Czech Republic
21-Apr	GT Legal; JSK	JSK advised Genesis Capital and Conectart on the acquisition of South-Bohemian call center operator Atoda. GT Legal advised the sellers on the deal.	N/A	Czech Republic
25-Apr	JSK	JSK provided pro bono advice to the Czech Technical University on securing a patent from the Industrial Property Office of the Czech Republic on its pulmonary ventilator CoroVent.	N/A	Czech Republic
27-Apr	Allen & Overy	Allen & Overy advised Jan Drahota, Lubomir Kovarik, and Ceska Zbrojovka Partners on the sale of part of their shares in CZG through an accelerated book-building process.	CZK 1.13 billion	Czech Republic
28-Apr	Kocian Solc Balastik	Kocian Solc Balastik advised Alkohol.cz on receiving an investment from the Rockaway Capital group.	N/A	Czech Republic
3-May	DLA Piper; Kocian Solc Balastik	DLA Piper advised the Karlin Group on a joint residential investment in Prague with PPF Real Estate. Kocian Solc Balastik advised PPF.	N/A	Czech Republic
11-May	Cytowski & Partners; Havel & Partners	Havel & Partners, working with Cytowski & Partners, advised Credo Ventures on its investment in the EquiLibre Technologies start-up.	N/A	Czech Republic

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29-Apr	DLA Piper	DLA Piper advised the Aareal Bank on providing a EUR 360 million senior facility for Pradera European Retail Parks' international retail property portfolio financing.	EUR 360 million	Czech Republic; Poland
2-May	Dentons	Dentons advised the CPI Property Group on the EUR 1.25 billion bridge loan facility to help finance its takeover offer for all outstanding shares for S IMMO.	EUR 1.25 billion	Czech Republic; Poland
21-Apr	Baker Mckenzie; DLA Piper	DLA Piper advised PPF Real Estate on its acquisition of an 8,000-square-meter construction site plot in the Orhideea area of Bucharest from RC Europe. Baker McKenzie reportedly advised RC Europe.	N/A	Czech Republic; Romania
19-Apr	PwC Legal	PwC Legal advised Pohjanmaan Osuuspankki on the sale of majority holdings in White Beach Development AS and WBG Klubihoone OU, which make up the White Beach Golf course, to Rae Golf OU.	N/A	Estonia
19-Apr	Walless	Walless advised Turnit on its agreement with Samtrafiken to transfer a part of Sweden's bus, train, and urban multi-modal transport ticketing to the Turnit Ride platform.	SEK 2 billion	Estonia
29-Apr	TGS Baltic	TGS Baltic successfully represented Marcel Vichmann's Best Idea OU in filing a bankruptcy petition against Oliver Kruuda.	N/A	Estonia
29-Apr	TGS Baltic	TGS Baltic successfully represented Tartu Agro before the Supreme Court of Estonia.	N/A	Estonia
4-May	Sorainen	Sorainen advised Punktid Technologies on its IPO and admission to trading on Nasdaq First North.	EUR 794,000	Estonia
9-May	Lextal	Lextal advised Tuul Mobility on its EUR 3.1 million bond issuance and application for trading on the Nasdaq Baltic alternative market First North.	EUR 3.1 million	Estonia
13-May	Cobalt; Sorainen	Sorainen advised Reiterate on raising EUR 1.25 million in a pre-seed round led by Hummingbird Ventures. Cobalt advised Hummingbird on the deal.	EUR 1.25 million	Estonia
13-May	Gowling WLG; Sorainen	Sorainen advised HydrogenOne Capital Growth on its EUR 24 million investment in Elcogen. Gowling WLG reportedly also advised HydrogenOne.	EUR 24 million	Estonia
13-May	Pohla & Hallmagi	Pohla & Hallmagi successfully represented UK's Steamship Mutual Underwriting Association in Marshall Island-registered oil tanker Advantage Pride arrest proceedings.	N/A	Estonia
27-Apr	Cobalt; Walless	Cobalt advised Avena Nordic Grain on the sale of its Estonian and Lithuanian grain trade businesses to the Scandagra Group. Walless advised Scandagra on the deal.	N/A	Estonia; Lithuania
11-May	Cobalt; Mintz; Orrick Herrington & Sutcliffe; Stratulat Albulescu	Stratulat Albulescu advised AI start-up Druid on its USD 15 million series A financing round led by Karma Ventures and Hoxton Ventures. Cobalt advised Karma Ventures. Orrick Herrington & Sutcliffe reportedly advised Druid as well. Hoxton was reportedly advised by Mintz, Levin, Cohn, Ferris, Glovsky and Popeo.	USD 15 million	Estonia; Romania
19-Apr	Kyriakides Georgopoulos	Kyriakides Georgopoulos advised the Artemis Strategic Investment Corporation on its USD 1 billion merger with Novibet.	N/A	Greece
28-Apr	Kyriakides Georgopoulos	Kyriakides Georgopoulos advised Siemens Energy and Siemens Gas and Power Holding on the corporate restructuring of Siemens' Greek energy business.	N/A	Greece
13-May	Watson Farley & Williams; White & Case	White & Case advised Energean Oil & Gas on a loan from the Black Sea Trade Development Bank, supported by a guarantee and subordinated loan from the Greek State. Watson Farley Williams reportedly advised the BSTDB.	N/A	Greece
20-Apr	Bird & Bird; CMS	Bird & Bird advised the Hungarian subsidiary of electronics manufacturer Flex on its HUF 100 billion primary offering of bonds. CMS advised lead arranger Raiffeisen.	HUF 100 billion	Hungary
22-Apr	Kapolyi; Oppenheim	The Kapolyi Law Firm advised ReMat on its sale to the Mol Group. Oppenheim reportedly advised the buyer.	N/A	Hungary

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25-Apr	Erdos | Katona; Taylor Wessing	Taylor Wessing advised Berenberg on commencing its cooperation with Greencells for the development of the Szugy solar park in Hungary. Erdos Katona reportedly advised Greencells on the deal.	N/A	Hungary
28-Apr	Taylor Wessing; Wilson Sonsini Goodrich & Rosati	Taylor Wessing advised Seon on its recent USD 94 million series B funding round led by Silicon Valley-based IVP and including existing investors Creandum and PortfoLion. Reportedly, Wilson Sonsini Goodrich & Rosati advised Seon as well.	USD 94 million	Hungary
6-May	Clifford Chance; Lakatos, Koves & Partners; Penteris	Clifford Chance advised Norsk Hydro on its tender offer for the purchase of Alumetal. Penteris advised Alumetal on the transaction. Lakatos Koves and Partners reportedly advised Norsk Hydro on Hungarian law-related matters.	N/A	Hungary; Poland
19-Apr	Dentons; Reed Smith	Dentons advised Minit and its shareholders on its sale to Microsoft. Reed Smith advised the buyer.	N/A	Hungary; Slovakia
22-Apr	Cobalt; Sorainen	Cobalt advised Hili Properties on its EUR 20 million acquisition of the holding company of the Riga shopping center from the Lords LB Baltic Fund III. Sorainen advised the seller.	EUR 20 million	Latvia
4-May	Walless	Walless advised Lumi Capital on its acquisition of the Indi Business Center in Riga.	N/A	Latvia
5-May	Ellex	Ellex advised the coordinating committee of ED&F Man Group's senior creditors in refinancing and extending the group's financial debt, with the transaction taking place simultaneously in over 30 jurisdictions.	N/A	Latvia
18-Apr	Motieka & Audzevicius; Sorainen; Walless	Sorainen advised the Titanium Baltic Real Estate fund on acquiring Kesko Senukai's stores in Vilnius, Lithuania, and Daugavpils, Latvia. Motieka & Audzevicius and Walless advised the sellers on the deal.	EUR 20 million	Latvia; Lithuania
18-Apr	TGS Baltic	TGS Baltic provided pro bono assistance to the Vilnius Jesuit High School in establishing a school-based untouchable capital sponsorship fund.	N/A	Lithuania
25-Apr	TGS Baltic	TGS Baltic successfully represented Klaipedos Nafta before the Siauliai Regional Court in a dispute regarding the award of company shares to its employees.	N/A	Lithuania
26-Apr	Walless	Walless advised the Taupa credit union on its seven-year subordinated bond issuance.	N/A	Lithuania
27-Apr	Motieka & Audzevicius; TGS Baltic	Motieka & Audzevicius assisted AAA Capital with obtaining merger clearance from the Lithuanian Competition Council for its acquisition of Medicinos Bankas. TGS Baltic advised Medicinos Bankas and sellers Konstantinas Karosas and Western Petroleum Limited on the merger clearance process.	N/A	Lithuania
28-Apr	TGS Baltic	TGS Baltic advised I Asset Management on obtaining an alternative investment fund manager license under the Alternative Investment Funds Managers Directive, to operate throughout the EU.	N/A	Lithuania
2-May	Sorainen; TGS Baltic	Sorainen advised Siauliu Bankas on establishing the SB Modernisation Fund for renovating apartment buildings and signing loan agreements worth EUR 275 million with investors. TGS Baltic advised the European Investment Bank on granting a EUR 90 million loan to Siauliu Bankas for the new fund.	EUR 275 million	Lithuania
5-May	Cobalt; Sorainen	Sorainen advised the Lords LB Baltic Fund III on the share-deal sale of a shopping center in Klaipeda to the Union RE Core Fund I. Cobalt advised the buyer.	N/A	Lithuania
9-May	Triniti	Triniti advised logistics technology startup GoRamp on receiving a EUR 1.5 million investment.	EUR 1.5 million	Lithuania
10-May	Sorainen	Sorainen Helps Raydiant Establish Office in Lithuania.	N/A	Lithuania
10-May	Motieka & Audzevicius	Motieka & Audzevicius successfully represented Natura Furniture in a dispute against GE Power in ICC construction arbitration and Swedish arbitral award annulment proceedings.	EUR 4 million	Lithuania
12-May	Cobalt; Sorainen	Cobalt advised Lithuanian financial technology start-up Kevin on raising USD 65 million in a Series A funding round. Sorainen advised investor Global PayTech Ventures.	USD 65 million	Lithuania

Date Covered	Firms Involved	Deal/Litigation	Value	Country
19-Apr	Deloitte Legal; TGS Baltic	TGS Baltic advised the Auga Group and its main shareholder on delisting the company's shares from the regulated market of the Warsaw Stock Exchange and the related mandatory tender offer. Reportedly, Deloitte Legal advised the Auga Group as well.	N/A	Lithuania; Poland
2-May	Ellex (Valiunas); Gessel; Motieka & Audzevicius	Motieka & Audzevicius advised the sellers on the EUR 84 million sale of Lithuanian startup MailerLite to Polish technology company Vercom. Gessel and Ellex advised the buyer.	EUR 84 million	Lithuania; Poland
9-May	Clifford Chance; Filip & Company; Linklaters	Clifford Chance advised the Green Group on a EUR 127 million financing from a syndicate of banks. Filip & Company advised the lenders. Linklaters reportedly advised the lenders as well.	EUR 127 million	Lithuania; Romania; Slovakia
10-May	ODI Law	ODI Law successfully represented Tirana-based A&A Group in a EUR 1 million claim based on unpaid loans against marijuana producer F&M 2017 doo.	EUR 1 million	North Macedonia
11-May	ODI Law	ODI Law successfully represented the LSG Building Solutions construction company in a EUR 215,000 claim against the City of Skopje arising out of a public procurement contract for performing construction works for the reconstruction of the Pelagonija building on the Skopje central square.	EUR 215,000	North Macedonia
18-Apr	Clifford Chance; Norton Rose Fulbright	Norton Rose Fulbright advised Benefit Systems on a PLN 205 million long-term financing granted by the EBRD and Santander Bank Polska for debt refinancing and investment purposes. Clifford Chance advised the banks on the deal.	PLN 205 million	Poland
21-Apr	Norton Rose Fulbright; Soltysinski Kawecki & Szlezak	Norton Rose Fulbright advised Panattoni Europe on a long-term lease agreement for a built-to-suit facility that is being constructed in Bydgoszcz for Zalando. Soltysinski Kawecki & Szlezak reportedly advised Zalando on the deal.	N/A	Poland
22-Apr	Wierzbowski & Partners	Wierzbowski & Partners advised Skotan on its public offering and listing on the Warsaw Stock Exchange of Series D shares.	N/A	Poland
22-Apr	Wierzbowski & Partners	Wierzbowski & Partners advised the owner of Nasz Lekarz Przychodnie Medyczne on the sale of its shares to Medicover.	N/A	Poland
25-Apr	Greenberg Traurig	Greenberg Traurig advised Israeli payroll and human resources software company Papaya Global on its acquisition of London-headquartered Azimo.	N/A	Poland
26-Apr	Wierzbowski & Partners	Wierzbowski & Partners advised Polskie Gornictwo Naftowe i Gazownictwo on its sale of shares in Geovita to Polski Holding Hotelowy.	N/A	Poland
27-Apr	Mfw Fialek	MFW Fialek advised PZU Zdrowie company Bonus-Diagnosta on its acquisition of an unidentified healthcare company specializing in diagnostic imaging.	N/A	Poland
29-Apr	Dentons; Gras i Wspolnicy	Dentons advised Heimstaden Bostad on the acquisition of four blocks of flats in Warsaw from Dantex. Gras i Wspolnicy advised Dantex on the deal.	N/A	Poland
29-Apr	BCGL; Deloitte Legal; LC Legal	BCGL advised Rokoko Partners on its acquisition of Szklo Company and transaction financing, refinancing the existing debt, and providing working capital to the target from Bank Pekao. LC Legal advised the sellers. Deloitte Legal advised the financing bank.	N/A	Poland
29-Apr	B2RLaw	B2RLaw advised South Africa-based Fortress Reit Limited on a logistics and warehousing property acquisition in the Silesia region of Poland.	N/A	Poland
29-Apr	Norton Rose Fulbright	Norton Rose Fulbright advised DLE Poland on its purchase of a land plot in Warsaw.	N/A	Poland
29-Apr	Misiewicz, Mosek i Partnerzy; PwC Legal	PwC Legal advised Benefit Systems on its acquisition of 75% of the shares and agreement on the optional acquisition of 25% of shares in Lunching.pl. Misiewicz Mosek i Partnerzy reportedly advised the unidentified sellers on the deal.	N/A	Poland
2-May	Clifford Chance; Greenberg Traurig	Clifford Chance advised ING Bank Slaski and its subsidiaries on the negotiations of a new lease agreement for office space in the Plac Unii building, where the bank increased the space it had been leasing since 2013. Greenberg Traurig advised the lessor, Invesco.	N/A	Poland

Date Covered	Firms Involved	Deal/Litigation	Value	Country
3-May	De Brauw Blackstone Westbroek; Soltysinski Kawecki & Szlezak	Soltysinski Kawecki & Szlezak advised the NN Group on the acquisition of MetLife's businesses in Poland. De Brauw Blackstone Westbroek reportedly advised the NN Group as well.	N/A	Poland
4-May	Cliffe Dekker Hofmeyr; Dentons; Ensafrica	Dentons advised Redefine Properties and EPP on the establishment of two joint ventures to manage a portfolio of 22 retail and three office properties in Poland: Horse JV and Community Properties JV. South African law firms ENSAfrica and Cliffe Dekker Hofmeyr reportedly advised Redefine and EPP on the Community Properties deal as well.	N/A	Poland
6-May	Allen & Overy	Allen & Overy advised Garbe on the sale and leaseback transaction for a built-to-suit logistics facility in Wroclaw.	N/A	Poland
10-May	Clifford Chance	Polish Clifford Chance lawyers advised on antitrust filings for the restructuring of China XD Group Xidian and related subsidiaries of the State Grid Corporation.	N/A	Poland
11-May	Dentons; Greenberg Traurig	Greenberg Traurig advised Eastnine on its EUR 121 million acquisition of the Nowy Rynek D office property from Skanska. Dentons advised the seller.	EUR 121 million	Poland
12-May	Crido Legal; Kondracki Celej; KPM Legal; Think Legal	Crido advised PortfoLionon on its participation in a EUR 7 million seed round investment in Mindgram. Reportedly, Think Legal advised Mindgram's founders, Kondracki Celej advised lead investor Credo Ventures, and KPM Legal advised Market One Capital.	EUR 7 million	Poland
12-May	White & Case	White & Case advised PKN Orlen on establishing and launching the Orlen VC fund and on its first investment in Emerald Technology Ventures' Industrial Fund.	N/A	Poland
12-May	Rymarz Zdort	Rymarz Zdort advised global coordinator PKO Bank Polski Oddzial Biuro Maklerskie on the PLN 3.2 billion issuance of series E shares by PGE Polska Grupa Energetyczna.	PLN 3.2 billion	Poland
13-May	Greenberg Traurig; Noerr	Greenberg Traurig advised the IFA Group on its sale to Aequita. Noerr Germany advised Aequita on the deal.	N/A	Poland
13-May	Brzozowska & Barwinska; Linklaters	Linklaters advised BNP Paribas Bank Polska on granting a EUR 21.5 million sustainability-linked loan to Velvet Care. Brzozowska & Barwinska advised the borrower.	EUR 21.5 million	Poland
4-May	Rymarz Zdort	Rymarz Zdort provided pro bono legal advice to the Save the Children International Foundation on the establishment and registration of its Polish operations.	N/A	Poland; Ukraine
19-Apr	CEE Attorneys	CEE Attorneys/Boanta Gidei si Asociatii advised Holde Agri Invest on the acquisition of a 2,100-hectare farm in Dambovita county, Romania.	RON 10.25 million	Romania
19-Apr	Popovici Nitu Stoica & Asociatii; RTPR	Radu Taracila Padurari Retevoescu advised Arobs Transilvania Software on its EUR 17.9 million acquisition of Enea Services Romania from the Swedish Enea group. Popovici Nitu Stoica & Asociatii advised the seller.	EUR 17.9 million	Romania
21-Apr	Zamfirescu Racoti Vasile & Partners	Zamfirescu Racoti Vasile & Partners successfully represented video-chat company Pro Studio owner Markus Ardelean in a tax evasion case.	N/A	Romania
22-Apr	Tuca Zbarcea & Asociatii	Tuca Zbarcea & Asociatii successfully represented WTE Wassertechnik before Romania's National Council for Solving Complaints and a court of appeal in several disputes related to awarding the works contracts for the Cluj-Salaj water pipeline.	RON 300 million	Romania
22-Apr	Kinstellar; PeliPartners	Kinstellar advised S Immo AG on the acquisition of the EXPO Business Park from Portland Trust. Peli Partners reportedly advised Portland Trust on the deal.	N/A	Romania
25-Apr	Clifford Chance; KPMG Legal (Toncescu si Asociatii)	Clifford Chance advised Grupul Tei on the sale of a 30% stake in Farmacia Tei and Bebe Tei to Paval Holding. KPMG Legal Toncescu si Asociatii advised Paval Holding.	N/A	Romania
27-Apr	RTPR; Stratulat Albulescu	Stratulat Albulescu advised Resource Partners and World Class Romania's management on the sale of World Class to the African Industries Group. Radu Taracila Padurari Retevoescu advised AIG.	N/A	Romania

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29-Apr	BDO; Dentons	Dentons advised the Xella Group on the sale of its precast concrete division to CHR group company Romcim. BDO Romania reportedly advised the buyer.	N/A	Romania
4-May	Freshfields; Tuca Zbarcea & Asociatii	Tuca Zbarcea & Asociatii, working with Freshfields Bruckhaus Deringer, successfully represented the Romanian Rugby Federation before an independent panel appointed by World Rugby in proceedings regarding player eligibility rules for the 2023 Rugby World Cup qualifiers.	N/A	Romania
4-May	Ijdelea & Associates	Ijdelea & Associates advised Black Sea Oil & Gas on the engineering, procurement, and construction contract for a 50-megawatt photovoltaic project with an unidentified contractor.	N/A	Romania
9-May	Deloitte Legal (Reff & Associates)	Deloitte Legal's Romanian affiliate Reff & Associates advised Knauf Insulation on its acquisition of the Gecsat glass mineral wool factory located in Tarnaveni from Gecsat SA shareholders.	N/A	Romania
9-May	Stratulat Albulescu	Stratulat Albulescu advised Element Industrial on the lease of 16,000 square meters of warehouse space in Eli Park 3 to Ferro Romania.	N/A	Romania
9-May	Bondoc & Asociatii; Dentons	Bondoc si Asociatii advised the Bucharest Municipality on the private placement and admission to trading of 55,500 bonds with a total issuance nominal value of RON 555 million. The issuance was intermediated by a syndicate of BRD Groupe Societe Generale and Raiffeisen Bank. Dentons advised the banks.	RON 555 million	Romania
10-May	Popescu & Asociatii	Popescu & Asociatii successfully represented Sometra SA, part of Mytilineos Holdings, in court proceedings concerning the closure of one of the 68 landfills for which Romania has been sanctioned by the European Court of Justice, following several infringement proceedings opened against Romania.	N/A	Romania
10-May	MPR Partners	MPR Partners represented the Bacau Municipality in a dispute with CET SA over the Bacau district heating plant.	N/A	Romania
11-May	MPR Partners	MPR Partners successfully represented insolvent electricity supplier Getica 95 Com in a dispute with three Auchan Group companies – Auchan Romania SA, Coresi Business Park SA, and CEEtrus Romania SRL.	EUR 6 million	Romania
11-May	Filip & Company; Firon Bar-Nir	Filip & Company advised Medicover on its acquisition of the Laurus Medical network of clinics. Firon Bar-Nir advised the seller.	N/A	Romania
12-May	Dentons; Nestor Nestor Diculescu Kingston Petersen; Suciu Popa	Suciu Popa advised SNGN Romgaz on its acquisition of the ExxonMobil subsidiary that owns 50% of the rights and obligations for the Neptun Deep project in the Black Sea. Nestor Nestor Diculescu Kingston Petersen advised the seller. Dentons advised the buyer on English law matters.	N/A	Romania
13-May	Musat & Asociatii	Musat & Asociatii advised a syndicate of banks including Jefferies Finance LLC, JP Morgan, and Danske Bank on financing for the EUR 650 million acquisition of four B2B distribution companies by FSN Capital.	EUR 650 million	Romania
13-May	Antico & Partners; Deloitte Legal (Reff & Associates)	Deloitte Legal's Reff & Associates advised Studium Green on the acquisition of a portfolio of 100 buildings and properties from Immobiliare Italo Romena, a subsidiary of the former Italian bank Veneto Banca. Antico & Partners reportedly advised Immobiliare Italo Romena on the deal.	N/A	Romania
13-May	Stratulat Albulescu	Stratulat Albulescu advised Catalyst Romania Fund II on its participation in the EUR 2 million equity funding round of EdTech platform Adservio.	N/A	Romania
19-Apr	CMS; Suciu Popa	Suciu Popa advised the Ford Motor Company on the sale of its Craiova assembly plant in southern Romania to its partner Ford Otosan in Turkey. CMS advised Ford Otosan.	N/A	Romania; Turkey
18-Apr	Dentons; Morgan Lewis	Dentons advised lead arrangers UniCredit, UniCredit Bank Serbia, Erste Group Bank, Erste Bank, and Raiffeisen Bank International on a EUR 673.7 million term and revolving loan facility to Telekom Srbija. Morgan Lewis reportedly advised Telekom Srbija.	EUR 673.7 million	Serbia

Date Covered	Firms Involved	Deal/Litigation	Value	Country
22-Apr	Mrakovic and Partners; NKO Partners	NKO advised CTP on an acquisition of land in Novi Banovci from 40 different individuals. Mrakovic and Partners, as well as solo practitioners Vojin Susa and Mirjana Vijatovic, advised the sellers.	N/A	Serbia
9-May	Jankovic Popovic Mitic	Jankovic Popovic Mitic successfully represented FCC Kikinda before a Serbian court of first instance in a criminal case concerning environmental charges.	N/A	Serbia
19-Apr	Kinstellar	Kinstellar advised CPM International Telebusiness on the establishment of its new service center in Slovakia.	N/A	Slovakia
25-Apr	AG Legal; Dentons; Kinstellar; Majernik & Mihalikova	Kinstellar advised NN Group on the acquisition of a majority share in Finportal from Arca Investment and Rudolf Adam. Majernik & Mihalikova advised Rudolf Adam on the deal. Dentons advised Arca Investment and AG Legal advised Finportal.	N/A	Slovakia
18-Apr	Baker Mckenzie (Esin Attorney Partnership); Clifford Chance (Ciftci Attorney Partnership)	Baker McKenzie Turkish affiliated firm Esin Attorney Partnership advised Limak Investment on the sale of Ulug Enerji to the Actis Long Life Infrastructure Fund. Clifford Chance Turkish affiliated firm Ciftci Attorney Partnership advised Actis on the deal.	N/A	Turkey
19-Apr	KPMG (KP Law); Pae Law Office	KP Law advised Schottel on its acquisition of a majority stake in Elkon from Vera Capital. Pelister Atayilmaz Enkur advised the sellers.	N/A	Turkey
2-May	Dentons (BASEAK)	Dentons' Turkish affiliate Balcioglu Selcuk Ardiyok Keki Attorney Partnership advised Layer as well as the investors on Layer's latest investment round.	N/A	Turkey
4-May	Consulturk; Gide Loyrette Nouel (Ozdirekcan Dundar Senocak)	Consulturk advised Dalsan Alci on its joint venture with Saint-Gobain Rigips in Turkey. Gide's Turkish affiliate Ozdirekcan Dundar Senocak reportedly advised Saint Gobain.	N/A	Turkey
4-May	Ozbek Attorney Partnership; Turunc	Turunc advised Bogazici Ventures on leading a USD 500,000 investment round into Kavaken. Ozbek Attorney Partnership advised Kavaken.	USD 500,000	Turkey
13-May	Moroglu Arseven; Turunc	Turunc advised Wellbees on its recent 212 VC-led funding round. Moroglu Arseven advised 212 VC on the deal.	N/A	Turkey
13-May	Dentons (BASEAK)	Dentons' Turkish affiliate Balcioglu Selcuk Ardiyok Keki Attorney Partnership advised on Suwen Tekstil's TRY 425.5 million IPO.	TRY 425.5 million	Turkey
28-Apr	Avellum; Sayenko Kharenko	Sayenko Kharenko advised the French Development Agency on a EUR 300 million credit facility agreement to service Ukraine's financial, economic, and humanitarian needs. Avellum advised the Ministry of Finance of Ukraine on the loan.	EUR 300 million	Ukraine
5-May	Asters	Asters successfully represented PrivatBank before the Central Commercial Court of Appeal in a UAH 152 million dispute regarding the ownership rights over its Dnipro head-office building.	UAH 152 million	Ukraine
6-May	Avellum	Avellum advised Kernel Holding on the sale of several of its farming entities to a company controlled by Andrii Verevskyi.	USD 210 million	Ukraine
13-May	Avellum; Borden Ladner Gervais; Sayenko Kharenko	Avellum advised the Ministry of Finance of Ukraine on a CAD 500 million 10-year loan from Canada. Sayenko Kharenko and Borden Ladner Gervais reportedly advised the lender.	CAD 500 million	Ukraine

Table of Deals:

■ Full information available at:
www.ceelegalmatters.com
■ Period Covered:
April 16, 2022 - May 15, 2022

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We're not perfect; we admit it. If something slipped past us, and if your firm has a deal, hire, promotion, or other piece of news you think we should cover, let us know. Write to us at: press@ceelm.com

PARTNER MOVES

Date	Name	Practice(s)	Moving From	Moving To	Country
19-Apr	Ivan Telecky	Energy/Natural Resources; Real Estate	Deloitte Legal	Allen & Overy	Czech Republic
19-Apr	Hana Gawlasova	TMT/IP	Squire Patton Boggs	Deloitte Legal	Czech Republic
5-May	Ludvik Juricka	Corporate/M&A; Real Estate	Havel & Partners	Deloitte Legal	Czech Republic
10-May	David Plch	Banking/Finance	White & Case	The Law Office of David Plch	Czech Republic
19-Apr	Andrius Ivanauskas	Corporate/M&A	Glimstedt	Walless	Lithuania
19-Apr	Pawel Bajno	Corporate/M&A	Bird & Bird	KPMG (D.Dobkowski)	Poland
22-Apr	Jakub Krysa	Infrastructure/PPP/ Public Procurement	Maruta Wachta	Kochanski & Partners	Poland
5-May	Anna Kratiuk	Corporate/M&A	Soltysinski Kawecki & Szlezak	Wiercinski, Kwiecinski, Baehr	Poland
10-May	Zbigniew Kozlowski	Energy/Natural Resources	DWF	Kozlowski Tomasik Oszczak	Poland
10-May	Milosz Tomasik	Energy/Natural Resources	DWF	Kozlowski Tomasik Oszczak	Poland
10-May	Marcin Oszczak	Administrative Law	DWF	Kozlowski Tomasik Oszczak	Poland
5-May	Markiyan Malskyy	Litigation/Disputes	Arzinger	Kochanski & Partners	Poland; Ukraine
26-Apr	Cristina Gavrila	Corporate/M&A	GM Legal	Glodeanu & Partners	Romania
19-Apr	Omer Gokhan Ozmen	Banking/Finance; Capital Markets	Akol Law	OzmenYalcin	Turkey
19-Apr	Gunes Yalcin	Banking/Finance; Capital Markets	Akol Law	OzmenYalcin	Turkey
21-Apr	Okan Arican	Corporate/M&A	BTS & Partners	Dentons (BASEAK)	Turkey
26-Apr	Maral Celepyan Avsar	Litigation/Disputes	Pekin & Pekin	Norton Rose Fulbright (Pekin Bayar Mizrahi)	Turkey

IN-HOUSE MOVES AND APPOINTMENTS

Date	Name	Moving From	Company/Firm	Country
3-May	Istvan Szatmary	Mediaworks Hungary	Oppenheim	Hungary
20-Apr	Adam Puchalski	Bank Pekao	Rymarz Zdort	Poland
6-May	Cristiana Fernbach	KPMG Legal	Amber	Romania
29-Apr	Sinem Ugur	ELIG Gurkaynak Attorneys-at-Law	Metro AG	Turkey
11-May	Yasemin Erden	Ata Holding	Turunc	Turkey
25-Apr	Marijus Krisciunas	Utenos Trikotazas	TGS Baltic	Lithuania

PARTNER APPOINTMENTS

Date	Name	Practice(s)	Firm	Country
12-May	Florian Stefan	Litigation/Disputes	Vavrovsky Heine Marth	Austria
19-Apr	Nevena Radlova	Corporate/M&A	CMS	Bulgaria
13-May	Ozren Kobsa	Banking/Finance	Krehic & Partners in cooperation with Deloitte Legal	Croatia
10-May	Marek Bomba	Corporate/M&A	Eversheds Sutherland	Czech Republic
3-May	Timea Bana	TMT/IP	Dentons	Hungary
19-Apr	Jorens Jaunozols	Real Estate	Sorainen	Latvia
19-Apr	Michal Andruszkiewicz	Energy/Natural Resources	CMS	Poland
19-Apr	Marta Domino	Banking/Finance	Linklaters	Poland
28-Apr	Tomasz Zwolinski	Banking/Finance	Dentons	Poland
29-Apr	Adelina Prokop	Litigation/Disputes	Clifford Chance	Poland
29-Apr	Pawel Puacz	Energy/Natural Resources	Clifford Chance	Poland
3-May	Radoslaw Goral	Litigation/Disputes	Dentons	Poland
3-May	Marceli Kasperkiewicz	Corporate/M&A; Private Equity	Dentons	Poland
3-May	Michal Wasiak	Private Equity	Dentons	Poland
3-May	Anna Madra	Banking/Finance	Allen & Overy	Poland
9-May	Agnieszka Lehwark	Real Estate	DLA Piper	Poland
9-May	Bartlomiej Palusiak	Banking/Finance	DLA Piper	Poland
12-May	Adriana Mierzwa-Bronikowska	Infrastructure/PPP/Public Procurement	DLA Piper	Poland
12-May	Lukasz Jankowski	Energy/Natural Resources	DLA Piper	Poland
12-May	Rafal Kluziak	Corporate/M&A	DLA Piper	Poland
19-Apr	Cristina Popescu	Corporate/M&A	CMS	Romania
10-May	Andra Trantea	Labor	DLA Piper	Romania
10-May	Paula Corban-Pelin	Corporate/M&A	DLA Piper	Romania
19-Apr	Olga Shenk	Litigation/Disputes	CMS	Ukraine

OTHER APPOINTMENTS

Date	Name	Firm	Appointed To	Country
19-Apr	Hana Gawlasova	Deloitte Legal	Head of Digital and TMT	Czech Republic
2-May	Anna Cudna-Wagner	CMS	Head of Dispute Resolution Practice	Poland
11-May	Ewa Rutkowska-Subocz	Dentons	Head of the Europe Public Law and Regulatory practice	Poland

On The Move:

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THE BUZZ

In "The Buzz" we check in on experts on the legal industry across the 24 jurisdictions of Central and Eastern Europe for updates about professional, political, and legislative developments of significance. Because the interviews are carried out and published on the CEE Legal Matters website on a rolling basis, we've marked the dates on which the interviews were originally published.

Kosovo

Legal Updates All-Around: A Buzz Interview with Kushtrim Palushi of RPHS Law

By Teona Gelashvili (April 22, 2022)

The recent legislative amendments regulating commercial courts, e-signatures, intellectual property, and oil products trading are the major updates in Kosovo, according to RPHS Law Managing Partner Kushtrim Palushi.

"One major change in Kosovo is related to the establishment of the Commercial Court," Palushi begins. "It did not exist before. The new law entered into force in February 2022, so it is not yet fully operational. The law establishes a separate court that will deal with commercial disputes in a faster, more efficient manner." According to him, the new court is aimed at ensuring the attractiveness of the business environment in Kosovo. "The legal and business community are looking forward to it, to see whether there will be a substantial change in the existing dispute resolution procedure," he says. "In the past, the court proceedings frequently lasted for a couple of years, and clients had to wait until the disputed matter was resolved." Palushi points out that the court has chosen its president and will soon be accepting cases, thus achieving full functionality.

"In addition, in Kosovo, we have new laws on e-signatures, which also entered into force in February 2022," he says. "This new law enables individuals and the business sector to use e-signatures during transactions. It is not strictly a novelty, since previous legislation also allowed the use of e-signatures, but that regulation remained largely on paper and was not frequently used in practice." Palushi points out that the new law will bring closer compliance with EU regulations. "To a large extent, we transposed the EU regulation in our national one," he says. "There will be three types of e-signatures, some of them not requiring any certification, while others have more advanced requirements."

The legal and business community are looking forward to it, to see whether there will be a substantial change in the existing dispute resolution procedure. In the past, the court proceedings frequently lasted for a couple of years, and clients had to wait until the disputed matter was resolved.

Palushi also reports there has been a significant amendment to intellectual property-related legislation. "The new law will regulate intellectual property, patents, industrial design, trademarks, etc. We have yet to see how the new law will be translated into practice," he cautions.

"Finally, a new law has been adopted in Kosovo on the trade of oil products, diesel, and petroleum," Palushi points out. "Previously, the oil industry was operating based on a law that was drafted back in 2000. There had been no legal changes ever since," he says. "The recent amendments have changed the preconditions for the trade of these products. There are promises that it will impact the industry and improve the overall control, quality, and consumer rights in relation to the petroleum industry," Palushi concludes. ■

Lithuania:

Banking on Fintech: A Buzz Interview with Donatas Sliora of Adon Legal

By Teona Gelashvili (May 6, 2022)

Lithuania's fintech market is expanding, while inflation and implementing a sanctions regime create obstacles for businesses and the general public, according to Adon Legal Managing Partner Donatas Sliora.

"Given the geopolitical context and measures implemented in Lithuania and on the EU level, the major topic in the country is adhering to the sanctions regime," Sliora explains. "This is especially crucial to financial institutions, as there is a need to ensure that the new regime is being implemented, together with the additional limitations from the national regulator." For example, he explains, "financial institutions have certain additional limitations on transferring money to Russian and Belarusian residents. In that context, one of the biggest obstacles for financial institutions includes reviewing existing client databases and applying new standards and rules to them."

"Lithuania remains the hot spot for fintech companies," Sliora notes. "We still have a significant concentration of companies operating in the payments market, an increasing number of specialized banks, and other regulated financial services providers." In addition, he says "it is likely that Lithuania will also become the hub for crowdfunding service providers seeking to register under the new EU crowdfunding services providers regulation, thus, the finance sector is still expected to grow rather rapidly."

Sliora explains that increased interest in Lithuania's market is potentially also related to new regulations being implemented in neighboring countries. For example, he says, "after some other EU member states have increased the pressure on virtual asset service providers, Lithuania became popular amongst such businesses. We have a significant number of new cryptocurrency exchanges that are registered." According to him, Lithuanian legislators might also establish new requirements for virtual asset service providers, however, "it is not expected to affect Lithuania's popularity and deter the country's potential in that regard."

> *It is likely that Lithuania will also become the hub for crowdfunding service providers seeking to register under the new EU crowdfunding services providers regulation, thus, the finance sector is still expected to grow rather rapidly.*

One of the major challenges faced by the country is a high rate of inflation, according to Sliora. "The inflation rate in Lithuania remains significantly higher than the EU average," he says, noting that "inflation in March in Lithuania was 15.6% compared to 7.4% in Germany. This leads to Lithuanian businesses and natural persons searching for ways to avoid the depreciation of cash and look for new investment opportunities." According to him, high inflation may also have an effect on businesses' ability to perform long-term contracts.

Overall, Sliora points out that the market remains active, with a high number of M&A deals, especially in the IT sector, and that the real estate market is still active. "Individuals still believe that investing in real estate is a safe option for investment" he concludes. ■

Bosnia & Herzegovina

Quick Nap then Busy with Banks and Crypto: A Buzz Interview with Nenad Baros of BB Legal

By Andrija Djonovic (May 9, 2022)

With 2022 being an election year for Bosnia, there is not a lot of market activity, according to BB Legal Partner Nenad Baros. There are crypto-related legislation updates on the horizon, however, and the market has settled down following the sale of Sberbank assets in the country to local banks.

"Every two years Bosnia & Herzegovina faces an election cycle," Baros begins. "Two years ago we had local elections and in October of this year we will be voting on members of parliament." As Baros explains, every time an election comes around the market experiences "a few months of little to no activity."

On the plus side, Baros also reports that the market has settled down following bank runs in late February. "When the war in Ukraine started, there was a lot of uncertainty on the market which prompted people to quickly withdraw their assets. Further, the two Sberbank entities present in Republika Srpska and the Federation of BiH were taken under control of the banking agencies and quickly sold to local banks," he says.

As Baros explains, the two Sberbank banks were sold to Nova Bank, in the Republic of Srpska, and to Prevent Group's Asa Bank, in the Federation of BiH. "Although there was a lack of transparency in the purchasing process as well as the existence of a disputable legal basis for the expropriation of the rights of a foreign investor on the bank's shares, this transactions has, ultimately, led to a resurgence of market trust and stability," Baros says. "The two banks were of a mid-market size, but by no means negligible – their sale calmed things down quite a bit."

> *When the war in Ukraine started, there was a lot of uncertainty on the market which prompted people to quickly withdraw their assets. Further, the two Sberbank entities present in Republika Srpska and the Federation of BiH were taken under control of the banking agencies and quickly sold to local banks.*

Finally, talking about proposed legislative updates, Baros points to the draft law for regulating cryptocurrencies. "There is a proposal being debated currently about introducing a regulatory framework for cryptocurrencies in Republika Srpska. Under this proposal, the Securities and Exchange Commission would have a critical role on the market, especially when it comes to preventing anti-money laundering and control over the participants in the cryptocurrency market," Baros reports.

So far, Baros reports that the reactions have been split, with many being skeptical as to the ability of the Securities and Exchange Commission to efficiently monitor the market. "On the other hand, I – as many others – feel that having a framework in place is much, much better than having none. This may be a good first step, especially given the problems that cryptocurrency market participants have had, operating without a clear regulatory frame in Bosnia & Herzegovina," he adds. "I hope that the proposed solution will take into account all the specifics of this market and will not introduce excessive formal barriers that could ultimately result in more harm than good. Anyway, it would be more than interesting to see how this will work in practice," Baros says in conclusion. ■

Hungary:

A Roaring Win with Tax Increases on the Horizon: A Buzz Interview with Tamas Feher of Jalsovszky

By Teona Gelashvili (May 10, 2022)

Growing inflation and budgetary limitations are the key challenges faced by Hungary's newly elected parliament, according to Jalsovszky Law Firm Partner Tamas Feher.

"Looking at the broader picture in Hungary, we have two major talking points at the moment," Feher begins. "First of all, as elsewhere, the war in Ukraine has had a major influence on Hungary and the region in general. Secondly, in Hungary's recent elections, the ruling party led by Viktor Orban won the fourth consecutive term. While the win itself was not entirely unexpected, the extent of the win – that is, again, a two-third majority in the parliament – was quite a surprise for all sides of the political spectrum."

According to Feher, both the war and election outcome-related ramifications have led to challenges for the new government. "In parts of the business community we could sense some genuine anticipation about the potential change in the political atmosphere," he reports. "It seemed that some transactions were put on hold, dependent on the outcome of the elections. Also, because of the war in Ukraine, the general outlook of the business community is quite uncertain, which has already influenced the progress of ongoing M&A transactions."

On top of that, Feher says, "Hungary's budget is not in a great state. It is very likely that the government will raise some taxes." He points out "this will most likely not affect the general taxes, yet the government and the National Bank of Hungary have already communicated about the possibility of implementing special tax regimes for certain sectors." According to him, "the government is trying to increase taxes in a manner that won't directly affect the population or FDIs, however, service sectors such as telecom and banking might not be able to avoid the new tax regulations."

Further, Feher notes that growing inflation has been a major issue. "The government responded to it by capping prices of fuel, certain basic food products, household heating, etc.," he says. "This, on the other hand, led to some economic ramifications, as there have been attempts to benefit from the low prices in these areas," Feher adds, noting that private companies have seen a significant loss. "It has raised an interesting legal question, whether capping prices is in line with fundamental rights and the EU regulations. Some petrol companies have already initiated a lawsuit against the Hungarian state," he explains.

> *The ruling party led by Viktor Orban won the fourth consecutive term. While the win itself was not entirely unexpected, the extent of the win – that is, again, a two-third majority in the parliament – was quite a surprise for all sides of the political spectrum.*

Finally, Feher points out that Hungary is in the process of implementing reforms related to company and real estate registration. "The government is aiming to create a more user-friendly procedure for registration, by taking a step toward digitalization and automatization. If implemented sufficiently, this is a positive step forward and, despite the potential increase in work for the legal sector during the initial roll-out phase, it simplifies the procedure in the long run," he concludes. ■

10 unicorns in a country of 1.3 million people

Estonia has most startups, unicorns and VC investments per capita in Europe

Sorainen has advised on half of the unicorn-making deals in Estonia

SORAINEN

Estonia

Start-ups Steal the Show: A Buzz Interview with Aku Sorainen of Sorainen

By Andrija Djonovic (May 10, 2022)

A booming startup sector, unhampered by the war in the region, is the strongest suit of the Estonian market right now, while the country continues to focus on improving its regulation of FDI, crypto, and fintech businesses, according to Sorainen Senior Partner Aku Sorainen.

"The M&A market did, on average, slow down on account of the war, especially for those companies having elements of their value chain in Ukraine, Belarus, or Russia," Sorainen begins. "Much like in the case of COVID-19 initially occurring – the market experienced a dramatic stop, but the investors then slowly began to come back." Still, according to Sorainen, large transactions of over EUR 100 million are, by and large, on hold for now.

Turning to the real estate sector, Sorainen reports that "big-ticket real estate items have not yet picked up, in comparison to other M&A activity." However, he reports that – "with construction materials being quite expensive and getting more so – there is no real negative impact on the pricing of the deals that are happening, especially since companies tend to be only moderately indebted, so sellers have plenty of time to wait as well."

On the other hand, what hasn't slowed down is the startup market, Sorainen says. "Two years ago, the Estonian startup market raised EUR 464 million. Last year, this figure was EUR 962 million, and this year – just in the first four months – this number reached EUR 1 billion," Sorainen reports. "The war has not impacted startups in Estonia and the market is continuously picking up pace," he says, noting that might be the case because of startups "not being truly local – they operate globally and can, honestly, relocate their headquarters if necessary, so the risk levels they incur are lower."

Providing an update on the legislative landscape of Estonia, Sorainen mentions a new draft proposal for an FDI regulation that is due to pass this fall. "The law, if passed, will prop up more stringent barriers to entry into certain sectors, like energy," he says, though the energy sector has been "very active, especially when it comes to renewables."

Additionally, Sorainen reports that the financial supervision authority of Estonia is "planning to increase its control over crypto business in Estonia, as well as the fintech sector in general." As he sees it, Estonia, which has been "famous for being tech-savvy and quite liberal in its fintech regulation," is likely to increase the regulatory overwatch primarily because of anti-money laundering reasons. "Estonia did experience massive money laundering scandals a few years ago, related to subsidiaries of certain Nordic banks," Sorainen explains. "That was a big hit for the country's reputation, so reducing any and all AML-related risks is a priority for the authorities." ■

"Two years ago, the Estonian startup market raised EUR 464 million. Last year, this figure was EUR 962 million, and this year – just in the first four months – this number reached EUR 1 billion.

Latvia

Sandboxing Resilience: A Buzz Interview with Maris Vainovskis of Eversheds Sutherland

By Andrija Djonovic (May 11, 2022)

The word of the day in Latvia is resilience – that of the M&A market, capital markets, and overall business sectors, according to Eversheds Sutherland Partner Maris Vainovskis.

"Ever since the start of the war in late February, the energy, infrastructure, defense, and food sectors have been on notice," Vainovskis begins. "Still, the war has not actually stopped M&A activity – a few deals may have been put on ice, but not nearly as many as expected – the market has shown a strong resilience, and investors consider the Baltics to be a good opportunity."

In terms of trends, Vainovskis underlines that the talk of the town is the impact of the EU Green Deal and sustainable finance. "The banks are adjusting their lending policies to facilitate for sustainability-driven projects, with a number of sectors adjusting – primarily energy, construction, waste, and various types of production," Vainovskis reports. Furthermore, Vainovskis reports a JV between the "largest private equity fund in the Baltics, BaltCap, acting via its Infrastructure Fund, and AJ Power, a major privately-owned energy sector group in Latvia. Solar and wind, especially offshore wind, are the dominating investor interest nowadays," Vainovskis adds.

Vainovskis also highlights some updates on the capital markets. "Latvia has recently been active in its efforts to develop strong and active capital markets. We have seen a number of IPOs and bond listings by local business on the Nasdaq Baltic market," he reports. "For example, the DelfinGroup, Indexo, and leading locally owned fuel station chain Virsi have performed successful share offerings and several new issuers are about to access the capital markets."

Finally, Vainovskis reports that the FCMC – the financial and capital markets regulator in Latvia – has taken a proactive role. "The FCMC recently launched an IPO sandbox in Latvia and actively supports other good initiatives," Vainovskis says. "The idea behind the sandbox is to have potential issuers exposed to a panel of experts and obtain free high-quality kick-off and orientation advice before they proceed with an IPO process," he explains. The FCMC, according to Vainovskis, is attempting to further stimulate the capital markets ecosystem of Latvia. "It is important because our capital funds, pension funds, local individual investor money should be stimulated to stay within our own economy. There is not a lot of market liquidity at the moment, but past IPOs have demonstrated reasonable stability in face of global capital market fluctuations – so I am hopeful that this adds to the attractiveness of Latvia," Vainovskis concludes. ■

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The FCMC recently launched an IPO sandbox in Latvia and actively supports other good initiatives. The idea behind the sandbox is to have potential issuers exposed to a panel of experts and obtain free high-quality kick-off and orientation advice before they proceed with an IPO process.

Serbia

Walking a Fine Line: A Buzz Interview with Darko Jovanovic of Karanovic & Partners

By Andrija Djonovic (May 12, 2022)

With the war in Ukraine affecting a number of business sectors, Serbia still manages to have a very vibrant market with a number of important projects being developed primarily in the infrastructure and energy sectors, according to Karanovic & Partners Managing Partner Darko Jovanovic.

"With the escalation of the war in Ukraine, the country finds itself in a somewhat challenging position," Jovanovic begins. Serbia has traditionally tried to maintain a position between the east and the west — something which will be very demanding to maintain. "It is difficult to predict exactly what the effects of the war will be for the Serbian market, as is for any other market in Europe," Jovanovic says. "We have also seen a round of presidential and general elections this April," Jovanovic continues. "The outcomes were anticipated and not much changed business-wise." The new government is expected to be formed by the fall of 2022, Jovanovic reports.

Still, on the other hand, the business landscape in Serbia appears to be thriving, Jovanovic reports. "There are quite a few renewables and green energy projects in the works or in the pipeline – primarily driven by wind and solar. But also hydropower," as Jovanovic reports that a massive pumped-storage hydropower plant is planned for construction on the Danube with "huge capacities of up to 2.4 gigawatts."

Additionally, Jovanovic reports that there are "a lot of new highways and roads being built and contracted – these are very important elements for better connectivity and the overall economy. Especially so, given the international aspect of some of these projects, like the Belgrade-Sarajevo highway or the Belgrade-Budapest fast railway." Jovanovic also expects there to be "activity on the river transportation" which could result in concessions for river ports, and also mentions public utility infrastructure development (waste treatment and wastewater treatment facilities).

Furthermore, Jovanovic reports that Stellantis announced the development of an electric car production facility in Serbia. "This is a major green tech move for the country. The proposed facility is slotted to start producing the new model in 2024," Jovanovic says, indicating that this could have a positive ripple effect on the Serbian economy.

Finally, Jovanovic reports on an active IT sector. "As a result of the situation in Ukraine, we are seeing interest in business relocation – from Russia and Belarus – towards Serbia, primarily in the IT sector. The local IT community can absorb this influx, with the market experiencing more and more VC fund attention," he indicates. "The IT sector, in general, is very vibrant and innovative as we see increased activity in certain specific areas, such as mobile gaming, blockchain-based software developments, and web3 projects" he concludes. ■

> "
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Romania

A Change in Headlines: A Buzz Interview with Alina Stavaru of RTPR

By Andrija Djonovic (May 13, 2022)

With a new FDI regulatory framework and the National Plan for Resilience and Recovery all but in place, Romania is well prepared for the second part of 2022, which could include a swarm of businesses relocating from Ukraine and Russia, according to RTPR Partner Alina Stavaru.

"It's very nice to see the headlines no longer being dominated by the COVID-19 pandemic or protests against restrictive measures," Stavaru begins. "But what came in place instead is equally horrific – the war in Ukraine and its fallout."

Stavaru says that the war has spurred much movement on the market, with inflation "hitting double digits" and "prices soaring across sectors. On the other hand, this could still be an opportunity for Romania." With many businesses seeking to relocate from Ukraine and Russia, Stavaru believes that Romania — being both an EU and a NATO country — could very well be the place they go to. "I do expect to see many relocation projects coming this way as the year goes on. In fact, a couple of years ago I predicted the same might happen in terms of businesses relocating from China in light of the pandemic – and we did see quite a few projects being generated by it."

> *It's very nice to see the headlines no longer being dominated by the COVID-19 pandemic or protests against restrictive measures. But what came in place instead is equally horrific – the war in Ukraine and its fallout.*

Speaking about legislative updates, Stavaru highlights the newly ushered framework for regulating FDI. "The new FDI framework, already a few weeks old, is a brand-new piece of legislation pushed from the EU — with an aim to impose higher scrutiny on non-EU controlled investments," she says. However, secondary legislation is still to follow in Romania, and Stavaru expects the new framework to generate a lot of work. "Aside from the fact that this is a whole new set of regulatory clearances that lawyers will have to work on now, the framework is also quite broad. I expect there to be an avalanche of filings for clearances coming from this, which could slow transactions down and cause delays," Stavaru explains.

Finally, Stavaru provides an update on Romania's National Plan for Recovery and Resilience. "Various sectors of the economy are sought to be propped up following the effects of the pandemic, but I am most excited to see the EUR 400 million budget for funding PE and VC funds," she says. "I expect this to create a lot of opportunities for existing investment funds as well as to have it trickle down to the SME sector." While approved by the European Commission, the plan itself has yet to be "outlined by the government – it is still a work in progress," Stavaru concludes. ■

Austria

ESG Questions for a Vibrant Real Estate Market: A Buzz Interview with Magdalena Brandstetter of Dorda

By Teona Gelashvili (May 13, 2022)

The Austrian real estate market remains vibrant throughout the country, despite growing construction and energy prices, according to Dorda Partner Magdalena Brandstetter.

"In Austria, the market is quite vibrant at the moment," Brandstetter says. "This applies not only to Vienna but to other cities such as Linz and Graz," especially in light of the fact that "it is not that easy to find projects for real estate developers in Vienna," she adds.

In addition to that, Brandstetter points out that Austria is facing some troubles regarding the increase in construction and energy prices. "Recently, these prices have spiked significantly. At the moment, if the parties have not concluded a general contract, it is hardly possible to negotiate a lump-sum deal, as meeting the agreed terms is a major challenge." This, according to her, "is largely related to the fact that a lot of construction materials are located in Eastern Europe." However, she notes that this issue became relevant in the last few weeks and its ramifications are not yet clear. "What we hear from real estate developers is that transactional activities remain high as usual, however, general agreements are concluded without a lump-sum fee. Sadly, we do not expect that the situation will be stabilized in the near future, as the country is still facing pandemic and war-related challenges," she notes.

In terms of legislation, Brandstetter says that the ESG topic remains active. "The EU's Taxonomy Regulation, establishing a list of environmentally sustainable economic activities, is still being implemented," she explains. "The legal sector is still dealing with understanding the next steps." According to her, "the scope and requirements of the EU regulation are a bit unclear and law firms are seeking other countries' best practices to assess what has to be done in the coming years. For example, requirements for the level of energy efficiency of buildings are unclear and hard to implement." Brandstetter explains, "that in many EU countries, renting out buildings that do not fulfill this requirement is not allowed though, in some, in order to meet the relevant requirements, landlords simply install new windows in the building," noting that when it comes to Vienna, the same is hard to be achieved, as there are many old buildings that are difficult to upgrade to align with the requirements. "We hope that some clarifications will be provided going forward," she concludes.

"

What we hear from real estate developers is that transactional activities remain high as usual, however, general agreements are concluded without a lump-sum fee. Sadly, we do not expect that the situation will be stabilized in the near future, as the country is still facing pandemic and war-related challenges.

Slovakia

Energy Debates and Real Estate Shake-ups: A Buzz Interview with Jan Lazur of Taylor Wessing

By Radu Neag (May 16, 2022)

The potential EU ban on Russian oil and gas, the Penta Investments split, and the new construction law in Slovakia are currently the major debate, the biggest transaction, and the greatest legal update, respectively, according to Taylor Wessing Partner Jan Lazur.

The biggest debate in Slovakia at the moment, according to Lazur, concerns the planned EU ban on Russia's oil and gas. "Because of its heavy dependency on oil and gas, with most of the stuff coming from Russia," he says, "any drastic measure by the EU will have a massive impact in Slovakia." Most discussions, Lazur notes, focus on two key issues:

One – whether Slovakia will try to pay for Russian resources in rubles. He says that Poland "refused to do just that, with their supplies now being shut off. By contrast, Slovakia is completely dependent on Russian gas, and Minister of Economy Richard Sulik announced the country was willing to pay in rubles." Otherwise, Lazur says, "we could be facing a risk of gas supply stoppage."

Two – what exceptions could be made for Slovakia, within the broader EU ban? Lazur says the ban is "obviously a big issue throughout the EU. But if the EU bans Russian oil and gas, it seems that there could be certain exceptions made for Slovakia, Hungary, or other countries in a similar position. It also seems that there could be a preliminary period to phase out the stuff, over several years." Even that will impact Slovakia's economy heavily, he believes. "Unfortunately, Slovakia has no easy route to finding alternatives for bringing in oil and gas into Slovakia."

The biggest deal in Slovakia, on the other hand, was the recent split of the Penta Investments group, according to Lazur. "One of the founders of the group, Jozef Oravkin, announced a couple of months ago – to both partners and shareholders – that he would like to leave the venture." They recently announced "they have agreed to a swap: his 10% stake in Penta for the Sky Park and Digital Park developments in Bratislava, worth about EUR 400 million, with the remaining 50% to be paid out in cash, over the next couple of years." Still, that would make the new operation, Alto Real Estate, according to Lazur, "one of the significant names on the Slovakian real estate market, with further plans to focus on developing real estate mainly in Bratislava and Kosice."

But if the EU bans Russian oil and gas, it seems that there could be certain exceptions made for Slovakia, Hungary, or other countries in a similar position. It also seems that there could be a preliminary period to phase out the stuff, over several years. Unfortunately, Slovakia has no easy route to finding alternatives for bringing in oil and gas into Slovakia.

Staying on the topic of real estate, Lazur says Slovakia's new construction law was just passed. "After almost 50 years, we have a brand-new construction law, which will significantly change how the market works and what it looks like – I think – for the better." The new law follows the idea of a digital permitting process, he notes, "significantly reducing the number of steps – there should be just 13 basic steps for permissions – so it's an accelerated process." If that still seems like a long time to wait, Lazur points out that, under the current regulation, "you have about 83 steps to go through, before starting a construction project. It is really complicated, and investors had to wait for years. Especially nowadays, with the huge price increases in construction, it's unrealistic to have to commit to projects and then have to wait for another three-to-four years."

So, everyone is eagerly waiting for the new law and streamlined procedure to come into force in April 2024, Lazur says, but also points out there is much preparation work ahead: "during these two years, the new IT system will have to be prepared and refined, to have everything in place logistically when the time comes." ■

Poland

Following (Some) European Trends: A Buzz Interview with Tomasz Kudelski of Penteris

By Teona Gelashvili (May 17, 2022)

With inflation rates rising and investors hesitant to bring their capital to Poland, the Russian invasion of Ukraine has created a vicious circle, according to Penteris Partner Tomasz Kudelski.

"The key issue in Poland today is of course the Russian invasion of Ukraine," Tomasz Kudelski says. "As Poland has a long and complex history with Russia, we are concerned about the whole situation, uncertain of the future, and apprehensive about what Russia may do in terms of other neighboring countries, including Poland." According to Kudelski, this is reflected in both Poland's political and economic life.

"The war has somewhat dampened investor appetite," he adds. "The war close to Poland's border is not helping convince investors to move their capital here. We have noticed faint signs on the market that VC funds may want to put their investments on hold but this is a general European tendency," he explains. Kudelski believes that "many projects are still going forward. There is no complete break – on the contrary, after a slow-down at the start of the war, the situation is slowly returning to 'business as usual,' with investors getting used to 'another' new normal."

Kudelski points out that at the moment, there are two to three million refugees in Poland from Ukraine. "I believe, that, as a society, we have done a brilliant job helping them and accommodating their needs in the most difficult of situations," he notes. "This, on the other hand, has created certain challenges for our real estate market. Accommodating an additional one million people has led to limited rental options, both when it comes to apartments and hotels, with rental prices booming."

"Another hotly discussed issue is inflation, which poses similar problems throughout the EU," Kudelski adds. "Inflation in Poland is high and, at the moment, has reached 12%." He believes there are a number of contributing factors, including the activities of the Polish government, the war, and the pandemic. "It has affected pretty much everything," Kudelski says, noting that "with the price of fuel growing, almost every sector of business and society is affected, creating a vicious circle. In the long run, it could be detrimental, as it reduces the standard of living and investors' ability to spend their money."

Lastly, Kudelski notes, that the current Polish government is not on the best of terms with the EU. "Of course, because of the war, they have had to change their anti-EU position, but there is still the ongoing disagreement regarding the Polish Supreme Court, Constitutional Tribunal, and the judiciary in general," he explains. "The government is trying to strike a balance, but a more pro-EU approach is needed in my view," Kudelski says, adding, "in a perfect world this should only be a question of time." ■

> *Many projects are still going forward. There is no complete break – on the contrary, after a slow-down at the start of the war, the situation is slowly returning to 'business as usual,' with investors getting used to 'another' new normal.*

Bulgaria

Potential Projects Worth Monitoring: A Buzz Interview with Antonia Mavrova of Kinstellar

By Radu Neag (May 18, 2022)

The strongest forces shaping the dynamics of legal work in Bulgaria, according to Kinstellar Partner Antonia Mavrova, are the country's recently approved Recovery and Resilience Plan and the branching consequences of the war in Ukraine.

"The RRP will trigger a new wave of projects in the country. It was recently approved at the EU level, with the terms for starting the projects being quite short," Mavrova begins. She expects that market activity will "very much be influenced by the plan." The Bulgarian Government has already identified a couple of priorities – renewable energy and infrastructure – with projects to be launched in the second half of the year, she says.

"On renewable energy, we've been seeing a lot of M&A deals, recently," Mavrova says, "as there is obviously increased demand for renewable energy and the acquisition of such assets. The RRP specifically highlights the need for large development projects for power stations, battery storage facilities, and geothermal energy plants."

And there are significant updates on infrastructure development as well, according to Mavrova. "Remember the Sofia Airport concession deal from last year? Well, now the port of Varna will also go under concession, as will the Danube port of Ruse, with both concession projects set to be launched this year." The government is considering bringing in external advisors, like the IFC or EBRD, to provide expertise in structuring those concessions, she adds, "with the involvement of such players setting market expectations for a transparent process and real competition between the participants."

"We're now closely monitoring the status of projects to be announced by the government, to be proactive and invite over potential bidders interested in the region," Mavrova says. She expects there might be some returning investors, different arms or teams of those that also bid for Sofia Airport. She says that some of the investors in Bulgaria have been somewhat more conservative on M&A deals these past few months, due to the war and its implications, "but we expect that dynamic to be fully reversed by the RPP."

> ***On renewable energy, we've been seeing a lot of M&A deals recently, as there is obviously increased demand for renewable energy and the acquisition of such assets. The RRP specifically highlights the need for large development projects for power stations, battery storage facilities, and geothermal energy plants.***

The war in Ukraine is also giving rise to other dynamics in Bulgaria, Mavrova points out. The first is the increased demand for the relocation of businesses, "especially from the IT sector from Ukraine, Belarus, or Russia. Bulgaria could become the center of development for their further operations." She says that global market pressures compound the phenomenon, with companies from Africa and Asia also seeking to relocate into the region: "Bulgaria and Romania are frequently on the radar, as potential hosts, as are the Czech Republic and Hungary, due to their location."

The second – more of a slow-burn consequence – is increased demand for quality residential assets despite the increasing costs of construction and materials, experienced heavily across other subsectors of real estate. Mavrova highlights ready-to-build, which are upcoming on the market and which will ensure "high-quality units." There is significant potential for growth in the coming year, she says: "Residential is already very popular and, especially with people being displaced from Ukraine – even more so in the case of Poland – demand for residential real estate should increase and more of these projects will be popping up." ■

Moldova

Energized Efforts on Energy: A Buzz Interview with Sorin Dolea of Dolea & Co

By Teona Gelashvili (May 19, 2022)

Current geopolitical events might revolutionize Moldova's energy industry, with progress being made on both legal and technical mechanisms, according to Dolea & Co Managing Attorney Sorin Dolea.

"Since last year's election and one-party majority in parliament, there have been no major political changes in Moldova," Dolea begins. "On the other hand, in terms of geopolitics, the war in Ukraine has been the main subject of discussion for the last a few months."

"The current geopolitical situation might have a major impact on energy, leading to significant reforms," he says. "One could say that we see a sort of revolution in this aspect, especially when it comes to gas, electricity, and renewable energy." Traditionally, Dolea notes, "we had one gas supplier for over thirty years, which is Russia, and our electricity comes mainly from one Russian-controlled producer in the breakaway region of Transnistria. Nowadays, we are trying to find alternatives in EU countries, particularly in Romania."

He adds that the government, lawmakers, and regulators are hard at work adapting the legal framework. "For instance, our latest changes enable the construction of renewable energy facilities without requiring a change in land destination," which Dolea says will simplify the entire process. Likewise, "amendments have been proposed for wholesale gas transactions – to facilitate orientation towards the EU market – which are under consideration and likely to be implemented."

"Interestingly," Dolea emphasizes, "the construction of gas infrastructure with pipelines between Romania and Moldova started as early as 2013. To progress further, both adequate technical capacities and a legal framework were needed. The latest events accelerated the process of seeking alternative sources of energy and we see progress in that direction."

According to Dolea, following the war, most transactions in Moldova were suspended and many were canceled. "A lot of business entities and investors seem to be reluctant to do business right now in this region," he notes. "At the same time, we expect waves of litigation and arbitration due to parties' inability to fulfill their obligations, in particular in cases with suppliers from Russia and Ukraine. We already have a few clients preparing claims in these directions."

Aside from that, Dolea highlights recent legislative proposals. "Quite recently, we had amendments on the issuance of bonds by limited liability companies," he notes. "The new law clarified and regulated the procedures regarding which company body decides the issuance of those bonds, among other aspects. In addition, he says that, recently, "the mandatory judiciary mediation procedure has been eliminated for a number of disputes (e.g., family and labor disputes), which means that parties can now directly litigate these matters, without first going through judiciary mediation."

> *We had one gas supplier for over thirty years, which is Russia, and our electricity comes mainly from one Russian-controlled producer in the breakaway region of Transnistria. Nowadays, we are trying to find alternatives in EU countries, particularly in Romania.*

Finally, Dolea says another major topic in Moldova was white-collar crime, particularly corruption and bribery. "One of the proposed amendments included the abolition of the presumption of legality of gained assets for public officials, envisaged in Moldova's Constitution. Thus, the public officials suspected of corruption crimes would have had to prove the legality of ownership for their assets," he notes. "This proposal, however, was rejected by the Constitutional Court, and was, therefore, not implemented in the end." ■

Slovenia

A New Majority and Mounting Concerns: A Buzz Interview with Karmen Rebesco of the Karmen Rebesco Law Firm

By Andrija Djonovic (May 20, 2022)

All is quiet on the western front for Slovenia – apart from the outcome of the April 2022 parliamentary elections – but concerns over energy, exports, and the potential EU embargo against Russian oil and gas are mounting, according to Karmen Rebesco Law Firm Partner Karmen Rebesco.

"Although to a certain extent predictable, the high percentage of people that decided to vote (70%), the highest since the elections in 2000, is still surprising," she says. The Freedom Movement and its leader, Robert Golob, captured 34,5% of the votes against the 23,6% garnered by the ruling party. Golob is a former state secretary for energy and the former CEO of a state-controlled Slovenian energy company and, according to Rebesco, "his mandate as chairman ended in November 2021 and was not renewed because it was strongly opposed by the ruling party."

"In any case, a skilled manager from the field of energy with experience in state administration is certainly something that Slovenia could use, considering the possible embargo the European Union is contemplating against imports of Russian gas," Rebesco notes. "If it were to come to pass, I think there would be a serious chain reaction impacting swaths of businesses in Slovenia in a very negative way."

> *The new EU ESG Taxonomy is quite important, of course, but specific legislation incentives would still have to be introduced in Slovenia to make it market-interesting for investors.There will have to be changes made on all levels, from capital adequacy rules onwards – otherwise things will not move.*

Additionally, Rebesco reports increased activity on renewables and green energy projects in the country. "The new EU ESG Taxonomy is quite important, of course, but specific legislation incentives would still have to be introduced in Slovenia to make it market-interesting for investors," she explains. "There will have to be changes made on all levels, from capital adequacy rules onwards – otherwise things will not move." With the potential to have a major problem with gas imports, she says such changes "would be crucial to enable an efficient switch towards more sustainable and independent sources of energy."

With a significant number of Slovenian businesses being heavily dependent on export/import activities, it is easy to see why Rebesco feels an embargo would be a negative outcome for the country. "Quite some companies in Slovenia have business models that focus on exporting to Russia specifically and, with Russia being such a large and diversified market, it's clear why," she explains. "If Russia gets taken completely off the board – including as a consequence of the transaction ban imposed on the Russian banking sector," Rebesco says that it would be "quite difficult for Slovenian companies to find an adequate substitute market quickly, if at all."

Greece

Steady Work and Renewed Hospitality: A Buzz Interview with Michalis Kosmopoulos of Drakopoulos

By Teona Gelashvili (May 20, 2022)

Despite current geopolitical challenges and the related inflation and price hikes, the current situation in Greece is much better compared to the COVID-19 crisis, with increasing interest in the country's hospitality sector, according to Drakopoulos Partner Michalis Kosmopoulos.

"The last couple of weeks' main discussion topics have been the geopolitical developments adding complexity to the issues faced by Greece," Kosmopoulos says. "On a more practical note, inflation remains the main challenge, affecting both personal and corporate budgets." According to him, at the moment, "price hikes are visible in many areas of everyday life, ranging from energy to the food sector. In the long run, this might have a major impact on law firms' work."

Still, Kosmopoulos points out that the overall situation is much better compared to the last major crisis. "I would not compare the present challenges to the ones during the pandemic," he says. "When COVID-19 broke out, we received e-mails from clients saying they were limiting their legal budget to almost zero, to save their companies. At the moment, even though the business sector is price-sensitive, there is cause for optimism," he notes, adding that it depends on how the Ukrainian crisis evolves in the next few months.

Aside from that, Kosmopoulos believes that investors' interest in Greece has been increasing since the stabilization of COVID-19 last year. "Greece is highly dependent on tourism and, with the growth of interest in the hospitality sector, we are highly optimistic that we are going back to the 2019 numbers of around 30 million tourists per year in the country," he says. In addition, Kosmopoulos highlights that this is especially visible in the Athens area, "where new hotels have been popping up everywhere in the past few years." Overall, he notes that transactional activities remain very high.

Kosmopoulos adds that the "legal sector still faces a long-standing issue: delays in the justice system. This has been an ever-lasting problem, without any specific solutions so far. The Civil Procedure Code has already been reformed a few times, with lackluster results so far." Hiring more judges could be one solution, he ventures.

> *When COVID-19 broke out, we received e-mails from clients saying they were limiting their legal budget to almost zero, to save their companies. At the moment, even though the business sector is price-sensitive, there is cause for optimism.*

That said, Kosmopoulos highlights that there has been a positive development in Greece related to the restructuring of the IP office: "Ten days ago, the trademark registry moved from the supervision of the Ministry of Development to the Patent Office, covering all IP-related things with the exception of copyright." According to him, this imposes a lot of challenges in merging all operations together. "I hope there is a good project plan in place, and we won't face significant delays in processes," Kosmopoulos concludes.

ALBANIA: CONCENTRATING ON TELECOMS

4IG´S ACQUISITION OF ALBTELECOM FROM THE CALIK GROUP

Firm	Role	Client(s)
Tashko Pustina	Seller's counsel	Calik Holding
Wolf Theiss	Buyer's counsel	4iG
Yavuz & Uyanik & Akalin	Buyer's Turkish law counsel	4iG

Summary

Just making the 2021 DOTY submission deadline, this particular deal was signed on December 8, 2021. Hungarian listed IT and technology group 4iG acquired an 80.27% stake in fixed line telecommunications service provider AlbTelecom from Cetel Telecom, a majority-owned subsidiary of Turkey's Calik Holding. The deal was cleared by the Albanian Competition Authority on March 4, 2022.

According to a 4iG press statement, AlbTelecom "is Albania's leading fixed line internet and TV operator, the largest owner of a fiber network in the country and a mobile operator with a significant network of its own." The company also provides landline voice services.

The buyer's consideration included both cash and 4iG shares in Hungary – through a multi-step transaction to result in Calik Holding acquiring a stake of around 3,2% in the Hungarian info-communications group as an institutional investor – with the deal involving four different governing legislations: Albanian, Hungarian, Turkish, and English law. "Thanks to the transaction, Calik Holding, one of the largest conglomerates of Turkey, will become an institutional investor in 4iG," the buyer informed. "The cooperation could open up further joint business opportunities for Calik Holding and 4iG in the Balkans and Central Asia."

With the 80.27% stake in AlbTelecom accounted for, "the Albanian state will continue to exercise its minority ownership rights in the company through the Albanian Ministry of Finance and Economy (13.78%) and the Albanian Post (2.47%)."

Following 4iG's subsequent acquisition of One Telecommunications (reported by CEE Legal Matters on April 5, 2022), the Hungary-based buyer worked on clearing the merger of the two Albanian telecom players with the Albanian regulatory authorities: the Competition Authority, the Electronic Telecommunications Authority, and the Audiovisual Media Authority. One Telecommunications is another major Albanian telecommunications player. It focuses on mobile services. It previously operated as Albanian Mobile Communications and as Telekom Albania. AMC was part of the Cosmote Group since 2000 and joined the Deutsche Telekom group in 2008.

The two deals and the subsequent merger amounted to a fundamental revamp of the Albanian telecom sector, with a consolidation from three to two market players. ■

We are pleased that AlbTelecom is now owned by a strategic investor committed to the company. This is the first step in developing our strategic partnership with the 4iG Group, which can provide further business opportunities for both of our companies in the future. By taking this opportunity, I would like to thank all employees of AlbTelecom for their efforts and dedication and we are confident that AlbTelecom will continue to achieve remarkable successes.

– Ahmet Calik, President, Calik Holding

Although the value of the deal has not been announced ... its effect on the Albanian economy will be considerably high. Additionally, given all the parties and other stakeholders involved, it is much more complex than the other candidates are.

The transaction seems to be complex, at least in terms of telecoms regulation and merger control issues. While the need to address the relationship between the majority and (two) minority shareholders is not mentioned, this must have required some thought as well as good negotiation and drafting skills.

AlbTelecom is a telecommunications provider with strong growth potential. The acquisition is an important step in our expansion in the Western Balkans telco sector, which may open up further opportunities for us in the Albanian telecommunications and IT markets. We have come to the country as a strategic investor, where we want to be present in the long term in providing high quality services to retail and corporate customers. Our acquisition is an important step through our strategic goals, and we are committed to the development of the Albanian telecom sector and Albania's digitalization efforts.

– Gellert Jaszai, Chairman & CEO, 4iG

Very complex corporate, finance, and regulatory issues with four applicable laws to be considered.

AUSTRIA: GETTING THE REAL ESTATE BALL ROLLING

STARWOOD CAPITAL'S PUBLIC TAKEOVER OFFER FOR CA IMMO

Firm	Role	Client(s)
DSC Doralt Seist Csoklich	Seller's counsel	CA Immobilien Anlagen
Kirkland & Ellis	Buyer's US law counsel	Starwood Capital Group
Latham & Watkins	Financial advisor's US law counsel	Goldman Sachs & Co LLC
Schoenherr	Buyer's counsel	Starwood Capital Group
Wolf Theiss	Financial advisor's counsel	Goldman Sachs & Co LLC

Summary

On January 8, 2021, the Starwood Capital Group announced it would issue a public takeover offer for Vienna Stock Exchange-listed CA Immobilien Anlagen. The offer document was published on February 22, 2021.

CA Immo is a real estate group headquartered in Vienna with branch offices in Berlin, Frankfurt, Munich, Prague, Warsaw, Budapest, and Bucharest. It focuses on the development and management of European office properties. The company controls property assets of around EUR 5.9 billion in Germany, Austria, and Eastern Europe. The Starwood Capital Group is a private investment firm with a core focus on global real estate, energy infrastructure, and oil & gas. Since its inception in 1991, the firm has raised over USD 60 billion of capital and currently has approximately USD 90 billion of assets under management.

In 2018, Starwood had already acquired a 26% stake in CA Immo, including four golden shares that carried delegation rights to the company's supervisory body.

The anticipated mandatory takeover offer was aimed at acquiring all outstanding CA Immo shares and convertible bonds that were not held by Starwood or CA Immo, amounting to 71.76%. While the initial price was set at EUR 34.44 per CA Immo share (cum dividend), this was increased by over 10% to EUR 37 per share – with a similar increase registered for the convertible bonds. Based on these offer prices, the consideration offered amounted to roughly EUR 4.3 billion, according to Schoenherr.

The transaction closed on July 19, 2021, with Starwood having increased its participation in CA Immo to 58.8% of the outstanding voting rights – and paying in excess of EUR 1 billion for that privilege.

This deal could also be credited with kicking off the recent takeover merry-go-round on the Austrian real estate market. S Immo sold its almost 6% stake in CA Immo to Starwood under the terms of the offer – before itself submitting an unsuccessful bid for the takeover of Immofinanz and, finally, receiving an as-of-yet unresolved takeover offer from the CPI Property Group.

Since this transaction was announced, CEE Legal Matters reported on several other CA Immo deals: the sale of the Brata Office buildings in Bratislava, in March 2021, the sale of the Wspolna 47-49 office building in Warsaw, in December 2021, and the sale of the R70 office building in Budapest, in February 2022. ■

This transaction reflects our continued confidence in the fundamentals of key German, Austrian, and Central European office markets and we are delighted to become the majority owners of a business we have been supporting as core shareholders for the last three years. We look forward to continuing to work with CA Immo's Supervisory Board and management team with a view towards implementing the company's long-term strategic goals.

– Barry Sternlicht, Chairman and CEO, Starwood Capital Group

Largest public takeover of Austria's significant real estate player.

Largest deal of the year and outstanding public takeover transaction, nothing comparable happened in 2021.

Impressive transaction and one of the most prominent deals in Austria involving one of Austria's key real estate players.

The attention it grabbed in the Austrian market; the size of the transaction; the media coverage.

This deal impressed me more because it seems to have required more thought from the lawyers working on it. The deal was large, public, and involved a trust arrangement in order to process the purchase of shares and convertible bonds. It also seems to have achieved the client's goals, which is, of course, the ultimate goal of any service provider.

Fascinating deal with a lot of complexity and hard work, I am sure.

Significant deal value. Complex public offering. Provides a considerable amount of US investment to the Austrian real estate market.

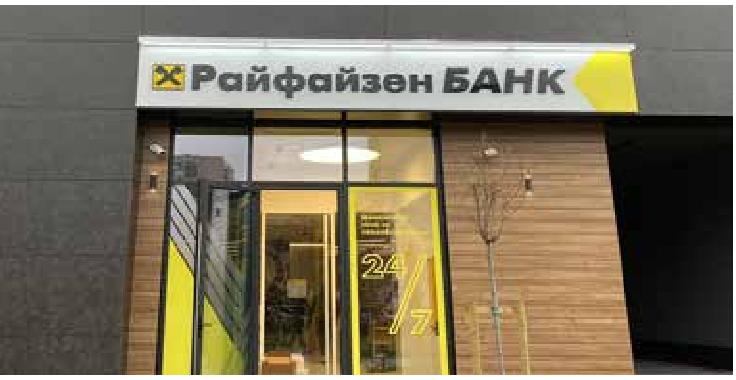
"The transaction marks the single largest public takeover offer recorded in Austria in 2021, and one of the largest increases in offer prices in recent years. Moreover, the transaction was innovative since the transaction structure approved by the Austrian Takeover Commission featured a deposit of shares with a trustee to allow structuring the offer as an anticipatory mandatory offer given the offer also involved a large portion of convertibles.

– Schoenherr"

BULGARIA: QUALITY AND SYNERGIES POTENTIAL

KBC BANK'S ACQUISITION OF RAIFFEISENBANK BULGARIA FROM RAIFFEISEN BANK INTERNATIONAL

Firm	Role	Client(s)
E+H	Buyer's Austrian law counsel	KBC Bank
Kinstellar	Buyer's counsel	KBC Bank
Wolf Theiss	Seller's counsel	Raiffeisen Bank International



Summary

On November 15, 2021, Belgian KBC Group subsidiary KBC Bank reached an agreement to acquire all shares in Raiffeisenbank Bulgaria EAD from Raiffeisen Bank International for EUR 1.015 billion. The transaction also included Raiffeisen Leasing Bulgaria, Raiffeisen Asset Management, Raiffeisen Insurance Broker, and Raiffeisen Service, with completion expected by mid-2022, pending regulatory approval.

Raiffeisenbank entered the Bulgarian market in 1994 and developed into a universal bank offering services to retail, SME, and corporate customers. At the time, it ranked sixth in the market with a market share of 7.9% in assets and 8.4% in loans and operated a network of 122 branches across the country, employing 2,500 staff and servicing 635,000 customers, according to a KBC Group press statement. "At the end of the first half of 2021, the [target] had a EUR 3.3 billion loan portfolio, EUR 4.2 billion in deposits and EUR 5.2 billion in assets and boasted a net profit of EUR 27 million." The KBC Group has itself been present in the Bulgarian financial sector since 2007.

The deal "reflects the quality of the Raiffeisen franchise and the synergies potential," KBC announced on signing. "The transaction will be EPS accretive from year one onwards, whereby the purchase price represents a 1.64x multiple of the 2022E Tangible Book Value of the target and a 13x P/E (based on 2022E earnings). Leveraging on the combined entity and KBC's expertise, benefits from synergies are expected to quickly ramp up from around EUR 12 million in 2022 to around EUR 29 million in 2024 and remaining above approximately EUR 25 million for 2025-2031 (pre-tax numbers)."

KBC also noted that "Raiffeisenbank's strategy has been very similar to KBC's in Bulgaria," with the strategic focus points for 2022-2023 including digital transformation and innovation, smart use of data, agility, efficiency, and end-to-end process automation and integration of ESG in the business model.

According to E+H, through the transaction the KBC Group aimed to further expand its Bulgarian core business and strengthen its position in the Bulgarian banking market.

The transaction is "the biggest ever banking transaction in Bulgaria", Kinstellar announced, citing Bloomberg. "It is also the biggest M&A transaction for 2021 in Bulgaria," the firm informed, with a complex regulatory framework that needed to be "considered throughout the due diligence, transaction structuring, and the negotiations."

According to Wolf Theiss, "the recent transition of the supervision over a few Bulgarian banks from the Bulgarian National Bank to the European Central Bank, including the target bank, as well as the substantial size of the target have introduced additional regulatory and transactional considerations." ■

Based on deal value and complexity related to banking sector.

I am really delighted with this second Bulgarian acquisition in a year. We've established ourselves as a strong local player, offering a full range of high-quality banking, insurance, asset management, and leasing services. Acquiring Raiffeisenbank (Bulgaria) is another testimony to our commitment to the Bulgarian market and support to the Bulgarian economy. We're extremely happy to acquire a high-quality business with an excellent reputation and management team. Its clear focus on innovation and digitalization, combined with a high customer satisfaction rating, mirrors our own Digital First strategy and will allow us to further expand our Bulgarian business, reaffirming our leading position in the Bulgarian financial market.

– Johan Thijs, CEO, KBC Group

The largest deal in 2021. A complex transaction including the core banking business and various additional financial service businesses – leasing, asset management, insurance brokerage, etc.

A huge transaction in the Bulgarian banking sector which the involved teams handled in cosmic speed.

This was a tough one as both this and the second-place deal are large, complicated, and Bulgarian-centered. The size of this deal tipped the scales for me.

"Despite the value and complexity of the transaction, it was signed in an extremely expedited manner. This put further pressure on our team which nevertheless provided high quality support due to its unmatched experience in such transactions and our excellent understanding of the purchaser's objectives – KBC is a longstanding client of Kinstellar Sofia, and this is the second bank acquisition that KBC entrusted to us.

– Kinstellar"

The transaction is 'the biggest ever banking transaction' in Bulgaria (Bloomberg). It is also the biggest M&A transaction for 2021 in Bulgaria. Legally and commercially, it was not as complicated as some of the other transactions in the list, but the size of the deal justifies such a ranking.

CZECH REPUBLIC: 8 BILLION DOLLARS AND CHANGE

AVAST AND NORTONLIFELOCK MERGER

Firm	Role	Client(s)
Kirkland & Ellis	NortonLifeLock's US law counsel	NortonLifeLock
Macfarlanes	NortonLifeLock's English law counsel	NortonLifeLock
White & Case	Avast's counsel	Avast

Summary

Cybersecurity software giants Avast, based in Prague and listed on the London Stock Exchange, and NortonLifeLock, based in Arizona and listed on Nasdaq, announced on August 10, 2021, that they had reached an agreement for the two companies' merger. The deal was structured as a takeover of Avast by the US-based company and is expected to close in 2022.

Avast is a Czech developer of cybersecurity software, machine learning, and artificial intelligence. The Prague-based company employs over 1,700 people across 25 offices worldwide. NortonLifeLock is an American developer of cyber security software. The company is headquartered in Tempe, Arizona and it employs over 3,500 people internationally.

"The merger implies an enterprise value for Avast of between approximately USD 8.2 billion and USD 8.6 billion, depending on Avast shareholders' elections," According to White & Case. At the time, the deal represented the largest-ever acquisition of a firm of Czech origin as well as the third-largest cybersecurity acquisition globally, in the firm's estimation. The transaction was set to create "a new, industry-leading consumer cyber safety business, leveraging the established brands, technology, and innovation of both groups to deliver substantial benefits to consumers, shareholders, and other stakeholders."

As announced in a joint company press statement, the combined company resulting from the merger will be headquartered both in Prague, in the Czech Republic, and in Tempe, Arizona, in the US. It will be listed on Nasdaq and maintain a significant presence in the Czech Republic. Avast's current shareholders will own between 14 and 26% of the new company.

The boards of the two companies touted the merger as having "compelling strategic and financial rationale," aiming to make their combined cyber safety platform available to more than 500 million users around the globe. Citing relatively low cyber safety penetration and growing cyber threats, the combined team would be in a better position to "innovate and develop enhanced solutions and services, with improved capabilities from access to superior data insights. Through our well-established brands, greater geographic diversification, and access to a larger global user base, the combined businesses will be poised to access the significant growth opportunity that exists worldwide."

The joint operation would merge Avast's strength in privacy and NortonLifeLock's strength in identity to create a "broad and complementary product portfolio, beyond core security and towards adjacent trust-based solutions," with significant scope for geographic diversification. In NortonLifeLock's estimation, the merger would unlock "significant value creation through approximately USD 280 million of annual gross cost synergies, with additional upside potential from new reinvestment capacity for innovation and growth." The resulting company would have "strong cash flow generation supported by a resilient balance sheet and is expected to drive double-digit EPS accretion within the first full year following completion of the merger and double-digit revenue growth in the long-term."

Following the completion of the transaction, NortonLifeLock CEO Vincent Pilette and CFO Natalie Derse will stay on in their respective positions, while Avast CEO Ondrej Vlcek would join NortonLifeLock as President and become a member of the Board of Directors and Avast co-founder and current director Pavel Baudis would join NortonLifeLock's Board as an independent director.

More recently, on March 16, 2022, the UK's Competition and Markets Authority issued a warning that the proposed merger "could reduce choices for customers, ultimately raising prices because of the lack of significant rivals" and asking the companies to address its concerns. With the merger having already received approval in the US, Spain, and Germany, NortonLifeLock and Avast announced they would collaborate with the authority but remained adamant that the deal makes strategic sense and would give the combined company the strength to compete with Big Tech, to the ultimate benefit of consumers globally, including in the UK. ■

With this combination, we can strengthen our cyber safety platform and make it available to more than 500 million users. We will also have the ability to further accelerate innovation to transform cyber safety.
– Vincent Pilette, CEO, NortonLifeLock

The merger will give rise to one of the 20 largest software companies in the world.
– Ondrej Vlcek, CEO, Avast

This was a spectacular deal second to none on the Czech market, with an importance even for the global market of cyber safety business. Not only for its scale but also for its complexity, this deal was a true challenge for the legal advisors on both sides to guide the clients successfully through the whole process.

Next stage in the life of the successful Czech company which has become global in all aspects. The merger has been another logical step.

On the face of it a takeover of an LSE-listed plc. by a Nasdaq-listed company, but Avast is very much a Czech story. A fantastic transaction and a great advert for the strength of tech in the Czech Republic and CEE generally.

All terrific deals, but this one is the most Czech-centric in my view and a wonderful story of a Czech entity getting into the global game in a really big way.

There is no space for discussion about the winner this year. This transaction is so important, huge, and outstanding that there were no doubts. Landmark deal which is just the beginning of a new journey.

This is not only an interesting transaction but a great success story for a CEE company.

White & Case has forged a close relationship with Avast over the years, advising on a number of key transactions including the initial private equity investment by Summit Partners in 2010, the minority investment by CVC Capital Partners in 2014, the acquisition of AVG Technologies in 2016, and its London IPO in 2018. This latest milestone transaction marks the next stage of Avast's growth and development. It is a transformational deal for the client and it has been a global team effort across our offices, working closely with their internal team.
– White & Case

ESTONIA: THE PEOPLE'S IPO
ENEFIT GREEN PRIVATIZATION AND IPO

Firm	Role	Client(s)
Cleary Gottlieb Steen & Hamilton	Issuer's international counsel	Enefit Green
Ellex	Issuer's counsel	Enefit Green
Shearman & Sterling	Book-runners' international counsel	Citigroup, Nordea, Swedbank
Sorainen	Book-runners' counsel	Citigroup, Nordea, Swedbank

Summary

On September 23, 2021, Eesti Energia's renewable energy subsidiary Enefit Green announced its preparations for the Rule 144A / Regulation S initial public offering and listing of its shares on the Main List of the Nasdaq Tallinn Stock Exchange. The offering was organized by joint global coordinators and joint bookrunners Citigroup, Nordea, and Swedbank.

Enefit Green is the renewables subsidiary of Estonian state-owned energy company Eesti Energia. Enefit Green owns a total of 22 wind farms in four markets – Estonia, Latvia, Lithuania, and Poland – as well as 38 solar power plants, four combined heat and power plants, a pellet plant, and a hydroelectric power plant. It produced a total of 1.35 terawatt-hours of electricity in 2020. Enefit Green's revenue in 2020 amounted to EUR 162.7 million and its EBITDA was EUR 110.2 million.

The initial subscription period ran from October 5 to October 14 and the results of the IPO were announced on October 15, 2021: a total of 60,335 retail investors participated; the total volume of subscriptions was four times larger than the base offering; to meet the high retail demand, the size of the IPO was increased from EURO 115 million to EUR 175 million; the price per share range was EUR 2.45 to 3.15; the final price per share was established at EUR 2.90, equal for all investors; 55% of the shares were allocated to retail investors and the remaining 45% to institutional investors; retail investors were allocated 100% of their subscribed amount up to 1,000 shares and 5.5% of the requested subscriptions exceeding that level, while Eesti Energia group companies' board members and employees got 100% of their subscribed amount of up to 2,000 shares and 5.5% of requested subscriptions exceeding that level; more than 80% of retail investors received their requested subscription amount in full. Enefit Green's shares were issued on October 20 and started trading on the Nasdaq Tallinn Main List on October 21, 2021.

"The IPO consisted of a primary offering of shares by Enefit Green and the sale of a minority stake by Eesti Energia, which will continue to remain a significant shareholder post IPO," Shearman & Sterling informed. "It is one of the largest IPOs in the Baltics in recent years."

According to Sorainen, "due to the unprecedented number of investors participating in the offer, the share of investors subscribing to up to 1,000 shares in total demand was so large that it was additionally decided to distribute 5.5% of the excess volume to all retail investors who subscribed for more than 1,000 shares." The deal is significant in having the largest number of subscribers in the history of the Baltics, with more than 4% of Estonia's total population participating in the IPO.

The IPO is also central to the Estonian government's plans to combat rising energy prices and energy dependency and to promote diversification of sources and the green transition. With the country "facing electricity prices five times higher than the average in December 2021," according to Sorainen, Estonia would need an estimated 2-3 gigawatts of renewable energy production capacities to cover internal consumption. Enefit Green will use the IPO's proceeds to increase its renewable generation capacity to 1.1 gigawatts by 2025, covering a significant portion of the country's green energy needs. ■

"Through the IPO, Eesti Energia and its subsidiary Enefit Green hope to make a significant contribution to the growth and consolidation of green energy production in the region and to the achievement of common climate goals."
– Mihkel Torim, Head Baltic and Finnish Investment Banking, Swedbank

In order to achieve [our 1.1 gigawatt goal], Enefit Green expects to raise up to EUR 600 million in investments in 2021-2023, for which we will use the money raised during the share issue as well as other financing opportunities, such as bank loans.
– Aavo Karmas, Chairman of the Management Board, Enefit Green

This is, in my honest opinion, the one and only "Deal of the Year 2021 in Estonia" – this is the "finish" of a decade long story of privatization of some parts of Estonian electricity incumbent Eesti Energia. In this case, and after years of several false starts (planning, preparation, postponement) – it took the form of partial privatization of its renewable energy business (mostly solar and wind) to private and institutional investors to continue and finance its growth in Estonia, Latvia, Lithuania, and now also Poland, Finland, and more. This is a deal which took place in (a) the most important sector of our times (renewable energy), in (b) a region where energy security is of existential importance (due to Russia and reliance on its natural gas), in (c) times where affordable and reliable energy is the number one subject in minds of Europe, and (d) by involvement of a record number of Estonian as investors – a total of more than 60,000 Estonian retail investors subscribed shares – that's almost 5% of the whole population. The fact that at least some Estonians can participate in the 2021/22 winter price hike of electricity is important psychologically. The IPO and its results were front-page news in Estonia for weeks. As of February 7, 2022, the shares are up 35% since the IPO. It's a huge story with a genuine feel-good factor. For me, there is no contest for the 2021 DOTY in Estonia.

Wow, what a list of three great transactions! Although the second might in fact have required more nuts-and-bolts lawyering, I'm going for the IPO because it is very much a vision of what we need a lot more of in the future and shows how Estonia is really leaning into no-fossil-fuel energy.

Renewable energy IPO with a large number of retail investors.

It was one of the largest IPOs in the Baltics in the recent years, the largest ever Estonian IPO in terms of retail investor subscription, the largest Estonian privatization in 2021, and one of the largest 'green energy' deals in Europe in 2021.
– Shearman & Sterling

The largest and most complex IPO in the region.

GREECE: GETTING THE MUNCHIES

MONDELEZ INTERNATIONAL'S ACQUISITION OF CHIPITA FROM THE OLAYAN GROUP, SPYROS THEODOROPOULOS, AND OTHERS

Firm	Role	Client(s)
Boyanov & Co.	Buyer's Bulgarian law counsel	Mondelez International
Clifford Chance	Buyer's international counsel	Mondelez International
Karatzas & Partners	Seller's counsel	Chipita
Shearman & Sterling	Seller's international counsel	Chipita
Zepos & Yannopoulos	Buyer's counsel	Mondelez International

Summary

On May 26, 2021, Greek snacking company Chipita and Mondelez International subsidiary Mondelez Nederland Services agreed on the acquisition of Chipita's primary business from the Olayan Group, Spyros Theodoropoulos, and several other unidentified individuals for a consideration of EUR 1.705 billion.

As part of the completion process, Chipita undertook and completed a Greek law demerger, with the company split between the primary business transferred to the buyer and a limited retained business – including the PG Nikas meat-processing arm and Chipita's minority interest in its Indian joint venture.

According to Boyanov & Co, "MDLZ, selling snack food and beverage products, plans to fund the deal with existing cash and new debt issuance. Chipita produces and markets savory and sweet snacks. The company's portfolio of croissant and baked snack brands includes 7Days, Chipicao, and Fineti. It generated revenues of approximately USD 580 million in 2020."

The transaction between Chipita, one of the largest snack producers in Central and Eastern Europe, established in Greece 40 years ago, and global snacking company Mondelez, with a presence in over 150 countries, "is one of the largest in terms of selling value in the Greek market and its completion is subject to the relevant antitrust approvals," Karatzas & Partners announced.

"This was a highly complex, high-value, cross-border deal," Shearman & Sterling informed, "which involved several practices including M&A, Tax, Antitrust, Disputes, and Intellectual Property."

On signing, Mondelez cited several reasons for its acquisition of the CEE player: "Chipita has been at the forefront of the development and growth in the sector, across multiple countries, driven by its strong innovation and manufacturing capabilities" and was a "strong platform with a proven track record of high growth" to enhance the group's offering in the attractive USD 65 billion global packaged cakes and pastry category; Chipita's differentiated brands, including 7Days; its yearly revenue; and the opportunity "for shared benefits between Chipita and Mondelez International from procurement, manufacturing, and future growth."

The transaction was touted as "immediately accretive to earnings per share from closing, based on comprehensive synergies." Chipita's products, produced in 13 manufacturing plants and delivered in more than 50 countries, reach two billion consumers, the buyer informed. "The acquisition will enable the Mondelez International business to offer a broad bakery portfolio – biscuits, cake, and now pastry – meeting growing consumer demand for this segment." And finally, Mondelez announced it would utilize Chipita's CEE distribution network capabilities to enhance its own distribution in the region and "continue to introduce its brands to new countries in the region and beyond."

The deal closed on January 3, 2022, with the formal integration process of the two companies estimated to take about six months. ■

The acquisition of Chipita builds on Mondelez International's continued expansion into fast-growing snacking segments.
– Zepos & Yannopoulos

Chipita has, for more than 40 years, based on quality and innovation, created a new category of snacks loved by consumers internationally. I am certain that the acquisition of Chipita by Mondelez International, one of the world's leading snacking companies, will create new prospects for its people and products.
– Spyros Theodoropoulos, shareholder and CEO, Chipita

This is a deal while the other is an important transaction to shore up Greece's financial standing.

Size-wise the deal was very large for SEE and, in terms of legal complexity, involved a Greek law demerger and (presumably) foreign law governing the transaction documentation.

We are delighted to formally welcome Chipita Global into Mondelez International, bringing together our strong brands and heritage, as we continue to deliver great-tasting snacks and innovate across our brands to meet a wide range of changing consumer needs. Chipita's iconic brands and significant scale across so many attractive geographies make them a strong strategic complement to our existing portfolio and future growth ambitions in Europe and beyond.
– Dirk Van de Put, Chairman and CEO, Mondelez International

The transaction is one of the largest in terms of selling value in the Greek market and its completion is subject to the relevant antitrust approvals. The perimeter of the transaction does not include PG Nikas, a meat-processing business, or Chipita's minority interest in its Indian joint venture.
– Karatzas & Partners

HUNGARY: THE PACKAGE DEAL

MVM ENERGIA'S ACQUISITION OF COMPANIES AND ASSETS FROM E.ON HUNGARY

Firm	Role	Client(s)
Freshfields Bruckhaus Deringer	Seller's international counsel	E.On Hungary
Kinstellar	Buyer's counsel	MVM Energia
Linklaters	Buyer's international counsel	MVM Energia
Oppenheim	Seller's counsel	E.On Hungary

Summary

On July 21, 2021, Hungarian state-owned MVM Energia agreed to acquire an electricity network portfolio of companies and assets from E.On Hungary, including the Emasz Halozati network, the universal supply customer portfolio of Elmu – with more than 2 million household consumers – and the Elmu-Emasz Ugyfelszolgalati customer service business. The transaction closed in record-breaking time on August 31, 2021.

While the three separate but closely interlinked transactions added an extra layer of complexity, the deal was facilitated by being part of a larger framework agreement regarding E.On Hungary assets, which was signed on October 3, 2019, between MVM and Germany's E.On Beteiligungen. According to MVM, "the framework agreement contributed to the optimization of the portfolios of MVM and the E.On Hungary Group, and also supports the long-term strategy of the groups."

The framework agreement included one other key transaction, as a final step: MVM acquiring a 25% direct stake in E.On Hungary through a share deal. This final transaction closed on December 15, 2021.

More broadly, the MVM-E.On framework agreement in Hungary came on the tail of E.On's acquisition of Innogy's distribution and consumer solutions businesses as well as some of its electricity generation assets. As Innogy was controlled by E.On's German competitor RWE, the European Commission's approval was conditional on a commitments package offered by the buyer.

For the Hungarian market for the retail supply of electricity to unregulated businesses, citing concerns that "the companies are two of three major retailers active in the country and exert a significant competitive pressure on each other that would be lost with the merger," the EC ordered "E.On to divest its business in the retail supply of electricity to unregulated customers in Hungary, including all assets and staff."

With E.On looking to divest in Hungary, state-owned MVM was a natural fit, as the two companies already had a history of working together: in March 2013 MVM had purchased E.On Trade, a gas wholesaler, and E.On Storage, a gas storage facility company, from E.On Hungary for EUR 875 million.

This 2021 portfolio transaction "was the largest energy-related M&A deal in Hungary during the last ten years, both in terms of deal value and complexity," according to Kinstellar. "As a result of the deal, MVM Energia has further strengthened its market leading position in operating distribution systems and supplying end customers." ■

The transfer of the customer portfolio was carried out on the basis of a process regulated under the Electricity Act in detail and thus required close cooperation with the energy regulator. In addition to addressing energy regulatory issues and general M&A matters, our legal team also had to advise on competition law, state aid, public procurement, employment, and data protection matters.

– Kinstellar

Asset deals are always atypical and different.

I have chosen this deal as number one due to its volume, complexity, and multidisciplinary nature. Apart from standard M&A features, competition, state aid, public procurement, employment, and data protection legal elements must have also played a very important role in structuring and implementing the acquisition.

Although the transaction was mainly domestic (given the asset-deal structure, it may be that Hungarian law also governed the transaction documents), the legal surprise here is the acquisition of a distribution network via an asset- and not a share-deal. This would have involved great complexity in terms of property law diligence, acquisitions, and registrations. Also, acquiring a large number of customer contracts as part of the supply business would have required very careful diligence in terms of data protection and cyber security issues. Added to that is the high level of regulation applicable to energy distribution and supply businesses. Well done to the lawyers involved, although the buyer may have kicked itself when the supply crisis began shortly after closing!

Ranked first based on the complexity that comes from doing asset deals and the general regulatory hurdles that the lawyers had to overcome.

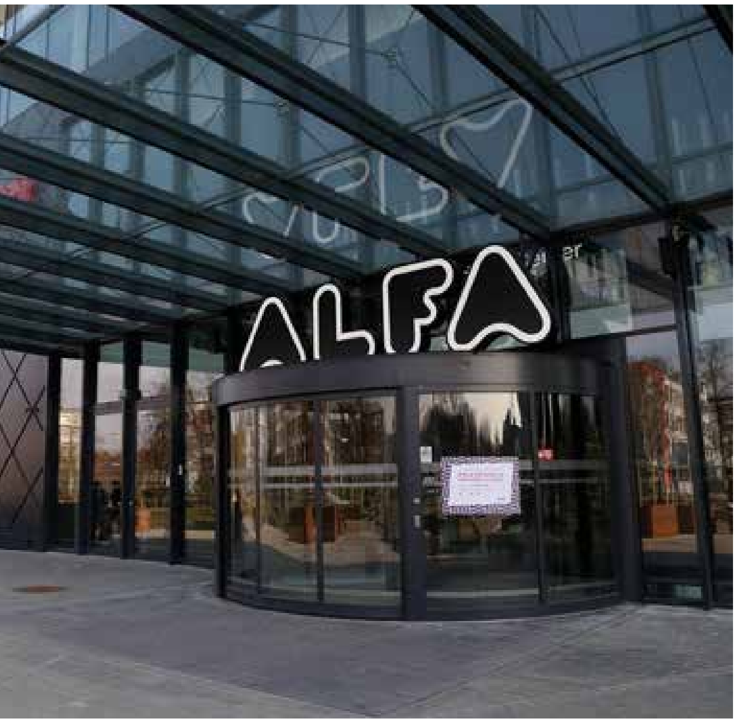
Largest energy M&A.

Very significant market deal, important M&A transaction.

LATVIA: THE RETAIL DEAL AND THE PANDEMIC

AKROPOLIS GROUP'S ACQUISITION OF DELTA PROPERTY FROM AMD HOLDING

Firm	Role	Client(s)
Ellex	Seller's counsel	AMD Holding
Eversheds Sutherland	Insurer's counsel	N/A (W&I insurance providers)
Simpson Thacher & Bartlett	Seller's international counsel	AMD Holding
TGS Baltic	Buyer's counsel	Akropolis Group



Summary

On August 9, 2021, Baltic shopping and entertainment center developer and manager Akropolis Group signed the share purchase agreement to fully acquire Delta Property in Latvia, owner of Riga's 154,000 square-meter Alfa Shopping Center, from Norway-based AMD Holding. On November 25, 2021, the Latvian Competition Council approved the merger unconditionally, with the deal closing five days later, on November 30.

The Akropolis Group already owned and operated the Akropolis multifunctional shopping and entertainment centers in Vilnius, Klaipeda and Siauliai, in Lithuania, and the Akropole in Riga – a 97,000 square-meter center housing 170 stores and 2,300 parking spaces, opened in 2019.

Through the transaction, Akropolis added a second Riga property to its portfolio – the first city where the group manages two shopping and entertainment centers – with the Alfa shopping center also being the first asset in the company's portfolio that had not been developed by the group itself.

The target company's assets included a 9.7-hectare plot in Riga as well as the 154,000 square-meter building of the Alfa shopping center, with 210 stores and a 1,750-vehicle car park, which was opened in 2001 and was substantially renovated and expanded in 2019 for around EUR 55 million. Zane Kaktina, who had managed the Akropole center in Riga for the previous two years, was put in charge of the Akropolis Group's newest asset.

While the transaction's value was confidential, the Akropolis Group did issue eurobonds to the tune of EUR 300 million three months prior to the signing, in May 2021.

"This transaction is the largest single asset real estate transaction in the Baltic States in the last decade," TGS Baltic announced, with the firm also citing the challenge of expanding a "portfolio of ultra large and very popular shopping centers during the pandemic." ■

The Competition Council of the Republic of Latvia has investigated the planned acquisition by the Akropolis Group of 100% of shares in Delta Property and sole control of the latter company and found that the contemplated merger would not create or strengthen a dominant position or significantly restrict competition in the relevant markets. Having received an unconditional merger clearance, we intend to complete the transaction in the near future.

– Manfredas Darguzis, CEO, Akropolis Group

Significant as the largest single asset real estate transaction in the Baltic States in the last decade. However, no legal novelty involved. The asset price as the most significant factor.

Topical area – retail. Building up a portfolio of super large shopping malls. Through pandemic and restrictions in Latvia, the Lithuania-headquartered Acropolis Group that already had one out of 2-4 super large shopping malls in Latvia – Akropole – managed this challenging and in the end successful transaction in Riga, Latvia, whereby it bought another super large shopping center – Alfa. Alfa is one of the biggest shopping centers in Riga, Latvia, so this was a major deal in the market, which strengthens Akropolis' leading position.

This deal was said to be the largest transaction in real estate; however the deal value is not made public.

In order to finance the transaction, the Akropolis Group issued EUR 300 million in eurobonds earlier this year. The complicated and lengthy transaction was the subject of regulatory clearance.

> The Akropolis Group's long-standing experience in the management of major shopping centers and its focus towards long-term mutually beneficial partnerships with tenants grants the confidence for its expansion in Riga. Akropole, the company's first shopping and entertainment center outside Lithuania, was opened in Riga in April 2019.
>
> – TGS Baltic

> This transaction is the largest single asset real estate transaction in the Baltic States in the last decade. Challenging transaction involving expansion of portfolio of ultra large and very popular shopping centers during the pandemic.
>
> – TGS Baltic

MOLDOVA: TOGETHER FOR MOLDOVA'S SMES
MAIB UNFUNDED RISK PARTICIPATION

Firm	Role	Client(s)
ACI Partners	Lender's counsel	EBRD

Summary

The 2021 Deal of the Year in Moldova involved the European Bank for Reconstruction and Development extending an unfunded risk-sharing framework of up to EUR 20 million to Moldova Agroindbank (MAIB) and an additional EUR 5 million loan, backed by the EU. As a result of the financing, small, medium, and selected larger businesses in Moldova were set to benefit from greater access to finance.

The unfunded risk-sharing facility was aimed at increasing financing to businesses in Moldova. Under the agreement, the EBRD will share MAIB's exposure to local enterprises through unfunded risk participation, by guaranteeing up to 50% of the lender's existing and new exposure, thereby reducing the risk weighting and capital requirements on the loans, freeing up funds, and thus increasing MAIB's capacity to finance.

Under the structure, the EBRD and MAIB have already approved two loans with a total amount of EUR 20 million, according to ACI Partners. In addition to this guarantee, MAIB would also receive a EUR 5 million loan under the EU4Business-EBRD credit line, for on-lending to local firms.

The new loan was granted considering the bank's strong track record of disbursing EUR 30 million under the credit line over the past two years. This loan is aimed to upgrade products and services in line with EU standards, increase competitiveness locally, and grasp international trade opportunities. At least 70% of the loan is expected to finance investments in green technologies.

In addition to the financing, the EU is complementing the project with grants and free-of-charge technical assistance to the borrowers, under its EU4Business initiative. Around 350 Moldovan companies have already benefited from the program since its launch in 2016.

Founded in 1991, MAIB is Moldova's largest bank, servicing 1 million clients through a network of 58 branches and 86 agencies.

Since the start of its operations in the country, the EBRD has invested over EUR 1.4 billion in 146 projects in Moldova's financial, agribusiness, energy, infrastructure, and manufacturing sectors. ■

We are pleased to be joining hands with our long-standing partners, the European Union and MAIB, to support business in Moldova with much-needed finance. Today's signing will open up more opportunities for a greater number of companies across the country to invest in recovery, long-term growth, and development.

– Octavian Costas, Associate Director, EBRD

Support to SMEs has been and remains at the core of EU assistance to the Republic of Moldova and its people, as they play an essential role in building modern economies, due to their capacity to innovate and adapt to fast changing markets. Today, in partnership with the EBRD and under the Team Europe approach, another concrete step has been taken to improve the access of Moldovan SMEs to finance, which is essential for introducing modern technologies and raising competitiveness. We encourage the SMEs from the Republic of Moldova to take advantage of the new opportunities provided to them in the framework of EU4Businees and in partnership with local banks.

– Janis Mazeiks, EU Ambassador to the Republic of Moldova

"This is a unique product for our customers so that we can meet their increasing requirements in financing, supporting growing businesses, and investing in the long-term development of Moldova's economy. I would like to express my gratitude to the EBRD and the EU for their continued partnership with MAIB and longstanding support for the Moldovan economy. Signing the risk-sharing agreement is a testament to MAIB's lending expertise and our ability to offer much-needed financial products and services to local businesses. We look forward to working with our valued partners to enable Moldovan businesses to thrive and stay competitive."

– Giorgi Shagidze, CEO, MAIB

This is a unique product for the Moldovan financing market opening up more opportunities for a greater number of companies across the country to invest in recovery, long-term growth, and development. The signing of such an agreement is an absolute premiere for Moldova.

– ACI Partners

MONTENEGRO: BUILDING A CEE BRAND

4IG'S ACQUISITION OF TELENOR MONTENEGRO FROM THE PPF GROUP

Firm	Role	Client(s)
Andric Law	Seller's counsel	PPF Group
Dentons	Seller's international counsel	PPF Group
Kinstellar	Buyer's international counsel	4iG
Komnenic & Associates	Seller's counsel	PPF Group
Vukmirovic Misic Law Firm	Buyer's counsel	4iG

Summary

On October 27, 2021, 4iG entered into an agreement with the PPF Telecom Group to acquire all shares in mobile telecommunications service provider Telenor doo Podgorica (Telenor Montenegro) for an undisclosed amount. The deal was closed on December 21, 2021, after receiving merger clearance from Montenegro's regulatory authority.

According to a company press statement, "with the transaction, 4iG has taken a significant step towards the implementation of its growth strategy in the Western Balkan telecommunication market."

4iG is a Budapest Stock Exchange-listed ICT group. 4iG has been present in the field of industry-specific and non-industry-specific innovative technologies for over 25 years and continuously expands its range of services, professional staff, and portfolio to meet the changes and needs of the ICT market.

Telenor Montenegro is one of Montenegro's major mobile telecommunications service providers. Headquartered in Podgorica, the company had 413,000 subscribers in August 2021, with two thirds of its service revenues coming from residential and business subscribers. Telenor Montenegro reaches 98% of the Montenegrin population with its 4G-based mobile services, providing a stable growth platform. With sales of EUR 44 million in 2020, Telenor Montenegro is the revenue market leader in the Montenegrin mobile segment.

On closing, 4iG touted Telenor Montenegro as "the largest mobile operator in the country" and "the absolute market leader in the Montenegrin mobile segment. The company has an outstanding infrastructure of its own, thanks to its 436 privately owned base stations covering mountainous and resort areas as well."

The PPF Group is a Prague-headquartered company investing in multiple market segments including financial services, telecommunications, biotechnology, real estate, and mechanical engineering. The PPF Group acquired Telenor's telecommunications assets in Bulgaria, Hungary, Montenegro, and Serbia in July 2018. The acquisition led to the formation of PPF Telecom Group within the broader PPF Group's structure.

Following the deal's closing, on February 22, 2022, 4iG Chairman & CEO Gellert Jaszai announced the company reached an agreement with the Hungarian state to partner in a telecom joint-venture called Antenna Hungaria. As a first step, the company press statement read, "4iG will acquire 71.6% of the shares in Antenna Hungaria through a capital increase by means of a contribution of its shareholdings in the Digi Group, Telenor Montenegro, and Invitech. The transaction will create one of the leading telecommunications groups in Hungary and the Central and Eastern European region."

The value of the planned capital increase reaches approximately EUR 1 billion, with the Digi Group operations accounting for around 60% of total and Telenor Montenegro and Invitech in Hungary accounting for the rest. As a result of the current transaction, the Hungarian state will hold 28.4% of Antenna, while 4iG will acquire the remaining, majority controlling stake in the entity. ■

Our business strategy focuses on markets offering significant growth potential and solid weighting within our portfolio. Therefore, we have decided to sell Telenor Montenegro to a party that has a long-term interest to develop the mobile operator further ... One of the key competitive advantages of Telenor Montenegro is the team, which has managed to keep mobile revenue market share leadership and operate a mobile network awarded an independent benchmark Best in Test in Montenegro. After the transaction is completed, we expect this team to continue running the business under the new owner.

– Marek Slacik, Executive Director TMT CEE,
PPF Telecom Group

Telenor Montenegro's employees and management, who have built an extraordinary company in recent years, represent significant value for the 4iG Group. We consider the company a strategic investment and with our services we plan a long-term presence in Montenegro. We support the current management team of Telenor Montenegro and count on the company's employees to continue to grow in the Montenegrin mobile telephony market, based on the company's professional services.

– Gellert Jaszai, Chairman & CEO, 4iG

4iG is a dominant player in the Hungarian IT and ICT markets as well as one of the leading company groups in the knowledge-based digital economy of Hungary.
As a broad-spectrum solution provider, [4iG] has significant interests in IT, satellite telecommunications, telecommunications, and telecommunications infrastructure development.
The company aims to establish dominant market positions in Hungary and in the Central and Eastern European and South-Eastern European regions in a wide range of ICT services.
The acquisition of Telenor offered 4iG a compelling fit to its long-term strategy, as it enables it to expand its portfolio both geographically and in spectrum, and to further strengthen its positions in the key CEE market.

– Kinstellar

DEAL EXPANDED: DENTONS' ROB IRVING TALKS ABOUT THE DEAL OF THE YEAR IN MONTENEGRO

CEELM: First, congratulations on winning the Deal of the Year award in Montenegro!

Irving: Thank you! I don't imagine there were too many deals under consideration in Montenegro, but, for us, our SEE practice is a very important part of Dentons' CEE endeavors. We are routinely present in SEE and very much enjoy working on those transactions and feel that they are an important part of what we can contribute to the region.

CEELM: Can you describe the deal for us and Dentons' role in making it happen?

Irving: There were two phenomena converging here.

Firstly, several years ago, PPF, a large Czech financial holding, purchased the Telenor mobile business in CEE – it was a huge transaction involving several different countries. However, ultimately, looking at things from their perspective – Montenegro didn't quite fit in the long-term strategy they had for the rest of the portfolio.

At the same time, 4iG, a Hungarian company that was traditionally an IT company, began a process of rapid transformation into a large integrated telecommunications company – both in Hungary and in the region generally. They saw this as an attractive opportunity to take a strong market position.

Those two converged before we were even involved, and there was a principal level agreement on the basics of the transaction between the parties, so our work was trying to implement things, essentially.

Both of these parties are big, strong companies with strong opinions on how to do deals yet, at the same time, they had a good collaborative relationship and were able to work through any issues as they arose. It wasn't one of the most difficult transactions in that sense, on account of parties being dedicated to working things out between each other, I must say.

CEELM: How did you land the mandate and what do you believe it was about the team that got it for you?

Irving: We have a large office in Prague that expanded quite a bit in the past few years, especially on the corporate and M&A side. We've been doing an increasing amount of work with large Czech financial groups investing outbound around the world from the Czech Republic – in the past year, we supported Czech clients on M&A transactions in the US, Mexico, South Africa, the Netherlands, Australia… all out of Prague. So, our operation there is very much an international one.

PPF, with its international holdings, has been someone that we wanted to work with for a while. We built on our relationship with the regulatory, TMT, and IT advice we provided to PPF in various markets – in particular surrounding their investment in the traditional Telenor business. When it came to this particular mandate, they approached us for the transaction.

I think that this is core to what we do – we've handled a number of sales throughout SEE, including, around the same time, the sale of the third-largest mobile operator in Albania to 4iG (a deal we hope will be the Albania DOTY for next year). That deal was signed just before the New Year and closed in March 2022.

People approach us for these types of transactions because we are, on the one hand, an international law firm with the ability to work on English and US-law governed transactions. Also, on the other hand, we have a regional team that understands the region and is a bit more flexible in terms of thinking around regional issues.

CEELM: What were the most complex aspects of the deal from a legal perspective? And what were some of the biggest difficulties faced in the process?

Irving: Any time there is a carve-out – be it of a product line, or geographically – there are issues in terms of, for example, IT systems, branding, management services, etc. There are always going to be times during the negotiations when the terms of the carve-out are heavily debated – what gets cut off at closing, what continues for a period after, on what terms… these issues always make carve-out transactions more interesting.

It was much easier, for example, when we helped sell One Communications in Albania – which ended up being a stand-alone business, following its carve-out from Deutsche Telekom a few years prior.

Finally, we were happy we hadn't run into any issues on account of telecommunications being a particularly regulated sector.

CEELM: In contrast, what, in your opinion, went particularly smoothly and what do you believe contributed to it?

Irving: I don't want to overplay the lawyers' role in making the transaction go so smoothly. Some of the times you can wrap yourself in the flag and say, yes, we lawyers saved the day – but this wasn't the case with this particular transaction. The clients were pretty determined to make this work – so it was, overall, a pretty cooperative atmosphere in getting this done – both on the principals' side and the lawyers' side.

We had Anthony O'Connor from Kinstellar leading the other side of the negotiations – he is a former colleague, he and I worked together for ten years in the same firm, and he is a good friend. So, there was no posturing going on, it was a very collaborative atmosphere and we all tried to make the legal work run like clockwork.

CEELM: Why do you believe the judges voted for this deal over the others?

Irving: I don't know how many transactions as large were under consideration from Montenegro in the last year. It is a market that tends to have probably a couple of large, cross-border transactions per year. So, I suspect that might have been at work somewhat.

I can say, however, that there were some really interesting issues of Montenegrin law that came up at certain points that made us delve into it all quite intimately, with, in certain cases, the law working a bit differently compared to some SEE countries. Working on such a large transaction in Montenegro requires a lot of care and attention – which makes me have a lot of respect for Montenegrin lawyers who are required to implement such transactions just because of the demands those complexities place on them.

CEELM: In your view, what is the significance of this deal for the Montenegro/CEE market?

Irving: Getting a dedicated long-term investor like 4iG into the market, who has long-term ambitions with respect to what they seek to achieve – is a big positive.

A lot of large EU and global telecommunications firms have been slowly withdrawing from CEE – you can see this across the board, with telecommunications operators being up for sale in different countries across CEE and SEE. For example, Deutsche Telekom has sold some of its assets in recent years; Telenor, of course; other companies exploring selling assets… so, in this dynamic, to get a long-term dedicated industry investor like 4iG, which has deep pockets, is a strong positive for the country.


Rob Irving, Partner, Dentons

CEELM: And do you believe we can expect other similar deals in the near future? Why/Why not?

Irving: I can't give you any hints – you never want to talk about things which you hear as market rumors, or that you may have been approached on, but I would say that lots of people are exploring opportunities.

People who are interested in expanding – regional players in particular, like Telecom Serbia or Telecom Slovenia that are always on the lookout for regional assets. Furthermore, I don't know if 4iG is done – there seems to be some room for further expansion – so if further assets come up for sale maybe they'll continue to explore their options. Also, financial investors certainly continue to look for angles.

For example, there is a firm operating across SEE, the United Group, that has consolidated all the way from Slovenia to Greece – they're private equity-owned, by BC Partners – which continues to make acquisitions.

I would say that the play is looking at where there might be large EU or global groups that own, what is for them, rather small assets, and whether continuing to own those assets and dedicating management time and financial resources to them makes sense, given their global situation. It is prudent, of course, to look at regional players as logical consolidators of these assets. ■

NORTH MACEDONIA: WIND FARM FIRST
INTERENERGO AND TRIGAL'S ACQUISITION OF WIND FARM FROM EUROING

Firm	Role	Client(s)
Fatur Menard	Buyer's counsel	Trigal
Karanovic & Partners in cooperation with local lawyers	Buyer's counsel	Interenergo
Nikola Lazarov Law Office	Seller's counsel	Euroing

Summary

The winner of the 2021 Deal of the Year in North Macedonia involved energy company Interenergo and investment firm Trigal's EUR 40 million investment for the construction of a 30-megawatt wind farm in Bogdanci, North Macedonia. The agreement was signed on March 16, 2021, with the deal closing on November 4, 2021.

Following the transaction, Interenergo – as the holder of a 51% stake in the joint-venture and the chief technical developer – took the lead on the implementation of the project, which will involve the use of cutting-edge technology and international best practices. The six wind turbines are expected to become operational by 2023 and generate 72 gigawatt-hours of renewable energy on an annual basis, enough to supply 18,000 households.

The transaction was structured as an acquisition of an already existing project, to be invested in and developed by Interenergo and Trigal. As such, the deal required expertise in energy, environmental, and urban planning for the project's assessment and for implementing changes and updates according to the buyer's specifications. It also includes a two-stage implementation structure for acquiring the target – PVE Euroing doo Gevgelija, prior and post-closing. Finally, the deal also included the setup of a financing framework for the target, for the interim period between signing and closing.

Six months prior to the transaction, Interenergo had also signed a memorandum of understanding with the Government of the Republic of Northern Macedonia, emphasizing both parties' interest in a long-term cooperation. North Macedonia's Prime Minister Zoran Zaev ventured that the Gevgelija wind farm would not be the last renewable investment based on that specific agreement. "The days of producing electricity from fossil fuels are ending. The country is strictly following the strategic goal of substituting fossil fuels with renewables," Zaev said.

The investment aims to contribute to the energy mix of the country with its environmentally friendly production of electricity and ease Macedonia's dependence on imported electricity. At the same time, the investment was seen as being a booster and benchmark for future wind projects. Currently, the country's wind potential is underused, with only one local wind park in operation, owned by the state. Under North Macedonia's energy development strategy, the share of renewable energy in the country's gross final energy use is planned to exceed 50% by 2040, making such projects a priority.

Interenergo is a Slovenian company belonging to the Kelag Group, one of Austria's leading energy service providers, Karanovic & Partners informed. The group is pursuing a "value-oriented, organic growth and innovation strategy based on renewable energies and energy efficiency."

Slovenia's Trigal is a joint venture between KGAL, one of the biggest pension funds in Germany, according to the firm, and Slovenian insurance company Zavarovalnica Triglav. ■

Interenergo has been present on the market of Southeast Europe for more than ten years with sustainable projects and investments in the field of renewable energy sources. We have been present in Macedonia for the same period with the activity of electricity trading and, recently, we completed our first project in the field of energy efficiency with the implementation of efficient LED lighting in the municipality of Radovis. By investing in the production of electricity from renewable sources, we will now offer the full range of our services, which contribute to the green and sustainable development of the Macedonian and regional energy sectors.

– Interenergo

This project, with a value of over EUR 40 million, is an important milestone in Trigal's investments in the field of renewable energy.

– Trigal

The deal value (i.e., EUR 40 million) is very high. But, more importantly, this deal contributes to environmentally friendly electricity production; and reduces the dependence on imported electricity, which is very valuable for the economy and growth of North Macedonia. The deal included four parties, with Slovenian buyers.

The complexity of the transaction was at a high point since it required proficiency in energy, environmental and urban planning rules in order to understand the condition of the project, the possibilities for improvement, and enable the setup for the expectations and plans of the acquirers. At the same time, through the heavy negotiation process and the demanding drafting of the share purchase agreement, it was quite a challenge to ensure solutions that satisfy all four parties – resulting in a deep, two-stage implementation structure for acquiring the target, PVE Euroing doo Gevgelija, prior to and post-closing.

– Karanovic & Partners

First wind park acquisition in Macedonia – energy, environmental, urban planning with corporate law issues.

DEAL EXPANDED: NIKOLA LAZAROV LAW OFFICE'S NIKOLA LAZAROV TALKS ABOUT THE DEAL OF THE YEAR IN NORTH MACEDONIA

CEELM: First, congratulations on winning the Deal of the Year award in North Macedonia!

Lazarov: Thank you! I am delighted that our law firm earned this fascinating award and that the judges appreciated our efforts in this transaction!

CEELM: Please introduce yourself and tell us a little bit about your professional and your firm's history to date?

Lazarov: Of course. I became interested in law because I recognized that legal issues are present in many aspects of our life and that a law degree may be useful in a variety of occupations. Even if you are not actively involved in litigation or the practice of law, a law school degree provides a broad base of knowledge that may help anyone flourish in many disciplines, including business, government, education, medicine, and politics.

After obtaining an LLM degree in International and Comparative Business Law at the Chicago-Kent College of the Illinois Institute of Technology, and after five years of working as a judicial training coordinator on a USAID judicial reform project, I established my law firm in Skopje back in 2007. Our firm comprises ten attorneys and lawyers specializing in a wide range of legal disciplines, including trade law, international business transactions, mergers and acquisitions, commercial litigations, civil law, energy law, and arbitration.

CEELM: Can you describe the deal for us and the role of the Nikola Lazarov Law Office in making it happen?

Lazarov: The deal involved the sale of a developed project for the construction of a 30-megawatt wind farm in the country's southeastern area, which is one of the largest wind renewable energy projects in North Macedonia.

Considering the nature of the project, the sellers required extensive expertise and engagement in a wide range of practice areas, including energy law, construction law, corporate law, and mergers and acquisitions.

Aside from negotiating and closing the transaction, our law firm also led and carefully managed, from the seller's side, all the preceding phases, including the assistance with the comprehensive due diligence process. At the same time, many activities required implementation during the COVID-19 pandemic, which posed an additional challenge. However, I am pleased that the deal was completed successfully and that all the involved parties can look back on it with pride.

CEELM: How did you land the mandate and what do you believe it was about the team that got it for you – what was it about the firm that you believe stood out?

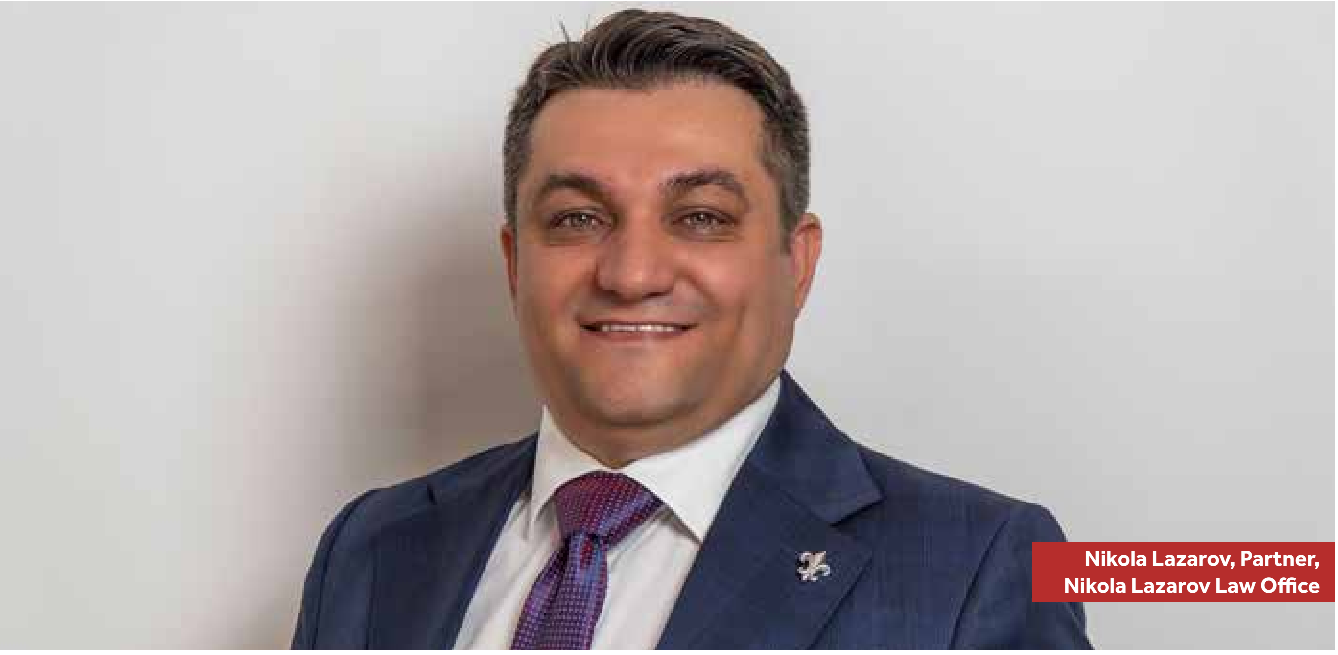
Lazarov: We are not affirmed or defined by comparing ourselves to someone else. There are many law firms out there that are excellent at what they do.

What I would say that is unique about us is that we make certain that each of our clients receives the highest quality representation and that each case is prepared with the same dedication and enthusiasm. Our most important characteristics are organization, discipline, and empathy for our clients. We are not satisfied until we have delivered the highest quality, most commercially effective legal advice, no matter how difficult or complex the mandate. We anticipate what our clients want, provide what they need, and establish long-term partnerships by thinking on their behalf every day. We go above and beyond to assist our clients in achieving their goals.

We have had a long-standing relationship with the sellers for decades. Prior to our involvement in this transaction, we had successfully represented them in other disputes and negotiations. I like to believe – and this mandate is proof of that – that in all our previous engagements we lived up to the trust and confidence the clients placed in us.

CEELM: Why do you believe the judges voted for this deal over the others?

Lazarov: I believe that the judges recognized the great significance of the transaction. It was a wonderful mix of four jurisdictions and entities. Interenergo and Trigal have the quality and capacity to considerably benefit the Macedonian environment and energy sector by carrying out this great project. I hope that this is only the beginning of many successful projects that will help North Macedonia meet its ambitious renewable energy targets. Our law office will always be here



Nikola Lazarov, Partner, Nikola Lazarov Law Office

to provide flexible, creative, and tailored solutions for their endeavors.

CEELM: What was the most complex aspect of the project?

Lazarov: Macedonian energy laws and by-laws were all either recently amended or introduced during the phase when we were obtaining the relevant authorizations and permits for the implementation of the project. Our law firm, in coordination with our client, was among the first ones to succeed in obtaining all licenses and decisions in line with the new regulations. Therefore, it was challenging to walk a path that had not been walked before and to create a trail for others to follow. The COVID-19 pandemic and the travel restrictions it brought were also big obstacles that had to be overcome. This was especially the case here, since COVID-19 broke out right at the beginning of the negotiations for the deal, even before the due diligence process, which considerably affected some elements of the schedule, meaning additional efforts and creativity were required to successfully close the deal.

CEELM: In contrast, what, from your perspective, went particularly smoothly and what do you believe contributed to it?

Lazarov: I believe that clear and effective communication among the consultants involved and the clients significantly contributed to reaching a smooth solution for the benefit of all parties.

Deep analysis of the client's issues and their changing needs also contributed to providing them with the strategic counsel at the right moment to solve any obstacles.

CEELM: Can we look forward to future similar deals in North Macedonia? Why/why not?

Lazarov: I am confident that there will be many more similar transactions in the future, mainly because of North Macedonia's policy towards renewable energy and investment opportunities moving in the right direction. Our country has always had the necessary natural resources, but we had been struggling to discover the appropriate recipe to attract high-level investors such as Interenergo and Trigal. I believe that this has changed dramatically with the implementation of the new regulations.

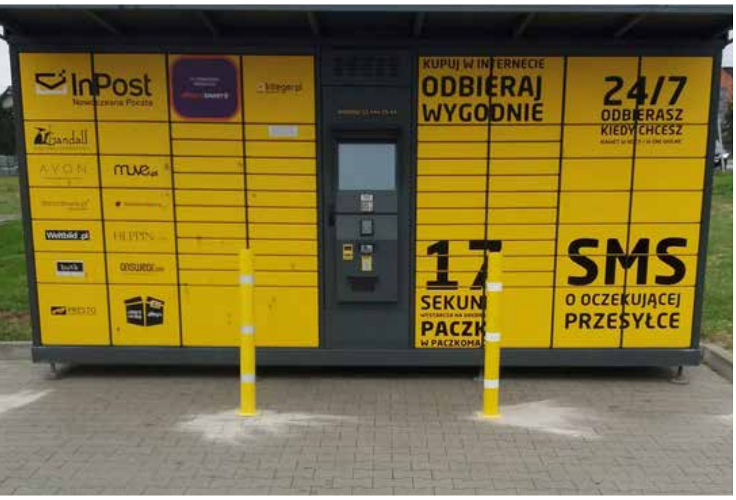
CEELM: Congratulations again on winning the Macedonian Deal of the Year award and wishing you many more professional achievements!

Lazarov: Thank you. Winning the Macedonian Deal of the Year award is definitely one of the greatest achievements in my career as an attorney at law to date. Nevertheless, I have to say that no achievement has been greater than earning and keeping the respect of my clients, colleagues, and peers within and outside my firm.The Lazarov Law office will always be on the ground to assist and guide clients through difficult processes, using our innovative approaches to solving the issues to their satisfaction. ■

POLAND: THE 3.2 BILLION EURO DELIVERY

INPOST IPO ON EURONEXT AMSTERDAM

Firm	Role	Client(s)
Clifford Chance	Bookrunners' counsel	Citigroup, Goldman Sachs, JP Morgan, ABN Amro, Barclays, BNP Paribas, Jefferies, DMBH, ING, and Pekao
CMS	Issuer's counsel	InPost and Advent International
Stibbe	Issuer's Dutch law and Luxembourg law counsel	InPost and Advent International
Weil Gotshal & Manges	Issuer's English law counsel	InPost and Advent International



Summary

On January 13, 2021, InPost and its majority shareholder Advent International announced the intention to launch an offering and list its ordinary shares on Euronext Amsterdam. The company published the prospectus and indicative price range for the shares on January 21, with trading estimated to start on January 29. The price range was set between EUR 14 and EUR 16 (inclusive), implying an InPost market capitalization between EUR 7 and 8 billion. The selling shareholders – AI Prime & Cy SCA (an entity controlled by funds managed by Advent International), the Templeton Strategic Emerging Markets Fund IV, and PZU Fundusz Inwestycyjny Zamknety Aktywow Niepublicznych BIS 2 – would offer and sell up to 175 million shares.

Due to significant investor demand, on January 25, 2021, InPost announced it was accelerating the offering's timetable. In the end, InPost was listed on Euronext Amsterdam on January 27 and the over-allotment option was exercised, with 201.25 million shares offered at the maximum EUR 16 price. The proceeds amounted to EUR 3.2 billion for around 40% of InPost's total shares. The shares were all placed through private placements to institutional investors. InPost's shares also jumped 19% on their Euronext debut, bringing the company's valuation to EUR 9.5 billion.

Underlying the successful offering and listing are InPost's strong fundamentals. It is the biggest e-commerce enablement platform in Poland, providing delivery services through its network of automated parcel machines and to-door couriers, as well as fulfillment services to e-commerce merchants. It also has growing operations in the UK. Its network of parcel lockers consists of over 12,000 machines in Europe, providing delivery services for the entire e-commerce value chain. In 2020, for instance, InPost handled nearly 250 million parcel deliveries through its lockers. It provides its partners and their customers with a lower cost, flexible, convenient, environmentally friendly, and contactless delivery option.

According to CMS, Advent International invested in the InPost Group in 2017 and "started a cooperation with Rafal Brzoska, the founder of the group, and other institutional co-investors. At that time the InPost Group was listed on the Warsaw Stock Exchange and was taken private as a result of the investment."

"The listing of InPost marks the next phase in the company's growth strategy," the Euronext listing press statement announced, "as it looks to deliver on its vision of becoming Europe's leading solution for out-of-home e-commerce parcel delivery in Europe." ■

InPost's listing on Euronext Amsterdam is an important and exciting milestone for InPost. We are humbled by the support and interest in InPost from our new investors and thank them for the trust they have put in us. We have a clear vision – to become Europe's leading out-of-home automated solution for e-commerce, and a focused plan to help us get there. Our listing represents not the end, but the beginning of the next step in this journey. InPost is positioned at the heart of the rapidly growing e-commerce market and is primed to benefit from the flywheel effect which drives an accelerating increase in consumer and merchant adoption of our APMs. We see great potential to build our presence across Europe as more markets recognize the advantages our APMs have for both merchants and consumers.

– Rafal Brzoska, CEO, InPost Group

Market and regional significance: taking into account the sector, value of the project, complexity – involving Poland, the UK, and the Netherlands as jurisdictions – the four law firms involved, and the deal value – the largest IPO of a business from Poland.

Although it was hard to choose between this deal and the runner-up, I chose this one because cross-border M&As come and go, whereas entries onto new markets have a lasting impact. Added to this, a debut capital market issuance is always a big deal for clients and their lawyers alike. Finally, the deal size is huge, and the transaction was well-timed to miss difficult conditions on the capital markets in the second half of last year. Well done to all!

This is a very significant deal because it is the first public offering for a Polish company on the Euronext in Amsterdam. The IPO has a huge value (i.e., EUR 3.2 billion). Additionally, there are multiple jurisdictions (Poland, UK, Luxembourg) involved in this deal.

No doubt Poland is playing the majors in the level of transactions it is generating. I am going with InPost as a leading indicator of the sophistication of the capital structuring Polish companies are becoming able to do and the attractive exit options they now can truly offer private equity. Very close call with the runner-up as to the attractive future Poland is displaying.

"This is one of the largest IPOs to date of a business group from Poland (EUR 3.2 billion in value), and the first IPO of a Polish company on Euronext Amsterdam.

– CMS"

DEAL EXPANDED: CMS' SLAWOMIR CZERWINSKI TALKS ABOUT THE DEAL OF THE YEAR IN POLAND

CEELM: First, congratulations on winning the Deal of the Year award in Poland!

Czerwinski: Thank you on behalf of the whole team.

CEELM: Can you describe the deal for us and CMS's role in making it happen?

Czerwinski: Although Advent's investment in InPost has been in the public spotlight and many people might have heard that it has been extremely successful, not everyone knows that it is actually one of the most spectacular PE investments of the last decade.

As for the transaction itself, Advent's exit from InPost was a dual-track process. We were engaged both in the M&A and the IPO streams. Finally, the exit was concluded by the IPO of InPost on the Euronext Amsterdam Stock Exchange, which involved the listing of the Luxembourg holding company of the Polish group on the Dutch stock exchange.

CEELM: How did you land the mandate and what do you believe it was about your team that got it for you?

Czerwinski: The core part of the team, including Jaroslaw Gajda and I, advised Advent on its investment in the group in 2017 and further, throughout the investment. At that time, we were both working in another law firm, having moved to CMS in 2020. As we knew InPost very well, we were in pole position to get the mandate.

CEELM: As reported, in 2017 Advent International invested in the InPost Group. At that time, the InPost Group was listed on the Warsaw Stock Exchange and was taken private as a result of the investment. Why was the Euronext Amsterdam Stock Exchange chosen for this IPO?

Czerwinski: It might be difficult to believe now, but the investment in InPost was not an obviously good bet at the beginning. It required a great deal of courage, faith, and tenacity from Advent's deal team to go ahead with the transaction. When we spoke to Advent's team about it for the first time in August 2016, it was not a secret that a couple of other investment funds had already killed this deal after having a closer look.

This was not because they did not believe in InPost's business model created by the group's founder, Rafal Brzoska. Quite the opposite: it was clear that InPost's APMs outperformed competitors in all fields that are critical to building a competitive advantage in e-commerce logistics, such as delivery time, cost, and convenience. However, it was certain from the outset that the execution of the deal would be extremely complex, and it was far from certain whether, after spending a great deal of time on the transaction, it would still be possible to close it successfully.

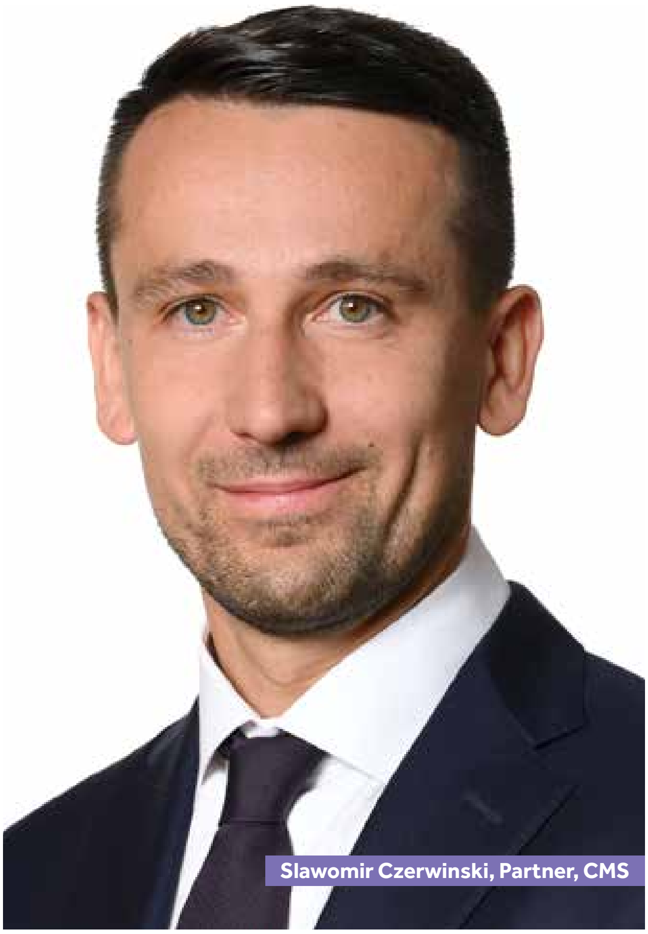
I remember very well our first kick-off call with Advent's deal team. I was calling into it from a petrol station in the Austrian Alps as I was on holiday doing my traditional annual motorbike trip with my father. We were instructed to focus on the critical elements of the deal and not to get distracted by all the other issues that would be addressed after we crossed the first hurdle. Almost exactly a year later, I sent an email to the deal team from another petrol station, this time somewhere in the Carpathian Mountains in Romania, to inform them that we had just received the decision confirming that Integer and InPost had been delisted from the WSE.

From closing the investment, it was a pleasure to watch how the company went through its restructuring, strengthened its business model, and became an absolute leader in e-commerce logistics. I suppose this is one of those rare cases where the investor, the founder, and the management team turned out to be an almost perfect match.

The IPO on the Amsterdam Stock Exchange opened the next chapter for the InPost team, and, in my view, it fits very well into their strategy. InPost wants to become an international leader. It is already doing very well in the UK and France and, within the next couple of years, the majority of its business may be located outside Poland. Therefore, the Amsterdam Stock Exchange seems to be the right venue for the listing.

CEELM: What were the most complex aspects of the IPO from a legal perspective? And what were some of the biggest difficulties faced in the process?

Czerwinski: Apart from the usual IPO issues, many things were happening behind the scenes. For example, the share-



Slawomir Czerwinski, Partner, CMS

holders' agreement, agreed upon in 2017 between Advent, Rafal Brzoska, and certain institutional investors, was implemented based on a corporate structure typical for PE investments. This structure had been changed before the IPO and the shareholders' agreement had to be adjusted accordingly. This was a fairly complex exercise for all of the advisors, including us advising on legal matters.

CEELM: In contrast, what, in your opinion, went particularly smoothly and what do you believe contributed to it?

Czerwinski: In my view, the whole process went quite smoothly. Of course, it was a complex transaction and certain things could have gone sideways, but many people did several extra miles to make sure that everything eventually went well. Some say that it is not generals who win a war, but the lieutenants. It goes without saying that InPost has excellent generals, but it also has so many superb lieutenants operating at different levels. Those include people from both InPost's and Advent's teams, but also several hired guns advising on legal, tax, financial, and business issues. For me, it was a unique experience to watch the integrity and team spirit of all the people working together.

CEELM: Why do you believe the judges voted for this deal over the others?

Czerwinski: Apart from the fact that it was a large, complex, and very well-managed deal, Advent's investment in InPost is a true success story and a worthy reward for the hard work by the InPost team and the risk taken by Advent as the investor. It truly deserves recognition. In fact, Advent also recently received the CEE Deal of the Year award for InPost at the Private Equity Awards gala, one of the most prestigious private equity awards in Europe.

CEELM: In your view, what is the significance of this deal for the Polish market?

Czerwinski: There's no doubt this was a significant deal for the Polish market. It was one of the largest IPOs of a business group from Poland to date. Many people remember that InPost had been in a difficult position before Advent's investment and did not realize what progress the company has made since that time. The scale of InPost's business and the value of the IPO (EUR 3.2 billion) was a surprise to many.

CEELM: And do you believe we can expect other similar IPOs in the near future? Why/Why not?

Czerwinski: Following the InPost IPO, there have been some other successful IPOs of Polish companies. These include the IPO of Shoper, the owner of a platform for the e-commerce market supporting users in conducting their own online sales, and STS, a leading sports betting company. Naturally, these companies are smaller than InPost, but they are quite similar in terms of the effort that has been put into different areas to maximize growth and enforce their business case before the IPO, and therefore to gain investors' trust and increase the IPO valuation. Currently, market conditions do not favor IPOs, and a couple of potential ones have been put on hold. Some investors and analysts even predict that another wave of P2P transactions is on the horizon. Nevertheless, many companies seem to be steering towards public offerings and their IPOs would definitely attract a great deal of publicity and interest from investors, probably at a level comparable to the InPost IPO. ■

ROMANIA: HAVING YOUR CAKE DELIVERED AND EATING IT TOO

GLOVO'S ACQUISITION OF DELIVERY HERO'S OPERATIONS IN BOSNIA & HERZEGOVINA, BULGARIA, CROATIA, MONTENEGRO, ROMANIA, AND SERBIA

Firm	Role	Client(s)
Cuatrecasas	Seller's Spanish law counsel	Delivery Hero
Gugushev & Partners	Seller's Bulgarian law counsel	Delivery Hero
Uria Menendez	Buyer's Spanish law counsel	Glovo
Volciuc-Ionescu	Seller's Romanian law counsel	Delivery Hero
Wolf Theiss	Buyer's regional counsel	Glovo

■ Summary

On May 26, 2021, Spain's Glovo signed a EUR 170 million deal to acquire Delivery Hero's food delivery operations in six CEE jurisdictions. On closing, Glovo took control of the Foodpanda brand in Romania and Bulgaria; the Donesi brand in Serbia, Montenegro, and Bosnia and Herzegovina; and Pauza in Croatia.

The deal was truly regional in scope and closed remarkably quickly (by June 17, 2021, for five of the markets), considering the cross-jurisdictional and new technology aspects involved. The biggest piece of the transactional pie was reserved for the Romanian operations, at around EUR 100 million, with the Romanian leg of the transaction also taking (comparatively) the longest to close, following the country's Competition Counsel clearing of the merger in December 2021.

Glovo, which was founded in 2015 in Barcelona, is primarily engaged in the supply of ready-made food and has branched out into q-commerce to deliver groceries and other items as well. Following the transaction, Glovo operates in 11 CEE jurisdictions, adding the six new ones to existing or recently acquired operations in Slovenia, Poland, Ukraine, Moldova, and Belarus. Overall, the company operates in South-West Europe, Eastern Europe, and Sub-Saharan Africa. The app connects users with restaurants, grocery chains, pharmacies, and retail stores, and also includes an "anything" category that allows users to order whatever they want.

Delivery Hero is a German multinational online food-delivery service based in Berlin also focusing on quick commerce and dark stores. It operates its service in around 50 countries across Asia, Europe, Latin America, the Middle East, and North Africa. The company started as a food delivery service in 2011 and also specializes in quick commerce, the next generation of e-commerce, aiming to bring groceries and household goods to customers in under one hour and, often, in 10 to 15 minutes. Delivery Hero has been listed on the Frankfurt Stock Exchange since 2017.

As a result of the transaction, Glovo announced it had strengthened its footprint in Central and Eastern Europe. Delivery Hero stated that the transaction allows the company "to further optimize its operational footprint and invest in other core markets and verticals which are key to its strategy."

The Deal of the Year in Romania came on the heels of Glovo's March 2021 Series F, in which the company raised EUR 450 million, and followed a mirrored deal that took place in 2020, when Delivery Hero spent USD 272 million to acquire a number of Glovo's Latin American operations.

The two companies continued to play well with each other, focusing on different markets for the rest of 2021, with Delivery Hero announcing, on December 31, that it had agreed with a number of Glovo shareholders to acquire an additional 39.4% stake in Glovo, through a share swap, aiming to become Glovo's majority shareholder when the deal closes. ■

It's always been central to our long-term strategy to focus on markets where we see clear opportunities to lead and where we can build a sustainable business. Central and Eastern Europe is a very important part of that plan. The region has really embraced on-demand delivery platforms and we're very excited to be strengthening our presence and increasing our footprint in countries that continue to show enormous potential for growth.

– Oscar Pierre, CEO and Co-Founder, Glovo

It is a landmark deal both from the perspective of the sizeable value of the deal and its cross-border angle, as well as [because of] the limited number of businesses in this particular sector and, therefore, the small number of transactional opportunities. We are proud of being involved in this one-of-a-kind transaction in Eastern Europe in 2021.

– Wolf Theiss

A household name in a booming sector.

This an interesting regional deal. If, as stated, the Romanian operations were indeed the largest of the packet, it deserves to be the Romanian DOTY.

Delivery Hero has built a clear leading business in the Balkan region in the last couple of years. However, with a lot of operational priorities on our plate, we believe Glovo would be better positioned to continue building an amazing experience for our customers in this region.

– Niklas Ostberg, CEO and Co-Founder, Delivery Hero

Tough call between first and the runner-up. Both are sizable and CEE-centric. The first required the lawyers to deal with a new sector and characters ... I'm going with the new.

DEAL EXPANDED: GLOVO'S VICTOR RACARIU TALKS ABOUT THE DEAL OF THE YEAR IN ROMANIA

CEELM: First, congratulations on winning the Deal of the Year award in Romania!

Racariu: Thank you! This was a pretty big development for the local market.

CEELM: Can you describe the deal for us? How did it come about?

Racariu: The companies we acquired were part of the Delivery Hero group and they seemed relatively stagnant to us, in terms of growth in recent times, compared to the rest of the markets Delivery Hero operates in. We, therefore, decided to approach Delivery Hero to see whether they would be interested in selling. The entire deal was spearheaded from our Bucharest regional hub, here in Romania, which already ran our operations in the markets where the deals were going to take place.

Also, Romania was the biggest market, in comparison to the other ones we were aiming for, so it made sense from that end as well – if Romania went well, others would have had to follow.

CEELM: What made the target particularly attractive for you?

Racariu: I'm not quite sure how other M&A transactions pan out in other markets, but to us, this boiled down to a simple element – it made sense for Delivery Hero to sell, and it made sense for us to make the purchase.

On the one hand, when you look at the entire target portfolio size – there was a significant overlap with our operations, especially in terms of users, customers, partners, and cities that are operated. These similarities are what inspired us to move in. On the other hand, Glovo had a bigger share and a focus not just on food, but also on groceries, electronics, and other products – and we had a better-developed market for that, so that was the main difference.

CEELM: What would you say were the most complex aspects of the deal?

Racariu: People integration by far.

Looking at the deals themselves – Croatia was the only one that sold certain assets – we only bought the company and integrated the database, userbase, couriers, and the like. Other acquisitions were full, with us buying everything, including the teams.

Ultimately, it was the team merger that represented a challenge. Glovo had 150 employees, and we had 250 new employees joining as a result of the merger – we had call centers merging – all of the structures were large and quite independent, so accommodating for role overlaps was not easy. We managed to integrate approximately 95% of the team but had to cut the rest due to overlap. In any case, it was good to have a regional hub here. Given these merger complications, it made things easier.

As far as legal complexities – we needed to get approval from the competition authorities in Romania, other countries not being subject to concentration approval. Of course, we also had to engage in the due diligence process and other particularities. While I did not, personally, go through hundreds of pages of documents on that end, I did have to plead our case before the Romanian Competition Council.

The Competition Council presented an interesting challenge in its own right, as this was an entirely new industry for them. We collaborated with them on explaining what our business consists of, defining the size of the entities, the scope of the market, the particularities of the sector, etc. This was a challenging task for us as we had to bring clarity to our business model and sector and equally convince them that the merger would not harm the business environment in Romania – on the contrary: the cost of switching to other apps is zero for customers – they would, otherwise, quickly penalize us by moving to another app. Our industry is far less restrictive for users and, in our market, customers would simply download another app and that's it.

CEELM: How was the legal work on it split between your in-house legal team and that of your external advisors? And while at it, what were the considerations behind picking those firms specifically?

Racariu: While we usually rely on our in-house team for the day-to-day operations, for this particular deal we worked with a reputable external law firm because they had a strong presence in all of the markets we targeted.

So, it was a mixture of our internal legal team performing more of the project management duties and the external law firm team handling the specific countries. Our advisors had the biggest team, in terms of both experience and expertise, that could have a strong regional engagement for us on this acquisition.

CEELM: Why do you believe the judges voted for this deal over others in Romania?

Racariu: I think that the visibility of the industry is rather big. We interact with massive numbers of people on a daily basis – you can see couriers in the street everywhere – and it's something you can connect with easily.

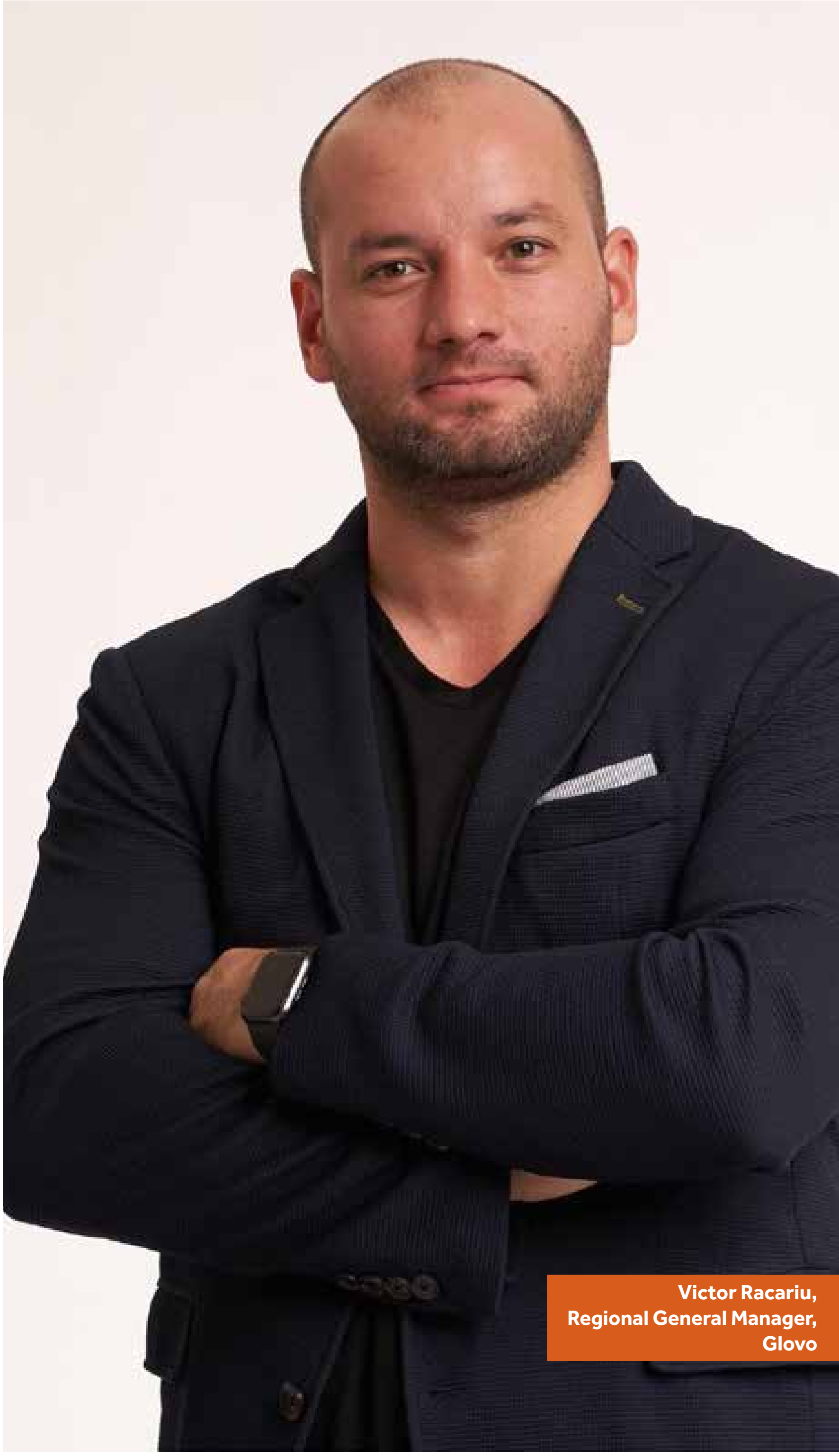
Also, the market itself is a big one – and the market share of all of the businesses, even pre-acquisition, was quite large, so it stands to reason that it attracted attention.

CEELM: In your view, what is the significance of this deal for the Romanian market?

Racariu: I believe that through this deal we are bringing additional added value to our ecosystem of users, partners, and courier service providers, as our growth means better services, content, and products for them.

CEELM: Can we expect other similar deals in the near future from Glovo? Why/Why not?

Racariu: Of this size – probably not. Smaller ones, however, I do not exclude as a possibility. We are always on the lookout for potential investments, even those that are non-core for our business, like various service companies and adjacent service providers. ■



Victor Racariu, Regional General Manager, Glovo

SERBIA: BETWEEN A ROCK AND A HARD PLACE
PRIVATIZATION OF HIP PETROHEMIJA

Firm	Role	Client(s)
Law Office Miroslav Stojanovic in cooperation with Wolf Theiss	Buyer's counsel	NIS
Marjanovic Law	Seller's counsel	Republic of Serbia and HIP Petrohemija

Summary

On December 24, 2021, Gazprom Neft's Serbian affiliate Naftna Industrija Srbije (NIS), the Serbian government, and majority state-owned HIP Petrohemija (HIPP) entered into a strategic partnership agreement. As a result, HIPP, after several false starts and finally finding a strategic investor, successfully completed its privatization process.

Under the agreement, NIS acquired a controlling stake in HIPP by increasing its current shareholding interest from 20.86% to 90% in HIPP's total capital, through a contribution of EUR 150 million as an additional capital increase for the target, with the new capital to be primarily used by HIPP for building a new polypropylene production plant with an output capacity of at least 140,000 tons per year.

A strategic partnership, as a model of privatization for the state-owned company, was chosen in this case in order to ensure HIPP's future sustainability and to secure jobs and better working conditions for HIPP's employees, Law Office Miroslav Stojanovic informed. "With the launch of this new plant, HIPP will have the opportunity to improve its business performance and confirm its position as one of the Republic of Serbia's leading exporters."

The transaction included drafting and executing the strategic partnership agreement, agreeing on the transformation of HIPP from a joint stock to a limited liability company, and agreeing on its future corporate governance and on a complex decision-making system, among others. Moreover, special care was given to matters related to environmental protection, historical pollution, the employees' protection program, and state aid matters.

NIS is now one of the largest energy companies in South-East Europe. Gazprom Neft's investments in NIS in 2009-2020 totaled more than EUR 3 billion, as a result of which NIS has been able to implement projects in developing exploration and production, refining, and its filling station network, throughout the Balkans region. As a result of the investments and extensive modernization, the NIS refinery in Pancevo has a refining depth of 99% and became one of the most modern refineries in Europe. Gazprom Neft plans to invest a further EUR 1 billion in developing NIS by 2025, geopolitical context allowing.

HIPP is the largest petrochemicals producer in the Republic of Serbia and an important company within the chemical industry of Southeastern Europe, according to Wolf Theiss. With its registered seat in Pancevo, its manufacturing facilities occupy 241 hectares in the industrial zone of Pancevo and in Elemir and Crepaja. It specializes in producing high-density and low-density polyethylene and other petrochemical products, with an annual production capacity of 700,000 tons.

Despite the investor's currently complicated status, the deal represents a success for the Serbian government, first as a conclusion to a long journey towards privatization, and second because of the potential synergies in finding an oil refiner for a strategic partner. ■

“HIP Petrohemija’s privatization through a strategic partnership is a landmark project for the Republic of Serbia, since it resulted in the synergy of a strategic manufacturer of petrochemicals – often overly indebted and lacking modern and efficient management – with a strategic oil manufacturer, setting the grounds for the expansion of the business in the region.

– Law Office Miroslav Stojanovic in cooperation with Wolf Theiss”

This deal strikes me as a very complex privatization process, as it was a sort of synthetic sale through a capital increase and corporate transformation. Such additional layers of complexity are not common for the transactions we usually have on the Serbian market. Also, the Republic of Serbia has been looking for a long time for a strategic buyer for Petrohemija, which makes this transaction the most important deal for our government in 2021.

This is one of the largest ongoing projects in the Republic of Serbia, to crown a successful privatization that will contribute to further growth of GDP and the country’s better economic positioning. The significance of the deal rests in the complex negotiations with the representatives of NIS as investor, those of HIP Petrohemija, and the advisors of the Serbian government.

Serbia’s economy will benefit from this deal more than it may benefit from the others.

It is rare to see a privatization these days, so this is interesting. Also, the transaction mechanism looks bespoke, and the amounts invested and to be invested are high. The legal due diligence must have been interesting, with a special focus on environmental liabilities, plus the deal may have required an imaginative use of local corporate laws. I would be interested to know the level of detail of legal drafting governing corporate governance and future expenditures.

By finding a strategic investor who will invest the amount of EUR 150 million in the recapitalization of Petrohemija and build a new polypropylene production plant with a capacity of at least 140,000 tons per year – and there are indications that the capacity of the plant will be much higher – the Ministry of Economy has ensured the safe operation of HIP Petrohemija in the coming years, as well as secure job positions and better working conditions for Petrohemija’s employees.
By obtaining a new plant, Petrohemija will have the opportunity to improve its business results and confirm its position as one of the largest exporters in the Republic of Serbia. All this will contribute to the improvement of the business climate and further economic development of both the local community and the entire Republic.
We are sure that with the joint efforts of the Government of the Republic of Serbia and NIS we will round off another successful privatization that will contribute to further growth of the gross national product and better positioning of the Republic of Serbia in European and global economic flows.

– Andjelka Atanaskovic, Minister of Economy, Republic of Serbia

SLOVAKIA: THE TROPHY REAL ESTATE TRANSACTION

WOOD & CO'S AND TATRA ASSET MANAGEMENT'S ACQUISITION OF AUPARK SHOPPING CENTER FROM UNIBAIL-RODAMCO-WESTFIELD

Firm	Role	Client(s)
Allen & Overy	Lender's counsel	Club of lenders led by Erste Group Bank AG
Dentons	Seller's counsel	Unibail-Rodamco-Westfield
Taylor Wessing	Buyer's counsel	Tatra Asset Management
White & Case	Buyer's counsel	Wood & Company and the buyers' JV

Summary

In February 2021, Czech investment bank Wood & Company and Slovak investment fund manager Tatra Asset Management, as joint venture partners, signed a EUR 450 million agreement for the phased acquisition of the Aupark Bratislava shopping center from Unibail-Rodamco-Westfield. On April 27, 2021, a club of lenders led by the Erste Group Bank signed an agreement on the refinancing of Aupark. When the transaction closed in May 2021, a 60% stake in the operation was transferred to the buyers, with the remaining 40% to be acquired in multiple pre-agreed tranches in 2022, 2023, and 2024.

As part of the deal, Unibail-Rodamco-Westfield provided a three-year rent guarantee and a participative loan, including an earn-out mechanism. According to a Wood & Company statement, Aupark's existing debt was refinanced by "the joint venture formed by Unibail-Rodamco-Westfield and the purchasers" by obtaining non-recourse bank financing in the amount of EUR 229.5 million. The seller will continue to manage the property, together with Wood & Company, until the asset has been fully acquired by the buyers and the earn-out mechanism settled.

The acquisition was the biggest commercial real estate transaction in Slovakia to date, Taylor Wessing announced. "Aupark is an established flagship shopping center with a strong market position due to its proximity to Bratislava's city center." The acquired asset has a gross leasable area of 59,600 square meters and had an attendance of 11.8 million people in 2019.

Tatra Banka subsidiary Tatra Asset Management is Slovakia's largest manager of investment funds, according to the firm, with a total amount of EUR 2 billion.

Wood & Company is a CEE-focused investment bank providing corporate finance and capital markets services, securities brokerage, and asset management. It was founded in 1991 and is headquartered in Prague. With the acquisition of Aupark, the company announced it would become "the second-largest owner of office and shopping centers in Bratislava and Prague. The total value of Wood & Company's real estate portfolio will exceed EUR 1 billion." Together with the new asset, the retail leasable area in Wood & Company's portfolio will increase to 115,000 square meters.

Unibail-Rodamco-Westfield is a shopping destination developer and operator with a portfolio valued at USD 68.7 billion. The company owns and operates 87 shopping centers, primarily in Europe and the US. The disposal of the Aupark Bratislava shopping center – its only asset in Slovakia – follows the company's deleveraging strategy, its strategy of dynamic recycling of capital from mature assets, and the focus on ownership of assets in key European cities. ■

We are very pleased to work with Wood & Company on this important transaction, which is a genuine landmark deal on the Slovak market. It also demonstrates the resilience of flagship shopping centers and the liquidity of the asset class, despite the COVID-19 context. The transaction makes clear sense for all parties involved and allows URW to accelerate progress on its core strategic focus of deleveraging.
– Martin Makovec, Central Europe Director of Investment and Operations, Unibail-Rodamco-Westfield

The transaction, which was closed at the end of May 2021, is one of the first if not the only major retail transaction during the COVID-19 pandemic in Central and Eastern Europe. It is one of the largest ever real estate acquisitions in the Slovak market to date.
– Dentons

Even though we can question the commercial sanity of this deal, it simply is one of the largest real estate deals and hence deserves the credit. Apart from the transaction itself, it involved refinancing.

This was the biggest commercial real estate transaction in Slovakia ever. Aupark is an established flagship shopping center with a strong market position due to its proximity to Bratislava's city center and attractive offer of retailers as well as leisure and entertainment activities.
– Taylor Wessing

The pandemic acts as an accelerator that has brought a transformation to the deal-making process. At the outbreak of the crisis in early-2020, most M&A deals were put on hold or renegotiated, and both buy- and sell-sides were evaluating the changes in the short and long-term factors, and the changes in the value chain and competitive landscape. We are delighted that, together with our business partners, we went through this period of uncertainty confidently, and showed the adaptability and flexibility to keep our deals on track. In the market, we have observed some recovery, and we believe transaction volumes will rise this year.
– Lukas Palascak, Head of M&A, Wood & Company

Biggest deal in terms of value and level of involvement of the best legal teams on the Slovak market. Except for the seller's counsel team, which was surprisingly sourced mainly from Dentons Prague, the buyers' (White & Case, Taylor Wessing) and lenders' (Allen & Overy) counsel deployed local Bratislava-based teams on what was a very complex and demanding debt-financed transaction.

SLOVENIA: TO SHAKE UP THE FINANCIAL ORDER

OTP'S ACQUISITION OF NOVA KREDITNA BANKA MARIBOR FROM APOLLO GLOBAL MANAGEMENT AND EBRD

Firm	Role	Client(s)
Allen & Overy	Buyer's Luxembourg law counsel	OTP
Bird & Bird	Buyer's international counsel	OTP
Paul Weiss Rifkind Wharton & Garrison	Seller's international counsel	Apollo Global Management
Selih & Partnerji	Buyer's counsel	OTP
Wolf Theiss	Seller's counsel	Apollo Global Management and NOVA KBM

Summary

On May 31, 2021, Hungary's OTP Bank signed an agreement with private equity firm Apollo Global Management and the European Bank for Reconstruction and Development to acquire Slovenia's second-largest bank – Nova Kreditna Banka Maribor (NKBM) – and its group of companies. Apollo owned 80% of the target company, while the EBRD owned the remaining 20%.

The deal is expected to be finalized in the second quarter of 2022, pending regulatory approval. The transaction's financial terms were not disclosed by the parties but were reported to be in the range of EUR 1 billion.

The deal involved several jurisdictions and multi-disciplinary teams that needed to work closely together to bring the deal to signing and eventual closing. The main jurisdictions involved were Slovenia, Hungary, Luxembourg, and Croatia.

The Budapest-headquartered OTP Group is, according to Selih & Partnerji, one of the most stable financial groups in the CEE region, with outstanding profitability and stable capital and liquidity positions. The banking group provides financial services in 11 countries to more than 16.3 million customers, has a network of nearly 1,500 branches, and has 38,000 employees. The group's parent bank, OTP Bank is a publicly-listed company with a diverse international ownership structure.

NKBM is Slovenia's second-largest bank, with a market share of 20.5% in terms of total assets as of December 2020 and approximately 1,900 employees. In addition to retail and small business services, it also provides a full range of banking services to medium and large companies. NKBM ended 2020 with a net profit of EUR 208.9 million, and its total assets stood at EUR 9.17 billion, the firm announced.

Founded in 1990, Apollo is a US-based global alternative asset manager aiming at empowering retirees, building and financing stronger businesses, and driving a more sustainable future.

Notably, the transaction follows NKBM's acquisition of Abanka in 2020, which is the third-largest player in the Slovenian banking market (as reported by the CEE Legal Matters on 2020, April 3). As a result of that, upon closing of the current transaction, OTP will become the market leader in both loans and deposits in the Slovenian banking market, with a share of almost 30%. ■

With the new transaction just announced, OTP Bank will become the market leader in the Slovenian financial sector. With the acquisition of Nova KBM, we can further strengthen the already outstanding stability and profit-generating ability of OTP Group, while growing faster than all our competitors. This process will not be interrupted, we are currently examining the possibility of further acquisitions in the region.

– Laszlo Wolf, CEO, OTP Bank

Completing a series of market-defining transactions, this acquisition literally sees OTP de-throning NLB as the long-standing incumbent market leader.

It was not easy to choose from a crowded field in Slovenia in 2021! In the end, the size and likely market impact of this deal swayed me, as well as the challenges of purchasing a large asset base on a regulated market. The final element for me was that the fully Slovenian nature of the deal probably gave the local firms a more important scope of work, which is what DOTY is meant to focus on.

Acquisition of second-biggest bank in Slovenia, challenging transaction, including complex merger notification procedure.

The transaction marked one of the largest M&A transactions in relation to financial institutions in Central Europe in 2021, and is definitely the largest one in Slovenia. Following the consummation of the transaction, it is expected that the largest bank in Slovenia will be formed, taking the lead from the frontrunner of several decades, NLB.

– Wolf Theiss

This transaction deserves to be ranked solely due to the size of the transaction entailing certain complexity. As OTP already owned a bank in Slovenia prior to the transaction, the usually quite difficult and complex filing with ECB was most probably not so difficult.

We have been assisting OTP with all Slovenia-related aspects of the transaction, including due diligence, compliance of the transaction documents with Slovenian law, Slovenian substantial shareholding notifications, fulfillment of conditions precedent, and required regulatory approvals, including approvals of the European Central Bank, the Slovenian Competition Protection Agency, and the relevant FDI approval.

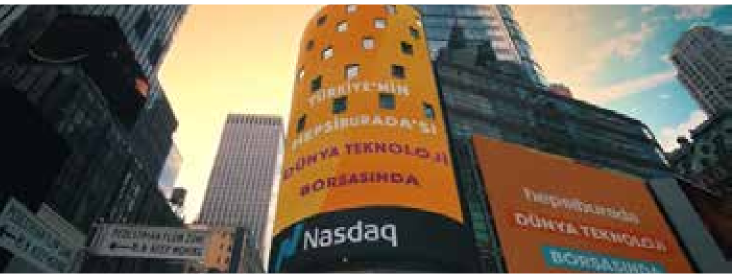
– Selih & Partnerji

Definitely deal of the year both size- and complexity-wise. Demanding due diligence of a highly regulated entity facing, among others, certain Slovenia-specific issues such as claims of former holders of subordinated instruments which needed to be considered in negotiations. Super complex processes for obtaining regulatory approvals. Following completion, this transaction will result in forming of the largest bank group in Slovenia, with excellent potential to also become a regional player.

TURKEY: IF THE MOUNTAIN WON'T COME

HEPSIBURADA IPO

Firm	Role	Client(s)
Cleary Gottlieb Steen & Hamilton	Bookrunners' US law counsel	Morgan Stanley, JP Morgan Securities, Goldman Sachs, BofA Securities, and UBS Securities
GKC Partners	Issuer's Turkish law counsel	Hepsiburada
Paksoy	Bookrunners' Turkish law counsel	Morgan Stanley, JP Morgan Securities, Goldman Sachs, BofA Securities, and UBS Securities
Van Campen Liem	Selling stockholders' Dutch law counsel	TurkCommerce
White & Case	Issuer's US law counsel	Hepsiburada



Summary

On July 1, 2020, Turkish online shopping platform D-Market Electronic Services and Trading, also known as Hepsiburada, placed its USD 680 million IPO on the Nasdaq Global Select Market, marking the first-ever IPO by a Turkish company on Nasdaq.

Hepsiburada placed its offering of 41.67 million American depositary shares (ADS), and the principal and selling shareholders – Franklin Templeton, through its TurkCommerce subsidiary, owner of a 25% stake in Hepsiburada – offered an additional 15.07 million ADS. The initial public offering price was USD 12 per ADS. The ADSs have been approved for listing on Nasdaq under the symbol "HEPS." Morgan Stanley, JP Morgan Securities, Goldman Sachs, BofA Securities, and UBS Securities acted as the bookrunners.

The first-day market capitalization of Hepsiburada reached USD 4 billion. The shares closed their first day of trading up by 12%. The offering received a strong demand with the order book multiple times oversubscribed, throughout the range, from a diverse investor base. Through the issuance, Franklin Templeton saw its Hepsiburada holding drop to 14.6%, from 25%.

Through this SEC-registered initial public offering, Hepsiburada listed American depositary shares representing its class B ordinary shares. According to the prospectus, the dual-class structure of Hepsiburada's ordinary shares "will concentrate voting control with certain shareholders, in particular our founder and chairwoman, Hanzade Vasfiye Dogan Boyner, which would limit [class B shareholders'] ability to influence corporate matters."

Founded in 1998 and operating under the Hepsiburada brand since 2001, Hepsiburada is one of the largest e-commerce platforms in Turkey and the surrounding region. Hepsiburada allows consumers to order items ranging from groceries and essentials to airline tickets on its online platform. The platform provides 77 million products in around 40 categories to customers and its marketplace model brings together tens of thousands of small and medium-sized enterprises.

The company is planning to use the proceeds to offer additional services such as booking flights and money transfers and expand to nearby, high-potential markets in the Middle East, North Africa, and Eastern Europe.

The IPO marked a number of firsts for the Turkish market. It was the first Turkish company ever to be listed on Nasdaq and the first Turkish company to list on a US stock exchange since 2000, according to Cleary Gottlieb Steen & Hamilton. It was also the largest Turkish tech IPO in history and the largest Turkish IPO in over a decade, according to GKC Partners. Because Turkish law requires a full pre-payment of the share price for the issuance of new shares, the deal was also implemented using a novel settlement structure. ■

A wonderful story, led by a woman. I have reviewed the class-action activity and think that is something that just comes with this sort of offering in the American market.

We are aiming to use the proceeds to expand our services not only in our home market of Turkey but also in nearby and high-potential markets. There are strong markets in the Middle East, North Africa, and Eastern Europe.
– Hanzade Dogan Boyner, Founder and Chairwoman, Hepsiburada

Hepsiburada is the second largest e-commerce platform in Turkey, an early-stage e-commerce market with penetration currently only at 10%. We see this accelerating to about 22% by 2025, a key driver of our forecast of a circa 57% compound annual growth rate in Hepsiburada's gross merchandise value over 2020-25, with the company's active user base and order frequency per user compound annual growth rates estimated at 22% and 27%, respectively.
– Asli Tuncer, Executive Director of Global Investment Research, Goldman Sachs

One of Turkey's leading e-commerce platforms, Hepsiburada is the first Turkish company ever to be listed on Nasdaq, and the first Turkish company to list on a US stock exchange since 2000.
– Cleary Gottlieb Steen & Hamilton

This landmark transaction marks several market firsts: the first IPO by a Turkish company on Nasdaq, the largest Turkish tech IPO in history, and the largest Turkish IPO in over a decade.
– GKC Partners

IPO of e-commerce company on Nasdaq – huge offering!

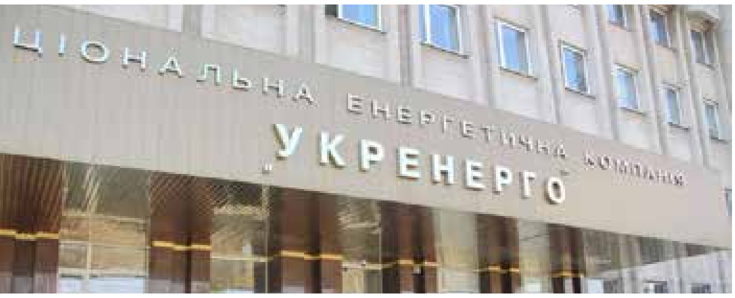
I can't add much to the submission itself: first IPO by a Turkish company on Nasdaq, largest Turkish tech IPO in history, and largest Turkish IPO in over a decade. This must have been a huge effort, particularly given capital market sentiment towards Turkey in the second half of last year, but with a great result!

Size, multijurisdictional reach, the transaction being a landmark, regulatory complexities.

The IPO in the US also includes the share issuance in consideration of the loaned shares. The IPO value is high, with a market capitalization of USD 4 billion, and also has a good effect on the sector and the introduction of Hepsiburada to US investors.

UKRAINE: AHEAD OF THE ESG CURVE
UKRENERGO'S DEBUT ESG BOND ISSUANCE

Firm	Role	Client(s)
Avellum	Issuer's counsel	Ukrenergo
CMS	Buyer's counsel	EBRD
Linklaters	Managers' international counsel	BNP Paribas, Deutsche Bank, Goldman Sachs International, and Ukreximbank
Sayenko Kharenko	Managers' counsel	BNP Paribas, Deutsche Bank, Goldman Sachs International, and Ukreximbank
White & Case	Issuer's international counsel	Ukrenergo



Summary

In October 2021, Ukraine's state-owned electricity transmission system operator Ukrenergo placed its debut USD 825 million green and sustainability-linked eurobond issuance. The five-year notes are guaranteed by the state of Ukraine and bear interest at 6.875% per annum.

BNP Paribas, Deutsche Bank, and Goldman Sachs International acted as joint lead managers and book-runners as well as joint ESG structuring agents on the transaction, with Ukraine's export-import bank Ukreximbank serving as co-manager. The eurobonds were to be traded on the London Stock Exchange.

The issued bonds aimed to contribute to Ukraine's renewable energy sector and green transition. Specifically, an amount equal to the net proceeds from the transaction was meant to be used to finance or refinance eligible green projects. Principally, the money will be used for the repayment of debts accumulated in relation to payments towards renewable energy producers under the country's green tariff. The green and sustainability-linked bond framework also included specific performance indicators, demonstrating Ukrenergo's commitment to meeting ESG targets.

The European Bank for Reconstruction and Development invested USD 75 million in Ukrenergo's new bonds. The EBRD's participation in the transaction was conditional upon two key elements, including a clear commitment of the government to ensure the proceeds are channeled in full towards the settlement of payment arrears owed to renewable energy producers, and an obligation for the sector regulator to set Ukrenergo's tariff at a cost-recovery level, including full compensation to renewable energy producers going forward.

Ukrenergo is a state-owned electricity transmission system operator, managed by the Ministry of Energy of Ukraine. Ukrenergo has operational and technological control on Ukraine's integrated power system, on the transmission of electricity via trunk power grids from generation to distribution networks, and is a commercial metering administrator and settlement administrator in the electricity market of Ukraine.

The deal was of significant importance, as Ukrenergo's eurobond was the largest debut international bond offering ever done by a Ukrainian non-sovereign issuer, as well as the largest green eurobond so far out of Ukraine and the CIS region. The EBRD's participation was an additional assurance to other institutional investors, further widening the market participation. This first issuance was met with significant investor interest, with the order book oversubscribed almost three times.

Additionally, Sayenko Kharenko announced that the transaction would play a key role in restoring the credibility of the energy sector in Ukraine as well as investor's confidence, with those investments more important than ever for the country's green transition. ■

We are pleased to join such an important event in the history of not only the company but also the entire energy sector of Ukraine. The debut issue of green Eurobonds of NEC Ukrenergo in such a significant amount testifies to investors' interest in the energy sector of Ukraine and support for the company's intentions to ensure sustainable development of infrastructure to increase the share of renewable energy sources in the energy balance of the country.

– Sergii Iermakov, Management Board Acting Chairman, Ukreximbank

It is a landmark transaction with an innovative structure never used before, and an important benchmark for the Ukrainian market.

– European Bank for Reconstruction and Development

First ever ESG bonds in Ukraine.

The transaction will contribute to restoring the credibility of the sector and the confidence of private investors and financiers, whose investments are critical to the green transition of the Ukrainian economy.

– Sayenko Kharenko

This is an amazing success story: getting sub-investment grade bonds to market on reasonable terms in the second half of 2021. Not only that, but the issuance was a debut, large, and satisfied rigorous ESG requirements. Well done to all involved!

Today marks an important milestone in Ukrenergo's history. We managed to achieve the landmark eurobond transaction with an innovative green and sustainability-linked structure in the global capital markets which also becomes an important benchmark for Ukrainian issuers. More importantly, the transaction marks a critical step towards resolution of the electricity market imbalances in Ukraine in line with Ukraine's obligations to renewable energy producers.

– Volodymyr Kudrytskyi, Management Board Chairman, Ukrenergo

As a first-ever ESG bond issue by Ukraine's national power company, the raising of funds to be used to repay debts to renewable energy producers under the 'green' tariff may help Ukraine avoid being dragged into investment arbitration disputes and paying out potential claims to investors in renewable energy projects to which arrears are owed.

BALTIC (AND LITHUANIAN) DEAL OF THE YEAR: FIVE CITIES, FOUR CHP PLANTS, THREE COUNTRIES, TWO LOCAL FIRMS, ONE BALTIC DOTY

PARTNERS GROUP'S ACQUISITION OF FORTUM'S BALTIC DISTRICT HEATING OPERATIONS

Firm	Role	Client(s)
Allen & Overy	Seller's international counsel	Fortum
Clifford Chance	Buyer's international counsel	Partners Group
Ellex	Buyer's counsel	Partners Group
Sorainen	Seller's counsel	Fortum
Van Doorne	Seller's Dutch law counsel	Fortum

Summary

On July 2, 2021, Finnish state-owned energy company Fortum signed the EUR 800 million agreement to sell its district heating business in the Baltics to Switzerland-based private markets investment manager Partners Group, acting on behalf of its clients.

At the time, Fortum provided district heating services in five cities in the Baltics: Tartu and Parnu in Estonia, Daugavpils and Jelgava in Latvia, and Klaipeda in Lithuania. The company also owned four combined heating and power plants in those cities as well as a 49% share of the Kaunas combined heating and power plant in Lithuania, through a joint venture. Fortum sold 1.4 terawatt-hours of heat and 0.6 terawatt-hours of electricity in the Baltics in 2020, with its operations employing 271 people, who would be transferred along with the business.

The deal, according to a Partners Group announcement, covered "74 generation assets, which generate heat capacity of 881 megawatts and power capacity of 130 megawatts across 387 kilometers of district heating networks, with fuel "largely derived from renewable or recycled sources, mainly biomass." The investment manager cited "several transformative trends in the region, including fast-growing economies and urbanizing populations, as well as rising support for sustainable energy initiatives," all leading to growing demand for district heating, as the drivers behind its investment. Fortum's sustainable heating services "reduce reliance on conventional power sources, which will have broad positive stakeholder impact over the long term, the buyer informed, announcing plans to also extend the newly acquired "heating networks to develop new heating and cooling solutions for industrial and commercial customers."

"With a total consideration of EUR 800 million on a debt- and cash-free basis, this will most likely be the biggest M&A transaction in the Baltics in 2021," Sorainen ventured at the time. Almost a year later, it seems the firm was correct in its assessment, with the transaction winning the 2021 Deal of the Year award in Lithuania as well the 2021 Baltic DOTY, overall.

Aside from its sheer size, the deal was also quite complex, according to Ellex. "The due diligence scope covered 74 generation assets, supervised by three different regulators," the firm informed, with the transaction including "a transition of the heavily integrated international business into self-standing local companies" as well as the termination or refinancing of existing financing arrangements.

According to a Fortum statement, the company expected "to record a tax-exempt capital gain of approximately EUR 240 million in the City Solutions segment's second-quarter 2021 results." The deal was part of Fortum's larger strategy, with the company "continuously reviewing its businesses to optimize its portfolio for value creation" and having announced, in June 2019, that it "considered the strategic options for its district heating businesses in Estonia" and, in February 2020, that "it would review the district heating businesses in the other Baltic countries." As part of the same strategy, "in 2020, Fortum divested the district heating businesses in Joensuu and Jarvenpaa, in Finland," with strategic reviews ongoing for "the heating and cooling businesses in Poland, its 50% stake in Stockholm Exergi, and the consumer solutions business." ■

The divestment is in line with our portfolio optimization and follows our successful divestments in Finland in 2020. The assets raised large interest among buyers as the business transformation to lower carbon intensity for these assets has largely been done.
– Per Langer, Executive Vice President, City Solutions, Fortum

Indeed, a huge transaction and seemingly subject to quite a lot of regulatory hurdles. Deserves applause.

Through providing sustainable heating, this district heating platform is contributing to the decarbonization of our economies, one of the three giga themes that Partners Group focuses its investment activity on. This investment reflects Partners Group's continuing commitment to transformational investing in assets that have meaningful impact on the communities in which they operate.
– David Daum, Managing Director, Private Infrastructure Europe, Partners Group

This has the highest deal value compared to the other deals. Additionally, Partners Group's 'green' and 'sustainability' agenda gives this deal an edge.

Largest M&A in the whole Baltic, complicated regulatory, corporate, and finance issues to be solved.

"The transaction, from a legal perspective, was undoubtedly one of the most complicated transactions in 2021, including such tasks as a transition of the heavily integrated international business into self-standing local companies, termination and refinancing of internal and external financing agreements.
– Ellex"

This transaction was large and involved serious complexity in terms of the number of target assets and multiple co-ownership arrangements in respect of them. Added to that were a changing regulatory framework, a competitive bidding process and – apparently – structural changes during the course of the transaction.

CEE (AND BOSNIAN AND CROATIAN) DEAL OF THE YEAR: ALL TOGETHER NOW!

NOMAD FOODS' ACQUISITION OF FORTENOVA'S FROZEN FOOD BUSINESS

Firm	Role	Client(s)
Akin Gump	Seller's international counsel	Fortenova Group
BDK Advokati	Buyer's Bosnian, Serbian, and Montenegrin law counsel	Nomad Foods
Boga & Associates	Seller's Kosovan law counsel	Fortenova Group
Bogdanovic Dolicki & Partners	Seller's Croatian law counsel	Fortenova Group
Divjak Topic Bahtijarevic & Krka	Buyer's Croatian law counsel	Nomad Foods
Forgo Damjanovic & Partners	Seller's Hungarian law counsel	Fortenova Group
Harrisons	Seller's Montenegrin law counsel	Fortenova Group
Isailovic & Partners	Seller's Serbian law counsel	Fortenova Group
Kalo & Associates	Buyer's Kosovan law counsel	Nomad Foods
Lakatos Koves and Partners	Buyer's Hungarian law counsel	Nomad Foods
Maric & Co.	Seller's Bosnian law counsel	Fortenova Group
Norton Rose Fulbright	Buyer's international counsel	Nomad Foods
Polenak Law Firm	Buyer's Macedonian law counsel	Nomad Foods
Popovski & Partners	Seller's Macedonian law counsel	Fortenova Group
Selih & Partnerji	Buyer's Slovenian law counsel	Nomad Foods
Zdolsek Attorneys at Law	Seller's Slovenian law counsel	Fortenova Group

Summary

The 2021 CEE Deal of the Year was originally inked on March 29, 2021. Frozen food producer Nomad Foods – operating international brands such as Birds Eye, Findus, Iglo – completed its acquisition of Fortenova Group's frozen food business on September 30, 2021, to add Serbia's Frikom and Croatia's Ledo to its brand portfolio in addition to making both an entry and a splash on a significant number of CEE markets: Bosnia and Herzegovina, Croatia, Hungary, Kosovo, Montenegro, North Macedonia, Serbia, and Slovenia.

Another first for Nomad, through the roughly EUR 615 million acquisition, was its entry into the ice-cream industry – which accounted for about 50% of the target's revenues. The two new anchor brands, Ledo and Frikom, have strong consumer awareness in these markets and operate across multiple categories including fish, fruit, vegetables, ready meals, pastry, and ice cream.

The acquisition of Fortenova's frozen food business is, according to Nomad's press statement, "expected to be high-single digit percent accretive to adjusted EPS in year 1, before synergies, and result in 2021 adjusted EPS above USD 2 per share, on a combined and annualized basis. Based on strong performance year-to-date, Fortenova Frozen is expected to achieve mid-single digit revenue growth and adjusted EBITDA slightly ahead of the prior expectation of EUR 53 million in 2021, on a full year basis. Management continues to see an opportunity for adjusted EBITDA to grow by approximately 50%, driven in part by an estimated EUR 15 million of annual run-rate synergies by 2024, through a combination of scale, operational excellence, commercial optimization, and expense management."

The buyer announced it was updating its 2021 guidance "to reflect the inclusion of Fortenova Frozen for the remaining three months of 2021 and updated profitability in the base business, which is now tracking at the high-end of the prior guidance range. Management is reiterating adjusted EPS guidance of EUR 1.50-1.55, representing an 11-15% growth, despite the incremental inclusion of a seasonal operating loss from Fortenova Frozen during the remaining three months of 2021."

The deal was notable for its size, the number of jurisdictions as well as law firms involved, its market impact – bringing together two large European frozen food producers – as well as, according to DTB, being the first disposal of the Fortenova Group following its incorporation in the aftermath of "the collapse and restructuring of the largest private company in Croatia and 12th retail company in Europe, Agrokor."

This transaction provides a natural extension to our existing business and creates a new platform for future expansion within Central and Eastern Europe. It also introduces us to ice cream, an exciting new category which opens new potential avenues for growth. Following the acquisition, our annual revenue will approach EUR 3 billion, nearly doubling the revenue base of the Iglo Group, our initial anchor acquisition in 2015.
– Noam Gottesman, Co-Chairman and Founder, Nomad Foods

This is by far the most significant deal that happened in the CEE markets in the previous year, due to its value, background (Agrokor restructuring), number of jurisdictions involved and the number of law firms advising.

Fortenova's frozen food business is extremely hot, and this must have been a complex mandate. Of all the ex-Agrokor's business arms, frozen food was one of the most attractive. The number of top tier law firms involved, deal value, number of jurisdictions coordinated – this all makes this deal very deserving of the DOTY Award.

Largest M&A deal in Croatia (and the wider region) in over ten years. The value of the deal (EUR 615 million) is of significance for the entire CEE.

Complex, large, multi-jurisdictional M&A deal – very impressive by the number of participants!

Important transaction in a sector that has been very hot in the last five years, and which suggests the continued development of the CEE market, as part of the wider European market. Transactions like this will lead to greater integration and create the opportunity for follow-on deals.

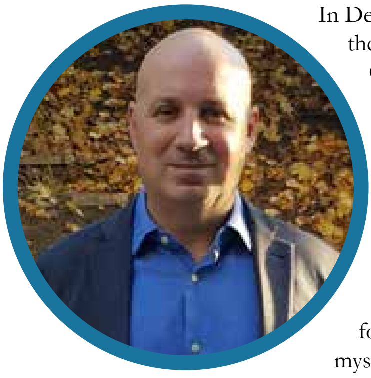
With the completion of this transaction we will fulfil a key prerequisite for the capital structure optimization that will enable strong investment in our businesses and drive their future growth. I am very thankful to all people in the frozen food group and in the Fortenova Group who have worked very hard over the past six months to make this happen. Knowing that our frozen food is going to be in very good hands, we are looking forward to cooperating with Nomad Foods as an important future business partner in this region.
– Fabris Perusko, CEO and member of the Board of Directors, Fortenova Group

A really tough call between one and two. Both required world-class lawyering, for sure. One speaks more to Croatia's future place in the world. The other is more towards the refinement of its past. But again, all three deals show that Croatia is a place that produces deals requiring the skills I know all these firms have in spades.

You can't argue with the size and breadth of this deal.

THE CONFIDENT COUNSEL: ENJOYABLE NETWORKING

By Aaron Muhly



In December of 2021, I had the pleasure of attending the CEELM Winter Ball, a festive event filled with good food and great discussions. Although I truly enjoyed this opportunity to catch up with old friends, I also found it fascinating to observe lawyers operating outside of their office comfort zone by partaking in the mysterious ritual of networking.

Why do so many of us struggle in networking conversations? And, what are the basics for making these conversations enjoyable? Read on to find out.

The Rainmaker Mistake

Many lawyers struggle with networking because they believe they should be playing "rainmaker". The term rainmaker comes from the Native American Indian concept of a tribal magician who could make it rain in order to save the crops and feed the tribe. In the legal world, "rainmaker" refers to superhero lawyers having the magical ability to feed the firm by making client matters fall from the sky.

At networking events, nobody is looking to talk to weirdos pretending to have magical powers. Instead, most of us are just looking to have interesting conversations. If you are having a conversation with a potential client and they raise a work-related interest, then great – set up a meeting to pitch some work. Otherwise, don't force things and just enjoy the conversation.

Enjoyable Conversations

If you want to generate enjoyable networking conversations, I recommend that you focus on three simple techniques: (i) asking open questions, (ii) leveraging linking words, and (iii) utilizing "Yes, and" boosters.

After you briefly introduce yourself, send the conversation in the right direction by simply asking open questions. For example, "What brings you to this event?" or "What's the most interesting thing you have learned here?" With such questions, not only can you make it easier for your counterpart to get into the flow of the conversation, but you can oftentimes learn a great deal about his/her interests.

Once you start to identify these interests, you can offer your own observations or, better yet, ask follow-up questions to deepen your understanding of their interests. In any event, most people love the opportunity to express their views, so it's impossible to ruin the conversation by asking questions and letting them talk.

If you are concerned about how to fill the gaps in the conversation when it's your turn to talk, focus on identifying and leveraging linking words. In particular, listen closely to what your counterpart is saying and begin your responses by linking back to some of their words. For example:

Client: "Our department is trying to shift towards a more strategic approach that prioritizes the most important needs of key business units, like sales and our licensing teams."

Don't: "Interesting. Did I mention that we just became 1st tier in Chambers?"

Do: "When we work with licensing experts, they usually …"

Last, but not least, you can boost the positive energy in your conversations by using the "yes, and" technique. Sometimes, lawyers introduce negative energy into conversations by utilizing "but" expressions. If you replace these with a "yes, and" approach, you can generate surprisingly positive results. For example:

Client: "We would love it if our lawyers would just get rid of billable hours."

Don't: "I can understand your frustration, but they are the basis of our business model."

Do: "Yes, I can understand your frustration, and we are always looking for ways to provide greater value to our clients. What alternative fee structures do you prefer?"

Learn More

Get some good tips on networking by checking out the series of networking articles at attorneyatwork.com. Also, if you struggle with speaking in spontaneous situations, sign up for an improv acting course. ■

Aaron Muhly is an American lawyer who has been training European professionals on clear writing and effective communication for over 15 years.

Thank You To Our Country Knowledge Partners For Their Invaluable Input and Support

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