



Investor in Special Situations

in Central and Eastern Europe

March 2021

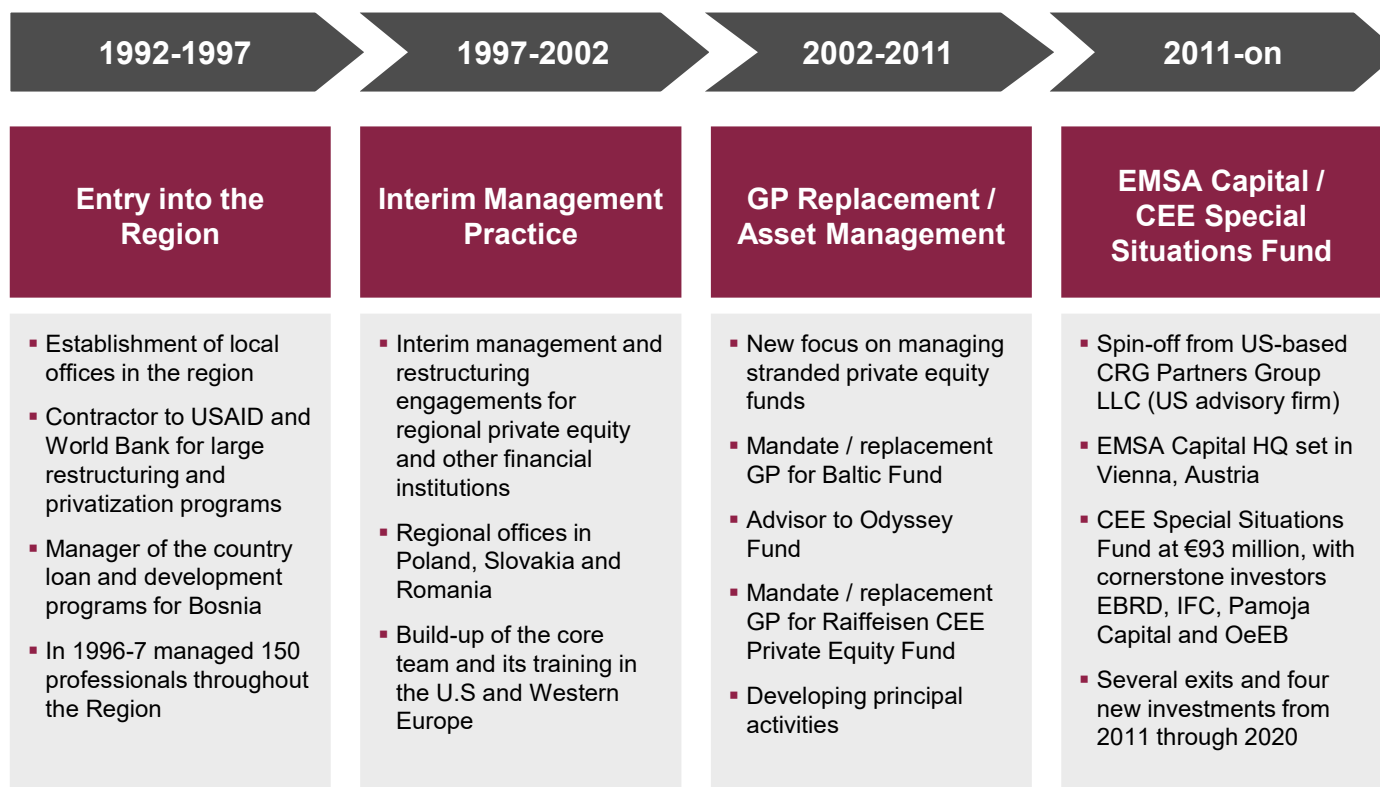
Who We Are

EMSA Capital is a private equity firm specializing in distressed and underperforming assets in Central and Eastern Europe (CEE) and CIS.

- Twenty-five years of successful presence in the Region
 - Active operating platform dedicated to distressed assets since 1992
 - Successfully managing private equity funds since 2002
- “Hands-on” approach to restructuring and value creation
 - Restructuring, operational improvements, and active asset management represent 60% of the value created in the portfolio companies
 - Assume active management role in most situations
- Experienced regional management team with knowledge of the local market
 - Over 15 years of successfully working together in restructuring, workouts, and asset management in CEE, CIS, US and Western Europe
 - Significant experience in virtually every country of Central and Eastern Europe
- EMSA Capital is currently managing the €93m CEE Special Situations Fund
- Among our main investors in the current Fund are EBRD, IFC, Pamoja Capital, and OeEB (Oesterreichische Entwicklungsbank AG)
- EMSA is headquartered in Vienna, Austria and the acronym stands for Emerging Markets Special Assets

EMSA Capital Experience

Platform dedicated to distressed assets in the CEE Region over 25 years.



Investment Philosophy

EMSA Capital's investment philosophy is based on its long-term dedication to realizing significant capital appreciation by investing in "special situations". These include turnarounds, financial and operational restructurings, corporate non-core divestitures, NPLs, and other situations arising from the lack of access to capital.

- We understand that the commitment of significant time and resources is required to unlock the value of distressed assets or underperforming businesses
- We have significant experience in structuring transactions that align the interests of various stakeholders in special situations
- Our focus is on improving operations and enhancing the business and financial strategy of our investments, creating value by effectively applying our tested and successful turnaround and performance improvement methods
- We work intensively with management and all other stakeholders to maximize value
- With a timely investment, restructured balance sheet, and a successful operational turnaround, these companies can avoid further decline and result in significant returns

Managed properly, special situations can unlock and create significant value for investors and all other stakeholders.

Differentiation

EMSA Capital’s focus on underperformers and special situations makes both our positioning and investment criteria unique in the Region.

Typical P/E Fund	EMSA Capital
<ul style="list-style-type: none"> ▪ Target company should be market leader – #1 or #2 in its industry 	<ul style="list-style-type: none"> ▪ Does not need to be market leader, just have a good core business
<ul style="list-style-type: none"> ▪ A strong management team at the target company is a must 	<ul style="list-style-type: none"> ▪ We will buy companies with or without management
<ul style="list-style-type: none"> ▪ The Company should have good growth prospects 	<ul style="list-style-type: none"> ▪ Organic growth capability is a plus, not a must. Turnaround potential is key
<ul style="list-style-type: none"> ▪ It should produce substantial cash flow to allow for leverage 	<ul style="list-style-type: none"> ▪ Most target companies have negative cash flow at the outset or are cash-starved
<ul style="list-style-type: none"> ▪ Invest mostly in equity 	<ul style="list-style-type: none"> ▪ Invest anyplace in the Balance Sheet

Investment Criteria

Industry Focus	EMSA invests in all industries except for highly regulated ones
Investments	We invest in operating businesses, both stand-alone entities and divisions / spin-offs / divestitures. We also acquire non-performing debt instruments, portfolios of stranded or end-of-life PE funds, and invest in other situations arising from the lack of access to capital
Target Co / Transaction Size	EMSA invests in companies with revenues between €15 million and €100+ million. Our investment size is usually between €5 million and €20 million. Through its partner investor Pamoja Capital and limited partners, EMSA has access to additional capital to fund larger transactions
Target Co Profitability	EMSA can invest in assets without history of profitability or positive cash flow
Equity & Debt Capital	EMSA can invest in equity, senior debt, other debt instruments and provide working capital lines of credit in connection with obtaining control
Target Co Management	EMSA will consider investing in companies which require new management teams. We have been successful in both partnering with the existing management and recruiting new teams for our portfolio companies
Control	We usually target control positions
Geography	Our core area is Central and Eastern Europe, but we will also invest in companies that are based in other countries but with significant presence in the region

Key Geographic Focus – CEE

We will also consider situations in other countries with substantial presence in the CEE Region.






EU Members	
Poland	Romania
Czech Republic	Hungary
Slovakia	Slovenia
Latvia	Lithuania
Estonia	Bulgaria
Croatia	

Non-EU	
Ukraine	Serbia
Albania	Bosnia
Montenegro	Macedonia
<i>And potentially in other CIS countries</i>	

Investment Portfolio

Current investments

 www.famed.com.pl Medical Equipment Acquired in 2013 Poland	 www.bravointernational.eu Construction Materials Invested in 2013 Romania	 www.aplast.ro Construction Materials Invested in 2014 Romania
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Exited investments (selected)

 www.bonbonetti.hu Confectionery Exited in 2013 Hungary	 www.i.cz Information Technology Exited in 2012 Czech Republic	 www.wosana.pl Beverages Exited in 2009 Poland	 www.azeriretail.az Food Retail Exited in 2018 Azerbaijan
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Team

EMSA Capital professionals combine over 75 years of experience in investing, turning around, and managing special situation assets in Central and Eastern Europe as well as in the US and Western Europe. EMSA Capital's senior team members have 15 years experience of working together.



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Much of the information presented herein represents the experience of TRG Asset Management, LLC or The Recovery Group 's operations in Europe (collectively "TRG"). On 30 June 2007 TRG merged with Corporate Revitalization Partners LLC (CRP) to form CRG Partners and its private equity operation in Europe called CRG Capital.

All previous experience shown for EMSA Capital includes that of the predecessor firms, TRG, CRP, TRG AM and CRG Capital.

The information herein contains forward-looking statements and include but are not limited to, statements regarding the intentions, beliefs or current expectations. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guaranteeing of future performance and the actual results.

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