Year 8, Issue 7
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CEE Legal Matters

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

Across the Wire: Deals and Cases in CEE ■ On the Move: New Firms and Practices ■ The Buzz in CEE
Round Table: Examining the 2020 DOTYs ■ 2020 CEE Deal of the Year Awards: Summaries and Interviews


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ROUND TABLE

2020 CEE DEALS OF THE YEAR

ACROSS THE WIRE: DEALS AND CASES

Date Covered	Firms Involved	Deal/Litigation	Value	Country
2-Jul	Boyanov & Co; Kalo & Associates; Wolf Theiss	Boyanov & Co and Kalo & Associates advised Albania Telecom Invest Bulgaria and One Telecommunications SHA Albania on a refinancing loan made by a club of banks including OTP Bank Hungary, DSK Bank Bulgaria, and Banka OTP Albania, for a principal amount of EUR 37 million with a maturity of 10 years. Wolf Theiss advised the lenders on the deal.	EUR 37 million	Albania; Bulgaria
18-Jun	DLA Piper; Freshfields	DLA Piper advised Austrian research and development company Bionic Surface Technologies GmbH on its joint development agreement with the Nikon Corporation regarding research and development of riblet technologies. Freshfields reportedly advised Nikon on the deal.	N/A	Austria
21-Jun	Linklaters; Schoenherr	Schoenherr advised Credendo on the cross-border merger of their Austrian stock company into a Belgian group company, advised by Linklaters.	N/A	Austria
23-Jun	BPV Huegel; Wildmoser Koch	BPV Hugel advised Viennese company Wojnar on the sale of a 74% majority stake to Vivatis Holding AG. Wildmoser Koch reportedly advised the buyer.	N/A	Austria
23-Jun	Brandl Talos	Brandl Talos advised Contextflow on its Series A financing round from B&C Innovation Investments GmbH as lead investor, new co-investor TTIP Beteiligungs, as well as previous investors Apex Ventures, Crista Galli Ventures, IST cube, Nina Capital, and Novacapital.	N/A	Austria
24-Jun	Herbst Kinsky; Schoenherr	Herbst Kinsky advised Russmedia Equity Partners on the acquisition of 100% of shares in finderly GmbH, which operates the online flea market Shpock, from Norway's Adevinta. Schoenherr advised the seller.	N/A	Austria
28-Jun	Karasek Wietrzyk; Schoenherr	Schoenherr advised SiteLog Infra GmbH on the acquisition of the Equipment & Technology Services business unit from Implenia Osterreich GmbH, via an asset deal. Karasek Wietrzyk advised Implenia on the matter.	N/A	Austria
28-Jun	Herbst Kinsky; Jarolim Partner	Herbst Kinsky advised UPL Europe on its investment in Pixofarm GmbH. Jarolim Partner advised Pixofarm on the deal.	N/A	Austria
29-Jun	Brandl Talos; Cooley; Kunz Wallentin	Brandl Talos advised Allcyte shareholders on the sale of their company to clinical-stage pharmaceutical technology company Exscientia. Cooley LLP and Kunz Wallentin advised Exscientia on the deal.	N/A	Austria
29-Jun	Heuking Kuhn Luer Wojtek; Milbank; Schoenherr	Heuking Kuhn Luer Wojtek advised the Grotkamp family on the acquisition of all shares in Funke Mediengruppe. Schoenherr advised on antitrust aspects of the deal. Milbank advised the Funke Mediengruppe.	N/A	Austria
1-Jul	Herbst Kinsky	Herbst Kinsky advised learning platform GoStudent on its EUR 205 million Series C financing round	EUR 205 million	Austria
6-Jul	Binder Groesswang; Fellner Wratzfeld & Partner	Fellner Wratzfeld & Partner advised Soravia on its acquisition of the Immo-Contract companies from the Volksbanken Group. Binder Groesswang reportedly advised the seller.	N/A	Austria
7-Jul	Eisenberger & Herzog	E+H Advised STC on Development and Sale of Sustainable Housing Project	N/A	Austria
8-Jul	Delphi; Frotz Riedl; PHH Rechtsanwalte; Wistrand	PHH and Wistrand advised Vertiseit AB on the acquisition of Grassfish Marketing Technologies GmbH for EUR 13.5 million. Frotz Riedl and Delphi advised the shareholders of Grassfish Marketing Technologies.	EUR 13.5 million	Austria

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8-Jul	Schoenherr	Schoenherr advised shareholders Czipin Privatstiftung and Alois Czipin on the sale of Austrian consulting company Czipin Produktivitatssteigerungs-GmbH to EFESO Consulting France SAS.	N/A	Austria
8-Jul	Brandl Talos; Covington & Burling; Lenz & Staehelin; Niederer Kraft Frey	Brandl Talos advised Sportradar on a ten-year Partnership with the U.S. National Hockey League. Niederer Kraft Frey advised Sportradar on Swiss law with Covington & Burling and Lenz & Staehelin advising the NHL.	N/A	Austria
12-Jul	Schoenherr; Wolf Theiss	Wolf Theiss advised Oberbank AG on its EUR 250 million green mortgage-covered bond issuance. Schoenherr advised joint lead managers Credit Agricole Corporate and Investment Bank, DekaBank Deutsche Girozentrale, Erste Group Bank AG, and Raiffeisen Bank International AG.	EUR 250 million	Austria
13-Jul	Herbst Kinsky	Herbst Kinsky advised Byrd on its EUR 16 million Series B financing round.	EUR 16 million	Austria
13-Jul	Baker Mckenzie; Binder Groesswang	Baker McKenzie advised Paragon Partners portfolio company WH Weka Holding GmbH on the sale of Info-Techno Baudatenbank GmbH to Byggfakta Group subsidiary Olmero AG. Binder Grosswang reportedly advised Olmero on the deal.	N/A	Austria
14-Jul	Clifford Chance; DLA Piper; Dorda	DLA Piper advised UBM Development AG on the placement of a sustainability-linked bond with a value of EUR 100 million. Clifford Chance and Dorda advised joint lead managers, bookrunners, and dealer managers HSBC Continental Europe and Raiffeisen Bank International AG.	EUR 100 million	Austria
14-Jul	Cerha Hempel	Cerha Hempel advised Areos Development and ARE Austrian Real Estate on the sale of 90 apartments in the jointly developed Eschengarten 1230 residential project in Vienna.	N/A	Austria
14-Jul	DLA Piper	DLA Piper advised existing investor Cloudflight in a financing round totaling EUR 1.3 million for Linz-based HR tech startup TeamEcho.	N/A	Austria
28-Jun	Alrud; Barnes & Thornburg; Bonelli Erede Lombardi Pappalardo; Bruun & Hjejle; Corrs Chambers Westgarth; Glatzova & Co; Hengeler Mueller; Jeantet; Macfarlanes; Mattos Filho; Niederer Kraft Frey; Schjodt; Soltysinski Kawecki & Szlezak; Uria Menendez; Van Bael & Bellis; Wolf Theiss	Glatzova & Co, working with global counsel Hengeler Mueller, advised Chinese tool manufacturer Greatstar Group on its acquisition of the Behrens Group. According to Hengeler Mueller, Alrud, Soltysinski Kawecki & Szlezak, and Wolf Theiss advised the buyer on the Russian, Polish, and Austrian aspects of the deal and Barnes & Thornburg, Bonelli Erede Lombardi Pappalardo, Bruun & Hjejle, Corrs Chambers Westgarth, Jeantet, Macfarlanes, Mattos Filho, Niederer Kraft Frey, Schjodt, Uria Menendez, and Van Bael & Bellis advised the buyer in various other jurisdictions.	N/A	Austria; Czech Republic; Poland; Russia; Slovakia
9-Jul	A&L Goodbody; Cahill Gordon & Reindel; Darrois Villey Maillot Brochier; Gianni & Origoni; Macfarlanes; Noerr; Schima Mayer Starlinger	Noerr advised Irish clinical research company Icon Plc on EU merger clearance for its acquisition of PRA Health Sciences. Schima Mayer Starlinger advised Icon on Austrian law, while A&L Goodbody, Cahill Gordon & Reindel, Macfarlanes, Darrois Villey Maillot Brochier, and Gianni & Origoni advised on Irish, US, UK, French, and Italian law, respectively.	N/A	Austria; Hungary; Russia

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22-Jun	Paul Weiss; Selih & Partners; Wolf Theiss	Selih & Partners advised OTP on the acquisition of Nova KBM bank in Slovenia from Apollo and the EBRD. Paul Weiss and Wolf Theiss advised the sellers on the deal.	N/A	Austria; Hungary; Slovenia
9-Jul	Freshfields; Wolf Theiss	Wolf Theiss advised Romanian Raiffeisen Bank S.A. on its RON 1.2 billion issuance of senior non-preferred eligible green notes with a fixed annual coupon of 3.793%. Freshfields Bruckhaus Deringer advised Raiffeisen Bank on German law matters.	RON 1.2 billion	Austria; Romania
9-Jul	Eversheds Sutherland; Kallan; Kinstellar; PHH Rechtsanwalte; Schindler Attorneys; TM & Partners	Lead counsel PHH Attorneys at Law advised Austrian HPS Holding on the sale of five subsidiaries to Swedish Global Leisure Group. Lead counsel Kallan worked with Kinstellar to advise the buyer. Eversheds Sutherland and TM & Partners reportedly advised the seller on Slovakian and Swedish law. Schindler Attorneys reportedly advised the buyer on Austrian law.	N/A	Austria; Slovakia
16-Jun	CMS	CMS Sofia successfully represented Philicon-97 in a dispute against the Ministry of Finance of the Republic of Bulgaria involving the country's feed-in tariff.	N/A	Bulgaria
23-Jun	Djingov, Gouginski, Kyutchukov & Velichkov; Vladimirov Kiskinov	DGKV advised Internet Corporated Networks on the sale of its hosting and domain business to Superhosting.bg. The Vladimirov Kiskinov law office reportedly advised the buyer.	N/A	Bulgaria
28-Jun	Boyanov & Co	Boyanov & Co assisted Econt Financial Services in acquiring an e-money institution license from the Governing Council of the Bulgarian National Bank.	N/A	Bulgaria
13-Jul	Boyanov & Co; Mayer Brown	Boyanov & Co, working alongside Mayer Brown, advised Hungarian OTP Bank Plc and its Bulgarian subsidiary DSK Bank AD on a EUR 27.6 million club deal financing to MET Renewables AG for the acquisition of a 42-megawatt wind park in Northeast Bulgaria from Ene	EUR 27.6 million	Bulgaria
7-Jul	Jordanov, Valkov & Partners; Schoenherr	Schoenherr advised Swiss-based media company Ringier on the acquisition of a majority stake in Bulgarian sports news portal Sportal Media Group and affiliated IT developer of the Sports Content Management System Sportal365 – Digital Ventures. Jordanov, Valkov & Partners advised Angel Stoyanov Shishkov as the seller.	N/A	Bulgaria; Serbia
16-Jun	Vukmir & Associates	Vukmir & Associates successfully represented the Museum of Illusions in challenging a decision by the Board of Appeal of the European Union Intellectual Property Office at the EU General Court.	N/A	Croatia
22-Jun	Baker Mckenzie; Covington & Burling; Gibson, Dunn & Crutcher; Vukmir & Associates	Vukmir & Associates, working with Covington & Burling and Gibson, Dunn & Crutcher, advised on Croatian aspects of the spinoff of Merck's women's health business, now operating under the name Organon. Baker McKenzie reportedly advised Merck as well.	N/A	Croatia
2-Jul	Divjak Topic Bahtijarevic & Krka	Divjak Topic Bahtijarevic & Krka advised Croatian hotel operator Villa Dubrovnik on its offer of 830,019 ordinary shares on the Zagreb Stock Exchange.	HRK 83 million	Croatia
7-Jul	Divjak Topic Bahtijarevic & Krka	Divjak, Topic, Bahtijarevic & Krka advised the Croatian subsidiary of M7 Real Estate on the acquisition of two urban logistics assets in Zagreb on behalf of the CEREF II fund.	N/A	Croatia
8-Jul	CMS; Kunstek Halle & Simac; Squire Patton Boggs	Squire Patton Boggs and KHS Kunstek, Halle & Simac advised Croatian Rimac Automobili on its joint-venture with French automotive brand Bugatti Automobiles to create Bugatti Rimac. CMS advised the Volkswagen Group, which owns Bugatti, on the deal.	N/A	Croatia
7-Jul	Allen & Overy; Athos Demetriou Associates; Carey Olsen; Karanovic & Partners (Ilej & Partners); RTPR	Allen & Overy advised CEE betting and gaming operator Fortuna Entertainment Group N.V. and its subsidiaries, on an up to EUR 551 million refinancing for the group. RTPR, Ilej & Partners in cooperation with Karanovic & Partners, Athos Demetriou Associates, and Carey Olsen advised the group in Romania, Croatia, Cyprus, and Jersey, respectively.	EUR 551 million	Croatia; Czech Republic; Poland; Romania; Slovakia

Date Covered	Firms Involved	Deal/Litigation	Value	Country
7-Jul	Dentons; Domanski Zakrzewski Palinka; Porobija & Porobija; TGS Baltic; Williams Mullen	Dentons advised PKO Bank Polski, ING Bank Slaski, Santander Bank Polska, and BNP Paribas Bank Polska, on their EUR 265 million refinancing of Press Glass / AMG Group's debt, as well as financing of the group's further investments. Porobija & Porobija and TGS Baltic acted as Croatian and Lithuanian counsel to the banks, respectively. Domanski Zakrzewski Palinka advised the borrower on the deal. Williams Mullen in the U.S. reportedly also advised the lenders.	EUR 265 million	Croatia; Lithuania; Poland
17-Jun	Allen & Overy	Allen & Overy advised Raiffeisenbank a.s. on its EUR 350 million issuance of senior non-preferred MREL-eligible green notes under its international debt issuance program.	EUR 350 million	Czech Republic
21-Jun	CMS; Eversheds Sutherland	CMS advised Bluehouse on the sale of its Ostrava-based shopping center Korso Karvina to Conseq. Eversheds Sutherland advised the buyer.	N/A	Czech Republic
21-Jun	BPV Braun Partners; Wilsons	BPV Braun Partners advised RSBC Real Estate, a private investment group, on the acquisition of the Platinium office building in the Brno city center from REICO IS CS, reportedly advised by Wilsons.	N/A	Czech Republic
22-Jun	Kocian Solc Balastik	Kocian Solc Balastik advised J&T IB Capital Markets on Fraternity Funds' CZK 400 million senior bond issuance due 2026.	CZK 400 million	Czech Republic
22-Jun	Kocian Solc Balastik	Kocian Solc Balastik advised J&T IB Capital Markets on Alpha Quest Funds' CZK 500 million senior bond issuance due 2026.	CZK 500 million	Czech Republic
2-Jul	Act Legal (Randa Havel)	Act Legal Czech Republic advised Sokolov on the construction of a CZK 140 million facility that will help the company transition from coal to natural gas as its energy source.	CZK 140 million	Czech Republic
2-Jul	Kocian Solc Balastik	Kocian Solc Balastik advised Sandberg Capital on the acquisition of a 40% stake in Daktela.	N/A	Czech Republic
6-Jul	CMS; Pelikan Krofta Kohoutek; Pierstone; White & Case	CMS advised Partech, Quadrille, J&T, and EBRD on investing in the Czech online grocery company Rohlik Group. The EUR 100 million Series C, at a valuation of USD 1 billion, was led by Index Ventures and included Ener. Pierstone advised Index on the deal, with Pelikan Krofta Kohoutek advising Ener and White & Case advising the Rohlik Group.	EUR 100 million	Czech Republic
13-Jul	Kocian Solc Balastik	Kocian Solc Balastik advised Webglobe on the acquisition of domain registration and hosting service provider Savana.cz from founder Pavel Hofner.	N/A	Czech Republic
14-Jul	Kocian Solc Balastik; KPMG Legal	Kocian Solc Balastik advised Devereal on the sale of the Profimedia.CZ group to the Czech Press Office. KPMG Legal advised the Czech Press Office on the deal.	N/A	Czech Republic
2-Jul	CMS; White & Case	CMS advised Thor Impex – the project company for the Bogoslovec 36 Megawatt wind farm in North Macedonia – on a EUR 51 million financing from a club of banks led by the Erste Bank. White & Case advised the lenders.	EUR 51 million	Czech Republic; North Macedonia; Romania
2-Jul	Goodwin Procter; Greenberg Traurig	Greenberg Traurig advised Canadian Dream Industrial Real Estate Investment Trust on the acquisition of a corporate group holding a portfolio of 31 logistics properties in Europe, from Clarion Europe for EUR 882 million. Goodwin's London office advised the seller.	EUR 882 million	Czech Republic; Slovakia
21-Jun	Ellex (Raidla); Pohla & Hallmagi	Pohla & Hallmagi advised Restate on the sale of two properties – a shopping center and a commercial property in Tallinn – to BRCKS SPV. Ellex Raidla advised the buyer.	N/A	Estonia
1-Jul	Ellex (Raidla); Nove	The Nove law firm, reportedly working with Ellex Raidla, successfully represented Seesam Insurance in a dispute with Ragn-Sells over indemnity insurance for the damage caused by fires to the latter's waste fuel plant.	EUR 10 million	Estonia
2-Jul	Ellex (Raidla)	Ellex Raidla successfully represented the interests of Enefit Green AS before the Tallinn Circuit Court regarding the merger with Nelja Energia AS.	N/A	Estonia
8-Jul	Ellex (Raidla)	Ellex advised Tera Ventures on leading a EUR 700,000 financing round for Estonian start-up 10Lines.	EUR 700,000	Estonia
8-Jul	TGS Baltic	TGS Baltic successfully represented AS Kevelt in a case before the Supreme Court of Estonia.	N/A	Estonia

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9-Jul	Cirio; Ellex (Raidla); Roschier	Ellex Raidla and Sweden's Cirio Law Firm advised the Kindred Group on its acquisition of outstanding shares in Relax Gaming. Roschier Attorneys advised the shareholders of Relax Holding Limited.	EUR 80 million	Estonia
13-Jul	Cobalt; Ellex (Raidla)	Cobalt advised on the sale of Estonian software development company Icefire to cloud-based payment solution provider Checkout.com. Ellex Raidla reportedly advised the buyer.	N/A	Estonia
14-Jul	Eversheds Sutherland; TGS Baltic	TGS Baltic advised Baltic private equity fund manager BaltCap on its exit from Estonian waste management company AS Eesti Keskkonnateenused. Eversheds Sutherland reportedly advised Eesti Keskkonnateenused on the deal.	N/A	Estonia
14-Jul	Moss Legal; Sorainen; Uplegal	Sorainen advised Dooropener on the acquisition of a 50% stake in the MCC Group from Katrin and Tarvo Moss. Moss Legal and Uplegal advised the sellers on the deal.	N/A	Estonia
14-Jul	Sorainen	On a pro bono basis, Sorainen represented victims of the Lihula shooting incident, by submitting a civil claim for damages.	N/A	Estonia
17-Jun	Cobalt	Cobalt advised Treeland OU on the acquisition of a 51% stake in Latvian catering company Lido AS for an undisclosed amount.	N/A	Estonia; Latvia
29-Jun	Sorainen; Walless	Walless advised Mandatum Life on the sale of its life insurance business in the Baltics to the Lithuanian Invalda INVL group. Sorainen advised the buyer on the deal.	N/A	Estonia; Latvia; Lithuania
1-Jul	Sorainen	Sorainen advised Baltic media company Ekspress Grupp on the sale of Printall to Trukitung.	N/A	Estonia; Latvia; Lithuania
13-Jul	Clifford Chance; Ellex (Klavins); Ellex (Raidla); Ellex (Valiunas); Simpson Thacher & Bartlett	Ellex and Simpson Thacher & Bartlett advised the Baltic Classifieds Group on its IPO and listing on the London Stock Exchange. Clifford Chance advised sponsor, global coordinator, and joint bookrunner BofA Securities and joint bookrunner BNP Paribas.	N/A	Estonia; Latvia; Lithuania
18-Jun	Roedl & Partner	Roedl & Partner advised the DKV Mobility Group on acquiring Osauhing Port One Estonia, UAB State Port Group, and Port One Polska Spolka z Ograniczona Odpowiedzialnoscia.	N/A	Estonia; Latvia; Lithuania; Poland
25-Jun	CMS; Zepos & Yannopoulos	Zepos & Yannopoulos and CMS France advised Axa Mediterranean Holding on the sale of Greek subsidiary Axa Insurance to Italian insurance group Generali for a consideration of EUR 167 million.	EUR 167 million	Greece
30-Jun	Kyriakides Georgopoulos	Kyriakides Georgopoulos advised GlaxoSmithKline on the EUR 12 million sale and partial leaseback of its corporate headquarters office building to the ATHEX listed Intercontinental International REIC.	EUR 12 million	Greece
8-Jul	Zepos & Yannopoulos	Zepos & Yannopoulos advised Intrum AB and Intrum Hellas on Sunrise I – a Hellenic Asset Protection Scheme securitization transaction originated by Piraeus Bank involving a retail and corporate NPE portfolio with a EUR 7.2 billion gross book value.	N/A	Greece
9-Jul	Zepos & Yannopoulos	Zepos & Yannopoulos advised the Unilever Group on the sale of its Greek tomato product business unit to Minerva.	N/A	Greece
18-Jun	Allen & Overy	Allen & Overy advised Raiffeisen Bank Hungary on the HUF 70 billion issuance of 1.75% bonds due 2031 by Richter Gedeon Nyrt.	HUF 70 billion	Hungary
28-Jun	Oppenheim	Oppenheim successfully represented Hell Energy in a trademark dispute before the EU General court regarding the protection of its Hell trademark for coffee-related products.	N/A	Hungary
2-Jul	Lakatos, Koves & Partners	Lakatos, Koves & Partners advised GLP on the lease of a 43,000 square-meter warehouse and office space within the Sziget Logistics Center to Germany-based Fiege Group.	N/A	Hungary

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2-Jul	Jalsovszky	Jalsovszky advised Luma Automation on the acquisition of all shares in IronTech Zrt. from Tibor Bochkor. Jalsovszky also advised Raiffeisen Bank and CIB Bank, as lenders granting financing for the acquisition.	N/A	Hungary
2-Jul	EY Law; Jalsovszky	Jalsovszky advised Janos Kubinszky on the sale of a 100% shareholding interest in KTT Kft. to Axel Johnson International. Ernst & Young advised the buyer on the deal.	N/A	Hungary
17-Jun	Baker Mckenzie; Rojs, Peljhan, Prelesnik & Partners; Schoenherr	Baker McKenzie advised MOL Group on the acquisition of a 92.25% stake in OMV Slovenija d.o.o. for EUR 301 million. Rojs, Peljhan, Prelesnik & Partners advised MOL on Slovenian law. Schoenherr advised OMV on the matter.	EUR 301 million	Hungary; Slovenia
28-Jun	Cobalt	Cobalt, acting pro bono, successfully assisted a Belarusian journalist seeking asylum in obtaining refugee status in Latvia.	N/A	Latvia
29-Jun	Sorainen	Sorainen advised real estate project developer Linstow on the acquisition of Sporta 2 quarter from SIA Sporta 2, part of the NP Properties Group.	EUR 10.5 million	Latvia
8-Jul	Cobalt	Cobalt advised SEB on a new lease agreement with the Galio Group.	N/A	Latvia
9-Jul	Cobalt	Cobalt advised VPH Latvia on the development of a shopping center on Valdeku street in Riga.	EUR 8 million	Latvia
28-Jun	CMS; Dentons	CMS advised PJSC Uralkali on its debut USD 1.25 billion sustainability-linked pre-export finance facility arranged by a consortium of banks, with ING Bank acting as lead sustainability coordinator. Dentons advised ING Bank.	USD 1.25 billion	Latvia; Russia
21-Jun	SPC Legal; TGS Baltic	TGS Baltic advised health & wellness company Kilo Health on a EUR 300,000 investment in Revolab, a Lithuanian startup that developed a smart blood testing app. SPC Legal advised Revolab.	EUR 300,000	Lithuania
22-Jun	Motieka & Audzevicius	Motieka & Audzevicius advised Elektroniniu Pinigu Bite on obtaining an electronic money institution license.	N/A	Lithuania
24-Jun	Ellex (Valiunas)	Ellex advised the BaltCap Lithuania SME Fund on the sale of its 46% stake in Labochema to France's Dominique Dutscher.	N/A	Lithuania
28-Jun	Ellex (Valiunas); Fort	Fort advised Eften Capital AS on the acquisition of two 20,000 square meter production buildings in Panevezys, Lithuania from Adax and Baltic Sea Properties. Ellex Valiunas advised the sellers on the deal.	N/A	Lithuania
1-Jul	Ellex (Valiunas); Motieka & Audzevicius	Motieka & Audzevicius advised UAB Holdco A as the seller in a management buyout of UAB Alna Software. Ellex Valiunas advised the buyers.	N/A	Lithuania
1-Jul	Cobalt; Sorainen	Sorainen advised the owners and co-founders of castable sonar company Deeper, as well as financial investor Gemini Grupe, on their sale to Resource Partners. Cobalt advised Resource Partners on the transaction.	N/A	Lithuania
1-Jul	SPC Legal	SPC Legal advised Lithuanian photovoltaics software company PVcase on its 730 square meter office space lease in the Boksto Skveras complex from Baltisches Haus.	N/A	Lithuania
2-Jul	Fort; SPC Legal	SPC Legal advised Kaunas FEZ Management Company on an investment from Eika Asset Management. Fort Legal advised Eika on the deal.	N/A	Lithuania
8-Jul	Walless	Walless advised UAB Fintegry on obtaining a payment institution license from the Bank of Lithuania, authorizing the company to provide account information services.	N/A	Lithuania
8-Jul	Cobalt; Wilson Sonsini Goodrich & Rosati	Cobalt advised ME Investicija on its investment in U.S. logistics start-up Project44. Wilson Sonsini Goodrich & Rosati advised the start-up.	N/A	Lithuania
8-Jul	Motieka & Audzevicius	Motieka & Audzevicius advised AB Linas Agro Group on competition clearance in Lithuania for its acquisition of the AB Kauno Grudai group of companies.	N/A	Lithuania
13-Jul	Sorainen	Sorainen advised real estate management company Agathum on a non-public three-year bond issuance, with a nominal value of EUR 1.5 million.	EUR 1.5 million	Lithuania
29-Jun	Cobalt	Cobalt advised Estonian Peranto OU on the sale of UAB Mockavos Terminalas to AB Orlen Lietuva.	N/A	Lithuania; Poland

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25-Jun	Arthur Cox; Baker Mckenzie; Gladei & Partners; Harneys Aristodemou Loizides Yiolitis; Homburger; Linklaters; Sayenko Kharenko; Turcan Cazac	Sayenko Kharenko, Turcan Cazac, Linklaters, and Homburger advised joint lead managers and bookrunners Citigroup, ING, and Renaissance Capital on the USD 400 million issuance of 8.45% secured notes due 2026 by the Trans-Oil Group of Companies. Gladei & Partners, Baker McKenzie, Arthur Cox, and Harneys Aristodemou Loizides Yiolitis advised the issuer and the guarantors.	USD 400 million	Moldova; Ukraine
29-Jun	Dentons; Karanovic & Partners	Karanovic & Partners and Dentons advised the Green for Growth Fund on its EUR 3.5 million equity investment in Thor Impex Skopje, partially funding the construction and operation of a 36-megawatt wind farm near Bogoslovec in North Macedonia.	EUR 3.5 million	North Macedonia
16-Jun	Allen & Overy; White & Case	White & Case advised PKN Orlen S.A. on the establishment of its EUR 5 billion EMTN program and the subsequent issuance of EUR 500 million 1.125% green bonds due 2028. Allen & Overy reportedly advised the bookrunners.	EUR 5 billion	Poland
16-Jun	Greenberg Traurig	Greenberg Traurig Warsaw advised BNP Paribas SA on its PLN 470 million sale of over 7.47 million BNP Paribas Bank Polska shares in an accelerated book-building process.	PLN 470 million	Poland
17-Jun	Allen & Overy; DLA Piper	DLA Piper advised international investment firm Eurazeo on its provision of financing to the Avenga Group. Allen & Overy reportedly advised Avenga.	N/A	Poland
17-Jun	Clifford Chance; Rymarz Zdort	Clifford Chance advised a consortium of banks consisting of Santander Bank Polska and ING Bank Slaski on the financing of the takeover of Luxembourg-seated Moventum by ProService Finteco. Rymarz Zdort advised ProService Finteco on the deal.	N/A	Poland
17-Jun	Clifford Chance; White & Case	White & Case advised Polish photovoltaic farm developer R.Power on the establishment of a green bond issuance program with a total nominal value of up to PLN 1 billion. Clifford Chance advised mBank, the sole broker on the deal.	PLN 1 billion	Poland
21-Jun	Gessel	Gessel advised OEX S.A and its majority shareholders on a tender offer for 100% of the company's shares.	N/A	Poland
22-Jun	JDP	JDP Drapala & Partners successfully represented a consortium consisting of Polimex Infrastruktura Sp. z o.o., Polimex Mostostal S.A., and Trakcja S.A. in an appeal procedure before the Regional Court in Warsaw.	N/A	Poland
22-Jun	Allen & Overy; BSJP	BSJP advised German wind farm developer Sabowind GmbH on its sale of a 108 megawatt wind project portfolio to DIF Infrastructure Fund VI. Allen & Overy advised the buyer.	N/A	Poland
24-Jun	Gessel; Kondracki Celej; Procope & Hornborg	Kondracki Celej advised the shareholders of software company Skyrise.tech on the sale of 100% of shares to Etteplan. Gessel advised Etteplan alongside, reportedly, Finland-based Procope & Hornborg.	N/A	Poland
28-Jun	WKB Wiercinski Kwiecinski Baehr	WKB Wiercinski, Kwiecinski, Baehr advised E&W on the construction agreements for three wind farms in Chodziez, Gostynin, and Zalecino with a consortium of contracting companies.	N/A	Poland
28-Jun	Dentons; Hogan Lovells; Linklaters	Dentons advised Patrizia Frankfurt Kapitalverwaltungsgesellschaft on the sale of its Le Palais office building in Warsaw to Generali Europe Income Holding subsidiary Loranze. Linklaters advised Generali on the deal. Hogan Lovells advised the seller on tax issues.	N/A	Poland
28-Jun	SSW Pragmatic Solutions	SSW Pragmatic Solutions advised Santander Bank Polska on a PLN 23 million financing project for OEX SA's tender offer for its own shares.	PLN 23 million	Poland
29-Jun	DWF; Kutnik, Kalinowski i Partnerzy	DWF advised the KGAL managed ESPF 4 fund on the acquisition of a 27-megawatt wind farm project from the Boryszew Group. Kutnik, Kalinowski i Partnerzy advised the Boryszew Group on the deal.	EUR 11 million	Poland
1-Jul	Clifford Chance; White & Case	White & Case advised Polish chemicals producer Synthos on its EUR 600 million 2.5% seven-year bond issuance. Clifford Chance advised global coordinators BNP Paribas and Goldman Sachs Bank Europe and joint bookrunners Bank Pekao, Banco Santander, ING, and PKO BP.	EUR 600 million	Poland

Date Covered	Firms Involved	Deal/Litigation	Value	Country
1-Jul	DZP Domanski Zakrzewski Palinka	Domanski Zakrzewski Palinka advised the consortium of Aldesa Construcciones Polska, Aldesa Construcciones, and Aeronaval de Construcciones Instalaciones on a PLN 178 million contract with Poland's General Directorate for National Roads and Motorways for a traffic control system.	PLN 178 million	Poland
1-Jul	Gide Loyrette Nouel	Gide Loyrette Nouel advised Bank Pekao and mBank on the establishment of Robyg's PLN 500 million bond program and its subsequent PLN 150 million bond issuance.	PLN 500 million	Poland
2-Jul	Clifford Chance; Dentons	Dentons advised Globe Trade Centre S.A. on its EUR 500 million debut issuance of unsecured green bonds with a coupon of 2.25% per annum, maturing on June 23, 2026. Clifford Chance advised the banks involved, including joint bookrunners J.P. Morgan, Morgan Stanley, Erste Group, and Raiffeisen Bank International.	EUR 500 million	Poland
2-Jul	DGTL Law; Gessel	Gessel advised the Lux Med Group on its acquisition of the Hifu Clinic. DGTL Law advised the seller.	N/A	Poland
5-Jul	B2RLaw; Compliance Partners; Goodwin Procter	B2RLaw, working alongside Goodwin, advised growth equity investors Kennet Partners and Digital+ Partners on their USD 30 million equity investment in eStoreMedia. Compliance Partners Szpytka advised eStoreMedia on the deal.	USD 30 million	Poland
7-Jul	Clifford Chance; WKB Wiercinski Kwiecinski Baehr	WKB advised Energix on a facilities agreement under which a consortium of banks that includes EBRD and Banco Santander will provide PLN 550 million in financing for the construction of two wind farms in Banie and Sepopol, Poland. Clifford Chance advised the banks.	PLN 550 million	Poland
8-Jul	Weil, Gotshal & Manges; White & Case	White & Case advised a consortium of banks on InPost's EUR 490 million issuance of senior notes due 2027. Weil, Gotshal & Manges advised InPost on the deal.	EUR 490 million	Poland
8-Jul	Rymarz Zdort	Rymarz Zdort advised Innova Capital-controlled CS Group Polska on the refinancing of existing debt and obtaining additional term and revolving credit facilities, under an agreement with mBank S.A.	N/A	Poland
8-Jul	SSW Pragmatic Solutions	SSW Pragmatic Solutions advised PKO Bank Polski and Credit Agricole Bank Polska on a PLN 110 million credit agreement with Pamapol Group.	PLN 110 million	Poland
8-Jul	Rymarz Zdort	Rymarz Zdort advised Pfleiderer Polska and its subsidiaries on a revolving credit facility of up to PLN 200 million under an agreement with a consortium of three banks.	PLN 200 million	Poland
8-Jul	Clifford Chance; Norton Rose Fulbright	Norton Rose Fulbright advised a consortium formed by domestic and international financial institutions on the PLN 800 million (EUR 177 million) unsecured financing granted to Zaklady Farmaceutyczne Polpharma S.A. Clifford Chance advised Polpharma on the matter.	PLN 800 million	Poland
9-Jul	White & Case	White & Case advised mBank S.A. on Develia's bond issuance for a total amount of up to USD 105 million.	USD 105 million	Poland
12-Jul	Domanski Zakrzewski Palinka; Linklaters	Linklaters advised NREP on its acquisition of more than 1,000 new-built units in Warsaw from YIT. Domanski Zakrzewski Palinka advised the seller on the deal.	N/A	Poland
12-Jul	Clifford Chance; Greenberg Traurig	Greenberg Traurig advised the CCC Group on a PLN 500 million investment agreement with the Softbank Group. The SoftBank Vision Fund 2 will invest in CCC's majority-owned online footwear and clothing platform Eobuwie.pl SA by taking up convertible bonds. Clifford Chance advised SoftBank on the deal.	PLN 500 million	Poland
13-Jul	Act Legal (BSWW); Deloitte Legal	ACT Legal Poland (ACT BSWW Legal & Tax) advised Adventum on refinancing the Poznan Financial Center. Deloitte Legal advised Berlin Hyp AG on providing the new financing.	N/A	Poland
13-Jul	Rymarz Zdort	Rymarz Zdort advised entities of the Energa Capital Group on the carve-out of a gas power plant from Elektrownia Ostroleka.	N/A	Poland
14-Jul	Rymarz Zdort	Rymarz Zdort advised Wirtualna Polska Media S.A. on the purchase of a three megawatt photovoltaic farm in the Lower Silesia region.	N/A	Poland
14-Jul	Gessel	Gessel advised the Lux Med Group on its investment in Swiss entrepreneur Bruno Hangartner's Swissmed Centrum Zdrowia.	N/A	Poland

Date Covered	Firms Involved	Deal/Litigation	Value	Country
6-Jul	Clifford Chance; Mcdermott Will & Emery; Norton Rose Fulbright; White & Case	Norton Rose Fulbright advised the financial institutions involved on the EUR 500 million revolving facilities made available to companies from the Synthos Group incorporated in Poland and the Czech Republic. White & Case and Clifford Chance advised Synthos on the deal, with McDermott Will & Emery advising the security agent, Citibank Europe.	EUR 500 million	Poland; Czech Republic
7-Jul	Dubinski Jelenski Masiarz And Partners; Sorainen; SSW Pragmatic Solutions	SSW Pragmatic Solutions advised Mid Europa Partners on its acquisition of UAB Pigu from MCI.Techventures and minority shareholders. Sorainen advised the founders of Pigu on the sale. Dubinski Jelenski Masiarz and Partners reportedly also advised the sellers.	N/A	Poland; Lithuania
21-Jun	Filip & Company; Linklaters; Nestor Nestor Diculescu Kingston Petersen; Sayenko Kharenko	Filip & Company and Linklaters advised Banca Transilvania on its RON 213 million acquisition of the shares held by Getin Holding in the Idea Bank Group in Romania. Sayenko Kharenko and Nestor Nestor Diculescu Kingston Petersen advised the seller on the matter.	RON 213 million	Poland; Romania; Ukraine
21-Jun	Suciu Popa	Suciu Popa successfully represented Rompetrol Well Services in a corporate dispute initiated by one of its minority shareholders.	N/A	Romania
22-Jun	CMS	CMS advised ING Bank Romania on the extension and modification of a bilateral EUR 100 million loan granted to a company within the NEPI Rockcastle Group, among others, with the addition of certain ESG components.	EUR 100 million	Romania
1-Jul	RTPR; Wolf Theiss	RTPR advised the founders of Keez on the sale of a majority stake to software company Visma. Wolf Theiss advised Visma on the deal.	N/A	Romania
7-Jul	Kinstellar	Kinstellar Bucharest advised Romanian fintech startup Capex.com on raising USD 21 million in an investment round led by venture capital firms Growth Box and Moore & Moore Investments.	USD 21 million	Romania
8-Jul	Wolf Theiss	Wolf Theiss advised Novalpina Capital LLP on the acquisition of MaxBet.	N/A	Romania
8-Jul	Filip & Company	Filip & Company successfully represented natural gas supplier Energy Gas Provider SRL in a proceeding against Romania's National Energy Regulatory Authority concerning the gas suppliers' obligation to build minimum stocks of gas throughout the cold season.	RON 500,000	Romania
13-Jul	Stratulat Albulescu	Stratulat Albulescu advised lead investor Catalyst Romania Fund II on its participation in SeedBlink's EUR 3 million Series A funding round.	EUR 1.2 million	Romania
13-Jul	BPV Grigorescu Stefanica; Mitel & Partners	Mitel & Partners advised GED Eastern Fund II on its divestment process from Happy Tour. BPV Grigorescu Stefanica represented sole Hey, Be Well! shareholder, CEO Javier Garcia del Valle, as the buyout manager.	N/A	Romania
14-Jul	Eversheds Sutherland; EY Legal (Radu si Asociatii); GTC Law Group; Morgan Lewis & Bockius	Radu si Asociatii, working with Eversheds Sutherland, advised the shareholders of GloriaFood, including Oliver Auerbach, Mihai Anghel, and Cosmin Ancuta, on the sale of the company to Oracle. Morgan Lewis and GTC Law Group advised Oracle on the deal on M&A and IP aspects, respectively.	N/A	Romania
14-Jul	Filip & Company	Filip & Company advised One United Properties on the initial public offering of shares amounting to more than RON 250 million.	RON 250 million	Romania
7-Jul	Dentons; Simmons & Simmons; Zamfirescu Racoti Vasile & Partners	Dentons advised the Black Sea Trade and Development bank on a seven-year USD 40 million corporate loan to Romanian aluminum producer Alro, part of Vimetco Group, for its capital investment program. Zamfirescu Racoti Vasile & Partners and Simmons & Simmons advised Alro.	USD 40 million	Romania; Russia

Date Covered	Firms Involved	Deal/Litigation	Value	Country
16-Jun	Alliance Legal	Alliance Legal CG successfully represented the Ekaterinburg Diocese of the Russian Orthodox Church, on a pro bono basis, in a RUB 4 million dispute with the Ekaterinburg City Administration over the diocese's subsidiary liability for the obligations of its Orthodox Kindergarten. The case was brought before the Arbitration Court of the Sverdlovsk Region.	RUB 4 million	Russia
17-Jun	DLA Piper; Herbert Smith Freehills	DLA Piper advised the Renaissance Insurance Group on the sale of its 100% stake in Renaissance Pensions to the non-state pension fund of Russia's Sberbank. Herbert Smith Freehills reportedly advised the buyer.	N/A	Russia
17-Jun	Liniya Prava	Liniya Prava advised the Moscow Exchange on its acquisition of a 70% stake in electronic commerce platform Inguru, with an option to increase its stake to 100% within the next five years.	N/A	Russia
22-Jun	Alrud	Alrud advised German chocolate manufacturer Ludwig Schokolade on countering imports of counterfeit goods resembling its products into the Russian Federation and protecting intellectual property.	N/A	Russia
22-Jun	Baker Botts	Baker Botts advised Russian liquified natural gas producer PAO Novatek on the sale of a 10% participation interest in Arctic Transshipment LLC to TotalEnergies SE.	N/A	Russia
28-Jun	Cleary Gottlieb Steen & Hamilton; Dentons	Dentons advised VTB Capital on its USD 75 million acquisition of a minority stake in car-sharing company Delimobil Holding SA. Cleary Gottlieb advised the seller.	USD 75 million	Russia
1-Jul	Clifford Chance	The Moscow office of Clifford Chance advised AO Raiffeisenbank, Sberbank, Bank Saint-Petersburg, and Credit Bank of Moscow on their provision of a RUB 15 billion five-year loan to the Ural Mining & Metallurgical Company.	RUB 15 billion	Russia
2-Jul	CMS	CMS Russia advised the VTB Group on its acquisition of a 25.1% stake of the iCITY business center from a subsidiary belonging to Russian businessman Alexey Bogachev.	N/A	Russia
5-Jul	Dentons	Dentons advised Prosveshcheniye, a Russian educational integrator, on an equity transaction with Sber, VEB.RF, and RDIF, as a result of which each shareholder will hold a 25% stake in JSC Prosveshcheniye.	N/A	Russia
13-Jul	Bryan Cave Leighton Paisner; Morgan Lewis & Bockius	Morgan Lewis advised Baring Vostok Capital Partners on its acquisition of a 12% stake in 12 Storeez. Bryan Cave Leighton Paisner advised 12 Storeez and its founders on the deal.	N/A	Russia
30-Jun	Vulic Law	Vulic Law advised dairy product company Mlekara Sabac on the construction of a factory in Russia.	N/A	Russia; Serbia
2-Jul	Dentons	The Moscow and Istanbul offices of Dentons advised the Black Sea Trade and Development Bank on its provision of a seven-year EUR 75 million loan to the Hayat Kimya Group for the construction of a new hygienic tissue and paper towel factory in Kaluga, Russia.	EUR 75 million	Russia; Turkey
7-Jul	NKO Partners	NKO Partners advised CTP on the acquisition of land from the City of Novi Sad.	N/A	Serbia
13-Jul	Go2Law; Milbank; Schoenherr; Zivkovic Samardzic	Zivkovic Samardzic advised on the merger of Eurobank a.d. Beograd with Direktna Banka a.d. Kragujevac, via an absorption of Direktna by Eurobank Serbia. GO2Law advised Direktna on English law matters, with Milbank advising both banks on English law. Schoenherr reportedly advised Eurobank Serbia on the deal as well.	N/A	Serbia
16-Jun	DLA Piper	DLA Piper successfully represented U.S. Steel Kosice before the Constitutional Court of Slovakia in a case regarding employment termination notice under the Slovak Commercial Code. The Constitutional Court reversed the earlier verdict delivered by the Supreme Court.	N/A	Slovakia
23-Jun	Clifford Chance; Dentons	Dentons advised SPP - Distribucia, a.s. on its EUR 500 million Regulation S bond issuance due 2031 with a 1% annual yield. Clifford Chance reportedly advised joint lead managers Commerzbank Aktiengesellschaft, Erste Group Bank AG, ING Bank N.V., and Societe Generale.	EUR 500 million	Slovakia
24-Jun	Allen & Overy; Dentons	Dentons advised the shareholders of Slovak facility management company BK on the sale of their shares to Zapadoslovenska Energetika, Slovakia's largest electricity distributor. Allen & Overy advised the buyer.	N/A	Slovakia

Date Covered	Firms Involved	Deal/Litigation	Value	Country
7-Jul	Allen & Overy; Dentons; Jadek & Pensa; Karmen Rebesco	Karmen Rebesco law firm, working with Allen & Overy, advised mandated lead arranged Nova Ljubljanska Banka d.d. on the provision of a EUR 148 million syndicated loan to members of the SIJ Group. Dentons and Jadek & Pensa advised the SIJ Group on the deal.	EUR 148 million	Slovenia
16-Jun	Allen & Overy; Allen & Overy (Gedik Eraksoy); Ciftci Attorney Partnership; Clifford Chance	Clifford Chance and Ciftci Attorney Partnership advised Arcelik A.S. on its offering of EUR 350 million in 3.0% Green Bonds due 2026 on the Euronext Dublin Stock Exchange. Gedik & Eraksoy and Allen & Overy advised joint lead managers JP Morgan Securities plc, Merrill Lynch International, and MUFG Securities EMEA plc.	EUR 350 million	Turkey
16-Jun	BTS & Partners	BTS & Partners advised Veloxia Technology on a USD 3 million financing round led by Collective Spark.	USD 3 million	Turkey
16-Jun	White & Case (GKC Partners); Paksoy	GKC Partners and White & Case advised Zorlu Yenilenebilir Enerji A.S. on its USD 300 million issuance of 9.00% senior secured notes due 2026. Paksoy advised global coordinator BofA Securities on the issuance.	USD 300 million	Turkey
17-Jun	Baker Mckenzie (Esin Attorney Partnership); Paksoy	Paksoy advised Kibar Holding on the sale of Assan Gida Sanayi ve Ticaret to Kraft Heinz Company. Esin Attorney Partnership advised Heinz on the deal.	N/A	Turkey
17-Jun	BTS & Partners	BTS & Partners advised freight tech startup Yolda on a USD 1.9 million seed round led by Speedinvest, Collective Spark, and prior angel investors including Marcus Mosen, Stefan Kalteis, and Florian Gschwandtner.	USD 1.9 million	Turkey
24-Jun	Goodwin Procter; Ilhanli Baser; Koenig Oelsner Taylor Schoenfeld & Gaddis; Turunc	Turunc and Goodwin Procter advised virtual and hybrid experiences platform Hopin on its acquisition of onsite event platform Boomset. Ilhanli Baser and Koenig, Oelsner, Taylor, Schoenfeld & Gaddis advised Boomset on the deal.	N/A	Turkey
24-Jun	Paksoy	Paksoy advised the EBRD on its USD 50 million investment in green bonds issued by Turkey's QNB Finansbank.	USD 50 million	Turkey
5-Jul	Egemenoglu; Herguner Bilgen Ozeke	Egemenoglu advised shareholders Yasar Kucukcalik and Yilmaz Kucukcalik on the sale of a minority stake of Kucukcalik Tekstil to American textile company Standard Textile. Herguner Bilgen Ozeke reportedly advised the buyer.	N/A	Turkey
8-Jul	White & Case (GKC Partners); Paksoy; White & Case	Paksoy advised BNP Paribas, HSBC, and TEB Yatirim on Sasa Polyester Sanayi's EUR 200 million convertible bond issuance. GKC Partners and White & Case advised Sasa on the deal.	EUR 200 million	Turkey
8-Jul	Turunc	Turunc advised Lycian Capital Partners on the formation of its regulated private equity fund.	N/A	Turkey
8-Jul	Baker Mckenzie; Baker Mckenzie (Esin Attorney Partnership); Kinstellar	Baker McKenzie and Esin Attorney Partnership advised Index Ventures on a USD 155 million Series B investment round in mobile gaming company Dream Games. Kinstellar advised Dream Games on the deal.	USD 155 million	Turkey
8-Jul	Cleary Gottlieb Steen & Hamilton; White & Case (GKC Partners); Paksoy	GKC Partners advised Hepsiburada.com on its USD 780 million IPO on Nasdaq. Morgan Stanley, JP Morgan Securities, Goldman Sachs, BofA Securities, and UBS Securities acted as the bookrunners. Paksoy advised the banks on Turkish law and Cleary Gottlieb Steen & Hamilton reportedly advised on U.S. law.	USD 780 million	Turkey
18-Jun	Marchenko Partners	Marchenko Partners advised the Western NIS Enterprise Fund on its provision of unspecified loans to Veterano Pizza Mariupol and the AnVita medical center.	N/A	Ukraine
22-Jun	Avellum; Sayenko Kharenko	Avellum advised Interpipe Holdings on a USD 300 million issue of 8.375% guaranteed notes due 2026. Sayenko Kharenko advised the joint lead managers and bookrunners on the deal.	USD 300 million	Ukraine

Date Covered	Firms Involved	Deal/Litigation	Value	Country
2-Jul	Vasil Kisil & Partners	Vasil Kisil & Partners advised Arcona Property Fund on the acquisition of Secure Property Development & Investments' two development sites in Kyiv, with a total value of EUR 1.8 million.	EUR 1.8 million	Ukraine
7-Jul	Asters	Asters advised the International Finance Corporation on an up to EUR 35 million financing to the City of Zaporizhzhia.	EUR 35 million	Ukraine
8-Jul	Ilyashev & Partners	Ilyashev & Partners successfully represented VAAG in a dispute regarding anti-dumping duties for the import of gas-concrete blocks from Belarus, before the Sixth Administrative Court of Appeal in Ukraine.	N/A	Ukraine
8-Jul	VB Partners	VB Partners successfully defended the interests of Scania Ukraine in a dispute with a dealer, worth UAH 123 million.	UAH 123 million	Ukraine
13-Jul	Kinstellar	Kinstellar advised the European Bank for Reconstruction and Development on a EUR 10 million revolving credit facility for ERU Trading LLC.	EUR 10 million	Ukraine
13-Jul	CMS; Kinstellar	Kinstellar advised the European Bank for Reconstruction and Development on a USD 65 million loan to Datagroup for the acquisition of Volia. CMS advised Datagroup on the deal.	USD 65 million	Ukraine
14-Jul	Asters	Asters advised the Black Sea Trade and Development Bank on up to USD 20 million in financing to the group of companies that owns two shopping malls under the Araks brand in Kyiv.	USD 20 million	Ukraine
14-Jul	Avellum; Linklaters; Sayenko Kharenko	Avellum advised State Road Agency of Ukraine Ukravtodor on a debut USD 700 million issuance of 6.25% guaranteed notes due 2028 with a sovereign guarantee, as well as the Ministry of Finance of Ukraine on the actual sovereign guarantee. Sayenko Kharenko and Linklaters advised managers J.P. Morgan, Dragon Capital, and Ukreximbank.	USD 700 million	Ukraine

Table of Deals:

- Full information available at: www.ceelegalmatters.com
- Period Covered: June 16, 2021 - July 15, 2021

Did We Miss Something?

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

ON THE MOVE: NEW HOMES AND FRIENDS

Russia: Heuking Kuhn Luer Wojtek Establishes Russian/CIS Desk

By Andrija Djonovic

Heuking Kuhn Luer Wojtek has established a Russian/CIS Desk.

According to the firm, "one highlight of the desk is that its members are lawyers admitted to the bar in Germany, all of whom are Russian native speakers and some of whom possess dual legal qualifications through completion of law studies not only in Germany, but also in Russia, Kazakhstan, or Belarus."

"Germany is the second-largest trading partner for Russia after China," says Anna Richter, Attorney at the firm's Cologne office and member of the Russian/CIS Desk. "This offers numerous opportunities for successful cross-border cooperation for our clients. Many companies are forced by the development of the global economy to seek new markets for their products and new territories for further development. We are pleased to be able to offer our clients a central point of contact for the support of all Russia/CIS-related issues and a bridgehead function 'between the worlds' in the future." ■

Romania: VD Law Group Forms Alliance with Jasill

By Djordje Vesic

Romanian law firm VD Law Group and accounting, tax, and business services provider Jasill Accounting & Business have announced an alliance to provide integrated advisory services, focusing on blockchain, ridesharing, and other emerging technologies.

According to the VD Law Group, "the strategic partnership aims at consolidating an integrated approach and at increasing the client portfolio by 70% in these industries, in addition to extending it to other areas such as financial services, real estate, pharmaceutical industry, capital markets, retail, automotive, *etc.*"

"Identifying a partner who understands, both economically and functionally, the organization of sophisticated clients has been a priority for us," added Sergiu Vasilescu, Managing Partner at VD Law Group. ■

Romania: Former Kinstellar Partner Launches Dewi Advisory

By Radu Cotarcea

Former Kinstellar Partner Razvan Popa has set up business advisory company Dewi Advisory, a "growth advisory company focused on [the] Romanian market."

Early in his career, Popa was a Legal Counsel with NCH Capital and a Legal Counsel with Alpha Bank. He moved into private practice in 2005 when he joined RMDT in association with Herzfeld & Rubin as a Senior Associate. Between 2007 and 2008 he was a Partner with Costea Jalba Popa and then joined Kinstellar in 2009 as a Counsel. He made Partner with the regional firm in 2011 and was appointed as the Co-Head of the firm-wide Private Equity Sector in 2016. He also served as the Bucharest office's Managing Partner between 2018 and 2019, when current MP Victor Constantinescu took over (as reported by CEE Legal Matters on October 20, 2019).

"My new role is two-fold: Partner at Dewi Advisory and business lawyer," announced Popa. "As Partner at Dewi, I will focus on growth advisory on the Romanian market. ... As [a] business lawyer I will continue doing M&A work." ■

PARTNER APPOINTMENTS

Date	Name	Practice(s)	Firm	Country
30-Jun	Balazs Karsai	Enegry/Natural Resources	Nagy es Trocsanyi	Hungary
30-Jun	Viktor Jeger	Litigation/Dispute Resolution	Nagy es Trocsanyi	Hungary
8-Jul	Michal Cecerko	Insolvency/Restructruing	DZP	Poland
8-Jul	Maciej Orkusz	Litigation/Dispute Resolution	DZP	Poland
8-Jul	Jakub Wieszczeczynski	Corporate/M&A	DZP	Poland
9-Jul	Aleksandra Bankowska	Tax	PwC Legal	Poland
9-Jul	Andrzej Zubik	Tax	PwC Legal	Poland
13-Jul	Malgorzata Lesiak-Cwikowska	Real Estate	DWF	Poland
13-Jul	Radoslaw Cebelinski	Insolvency/Restructruing	DWF	Poland
13-Jul	Cosmin Cojocaru	Litigation/Dispute Resolution	Zamfirescu Racoti Vasile & Partners	Romania
8-Jul	Pavel Sadovsky	TMT/IP	EPAM	Russia
1-Jul	Ivan Ljubisavljevic	Litigation/Dispute Resolution	Zivkovic Samardzic	Serbia
1-Jul	Sava Pavlovic	Corporate/M&A; TMT/IP	Zivkovic Samardzic	Serbia
16-Jun	Ozgur Guner	Labor; Litigation/Dispute Resolution	Moral & Partners	Turkey
2-Jul	Alaz Eker Undar	Banking/Finance	YBK	Turkey
6-Jul	Alper Uzun	Litigation/Dispute Resolution	Erdem & Erdem	Turkey
14-Jul	Sertac Kokenek	Labor	Esin Attorney Partnership	Turkey

PARTNER MOVES

Date	Name	Practice(s)	Moving From	Moving To	Country
8-Jul	Razvan Popa	Corporate/M&A	Kinstellar	Dewi Advisory	Romania
8-Jul	Roxana Dudau	Real Estate	Noerr	Radu si Asociatii	Romania
13-Jul	Vladimir Zenin	Corporate/M&A	CMS	Squire Patton Boggs	Russia
6-Jul	Oleksiy Filatov	Litigation/Dispute Resolution	Vasil Kisil & Partners	Aequo	Ukraine

IN-HOUSE MOVES AND APPOINTMENTS

Date	Name	Moving From	Company/Firm	Country
1-Jul	Gabor Kiraly	GB & Partners	Dentons	Hungary
21-Jun	Dominika Niewiadomska-Siniecka	Vodeno	UPC Polska	Poland
29-Jun	Mikhail Kazantsev	Rosgeologia	EPAM	Russia
2-Jul	Timur Khasanov-Batirov	Stada Group	Eterna Law	Russia
1-Jul	Oleksandr Diuhovskyi	JSC Ukrainian Railway	BGS Rail	Ukraine

On The Move:

■ Full information available at:
www.ceelegalmatters.com
■ Period Covered:
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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.

Bulgaria:

Interview with Victor Gugushev of Gugushev & Partners

By Andrija Djonovic (July 28, 2021)

With the country being steered by a caretaker government appointed by President Rumen Radev, the overall outlook for Bulgaria seems to be positive, according to Gugushev & Partners Partner Victor Gugushev.

"Indeed, the country does find itself in very interesting times," Gugushev starts. "Following a decade of Bulgaria being run solely by one political party, things are changing." He says that now, for the first time in over ten years, new political players are emerging while the country is being run by a caretaker government.

"The president did a wise thing by appointing a caretaker government – I'd say that the Council of Ministers has done great things, both for the Bulgarian economy and businesses and Bulgarian society in the past few months," Gugushev says. The caretaker government seems to be enjoying strong citizen support as well, with Gugushev claiming approval ratings to be at an "unprecedented 60%."

On the other hand, Parliament has no majority. According to Gugushev, even if the three new parties in parliament – the "parties of change" – came together, they wouldn't have the necessary majority. "This is preventing either one of these three parties from proposing a new Council of Ministers without a consensus with others," Gugushev says.

Gugushev underlines several improvements brought forth by the caretaker government. "Firstly, a revision of public spending has been made, with big, state-owned companies being audited, the audit results being made public, and new rules being applied as to how public money is to be directed," he says. Secondly, he reports that the Ministry of Economy has changed the supervising body of the Bulgarian Development Bank. This new body has adopted rules towards both increased transparency of its operations as well as increased access to funds for business, which, as Gugushev puts it, are "crucial for the SME sector." Thirdly, Gugushev reports that the authorities have been more open towards businesses and started employing more transparent policies, which was "noticed by international investors which started flocking in, especially ina the automotive, IT, and renewables sectors. Ministers Kiril Petkov and Assen Vassilev have done a great job so far. I imagine they would continue to make a great team in a regular government as well." Lastly, he says that a new National Recovery and Resilience Plan has been drafted. "All EU member state governments are expected to submit a proposal of one such plan for the post-COVID-19 period," Gugushev says. "The caretaker government spent a lot of time drafting it and it seems, upon an initial read, that it will be a good one."

Finally, Gugushev says that this new path that the country is on might not last for too long. "The caretaker government will not be in place indefinitely. Whoever comes in might have their own agenda which might skew some or all of the work that was put in so far," he says. However, Gugushev is hopeful that the "good work and good people" from the caretaker government will spill over into the next government as well. "I believe that, in the short term, Bulgaria will be very, very stable, but it is difficult to predict the long term, especially with the upcoming Presidential elections we have slotted for this October," he says. "Still, the Bulgarian people have a certain degree of hope, something which was not present in abundance in recent years, and that itself is a wonderful thing." ■

Russia:

Interview with Konstantin Kroll of Dentons

By Djordje Vesic (July 29, 2021)

Konstantin Kroll, Partner and Head of Russian Corporate and M&A Practice at Dentons in Moscow, reports that the Russian economy has experienced a rise in M&A transactions and that the government has taken steps to curb offshoring, regulate convertible loans, and increase the number of international arbitration tribunals in the country.

"The market is booming and our Corporate and M&A practice has been very busy," he says, but notes that the majority of deals are made by Russian companies. He points to three main factors behind the increase in economic activity: "Firstly, demand kicked in this year after a hesitant 2020; secondly, oil and metal prices are quite high, Russian exporters are making a lot of money that, in turn, trickles down into the budget; thirdly, governments around the world are pumping money into their systems, which has also impacted Russia." Kroll adds that the influx of cases has been noticed across the board and says that his firm advised on acquisitions ranging from banks to TV channels, to non-governmental pension funds. Kroll and his team also advised on the formation of a strategic joint venture and sale of a 75% equity stake in Russian publishing house JSC Prosveshcheniye to Sber, VEB, and RDIF (as reported by CEE Legal Matters on July 5, 2021), as well as VTB Capital's acquisition of a minority stake in car-sharing company Delimobil (as reported by CEE Legal Matters on June 28, 2021). Following the rise in transactions, Kroll adds, Russia's FAS published a 100-page guideline on merger controls, which offers an in-depth review of its policies and numerous clarifications invaluable to doing business in the country.

Moving on to legislation, Kroll reports equal, if not greater, activity. According to him, Russia is taking great strides to curtail Russian-owned offshore companies. "Russia has quite a number of double taxation treaties," Kroll says. "The government imposed strict rules on offshore taxation and has demanded that treaties be renegotiated," he continues. He lists Cyprus and the Netherlands as examples. The former accepted to renegotiate, while the latter refused. As a result, according to Kroll, Russia denounced its treaty with the Netherlands. He also reports that the tax authorities are improving tax policies so as to help curb offshoring.

Kroll also adds that the Russian Ministry of Justice recently accredited two international arbitral tribunals, the International Chamber of Commerce International Court of Arbitration and the Singapore International Arbitration Centre, as "Permanent Arbitral Institutions" (PAI) for Russian law purposes. "As a matter of Russian law, certain types of disputes, such as corporate disputes, are only arbitrable if administered by an accredited PAI in Russia," he says. According to Kroll, the Hong Kong International Arbitration Centre and the Vienna International Arbitral Centre were previously accredited in 2019. "The addition of two new arbitration institutions will provide more options to local businesses and will increase the number of cases that can be resolved by arbitration."

Furthermore, Kroll reports that new legislation was passed aiming to regulate convertible loans for the first time: "even though it was done in practice before, how lenders convert debt into equity is now formally regulated." In addition, Kroll says that Russia's Central Bank (CBR) announced its intention to lift the limit on the percentage of shares Russian public companies can offer abroad. Kroll explains that the limit, which was originally put in place in the early 2000s, currently caps the number of shares sold abroad in one offering to 50%, while also limiting the number of same-category shares offered abroad to 25%. Another important proposal by the CBR is to re-write the regulations on mandatory tender offers and squeeze-out rules, which will have a significant impact on the Russian M&A market and should improve the rights of minority shareholders.

Finally, Kroll notes that the increase in M&A work alone might not be enough to keep the legal market sated, in the absence of sufficient foreign investment. He says that although local firms are growing, some international ones seem to be on the decline. He points to King & Spalding as an example, which recently announced it will be closing its Moscow office (as reported by CEE Legal Matters on May 31, 2021). ■

Greece:

Interview with Nassos Felonis of Bahas, Gramatidis & Partners

By Andrija Djonovic (July 30, 2021)

Even with the delta variant being prominent in Greece, the country seems to be on an upward trajectory, according to Nassos Felonis, Partner at Bahas, Gramatidis & Partners.

"The overall political landscape is very stable," Felonis starts. "The government is very solid – it has a parliamentary majority and the support of Greek people, not only regarding the economy and development but also on handling the Covid situation since day one." Felonis says this is especially important, given the spread of the delta variant in Greece and an overall fear of another wave of the new coronavirus in the fall.

"The good thing is that the vaccination efforts have started off strong," Felonis continues but does say it has since slowed down. "This is most likely to do with one part of the population being wary of the potential side effects the vaccines might have, and another, although smaller, part being against the vaccines altogether." The initial goal of the government was to have about 80% of the population vaccinated come fall, but this seems unlikely at the time. "Another problem is that the opposition parties, while agreeing in principle with the government's vaccination efforts, are not clearly aligned on specific measures, such as the mandatory vaccination of certain categories of workers – this could only further slow things down," Felonis says.

With all the good work the Greek government has done, Felonis underlines several things. "Firstly, there has been a major revision of the labor law framework which aligned the system more with EU standards and practices," he says. Now, there is a higher degree of flexibility for employers and employees to make arrangements related to work schedules, Felonis says, and this will make the economy more competitive. He adds that "the new Law establishes clear rules on the prevention of violence and harassment in the workplace, balance of work and family life, remote working, *etc*."

"Secondly, the government has introduced a swath of initiatives related to public education, allowing universities to have more autonomy and tailor their work & programs to market needs more," Felonis continues. "Creating these linkages, not only between the universities and the market but also between domestic universities and major educational centers in the U.K. and the U.S., will lead to our students being better prepared professionally and being more culturally savvy."

Finally, turning to the economy, Felonis says that 2021 is looking good so far. "After last year, we can honestly say that things are picking up and that this year looks more like 2019, at least when it comes to the tourism sector," he says. Also, Felonis highlights the establishment of the "Recovery and Resilience Facility" (RRF), a central part of the overall "NextGenerationEU" Plan, which has been created to alleviate the negative effects the pandemic had on certain sectors of the economy. "The development aspect of the program, which has been approved by the European Commission, will see Greece receive about EUR 30.5 billion, 17.8 billion in grants and 12.7 billion in loans. This, coupled with private and banking funds to be involved in development projects, could potentially reach approximately EUR 70 billion," he says. These funds will, firstly, be directed towards infrastructure works and the digitalization of the economy. "The government has made a strong effort of rapidly digitalizing public administration and services," Felonis notes.

Other parts of the funds, Felonis says, will be directed towards green, renewable energy sources. "Large Greek companies are investing already, by issuing so-called 'green bonds' in order to finance renewable energy sources," Felonis continues. "Not just solar and wind, but also to create energy storage facilities, to invest in natural gas distribution networks, provide incentives for the gradual use of electric cars, as well as for start-ups, limiting energy waste, uplifting public buildings and private housing through incentives to have them more environmentally friendly and less energy-hungry." This initiative, he says, started in June of this year and will unfold over the next five-year period, creating great prospects and opportunities for the economy and society in general. ■

Romania:

Interview with Lucian Danilescu of Danilescu Hulub & Partners

By Radu Cotarcea (August 2, 2021)

Despite a bit of political uncertainty, Lucian Danilescu, Partner at Danilescu Hulub & Partners, is excited over Romania's macro-economic indicators and its potential upcoming infrastructure projects.

"Because politics cannot be avoided, the ongoing matter that all are talking about concerns the fall congresses of the two main parties in the current governing coalition," Danilescu says. He reports that it seems likely "we'll see a change in terms of heads and general management teams of at least one, if not both parties, so we're all holding our breaths under this paradigm."

Noteworthy, according to him, is that the country enjoys having a Prime Minister with an American business school education and solid business experience, including with "one of the major financial institutions in the country and abroad – all of which make him a very pro-business leader." And the positive effects of this "natural tendency towards the business side of things" are becoming visible, with Danilescu reporting that "Romania is projected to register a 7.5% GDP growth rate this year – one of the highest, if not the highest in Europe – with a further increase of around 5% expected next year."

Also at the top of the agenda is the recently submitted Romanian plan for the Recovery and Resilience Facility (RRF). Having been "involved in the discussions shaping the plan," Danilescu explains that the reforms and public investment projects Romania plans to implement with RRF support will focus on infrastructure projects, which, given the niche focus of his firm, he was quite excited about. "There are a lot of target areas of the EU, such as advancing the green deal agenda or supporting businesses directly, that the Romanian plan focuses a bit less on," Danilescu explains, "but Romania opted to focus heavily on infrastructure. We're not 100% sure if the plan will be approved, but there were some exchanges between the Romanian Ministry of European Investments and Projects and the EU Commission and, as far as we are aware, it'll likely pass as is."

> *There are a lot of target areas of the EU, such as advancing the green deal agenda or supporting businesses directly, that the Romanian plan focuses a bit less on. But Romania opted to focus heavily on infrastructure. We're not 100% sure if the plan will be approved, but there were some exchanges between the Romanian Ministry of European Investments and Projects and the EU Commission and, as far as we are aware, it'll likely pass as is.*

And this could not come at a better time, with a rather renewed interest in infrastructure projects in the country, according to Danilescu. As an example, he points to the river canal project between the Danube at Oltenita and Bucharest – a 100-kilometer waterway that would, ultimately, provide a direct water link between the capital, the Danube, and the Black Sea port of Constanta. "Much of the project has already been built by the Ceausescu regime, and we're finally having real conversations about finalizing it," Danilescu says. "The estimated threshold is around EUR 1 billion, and I already see interest from developers looking at the south of the capital city as a prime location for logistics real estate development. This would synergize with the canal project immensely, as well as with a new cargo airport – should the stars finally align between these two, I believe Bucharest is in a prime position to be one of the largest logistics hubs in this part of Europe." ■

Ukraine:

Interview with Anastasiya Bolkhovitinova of Kinstellar

By Djordje Vesic (August 2, 2021)

Despite the recent escalation of the conflict in Eastern Ukraine and its negative impact on business in the country, Anastasiya Bolkhovitinova, Counsel and Head of the local TMT practice at Kinstellar, says that telecommunications and IT have been on the rise and significant legal changes were introduced on tech incentives, foreign direct investment, capital markets, and agricultural land.

"Ukraine recently made news and not in a good way," Bolkhovitinova says. She explains that the conflict in the eastern parts of the country has escalated and that the president of Ukraine has enacted sanctions against Russian-owned businesses and individuals. "We have had requests from clients to review business continuity plans and advise on whether they should relocate their business," she says while noting that there haven't been significant exits from the market yet.

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Despite the political instability, the IT sector has kept growing. Her firm advised on a number of deals in the sector, including the Stillfront Group's acquisition of Game Labs Inc (as reported by CEE Legal Matters on May 20, 2021). The telecommunications sector has also been active, with one of the more notable transactions being Polhem Infra's acquisition of Telia Carrier (as reported by CEE Legal Matters on October 23, 2020).

Recognizing the upward trend in the tech market, Bolkhovitinova explains that Ukraine passed a law in July 2021 aiming to offer foreign tech companies preferential tax treatment and reduction of business-associated risks. However, Ukraine remains protective of some other industries, Bolkhovitinova says, as the government is developing FDI regulation which will require foreign investors in strategic industries, such as oil and telecommunications among others, to receive clearance from the competent authority before investing. She also points out that, within three months from July this year, Ukrainian companies will have to disclose not only the ultimate beneficial owner of the company but their entire ownership structure.

In addition, Bolkhovitinova says that the new law on capital markets came into force on July 1, introducing new financial instruments, such as derivatives, green bonds, and infrastructure bonds. She notes the new law differentiates between qualified and unqualified investors, to which different sets of regulation apply. Bolkhovitinova also reports that the moratorium on agricultural land acquisition was lifted on July 1, 2021, which now enables Ukrainian citizens to acquire up to 100 hectares of land.

Finally, speaking of changes in the legal market, Bolkhovitinova lists Kinstellar's takeover of the Ukrainian DLA Piper office (as reported by CEE Legal Matters on June 14, 2021) as the most significant one. ■

Belarus:

Interview with Sergey Mashonsky of Arzinger

By Djordje Vesic (August 2, 2021)

According to Sergey Mashonsky, Senior Partner at Arzinger Law Offices in Belarus, his country is struggling to find economic balance amid the pandemic and the international sanctions. He reports that certain sectors, such as forestry, are doing well, while some others, such as the food packaging industry, have been negatively impacted in recent times.

"As Belarus was one of the two countries in Europe that did not introduce air travel restrictions during the COVID-19 pandemic, tourism did not suffer too much," Mashonsky says. "In fact, the sector seized the opportunity, as some tourists didn't have where else to go but to Belarus," he adds. In addition, Mashonsky notes that there has been a high demand for Belarusian lumber and that, as a result, forestry is booming. "The market prices of lumber and other forest materials, like pulp, are quite high and Belarus is rich in forests," he explains. Furthermore, Belarusian wood-processing plants have been manufacturing and exporting wood panels for eco-houses to the Baltics, Scandinavia, China, Germany, and elsewhere at a faster pace than before.

On the other hand, Mashonsky says, certain sectors have recently had a rough patch. "In February 2021, many chemical plants in Texas were shut down due to a power loss, which has disrupted the global supply of plastics and has ramped up the prices of food packaging," he explains and adds that the food and beverage industry in Belarus suffered as a result. In addition, Mashonsky reports the IT sector, mostly based in Minsk's high-tech park, has been impacted by recent tax changes. "The general income tax for the residents of the high-tech park was raised from 9 to 13% and tech companies could either renegotiate their employees' salary to factor in the increase or pay the tax difference at the company's cost," he explains.

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Furthermore, Mashonsky reports that the Belarusian parliament was working very hard on new laws. "Amendments were made to the Civil and Administrative codes," he says. Mashonsky also notes that the reform on personal data is underway and that the first-ever law regulating it will enter into force in four months. "Prior to this law, personal data was regulated by just one article," he says and adds that, although this law is not as strict as the GDPR, it will put in place mechanisms to properly handle personal information. In Corporate Law, according to Mashonsky, the option for non-repayable contributions was introduced. "This option allows shareholders to finance their company's operations, without that loan affecting the share capital," he explains. ■

Poland:

Interview with Radoslaw Biedecki of Noerr

By Djordje Vesic (August 3, 2021)

The Polish economy has recovered quickly following the lifting of COVID-19 restrictions and the number of transactions is fairly consistent across various industries, reports Radoslaw Biedecki, Partner at Noerr in Poland. The country is pushing for further digitalization of its public services, but draft legislation on media ownership has him concerned.

According to Biedecki, the inflation rates are higher than expected and the government is planning to increase taxes on companies and entrepreneurs by 9%. Despite that, the economy is recovering fast and there is plenty of economic activity to be seen. He reports a significant number of deals have taken place across multiple sectors. In the real estate sector, for instance, Biedecki points to an increase in interest by foreign investors in the market and singles out Heimstaden Bostad's forward acquisition of 2,500 apartments from CP Developer (as reported by CEE Legal Matters on June 11, 2021) as one of the more notable deals.

Furthermore, Biedecki says that Poland's e-commerce sector is booming and the country is becoming the logistics hub of Eastern Europe. He attributes this to the burgeoning logistics and infrastructure projects connecting Poland and Germany, and to competitive labor and land prices. However, Biedecki explains, the logistics sector may soon face difficulties due to a new EU Directive that aims to equalize the remuneration of Polish truck drivers with the remuneration paid to drivers in the countries of delivery. "So when a driver delivers goods to Germany or France, he would be paid as much as a German or French driver, which would increase transportation costs significantly," he notes.

In addition, there are some interesting developments in the TMT sector. Biedecki lists Cellnex Poland's PLN 7 billion acquisition of Polkomtel Infrastruktura as an example (as reported by CEE Legal Matters on March 2, 2021). But not all developments are positive, he reports, as the Polish government is preparing draft legislation that would forbid non-EU entities from owning media companies in the country. He explains that if passed, the law would force US-based Discovery to sell the TVN television station, which is quite critical of the Polish regime, to a state-owned entity, thus effectively placing it under government control.

So when a driver delivers goods to Germany or France, he would be paid as much as a German or French driver, which would increase transportation costs significantly.

Finally, according to Biedecki, Poland has taken another step in the digitalization of services provided by governmental bodies. "From July onwards, all submissions to the Company Register are done exclusively in electronic form," Biedecki says. He also points out that the digitalization of construction-related administrative services is also underway, with around 20 types of applications already available online (as reported by CEE Legal Matters on June 11, 2021).

Lithuania:

Interview with Inga Kostogriz-Vaitkiene of CEE Attorneys

By Djordje Vesic (August 3, 2021)

Inga Kostogriz-Vaitkiene, Partner at CEE Attorneys in Lithuania, reports that her country's economy is doing quite well at the moment and that additional regulation ensures the public procurement system will become greener. She also notes that there are two controversial laws in the pipeline related to cannabis use and LGBTQ+ rights.

"The Lithuanian economy is booming at the moment, despite the ongoing pandemic," Kostogriz-Vaitkiene says. She attributes the current state of the economy to the fairly mild and limited-in-effect waves of COVID-19, governmental spending, and increased internal consumption and savings levels within the general population. She points to the employment market as a growth-limiting factor, because of the high demand for skilled and experienced people, as well as a shortage of employees in labor-intensive sectors.

Almost all sectors are growing, she reports, with exception of the ones directly affected by lockdowns – tourism, hospitality, and the like. She says that Lithuania is becoming a fintech hub in Europe, with many foreign companies applying for licenses with Lithuania's Central Bank. "The real estate market is exceptionally hot now – both new developments and existing properties are in high demand – driven by increased savings and the threat of inflation," she adds. "The M&A deals market is breaking records this year, both in value and in number," she concludes.

Kostogriz-Vaitkiene points out that there is a noticeable increase in litigation cases, mainly related to contractual disputes in the public procurement sector and on construction projects. As a result of the pandemic, she explains, more and more of the cases are carried out online. "Prior to the pandemic, litigation was conducted only in person and in court, but nowadays even criminal procedures are carried out online," she details. However, she notes that if some of the parties demand in-person hearings, those may be allowed by the court.

Furthermore, Kostogriz-Vaitkiene reports that Lithuania is taking great strides to go green and, to that end, has allowed for public authorities to add additional requirements to public procurement tenders, so as to make them eco-friendly. "The requirements differ and are sector-specific, but the authorities are fairly free to choose the requirements they want," she explains, noting that the target for green public procurement is set high: 10% of all procurements in 2021, increasing to 50% in 2022.

Moving on to legislation, Kostogriz-Vaitkiene says that, in order to increase investments in Lithuania, certain amendments to the Investment Law and other legal regulations were made. These established more favorable conditions for foreign investors relocating their business to Lithuania and made it easier for their employees and family members to get employment and residence in Lithuania. She mentions there are interesting developments regarding the legalization of medicinal cannabis and on the law for LGBTQ+ partnerships. "The law on LGBTQ+ partnerships was drafted after the government promised that it will regulate the matter, but the original version was rejected and has to be revised," she says, expressing her hope that the law will soon enter parliament and be passed. ■

> ***The real estate market is exceptionally hot now – both new developments and existing properties are in high demand – driven by increased savings and the threat of inflation.***

> ***The M&A deals market is breaking records this year, both in value and in number.***

ROUND TABLE: EXAMINING THE 2020 DOTYS

By Radu Cotarcea

While the Dealer's Choice Conference in London could not be organized this year in a safe manner due to current events, on July 20, 2021, CEE Legal Matters sat down with several of the event's sponsors to take a closer look at the Deals of the Year award winners this year.

Round Table Participants:

- **Agnieszka Koniewicz, Partner, Penteris**
- **Angel Rizov, Partner, Kambourov & Partners**
- **Kevin-Paul Deveau, Partner, Reed Smith**
- **Mykola Stetsenko, Managing Partner, Avellum**
- **Victor Gugushev, Partner, Gugushev & Partners Law Office, Bulgarian office of Pontes the CEE Lawyers**

M&A Activity in CEE

Private Equity Notably Missing in DOTYs

With a notable decrease of PE deals among the DOTY winners this year, a natural first question was if the region is registering a decrease in PE activity or if it is simply a matter of funds focusing on smaller deals than in the previous years. Gugushev & Partners Law Office Partner Victor Gugushev explained that there is a lot of M&A activity in Bulgaria, but most of it is being carried out by strategic buyers, noting that both the volume and size of the deals of PE funds is comparatively much smaller. Kambourov & Partners Partner Angel Rizov agreed with Gugushev's observation, adding that this "has not only been the case for the country in the last year, but is how the Bulgarian market has traditionally looked like." In terms of M&A activity, he emphasized the energy and IT sectors as being particularly busy. In terms of PE, specifically, he noted that he was approached by one fund recently so there is some movement on that side, "though it's too early to disclose the details." Overall, on the PE side, "there is some movement, but relatively small when compared to strategic buyers," concluded Rizov.

"Ukraine is definitely lagging behind in terms of PE activity," noted Avellum Managing Partner Mykola Stetsenko. "There is, however, an uptake. We've seen a few smaller funds being established and they are slowly picking up speed, but the size of their deals is overall smaller." He is also observing some interest from a fund expanding into Ukraine from the Caucasus, "but even there, the range of deals they are looking at revolves around EUR 5 million."

For Poland, on the other hand, "the level of PE activity really depends on the sectors you are looking at," commented Penteris Partner Agnieszka Koniewicz. "There is, for example, a lot of movement in the renewables sector with quite a few big transactions being completed either last year or in Q1 of this year," she continued. "In particular," Koniewicz noted, "PE funds do seem interested in some projects of considerable value in the country. There have been a few deals involving solar power plant platforms and wind onshore projects. Sure, when we compare those to the value of the offshore deals, like the one between Orsted and PGE, they are much smaller, but still of note." According to Koniewicz, the market is getting more and more mature, "with an increased focus on portfolios – therefore the value of the deals is likely to only increase going forward."

This is also the case in real estate according to Koniewicz, who reports not only a shift from retail to logistics, "but here, as well, the market is becoming more mature and a lot


Victor Gugushev, Partner, Gugushev & Partners Law Office

> *Bulgaria has become a Balkan hub for the IT and outsourcing sectors.*
>
> *The best is yet to come in the sector, with many companies becoming larger and larger and raising more and more rounds.*
>
> *The IT sector is really booming!*

of transactions focus on portfolios. One example of this is Griffin's recent transfer of its interest in a large portfolio to PE funds – the demand is there, and generally, logistics portfolios are a hot topic in Poland these days and we see a lot of developers building up or already selling large projects."

A Lot of Hope in Renewables

Of the three energy deals, two of the DOTYs (Bulgaria and Greece) involved renewables. As Koniewicz noted earlier in the discussion, a lot of movement is happening in the renewables sector in Poland. Gugushev agreed: "speaking not just for Bulgaria, but for all of the markets of our Pontes network, we definitely have a new wave of transactions in renewables." He noted that Poland is the golden child of the region in this regard: "I had a meeting with President Andrzej Duda recently and told him that I see Poland as an example to be followed by all European countries, in terms of governmental policies." He noted that the sector is still one of the, if not the, hottest topic in the country, despite the Bulgarian Government not seeming nearly as committed to supporting renewables. "There's *a lot* of projects happening at the moment. Our team alone works on projects totaling around 700 megawatts – so that should give you a feel of the overall level of activity in the market." He noted that, from his conversations with colleagues from Pontes and the Western Balkans, a similar buzz can be observed in the entire region of CEE.

Rizov agreed with Gugushev on the level of activity in the sector in Bulgaria. In fact, he is expecting it to increase even more, explaining that "Bulgaria is currently submitting its proposition for the EU's recovery plan, and, in line with the EU Commissions' own proposed plans, I expect a great deal of that effort to be directed towards renewable energy."

Stetsenko further affirmed that the trend is not unique to Bulgaria and Poland but is region-wide. "In Ukraine, renewables continue to be a hype." He added: "I think the only difference is that the Ukrainian Government has been acting strangely in the last few years, and has pushed a few investors to file investment claims," explaining that the Government decided to unexpectedly change tariffs, which naturally disappointed many investors. However, Stetsenko reported having reasons to expect more activity in the sector and pointed to "DTEK announcing its plans to switch completely to renewables by 2030. This is really ambitious with two-thirds of the plants in the country being owned by DTEK, but the company has announced it is planning to (and has already started to) invest in wind and solar big time."

Local Technology Companies Making a Splash

Of the 13 M&A deals that won the DOTYs, two of them (Croatia and North Macedonia) represented home-grown technology companies going international – and there is hope to see more such deals in the future.

In this sector, Reed Smith Partner Kevin-Paul A. Deveau observed a lot of growth in Romania and across the region in the last few years. "We've seen a lot of companies in the region looking at raising capital, which has not been happening in the past," he noted, raising the question of what that will look like for these companies in terms of their future development. "I see companies in Western Europe struggling in the context of the enormous capital that goes into U.S. technology companies," he explained. Deveau pointed out that this raises questions for these companies to address: "do you continue to develop locally, do you enter into some form of M&A, do you move the founders to the US?" He elaborated that this is something that not just companies, but governments and the market as a whole need to come together to identify: "how do you retain talent in Eastern Europe and not just become the support of technology companies in the U.S. – especially since we already see a lot of examples of people offshoring in the region."

Gugushev agreed with Deveau's analysis and argued that, at least in the case of Bulgaria, the country's focus and comparative advantage on IT is "not really the result of any particular governmental policy, rather a simple result of solid education and relative salaries." He argued that Bulgaria has "become a Balkan hub for the IT and outsourcing sectors," noting that, while the country has had a couple of notable transactions, "the best is yet to come in the sector, with many companies becoming larger and larger and raising more and more rounds." He is optimistic about the industry: "the IT sector is really booming!"

Stetsenko echoed Gugushev's and Deveau's comments on the subject of highly-skilled labor, and noted a relative decrease in operational costs in Ukraine. "All of us in the region are competing to become the regional hub of major IT companies – or at least for their back-offices – while also keeping an eye out for India and Ireland," he noted, adding that "ultimately, IT is simply booming into a huge industry around the world. I think there will be enough pie for all of us at this round table to have a piece."

Deveau concluded the discussion on the sector by pointing to its drivers – "a combination of more and more people recognizing the skilled talent base in Eastern Europe, complemented by very good language skills, all at a more affordable rate than in Western Europe – while still benefiting from being well integrated into the European market."

Consolidation in the Banking Sector – A Natural Step?

The DOTYs in Bosnia and Herzegovina, Hungary, Poland, Serbia, and Slovakia involved M&A in the banking/finance sector. Notably, Hungary's award winner was the creation of a "superbank," raising the question of what is driving these deals in the region and whether we can expect further consolidation in the near future.

Koniewicz believes that the observed consolidation in the banking sector is a "somewhat natural step." She explained: "A lot of banks sprung up on the Polish market in the past – we have a lot even compared to some of the more mature markets. I think that in this hyper-competitive environment, it was only natural for it to happen." She also noted that this competition is complemented by a few international banks simply looking to "escape a certain market, thus leaving their local operations up for consolidation with other players."

Rizov agreed and said that the Bulgarian banking sector is dominated by subsidiaries of large European banks. He said that, just like Poland, Bulgaria has a lot of banks: "even now, after five-six big movements in the past years, we still have 25 banks operating in the market." According to Rizov, all analyses on the ground, "especially due to the new COVID-19 context, indicate that we should expect more consolidation in the banking/finance sector."

Deveau reported "a phenomenal amount of restructuring in the banking sector over the last ten years." He explained: "looking at how the markets looked like ten years ago, almost no one is in the same position, with whole teams being completely reshuffled," with this very much reflecting the fact that "big banks moved back from the region massively." Looking at the local/regional players, Deveau noted that "it would be difficult to identify a pattern – OTP, for example, grew in some markets and shrunk in others."

He described the sector as being "pretty much in a wait-and-see mode, primarily since banking, and commercial banking, in particular, is not particularly profitable right now." He explained that the low margins are mainly a result of interest rates being at a historical low, which drives banks into a cost-saving focus. In contrast, Rizov noted that, while interest

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Mykola Stetsenko, Managing Partner, Avellum

Agnieszka Koniewicz, Partner, Penteris

> A lot of banks sprung up on the Polish market in the past – we have a lot even compared to some of the more mature markets. I think that in this hyper-competitive environment, [consolidation] was only natural for it to happen.

rates in his country are rather low, "Bulgaria has the benefit of not being in the eurozone, which means that banks have not had to decrease their rates as much as their parent companies from the rest of the EU." Instead, he noted that banks in the country have had record-high profits this year, primarily driven by revenues from fees. This might not be long-lived in Deveau's mind, however, with "the Government trying to force convergence towards the eurozone. Both Bulgaria and Croatia are now forcing themselves into a narrower margin, an evolution that is definitely interesting to follow and see how it plays out."

And there is another trend on the horizon according to Deveau. He explained that, at the moment, "in Western Europe in general, and especially in the UK, banks are trying to figure out which aspects of investment banking they want to keep or which to scrap." This, according to him, "is in big part due to the rise of non-banking funders," on which CEE is still lagging. "That will likely change," he noted. Stetsenko agreed: "we are seeing a lot of aggressive players coming into the market who are combining IT (*e.g.* payment solutions), with the traditional banking services – sometimes even piggy-backing off the traditional banks' infrastructures." Overall, he expects a lot of activity in the sector as well, with a lot of changes in terms of the players, especially with the potential privatization of some state banks on the horizon.

A Reluctant State of Financing in CEE

Moving from movements in the banking sector to actual financing projects, Deveau said: "in London, we are kept very busy with development finance institutions work, especially from the EBRD, who has been busy trying to deploy capital into the region." He elaborated: "I think there are financing needs in the economy, potentially not met by local financiers, but it's difficult to pull in outside investors to provide capital to CEE during COVID-19 times." Deveau explained that this stems from two reasons: "First – most are focused on their own balance sheets. Second – it is generally difficult to make a bet in a market you have not played in yet." Despite that, he expressed hope that "this hesitation of lending towards the region will ease as we are coming out of the pandemic, and I would expect some of that financing to open up over the next 12 months."

Stetsenko noticed the same reluctance in local banks, in terms of financing projects: "Ukrainian banks have not been very active in lending either. There are a few local reasons, but they generally prefer to invest in government bonds and, although interest rates are relatively high, they are still reluctant to advance their business to Ukrainian companies." This unwillingness, he argued, "pushes many large corporations to explore capital markets, especially Eurobonds, to meet their capital needs – and that is certainly an emerging trend."

Talking about Poland, Koniewicz noted that yes, there are low-interest rates with banks, but pointed out that that's also the case with state bonds. She explained that because of this combination, "investors rather try to invest into equity or assets, which drives a lot of transactions based on equity without leverage from banks." According to Koniewicz, the rationale is that they "have cash and don't want to keep it in banks anymore" and they may simply "look for refinancing after a deal – but as an option, not as a must-have."

On Infrastructure

While a couple of notable infrastructure deals won the DOTY for 2020 (the Czech Republic and Ukraine), the round table participants were generally reserved in their outlook for infrastructure projects.

The one optimistic-across-the-board perspective was shared by Stetsenko, who pointed out that the agricultural sector is one of the big drivers for infrastructure development in Ukraine: "It grows every year, and it requires infrastructure – from roads, to rail, to ports." He added that the country "has had two successful PPPs in two seaports and is expecting more such projects. It will also either privatize or put up for concession many rail elements (such as stations)." Stetsenko noted that major investment institutions such as the EBRD are providing "major financing to interconnect Ukraine with the rest of the region, which adds further fuel to the infrastructure drive of the country."

Deveau echoed Stetsenko's comments on the role of EBRD in the sustained infrastructure efforts in the country, but that is where his optimism stopped. As to other jurisdictions, he stated that "there have been a lot of discussions about relatively large projects in Poland or Romania, but they are not really moving forward as fast as they should. There's simply a sense that there are not enough shovels in the ground yet." Deveau expects there will be a focus on these types of projects "given that EU funds have a particular focus on infrastructure," however, he is not seeing a lot of focus on these coming out of London.

Koniewicz explained that quite a lot of infrastructure in Poland is owned by the state – "which might be an explanation

Kevin-Paul Deveau, Partner, Reed Smith

> *in London, we are kept very busy with development finance institutions work, especially from the EBRD, who has been busy trying to deploy capital into the region. I think there are financing needs in the economy, potentially not met by local financiers, but it's difficult to pull in outside investors to provide capital to CEE during COVID-19 times.*

for the lack of investment in the area." She noted that, while there was "some interest in some terminals in Gdansk in the past," at this stage there are no more such large infrastructure projects available, "excluding maybe energy projects." This, she explained, is a result of "all of it being done by the national road agency, without real private player involvement."

Joining the discussion, Rizov pointed out that last year Bulgaria saw one large concession – that of the Sofia airport, the largest airport, located in Bulgaria's capital city. As for the current climate, he explained that "Bulgaria has not yet presented before the EU Commission its proposition for the allocation of its portion of the EU COVID-19 relief fund." This, he added, is "because, in the last few months, we've had some political instability. Our former Government resigned at the beginning of April, and we've had a provisional Government in place since. Snap elections were held recently with the result showing that the long-time ruling party has lost its majority. That means we now have a few new players on the ground, but this makes it difficult to predict how PPP projects will look like." Ultimately, Rizov expects that Bulgaria will submit its proposal and "we'll see the funds allocated to Bulgaria and projects kicking-off."

A Busy 2020

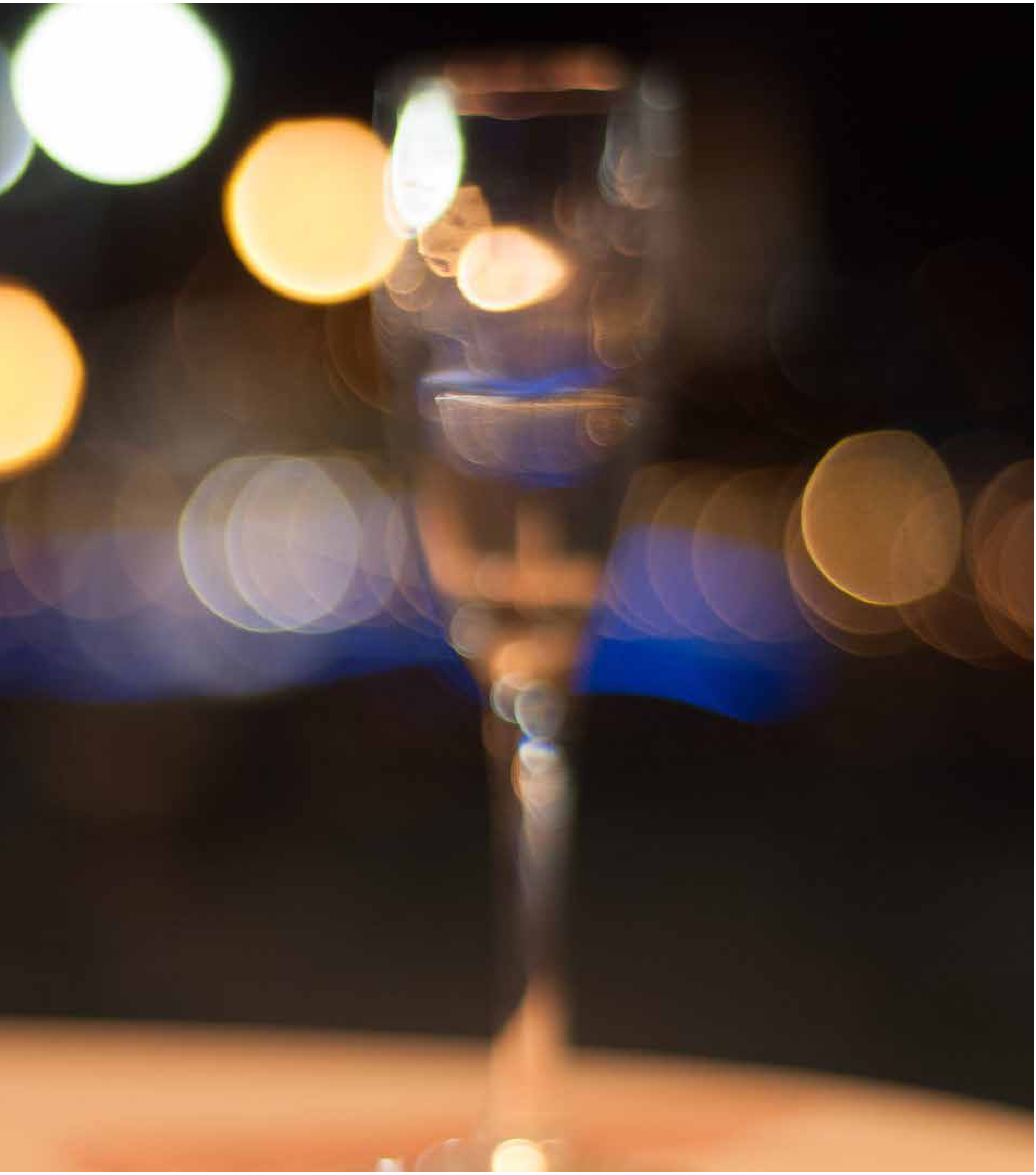
"2020 was a handful," said Rizov, talking about the year as a whole. "The year saw a new big telecom player – United – enter the market and that was just one of the many M&A projects in the telecommunications and media and IT sectors," he said. Furthermore, he reported that his colleagues "in the energy department have definitely been burning the midnight oil, despite COVID-19."

"And I think the hype is not yet over," Rizov concluded.

Koniewicz echoed Rizov's sentiment that 2020 was "quite busy in terms of transactions." She reported a lot of transactional work, especially in the real estate and energy markets: "It was for us at least as good, if not better, than 2019, both in terms of overall volume and value of transactions." She concluded: "I was hoping I'd at least catch a week's break at some point during the pandemic – it didn't really happen." ■

Angel Rizov, Partner, Kambourov & Partners

2020 CEE DEALS OF THE YEAR



ALBANIA: ALBANIA'S EUR 650 MILLION EUROBOND ISSUANCE

Firm	Role	Client(s)
Allen & Overy	Joint Lead Managers' international counsel	Banca IMI, Citigroup Global Markets Limited, J.P. Morgan Securities plc, and Raiffeisen Bank International AG
Dechert	Issuer's counsel	Ministry of Finance and Economy, Republic of Albania
Wolf Theiss	Joint Lead Managers' Albanian law counsel	Banca IMI, Citigroup Global Markets Limited, J.P. Morgan Securities plc, and Raiffeisen Bank International AG

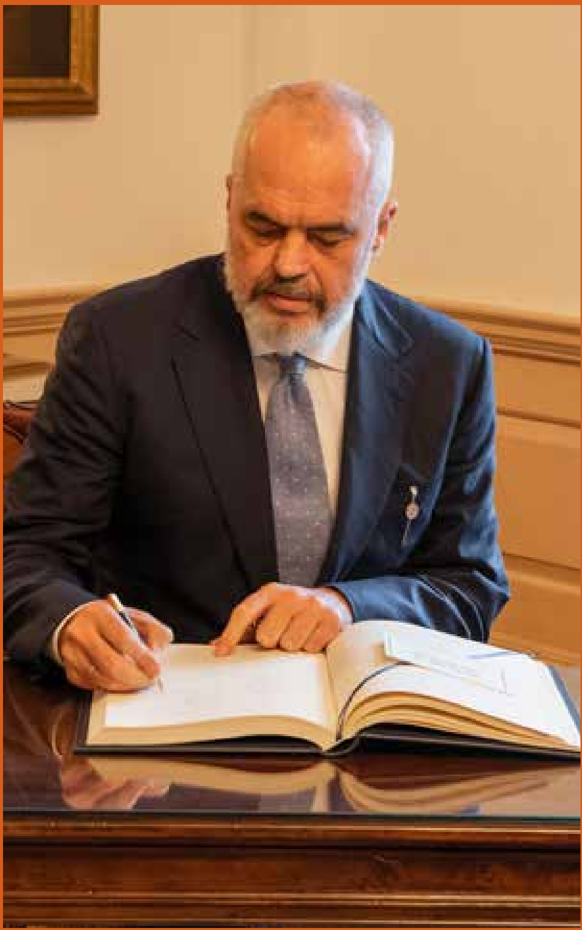
Summary

2020 marked the Republic of Albania's successful return to international capital markets. Acting through the Ministry of Finance and Economy, Albania successfully priced a EUR 650 million issuance of 3.50% Notes due 2027. The proceeds were to be used to repay existing debt and meet the country's financing requirements, including fostering economic recovery in the aftermath of the 2019 earthquake, the world's deadliest for that year and the strongest earthquake to hit Albania in over 40 years, and the COVID-19 pandemic.

Albania's previous outing was a EUR 500 million issuance of seven-year Notes with a coupon of 3.50% in 2018, also a CEE Deal of the Year. Prior to that, Albania had tapped international capital markets in 2015, with a EUR 450 million issuance of five-year 5.75% Notes, and in 2010, with a EUR 300 million issuance of five-year 7.5% Notes.

Banca IMI, Citigroup Global Markets Limited, J.P. Morgan Securities plc, and Raiffeisen Bank International AG acted as Joint Lead Managers for the issuance. Rothschild & Co acted as financial advisor to the Ministry of Finance and Economy of the Republic of Albania. The Notes are listed on the regulated market of Euronext Dublin.

Despite the challenging market conditions in the first half of 2020, the bonds drew significant investor interest. The sovereign bond offering was 4.8 times oversubscribed, with over 190 investors participating, including returning buyers of the Republic's bonds. Good cooperation between the Albanian Ministry of Finance and Economy, the banks, and all firms advising on the deal must be credited for the successful issuance. Notably, the bonds were issued with a 3.50% coupon, no higher than that of the 2018 issuance, despite vastly more difficult global and regional market conditions. The issuance speaks volumes on the confidence investors and international markets have in Albania's outlook and potential for growth. ■



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We received very good news yesterday from the capital markets, which encourages us immensely and guarantees the new national plan Albania 2030 for a further economic and social transformation by addressing reconstruction and recovery. Because Albania, unlike the other countries, emerges from two blows, the earthquake and pandemic. Once we are ready in the coming weeks with the new national plan, we will have a special presentation event.

The Eurobond is not a debt for a project, it is something completely different, an investment of the capital markets into our country. Based on this we have gained credibility, a strong foundation to advance the plan. The Eurobond does not directly finance the reconstruction.

– Edi Rama, Prime Minister, Republic of Albania

From the Lawyers on the Deal

It has been a great honor for us to work with the terrific team in the Ministry of Finance and Economy on Albania's return to the international capital markets. This transaction began before the coronavirus crisis, and we are delighted to have been able to play a part in bringing it to completion after the largest market disruption in recent history.

– Patrick Lyons, Partner, Dechert

Submission Comments

Albanian bond coupon rates have fallen dramatically since the country issued its first EUR 300 million Eurobond carrying a coupon rate of 7.5% in 2010.

– Dechert

AUSTRIA: AUSTRIAN AIRLINES' EUR 300 MILLION COFAG-GUARANTEED FINANCING

Firm	Role	Client(s)
DLA Piper	Borrower's Luxembourg law counsel	Austrian Airlines
E+H	Borrower's Special Austrian state-aid law counsel	Austrian Airlines
Gleiss Lutz	Lenders' German law counsel	Erste Group, Raiffeisen Bank International, UniCredit Bank Austria, BAWAG, and Oberbank
Hengeler Mueller	Lenders' German law counsel	Lufthansa (controlling shareholder)
REN Legal	Lenders' English law counsel	Erste Group, Raiffeisen Bank International, UniCredit Bank Austria, BAWAG, and Oberbank
Schoenherr	Lenders' lead counsel	Erste Group, Raiffeisen Bank International, UniCredit Bank Austria, BAWAG, and Oberbank
Stibbe	Lenders' Luxembourg law counsel	Erste Group, Raiffeisen Bank International, UniCredit Bank Austria, BAWAG, and Oberbank
Viehboeck Breiter Schenk & Nau	Borrower's Austrian law counsel	Austrian Airlines
Weber & Co	Guarantor's Austrian law counsel	COFAG

Summary

Faced with temporary flight lockdowns, a grounding, and the economic downturn resulting from the COVID-19 pandemic and subsequent stay-at-home orders, Austrian Airlines applied for Federal Government support. A EUR 600 million coronavirus rescue package for the airline was agreed by The Austrian Federal Government, Lufthansa, and Austrian Airlines. This included EUR 150 million in state aid to cover coronavirus-related losses, a EUR 150 million equity capital injection by Lufthansa, and a EUR 300 million bank loan, to be repaid by 2026.

An Austrian banking consortium led by Erste Group and including Raiffeisen Bank International, UniCredit Bank Austria, BAWAG, and Oberbank supplied the financing, of which 90% was guaranteed by the Republic of Austria via COFAG, the COVID-19 Federal Financing Agency.

The rescue package was tied to climate protection measures, such as the shifting of short flights to railway and reducing carbon dioxide emissions, and the long-term strengthening of Vienna Airport's position as a flight hub, including its flight connections to Central and Eastern Europe and to long-haul destinations.

A further contribution to the rescue package was made by the airline's employees, through salary cuts, and its business partners and suppliers, through contract volume reductions. ■

On the Client Side

I am relieved and thankful that we have succeeded together in making Austrian Airlines ready for take-off again.

– Alexis von Hoensbroech, CEO, Austrian Airlines

Thanks to this rescue package in combination with the improved framework conditions of the Austrian aviation system partners, we see ourselves in a position to rebuild the flight hub in Vienna after the crisis and connect Austria with important destinations in Europe and throughout the world.

– Carsten Spohr, CEO, Lufthansa Group

Submission Comments

It is difficult to overstate the impact an insolvency of Austrian Airlines would have had not only on Austria, but the wider region: the carrier is Austria's largest, with a staff of around 7,000, making it one of the biggest employers in the country. Moreover, as a carrier that connects (business and leisure) travelers from many CEE/SEE jurisdictions with Western Europe and beyond, Austrian Airlines is an economic driving force that reaches far beyond Austria's borders.

– Schoenherr

Shortlist Panel Comments

A landmark example of COVID-induced, government-supported funding to the Austrian flagship carrier.

The most prominent finance transaction of 2020. The political environment together with the COVID-crisis at its peak, plus cross-border aspects (subsidiary of Lufthansa) made this deal highly prominent.

Unfortunately, the submission did not provide detailed insight into the undercurrents of competing interests in this deal, but it was certainly fraught with tension, political and business-oriented competing interests, as well as getting existing financing interests on board. Fascinating set of players and novel, existential circumstances had to be accommodated. Probably a very cool deal.

The deal deserves being among the top-5 selection as it relates to one of the most prominent Austrian companies and the "national" carrier. The refinancing was crucial for securing not only the airline but also Vienna as a business center, for the purpose of ensuring tourism capabilities post-COVID and securing the importance of the Vienna International Airport.

BELARUS: HBOR FINANCING FOR BECLOUD

Firm	Role	Client(s)
BDV Legal	Lender's Croatian law counsel	Croatian Bank for Reconstruction and Development
Borovtsov & Salei	Lender's Belarusian law counsel	Croatian Bank for Reconstruction and Development

Summary

Croatia's Ericsson Nikola Tesla entered into an export agreement with Belarusian telecommunications infrastructure operator BeCloud (Belarusian Cloud Technologies) for the supply of equipment and software to be used within the expansion of the Single LTE mobile network in Belarus.

The Croatian Bank for Reconstruction and Development (HBOR) provided BeCloud with approximately EUR 15 million in financing for the export contract, under a Buyer Credit Facility Agreement. The funding was disbursed in two tranches, in June and November 2020.

The Croatian Bank for Reconstruction and Development was established in 1992 with the objective of financing the reconstruction and development of the Croatian economy. Within the Croatian banking system, HBOR plays the role of a development and export bank. It is entirely owned by the Republic of Croatia.

Ericsson Nikola Tesla is an associated member of the Ericsson Corporation, operating regionally from Croatia. Its activities include research and development, solution design, sales, and other services for the information and communications technology market. It is a contractor for technology solutions in health care, transportation, state administration, and municipal services.

Ericsson Nikola Tesla and BeCloud have previously concluded another LTE technology supply contract in 2016. That deal was worth EUR 10 million.

In 2020, Ericsson Nikola Tesla was also awarded a EUR 49 million contract for the implementation of the Central Software Platform for the Centralized e-Health System in the Republic of Belarus.

Belarusian Cloud Technologies, founded in 2012, is a state-supported operator of telecommunications and IT infrastructure in the Republic of Belarus. It also provides hosting services and cloud solutions. It offers its services through its own networks and data center.

BeCloud was founded by and is a subsidiary of the Belarusian national company NTEC – the National traffic exchange center. NTEC was established by presidential decree in 2010 with the purpose of developing the data network infrastructure of the Republic of Belarus, through the introduction of new IT&C technologies, while attracting domestic and foreign investment in the sector, increasing the quality, and decreasing the cost of data services.

BeCloud provides its services to governmental agencies and organizations, in particular the hosting of their computer systems in the Republican data storage and processing center.

The deal played an important role in the development of the national telecommunications infrastructure of Belarus. It was notable because the Belarusian borrower attracted funding from a foreign financial institution within the EU, which has not frequently been the case for the Belarusian market of late. ■

Submission Comments

"Our firm's role was comprehensive advising on the transaction, including the review and drafting of finance and security documents, the issuance of legal opinions on the corporate capacity of BeCloud and on the validity and enforceability of the finance and security documents, as well as the verification of Commercial Papers."

– Borovtsov & Salei

BOSNIA AND HERZEGOVINA: ASA FINANCE'S TAKEOVER OF CENTRAL OSIGURANJE

Firm	Role	Client(s)
Miljkovic & Partners	Buyers counsel	ASA Finance

Summary

One top-ten Bosnian insurance company's takeover of another might just have created a new market leader. In January 2021, the Insurance Supervisory Agency of the Federation of Bosnia and Herzegovina has issued its approval for ASA Finance's acquisition of a majority stake in Central Osiguranje.

The deal receiving regulatory approval will have considerable impact on the Bosnian non-life insurance market. ASA Finance, the sole shareholder of ASA Osiguranje d.d., had acquired an 86.46% stake in Central Osiguranje d.d. for approximately EUR 13 million in 2020. The aggregate market share of Central and ASA would be above 10%, putting the combined operation in contention to become the new market leader in Bosnia and Herzegovina.

Before obtaining regulatory approval, the two companies had entered into a strategic partnership agreement with the aim of developing together. Plans of further integration have not been announced. ■

Submission Comments

"Both ASA and Central are significant and fast-moving players on the BiH insurance market, hence this transaction's significant impact on that market. The transaction has been the largest M&A transaction on the BiH insurance market in the last several years and, by volume, the largest M&A transaction in 2020 on the BiH market in general."

– Miljkovic & Partners

Shortlist Panel Comments

"Demanding transaction from regulatory perspective."

"The complexity of the insurance regulatory environment as well as the formal aspects of implementing this transaction in an environment of often uncollaborative local authorities, in addition to the impact it had on the insurance market, influenced my decision to grade it in this way. It required significant and specific legal skills to perform it.'

"Miljkovic & Partners is a leading BiH law firm for competition law. Given this fact and, also, having in mind that both companies are local ones, the assumption is that their role was majorly related to acquiring regulatory approvals. However, this deal displays that there are strong local players emerging in the market. ASA Holding for sure is one of those."

BULGARIA: ENERY'S ACQUISITION AND REFINANCING OF THE KARADZHALOVO PHOTOVOLTAIC POWER PLANT

Firm	Role	Client(s)
Allen & Overy	Original lenders' lead counsel	International Finance Corporation and U.S. International Development Finance Corporation
CMS	Seller's counsel	ACWA Power, BlackRock, and Crescent Capital
Memery Crystal	Buyer's English law counsel	Enery Development GmbH
Schoenherr	Buyer's counsel; Bond issuer's counsel	Enery Development GmbH
Spasov & Bratanov	Original lenders' Bulgarian law counsel	International Finance Corporation and U.S. International Development Finance Corporation
Wolf Theiss	Bondholders' counsel	Bondholders

Summary

Austrian renewable energy investor and project developer Enery Development GmbH has acquired the Bulgarian Karadzhalovo photovoltaic power plant and the related operations & maintenance company Nomac Bulgaria from ACF Renewable Energy and Nomac Limited, respectively. At the time, this was the largest transaction for an operational renewable energy project in Bulgaria.

ACF Renewable Energy is a subsidiary of Saudi energy and desalination company ACWA Power, BlackRock, and Crescent Capital, while Nomac Limited is a wholly owned subsidiary of ACWA Power.

Built on 100 hectares, the 60-megawatt-peak Karadzhalovo plant is the biggest solar park in Bulgaria. Its southern location, close to Plovdiv, allows for a high solar irradiation and its installed capacity is sufficient to power 22,300 households in Bulgaria.

In addition to the acquisition, the deal included a refinancing component, set to close concurrently with the share transfer. Enery aimed to refinance the existing EUR 95 million loan, extended to the Karadzhalovo project company in 2012 by the International Finance Corporation and the U.S. International Development Finance Corporation.

The refinancing was arranged through a bond issuance under Austrian law. This aspect of the deal was novel, as one of the very few IFC and/or DFC loans to be refinanced and the first renewable project in SEE to be refinanced via bond issuance, and challenging, as it had to be approved by the Bulgarian Energy and Water Regulatory Commission while still closing simultaneously with the main purchase agreement. ■

On the Client Side

ACWA Power Karad was one of our first solar PV project investments and served as a stepping-stone to our future investments in the renewable Solar PV market in the Middle East, Africa and rest of the world.

– Paddy Padmanathan, President & CEO, ACWA Power

Bulgaria is a really exciting market for investments in renewable energy and especially for solar investments. Karadzhalovo is a cornerstone plant for Enery and will be a platform for expanding our activities in Bulgaria and for our Operations and Maintenance Center of Excellence. We are excited to strengthen our O&M team with almost twenty highly capable and motivated employees led by Stoyan Petrov. We will continue to drive the renewable energy transition in Central and Eastern Europe and are proud to say that already one year after inception we are now the largest owner of photovoltaic assets in Austrian ownership and one of the leading independent solar players in Central Europe.

– Lukas Nemec, COO & Richard Koenig, CEO, Enery

Submission Comments

We elaborated a structure which, while complex and out-of-the-box, protected all parties' interests to a sufficient extent to give them the comfort to implement. With the reasonable and efficient cooperation of all involved parties and their counsels, who literally pulled on the same strings, ways were found to close the deal and the refinancing on the same day.

– Schoenherr

There was also a complex re-financing involved in the deal: one of the first ever commercial refinancings of existing project financing granted by the International Finance Corporation and the U.S. International Development Finance Corporation was completed through a bond issuance under Austrian law.

– CMS

Shortlist Panel Comments

This sort of refinancing seems to be real pioneer work not just in Bulgaria but also internationally.

Deserving based on deal value and market significance.

A sizable and complex multiparty deal in the renewables sector.

It is the largest renewable energy deal ever completed in Bulgaria and a very complicated transaction spreading over 18 months. It involved a complicated refinancing (in my opinion the acquisition and the refinancing will need to be considered as one deal) and various international and local law firms and various jurisdictions.

DEAL EXPANDED: SCHOENHERR'S ALEXANDRA DOYTCHINOVA AND STEFANA TSEKOVA TALK ABOUT THE DEAL OF THE YEAR IN BULGARIA


Alexandra Doytchinova

CEELM: First, congratulations on winning the Deal of the Year Award in Bulgaria!

Doytchinova: Thank you! We are particularly proud because it is the third year in a row that a transaction on which Schoenherr Sofia has advised has won the CEE Legal Matters Deal of the Year for Bulgaria.

We appreciate having been in charge of this deal, which is one of the largest acquisitions in Bulgaria in 2019/20. It is also the biggest renewables deal in Bulgaria for the past decade, reaching a record value in the RES sector. The deal took almost 12 months to close due to a complex refinancing of the project financing. The COVID-19 pandemic struck shortly after the deal was signed, so the teams on all ends in several jurisdictions moved to home-office at the peak of the project, and the authorities in relevant jurisdictions were not or hardly accessible. We managed to maneuver through these challenges. The successful closing of the deal and the refinancing in this environment is an even greater success for all stakeholders and their advisors.

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

Doytchinova: We were advising on the buy side, including the standard workflows as legal due diligence, negotiations, contract drafting, and merger clearance. What was challenging and, at the same time, exciting was the additional workstreams such as the assistance with the W&I underwriting process, obtaining certain regulatory approvals from the energy regulator, and the refinancing of ACWA's existing multi-million facilities. We teamed up with our Vienna office, set up, negotiated, and implemented a complex structure to make the acquisition of two targets and one of the first-ever commercial refinancing of facilities granted by the International Finance Corporation (IFC) and the U.S. International Development Finance Corporation (DFC) happen simultaneously and seamlessly.

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

Tsekova: We have significant experience in renewables, gained during the first wave of development of RES projects in Bulgaria and in the region as a whole. We have acted for all stakeholders – for developers, for investors, for the financing institutions, and even for the European Commission on reports for the status of implementation of the RES Directive into local legislation. This allowed us to get a very close view of all legal aspects of RES projects and be familiar with the potential risks and particularities of the local market. Our expertise is well-known on the market and our specific experience in RES transactions and projects was definitely a decisive factor.

> *Our client's team was lean and committed. We had the executives on speed dial, they were reachable 24/7 and have set up internal systems to enable prompt decision making.*

Doytchinova: The Enery team also knew us from previous projects in the region. They saw the acquisition of ACWA Power CF Karad PV Park as a milestone acquisition and a cornerstone plant in Enery's portfolio. They were seeking a trusted, experienced, and dedicated advisor and knew we would tick all those boxes.

CEELM: What were the most complex aspects of the deal from a legal perspective?

Doytchinova: Certainly, the simultaneous acquisition, acquisition financing, and refinancing of the existing project financing. Furthermore, there was a lot of pioneering to be done on this deal. This seems to be one of the very few refinancings of an IFC and/or DFC loan. It also seems to be the first renewable project in CEE/SEE financed by a bonds issue.

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

Doytchinova: Our client's team was lean and committed. We had the executives on speed dial, they were reachable 24/7 and have set up internal systems to enable prompt decision making. But this deal could not have happened even within these 12 months had it not been for the reasonable and efficient collaboration among counsels. It was CMS Sofia on the other side of the table in the transaction, Wolf Theiss (Vienna and Sofia) on the financing, and Allen & Overy (New York) and Spasov & Bratanov on the refinancing. We know the local teams well, trust each other's expertise and assessment, which facilitated a very structured and practical approach. All teams literally puled on the same string to close the deal with this challenging structure in this challenging environment.

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

Doytchinova: I think it is less the size of the deal which is indeed significant for the Bulgarian market and the energy sector, but more the complexity of the topics and the structure. I think the judges recognized that we have elaborated a structure which, while really out-of-the-box, at the end considered all parties' interests to a sufficient extent to give them comfort to proceed with the transaction.

CEELM: Can we expect more similar renewable deals in Bulgaria in the near future? Why/why not?

Tsekova: Yes. We see an increased interest and a kind of revival of RES projects in Bulgaria and in the region. We believe the second wave of RES projects is coming. Investors are interested in both greenfield and brownfield projects. Despite the fact that there is no feed-in tariff or other support mechanism for new high-scale projects (above 500 kilowatts), and that the long term PPA with a guaranteed premium for existing projects will expire in the next few years, the development of the technologies and the drop of the price for the equipment will make it commercially viable to develop a RES project and sell the electricity it produces on a commercial basis, without a support scheme.

Stefana Tsekova

Further, the European Green Deal and the EU policy set ambitious targets and Bulgaria, being an EU member state, will need to follow. In order to secure its contribution to the overall EU aim of a 32% share of renewable energy in gross-end consumption by 2030, Bulgaria has set a national target of 27.09%. In terms of real figures, this means that the net installed capacity of renewable energy in Bulgaria is expected to increase by more than 2,600 megawatts between 2020 and 2030, allocated as follows: 2,174 megawatts from solar power plants, 249 megawatts from wind power plants, and 222 megawatts from biomass power plants.

Although new high-scale RES projects have to be planned and developed such that their operations are economically viable in a normal market environment, without counting on any state support schemes, the Bulgarian government is considering introducing certain incentives. Currently, it is envisaged that new RES producers with energy sites commissioned after January 1, 2021, will benefit from a release from their obligation to pay the compulsory contribution to the Electricity System Security Fund. Such contributions currently amount to 5% of the annual revenues from the electricity produced by the respective energy site. Further, the production of electricity from RES will be encouraged through the unification of the guarantees of origin with the European System of Energy Certificates and the possibility for their trade on the European market. For this purpose, the Bulgarian Sustainable Energy Development Agency will join the Association of Issuing Bodies. Another new measure envisaged by the Bulgarian government is the establishment of a special administrative unit that will coordinate and assist the investors in the process of issuance of the various permits, which are required for the development, construction, and commissioning of the renewable energy site. There are also other opportunities for optimization, such as the laying of a direct connection line to a customer site in order to save on certain mandatory fees otherwise due, or developing a RES project in an industrial park and providing independent supply to all facilities located in it. There are a lot of opportunities to be explored in this field and we are positive that this will facilitate the revival of the sector. ■

DEAL EXPANDED: CMS'S KOSTADIN SIRLESHTOV AND ATANAS BANGACHEV TALK ABOUT THE DEAL OF THE YEAR IN BULGARIA

CEELM: First, congratulations on winning the Deal of the Year Award in Bulgaria!

Bangachev: Thank you, we are most excited!

Sirleshtov: We feel great, mainly because we won every deal of the year since it all started for Bulgaria. This was very well deserved, led amazingly by Atanas. Unfortunately, we didn't have too many deals on the market last year, so it was most positive that this one came to be.

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

Bangachev: Well, the deal started, and was organized, as a standard exit process. There were a lot of interested parties, a lot of buzz was generated. We acted for the three major selling shareholders – ACWA Power, Blackrock, and Crescent Capital. I have to say that ACWA Power, the Saudi energy and water company, was very professional and their M&A team was very, very well organized, even with this being their first-ever exit! They had very high standards and, from that perspective, were very well organized which, I believe, only helped the deal run smoothly until signing.

Then, the first wave of COVID-19 hit and both the existing financiers and the new one became more conservative, so we were forced to restructure the deal significantly. Before, it would have just been a 100% share sale, with the buyer dealing with post-completion refinancing of the existing facility. However, refinancing of existing debts ended up taking place as part of the completion, which only made the deal more complex. Not to mention that any refinancing and new financing had to be approved by the Bulgarian energy regulator.

On top of that, the existing financiers – public international financing institutions – had a burdensome refinancing process on their hands and we too had to deal with the refinancing – something which was primarily the buyer's task. Coordinating and aligning the interests of this number of stakeholders was a huge challenge for us, to have it all run smoothly.

But, in the end, it all turned out alright, with us supporting the seller throughout the entire process, both the pure M&A sell-part of the deal, as well as the refinancing and coordination with existing financiers, and the ultimate refinancing.


Atanas Bangachev

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

Sirleshtov: It was a very natural move for us, simply because we advised the client for nearly ten years, ever since they came to Bulgaria in the first place and acquired this asset. This was, I'd say, a natural move for the client, we did all the legal work for them since early 2012, starting with the acquisition of the asset.

> *Before, it would have just been a 100% share sale, with the buyer dealing with post-completion refinancing of the existing facility. However, refinancing of existing debts ended up taking place as part of the completion, which only made the deal more complex.*

We assisted the client through all difficulties, like feed-in-tariff cuts, and we continue representing the client in the first ICSID Energy Charter Treaty investment arbitration against the Bulgarian state. ACF maintained the claim, and we just had the final hearing on this case and are expecting an award in early 2022. I'd love to be able to tell you a story of us pitching and winning the mandate, but the thing is that we've been holding hands with the client for almost ten years now.

Our first mandate for them was due to our excellent personal relationship with one of the minority shareholders, Crescent Capital, who were former representatives of the EBRD for Central and Eastern Europe. They were always active in testing the ground for Bulgaria and they introduced us to ACWA Power and First Reserve, who later-on sold the fund to Blackrock.

CEELM: What specific aspects of the refinancing that made the matter more difficult can you share with us?

Bangachev: Well, we covered most of this already, but, speaking of the specifics, the existing financing was a project development financing, and it had a very complex security package. Additionally, all kinds of restrictions were applied – what the target could and could not do. Moreover, the project development financing was resold to different participants by the international financing institutions.

So, the situation was such that, once a repayment notice was filed, a point of no return was reached. The refinancing could only happen 45 days after the filing and there were various aspects and uncertainties that precluded us from knowing for sure what other steps and conditions might apply. This added some fog to the deal and some degree of unpredictability as to its smooth progress and completion.

Also, we could not ask the new refinancer for any additional leeway. Thus, the real difficulty was setting up a procedure where all this debt periods result in a success and all conditions are satisfied so that when closing comes, we have all the necessary funds from the refinancing parties, and all can run smoothly.

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

Bangachev: It was a difficult situation for both the seller and the buyer. At times very much so. But both sides really wanted the deal to close and worked hard to find an answer to every question. As did the existing and new financier parties too.

Consequently, all these stakeholders and the six law firms involved – all parties worked for a solution and cooperated smoothly. Although difficult, it was an amicable process, which made the entire ordeal that much easier.

Sirleshtov: At the time of this deal closing, it was considered that the buyer overpaid for the asset. Basically, it was a very stringent bidding process and once Enery came in and committed to such a high price – everybody walked out of the room. However, the reality is that this asset contributed substantially to Enery receiving funds under the Three Seas Fund initiative.

Sofia has been the headquarters of the Three Seas Fund initiative for a year now, and a few days before a large summit it was announced that Enery would be the first recipient of the funds, which would allow them to expand substantially. I think this deal was a cornerstone for the next step in Enery's development and growth.

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

Bangachev: Based on the complexity of the deal, I believe. Also, it was the largest and one of the first renewable energy deals in Bulgaria. Before it, there was a period of a slowdown in this sector, so this deal was a landmark one.

Sirleshtov: I believe it was the largest renewable energy deal on the market as well. It was not just M&A, but M&A plus financing, in the middle of the COVID-19 pandemic. It was not easy, but looking at the rest of the market, I believe this was the most challenging project.

CEELM: Can we expect more similar renewable deals in Bulgaria in the near future? Why/why not?

Sirleshtov: I'd say there is a pipeline of deals now, which are happening. Some of them are not yet announced, but there was a deal with ENEL exiting, which we did, following this one, and there is another one in the pipeline for wind.

Still, the reality on the market is that the buyers are much more committed than the sellers, so if there are no more deals following this – this won't be caused by the fact that there were no buyers, but by the return on this investment being so good that the businesses are very reluctant to sell. ■

CROATIA: STILLFRONT'S ACQUISITION OF NANOBIT

Firm	Role	Client(s)
DLA Piper	Buyer's lead counsel	Stillfront Group
Glinska & Miskovic	Buyer's Croatian law counsel	Stillfront Group
Latham & Watkins	Sellers' English law counsel	Nanobit founders Alan Sumina and Zoran Vucinic
Savoric & Partners	Sellers' Croatian law counsel	Nanobit founders Alan Sumina and Zoran Vucinic

Summary

On September 17, 2020, Sweden's Stillfront Group signed an agreement to acquire Croatian game developer Nanobit in a two-stage transaction totalling USD 148 million.

First, the Stillfront Group acquired 78% of Nanobit's shares for a consideration of USD 100 million, in cash and newly issued Stillfront shares. The remaining 22% of shares in Nanobit will be acquired in a second stage, for a consideration of up to USD 48 million, depending on the company's performance in 2021 and 2022.

Nanobit is a Zagreb-based mobile gaming studio that focuses on narrative & storytelling lifestyle and role-playing games, with a large female following and a portfolio including 19 released games thus far.

Sweden's Stillfront group is one of the largest global gaming groups, a leader on free-to-play online strategy games, with a vast portfolio of more than 50 games and two billion users globally. It operates 20 gaming studios in Europe, North America, and the Middle East & North Africa and is headquartered in Stockholm.

On the Client Side

The mobile gaming industry is growing rapidly and becoming more globalized. If we want to remain number 1, we need to move forward. Being in a position to be able to choose a strategic partner, it is only natural that we chose the one that fits our culture and long-term vision. By joining the Stillfront group, Nanobit is gaining additional momentum, which will allow us to further grow and develop new ambitious plans and projects. We look forward to working with other successful studios as part of Stillfront, which will further accelerate the growth of both Nanobit and the Stillfront Group while our employees will have the opportunity to collaborate with the world's pioneers.

– Alan Sumina and Zoran Vucinic, Founders, Nanobit

With the acquisition of Nanobit, Stillfront expands our footprint into the narrative lifestyle role playing games (RPG) genre, further strengthening Stillfront's portfolio of Simulation, Action and RPG games and broadening our gaming audience. Nanobit is an experienced and reputable studio with numerous apps and games with a clear niche within the lifestyle genre. Over the past 12 years, Alan and Zoran, together with their team at Nanobit, have created an impressive gaming studio with a solid niche market in the exciting genre of lifestyle games. We look forward to working with them to take the company to an even higher level. Over the past year, their games portfolio has recorded an impressive growth, and we also see strong growth potential in the future, including promising new games that are in development.

– Jorgen Larsson, CEO, Stillfront

Submission Comments

The transaction, including a high-profile Croatian target, was one of the highest value M&A transactions in Croatia in 2020. It was voted 2020 Deal of the Year in Croatia, while the founders of Nanobit, Alan Sumina and Zoran Vucinic, received an award as 2020 Businessmen of the Year.

- Savoric & Partners

Shortlist Panel Comments

Huge media coverage, important deal at an important time in the Croatian recession, together with Infobip, Porsche Digital, and other IT deals marks the beginning of an optimistic era on the market, good submission with elaborate details, a nice selection of other advisors at the same table.

By size and importance, it surely is the Deal of Year. This is biggest ever sale of Croatian business outside of conservative industries (banks, oil & energy, telecoms, real estate) to my knowledge and genuinely great news that the IT sector brings some hope that Croatia has something to offer except "sun and the sea."

DEAL EXPANDED: SAVORIC & PARTNERS' BORIS SAVORIC AND LOVRO GASPARAC TALK ABOUT THE DEAL OF THE YEAR IN CROATIA

CEELM: First, congratulations on winning the Deal of the Year Award in Croatia!

Gasparac: Thank you, it is a great honor to receive this award and see that our work on this deal was recognized by the judges!

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

One of the main challenges of this deal was the cross-border nature of the transaction and the fact that the consideration partially consisted of Stillfront shares listed in Sweden.

Boris Savoric

Savoric: The Stillfront Group, a global group of gaming studios, acquired Nanobit, a game development studio based in Zagreb, for a total of USD 148 million. The transaction consists of two phases. In the first of them, 78% of Nanobit's shares (excluding treasury shares) were acquired by Stillfront for a consideration of approximately USD 100 million, payable partially in cash and partially in Stillfront shares. The remaining 22% of Nanobit's shares (excluding treasury shares) will be acquired in 2023 for a consideration of up to USD 48 million, also consisting of cash and Stillfront shares.

Gasparac: Our firm worked on this deal as the sellers' Croatian counsel. In addition to taking the lead with respect to all Croatian law matters related to the transaction, we provided the sellers and the target's team with support in all stages of the transaction and coordinated a number of preparatory activities to set up the required structure prior to the transaction, leading up to its successful completion.

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

Gasparac: We had the pleasure of working with the Nanobit team and the founders on several previous transactions. A few years ago, they recognized the excellent track record and reputation our firm has on the Croatian M&A market and decided to engage us as legal advisors on a potential transaction. We established a good relationship with the client over a couple of years and lived up to the trust they placed in us on previous assignments, so I believe we made it easy for them to go with our firm once again, on this important transaction. It was a real pleasure to team up with Nanobit again, on this deal.

CEELM: What was the most difficult part of this deal and how did you/your team circumvent it?

Savoric: One of the main challenges of this deal was the cross-border nature of the transaction and the fact that the consideration partially consisted of Stillfront shares listed in Sweden. Therefore, for us as the sellers' counsel, it was important to ensure that all the relevant factors, across a number of jurisdictions, are taken into account, to protect the sellers' interests and set up adequate mechanisms ensuring that they receive the relevant parts of the consideration simultaneously with the share transfer.

Gasparac: In addition, within the transaction, several key employees also sold their shares to the purchaser. A number

The Croatian M&A market is very active at the moment, especially in the IT industry, and our team worked on several other important deals advising founders/sellers of IT companies within a few months after the completion of this transaction. It is evident that there is an entire generation of Croatian high-growth IT companies attracting the interest of foreign investors, so it seems very likely that the trend of high-profile transactions in the IT industry will continue in the coming years.

Lovro Gasparac

of preparatory actions needed to take place to set up the required structure prior to the transaction, which presented a challenge considering the ambitious timeline within which the transaction had to be executed.

The timeline was generally one of the main challenges in the transaction since it was driven by the purchaser's disclosure requirements, so we had very little flexibility on the timing side. Considering that the transaction included several simultaneous workstreams (*e.g.* negotiating the SPA, the Shareholders' Agreement, arranging W&I insurance, *etc.*), all teams needed to work hard to make everything happen within the planned timeline.

All challenges were circumvented thanks to the dedication and attention to detail of all teams involved in the transaction, including the sellers and the target's team, as well as Latham & Watkins, the seller's English counsel. Everyone was focused on getting the deal across the line as swiftly as possible and was always ready to go the extra mile to make sure that we put in place a structure that would allow all parties in the transaction to achieve their main objectives.

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

Gasparac: I would say that the entire transaction, in general, went rather smoothly, especially when it mattered the most, around signing and closing. As previously mentioned, we believe that the effort put in by both the sellers' and purchaser's teams and advisors contributed greatly to that, as everyone was determined to make the transaction happen as smoothly as possible.

CEELM: Looking back at the whole process, would you do anything differently if you had a second go at it?

Gasparac: Nothing comes to mind at this moment, we are very happy with the way that the entire transaction went, and we believe the client is satisfied as well. As in every deal, there are always moments when the timing gets a little bit tight and the transaction gets somewhat tense, but this is always the case, and I am afraid it is unlikely to change anytime soon.

CEELM: In your view, what is the significance of this deal for the Croatian market? Why do you believe the judges voted for this deal over the others?

Gasparac: The first thing that sets this transaction apart from most other transactions on the Croatian market is its value of around HRK 1 billion in total, which is quite significant for the local market. In addition, as one of the largest Croatian deals in recent years, it put Croatian gaming and IT companies on the map and demonstrated that there are excellent investment opportunities available for reputable international companies such as Stillfront.

Savoric: In addition to that, the cross-border nature of the transaction, with various work streams across several jurisdictions taken care of by different teams, added another layer of complexity to it, making it a very significant deal on the market.

CEELM: Can we look forward to future similar deals (size/industry/target/*etc*)? Why/why not?

Gasparac: I believe we absolutely can. The Croatian M&A market is very active at the moment, especially in the IT industry, and our team worked on several other important deals advising founders/sellers of IT companies within a few months after the completion of this transaction. It is evident that there is an entire generation of Croatian high-growth IT companies attracting the interest of foreign investors, so it seems very likely that the trend of high-profile transactions in the IT industry will continue in the coming years. ■

CZECH REPUBLIC: D4 EXPRESSWAY PPP

Firm	Role	Client(s)
CMS	Bidder's counsel	Vinci/Meridiam
Clifford Chance	Bidder's counsel on financing	Vinci/Meridiam
Kinstellar	Bank's local counsel	Ceskoslovenska Obchodni Banka, KfW IPEX, DZ Bank, NordLB, MEAG, SMBC, Siemens Bank, UniCredit, Societe Generale
Linklaters	Bank's international counsel	Ceskoslovenska Obchodni Banka, KfW IPEX, DZ Bank, NordLB, MEAG, SMBC, Siemens Bank, UniCredit, Societe Generale
White & Case	Czech state counsel	Czech Ministry of Finance

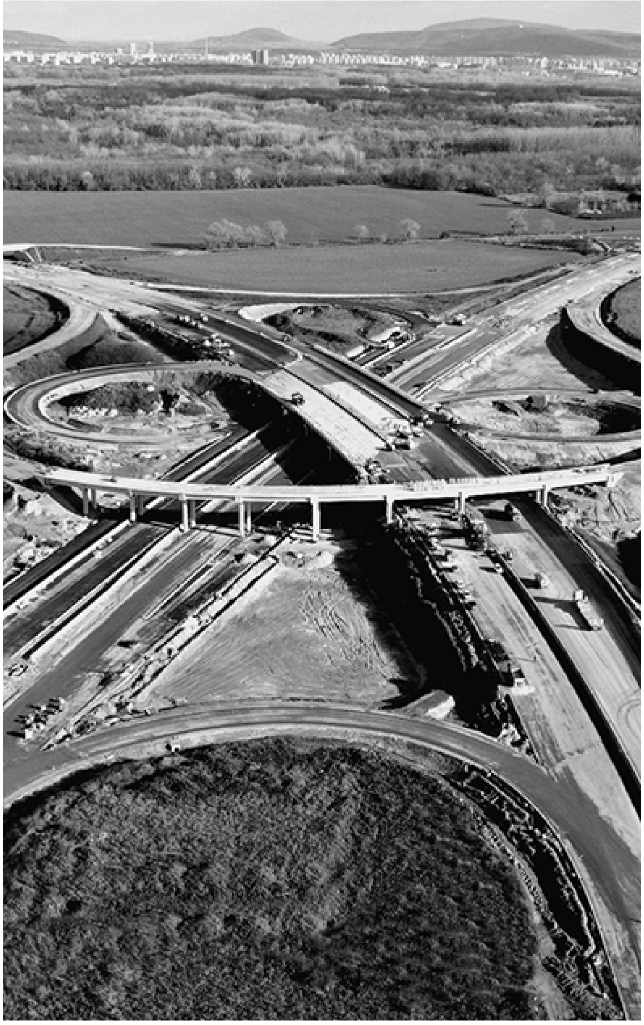
Summary

The winning deal is the public-private partnership project regarding the design, financing, construction, operation, and maintenance of a part of the D4 expressway in the Czech Republic. The CZK 25 billion (approximately EUR 1 billion) project was the first of its kind in the Czech Republic. If it proves to be successful, the Czech government has plans to launch more PPPs for further developing the country's infrastructure.

The PPP was assigned following a bidding process in which Vinci and Meridiam were announced to be the winners on December 4, 2020, with a winning bid of CZK 17.8 billion (approximately EUR 650 million).

The 28-year project encompasses a new 32-kilometer motorway, as well as an existing 17-kilometer batch. It aims to create a dual two-lane carriageway which should provide an improved road connection between rural South Bohemia and Prague. This would not only further the economic and social development of the region but also improve traffic conditions on the Czech Republic's major commercial routes towards neighboring Germany and Austria.

Additionally, the project includes the reuse and recycling of up to 1.9 million cubic meters of excavated materials and is committed to recycle up to 60% of the total asphalt mix volume. New storm water retention ponds will be installed, as well as wildlife crossings, and a zero-pesticide commitment has been made – all of which will contribute to preserving biodiversity. ■



From the Lawyers on the Deal

Employing our extensive foreign PPP experience together with our local project finance expertise we were able to advise the contracting authority on the successful financial close of the first-ever highway PPP project in the Czech Republic. The project is a significant milestone in the financing of highway network construction in the Czech Republic.

– Vit Stehlik, Partner, White & Case

Submission Comments

This is the first public-private partnership motorway contract ever awarded by the Czech Republic and the project is also notable due to its focus on innovation and environmental sustainability. It will be carried out using a full BIM (Building Information Modelling) approach, a first in the country for a road construction project.

– CMS

The new motorway will be equipped with state-of-the-art technologies that will, among other things, guarantee a high level of road safety and comfort for motorists and improve traffic conditions and traffic flow, thus reducing congestion and pollution.

– CMS

Shortlist Panel Comments

This is first PPP transaction in the Czech Republic in many years, a quite pivotal deal, different from most of "classical" transactions. The failure or success of this project will affect PPP for next 10 years.

This deal is clearly one of the most significant PPP projects that we have seen in the Czech Republic so far. The complexity of the deal is underlined by its very unique nature, negotiations between the parties, public impact of this pilot project as well as great deal value. The work of legal teams is fundamental for the success of this project which can change completely the way of building expressways in the Czech Republic.

DEAL EXPANDED: CMS'S LUKAS JANICEK AND ROBERT GRAY TALK ABOUT THE DEAL OF THE YEAR IN THE CZECH REPUBLIC

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

Janicek: We advised on the CZK 17.8 billion public-private partnership project based on a concession agreement between the Czech Republic and our client, the consortium of Vinci and Meridiam. Under the agreement, the consortium will build a new, 32-kilometer section of the D4 highway, which will connect Prague and South Bohemia, and will also upgrade an existing 16-kilometer section of the highway. The construction work is supposed to be completed in 2024. The consortium has been granted rights to operate the highway for 24 years following its completion and shall be paid only if the highway is indeed available to the public. So, the consortium is financially motivated to construct and maintain the highway in a way that keeps periods in which the highway is not fully available to a minimum.

In a nutshell, through this project, the Czech state is not only buying construction of the highway, but also the service of having the highway available for drivers in a defined quality over the entire term of the agreement. After the end of

the concession period, the highway will remain in the ownership of the Czech Republic.

This was the first PPP of its kind in the Czech Republic. I can see two main drivers for implementing the project by the Czech government: the need to find alternative financing sources for infrastructure projects other than EU funds and the fact that this type of project is proven to be an efficient way in providing services to the general public in various other countries in Europe, including some countries in CEE such as Slovakia or Poland.

CEELM: How and at what stage did the firm get involved in the PPP?

Gray: We have been following the project, through several stages, since its inception. In fact, we have a long-standing relationship with all the members of the consortium and have advised them on various projects around Europe. Naturally, we offered our advisory services for this project as well. This was a great opportunity to further develop our relationship with Vinci and Meridiam.

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

Gray: I think that the COVID-19 pandemic and related travel restrictions were the main obstacles to overcome. We were well prepared, nonetheless, as was the government and its legal advisors.

Janicek: Also, soon after the pandemic broke out, the bidders in the tender had to get commitment from the banks to finance the construction of the project and it turned out to be a challenge for everyone, as the financial institutions were very hesitant to commit to placing investments in such uncertain times. However, as all involved stakeholders were keen to find a way to make the project happen, the consortium negotiated with the banks and managed to overcome this issue.

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

Gray: These projects are very document-heavy and complex, not to mention the travel restrictions. Things tend not to go smooth when bidders are not well prepared for the tender. Luckily, that was not the case with this project.

Janicek: Taking into account that this is the first project of its kind in the Czech Republic, and that two Czech ministries and a number of other institutions were involved on the side of the Czech state, the project took a bit more time than would be perhaps common in other countries. Despite that, it went fairly smoothly in my view. That was, in large part, thanks to experienced legal advisors both on the side of the government and the side of the consortium and the other bidders.

> *This was the first PPP of its kind in the Czech Republic. I can see two main drivers for implementing the project by the Czech government: the need to find alternative financing sources for infrastructure projects other than EU funds and the fact that this type of project is proven to be an efficient way in providing services to the general public in various other countries in Europe, including some countries in CEE such as Slovakia or Poland.*

CEELM: Looking back at the whole process, would you do anything differently if you had a second go at it?

Gray: Nothing is ever perfect, but the project provides a good basis for the Czech Republic to pursue other similar public-private partnerships.

Janicek: In fact, the Czech government already has a new project in the pipeline, which is the development of the D35 highway. ■

ESTONIA: LUMINOR BANK'S FIRST COVERED BOND ISSUANCE

Firm	Role	Client(s)
Allen & Overy	Issuer's English counsel	Luminor Bank
Clifford Chance	Joint lead managers' and co-lead manager's counsel	Citigroup Global Markets Limited, Landesbank Baden-Wurttemberg, Luminor Bank AS, Nordea Bank Abp, UniCredit Bank AG, and Norddeutsche Landesbank – Girozentrale
Cobalt	Issuer's local counsel	Luminor Bank

Summary

Luminor Bank issued the first-ever covered bonds in the Baltics. Luminor had established a EUR 3 billion Euro Medium Term Note program in 2018. In 2019 the program was expanded and updated to include covered bonds and subordinated notes. The legislation enabling the issuance of covered bonds entered into force in Estonia in March 2019. The European Central Bank issued Luminor a license to issue covered bonds the same year.

Luminor Bank's EUR 500 million issuance of covered bonds in 2020, under its Euro Medium Term Note and Covered Bond Program, thus marked a series of firsts for the Baltic region. The five-year bonds were covered by the bank's Estonian assets, with plans to add Lithuanian and Latvian assets to the cover pool of future covered bond issuances.

Citigroup Global Markets Limited, Landesbank Baden-Wurttemberg, Luminor Bank AS, Nordea Bank Abp, and UniCredit Bank AG acted as joint lead managers on the issuance, with Norddeutsche Landesbank – Girozentrale acting as co-lead manager. The bonds were admitted to trading on the Euronext Dublin Stock Exchange.

This first issuance was met with significant investor interest, with orders exceeding EUR 1.6 billion, from almost 80 investors across 18 European countries. Coupled with low euro interest rates, this resulted in a -0.18% final yield, a record low for Baltic non-government issuers. The EBRD invested EUR 28 million in the first covered bonds, with plans to further invest in subsequent issuances up to a total of EUR 125 million.

The deal was significant because of the novel and untested underlying legislation. The bank and its advisors played an active role in engaging with the relevant authorities to implement Estonia's covered bond legislation, as well as to create a framework for developing a common Baltic covered bond market. ■

On the Client Side

Wide investor interest in generally challenging markets shows most of all trust towards the Baltic economies, the newly established covered bond framework and Luminor, and reflects soundness of the local housing market. It is the first time when a Baltic company can borrow in size with negative interest rates.

Luminor has reached a growth stage in our transformation and we plan to be a lot more active in the market, especially when it comes to home financing. This issuance gives us access to a very competitive funding, which will most of all benefit our customers."

– Erkki Raasuke, CEO, Luminor Group (at the time – left in January 2021)

Submission Comments

The Luminor covered bond program was the first to be established in the Baltics, for which there had been no local precedent, and was based on newly adopted covered bond legislation.

– Cobalt

Thanks to the issues raised with the authorities as part of setting up Luminor's covered bond program, certain changes were implemented in the Estonian covered bond legislation in 2020.

– Cobalt

Shortlist Panel Comments

This was a landmark deal at the Baltic equity market, being the first to be established in the Baltics, for which there had been no local precedent so far.

Innovative and first of its kind, significant value.

A truly historic operation, the first of its kind in the Baltics, with all the implications of novelty involved for Luminor's advisers and in-house lawyers / managers.

GREECE: CUBICO'S GREEK RENEWABLES MARKET ENTRY

Firm	Role	Client(s)
Lambadarios	Seller's counsel	Underfoc Holdings Limited
PotamitisVekris	Lender's counsel	Piraeus Bank
Watson Farley & Williams	Buyer's counsel; Borrower's counsel	Cubico Sustainable Investments Limited

Summary

The Greek 2019 National Energy and Climate Plan has set some very bold 2030 targets: reducing greenhouse gas emissions by more than 56% compared to those in 2005 and ensuring renewable energy sources cover 35% or more of gross final energy consumption. These objectives exceed the EU baseline and are deemed a prerequisite for transitioning to a climate neutral economy by 2050. Cubico Sustainable Investments entered the Greek renewables market within this encouraging context in 2020, with two wind farm acquisitions, a refinancing deal, and the opening of their new office in Athens.

Cubico is a global investor in renewable energy, with a three-gigawatt installed capacity and a two-gigawatt development pipeline, in 12 countries on four continents, and headquarters in London. It is jointly owned by two Canadian pension funds: Ontario Teachers' Pension Plan and PSP Investments. Ontario Teachers' is Canada's largest single-profession pension plan, serving 331,000 retired and working teachers. PSP Investments is the investment manager for the pension plans of the Public Service, the Canadian Armed Forces, the Royal Canadian Mounted Police, and the Reserve Force.

Cubico first acquired K-Wind Kitheronas Energy, the owner of a 21-megawatt operational onshore wind farm located in Viotia, Central Greece. Kitheronas has been in operation since 2015 and has received authorization for an additional 12-megawatt extension. The operation was acquired from Intracom Holdings, a Greek company engaged in IT services, construction projects, and electronic defense systems.

The second purchase was that of Eoliki Zaraka Rachi Gkioni, owner of three operational onshore wind farms with a combined capacity of 24.65 megawatts located in Lakonia, Southern Greece, from Underfoc Holdings Limited of Cyprus. Following the acquisition, the portfolio was refinanced, with Piraeus Bank providing facilities with a combined value of EUR 24 million.

Cubico's 2020 market entry was a complex deal, including the establishment of a local subsidiary, several M&A transactions, development and construction agreements, regulatory aspects, as well as financing and refinancing components. The company has ambitious plans for further expansion in Greece. ■

■ On the Client Side

We are very pleased to enter the Greek market and play our part in helping the country's transition to a low carbon future. We have been looking at the country for some time and are very keen to expand our presence there beyond this initial acquisition, having already started looking at further transactions. We see good opportunities for growth in the Greek market and anticipate adding to our portfolio in the coming months with both brownfield and greenfield projects. The setting up of a local office is very much in keeping with our strategy of wanting to be close to our assets.

– David Swindin, Head of EMEA, Cubico

The completion of this acquisition and refinancing, given the current challenging and unfamiliar circumstances, is testament to the remarkable work of our teams and partners. It is very exciting to make our first move in Greece with such a trustworthy partner as Intracom.

– Alessandro Asperti,
Country Head for Italy and Greece, Cubico

This transaction is a further testament of our leading position in Greece in Renewable Energy Sources, having financed a current portfolio in excess of 1.7 gigawatts. Even more importantly, it highlights our strong know how and execution capabilities by remaining dedicated to deliver an appropriate solution for our clients even under the most challenging circumstances.

– Eleni Vrettou, Executive General Manager of Corporate and Investment Banking, Piraeus Bank

■ From the Lawyers on the Deal

We are pleased to have been able to support Cubico on this important project and to have resolved the additional legal and practical complexities added by COVID-19 restrictions in the many jurisdictions involved in this transaction. We are proud that Cubico, an experienced international investor, chose us to support them in achieving their ambitions in the Greek energy sector. It is a testament to our team's capabilities in delivering multi-jurisdictional legal services to our clients under the most challenging circumstances.

– Virginia Murray, Partner,
Watson Farley & Williams

HUNGARY: BUDAPEST BANK GROUP, MKB BANK GROUP, AND TAKAREKBANK GROUP'S CREATION OF HUNGARIAN "SUPERBANK"

Firm	Role	Client(s)
DLA Piper	Central legal advisor	Budapest Bank Group, MKB Bank Group, and Takarekbank Group

Summary

On December 15, 2020, the key owners of the Budapest Bank Group, MKB Bank Group, and Takarekbank Group transferred their shares in their respective banks to Hungarian Bankholding Ltd. – their jointly owned financial holding company – thereby creating a "Superbank." The investment and shareholders' agreements were signed on October 30, 2020, in line with the previous letter of intent.

The resulting "Superbank" is Hungary's second largest banking group, providing services to 1.9 million customers, 200,000 micro-enterprises, 30,000 small and medium-sized enterprises, and 6,000 private banking clients.

According to Hungarian Bankholding, prior to the merger, the Takarek Group was one of the biggest banking groups of Hungary. The members of the Group are MTB Bank of Hungarian Savings Cooperatives Ltd. as its integration business management organization, Takarekbank Ltd. as its universal commercial bank, and Takarek Mortgage Bank Plc., as its specialized credit institution. Its members also include other companies and subsidiaries specialized in factoring, leasing, fund management, real estate management, IT, as well as other auxiliary financial services. The 70-year-old MKB Bank Plc. was successfully reorganized between 2015 and 2019. Budapest Bank Ltd. was established as one of the first domestic commercial banks in 1987 and, at the time of the merger, was one of the ten largest domestic banks in Hungary. Together with its subsidiaries – Budapest Fund Management Ltd., Budapest Leasing Ltd., and Budapest Asset Financing Ltd., the bank employs a total of nearly 3,000 people, with its nationwide network including nearly 100 branches. In 2006, it was the first in the Hungarian banking market to open an operational center outside of the capital, in the city of Bekescsaba, creating 800 workplaces in the region.

Zsolt Barna was announced as the Chairman of the Board of Directors of Hungarian Bankholding Ltd. and Jozsef Vida as the Chief Executive Officer. Further members of the Board of Directors announced on December 15, 2020 were: Adam Balog, Koppany Lelfai, and Attila Tajthy.

On March 24, 2021, Hungarian Bankholding Ltd. announced it had approved the five-year business strategy for the merger of the three founding banks with the "aim of the emerging large bank … to be the most modern bank in Hungary, which will introduce flexible, internationally leading digital solutions." It further informed that it "will serve the full market spectrum and all customer segments in the future, with a significant emphasis on the provision of a new, modern range of products and services to retail, micro, small and medium-sized enterprise and agricultural customers. The group will retain its market-leading corporate, agricultural and leasing positions in the new business model." ■

On the Client Side

We calculate growth significantly above the market average in the retail, micro and small sectors and agricultural segments. The goal is to increase the financial results of the banking group dynamically, but stably at the same time.

– Zsolt Barna, Chairman of the Board, Hungarian Bankholding

From the Lawyers on the Deal

The combination of the three banking groups is a uniquely complex process which is very rarely seen in practice globally. We did our best to make the implementation of this extremely challenging transaction as smooth as possible by exploiting all the firm's know-how, dedication, and values. This combination is in line with the regulators' call for further consolidation within the banking system and the recent consolidation seen in the sector.

– Gabor Molnar, Partner and Head of Corporate and M&A, DLA Piper Hungary

Submission Comments

The transaction required rigorous focus and the support of all involved, and the constructive approach of the regulators, as well as strict time management of all parties, so that it has been successfully completed in a timely manner.

DLA Piper Hungary expects that the newly created banking group will prove to be a resilient and integrated universal bank of systemic importance, able to support Hungary's recovery from COVID-19.

– DLA Piper

Shortlist Panel Comments

Combining three large financial institutions having very different legal, HR, IT, and commercial practices is indeed one of the most complex legal tasks of the past years. It deserves to be the winner.

The largest, most complex transaction on the Hungarian market in 2020.

The size and complexity of the project (all the banking regulatory matters!) and the importance of the deal for the Hungarian banking market make this the winner.

DEAL EXPANDED: DLA PIPER'S ANDRAS NEMESCSOI AND GABOR MOLNAR TALK ABOUT THE DEAL OF THE YEAR IN HUNGARY

Andras Nemescsoi

CEELM: First, congratulations on winning the Deal of the Year Award in Hungary!

Nemescsoi: Thank you, very much appreciated. It is an honor to have been selected as the winner amongst such high-profile candidates.

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

Nemescsoi: The ECB has pressed repeatedly that the European banking sector still has too many banks. Statistics also clearly show that in the U.S. consolidation has been progressing at a much faster pace. The transaction on which we acted is a prime example of the ongoing consolidation. The project has created the second largest universal banking group in Hungary by bringing together the fully state-owned Budapest Bank Group and two privately owned banking groups, MKB Bank Group and Takarek Group.

Molnar: Turning to the specifics, in our case the shareholders of the three banking groups established a new financial holding company, and then they transferred their bank shares as in-kind contributions to the newly established holding company via a capital increase. The three banking groups have thus become part of the same banking group, with a jointly owned holding company at the top. DLA Piper's role was rather non-conventional. We acted as the central transactional legal advisor, *i.e.* the joint advisor to the merging shareholders advising them on everything from structuring, to corporate governance, regulatory, and other issues with the overall responsibility of coordinating all legal workstreams of the project. Where conflicts of interest existed between the shareholders, we intermediated between the shareholders' own legal advisors as the neutral legal advisor.

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

Nemescsoi: To advise on such a complex transaction you need to have deep and wide competencies locally and internationally as well as a critical mass. Being a truly global law firm and having a highly-respected full-service Hungarian practice with a very sizable team we had satisfied the basic selection criteria.

Molnar: I believe that our track record in these types of transactions and in this sector also contributed to our selection. To give just one example, in 2014 MKB Bank was put under resolution by the Hungarian Central Bank (HCB). In that procedure we acted as the legal advisor to the HCB, leading up to the successful privatization of MKB Bank. The knowledge accumulated on that mandate was very useful in our current transaction as well.

CEELM: What was the most difficult part of this deal and how did you/your team circumvent it?

Nemescsoi: There was an army of challenging issues. The transaction took place in the banking sector, one of the most highly regulated sectors. If we add that this transaction created a banking group relevant on a national economy scale, you can imagine how closely the process was monitored by the HCB, the Hungarian banking regulator. This workstream necessitated almost daily consultation with the regulator to ensure that the transaction always proceeded on track. I must say that we had an excellent experience with the HCB – they were extremely professional throughout the process.

Molnar: From a transactional perspective I would highlight two aspects. The transaction concerned the merger of three competing banking groups where mutual disclosure was essential for planning and ultimately for deciding on the merger. To comply with competition law requirements, we had to construct and operate a sophisticated information-sharing regime from the outset that applied to all transaction participants. Second, the Hungarian state's involvement (being the ultimate shareholder of Budapest Bank) also brought with it the usual public sector-related issues (such as scrutiny of EU state aid issues) and the high formality requirements of public-sector decision making.

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

Molnar: The dedication of each and every participant in this transaction was a truly pleasant surprise. From shareholders to management members, authorities, and all advisors, everybody looked in the same direction and there have not been any major fallouts between the transaction team members. I think that the necessity of the transaction helped a lot to have such a cooperative atmosphere.

Nemescsoi: Without the supportive attitude of the regulator it would have been very difficult, if even possible at all, to complete the transaction within the timeline. I would also add that all representatives of the state who took part in the transaction were also very business-minded, hardworking, and provided very valuable inputs on the transaction. We did not experience any of the usual stereotypes associated with the public sector being bureaucratic or slow.

CEELM: How do you believe the context of the pandemic affected the deal?

Nemescsoi: It is the impact of the pandemic that I would highlight. COVID-19 set in at a very early stage of the transaction. As you can imagine, the project had been built on a series of personal daily meetings – these were all promptly canceled. Migration from the physical to the virtual collaboration space proved unexpectedly swift and smooth. I must say that this forced change did not hinder, but actually contributed to the efficiency of the transaction process, even though I am sure that a number of cab drivers in Budapest would

Gabor Molnar

challenge the positive nature of this change.

CEELM: In your view, what is the significance of this deal for the Hungarian market? Why do you believe the judges voted for this deal over the others?

Nemescsoi: The merger of the three major Hungarian banking groups was a clear necessity to improve efficiency. The combined banking group that resulted now serves almost two million customers and is amongst the truly top banks in Hungary. As a law firm or as a lawyer you rarely have the opportunity to work on such a historic deal in Hungary.

Molnar: The transaction was also an unprecedented test of our capabilities. We are very proud that we had the opportunity to contribute to this transaction and that we did so – we believe – to the satisfaction of all stakeholders.

CEELM: Asking if you believe we can expect another similar deal might be overly optimistic. We'll simply ask if you believe further consolidation in the banking sector can be expected?

Nemescsoi: The transaction was only the first step on the road leading to a truly integrated "super bank." Accordingly, our work has not finished with the creation of the bank holding. We continue to support the holding company on various issues aimed at creating a harmonized, integrated operation.

Molnar: Bank consolidation will and must continue in the region and in Hungary. We hope that we will continue to have the opportunity to support our clients in these challenging opportunities. ■

LATVIA: VALMIERAS STIKLA SKIEDRA DEBT RESTRUCTURING AND SALE OF MAJORITY STAKE TO DUKE I

Firm	Role	Client(s)
Cobalt	Banks' counsel	AS SEB Banka and Danske Bank
Ellex Klavins	Buyer's counsel	Duke I S.a r.l.
Eversheds Sutherland Bitans	Seller's counsel	Valmieras Stikla Skiedra

Summary

Duke I S.a r.l. acquired 83.14% of the share capital of AS Valmieras Stikla Skiedra from the company's controlling shareholder group. In addition to the equity transaction, VSS debt was restructured with Duke I becoming the second-largest secured creditor in place of Danske Bank A/S.

As a part of the transaction, 19,872,715 shares were sold for EUR 0.5483 per share, totaling a purchase price of almost EUR 10.9 million. Following the deal, the distribution of the shareholders in the company is as follows: 83.14% - Duke I; 10.50 % - P-D Management Industries Technologies GmbH; 6.36 % - others.

Duke I is a Luxembourg subsidiary of the Warwick European Opportunities Fund III LP – an alternative investment fund managed by Warwick Capital Partners LLP. Warwick is a London-based investment manager which focuses on European special situations and manages funds with aggregate assets under management in excess of USD 2 billion. AS Valmieras Stikla Skiedra, with its subsidiaries, is a European glass fiber manufacturer, with more than 55 years of experience in the production of glass fiber. It has been listed on the Secondary List of the Nasdaq Stock Exchange's Baltic Regulated market since 1997.

The deal had a major cross border element to it as the parties involved hailed from a total of five jurisdictions. The company itself is based in Latvia, with subsidiary entities in the U.K. and the U.S. The buyer is based in Luxembourg and the majority shareholders are based in Germany. Adding to the complexity of the deal, in 2019 VSS went into legal protection proceedings ("LPP"), in order to renew the ability of a debtor to settle its debt obligations, while still remaining fully functional as a company. It was important that the plan of the LPP be amended in accordance with the deal and that the acceptance of creditors be received.

VSS also concluded a deal for both debt refinancing and issuance of additional funding for its operations. The lenders for the existing syndicated debt were AS SEB Banka and Danske Bank A/S. Thus, a multi-million combination of debt restructuring and additional loan issuance was set in motion, in order for the buyer to complete the share purchase deal. When the deal was announced, VSS informed that, with notice of the transaction, Duke became the company's second largest creditor with a total liability amount of EUR 45.5 million over 5 years at an interest rate of 4.5% per annum. ■

On the Client Side

The company and management welcome the new majority shareholder and thank Warwick Capital for its support. This step and the associated financial support give us the opportunity to further expand our business model and make necessary investments in the company, which have not been possible during the past years.

– Stefan Jugel, Chairman of the Board, AS Valmieras Stikla Skiedra

Warwick looks forward to supporting Valmieras Stikla Skiedra through its financial restructuring and next phase of growth. Valmieras Stikla Skiedra is one of the leading manufacturers in Europe of products based on glass fibre. We will look to consolidate this position and grow the product offering working in partnership with the management team and current shareholders of the company.

– Ian Burgess, Co-founder, Warwick Capital Partners

Submission Comments

The company is a major contributor to the economy of Latvia, being one of the largest manufacturers in the country, a responsible taxpayer, and one of the biggest employers in the Valmiera municipality.

Given the size and importance of the company to the Latvian market, it is a great achievement that our law firm was given the opportunity to participate in this deal.

– Eversheds Sutherland Bitans

Shortlist Panel Comments

This was a comprehensive cross border deal involving a number of jurisdictions and relating to one of the key industrial plants in Latvia.

There is no question about it for me that this is the #1 deal of 2020. The local company value to Latvia, plus its international reach are significant. The many complexities involved – M&A, refinancing, company in insolvency, listed company, multi-jurisdiction – raise this deal head and shoulders above the rest.

Very complex deal involving such elements as cross border and insolvency issues (legal protection proceedings), as well as debt refinancing and issuing of additional funding. The company still is important for Latvian market.

LITHUANIA: IGNITIS GRUPE IPO

Firm	Role	Client(s)
Ashurst	Issuer's English and U.S. law counsel	Ignitis Group
Debevoise & Plimpton	GDRs depository U.S. law counsel	The Bank of New York Mellon
Dentons	Bookrunners' English law counsel	Bank of America, JP Morgan, Morgan Stanley, Swedbank, and UBS
Linklaters	Issuer's Polish law counsel	Ignitis Group
Sorainen	Issuer's Lithuanian law counsel	Ignitis Group
TGS Baltic	GDRs depository Lithuanian law counsel	The Bank of New York Mellon
Walless	Bookrunners' Lithuanian law counsel	Bank of America, JP Morgan, Morgan Stanley, Swedbank, and UBS

Summary

Ignitis Group's initial public offering on October 7, 2020, was announced by the utility and renewable energy company as the largest ever IPO in the Baltic states.

Ignitis Group raised EUR 450 million in its Rule 144A/Regulation S initial public offering and dual listing of GDRs on the London Stock Exchange and shares on Nasdaq Vilnius, with a total company valuation of EUR 1.7 billion. The company issued 18,130,699 ordinary shares, in the form of GDRs and shares, in an institutional placing, and 1,869,301 shares under a retail offer, all at an issue price of EUR 22.5 per share/GDR. Ignitis Group is the only company from Lithuania and the Baltics which has GDRs listed on the foreign stock exchange.

The EBRD also announced an equity investment of EUR 67.5 million in the Ignitis IPO. The EBRD's subscription accounted for 15% of the newly issued shares in the IPO, the equivalent of 4% of the company's total stake, with the goal of supporting the "largest IPO in the Baltics region, a milestone for regional capital markets development."

"Overall, we are proud our IPO has already made a positive impact to the Baltic capital markets," Ignitis reported. "In 2020, the Nasdaq Baltic turnover increased by almost 70% and the largest change occurred in the Nasdaq Vilnius market, the turnover of which increased twofold, with our shares being traded the most and accounting for around 35% of the increase."

The IPO was part of the Republic of Lithuania's (then the sole shareholder of the issuer) strategic aim of providing the Ignitis Group with the funds to invest in power networks in Lithuania and expand green generation capacity within the wider region while increasing the size and depth of Lithuania's capital markets.

At the same time, the IPO was important to the retail investors' community in the Baltics. Prior to its implementation, Ignitis Group squeezed out and delisted two of its important subsidiaries which caused complaints from investors which led to lawsuits. Ignitis Group managed to settle these claims as part of the IPO, by granting preferential allocation of IPO shares to former minority shareholders of its subsidiaries. The structure of the transaction, offering, and settlement had to accommodate these commitments. ■

■ On the Client Side

Today marks a pivotal moment for Ignitis Group. Together with our new individual and institutional shareholders in the Baltics and around the world, we will begin our journey as a listed company, bolstering our long-term green energy strategy. With the support of the Management and Supervisory Boards, we intend to work in the interests of all of our shareholders, while continuing to play our important role for the European and Baltic energy markets, which will create long-term value to benefit all shareholders. Today's milestone reflects our ambition and commitment to delivering a greener and cleaner future for everyone.

– Darius Maikstenas, CEO and Chairman of the Management Board, Ignitis Group

Today is an important day for Ignitis Group, but also for Lithuania and our neighbors here in the Baltics. Our region is growing economically, steadily emerging as exemplary for business and investment, from an economic and governance perspective. Ignitis Group's IPO is a major step forward in the development and international recognition of our capital markets in Lithuania and the wider Baltic region. This growth represents the resilience of the Baltics, our ambition for sustainable growth, and adherence to standards of international governance, modeled on Nordic economies. Today's listing has equipped Ignitis Group with the extra power it needed to drive future growth in Lithuania and the region, and I look forward to what the future holds.

– Vilius Sapoka, Minister of Finance, Republic of Lithuania

■ Submission Comments

Preparation for the IPO was extremely complex. This was mainly because of various issues related to the privatization and regulations of state-owned assets. Ignitis Group is also a company of strategic importance to the interests of national security of Lithuania which added another layer of complexity to the deal.

– Walles

■ Shortlist Panel Comments

A true breakthrough IPO. There has been no IPO for many years, needless to say – an international one. The size, complexity, and the number of players involved signal this deal being No. 1.

MOLDOVA: VETROPACK'S ACQUISITION OF GLASS CONTAINER GROUP FROM WESTERN NIS FUND AND OTHER SHAREHOLDERS

Firm	Role	Client(s)
Gladei & Partners	Buyer's counsel	Vetropack Austria Holding AG
Turcan Cazac	Seller's counsel	Western NIS Enterprise Fund

Summary

On December 19, 2020, the Western NIS Enterprise Fund (WNISEF) announced that it had exited, alongside other shareholders, its stake in Moldova-based Glass Container Group (GCG) to Vetropack Austria Holding AG, a subsidiary of Vetropack Holding SA.

According to business platform InfoMarket, based on Moldovan Stock Exchange information, "the total value of the sale and purchase transaction exceeded MDL 892.3 million" (EUR 42.6 million).

WNISEF, capitalized with a USD 150 million grant from the U.S. Government via the U.S. Agency for International Development, was created in 1994 to support the development of small and medium-sized private enterprises in Moldova and Ukraine by providing equity, debt, and grants. According to WNISEF, Horizon Capital, a regional private equity firm with over USD 850 million in assets under management via 4 funds, including the WNISEF investment portfolio, has led the value-creation at Glass Container Companies and this exit process.

The buyer, Vetropack is a Swiss player in the European glass packaging industry, operating facilities in Switzerland, Austria, Czech Republic, Slovakia, Croatia, Ukraine, and Italy, with CHF 714.9 million in 2019 revenues.

According to WNISEF, the GCG, which exports approximately two thirds of its production, has grown to become the largest glass packaging manufacturing platform in Moldova with strong market positions across food and beverage product companies in Moldova, Romania, and CEE, and are privileged suppliers to leading European wine, beer, spirits, bottled water, and packaged food producers.

GCG's growth and production expansion have been backed by the European Bank for Reconstruction and Development, the European Investment Bank via Mobiasbanca OTP Group, the Black Sea Trade and Development Bank, Moldova Agroindbank, the International Finance Corporation, and VR Capital. ■

■ On the Client Side

WNISEF's mission was to build market leaders able to attract additional capital to the region, based on their competitive advantage and success in setting high market standards. This, in turn, has created thousands of jobs and attracted strategic investors to Moldova and Ukraine. Vetropack is a highly respected leader in the global glassworks business. We are thrilled that they are extending their world-class platform to Moldova and taking GCC to the next level.

– Jaroslawa Z. Johnson, President and Chief Executive Officer, WNISEF

We are proud that in these challenging times of global pandemic and an unprecedented crisis, WNISEF has successfully closed this deal with Vetropack Group. It has been a tremendous journey with GCC over the years. Under the leadership of Mr. Oleg Baban and his dedicated team, management has turned every challenge faced into an opportunity to develop these companies and grow their market share, introduce new products, and set high standards of corporate governance. We are also grateful to Moldova Agroindbank, who has backed GCC for decades, both as a shareholder and valued financing partner. We are confident that Glass Container Companies will continue to be the leading player in CEE and wish them continued success, now under Vetropack's umbrella, in the years to come.

– Vasile Tofan, Partner, Horizon Capital

■ Submission Comments

This was the only 2020 strategic investor M&A deal.

– Gladei & Partners

■ Shortlist Panel Comments

It is the most important and complicated/complex M&A transactions from the presented list, given: the particularities of the deal, necessary approvals from the state authorities, its strategic importance and significance for the local market, involvement of an important strategic investor for the country (a leading Swiss corporate group), the money involved (USD 42 million), cross-border elements, and the number of parties involved.

It's the largest M&A transaction in 2020, involving a strategic investor buyer sharing modern technologies and creating jobs and multiple sellers in a complex deal structure.

NORTH MACEDONIA: ARICOMA GROUP'S ACQUISITION OF SEAVUS GROUP

Firm	Role	Client(s)
Bird & Bird	Seller's counsel	Seavus Group
Clifford Chance	Buyer's lead counsel	Aricoma Group
Karanovic & Partners	Buyer's local counsel	Aricoma Group
Mannheimer Swartling	Buyer's Swedish law counsel	Aricoma Group

Summary

On December 2, 2020, the Aricoma Group announced "a major step in the international expansion of the company" by acquiring the technology company Seavus.

Seavus is a software development and consulting company providing enterprise-wide business solutions. The company was founded in 1999 and today has 15 offices in 8 countries, including North Macedonia, Serbia, Bosnia and Herzegovina, Sweden, the US, Belarus, Moldova, and Switzerland. It has over 800 IT experts worldwide and offers a variety of products and service options in Europe and the U.S. Its portfolio includes over 4,000 customers, among which are worldwide telecom and handset manufacturers, organizations from the banking and finance industry, consumer electronics, technology, education, government, health, *etc.* This covers services such as BSS/OSS, CRM, CEM, Business Intelligence solutions, ALM, embedded programming, business and consumer products, mobile and gaming solutions, managed services, as well as custom development, consultancy, and resourcing.

The Aricoma Group, which is part of the KKCG Group, is the largest information and communications technology holding in the Czech Republic. It provides a range of services, starting with the design of ICT architecture, through infrastructure and cloud services, and the implementation of corporate applications, up to the development of its own software solutions and outsourcing.

The KKCG Group, founded and led by Czech entrepreneur, Karel Komarek, is an international investment company that manages more than EUR 6 billion (book value) of assets. It operates in 19 countries and its key strategic sectors include gaming, oil and gas, technology, and real estate. KKCG Group includes the Sazka Group, the Aricoma Group, the MND Group, U.S. Methanol, the Springtide Ventures capital fund, and others.

With this acquisition, Aricoma announced it will penetrate further markets in Europe and strengthen its position in the U.S. At the same time, it will see consolidated revenues of EUR 300 million, earnings of over EUR 23 million before interest, taxes, depreciation, and amortization (EBITDA), and more than 2,800 employees.

According to Karanovic & Partners, the deal was operationally headquartered in North Macedonia and the main activities were based there, but also a significant portion of the work was located in Serbia. ■

On the Client Side

We strongly believe that the involvement of a strong strategic partner, such as the Aricoma Group of companies, will accelerate innovation and further strengthen our capabilities to offer high-quality software development services and next-generation solutions, to our customers worldwide. Now, we will remain not only dedicated to success, but even more motivated to accomplish our goals: expand our portfolio of customers, become a trustworthy partner in their process of digitalization, and lead the way as one of Europe's best IT providers. Seavus is going to be an immense part of the KKCG success story.

– Igor Lestar, Chairman of the Board, Seavus Group

With its range of services focused on IT consulting, software development, implementation of software solutions and products for maintenance and support, infrastructure management, cybersecurity and compliance, Seavus fits perfectly into the ARICOMA Group portfolio.

– Milan Sames, CEO, Aricoma Group

This acquisition fulfills the long-term strategy of the KKCG Group in the field of information technology. Ever since ARICOMA Group was founded, when we consolidated the big players in the Czech IT market, we always envisaged that the next step would be international expansion. Personally, I am delighted that we have been able to complete the transaction in these challenging times.

– Michal Tomanek, Technology Investment Director, KKCG

Submission Comments

This multi-jurisdictional transaction was primarily challenging due to the necessity for timely and efficient cooperation with the counsels from the different jurisdictions. Also, for the required high understanding of the IT industry and its complex interplay with certain law areas, such as intellectual property and data protection.

– Karanovic & Partners

Shortlist Panel Comments

This is a multi-jurisdiction transaction of one of the Macedonian landmark IT companies active regionally and internationally.

This multi-jurisdictional transaction positioned North Macedonia as the "operational headquarter" for complex transactional work usually carried out abroad.

Seavus Group is an IT industry powerhouse in North Macedonia with affiliated companies in Serbia, Bosnia and Herzegovina, Sweden, the United States of America, Belarus, Moldova, and Switzerland and with over 2,800 employees. The deal was operationally headquartered in North Macedonia which is a rarity in the market. All included law firms are highly prestigious and reputable.

POLAND: UNIQA'S ACQUISITION OF AXA SUBSIDIARIES IN THE CZECH REPUBLIC, POLAND, AND SLOVAKIA

Firm	Role	Client(s)
Clifford Chance	Seller's counsel	AXA Group
Go2Law	Buyer's counsel	UNIQA
Schoenherr	Buyer's counsel	UNIQA

Summary

On February 7, 2020, AXA announced it entered into an agreement with UNIQA Insurance Group AG to sell its operations in Poland, Czech Republic, and Slovakia.

Under the terms of the agreement, AXA sold 100% of its Life & Savings, Property & Casualty, and Pension businesses in Central and Eastern Europe for a total cash consideration of just over EUR 1 billion. The deal, which represented the largest purchase in the company's history and the largest acquisition to date in the Austrian insurance industry and in the CEE region, closed on October 15, 2020.

The UNIQA Group is an insurance group focused on Austria and CEE. Around 21,300 employees and exclusive sales partners serve around 15.5 million customers in 18 countries. UNIQA is the second-largest insurance group in Austria with a market share of more than 21 percent. It operates in 15 markets in the CEE growth region: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Czechia, Hungary, Kosovo, Montenegro, Northern Macedonia, Poland, Romania, Russia, Serbia, Slovakia, and Ukraine. The UNIQA Group also includes insurance companies in Switzerland and Liechtenstein.

AXA reported having had approximately 3.2 million customers in Poland and 1.6 million customers in the Czech Republic and Slovakia. It had 1,575 employees in Poland and 527 in the other two markets that were operating "as one integrated platform, under a single management team active in both countries, through three Czech entities with branches in Slovakia." The 2018 revenues for AXA Poland were EUR 585 million with the Czech Republic and Slovakia combined recording EUR 170 million in the same year.

With the acquisition, UNIQA said it is strengthening its market position in the highly competitive CEE growth markets by "increasing its market and brand presence in the entire CEE region. 5 million new customers with a premium volume of EUR 800 million have increased the UNIQA Group's customer base to more than 15 million."

UNIQA also informed that no capital increase was required for the acquisition: "The purchase was financed from the company's own funds as well as the issue of a 10-year senior bond with a volume of EUR 600 million. Even after the acquisition that has now taken place, UNIQA Group continues to be very well capitalized. The rating agency Standard & Poor's confirmed the 'A-' rating for UNIQA's long-term creditworthiness and financial strength." ■

On the Client Side

We have been operating successfully in the CEE region for 20 years. For us, the growth markets in Central and Eastern Europe are our second home market. With the purchase of the AXA companies, the profitable retail business and balanced product mix perfectly match our long-term growth strategy, we are now one of the leading insurance groups in the CEE region.

– Andreas Brandstetter, CEO, UNIQA Group

This transaction marks another step in the simplification of AXA's footprint, we are convinced that AXA's operations in Central and Eastern Europe will benefit from UNIQA's strong presence and local expertise in the region to create new growth opportunities with a continued focus on delivering enhanced customer value propositions. I would like to thank the management teams and all the employees of our Polish, Czech and Slovakian operations, for their continuous engagement over the years and wish them all the success for the future.

– Thomas Buberl, CEO, AXA

Submission Comments

The cross-jurisdictional team composed of lawyers from Poland, the Czech Republic, France, and Belgium advised on all of the legal aspects of the transaction, including complex regulatory issues, the preparation of a robust data room for 3 jurisdictions, and intensive negotiations of the transactional documents. This required extensive coordination between the local Clifford Chance teams and lawyers with different expertise.

– Clifford Chance

Shortlist Panel Comments

This was truly a CEE Deal, combining M&A competence, competition clearance, and financial regulatory in Poland, Czech Republic, and Slovakia while adding Austria, France, and Belgium to the list of involved jurisdictions.

ROMANIA: MACQUARIE INFRASTRUCTURE AND REAL ASSETS' ACQUISITION OF CEZ GROUP

Firm	Role	Client(s)
Allen & Overy	Buyer's lead counsel	Macquarie Infrastructure and Real Assets
RTPR	Buyer's Romanian law counsel	Macquarie Infrastructure and Real Assets
Skils	Seller's lead counsel	CEZ Group
Tuca Zbarcea & Asociatii	Seller's Romanian law counsel	CEZ Group

Summary

On October 23, 2020, the CEZ Group announced it had reached an agreement to sell its Romanian assets to funds managed by Macquarie Infrastructure and Real Assets (MIRA) – a consortium led by Macquarie European Infrastructure Fund 6 (MEIF6).

The integrated energy infrastructure portfolio consisted of seven companies, including an 86,665-kilometer regulated electricity distribution network, an electricity and gas supply business with 1.4 million residential and industrial connections in the south-west of Romania, the largest renewable energy portfolio in Romania (622 megawatts of wind and hydro power production, including Fantanele Cogealac wind park, the largest onshore wind farm in Europe), and a services company.

MIRA manages the operation and development of electricity distribution networks in Australia, Austria, Finland, Spain, and the United States. It is also a major investor in clean energy, managing investments in 12.4 gigawatts of green generation capacity globally across onshore and offshore wind, solar PV, hydropower, geothermal, and energy from waste.

CEZ entered the Romanian energy market in 2005 when it bought the distribution company operating in Romania's south, Electrica Oltenia. The electricity supply business serves 1.4 million customers. In 2008, CEZ started construction of the 600-megawatt wind park near Fantanele Cogealac, the construction of which finished in 2012, when the park became the largest onshore wind farm in Europe. In 2011, CEZ added 22 megawatts of hydro capacity to its Romanian portfolio when it bought and modernized four smaller plants near Resita.

According to CEZ, the divestment is part of CEZ Group´s new strategy to divest chosen assets in certain countries. By selling the Romanian assets, CEZ increased its debt capacity and "will be able to channel resources into investments in line with the current strategy, which is focused on decarbonizing the production portfolio, developing renewable energy, and providing modern energy services in the Czech Republic and across Europe." The CEZ Group remains active in Romania, focusing on its trading (CEZ Trade Romania) and energy services business (High-Tech Clima).

CEZ reported it "experienced strong interest for its assets. Despite the difficult environment caused by COVID-19, CEZ and Societe Generale [the Exclusive Financial Advisor] maintained a high level of competition in the transaction. MIRA submitted the most attractive offer, which was confirmed by independent valuation reports." ■

On the Client Side

Romania is one of Europe's most dynamic economies, and its energy infrastructure is critical to supporting the country's long-term growth and low-carbon transition. We are delighted to announce this investment and we look forward to supporting this critical infrastructure business as it invests to deliver more reliable, efficient, safe, and sustainable electricity to the communities it serves.

– Leigh Harrison, Head of EMEA, MIRA

CEZ in Romania has often pioneered bold and innovative initiatives that have stimulated the consolidation and development of the Romanian energy sector. Our team of highly skilled specialists has been able to do this by endorsing digital transformation and pursuing a client-centered business strategy. With the acquisition by MIRA, we are looking forward to building on these results with an experienced long-term investor that will support our business going forward.

– Ondrej Safar, CEO and President of the Management Board, CEZ Group Romania

Submission Comments

This is the largest M&A deal in Romania in the last 12 years and it is considered to be the 4th largest deal ever concluded in Romania.

– RTPR

This is a landmark transaction, considering its impact on the Romanian energy industry, its duration of over one year, and the cross-border collaboration it required.

– Tuca Zbarcea & Asociatii

Shortlist Panel Comments

A significant energy infrastructure transaction of real importance to the Romanian energy distribution network in the future.

The size and scale of the transaction, the legal areas involved, the importance of sectors concerning the transaction – all made this my top pick.

DEAL EXPANDED: RTPR'S COSTIN TARACILA TALKS ABOUT THE DEAL OF THE YEAR IN ROMANIA

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

Taracila: Thank you! We are very happy to receive this award and the excitement is even bigger as it's the second time we have won the Deal of the Year Award in Romania in just four years. At the first edition of the Awards another landmark transaction in Romania – AD Pharma's sale to Dr. Max, the Czech pharmacy chain owned by Penta Investments – brought us the trophy. 2020 was a challenging year for all but, against all odds, our firm managed to secure an impressive number of M&A mandates and we see this award as a recognition of a strong year, with many headline M&A transactions signed by our team.

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

Taracila: RTPR assisted Macquarie Infrastructure and Real Assets (MIRA) in relation to the acquisition of a portfolio of power assets owned by the CEZ Group in Romania.

The portfolio consists of seven companies, including an 86,665-kilometer regulated electricity distribution network, an electricity and gas supply business with 1.4 million residential and industrial connections in the south-west of Romania, the largest renewable energy portfolio in Romania (622 megawatts of wind and hydropower production, including the Fantanele and Cogealac wind parks, the largest onshore wind farm in Europe), and a services company.

Our work included extensive due diligence on all businesses, detailed regulatory and market advice, structuring and transactional work, and financing work. The due diligence stage was essential for our client to understand the business and regulatory requirements and correctly evaluate the transaction.

We have also been involved in the secured financing transaction for the financing of the acquisition and the partial refinancing of the existing debt of the target group. On the financing transaction, which also represents one of the largest financings in Romania in 2020, our local team worked together with Allen & Overy teams from the Bratislava, Luxembourg, and London offices.

The deal also included multiple layers of negotiations with MIRA on both equity and debt fronts.

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

Taracila: It was a competitive process in which we proposed a joint RTPR and Allen & Overy team and the client chose our offer. I believe it was a magic combination of Allen & Overy and RTPR's impressive experience in M&A transactions combined with the expertise in the energy sector, where we have been involved in all major deals in Romania in recent years, that made us the first choice for our client.

> ***This is the largest M&A deal in Romania in the last 12 years and is considered to be the fourth largest deal ever concluded in Romania. So it wasn't a difficult choice for the judges!***

CEELM: What was the most difficult part of this deal and how did you/your team circumvent it?

Taracila: One of the most difficult parts was fighting for the deal not only with international reputable investors but also with key state-related entities that benefited from an unfair advantage from the Government. A clear example was the suspension of sales and purchases of energy assets via legislative measures, under the pretext of the COVID-19 pandemic. Such changes could be seen as a state intervention to help some companies breach the time gap, but, in actuality, they were poorly drafted and ultimately did not help.

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

Taracila: The process was well managed by the sell side, and this ensured predictability. Though I mentioned that one of the most difficult parts was the state's intervention during the process, it is fair to also mention that, once a winner was declared, the state authorities were fair and the regulatory approvals went smoothly.

CEELM: In your view, what is the significance of this deal for the Romanian market? Why do you believe the judges voted for this deal over the others?

Taracila: This is the largest M&A deal in Romania in the last 12 years and is considered to be the fourth largest deal ever concluded in Romania. So it wasn't a difficult choice for the judges!

Joking apart, this deal gave a very positive signal to the M&A market in Romania, especially in a year dominated by the COVID-19 crisis and its effects. As we all know, the global M&A market was hit hard by the pandemic in the first half of 2020, and Romania was no exception. If investors such as MIRA, who is one of the world's leading alternative asset managers and the world's largest infrastructure manager, look at Romania as an attractive market, it is definitely a good sign that our economy is on a good track and that there is potential for other transactions of such caliber.

CEELM: Can we look forward to future similar deals (size/industry/target/*etc*)? Why/why not?

Taracila: Romania has the potential to attract big names and there are many interesting opportunities for investors. Private equity and infrastructure funds are prospecting the market to find profitable businesses with growing perspectives. I am confident that we'll see other interesting deals in the close future. ■

RUSSIA: JV OF SIBUR WITH SINOPEC AT AMUR GCC

Firm	Role	Client(s)
Dechert	Buyer's counsel	Sinopec
White & Case	Seller's counsel	Sibur Holding

Summary

On December 28, 2020, Russia's Sibur Holding announced it has closed a deal with China's China Petrochemical Corporation (Sinopec) to set up a joint venture at the Amur Gas Chemical Complex (Amur GCC) after obtaining all the necessary approvals from the regulators of both countries. As a result of the deal, Sibur and Sinopec will hold a 60% and 40% interest in the JV, respectively.

According to Sibur, the main terms and conditions of the JV were agreed on in June 2019.

Sibur is an integrated petrochemicals company in Russia. The group sells its petrochemical products on the Russian and international markets in two business segments: Olefins & Polyolefins (polypropylene, polyethylene, BOPP films, *etc.*) and Plastics, Elastomers & Intermediates (synthetic rubbers, EPS, PET, *etc.*). It employs more than 23,000 people. In 2020, the group reported a revenue of USD 7.2 billion and EBITDA of USD 2.5 billion.

Sinopec is a petroleum and petrochemical enterprise group, established by the Chinese state in July 1998 on the basis of the former China Petrochemical Corporation, and further incorporated as a limited liability corporation in August 2018. According to Sinopec, it is the largest oil and petrochemical products suppliers and the second largest oil and gas producer in China, the largest refining company, and the third largest chemical company in the world. Its total number of gas stations ranks the second place in the world and it was ranked 2nd on Fortune's Global 500 List in 2019.

Sibur claims that Amur GCC is "set to become the world's largest basic polymer production facility" with it projected to have a capacity of 2.7 million tonnes per annum, including 2.3 million tonnes per annum of polyethylene and 400 kilo-tonnes per annum of polypropylene, and will be producing a wide range of grades. It further announced that "the construction of Amur GCC proceeds [is] in synch with the gradual ramp-up of Gazprom's Amur Gas Processing Plant to its full capacity, so that the latter could supply ethane and LPG to Amur GCC for processing into high value-added products. The completion of construction and commissioning is scheduled for 2024."

The hope is that the Amur GCC project will "help attract international investments in the Russian economy while also making a considerable contribution to the national program of growing the nation's non-commodity exports. Given the facility's geography, its products will be targeting Asian markets, primarily China, which is the largest consumer of polymers globally

In December 2020, Amur GCC's budget was tentatively estimated between USD 10 billion and USD 11 billion. That month, the JV had attracted USD 1.5 billion in bridge financing from a syndicate of Russian banks, with Gazprombank acting as the lead arranger and lender and Otkritie and Sberbank as arrangers and lenders. ■

On the Client Side

Sibur and Sinopec have a long track record of jointly delivering on large-scale investment projects and implementing advanced production technologies. Creating a joint venture is a major milestone in our Amur GCC project. With Sinopec's involvement, we will be able to maximize the project's efficiency, in particular optimizing and balancing the facility's future debt portfolio, while also enhancing its expertise in distribution across Asian markets.

– Dmitry Konov, Chairman of the Management Board, SIBUR Holding

Amur GCC is a milestone in the cooperation between Sinopec and SIBUR, and will also become a model for Sino-Russian energy cooperation to extend to downstream chemical industry. The success of Amur GCC will inject new impetus into advancing the high-quality cooperation between the two countries in the fields of energy, chemical industry, investment, economy and trade and play a positive role in effectively promoting the sound interaction of domestic and international markets as well as the economic development, employment and social well-being of the Far East region.

– Zhang Yuzhuo, Chairman, Sinopec

Submission Comments

[The deal involved] unique multi-jurisdictional set of antitrust clearances – the parties' global footprints entailed an extensive anti-trust analysis and a complex set of filings in multiple jurisdictions, including a reference to the Russian government commission for strategic industries.

– White & Case

Shortlist Panel Comments

It involves a strategic sector and a reinforcement of the Chinese-Russian strategic partnership.

This is truly a complex M&A and JV transaction; it is a truly international deal where there is a mix of cross-jurisdictional and multicultural issues; and every transaction with Asian investors has specifics which advising counsel must adopt and respect.

SERBIA: NOVA LJUBLJANSKA BANKA'S ACQUISITION OF KOMERCIJALNA BANKA

Firm	Role	Client(s)
AP Legal	Seller's co-counsel	Government of the Republic of Serbia
Kalo & Associates	Buyer's Kosovo law counsel	Nova Ljubljanska Banka
Kinstellar	Buyer's lead counsel	Nova Ljubljanska Banka
ODI Law	Buyer's North Macedonia law counsel	Nova Ljubljanska Banka
Prica & Partners	Seller's co-counsel	Government of the Republic of Serbia
Radonjic Associates	Buyer's Montenegro law counsel	Nova Ljubljanska Banka
Sajic Law Firm	Buyer's Bosnia and Herzegovinia law counsel	Nova Ljubljanska Banka
Selih & Partnerji	Buyer's Slovenia law counsel	Nova Ljubljanska Banka

Summary

On December 30, 2020, Nova Ljubljanska Banka (NLB) announced the completion of the acquisition of an 83.23% ordinary shareholding in Komercijalna Banka a.d. Beograd (KB) from the Republic of Serbia.

According to NLB, the final purchase price (accounting for interest since January 1, 2020) amounted to EUR 394,7 million, in accordance with the provisions of the share purchase agreement entered into with the Republic of Serbia on February 26, 2020.

The NLB Group is the largest banking and financial group in Slovenia, with an "exclusive strategic interest in South-eastern Europe." In addition to NLB d.d., a main entity in Slovenia, the group consists of six subsidiary banks in SEE of which four exceed a market share of 10%, several companies for ancillary services (asset management, real estate management, *etc.*), and a limited number of non-core subsidiaries in a controlled wind-down. NLB is a publicly listed company with shares listed on the Ljubljana Stock Exchange and Global Depositary Receipts listed on the London Stock Exchange.

Founded in 1970, Komercijalna banka a.d. Beograd is the third largest bank in Serbia ranked by total assets with a 10.2% market share, and is Serbia's largest bank by number of branches. The bank has subsidiaries in two other SEE countries: Bosnia and Herzegovina and Montenegro. It also provides investment fund management services through KomBank Invest a.d. Beograd. It has been listed on the Belgrade Stock Exchange since August 2006. The Republic of Serbia has been the bank's majority shareholder with an 83.23% ordinary shareholding since November 2019, when it purchased shareholdings back from a number of international financial institutions (such as the EBRD and the IFC).

As a result of the transaction, NLB became the third largest banking group in Serbia with the acquisition of KB increasing NLB's market share from approximately 2% by total assets to over 12% on September 30, 2020. The bank announced that "the business operations of the NLB Group in Serbia will be (besides the Slovenian market) the largest and most important one, adding more than 800,000 active retail customers and the largest distribution network in the country of 203 branches to NLB's existing operations." Additionally, the acquisition increased the loans to customers of the NLB Group by almost EUR 1.8 billion and deposits by approximately EUR 3.3 billion. ■

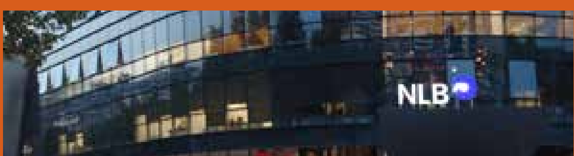
On the Client Side

Families grow and evolve and so has ours. We are extremely happy to be able to wish our new colleagues from Komercijalna Banka a very kind and warm welcome to the NLB Group family. We are also extremely proud that we have brought this acquisition process to an end, in accordance with the timeline that we anticipated at the time of signing. The transaction is another important milestone in NLB Group's transformation to become a regional champion.

– Blaz Brodnjak, CEO, NLB Group

We are extremely pleased with the successful closing of this transaction, as an important indicator of investor confidence in Serbia, despite all of the challenges that the whole world faces this year. The decisive and timely reaction of our government ensured maintained macroeconomic stability, all the while keeping public finance under control. As a result, Serbia achieved the best result in terms of economic growth in Europe, which is exactly what a serious financial institution such as NLB recognized. I am confident that with a clear vision and strategy, NLB is bound to bring fresh and positive energy to our financial sector. Moreover, the financial injection generated through this transaction will be used responsibly, both to repay some longstanding and expensive debt, and for new investments so as to further support economic growth in Serbia.

– Sinisa Mali, Minister of Finance, Republic of Serbia



Submission Comments

The entire process lasted 18 months and inter alia involved full blown legal due diligence of KB and its subsidiaries, pre-sale consolidation of ownership structure, through acquisition by the Republic of Serbia of 43% of ordinary shares from EBRD, IFC, DEG and Sweedfund.

– Prica & Partners

This transaction is Serbia's largest financial sector privatization.

In addition to the inherent complexity of this transaction, the onset of COVID-19 has complicated all post signing activities, due to market changes and government measures, border closings, and general work disruption.

– Kinstellar

Shortlist Panel Comments

I voted for it because of the market and more general significance of the deal – privatization of the one of the last remaining state-owned banks, after the first attempt of privatizing it failed.

This deal is significant because of its complexity, not only in relation to legal issues but also in relation to other factors that had an impact on the process of privatization of Komercijalna banka ad Beograd. At the same time, the method of consolidation of Komercijalna banka ad Beograd represents the first transaction of its kind, which is great.

SLOVAKIA: JKBC GROUP'S ACQUISITION OF OTP BANKA SLOVENSKO FROM OTP BANK

Firm	Role	Client(s)
Kinstellar	Seller's counsel	OTP Bank
Schoenherr	Buyer's counsel	KBC Group

Summary

On February 17, 2020, Belgium's KBC Group and Hungary's OTP Bank jointly announced that they had reached an agreement whereby OTP Bank sold 99.44% of the shares in OTP Banka Slovensko – a mid-sized Slovakian bank. The deal was closed on November 26, 2020.

OTP Banka Slovensko had been operating in the Slovak market as a universal bank since April 4, 2020. At the time of the deal, it had a market share of 1.75% in deposits and 1.85% in loans, operating 58 branches throughout the country and serving roughly 176,000 retail customers and 14,400 corporate and SME customers.

Established in 1998 as a result of the merger of two Belgian banks (Kredietbank and CERA Bank) and one Belgian insurance company (ABB Insurance), the KBC Group employs over 42,000 people and offers banking or insurance services to over 11 million clients.

KBC was already present in the Slovak market through Ceskoslovenska Obchodna Banka (CSOB). Prior to the merger with OTP Banka Slovensko, CSOB reported a 12.9% market share in terms of mortgages and 4.7% in terms of consumer loans.

According to KBC, the merged entity will "substantially strengthen CSOB's bank-insurance franchise in Slovakia and enhance its cross-selling potential with CSOB Poist'ovna, CSOB Leasing, and CSOB Asset Management." The Belgian group projected that the acquisition would "further consolidate CSOB's current position of fourth on the Slovakian banking market in terms of assets, with a market share of approximately 12.6%."

M&A deals in the Slovak banking sector have been very rare with the last such acquisition taking place in 2015. ■

On the Client Side

Acquiring OTP Banka Slovensko further strengthens our share of the Slovakian market, where we are already present through CSOB since 2002. We will be able to benefit from economies of scale and increase our visibility in this highly competitive market, to the advantage of all our stakeholders. This transaction is fully in line with our strategy, which focuses on becoming the reference bank-insurance group for retail customers, small and medium-sized enterprises, and midcaps in all our core markets. It will create opportunities for us to offer high-level financial solutions to an even wider range of customers.

– Johan Thijs, CEO, KBC Group

Our entry into the Slovakian market will always be memorable for us, as it was our first step on the path to becoming a regional banking group that is currently active in over 10 countries. I would like to thank our management and staff at OTP Banka Slovensko for their professional and devoted work of nearly two decades. During this time, our subsidiary bank has been a stable market player providing high-quality services in Slovakia.

– Sandor Csanyi, Chairman and CEO, OTP Bank Group

Submission Comments

KBC was selected by OTP as preferred acquirer in the highly competitive auction between various banking groups active in Slovakia. This auction was under close scrutiny by the media in Slovakia, due to its unique character within the Slovak banking market and also due to the high number of potential acquirers.

Especially obtaining of the consent of regulators was very challenging due to the in-depth review of, and complex requests by, both regulators which caused the consent proceedings to take more than eight months.

– Schoenherr

Shortlist Panel Comments

This was a strategically important deal for the Slovak financial sector. It ran as an auction with lots of regulatory issues.

No doubt one of the most visible and talked about deals of 2020.

M&A transactions involving financial institutions happen only every now and then, so this was a quite important deal for the Slovak market.

SLOVENIA: SARTORIUS STEDIM BIOTECH'S ACQUISITION OF BIA SEPARATIONS

Firm	Role	Client(s)
E+H Eisenberger + Herzog	Buyer's local counsel	Sartorius Group
Milbank	Buyer's lead counsel	Sartorius Group
Rojs, Peljhan, Prelesnik & Partners	Buyer's local counsel	Sartorius Group
Schoenherr	Seller's counsel	BIA Separations

Summary

On October 2, 2020, Germany-based Sartorius announced it signed a deal to acquire a 100% stake in Slovenia-based BIA Separations. The deal was closed on November 2, 2020.

According to Sartorius, the total purchase price of the transaction was EUR 360 million, of which EUR 240 million were paid in cash and EUR 120 million in Sartorius Stedim Biotech shares. Three tranches of earn-out payments based on performance, over the next five financial years, were also agreed upon.

Headquartered in Ajdovscina, Slovenia, BIA Separations develops and manufactures products for purification and analysis of large biomolecules, such as viruses, plasmids and mRNA, which are used in cell and gene therapies and other advanced therapies. The company was founded in 1998.

The Sartorius group is an international pharmaceutical and laboratory equipment supplier. Headquartered in Gottingen, Germany, the company employs over 10,600 people and reported a sales revenue of EUR 2.3 billion for 2020 with a 29.6% EBITDA margin. Its Lab Products & Services Division concentrates on serving the needs of laboratories performing research and quality control at pharma and biopharma companies and those of academic research institutes.

Sartorius announced it will integrate BIA Separations into the Sartorius Stedim Biotech subgroup, and that it is expecting a "very strong double-digit sales growth over the next few years" from BIA Separations. ■

On the Client Side

BIA's portfolio is highly complementary to Sartorius. We are thus creating an excellent offering for the manufacturing of gene therapies and other advanced therapies, and are pleased to welcome 120 new employees.

– Joachim Kreuzburg, CEO, Sartorius

I'm especially excited that our combined R&D groups will result in one of the strongest development teams in bioprocessing worldwide, which will rapidly increase the number of products under development while substantially reducing time to market.

– Ales Strancar, Founder and Director, Bia Separations

Submission Comments

The deal – largest in terms of deal value to be signed and closed in Slovenia in 2020 – was marked by an extraordinary pace, a mix of applicable legal systems, and seamless cross-border collaboration of four leading law firms.

The transaction is undoubtedly a landmark and a clear precedent for future deals – in the growth-intensive (bio)tech sector and beyond.

– Schoenherr

Shortlist Panel Comments

Deal of the year. Short transaction period.

Largest size in terms of price in 2020, target has potential of becoming an important regional biotech player. Complex also due to extremely many interested buyers and due to certain involvement of the state on the sell side.

Largest deal in terms of deal value with various complex aspects also having to be attended.

TURKEY: TURKCELL RESTRUCTURING

Firm	Role	Client(s)
ASC Law	Shareholder's Turkish law counsel; Borrower's Turkish law counsel	Turkish Wealth Fund; Ziraat Bank
Clifford Chance	Escrow Agent's English law counsel	Citibank
Durukan + Partners	Shareholder's Turkish law counsel	IMTIS Holdings (LetterOne)
Herguner Bilgen Ozeke	Shareholder's Turkish law counsel	Telia
Kabine	Shareholder's Turkish law counsel	Cukurova Group
Kinstellar	Shareholder's anti-trust Ukrainian law counsel	Turkish Wealth Fund
Milbank	Shareholder's English law counsel; Borrower's English law counsel	Turkish Wealth Fund; Ziraat Bank
Nazim & Co	Shareholder's anti-trust Turkish Republic of Northern Cyprus law counsel	Turkish Wealth Fund
Skadden, Arps, Slate, Meagher & Flom	Shareholder's English law counsel	IMTIS Holdings (LetterOne)
Sorainen	Shareholder's anti-trust Belarus law counsel	Turkish Wealth Fund
Stibbe	Shareholder's Dutch law counsel	IMTIS Holdings (LetterOne)
Sulivan & Cromwell	Shareholder's English law counsel	Telia
White & Case	Shareholder's English law counsel	Cukurova Group

Summary

This deal represents the largest acquisition in Turkey in 2020 with a cumulative value of USD 2.13 billion. It is also a milestone transaction, as Turkcell is among the ten most valuable and recognizable companies in Turkey and one of the largest national telecom operators and providers in the country. Turkcell is also the third largest telecoms operator in Europe and is the first and only Turkish company whose shares are traded on both the Istanbul and New York stock exchanges. It is active in various jurisdictions like Ukraine, Belarus, and Northern Cyprus.

The transaction was especially burdened with a deadlocked board as a result of litigation proceedings and disputes between controlling shareholders. This conflict spurred action from the Turkish capital markets regulator, who took control of the board to ensure continued management of Turkcell during the litigation proceedings.

The restructuring transaction was completed on October 22, 2020, ending the disagreements between Turkcell's indirect shareholders. The result saw the Turkish Wealth Fund becoming the largest shareholder, with effective control of the board of directors, with a 15% ownership of privileged shares within its 26.2% shareholding. This allowed the TWF to appoint five out of nine directors on the board. LetterOne increased its stake from 13.2% to 24.8% while Swedish telecom company Telia and Turkey's Cukurova Holding divested their entire stakes.

Additionally, the transaction resulted in the release and settlement of multi-billion dollar claims and counter-claims existing among the three incumbent shareholders across a number of jurisdictions. Cukurova's financing arrangements with Ziraat Bank which were secured by, among others, Cukurova's indirect interest in Turkcell, were also restructured. This resulted in the restructuring and repayment of USD 1.6 billion principal outstanding debt and accrued interest. ■

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DEAL EXPANDED: KABINE LAW OFFICE'S TUVAN YALIM, GULCE KESKIN, AND OZGECAN KORKMAZ TALK ABOUT THE DEAL OF THE YEAR IN TURKEY

Tuvan Yalim

CEELM: First, congratulations on winning the Deal of the Year Award in Turkey!

Yalim: Thank you so much. We are delighted about it.

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

Yalim: Of course. Turkcell is the leading cellphone operator in Turkey. With this deal, the three major shareholders of Turkcell, namely the Cukurova Group, a Turkish business conglomerate, L1, a Russian-backed investment group, and Telia, the leading Scandinavian telecoms operator, transferred their controlling stake in Turkcell to the Turkish Sovereign Wealth Fund. The transaction also resulted in the settlement of long-standing international arbitrations and litigations among Turkcell's major shareholders. Due to Turkcell's business and market position, as well as the nature of the transaction, the deal required in-depth knowledge and engagement in many practice areas, such as dispute settlement, corporate law, mergers and acquisitions, capital markets, banking, telecommunications, and competition.

Korkmaz: In terms of the role we played, Kabine Law Office acted as principal counsel of the Cukurova Group and closely engaged with the parties and their counsel throughout the transaction. Kabine took the leading role in the Cukurova Group's legal team, as we led all negotiations and drafting on behalf of the client, instructed Cukurova's English solicitors, as well as local counsel in many jurisdictions, and advised the client on Turkish law matters. We were very familiar with the historical dynamics of the transaction, as well as the legal framework and structural issues to be resolved, as Kabine has been advising Cukurova on Turkcell-related matters for many years.

Keskin: In addition to the roles mentioned by Ozgecan, I should note that Kabine played another key role in the deal, as we undertook the corporate management and maintenance of the various joint-venture companies of Turkcell's shareholders in several jurisdictions. All three major shareholders trusted us and effectively assigned this role to Kabine, which was critical in the execution of the transaction. We also led and organized all aspects of the due diligence workstream on behalf of the sellers, including the establishment and maintenance of the data room.

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

Korkmaz: Our firm has been acting for the Cukurova Group for many years. For instance, Kabine advised the Cukurova Group in almost all their cross-border transactions, as well as their international arbitrations and litigations, for the last decade. Cukurova is therefore familiar with our team's professionalism and expertise in the relevant fields.

Keskin: So, it did not come as a surprise to us that the Cukurova Group preferred to work with us on this deal, but we were all very excited to be a part of this transaction from the beginning.

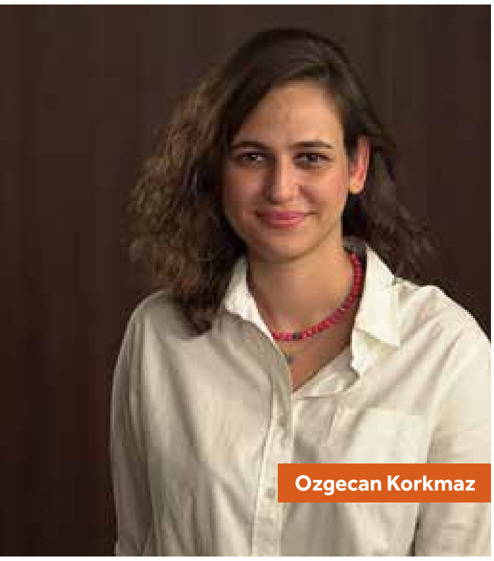
CEELM: What was the most difficult part of this deal and how did you/your team circumvent it?


Gulce Keskin

Yalim: This was a multi-party deal where three major shareholders, with very different backgrounds and objectives, had been engaged in legal battles for the control of Turkcell, in many jurisdictions, for the last 15 years. There was also the added complexity of the involvement of top-level state entities, such as the Turkish Wealth Fund and the largest Turkish state bank. As a result, there were diverging incentives to be aligned and highly contentious issues to be resolved. Our firm's approach in such a complex deal was to be practical, business-minded, and results-oriented. With instruction and support from our client, we managed to conclude a deal that achieved the optimum result for the client.

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

Korkmaz: Despite the animosity among the major shareholders, because of the complex and costly litigations and arbitrations that had been ongoing for a long time, the parties and their counsel were able to constructively work with each other in the context of this transaction to achieve the desired outcome.


Ozgecan Korkmaz

Keskin: I agree. I think this was made possible due to the optimal transaction structure which was put in place at the beginning, and which was continuously adjusted as things progressed over the course of the deal. The highly professional deal teams and the trust and goodwill gradually built over time among the parties also contributed a great deal to the successful conclusion of the transaction.

CEELM: Looking back at the whole process, would you do anything differently if you had a second go at it?

Yalim: Looking back, we obtained the desired result for the client, with minimal inconvenience. We are satisfied with how the process was run and I don't think we would do anything significantly different.

CEELM: In your view, what is the significance of this deal for the Turkish market? Why do you believe the judges voted for this deal over the others?

Korkmaz: Turkcell is the first and leading GSM operator of Turkey, with a pioneering role in digitalization and innovation. With this deal the long-standing shareholder disputes were resolved, for the benefit of all stakeholders of Turkcell.

Keskin: I think the value of the deal and its complexity must have been factors that affected the judges' votes. The deal involved the settlement of ongoing disputes, a complex transaction structure executed simultaneously in many jurisdictions, the dissolution of multiple joint ventures and shareholder agreements, as well as regulatory complexities. As Turkcell is a regulated telecommunications company that is listed on both Borsa Istanbul and the New York Stock Exchange, and the undisputed market leader in its business, the deal involved important capital markets, telecommunications, and competition implications.

CEELM: Can we look forward to future similar restructurings? Why/why not?

Yalim: The Turkcell transaction is a unique one involving a complex structure with three major shareholders and a secured lender, and the settlement of high-profile international disputes. It is not likely that a transaction of this size and complexity will occur in the Turkish market in the short term. However, there has been a wave of restructurings in the Turkish market, mostly in the banking and finance market, and it is likely that there will be future restructurings in that field, among other things, due to the recent devaluation of the Turkish Lira.■

UKRAINE: QTERMINALS CONCESSION OF BLACK SEA PORT OF OLVIA

Firm	Role	Client(s)
Clyde & Co	Concessionaire's international counsel	QTerminals WWL
EY Law	Grantor's counsel	Ministry of Infrastructure; Ukrainian Sea Ports Authority
Kinstellar	Concessionaire's Ukrainian counsel	QTerminals WLL

Summary

Qatar-based port operator QTerminals has entered into an agreement with the Ukrainian Ministry of Infrastructure for the 35-year concession of the Black Sea Port of Olvia. Ukraine's Ministry of Infrastructure prepared the pilot port concession project with the assistance of the EBRD and the IFC.

QTerminals, which also operates Qatar's main seaport, the Hamad Port, plans to invest up to USD 120 million for the modernization and development of the Port of Olvia and will also contribute an additional USD 2.9 million to the development of local infrastructure.

The Port of Olvia is located in Ukraine's Mykolaiv region, on the left bank of the Dnieper-Bug estuary. It is primarily used for transporting grain and construction materials and extends over a 178-hectare area. Before the concession, it had eight berths and could accommodate 40-meter-wide vessels with a length of up to 250 meters. It could process up to five million tons of general cargo per year and employed around 600 skilled workers.

The deal was a significant step forward for Ukraine, for both the infrastructure sector and foreign investment into the country. The joint efforts of the Ukrainian authorities, QTerminals, and all of their advisors have charted a way forward for subsequent PPP projects. ■

From the Lawyers on the Deal

We are delighted to see QTerminals selected as the winner in such a benchmark project and are happy to have contributed to, and to be a part of, this success. We will work alongside Clyde & Co and use the wealth of experience of Kinstellar's team in the infrastructure, real estate, corporate, regulatory and financial sectors to ensure the successful implementation of the project to the mutual benefit of the investor and the state.

– Oleg Matiusha, Counsel, Kinstellar

The Port of Olvia project represents a significant development for Ukraine's maritime sector and Ukraine's privatization efforts. This is a landmark achievement for QTerminals and certainly cements its position as one of the leading port operators in the world.

– Lee Keane, Corporate Partner, Clyde & Co

On the Client Side

We are excited to deliver a long-term investment into the Port of Olvia – the object of particular importance to QTerminals and a starting point for our expansion into Ukraine. We are highly committed to modernizing and developing the Port at the highest degree of efficiency and safety. The tender itself proved to be a transparent procedure that met the highest global standards. We are grateful to our legal advisors Clyde & Co and Kinstellar for their excellent service, and their quality, practical advice and guidance resulting in this success.

– Neville Bissett, CEO, QTerminals

Submission Comments

This is the benchmark project that will be used as a precedent and a successful example for the further similar PPP and concession projects in port, road and airport sector in Ukraine.

– Kinstellar

Shortlist Panel Comments

One of the first two concessions in Ukraine was clearly a landmark transaction and an important precedent.

Innovative, challenging, complex, biggest DFI to Ukraine in the past number of years, precedent-setting deal. Required high-level legal expertise.

This is the first (one of the two) proper concession projects, which should be a basis for other PPP/ concession projects not only in the sea-port infrastructure but other industries as well.

DEAL EXPANDED: EY LAW'S BOGDAN MALNIEV INTERVIEWS THE HEAD OF THE PPP UNIT OF THE MINISTRY OF INFRASTRUCTURE OF UKRAINE, TARAS BOICHUK

Bogdan Malniev

EY Building a better working world

Malniev: You were the driving force behind the Government's preparation of the pilot concessions. Can you tell us a bit about how this started?

Boichuk: It was so long ago that few people actually remember the story. What the private sector saw from the announcement of the tender was just the tip of the iceberg. The preparation of the project started in 2016 and it took three years of hard work within the Government to actually prepare the projects and launch the concession tenders.

Malniev: And there were a few difficulties along the way.

Boichuk: You might say that. Some minor things like changes of the President and Parliament, Martial Law, and, when we thought it couldn't get any worse, COVID-19 knocked on our door. But the persistence and professionalism of the project team saved the day.

Speaking of difficulties, as you also well remember, the project began under a different law on concessions than the one under which it was completed.

Malniev: Yes. And we had to run the concession tender under the archaic old concession law, while the concession contract had to marry both the old and new legal reality. The legal approach we had to take in this situation would be well understood by genetic engineers.

Boichuk: I would say another complication stemmed from the nature of PPP itself. These kinds of projects exist in parallel in two worlds. On one side is the public sector, where the grantor operates within the government's bureaucracy. It is typically very conservative in its interpretation of the law (government officials do not like taking any risks), while being ultimately responsible before the constituents for the success of the project to the benefit of the nation. On the other side, you have private businesses, which have a completely different mindset.

Malniev: Could you comment on this as the person whose job was basically to bridge this gap and get the deal done?

Boichuk: Yes, this was the key difficulty, and I would argue that, in our case, this was even harder than for others. When we started out, our government had zero experience with


Taras Boichuk

these kinds of projects and, to be honest, did not quite have a perfect track record in dealing with private investors. The same could be said about the other stakeholders – municipal authorities were skeptical, labor unions were wary, and I would also say that some private businesses very much lacked an understanding of how this project could be done. Our office's role was to be an intermediary between all these sides, explaining the benefits of the project, its structure, the roles and responsibilities of all participants, and to basically get everyone on board. It was not easy to sell this thing to everybody.

Malniev: I can imagine this was truly a difficult part of the project.

Now that the first concessions have been signed and are moving forward, the idea of PPPs has suddenly become hugely popular in Ukraine. Transport infrastructure is of course leading the way with new concessions in ports, roads, railway stations, *etc.* In line with the general decentralization trend in the country, municipalities are increasingly taking a lead – with already announced projects in healthcare, and possibilities in energy, transportation, and social infrastructure. What would you, as a true pioneer of this area in Ukraine, recommend to those at the beginning of this winding road?

Boichuk: First, talk to everybody. It is crucial to identify all stakeholders at the beginning of the project and to structure an efficient and professional communication channel with them. These projects always involve multiple parties on both the public and private sides, and they only work when all key sides are on board. It is very important to heed the interests of the impacted communities and labor unions and involve them from the very outset. It may be hard in the beginning, but trust built from honest and active communication will pay golden dividends at the later stages of the project.

Second, assemble a strong project team. You need a governmental project management office that leads the way, you need a lead transaction advisor (the IFC did a fantastic job here), and you need financial, legal, technical, and environmental consultants. Support of the transaction from IFIs (such as EBRD and IFC) helps build trusting relationships with potential investors. Quality of people matters – the team must have expertise both in how these kinds of projects are done in terms of international practice and in terms of local laws, regulations, practices, and public sector realities. And always remember that no force on earth can stop an idea whose time has come.

Anything you might add yourself?

Malniev: Fully agreeing with your points – I would add a third: be flexible, open-minded, and creative. A project of this complexity is unlikely to be a straight road to success. There are bound to be unexpected situations, positions of stakeholders, changes in government, changes in laws, legal challenges, *etc.* All of these have happened in our case, and all had to be accommodated and dealt with. You have to be well-prepared, but also be ready to improvise when the situation demands it. I think both of us pretty much had to do that in our respective roles to get the job done.

My final advice goes to the lawyers and probably applies to all types of deals – but it is especially pertinent to multi-party PPPs. Fight for your client but remember that, ultimately, it is your job to get the deal done. Do not be afraid to suggest a compromise, especially if there may be no other way to achieve the result. ■

2020 CEE DEALS OF THE YEAR
FINAL SELECTION COMMITTEE

We would like to thank the members of our Final Selection Committee for their dilligent review of the submissions, input, and comments:

- **Christian Blatchford, General Counsel, Energo-Pro**
- **Kevin-Paul Deveau, Partner, Reed Smith**
- **Ron Given, Central European Counsel-at-Large**
- **Judith Gliniecki, General Counsel, CEE Equity Partners**
- **Bora Kaya, Head of Legal, GAMA Holding**
- **Jonathan Marks, Partner, Slaughter and May**
- **Agnes Molnar, Partner, Trabers Thorp Alberga**
- **Mihaela Scarlatescu, Head of Legal and Compliance Director, Farmexim & Health Net**

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Bosnia & Herzegovina

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Bulgaria

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