

Raiffeisen Research on MCI Capital

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According to the newest report prepared by Raiffeisen Research – MCI Capital is the only listed private equity company and the largest digital PE firm in CEE with ca. PLN 2.8 bn (EUR 601 mn) gross AUM (i.e. total AUM + financial commitments available) in its two primary funds MCI.TechVentures 1.0. and MCI.EuroVentures 1.0.

- The Group targets companies which show promising business models, such as providing digital infrastructure to support the transition towards a more data driven economy. Those include investments in e-commerce, fintechs, insurtechs, payment processing, medtech, edtech and software as a service companies. This is reflected in the strong track record with an IRR of 27% and a 2.5x multiple on invested capital on exits since 2012, with an average holding period of just 3.5 years on the buyout and expansion portfolio. Most prominent were recent partial exits from Netrisk and Pigu.lt and the 2020 exit of Atman.

- The Group's investment focus is on participations which generate positive EBITDA and have an equity ticket size of ca. EUR 25-100 mn. The expected organic growth rate is 20-50% p.a. at the time of investment, while the target company should hold at least a top-3 market position.

- MCI is not dependent on regular cyclical fundraising. MCI has completed +100 investments and has real ownership of its assets (balance sheet fund/model), whereas some of its CEE peers operate as commitment funds.

- The valuation of MCI seems rather undemanding relative to comparable firms in Europe with a discount of 48% to its NAV, especially in the light of planned exits over the course of the coming years.

Read more in the attached report:

[MCI Spotlight 1022 final](#)