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Mezzanine Management fully exits MBL

Mezzanine Management has sold its significant minority stake in MBL Group, a leading European manufacturer of medical mobility devices it has backed for nearly four years, in a sale to INVL Baltic Sea Growth Fund. This is the seventh successful exit for Mezzanine Management's AMC Funds in the last 12 months. The transaction generates a strong IRR and money multiple for investors following a partnership which saw profits more than double as the business grew.

Mezzanine Management provided a €15 million combined debt and equity package through AMC III in October 2016 to support the company's continued growth. During the four-year partnership, the capital was used for geographic expansion across Eastern Europe, as well as new product development, with new complementary products launched and the firm now boasting more than 60 registered patents.

Founded in 1988, MBL specializes in the production of wheelchairs, rollators, aged care beds and other rehabilitation equipment and makes standard and customized parts for wheelchairs, such as front and rear wheels, quick release axels, front forks, bearing housings, foot rests, hand brakes and more. The firm was set up by the Lauritsen family in Silkeborg, Denmark, where it continues to be headquartered and run by the same family. The business opened a production facility in Piotrków Trybunalski, Poland in 1991 and another in Xiamen, China in 1998. Today MBL employs over 1,400 people globally and generated revenues of €66 million in 2019.

Martin Bichel Lauritsen, part of the MBL family and current Managing Director of MBL Poland and MBL China, will be replacing Mogens Bichel Lauritsen as CEO as part of the firm's carefully considered succession planning.

Piotr Sadowski, Partner at Mezzanine Management, commented:

"We are very pleased with the results of our nearly four-year partnership, during which time the company improved its market position, introduced many innovative products, and ultimately improved its financial performance. We are happy that we could be part of this development. We are confident that Martin's experience and passion make him incredibly well placed to take the helm, and that INVL's support will ensure the business can continue its impressive development."

Mogens Bichel Lauritsen, CEO of MBL, commented:

We are grateful for the financial support and regional expertise of AMC III over the last four years. Their backing helped us to strengthen our business through new products and geographic expansion, and it is fitting that with the business in excellent financial health I hand the role of CEO to Martin, whose unrivalled expertise in MBL make him a natural successor."

Nerijus Drobavičius, Partner at INVL Baltic Sea Growth Fund, commented:

“We are very excited to continue investing in the broader healthcare sector, which offers enormous growth opportunities in Europe and beyond. We are delighted to be partnering with the Lauritsen family who have built MBL into a true world leader of medical mobility devices with a proven track record for R&D and innovation. We are confident that MBL will continue to cement this position by expanding its product range which significantly benefits the quality of life for those who depend on MBL’s products.”

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Mezzanine Management is currently investing from AMC Capital IV, which closed on €264 million in 2018 and is the firm’s largest vehicle to-date. After providing subordinated debt and structured growth capital to the region’s mid-market for the last 20 years, the firm is currently adding a direct lending strategy to its regional private debt platform to address the growing yet underserved opportunity in its core market of Central Europe.

Mezzanine Management is the exclusive advisor to the Accession Mezzanine Capital group of funds, whose total investments exceed €750m. Mezzanine Management has been operating in Central and Eastern Europe since 2000 through its offices in Vienna, Warsaw, Bucharest, Budapest and Prague. The funds’ investment portfolio is diverse, with more than 50 transactions across 12 countries in CEE. The funds are backed by reputable institutional investors, including the European Bank for Reconstruction and Development, the European Investment Fund and a number of banks, funds of funds, pension funds and insurance companies.

INVL Baltic Sea Growth Fund

[\(https://bsgf.invl.com/fund-overview/\)](https://bsgf.invl.com/fund-overview/)

INVL Baltic Sea Growth Fund with its total size of €165mn is the largest private equity fund in the Baltics with the European Investment Fund (EIF) acting as its anchor investor. The Fund seeks to assemble a diversified portfolio of companies, targeting majority or significant minority stake deals and writing tickets of €10mn to €30mn, that showcase high growth potential and the ability to compete on a truly global basis. The Fund is focused on the Baltic States and the neighbouring regions of Poland, Scandinavia and Central Europe specifically. The Fund so far has invested in three companies within the healthcare, civil engineering and environment management (plastic recycling and waste management) sectors respectively.

The Fund is managed by one of Lithuania's leading asset management companies INVL Asset Management, which is part of the Invalda INVL group. The group's companies manage pension and mutual funds, alternative investments, individual portfolios, private equity assets, and other financial instruments. Over 200,000 clients in Lithuania and Latvia and international investors at the end of 2019 have entrusted the group with more than €1bn of assets under management. Active since 1991 and with a solid track record, Invalda INVL boasts 28 years worth of experience in managing private equity assets in the Baltic countries and CEE landscape while developing companies into best-in-class market leaders.