

 Early Warning System

EBRD-54830

DFF - New Europe Vending/IVP Fund I loan Romania



Quick Facts

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|--------------------------------|---|
| Countries | Romania |
| Financial Institutions | European Bank for Reconstruction and Development (EBRD) |
| Status | Approved |
| Bank Risk Rating | B |
| Voting Date | 2024-03-19 |
| Borrower | New Europe Vending S.a.r.l |
| Sectors | Industry and Trade |
| Investment Type(s) | Loan |
| Investment Amount (USD) | \$ 11.95 million |
| Project Cost (USD) | \$ 21.33 million |



Project Description

According to the Bank's website, IVP Fund I, through the Borrower, New Europe Vending S.a.r.l, recently acquired a majority / controlling shareholding in O'Fresh in Romania, with ambition to grow it both organically and through (potential) add-on acquisitions in the SEE region. The project will support: (i) through (a committed) Loan Tranche 1, this recent majority-acquisition by IVP Fund I of O'Fresh; and (ii) through (an initially uncommitted) Loan Tranche 2, potential add-on acquisitions and/or capital investments by the Borrower and/or O'Fresh (subject to their further assessment).

By supporting IVP's recent acquisition of O'Fresh, the project will enable promoting IVP's plans related to: (i) increased market outreach by O'Fresh, including in its recently new sub-segments (bottle-free water coolers / purifiers, office coffee solution, self-service bistros); (ii) improved productivity and efficiencies of scale in O'Fresh; and (iii) enhanced governance through the proper functioning of the new Board of O'Fresh. In parallel, as condition of EBRD financing, the Borrower and O'Fresh will undertake that new vending machines that will be purchased and acquired by O'Fresh will have improved EU energy label classification of C or above (which have higher energy efficiency).



Early Warning System Project Analysis

Categorised B (ESP 2019). The installation and operation of vending machines is associated with limited environmental and social impacts.



Investment Description

- European Bank for Reconstruction and Development (EBRD)

EBRD Finance Summary: EUR 11,000,000.00

A structurally subordinated, payment-in-kind (PiK) loan with long term tenor, comprised of:

- Loan Tranche 1 of EUR 6.0 million to be committed at signing to support (by refunding part of the "bridge funded" costs in relation to) the recent majority-acquisition by IVP Fund I of O'Fresh
- Loan Tranche 2 of up to EUR 5.0 million, which will be initially uncommitted and may be committed in the future (upon request of the client and) at the discretion and subsequent approval of the EBRD to support potential add-on acquisitions and/or capital investments.

Total Project Cost: EUR 19,640,000.00



Private Actors Description

- Borrower: New Europe Vending S.a.r.l incorporated in Luxembourg, which is (indirectly) fully owned by IVP Fund I and which recently majority-acquired O'Fresh.
- IVP Fund I (Investor): Evolving Europe Principal Investments I SCSp incorporated in Luxembourg, which is a private equity fund focused in the CSEE region and in which EBRD is (and alongside IFC and EIF are) limited partner investor(s).
- O'Fresh: Vending Zone SRL incorporated and operating in Romania, which is an SME that is one of the main operators of snack and (cold / hot) beverage vending machines in the country.



| Private Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation | Private Actor 2 | Private Actor 2 Role | Private Actor 2 Sector |
|-----------------|----------------------|------------------------|----------|----------------------------|----------------------|------------------------|
| - | - | - | - | New Europe Vending S.a.r.l | Client | - |
| - | - | - | - | O'Fresh Vending Solutions | Undisclosed | - |



Contact Information

COMPANY CONTACT INFORMATION

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ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form:

<https://www.ebrd.com/eform/information-request>

ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent.

You can contact the PCM at: pcm@ebrd.com or you can submit a complaint online using an online form at:

http://www.ebrd.com/eform/pcm/complaint_form?language=en

You can learn more about the PCM and how to file a complaint at: <http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html>