

Morphosis Capital Fund I combined portfolio grew 49% in 2021 vs 2020

Morphosis Capital Fund I Cooperatief UA, a growth equity fund, reports a 49% combined increase in turnover of its portfolio companies in 2021 compared to 2020. In 2021, the six portfolio companies of the fund generated combined revenues of 47 million euros. Morphosis Capital's portfolio includes the following entrepreneurial companies: DocProcess, Medima Health, Dr Leahu Dental Clinics, EMI, Cronos Med and Stay Fit Gym.

"In 2021, Morphosis Capital's portfolio doubled, reaching six companies from three key sectors of the Romanian economy. As a growth equity fund, our number one priority is to turbo charge companies in which we invest and turn Romanian entrepreneurs' vision into reality. We are thrilled that in 2021, in close partnership with six founders, we managed to accomplish accelerated growth for all our portfolio companies, despite the very challenging context," stated **Andrei Gemeneanu**, *Managing Partner at Morphosis Capital*.

All the portfolio companies continued their accelerated development in 2021, and consequently, there were a total of six bolt-on acquisitions and ten organic expansions realized by Medima Health and Dr Leahu Dental Clinics. The number of full-time employees in the six entities grew in 2021 from 565 to 713 professionals, with the portfolio companies thus creating almost 150 new jobs last year.

"We decided to measure our portfolio companies' impact in 2021, using the Global Reporting Initiative (GRI) indicator followed by investors globally, of economic value generated and returned to the economy. The monetary value of 50 million euros deployed in 2021 alone through salaries, investments in development, contributions to the state, community, partners, and suppliers is significant. However, the non-monetary impact is even more important to us as an investor. With every new clinic opened, every new company digitalized, or every new job position created, we can see the positive impact that local entrepreneurial companies with access to financing and a daring plan have on Romania's economy," added Andrei Gemeneanu.

The first fund of Morphosis Capital focuses on healthcare and wellness, with four out of six companies having their activity in these industries, namely: Medima Health, the clinic chain specializing in imaging and radiology, Dr Leahu Dental Clinics, the largest dental chain by geographical footprint, Cronos Med, the leader in the medical aesthetics market, and the chain of fitness centres, Stay Fit Gym. Consequently, the emphasis of Morphosis Capital in 2021 has been on bridging the gap in access to healthcare in underserved populations. For instance, Medima Health has opened the only private diagnostic imaging clinic in Calarasi, and the only functional private open MRI in Bucharest to serve patients with claustrophobia. Dr Leahu Dental Clinics, on the other hand, inaugurated the Regional Excellency Centre in Cluj-Napoca, following an investment of 2 million euros.

Morphosis Capital and its partner companies democratized access to high-quality healthcare services in 15 counties across Romania through rapid expansion. This expansion supported the impact that the portfolio companies had and translated into improving the oral health of over 52 thousand patients, correct diagnostic imaging for 30 thousand patients, boosting the confidence of over 29 thousand patients who benefitted from aesthetic procedures as well as improving the physical wellbeing of over 7 thousand individuals. Furthermore, regarding the environmental impact, DocProcess contributed by saving 1,200 trees by processing and archiving documents electronically.

Morphosis Capital Fund I Cooperatief UA was launched in December 2018 with a subscribed capital of 50 million euros and a plan to deploy the capital by the end of 2022 in Romanian entrepreneurial companies in healthcare, technology, manufacturing, and B2B services industries. In 2021, Morphosis Capital deployed capital in three new companies – EMI, the Romanian leader in integrated solutions and services for industrial access, Cronos Med, the leader in the medical aesthetics market, and Stay Fit Gym, the second largest chain of fitness centres in Romania

by the number of clubs operated.

For 2022, the fund still has capital for one more investment in a local company or potentially deploying a follow-up capital with co-investors to one of the six companies already in the portfolio. The final decision in this regard will be made over the year.