

6 July 2018

## Oakley Capital Private Equity

### Oakley agrees sale of Damovo

- **Enterprise Value:** The transaction values Damovo at up to €140 million
- **Proceeds:** LPs to receive €39 million up front with future proceeds of up to €9.3 million
- **Deal Returns:** gross returns are expected to be 5.4x MM, approximately 57% IRR
- **Fund II Net Returns:** This brings Fund II's net returns to LPs to 1.9x MM, approximately 31% IRR

Oakley Capital Private Equity II ("Fund II") is pleased to announce that it has reached an agreement to sell its stake in Damovo Group ("Damovo"), a leading independent European unified communications and collaboration ("UC&C") company, to UK Atlanta Holdings LLC. The transaction, which is subject to regulatory approval, values Damovo at up to €140 million, comprising an upfront consideration of €115 million and further consideration of up to €25 million, dependent on Damovo's financial performance in the year to 31 January 2019.

Oakley invested in Damovo in 2015, in a proprietary deal that was sourced via Oakley's network of business founders and management teams, as is typical for Oakley investments. Matthew Riley, the successful UK entrepreneur and founder of Daisy, another Oakley portfolio company, identified the opportunity to acquire Damovo in a complex carve out. The underlying business units which were in need of new investment, were consolidated into one combined and cohesive company.

Under Oakley's ownership, Damovo has been transformed into a recognised European specialist in delivering and managing critical UC&C solutions for enterprise and public-sector organisations. The business has returned to organic growth by winning and delivering large, multi-year managed services contracts, and this has been supported by the integration of three strategic acquisitions. This growth, as well as a more efficient group structure put in place by the experienced management team, has led to the business more than doubling EBITDA since Oakley's initial investment.

#### **David Till, Senior Partner at Oakley Capital Private Equity, commented:**

"We would like to thank Matthew Riley, Glen Williams, Stuart Hall and the team for their tireless work in transforming the business over the past three years. Damovo is now a very well-respected and competitive player in the growing European market. It has the highest levels of vendor accreditation and has won a number of awards for its excellent customer service. We are proud of the part we have played in its evolution, with the business ideally positioned for its next phase."

A team from EY led by Richard Harding and Olivier Wolf carried out vendor due diligence services for Damovo.

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**About Oakley Capital Private Equity L.P. ("Fund I"), Oakley Capital Private Equity II ("Fund II") and Oakley Capital Private Equity III ("Fund III")**

Oakley Capital Private Equity L.P. and its successor funds, Oakley Capital Private Equity II and Oakley Capital Private Equity III, are unlisted mid-market private equity funds with the aim of providing investors with significant long term capital appreciation. The investment strategy of the funds is to focus on buy-out opportunities in industries with the potential for growth, consolidation and performance improvement.