

PRIVATE EQUITY IN ACTION - CASE STUDY

# Novago



<b>Country</b>	Poland
<b>Region</b>	Mazowieckie
<b>Investor</b>	Abris Capital Partners

Abris invested in Novago, Poland's largest municipal waste management company, in 2013. At that time, the company's core business activities included municipal waste treatment, the production of alternative fuel, landfill and production of energy from biogas.

During the course of its investment Abris helped the company extend its geographical presence, invest in new waste processing facilities, develop a new business strategy and eventually become a fully integrated Waste-to-Energy group.

The sale of Novago by Abris to China Everbright International in 2016 was a ground-breaking transaction, as it represented the largest single Chinese investment made in Poland to date, and the largest acquisition in the environmental treatment industry in Central & Eastern Europe.

## What did the business need?

- Diversification of revenues from a single source at entry
- Professionalisation of management
- Creation of new business strategy

## How did private equity backing create lasting value?

- Completed investment program allowing to secure a strategic position on the changing waste management market
- Developed cost-effective, proprietary technology for waste processing and fuel production
- Re-focused group strategy: built a fully integrated Waste-to-

**47%**

CAGR of processing volume between 2012-2016

**50%**

CAGR of Ebitda between 2012-2016



“Abris’ strong support and strategic input helped us gain new heights and, as a result, Novago became stronger in every aspect.”

**MICHAŁ DĄBROWSKI**

Vice-President of the Management Board  
Novago

## Energy group

- Built a landfill bank capable of providing the company with 100-year capacity at current production levels, all prepared to new EU standards
- Created new development options through additional funding from Abris and EU grants
- Introduced new corporate standards and brought in new COO & CFO
- Executed bolt-on acquisitions to build scale and geographic footprint



## What outcomes did private equity investment achieve?

- Expanded geographical reach: from two locations to six, in four Polish provinces
- Achieved CAGR in Ebitda of 50% and volumes of 47%
- Quadrupled processed volumes
- Achieved revenue diversification - managed to diversify its revenues from single source, to: gate fee, alternative fuel sales, electricity and energy sales, services at Exit.
- Expanded employee numbers to more than 400 from 150 at entry
- Increased market share more than fourfold in Poland
- Launched multiple ESG and CSR initiatives in local community

## More information

[Novago](#)

[Abris Capital Partners](#)