

LPEA

Newsletter

LUXEMBOURG PRIVATE EQUITY &
VENTURE CAPITAL ASSOCIATION



Dear Reader,

The second edition of the LPEA Insights was again a success! The Philharmonie's chamber music room in Luxembourg welcomed 350 participants to listen from our guest speakers how to add value in mid-market PE, identify which motivations continue to drive investors to the asset class and learn the inside stories of three Luxembourg-flavored case studies showcasing how private equity and venture capital is supporting the economy and changing the society.

If you were unable to join us during this exciting afternoon I hereby recommend you to go through the content available below.

As Managing Director of LPEA, I must say it was a real pleasure to host this conference and a delight to welcome all those who joined us in the room and contributed to the construction of this exciting PE/VC hub.

Best regards,

Paul Junck

*Managing Director
LPEA*

RECENT PUBLICATIONS



[Private Equity Insight/Out - Issue 1](#)



LPEA Insights content:

- [Conference notes](#)
- [Introductory slides](#)
- [Picture report by LPEA](#)
- [Picture report by Paperjam](#)
- [Video: LPEA Insights 2018 in a nutshell](#) (more videos to be added in LPEA's Youtube channel)



Upcoming Events



[Private Equity in Luxembourg](#)

[Limited Partnership in Luxembourg](#)



The LPEA AGM will be held on May 7th. All members are invited to attend by registering in the following [link](#). Please note this event is restricted to members of LPEA.

Allen & Overy published a note on the [new regime of taxation of intellectual property rights](#) in Luxembourg. The law firm also published the article "[Initial coin offerings: innovating in a changing market](#)".

Alpha Private Equity has [exited](#) Airline cargo handler ECS Group to Naxicap Partners. (*Real Deals*)

Atoz published a note about the draft bill that proposes to [implement a VAT group regime](#) into the Luxembourg VAT landscape.

Ardian to sell its 25.5 percent stake in Luxembourg utility **Encevo** after expansion plans fall short. (*Reuters*)



Luxembourg Private Equity Workshop in London

3/05/2018

LPEA is organising the private equity workshop that will be held in the context of ALFI's London Conference. The session will provide an update on the latest changes to the legal framework with an analysis on the impact of Brexit. It will also explore how new investors are coming into private equity, the role Luxembourg plays in creating innovative products and will also debate the future of the sector taking into consideration the different challenges GPs face today. Speakers in this workshop include Rajaa Mekouar-Schneider (Kharis Capital), Paul Armstrong (Permira Advisers LLP) and Georg Bucher (Kalrock). Participation in the conference and workshop is free but requires registration in the following [website](#).



Luxembourg PE Breakfast in New York and in Boston

New York: 16 May; Boston: 17 May

Luxembourg's Private Equity activity continues to grow with 19 out of the world's 20 biggest GPs operating in the country. With an attractive legal and tax framework and constantly innovating to accommodate the preferences of GPs and LPs worldwide, Luxembourg is for many years the hub of choice to fundraise and distribute your funds in Europe.

In order to present the latest improvements of its investment framework to US fund managers, the LPEA will be returning to the US with a delegation of professionals to present and discuss the so-called "Luxembourg toolbox".

The breakfasts will also comprise testimonials by local GPs operating in Luxembourg. The New York session will be closed by H.E. Etienne Schneider, Luxembourg's Deputy Prime Minister and Minister of the

DLA Piper Luxembourg announced the [launch of its Intellectual Property and Technology \(IPT\) practice](#), with the appointment of Olivier Reisch as partner and head of the practice.

EQT has [sold E.I.S. Aircraft Group's](#) aviation operations business to science and engineering business QinetiQ. EQT has also made the latest deal from its European mid-market fund, [backing BBS Automation](#). (*Real Deals*)

Investindustrial's founder Andrea C. Bonomi was distinguished in the [Private Equity Awards 2018](#) (Real Deals) with the "Hall of Fame". The firm was also distinguished with "The Environmental and Social Governance (ESG) Award". On a separate note, Snaitech, the Italian gaming and racetrack business backed by **Investindustrial**, has been [acquired by Playtech](#). (*Real Deals*)

Luxempart published its [annual accounts for 2017](#).

OneLife [appoints Antonio Corpas](#) as new Managing Director and CEO. (*Infinance*)

Partners Group [lists portfolio company Aiyingshi](#) on the Shanghai Stock Exchange. Founded in 2005 and headquartered in Shanghai, Aiyingshi is one of China's leading chain retailers in the Maternity, Baby & Child (MBC) product sector.

Pan-European buyout firm **PAI Partners** has [closed its seventh fund](#) at €5bn.

Triton has [acquired Chevron Traffic Management](#), a work zone safety services provider, from Portchester Equity for an undisclosed sum. (*Real Deals*)

Economy and count with the participation of HRH the Crown Prince Guillaume of Luxembourg.

Book your ticket to the [New York breakfast \(16 May\)](#) or to the [Boston breakfast \(17 May\)](#).



Luxembourg VC Breakfast in Berlin 21/06/2018

Luxembourg is a well-known hub for private equity investment across Europe. What few fund managers and entrepreneurs actually know is that it is also a particularly interesting location to establish VC funds. This year LPEA decided to tweak its traditional private equity roadshow and address venture capital managers directly in Europe's trendy start-up capital: Berlin! Join us in this event to discover the Luxembourg fund structuring toolbox and its dynamic VC scene, home to the European Investment Fund and a few other successful VC players. Register [here](#).



Guest Articles



The impact of the Principal Purpose Test on the private equity sector



Other industry events

May 17-18

IPEV Valuation Guidelines

This training will focus on understanding and applying the International Private Equity and Venture Capital Valuation Guidelines
Brussels

May 24

Swiss PE Conference

The Swiss market has for long been a favorite amongst Pan-European investors. The security of the market has ensured steady growth. This has resulted in a type of private equity where international investors meet with each other and with local players.

Zurich

30% discount to LPEA Members using the code PEI_LPEA

May 30

Sustainable Finance Forum Luxembourg

Save the date

June 7-8

Invest Europe

Training: Foundation for Support Staff

Assistants and office managers are introduced to key industry definitions and to the investment cycle via a combination of lectures and a bespoke game.

Brussels

June 14-15

CFO FORUM 2018

Invest Europe's CFO Forum brings together CFOs, COOs and senior finance and fund operations executives to discuss their rapidly evolving roles amid ongoing regulatory developments.

Lisbon

June 26-27

MedFIT

Putting the spot on the most

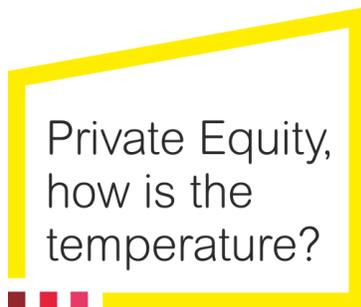
by Audrey Legrand, Tax Director, Deloitte
as featured in *PE Insight/Out, Issue 1*

Luxembourg signed the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting ("MLI") on 7 June 2017 and indicated its intention to apply it to all its double tax agreements ("DTA"), provided the other party is also a signatory of the MLI and has opted to apply the principal purpose test ("PPT"). [[read article](#)]



Cryptocurrencies: Fund structuring – issuing tokens in a fund
by Yannick Arbaut, Counsel, Allen & Overy
as featured in *PE Insight/Out, Issue 1*

Initial Coin Offerings ("ICOs") have made recent headlines in the news, some successful ICOs raising millions in record times. This has sparked an obvious interest in the venture capital and start-up sectors, but also with fund managers. Structuring a Luxembourg investment fund raising money through token sales is a tempting new opportunity; there are however a number of considerations to be taken into account and still some uncertainties. [[read article](#)]



Private Equity, how is the temperature?

by Olivier Coekelbergs, Vice-President of LPEA

The "Private Equity, how is the temperature" provides you with a quick update on current market trends and key data from the Private Equity industry.

Highlights:

innovative start-ups in the medtech and diagnostics sectors, the Start-up slams are the best way for investors to access to innovative products or technology.

LPEA members have access to 1 free ticket (limited) and up to 25% discount.
Strasbourg

June 27



0100 Conference Luxembourg

A one-day event where top-tier GPs & LPs from around the world meet and share insights on best practices in Large Cap PE buyouts. It's a unique opportunity to network with over 200 high profile individuals in the industry. Limited partners, general partners, and C-level executive come together in Luxembourg to share practices and build relationships.

Special conditions for LPEA Members



17th SECA Private Equity & Corporate Finance Conference

This year's SECA conference offers again a wide range of different topics. From VC investments in Europe's Innovation Clusters, to PE Risk and Return, to Real Estate & Infrastructure all the way through to Fintech CVC & VC, to name but a few.

20% discount to LPEA Members



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- Fundraising activity remains strong so far in 2018, with firms closing on funds valued at US\$84b, roughly in line with last year;
- Firms are continuing to raise capital for "core" PE funds, which invest over time periods significantly in excess of the three to five years that is typical for PE;
- Exit activity is down thus far in 2018, driven by a reduction in the number of sales to trade buyers.

LPEA's information flow and community activity on Twitter, LinkedIn and Slideshare.



[\[full article\]](#)



LUXEMBOURG

- [Le private equity, performant mais exigeant](#) (Paperjam)
- [Fintech Awards Luxembourg](#) - The competition is back and open for applications until 30 April via the website: www.fintechawards.lu ;
- [Building a Climate-Positive company?](#) The Benelux Climate KIC Accelerator is open for applications until September 6th.
- Centaur Fund Services announced the [opening of a new service center in Luxembourg](#) following the acquisition of Luxembourg Capital Partners. (Paperjam)

EUROPE

PROFESSIONAL STANDARDS

HANDBOOK

- Invest Europe: [New Professional Standards Handbook \(2018\)](#)
- Invest Europe: [Brexit and private equity: Why suspense is worse than disappointment](#) - opinion article by Michael Collins
- [VentureEU: €2.1 billion to boost venture capital investment in Europe's innovative start-ups](#)
The European Commission and the European Investment Fund (EIF) have launched a Pan-European Venture Capital Funds-of-Funds programme (VentureEU) to boost investment in innovative start-up and scale-up companies across Europe.
- [ESMA finds high degree of asset concentration in EU alternative fund industry](#)

- [EIF Working Paper 2018/48 - EIF VC Survey 2018](#) - Fund managers' market sentiment and views on public intervention

INTERNATIONAL

- [What Trump's tax reforms mean for European private equity \(Real Deals\)](#)



The Luxembourg Private Equity and Venture Capital Association (LPEA) is the representative body of private equity and venture capital professionals in Luxembourg.

With 170 members, LPEA plays a leading role in the discussion and development of the investment framework and actively promotes the industry beyond the country's borders.

Luxembourg disposes of a stable tax regime and is today at the forefront of international PE regulation providing a flexible, secure, predictable and multi-lingual jurisdiction to operate in.

LPEA provides a dynamic and interactive platform for its members to discuss and exchange information and organises working meetings and networking opportunities on a regular basis.

If Luxembourg is your location of choice for private equity, LPEA is where you actually join the industry!

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