

Morphosis Capital closes oversubscribed Fund II at 130 million euros, backed by EIF, EBRD, IFC and a mix of institutional and entrepreneurial capital

Morphosis Capital Partners BV, a growth capital fund, announces the final closing of Morphosis Capital Fund II at 130 million euros. The fund was oversubscribed beyond its initially agreed hard cap and, with investor consents, its size was increased accordingly. Fund II is backed by leading development finance institutions – the European Investment Fund (EIF), the European Bank for Reconstruction and Development (EBRD) and the International Finance Corporation (IFC) – alongside institutional asset managers and over 50 million euros in entrepreneurial capital, contributed by both Romanian and Western European business founders who have built successful companies over the past three decades.

“Closing a 130 million euro fund against the backdrop of macroeconomic uncertainty and political volatility is an extraordinary achievement. When we launched this effort, the idea of doubling the size of our first fund sounded ambitious. The 2023-2025 period when we were fundraising was marked by a high degree of volatility – locally, regionally, and globally. And yet, the continued trust of investors, from global institutions to Romanian entrepreneurs, validated our approach. The old paradigm assumed Western Europe meant stability and Eastern Europe – volatility. Today, volatility is everywhere, but in our region, it comes hand-in-hand with growth. This combination creates opportunity. We are grateful and proud to have built a well-balanced LP base that blends institutional depth with entrepreneurial drive. As we move forward, we look to continue deploying this capital into both Romanian and regional companies that have the ambition and fundamentals to scale. In addition, we think that as an emerging player in Private Equity in Romania and in the region, we have the responsibility towards the ecosystem to walk the talk in respect to performance and reputation, so we remain committed to delivering on both,” said **Andrei Gemeneanu**, *Managing Partner at Morphosis Capital*.

Morphosis Capital Fund II will pursue investments in SMEs active in sectors such as healthcare, B2B services, consumer products and retail, and niche manufacturing. The fund targets companies with EBITDA between 1 and 5 million euros, deploying tickets between 10 and 15 million euros and favoring majority stakes or co-control positions, either independently or alongside co-investors. The fund will pursue investments in Romania and beyond, targeting entrepreneurial companies from Bulgaria, Croatia, Czechia, Poland and Slovakia.

Fund II has so far made three investments: Romania Education Alliance (REA), a private K12 education platform; La Cocos, a Romanian hard discounter hypermarket chain; and EnduroSat, a leading European provider of high-end satellites and space services, marking Morphosis Capital’s first cross-border investment. Over the next 2–3 years, Morphosis Capital anticipates making 2–3 new investments annually from Fund II.

In selecting portfolio companies, Morphosis Capital will continue to focus on businesses operating in growing markets and fragmented industries, with significant potential to scale through organic development or buy & build strategies. The fund prioritizes companies with strong financial performance, a healthy organizational culture and well-defined prospects for mergers and acquisitions, aiming to deliver both growth and clear exit opportunities for investors.

Morphosis Capital Fund II brings together a diverse base of investors, combining institutional strength with entrepreneurial capital. The fund is backed by European Investment Fund (EIF), the European Bank for Reconstruction and Development (EBRD) and the International Finance Corporation (IFC), making Morphosis Capital the only private equity firm with a majority focus on Romania to have secured funding from all three major international financial institutions. EIF’s involvement builds on its anchor role in Fund I and is supported through the National Recovery and Resilience Plan (NRRP) and the InvestEU Fund of the European Union. In addition to institutional investors, the fund is supported by local and international family offices such as Vybro Capital Partners and Inspire Asset Management.

This operation is funded by the European Union – NextGenerationEU with the financial backing of the Government of Romania under the Romania Recovery Equity Fund and benefits from the support of the European Union under the InvestEU Fund.