

MCI increases engagement in Internet ventures FIZ fund

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MCI Management S.A. (MCI), the leading private equity group in central Eastern Europe increases its engagement in Internet Ventures FIZ fund investing in technology companies at early stages of development. As a result of this operation, MCI will manage early-stage funds with a total capitalization of 150 million PLN that are 50% financed by the NCF and PARP. Considering the previous investments of those funds, MCI plans to invest an additional 100 million PLN.

As a result of an agreement concluded between IIF S.A. and MCI Management S.A. and the National Capital Fund, IIF S.A. sells to MCI Management S.A. held investment certificates in the fund Internet Ventures and ceases to act as the entity comanaging the fund.

The concluded agreement will mean that the only investors of the Internet Ventures fund will be MCI Management and the National Capital Fund, in equal 50%-50% proportions.

At the same time, MCI Management S.A. will single-handedly manage the Internet Ventures fund.

The capitalization of **Internet Ventures FIZ** fund is 100 million PLN. The fund's maximum engagement in a company does not exceed EUR1.5 million, and the investment strategy focuses on endeavors at early stages of development in the areas of cloud computing, Internet, software, mobile and wireless technologies. So far, the fund invested in kompan.pl, one of the largest distributors of contextual ads in search engines in Poland.

"We do not exclude further action aiming to consolidate the management of early-stage funds. I believe the market is excessively fragmented, that is why we expect further consolidation by the strongest entities"

– says **Tomasz Czechowicz**, President and Managing Partner of MCI Management S.A.

“We have 100 million PLN at our disposal through our three early-stage funds that we plan to invest over the next three years. The participation of the public investor in the form of the National Capital Fund in our funds enable us to manage risks better in this area of our activity that concerns investments in companies at early stages of development.” – says **Sylwester Janik**, partner at MCI Management S.A.

In addition to Internet Ventures FIZ, MCI has launched in cooperation with public partners (NCF and PARP) two more funds, Helix Ventures Partners FIZ and MCI.BioVentures FIZ.

HVP invests in early-stage projects from the areas of Internet, software and mobile technologies and its capitalization reaches 40 million PLN. By the end of Q3 2012, the fund realized 80% of its investment plan.

MCI.BioVentures FIZ invests in the sectors of healthcare, medtech and life science. The fund has already invested all of the 29 million PLN it gathered. Its portfolio includes such companies as **Genomed S.A.** (medical diagnostics, analysis and synthesis of DNA), **24med** (private emergency rescue service) and **Dom Zdrowia S.A.** (online pharmacy).