

MCI invests approximately EUR12 million in Russian e-fashion leader

24.10.2012

MCI Management S.A. (MCI), the leading private equity group in Central Eastern Europe has invested in Blacksquare Investments Limited (KupiVIP Holding), the largest fashion e-commerce player on the Russian market. Value of the transaction is estimated at EUR 12 million.

MCI will acquire a minority share package in KupiVIP holding, the largest fashion e-commerce company in Russia offering products and accessories of over 1500 brands, thus joining the group of the company's renowned investors. The acquisition of new shares in the company is coherent with the fulfillment of MCI's strategy assuming investing in leading e-commerce companies characterized by high growth potential and geographical portfolio diversification.

"We are under a huge impression of the quality of the managing team and the present results of KupiVIP, as well as investors who had already committed to the development of this company. We want to employ our broad investment experience in e-commerce to support KupiVIP as the main player on the e-fashion market in Russia and Central Europe." said Tomasz Czechowicz, President and Managing Partner of MCI management S.A.

The company established in the year 2008 by Oscar Hartmann operates the KupiVIP.ru website, Russia's largest fashion shopping club and KupiLUXE - luxury fashion label shopping club. It also owns ShopTime.ru, an online store offering a broad assortment of fashion products. The company also provides e-commerce outsourcing for global fashion brands enabling them to sell online.

MCI's investment is aimed at supporting the company in order to exploit successfully the huge potential of the dynamically growing e-commerce market in Russia. MCI will provide capital financing of about EUR 12 million. The investment assets will be used to

fulfill development plans of the company, among others developing order completion systems and financing for the growth by launching new websites.

“The Russian e-commerce market has shown rapid growth and we do not want to lag behind. Our company has been developing dynamically, with over 9 million registered users right now. With this new investment, we are delighted to get the support we need to build a world-class e-commerce company with revenue of 1 billion dollars.” — Oskar Hartmann, General Director of KupiVIP Holding, commented on the investment.

About KupiVIP Holding

KupiVIP.ru was founded by Oskar Hartmann in 2008. Within just four years, the company has become the largest e-fashion player in Russia. KupiVIP Holding operates KupiVIP.ru, the largest online shopping club in Russia, offering over 1500 designer brands in fashion products and accessories with up to 90% off boutique prices through daily flash sales. It also operates online boutique KupiLUXE.ru and online store ShopTime.ru, which offers a wide assortment of fashion products, as well as white label e-commerce services (KupiVIP E-Commerce Services) which offers ready ecommerce decisions: creation, development and customer service for online stores for brands such as shop.quicksilver.ru, mexx-shop.ru and shop.tsum.ru. KupiVIP Holding is based in Berlin, helping it to source international brands, many of which it exclusively sells in Russia and the CIS.