

MCI invests in a leading provider of integrated cloud communication solutions

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Internet Ventures FIZ, an MCI Management Group (MCI) fund whose shareholders include the National Capital Fund (Krajowy Fundusz Kapitałowy S.A.), has invested almost PLN 4 million in Focus Telecom Polska Sp. z o.o. The investment consists in acquiring a minority stake in the company, with the potential option of an additional capital injection amounting to several million Polish zlotys.

Focus Telecom Polska is an innovative technology company providing business communication services based on the cloud computing model. The company is a Polish market leader in Unified Communications as a Service (UCaaS). The company operates an original Unified Communications platform created with business clients in mind in order to increase the effectiveness of customer service processes, sales operations and internal communication. The platform brings together services related to communication management and customer knowledge building (call/contact centres), advanced contact tools for smaller businesses (telco smart office) and group communication (video-conferences and web-conferences). The company provides its services to more than 800 clients, generating revenues amounting to several million zlotys and a sales margin exceeding 60%.

The investment of Internet Ventures FIZ will be allocated to the continued development of the UCaaS platform and to bolstering the sales department in order to reach new clients in the domestic market, as well as to prepare the business model for going global. The company has twice been listed among the fastest developing innovative technology companies in the 2011 and 2012 Deloitte Technology Fast 50 ranking in the “Rising Stars” category. The professionalism of the management team, business potential and high quality of services provided by Focus Telecom Polska have been recognised in the ranking of best managers (*500 Managers of 2013 - Puls Biznesu*) and business telecommunication products (*Best Product for Business 2013 - Gazeta Finansowa*).

“There has recently been great interest in our company both on the part of investment funds and private investors. The decision to collaborate with MCI was taken considering its market experience in supporting companies with an innovative product portfolio. Focus Telecom Polska brings together people who are able to recognise the IT needs of the market and have a client-friendly approach at every stage of the service creation process. Thanks to acquiring such an experienced investor, we will be able to implement our ideas for the development of the platform and specific solutions faster, which will allow us to increase our competitive edge in the Polish market and enter the competition on the international arena. We are also counting on MCI to support us in acquiring new rounds of financing,” said Cezary Małuj, President of the Board of Focus Telecom Polska.

According to estimates of IDC Polska, a consultancy, the Polish cloud computing market in 2013 grew by more than 25% and exceeded the value of PLN 260 million. The 2011-2016 IDC Global forecasts for the UC&C (unified communications and collaboration) market, in which Focus Telecom Polska operates, talk of an annual increase of ca. 20% and reaching the value of USD 140 million in 2016. It is estimated that the turnover generated by the contact centre solutions sector in that period will increase annually by more than 24%.

“The cloud computing market is one of the fastest developing IT sectors in Poland. Innovative companies such as Focus Telecom Polska which have a flexible business model and offer significant added value as part of the services they offer, coupled with premium customer service quality, can expect their operations to scale up dynamically in the upcoming years,” said Tomasz Danis, Managing Director at Internet Ventures FIZ. “And we are not only talking about the Polish market. We expect that the business

model of Focus Telecom Polska and the correct operations strategy will enable the company's global expansion in a year or two".

Investment in Focus Telecom Polska is the fourth investment project of Internet Ventures FIZ this year, following Hojo.pl, mGenerator and Feedo. The fund has decided to diversify its investment portfolio. Thanks to its exposure to a technology company offering top quality communication solutions, as part of portfolio synergies it will potentially be possible e.g. to address Focus Telecom Polska's offer to other MCI Group companies as well as their business clients. It is also another project executed together with the National Capital Fund (NCF), which is a co-shareholder of several venture capital investment funds and in this capacity supports investment into young Polish companies encountering significant hurdles in terms of their financing possibilities due to the fact that they are at an early operational development stage and their economic results are uncertain.