

# **MCI Management SA executes a full exit from the company S4E SA**

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After a recently completed transaction, MCI management SA has finished the investment in the company S4E through a full exit and the sale of held shares comprising 40.09% of the share capital. Is the realization of the strategy declared last year to exit from S4E, as one of the oldest investments of MCI. The buyers of the shares are Roman Pudełko, current shareholder and president of the Supervisory Board of the Company and Ingali Holdings Limited. MCI, during over nine years of investing, has generated the average annual internal rate of return at the level of 17.00%. The transaction price was PLN 6.25, which is significantly higher than the average price of S4E shares in the last six months.

S4E is one of the oldest investments made by MCI, which purchased 90.89% of shares in the company in June 2001. During almost 10 years of the Fund's commitment, the company has successfully survived two economic breakdowns, which not only indicates the excellent cooperation between the MCI management team and the Company, the high competences of this team, but also proves that the business model adopted at S4E has proven itself, while the offered services were an accurate response to the market demand. In August 2007, MCI executed a partial exit from the company, through an IPO of S4E on NewConnect, generating a return of 35% on this transaction. S4E's market position had already been strong, enabling it to make its debut on NewConnect already on the first day of trading on this market.

âThe sale of shares by MCI management SA follows the previously announced strategy assuming a full exit from S4E and marks the completion of a process that had begun in 2009. S4E is one of the oldest investments in MCI is portfolio. We're glad we were able to engage investors already associated with the company, will cooperate closely with the board, in the process of continuing the development of the company, especially Roman Pudełko, the founder of S4E. Therefore, we can call it a managerial buyout (MBO). The experience of Roman Pudełko and his contacts and competence gained in

the industry of distribution of mass storage media will enable the company to successfully continue to fulfill its strategy of building value for its shareholders.ââ said Sylwester Janik, Venture Partner of MCI management SA.

S4E company was in the portfolio of the subfund MCI.TechVentures 1.0, specializing in Venture Capital investments (financing growth and expansion) in companies from the sectors of online and telecommunications services, mobile services and technologies (B2C), digital media, e-commerce and digital entertainment. The TechVentures fund in that period between 1999 and 2010 generated an exceptionally satisfying average annual internal rate of return (IRR) of 24.38%.

âUntil today, the largest shareholder of the company was MCI, with the support of which S4E gained the leading position in its industry. Executing the exit is a natural stage of the activities of a PE/VC investor - the fund exits from the company when it reaches maturity. That is exactly the case with S4E. I am glad that we have managed to convince Ingalil Holdings Limited to our vision of development of the company. As one of the founders and the person who was strongly connected with the company from the very beginning, I have decided to significantly increase my responsibility and commitment in S4E. I believe together we will lead the company to even greater successes. In the nearest future we are planning to expand the range of services and products offered by a S4E to its business partners. We will keep you informed about all these events through our press releases.ââ said Roman PudeÅko.