

# **MCI.TechVentures Fund increases shareholding in the leading European online store Windeln.de to over 15 percent**

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**MCI.TechVentures Fund (MCI.TV), managed by Private Equity Managers, increases shareholding in the Windeln.de one of the leading online only retailers for baby and children's products. As the result of share purchases, Fund's stake in Windeln.de now exceeds 15 percent and thus, according to publicly available information, MCI.TV has become the company's largest shareholder. This is the next step in the implementation of the strategy for funds associated with MCI Capital. The e-commerce segment is one of the key areas of investment for the group, that is active in European digital economy space.**

Germany's Windeln.de - with annual sales forecasted to exceed 200 million EUR in 2016 - is a leading European e-commerce store in its product category. According to released financial results for Q3 2016, the company has financial liquidity equaling nearly 80 million EUR (approx. 65.5 million EUR in cash, and approx. 14 million in the form of a revolving credit facility), which can be deployed for further expansion and diversification of sales (organic growth and acquisitions), development of portfolio of private label products, as well as operational initiatives supporting both the improvement of profitability and increase of monetization along with extension of age profile of target consumers (customer life time value).

*„We decided to increase our investment exposure to Windeln.de, because the company operates in a market segment with high growth potential in terms of penetration via the e-commerce channel. At the same time, we believe that the current stock market valuation remains attractive compared to peer companies,“* says **Norbert Kruszewski, Investment Director at Private Equity Managers.** *„We also believe that in the coming years Windeln.de will be an interesting asset: both from the perspective of potential merger and acquisition by incumbent players operating on the e-commerce market and that of traditional brick-and-mortar retailers, who plan to expand their*

*online sales.”*

The fund's first investment in Windeln.de was completed in 2013. During an IPO in 2015 MCI.TV sold approx. 1/4 of its shares.

The stake that MCI.TechVentures currently owns makes it the company's largest shareholder. The value of shareholding corresponds to around 5,5% of the assets under management in the MCI.TV Fund.

The increase of MCI.TV's capital involvement in Windeln.de is part of the group's strategy directed at strengthening the portfolio of funds associated with MCI Capital, in terms of attractive companies operating in the e-commerce market. Along with Windeln.de, MCI.TechVentures portfolio also includes Frisco.pl (Poland's leader in the e-grocery market), Morele.net (the biggest online store in Poland for consumer electronics) and Pigu.lt (the largest e-commerce store in the Baltic countries).

MCI Capital is a leading European growth capital firm investing in digital economy. Fifty per cent of the portfolio companies are outside of Poland, MCI's origin market. The company has also a strong exposition on fintech, with stakes in iZettle, Azimo and MarketInvoice.

Total assets of MCI's funds are in excess of 600 million USD.