

MCI.TechVentures realizes an announced earlier transaction, investing more than 20 M PLN

16.09.2010

MCI.TechVentures signed an investment agreement with Netretail Holding B.V., a company operating MALL.CZ, the Czech market leader in e-commerce.

The investment was carried out with Intel Capital – MCI and Intel have invested a total of 10 M EUR.

“The investment in MALL.CZ is consistent implementation of the previously announced strategy of MCI.TechVentures which involves investing in developing companies, acting in growth market segments in CEE Region. In our opinion, NRH has the potential for further expansion in the region and strengthen its position.” – said Sylwester Janik, Member of the Board and Partner in MCI, the fund manager of MCI.TechVentures.

MALL.CZ is a company founded in 2000. Within ten years of operation it has gained its leading position on the Czech market in online sales. It also operates on the Polish, Hungarian, Slovak and German markets. The company is continuously developing its range of offered products, as well as implement solutions that improve customer service and inventory management, suppliers and finance. Effective IT infrastructure protects against failures shop and its customers safe and secure. Offer includes articles from our area, including: RTV, photographic equipment, computers and computer accessories, sporting goods, articles for home and garden items for animals and toys.

“MALL.CZ is a company with an over a ten-year history. It has a proven in practice business model and an excellent management team. Currently the company is ready for further growth, including expansion in the region of Central and Eastern Europe. This is an excellent investment, with which we are holding big plans.” – said Jacek Murawski, Investment Partner MCI Management SA, responsible for this transaction.

“Intel Capital first recognised the company’s potential in 2008 when it originally

invested in the company. Netretail Holding is one of the leading e-commerce companies in Eastern Europe and achieved strong growth in the last year despite tough economic conditions in the region and negative GDP growth.ââ said Marcin Hejka Managing Director Intel Capital Eastern Europe, Middle East and Africa ââWe have continued to support the company through challenging times and believe that it has excellent growth opportunities to expand into other markets in the region.ââ added Mr. Hejka.

In Poland, Europe and worldwide, online commerce is growing rapidly. In our country it is still only about 2% of retail sales, although according to published in April. SMB forecasts, this year, this level will be close to 3%. For comparison - in Germany, France and the UK is around 8%. According to Euromonitor International data value of the market value of the Polish e-commerce in 2010 will amount to 15.5 billion PLN. This represents an increase of 15% compared to 2009. The largest share of online sales has the home appliances, electronic products, "house and gardenâ, computers, books and multimedia.

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MCI.TechVentures

MCI.TechVentures 1.0 Fund, managed by MCI Management SA makes investments in innovative growth companies in Central and Eastern Europe. The fund invests in companies operating in Internet & telecommunication services sector, mobile/wireless technologies, e-commerce, media, IT and digital entertainment.

MCI Management, based in Warsaw, Poland is one of the most established and experienced private equity management firm in Central and Eastern Europe, focused on venture and growth capital. MCI has pioneered venture capital investing in technology companies in Poland since 1999 and expanded its investment focus across the CEE region. Currently, MCI has over 554 million EUR of total assets under management.

Intel Capital

Intel Capital, Intel's global investment organization, makes equity investments in innovative technology start-ups and companies worldwide. Intel Capital invests in a broad range of companies offering hardware, software, and services targeting enterprise, home, mobility, health, consumer Internet, semiconductor manufacturing and cleantech. Since 1991, Intel Capital has invested more than US\$9.5 billion in over 1,050 companies in 47 countries. In that timeframe, 175 portfolio companies have gone

public on various exchanges around the world and 241 were acquired or participated in a merger. In 2009, Intel Capital invested US\$327 million in 107 investments with approximately 50 percent of funds invested outside the U.S. and Canada.

Netretail Holding

Netretail Holding is the leading regional online retailer in the CEE region, covering Czech Republic, Germany, Poland, Hungary and Slovakia. Netretail Holding is currently running fully localised e- shops in the region with over 600 different product categories ranging from consumer electronics to sporting equipment. Netretail Holding has more than 1,000,000 registered customers and a daily visitors rate well above 100,000 users. In the last fiscal year (ended 31st March, 2010), the consolidated revenue of the group reached US\$100 mil. (ex-VAT).