

Second round of investment of MCI Management SA Fund in www.domzdrowia.pl.

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MCI Management SA Fund in the second round of investment took up 4,500 new shares (four thousand five hundred) with the nominal value of PLN 100.00 (one hundred) each and their total nominal value of PLN 450,000.00 (four hundred fifty thousand). In total the purchased shares account for 19.68% of the share capital of DomZdrowia.pl Sp. z o.o. Za nabytą udziały MCI Management SA paid PLN 450,000 for the purchased shares, that is PLN 100 per each share. After the purchase of new issue shares MCI Management S.A. holds in total 9,067 shares of DomZdrowia.pl Sp. z o.o. which accounts for 39.65% of the share capital of the company.

The executive staff of DomZdrowia.pl also took part in the second round of investment, which was a co-investment with the Fund. The objective of MCI Management S.A. is to invest over PLN 2.5 million in the shares of DomZdrowia.pl Sp. z o.o. over 3 years. After all rounds of investment the estimate shareholding of MCI in the share capital of the Company shall exceed 50%. The realization of the second round of investment increased the capital engagement of the Fund in the enterprise to almost PLN 1 million.

Since July 2004 DomZdrowia.pl Sp. z o.o. has been an operator of www.domzdrowia.pl website and has been operating based on a pharmacy outlet. The business model assumes running an e-commerce pharmacy (www.domzdrowia.pl) and an e-commerce drugstore (www.domurody.pl). domzdrowia.pl and domurody.pl websites present a wide range of OTC drugs, cosmetics and medicinal and beauty product. The basic objective of the enterprise is to enable the individual clients to place orders in the pharmacy outlet online and drugstore online; the orders shall be delivered by courier or mail, as requested by the clients. The strategic objective of the company is to continue the dynamic growth of turnover and maintain the position of the undisputed leader in the area of health and beauty products ordered online in Poland.

The funds from the second round of investment will be spent on financing strategic

projects of the company aiming at accelerating the growth of the company:

- implementation and development of e-commerce platform,
- extension of the offer of products to include a wide range of cosmetics within the development of a new business line – DomUrody.pl and finalizing the takeover of pretty.pl
- extension of the offer of medicinal products, including the products issued on prescription
- introduction of e-prescription and integration with the systems computer covered in the medicine refund system by the National Health Fund.

Extension of the offer of DomZdrowia.pl to include new categories of products such as cosmetics and prescription drugs should significantly contribute to the growth critical mass of the Company. New product lines will strengthen the position of the company in the health and beauty segment. The cosmetic market in Poland in 2005 was estimated at over PLN 5 billion; the Internet sales channel, just like in the case of other markets, can reach 5%-10% market share. The market of prescription drugs is about 3 times bigger than the market of OTC drugs and its annual value exceed PLN 15 billion; ultimately the Internet channel can accumulate 1% to 3% of this market.

Current owners of the Company directly engaged in the management of the Company have a long business experience in the pharmaceutical and medical branch. The Management of the Company (Mirosław Ostrowski and Jacek Denkowski) are engaged in active support of legislative changes of the Polish pharmaceutical law to comply with the UE directives.

The second round of investment of MCI Management in DomZdrowia.pl is the result of following the strategy of the Fund assuming an increase of investments in the area of e-commerce, especially in the segment of consumer products.