

Spark Software to receive financing from funds and business angels

24.03.2015

Internet Ventures FIZ, managed by MCI Capital TFI S.A. (Capital Group Private Equity Managers S.A.), and technology park YouNick both invested in Spark Software, a new business idea of the brain behind e-supermarket Frisco.pl. A circle of investors was also joined by business angels, among others Sebastian Siemiątkowski, the founder of the international e-payment system, Klarna.com, and Andrzej Targosz, the President of Proidea Foundation and an organiser of the Bitspiration conference. The investment by the founders, funds and business angels forecasts a total financing of about PLN 3 million.

Spark Software, founded in January 2015, is currently working on a mobile platform that may revolutionize global offline and online shopping for FMCG products. A world-unique project of Polish entrepreneurs will provide the first ever direct link between consumers and producers of fast-moving goods. The company forecasts that the product will be market-ready in 2016 at the latest. Test implementations of the system in selected Polish chains are to begin at the beginning of September 2015. Spark Software will provide clients with a special mobile application to be used both in regular and internet shops. For regular shops, the application will ensure not only loyalty discounts and personalised promotions, but also convenience and shorter queuing time. Products scanned with the phone will get straight into a bag or a trolley. Then a dedicated gate with beacons will automatically start the payment procedure when a customer passes through. The Polish FMCG sector is the first step on the project authors' way towards international expansion. If the platform meets market expectations, the company is likely to become a major player in the global market.

So far, when a customer bought, for example, Vizir washing powder once a month, the producer, Procter & Gamble, did not know about this. Our product not only provides producers with this information, of course without any personal data, but also enables them to reward consumer loyalty by offering special discounts and promotions -

explains Witold Ferenc, the President of Spark Software Management Board.

All parties to the transaction will benefit from our solution. Shopping for FMCG products, repetitive and often troublesome for customers, will become more convenient, nicer and above all cheaper. Producers will have a simple and effective tool for automated personalised sales tailored to the needs of an individual consumer. Ultimately, it will translate into lower costs and higher effectiveness of marketing actions of individual brands. Digitalisation of offline shopping will also pay off for traditional chains by reducing queues at checkouts – adds Witold Ferenc.

Investment in Spark Software is another project executed together with the National Capital Fund (KFK), which as a co-shareholder of several venture capital investment funds supports investment in young Polish companies which are experiencing problems with financing due to being at an early operational development stage and having uncertain economic results.

About YouNick

YouNick (so far Nickel Technology Park Poznań) is the first Polish non-public technology park. In line with global trends, after eight-year activity it evolved into a place of support for innovative individuals and business. This is a place where the focus is on a person: a tenant, an employee and an innovator. Changes introduced in Złotniki near Poznań cover not only existing and newly developed infrastructure, but mainly the organisational culture, a package of additional services and investment activity. Currently over 600 people in almost 60 businesses are working in the park. A third office building, currently under construction, will house a further 20 to 30 businesses in 2015. For over 4 years YouNick has been actively supporting commercialisation of innovative projects and research results in biotechnology, medicine, IT, chemistry, environmental protection and renewable energy sources, also with the help of EU funds. This country-unique approach to an investment process has resulted in 17 thriving subsidiaries, notching up more and more successes in Poland and abroad.

About Internet Ventures FIZ

Internet Ventures FIZ, a fund managed by MCI Capital TFI S.A. (Capital Group Private Equity Managers S.A.), invests in technology and internet venture capital (early stage,

growth) companies operating in the field of digital media, Internet, software, mobile and wireless technologies (B2C), cloud computing, big data, online games and entertainment services, e-advertising and m-advertising.

About the National Capital Fund S.A.

The National Capital Fund S.A. (KFK S.A.) is the first Polish fund of venture capital/private equity (VC/PE) funds. It is involved in investing in venture capital funds, which provide capital to Polish small and medium businesses, in particular innovative businesses with high development potential or involved in research and development. KFK S.A. is a co-shareholder of the Internet Ventures fund from the Capital Group Private Equity Managers S.A.

About Private Equity Managers S.A.:

Private Equity Managers S.A. is the dominant company in the capital group specialising in managing various classes of assets in alternative private equity funds, including venture capital funds ("the Group").

The funds, whose investment portfolios are managed by Private Equity Managers S.A. companies, mainly invest in fast-growing companies operating in the technology sector in the CEE region. They are characterised by a very low risk of the outflow of the managed capital due to the long-term nature of private equity fund operations and cash-based revenue. As of the end of 2014, the group's assets under management amounted to PLN 1.67 billion.