

Windeln.de expands its regional footprint with the acquisition of the online shop ‘Feedo’ in the Czech Republic, Poland and Slovakia

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- Acquisition allows windeln.de to enter the Eastern European market
- Feedo is a Czech pure-play online shop for baby and toddler products which is also active in Slovakia and Poland
- Transaction paves the way for future growth of windeln.de
- Feedo will be fully acquired by windeln.de while the operational businesses remain separate

windeln.de AG (“windeln.de” or the “Company”), one of the leading and fastest growing online retailers for baby, toddler and children products in Germany, Austria and Switzerland, which has also established a successful e-commerce business of selling baby products (mainly baby food) to customers located in China, today announced that it has entered into an agreement regarding the acquisition of Feedo Sp. z o.o. with its online shops “www.feedo.cz”, “www.feedo.sk” and “www.feedo.pl”. The acquisition is in line with windeln.de’s strategy to expand its presence in the European market.

Konstantin Urban, management board member and co-founder of windeln.de, said: “This acquisition fits perfectly into our long-term strategy to become a European leader in serving young families. The two founders did a fantastic job in establishing Feedo as a leading online retailer in its domestic market, the Czech Republic, and in entering new markets in Slovakia and Poland. These countries are particularly exciting for us as we see growth potential in the years to come: the e-commerce market in these countries has already reached a critical scale and is growing dynamically. Together with Feedo, we want to seize this promising growth opportunity.”

Feedo is a leading and growing online retailer in the Czech Republic

The Prague-based company Feedo was founded by Matúš Karaffa and Martin Molčan in 2010. Similar to windeln.de, Feedo started with selling baby and toddler products for daily needs and later on expanded into cross-selling higher margin goods. After launching its online shop in the Czech Republic and Slovakia, Feedo recently expanded into Poland. The company depicts an appealing track record of growth across its key markets and has become a leading pure-play online market retailer for baby and toddler products in the Czech Republic. In 2014, Feedo generated consolidated revenues of approximately €6 million.

Acquisition will help windeln.de to implement growth strategy

In their respective key markets, windeln.de and Feedo have captured leading positions as pure-play online retailers for baby and toddler products. Thus, windeln.de will benefit from Feedo’s expertise in Eastern Europe and capitalize on Feedo’s expected growing market position due to increasing marketing efforts and further product expansion especially in Poland, one of windeln.de’s targeted key growth markets. Further long-term synergies are expected to mainly stem from greater purchasing power, sharing business infrastructure and centralizing processes in windeln.de’s headquarters in Munich. In this regard, windeln.de has established professional and efficient structures since its inception, which will be beneficial for Feedo’s business organization and operations.

Alexander Brand, management board member and co-founder of windeln.de, emphasized: “We are very happy to welcome Feedo to the windeln.de family. The renowned Feedo brand has become a reliable partner for customers in certain Eastern Europe countries. The company excels in qualities that we consider key for our own

business: high convenience, competitive prices and a comprehensive customer service. With Feedo's foothold in Eastern Europe and our leading position and profound expertise in our DACH region, the transaction offers significant synergy and growth potential for both companies."

Feedo to operate independently under the roof of windeln.de

Feedo will become a 100 percent subsidiary of windeln.de, but will remain an independent business unit headquartered in Prague. Furthermore, Feedo will retain its brand name and continue to operate its shop websites. The founders Matúš Karaffa and Martin Molčan will continue to manage the business operations of Feedo with their current team.

Matúš Karaffa, founder and managing director of Feedo, underlined: "We are very happy to have windeln.de as a new and financially strong shareholder. The transaction is a great opportunity for Feedo to accelerate our growth opportunities and to profit from windeln.de's elaborate business structures."

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About windeln.de

windeln.de is one of the leading pure-play online retailers specializing in baby and toddler products in Germany, Austria and Switzerland. The Company also successfully sells baby and toddler products to customers in China. windeln.de offers approximately 100,000 products from over 1,000 brands, which young parents can comfortably order online. The offer ranges from diapers and baby food to child furniture, toys, clothing, strollers and car seats, making windeln.de a one-stop shop for parents. windeln.de was founded by Konstantin Urban and Alexander Brand in October 2010 and currently employs over 300 members of staff.

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