

## **Kiveda Group Holding forms new “Home Furniture Group”**

- **Kiveda Group and its subsidiary “küchenquelle” get strengthened by new strategic partner, EMMA Capital. Together, EMMA and the existing shareholders form the new “Home Furniture Group” (HFG) to expand küchenquelle’s tech-enabled direct sales approach from kitchens into broader areas of home furniture market**
- **Christian Neusser (MD Kiveda Group): “After the success of the tech enabled direct sales approach in the kitchen market we see high potential to also cover other areas of the home furniture market – customers` enormous demand is a clear signal to expand into broader areas in various European markets”**
- **EMMA and the existing shareholders see the Kiveda`s mixed reality technology – provided by Island Labs, Berlin - as pivotal for implementing the accelerated growth strategy and secure the technology potential for HFG in the long term**
- **Alongside long-term partner EMH, EMMA Capital will provide capital to further support the growth story**

**Nuremberg/Berlin/Prague, 28th June 2021:** EMMA Capital, EMH and minority shareholders of the Kiveda Group Holding, the parent company of “küchenquelle”, will form the new “Home Furniture Group”. The new formed group will target to further disrupt the furniture market by expanding its successful tech enabled direct sales approach from kitchens into adjacent areas of home furniture. EMMA and the existing shareholders see the used mixed reality technology, provided by Island Labs, Berlin as pivotal for implementing the accelerated growth strategy and secure the technology potential for HFG in the long term. With the new strategic Partner, EMMA Capital, on board, the Group is strengthened and well prepared to grow within the European market with its unique sales approach.

Christian Neusser, MD Kiveda Group: “For a meaningful/large-scale investment, such as a kitchen, customers wish to experience / visualise it as realistic as possible before the actual purchase. With küchenquelle`s outstanding mixed reality solution every customer can experience almost realistically his or her future kitchen convenient at his home. Having successfully built up the business model we see high potential to also expand the offering into new markets for a broader range of home furniture.”

Nürnberg based küchenquelle is the leading tech-enabled direct sales kitchen retailer in Germany. It employs 130 kitchen consultants who provide a unique experience to their customers during home visits using the mixed-reality planning software “.rooms”. Annually, the company generates approximately ~€100m revenues and delivers around 13,000 kitchens to its customers and has historically achieved consistent double digit year over year growth rates for the direct sales force business.

Berlin based Island Labs leading mixed reality software company, owns and develops the mixed-reality planning technology “.rooms”, revolutionizing the interior design and planning market. Island Labs is recognized by Microsoft as one of the 10 most innovative companies that employ the Microsoft HoloLens technology. The technology is success proven at “küchenquelle” and will become part of the new group. HFG's location will be Nuremberg.

Together küchenquelle and Island Labs will form the back-bone of the newly established Home Furniture Group – with a tech enabled direct sales force further tailoring the proprietary “.rooms” technology to provide the best mixed reality planning experience for customers at their homes.

The present main shareholders remain invested. EMH Partners has been part of the digital transformation of interior design as an investor of küchenquelle since 2016. EMMA Capital will provide further significant growth capital to execute the growth strategy. With forming the new Home Furniture Group, EMMA and EMH enter into a strong partnership with each having a shareholding of more than 40%, the remainder will be held by two minority shareholders.

EMMA Capital partner Michal Houst: “EMMA has long focused on investments for end customers, so the entry into Home Furniture Group is a continuation of our activity in this area. Of particular relevance to us is the fact that küchenquelle is a major, and technologically well-established, player in the strong and fundamentally growing German market for kitchens and interior design. I am confident that together with EMH we will be able to leverage technology and retail experience across Europe.”

Dominik Schwarz, Partner at EMH Partners: “We are pleased, that EMMA Capital shares our vision of digitizing the market for interior design in Europe. EMMA recognized the unique tech-enabled direct sales approach and strong brand of küchenquelle, the disruptive value of Island Lab’s mixed-reality proposition and the untapped market potential in the European furniture market. Together

with the management EMMA and EMH will create a new and innovative approach to providing customers with modern home furniture experiences.”

Consummation of the transaction is subject to customary closing conditions. The parties involved have agreed to keep the terms of the investment confidential. The management team, with the full support of EMMA & EMH, will remain focused on the ambitious opportunities ahead.

### **About EMMA Capital**

EMMA Capital is an investment group founded in 2012. It specializes in strategic investments into B2C businesses, and operates in sectors such as fintech, consumer finance, gas and energy distribution, gaming, insurance, pharma and healthcare. As part of its strategy, EMMA Capital is often actively involved in the management of acquired companies. It is focused on Central, Southeast and parts of Eastern Europe. It also has experience from markets such as USA, Italy and Austria.

### **About EMH Partners**

EMH Partners is an owner-led investment firm by entrepreneurs for entrepreneurs. As a next-generation private equity company and one of the leading investors in the DACH region, EMH Partners supports the growth of Mittelstand companies with capital, digitisation and expansion expertise. EMH Partners invests in market-leading, owner-managed companies to accompany them in partnership during the next growth phase. Today, EMH Partners manages more than €1 billion of committed capital. For more information on EMH Partners, please visit [www.emh.com](http://www.emh.com).

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