

LEADX CAPITAL PARTNERS INVESTS IN MATSMART, A MARKETPLACE FOR SURPLUS FOOD

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- LeadX Capital Partners, an investment fund sponsored by METRO AG, invests in Swedish start-up Matsmart
- Working closely with major food producers, Matsmart contributes to reducing food waste, so this investment contributes to METRO's sustainability strategy
- Currently only active in Scandinavia, Matsmart plans to expand its operations to Germany in 2020

Düsseldorf, 8 October 2019 – LeadX Capital Partners, an investment fund of METRO, has invested in the Swedish company Matsmart, an online marketplace for food and non-food products. Founded in 2014 Matsmart sells surplus production and overstocks online to consumers in Sweden and Finland at major discounts. The company plans to expand to Germany in 2020. In the last investment round in September, Matsmart was able to raise over €17 million, bringing its total financing to €40 million. Alongside LeadX Capital Partners, who was the lead investor in this round, Matsmart's major backers include Ingka Group (IKEA), Northzone, D-Ax, Norrskan among others.

Each year, 1.3 billion tons of food is wasted along the value chain worldwide – some because of overproduction, some because food does not comply with the industry standard, and some because the product is too close to its best-before date. For METRO, which intends to halve food waste in its own business operations by 2025, the Matsmart investment is another component of its sustainability strategy.

“As a wholesaler, we have the duty to take a firm stance in reducing food waste, and Matsmart is tackling the issue in an innovative way,” says Veronika Pountcheva, Global Director Corporate Responsibility METRO AG. “After all, marketplace models are by far the most successful online business models at the moment. Their advantages are obvious: more transparency and faster scalability compared to the online shops of individual brands.”

Hansjoerg Sage who is in charge of METRO's start-up activities and Managing Partner at LeadX Capital adds: “We are excited to welcome Matsmart to our portfolio, the team is a delight to work with and we have

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been highly impressed with their execution so far. We see a lot of potential to Matsmart's solution, and are pleased to have the opportunity to support them in their plans to expand internationally."

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Matsmart sells food online that would otherwise have been thrown away. The reasons vary, but most commonly it is due to overproduction, a change of design or short best before dates. Matsmart buys its assortment directly from producers like Unilever, Nestlé and Mondelēz Sverige AB and has a revenue of 400 million SEK. The company operates in Sweden and Finland and employs around 150 people.

"We have been looking for a partner that can support us expanding to Germany and the rest of Europe. We are very proud to have METRO onboard and strongly believe that they will add knowledge and know-how in many different ways," says Karl Andersson, Chief Executive Officer of Matsmart. "Matsmart has filled a gap in the food chain and in 2018, we managed to save 3700 tons of food. Our vision is a world without food waste and we are eager to give people in Germany the chance to save both food and money, using our marketplace."

Tackling Food Waste with Partners

METRO adopted the "Resolution on Food Waste" of the Consumer Goods Forum in 2015. The goal is to halve food waste in its own operations by 2025. To this end, METRO is focusing on an efficient ordering and stocking system and on various partnerships along the value chain to tackle food loss and food waste. The wholesale company now cooperates with food banks in 21 countries. In many regions of Germany, its partnerships with local food banks were established over 20 years ago. In addition, the food specialist partners with innovative organisations like SIRPLUS, Too Good To Go, WholeSurplus and KITRO, to name just a few examples.

METRO is a leading international wholesale company with food and non-food assortments that specialises on serving the needs of hotels, restaurants and caterers (HoReCa) as well as independent traders. Around the world, METRO has some 24 million customers who can choose whether to shop in one of the large-format stores, order online and collect their purchases at the store or have them delivered. METRO in addition also supports the competitiveness of entrepreneurs and freelancers with digital solutions and thereby contributes to cultural diversity in retail and hospitality. Sustainability is a key pillar of METRO's business. METRO has been the sector leader in the Dow Jones Sustainability Index for the last four years. The company operates in 36 countries and employs more than 150,000 people worldwide. In financial year 2017/18, METRO generated sales of €36.5 billion. In September 2018 METRO AG initiated the divestment process for the food retail chain Real with its 34,000 employees. For more information, visit www.metroag.de.

LeadX Capital Partners manages venture and growth capital fund with METRO AG as its major Limited Partner. Founded in 2017, LeadX Capital's mission is to encourage the development of digital solutions in hospitality, food and retail. It operates under a combined strength of deep investment experience

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and commercial reach. With 70+ companies in its portfolio, LeadX Capital Partners invests in technology companies from early to growth stage. More information is available at <https://leadxcapital.com/>.

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Matsmart sells surplus food online. The food would otherwise be thrown away, due to packaging changes, short expiry dates, or other reasons. During 2018, Matsmart saved 3700 tonnes of food from going to waste. The company has seen explosive growth, reaching recurring revenues of SEK 400 million. Matsmart was founded by Karl Andersson, Erik Södergren and Ulf Skagerström, and launched in Sweden in 2014. Since then, the company has also expanded to Finland. More information is available at www.matsmart.se.

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