

Magento Commerce Receives Investment from Hillhouse Capital to Accelerate Global Expansion and Growth

CAMPBELL, CA--(Marketwired - Jan 4, 2017) - Magento Commerce, the worldwide leader in cloud digital commerce innovation, today announced that Hillhouse Capital will make a \$250 million investment in the company to fuel Magento's growth strategy, worldwide expansion of sales, marketing & client support, new product innovation and future acquisitions.

Hillhouse is a leading investor known for its long-term investments in companies across all equities stages in China and around the world. Hillhouse is partnering with the Magento management team and the Permira funds, who will continue to own a majority stake in the company, in backing the long-term vision of the company.

"Since becoming an independent company only one year ago, Magento is already the largest global commerce platform in the world," said Mark Lavelle, CEO of Magento Commerce. "Our powerful, cloud-based open platform is supported by a vast global ecosystem of solution integrators and technology partners to enable over 250,000 clients who collectively generate more than \$50 billion in annual merchandise volume. But we are only just getting started."

Lavelle added, "In addition to the capital that will accelerate our growth, this investment brings the experience and long-term perspective of another marquee investor. Both Hillhouse and Permira see that in nearly every industry, there is a major secular acceleration taking place driving demand for digital commerce technology. Yet clients have few options when looking for a company whose sole focus is on digitizing the customer experience across all channels where commercial transactions occur. Magento's goal is to be the leading company for the next generation of commerce innovators, and it is a privilege to have two prominent technology investors backing our vision."

Mr. Lei Zhang, Hillhouse Chairman and CEO, said, "We see tremendous growth opportunities for Magento globally and specifically in Asia. We are excited to be partnering with such an exceptional management team to continue to build and grow the business over the long-term."

Phil Guinand, Partner at Permira, said, "Hillhouse is a leading global investor with an incredible reputation and track record of successful investments in some of the world's fastest growing technology companies. The Permira funds look forward to partnering with Hillhouse to continue supporting the Magento management team as the company builds on its industry-leading brand position and executes its global growth strategy."

Following its separation from eBay in November 2015 with the backing of the Permira funds, Magento has assembled a world-class management team and shifted its business strategy with the release of the Magento Commerce Cloud, an advanced public-cloud platform that optimizes the performance, security and extendibility of the popular Magento Enterprise Edition for digital commerce. The platform offers seamless integration with the company's SaaS-based product portfolio; Magento Commerce Order Management, which enables advanced omni-channel catalog, payment and fulfilment capabilities and the newly acquired Magento Analytics. Fueled by the success of the youngest, most flexible and advanced product portfolio on the market today, Magento was again named the number one digital commerce platform on the 2016 Internet Retailer Top 1000, for the fourth consecutive year.

About Magento Commerce

Trusted by more than 250,000 businesses worldwide, Magento Commerce is the leading provider of cloud commerce innovation to merchants and brands across B2C and B2B industries. In addition to its flagship open

source digital commerce platform, Magento Commerce boasts a strong portfolio of cloud-based omni-channel solutions empowering merchants to successfully integrate digital and physical shopping experiences. With over \$50 billion in gross merchandise volume transacted on the platform annually, Magento Commerce is the #1 provider to the Internet Retailer Top 1000, counting more than double the clients to the next closest competitor, the B2B 300, and the Top 500 Guides for Europe and Latin America. Magento Commerce is supported by a vast global network of solution and technology partners, a highly active global developer community and the largest eCommerce marketplace for extensions available for download on the Magento Marketplace. More information can be found at www.magento.com.

About Permira

Permira is a global investment firm that finds and backs successful businesses with ambition. Founded in 1985, the firm advises funds with a total committed capital of approximately EUR31 billion. The Permira funds make long-term investments in companies with the ambition of transforming their performance and driving sustainable growth. In the past 31 years, the Permira funds have made over 200 private equity investments in five key sectors: Consumer, Financial Services, Healthcare, Industrials and Technology. Permira employs over 200 people in 14 offices across North America, Europe and Asia. The Permira funds have a long track record of successfully investing in technology companies around the world. Since 1997, over a third of the Permira funds' investments have been in the core sector of Technology. For more information, visit: <http://www.permira.com/>.

About Hillhouse Capital

Founded in 2005, Hillhouse Capital is a leading global investment management firm, active across both public and private equity. Hillhouse invests for the long-term and is focused on partnering with leading entrepreneurs to deliver sustained value creation. Independent proprietary research, supported by its global network of operating advisors and portfolio development professionals, is key to Hillhouse's investment approach. Hillhouse focuses on consumer, TMT, healthcare and business services sectors and invests in companies across all equity stages. Based in Asia, Hillhouse manages over \$20 billion in assets on behalf of institutional clients such as university endowments, foundations, sovereign wealth funds, and family offices.