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for immediate publication

## **German Startups Group confirms profit in the first half of 2016, invests again substantially in Auctionata, and achieves an outperformance with its FinTech and secondary growth stage shareholdings**

- *Confirmation of preliminary half-year figures by financial report that has now been submitted*
- *Substantial increase of stake in Auctionata*
- *Gross performance of investments in FinTech companies since 2Q13 of 51% p.a.*
- *Gross performance of investments in secondary growth shares since 4Q13 of 36% p.a.*
- *Serial entrepreneur and venture capitalist Andreas von Blottnitz new member of supervisory board*
- *Investment in FinTech company Gewerbeversicherung24*
- *German Startups Group is third most active early stage investor in Europe in 2Q16*
- *News from the investment portfolio*

**Berlin, 07 September 2016** - German Startups Group, the second most active venture capital investor in Germany in the time period since 2012 (CB Insights, 2015), confirms the net consolidated profit of 1.9 million euros (1H15: 2.0 million euros), which was reported as preliminary, through the financial report that has now been submitted. The company has thus been steadily and continuously profitable since its first full fiscal year (2013).

German Startups Group takes the opportunity to substantially increase its stake in Auctionata | Paddle8, the largest online auction house for art and luxury collectibles worldwide, tripling it at the conversion of the convertible note.

German Startups Group records an outperformance of its FinTech and secondary growth stage shareholdings upon an evaluation of its investment portfolio, which is comprised of one majority shareholding and 25 minority shareholdings that are of particular significance to the company. Both segments represent a main focus of the company's investment activity. German Startups Group holds shares in eleven companies from the financial technologies sector, which the company subdivides into FinTech in a stricter sense, InsurTech, and PropTech, making German Startups Group the second most active investor in Germany in this area, according to Barkow Consulting. Additionally, the company, as one of only a few German VC investors, also acquires so-called secondary shares, i.e. existing shares of founders and business angels for example, of successful German startups in the growth stage. This is the case for nine shareholdings.



Since the company's first investment in a FinTech company in Q2 2013, it was able to achieve a gross performance of 51.3% p.a. with its FinTech portfolio segment (portfolio overall in this period: 27.7% p.a.). The strategy of acquiring secondary shares in the so-called growth stage also resulted in an above-average performance. Since the first investment in Q4 2013, the gross performance of secondary growth shares was 36.1% p.a. (portfolio overall in this period: 27.2% p.a.).

Nikolas Samios, Chief Investment Officer of German Startups Group, comments on the outperformance of both these focal segments of the portfolio, "Through our investments as German Startups Group, we assemble the, in our opinion, 'best of' of German startups and therefore purposefully examine a broad spectrum within this asset class. Against this background, we repeatedly set focal points on segments from which we, following a careful analysis of the market conditions, expect an outperformance." CEO Christoph Gerlinger adds, "We are pleased to confirm on the basis of the performance achieved now already over the course of several years that our focal points were chosen well. This applies to both the disruptive FinTech sector, which remodels immaterial services and is therefore particularly well-suited to rapid scaling, as well as the secondary market for shares in growth companies that is, on an international comparison, completely underdeveloped in Germany and that offers an especially good chance risk ratio."

Andreas von Blottnitz, a successful serial entrepreneur and business angel/venture capitalist, was appointed member of the supervisory board on 04 August 2016 upon request of the company. He follows his business partner Jan Henric Buettner, with whom he mutually built up AOL Europe starting from 1994, which was sold for 6.75 billion US dollars to AOL (USA) in 2002. In 1997, Andreas von Blottnitz already took over the role of Managing Director of AOL Deutschland from Jan Henric Buettner. Later on, Andreas von Blottnitz switched to become CEO of the software startup Expertcity in Santa Barbara, California, the provider of the internationally successful "GoTo" products, which were acquired by Citrix Systems for 225 million US dollars in 2003. Andreas von Blottnitz also has long lasting experience as a venture capital investor and has had board and consulting roles at various, mainly American tech startups, which were acquired by companies such as Hewlett Packard, Best Buy, and Red Hat. Only last year he accompanied the US property management software Appfolio with their successful initial public offering on the NASDAQ as Chairman of the Board of Directors.

German Startups Group invests in the online comparison portal [Gewerbeversicherung24](http://Gewerbeversicherung24.de). As a digital commercial insurance broker, the FinTech/InsurTech company focuses directly on business clients, but at the same time also on insurance brokers, whose clients want to cover commercial risks as well. Business clients (therefore also startup founders) can compare and buy products such as liability or contents insurance on the website [www.gewerbeversicherung24.de](http://www.gewerbeversicherung24.de). The insurers gain a new sales channel, brokers can sell commercial insurances more easily, and end customers can directly and transparently compare products online.

German Startups Group is the third most active early stage investor in Europe in Q2 2016. This was reported in a data collection of the M&A, private equity, and venture capital platform Pitch Book in the European Venture Industry Report.

Fiagon, a shareholding that is of particular significance to German Startups Group, has been named "Innovator of the Year" for a second time at the innovation competition TOP 100. The MedTech company for HNO navigation was given first place by a jury in the size category of companies with up to 50 employees.



The FinTech company Scalable Capital, also a shareholding that is of particular significance to the company, was awarded a “very good” score by the financial magazine “Euro am Sonntag” in a test of online investment platforms and was named the test winner by the digital consumer magazine Vergleich.org in a comparison between the seven best online asset managers.

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**German Startups Group - We love startups!**

German Startups Group is a listed investment company based in Berlin that focuses on young, fast-growing companies, so-called startups. The company acquires majority and minority shareholdings mainly by providing venture capital. The portfolio companies that German Startups Group holds also stand to benefit from German Startups Group’s expertise, experience and network with respect to strategy development, financing rounds, restructuring necessities, M&A transactions or selling the company, including a possible IPO. According to its own assessment, German Startups Group provides startups with so-called “smart money” by acquiring a shareholding. Its focus is on companies whose products or business models represent a disruptive innovation, allow for a high degree of scalability to be expected, and in which it has a great deal of trust in the entrepreneurial abilities of the founders to whom it feels that it obtains early access to due to its close relationships to relevant players in the startup scene. The geographical focus is on the German-speaking region. Since it commenced with operations in 2012, German Startups Group has in its opinion built up a diversified portfolio of investments in young companies and become the second most active venture capital investor in Germany since 2012 (CB Insights, Germany Venture Capital Overview). 25 of the 46 minority stakeholdings in operationally active companies are of particular significance to German Startups Group and together comprise 88% of the total value of all 46 active minority stakeholdings. The ten core holdings alone make up 58% of the value of all active minority stakeholdings. According to German Startups Group, its investment portfolio reflects a cross-section of promising German startups of various maturity stages (“Seed,” “Early” and “Growth Stage,” by German Startups Group’s own definition) and includes some of the most successful and best known German startups.

More information is available on our website at [www.german-startups.com](http://www.german-startups.com).