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## **Annual General Meeting of SGT German Private Equity paves the way for the renaming into The Payments Group Holding and the acquisition of three internet payment service providers**

- Clear majority in favour of the transformative reverse listing transaction
- Acquisition of majority shareholdings for cash and transfer of treasury shares at a valuation of 2.40 EUR per SGT German Private Equity share
- The three internet payment service providers are profitable and show strong growth
- The new group plans a transaction volume of 140 million EUR in 2025 and a revenue of some 15 million EUR

**Frankfurt/Main, 16 August 2024** – The Annual General Meeting of SGT German Private Equity ("SGF"), founded in 2012 and formerly German Startups Group ("GSG"), previously a private equity asset manager based in Frankfurt/Main and formerly a leading venture capital investor in Germany based in Berlin, paves the way for the acquisition of majority stakes in Funanga AG, Berlin, Campamocha Ltd., Malta, and Surfer Rosa Ltd., Isle of Man.

The three companies offer internet payment services and work successfully together.

At the Annual General Meeting, at the request of Christoph Gerlinger, CEO, and founder of the company, it was decided to change the company's name to "The Payments Group Holding GmbH & Co. KGaA". All proposed resolutions received clear majorities, mostly close to 100% of the votes represented. The AGM presentation is available on the company website.

Through the transaction, a listed FinTech group based in Germany with around 50 employees will be created. The transaction payment volume, which means the settled payment volume, planned for 2025 on a consolidated basis, is around 140 million EUR, the planned net revenue for 2025 is around 15 million EUR. A few years ago, managers of the three target companies founded a very successful international internet payment services company with a transaction volume of over 1 billion USD.

The acquired companies are profitable and cash flow positive. Annual sales growth is expected to be over 50% p.a. in the years from 2021 to 2025e and shall further increase until 2027. The Payments Group Holding expects a net profit of around 13 cents per SGF share in 2025 plus potential earnings contributions from the Heritage VC portfolio of its subsidiary German Startups Group VC.

In the first step, SGF will reach a 75% stake in the three target companies. Furthermore, it holds call options to acquire the remaining 25% until 13 August 2025 at the same valuation in a second step. In the first step, it spends 9.15 million EUR in cash and 24.8 million SGF treasury shares, under exclusion of the subscription right of existing SGF shareholders.

For the 24.8 million SGF shares to be transferred and for the existing SGF shareholdings of Christoph Gerlinger, CEO and founder of SGT German Private Equity, and his Gerlinger & Partner GmbH, multi-year lock-ups are agreed.

With the transaction, SGF will be valued at 23.1 million EUR or 2.40 EUR per share based on its NAV less the present value of future administrative costs and the three target companies at a capitalized earnings value of 92.5 million EUR (DCF with 26 - 32% p.a. discount rate).

The general partner of SGF, has also changed its name to "The Payments Group Management GmbH". The founder of the three target companies Seth Iorio will join the management of the general partner and hence of the group as Chief Strategy Officer. He has been an internet entrepreneur for over 20 years. Already in 2011, he was Christoph Gerlinger's fellow board member at the listed Frogster Interactive Pictures AG in Berlin, which outperformed the Entry Standard Performance Index by more than 500%.

Christoph Gerlinger, CEO and Founder of SGT German Private Equity and designated The Payments Group Holding: "The Annual General Meeting's approval of this transaction lays the foundation for strong growth and profitability of our company. The day before yesterday, my Gerlinger & Partner GmbH acquired 2.7 million call options on SGF shares against payment of an option premium, with a strike price of 2.50 EUR."

Seth Iorio, CEO and Founder of The Payments Group and designated Chief Strategy Officer of the designated The Payments Group Holding: "The stock market listing opens up considerable additional growth prospects for our already rapidly growing group of companies."

The day before yesterday, the ticker symbol of The Payments Group Holding was changed to "PGH".

For more information about The Payments Group, please visit [www.payments-group.com](http://www.payments-group.com).

### **About The Payments Group Holding**

The Payments Group Holding is a listed investment holding based in Frankfurt am Main.

From its origin as a leading German venture capital provider under the former name German Startups Group, SGT German Private Equity holds a heritage portfolio of minority stakes in some promising German Tech Startups. For more information about The Payments Group Holding, please visit <https://sgt-germanpe.com/>.

### **About The Payments Group**

The Payments Group ("TPG") is a dynamically growing, vertically integrated e-money fintech company. TPG provides closed and open prepaid (emoney) payment services to numerous online merchants worldwide.

The company provides a scalable fintech platform. This platform enables online merchants to access previously untapped cash and prepaid markets and embedded financial products, expanding their Total Addressable Market (TAM) and increasing their revenues.

TPG operates internationally and works with a number of global leading online merchants across various industries. These clients leverage TPG's extensive network of over 550,000 European POS cash collection points and global online prepaid card fulfilment network to process cashless and cash online payments worldwide. For more information about The Payments Group, please visit [www.payments-group.com](http://www.payments-group.com).

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