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for immediate publication

**German Startups Group shows positive developments in
its investment portfolio and was profitable again
in the first quarter of 2016**

- *FinTech company ayondo plans IPO on the Singapore stock exchange in the near future*
- *SoundCloud strengthens its monetisation of its 175 million users through the publication of the subscription service SoundCloud Go*
- *Delivery Hero continues to grow strongly*
- *Friendsurance and Scalable Capital close substantial financing rounds*
- *reBuy shows sales growth and continued internationalisation*
- *German Startups Group profitable in the first quarter of 2016 according to preliminary calculations*

Berlin, 15. April 2016 - German Startups Group, the second most active venture capital investor in Germany in the period since 2012 (CB Insights, 2015), has recorded many positive developments in its investment portfolio since the beginning of the year. For instance, the portfolio company ayondo announced concrete plans a few days ago to hold an IPO in the near future via a so-called reverse takeover transaction with a company listed on the Singapore Exchange (SGX). The new consolidated group would reach a market capitalisation of EUR 137 million. This would make ayondo the first listed FinTech company on the Singapore Exchange.

In addition, the core holding SoundCloud, which accounts for the largest share of the portfolio of German Startups Group, is increasing its monetisation of its, according to the company, 175 million monthly active users. This was made possible because SoundCloud recently signed the long expected licensing agreement with Sony and was thus able to clarify the rights situation of its very large music catalogue. Licensing agreements have been met with all the major labels, Universal Music Group, Warner Music Group and Sony Music Entertainment, and also Merlin Network, which is claimed to have more than 20,000 independent labels. The music platform launched its subscription service SoundCloud Go shortly afterwards, in which the SoundCloud users have access to more than 100 million licensed and user-created songs. SoundCloud is considered one of the best known and most successful German startups.

Delivery Hero, another core holding of German Startups Group and better known in Germany under the brand names Lieferheld, pizza.de, and Foodora was able to increase its marketplace sales (GMV) in 2015 148 percent according to the company and thus further enhance its growth rate (2014 : EUR 657 million in marketplace sales, growth rate of 116 percent). According to



Delivery Hero, the net revenue of the online platform for food deliveries increased by 125 percent to EUR 198 million (2014: EUR 88 million in net revenue, growth rate 111 percent).

Other holdings significant to German Startups Group, Friendsurance and Scalable Capital, have recorded substantially higher valuations in financing rounds since the beginning of the year. For example, Horizons Ventures, the investment fund of the richest person in Asia according to Forbes magazine, Li Ka-shing, headed a round of financing for 15 million USD for the insurance FinTech startup Friendsurance. Scalable Capital, a leading so-called "Robo-Advisor," won a new investor in Tengelmann Ventures and collected more than EUR 7 million in the recent round of financing to be used for expansion into Great Britain. Here, Scalable Capital has already received an operating license from the UK financial authority FCA. The traditional asset management company KSW will integrate the automated portfolio management of Scalable Capital into its range and offer it to its customers in the future. In further financing rounds, partially much higher valuations of the online language school Lingoda, the MedTech startup Medlanes, and the FinTech startup Savedo were achieved.

Furthermore, reBuy, also a holding significant to German Startups Group, was able to increase its turnover to EUR 70 million in 2015. After the ReCommerce vendor expanded to France in December 2015, reBuy is now continuing its internationalisation into the Netherlands.

German Startups Group is not satisfied with the development of one major portfolio company, however, and has lowered its stake to EUR 1 for reasons of caution. In total, however, the higher valuations of the portfolio companies in the first quarter of 2016 were significantly higher than the write-offs of investments. Thus, German Startups Group continues to participate sustainably in the booming German startup scene and is showing profitability based on preliminary calculations in the first quarter of 2016. This has consistently been the case since its first full year of operations (2013). In 2015, German Startups Group achieved a net profit of EUR 3.6 million or 0.49 EUR per share and a return on equity of 19.7%.

Three focus investments from the portfolio of German Startups Group, Mister Spex, Auctionata, and SoundCloud were recently classified as EU startups with the prospect of achieving valuations of more than one billion USD by the renowned online magazine tech.eu as "Baby EUunicorns." Mister Spex and Auctionata are currently valued considerably lower. For SoundCloud, the opinion-leading online magazine TechCrunch recently expressed that SoundCloud would soon be valued higher than Spotify, which is valued at at least 8.5 billion USD according to market information.

Nicholas Nassim Taleb has classed venture capital as „anti-fragile“, in other words a portfolio can add stability to an increasingly fragile market. Peter Thiel, German-born billionaire and American VC-investor, who has invested in Paypal, Facebook, Airbnb, Tesla and many more, recently commented that venture capital is the only asset class he thinks can survive and grow in value during this so-called „bubble“ of high valuations taking place in almost all other asset classes such as property, stocks and bonds. Yale University announced last week that they achieved a return on investment of 93% p.a. in the last 20 years from the asset class venture capital.

Christoph Gerlinger, CEO and founder of German Startups Group, commented as follows, "We believe that our approach is well-suited for acting as an investor in the attractive asset class of German venture capital, in other words acquiring stakes in internationally successful German startups. The business development in the first quarter of 2016 confirms in this belief."



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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). 23 of the 43 minority stakeholdings in operationally active companies are of particular significance to German Startups Group and together comprise 90% of the total value of all 44 active minority stakeholdings. The ten core holdings alone make up 59% of the value of all active minority stakeholdings. According to German Startups Group, its investment portfolio reflects a cross-section of extremely 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 <http://www.german-startups.com>.