

+++ Press release +++

## **SGT German Private Equity increases Equity to more than 110 million EUR**

- Increase in equity to 2.26 EUR per share
- Positive earnings effect in 2022 of 12 million EUR or 24 cents per share
- Significant hidden reserve

**Frankfurt/Main, 17 August 2022** – SGT German Private Equity GmbH & Co. KGaA (SGF), a listed Private Equity asset manager, has closed the acquisition of its wholly owned subsidiary, SGT Capital Pte. Ltd. (SGTPTE), a highly profitable private equity asset manager based in Singapore. The acquisition was closed, accounting-wise, on 30.06.2022. The purchase price liability, which consisted of the issuance of a variable number of SGF shares to be issued to SGT Capital LLC (SGTLLC) until 30.06.2022, was now reclassified as equity [IFRS Group]. In total, SGTLLC received 39,490,500 new SGF shares. These have now been recognized as share capital resp. equity for accounting purposes as of 30.06.2022. This measure will have a positive impact on earnings in the first half of 2022 of just under 12 million EUR or 24 cents profit per share in 2022. The total number of shares now amounts to 49,808,800.

Originally, SGF's major shareholder SGTLLC was to be compensated for SGTPTE's performance with 50 million SGF shares. However, SGF management was able to obtain a redemption of a total of 11,052,200 shares, thereof 8.3 million shares per 30.06.2022 (and 2.2 million shares as of 31.12.2021), based on a binding share return offer made by SGTLLC. The volume of the share return was depending only on the amount of funds raised by SGTPTE up to a certain deadline, although the profitability of SGTPTE is in fact also depending significantly on various other factors, where SGTPTE was able to outperform expectations and targets significantly. So effectively, SGF has managed to acquire SGTPTE at more favorable conditions than initially agreed.

As of 30.06.2022, SGF records an increase in equity from 42 million EUR to more than 110 million EUR or 2.26 EUR per share. The goodwill resulting from the SGTPTE acquisition and the intangible asset are valued at 82 million EUR in SGFs books, although the fair value of SGTPTE is significantly higher based on its high profitability. SGTPTE had already been valued by auditors at a minimum of 148.6 million EUR on the occasion of the Annual General Meeting on 7.08.2020. However, according to IFRS, the fair value of the consideration at the time of book entry is decisive for the recognition of the acquisition in the balance sheet, which amounted to only 82 million EUR due to the low stock price of the SGF shares on 26.01.2021. The difference between the fair value and the book value of SGTPTE can be viewed to be a hidden reserve on the balance sheet of SGF.



### **About SGT German Private Equity**

SGT German Private Equity is a Germany-based listed private equity asset manager with registered office in Frankfurt/Main. Its 100% subsidiary SGT Capital Pte. Ltd. is a global alternative investment and private equity asset manager headquartered in Singapore.

SGT Capital Fund II, with a geographical focus on Europe and North America (fund lifetime ten years), invests in market leaders and utilizes its proprietary expertise to further globalize the businesses, particularly into Asia markets. SGT has targeted fundraising volume of 2 to 3 billion USD. The management team has many years of senior experience at renowned addresses – global private equity houses, management consultancies and investment banks. SGT Capital currently manages its issued Private Equity Funds, and a joint venture with an Asian financial services provider, in a total volume of more than 800 million USD.

From its origin as a leading German venture capital provider under the German Startups Group brand SGT German Private Equity also holds a heritage portfolio of minority stakes in some promising German Startups.

### **Investor Relations Contact Rosenberg Strategic Communications**

Dirk Schmitt  
d.schmitt@rosenbergsc.com  
+49 170 302 8833