

PRESS RELEASE

Bertelsmann Investments Reports Organic Revenue Growth of 52.6 Percent in First Half of 2024

- Revenues of €300 million
- Adj. Operating EBITDA of €30 million
- 30 new and follow-on investments in the first half of the year
- Currently 374 active investments worldwide
- €120 million in investments and capital commitments in the digital health sector
- Bertelsmann Next company Applike: 154 percent organic growth
- Successful acquisition of pharma tech company Extedo
- Carsten Coesfeld: “The development and expansion of our Bertelsmann Next growth unit is progressing well.”

Gütersloh, August 28, 2024 – In the first half of the year, Bertelsmann Investments (BI) made 15 new and 15 follow-on investments through its four venture capital funds and the Bertelsmann Next unit. Its active venture portfolio currently consists of 374 investments worldwide.

BI's revenues, which primarily consist of Bertelsmann Next activities in the areas of mobile ad tech (AppLike), HR tech (Embrace) and pharma tech, as well as equity investments, increased by 46.3 percent to €300 million in the first half of 2024 (H1 2023: €205 million). Organic revenue growth amounted to 52.6 percent.

Adjusted Operating EBITDA improved strongly to €30 million (H1 2023: €7 million). EBIT, which also includes the performance of venture capital activities, also improved strongly year-on-year to €72 million (H1 2023: €-36 million).

Carsten Coesfeld, CEO of Bertelsmann Investments, said: “In our Bertelsmann Next unit, we are driving entrepreneurial development in the growth sectors of digital health, pharma tech, HR tech, and mobile ad tech. The development and expansion of this growth area is progressing well, as is clearly reflected in our figures. In the digital health sector, we have made investments and capital commitments totaling around €120 million since the launch of the Next initiative in 2022. We are expanding the pharma tech and HR tech sectors organically and through acquisitions, most recently through the acquisition of the pharma tech provider Extedo. Our mobile ad tech company Applike recorded organic revenue growth of 154 percent in the first half of the year.”

Coesfeld added: “I'm also very pleased with our latest successful venture capital activities. During the reporting period, we were co-leads in the Series E financing round for Stori, Mexico's leading neobank with a valuation of more than 1 billion euros. We have been invested in the company since its Series A in 2019. Another success is Bertelsmann India Investments' investment in the e-commerce platform Rozana. The startup facilitates access to affordable food for around one billion people in rural India.”

Bertelsmann Investments CFO Deniz Pielsticker commented: “Since the launch of our venture capital activities in 2006, we have invested around €1.9 billion worldwide in some 500 companies and funds through the Bertelsmann Investments fund network. The capital

returns over the same period have been around €1.4 billion. In addition to this, cumulative investments and capital commitments in the Bertelsmann Next unit since the initiative was launched now total more than €200 million.”

The reporting period saw the acquisition of Extedo, a leading provider of software solutions and services in the field of regulatory information management, by Bertelsmann Next in the pharma tech sector. The HR tech company Embrace experienced strong growth, due in part to the acquisition of HR solutions provider Milch & Zucker. Applike more than doubled its revenues during the reporting period, thanks in particular to the establishment and expansion of its U.S. business.

Bertelsmann Asia Investments (BAI) strengthened its portfolio companies with follow-on investments and, in addition to its stake in Stori, further expanded its investment in the augmented-reality (AR) services provider Viture. BAI also successfully exited Xiaomi, the world’s third-largest smartphone provider.

During the reporting period, Bertelsmann India Investments (BII), besides investing in Rozana, made follow-on investments in Rupeek, one of India’s leading fintech platforms for gold-backed lending, and in the logistics platform LetsTransport.

Bertelsmann Digital Media Investments (BDMI) made several new and follow-on investments during the reporting period. These included follow-on investments in Percent, a fintech company in the U.S., and in the logistics company Burq.

Bertelsmann Central Investments (BCI)’s activities during the reporting period included an investment in the Paris-based global generative AI company Mistral AI.

The sale of DDV Mediengruppe to Madsack Mediengruppe was completed in April 2024.

About Bertelsmann Investments

Bertelsmann Investments (BI) comprises Bertelsmann’s global venture capital activities as well as the Bertelsmann Next growth unit. The venture capital arm includes the Bertelsmann Asia Investments (BAI), Bertelsmann India Investments (BII), and Bertelsmann Digital Media Investments (BDMI) funds, as well as selected fund and direct holdings in markets including Europe, the United States, Brazil, Southeast Asia and Africa. The Bertelsmann Next unit advances the entrepreneurial development of new growth sectors and business areas, including Digital Health, HR Tech, and Mobile Ad Tech. To date, around €1.9 billion has been invested in around 500 innovative companies and funds through Bertelsmann Investments. Bertelsmann Investments currently holds more than 350 active investments worldwide through its network of start-ups and funds.

Bertelsmann Investments online



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