

## PRESS RELEASE

## Bertelsmann Tops Up Investments in Indian Digital Companies

- **Follow-on investments in Treebo marketplace for budget hotels, and fintech startup Lendingkart**
- **Further expansion of activities in the strategic growth region**

New Delhi/Gütersloh, 13 September 2017 – Bertelsmann is stepping up its activities in India with follow-on investments in two digital startups: The international media, services and education company is participating in a \$34-million round of financing for Treebo, an online marketplace for budget hotels, and in a round of approx. \$10.5 million for the fintech company Lendingkart. Bertelsmann already owned a stake in both companies through its Bertelsmann India Investments fund (BII).

Treebo was founded in 2015; today, some 250 partner hotels in 50 Indian cities are part of the umbrella brand. The hotels provide accommodations with guaranteed standards such as free breakfasts, beverages, as well as free internet access and thus help the hotel owners to improve the guest satisfaction and thus occupancy rates. Treebo will use the funds from the new round of financing to further accelerate its brand-building and expansion.

Lendingkart specializes in brokering loans for small and medium-sized enterprises (SMEs) in India. Founded in 2014, over the past few years, the startup has arranged loans for companies in more than 800 Indian cities through its platform. Its business model is completely digital: the customers' credit checks are fully automated based on algorithms, so that they often receive the requested money in less than 24 hours. Lendingkart will use the funds raised to further build its loan book, invest in the technology of its platform and improve its data analysis.

Shobhna Mohn, Executive Vice President Growth Regions at Bertelsmann, said: "India is a growth region with significant strategic relevance for Bertelsmann. Both Treebo and Lendingkart have grown rapidly in recent months, and we are excited to continue working closely with them to shape and support the successful performance of both companies. We are making good progress in the development of our businesses in India and will continue to expand our presence here, both through venture capital investments and through our other operational businesses with local presence."

Pankaj Makkar, Managing Director Bertelsmann India Investments, said: "Treebo and Lendingkart each have an innovative strength that is shaping their entire respective industries – accordingly we are glad to continue supporting both companies. We will keep strengthening the BII portfolio in the months ahead – with follow-on investments in our existing holdings, and with new investments."

The Bertelsmann India Investments (BII) portfolio currently comprises direct investments into ten companies with a focus on digital media, e-commerce services, fintech, and education. Besides Treebo and Lendingkart, Bertelsmann is also invested in the music streaming service Saavn and the e-commerce platform Pepperfry through the fund.

Meanwhile, several other Bertelsmann divisions also have operations in India: RTL Group's production arm Fremantle Media is successful in India with formats including "Confessions – It's Complicated," "Indian Idol," "The X Factor," and "Got Talent." The RTL Group is also the majority shareholder of YoBoHo, a producer of children's programs that broadcast, e.g., on YouTube. Penguin Random House is the country's largest English-language publisher, and Arvato offers international customers a wide range of customer relationship management (CRM) services in India.

### **About Bertelsmann**

Bertelsmann is a media, services and education company that operates in about 50 countries around the world. It includes the broadcaster RTL Group, the trade book publisher Penguin Random House, the magazine publisher Gruner + Jahr, the music company BMG, the service provider Arvato, the Bertelsmann Printing Group, the Bertelsmann Education Group and Bertelsmann Investments, an international network of funds. The company has 116,000 employees and generated revenues of €17.0 billion in the 2016 financial year. Bertelsmann stands for creativity and entrepreneurship. This combination promotes first-class media content and innovative service solutions that inspire customers around the world.

### **About Bertelsmann Investments**

Bertelsmann Investments unites Bertelsmann's start-up investments around the world. In focus of its activities are the strategic growth regions Brazil, China and India, as well as the United States and Europe. Shareholdings are acquired through the strategic investment funds Bertelsmann Brazil Investments (BBI), Bertelsmann Asia Investments (BAI), Bertelsmann India Investments (BII) and Bertelsmann Digital Media Investments (BDMI). Bertelsmann owns stakes in approx. 150 innovative companies via these funds.

For further questions, please contact:

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