

Press release

New start for Berlin-based FinTech: Innovestment moves from crowdfunding to digital investment and financing marketplace

Berlin, February 27, 2020 - Innovestment GmbH - a pioneer amongst German crowdfunding platforms - is back on track with a mission to democratize capital for real economic progress. Instead of pure equity crowdfunding with a focus on start-ups, the Berlin-based FinTech is now a marketplace of curated projects that enables investors to back real economic progress for a return. Companies can finance on-demand with low transaction fees and time investment, and investors can easily build up their own portfolios online free of charge.

Projects come from the fields of sustainability, innovative growth project financing and entrepreneurship. Initially, only subordinated loans will be offered; with further forms of investment are being planned.

Innovestment was placed on hold at the end of 2017 following changes in the market environment and different orientations in the shareholder group. Christin Friedrich, who has been a managing partner for Innovestment since 2012, has thoroughly revised the business model and completely restructured the company with new shareholders.

"In the course of observing the market and the European context, we are of the opinion that existing financing models are still too expensive and too complex. In addition, we are convinced that people generally long for more simplicity and agency, especially when it comes to investing their own money," says Friedrich.

Innovestment focuses on an entrepreneurial approach

With the uncomplicated, comparatively low-cost financing via their platform, Innovestment offers small and medium-sized companies an attractive alternative for raising capital. Thanks to the amendments to the EU Prospectus Regulation and the German Asset Management Act ("VermAnIG") adopted in July 2019, which raises the upper limit for offering certain investments without a prospectus from EUR 2.5 million to EUR 6 million per year, larger financing rounds are also possible.

This results in attractive investment projects for private and institutional investors who want to invest wisely in times of low interest rates. "Our aim is to empower investors and companies with entrepreneurial thinking by providing a modern form of financial service", adds Christin Friedrich. Depending on their individual financial circumstances, private investors can invest between EUR 500 and 25,000 per project. Companies can also invest beyond that.

Shareholders see synergies

Leading the new Innovestment shareholder, Aktivwert GmbH, from Hamburg as Managing Director Hans-Helmuth Föh, who also heads the independent capital

investments brokerage, Anlagenwert Hamburg GmbH, says: "For those of us who come from the classical financial investment sector, the cooperation with Innovestment as a digital investment platform is an ideal complement. We see great potential here for our investors and for new target groups".

New platform on www.innovestment.eu

The relaunch of Innovestment is punctuated with a move from the .de domain to the new site www.innovestment.eu. With an English version (from March 2020) the new website will be bilingual. In addition, the new Innovestment is thus pursuing a pan-European approach. As Chairwoman of the Board of the European Crowdfunding Network (ECN), a non-profit organisation based in Brussels, Christin Friedrich is driving European harmonisation forward together with other European platform operators and sees great opportunities for the entire industry.

First project focuses on sustainability

Innovestment starts with a new investment in the Impact Investment category: The Vereinte Energiegenossenschaft eG (VEG) provides sustainable, ecological and decentralized energy generation and distribution and focuses primarily on block-unit heating power plants and photovoltaics. "Investors can now actively shape the energy revolution with their investments" says Christin Friedrich. Further projects will follow shortly.

About Innovestment

Berlin-based Innovestment GmbH was founded in 2011 as a spin-off of RWTH Aachen University and is thus one of the first crowdfunding platforms to be established in Germany. By the end of 2017, 40 projects had been successfully implemented and a total capital of EUR 8 million brokered. Since the realignment of the company in 2019, small and medium-sized companies can raise capital on www.innovestment.eu in an uncomplicated and transparent manner. From this Innovestment develops broadly diversified investment projects with fixed terms and interest rates for private and institutional investors.

Innovestment sees itself as a digital investment boutique with its own marketplace - personal and committed.

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