

CHG-MERIDIAN: Profitable business performance in 2021 and expansion of the business model

- Value of the managed technology portfolio grows to €7.8 billion
- Setting up a new business: 'devicenow' offers global IT rental model
- Strengthening the circular economy: Newly founded company 'circulee' remarkets refurbished IT equipment

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Emerging with renewed strength from the second year of the pandemic: For the CHG-MERIDIAN Group, 2021 was a successful year and the international technology manager and financing expert is already laying important strategic groundwork for further growth. With its newly founded subsidiary devicenow GmbH, CHG-MERIDIAN is making a broad-scale entry into the global B2B market for device-as-a-service concepts. In addition, CHG-MERIDIAN is co-founder and principal investor of the new Berlin-based company circulee GmbH, which focuses exclusively on remarketing certified second-hand IT equipment to small and medium-sized businesses.

2021 fiscal year

The second year of the COVID-19 pandemic was another very strong year for the CHG-MERIDIAN Group. The technology manager and financing expert was able to emphasize its reliability as a resilient and sustainable partner and expanded its portfolio of financed and managed technology assets by 4 percent to €7.8 billion (2020: €7.5 billion). At the same time, the consolidated net income rose by 30 percent to €113 million in 2021 (2020: €87 million).

"Our digital and sustainable business model based on the circular economy once again proved to be highly resilient and reliable in 2021," said Dr. Mathias Wagner, Chairman of the Board of Management, at the International Funding Partner Conference hosted by CHG-MERIDIAN in Frankfurt today. "Even in times of crisis, we continue to support our customers with their technology investment projects and, above all, with their digital transformation. We regard the trust that our customers place in us as both an honor and obligation."

New customer business remains a challenge, as the impact of the pandemic is particularly noticeable here. Volatile markets, supply bottlenecks, and the lack of planning certainty for businesses have caused the volume of lease originations at CHG-MERIDIAN to drop by 2 percent to €1.727 billion (2020: €1.758 billion). "This is a trend we need to reverse, as growth is a crucial strategic objective for us. With new products such as our climate-neutral financing option carbonZERO and our first ESG-linked loan, we have already demonstrated clearly in 2021 how agile we are as a Group," explained Dr. Wagner.

He believes that this is an important signal to all customers, showing that CHG-MERIDIAN understands their needs and is continually evolving in order to meet those needs. "Even in a crisis, there is a limit to how long investment in digitalization and sustainability can be deferred."

devicenow offers global IT rental

The creation of devicenow GmbH provides an immediate boost to CHG-MERIDIAN's position in the IT rental market. In collaboration with global IT service provider Hemmersbach from Nuremberg, devicenow delivers a full-service rental solution that comprises preconfigured hardware and service packages. PCs, laptops, cell phones, and tablets that always represent

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the best technology available are offered at a fixed monthly rental price and at a consistently high level of quality – hassle-free and anywhere in the world. The recipe for success involves simple processes and pooled services. In terms of target customers, the focus is on multinational corporations and substantial medium-sized companies.

“devicenow GmbH expands our range of international leasing solutions with a simple digital rental offering that all of our customers can use. „Having a device-as-a-service concept in the form of a rental model will enable us to satisfy new customer requirements and to do so globally in future”, said Dr. Wagner.

Circular economy: CHG-MERIDIAN is co-founder and principal investor of circulee

Since its establishment in 1979, CHG-MERIDIAN has pursued the guiding principle of a resource-efficient circular economy. The Group operates its own technology centers where IT equipment is professionally refurbished. This saves resources and is kind to the environment. In 2021 alone, around 840,000 IT assets were given a second life, which equates to a refurbishment ratio of 96 percent.

By founding circulee GmbH, CHG-MERIDIAN is further strengthening its position in this segment and demonstrating once again that sustainability is a key driver of growth. The newly established business addresses growing demand for refurbished IT equipment in the B2B market and specifically supplies small and medium-sized companies with certified second-hand IT hardware and related services.

“There is tremendous demand for refurbished assets as an alternative to new equipment. This is due in part to current supply bottlenecks but primarily to the growing commitment to sustainability of many companies. circulee’s service offering closes a gap in the market by enabling companies to drive forward the digital transformation of their business in a manner that is both cost-efficient and sustainable”, summarized Dr. Wagner.

The CHG-MERIDIAN Group

The CHG-MERIDIAN Group is the leading international technology manager and financing expert in the IT, industrial, and healthcare technology sectors. Nearly 1,200 employees across 28 countries manage a technology portfolio worth €7.8 billion (2021). CHG-MERIDIAN finances and manages international technology projects in a holistic, digital, and sustainable manner. Acting independently of banks and manufacturers, it supplies the necessary assets to its customers, which include large corporations, small and medium-sized enterprises, hospitals, and the public sector. The Company has been managing its customers’ technology investments for more than 40 years, covering the entire lifecycle from procurement and use to data erasure, refurbishing, and remarketing. The business model has been based on the principles of the circular economy since 1979. CHG-MERIDIAN has been carbon-neutral since 2021. To achieve this, it avoids, reduces, or offsets all CO₂ emissions generated by its business activities. The Company’s headquarters are in Weingarten, Germany.

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