



Dear shareholders,

Social, geopolitical and economic tensions have been on the rise across the globe for some years now. Now, it would appear, we have to brace for a lasting crisis on multiple fronts that calls our hitherto orderly world and economic order into question. This development is resulting in fundamental changes to the demands placed on the corporate sector.

More than ever, companies have to be able to pick up on changes quickly and be willing to adapt to them. DBAG has been proving its adaptability for almost 60 years now – that’s how far back our roots go. There are only a handful of companies in our industry with such a solid foundation and this is precisely what sets us apart.

This decades-long successful track record would not have been possible if we had not also been willing and able to make fundamental changes. We would like to thank all of our employees, who – through their strong commitment – have contributed so much to the Company’s further development. The overarching objective that guides us unwaveringly is to closely align the interests of all parties involved: the interests of a company and its shareholders, the interests of the members of our Investment Advisory Team and our portfolio companies and, of course, the interests of DBAG, our shareholders and our fund investors. We have put structures in place where possible and firmly established them in order to achieve this sort of alignment, but most importantly, it is also the focal point of our thoughts and actions.

We are convinced that this is the only way to achieve sustainable value enhancement. Nowadays, “sustainable” no longer means simply “long-term” and “durable”. It also translates as “future-proof” from an ESG perspective – i.e. in terms of ecological, social and responsible corporate governance. ESG aspects have become much more important in recent years. And with climate change moving up a gear – another driver of fundamental change – we expect this trend to continue.

New companies are becoming established market players while existing ones are refining their business models to offer innovative solutions that will facilitate the climate transition. We want to contribute to climate protection and preserving an environment worth living in for the generations to come. This is why we are investing in this area, providing these companies with equity capital to help them exploit their market potential faster than they could on their own steam. Most importantly, however, we are also leveraging our experience to help them upgrade their processes to put them in the best possible position to adapt to the changing requirements of our times.

Over the past financial year, we have invested in no fewer than three companies that aim to contribute to reducing greenhouse gas emissions. Together with a fund advised by DBAG, we invested in the biogas platform Avrio Energie.

Jannick Hunecke Member of the Board of Management

Born in 1974.
Member of the
Board of Management
since March 2021;
appointed until
end of February 2026.

Investment Business
Portfolio Valuation
Human Resources
ESG

Tom Alzin Spokesman of the Board of Management

Born in 1980.
Spokesman of the Board of
Management since March 2023;
Member of the Board
of Management since March 2021;
appointed until end of February 2026.

Strategy and Business Development
Market Development Italy
Investment Business
Long-Term Investments
Investor Relations

Melanie Wiese Chief Financial Officer

Born in 1974.
Member of the Board
of Management
since January 2023;
appointed until
end of December 2025.

Finance and Accounting
Law/Compliance/Risk Management
Organisation/IT



We also invested in TBD Technische Bau Dienstleistungen, again alongside a fund advised by DBAG. TBD was involved in the connection of the new LNG terminal in Wilhelmshaven. Headquartered in East Frisia in Northern Germany, TBD operates in a region that, as an energy hub, plays a major role in the energy supply of the future.

We also successfully concluded our first Long-Term Investment, which we structured entirely using funds from our own balance sheet. This saw us sell our portfolio company R+S to NOKERA and reinvest part of the proceeds in the buyer. This will allow us to continue participating in the attractive growth prospects offered by the market for cost-efficient and sustainable residential properties in which NOKERA operates, while investing in sustainable construction in tandem.

We are also continuing to focus on digital transformation. The solutions developed by this industry will determine the future of our society in many ways. The climate transition can only be a success if networking and smart control become the standard – from individual household appliances to entire production plants and even energy and transport systems. What is more, it is only with more digital economic processes and public administration that we will be able to achieve the productivity increases needed to secure our future prosperity in the face of demographic change.

The investment in AOE, together with a fund advised by us, already marks our seventh investment in the IT services & software growth sector. AOE Group is a leading service provider for agile software development that is benefiting from the strong tailwinds provided by transformative topics such as cloud, digitalisation and data management. ProMik is also reaping the benefits of increasing digital transformation. The company is a leading systems provider of programming and testing solutions for series production in the electronics industry. We agreed to invest in ProMik, once again alongside a fund advised by us, in September 2023.

Another particular highlight of the financial year 2022/2023 was the successful sale of Pmflex, the first investment we used to tap into the highly attractive Italian market back in 2020. Last but not least, we supported twelve add-on acquisitions by our portfolio companies, including transformative add-ons such as that of the Metalstudio Group by our portfolio company MTWH. This acquisition will strengthen the company's strategic positioning as a centre of excellence for accessories in the luxury market and will double its revenues – another transaction that pays testimony to our expertise in the Italian market.

These deals are examples of the many successful developments in our portfolio in the financial year 2022/2023. Together with higher market multiples, they contributed to a successful reporting year. Taking into account the dividend we distributed, our net asset value increased by 18 per cent to 670 million euros, outstripping the original forecast for this key performance indicator and reaching the level predicted in our most recent forecast. At 14 million euros, earnings from Fund Investment Services were, as expected, slightly lower than the 15 million euros achieved in the previous year.

The successful financial year 2022/2023 highlights the attractive prospects that the private equity market has to offer, even in challenging times. Our tradition of excellent access to family businesses allows us to leverage a strong network of experienced names in the business in what are frequently bilateral negotiations. This opens up very special opportunities for us to invest in attractive companies, allowing our shareholders and our fund investors to benefit from value appreciation.



We want you, dear shareholders, to continue participating in DBAG's financial performance. Our distribution policy, which we have updated in November 2023, aims to have shareholders participate in the financial gains of a given financial year in the form of stable dividends amounting to at least 1.00 euro per share entitled to dividends. In addition, DBAG plans to consider share repurchases on a more regular basis, as a flexible option enabling shareholders to achieve additional participation in the Company's positive development. The purpose is to reflect the long-term orientation of DBAG's business model in its dividend policy. If you accept our dividend proposal, you will be receiving a current yield of 3.5 per cent on your investment in Deutsche Beteiligungs AG, measured against the average share price in 2022/2023, alongside the appreciation gained through the share price development.

Looking ahead to the future, we are aiming to further expand our strong market position and add private debt to the range of solutions we offer. This will see us establish ourselves as a full-service provider for the financing needs of mid-market companies across their entire capital structure. With this goal in mind, we acquired a majority stake in ELF Capital Group in September 2023. ELF Capital advises funds that provide flexible private debt financing for established, market-leading mid-market companies with a geographical focus on the Germany, Austria and Switzerland region, the Benelux countries and Scandinavia.

The private debt asset class is becoming increasingly attractive, a trend that is receiving a further boost from the current interest rate environment. The option of co-investing in ELF Capital funds will allow us to achieve rapid growth and capitalise on opportunities in the credit markets, which will in turn enhance our ability to generate capital. Our fund investors will benefit from the wider range of investment opportunities and a stronger market position overall. We also expect revenues to grow in the medium term and become less volatile. All in all, this move opens up a vast range of new opportunities for us and consolidates our position as a forward-looking, financially strong company. We are convinced that this will allow us to create further potential for value appreciation for our shareholders.

We are delighted that our shareholders approved the amendment to our corporate object and related amendments to the Articles of Association required for this transaction at the Extraordinary General Meeting held on 2 November 2023.

In the financial year 2023/2024, which has only just begun, we are aiming to continue with our successful development and anticipate a further increase in our net asset value. Earnings from Fund Investment Services are likely to drop vis-à-vis the previous financial year 2022/2023, in line with the life cycle of the funds and in view of cost developments. This would make the financial year 2023/2024 another successful year overall from the medium to long-term perspective that is decisive for our business.

Frankfurt/Main, 30 November 2023

The Board of Management

Tom Alzin Jannick Hunecke Melanie Wiese