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# HALF-YEARLY FINANCIAL REPORT AS AT 31 MARCH 2022

FIRST HALF AND SECOND QUARTER OF THE  
2021/2022 FINANCIAL YEAR

ANALYST'S CONFERENCE CALL  
12 MAY 2022

# YOUR HOSTS



**TORSTEN GREDE**  
Spokesman of the  
Board of Management



**ROLAND RAPELIUS**  
Head of Investor  
Relations



**MIRKA DERKSEN**  
Head of Finance and  
Accounting

# NEW FORECAST AS CAPITAL MARKET DEVELOPMENTS BURDEN EARNINGS

## PORTFOLIO

Good progress of  
investing activity



## BURDENED EARNINGS

Drop of peer group  
multiples



## NET ASSET VALUE OF PE INVESTMENTS

Decrease of 5.1% to  
641.8 million euros  
adjusted for dividend  
payment and the receipt of  
deferred advisory fees



## EARNINGS FROM FUND INVESTMENT SERVICES

5.8 million euros  
after negative  
one-off effect



2021/2022

Adjusted forecast  
confirmed

# KEY PERFORMANCE INDICATORS

## PRIVATE EQUITY INVESTMENTS

NET ASSET VALUE

**641.8**

MILLION EUROS

NET ASSET VALUE  
PER SHARE

**34.13**

EUROS

EARNINGS BEFORE  
TAXES

**-41.5**

MILLION EUROS

CASH FLOW FROM  
INVESTMENT ACTIVITY

**-47.8**

MILLION EUROS

## FUND INVESTMENT SERVICES

EARNINGS  
BEFORE TAXES

**5.8**

MILLION EUROS

ASSETS UNDER  
MANAGEMENT OR  
ADVISORY

**2.5**

BILLION EUROS

## GROUP

NET INCOME

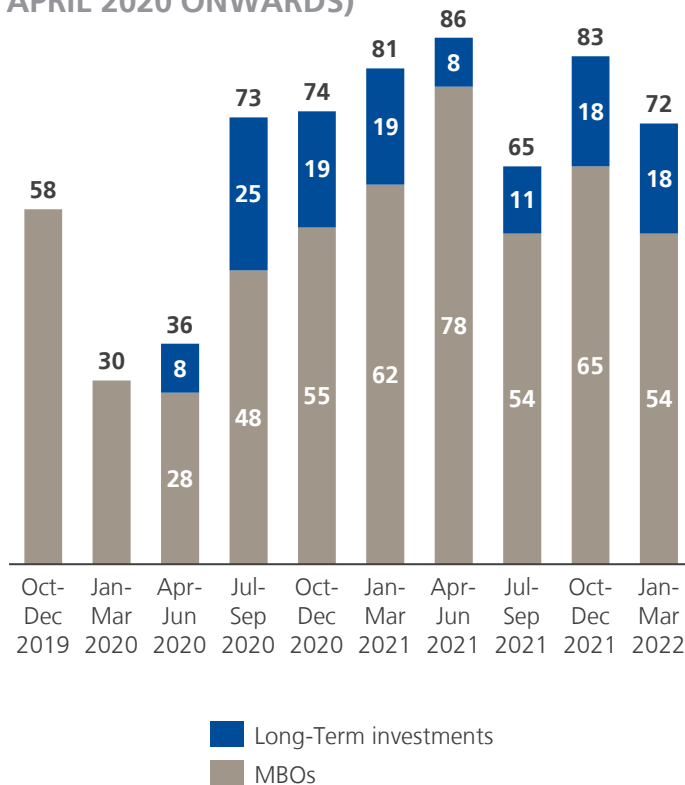
**-35.8**

MILLION EUROS

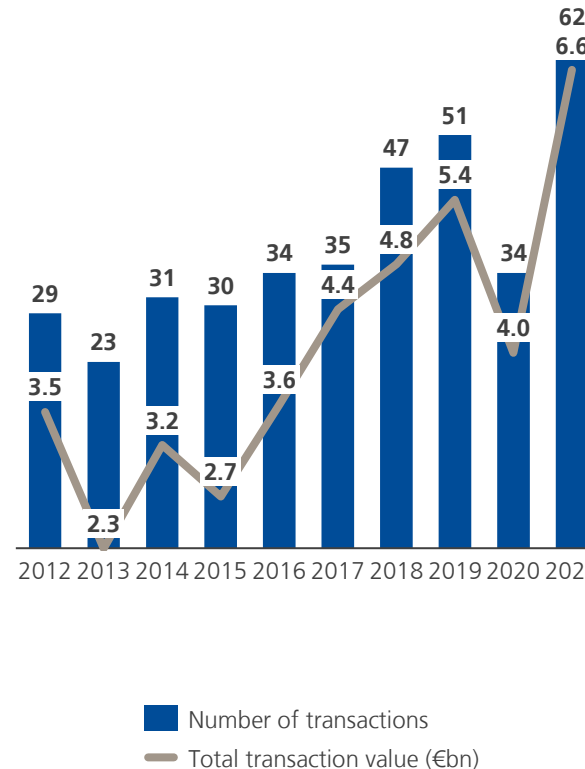
# MEDIUM-TERM IMPACT OF THE UKRAINE WAR ON THE M&A MARKET STILL UNCERTAIN



**INVESTMENT OPPORTUNITIES BY QUARTER<sup>1</sup>**  
(BASED ON INVESTMENT STRATEGY FROM APRIL 2020 ONWARDS)



**NUMBER OF MBOS AND TRANSACTION VOLUME<sup>2</sup>**  
(MID-MARKET SEGMENT, 50-250 MILLION EUROS)



## Impact of the Ukraine war

- › Transaction activity is expected to decline
- › Lenders can be observed taking a more selective approach
- › Medium to long-term impact still uncertain

<sup>1</sup> Source: DBAG CRM system

<sup>2</sup> Majority takeovers in the context of MBOs, MBIs, secondary/tertiary buyouts involving a financial investor in Germany; sources: FINANCE, DBAG

# GOOD PROGRESS OF TRANSACTION ACTIVITY WITH A FOCUS ON IT SERVICES AND SOFTWARE

<p><b>New investments agreed</b></p> <div style="border: 1px solid blue; padding: 5px; display: inline-block; margin: 10px 0;">Third Long-Term Investment: datahub</div> <div style="display: flex; justify-content: space-around; margin-top: 20px;">   </div> <p style="display: flex; justify-content: space-around; margin-top: 5px;"> <span>akquinet</span> <span>datahub (data centres)</span> </p>	<p><b>New investments completed</b></p> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> <p style="display: flex; justify-content: space-around; margin-top: 5px;"> <span>freiheit.com</span> <span>Dantherm</span> </p> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> <p style="display: flex; justify-content: space-around; margin-top: 5px;"> <span>in-tech</span> <span>Itelyum</span> </p>	<p><b>Disposals completed</b></p> <div style="display: flex; justify-content: space-around; margin-top: 20px;">   </div> <p style="display: flex; justify-content: space-around; margin-top: 5px;"> <span>Telio (partial disposal)</span> <span>von Poll Immobilien (refinancing)</span> </p>
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**18 add-ons executed\***

									
cloudflight	Dantherm	Fire	in-tech	netzkontor	operasan	Sero	Silbitz	Solvares	vitronet

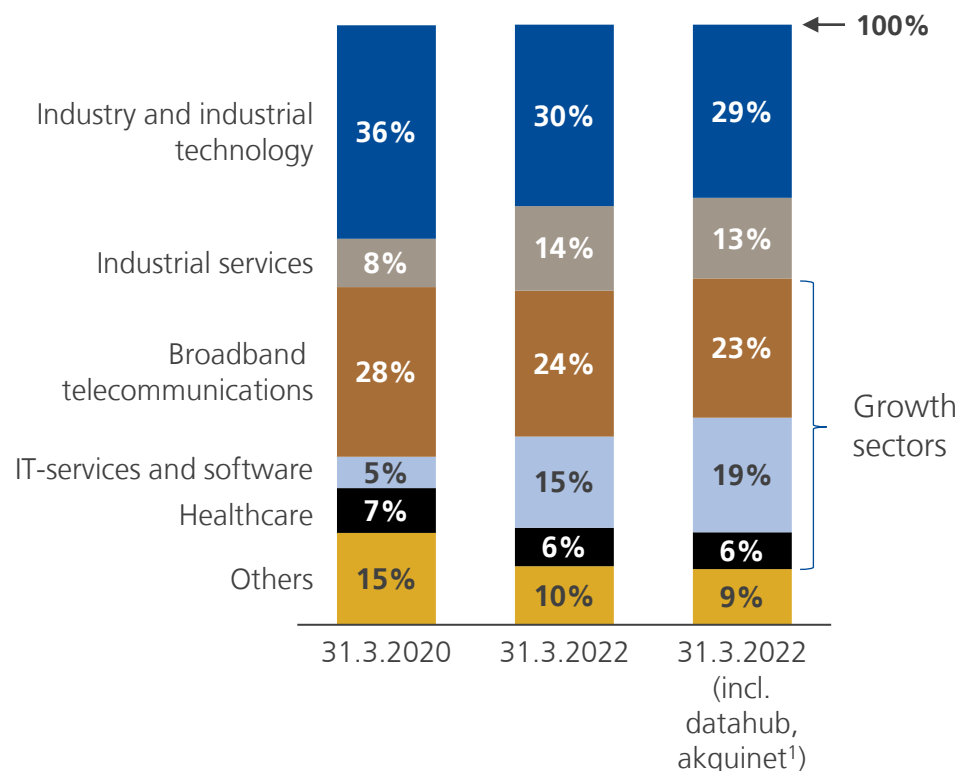
\* Total additional capital provided by DBAG: around 10 million euros

# CHANGES IN THE PORTFOLIO STRUCTURE OVER THE LAST TWO YEARS

## Growing share of IT services and software

### PORTFOLIO VALUE BY SECTORS

%



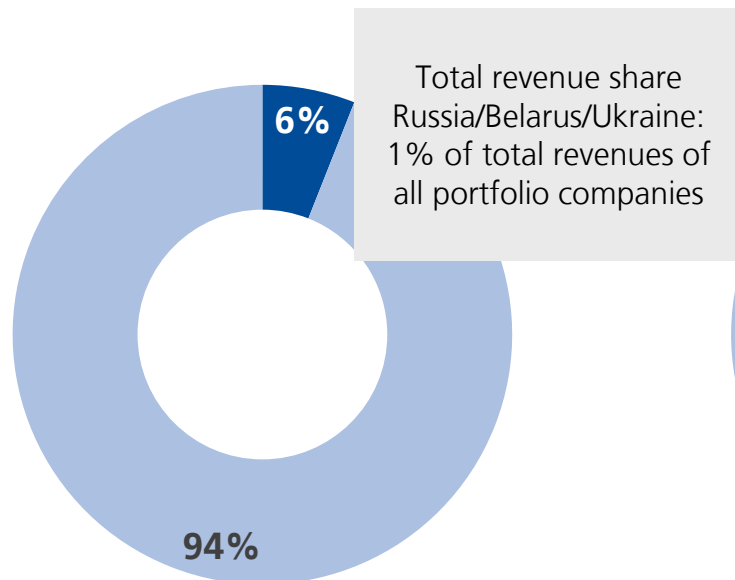
## Strong performance of growth sectors

Portfolio by sectors	31.3.2022		31.3.2020	
	IFRS/ Acq. cost	Share in portfolio value	IFRS/ Acq. cost	Share in portfolio value
Industrial sectors	0.9x	44%	0.7x	44%
Growth sectors	2.0x	46%	1.4x	41%
<b>Total</b>	<b>1.2x</b>	<b>100%</b>	<b>0.9x</b>	<b>100%</b>

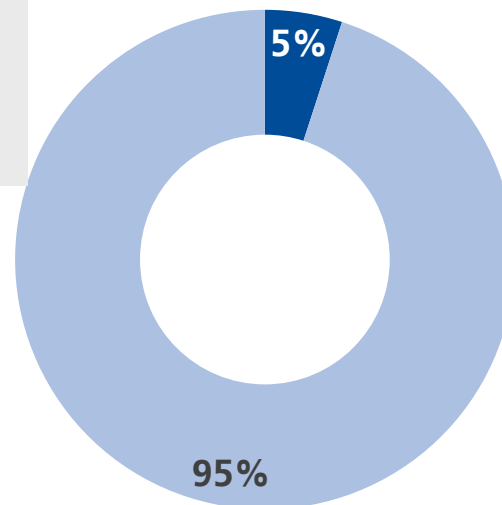
<sup>1</sup> The investments in datahub and akquinet were agreed during the reporting period and are not yet completed

# UKRAINE WAR WITH A RELATIVELY MINOR DIRECT AND INDIRECT IMPACT ON THE PORTFOLIO

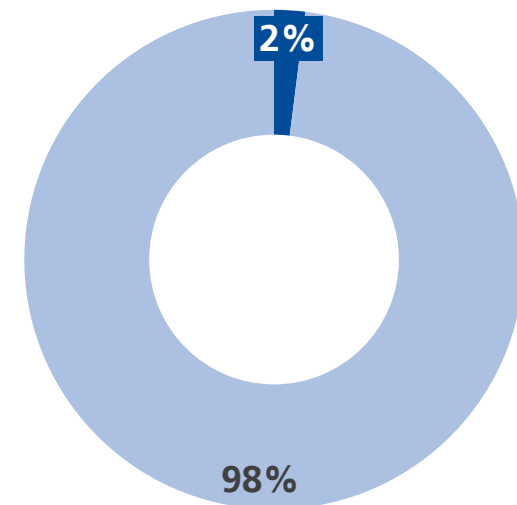
## Portfolio companies with revenue exposure to Russia/Belarus/Ukraine<sup>1</sup>



## Portfolio companies with high electricity consumption<sup>2</sup>



## Portfolio companies with high gas consumption<sup>2</sup>



Each as % of portfolio value as at 31 March 2022

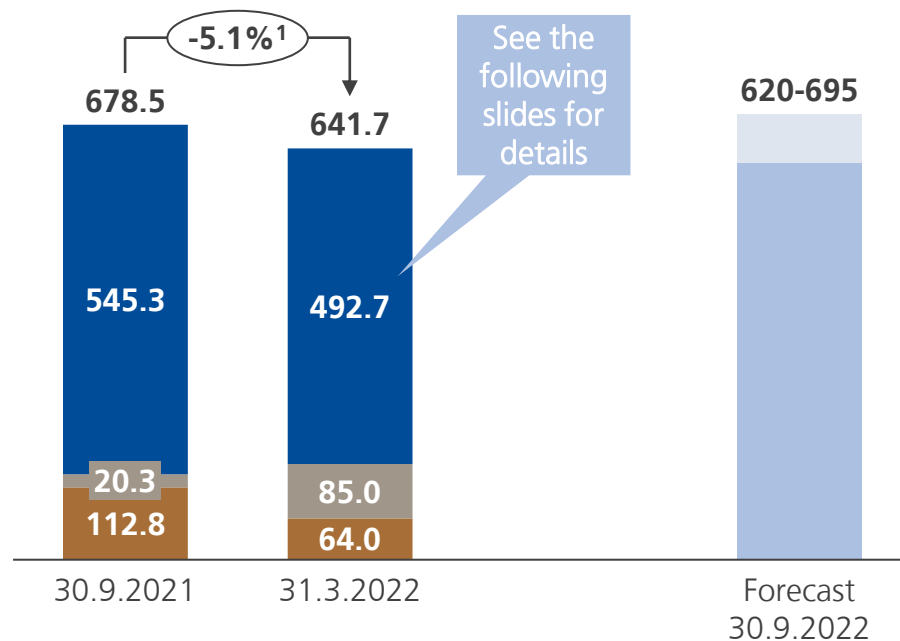
<sup>1</sup> Basis: budget 2022

<sup>2</sup> Basis: Consumption data for 2020 – high share of consumption: top 5 portfolio companies in each case



# FIVE PER CENT DECLINE OF NET ASSET VALUE OF PRIVATE EQUITY INVESTMENTS

## DEVELOPMENT OF NET ASSET VALUE (€mn)



**Net asset value:**  
KPI for the financial objective “Build the value of Private Equity Investments”

**Decline in net asset value due to negative net gains and losses on measurement and disposal**

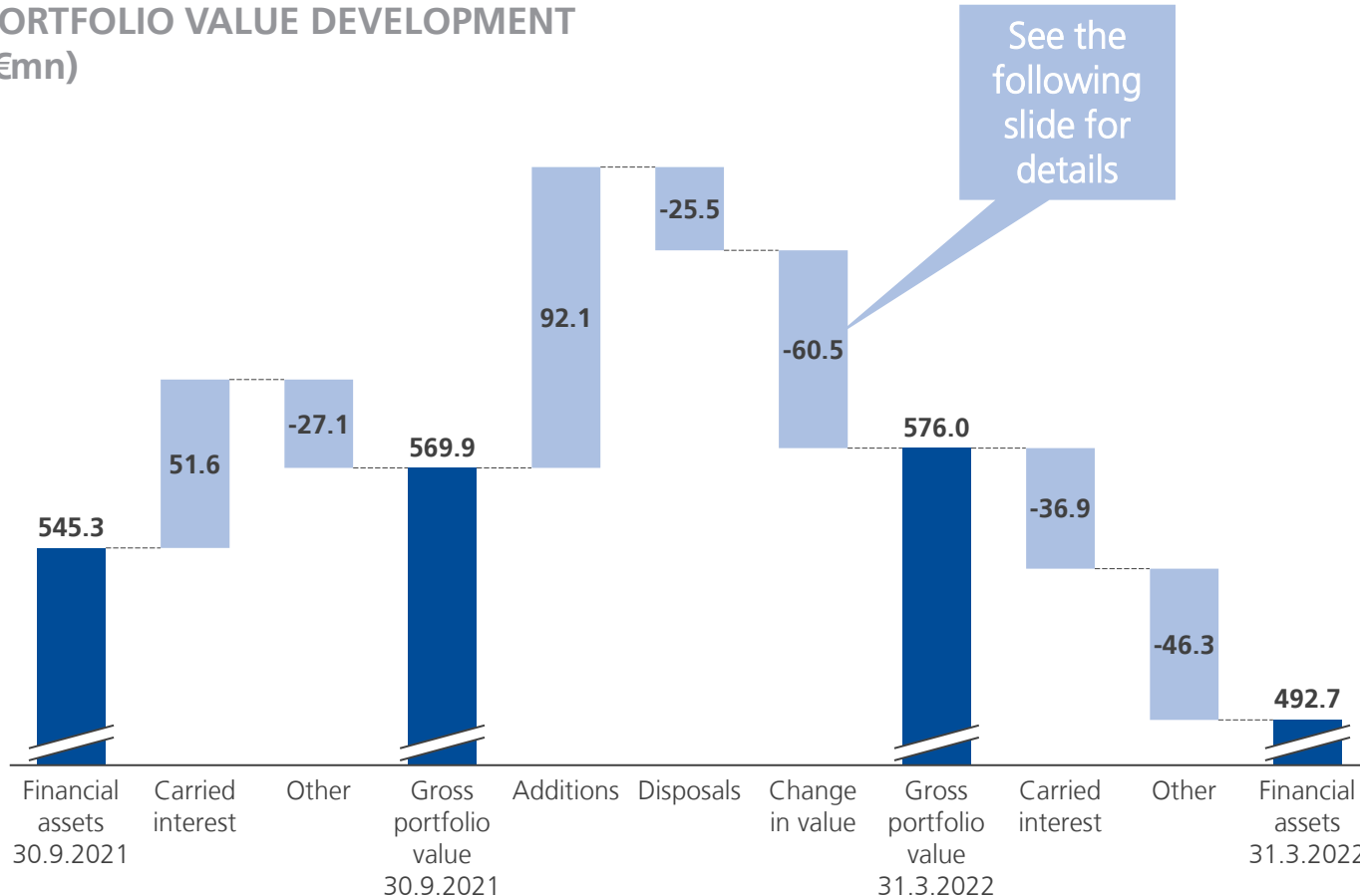
**Forecast includes earnings contributions from expected divestments**

- Financial assets
- Other financial instruments
- Financial resources

<sup>1</sup> Adjusted for a dividend payment of 30.1 million euros and the receipt of deferred advisory fees for DBAG Fund VII in the amount of 27.8 million euros.

# GOOD PROGRESS OF INVESTING ACTIVITY DRIVES THE DEVELOPMENT OF THE PORTFOLIO VALUE

## PORTFOLIO VALUE DEVELOPMENT (€mn)



### Additions

- › New MBOs

### Disposals

- › Telio (partial disposal)
- › von Poll Immobilien (partial disposal following refinancing)

### Change in value

- › Negative value contributions from companies due to lower valuation multiples

### Carried interest

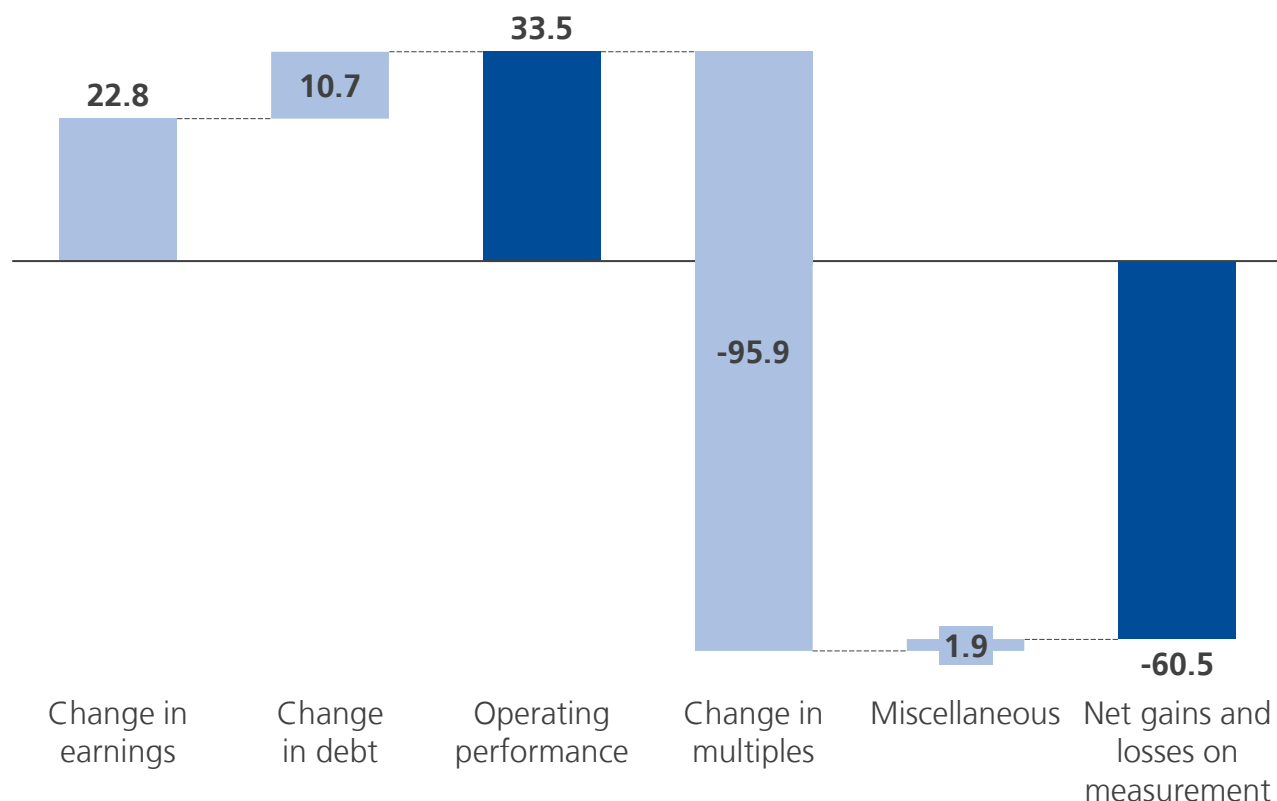
- › Decline as expected due to changes in value

### Other

- › Mainly short-term bridge financings

# POSITIVE OPERATING PERFORMANCE MORE THAN OFFSET BY MULTIPLE CONTRACTION

## NET GAINS AND LOSSES ON MEASUREMENT (€mn)



Miscellaneous: exchange rate fluctuations, other effects

### Change in earnings:

- › Positive earnings contributions mainly driven by the sectors IT services and software sectors and industrial services, mostly due to add-ons
- › Negative earnings contributions mostly due to increased risk discounts

### Change in debt:

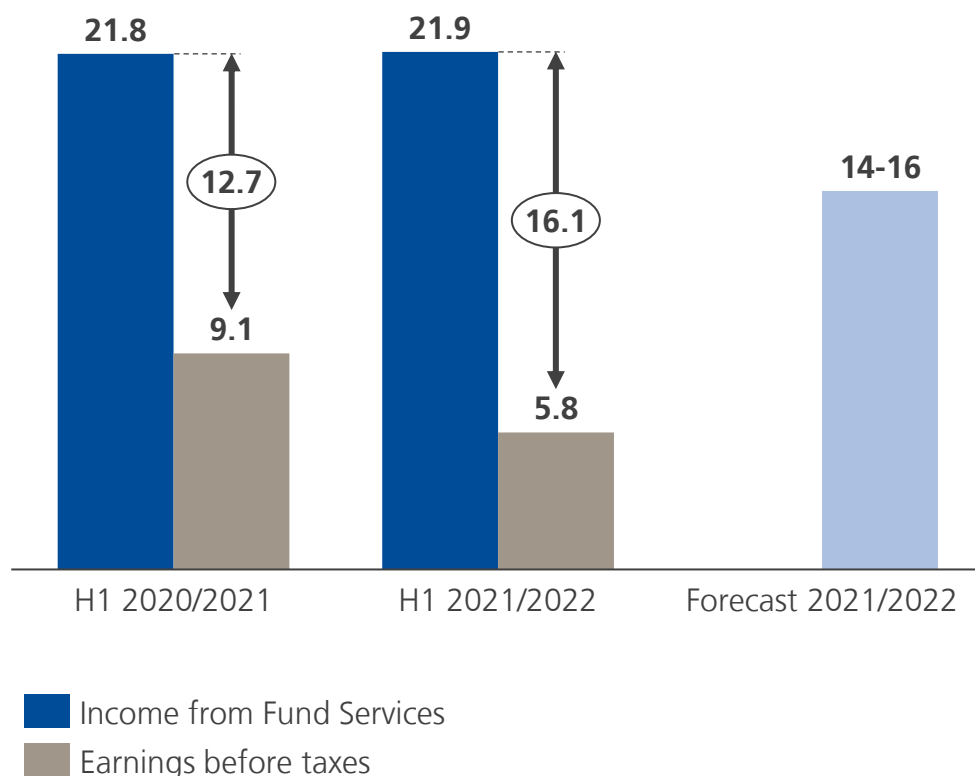
- › Reductions at numerous portfolio companies
- › Increase due to debt-financed add-ons by strongly growing portfolio companies as part of buy-and-build strategies

### Change in multiples:

- › Negative effects at the majority of our portfolio companies' peer groups
- › Particularly significant in the IT services and software sector

# EARNINGS FROM FUND INVESTMENT SERVICES DECREASE FROM HIGH PREVIOUS YEAR'S LEVEL

(€mn)



**Earnings from Fund Investment Services:  
KPI for the financial objective “Build the value  
of Fund Investment Services”**

**Income from Fund Services stable, as expected**

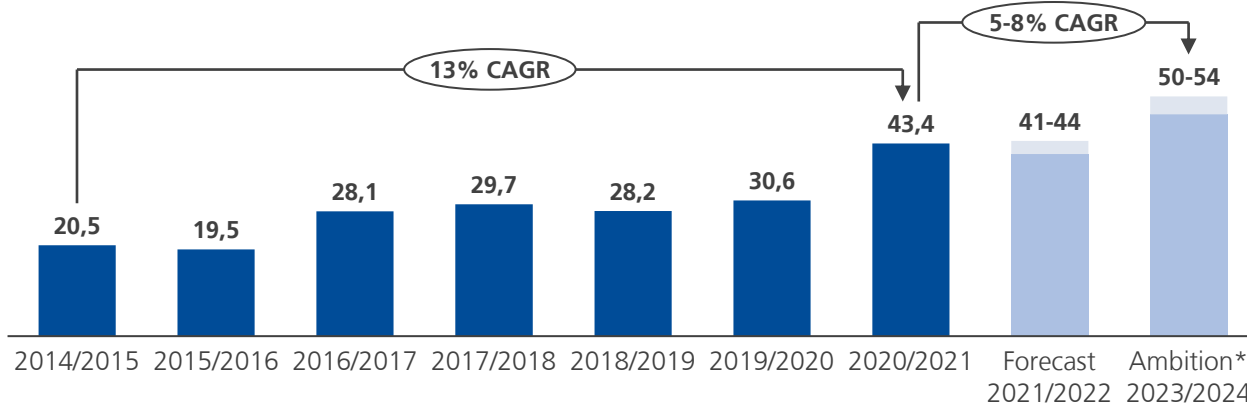
**Pre-tax profit decrease from exceptionally high  
prior-year level**

- › Year-on-year increase in expenses driven by recent expansion of DBAG’s team as well as higher consultancy expenses and one-off expenses related to the departure of a member of the Board of Management

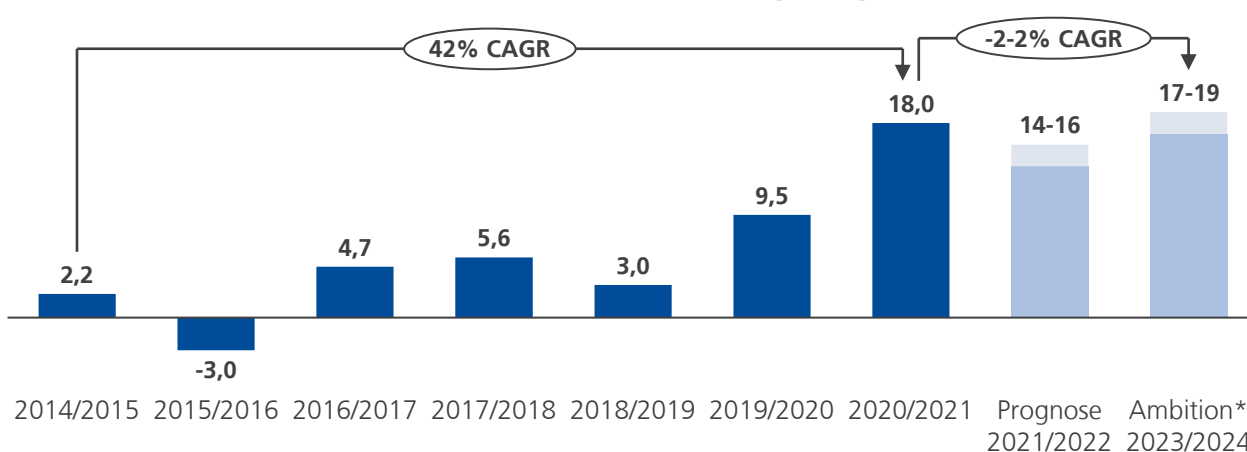
**Forecast raised due to lower performance-  
related remuneration**

# FUND INVESTMENT SERVICES SEGMENT: SUSTAINABLE GROWTH EXPECTED TO CONTINUE

## FUND INVESTMENT SERVICES – INCOME (€mn)



## FUND INVESTMENT SERVICES – EARNINGS (€mn)



\*Ambition 2022/2023 is based on the 2022-2024 medium-term planning concluded in November 2021

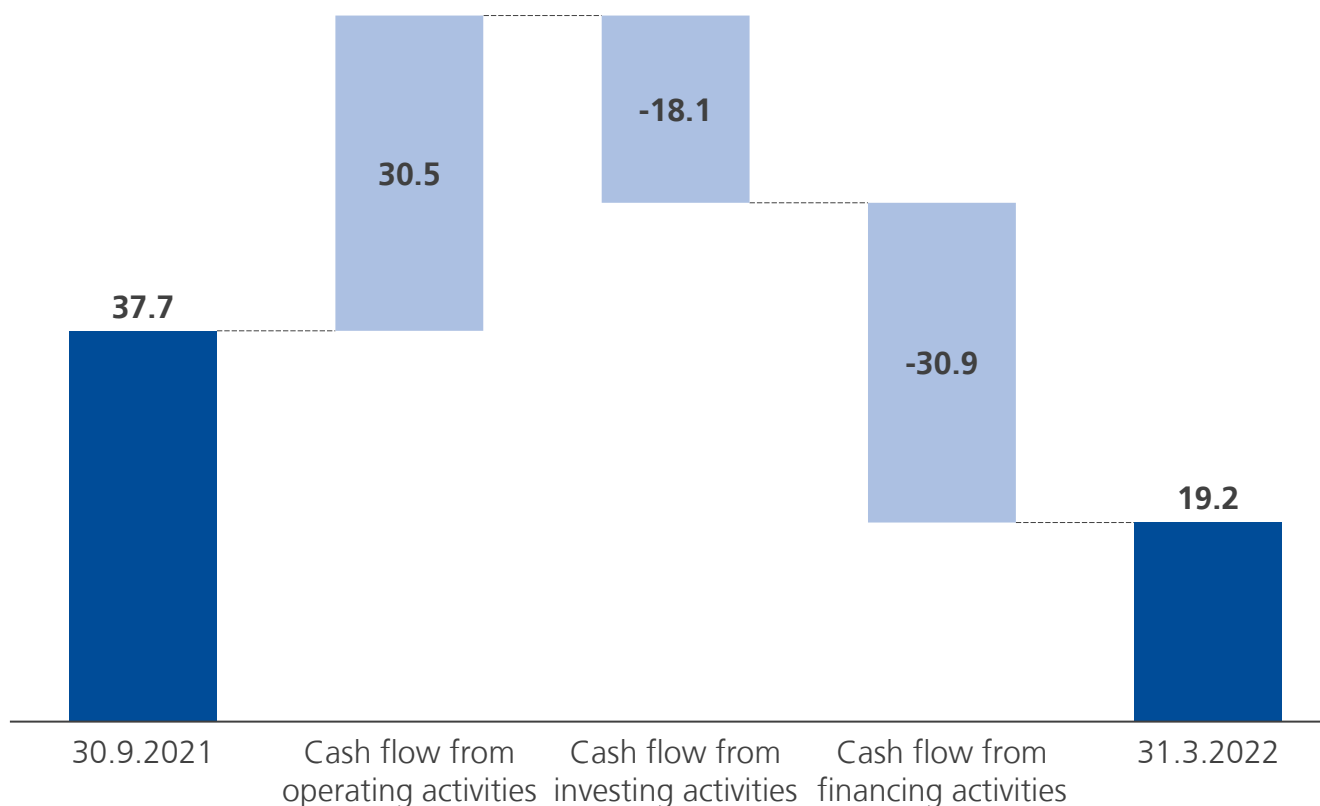
## Typical growth pattern of AuM and management fee income

- › Start of investment period of a new DBAG funds accompanied by a sharp increase
  - 2016: DBAG Fund VII
  - 2020: DBAG Fund VIII
- › Subsequent scheduled reduction, mainly due to realisations

## Further diversification of revenue streams in the future

- › Expansion of the platform for further growth

## DEVELOPMENT OF FINANCIAL RESOURCES (€mn)

**170.7 million euros of available liquidity**

- › 19.2 million euros of cash and cash equivalents
- › 44.8 million euros of shares in money market funds
- › 106.7 million euros in undrawn credit lines

**Further financial resources**

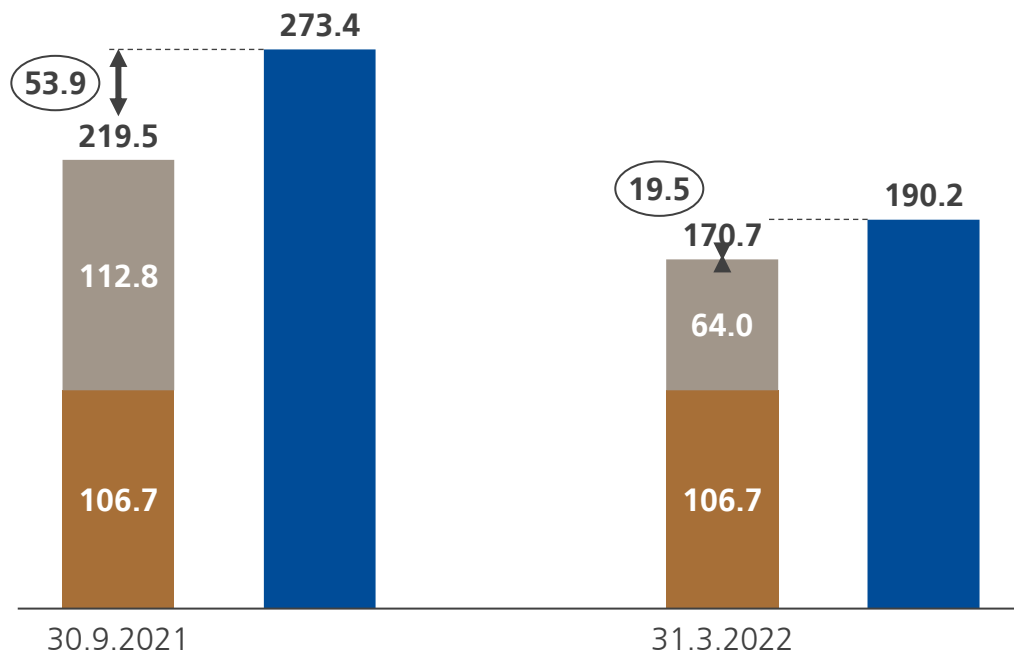
- › 7.7 million euros of financial resources available in the Group's investment entity subsidiaries

**Cash flow from operating activities**

- › Includes receipt of deferred DBAG Fund VII management fee totalling 27.8 million euros

# SOLID FINANCIAL BASE FOR MEDIUM-TERM INVESTMENT PLANS

(€mn)



## Growth strategy driving financing requirements

- › Co-investment commitments are largely covered by available liquidity
- › Medium-term investment projected at approx. 114 million euros p.a., based on 2022-2024 medium-term planning (November 2021)
- › This includes co-investments alongside DBAG funds, plus Long-Term Investments using our own balance sheet

	ACTUAL 2020/2021	FORECAST 2021/2022 OLD	FORECAST 2021/2022 NEW	AMBITION 2023/2024*
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### PRIVATE EQUITY INVESTMENTS

Net asset value (NAV, €mn)	678.5	680 to 755	620 to 695	815 to 905
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### FUND INVESTMENT SERVICES

Earnings from Fund Investment Services (€mn)	18.0	11 to 12	14 to 16	17 to 19
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### GROUP

Net income (€mn)	185.1	60 to 75	-15 to -25	90 to 105
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\*Ambition 2022/2023 is based on the 2022-2024 medium-term planning concluded in November 2021



# WELL-ESTABLISHED PLATFORM FOR FUTURE GROWTH

**PLATFORM WELL-ESTABLISHED FOR GROWTH –  
WITH ADDITIONS TO THE TEAM, EXPANDED EQUITY  
SOLUTIONS (LONG-TERM INVESTMENTS) AND A  
BROADENED REGIONAL FOCUS (ITALY)**



**ATTRACTIVE PORTFOLIO THAT OFFERS  
SIGNIFICANT POTENTIAL FOR VALUE  
APPRECIATION, SHARE OF IT-SERVICES AND  
SOFTWARE INCREASED FROM FIVE TO 19 PER CENT  
IN TWO YEARS<sup>1</sup>**



**STRONG FINANCIAL BASIS FOR TARGETED GROWTH:  
170.7 MILLION EUROS IN AVAILABLE LIQUIDITY PLUS ADDITIONAL FINANCIAL RESOURCES  
7.7 MILLION EUROS IN THE GROUP'S INVESTMENT ENTITY SUBSIDIARIES**



<sup>1</sup> Share as at 31 March 2020: five per cent of the portfolio value, 31 March 2022: 19 per cent including akquinet and datahub