

PRESS RELEASE

Celebrating 60 years of Deutsche Beteiligungs AG and its success in the mid-market sector

- **Investment focus on structural growth sectors**
- **Market leader in private equity investments in family-owned mid-market companies**
- **Expansion into Italy: Similar mid-market structure to Germany with well-positioned family-owned businesses**
- **Generational change: Successful transition in the Board of Management to ensure future viability**
- **Product range expansion: Majority stake in ELF Capital, expanding DBAG's range of services to include private debt**

Frankfurt/Main, 26 August 2025. Deutsche Beteiligungs AG (DBAG), Germany's oldest private equity company, looks back on a company history spanning 60 years. Having extended its geographical reach to Italy (with a similar market structure to the German *Mittelstand*), passing the torch to the next generation in the Board of Management and expanding its product range to include private debt, DBAG has set the course for further growth.

Focus on growth sectors

DBAG is no stranger to the paradigm shifts and digital transition taking place in the mid-market sector and has always taken steps to develop and improve in response, a motivation that drove its strategic decision to expand its focus to structural growth sectors. While historically DBAG has focused on the German industrial mid-market, in 2019 the team turned its attention to less cyclical sectors such as IT services and software, healthcare, and environment, energy and infrastructure. These sectors not only offer attractive growth rates but also benefit from the political drive towards digitalisation, use of renewable energy and infrastructure investment.

DBAG's portfolio is testament to the team's confidence and willingness to make strategic changes. Companies from the IT services and software sector currently account for a portfolio share of 22 per cent, while those from the environment, energy and infrastructure sector make up 14 per cent – evidence of DBAG's success in restructuring its portfolio within just a short period of time, allowing it to benefit fully from the attractive developments in those sectors. DBAG's most recent investment, a minority stake in Stuttgart-based company FinMatch AG, was agreed in July 2025 and has already been closed. FinMatch is the leading digital corporate finance platform for mid-market companies, matching

businesses with more than 1,000 financing partners offering tailor-made financing solutions. The FinMatch investment is DBAG's sixth Long-Term Investment, a strategy in which the Company exclusively deploys its own financial resources.

DBAG: Market and technology leader in the mid-market

2025 saw FINANCE magazine once again name DBAG the market leader in SME management buyouts – a position the Company has now held for a decade. More than 90 per cent of DBAG's management buyout transactions in the 50 to 250 million euro segment involve family-owned or founder-led businesses – significantly higher than the market average of 64 per cent, making DBAG a benchmark.

DBAG's excellent market position stems from its many years of extensive experience, large range of private equity and private debt solutions and broad and resilient network. And now with Nexus, DBAG's proprietary AI-driven software, at its side, the Company can identify potential transactions and investment opportunities to add to its agenda. Nexus works by aggregating information on potential investment opportunities in a pre-qualified data pool, strengthening DBAG's access to potential targets on the primary market.

Italy: Market structure comparable to the German mid-market

DBAG Italia was founded in Milan in 2021 with the aim of bringing DBAG's extensive experience with family-owned businesses to Italy, a market with a similar percentage of family-owned businesses that are global market leaders in their niche. Headed by Giovanni Revoltella and a local team of four experienced private equity professionals, DBAG Italia has entered into four investments so far, including Pmflex (formerly PM Plastic Materials), the European market leader in electrical installation conduits. When it sold its shares in Pmflex to family-owned Hager Group in January 2023, DBAG Italia had more than doubled the capital it had invested, demonstrating its expertise in creating value on the Italian market. This transaction being Hager Group's first acquisition is testament to DBAG's reputation and proximity to family-owned mid-market companies.

The Italian portfolio currently consists of leading recycling company Itelyum, luxury goods supplier MTW Holding (formerly Metalworks) and Great Lengths, a global leader in high-quality hair extensions. Great Lengths is especially renowned for its vertically integrated production process and B Corp sustainability seal. The fact that 93 per cent of its products are exported highlights just how competitive the company is. With plans to allocate 25 per cent of fund investments to Italy, DBAG aims to diversify its risks and achieve a balance between established markets in Germany, Austria and Switzerland (the "DACH" region) and Southern European growth opportunities.

Management change: Continuity through succession

The changes that took place at the helm of DBAG in 2023 are reflective of the Company's long-term HR strategy. After 32 years, Torsten Grede passed on the Spokesman baton to Tom Alzin, who – together with Jannick Hunecke – is responsible for the Company's investment activity. Both Board of Management members are long-standing employees of DBAG, having joined in 2004 and 2001, respectively.

Chief Financial Officer Melanie Wiese, who brought to the table expertise from DAX companies such as E.ON and Innogy when she joined DBAG in 2023, will be succeeded by Tom Alzin in January 2026 as part of the Company's internal reorganisation plans.

Tom Alzin's and Jannick Hunecke's contracts have been extended until 2031, a decision taken in May 2025 to ensure continuity and enable them to carry their success into DBAG's future: during their more than two decades with the Company, the two Board of Management members have been responsible for 42 transactions exceeding 3 billion euros, more than tripling the capital invested on average – some of the highest figures seen in the private equity sector. Cloudflight, GMM Pfaudler, in-tech, R+S Group and Schülerhilfe count among their most successful disposals.

Private debt complements private equity expertise

DBAG acquired a majority stake in ELF Capital in 2023, expanding its range of services to include tailor-made debt capital solutions for mid-market companies. With this, DBAG now acts as a financing platform for mid-market companies and covers the entire spectrum of equity and debt products.

The successful integration of ELF Capital is already bearing fruit: ELF Capital and DBAG examined 554 investment opportunities in 2024, up 116 per cent on the previous year, which resulted in four transactions, three of which were structured in the first half of 2025. DBAG allocated 83 million euros for this, investing the funds from the convertible bond at attractive terms.

Christian Fritsch and Florian Wimpff continue to bear responsibility for the operating business, assisted by the two members of DBAG's Board of Management.

DBAG share: Long-term success

DBAG's long-term share price performance makes the share a strong portfolio instrument. As of August 25, 2005, the DBAG share price stood at 12.80 euros, while 20 years later, on August 25, 2025, it closed at 25.20 in Xetra trading (Xetra closing price). That equates to an increase of around 100 per cent. Beyond this attractive development, shareholders also benefit from the Company's

distribution policy, which includes a stable dividend. In concrete figures, DBAG distributed dividends of approximately 25 euros per share over the same 20-year period. And it's not only the Company's past performance that's making analysts sit up and take notice. With an average target price of around 37.60 euros, the share's outlook is also generating optimism.

This long-term and ongoing success is a reflection of DBAG's forward-looking planning and consistently shareholder-friendly distribution policy. The additional share buyback programme with a volume of 20 million euros that was launched in March 2025 is a clear indication of DBAG's confidence in its own performance. The share buyback also generates a tax-neutral value appreciation for DBAG's shareholders that might be taxable at a much later stage, if at all. The accumulated dividend of 1.25 euros per share for the financial year 2023/2024 and the short financial year 2024 rounds off DBAG's shareholder-friendly profile.

Outlook: Strategic initiatives for sustainable value creation

Though the current macroeconomic environment is calling for a cautious approach, DBAG is optimistic about the future. It sees medium- and long-term opportunities on the horizon as well as a promising relationship between company valuations and the potential upside, enabling it to develop sustainable growth strategies and realise potential for long-term value appreciation together with its portfolio companies.

“Our 60-year anniversary is an opportunity not only to celebrate but also to strengthen the mid-market sector and drive innovation. We are well positioned to navigate the challenging market, as demonstrated by our performance: the funds we advise are in the top quartile among European mid-market buyout funds,” says Tom Alzin, Spokesman of the Board of Management of Deutsche Beteiligungs AG.

“Our portfolio is highly sought after on the market, which is why we are confident that we will be able to realise investments at attractive conditions. We are also seeing promising opportunities in the private debt business. ELF Capital is currently soliciting capital commitments from fund investors for two of the funds it advises to cover the high demand for individual debt capital solutions on the mid-market,” adds Jannick Hunecke, Board of Management member at Deutsche Beteiligungs AG.

Six decades after it was founded, DBAG is combining extensive mid-market experience with innovative financing solutions. The Company's trifecta of sustainable growth successes – its expansion into Italy, the generational change on the Board of Management and the Company's consistent development including a broadened product range – is paving the way for the next six decades

and beyond. As one of Europe's few listed private equity companies, DBAG is setting standards for transparency and long-term value creation – a successful model that will continue to prove its worth.

Deutsche Beteiligungs AG (DBAG) has been listed since 1985 and is one of the most renowned private equity firms in Germany. As an investor and fund advisor, DBAG traditionally focuses on mid-market companies in Germany, Austria and Switzerland (the “DACH” region), and especially on well-positioned companies offering growth potential. DBAG's sector focus is on manufacturers, industrial service providers and IndustryTech enterprises – businesses whose products facilitate automation, robotics and digitalisation – as well as on companies from the IT services, software, healthcare, and environment, energy and infrastructure sectors. Since 2020, DBAG has been present on the Italian market, providing its services from its office in Milan. DBAG Group's assets under management or advisory amount to approximately 2.7 billion euros. ELF Capital has expanded DBAG's range of flexible financing solutions for mid-market companies to include private debt.

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