

Speech by **Tom Alzin**, Spokesman of the Board of Management  
of Deutsche Beteiligungs AG, Frankfurt/Main,  
and by **Melanie Wiese**, Chief Financial Officer  
of Deutsche Beteiligungs AG, Frankfurt/Main,  
held at the Annual General Meeting on 27 May 2025

*Check against delivery.*

Dear Shareholders,  
Shareholders' Representatives,  
Ladies and Gentlemen,

On behalf of the entire Board of Management, I would like to welcome you to the Annual General Meeting of Deutsche Beteiligungs AG.

I am delighted that you are all here today as this gives us the opportunity to report to you personally on the progress being made by the Company. Today we will be reporting on the 2023/2024 financial year and the short financial year ended on 31 December 2024. I will also provide an outlook on developments in the current financial year 2025.

Business performance aside, this is a very special year for us – because DBAG is celebrating its 60<sup>th</sup> anniversary. We have achieved a great deal since the company was founded back in 1965 and have initiated and implemented a whole series of strategic changes over the last decade in particular. We have established our presence in Italy, expanded our product range and completed the changeover to a new generation on the Board of Management. As you can clearly see, you are invested in an agile and highly adaptable company.

We have made more than 400 investments over the last 60 years. With these investments, we have actively supported and shaped the German *Mittelstand* – the backbone of the German economy. In fact, our investments have facilitated our portfolio companies' growth and paved the way for innovation. In other words: we create lasting values – for you, our esteemed shareholders, for our fund investors and for our portfolio companies.

As in previous years, we will be reporting to you in turn. First of all, I will discuss key developments in the financial year 2023/2024 and in the short financial year. Our CFO Melanie Wiese will then outline our key financial performance indicators for you. Following this, I will report on our start to the current 2025 financial year and will also look ahead at the rest of the year.

So what were the most important developments for our company over the past 15 months? There is no doubt that we are currently facing a challenging economic climate. Even though this naturally affects our business performance, we were still able to achieve our business forecasts for the financial year 2023/2024 as well as for the short fiscal year. Overall, we are optimistic about the opportunities available to DBAG in the private markets.

Speaking of private markets, DBAG's range of products and services has always included providing equity for mid-sized companies – private equity, in other words. Since the majority takeover of ELF Capital, DBAG's range of solutions has also included debt capital – i.e. private debt. Activities during the period under review focused mainly on the successful integration of ELF Capital. Today, DBAG is the financing partner of choice for small and medium-sized enterprises, with equity investments and also private debt through ELF Capital.

Specifically, this means that we can offer SMEs a choice of:

- an equity solution, through a co-investment alongside a DBAG fund,
- a Long-Term Investment provided entirely from DBAG's balance sheet, or
- a private debt solution.

The strategic expansion to include debt solutions has given us access to many new companies. We work together with entrepreneurs and businesses in a spirit of mutual trust, examining which financing solution is the most suitable for their specific situation. Here, we benefit from our vast experience and from the network that we built up investing in the *Mittelstand* for 60 years.

Our expanded range is reflected in a significantly enhanced deal flow.

Together with ELF Capital, we examined a total of 554 investment opportunities during the calendar year 2024, up 116 per cent on the year before. Our private equity business in particular has benefited from this strong performance.

Which leads me to my next point: how has the private equity market been faring – and in particular the market for medium-sized management buyouts in Germany?

As you can see from the chart, the market in which we operate is characterised by strong activity. A total of 42 new transactions were concluded in the mid-market segment – i.e. with annual sales of between 50 and 250 million euros – throughout 2024, accounting for an aggregate transaction volume of 4.8 billion euros. This means that the market for private equity investments remains as attractive as ever. And DBAG is perfectly positioned to continue creating value in this market.

Our long-standing experience and vast network in the German SME segment are both valuable USPs. Last year, FINANCE magazine once again named us market leader in mid-sized management buyouts – a position we have maintained for a decade.

More than 90 per cent of our MBO transactions in the 50 to 250 million euro segment involve family- or founder-managed businesses – an outstanding figure compared with the market average of 64 per cent.

This also means that we have extensive access to SMEs that require expert advice on succession planning. We have proven our ability, time and time again, to structure complex transactions in bilateral negotiations with entrepreneurs. This is at the core of our ability to create value – a competitive edge that will set us apart from the rest of the market for many years to come.

Ladies and Gentlemen,

Even though this might sound a bit on the emotional side, we mean what we say about our staff on our website. Our most valuable assets of all are not found in any balance sheet. It is our colleagues whose tireless efforts drive DBAG forward every day, further enhancing our portfolio and creating sustainable value – for our company and ultimately for you, our shareholders.

On behalf of the Board of Management, I would therefore like to express my sincere thanks to our team for their extraordinary commitment.

We also want to keep growing our team in order to take full advantage of future market opportunities. In doing so, we are focusing on a blend of internal and external training initiatives, combined with attractive employee benefits.

We restructured the Investor Relations division in the summer of 2024 with a view to optimising our staffing there. The division's responsibilities include fund investor relations, corporate communications and marketing. The aim of this restructuring is to significantly strengthen our relationships with fund investors and to clearly position DBAG as the financing partner of choice for SMEs.

The new setup will also be an even better fit for DBAG's broad range of financing options comprising private equity and private debt. We are looking to further expand our sales team this summer so that we are ideally positioned to generate business with new and existing fund investors.

I would now like to report on our successful transactions in the financial year 2023/2024 and the short financial year. One particularly important development was that we were able to realise a number of very successful exits.

We sold our in-tech holding from DBAG Fund VIII for more than three times our initial capital investment.

As well as this, we divested our stake in R+S – the first disposal of a Long-Term Investment for DBAG.

We also entered into new investments during the reporting period, acquiring a stake in ProMik – a leading systems provider of programming and testing solutions for series production in the

electronics industry – as part of a management buyout. With UNITY, we added one of the top 14 management consultancies for technology and digital transformation processes to our portfolio.

Our investment in Italian company Great Lengths is a showcase for our focus on quality and sustainability. Great Lengths is the world market leader for high-quality hair extensions. The founding family has retained a significant non-controlling stake, which can be seen as a strong vote of confidence in the company's future. Great Lengths has earned a 'B Corporation' certification thanks to its low-impact production technologies and high ethical values. It also sets new standards in this respect.

Our investment in Great Lengths is further proof that our core expertise in structuring transactions with family-owned businesses is also viable in markets outside Germany.

As you can see, our presence in Italy is proving to be valuable and very promising indeed.

We have added yet another success story together with the DBAG Expansion Capital Fund, with the partial sale of Solvares, a provider of logistics and field service optimisation software. Five Arrows, Rothschild's private equity arm, was involved as a strategic partner, actively shaping the next phase of Solvares' growth while DBAG and the DBAG Expansion Capital Fund have initially retained a significant stake.

Based on this transaction, we initiated a continuation fund for the first time. We were able to transfer our remaining stake to the DBAG Solvares Continuation Fund in a highly competitive process. This generated attractive returns of capital for DBAG and investors in the DBAG Expansion Capital Fund – a move that they greatly welcomed.

Investors in the new DBAG Solvares Continuation Fund, including DBAG, retain exposure to the future prospects of a high-growth company. DBAG will provide fund advisory services, earning fees during the term of the new fund.

I have already spoken about our majority investment in ELF Capital and, in this connection, the addition of debt capital solutions to our range. ELF funds refinanced an Irish healthcare company during the period under review, with further financing provided to a B2B distributor for electronic components in the first quarter of 2025. ELF Capital structured two further transactions in May 2025, one for a marketing service provider and the other a transaction in the financial services sector.

As you can see, our private debt business has had a very promising start and is steadily gaining momentum. We see a healthy mix of sectors being financed. All of this provides an excellent foundation for generating attractive returns in the years to come. With a target return in excess of ten per cent over a three-year horizon, private debt investments perfectly complement our portfolio strategy and reinforce the power of DBAG's platform.

Let me turn to our dividend proposal and our distribution policy.

We propose to pay out a dividend of 1.00 euro per share for the financial year 2023/2024, plus 25 cents for the short financial year – a total distribution of 1.25 euros per share.

Share buybacks are also an important element of our distribution policy. In February 2024, the Board of Management resolved to implement a share buyback programme with a volume of 20 million euros. This programme was successfully completed on 18 February 2025, with a total of 788,300 shares repurchased at an average price of 25.47 euros.

Such share buybacks are an ideal tool for generating value for you, our shareholders. Allow me to explain this.

The average purchase price per share achieved by the end of March 2025 was approximately 25.40 euros, a difference of around 11 euros to the net asset value per share. Looking at all shares repurchased, this translates into around 9 million euros which selling shareholders have surrendered. This value has accrued exclusively to you.

In other words: without the share buybacks, net asset value per share would have been around 35.90 euros as at 31 March 2025. Instead, it was 36.40 euros, an increase in the intrinsic value of your shares by around 50 euro cents that you can also think of as being added to the dividend.

And that is not all: unlike dividends, which are subject to investment income tax, share buybacks generate a tax-neutral value appreciation that might be taxable at a much later stage, if at all.

Just a few final words on share buybacks: as members of the Board of Management, we firmly believe in the value of our portfolio and the net asset value shown. Given that our shares are traded at a marked discount to NAV, a share buyback is an excellent deal. We are in an ideal position to assess this deal, which benefits you as shareholders.

Your long-standing loyalty and commitment are the foundation of our success. That is why it is of particularly great importance to us to communicate the performance of your investment in DBAG as clearly as possible.

Twenty years ago – in mid-May 2005, to be precise – our shares traded at 10.80 euros. The share price on 15 May 2025 was 26.90 euros, two and a half times higher.

In addition, we distributed aggregate dividends of around 25 euros per share during this period. Taking price gains and accumulated dividends into account, this translates into a return of more than 8 per cent per annum over the last 20 years.

This long-term success is a reflection of our stable planning and our consistently shareholder-friendly distribution policy.

We have stuck with our long-term strategy in spite of global uncertainty and challenging market phases, and have emerged stronger than ever. We have no doubt that DBAG will continue to create sustainable value in the future, thanks to its solid business foundation, clear vision and strong shareholder focus.

We invite you to remain with us on this journey – your support remains crucial to our joint success.

I will now hand you over to Melanie Wiese, who will outline the facts and figures for the financial year under review.

Thank you, Tom.

Ladies and Gentlemen,

I would also like to extend a warm welcome to you.

As you are no doubt aware, we changed DBAG's financial year to match the calendar year, with your consent, with effect from 1 January 2025. This means that the period from 1 October to 31 December 2024 was a short financial year.

It is a great pleasure for me to report on an eventful financial year 2023/2024 and on our short financial year 2024.

The net asset value per share on 30 September 2024, the end of the financial year 2023/2024, was 37.59 euros, an increase of 8.5 per cent over the previous financial year. Net income totalled 47.5 million euros and earnings from Fund Investment Services before interest, taxes, depreciation and amortisation stood at 16.2 million euros. Overall, DBAG succeeded in meeting its forecasts.

When the short financial year ended on 31 December 2024, net asset value per share was 35.78 euros. Net income was minus 35.2 million euros and earnings from Fund Investment Services before interest, taxes, depreciation and amortisation stood at 5.1 million euros. Accordingly, DBAG also met its forecasts for the short financial year.

I would now like to provide you with some more details and background information on the figures. Let's start by looking how our portfolio has developed. The portfolio value of our private market investments is the key factor driving net asset value and net income.

The portfolio value of our private market investments developed favourably in the financial year 2023/2024, as returns from exits exceeded payments for new investments. The biggest investments were UNITY, ProMik and NOKERA.

ELF Capital also structured a private debt deal in the financial year 2023/2024.

The sales proceeds shown were generated from the disposals of in-tech and R+S.

The existing portfolio showed a positive gross value change of 32.4 million euros in the financial year 2023/2024.

Companies' change in earnings yielded a negative contribution. All in all, the economic weakness in many regions did not go unnoticed among our portfolio companies. For several of these, improved earnings were the result of company acquisitions which were accompanied by an increase in debt. Positive earnings contributions came mainly from individual investments in the industry and industrial technology sector and the IT services and software sector. The positive developments at some investments in the environment, energy and infrastructure sector were offset by negative effects at other companies induced by market changes, which dampened customer spending.

Changes in multiples had a very positive effect in the financial year 2023/2024. On balance, the earnings multiples of listed peer group companies as at the reporting date were higher than in the previous year in all our sectors.

Having examined portfolio value in the financial year 2023/2024, let me now turn to portfolio developments in the short financial year 2024.

The portfolio value of our private market investments developed negatively in the short financial year 2024. Returns from exits once again exceeded payments for new investments. The largest of these were the stake in Great Lengths and the investment in the DBAG Solvares Continuation Fund. Sales proceeds were attributable to the partial disposal of Hausheld, one of our Principal Investments, and to the sale of Solvares to the DBAG Solvares Continuation Fund.

The existing portfolio showed a negative gross value change of 36.2 million euros in the short financial year 2024.

The contribution from the companies' change in earnings was slightly negative in the short financial year 2024. While the sluggish economy in many regions is still impacting our portfolio companies, individual investments in the industry and industrial technology sector and the industrial services sector made positive contributions to earnings.

Changes in multiples had a markedly negative effect in the short financial year 2024, yielding a negative earnings contribution in nearly all our sectors as at the reporting date of the short financial year 2024. One major factor was the adjustment of the portfolio company valuations to the new budgets. Changes in multiples for portfolio companies in the Industry and IndustryTech sector had a particularly negative impact while investments in IT services and software benefited from positive changes in multiples.

This concludes my review of portfolio value in the short financial year 2024. I would now like to take a closer look at the development in our Fund Investment Services segment.

Earnings from Fund Investment Services before interest, taxes, depreciation and amortisation stood at 16.2 million euros in the financial year 2023/2024. The segment ended the financial year with higher EBITA than in the previous year. Income from the DBAG ECF IV fund went up strongly, from 2.4 million euros in the previous financial year to 4.1 million euros in the financial year 2023/2024. DBAG also generated 2.5 million euros from advisory services rendered by DBAG Luxembourg and 2.1 million euros from advisory services rendered by the ELF funds for the first time. Earnings from DBAG Fund VII, DBAG Fund VIII and DBAG ECF I to III remained largely stable whereas income from DBAG Fund VI, which is currently in its disinvestment phase, was significantly lower, as expected.

Earnings from Fund Investment Services before interest, taxes, depreciation and amortisation totalled 5.1 million euros in the short financial year 2024, including a one-off effect of 2.8 million euros in income from the DBAG ECF IV fund. This one-off effect was due to the successful final closing of the fund in November 2024, when advisory fees charged to newly-added fund investors for past periods fell due.

Having looked at earnings from Fund Investment Services, we will now turn our attention to non-financial objectives and sustainability

In the year under review, we consistently implemented our sustainability strategy, meeting or exceeding all non-financial objectives that had been defined. Specifically, we succeeded in keeping both carbon emissions per employee and employee satisfaction at stable levels. There were no compliance breaches whatsoever.

These KPIs not only reflect our commitment to environmental and social standards – they also demonstrate how firmly ESG concepts are anchored in our corporate culture.

ESG criteria are an integral part of our due diligence processes and the ongoing monitoring of our portfolio companies. Our portfolio company NOKERA, pioneers in serial and sustainable construction, was awarded the German Sustainability Award 2025.

Avrio Energie actively contributes to decarbonisation with its biogas solutions.

Great Lengths, our ESG-certified global leader in high-quality hair extensions, is an impressive case in point illustrating how ecological commitment can be combined with economic success.

As a signatory to the UN Principles for Responsible Investment (PRI), we aim to integrate environmental, social and governance (ESG) aspects into all our investment strategies. We achieved excellent results in all relevant categories in the current PRI assessment. The rankings demonstrate the strength of our ESG management system and our ability to promote transparency and trust in our dialogue with all stakeholders.

Let us now turn to some formal topics. You will all have received the agenda of today's General Meeting with the convening notice. A little later, Dr Otto will call for the individual agenda items



to be put to the vote. On behalf of the Board of Management, I would just like to briefly explain two agenda items in more detail.

Item 10 of the agenda concerns the authority to purchase treasury shares. The existing authorisation has largely expired. We propose revoking the existing authorisation and replacing it with a new one that authorises the Board of Management to repurchase up to ten per cent of the share capital, until May 2030, for purposes such as debt repayment, payment in shares or reducing the Company's capital. The purchase price should not exceed 90 per cent of the last reported net asset value. In this way, we will ascertain a significant mark-down for each repurchase, creating real added value for all existing shareholders without the administrative expenses associated with a capital increase.

Agenda item no. 11 deals with the virtual general meeting. We would like to extend, by a further two years, the existing authority to hold meetings without a physical presence whenever necessary. This will allow us to continue responding flexibly to political developments, health issues or other unforeseen circumstances while preserving the rights of shareholders, including the right to ask questions in full. The Board of Management will, together with the Supervisory Board, decide on the specific format at short notice in the interests of all parties involved.

These two proposals will strengthen our ability to act, to retain attractive options to return capital, and to protect your rights as shareholders, regardless of whether we meet in person or digitally.

Let me add one further point regarding capital measures: at the end of June 2024, we successfully placed senior unsecured convertible bonds with an aggregate principal amount of 100 million euros. These were offered exclusively to institutional investors, excluding shareholders' pre-emptive rights. The bonds are convertible into up to 3,247,259 no-par value registered shares in the Company. They bear interest at 5.5 per cent per annum and will be due on 5 January 2030. The initial conversion price was set at 30.7952 euros, corresponding to a conversion premium of 22.5 per cent on the reference share price of 25.1389 euros. A detailed report by the Board of Management has been available on the Company's website since the Annual General Meeting was convened. It is also available today at the speakers' registration desk.

I would now like to hand you back to Tom Alzin, who will report on first-quarter developments and provide an outlook for the rest of the year and beyond.

Thank you, Melanie.

I will now report on first-quarter developments, including an outlook for the financial year 2025 and beyond.

Business performed as planned in the first quarter of 2025, with net asset value per share rising to 36.40 euros and net income totalling 9.2 million euros. We generated EBITA of 3.8 million euros in the Fund Investment Services segment.

At 226 million euros, our liquidity situation remains comfortable and gives us the flexibility we need to make good use of attractive investment opportunities.

I have already reported on our share buybacks. We resolved on a new share buyback programme in February of this year, following the expiration of the previous programme. The new programme, which commenced on 3 March 2025, once again has a volume of up to 20 million euros.

Our first-quarter results are within our forecast range for the current financial year. With this in mind, we are looking ahead to the following quarters and the next two financial years with confidence, having set ourselves the target of generating even stronger growth in net asset value per share on average. This is a target that we specified and affirmed last year.

I would also like to say a few words about the changes to the Board of Management. The Supervisory Board has extended the contracts of Jannick Hunecke and myself until 2031 in order to safeguard long-term management continuity. I would like to take this opportunity to express our thanks, also on behalf of my fellow Board member Jannick Hunecke, for this renewed expression of trust. At the same time, Melanie Wiese and the Supervisory Board have decided not to renew her contract. This means that she will be leaving the Company by amicable and mutual agreement at the end of the year. We would like to thank Melanie Wiese for her valuable contributions during a very challenging phase and to wish her all the best for the future. She will continue to work for DBAG until she leaves at the end of the year. After this, her function will be assumed by the Head of Finance, who will be reporting directly to me.

Allow me to touch upon two developments that have attracted great attention over the past few weeks.

The first of these is the tariffs imposed by the United States and the resulting global trade conflicts.

The second is the planned easing of the debt ceiling in Germany – the “Schuldenbremse” – and the investments in infrastructure and defence as announced by the new federal government.

There is no doubt that each of these developments has the potential to make a significant impact on both the global and the German economy. At the same time, it is impossible to predict the direction in which trade conflicts will develop. Recently there have been some signs of *détente*. Likewise, it remains to be seen when – and in what form – the German government’s investment programmes will in fact materialise.

So what does all this mean for our portfolio companies?

With regard to trade conflicts, it is clear that our portfolio is broadly diversified, with a regional focus on Germany, Austria, Switzerland and Italy. While our investments also generate sales outside these regions, and of course in the US as well, their share of global sales has declined steadily over recent years.

This is the result of realigning our industry focus. We reduced the share of traditional industrial companies with a strong focus on exports and instead raised our exposure to sectors such as IT services and software whose sales are predominantly generated in regional markets.

This means that only a few of our portfolio companies would be directly and substantially affected by escalating trade conflicts. In fact, most of them would only be marginally impacted, if at all.

But at the same time, a general deterioration of the global economic climate – for example, due to rising uncertainty or a declining propensity to invest – would affect many of our portfolio companies.

However, we believe that the plans of the new federal government will have a markedly positive impact.

Portfolio companies in the environment, energy and infrastructure sectors as well as in IT services and software are likely to benefit directly from these plans. What is true in any case is that many of our portfolio companies have access to relevant markets and customers. They leverage skills that are difficult to replicate. These strengths enable them to benefit from an improved environment where investment programmes and government stimuli create new market opportunities.

As well as this, these strengths make them more attractive to strategic buyers. Strategic investors will seek to secure skills through acquisitions, to retain their ability to act within the framework of an investment boom. What is more, persistent geopolitical and economic volatility tends to increase the readiness of international corporations – especially those from the US – to generate growth through strategic acquisitions.

To sum up, our broadly diversified portfolio offers a certain level of protection against global trade conflicts. At the same time, the German government's investment agenda is opening up new growth opportunities from which a number of our portfolio companies will benefit.

Let me conclude by looking ahead to the remainder of the financial year 2025 and beyond.

Ladies and Gentlemen, based on everything I have said so far, I firmly believe that Deutsche Beteiligungs AG enjoys an outstanding position.

For the financial year 2025, we are aiming for net asset value of between 665 and 780 million euros, and net asset value per share of between 36 and 43 euros. We expect EBITA from Fund Investment Services to be between 8 and 13 million euros.

Over the medium term, we want to achieve net asset value of between 815 and 955 million by the end of 2027, with net asset value per share of between 44 and 53 euros. EBITA from Fund Investment Services is projected at between 12 and 18 million euros.

The consistent diversification of our portfolio and the expansion of our private debt business are both crucial for our medium- to long-term success. Surveys show that many fund investors are underinvested in private debt. This is something we should benefit from.

In the private equity business, the German government's investment agenda is opening up new growth opportunities for us from which a number of our portfolio companies will benefit. We will also see a wide range of opportunities for new platform investments. Industry experts expect M&A activities to pick up in 2025, driven by strategic transactions in particular. We are ready to make full use of the opportunities that present themselves.

We hereby invite you to remain on board for our journey. Together, we will take advantage of the opportunities that arise in a changing market environment, further strengthening DBAG's position as a leading financing partner for SMEs.

Ladies and Gentlemen,

Thank you for your trust and support. My Board of Management colleagues and I look forward to your questions.