



Deutsche
Beteiligungs AG

QUARTERLY as at 30 June 2022 STATEMENT

THIRD QUARTER 2021/2022

CONSOLIDATED KEY FIGURES

		1st to 3rd quarter 2021/2022 / 30 June 2022	1st to 3rd quarter 2020/2021 / 30 June 2021	3rd quarter 2021/2022	3rd quarter 2020/2021
Core business objective:					
increase in the Company's value					
Net asset value of the Private Equity Investments (reporting date)	€mn	601.6	678.5		
Earnings from Fund Investment Services	€mn	9.4	13.8	3.7	4.6
Private Equity Investments segment					
Net income from investment activity	€mn	(78.8)	126.8	(43.0)	56.1
Earnings before taxes	€mn	(87.9)	118.1	(46.3)	53.4
Cash flow from investment activity	€mn	(109.6)	40.2	(61.8)	40.2
Net asset value (reporting date) ¹	€mn	601.6	678.5		
Fund Investment Services segment					
Income from Fund Services	€mn	32.9	32.5	11.0	10.7
Earnings before taxes	€mn	9.4	13.8	3.7	4.6
Assets under management or advisory (reporting date)	€mn	2,538.2	2,473.2		
Other indicators					
Net income	€mn	(78.3)	131.2	(42.5)	58.0
Equity (reporting date)	€mn	588.9	698.8		
Earnings per share ¹	€	(4.16)	7.87	(2.26)	3.48
Number of employees (reporting date, including apprentices)		87	79		

¹ Based on the weighted average number of shares in the respective period

AT A GLANCE

Exchange-listed Deutsche Beteiligungs AG (“DBAG”) invests in well-positioned mid-sized companies with potential for growth. Industrial sectors, which are the foundation for the excellent reputation that Germany's *Mittelstand* enjoys around the world, have traditionally been a focal part of our investments. Over the past years, a growing portion of our portfolio has been deployed in the growth sectors of broadband telecommunications, IT services & software, and healthcare. Our sustainable, value-enhancing entrepreneurial investment approach makes DBAG a sought-after investment partner in the German-speaking world. We have consistently delivered above-average performance over a number of years – benefiting our portfolio companies and shareholders alike, including investors in our DBAG-managed private equity funds.

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HIGHLIGHTS

PORTFOLIO

Transaction activity focused on IT services & software

NET ASSET VALUE OF PE INVESTMENTS

down 11 per cent to 601.6 million euros adjusted for dividends and receipt of deferred advisory fees

FINANCIAL YEAR 2021/2022

Adjusted forecast issued on 15 July 2022

BURDENED EARNINGS

Decline in multiples of peer companies

EARNINGS FROM FUND INVESTMENT SERVICES

3.7 million euros in line with expectations

LETTER TO OUR SHAREHOLDERS

Dear shareholders,

The sweeping changes in macroeconomic fundamentals are reported in the media on a daily basis. Massively increased inflation rates, the interest rate turnaround, a deteriorating economic outlook and reduced gas supplies are among the main keywords. It is only natural for stock markets to react to these developments by decreasing multiples, which significantly impact the valuations of our portfolio companies. We revised our forecast for the current financial year accordingly, on 15 July 2022.

Whilst developments in the macroeconomic environment are beyond our control, already some years ago we developed our investment strategy to focus on sectors characterised by structural growth and on the continuous improvement of our business processes. This strategy is now helping us to offset the current elevated risks.

The success of this strategy is also reflected in the six MBOs and one new Long-Term Investment already agreed or completed during the current financial year. These transactions were entered into despite a decline in the number of investment opportunities and a more challenging debt financing market. We continue to be able to structure our investments frequently within the framework of bilateral negotiations. Family successions are very often the reason for our investment. This reflects our many years of experience and reputation in working with family businesses. We have continued to invest in sectors characterised by structural growth, such as IT services & software, whose businesses are either slightly affected – or to a lesser extent than on average – by the macroeconomic weakening.

Our portfolio companies, particularly those in the industrial sector, continue to face considerable challenges in the current environment. Growing inflation, disrupted supply chains and a looming recession require significant adjustments. In order to ensure the supply of customers, companies are making intensive efforts to pass on higher input prices by increasing prices in their sales markets. Supply chain disruptions require changes in the purchasing processes, but to a certain extent they remain beyond the control of our portfolio companies – in some cases, these disruptions affect their ability to deliver. Many business processes ultimately need to be reviewed. Finally, with rising interest rates, financing costs are also increasing. We provide support for our portfolio companies to overcome these challenges and provide them with DBAG's wealth of experience, accumulated over several decades. The competent advisory and supervisory boards of our portfolio companies play a key role here.

At the same time, our portfolio companies continue to work on value creation. In many cases, the implementation of a buy-and-build strategy plays a central role here. A total of 23 completed or agreed acquisitions entered into by existing portfolio companies during the first nine months underline the high level of activity in our investment portfolio.

We continue to invest in expanding our team at our offices in Frankfurt/Main and Milan. In so doing, we remain committed to DBAG's continued strategic development, despite the market turmoil.

The Board of Management

Deutsche Beteiligungs AG



Torsten Grede



Tom Alzin



Jannick Hunecke

REVIEW OF KEY EVENTS AND TRANSACTIONS

Reporting on significant changes in co-investments alongside DBAG funds, and in Long-Term Investments for the third quarter of the 2021/2022 financial year. Unless expressly stated, DBAG contributed no additional capital to the transactions below¹.

- **Two new management buyouts (MBOs; akquinet and Metalworks) plus one new Long-Term Investment (Green Datahub) completed**
- **Seven acquisitions (“add-ons”) of existing portfolio companies, of which two completed and five agreed**

DBAG Fund VIII

Name, event, registered office	Sector, description of company activities	Date of agreement or closing	Employees, revenues (€mn, rounded)	Equity contribution from DBAG (€mn, rounded)
Dantherm Add-on: Trotec, Germany	Industry and industrial technology Heating, ventilation, drying air conditioning and air purification technology products	5/2022 (closing)	222, 138 (2021)	-
Metalworks MBO, Italy	Industry and industrial technology Manufacturer of metal applications for the luxury goods industry	6/2022 (closing)	approx. 250, 59 (prelim. figures 2021)	15
in-tech Add-on: Ruetz, Germany	IT services & software Provider for technological and organisational advisory and engineering services	5/2022 (closing)	116, 17 (budget 2022)	-

¹For acquisitions, the figures in the tables relate to the companies acquired.

DBAG Fund VII

Name, event, registered office	Sector, description of company activities	Date of agreement or closing	Employees, revenues (€mn, rounded)	Equity contribution from DBAG (€mn, rounded)
akquinet MBO, Germany	IT services & software Implementation of ERP systems (SAP and Microsoft) and customised development of software solutions	6/2022 (closing)	751, 139 (prelim. figures 2021)	up to 5

DBAG Fund VI

Name, event, registered office	Sector, description of company activities	Date of agreement or closing	Employees, revenues (€mn, rounded)	Equity contribution from DBAG (€mn, rounded)
Dieter Braun Add-on: Assmann, Germany	Industry and industrial technology Cable systems and interior vehicle lighting	6/2022 (agreement)	80, 22 (2021)	-

DBAG ECF

Name, event, registered office	Sector, description of company activities	Date of agreement or closing	Employees, revenues (€mn, rounded)	Equity contribution from DBAG (€mn, rounded)
netzkontor Add-on: KaDu, Germany Add-on: KLU, Germany	Broadband telecommunications Services for the telecommunications sector	4/2022 (KaDu agreement) 6/2022 (KLU agreement)	79, 6 (2021)	-
Solvares Add-on: mobileX, Germany	IT services & software Resource scheduling and route optimisation software	6/2022 (agreement)	66, 7 (budget 2022)	2
BTV Multimedia Add-on: STW, Austria	Broadband telecommunications Equipment and services for broadband communications	5/2022 (agreement)	40, 10 (budget 2022)	2

Long-Term Investments

Name, event, registered office	Sector, description of company activities	Date of agreement or closing	Employees, revenues (€mn, rounded)	Equity contribution from DBAG (€mn, rounded)
Green Datahub MBO, Germany	IT services & software Data centre	6/2022 (closing)	n/a, 4	Total of up to 25

FINANCIAL PERFORMANCE

Reporting on the financial position and financial performance during the period from 1 October 2021 to 30 June 2022. Unless expressly mentioned, the explanations refer to the third quarter only.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	1st to 3rd quarter 2021/2022	1st to 3rd quarter 2020/2021	3rd quarter 2021/2022	3rd quarter 2020/2021
€'000				
Net income from investment activity	(78,776)	126,761	(43,014)	56,105
Income from Fund Services	32,036	31,520	10,705	10,373
Income from Fund Services and investment activity	(46,740)	158,280	(32,310)	66,477
Personnel expenses	(19,713)	(18,636)	(4,856)	(6,539)
Other operating income	2,102	2,206	677	308
Other operating expenses	(13,432)	(9,658)	(5,426)	(2,077)
Net interest income	(659)	(287)	(771)	(142)
Other income/expense items	(31,702)	(26,376)	(10,375)	(8,450)
Earnings before taxes	(78,442)	131,904	(42,685)	58,028
Income taxes	179	(731)	169	0
Earnings after taxes	(78,263)	131,174	(42,516)	58,028
Net income attributable to other shareholders	(6)	(7)	(2)	(2)
Net income	(78,269)	131,167	(42,518)	58,026
Other comprehensive income	(1,219)	440	(215)	175
Total comprehensive income	(79,488)	131,607	(42,733)	58,200

NET INCOME FROM INVESTMENT ACTIVITY

- › Please refer to pages 10 to 12.

INCOME FROM FUND SERVICES

- › DBAG Fund VIII: 4.8 million euros, compared to 4.7 million euros in the previous year
- › DBAG Fund VII: 4.1 million euros, compared to 3.6 million euros in the previous year
- › As expected, income from DBAG Fund VI and DBAG ECF was down year-on-year.

PERSONNEL EXPENSES

- › Higher year-on-year due to the average number of employees rising by seven; increased expenses for fixed salaries. In addition, one-off expenses related to a member of the Board of Management leaving her position. Conversely, provisions for performance-related employee remuneration were lower, largely due to the declining performance of the portfolio companies as a result of lower valuation multiples of listed peer-group companies.

OTHER OPERATING INCOME

- › Decline in income from passing on consultancy expenses for transactions concluded by advised funds

OTHER OPERATING EXPENSES

- › Decline in consultancy expenses that can be passed through for transactions concluded by advised funds and in other consultancy expenses
- › Increase in travel and hospitality expenses compared to the very low pandemic-induced levels of the previous year
- › Higher expenses incurred during the search for new employees and for continued professional development
- › Increased expenses due to losses incurred on the disposal of securities, higher deposit fees for bank deposits and increased vehicle costs

Net income from investment activity

NET INCOME FROM INVESTMENT ACTIVITY

€'000	1st to 3rd quarter 2021/2022	1st to 3rd quarter 2020/2021	3rd quarter 2021/2022	3rd quarter 2020/2021
Gross gains and losses on measurement and disposal portfolio	(97,598)	141,455	(51,023)	57,132
Net income attributable to other shareholders of investment entity subsidiaries	19,900	(26,554)	6,225	(8,186)
Net gains and losses on measurement and disposal portfolio	(77,698)	114,901	(44,798)	48,945
Current portfolio income	8,991	17,222	4,391	5,610
Net portfolio income	(68,707)	132,124	(40,407)	54,556
Net gains and losses from other assets and liabilities of investment entity subsidiaries	(9,541)	(5,364)	(2,077)	1,546
Net gains and losses from other financial assets and other financial instruments	(528)	1	(530)	2
Net income from investment activity	(78,776)	126,761	(43,014)	56,105

GROSS GAINS AND LOSSES ON MEASUREMENT AND DISPOSAL PORTFOLIO

› Please refer to pages 11 to 12.

NET INCOME ATTRIBUTABLE TO OTHER SHAREHOLDERS OF INVESTMENT ENTITY SUBSIDIARIES

- › Mainly concerns imputed carried interest (cf. annual report 2020/2021, pages 47, 51 and 68, for information on carried interest)
- › In line with lower gross gains and losses on measurement and disposal, the corresponding deductible (which had increased significantly in the previous year) decreased and is recognised under this item as income.

CURRENT PORTFOLIO INCOME

- › Mainly relates to interest payments on shareholder loans; significantly lower in the first nine months of the year; previous year's figure was driven by the disposals of investments in Rheinhold & Mahla and DNS:Net. In accordance with contractual agreements in connection with these investments, DBAG was able to recognise interest.

NET GAINS AND LOSSES FROM OTHER ASSETS AND LIABILITIES OF INVESTMENT ENTITY SUBSIDIARIES

- › The item mainly includes remuneration for the manager of DBAG Fund VI, DBAG Fund VII and DBAG Fund VIII, based on the capital invested/committed by DBAG, as well as ancillary transaction costs for Long-Term Investments

Gross gains and losses on measurement and disposal portfolio

GROSS GAINS AND LOSSES ON MEASUREMENT AND DISPOSAL PORTFOLIO BY SOURCES: SOURCE ANALYSIS 1

€'000	1st to 3rd quarter 2021/2022	1st to 3rd quarter 2020/2021	3rd quarter 2021/2022	3rd quarter 2020/2021
Fair value of unlisted investments				
Change in earnings	108,976	113,391	17,567	13,625
Change in debt	(51,528)	(28,132)	(14,197)	(2)
Change in multiples	(169,382)	35,139	(53,417)	40,493
Change in exchange rates	692	(398)	912	198
Change – other	130	1,887	(1,243)	1,188
Other	(418)	(253)	(645)	(513)
Net measurement gains and losses	(111,530)	121,634	(51,023)	54,989
Net gains and losses on disposal	13,932	19,821	0	2,143
	(97,598)	141,455	(51,023)	57,132

FAIR VALUE OF UNLISTED INVESTMENTS

- › Net measurement gains and losses from 39 active investments, of which three have been partially disposed of (evidia [formerly blick], Pfaudler and Telio), from an investment in an externally-managed foreign private equity fund of minor significance, and from other investments (investments made to settle representations and warranties on previous disposals which are no longer expected to deliver any appreciable value contributions)
- › Valuation method: 30 investments measured using the multiples method, two based on exit multiples, seven measured at acquisition cost. In light of the macroeconomic situation and its negative impact on some of our portfolio companies, we have either applied uncertainty haircuts to the earnings they anticipate for 2022, or have used the earnings that, from today's perspective, they are likely to generate in the long run for valuation purposes.
- › Positive operating performance (net positive difference between changes in earnings and debt)
 - Change in earnings: positive earnings contributions from the industry and industrial technology, IT services & software and industrial services sectors – also due to the implementation of buy-and-build strategies; negative earnings contributions largely due to rising input costs
 - Change in debt: financing of working capital due to price increases, refinancing of von Poll Immobilien, debt financing of add-ons (notably at Cloudflight)
- › Change in multiples: significant negative impact due to changes in peer-group companies compared with share price levels as at 30 September 2021. Negative earnings contributions from all sectors, especially industry and industrial technology, broadband telecommunications, and IT services & software

NET GAINS AND LOSSES ON DISPOSAL

- › Partial disposal of Telio and refinancing of von Poll Immobilien concluded

GROSS GAINS AND LOSSES ON MEASUREMENT AND DISPOSAL PORTFOLIO BY SOURCES:
SOURCE ANALYSIS 2

€'000	1st to 3rd quarter 2021/2022	1st to 3rd quarter 2020/2021	3rd quarter 2021/2022	3rd quarter 2020/2021
Positive movements	15,187	152,745	5,826	68,426
Negative movements	(112,784)	(11,290)	(56,849)	(11,294)
	(97,598)	141,455	(51,023)	57,132

GROSS GAINS AND LOSSES ON MEASUREMENT AND DISPOSAL PORTFOLIO BY SOURCES:
SOURCE ANALYSIS 3

€'000	1st to 3rd quarter 2021/2022	1st to 3rd quarter 2020/2021
Net measurement gains and losses	(111,530)	96,994
Unrealised disposal gains on imminent sales basis	0	24,640
Net gains and losses on disposal	13,932	19,821
	(97,598)	141,455

POSITIVE MOVEMENTS

- › 11 companies (previous year: 19 companies and the remaining externally-managed foreign buyout fund)

NEGATIVE MOVEMENTS

- › 21 companies and the remaining externally-managed foreign buyout fund (previous year: six companies)

NO CHANGE

- › Seven investments (previous year: six) measured at their original transaction price due to a holding period of less than one year; these investments account for 19 per cent of the portfolio value (previous year: 13 per cent)

NET MEASUREMENT GAINS AND LOSSES

- › Net measurement gains and losses negatively impacted by changes in multiples due to significant declines in peer group share prices on the capital markets. The positive value contribution from operational development was only able to partially offset this (cf. source analysis 1).

NET GAINS AND LOSSES ON DISPOSAL

- › Please refer to source analysis 1.

FINANCIAL POSITION – LIQUIDITY

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

INFLOWS (+)/OUTFLOWS (-)

€'000	1st to 3rd quarter 2021/2022	1st to 3rd quarter 2020/2021	3rd quarter 2021/2022	3rd quarter 2020/2021
Net income	(78,269)	131,167	(42,518)	58,026
Measurement gains (-)/losses (+) and gains (-)/losses (+) on disposal of financial assets	80,679	(126,395)	44,903	(55,737)
Other non-cash expenses/income as well as increases/decreases in other assets or liabilities	33,455	(17,734)	3,010	3
Cash flow from operating activities	35,865	(12,962)	5,396	2,291
Proceeds from disposals of financial assets and other financial instruments	61,214	106,179	17,856	88,316
Payments for investments in financial assets and other financial instruments	(170,804)	(87,000)	(79,630)	(48,131)
Cash flow from investment activity	(109,590)	19,180	(61,774)	40,185
Proceeds from (+) / payments (-) for investments in securities	74,802	0	44,775	0
Other cash inflows and outflows	(607)	(69)	(297)	(7)
Cash flow from investing activities	(35,394)	19,110	(17,296)	40,179
Proceeds from capital increases	(280)	100,176	0	100,176
Payments for lease liabilities	(798)	(755)	(276)	(246)
Proceeds from drawdowns of credit lines	41,000	60,500	41,000	17,200
Payments for redemption of credit lines	0	(13,100)	0	(13,100)
Payments to shareholders (dividends)	(30,088)	(12,035)	0	0
Cash flow from financing activities	9,834	134,786	40,724	104,030
Net change in cash and cash equivalents	10,305	140,934	28,823	146,500
Cash and cash equivalents at start of reporting period	37,737	18,367	19,219	12,801
Cash and cash equivalents at end of reporting period	48,042	159,301	48,042	159,301

CASH FLOW FROM OPERATING ACTIVITIES

- › Mainly influenced by the receipt of advisory fees for DBAG Fund VII (deferred since July 2019) in the amount of 27.8 million euros
- › General fluctuations related to call dates for advisory fees

CASH FLOW FROM INVESTING ACTIVITIES

- › Proceeds from the sale of securities
- › Proceeds in particular from the partial disposal of Telio and refinancing of von Poll Immobilien
- › Cash outflows mainly related to the new MBOs and supporting acquisitions of DBAG Fund VIII, DBAG Fund VII portfolio companies and Long-Term Investments

FINANCIAL RESOURCES

- › Financial resources comprise cash and cash equivalents; investment entity subsidiaries also hold cash and cash equivalents amounting to 11.5 million euros

FINANCIAL POSITION – ASSETS

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION		
€'000	30 June 2022	30 Sep 2021
Financial assets	496,556	545,339
Long-term securities	0	75,059
Other non-current assets	2,894	5,306
Deferred tax assets	3,270	3,170
Non-current assets	502,720	628,874
Other financial instruments	98,037	20,332
Receivables and other assets	12,708	45,962
Cash and cash equivalents	48,042	37,737
Other current assets	2,300	2,049
Current assets	161,088	106,079
Total assets	663,808	734,953
Equity	588,906	698,762
Non-current liabilities	16,015	18,409
Current liabilities	58,888	17,782
Total equity and liabilities	663,808	734,953

NON-CURRENT ASSETS

- › Decreased mainly due to net gains and losses on measurement and disposal as well as the balance of additions and disposals; in addition, long-term securities were sold during the reporting period
- › Please refer to pages 15 to 18 for information on financial assets
- › Share of non-current assets in total assets decreased to 75.7 per cent (30. September 2021: 85.6 per cent)

CURRENT ASSETS

- › Other financial instruments increased significantly (cf. financial assets) – cash and cash equivalents were also higher; receivables were lower compared to 30 September 2021, following the receipt of previously deferred advisory fees (please refer to financial position – liquidity)

EQUITY

- › Equity ratio remains high, at 88.7 per cent (30 September 2021: 95.1 per cent)
- › Covers non-current assets in full, and current assets at 53.5 per cent (30 September 2021: 65.9 per cent)

CURRENT LIABILITIES

- › Increased mainly due to the drawdown of credit lines

Financial assets and other financial instruments

FINANCIAL ASSETS		
€'000	30 June 2022	30 Sep 2021
Portfolio value		
gross	556,980	569,875
interests of other shareholders in investment entity subsidiaries	(32,228)	(53,318)
net	524,752	516,557
Other assets and liabilities of investment entity subsidiaries	(28,331)	28,675
Other financial assets	135	107
Financial assets	496,556	545,339

GROSS PORTFOLIO VALUE

› Please refer to pages 16 to 18.

INTERESTS HELD BY OTHER SHAREHOLDERS

› Mainly relates to carried interest

OTHER ASSETS AND LIABILITIES OF INVESTMENT ENTITY SUBSIDIARIES

› Sum of the investment entity subsidiaries' various line items
 › Decrease as at 30 June 2022 mainly due to higher borrowings and opposing higher receivables. Short-term loans granted by DBAG to its investment entity subsidiaries for interim financing of capital calls for follow-on investments constitute borrowings for these subsidiaries

Portfolio structure

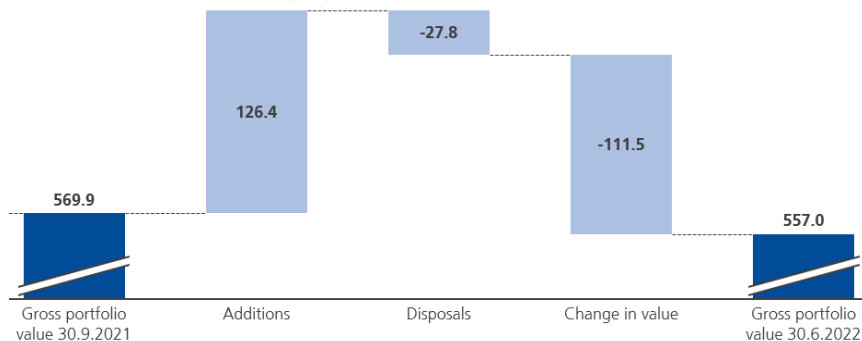
PORTFOLIO STRUCTURE (15 LARGEST INVESTMENTS IN TERMS OF PORTFOLIO VALUE ON 30 JUNE 2022)

Company	Cost	Equity share DBAG	Investment type	Sector	Group share of the portfolio
	€mn	%			%
Cloudflight	9.1	15.8	MBO	IT services & software	
duagon	25.1	21.4	MBO	Industrial components	
Green Datahub	24.9	100.0	Long-Term Investments	IT services & software	
Pfaudler	1.2	17.3	MBO	Industrial components	
vitronet	14.7	41.6	MBO	Services	37.3
Cartonplast	25.3	16.4	MBO	Mechanical and plant engineering	
congatec	23.4	21.2	MBO	Industrial components	
Dantherm	22.4	13.3	MBO	Industrial components	
freiheit.com	21.2	12.0	MBO	IT services & software	
PM Flex	11.2	12.5	MBO	Industrial components	18.6
evidia	16.3	2.3	MBO	Healthcare	
in-tech	15.4	17.1	MBO	IT services & software	
Itelyum	n.a.	n.a.	Growth	Industrial services	
Oechsler	11.2	8.4	Growth	Industrial components	
R+S	15.8	67.6	Long-Term Investments	Industrial services	14.5

As at 30 June 2022, the 15 largest investments accounted for 70 per cent of the portfolio value (30 September 2021: 82 per cent). In the table above these companies are sorted by their portfolio value, split into three groups of five companies each and listed alphabetically within their group. First group: the five companies with the highest portfolio value; second group: the five companies with the sixth- to tenth-largest portfolio value; third group: the eleventh- to fifteenth-largest companies (also by portfolio value).

Portfolio and portfolio value

PORTFOLIO VALUE DEVELOPMENT (€mn)



PORTFOLIO VALUE AS AT 30 JUNE 2022

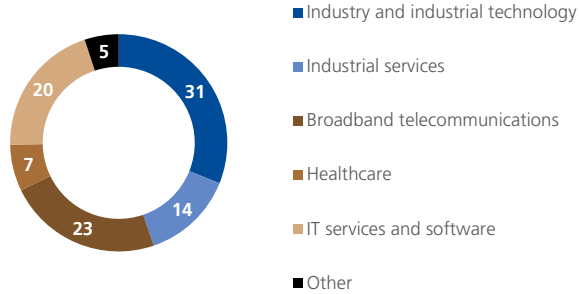
- › 39 equity investments valued at 552.0 million euros (30 September 2021: 564.5 million euros)
- › “Other” investments comprise the investment in an externally managed foreign private equity fund as well as entities through which (predominantly) representations and warranties from previous disposals are settled, with a value of 4.9 million euros (30 September 2021: 5.4 million euros).
- › Portfolio value is equivalent to 1.1 times the original acquisition cost (30 September 2021: 1.4 times), business models linked to manufacturing businesses and related service providers continue to be valued slightly below acquisition cost, at 0.9 times (30 September 2021: 0.9 times), whilst business models in growth sectors are valued at 1.7 times acquisition cost (30 September 2021: 2.8 times)
- › Share of portfolio companies with leverage of 3.0 or more increased to 71 per cent (30 September 2021: 64 per cent), mainly due to the changed portfolio composition and borrowings used by portfolio companies for many of their acquisitions

CHANGE IN PORTFOLIO VALUE

- › Additions: mainly the investments in Dantherm, freiheit.com, Itelyum, in-tech, Green Datahub and akquinet
- › Disposals: mainly the partial disposal of Telio and refinancing of von Poll Immobilien
- › The change in value was largely attributable to lower valuation multiples (cf. source analysis 1).

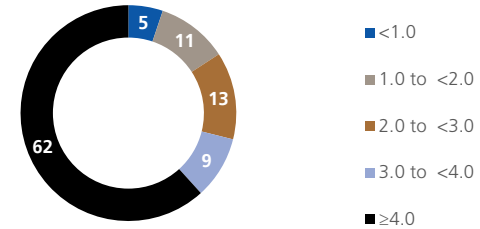
PORTFOLIO VALUE BY SECTORS

%



PORTFOLIO VALUE BY NET DEBT/EBITDA OF PORTFOLIO COMPANIES

%



BUSINESS PERFORMANCE BY SEGMENT

Private Equity Investments segment

SEGMENT EARNINGS STATEMENT – PRIVATE EQUITY INVESTMENTS

	1st to 3rd quarter 2021/2022	1st to 3rd quarter 2020/2021	3rd quarter 2021/2022	3rd quarter 2020/2021
€'000				
Net income from investment activity	(78,776)	126,761	(43,014)	56,105
Other income/expense items	(9,089)	(8,620)	(3,321)	(2,701)
Earnings before taxes	(87,865)	118,141	(46,335)	53,404

NET ASSET VALUE AND AVAILABLE LIQUIDITY

€'000	30 June 2022	30 Sep 2021
Financial assets	496,556	545,339
Other financial instruments	98,037	20,332
Financial resources (Drawn) Credit lines	48,042 (41,000)	112,796 0
Net asset value	601,635	678,466
Financial resources (Remaining) Credit lines	48,042 65,660	112,796 106,660
Available liquidity	113,702	219,456
Co-investment commitments alongside DBAG funds	166,974	273,401

EARNINGS BEFORE TAXES

- › Value contribution from the operating performance of the portfolio companies influenced by lower valuation multiples (cf. "Financial performance")

OTHER INCOME/EXPENSE ITEMS

- › Increased personnel expenses – mainly due to higher headcount, lower provisions for performance-related remuneration as well as one-off expenses (cf. "Financial performance"); figure includes internal management fees paid to the Fund Investment Services segment of 0.9 million euros

NET ASSET VALUE

- › Decreased by eleven per cent since the end of the financial year 2020/2021, adjusted for 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
- › Financial resources comprised exclusively cash and cash equivalents in the amount of 48.0 million euros.
- › Please refer to "Financial position – assets" and "Financial position – liquidity" for details regarding the development of financial assets, other financial instruments and financial resources

CO-INVESTMENT COMMITMENTS ALONGSIDE DBAG FUNDS

- › Shortfalls of co-investment commitments from available liquidity are to be covered by returns from the disposal of portfolio companies.

Fund Investment Services segment

SEGMENT EARNINGS STATEMENT – FUND INVESTMENT SERVICES

€'000	1st to 3rd quarter 2021/2022	1st to 3rd quarter 2020/2021	3rd quarter 2021/2022	3rd quarter 2020/2021
Income from Fund Services	32,881	32,524	10,984	10,716
Other income/expense items	(23,458)	(18,761)	(7,334)	(6,092)
Earnings before taxes	9,423	13,764	3,650	4,624

ASSETS UNDER MANAGEMENT OR ADVISORY

€'000	30 June 2022	30 Sep 2021
Funds invested in portfolio companies	1,524,662	1,375,459
Funds called but not yet invested	13,739	0
Short-term bridge financing for new investments	421,659	106,882
Outstanding capital commitments of third-party investors	530,087	878,099
Financial resources (of DBAG)	48,042	112,796
Assets under management or advisory	2,538,188	2,473,235

EARNINGS BEFORE TAXES

- › The calculation basis for **INCOME FROM FUND SERVICES** increased due to transactions of DBAG Fund VII as well as transactions involving the top-up funds of DBAG Fund VIII; successful disposals of DBAG Fund VI and DBAG ECF had an offsetting effect; internal income from the Private Equity Investments segment of 0.9 million euros taken into account

OTHER INCOME/EXPENSE ITEMS

- › Increased personnel expenses attributable to this segment due to higher headcount and one-off expenses (cf. “Financial performance”)

ASSETS UNDER MANAGEMENT OR ADVISORY

- › Increase in total funds invested in portfolio companies, in funds called but not yet invested, and in short-term bridge financing for new investments due to brisk DBAG investing activity
- › Outstanding capital commitments of third-party investors and DBAG financial resources also down as a result of investing activities

REPORT ON MATERIAL EVENTS AFTER THE REPORTING DATE

DBAG Fund VI

DIETER BRAUN completed its acquisition of Assmann in July 2022, having been agreed in June 2022.

The sale of the remaining investment in **PFAUDLER**'s international business was agreed in August 2022. 80 per cent of shares were already sold in the financial year 2020/2021.

DBAG Fund VII

OPERASAN completed its acquisition of NZ Leipzig in July 2022, having been agreed in March 2022. In addition, the acquisition of NZ St Wendel was agreed in August 2022.

DBAG ECF

SOLVARES completed its acquisition of mobileX in July 2022, having been agreed in June 2022.

DBAG LTI

DBAG's new Long-Term Investment in **VHF**, which manufactures computer-aided milling machines for dentistry and industrial applications, was agreed in July 2022 and completed in August 2022. DBAG purchased a 25 million euros minority stake in vhf, representing around a fifth of the company's shares. vhf employs around 350 people and generated revenues of around 46 million euros last year.

OPPORTUNITIES AND RISKS

The statements made in the Combined Management Report as at 30 September 2021 continue to apply in principle (cf. annual report 2020/2021, pages 87 et seqq.).

One risk factor which had a "high" expected value as at 30 September 2021 has changed; the expected value has increased to "very high":

- › "Negative impact of general economy and economic cycles on earnings, financial and asset position of portfolio companies": Probability of occurrence upgraded from "possible" to "probable", thus changing the expected value.

Two risk factors which had a "high" expected value as at 30 September 2021 were subject to change; the expected value remains unchanged:

- › "Inability to cover the personnel requirement": Probability of occurrence increased from "low" to "possible".
- › "Insufficient access to new, attractive investment opportunities (deal sourcing)": Probability of occurrence reduced from "possible" to "low".

Three new risks with a "moderate" or "very low" expected value added to the risk register, which now comprises a total of 59 risks.

FORECAST

Forecast published in the annual report 2020/2021 (cf. pages 104 et seqq.) withdrawn on 7 March 2022, after the outbreak of war in Ukraine; new forecast published on 20 April 2022, followed by a further forecast adjustment on 15 July 2022.

- › Changes in capital market multiples for peer-group companies have had a clearly negative impact on gross gains and losses on measurement and disposal for the first nine months of the financial year 2021/2022. The war in Ukraine, high inflation rates, interest rate hikes by central banks and an increasingly pessimistic economic outlook have triggered significant price losses on equity markets.
- › Expected net asset value of Private Equity investments as at 30 September 2022: in a range between 570 to 630 million euros (previously: 620 to 695 million euros); 601.6 million euros at the reporting date.
- › Expected net income 2021/2022: in a range between -70 and -85 million euros (previously: -15 to -25 million euros); -78.3 million euros in the first nine months of 2021/2022.
- › Expected earnings from Fund Investment Services in 2021/2022: in a range between 14 and 16 million euros (unchanged from the previous projection); 9.4 million euros in the first nine months of 2021/2022 and 3.7 million euros in the quarter under review.

The forecast is subject to the unchanged proviso that there is no significant deviation in the valuation levels on the capital markets at the end of the 2021/2022 financial year from those at the time the forecast was prepared.

Our dividend policy remains generally unchanged (cf. annual report 2020/2021, page 50).

OTHER DISCLOSURES

This document is a quarterly statement pursuant to section 53 of the Stock Exchange Rules and Regulations (Börsenordnung) of the Frankfurt Stock Exchange in the version dated 1 January 2022. The consolidated statement of financial position, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity were prepared in accordance with International Financial Reporting Standards (IFRS). The accounting, valuation and consolidation methods used are the same as those used in the previous consolidated financial statements as at 30 September 2021.

ANNEX TO THE QUARTERLY STATEMENT

Consolidated statement of comprehensive income

for the period from 1 October 2021 to 30 June 2022

€'000	1 Oct 2021 to 30 June 2022	1 Oct 2020 to 30 June 2021
Net income from investment activity	(78,776)	126,761
Income from Fund Services	32,036	31,520
Income from Fund Services and investment activity	(46,740)	158,280
Personnel expenses	(19,713)	(18,636)
Other operating income	2,102	2,206
Other operating expenses	(13,432)	(9,658)
Interest income	11	771
Interest expenses	(670)	(1,058)
Other income/expense items	(31,702)	(26,376)
Earnings before taxes	(78,442)	131,904
Income taxes	179	(731)
Earnings after taxes	(78,263)	131,174
Net income attributable to other shareholders	(6)	(7)
Net income	(78,269)	131,167
Items that will not be reclassified subsequently to profit or loss		
Gains (+)/losses (-) on remeasurements of the net defined benefit liability (asset)	(1,219)	440
Other comprehensive income	(1,219)	440
Total comprehensive income	(79,488)	131,607
Earnings per share in € (diluted and basic) ¹	(4.16)	7.87

1 The earnings per share calculated in accordance with IAS 33 are based on net income divided by the average number of DBAG shares outstanding in the reporting period.

Consolidated statement of cash flows

for the period from 1 October 2021 to 30 June 2022

INFLOWS (+) / OUTFLOWS (-)

€'000	1 Oct 2021 to 30 June 2022	1 Oct 2020 to 30 June 2021
Net income	(78,269)	131,167
Measurement gains (-)/losses (+) on financial assets, depreciation/amortisation/impairment of property, plant and equipment and intangible assets, gains (-)/losses (+) on securities	82,038	(125,456)
Gains (-)/losses (+) from disposals of assets	12	(6)
increase (+)/decrease (-) in income tax assets	(176)	(100)
increase (+)/decrease (-) in other assets (net) ¹	33,363	(14,857)
increase (+)/decrease (-) in pension provisions	662	(809)
Increase (+)/decrease (-) in income taxes payable	(1,331)	517
Increase (+)/decrease (-) in other provisions	75	2,173
Increase (+)/decrease (-) in other liabilities (net)	(509)	(5,590)
Cash flow from operating activities	35,865	(12,962)
Proceeds from disposals of financial assets	39,748	80,191
Payments for investments in financial assets	(70,078)	(55,877)
Proceeds from disposals of other financial instruments	21,466	25,988
Payments for investments in other financial instruments	(100,725)	(31,122)
Cash flow from investment activity	(109,590)	19,180
Proceeds from disposals of property, plant and equipment and intangible assets	21	14
Payments for investments in property, plant and equipment and intangible assets	(627)	(84)
Proceeds from disposals of securities	74,802	0
Cash flow from investing activities	(35,394)	19,110
Proceeds from capital increases	(280)	100,176
Payments for lease liabilities	(798)	(755)
Proceeds from drawdowns of credit facilities	41,000	60,500
Payments for redemption of credit lines	0	(13,100)
Payments to shareholders (dividends)	(30,088)	(12,035)
Cash flow from financing activities	9,834	134,786
Net change in cash and cash equivalents	10,305	140,934
Cash and cash equivalents at start of reporting period	37,737	18,367
Cash and cash equivalents at end of reporting period	48,042	159,301

1 This includes interest received in the amount of 230,000 euros (previous year: 7,000 euros), interest paid in the amount of nil euros (previous year: -672,000 euros), as well as taxes paid in the amount of -112,000 euros (previous year: -100,000 euros).

Consolidated statement of financial position

as at 30 June 2022

€'000	30 June 2022	30 Sep 2021
ASSETS		
Non-current assets		
Intangible assets	221	439
Property, plant and equipment	2,336	4,220
Financial assets	496,556	545,339
Long-term securities	0	75,059
Other non-current assets	337	647
Deferred tax assets	3,270	3,170
Total non-current assets	502,720	628,874
Current assets		
Receivables	11,703	45,132
Other financial instruments	98,037	20,332
Income tax assets	1,005	829
Cash and cash equivalents	48,042	37,737
Other current assets	2,300	2,049
Total current assets	161,088	106,079
Total assets	663,808	734,953

€'000	30 June 2022	30 Sep 2021
EQUITY AND LIABILITIES		
Equity		
Subscribed capital	66,733	66,733
Capital reserve	260,069	260,349
Retained earnings and other reserves	(10,347)	(9,127)
Consolidated retained profit	272,450	380,807
Total equity	588,906	698,762
Liabilities		
Non-current liabilities		
Liabilities under interests held by other shareholders	59	58
Provisions for pensions obligations	14,346	13,683
Other provisions	609	1,519
Other non-current liabilities	1,001	3,149
Total non-current liabilities	16,015	18,409
Current liabilities		
Other current provisions	12,441	11,457
Credit liabilities	41,000	0
Income tax liabilities	2,728	4,059
Other current liabilities	2,719	2,267
Total current liabilities	58,888	17,782
Total liabilities	74,903	36,191
Total equity and liabilities	663,808	734,953

Consolidated statement of changes in equity

for the period from 1 October 2021 to 30 June 2022

€'000	1 Oct 2021 to 30 June 2022	1 Oct 2020 to 30 June 2021
Subscribed capital		
At start of reporting period	66,733	53,387
Change in reporting period	0	13,347
At end of reporting period	66,733	66,733
Capital reserve		
At start of reporting period	260,349	173,762
Change in reporting period	(280)	86,829
At end of reporting period	260,069	260,591
Retained earnings and other reserves		
Legal reserve		
At start and end of reporting period	403	403
First-time adoption of IFRS		
At start and end of reporting period	16,129	16,129
Reserve for changes in accounting methods		
At start and end of reporting period	(109)	(109)
Reserve for gains/losses on remeasurements of the net defined benefit liability (asset)		
At start of reporting period	(25,550)	(27,748)
Change in reporting period	(1,219)	440
At end of reporting period	(26,769)	(27,308)
At end of reporting period	(10,347)	(10,886)
Consolidated retained profit		
At start of reporting period	380,807	207,708
Dividend	(30,088)	(12,035)
Net income	(78,269)	131,167
At end of reporting period	272,450	326,840
Total	588,906	643,278

Disclosures on segment reporting

for the period from 1 October 2021 to 30 June 2022

SEGMENTAL ANALYSIS FOR THE 1ST TO 3RD QUARTER 2021/2022

€'000	Private Equity Investments	Fund Investment Services	Group Reconciliation ¹	Group 1st to 3rd quarter 2021/2022
Net income from investment activity	(78,776)	0	0	(78,776)
Income from Fund Services	0	32,881	(846)	32,036
Income from Fund Services and investment activity	(78,776)	32,881	(846)	(46,740)
Other income/expense items	(9,089)	(23,458)	846	(31,702)
Earnings before tax (segment result)	(87,865)	9,423	0	(78,442)
Income taxes				179
Earnings after taxes				(78,263)
Net income attributable to other shareholders				(6)
Net income				(78,269)
Financial assets	496,556			
Other financial instruments	98,037			
Financial resources ²	48,042			
Credit liabilities	(41,000)			
Net asset value	601,635			
Assets under management or advisory³		2,538,188		

1 A synthetic internal administration fee for DBAG ECF is calculated for the Private Equity Investments segment and taken into account when determining segment results. The fee is based on DBAG's co-investment interest.

2 The financial resources are used by DBAG for investments in equity or equity-like instruments. They contain the line items "Cash and cash equivalents" and, if applicable, "Long-term securities" and "Short-term securities".

3 Assets under management or advisory comprises the funds invested in portfolio companies, other financial instruments and the financial resources of DBAG as well as the funds invested in portfolio companies and the callable capital commitments of the funds managed or advised by DBAG.

SEGMENTAL ANALYSIS FOR THE 1ST TO 3RD QUARTER 2020/2021 AND AS AT 30 SEPTEMBER 2021

€'000	Private Equity Investments	Fund Investment Services	Group Reconciliation ¹	Group 1st to 3rd quarter 2020/2021
Net income from investment activity	126,761	0	0	126,761
Income from Fund Services	0	32,524	(1,005)	31,520
Income from Fund Services and investment activity	126,761	32,524	(1,005)	158,280
Other income/expense items	(8,620)	(18,761)	1,005	(26,376)
Earnings before tax (segment result)	118,141	13,764	0	131,904
Income taxes				(731)
Earnings after taxes				131,174
Net income attributable to other shareholders				(7)
Net income				131,167
Financial assets	545,339			
Other financial instruments	20,332			
Financial resources ²	112,796			
Net asset value	678,466			
Assets under management or advisory³		2,473,235		

1 See footnote 1 in the preceding table

2 See footnote 2 in the preceding table

3 See footnote 3 in the preceding table

OTHER INFORMATION

Forward-looking statements bear risks

This quarterly statement contains forward-looking statements related to the prospects and progress of Deutscheeteiligungs AG. These statements reflect the current views of the management of Deutscheeteiligungs AG and are based on projections, estimates and expectations. Our assumptions are subject to risks and uncertainties, and actual results may vary materially. Although we believe these forward-looking statements to be realistic, there can be no guarantee.

Disclaimer

The figures in this quarterly statement are generally presented in thousands or millions of euros. Rounding differences may occur between the amounts presented and their actual value; these, of course, are not of a significant nature. The quarterly statement is published in German and in English. The German version of this report shall be authoritative.

Updated: 10 August 2022

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Registered office: Frankfurt/Main

– entered in the commercial register of the Frankfurt/Main Local Court
under commercial register number B 52 491

FINANCIAL CALENDAR

11 AUGUST 2022

Publication of the quarterly statement on the third quarter of 2021/2022, Analysts' conference call

25 AUGUST 2022

(Virtual) roadshow – Scandinavia, Germany, Switzerland

13 SEPTEMBER 2022

SRC Forum Financials & Real Estate 2022, Frankfurt/Main

19-23 SEPTEMBER 2022

Baader Investment Conference, Munich

12-13 OCTOBER 2022

Roadshow, Dublin/London

1 DECEMBER 2022

Publication of the consolidated financial statements for 2021/2022
Analysts' conference, Frankfurt/Main

28 FEBRUARY 2023

Annual General Meeting 2023, Frankfurt/Main

INFORMATION FOR SHAREHOLDERS

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