

PRESS RELEASE

Deutsche Beteiligungs AG: Successful realisation of investment in in-tech

- **Buy-and-build strategy as a key element of value creation**
- **Prosperous market with an attractive outlook**
- **Original investment more than tripled and value contribution of approximately 13 million euros in the second quarter of 2023/2024**

Frankfurt/Main, 18 April 2024. Deutsche Beteiligungs AG (“DBAG”) has concluded its very successful investment in in-tech, a technology company focused on software development, testing and validation, with a sale of the company to Infosys agreed upon today. This included disposal of the stake held by DBAG Fund VIII, alongside the interest held by DBAG. Completion of the disposal is still subject to approval by the authorities. The transaction is expected to be closed within the next four months.

DBAG is now exiting the investment, having achieved a significant value creation over the two-year holding period, with an attractive return of more than three times the original investment. As a result, proceeds from the transaction significantly exceed the fair value of DBAG's interest, as reported in DBAG's most recent quarterly financial statements (as at 31 December 2023). Accordingly, the disposal will result in an additional, unexpected contribution to net income from investment activity rising by approximately 13 million euros in the second quarter of the financial year 2023/2024.

First disposal from the DBAG Fund VIII portfolio

It was in 2022 that DBAG, together with the DBAG Fund VIII advised by it, acquired a majority stake in in-tech. The fund had built up a portfolio comprising seven companies since 2020. The sale of in-tech marks the first disposal of a management buyout (MBO) from the DBAG Fund VIII portfolio. With a volume of 1.1 billion euros, DBAG Fund VIII is one of the largest private equity funds for investments in medium-sized businesses located in German-speaking countries.

One of the leading service providers for software development, testing and validation

The company, based in Garching near Munich, is one of the leading service providers for software development, testing and validation that shapes digitization in the automotive, rail transport and smart industry sectors. in-tech develops solutions in e-mobility, connected and autonomous driving, electric

vehicles (EV's), off-road vehicles and railroad. in-tech offerings include system design, methodical consulting, advanced electronics platform development and validation of Automotive specific software and hardware systems, infotainment, and experience validation. Having recorded double-digit average annual sales growth rates over the past five years, in-tech benefits from an excellent market outlook driven by attractive macro trends in its target markets.

Successful disposal underscores DBAG's progress in the IT services & software segment

The successful disposal also underscores the substantial progress DBAG has made in the IT services & software segment. Having built up extensive know-how as well as a strong network, DBAG has now executed seven investments in this segment; the result is a near-quintupling of the segment's share in DBAG's total portfolio value over the past three years, from 5 per cent to 24 per cent (as at 31 December 2023).

Buy-and-build strategy: Acquisitions to further broaden expertise

During the investment period, in-tech benefited from DBAG's extensive M&A experience in the form of a dedicated buy-and-build strategy as the core lever for creating value. "Through the use of smart capital, whereby funds invested are leveraged through know-how and experience, in-tech succeeded in achieving significant growth in an attractive market environment," explained Jannick Hunecke, member of the Board of Management of Deutsche Beteiligungs AG. "The strategic acquisitions of Ruetz System Solutions and ProIT have been major contributions to further broadening in-tech's expertise," he added.

"Digital solutions are part of our DNA. We are passionate about this – and it is precisely this attitude that helps us pave the way for our customers to fully explore digital business. Given the shortage of skilled workers, it is crucial to deploy skills and experience in an optimal manner. In all of our challenges, DBAG has supported us in a true spirit of partnership. Their team commitment has enabled us to accelerate in-tech's development," explained Tobias Wagner, CEO at in-tech.

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 broadband/telecommunications, IT services, software and healthcare sectors. DBAG has also maintained a presence in Italy since 2020 with its Milan office. DBAG Group's assets under management or advisory amount to approximately 2.6 billion euros.

***Within the scope of the strategic partnership with ELF Capital Group,
DBAG is expanding its range of flexible financing solutions for mid-market
companies to include private debt.***

*Deutsche Beteiligungs AG
Head of Corporate Communications · Roland Rapelius
Untermainanlage 1 · 60329 Frankfurt/Main, Germany
Telephone +49 69 95787-365 · +49 151 26663172 (mobile)
E-mail: roland.rapelius@dbag.de*