

P R E S S R E L E A S E

Deutsche Beteiligungs AG: Successful final closing of DBAG ECF IV

- **About 250 million euros for investments in small- and mid-sized companies, more than double the volume of the predecessor fund**
- **Five investments already made confirm the strong momentum in the realm of succession agreements and underscore DBAG's position as one of the most active investors in German-speaking small- and mid-sized companies**
- **DBAG ECF IV increases the assets under management or advisory by DBAG to 2.7 billion euros**

Frankfurt/Main, 21 November 2024. Deutsche Beteiligungs AG (DBAG) has successfully closed the fundraising for DBAG ECF IV. In recent months, its team acquired commitments totalling about 250 million euros from new and existing investors. The volume of DBAG ECF IV has more than doubled compared to its predecessor fund, DBAG ECF III, which amounted to roughly 106 million euros. DBAG and members of its Investment Advisory Team contributed a significant co-investment. DBAG ECF IV invests as a controlling shareholder in family-owned small- and mid-sized companies (SME), with an initial investment volume of between 10 and 40 million euros. The fund can facilitate capital increases of up to 60 million euros by funding add-on acquisitions, for example. It focuses on management buyouts of family-owned companies in the context of successions and or capital increases. Spin-offs of one or more business units from larger corporations, so-called carve-outs, are also possible. DBAG ECF IV generally aims to acquire a majority stake, which is held for around five years. The fund's investment period runs until the end of 2028, and it is planned to conclude up to five further investments in addition to the five which have been concluded already.

One of the most active investors in the German-speaking SME sector

The initial investments by DBAG ECF IV have been entered between July 2023 and October 2024 and are linked with two distinct megatrends in the German-speaking region. AOE, ProMik and UNITY AG are driving digitalization and the associated increase in productivity. Avrio and TBD Technische Bau Dienstleistungen are actively participating and benefitting from the transition towards more sustainable energy in Germany. In order to serve these industries properly, which are characterized by strong structural growth, DBAG has expanded its sector focus accordingly in recent years. Since then, its team has

focused on companies from the following sectors: IT services and software, healthcare, environment, energy and infrastructure, as well as industrial services and industry tech sectors. Hence, companies that enable automation, robotics and digitization.

“Despite the difficult market conditions, we succeeded in winning over both existing and new investors. In fact, the macroeconomic situation may even have been a contributing factor: after all, we have proven time and again that our team is able to identify and develop attractive small- and mid-sized companies, even in a more challenging macro environment”, said Tom Alzin, Spokesman of the Board of Management of Deutsche Beteiligungs AG.

DBAG ECF IV strongly benefits from being embedded with DBAG’s ecosystem in many respects. The investment advisory team draws on DBAG’s broad experience with regard to the German *Mittelstand* and family-owned companies. The funds advised by DBAG are offering these companies bespoke succession structures, of which roughly 11,000 need to be concluded in Germany alone by 2026, but also tailored and flexible financing solutions. DBAG ECF IV will further elevate the company’s position as an investor in well-positioned, small- and mid-sized companies with an attractive development potential.

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 complements DBAG's offering of flexible financing solutions for small- and mid-sized companies by private debt.

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