Deutsche Beteiligungs AG

Annual Report 2023/2024

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Spokesman of the Board of Management

Melanie Wiese
Chief Financial Officer

Jannick Hunecke
Member of the Board of Management

The DBAG Board of Management

Tom Alzin
Spokesman of the Board of Management

Born in 1980, Spokesman of the Board of Management since March 2023; Member of the Board of Management since March 2021; appointed until end of February 2026.

Tom Alzin joined Deutsche Beteiligungs AG in 2004 and became a Managing Director in 2011. He has 19 years of experience in the private equity business.

Tom Alzin holds a degree in Business Administration from the HEC Lausanne, and also studied at the London School of Economics and Political Science.

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Jannick Hunecke
Member of the Board of Management

Born in 1974, Member of the Board of Management since March 2021; appointed until end of February 2026.

Jannick Hunecke joined Deutsche Beteiligungs AG in 2001 and became a Managing Director in 2008. He has 23 years of experience in the private equity business in Germany's mid-market sector.

Jannick Hunecke holds a degree in Business Administration from the University of Munster.

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Melanie Wiese
Chief Financial Officer

Born in 1974, Member of the Board of Management since January 2023; appointed until end of December 2025.

Melanie Wiese worked for energy companies E.ON SE and Innogy SE, both based in Essen, and Bayernwerk AG, Regensburg, between 2017 and 2022. Most recently, she has been a member of the Management Board at both Innogy SE and Bayernwerk AG, being responsible for Finance (CFO at Bayernwerk AG). Prior to that, she had assumed the roles of Head of Accounting & Reporting at Innogy SE and Head of Group Accounting at E.ON SE. Before joining technology company ZF Friedrichshafen in 2014, where she headed the international Shared Service Organisation until 2017, Melanie Wiese had worked as a consultant at Accenture Management Consulting and The Hackett Group.

Melanie Wiese holds a degree in business law from Leuphana University, Lueneburg..

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Dear shareholders,

Last year saw DBAG evolve in every respect, placing us on even stronger footing. Despite a challenging economic environment, we are optimistic about the opportunities available to DBAG in the private markets.

Your vote to approve the necessary amendments to our corporate objective at the extraordinary Annual General Meeting on 2 November 2023 enabled us to integrate ELF Capital, expanding our product offering to include private debt solutions and allowing us to offer mid-sized companies a full suite of products and services catering to all of their financing needs.

> Last year saw DBAG evolve in every respect, placing us on an even stronger footing.

The ELF funds advised by ELF Capital provide debt financing both as direct loans and via other flexible and attractive structures. Just like DBAG, the focus is on family-owned market leaders with solid, profitable business models and sound growth prospects. ELF Capital also complements DBAG excellently in geographical terms: besides our shared business focus on Germany, Austria and Switzerland, ELF Capital contributes special experience in Northwest Europe.

The first ELF fund transaction structured under the DBAG banner was for a healthcare company based in Ireland, with the firm's existing financing arrangements being repaid, also to make way for further growth investments. Excellent collateralisation was agreed in addition to attractive financing terms. We see very good opportunities for comparable transactions in the coming years.

The ELF Capital team complements DBAG's existing equity financing solutions, allowing us to expand our multi-product strategy. In addition to DBAG Fund VIII, our fund for large MBOs, DBAG ECF IV is very active on the market. We also enter into Long-Term Investments without the DBAG funds, using only our own financial resources, to structure growth financings with terms exceeding the standard investment periods of private equity funds.

We have built dedicated teams within the DBAG and ELF investment advisory teams; all team members apply their considerable experience to provide companies with advice and support for all of these different financing offers. Our range of products and services extends far beyond pure financings and strengthens our position as an attractive partner for mid-market companies.

The transactions completed during the last financial year demonstrate our success. We succeeded in realising attractive selling prices for all disposals, often significantly exceeding the internal valuations we determined six months prior to the transaction.

In the year under review, we sold our investment in R+S, marking the end of our first investment financed exclusively from our own balance sheet. The stake in R+S was sold to NOKERA, a producer of buildings in serial construction with a strong commitment to sustainability. At the same time, a portion of the sales proceeds were reinvested in a minority stake in NOKERA, allowing us to take part in the attractive growth of the market for serial construction and serial (and energy-efficient) refurbishment of buildings going forward. NOKERA received the German Sustainability Award 2025 in the construction industry category.

The successful disposal of in-tech deserves special mention as it marked our first exit from a DBAG Fund VIII investment. The company made targeted and value-accretive add-on acquisitions during the investment period, e.g. in the area of cybersecurity. Following the disposal after just two years of investment, we generated an attractive return that more than tripled our original investment. The transaction once again highlights the formidable expertise we have amassed in the IT services & software sector.

The disposal of Solvares, which we structured using a Continuation Fund for the first time, represents another important milestone. DBAG will receive an advisory fee for advising the Continuation Fund throughout its term. Solvares supports over 3,000 clients across 45 countries with resource and mobility management based on proprietary algorithms and best-of-breed technologies, unlocking real efficiency savings for mobile sales forces while reducing resource consumption and carbon emissions dramatically. Solvares has succeeded in transforming its business from a traditional licensing model to a high-performance SaaS solution provider. Revenues have almost quintupled in the last five years. Five Arrows, the Rothschild & Co. division specialising in alternative investments, will join DBAG and the DBAG Solvares Continuation Fund to support Solvares through its next phase of growth.

The financial year under review did not only see us assisting our existing portfolio companies as they implemented their growth strategies; we also joined forces with DBAG ECF IV to close a new investment (ProMik) and to agree a further investment (UNITY). Both investments were generated through our network and are testament to our strength in bilaterally agreed transactions.

ProMik is a leading global provider of programming and testing solutions for the electronics manufacturing industry and develops high-performance, software-driven solutions for a market boasting double-digit annual growth rates. Here we once again successfully arranged succession for a family-owned company.

« DBAG returned approximately 1.71 euros per share – a total of around 31 million euros – to shareholders in the financial year 2023/2024. »

UNITY, a leading management consultancy with an international profile, specialises in technology advice and digital transformation processes. The company enjoys a diverse client base of Dax 40 and mid-market companies spanning a wide range of sectors and activities in Germany, Austria and Switzerland and in international centres of competence. It complements and integrates seamlessly into DBAG's IT services & software portfolio.

We envisage continued significant opportunities in the market we cover going forward. That is why we diversified our funding mix during the year under review, focusing on a matched-maturity profile. We are delighted about our debut convertible bond issue of 100 million euros and the placement of promissory note loans. As at the reporting date, we have financial resources and short-term securities of 150.4 million euros at our disposal. We have not drawn upon our credit lines.

Assets under management or advisory increased by 8 per cent to total 2.7 billion euros, including 532 million euros in outstanding capital commitments of third-party investors. Our business performance remains founded on a very sound equity ratio of 75 per cent.

In service of DBAG's strategic development, we deliberately and strategically incurred expenses for certain activities and initiatives that can be seen in the reporting year's statement of income.

Nevertheless, we achieved the forecasts we specified over the course of the financial year 2023/2024, both for net asset value and for earnings before taxes from Fund Investment Services.

In the Fund Investment Services segment, we earned income from our new activities in Luxembourg – where we provide the DBAG funds' Luxembourg-based companies with management and investment-related services – and from the ELF funds for the first time. Income from DBAG ECF IV also increased.

We believe that our strategic initiatives will pay off and plan to invest the financial resources available to us prudently and with a consistent approach, supporting promising mid-market companies as they pursue growth. Doing so will enable our portfolio companies to achieve value appreciation regardless of any short-term macroeconomic fluctuations, enhancing DBAG's value for the long term.

We are exercising caution in the challenging economic environment we find ourselves in. DBAG Fund VIII is now investing more slowly than it would do in an economic upswing. This means that successor funds will be launched a bit later than planned, which will affect the development of earnings from Fund Investment Services in the abridged financial year 2024 and the financial year 2025. In addition, the performance of our industry and industrial technology investments in particular will appear more reserved in this period.

In the medium term, however, we remain confident that our performance will continue to be robust. We would like you to participate in our positive development even more extensively than before, which is why we launched an extensive share buyback programme and repurchased shares considerably below the net asset value in the year under review. As at 30 September 2024, the XETRA closing share price was 25.20 euros, roughly one-third below the net asset value per issued share of 37.59 euros on that reporting date. The Board of Management believes that DBAG shares are an investment with a highly attractive risk/reward profile. Our shareholders received an aggregate payout of approximately 32 million euros in the reporting year, consisting of the dividend distribution and the share buyback. Based on the average number of shares outstanding during the financial year, this translates into 1.72 euros per share. We will continue to consider share buybacks as a flexible option representing an additional way for you to participate in the Company's positive development. We not only have our eye on strengthening our position in the private equity and private debt markets, but will also enhance our profile on the capital market. We believe an attractive dividend policy will make a decisive contribution.

Frankfurt/Main, 27 November 2024

The Board of Management

Tom Alzin | Jannick Hunecke | Melanie Wiese

An overview of DBAG

At a glance

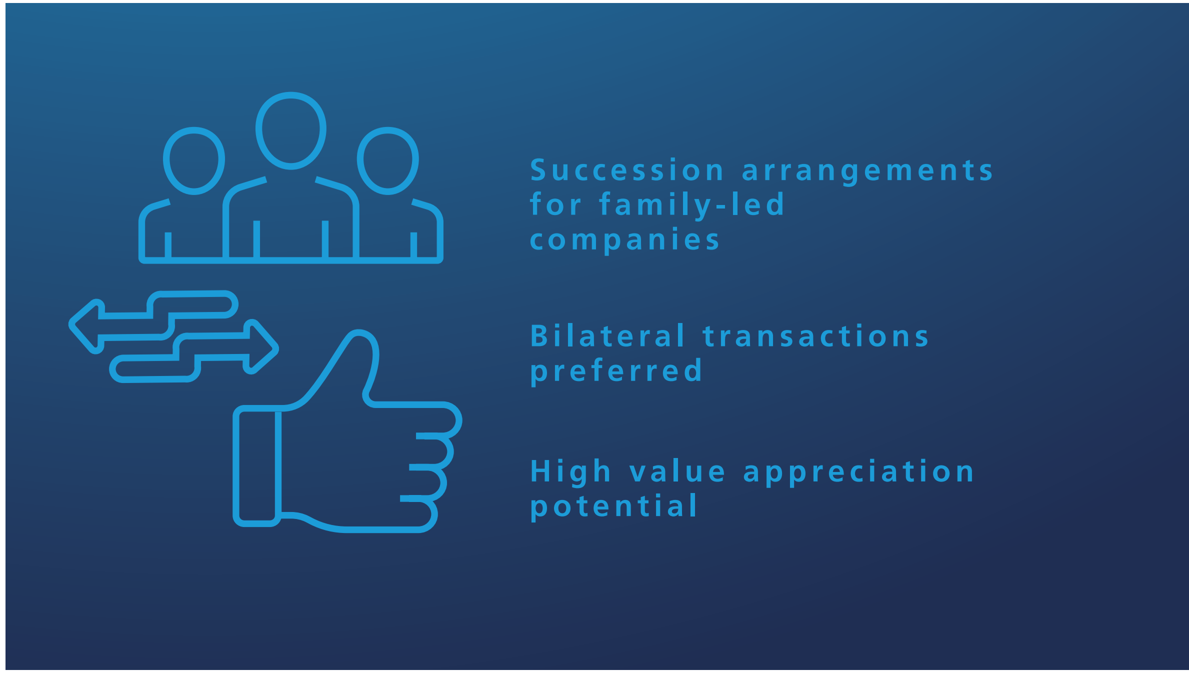
Deutsche Beteiligungs AG ("DBAG") has been listed since 1985 and is one of the most renowned private equity firms in Germany. As an investor and fund advisor, we focus on well-positioned mid-market companies with potential for development, primarily in Germany, Austria and Switzerland (the DACH region) and in Italy. We acquired a majority stake in ELF Capital in November 2023, expanding our range of flexible financing solutions for mid-market companies to include private debt.

Focus of investments

We invest in established, well-positioned companies with a proven and scalable business model and strong potential for development. In this respect, we concentrate on markets offering structural growth beyond economic cycles because they address future issues that are relevant to our society and our economy. There are a great many enterprises in the DACH region and in Italy that fit this profile of investment priorities.

Investment criteria

We have extensive experience in helping family-owned and founder-managed companies to deal with succession issues. Our strong team often succeeds in establishing bilateral negotiations, which in turn frequently open up excellent opportunities for investing in attractive businesses. Our shareholders and fund investors benefit from the value appreciation of these companies.



> « Our success is based on a clearly formulated investment strategy. »

Track record

We are proud of our track record of 20 transactions in four years, which underlines the sheer power of our team and depth of our market knowledge. During this period, we have assisted our portfolio companies with a total of 66 add-on acquisitions that strengthened their market position. 90 per cent of transactions took place within our industry focus, demonstrating the discipline with which we implement our investment strategy.

> « By investing in profitable mid-sized companies in growth markets, we generate sustainable value for our shareholders, fund investors and portfolio companies. »

8 transactions (platform investments and exits) over four years

65 add-on acquisitions of our portfolio companies over four years

90 per cent sector focus

A full-service provider for the financing needs of mid-market companies

With 2.7 billion euros in assets under management or advisory, we are one of the major players in our industry. At present, we hold financial resources and short-term securities of around 150 million euros on our own balance sheet. We want to invest these funds in attractive mid-sized companies, enabling them to implement their growth strategy quickly and in a focused manner. On top of this, we have pending co-investment commitments by third-party investors for DBAG funds amounting to some 532 million euros.

DBAG's investment advisory team comprises more than 30 experts with over 250 years' experience between them. This team implements our investment strategy with due care and diligence, helping our portfolio companies to grow their enterprise value.

« Our portfolio companies' objectives and requirements are always at the centre of all our considerations. In this way, we can show them how to maximise their development potential. »

2.7
billion euros
in assets under management or advisory

150.4
million euros
in financial resources and short-term securities

More than
30
employees on DBAG investment advisory team

Our private equity investment portfolio

We offer a wide range of equity financing solutions, including with different financing volumes, with shorter or longer tenors, via a majority or minority stake, or as part of a succession or growth strategy.

Our broadly diversified team has extensive experience in a wide range of sectors, which enables it to identify those business models that are particularly well positioned for the future. Within the industrial and IndustryTech sectors, these are often providers that are instrumental in making their customers' digital transformation possible in the first place. The IT services and software sector is of paramount importance for shaping our society and our economy. By the same token, businesses in the environment, energy and infrastructure sector address issues that are especially relevant for Germany as an industrial location.

> « We offer the widest range of private equity and private debt solutions for mid-sized companies in the DACH region. »

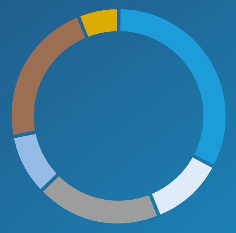
Portfolio value by type of investment

in %

Management buyouts	77 %
Partial disposals	4 %
Growth financing	5 %
Long-Term Investments	13 %
Other	1 %

Portfolio value by sector

in %



Industry and industrial technology	33 %
Industrial services	11 %
Environment, energy & infrastructure	19 %
Healthcare	9 %
IT services & software	22 %
Other	6 %

We are the leading private equity house in Germany with a focus on mid-sized companies

We have held the top spot in the German MBO market over the past ten years by a wide margin. This success is largely based on our extensive experience attending to the needs of family-owned and founder-led enterprises. We speak their language. We know their goals and are well aware how much a life's work is worth. Helping such businesses to usher in a new phase of their development is always a great source of motivation for our team.

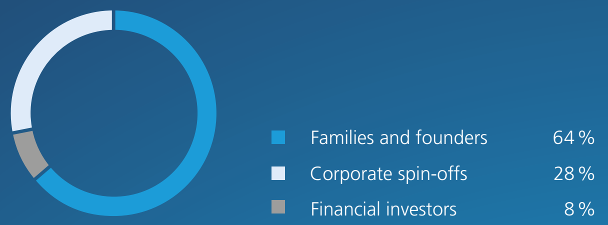
> «Trust is a central pillar of our success. It is built on the integrity and professional expertise of our team members, and on aligning the interests of all stakeholders – which is always our number one priority.»

Sellers in DBAG's mid-market MBO transactions 2019-2023

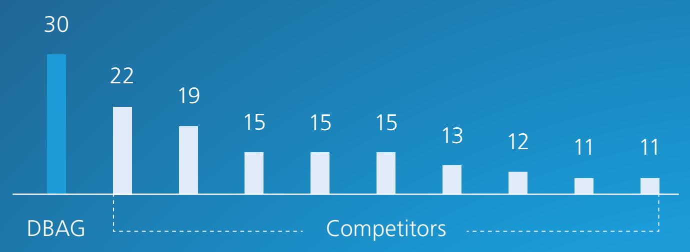
in %

Sellers in German mid-market MBOs 2019-2023

in %



Leading player in the German MBO market



Source: FINANCE, DBAG

Highlights

Successful disposals, major events and highly promising new investments

October 2023

ProMik

Leading systems provider of programming and testing solutions for the electronics manufacturing industry

2023 revenues 13 million euros

ProMik's range of services is geared towards sectors with a strong demand for electronic components, including mobility, consumer goods, industrial and other applications.

November 2023

By acquiring a majority stake in

ELF
CAPITAL GROUP

DBAG is evolving into a full-service provider for the financing needs of mid-market companies.

December 2023

GMM Pfaudler

Corrosion-resistant technologies, systems and services for various industries, especially the chemical and pharmaceutical sectors

Term of investment 2014–2023

GMM Pfaudler benefits from significant investments by pharmaceutical players in state-of-the-art production facilities in Europe, the US, China and especially in India.

December 2023

NOKERA

Producer of buildings in serial and sustainable construction

2023 revenues (preliminary) 346 million euros

In an environment shaped by the ESG trend towards sustainable construction, NOKERA's highly automated serial production offers significant cost and speed benefits compared with conventional housing construction.

Unless stated otherwise, dates shown in this chapter denote the closing date of the relevant transaction.

December 2023

R+S

A leading provider of technical building services and a full-service provider for electrical system construction, energy and control technology, and heating/air conditioning and ventilation technology

Term of investment 2021–2023

DBAG has bought a minority stake in NOKERA, the acquiring entity.

January 2024

FINANCE trade magazine singles **DBAG** out as **market leader** in the private equity mid-market

February 2024

Value appreciation potential for shareholders DBAG resolves on **share buyback programme** of up to **20 million euros**

June 2024

Diversification and matched-maturity structure of financing completed

Successful placement of **100 million euros of convertible bonds** plus promissory note loans – existing credit lines renewed and slightly increased

July 2024

in-tech

As one of the leading service providers for software development, testing and validation, in-tech is instrumental in shaping the digital transformation in rail transport, the automotive sector and Industry 4.0.

Term of investment 2022–2024

Successful first disposal of a management buyout from the DBAG Fund VIII portfolio – more than tripling the original investment

Unless stated otherwise, dates shown in this chapter denote the closing date of the relevant transaction.

September 2024

Continued growth for DBAG

Average number of Group employees rises to 109 in the financial year 2023/2024

+18 year-on-year

73 million euros of private equity financing

provided to highly promising medium-sized enterprises in the financial year 2023/2024

October 2024

UNITY

Leading management consultancy with an international profile for technology advice and digital transformation processes

Total revenues in 2023 72 million euros

UNITY helps global players, mid-sized companies and public-sector customers to bring about a digital transformation that is both sustainable and future-proof.

November 2024

Solvares

European market leader for algorithm-based scheduling and route optimisation

2023 revenues 43 million euros

Solvares develops and distributes software for planning, managing and optimising transport logistics and also for field service, maintenance and distribution.

Closing des DBAG ECF IV

250 million euros available for investment in small buyouts

Unless stated otherwise, dates shown in this chapter denote the closing date of the relevant transaction.

Combined Management Report

of Deutsche Beteiligungs AG
and the Deutsche Beteiligungs AG
Group for financial year 2023/2024

"By adding private debt to our range of financing services, we have opened up access to a large number of mid-sized enterprises that we have not yet been able to reach to date."

Tom Alzin, Spokesman of the Board of Management

Fundamental information about the Group

Structure and business activity

Deutsche Beteiligungs AG (hereinafter also referred to as “DBAG”) is a publicly-listed private equity company with roots dating back to 1965. The Company has been listed on the Frankfurt Stock Exchange since 1985 and its shares are traded in the market segment with the highest transparency requirements, the Prime Standard. DBAG is an SDAX member.

While DBAG has focused on providing equity to mid-sized companies in the past, it acquired a majority stake in ELF Capital Advisory GmbH (“ELF Capital”) in November 2023. ELF Capital initiates and advises closed-end private debt funds. This acquisition has allowed DBAG to expand its range of services to include private debt.

The Company’s business model is based on two segments:

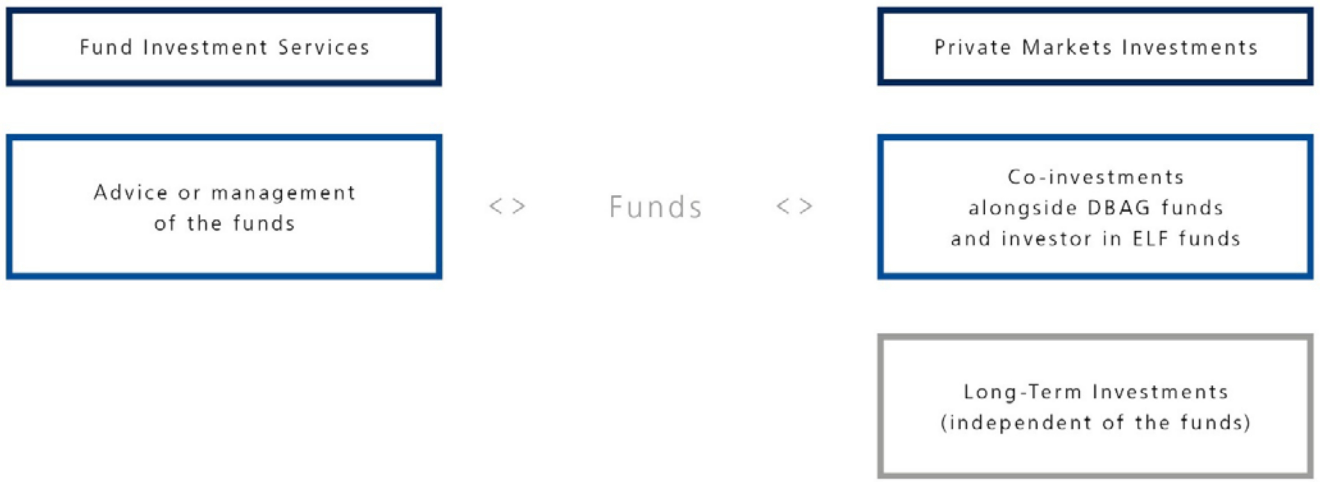
- In its Fund Investment Services segment, DBAG provides advisory services to the closed-end private equity funds which are initiated and structured by DBAG itself (“DBAG funds”). DBAG also holds a stake in ELF Capital. The company initiates and advises private debt funds (“ELF funds”).
- In its Private Markets Investments segment, DBAG uses its own assets to provide private equity or private debt to companies in which it has invested.

The Company’s management and business processes are conducted at DBAG’s registered office in Frankfurt/Main. While DBAG has always focused its investments on mid-market companies in Germany, Austria and Switzerland (the “DACH” region), the Company opened a local office in Milan in 2021 and has also stepped up its general investment activity in Italy alongside the DBAG funds. Equity investments in other European countries are made on a more selective basis. The ELF funds invest in the DACH region and in Northwest Europe. DBAG’s office in Luxembourg, which was opened in 2023, provides the DBAG funds’ companies there with management and investment-related services.

DBAG has been recognised as a special investment company, as defined by German statutory legislation on special investment companies (Gesetz über Unternehmensbeteiligungsgesellschaften – UBGG) since 1987. However, the Annual General Meeting resolved to renounce this status on 2 November 2023. DBG Managing Partner GmbH & Co. KG, which is registered as a small capital management company (Kapitalverwaltungsgesellschaft – KVG) in accordance with the German Capital Investment Code (Kapitalanlagegesetzbuch – KAGB) is responsible for managing DBAG’s German funds. DBG Management GP (Guernsey) Ltd. is registered in Guernsey as a KVG pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, and manages the DBAG funds based in Luxembourg and Guernsey.

Integrated business model

Integrated business model



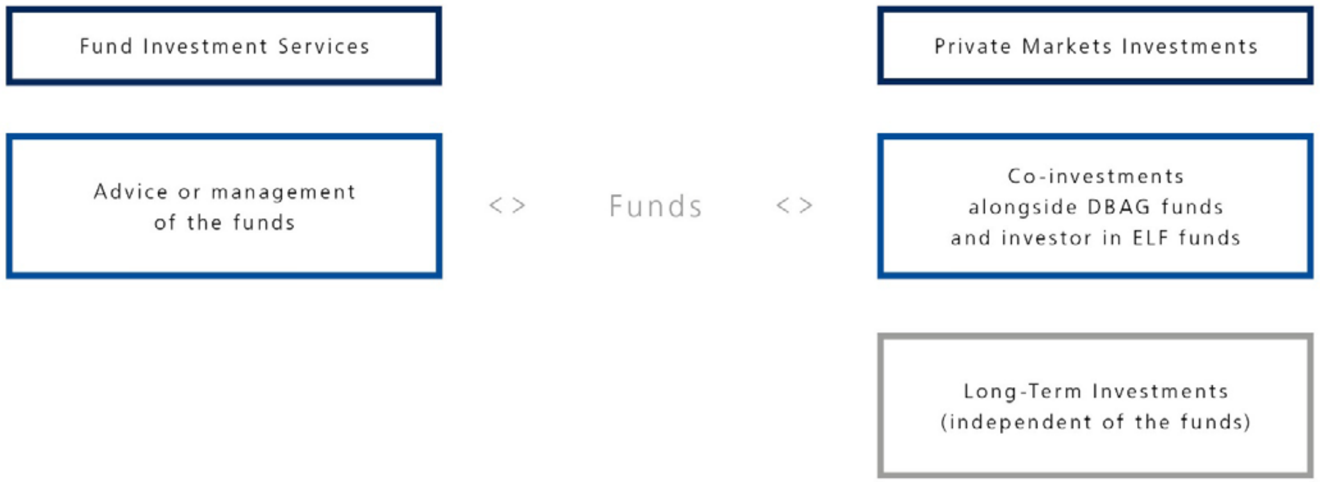
Fundamental information about the Group

DBAG's business model, which is geared towards increasing value for its shareholders, is based on two pillars: the Fund Investment Services segment and the Private Markets Investments segment. The DBAG funds and the ELF funds link the two segments, with DBAG providing advisory services to the DBAG funds and ELF Capital to the ELF funds. DBAG also uses its own assets to co-invest alongside the DBAG Funds as well as investing in the ELF funds. Since 2020, DBAG has also been purchasing equity investments exclusively using its own financial resources, i.e. without a fund, in what we refer to as Long-Term Investments.

Raising capital for DBAG funds and ELF funds benefits both DBAG and its shareholders, as well as the investors in the funds.

- DBAG's shareholders participate in the fee income earned for advising DBAG funds and ELF funds ("Fund Investment Services"). As well as this, they participate in the value appreciation and income realised via the co-investments into which DBAG enters alongside the DBAG funds and via the ELF fund investments (together with DBAG's Long-Term Investments entered into without the DBAG funds, i.e. "Private Markets Investments").
- The assets from the DBAG funds and ELF funds create a substantially larger capital base, enabling DBAG to invest in larger companies while ensuring that the investments are well diversified.
- Because DBAG invests in the DBAG funds and the ELF funds itself, fund investors can rest assured that their advisor is pursuing the same interests as they are.

Integrated business model



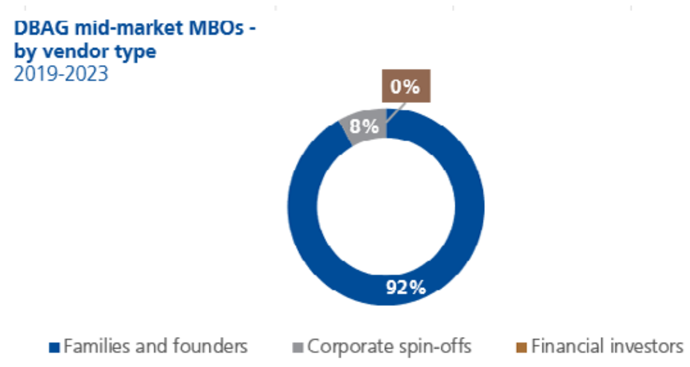
Fundamental information about the Group

Strong brand opens up attractive investment opportunities

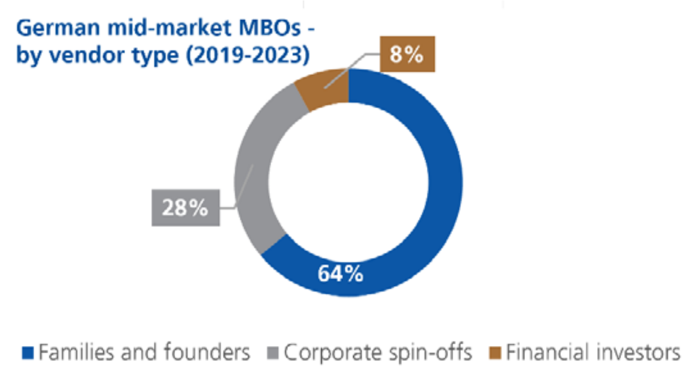
We have every confidence that we have built a strong brand and network that regularly give us direct access to investment opportunities beyond competitive auctions. This can be seen from our extensive track record as outlined below.

Access to family-owned or founder-managed mid-market companies

We see our market-leading access to family-owned businesses as one of our unique selling points. This success is rooted in a comprehensive understanding of the specifics of the mid-market sector and the industries in which we invest



According to research conducted by the FINANCE trade magazine, approximately 92 per cent of the MBOs structured by DBAG between 2013 and 2023 involved this type of company, compared with 64 per cent in the overall market during the same period.



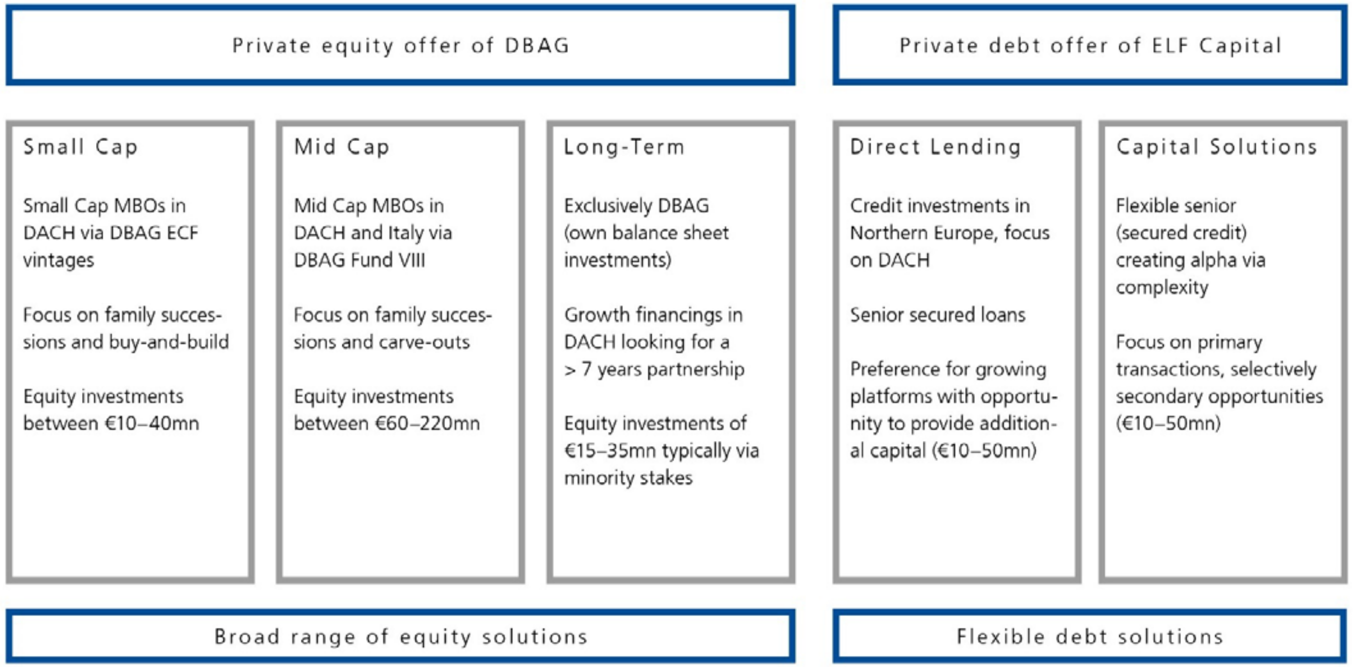
Broad financing portfolio for mid-market companies

We have expanded our financing portfolio for the mid-market sector beyond MBOs to include Long-Term Investments and private debt financing. This allows us to offer mid-sized companies a broad range of services tailored to their financing needs.

We are able to provide customers with equity financing solutions that fit their exact needs in terms of length or scope. We finance MBOs of various sizes. Minority investments structured as Long-Term Investments also open up access to family businesses, which tend to give a wide berth to equity financing with a shorter investment horizon. And we are at hand to assist our portfolio companies as they implement their growth strategies, providing additional capital during the term of our investment.

Our debt financing arrangements include direct loans and other structures (please refer to the “Private debt investments” section for more information). As with private equity financing, growth companies are our preferred investment targets. We provide them with additional debt capital when they are implementing their expansion strategies.

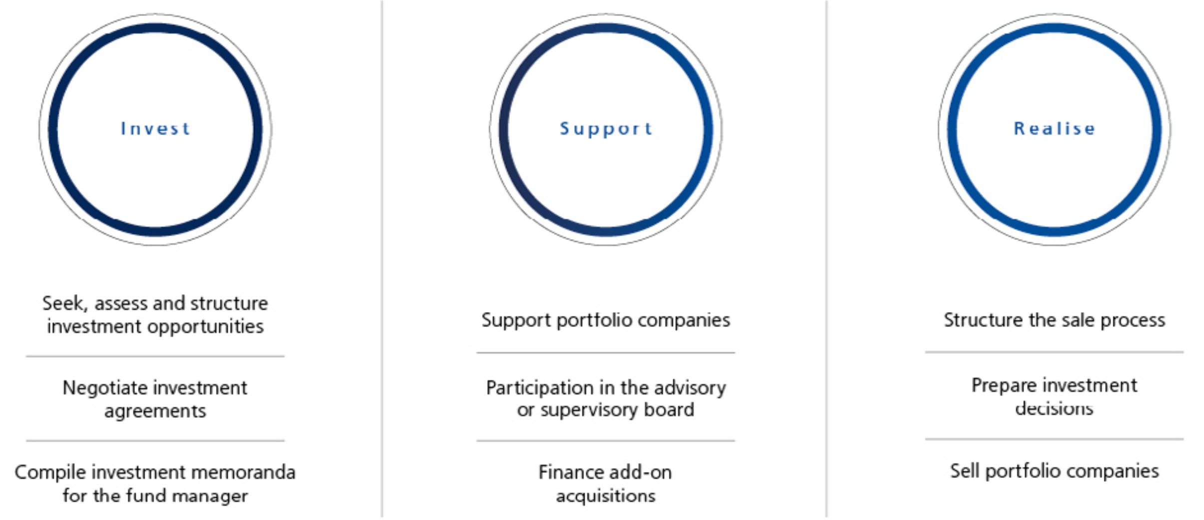
Fundamental information about the Group



Fundamental information about the Group

Fund Investment Services segment

Wide range of Fund Investment Services
DBAG funds



The Fund Investment Services segment comprises advisory services to the DBAG funds and – via the majority stake in ELF Capital – to the ELF funds. We measure our segment's success based on the long-term development of earnings from Fund Investment Services (see the "Financial objectives" section).

DBAG and ELF Capital receive fees for the advisory services they provide over the term of a fund. The launch of successor funds to existing ones and of new funds is a key driver for the continuity and growth of income from Fund Investment Services. While the usual lifetime of a private equity fund is ten years, with the successor fund generally launched four to five years after the predecessor fund, this tends to be only eight to ten years in the case of private debt funds.

Fundamental information about the Group

Wide range of Fund Investment Services
ELF funds

A wide range of services for the DBAG and ELF funds

DBAG's primary task with regard to its funds is to initiate and structure new funds. The charts opposite summarise the advisory services that are provided for the DBAG funds and the ELF funds during their respective terms.

As an advisor for the DBAG funds, DBAG prepares recommendations for the fund manager's investment decisions. The fund manager makes all of the decisions that typically fall to a shareholder, for example electing and appointing members of administrative bodies or approving distributions and capital increases. In order to be absolutely certain that the fund manager and their decisions are impartial, the right to appoint fund managers does not lie with DBAG, but rather with legal entities supervised by the investment advisory team members. The ELF funds are structured similarly. Fund managers are advised by ELF Capital and their rights are stipulated in the credit agreement. As a rule, partner rights are not exercised.

DBAG enters into co-investments alongside the DBAG funds based on co-investment agreements that provide for a fixed investment ratio for the lifetime of a fund. This means that DBAG always invests in the same companies and instruments as the funds, and on the same terms. For the buyout funds (currently DBAG Fund VI, DBAG Fund VII, DBAG Fund VIII and DBAG ECF IV), fees during the investment period are based on the committed capital. After that, they are measured according to the invested capital. The fees for the services provided to the DBAG Fund VII and DBAG Fund VIII top-up funds are based on the capital invested or committed, whichever is lower, during the entire fund term. DBAG receives a fee based on the capital invested for DBAG ECF I and additional one-off transaction-related fees for DBAG ECF II and DBAG ECF III.

The terms and conditions applicable to investments in the ELF funds are the same for DBAG and the debt investors. ELF Capital receives fees for the advisory services it provides to the ELF funds (currently ELF I, ELF II

Fundamental information about the Group

and ELF CS – and ELF CS – see details on the individual funds in the "Private debt investments" section).

The DBAG and ELF investment advisory teams: Interests and incentives

A key element of our strategy is to align the interests of DBAG and its shareholders and of our investment advisory team and investors in the DBAG funds. The members of the DBAG investment advisory team who have greater experience in investing (including the two Board of Management members responsible for investment activities) co-invest alongside the DBAG funds. As is common practice in the industry, the team members co-invest their own money, contributing between around one and two per cent of the capital raised by the fund investors and DBAG. In return for their intangible shareholder contribution to the respective fund, these DBAG investment advisory team members participate disproportionately in the fund's performance ("carried interest") after the fund investors and DBAG have recovered their invested capital plus a preferred return.

The incentives granted to the ELF investment advisory team are similar to those of the DBAG investment advisory team. Here, personal investments from their own private funds are coupled with profit-sharing awards, ensuring that the ELF fund investors' interests are aligned with those of the ELF investment advisory team. DBAG and ELF Capital also foster their interaction by including each other in their respective carried interest models.

Supported by a strong network

The DBAG investment advisory team can draw on a strong network of experienced entrepreneurs. The core of this network is an Executive Circle, whose members help the team in identifying and initiating investment opportunities, assessing specific sectors or, prior to making an investment, help to assess the due diligence of a target company. The ELF investment advisory team now also has access to the Executive Circle's knowledge and experience.

Private Markets Investments segment

In its Private Markets Investments segment, DBAG provides equity and debt financing to mid-market companies. We measure the success of private markets investments based on the increase in net asset value (NAV) and on NAV per share (see the "Financial objectives" section).

DBAG invests equity either alongside the DBAG funds (co-investments) or without a fund, using exclusively its own financial resources (Long-Term Investments). Together, the co-investments and Long-Term Investments are DBAG's "private equity investments" or its "portfolio". Debt capital is provided via the ELF funds, which in turn are advised by ELF Capital. The ELF fund investments attributable to DBAG are referred to as DBAG's "private debt investments". Private equity investments income is generated via the value appreciation achieved when investments are sold. Income also comes from private equity investments and especially private debt investments, mainly from interest payments and other capital gains during the term of the investment.

Private equity investments

Investment strategy

Our private equity investments are in established, well-positioned companies with a proven and scalable business model and potential for development. We support these companies by providing them with capital, expert advice and the benefit of our experience. This helps them to develop their business (potential) faster than they could on their own.

Strategies can include strengthening the companies' strategic positioning, for example by introducing a broader product range or by expanding regionally. These strategies almost invariably involve add-on acquisitions and improving operational processes or adapting them to changing conditions. We also help our portfolio companies to develop and implement their individual sustainability strategies, and to seize the opportunities that arise during the transformation of our economy and society.

As well as this, we attach importance to entrepreneurially-minded management teams that are able to bring about the agreed objectives and respond efficiently to new developments. The companies that are a good fit for our investment universe are also leaders in their (possibly small) markets, and have strong innovative capacity and products with good prospects.

Sector structure

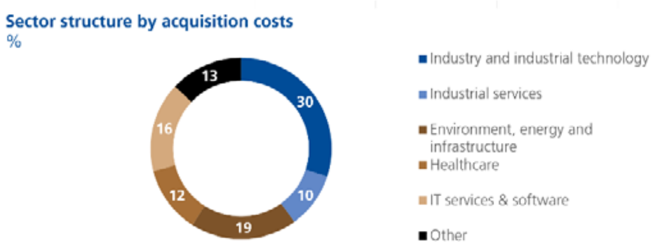
DBAG's investment focus traditionally has been on manufacturing companies and their service providers, both of which are at the core of Germany's Mittelstand and the excellent reputation it enjoys around the world. This focus applies to the Germany, Austria and Switzerland ("DACH") region and to Italy, both of which have a similar economic structure, i.e. a large number of family-owned mid-market companies.

DBAG's sector focus is on manufacturers, industrial service providers and industrial technology enterprises – businesses whose products facilitate automation, robotics and digitalisation – as well as on companies from the environment, energy and infrastructure, IT services & software, and healthcare sectors.

This means that a significant part of our portfolio focuses on business models that stand to gain from the rapidly accelerating digitalisation of modern societies. These growth sectors are also less exposed to cyclical influences.

The decarbonisation of our way of life also brings about extensive changes, which in turn open up new attractive investment opportunities. This means that companies that contribute to more sustainable lifestyles and business practices are gaining importance in our portfolio.

Fundamental information about the Group



Geographical focus

Most of our portfolio companies operate internationally. This applies to the markets they serve but in some cases to their production sites as well. In geographical terms, the majority of the portfolio companies have their registered office or main business focus in the German-speaking region of Europe. We have also been investing in Italy since 2020. Up to a quarter of DBAG Fund VIII's volume can be invested there. In exceptional cases, we also invest in companies that mainly operate outside of German-speaking countries and Italy, primarily in sectors in which we have a lot of experience.

As at 30 September 2024, companies domiciled in the Germany, Austria and Switzerland region accounted for 85 per cent of DBAG's portfolio value (30 September 2023: 84 per cent), including 10 per cent in Switzerland (30 September 2023: 6 per cent). Companies domiciled in Italy accounted for 10 per cent (30 September 2023: 7 per cent).

Fundamental information about the Group

Overview of the DBAG funds

The following table summarises key information about current DBAG funds:

Fund	Target	Start of investment period	End of investment period	Size[1]	thereof DBAG	Share of DBAG's co-investment
DBAG Fund V (in liquidation	Buyouts	February 2007	February 2013	€539mn	€105mn	19%
DBAG ECF I: DBAG Expansion Capital Fund	Growth financing	May 2011	May 2017	€201mn	€94mn	47%
DBAG ECF II: DBAG Expansion Capital Fund First New Vintage	Growth financing and small buyouts	June 2017	June 2018	€85mn	€35mn	41%
DBAG ECF III: DBAG Expansion Capital Fund Second New Vintage	Growth financing and small buyouts	June 2018	December 2020	€96mn	€40mn	41%
DBAG ECF IV: DBAG Expansion Capital Fund IV	Small buyouts	December 2022	December 2028 at the latest	€249mn	€100mn	40%
DBAG Fund VI	Buyouts	February 2013	December 2016	€700mn	€133mn	19%
DBAG Fund VII	Buyouts	December 2016	July 2022	€1,010mn[2]	€200mn[3]	20%[4]
DBAG Fund VIII	Buyouts	August 2020	December 2026 at the latest	€1,109mn[5]	€255mn[6]	23%

1 As of 21 November 2024. DBAG Fund VI, DBAG Fund VII, DBAG Fund VIII: in each case excluding investments made by experienced members of the DBAG investment advisory team and selected members of DBAG's senior management.
2 DBAG has committed 183 million euros to the principal fund and 17 million euros to the top-up fund.
3 The proportion of co-investments is 23 per cent for the principal fund and 8 per cent for the top-up fund.
4 DBAG Fund VIII consists of two sub-funds: a principal fund (910 million euros) and a top-up fund (199 million euros).
5 DBAG has committed 210 million euros to the principal fund and 45 million euros to the top-up fund.

Fundamental information about the Group

Privat debt investments

ELF Capital also prefers family-owned market leaders with solid, profitable business models and sound growth prospects for the private debt investments realised by the ELF funds – currently European Lending Fund I (“ELF I”), European Lending Fund II (“ELF II”) and ELF Capital Solutions Fund I (“ELF CS”). The ELF funds also provide financing to companies in special situations and assist with buyout transactions.

Unlike the banking market, the ELF funds offer tailor-made and flexible private debt solutions. The new ELF CS fund is set to step up this approach and will be used to increase the enterprise value in more complex situations.

ELF Capital focuses more on value-based investment, aiming to maintain an adequate safety margin in every investment. This margin is achieved by selecting investments with a high probability of fulfilling the originally agreed repayments, including interest, even under worst-case scenarios. The collateral package may encompass assets, company shares, etc.

The following table summarises key information about current ELF funds:

Fund	Target	Start of investment period	End of investment period	Size	thereof DBAG	Share of DBAG's co-investment
ELF European Lending Fund I	Senior debt	April 2019	December 2023	€201mn	€0mn	0[1]
ELF European Lending Fund II	Senior debt	July 2024	July 2028	€50mn	€25mn	50%
ELF Capital Solutions Fund I	Credit opportunities	July 2024	July 2028	€76mn	€75mn	99%

1 DBAG has not invested in ELF European Lending Fund I.

The stock market: DBAG’s main long-term financing option

DBAG finances the bulk of its private market investments over the long term and via the stock market. We manage the amount of DBAG’s equity capital via share buybacks (most recently in 2024) and capital increases (most recently in 2021). Dividend distributions also have an impact on the amount of equity capital.

DBAG uses two revolving credit lines in an aggregate amount of 120.2 million euros to provide any funds required to finance investments until it receives funds from realisations. Please refer to the chapter “Financial position – equity and liabilities” for details on the drawdown of credit lines during the reporting period.

DBAG continued to diversify its debt financing structure and enhanced its matched-maturity profile during the reporting period. To this end, DBAG had convertible bonds due 2030 outstanding with a total nominal value of 100 million euros and promissory note loans with remaining terms between three and seven years in the amount of 20 million euros as at the reporting date.

Target system comprising financial and non-financial objectives

Core business objective: Sustainable increase in the Company’s value

While we made no changes to our target system in the year under review, we adjusted our key performance indicators. We continue to aim to increase our Company’s value in the long term and have defined financial and non-financial objectives to achieve this. The latter comprise ESG aspects, i.e. environmental and social aspects of our business activities, as well as the principles of good corporate governance. It is consistent with the long-term nature of our business that we take responsibility for the impact that our decisions have on others, both now and in the future.

As is common in the private equity sector, a long period of time is required before DBAG can be judged on its success. This is why we see the term “sustainable” as meaning first and foremost “in the long term”. Key indicators can also be headed on a downward trajectory in the short term. To a certain extent, this is a typical feature of the business because, for example, income from Fund Services falls after investments are disposed of. This can also be attributed to external factors that can change significantly at short notice. For instance, this is the case with the valuation levels of listed peer group companies when we measure the fair value of our private equity investments on a quarterly basis.

Fundamental information about the Group

Financial objectives

Objective definitions and key fields of action	Steering and control: Key performance indicators
Financial objective: Increase net asset value	
Building net asset value in the long run requires investments to be made in promising mid-market business models. The higher the increases in value that can be realised with the investments we have made – and the more the gross portfolio value rises increases as a result – the greater the increase in the value of the segment.	The net asset value is the key performance indicator for any increase in DBAG's value. It is determined by subtracting total liabilities from total assets. (For more information, please refer to the "Business performance by segment" section, subsection "Private Markets Investments segment".) The net asset value does not change directly as a result of investments and disposals; to begin with, these merely produce a shift between financial assets and financial resources. Net asset value changes primarily as a result of changes in the value of the portfolio over the holding period of investments. While the dividend allows DBAG's shareholders to participate in its success, the distribution reduces the financial resources and, as a result, the net asset value. In order to make the increase in the net asset value visible in a given financial year, the opening balance of the net asset value is adjusted to reflect the distribution made in that financial year and, where appropriate, the inflow from a capital increase. We also resolved to launch a share buyback programme in the reporting year and will therefore report not only net asset value in absolute terms but also net asset value per share ("NAV per share") going forward. The figure will be based on shares outstanding, i.e. the total number of shares issued minus treasury shares held as at the reporting date.
Financial objective: Build the value of the Fund Investment Services segment	
An increase in the value of the Fund Investment Services segment requires substantial assets under management or advisory that increase in the medium term. The higher the growth of income from Fund Services, which tends to be volume-based, and the higher the extent to which it exceeds the corresponding expenses, the greater the long-term increase in the value of the segment.	We have been measuring target achievement based on the development of earnings before taxes from Fund Investment Services up until now. We do not carry out our own valuation for this segment. Instead, by offering the greatest possible degree of transparency, we aim to ensure that market participants can carry out their valuation on the most objective basis possible. Following the majority investment in ELF Capital, earnings from Fund Investment Services include scheduled amortisation of client relationships capitalised as part of the purchase price allocation. (The client relationships refer to income from existing capital commitments and income from expected capital commitments made by existing investors in ELF funds.) As such, we will measure target achievement for this financial objective based on earnings before interest, taxes and amortisation of intangible (EBITA) assets going forward.

Fundamental information about the Group

Non-financial objectives

Greenhouse gas emissions, employee satisfaction and compliance remain essential factors for DBAG's business success. Please see below for the three non-financial objectives derived from these concepts and for more information about the key performance indicators we use to control and steer target achievement:

Objective definitions and key fields of action	Steering and control: Key performance indicators
Non-financial objective: Reduce or avoid greenhouse gas emissions	
We intend to play our part by cutting emissions from operations per employee (FTE). Business travel and company cars account for a major part of DBAG's carbon footprint. To avoid generating climate-damaging greenhouse gas emissions through travel, we encourage our staff to use trains as an alternative to short-haul flights and to use video conferencing to avoid travel wherever possible and wherever it makes sense to do so. Since the financial year 2022/2023, we have not added any new company cars to our fleet and current lease contracts for company cars will not be renewed. Instead, we have been offering employees a transit card since 1 January 2023, making it easier for them to use public transport instead of travelling by private car.	Progress is currently measured based on total scope 1, scope 2 and scope 3 emissions from business activities at our Frankfurt/Main offices, calculated in compliance with the Greenhouse Gas Protocol. Our scope 3 emissions currently include those from business travel and commuting as we are in a position to influence these. Further emissions from operations are those stemming from advisory services we purchase. However, as most advisors do not yet provide evidence of their carbon footprint, we are not in a position to align our purchasing decisions with our commitment to reducing emissions.
Non-financial objective: Improve employee satisfaction	
Our success is virtually impossible without the professional and personal skills of our people, their experience and commitment. Accordingly, improving employee satisfaction is a top priority for us. In particular, we are promoting a project organisation based on teamwork and a system that ensures that responsibility is transferred swiftly across all areas of DBAG. The benefits we offer our employees include measures for promoting employee health and options for working remotely. We cultivate a culture of respect, openness and flat hierarchies – just as we set great store by professionalism and stable processes. Our remuneration and incentive system is geared towards encouraging achievement and offering a motivating work environment.	We use software to monitor employee satisfaction, asking our staff for feedback on issues relating to organisational culture, leadership at DBAG, working conditions and other aspects. The software also calculates the employee satisfaction index as the arithmetic mean of all surveys conducted in a given financial year. We use this index as a key performance indicator.
Non-financial objective: Prevent compliance breaches	
We are strictly against all forms of corruption or other unethical business practices. In order to meet these high compliance standards both within DBAG and in our dealings with portfolio companies, we have introduced a comprehensive compliance system that documents and regulates our obligations. Our Code of Conduct sets out our central values and guiding principles. Our Compliance Guideline includes detailed regulations and information on implementation, for example with regard to gifts and invitations or working together with sales partners.	The target value for fines, penalties or similar expenses imposed for compliance or transparency violations at DBAG amounts to zero euros.

Fundamental information about the Group

ESG aspects in budget planning for DBAG's portfolio companies

DBAG not only assumes responsibility for how its own business activities impact the environment and society but also the business activities of its portfolio companies. That is why ESG aspects form part of the due diligence we undertake prior to any investment decision. During the investment term, we help our portfolio companies to expand their sustainability strategy and to establish a management system based on non-financial indicators. In addition to DBAG's three ESG-related fields of action presented above, occupational health and safety and gender parity are relevant fields of action for the portfolio companies.

Business review of the Group

Comparison between actual business developments and forecast

		Actual 2022/2023 and 30 Sep 2023	Original forecast Nov 2023	Concrete forecast July 2024[1]	Actual 2023/2024 and 30 Sep 2024	Degree of fulfillment forecast Nov 2023	Degree of fulfillment forecast July 2024
Financial performance indicators							
Net asset value[2] (reporting date)	€mn	669.4	675.0 to 790.0	675.0 to 710.0	688.4	Expectation met	Expectation met
Earnings before taxes Fund Investment Services	€mn	14.0	9.0 to 13.9	-	12.8	Expectation met	-
Non-financial performance indicators							
Carbon footprint (scope 1-3)[3]	t CO_2/employee	2.9	2.8	-	2.8	Expectation met	-
Employee satisfaction	%	65.0	66.0	-	69.0	Expectations exceeded	-
Payments from compliance breaches	€	0.0	0.0	-	0.0	Expectation met	-

1 DBAG specified the previous forecast range for net asset value on 17 July 2024.
2 Defined as total assets minus total liabilities including provisions
3 Scope 3 currently comprises business travel and commuting.

We have met the forecasts regarding our financial targets for the financial year 2023/2024.

The earnings performance of individual portfolio companies in the third quarter of the year under review yielded a significantly lower value contribution compared with the same quarter of the previous year. That led us to specify our forecast range for net asset value on 17 July 2024. The net asset value was within this specified range as at the reporting date, confirming our original forecast from November 2023.

Earnings before taxes from Fund Investment Services were also entirely in line with expectations. Turning to our non-financial objectives, our carbon footprint was as forecast.

Employee satisfaction increased more strongly than anticipated. We have also been able to respond to employee feedback and incorporate it into decision-making in order to increase satisfaction.

As expected, there were once again no payments from compliance breaches in the financial year 2023/2024.

Macroeconomic and sector-specific environment

Overall economic outlook: Economic development risks trending upwards again

As an export nation, Germany is particularly affected by the muted global economic growth perspectives in the calendar year 2024. In its most recent World Economic Outlook[1], the International Monetary Fund (IMF) stated that “while the global decline in inflation is a major milestone” for economic development, persistent structural pressures such as an ageing population and weak productivity are putting a brake on potential growth in many economies. The IMF also pointed to increasing downside risks that dominate the outlook, including “an escalation in regional conflicts, monetary policy remaining tight for too long, a possible resurgence of financial market volatility with adverse effects on sovereign debt markets […], a deeper growth slowdown in China, and the continued ratcheting up of protectionist policies.”

The IMF expects Germany to be the only major euro area country with a stagnating gross national product in the calendar year 2024 (following a decrease of 0.3 per cent in 2023). This is because of “persistent weakness in manufacturing”, fiscal consolidation and declining real estate prices.

Economic growth is anticipated to recover slightly to 1.8 per cent across industrialised countries (2023: +1.7 per cent) in 2024. The figure for the euro area could double from 0.4 per cent to 0.8 per cent. Within the large European nations, this will be driven above all by a significant recovery in the Netherlands and Spain. Growth in the United States is expected to ease from 2.9 per cent to 2.8 per cent.

[1] International Monetary Fund, World Economic Outlook October 2024

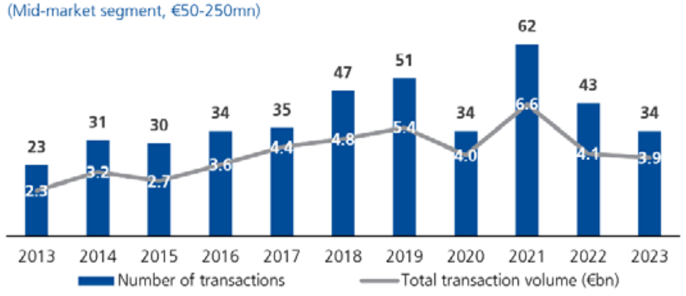
Business review of the Group

While growth in China could slow down from 5.2 per cent in 2023 to 4.8 per cent in 2024, the ongoing weakness in the real estate market and continually low consumer confidence are projected to be partially offset by strong export growth. The IMF expects global economic growth to edge down to 3.2 per cent in 2024 from 3.3 per cent in the previous calendar year.

DBAG's portfolio companies are by no means immune to the challenging macroeconomic environment. Frequent influencing factors are slow demand, a shortage of skilled labour, still-high input costs and demanding supply chain management. By expanding its investment strategy to include sectors outside of the manufacturing industry in recent years, DBAG has been able to reduce the risks arising from economic and structural changes for the entire portfolio.

Private equity market 2023: Number of transactions lower but above long-term average

Number of MBOs and transaction volume
(Mid-market segment, €50-250mn)



Due to the limited size and varied structure of the private equity market, comparisons over short periods of time offer only low informational value. Furthermore, transparency is limited – because for every transaction for which a value is published, there are several others where no quantitative information is released. We therefore regularly perform our own market analyses, together with the industry magazine FINANCE, in order to examine the market segment which DBAG addresses[2].

According to the latest figures available to FINANCE magazine, market activity in small- and mid-cap buyouts was strong in the calendar year 2023, in spite of the challenging environment. Financial investors structured a total of 34 transactions in 2023, down from 43 in the previous year. Nonetheless, the total number of transactions in 2023 exceeded the average since records began (33).

The long-term trend towards dominating primary transactions – i.e. transactions that are not executed between financial investors – continues unabated. While primaries accounted for a smaller percentage of deals in 2023 than in 2022 (56 per cent versus 67.4 per cent), they still represented the majority on the market. DBAG was also very active here, realising a total of six disposals, most of which were agreed upon with strategic buyers.

The sector focus was yet another striking aspect observed on the market in 2023. With more than 26 per cent of transactions, the IT services and software sector was one of the main areas of focus in the mid-sized MBO market.

In the financial year under review, DBAG invested in ProMik, a company that develops software-driven solu-tions for the mobility sector. DBAG ECF IV acquired UNITY in the re-porting year, underpinning our strategy of investing (alongside the funds we advise) in business models that benefit from the economy's digital transition.

Succession arrangements were once again one of the main reasons for transactions. A total of eight succession transactions took place in the mid-sized MBO market in 2023 (compared to seven in 2022), DBAG accounting for half of these. This development underscores our exceptional expertise when it comes to generational transitions in family-owned and founder-managed companies. The ProMik and UNITY investments also belong to this category.

Price developments: As disinflation continues, ECB continues to cut key interest rates

The IMF[3] believes that the sharp increase in global inflation over the past years was the result of multiple economic shocks (in particular supply chain disrup-tions combined with strong demand pressure and increasing raw mate-rial prices) triggered by the pandemic and Russia's invasion of Ukraine.

According to the IMF, these shocks have since dissipated – not least due to disinflation. However, it also states that monetary policy played an important role by avoiding deleterious wage-price spirals. As such, the IMF expects an average global inflation rate of 5.8 per cent for the ongoing calendar year (2023: 6.7 per cent). Disinflation in the developed countries is expected to progress faster than elsewhere. While inflation in the euro area is expected to decrease from an average of 5.4 per cent to 2.4 per cent, forecasts suggest that inflation rates will fall from 6.0 per cent to 2.4 per cent in Germany and from 5.9 per cent to 1.3 per cent in Italy.

These developments allowed major central banks to loosen their restrictive monetary policy and lower interest rates again. For example, The European Central Bank (ECB) decided to lower its three key interest rates by 25 basis points each on 17 October 2024 – this means that the interest rate on the deposit facility, which is used by the ECB to steer its monetary policy, is now 3.25 per cent. This rate had peaked at 4.0 per cent in September 2023 following the end of the ECB's zero-interest rate policy in September 2022.

[2] Transactions where financial investors have acquired a majority stake in a German company alongside the management team, and which had a transaction value of between 50 and 250 million euros for the debt-free company. This information was compiled from publicly available sources, together with DBAG's own estimates and research in cooperation with the German industry magazine FINANCE.

[3] International Monetary Fund, World Economic Outlook October 2024

Business review of the Group

Financial markets: Demand increases while supply improves

After around two years of net negative demand for company loans in the euro area, demand has improved recently due to interest rates decreasing. In the third calendar quarter of 2024, demand was positive among mid-market companies and neutral among large companies, while banks' financing conditions remained unchanged in the same period – for the first time after two years of constantly tightening restrictions.[4]

Drawing on our decades of experience, we help the companies in which we invest to adapt their financing structures to changing frame-work conditions and to optimise their position in the respective environment.

The supply of acquisition finance, which is key to our business, remained intact in the first half of 2024. According to data provided by global investment bank Houlihan Lokey in its most recent MidCapMonitor, a moderate first quarter was followed by a strong recovery in the second quarter, with transactions increasing from 21 to 37 per quarter.[5] Of these 58 deals, 31 were financed by private debt funds and 27 by banks, i.e. private debt funds once again accounted for more than 50 pr cent of transactions.

Houlihan Lokey believes that the players on the M&A market for German mid-cap deals have grown accustomed to the higher interest rate levels. Even though private debt funds and banks have adopted a more conservative approach to leverage due to the increased EURIBOR rates, they are generally open to transactions and provide extensive support to high-quality assets.

[4] ECB - Euro area bank lending survey, third quarter 2024

[5] Houlihan Lokey MidCapMonitor Q2 2024

Business review of the Group

Review of key events and transactions

Private equity investments: Successful realisations and new equity investments

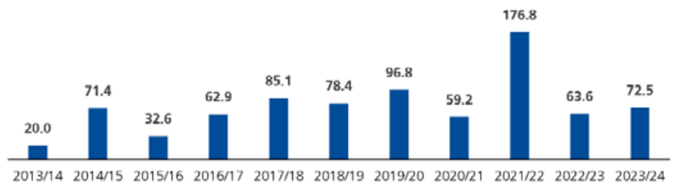
DBAG succeeded in realising numerous disposals and one partial disposal over the financial year 2023/2024, investing a total of 72.5 million euros from its own balance sheet (previous year: 63.6 million euros). Of this amount, 40.8 million euros (previous year: 28.8 million euros) were new investments completed in the year under review and 9.4 million euros (previous year: 13.6 million euros) was attributable to financing provided by DBAG alongside DBAG Fund VII and DBAG ECF IV for add-ons made by portfolio companies. Increases in existing investments totalled 22.3 million euros (previous year: 21.2 million euros).

DBAG completed the acquisition of an investment (MBO) in ProMik in the year under review. The company is a leading systems provider of programming and testing solutions for series production in the electronics industry. Its broad range of services is geared towards sectors such as mobility, consumer goods and industrial applications. DBAG's acquisition of a stake (MBO) in UNITY was agreed in the financial year 2023/2024 but has not yet been completed. UNITY is a leading management consultancy with an international profile for technology advice and digital transformation processes. Both transactions underpin our strategy of investing (alongside the funds we advise) in business models that benefit from the economy's digital transition.

In the reporting year, DBAG also completed the acquisition of a minority investment in NOKERA (Long-Term Investment), a producer of buildings in serial construction. Itsstrong commitment to sustainability was recently rewarded with the German Sustainability Award 2025.

The new equity investments were offset by four completed disposals and the derecognition of a portfolio company.

Investment in the portfolio
€mn



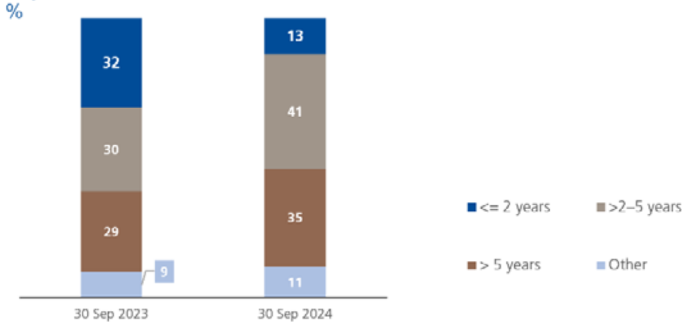
The four completed disposals are: R+S, a provider of technical building services; GMM Pfaudler, a firm specialising in mechanical engineering solutions for the chemical and pharmaceutical industries; in-tech, a tech company focused on software development, testing and validation; and Abbelen, a market-leading meatball producer. Following this sale from the More than Meals group, the remaining stake in the group was allocated to the residual items.

DBAG also agreed on the partial disposal of Solvares to Five Arrows in the reporting year. Solvares develops and distributes software that enables companies to plan, control and optimise their transport logistics and field service, maintenance and distribution.

As the negative performance of the investment in foundry group Gienanth had already been taken into consideration as at previous reporting dates, the derecognition following the company's insolvency did not result in a value contribution in the current financial year. Another portfolio company is involved in difficult restructuring negotiations and its negative performance has already been fully factored into the portfolio valuation as at 30 September 2024.

Holding period of the portfolio companies

Structure of the portfolio on basis of acquisition costs
%



Around 11 per cent (previous year: 9 per cent) of our portfolio's acquisition costs are attributable to investments that we have already been supporting for two to five years. This is typically the period during which the implementation of the agreed measures for realising the development potential gains momentum. However, the currently challenging macroeconomic environment could delay the companies' performance and lead to a longer holding period.

Business review of the Group

DBAG's portfolio consisted of 35 portfolio companies as at 30 September 2024, plus one investment in an externally-managed foreign buyout fund which is currently in liquidation. The table below provides an overview of key transactions executed dur-ing the reporting period.

Name, event, registered office	DBAG fund	Description of company activities	Date	Revenues (€mn, rounded)	Equity contribution from DBAG (€mn, rounded)
in-tech Germany, disposal	DBAG Fund VIII	**IT services and software** Engineering services and software	7/2024 (closing)	169.2 (2023)	/
MTWH Italy, acquisition of Florenradica	DBAG Fund VIII	**Industry and industrial technology** Manufacturer of metal applications for the luxury goods industry	10/2023 (closing)	158.0 (2023) – MTWH total	/
Abbelen Germany, sale from the More than Meals group	DBAG Fund VII	**Other** Chilled ready meals and snacks	7/2024 (closing)	219.8 (2023)	/
akquinet Germany Acquisition of MSC, Switzerland Acquisition of C3 Consulting, Poland	DBAG Fund VII	**IT services and software** IT services	10/2023 (MSC closing) 6/2024 (C3 Consulting closing)	129.5 (2023) – akquinet total	4.3
operasan Germany Acquisition of renal centre in Roth, Germany Acquisition of renal centre in Moers, Germany Acquisition of renal centre in Warendorf, Germany	DBAG Fund VII	**Healthcare** Nephrology and dialysis	5/2024 (NZ Roth closing) 5/2024 (NZ Moers agreement) 6/2024 (NZ Warendorf agreement)	36.9 (2023) – operasan total	1.0 (NZ Roth) 0.6 (NZ Moers) 0.2 (NZ Warendorf – agreed, but not completed)
Sero Germany, acquisition (name of acquired company not yet disclosed)	DBAG Fund VII	**Industrial services** Development and manufacturing services provider for electronic components	8/2024 (agreement)	205.4 (2023) – Sero total	3.1 (agreed, but not completed)
Gienanth Germany, disposal	DBAG Fund VI	**Industry and industrial technology** Machine- and hand-moulded castings for the automotive supply industry	11/2023	324,7 (2022)	/
GMM Pfaudler India, disposal	DBAG Fund VI	**Industry and industrial technology** Corrosion-resistant technologies, systems and services for the chemical, pharmaceutical, food and energy industries	12/2023 (closing)	327.0 (2021/2022)	/
Solvares Germany, disposal of a minority stake	DBAG ECF III	**IT services and software** Real-time scheduling and route optimisation software	3/2024 (agreement)	43.9 (2023)	/
AOE Germany Acquisition of F&E, Germany Acquisition of ITM Research, Germany	DBAG ECF IV	**IT services and software** Agile software development	5/2024 (F&E closing) 5/2024 (ITM Research closing)	19.0 (2023) – AOE total	/
Avrio Energie Germany, acquisition of Nohra	DBAG ECF IV	**Environment, energy and infrastructure** Biogas platform	2/2024 (closing)	10.4 (2023) – Avrio Energie total	3.5
ProMik Germany, platform investment	DBAG ECF IV	**Industry and industrial technology** Programming and testing solutions for the electronics manufacturing industry	10/2023 (closing)	13.1 (2023)	15.0
UNITY Germany, platform investment	DBAG ECF IV	**Industrial services** Management consultancy for innovation and transformation	8/2024 (closing)	72.2 (2023)	6.6
NOKERA Switzerland, minority investment	Long-Term Investment	**Environment, energy and infrastructure** Construction supplier & industry	12/2023 (closing)	77.9 (2023)	25.8
R+S Germany, disposal	Long-Term Investment	**Industrial services** Technical building equipment	12/2023 (closing)	303.7 (2022)	/

Business review of the Group

Private debt investments

Deutsche Beteiligungs AG closed the majority stake acquisition of ELF Capital Group in the year under review, expanding its range of flexible financing solutions for mid-market companies to include private debt. (Please refer to the chapter "Fundamental information about the Group"). The first financing transaction structured under the DBAG banner in the reporting year was for a healthcare company based in Ireland.

Fund Investment Services

Assets under management or advisory amounted to approximately 2.7 billion euros (+8.2 per cent year on year).

Business review of the Group

Financial performance

Overall assessment: Financial performance impacted by economic headwinds and expenses for DBAG's strategic development

In the financial year under review, DBAG realised successful disposals and partial disposals, assisted portfolio companies in implementing their value creation strategies and entered into new investments in attractive companies with promising business models that are fit for the future.

Nevertheless, net income for the financial year was significantly below the previous year. This was mainly due to our portfolio companies' valuations and the resulting lower net income from investment activity. On the whole, our investments are affected by the economic weakness in many regions, and the muted economic climate is also leading capital markets valuation multiples to show less of an increase than in the previous year.

In addition, we have also consistently seized opportunities that arose to drive DBAG's strategic development. One example is the majority stake in ELF Capital that we acquired in the year under review. This allows us to offer mid-sized companies a broad range of services for all their financing needs, including private debt solutions.

Our Fund Investment Services segment is also going from strength to strength. DBAG ECF IV and our subsidiary DBAG Luxembourg are now generating visible returns for their advisory services.

Our strategy consciously involved incurring run-up costs for these activities and initiatives, leading to a materially higher negative balance for other income/expense items. We have every confidence that these investments will pay off in the future.

Condensed consolidated statement of comprehensive income

€'000	2023/2024	2022/2023
Net income from investment activity	61,138	109,577
Income from Fund Services	47,543	45,859
Income from Fund Services and investment activity	**108,681**	**155,435**
Personnel expenses	(31,617)	(27,088)
Other operating income	4,893	4,748
Other operating expenses	(26,792)	(22,320)
Net interest income	(5,198)	(2,191)
Other income/expense items	**(58,714)**	**(46,851)**
Earnings before taxes	**49,966**	**108,585**
Income taxes	(2,449)	(2,799)
Earnings after taxes	**47,518**	**105,786**
Net income attributable to other shareholders	(4)	(6)
Net income	**47,514**	**105,780**
Other comprehensive income	(518)	(753)
Total comprehensive income	**46,996**	**105,026**

Other income/expense items: Increase in net expenses

The rise in net expenses in other income/expense items resulted primarily from higher personnel expenses, higher other operating expenses and a higher negative net interest income.

We are hiring new staff because we are expanding our business. The number of employees averaged 109 in the financial year under review, compared with 91 for the previous year. This, together with higher salaries for existing employees, pushed up expenses for wages and salaries and, in turn, personnel expenses.

Other operating income is regularly affected by increasing or decreasing income from consultancy expenses that can be passed through, which itself is offset by corresponding expense items. The year-on-year increase in other operating expenses was mainly due to effects resulting from the first-time consolidation of ELF Capital. Other operating expenses comprise both scheduled amortisation of client relationships capitalised as part of the purchase price allocation (these refer to income from existing capital commitments and income from expected capital commitments made by existing investors in ELF funds) and the regular adjustment of the carried fair value of the existing option for the purchase of the remaining 49 per cent stake in ELF Capital.

While travel expenses relating to our business development also increased, we were able to reduce costs for interim management and freelance fees along with hiring expenses.

Net interest income – negative on balance as in the previous year – was mainly driven by a year-on-year increase in credit line drawdowns during the year, a general rise in capital market interest rates (including a rise in the EURIBOR, which is relevant for our credit lines) and the first-time inclusion of interest rates for the new convertible bonds and promissory note loans we issued in the reporting year.

Net income from investment activity: Markedly below the previous year's level

The change in net income from investment activity is due primarily to the performance of our investments in the portfolio companies that is reflected in gross gains and losses on measurement and disposal portfolio. This means that the net gains not only depend on the earnings outlook of the portfolio companies but – because they are valued based on multiples of listed reference companies (peer groups) – also on capital market developments. To mitigate this effect, DBAG introduced a private market factor (PMF) in the financial year under review. The PMF is derived from the correlation between the Cambridge Associates Europe Developed PE Index and the STOXX Europe 600; it takes account of the fact that valuations of private companies fluctuate less than equity markets.

Net income from investment activity also reflects income from our private debt investments.

Business review of the Group

Net income attributable to other shareholders of investment entity subsidiaries corresponds to gross gains and losses on measurement and disposal. Specifically, this relates to carried interest entitlements resulting from private investments made by members of the DBAG investment advisory team and the ELF investment advisory team in the DBAG funds' and ELF funds' investment entity subsidiaries. The carried interest entitlements essentially reflect the net performance of the funds' investments. While entitlements for DBAG Fund VIII were higher in the year under review, entitlements for DBAG ECF I in particular were lower.

Net income from investment activity

€'000	2023/2024	2022/2023
Gross gains and losses on measurement and disposal portfolio	67,657	114,643
Net income attributable to other shareholders of investment entity subsidiaries	(5,619)	(10,508)
Net gains and losses on measurement and disposal portfolio	**62,038**	**104,134**
Current portfolio income	18,475	17,179
Net portfolio income	**80,513**	**121,313**
Net gains and losses from other assets and liabilities of investment entity subsidiaries	(19,926)	(13,032)
Net gains and losses from other financial assets and other financial instruments	551	1,295
Net income from investment activity	**61,138**	**109,577**

Analysis of gross gains and losses on measurement and disposal

Source analysis. We determined the fair value of 31 portfolio companies (previous year: 33) as at the 30 September 2024 reporting date, using the multiples method To derive the multiple, we incorporated two additional factors for the first time. On the one hand, we factored in the private market factor (PMF) mentioned above; it aligns the multiple more closely with the development of the private equity sector. On the other hand, the portfolio companies' maturity is reflected based on criteria and measures from the value creation plan. Maturity developments are taken into account by applying a premium/discount to the extrapolated starting multiple.

The cumulative effect from this change (and from other far less significant changes) on total comprehensive income and Group equity amounted to -21,320,000 euros in the reporting period. The PMF had a material impact on this figure.

We based the portfolio company valuation largely on the expected result for 2024 and the company debt levels anticipated at the end of the year, as well as on capital market valuations and exchange rates as at the reporting date. Two investments were measured using exit multiples. Three companies (previous year: three) are still carried at their original transaction price because they have been held for less than twelve months. These account for 6.8 per cent of the portfolio value (previous year: 4.6 per cent). Our valuation of the externally-managed foreign buyout fund, which is currently in liquidation, was based on the fund manager's valuation.

The contribution from the companies' change in earnings was negative in the year under review, with 15 investments (previous year: 19) making a positive and 12 investments (previous year: 10) a negative contribution.

All in all, the economic weakness in many regions is not going 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. 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.

We are reporting on the environment, energy and infrastructure sector for the first time as at the current reporting date (see the "Private equity investmets: Portfolio and portfolio value" section) to account for the increasing relevance of this sector in today's society and economy and, in turn, for DBAG's investing activities as well. This new sector covers the investments previously allocated to broadband/telecommunications along with further portfolio companies from other sectors.

Gross gains and losses on measurement and disposal portfolio by sources: source analysis

€'000	2023/2024	2022/2023
Fair value of unlisted investments		
Change in earnings	(17,486)	39,354
Change in debt	(21,880)	(59,420)
Change in multiples	70,303	121,003
Change in exchange rates	(2,084)	(6,638)
Change – other	487	(41,852)
Other	3,092	(814)
Subtotal	32,432	51,633
Net gains and losses on disposal	35,226	63,009
	67,657	**114,643**

As a general rule, we do not receive any current distributions from portfolio companies during the holding period. At the same time, growth through acquisition is a core element of the corporate strategy of many of our portfolio companies, designed to accelerate the expansion of their market presence. This applies especially to our investments in the environment, energy and infrastructure, IT services & software and healthcare sectors. The resulting higher debt levels are offset by positive earnings contributions from the acquisitions.

The change in multiples includes two effects. Firstly, we report on the earnings contribution from changes to valuation multiples of listed peer group companies, which we use for the valuation of portfolio companies. As mentioned, the valuation included a PMF for the first time in this

Business review of the Group

reporting year. Secondly, the changes in multiples are influenced by findings derived from transaction processes. 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. However, the year-on-year increase was less pronounced than it had been in the financial year 2022/2023, leading to a lower contribution to earnings from changes in multiples than in the previous year.

Changes in exchange rates impacted in particular on the value of the investments in duagon (Swiss francs) and congatec (US dollars). Unlike in the previous year, changes in the other item had no material impact on net gains and losses on measurement and disposal.

Net gains and losses on disposal were driven above all by value contributions from the disposal of R+S and in-tech.

Private equity investments: Portfolio and portfolio value

DBAG's total investment portfolio consisted of 35 equity investments as at 30 September 2024 (previous year: 38), of which three were partially sold (Cloudflight, evidia and Telio). In addition, there is one investment of minor significance in an externally-managed foreign buyout fund, which is currently in liquidation, and investments in companies through which predominantly representations and warranties on previous disposals are settled, and which are no longer expected to deliver any appreciable value contributions (“Other” investments).

The value of the 35 equity investments, including loans and receivables extended to them and excluding short-term bridge financing, amounted to 629.9 million euros as at the reporting date (previous year: 625.8 million euros). The investments are attributable to 28 management buyouts (including the three partially disposed equity investments, three growth financings and four Long-Term Investments, one of which is a majority investment and three of which are minority investments); in addition, other investments totalled 8.3 million euros (previous year: 5.9 million euros). This brought the portfolio value to a total of 638.2 million euros (previous year: 631.9 million euros).

The portfolio's growth during the course of the financial year 2023/2024 was attributable to positive net changes in the amount of 32.4 million euros, additions of 72.5 million euros and disposals of 98.1 million euros. Additions refer mainly to the investments in NOKERA and ProMik, while disposals refer mainly to R+S and in-tech.

The following section outlines the valuation performance of our investments compared with the previous year, broken down by sectors. This is generally impacted by the change in our portfolio composition. As previously mentioned, we are reporting on the environment, energy and infrastructure sector for the first time this year, which entails a new sector allocation for some of our portfolio companies and limits comparability. However, as also indicated above, the 2023/2024 change in valuation multiples had a positive impact in all our sectors.

On balance, investments allocated to the environment, energy and infrastructure sector were valued at 1.10 times acquisition cost as at the reporting date. The total valuation of our industry/industrial technology portfolio companies increased to 1.19 times acquisition cost as at the reporting date, compared with 1.14 times in the previous year. Lastly, the valuation of our investments in the healthcare and IT services & software sectors also improved overall – to 1.25 times acquisition cost, compared to 1.17 times acquisition cost at the end of the financial year 2022/2023.

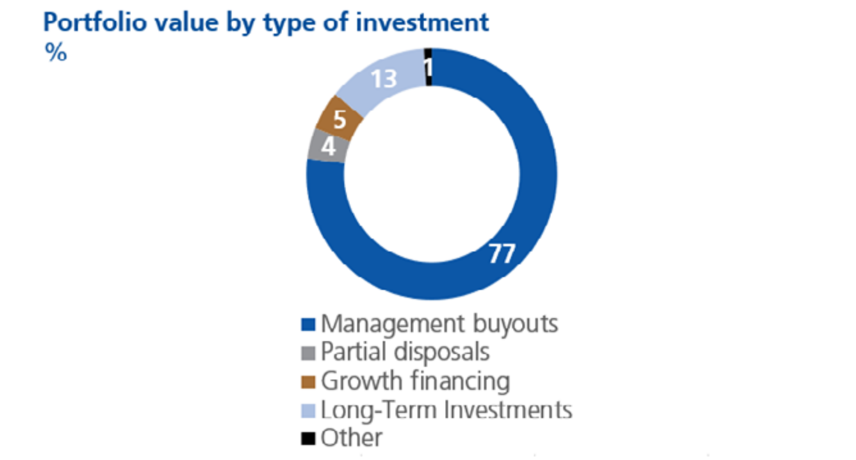
The share of portfolio companies with leverage (net debt/EBITDA) of 3.0 or more improved in the year under review, decreasing from 74 per cent as at the previous year's reporting date to 58 per cent. The reason for this positive development was that EBITDA generated at these companies increased more strongly than debt levels, leading to an improved leverage. Changes to the structure of our portfolio between the previous year's and this year's reporting date also contributed to the change of this indicator. For further details on the development of the portfolio companies' debt, please refer to the source analysis.

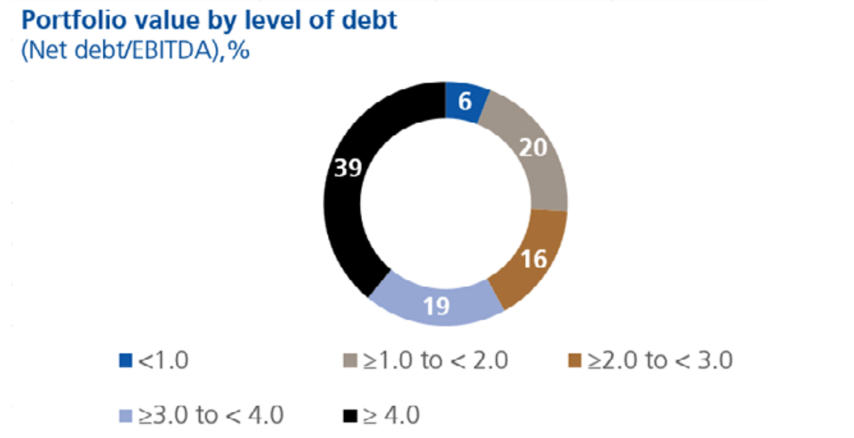
Our portfolio companies are measured at fair value, which corresponds to the acquisition cost in the first twelve months after the investment was made, unless we see indications for a change in value. The bulk of the expected increase in value is often generated in the second to fifth year after entering into the investment. This means that, in absolute terms, the largest share of our portfolio's increase in value is accounted for by investments with this holding period. The valuation of the group of companies that we have held in the investment portfolio for more than five years amounted to 1.15 times their original acquisition cost as at the reporting date (previous year: 1.19 times).

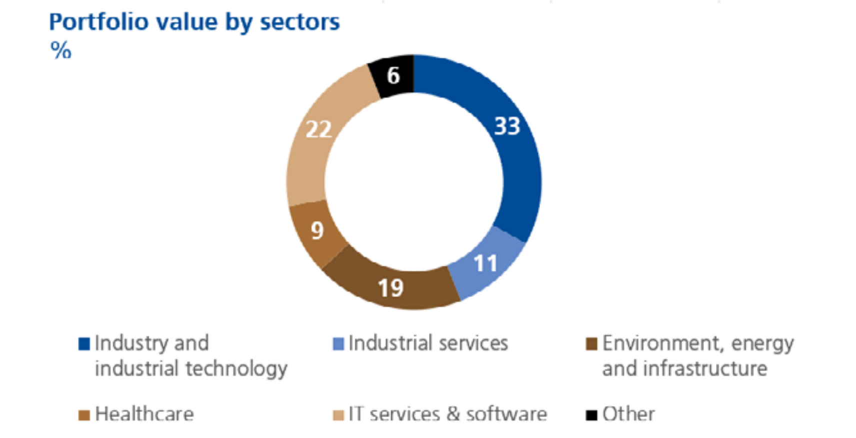
The following information on the portfolio structure is based on the valuations and resulting portfolio value of the 36 equity investments as at the reporting date. The information on leverage (net debt/EBITDA) is based largely on the (updated) expectations of the portfolio companies for the financial year 2024.

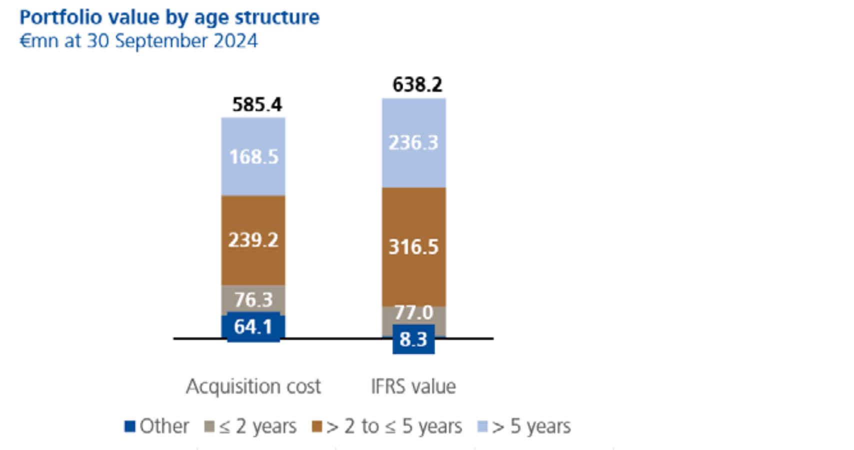
Business review of the Group

Portfolio structure[1]









[1] Portfolio value by net debt/EBITDA does not include any partial disposals or residual items

Business review of the Group

Business performance by segment

Private Markets Investments segment

Segment earnings statement – Private Markets Investments

€'000	2023/2024	2022/2023
Net income from investment activity	61,138	109,577
Other income/expense items (excl. net interest income and amortisation of intangible assets)	(15,825)	(10,541)
Earnings before interest, taxes and amortisation of intangible assets	**45,312**	**99,035**
Net interest income and amortisation of intangible assets	(5,231)	(2,213)
Earnings before taxes	**40,081**	**96,823**

Earnings before interest, taxes and amortisation of intangible assets (EBITA) generated in the Private Markets Investments segment was lower than in the previous year mainly because net income from in-vestment activity decreased. Please refer to the explanations on this item in the section on "Financial performance". The negative balance of other income/expense items (the sum of personnel expenses, other operating income and expenses and internal management fees for the Fund Investment Services segment – which today only concern DBAG ECF – excluding net interest income and amortisation of intangible assets) was affected by the increase in personnel expenses and higher other operating expenses (see section on "Financial performance"). It should be noted that expenses for various advisory services, including those related to the convertible bond and promissory note loan issu-ance, are allocated entirely to the Private Markets Investments segment.

Negative net interest income and amortisation of intangible assets also increased in the reporting year due to the reasons mentioned in the section on "Financial performance". On balance, earnings before taxes was well below the previous year's figure.

Net asset value and available liquidity

€'000	30 Sep 2024	30 Sep 2023
Non-current assets	745,316	651,973
Current assets	168,370	56,296
Non-current liabilities	(188,880)	(16,813)
Current liabilities	(36,445)	(22,077)
Net asset value	**688,361**	**669,379**
Financial resources	23,966	20,018
Securities	126,400	0
Credit lines	120,160	106,660
Available liquidity	**270,526**	**126,678**
Co-investment commitments	**358,150**	**244,038**

The net asset value exceeded the previous year's figure as at the report-ing date, driven by positive net measurement gains and losses reported in financial assets (and therefore in non-current assets) through portfo-lio value, and by the first-time consolidation of ELF Capital.

The increase in current assets was primarily due to DBAG investing financial resources in securities. These securities investments were main-ly based on funds received from the first-time issuance of convertible bonds and promissory note loans. This led to non-current liabilities increasing by the nominal amounts of these funding instruments, re-ducing net asset value. The contingent purchase price obligation for ELF Capital also pushed up non-current liabilities. Please refer to the "Financial position – assets" and "Financial position – liquidity" sections for information on the changes in financial assets and financial resources.

Available liquidity increased significantly in the year under review, primarily because we issued the new funding instruments and success-fully sold portfolio companies (see the section on "Financial position – liquidity"). Part of available liquidity is invested in short-term securities or, more specifically, in money market funds.

We also have the option of drawing on two credit lines to compensate for the irregular cash flows typical of our business. Neither credit line was drawn down as at the reporting date.

The amount of outstanding co-investment commitments for investments alongside the DBAG funds and the ELF funds was above the previous year's level as at the reporting date, mainly because of the investment commitments for the ELF funds and an increased level of commitments for DBAG ECF IV. Thanks to its significant increase in the reporting year, available liquidity covered a high 75.5 per cent (previous year: 51.9 per cent) of co-investment commitments as at 30 September 2024.

Fund Investment Services segment

Segment earnings statement – Fund Investment Services

€'000	2023/2024	2022/2023
Income from Fund Services	48,404	46,931
Other income/expense items (excl. net interest income and amortisation of intangible assets)	(32,236)	(32,831)
Earnings before interest, taxes and amortisation of intangible assets	**16,168**	**14,101**
Net interest income and amortisation of intangible assets	(3,322)	(54)
Earnings before taxes	**12,846**	**14,046**

The Fund Investment Services segment ended the year with higher income from Fund Services, (improved EBITA) and lower earnings before taxes compared with the previous year.

Income realised with the new DBAG ECF IV fund went up from 2.4 million euros in the financial year 2022/2023 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. Income from DBAG Fund VII (17.1 million euros in 2023/2024 compared to 17.5 million euros in 2022/2023), DBAG Fund VIII (unchanged at

19.2 million euros) and DBAG ECF I to III (1.0 million euros in 2023/2024 compared to 1.2 million euros in 2022/2023) remained largely on a par with the previous year's level, whereas income from DBAG Fund VI, which had ended its investment period in December 2016 and is currently in its disinvestment phase, was significantly lower. This development had been expected.

Net interest income and amortisation of assets mainly consist of the first-time consideration of the amortisation of client relationships capitalised as part of the ELF Capital purchase price allocation. (The client relationships refer to income from existing capital commitments and income from expected capital commitments made by existing investors in ELF funds.)

We successfully raised new funds for the DBAG ECF IV, ELF II and ELF CS funds, which resulted in higher capital commitments of third-party investors. This in turn led to assets under management or advisory soaring compared with the previous year. DBAG's financial resources also grew following the first-time placement of convertible bonds and promissory note loans. Please refer to the "Financial position – liquidity" section for information on changes in DBAG's financial resources.

Assets under management or advisory

€'000	30 Sep 2024	30 Sep 2023
Funds invested in portfolio companies	2,001,633	1,947,318
Funds called but not yet invested	0	4,486
Short-term bridge financing for new investments	20,030	75,288
Outstanding capital commitments of third-party investors	532,354	452,375
Financial resources (of DBAG)	150,366	20,018
Assets under management or advisory	**2,704,383**	**2,499,484**

Financial position – liquidity

Overall assessment: High cash inflows generated in the reporting year

As at 30 September 2024, DBAG's financial resources totalled 150.0 million euros and comprised cash and cash equivalents as well as short-term securities. The investment entity subsidiaries held additional financial resources – exclusively cash and cash equivalents – amounting to 7.2 million euros. The credit lines totalling 120.2 million euros were undrawn as at the reporting date.

The following condensed statement of cash flows in accordance with IFRS shows the changes in cash and cash equivalents.

Condensed consolidated statement of cash flows

Inflows (+)/outflows (-)

€'000	2023/2024	2022/2023
Net income	47,514	105,780
Measurement gains (-)/losses (+) and gains (-)/losses (+) on disposal of financial assets	(57,923)	(107,235)
Other non-cash changes	23,454	10,802
Cash flow from operating activities	**13,045**	**9,347**
Proceeds from disposals of financial assets and other financial instruments	136,638	162,963
Payments for investments in financial assets and other financial instruments	(107,930)	(113,575)
Cash flow from investment activity	**28,708**	**49,388**
Payments for investments in short-term securities	(126,400)	0
Cash flows from changes in the scope of consolidation	(6,042)	0
Other cash inflows and outflows	(714)	(719)
Cash flow from investing activities	**(104,448)**	**48,669**
Proceeds from capital increases	0	(42)
Proceeds from the sale of treasury shares	392	0
Payments for the acquisition of treasury shares	(12,922)	0
Payments to shareholders (dividends)	(18,803)	(15,044)
Proceeds from borrowings	210,000	15,000
Payments for the redemption of loan liabilities	(81,750)	(56,000)
Payments for lease liabilities	(1,565)	(1,072)
Cash flow from financing activities	**95,352**	**(57,157)**
Net change in cash and cash equivalents	**3,948**	**860**
Cash and cash equivalents at start of reporting period	20,018	19,158
Cash and cash equivalents at end of reporting period	**23,966**	**20,018**

Business review of the Group

The balance of cash flow from operating activities was positive and above the previous year's figure. Net income is largely based on the change in value in connection with the fair-value measurement of the portfolio. Realised proceeds from disposals are shown in cash flow from investing activities.

The balance of cash flow from investing activities was negative in the year under review, the main factor being payments for investments in a short-term securities portfolio that is used to temporarily invest surplus financial resources until they are required for investments. No such investments had been made in the previous financial year.

Investment activity resulted in a lower inflow of funds compared with the previous year. The volatility of cash flow from investment activity is attributable to cash flows being concentrated on a smaller number of (albeit large) amounts in the transaction business.

DBAG Fund VII and DBAG Fund VIII structure the financing of their investments in two stages: before structuring of the acquisition financing is finalised, the investments are initially pre-financed using loans over a period of up to nine months. This approach optimises the return on the capital employed for the funds. As a result, DBAG grants short-term loans to its investment entity subsidiaries ("Payments for invesments in financial assets and other financial instruments"), which are subsequently refinanced ("Proceeds from disposals of financial assets and other financial instruments").

Proceeds from disposals of financial assets and other financial instruments were related to the transactions outlined in the "Review of key events and transactions" section. Payments for investments in financial assets and other financial instruments resulted from capital calls made by investment entity subsidiaries for the investments and follow-on investments described in this section.

Cash flow from financing activities was largely driven by proceeds from the issuance of convertible bonds and promissory note loans and the redemption of the credit line that had been drawn in the previous year. In addition, the dividend was paid out to DBAG's shareholders following the Annual General Meeting on 22 February 2024 and payments were made for the acquisition of treasury shares.

Financial position – assets

Overall assessment: DBAG diversifies its funding approach and focuses on matched-maturity profile

While in the past we financed our investments mainly via equity instruments, we decided to diversify our funding approach in the year under review to generate additional funds with which to enter into attractive invest-ments. Following up on the decision, we successfully placed convertible bonds and promissory note loans on the market. We also made sure to use matched maturities for the additional funding liabilities, which in turn allowed us to continue mitigating risks in our balance sheet.

Our updated funding strategy also led to the equity ratio decreasing from 94.5 per cent as at the end of the previous financial year to 75.3 per cent as at the current reporting date. As in the financial year 2022/2023, equity and non-current credit liabilities covered all non-current assets plus 40.6 per cent of current assets (previous year: 30.9 per cent).

Condensed consolidated statement of financial position

€'000	30 Sep 2024	30 Sep 2023
Financial assets	678,728	635,404
Other non-current assets	66,246	14,779
Deferred tax assets	343	1,790
Non-current assets	**745,316**	**651,973**
Other financial instruments	3,880	17,990
Receivables and other assets	11,117	16,584
Short-term securities	126,400	0
Cash and cash equivalents	23,966	20,018
Other current assets	3,006	1,705
Current assets	**168,370**	**56,296**
Total assets	**913,687**	**708,269**
Equity	688,361	669,379
Non-current liabilities	188,880	16,813
Current liabilities	36,445	22,077
Total equity and liabilities	**913,687**	**708,269**

Asset and capital structure: Increase in financial assets and short-term securities

Total assets as at the reporting date were significantly above the levels seen at the end of the financial year 2022/2023. On the assets side, factors increasing total assets included above all the higher valuation of financial assets. On the capital side, this effect led to an increase in equity. In addition, the first-time consolidation of ELF Capital resulted in an increase in non-current assets and, on the other side of the balance sheet, mostly in an increase in non-current liabilities. Lastly, total assets also increased due to the successful placement of convertible bonds and promissory note loans. The proceeds from these were temporarily invested in short-term securities.

Business review of the Group

DBAG invested most of the proceeds from the successful disposal of portfolio companies and from the first-time placement of debt instruments in short-term securities, which are the main reason for the increase in non-current liabilities.

The main factor reducing total assets on the assets side was a decline in other financial instruments, while dividend payments and share buybacks reduced equity on the capital side.

The transactions described above are responsible for the asset structure shifting in favour of current assets, which accounted for 18.4 per cent of total assets as at the reporting date (30 September 2023: 7.9 per cent). Financial assets made up 74.2 per cent of total assets (30 September 2023: 89.7 per cent), while cash and cash equivalents and securities accounted for 16.4 per cent (30 September 2023: 2.8 per cent). As mentioned above, DBAG's capital structure has shifted to the detriment of equity compared with the end of the last financial year.

Net asset value per outstanding share increased from 35.59 euros at the beginning of the reporting period to 37.59 euros at the end of the period. This is equivalent to a return on equity of 8.7 per cent (previous year: 18.1 per cent) in terms of net asset value per outstanding share at the beginning of the reporting period (reduced by the dividend distribution). The previous year's figure had been marked by transaction-based effects and the very positive change in multiples). Please refer to the notes to the consolidated financial statements (note 23) regarding purchases of treasury shares.

Financial assets: Portfolio value increased significantly

Financial assets are largely determined by the value of the portfolio. For more information, please refer to the explanations on the portfolio value above.

Interests of other shareholders in investment entity subsidiaries have increased in absolute terms compared with the levels seen at the beginning of the year under review. This is largely due to the fact that performance-based profit shares from private investments made by members of the DBAG investment advisory team for DBAG Fund VIII increased while entitlements for DBAG ECF I in particular were reduced (please refer to the information under "Net income from investment activity").

Other assets and liabilities of investment entity subsidiaries make up the balance of the investment entity subsidiaries' various line items, largely comprising receivables vis-à-vis investments from loans and interest in addition to liabilities vis-à-vis DBAG for the pre-financing of investments. The investment entities had financial resources amounting to 7.2 million euros at their disposal as at the reporting date, all of which were held as cash and cash equivalents.

Financial assets

€'000	**30 Sep 2024**	30 Sep 2023
Value of investments		
gross	652,723	631,917
Interests of other shareholders in investment entity subsidiaries	(36,599)	(31,029)
net	616,124	600,887
Other assets and liabilities of investment entity subsidiaries	62,146	34,322
Other financial assets	458	195
Financial assets	**678,728**	**635,404**

Financial review of Deutsche Beteiligungs AG (commentary based on the German Commercial Code – HGB)

The management report and the Group management report of Deutsche Beteiligungs AG for the financial year 2023/2024 are pre-sented combined, in conformity with section 315 (5) in conjunction with section 298 (2) sentence 1 of the HGB.

The presentation of DBAG's economic position is based on a con-densed statement of financial position and a condensed profit and loss account derived from the statement of financial position and profit and loss account as prescribed by the HGB. The complete annual financial statements of DBAG based on the HGB are published in the German Company Register (Unternehmensregister), together with the consoli-dated financial statements.

Financial performance

Overall assessment: Net income decreases year-on-year

Net income for 2023/2024 remained below the previous year's level, mainly because gains from disposal of investments realised in the year under review were lower. While this had a negative impact on net gains and losses on measurement and disposal, the development was offset by the significantly positive figure for net income from investments which had been negative in the previous year.

Income from Fund Services and investment activity: Slightly below prior-year figure

Income from Fund Services and investment activity is largely determined by gains or losses from the disposal of investments and by the balance of write-downs or write-ups on investments. The latter are carried out in accordance with the moderate lower of cost or market principle and the applicable procedure for reversing impairment losses in accordance with the HGB.

The sale of in-tech, R+S, Abbelen, GMM Pfaudler– combined with write-downs on financial assets (in particular relating to DBAG Fund VI and a Long-Term Investment) – made a strong impact on this year's net gains and losses on measurement and disposal. The drivers for last year's net gains and losses on measurement and disposal had included the disposal of BTV Multimedia and Pmflex, the partial disposal of Cloudflight and write-downs on financial assets that were mainly relat-ed to DBAG Fund VI.

Net income from investments is mainly attributable to profit allocations from affiliated companies in the amount of 15.1 million euros net. This exceeds the previous year's figure, which had been reduced by loss allocations. No distributions were made in the year under review.

Income from Fund Services fell short of the previous year's figure. While the gross income from Fund Investment Services is taken into account in the consolidated financial statements, the same item in the financial statements in accordance with the HGB includes net income less the expenses of the subsidiaries involved in management and fund advisory services.

Condensed profit and loss statement of Deutsche Beteiligungs ag (based on the HGB)

€'000	**1 Oct 2023 to 30 Sep 2024**	1 Oct 2022 to 30 Sep 2023
Net gains and losses on measurement and disposal[1]	36,070	63,728
Result from investments	16,588	(6,898)
Income from Fund Services	37,592	39,286
Total income from Fund Services and investment activity	**90,250**	**96,117**
Personnel expenses	(26,586)	(27,764)
Other operating income (excluding write-ups)	5,109	1,112
Other operating expenses	(15,930)	(14,087)
Depreciation and amortisation on intangible fixed assets and property, plant and equipment	(370)	(330)
Income from other securities, or loans and advances held as financial assets	84	48
Other interest and similar income	1,522	916
Interest and similar expenses	(4,621)	(1,730)
Total other income/expense items	**-40,792**	**-41,834**
Earnings before taxes	**49,458**	**54,283**
Income taxes	(2,126)	305
Other taxes	(2)	(2)
Net income	**47,330**	**54,587**

1 Net gains and losses on measurement and disposal comprise the profit and loss account items "Gains from disposal of investments" of 53.8 million euros (previous year: 83.8 million euros), "Write-downs on financial assets" of -28.5 million euros (previous year: -20.1 million euros) and "Write-ups of financial assets" of 10.8 million euros (previous year: 0.0 million euros).

Other income/expense items: Slightly lower nega-tive balance than in the previous year

The negative balance of other income/expense items was slightly below the previous year's level. Increased expenses were mainly due to other operating expenses, which included higher expenses for office rents

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following the move to our new premises and the one-off costs related to the convertible bond issuance. Interest and similar expenses also rose, mainly as a result of a year-on-year increase in credit line draw-downs during the year, a general rise in capital market interest rates – including a rise in the EURIBOR, which is relevant for our credit lines – and the first-time inclusion of interest rates for the convertible bonds and promissory note loans.

However, these increases were more than offset overall by the slight decrease in personnel expenses resulting from lower performance-related remuneration and lower cost of retirement benefits and also by an increase in other operating income. The latter was mainly due to the reversal of a pension provision regarding a former Board of Management member and to higher other interest and similar income.

Financial position – assets

Interests in affiliated companies are the largest item in DBAG's non-current assets. These investment entity subsidiaries bundle the co-investments in the investments made by the individual DBAG funds and those made in the ELF funds. DBAG also enters into Long-Term Investments via one investment entity subsidiary in each case. The majority stake in ELF Capital is also bundled in a dedicated investment entity subsidiary.

The increase in the item during the reporting year resulted from additions totalling 121.3 million euros. These consisted primarily of the purchase price for the majority stake in ELF Capital, new DBAG investments and investments to support acquisitions made by DBAG's portfolio companies. Disposals have an offsetting effect; this mainly involves disposals that generated returns from investment entity subsidiaries. As at 30 September 2024, write-downs in the amount of 28.5 million euros were recognised on shares in three affiliated companies because the fair value is expected to be permanently below the acquisition costs.

Condensed statement of financial position of Deutsche Beteiligungs AG (based on the HGB)

€'000	**30-Sep-24**	30-Sep-23
Interests in affiliated companies	612,331	560,260
Other non-current assets	6,996	6,345
Non-current assets	**619,327**	**566,605**
Receivables and other assets	21,023	52,835
Securities held as current assets	126,400	0
Cash and cash equivalents	8,022	7,358
Current assets	**155,445**	**60,192**
Prepaid expenses	**4,723**	**1,024**
Total assets	**779,496**	**627,822**
Subscribed capital	64,977	66,725
Capital reserve	270,956	267,282
Retained earnings	403	403
Net retained profit	281,616	264,165
Equity	**617,952**	**598,574**
Provisions	**27,945**	**28,903**
Liabilities	**133,598**	**345**
Total equity and liabilities	**779,496**	**627,822**

Current assets saw a significant decrease in receivables from affiliated companies on the back of lower receivables from loans and profit allocations.

To meet its goal of diversifying the funding mix while maintaining a matched-maturity profile, DBAG issued its first convertible bond and promissory note loans in the reporting year. Issuance volumes amounted to a total of 120 million euros as at the reporting date. This is the main reason for the year-on-year increase in liabilities.

Financial position – liquidity

Financial resources were high enough at all times during the financial year to fulfil co-investment commitments and to finance the Company's operations.

DBAG's cash and cash equivalents amounted to 8.0 million euros (previous year: 7.4 million euros) as at the reporting date. 126.4 million euros were invested in short-term securities, an item that had not exist-ed in the previous financial year. While the Company can also draw on two revolving credit lines amounting to a total of 120.2 million euros at any time, they had not been tapped as at the reporting date.

We assume that we will be able to cover the anticipated funding needs for the planned investments in the new financial year and the two subsequent years with our financial resources and via returns from disposals and credit lines.

DBAG funded most of its activities in the financial year using its own cash flow. Its equity ratio decreased due to the first-time issue of convertible bond and the issue of promissory note loans and was 79.3 per cent as at the reporting date, compared with 95.4 per cent at the end of the financial year 2022/2023.

Opportunities and Risks

Objective: To contribute to value creation by consciously balancing opportunities and risks

DBAG is exposed to multiple risks through its business activities. These risks result, among other things, from the expected returns that are customary in our business, from our geographical focus, our sector focus and from the annual investment volume target. DBAG's risk profile is influenced by our risk propensity. We steer this risk profile through our risk management activities. Our risk propensity derives from our objective of sustainably augmenting the value of DBAG. To that end, we pursue a conservative approach which, among other things, is reflected in the high equity ratio in DBAG's statement of financial position. Taking risks that could jeopardise the Group's continued existence is not acceptable.

Risk management system

We consider risk management to be a proactive and preventive process. In our opinion, risk refers to potentially negative events that ensue from possible hazards. Hazards are either non-predictable events or essentially predictable events that are nevertheless subject to chance.

The risk management system is an integral part of our business processes. It takes into account the statutory requirements set out by legislation and resulting from court decisions, the German Corporate Governance Code and international accounting standards. The system serves the objective of contributing to value creation by weighing risks. To achieve this, our risk management system needs to ensure a comprehensive overview of the Group's risk profile. In particular, risks involving material negative financial implications must be recognised promptly so that we can avoid, mitigate, pass on or control them.

Structures: Decentralised organisation of risk management

Risk management is the direct responsibility of DBAG's Board of Management. It is overseen by the Audit Committee of DBAG's Supervisory Board. Furthermore, the Internal Audit department, as an independent entity, monitors the efficacy of the risk management system. DBAG has delegated the internal audit services to an external service provider.

The Risk Committee plays a key role. It consists of the Board of Management and the Risk Manager, who reports directly to the member of the Board of Management responsible for risk management, and also of risk officers at the level below the Board of Management. The Managing Directors in charge of the individual corporate departments provide assistance to the Risk Manager in identifying and assessing risks.

The Risk Manager develops the risk management system on an ongoing and systematic basis. Most recently, this has been mainly in response to the requirements stipulated in the Auditing Standard IDW 340 as published by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer, IDW). The changes to the risk management system were documented in the risk management manual and concerned, among other things, the definition and identification of risks that jeopardise the Group's continued existence, the description of the method for determining the risk-bearing capacity, the definition of measures for monitoring and improving operative risk management and the definition and description of threshold values for the ad-hoc reporting process. In addition to this, risk assessment, risk aggregation and identification of interdependencies were fine-tuned and ELF Capital was incorporated into DBAG Group's risk management process.

The objective of our risk management system is to inform the Board of Management and the Supervisory Board about the risks involving high and very high expected values ("material risks", where the expected value is a combination of probability of occurrence and extent of impact). The risk assessment criteria are aligned with the Board of Management's risk strategy. Risks are recorded, monitored and managed on an ongoing basis.

Opportunities and Risks

Processes: Risk identification in individual corporate departments

DBAG's risk management process is structured according to the following procedure:

Risks are identified directly at a departmental level by the Managing Directors responsible for these units. Particular attention is paid to risks that may jeopardise the continuity of the Company and also to risks that are of major significance to the financial position and financial performance of DBAG. To that end, appropriate early warning indicators are employed – i.e. measures that are either themselves indicators of changes to a risk or suitable as measurement tools for identifying changes in risk-driving factors.

During the risk analysis and assessment process, identified risks are classified by the responsible Risk Administrator in coordination with the Risk Manager on the basis of a risk matrix. First, the risks are categorised on a four-point scale according to the probability of their occurrence. In addition, their extent of impact is evaluated based on four criteria, while potential extent of impact is assessed subsequent to the action taken to avoid or mitigate the risk. The following chart outlines the details of this risk matrix.

After this, the Risk Manager examines the individual risks and the actions adopted for completeness. Implementing, managing and monitoring these actions is the responsibility of the Risk Administrators in the respective corporate units.

The principal objective for risk management is to keep overall risk at acceptable and manageable levels for DBAG. Measures taken to reduce risk are meant to decrease the probability of the risk occurring and/or to limit the extent of impact. The residual risk is consciously accepted or transferred to third parties.

Opportunities and Risks

Risks are reported to the entire Board of Management on a quarterly basis. Risks that are identified outside of these regular intervals must be reported to the Risk Manager or directly to the Board of Management, depending on how significant they are. This ensures a comprehensive and up-to-date analysis of risk exposure at all times. Once every financial year, the Board of Management informs the Audit Committee in detail about DBAG's risk exposure. In the event of an unexpected material change in the exposure to risk, the Board of Management informs the Audit Committee of the Supervisory Board immediately.

				Expected value (Combination of probability and impact)			
Probability	> 70%	**likely**	**4**	moderate	high	very high	very high
Probability	> 50–70%	**possible**	**3**	very low	moderate	high	very high
Probability	20–50%	**seldom**	**2**	very low	moderate	high	high
Probability	< 20%	**unlikely**	**1**	very low	very low	moderate	high
				1	**2**	**3**	**4**
				low	**moderate**	**high**	**very high**
		Financial consequences		< €10mn	€10–50mn	> €50–100mn	> €100mn
		Reputational consequences		Isolated negative media coverage	Broader negative media coverage	Extensive negative media coverage and temporary loss of confidence by investors	Extensive negative media coverage and long-term loss of confidence by investors
		Regulatory consequences		Conditional caution	Reorganisation	Reorientation of business activity	Suspension of business activity
		Management action required		Event covered by normal routine	Critical event addressed with existing resources	Critical event requiring more extensive management action	Disaster requiring significant management action
				Impact			

Opportunities and Risks

Instruments: Risk register with 59 individual risks

DBAG's risk management manual contains company-specific principles on the methodology of risk management and describes the risk management instruments and their mode of operation. The risk register is updated on a quarterly basis; at the period ending 30 September 2024, it outlined and evaluated 59 individual risks (previous year: 61). The material risks, their causes and effects, as well as the actions required to manage these risks, are also documented on a quarterly basis in a risk report for DBAG's Board of Management.

The following table outlines the material risks as at the reporting date.

Risk factors with a high and a very high expected value	Risk exposure vs previous year	Probability of occurence	Extent of impact
Risks of the Fund Investment Services segment			
Inability to cover the personnel requirement	unchanged	possible	high
Inability to raise capital commitments from external investors for DBAG funds to the extent required	higher	possible	very high
Extraordinary termination of investment period or extraordinary liquidation of one or more DBAG funds	unchanged	unlikely	very high
Risks of the Private Markets Investments segment			
Investment strategy proves to be unattractive or its implementation is inadequate	unchanged	low	high
Insufficient access to new, attractive investment/financing opportunities	unchanged	low	high
Investment/financing opportunities are not carried out	unchanged	low	high
External risks			
Negative impact of general economy and cyclical development on financial position and financial performance of portfolio companies	unchanged	possible	high
Lower valuation levels on the capital markets	unchanged	possible	high
Negative interest rate development	new risk	low	high
Threat to DBAG's independence	unchanged	unlikely	very high
Operational risks			
Insufficient protection of confidential data against unauthorised access	unchanged	possible	high

Opportunities and Risks

Material changes compared with the preceding year

During the reporting year, the "negative interest rate development" risk was added to the material risks. We assess its probability of occurrence to be "possible" and adjust its potential damage from "moderate" to "high", which results in a high expected value.

The probability of occurrence of the "Inability to raise capital commitments from external investors for DBAG Fund IX to the extent required" risk has increased from "low" to "possible". Accordingly, the expected value has increased from "high" to "very high".

In addition, five risks were eliminated, all of which had been classified with a "moderate" expected value. Three risks with a "very low" or "moderate" expected value were added to the risk register.

Explanation of individual risks

The following section outlines the material risks as at the reporting date. We allocate operational risks to the business segment that is most strongly affected by the risk in question. However, the consequences of risks allocated to the Fund Investment Services segment would also affect the Private Markets Investments segment in the long term and vice versa.

Risks of the Fund Investment Services segment

Inability to cover the personnel requirement

Performance in the private markets business is closely linked to the people working in the field. Dissatisfied employees or a high staff fluctuation rate can lead to greater workloads for other employees; if DBAG were to acquire a negative reputation as an employer, this would make it more difficult for the Company to recruit new personnel. That is why employee satisfaction is one of our non-financial key performance indicators. In view of the Company's current position, we do not envisage staff shortages over the short or medium term. We actively limit the risk of possible staff turnover, for example by means of a competitive remuneration scheme that conforms to standard industry practice. We regularly offer individualised training programmes and personality-based training activities are included in all career plans. We also believe that it is important for our employees to have a healthy balance between family and working life.

Inability to raise capital commitments from external investors for DBAG funds to the extent required

DBAG will only be able to continue to pursue its strategy in the long term if the Company succeeds in soliciting capital commitments to DBAG funds. Failure to meet the required or planned scope or timeline constitutes a risk.

For this, DBAG and its investment advisory team must establish a proven track record over many years of successful investing activity, yielding attractive returns. In this context, ESG aspects in a company's business activities are becoming increasingly important.

Further influencing factors are the general readiness of private equity investors to make new capital commitments, sentiment on the capital markets and the macroeconomic environment. The latter is currently proving to be far more challenging than in previous years. The turnaround in interest rates has also led to liquid investments gaining traction. In this phase of general economic change and uncertainty, investors are more cautious and provide less funds compared with the high level of prior years. As a consequence, we are already seeing some market players withdrawing.

Changes to tax legislation that would lead to taxes being imposed on foreign partners of German fund entities would have serious disadvantages for DBAG.

Given the changed global framework conditions, we currently assess the probability of this occurring to be "possible", compared with "low" at the end of the financial year 2022/2023.

We actively address the risk of insufficient capital commitments, for example by engaging in a regular dialogue with existing and potential investors in DBAG funds. We are continually expanding this dialogue with regard to both the frequency and intensity of contacts. We have also strengthened our general market coverage, for example by making structural changes to our sales team with the aim of raising DBAG's profile on the market. When selecting investors, we place special emphasis on their ability to potentially invest in follow-on funds as well. Finally, we review our investment strategy on a regular basis.

Extraordinary termination of investment period or extraordinary liquidation of one or more DBAG funds

The investment period of DBAG funds ends automatically when fund investment services are no longer provided by certain key persons defined in the fund agreements. Under different circumstances – for example in the case of unsatisfactory performance of the fund's investments, insufficient investment progress or a fundamental lack of confidence – fund investors have the right (typically with a 75 per cent majority) to end the investment period of that respective fund. In cases involving serious contractual breaches, investors have the right to replace the fund management company or liquidate the fund.

These situations would lead to a reduction or a loss of earnings from advisory services to that fund. Furthermore, DBAG would no longer be able to exert any influence over the management of the investments entered into with the fund in question. Without the funds, DBAG's opportunities to make its own investments would also be limited. Ongoing communication and early response to the concerns of fund investors serve to mitigate this risk. Above all, however, our investment performance counteracts this risk.

Risks of the Private Markets Investments segment

Investment strategy proves to be unattractive or its implementation is inadequate

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A key prerequisite for our performance is an attractive investment strategy. Without successful investing activity, we would be unable to realise our targets for value appreciation or expected returns. In such a case, investors would also withdraw their committed capital and it would not be possible to raise new commitments to funds. In order to mitigate these risks, the Board of Management and the DBAG and ELF investment advisory teams examine the extent to which our sector focus, our geographical emphasis and the financing solutions we offer for the mid-market segment provide a sufficient number of promising investment opportunities. For example, our successful entry into the Italian market and the expansion of our range of services to include private debt financing both contribute to reducing these risks.

In addition, we regularly review our investment strategy and monitor the market. The investment advisory teams discuss experience gleaned from due diligence processes with consultants and service providers on a regular basis in order to prevent incorrect due diligence results. The standardisation of internal processes and the accelerated transfer of knowledge within the two investment advisory teams also help us to achieve this. This does not apply for ongoing transactions, for which Chinese walls have been established between the two investment advisory teams.

Insufficient access to new, attractive investment/financing opportunities

Access to new investment opportunities is crucial for our operations. We need these opportunities to be able to actually achieve an increase in net asset value, at least in the long term. In the medium term, the performance of the Fund Investment Services segment would also be adversely affected: the investors in the DBAG and ELF funds expect investment progress that is commensurate with the committed fund size.

We have no influence on developments in the private equity or private debt markets or on their overall competitive situation. By contrast, we can influence the way we cultivate our network and carry out our marketing activities. Our ability to mitigate the risk of the number of potential transactions declining is very limited. We address this risk for example by originating investment and financing opportunities that are not broadly available on the market. The various investments agreed or concluded in the reporting year demonstrate that we are able to successfully tap into new investment opportunities even in challenging times.

Investment/financing opportunities are not carried out

Even if there is a sufficient supply of attractive investment opportunities, there is a risk of these not culminating in concrete investments or financing options. One reason for this may be a lack of competitiveness on our part. For example, this might be because we react too slowly due to inadequate processes, offer too low a price, are unable to arrange the acquisition financing or demand too high an interest rate for financings. To avoid the consequences arising from this risk, we continually strive to improve our internal knowledge transfer and to adapt the relevant processes to a changing competitive environment.

External risks

Negative impact of general economy and economic cycles on the financial position and financial performance of our investments

The performance of our investments is influenced by market factors such as geographical and sector-related economic cycles, political and financial changes, energy and commodity prices, bottlenecks along the supply chain and exchange rate changes. Fundamental technological changes can also have a negative impact on individual companies, or on companies operating in a certain sector.

These factors – either individually or as a whole – could extend the holding periods of private equity investments and result in postponed or reduced gains on disposal In the private debt business, the yield on debt of the companies we have financed could decrease. There could be a default on interest payments or a need for follow-on financings which, in a worst-case scenario, might lead to a total loss of capital for individual investments. In such an event, our reputation would be at stake. Market factors in particular sometimes change at very short notice, and our ability to respond to this is limited.

In general, short-term results are not decisive for success in the private markets business. If appropriate, the value development approach to an individual investment has to be adapted by the management of the portfolio company. In the case of private debt business, the financing structure of an investment has to be modified together with its management. This requires us to monitor the performance of our investments closely. The risks arising from cyclical trends in individual sectors are essentially already countered by the diversification of our investments, which we have continually expanded in recent years.

Lower valuation levels on the capital markets

Valuation levels on the capital markets are reflected in the measurement of the fair value of our portfolio companies and, in turn, the portfolio value. A lower valuation level generally results in a lower portfolio value. Even though valuation levels on the capital markets have increased in the year under review, a decline in valuations is possible going forward.

We cannot avert the risk arising from developments on the capital markets. However, we can mitigate that risk by avoiding excessive entry prices. A higher multiple would be justified if the portfolio companies achieved an improved strategic position. Since it is rare that sectors are all equally affected by changes on the capital markets, diversifying the portfolio also counters exposure to this risk.

Negative interest rate development

The increase in the expected value of this risk is driven by the incorporation of ELF Capital into DBAG Group's risk management process. The risk of changed interest rate levels affects our business in various ways.

Falling interest rates are the biggest risk for our private debt business. In the case of ELF Capital, for example, this is because they increase

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pressure on margins and lead to stronger competition from traditional banks.

In contrast, our private equity business benefits from interest rate cuts as they reduce the financing costs of DBAG and its acquisitions and improve the cash flow buffer for servicing debt. Lower interest rates also increase valuation leeway in the capital markets, often leading to rising capital market multiples. Correspondingly, interest rate hikes have the opposite risk impact on the private debt and private equity business.

The development of interest rate levels is beyond our control. Because of this, we monitor the capital market development closely through regular discussions with banks and carefully examine other possible courses of action. Most importantly, we also keep a close eye on the changing investment and financing opportunities, regularly adjusting our positioning in the market to preserve or even improve our standing.

Threat to DBAG's independence

A sub-par valuation of DBAG shares could enable a major shareholder to come on board and exert control over the Company. However, since the investors in DBAG funds expect our DBAG's investment advisory teams to provide their advisory services free from the influence of third parties, this loss of independence would essentially jeopardise DBAG's business model. In such a case, it is possible that investors would not commit to new DBAG funds – on the contrary, they could terminate existing advisory agreements or end the funds' investment period – and that future capital increases would not be possible at attractive terms.

We mitigate this risk through extensive contact with current and potential equity investors. We have additionally set out a legal structure that shields the Fund Investment Services business from the influence of third parties. In the event that such control is exercised, DBAG's management authority for the Group company charged with providing advisory or management services to DBAG funds may be withdrawn.

Operational risks

Insufficient protection of confidential data against unauthorised access

Our business not only requires suitable software and hardware but also effective data access by authorised persons at any time. In this context, data backup and protection against unauthorised access are of the utmost importance to us. We review and update our security measures on an ongoing basis to counter the threat of unauthorised access through cyberattacks, weak spots in our network or, for example, through undesirable software installed by our staff.

DBAG has its own qualified IT specialists who are regularly assisted by external consultants. DBAG responds to the ever-growing IT risk by, for example, conducting regular internal and external reviews. We have considerably stepped up the efforts made to protect our systems and data in recent years. In addition, we have continually increased staff training on IT risks. Finally, we conduct recurring security audits for the DBAG systems that can be accessed from the internet, for the software configuration and for our website, implementing any insights gained from these audits without delay.

Description of opportunities

Opportunity management is a key part of our operating business and we improve its processes on an ongoing basis. However, we do not actively pursue opportunity management outside of ordinary business operations, such as optimising investments of cash and cash equivalents.

Fund Investment Services: Higher fees from the DBAG and ELF funds

In the Fund Investment Services segment, fee agreements are largely fixed for a fund's term. Nevertheless, opportunities may arise from the use of the top-up fund of DBAG Fund VIII: the fee for this sub-fund is based not on the amount of funds committed, but rather on either the amount of funds committed or invested, whichever is lower. If we are successful in structuring transactions using the top-up fund, DBAG generates correspondingly higher income from Fund Investment Services. In addition, the DBAG Expansion Capital Fund IV is currently raising funds. The more successful this fundraising is, the higher future fee income from Fund Investment Services can be expected to be.

DBAG Luxembourg, which provides the Luxembourg-based companies of the DBAG funds with management and investment-related services, had a successful business launch. We aim to continue expanding it in the future.

We expect higher fees from the ongoing expansion of our financing portfolio which, in collaboration with ELF Capital, aims to meet the full spectrum of financing needs for mid-market companies. Following the acquisition of a majority stake in ELF Capital in November 2023, we are only beginning to tap into new market opportunities together.

If the addition of Long-Term Investments to the investment strategy continues as successfully, we could also launch a fund specifically for this investment strategy. Expanding our regional investment focus to include Italy also offers us the opportunity to generate additional advisory fee income. This is provided that the wider geographical footprint helps us raise more funds than for a fund with a stronger focus on the Germany, Austria and Switzerland region.

Private equity investments: Strategic advances with Long-Term Investments and expansion of geographical focus

In the financial year 2019/2020, we added Long-Term Investments to the platform we use to provide equity solutions to the mid-market segment, which have been very well received on the market.

The expansion of our geographical focus to include investments in Italy has opened the door to new investment opportunities. The prospects for further MBOs in Italy are favourable: the number of private equity

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companies on the Italian market is lower than on the German market, and with its strong focus on companies with industrial business models, coupled with its excellent access to family-owned and founder-managed companies, DBAG stands out in Italy. With our office in Milan, we have a local presence and can serve the Italian market directly and personally.

Private equity investments: Strengthening our competitive edge with the large and experienced DBAG investment advisory team

Competition for attractive investment opportunities remains intense. The ability to come to an agreement with the vendor within a tight time frame is sometimes a crucial competitive advantage. The size of DBAG's investment advisory team, which added more and more new members over the past years, and its entire workflow can open up new opportunities for the Company. After all, the Company is in a position to execute transactions – in some cases several transactions at once – within a short period of time.

Aside from its speed and capacity to act during the investment phase, a large and experienced investment advisory team offers attractive perspectives to future portfolio companies when it comes to helping to implement value creation strategies.

Private debt investments: Strategic advances thanks to DBAG's broader financing portfolio that now includes private debt solutions

DBAG has held a majority stake in ELF Capital since November 2023. This has allowed the Company to expand its range of flexible financing solutions to include private debt. Debt funds are playing an increasingly important role in financing mid-market enterprises because they are gradually taking over market share from traditional bank lenders. DBAG and ELF Capital jointly offer a broad financing portfolio for the needs of mid-market companies. Both parties contribute attractive, complementary networks and will benefit from economies of scale with regard to financing solutions for mid-market companies and additional investment opportunities for fund investors. DBAG shareholders in turn will benefit from the new investment because income from Fund Investment Services is set to show stronger growth in the medium term and because DBAG will further diversify its range of investments.

General statement on opportunities and risks

In the financial year 2023/2024, we seized numerous opportunities by providing funds for mid-market companies and helping our portfolio companies to realise their development potential. There has been no fundamental change in the opportunity and risk situation compared with the previous year, although we consider the macroeconomic changes and the resulting increased challenges in raising capital commitments from external investors to be significant. However, based on the information at our disposal today, there are still no recognisable individual or cumulative risks that would endanger the continued existence of DBAG or the Group as a going concern. We do not perceive any extraordinary opportunities either.

Key features of the accounting-related internal control and risk management system[6]

The Internal Control System (ICS) is based on the internationally recognised framework document for internal control systems issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The scope and design of an appropriate and effective ICS are within the discretion and responsibility of the Board of Management. The effectiveness of the ICS is overseen by the Audit Committee of DBAG's Supervisory Board.

DBAG's ICS describes measures and controls to minimise the risks inherent in the corporate processes of the Company's different areas, ensuring that DBAG achieves its core business objective. It incorporates the principles, procedures and measures (provisions) aimed at the organisational implementation of management decisions introduced by the Company's management. These serve to ensure:

- The effectiveness and profitability of business activities (including the protection of assets and the prevention and detection of asset misappropriation)
- The proper functioning and reliability of internal and external accounting (bookkeeping, financial statements and management report)
- Compliance with relevant statutory and legal requirements applicable to the Company

The extent and design of the internal control and risk management system are aligned with the special requirements of the Fund Investment Services and financing activity. The task of Internal Audit – which has been delegated to an external service provider – is to monitor the functioning and effectiveness of the ICS independently of processes at Group level and at Deutsche Beteiligungs AG and, in this way, to bring about ongoing improvements to business processes.

Risk management is an ongoing process that is firmly integrated into DBAG's workflows. Please refer to the "Risk management system" section for details on the key features. We are continually developing the ICS in all of DBAG's departments, implementing improvements and documenting new processes. In the year under review, this concerned above all corporate functions. In addition, an internal control matrix was established in the year under review to map the most significant process risks and associated control strategies and objectives in accordance with the German Law on Control and Transparency in Business (Gesetz zur Kontrolle und Transparenz im Unternehmensbereich – KonTraG).

[6] Does not form part of the audited combined management report

Opportunities and Risks

During the financial year 2023/2024, the Board of Management did not receive any information that would suggest material inefficiencies in the effectiveness or inadequacy of the ICS. However, it should be noted that an internal control system, irrespective of its design, cannot provide absolute certainty of detecting flaws in our business processes.

Key features of the accounting-related internal control and risk management system (sections 289 (4) and 315 (4) of the HGB)

The accounting-related part of the ICS is a component of the annual audit within the scope of a risk-oriented audit approach. In addition, the Supervisory Board's Audit Committee oversees the ICS, as required by section 107 (3) of the AktG.

DBAG prepares its separate and consolidated financial statements in conformity with the applicable accounting policies of the HGB and the International Financial Reporting Standards (IFRS). The internal accounting guidelines are set out in an accounting manual and in measurement/valuation guidelines, taking into account the different principles of the IFRS and HGB standards. New accounting rules are regularly reviewed to ascertain the implications for DBAG and its subsidiaries and, if necessary, the accounting guidelines are adapted.

DBAG also has clearly defined organisational, control and surveillance structures. Explicit assignments of responsibility within the accounting process are in place. The IT systems used in accounting are largely operated with standard software products. These are protected against unauthorised internal and external access by comprehensive access restrictions. The latter are regularly reviewed and any findings are implemented without delay. All individuals involved in the accounting process are qualified for their assignments. The number of individuals working here is sufficient to handle the workflow. The aim is to minimise the risk of erroneous accounting. Staff regularly participate in continuous development programmes on tax- and accounting-related topics. Additionally, advice from external experts is solicited on specific accounting issues.

We regularly analyse material accounting-related processes to determine the availability and operability of the installed internal controls. Here, we focus on different aspects each time and implement any findings without delay. The completeness and validity of accounting data are regularly reviewed manually, based on random samples and plausibility checks. We always employ the principle of dual control for processes that are particularly relevant to accounting.

The internal controls are designed to ensure that external financial reporting by DBAG and the Group is reliable and complies with the valid accounting rules. The aim is to minimise the risk of possible misstatements on the actual financial position and financial performance.

Report on expected developments

Period covered by this report

Our business operates on a medium- to long-term forecast horizon, as the success of private equity investments, private debt investments and our Fund Investment Services business can only be assessed over multi-year periods. For this reason, we not only project key performance indicators for the new financial year but also for the year ahead.

With the transition to a calendar year-based financial cycle effective 1 January 2025, the period from 1 October to 31 December 2024 is an abridged financial year. Below we present our forecasts for both this abridged financial year and the full 12-month financial year 2025. The forecast for 2025 may be revised after the abridged financial year has ended. Consistent with the long-term nature of our business, we also provide our customary outlook for 2027. This forecast is based on our detailed medium-term planning and liquidity planning up until the end of 2027.

The business performance of Deutsche Beteiligungs AG is generally subject to the same key performance indicators as the DBAG Group. As a result, the statements made for the DBAG Group above also apply to Deutsche Beteiligungs AG.

We provide projected ranges for the key performance indicators linked to our financial objectives. Here, the breadth of each range reflects the predictability of the indicator in question. By contrast, we use point forecasts for our non-financial KPIs.

Expected development of underlying conditions

Macroeconomic environment: Global economy demonstrating unexpected resilience

In its World Economic Outlook from October 2024, the IMF expects Germany's gross national product to stabilise in the calendar year 2024 after contracting by 0.3 per cent in the previous year. For developed countries, the IMF anticipates a modest uptick in growth to 1.8 per cent from 1.7 per cent, with growth in the euro area expected to double from 0.4 per cent to 0.8 per cent. At the same time, growth in the US is projected to ease slightly from 2.9 per cent to 2.8 per cent, while China's growth rate slows from 5.2 per cent to 4.8 per cent. Overall, the IMF expects the global economy to hold steady at 3.2 per cent, following 3.3 per cent in 2023. The IMF notes that the global economy has remained unusually resilient through the disinflationary process, probably avoiding a global recession.

Global economic imbalances have diminished since the start of 2024, leading to a closer alignment of economic activity with potential output in major economies. This development has contributed to inflation rates converging, with the global average projected to decrease overall, from 6.7 per cent in 2023 to 5.8 per cent in 2024. Inflation is expected to drop more sharply in the euro area, from an average of 5.4 per cent to 2.4 per cent. Forecasts also suggest that inflation rates will fall from 6.0 per cent to 2.4 per cent in Germany and from 5.9 per cent to 1.3 per cent in Italy. Disinflation is also expected to help ease the pressure on interest rates.

Our portfolio companies operate in numerous markets and regions. Individual assessments are particularly important; that applies to the economic environment for the different business models and to the development potential of the companies in 2024 that form the basis of our forecasts. Given the variety of business models in our portfolio, we expect these different factors to offset each other, at least in part.

M&A market: Marked increase in activity

Based on the private equity investment opportunities we were able to review in the financial year 2023/2024, M&A activity has increased steadily in the year under review. During this period, we investigated 328 opportunities, which was up significantly from the 241 reviewed in the previous year.

We observed a steady increase into the third quarter of the reporting year, where we reviewed the highest number of investment opportunities in ten quarters. While the number dipped slightly in the fourth quarter, it remained well above the levels seen in the first and second quarter.

In any event, it is also not only the absolute number of opportunities that matters, but first and foremost their quality. We believe that we are still well positioned in this respect – primarily due to our excellent access to family businesses and what are often bilateral negotiation situations generated through our network.

Borrowings: Financing partners likely to remain selective in their lending approach

In the first half of the calendar year 2024, we observed further movement towards normalisation in the debt financing market. However, banks and private debt funds still remained selective in extending loans, in particular to small and medium-sized companies. Given the ongoing geopolitical risks and the weak macroeconomic environment, we do not anticipate a fundamental shift before the end of 2025. However, further interest rate cuts by the ECB in particular are expected to have a positive impact on both corporate debt-servicing capacity and on lenders' readiness to extend loans.

While defensive companies that are not being hit as hard by the current risk factors will probably be able to obtain financing at attractive conditions, the financing market will remain much tighter for companies that are exposed to greater macroeconomic risks, as well as for those whose corporate strategy is more difficult to communicate.

In line with the current situation, we expect financiers to remain open to increasing existing credit lines in a buy-and-build context, as well as to follow-on financing and loan renewals. On the other hand, if geopolitical risks start to subside and macroeconomic expectations stabilise or even improve, we expect to see a rapid increase in risk appetite again, particularly among banks.

Report on expected developments

Expected business development

		2023/2024 or 30 Sep 2024	Expectations for abridged FY or 31 Dec 2024	Expectations for 2025 or 31 Dec 2025	Expectations for 2027 or 31 Dec 2027
Financial performance indicators					
Net asset value (reporting date)[1]	€mn	688.4	645 to 755	665 to 780	815 to 955
NAV per share (based on the number of shares outstanding)	€	38	35 to 42	36 to 43	44 to 53
EBITA Fund Investment Services	€mn	16	2 to 4	8 to 13	12 to 18
Non-financial performance indicators					
Carbon footprint (scope 1-3)[2]	t CO_2/employee	2.8	2.8	2.8	2.8
Employee satisfaction	%	69	70	70	70
Payments from compliance breaches	€	0	0	0	0

1 Defined as total assets minus total liabilities

2 Scope 3 currently comprises business travel and commuting

Our net asset value forecast is based on the assumption that distribution policy remains unchanged. We aim to maintain a cash dividend of 1 euro per share for each 12-month financial year.

For the abridged financial year, this translates to 0.25 euros per share, reflecting one quarter of the annual amount. This approach is in line with our dividend policy, which stipulates a minimum distribution of 1 euro per share for a full financial year, proportionally adjusted to three months. On 19 November 2024, the Board of Management resolved to propose to the Annual General Meeting a dividend of 1 euro per share for the financial year 2023/2024.

We have also assumed that the share buyback programme resolved by the Board of Management will be completed. During the abridged financial year, the commissioned credit institution is expected to repurchase shares in a volume similar to that of the corresponding quarters of the financial year under review, with the remaining buyback volume to be utilised in the financial year 2025.

The forecast for the net asset value per share is based on these assumptions and those relating to the development of our net asset value in absolute terms presented below.

In light of the macroeconomic developments, which are likely to remain challenging, and having weighed up the risks and opportunities, we expect the future development of our portfolio value to remain muted in the abridged financial year 2024 and the financial year 2025, especially in our industrial portfolio.

Net asset value is expected to amount to between 645 and 755 million euros in the abridged financial year 2024 and to between 665 and 780 million euros in the financial year 2025. Net asset value per share is projected to be between 35 and 42 euros at the end of the abridged financial year and between 36 and 43 euros at the end of the financial year 2025.

We then expect to see this value increase further in the following two years. This means that the net asset value is projected to amount to between 815 and 955 million euros by the end of the financial year 2027. On a per-share basis, this means a range of between 44 and 53 euros.

Net income from investment activity is the item that has the greatest impact on the portfolio value and, in turn, on the net asset value. At the same time, net income from investment activity is also the item with the greatest budgetary and forecast uncertainty. It is determined to a considerable degree by gross gains and losses on measurement and disposal portfolio.

Report on expected developments

Projections of the earnings contribution for the private equity portfolio are based on current assumptions regarding the holding period and on a standardised annual increase in the value of the investments. The assumptions on the holding period include our assessment of the impact that the current macroeconomic environment will have on the individual investments. We also take into account deviations from the initial premises on which our assessment on the absolute value contribution of the change measures initiated in the portfolio companies is based.

Net measurement gains and losses represent the net amount of positive and negative value movements of the portfolio companies. These changes in value derive from the assumptions on the change in the fair value of an investment in comparison to the preceding reporting date. In the past, there were instances when sizeable gains were realised on disposal of investments, for example because industrial buyers were willing to pay premiums on the estimated fair value for strategic reasons or because financial investors paid such premiums after intense competition among bidders. Such events are not predictable. This is why we have assumed that the sale price corresponds to the fair value calculated in each case.

The changes in earnings multiples for the listed reference companies are not predictable either. We therefore always assume unchanged multiples from when the forecast is prepared. The value contribution generated from their actual development during a planning period can be either positive, as in the recently concluded financial year, or negative. Net income from investment activity also reflects expected income from our private debt investments.

Based on our assumptions, we expect EBITA from Fund Investment Services to amount to between 2 and 4 million euros in the abridged financial year 2024 and to between 8 and 13 million euros in the full financial year 2025. This is below the levels seen in the financial year under review, as we expect lower income and a moderate increase in expenses.

This decline is not unusual and reflects the fact that DBAG Fund VIII has slowed its investment pace in the current economic environment. It also means that successor funds will start investing later than originally planned. Consequently, the inflow of income for advisory services rendered will also be delayed, while expenses naturally continue to accrue. Turning to the last year of the planning period, earnings from Fund Investment Services are expected to be between 12 and 18 million euros.

While we remain committed to generally reducing our carbon footprint, we have reached a point where any further significant reductions now depend on our advisors providing evidence of their own carbon footprints. This information will allow us to factor their emissions into our calculations and adjust our procurement behaviour accordingly. Until we receive this data, we are assuming that our carbon footprint will remain stable.

We make sure to include the feedback we receive from our surveys on employee satisfaction in our business processes, refining the processes in line with the results. Our goal is to increase employee satisfaction to 70 per cent in the abridged financial year 2024. As this key performance indicator will also reach a point where it will be difficult for us to improve further, our goal for the following years will be to maintain this high level of employee satisfaction.

Our zero tolerance policy for any form of corruption and other unethical business practices remains fully and firmly in place and we continue to adhere to our goal of 0 euros in payments from compliance breaches in any given financial year.

General forecast

Performance expected to normalise after exceptional year

The forecasting framework for the abridged financial year 2024 and the financial year 2025 is a subdued one. We therefore expect a continuously challenging environment. Given the increasing number of investment opportunities, we remain optimistic about the M&A market.

As outlined above, we expect our net asset value to show subdued growth to begin with. Earnings from Fund Investment Services are likely to drop, in line with the life cycle of the funds and as a result of cost developments.

We believe that the current weakness in our key financial performance indicators is temporary and that DBAG is better placed than ever to seize the opportunities that may present themselves if the macroeconomic environment proves to be better than currently expected – especially in light of the strategic decisions that were implemented during the financial year under review.

Frankfurt/Main, 21 November 2024

Takeover-related disclosures

At 30 September 2024, the share capital of Deutsche Beteiligungs AG amounted to 66,733,328.76 euros. It is divided into 18,804,992 no-par value registered ordinary shares (no-par value shares) with a notional interest in the share capital of 3.55 euros (rounded). There is only one class of shares. All shares carry the same rights and obligations. Pursuant to section 67 (2) of the AktG, the rights and obligations arising from shareholdership in relation to the Company exist only for and against the person registered in the share ledger. Each no-par value share shall carry one vote. The Company has no voting rights from treasury shares. The voting right does not commence until the contribution has been made in full. Rights and obligations attached to the shares ensue from statutory provisions, in particular sections 12, 53a et seqq., 118 et seqq., and 186 of the AktG.

In June 2024, the Company was last notified in accordance with section 33 of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG) that 28.61 per cent of the voting rights were held directly by Rossmann Beteiligungs GmbH, Burgwedel, Germany. An agreement for the relinquishing of control has existed between DBAG and this company since March 2013. The agreement initially had a term of five years or until the end of the 2018 ordinary Annual General Meeting; the agreement is extended automatically until the end of the subsequent ordinary Annual General Meeting, unless due notice to terminate is given. According to the agreement, Rossmann Beteiligungs GmbH undertakes to exercise, for resolutions concerning the election or dismissal of Supervisory Board members, the voting rights attached to shares in DBAG attributable to the Rossmann Group as a whole, now and in the future, within a scope of no more than 45 per cent of the voting capital present at an Annual General Meeting. The Board of Management is not aware of any other restrictions relating to voting rights or the transfer of shares.

In accordance with DBAG's Articles of Association, the Board of Management consists of at least two individuals. The appointment of these members to the Board of Management requires a simple majority of the votes cast by the Supervisory Board members. In the event of a tie, the Chairman has the casting vote (Article 11 (4) of the Articles of Association). The Supervisory Board may exempt all or individual members of the Board of Management, in general or in individual cases, from the restrictions in section 181 of the German Civil Code (Bürgerliches Gesetzbuch – BGB). So far it has not made use of this option.

Amendments to the Articles of Association may be adopted pursuant to the provisions of sections 179, 133 of the AktG and pursuant to Article 17 of the Articles of Association. Where amendments to the Articles of Association relate merely to wording, the Supervisory Board is authorised to adopt these amendments. The Articles of Association provide that resolutions at the Annual General Meeting shall be generally adopted with a simple majority of the votes, or, insofar as a majority of the share capital is required, by a simple majority of the share capital, except where the law or the Articles of Association demand otherwise.

By virtue of a resolution adopted by the ordinary Annual General Meeting on 22 February 2024, the Board of Management is – with the agreement of the Supervisory Board – authorised to increase, on one or more occasions, the share capital by up to a total amount of 13,346,664.34 euros during the period up to 21 February 2029 in exchange for cash and/or non-cash contributions, whereby shareholders' subscription rights may be excluded under the conditions specified in the authorisation (Authorised Capital 2024). While shareholders are generally entitled to subscription rights, the Board of Management is nonetheless authorised to exclude shareholders' statutory subscription rights in the circumstances set out in the authorising resolution, subject to approval by the Supervisory Board. The Board of Management did not make use of this authorisation in the reporting year.

By way of a resolution passed by the ordinary Annual General Meeting held on 28 February 2023, the Board of Management is authorised up to 27 February 2028, subject to the consent of the Supervisory Board, to acquire treasury shares for purposes other than trading in treasury shares up to a maximum volume of ten per cent of the existing share capital at the time when the Annual General Meeting was held (66,733,328.76 euros) or – if this value is lower – of the share capital existing at the time of exercising this authorisation.

On 22 February 2024, the Board of Management resolved, with the agreement of the Supervisory Board, to launch a share buyback programme with a total volume of up to 20 million euros. 506,708 shares were bought under this share buyback programme as at the reporting date, for a total purchase price of 13,215,938.25 euros.

By way of a resolution passed by the ordinary Annual General Meeting held on 22 February 2024, the share capital has been conditionally increased by up to 13,346,664.34 euros by issuing up to 3,760,998 new no-par value registered shares (Conditional Capital 2024/I). This is on condition that the number of shares increases by the same ratio as the share capital. The conditional capital increase serves the purpose of granting new no-par value registered shares to the holders or creditors of bonds cum warrants and/or convertible bonds (collectively referred to as the "Bonds") – in each case with the respective option or conversion rights or option or conversion obligations – that will be issued by 21 February 2029 pursuant to the authorisation resolved upon by the Annual General Meeting on 22 February 2024.

On 28 June 2024, the Board of Management resolved, with the approval of the Supervisory Board, to place a convertible bond issue with a total nominal value of 100 million euros on the market. The Conditional Capital 2024/I will be used for this convertible bond insofar as conversion rights will be exercised for the delivery of shares instead of being fulfilled in another way.

The existing authorisations are detailed in the respective resolutions passed at the Annual General Meetings mentioned above. The members of the Board of Management do not have a special right to terminate their service contracts in the event of a change of control at Deutsche Beteiligungs AG. In this event, they are also not entitled to severance payments based on compensation agreements.

Corporate Governance Statement (sections 289f and 315d of the HGB)

The Corporate Governance Statement pursuant to sections 289f and 315d of the HGB is permanently available in the Investor Relations section of our website under Corporate Governance (https://www.dbag.com/investor-relations/corporate-governance/management-declaration). It includes the Declaration of Compliance with the German Corporate Governance Code, pursuant to section 161 of the AktG, information on corporate governance practices and a description of how the Board of Management and the Supervisory Board work, as well as information on targets for the share of female members on the Supervisory Board, the Board of Management and the management level below the Board of Management.

Consolidated financial statements

"We successfully diversified our matched-maturity refinancing profile during the financial year 2023/2024."

Melanie Wiese, Chief Financial Officer

Consolidated statement of comprehensive income

for the period from 1 October 2023 to 30 September 2024

€'000	Notes	1 Oct 2023 to 30 Sep 2024	1 Oct 2022 to 30 Sep 2023
Net income from investment activity	9	61,138	109,577
Income from Fund Services	10	47,543	45,859
Income from Fund Services and investment activity		**108,681**	**155,435**
Personnel expenses	11	(31,617)	(27,088)
Other operating income	12	4,893	4,748
Other operating expenses	13	(26,792)	(22,320)
Interest income		144	128
Interest expenses	14	(5,342)	(2,319)
Other income/expense items		**(58,714)**	**(46,851)**
Earnings before taxes		**49,966**	**108,585**
Income taxes	15	(2,449)	(2,799)
Earnings after taxes		**47,518**	**105,786**
Net income attributable to other shareholders	23	(4)	(6)
Net income		**47,514**	**105,780**
Items that will not be reclassified subsequently to profit or loss			
Gains (+)/losses (-) on remeasurements of the net defined benefit liability (asset)	15, 28	(518)	(753)
Other comprehensive income		**(518)**	**(753)**
Total comprehensive income		**46,996**	**105,026**
Earnings per share in € (basic)[1]		2.55	5.63
Earnings per share in € (diluted)[2]	35	2.50	5.63

1 Earnings per share (basic) calculated in accordance with IAS 33 are based on net income divided by the average number of DBAG shares outstanding in the reporting period.
2 Earnings per share (diluted) calculated in accordance with IAS 33 are based on the average number of DBAG shares outstanding in the reporting period under the assumption that all conversion rights are exercised as at the date of issue. At the same time, net income is adjusted by the negative net impact on earnings (interest expense after taxes).

Consolidated statement of cash flows

for the period from 1 October 2023 to 30 September 2024

Inflows(+) / Outflows (-)

€'000	Notes	1 Oct 2023 to 30 Sep 2024	1 Oct 2022 to 30 Sep 2023
Net income		47,514	105,780
Measurement gains (-)/losses (+) on financial assets and other financial instruments, depreciation/amortisation/impairment of property, plant and equipment and intangible assets, gains (-)/losses (+) on securities	9, 16, 17, 20, 21	(52,432)	(105,216)
Increase (+)/decrease (-) in income tax assets	22	(1,507)	521
Increase (+)/decrease (-) in other assets (net)	18, 19, 22	8,478	7,294
Increase (+)/decrease (-) in pension provisions	28	(914)	392
Increase (+)/decrease (-) in income taxes payable	22	2,673	(2,655)
Increase (+)/decrease (-) in other provisions	29	(3,662)	3,141
Increase (+)/decrease (-) in other liabilities (net)	22, 24, 25, 26, 27, 30	12,895	90
Cash flow from operating activities		**13,045**	**9,347**
Proceeds from disposals of financial assets	9, 17	117,619	119,452
Payments for investments in financial assets	9, 17	(103,020)	(94,300)
Proceeds from disposals of other financial instruments	9, 21	19,020	43,510
Payments for investments in other financial instruments	9, 21	(4,910)	(19,275)
Cash flow from investment activity	32	28,708	49,388
Proceeds from disposals of property, plant and equipment and intangible assets	16	0	33
Payments for investments in property, plant and equipment and intangible assets	16	(714)	(752)
Payments for investments in short-term securities	20	(126,400)	0
Cash flows from changes in the scope of consolidation	4	(6,042)	0
Cash flow from investing activities		**(104,448)**	**48,669**
Proceeds from capital measures	23	0	(42)
Proceeds from the sale of treasury shares		392	0
Payments for the acquisition of treasury shares	23	(12,922)	0
Payments to shareholders (dividends)	23, 32	(18,803)	(15,044)
Proceeds from drawdowns of credit liabilities	25, 32	210,000	15,000
Payments for redemption of credit liabilities	25, 32	(81,750)	(56,000)
Payments for lease liabilities	27, 32	(1,565)	(1,072)
Cash flow from financing activities		**95,352**	**(57,157)**
Net change in cash and cash equivalents		3,948	860
Cash and cash equivalents at start of reporting period	32	20,018	19,158
Cash and cash equivalents at end of reporting period		**23,966**	**20,018**

Consolidated statement of financial position

as at 30 September 2024

€'000		30 Sep 2024	30 Sep 2023
Assets			
Non-current assets			
Intangible assets	16	52,104	158
Property, plant and equipment	16	13,288	13,769
Financial assets	17	678,728	635,404
Other assets	18	854	852
Deferred tax assets	22	343	1,790
Total non-current assets		**745,316**	**651,973**
Current assets			
Receivables	19	8,469	15,444
Securities	20	126,400	0
Other financial instruments	21	3,880	17,990
Income tax assets	22	2,648	1,141
Cash and cash equivalents		23,966	20,018
Other assets	18	3,006	1,705
Total current assets		**168,370**	**56,296**
Total assets		**913,687**	**708,269**

€'000		30 Sep 2024	30 Sep 2023
Equity and liabilities			
Equity	23		
Subscribed capital		64,978	66,725
Capital reserve		256,843	260,019
Retained earnings and other reserves		(1,774)	(1,256)
Consolidated retained profit		368,314	343,891
Total equity		**688,361**	**669,379**
Liabilities			
Non-current liabilities			
Liabilities under interests held by other shareholders	24	62	59
Credit liabilities	25	126,155	0
Lease liabilities	27	11,329	11,647
Other financial liabilities	26	33,810	0
Provisions for pensions obligations	28	3,773	4,687
Other provisions	29	473	420
Deferred tax liabilities	22	13,278	0
Total non-current liabilities		**188,880**	**16,813**
Current liabilities			
Lease liabilities	27	1,519	1,490
Other financial liabilities	26	852	0
Other liabilities	30	12,841	1,908
Income tax liabilities	22	4,214	1,541
Other provisions	29	17,019	17,138
Total current liabilities		**36,445**	**22,077**
Total liabilities		**225,326**	**38,890**
Total equity and liabilities		**913,687**	**708,269**

Consolidated statement of changes in equity

for the period from 1 October 2023 to 30 September 2024

€'000	Note	Subscribed capital	Capital reserve	Legal reserve	Retained earnings and other reserves: First-time adoption of IFRS	Retained earnings and other reserves: Reserve for changes in accounting methods	Retained earnings and other reserves: Reserve for gains/losses on remeasurements of the net defined benefit liability (asset)[1]	Consolidated retained profit	Equity
1 Oct 2023	23	66,725	260,019	403	16,129	(109)	(17,678)	343,891	669,379
Net income								47,514	47,514
Remeasurements of the net defined benefit liability (asset)							(518)		(518)
Total comprehensive income							(518)	47,514	46,996
Payments to shareholders (dividends)								(18,803)	(18,803)
Acquisition of treasury shares		(1,748)	(6,785)					(4,291)	(12,824)
Other			3,610						3,610
30 Sep 2024	23	**64,978**	**256,843**	**403**	**16,129**	**(109)**	**(18,196)**	**368,314**	**688,361**

1 Reserve for gains/losses on remeasurements of the net defined benefit liability (asset)

€'000	Note	Subscribed capital	Capital reserve	Legal reserve	Retained earnings and other reserves: First-time adoption of IFRS	Retained earnings and other reserves: Reserve for changes in accounting methods	Retained earnings and other reserves: Reserve for gains/losses on remeasurements of the net defined benefit liability (asset)[1]	Consolidated retained profit	Equity
1 Oct 2022	23	66,733	260,069	403	16,129	(109)	(16,925)	253,156	579,455
Net income								105,780	105,780
Remeasurements of the net defined benefit liability (asset)							(753)		(753)
Total comprehensive income							(753)	105,780	105,026
Payments to shareholders (dividends)								(15,044)	(15,044)
Other		(8)	(50)						(58)
30 Sep 2023	23	**66,725**	**260,019**	**403**	**16,129**	**(109)**	**(17,678)**	**343,891**	**669,379**

1 Reserve for gains/losses on remeasurements of the net defined benefit liability (asset)

Notes to the consolidated financial statements

General disclosures

1. Principal activity of the Group

Deutsche Beteiligungs AG (DBAG) is a listed private equity company. It initiates and structures closed-end private equity funds ("DBAG funds") for investments in equity or equity-like instruments predominantly of unlisted companies, and provides advice for these funds. ELF Capital Advisory GmbH (ELF Capital), in which DBAG acquired a majority shareholding in the year under review, initiates and advises closed-end private debt funds ("ELF funds"). This acquisition has allowed DBAG to expand its range of services to include private debt.

In addition to initiating and structuring funds, DBAG also enters into investments employing its own assets, in particular as a co-investor alongside DBAG funds, an investor in ELF funds and, without a fund, using exclusively its own financial resources ("Long-Term Investments").

While DBAG traditionally focuses on mid-market companies in Germany, Austria and Switzerland (the DACH region), it moved into the Italian market in 2020 and also invests in companies in other European countries. All of the Company's business processes and management are bundled at DBAG's registered office in Frankfurt/Main. The Company also has an office in Milan: there is close and ongoing dialogue between the two locations. The last opened office in Luxembourg provides companies of the DBAG funds there with management and investment-related services.

DBAG's registered office is at Untermainanlage 1, 60329 Frankfurt/Main, Germany. The Company is registered in the Commercial Register at the Frankfurt/Main local court (Amtsgericht Frankfurt/Main) under HRB 52491.

2. Basis of the consolidated financial statements

The consolidated financial statements of DBAG as at 30 September 2024 are consistent with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as applicable in the European Union. The interpretations of the IFRS Interpretations Committee (IFRIC) are also applied. In addition, the applicable commercial law requirements as stipulated in section 315e (1) of the German Commercial Code (Handelsgesetzbuch – HGB) have been taken into account.

The consolidated financial statements consist of the consolidated statement of comprehensive income, the consolidated statement of cash flows, the consolidated statement of financial position, the consolidated statement of changes in equity as well as these notes to the consolidated financial statements. They comprise the financial statements of DBAG and its fully-consolidated subsidiaries ("DBAG Group"). The accounting policies set out in note 6 are applied consistently.

Apart from DBAG, seven (previous year: eight) of the companies included in the consolidated financial statements prepare their respective financial statements as at the reporting date 30 September. For the remaining seven (previous year: five) consolidated companies, the financial year corresponds to the calendar year. These companies prepare interim financial statements as at DBAG's reporting date for consolidation purposes.

The accounting and consolidation policies as well as the notes and disclosures to the consolidated financial statements are applied consistently, except when IFRS require changes to be made (see note 3) or the changes result in more reliable and relevant information.

The consolidated statement of comprehensive income is structured based on the nature of expense method. In the interests of presenting information that is relevant to the business of DBAG as a private equity firm, "Net income from investment activity" as well as "Income from Fund Services" are presented instead of revenues. The items of other comprehensive income are stated after taking into account all related tax effects as well as the respective reclassification adjustments. Reclassifications between other comprehensive income and profit or loss are disclosed in the notes to the consolidated financial statements.

In the consolidated statement of cash flows, cash flows are broken down into cash flows from operating activities, cash flows from investing activities and cash flows from financing activities (see note 32).

The consolidated financial statements were prepared in euros. The amounts are rounded to thousands of euros, except when transparency reasons require amounts to be presented in euros. As a result, rounding differences may occur in the tables of this report.

The consolidated financial statements were prepared on a going concern basis

Currently, the Company's financial year does not correspond to the calendar year. In order to adjust the financial year to common market practice and the accounting periods of the funds and of the portfolio companies, the ordinary Annual General Meeting on 22 February 2024 resolved to change DBAG's financial year to the calendar year from 1 January 2025. The period from 1 October to 31 December 2024 is an abridged financial year.

On 21 November 2024, the Board of Management of DBAG authorised the consolidated financial statements and the combined management report. The consolidated financial statements were submitted to the Supervisory Board for acknowledgement at its meeting on 27 November 2024.

Pursuant to section 264b of the HGB, DBG Advising GmbH & Co KG, Frankfurt/Main, Germany has refrained from preparing financial statements and a management report, from having these audited, and from publishing them.

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3. Changes in accounting methods due to amended rules

Standards as well as amendments to standards applicable for the first time in the year under review

The following amendments to standards must be applied for the first time in the consolidated financial statements as at 30 September 2024:

Standards and amendments to standards	Publication in the EU Official Journal	First-time application in the EU	Contents	Impacts
Amendments to IAS 1 "Presentation of Financial Statements"	3 March 2022	1 January 2023	Disclosure of material accounting policies	None
Amendments to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"	3 March 2022	1 January 2023	Definition of Accounting Estimates	None
Amendments to IAS 12 "Income Taxes"	12 August 2022	1 January 2023	- Presentation of deferred taxes relating to assets and liabilities arising from a single transaction - Temporary exemption from recognising deferred taxes, as a result of global minimum tax being introduced	None
IFRS 17 "Insurance Contracts" and Amendments to IFRS 17 "Insurance Contracts"	23 November 2021	1 January 2023	- Replacement of the previous IFRS 4 "Insurance Contracts" - First-time application of IFRS 17 and IFRS 9 – Comparative information	Not relevant

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New standards as well as amendments to standards that have not yet been applied

The new standards (or amendments to standards) set out below were issued by the IASB. The effective date, indicating when the respective standard or amendment is required to be applied, is given in parentheses. DBAG aims for first-time application of the respective standard in the financial year beginning after that date. No use will therefore be made of voluntary early application of these standards or amendments.

Standards and amendments to standards	Publication in the EU Official Journal	First-time application in the EU	Contents	Impacts
Amendments to IAS 1 "Presentation of Financial Statements"	20 December 2023	1 January 2024	Classification of liabilities as current or non-current	None
	20 December 2023	1 January 2024	Classification of debt with covenants	None
Amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures"	16 May 2024	1 January 2024	Disclosure of financing agreements with suppliers	None
Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates"	13 November 2024	1 January 2025	Exchange rate determination where a currency is not exchangeable over the long term	None
Amendments to IFRS 9 "Financial instruments" and IFRS 7 "Financial Instruments: Disclosures"	Pending	n/a	Derecognition of financial liabilities upon settlement by electronic payments in cash	currently being investigated
Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures"	Delayed for the time being	n/a	Disposal of assets or the contribution of assets to an associate or a joint venture	None
IFRS 14 "Regulatory Deferral Accounts"	Delayed for the time being	n/a	Optional facilitation for first-time adopters of IFRS	Not relevant
Amendments to IFRS 16 "Leases"	21 November 2023	1 January 2024	Subsequent measurement of sale-and-leaseback transactions with the seller or the lessee	None
IFRS 18 "Presentation and Disclosure in Financial Statements"	Pending	n/a	- Introduction of new subtotals in the statement of profit or loss; special rules for companies that offer investing/financing transactions as part of their main business activity - Information on management-defined performance measures and corresponding reconciliation	currently being investigated
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	Pending	n/a	Disclosure requirements an entity is permitted to apply instead of those set out in other IFRSs	None
Annual Improvements to IFRS Accounting Standards – 2024-2026 cycle	Pending	n/a	- IFRS 1 "First-time Adoption of International Financial Reporting Standards" - IFRS 7 "Financial Instruments: Disclosures" - IFRS 9 "Financial Instruments" - IFRS 10 "Consolidated Financial Statements" - IAS 7 "Cash Flow Statement"	None

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4. Disclosures on the group of consolidated companies and on interests in other entities

4.1 Status of DBAG as an investment entity as defined in IFRS 10

DBAG initiates closed-end private equity funds for investments in equity or equity-like instruments, predominantly in unlisted companies. It solicits capital commitments from institutional investors to DBAG funds and provides asset management services to them via fully-consolidated subsidiaries. Closed-end private debt funds are initiated via the majority shareholding in ELF Capital acquired in the year under review (see explanations in the following note). The management companies of the funds are under the obligation to their investors to invest the capital based on a contractually agreed investment strategy that aims to realise increases in value through sales and to generate current income. DBAG measures and evaluates the performance of the investments made by the DBAG funds, of its Long-Term Investments (note 4.4) and of the investments in ELF funds at quarterly intervals on a fair value basis. Thus, DBAG, as a parent company, meets the criteria of an investment entity as defined in IFRS 10.

DBAG is a listed public limited company; its shareholder structure is composed of private individual investors, family offices and institutional investors. Employing its own assets, it enters into investments mainly as a co-investor alongside the DBAG funds, an investor in ELF funds and independently from the funds outside of their investment strategies. Based on co-investment agreements with the DBAG funds, DBAG, alongside the DBAG funds, invests in the same companies and in the same instruments based on the same terms as other fund investors. DBAG invests in ELF funds alongside the other fund investors. Employees (related parties) and former employees of DBAG also co-invest in the co-investment vehicles and the funds. Due to the low investment share of related parties, this has no effect on DBAG's status as an investment entity. All typical characteristics of an investment entity within the meaning of IFRS 10 are therefore met. The status of DBAG as an investment entity is also not affected by the investments that are entered into independently from the funds or by waiving the status as a special investment company pursuant to the German Act on Special Investment Companies (see explanations in the following note).

4.2 Acquisition of ELF Capital

On 30 November 2023, DBAG acquired a stake of 51 per cent in each of the following: ELF Capital, ELF European Lending Management I S.à r.l., ELF European Lending Management II S.à r.l. and ELF Capital Solutions Management S.à r.l. ELF Capital initiates and advises closed-end private debt funds ("ELF funds"). ELF European Lending Management I S.à r.l., ELF European Lending Management II S.à r.l. and ELF Capital Solutions Management S.à r.l. are the general partners of the ELF funds and provide management services for the ELF funds.

DBAG's stake in ELF Capital enhances DBAG's offering to include private debt solutions; in addition, DBAG will generate income from the provision of services to the ELF funds, while also investing its own assets in the ELF funds.

The shares in the four companies were acquired by Deutsche Beteiligungs AG and subsequently transferred to subsidiaries. The shares in ELF Capital were transferred to DBG ELF Advisor Holding GmbH & Co. KG (consolidated subsidiary) and the shares in the three general partner companies were transferred to DBG Fund HoldCo GmbH & Co. KG (unconsolidated subsidiary). Accordingly, the shares in ELF Capital are fully consolidated, while those held in the general partner companies are not consolidated.

The transaction provided for a gradual increase in DBAG's stake in the four companies by the end of 2028. On the one hand, agreed call options entitle DBAG, subject to certain conditions, to acquire the remaining 49 per cent of the shares in ELF Capital and the three general partner companies in two tranches staggered over time. On the other hand, DBAG is the seller of two put options that oblige the Company to acquire the shares, subject to certain conditions. DBAG expects the acquisition of the remaining 49 per cent to be certain and has accounted for the transaction as if all ownership interests were acquired as at 30 November 2023. The consolidated statement of financial position shows a financial liability instead of interests of other shareholders.

Purchase price allocation at the date of acquisition

€'000	Fair value recognised
Assets	
Intangible assets	46,924
Property, plant and equipment	44
Financial assets	5
Deferred tax assets	665
Total non-current assets	**47,638**
Cash and cash equivalents	3,978
Other assets	1,107
Total current assets	**5,085**
Total assets	**52,723**
Equity and liabilities	
Deferred tax liabilities	15,336
Total non-current liabilities	**15,336**
Lease liabilities	35
Other liabilities	36
Other provisions	3,595
Total current liabilities	**3,666**
Total liabilities	**19,002**
Net asset value	**33,721**
Goodwill	**8,002**
Purchase price according to IFRS 3	**41,723**

The intangible assets reflected in the purchase price allocation include capitalised client relationships. These relate to the income from existing capital commitments and the income from expected capital commitments from existing fund investors. Their value is calculated on the basis of the actual or expected capital commitments and the expected future advisory fees derived from them. Discounting was based on discount rates of 9.9 per cent, taking into account a market risk

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premium of 7.0 per cent in accordance with the recommendation of the Expert Committee for Business Valuation and Economics (Fachausschuss für Unternehmensbewertung und Betriebswirtschaft – FAUB) of the Institute of Public Auditors in Germany (IDW) dated 22 October 2019. The useful life of these client relationships is assumed to be 12 years, which is based on the expected maximum term of the new ELF funds. In line with the recognition of intangible assets, income tax liabilities were recognised as liabilities. Due to the initial recognition of client relationships, there are corresponding deferred tax liabilities from taxable temporary differences. Tax loss carryforwards were also recognised.

The purchase price for the acquisition of 51 per cent of the shares in ELF Capital consists of a cash purchase price in the amount of 7,380,000 euros, a fixed subsequent purchase price payment, for which other financial liabilities of 340,000 euros were recognised, a variable subsequent purchase price payment, for which other financial liabilities of 2,064,000 euros were recognised, and capital contributions to the company in the amount of 2,640,000 euros. The variable subsequent purchase price payment is calculated as a fixed percentage of the binding capital commitments in the period between 1 June 2023 and 31 March 2027. There is no limit to the maximum amount and there is no minimum amount; we expect a maximum payout amount of 2,470,000 euros. 29,298,000 euros were recognised as other financial liabilities for the acquisition of the remaining 49 per cent of the shares in ELF Capital. The exact amount depends on the further development of the company's business.

Goodwill essentially reflects the expected future benefits of assets that could not be identified individually or that could not be recognised. This includes expected synergies and the employee base. Goodwill is not tax deductible.

The purchase price allocation presented in the half-yearly financial statements as at 31 March 2024 was provisional. In the meantime, it has been finalised as at 30 September 2024. Compared to the opening balance as at 31 March 2024, there mainly was a decrease in capitalised customer relationships by 7,139,000 euros and in the associated deferred tax liabilities by 2,182,000 euros. We expect a higher proportion of new fund investors in ELF funds in the future. Furthermore, there was an increase in deferred tax assets by 646,000 euros (loss carryforwards) and an increase in tax assets (tax refunds) by 666,000 euros. The contingent purchase price liability is limited to 45,000 euros; according to the updated calculation, the initial measurement of this liability decreased by a 4,159,000 euros. Overall, these adjustments resulted in a decrease of goodwill of 394,000 euros.

Transaction costs amounted to 212,000 euros in the year under review and 1,981,000 euros in the previous year. They are included in other operating expenses.

The profit or loss of ELF Capital since the acquisition date is shown below:

€'000	1 Dec 2023 to 30 Sep 2024
Income from Fund Services	2,081
Income from Fund Services	**2,081**
Personnel expenses	(2,006)
Other operating income	221
Other operating expenses	(3,634)
Interest income	3
Interest expenses	(1)
Other income/expense items	**(5,418)**
Earnings before taxes	**(3,336)**
Income taxes	1,381
Earnings after taxes	**(1,956)**

Income from Fund Services is currently more than offset by the total of personnel expenses and amortisation of capitalised customer relationships. We expect the personnel cost ratio to normalise as fundraising progresses from the year 2026.

As the financial years of the DBAG Group and ELF Capital differ, ELF Capital did not prepare interim financial statements during the year, the DBAG Group's profit or loss cannot be presented as if initial consolidation had already taken place on 1 October 2023.

The investment in ELF Capital required an amendment to DBAG's corporate object and waiving the status as a special investment company. The corresponding amendment to the Articles of Association was resolved at DBAG's Extraordinary General Meeting on 2 November 2023; the relevant entry into the commercial register was effected on 16 November 2023.

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4.3 Fully-consolidated subsidiaries

As an investment entity within the meaning of IFRS 10, DBAG only consolidates such subsidiaries that provide investment-related services to the investment entity. The following subsidiaries are included in the consolidated financial statements as at 30 September 2024:

Name	Registered office	Equity interest %[1]
AIFM-DBG Fund VII Management (Guernsey) LP	St. Peter Port, Guernsey	0.00
DBAG Italia S.r.l.	Milan, Italy	100.00
DBAG Luxembourg S.à r.l.	Luxembourg, Luxembourg	100.00
DBG Advising GmbH & Co. KG	Frankfurt/Main, Germany	20.00
DBG ECF IV GP S.à r.l.	Senningerberg, Luxembourg	20.00
DBG ELF Advisor Holding GmbH & Co. KG	Frankfurt/Main, Germany	20.00
DBG Fund VI GP (Guernsey) LP	St. Peter Port, Guernsey	0.00
DBG Fund VII GP S.à r.l.	Luxembourg-Findel, Luxembourg	0.00
DBG Fund VIII GP (Guernsey) L.P.	St. Peter Port, Guernsey	0.00
DBG Management GmbH & Co. KG	Frankfurt/Main, Germany	100.00
DBG Management GP (Guernsey) Ltd.[2]	St. Peter Port, Guernsey	3.00
DBG Managing Partner GmbH & Co. KG	Frankfurt/Main, Germany	20.00
ELF Capital Advisory GmbH	Frankfurt/Main, Germany	10.20
European PE Opportunity Manager LP	St. Peter Port, Guernsey	0.00

1 Unless stated otherwise, this corresponds to the voting rights; it represents an effective quota.
2 Voting rights of 0.0 per cent

These subsidiaries provide management or advisory services to the funds. The range of advisory services comprises the identification, analysis and structuring of investment opportunities, negotiation of the agreements, compilation of investment memorandums for the funds, and (in case of DBAG funds) also support for the portfolio companies during the holding period, and realisation of the funds' portfolio companies. When managing the funds, the range of services additionally includes taking investment decisions. The advisory services are provided by DBG Advising GmbH & Co KG, DBAG Italia S.r.l. and ELF Capital. DBG Managing Partner GmbH & Co. KG, which is registered as a small capital management company (Kapitalverwaltungsgesellschaft – KVG) in accordance with the German Capital Investment Code (Kapitalanlagegesetzbuch – KAGB) is responsible for the management of DBAG's German funds; DBG Management GP (Guernsey) Ltd. is registered in Guernsey as a KVG pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, and manages the funds based in Luxembourg and Guernsey.

As at the reporting date, DBG ELF Advisor Holding GmbH & Co. KG and ELF Capital (see note 4.2) are consolidated for the first time.

DBAG ceased to be the limited partner of DBG New Fund Management GmbH & Co. KG; DBG New Fund Management GmbH & Co. KG accrued to the unconsolidated company DGB Epsilon GmbH and was deconsolidated.

In the case of DBAG Italia S.r.l., DBAG Luxembourg S.à r.l. and DBG Management GmbH & Co. KG, the parent-subsidiary relationship results from the fact that DBAG holds the majority of voting rights in these entities and obtains control over these entities.

DBAG does not hold the majority of the voting rights in AIFM-DBG Fund VII Management (Guernsey) LP, DBG Advising GmbH & Co. KG, DBG ECF IV GP S.à r.l., DBG ELF Advisor Holding GmbH & Co. KG, DBG Fund VI GP (Guernsey) LP, DBG Fund VIII GP (Guernsey) L.P., DBG Management GP (Guernsey) Ltd., DBG Managing Partner GmbH & Co. KG and European PE Opportunity Manager LP. However, in the entities mentioned, there are partners with voting rights who are parties related to DBAG and give DBAG a controlling position within the meaning of IFRS 10. DBAG therefore has control over the entity's relevant activities; it also receives the majority of the distributable amounts and can influence the amount of these variable returns.

DBAG obtains control over DBG Fund VII GP S.à r.l. via the fully-consolidated AIFM-DBG Fund VII Management (Guernsey) LP which holds all of the equity interests in the company. DBAG obtains control over ELF Capital via DBG ELF Advisor Holding GmbH & Co. KG, which holds 51 per cent of the company's equity interests. DBAG is entitled to the entire profits of DBG ELF Advisor Holding GmbH & Co. KG.

4.4 Unconsolidated investment entity subsidiaries

The co-investments that DBAG makes employing its own assets in order to align its interests with those of funds advised are made through its own companies (referred to as "co-investment vehicles"). These companies do not provide investment-related services but serve the sole purpose of bundling the co-investments of DBAG along-side a fund. The investments through which DBAG invests in the ELF funds are made via DBAG ELF Funds Konzern GmbH & Co. KG; the company does not provide any investment-related services.

Long-Term Investments that DBAG enters into independently from the funds, using DBAG's own financial resources, are also made via a separate company ("on-balance sheet investment vehicle"). Every on-balance sheet investment vehicle exclusively serves the purpose of holding one Long-Term Investment of DBAG; it does not provide any investment-related services. In the reporting year, a new company – DBAG Bilanzinvest VI GmbH & Co. KG – was established for this purpose. DBAG will enter into its sixth Long-Term Investment via this company.

Deutsche Beteiligungsgesellschaft mbH (DBG) meets the criteria for classification as an investment entity. Before the introduction of the co-investments alongside the funds, DBAG invested in individual portfolio companies and international funds via this company. In the reporting year, DBG distributed returns from the disposal of its last remaining investment; further distributions are not expected. The company additionally provides investment-related services.

The co-investment vehicles, the on-balance sheet-investment vehicles, DBAG ELF Funds Konzern GmbH & Co. KG and DBG – known collectively as investment entity subsidiaries – are not consolidated but rather recognised at fair value through profit or loss and presented under

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financial assets (see also the comments in note 6 under the heading "Fair value measurement of financial assets through profit or loss").

Name	Registered office	Equity interest %[1]
DBAG Bilanzinvest I (Smart Metering) GmbH & Co. KG	Frankfurt/Main, Germany	100.00
DBAG Bilanzinvest II (TGA) GmbH & Co. KG	Frankfurt/Main, Germany	100.00
DBAG Bilanzinvest III (data centers) GmbH & Co. KG	Frankfurt/Main, Germany	100.00
DBAG Bilanzinvest IV (Dental) GmbH & Co. KG	Frankfurt/Main, Germany	100.00
DBAG Bilanzinvest V (Construction) GmbH & Co. KG	Frankfurt/Main, Germany	100.00
DBAG Bilanzinvest VI GmbH & Co. KG	Frankfurt/Main, Germany	100.00
DBAG ELF Funds Konzern GmbH & Co. KG	Frankfurt/Main, Germany	100.00
DBAG Expansion Capital Fund Konzern GmbH & Co. KG[2]	Frankfurt/Main, Germany	99.00
DBAG Expansion Capital Fund IV Konzern SCSp	Senningerberg, Luxemburg	99.99
DBAG Fund V Konzern GmbH & Co. KG i.L.	Frankfurt/Main, Germany	99.00
DBAG Fund VI Konzern (Guernsey) L.P.	St. Peter Port, Guernsey	99.99
DBAG Fund VII Konzern SCSp	Luxembourg-Findel, Luxembourg	99.99
DBAG Fund VII B Konzern SCSp	Luxembourg-Findel, Luxembourg	99.99
DBAG Fund VIII A Konzern (Guernsey) L.P.	St. Peter Port, Guernsey	99.99
DBAG Fund VIII B Konzern (Guernsey) L.P.	St. Peter Port, Guernsey	99.99
Deutsche Beteiligungsgesellschaft mbH	Königstein/Taunus, Germany	100.00

1 Unless stated otherwise, this corresponds to the share of voting rights.
2 DBAG Expansion Capital Fund Konzern GmbH & Co. KG comprises three consecutive investment periods of DBAG ECF: DBAG ECF I, DBAG ECF II, and DBAG ECF III, all of which are managed as separate accounting areas.

The investments made by DBAG using its own assets alongside the DBAG funds are based on co-investment agreements with the funds. This means that DBAG has a contractual obligation to provide financing for investments and costs at a fixed quota for each of the funds; it can, however, unilaterally waive that contractual obligation (right to opt out), but would then forgo the opportunity of investing alongside the respective fund for the remaining term of that fund. In order to invest its funds profitably and at the same time align its own interests with those of the fund investors, DBAG does not intend to exercise this right to opt out.

Investment agreements of DBAG ELF Funds Konzern GmbH & Co. KG with the ELF funds are used as the basis for the investments of DBAG in the ELF fund. This means that DBAG ELF Funds Konzern GmbH & Co. KG has a contractual obligation to provide financing for investments and costs in line with the relevant investment quota. The Company has the right to opt out of this obligation for individual investments; the continued assumption of costs in proportion to the investment quota remains unaffected.

At the reporting date, DBAG has the following obligations under (co-)investment agreements ("callable capital commitments"):

€'000

Name	Capital Commitment	Accumulated capital calls as at 30 Sep 2024	Callable capital commitments as at 30 Sep 2024
DBAG ECF Konzern GmbH & Co. KG (DBAG ECF I)	94,320	99,352	14,559
DBAG ECF Konzern GmbH & Co. KG (DBAG ECF II)	34,751	25,742	15,959
DBAG ECF Konzern GmbH & Co. KG (DBAG ECF III)	43,302	43,300	6,346
DBAG Expansion Capital Fund IV Konzern SCSp	97,059	55,979	44,504
DBAG ELF Funds Konzern GmbH & Co. KG	100,000	15,442	84,558
DBAG Fund V Konzern GmbH & Co. KG i.L.	103,950	103,805	0
DBAG Fund VI Konzern (Guernsey) L.P.	133,000	148,890	4,060
DBAG Fund VII Konzern SCSp	183,000	181,221	33,221
DBAG Fund VII B Konzern SCSp	17,000	17,012	958
DBAG Fund VIII A Konzern (Guernsey) L.P.	210,000	135,659	126,466
DBAG Fund VIII B Konzern (Guernsey) L.P.	45,000	17,481	27,519
	1,061,382	**843,883**	**358,150**

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€'000 Name	Capital Commitment	Accumulated capital calls as at 30 Sep 2023	Callable capital commitments as at 30 Sep 2023
DBAG ECF Konzern GmbH & Co. KG (DBAG ECF I)[1]	94,320	104,739	33,096
DBAG ECF Konzern GmbH & Co. KG (DBAG ECF II)	34,751	25,742	15,959
DBAG ECF Konzern GmbH & Co. KG (DBAG ECF III)	43,302	41,713	7,932
DBAG Expansion Capital Fund IV Konzern SCSp	68,696	30,597	38,099
DBAG Fund V Konzern GmbH & Co. KG i.L.	103,950	103,805	0
DBAG Fund VI Konzern (Guernsey) L.P.	133,000	148,890	4,060
DBAG Fund VII Konzern SCSp	183,000	205,226	36,592
DBAG Fund VII B Konzern SCSp	17,000	20,090	1,408
DBAG Fund VIII A Konzern (Guernsey) L.P.	210,000	130,819	79,181
DBAG Fund VIII B Konzern (Guernsey) L.P.	45,000	17,291	27,709
	933,019	**828,911**	**244,038**

1 Taking into account the limitation of capital commitments to 75 per cent of the originally subscribed capital commitments.

The callable capital commitments are determined in accordance with the Articles of Association of the fund. For the DBAG funds, these comprise capital commitments that have not yet been called, as well as callable distributions. The partnership agreements for the DBAG funds allow distributions of up to 20 per cent[1] of the initial capital commitment to be recalled for follow-on investments in existing portfolio companies. This means that an individual fund can achieve accumulated capital calls of up to 120 per cent. As at the reporting date, the callable capital commitments at the co-investment vehicles of DBAG ECF I, DBAG ECF II, DBAG ECF III, DBAG ECF IV, DBAG Fund VI, DBAG Fund VII and DBAG Fund VIII (principal fund) include callable distributions. For the ELF funds, callable capital commitments include capital commitments that have not yet been called, as well as capital commitments that have been called and repaid in the meantime. The partnership agreements for the ELF funds allow for the reinvestment of capital commitments that have been called and already repaid if the respective fund is in the investment phase. This means that accumulated capital calls for an individual fund can significantly exceed the capital commitments.

[1] In DBAG ECF I, of the distributions made after 30 April 2020, up to 10 per cent of the relevant capital commitments are callable for follow-on investments.

Based on its co-investing activity in the reporting year, DBAG received the following disbursements or made the following investments:

€'000	2023/2024	
Name	Disbursements	Investments
DBAG ELF Funds Konzern GmbH & Co. KG	0	15,442
DBAG Expansion Capital Fund Konzern GmbH & Co. KG (DBAG ECF I)	3,895	3,971
DBAG Expansion Capital Fund Konzern GmbH & Co. KG (DBAG ECF III)	4,056	1,587
DBAG Expansion Capital Fund IV Konzern SCSp	5,003	26,961
DBAG Fund VI Konzern (Guernsey) L.P.	13,283	0
DBAG Fund VII Konzern SCSp	7,063	11,341
DBAG Fund VII B Konzern SCSp	1,129	1,179
DBAG Fund VIII A Konzern (Guernsey) L.P.	52,125	16,262
DBAG Fund VIII B Konzern (Guernsey) L.P.	0	570
	86,554	**77,313**

€'000	2022/2023	
Name	Disbursements	Investments
DBAG Expansion Capital Fund Konzern GmbH & Co. KG (DBAG ECF I)	2,862	6,501
DBAG Expansion Capital Fund Konzern GmbH & Co. KG (DBAG ECF II)	0	95
DBAG Expansion Capital Fund Konzern GmbH & Co. KG (DBAG ECF III)	30,181	2,550
DBAG Expansion Capital Fund IV Konzern SCSp	0	30,597
DBAG Fund V Konzern GmbH & Co. KG i.L.	6,056	0
DBAG Fund VI Konzern (Guernsey) L.P.	16,630	1,500
DBAG Fund VII Konzern SCSp	56,648	17,420
DBAG Fund VII B Konzern SCSp	7,072	1,611
DBAG Fund VIII A Konzern (Guernsey) L.P.	0	32,720
DBAG Fund VIII B Konzern (Guernsey) L.P.	0	1,074
	119,450	**94,068**

DBAG ELF Funds Konzern GmbH & Co. KG made one new investment.

The co-investment vehicle of DBAG ECF IV invested in a new portfolio company and made follow-on investments in an existing portfolio company. Moreover, the fund called up funds for an investment agreed but not yet completed as at the reporting date.

Disbursements of the co-investment vehicle of DBAG Fund VI are attributable to the distribution following disposal of the remaining shares held in a portfolio company.

Disbursements of the co-investment vehicles of DBAG Fund VII refer to returns from a portfolio company following disposal. DBAG Fund VII Konzern SCSp (principal fund) supported follow-on investments in four existing portfolio companies by contributing additional equity, with DBAG Fund VII B Konzern SCSp (Top-up Fund) co-investing in three of these.

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Disbursements of the co-investment vehicles of DBAG Fund VIII (principal fund) refer to returns from a portfolio company following disposal. The co-investment vehicle of DBAG Fund VIII (principal fund) supported follow-on investments in three existing portfolio companies by contributing additional equity. The co-investment vehicle of the top-up fund co-invested in one of the follow-on investments.

4.5 Interests in portfolio companies

DBAG holds direct interests in one portfolio company:

Name	Registered office	Equity interest %[1]
JCK Holding GmbH Textil KG	Quakenbrück, Germany	3.60

1 Voting rights of 0.00 per cent

DBAG does not have a significant influence on the portfolio company. Since the entity is allocated to the investment business, it is recognised at fair value through profit or loss and presented under financial assets (see also the comments in note 6 under the heading “Fair value measurement of financial assets through profit or loss”).

4.6 Unconsolidated subsidiaries

The following subsidiaries are not included in the consolidated financial statements:

Name	Registered office	Equity interest %[1]
DBAG Bilanzinvest Verwaltungs GmbH	Frankfurt/Main, Germany	100.00
DBAG ELF Funds Konzern Verwaltungs GmbH	Frankfurt/Main, Germany	100.00
DBAG Investor Relations GmbH & Co. KG	Frankfurt/Main, Germany	100.00
DBAG Solvares Continuation Fund GmbH & Co. KG	Frankfurt/Main, Germany	20.00
DBAG Solvares Continuation Fund Konzern GmbH & Co. KG	Frankfurt/Main, Germany	100.00
DBG Advising Verwaltungs GmbH	Frankfurt/Main, Germany	20.00
DBG ELF Advisor Holding Verwaltungs GmbH	Frankfurt/Main, Germany	20.00
DBG Fund HoldCo GmbH & Co. KG	Frankfurt/Main, Germany	20.00
DBG Fund LP (Guernsey) Limited	St. Peter Port, Guernsey	20.00
DBG Fund VIII GP (Guernsey) Limited	St. Peter Port, Guernsey	20.00
DBG Managing Partner Verwaltungs GmbH	Frankfurt/Main, Germany	20.00
DBG Service Provider Verwaltungs GmbH	Frankfurt/Main, Germany	20.00
ELF Capital Inc.	Toronto, Canada	10.20
ELF Capital Solutions Management S.à.r.l.	Munsbach, Luxembourg	10.20
ELF European Lending Management I S.à.r.l.	Munsbach, Luxembourg	10.20
ELF European Lending Management II S.à.r.l.	Munsbach, Luxembourg	10.20
RQPO Beteiligungs GmbH	Frankfurt/Main, Germany	81.00
RQPO Beteiligungs GmbH & Co. Papier KG	Frankfurt/Main, Germany	90.00

1 Unless stated otherwise, this corresponds to the share of voting rights.

The companies DBAG Bilanzinvest II (TGA) Verwaltungs GmbH, DBAG Bilanzinvest III (data centers) Verwaltungs GmbH, DBAG Bilanzinvest IV (Dental) Verwaltungs GmbH and DBAG Bilanzinvest V (Construction) Verwaltungs GmbH were merged into DBAG Bilanzinvest I (Smart Metering) Verwaltungs GmbH. DBAG Bilanzinvest I (Smart Metering) Verwaltungs GmbH was subsequently renamed DBAG Bilanzinvest Verwaltungs GmbH.

DBAG ELF Funds Konzern Verwaltungs GmbH is the general partner of DBAG ELF Funds Konzern GmbH & Co. KG The company does not provide any investment-related services and is therefore not consolidated, but instead is measured at fair value through profit or loss and presented as “Other financial assets” under financial assets.

DBAG Investor Relations GmbH & Co. KG will provide services as an intermediary for financial investments. It is not included in the consolidated financial statements due to its lack of materiality.

DBAG Solvares Continuation Fund GmbH & Co. KG is the future investment vehicle of fund investors of the so-called Solvares Continuation Fund. The company will remain a subsidiary of DBAG until the capital commitments are accepted by the fund manager. DBAG will be a shareholder in the Solvares Continuation Fund via DBAG Solvares Continuation Fund Konzern GmbH & Co. KG. Once the capital commitments are accepted by the fund manager, the company will be classified as an investment entity subsidiary.

In the year under review, the shareholding in DBG Fund HoldCo GmbH & Co.KG was increased from the original 13.04 per cent to 20 percent. The remaining 80 per cent of the shares in DBG Fund HoldCo GmbH & Co. KG are held by the Board of Management members who are part of the investment advisory team.

ELF Capital Inc. is a shelf company. It is not consolidated but also measured at fair value through profit or loss and also presented as “Other financial assets” under financial assets.

ELF European Lending Management I S.à r.l., ELF European Lending Management II S.à r.l. and ELF Capital Solutions Management S.à r.l. were acquired (see note 4.2). Although they provide investment-related services, the shares in the three companies are held by the unconsolidated DBAG Funds HoldCo GmbH & Co. KG and are therefore not consolidated.

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4.7 Unconsolidated structured companies

Within the scope of the business activity of DBAG and its subsidiaries as external capital management companies or investment service providers to private equity funds, contractual arrangements exist between the DBAG Group and structured entities of managed or advised DBAG funds that DBAG initiated within the scope of its business activity. In particular, in the founding phase of a fund, the managed subsidiaries of DBAG prepay certain charges. These costs are reimbursed to the companies by the investors in the relevant funds upon the start of the respective investment period. As in the previous year, there were no prepaid costs in the reporting year.

The following companies that DBAG initiated within the scope of its business activity described above are the investment vehicles for the German and international investors in the funds. From the DBAG Group's perspective, these vehicles are so-called structured entities that were neither consolidated nor recognised at fair value through profit or loss as at 30 September 2024:

Name	Registered office	Equity interest %[1]
DBAG Expansion Capital Fund GmbH & Co. KG	Frankfurt/Main, Germany	0.00
DBAG Expansion Capital Fund International GmbH & Co. KG	Frankfurt/Main, Germany	0.00
DBAG Expansion Capital Fund IV SCSp	Senningerberg, Luxembourg	0.00
DBAG Fund V GmbH & Co. KG i.L.	Frankfurt/Main, Germany	0.00
DBAG Fund V International GmbH & Co. KG i.L.	Frankfurt/Main, Germany	0.00
DBAG Fund V Co-Investor GmbH & Co. KG i.L.	Frankfurt/Main, Germany	0.00
DBAG Fund VI (Guernsey) L.P.	St. Peter Port, Guernsey	0.00
DBAG Fund VI Feeder GmbH & Co. KG	Frankfurt/Main, Germany	0.00
DBAG Fund VII SCSp	Luxembourg-Findel, Luxembourg	0.00
DBAG Fund VII B SCSp	Luxembourg-Findel, Luxembourg	0.00
DBAG Fund VII Feeder GmbH & Co. KG	Frankfurt/Main, Germany	0.00
DBAG Fund VII B Feeder GmbH & Co. KG	Frankfurt/Main, Germany	0.00
DBAG Fund VIII A (Guernsey) L.P.	St. Peter Port, Guernsey	0.00
DBAG Fund VIII B (Guernsey) L.P.	St. Peter Port, Guernsey	0.00
DBAG Fund VIII Feeder GmbH & Co. KG	Frankfurt/Main, Germany	0.00
ELF European Lending Fund I SCSp SICAV-RAIF	Munsbach, Luxembourg	0.00
European Private Equity Opportunities I LP	St. Peter Port, Guernsey	0.00
European Private Equity Opportunities II LP	St. Peter Port, Guernsey	0.00

1 Unless stated otherwise, this corresponds to the share of voting rights.

ELF European Lending Fund I SCSp SICAV-RAIF is the investment vehicle of the fund investors of European Lending Fund I ("ELF I"). The company is neither consolidated nor recognised at fair value through profit or loss. DBAG does not have contractual or economic commitments to ELF European Lending Fund I SCSp SICAV-RAIF to provide financing or assets. Exposure to economic risk relates exclusively to the advisory activities conducted for the fund.

Furthermore, DBAG has no contractual or economic commitments to the structured entities set out below, nor has it transferred funds or assets to these companies. Exposure to economic risk relates exclusively to the advisory or management activities conducted for the funds. Group companies receive fees based on contractual agreements for the services provided to the funds (see note 4.3 and note 39).

Exposure to losses from these structured entities results mainly from receivables in relation to the payment of the contractually agreed management or advisory fee. This fee is due within 30 days for the DBAG funds (five days for the ELF funds) after payment is requested.

€'000	**30 Sep 2024**	30 Sep 2023
Name	**Maximum loss exposure**	Maximum loss exposure
DBAG Expansion Capital Fund International GmbH & Co. KG (DBAG ECF I)	0	43
DBAG Expansion Capital Fund IV SCSp	2,062	415
DBAG Fund VI (Guernsey) L.P.	0	946
DBAG Fund VII SCSp	30	60
DBAG Fund VII B SCSp	11	1,424
DBAG Fund VIII A (Guernsey) L.P.	0	3,609
DBAG Fund VIII B (Guernsey) L.P.	0	212
DBAG Fund VIII Feeder GmbH & Co. KG	20	20
ELF European Lending Fund I SCSp SICAV-RAIF	134	0
	2,257	**6,729**

All other unconsolidated structured entities in which DBAG acted as an initiator did not result in any contractual or economic commitments as at the reporting date (previous year: none) that could result in an inflow or outflow of funding, or involve an exposure to losses for DBAG.

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Disclosures on list of shareholdings pursuant to section 313 (2) of the HGB

The disclosures on the list of shareholdings pursuant to section 313 (2) of the HGB can be found in note 43 to the consolidated financial statements.

5. Consolidation methods

Capital consolidation is performed using the purchase method based on the date on which DBAG obtained a controlling influence over the relevant subsidiary (acquisition date). The acquisition cost is offset against the pro-rata share in the subsidiaries' revalued equity. Assets and liabilities of the subsidiaries are recognised at fair value in this context. Any remaining excess is capitalised as goodwill. Any negative difference remaining after reassessment of the carrying amounts recognised in the statement of financial position prepared for the acquisition is recorded in profit or loss.

Incidental acquisition costs are recognised in profit or loss.

Intra-Group balances and transactions, as well as any unrealised income and expenses from intra-Group transactions, are eliminated in the preparation of the consolidated financial statements. Deferred income taxes are taken into account in the consolidation procedures.

6. Accounting policies

Recognition of assets and liabilities

Non-financial assets are recognised in the consolidated statement of financial position if it is probable that a future economic benefit will flow to DBAG and their cost can be reliably measured.

Non-financial liabilities are recognised in the consolidated statement of financial position if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the settlement can be reliably measured.

Regular-way purchases or sales of financial assets are recognised for all financial instruments as at the settlement date.

Financial assets

Financial assets are classified according to two criteria – the business model criterion and the cash flow criterion – into three categories. Measurement follows from the classification.

The following three categories of financial assets are used:

- "measured at amortised cost",
- "measured at fair value through other comprehensive income",
- "measured at fair value through profit or loss".

Financial assets whose cash flows consist solely of payments of principal and interest satisfy the cash flow criterion; they are classified in line with DBAG's business model:

- If the business model provides for the asset to be held in order to collect contractual cash flows, the asset is measured at amortised cost.
- If the business model provides for both the holding and the sale of assets, to cover a certain liquidity requirement for instance, these assets are measured at fair value through other comprehensive income.

However, financial assets attributable to DBAG's investment business are always measured at fair value through profit or loss. The same applies to financial assets whose cash flows do not consist solely of payments of principal and interest.

Fair value measurement of financial assets through profit or loss

Due to the operating activities of DBAG as a financial investor, the consolidated financial statements are largely characterised by the measurement of financial assets at fair value through profit or loss. Financial assets chiefly comprise:

- interests in investment entity subsidiaries (see note 4.4) and
- interests in one portfolio company (see note 4.5).

Regardless of whether they are held directly or via investment entity subsidiaries, all investments in portfolio companies are measured at fair value initially and at all subsequent quarterly and annual reporting dates by DBAG's internal Valuation Committee. The Valuation Committee includes the members of the Board of Management, one employee from the finance unit and the investment controllers.

DBAG has developed valuation guidelines for fair value measurement in accordance with IFRS 13. These guidelines are based on the recommendations set out in the International Private Equity and Venture Capital Valuation (IPEV) Guidelines as amended in December 2022, insofar as these are consistent with IFRS. DBAG's valuation guidelines specify the application of the IPEV Guidelines, insofar as the latter are unspecific, or compliance with IFRS so requires, in order to allow them to be applied in intersubjectively clear terms to DBAG. Application of the IPEV Guidelines is not mandatory; rather, they summarise standard valuation practices for private capital investments.

General principles of fair value measurement

The fair values of the various classes of financial instruments are determined in accordance with consistent measurement methods and on the basis of uniform inputs. All assumptions and parameters which are relevant to valuation are taken into account in accordance with the IPEV Guidelines.

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The valuation is performed at each quarterly and annual reporting date (valuation date), taking all the information that has an impact on value into account, i.e. all of the events between the valuation date and the date on which the consolidated financial statements are prepared, insofar as these events provide information that is relevant for valuation purposes that market participants were already aware of, or ought to have been aware of, on the valuation date.

In determining the fair value, critical judgements on the part of the Valuation Committee will become necessary to a certain extent, i.e. assumptions and estimates must be made. These are constructively substantiated by the Valuation Committee and documented in the valuation records. The assumptions and estimates are based on current knowledge developments, and the experience of the Valuation Committee, and are consistently applied without arbitrariness.

In addition, upon the disposal of a portfolio company, the Valuation Committee analyses whether and, if so, to what extent the realised value differs from the most recently calculated fair value (a process known as "backtesting"). Backtesting provides information on the causes of the changes in value upon disposal in order to make ongoing improvements to the valuation process.

Fair value upon initial recognition

Upon initial recognition, the fair value corresponds to the acquisition costs. Ancillary transaction costs are not capitalised, but are immediately expensed. Ancillary transaction costs include fees paid to intermediaries, advisers (such as legal advisers or consultants), brokers and dealers, charges levied by regulatory authorities and securities exchanges, as well as taxes and other charges incurred for the transaction.

Fair value hierarchy for subsequent measurement

On subsequent reporting dates, the fair value is measured on a going concern basis.

As far as possible, the fair value of a portfolio company as at the subsequent reporting dates is measured based on prices from transactions in the market that were observed on the valuation date or immediately prior to that date. This is normally possible for companies whose shares are quoted on the stock exchange. These portfolio companies are measured at the closing rate on the valuation date, or the closing rate on the last day of trading prior to this date. In determining prices, the principal market or the most advantageous market is used as the relevant stock exchange. The fair value thus determined is neither reduced by premiums or discounts attaching to the sale of larger blocks of shares nor by deductions for disposal costs.

For unlisted companies, a valuation methodology may be considered that is based on a signed purchase agreement or a binding purchase bid – if the completion of the purchase agreement is sufficiently assured or if the purchase bid seems realisable with reasonable assurance. If appropriate, valuations of unlisted companies can be based on relevant comparative amounts of recent transactions involving equity or equity-like instruments of the portfolio company (financing rounds) or based on relevant comparative prices of transactions that have recently taken place in the market.

If the transaction price observable in the market as at the valuation date or the price of the most recent transaction made prior to the valuation date does not constitute a sufficiently reliable measurement – for example due to insufficient liquidity in the market or in the event of a forced transaction or distressed sale – valuation methods are used that measure fair value on the basis of assumptions.

The fair value of an investment in debt instruments is determined using valuation methods and on the basis of assumptions.

Fair value measurement methods on hierarchy Level 3

The net asset value of unconsolidated subsidiaries – in particular, investment entity subsidiaries – is determined using the sum of-the-parts procedure.

With this method, individual asset and liability items are measured separately at fair value and then aggregated to the net asset value of the unconsolidated subsidiaries.

Selected members of the investment advisory team, along with selected Managing Directors who are not members of the investment advisory team, participate in a fund's performance in return for their intangible shareholder contribution to the respective fund ("carried interest") after the fund investors and DBAG have realised their invested capital plus a preferred return ("full payout"; see note 39). For the purposes of fair value measurement, the total liquidation of a fund's portfolio or investments as at the reporting date is assumed when assessing whether these conditions are met. If the total sales proceeds already realised as at a reporting date plus the fair values of the remaining investments are equivalent to the full repayment of capital, then the pro-rata net asset value is reduced by the computed carried interest.

The portfolio companies are measured using the multiples method. In case of the multiples method, the total enterprise value is determined at first by applying a multiple for a reference value of the company to be valued. Earnings before interest, tax, depreciation and amortisation (EBITDA) are generally used as the reference value.

The reference value is derived from a portfolio company's current financial metrics. To obtain a sustainably achievable reference value, these metrics are adjusted for special effects such as non-recurring expenses or discounts for risks. In addition, discounts or premiums are applied to the reference values used if there is current information that is not yet reflected in these financial metrics.

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The multiple is derived from comparable recent transactions if representative recent transactions for the portfolio company were observed on the market and relevant comparative amounts for these transactions are available in sufficiently reliable and detailed form.

Since there are generally no listed companies that are comparable with the portfolio company to be valued (especially in terms of size, growth rates and margins), the multiple is predominantly derived from the starting multiple. These starting multiples are extrapolated in line with the development of the reference multiple (so-called calibration), which is in turn determined using the median for a peer group of similar companies that are as comparable as possible. This calibration is applied consistently.

As at the reporting date, two additional factors have been taken into account for the first time when deriving the multiple. On the one hand, the multiple is additionally calibrated to the development of the private equity sector. This is done by taking into account a private market factor, which is determined on the basis of the correlation between the Cambridge Associates Europe Developed PE Index and the STOXX Europe 600. On the other hand, the maturity of the portfolio companies is taken into account. This factor is assessed on the basis of criteria and measures from the value creation plan. Examples of value drivers that are linked to the maturity development of the investment are strategic initiatives such as the professionalisation of sales and the expansion of the client portfolio. Other examples include operational improvements such as the increased capacity utilisation, progress made with a buy-and-build strategy, optimisation of the financing structure and professionalisation of corporate governance. Maturity developments are taken into account by applying a premium/discount to the extrapolated starting multiple.

Investments in private debt instruments are measured using the DCF method. The payments associated with such investments include interest, principal and other payments, which are normally well predictable. The interest payments are derived from a market reference interest rate, which, in turn, is derived from the corresponding forward curve for the purposes of fair value measurement and is updated on each valuation date. The future expected payments are discounted using the risk-adjusted interest rate of the investment. In this context, the credit risk is reflected through a z-spread, which is determined upon the acquisition of the investment and is assumed to be constant for all valuation dates, provided that the borrower's credit quality and the key characteristics of the loan (e.g. collateral or payment profile) do not change during the term. The risk-free yield curve is updated on each valuation date.

Revenue recognition

Due to the particularities arising from the operating activities of the DBAG Group as a financial investor, "Net income from investment activity" as well as "Income from Fund Services", instead of revenues, are presented in the consolidated statement of comprehensive income.

Net income from investment activity comprises the net gains and losses on measurement and disposal, current income from financial assets net of carried interest, as well as net gains and losses from other financial instruments.

The net measurement gains and losses comprise the changes in the fair values of financial assets that are determined as at each reporting date based on the principles set out above.

The net gains and losses on disposal contain gains realised upon the (partial) disposal of financial assets. DBAG realises the net gains and losses on disposal upon the distribution of the returns by the respective investment entity subsidiary (also called settlement date). In the case of DBAG funds and Long-Term Investments, this distribution usually follows the transfer of the indirectly held shares in the divested portfolio company in exchange for the receipt of cash and cash equivalents, a purchaser's loan or other financial assets. In the event of contractually agreed purchase price retentions for representations and warranties or other risks, these are recognised only at the date at which claims to warranty obligations or other risks are no longer probable. This may also be done on a contractually agreed pro rata basis in partial amounts per period. Accordingly, the distribution is made by the investment entity subsidiary at a later date. The distributions are triggered by the manager of the relevant DBAG fund, based on contractual terms. DBAG ELF Funds Konzern GmbH & Co. KG makes a distribution only after the distribution has been made from the respective ELF fund. The distribution from the respective ELF fund is preceded by interest or principal payments. The distributions are triggered by the manager of the relevant ELF fund.

Current income comprises distributions from investment entity subsidiaries as well as dividends and interest payments of the directly held portfolio company. Distributions are recognised when payment is received.

Income from Fund Services comprises income from the provision of services for the funds as well as income from the provision of management or investment-related services to the Luxembourg holding companies.

Income from the provision of services is determined by reference to a fixed percentage of a fund's committed or invested capital. When the service is provided, the fund investors or the managers of advised funds obtain control over the services and derive the benefit from them. Income is recognised accordingly. The agreements provide for half-yearly or quarterly settlement. Payment terms are 30 days for DBAG funds and five days for ELF funds.

Income from the provision of management or investment-related services to Luxembourg holding companies consists of a fixed and a variable component. Fixed fee components are recognised pro rata temporis, while variable fee components are recognised when the respective service is provided. The payment term is 30 days.

Loss allowance for financial assets not measured at fair value through profit or loss

A loss allowance is recorded for financial assets not measured at fair value through profit or loss upon their initial recognition and on every

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subsequent reporting date to reflect any potential future impairment. DBAG determines the loss allowance using an approach that is based on parameters. If there is insufficient parameter-based information, the loss allowance is determined individually based on cash flows. Due to the relatively minor significance of impairment in DBAG's current portfolio, simplified approaches are used where appropriate.

Intangible assets

DBAG has both purchased and internally generated intangible assets.

They are carried at cost less accumulated amortisation. With the exception of goodwill, intangible assets have a determinable useful life ranging from two to twelve years and are subject to amortisation. Scheduled amortisation is recognised over the respective useful life, using the straight-line method. Goodwill is tested for impairment at least once a year. Goodwill is allocated to the cash-generating unit (CGU) where the added value created by the underlying business combination will be reflected in future. In the case of the goodwill recognised at the DBAG Group, this is the acquired company ELF Capital. As part of the impairment test, the recoverable amount is compared to the CGU's carrying amount. The recoverable amount is the higher of the CGU's fair value less costs to sell and its value in use. An impairment loss is recognised when the recoverable amount is lower than the carrying amount of the CGU. For the purposes of the impairment test of goodwill, the recoverable amount is determined in the first step by calculating the fair value, less costs to sell, of ELF Capital; the value in use is only determined if the calculated value is below the carrying amount. The fair value is determined using a discounted earnings approach as the present value of future earnings and thus on the basis of unobservable inputs (level 3 of the fair value hierarchy pursuant to IFRS 13), which are derived from a detailed three-year medium-term planning and its extrapolation for subsequent years. The planning is based both on experience (including the progress of fundraising to date) and on expectations regarding future market developments. Key macroeconomic data, such as growth of wages and salaries and other costs underlying the planning are derived from internal and external market expectations. In addition, separate assumptions are made about market-specific developments, such as expected changes in the competitive environment. The specific growth within the period for which a detailed planning is used is derived from experience and future expectations; no growth rate is assumed beyond this period because the growth potential of ELF Capital is assumed to be fully exploited at the end of the detailed planning period. The expected results are discounted using the risk-adequate interest rate, taking into account the risk-free interest rate and a market risk premium in accordance with the recommendations of the Expert Committee for Business Valuation and Economics (Fachausschuss für Unternehmensbewertung und Betriebswirtschaft – FAUB) of the Institute of Public Auditors in Germany (IDW). The capital structure is taken into account by calculating the cost of capital as the weighted average of the costs of equity and of the borrowing costs. Any impairment recorded for goodwill is not reversed subsequently, even if reasons for the impairment cease to exist.

Property, plant and equipment

All property, plant and equipment are purchased assets and also comprise right-of-use assets from leases (please also refer to the explanations under the heading "Leasing").

They are measured at amortised cost. Property, plant and equipment have useful lives of between three and 13 years, while leases have a term of three to ten years. Scheduled depreciation is recognised over the respective useful life (or over term of the lease agreement in the case of right-of-use assets), using the straight-line method. Additions are amortised or depreciated pro rata temporis, starting in the month of recognition.

Receivables

The line item "Receivables" contains receivables from co-investment vehicles and receivables from funds. They are measured at amortised cost, taking into account a loss allowance for expected credit losses (see comments under the heading "Loss allowance for financial assets not measured at fair value through profit or loss"). The loss allowance is recognised in the item "Other operating expenses".

Other financial instruments

The item "Other financial instruments" includes short-term loans to our co-investment vehicles and, in the previous year, to one on-balance-sheet investment vehicle. They are measured at fair value through profit or loss as they are allocated to our investment business. Changes in the fair value are recognised in net income from investment activity.

Income tax assets

The item "Income tax assets" contains receivables from corporation and withholding tax. These relate to current taxes that are withheld upon distributions and interest payments and are recoverable for corporation tax purposes. Income tax assets are recognised in the relevant amount for tax purposes.

Cash and cash equivalents

Cash and cash equivalents relate to cash in hand and bank balances. They are measured at amortised cost. They are presented in line with receivables.

Other assets

Other assets comprise other receivables and prepaid expenses. Where applicable, this item also contains the excess of plan assets over pension obligations. With the exception of prepaid expenses, value-added tax and the excess of plan assets over pension obligations, other assets are financial assets. These are accounted for in line with receivables.

Deferred taxes

Deferred taxes are determined on temporary differences arising between the tax base of assets and liabilities and their IFRS carrying amounts, as well as on tax loss carryforwards. They are calculated on the basis of the applicable income tax rate of the respective Group company. Deferred tax assets and liabilities are offset if the deferred taxes relate to income

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taxes levied by the same tax authority and affect the same taxable entity. Deferred tax liabilities are recognised in the statement of financial position if there is an overall tax charge. A tax benefit is recognised as deferred tax assets to the extent that future sufficient taxable profit will be available.

Liabilities under interests held by other shareholders

The item "Liabilities under interests held by other shareholders" comprises interests held by non-Group shareholders in the fully-consolidated companies included in the consolidated financial statements. They are recognised under liabilities since they are interests held in partnerships or callable shares in corporations. They represent financial liabilities and are therefore recorded using the pro-rata share in the company's share capital.

Credit liabilities

Credit liabilities refer to liabilities to banks and other investors, and include a convertible bond issued. They are measured at fair value upon initial recognition; the fair value corresponds to the disbursement amount. These items are subsequently measured at amortised cost.

The convertible bond has a conversion option that entitles the holder to acquire DBAG shares in exchange for waiving his bond receivable at any time prior to the bond's maturity. DBAG divides the gross proceeds from the issue of the convertible bond into an equity and a debt component accordingly. Upon initial measurement, the carrying amount of the debt component is determined based on discounting the series of payments of the bond liability (interest and principal), using the equivalent coupon of a bond without a conversion right. The equity component is the difference between the gross issue proceeds and the debt component. The issue costs are allocated by reference to the ratio between equity and debt components and reduce the carrying amount of both components. The debt component is subsequently measured at amortised cost, using the effective interest method.

Lease liabilities and right-of-use assets

In the case of leases, an asset for the usage right as well as a corresponding lease liability for the outstanding lease payments is recognised.

The carrying amount of lease liabilities upon initial measurement corresponds to the present value of the lease payments required to be made. The present value is determined using the incremental borrowing rate that is applicable when the leased asset is made available for use. For subsequent measurement, the carrying amount of the lease liability is increased by the same interest rate and reduced to reflect the lease payments made. The interest cost on lease liabilities is recorded as interest expenses. Both the principal portion and the interest portion of a lease payment are presented within cash flow from financing activities.

The cost of the right-of-use asset equals the present value of any lease payments to be made plus any lease payments made at or before the commencement of the lease term, any initial direct costs as well as any expected costs incurred in dismantling and removing the leased asset. Any lease incentives received are deducted. Upon subsequent measurement, the right-of-use asset is recognised at amortised cost. Right-of-use assets are recognised in property, plant and equipment.

DBAG does not record a right-of-use asset or a lease liability in the case of leases for low-value assets. Instead, lease payments are recorded as other operating expenses.

Other financial liabilities

Other financial liabilities relate to a contingent purchase price liability and variable subsequent purchase price components. These are measured at fair value upon initial recognition; the fair value corresponds to the expected value of the disbursement amount. It is subsequently measured at fair value through profit or loss, the fair value is determined using a discounted earnings approach.

Other liabilities

Other liabilities comprise current non-interest-bearing liabilities. Non-interest-bearing liabilities are recognised at their nominal value.

Pension obligations and plan assets

DBAG has pension obligations arising under a previous defined benefit plan. Application of the plan is subject to the date at which the respective employees joined the Company. The amount of the pensions is measured on the basis of the underlying plan, the amount of the salary and the employees' length of service.

The pension obligations of DBAG are offset by assets of a legally independent entity ("contractual trust agreement" in the form of a bilateral trust) that may only be used to cover the pension commitments granted and are not accessible to any creditors (qualified plan assets).

The pension obligations under the defined benefit plans (defined benefit obligations) are measured using the actuarial projected unit credit method. This method involves measuring the future obligations based on the pro rata benefit entitlements acquired by the reporting date. They show the part of the benefit obligations that has been recognised in profit or loss by the reporting date. The measurement includes assumptions regarding the future development of certain actuarial parameters, such as the life expectancy of current and future pensioners, increases in salaries and pensions as well as the interest rate used to discount the obligations. The discount rate is calculated based on the returns that are applicable at the reporting date for long-term corporate bonds of issuers with highest credit ratings with a comparable maturity.

Plan assets are measured at fair value.

For presentation in the financial statements, the present value of pension obligations is netted against the fair value of the plan assets. Should the fair value of any plan assets exceed the present value of the related pension obligations, such net defined benefit asset will be recognised in

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"Other assets". Any net defined benefit liability is reported under "Provisions for pension obligations".

Service cost is recognised in personnel expenses and net interest on the net defined benefit liability in interest expenses. Net interest comprises interest cost for pension obligations and interest income on plan assets. It is calculated using the actuarial rate that applies to pension obligations.

Remeasurements of the net defined benefit liability are recognised in other comprehensive income. They comprise actuarial gains and losses from changes in financial and demographic assumptions as well as from experience adjustments.

Other provisions

Provisions are recognised if there is a third-party obligation, it is probable that there will be an outflow of resources and the expected amount of the obligation can be reliably estimated. The amount of the provision corresponds to the best estimate of the obligation as at the reporting date. Provisions with a remaining term of more than one year are discounted to their settlement amount as at the reporting date.

Other comprehensive income

In addition to net income, other comprehensive income is the second component of total comprehensive income. Transactions that do not affect net income are recognised through other comprehensive income. Non-Group shareholders are not allocated a share in other comprehensive income.

Currency translation

Foreign currency receivables and liabilities, if any, are recognised through profit or loss at the closing exchange rate. Since the functional currency of the foreign subsidiaries is the euro, there is no currency translation within the context of consolidation.

7. Use of judgement in applying the accounting methods

Application of the accounting methods requires making judgements that can materially influence the reported amounts in the consolidated financial statements.

The judgement that has the largest effect on the amounts recognised in the consolidated financial statements is the assessment whether DBAG, as the parent company, is deemed to have the status of an investment entity pursuant to IFRS 10.

Please refer to note 4 above. Due to the status of DBAG as an investment entity, the investment entity subsidiaries continue to be recognised at fair value, instead of being included in the consolidated financial statements as fully-consolidated companies.

Another judgement that materially affects the amounts recognised in the consolidated financial statements is the decision to account for the acquisition of ELF Capital as an anticipatory acquisition; the carrying amount of the reported customer relationships is also subject to judgement.

The consolidation methods and accounting policies applied that were based on the other judgements are detailed in notes 4 to 6.

8. Future-oriented assumptions and other major sources of estimation uncertainty

Preparation of the consolidated financial statements requires the use of future-oriented assumptions and estimations. These can have a material impact on the carrying amounts of consolidated statement of financial position items as well as on the level of income and expenses. What future-oriented assumptions and estimations have in common is the uncertainty about the outcomes. The Board of Management makes decisions on assumptions and estimations after careful consideration of the most recently available reliable information as well as in the light of past experience. Assumptions and estimations also relate to issues over which the Board of Management has no influence; for instance, economic or financial market conditions. The actual outcomes can therefore differ from the assumptions and estimations underlying these consolidated financial statements. In the event that new information or changed empirical values become available, the assumptions and estimations are adjusted accordingly. The effect of a change in an assumption or estimation is recognised in the financial year in which the change takes place and, if appropriate, in later financial years in the carrying amount of that item in the consolidated statement of financial position as well as in the consolidated statement of comprehensive income.

In order to better reflect the characteristics of a private equity investment, we took two additional factors into account for the first time in the reporting year when deriving the multiples. On the one hand, in addition to the development of the reference multiple, the development of the private equity sector was taken into account when extrapolating the starting multiples (see note 6 under the heading "Fair value measurement methods on hierarchy level 3"). On the other hand, the maturity of the portfolio companies was taken into account; a premium/discount to the extrapolated starting multiple was not required as at the date of transition (31 March 2024). Two portfolio companies were valued using the sector-specific peer group multiple. The reason for this, for one of the two portfolio companies, was the advanced restructuring and overall positive development, and in the case of the other portfolio company, initiated exit preparations. Two portfolio companies are allocated to a different sector, and the multiples are derived from the corresponding sector-specific peer group for the first time.

The cumulative effect from these changes on total comprehensive income and consolidated equity amounts to -21,320,000 euros.

Due to assumptions about the future and other sources of estimation uncertainty, there is a risk of having to make material adjustments to the carrying amounts of assets or liabilities as at the following reporting date.

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We judge the materiality, inter alia, by reference to the effects on Group equity. We consider an adjustment to the carrying amount in the range of three per cent of Group equity as being material. Moreover, we consider the effects on the overall presentation of the Group's financial position and performance as well as qualitative aspects.

The risk of a subsequent adjustment of carrying amounts exists particularly as far as financial assets are concerned, to the extent that their fair values were determined using inputs that were not mainly based on observable market data (fair value hierarchy Level 3, see note 6 under the heading “Fair value measurement methods on hierarchy level 3” and note 34.1).

Notes to the consolidated statement of comprehensive income and the consolidated statement of financial position

9. Net income from investment activity

€'000	2023/2024	2022/2023
Interests in investment entity subsidiaries	60,602	107,728
Interests in portfolio companies	(15)	966
Other financial assets	551	884
	61,138	**109,577**

Investment entity subsidiaries are subsidiaries of DBAG (see note 4.4) through which DBAG makes its investments: co-investments alongside DBAG funds, Long-Term Investments which DBAG makes independently from DBAG funds, and investments in ELF funds. Interests in investment entity subsidiaries are recognised at fair value through profit or loss.

The item includes the gross change in the fair values of the interests in portfolio companies held via the investment entity subsidiaries and private debt investments in the amount of -14,027,000 euros (previous year: 20,016,000 euros). In addition, this item includes net returns from the disposal or partial disposal and the recapitalisation of portfolio companies, as well as current income (interest income and distributions) in the amount of 74,631,000 euros (previous year: 87,713,000 euros). The gross change is reduced by the 5,938,000 euro increase in imputed carried interest (previous year: reduced by an increase of 10,933,000 euros).

Directly held interests in portfolio companies relate to one investment entered into prior to the launch of DBAG Fund V (see note 4.5). Net income results from the change in the fair value of the interests.

Net gains from other financial assets and other financial instruments mainly refer to interest income from loans to co-investment vehicles granted for the pre-financing of investments.

For further information on net income from investment activity, we refer to the explanations included in the combined management report under the heading "Net income from investment activity".

10. Income from Fund Services

€'000	2023/2024	2022/2023
DBAG ECF	966	1,237
DBAG Fund VI	1,569	5,283
DBAG Fund VII	17,092	17,532
DBAG Fund VIII	19,164	19,247
DBAG ECF IV	4,060	2,443
ELF funds	2,082	0
Other	2,610	116
	47,543	**45,859**

Income from Fund Services results from management or advisory services for funds. Income from DBAG ECF was lower compared with the previous year, following divestments from the portfolio. Income from DBAG Fund VI declined year-on-year because entitlement to management and advisory fees ended in February 2024. Income from DBAG Fund VII is determined using the lower of committed or invested capital and is slightly below the previous year's level following the disposal of a portfolio company.

Income from DBAG ECF IV increased in the year under review, reflecting an increase in capital commitments in the reporting year and due the fact that income was only included for a period of six months in the previous year.

Income from the ELF funds has been earned since the acquisition of ELF Capital as at 30 November 2023.

"Other" includes income from management- or investment-related services to Luxembourg companies totalling 2,454,000 euros (previous year: nil euros).

11. Personnel expenses

€'000	2023/2024	2022/2023
Wages and salaries		
Fixed salary and fringe benefits	19,143	14,325
Variable remuneration, performance-related	10,308	10,767
Variable remuneration, transaction-related	(37)	22
	29,414	25,115
Social contributions and expenses for pension plans	**2,203**	**1,974**
thereof for state pension plan	522	546
	31,617	**27,088**

The increase in fixed salary and fringe benefits resulted from a rise in the average number of employees by 18 to a total of 109, due to DBAG Group's organic growth and the acquisition of ELF Capital.

The performance-related variable remuneration refers to members of the Board of Management and DBAG employees.

Since the financial year 2014/2015, the performance-related variable remuneration scheme for managing members of the investment advisory team has been based primarily on portfolio performance, new investments entered into and the success of divestments. Managing members of the investment advisory team and of corporate functions continue to be entitled to receive a performance-related bonus in connection with investments made by DBAG from its own financial resources. For the other members of the investment advisory team and employees in corporate functions, the variable remuneration is based on company and personal performance.

Transaction-related variable remuneration refers to current and former members of the Board of Management and members of the investment advisory team based on older systems no longer in use. More information regarding these systems is included in the remuneration report. The remuneration report was prepared in compliance with legal requirements and published on our website.

Notes to the consolidated statement of comprehensive income and the consolidated statement of financial position

The number of employees (excluding members of the Board of Management) in the DBAG Group was as follows as at the reporting date:

	30 Sep 2024	30 Sep 2023
Employees (full-time)	98	84
Employees (part-time)	15	12

As at the end of the financial year 2023/2024, the Board of Management consisted of three (previous year: three) members.

The DBAG Group employed an average of 109 people during the year under review, compared to 91 in the previous financial year.

12. Other operating income

€'000	2023/2024	2022/2023
Income from consultancy expenses that can be passed through	3,135	3,938
Income from positions held on supervisory boards and advisory councils	6	15
Income from the reversal of provisions	609	423
Income from securities	588	0
Other	555	372
	4,893	**4,748**

Consultancy expenses that can be passed through refer to advances on behalf of funds and/or portfolio companies. Income from consultancy expenses that can be passed through was offset by corresponding expense items (see note 13).

Income from securities comprises realised gains and unrealised price increases.

13. Other operating expenses

€'000	2023/2024	2022/2023
Consultancy expenses that can be passed through	2,668	3,899
Other consultancy expenses	3,277	3,191
Consultancy expenses for deal sourcing	613	716
Audit and tax consultancy expenses	1,014	1,279
Total consultancy expenses	7,572	9,085
Depreciation and amortisation of property, plant and equipment and intangible assets	5,492	2,037
Changes in the fair value of other financial liabilities	2,960	0
Value-added tax	1,708	1,926
Travel and hospitality expenses	1,480	1,090
External employees and other personnel expenses	1,319	2,342
Maintenance and license costs for hardware and software	1,152	1,245
Premises expenses	881	618
Fund investor relations	848	813
Annual report and annual general meeting	721	710
Supervisory Board remuneration	509	497
Other	2,150	1,958
	26,792	**22,320**

The item “Consultancy expenses that can be passed through” largely comprises consultancy expenses incurred for the review of investment opportunities. The expenses mainly relate to DBAG Fund VIII and DBAG ECF IV.

The item “Other consultancy expenses” largely comprises project-related expenses; this was due to consultancy services used in connection with the implementation of the Corporate Sustainability Reporting Directive (CSRD) and the EU taxonomy, as well as consultancy services in connection with issuance of the convertible bond and the promissory note loans.

Depreciation, amortisation and impairment of property, plant and equipment and intangible assets increased by 3,455,000 euros year-on-year, due to amortisation of client relationships capitalised as part of the purchase price allocation after closing the acquisition of a majority stake in ELF Capital.

Other operating expenses include, for the first time, changes in the fair value of other financial liabilities (contingent purchase price liability and variable subsequent purchase price payment).

The line item “External employees and other personnel expenses” includes costs for interim management, fees for freelance staff as well as costs for recruitment and employee training. Compared to the previous year, expenses declined due to growth in staff numbers and the resulting decrease in demand for external support.

14. Interest expenses

€'000	2023/2024	2022/2023
Interest cost for pension obligation	1,116	1,000
Expected interest income from plan assets	(958)	(866)
Net interest on net defined benefit liability	158	134
Credit lines	3,123	1,651
Convertible bond	1,515	0
Other	546	534
	5,342	**2,319**

The expected interest income from plan assets is calculated based on the same interest rate used for the determination of present value of the pension obligations. We refer to note 28 for information on the parameters for the two components of the net interest on net defined benefit liability.

Interest expenses for credit lines and promissory note loans relate to the annual commitment fee, interest for the drawdown of these credit lines and interest for issued promissory note loans (see note 25).

Interest expenses from the convertible bond result from the interest cost of the bond using the effective interest rate.

Notes to the consolidated statement of comprehensive income and the consolidated statement of financial position

The interest expenses from leases amount to 533,000 euros (previous year: 470,000 euros) and is reported under the item "Other". This item also comprises expenses from the interest cost on jubilee payment obligations.

15. Income taxes

€'000	2023/2024	2022/2023
Current taxes	2,959	821
Deferred taxes	(511)	1,978
	2,449	**2,799**

At the level of DBAG, an expense for corporation tax plus solidarity surcharge is recorded for the reporting year in the amount of 369,000 euros (previous year: 615,000 euros). Due to the termination of its status as a special investment company during the reporting year, DBAG was subject to trade tax for the first time and reports a trade tax expense of 1,412,000 euros (previous year: nil euros) for the reporting year. A tax expense for corporation tax and solidarity surcharge of 534,000 euros is attributable to the 2022 assessment period.

In the year under review, 252,000 euros (previous year: 160,000 euros) in corporation tax and 138,000 euros (previous year: 966,000 euros) in trade tax are attributable to subsidiaries. In addition, trade tax of 444,000 euros was recognised at the level of a subsidiary for previous years.

Deferred tax income amounted to 511,000 euros in the year under review (previous year: expense of 1,978,000 euros), comprising a deferred tax expense of 1,676,000 euros (previous year: expense of 1,978,000 euros) which largely resulted from the reversal of deferred tax assets on usable corporation tax loss carryforwards in the amount of 1,673,000 euros (previous year: 1,491,000 euros). The figure also includes deferred tax income of 2,187,000 euros (previous year: 91,000 euros) which essentially reflects the reversal of deferred tax liabilities at the level of a subsidiary. In addition, the reversal of deferred taxes reported in net other income/expenses resulted in deferred tax income of 578,000 euros (previous year: deferred tax expenses of 578,000 euros).

The reconciliation of the Group's tax expense that can be expected in theoretical terms to the tax expense actually recognised in DBAG's consolidated financial statements is as follows:

€'000	2023/2024	2022/2023
Earnings before taxes	49,788	108,585
Applicable tax rate for corporations (%)	31.925	31.925
Theoretical tax expenses/income	**15,895**	**34,666**
Change in theoretical tax expenses/income:		
Tax-exempt net gain on measurement and on disposal	6,681	(2,036)
Current income from financial assets	(20,772)	(12,541)
Non-deductible operating expenses	142	50
Effect from trade tax exemption	0	(18,526)
Effect from the utilization of tax loss carryforwards	(1,105)	0
Effects from the recognition of previously unrecognised deferred tax assets on loss carryforwards	0	414
Reversal of deferred tax liabilities on balance sheet items	(214)	0
Reversal of DTA on tax loss carry forwards	1,673	0
Effect from taxes subsidiaries	0	32
Creditable withholding tax	(189)	0
Unrecognised deferred tax assets on temporary differences	563	(275)
Effect of tax rate differences	(730)	658
Deferred taxes in OCI	(578)	578
Effect from taxes relating to previous years	1,142	(1,003)
Other effects	(58)	781
Income taxes	**2,449**	**2,799**
Tax rate (%)	4.92	2.58

The expected tax rate of 31.925 per cent (previous year: 31.925 per cent) for corporations is composed of corporation tax of 15 per cent (previous year: 15 per cent), a solidarity surcharge of 0.825 per cent (previous year: 0.825 per cent) as well as municipal trade tax of the city of Frankfurt/Main of 16.10 per cent (previous year: 16.10 per cent).

Notes to the consolidated statement of comprehensive income and the consolidated statement of financial position

16. Intangible assets/property, plant and equipment

€'000	Acquisition cost					Acquisition cost				Carrying amounts	
	1 Oct 2023	Additions	of which changes in the group of consolidated companies	Disposals	30 Sep 2024	1 Oct 2023	Additions	Disposals	30 Sep 2024	30 Sep 2024	30 Sep 2023
Intangible assets	2,300	55,301	53,998	0	57,601	2,142	3,355	0	5,497	52,104	158
of which goodwill	0	8,002	0	0	8,002	0	0	0	0	8,002	0
of which client relationships	0	46,925	53,998	0	46,925	0	3,259	0	3,259	43,666	0
Property, plant and equipment	18,008	1,818	44	292	19,534	4,240	2,137	130	6,247	13,288	13,769
of which right-of-use assets	14,371	1,479	35	292	15,558	1,888	1,785	130	3,543	12,016	12,484
	20,308	**57,119**	**54,042**	**292**	**77,135**	**6,381**	**5,492**	**130**	**11,744**	**65,392**	**13,926**

€'000	Acquisition cost					Acquisition cost				Carrying amounts	
	1 Oct 2022	Additions	of which changes in the group of consolidated companies	Disposals	30 Sep 2023	1 Oct 2022	Additions	Disposals	30 Sep 2023	30 Sep 2023	30 Sep 2022
Intangible assets	2,220	80	0	0	2,300	2,065	76	0	2,142	158	155
Property, plant and equipment	7,324	13,474	0	2,790	18,008	5,014	1,960	2,735	4,240	13,769	2,310
of which right-of-use assets	4,075	12,828	0	2,531	14,371	2,745	1,674	2,531	1,888	12,484	1,330
	9,544	**13,554**	**0**	**2,790**	**20,308**	**7,079**	**2,037**	**2,735**	**6,381**	**13,926**	**2,465**

Intangible assets

Additions of intangible assets mainly relate to client relationships and goodwill, which were capitalised upon the initial consolidation of ELF Capital.

In addition, production costs for internally generated software were capitalised for the first time in the year under review in the amount of 359,000 euros. The useful life of this software is five years.

The amount of amortisation does not include any impairment losses. The useful life of client relationships is assumed to be 12 years, which is based on the expected maximum term of an ELF fund.

Property, plant and equipment

In the reporting year, additions to right-of-use assets mainly concerned the new business premises and the parking lots of DBAG Luxembourg S.à.r.l. in the amount of 1,302,000 euros (previous year: nil euros). Carrying amounts of right-of-use assets in the amount of 11,875,000 euros (previous year: 12,262,000 euros) related to the business premises of DBAG and its fully-consolidated subsidiaries.

The amount of depreciation does not include any impairment losses. An amount of 1,612,000 euros (previous year: 1,506,000 euros) of the depreciation for right-of-use assets was attributable to business premises of DBAG and its fully-consolidated subsidiaries.

DBAG makes use of the option provided for under IFRS 16 and does not recognise right-of-use assets from leases for assets of only low value. The expenses from such leases amounted to 50,000 euros in the reporting year (previous year: 33,000 euros).

Notes to the consolidated statement of comprehensive income and the consolidated statement of financial position

17. Financial assets

€'000	30 Sep 2024	30 Sep 2023
Interests in investment entity subsidiaries	674,806	631,733
Interests in portfolio companies	3,464	3,479
Other financial assets	458	192
	678,728	**635,404**

Financial assets are measured at fair value through profit or loss.

This item exhibited the following movements during the reporting period:

€'000	1 Oct 2023	Additions	Disposals	Changes in value	30 Sep 2024
Interests in investment entity subsidiaries	631,733	108,474	51,374	(14,027)	674,806
Interests in portfolio companies	3,479	0	0	(15)	3,464
Other financial assets	192	364	108	10	458
	635,404	**108,838**	**51,482**	**(14,032)**	**678,728**

€'000	1 Oct 2022	Additions	Disposals	Changes in value	30 Sep 2023
Interests in investment entity subsidiaries	550,147	94,243	32,673	20,016	631,733
Interests in portfolio companies	3,042	0	0	437	3,479
Other financial assets	135	57	3	3	192
	553,323	**94,300**	**32,676**	**20,456**	**635,404**

Additions to interests in investment entity subsidiaries mainly refer to capital calls for equity investments. Capital calls for ELF funds were capitalised for the first time in the year under review in the amount of 15,442,000 euros (previous year: nil euros).

Disposals of interests in investment entity subsidiaries resulted from distributions due to the divestment of portfolio companies.

Changes in the value of financial assets are recorded under the item “Net income from investment activity” in the consolidated statement of comprehensive income.

For further information on financial assets, we refer to the combined management report under the heading “Financial assets”.

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18. Other assets

€'000	30 Sep 2024	30 Sep 2023
Rental deposit	579	579
Value-added tax	597	545
Receivables from corporate income tax	666	0
Receivables from employees	720	299
Other loans and advances	1,298	1,134
	3,860	**2,557**

Rental deposits in the amount of 579,000 euros (previous year: 579,000 euros) and receivables from employees in the amount of 274,000 euros (previous year: 274,000 euros) have a term of more than one year and are shown as non-current assets.

Value-added tax pertains to outstanding refunds of input tax credits.

Receivables from corporation tax are the result of tax loss carrybacks at ELF Capital.

Other loans and advances mainly comprise prepaid expenses, trade receivables and accruals and deferrals.

19. Receivables

€'000	30 Sep 2024	30 Sep 2023
Receivables from Fund Services	2,062	8,093
Receivables from expenses that can be passed through	3,196	1,650
Receivables from funds	5,258	9,743
Receivables from co-investment vehicles and other	2,308	5,656
Receivables from holding companies	903	0
Receivables from portfolio companies	0	44
	8,469	**15,444**

The receivables from Fund Services reported in the year under review are due from DBAG ECF IV. Receivables from DBAG Fund VII and DBAG Fund VIII were settled prior to the reporting date.

The receivables from expenses that can be passed through are mainly due from DBAG ECF IV and DBAG Fund VIII. They refer to advisory costs for transactions that eventually were not entered into.

Receivables from co-investment vehicles and other receivables primarily result from the management fees for DBAG Fund VIII and DBAG ECF IV.

20. Securities

Securities include units in money market funds held for the short term in the amount of 126,400,000 euros (previous year: nil euros).

21. Other financial instruments

Other financial instruments comprise loans with a term of up to 270 days granted to co-investment vehicles for the purpose of pre-financing investments. As at the reporting date, these referred to DBAG Fund VII in the amount of 3,629,000 euros (previous year: 6,654,000 euros) as well as DBAG Fund VIII in the amount of 251,000 euros (previous year: 8,755,000 euros). As at 30 September 2023, the item also includes loans granted to an on-balance sheet-investment vehicle in the amount of 2,581,000 euros. These were repaid in the reporting year.

22. Tax assets, income taxes payable and deferred tax assets and liabilities

€'000	30 Sep 2024	30 Sep 2023
Tax assets		
Deferred tax assets	343	1,790
Income tax assets	2,648	1,141
Tax liabilities and deferred taxes		
Deferred tax liabilities	13,278	0
Income tax liabilities	4,214	1,541

Income tax assets of 2,648,000 euros (previous year: 1,141,000 euros) comprise applicable taxes for the year under review and the previous years as well as refunds from tax overpayments for the year under review

Income taxes payable of 4,214,000 euros comprise 1,895,000 euros in liabilities for corporation tax and solidarity surcharge plus 2,319,000 euros in trade tax liabilities.

Liabilities for corporation tax and solidarity surcharge totalling 1,895,000 euros are attributable to the reporting year in the amount of 369,000 euros (previous year: 615,000 euros), and in the amount of 1,237,000 euros to previous years. At the level of DBAG's subsidiaries, liabilities for corporation tax amount to 288,000 euros.

Trade tax liabilities totalling 2,319,000 thousand are attributable to the reporting year in the amount of 1,412,000 (previous year: 449,000 euros). Trade tax liabilities related to previous years amount to 907,000 euros (previous year: 228,000 euros) and are fully attributable to subsidiaries.

In previous years, deferred taxes were only recognised on usable loss carryforwards. In the year under review, deferred tax assets were recognised on the usable loss carryforwards of a subsidiary. Total loss carryforwards (which can be utilised for an indefinite period of time) are as follows:

€'000	30 Sep 2024	30 Sep 2023
Tax loss carryforwards for corporation tax	71,288	81,671
thereof usable	0	10,572
Tax loss carryforwards for trade tax	11,080	7,285
thereof usable	4,115	0

Compared to the preliminary calculation set out in the 2022/2023 Annual Report, loss carryforwards at the level of DBAG decreased from 81,671,000 euros to 77,204,000 euros, primarily as a result of preparing the tax returns for the 2022 assessment period. Since DBAG has been subject to accumulated (taxable) gains during the observation period, which includes the reporting year as well as the two previous years,

Notes to the consolidated statement of comprehensive income and the consolidated statement of financial position

deferred tax assets have to be recognised in the amount of losses that are expected to be utilised. Based on the adopted medium-term planning for the next three financial years and the tax planning derived therefrom, it can be assumed that no corporation tax loss carryforwards (previous year: 10,572,000 euros) will be used within the next three assessment periods. Deferred tax assets are calculated using the applicable tax rate of 15.825 per cent and amount to nil euros (previous year: 1,673,000 euros). Loss carryforwards at the level of DBAG on which no deferred tax assets were recognised amounted to 71,288,000 euros (previous year: 71,099,000 euros).

At the level of subsidiaries, there is an excess of deferred tax assets which is due to trade tax loss carryforwards (which can be utilised for an indefinite period of time) in the amount of 11,080,000 euros (previous year: 7,285,000 euros). Given one subsidiary’s history of tax losses, we did not recognise any deferred tax assets at this Group company. A total of 4,155,000 euros (previous year: nil euros) in deferred tax assets were recognised on usable loss carryforwards

The fact that the loss carryforwards are available in Germany means that they can be carried forward for an indefinite period of time.

Deferred tax assets on temporary differences exist in a total amount of 13,046,000 euros (previous year: 6,144,000 euros). At the level of DBAG, the relevant tax rate for determining deferred taxes on balance sheet items was raised by 16.1 per cent, to 31.925 per cent, reflecting the rate of trade tax levied by the City of Frankfurt/Main.

In terms of non-current assets, deferred tax assets refer to property, plant and equipment in the amount of 24,000 euros (previous year: 6,000 euros) as well as to financial assets in the amount of 7,830,000 euros (previous year: 3,881,000 euros). In terms of current assets, deferred tax assets result from other assets in the amount of 1,463,000 euros (previous year: 167,000 euros). In terms of non-current liabilities, deferred tax assets refer to lease liabilities in the amount of 3,132,000 euros (previous year: 1,741,000 euros). In terms of current liabilities, deferred tax assets result from lease liabilities in the amount of 401,000 euros (previous year: 205,000 euros), from other liabilities in the amount of 111,000 euros (previous year: 88,000 euros) and from other provisions in the amount of 85,000 euros (previous year: 56,000 euros).

Deferred tax liabilities on temporary differences exist in a total amount of 24,302,000 euros (previous year: 5,092,000 euros). Deferred tax liabilities of 14,053,000 euros (previous year: nil euros) are attributable to non-current assets, which mainly result from the recognition of intangible assets at the level of a subsidiary that were capitalised upon initial consolidation of ELF Capital. In addition, the deferred tax liabilities on non-current intangible assets result from the initial recognition of internally-generated intangible assets at the level of DBAG. Deferred tax liabilities on miscellaneous non-current assets refer to property, plant and equipment in the amount of 3,317,000 euros (previous year: 1,867,000 euros), to financial assets in the amount of 672,000 euros (previous year: 698,000 euros) and to other assets in the amount of 87,000 euros (previous year: nil euros). Deferred tax liabilities on current assets result from differences in the recognised amounts for other assets in the amount of 62,000 euros (previous year: 142,000 euros). In terms of non-current liabilities, deferred tax liabilities refer to credit liabilities in the amount of 1,652,000 euros (previous year: nil euros) as well as to provisions for pension obligations in the amount of 4,243,000 euros (previous year: 2,252,000 euros). In terms of current liabilities, deferred tax liabilities refer to other liabilities in the amount of 115,000 euros (previous year: 57,000 euros) as well as to other provisions in the amount of 100,000 euros (previous year: 76,000 euros).

In addition, deferred tax liabilities are reported in equity in relation to pension claims included on other comprehensive income in the amount of nil euros (previous year: 578,000 euros).

In the year under review, there are temporary differences of 985,000 euros (previous year: nil euros) in connection with interests in subsidiaries for which no deferred tax liabilities were recognised.

None of the other fully-consolidated Group companies had temporary differences between IFRS measurements and the tax base.

At the level of DBAG, there is an excess of deductible temporary differences over taxable temporary differences in the amount of 2,685,000 euros (previous year: 1,000,000 euros), which was not recognised due to lack of materiality. At the level of one subsidiary, there are deferred tax liabilities in the amount of 13,940,000 euros (previous year: nil euros) that were recognised as part of the initial consolidation of ELF Capital.

DBAG believes that there are no material uncertain tax positions (as defined by IFRIC 23) and that the tax provisions recognised for the years not yet completed are adequate, taking into account all available information, including interpretations of tax law and experience.

23. Equity

Share capital/number of shares

The Company's share capital amounts to 66,733,328.76 euros as at 30 September 2024 (previous year: 66,733,328.76 euros) and is divided into 18,804,992 (previous year: 18,804,992) registered no-par value shares. The notional interest in the share capital amounts to approximately 3.55 euros per share. Each share is entitled to one vote. The Company has no voting rights from treasury shares.

In the year under review, DBAG acquired 506,708 no-par value shares (as part of a share buyback programme) and sold 14,378 no-par value shares to its employees. As at the reporting date, the Company held 494,695 (previous year: 2,365) no-par value shares as treasury shares which are deducted from the “Subscribed capital” item. The amount of share capital attributable to treasury shares was 1,756,167.25 euros (previous year: 8,395.75 euros), or 2.63 per cent (previous year: 0.01 per cent).

The shares are admitted to trading on the Frankfurt Stock Exchange (Prime Standard) and the Dusseldorf Stock Exchange (Regulated Market). Shares in the Company are also traded on the over-the-counter markets of the stock exchanges in Berlin, Hamburg-Hanover, Munich and Stuttgart.

Notes to the consolidated statement of comprehensive income and the consolidated statement of financial position

Authorised capital

By virtue of a resolution adopted by the ordinary Annual Meeting on 22 February 2024, the Board of Management is – with the agreement of the Supervisory Board – authorised to increase, on one or more occasions, the share capital by up to a total amount of 13,346,664.34 euros during the period up to 21 February 2029 in exchange for cash and/or non-cash contributions, whereby shareholders' subscription rights may be excluded under the conditions specified in the authorisation (Authorised Capital 2024). In principle, the shareholders shall be entitled to subscription rights. However, the Board of Management is authorised to exclude shareholders' statutory subscription rights in the circumstances set out in the authorising resolution, subject to approval by the Supervisory Board.

In the reporting year, the Board of Management did not make use of this authorisation.

Purchase of treasury shares

By way of a resolution passed by the ordinary Annual General Meeting held on 28 February 2023, the Board of Management is authorised up to 27 February 2028, subject to the consent of the Supervisory Board, to acquire treasury shares for purposes other than trading in treasury shares up to a maximum volume of ten per cent of the existing share capital at the time (66,733,328.76 euros) when the Annual General Meeting was held or – if this value is lower – of the share capital existing at the time of exercising this authorisation.

On 22 February 2024, the Board of Management resolved, with the approval of the Supervisory Board, to launch a share buyback programme The programme's total volume amounts to up to 20 million euros and includes up to 800,000 no-par value shares. 506,708 no-par value shares were bought under this share buyback programme as at the reporting date, for a total purchase price of 13,215,938.25 euros.

Conditional capital

By way of a resolution passed by the ordinary Annual General Meeting held on 22 February 2024, the share capital has been conditionally increased by up to 13,346,664.34 euros by issuing up to 3,760,998 new no-par value registered shares (Conditional Capital 2024/I). As a prerequisite, the number of shares must increase by the same ratio as the share capital. The conditional capital increase serves the purpose of granting new no-par value registered shares to the holders or creditors of bonds cum warrants or convertible bonds (collectively referred to as the "Bonds"), in each case with the respective option or conversion rights or option or conversion obligations, that will be issued by 21 February 2029 pursuant to the authorisation resolved upon by the Annual General Meeting on 22 February 2024.

On 28 June 2024, the Board of Management resolved, with the approval of the Supervisory Board, to place a convertible bond issue with a total nominal value of 100 million euros on the market. The Conditional Capital 2024/I will be used for this convertible bond insofar as conversion rights will be exercised for the delivery of shares instead of being fulfilled in another way.

Capital reserve

€'000	**2023/2024**	2022/2023
At start of reporting period	260,019	260,069
Changes	(3,176)	(50)
At end of reporting period	**256,843**	**260,019**

The capital reserve comprises amounts received in the issuance of shares in excess of nominal value. In the year under review, the capital reserve was reduced by 7,007,658.45 euros (buyback of treasury shares) and increased by 222,524.09 euros (resale of shares to employees) and by 3,609,567.45 euros (equity element of the issued convertible bond).

Retained earnings and other reserves

Retained earnings and other reserves comprise

- the legal reserve as stipulated by German stock corporation law,
- first-time adopter effects from the IFRS opening statement of financial position as at 1 November 2003,
- the reserve for actuarial gains/losses from a pension plan/plan assets (see note 28) as well as
- the effects from first-time adoption of IFRS 9.

Net retained profit

The Annual General Meeting on 22 February 2024 resolved to use the net retained profit (*Bilanzgewinn*) for the financial year 2022/2023 of 264,164,613.39 euros to pay a dividend of 1.00 euro per no-par value share on the 18,802,627 shares with dividend entitlement and to carry forward to new account the remaining amount (245,361,986.39 euros).

	2023/2024	2022/2023
Total distribution	**18,802,627.00**	**15,043,993.60**

The net retained profit of DBAG as reported in the separate financial statements as at 30 September 2024 in accordance with the HGB amounts to 281,616,201.07 euros (previous year: 264,164,613.39 euros). On 19 November 2024, the Board of Management resolved to propose to the Annual General Meeting that a dividend of 1.00 euro per share with dividend entitlement be distributed for the financial year 2023/2024, with the remaining profit to be carried forward to new account.

Notes to the consolidated statement of comprehensive income and the consolidated statement of financial position

24. Liabilities under interests held by other shareholders

€'000	2023/2024	2022/2023
At start of reporting period	59	58
Distribution	1	1
Share of earnings	4	2
At end of reporting period	**62**	**59**

Liabilities under interests held by other shareholders include interests in capital and earnings attributable to non-Group shareholders. They relate to the following entities: AIFM-DBG Fund VII Management (Guernsey) LP, DBG Advising GmbH & Co. KG, DBG Fund VI GP (Guernsey) LP, DBG Fund VIII GP (Guernsey) LP, DBG Management GP (Guernsey) Ltd., DBG Managing Partner GmbH & Co. KG and European PE Opportunity Manager LP (see note 4.3).

25. Credit liabilities

€'000	30 Sep 2024	30 Sep 2023
Convertible bond	96,155	0
Promissory note loans	20,000	0
Credit liabilities	10,000	0
	126,155	**0**

The convertible bond was recognised using the balance of the gross issue proceeds of 100,000,000 euros and the value of the equity component of 3,674,000 euros, taking into account the pro-rata issuing costs of 1,686,000 euros. As at the reporting date, the carrying amount increased by the interest expense of 1,515,000 euros, calculated using the internal rate of return (6.79 per cent). The convertible bond has a term of 5.5 years,

The promissory note loans have remaining terms of between three and seven years. The loan has a remaining term of seven years.

26. Other financial liabilities

Other financial liabilities comprise a fixed subsequent purchase price payment of 340,000 euros (previous year: nil euros) as well as a contingent purchase price liability of 32,083,000 euros (previous year: nil euros) and subsequent contingent purchase price liability for the acquisition of the remaining stake in ELF Capital in the amount of 2,240,000 euros (previous year: nil euros).

27. Leases

As at 30 September 2024, property, plant and equipment includes right-of-use assets from leases in the amount of 12,016,000 euros (previous year: 12,484,000 euros) (see note 16).

The corresponding liabilities are included in non-current lease liabilities (11,329,000 euros; previous year: 11,647,000 euros) and in current lease liabilities (1,519,000 euros; previous year: 1,490,000 euros). The interest cost on lease liabilities is recorded as interest expenses (see note 14).

28. Provisions for pension obligations

The measurement in the statement of financial position has been derived as follows:

€'000	30 Sep 2024	30 Sep 2023
Present value of pension obligations	28,114	28,286
Fair value of plan assets	(24,341)	(23,599)
Provisions for pension obligations	**3,773**	**4,687**

The present value of the pension obligations changed as follows:

€'000	2023/2024	2022/2023
Present value of pension obligations at start of reporting period	28,286	27,443
Interest expenses	1,116	1,000
Service cost	148	236
Benefits paid	(1,161)	(1,309)
Actuarial gains (-) / losses (+)	(275)	917
Present value of pension obligations at end of reporting period	**28.114**	**28.286**

The actuarial gain in the amount of 275,000 euros (previous year: loss in the amount of 917,000 euros) represents the balance of the loss from increased discount rate in the amount of 3,055,000 euros (previous year: income in the amount of 238,000 euros) and the income from experience adjustments in the amount of 3,330,000 euros (previous year: loss in the amount of 1,155,000 euros).

The present value of the pension obligations as at the reporting date is calculated based on an actuarial expert opinion. The expert opinion is based on the following actuarial assumptions:

	30 Sep 2024	30 Sep 2023
Discount rate (%)	2.96	4.06
Salary trend (incl. career trend) (%)	2.50	2.50
Pension trend (%)	2.30	2.30
Life expectancy based on modified mortality tables by Klaus Heubeck	2018G	2018G
Increase in income threshold for state pension plan (%)	2.30	2.30

Company-specific employee turnover probabilities depending on age and gender are used to take into account employee turnover. The turnover probability is within a range of 0.1000 to 0.0050 for an age between 15 and 65 years.

The discount rate is calculated using the i-boxx corporate AA10+ interest rate index, which is calculated based on interest rates for long-term bonds of issuers with the highest credit ratings.

Notes to the consolidated statement of comprehensive income and the consolidated statement of financial position

DBAG applies the mortality tables issued by Klaus Heubeck (RT 2018G).

Since October 2013, DBAG has used modified mortality tables in order to account for the particularities of the beneficiaries of DBAG Group's defined benefit plans and individual commitments. A comparison with similar groups of individuals revealed an average longer life expectancy of three years for the DBAG scheme members and beneficiaries.

As at 30 September 2024, the weighted average term of defined benefit obligations was 11 years (previous year: 18 years).

Plan assets changed as follows in the reporting year:

€'000	2023/2024	2022/2023
Fair value of plan assets at start of reporting period	23,599	23,148
Expected interest income	958	866
Gains (+)/losses (-) from the difference between actual and expected return on plan assets	(216)	(414)
Fair value of plan assets at end of reporting period	**24,341**	**23,599**

The loss of 216,000 euros (previous year: loss of 414,000 euros) reflects the difference between projected and actual yield, as well as the application of the same interest rate that is also used to determine the present value of pension obligations.

The following amounts were recognised in net income:

€'000	2023/2024	2022/2023
Service cost	148	236
Interest expenses	1,116	1,000
Expected interest income from plan assets	(958)	(866)
	306	**371**

The service cost is shown under personnel expenses.

The net amount from interest cost and expected interest income from plan assets is reported in the item "interest expense".

Gains (+)/losses (-) on remeasurements of the net defined benefit liability (asset) – reported in other comprehensive income – developed as follows in the year under review:

€'000	2023/2024	2022/2023
Actuarial gains (+)/losses (-) at start of reporting period	(18,256)	(16,925)
Gains (+)/losses (-) from the difference between actual and expected return on plan assets	216	414
Actuarial gains (+)/losses (-) from changes in the present value of pension obligations	(3,055)	(917)
Gains (+)/ losses (-) on remeasurement of the net defined benefit liability (asset)	3,330	(1,331)
Actuarial gains (+)/losses (-) at end of reporting period	**(18,196)**	**(18,256)**

Actuarial losses from movements in the present value of pension obligations are attributable to the lower discount rate. Gains on remeasurement of the net defined benefit liability mainly refer to changes resulting from the death of a former member of the Board of Management.

Amount, timing and uncertainty of future cash flows

DBAG is exposed to risks arising from pension obligations for defined benefit plans and individual commitments. These risks are mainly associated with changes in the present value of pension obligations as well as the development of the fair value of plan assets.

Changes in the present value of pension obligations result in particular from changes in actuarial assumptions. The discount rate and life expectancy have a significant influence on the present value. The discount rate is subject to interest rate risk. A change in average life expectancy impacts the length of pension payments and, consequently, the liquidity risk. Based on our estimates, possible changes in these two actuarial parameters would have the following impact on the present value of pension obligations:

€'000	30 Sep 2024	30 Sep 2023
Discount rate		
Increase by 50 bps	(1,467)	(1,357)
Decrease by 50 bps	1,617	1,484
Average life expectancy		
Increase by 1 year	(769)	(784)
Decrease by 1 year	778	790

The sensitivity analysis shown above is based on a change in one parameter, while the others remain constant.

The plan assets have been invested in a special fund. This special fund has an unlimited term and is managed based on a capital investment strategy with a long-term horizon aiming at capital preservation. The objective of the investment strategy is to generate returns that at least correspond to the discount rate.

The fair value of plan assets (a fund listed on an active market) consists of investments in debt instruments (68.4 per cent), fixed income funds (26.2 per cent) as well as balances held with banks (4.8 per cent). Debt instruments are domestic public-sector bonds. Other components account for 0.6 per cent.

Depending on the asset class, the performance of the special fund is exposed to interest rate risk (interest-bearing securities) or market price risk (equities). If the interest rate for interest-bearing securities rises (falls), the return on plan assets will rise (fall). If the market price of equities rises (falls), the return on plan assets will rise (fall).

As is the case for interest-bearing securities, the present value of the pension obligations depends on the interest rate risk. If the market interest rate for interest-bearing securities rises (falls), the present value of pension obligations will fall (rise).

Notes to the consolidated statement of comprehensive income and the consolidated statement of financial position

29. Other provisions

Other provisions can be broken down as follows:

€'000	1 Oct 2023	Utilisation	Reversals	Additions	30 Sep 2024
Personnel-related obligations	12,434	9,886	73	11,722	14,197
of which variable compensation	11,067	9,113	73	10,142	12,025
Consultancy, accounting and audit fees	2,626	2,006	104	945	1,460
Outstanding invoices	1,542	1,261	37	883	1,127
Costs for annual report and annual general meeting	390	291	99	320	320
Other	566	162	405	387	388
	17,558	**13,606**	**718**	**14,257**	**17,492**

Variable remuneration for personnel-related obligations refer to performance-related remuneration.

As at 30 September 2024, provisions for personnel-related obligations comprised non-current items in the amount of 473,000 euros (previous year: 420,000 euros). These primarily relate to one partial retirement agreement and jubilee payment obligations.

As in the previous year, the other provisions have a remaining term of up to one year.

30. Other liabilities

€'000	30 Sep 2024	30 Sep 2023
Liabilities to parallel funds	7,075	60
Liabilities to co-investment vehicles	3,696	784
Trade payables	1,228	409
Other liabilities	842	655
	12,841	**1,908**

Liabilities to co-investment funds and to co-investment vehicles increased substantially in the year under review, as the management fees for DBAG Fund VII and DBAG Fund VIII for the fourth quarter of the calendar year 2024 were paid in advance.

The increase in trade payables was mainly due to consulting costs incurred in connection with the acquisition of a portfolio company.

Other liabilities mainly include liabilities for Supervisory Board remuneration, liabilities for value-added tax and liabilities in connection with the share buyback.

31. Contingent liabilities and trusteeships

Trust assets amounted to 4,000 euros as at the reporting date (previous year: 4,000 euros). This amount is attributable to balances held on trust accounts for purchase price settlements. Trust liabilities exist in the same amount. DBAG does not generate any income from trustee activities.

32. Notes to the consolidated statement of cash flows

Cash flows are recorded in the consolidated statement of cash flows in order to present information about the changes in the Group's cash funds. Cash flows are broken down into cash flows from operating activities, cash flows from investing activities and cash flows from financing activities. The indirect presentation method was applied for cash flows from operating activities.

Proceeds and payments relating to financial assets are recorded in cash flows from investing activities instead of in cash flows from operating activities, since this classification gives a more faithful representation of DBAG's business model. In order to provide information that is relevant for DBAG's activities as a private equity company, the subtotal "Cash flow from investment activity" is reported. The purchase price in connection with the acquisition of ELF Capital (less cash and cash equivalents acquired) was reported in the cash flow from investing activities for the first time in the year under review.

Proceeds and payments arising on interest are presented in the cash flow from operating activities. In the reporting year, this includes interest received in the amount of 691,000 euros (previous year: 828,000 euros) as well as interest paid in the amount of 2,658,000 euros (previous year: 1,651,000 euros). Furthermore, this item includes income taxes paid in the amount of 1,640,000 euros (previous year: 2,989,000 euros). No dividends were received in the year under review (previous year: 509,000 euros).

Cash flows from financing activities include payments for lease liabilities, proceeds from drawdowns of credit lines and promissory note loans, proceeds from issuance of the convertible bond, payments for redemption of credit lines and payments to shareholders.

Notes to the consolidated statement of comprehensive income and the consolidated statement of financial position

€'000	01.10.2023	Cash flows	Other changes	30 Sep 2024
Credit liabilities[1]	0	130,000	(3,845)	126,155
Lease liabilities[2]	13,137	(1,528)	1,239	12,848
	13,137	**128,472**	**(2,606)**	**139,003**

1 The cash flow comprises proceeds of 210,000,000 euros and payments of 80,000,000 euros.
2 Other changes also include movements due to a change in the group of consolidated companies; they include an addition of 35,000 euros and a disposal in the same amount.

Cash and cash equivalents at the start and end of the period mainly existed in the form of bank balances.

Other disclosures

33. Financial risks and risk management

DBAG is exposed to financial risks that may, in particular, cause the value of assets to decline and/or profits to decrease. These risks are not hedged by DBAG. The following section describes the financial risks, as well as objectives and methods of risk management.

33.1 Market risk

The fair value of financial instruments or future cash flows of financial instruments may fluctuate due to rising or falling market prices. Market risk can be further differentiated into currency risk, interest rate risk and other price risks. Exposure to market risks is regularly monitored as a whole.

Currency risk

The exposure to currency risk results from investments denominated in British pounds sterling, Swiss francs or US dollars, where future returns will be received in a foreign currency. The fact that future returns are impacted by currency risks may also lead to a change in fair values of the respective portfolio companies. Moreover, the changes in exchange rates have an influence on their operations and competitiveness. The extent of that impact depends in particular on the value-creation structure and the degree of internationalisation.

Financial assets are exposed to an exchange rate risk against British pound sterling of 244,000 euros (previous year: 168,000 euros), to Swiss franc exchange rate risk of 39,816,000 euros (previous year: 35,261,000 euros), and to US dollar exchange rate risk of 56,372,000 euros (previous year: 44,124,000 euros). The effect on profit or loss resulting from taking into account changes in the fair value of financial assets amounts to -2,157,000 euros (previous year: -4,224,000 euros).

An increase or decrease of the exchange rates by ten per cent would result in a decrease or increase of net income and Group equity by 9,643,000 euros (previous year: 7,955,000 euros) exclusively due to currency translation.

Individual transactions denominated in foreign currency are not hedged, since both the holding period of the investments and the amount of returns from them are uncertain. The currency risk is reduced as a result of returns from investments denominated in foreign currency.

Interest rate risk

On the one hand, interest rate changes affect fair values of the investments measured using the DCF method and interest income generated from investing financial resources: on the other hand, they also affect interest expenses from borrowings and the fair values of the variable subsequent purchase price payment and contingent purchase price liability. The changes in the interest rate level also influence the profitability of portfolio companies.

Financial assets are subject to interest rate risk in the amount of 70,041,000 euros (previous year: 4,798,000 euros). Of that amount, 14,567,000 euros (previous year: nil euros) are attributable to a private debt investment, nil euros (previous year: 185,000 euros) to an indirectly held international fund investment measured using the DCF method and 55,230,000 euros (previous year: 4,418,000 euros) to portfolio companies already sold where the expected return flows are discounted to the reporting date. Financial resources amount to 150,366,000 euros (previous year: 20,018,000 euros). Cash and cash equivalents included therein are invested with a short-term horizon; these investments do not result in any interest income. Securities included in financial resources in the amount of 126,400,000 euros (previous year: nil euros) refer to units held in money market funds measured at fair value.

Credit liabilities of 3,500,000 euros (previous year: nil euros) have a fixed interest rate. Other financial liabilities mainly include a variable subsequent purchase price payment and a contingent purchase price liability in a total amount of 34,662,000 euros (previous year: nil euros) which are measured at fair value using a DCF.

In relation to the financial assets measured using the DCF method, an increase or decrease of the reference interest rate by 100 basis points overall would result in a decrease or increase of net income and Group equity in the amount of 134,000 euros (previous year: 25,000 euros). In relation to the other financial liabilities measured using a discounted earnings approach, an increase or decrease of the reference interest rate by 100 basis points would result in an increase or decrease of net income and Group equity in the amount of 1,034,000 euros (previous year: nil euros).

The exact amount of financial resources may be subject to strong fluctuations and cannot be reasonably forecast; therefore, no hedging transactions are concluded in this regard. The financial assets are also not hedged; the interest rate risk decreases as return flows are received from the respective fund. Fixed-interest credit liabilities and other financial liabilities are also not hedged. Interest rate risk is reduced over time.

Other price risks

Exposures to other price risks are primarily related to the future fair value measurement of the interests in investment entity subsidiaries and portfolio companies. The measurement of portfolio companies is influenced by a number of factors that are related to financial markets, or to the markets the portfolio companies are active on. The influencing factors include, for example, valuation multiples, performance measures and the indebtedness of the portfolio companies.

Private equity investments included in financial assets are measured at fair value through profit or loss. Net measurement gains and losses amount to -14,032,000 euros (previous year: 20,456,000 euros).

The sensitivity of measurement is largely determined by multiples used to determine the fair value of Level 3 financial instruments. In case of a change in the multiples by +/- 10 per cent, the fair value of the Level 3 financial instruments, ceteris paribus, would have to be adjusted by up to +/-39,317,000 euros (previous year: +/-120,253,000 euros). This equates to 6.0 per cent of Group equity (previous year: 18.0 per cent).

The Board of Management constantly monitors the market risk inherent in the portfolio companies held directly or through investment entity subsidiaries. For this purpose, DBAG receives information about the portfolio companies' business development on a timely basis. Board of

Other disclosures

Management members or other members of the DBAG investment advisory team hold offices on supervisory or advisory boards of the portfolio companies. In addition, the responsible members of the DBAG investment advisory team monitor the business development of the portfolio companies through formally implemented processes.

For information on risk management, we refer to the discussions in the combined management report in the "Opportunities and risks" section.

33.2 Liquidity risk

There is currently no liquidity risk identifiable for DBAG. Freely available cash and cash equivalents amount to 23,966,000 euros (previous year: 20,018,000 euros). Including securities in the amount of 126,400,000 euros (previous year: nil euros) and the unused portions totalling 120,160,000 euros of two existing credit lines (previous year: 106,660,000 euros), DBAG's available liquidity amounts to 270,526,000 euros (previous year: 126,678,000 euros).

Current lease liabilities, current other financial liabilities and current other liabilities total 15,213,000 euros (previous year: 3,398,000 euros). DBAG's investment commitments amount to 358,150,000 euros (previous year: 244,038,000 euros).

DBAG expects that it will be able to cover the delta between current liabilities and available cash and cash equivalents of 102,837,000 euros (previous year: 120,758,000 euros) by cash inflows from the disposal of portfolio companies and return flows from private debt investments.

Financial liabilities and lease liabilities (undiscounted) have the following maturities:

	30.9.2024			
	Remaining term			
€'000	≤ 1 year	1-5 years	≥ 5 years	**Total**
Liabilities under interests held by other shareholders	0	0	62	**62**
Credit liabilities	7,015	43,581	116,609	**167,205**
Lease liabilities	1,996	7,666	5,594	**15,256**
Other financial liabilities	1,212	46,550	0	**47,762**
Other liabilities	12,841	0	0	**12,841**
	23,064	97,797	122,265	**243,126**

	30.9.2023			
	Remaining term			
€'000	≤ 1 year	1-5 years	≥ 5 years	Total
Liabilities under interests held by other shareholders	0	0	59	**59**
Credit liabilities	0	0	0	**0**
Other liabilities	1,908	0	0	**1,908**
Lease liabilities	1,942	7,024	6,462	**15,428**
	3,850	7,024	6,521	**17,395**

33.3 Default risk

DBAG may also be exposed to risks when a contracting party fails to meet its obligations, causing financial losses to be incurred by DBAG.

The carrying amount represents the maximum exposure to default risk for the following items of the statement of financial position:

€'000	**30 Sep 2024**	30 Sep 2023
Loans and advances	8,469	15,444
Other financial instruments	3,880	17,990
Cash and cash equivalents	23,966	20,018
Other assets[1]	1,697	1,363
	38,012	**54,814**

1 Excluding deferred items, value-added tax and other items in the amount of 2,163,000 euros (previous year: 1,194,000 euros)

The loss allowance for financial assets included therein and measured at amortised cost amounted to 7,000 euros as at the reporting date (30 September 2023: 29,000 euros).

Receivables: debtors are our co-investment vehicles and the funds. The payment obligations may be fulfilled by capital calls from DBAG or from their investors, respectively.

Other financial instruments: this item includes short-term loans to our co-investment vehicles. The related funds are called at DBAG after the end of the term of up to 270 days and the loans are repaid.

Cash and cash equivalents: cash and cash equivalents of DBAG are deposits held at European credit institutions and are part of the respective institutions' protection systems.

Other assets: other assets primarily relate to rental deposits, which are largely invested with European credit institutions and are part of the respective institutions' protection systems.

Other disclosures

34. Financial instruments

Financial assets, securities and other financial instruments are all carried at fair value.

Receivables, cash and cash equivalents and financial instruments contained in other assets are measured at amortised cost and largely reported under current assets. They are of good credit quality and are unsecured. For these instruments, we assume that the carrying amount reflects their fair value. Credit liabilities and other liabilities are measured at amortised cost. Credit liabilities comprise the promissory note loans and the convertible bond placed in the year under review. Promissory note loans predominantly bear floating interest rates and we assume that their fair values correspond to their carrying amounts. The convertible bond's fair value is measured using a DCF method and deviates from the carrying amount, as interest rate levels, which are factored into discounting, have decreased. Other liabilities include advance management fees for DBAG Fund VII and DBAG Fund VIII. They are reported under current liabilities and we assume that the fair value corresponds to the carrying amount.

Other financial liabilities contain a contingent purchase price liability and variable subsequent purchase price components. They are measured at fair value.

Carrying amount and fair value of financial instruments

€'000	Carrying amount 30 Sep 2024	Fair value 30 Sep 2024	Carrying amount 30 Sep 2023	Fair value 30 Sep 2023
Financial assets measured at fair value through profit or loss				
Financial assets	678,728	678,728	635,404	635,404
Securities	126,400	126,400	0	0
Other financial instruments	3,880	3,880	17,990	17,990
	809,008	**809,008**	**653,393**	**653,393**
Financial assets at amortised cost				
Receivables	8,469	8,469	15,444	15,444
Cash and cash equivalents	23,966	23,966	20,018	20,018
Other assets[1]	1,697	1,697	1,363	1,363
	34,132	**34,132**	**36,824**	**36,824**
Financial liabilities at amortised cost				
Liabilities under interests held by other shareholders	62	62	59	59
Loan liabilities	126,155	128,185	0	0
Other liabilities[2]	12,641	12,641	1,799	1,799
	139,831	**140,861**	**1,858**	**1,858**
Financial liabilities at fair value through profit or loss				
Other financial liabilities	34,662	34,662	0	0
	34,662	**34,662**	**0**	**0**

1 Excluding deferred items, corporation tax reclaim, value-added tax and other items in the amount of 2,163,000 euros (previous year: 1,194,000 euros).
2 Excluding deferred items, tax liabilities and other items in the amount of 227,000 euros (previous year: 109,000 euros).

Other disclosures

34.1 Disclosures on the hierarchy of financial instruments

Financial instruments measured at fair value are allocated to the following three levels in accordance with IFRS 13:

Level 1: Use of prices in active markets for identical assets and liabilities.

Level 2: Use of inputs that are observable, either directly (as prices) or indirectly (derived from prices).

Level 3: Use of inputs that are not materially based on observable market data (unobservable parameters). The materiality of these inputs is judged on the basis of their influence on fair value measurement.

The financial instruments measured at fair value on a recurring basis can be classified as follows:

Measurement hierarchy for financial assets measured at fair value

€'000	Fair value 30 Sep 2024	Level 1	Level 2	Level 3
Financial assets measured at fair value through profit or loss				
Financial assets	678,728	0	0	678,728
Securities	126,400	126,400	0	0
Other financial instruments	3,880	0	0	3,880
	809,008	**126,400**	**0**	**682,608**
Financial liabilities measured at fair value through profit or loss				
Other financial liabilities	34,662	0	0	34,662
	34,662	**0**	**0**	**34,662**

Measurement hierarchy for financial assets measured at fair value

€'000	Fair value 30 Sep 2023	Level 1	Level 2	Level 3
Financial assets measured at fair value through profit or loss				
Financial assets	635,404	0	0	635,404
Other financial instruments	17,990	0	0	17,990
	653,393	**0**	**0**	**653,393**

There are no assets or liabilities that were not measured at fair value on a recurring basis.

Other disclosures

Level 3 financial instruments are allocated to the following classes, while Level 3 financial liabilities are not allocated to specific classes because they are considered to constitute a single class:

Classification of level 3 financial instruments

€'000	Investment entity subsidiaries	Portfolio companies	Other	Total
30 Sep 2024				
Financial assets	674,806	3,464	458	678,728
Other financial instruments	3,880	0	0	3,880
	678,685	**3,464**	**458**	**682,608**
30 Sep 2023				
Financial assets	631,733	3,479	192	635,404
Other financial instruments	17,990	0	0	17,990
	649,722	**3,479**	**192**	**653,393**

The following table shows the changes in Level 3 financial instruments in the year under review and in the previous year, respectively:

Changes in level 3 financial instruments

€'000	1 Oct 2023	Additions	Disposals	Changes in value	30 Sep 2024
Financial assets measured at fair value through profit or loss					
Investment entity subsidiaries	649,722	113,384	70,393	(14,027)	678,685
Portfolio companies	3,479	0	0	(15)	3,464
Other	192	364	108	10	458
	653,393	**113,748**	**70,502**	**(14,032)**	**682,608**
Financial liabilities measured at fair value through profit or loss					
Other financial liabilities	0	31,702	0	2,960	34,662
	0	**31,702**	**0**	**2,960**	**34,662**

Other disclosures

Changes in level 3 financial instruments

€'000	1 Oct 2022	Additions	Disposals	Changes in value	30 Sep 2023
Financial assets measured at fair value through profit or loss					
Investment entity subsidiaries	592,372	113,518	76,184	20,016	649,722
Portfolio companies	3,042	0	0	437	3,479
International fund investment	0	0	0	0	0
Other	135	57	0	0	192
	595,548	**113,575**	**76,184**	**20,453**	**653,393**

Changes in value are recognised in net income from investment activity.

In both the year under review and the previous year, there were no transfers between levels.

Given their short maturities, the fair value of other financial instruments is approximated using their amortised cost. Accordingly, they are not presented in the following tables.

Other disclosures

The possible ranges for unobservable inputs regarding financial assets and other financial liabilities are as follows:

Ranges for unobservable inputs

€'000	Fair value 30 Sep 2024	Valuation method	Unobservable input	Range
Financial assets				
Investment entity subsidiaries	674,806	Net asset value[1]	EBITDA margin	5 to 60%
			Net debt[2] to EBITDA	0 to 11.1
			z-spread[3]	8.1%
Portfolio companies	3,464	Multiples method	EBITDA margin	5%
			Net debt[2] to EBITDA	4.6
			Multiples discount	
Other	458	Net asset value	n/a	n/a
	678,728			
Other financial liabilities	**34,662**	Discounted earnings method	Management fee	1.15% to 1.50%

1 The net asset value is determined using the sum-of-the-parts method. If the multiples method is used for the investments included therein, the same unobservable parameters are used as those for calculating the fair value of interests in portfolio companies (see note 6). If the DCF method is used for the investments contained therein, the z-spread is used as an unobservable input (see note 6).
2 Net debt of portfolio company
3 The z-spread captures the credit risk exposure and is determined upon initial recognition of a private debt investment (see note 6).

Ranges for unobservable inputs

€'000	Fair value 30 Sep 2023	Valuation method	Unobservable input	Range
Financial assets				
Investment entity subsidiaries	631,733	Net asset value[1]	EBITDA margin	2 to 83%
			Net debt[2] to EBITDA	(0.1) to 11.0
			Multiples discount	0 to 10%
Portfolio companies	3,479	Multiples method	EBITDA margin	6%
			Net debt[2] to EBITDA	4%
			Multiples discount	0%
Other	192	Net asset value	n/a	n/a
	635,404			

1 See footnote 1 in the preceding table
2 See footnote 2 in the preceding table

Other disclosures

In our view, the change in unobservable inputs used for calculating the fair value of Level 3 financial instruments has the following effects on measurement amounts:

Ranges for unobservable inputs

€'000	Fair value 30 Sep 2024	Change in unobservable input		Change in fair value
Financial assets[1]				
Investment entity subsidiaries	674,806	EBITDA	+/- 10%	90,003
		Net debt	+/- 10%	34,619
		z-spread	+/- 1%	360
Portfolio companies	3,464	EBITDA	+/- 10%	428
		Net debt	+/- 10%	239
		Multiples discount	+/- 5 percentage points	
Other	458		n/a	n/a
	678,728			
Other financial liabilities	**34,662**	Discounted earnings method	+/- 5%	370

1 In the case of recently acquired private equity investments, a change in the unobservable inputs has no effect on the fair value

Ranges for unobservable inputs

€'000	Fair value 30 Sep 2023	Change in unobservable input		Change in fair value
Financial assets[1]				
Investment entity subsidiaries	631,733	EBITDA	+/- 10%	119,166
		Net debt	+/- 10%	63,034
		Multiples discount	+/- 5 percentage points	1,082
Portfolio companies	3,479	EBITDA	+/- 10%	795
		Net debt	+/- 10%	447
		Multiples discount	+/- 5 percentage points	0
Other	192		n/a	n/a
	635,404			

1 See footnote 1 in the preceding table

Currently, there are no portfolio companies measured based on revenue. In the previous year, two portfolio companies held indirectly via investment entity subsidiaries were measured based on revenue (previous year: adjustment of fair values by 292,000 euros in case of a change of the underlying multiples by +/- 10 per cent).

34.2 Net gain or loss on financial assets measured at fair value

The net gain or loss on financial assets measured at fair value comprises fair value changes recognised through profit or loss, realised gains or losses from the disposal of financial instruments, current income as well as exchange rate changes.

Other disclosures

The following net gains or losses on financial assets recognised at fair value are included in the consolidated statement of comprehensive income:

Net gain or loss from financial assets measured at fair value through profit or loss

€'000	2023/2024	2022/2023
Net income from investment activity	61,138	109,577
Other operating income	588	0
	61,726	**109,577**

34.3 Net gain or loss on financial assets measured at amortised cost

Net gain or loss on financial assets measured at amortised cost mainly comprises interest income and changes in loss allowance.

Net gain or loss on financial liabilities carried at amortised cost

€'000	2023/2024	2022/2023
Other operating expenses	7	30
Interest income	97	91
	104	**121**

34.4 Net gain or loss on financial liabilities measured at amortised cost

Net gain or loss on financial liabilities measured at amortised cost comprises interest expenses on credit lines drawn, promissory note loans, loans and a convertible bond.

Net gain or loss on financial liabilities carried at amortised cost

€'000	2023/2024	2022/2023
Interest expenses	(4,638)	(1,651)

34.5 Net gain or loss on financial liabilities measured at fair value

The following net gains or losses on financial liabilities recognised at fair value are included in the consolidated statement of comprehensive income:

Net gain or loss from financial liabilities measured at fair value through profit or loss

€'000	2023/2024	2022/2023
Other operating expenses	(2,960)	0
	(2,960)	**0**

35. Capital management

The objective of DBAG's capital management is to ensure the availability of the Group's long-term capital requirements as well as to increase the enterprise value of DBAG over the long term.

The amount of equity is managed on a long-term basis through distributions and share buybacks.

Overall, the capital of DBAG consists of the following components:

€'000	30 Sep 2024	30 Sep 2023
Liabilities		
Liabilities under interests held by other shareholders	62	59
Provisions	126,155	0
Credit liabilities	12,848	13,137
Other financial liabilities	34,662	0
Lease liabilities	21,265	22,245
Other liabilities	30,333	3,449
	225,326	**38,890**
Equity		
Subscribed capital	64,978	66,725
Reserves	255,069	258,763
Consolidated retained profit	368,314	343,891
	688,361	**669,379**
Equity as a proportion of total capital (in %)	75.34	94.51

The capital restrictions that were applicable in the previous year pursuant to Germany's statutory legislation on special investment companies (Gesetz über Unternehmensbeteiligungsgesellschaften – UBGG) no longer apply because DBAG has renounced its status as a special investment company (see also note 4.2).

Other disclosures

36. Earnings per share based on IAS 33

	2023/2024	2022/2023
Net income (€'000)	47,514	105,780
Adjustment of interest expense for convertible bond (in €'000)	1,515	0
Tax effects on adjustment of interest expense for convertible bond (in €'000)	(484)	0
Diluted net income (€'000)	48,546	105,780
Number of shares at the reporting date 30 September	18,804,992	18,804,992
Number of shares outstanding at the reporting date 30 September	18,310,297	18,802,627
Average number of shares outstanding, basic	18,653,856	18,803,853
Effect from the potential conversion of convertible bond	764,188	0
Average number of shares outstanding, diluted	19,418,044	18,803,853
Basic earnings per share (in €)	2.55	5.63
Diluted earnings per share (in €)	2.50	5.63

Basic earnings per share are computed by dividing the net income for the year by the weighted average number of shares outstanding during the financial year.

The calculation of diluted earnings per share is based on the assumption that all of the conversion rights are exercised as at the date of issue, which in turn increases the number of shares. At the same time, net income is adjusted by the negative net impact on earnings (interest expense after taxes) resulting from the convertible bond.

Other disclosures

37. Disclosures on segment reporting

DBAG's business model is geared towards increasing the Company's value over the long term through successful private equity and private debt investments (together, "private markets investments"), in conjunction with sustainable income from Fund Services. The investments are entered into as co-investor of the DBAG funds, investor in ELF funds and also independently from these funds ("Long-Term Investments").

To separately manage these business lines, DBAG's internal reporting system calculates a separate operating result (segment earnings). The business lines "Private Markets Investments" and "Fund Investment Services" are presented as operating segments.

Segmental analysis from 1 October 2023 to 30 September 2024

€'000	Private Markets Investments	Fund Investment Services	Group functions/ others[1]	Group 2023/2024
Net income from investment activity	61,138	0	0	61,138
Income from Fund Services	0	48,404	(861)	47,543
Income from Fund Services and investment activity	**61,138**	**48,404**	**(861)**	**108,681**
Other income/expense items (excluding net interest income and amortisation of intangible assets)	(15,825)	(32,236)	(2,098)	(50,160)
Earnings before interest, taxes and amortisation of intangible assets	**45,312**	**16,168**	**(2,960)**	**58,520**
Net interest income and amortisation of intangible assets	(5,231)	(3,322)	0	(8,554)
Profit before tax	**40,081**	**12,846**	**-2,960**	**49,966**
Income taxes				(2,449)
Earnings after taxes				**47,518**
Net income attributable to other shareholders				(4)
Net income				**47,514**
Net asset value	**688,361**			

1 A synthetic internal administration fee is calculated for the Private Markets Investments segment and taken into account when determining segment earnings. The fee is based on DBAG's co-investment interest. This column also includes expenses for DBAG's strategic development.

Other disclosures

Segmental analysis from 1 October 2022 to 30 September 2023

€'000	Private Markets Investments	Fund Investment Services	Group functions/ others[1]	Group 2022/2023
Net income from investment activity	109,577	0	0	109,577
Income from Fund Services	0	46,931	(1,073)	45,859
Income from Fund Services and investment activity	**109,577**	**46,931**	**(1,073)**	**155,435**
Other income/expense items (excluding net interest income and amortisation of intangible assets)	(10,541)	(32,830)	(1,212)	(44,583)
Earnings before interest, taxes and amortisation of intangible assets	**99,035**	**14,101**	**(2,284)**	**110,852**
Net interest income and amortisation of intangible assets	(2,213)	(54)	0	(2,267)
Profit before tax	**96,823**	**14,046**	**(2,284)**	**108,585**
Income taxes				(2,799)
Earnings after taxes				**105,786**
Net income attributable to other shareholders				(6)
Net income				**105,780**
Net asset value	**669,379**			

1 See footnote 1 in the preceding table

Products and services

DBAG invests in companies as a co-investor alongside DBAG funds by way of majority or minority investments. We basically structure majority investments as so-called management buyouts. Growth financing is made by way of a minority investment, for example via a capital increase. In addition, DBAG invests independently from the funds outside the scope of their investment strategies ("Long-Term Investments") and offers private debt solutions as an investor in ELF funds. Within the scope of its investment activity, DBAG achieved net gains and losses on measurement and disposal as well as current income from financial assets totalling 61,138,000 euros (previous year: 109,577,000 euros). Income from Fund Services amounted to 47,543,000 euros in the reporting year (previous year: 45,859,000 euros).

Geographical scope of activities

In geographical terms, the majority of the portfolio companies and the borrowers have their registered office or main business focus in the German-speaking region of Europe. Since 2020, we have also invested in companies in Italy, one of the most important industrialised economies in the European Union with a high proportion of family-owned companies. In exceptional cases, we also invest in companies that operate outside of German-speaking countries and Italy. Net income from investment activity refers to companies domiciled in the Germany, Austria and Switzerland region in the amount of 40,419,000 euros (previous year: 87,292,000 euros), to companies domiciled in Italy in the amount of 11,853,000 euros (previous year: 18,437,000 euros), and to companies domiciled in other European countries in the amount of 8,866,000 euros (previous year: 3,848,000 euros).

For more information on the composition of the portfolio and its deve-opment, we refer to the section "Private Markets Investments segment" in the combined management report.

Customer

DBAG's customers are the investors in the funds. They comprise German and international institutional investors, especially pension funds, funds of funds, banks, foundations, insurance companies or family offices.

DBAG generates its income from Fund Services from investors, none of whom account for more than ten per cent of DBAG's total income.

Other disclosures

38. Declaration of Compliance with the German Corporate Governance Code

A "Declaration of Compliance" pursuant to section 161 of the German Stock Corporation Act (Aktiengesetz – AktG) was submitted by the Board of Management and the Supervisory Board of Deutsche Beteiligungs AG and is permanently accessible to shareholders at DBAG's website[2].

39. Disclosures on related parties

Related companies within the meaning of IAS 24 are: investment entity subsidiaries (see note 4.4) and the companies indirectly held via the investment entity subsidiaries, provided DBAG holds at least 20 per cent of the relevant company's shares (especially holding companies in the funds, subsidiaries of Deutsche Beteiligungsgesellschaft mbH, ELF funds in which DBAG is invested via DBAG ELF Funds Konzern GmbH & Co. KG and DBAG Bilanzinvest IV (Dental) GmbH & Co. KG), the unconsolidated subsidiaries of DBAG (see note 4.6) as well as the unconsolidated structured companies (see note 4.7).

Related persons, within the meaning of IAS 24, are key management personnel. At the DBAG Group, these include all Board of Management, Managing Directors and the members of the Supervisory Board.

Income and expenses, receivables and liabilities from Fund Services

DBAG provides asset management services to the DBAG funds and the co-investment vehicles via its fully-consolidated subsidiaries.

The following companies are responsible for asset management: AIFM-DBG Fund VII (Guernsey) LP, DBG ECF IV GP S.à r.l., DBG Fund VI GP (Guernsey) LP, DBG Fund VII GP S.à r.l., DBG Fund VIII GP (Guernsey) L.P., DBG Management GmbH & Co. KG, DBG Management GP (Guernsey) Limited and DBG Managing Partner GmbH & Co. KG. DBAG pays no fees for the management of the co-investment vehicles of DBAG ECF and DBAG Fund V. Since the launch of DBAG Fund VI, DBAG has paid a volume-based fee for the management of its co-investments to DBG ECF IV GP S.à r.l., DBG Fund VI GP (Guernsey) LP, to DBG Fund VII GP S.à r.l., and to AIFM DBG Fund VII (Guernsey) L.P. as well as to DBG Fund VIII GP (Guernsey) L.P. Based on the same principles and terms and conditions as for the investors in the funds, this fee is determined by reference to a fixed percentage of a fund's committed or invested capital.

The unconsolidated companies ELF Capital Solutions Management S.à r.l., ELF European Lending Management I S.à r.l. and ELF European Lending Management II S.à r.l. are responsible for managing the ELF funds. Investors in the ELF funds (including DBAG ELF Funds Konzern GmbH & Co. KG) pay a volume-based fee for the management of their investments. Remuneration is based on a fixed percentage of an ELF fund's committed or invested capital.

The management companies receive advisory services from DBG Advising GmbH & Co. KG, DBAG Italia S.r.l. and ELF Capital, and pay an advisory fee for these services.

The fees of the fully consolidated companies from these activities – including amounts received from fund investors – are recognised in the item "Income from Fund Services" (see note 10). In the year under review, income from Fund Services consisted of income from investment entity subsidiaries in the amount of 9,663,000 euros (previous year: 10,353,000 euros) and income from fund investors in the amount of 37,623,000 euros (previous year: 35,157,000 euros). Fees paid by DBAG are also recognised in the "Net income from investment activity" item, reducing value (see note 9).

As at the reporting date, receivables from management fees against funds amount to 2,062,000 euros (previous year: 8,093,000 euros, see note 19), while receivables from management fees against the co-investment vehicles amounted to 2,308,000 euros (previous year: 5,656,000 euros, see note 19).

Relationships to DBG Managing Partner GmbH & Co. KG and DBG Advising GmbH & Co. KG

DBAG itself holds a capital interest of 20 per cent in the fully-consolidated DBG Managing Partner GmbH & Co. KG. The remaining 80 per cent are held by the Board of Management members who are part of the investment advisory team. Income from the interest on their capital accounts amounts to 1,130 euros (previous year: 840 euros). The interests in the general partner of DBG Managing Partner GmbH & Co. KG are held by DBG Managing Partner GmbH & Co. KG itself. The general partner receives an annual liability fee in the amount of 3,125 euros.

DBAG itself holds a capital interest of 20 per cent in the fully-consolidated DBG Advising GmbH & Co. KG. 80 per cent of the shares are held by the Board of Management members who are part of the investment advisory team. Income from the interest on their capital accounts amounts to 779 euros (previous year: 388 euros). The interests in the general partner of DBG Advising GmbH & Co. KG are held by DBG Advising GmbH & Co. KG itself. The general partner receives an annual liability fee in the amount of 3,125 euros.

For more information on the interests held by the members of the Board of Management, please refer to note 24.

Relationships to DBG Fund HoldCo GmbH & Co. KG and DBG Fund LP (Guernsey) Limited

DBAG holds 20 per cent (previous year: 13.04 per cent) of the shares in DBG Fund HoldCo GmbH & Co. KG (Fund HoldCo). The remaining 80 per cent (previous year: 86.96 per cent) are held by the Board of Management members who are part of the investment advisory team. Income from the interest on their capital accounts amounts to 950 euros (previous year: 464 euros). Fund HoldCo's general partner receives an annual liability fee in the amount of 1,250 euros. DBAG is entitled to the remaining net retained profit.

[2] https://www.dbag.com/investor-relations/corporate-governance/declarations-of-compliance/

Other disclosures

Fund HoldCo is the general partner of the fully-consolidated companies AIFM-DBG Fund VII (Guernsey) LP, DBG Fund VI GP (Guernsey) LP, DBG Fund VIII GP (Guernsey) L.P. and European Private Equity Opportunity Manager LP. In the year under review, net retained profit totalling 842 euros (previous year: 2,622 euros) was allocated to Fund HoldCo from these companies, and an amount of 1,426 euros (previous year: 2,827 euros) was paid out to Fund HoldCo.

Via the interest held by DBAG in Fund HoldCo, DBAG indirectly holds 20 per cent (previous year: 13.04 per cent) of the shares in Fund Hold-Co's subsidiaries, DBG ECF IV GP S.à r.l. and DBG Fund LP (Guernsey) Limited. In addition, 20 per cent (previous year: 0 per cent) of the shares are held indirectly in ELF Capital Solutions Management S.à r.l., ELF European Lending Management I S.à r.l. and ELF European Lending Management II S.à r.l. DBG Fund LP (Guernsey) is the founding limited partner of the fully-consolidated companies AIFM-DBG Fund VII (Guernsey) LP, DBG Fund VI GP (Guernsey) LP, DBG Fund VIII GP (Guernsey) L.P. and European PE Opportunity Manager LP. In the year under review, net retained profit totalling 842 euros (previous year: 2,622 euros) was allocated to Fund HoldCo from these companies, and an amount of 1,426 euros (previous year: 2,827 euros) was paid out to Fund HoldCo.

Via the interest held by DBAG in Fund HoldCo, a further 17 per cent (previous year: 11.05 per cent) of the shares in DBG Management GP (Guernsey) Ltd. are indirectly held by DBAG. As in the previous year, no distribution was made in the year under review.

Relationships to investment entity subsidiaries

The co-investment vehicles of DBAG Fund VII and DBAG Fund VIII are granted short-term loans as pre-financing of investments in new portfolio companies. These loans are reported in the item "Other financial instruments" (see note 21); the fair value changes amount to 538,000 euros (previous year: 880,000 euros) and are recognised in net income from investment activity (see note 9). As at the reporting date, there are liabilities to co-investment vehicles in the amount of 3,696,000 euros (previous year: 784,000 euros).

Other related party disclosures

As at the reporting date, receivables from portfolio companies amounted to nil euros (previous year: 44,000 euros, see note 19).

Private co-investments of team members and carried interest

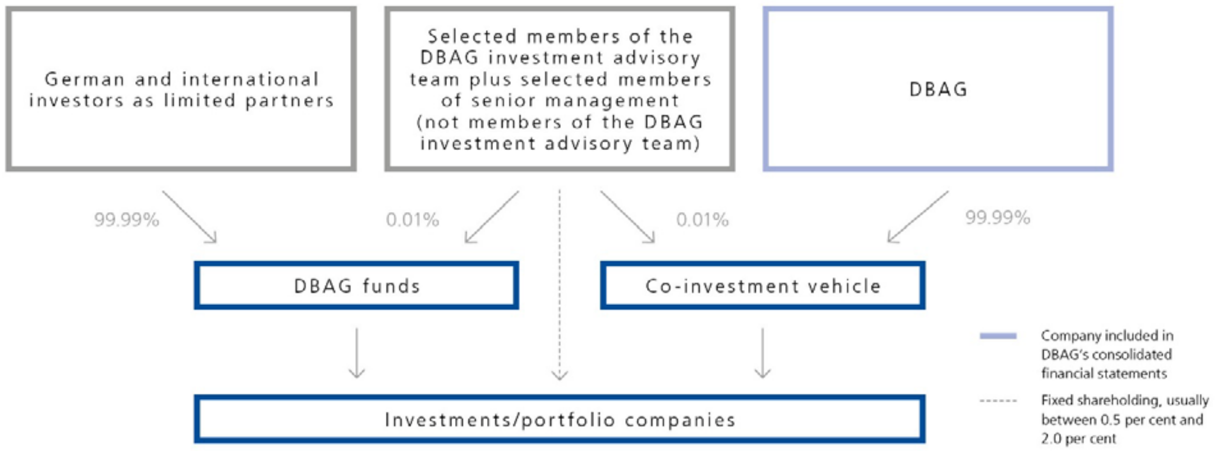
Selected members of the DBAG investment advisory team, along with selected Managing Directors of DBAG who are not members of the DBAG investment advisory team, participate in a DBAG fund's performance in return for their intangible shareholder contribution to the respective DBAG fund ("carried interest") after the fund investors and DBAG have realised their invested capital plus a preferred return ("full repayment of capital").

Carried interest of not more than 20 per cent[3] is paid out once proceeds on disposal are generated and full repayment has been achieved; the remaining 80 per cent[4] (net sales proceeds) is paid to the investors in the relevant fund and to DBAG. The structure of the investment, its implementation and key economic aspects are in conformity with common practice in the private equity industry and constitute a prerequisite for the placement of funds. For the individuals participating, their partnership status constitutes a privately assumed investment risk which serves the purpose of aligning their interests with those of fund investors; the purpose of carried interest is to promote their initiative and their dedication to the success of the investment.

Since the launch of DBAG Fund VI, the investment structure of a DBAG fund is as follows (significantly simplified):

Overview investment structure

The percentages relate to the equity interest.



[3] The maximum disproportionate share of earnings for DBAG Fund VII B [Konzern] SCSp and DBAG Fund VIII B [Konzern] (Guernsey) L.P. amounts to 10 per cent.

[4] The maximum disproportionate share of the investors and DBAG for DBAG Fund VII B [Konzern] SCSp and DBAG Fund VIII B [Konzern] (Guernsey) L.P. amounts to a total of 90 per cent.

Other disclosures

Incentives granted to the ELF investment advisory team are similar to those of the DBAG investment advisory team, as personal investments from their own funds are also coupled with profit-sharing awards, ensuring that the ELF fund investors' interests are aligned with the interests of the ELF investment advisory team. Interaction between DBAG and ELF Capital is also fostered by mutually including the investment advisory team into the respective carried interest model. Accordingly, members of the DBAG investment advisory team are also invested in the ELF funds.

The Board of Management members who are part of the DBAG investment advisory team as well as the Managing Directors entitled to carried interest made the following investments in the reporting year and the previous year, respectively, and received the following repayments from the funds:

	Investments during the reporting period		Repayments during the reporting period	
€'000	Key management personnel	of which: Board of Management	Key management personnel	of which: Board of Management
1 Oct 2022 - 30 Sep 2023				
DBAG ECF I	14	1	0	0
DBAG ECF II	14	2	0	0
DBAG ECF III	51	6	64	3
DBAG ECF IV	3,015	873	0	0
DBAG Fund VI	0	0	373	125
DBAG Fund VII	163	43	0	0
DBAG Fund VIII	41	17	38	18
ELF funds	15	15	0	0
Total	**3,313**	**957**	**475**	**146**

	Investments during the reporting period		Repayments during the reporting period	
€'000	Key management personnel	of which: Board of Management	Key management personnel	of which: Board of Management
1 Oct 2021 - 30 Sep 2022				
DBAG Fund V	9	5	337	207
DBAG ECF I	105	6	43	8
DBAG ECF II	29	18	0	0
DBAG ECF III	55	13	721	271
DBAG ECF IV	646	327	0	0
DBAG Fund VI	29	10	736	358
DBAG Fund VII	357	101	2,162	1,132
DBAG Fund VIII	285	186	0	0
Total	**1,515**	**666**	**3,999**	**1,976**

Other disclosures

The following table outlines carried interest entitlements from the co-investment vehicles and funds for the Board of Management members entitled to carried interest and the Managing Directors entitled to carried interest. For details regarding the share of the co-investment vehicles, we refer to the section "Integrated business model" in the combined management report.

	1 Oct 2023[1]		Reduction due to disbursement[1]		Addition (+) / reversal (-)[1]		**30 Sep 2024**	
€'000	Key management personnel	of which: Board of Management	Key management personnel	of which: Board of Management	Key management personnel	of which: Board of Management	Key management personnel	of which: Board of Management
DBAG Fund V	36	22	0	0	(31)	(21)	5	1
DBAG ECF I	13,988	2,605	(47)	(3)	(6,738)	(2,081)	7,203	521
DBAG ECF II	8,550	2,006	0	0	4,231	(464)	12,781	1,542
DBAG ECF III	16,781	3,702	0	0	(5,331)	(2,393)	11,450	1,309
DBAG Fund VII	8,170	3,433	0	0	(732)	(1,242)	7,438	2,191
DBAG Fund VIII	0	0	0	0	36,593	13,524	36,593	13,524
	47,525	**11,768**	**(47)**	**(3)**	**27,992**	**7,323**	**75,470**	**19,088**

1 Carried interest entitlements at the start and end of the financial year relate to key management personnel and the members of the Board of Management as at the respective reporting date. Additions and reversals may be due – inter alia – to key management personnel and members of the Board of Management joining or leaving the Company as well as – with regard to the "of which" disclosure in relation to the Board of Management – due to key management personnel joining the Board of Management during the year.

	1 Oct 2022		Reduction due to disbursement		Addition (+) / reversal (-)		**30 Sep 2023**	
€'000	Key management personnel	of which: Board of Management	Key management personnel	of which: Board of Management	Key management personnel	of which: Board of Management	Key management personnel	of which: Board of Management
DBAG Fund V	3,125	1,932	(2,848)	(1,760)	(241)	(149)	36	22
DBAG ECF I	12,224	2,277	(948)	(176)	2,712	505	13,988	2,605
DBAG ECF II	10,440	2,420	0	0	(1,890)	(415)	8,550	2,006
DBAG ECF III	0	0	0	0	16,781	3,702	16,781	3,702
DBAG Fund VI	410	195	0	0	(410)	(195)	0	0
DBAG Fund VII	3,737	1,570	0	0	4,432	1,863	8,170	3,433
	29,936	**8,394**	**(3,796)**	**(1,937)**	**21,384**	**5,310**	**47,525**	**11,768**

Other disclosures

In the consolidated financial statements, carried interest is taken into account in the fair value measurement of the shares of DBAG in the investment entity subsidiaries (“net asset value”). In this context, total liquidation of the fund portfolio as at the reporting date is assumed (see note 6, paragraph “Fair value measurement methods on hierarchy level 3”). In the year under review, the net asset values of the co-investment vehicles DBAG Fund V, DBAG ECF I, DBAG ECF II, DBAG ECF III, DBAG Fund VII (top-up fund) and DBAG Fund VIII (principal fund and top-up fund) are reduced by carried interest claims in a total amount of 36,281,000 euros (previous year: 30,343,000 euros), of which 21,628,000 euros (previous year: 11,444,000 euros) are attributable to key management personnel.

This carried interest, which is taken into account upon measurement, may increase or decrease in value in the future, and is not disbursed until the requirements under the Articles of Association are met.

Remuneration based on employment or service contracts

Total remuneration for members of the Board of Management amounts to 3,087,000 euros (previous year: 3,731,000 euros). This includes undisbursed short-term benefits of 1,360,000 euros (previous year: 537,000 euros), long-term benefits of 118,000 euros (previous year: 1,690,000 euros) and current service cost of nil euros (previous year: 67,000 euros). An amount of 938,000 euros (previous year: 2,556,000 euros) of the provisions for pension obligations was attributable to Board of Management members as at the reporting date. As in the previous financial year, there are no share-based payments.

The total remuneration for Managing Directors amounts to 12,955,000 euros in the reporting year (previous year: 9,412,000 euros). This includes undisbursed short-term benefits of 5,721,000 euros (previous year: 3,451,000 euros), long-term benefits of 437,000 euros (previous year: 1,419,000 euros), current service cost of 63,000 euros (previous year: 53,000 euros) and termination benefits of 612,000 euros (previous year: nil euros). As at the reporting date, an amount of 2,293,000 euros (previous year: 2,282,000 euros) of the provisions for pension obligations was attributable to Managing Directors. As in the previous financial year, there are no share-based payments.

The total remuneration for Supervisory Board members amounts to 488,000 euros in the reporting year (previous year: 475,000 euros).

Former Board of Management members and their surviving dependants received total payments of 951,000 euros (previous year: 1,131,000 euros). The present value of pension obligations to former Board of Management members and their surviving dependants amounted to 16,318,000 euros at the reporting date (previous year: 16,353,000 euros).

Other transactions with key management personnel

Managing Directors acquired 3,200 (previous year: 2,000) shares of DBAG at preferential terms. The resulting pecuniary advantage amounted to 20,000 euros (previous year: 17,000 euros), and is recognised under personnel expenses.

DBAG granted loans to Managing Directors in the amount of 701,000 euros at standard market conditions (previous year: 295,000 euros). Interest income in the reporting year amounted to 21,000 euros (previous year: 8,000 euros).

No loans or advances were granted to members of the Board of Management and the Supervisory Board. Contingent liabilities were entered into by DBAG neither for the members of the Board of Management nor for the members of the Supervisory Board.

40. Events after the reporting date

Funds

The final close of subscriptions for the DBAG ECF IV took place on 15 November 2024, with capital commitments of around 249 million euros being accepted. DBAG entered into a co-investment agreement for the fund in the amount of 100,000 euros.

Transactions of investment entity subsidiaries

DBAG alongside DBAG ECF IV agreed the investment in UNITY in the fourth quarter of the year under review. The transaction was completed in October 2024.

One portfolio company of DBAG Fund VII (SERO) agreed and closed another add-on acquisition, which DBAG Fund VII has supported by contributing additional equity.

In October 2024, a partial disposal of the shareholding in Hausheld (a Long-Term Investment) was agreed. The disposal price has already been taken into account in the measurement of the co-investment vehicle of DBAG Bilanzinvest I (Smart Metering) GmbH & Co. KG as at 30 September 2024.

41. Fees for the auditor

Total fees paid to the auditor BDO are composed of as follows:

	2023/2024		
€'000	Parent company	Subsidiary	Total
Audit of separate/consolidated financial statements	354	45	400
Other attestation services	50	20	70
Other services	10	0	10
	414	**65**	**480**

	2022/2023		
€'000	Parent company	Subsidiary	Total
Audit of separate/consolidated financial statements	358	120	478
Other attestation services	44	51	95
Other services	12	0	12
	415	**171**	**586**

Other disclosures

The services associated with auditing the separate and consolidated financial statements also include audit activities relating to the audit of the financial statements as at 30 September 2024 that were conducted early. Of the total amount, 26,000 euros refer to the additional expense for the audit of the previous year's consolidated financial statements (previous year: 36,000 euros).

Other attestation services refer to confirmations of financial covenants included in loan agreements, the audit of the remuneration report, activities concerning the review of the half-yearly financial statements as at 31 March 2024 as well as the review of measures to prevent financial crime of a subsidiary.

Other services include project-related audits during the implementation of the Corporate Sustainability Reporting Directive (CSRD) and the EU taxonomy.

Other disclosures

42. Members of the Supervisory Board and the Board of Management

Supervisory Board

Dr Hendrik Otto (Chairperson)

Dusseldorf, Germany

Consultant at Egon Zehnder and Attorney, Dusseldorf, Germany

No statutory offices or comparable offices in Germany and abroad

Dr Jörg Wulfken (Vice Chairman)

Bad Homburg v. d. Höhe, Germany

Attorney and Partner at Bruski, Smeets & Lange Rechtsanwälte, Frankfurt/Main, Germany

Comparable offices in Germany and abroad

- Chairman of the Supervisory Board of Georgian Credit, Tbilisi, Georgia

Prof. Dr Kai C. Andrejewski

Pullach i. Isartal, Germany

Senior Partner at Agora Strategy Group AG, Munich, Germany

Comparable offices in Germany and abroad

- Member of the Supervisory Board of SEEHG Securing Energy for Europe Holding GmbH, Berlin, Germany
- Member of the Supervisory Board of innoscripta AG, Munich, Germany

Axel Holtrup

London, United Kingdom

Independent investor

Comparable offices in Germany and abroad

- Member of the Board of Directors of Partners Group Private Equity Limited, Guernsey (listed)

Dr Kathrin Köhling

Mülheim, Germany (since 2 November 2023)

Chief Financial Officer of LEG Immobilien SE, Dusseldorf, Germany

No statutory offices or comparable offices in Germany and abroad

Dr Maximilian Zimmerer

Feldafing, Germany

Supervisory Board

Statutory offices

- Member of the Supervisory Board of Munich Re (Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft), Munich, Germany (listed)
- Until 31 December 2023: Investmentaktiengesellschaft für langfristige Investoren TGV, Bonn, Germany (Chairman of the Supervisory Board)

Comparable offices in Germany and abroad

- Supervisory Board member at KfW Capital GmbH & Co. KG, Frankfurt/Main, Germany

Board of Management

Tom Alzin (Spokesman of the Board of Management)

Luxemburg, Germany

Comparable offices in Germany and abroad

- Verde Midco S.r.l., Milan, Italy

Jannick Hunecke

Frankfurt/Main, Germany

No statutory offices or comparable offices in Germany and abroad

Melanie Wiese

Bad Honnef, Germany

No statutory offices or comparable offices in Germany and abroad

Other disclosures

43. List of subsidiaries and associates pursuant to section 313 (2) HGB

Name	Registered office	Equity interest in %
Fully-consolidated and unconsolidated subsidiaries		
AIFM-DBG Fund VII Management (Guernsey) LP[1]	St. Peter Port, Guernsey	0.00
DBAG Bilanzinvest Verwaltungs GmbH	Frankfurt/Main, Germany	100.00
DBAG ELF Funds Konzern Verwaltung GmbH	Frankfurt/Main, Germany	100.00
DBAG Investor Relations GmbH & Co. KG	Frankfurt/Main, Germany	100.00
DBAG Italia S.r.l.	Milan, Italy	100.00
DBAG Luxembourg S.à r.l.	Luxembourg, Luxembourg	100.00
DBAG Solvares Continuation Fund GmbH & Co. KG	Frankfurt/Main, Germany	0.00
DBG Advising GmbH & Co. KG	Frankfurt/Main, Germany	20.00
DBG Advising Verwaltungs GmbH	Frankfurt/Main, Germany	100.00
DBG ECF IV GP S.à r.l.	Senningerberg, Luxembourg	0.00
DBG ELF Advisor Holding GmbH & Co. KG	Frankfurt/Main, Germany	20.00
DBG ELF Advisor Holding Verwaltungs GmbH	Frankfurt/Main, Germany	100.00
DBG Fund HoldCo GmbH & Co. KG	Frankfurt/Main, Germany	20.00
DBG Fund LP (Guernsey) Ltd.	St. Peter Port, Guernsey	0.00
DBG Fund VI GP (Guernsey) LP[1]	St. Peter Port, Guernsey	0.00
DBG Fund VII GP S.à r.l.	Luxembourg-Findel, Luxembourg	100.00
DBG Fund VIII GP (Guernsey) L.P.	St. Peter Port, Guernsey	0.00
DBG Fund VIII GP (Guernsey) Limited	St. Peter Port, Guernsey	0.00
DBG Management GmbH & Co. KG	Frankfurt/Main, Germany	100.00
DBG Management GP (Guernsey) Ltd.	St. Peter Port, Guernsey	15.00
DBG Managing Partner GmbH & Co. KG	Frankfurt/Main, Germany	20.00
DBG Managing Partner Verwaltungs GmbH	Frankfurt/Main, Germany	100.00
DBG Service Provider Verwaltungs GmbH	Frankfurt/Main, Germany	0.00
ELF Capital Advisory GmbH	Frankfurt/Main, Germany	51.00
ELF Capital Inc.	Toronto, Canada	100.00
ELF Capital Solutions Management S.à.r.l	Munsbach, Luxembourg	0.00
ELF European Lending Management I S.à.r.l.	Munsbach, Luxembourg	0.00
ELF European Lending Management II S.à.r.l.	Munsbach, Luxembourg	0.00
European PE Opportunity Manager LP[1]	St. Peter Port, Guernsey	0.00
Lighthouse Holding S.à.r.l.	Luxembourg, Luxembourg	0.00
RQPO Beteiligungs GmbH	Frankfurt/Main, Germany	49.00
RQPO Beteiligungs GmbH & Co. Papier KG	Frankfurt/Main, Germany	90.00

Name	Registered office	Equity interest in %
Unconsolidated investment entity subsidiaries		
DBAG Bilanzinvest I (Smart Metering) GmbH & Co. KG	Frankfurt/Main, Germany	100.00
DBAG Bilanzinvest II (TGA) GmbH & Co. KG	Frankfurt/Main, Germany	100.00
DBAG Bilanzinvest III (data centers) GmbH & Co. KG	Frankfurt/Main, Germany	100.00
Green Datahub Holding GmbH[2]	Hamburg, Germany	100.00
DBAG Bilanzinvest IV (Dental) GmbH & Co. KG	Frankfurt/Main, Germany	100.00
vhf camfacture AG	Ammerbuch, Germany	21.28
DBAG Bilanzinvest V (Construction) GmbH & Co. KG	Frankfurt/Main, Germany	100.00
DBAG Bilanzinvest VI GmbH & Co. KG	Frankfurt/Main, Germany	100.00
DBAG ELF Funds Konzern GmbH & Co. KG	Frankfurt/Main, Germany	100.00
ELF Capital Solutions Fund I SCSp SICAV-RAIF	Munsbach, Luxembourg	0.00
ELF Capital Solutions Fund I SA SICAV-RAIF	Munsbach, Luxembourg	0.00
ELF European Lending Fund II SCSp SICAV-RAIF	Munsbach, Luxembourg	0.00
DBAG Expansion Capital Fund Konzern GmbH & Co. KG	Frankfurt/Main, Germany	99.00
DBAG Expansion Capital Fund IV Konzern SCSp	Senningerberg, Luxembourg	99.99
DBAG Fund V Konzern GmbH & Co. KG i.L.	Frankfurt/Main, Germany	99.00
DBAG Fund VI Konzern (Guernsey) L.P.	St. Peter Port, Guernsey	99.99
DBAG Fund VII Konzern SCSp	Senningerberg, Luxembourg	99.99
DBAG Fund VII B Konzern SCSp	Senningerberg, Luxembourg	99.99
DBAG Fund VIII A Konzern (Guernsey) L.P.	St. Peter Port, Guernsey	99.99
DBAG Fund VIII B Konzern (Guernsey) L.P.	St. Peter Port, Guernsey	99.99
DBAG Solvares Continuation Fund Konzern GmbH & Co. KG	Frankfurt/Main, Germany	100.00
Deutsche Beteiligungsgesellschaft mbH	Königstein/Taunus, Germany	100.00
DBG Advisors Kommanditaktionär GmbH & Co. KG	Frankfurt/Main, Germany	0.00
DBG Alpha 5 GmbH	Frankfurt/Main, Germany	0.00
DBG Asset Management Limited	St. Helier, Jersey	0.00
DBG Epsilon GmbH	Frankfurt/Main, Germany	0.00
DBG Fourth Equity International GmbH	Frankfurt/Main, Germany	0.00

1 A fully-consolidated subsidiary of DBAG is the general partner.
2 The Company holds interests in subsidiaries both directly and indirectly. Disclosures to these subsidiaries are not provided due to insignificance.

Frankfurt/Main, 21 November 2024

The Board of Management

Tom Alzin Jannick Hunecke Melanie Wiese

Report on the audit of the consolidated financial statements and the combined management report

Independent auditor's report

To Deutsche Beteiligungs AG, Frankfurt/Main

Audit opinions

We have audited the consolidated financial statements of Deutsche Beteiligungs AG, Frankfurt am Main, and its subsidiaries (the Group) — comprising the consolidated balance sheet as of September 30, 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year from October 1, 2023 until September 30, 2024and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In addition, we have audited the combined management report (report on the situation of the company and the Group) of Deutsche Beteiligungs AG for the financial year from October 1, 2023 until September 30, 2024In accordance with German legal requirements, we have not audited the content of the components of the combined management report listed under “other information”.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e Paragraph 1 of the German Commercial Code (HGB) and, in compliance with these requirements, give a true and fair view of the assets and liabilities and financial position of the Group as of September 30, 2024and its earnings situation for the financial year from October 1, 2023 until September 30, 2024 and
- the attached combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of the parts of the combined management report listed under "other information".

Pursuant to Section 322 Paragraph 3 Sentence 1 of the German Commercial Code (HGB), we declare that our audit has not led to any reservations relating to the legality of the consolidated financial statements and the combined management report.

Basis for the audit reviews

We conducted our audit of the consolidated financial statements and the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; hereinafter referred to as “EU Audit Regulation”) and in compliance with German generally accepted standards for financial statement audits promulgated by the Institute of Public Auditors in Germany (IDW). Our responsibilities under these requirements and principles are set out in the section “Responsibility for the financial statementsauditor for the audit of the consolidated financial statements and the combined management statementreport” of our auditor’s report. We are independent of the group companies in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements.

Furthermore, we declare in accordance with Article 10 (2) (f) of the EU Audit Regulation that we have not provided any prohibited non-audit services pursuant to Article 5 (1) of the EU Audit Regulation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the combined management report.

Particularly key audit matters in the audit of the consolidated financial statements

Key audit matters are those matters that, in our professional judgment, are of most significance in our audit of the consolidated financial statements for the financial year ended October 1, 2023 until September 30, 2024These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters.

We have identified the following matter as a key audit matter that requires disclosure in our auditor’s report:

Valuation of financial assets

Matter

In the consolidated financial statements of Deutsche Beteiligungs AG, the item “Financial investments” in the amount of EUR 678.8 million (74% of the consolidated balance sheet total or 98% of the consolidated equity) consists primarily of the shares held by Deutsche Beteiligungs AG (DBAG) in the investment companies not consolidated in accordance with IFRS 10.31. According to IFRS 10.31 in conjunction with IFRS 9, the investments are measured at fair value through profit or loss. The fair value is determined in accordance with the provisions of IFRS 13, with particular consideration of the International Private Equity and Venture Capital Valuation (IPEV) Guidelines in the version applicable since 2022.

The fair value of the shares in the investment companies corresponds to the share of the sum of the fair values of the individual portfolio companies attributable to DBAG. The valuation at fair value assumes that all shares in portfolio companies have been sold on the reporting date. The valuation also takes into account the individual contractual agreements, in particular the participation of members of the

Report on the audit of the consolidated financial statements and the combined management report

Investment Advisory Team in the success of a DBAG fund via the so-called carried interest.

The valuation process implemented by the company to determine the fair value of the portfolio companies takes into account the lack of observability of market prices. A multiplier method is used as a market-based valuation method (market approach) to determine the fair value of the portfolio companies. The main unobservable input factors for the valuation of the individual portfolio companies are the sustainable earnings derived from the company planning or the expected cash flows as well as the debt. Regardless of the method used, the valuations are therefore assigned to level 3 of the fair value hierarchy due to the lack of observability of all the necessary input factors on the market.

There is a risk for the financial statements that the fair values of the portfolio companies underlying the valuation of financial assets do not meet the requirements of IFRS 13 and are therefore not determined at an appropriate level. An additional risk arises in relation to the consideration of the contractual provisions on carried interest. Finally, there is a risk that the information on the valuation of financial assets in the notes to the consolidated financial statements, in particular in accordance with IFRS 7 and IFRS 13, is not appropriate.

Due to the significance of the financial assets for the consolidated financial statements of Deutsche Beteiligungs AG, the complexity of the valuation and the uncertainties associated with the valuation due to the discretionary decisions and estimates made by the legal representatives, the valuation of the financial assets is a particularly important audit matter in our audit.

DBAG's information on the valuation of financial assets is presented in the notes to the consolidated financial statements under accounting and valuation methods (note 6). We also refer to the forward-looking assumptions and other significant sources of estimation uncertainty (note 8), to the information on net income from investment business (net) (note 9), to the information on financial assets (note 17), to the explanations on financial instruments (note 32) and to the information on relationships with related parties (note 37) as well as to the statements in the combined management report on the economic situation of the Group.

Auditor’s response

We first gained an understanding of the approach used to determine fair values in the context of the valuation of shares in portfolio companies and assessed whether the Company's current valuation policy sufficiently and appropriately implements the requirements of IFRS 13.

In order to gain an understanding of the organizational structure of the valuation process, we interviewed the responsible employees as part of a structural audit and examined process descriptions, status reports, valuation documentation and meeting minutes. On this basis, we assessed the appropriateness of the controls put in place, particularly with regard to the valuation proposals made by the Valuation Committee. As part of our substantive audit procedures, we assessed, among other things, the documentation of the valuation of the fair values of all portfolio companies for compliance with the specified valuation process and convinced ourselves of the appropriateness of the valuation methods used. For two companies that were valued at fair value for the first time in the past 2023/2024 financial year using a multiplier method, the assessment also included the selection of the valuation method used, taking into account the observable input factors. In addition, we traced the calculation of the fair value and the observable input factors for all portfolio companies.

We tested the unobservable valuation assumptions based on a risk-oriented conscious selection.

For selected estimates of the sustainable earnings and debt of the portfolio companies, we have satisfied ourselves that they have been correctly derived from the corporate planning and that the approval of the advisory board or other responsible body has been obtained. In addition, we have conducted surveys with members of the Investment Advisory Team on Business development, target achievement and individual issues for a risk-oriented, conscious selection of portfolio companies. When adjusting individual valuation parameters by the Valuation Committee of Deutsche Beteiligungs AG, we discussed the documented justification with members of the Valuation Committee and then evaluated it. We also assessed the appropriateness of selected value-driving assumptions in corporate planning and compared whether these were within a range that we derived from external market information on the corresponding performance indicators.

With regard to the multipliers for the application of the multiplier method, we have assessed the appropriate derivation of the group of comparable companies and the multipliers from company and capital market data with the assistance of our valuation specialists. For the newly introduced factors in the context of determining the multipliers in accordance with the current valuation guidelines of Deutsche Beteiligungs AG, we also discussed the documented justification with members of the valuation committee and then assessed it.

We also performed substantive audit procedures relating to the consideration of carried interest in the measurement of the fair value of the share attributable to DBAG. We verified the identification of claims to and the measurement of carried interest. Finally, we assessed the appropriateness of the disclosures in the notes to the consolidated financial statements on the measurement of financial assets, in particular in accordance with IFRS 7 and IFRS 13.

Other information

The legal representatives or the supervisory board are responsible for the other information. The other information includes:

Report on the audit of the consolidated financial statements and the combined management report

- the Group Statement on Corporate Governance contained in the section “Statement on Corporate Governance” of the combined management report
- the information contained in the combined management report that is not part of the management report and marked as unaudited
- the remaining parts of the annual report with the exception of the audited consolidated financial statements
- and combined management report and our auditor's report

Our opinions on the consolidated financial statements and on the combined management report do not cover the other information, and accordingly we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, we have the responsibility to read the other information and, in doing so, to consider whether the other information

- contain material inconsistencies with the consolidated financial statements, the combined management report or our knowledge obtained during the audit, or
- otherwise appear materially misrepresented.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the executive directors and the supervisory board for the consolidated financial statements and the combined management report

The legal representatives are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the IFRS as adopted by the EU and the additional German legal requirements pursuant to Section 315e Paragraph 1 HGB, and for ensuring that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group. In addition, the legal representatives are responsible for such internal controls as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement due to fraud (i.e. manipulation of the accounting and damage to assets) or errors.

In preparing the consolidated financial statements, management is responsible for assessing the group's ability to continue as a going concern. In addition, management is responsible for disclosing, as applicable, matters related to going concern. In addition, management is responsible for using the going concern basis of accounting unless there is an intention to liquidate the group or to cease operations, or there is no realistic alternative but to do so.

In addition, the legal representatives are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the group's position and is consistent with the consolidated financial statements in all material respects, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Furthermore, the legal representatives are responsible for the arrangements and measures (systems) that they have considered necessary to enable the preparation of a combined management report in accordance with the applicable German legal requirements and to be able to provide sufficient appropriate evidence for the statements in the combined management report.

The Supervisory Board is responsible for overseeing the Group’s accounting process for the preparation of the consolidated financial statements and the combined management report.

Auditor’s responsibilities for the audit of the consolidated financial statements and of the combined management report

Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement due to fraud or error, and whether the combined management report as a whole provides an accurate view of the situation of the Group and is, in all material respects, consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with German legal requirements and accurately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German generally accepted standards for financial statement audits promulgated by the Institute of Public Auditors in Germany (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and combined management report.

During the audit, we exercise professional judgment and maintain a critical attitude. In addition,

- We identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis

Report on the audit of the consolidated financial statements and the combined management report

for our audit opinions. The risk of not detecting material misstatements resulting from fraud is higher than the risk of not detecting material misstatements resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- We obtain an understanding of the internal control system relevant to the audit of the consolidated financial statements and of the arrangements and measures (systems) relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.
- we evaluate the appropriateness of the accounting policies used by management and the reasonableness of estimates and related disclosures made by management.
- we draw conclusions about the appropriateness of the going concern basis of accounting used by management and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such information is inadequate, to modify our respective audit opinions. We base our conclusions on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- we evaluate the presentation, structure and content of the consolidated financial statements as a whole, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in such a way that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e Paragraph 1 of the German Commercial Code (HGB).
- We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express opinions on the consolidated financial statements and on the combined management report. We are responsible for directing, supervising and performing the audit of the consolidated financial statements. We are solely responsible for our opinions.
- We evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- we perform audit procedures on the prospective information presented by the legal representatives in the combined management report. On the basis of sufficient appropriate audit evidence, we in particular verify the significant assumptions underlying the prospective information used by the legal representatives and assess the appropriate derivation of the prospective information from these assumptions. We do not issue a separate audit opinion on the prospective information or the underlying assumptions. There is a significant unavoidable risk that future events will deviate materially from the prospective information.

We communicate with those charged with governance regarding, among other things, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and, where applicable, the actions taken or safeguards put in place to remove threats to our independence. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe those matters in the auditor's report, unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Note on the audit of the electronic reproductions of the consolidated financial statements and the combined management report prepared for disclosure purposes pursuant to section 317 paragraph 3a of the HGB

Assurance Opinion

We have performed an audit pursuant to Section 317 (3a) HGB to obtain reasonable assurance as to whether the reproductions of the consolidated financial statements and the combined management report (hereinafter also referred to as “ESEF documents”) contained in the file “DBAG-2024-09-30-de.zip” and prepared for disclosure purposes comply in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format (“ESEF format”). In accordance with German legal requirements, this audit only covers the conversion of the information in the consolidated financial statements and the combined management report into the ESEF format and therefore neither to the information contained in these reproductions nor to any other information contained in the above-mentioned file.

In our opinion, the reproduction of the consolidated financial statements and the combined management report contained in the above-mentioned file and prepared for disclosure purposes complies in all material respects with the requirements of Section 328 Paragraph 1

Report on the audit of the consolidated financial statements and the combined management report

of the German Commercial Code (HGB) for the electronic reporting format. We have not yet expressed our opinion on this audit opinion and on our audit opinions on the attached consolidated financial statements and the attached combined management report for the financial year from October 1, 2023 until September 30, 2024. Furthermore, we do not express any opinion on the information contained in these reproductions or on the other information contained in the file referred to above.

Basis for the Assurance Opinion

We conducted our audit of the reproductions of the consolidated financial statements and the combined management report contained in the above-mentioned file in accordance with Section 317 Para. 3a HGB and the IDW Auditing Standard: Audit of electronic reproductions of financial statements and management reports prepared for disclosure purposes in accordance with Section 317 Para. 3a HGB (IDW PS 410 (06.2022)). Our responsibilities thereunder are further described in the section "Group auditor's responsibilities for the audit of the ESEF documents". Our auditing practice has applied the requirements of the IDW quality management standards, which implement the IAASB's International Standards on Quality Management.

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The company's legal representatives are responsible for preparing the ESEF documents with the electronic reproduction of the consolidated financial statements and the combined management report in accordance with Section 328 Para. 1 Sentence 4 No. 1 HGB and for marking up the consolidated financial statements in accordance with Section 328 Para. 1 Sentence 4 No. 2 HGB.

Furthermore, the Company's management is responsible for such internal controls as they deem necessary to enable the preparation of ESEF documents that are free from material — intentional or unintentional — violations of the requirements of Section 328 (1) HGB regarding the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Auditor's Responsibilities for the Assurance Work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material — intentional or unintentional — violations of the requirements of Section 328 Paragraph 1 of the German Commercial Code (HGB). During the audit, we exercise professional judgment and maintain a critical attitude. In addition,

- We identify and assess the risks of material – intentional or unintentional – non-compliance with the requirements of Section 328 Paragraph 1 HGB, plan and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.
- Obtain an understanding of internal controls relevant to the audit of the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these controls.
- we assess the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents meets the requirements of Delegated Regulation (EU) 2019/815 in the version applicable at the balance sheet date regarding the technical specification for this file.
- we assess whether the ESEF documents enable an XHTML reproduction of the audited consolidated financial statements and the audited combined management report with identical content.
- We assess whether the markup of the ESEF documents using inline XBRL technology (iXBRL) in accordance with Articles 4 and 6 of Delegated Regulation (EU) 2019/815 as applicable at the balance sheet date enables an appropriate and complete machine-readable XBRL copy of the XHTML reproduction.

Further information pursuant to article 10 EU-AprVO

We were elected as auditor by the Annual General Meeting on February 22, 2024. We were engaged by the Chairman of the Audit Committee on July 24, 2024. We have been the consolidated auditor of Deutsche Beteiligungs AG employed.

We declare that the audit opinions contained in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (audit report).

Other matter — use of the auditor's report

Our auditor's report should always be read in conjunction with the audited consolidated financial statements and the audited combined management report as well as the audited ESEF documents. The consolidated financial statements and combined management report converted to the ESEF format - including the versions to be entered in the company register - are merely electronic reproductions of the audited consolidated financial statements and the audited combined management report and do not replace them. In particular, the ESEF report and our audit opinion contained therein can only be used in conjunction with the audited ESEF documents provided in electronic form.

Report on the audit of the consolidated financial statements and the combined management report

German public auditor responsible for the engagement

The auditor responsible for the audit is Philipp Jahn.

Frankfurt/Main, 21 November 2024

BDO AG
Wirtschaftsprüfungsgesellschaft

Dr Faßhauer
Wirtschaftsprüfer
(German Public Auditor)

Jahn
Wirtschaftsprüfer
(German Public Auditor)

Responsibility Statement

We confirm to the best of our knowledge, and in accordance with the applicable accounting principles, that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and that the combined management report presents a true and fair view of the business development and performance of the business and the position of the Group, together with a description of the material risks and opportunities associated with the expected development of the Group.

Frankfurt/Main, 21 November 2024

The Board of Management

Tom Alzin | Jannick Hunecke | Melanie Wiese

Corporate Governance

„It is already clear that our various strategic initiatives are bearing fruit. “

Jannick Hunecke, Member of the Board of Management

Report of the Supervisory Board

We paid close attention to the Company's situation and performance in the financial year 2023/2024 (1 October 2023 to 30 September 2024). We performed the supervisory and advisory duties incumbent upon us by law, the Articles of Association and the rules of procedure consistently and conscientiously. The Board of Management informed the Supervisory Board regularly, in detail and without delay – both in writing and orally – about the Company's business development, financial position and financial performance, and about the competitive environment, outlook, risk management and compliance at DBAG. The Board of Management also informed us of all strategic and major operational decisions and of its future business policy.

Supervisory Board meetings during the year under review

Ten Supervisory Board meetings were held in the financial year 2023/2024. Of these, two were held as in-person meetings, one was held as a hybrid meeting with one member attending virtually, and seven as video conferences. The Supervisory Board also met on a regular basis without the Board of Management to discuss items on the agenda relating to the Board of Management itself or internal Supervisory Board affairs. During the period under review, this included determining variable remuneration for the Board of Management.

Reports on DBAG funds, the portfolio and the situation at individual portfolio companies constituted an integral part of the meetings. We received detailed quarterly written reports on these from the Board of Management.

At a virtual meeting held on 16 November 2023, Dr Kathrin Köhling was appointed to the Audit Committee. The meeting also discussed remuneration for the Board of Management, including a resolution passed on variable remuneration for the members of the Board of Management for the financial year 2022/2023. The Company's dividend policy was discussed in a virtual meeting on 20 November 2023.

The annual financial statements as at 30 September 2023 were approved at a hybrid meeting (with one individual taking part by video conference) on 29 November 2023. In this meeting, we also adopted the Remuneration Report and the Report of the Supervisory Board to the Annual General Meeting, reviewed the change in DBAG's financial year and discussed the proposed external auditors for the financial year 2023/2024 and for the abridged financial year from 1 October to 31 December 2024. Further topics at this meeting were DBAG's shares, the Company's financing and the agenda for the Annual General Meeting to be held on 22 February 2024. Also discussed were DBAG's ESG projects, its portfolio performance and Board of Management remuneration.

A virtual meeting was held on 20 December 2023 to approve changes to the remuneration system for the Board of Management, which were then submitted to the Annual General Meeting for approval on 22 February 2024.

At a virtual meeting on 16 February 2024, we discussed our corporate funding and considerations regarding a share buyback programme. We approved the share buyback at an in-person meeting on 22 February 2024, prior to the Annual General Meeting.

At a virtual meeting on 7 March 2024, the Supervisory Board discussed portfolio development and the continuation fund for Solvares. Agenda topics for a virtual meeting on 6 May 2024 were the portfolio, considerations regarding the issue of a convertible bond and the self-evaluation of the Supervisory Board. A transaction committee formed at that meeting approved the issue of the convertible bond on 28 June 2024.

The Supervisory Board's plenary meeting on 12 September 2024 was held to deal with strategic matters and the Board of Management also informed us about fund performance and the portfolio. We discussed the Corporate Governance Statement and issued the Declaration of Compliance with the German Corporate Governance Code. In a virtual meeting on 27 September 2024, we discussed the budget for the financial year 2024/2025 and planning for the period up to the end of 2027 with the Board of Management.

The Spokesman of the Board of Management always informed the Chairman of the Supervisory Board without delay about any important business transactions throughout the reporting period. After this, the information was shared with the entire Supervisory Board. We were involved in all major decisions.

Corporate Governance

We continually monitor the development of corporate governance practices in Germany. During the financial year under review, we focused on the principles, recommendations and suggestions set out in the German Corporate Governance Code (GCGC). The Board of Management, together with the Supervisory Board, provides a detailed report on the Company's corporate governance in the Corporate Governance Statement, which is available on the Company's website. The Board of Management and the Supervisory Board issued their most recent annual Declaration of Compliance (pursuant to section 161 of the AktG) in September 2024, on the basis of the GCGC as amended on 28 April 2022, and made this Declaration permanently available to the public on the Company's website.

Every member of the Supervisory Board discloses any conflicts of interest to the Chairman of the Supervisory Board, as recommended in the GCGC. There was no evidence of any conflicts of interest in the financial year under review.

Report of the Supervisory Board

Supervisory Board Committees

To be able to carry out its work more efficiently, the Supervisory Board has followed the recommendations of the AktG and the GCGC and established an Executive Committee (which also performs the functions of a Nomination Committee) and an Audit Committee.

Work of the Executive Committee (also Nomination Committee)

The Executive and Nomination Committee convened once during the financial year under review, to discuss Board of Management remuneration.

Work of the Audit Committee

The Audit Committee convened five times during the financial year under review. The meetings focused mainly on the annual financial statements and consolidated financial statements, the half-yearly financial report and the quarterly statements. These were discussed in the committee meetings with the Board of Management prior to publication.

In a virtual meeting on 16 November 2023, the first drafts of the annual and consolidated financial statements as at 30 September 2023 were discussed and the external auditors reported on the status and initial results of the audit.

In an in-person meeting on 29 November 2023, the Board of Management reported on the financial year 2022/2023 and BDO provided information about the financial statements audit result. The Audit Committee members then resolved to recommend that the Supervisory Board approve the financial statements and consolidat-ed financial statements as at 30 September 2023. The Audit Com-mittee also proposed to the Supervisory Board that BDO AG Wirtschaftsprüfungsgesellschaft (BDO) be appointed at the Annual General Meeting as external auditors for the financial year 2023/2024 and as auditors for a review of the condensed financial statements and condensed interim management report as at 31 March 2024. This was duly approved by the Annual General Meeting on 22 February 2024. Discussions at a hybrid Audit Committee meeting on 7 February 2024 concerned the interim financial statements as at 31 December 2023 and the quarterly statement.

A meeting was held as a video conference on 6 May 2024. BDO, the external auditors elected by the Annual General Meeting on 22 February 2024, reported on the results of their review of the interim financial statements as at 31 March 2024, which we also discussed with the Board of Management during the same meeting. In addition, we assessed the auditing quality at this meeting and duly acknowledged the Board of Management's risk report.

The interim financial statements as at 30 June 2024 were the focus of a meeting on 6 August 2024, which was held as a video confer-ence. The Audit Committee discussed the Board of Management's report on the interim financial statements and the quarterly statement for that reporting date. During this meeting, we also reviewed and discussed the report provided by Internal Audit. Other topics dealt with at the meeting were the audit strategy, plans and focus for the external audit as at 30 September 2024.

During the financial year under review, the Audit Committee monitored the accounting process and the effectiveness of the internal control and auditing system and also of the risk management system. We had no objections relating to the Company's practices. We looked at the independence of the external auditors and the additional (non-audit) services they performed.

Meeting attendance

All members of the Supervisory Board attended all meetings of the Supervisory Board during the reporting period. Except for one meeting, at which no resolution was to be adopted, all members of the Audit Committee attended all meetings.

Continuous professional development

Supervisory Board members are responsible for organising their own training and continuous professional development and the Company supports them in this.

Accordingly, members attended various appropriate internal and external events during the period under review. The Chairman of the Supervisory Board participated in an event with the investors in the DBAG funds; this event was recorded and the recording subsequently made available to all members of the Supervisory Board. At one of its meetings, the Supervisory Board spoke in detail about the current regulatory developments with regard to auditing and accounting and discussed these with the external auditors. Individual Supervisory Board members also took part in various external events.

Annual financial statements and consolidated financial statements without objections

Prior to submitting its proposal to the Annual General Meeting that BDO AG Wirtschaftsprüfungsgesellschaft (BDO) be appointed DBAG's external auditors for the financial year 2023/2024, the Supervisory Board received a statement of independence from BDO. Following the Annual General Meeting 2024, where our proposal was accepted, the Chairman of the Audit Committee instructed BDO to carry out the audit. The instruction stipulated that we be informed immediately of any major findings or issues arising in the course of the audit that are relevant to our work. The external

Report of the Supervisory Board

auditors explained their audit planning at the Audit Committee meeting on 6 August 2024. BDO first acted as auditors for DBAG in the financial year 2018/2019.

BDO audited the annual financial statements of Deutsche Beteiligungs AG for the financial year 2023/2024 and the combined management report of Deutsche Beteiligungs AG and the Group, including the underlying accounts, and returned an unqualified auditor's opinion. The same applies to the consolidated financial statements 2023/2024. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The auditors confirmed that the consolidated financial statements complied with IFRS, as applicable in the European Union, and with the applicable supplementary regulations pursuant to section 315e (1) of the HGB. They also confirmed that the consolidated financial statements as a whole gave an accurate picture of the Group's position and of the risks and opportunities associated with its future performance.

The Supervisory Board received the audited annual financial statements of Deutsche Beteiligungs AG as at 30 September 2024 in good time, along with the combined management report of Deutsche Beteiligungs AG and of the Group. The statements and reports were duly examined, taking into account the report of the Chairman of the Audit Committee and the external auditors, and were subsequently discussed in detail with the Board of Management and the external auditors. This also applies to the consolidated financial statements and the profit appropriation proposal.

The external auditors explained the preliminary audit findings during the Audit Committee meeting on 14 November 2024. The external auditors' report was discussed without the members of the Board of Management being present. The auditors presented the results of their audit at our plenary meeting on 27 November 2024 and at the Audit Committee meeting held on the same day. There were no objections. The external auditors provided comprehensive and detailed answers to our questions. No objections were raised either after the Supervisory Board conducted its own detailed examination of the annual and consolidated financial statements and the combined management report of Deutsche Beteiligungs AG and of the Group as at 30 September 2024. Similarly, no objections were raised following its in-depth examination of BDO's report on the outcome of the audit or the Board of Management's report for the financial year 2023/2024. We concurred with the results of the audit put forward by the external auditors. On 27 November 2024, we confirmed the consolidated financial statements and annual financial statements of Deutsche Beteiligungs AG as recommended by the Audit Committee. The annual financial statements have thus been adopted.

On 19 November 2024, the Board of Management resolved its proposal for the appropriation of net retained profit. On 27 November 2024, the Supervisory Board resolved to approve the Board of Management's proposal to the Annual General Meeting to distribute a dividend of 1 euro per share entitled to dividends.

The Supervisory Board wishes to recognise and extend special thanks to the Board of Management and all the employees, who have contributed so much to successful transactions and the Company's further development over the past year.

Frankfurt/Main, 27 November 2024

Hendrik Otto

Dr Hendrik Otto
Chairman of the Supervisory Board

Remuneration report

The remuneration report presents the structure and amount of remuneration paid to current and former members of the Board of Management and the Supervisory Board of Deutsche Beteiligungs AG (hereinafter referred to as "DBAG" or "the Company") in the reporting year 2023/2024. The report complies with the requirements set out in section 162 of the AktG. DBAG also follows the recommendations of the German Corporate Governance Code (GCGC), as amended on 28 April 2022, as per the Declaration of Compliance published in September 2024.

Board of Management remuneration

The remuneration system adopted by the Supervisory Board in its meeting on 14 December 2022 ("the Remuneration System 2022") was applicable to the remuneration of all current Board of Management members in the reporting year (2023/2024). The Remuneration System 2022 was approved by the ordinary Annual General Meeting held on 28 February 2023 in accordance with section 120a (1) of the AktG. As the Company's financial year will be synchronised with the calendar year (with effect from 1 January 2025), the Supervisory Board resolved the adjustment of individual items of the Remuneration System 2022 in its meeting held on 20 December 2023. Pursuant to the relevant provisions, the adjusted remuneration system – which was approved by the ordinary Annual General Meeting on 22 February 2024 in accordance with section 120a (1) of the AktG – is not to be applied before 1 January 2025.

The basic principles of the remuneration system are summarised below

Basic principles of Board of Management remuneration and the underlying remuneration system

Total remuneration of the Board of Management consists of the following remuneration components:

- a fixed salary;
- one-year variable remuneration;
- multi-year variable remuneration;
- a bonus for DBAG's Long-Term Investments, if applicable;
- pension commitments, if applicable;
- fringe benefits.

Out of the current Board of Management members, Jannick Hunecke may also receive follow-on remuneration from completed remuneration models.

The following table gives an overview of the remuneration system's key components, the basic principles of their structure and their relevance for the Company's long-term development, i.e. their link to DBAG's strategy:

Remuneration report

Remuneration element	Structure	Link to strategy
Fixed remuneration elements		
Fixed remuneration	Disbursement in twelve monthly instalments	Ensuring adequate basic remuneration, avoiding incentives for taking unreasonable risks
Fringe benefits	Fringe benefits comprise a company car or a car allowance, insurance services (term life and accident insurance) and limited contributions to health and pension insurance Total value limited to 10 per cent of the respective Board of Management member's fixed salary	Provision of market-standard fringe benefits, contributing to the retention of qualified Board of Management members
Pension scheme regulations	Defined direct commitment for Jannick Hunecke (vested rights); for all Board of Management members: payment of the employer's statutory social security contributions for BVV Versicherungsverein des Bankgewerbes a.G. (recognised as fringe benefits)	Securing an adequate pension as part of competitive remuneration
Variable remuneration elements		
One-year variable remuneration	Annual bonus disbursed in December of the following financial year Ascertained at reasonable discretion in terms of collective performance (weighting: 75 per cent) in the following performance criteria: › Corporate strategy › Development of net asset value and earnings from Fund Investment Services › Development of the compliance system and ESG system › Positioning on the capital markets › Personnel development Ascertained at reasonable discretion in terms of individual performance (weighting: 25 per cent) in the business segment the respective member is responsible for. Disbursement limited to 40 per cent of the respective Board of Management member's fixed salary	Short-term variable remuneration element with performance incentives, in particular for operational key issues and strategic core topics
Multi-year variable remuneration	Annually determined long-term bonus with a three-year reference period Ascertained based on achievement of defined targets for two performance criteria:	Long-term remuneration element incentivising sustainable corporate success, measured by ambitious targets in the Private Markets Investments and Fund Investment Services segments

Remuneration report

Remuneration element	Structure	Link to strategy
	› average development of the net asset value (NAV), taking into consideration dividends and capital measures (weighting: 75 per cent) › average earnings before taxes in the Fund Investment Services segment (weighting: 25 per cent) Disbursement limited to 80 per cent of the respective Board of Management member's fixed salary	
Long-Term Investments bonus	Bonus for Board of Management members on the investment advisory team If DBAG has realised its invested capital plus a minimum return of eight per cent per annum, 15 per cent of the total performance achieved during a two-year investment period is paid out to members of the investment advisory team. As investment advisory team members, the Board of Management members receive a share; however, only if Deutsche Beteiligungs AG has received returns of capital. Disbursement limited to 65 per cent of the respective Board of Management member's annual fixed salary. In the event that this threshold is exceeded, the excess amount is "carried over" into the following financial year twice.	Additional incentive to successfully drive DBAG's Long-Term Investments
Other remuneration provisions		
Maximum remuneration	Maximum remuneration expenses per financial year and Board of Management member of 1,888,000 euros	Upper limit to avoid excessive remuneration
Penalty and clawback	DBAG can reduce variable remuneration (penalty) or even demand its repayment (clawback), in whole or in part respectively, if a member of the Board of Management commits certain serious breaches of duty.	Additional compliance responsibility element for the Board of Management
Share purchase obligation	Obligation of Board of Management members to invest at least 35 per cent of the net amount of the multi-year variable remuneration they are paid in any given year in DBAG shares; obligation to hold the shares so acquired for a minimum period of four years; no longer, however, than their service contract on the Board of Management	Increased alignment of Board of Management remuneration with shareholder interests

Remuneration report

Appropriateness of Board of Management remuneration

Criteria for the appropriateness of total remuneration levels are, in particular, the responsibilities of the respective Board of Management member, their personal performance, and the economic position, performance and prospects of DBAG. To that end, DBAG considers the structure and level of remuneration schemes common to the private equity industry which are required to attract and retain qualified key personnel, whilst also taking into account the structure and level of remuneration schemes of comparable listed SDAX companies and an individual peer group to assess the market conformity of Board of Management remuneration. To ensure the appropriateness of remuneration, the Supervisory Board regularly carries out both a horizontal and a vertical remuneration comparison.

The remuneration system most recently subjected to an external review was the remuneration system 2020 upon which the Remuneration System 2022 is based. Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft ("EY") was called upon at the time to evaluate the appropriateness of the remuneration. In the course of this review, EY evaluated the appropriateness of the specific total remuneration of the Board of Management members compared with other companies, using a suitable peer group. EY conducted the evaluation of the remuneration system and appropriateness of the remuneration as an independent external remuneration expert and issued a corresponding statement of independence. EY found that the Board of Management remuneration system meets the regulatory requirements, and that the amount and structure of the Board of Management remuneration is standard and appropriate. The aforementioned SDAX companies and an individual peer group were used for the peer group comparison. The individual peer group comprised Bellevue Group AG, Brookfield Asset Management Inc., DeA Capital S.p.A., eQ Oyj, Eurazeo SE, INDUS Holding AG, IP Group PLC, Liontrust Asset Management PLC, Lloyd Fonds AG, MBB SE, Onex Corporation, Partners Group Holding AG, Record PLC, Sanne Group PLC, Tamburi Investment Partners S.p.A. and UBM Development AG.

Individual remuneration components

Fixed remuneration

The members of the Board of Management receive an annual fixed salary paid in twelve equal instalments. The fixed salary disbursed in the reporting year is set out in the tables below (section "Remuneration granted and owed to current Board of Management members").

One-year variable remuneration

75 per cent of the one-year variable remuneration is based on the Board of Management's overall performance and 25 per cent is based on the individual performance of the respective Board of Management member during the financial year under review. One-year variable remuneration may amount to up to 40 per cent of the fixed salary of the respective member of the Board of Management; it is paid out once a year, in December of the following financial year. If the Supervisory Board gives the performance of a Board of Management member a 100 per cent rating, the relevant member receives 80 per cent of the maximum possible one-year variable remuneration. A performance rating of up to 120 per cent may be assigned, resulting in the payment of the maximum possible one-year variable remuneration. Where the performance rating is 80 per cent, the Board of Management member receives 60 per cent of the maximum possible one-year variable remuneration. If the performance rating is between 80 per cent and 100 per cent, or between 100 per cent and 120 per cent, the amount of the one-year variable remuneration to be paid must be ascertained in a linear manner. One-year variable remuneration will not be paid for a performance rating of less than 80 per cent.

After the end of the respective financial year, the Supervisory Board ascertains the overall performance of the Board of Management at its reasonable discretion, taking into consideration the following performance criteria:

- implementation of corporate strategy;
- short-term development of net asset value and earnings from Fund Investment Services;
- implementation and ongoing development of the compliance system and the ESG system;
- development of capital market positioning; and
- personnel development.

After the end of the respective financial year, the Supervisory Board ascertains the performance of individual members of the Board of Management at its reasonable discretion, using the performance of the business segment for which the respective member is responsible as a benchmark.

The Supervisory Board takes any compliance breaches or other breaches of duty on the part of the respective member of the Board of Management into consideration at its reasonable discretion; this may result in the one-year variable remuneration being reduced or, in the case of serious breaches, not being paid at all.

Along with the other variable remuneration elements, one-year variable remuneration is geared towards incentives for a long-term increase in the Company's value by increasing the value of the Private Markets Investments and Fund Investment Services segments. The stipulated performance criteria allow for a balanced consideration of strategic key issues in the Company's development, including consideration of sustainability criteria.

Remuneration report

Performance assessment for the year under review

Following the end of financial year 2023/2024, the Supervisory Board assessed the Board of Management's performance as a whole as well as that of individual members, based on the collective and individual targets defined by the Supervisory Board's Executive Committee.

The Supervisory Board placed particular emphasis on the net asset value (NAV) development when assessing the Board of Management's overall performance in the reporting year. The Supervisory Board was able to make discretionary decisions regarding another 20 per cent of target achievement (up to the limit of 120 per cent) in line with the Board of Management's collective performance in other areas.

The Board of Management members' individual performance in the reporting year was assessed based on the achievement of targets that the Supervisory Board had defined for each individual Board of Management member upon the recommendation of its Executive Committee.

For an overview of the Supervisory Board's individual performance assessment, please refer to the following table ("One-year variable remuneration – overview of target achievement").

One year variable remuneration – overview of target achievement

Board of Management member	Joint Board of Management performance	Individual Board of Management performance	Total performance
Tom Alzin	80	100	85
Jannick Hunecke	80	100	85
Melanie Wiese	80	80	80

The Supervisory Board was not (made) aware of any indications of compliance violations or other breaches of duty by the Board of Management members which would have given reason to reduce the one-year variable remuneration.

The Supervisory Board may also factor in extraordinary developments, as appropriate, when granting and disbursing variable remuneration components. There were no such exceptional developments in the reporting year.

For the amount of granted one-year variable remuneration disbursed for the reporting year, please refer to the tables below ("Remuneration granted and owed pursuant to section 162 (1) sentence 1 of the AktG – current Board of Management members").

Multi-year variable remuneration

Multi-year variable remuneration stipulated in the current remuneration system for the Board of Management is based on the following two criteria: (i) average development of the net asset value (NAV) generated plus dividends distributed, and adjusted in the event of capital measures such as capital increases or share buybacks ("NAV growth rate") and (ii) earnings before taxes of the Fund Investment Services business segment ("earnings from Fund Investment Services"). A three-year reference period is decisive for the fulfilment of both criteria. Target achievement is measured based on the targets for both criteria determined by the Supervisory Board at the beginning of each three-year period. 75 per cent of the multi-year variable remuneration is based on the NAV growth rate criterion and 25 per cent is based on the earnings from Fund Investment Services criterion. Multi-year variable remuneration may amount to up to 80 per cent of the respective Board of Management member's fixed salary.

The Supervisory Board takes any compliance breaches or other breaches of duty on the part of the respective member of the Board of Management into consideration at its reasonable discretion; this may result in the multi-year variable remuneration being reduced or, in the case of serious breaches, not being paid at all.

Multi-year variable remuneration offers specific incentives for increasing the Company's long-term success in the two segments Private Markets Investments and Fund Investment Services, always keeping in mind the overarching strategic objective of a long-term increase in the Company's value.

The multi-year variable remuneration is paid once a year in December. If a Board of Management service contract commences during the course of the year, the relevant member of the Board of Management will be paid the multi-year variable remuneration for the respective financial year pro rata temporis. No multi-year variable remuneration will be paid for the year during which the relevant member leaves the Company.

Melanie Wiese was appointed to the Board of Management with effect from 1 January 2023. Her service contract stipulates a special provision for the financial year 2023/2024 according to which multi-year variable remuneration is not determined based on a three-year reference period but instead on target achievement for the financial years 2022/2023 and 2023/2024.

Remuneration report

Target achievement in the financial year 2023/2024

The Supervisory Board had defined the targets set out below for the period from 2021/2022 to 2023/2024 for the two performance criteria "NAV growth rate" and "earnings before taxes from Fund Investment Services" in December 2021. Target definition was based on the Company's medium-term planning.

Target definition for the NAV growth rate (2021/2022 to 2023/2024):

CAGR NAV (3-year average[1])	Multiplier for 75% of the maximum amount of the multi-year variable remuneration	Target achievement rate
5.9% or lower	0	0
6.0-6.9%	0.4	75
7.0-7.9%	0.48	80
8.0-8.9%	0.56	85
9.0-9.9%	0.64	90
10.0-10.9%	0.72	95
11.0-11.9%	0.8	100
12.0-12.9%	0.9	110
13.0% or higher	1	120

1 In the case of Melanie Wiese: the two-year average (2022/2023 and 2023/2024)

Target definition for earnings before taxes from Fund Investment Services (2021/2022 to 2023/2024):

Earnings from Fund Investment Services €mn (3-year average[1])	Multiplier for 25% of the maximum amount of the multi-year variable remuneration	Target achievement rate
8.9 or lower	0.0	0
9.0-10.9	0.4	75%
11.0-12.9	0.6	87.5%
13.0-14.9	0.8	100%
15.0 or higher	1.0	120%

1 In the case of Melanie Wiese: the two-year average (2022/2023 and 2023/2024)

The following figures were calculated for the NAV growth rate performance criterion in the reference period:

NAV growth rate in the reference period	
NAV 2020/2021[1]	€678.5mn
NAV 2021/2022[1]	€573.7mn
NAV 2022/2023[1]	€669.4mn
NAV 2023/2024[1]	€762.7mn
Growth rate (3-year average, applicable for Tom Alzin and Jannick Hunecke)	3.96%
Multiplier for 75% of the maximum amount of the multi-year variable remuneration for Tom Alzin and Jannick Hunecke[2]	0
Growth rate (2-year average, applicable for Melanie Wiese)	12.95%
Multiplier for 75% of the maximum amount of the multi-year variable remuneration for Melanie Wiese[2]	0.9

1 As at the reporting date 30 September, adjusted for dividends distributed, capital measures and share buybacks
2 Multiplier according to target definition for the reference period

The following figures were calculated for the earnings before taxes from Fund Investment Services performance criterion in the reference period:

Fund Investment Services EBT in the reference period	
Fund Investment Services EBT in 2020/2021	€15.4mn
Fund Investment Services EBT in 2021/2022	€14.0mn
Fund Investment Services EBT in 2022/2023	€15.8mn
Fund Investment Services EBT in 2023/2024	€12.8mn
Fund Investment Services EBT (3-year average, relevant for Tom Alzin and Jannick Hunecke)	€14.2mn
Multiplier for 25% of the maximum amount of the multi-year variable remuneration for Tom Alzin and Jannick Hunecke[1]	0.8
Fund Investment Services EBT (2-year average, relevant for Melanie Wiese)	€13.7mn
Multiplier for 25% of the maximum amount of the multi-year variable remuneration for Melanie Wiese[1]	0.8

1 Multiplier according to target definition for the reference period

The Supervisory Board was not (made) aware of any indications of compliance violations or other breaches of duty by the Board of Management members which would have given reason to reduce the multiyear variable remuneration.

In line with the aforementioned provisions on multi-year variable remuneration, the disbursement amounts for the current Board of Management members are as set out below.

Disbursement amount – Multi-year variable remuneration in the reference period 2020/2021 to 2023/2024

	Tom Alzin	Jannick Hunecke	Melanie Wiese[1]
75% of the maximum amount (€'000)	330	330	240
NAV multiple	0	0	0.9
25% of the maximum amount (€'000)	110	110	80
Fund Investment Services EBT multiple	0.8	0.8	0.8
Total disbursement amount (€'000)	88	88	280

1 In the case of Melanie Wiese: the two-year average (2022/2023 and 2023/2024)

Long-Term Investments bonus

The members of the Board of Management who are also members of the investment advisory team may also receive a bonus for the success of DBAG's Long-Term Investments. This bonus takes into account the performance of Long-Term Investments from two successive financial years ("investment period"). The entitlement to the bonus arises only if DBAG has realised its invested capital plus a minimum return of eight per cent per annum ("internal rate of return"). If this requirement is met, 15 per cent of the total performance achieved in the investment period concerned is paid out to members of the investment advisory team. Those Board of Management members who are also members of the investment advisory team will receive a specific portion of this amount. Payment will only be made once the capital inflows have been received by DBAG.

Remuneration report

Remuneration paid from the Long-Term Investments bonus is capped at 65 per cent of the annual fixed salary of the respective Board of Management member. If this threshold is exceeded, the excess amount is not paid out until the next financial year. This "carry-over" arrangement can only be applied twice for each entitlement. Payments made from the Long-Term Investments bonus can also be paid after the Board of Management member's service contract has been terminated, although they remain subject to the cap limiting them to 65 per cent of the member's (final) fixed salary.

The Long-Term Investments bonus sets targeted incentives for a successful development of DBAG's portfolio of Long-Term Investments which – in addition to the investments entered into alongside the DBAG funds – are an element of DBAG's investment strategy.

The Long-Term Investment in R+S Group was successfully sold in the year under review. For this disposal, Tom Alzin and Jannick Hunecke will receive a Long-Term Investments bonus of 241,000 euros each.

Follow-on variable remuneration from legacy remuneration models

Jannick Hunecke may also receive follow-on variable remuneration components from legacy remuneration models for members of the investment advisory team. The same applies to former Board of Management members Dr Rolf Scheffels and Torsten Grede according to legacy provisions.

All follow-on variable remuneration from legacy remuneration models considers particularly the long-term measurement of investment success, contributing to the Company's long-term development.

- Bonus on return on equity: the profit-sharing scheme for investments entered into up to 31 December 2000 is geared to DBAG's return on equity. Profit-sharing awards are only granted if the return on equity for the reporting year has reached a level of 15 per cent before taxes and bonuses. The computation base of equity relates exclusively to these investments. Jannick Hunecke is not entitled to any payouts from this remuneration model in the financial year 2023/2024.
- TP2001 bonus: for investments that were made between 2001 and 2006, profit-sharing starts from a minimum return on investment of eight per cent per year after imputed costs of two per cent. Profit-sharing exclusively paid from realised profits. Two-thirds of these entitlements are paid after the close of the respective financial year. Entitlement to the remaining one-third is subject to a final review after the disinvestment phase of all investments involved has been completed, and is paid out in the amount of the remaining final entitlement. No entitlements resulted from this remuneration model in the financial year 2023/2024.

Please refer to the condensed disclosures, in the section on remuneration granted and owed to former Board of Management members, for specific follow-on variable remuneration due to former Board of Management members who retired from the Board of Management in a financial year that goes back more than ten years.

Pension commitments

The pension schemes initially offered by DBAG have been closed to new members since 2 January 2001 (pension commitment) and since the beginning of the 2004/2005 financial year (contribution plan). To the extent that a Board of Management member had received pension commitments from DBAG before they became part of the Board of Management, whether in the form of an undertaking for a specific annual pension or in the form of annual contributions to a pension scheme, these will be continued.

Jannick Hunecke's service contract stipulates that the pension commitments granted by the Company in form of a defined direct commitment before his appointment to the Board of Management remain valid; however, they are fixed in the amount realised when Jannick Hunecke commenced his Board of Management activity. No additional contributions to pension commitments and/or increases in Jannick Hunecke's benefit entitlements will occur. The present value of this pension obligation was 1,072,000 euros as at 30 September 2024 (previous year: 1,052,000 euros).

Neither Tom Alzin nor Melanie Wiese have received any pension commitments.

All Board of Management members are insured via BVV Versicherungsverein des Bankgewerbes a.G., with Deutsche Beteiligungs AG paying the employer's statutory social security contributions (recognised as a fringe benefit).

Fringe benefits

Members of the Board of Management may receive the following fringe benefits:

- company car, which may also be used for private purposes, or a car allowance;
- smartphone, which may also be used for private purposes;
- accident insurance cover;
- term life insurance cover;
- statutory or private health insurance premiums;
- private pension insurance scheme contributions in line with the contributions that would be payable to a statutory pension plan if the respective member of the Board of Management was subject to an insurance obligation under statutory pension plans;
- payment for the costs of one comprehensive health check per year; and
- payment for the costs of participating in corporate talks and similar networking and business development initiatives.

Remuneration report

The fringe benefits granted essentially consist of private pension insurance scheme contributions in line with the contributions that would be payable to a statutory pension plan if the respective member of the Board of Management was subject to an insurance obligation under statutory pension plans, statutory or private health insurance premiums, and car allowance. The employer's social security contribution to the mentioned insurance via BVV Versicherungsverein des Bankgewerbes a.G. is also recognised as a fringe benefit. The aggregate value of fringe benefits per financial year is limited to a maximum of ten per cent of the fixed salary of the particular member of the Board of Management.

The amount of fringe benefits granted to the individual members in the reporting year is set out in the table below (section "Remuneration granted and owed to current Board of Management members"). Fringe benefits are considered with their costs or in the amount of their non-cash benefits.

Adherence to maximum remuneration

The remuneration paid for any single financial year is made up of the fixed salary, the one-year variable remuneration, the multi-year variable remuneration and, if applicable, the Long-Term Investments bonus, pension commitment and any fringe benefits. It is capped at a maximum amount of 1,888,000 euros gross per member of the Board of Management. The calculation assigns any payment of the variable remuneration to the financial year preceding the year in which the payment is made. Any follow-on variable remuneration payments under remuneration models completed in the past are also taken into account. The determination of the amount of the pension commitment is based on the pension service costs of the respective financial year, both for fixing the target total remuneration and the maximum remuneration.

Maximum remuneration was complied with during the year under review. Please refer to the following table for an overview of remuneration granted to the current Board of Management members.

Adherence to maximum remuneration

	Tom Alzin €'000	Jannick Hunecke €'000	Melanie Wiese €'000
Fixed remuneration			
Fixed salary	550	550	400
Fringe benefits	33	41	35
Pension service costs	-	-	-
Variable remuneration			
One-year variable remuneration[1]	143	143	96
Multi-year variable remuneration1	88	88	280
Long-Term Investments bonus[1]	241	241	-
Follow on variable remuneration from legacy remuneration models	-	0	-
Total remuneration	**1.055**	**1.063**	**811**
Maximum remuneration	**1.888**	**1.888**	**1.888**

1 Disbursed after the end of the reporting year

Penalty and clawback (reclaim or reduction of variable remuneration)

In line with provisions stipulated in the service contracts, the Supervisory Board can reclaim (clawback) or withhold (penalty) the one-year variable remuneration and/or the multi-year variable remuneration, in whole or in part, if the respective member of the Board of Management commits a serious breach of duty; this clawback or penalty relates to the remuneration paid for the year during which the serious breach of duty occurred. A clawback may also be asserted after the relevant Board of Management member has left the Company.

The Supervisory Board did not make use of the option to claw back any variable remuneration components in the year under review, since no events occurred which would have given reason to do so.

Obligation to invest in Company shares

The members of the Board of Management are obliged to invest at least 35 per cent of the net amount of the multi-year variable remuneration they are paid in any given year in DBAG shares. The Board of Management members are obliged to hold the shares so acquired for a minimum period of four years; no longer, however, than their service contract on the Board of Management. The DBAG shares must be acquired within six months following payment of the respective multi-year variable remuneration. However, the shares may only be acquired at a time when their acquisition is permissible under insider trading rules and in compliance with DBAG's internal guidelines.

The current Board of Management members acquired DBAG shares in the amount set out below in the reporting year. The investment targets of 35 per cent of the net amount of the multi-year variable remuneration paid in the reporting year were reached or exceeded:

Share purchases by current Board of Management members in the reporting year

	Tom Alzin €'000	Jannick Hunecke €'000	Melanie Wiese €'000
Purchase volume DBAG shares[1] Financial year 2023/2024	310	81	117

1 Volume of DBAG share purchases in the year under review (acquisition cost less ancillary acquisition cost)

Further provisions concerning the termination of Board of Management mandates

Board of Management service contracts are usually entered into for a term of three to five years. The Supervisory Board may depart from this approach, if warranted, in individual cases. Where a Board of Management service contract is terminated early, any payments to the relevant Board of Management member are contractually limited to twice the annual remuneration (including fringe benefits) and must not

Remuneration report

exceed the remuneration for the residual term of the Board of Management service contract that would have been owed had the contract not been terminated early. The payment of outstanding variable remuneration components, which are attributable to the period until contract termination, is based on the originally agreed targets and comparison parameters, also in the case of early termination, and takes place at the agreed due dates.

Remuneration granted and owed to current Board of Management members

The following table provides an overview of remuneration "granted and owed" to current Board of Management members, including the relative share of each remuneration component pursuant to section 162 (1) sentence 1, sentence 2 no. 1 of the AktG.

Accordingly, the overview comprises all remuneration components paid to the Board of Management members in the reporting year (granted remuneration) and all remuneration components legally due but not yet paid (owed remuneration).

One-year variable remuneration for the performance during the reporting year is disbursed after the close of the reporting year. It is reported in the table below as the underlying activity was performed in full in the reporting year, which is why the remuneration is owed. The same applies to multi-year variable remuneration. The table also shows any remuneration owed in form of the Long-Term Investments bonus, the bonus on return on equity and the TP2001 bonus in the reporting year.
The relative shares of the individual remuneration elements are shown as percentages of granted and owed total remuneration. The remuneration shares are thus not identical to remuneration shares from the remuneration system on which target total remuneration is based.

To the extent that members of the Board of Management receive remuneration for executive offices held in portfolio companies, this is transferred to DBAG. Remuneration for executive functions in other companies or institutions may remain with the respective member of the Board of Management upon approval by the Supervisory Board.

The current members of the Board of Management were neither promised nor granted remuneration for activities as board of management members by a third party in the year under review.

Granted and owed remuneration pursuant to section 162 (1) sentence 1 of the AktG – Current Board of Management members[1]

	Tom Alzin Spokesman of the Board of Management				Jannick Hunecke Member of the Board of Management				Melanie Wiese Member of the Board of Management			
	2023/2024		2022/2023		2023/2024		2022/2023		2023/2024		2022/2023	
	€'000	(%)	€'000	(%)	€'000	(%)	€'000	(%)	€'000	(%)	€'000	(%)
Fixed remuneration	550	52	550	47	550	52	550	47	400	49	300	47
Fringe benefits	33	3	32	3	41	4	33	3	35	4	28	4
Total	**583**	**55**	**582**	**50**	**591**	**56**	**583**	**50**	**435**	**54**	**328**	**51**
One-year variable remuneration	143	14	179	15	143	13	179	15	96	12	95	15
Multi-year variable remuneration	88	8	407	35	88	8	407	35	280	35	222	34
Long-Term Investments bonus	241	23	0	0	241	23	0	0	0	0	0	0
"Bonus on return on equity"	0	0	0	0	0	0	0.36	0.03	0	0	0	0
"TP2001 bonus"	0	0	0	0	0	0	0	0	0	0	0	0
Total remuneration pursuant to section 162 of the AktG	**1,055**	**100**	**1,168**	**100**	**1,063**	**100**	**1,169**	**100**	**811**	**100**	**645**	**100**

1 Percentages may not always amount to 100 per cent due to rounding.

Remuneration report

Remuneration granted and owed to former Board of Management members

Torsten Grede left the Board of Management with effect from 28 February 2023. An agreement on the service contract termination, as concluded between the Company and Torsten Grede, stipulates that multi-year variable remuneration for the reference period ranging from financial year 2021/2022 to financial year 2023/2024 will be disbursed in December 2024, under the still applicable provisions and in a pro-rata amount of one-third of the relevant amount. This means that Torsten Grede will receive multi-year variable remuneration of 34,000 euros for the reference period ranging from financial year 2021/2022 to financial year 2023/2024.

Torsten Grede will also receive a Long-Term Investments bonus amounting to 184,000 euros for the disposal of R+S Group which was successfully completed in the reporting year. He is also entitled to a follow-on variable remuneration component (TP2001 bonus) of 672 euros for the reporting year.

Dr Rolf Scheffels is entitled to a follow-on variable remuneration component (TP2001 bonus) of 404 euros in the reporting year.

Pursuant to section 162 (5) of the AktG, no personal details are provided for former members of the Board of Management who left prior to 30 September 2014.

The present value of pension obligations for former Board of Management members and their surviving dependants amounted to 18,512,000 euros at the reporting date (previous year: 21,601,000 euros).

Supervisory Board remuneration

Basic principles of Supervisory Board remuneration

Remuneration granted and owed to Supervisory Board members was determined by a resolution adopted by the Annual General Meeting on 20 February 2020 and confirmed by a resolution adopted by the Annual General Meeting on 25 February 2021.

The remuneration paid consists of two components: an annual fixed remuneration of 60,000 euros (base remuneration) and additional disbursements to the Chair, Vice Chair and for committee membership (additional remuneration). The Chairman of the Supervisory Board receives a maximum of twice the base remuneration, irrespective of their membership on various committees. The Vice Chairman of the Supervisory Board and the Chairman of the Audit Committee receive a maximum of one and a half times the base remuneration.Membership of the Executive Committee and the Audit Committee carries remuneration corresponding to one-quarter of this amount, with the Chair of the Audit Committee receiving half the base remuneration. Supervisory Board remuneration takes into consideration the specific functions and responsibilities of the individual Supervisory Board members. In particular, the greater time commitment of the Chairman, the Vice Chairman, and the chairmen and members of the committees, is taken into account in an appropriate manner. The remuneration structure follows the GCGC recommendations. To ensure the Supervisory Board’s unrestricted control and advisory function there is no intention to grant variable remuneration to the Board.

Remuneration shall be paid at the end of the respective financial year. Supervisory Board members who only belong to the Supervisory Board or a committee during a part of the financial year, or who are Chairman or Vice Chairman of the Supervisory Board or Chairman of the Audit Committee during a part of the financial year, shall receive a lower fee, proportional to the time spent in office.

Supervisory Board remuneration in the reporting year was fully in line with the provisions defined above. No remuneration clawback options are in place; accordingly no clawback occurred.

Remuneration report

Remuneration granted and owed to Supervisory Board members

The following table provides an overview of remuneration granted and owed to the respective Supervisory Board members in the past financial year 2023/2024, including the relative share of each remuneration component pursuant to section 162 (1) sentence 1, sentence 2 no. 1 of the AktG. The table states the disbursed remuneration even if payment is made after the end of the reporting year.

Individual presentation of granted and owed remuneration (Supervisory Board)[1]

Member of the Supervisory Board (position)	Base remuneration		Additional remuneration		**Total**
	€’000	(%)	€’000	(%)	€’000
Dr Hendrik Otto (Chairman)	60	50	60	50	120
Previous year (2022/2023)	60	50	60	50	120
Dr Jörg Wulfken (Vice Chairman)	60	66.6	30	33.3	90
Previous year (2022/2023)	60	66.6	30	33.3	90
Prof Dr Kai C. Andrejewski	60	66.6	30	33.3	90
Previous year (2022/2023)	42	71	21	29	63
Axel Holtrup	60	100	0	0	60
Previous year (2022/2023)	60	100	0	0	60
Dr Kathrin Köhling[2]	55	80.7	13	19.3	68
Previous year (2022/2023)	/	/	/	/	/
Dr Maximilian Zimmerer	60	100	0	0	60
Previous year (2022/2023)	60	91	6	9	60
Total	**355**	**73**	**133**	**27**	**488**
Previous year (2022/2023)[6]	342	72	132	28	475

1 Percentages may not always amount to 100 per cent due to rounding.
2 Dr Kathrin Köhling has been a member of the Supervisory Board since 2 November 2023.

Remuneration report

Comparison of remuneration and earnings development

The following section comprises "a presentation allowing comparisons to be made" pursuant to section 162 (1) sentence 2 no. 2 of the AktG of the annual change in remuneration granted to the Board of Management and Supervisory Board members, of the performance of the Company, and of the annual change in average remuneration on a full-time equivalent basis of employees of the Company over the five most recent financial years (also known as a vertical comparison). DBAG will gradually align this presentation with section 26j (2) of the Introductory Law to the German Stock Corporation Act (Einführungsgesetz zum Aktiengesetz – EGAktG), first comparing the developments in the past financial year 2023/2024 and in the financial years 2022/2023, 2021/2022 and 2020/2021 with the preceding financial year, respectively.

The comparison shows the remuneration granted and owed to current and former members of the Board of Management and Supervisory Board in the respective financial year, to the extent that the individuals received remuneration in the year under review. To present the performance, DBAG has not only used the Company's net income/loss (as legally required), but also the development of net asset value and earnings from Fund Investment Services, both of which are also used to measure multi-year variable remuneration under the new remuneration system.

Reported average employee remuneration (excluding members of the corporate bodies and committees, interns, working students and trainees) on a full-time equivalent basis is based on personnel expenses for wages and salaries, including wage tax, employer contributions to social security, fringe benefits and variable remuneration components for DBAG's entire workforce.

	2023/2024	2022/2023	Change 2023/2024 - 2022/2023	2021/2022	Change 2022/2023 - 2021/2022	2020/2021	Change 2021/2022 - 2020/2021
	€'000	€'000	(%)	€'000	(%)	€'000	(%)
I. Board of Management members (financial year 2023/2024)							
Tom Alzin (Spokesman of the Board of Management since 1 March 2023; Member of the Board of Management since 1 March 2021)	1,055	1,168	(10)	968	21	527	84
Jannick Hunecke (since 1 March 2021)	1,063	1,169	(9)	955	22	531	80
Melanie Wiese (since 1 January 2023)	811	645	26	-	-	-	-
II. Former Board of Management members							
Torsten Grede (until 28 February 2023)	219	683	(68)	980	(30)	1,161	(16)
Dr Rolf Scheffels (until 28 February 2021)	0.0	2	(100)	8	(75)	547	(99)
)III. Supervisory Board remuneration							
Dr Hendrik Otto (Chairman)	120	120	0	120	0	120	0
Dr Jörg Wulfken (Vice Chairman)	90	90	0	90	0	90	0
Prof Dr Kai C. Andrejewski (since 17 January 2023)	90	63	43	-	-	-	-
Axel Holtrup	60	60	0	60	0	60	0
Dr Kathrin Köhling (since 2 November 2023)	68	0-	--	--	--	--	-
Dr Maximilian Zimmerer	60	66	(9)	60	10	60	0
IV. Earnings performance				-	-	-	-
Net asset value	688,361	669,379	3	573,707	16.7	678,466	(15.4)
Earnings from Fund Investment Services	12,846	14,046	(9)	15,377	(22.0)	18,012	(14.6)
Net income (HGB)	47,330	54,587	(13)	744	>100.0	64,550	(98.8)
V. Average employee remuneration							
Average remuneration	271	259	5	217	19	249	(13)

Report of the independent auditor on the audit of the remuneration report pursuant to § 162 (3) AktG

To Deutsche Beteiligungs AG,
Frankfurt/Main

Audit Opinion

We have formally audited the remuneration report of Deutsche Beteiligungs AG, Frankfurt/Main, for the financial year from October 1, 2024 to September 30, 2024, to determine whether the disclosures pursuant to § 162 (1) and (2) AktG (Aktiengesetz: German Stock Corporation Act) have been made in the remuneration report. In accordance with § 162 (3) AktG, we have not audited the content of the remuneration report.

In our opinion, the accompanying remuneration report complies, in all material respects, with the disclosure requirements pursuant to § 162 (1) and (2) AktG. Our audit opinion does not cover the content of the remuneration report.

Basis for the Audit Opinion

We conducted our audit of the remuneration report in accordance with § 162 (3) AktG and in compliance with the IDW Auditing Standard: The Audit of the Remuneration Report pursuant to § 162 (3) AktG (IDW PS 870 (09.2023)). Our responsibilities under this regulation and this standard are further described in the “Auditor's Responsibilities” section of our auditor’s report. Our audit firm has applied the requirements of the IDW Quality Management Standards. We have complied with our professional duties pursuant to the German Public Auditors Act (WPO) and the Professional Charter for Auditors/Chartered Accountants (BS WP/vBP), including the independence requirements.

Responsibilities of the Executive Directors and the Supervisory Board

The Executive Directors and the Supervisory Board of Deutsche Beteiligungs AG are responsible for the preparation of the remuneration report, including the related disclosures, in compliance with the requirements of § 162 AktG. They are also responsible for internal controls they consider to be necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

Auditor’s Responsibilities

Our responsibility is to obtain reasonable assurance about whether the remuneration report complies, in all material respects, with the disclosure requirements pursuant to § 162 (1) and (2) AktG, and to issue an auditor’s report that includes our opinion. We planned and performed our audit to obtain evidence about the formal completeness of the remuneration report by comparing the disclosures made in the remuneration report with the disclosures required by § 162 (1) and (2) AktG. In accordance with § 162 (3) AktG, we have not audited whether the disclosures are correct or individual disclosures are complete or whether the remuneration report is fairly presented.

Consideration of Misleading Representations

In connection with our audit, our responsibility is to read the remuneration report considering the knowledge obtained in the audit of the financial statements and to remain alert for indications as to whether the remuneration report contains misleading representations in relation to the correctness of the content of the disclosures, the completeness of the individual disclosures or the fair presentation of the remuneration report.

If, based on the work we have performed, we conclude that such a misleading representation exists, we are required to report that fact. We have nothing to report in this regard.

Frankfurt/Main, 27 November 2024

BDO AG
Wirtschaftsprüfungsgesellschaft

Dr Faßhauer	Jahn
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Financial Calendar

28 November 2024
Publication of 2023/2024 consolidated financial statements, Analysts' conference call

6 March 2025
Publication of consolidated financial statements for the short financial year as at 31 December 2024

8 May 2025
Publication of the quarterly statement on the first quarter 2025, Analysts' conference call

27 May 2025
Annual General Meeting 2025, Frankfurt/Main

7 August 2025
Publication of the half-yearly financial report 2025, Analysts' conference call

6 November 2025
Publication of the quarterly statement for the third quarter and the first nine months of 2025, Analysts' conference call

Information for shareholders

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Forward-looking statements

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

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