

PRESS RELEASE

Deutsche Beteiligungs AG establishes a subsidiary in Italy

- **DBAG Italia will open office in Milan to strengthen presence**
- **Giovanni Revoltella joins as Partner**
- **Growth Equity investments for family businesses**
- **Focus on companies with B2B business models**

Frankfurt/Main – Milan, 6 September 2021. Deutsche Beteiligungs AG (DBAG) is to open an office in Milan to access the Italian market directly, an important next step in the further development of its investment strategy. An investment team of the subsidiary DBAG Italia s.r.l. (DBAG Italia) will search for and structure investment opportunities for the DBAG funds and support the portfolio companies in their further development. Last year, DBAG made its first direct investment in an Italian company, followed most recently by another sizeable transaction. Future investments will be done DBAG Fund VIII, the most recent private equity fund advised by DBAG. Up to a quarter of the fund volume is to be invested in Italy. Based on the size of the fund, this would equate up to 300 million euros.

DBAG Italia is led by Giovanni Revoltella (born 1978). He has been involved in investments in medium-sized companies in Italy and other European countries for more than 15 years – at Argan Capital based in London, and most recently as a partner and co-head of industrial technology at Capvis, based in Switzerland. As Senior Advisor, Antonio Corbani (born 1960) will continue to support DBAG in evaluating investment opportunities in Italy. He has more than 25 years of investment experience in acquiring and developing medium-sized Italian companies. Both Mr Revoltella and Mr Corbani have a wide range of experience in managing companies from private equity portfolios, with different investment approaches (growth, internationalisation, strategic repositioning, restructuring) and across economic cycles.

“Italy, with its diverse, traditional and successful industrial landscape, is an attractive market in which we are keen to contribute our 50+ years of investment experience”, says Tom Alzin, a member of DBAG's Management Board. Indeed, Italy is the second most important industrialised country in the European Union. As with Germany, manufacturing industry is the backbone of the Italian economy. It is strongly export-oriented and closely intertwined with Germany, the most important customer country. Italian industrial companies set international benchmarks in many high-end applications, that DBAG would like

to further support. The country's most important export sector is mechanical and plant engineering, one of the core sectors in which DBAG has successfully developed a large number of companies over the past decades.

The corporate landscape in Italy is characterised above all by many medium-sized, family-owned companies that have often been able to establish themselves in niche segments on the international markets. Recently, a growing number of such companies have set out to address new markets outside Europe. Accompanying the international expansion of family-run companies is one of DBAG's core strengths: around two-thirds of the 32 companies in the portfolio have been acquired from founders or families. Italy's also offers attractive growth strategies within the country – for example through consolidation or buy-and-build concepts in various sectors, which DBAG has been supporting very successfully for several years.

“A sector focus in line with the market, many years of experience with medium-sized family businesses and a powerful network – these are good prerequisites for our strategy in Italy”, said DBAG Italia Partner Giovanni Revoltella. “As a listed company, DBAG can also make investments with a longer investment horizon than traditional private equity funds have. This broadens our range of equity solutions for Italian companies”, Mr Revoltella adds.

In September 2020, DBAG invested alongside DBAG Fund VII, one of the private equity fund it advises, in PM Plastic Materials s.r.l. (sales 2020: 104 million euros), the largest European producer of pre-wired and empty plastic cable conduits, which are mainly used for electrical installations. DBAG and the Fund acquired the majority of the shares from the founding family. PM's management are also significant shareholders, thus helping to ensure continuity in the company. On 16 August, DBAG announced that it will, also alongside DBAG Fund VII, invest Itelyum (sales 2020: 352 million euros), a leading European circular economy player which specialises in recycling complex streams of hazardous liquid waste.

Deutsche Beteiligungs AG, a listed private equity company, initiates closed-end private equity funds, and itself invests – predominantly alongside those funds – in well-positioned mid-market companies with development potential. For many years, DBAG'S focus has been on industrial sectors. A growing portion of DBAG'S equity investments is now deployed in the growth sectors of broadband/telecommunications, IT services/software and healthcare. Its long-term, value-enhancing entrepreneurial investment approach makes DBAG a sought-after investment partner in the German-speaking world. DBAG Group's assets under management or advisory amount to 2.6 billion euros.

Corporate Communications Thomas Franke
Phone +49 69 95 787-307 · +49 172 611 54 83 (mobile)
E-mail: thomas.franke@dbag.de