



Funding is not just about banks

How young, high-growth companies can raise capital on the capital market

Young and innovative companies often have to master complex problems in their quest for growth and competitiveness: firstly, it is highly uncertain whether their business idea is marketable; secondly, the entrepreneur (or team of entrepreneurs) usually lacks management experience. Thirdly – and this is the biggest stumbling block – they do not usually have sufficient capital to continue funding the business idea and its implementation without bringing third parties on board. So while there are many things that they lack, they mainly lack capital. What they need is specialist advice and connections to experienced funding and market experts and to investors. After all, start-ups in particular offer growth opportunities for the German and European economy.

“We need a period of rapid industrial expansion like the one we had in Germany at the beginning of the 20th century.”

Angela Merkel
German Chancellor

Labour markets and capital markets are important for economic growth. The services offered by exchanges create properly functioning capital markets and thus contribute to start-up (growth) funding. This, in turn, has a positive impact on the labour market. Here's an example:

IBU-tec has already taken the leap and gone public

IBU-tec advanced materials AG is a highly specialised, rapidly expanding provider of development and production services in the field of thermal processing systems for the treatment of inorganic powders and granules. IBU-tec's market success is based on its own, flexible technology platform, unique, patented systems and the extensive expertise of a total workforce of around 150 employees. The Weimar-based company develops new materials and improves the material properties of existing products. Green mobility is one point of focus.

IBU-tec advanced materials AG: milestones in the company's history

- 1993 founded with a focus on research and development in the field of thermal processing technology
- 2001 management board changes, catalyst production launches on pulsation reactors
- 2017 successfully lists in the Scale segment on the Frankfurt Stock Exchange

An ecosystem for companies at every stage in life

During their growth phases – from business idea through to initial public offering – companies need tailored support. Deutsche Börse Group has created an ecosystem for growth to enable companies that are not yet ready for the stock market to obtain funding other than conventional bank loans. These are small or medium-sized enterprises (SMEs) that have had an initial funding round and now need tens of millions in capital. Our five offerings provide

the ideal funding model for both high-growth start-ups and established SMEs at every stage in life – expert and independent advice included.



Deutsche Börse Venture Network®

1. FinTech Hub

Our FinTech Hub supports the fintech community in Frankfurt and the Rhine/Main region. It provides not just workspace, but targeted advice and networking opportunities for start-ups, too.

2. Deutsche Börse Venture Network®

Deutsche Börse Venture Network promotes funding for young, high-growth companies by granting them direct access to Europe's largest network of national and international investors from a variety of sectors – online and through Investor Talks.

3. Venture Match

Venture Match is our service for funding rounds between investors and growth companies. It builds on the Deutsche Börse Venture Network platform, which currently connects almost 200 international investors and over 100 growth companies from Germany and Europe.

4. Scale

Scale, our exchange segment for growth capital on the Open Market of Frankfurter Wertpapierbörse (FWB®, Frankfurt Stock Exchange), is an efficient option for SMEs raising debt and equity funding. Scale offers services developed specifically to address the needs of SMEs, such as Capital Market Partner, Research Reports and the subscription

functionality DirectPlace. Scale is part of the Open Market and therefore an exchange-regulated segment rather than an organised market as defined by the Wertpapierhandelsgesetz (WpHG, German Securities Trading Act). This means that the enterprises are subject to less stringent admission requirements.

Capital Market Partners



Proven capital market experts assist you with all capital market-related questions. They offer professional support for your share and corporate bond listing.

DirectPlace



Increase your placement reach and benefit from a balanced mix of investors. We support your placement with our subscription functionality DirectPlace.

Research Reports



Foster your visibility, transparency and liquidity through quantitative and qualitative research reports by Edison & Morningstar – commissioned by Deutsche Börse AG.

Marketing



Deutsche Börse boosts your external communications on its web portals:

- deutsche-boerse-cash-market.com
- <http://en.boerse-frankfurt.de>

5. Going public IPO line

Our going public IPO line helps companies to best prepare for their IPO on the Regulated Market – step by step through to the first pricing in the trading room at the FWB. This includes selecting the listing partners, developing a conceptual model for the issue, preparing all the necessary documentation, and placing and admitting the securities.

Companies can choose between different segments: depending on the goals they aim to achieve by going public, the investors they primarily wish to address and the degree of transparency they want to ensure, companies have a choice at the Frankfurt Stock Exchange between the General Standard and the Prime Standard, the segment with higher transparency requirements.

Deutsche Börse Group – we make markets work

Headquartered in Frankfurt/Main, Deutsche Börse Group is one of the largest exchange organisations worldwide. It operates markets that provide integrity, transparency and security for investors wishing to invest capital and for issuers wishing to raise capital. On these markets, institutional traders buy and sell shares, derivatives and other financial instruments in accordance with clear rules and under strict supervision.

Deutsche Börse Group is now more than just a trading venue or exchange – it is a provider of

financial market infrastructure. Its products and services span the entire finance process chain – its business areas range from pre-IPO services and the admission of securities, through trading, clearing, settlement and custody of securities and other financial instruments to collateral management. It also offers IT services, indices and market data worldwide.

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