

GERMAN SUPERCONDUCTOR MANUFACTURER CLOSES 7 MILLION EURO FINANCING ROUND

As a new investor, EnBW New Ventures joins the existing investors in funding the Bavarian superconductor pioneers

Ismaning, 5 July 2017 – Additional capital totaling seven million euros and a new investor for THEVA. The corporate venture capital arm of utility EnBW joins existing investors eCAPITAL, Bayern Kapital, Target Partners and BayBG Bayerische Beteiligungsgesellschaft in the third financing round.

“We are the first company in Germany to mass produce superconductors. And we also want to be number one in market penetration. Thanks to our investors we continue to have a reliable financial basis for this,” said THEVA CEO Dr. Werner Prusseit. The previous financing round was just a year ago. Since then THEVA has continuously improved its processes, and production runs 24 hours a day.

Superconductors are materials that offer zero electrical resistance and thereby allow loss-free transmission of DC current (AC with minimum loss) – a cutting-edge technology that is of interest to many industries. In medical technology superconductors can power strong magnets in magnetic resonance imaging (MRI) machines. In the processing industry they enable compact power rails with higher-capacity as used in chemical manufacturing and aluminum smelting. With superconductors, motors and generators can deliver higher performance while having smaller footprint and weight, which can bring important advantages for future wind turbines.

Indeed the technology is also of significant interest to the power industry, for example for urban power distribution. E-mobility is causing higher electricity demand as increasingly powerful electric vehicles need fast charging. Superconducting cables can offer a space efficient alternative. “The technology offers great potential for the future, as a sustainable solution combining the highest performance with low material usage,” explains Crispin Leick, CEO of EnBW New Ventures. “This investment in the new financing round is a perfect fit with the EnBW New Ventures strategy. We back companies that offer scalable solutions for the converging energy, mobility and urban life markets.”

This is the fourth investment by EnBW New Ventures, which has 100 million euros of investment capital at its disposal. “At THEVA, internationally accepted experts have worked very professionally from the start to achieve the goal of mass production of superconductors. The management team is highly qualified and the future outlook is sound. The combination of all these factors convinced us to make this investment,” adds Leick.

Confidence in THEVA and superconductor technology is also evident in the follow-on investments by established investors. Michael Mayer, Managing Partner at eCAPITAL, says, “After getting to know THEVA better since our last investment, we have seen how rigorously they are working on reducing production costs. And the market for superconductors is growing. The THEVA team is focused and market-oriented, and works at the highest technical level. We are convinced more than ever that THEVA has the potential to become a standard manufacturer of high-temperature superconductors, and gain a large share of the market.”

Alexander Ullmann, Investment Manager at BayBG, adds, “We also see great market potential with THEVA. HTS technology has many uses in power and electrical engineering. Entry markets

where higher demand can be generated in the medium term are grid technology (current limiters and cables) and industry (power rails and magnets).”

The follow-on investments by eCAPITAL, Bayern Kapital, Target Partners and BayBG show that manufacturing success and the lively dialogue between THEVA and its investors have created a stable foundation of trust. “We have accompanied THEVA from the first funding round on, and are more confident than ever in the success of their team and superconducting technology,” says Kurt Müller, Partner at Target Partners.

About EnBW New Ventures GmbH:

EnBW New Ventures GmbH invests venture capital in innovative new companies during their start-up and growth phase. The focus is on companies shaping the converging markets of energy, mobility and urban life through new business models and technologies. With an investment volume of EUR 100 million, EnBW New Ventures is a significant investor in young start-ups in Germany. Through the new ventures activities, EnBW is expanding its partnerships within the start-up scene, combining these with internal innovation projects.

www.enbw.com/newventures

About Bayern Kapital GmbH:

Bayern Kapital GmbH in Landshut was founded in 1995 at the initiative of the Bavarian state government as a wholly owned subsidiary of the LfA Foerderbank Bayern (Bavaria’s development bank). As a venture capital company of the State of Bavaria, Bayern Kapital makes share capital available to founders of innovative high tech companies and young, innovative technology companies. Bayern Kapital currently manages eleven funds to a value of 340 million euros. Bayern Kapital has invested over 246 million euros in some 250 innovative technology companies in a wide range of industries, including life sciences, software & IT, medical technology, materials & new materials, nanotechnology and environmental technology. This has helped create over 5000 steady jobs in companies with good future prospects.

About eCAPITAL AG:

eCAPITAL entrepreneurial Partners AG is a Münster-based alternative investment fund manager (AIFM) in accordance with EU-directive EuVECA. As a leading German venture capital firm, eCAPITAL has supported innovative entrepreneurs in future-oriented industries since 1999. The firm focuses on rapidly growing companies in the software/IT, industry 4.0, cleantech and new materials industries. Currently, eCAPITAL manages six funds with a total of 200 million euros under management and invests in companies in early and later stages.

About Target Partners GmbH:

With 300 million euros under management, Target Partners is one of the leading early-stage venture capital firms in Germany. Target Partners invests in new start-up and early-stage companies and supports them with venture capital during their build-out and expansion phases. With many years of experience as managers, entrepreneurs and venture capitalists, the team at Target Partners supports entrepreneurs in developing and marketing products and services, building organizations, raising money and taking companies public in Europe and the United States.

About BayBG Bayerische Beteiligungsgesellschaft mbH:

BayGB is one of the largest share capital investors for medium-size Bavarian companies. Currently it is invested in about 500 Bavarian companies with 315 million euros. With its venture capital participations and investments BayBG enables medium-size companies to execute innovation and growth plans, implement shareholder succession and optimize their capital structure.

About THEVA Dünnschichttechnik GmbH:

With 20 years' experience in coating technology and equipment engineering, THEVA produces high-temperature superconductors (HTS) for loss-free transmission of extremely high electric current, with a unique approach to superconductor manufacture.

The company has invested over fifteen years in development to build Germany's first commercial HTS production plant. Thanks to its very high energy density, THEVA Pro-Line superconductor wire can replace conventional copper conductors in high-performance applications, and opens up new perspective for the design of electrical components. Manufacturers of cables, power switches, large electric drives and power rails can rely on the high quality and performance of the material. In parallel, THEVA develops high-end solutions in coating technology and equipment engineering.

THEVA Dünnschichttechnik GmbH was founded in 1996 and today has around 50 employees. Headquartered in Germany, and with contacts in Asia, the USA and Russia, the company has a global presence for its customers.

In 2012, with Target Partners and BayBG two powerful VC partners came on board. As of 2016 eCAPITAL and Bayern Kapital are additionally supporting the growth of the company. As of the third financing round in 2017 EnBW New Ventures is also among the investors.

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