

Mutares with a strong first quarter 2023 – Significant leap in profit of 21% in the holding company – Setting the course for further growth

- Revenues from consulting services and management fees of Mutares Holding rose by 84% to EUR 27.1 million (previous year: EUR 14.7 million)
- Net income of Mutares Holding increased by 21% to EUR 8.2 million in the first quarter of 2023 (previous year: EUR 6.8 million) despite costs of approx. EUR 4.5 million for the refinancing of the bond
- Revenues for Mutares Group up 30% to EUR 1,108.0 million (previous year: EUR 852.5 million), Group Adjusted EBITDA improved to EUR +5.1 million (previous year: EUR -30.7 million)
- Early bond refinancing sets course for further growth
- Full transaction pipeline with volume of around EUR 11 billion revenues

Munich, 9 May 2023 - Mutares SE & Co. KGaA (ISIN: DE000A2NB650) published its figures for the first quarter of 2023 today. A significant increase in revenues and a disproportionate improvement in earnings were achieved at both the level of the company (“Mutares Holding”) and the Group (“Mutares Group”).

Profit leap for Mutares Holding

Mutares Holding’s revenues resulting from consulting services and management fees from portfolio companies increased to EUR 27.1 million in the first quarter of financial year 2023 (previous year: EUR 14.7 million). The 84% increase is due to portfolio growth in financial year 2022 as a result of high transaction activity. The “Portfolio Income”¹ also amounts to EUR 27.1 million (previous year: EUR 14.7 million) as dividends from the portfolio are usually recognized in the fourth quarter of a financial year only. Mutares Holding’s net income for the first quarter increased by 21% from EUR 6.8 million to EUR 8.2 million. This includes already costs of EUR 4.5 million for the successful refinancing of the bond in line with market standards.

Growth in Group revenues to more than EUR 1bn in the first quarter

Mutares generated consolidated revenues of EUR 1,108.0 million at Group level in the first quarter of 2023 (previous year: EUR 852.5 million). The increase of 30% is besides the organic increase in revenues attributable to the high acquisition activity in financial year 2022.

Group EBITDA for the first quarter of 2023 improved significantly to EUR 112.4 million, compared to EUR -14.3 million in the same period of the previous year. Group EBITDA (earnings before interest, taxes, depreciation and amortization) regularly benefits from bargain purchase gains on the acquisitions completed. The acquisitions of the first quarter of 2023 are thus recorded as part of the Group’s EBITDA. The successful implementation of transformation programs in the portfolio companies results in a

¹ Revenues and dividends from the portfolio result in the so-called “portfolio income” of Mutares Holding.

significant improved Adjusted EBITDA² of EUR +5.1 million (previous year: EUR -30.7 million).

Cash and cash equivalents in the Group amounted to EUR 255.5 million as of 31 March 2023 (31 December 2022: EUR 246.4 million), and the equity ratio was 24% (31 December 2022: 24%).

High exit activity in the first quarter

In the first quarter of financial year 2023, the focus on the transaction side was primarily on exits. With the sale of FDT Flachdach Technologie to Holcim Group, of Japy Tech to the management of the company, of Lacroix+Kress to Superior Essex Global and of Ganter France to Malvaux Group, Mutares was successful in transferring four portfolio companies into the hands of new owners according to the “best owner principle.”

On the acquisition side, Mutares managed to successfully complete three acquisitions already signed in 2022 of Peugeot Motocycles, Palmia and a plant of the automotive supplier Magna in Bordeaux. Peugeot Motocycles is the most renowned French motorcycle brand, whose growth and further development will be supported by Mahindra & Mahindra as the seller and minority shareholder. Palmia, a provider of facility services, will strengthen the Goods & Services segment as a new platform investment. The acquisition of a Magna plant in Bordeaux, re-named into Manufacturing Mobility of Tomorrow – Bordeaux (“MMT-B”), where high-quality transmissions are manufactured, complements the Automotive & Mobility segment and creates high synergy effects as an ideal complement to the portfolio companies CIMOS Group, PrimoTECS Group as well as KICO and ISH Group.

In addition, Mutares signed a contract on the acquisition of a majority stake in BEW-Umformtechnik from Marigold Capital in the first quarter of 2023; the acquisition was completed in April 2023. As an add-on acquisition, the manufacturer of forged parts offers additional synergy potential, for the PrimoTECS Group in particular. Further, Mutares has entered into negotiations to acquire Walor International. With the completion of the acquisition, Walor will strengthen the Automotive & Mobility segment as a complement to the other activities at CIMOS Group, PrimoTECS Group and MMT-B, which specialize in the production of steel parts. The closing of this transaction is scheduled for the second quarter of 2023.

The transaction pipeline is also well filled for the further course of the year and beyond. The total volume of revenues of the current opportunity spectrum can be estimated at around EUR 11 billion. Twelve projects with total revenues of around EUR 2 billion are already on the shortlist. After the closing date of 31 March 2023, Mutares signed the most successful exit in the company’s history with the already agreed sale of the portfolio company Special Melted Products (“SMP”) to Cogne Acciai Speciali.

² Adjusted EBITDA is an EBITDA performance indicator adjusted for non-recurring factors. The calculation is based on reported Group EBITDA adjusted for transaction-related income (bargain purchases), restructuring and other non-recurring expenses, and deconsolidation effects.

Decisive course set

Mutares took important decisions in the first quarter of 2023. As such, the company successfully refinanced its current bond with a volume of EUR 80 million via a new bond, which matures in 2027 and a volume of EUR 100 million. The funds exceeding the redemption amount will mainly be used for investments into further portfolio expansion with the medium-term goal of increasing Group revenues to approximately EUR 7.0 billion in 2025.

Furthermore, Mutares has established a new holding company as a globally operating Tier 1 automotive supplier under the umbrella of the newly founded and wholly owned subsidiary Amaneos SE. Amaneos comprises the portfolio companies Light Mobility Solutions (“LMS”), MoldTecs Group and SFC Group. This creates a global player as a specialist for plastic-based systems for the automotive industry with more than 7,500 employees and annual revenues of around EUR 1.2 billion. Amaneos has all the prerequisites to become one of the most valuable portfolio companies in the Mutares Group.

Growth in all segments

In the **Automotive & Mobility** segment, revenue increased to EUR 448.7 million in the first quarter of 2023 (previous year: EUR 234.1 million). The contribution of MoldTecs Group, CIMOS Group, Peugeot Motorcycles and MMT-B, which were acquired in the second half of 2022 and the first quarter of 2023, respectively, is particularly responsible for the significant increase. The segment’s EBITDA of EUR 65.9 million was up on the previous year’s figure of EUR -20.5 million and has been positively influenced by gains from bargain purchase from the acquisition of Peugeot Motorcycles and MMT-B. Adjusted EBITDA of EUR -6.9 million (previous year: EUR -19.0 million), adjusted for non-recurring effects, reflects the successful implementation of the transformation programs in the portfolio companies on the one hand and the decrease of raw material and energy prices and the dissolving restrictions in global supply chains on the other hand.

The **Engineering & Technology** segment recorded an increase in revenue to EUR 263.1 million in the first quarter of 2023 (previous year: EUR 243.4 million). The acquisitions of the 2022 financial year, especially of NEM Energy, SMP and Guascor Energy were the main contributors to this increase. They more than compensated for the effect from the exit of the Nordec Group in the fourth quarter of 2022. EBITDA increased slightly to EUR 10.2 million (previous year: EUR 8.9 million) and was positively impacted by the gain from the exit of FDT Flachdach Technologie, while in the previous year period, gains from bargain purchase had a positive influence on EBITDA. Adjusted EBITDA improved to EUR +0.7 million in the reporting period, compared to EUR -1.6 million in the same period of the previous year. Among other things, this reflects the restructuring successes at SMP, and the positive developments at La Rochette and Clecim.

Revenues in the **Goods & Services** segment increased to EUR 396.7 million in the first quarter of 2023 compared to the same period of the previous year (previous year: EUR 375.1 million). The development was mainly influenced by the acquisitions of Palmia in the reporting period as well as of Sirti Energia and the add-on acquisitions

for Frigoscandia Group (Polar Frakt and Götene Kyltransporter) in financial year 2022. In addition, the organic revenue increase at Terranor Group contributed to the overall revenue development. Segment EBITDA amounted to EUR 27.5 million (previous year: EUR 0.5 million). The portfolio companies, especially Lapeyre, Frigoscandia, Terranor and Ganter, developed very well, so that the segment's Adjusted EBITDA for the first quarter of 2023 was EUR +1.9 million, significantly above the previous year's figure of EUR -11.2 million.

Adjusted EBITDA fluctuates significantly along the three phases of value creation that portfolio companies usually go through during their affiliation with the Mutares Group (realignment, optimization and harvesting).

Operational phase as part of the Mutares business model	Allocated portfolio companies as of 31 March 2023	Sales in EUR million	Adjusted EBITDA in EUR million
Realignment	<p>Automotive & Mobility</p> <ul style="list-style-type: none"> ▪ Amaneos Group ▪ Metals Group ▪ Peugeot Motocycles ▪ Plati ▪ iinovis <p>Engineering & Technology</p> <ul style="list-style-type: none"> ▪ Guascor Energy ▪ Steyr Motors ▪ VALTI ▪ Gemini Rail und ADComms <p>Goods & Services</p> <ul style="list-style-type: none"> ▪ EXI und SIX Energy 	476.4	-19.8
Optimization	<p>Automotive & Mobility</p> <ul style="list-style-type: none"> ▪ KICO und ISH <p>Engineering & Technology</p> <ul style="list-style-type: none"> ▪ NEM Energy Group <p>Goods & Services</p> <ul style="list-style-type: none"> ▪ Lapeyre ▪ Frigoscandia ▪ Ganter ▪ Asteri Facility Solutions und Palmia ▪ FASANA ▪ Repartim 	395.2	-1.0

Harvesting	Engineering & Technology <ul style="list-style-type: none">▪ Special Melted Products▪ Donges Group▪ La Rochette▪ Clecim Goods & Services <ul style="list-style-type: none">▪ Terranor Group▪ keeper▪ SABO	237.1	+17.1
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Condensed Consolidated Statement of Profit and Loss

mEUR	Q1 2023	Q1 2022
Revenues	1,108.0	852.5
+/- Change in inventories	42.3	7.0
Other income	139.5	37.2
Cost of material	-730.7	-549.3
Personnel expenses	-286.4	-218.9
Other expenses	-160.4	-142.8
EBITDA	112.4	-14.3
Depreciation & Amortisation	-46.8	-34.7
EBIT	65.5	-49.0
Financial result	-16.2	-6.9
Income taxes	0.8	10.0
Net income	50.2	-45.8

Condensed Consolidated Balance Sheet

mEUR	31/03/2023	31/12/2022
Intangible assets	165.1	143.9
PP&E	774.4	764.2
Right of use assets	363.9	375.6
Other	146.1	93.5
Non-current assets	1,449.4	1,377.2
Inventories	615.3	560.7
Trade & other rec.	453.9	407.1
Contract Assets	91.0	46.8
Cash & equivalents	255.5	246.4
Assets held for sale	8.6	115.0
Other	348.2	276.4
Current assets	1,772.4	1,652.4
Total assets	3,221.8	3,029.6

mEUR	31/03/2023	31/12/2022
Total equity	768.1	714.0
Financial liabilities	535.1	480.0
Provisions	222.6	213.7
Other	123.2	122.6
Non-current liabilities	880.9	816.3
Trade payables	583.2	588.0
Other financial liab.	430.8	366.1
Contract Liabilities	179.0	156.7
Provisions	113.2	109.8
Liabilities held for sale	0.0	97.0
Other	266.3	182.0
Current liabilities	1,572.5	1,499.6
Total equity & liabilities	3,221.8	3,029.6

Outlook

Mutares enjoys a high level of confidence thanks to its pan-European presence and successful track record. In combination with the extensive pool of opportunities, there are further extensive growth opportunities across all locations and segments. The agreement on the sale of SMP in May is worthy of note, with its closing expected in the second quarter of financial year 2023.

Based on the transactions already completed and additional transactions that have been signed in financial year 2023, the promising acquisition pipeline as well as the plans of the individual portfolio companies, the Management Board expects annualized revenues of Mutares Group to increase to EUR 4.8 billion to EUR 5.4 billion in financial year 2023. The net profit of Mutares Holding is expected to be in a range of EUR 92 million to EUR 112 million. The agreement on the sale of the portfolio company SMP, which was agreed and published after the reporting period, is not yet included in this guidance. The closing of this transaction is scheduled for the second quarter of 2023.

At the same time, the Management Board confirms the medium-term targets, which envisage an increase in consolidated revenues to approximately EUR 7.0 billion by financial year 2025. Based on this, net income of Mutares Holding is expected to increase accordingly to a range of EUR 125 million to EUR 150 million by 2025.

Conference call today at 2:00 p.m.

A video and telephone conference (webcast) will be held in English today at 2:00 p.m. (CEST) for analysts, investors and members of the press. Registrations for this are possible by e-mail to ir@mutares.de.

The presentation, shown via webcast, can be downloaded at <https://ir.mutares.de/en/publications/>.

Company profile of Mutares SE & Co. KGaA

Mutares SE & Co. KGaA, Munich (www.mutares.com), as a listed private equity holding company with offices in Munich (HQ), Amsterdam, Frankfurt, Helsinki, London, Madrid, Milan, Paris, Stockholm, Vienna and Warsaw, acquires medium-sized companies in special situations, based in Europe, which show significant operational improvement potential and are sold again after undergoing a repositioning and stabilization process. For the financial year 2023, consolidated revenues of EUR 4.8 billion to EUR 5.4 billion are expected. Based on this, consolidated revenues are to be expanded to approx. EUR 7 billion by 2025. As the portfolio grows, so do consulting revenues, which together with portfolio dividends and exit proceeds accrue to the Mutares Holding. Accordingly, a net income in the holding company in the range of EUR 125 million to EUR 150 million is expected for the financial year 2025. The Executive Board and Supervisory Board together hold more than one third of all Mutares shares with voting rights. The shares of Mutares SE & Co. KGaA are traded on the Regulated Market of the Frankfurt Stock Exchange under the symbol "MUX" (ISIN: DE000A2NB650).

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