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**Mutares with high momentum: Record revenues in the first half of 2021 and increased guidance until 2023 with target of at least EUR 5 billion in consolidated revenues**

- **Mutares' consulting revenues grow by 58.3% to EUR 22.8 million in H1 2021 (H1 2020: EUR 14.4 million)**
- **Group revenues grow 76.3% year-on-year to EUR 1,093.9 million (H1 2020: EUR 620.5 million)**
- **Guidance increased by more than 50% with targeted Group revenues of at least EUR 5 billion by 2023**
- **Examination of options for financing further growth, including uplisting to the regulated market (Prime Standard)**

**Munich, 7 September 2021** – Mutares SE & Co. KGaA (ISIN: DE000A2NB650) ("**Mutares**" and, together with its consolidated subsidiaries, "**Group**") reported revenues growth to EUR 22.8 million in H1 2021 (H1 2020: EUR 14.4 million) and growth of consolidated revenues to EUR 1,093.9 million (H1 2020: EUR 620.5 million). The net result of Mutares amounts to EUR 19.9 million (H1 2020: EUR -4.8 million) for the first half of 2021, influenced by the earnings contribution from the sale of the shares in STS Group AG. The significant revenues growth is mainly based on the high transaction activity in the first half of 2021 with already seven completed acquisitions.

At EUR 411.5 million (H1 2020: EUR 41.5 million), Group EBITDA was 891.5% higher than in the previous year. Adjusted EBITDA<sup>1)</sup> amounts to EUR -4.6 million (H1 2020: EUR -16.7 million) and improved significantly thanks to the restructuring progresses in the portfolio companies, in particular at Donges Group, Elastomer Solutions Group, KICO Group and BEXity.

Cash and cash equivalents in the Group amounted to EUR 246.1 million as of 30 June 2021 (31 December 2020: EUR 145.3 million), and the Group's equity ratio increased significantly to 26% compared to 16% as of 31 December 2020.

### **High transaction activity on buy- and sell-side**

The first half of 2021 was again characterized by high transaction activity. In total, Mutares successfully completed three exits and seven acquisitions in the reporting period.

On the exit side, Mutares realized the sale of Balcke-Dürr Rothemühle to Howden Group, of Nexive to Poste Italiane and the exit of STS Group to Adler Pelzer Group in the first half of 2021. In addition, Mutares successfully completed the sale of Cenpa and the sale of TréfilUnion, EUPEC and La Meusienne after the closing date of 30 June 2021, and initiated the sale of Norsilk.

Even more active than the sell-side, Mutares has taken advantage of opportunities on the buy-side in the first half of 2021 and remains on a dynamic growth path with seven completed acquisitions with annual revenues of approximately EUR 1.3 billion. In the first six months of 2021, Mutares successfully completed six platform acquisitions with EXI, Clecim, Repartim/Maisoning Group, Lapeyre, La Rochette Cartonboard and ADComms, as well as an

add-on acquisition for Terranor Group with NCC Road Services in Denmark. After 30 June 2021, two further transactions have also already been completed, one add-on acquisition, Permasteelisa Group for the Donges Group, and one platform acquisition, namely three exterior plants from Magna. In addition, three further acquisitions have been signed after 30 June 2021: for Rasche Umformtechnik as an add-on for PrimoTECS, for Ganter Construction & Interior as a platform for the Goods & Services segment, and for Innomotive Systems Hainichen as a platform for the Automotive & Mobility segment. The closing of these three transactions is expected for this year.

The Management Board sees the current market situation as a unique opportunity to further accelerate the successful growth path. The pace set in recent months is therefore to be increased further and new markets such as Benelux and Poland are to be developed more quickly. The Management Board is therefore currently examining various options for financing further strategic growth, including a capital increase with subscription rights combined with an uplisting to the regulated market of the Frankfurt Stock Exchange (Prime Standard). Mutares will make final decisions at a later date, depending on the market and other conditions. Hauck & Aufhäuser, Jefferies and Duxbridge Capital are acting as financial advisors to Mutares.

### Revenues grow significantly in all segments

In the **Automotive & Mobility** segment, revenues increased to EUR 353.0 million in the first half of 2021 (H1 2020: EUR 216.4 million). This was due to organic growth compared to the prior-year period, which was impacted by COVID-19, and the platform acquisitions of SFC Solutions and iinovis, which were completed in July and November 2020, respectively. Segment EBITDA of EUR -2.6 million (H1 2020: EUR 2.4 million) was below the prior-year figure, which was positively impacted by bargain purchases of EUR 18.6 million. Adjusted EBITDA for the segment increased to EUR 4.7 million (H1 2020: EUR -13.8 million), which is attributable in particular to the optimization successes and positive earnings contributions at the STS Group, the Elastomer Solutions Group and the KICO Group.

The **Engineering & Technology** segment recorded an increase in revenues to EUR 413.0 million in the first half of 2021 compared to EUR 241.6 million in the first half of 2020. The main contributors to the increase were the new platform acquisitions Lacroix + Kress as well as Royal De Boer and Japy Tech in the fourth quarter of 2020, the acquisitions of the reporting period (Clecim and La Rochette Cartonboard) as well as the add-on acquisitions for the Donges Group and the Balcke-Dürr Group made in 2020. Segment EBITDA increased to EUR 35.3 million in the first half of 2021 (H1 2020: EUR 23.1 million), benefiting mainly from the acquisition of Clecim and the gains on disposal of Balcke-Dürr Rothenmühle. The segment's Adjusted EBITDA was EUR -7.1 million in H1 2021, compared to EUR 0.7 million in H1 2020, due to the negative market environment at EUPEC and Gemini Rail Group and the still negative earnings contributions from Royal De Boer and Japy Tech.

Revenues in the **Goods & Services** segment climbed to EUR 327.9 million in H1 2021 (H1 2020: EUR 162.5 million). The increase in revenues was mainly due to the acquisition of Lapeyre, the largest acquisition in Mutares history in terms of revenues and number of employees, as well as the platform acquisitions from Terranor Group and SABO completed in the second half of 2020. Segment EBITDA amounted to EUR 404.5 million (H1 2020: EUR 23.2 million). The acquisition of Lapeyre and the disposal of Nexive had a positive impact in particular. Adjusted EBITDA for the segment was EUR -3.8 million after six months in financial year 2021 (H1 2020: EUR -1.5 million). The still negative earnings contributions from EXI and Repartim/Maisoning Group more than offset the restructuring successes at BEXity and the platform investments Terranor Group and SABO.

Adjusted EBITDA differs significantly along the three phases of the portfolio companies' value creation cycle that investments usually go through once the acquisition of the respective entity or asset has been completed (Realignment, Optimization and Harvesting).

Operational phase within the value creation cycle	Allocated investments as of 30 June 2021	Revenues in EUR million	Adj. EBITDA <sup>1</sup> in EUR million
Realignment	Lapeyre Royal de Boer & Japy Tech iinovis TréfilUnion EUPEC EXI Clecim Repartim/Maisoning Group	142.3	-19.5
Optimization	Balcke-Dürr Group Gemini Rail Group ESF Industrial Solutions Group Lacroix + Kress Terranor Group KICO Group PrimoTECS SABO La Rochette Cartonboard	450.5	-8.5
Harvesting	STS Group Donges Group BEXity keeper Group Cenpa	501.1	21.9

<sup>1)</sup> Adjusted EBITDA is an EBITDA performance indicator adjusted for special 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.

## Outlook

Based on the acquisitions already completed and signed in the financial year 2021 as well as the outlook in the individual segments, the Management Board continues to expect a significant increase in Group revenues of more than 50% in the financial year 2021 compared to the figure from the financial year 2020 of EUR 1.6 billion. The expected revenues growth will be driven by all segments.

This guidance is subject to certain imponderables in connection with the further development of the COVID-19 pandemic and, as a result, in particular the supply situation for raw materials and precursors. Given limited capacities, the high demand results in the possibility that the supply situation within the supply chains could tighten further in the second half of the year. Although Mutares has taken precautionary measures in the portfolio companies, there is a risk of supply bottlenecks for individual portfolio companies in the event of a further tightening.

Nevertheless, the Management Board continues to expect that a dividend at least at the level of market expectations is also ensured for the financial year 2021, in particular through successful exits.

In view of the opportunities arising, the Management Board is also increasing the medium-term Group revenue target for the financial year 2023 from the previous EUR 3 billion to at least EUR 5 billion. The stated aim is to achieve a net income of Mutares at Holding level of 1.8 % - 2.2 % of Group revenues in the medium to long term.

### **Conference call today at 2:00 pm**

A video and telephone conference (webcast) in English will be held today at 2:00 pm (CEST) for analysts, investors and members of the press. Registrations for this are possible by e-mail to [ir@mutares.de](mailto:ir@mutares.de). The presentation shown via webcast can be downloaded at [www.mutares.de/investor-relations](http://www.mutares.de/investor-relations).

### **Capital Markets Day on 15 September 2021**

The Capital Markets Day 2021 of Mutares SE & Co. KGaA will take place on 15 September 2021 at FIFTY HEIGHTS in Frankfurt/Main starting at 3:00 pm (CEST). During the Capital Markets Day, the Management Board will explain Mutares' strategy as a Master of Special Situations in the private equity sector. In addition, the portfolio managers will give a deep insight into the current developments of selected portfolio companies.

### **Company profile of Mutares SE & Co. KGaA**

Mutares SE & Co. KGaA, Munich ([www.mutares.de](http://www.mutares.de)), as a listed private equity holding company with offices in Munich (HQ), Frankfurt, London, Madrid, Milan, Paris, Stockholm and Vienna, acquires medium-sized companies and parts of larger groups with headquarters in Europe that show significant potential for operational improvement and are sold again after undergoing a repositioning and stabilization process. Mutares actively supports and develops its portfolio companies with its own investment and consulting teams as well as through acquisitions of strategic add-ons. With a focus on sustainable growth of the portfolio companies, the objective is to achieve a significant increase in value with a ROIC (*return on invested capital*) of 7 to 10 times on the total investment. In the financial year 2020, Mutares generated consolidated annual revenues of around EUR 1.6 billion with more than 12,000 employees worldwide in the Group. For the financial year 2021, consolidated revenues of at least EUR 2.4 billion are already expected. Based on this, consolidated revenues are to be expanded to at least EUR 5 billion by 2023. Mutares is strongly committed to a sustainable dividend policy consisting of a base dividend and a performance dividend. The shares of Mutares SE & Co. KGaA are listed on the Frankfurt Stock Exchange under the ticker symbol "MUX" (ISIN: DE000A2NB650).

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