

Hagen, Germany, on May 2nd, 2021

Adler Pelzer Group – Update on annual performance, current trading, pending acquisitions and FY 2020 Financial Statements published

Adler Pelzer Group has approved its audited consolidated financial statements for the year ended December 31, 2020.

Key highlights of 2020 annual performance of Adler Pelzer Group

- **Revenues** decreased to €1.17 billion for the year ended December 31, 2020 compared to €1.43 billion for the year ended December 31, 2019. This was largely driven by the Covid-19 pandemic.
- **EBITDA** increased by €8.6 million, or 6.7%, to €137.6 million for 2020, from €129.0 million for 2019, primarily driven by i) cost-cutting measures we undertook to counter the impact of the Covid-19 pandemic and protect our cash flows, including the use of short time working schemes, savings on materials, reductions of indirect costs such as rents, leases and consultancy costs, and ii) an €18.4 million one off positive revaluation of the STS Acoustics business acquired on November 1, 2020.
- **EBITDA margin** increased to 11.7% for 2020, from 9.0% for 2019.
- **Net financial position** increased slightly to €447.2 million as of December 31, 2020 compared to €441.3 million as of December 31, 2019.
- **Net leverage position** decreased slightly to 3.25x as of December 31, 2020 compared to 3.42x as of December 31, 2019.
- **Cash on balance sheet** slightly decreased to €144.5 million as of December 31, 2020 compared to €146.1 million as of December 31, 2019.

Adler Pelzer Group witnessed a challenging environment in 2020 in light of the Covid-19 pandemic and its effects on the auto supplier industry, in particular, in the first 6 months of the year. However, a quick response to the changing landscape and focus on resuming production across its facilities resulted in a more balanced annual performance further supported by the recovery of the overall global automotive sector in the second half of 2020. In particular, for the first half of 2020, we recorded revenues and EBITDA equal to €472 million and €38 million, respectively. However, second half of 2020 has seen an improved performance compared to the first half of the year, with an increase in revenues by €230 million, or 48.7%, to €702 million, and an increase in EBITDA by €56 million, or 147.4%, to €94 million, respectively, compared to the first half of the year.

Our FY 2020 Financial Statements are available via our website www.adlerpelzer.com/investor/.

Update on trading performance of Adler Pelzer Group during the first three months of 2021

In the first three months of 2021, Adler Pelzer Group has seen a continuation of the strong performance in Q3 and Q4 2020. Based on management accounts, revenues of the Adler Pelzer Group increased by approximately 12% for the three-month period ended March 31, 2021, compared to the same period of the prior year, while EBITDA (net of IFRS 16 effects) increased

by approximately 32.5% for the three-month period ended March 31, 2021, compared to the same period of the prior year.

Update on pending acquisitions

Faurecia AST Business acquisition

On February 17, 2021, Adler Pelzer Group entered into a memorandum of understanding with Faurecia Automotive Holdings S.A.S., setting forth the key terms for the sale and purchase of the Faurecia Acoustics and Soft Trim business (the “**Faurecia AST Business**”). The strategic goal of the acquisition is to strengthen Adler Pelzer Group’s leadership position in the light vehicle acoustic market, increase customer diversification, strengthen its presence in France and in other European countries and reinforce trunk and parcel shelf product offerings.

The final purchase agreement relating to the acquisition of the Faurecia AST Business is in process of being finalized and the closing of the acquisition will be subject to the conditions set forth in the agreement.

Key highlights of 2020 annual performance for the Faurecia AST Business

- **Revenues** decreased to €241.4 million for the period ended December 31, 2020 compared to €340.5 million for the same period for 2019. This was largely driven by the global downturn caused by the Covid-19 pandemic.
- **EBITDA**, net of non-recurring costs, decreased by €15.6 million, to €8.6 million for 2020, from €24.2 million for 2019, mainly due to the global downturn caused by the Covid-19 pandemic. Non-recurring costs amounted to €4.1 million in 2020 and €9.5 million in 2019.

This information has been extracted or derived from the special purpose audited combined financial statements of Faurecia AST Business as of and for the years ended December 31, 2019 and 2020.

STS Group acquisition

On March 11, 2021, Adler Pelzer Group entered into a purchase agreement with Mutares SE & Co. KGaA to acquire 73.25% of the registered share capital of STS Group AG (“**STS Group**”), listed on the Frankfurt Stock Exchange.

The strategic goal of the acquisition is to strengthen Adler Pelzer Group’s position in the hard trims market, support STS expansion in new geographies as US and China, increase profitability through corporate and operational integration, expand STS’ market offering from truck to car OEMs and combine soft and hard trim product offerings.

Closing of the acquisition will be subject to the conditions set forth in the agreement.

Key highlights of 2020 annual performance for the STS Group

- **Revenues** decreased to €235.0 million for the period ended December 31, 2020 compared to €250.7 million for the same period for 2019. This was largely driven by the global downturn caused by the Covid-19 pandemic.
- **EBITDA** decreased by €0.6 million, to €14.7 million for 2020, from €15.3 million for 2019, mainly due to the global downturn caused by the Covid-19 pandemic.

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For further details, please refer to the audited consolidated financial statements of STS Group available on the Investor Relations section of the STS Group website at www.sts.group/investor-relations.

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ABOUT ADLER PELZER GROUP

Adler Pelzer Group is a worldwide leader in design, engineering and manufacturing of acoustic and thermal components & systems for the automotive sector. With key value-added activities in-house, we deliver components optimizing acoustic performance and increasing thermal efficiency of vehicles. We engineer products to each specific vehicle need of our customers. Headquartered in Hagen, Germany, we have built a network of manufacturing plants, research and design facilities close to the main automotive hubs in the major geographic regions, in more than 80 locations with over 11,000 employees worldwide and sales of €1.17bn in 2020.

www.adlerpelzer.com – *Envisioning the future*

DISCLAIMER

Current Trading

The financial results presented in this press release are preliminary and based on unaudited management information, they are not intended to be a comprehensive statement of the Adler Pelzer Group's consolidated financial or operational results for any period in 2021. Such information has been prepared by management and is solely based on the preliminary financial information and operating data used by management. There can be no assurance that these estimates will be realized or that actual results will not be higher or lower than estimated. The independent auditors of the Company have not audited, reviewed, compiled or performed any procedures with respect to the accompanying preliminary financial results for the purpose of its inclusion herein, and accordingly, the independent auditors of the Company do not express an opinion or provide any form of assurance with respect thereto for the purpose of this press release.

The preliminary financial results set out herein are based on a number of assumptions that are subject to inherent uncertainties and subject to change. In addition, while the Company believes the preliminary financial results to be reasonable, the Company has not yet finalized its interim unaudited condensed consolidated financial statements for the three months period ended March 31, 2021. Accordingly, the Company's actual results for such period may vary from the preliminary financial results contained in this press release, and such variations could be material. As such, you should not place undue reliance on the inclusion of the preliminary financial results in this press release, it should not be regarded as an indication that such preliminary financial results will be an accurate prediction of future events, and such information should not be relied on as such.

Forward Looking Statements

This press release includes forward looking statements. Such statements are generally not historical in nature, and specifically include statements about the Adler Pelzer Group's plans, strategies, business prospects, changes and trends in its business and the markets in which it operates. Certain of these statements are based on unaudited financial information and certain other financial information which is under ongoing preparation. These statements are made based upon management's current plans, expectations, assumptions and beliefs concerning future events impacting the Adler Pelzer Group and therefore involve a number of risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed or implied in the forward-looking statements, which speak only as of the date of this press release. Consequently, no forward-looking statement can be guaranteed. The Adler Pelzer Group undertakes no obligation to update any forward looking statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events.

Update on pending acquisitions

The financial results for the STS Group and the Faurecia AST Business have been made available to us in connection with the pending acquisition process. Accordingly, the financial results for the fiscal year ended December 31, 2020 for the STS Group and the Faurecia AST Business, which are contained in this press release are derived from the financial statements prepared by the STS Group and the Faurecia AST Business, respectively. This information has not been audited or reviewed nor have any procedures been performed by our applicable independent auditors with respect thereto.

Use of non-IFRS financial measures

This press release includes non-IFRS financial measures and ratios, including EBITDA and EBITDA margin. EBITDA, EBITDA margin and other non-IFRS financial measures are unaudited and have not been prepared in accordance with IFRS or any other accounting principles and may be used by different companies for different purposes and are often calculated in ways that reflect the particular circumstances of those companies. We present non-IFRS measures because we believe that they and similar measures are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity. You should exercise caution in comparing non-IFRS financial measures as reported by us to non-IFRS financial measures as reported by other companies. In addition, the presentation of these measures is not intended to and does not comply with the reporting requirements of the SEC and will not be subject to review by the SEC; compliance with its requirements would require us to make changes to the presentation of this information.

This press release constitutes a public disclosure of inside information by Pietro Lardini, Chief Executive Officer, on behalf of Adler Pelzer Holding GmbH, under Regulation (EU) 596/2014 of 16 April 2014.