



VARTA

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VARTA AG announces an amendment to the restructuring concept and commercial agreement on bridge financing

Ellwangen, September 18, 2024 – VARTA AG announces that it has today reached an agreement with almost all syndicated loan lenders, a company controlled by the current indirect majority shareholder of VARTA AG (“MT InvestCo”) and Dr. Ing. h.c. F. Porsche AG (“Porsche”) on an amendment to the commercial agreement on a restructuring concept published on August 17, 2024. The amended restructuring concept is structurally essentially the same as the restructuring concept of August 17, 2024 and also contains an improved offer to the lenders of the promissory notes to participate in a consensual restructuring of VARTA AG as part of the notified restructuring plan in accordance with the German Corporate Stabilisation and Restructuring Act (*StaRUG*). Overall, the existing debt burden shall now be reduced by approximately €255 million from €485 million to a total of approximately €230 million as part of the haircut. As previously envisaged, a new senior loan (super senior) in the amount of €60 million shall be taken out in parallel to cover liquidity requirements. In addition, claims of €25 million from lenders of promissory notes shall rank pari passu with the valuable claims of the syndicated loan lenders, which are secured by guarantees. In addition, the already agreed value recovery instrument after the restructuring period for the financing parties subject to the haircut was adjusted. A large proportion of the lenders of the promissory notes have expressed an interest in this offer.

The restructuring concept continues to include a simplified reduction of the share capital of VARTA AG to €0, which will lead to the compensation-free exit of the current shareholders of VARTA AG and the delisting of VARTA AG shares, in combination with an immediately following capital increase by MT InvestCo and Porsche.

On the basis of the amended restructuring concept, VARTA AG today reached an agreement with almost all syndicated loan lenders, MT InvestCo and Porsche on the essentially final draft of an amended restructuring term sheet.

VARTA AG will enter into a lock-up agreement with the aforementioned syndicated loan lenders as well as other relevant parties. Among other things, the lock-up agreement will include an obligation of the undersigned syndicated loan lenders to support the restructuring of VARTA AG in accordance with the notified restructuring plan and in application of the *StaRUG*. MT InvestCo and Porsche will enter into an investor agreement with VARTA AG containing similar terms. On the basis of the agreed draft of the restructuring term sheet, VARTA AG will finalise the restructuring plan, submit it to the restructuring court after conclusion of the lock-up agreement and the investor agreement, and apply for a discussion and voting meeting.

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Registergericht:
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In addition, an agreement in principle has been reached with a part of the syndicated loan lenders to provide short-term bridge financing of up to €30 million, which shall secure the Company's financing until conclusion of the StaRUG proceedings.

The agreement on the restructuring term sheet, as well as the conclusion of the lock-up agreement, the investor agreement and the bridge financing are still subject to the approval of the parties' governing bodies and the finalisation of the documentation.

On the basis of the agreement reached with the syndicated loan lenders and MT InvestCo and Porsche as investors as well as the interest expressed by the lenders of the promissory note loans in the improved restructuring offer, the management board of VARTA AG assumes that the majorities required for approval of the planned restructuring plan in the StaRUG proceedings are secured.