

**VARTA AG, Ellwangen, ISIN: DE000A0TGJ55**

**Insider information disclosure in accordance with Article 17 of Regulation (EU) No. 596/2014**

**VARTA AG receives public funding of €300 million for battery cell production facility (IPCEI)**

*Ellwangen, June 29, 2020.* VARTA AG has today been informed by the Federal Ministry of Economic Affairs and Energy (BMWi) about public funding totaling € 300 million for two projects in connection with the European initiative to construct a battery cell production facility within the framework of an Important Project of Common European Interest (IPCEI).

The State government of Baden-Württemberg had previously already resolved at the end of March this year to co-finance the grant to be awarded by the BMWi for the first project. In mid-May, the Bavarian government then committed to co-financing the second project within the framework of this European initiative. Both projects have now received formal approval from the Federal Ministry of Economic Affairs and Energy as a direct sponsor of VARTA AG.

The first project for the development and industrialization of coin shaped lithium-ion cells has received funding in the amount of approximately € 198.5 million and will run until the end of 2024. The second project for the development and industrialization of small lithium-ion cells in addition to special format lithium-ion battery cells, the duration of which will run until the end of June 2022, is to be supported to the tune of up to € 101.5 million.

The total public funding received in the form of grants by VARTA for the two IPCEI projects therefore amounts to € 300 million. VARTA will initially finance the supported project. The approved public funding will then be used to reimburse VARTA for the depreciation from the investments and the operating expenses incurred in connection with the two supported projects over the respective project duration proportionately up to the aforementioned funding volume.

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**About VARTA AG**

VARTA AG produces and markets a comprehensive battery portfolio that ranges from microbatteries, household batteries and energy storage systems all the way to customer-specific battery solutions for a wide range of uses, setting the industry standards as technology leader in many important areas. As the parent company of the Group, it is active in the "Microbatteries & Solutions" and "Household Batteries" business segments.

The "Microbatteries & Solutions" segment focuses on the OEM business for microbatteries and the lithium-ion battery pack business. Through intensive research and development, VARTA sets the global standards in the microbatteries segment and is a recognized innovation leader in the important growth markets lithium-ion technology and primary hearing aid batteries. The "Household Batteries" segment covers the battery business for end customers, including household batteries, rechargeable batteries, chargers, portable power (power banks), lights and energy storage systems.

The VARTA AG Group, headquartered in Ellwangen, currently employs almost 4,000 staff. VARTA AG's operating subsidiaries are currently active in more than 75 countries around the world, with five production and assembly facilities in Europe and Asia as well as distribution centers in Asia, Europe and the USA.