

VARTA AG, Ellwangen, ISIN: DE000A0TGJ55

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VARTA AG to retain net profit in fiscal year 2019 to strengthen internal financing capability for additional investments

Ellwangen, March 27, 2020. At a meeting of the Supervisory Board of VARTA AKTIENGESELLSCHAFT today, the audited annual financial statements for fiscal year 2019 were approved. The Group can look back on yet another successful fiscal year. Group revenue increased by 33.5% to € 362.7m, while adjusted EBITDA rose by 94.1% to € 97.5m. The preliminary figures for fiscal year 2019 were previously published on February 17, 2020. On account of the huge investments already underway to expand production capacities in the area of lithium-ion batteries, the Group is expecting to further accelerate growth in fiscal year 2020.

The Supervisory Board also approved the Executive Board's proposal with regard to appropriation of profits. The Executive Board and Supervisory Board intend to propose at the Annual General Meeting, which is provisionally scheduled for June 18, 2020, to carry forward the net profit of € 69,340,230.73 for fiscal year 2019 posted in the annual financial statements. This corresponds with the proposal to retain net profits last year. By retaining the net profit, the Company intends to strengthen its internal financing capability for the massive expansion of production capacities for lithium-ion batteries to at least 200 million units per year by the end of 2021. The Executive Board expressly states that the proposed appropriation of profits is subject to approval from the Annual General Meeting.

The audited annual financial statements for fiscal year 2019 are to be published alongside the outlook for fiscal year 2020 on March 31, 2020, as planned.

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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 of 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.