

## **AKASOL AG leveraging its IPO year to lay the foundation for anticipated further growth**

- **49.1% revenue growth to EUR 21.6 million in 2018 (2017: EUR 14.5 million)**
- **Order backlog through 2024 remained consistently high at EUR 1.47 billion, as of closing on December 31, 2018**
- **Adjusted EBIT for 2018 of EUR 1.7 million, adjusted EBIT margin of 8.1% (2017: EUR 1.1 million and 7.7%)**
- **Follow-up orders from leading bus and truck manufacturers underline the technologically leading market position of AKASOL AG**
- **Revenues of at least EUR 60 million expected for 2019, a multiple of the 2018 annual revenues**

**Darmstadt, April 15, 2019 - AKASOL AG (“AKASOL”; ISIN DE000A2JNWZ9), a leading German manufacturer of high-performance lithium-ion battery systems for buses, commercial, rail and industrial vehicles, marine and stationary applications, successfully continued its growth trajectory in 2018 as announced. At EUR 21.6 million, revenues for the closed fiscal year were up 49.1% and therefore significantly higher than in the previous year (2017: EUR 14.5 million) Additionally, the adjusted EBIT margin of 8.1% surpasses the level from last year and exceeded expectations. Order backlog through 2024 remained consistently high at EUR 1.47 billion as of closing on December 31, 2018.**

Sven Schulz, CEO of AKASOL AG: “With the publication of our 2018 Annual Report, we can look back on a year with important advances for AKASOL AG, not only due to the successful debut on the stock exchange. At our plant in Langen, series production for our two major customer projects began on schedule last autumn. Even before series production of the first battery system generation started there, AKASOL was already commissioned by Daimler to develop the second generation of Li-ion battery systems. The 2<sup>nd</sup> generation systems will provide around 35 percent more energy in 2020, thereby helping to increase the range of vehicles, making the use of electrically powered buses and commercial vehicles even more attractive. In February 2019, we also announced the extension of the framework agreement with a Swedish bus and truck manufacturer. Under this contract, we will supply the customer through 2023. We see this as a clear validation that AKASOL is developing and producing exactly the right technology that OEMs need to be able to mass produce electric buses and commercial vehicles. In addition, AKASOL was commissioned in autumn 2018 by a major German car manufacturer to supply quick charging stations utilizing battery system technology. These stations will be used as a charging infrastructure for e-mobility applications in a regionally limited pilot project. The project is scheduled to run until mid-2019, after which there will be a review on further application of the rapid charging technology. We are satisfied with the progress AKASOL achieved last year, having created strong and concrete prospects for continuing our growth as announced in the coming years.”

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At EUR 21.6 million, revenues were slightly below the target range communicated of EUR 22 to 24 million for 2018. Various deliveries dispatched to customers in late 2018 are only eligible for recognition as revenue at the beginning of 2019, due to financial accounting reasons.

Before IPO-related non-reoccurring expenditures, AKASOL achieved a positive adjusted EBIT (earnings before interest and taxes) of EUR 1.7 million in 2018 (2017: EUR 1.1 million). The adjusted EBIT margin (as a percentage of revenues) amounted to 8.1 % (2017: 7.7 %) and exceeded expectations in both percentage and absolute terms of around 7 % of the target range of EUR 22 to 24 million.

Material expenses rose to EUR 12.5 million in 2018 (2017: EUR 6.9 million), due to revenue growth. This corresponds to a material cost ratio of 57.8% (material expenses in relation to revenues; 2017: 47.6%). Personnel expenses rose disproportionately compared to revenue development by EUR 2.3 million or 46.2% to EUR 7.1 million. The personnel cost ratio was 32.8% (personnel expenses in relation to revenues; 2017: 33.1%). The main reason for the increase in personnel expenses is the expansion in personnel capacity necessary to execute the anticipated business growth. Excluding members of the Executive Board, AKASOL AG had 154 permanent employees as of December 31, 2018 (December 31, 2017: 91). Of that workforce, 62 are employed in Production and 54 in Research & Development, which means a solid 75% of employees are in the key business units to secure a technologically leading market position and mass production.

AKASOL AG's 2018 annual profit was EUR -0.7 million (2017: EUR 0.6 million) and was significantly burdened by the IPO-related non-reoccurring expenses of EUR 2.7 million.

The equity ratio rose to 88.4% as of December 31, 2018 (December 31, 2017: 10.8%) due to the proceeds from the successful IPO.

Carsten Bovenschen, CFO of AKASOL AG: "With approximately EUR 100 million in proceeds from the IPO, AKASOL is on very solid financial ground. As announced, we are focused on the important next development steps of AKASOL AG and will deploy the funds from the IPO purposefully for the implementation of our growth strategy. In addition to the substantial investments planned in Research & Development, further important measures include expanding our series production capacity in Langen, Germany and setting up a new manufacturing site in the USA. For our plant in Langen, we project production capacity will be expanded to 800 MWh by early 2020. To our knowledge, this means that the Langen plant will continue to have Europe's largest production capacity for lithium-ion battery systems for commercial vehicles and will be able to supply up to 4,000 fully electric buses or medium-duty commercial vehicles. In addition, the US plant is scheduled to open in 2020 with an annual capacity of up to 400 MWh. We have also made solid progress with the expansion of our Research & Development department. During the project, we decided to seize the opportunity to link this step with the construction of new company headquarters. As announced at the end of March, AKASOL will construct a new main administration building, a state-of-the-art and

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environment friendly testing and validation center, and a 15,000 square meter production, assembly, and logistics hall in Darmstadt by mid-2020. As a result, we are creating solid conditions for all company divisions to accommodate our anticipated further growth. We are also in a great position with respect to personnel, having hired our 200th employee in April.”

For the 2019 fiscal year, AKASOL expects an increase in revenues to at least EUR 60 million. In view of the sustained dynamic growth, the expansion of further production capacities, and the rapid expansion of the US subsidiary, an EBIT margin of at least 7% is targeted for the current fiscal year.

The 2018 Annual Report is available for download on the website <https://www.akasol.com/en/financial-reports>

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### About AKASOL

AKASOL is a leading German manufacturer of high-performance lithium-ion battery systems for buses, commercial vehicles, rail vehicles, industrial vehicles, ships and boats. With almost 30 years of experience AKASOL is a pioneer in the development and manufacture of lithium-ion battery systems for commercial applications. AKASOL AG's shares are traded on the Prime Standard segment of the Frankfurt Stock Exchange since June 29, 2018.

Based in Germany, AKASOL operates a production facility in Langen (Hesse) with an annual production capacity of up to 300 MWh, which will be expanded to 800 MWh by 2020. According to AKASOL, this is Europe's largest lithium-ion battery system production plant for commercial vehicles, which can currently produce battery systems per year for up to 1,500 fully electric buses or for up to 3,000 medium-sized commercial vehicles, depending on battery size. AKASOL systems are manufactured according to the requirements of the industry standards of leading OEM customers. Current customers include Daimler, a Scandinavian bus and truck manufacturer, Alstom, Bombardier, Rolls-Royce Power Systems (MTU Friedrichshafen) and several more. AKASOL has a technology-independent product portfolio. This allows the company to use the best battery cells and battery chemistry according to the clients' individual needs. Sven Schulz (CEO) and Carsten Bovenschen (CFO) constitute the executive board of AKASOL AG, based in Darmstadt (Hesse). Co-founders of the company are Felix von Borck, Dr. Björn Eberleh and Stephen Raiser.

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