



## Corporate News Financial Figures 2021

### VARTA AG continues to increase revenue and profitability – global challenges complicate outlook

- Group revenue increases by 3.8 % to € 902.9 million. (2020: € 869.6 million).
- Adjusted EBITDA increases by around 17.4 % to € 282.9 million.
- Increase in Group result by 31.9 % to € 126.0 million.
- Operating result in the Lithium-Ion Solutions & Microbatteries segment grows by 15.8 %.
- The Household Batteries segment is developing very positively: Sales increase by 7.6 % to € 388.6 million, adjusted EBITDA grows by 22.8 % to € 66.4 million.
- Dividend of € 2.48 per share planned.
- Outlook for the 2022 financial year: The effects of the Ukraine war and the long-term consequences of the COVID-19 pandemic on customers' business complicate the outlook.
- VARTA AG expects revenue of between € 950 million and € 1 billion for 2022, adjusted EBITDA between € 260 and € 280 million.
- Q1 2022: Revenue between € 180 and € 190 million, adjusted EBITDA between € 34 and € 39 million.

Ellwangen, 31<sup>st</sup> March 2022. VARTA AG continues to increase revenue and profitability. Group revenue increased by 3.8 % to € 902.9 million in the 2021 financial year. Adjusted EBITDA increased by around 17 % to € 282.9 million. Group result reached € 126 million, an increase of 31.9 %. For the year 2022, the technology company from Ellwangen (Baden-Württemberg/Germany) expects revenue of between € 950 million and one billion and assumes an adjusted EBITDA of between € 260 and € 280 million. The ongoing consequences of the COVID-19 pandemic and the effects of the Ukraine war on the global production and supply chains of some customers, as well as the rising commodity prices as a result of these crises are having a negative impact on the outlook.

Herbert Schein, CEO of VARTA AG: "We have another very good year behind us, in which we were not only able to further increase our revenue, but also achieved historic results in terms of profitability. For future growth in small lithium-ion cells, we are in an excellent position. In addition, we have already started the next growth offensive. Our large-format lithium-ion high-performance round cells have great potential. We have been supplying cells from pilot production for one customer since the end of 2021. Our batteries make a difference. That is why there is a very high demand."

Rainer Hald, CTO of VARTA AG: "In the production of the large-format lithium-ion round cells, we benefit from our experience in setting up highly efficient mass production. We can therefore use synergies."

Armin Hessenberger, Chief Financial Officer (CFO) of VARTA AG: "The current global situation due to the ongoing consequences of COVID-19 and the Ukraine war are affecting raw material prices and the availability of components at our customers. We can therefore not rule out an impact on our business. Nevertheless, with the cash flow from ongoing business and the high equity ratio of 42.6 %, VARTA AG is in a solid position to finance future investments and distribute a dividend of EUR 2.48."

#### VARTA AG - Group

in mio. €	2021	2020	
Revenue	902.9	869.6	3.8%
Adj. EBITDA	282.9	241.0	17.4%
Adj. EBITDA margin	31.3%	27.7%	3.6 PP



### Operating result in the Lithium-Ion Solutions & Microbatteries segment continues to rise

Adjusted EBITDA in the segment rose from € 187.0 million to € 216.5 million (15.8 %). The increase in earnings is the result of further increases in productivity and efficiency. This results in an adjusted EBITDA margin of 42.1 % in relation to revenue, which corresponds to an improvement of 4.9 percentage points compared to the previous year.

Revenues in the Lithium-Ion Solutions & Microbatteries segment reached € 514.4 million and are thus 1.2 % above the same period of the previous year. New customer projects with rechargeable lithium-ion cells for high-tech consumer products started with a delay in the third quarter and therefore affected revenue and earnings to a lesser extent in the year under review. In addition, price increases for raw materials had a negative effect, which could not be fully compensated for by increases in efficiency and could only be partially passed on to customers. The global market position for hearing aid batteries remains good. The Group is currently benefiting from its very robust business model and from the significant increase in demand for rechargeable lithium-ion cells. In the lithium-ion battery pack business, the very high growth continues.

#### Segment Lithium-Ion Solutions & Microbatteries

in mio. €	2021	2020	
Revenue	514.4	508.1	1.2%
Adj. EBITDA	216.5	187.0	15.8%
Adj. EBITDA margin	42.1%	36.8%	5.3 PP

### Household Batteries segment makes a very positive contribution to growth and earnings

The Household Batteries segment includes the Consumer Batteries business and Energy Storage Solutions. Sales increased from € 361.1 million to € 388.6 million in the 2021 financial year. This corresponds to revenue growth of 7.6 % compared to the previous year. Adjusted EBITDA increased from € 54.0 million to € 66.4 million (up 22.8 %), which corresponds to a clearly disproportionate increase compared to the revenue trend.

By focusing on the brand business, VARTA Consumer Batteries has significantly improved its profitability compared to the same quarter of the previous year. The business with energy storage solutions grew very dynamically in the fiscal year and doubled compared to the same quarter of the previous year, thereby gaining further market share.

Adjusted EBITDA margin is 17.1 % in relation of revenue, up 2.1 percentage points year-on-year.

#### Segment Household Batteries

in mio. €	2021	2020	
Revenue	388.6	361.1	7.6%
Adj. EBITDA	66.4	54.0	22.8%
Adj. EBITDA margin	17.1%	15.0%	2.1 PP

### Outlook:

#### Despite the ongoing global crises, VARTA AG is optimistic about the future, pilot production for large-format lithium-ion round cells is going according to plan.

Despite the global crises, VARTA AG is optimistic about the current year. The company sees itself well positioned thanks to its technological leadership in the lithium-ion sector, its innovative product portfolio and its strong brand. Production at own locations has been running without interruption since the beginning of the corona pandemic<sup>1</sup>. However, the effects of the war in Ukraine, rising raw material and energy prices, semiconductor bottlenecks and temporary lockdowns due to COVID-19 can have an impact on customers' business, which has a negative impact on earnings. VARTA AG expects revenue of between € 950 million and one billion for 2022. The company expects adjusted EBITDA to be between € 260 and € 280 million. Revenue in the first quarter will be between € 180 and € 190 million, adjusted EBITDA between € 34 and € 39 million.

<sup>1</sup> Impairments to our customers' business due to COVID-19 cannot be ruled out, nor can exchange rate fluctuations between USD and EUR.



The pilot production of ultra-high-performance lithium-ion round cells at the Ellwangen site is running as planned. Further negotiations with new customers are currently underway. In general, there is a great demand for these cell types.

**Annual report at:**

<https://www.varta-ag.com/publications/>

**Financial Calendar:**

Interim Statement Q1 2022  
General Assembly  
Half-Year Report 2022  
Interim Statement Q3 2022

12<sup>th</sup> May 2022  
21<sup>st</sup> June 2022  
11<sup>th</sup> August 2022  
15<sup>th</sup> November 2022

**Contact:**

Bernhard Wolf  
Head of Investor Relations  
Tel: +49 79 61 921-2969  
[bernhard.wolf@varta-ag.com](mailto:bernhard.wolf@varta-ag.com)

Dr. Christian Kuczniarz  
Head of Corporate Communications  
T: +49 79 61 921 2727  
[christian.kuczniarz@varta-ag.com](mailto:christian.kuczniarz@varta-ag.com)

---

**About VARTA AG**

VARTA AG produces and markets a comprehensive battery portfolio from microbatteries, household batteries, energy storage systems to customer-specific battery solutions for a variety of applications and, as a technology leader, sets industry standards in important areas. As the parent company of the group, it operates in the business segments "Lithium-Ion Solutions & Microbatteries" and "Household Batteries".

The "Lithium-Ion Solutions & Microbatteries" segment focuses on microbatteries, lithium-ion coin power, lithium-ion round cells (lithium-ion large cells) and the lithium-ion battery pack business. Through intensive research and development, VARTA sets global standards in many areas of lithium-ion technology and microbatteries, making it a recognized innovation leader in the important growth markets of lithium-ion technology and in primary hearing aid batteries. The "Household Batteries" segment comprises the battery business for end customers, including household batteries, accumulators, chargers, portable power (power banks) and lights as well as energy storage devices.

The VARTA AG Group currently employs almost 4,700 people. With five production and manufacturing facilities in Europe and Asia as well as sales centers in Asia, Europe and the USA, the operating subsidiaries of VARTA AG are currently active in over 75 countries around the world.