

PRESS RELEASE

LION Smart GmbH reports a successful 3rd quarter and expects an overall positive EBIT for the year 2022

- **Sales in the 3 quarters 2022 increased to EUR 46.6M, significantly above the level of the previous year and still in line with expectations (YTD Sep 2021: EUR 18.8M).**
- **EBITDA again positive in Q3 at EUR +0.4M (Q3 2021: EUR -0.3M) with revenues at EUR 22.4M compared to EUR 9.7M in the same period of the previous year. The cumulative operating cash flow was EUR 0.5M, higher than in the full previous year (2021: EUR 0.4M); cash flow from investments was EUR -0.1M (previous year: EUR -0.3M) and cash flow from financing activities was EUR +/- 0M (compared to EUR 0.7M in the previous year).**

Preliminary figures * in M EUR	Q3 2022	Q3 2021	Q1-Q3 2022 cumulative	Q1-Q3 2021 cumulative	Variance YoY cumulative
Sales	22.4	9.7	46.6	18.8	+27.9
Operational revenue	22.2	9.7	46.5	18.9	+27.5
EBITDA	0.4	-0.3	1.4	-1.2	+2.5
Quarterly earnings	0.4	-0.4	1.3	-1.4	+2.7

* Figures as of September 30th, 2022 according to HGB - preliminary and unaudited

Garching near Munich. December 15th, 2022 – The LION Smart GmbH, a 100% subsidiary of the LION E-Mobility AG, has published today its preliminary and unaudited business results for September 30th, 2022. The business of the innovative supplier of lithium-ion battery systems and integrative battery solutions has further continued to develop positively. The result for the fiscal year 2022 can be confirmed as expected.

Profitability for the LION Smart GmbH as of September 30th, 2022:

In the 3rd quarter of 2022, **sales revenues** in the amount of EUR 22.4M were achieved. Sales were in line with expectations.

Compared to the previous year (September 30, 2021), **total operating performance** (sales, own work capitalized, changes in inventories) increased by EUR 27.6M to EUR 46.5M.

Material expenses – consisting of material expenses and other purchased services – rose to EUR 40.9M, mainly as a result of the increase in the business volume and generating a **material ratio** (calculated from the ratio of cost of materials to sales and changes in inventories) of 88%.

For the reporting period, **gross profit** of EUR 5.6M (previous year: EUR 2.2M) was generated, which corresponds to a **gross profit margin of 12%**.

Personnel expenses increased compared to the previous year. In Q3, a total of 44 permanent employees and 11 working students (previous year: a total of 47 employees included working students) worked at LION Smart GmbH.

Other operating expenses are at the level of the previous year and include high expenses for legal advice and other consulting services in connection with the setting up of production in Hildburghausen.

The **earnings before interest and taxes (EBIT)** for the first three quarters amounted to EUR 1.3M. Due to the accumulated losses, income taxes have not yet been considered.

The **financial result** of LION Smart GmbH was slightly positive in the 3rd quarter 2022.

All in all, LION Smart GmbH generated a **positive result of EUR 0.4M in Q3 2022**.

Net Assets and Financial Situation as of September 30th, 2022:

Total assets as of September 30, 2022, amount to EUR 40.6M (Dec 31, 2021: EUR 13.5M), mainly due to the increase in finished goods and work in progress caused by the acquisition of inventories from BMW.

In Q3 2022, no **development costs** were recognized as own work capitalized. As of September 30, 2022, internally generated **intangible assets** remained unchanged to Year end 2021 at EUR 2.4M.

Fixed assets increased slightly to EUR 7.5M (Dec 31, 2021: EUR 7.4M). **Tangible assets** decreased to EUR 0.5M. **Intangible assets** remained unchanged compared to the previous year at EUR 2.5M. Loans to companies, in which an equity investment is held and reported under financial assets, remained unchanged since Dec 31, 2021 EUR 2.0M.

Due to the higher business volume, **trade receivables and other assets** increased significantly by EUR 26.9M to EUR 32.8M (Dec 31, 2021: EUR 6M). As a result, **trade payables** also increased.

As of September 30, 2022, **cash and cash equivalents** amounted to EUR 1.8M compared to EUR 1.1M as of December 31, 2021.

The **equity** of LION Smart GmbH equaled EUR 7.4M at the end of the reporting period (Dec 31, 2021: EUR 5.6M). The **equity ratio** as of September 30, 2022, decreased year-on-year to 18% (Dec 31, 2021: 41%). This is because total assets increased comparatively at a higher rate as a result of the above-mentioned increase in current assets and current liabilities.

Due to the significant increase in revenue growth, LION Smart GmbH was able to conduct its business in the third quarter without additional capital contributions from LION E-Mobility AG.

Current accruals and liabilities totaled EUR 33 million as of September 30, 2022. Other accruals of EUR 0.4M mainly include personnel costs such as overtime, vacation not taken and variable salary components.

At the end of the 3rd quarter 2022 there were no **long-term payables**.

Cashflow and Financing as of September 30th, 2022:

Cashflow from operating business totaled EUR 0.5M in the cumulative reporting period (previous year: EUR -0.8M).

Cash flow from investing activities remained slightly negative at EUR -0.1M (Dec. 31, 2021, EUR -0.5M) due to lower investments in property, plant and equipment in the 3rd quarter.

There was no movement in **cash flow from financing activities** in the 3rd quarter as no financing measures were taken (previous year: EUR 0.7M). No payments were made into the equity of LION Smart GmbH.

Outlook for the financial year 2022:

LION Smart GmbH once again achieved a solid sales result in the third quarter. Positive EBIT was also achieved for the second time in a row. The previously updated guidance of EUR 50 - 55M in sales for 2022 is expected to be achieved. In the process, the company also expects positive EBIT for the full year.



About LION E-Mobility AG:

LION E-Mobility AG is a listed Swiss holding company founded in 2011 with promising strategic investments in the e-mobility sector, especially in the field of electrical energy storage and lithium-ion battery system technology. The company holds 100% of the German LION Smart GmbH, a developer of battery packs and battery management systems. LION Smart also holds a 30% stake in TÜV SÜD Battery Testing GmbH, a successful joint venture with TÜV SÜD AG. LION E-Mobility AG also holds 100% of the shares in LION E-Mobility North America Inc., LION Smart North America Inc. and 100% of the German LION Smart Production GmbH.

www.lionemobility.com

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