



TO THE SPANISH SECURITIES AND EXCHANGE COMMISSION

DISCLOSURE OF OTHER RELEVANT INFORMATION

Following article 17 of Regulation (EU) nº 596/2014 on Market Abuse, articles 227 and 228 of Law 6/2023 dated March 17 on the Securities Markets and Investment Services and other applicable legislation, CIE Automotive, S.A. (hereinafter, the “**Company**”), reports that, on the date hereof, an agreement has been entered into with a subsidiary of Mutares SE & Co. KGaA for the sale by CIE Automotive of its forged components manufacturing business in Germany. The transaction implies the disposal of the following companies held by CIE Automotive through its Indian subsidiary CIE Automotive India Ltd: (i) SCHÖNEWEISS & CO GmbH, (ii) Gesenkschmiede Schneider GmbH, (iii) Falkenroth Umformtechnik GmbH, and (iv) Jeco-Jellinghaus GmbH

The enterprise value of the transaction amounts to EUR 55.5 million, which is equivalent to around 5 times the 2023 proforma recurring EBITDA. The equity value amounts to EUR 25 million, which includes certain contingent payments of EUR 2.3 million.

As of December 15th, 2022, the Board of Directors of CIE Automotive approved the strategic decision of discontinuing these forging activities in Germany and put this business up for sale, registering its consolidated net assets as a “group of assets and liabilities held for sale” at its realizable value in 2022, updating this value as negotiations progressed during 2023. Consequently, the sale of the business will not have a significant additional impact on CIE Automotive’s consolidated income statement.

With around 600 employees and sales of EUR 220 million in 2022, these companies specialise in the manufacture of forged and machined forged components and are primarily oriented towards the European truck market.

The closing of the transaction is subject to the approval by the German and Austrian antitrust authorities and it is expected to take place during the third quarter of 2023.

A press release is attached.

Bilbao, August 10, 20223

Jose Ramón Berecibar Mutiozábal.
Secretary to the Board of Directors.



CIE Automotive

Press Release

CIE AUTOMOTIVE SELLS ITS FORGING BUSINESS IN GERMANY

The company seeks to redirect financial and management resources to higher return activities

Bilbao, 10.08.2023 – CIE Automotive has announced today the sale to Mutares of its forging business in Germany, which implies the sale of 100% of the share capital of (i) SCHÖNEWEWEISS & CO GmbH, (ii) Gesenkschmiede Schneider Gesellschaft mit beschränkter Haftung, (iii) Falkenroth Umformtechnik GmbH, and (iv) Jeco-Jellinghaus Gesellschaft mit beschränkter Haftung (hereinafter "the German forging companies").

With around 600 employees and sales of EUR 220 million in 2022, these companies specialise in the manufacture of forged and machined forged components and are primarily oriented towards the European truck market.

The enterprise value of the transaction amounts to EUR 55.5 million, which is equivalent to around 5 times the 2023 proforma recurring EBITDA.

As of December 15th, 2022, the Board of Directors of CIE Automotive approved the strategic decision of discontinuing these forging activities in Germany and put this business up for sale, registering its consolidated net assets as a "group of assets and liabilities held for sale" at its realizable value in 2022, updating this value as negotiations progressed during 2023. Consequently, the sale of the business will not have a significant additional impact on CIE Automotive's consolidated income statement.

Mutares is a global private equity investor, headquartered in Germany, specialised in acquiring medium-sized companies and carve-outs in special situations, which show operational improvement potential.

According to Jesús María Herrera, CEO of CIE Automotive, "This business was integrated into CIE in 2013, within the framework of the alliance with India's M&M. Over the last decade, we have worked to continuously improve its profitability and productivity, having achieved fully satisfactory results in this period".

And he continues: "Today we want to proceed to divest it as we do not consider it core and with the main objective of redirecting financial and management resources to higher return businesses, including other geographies with higher growth potential and other technologies with higher demand from our customers in the context of industry megatrends (decarbonisation, car lightweighting, comfort...)".



CIE Automotive

The closing of the transaction is subject to the fulfilment of the usual conditions for this type of operation.