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CORPORATE NEWS

Reinach (Aargau), 17 January 2023

[Ad hoc announcement pursuant to art. 53 SIX Listing Rules]

STRONG FOURTH QUARTER REEMPHASIZES GROWTH TRAJECTORY OF MONTANA AEROSPACE – INCREASING FULL YEAR 2022 GUIDANCE

Montana Aerospace AG (the “Company”) and its operating subsidiaries (the “Group” or “Montana Aerospace”), a leading, highly-vertically integrated manufacturer and supplier of system components and complex assemblies for the aerospace, e-mobility and energy industries with worldwide engineering and manufacturing operations, today announces a strong fourth quarter 2022 supported by strong demand in all segments and therefore increases its full year 2022 guidance.

Montana Aerospace is pleased to announce a strong fourth quarter of 2022, with net sales (especially in the ‘Aerostructures’ segment) and adj. EBITDA¹ (especially in the ‘E-Mobility’ and ‘Energy’ segments) significantly increased and net debt substantially reduced, exceeding internal expectations. As a result, Montana Aerospace will, based on preliminary estimations, raise its full-year guidance for 2022 to net sales of roughly ~EUR 1.3 billion [versus previous guidance of >EUR 1.16 billion] and adj. EBITDA of EUR 115–125 million [versus previous guidance of a high double-digit EUR million] to a considerable extent backed by one-off items. In addition, Montana Aerospace was able to substantially reduce its net debt (~EUR 300–350 million) to tighten its balance sheet and ensure flexibility.

Although we have had a challenging year across the board due to inflationary costs and global supply chain uncertainties, our unique positioning has helped us exceed our internal targets by helping our customers where others had difficulties to deliver. One of the reasons for the increase in guidance is the higher net sales as well as the partial pass-through of inflationary costs, which we have roughly charged for the full year in Q4 2022.

¹ We define “Adjusted EBITDA” as EBITDA (earnings before interest, taxes, depreciation and amortization) adjusted for legal costs mainly for the Arconic lawsuit, the management stock option program as well as M&A and PMI related expenses – numbers and reconciliation will be provided in connection with the publication of the annual financial statement



In addition, our project business in the 'Energy' segment had a positive effect, accompanied by price increases that we were able to implement. This is rounded off by subsidies we received at the end of the year for energy inflation issues, which act as partial compensation for the high energy costs, but still do not cover all the related increases. Finally, our recent acquisitions of São Marco and ASCO had a strong positive EBITDA impact, as did a major one-off effect from the divestment of our non-core machinery business in December 2022.

Michael Pistauer, Co-CEO and CFO, comments: "Looking ahead, we are confident that our strong performance will continue as we focus on delivering value to our customers and shareholders by generating positive Free Cash Flow and Net Income. We are grateful for the support of our global team, our partners and look forward to an exciting and successful future."

A preliminary sales statement will be published on or around February 22nd, 2023.

Head of M&A and Investor Relations

Marc Vesely recte Riha

Phone: +43 664 61 26 261

E-mail: ir@montana-aerospace.com

Press contact

Jürgen Beilein

Phone: +43 664 831 2 841

E-mail: communication@montana-aerospace.com

About Montana Aerospace AG

Montana Aerospace AG is a leading producer of system components and complex assemblies for the aerospace industry, with worldwide engineering and manufacturing operations. The Company has approximately 7,200 highly skilled employees at 33 locations on four continents – designing, developing and producing ground-breaking technologies for tomorrow's aerospace, e-mobility and energy industries out of aluminium, titanium, composite, copper and steel.

Disclaimer

Statements contained herein may constitute "forward-looking statements". Forward-looking statements are generally identifiable by the use of the words "may", "will", "should", "plan", "expect", "anticipate", "estimate", "believe", "intend", "project", "goal", "aim" or "target" or the negative of these words or other variations on these words or comparable terminology.

Forward-looking statements involve a number of known and unknown risks, uncertainties and other factors that could cause the Company's or its industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. The Company does not undertake publicly to update or revise any forward-looking statement that may be made herein, whether as a result of new information, future events or otherwise.