

Press Release

Warburg Bank Advises on the Establishment of a Joint Venture for the Production of High-Performance Battery Cells

- **Porsche enters global competition for high-performance battery cells for electric cars**
- **Well-known venture capital investors get involved**
- **Federal government contributes high double-digit million-euro amount**

Hamburg, July 26, 2021 – M.M. Warburg & CO Corporate Finance has exclusively advised the CUSTOMCELLS® Group from Itzehoe (Schleswig-Holstein) on the establishment of a joint venture with Dr. Ing. h.c. F. Porsche AG. In the course of founding Cellforce Group GmbH, the involved parties also acquired shares in the CUSTOMCELLS® Group as well as closed a growth-financing round.

Porsche is entering the ever intensifying global competition for high-performance battery cells for electric cars with its partner CUSTOMCELLS®. The new joint venture Cellforce Group GmbH is based in Tübingen. A battery factory with a capacity of up to 100 megawatt hours (MWh) per year is planned, which corresponds to high-performance battery cells for 1,000 vehicles. Porsche is investing a high double-digit million-euro amount and holds the majority stake. The Federal Republic of Germany is funding the project with more than EUR 60 million.

Rolf Schulte, Head of Venture & Growth Capital at M.M. Warburg & CO, says: “Supporting this project is exciting and very special for us because it contributes to preparing Germany as automotive hub for the future. The involvement of the German federal government represents a major cornerstone. At the same time, the partnership with CUSTOMCELLS® is an excellent example of our business approach: as a long-term partner and integral entrepreneurial bank, we support founders and growth companies in all facets and development phases, as is the case of CUSTOMCELLS®. Particularly in view of the complexity of the transaction with its many players, interests, and overlapping process steps, we can make excellent use of our range of services and flexibility as a bank.”

Funds for Prototype Production

Venture capital investors 468 Capital and Vsquared Ventures as well as Porsche AG’s venture investment vehicle, Porsche Investments, have acquired a minority stake in the CUSTOMCELLS® Group and subsequently invested a double-digit million amount in a capital increase. The funds will be used for prototype production for electric flying and autonomous underwater vehicles at the Itzehoe site and in high-quality series production at the Tübingen

site, as well as in the area of automotive high-performance batteries for Porsche sports cars in the context of Cellforce Group.

“We founded CUSTOMCELLS® with the aim of developing customer-specific battery cells for the most demanding applications, and this is exactly what we can now realize together with Porsche,” emphasizes **Torge Thönnessen**, CEO of CUSTOMCELLS®.

Further Financing Round Planned

In addition to advising and structuring the overall transaction, including the various sub-aspects, M.M. Warburg & CO also provided debt financing. This underlines M.M. Warburg & CO’s competence as an entrepreneurial bank for designing holistic transaction solutions in close co-operation between the Venture & Growth Capital specialists and the credit experts in Corporate Banking. In order to be able to operate the research-intensive business at the highest level of quality, the joint venture will seek additional funding. **Schulte** emphasizes: “To further scale the CUSTOMCELLS® Group, we are now preparing a subsequent financing round.” This round is envisaged for the end of this year.

Press contact:

Martin Wehrle, Head of Communications

Phone: +49 40 3282-2235

Thies Jonas, Communications Officer

Phone: +49 40 3282-2165

Email: presse@mmwarburg.com