

ABC Technologies Holdings Inc. Announces the Closing of Majority Stake Sale to Funds Managed by Apollo Global Management

TORONTO--(BUSINESS WIRE)--June 24, 2021--ABC Technologies Holdings Inc. (TSX:ABCT) (“**ABC Technologies**”, “**ABC**” or the “**Company**”) announced today the closing of the previously announced transaction involving the sale of a majority stake in the Company by ABC Group Canada LP (“**ABC LP**”), an affiliate of funds managed by Cerberus Capital Management, L.P. (“**Cerberus**”) to certain investment funds (the “**Apollo Funds**”) managed by affiliates of Apollo Global Management, Inc. (NYSE:APO) (“**Apollo**”), pursuant to a share purchase agreement dated April 12, 2021 (the “**Agreement**”) among the Company, ABC LP and the Apollo Funds.

Under the terms of the Agreement, the Apollo Funds have purchased approximately 27.7 million common shares of ABC (the “**ABC Shares**”) (representing approximately 51% of the fully-diluted ABC Shares) from ABC LP at the USD equivalent of CAD\$10.00 per ABC Share.

Upon closing of the transaction, the parties entered into an amended and restated investor rights agreement (the “**Amended Investors’ Rights Agreement**”), which provides the Apollo Funds with, among other things, certain director nomination rights, registration rights, pre-emptive rights and information rights. Under the Amended Investors’ Rights Agreement, immediately following the closing of the transaction, the Apollo Funds are entitled to nominate five of the nine members of the board of directors of the Company (the “**Board**”), while ABC LP is entitled to nominate three of nine members of the Board. In connection with the completion of the transaction and pursuant to the terms of Amended Investors’ Rights Agreement, the Board has been reconstituted and the Apollo Funds nominated and the Company appointed the following five individuals to the reconstituted Board:

- James Voss (Chairman of the Board, Independent Director), former President and CEO of VECTRA
- Michael Reiss, Partner, Apollo
- Jonathan Williams, Principal, Apollo
- Brooke Sorensen, Head of Private Markets Product, Institutional Client & Product Solutions, Apollo
- Barry Engle (Independent Director), CEO, Qell Acquisition Corp. (former EVP and President of GM - The Americas)

The following directors will remain on the Board:

- Dev Kapadia, Senior Managing Director, Cerberus
- Lucas Batzer, Managing Director, Cerberus
- James Bernard, former President of Americas, Tower International
- Todd Sheppelman, President and CEO of ABC

ABC Technologies President and CEO Todd Sheppelman commented, “The closing of the transaction with the Apollo Funds is a great milestone for all of us at ABC as we continue to execute on our plan to build the Company into an even stronger, global player in the automotive

technical plastics space. We look forward to beginning our next fiscal year with our newly constituted board and are excited for all of the organic and inorganic growth opportunities ahead.”

Apollo Partner Michael Reiss, said, “We’re excited to work with Todd and the management team as ABC continues to innovate and answer the needs of the automotive industry for greater lightweighting in the vehicles of today and tomorrow. Across new business wins, upcoming launches, and opportunities for consolidation, ABC is highly active and we look forward to collaborating and supporting their efforts going forward.”

Dev Kapadia, Senior Managing Director at Cerberus, added, “It has been an honor to support ABC in its transformation from a family-owned business to a leading, publicly traded company in the automotive plastics industry. In this next chapter as a minority shareholder, we look forward to our continued partnership with ABC as it reaches even greater heights on a global scale.”

In connection with the closing of the transaction, Daniel Ajamian, Mary Anne Bueschkens, Derrick Phelps, Michael Rajkovic, and Phil Tighe have stepped down from the Board.

Mr. Kapadia concluded, “On behalf of the entire Board, we want to thank our outgoing directors for their commitment and guidance. We appreciate their counsel and support that has helped set ABC on its current growth trajectory.”

As of closing, (i) the Apollo Funds, directly or indirectly, beneficially own or control approximately 27.7 million ABC shares, representing approximately 52.7% of the issued and outstanding ABC Shares (or 51.0% of the issued and outstanding ABC Shares on a fully-diluted basis), (ii) ABC LP beneficially owns or controls, directly or indirectly, approximately 13.9 million ABC Shares, representing approximately 26.4% of the issued and outstanding ABC Shares (or approximately 25.6% of the issued and outstanding ABC Shares on a fully-diluted basis) and (iii) public shareholders will continue to own approximately 11.0 million ABC Shares, representing approximately 20.9% of the issued and outstanding ABC Shares.

About ABC Technologies

ABC Technologies is a leading manufacturer and supplier of custom, highly engineered, technical plastics and lightweighting innovations to the North American light vehicle industry, serving more than 25 original equipment manufacturer customers globally through a strategically located footprint. ABC Technologies’ integrated service offering includes manufacturing, design, engineering, material compounding, machine, tooling and equipment building that are supported by an experienced engineering team of approximately 600 skilled professionals and 6,150 employees worldwide. The Company operates in six product groups: HVAC Systems, Interior Systems, Exterior Systems, Fluid Management, Air Induction Systems, and Flexible & Other. For more information about ABC Technologies, please visit www.abctechnologies.com.

About Apollo

Apollo is a high-growth, global alternative asset manager. We seek to provide our clients excess return at every point along the risk-reward spectrum from investment grade to private equity with a focus on three business strategies: yield, hybrid and opportunistic. Through our investment activity across our fully integrated platform, we serve the retirement income and financial return needs of our clients, and we offer innovative capital solutions to businesses. Our patient, creative, knowledgeable approach to investing aligns our clients, businesses we invest in, our employees and the communities we impact, to expand opportunity and achieve positive outcomes. As of March 31, 2021, Apollo had approximately \$461 billion of assets under management. To learn more, please visit www.apollo.com.

About Cerberus

Founded in 1992, Cerberus is a global leader in alternative investing with over \$55 billion in assets across complementary credit, private equity, and real estate strategies. We invest across the capital structure where our integrated investment platforms and proprietary operating capabilities create an edge to improve performance and drive long-term value. Our tenured teams have experience working collaboratively across asset classes, sectors, and geographies to seek strong risk-adjusted returns for our investors. For more information about Cerberus, please visit www.cerberus.com.

About ABC LP

ABC LP is a limited partnership existing under the laws of the province of Ontario, that is, through one or more intermediary entities, indirectly controlled by Cerberus Capital Management, L.P. ABC LP's head office address is 2 Norelco Drive, Toronto, Ontario, Canada M9L 2X6.

Forward-Looking Statements

This news release may contain forward-looking information within the meaning of applicable securities legislation, which reflects the Company's current expectations regarding future events, including statements relating to: the increase to the acquisition price; and the Company's business plan, growth opportunities, future business wins and product launches. . Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond the Company's control. Such risks and uncertainties include, but are not limited to, failure to complete the acquisition and the risk factors discussed under "Risk Factors" in the Company's final prospectus dated February 12, 2021, as amended by amendment no.1 to the final prospectus dated February 16, 2021, and the risks set out in the Company's management's discussion and analysis for the three and nine months ended March 31, 2021. Actual results could differ materially from those projected herein. ABC Technologies does not undertake any obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required under applicable securities laws.

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