

## **Apollo Funds to Acquire Majority Control of ABC Technologies Holdings Inc.**

### ***Investment Underscores the Company's Leading Position in Automotive Plastics***

### ***Apollo Funds Show Conviction in ABC as Platform for Consolidation and Growth***

TORONTO, April 13, 2021 – ABC Technologies Holdings Inc. (TSX: ABCT) (“**ABC Technologies**”, “**ABC**” or the “**Company**”) announced today that its majority shareholder, ABC Group Canada LP (“**ABC LP**”), an affiliate of funds managed by Cerberus Capital Management, L.P., (“**Cerberus**”) has entered into a share purchase agreement (the “**Agreement**”), with certain funds (the “**Apollo Funds**”) managed by affiliates of Apollo Global Management, Inc. (NYSE: APO) (“**Apollo**”) to sell a majority stake in the Company to the Apollo Funds.

Under the terms of the Agreement, the Apollo Funds will purchase 51% of the outstanding common shares (on a fully-diluted basis) of the Company from ABC LP for CAD\$10.00 per common share. Upon closing of the transaction, the parties will enter into an amended and restated investor rights agreement, which will provide Apollo with, among other things, certain director nomination rights, registration rights, pre-emptive rights and information rights. At closing, Apollo will be entitled to nominate five of the nine members of the Board, while ABC LP will retain the ability to nominate three members of the Board. The parties anticipate announcing the future composition of the Board closer to the closing date.

ABC Technologies President and CEO Todd Sheppelman said, “ABC’s strong operational and financial performance, combined with its near-term opportunities as a platform for industry consolidation in the automotive technical plastics space, led to an unsolicited offer from the Apollo Funds to acquire a majority stake in the Company and join in the journey outlined during ABC’s recent IPO process. We are excited to gain access to Apollo’s expertise and resources and look forward to a highly collaborative relationship as we continue to grow our business and better serve global automotive customers with industry-leading products.”

Apollo Partner Michael Reiss said, “ABC Technologies is a top supplier in the automotive industry, bringing innovative solutions to OEM customers across North America. We are excited by the platform’s ability to act as a consolidator of the fragmented plastics supplier space, a market with strong momentum driven by vehicle lightweighting and a sustained increase in automotive plastics contents. We believe Todd and the management team are the right leaders to help ABC Technologies become a global force in the Tier-1 automotive supplier space and Apollo looks forward to supporting the Company on this path.”

Cerberus Senior Managing Director Dev Kapadia added, “We have had a great partnership with ABC over the past four years and this milestone is a testament to all we accomplished together. With its recent IPO, ABC is well-positioned to win market share and drive its leadership in the automotive plastics industry through organic growth and acquisition opportunities. We welcome Apollo as a new strategic partner and look forward to continuing to support Todd and the ABC team in this exciting next phase for the Company.”

Closing is subject to customary closing conditions including the receipt of applicable regulatory approvals in Canada, United States, Mexico, Spain and Poland.

In accordance with the terms of the Agreement, the acquisition price may be increased to the C\$10.64 per common share upon consummation of one or more acquisitions by the Company, meeting certain agreed upon thresholds, if entered into prior to or within 12 months following closing. The acquisition is exempt from the take-over bid requirements of applicable Canadian securities law.

Evercore Inc. is exclusive financial advisor to ABC Technologies and Blake, Cassels & Graydon LLP, Lowenstein Sandler LLP and Creel are legal advisors to ABC Technologies and ABC LP. Goodmans LLP and Paul Weiss Rifkind Wharton & Garrison LLP are legal advisors to Apollo. Wildeboer Dellelce LLP is legal advisor to the Board of Directors of ABC Technologies.

As at the date hereof, (i) ABC LP, directly or indirectly, beneficially owns or controls 41,522,392 common shares, representing approximately 79.1% of the issued and outstanding common shares (or approximately 76.6% of the issued and outstanding common shares on a fully-diluted basis), and (ii) the Apollo Funds beneficially own or control, directly or indirectly, none of the issued and outstanding common shares. Following completion of the acquisition, ABC LP's ownership of ABC Technologies will decrease to approximately 26.4% of the issued and outstanding common shares, the Apollo Funds will own approximately 52.7% of the issued and outstanding common shares, while public shareholders will own approximately 20.9% of the common shares.

At closing, the Apollo Funds would acquire 27.7 million common shares from ABC LP (assuming the number of issued and outstanding common shares on a fully diluted basis as of closing is 54.2 million) for CAD\$10.00 per common share, representing aggregate consideration of CAD\$276.6 million. Assuming the additional consideration (as described above) becomes payable, the Apollo Funds will pay additional consideration of CAD\$0.64 per common share, representing total consideration payable to ABC LP of CAD\$10.64 per common share and CAD\$294.3 million in the aggregate (assuming the number of issued and outstanding common shares on a fully diluted basis as of closing is 54.2 million).

ABC LP and Apollo will each file an early warning report with the securities regulators in each of the provinces and territories of Canada with respect to the foregoing matters pursuant to National Instrument 62-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*, in connection with the acquisition, a copy of which will be available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). A copy of (i) ABC LP's early warning report may also be obtained by contacting Nathan Barton of the Company at [investors@abctech.com](mailto:investors@abctech.com), and (ii) Apollo's early warning report may also be obtained by contacting James Elworth of Apollo at [jelworth@apollo.com](mailto:jelworth@apollo.com).

ABC LP holds its common shares for investment purposes. Subject to compliance with applicable laws, ABC LP may determine to purchase additional common shares, or sell all or

some of the common shares it holds, depending upon the price of the common shares, market conditions, and other factors.

Following completion of the acquisition, the Apollo Funds will hold the common shares for investment purposes. Subject to compliance with applicable laws, the Apollo Funds may determine to purchase additional common shares, or sell all or some of the common shares they will hold, either on the open market or in private transactions, depending upon the price of the common shares, market conditions, economic conditions and other factors. Apollo may formulate other purposes, plans or proposals regarding the Company, any of its subsidiaries or any of their respective securities or may change its intention with respect to any and all matters referred to above.

No securities regulatory authority has either approved or disapproved the contents of this news release.

### **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 (“OEM”) 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](http://www.abctechnologies.com).

### **About Apollo**

Apollo is a leading global investment manager with offices in New York, Los Angeles, San Diego, Houston, Bethesda, London, Frankfurt, Madrid, Luxembourg, Mumbai, Delhi, Singapore, Hong Kong, Shanghai and Tokyo, among others. Apollo had assets under management of approximately \$455 billion as of December 31, 2020 in credit, private equity and real assets funds. For more information about Apollo, please visit [www.apollo.com](http://www.apollo.com).

### **About Cerberus**

Founded in 1992, Cerberus is a global leader in alternative investing with over \$53 billion in assets across complementary credit, private equity, and real estate strategies. Cerberus invests across the capital structure where its integrated investment platforms and proprietary operating capabilities create an edge to improve performance and drive long-term value. Its tenured teams have experience working collaboratively across asset classes, sectors, and geographies to seek strong risk-adjusted returns for investors. For more information about Cerberus, please visit [www.cerberus.com](http://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 acquisition; the expected timing and completion of the acquisition; the satisfaction or waiver of the closing conditions set out in the Agreement, including the change in members of the board and the receipt of all regulatory approvals; the anticipated benefits of the acquisition; the future growth and profitability of the Company; and future acquisitions by the Company and matters related thereto. 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. 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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