



Lilium Launches M&A Process with KPMG, Targets Program Continuation Towards First Flight and Certification

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- KPMG mandated for a structured M&A process – first investor briefings to start soon
- Local court approved insolvency filings of Lilium's German subsidiaries and appoints custodian and Chief Insolvency Officers (CIOs)
- The Lilium business remains fully focused on re-emerging following restructuring; setting sights on fresh investment to support the all-electric Lilium Jet's path to certification and entry into service
- Teams on the ground continue to work towards achieving program milestones; Lilium Jet fuselage enters static test rig

MUNICH, Nov. 05, 2024 (GLOBE NEWSWIRE) -- Lilium N.V. (Nasdaq: LILM), a leading electric aircraft manufacturer and pioneer in Regional Air Mobility (RAM), announces that it has appointed KPMG to conduct an open, transparent and fair M&A process. First investor briefings will start soon.

This followed the local court of Weilheim's approval of the insolvency filing of Lilium's German subsidiaries and the court's granting of Lilium's application for self-administration.

Preliminary insolvency proceedings under self-administration are court-ordered restructuring proceedings aimed at preserving the business. The management remains in charge and leads the business through the proceedings, supported by restructuring experts.

The court has appointed to the German subsidiaries' Boards of Management with immediate effect two restructuring-experienced lawyers, Prof. Dr. Gerrit Hölzle and Dr. Thorsten Bieg as Chief Insolvency Officers (CIOs). Both have already successfully advised a large number of companies in crisis situations. Most recently, they worked for Senvion and The Social Chain AG, among others. They will now oversee the reorganization of Lilium's German subsidiaries.

The Local Court of Weilheim has also appointed attorney Mr. Ivo-Meinert Willrodt, Managing Partner at PLUTA Rechtsanwalts GmbH, as the provisional custodian. The restructuring expert is an attorney and specialist lawyer for insolvency and restructuring law and has already acted as trustee for the solar car start-up Sono Motors and the drone manufacturer EMT, among others. His role is to protect the interests of the creditors in the proceedings.

Lilium CEO Klaus Roewe welcomed the appointments: "With the support of our appointed custodian and the restructuring experts, we at Lilium remain fully focused on re-emerging following restructuring, with fresh investment to support the all-electric Lilium Jet's path to certification and entry into service."

Work at Lilium's subsidiaries continues, with the more than 1,000 employees engaged in progressing towards the next significant program milestone, first manned flight, having been informed on the details of continued employee payment. The business has also informed affected suppliers, outlining expectations and procedural steps.

The first two Lilium Jets are currently on the final assembly line, with the first aircraft having recently completed the initial low-voltage power-on milestone and due to advance shortly into the ground testing phase. The fuselage and wings of the third aircraft are currently in assembly at aerostructures suppliers Aciturri and Aernnova. End of October, Lilium engineers moved a fully assembled, conforming Lilium Jet airframe into the static test rig for structural testing, in a significant advance for the program. The structural strength test is an essential part of the testing plan for first manned flight and type certification.

The business' current order pipeline consists of firm orders, reservations, options, and memoranda of understanding for more than 780 Lilium Jets to operators in the U.S., South America, Europe, Asia, and the Middle East.

Lilium has been notified by NASDAQ that trading of the company's shares and warrants will be suspended at the opening of business on November 6. Following trading suspension, the Company's ordinary shares may commence trading over-the-counter, which may result in significantly lower trading volumes and could further depress the share price.

Lilium N.V.'s Board of Directors yesterday authorized Lilium's listed entity, the Netherlands-registered public limited liability company (naamloze vennootschap) to file for insolvency.

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About Lilium

Lilium (NASDAQ: LILM) is creating a sustainable and accessible mode of high-speed, regional transportation for people and goods. Using the Lilium Jet, an all-electric vertical take-off and landing jet, designed to offer leading capacity, low noise, and high performance with zero operating emissions, Lilium is accelerating the decarbonization of air travel. Working with aerospace, technology, and infrastructure leaders, and with announced sales and indications of interest in Europe, the United States, China, Brazil, the UK, the United Arab Emirates, and the Kingdom of Saudi Arabia, Lilium's 1,000+ strong team includes approximately 500 aerospace engineers and a leadership team responsible for delivering some of the most successful aircraft in aviation history. Founded in 2015, Lilium's headquarters and manufacturing facilities are in Munich, Germany, with teams based across Europe and the U.S. To learn more, visit www.lilium.com.

Lilium Forward Looking Statements

This press release contains certain forward-looking statements within the meaning of the federal securities laws, including, but not limited to, the goal and outcome of self-administration proceedings, expected continuation of work towards program milestones (including assembly of the first Lilium Jets and first manned flight), the order pipeline and trading in shares following any suspension or delisting of Lilium's shares from Nasdaq. These forward-looking statements generally are identified by the words "anticipate," "believe," "could," "expect," "estimate," "future," "intend," "may," "on track," "plan," "project," "should," "strategy," "will," "would" and similar expressions. Forward-looking statements are predictions, projections, and other statements about future events that are based on management's current expectations with respect to future events and are based on assumptions and are subject to risk and uncertainties that are subject to change at any time. Actual events or results may differ materially from those contained in the forward-looking statements. Factors that could cause actual future events to differ materially from the forward-looking statements in this press release include the risk that appropriate government approvals for the financing will not be obtained, and the risk that definitive documentation for the financing will not be agreed, as well as those risks and uncertainties discussed in Lilium's filings with the U.S. Securities and Exchange Commission (the "SEC"), including in the section titled "Risk Factors" in Exhibit 99.2 to Lilium N.V.'s Report on Form 6-K filed on July 17, 2024, with the SEC, which is available at www.sec.gov. Forward-looking statements speak only as of the date they are made. You are cautioned not to put undue reliance on forward-looking statements, and Lilium assumes no obligation to, and does not intend to, update, or revise these forward-looking statements, whether as a result of new information, future events or otherwise.