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## **EANS-News: Semperit AG Holding / Semperit and Sri Trang finalise termination of almost all joint venture activities // Thomas Fahnemann to leave Semperit**

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### Joint Ventures/Cooperation/Collaboration/Board of Directors (Changes)

Today, the Austrian Semperit Group ("Semperit") and the Thai Sri Trang Agro-Industry Public Co Ltd. Group ("Sri Trang") have finalised the termination of almost all joint business activities, which was agreed on 18 January 2017. All terms and conditions defined at that time have been fully met ("closing").

Semperit has now taken over several Sempermed joint venture companies, the majority interest in the Malaysian Formtech (producer of ceramic moulds for glove production) as well as production companies of the Industrial Sector in China. Sri Trang has taken over the glove production of Siam Sempermed Corporation Ltd (SSC) in Thailand, which had been operated jointly to date. In Thailand, the joint venture Semperflex Asia (SAC) for the production of hydraulic hoses will be continued.

Semperit received a one-time compensation payment amounting to USD 167.5 million (around EUR 157 million) before taxes as well as a dividend payment of around USD 51 million (around EUR 48 million) before taxes from the former joint venture Siam Sempermed (SSC). The cash inflow for Semperit totals around USD 200 million (around EUR 187 million) before taxes. Finally, all pending arbitration and civil proceedings between the Semperit Group on the one hand and the Sri Trang Group and SSC on the other hand were settled by mutual consent.

### Sempermed: strong brand and modern production

Even after the separation, Semperit will remain one of the top ten players in the global market for examination and protective gloves with the Sempermed segment. Sempermed is one of the globally leading glove brands and has excellent market access through its dense distribution network in Europe and North America. This access to the market will be strengthened by the full takeover of the sales company Sempermed USA.

On the production side, Semperit operates factories in Austria (surgical gloves) and Malaysia, the world's largest glove producer. Currently, the capacities in Malaysia are further expanded with the construction of one of the most modern and efficient production facilities of the glove industry.

Thomas Fahnemann: "The resolution of the joint venture dispute is an important step in Semperit's long history of success. With this step, Semperit can now fully concentrate on continuing its own successful path. In the Industrial Sector, Semperit is able to proceed its growth course according to plan by further globalising the business and expanding capacities. In the Medical Sector, Semperit is now fully in charge of its own house. With a strong brand, high-quality products and first-class sales organisation the company has an excellent base for further expanding Sempermed's market position in the core markets, Europe and the USA. The cash inflow gives Semperit additional power for this strategy. The financial strength now enables the company to push ahead growth investments even better."

Furthermore, Semperit CEO Thomas Fahnemann requested the Supervisory Board to immediately release him from his Management Board contract. Fahnemann explained this step with seeking new professional challenges after the successful termination of the joint venture transaction and the related realignment of Semperit.

Veit Sorger, as Chairman of the Supervisory Board, expresses his regrets concerning this step: "In the past six years, Thomas Fahnemann has guided Semperit into a new direction. Semperit is an internationally successful company with a convincing strategy that has been shaped to a significant extent by Thomas Fahnemann. His personal achievements include the dynamic expansion and realignment of the highly profitable Industrial Sector, the development of our own glove production in Malaysia as well as the resolution of the joint venture dispute with Sri Trang. Thanks to his dedicated management, Semperit is well positioned today and will utilise its growth potential in the best possible way even in a difficult market environment." A decision on his succession as CEO will be taken in the coming weeks.

Further inquiry note:

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