



Press Release

SergeFerrari Group announces the acquisition of Verseidag-Indutex, thus strengthening its global leader position in Tensile Architecture and Modular Structures and becoming a key player in non-combustible solutions

- **Transforming SergeFerrari Group size with pro forma consolidated 2019 revenues of €273 million ¹**
- **Consolidating the Group's position in its strategic market segments**
- **Strengthening the Group's position in Germany, Europe's largest market, and accelerating its internationalization in the Middle East, the United States and China**
- **Global refinancing of SergeFerrari Group in a tensed economic environment**

Saint-Jean-de-Soudain, July 29, 2020, 5:45 pm CEST – SergeFerrari Group (FR0011950682 - SEFER) designs, manufactures and distributes innovative flexible composite materials and is listed on Euronext Paris – Compartment C. The Group today announces the acquisition of Verseidag-Indutex from Jagenberg AG, for an undisclosed amount. It thus strengthens its position as the world leader in flexible composite materials for the Tensile Architecture and Modular Structures markets. With this acquisition, the Group also becomes a key player in the field of non-combustible solutions.

Sébastien Ferrari, SergeFerrari Group Chairman and CEO, commented: *"For SergeFerrari Group, the acquisition of Verseidag-Indutex is a key and transforming step in its growth momentum, and structuring in its international development as well as in its innovation strategy. We are extremely proud of it, as the acquisition of Verseidag-Indutex enables the Group to become the undisputed global leader in two of our strategic market segments: Tensile Architecture and Modular Structures. The acquisition of Verseidag, an iconic brand and leading company recognized worldwide, is completely in line with our selected acquisition strategy, to strengthen our commercial, product and technological bases."*

¹ Pro forma 2019 consolidated revenues including F.I.T. and Verseidag-Indutex

Acquisition by SergeFerrari Group from the Jagenberg Group of a world-renowned company

The Serge Ferrari Group announces that it has concluded a final agreement with the Jagenberg Group for the acquisition of Verseidag-Indutex, thus strengthening its global positioning in the fast-growing market of flexible composite materials.

Located in Krefeld, Germany, Verseidag-Indutex, world leader in PTFE glass materials, operates on the markets of Tensile Architecture and Modular Structures markets. Verseidag-Indutex also operates in the sectors of Industrial, Biogas, Large Format Digital Printing, Solar Protection for Building and Automotive industry.

Verseidag-Indutex currently employs close to 250 people located on its four industrial sites in and around Krefeld, and has sales subsidiaries in four geographical areas: in Europe, including Germany, which is the largest European market, in the United States, the Middle East and Hong Kong. Verseidag-Indutex and the acquired companies generated consolidated revenues of €72 million in 2019.

As part of this acquisition and according to the terms of the signed agreement, **Mr. Jan Kleinewefers**, main shareholder of Jagenberg, will be co-opted to the Board of Directors of SergeFerrari Group and Dr. Erich Bröker, CEO of Jagenberg, will become a member of the Strategic Committee of Verseidag-Indutex.

Dr Erich Bröker, CEO of Jagenberg AG, added: *"Based on the extensive investments during the last 10 years in the development of technologies, innovative products and know-how, the industrial logic of combining these two premium suppliers was that convincing that we were prepared to sell our subsidiary Verseidag-Indutex. The newly created Group of companies opens up growth perspectives that neither of them could have achieved on their own."*

Strengthening of SergeFerrari Group's position as world leader in Tensile Architecture and Modular Structures markets, and in the field of non-combustible solutions

This transforming acquisition enables SergeFerrari Group to strengthen its international leadership and strategic positioning within two of its four priority business segments. It is consistent with its external growth strategy aimed at integrating complementary companies in terms of sales networks, products and technology on its priority business segments. It follows, in the first half of 2020, the acquisition of a majority stake in the capital structure of F.I.T. in Taiwan, a designer, manufacturer and distributor of high-tech non-combustible materials, thus creating a leading global player of non-combustible solutions.

This acquisition will allow to generate significant synergies in the future, as the activities of SergeFerrari Group and Verseidag-Indutex are highly complementary in terms of product ranges, sales networks, marketing and manufacturing. Verseidag-Indutex's strong position in PTFE glass materials for Tensile Architecture and Modular Structures in particular, in combination with Serge Ferrari's unique proprietary Précontraint® technology, will enable the Group to develop a very complete and diversified commercial

offer. In addition, the Verseidag-Indutex product range will strengthen the Group's position in new segments such as Large Format Digital Printing, Solar Protection for Building and Automotive industry. The plan is to continue to develop both the Verseidag brand and those of the SergeFerrari Group, which already enjoy a high level of recognition.

Markus Simon, CEO of Verseidag-Indutex GmbH added: *"The product ranges and production-related synergies will provide us with great advantages in the future. Furthermore, the unwavering and long-standing commitment of the teams of both our companies to continuously offer their customers innovative product solutions with the highest quality standards fits together remarkably well."*

Sébastien Baril, Marketing and Digital Transformation Director of SergeFerrari Group, will have the responsibility of the integration of the Verseidag-Indutex Group into the new Group thus formed. He concluded: *"This acquisition will strengthen the Group's fundamentals. It also reinforces our position in the very attractive market for innovative non-combustible solutions and allows us to expand our product portfolio with, for example, larger production widths or environmentally friendly coating techniques that present great development potential. The highly complementary nature of the product ranges, business expertise and geographical footprint of our two companies is a definite step forward for the Group."*

Financial terms of the acquisition

Under the terms of the operation, SergeFerrari Group acquired 100% of the shares of Verseidag-Indutex and of the companies Verseidag Seemee US and Cubutex GmbH and 60% of DBDS Deutsche Biogas Dachsysteme GmbH, in return for a cash payment in two instalments (one at closing, the other in 2021), a payment in SergeFerrari Group shares also in two instalments (one in 2021, the other in 2022) and an earn-out to be paid in 2023, indexed to the EBITDA growth.

Simultaneously, in order to finance its external growth operations, the 2020-2022 investment and development program, and to refinance its existing debt, SergeFerrari Group has entered into credit agreements with its banks for €75 million, as well as financing with Euro PP lenders (bond format) for €20 million, which can be increased to €30 million. These financing lines will be implemented progressively, depending on the needs.

Outlook for the new consolidated SergeFerrari Group

In 2019, the pro-forma consolidated revenues including F.I.T and Verseidag-Indutex amounts to €273 million. Given the current economic context linked to the health crisis, it is not possible to comment at this stage the new Group's revenues estimates for 2020, nor its profitability.

Financial Calendar

- Publication of H1 2020 results on **Wednesday, September 9, 2020**, after market close

About SERGE FERRARI

Serge Ferrari Group designs, develops, and manufactures innovative composite fabrics for lightweight architectural and outdoor applications in a global market estimated by the company at around €6 billion. The unique characteristics of these products make them ideal for technical applications in three fields: architecture, specialties for industry professionals, and composite membranes for the consumer market. Its main competitive advantage is based on the implementation of differentiating proprietary technologies and know-how. The Group has four production sites in Europe and one in Asia. Serge Ferrari operates in 80 countries through subsidiaries and sales offices and through a network of more than 100 independent distributors worldwide.

Serge Ferrari posted consolidated revenues of €189 million for 2019 of which 75% was achieved outside France. The company SergeFerrari Group is listed on Euronext Paris – Compartment C (ISIN code: FR0011950682). The SergeFerrari Group share is eligible for PEA-SME and FCPI Investment.

www.sergeferrari.com

About JAGENBERG

Jagenberg AG, part of the Kleinewefers Group and headquartered in Krefeld, Germany, is a management holding company active in the mechanical engineering and technical textiles sectors. In the 23 operating associated companies around 1,400 people in Europe, Asia and the USA are currently employed.

www.jagenberg.com

About VERSEIDAG-INDUTEX

Verseidag-Indutex GmbH, based in Krefeld and with 100 years heritage operates in the market of high-quality, coated fabrics in the fields of Tensile Architecture, Modular Structures, Biogas, Industry, fabrics for large-format digital printing, Solar Protection for Building and Automotive industry. The company employs close to 250 people, operates four industrial sites in and around Krefeld (Germany) and has sales subsidiaries in the USA, in the United-Kingdom, Hong Kong and the Middle East.

www.verseidag.de

Contacts

Serge Ferrari
Philippe Brun
Chief Financial Officer
investor@sergeferrari.com

NewCap
Investor Relations
Sandrine Boussard-Gallien
Louis Tilquin
Tel.: +33(0) 1 44 71 94 94
sferrari@newcap.eu

NewCap
Media Relations
Nicolas Merigeau
Tel.: +33(0) 1 44 71 94 98
nmerigeau@newcap.fr