

Media Release

Ad hoc announcement pursuant to Art. 53 LR

Rieter Holding Ltd.

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Winterthur – August 16, 2021

Rieter Acquires Three Businesses from Saurer

- **Investment to complete Rieter's ring- and compact spinning systems and in two attractive component businesses**
- **Schlafhorst automatic winder as well as Accotex and Temco will be transferred from Saurer to Rieter**
- **Closing expected during the month of August, implementation to be completed in six to nine months**
- **Changes in the Rieter Board of Directors**

On August 13, 2021, Rieter Holding Ltd., Winterthur/Switzerland, and Saurer Intelligent Technology Co. Ltd., Shanghai/China listed, signed an agreement by which Rieter will acquire three businesses from Saurer Netherlands Machinery Company B.V., Amsterdam/Netherlands, the parent company of Saurer Spinning Solutions GmbH & Co. KG, Uebach-Palenberg/Germany and Saurer Technologies GmbH & Co. KG, Krefeld/Germany.

With this acquisition, Rieter will complete the offering of ring- and compact spinning systems by acquiring the Schlafhorst automatic winder business. Additionally, Rieter invests in two attractive component businesses: Accotex (elastomer components for spinning machines) and Temco (bearing solutions for filament machines).

In total, the three businesses had a combined turnover of EUR 142 million in 2020, the year of the COVID crisis. In 2019 and 2018, the total combined turnover was at a level of EUR 235 million and EUR 260 million, respectively.

The purchase price for the three businesses is EUR 300 million on a cash and debt free basis. Rieter has financed the purchase price by cash and available credit lines.

Rieter and Saurer expect to close the transaction during the month of August. In the first step of the transaction, Rieter will acquire 57% of the shares of Saurer Netherlands. The shares will be returned to Saurer after the implementation of the transaction in six to nine months.

In connection with the transaction, it is envisaged that Rieter will supply automatic winders to Saurer in the future.

Changes in the Rieter Board of Directors

During the course of this transaction, it came to serious violations of the statutory duty of loyalty, the obligation to maintain business secrets and the Rieter Code of Conduct by the two members of the Board of Directors Luc Tack and Stefaan Haspeslagh. They have used information internal to the Board of Directors in order to compete with Rieter through their own offer.

The Board of Directors considers this to be a strong violation of Rieter's interests, to the detriment of all of its stakeholders, and a sustained breach of the relationship of trust within the Board of Directors which makes further cooperation impossible.

Therefore, the Board of Directors of Rieter Holding Ltd. intends to convene an Extraordinary General Meeting at which its members, Luc Tack and Stefaan Haspeslagh, are to be dismissed.

To protect Rieter's interests, the Board of Directors will file a criminal complaint against the two members of the Board of Directors.

The date of the Extraordinary General Meeting will be announced at the appropriate time.

Telephone Conference for Media and Investors

The media and investor conference call will be held **today, August 16, 2021, at 10:00 am (CEST)**.

Dial-in details:

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Presentation Material

The media release as well as media- and investor presentation can be found at: <https://www.rieter.com/media/media-kit/>

Forthcoming Dates

- Trading Update 2021 October 22, 2021
- Publication of sales 2021 January 26, 2022
- Deadline for proposals regarding the agenda of the Annual General Meeting February 18, 2022
- Results press conference 2022 March 9, 2022
- Annual General Meeting 2022 April 7, 2022

For further information please contact:

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About Rieter

Rieter is the world's leading supplier of systems for short-staple fiber spinning. Based in Winterthur (Switzerland), the company develops and manufactures machinery, systems and components used to convert natural and manmade fibers and their blends into yarns. Rieter is the only supplier worldwide to cover both spinning preparation processes and all four end spinning processes currently established on the market. Furthermore, Rieter is a leader in the field of precision winding machines. With 15 manufacturing locations in ten countries, the company employs a global workforce of some 4 390, about 20% of whom are based in Switzerland. Rieter is listed on the SIX Swiss Exchange under ticker symbol RIEN. www.rieter.com

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