

FOR RELEASE IN SWITZERLAND – NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART IN OR INTO THE UNITED STATES OF AMERICA, CANADA, AUSTRALIA OR JAPAN. THIS IS A RESTRICTED COMMUNICATION AND YOU MUST NOT FORWARD IT OR ITS CONTENTS TO ANY PERSON TO WHOM FORWARDING THIS COMMUNICATION IS PROHIBITED BY THE LEGENDS CONTAINED HEREIN.

Media Release

Ad hoc announcement pursuant to Art. 53 LR

Rieter Holding Ltd.
Klosterstrasse 20
P.O. Box
CH-8406 Winterthur
T +41 52 208 71 71
www.rieter.com

Winterthur – May 6, 2025

Rieter to acquire Barmag from OC Oerlikon to accelerate its growth strategy and become a market leader in natural and manmade fibers

- Barmag is a global market leader for equipment to produce manmade fibers with sales in financial year 2024 of approximately CHF 734 million
- Rieter strengthens and expands its technology position in the textile industry and positions itself in the growing market for manmade fibers
- Transaction is highly complementary across Rieter's technologies, solutions and end-markets and accretive to Rieter's growth and performance
- Upfront equity purchase price of CHF 713 million
- Financing is fully secured, and balance sheet stability will be maintained
- PCS Holding AG (Peter Spuhler) remains the largest shareholder and played a strategically important role in this acquisition

Rieter has signed a definitive agreement to acquire Barmag from OC Oerlikon for an upfront equity purchase price of CHF 713 million. The acquisition will create a globally leading player in natural and manmade fibers, headquartered in Winterthur, Switzerland, and is highly complementary to Rieter's short-staple fiber business.

Barmag is a provider of filament spinning systems used for manufacturing manmade fibers, texturing machines, BCF¹ systems, staple fiber spinning and nonwovens solutions and – as an engineering services provider – offers solutions along the textile value chain. In the financial year 2024, the company generated sales of CHF 734 million with around 2 600 employees.

Barmag comprises the established product brands Oerlikon Barmag, Oerlikon Neumag and Oerlikon Nonwoven. The main markets for the Barmag product portfolio are China, India, Türkiye and the United States of America. The innovative and technologically advanced products are developed in Remscheid and Neumünster (Germany) as well as Suzhou and Wuxi (China).

As fiber consumption is projected to rise, most of the growth is expected to come from manmade fibers. The increase of natural fibers such as cotton and linen is limited due to natural boundaries. Manmade fibers will help to meet expanding demand for clothing, technical and home textiles. The strategic acquisition of Barmag will transform Rieter into a leading supplier for converting natural and manmade fibers into yarn.

The transaction is fully in-line with Rieter's strategy and follows previous acquisitions, where Rieter complemented its portfolio in short-staple fiber machinery and expanded its footprint in components and machinery for manmade fiber production.

¹ Bulked Continuous Filament

Not for release, publication or distribution, in whole or in part, directly or indirectly, in the United States of America, Canada, Japan or Australia or any other jurisdiction in which the release, publication or distribution would be unlawful.

The combined platform allows to leverage the recovery of global filament and short staple fiber spinning markets and to reduce cyclicalities due to diversification of end-markets. The acquisition will further enhance Rieter's position in the important Asia-Pacific region and provide access to Barmag's filament expertise, which will help to further scale Rieter's own capabilities and improve digitization solutions and product sustainability.

Thomas Oetterli, CEO of Rieter: "We are very proud to welcome Oerlikon Barmag, Oerlikon Neumag and Oerlikon Nonwoven to Rieter. We are convinced that this combination will form a market leader in the textile industry which will create value for our shareholders, customers and employees."

Georg Stausberg, CEO of Barmag: "With this solution, we will have the best new ownership possible, as we will benefit from each other as textile companies from market understanding, technology expertise and complementary offering for our global customer base."

The enterprise value of CHF 850 million represents a through-the-cycle EV/EBITDA² of 6.3x (excluding synergies). If certain financial criteria are achieved by 2028, an earn-out component will be paid to the seller. The acquisition is expected to enhance Rieter's financial performance given Barmag's structurally higher through-the-cycle profitability and margin resilience in market downturn.

The acquisition financing is secured by a bridge loan facility. Refinancing of the bridge facility will happen through a fully underwritten CHF 400 million rights issue with tradable subscription rights, a CHF 77 million non-pre-emptive private placement which is fully committed and subscribed by Rieter's two largest shareholders and a bank financing.

Rieter's largest shareholder, Peter Spuhler (c. 33% shareholding) is supportive of the transaction and committed to participating in the rights-issue pro-rata by exercising its subscription rights as well as investing additional capital through the non-pre-emptive capital raise. After the capital increase, PCS Holding AG is expected to retain a shareholding of c. 33%.

Additionally, Rieter's second-largest shareholder, Martin Haefner (c. 10%), also supports the transaction and has committed to participating pro-rata in the rights-issue by exercising its subscription rights and investing additional capital through the non-pre-emptive capital raise.

Rieter remains committed to strong balance sheet stability and expects to delever quickly from a pro forma combined leverage per end of 2024 of c. 3x post the CHF 477 million equity capital increase driven by cash generation of the combined entity. An extraordinary General Meeting ("EGM") is expected to be convened in the third or fourth quarter of 2025 to obtain shareholder approval for the capital increase in connection with the rights issue and the private placement. The definite terms of the rights issue are expected to be determined and communicated on or around the date of the EGM. The acquisition of Barmag is subject to customary closing conditions, including regulatory approvals. Rieter is confident it will obtain all regulatory clearances. The closing of the acquisition is targeted for Q4 2025.

Alantra is acting as exclusive financial advisor and Lenz & Staehelin as legal advisor to Rieter. UBS underwrites the bridge loan facility and acts as Sole Global Coordinator, Sole Bookrunner and Sole Manager of the capital increase.

² Based on adjusted EBITDA for the financial years 2017-2024

Not for release, publication or distribution, in whole or in part, directly or indirectly, in the United States of America, Canada, Japan or Australia or any other jurisdiction in which the release, publication or distribution would be unlawful.

Telephone Conference for Media and Investors

The Rieter Group will comment on the acquisition in a conference call **today, May 6, 2025, at 09:00 am (CEST)**.

Webcast

<https://event.choruscall.com/mediaframe/webcast.html?webcastid=rfA9d0ac>

Dial-in details

Europe	+41 58 310 50 00
UK	+44 207 107 06 13
USA	+1 631 570 56 13
China	+86 400 120 23 19
India	+91 446 688 60 46

Presentation material

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

Forthcoming dates

- | | |
|---|-------------------|
| • Semi-Annual Report 2025 | July 18, 2025 |
| • Investor Update 2025 | October 22, 2025 |
| • Results press conference 2026 | February 26, 2026 |
| • Deadline for proposals regarding the agenda of the Annual General Meeting | March 3, 2026 |
| • Annual General Meeting 2026 | April 16, 2026 |
| • Semi-Annual Report 2026 | July 17, 2026 |
| • Investor Update 2026 | October 28, 2026 |

For further information, please contact:

Rieter Holding Ltd.
Oliver Streuli
Chief Financial Officer
T +41 52 208 70 15
investor@rieter.com
www.rieter.com

Rieter Ltd.
Relindis Wieser
Head Group Communication & Marketing
T +41 52 208 70 45
media@rieter.com
www.rieter.com

About Rieter

Rieter is a leading global supplier for manufacturing yarn from staple fibers in spinning mills. Based in Winterthur (Switzerland), the company develops and manufactures machinery, systems and components used to convert natural and man-made fibers and their blends into yarns in the most cost-efficient manner. Cutting-edge spinning technology from Rieter contributes to sustainability in the textile value chain by minimizing the use of resources. Rieter has been in business for 230 years, has 18 production locations in ten countries and employs a global workforce of around 4 790, about 16% of whom are based in Switzerland. Rieter is listed on the SIX Swiss Exchange under ticker symbol RIEN. www.rieter.com.

Not for release, publication or distribution, in whole or in part, directly or indirectly, in the United States of America, Canada, Japan or Australia or any other jurisdiction in which the release, publication or distribution would be unlawful.

Disclaimer

All statements in this report which do not refer to historical facts are forecasts which offer no guarantee whatsoever with respect to future performance; they embody risks and uncertainties which include – but are not confined to – future global economic conditions, exchange rates, legal provisions, market conditions, activities by competitors and other factors which are outside the company's control.

This document is not an offer to sell or a solicitation of offers to purchase or subscribe for any securities. This document is not a prospectus within the meaning of the Swiss Financial Services Act and not a prospectus under any other applicable laws. Copies of this document may not be sent to, distributed in or sent from jurisdictions in which this is barred or prohibited by law. The information contained herein shall not constitute an offer to sell or the solicitation of an offer to buy any securities, in any jurisdiction in which such offer or solicitation would be unlawful prior to registration, exemption from registration or qualification under the securities laws of any jurisdiction. The offer and listing of any securities will be made solely by means of, and on the basis of, a prospectus which is to be approved by the competent review body and published.

This document is not for publication or distribution in the United States of America (including its territories and possessions, any State of the United States and the District of Columbia), Canada, Japan or Australia or any other jurisdiction into which the same would be unlawful. This document does not constitute an offer or invitation to subscribe for or purchase any securities in such countries or in any other jurisdiction into which the same would be unlawful. In particular, the document and the information contained herein should not be distributed or otherwise transmitted into the United States of America or to publications with a general circulation in the United States of America. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or the laws of any state and may not be offered or sold in the United States of America absent registration under or an exemption from registration under the Securities Act. There will be no public offering of the securities in the United States of America.

The information contained herein does not constitute an offer of securities to the public in the United Kingdom. No prospectus offering securities to the public will be published in the United Kingdom. In the United Kingdom this document is only directed at persons who (i) are qualified investors and who are also (ii) investment professionals falling within article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "FSMA Order"); (iii) persons falling within Articles 49(2)(a) to (d), "high net worth companies, unincorporated associations, etc." of the FSMA Order and (iv) persons to whom an invitation or inducement to engage in investment activity within the meaning of Section 21 of the Financial Services and Markets Act 2000 may otherwise be lawfully communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). The securities are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

In any member state of the European Economic Area (each a "Relevant State") this document is only addressed to qualified investors in that Relevant State within the meaning of the Prospectus Regulation.

This publication contains specific forward-looking statements, e.g. statements including terms like "believe", "assume", "expect", "forecast", "project", "may", "could", "might", "will" or similar expressions. Such forward-looking statements are subject to known and unknown risks, uncertainties and other factors which may result in a substantial divergence between the actual results, financial situation, development or performance of Rieter Holding AG and those explicitly or implicitly presumed in these statements. Against the background of these uncertainties, readers should not rely on forward-looking statements. Rieter Holding AG assumes no responsibility to update forward-looking statements or to adapt them to future events or developments.

Except as required by applicable law, Rieter Holding AG has no intention or obligation to update, keep updated or revise this publication or any parts thereof (including any forward-looking statement) following the date hereof.