

PRESS RELEASE

Osnabrück, February 2019

Decor paper capacities in China for the Felix Schoeller Group.

With effect from January 1st, 2019, the Chinese joint venture of the Felix Schoeller Group, Winbon Schoeller New Materials, is the majority shareholder of the Chinese decor paper producer Grandrich. Grandrich is now trading under the name Winbon Technocell New Materials Co., Ltd. With this acquisition, the Felix Schoeller Group is securing production in the world's largest growth market for decor papers, thus further expanding its international presence and strategic position.

The acquisition of a majority stake in Winbon Technocell through the Chinese joint venture is another important step in the internationalization strategy of the Felix Schoeller Group, a specialty paper manufacturer based in Osnabrück, Germany. The Chinese decor paper market accounts for about half of the global decor paper market and is recording stable annual growth rates. The sales potential offered by this market cannot be realized through imports. Secured market access can only be guaranteed by domestic production.

„With the establishment of our Chinese joint venture Winbon Schoeller New Materials, we have from the very beginning linked the strategic goal of gaining access to the Chinese decor paper market through a local production facility. Initially, we assumed that we would achieve this goal by building new paper machines at one of the joint venture's sites. With the acquisition of a majority stake in Grandrich and, thus, in the existing decor paper machines there, we can now take this step much more quickly," says Hans-Christoph Gallenkamp, CEO of the Felix Schoeller Group.

The Winbon Technocell site has three paper machines. One of the three machines, paper machine 1, was already put into operation last year and produces decor papers in a quality in line with the market. Investments will be made in this paper machine in spring 2019 to improve productivity and quality. The first operation of paper machine 2 is also planned for spring 2019.

About the Felix Schoeller Group

Founded in 1895, the Felix Schoeller Group is a family business with worldwide operations producing specialty papers. With around 2,315 employees, the renowned Osnabrück-based company produced and marketed almost 323,000 tonnes of specialty papers in 2017 and posted a total turnover of 747 million euros. The Felix Schoeller Group develops, produces and markets specialty papers for photographic applications, digital printing systems, the packaging market, self-adhesive applications and for the furniture, wood-based products and wallpaper industry.

In addition to its Osnabrück main site and headquarters, the Felix Schoeller Group has four other production facilities in Germany - in Weissenborn and Penig in Saxony, in Titisee-Neustadt (Baden-Württemberg) and in Günzach (Bavaria). It also has production facilities in the USA and Canada and is involved in joint ventures in the Russian Federation and the People's Republic of China. It has representative offices in Los Angeles, Sao Paulo, Tokyo, Shanghai, Kuala Lumpur, Mumbai, Melbourne, Moscow, and Prague.

The Felix Schoeller Group exemplifies uncompromising quality, unique flexibility and true partnership. The result: Best Performing Papers. Worldwide.

www.felix-schoeller.com

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