



[For Immediate Release]

Schramm Holding AG Announces Proposed Listing on the Main Board of the HKEx

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(14 December 2009, Hong Kong) With nearly 200 years of history, **Schramm Holding AG** (“Schramm” or the “Group”, stock code: 955.HK), is an innovative global manufacturer and supplier of a range of technical and specialty coatings globally, manufacturing a wide range of goods marketed by many household brands and other international leaders in their respective fields. Today, Schramm announced its listing plan and will become the first German joint stock company to be directly listed on the Hong Kong Stock Exchange.

Schramm will offer a total of 5,000,000 shares globally, among which 4,499,920 shares will be offered via an international placing and 500,080 shares will be publicly offered in Hong Kong (subject to adjustment). The public float will represent approximately 25.12% of the Group’s enlarged issued share capital.

The maximum offer price is HK\$45.00 per share and the lowest offer price is HK\$29.00. Together with other trading fees, a total of HK\$3,636.32 per board lot of 80 shares. The corresponding prospective pro forma P/E multiple for the year ended 31 December 2009 based on the offer price range is 16.6 times and 10.7 times respectively.

The net proceeds from the share offer, after deducting related expenses, are estimated to be approximately between HK\$195.6 million and HK\$118.4 million, which will be invested in: development of Tianjin facility (18.8%), construction of a resin production plant in the PRC (15.5%), expansion of Germany facility (10.5%), production and testing equipment in PRC (7.7%), future mergers and acquisitions (20%), repayment of bank loans (17.5%) and the balance used for general working capital.

Schramm’s public offer will begin on 15 December 2009, and close at 12:00 noon on 18 December 2009. Allotment results will be announced on 28 December 2009. Dealings in the shares will commence on 29 December 2009 on the Main Board of the HKEx with stock code 955.

Sole global coordinator, bookrunner, lead manager is Samsung Securities (Asia) Limited. The sole sponsor is Guotai Junan Capital Limited.

The Group currently focuses on selected specialty sectors which include automotive and general industry coatings, coil coatings and electrical insulation paints and varnishes. The automotive and general industry sector is further divided into automotive, mobile electronics as well as home appliances and consumer electronics. The Group has plants in Offenbach (near Frankfurt in



Germany), Barcelona in Spain, Thailand, and Shanghai, Huizhou and Tianjin in the PRC. Schramm has also established licensed manufacturing partnerships in Korea, Japan and the U.S. The combined production capacity is approximately 43,700 tonnes of coatings per year.

Mr. Peter Brenner, CEO of Schramm said, “Thanks to our professional working parties and the ‘open door’ policy of the Hong Kong Stock Exchange to foreign enterprises, I am delighted that Schramm is going to be the first German company to be directly listed on the Hong Kong main board. The global paints and coatings market has been experiencing steady growth with China being one of the highest growth stories. Leveraging on our customised innovative production technology, strong R&D capability, experienced management team, our renowned “Schramm” brand-name and market-leading environmentally responsible systems, Schramm is now one of Europe’s market leaders with a growing presence in the Asian market.”

For the automotive market, Schramm supplies interior coating solutions for plastic trim to suppliers of a prestigious yet diverse range of leading global OEM car-makers as well as functional coatings for metal components to such global leaders of car parts makers as Stabilus. For the mobile handset market, the Group supply coatings for handsets marketed by the leading global set makers including Samsung and LG as well as component manufacturers such as Flextronics and their downstream applicators. For the home appliances and consumer electronics market, Schramm supply coatings for home appliances and consumer electronics marketed by many of the world’s leading brands such as Samsung and LG.

Capitalising on its competitive advantages, Schramm has achieved growth in both turnover and profit attributable to equity holders. For the year ended 31 December 2008, the Group recorded turnover of approximately Euro93.61 million, representing a 32.7% increase over the year 2007, while profit attributable to equity holders rose 98.8% to approximately Euro5.78 million.

The Group believes that following the acquisition of its Shanghai, Huizhou, Tianjin and Thailand facilities, production capability in Asia has dramatically increased, allowing the Group to serve its global customers in Asia along with building a solid Chinese customer base. It is the Group’s objective to transfer technological know-how from Germany to the Asian operations as this will place it in a competitive position to capture the increasing potential of Asian business. The Group will continue to expand its presence globally and enhance support as well as service to its multinational customers.

Mr. Brenner concluded, “Schramm is committed to globalisation and production diversification in order to consolidate its leading position in the industry. To capture the opportunities ahead, Schramm is dedicated to delivering better returns for its shareholders.”

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