Creating a Global Leader in Natural and Manmade Fibers

Rieter Acquisition of Barmag

May 6, 2025 – Conference for Media and Investors

Presenters and Agenda

Thomas Oetterli
Chairman and Chief Executive Officer

Oliver Streuli
Chief Financial Officer

1 Key Transaction Highlights

Opportunity to Create a Leader in Natural and Manmade Fibers (“MMF“)

RIETER + oerlikon barmag

- **Expansion into MMF to complement offering as a global textile champion**
- **MMF expected to deliver incremental growth driven by global consumer demand**
- **Barmag is a market and technology leader in MMF**
- **Natural fibers and MMF largely complementary**
- **Step change in scale, reach and profitability at attractive valuation**

Key Terms of the Transaction

Transaction overview

- **Rieter has signed a definitive agreement to acquire Barmag** from OC Oerlikon
- **Transaction of key strategic relevance enabling entry into higher growth manmade fiber market by acquiring a market leader in the field**
- **PCS Holding AG remains largest shareholder and fully supports transaction and related capital increase**

Financing

- **Secured financing** through bridge loan facilities from UBS
- **Take-out via CHF 477 million capital increase** through rights issue and private placement as well as syndicated debt facilities
  - **Backed by P. Spuhler**
  - **Supported by M. Haefner**
  - ➔ **Over 50% of capital increase committed by two largest shareholders**
- **Temporary post-transaction leverage of ~3.0x**(3)

Purchase price

- **All-cash equity purchase price of CHF 713 million**
- **Earn-out component of up to CHF 100 million,** conditional on financial results achieved by 2028
- **6.3x through-the-cycle EV/EBITDA**(1) pre-synergies and pre-earn-out, and 5.4x incl. run-rate synergies(2)

Necessary approvals and next steps

- **Subject to customary regulatory approvals**
- **Extraordinary General Meeting to approve the capital increase** expected in **Q3 or Q4 2025**
- **Closing of the transaction targeted for Q4 2025**

Notes: (1) Based on adjusted EBITDA for the financial years 2017-2024; (2) Assuming CHF 20 million run-rate synergies; (3) Based on 2024A pro forma combined Net Debt and EBITDA and post CHF 477million equity capital increase

2 Overview of Barmag

Barmag is a Global Market Leader in Manmade Fiber Solutions

Key metrics (2024)

734m
Sales

11%
EBITDA margin(1)

oerlikon barmag

~2 600
Employees

4
Production sites
(2 DE, 2 CN)

Company overview

- Barmag is a **major global player in the manmade fiber market**
- **Leading provider of filament spinning systems** for manufacturing manmade fibers, as well as texturing machines, BCF(2) systems, staple fiber spinning, and nonwoven solutions
- Barmag acts as an **engineering services provider, offering solutions across the textile value chain**
- **Owner of strong and well-reputed brands** Oerlikon Barmag, Oerlikon Neumag, and Oerlikon Nonwoven
- **Strongly positioned** in global key markets

Source: Company information
Notes: (1) Adjusted EBITDA; (2) Bulked Continuous Filament

Diversified Product Offering Supported by Well Established Brands

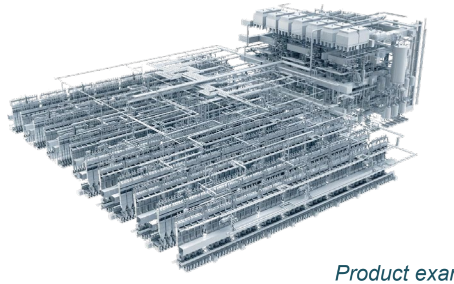
RIETER

Overview of product offering and brands

Filament

oerlikon barmag

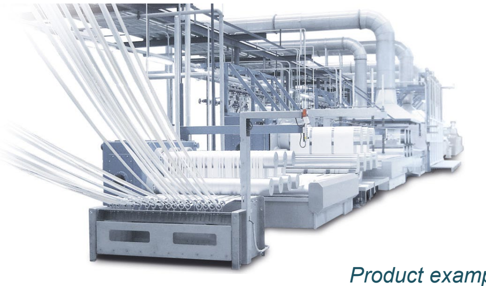
Spinning systems and texturing machines



Product example

oerlikon neumag

BCF [1] carpet yarn and synthetic staple fiber plants

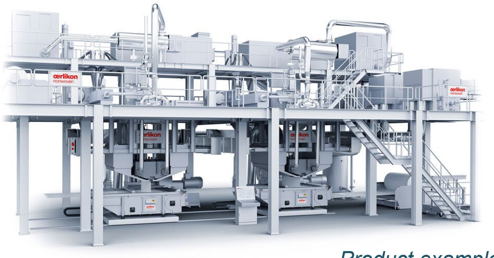


Product example

Non-filament

oerlikon nonwoven

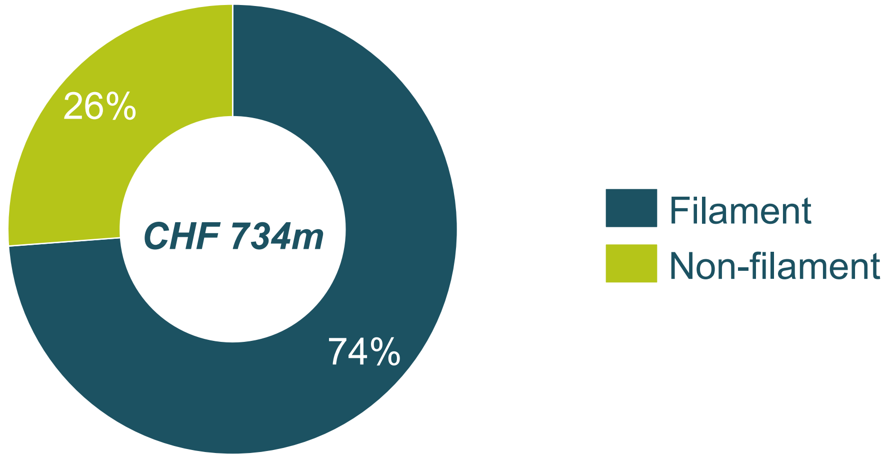
Stand-alone machines and turnkey production lines for nonwoven products



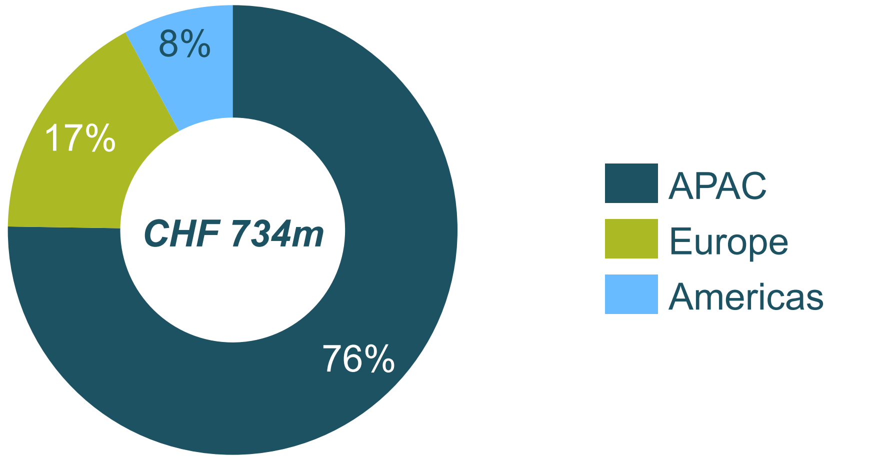
Product example

Sales split 2024

By technology



By region[2]



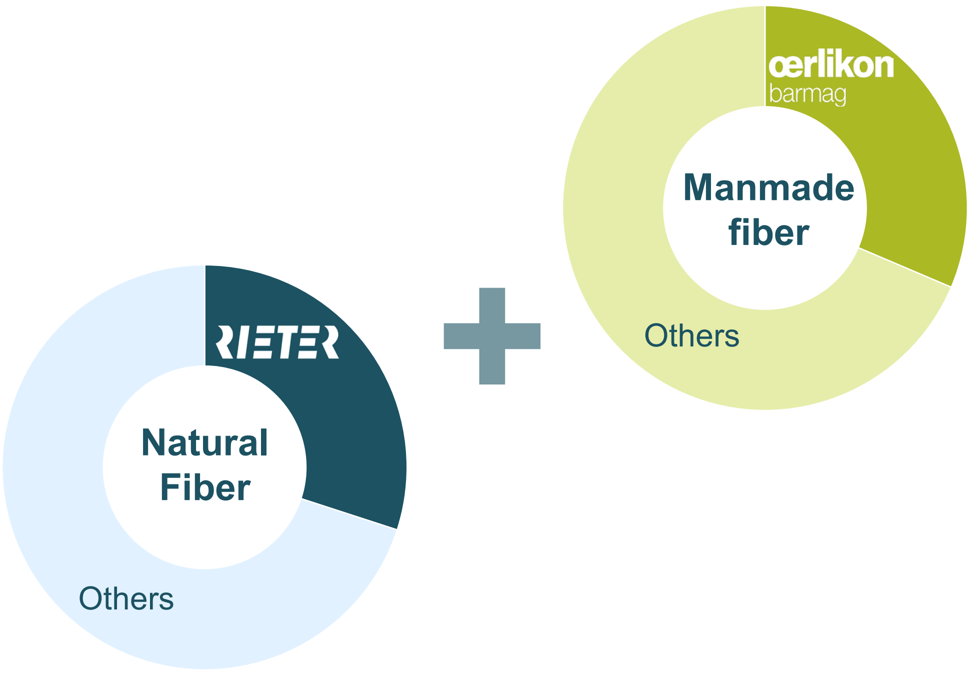
Source: Company information

Notes: (1) Bulked Continuous Filament; (2) Geographical sales split incl. HRSflow (not in perimeter), Europe includes sales for Türkiye

3 Strategic Rationale

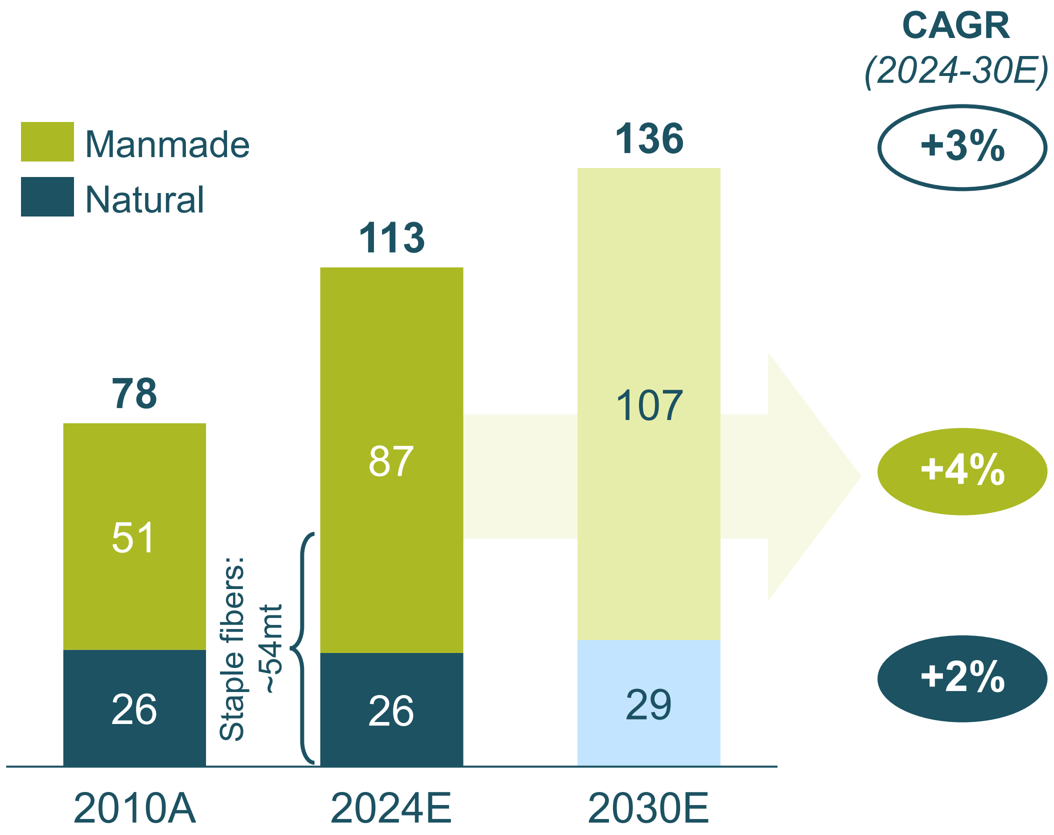
Offering Complemented with Expansion into Higher Growth MMF

Offering as global textile player complemented



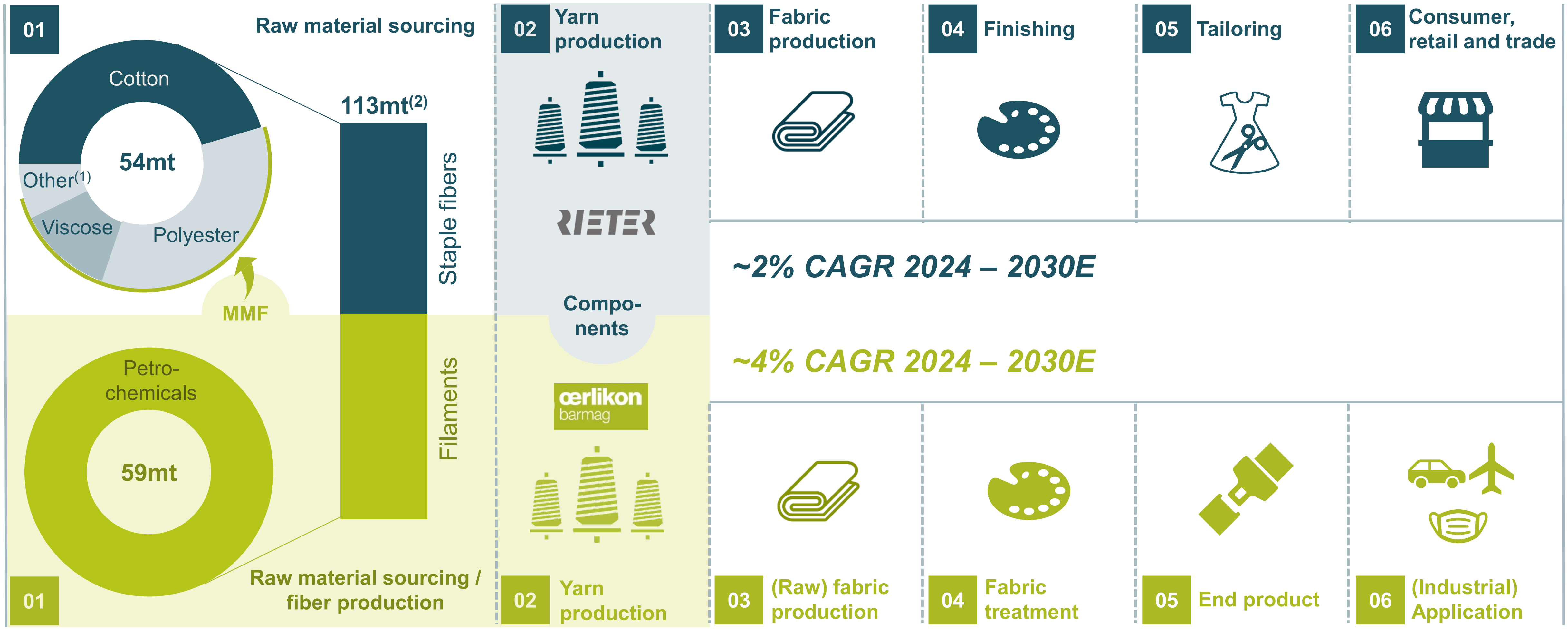
With manmade fiber offering higher growth opportunities

Final consumer demand (in megatons)



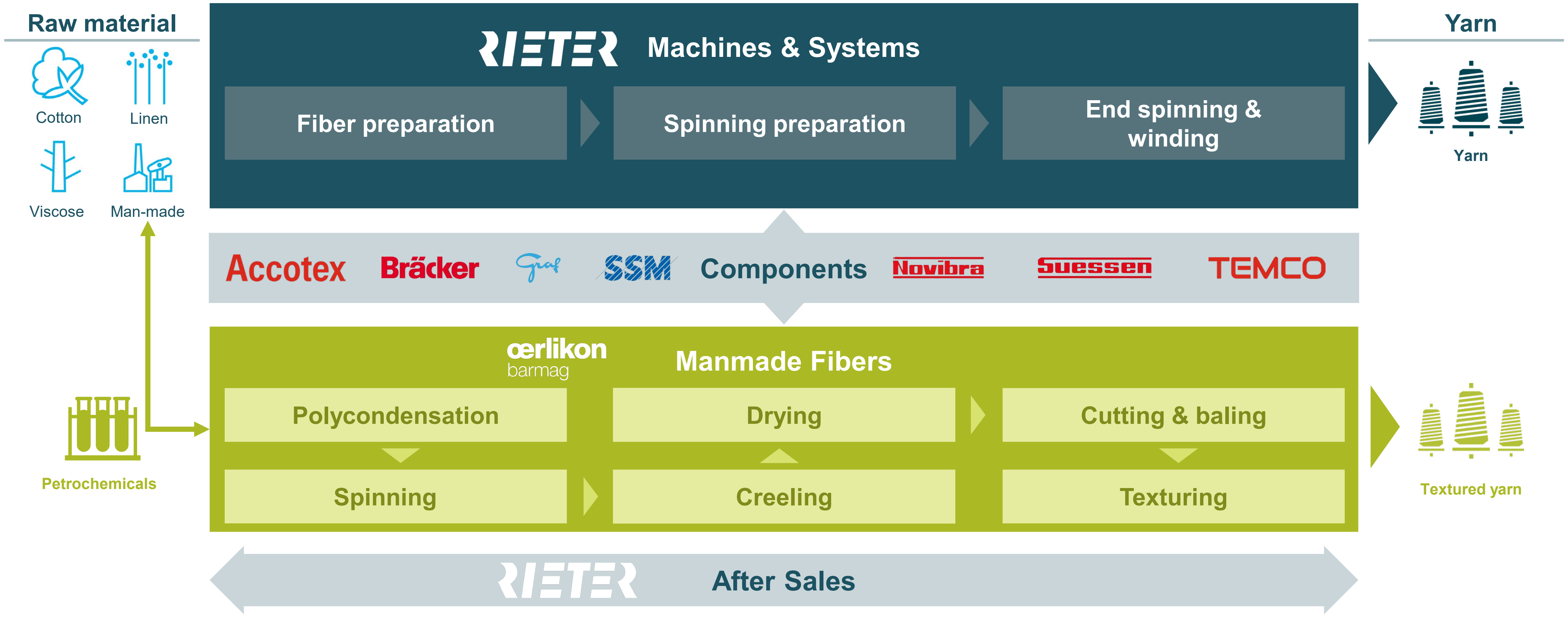
Sources: Company information, Wood Mackenzie, third-party research

Untapping the World of Manmade Fibers for Broad Applications



Sources: Company information, Wood Mackenzie
Note: (1) Other includes wool, acrylic, nylon, polypropylene; (2) Final consumer demand in Megatons (2024)

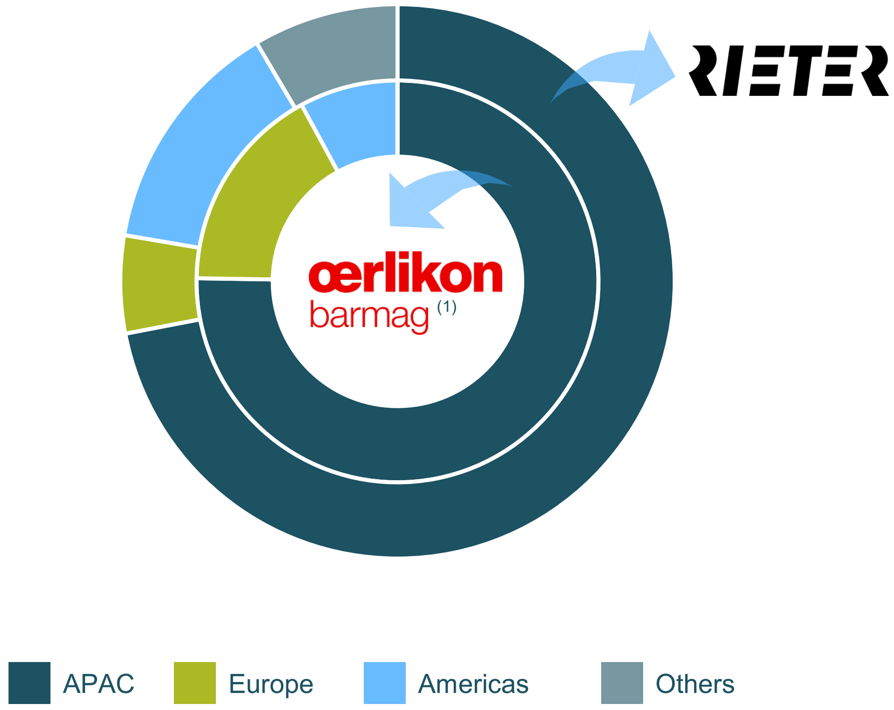
Comprehensive Solutions From Fiber and Melt to Yarn



Complementary Footprint, Technologies and End-Markets

Strengthening footprint in key markets

Geographical sales split 2024



Diversifying end-market exposure

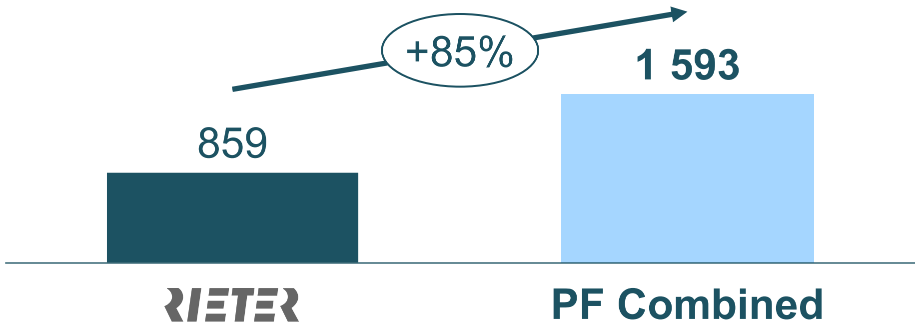
	RIETER	Barmag
Apparel and Functional Wear	●	●
Automotive		●
Transportation		●
Flooring and Infrastructure		●
Packaging		●
Medical and Filters		●

Sources: Company information
Notes: (1) Barmag sales split based on sales incl. HRSflow (not in perimeter); Europe includes sales for Türkiye

Transaction with Attractive Valuation Improves Financial Profile

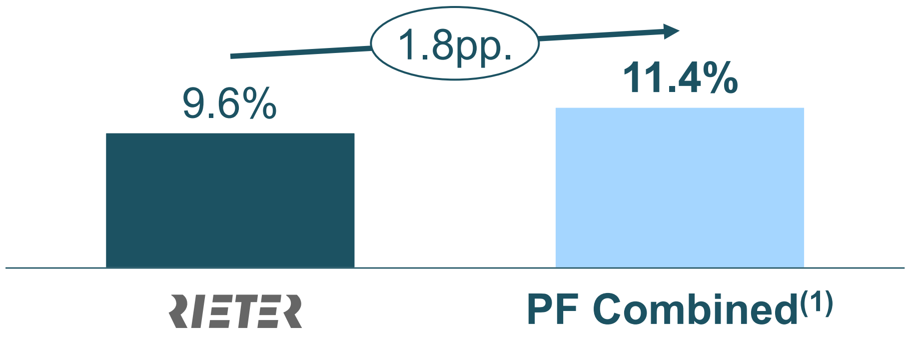
Almost doubling in scale…

Sales 2024



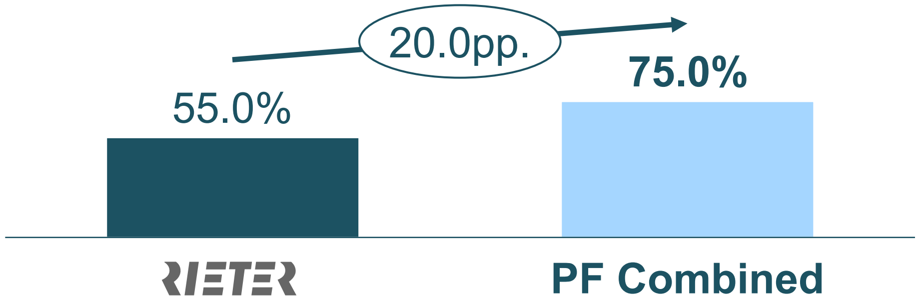
with increased margins…

Adj. EBITDA margin 2024



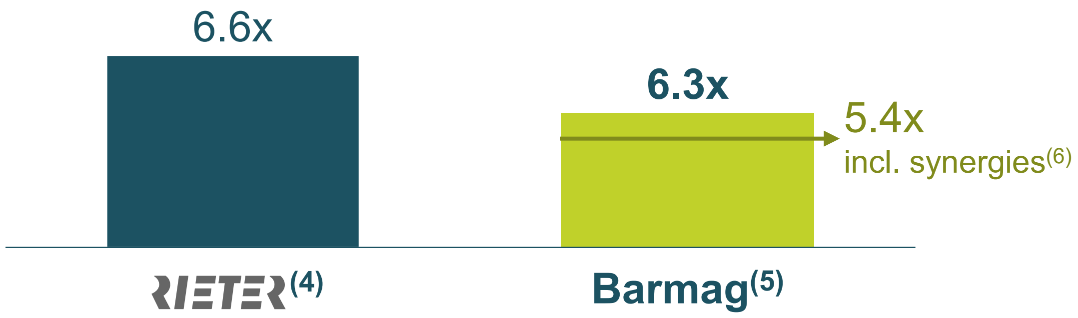
and enhanced cash generation…

Cash conversion 2024(2)



while valuation paid below Rieter's multiple

EV / Ø adj. EBITDA 2017 – 2024A(3)



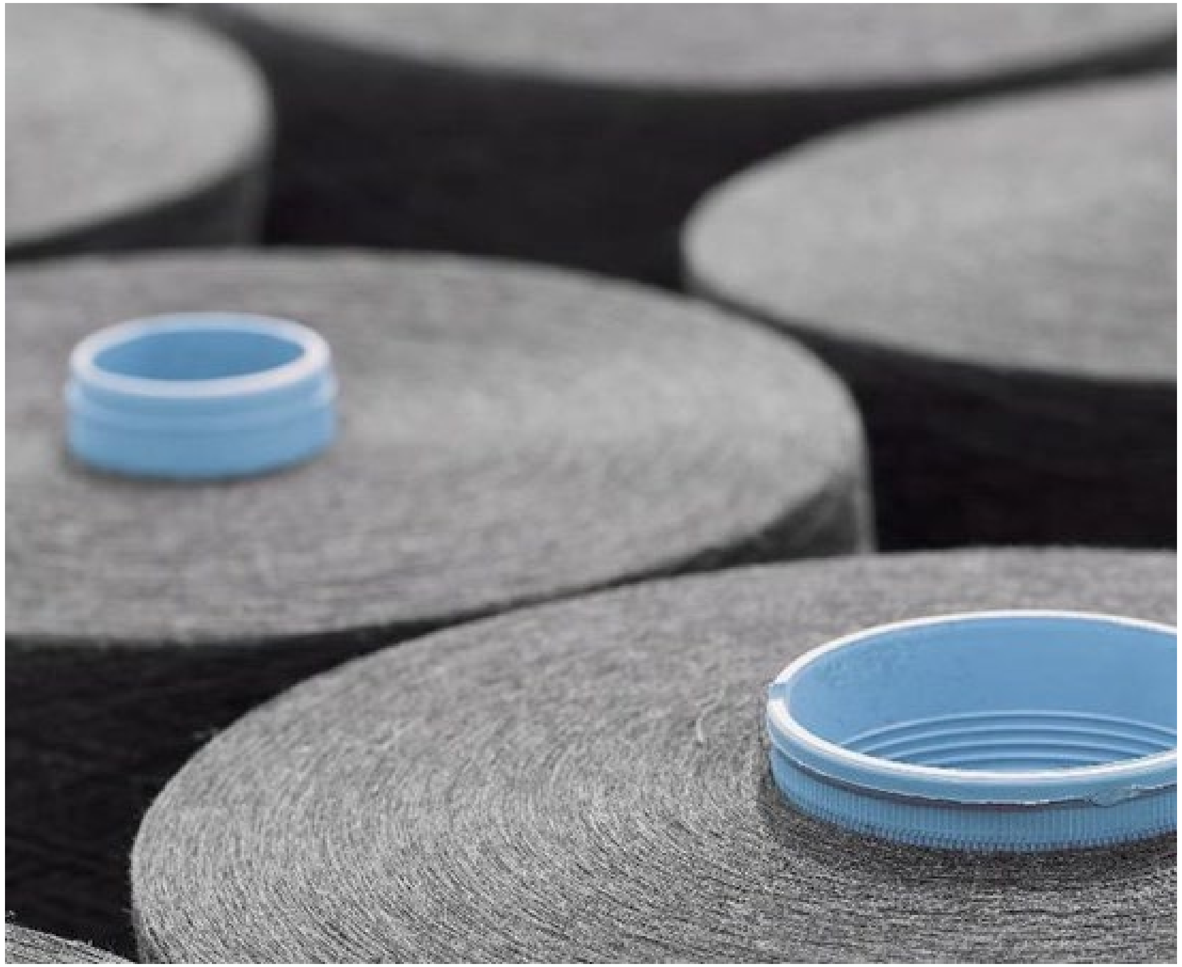
Notes: "PF Combined" refers to preliminary, unaudited combined financials for FY 2024
(1) Adjusted EBITDA (for Barmag incl. stand-alone adjustments) and incl. run-rate synergies of CHF 20 million, but excl. transaction-related costs; (2) Calculated as (EBITDA (pre-IFRS) – CAPEX) / EBITDA (pre-IFRS) for PF Combined incl. incl. run-rate synergies of CHF 20 million, but excl. transaction-related costs; (3) EV and EBITDA excluding leasing; (4) EV based on 60d-VWAP of CHF 75.85 as per 2-May-25 (SIX); (5) Based on EV of CHF 850 million; (6) Incl. expected run-rate EBITDA synergies of CHF 20 million

4 Summary and Process

Concluding Remarks

- **Unique opportunity for highly strategic acquisition** of a market leader in higher growing manmade fiber market
- **Accelerating Rieter's growth strategy by complementing offering as a global textile player**
- **Attractive valuation** at through-the-cycle EV / EBITDA[(1)] multiple of 6.3x below Rieter's own multiple
- **Financing secured** via bridge loans, with solid permanent capital structure after refinancing comprising of mix of cash-on-hand, syndicated loans and capital increase to maintain sustainable leverage
- Capital increase by way of **rights issue and private placement, backed by Rieter's two largest shareholders**
- Extraordinary General Meeting to obtain **shareholder approval for the capital increase planned for Q3 or Q4 2025**
- Transaction **subject to customary regulatory approval, envisaged closing in Q4 2025**

Notes: (1) Based on adjusted EBITDA for the financial years 2017-2024



5 Q&A

Disclaimer

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 constitutes advertising in accordance with article 68 of the Swiss Financial Services Act. Such advertisements are communications to investors aiming to draw their attention to financial instruments. Any investment decisions with respect to any securities should not be made based on this advertisement.

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 may contain 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 any of its agents 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 and any of its agents assume 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 and any of its agents have 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.