

Dimontonate Floccati S.p.A. completes the majority stake acquisition of SwissFlock AG

Lucern, Switzerland – March 31st, 2021 – Today, Dimontonate Floccati S.p.A., an Italian company leader in the production of flocked materials, has agreed and completed the acquisition of SwissFlock AG - a Swiss company and the majority of Swiss flock International -China, specialized in the production of various types of flock fibers.

In more than 10 years of cooperation, Dimontonate Floccati has been the major Partner of SwissFlock, through the establishment of mutual distributions agreements and the major customer for flock fibers. The transaction will allow Dimontonate to further consolidate its flocked business worldwide through the acquisition of a relevant player operating in its reference sector, integrating and verticalizing production process and logistics. Furthermore, the acquisition of SwissFlock will allow Dimontonate to encounter significant production synergies, and it would enable the company to widen its geographical footprint by leveraging on SwissFlock's Chinese subsidiary. The newly combined entity will create the leading global group for flock materials in the automotive sector.

Dimontonate has been advised by KPMG, for the financial advisory and due diligence activities and by Giliberti Triscornia e Associati for legal advisory activities. BDO has advised SwissFlock as their sole financial and legal advisor.

Federico Rosa, CEO at Dimontonate Floccati said:

“This acquisition will strengthen Dimontonate’s position as one of the largest and vertically integrated manufacturers of flocked material in both Europe and globally. Both product portfolio and customer environment offer tremendous synergy potential. Furthermore, this acquisition will support Dimontonate’s growth and future development in the Asian market.”

About Dimontonate Floccati S.p.A.

Dimontonate Floccati S.p.A., founded in 1973 and located in Montonate di Mornago (VA) - Italy, is active in producing flocked materials, mainly for the automotive and luxury packaging sectors. In 2014 business cooperation was established in China with SwissFlock international for flock tape distribution. In 2016 Dimontonate U.S.A. plant started cutting operations and logistic center. In 2017 Dimontonate U.S.A. started exclusive distribution for SwissFlock fibers for the North American market. In 2019 Dimontonate U.S.A. started exclusive distribution for SwissFlock fibers for the South American market.

About SwissFlock AG

SwissFlock AG, together with its Chinese subsidiary SwissFlock International, is engaged in developing, manufacturing, and distributing flock material for the automotive industry. In 1949 the former Société de la Viscose Suisse (Swiss Viscose Society) began the production of Viscose (Rayon) Flock in Emmenbrücke, Switzerland. 1960, Emmenbrücke started the manufacturing of Polyamide flock made from polymer fibers and about ten years later, 1970 was the beginning for Polyester flock out of Switzerland. 1998 SwissFlock Emmenbrücke started their global activities with flock for automotive industry to Europe and North America. 2004 SwissFlock International in Kunshan, China, began to explore the Asian market with the Flock Know How from Emmenbrücke. Today the two SwissFlock companies are the most powerful producers of flock for automotive flock applications and the global market leader for these products.