

Press release

Compositence GmbH gains GON Holding as strategic partner

Chinese advanced material manufacturer GON Holding takes majority stake in Compositence

Leonberg, August 22th, 2017 – Compositence GmbH, specializing in innovative Preforming Technologies for Carbon, Glass and other fibre types and supplier of tailored preforms wins Chinese advanced material manufacturer as a new strategic partner for its future development.

High-Tech Gründerfonds and MBG Mittelständische Beteiligungsgesellschaft Baden-Württemberg have been supporting Compositence growth by initial funding in 2009. zfh Zukunftsfonds Heilbronn joined the circle of peers as the major investor by the beginning of 2013. Compositence started running his core business 2014 while providing unique preforming technology both by sales of plants and components. The company has established a unique automated fibre placement technology driven by fibre experience and aiming at high volume application like mobility, aerospace and wind energy.

“We feel Asia is currently the most emerging market worldwide with strongest potential in China. China has the absolute will for change and is strongly driving the utilisation of Carbon and Glass fibres for mobility applications. With GON, we gained a top-class partner having an advanced material background and market access as well as the right mind-set to provide Compositence unique know-how with a long termed perspective. By melting GON and Compositence competencies together, we are now able to serve the demand of industry customers worldwide. Compositence will be integral part of GON Composites strategy. We are very happy about the future possibilities and challenges the cooperation with this strong partner will bring us”, says Gregor Weber, CEO of Compositence.

“As an advanced material manufacturer working in high volume application branches such as automotive and consumer goods, we need to expand our materials portfolio towards high performance materials such as carbon fibre reinforced plastics and other composites. We see composite in general as the challenge of the century providing material properties to grow in our target markets. Due to the clear statement of the government of the Peoples Republic of China,

composite will become an integral part of tomorrow's material mix. After screening the technologies available on the market, we understood that preforming is one of the most important part of the value chain and that Compositence technology provides outstanding economics for our target applications. We are very happy to strengthen our portfolio with this unique technology" says Mr. Aiguo Wang, CEO of Qingdao GON Technology Co., Ltd.

"For the last four years, we have supported Compositence in its growth phase and now our engagement has paid off. The company underwent a promising development and is a nice example of how an innovative technology has evolved over the years. With GON Group we found an international player who brings extensive know-how and experience in advanced material manufacturing and helps drive forward Compositence's future innovations. The sale of Compositence is another successful transaction for zfh, bringing a global player to the region. We are pleased that zfh's strategy to settle high tech companies in and near Heilbronn is continuing to unfold," comments Thomas R. Villinger, CEO of zfh.

"Having supported the entrepreneurs since the foundation of the company, I am excited about both the promising perspective under the GON umbrella as well as having realized an Exit for HTGF," adds Benjamin Erhart, Investment Director of HTGF and Board Member of Compositence.

Compositence offers fibre placement plants fully automated producing components made of carbon, glas and natural fibres. The technology is based on proprietary know-how, minimizing waste-rates during the production. Compositence offers plants, components (e.g. preforms, blanks) and accompanying services.

Qingdao GON Technology Co., Ltd. is a public company listed in China Shenzhen Stock Exchange (ticker: 002768). Founded in December 2000, GON is a leader in modified plastic and advanced polymer composite industry. The products have been widely used in home appliances, automotive, electronics, machinery and construction industries. With accumulated years of experience in R&D and production and a deep understanding of the industries and products, GON has developed long-term strategic partnership with Hisense, Haier, Midea, TPV, Xiaomi, Joyoung, LG, BAIC, Changan Automotive and other well-known home appliance and automotive enterprises in China and all over the world. In 2017, GON has been appointed as strategic supplier of Faurecia, the 6th largest international automotive parts manufacturer in the world.

Since it was founded in 2005, **zfhn Zukunftsfonds Heilbronn** has been one of the largest venture capital funds in Germany. It assists primarily young, innovative technology firms that are established in the Heilbronn region or are ready to settle there in the short to medium term. Zukunftsfonds is privately financed and holds hundreds of millions of euros in owner's equity. It supports companies with capital, know-how and contacts in the Heilbronn economic region. Its objective is the continued growth of Heilbronn as a successful technology site. This will also include the setup and expansion of clusters (medtech, biotech, cleantech) on a local level.

High-Tech Gründerfonds (HTGF) is Germany's most active seed stage investor. With about EUR 820 million under management in three funds we provide financing for technology-driven companies active in a wide range of fields, including robotics, IoT and energy, Medtech and Biotech, chemicals and software. Investors in this public-private partnership include the German Federal Ministry of Economics and Energy, the KfW, and strategic corporate investors.

MBG is a private equity company investing in start-ups and entrepreneurs as lead and co-investor. With their promotional regional mandate their task is to improve the financing situation of start-ups and medium-sized enterprises in Baden-Württemberg. This creates the basis for a solid company development and further growth. Its current portfolio consists of 925 investments of a total volume of 259.3 million euros. Although only active in Baden-Württemberg, MBG is Germany's most frequently used private equity investor.

Advisors

M&A Advisor: Dirk Meyer, Okan Celiker, Andre Domes, equinet Bank AG

Legal Advisor: Dr. Tobias Lenz, Lenz Rechtsanwälte

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