

In reference to the press release issued by Rieter Holding AG (SWX: RIEN) on Monday, August 16, 2021, Picanol Group (Picanol nv) would like to respond as follows:

- As a weaving machine manufacturer, Picanol has a long-standing commercial relationship with the controlling shareholder of Saurer Intelligent Technology Co. Ltd. In that capacity, it investigated how it could work with the controlling shareholder to save the European operations of Saurer Intelligent Technology Co. Ltd. that had encountered financial difficulties. However, the discussions have not led Picanol to make a formal offer for the purchase of assets or businesses.

In this context, Picanol Group provided a 20 million EUR credit loan to Saurer Technologies GmbH & Co, whilst not obtaining any preferential rights for the purchase of assets or businesses.

- In addition, upon learning of the financial problems at Saurer, Luc Tack had also informed the CEO of Rieter that this might also represent an opportunity to further strengthen Rieter by acquiring certain parts.
- Luc Tack and Stefaan Haspeslagh respected at all times the rules of governance applicable in the framework of any potential conflict of interest when deliberating or taking decisions on this matter. They neither participated at Rieter in the deliberations nor in the decisions concerning the acquisition of parts of Saurer in the framework of corporate governance nor did they take access to or use information shared through Rieter on the Saurer matter.
- Luc Tack and Stefaan Haspeslagh are convinced that Rieter has been considerably strengthened with the acquisition of parts of Saurer, as Rieter can now offer all types of machines for processing fiber into yarn. In this context, Picanol Group has also offered to Rieter financing through a capital increase for financing part of this acquisition, if the Board of Directors of Rieter should deem it necessary.
- Picanol Group, Luc Tack, and Stefaan Haspeslagh deeply regret the communication and steps taken by Rieter and retain full confidence in Rieter's strategy. Luc Tack and Stefaan Haspeslagh will cooperate with any investigation in order to establish the unfounded nature of any of the allegations made by Rieter.

In March 2021, Picanol Group acquired a 10% minority stake in Rieter Holding AG. Rieter is the world's leading supplier of systems for short-staple fiber spinning.

About Picanol Group

Picanol Group is a diversified industrial group and it is active worldwide in the fields of mechanical engineering, agriculture, food, energy, water management, the efficient (re)use of natural resources and other industrial markets. The group's products are used in a variety of applications, industrial and consumer markets. Picanol Group realized a consolidated turnover of 2.2 billion EUR in 2020. Picanol Group has approximately 7,000 employees worldwide and it is listed on Euronext Brussels (PIC) via Picanol nv.

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This press release is also available on the Picanol Group corporate website:

www.picanolgroup.com.

The Dutch version of this press release is to be considered as the reference.

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