

Media Release

Schaffner sells Power Magnetics Division to AQ Group

Luterbach, 15 April 2021 – Schaffner Holding AG is selling its Power Magnetics Division to the Swedish AQ Group, a global manufacturer of components and systems for industrial applications. The integration into AQ Group will open up new perspectives for the Power Magnetics Division and its employees. The sale will be made at an enterprise value of CHF 22.4 million. The transaction is expected to be closed at the end of the second quarter 2021. The Schaffner Group will focus on its core business of EMC solutions for industrial markets and for e-mobility and invest the funds resulting from the sale into the expansion of these activities.

The Board of Directors of the Schaffner Group has in recent months examined all strategic options regarding the future of the Power Magnetics Division, which is active in the development and manufacture of electrical components and transformers, following its successful turnaround. The Power Magnetics Division has almost no synergies with the Schaffner Group's core business, which is the reason that another industrial owner can offer better development prospects for the Power Magnetics business and its employees. For this reason, the Board of Directors has decided to sell the Power Magnetics Division to the Swedish AQ Group.

Perfect environment for the further development of Power Magnetics

AQ Group, headquartered in Västerås, Sweden, was founded in 1994 as a spin-off from ABB. The group develops, manufactures and distributes components and systems for industrial customers with high demands. AQ Group employs around 5900 people and has a global presence with its operating companies. With its "Inductive Components" business area, AQ Group operates in the same field as Schaffner's Power Magnetics division and serves customers in the railway, industrial and power engineering sectors.

Integration into the AQ Group will open up new prospects for the Power Magnetics Division in terms of technological innovation, market development and future expansion. Attractive career opportunities will also exist for employees and executives within the framework of a strong, globally positioned group.

The AQ Group will take over the Power Magnetics sites in Paderborn (Germany), Kecskemet (Hungary), Wytheville and Roanoke (USA) and the Power Magnetics part in Shanghai with all employees. The Schaffner Group's EMC activities, which are currently also still located in Hungary, will be transferred to Asia.

Schaffner focuses on expanding its core business

Following the disposal of the Power Magnetics Division, Schaffner will focus on its core EMC competence and thus on the higher-margin applications of its business. In addition, Schaffner is achieving a significant reduction in complexity and a leaner cost structure.

As a global leader in EMC solutions, Schaffner serves customers in high-potential industrial markets and in the fast-growing e-mobility field. In industrial markets, Schaffner is already the market leader in applications such as machinery & robotics, medical technology, building technology and energy management, and will continue to expand this position. In addition, Schaffner has launched initiatives to enter growth markets such as lighting and smart grids with new technologies and additions to its product portfolio.

In the automotive market, the focus is on building up with EMC filter solutions and magnetic components for e-mobility a second strong pillar alongside the successful business with antennas for keyless authentication systems. Close development partnerships with leading car manufacturers and their suppliers are already delivering results, underlining the growth opportunities in this fast-growing market.

Contact

Schaffner Holding AG, Investor Relations and Media Office: c/o Dynamics Group, Zurich
Thomas Balmer, +41 79 703 87 28
investor-relations@schaffner.com

Financial calendar

6 May 2021	Publication of half-year results 2020/21
7 December 2021	Publication of annual results 2020/21
11 January 2022	26 th Annual General Meeting

Schaffner – Shaping Electrical Power

The Schaffner Group is a global leader in solutions that ensure the efficient and reliable operation of power electronic systems by shaping electrical power. The Group's portfolio includes EMC filters, power magnetic components, power quality filters and the related services. For the automobile industry, Schaffner develops and manufactures components for antennas for keyless authentication systems, and filter solutions for hybrid and electric vehicles and their charging infrastructure. Schaffner components are also deployed in electronic motor controls, rail technology applications, machine tools and robots, electrical infrastructure, power supplies for electronic devices, and wind power and photovoltaic systems. Headquartered in Switzerland, Schaffner serves its customers globally through its engineering and manufacturing centers in Asia, Europe and North America.