

Press release

6 May 2024

Hempel A/S announces its intent to divest J.W. Ostendorf and Renaulac as next step on strategic journey

The prospective new owner, Fidelium Partners, would take over the production site in Germany and stores in France, together with around 500 employees and a portfolio of customers.

Key messages

- Hempel A/S announces its intention to divest J.W. Ostendorf and Renaulac.
- The sale would include a production site in Germany, stores in France, around 500 employees and a portfolio of customers.
- This sale would see Hempel take the next step on its strategic journey and focus its portfolio on the branded decorative business.
- The sale is expected to be completed in Q3 2024, pending relevant approvals.

Copenhagen, 6 May 2024: World-leading supplier of paint and coatings, Hempel A/S today announces the signing of an agreement to divest its J.W. Ostendorf and Renaulac business in France and Germany to Fidelium Partners, subject to relevant approvals.

The sale of Hempel's predominantly private label business marks the next step on its ambitious growth strategy and brings strategic focus on growing the branded business in its Decorative customer segment.

Hempel acquired the predominantly private label business, J.W. Ostendorf and Renaulac, in 2018. Since then, Hempel has built a portfolio of decorative brands through further acquisitions, which now make up the majority of Hempel's Decorative segment and comprise Farrow & Ball, Crown Paints, Hempel and Watty.

"In pursuit of achieving Hempel's ambitious Double Impact strategy, we have made the strategic decision to focus on our full-service Deco brands within our Decorative segment," says Ana Henriques, Executive Vice President and Head of Decorative at Hempel A/S. "The consequence of that focus is the sale of J.W. Ostendorf and Renaulac. In Fidelium Partners, we have found a committed new prospective owner with a long-term interest in growing the business. We believe that we have found a good new home for our around 500 colleagues from J.W. Ostendorf and Renaulac."

The sale is expected to be completed in Q3 2024, pending relevant approvals. Transactional details will remain confidential, according to the terms of the purchase agreement.

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About Hempel

As a world-leading supplier of trusted coating solutions, Hempel is a global company with strong values, working with customers in the decorative, marine, infrastructure and energy industries. Hempel factories, R&D centres and stock points are established in every region.

Across the globe, Hempel's paints and coatings can be found in almost every country of the world. They protect and beautify buildings, infrastructure and other assets, and play an essential role in our customers' businesses. They help minimise maintenance costs, improve aesthetics and increase energy efficiency.

At Hempel, our purpose is to shape a brighter future with sustainable coating solutions. We firmly believe that we will succeed as a business only if we place sustainability at our heart. Not only is it the right thing to do, it will strengthen our competitive position, make ourselves more resilient and reduce our risk.

Hempel was founded in Copenhagen, Denmark in 1915. It is proudly owned by the Hempel Foundation, which ensures a solid economic base for the Hempel Group and supports cultural, social, humanitarian and scientific purposes around the world. www.hempel.com

About Fidelium Partners

Fidelium is a Munich-based investment firm experienced in complex corporate carve-outs and focuses on businesses with operational improvement potential across Europe.

Backed by a number of German business families, an equity fund of EUR 150m is available for acquisitions, follow-on investments, and add-ons.