

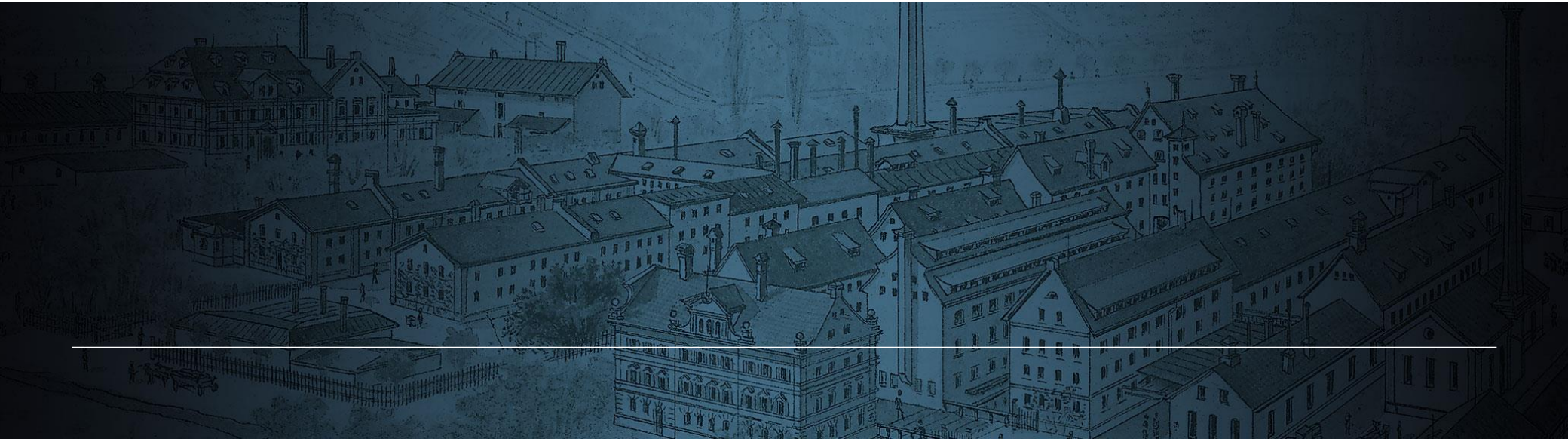
# serafin

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UNTERNEHMENSGRUPPE

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Verantwortung aus Tradition





# Serafin's philosophy builds upon more than 150 years of entrepreneurial tradition of the Haindl family

G. HAINDL'SCHE PAPIERFABRIK  
AUGSBURG

- **1849** Foundation of Haindl Papier in Augsburg
- **2001** Sale of Haindl'sche Papierfabrik to Finnish corporate UPM-Kymmene
- **2010** Foundation of Serafin Group

# The business enabled the family to create values over several generation even in difficult times

- ◆ Haindl Papier was founded in 1849 by Georg Haindl and remained in sole family possession since then
- ◆ With a revenue of € 1,600m and 4,000 employees the company was the largest German paper producer

- ◆ At the time of the sale five family members were active in the company on different levels
- ◆ There were 36 different shareholders with strong varying stakes and several interests

# The paper market for print got more challenging over time

- ◆ In a very cyclical paper market the timing of the sale in 2001 was ideal. This enabled the family to achieve an attractive sale price.
- ◆ The development of the declining paper segment of print media in Europe was foreseen. Substantial growth rates can only be achieved in less developed regions of the world.
- ◆ The necessary investments in developing regions such as Asia were too risky for a mid-sized company as Haindl Papier.
- ◆ The paper industry is very capital and energy intensive.



# The family is a source of strength but also can pose the biggest threat to a company

- ◆ Hard decisions often result in very emotional, thus irrational discussions.
- ◆ Family members often have own interests which are put over company interests.

- ◆ Over time it is more and more difficult to get majority decisions.
- ◆ Conflicts within the family often cost a lot of time and energy.

# Impact of the family business on my personal life

- ◆ Entrepreneurial and ethical values were exemplified by my father.
- ◆ The responsibility to make something with the given chance.

- ◆ Care about the next generation and do not live from the substance.
- ◆ Aim to increase the family fortune but not at all cost.

# Impact of the family business on Serafin

- ◆ Clear strategy of value creation as well as an investment focus need to be the basis for family offices wanting to engage in direct investments.
- ◆ Short end efficient decision-making process with a high flexibility.
- ◆ The positioning in the sales process as a family investor can be beneficial compared to financial investors who are only buying to sell.
- ◆ Long investment horizon and a greater flexibility in return requirements enable families to focus on the sustainable development of their portfolio.

# Impact of the family business on value creation

## Stage 1 Increase in profitability

- » Analysis of existing business processes
- » Implementation of optimisation measures

## Stage 2 Increase in sales in existing and new markets

- » Expansion of business contacts with support from the Serafin network
- » Further business development
- » Investment in research and development projects

## Stage 3 Review of strategic options

- » Identification and execution of add-on acquisitions
- » Extension of product portfolio



# With 4,500 employees Serafin currently generates an annual turnover of €1 bn



Industrial flooring

Sales: €200 m



Hardware

Sales: €170 m



Filaments

Sales: €150 m



Sheets

Sales: €150 m



Sports flooring

Sales: €100 m



Porcelain

Sales: €80 m



Packaging

Sales: €60 m



Shoe accessories

Sales: €30 m



Tools

Sales: €30 m

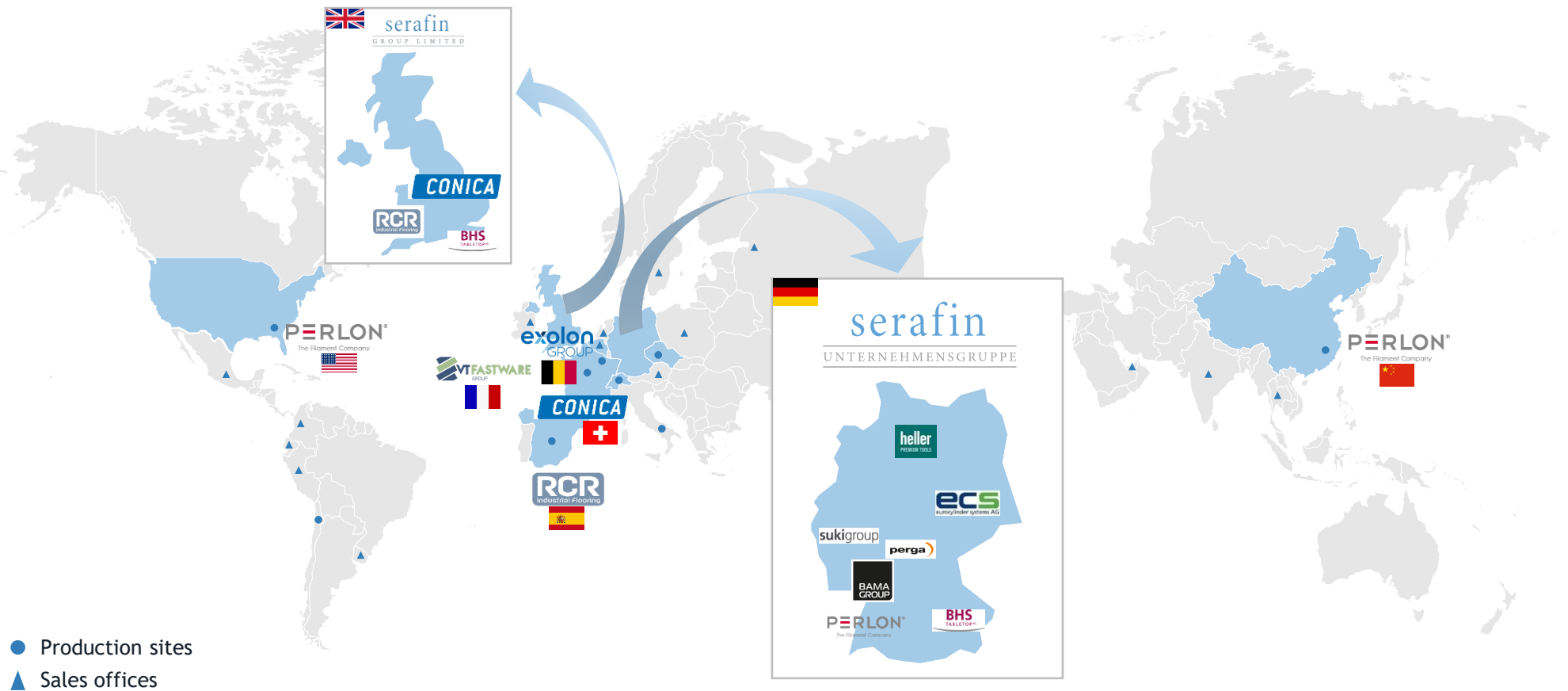
Serafin invests in established mid-sized companies with a business model that can be further improved by implementing operational and strategic measures.



Steel cylinders

Sales: €20 m

# Serafin has a global presence across four continents with production sites and sales offices across 20 countries





# Business development and sustainable value enhancement form the core of the Serafin strategy

## Strategy development

Increase in profitability

Increase in sales in existing and new markets

Review of strategic options



2010  
€40 m  
sales



2014  
€70 m  
sales



2015  
€120 m  
sales



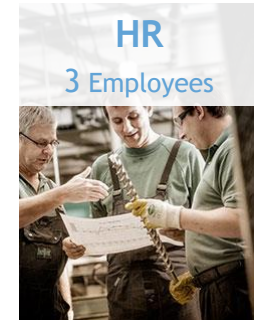
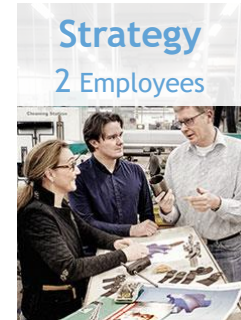
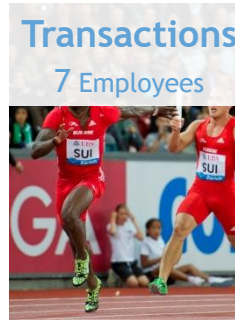
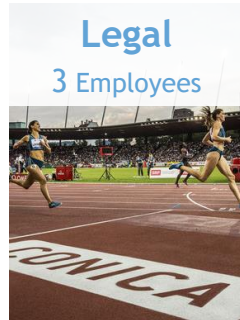
2018  
€150 m  
sales



2025  
€200 m  
sales



# Active support and communication on a regular basis between the company and the Serafin Group



- **Reporting:** Monthly delivery of key financials (P&L, balance sheet, cash-flow statement)
- **Monthly meeting:** Discussion of the business development as well as operating issues
- **Budget & strategy:** Development of short- and long-term planning and meeting with the management of all Serafin companies

# The founders support the managing directors

## Founders



Falk Daum



Philipp Haindl



Dino Kitzinger