

Press Release

Hoftex Group AG – Subsidiary Hoftex GmbH signs agreement to sell Hoftex CoreTech GmbH

Hof, June 19, 2019. Hoftex GmbH, a subsidiary of Hoftex Group AG, signed an agreement yesterday to sell its subsidiary Hoftex CoreTech GmbH to Filidea S.r.l., Biella/Italy. Upon completion of the transaction, all shares and all fixed and current assets will be transferred to Filidea as of September 1, 2019.

Filidea S.r.l. is a joint venture between the Italian company Marchi & Fildi SpA and the Turkish company Abaloğlu Holding A.Ş and is a long-standing business partner of Hoftex GmbH. Filidea S.r.l. manufactures and distributes yarns and twisted yarns for a range of applications, among them protective clothing, furniture manufacturing and circular and flat knitting applications. Filidea S.r.l.'s customers include well-known furniture manufacturers, producers of protective clothing for firefighters and racing suit suppliers for The Formula 1 and the World Rally Championship.

Filidea S.r.l. will acquire and continue all business activities of Hoftex CoreTech GmbH, and Hoftex CoreTech GmbH's entire workforce of approximately 100 employees will be taken over. As a result, Hoftex CoreTech GmbH's operating business at the German Drebach-Venusberg site will continue as usual.

The sale has no effect on the other activities in the Hoftex business unit or in the Tenowo and Neutex business units.

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Note to editors:

Hoftex Group AG (formerly Textilgruppe Hof AG) based in Hof (Bavaria) acts as a financial holding for a group of mid-size companies in the textile industry. In 2018, the group generated consolidated revenues of EUR 174,1 million and currently has around 1,200 employees worldwide. Hoftex Group is one of the largest family-run textile companies in Europe and has left its mark on the international textile industry for over 160 years. The group's main activities are the production of raw and colored yarns, the manufacturing of grey, colored and decorative fabrics and the production of nonwovens for technical applications and the clothing industry. In its three business areas **Hoftex** (yarns & fabrics), **Tenowo** (nonwovens) and **Neutex** (home decoration), the Hoftex Group bundles production, research and development expertise that is unique in the textile industry. Hoftex Group maintains production capacity in Germany, Europe, North America, India and China and delivers its products to leading companies in the automotive, textiles and consumer goods industries, as well as retail. The shares of Hoftex Group AG are listed on the small and mid-cap segment m:access of Munich Stock Exchange.