



HEROSE GMBH - Elly-Heuss-Knapp-Str.12 - 23843 Bad Oldesloe

PRESS RELEASE

Name: Mario Esche
Department: Marketing
Phone: +49 4531 509-0
Fax: +49 4531 509-120
E-Mail: marketing@herose.com

Date: 10th October 2017

HEROSE GROUP AND MACK VALVES ANNOUNCE PARTNERSHIP

The HEROSE Group today announced the successful conclusion of discussions with Australian valve manufacturer Mack Valves, aimed at creating a future industry focussed organisation. This has resulted in an investment in Mack Valves by the HEROSE Group. This investment entails HEROSE taking a majority 51% equity position in the Company, with the Ador Group's equity holding in Mack Valves now at 49%.

The key to this joint venture will be in leveraging the unique cultures that each business has developed through their shared 170+ years of history, to strengthen the new consolidated organisation that has come together as a result of this partnership. Mack Valves will retain its distinct brand, operating as a member of the HEROSE Group and will continue its unique value proposition to customers. Mack's two manufacturing plants (Melbourne, Australia and Pune, India) will see further investment that augments capacities and product spectrums to support the operations and network of both the HEROSE Group and Mack Valves.

Dirk Zschalich, Chairman & Managing Director of HEROSE said, "our investment in Mack is a logical next step in the growth of the HEROSE Group. Mack brings not only additional manufacturing capacity in growth regions today, but also a design capability to support the growth markets that the HEROSE Group is targeting. The combined operation will place HEROSE closer to our customers world-wide and will also place us directly in most continents."

Zschalich also said, "HEROSE has been a high growth organisation for the last 15 years. Our vision is to be able to serve our customers in the entire spectrum of cryogenic applications in industrial gases and in particular mobility based application using LNG and hydrogen for marine, road and aerospace deployments. This investment is the first step by the HEROSE Group in that direction and through this we are very happy to be able to partner with the team at Mack Valves and also include Mack's capabilities and products as an integral part of the HEROSE Group offerings"

Ravin Mirchandani, Chairman Mack Valves said "Mack Valves has been known for innovation and speed to market, always serving pain areas expressed by our customers, in the regions where we operate. HEROSE is the global leader in our industry, with an unquestionable record for excellent quality products, a close relationship with its customer base and a rock-solid sales and distribution network. Bringing these two organisations together places German quality next to Australian innovation, whilst adding a world class manufacturing capability to the combined group in India. We are very excited to be able to bring value to our customers globally through the support of the HEROSE Group and its network."



Mirchandani further said, “we are particularly pleased that through this investment in Mack Valves, our partner for future growth in the industry will be the HEROSE Group. Over the twelve months that we have been in discussions, we have developed a close collaboration and understanding on the future direction of the combined businesses, and share a strong vision and passion for the growth strategy moving forward. In the end, we believe this will be of immense benefit to both our customers.”

A number of synergies have been identified by the teams of both organisations including flexibility in manufacturing, design and customer support. This will place the combined group with manufacturing, customisation and service locations in Germany, China, India and Australia.

Ravin Mirchandani will continue as Director, supporting both Mack Valves and the HEROSE Group. Craig Ehrke, Managing Director Mack Valves Pty Ltd will continue in the role as well. New investments are expected to be made to augment the capacities of the manufacturing plants and add further management depth and strength to the operations in India.

About HEROSE Group

HEROSE provides safety around the world for handling of technical gases, steam and liquids. The 145-year old group has significant experience in the development, manufacture and sale of valves with a high level of innovation and modern production with certified quality management. The HEROSE Group includes HEROSE GmbH & Lorch GmbH in Germany, HEROSE Ltd in the UK, HEROSE Iberica in Spain and HEROSE Valves in China. The company is the largest supplier of cryogenic safety and flow control valves globally and supports the industrial gas, LNG and ultra-cold applications industries.

More information: www.herose.com

About Mack Valves

Mack Valves, established in 1939 is an Australian icon in the valve industry. Mack commenced manufacturing cryogenic valves in 1977 at the request of customers in Australia and has supplied these products in the Australasia and South-East Asia markets since. In 2014 Mack inaugurated a new state of art cryogenic valves manufacturing facility in India. The company today specialises in cryogenic valves, sub sea LNG valves, high flow/ high volume specialised gas oxygen monel valves, and specialised valves for the water industry.

More information: www.mackvalves.com

About Ador Group

The Ador Group was established in 1908 in India and is today the largest welding equipment and consumables manufacturer in the country. The Group also includes companies such as Ador Powertron which provides products and solutions for clean air, defence and traffic infrastructure. Mack Valves has been part of the group since 2014.

More information: www.adorindia.com