

Bad Soden / Frankfurt am Main (Germany)
22 April 2019

Castolin Eutectic strengthens its position for further growth with new shareholder

PARAGON PARTNERS, one of the leading, independent private equity firms in Europe, acquires all shares in Castolin Eutectic (www.castolin.com), the globally leading provider of wear protection and repair solutions for industrial equipment, from the Messer Group.

Headquartered in Kriftel (Germany), Castolin Eutectic provides the full range of consumables, equipment and services in welding, brazing and coating technologies to more than 40,000 customers around the globe. Active for more than 100 years in the maintenance and repair business, the Castolin Eutectic brand is well known for outstanding technical competence and quality.

John Kirkwood (CEO Castolin Eutectic): "We are looking forward to working with PARAGON PARTNERS and are convinced that, together, we can further capitalize on the group's strengths and strong market positioning. Fresh capital will allow us to invest in various strategic initiatives and continue to pursue M&A opportunities".

Dr. Edin Hadzic (Co-founder and Managing Partner of PARAGON PARTNERS) comments: "Castolin Eutectic is the go-to place for industrial wear protection and repair. We are enthusiastic to welcome this industry champion to the PARAGON family and are looking forward to supporting it through the next phase of development".

Stefan Messer, owner of Messer Group and Chairman of the Supervisory Board of MEC Group, adds: "In PARAGON PARTNERS, we have found a professional shareholder with a strong entrepreneurial spirit to whom we

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can entrust our internationally positioned Castolin Eutectic Group. I am sure that Castolin Eutectic will be in very good hands and that, under the leadership of PARAGON, it will continue its successful path of profitable sales growth. Messer will now focus on further strengthening its global industrial, medical and specialty gases business.”

About Castolin Eutectic

Founded in 1906 by Jean-Pierre Wasserman, a pioneer in low temperature cast iron brazing, Castolin Eutectic built a unique reputation in the field of wear protection and repair for industrial equipment by steadily striving for innovation. In six plants across the globe, Castolin Eutectic manufactures a full range of welding, brazing and coating consumables and equipment used in maintenance and repair jobs by more than 40,000 customers and its own service teams. Its more than 1,600 employees generate annual revenues of €300m with customers in more than 50 industries such as machinery & tool building, oil & gas, steel, mining, cement, glass, power generation and agriculture.

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Castolin Eutectic's products are tailored to mitigate wear and abrasion challenges in thousands of unique applications such as coating power plant boilers to avoid corrosion, refurbishing roller mills in concrete plants, hard facing drilling heads for the oil & gas industry, coating corrosive concrete walls of sewage treatment facilities, and refurbishing technical surfaces of construction and agricultural equipment.

A global network of 800 surface protection and repair experts supports customers to find the right solution for their specific wear and abrasion challenges and thus increase the productivity and useful life of their production equipment. This expertise is highly valued by Castolin Eutectic's customers, as downtimes of industrial production equipment can cost millions daily.

With its unique application know-how, Castolin Eutectic is the trusted partner to execute complex maintenance & repair projects. In its service shops and on-site at the customer Castolin Eutectic's 350 employee-strong service team helps customers with highly specialized equipment and materials to refurbish worn-out parts and optimize their physical properties (e.g., harden the surface) to increase uptime.

About MEC Group

MEC (www.mec-holding.de) operates four divisions, who are technology leaders in their segments. Based in Bad Soden (Germany), the company coordinates the global activities of Messer Cutting Systems, Spectron Gas Control Systems and BIT Group. Together with Castolin Eutectic the group generates sales of EUR 575 million with 3,000 employees.

MEC Group is part of Messer World.

About PARAGON PARTNERS

Founded in 2004, PARAGON PARTNERS is one of the leading, independent private equity firms in Europe with more than €1.2bn of equity capital under management. PARAGON PARTNERS works with portfolio companies to achieve sustainable growth, operational excellence and market leadership. PARAGON PARTNERS seeks to unlock value in fundamentally attractive businesses, leveraging its ability to address transactional and operational complexity and transform companies through tailored value creation programs. The firm is based in Munich, Germany. Further information is available at www.paragon.de.

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Messer – Gases for Life

Messer was founded in 1898 and today is the largest family-run specialist for industrial, medical and specialty gases worldwide. Under the brand 'Messer - Gases for Life' the company offers products and services in Europe, Asia and the Americas. The international activities are directed from Bad Soden near Frankfurt am Main. Stefan Messer, owner and CEO of the Messer Group GmbH, works together with about 11,000* employees worldwide according to defined principles: These include customer and employee orientation, responsible behaviour, corporate responsibility, excellence as well as trust and respect.

Messer generated sales of 2.8 billion* euros in 2019.

* Sum of Messer Group and Messer Industries including 100% of the at-equity investment in Messer Industries from 01 March 2019 onwards

<http://www.messergroup.com>

<http://www.gasesforlife.de>

Photographic material:

Photographs relating to Messer can be downloaded in print quality from the press area at www.messergroup.com.

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