
Zbraslavská 27, 159 00 Praha 5, CZECH REPUBLIC

korespondenční adresa: Třebíčská 1507/87, 594 01 Velké Meziříčí, CZECH REPUBLIC

Tel.: +420 566 503 711, Fax: +420 566 503 792, e-mail: info@sanborn.cz, <http://www.sanborn.cz>

Velké Meziříčí, 13.12.2017

Notification of the SANBORN a.s. company ownership transfer

Dear business partners,

We would like to inform you about the transfer of 100% of ownership shares in SANBORN a.s., registered in Zbraslavská 27/29, Malá Chuchle, 159 00 Praha 5, ID: 46966773. Effective December 13th, 2017, the significant majority of shares has been transferred to Genesis Private Equity Fund III ("GPEF III") and minority to BDO Investment SICAV. GPEF III is advised by Genesis Capital. The investment was completed via a specially established company SBIC A.S., owned by GPEF III and BDO Investment SICAV.

Genesis Capital, via its private equity funds, invests into companies in the Czech Republic and Slovakia region and supports them in their further growth and development. During their existence, Genesis funds have supported more than 45 dynamic Czech and Slovak businesses. Many companies have become local leaders in their industries, also thanks to their relationship with the Genesis Capital team of experts. More information can be found on the website www.genesis.cz/en.

In the near future, Genesis Capital plans to merge SBIC A.S., and SANBORN a.s. into SANBORN, a.s. as the continuing company, which will continue to guarantee further solid co-operation for you, our business partners. We will obviously inform you about this step in due course.

Effective December 13th, 2017, SANBORN has changed its statutory representatives to Mr. Aleš Tichý an experienced top manager within the machinery and automotive industry.

All business relations between SANBORN a.s., and your company, as well as the contacts and bank details, remain unchanged.

We look forward to the on-going cooperation.

Sincerely,



Aleš Tichý

Chairman of the Board of Directors



Peter Beck

Member of the Board



GENESIS CAPITAL

GENESIS FUND WILL GAIN A MAJORITY STAKE IN THE MANUFACTURING COMPANY SANBORN

Prague, 29 November 2017

Genesis Private Equity Fund III (GPEF III) will gain a significant majority stake in the manufacturing company Sanborn. The company is focused on manufacturing of specialized parts for equipment in the power, petrochemical and transport industries. With entry of GPEF III, the management team of the company will be strengthened by a new CEO, Mr. Aleš Tichý.

GPEF III will complete its fifth investment in the past two years and will gain a significant majority stake in the company Sanborn. The investment fund BDO Investment SICAV will become a minority co-investor.

Sanborn manufactures and supplies components for the world's leading manufacturers of generators and turbines, energy companies, heating plants and manufacturers of diesel engines. The key clients of the company are leading international industrial conglomerates such as GE, Siemens or Alstom. In 2016, the company generated revenue of up to CZK 437 million.

„Sanborn has a long-lasting tradition and well-established position in the market, which we would like to further develop. From the point of technology and know-how, the company belongs among the best in its field. With the entry of Genesis fund, the company gains a strong capital partner that will help to continue in the organic growth and client base expansion,“ says Jan Tauber, managing partner of Genesis Capital, which operates as an advisor to the Genesis funds.

Mr. Aleš Tichý will become the new Chairman of the Board of Directors. He is a manager with broad experience from top management roles at industrial companies and firms engaged in supply of components to the automotive industry. *„Besides the growth prospects of the company, I believe that my professional experience from the industry can also help increase efficiency and optimization of production processes and internal operations of the company“,* says Aleš Tichý.

„Sanborn has a strong growth potential. The company will be able to expand its operations into new fields and markets,“ agree the departing members of the Board of Directors, Mr. Anthony Zak and Mr. Milan Holub. *„We are convinced that the Genesis fund, as the new majority owner, together with the new management team and the advisory company BDO will support the firm in its further growth, which will follow up on its already strong and established market position,“* adds Anthony Zak.

The deal was signed at the end of November and the closing is planned for the beginning of December 2017. *„We look forward to cooperation with the current employees and the new management team of Sanborn.“* concludes Jan Tauber.



GENESIS CAPITAL

About Sanborn

The history of the company dates back to the 1920s. Currently, the company manufactures and supplies components for the world's leading manufacturers of generators and turbines, energy companies, heating plants and manufacturers of diesel engines. The major clients of the company include international industrial conglomerates such as GE, Siemens, Alstom, Dresser-Rand or MAN Group. For all its clients the company operates as a long-term certified supplier. The production of Sanborn is exported to several countries around the world. Approximately 40% of production is exported to North America, 40% to the EU and the remaining volumes to the rest of the world. The company's production site is located in Velké Meziříčí. In the last years, majority of the production site was renovated and modernized, with the production and warehouse areas enlarged in order to improve the production processes and sustain the high quality requirements. In 2016, the company generated revenue of up to CZK 437 million and employed over 200 employees.

More at www.sanborn.cz

About Genesis Capital

Genesis Capital provides advisory services to private equity funds offering access to financing for growth and development of small and medium-sized companies in the Czech Republic and Slovakia. Since its foundation in 1999, Genesis Capital has provided consultancy to four private equity funds with a cumulative size exceeding EUR 170 million. These funds supported over 47 firms, having invested over CZK 3 billion. Many of those firms became leaders in their respective fields also thanks to their cooperation with Genesis.

Currently, the Genesis Private Equity Fund III (GPEF III) with the size of over EUR 80 million is actively investing. Similar to its predecessors, GPEF III focuses on investments into small and medium-sized enterprises in the Czech Republic and Slovakia, with the option to allocate part of the resources also to direct investments in Poland, Hungary and Austria.

Investors in GPEF III are mostly local and international institutions and investment firms such as the European Investment Fund (EIF), Česká spořitelna (member of Erste Group), Amundi Czech Republic (member of international group Amundi), Kooperativa pojišťovna and Česká podnikatelská pojišťovna (both members of Vienna Insurance Group), a Finnish fund-of-funds firm eQ Private Equity, a pension fund of a renowned global company, and a Czech family office.

Currently, the Genesis funds hold shares in the following companies: KS Klima-Service, GTH catering, Aranea, 3070, Quinta-Analytica, POS Media, HP Tronic/Datart and D2G.

For more information, please visit www.genesis.cz/en.

CONTACT FOR MEDIA:

Ivo Měšťánek, CHM Communications

PR representation of Genesis Capital

mail: mestanek@chmc.cz; tel.: 775 724 006