

## Press release

### **Semperit invests over 100 million into the world's first carbon-neutral hose production facilities**

- New hall for highly automated production of hydraulic hoses in the Czech Republic
- Production capacity increased by 32 million metres of hydraulic hose to almost 200 million metres of hose per year
- Total investment amounts to around EUR 110 million
- EUR 260 million in total invested into flagship factory in Odry in the Czech Republic since 1998

Vienna, Austria/Odry, Czech Republic, 13 July 2022 – Alongside ongoing M&A activities, the publicly listed Semperit Group has set out its plan to boost organic growth at its huge hose factory in Odry in the Czech Republic. A total of EUR 110 million will be invested into extending one of the world's largest production facilities for industrial and hydraulic hoses over the next few years, with a focus on sustainability and automation. Operations are set to start up in the new production hall in 2025, where an extra 32 million metres of hydraulic hose will be added to the current production capacity.

This project is the final stage of a plan to increase capacity that has seen investments made into all hose factories, including in China and in Thailand (in that case together with long-time joint venture partner Sri Trang Group). "By investing heavily in Odry, the Semperit Executive Board will be guaranteeing the ongoing organic growth of Semperflex, our successful hose division, and ensuring that we can continue to support our customers who are on track for exceptional expansion in the future," says Karl Haider, CEO of the Semperit Group. Gerfried Eder, Managing Director of Semperflex, adds: "Being located close to our customers in Europe, a key market for us, brings us benefits like more manageable supply chains, faster deliveries, reduced carbon emissions, and savings on transportation. From this strong position, we can aim to disproportionately increase our market and supply share and achieve continued growth above the market average."

### **Hydraulic hoses go green**

Hose production will be powered exclusively by renewable energy at what will be the world's first carbon-neutral hose production facilities. Even though capacity will be increased, the overall water consumption in Odry will drop by around 30% once the new hall is finished. With the flow of goods to be optimised, lead times will be improved too. "Every step of the production process that can be automated will be automated. This means we will be raising the bar for staff productivity, process stability, and consistent product quality higher than ever before," says Michael Adelbauer, Director of Operations at Semperflex. "We will also be making life easier for our employees and removing elements of their jobs requiring physical effort and exertion, meaning that almost every step in our workflows could be performed by anyone of any gender."

### **Forever sharpening the competitive edge**

Semperit's Semperflex segment, which accounted for around 29% of the Semperit Group's total revenue in the first quarter of 2022, produces hydraulic and industrial hoses at sites in Austria, Thailand, and China in addition to the Czech Republic. Sustained efforts to increase capacity and maintain the highest of quality standards has seen Semperit become the third top

company for hydraulic hoses in the world and reach second position for industrial hoses in Europe. Its customer database is full of well-known manufacturers of cranes, agricultural machinery, excavators, and construction machinery.

**Photo download**, please click [here](#)

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**About Semperit**

The publicly listed company Semperit AG Holding is an internationally oriented group that develops and produces highly specialised rubber products for the industrial and medical sectors, selling them in over 100 countries around the world: hydraulic and industrial hoses, conveyor belts, escalator handrails, construction profiles, cable car rings, products for railway superstructures, and examination and surgical gloves. Founded in 1824, this long-standing Austrian company has its headquarters in Vienna, Austria. The Semperit Group employs around 7,000 people worldwide, including some 3,800 in Asia and approximately 900 in Austria (Vienna and production site Wimpassing, Lower Austria). The Group has 16 manufacturing facilities worldwide and numerous sales offices in Europe, Asia, Australia, and America. In 2021, the Group generated revenue of EUR 1,182.2 million and an EBITDA of EUR 361.8 million.