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Axalta Expands Energy Solutions Portfolio With Acquisition Of Leading Chinese Producer Of Wire Enamels For Electric Devices

Highly synergistic acquisition reinforces strategy to accelerate growth in technology solutions, electronics, and thermal management related coatings.

SHANGHAI, March 15, 2021 /PRNewswire/ -- Axalta (NYSE: AXTA), a leading global supplier of liquid and powder coatings, announced today that it has entered into a definitive agreement to acquire Anhui Shengran Insulating Materials Co., Ltd. ("Anhui Shengran"), a leading Chinese producer of high-quality wire enamels used in a wide range of consumer electronics, electric vehicle, and industrial applications. The transaction is expected to close in the second quarter of 2021, subject to customary closing conditions. Financial terms have not been disclosed.



The addition of Anhui Shengran will be highly complementary to Axalta's existing Energy Solutions portfolio. The acquisition will add new wire enamel products and capabilities to enhance our offerings to customers across several end markets, including automotive, renewable energy, and consumer electronics. The additional production capacity will further support Axalta's expansion in rapidly growing Asian markets.

"Anhui Shengran's wire enamel products and capabilities are highly complementary to our growing Energy Solutions business," said Shelley Bausch, Senior Vice President of Global Industrial Coatings at Axalta. "This will be a solid platform for further specialization and growth as we support key customers in China. I am also excited to welcome the Anhui Shengran team to Axalta."

"It was important to me that we were acquired by a company I could trust to treat my employees well, and I believe Anhui Shengran is in good hands," said Zhangying Tu, Executive Director of Anhui Shengran. "We are excited to become part of Axalta, and we look forward to working together to add value and increase market share in the growing Energy Solutions market in China."

With three distinctive product segments – wire enamels, impregnating resins and electrical steel coatings – Axalta's Energy Solutions business provides a comprehensive portfolio of innovative and ecologically responsible insulating solutions for customers in new energy vehicles and other industrial markets. Axalta's products improve the efficiency of electric motors, extend the longevity of treated parts, and help customers meet sustainability goals and requirements.

For more than 75 years, Axalta's Energy Solutions business has been a global leader in the manufacturing of high-quality and high-performance electrical insulating materials. Through improved utilization of operating synergies, R&D capacity development and the enrichment of its our product portfolio, Axalta is rapidly growing its wire enamel product offerings globally and in China.

About Axalta

Axalta is a global leader in the coatings industry, providing customers with innovative, colorful, beautiful and sustainable coatings solutions. From light vehicles, commercial vehicles, and refinish applications to electric motors, building facades and other industrial applications, our coatings are designed to prevent corrosion, increase productivity and enhance durability. With more than 150 years of experience in the coatings industry, the global team at Axalta continues to find ways to serve our more than 100,000 customers in over 130 countries better every day with the finest coatings, application systems and technology. For more information, visit axalta.com and follow us @axalta on Twitter.


Cautionary Statement Concerning Forward-Looking Statements

This release may contain certain forward-looking statements regarding Axalta and its subsidiaries (including descriptions of the timing and expected benefits of the acquisition of Anhui Shengran Insulating Materials Co., Ltd.). Forward-looking statements are based on management's expectations as well as estimates and assumptions prepared by management that, although they believe to be reasonable, are inherently uncertain. These statements may involve risks and uncertainties, including, but not limited to, the satisfaction of the closing conditions of the transaction (including regulatory approvals), the parties' ability to consummate the transaction on the anticipated terms and schedule, and the

parties' ability to achieve the expected benefits of the transaction. Axalta undertakes no obligation to update or revise any of the forward-looking statements contained herein, whether as a result of new information, future events or otherwise.

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