

SMT Scharf AG strengthens market position in Africa

Hamm, April 10, 2019 – SMT Scharf AG (WKN 575198, ISIN DE0005751986), a leading global provider of customised transportation solutions and logistics systems for underground mining, announces that a 30 percent interest in its wholly owned subsidiary SMT Scharf Africa (Pty.) Ltd. has been sold to AERO AFRICA LEASINGS (Pty.) Ltd. The parties have agreed on a purchase price in the lower seven-digit range in euros. SMT Scharf is thereby consolidating its market position in South Africa and is now also in alignment with Broad-Based Black Economic Empowerment (B-BBEE) in this context.

With its B-BBEE policy, the South African government is pursuing the goal of promoting equal economic opportunities for formerly disadvantaged citizens in South Africa. Hans Joachim Theiss, CEO of SMT Scharf AG, comments: "As part of our growth strategy, we are also striving to expand our business in Africa. This sale strengthens our competitive position in South Africa and creates the conditions for our future growth in the African market."

South Africa is one of SMT Scharf's most important foreign markets, accounting for EUR 7.9 million of revenue in the 2018 fiscal year. Responding to the special requirements of underground mining in South Africa, SMT Scharf has developed specific chair lift systems for safe passenger transport over long distances with horizontal and vertical curves. By expanding its product range to include rubber-tyred vehicles in the past fiscal year, SMT Scharf is also able to offer additional individual transport solutions to mine operators in the African market. "South Africa forms a bridgehead to sub-Saharan countries for SMT Scharf. As the market leader for chairlifts in hard rock mining, we also expect that our business with rubber-tyred vehicles will grow," notes Theiss.

Company profile

The SMT Scharf Group develops, manufactures and services transportation equipment for underground mining as well as for tunnel construction. The main products are captivated railway systems that are deployed all over the world, primarily in hard coal mines, but also in mines for gold, platinum and other metals. They are required in order to transport material and personnel with payloads of up to 48 tonnes and on gradients of up to 30 degrees. In addition, SMT Scharf supplies the mining sector with chairlifts. Through the newly acquired mining specialist RDH Mining Equipment, the company also offers rubber-tyred diesel and electric vehicles for mining and tunnel construction. As a leading supplier of battery-operated vehicles harnessing lithium-iron technology for underground mining, RDH completes the portfolio of SMT Scharf with its varied product portfolio, ranging from front-end loaders and scissor lifts through to underground trucks. Overall, the SMT Scharf Group is active with subsidiaries in eight countries, as well as commercial agencies worldwide. SMT Scharf generates a large share of its revenue in growing foreign markets such as China, Russia, Poland and South Africa. SMT Scharf AG has been listed in the Prime Standard (Regulated Market) of the Frankfurt Stock Exchange since 2007.

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