



Initial Public Offering of China Specialty Glass AG - July 2011



Transaction Description

- Issuer: China Specialty Glass AG (Grünwald, Germany)
- Issue type: Initial Public Offering
- Number of shares: 3.000.000 ordinary bearer shares
 - 2,650,000 shares from a capital increase
 - 350,000 greenshoe shares from existing investors
- Issue size: €27.0m
- Offering price: €9.00
- Free float: Approx. 29%
- Listing: Prime Standard of the Frankfurt Stock Exchange
- Ticker symbol: 8GS (WKN: A1EL8Y)

Transaction Highlights

- VISCARDI acted as Sole Global Coordinator, Joint Lead Manager and Joint Bookrunner in the IPO of China Specialty Glass
- VISCARDI also acted as M&A adviser to China Specialty Glass with regard to the exclusive distribution agreement with Saint-Gobain
- VISCARDI originated both transactions, provided deal structuring advice and was responsible for the close communication with the company's shareholders and other advisers
- The transactions were successfully executed against a background of difficult IPO market conditions in particular for companies of Chinese origin (timing overlap with SinoForest scandal)

About China Specialty Glass AG

- China Specialty Glass is a specialty glass producer offering two main product categories under the "HingWah" brand : security glass (including bulletproof glass and intruder resistant glass mainly used in the banking and automotive industry) and construction glass (including specialty glass for the construction industry)
- China Specialty Glass has a remarkable financial track record, increasing its topline in 2010 by 37% to €70m as well as outstanding profitability levels with a net income margin of approx. 32% in 2010
- China Specialty Glass' corporate predecessor was founded in 1994
- Its existing operative facility is located in Guangzhou, Guangdong Province, China and the group currently employs approx. 450 people
- Within the security glass market, the company holds a monopolist-like market position. China Specialty Glass is an industry pioneer and innovator and was the first to develop bulletproof glass "made-in-China"

Exclusive Distribution Agreement with Saint-Gobain

- In May 2011, global market leader Compagnie de Saint-Gobain signed a 10-year exclusive distribution agreement with China Specialty Glass for the Chinese market
- China Specialty Glass will distribute the high-end Quantum Glass series (www.quantumglass.com) for Saint-Gobain
- Saint-Gobain will provide technical training as well as significant marketing and sales support to China Specialty Glass
- Purchase prices and minimum purchase volumes are subject to yearly renegotiations