

Press release

BHS tabletop AG is planning extensive changes

Reduction of around 250 jobs in a socially responsible manner // Objective: stable, sustainable, more competitive on a global scale // additional financing confirmed

Selb, 30 July 2020. BHS tabletop AG is planning to implement extensive structural and organizational changes. The aim is to make the company more stable, more competitive internationally and, all in all, ready for the future. The changes will contribute to securing a large number of jobs in northern Bavaria for the long term. The company today informed the workforce of the immediate effects.

It is quite certain that BHS tabletop AG will reduce around 250 jobs as socially responsible as possible after having implemented immediate measures. Until end of 2021 the corporate restructuring will include all locations in northern Bavaria and all divisions of the company – from production to logistics to sales, marketing and administration. There are no plans for additional personnel cuts.

‘BHS will continue to play a key role in the economic structure of northern Bavaria. However, to do so, it needs to become more resilient and more efficient structurally. At the same time, it also needs to have the financial strength to continue investing in more flexible, energy-efficient production, in rapidly developing digitisation and in ensuring far closer proximity to end customers,’ CEO Gerhard Schwalber explained.

Gerhard Schwalber reveals that BHS tabletop is currently facing unprecedented challenges. The porcelain market is continuing to consolidate, while competitors from the United Kingdom, the Middle East and the Far East are now more agile and are no longer just ‘cheap’. Added to this is the pressure from continuously rising energy taxes. According to Schwalber, Covid-19 and the global, long-term consequences for the most important customer groups of BHS – hotels and

restaurants, canteens, cruise lines and airlines – have exacerbated the situation. The goal is to reduce operating costs significantly in order to be more competitive in the medium term.

Additional financing confirmed

Amidst the current corona and economic crisis BHS tabletop AG has meanwhile managed to secure breathing space in terms of additional financing. The house banks, LfA Förderbank Bayern and majority shareholder Serafin group of companies have agreed to provide funds in the tens of millions. For the loans the house banks charge interest at a rate usual in the market and the full amount has to be repaid in the next few years. The support from Serafin is divided into an eight-digit amount, which strengthens both liquidity and equity and will remain in the company, meaning that it does not have to be repaid. In addition, further eight-digit guarantees were provided to secure bank financing.

This additional financing is essential to ensure scope for changes and necessary investments. Conversely, the planned personnel and structural cuts are needed to repay the loans and deal with times of crisis and anticipated low turnover.

Gerhard Schwalber: 'We are certain that these cuts are unavoidable and correct. Ultimately, the transformation process initiated today will significantly strengthen BHS tabletop's position in the market. We will be more robust, especially during times of recession and crises.'

About BHS tabletop:

BHS tabletop AG (www.bhs-tabletop.de) is part of the Serafin Group, whose philosophy is based on the 150 years of entrepreneurial tradition of the shareholder family. Based on the guiding principle of 'responsibility borne out of tradition', Serafin invests in companies to develop them in accordance with all interest groups. Support is provided by the experienced members of the advisory board Professor Bernd Gottschalk, Wolfgang Ley and Professor Heinrich von Pierer.

www.serafin-gruppe.de/en

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