

# INTEK GROUP

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## **PRESS RELEASE**

### **KME SIGNED AN AGREEMENT TO TRANSFER THE CONTROL OF FRENCH AND ITALIAN TUBES AND COPPER RODS BUSINESSES**

KME AG, holding of the Copper business sector and wholly owned subsidiary of Intek Group SpA, signed an agreement with Cupori Ltd. for the sale of 60% of KME France S.A.S.' share capital, limited to Givet and Niederbruck plants and the related activities respectively in tubes (Givet) and copper rods (Niederbruck), as well as the tubes activity carried out in the Italian plant of Serravalle Scrivia, which is today a division of KME Italy S.p.A.

The transaction does not include other business divisions, plants and assets presently held in KME France S.A.S. and KME Italy S.p.A.

The main target of the transaction is the creation of a solid industrial player in the above mentioned sectors, mainly driven by industrial synergies with Cupori OY, 100% owned by Cupori Ltd., and by the significant labor costs optimization of KME France S.A.S. negotiated in November with the French Unions jointly with Cupori.

Last June KME France S.A.S. had announced the Givet plant closure and started the consultation procedure with French Unions about it. The transaction with Cupori is therefore a satisfactory solution for the KME Group, because it enables to start a new positive development in France, avoiding the announced closure of Givet plant by consequently keeping almost the current employment level.

KME will hold 40% of KME France S.A.S. share capital, that will change its company name, subscribing pro-quota a share capital increase of 10 million euro necessary to finance the restructuring and future company development needs.

A shareholders' agreement will govern the relations between KME AG and Cupori Ltd.

This transaction involves over 600 employees, with an annual consolidated turnover of around 270 million euro and is subject to conditions precedent, including antitrust procedure.

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*This press release is available on the website [www.itkgroup.it](http://www.itkgroup.it) through which it is possible to request information directly from the Company (telephone: 02-806291; e-mail: [info@itk.it](mailto:info@itk.it)) or through the NIS-Storage system which is operated by Blt Market Services at: [www.emarketstorage.com](http://www.emarketstorage.com).*