

KME Group SpA
Registered Office: 20121 Milan (MI) Foro Buonaparte, 44
Share Capital: Euro 200,070,087.67 fully paid-in
Milan Company Register – Tax I.D. Nr. 00931330583
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PRESS RELEASE

KME GROUP: EXECUTED TODAY THE SALE AND LEASE BACK AGREEMENT OF THE OSNABRÜCK PLANT WITH CRESCENDO

Milan, 29th December 2022 – Following the press release published on 27th September 2022 KME Group S.p.A. announces that today its controlled entities KME Real Estate GmbH & Co. KG, as seller (“**KME RE**”), and KME Germany GmbH, as tenant (“**KME Germany**” or “**Tenant**”), have executed the sale and leaseback agreement with Crescendo Real Estate Advisors LLP (“**Crescendo**”), a principal investing and advisory group. As already announced, the agreement involves the KME RE’s property based in Osnabrück (“**Property**”), with a site area of more than 570,000 sqm, occupied by industrial activities and office buildings.

Today the Property ownership passed from KME RE to Crescendo and a lease agreement of the whole Property with KME Germany GmbH started for a period of 30+10+10 years. The lease is a triple net agreement and the Tenant will remain the solely manager of the site, continuing to run all production facilities on the site as well as the offices. It was agreed an annual passing rent of €7,08 million plus VAT that it is subject to an annual CPI indexation (German index reference utilised for lease agreement indexation). KME will continue to sublet, to its current subtenants, those areas of the Property, currently subleased for a sub rent revenue amounting to approximately €2,5 million plus VAT.

The closing of the transaction allowed KME to cash in €90 million, entirely utilised for the partial repayment of the €110 million Goldman Sachs Bank USA facility, drawn on December 8th for the early redemption of the outstanding 2023 senior secured notes.

The transaction further contributes to the group’s target of progressive deleveraging, also supporting further growth of KME’s core business.

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KME Group S.p.A, listed on Milan Stock Exchange, is the holding company of KME, one of the world's largest manufacturers of copper and copper alloy products, focused on rolled products, with a European footprint and worldwide distribution network.

Crescendo was formed by Cabot Lodge and Daniel Quai in 2013 as an independent principal real estate investment and advisory firm. It invests capital on behalf of institutional clients, asset managers, single and multi-family offices. Crescendo is focused on two main strategies in the UK/Europe:

- **Net lease:** provision of net lease finance on strategically important commercial real estate let on a long-term lease to credit-worthy tenants.
- **Real estate debt:** provision of senior, mezzanine and preferred equity capital to small-to-medium sized developers and real estate operating companies.

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The press release is available on the Company’s website, www.itkgroup.it. Additional information may be directly requested from the Company (telephone number +39.02.806291; e.mail: info@itk.it) and through the “eMarket STORAGE” system at the address: www.emarketstorage.com.