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Testo del comunicato

Vedi allegato.

INTEK GROUP

Registered Office: 20121 Milan (MI) Foro Buonaparte, 44
Share Capital: Euro 335.069.210,90, fully paid-in
Milan Company Register – Tax I.D. Nr. 00931330583
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PRESS RELEASE

KME finalized the agreement with Paragon for the transfer of control of Special Business

Milan, 18th December 2021 - Intek Group S.p.A., investment company listed at the Milan Stock Exchange, announces today the signing of the final agreement between its controlled companies KME SE (“**KME**”) and KME Special Products GmbH & Co. KG (together “**KME group**”) and The Paragon Fund III (hereinafter “**Paragon**”) for the transfer of control of the Special business of KME group.

The executed agreement, by which the Special business will be contributed to a newco (“**Newco**”) owned 55% by Paragon and 45% by KME group, is the result of the fulfillment of conditions underlying the agreement reached between the parties on 15th June 2021, as already announced to the market.

With a commercial presence in over 70 countries, KME Special business has a highly recognized worldwide leadership in the production of copper moulds for the global steel industry as well as in the manufacturing of high corrosion resistance products mainly used in the naval and petrochemical industries. Perimeter of the transaction includes four manufacturing plants (based in Germany, Italy, US and China) as well as seven fully dedicated service centers (based in India, Mexico, Turkey, Spain, Russia and Ukraine) with over 1000 employees worldwide, revenues of around € 260 million and Ebitda of around € 44 million in Y2020.

The transaction includes also the execution, at closing, of ancillary agreements - both transitional and long term - between KME group and Newco, e.g. Service, Lease and Supply agreements, as well as a shareholders agreement (the “Shareholders’ Agreement”) regulating the relationships between the joint venture shareholders during the investment period and at exit.

Closing of the transaction will be only subject to the merger control clearance by the German and Austrian competition authorities. The transaction is financed by Paragon’s own/managed funds and a dedicated financing package provided by Hayfin Capital Management.

At closing, KME will cash in a net amount of around € 200 million after a repayment of around € 20 million of intragroup working capital facilities and after having provided a € 32 million shareholder loan (the “KME vendor loan”) to Newco.

The transaction will significantly improve KME net worth and reduce its net financial position pushing forward the overall group strategy of focusing on the core business of Rolled Products, that is expected to be very positive in this decade, also through additional add-ons. Finally, through the joint venture structure, KME group will participate in the future value creation of Special business led by Paragon, with strong and solid opportunities to further increase the return out of the current transaction.

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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 operated by Spafid Connect SpA at the address: www.emarketstorage.com.

Fine Comunicato n.0240-88

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