

PRESS RELEASE 19/11/2021

Elcowire acquires KME's Rod and Wire Business

Elcowire has entered into an agreement to acquire KME's Rod and Wire assets and business located in Hettstedt, Germany with 180 employees. For Elcowire this means a doubling the capacity to 300'000MT for Copper Rod and adding a large share of the market with a wide range of capabilities for Wire & Strands solutions.

Acquiring the Rod and Wire business from KME will strengthen Elcowire and give access to a larger customer base and product portfolio, as well as expanding the geographical coverage. The combined capabilities will enable Elcowire to meet the increased demand for refined copper needed for the transformation to sustainable energy and electrification.

"The acquisition has a perfect strategic fit and will add capacity and capability for a wider product range as well as being able to serve a larger market with our solutions, which substantially will contribute to lower the CO2 footprint," says Paul Gustavsson, CEO Elcowire Group.

Together with the acquisition and the current operations in Sweden and Germany, Elcowire will be a much stronger player in the Rod and Wire business and be able to build further on its value-added offering in Elcowire's other Business Units; High Voltage, Rail and Specials. The closing of the transaction is subject to regulatory approval.

Elcowire also announces the divestment of its Chinese subsidiary, located in Taicang, China, to a local investor acting in the commutator industry. The closing of the divestment took place in October 2021. The Chinese operation was concentrated on Commutator profiles only and had no synergies with the rest of Elcowire.

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About

Elcowire is one of the leading suppliers in Europe, developing products and services based on copper and aluminium wire rod for the electrical and infrastructure industry. Operations are located in Sweden and Germany. Elcowire consists of four business units: Rod, Rail, High Voltage and Specials. Elcowire employ 200 people. <https://elcowire.com>

Elcowire is one of seven wholly-owned holdings of the family-owned **Liljedahl Group**. Liljedahl Group is also the principal owner of the listed company Bufab AB (publ). The Group has 1,400 employees <https://liljedahlgroup.com>

KME Group is one of the world's largest manufacturers of copper and copper alloy products and high-performance copper and copper alloy special products. KME produces around 360 thousand tons of products annually, such sheets, strip, wire, bars, pipes and special products. KME has around 3.800 employees, production site in Germany, France, Italy, China and USA and a worldwide sales network.

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