

Press release

Emak sells 100% of Raico S.r.l. share capital to Kramp

Bagnolo in Piano (RE), 6 March 2018 – Emak S.p.A. (MTA, STAR), parent company of one of world major groups working in the sectors of *outdoor power equipment, pumps and water jetting*, and of the related *components and accessories*, announces that today has signed a binding agreement for the sale to Kramp S.r.l., Italian subsidiary headquartered in Reggio Emilia of the Kramp Groep, a European leader in the distribution of spare parts and accessories for the agricultural sector, of 100% of the share capital of Raico Srl. This agreement provides for a consideration of 5.5 million euros.

Raico is specialised in the distribution of spare parts and accessories for agricultural tractors, industrial and construction machines, with a turnover of around 12.8 million Euro, EBITDA of 0.5 million Euro and a net negative financial position of 0.7 million Euro at 31 December 2017.

The binding offer sets out that the closing is subject to the usual obligations and conditions typical for such a deal. Closing is expected within the current month of March.

Kramp Groep is Europe's largest technical wholesaler that supplies a complete range of products and services to dealers and repair companies in the agriculture, horticulture and forestry sectors. An extensive product range, high stock levels, fast deliveries and the perfect e-business solution make Kramp a reliable and indispensable business partner for its customers. Set up in 1951, Kramp is headquartered in Varsseveld in the Netherlands and operates in almost all European countries.

The President of Emak, Fausto Bellamico, comments: *"This operation strengthens the existing commercial collaboration between Emak and Kramp. At the same time, we are convinced that joining the Kramp Groep represents an excellent opportunity for Raico to further enhance its skills."*

Kramp currently has a sales office in Reggio Emilia and the products for the Italian market are delivered from the German warehouse. The CEO of Kramp, Eddie Perdok, comments: *'As Kramp we have the objective to become the essential partner in parts and accessories for the agricultural industry. In Italy we are relatively small and with the acquisition of Raico we can strengthen our position in the Italian market. The two companies will be merged into one location and we have the ambition to build a new warehouse with offices in the area of Reggio Emilia to boost our business in Italy and provide the best service to our customers. With the acquisition of Raico we can benefit from the technical and market knowledge of the Raico employees.'*

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Emak Group develops, produces and distributes a wide range of products in three business areas: (i) outdoor power equipment, which includes products for gardening, forestry and agriculture such as trimmers, lawn mowers, garden tractors, chain saws, tillers, rotary tiller; (ii) pumps and high pressure water jetting including products (a) for agriculture as centrifugal and diaphragm pumps for spraying and weeding; (b) for industry, including industrial pumps, high and high pressure systems and urban cleaning equipment; (c) for cleaning, as professional and semiprofessional high pressure washers, floor scrubbers and vacuum cleaners; (iii) components and accessories for the abovementioned sectors, the most representative of which are line and heads for trimmers, accessories for chain saws (i.e. sharpeners), guns, nozzles and valves for high pressure washers and agricultural applications, precision farming (sensors and computers), seats and technical spare parts for tractors.