

Press Release
TKH Group N.V. (TKH)

TKH divests ZTC in China

TKH Group NV ('TKH') announces that it has reached agreement with Shanghai Electric Group Company Ltd. ('Shanghai Electric') in Shanghai (China), about the takeover of 95% of the shares of Zhangjiagang Twentsche Cable Co. Ltd. ('ZTC') in Zhangjiagang (China), and the remaining 5% by key management of ZTC.

ZTC specializes in manufacturing of copper data communication cables. The activities will be divested for an Enterprise Value of € 31 million. In 2018, the turnover of ZTC totalled € 67.5 million with an EBITA of € 4.7 million and 194 FTE. The activities of ZTC belong to the sub-segment building connectivity systems, within the business segment Building Solutions.

The transaction is expected to be closed within the coming four months and will result in a one off net profit contribution of € 3 million.

Alexander van der Lof, CEO of technology company TKH: *"The divestment of ZTC is part of the "Simplify and Accelerate" program in which we announced, among others, to intensify the divestment of certain activities to support a more focused value creation. With Shanghai Electric, we have found a good environment for the growth opportunities of ZTC."*

Weihua Xiao, President of Power Transmission and Distribution Group of Shanghai Electric: *"The acquisition of ZTC is a next step in our expansion strategy to grow into more integrated connectivity propositions. We can now enter into the structured cabling business, expand our solutions and services, and establish more cooperation with ZTC's first-tier customers."*

Haaksbergen, 14 November 2019

Executive Board

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Financial calendar

18 November 2019	Market Update
6 March 2020	Publication FY results 2019
7 May 2020	General Meeting of Shareholders
11 August 2020	Publication interim results 2020



Profile TKH Group NV

Technology firm TKH Group NV (TKH) is focused on high-end innovative technologies in high growth markets within three business segments: Telecom, Building and Industrial Solutions.

Through a combination of technologies, TKH offers superior solutions that support to increase the efficiency, safety and security of its customers. The technologies are offered together with software to create smart technologies and one-stop-shop solutions with plug-and-play integrated technologies.

TKH operates on a global scale. Its growth is concentrated in Europe, North America and Asia. Employing 6,533 people, TKH achieved a turnover of € 1.6 billion in 2018.