



the chinese company Dongguan Korex Machinery Co. LTD sold

Pesaro, 28 January 2021 – The Biesse Group has reached an agreement for the total sale of the company Dongguan Korex Machinery Co. LTD with registered office in Dongguan (Guangdong province-China). The value of this transaction is estimated at CNY 183.5 million (HK\$212.5 million - €22.5 million) and, if all contractual provisions are met, the deal is expected to be completed by mid-March 2021.

Also the entire financial settlement of the operation is expected to be effected within the next month of March, through the contribution of the bank J.P. Morgan of Hong Kong.

As already pre-announced on 20 December 2019, in addition to the possible production synergies that will also involve the Group's company in India, this operation will lead to a reduction in operating costs that had contributed to accumulating losses of €32 million at Korex.

The expected impact on the Group's consolidated financial statements is a capital gain of around €17 million.

The above does not change the conviction that China can remain the main country for the demand of furniture and, more generally, of capital goods, with an expected growth rate higher than the current world average; the Biesse Group intends to maintain and strengthen its presence in the entire Far East area through its branch offices already in the region, dedicating a particular commitment to the chinese branch (Biesse Trading Shanghai). In the post-sale deal, the Italian and Indian production companies will be therefore more involved in order to satisfy the needs of the chinese market, towards which the Biesse Group - with all its business divisions - remains firmly oriented.

Biesse is a global leader in technology for processing wood, glass, stone, plastic and metal. It designs, manufactures and distributes machines, integrated systems and software for manufacturers of furniture, door and window frames and components for the construction, ship-building and aerospace industries. The Group invests around 4% of its annual revenue in research and development and has registered over 200 patents. It operates through 12 industrial sites, 39 branches, 300 agents and selected dealers, exporting around 85% of its products. Its customers include some of the most prestigious names in Italian and international design. Founded in Pesaro in 1969 by Giancarlo Selci, Biesse has been listed on the "STAR" segment of the Italian Stock Exchange since June 2001. It actually has around 4,000. employees distributed in the main sites based in Pesaro, Gradara, Padua, Villafranca (near Verona), Thiene (near Vicenza), Alzate Brianza (near Como), Bangalore, Dongguan and the foreign subsidiaries and representative offices in Europe, North America, Latin America, the Middle and Far East, Asia and Oceania.

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