

CUMI to acquire assets of AWUKO Abrasives, Germany

Chennai, 23 December 2021: M/s CUMI GmbH, Germany, a step-down subsidiary of M/s. Carborundum Universal Limited (CUMI) has entered into an Asset Purchase Agreement with the Insolvency Administrator of M/s AWUKO ABRASIVES Wandmacher GmbH & Co. KG, Germany (AWUKO) on 22nd December 2021 for acquiring the main assets of AWUKO. Insolvency proceedings in AWUKO had commenced recently and CUMI has been selected as the successful bidder in a competitive bidding process for the assets of AWUKO which includes land & building, plant & machinery, fixed assets, leased assets, brands & trademarks, patents, technical know-how and other intangible assets but excludes cash and receivables. The asset purchase deal will be subject to completion of negotiations with the Works Council in connection with rightsizing of employees as well as agreements with the lessors/creditors of AWUKO. The estimated purchase price is Euro 6.01 million excluding the compensation cost to be agreed with the Works council and other costs, if any with the Insolvency Administrator

Talking about the proposed purchase of assets, **Mr. N. Anantheshan, Managing Director of CUMI** said, “Acquiring the assets of AWUKO fits in well with CUMI’s expansion plans in Europe. CUMI will gain access to the Coated Abrasives capacity of 10 million square meters, global distribution base and an experienced process & application engineering team. Significant cross learning is possible as CUMI also operates two Coated Abrasive makers in India. Further, CUMI will be able to provide critical raw materials to AWUKO from its operations in India and Russia.”

Mr. Sridharan Rangarajan, Director Finance and Strategy of CUMI said, “AWUKO is a 120-year-old leading brand in Coated Abrasives business. AWUKO is a market leader in Leather and Wood applications with strong presence in Metal and Lacquer applications. The acquisition is in line with CUMI’s aggressive inorganic growth plans. With our expertise and experience in turning around the performance of stressed assets we intend to enhance our international offerings in Coated Abrasive products. CUMI will benefit with the access to varied technology and leveraging opportunity for each other’s brands.”

About CUMI

Carborundum Universal Limited (CUMI), established as a tripartite in 1954, is a leading materials sciences engineering solutions provider. CUMI’s consolidated revenue is Rs.2,631 Crores and PAT of Rs.284 Crores for the financial year FY 21. CUMI, part of the Murugappa Group, is listed on the NSE and BSE. CUMI is a Mines to Market Company whose integrated operations include mining, power generation, fusion, manufacturing, marketing and distribution. CUMI has over 5,000 employees worldwide who collaborate, innovate and develop high-quality material solutions and world-class services in abrasives, electro minerals, refractories and ceramics, serving customers in diverse industries including engineering, fabrication, auto and auto components, infrastructure, steel, glass, power generation and



distribution, mining and aerospace. CUMI has a wide geographical presence spanning five continents and exports products to over 43 countries.

For more details, visit www.cumi-murugappa.com

About Murugappa Group

Founded in 1900, the INR 417 Billion (41,713 Crores) Murugappa Group is one of India's leading business conglomerates. The Group has 29 businesses including ten listed Companies traded in NSE & BSE. Headquartered in Chennai, the major Companies of the Group include Carborundum Universal Ltd., CG Power and Industrial Solutions Ltd., Cholamandalam Financial Holdings Ltd., Cholamandalam Investment and Finance Company Ltd., Cholamandalam MS General Insurance Company Ltd., Coromandel International Ltd., Coromandel Engineering Company Ltd., E.I.D. Parry (India) Ltd., Parry Agro Industries Ltd., Shanthi Gears Ltd., Tube Investments of India Ltd. and Wendt (India) Ltd.

The Group holds leadership position in several product lines including Abrasives, Technical Ceramics, Electro Minerals, Auto Components & Systems, Bicycles, Fertilisers, Sugar, Tea and Spirulina (Nutraceuticals). The Group has forged strong alliances with leading international companies such as Groupe Chimique Tunisien, Foskor, Mitsui Sumitomo, Morgan Advanced Materials, Yanmar & Co. and Compagnie Des Phosphat De Gafsa (CPG). The Group has a wide geographical presence all over India and spanning 6 continents.

Renowned brands like BSA, Hercules, Montra, Mach City, Ballmaster, Ajax, Parry's, Chola, Gromor, Shanthi Gears and Paramfos are from the Murugappa stable. The Group fosters an environment of professionalism and has a workforce of over 51,000 employees.

For more details, visit <https://www.murugappa.com/>

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