

## Hefestos Capital Acquires TMK Artrom And Renames It Artrom Steel Tubes

**ARTROM STEEL TUBES, one of the leading pipe companies in Europe, with operations in Romania in Reșița and Slatina, announces the change of the ownership of the company, the renaming of the companies and the appointment of a new Board of Directors.**

Hefestos Capital, the largest investment banking company in Southeast Europe, based in Bel-grade, has purchased from TMK Group (PAO TMK) the shares held in the German company TMK EUROPE GmbH, which is the majority shareholder of TMK ARTROM SA.

“We are pleased to announce that we have acquired 100% of ARTROM STEEL TUBES, the leading Romanian industrial group and one of the leading manufacturers of specialty steel pipes in Europe and the world. For 21 years we, at Hefestos Capital, have made our mission to assist and develop leading companies and brands in South Eastern Europe to renew old leaders and create new champions. Our acquisition of ARTROM will allow us to do exactly this and give a new life and flourish to this venerable industrial company. We look forward to working together with ARTROM's management both old and new and skilled employee team, as well as the Romanian Government, our suppliers and customers across the world, to further develop and grow ARTROM's franchise and footprint”, says **Milutin Nikolic**, *Hefestos Capital co-founder*.

As a result of the transaction, the new beneficial owners of the ARTROM Group and its companies in Romania, Italy and the USA are Serbian co-founders of Hefestos Capital, Milutin Nikolic and Pavle Kavan. These companies are no longer part of the TMK Group, no longer controlled by it and no longer linked to the former Russian investor. Moreover, the transaction has already been certified by the competent authority in Germany, the new beneficial owners have been registered with the Romanian Trade Register and all relevant Romanian authorities have already been informed. With the change of the shareholding, the cancellation of the decisions to freeze the funds of the Romanian companies (former TMK) was also requested, due to the sanctions imposed on the former beneficial owner.

“This moment is a very important one for the future of the company because it paves the way out of a period of extreme difficulties caused by the listing of the former beneficial owner of ARTROM as a sanctioned person. From now on, the ARTROM Group can resume its development programmes that have been postponed by successive crises over the last three years - the pandemic and the war in Ukraine - and continue its activity in the markets where it has distinguished itself over the years. Moreover, the change of the beneficial owner generates a lot of confidence and stability among the 2350 professionals working in the ARTROM Group companies in Europe and the USA”, says **Adrian Popescu**, *Chairman of the Board of Directors of ARTROM STEEL TUBES*.

Adrian Popescu, who has been leading ARTROM for more than 30 years from the position of CEO, became Chairman of the Board of Directors of the company following the approval of a new Articles of Association at the most recent Extraordinary General Meeting of Shareholders. Cristian Drinciu, who served as Deputy Chief Operating Officer for over 25 years, has been appointed as CEO. The company's management team remains the same. There will also be no changes in the management of the company's foreign subsidiaries and work will continue with all partners under the existing contractual terms. The ARTROM Group will operate on a stand-alone basis and will continue to develop its business in all market segments in which it is present.

The new shareholders also decided to appoint a new Board of Directors of ARTROM STEEL TUBES, dominated by independent directors, including Adrian Popescu, Stefan Petrovic, Casey Steven Sears, Cristian Drinciu, Vlad Nastase, Victor Cionga and Ingrid Larsen - professionals with significant experience in their field.

The new Articles of Association also provide for the following change of company names: TMK ARTROM SA

became ARTROM STEEL TUBES, TMK ITALIA SRL changed its name to ARTROM ITALIA SRL, and TMK INDUSTRIAL SOLUTIONS LLC is now called ARTROM USA LLC.

**ARTROM STEEL TUBES** produces at the steel plant in Reșița the steel necessary for the pipe plant in Slatina, from where it delivers products to Europe, the United States of America and Asia, having as commercial agents its branches in Europe and the USA. The ARTROM companies in Romania have about 2,350 employees (1,550 in Slatina, 770 in Reșița and about 30 in the representative offices in Europe and the USA) and a business of 2 billion lei, 85% of which is exported to over 600 clients in Europe and America.

**Hefestos Capital** was established in 2001 and has been active in the European, Asian and African markets in industries such as industrials/manufacturing, retail, oil & gas, FMCG, financial services and energy. It is owned by Milutin Nikolic and Pavle Kavran, both with over 25 years of experience in investment banking and private equity.