

## KEY TECHNOLOGIES COMPLETES FIRST ACQUISITION

Key Technologies plc, the Midlands-based specialist engineering group, has completed the acquisition of the business and assets of Primetake Limited, a specialist developer, manufacturer and supplier of special purpose ammunition and equipment. The business will continue to trade as Primetake.

The deal has been financed from Key Technologies' own cash resources, new bank facilities and new funds from shareholders. Following exchange of contracts on 14 May 2010, the company needed shareholder approval, pursuant to the rules of Investbx, for the acquisition and for the conversion rights attaching to the Loan Notes. These approvals were secured at a shareholders' general meeting held on 8 June 2010.

Proxy votes relating to 83.0% of the issued shares were received by 9.00 a.m. on 6 June 2010: all of the votes were cast in favour of the resolutions. Remittances relating to the Loan Notes were received by 5.00 p.m. on 1 June 2010 in relation to 92.6% of the issued shares, the balance of 7.4% of the Loan Notes (£108,550.20) were underwritten by Grove Industries Limited. Loan Notes will be issued to shareholders who have subscribed for them in accordance with the Circular and supporting documents issued to shareholders on 17 May 2010.

Completion of the acquisition was conditional upon the satisfaction of a number of conditions by either Key Technologies or by the vendor: the conditions having been satisfied or waived, the acquisition was completed on 8 June 2010.

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Key Technologies plc reported interim results in March 2010 showing sales of £11.8 million for the half year to 31 December 2009, up 15.7% on the same period in the previous year. The group also reported an underlying profit before tax of £1.37 million, against £1.25 million in the previous year, representing an increase of 9.4%.

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### Editors' Notes

Further information about Key Technologies plc is available from [www.keytechnologiesplc.com](http://www.keytechnologiesplc.com):

1. Key Technologies plc became a public company and was admitted to the West Midlands based online share trading platform Investbx on 5 November 2008, successfully raising £2.0 million for the purpose of making acquisitions to accelerate the group's growth and to finance the expansion.

2. The defence arm of Key Technologies plc, STS Defence, is a manufacturer of electrical and electronic assemblies including wiring harnesses to the defence industry, supplying the UK Ministry of Defence amongst other customers in the UK and overseas. STS Defence is the first UK company in its product sector to be accredited for Nadcap, the leading global quality assurance standard for the aerospace industry.
3. Apart from supplying high tech products to defence customers, the group is also, through its STS Rail division, a supplier of specialist and approved signalling and communications products to the rail market in the UK and overseas. Key Technologies also supplies low voltage switchboards and motor control centres through its STS Switchgear division.