

PRESS RELEASE

KAP'S SHAREHOLDING IN GEIGER FERTIGUNGSTECHNOLOGIE GMBH SOLD TO STRATEGIC INVESTOR FROM CHINA

Fulda, 23. May 2018 – KAP Beteiligungs-AG, Fulda, Germany, (KAP) successfully continues its path towards strategic realignment. KAP has reached an agreement with Zhejiang Tielu Clutch Co., Ltd., headquartered in Hangzhou, China, regarding the disposal of all its shares in Geiger Fertigungstechnologie GmbH (Geiger), based in Pretzfeld, Germany. The purchase price corresponds to the enterprise value of €38 million for 100% of Geiger's shares, adjusting for net financial debt at the time of closing. In this context, all KAP's existing liabilities, in particular the shareholder loan, will be transferred to the new investor. The transaction is subject to approvals by various regulatory authorities.

Over the last 17 years, KAP and Geiger have been working closely together and they now look back at a successful joint development [of the business] over these past few years. Geiger is a recognised partner and preferred supplier of the most important companies in the metalworking industry and has more than 50 years of experience in the production of highly complex turning and milling parts, including other supporting work processes. Geiger has over 300 employees and generated total revenues in excess of €50 million in 2017, reflecting a significant sales growth compared to the previous year.

CEO Guido Decker said: "KAP is confident that, together with its new strategic partner from China, Geiger is set and ready for a successful future."

KAP Beteiligungs-AG

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On KAP Beteiligungs-AG

Industrial holding for small and mid-sized companies

KAP Beteiligungs-AG is a listed industrial holding company that has been successful in the market for years. Along a segment strategy we invest in small and mid-sized companies which need a new ownership structure for a variety of reasons. Besides common reasons such as a lack of corporate succession, financing for new investment/expansion strategies, or improving the equity structure, we also offer a new home to those firms who were not able to develop their full potential yet as part of a larger conglomerate. Furthermore, we have a successful track record of buy-and-build strategies.