

## Corporate News

### **KAP AG STRENGTHENS TECHNICAL TEXTILES PRODUCTION AT ITS HESSISCH LICHTENAU SITE**

- Groundbreaking ceremony for the construction of a new production hall in Hessisch Lichtenau
- Investment in a state-of-the-art production plant for technical yarns that meet the highest environmental standards
- Creation of new attractive jobs and clear commitment to the region

**Fulda, 19 October 2021** –KAP AG (“KAP”), a mid-sized industrial holding company listed on the stock exchange, celebrated yesterday the official groundbreaking ceremony attended by the Mayor of Hessisch Lichtenau for a new state-of-the-art production hall at its subsidiary, Mehler Engineered Products GmbH.

In order to strengthen its position as global market leader in technical textiles, KAP is investing a high single-digit million euro figure at its Hessisch Lichtenau site as part of its Accelerate programme. In addition to the new production hall extending over 2,700 square metres, the construction project includes an efficient, state-of-the-art production plant for technical yarns with a regenerative afterburning system. In addition, a new textile laboratory is to be built together with the hall. This is the third major investment within a year, following the industrial holding company’s investment of roughly €8 million in the surface technology segment at the Jasper site in the United States at the beginning of the year and the acquisition of AerO Coated Fabrics B.V. in the flexible films segment.

“We want to take advantage of the market opportunities in the field of technical textiles and strengthen our position as a leading global supplier in this attractive niche market. This investment will not only increase our production efficiency in the engineered products segment, but will also enable us to meet the ever-increasing demands of our customers in the area of sustainability,” says Eckehard Forberich, member and chairman of KAP AG’s Management Board.

With the new hybrid high-speed plant, the KAP Group can produce in a “ready-to-use” process a variety of technical yarns that are chiefly used for high-end applications such as airsprings and coupling discs in automotive manufacturing. The innovative process eliminates several manufacturing steps for customers and their use of critical chemicals prior to further processing of technical yarns. KAP AG’s customers will thus significantly improve the sustainable footprint of their products and, in turn, their carbon balance.

“The new ready-to-use production process meets the highest environmental standards. With the new building, we are also creating an attractive working environment with the highest safety standards for our employees as well as additional jobs in the region. We see this as a clear commitment to our strategically important site in Hessisch Lichtenau,” says Thomas Stark, head of the engineered products segment and Managing Director of Mehler Engineered Products GmbH.

The production hall is scheduled for completion in the second quarter of 2022. The first samples are expected to leave the hybrid production line for technical yarns in the second half of 2022.

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**About KAP AG**

KAP AG is a listed industrial holding company focused on upper mid-size operating companies offering attractive growth opportunities in their respective niche markets. Specifically, KAP AG focuses on four distinct operating segments: engineered products, flexible films, surface technologies and precision components. The Company uses targeted acquisitions to strengthen its existing operating segments or takes advantage of new market opportunities. KAP allows its shareholders to participate in its long-term profitable growth through a stable dividend. The Group currently has some 2,300 employees at 29 locations in 12 countries. KAP AG's shares are listed on the Regulated Market of the Frankfurt Stock Exchange (Prime Standard, ISIN DE0006208408).



The picture shows: Mayor Michael Heußner, Managing Director Thomas Stark, Project Manager Christian Hartmann, COO Marko Tschürtz, Operations Managerin Regina Zeretzke and Managing Director Christian Meunier (from left to right).