

Corporate News

KAP SIGNS PURCHASE AGREEMENT FOR THE ACQUISITION OF PLASTIC SPECIALIST HAOGENPLAST

Fulda, 30 December 2021 – KAP AG (“KAP”), a mid-sized industrial holding company listed on the stock exchange, today signed a purchase agreement to acquire 100 percent of the shares in plastic specialist Haogenplast Ltd. (Haogenplast). The transaction underscores the KAP Group’s strategic focus on high-growth industrial companies in attractive niche markets and strengthens the successful segment *flexible films*.

A company with registered offices in Israel, Haogenplast is a leading supplier of high-quality plastic products. It mainly produces films for swimming pools, window laminates and industrial weatherproof roofing, which are chiefly used in the construction industry. Having continuously grown faster than the market in recent years, the company is expected to generate a highly profitable revenue of around EUR 50 million in the 2021 financial year.

Upon closing, the purchase price (enterprise value) of Haogenplast is expected to be approximately ILS 150 million (about EUR 43 million), corresponding to a multiple on expected EBITDA for 2021 of approximately 4.8x (excluding expected synergies). The closing of the transaction is subject to various customary market conditions and is expected for the beginning of the first quarter of 2022.

Eckehard Forberich, member and Spokesman of the Management Board of KAP AG: “We are very pleased to welcome Haogenplast and its employees on board the KAP Group. With Haogenplast, we are expanding our production know-how and gaining a strong brand from which we will benefit. With its many years of market expertise and its competence in product development in the films sector, the company is an excellent fit for us. In addition, we expect diverse synergies in the areas of development, purchasing and sales. Against the background of our planned strategic and operational improvement initiatives under Accelerate, the acquisition of Haogenplast constitutes major progress towards our goal of expanding our core industrial segments.”

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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 2,500 employees at 27 locations in 11 countries. KAP AG's shares are listed on the Regulated Market of the Frankfurt Stock Exchange (Prime Standard, ISIN DE0006208408).