

Corporate news

## **KAP AG: STRUCTURAL ADJUSTMENTS FOR MORE EFFICIENCY IN THE ENGINEERED PRODUCTS SEGMENT**

- Considerable savings and greater leveraging of synergies
- Leaner management and implementation structures

**Fulda, 18 September 2023** – KAP AG (“KAP”), a listed, medium-sized industrial holding company (German securities identification number: WKN 620840; ISIN DE0006208408) announces that its *engineered products* segment today declared that it will be taking further, effective steps to leverage synergies and enhance its efficiency and, thereby, its competitive position. These measures are intended to enable the segment to adequately adjust to the challenging market environment and changed framework conditions.

This morning, the management of the *engineered products* segment accordingly informed the staff at the headquarters in Fulda as well as the heads of the company sites of the operational and personnel steps involved. To make structures considerably leaner, HR measures will mostly affect the administrative functions, particularly in Germany. Job cuts and relocations will be made in a socially acceptable manner wherever possible. In this respect, the works council was already informed of this in advance today. The Management Board of KAP AG and segment management seek to cooperate closely with the works council.

Reducing and relocating staff at the Fulda site will create synergy effects through closer collaboration with other sites, particularly Hessisch Lichtenau. This move will be supported by efficiency enhancements with the help of IT-assisted automated tools, outsourcing and initiatives to streamline and digitalise internal administrative processes.

**Marten Julius, CFO of KAP AG, adds:** “At the moment we are facing significant economic headwinds in all segments. That is another reason for us to examine the efficiency and effectiveness of our processes and workflows even more intensively and adapt to the challenging market environment. This way, we will future-proof not only the segment in question, but also KAP as a whole and will remain sustainably profitable.”

In addition, there are plans to close the laboratory at the Fulda site in the course of 2024 and relocate parts to the testing facilities in Hessisch Lichtenau in order to pool resources of the laboratory and the development department. Concentrating competences will produce qualitative and technical advantages and thereby also enhance competitiveness.

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**About KAP AG**

KAP AG is a listed industrial holding company focused on upper mid-size operating companies that seizes attractive growth opportunities in their respective niche markets. Specifically, KAP AG currently focuses on four distinct operating segments: *engineered products*, *flexible films*, *surface technologies* and *precision components*. The Group lets its shareholders participate in the long-term sustainable value development through an attractive dividend. KAP AG currently has some 2,700 employees at 24 locations in eleven countries. KAP AG is a Participant of the United Nations Global Compact and adheres to its principles-based approach to responsible business. KAP AG's shares are listed on the Regulated Market of the Frankfurt Stock Exchange (Prime Standard, ISIN DE0006208408).