

Corporate news

KAP AG RESTRUCTURES PRODUCTION CAPACITIES IN THE ENGINEERED PRODUCTS SEGMENT

- Hessisch Lichtenau site to be closed as of 30 June 2027
- Key plant and equipment as well as production volumes to be gradually relocated to existing sites in the Czech Republic and India
- Move is part of the Group's ongoing restructuring plan and strengthens the segment's operational competitiveness

Fulda, 19 May 2026 – KAP AG (“KAP”), a medium-sized industrial holding company listed on the stock exchange (German securities identification number: WKN 620840; ISIN DE0006208408), announces the decision by the *engineered products* segment's management to restructure its production capacities. This involves gradually relocating key plant and equipment as well as production volumes from the Hessisch Lichtenau site in Germany to the existing facilities in Hlinsko, Czech Republic, and Bangalore, India. Once this process has been completed, the Hessisch Lichtenau site, which manufactures technical yarns, will be closed as of 30 June 2027.

Ralph Rumberg, CEO/CRO of KAP AG: “We analysed the situation in the *engineered products* segment jointly with the segment manager responsible and carefully examined the outlook for each site. In view of the regional shifts in demand and, in turn, the changed competitive conditions, we decided to restructure the existing production capacities as part of our ongoing restructuring plan. The logical consequence of this decision is to close the Hessisch Lichtenau site due to its poor economic outlook. We are not taking this step lightly, but it is necessary in order to make more efficient use of resources and thereby strengthen the segment's competitiveness.”

Stefan Herfurth, head of the *engineered products* segment: “In spite of the highly dedicated local team, there is no sustainable outlook for the Hessisch Lichtenau site in global competition in the current circumstances. This is primarily due to the structural disadvantages that Germany presents as a production location and to the fact that the plant's local infrastructure would have required considerable additional investment that wouldn't have been viable. We realise what the closure means for the members of staff. We will do our utmost to support them in their search for career opportunities, working with them as partners and tailoring our support to their individual needs.”

The decision was driven in particular by high energy, infrastructure and personnel costs, coupled with a decline in customer demand, factors which are placing a sustained strain on the viability of the Hessisch Lichtenau site. Despite the investments made in recent years, the site cannot be put on a profitable footing in the long term. The land and buildings are to be successively sold as production is relocated.

The site closure affects around 100 employees. The redundancies will be implemented in as socially responsible a manner as possible as the relocation of production progresses. Segment management has already initiated talks with the works council and employees. The goal is to develop a responsible social plan and make the next steps plannable and transparent for those affected.

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About KAP AG

KAP AG is a listed industrial holding company focused on upper mid-size operating companies and currently focuses on three core segments: *flexible films*, *engineered products* and *surface technologies*. KAP AG currently has some 1,550 employees at 18 locations in ten countries. With active investment management, KAP focuses on continuously optimizing the existing portfolio and creating value. At the same time, the individual strengths and identities of the companies operating successfully on the market are preserved. KAP AG's shares are listed on the Regulated Market of the Frankfurt Stock Exchange (General Standard, ISIN DE0006208408).