

Corporate News

KAP AG: REFINANCING AHEAD OF SCHEDULE THROUGH NEW SYNDICATED LOAN

- Conclusion of a comprehensive financing package with a total volume of €175 million, of which €50 million for acquisition purposes
- Interest rate conditions of the expiring syndicated loan agreement maintained
- Refinancing secured for the next few years despite tense overall global situation

Fulda, 04 Mai 2022 – KAP AG (“KAP”), a mid-sized industrial holding company listed on the stock exchange (German securities identification number: WKN 620840; ISIN DE0006208408), has extended its existing syndicated loan of €113 million ahead of schedule to a total of €175 million in order to finance the Company’s future organic and M&A-driven growth. Of this amount, €50 million are intended for further acquisitions, subject to the approval of the financing banks. The large-volume financing package was concluded with renowned European banks for a maximum term of six years. KAP AG was supported by Herter & Co. as debt advisor and White & Case as legal advisor.

Marten Julius, CFO of KAP AG: “The successful conclusion of our new syndicated loan agreement is an important milestone for the optimisation and expansion of our financing structure. The loan gives us additional security, particularly in the market characterised by global uncertainties, and at the same time sufficient room for manoeuvre to adequately react to possible crisis effects and to take advantage of anticyclical M&A opportunities in the market. The possibility of refinancing ahead of schedule is a reflection of our crisis resilience and economic performance, which we have once again demonstrated, in particular through our recent acquisition Haogenplast. We have already impressively demonstrated in the past that we can manage investments and debt reduction at the same time and will continue to do so in the future.”

Comprehensive financing package to secure refinancing ahead of schedule

The financing package includes an amortising loan and a revolving credit facility totalling €125 million, both of which together will be drawn down in the amount of €70 million. A credit facility with a volume of €50 million intended for further acquisitions is subject to the approval of the syndicate of banks. Despite the current considerable global uncertainties due to the further intensifying supply chain problems and the impacts of the Russia-Ukraine war, the new syndicated loan agreement contains interest rate conditions comparable to the expiring agreement. The individual financing components have a term of four years, with two prolongation options agreed for one year each, bringing the maximum term of the loan to six years. The loan is unsecured and its interest margin is linked to KAP AG’s leverage ratio (ratio of net financial debt to normalised EBITDA of the last twelve months). With the new financing package, KAP has secured its financing for the next few years and can focus on operational issues and further growth, even in an increasingly uncertain economic environment.



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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 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 an attractive dividend. The Group currently has some 2,600 employees at 28 locations in twelve countries. KAP AG's shares are listed on the Regulated Market of the Frankfurt Stock Exchange (Prime Standard, ISIN DE0006208408).