



WELCOME TO KAFRIT GROUP

COMPANY PRESENTATION

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The current reality for KAFRIT IL

Over the last months, KAFRIT IL has faced challenges that have tested us not just as a company, but as human beings. We've experienced unimaginable loss, and now have a new responsibility to our team members, families, customers, and partners.

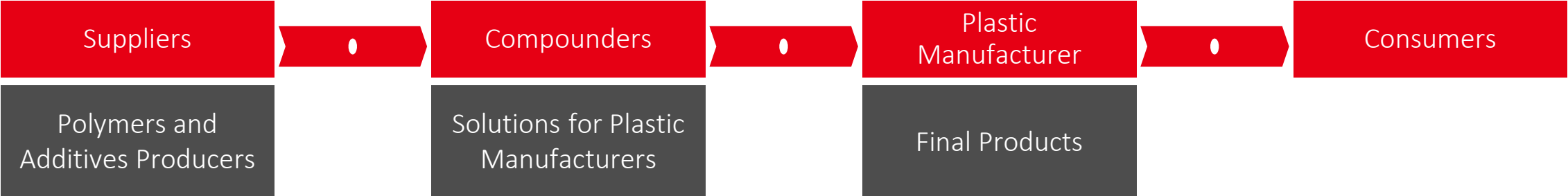
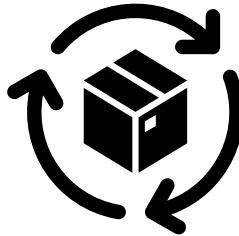
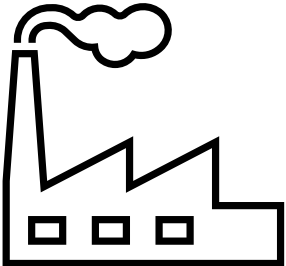
KAFRIT IL was born in Kibbutz Kfar-Aza, where the October 7th 2023 attacks have left every one of our people in the kibbutz feeling an unprecedented loss. We were devastated to lose our team member Dorit Bar Ilan, our Board member Aviv Kutz, and our SVP Business Development & Innovation Nadav Goldstein.

In the wake of the tragedy, we're committed to using our knowledge and resources to help our team members, families and the Kibbutz Kfar-Aza community move forward. Our focus on people has always driven our ESG commitments and goals, and today this matters more than ever, both to our people and the people of Israel. We've been sending food to families of recruited individuals, financial assistance to those who need it, and paid salaries to those who can't work.

Thanks to the collaborative culture among Kafrit Group's companies and partners, we've kept our business active and resilient, and maintained our high standards of client service, and we were releasing materials under military protection.

KAFRIT IL plant came gradually back to operations, becoming fully operational since mid December 2023. Working together, we started, and we will overcome these obstacles, advance our commitments to all our stakeholders, and emerge stronger than ever.

Our Place in the Supply Chain



We are here





Kafrit Group

**Masterbatches and Compounds
engineered for the future of plastics**

**Our purpose is
to unite talent and technology
to drive the future of plastics,
together.**

Enhance our strong Business Portfolio while **Increasing Profitability** driven by a significant Transformation from a Production-based Company to a **Customer-Centric** Company, focused on **Added Value Service**

Strategic Pillars	Higher Profitability in Business Units		Drive the future, together		
	Customer Experience	Operational Excellence	Product Technology	Focus in Colors	Develop our Talent
Mission	Be the Best-in-Class Service and Solution Provider	Excel in every step of the Supply chain	Develop innovative products and integrate new technologies that enable a better future	Become a Multi-Local Player in Colors and enter complementary segments	Foster a culture of collaboration inside and outside
Action	<ul style="list-style-type: none"> Design & implement strong customer experience model Innovative Pricing system based on Technology Automation in handling materials Embrace data analytics in Operations Unlock Raw Material Group's opportunity 	<ul style="list-style-type: none"> Strategic alliances for breakthrough innovation Improve Portfolio mix towards innovative solutions Product Innovation to help our customers become more eco-friendly 	<ul style="list-style-type: none"> Acquisitions & PMI Transfer & leverage of knowledge 	<ul style="list-style-type: none"> Upskill our people Implement the Sustainability Agenda Promote communities (internally and externally) 	
Key Enabler	Data Technology, Digital Transformation				

Kafrit Sustainability Strategy for 2030

Our Sustainability aspirations are that our **People, Products' design** and our aligned **Actions**, together with our **Stakeholders** – will make a **Better World**.

Areas of Action	Operating Sustainably	Living Sustainably	Innovating Sustainably	Business Developing Sustainably
Mission	We continuously limit the negative impact our operations have on the environment	We work to ensure that our people are safe and act according to our values	We help our Customers to become more eco-friendly through Product Innovation	We Balance our Portfolio through Relevant Business Development and Strategic Alliances
Report Sustainably	We measure our actions, setting long and short-term goals striving to achieve results and Report them			



MULTI-NATIONAL
PLAYER



~80

PRODUCTION LINES



~800

EMPLOYEES



~150,000

MT CAPACITY

Milestones

Founded in Kibbutz
Kfar Aza, PVC
Compounds
1973



1978

Expansion into
Polyolefins
Masterbatches

IPO
(Tel Aviv Stock
Exchange)
1993



2003

Acquisition of
CONSTAB GER

Acquisition of
CONSTAB CN
51%
2008



2009

Acquisition of
KAFRIT NA
51%

Becoming a sole shareholder
in both CONSTAB CN and
KAFRIT NA
2012/3



2018

Acquisition of
POLYFIL USA

Acquisition of
ADDVANZE SWE

2021



2022

Acquisition of
DELTA KUNSTSTOFFE GER

Creation of
KASA (IL)
50%
2023



2024

Acquisition of
ABSA RESINS CAN

Acquisition of
BADGER COLOR USA

2024



2024

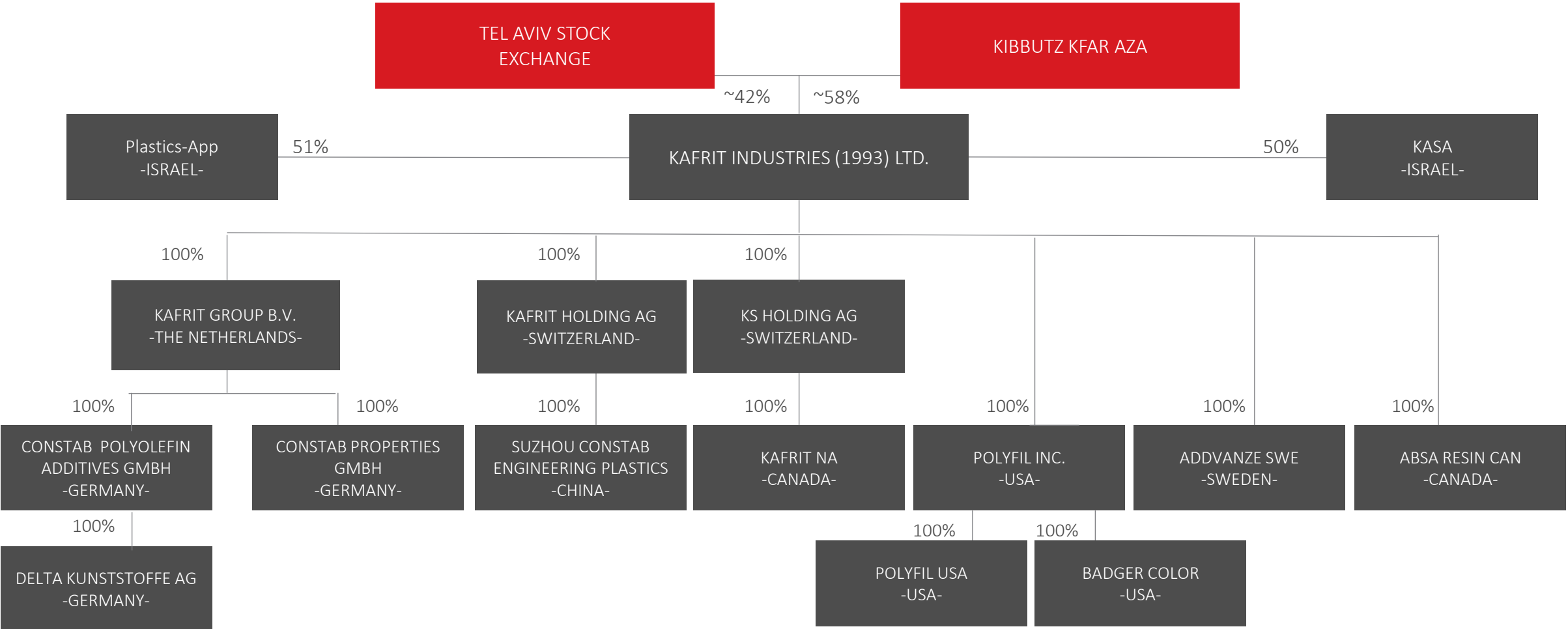
Acquisition of
Plastics-App (IL)
51%

Around the World

-  KAFRIT IL ①
-  CONSTAB GER ②
-  CONSTAB CN ③
-  KAFRIT NA ④
-  POLYFIL USA ⑤
-  ADDVANZE SWE ⑥
-  DELTA KUNSTSTOFFE GER ⑦
-  ABSA RESINS CAN ⑧
-  BADGER COLOR USA ⑨



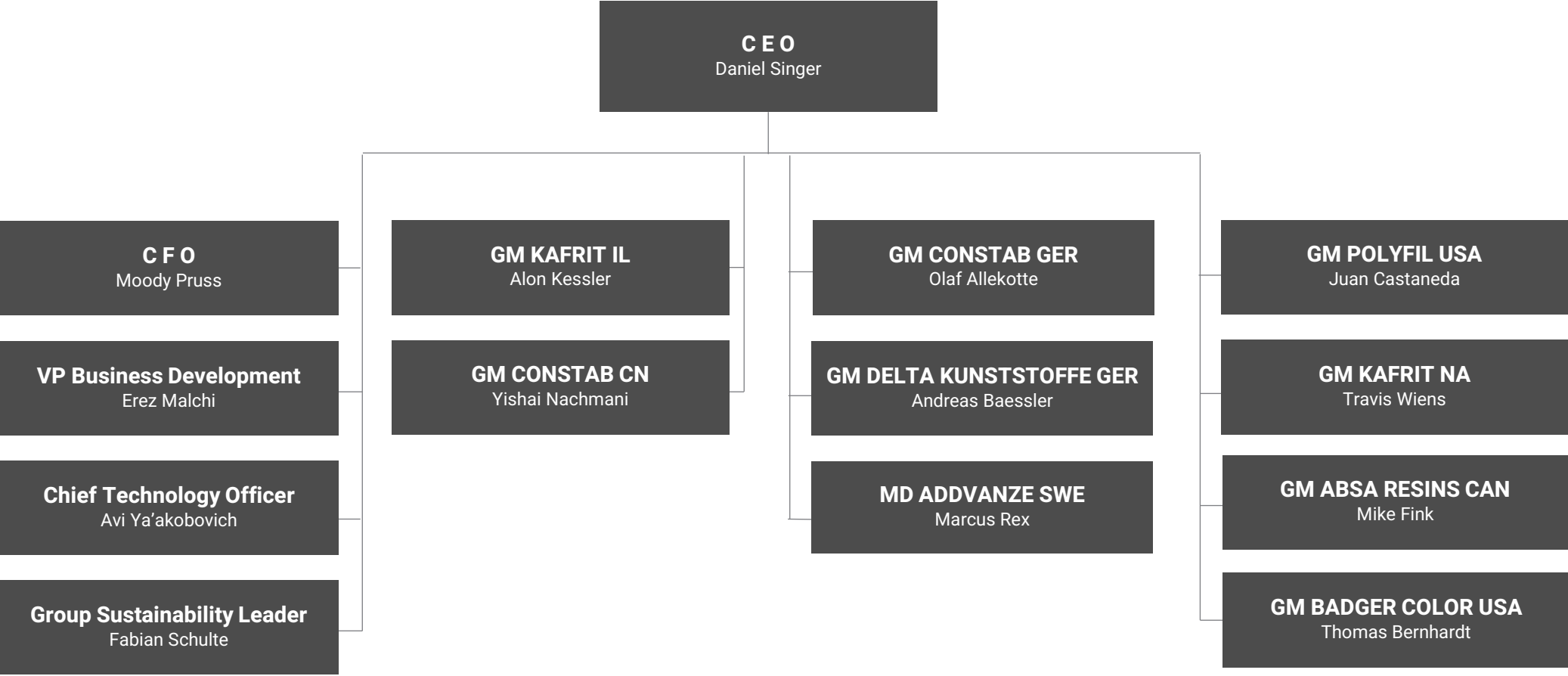
Legal Group Structure



Acquired in 10/2022



Global Leadership Team





02

PORTFOLIO

How our portfolio developed since 2020?

2020

 KAFRIT IL

 CONSTAB GER

 CONSTAB CN

 KAFRIT NA

 POLYFIL USA

How our portfolio developed since 2020?

2020

 KAFRIT IL

 CONSTAB GER

 CONSTAB CN

 KAFRIT NA

 POLYFIL USA

2024

 KAFRIT IL

 CONSTAB GER

 CONSTAB CN

 KAFRIT NA

 POLYFIL USA

Acquisitions

 ADDVANZE SWE

 DELTA KUNSTSTOFFE GER

 ABSA RESINS CAN

 BADGER COLOR USA

Partnerships

 **KASA**
Polymers & Additives Distribution Ltd.

 **PLASTICS-APP**

Investments

 **NEMO**
nanomaterials

 **KENAF**
VENTURES

 N3Cure

 TERA  NOVEL

The Members of Kafrit Group

 **KAFRIT IL**

150

Employees

26,300 MT

Capacity

 **CONSTAB GER**

130

Employees

24,500MT

Capacity

 **CONSTAB CN**

110

Employees

43,400 MT

Capacity

 **KAFRIT NA**

20

Employees

23,800 MT

Capacity

 **POLYFIL USA**

35

Employees

14,800 MT

Capacity

 **ADDVANZE SWE**

22

Employees

4,300MT

Capacity

 **DELTA KUNSTSTOFFE GER**

70

Employees

16,200MT

Capacity

 **ABSA RESINS CAN**

20

Employees

10,000MT

Capacity

 **BADGER COLOR USA**

200

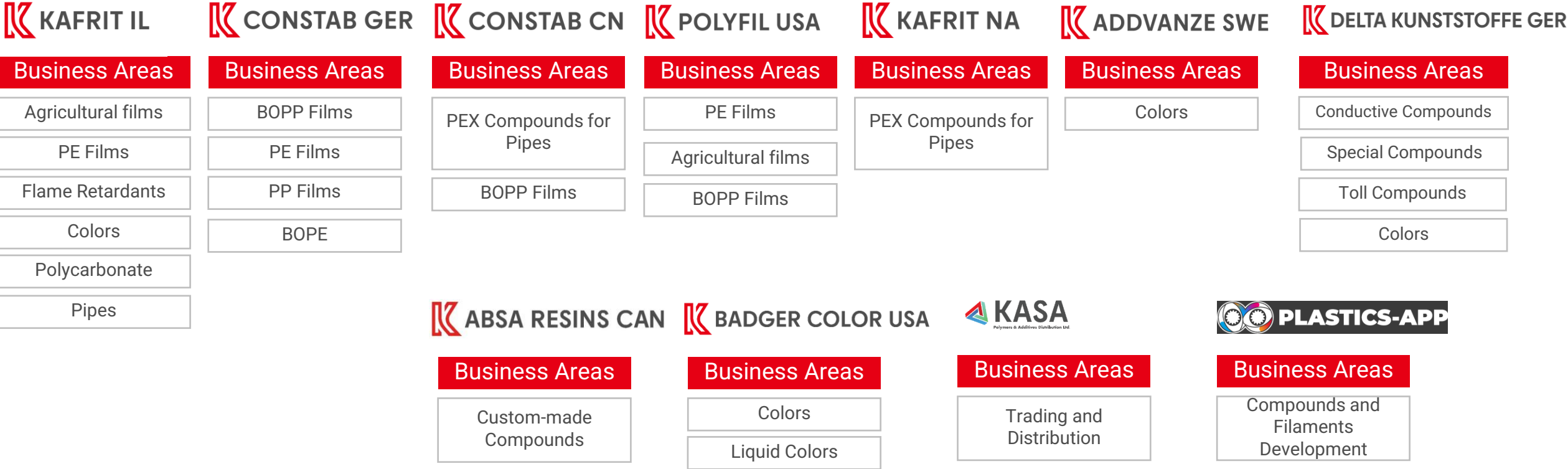
Employees

~6,000MT

Capacity

The Members of Kafrit Group

Masterbatches and Compounds for different applications



Applications



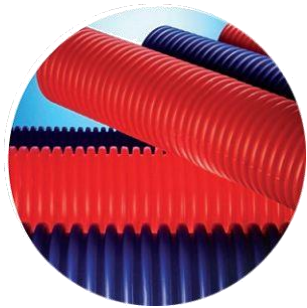
INJECTION MOLDING / BLOW MOLDING



POLYCARBONATE AND PMMA SHEETS



POLYETHYLENE PACKAGING
POLYPROPYLENE CAST AND CALENDER FILMS



HALOGEN FREE SOLUTIONS FOR SHEETS AND PIPES



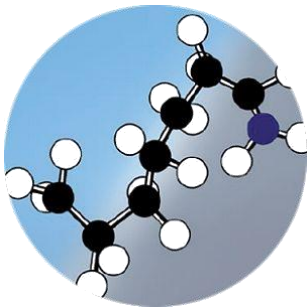
BLOWING AGENTS



OPTIMIZING BOPP FILM PRODUCTION



CONPEEL COMPOUNDS



ECOCELL



ANTIMONY FREE / REDUCED ANTIMONY FR SOLUTIONS



AGRICULTURAL FILM



ANTIOXIDANTS



ADDING VALUE TO FIBERS AND NONWOVENS

Our complete range of innovative, reliable, and economical products

ACID SCAVENGERS

ANTIBLOCKING AGENTS

ANTIFOGGING AGENTS

ANTIMICROBIAL AGENTS

ANTISLIP AGENTS

ANTISTATICS

ANTIOXIDANTS

BARRIER MB

CAVITATING AGENTS

CLEANING COMPOUNDS

CONDUCTIVE

COLOR CONCENTRATES

CROSS-LINK

ELECTRET MB

FILLERS

FLAME RETARDANTS

FOAMING AGENTS

HEAT STABILIZER

INFRARED ABSORBER

LIGHT STABILIZERS

LUBRICANTS

MATT COMPOUNDS

METAL DEACTIVATORS

MODIFIER MASTERBATCH

NUCLEATING AGENTS

ODOR CONTROL

OPTICAL BRIGHTENERS

PEEL COMPOUNDS

PHARMACOPOEIA MB

PROCESSING AIDS

PURGE AGENTS

RELEASE AGENTS

SLIP AGENTS

SYNTHETIC PAPER COMPOUNDS

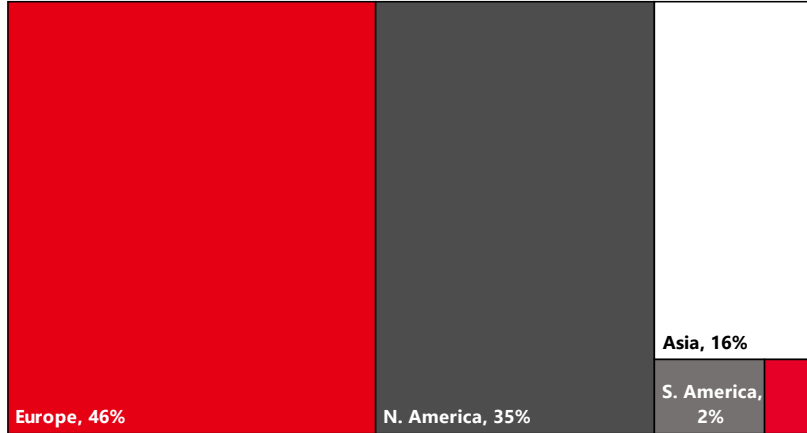
THERMOSTABILIZERS

UV ABSORBERS / UV STABILIZERS

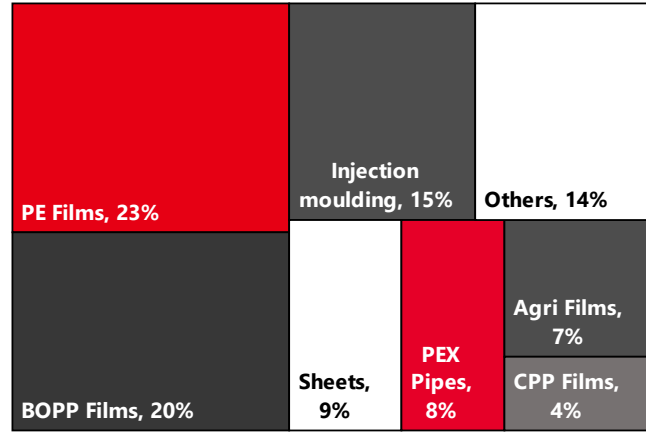
WHITE CONCENTRATES

A well diversified portfolio

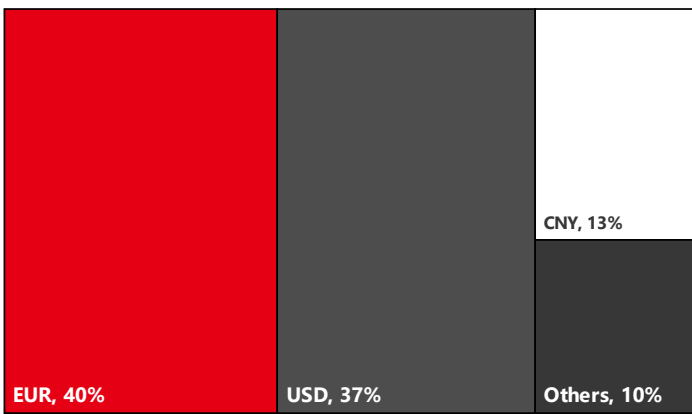
Sales by Geography



Sales by Application



Sales by Currency



7-9.2024 NIS Value Sales

Among our customers – None of them > 5%



03

YTD/2024 PERFORMANCE HIGHLIGHTS

YTD/2024 Highlights

NET REVENUE
1.04BNIS

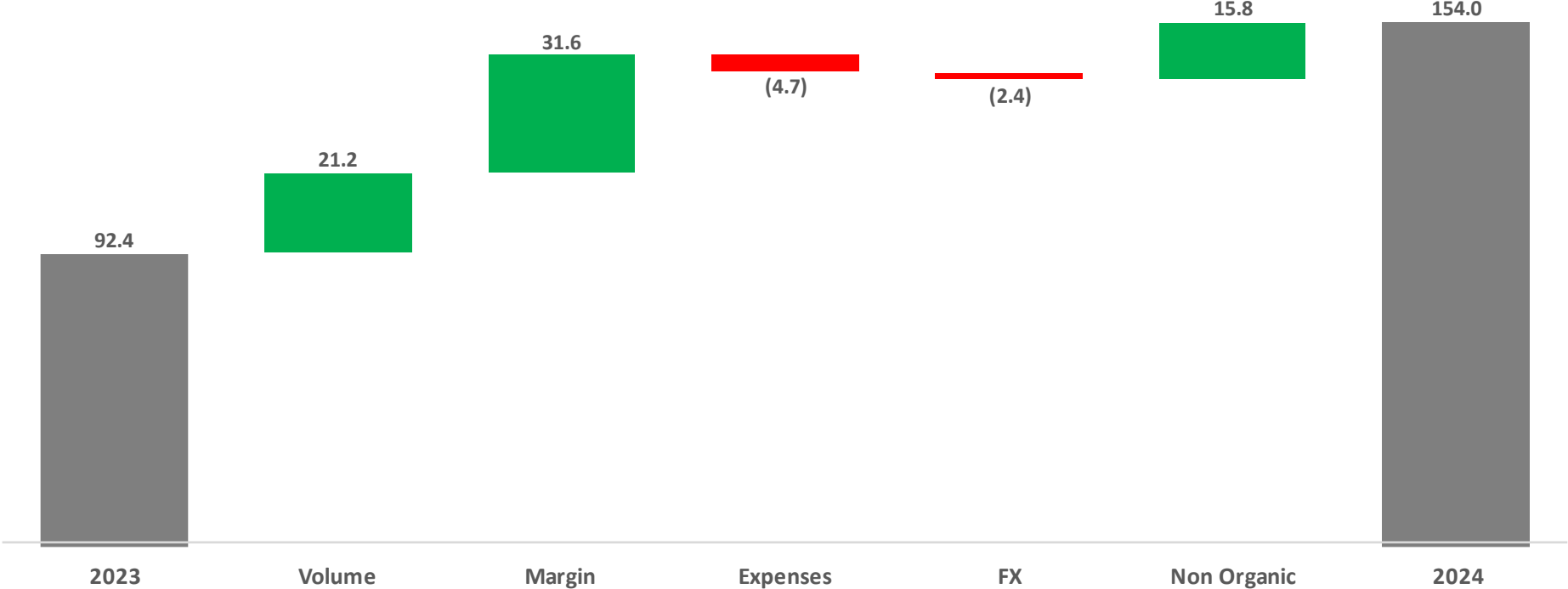
103MNIS
OPERATING PROFIT

EBITDA
154MNIS

Strong Financial results driven by acquisitions, volume and margin growth, despite the softness in some markets due to the Macro-economic environment

Consolidated P&L – 1-9 YTD 2024 vs. 2023			
	M-ILS		Change
	2024	2023	2023
Volume Sales (Ton)	82,550	70,552	17.0%
Sales	1,038.5	845.4	22.8%
Materials	625.7	556.8	12.4%
Manufacture & Labor	171.4	124.9	37.2%
COST OF SALES	797.1	681.8	16.9%
GROSS PROFIT	241.3	163.6	47.5%
	23.2%	19.4%	
Sale & Marketing	81.0	61.7	31.2%
General & Admin	52.3	41.9	25.0%
Other (income) expenses	4.8	0.3	1465.7%
Operating Profit	103.3	59.7	72.9%
	9.9%	7.1%	
EBITDA	154.0	92.4	66.7%
	14.8%	10.9%	

YTD EBITDA increased driven by Organic Volume and Margin improvement, recovering in our European Companies, on top of the new Acquisitions Impact



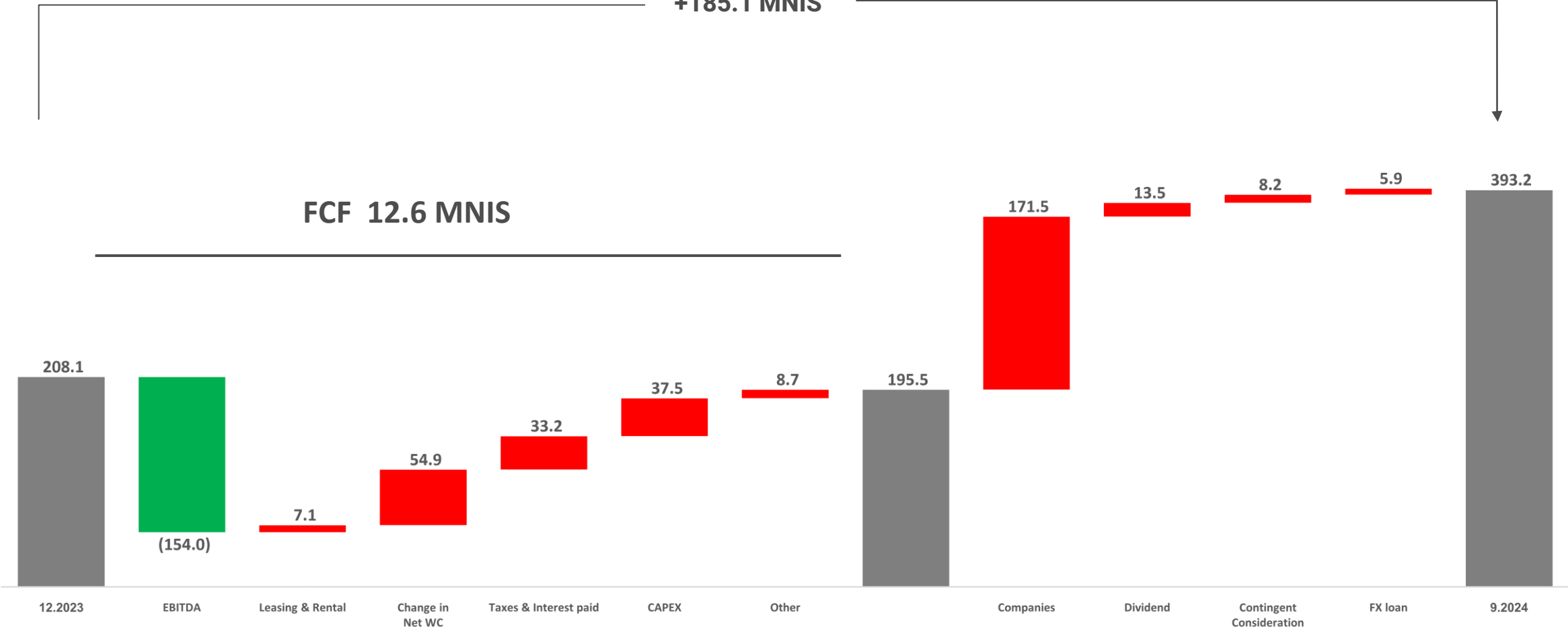
(* Non-organic = ABSA RESINS CAN and BADGER COLOR USA first time consolidation

Net Debt Increases due to the New Acquisitions at the Beginning of 2024

Net Debt

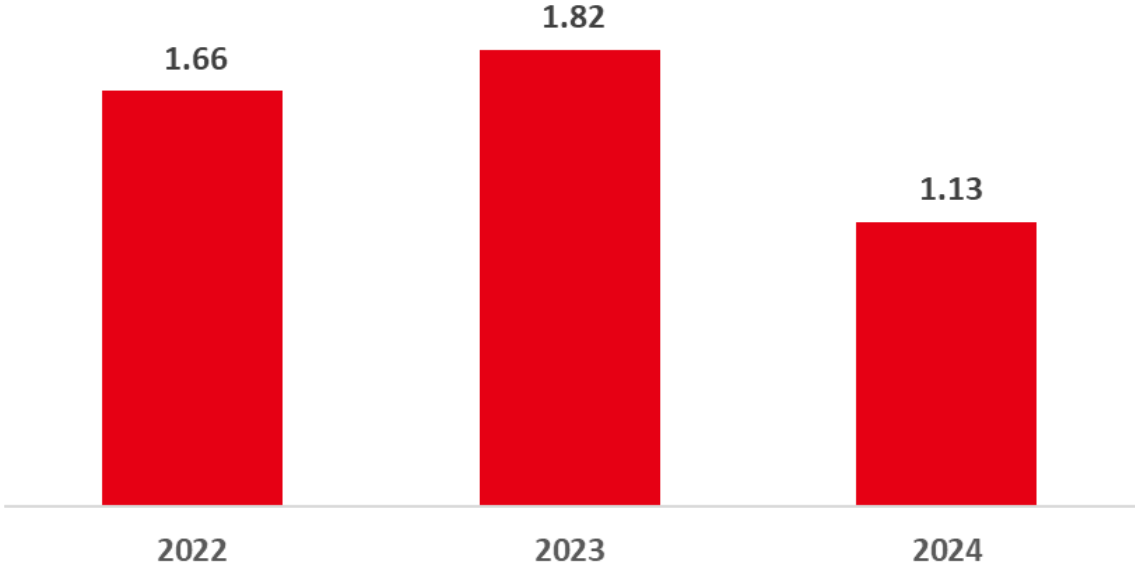
+185.1 MNIS

FCF 12.6 MNIS



Improving in Safety KPI, with 0 Severe LTI

OSHA RECORDABLE INCIDENT RATE



OSHA = #LTA / 200KHours

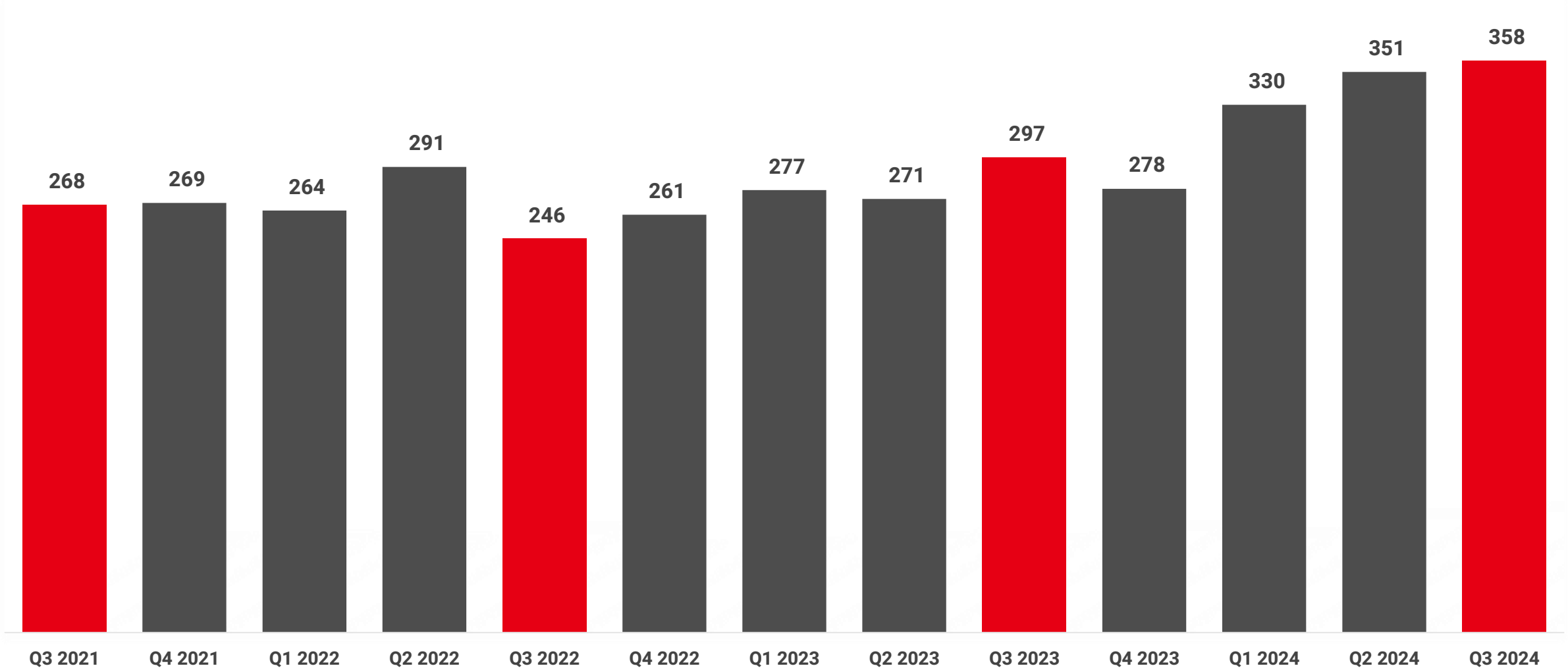
04

Q3/2024 PERFORMANCE HIGHLIGHTS

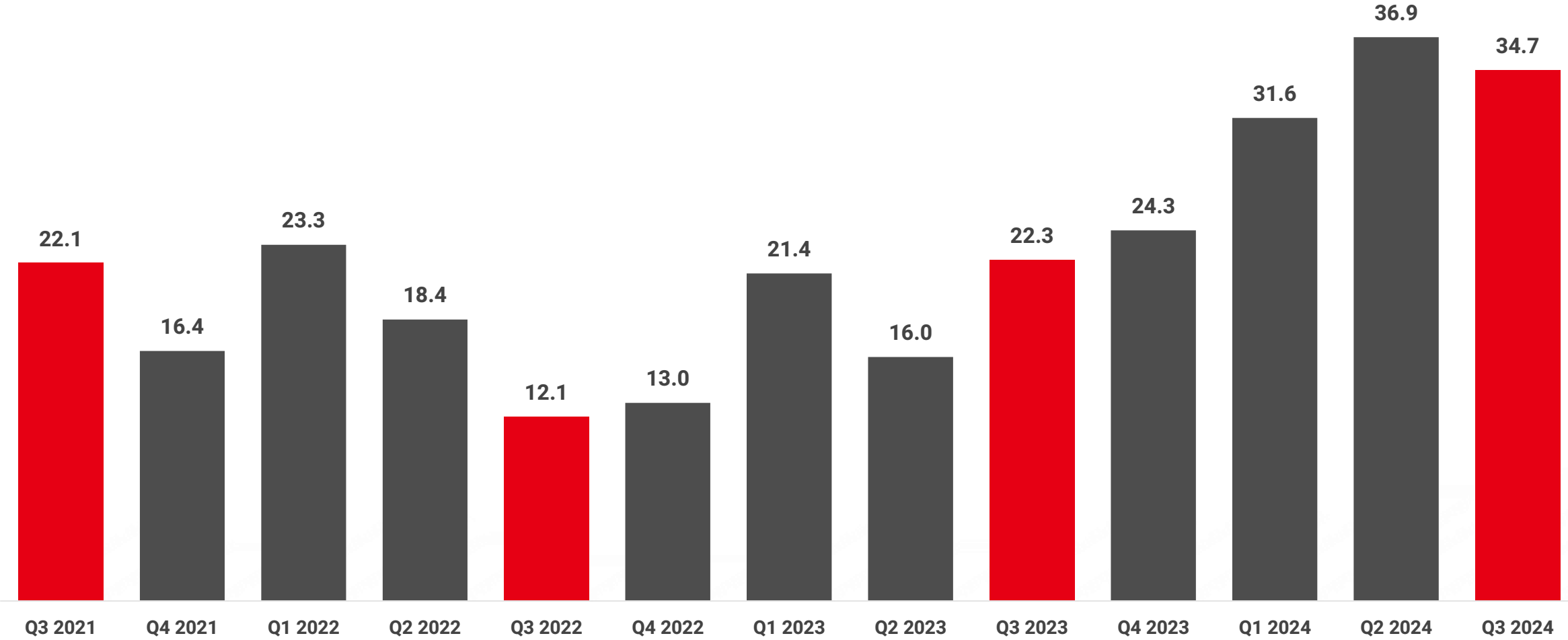
Strong Financial Results Driven by Acquisitions and Margin Growth, despite the Softness in Some Markets due to the Macro-economic Environment

Consolidated P&L – Q3 2024 vs. 2023			
	M-ILS		Change
	2024	2023	2023
Volume Sales (Ton)	26,721	24,634	8.5%
Sales	357.6	297.3	20.3%
Materials	212.3	196.6	8.0%
Manufacture & Labor	61.9	42.4	46.1%
COST OF SALES	274.2	239.0	14.7%
GROSS PROFIT	83.4	58.4	42.9%
	23.3%	19.6%	
Sale & Marketing	29.2	21.2	37.3%
General & Admin	19.4	14.8	31.2%
Other (income) expenses	0.1	0.0	0.0%
Operating Profit	34.7	22.3	55.6%
	9.7%	7.5%	
EBITDA	51.3	33.7	52.3%
	14.3%	11.3%	

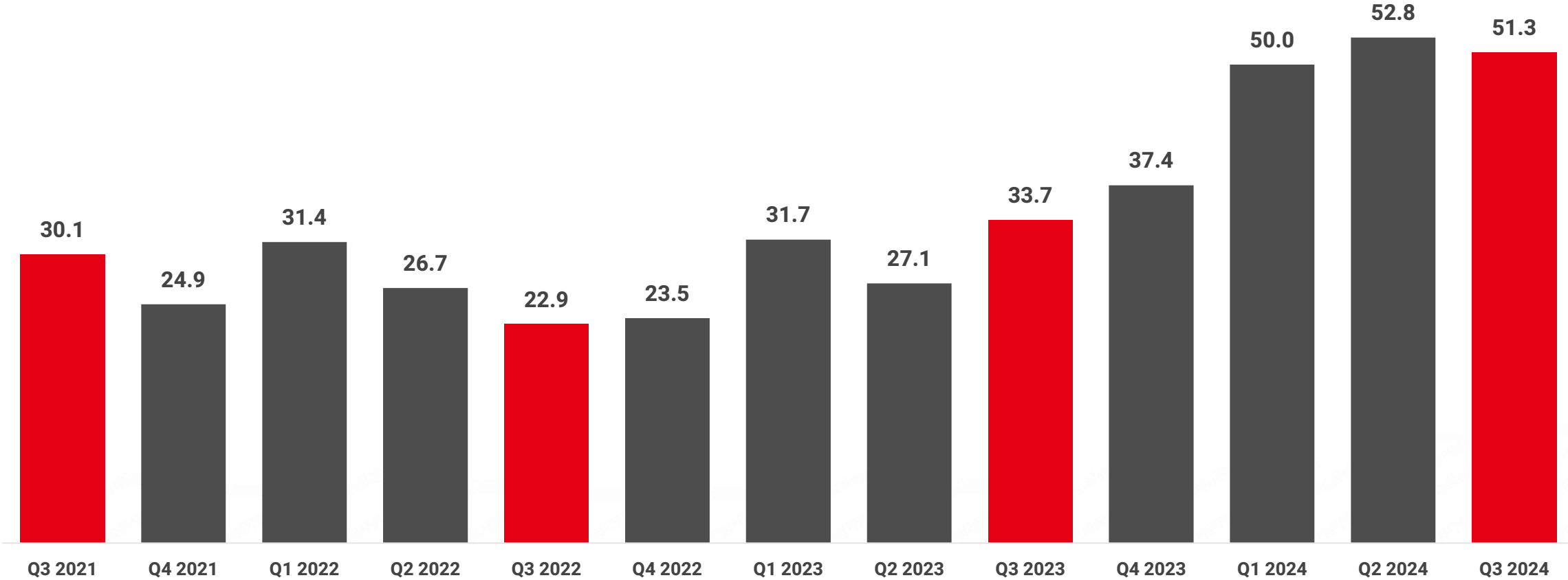
Quarterly Sales Development (MNIS)



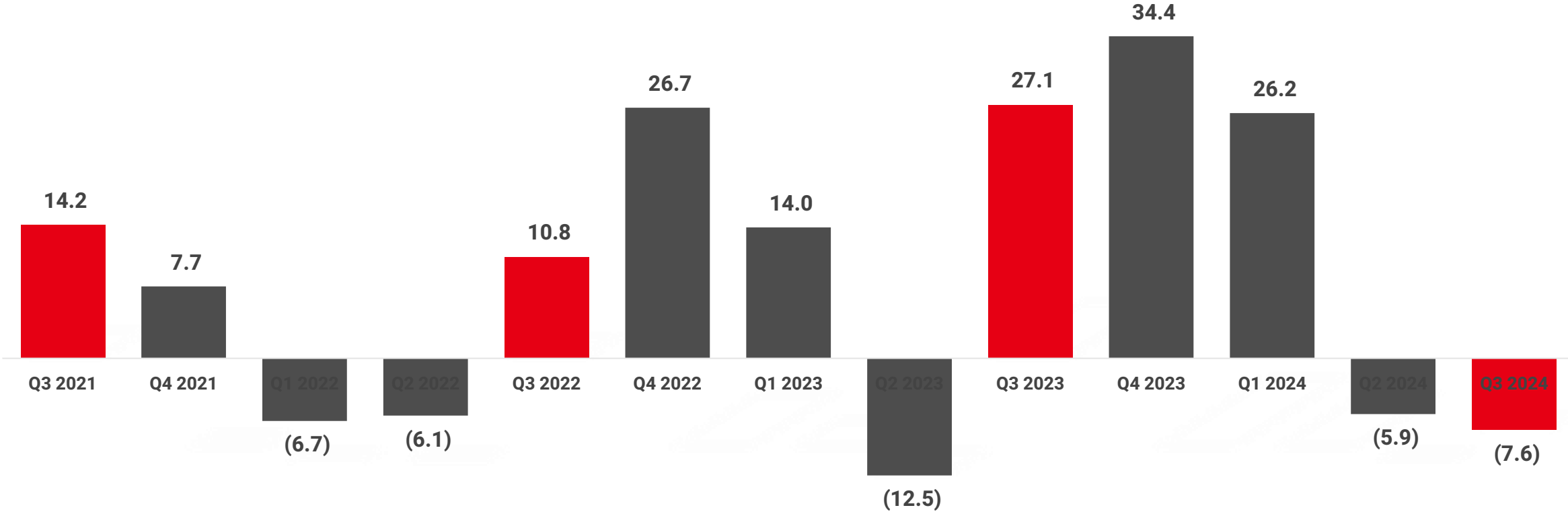
Quarterly Operating Profit Development (MNIS)



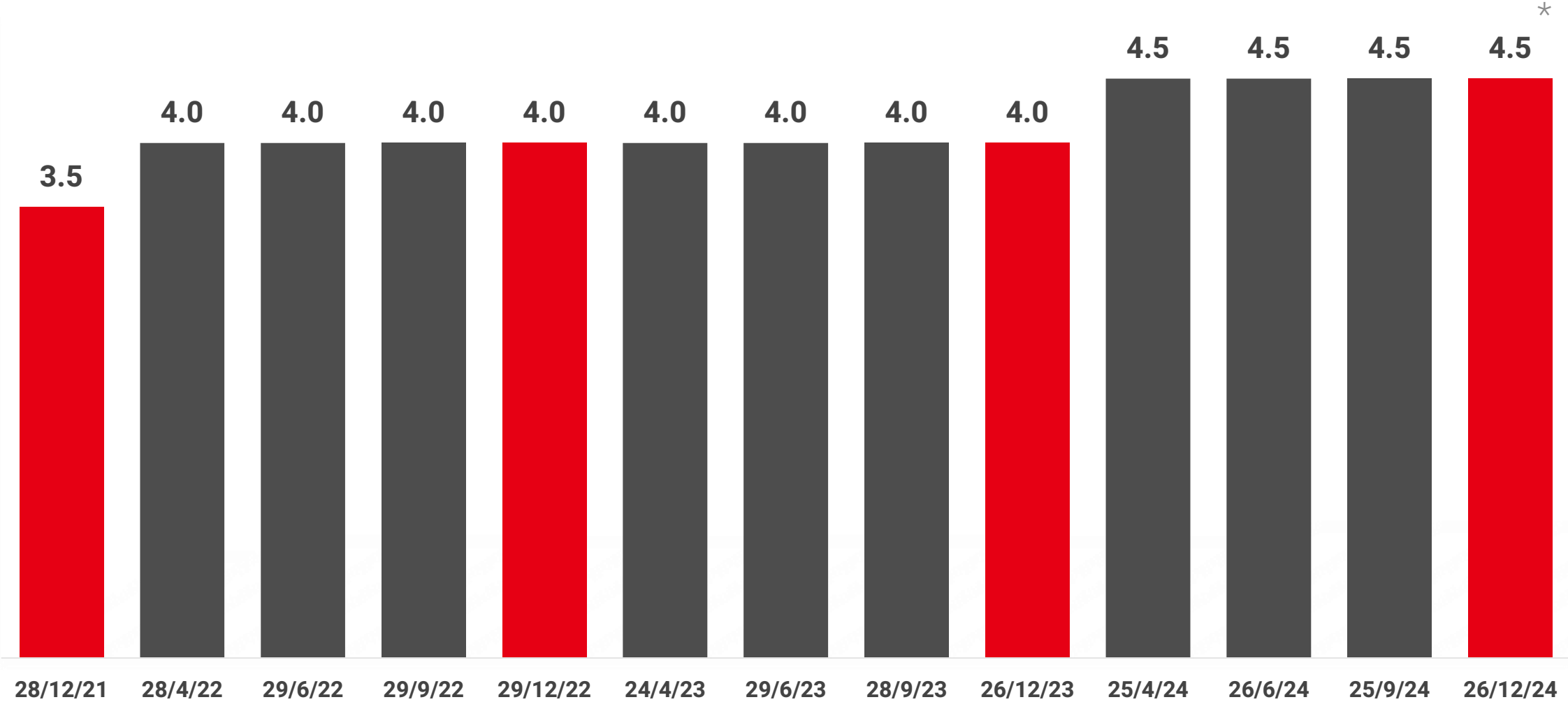
Quarterly EBITDA Development (MNIS)



FCF (MNIS)



Dividend Distribution (MNIS)



(*) Dividend Payment day



Working together for the future of plastics.