



# WELCOME TO KAFRIT GROUP

**COMPANY PRESENTATION**





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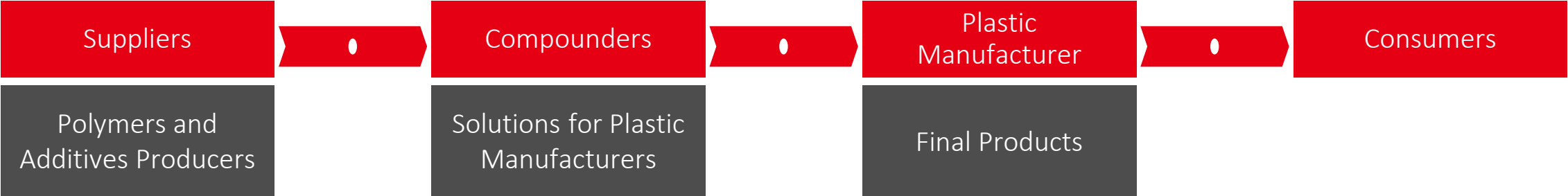
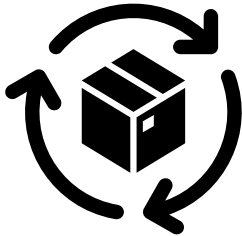
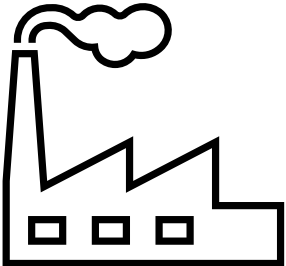
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# Our Place in the Supply Chain



**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"> <li>Design &amp; implement strong customer experience model</li> <li>Innovative Pricing system based on Technology</li> <li>Automation in handling materials</li> <li>Embrace data analytics in Operations</li> <li>Unlock Raw Material Group's opportunity</li> </ul>	<ul style="list-style-type: none"> <li>Strategic alliances for breakthrough innovation</li> <li>Improve Portfolio mix towards innovative solutions</li> <li>Product Innovation to help our customers become more eco-friendly</li> </ul>	<ul style="list-style-type: none"> <li>Acquisitions &amp; PMI</li> <li>Transfer &amp; leverage of knowledge</li> </ul>	<ul style="list-style-type: none"> <li>Upskill our people</li> <li>Implement the Sustainability Agenda</li> <li>Promote communities (internally and externally)</li> </ul>	
Key Enabler	Data Technology, Digital Transformation				

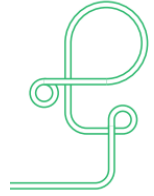
# Kafrit Sustainability Strategy for 2030

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			



# Committing to Sustainability: **ESG goals - What we strive for**



Emission reduction	A 50% reduction in SCOPE 1 and SCOPE 2 market-based emissions by 2030 across all companies, compared to the base year 2022.
Renewable energy	More than 50% of the electricity consumed by all companies across our group will be renewable by 2030.
Product Carbon Footprints (PCFs)	We will be able to provide PCF data for the whole product portfolio by 2027, showing that we acknowledge the importance of transparency in our value chain.



OH&S	Everyday safe: zero incidents, accidents or injuries.
Performance reviews	Grow our talent in a transparent feedback culture, with an annual performance review for each employee by 2026.
DEI	An average of 50% women employed in management positions across the group by 2030, building on our past gender equity achievements.



Training hours	Increase individual employee training and education to 12 hours a year by the end of 2025, and then to 15 hours a year by the end of 2027.
Corruption and discrimination	Zero tolerance – every year upright: zero cases of corruption or discrimination.





MULTI-NATIONAL  
PLAYER



~80

PRODUCTION LINES



~800

EMPLOYEES



~167,000

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%

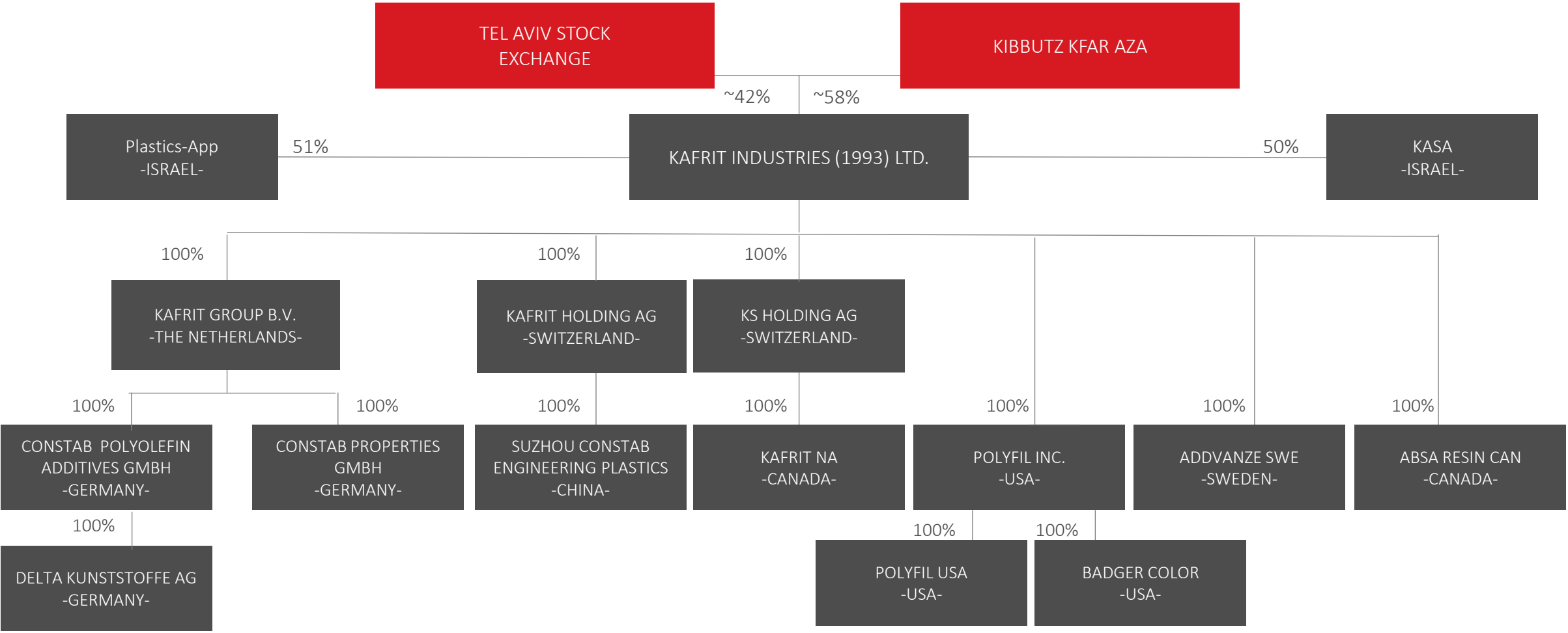


# Around the World

-  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

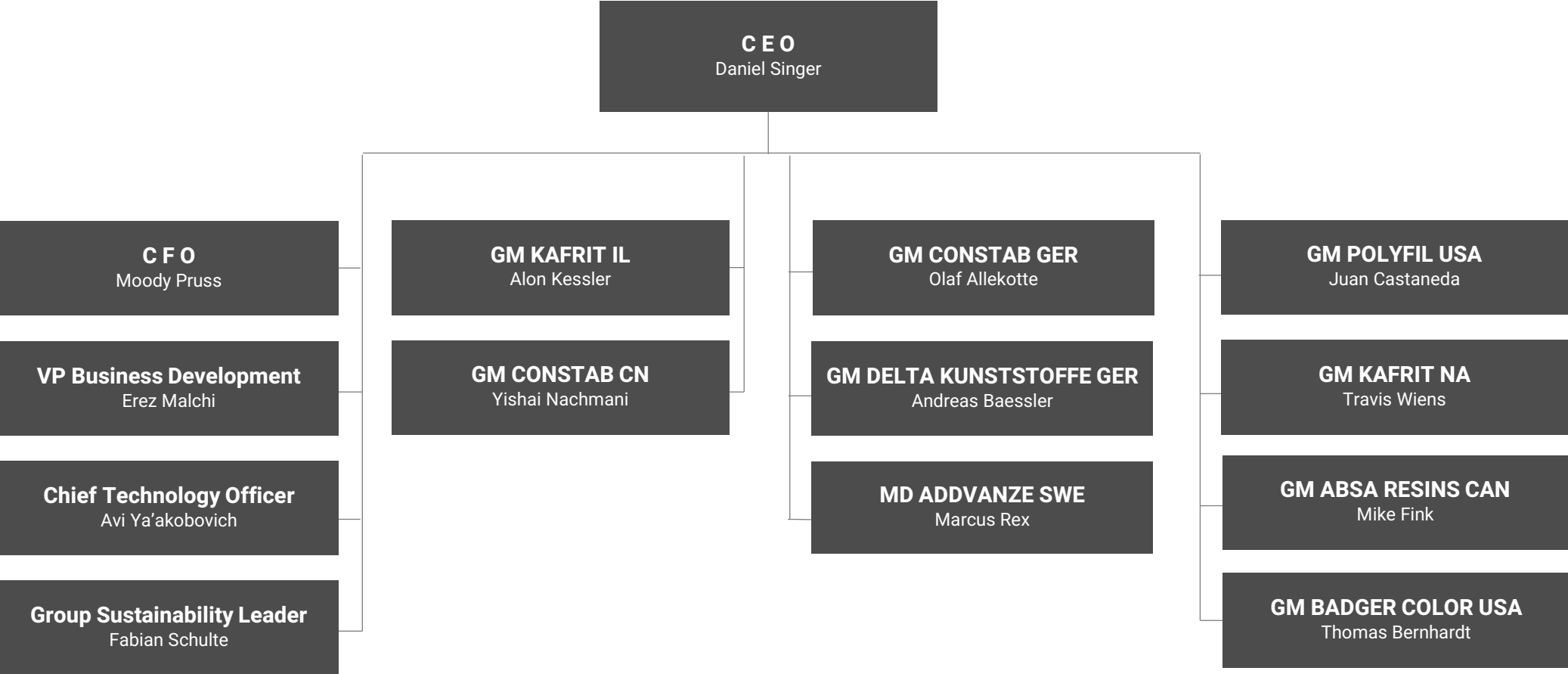


# Legal Group Structure





# Global Leadership Team







02

PORTFOLIO



# How our portfolio developed since 2020?

**2020**

 KAFRIT IL

 CONSTAB GER

 CONSTAB CN

 KAFRIT NA

 POLYFIL USA

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# 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

170

Employees

26,300 MT

Capacity

 CONSTAB GER

120

Employees

24,500MT

Capacity

 CONSTAB CN

110

Employees

43,400 MT

Capacity

 KAFRIT NA

24

Employees

23,800 MT

Capacity

 POLYFIL USA

33

Employees

14,800 MT

Capacity

 ADDVANZE SWE

23

Employees

4,300MT

Capacity

 DELTA KUNSTSTOFFE GER

76

Employees

16,200MT

Capacity

 ABSA RESINS CAN

22

Employees

10,000MT

Capacity

 BADGER COLOR USA

226

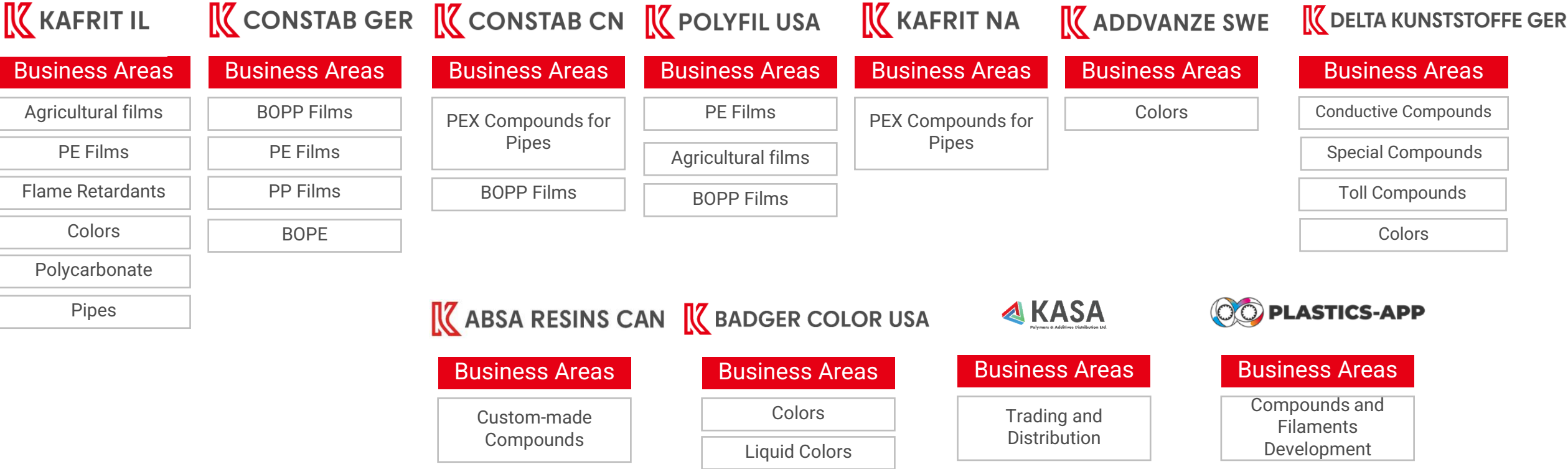
Employees

~6,000MT

Capacity

# The Members of Kafrit Group

## Masterbatches and Compounds for different applications



# Applications



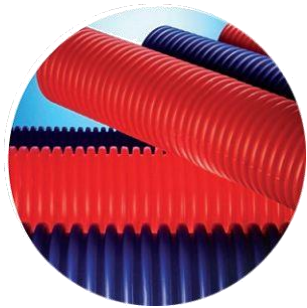
INJECTION MOLDING / BLOW MOLDING



POLYCARBONATE AND PMMA SHEETS



POLYETHYLENE PACKAGING  
POLYPROPYLENE CAST AND CALENDER FILMS



HALOGEN FREE SOLUTIONS FOR SHEETS AND PIPES



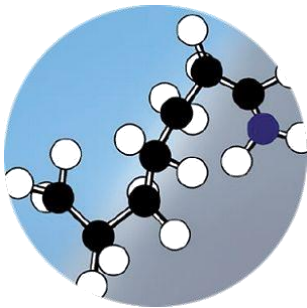
BLOWING AGENTS



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

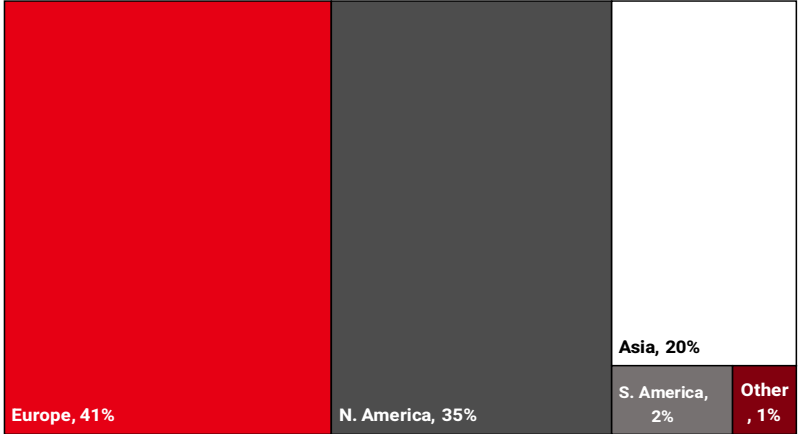
THERMOSTABILIZERS

UV ABSORBERS / UV STABILIZERS

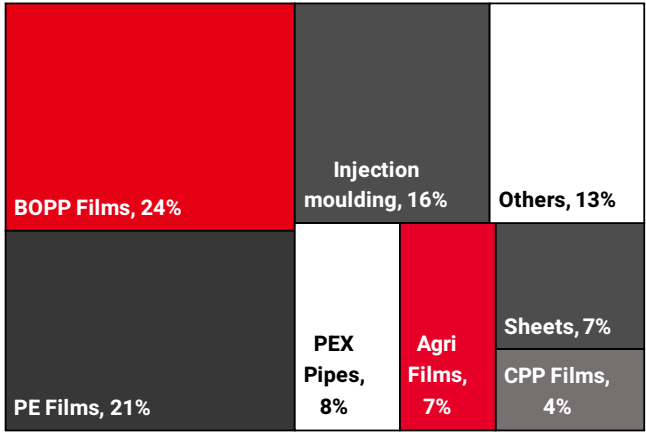
WHITE CONCENTRATES

# A well diversified portfolio

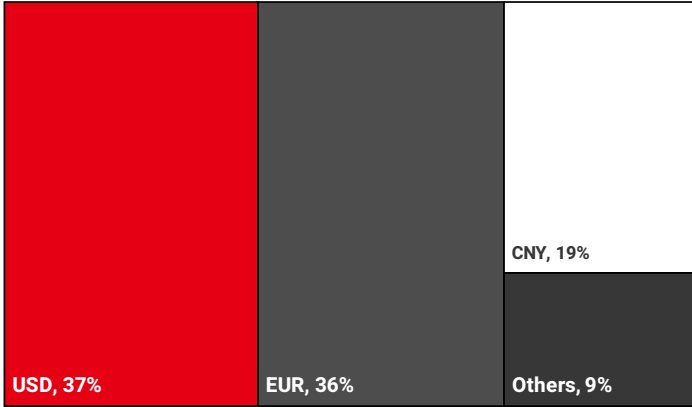
**Sales by Geography**



**Sales by Application**



**Sales by Currency**



10-12.2024 NIS Value Sales

# Among our customers – None of them > 5%





# 03

## FY/2024 PERFORMANCE HIGHLIGHTS

# FY2024 Highlights

NET REVENUE  
**1.4BNIS**

**119MNIS**  
OPERATING PROFIT

EBITDA  
**185MNIS**

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

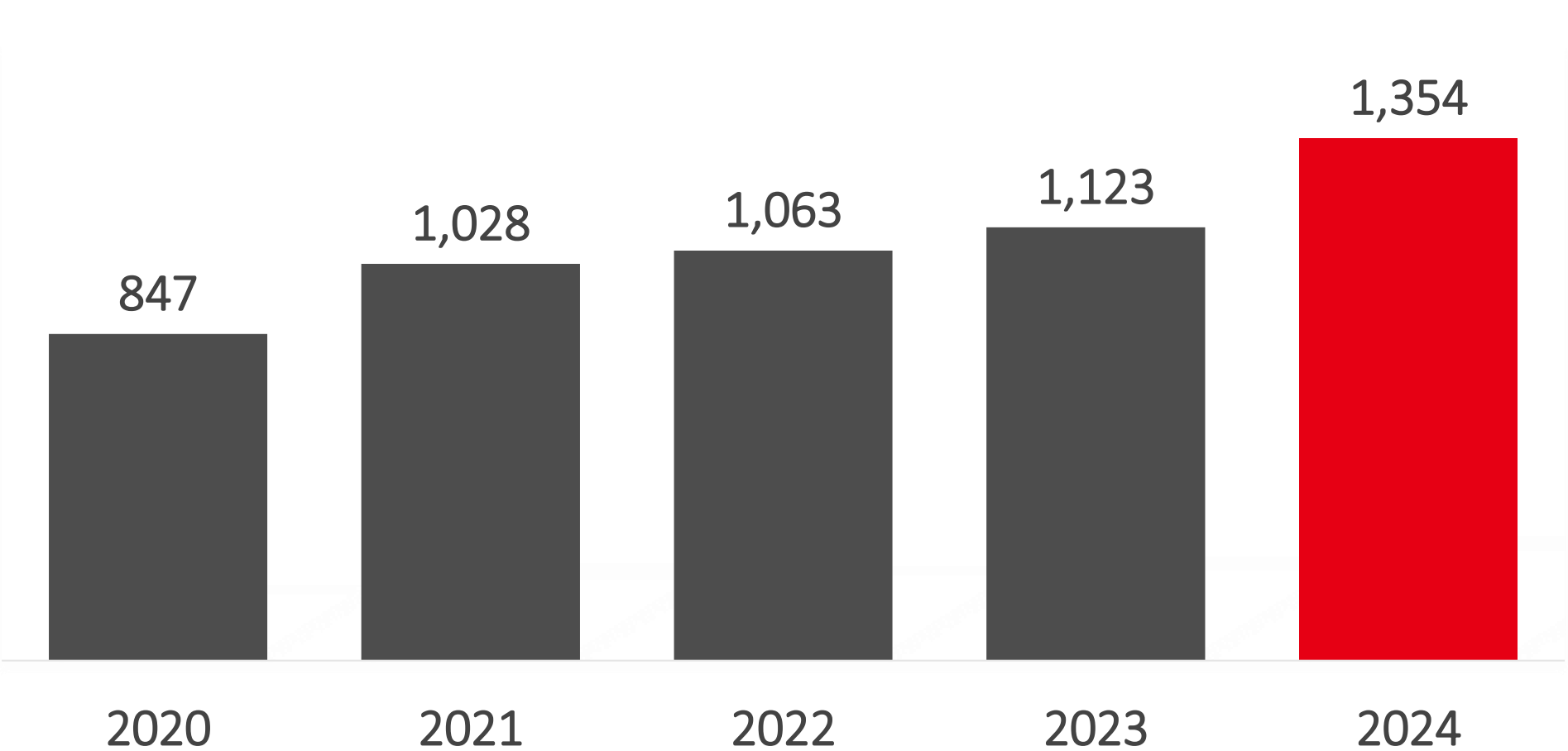
Consolidated P&L – 1-12 YTD 2024 vs. 2023			
	M-ILS		Change
	2024	2023	2023
<b>Volume Sales (Ton)</b>	<b>108,230</b>	<b>94,160</b>	<b>14.9%</b>
<b>Sales</b>	<b>1,354.0</b>	<b>1,123.0</b>	<b>20.6%</b>
Materials	819.6	734.6	11.6%
Manufacture & Labor	230.6	164.7	40.0%
<b>COST OF SALES</b>	<b>1,050.1</b>	<b>899.3</b>	<b>16.8%</b>
<b>GROSS PROFIT</b>	<b>303.9</b>	<b>223.8</b>	<b>35.8%</b>
	<b>22.4%</b>	<b>19.9%</b>	
Sale & Marketing	108.4	82.5	31.4%
General & Admin	72.0	57.9	24.3%
Other (income) expenses	4.8	(0.6)	(916.8%)
<b>Operating Profit</b>	<b>118.8</b>	<b>84.0</b>	<b>41.4%</b>
	<b>8.8%</b>	<b>7.5%</b>	
<b>EBITDA</b>	<b>184.7</b>	<b>129.9</b>	<b>42.2%</b>
	<b>13.6%</b>	<b>11.6%</b>	

# 5 years of Profit and Loss - MNIS

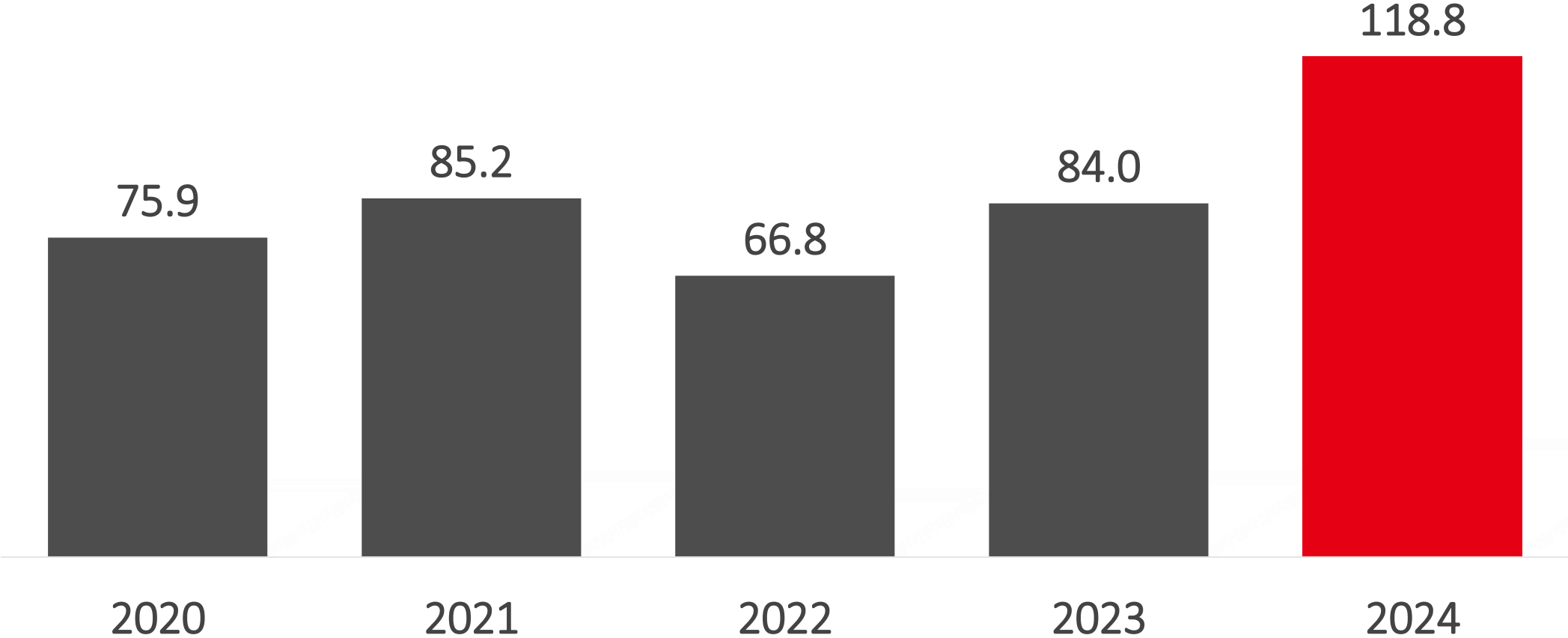
	2024				2023				2024	2023	2022	2021	2020
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1					
<b>Revenues</b>	<b>315.6</b>	<b>357.6</b>	<b>350.8</b>	<b>330.1</b>	<b>277.7</b>	<b>297.3</b>	<b>271.2</b>	<b>276.8</b>	<b>1,354.0</b>	<b>1,123.0</b>	<b>1,063.2</b>	<b>1,028.4</b>	<b>846.7</b>
Materials Consumption	193.8	212.3	210.0	203.5	177.8	196.6	180.7	179.6	819.6	734.6	731.1	714.1	556.9
Manufacture & Labor	59.1	61.9	59.3	50.1	39.7	42.4	40.7	41.9	230.6	164.7	139.3	121.5	115.9
<b>Cost Of Sales</b>	<b>253.0</b>	<b>274.2</b>	<b>269.3</b>	<b>253.6</b>	<b>217.5</b>	<b>239.0</b>	<b>221.4</b>	<b>221.4</b>	<b>1,050.1</b>	<b>899.3</b>	<b>870.5</b>	<b>835.6</b>	<b>672.8</b>
<b>Gross Profit</b>	<b>62.6</b>	<b>83.4</b>	<b>81.4</b>	<b>76.5</b>	<b>60.2</b>	<b>58.4</b>	<b>49.9</b>	<b>55.4</b>	<b>303.9</b>	<b>223.8</b>	<b>192.7</b>	<b>192.8</b>	<b>173.9</b>
%	19.8%	23.3%	23.2%	23.2%	21.7%	19.6%	18.4%	20.0%	22.4%	19.9%	18.1%	18.7%	20.5%
Sale & Marketing	27.4	29.2	27.5	24.2	20.8	21.2	20.0	20.4	108.4	82.5	77.6	66.1	60.7
General & Admin	19.6	19.4	17.3	15.6	16.0	14.8	13.6	13.5	72.0	57.9	46.0	42.9	37.4
Other (income) expenses	(0.0)	0.1	(0.3)	5.0	(0.9)	0.0	0.3	0.0	4.8	(0.6)	2.4	(1.4)	0.0
<b>Operating Profit</b>	<b>15.5</b>	<b>34.7</b>	<b>36.9</b>	<b>31.6</b>	<b>24.3</b>	<b>22.3</b>	<b>16.0</b>	<b>21.4</b>	<b>118.8</b>	<b>84.0</b>	<b>66.8</b>	<b>85.2</b>	<b>75.9</b>
%	4.9%	9.7%	10.5%	9.6%	8.7%	7.5%	5.9%	7.7%	8.8%	7.5%	6.3%	8.3%	9.0%
Financial (Income) expenses	(7.2)	12.0	8.6	6.4	6.7	1.5	4.0	5.5	19.8	17.8	4.6	0.1	13.8
Taxes on Income	4.3	6.8	7.4	7.8	5.0	5.8	3.2	5.3	26.4	19.2	17.8	20.1	18.9
<b>Net Profit</b>	<b>18.0</b>	<b>16.0</b>	<b>20.5</b>	<b>16.9</b>	<b>12.1</b>	<b>15.0</b>	<b>9.0</b>	<b>10.8</b>	<b>71.5</b>	<b>46.9</b>	<b>44.4</b>	<b>64.9</b>	<b>43.2</b>
%	5.7%	4.5%	5.9%	5.1%	4.4%	5.1%	3.3%	3.9%	5.3%	4.2%	4.2%	6.3%	5.1%
<b>EBITDA</b>	<b>30.7</b>	<b>51.3</b>	<b>52.8</b>	<b>50.0</b>	<b>37.5</b>	<b>33.7</b>	<b>27.1</b>	<b>31.7</b>	<b>184.7</b>	<b>129.9</b>	<b>104.5</b>	<b>116.6</b>	<b>103.1</b>
%	9.7%	14.3%	15.1%	15.1%	13.5%	11.3%	10.0%	11.4%	13.6%	11.6%	9.8%	11.3%	12.2%
<b>CAPEX</b>	<b>4.8</b>	<b>18.9</b>	<b>7.3</b>	<b>11.8</b>	<b>7.2</b>	<b>4.4</b>	<b>18.3</b>	<b>15.0</b>	<b>42.9</b>	<b>44.9</b>	<b>53.1</b>	<b>26.3</b>	<b>21.7</b>



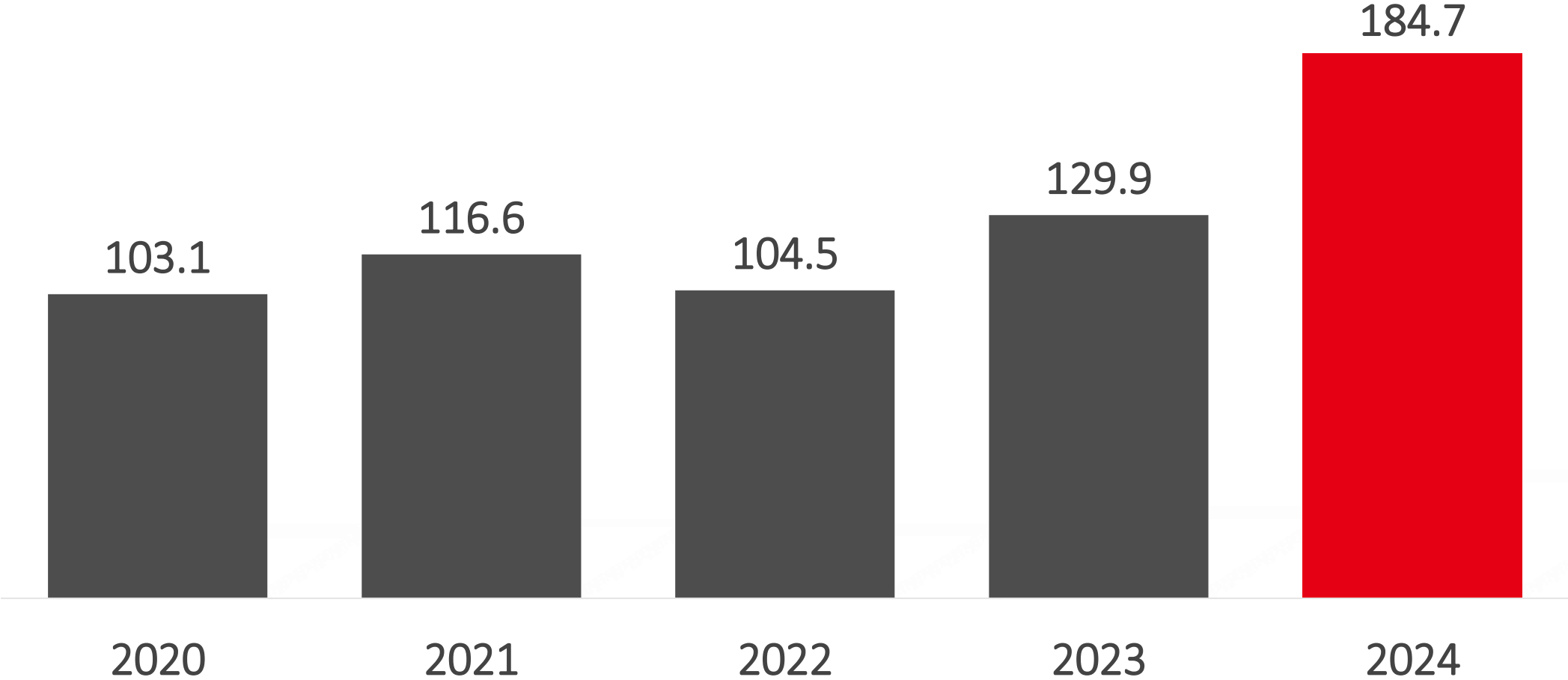
# Sales 1-12/2024 (MNIS)



# Operating Profit 1-12/2024 (MNIS)

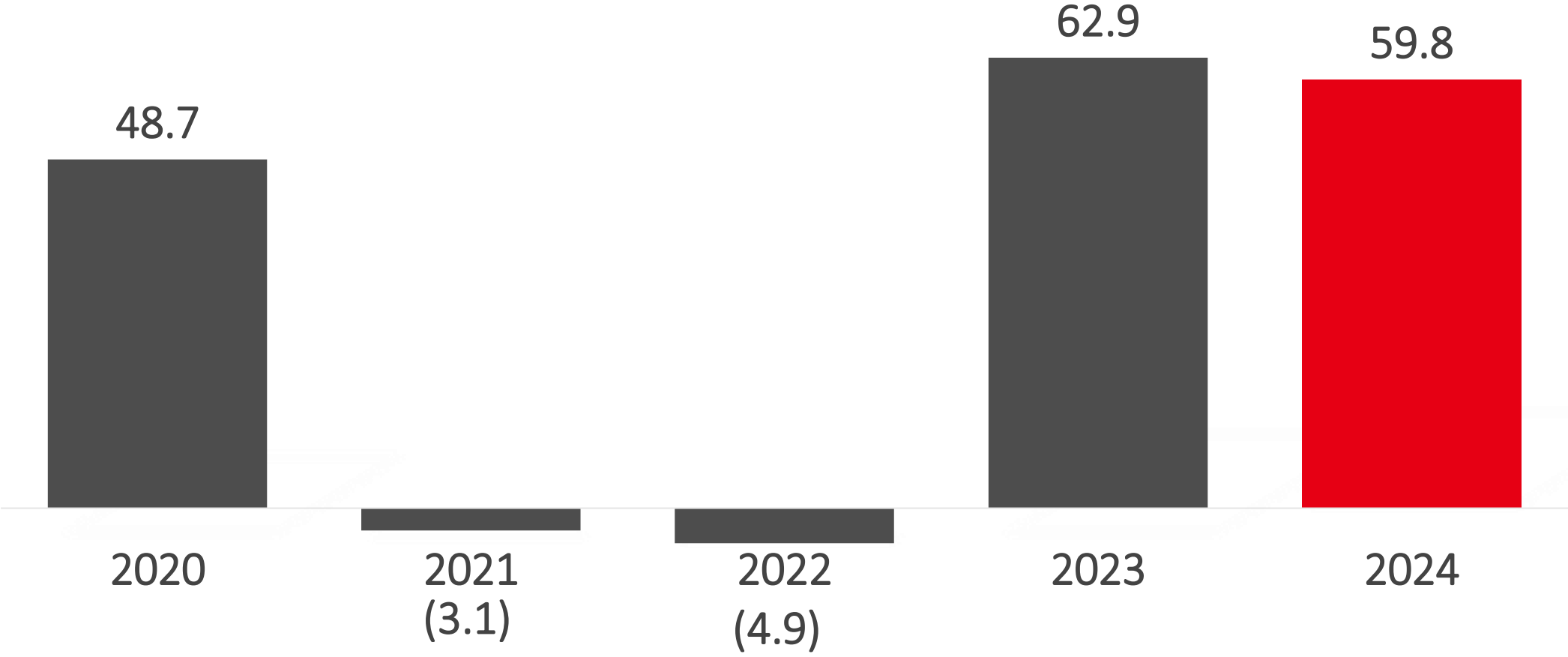


# EBITDA 1-12/2024 (MNIS)

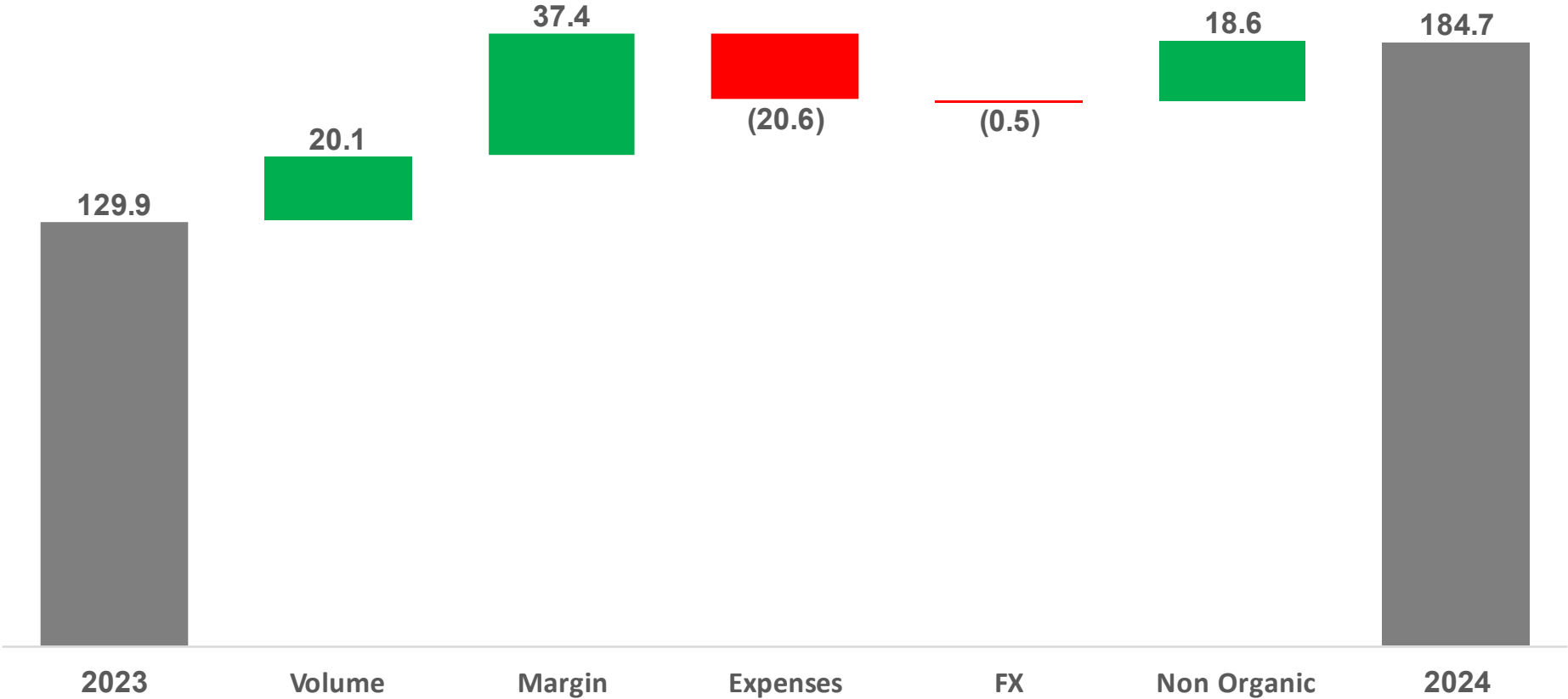




# Free Cash-Flow 1-12/2024 (MNIS)

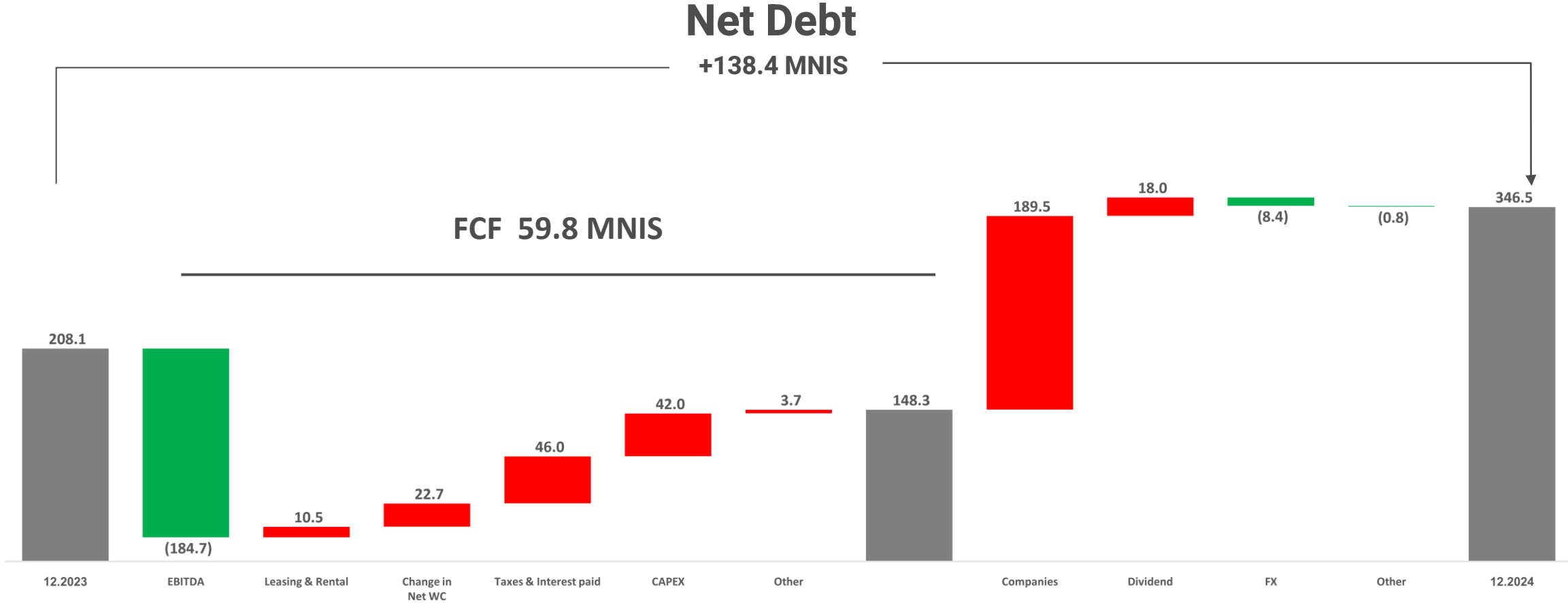


# FY EBITDA increased driven by Organic Volume and Margin improvement, recovering in our European Companies, on top of the new Acquisitions Impact



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

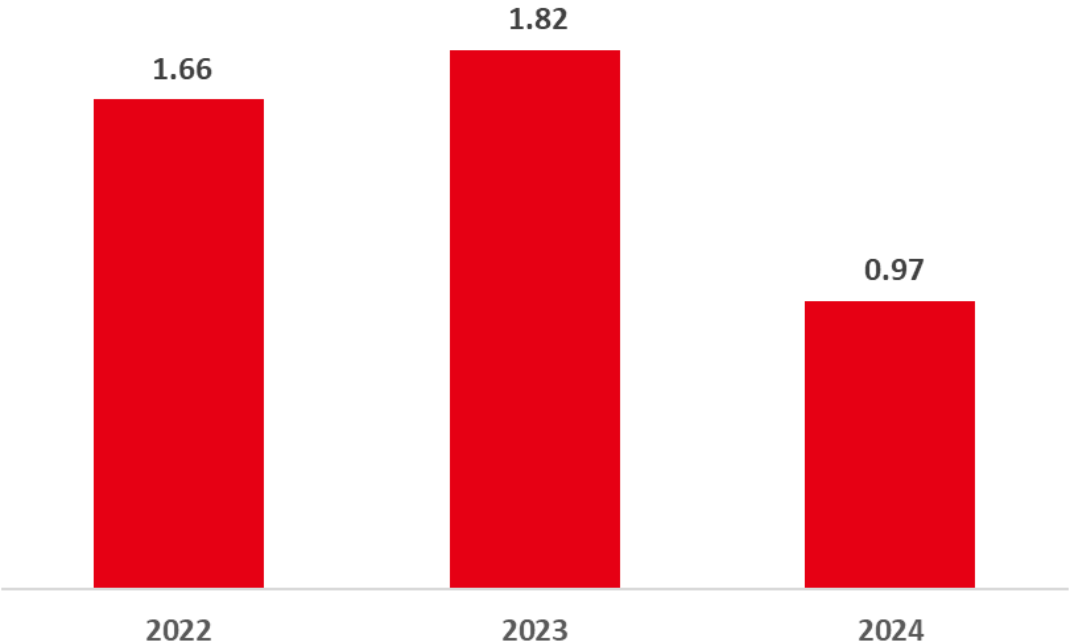
# Net Debt Development affected by 60MNIS FCF and 190MNIS in Acquisitions





# Improving in Safety KPI, with 0 Severe LTI

## OSHA RECORDABLE INCIDENT RATE



OSHA = #LTA / 200KHours

# 04

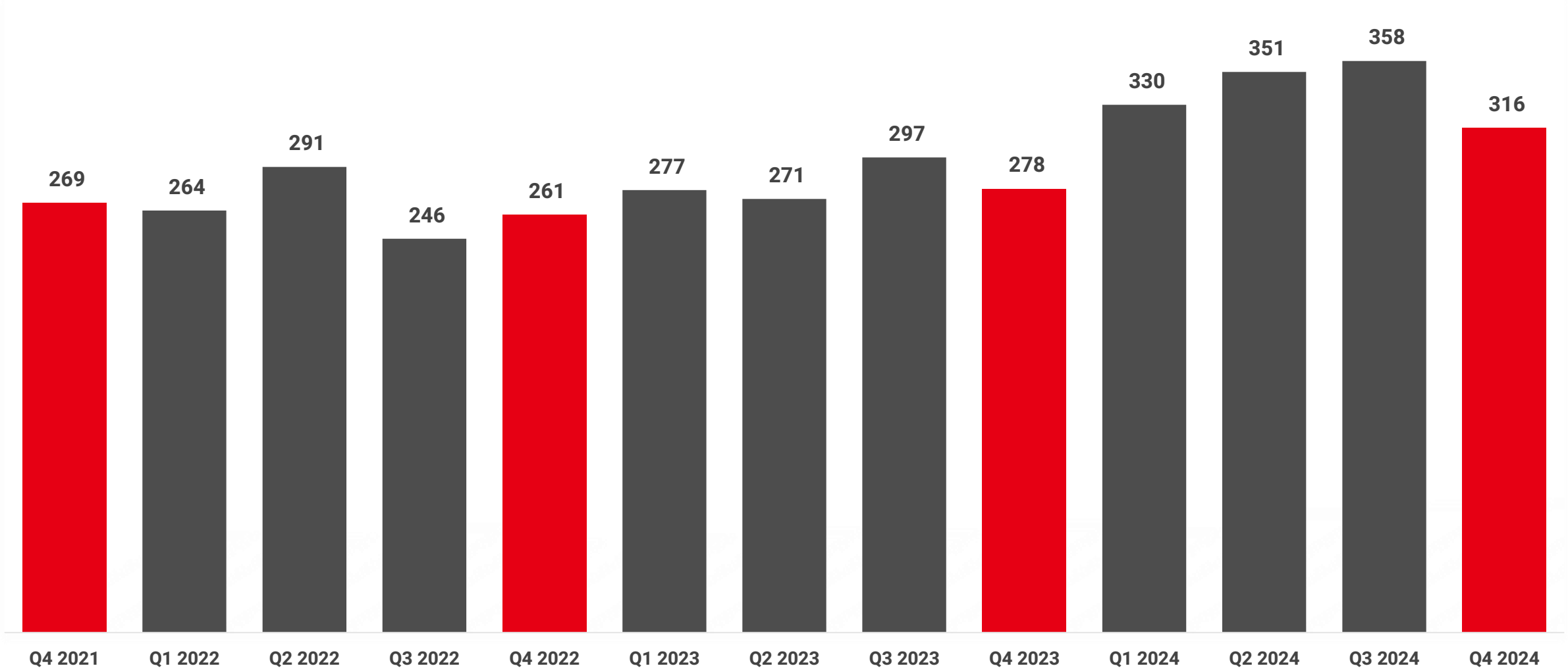
## Q4/2024 PERFORMANCE HIGHLIGHTS

## We delivered Growth in top-line but an erosion in the bottom line driven by our North American Operations and some one-off income in Q4/2023

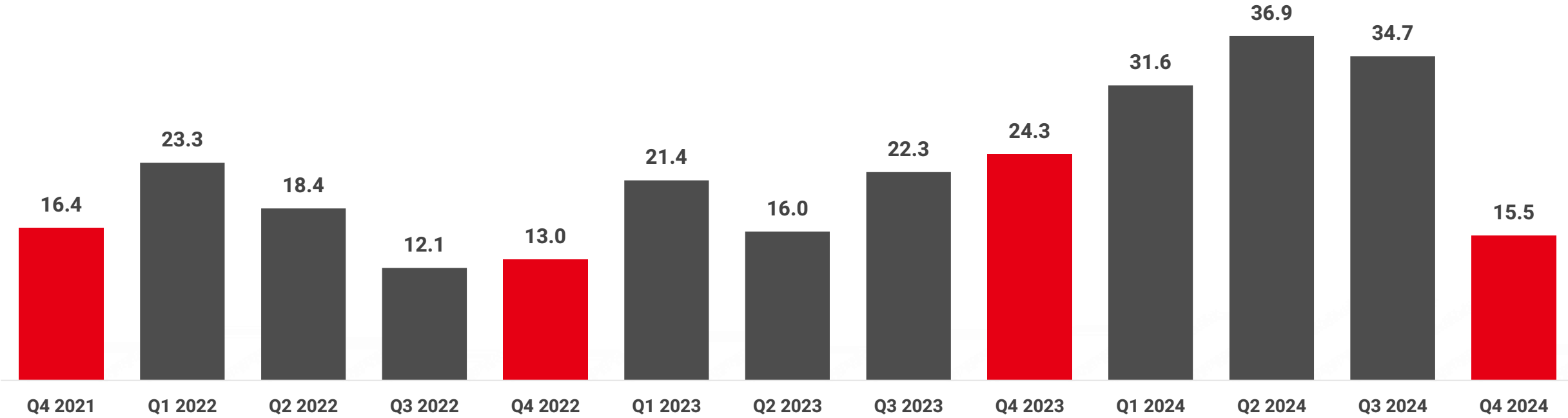
Consolidated P&L – Q4 2024 vs. 2023			
	M-ILS		Change
	2024	2023	2023
<b>Volume Sales (Ton)</b>	<b>25,680</b>	<b>23,608</b>	<b>8.8%</b>
<b>Sales</b>	<b>315.6</b>	<b>277.7</b>	<b>13.6%</b>
Materials	193.8	177.8	9.1%
Manufacture & Labor	59.1	39.7	48.8%
<b>COST OF SALES</b>	<b>253.0</b>	<b>217.5</b>	<b>16.3%</b>
<b>GROSS PROFIT</b>	<b>62.6</b>	<b>60.2</b>	<b>4.0%</b>
	<b>19.8%</b>	<b>21.7%</b>	
Sale & Marketing	27.4	20.8	31.7%
General & Admin	19.6	16.0	22.7%
Other (income) expenses	(0.0)	(0.9)	(100.0%)
<b>Operating Profit</b>	<b>15.5</b>	<b>24.3</b>	<b>(36.0%)</b>
	<b>4.9%</b>	<b>8.7%</b>	
<b>EBITDA</b>	<b>30.7</b>	<b>37.5</b>	<b>(18.1%)</b>
	<b>9.7%</b>	<b>13.5%</b>	



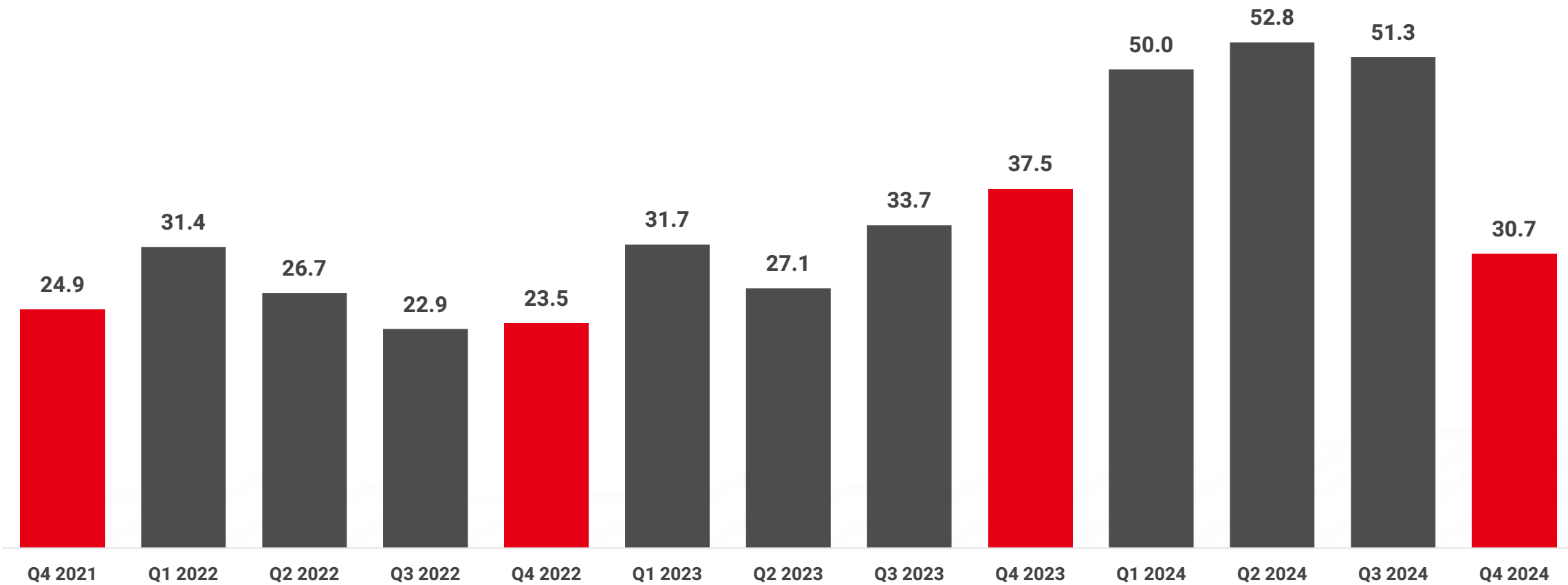
# Quarterly Sales Development (MNIS)



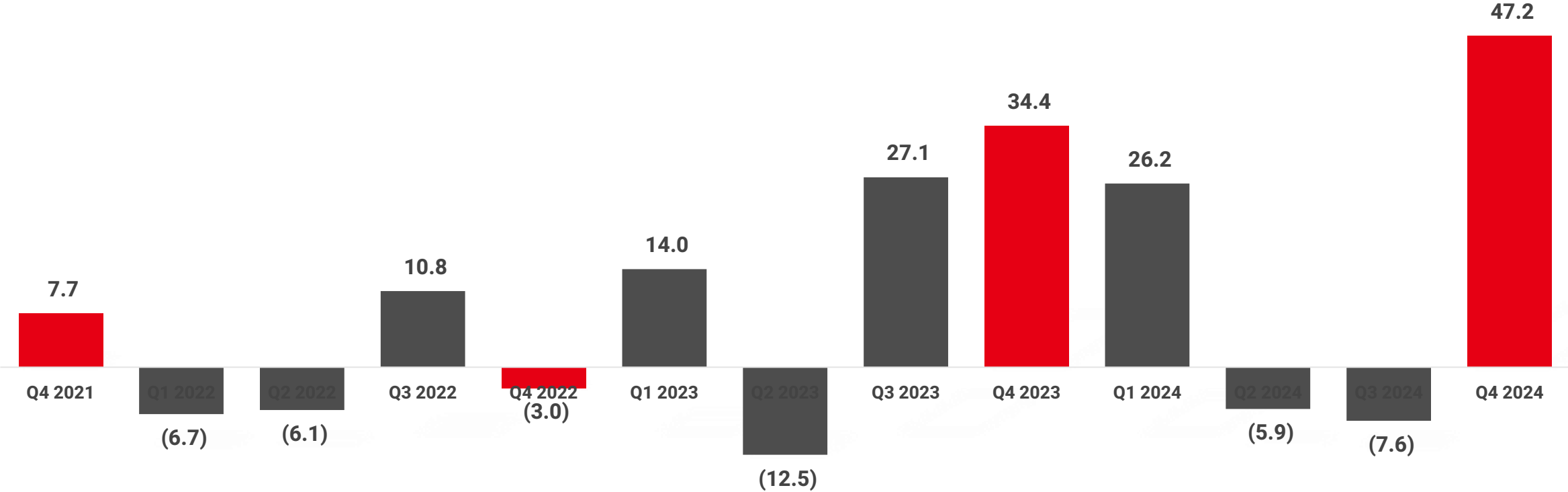
# Quarterly Operating Profit Development (MNIS)



# Quarterly EBITDA Development (MNIS)

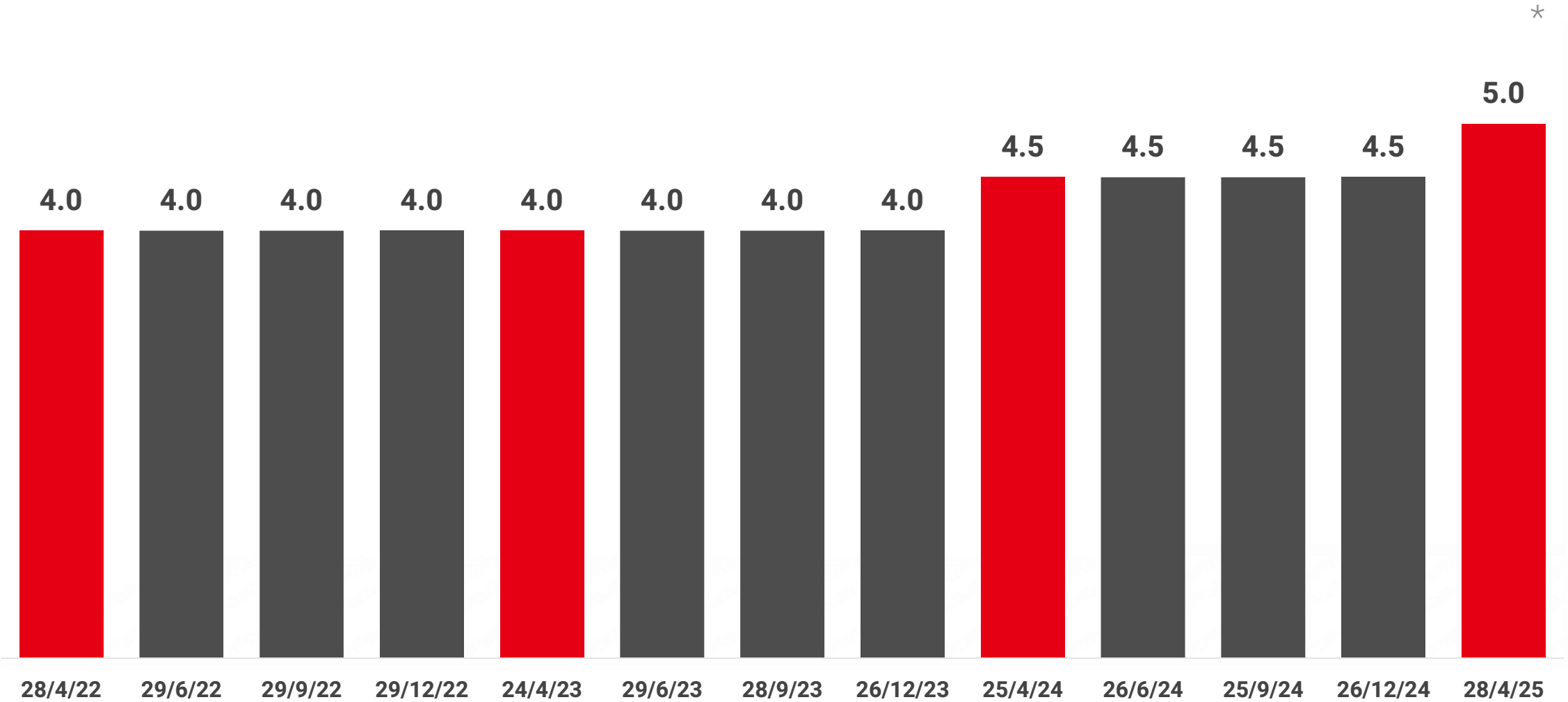


# FCF (MNIS)





# Dividend Distribution (MNIS)



(\*) Dividend Payment day

# 05

UNAUDITED  
BENCHMARK

# Market Trends - Public Companies in the Industry

		2024	2023	2022	vs YAG
<b>Kafrit Group</b>	Sales (Million NIS)	1,355	1,123	1,063	21%
<b>Lyondell Basell</b>	Sales and other operating revenues (Million\$)				
	Total Company	40,302	41,107	50,451	-2%
	Advanced Polymer Solutions (APS)				
<b>Avient</b>	Total Revenue (Million\$)				
	Total Company	3,240	3,143	3,396	3%
	Color, Additives and Ink	2,047	2,007	2,355	2%
<b>BASF</b>	Sales (Million Euro)				
	Total Company	65,260	68,902	87,327	-5%
	Materials	13,510	14,149	18,443	-5%
<b>DOW</b>	Net Sales (Million\$)				
	Total Company	42,964	44,622	56,902	-4%
	Packaging and Special Plastics	21,776	23,149	29,260	-6%
<b>Covestro</b>	Sales (Million Euro)				
	Total Company	14,179	14,377	15,903	-1%
	Performance materials	6,970	6,876	9,095	1%
<b>Chemours</b>	Net Sales (Million\$)				
	Total Company	5,782	6,078	6,794	-5%
	Advanced Performance Materials	1,326	1,462	1,618	-9%
<b>Cabot</b>	Adjusted Sales (Million\$)	3,991	3,924	4,321	2%
<b>Arkema</b>	Adjusted Sales (Million Euro)	9,544	9,514	11,550	0%
<b>Polyram</b>	Sales (Million NIS)	1,001	1,001	1,104	0%

		2024	2023	2022	vs YAG
<b>Kafrit Group</b>	EBITDA (Million NIS)	185	130	103	42%
		13.6%	11.6%	9.7%	
<b>Lyondell Basell</b>	EBITDA before Impairment (Million\$)				
	Total Company	4,336	5,222	6,527	-17%
	Advanced Polymer Solutions (APS)	54	-162	115	-133%
<b>Avient</b>	EBITDA (Million\$)				
	Total Company	526	502	592	5%
	Color, Additives and Ink	384	358	402	7%
		16.2%	16.0%	17.4%	
		18.7%	17.8%	17.1%	
<b>BASF</b>	EBITDA before special itmes (Million Euro)				
	Total Company	7,858	7,671	10,762	2%
	Materials	1,805	1,650	2,686	9%
		12.0%	11.1%	12.3%	
		13.4%	11.7%	14.6%	
<b>DOW</b>	EBITDA (Million\$)				
	Total Company	5,482	5,389	9,348	2%
	Packaging and Special Plastics (EBIT)	2,373	2,700	4,110	-12%
		12.8%	12.1%	16.4%	
		10.9%	11.7%	14.0%	
<b>Covestro</b>	EBITDA (Million Euro)				
	Total Company	1,071	1,080	1,617	-1%
	Performance materials	569	576	951	-1%
		7.6%	7.5%	9.0%	
		8.2%	8.4%	10.5%	
<b>Chemours</b>	Adjusted EBITDA (Million\$)				
	Total Company	786	1,014	1,361	-22%
	Advanced Performance Materials	161	273	367	-41%
		13.6%	16.7%	20.0%	
		12.1%	18.7%	22.7%	
<b>Cabot</b>	Adjusted EBITDA (Million\$)	795	734	728	8%
		19.9%	18.7%	16.8%	
<b>Arkema</b>	Adjusted EBITDA (Million Euro)	1,532	1,501	2,110	2%
		16.1%	15.8%	18.3%	
<b>Polyram</b>	EBITDA (Million NIS)	168	153	166	10%
		16.8%	15.2%	15.0%	



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