

Press release, Malmö, Sweden, 8 March 2022

HEXPOL has signed an agreement to acquire 70% of the shares in almaak international GmbH, a specialist in advanced recycled engineered compounds

HEXPOL has signed an agreement to acquire 70% of the shares in almaak from the existing owners Mr. Olaf Eichstädt and Mr. Thomas Schmeinta. almaak is a specialist in high quality recycled engineered polymer compounds based in Germany.

The acquisition is fully in line with the HEXPOL's M&A strategy with desired growth in thermoplastic compounding and specialty engineered polymers with high level of recycled materials. Furthermore, the acquisition strengthens our market position in Europe. Mr. Olaf Eichstädt and Mr. Thomas Schmeinta will stay with the company and further drive growth and technical excellence.

"The acquisition of almaak is fully in line with our growth strategy and we welcome the almaak team to the HEXPOL Group. almaak's focus and expertise on high quality recycled engineered compounds also fits very well into our sustainability development"

Georg Brunstam, CEO HEXPOL Group

"We see the merger with HEXPOL Group as the ideal combination of integrating our businesses into a globally operating, innovative and extremely well positioned company and the very good opportunity to continue our successful business strategy and philosophy around sustainability in connection with engineering compounds. We are looking forward to a very good and successful cooperation and the further expansion of business opportunities"

Olaf Eichstädt and Thomas Schmeinta, CEOs almaak

During the last few years, almaak has made significant investments in equipment and technology to secure the company's continued growth and meet the increased demand for sustainable products.

"almaak is very well positioned in a growing market with a high level of specialty expertise. Together with HEXPOL's knowledge and resources, we see many opportunities for accelerated growth. I look forward to working with Olaf and Thomas to achieve this"

Jan Wikström, President HEXPOL Thermoplastic Compounding

almaak's turnover in 2021 amounted to 75 MEUR with a profitability level just below the HEXPOL Group. almaak operates two sites in Germany with some 190 employees. The main end user segment is the European automotive industry where the interest for recycled compounds is high.

The acquisition price amounts to approximately 70 MEUR on a cash and debt free basis and is funded by a combination of cash and existing bank facilities. Pursuant to the agreement, HEXPOL has an option to acquire the remaining shares, and Mr. Olaf Eichstädt and Mr. Thomas Schmeinta have the option to sell their remaining shares to HEXPOL. The transaction will close after regulatory approval which is estimated to the 2nd quarter of 2022.

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HEXPOL is a world-leading polymers group with strong global market positions in advanced polymer compounds (Compounding), gaskets for plate heat exchangers (Gasket), and polymer materials for truck and castor wheel applications (Wheels). Customers are primarily system suppliers to the global automotive and engineering industry, the construction sector, the transportation, the energy, oil, and gas sector, the consumer sector, the cable and wire industry, medical equipment manufacturers and OEM manufacturers of plate heat exchangers and forklifts. The Group is organized in two business areas, HEXPOL Compounding and HEXPOL Engineered Products. The HEXPOL Group's sales in 2021 amounted to 16,005 MSEK. The HEXPOL Group has approximately 4,800 employees in fourteen countries. Further information is available at www.hexpol.com.

This press release consists of such information that HEXPOL AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 5:30 p.m. CET on March 8, 2022.

This is a non-official translation of the Swedish original wording. In case of discrepancies between the English translation and the Swedish original, the Swedish text shall prevail.