

**KENDRION N.V.****P R E S S   R E L E A S E****2 7   A u g u s t   2 0 2 5****Kendrion to complete its strategic repositioning as a pure-play Industrial company with sale of China business**

- Consideration of EUR 70 million on a cash and debt-free basis
- Completion is expected within 3 months
- Special dividend of EUR 1.00 per share payable post-completion
- Share buyback program of up to EUR 10.0 million to follow completion
- Strengthened balance sheet and increased capacity to invest in industrial opportunities

Kendrion today announced that it has entered into an agreement to sell its China-based business in Suzhou to local management, supported by a consortium of investors. The transaction implies an enterprise value of EUR 70 million on a cash and debt-free basis. With this divestment, Kendrion completes its strategic repositioning, to a pure-play Industrial company focusing entirely on industrial growth opportunities.

**Rationale for divestment**

Kendrion's growth potential in China is largely linked to the automotive sector, which no longer falls within its strategic priorities. The divestment reflects this, at an attractive valuation. As the Suzhou facility houses both Automotive and Industrial operations at a single location, a unified transaction best aligns with the operational reality. This divestment follows Kendrion's earlier sale of its automotive business in Europe and the United States to Solero Technologies LLC, in 2024.

Under the terms of the agreement, Kendrion retains ownership of its Permanent Magnet Brake (PM) technology. The related IP will be licensed to the China entity under a royalty arrangement, with strict limitations on its commercial applicability. This safeguards and monetizes Kendrion's unique PM technology.

**Joep van Beurden, Kendrion CEO:** *"Today's announcement further sharpens our focus on opportunities within our Industrial Brakes and Industrial Actuators and Controls business groups. With our full attention to the significant opportunities in the Industrial segments, we prioritize profitability over growth, to create long-term value for our shareholders. After completion of the transaction, Kendrion will return around EUR 25 million to our shareholders, through a special dividend of EUR 1.00 per share and by a share buyback program of up to EUR 10 million. The remainder of the proceeds will be used to strengthen the balance sheet and to reinvest in the Industrial business. Going forward we will continue as a pure-play Industrial company, with a strong focus on electrification, cleaner energy, and other high-potential niches. Our medium-term financial goals remain unchanged."*

**Telly Kuo, MD and President of Kendrion China:** *"Since our founding in 2005, we have grown significantly in the Chinese market. Kendrion has enabled us to serve our Chinese customers better, faster, and at more competitive prices, while steadily increasing our market share, especially since the opening of our new state-of-the-art factory in Suzhou in 2023. In Automotive, the global market for electric vehicles is poised for strong growth over the coming years, with Asia Pacific as the largest market. As a stand-alone entity, we believe we will be best placed to capture these opportunities and continue serving the needs of our Chinese customers. I am deeply grateful for Kendrion's support and commitment to our business over the past years."*

In connection with the divestment, Kendrion expects to reduce its central service cost and other related overheads by approximately EUR 3.5 million which will fully compensate for the dis-synergies. The related cost savings are expected to be effective from 1 January 2026. The related one-time restructuring expense will be approximately EUR 1.5 million and will largely fall in Q4 2025.

The EBITDA contribution associated with the divestiture amounted to EUR 3.9 million in FY 2024, leading to a pro forma normalized EBITDA of EUR 33.1 million, compared to the reported normalized EBITDA of EUR 37.0 million for FY 2024. Based on these pro forma figures, the transaction is accretive in terms of EBITDA margin, earnings per share, and return on invested capital. Completion of the transaction is envisaged within the next three months and is subject to receipt of the purchase consideration at Kendrion N.V.

### **Advisors**

ING Corporate Finance acted as financial advisor and Allen & Overy acted as legal advisors Kendrion.

### **Analysts' meeting and audio webcast**

Concurrently with this announcement, Kendrion has published its Q2 and first half 2025 results. CEO Joep van Beurden and CFO Jeroen Hemmen will present the HY1 2025 results and provide an update on the company's strategic and financial progress in an analysts' webcast at 11:00 a.m. CET today.

The webcast will also cover the announced divestment of Kendrion's China business and its implications for the company's strategic repositioning as a pure-play Industrial company. The live audio webcast can be followed via [www.kendrion.com](http://www.kendrion.com). A recording will be available from 2:00 p.m. CET onwards.

Amsterdam, 27 August 2025

The Executive Board

### **Profile of Kendrion N.V.**

Kendrion develops, manufactures, and markets high-quality electromagnetic systems and components for a broad range of industrial applications. For more than a century, we have engineered precision parts for the world's leading innovators in industrial markets and selected mobility applications. As a leading technology pioneer, Kendrion invents, designs, and manufactures complex components and customized systems as well as local solutions on demand.

We are committed to the engineering challenges of tomorrow, and taking responsibility for how we source, manufacture, and conduct business is embedded into our culture of innovation. Headquartered in the Netherlands and listed on the Amsterdam stock exchange, Kendrion's expertise extends across Europe, to the Americas, and Asia. Created with passion and engineered with precision, our work drives progress worldwide.

### **For more information, please contact:**

Kendrion N.V.

Mr Joep van Beurden

Chief Executive Officer

Tel: +31 6 82 56 85 65

Email: [IR@kendrion.com](mailto:IR@kendrion.com)

Website: [www.kendrion.com](http://www.kendrion.com)