March 25, 2021

K.B. Recycling Industries Ltd. files preliminary prospectus for initial public offering of ordinary shares

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Toronto, Ontario and Beit Shean, Israel, March, 25, 2021 – K.B. Recycling Industries Ltd. ("**K.B. Recycling**" or "**Alkemy**" or, the "**Company**") today announced that it has filed, and obtained a receipt for, a preliminary prospectus with the securities regulatory authorities in each of the provinces and territories of Canada, except the province of Québec, for a proposed initial public offering of ordinary shares (the "**Offering**"). Copies of the preliminary prospectus are available on SEDAR at www.sedar.com.

The Offering is being co-led by INFOR Financial Inc. and Cormark Securities Inc. as joint bookrunners.

The preliminary prospectus contains important information relating to the Offering and the Company and has not yet become final for purposes of a distribution of securities to the public. No securities regulatory authority has either approved or disapproved the contents of this news release. This news release does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale or any acceptance of an offer to buy these securities in any province or territory of Canada prior to the time of receipt for the final prospectus or other authorization is obtained from the securities regulatory authority in such province or territory. This news release does not provide full disclosure of all material facts relating to the securities offered. Investors should read the preliminary prospectus, final prospectus and any amendment, for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision. The ordinary shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any state securities laws. Accordingly, the ordinary shares may not be offered or sold within the United States except pursuant to exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws.

About K.B. Recycling

K.B. Recycling is an environmental technology company based in Israel, and carries on business under the name "Alkemy". Alkemy has developed a unique plastic recycling process to recycle plastic bags and sheets traditionally not considered economically viable for recycling and as such have become one of the largest plastic pollutants in the world. Alkemy employs a dynamic one-step process that does not require separate recycling and production plants. Alkemy's process includes both recycling and finished product manufacturing in a single process called "waste-to-product", allowing Alkemy to reduce the cost of the recycled plastic as raw materials, and increase the profit margin per metric ton.

Forward-Looking Statements

This news release may contain forward-looking information within the meaning of applicable securities legislation, which reflects the Company's current expectations regarding future events. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond the Company's control. Such risks and uncertainties include, but are not limited to, failure to complete the Offering and the factors discussed under "Risk Factors" in the preliminary prospectus. Actual results could differ materially from those projected herein. K.B. Recycling does not undertake any obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required under applicable securities laws.

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