

An aerial photograph of the Kafrit industrial facility. The complex features several large industrial buildings with brown and white roofs. In the center, there are tall, cylindrical storage silos and a network of pipes and walkways. To the right, a large building has the 'Kafrit' logo on its side. In the foreground, there is a parking lot with several cars and a road. The facility is surrounded by green fields and a small pond is visible in the upper left corner.

WELCOME TO KAFRIT GROUP

COMPANY PRESENTATION

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The presentation's sole purpose is to provide information. The information contained in the presentation and any other information provided during the presentation (the “Information”) does not constitute a basis for investment decisions and does not comprise a recommendation, an opinion or a substitute for the investor's sole discretion. The Information provided in the presentation

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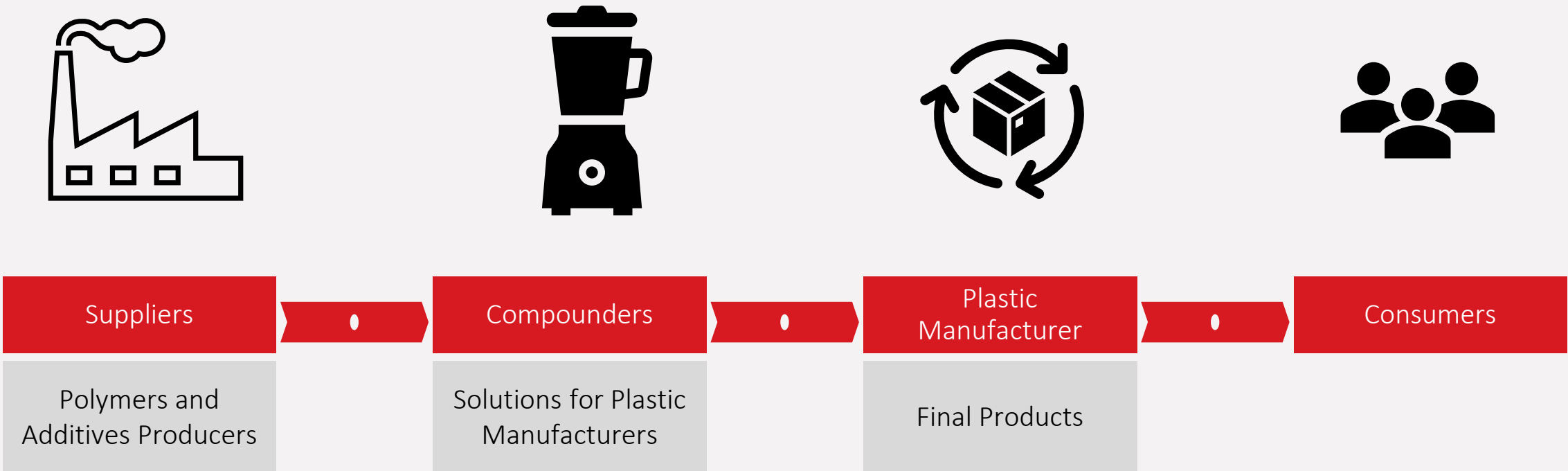
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Our Place in the Supply Chain



KafritGroup

We are here



01

ABOUT
KAFRIT GROUP



KAFRIT GROUP IS A LEADING
PRODUCER OF MASTERBATCHES
AND COMPOUNDS FOR THE
PLASTICS INDUSTRY



Kafrit Group Vision

To be a preferred supplier of masterbatches and compounds for the plastic industry, providing our customer globally, innovative and quality solutions suitable to their need over time



Our new challenging Strategy for the next 5 years

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**

Must Win Battles	Marketing and Service	Colors	Business Units	Business Development & Innovation
Mission	Be the Best-in-Class Service and Solution Provider	Become a Multi-Local Player in Colors Segment	Improve Profitability and Strengthen Market position	Form & Execute Strategic Alliances generating significant added value
Our People and Structure	Build a Group Leadership Team, Leverage Knowhow and Synergies			

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



43
PRODUCTION LINES

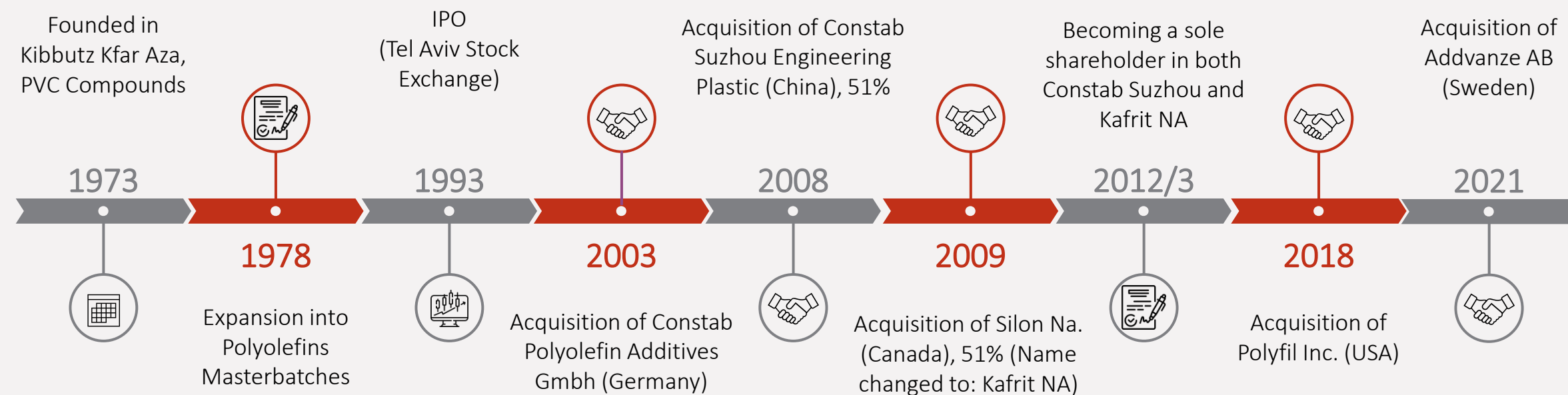


~470
EMPLOYEES

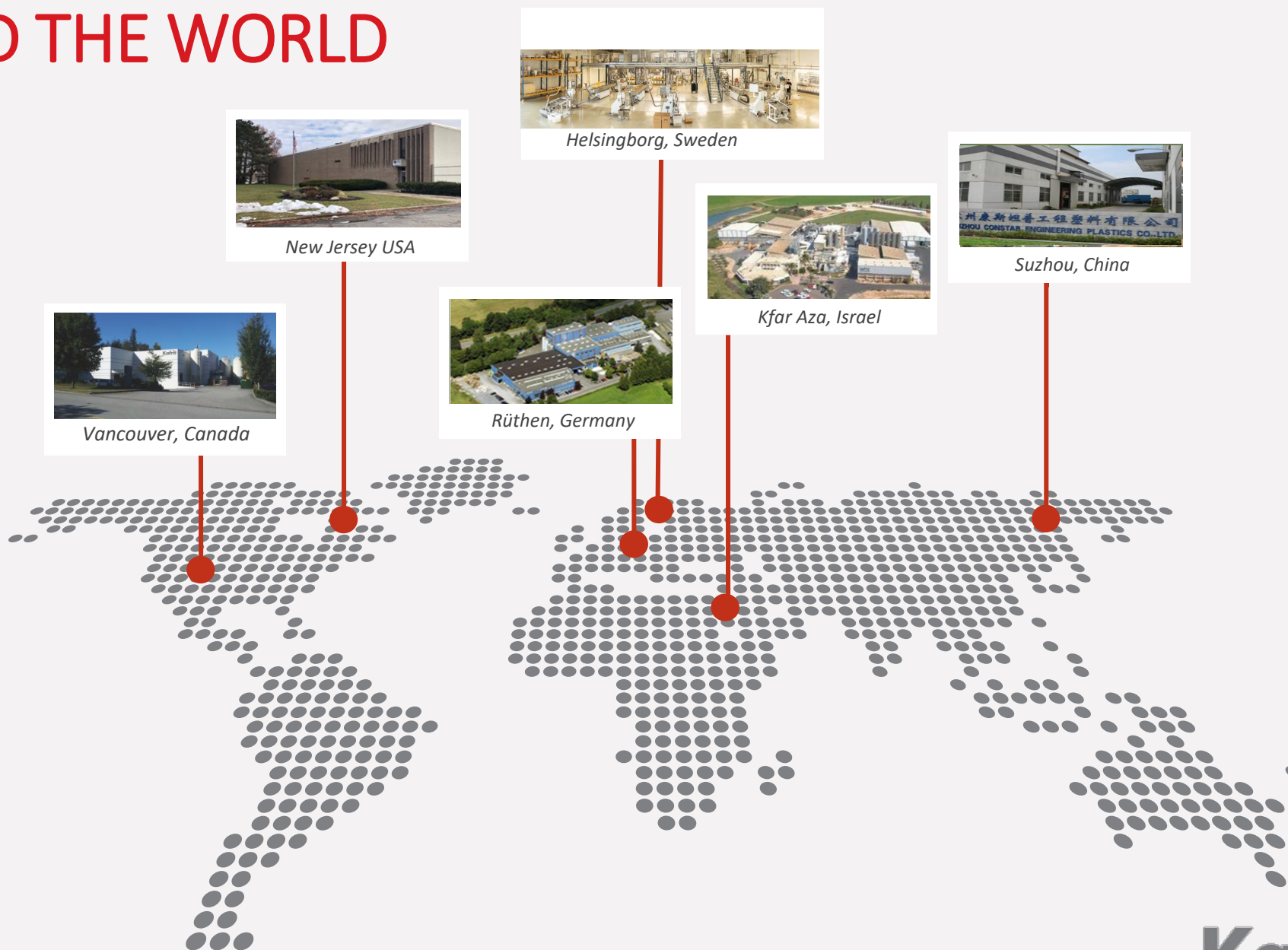


~118,000
MT CAPACITY

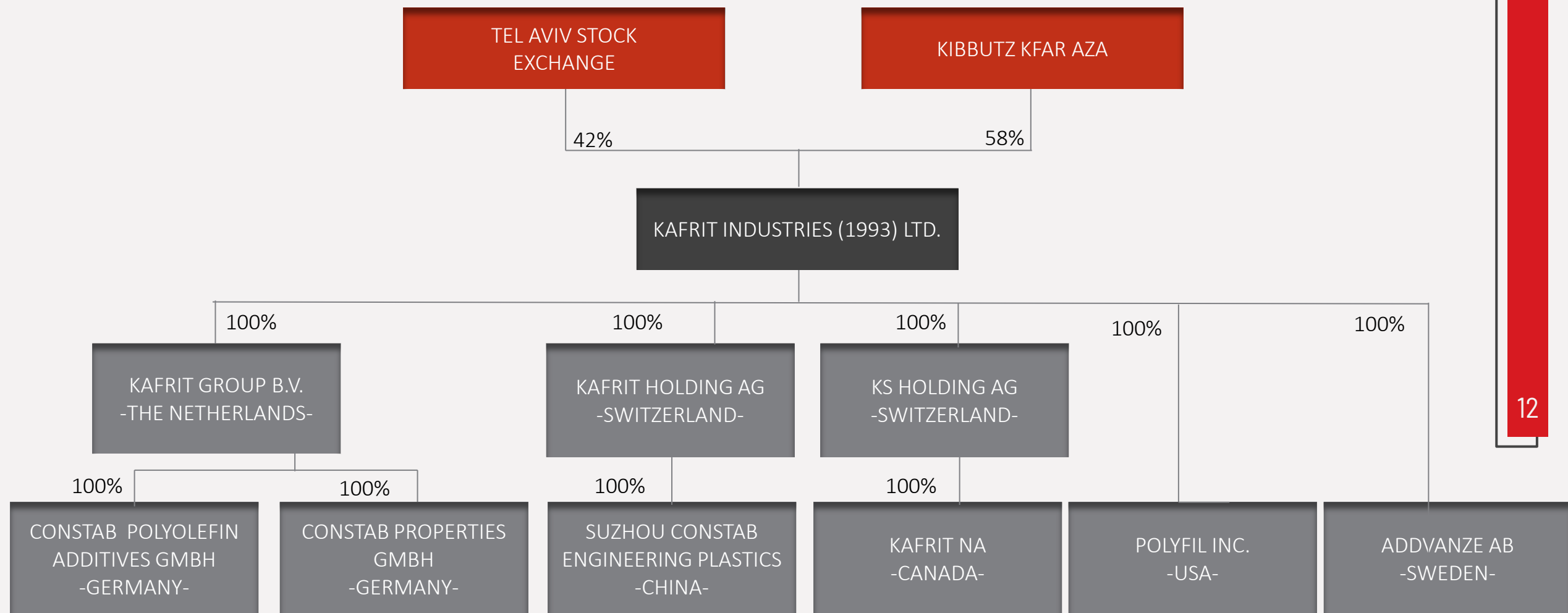
MILESTONES



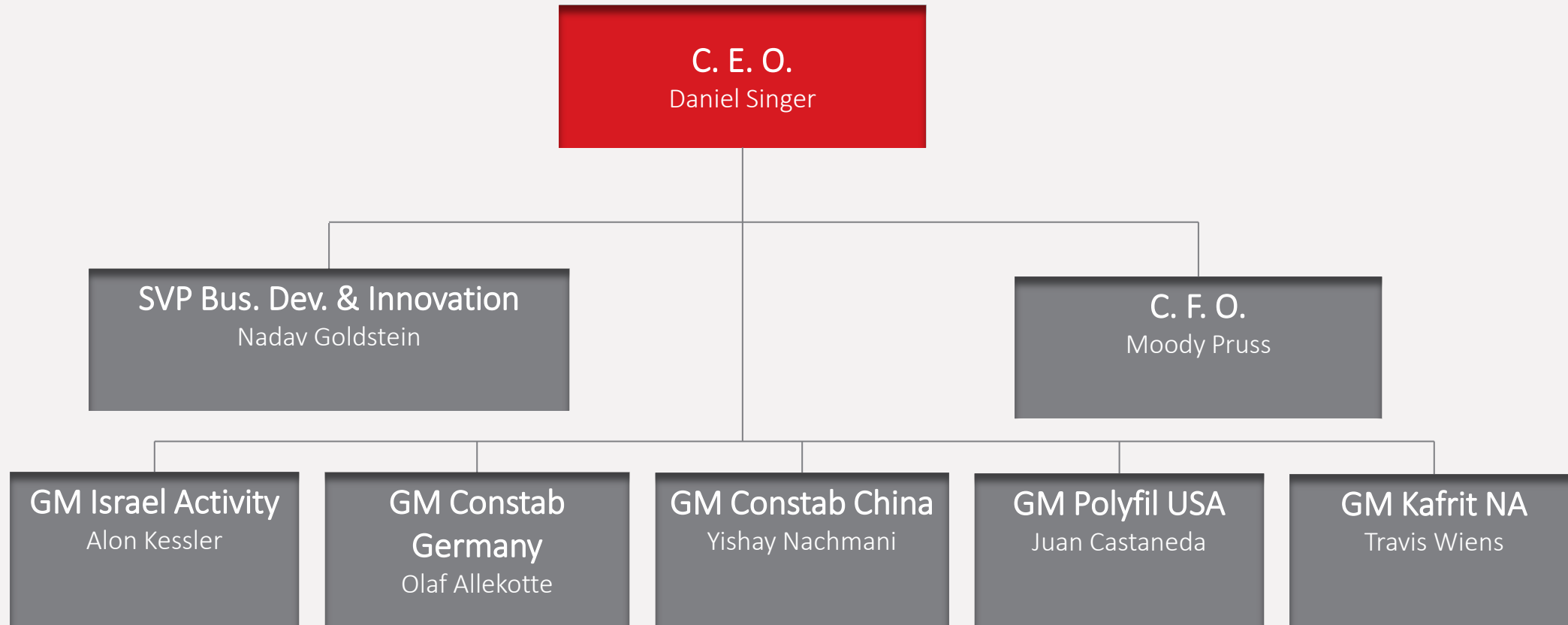
AROUND THE WORLD



LEGAL GROUP STRUCTURE



KAFRIT GROUP LEADERSHIP TEAM





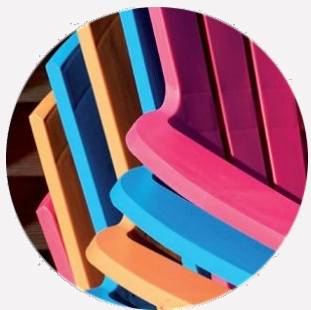
02

PORTFOLIO

THE MEMBERS OF KAFRIT GROUP

<div>Kafrit</div> <div>160 Employees</div> <div>25,300 MT Capacity</div> <div>Business Areas</div> <div><div>Agriculture</div><div>PE Films</div><div>Flame Retardants</div><div>Colors</div><div>Polycarbonate</div><div>Pipes</div></div>	<div>CONSTAB</div> <div>130 Employees</div> <div>26,300 MT Capacity</div> <div>Business Areas</div> <div><div>BOPP Films</div><div>PE Films</div><div>PP Films</div><div>BOPE</div></div>	<div>SUZHOU CONSTAB</div> <div>110 Employees</div> <div>26,200 MT Capacity</div> <div>Business Areas</div> <div><div>PEX Compounds for Pipes</div><div>BOPP Films</div></div>	<div>Kafrit NA Ltd.</div> <div>21 Employees</div> <div>13,200 MT Capacity</div> <div>Business Areas</div> <div><div>PEX Compounds for Pipes</div></div>	<div>Polyfil Inc.</div> <div>33 Employees</div> <div>22,900 MT Capacity</div> <div>Business Areas</div> <div><div>PE Films</div></div>	<div>Addvanze®</div> <div>26 Employees</div> <div>4,300MT Capacity</div> <div>Business Areas</div> <div><div>Colors</div></div>
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APPLICATIONS



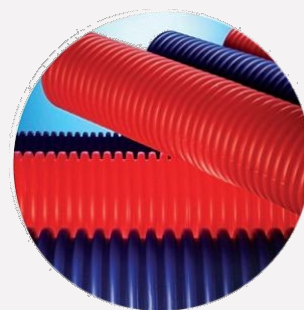
INJECTION
MOLDING
/ BLOW MOLDING



POLYCARBONATE AND
PMMA SHEETS



POLYETHYLENE
PACKAGING
POLYPROPYLENE
CAST AND
CALENDER FILMS



HALOGEN FREE
SOLUTIONS FOR
SHEETS AND PIPES



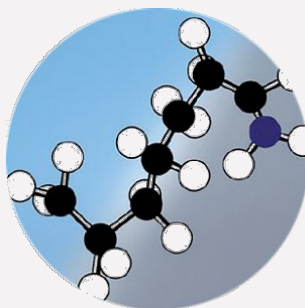
BLOWING
AGENTS



OPTIMIZING BOPP
FILM PRODUCTION



CONSTAB AND CONPEEL
COMPOUNDS



ECOCELL



ANTIMONY FREE /
REDUCED ANTIMONY
FR SOLUTIONS



AGRICULTURAL FILM



ANTIOXIDANTS



ADDING VALUE TO FIBERS
AND NONWOVENS

FUNCTIONALITY

ACID SCAVENGERS

ANTIBLOCKING AGENTS

ANTIFOGGING AGENTS

ANTISLIP AGENTS

ANTISTATICS

CAVITATING AGENTS

CLEANING COMPOUNDS

COLOUR CONCENTRATES

FILLERS

FLAME RETARDANTS

FOAMING AGENTS

HYDROCARBON RESINS

MATT COMPOUNDS

METAL DEACTIVATORS

NUCLEATING AGENTS

OPTICAL BRIGHTENERS

PEEL COMPOUNDS

PHARMACOPOEIA MB

PROCESSING AIDS

SLIP AGENTS

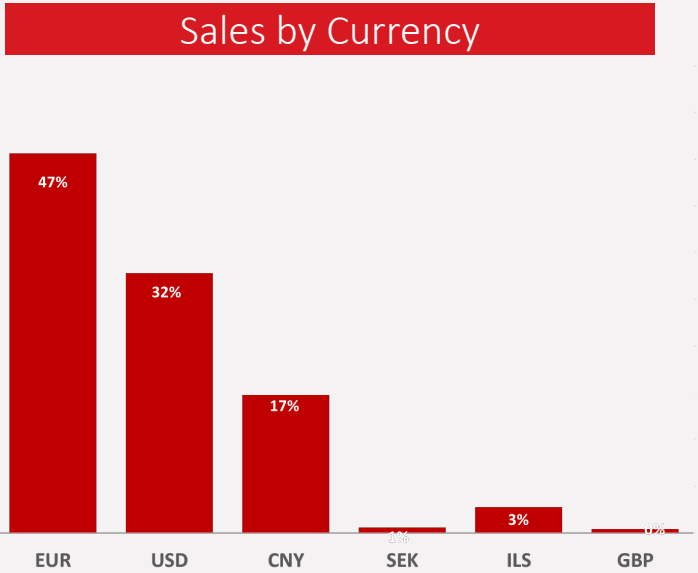
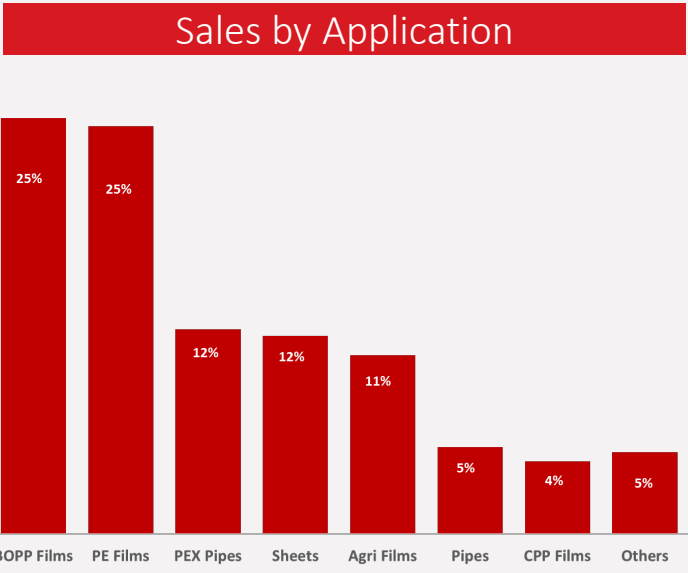
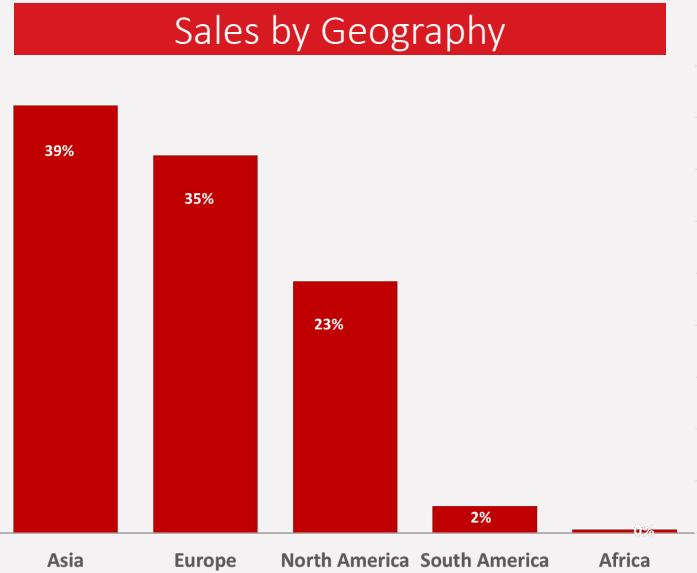
SYNTHETIC PAPER COMPOUNDS

THERMOSTABILISERS

UV ABSORBERS

UV STABILIZERS

WELL DIVERSIFIED PORTFOLIO



(*) 2021 NIS Value Sales

AMONG OUR CUSTOMERS – None of our Customers > 5%





03

PERFORMANCE HIGHLIGHTS

2021 HIGHLIGHTS

NET REVENUE

1.0BNIS

85MNIS

OPERATING PROFIT

115MNIS

EBITDA

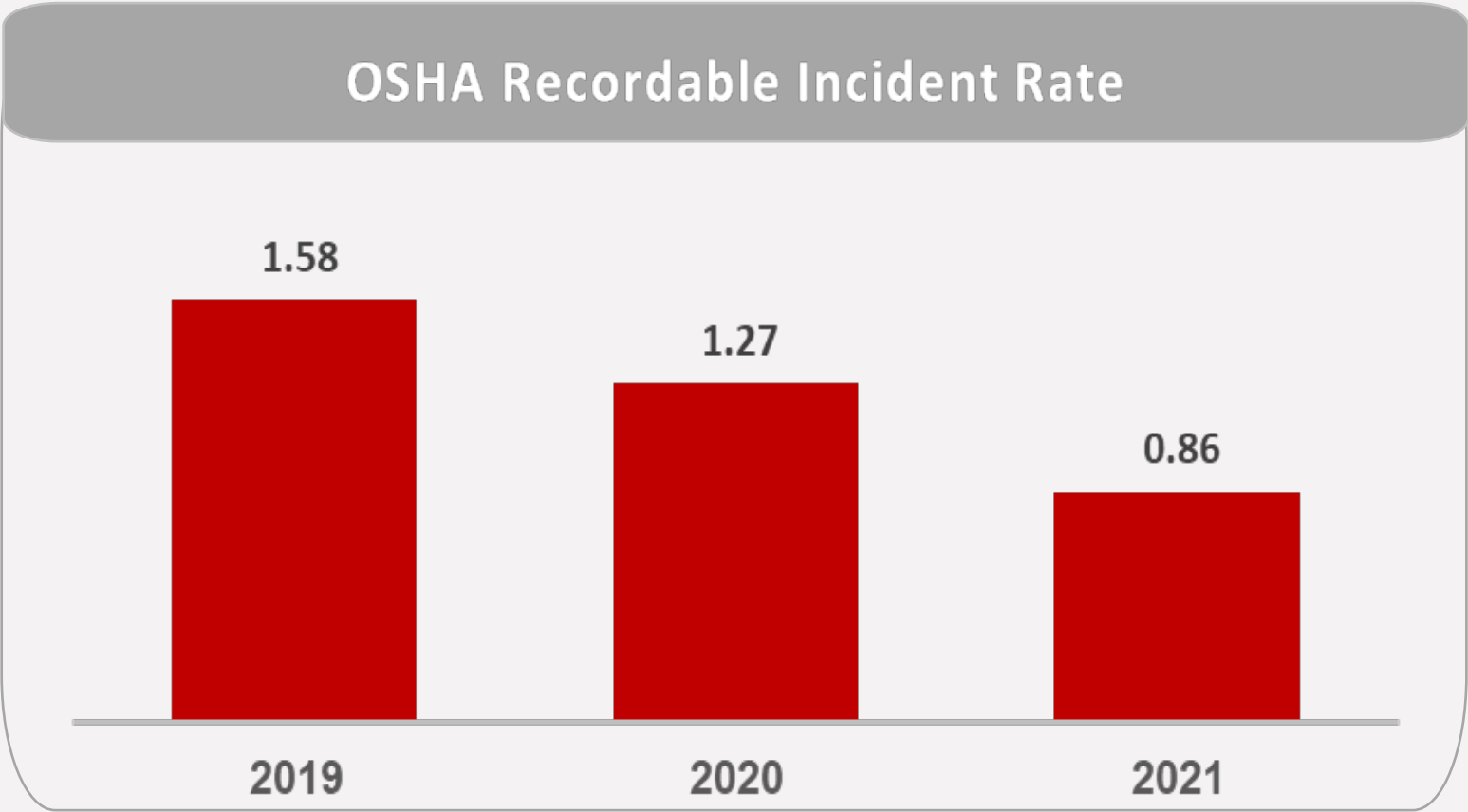
NET DEBT INCREASE (*)

44MNIS

(*) Driven by financing Addvanze's acquisition and Inventory increase to cope with market situation

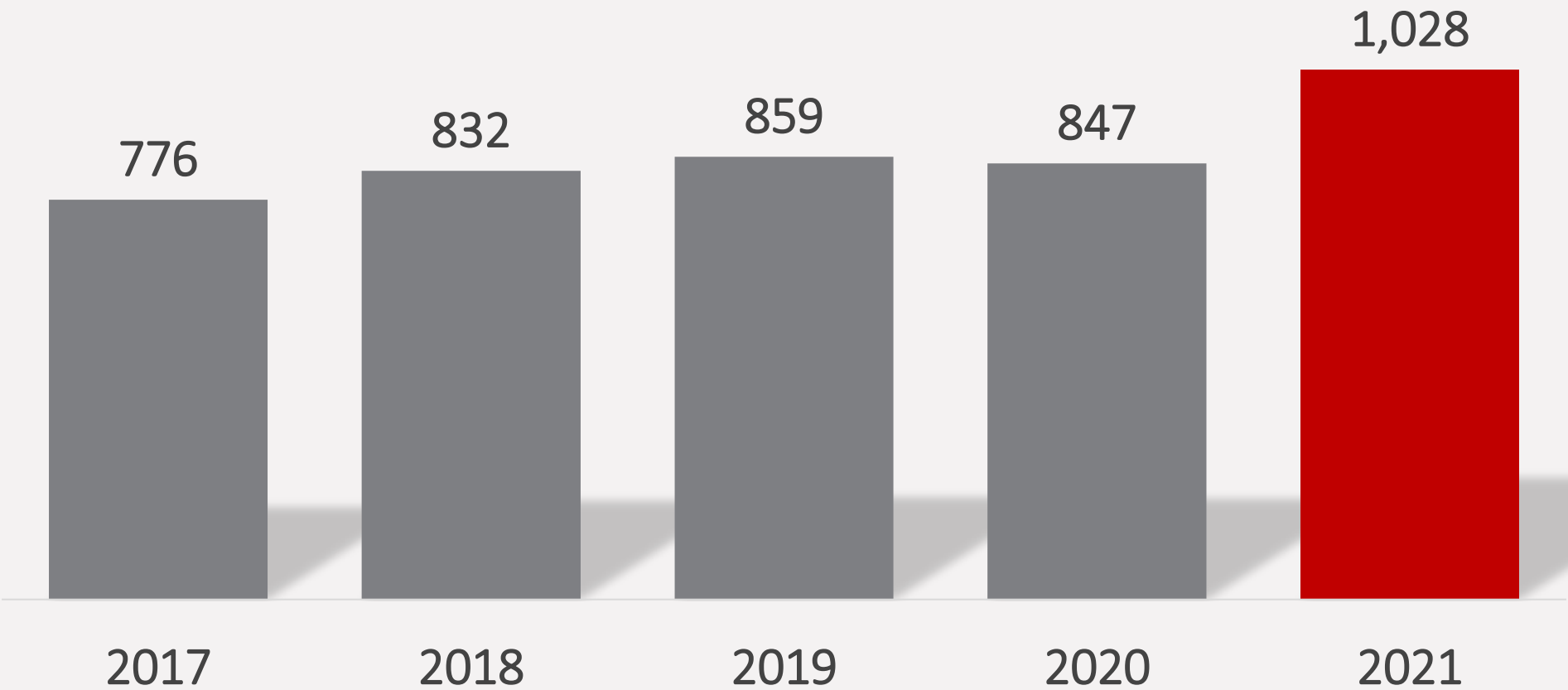
SAFETY PERFORMANCE

STRIVING FOR CONTINUOUS IMPROVEMENT

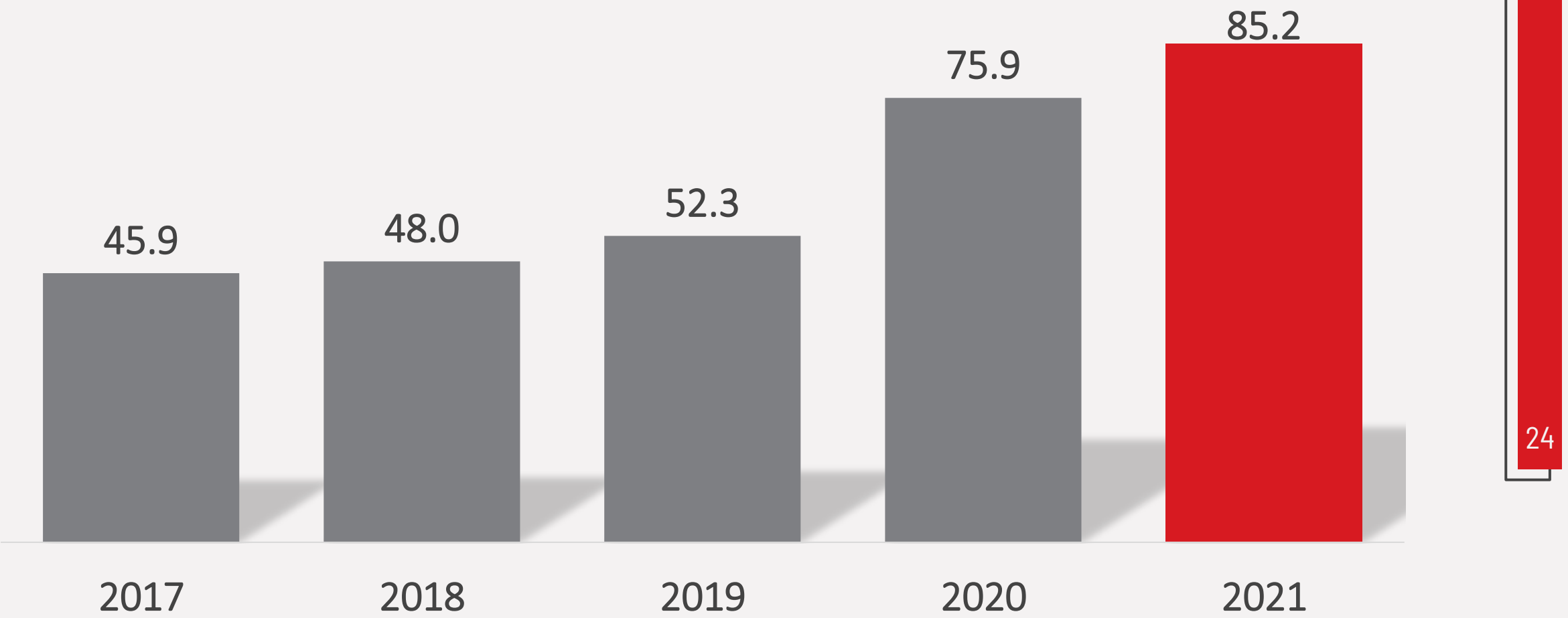


OSHA = #LTA / 200KHours

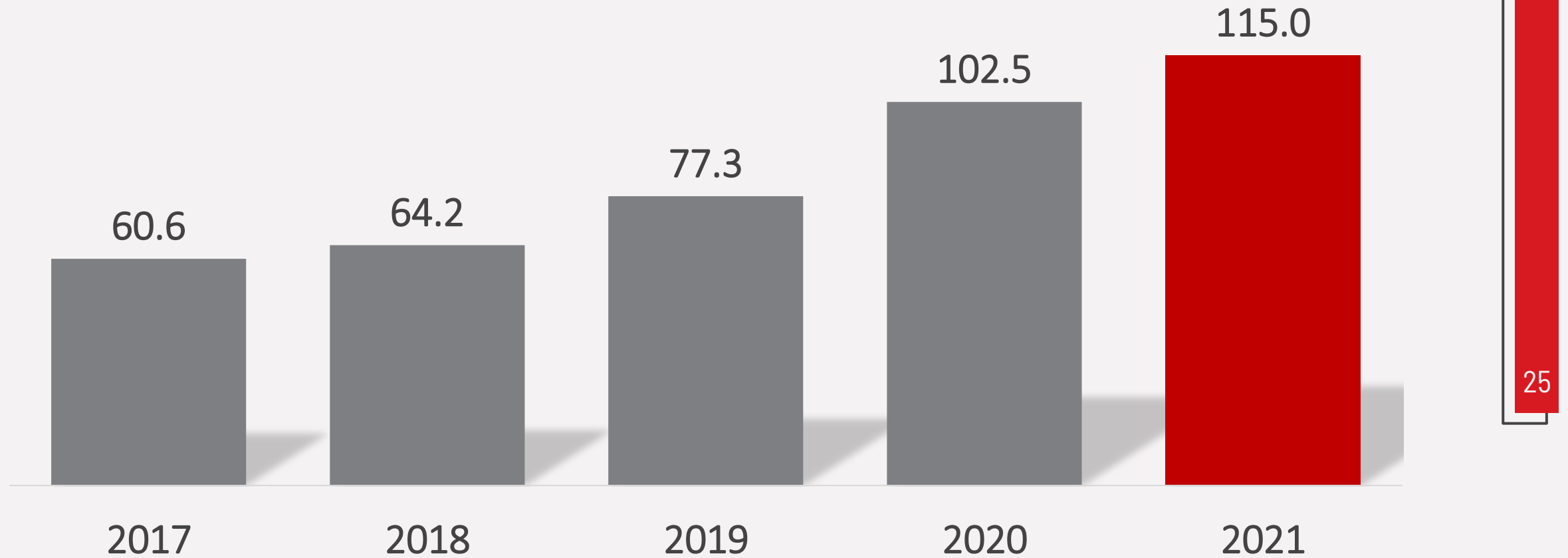
SALES (M-ILS)



OPERATING PROFIT (M-ILS)



EBITDA (M-ILS)



The Company delivered a strong volume and value growth driving to a record EBITDA results achieved by each Business Unit in the Group

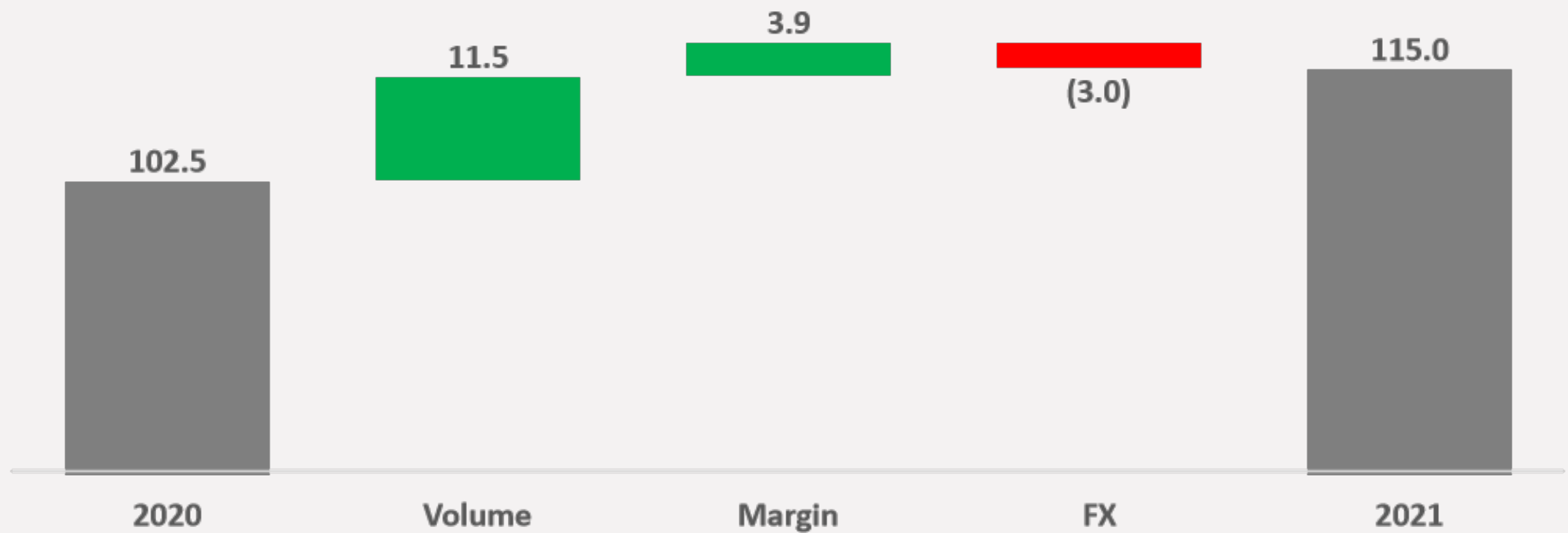
Consolidated P&L – 2021

	M-ILS		Change
	2021	2020	2020
Volume Sales (Tone)	90,175	81,428	10.7%
Sales	1,028.4	846.7	21.5%
Materials	714.1	556.9	28.2%
Manufacture & Labor	121.5	115.9	4.9%
COST OF SALES	835.6	672.8	24.2%
GROSS PROFIT	192.8 18.7%	173.9 20.5%	10.9%
Sale & Marketing	66.1	60.7	9.0%
General & Admin	42.9	37.4	14.9%
Operating Profit	85.2 8.3%	75.9 9.0%	12.3%
EBITDA	115.0 11.2%	102.5 12.1%	12.1%

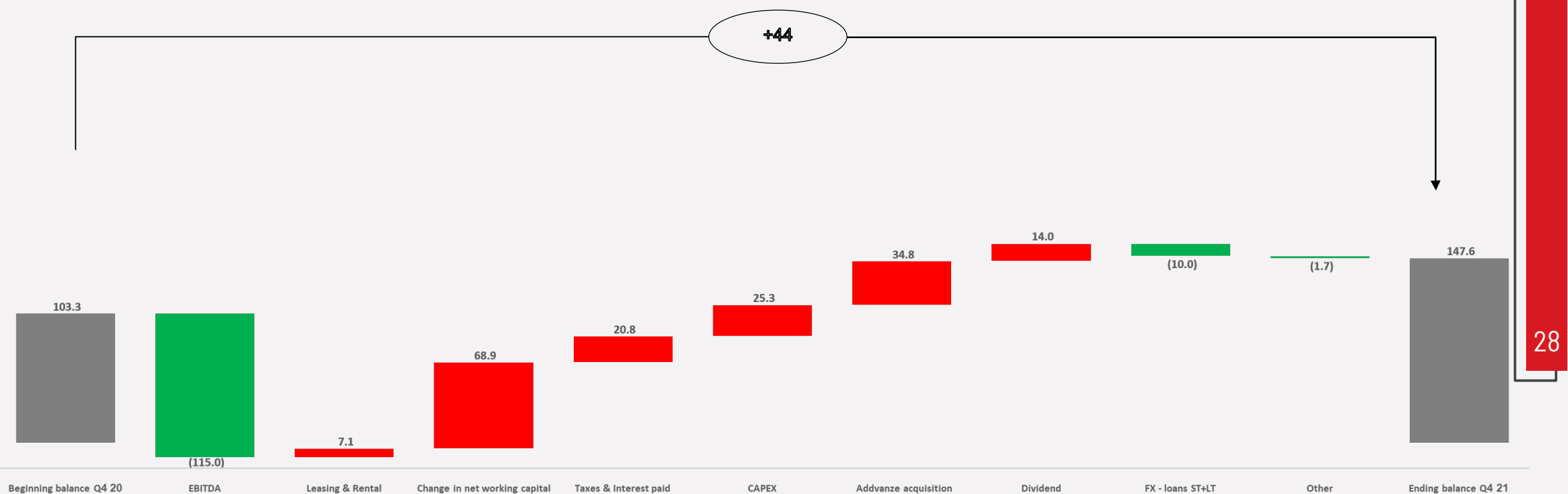
Coping with Serious Supply chain issues

- Top Line growth driven by
 - Strong volume growth in China, Canada and Germany
 - Selling Prices increase to compensate Raw Materials inflation
- Succeeded to cope with significant Raw Materials crisis, prices, availability, delays, increasing Inventory to minimize the risk towards our customers
- Lack of Labor in almost all geographies after Covid-19 – the “Big Resignation”
- Transportation crisis – maritime, ports delays, lack of drivers, price increase and availability

EBITDA growth driven by Volume across most Companies and
Margin improve, with negative impact of Foreign Currencies
(M – ILS)



Although a strong EBITDA result, Net Financial Debt increased due to Addvanze's acquisition and Inventory growth under the current Supply chain crisis





04

Q4/2021

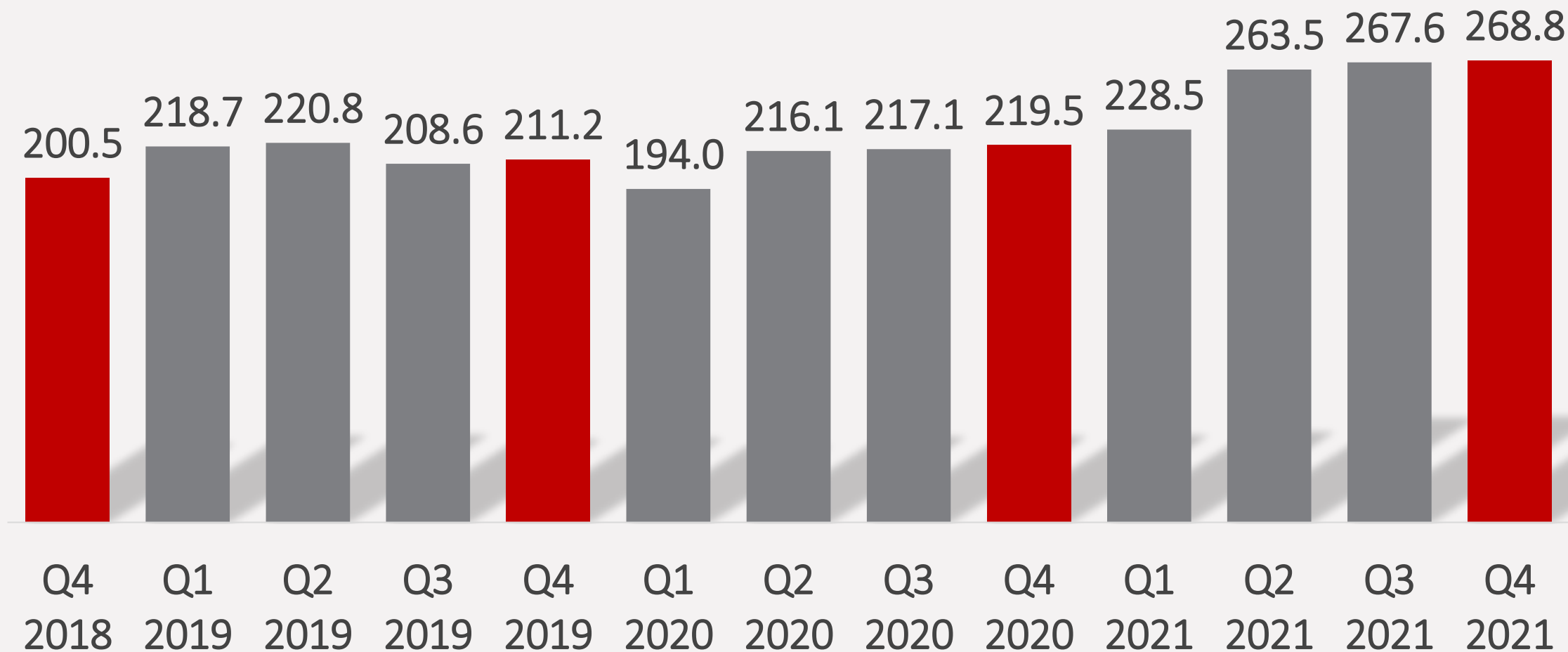
PERFORMANCE

The Company delivered a strong volume and value growth driving to a significant improvement in OP and EBITDA, affected by some seasonality effects

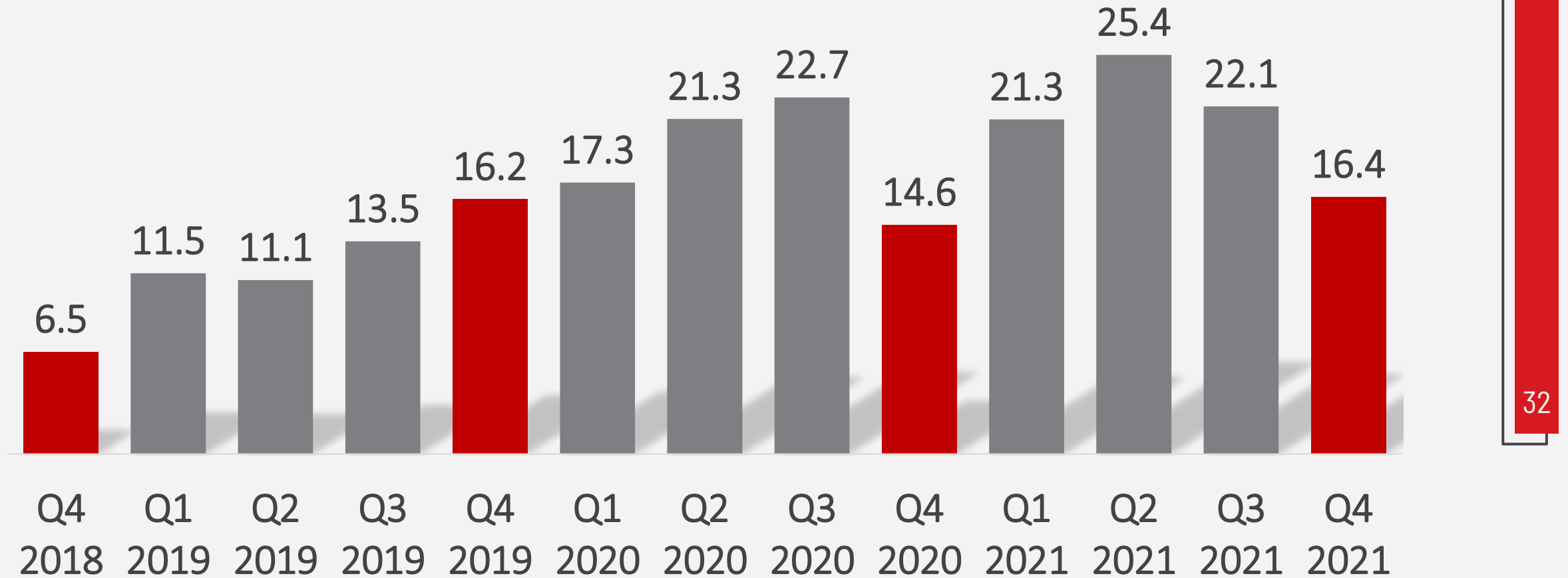
Consolidated P&L – Q4 2021

	M-ILS		Change
	2021	2020	2020
Volume Sales (Tone)	23,229	20,953	10.9%
Sales	268.8	219.5	22.5%
Materials	192.9	147.1	31.1%
Manufacture & Labor	31.9	30.3	5.2%
COST OF SALES	224.8	177.4	26.7%
GROSS PROFIT	44.0	42.1	4.6%
	16.4%	19.2%	
Sale & Marketing	17.4	15.8	10.2%
General & Admin	11.7	11.7	(0.3%)
Operating Profit	16.4	14.6	12.2%
	6.1%	6.6%	
EBITDA	24.5	22.8	7.7%
	9.1%	10.4%	

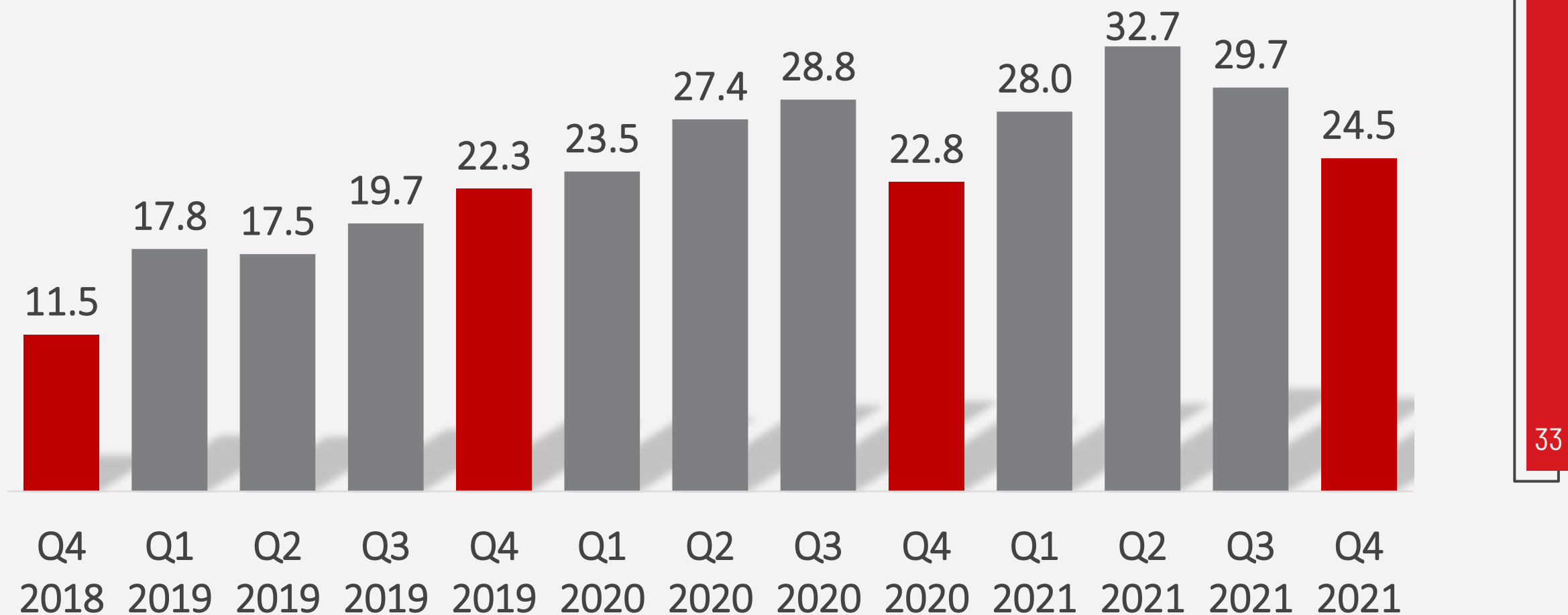
SALES (M-ILS)



Operating profit (M-ILS)



EBITDA (M-ILS)





Thank you



Kafrit