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RadiciGroup expands in India by acquiring the Engineering Plastics business of Ester Industries Ltd.

**The strategic importance of the Indian market is confirmed by the Group
RadiciGroup's objective: to continue its global growth**

RadiciGroup is continuing to strengthen its internationalization strategy. Through its **High Performance Polymers** business area – a multinational manufacturer and supplier of engineering polymers based on polyamide, polyester and other materials – the Group has invested approximately EUR 35 million in the acquisition of the **Engineering Plastics business of Ester Industries Ltd.**, an Indian company founded by the Singhanian family in 1985 and currently listed on the Bombay Stock Exchange.

Besides engineering polymers, Ester Industries Ltd. has a strong market presence in polyester packaging films, a business the Indian firm intends to continue and strengthen.

In addition to **High Performance Polymers**, RadiciGroup has two other business areas: **Specialty Chemicals** and **Advanced Textile Solutions**. The Group is led by brothers **Angelo, Maurizio and Paolo Radici**, the third generation of an entrepreneurial family who, in just over 80 years in business, have transformed a small Italian firm into a global industrial giant capable of offering innovative products with advanced technical characteristics that are manufactured with respect for people and the environment.

"In the Indian market, a strong presence is required to react to growth opportunities in sectors with short and responsive production chains," Maurizio Radici, vice president and COO of RadiciGroup, concluded. "From the start, the strategy of our High Performance Polymers business area has been based on working locally in the closest proximity to customers, in order to offer not only products but also prompt and efficient service near to their industrial sites. Presently, the compounding business accounts for one-third of the Group's total sales; it has helped make the Radici name become recognized worldwide".

"This transaction allows RadiciGroup to further strengthen its presence in the Indian market," Luigi Gerolla, CEO of RadiciGroup High Performance Polymers, pointed out. "Having its own

production plant in India, the Group will be able to build on its well-established commercial presence in the country. This site, together with the one under construction in China, is an additional building block to enlarge the Group's footprint on the Asian continent and realize its growth potential; it also furthers the Group's internationalization strategy."

The acquired production site will become operational at the beginning of the year 2023, following the various transfers of tangible and intangible assets.

The deal was advised by the legal firm LCA, AZB Partners and Deloitte as transaction advisors.

*"For us, this is a significant industrial investment," said **Danilo Micheletti, COO of RadiciGroup High Performance Polymers.** "Ester Industries Ltd. will transfer its main assets, among which: the newly built industrial area in the city of Halol (Gujarat) in Northwest India, compound lines, R&D laboratories, customer/supplier contracts and its leading brand ESTOPLAST, which includes different types of compounds used primarily in the electrical and electronics market."*

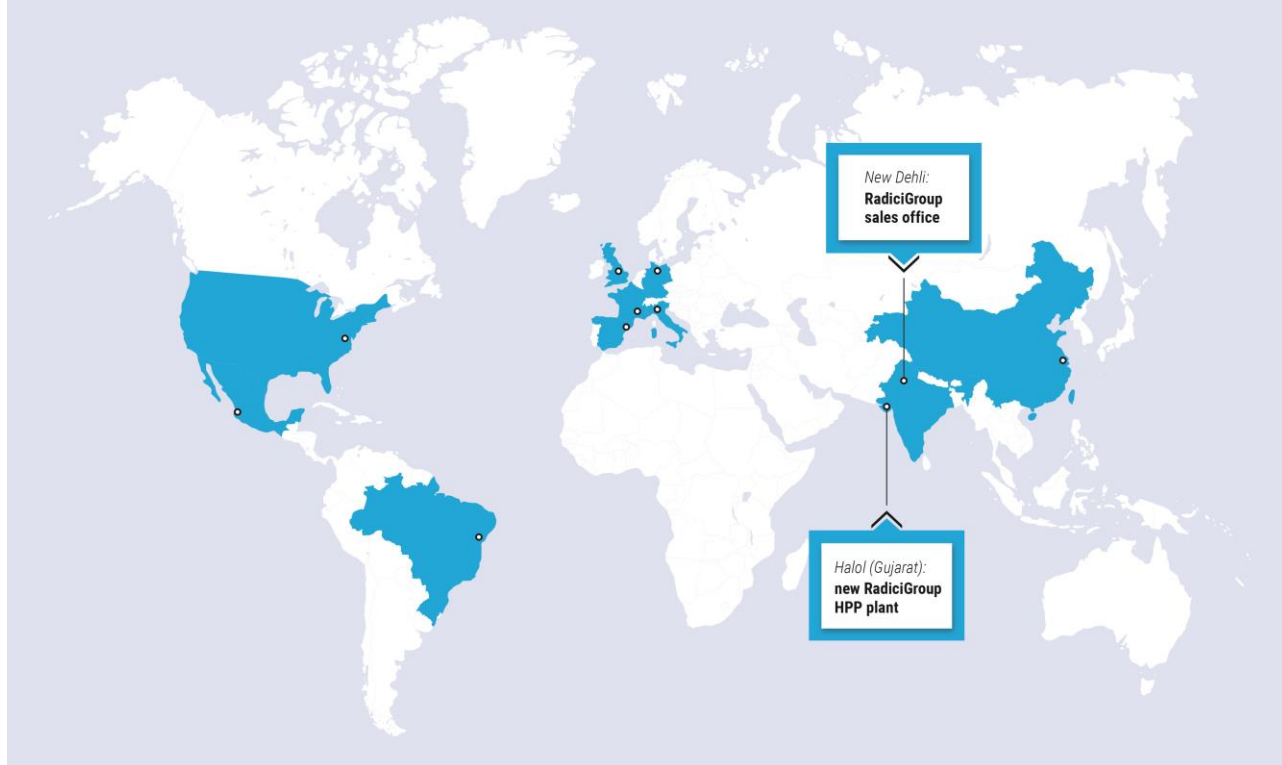
Many of the products sold by Ester Industries Ltd. are in fact approved and certified under UL94, the globally accepted standard for flammability testing of polymeric materials.

*"For some time, we have wanted to consolidate our presence in a fast-growing market such as India," **Cesare Clausi, global sales director of RadiciGroup High Performance Polymers,** noted. "This investment will give us the opportunity to strengthen all the activities of Radici Plastics India at a new production site, with the full support of a local partner that has been active in the engineering plastics sector for decades, while also creating synergies with our global organization in R&D, sales and marketing, and technical support. Over the years, we have become a preferred supplier mainly in the automotive sector. We want to assure our customers that, today, more than ever, we are prepared and ready for new challenges in global markets."*

With the acquisition of the engineering polymers division of Ester Industries Ltd., RadiciGroup High Performance Polymers will also become a prominent partner in the Asian market for customers in the E&E and lighting sectors.

*"As a Group, we have been in India since 2006," said **Silvio Dorati, managing director India of RadiciGroup High Performance Polymers,** "and the experience accumulated over time has helped us learn more about the local market, which has rewarded us with sustained growth over the years. We are honoured that Ester Industries Ltd. has chosen RadiciGroup to give continuity to the engineering polymers business, in which the Indian company has long and solid experience. As a result of this acquisition, we aim to achieve total annual sales in the Indian market of more than EUR 50 million. We are confident that new development and growth opportunities will emerge for the entire High Performance Polymers business area."*

RadiciGroup High Performance Polymers - Global presence



RadiciGroup High Performance Polymers is a multinational organization with the capacity to manufacture and supply engineering polymers (based on polyamide, polyester and other materials) around the globe, with the backing of a production and sales network across all continents, as well as research and development increasingly focused on high-performance polymers. The products of the RadiciGroup High Performance Polymers Business Area are primarily used for applications in the following sectors: automotive, electrical & electronics, water management, consumer goods and industrial. In 2021, the business area reported sales of EUR 509 million.

Ester Industries: Ester Industries Limited is a public limited company incorporated in 1985 by the Singhania family. The company is one of India's leading producers of polyester films, engineering plastics and speciality polymers, having a track record of continually developing new and innovative products for customers across the globe. Ester Industries has state-of-the-art manufacturing facilities in Khatima and Sitarganj in Uttarakhand with a capacity of 67,000 TPA of polyester resin, 57,000 TPA of polyester film, 30,000 TPA of specialty polymers and 16,500 TPA of engineering plastics. The company currently exports more than 30% of its production of polyester films with a sales and distribution network in more than 56 countries across the world, resulting in strong customer relationships. Specialty polymers are manufactured primarily for the European and US markets.

RADICIGROUP – With approximately 3,000 employees, sales revenue of EUR 1,508 million in 2021 and a network of production and sales sites located throughout Europe, North America, South America and Asia, RadiciGroup is one of the world's leading producers of a wide range of chemical intermediates, polyamide polymers, high performance engineering polymers and advanced textile solutions, including nylon yarn, polyester yarn, yarn made from recovered and bio-source materials, nonwovens and personal protective equipment for the healthcare field. These products are the result of the Group's outstanding chemical expertise and vertically integrated polyamide production chain and have been developed for use in a variety of industrial sectors, such as: automotive – electrical and electronics – consumer goods – apparel – furnishings – construction – household appliances – sports. The basis of the Group's strategy is a strong focus on innovation, quality, customer satisfaction and social and environmental sustainability. With its business areas – Specialty Chemicals, High Performance Polymers and Advanced Textile Solutions –, RadiciGroup is part of a larger industrial group that also includes textile machinery (ITEMA), energy (GEOGREEN) and hotel (SAN MARCO) businesses

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