

I'm pleased to inform you about the latest announcement made by Shalag Industries Ltd concerning the signing of an agreement to acquire 100 % of the shares of Texus S.P.A, a leading manufacturing industry of ATB and laminated products located in Pistoia Italy. According to the agreement and subject to its terms, the purchase of Texus is due to be formally completed within the next few weeks.

The acquisition, after completion, brings Shalag Group to become, the greater global ATB producer, a company with 3 production sites in 3 continents over the world: Israel- Asia, Oxford NC - North America and now also in Pistoia Italy - Europe.

Shalag Group production capacity will be then close to 60,000 tons per annum.

We appreciate Texus reputation in the market and believe that the high synergy between the companies will allow Shalag Group to provide its customers over the world with the best global services, increase company innovation and technology capabilities.

Texus will be operated as a subsidiary of Shalag Industries Ltd and will continue to be managed by Mr. Federico Micheloti and on the Marketing side by Mrs. Barbara Bulleri.

Sincerely,
Ilan Pickman
Shalag C.E.O