

THEON acquires 100% of Germany-based Kappa Optronics, the fourth consecutive defense industrial investment in Germany, strengthening global footprint on electro-optic platform-based products

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4 August 2025 – Theon International Plc (THEON) is pleased to announce the acquisition of 100% of Kappa Optronics GmbH (KAPPA), a Germany-based specialist in aviation and land optronics, for an Enterprise Value of €75 million, at an accretive multiple. The transaction will be financed through a mix of debt and IPO proceeds.

Founded in 1978 and headquartered in Göttingen, Germany, KAPPA operates an R&D-driven, asset-light model focused on design, assembly, and quality assurance, also housing management and administrative functions—closely aligned with THEON's. With a team of 60 highly skilled engineers and a strong technological edge in platform products, the company is well-positioned to contribute to THEON's innovation pipeline. Together with its subsidiaries in the United States and Spain, KAPPA employs approximately 200 people and operates out of approximately 3,000 sq.m. of operational space.

KAPPA is on track to exceed €37 million in revenue in FY 2025, with an EBITDA of approximately €8 million, primarily driven by defense mobility and autonomous machines. The acquisition is expected to support strong top-line growth and sustained margins. Importantly, projected 2026 EBITDA does not yet reflect the impact of THEON's business development initiatives, which will begin immediately post-acquisition. In the short term the company has visibility to bring the EBIT margin in mid-twenties to be in line with THEON's financial guidelines.

KAPPA's well-invested infrastructure requires minimal Capex, not beyond what is already included in THEON's guidance. The current management team will remain in place and is incentivized through a performance-based scheme to drive future growth.

The transaction, which remains subject to customary regulatory approvals, was supported by PwC as financial and tax due diligence advisor, while Bird & Bird provided legal transactional support.

THEON will provide guidance for FY 2026 by October to reflect the new trajectory of its organic and inorganic growth, pending the outcome of several large tender awards in which the company is actively participating.

Christian Hadjiminias, Founder and CEO of THEON, commented: *"We are delighted to welcome Kappa Optronics to the THEON Group. This investment combines all our*

targeted strategic priorities: 1) Strengthening our footprint in Germany - following our recent investments in Harder Digital and Andres Industries and building on our existing THEON Germany Wetzlar plant under a JV with Hensoldt. Additionally, geographically, it provides us—after the establishment of THEON Belgium—an initial entry point into Spain, another EU/NATO country where we intend to leverage this presence for the eventual production of THEON’s main products. 2) Instantly expanding our electro-optics product offering, particularly for land and aerial platforms—key focus areas for THEON. 3) Achieving immediate accretiveness, with strong potential to scale sales rapidly through THEON’s Business Development capabilities—well within 2026 and 4) last but not least, significantly enhancing and deepening our R&D capabilities, complementing our Athens-based team of c.80 engineers

KAPPA brings not only cutting-edge technology but also a culture of innovation that aligns with our vision. We expect meaningful top-line synergies, accelerated product co-development, and valuable knowledge exchange across the Group.

This is just one of several strategic moves we are planning. We remain committed to our plans to accelerate our expansion in platform-based systems, both organically and through well-investigated acquisitions that fit precisely within our DNA profile.”

Sebastian Vreemann, CEO of KAPPA, commented: “Joining the THEON Group marks an exciting new chapter for KAPPA. This partnership strengthens our growth trajectory, expands our reach in key defense and aerospace markets, and enhances our R&D capabilities through close collaboration with THEON’s engineering teams. We see strong cultural alignment and look forward to unlocking new opportunities together.”



KAPPA's premises in Göttingen Germany



KAPPA's QUADBOX DVE



KAPPA's scheme of System Composition for Tanks



AAR KAPPA Enhanced Vision System, MRTT System components

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About THEON GROUP

THEON GROUP of companies develops and manufactures cutting-edge night vision and thermal Imaging systems for Defense and Security applications with a global footprint. THEON GROUP started its operations in 1997 from Greece and today occupies a leading role in the sector thanks to its international presence through subsidiaries and production facilities in Greece, Cyprus, Germany, the Baltics, the United States, the Gulf States, Switzerland, Denmark, Belgium, Singapore and South Korea. THEON GROUP has more than 220,000 systems in service with Armed and Special Forces in 71 countries around the world, 26 of which are NATO countries. THEON INTERNATIONAL PLC has been listed on Euronext Amsterdam (AMS: THEON) since February 2024.

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