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Elopak intends to apply for a listing on the Oslo Stock Exchange

Oslo, 27 May 2021, Elopak AS¹ (the “Company” or “Elopak”), a leading global supplier of liquid carton packaging and filling equipment, today announces its intention to launch an initial public offering of its shares (the “Offering”) and to apply for a listing on the Oslo Stock Exchange (the “IPO”).

The Board of Directors, along with Ferd, who founded and have owned Elopak for 64 years, believe that a listing of the Company’s shares on the Oslo Stock Exchange represents an important step in the continued development of the Company. The listing of Elopak’s shares will support the Company’s ambitions for innovation and growth, and provide greater flexibility to expand as opportunities arise. The Offering will provide access to Norwegian and international capital markets, allow the Company to diversify its ownership structure and contribute to a strong, diverse and long-term shareholder base. Ferd intends to remain an active and committed shareholder following the IPO and is committed to ensuring Elopak continues to play a major part in the global shift towards a low-carbon circular economy.

Thomas Körmendi, Company CEO, commented:

“I am proud to announce our intention to list on Oslo Børs, and start a new chapter with Elopak as a listed entity. From the hard work of our employees, to operational improvements and the launch of innovative new products, Elopak has demonstrated its strength and potential over the years. As a leading fresh liquid carton packaging company today, we are excited to advance Elopak even further and deliver on our ambitious plans for the future.”

Morten Borge, CEO of Ferd, commented:

“Over the years Elopak has grown from a local hero to a global industry leader. As long term owners and supporters we are impressed with Elopak’s achievements in driving sustainable and carbon neutral packaging, with a long track record of innovation, technological differentiation and R&D efforts both in Norway and internationally”.

The Offering in brief

The Offering is expected to consist of a public offering in Norway, and a private placement to certain institutional investors internationally. The IPO is expected to consist of an issue of new shares to raise gross proceeds of approximately EUR 50 million and a sale of existing shares, by Elopak’s main shareholder Ferd, who currently owns 99.73% of Elopak’s outstanding shares. Ferd, owned by the Andresen family, has been a shareholder in Elopak since its inception in 1957, and intends to remain an active and committed shareholder also after the IPO.

The net proceeds from the sale of new shares will be used to pay down debt with the aim to reach the Company’s target leverage of ~2.0x adjusted EBITDA in the medium term and optimize the balance sheet to be well positioned to invest in future growth.

Elopak is also delighted to announce that Nippon Paper Industries Co. Ltd (“Nippon Paper”) has entered into a cornerstone agreement to acquire shares in the Offering, equivalent to 5.0% of the

¹ The Company is currently a Norwegian private limited company (“AS”) named Elopak AS and will be converted into a public limited company (“ASA”) and renamed Elopak ASA prior to the IPO

share capital of Elopak ASA, at the final offer price. Nippon Paper, the largest liquid packaging player in Japan, has shown their support for and belief in Elopak's business and strategic outlook, building on a relationship spanning more than 30 years. Nippon Paper is both an existing strategic partner through a product licensing agreement signed in March 2016 that allows Nippon Paper to manufacture and sell certain Pure-Pak® products in Japan and also a board supplier to Elopak in the Americas region. Nippon Paper manufactures and sells paper and pulp products, and also operates a wood building material business, logistics, and leisure services. Nippon Paper, headquartered in Tokyo, is listed on the Tokyo Stock Exchange (TYO:3863) and is a Nikkei 225 constituent.

Subject to receiving the relevant approvals from Oslo Stock Exchange and the Norwegian Financial Supervisory Authority as well as prevailing equity capital market conditions, Elopak is expected to have its first day of trading on the Oslo Stock Exchange in June 2021.

Further announcements relating to the IPO will be made in due course.

About Elopak:

Elopak is a leading global supplier of carton packaging and filling equipment for liquid food, catering to both the fresh and aseptic segments. The Company is a leading player in fresh in Europe and the Americas, and has a strong and growing presence in aseptic liquid carton packaging.

Elopak is at the forefront of sustainable packaging. Elopak uses renewable, recyclable and sustainably sourced materials to provide innovative packaging solutions. Elopak's iconic Pure-Pak® cartons are designed with the environment, safety and convenience front of mind. They offer a natural and convenient alternative to plastic bottles and fit within a low carbon circular economy.

The Company is a complete end to end solution provider covering the entire customer journey from its installed base of 600 filling machines globally and offers a complete product portfolio of fresh and aseptic packaging solutions and value add aftermarket support including service and spare parts.

In 2020, the Company achieved revenues of EUR 909 million and delivered an adjusted EBITDA of EUR 122 million.

Key Strengths and Competitive Advantages:

- Global leadership positions in the attractive and growing carton market
 - Elopak is a leading global player in fresh liquid carton packaging with a total of 14 billion cartons produced in 2020 across 9 manufacturing sites
 - End-to-end product suite with differentiated, premium and high-quality products
 - Deep and longstanding customer relationships supportive of a leading position in the industry
 - Sales to 70+ markets with ~2,600 employees

- A true sustainability champion with innovative product portfolio
 - Packaging by nature is what Elopak stands for and the Company is at the forefront of driving sustainable packaging
 - Elopak has been a carbon neutral company since 2016 and is one of the first verified companies globally committed to the UN's Business Ambition of 1.5°C
 - All of the Pure-Pak® cartons are fully recyclable and the Company is targeting to provide 100% renewable materials in all of its liquid cartons by 2030

- Long track-record of innovation, technological differentiation and extensive R&D efforts
- Unique offering of low acid, gable top aseptic cartons
- Profitable growth momentum and sustainability driven strategy
 - Resilient top-line performance, strong growth in profitability and cash flows showing profitable growth momentum
 - Highly experienced management team and ownership dedicated to profitable growth and continuous improvement
 - Clear roadmap with proven execution paired with several profitability initiatives including fresh opportunity in North Americas, aseptic growth strategy and strengthening presence in MENA region

Financial highlights

Despite the global pandemic, 2020 proved to be a solid year for Elopak, with revenues of EUR 909 million and adjusted EBITDA of EUR 122 million representing a margin of 13.5%².

Europe accounted for 79% of Elopak's revenue, while the Americas accounted for 21%. Furthermore, the fresh segment accounted for 78% of Elopak's Pure-Pak® carton revenue in 2020, while the aseptic segment accounted for 18%, and the remaining 5% was attributable to other segments.

Over the last years the Company has shown resilient and robust revenues, and significantly improved EBITDA margin from 11.2% (2019) to 13.5% (2020) in line with the Company's commitment to profitable growth. The improved margin has been accomplished through cost efficiencies, scale, price optimisation and reduced waste in manufacturing.

The positive momentum has continued into 2021 and the Company achieved an adjusted EBITDA margin of 14.5% in Q1 2021, compared to 12.3% for the same period in 2020.

<i>EUR million</i>	Year ended 31 December			Three-month period ended 31 March	
	2018 ³	2019	2020	2020	2021
Revenues.....	909	906.5	909	233	223
Adj. EBITDA ⁴	82	101	122	29	32
Adj. EBITDA Margin	9.1%	11.2%	13.5%	12.3%	14.5%

Dividend Policy

Elopak will target a dividend pay-out ratio of approximately 50-60% of the Group's Adjusted net profit.

About Ferd:

Ferd is a family-owned Norwegian investment-company committed to value-creating ownership of businesses and investments in financial assets. In addition to the group's purely commercial activities,

² Adj. EBITDA includes share of net income from JVs

³ The Group applied IFRS 16 in 1-Jan-2019, therefore 2018 EBITDA is on a pre-IFRS 16 basis, while 2019 and 2020 figures reflect the application of IFRS-16

⁴ Adj. EBITDA includes share of net income from JVs

Ferd has an extensive involvement in social entrepreneurship. Ferd is wholly owned by Johan H. Andresen and family.

Advisors

Goldman Sachs International and Skandinaviska Enskilda Banken AB (publ) are acting as Joint Global Coordinators and Joint Bookrunners in the IPO (together the "Joint Global Coordinators"). ABG Sundal Collier ASA, Carnegie AS and DNB Markets (part of DNB Bank ASA) are acting as Joint Bookrunners (together with the Joint Global Coordinators, the "Managers"). Advokatfirmaet Wiersholm AS is engaged as the Company's Norwegian legal advisor. Freshfields Bruckhaus Deringer LLP is acting as international legal counsel to the Company. Advokatfirmaet Schjødt AS and Linklaters LLP are acting as legal advisors to the Managers.

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