Fourth quarter
2022 report

ELOPAK

OUR

VISION

Chosen by people, packaged by nature

OUR

MISSION

As worldwide makers of carton-based packaging, we are committed to remaining our customers' partner and the consumers' favorite, through relentlessly developing new solutions for an expanding range of content.

Applying market-leading technology, skills and natural material sourcing, we always aim to provide the highest quality products that leave the world unharmed.

This is Elopak

Elopak is a leading global supplier of liquid carton packaging and filling equipment. We use renewable, recyclable and sustainably sourced materials to provide innovative packaging solutions. Our 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.

As worldwide makers of carton-based packaging, we are committed to remaining our customers' partner and the consumers' favorite, through relentlessly developing new solutions for an expanding range of content. Applying market-leading technology, skills and natural material sourcing, we always aim to provide the highest quality products that leave the world unharmed.

Elopak was founded in Norway in 1957. Today, Elopak has its head office in Oslo, employs 2,600 people and sells in excess of 14 billion cartons every year across more than 70 countries. Our customers are private companies in food and retail. Elopak is a UN Global Compact participant member. We have set Science Based Targets to reduce emissions in line with the 1.5 degree trajectory, and aim to be Net-Zero by 2050. In 2021, we achieved a platinum rating by EcoVadis, making Elopak top 1% sustainable companies in the world.

FOURTH QUARTER 2022 HIGHLIGHTS

Q4 2022 Highlights

- Revenues increased by 24%, to EUR 267.1 million, driven by pricing in EMEA and growth in Americas
- Organic growth was 12% adjusted for currency translation effects of EUR 11 million and new revenue from acquired businesses of EUR 14 million
- Price increases for our products in EMEA were EUR 19 million
- Adjusted EBITDA was EUR 35.9 million, an improvement of EUR 15.1 million
- Leverage ratio unchanged at 3.3x

Full Year 2022 Highlights

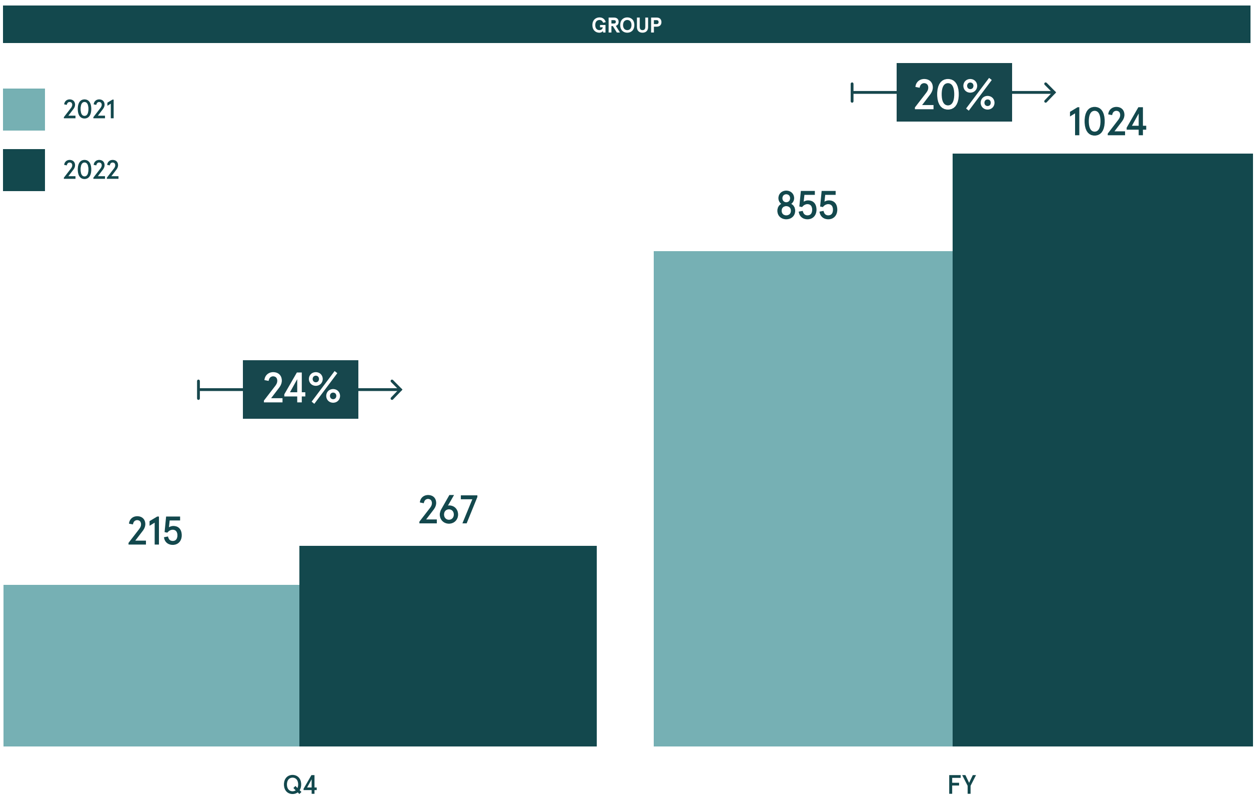
- Revenues increased by 20 %, to EUR 1,024 million
- Organic growth was 11%, adjusted for currency translation effects of EUR 32.8 million and new revenue from acquired businesses of EUR 38.5 million
- Adjusted EBITDA was EUR 119.4 million, which is an improvement of EUR 5.7 million
- Adjusted net profit was EUR 44.0 million
- Proposed dividend of NOK 0.86 per share for the year 2022, in line with the dividend policy

Summary underlying financial and operating results and liquidity

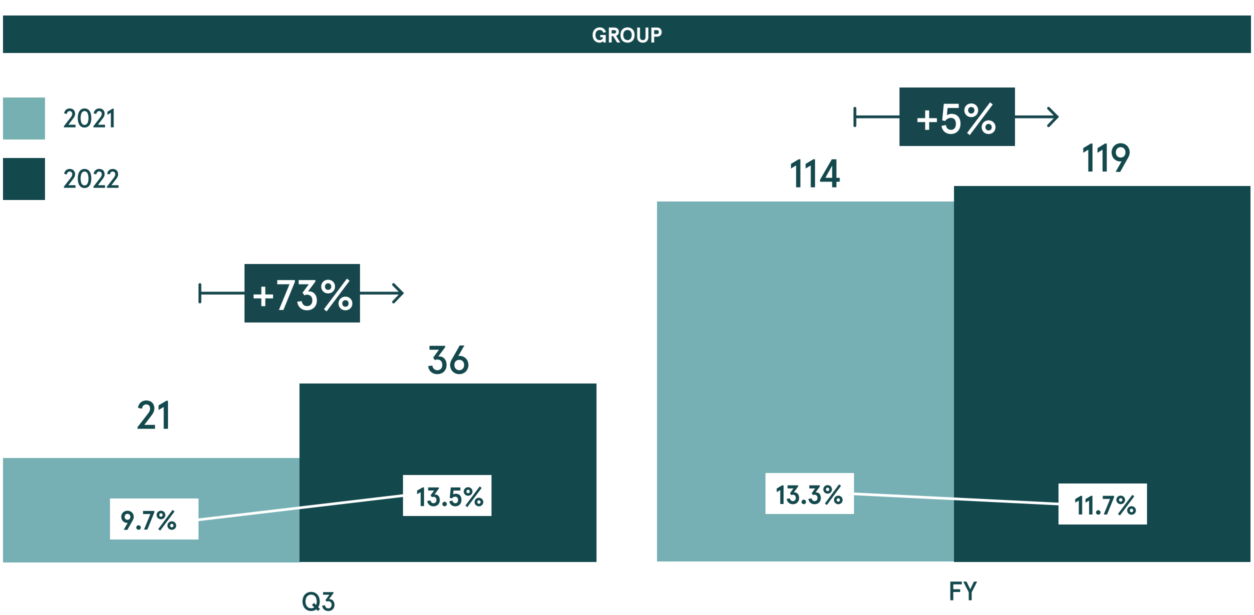
	Q4-2022	Q4-2021		YTD-2022	YTD-2021	
(EUR 1,000,000)	2022	2021	Change	2022	2021	Change
Revenues	267.1	215.2	89 %	1,023.7	855.3	20 %
EBITDA[1]	34.3	18.2	73 %	109.9	103.3	6 %
Adjusted EBITDA[1]	35.9	20.8	39 %	119.4	113.7	5 %
Adjusted EBITDA margin	13.5 %	9.7 %	-1,280 %	11.7 %	13.3 %	-12 %
Profit from continuing operations	11.2	-1.0	5,353 %	34.2	30.3	13 %
Adjusted profit for the period[1]	11.8	0.2		44.0	35.5	24 %
Net debt	391.5	240.8		391.5	240.8	
Leverage ratio[1]	3.3	-		3.3	-	
Adjusted basic and diluted earnings per share (in EUR)	0.04	-		0.16	0.14	

[1] Definition of Alternative Performance Measures, including specification of adjustments, at the end of this report

Revenue (EURm), CAGR (%)



Adjusted EBITDA (EURm) and margin (%)



CEO Comments: Resilience in Changing Climates

Elopak ended the year on a strong note, delivering profitable organic growth. We continue to work persistently towards our strategic priorities. Among our most notable strategic achievements in Q4 was yet another great performance in Americas, continued solid development in our acquired businesses in MENA and India, and the commercial launch of the new Pure-Pak® eSense aluminum-free aseptic carton.

2022 has been demanding in several aspects, and I would like to thank our employees for their hard work and dedication throughout the year. Although we proved our resilience in a demanding year, we recognize that we are still in volatile times, and move into a new year focused and prepared for new challenges.

Compared to the same quarter last year, Elopak reported revenue growth of 24% - or EUR 267.1 million – in Q4 2022. Adjusted for acquisitions and currency translation effects, the organic revenue growth was 12%. Price increases for our products in Europe contributed positively, and as stated above, the Americas business delivered yet another quarter of strong growth, driven by higher volumes. Adjusted EBITDA for the Group in Q4 grew by 15.1 million to EUR 35.9 million, reflecting a 13.5% margin. Margins were higher than in the same quarter last year, mainly due to implemented price increases on our products.

Our Americas business continued to perform well in Q4. The positive momentum and interest in Elopak's filling machines continued and we have successfully signed a high number of filling machines amounting to very significant share of total filling machines signed in Americas during the year. Revenues from these new machine contracts are expected in 2023 following commissioning. Operationally, we benefitted from strong improvements in the plant, driving up overall efficiency. All in all, Americas continued its momentum in Q4 fully in line with our strategic priorities, and we look forward to further strengthening our position in this key market.

Our newly acquired businesses in MENA and India are delivering and integrating well. In MENA, the recent economic challenges posed by inflationary pressures are weighing on both milk production and consumption. Despite the macroeconomic reality, we are happy to report solid sales in the quarter in India. Through our close cooperation with our JV partner GLS, the ramp-up in production and sales has exceeded our expectations and we are working to leverage our respective expertise, assets and networks in the partnership to capitalize on the significant consumer demand in India.

In Q4, Elopak launched operations at its new fully automated high-bay warehouse in Terneuzen, Netherlands. The high-tech, modern facility has been built to the latest standards, offering improved logistics and increasing efficiency. Improvements like this put Elopak in an even stronger position when it comes to meeting the growing demand for sustainable packaging solutions.

Given the recent global supply chain challenges, we are experiencing some delays in the roll-out of our aseptic portfolio. However, in Q4, a milestone was achieved when we commercially launched the Pure-Pak® eSense carton. A leader in the Spanish market for over 130 years, García Carrión was the first Elopak customer to introduce the new Pure-Pak® eSense aluminum-free aseptic carton. The company is using 1 litre Pure-Pak® eSense cartons with Natural Brown Board to package its famous Don Simón brand of plant-based drinks. We developed the Pure-Pak® eSense carton to promote a net zero circular economy for packaging, driving the transition from plastic bottles to fully renewable, low carbon cartons. Along with placing our new and innovative Pure-Fill filling machines at customer sites this year, the commercial launch of the eSense is an important step in our aseptic growth journey – a core tenet of our overall strategy.

2022 was characterized by the war in Ukraine, which led to continued high raw material prices, general inflationary pressure in all markets, supply chain issues following the pandemic, and an uncertain macro-economic environment. The supply chain challenges are especially impacting Elopak's filling machine and spare parts business as lead times increase and availability of certain components is constrained. Recently, this challenging environment has affected consumer behavior, leading to a preference towards typically lower-priced private label food and beverage products. Across the whole organization, we are working closely and relentlessly with our customers to minimize the impact of these challenges.

We remain optimistic on the longer-term market fundamentals. Elopak sales are mainly to fresh dairy and aseptic milk and juice customers, which have proven to be resilient market segments.

The volatile environment experienced throughout 2022, continues to make it challenging to predict short-term results as both suppliers and customers are adjusting to new realities. Increased board cost for Elopak will take effect from end of Q1. We have taken the required mitigating steps to protect our margins from increased and volatile raw material and utility prices, including hedging. However, we experience significant inflationary pressures on other input costs, and we expect these to continue to impact our EBITDA margin in 2023. We expect our ongoing, strategic initiatives to continue to grow our top-line and strengthen our results and we stay committed to our mid-term targets.

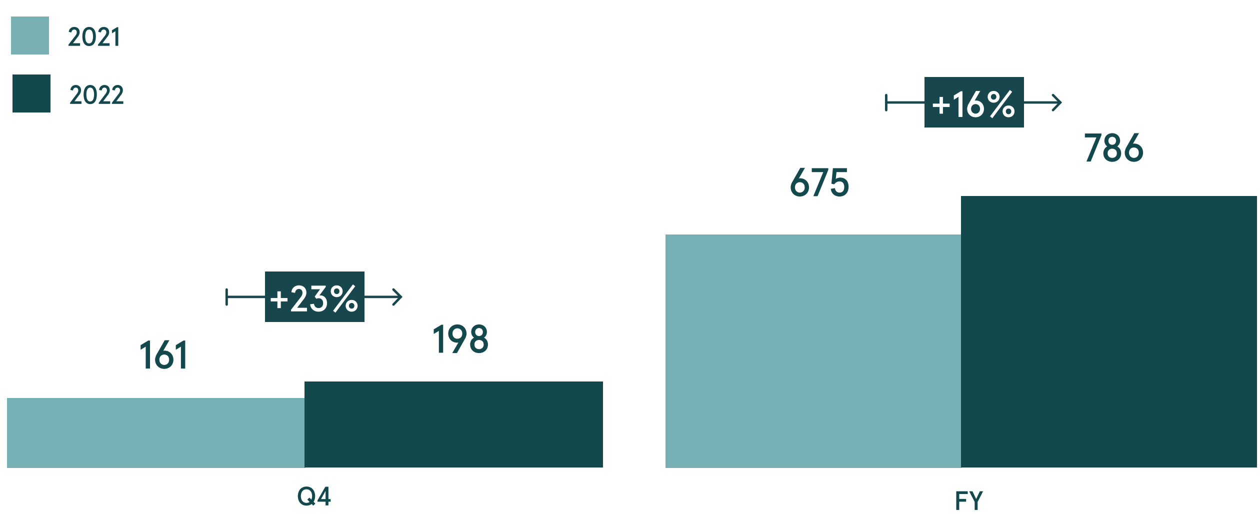
"Elopak ended the year on a strong note, delivering profitable organic growth despite the continued volatile environment. Our strategic initiatives remain focused on growing our top-line and strengthening our results. Accordingly, while the uncertainties experienced in 2022 are expected to continue into 2023, we remain committed to our mid-term targets"

Thomas Körmendi
Chief Executive Officer - CEO

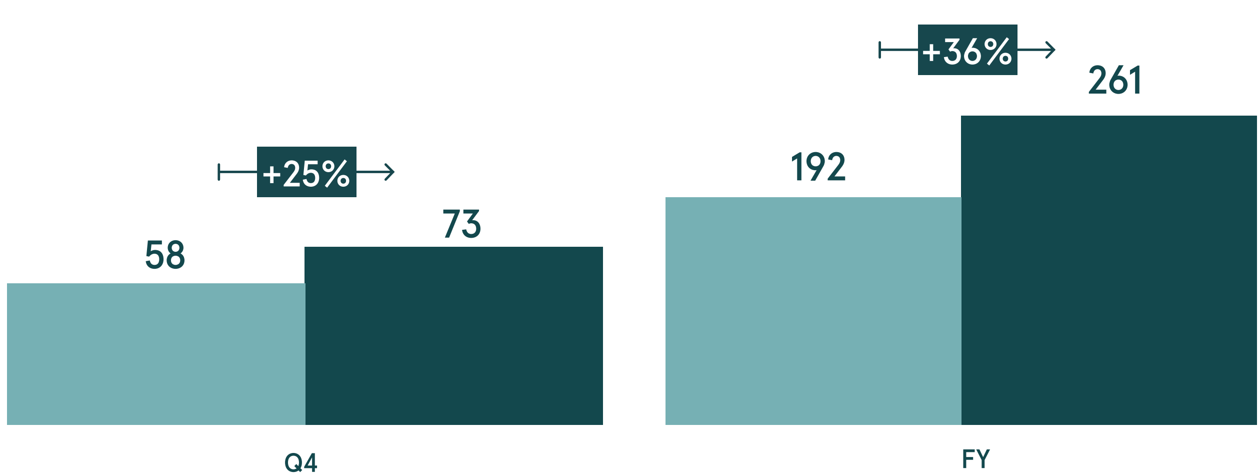
FINANCIAL REVIEW

Geographic revenue (EURm)

Revenues Q4-22 (EURm) - EMEA



Revenues Q4-22 (EURm) - Americas



Revenues

Unless explicitly expressed, the statement of income for 2021 and 2022 excludes the Russian entity. As such the financial review focuses on the continuing operations.

In the fourth quarter of 2022, revenues were EUR 267.1 million, an increase of 24% compared to same period last year, or EUR 51.8 million. Adjusting for currency translation effects (EUR to USD) and acquisitions, the increase was 12%, or EUR 26.6 million.

In EMEA, revenues increased by EUR 37.2 million compared to the same quarter last year. The acquired businesses in MENA and India contributed with a total of EUR 14.4 million in the quarter.

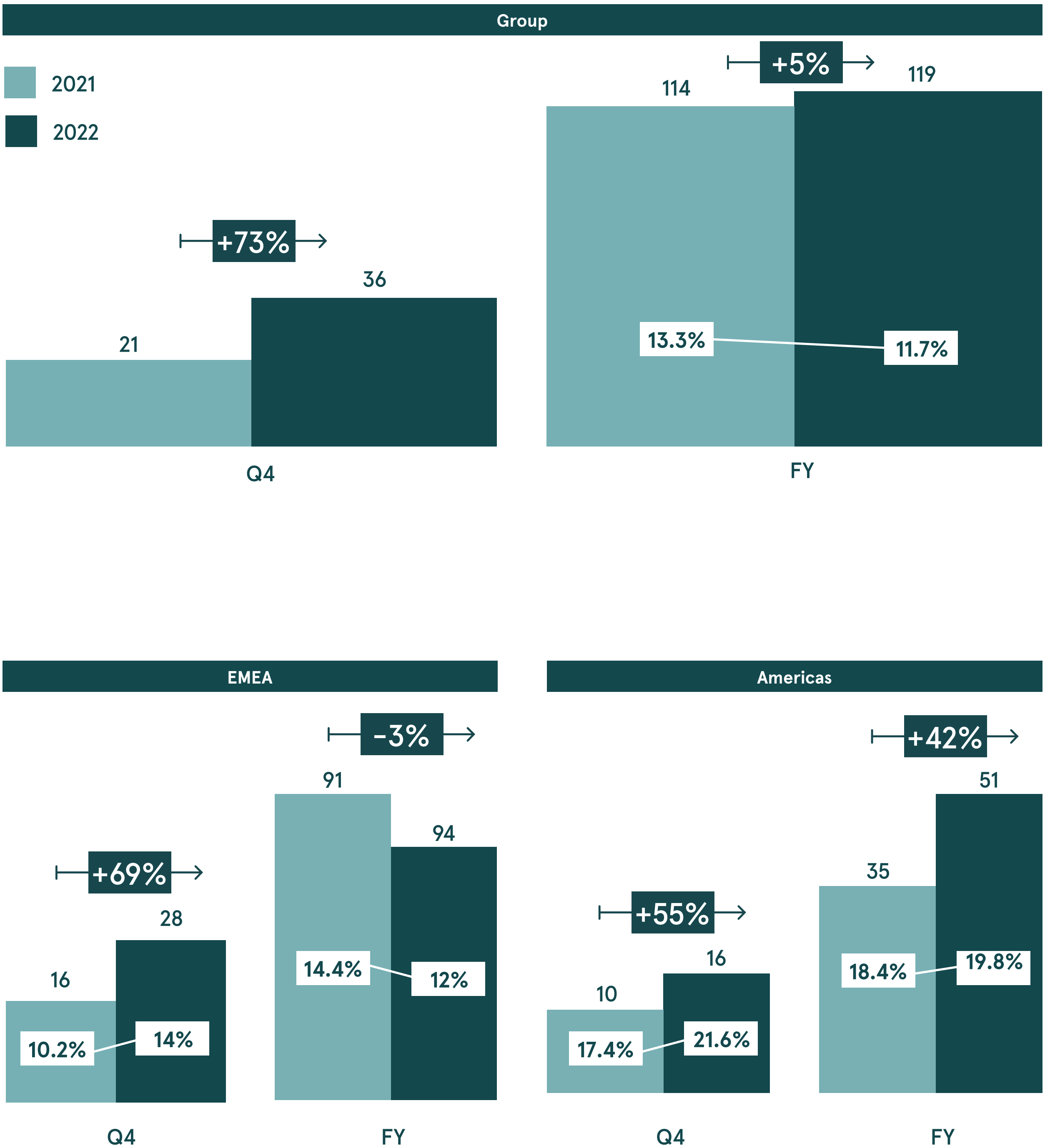
The key driver for the strong organic revenue development in the quarter was a price increase of EUR 19 million on our products. In terms of volume, the development in the quarter was slightly negative for Pure-Pak®, when adjusting for acquired business. Fresh volumes decreased mainly due to underlying consumption decline, while aseptic volumes were relatively stable. The revenue growth in EMEA was also partly driven by higher Roll-Fed volumes.

The Americas business performed well, with total revenue growth of 25% compared to fourth quarter of 2021 (6 % adjusted for currency translation effects). In Americas the underlying development was mainly driven by volume growth in the juice- and plant-based segments. Sale of school milk cartons was flat compared to the same quarter last year, as volumes started to ramp up in the second half of 2021. Pass-through of raw materials had a positive impact on revenue in the quarter as material prices continued to increase. In the quarter, no filling machines were commissioned, contributing to a EUR 2 million decrease in revenue compared to the same period last year.

For the full year 2022, Group revenues increased by 20 %, or EUR 168.4 million. Adjusted for currency translation effects and acquisitions, revenue growth was 11 %. Full year impact from acquired business was EUR 38.5 million. In EMEA, the main drivers of the underlying revenue growth for the full year were price increases and also higher Roll-Fed volumes.

In Americas full year revenues increased by 36 %, or EUR 68.4 million compared to last year. Currency translation effects had a EUR 32.8 million favourable impact, due to stronger USD against EUR. The organic revenue growth was EUR 35.6 million, mainly a result of pass through of raw material prices, volume growth and price increases.

Adjusted EBITDA distribution (EURm)



Adjusted EBITDA and EBITDA

Adjusted EBITDA in the fourth quarter of 2022 increased by EUR 15.1 million, from EUR 20.8 million in 2021 to EUR 35.9 million in 2022. The adjusted EBITDA margin at 13.5 % is higher than the comparative period, due to the impact of price increases in EMEA and growth in Americas.

In EMEA, adjusted EBITDA increased by EUR 11.3 million in the quarter. Adjusted EBITDA margin in the quarter was 14.0%, compared to 10.2% in the same period last year. EBITDA from acquired business was EUR 1.9 million. The main reason for the margin increase is the impact of price increases earlier in 2022, combined with a softening of Polyethylene (PE) and aluminium prices. Energy costs fluctuated but were on average lower in the fourth quarter than in the third quarter. In the comparable period in 2021 the margins were significantly impacted by rising input cost in almost all categories, combined with global supply chain disruptions while the responding price increase took place from Q1 2022 onwards. In total, Q4 2022 raw material cost increases had an estimated impact of EUR 9 million in the European carton and closure business, which was mitigated by price increases. The unprecedented volatility on input factors, combined with customer prices adjusted on a less frequent basis has led to higher than normal volatility in the quarterly margins in the EMEA value chain. In 2021 margins dropped from 16.4 % in Q2 to 10.2% in Q4, while in 2022 margins increased from 10.7 % in Q2 to 14.0 % in Q4. In manufacturing, production efficiency was slightly lower than last year due to increased complexity following the close-down in Russia.

In Americas, adjusted EBITDA increased by EUR 5.6 million in the quarter. Adjusted EBITDA margin was 21.6%, compared to 17.4% in the same period last year, which was a relatively weak quarter for Americas. Currency translation had a favourable impact of EUR 2.2 million in the quarter. The underlying improvement in EBITDA was predominantly a result of continuous strengthening of the portfolio of customers and cartons. In the comparative period sale of filling machines contributed positively to the top line but had a negative impact on the margin in percent. The raw material indexing in customer agreements continued to provide protection against the higher raw material costs. Operations in the Montreal plant remained strong supported by waste reductions and lower manning cost.

On a full year basis, adjusted EBITDA for the Group increased by 5 %, or EUR 5.7 million. Adjusting for currency translation effects (EUR to USD) and acquisitions, the EBITDA decreased by 4%, or EUR 4.8 million. The decrease is mainly a result of the inflationary pressure in Europe.

In EMEA, adjusted EBITDA for the full year decreased by EUR 2.9 million. Adjusted EBITDA margin was 12.0 %, down from 14.4 % in the comparable period. Adjusting for acquisitions the adjusted EBITDA decreased by EUR 8.2m. The decrease in EBITDA was mainly a result of increased payroll and other operational expenses and decline in Pure Pak volumes. On a full year basis, the increase in raw material cost had a negative impact of EUR 50 million. This was offset by customer pricing but had a negative impact of 0.8pp. to the EBITDA margin.

In Americas, adjusted EBITDA for the full year increased by EUR 16.1 million. Adjusted EBITDA margin was 19.8 %, up from 18.4 % in the same period last year. Adjusting for currency translation effects adjusted EBITDA increased by EUR 10.9 million. The increase was a result of volume growth, improved operations, and better mix.

The Group operating expenses increased from strengthening of central functions following the IPO, a general normalisation of costs post Covid-19 and inflationary pressure.

Operating profit

In the fourth quarter of 2022, operating profit increased by EUR 11.5 million, from EUR 4.6 million in same period last year to EUR 16.1 million in 2022. In the quarter, Elopak incurred EUR 1.1 million in impairments of current and non-current assets in Ukraine, reflecting uncertainty related to plant utilization and margins on the roll fed cartons manufactured in Fastiv. In the comparable period transaction cost was EUR 1.5 million.

Depreciation and amortisation were EUR 4.6 million higher than the same period last year. This is mainly due to amortisation of non-current assets related to acquired business in MENA and India, and the impairments in Ukraine.

For the full year operating profit decreased by EUR 7.4 million. EUR 4.2 million is due to impairments of non-current assets in Ukraine. EUR 9.8 million is due to increased depreciation and amortization of non-current assets, predominantly related to acquired business in MENA and India. The remaining margin development is a result of the factors explained above in adjusted EBITDA section.

The following table provides a reconciliation from reported operating profit to EBITDA and adjusted EBITDA. For further details and definitions, we refer to the APM section in the back of this report.


Pure-Pak®
Chosen by people,
packaged by nature

Reconciliation of EBITDA and adjusted EBITDA

	Quarter ended December 31		Year to date ended December 31		
(EUR 1,000)	2022	2021	2022	2021	FY2021
Operating profit	16,105	4,642	41,774	49,224	49,224
Depreciation, amortisation and impairment	17,745	13,517	63,938	54,097	54,097
Impairment fixed and long term assets Ukraine	412	-	4,189	-	-
EBITDA	**34,262**	**18,159**	**109,901**	**103,320**	**103,320**
Total adjusted items	690	1,536	5,134	6,820	6,820
Share of net income from joint ventures (continued operations) [1) 2)]	991	1,121	4,378	3,575	3,575
Impairments on joint ventures investment (continued operations) [1) 2)]					
Adjusted EBITDA	**35,943**	**20,815**	**119,413**	**113,715**	**113,715**

[1)] Share of net income and impairment on investment from joint ventures included in adjusted figures
[2)] See reconciliation of net income from joint ventures

Profit for the quarter

In the fourth quarter of 2022, profit from continuing operations increased to EUR 11.2 million in 2022, up by EUR 12.2 million, from EUR -1.0 million in the same period of 2021.

Share of net income from joint ventures was EUR 1.0 million in the quarter, an increase of EUR 0.1 million from 2021.

Net financial expenses decreased by EUR 0.9 million compared to last year. The main driver is positive currency impacts of EUR 2.2 million

Tax expense for the quarter was EUR 4.4 million, which is an increase of EUR 0.1 million compared to same period last year.

For the full year profit from continuing operations increased by EUR 3.9 million.

For the full year net financial income and expenses were EUR 0.3 million, an improvement of EUR 7.5 million compared to last year. The main driver is revaluation of interest swaps which had a positive impact of EUR 8.4m.

The underlying net interest expense increased following a higher net debt and increased interest rates.

For the full year tax expense was EUR 12.2 million, a reduction of EUR 3.1 million. The effective income tax rate changed from 34 % in 2021 to 26 % in 2022 mainly due to currency impacts. Currency effects for 2022 decreased the tax expense by EUR 2.2 million and increased the 2021 tax expense by EUR 1.7 million.

The expected tax at current statutory tax rates for the Group is approximately 24%, depending on the relative mix of profits and losses taxed at varying rates in the jurisdictions in which Elopak operates

Discontinued operations – Russia

The Russian entity is deconsolidated as of July 15, 2022. Until the transaction is closed, the fair value of the shares in the company are presented as other current assets in the Consolidated statement of financial position. The fair value reflects considerations of credit risk, settlement risk and the payment profile over 5 years.

Year to date profit from discontinued operations was EUR -23.6 million. The negative result reflects ordinary business until operations were suspended in March and the following impairments of assets as presented in the first and second quarter. For further details please refer to note 10.

Cash flow

	Year to date ended September 30		
(EUR 1,000)	**2022**	**2021**	**Change**
Net cash flow from operations	25,094	73,200	-66 %
Net cash flow from investing activities	-126,009	-26,222	381 %
Net cash flow from financing activities	102,558	-30,784	-433 %
Foreign currency translation on cash	-22	1,625	-101 %
Net increase/decrease in cash	**1,621**	**17,819**	**-91 %**

Cash flows

The key components of cash flow from operations are EBITDA, paid taxes and changes in working capital. For the full year 2022, cash flow from operations was EUR 25.0 million, which is a decrease of EUR 48.1 million compared to last year. Cash from operations was negatively impacted by increased working capital, as a result of the 20 % top line growth. Inventories increased by EUR 39 million following inflationary pressure and delayed placement of filling machines.

Net cash flow used in investing activities was EUR -126.0 million. The main investments were the acquisitions of Naturepak and Elopak GLS. See note 11 for details. In the existing business, investments were EUR 44 million, consisting of filling machine projects in Europe and manufacturing plant projects in Europe and Americas. This is EUR 6 million higher than in the same period last year but in line with normal levels.

Net cash flows from financing activities were EUR 102.6 million, reflecting an increase in bank loans. The increase is predominantly due to the funding of acquisitions.

Capital structure

Net interest-bearing bank debt has increased from EUR 160 million at year end 2021 to EUR 301 million as of December 31, 2022. The main reason for the increase is funding of the acquisitions, as explained in the cash flow section. In the fourth quarter the High Bay Warehouse was finalized and the lease liability according to IFRS 16 increased net debt by EUR 21m. Consequently, the Leverage Ratio as of December 31, 2022 was 3.3x.

For a specification of the net debt, please refer to Alternative Performance Measures section.

Equity decreased by EUR 1.1 million, from EUR 269.1 million as of December 31, 2021 to EUR 268.0 million as of December 31, 2022. Total comprehensive income for the full year 2022 was EUR 9.6 million. A dividend at EUR 19.6 million was paid on May 19, 2022. As part of the acquisition of Elopak GLS, a non-controlling interest in equity was established at EUR 9.2 million, reflecting our partner GLS' 50 % share of the equity in the consolidated Indian entity.

The Board confirms that the accounts are presented under a going concern assumption.

Condensed consolidated quarterly financial statements


Pure-Pak
The natural solution
OUTDOOR & ESSENTIALS

Condensed consolidated statement of comprehensive income

(EUR 1,000)	Note	Quarter ended December 31 Unaudited 2022	Unaudited 2021	Year to date ended December 31 Unaudited 2022	Audited 2021
Revenues	3	267,057	215,240	1,023,696	855,265
Other operating income		99	–	157	3
Total income	**4**	**267,156**	**215,241**	**1,023,853**	**855,268**
Cost of materials	5, 6	-173,911	-140,969	-681,474	-538,124
Payroll expenses	7	-44,802	-42,044	-176,721	-166,801
Depreciation and amortization expenses	5, 8	-16,723	-13,332	-61,528	-52,879
Impairment of non-current assets		-1,434	-184	-6,599	-1,218
Other operating expenses	5	-14,180	-14,069	-55,757	-47,023
Total operating expenses		**-251,051**	**-210,599**	**-982,079**	**-806,044**
Operating profit	**4**	**16,105**	**4,642**	**41,774**	**49,224**
Financial income and expenses					
Share of net income from joint ventures		991	1,121	4,378	3,575
Financial income		1,195	469	10,305	2,046
Financial expenses		-4,802	-2,420	-13,033	-9,660
Foreign exchange gain/loss		2,192	-341	2,983	375
Profit before tax from continuing operations		**15,681**	**3,472**	**46,407**	**45,559**
Income tax	9	-4,461	-4,423	-12,188	-15,288
Profit from continuing operations		**11,220**	**-951**	**34,220**	**30,271**
Discontinued operations Russia	10	–	511	-23,622	3,538
Profit/loss		**11,220**	**-440**	**10,598**	**33,809**
Profit attributable to:					
Elopak shareholders		10,940	-440	10,856	33,809
Non-controlling interest		280	–	-259	–
Basic and diluted earnings per share from continuing operations (in EUR)		0.04	–	0.13	0.12
Basic and diluted earnings per share from discontinued operations (in EUR)		–	–	-0.09	0.01
Basic and diluted earnings per share attributable to Elopak shareholders (in EUR)		0.04	–	0.04	0.13

Condensed consolidated statement of comprehensive income continued

(EUR 1,000)		Quarter ended December 31		Year to date ended December 31	
		Unaudited	Unaudited	Unaudited	Audited
OTHER COMPREHENSIVE INCOME	**Note**	**2022**	**2021**	**2022**	**2021**
Items that will not be reclassified subsequently to profit or loss					
Net value gains/losses on actuarial benefit plans, net of tax		-27	-292	20	-309
Items reclassified subsequently to net income upon derecognition					
Exchange differences on translation foreign operations Elopak shareholders		-15,183	2,307	6,406	8,048
Exchange differences on translation foreign operations non-controlling interest		-852			
Net value gains/losses on cash flow hedges, net of tax		624	-3,907	-6,972	4,218
Other comprehensive income, net of tax		**-15,438**	**-1,892**	**-1,013**	**11,957**
Total comprehensive income		**-4,218**	**-2,332**	**9,584**	**45,766**
Total comprehensive income attributable to:					
Elopak shareholders		-4,031	-2,332	10,310	45,766
Non-controlling interest		-187	-	-726	-

Condensed consolidated statement of financial position

(EUR 1,000)		December 31 2022	December 31, 2021
ASSETS	**Note**	**Unaudited**	**Audited**
Non-current assets			
Development cost and other intangible assets	**5**	71,331	56,862
Deferred tax assets	**5**	22,414	21,640
Goodwill	**11**	104,958	51,866
Property, plant and equipment	**5, 11**	201,975	186,426
Right-of-use assets	**5, 7, 10**	76,784	62,952
Investment in joint ventures		34,673	27,527
Other non-current assets	**11**	19,841	13,501
Total non - current assets		**531,976**	**420,775**
Current assets			
Inventory	**5, 11**	187,207	145,115
Trade receivables	**5, 11**	102,197	91,533
Other current assets	**5, 10, 11**	109,214	101,595
Cash and cash equivalents	**11**	25,883	24,262
Total current assets		**424,502**	**362,506**
Total assets	**4**	**956,479**	**783,279**

Condensed consolidated statement of financial position continued

(EUR 1,000)		December 31 2022	December 31, 2021
EQUITY AND LIABILITIES	**Note**	**Unaudited**	**Audited**
EQUITY			
Share capital	**12**	50,155	50,155
Other paid-in capital	**12**	69,987	70,236
Currency translation reserve		-27,477	-33,883
Cash flow hedge reserve		-2,758	4,215
Retained earnings		169,584	178,330
Attributable to Elopak shareholders		259,491	269,054
Non-controlling interest		8,477	-
Total equity		**267,967**	**269,054**
LIABILITIES			
Non-current liabilities			
Pension liabilities		2,668	2,563
Deferred taxes	**11**	17,240	11,488
Non-current liabilities to financial institutions	**13**	304,033	169,433
Non-current lease liabilities	**11**	73,536	62,342
Other non-current liabilities	**11**	1,867	2,900
Total non-current liabilities		**399,344**	**248,726**
Current liabilities			
Current liabilities to financial institutions	**11, 13**	21,682	14,420
Trade payables	**11**	124,038	119,574
Taxes payable		2,198	4,335
Public duties payable		22,682	24,077
Current lease liabilities	**11**	17,139	18,261
Other current liabilities		101,429	84,832
Total current liabilities		**289,167**	**265,499**
Total liabilities		**688,512**	**514,226**
Total equity and liabilities	**4**	**956,479**	**783,279**

Skøyen, February 21, 2023

Jo Olav Lunder
Chairperson

Trond Solberg
Board member

Anna Belfrage
Board member

Sid Johari
Board member

Sanna Suvanto-Harsaae
Board member

Erlend Sveva
Board member

Anette Bauer Ellingsen
Board member

Thomas Körmendi
CEO

Condensed consolidated statement of cash flows

(EUR 1,000)	Note	Year to date ended December 31 2022 Unaudited	2021 Audited
Profit before tax from:			
Continuing operations		46,407	45,559
Discontinued operations		-22,825	4,423
Profit before tax (including discontinued operations)		**23,583**	**49,982**
Interest to financial institutions		5,658	1,553
Lease liability interest		4,575	4,773
Profit before tax and interest paid		**33,815**	**56,308**
Depreciation, amortization and impairment		76,118	56,450
Write-down of financial assets		500	500
Net unrealised currency gain(-)/loss		2,297	-2,123
Income from joint ventures		-4,378	-3,575
Net gain(-)/loss on sale of non-current assets		137	6
Taxes paid		-13,683	-19,122
Change in trade receivables		-10,615	-10,054
Change in other current assets		-16,391	-6,937
Change in inventories		-39,175	-5,582
Change in trade payables		4,893	2,998
Change in other current liabilities		-8,117	4,296
Change in net pension liabilities		-307	33
NET CASH FLOW FROM OPERATIONS		**25,094**	**73,200**
Purchase of non-current assets		-43,714	-37,381
Proceeds from sales of non-current assets		1,232	15
Proceeds from sales of business		-	-
Acquisition of subsidiaries and joint ventures	**11**	-88,262	-
Dividend from joint ventures		-	4,965
Change in other non-current assets		4,735	6,179
NET CASH FLOW FROM INVESTING ACTIVITIES		**-126,009**	**-26,222**
Proceeds of loans from financial institutions		1,178,067	728,843
Repayment of loans from financial institutions		-1,030,217	-775,640
Interest to financial institutions		-5,658	-1,553
Dividend paid		-19,623	-9,988
Capital increase		-241	47,523
Lease payments		-19,770	-19,969
NET CASH FLOW FROM FINANCING ACTIVITIES		**102,558**	**-30,784**
Foreign currency translation on cash		-22	1,625
Net increase/decrease in cash		1,621	17,819
Cash at beginning of year		24,262	6,443
Cash at end of period		25,883	24,262

Condensed consolidated statement of changes in equity

(EUR 1,000)

Quarter ended December 31, 2022 Unaudited	**Note**	**Share capital**	**Other paid-in capital**	**Currency trans-lation reserve**	**Cash flow hedge reserve**	**Retained earnings**	**Non-con-trolling interest**	**Total equity**
Total equity 01.01		**50,155**	**70,236**	**-33,883**	**4,215**	**178,330**	**-**	**269,054**
Profit for the period		-	-	-	-	10,856	-259	10,598
Other comprehensive income for the period net of tax		-	-	6,406	-6,972	20	-467	-1,013
Total comprehensive income for the period		**-**	**-**	**6,406**	**-6,972**	**10,877**	**-726**	**9,584**
Dividend paid						-19,623		-19,623
Settlement of share-based bonus 2021			-330					-330
Provision for share-based bonus 2022	**7**	-	89	-	-	-		89
Acquisition of GLS Elopak	**11**						9,202	9,202
Treasury shares		-1	-9					-10
Total capital transactions in the period	**12**	**-1**	**-250**	**-**	**-**	**-19,623**	**9,202**	**-10,672**
Total equity 31.12		**50,155**	**69,987**	**-27,477**	**-2,758**	**169,584**	**8,477**	**267,967**

(EUR 1,000)

Quarter ended December 31, 2021	**Note**	**Share capital**	**Other paid-in capital**	**Currency trans-lation reserve**	**Cash flow hedge reserve**	**Retained earnings**	**Non-con-trolling interest**	**Total equity**
Total equity 01.01		**47,482**	**15,332**	**-41,930**	**-3**	**164,564**	**-**	**185,444**
Profit for the period						33,809	-	33,809
Other comprehensive income for the period net of tax				8,048	4,218	-309	-	11,957
Total comprehensive income for the period				**8,048**	**4,218**	**33,500**	**-**	**45,766**
Dividend paid		58	1,112	-	-	-9,988	-	-9,988
Purchase of treasury shares		5	-2,380	-	-		-	1,170
Settlement of share-based bonus 2020			330	-	-		-	-2,375
Provision for share-based bonus 2021		120	9,626					330
Bonus issue and reclassification within equity		2,490	47,307	-	-	-9,746	-	-
Issue of new shares in IPO			-1,091	-	-		-	49,798
Share issue expenses		2,673	54,904	-	-		-	-1,091
Total capital transactions in the period	**12**	**2,673**	**54,893**	**-**	**-**	**-19,734**	**-**	**37,844**
Total equity 31.12		**50,155**	**70,236**	**-33,883**	**4,215**	**178,330**	**-**	**269,054**

Note 1 — General information

The Elopak Group consists of Elopak ASA and its subsidiaries. Elopak ASA is a public limited company registered in Norway. The Group is a leading global supplier of carton packaging and filling equipment. The consolidated financial information has not been subject to audit or review.

All numbers are presented in EUR 1,000 unless otherwise is clearly stated.

The Board of Directors approved the condensed consolidated interim financial statements for the period ended December 31, 2022 on February 21, 2023.

Note 2 — Basis of preparation

The consolidated condensed interim financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS), IAS 34 "Interim Financial Reporting". The condensed interim financial statements do not include all information and disclosures required in the annual financial statement and should be read in conjunction with the Group's Annual Report for 2021, which has been prepared according to IFRS as adopted by EU. The accounting policies applied in the preparation of the consolidated interim financial statements are consistent with those applied in the preparation of the annual IFRS financial statements for the year ended December 31, 2021.

The preparation of interim financial statements requires the Group to make certain estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income, and expenses. Estimates and judgements are continually evaluated by the company based on historical experience and other factors, including expectations of future events that are deemed to be reasonable under the circumstances. Actual results may differ from these estimates. The most significant judgements used in preparing these interim financial statements and the key areas of estimation uncertainty are the same as those applied in the consolidated annual report for 2021.

The annual report for 2021 provides a description of the uncertainties and risks for the business.

Note 3 — Revenues

The Group's revenues consist of revenue from contracts with customers (99%) and rental income from lease of filling equipment (1%). Revenues are primarily derived from the sale of cartons and closures, sales and rental income related to filling equipment and service. The tables include investments in continuing operations only.

Revenues specified by geographical area

	Quarter ended December 31		Year to date ended December 31	
(EUR 1,000)	**2022**	**2021**	**2022**	**2021**
USA	54,444	44,257	193,839	141,246
Germany	39,251	35,701	161,629	146,790
Canada	20,010	15,115	68,778	51,417
Netherlands	15,125	12,664	56,215	51,530
Norway	6,485	6,297	25,645	24,769
Other	131,742	101,207	517,589	439,514
Total revenues	**267,057**	**215,240**	**1,023,696**	**855,265**

The revenues are specified by location (country) of the customer.

Revenues by product and operating segment

(EUR 1,000)

Quarter ended December 31, 2022	EMEA	Americas	Other and eliminations	Total
Cartons and closures	170,389	72,274	-970	241,692
Equipment	6,072	31	-84	6,019
Service	11,747	-	-239	11,508
Other	9,972	403	-2,538	7,837
Total revenues	**198,180**	**72,707**	**-3,830**	**267,057**

Quarter ended December 31, 2021	EMEA	Americas	Other and eliminations	Total
Cartons and closures	138,271	55,172	-1,087	192,356
Equipment	6,779	2,459	-4	9,234
Service	10,542	-	-152	10,390
Other	5,366	597	-2,703	3,261
Total revenues	**160,957**	**58,229**	**-3,946**	**215,240**

Note 3 — Revenues continued

(EUR 1,000)

Year to date ended December 31, 2022	EMEA	Americas	Other and eliminations	Total
Cartons and closures	671,025	256,522	-3,797	923,750
Equipment	36,307	2,183	-9,907	28,583
Service	46,036	-	-669	45,367
Other	32,949	1 830	-8,783	25,996
Total revenues	**786,317**	**260,535**	**-23 156**	**1,023,696**

Year to date ended December 31, 2021	EMEA	Americas	Other and eliminations	Total
Cartons and closures	570,565	185,246	-3,307	752,503
Equipment	38,477	5,015	-4	43,488
Service	42,823	-	-495	42,329
Other	23,296	1,905	-8,256	16,945
Total revenues	**675,162**	**192,166**	**-12 062**	**855,265**

Note 4 — Operating segments

Information reported to the Group's chief operating decision makers, the Group Leadership Team, for the purpose of resource allocation and assessment of segment performance is focused on two key geographical regions – EMEA and Americas. Key figures representing the financial performance of these segments are presented in the following note. GLS Elopak is included in EMEA. The tables include investments in continuing operations only.

Operating segments

(EUR 1,000)

Quarter ended December 31, 2022	EMEA	Americas	Other and eliminations	Total
Total revenue and other operating income	198,170	72,707	-3,721	267,156
Operating expenses 1)	-171,031	-58,027	-3,836	-232,894
Depreciation and amortization	-14,123	-1,851	-749	-16,723
Impairment	-1,173	-261	0	-1,434
Operating profit	**11,843**	**12,568**	**-8,306**	**16,105**
EBITDA [2)]	27,139	14,680	-7,557	34,262
Adjusted EBITDA [2)]	27,767	15,694	-7,519	35,943
Total assets	945,626	157,111	-146,258	956,479
Purchase of non-current assets during the quarter	12,761	819	672	14,253

Quarter ended December 31, 2021	EMEA	Americas	Other and eliminations	Total
Total revenue and other operating income	160,957	58,229	-3,945	215,241
Operating expenses [1)]	-144,284	-49,234	-3,564	-197,082
Depreciation and amortization	-10,703	-1,977	-653	-13,333
Impairment	-184	-	-	-184
Operating profit	**5,786**	**7,017**	**-8,162**	**4,642**
EBITDA [2)]	16,674	8,994	-7,509	18,159
Adjusted EBITDA [2)]	16,654	10,134	-5,973	20,815
Total assets	604,126	134,656	44,497	783,279
Purchase of non-current assets during the quarter	14,455	1,418	1,064	16,936

[1]Operating expenses include cost of materials, payroll expenses, and other operating expenses.

[2)]See the APM disclosure for the reconciliation of EBITDA and adjusted EBITDA.

Note 4 — Operating segments continued

Operating segments

(EUR 1,000)

Year to date ended December 31, 2022	EMEA	Americas	Other and eliminations	Total
Total revenue and other operating income	786,133	260,535	-22,815	1,023,853
Operating expenses [1]	-693,984	-213,558	-6,410	-913,952
Depreciation and amortization	-51,564	-7,164	-2,800	-61,528
Impairment	-6,338	-261	-	-6,599
Operating profit	**34,247**	**39,551**	**-32,024**	**41,774**
EBITDA [2]	92,149	46,976	-29,224	109,901
Adjusted EBITDA [2]	94,283	51,466	-26,336	119,413
Total assets	945,626	157,111	-146,258	956,479
Purchase of non-current assets during the year	45,006	5,657	-6,949	43,714

Year to date ended December 31, 2021	EMEA	Americas	Other and eliminations	Total
Total revenue and other operating income	674,862	192,166	-11,760	855,268
Operating expenses [1]	-577,764	-160,598	-13,590	-751,948
Depreciation and amortization	-43,589	-6,644	-2,646	-52,879
Impairment	-1,218	-	-	-1,218
Operating profit	**52,292**	**24,924**	**-27,996**	**49,224**
EBITDA [2]	97,097	31,568	-25,351	103,320
Adjusted EBITDA 2)	97,407	35,391	-19,083	113,715
	-	-	-	-
Total assets	604,126	134,656	44,497	783,279
Purchase of non-current assets during the year	25,445	8,815	3,121	37,381

[1] Operating expenses include cost of materials, payroll expenses, and other operating expenses.

[2] See the AP nciliation of EBITDA and adjusted EBITDA.

Note 5 – Impairment

Due to the Ukraine/Russia crises, Elopak suspended all activities in Russia, and restarted operations in Ukraine after a temporary close-down in March 2022. Consequently, the Group has tested assets in Ukraine for impairment and recognized an impairment loss through the statement of comprehensive income and is within the operating segment EMEA. Total impairment of the Ukraine operations as per December 31 amounted to EUR 7,889 thousand.

The impairment loss is calculated using a weighted average of possible scenarios including continuing operations and closing operations.

The Russian operation is classified as discontinued operations and all assets and liabilities related to the Russian operation were deconsolidated from the Elopak consolidated financial statements due to loss of control on July 15. See note 10 Discontinued operations.

Due to the circumstances in Ukraine the impairment assessment has been updated at the end of each quarter. No deferred tax asset is recognized related to the operations in Ukraine.

Balance sheet effect of impairment

(EUR 1,000)	**Year to date ended December 31**
ASSETS	**2,022**
Non-current assets	
Development cost and other intangible assets	-26
Deferred tax assets	**-1,555**
Property, plant and equipment	-4,155
Right-of-use assets	-8
Total non - current assets	**-5,744**
Current assets	-
Inventory	**-1,883**
Trade receivables	-32
Other current assets	**-230**
Total current assets	**-2,145**
Total assets	**-7,889**

(EUR 1,000) **COMPREHENSIVE INCOME**	**Quarter ended March 31, 2022 Total**	**Quarter ended June 30, 2022 Total**	**Quarter ended September 30, 2022 Total**	**Quarter ended December 31, 2022 Total**	**Year to date ended December 31 2022**
Cost of materials	2,007	-713		785	2,079
Depreciation, amortisation and impairment	4,256	-354	-126	412	4,189
Other operating expenses	1,000	-800		-133	67
Operating profit	**7,263**	**-1,867**	**-126**	**1,064**	**6,335**
Income tax	213	-213	-	1,555	1,554
Profit/loss	**7,476**	**-2,079**	**-126**	**2,619**	**7,889**

Note 6 – Onerous contracts

As per December 31, 2022 Other current liabilities includes a IAS 37 provision for onerous contracts of EUR 100 thousand related to the current high prices of raw materials. The provision reflects estimated margins, calculated based on current contracted sales prices and estimated costs of fulfilling these contracts. Cost of fulfilling a contract comprises estimated direct and allocated costs. The assumptions used in the estimate are based on historical material and sales prices and have not taken into account facts that were not present at the end of the reporting period.

Note 7 – Share-based payments

In November 2022 the Group introduced a new long-term incentive program for eligible employees. PSUs (Performance Share units) of the parent are granted to members of the Global Leadership Team members (GLT). One PSU (instrument) equals one share. The eligible employees will be granted an annual award of shares from the company if certain performance criteria are met. This arrangement replaces former long term-incentive plans.

The key terms and conditions related to the grants are as follows:

KPI Categories	**Weighted**	**Matric**
Financial targets	50 %	Ajdusted EBITDA less normalized capex
People & Planet targets	20 %	Environmental target (Co2 emission)
Shareholder value targets	30 %	Total shareholders return (TSR)

The granted PSUs will be gradually vested during a 3-year period. Allocation of PSUs will be based on % of base pay (with maximal allocation of 80% for CEO and 50% for Global Leadership Team members).

The exercise price of the PSUs is equal to the market price of the underlying shares on the date of grant. The fair value of the PSUs is estimated at the grant date through Monte Carlo simulation, reflecting the total shareholder return vesting condition. In subsequent periods, the above performance conditions, other than market conditions, will be taken into account by adjusting the number of PSUs that will ultimately vest and therefore be included in the measurement of the transaction amount.

The PSUs can be exercised up to two years after the three-year vesting period and therefore, the contractual term of each option granted is five years. There are no cash settlement alternatives. The Group does not have a past practice of cash settlement for these PSUs. The Group accounts for the PSUs as an equity-settled plan.

Reconciliation of outstanding Performance share units

Number of instruments (PSU)	Quarter ended December 31, 2022	
In thousands of PSU	**Number of optiobns**	**Weighted average exercise price**
Outstandng at January 1	–	–
Granted November 23, 2022	744	–
Performance adjusted	-45	–
Forfeited during the year	–	–
Exercised during the year 1)	–	–
Expired during the year	–	–
Outstanding at December 31	**699**	**–**
Exercisable at December 31 (vested)	**–**	**–**

The weighted average remaining contractual life for the share options outstanding as at December 31, 2022 was 2.52 years. The weighted average fair value of PSU granted during 2022 was € 2,32.

The following tables list the inputs to the models used for the years ended December 31, 2022:

Assumptions and inputs in model	Quarter ended December 31, 2022
FV per instrument*	2,32
Dividend yield*	–
Expected volatility*	7.95 %
Interest rate (IRR)*	0.93%
Risk-free interest rate*	3.09%
Contractual life*	2.63
Expected lifetime*	0.03
Weighted average share price (€)	2.32
Model used	Monte Carlo

*Weighted average parameters at grant of instrument

Expected volatility has been based on an evaluation of the historical volatility of the Parents share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behavior.

Components of share-based payments employee benefit expenses	Quarter ended December 31, 2022
Share based payment	89
Social security contribution	9
Total expenses related to share-based payments	**98**

Note 8 — Leases

The Group as lessee

The Group leases several assets including buildings, plants, cars and filling machines.

Right-of-use assets

(EUR 1,000)

December 31, 2022	Property and buildings	Machinery	Office and transport	Total
Cost at 1.1	53,861	29,987	22,179	106,027
Net additions (disposals)	18,301	6,279	3,178	27,758
Cost at 31.12	**72,162**	**36,266**	**25,357**	**133,785**
Accumulated depreciation at 1.1	-15,208	-17,001	-10,866	-43,075
Current year depreciation charge	-4,806	-5,288	-3,823	-13,918
Impairment losses		-8		-8
Accumulated depreciation at 31.12	**-20,014**	**-22,298**	**-14,689**	**-57,001**
Carrying amount at 31.12	**52,148**	**13,968**	**10,668**	**76,784**

December 31, 2021	Property and buildings	Machinery	Office and transport	Total
Cost at 1.1	52,636	27,141	18,231	98,007
Net additions (disposals)	1,225	2,846	3,949	8,020
Cost at 31.12	**53,861**	**29,987**	**22,179**	**106,027**
Accumulated depreciation at 1.1	-10,133	-11,496	-7,108	-28,737
Current year depreciation charge	-5,075	-5,505	-3,758	-14,338
Accumulated depreciation at 31.12	-15,208	-17,001	-10,866	-43,075
Carrying amount at 31.12	**38,652**	**12,986**	**11,314**	**62,952**

The Group has no significant purchase options except from one purchase option related to the High Bay warehouse lease agreement commenced in November, 2022. This purchase option can be exercised in 2042 and purchase price is market value at exercise date. An exercise of the purchase option is not considered to be reasonable certain, hence it is not recognized. Net additions in 2022 include EUR -3,955 thousand related to discontinued operations in Russia, other terminations in 2022 and 2021 are less than 1% of the right of use assets. The gross additions to right-of-use assets, excluding adjustments to existing contracts, were EUR 29,388 thousand in 2022 and EUR 4,460 thousand in 2021. The expired and terminated contracts in 2022 were replaced by new leases for similar underlying assets. Expenses related to short-term leases are EUR 350 thousand in 2022 and EUR 105 thousand in 2021. Expenses related to low value assets are EUR 615 thousand in 2022 and EUR 772 thousand in 2021. Expenses related to variable payments not included in the measurement of lease liabilities are EUR 98 thousand in 2022 and EUR 218 thousand in 2021.

Note 8 — Leases continued

The Group has signed contracts for Tethered Cap lines with a lease term of 5 years and a nominal value of EUR 45,284 thousand, which will commence at different stages during 2023 and Q1 2024

Note 9 - Income tax

Due to NOK recognition for tax purposes of Group financing, the currency effects in the fourth quarter of 2022 and 2021 decreased the tax expense by EUR 1,167 thousand in 2022 and increased the tax expense by EUR 1,048 thousand in 2021.

Note 10 - Discontinued operations

On 15 July, 2022 Elopak and Packaging Management and Investing LLC, a company beneficially owned by management of JSC Elopak, have reached an agreement (the "SPA") for the sale and purchase of all of Elopak's shares in JSC Elopak. This represents a full divestment by Elopak from its existing Russian operations.

Transfer of shares in JSC Elopak will take place under completion of the transaction after approval from the Russian Government. However, the terms of the SPA implies that Elopak lost control of JSC Elopak on the date it was signed, hence the entity is no longer consolidated in the Elopak Group Financial statements. Following from deconsolidation, the shares of JSC Elopak are recognized at fair value measured as the net present value of the agreed purchase price, adjusted for risks of not receiving the payments. The purchase price is payable in five annual instalments, the first of which becomes due shortly after completion of the transaction. In addition to the payments, Elopak has the option to buy back the shares of JSC Elopak. The purchase price in the buy-back option will be the price in the SPA adjusted for inflation, investments, capex, working capital and net debt in the intermediate period, and Elopak is therefore not exposed for variable returns in this period. As of December 2022, the buy-back option is considered to have a fair value close to zero.

The comparative consolidated statement of comprehensive income profit or loss with notes have been re-presented to show the discontinued operation separately from continuing operations. Until all activities in Russia were suspended in March 2022, the Russian entity purchased raw materials from other entities in the Group, as well as generating some minor revenue. Although intra-group transactions have been fully eliminated in the consolidated financial statements, management has elected to attribute the elimination of transactions between the continued and discontinued operation to the continuing operation. This is to reflect that the Group does not intend to continue similar transactions with Russia, subsequent to the disposal.

As per date of loss of control, total impairment in 2022 related to JSC Elopak was EUR 20,282 thousand effecting the Financial position and EUR 9,201 thousand effecting comprehensive income, the difference is due to fx variances. Loss on sale of discontinued operations reflects accumulated translation differences of EUR -7,086 thousand recycled from equity to profit or loss and the net of deconsolidated equity, redemption of loans from continuing operations to discontinued operations and fair value of the JSC Elopak shares. The

Note 10 – Discontinued operations continued

fair value of JSC Elopak shares are presented as Other current assets in the consolidated statement of financial position.

In December, 2022 the buyer received an informal approval from the Russian Government and a completion of the transaction is expected to take place in Q1 2023.

Discontinued operations	Quarter ended December 31		Year to date ended December 31	
(EUR 1,000)	**2022**	**2021**	**2022**	**2021**
Revenues	–	23,307	18,184	84,984
Total income	**–**	**23,307**	**18,184**	**84,984**
Cost of materials	–	-19,713	-15,197	-69,789
Payroll expenses	–	-1,321	-2,311	-4,864
Depreciation, amortisation and impairment	–	-594	-9,921	-2,354
Other operating expenses	–	-997	-1,034	-3,125
Total operating expenses	**–**	**-22,625**	**-28,463**	**-80,132**
Operating profit	**–**	**683**	**-10,278**	**4,852**
Net financial income	–	-43	-2,452	-429
Profit before tax	**–**	**639**	**-12,730**	**4,423**
Income tax	–	-128	-797	-885
Results from discontinued operations, net of tax	**–**	**511**	**-13,527**	**3,538**
Loss on sale of discontinued operations	–	–	-10,095	–
Income tax on gain on sale				
Profit/loss from discontinued operations	**–**	**511**	**-23,622**	**3,538**
Net cash flow from operating activities	–	7,540	1,834	15,039
Net cash flow from investing activities	–	-1,842	–	-1,470
Net cash flow from financing activities	–	-1,139	-186	-6,821
Foreign currency translations	–	14	635	109
Net change in cash and cash equivalents	**–**	**4,573**	**2,283**	**6,858**

Note 11 – Business combinations

Accounting policies
A business combination is as a transaction or other event in which an acquirer obtains control of one or more businesses. A business consists of inputs and processes applied to those inputs that have the ability to create outputs. Determining whether a particular set of assets and activities is a business should be based on whether the integrated set is capable of being conducted and managed as a business by a market participant.

Business combinations are accounted for according to IFRS 3 using the acquisition method, also called purchase price allocation (PPA). The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at fair value at acquisition date according to IFRS 13, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in other operating expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognized in the statement of profit or loss.

Goodwill arises in a business combination when the fair value of consideration transferred exceeds the fair value of identifiable assets acquired less the fair value of identifiable liabilities assumed. Goodwill acquired in a business combination is allocated to each of the Group's cash-generating units that are expected to benefit from the combination irrespective of whether other assets or liabilities of the acquiree are assigned to those units and tested subsequently for impairment.

Significant accounting estimates, assumptions and judgements
In a business combination, the assets acquired, and liabilities assumed are valued at fair value at the time of acquisition. The various assets and liabilities are valued on the basis of different models, requiring estimates and assumptions to be made. Goodwill is the residual value in this allocation. Errors in estimates and assumptions can lead to an error in the split of the value between the various assets and liabilities incl. goodwill, but the sum of the total excess values will always be consistent with the purchase price paid. The useful lives of the intangible assets acquired in a business combination are assessed as either finite or indefinite and may in some cases involve considerable judgements. Intangible assets acquired with finite useful lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful

life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Significant accounting judgements

According to IFRS 3, goodwill is to be allocated at the acquisition date, to each of the acquirer's CGUs, or groups of CGUs, which are expected to benefit from the business combination. This can include existing CGUs of the acquirer irrespective of whether other assets or liabilities of the acquiree are assigned to those units. The identification of CGUs may require significant judgement by management.

Acquisitions of Elopak GLS

Company	Principal activity	Date of business combination	Percentage owned	Acquiring entity
Elopak GLS	Trading and manufacturing	May 13, 2022	50 %	Elopak BV (49,5%) Elopak UK Limited (0,5%)"

Elopak and GLS signed on April 28, 2022 an agreement in which the two companies will have 50% ownership of a newly formed company, Elopak GLS. The completion date (closing) took place May 13, 2022. The agreement provides Elopak with exposure to variable returns and power to affect the returns from GLS Elopak, which means that Elopak will have control of Elopak GLS in accordance with IFRS 10 and will consolidate the company as a subsidiary in Elopak's financial statements. Elopak GLS will leverage the respective expertise, assets and networks of Elopak and GLS to capitalize on the significant consumer demand in India. The company is being established to manufacture and process high-quality fresh and aseptic packaging solutions, which are designed to ensure that liquid food is safe and accessible to consumers across the globe. The company will cater to both fresh and aseptic segments with applications such as dairy, plant-based drinks, juice, water and liquor.

The transaction is recorded as a business combination in accordance with IFRS 3 and the acquisition date is May 13, 2022.

The acquisition-date fair value of the total consideration transferred was EUR 12,793 thousand in cash. Transaction costs of EUR 340 thousand were expensed and are included in other operating costs. If the transactions had occurred January 1, 2022, Elopak GLS would have contributed EUR 73 thousand revenue and EUR -292 thousand profit before tax. From acquisition date to reporting date Elopak GLS has contributed EUR 5,217 thousand revenue and EUR -713 thousand profit before tax.

Note 11 — Business combinations continued

Fair values of the identifiable assets in Elopak GLS at acquisition date

(EUR 1,000)	
ASSETS	
Non-current assets	
Development cost and other intangible assets	29
Deferred tax assets	1
Property, plant and equipment	10,462
Other non-current assets	–
Total non-current assets	10,492
Current assets	
Inventory	550
Trade receivables	–
Other current assets	797
Cash and cash equivalents	8,419
Total current assets	**9,766**
Total assets	**20,258**
Non-current liabilities	
Deferred tax liability	624
Other non-current liabilities	–
Total non-current liabilities	**624**
Current liabilities	
Current liabilities to financial institutions	
Trade and other payables	1,106
Other current liablities	124
Total current liabilities	**1,230**
Total liabilities	**1,854**
Total identifiable net assets at fair value	18,404
Non-controlling interest	9,202
Purchase consideration	12,793
Goodwill arising from acquisition	**3,591**
Purchase consideration	
Cash consideration paid	12,793
Total consideration	**12,793**

Note 11 — Business combinations continued

Provision for deferred tax is made for the difference between acquisition cost and acquired tax base in accordance with IAS 12. Offsetting entry of this non-cash deferred tax is goodwill. The remaining goodwill comprises the value of expected synergies arising from the acquisition and assembled workforce, which is not separately recognized.

None of the goodwill recognized is deductible for income tax purposes.

Analysis of cash flows on acquisition

(EUR 1,000)	
Net cash acquired with the subsidiary	8,419
Cash paid	12,793
Net cash flow from acquisition (included in investing activites)	**-4,374**

Acquisitions of Naturepak

Company	Principal activity	Date of business combination	Percentage owned	Acquiring entity
Naturepak Beverage Packaging Co Ltd	Trading and manufacturing	March 29, 2022	100 %	Elopak BV (99%) Elopak UK Limited (1%)"

Elopak Arabia Holding Company acquired 100% of the voting shares of Naturepak Beverage Packaging Co Ltd on March 29, 2022. Naturepak Beverage is the leading provider of fresh liquid carton and packaging systems in the MENA region with local production facilities in Morocco and Saudi Arabia, which will be integrated into Elopak's global production network. Present in 16 countries, Naturepak Beverage has an annual production capacity of 2.7 billion cartons across various product sizes and its customers are global blue chip FMCG players and strong regional champions. The acquisition will reinforce Elopak's position in the region and is an important milestone in management's ambitions to target 2-3% organic revenue growth, deliver inorganic opportunities and grow its global footprint by entering new geographies.

The transaction is recorded as a business combination in accordance with IFRS 3 and the acquisition date is March 29, 2022.

The acquisition-date fair value of the total consideration transferred was EUR 85,383 thousand in cash. Transaction costs of EUR 2,110 thousand were expensed and are included in other operating costs. If the transactions had occurred January 1, 2022, Naturepak would have contributed EUR 7,765 revenue and EUR 917 profit before tax. From acquisition date to reporting date Naturepak has contributed EUR 33,422 thousand revenue and EUR -2,527 thousand profit before tax.

Note 11 — Business combinations continued

Fair values of the identifiable assets in Naturepak Beverage Packaging Co Ltd at acquisition date

(EUR 1,000)	
ASSETS	
Non-current assets	
Development cost and other intangible assets	26,794
Property, plant and equipment	11,162
Right-of-use assets	50
Deferred tax asset	1,459
Other non-current assets	446
Total non-current assets	**39,910**
Current assets	
Inventory	1,480
Trade receivables	4,881
Other current assets	2,644
Cash and cash equivalents	1,495
Total current assets	**10,500**
Total assets	**50,410**
Non-current liabilities	
Deferred tax liability	7,789
Non-current lease liabilities	32
Other non-current liabilities	2,371
Total non-current liabilities	**10,192**
Current liabilities	
Current liabilities to financial institutions	713
Trade and other payables	3,921
Current lease liabilities	47
Other current liablities	3,652
Total current liabilities	**8,333**
Total identifiable net assets at fair value	**18,525**
Total identifiable net assets at fair value	31,885
Purchase consideration	85,383
Goodwill arising from acquisition	**53,498**
Purchase consideration	
Cash consideration paid	85,383
Total consideration	**85,383**

Note 11 — Business combinations continued

Provision for deferred tax is made for the difference between acquisition cost and acquired tax base in accordance with IAS 12. Offsetting entry of this non-cash deferred tax is goodwill. The remaining goodwill comprises the value of expected synergies arising from the acquisition and assembled workforce, which is not separately recognized.

None of the goodwill recognized is deductible for income tax purposes.

Analysis of cash flows on acquisition

(EUR 1,000)	
Net cash acquired with the subsidiary	1,495
Cash paid	85,383
Net cash flow from acquisition (included in investing activites)	**-83,888**

Acquisitions during Q1 2022

Company	Principal activity	Date of business combination	Percentage owned	Acquiring entity
Naturepak Beverage Packaging Co Ltd	Trading and manufacturing	March 29, 2022	100%	Elopak BV (99%) Elopak UK Limited (1%)

Note 12 - Equity and shareholders information

As of December 31, 2022, the share capital is NOK 376,906,620 (EUR 50,155,321) and the total number of shares outstanding for Elopak ASA is 269,219,014, each with a face value of NOK 1.4 (EUR 0.19). All shares have equal voting rights and all authorized shares are issued and fully paid.

Treasury shares / Share-based bonus:
The provision for share based bonus per December 31, 2021 were settled in the second quarter of 2022 through shares bought in the market and sold to members of the Management. The provision of EUR 330 thousand in other paid-in capital was reversed. As part of the settlement, Elopak repurchased 170,000 shares, and settled the share-based bonus with 164,481 shares. As of December 31, 2022, the balance of treasury shares is 5,519. The treasury share capital is EUR 1 thousand and the treasury share premium is EUR 8 thousand.

Dividend:
The Board approved a dividend of NOK 0.75 per share for the financial year 2021 on May 19, 2022. The dividend payment was EUR 19,623 thousand based on 269 219 014 outstanding shares, of which EUR 11,740 thousand was paid to Ferd AS.

Note 12 – Equity and shareholders information continued

Share capital

Number of shares

2022	Ordinary shares issued	Treasury shares	Ordinary shares outstanding
Shares at 1.1	269,219,014		269,219,014
Treasury shares purchased		-170,000	-170,000
Treasury shares re-issued		164,481	164,481
Shares at 31.12	**269,219,014**	**5,519**	**269,213,495**

2021	Ordinary shares issued	Treasury shares	Ordinary shares outstanding
Shares at 1.1	5,012,707		5,012,707
Shares issued for share-based bonus	8,959		8,959
Shares issued in stock split	246,061,634		246,061,634
Shares issued in IPO	18,135,714		18,135,714
Treasury shares purchased		-422,772	-422,772
Treasury shares re-issued		422,772	422,772
Shares at 31.12	**269,219,014**	**-**	**269,219,014**

Basic and diluted earnings per share

	Quarter ended December 31		**Year to date ended December 31**	
(EUR 1,000, except number of shares)	**2022**	**2021**	**2022**	**2021**
Profit attributable to Elopak shareholders	10,940	-440	10,856	33,809
Issued ordinary shares at beginning of period, adjusted for share split in the period	269,219,014	250,635,350	269,219,014	250,635,350
Effect of shares issued	-5,519	18,583,664	-3,024	10,150,955
Weighted-average number of ordinary shares in the period	**269,213,495**	**269,219,014**	**269,215,990**	**260,786,305**
Basic and diluted earnings per share attributable to Elopak shareholders (in EUR)	**0.04**	**-**	**0.04**	**-**

Note 13 – Interest-bearing loans and borrowings

Interest-bearing loans and borrowings	**December 31, 2022**		**December 31, 2021**	
(EUR 1,000)	**Available**	**Utilised**	**Available**	**Utilised**
Current liabilities to financial institutions	57,073	21,682	56,804	14,420
Non-current liabilities to financial institutions	400,000	304,033	400,000	169,433
Total		**325,715**		**183,854**

The long term loans are drawn under a EUR 400,000 multi currency revolving credit facility. The facility is available until May 2025. Amounts are shown net of prepaid transaction costs. Changes to the Groups debt profile reflect changes in the functional currency of entities within the Group.

Note 14 – Financial risk management

Balance sheet management

The Group manages the balance sheet to ensure a healthy financial position and liquidity. This is done through an annual budgeting process followed by performance management and forecasting updates to ensure adequate financial flexibility and liquidity for the company. The Group's main bank covenants, especially the net interest bearing debt/ EBITDA, are monitored closely on a continuous basis to ensure compliance at all times.

Financial risk policy

The Group is exposed to market risk, credit risk and liquidity risk. Risk management activities are governed by appropriate policies and procedures. Risks are identified, measured and managed in accordance with the Group's policies and risk objectives. It is the Group's policy that no trading in derivatives for speculative purposes shall be undertaken. There have been no significant changes in the management of risks related to financials during the period.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency risk, commodity price risk and interest rate risk. Elopak buys derivatives in order to manage market risks and seeks to apply hedge accounting in order to manage volatility in profit or loss. Hedge accounting is applied to currency and commodity derivatives, while interest rate derivatives are not subject to hedge accounting.

Note 14 – Financial risk management continued

Derivatives		December 31, 2022			December 31, 2021	
(EUR 1,000)	Assets	Liabilities	Total	Assets	Liabilities	Total
Currency derivatives	747	1,280	–534	836	2,079	–1,244
Commodity derivatives	–	3,318	–3,318	5,303	–	5,303
Interest derivatives	7,063	–	7,063	248	2,058	–1,811
Total	**7,810**	**4,598**	**3,212**	**6,386**	**4,138**	**2,249**

The full fair value of a derivative is classified as "Other non-current assets or "Other non-current liabilities" if the remaining maturity of the derivative is more than 12 months and, as a "Other current assets" or "Other current liabilities", if the maturity of the derivative is less than 12 months. The fair value estimation of derivative financial instruments has been arrived at by applying a level 2 valuation methodology which uses inputs other than unadjusted quoted prices for identical assets and liabilities, with changes in fair value are therefore recognized in the income statement. No other material financial assets or liabilities are measured at fair value through profit or loss.

Where eligible, derivatives used for hedging are designated in cash flow hedge accounting relationships.

Alternative Performance Measures (APMs)

The Group prepares and reports its consolidated financial statements in accordance with International Financial Reporting Standards as issued by the IASB and as endorsed by the EU (IFRS). In addition, the Group presents several Alternative Performance Measures (APMs).

In accordance with European Securities and Market Authority (ESMA) guidelines dated May 10, 2015, an APM is understood as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework (IFRS). It should be noted that these measures do not have any standardized meaning prescribed by IFRS and therefore are not necessarily comparable to the calculation of similar measures used by other companies. The APMs are regularly reviewed by the Group's management. The APMs are reported in addition to but are not substitutes for the Group's consolidated financial statements, prepared in accordance with IFRS.

The APMs provide supplementary information to measure the Group's performance and to enhance comparability between financial periods. The APMs also provide measures commonly reported and widely used by investors, lender, and other stakeholders as an indicator of the Group's performance. These APMs are among other, used in planning for and forecasting future periods, including assessing our ability to incur and service debt including covenant compliance. APMs are defined consistently over time and are based on the Group's consolidated financial statements (IFRS).

Note 14 – Financial risk management continued

EBITDA

EBITDA is a measure of earnings before interest, taxes, depreciation, amortization, and impairments. The Group presents this APM because management considers it to provide useful supplemental information for understanding the overall picture of profit generation in the Group's operating activities and for comparing its operating performance with that of other companies.

Adjusted EBITDA

Adjusted EBITDA is a measure of EBITDA adjusted for certain items affecting comparability (the Adjustment items) and further including the Group's share of net income from joint ventures (continued operations) presented as part of financial income and expenses. The Group presents this APM because management considers it to be an important supplemental measure for understanding the underlying profit generation in the Group's operating activities and comparing its operating performance with that of other companies.

Adjusted profit attributable to Elopak shareholders

Adjusted profit attributable to Elopak shareholders represents the Group's profit attributable to Elopak shareholders adjusted for certain items affecting comparability, taking into account the Adjustment items, related estimated calculatory tax effects based on a 24% statutory tax rate and excluding historical share of net income from joint ventures that have been discontinued. The Group presents this APM because management considers it to provide useful supplemental information for understanding the Group's profit attributable to Elopak shareholders and for comparability purposes with other companies.

Adjusted basic and diluted earnings per share (Adjusted EPS)

Adjusted EPS represents adjusted profit attributable to Elopak shareholders divided by weighted average number of ordinary shares – basic and diluted. Elopak presents adjusted basic and diluted earnings per share because management considers it to be an important supplemental measure for understanding the Group's underlying profit for the year (period) on a per share basis and comparing its profit for the year (period) on a per share basis with that of other companies in the industry.

Net debt

Net debt is a measure of borrowings (including liabilities to financial institutions before amortization costs and including lease liabilities) less cash and cash equivalents for the period. The Group presents this APM because management considers it as a useful indicator of the Group's indebtedness, financial flexibility and capital structure because it indicates the level of borrowings after taking into account cash and cash equivalents within the Group's business that could be utilized to pay down outstanding borrowings. Net debt is also used for monitoring the Group's financial covenants compliance by management.

Net debt/adjusted EBITDA (Leverage ratio)

Leverage ratio is a measure of net debt divided by adjusted EBITDA. The Group presents this APM because management considers it as a useful indicator of the Group's ability to meet its financial obligations.
Net debt/adjusted EBITDA is also used for monitoring the Group's financial covenants compliance by management.

Note 14 – Financial risk management continued

Items excluded from adjusted EBITDA

(EUR 1,000)	Quarter ended December 31 2022	Quarter ended December 31 2021	Year to date ended December 31 2022	Year to date ended December 31 2021
Impairment fixed and long term assets Ukraine	412	–	4,189	–
Impairment short term assets Ukraine	652	–	2,146	–
Onerous contracts	–	–	100	–
Transaction costs	38	1,536	2,888	6,820
Total adjusted items	**1,102**	**1,536**	**9,322**	**6,820**
Calculatory tax effect [1]	-265	-369	165	-1,637
Total adjusted items net of tax	**838**	**1,167**	**9,487**	**5,183**

[1] Calculatory tax effect on adjusted items at 24%

Reconciliation of EBITDA and adjusted EBITDA

(EUR 1,000)	Quarter ended December 31 2022	Quarter ended December 31 2021	Year to date ended December 31 2022	Year to date ended December 31 2021
Operating profit	16,105	4,642	41,774	49,224
Depreciation, amortisation and impairment adjusted	17,745	13,517	63,938	54,097
Impairment fixed and long term assets Ukraine	412	–	4,189	–
EBITDA	**34,262**	**18,159**	**109,901**	**103,320**
Total adjusted items with EBITDA impact	690	1,536	5,134	6,820
Share of net income from joint ventures (continued operations) [2] [3]	991	1,121	4,378	3,575
Adjusted EBITDA	**35,943**	**20,815**	**119,413**	**113,715**

[2] Share of net income and impairment on investment from joint ventures included in adjusted figures

[3] See reconciliation of net income from joint ventures

Adjusted profit attributable to Elopak shareholders

(EUR 1,000)	Quarter ended December 31 2022	Quarter ended December 31 2021	Year to date ended December 31 2022	Year to date ended December 31 2021
Profit	10,940	-951	34,478	30,271
Total adjusted items net of tax	838	1,167	9,487	5,183
Adjusted profit	**11,778**	**216**	**43,966**	**35 454**

Note 14 – Financial risk management continued

Net debt and leverage ratio

	Quarter ended December 31		Year to date ended December 31	
(EUR 1,000)	**2022**	**2021**	**2022**	**2021**
Bank debt 1)	305,000	170,000	305,000	170,000
Overdraft facilities	21,682	14,420	21,682	14,420
Cash and equivalents	-25,883	-24,262	-25,883	-24,262
Lease liabilities	90,674	80,604	90,674	80,604
Net debt	**391,473**	**240,762**	**391,473**	**240,762**

[1] Bank debt is excluding amortised borrowing costs of EUR 967 thousand as of December 31, 2022 and EUR 567 thousand as of December 31, 2021

Leverage ratio [2]	**3.3**			**3.3**

[2] Leverage ratio per December 31, 2022 is calculated based on last twelve months adjusted EBITDA of EUR 119,413 thousand

Adjusted Earnings per share

	Quarter ended December 31		Year to date ended December 31	
(EUR 1,000)	**2022**	**170 000**	**2022**	**170 000**
Weighted-average number of ordinary shares	269,213,495	269,219,014	269,215,990	260,786,305
Profit	10,940	-951	34,478	30,271
Adjusted profit	11,778	216	43,966	35,454
Basic and diluted earnings per share (in EUR)	0.04	-	0.13	0.12
Adjusted basic and diluted earnings per share (in EUR)	**0.04**	**-**	**0.16**	**0.14**

Reconciliation of net income from joint ventures

	Quarter ended December 31		Year to date ended December 31	
(EUR 1,000)	**2022**	**170 000**	**2022**	**170 000**
Lala Elopak S.A. de C.V.	504	639	2,665	2,588
Impresora Del Yaque	510	501	1,824	1,123
Elopak Nampak Africa Ltd	-23	-20	-112	-137
Total share of net income joint ventures	**991**	**1,121**	**4,378**	**3,575**
Share of net income joint ventures continued operations	**991**	1,121	**4,378**	**3,575**
Share of net income continued operations	**991**	**1,121**	**4,378**	**3,575**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Responsibility statement

We confirm to the best of our knowledge that the condensed set of financial statements for the period January 1 to September 30, 2022 has been prepared in accordance with IAS 34 – Interim Financial Reporting, and gives a true and fair view of the Elopak Group's assets, liabilities, financial position and result for the period. We also confirm to the best of our knowledge that the financial review includes a fair review of significant events that have occurred during the financial period and their impact on the financial statements, any significant related parties transactions and a description of the principal risks and uncertainties for the financial period.

Skøyen, February 21, 2023

Elopak Group
Consolidated Financial Statements

Skøyen, February 21, 2023
Board of Directors in Elopak ASA

Jo Olav Lunder
Chairperson

Trond Solberg
Board member

Anna Belfrage
Board member

Sid Johari
Board member

Sanna Suvanto-Harsaae
Board member

Erlend Sveva
Board member

Anette Bauer Ellingsen
Board member

Thomas Körmendi
CEO

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FINANCIAL CALENDAR

May 4, 2023 Quarterly Report – Q1
May 11, 2023 Annual General Meeting
August 17, 2023 Half-yearly Report
November 2, 2023 Quarterly Report-Q3
Elopak reserves the right to revise the date

Cautionary note

The interim report contains certain forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as “plans”, “targets”, “aims”, “believes”, “expects”, “anticipates”, “intends”, “estimates”, “will”, “may”, “continues”, “should” and similar expressions. Any statement, estimate or projections included in the Information (or upon which any of the conclusions contained herein are based) with respect to anticipated future performance (including, without limitation, any statement, estimate or projection with respect to the condition (financial or otherwise), prospects, business strategy, plans or objectives of the Group and/or any of its affiliates) reflect, at the time made, the Company’s beliefs, intentions and current targets/aims and may prove not to be correct. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. No representation or warranty is given as to the completeness or accuracy of any forward-looking statement contained in the Information or the accuracy of any of the underlying assumptions.

ELOPAK