First quarter 2024 report

Highlights

- Record high quarterly revenues at EUR 291.9 million (EUR 283.4 million) and organic revenue growth of 3.3%
- Strong Pure-Pak® volume growth in Europe and MENA
- Adjusted EBITDA reached EUR 46.1 million with a margin of 15.8% (14.5%)
- Continued strengthening of capital structure. Leverage ratio reduced to 1.8x
- Elopak commenced the construction of our new state-of-the-art facility in Little Rock, Arkansas (US)

Key figures

	Q1	Q1	LTM	FY
(mEUR)	2024	2023	2024	2023
Revenue	291.9	283.4	1 140.7	1 132.0
Revenue growth	3.0 %	25.5 %	5.4 %	10.6 %
EBITDA[1]	43.9	40.0	168.0	164.1
Adjusted EBITDA[1]	46.1	41.0	176.0	170.9
Adjusted EBITDA margin[1]	15.8 %	14.5 %	15.4 %	15.1 %
Leverage ratio[1]	1.8	2.7	1.8	1.9
Adjusted profit attributable to Elopak shareholders[1]	21.5	15.5	73.1	68.3
Adjusted basic and diluted earnings per share (in EUR)[1][2]	0.08	0.06	0.27	0.25

[1] Definition of Alternative Performance Measures, including specification of adjustments, at the end of this report
[2] Adjusted basic and diluted EPS LTM is calculated based on quarterly EPS values

CEO comments:

Creating a strong momentum for 2024

Elopak continued its strong performance in the first quarter of 2024, with 3.3% revenue growth and solid development in EBITDA margin. We have strengthened our position in our core markets, while moving forward with the construction of our factory in the US.

In Q1, we grew our market share in the EMEA region, in line with our strategic objective to grow in our core markets. We achieved this despite cautious consumer spending, primarily due to our strong customer relationships coupled with our innovative and sustainable product portfolio.

The MENA markets continued the positive trend from previous quarters. Improved fundamentals from economic recovery and price stability led to higher consumption during the Ramadan season. Thanks to our dedicated colleagues, this positive momentum translated into a positive volume development for Elopak.

In Q1, we officially commenced the construction of our state-of-the-art production plant facility in Little Rock, Arkansas. The activity level is high with production start planned for the first half of 2025. The new plant is fundamental to continuing our strong growth in the Americas region.

Our high-performance quarter has further strengthened our financial position. Our leverage ratio now stands at 1.8x. We have a solid capital structure, which is pivotal to supporting our growth initiatives in the years to come.

Looking ahead, our strong performance in the quarter gives confidence for the full year, supporting our mid-term targets.

We continued to perform well in Q1, creating a strong momentum for 2024. We grew our market share in EMEA and we officially commenced construction of our state-of-the-art production plant facility in Little Rock, Arkansas.

Our strong performance in the quarter gives confidence for the full year, supporting our mid-term targets.

Thomas Körmendi,
Chief Executive Officer

Sustainable value creation

Elopak has prioritized five key growth pillars, executing our sustainability driven growth strategy. With the overall vision ‘Chosen by people, packaged by nature’, we set out to offer natural and responsible alternatives to plastic packaging. It is our firm belief that this commitment is our strongest asset for profitable growth. We do this through expanding our fresh and aseptic market share, while also marketing our products to brands traditionally filled in plastic packaging. Additionally, we are working to grow our presence in new geographical markets, whilst continuously improving the way we operate across the world.

Fresh opportunity in North America

Expand our end-to-end, sustainable Pure-Pak® offer in North American fresh markets

Aseptic growth roadmap

Leverage our historical know-how and broaden our sustainable solutions, growing into ambient, aseptic applications.

Broaden geographic footprint

Broaden our geographical footprint through selective M&A opportunities, strengthening the company’s position in markets with higher inherent growth

Plastic to carton conversion

Grow accessible potential, converting plastics to carton

Commercial excellence

Drive business performance leveraging our commercial excellence program: margin optimization, value engineering and operational improvement

Market developments and our strategy execution

Moving in the direction of a more climate friendly future
Elopak operates in a world shifting towards a more climate friendly future, driven by consumer awareness, and regulatory and technological developments. In April, an agreement was reached between the European Council and Parliament on the new EU Packaging and Packaging Waste Regulation (PPWR). Expected to be adopted later this year, the PPWR aims to address packaging waste and its environmental impact within the European Union. Elopak is currently developing roadmaps to further improve our packaging solutions to respond to future expectations and leverage opportunities.

Addressing market volatility
Inflationary pressures, high interest rates and market fluctuations persist, affecting consumption. Despite this, in Q1, we increased our market share in Europe due to the strength of our portfolio and our deep customer relationships. We saw higher volumes in MENA as gradual economic recovery has affected consumption positively. Our strategic focus remains on value added products as we continue to supply existing and new customers.

Building for further growth
In Americas, the ongoing school milk supply challenge remains a pressing concern for our customers. To address this, we are ramping up our production in our JVs and securing contracts to support our existing customers in the US. In Q1, Elopak officially commenced the construction of our new state-of-the-art facility in Little Rock, and we launched the "Join us" recruiting campaign, aiming at attracting talents to the production plant under construction. The new plant will employ approximately 100 people at the initial phase and will open during the first half of 2025. Elopak

Little Rock is a significant investment for Elopak and a key building block for our growth in North America. The USD 70 million plant will produce Pure-Pak® cartons for liquid dairy, juices, plant-based products and liquid eggs.

Managing exposures to raw materials

Elopak relies on several critical raw materials, including board, polymer resins, and aluminum foil. Elopak has hedging mechanisms to mitigate risks associated with price fluctuations in these raw materials, thereby protecting our financial performance. In Q1, our financial performance was affected positively by the development in raw material prices.

Making progress within plastic to carton conversion

We continue to work closely with Orkla to expand and support their business. Orkla has invested in a new production line for Elopak cartons, and the first volumes were produced in Q1. Unlike plastic bottles, which are transported empty prior to filling, the cartons take up much less space as they are transported flat, which results in more space efficient transportation as well as a lower carbon footprint.

Case

Orkla Sweden invests in a new production line from Elopak

Orkla has strong focus on using cartons for refill purposes and wants to teach consumers to buy hygiene products such as shower gel in cartons for refill purpose. Known brands in Scandinavia such as Bliw, Lano and Sunsilk are now produced in cartons for refill purposes and available in shops this May.

For Orkla, fiber based packaging has several advantages, and they hope customers see them as well. By offering hygiene products as a refill in cartons, the consumers can easily fill up the bottles they already have at home with the popular shower gel without having to buy a new bottle each time.

Filling products in cartons makes transport more efficient compared to plastic bottles since flat unfilled cartons take up much less space in logistics. "A lot of plastic is saved, and the cardboard can be recycled," says Andreas Carlsson, factory manager. "Each pallet of blanks equals 22-23,000 cartons. With plastic bottles, a pallet fits 1,500. With up to 90 million products produced every year, we save an incredible amount of emissions in transportation".

Financial review

Revenues

In the first quarter of 2024, revenues were EUR 291.9 million (EUR 283.4 million), an increase of 3.0% compared to the same period last year. Adjusting for currency translation effects, the increase was 3.3%.

In EMEA, revenues increased by 8.0% to EUR 230.5 million compared to the same quarter last year. The growth came mainly from strong Pure-Pak® volumes in Europe and MENA, and higher sales of filling machines. The Pure-Pak® growth in the quarter was driven by new business in Europe, as well as economic recovery and positive consumption effects from Ramadan in MENA. We still see some consumption decline in selected markets partly due to inflationary pressure. Overall, growth was mainly attributable to our fresh segment, and to some extent aseptic milk. Roll Fed sales had a slight decline compared to same quarter last year due to strong competition in Europe, almost entirely offset by volume growth in India.

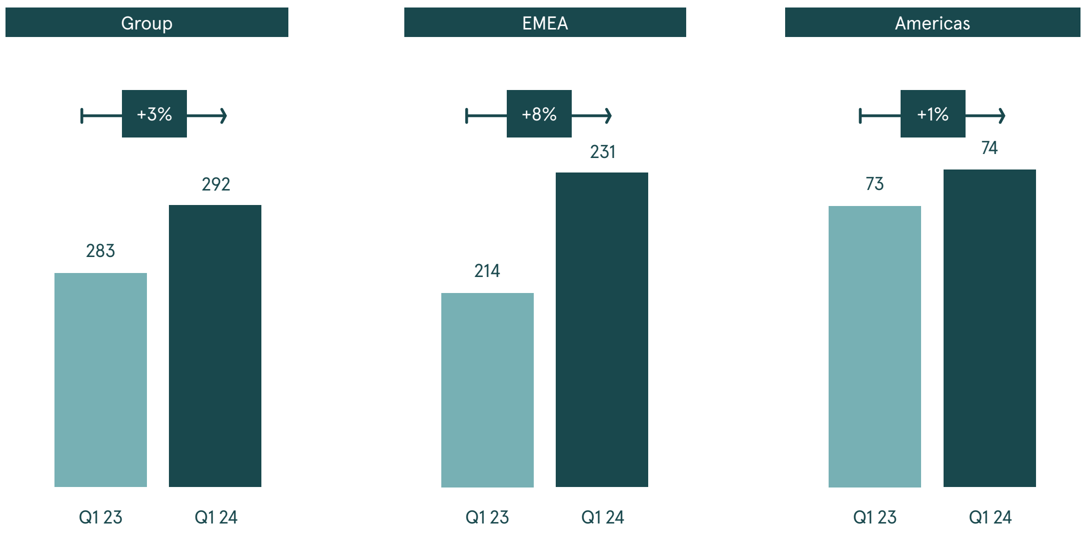
In the Americas, revenues increased 1.2% to EUR 74.0 million compared to the same quarter last year. Growth was primarily driven by filling machine sales as well as continued school milk volume growth. Due to changes in demand because of cost saving trend among consumers, we have sold a larger share of smaller formats leading to negative size mix effects versus the comparable period. Total volume remains stable year-on-year.

Adjusted EBITDA

Adjusted EBITDA in the first quarter of 2024 increased 12.6% to EUR 46.1 million in 2024 with adjusted EBITDA margin at 15.8 % (14.5%).

In EMEA, adjusted EBITDA increased 16.5% to EUR

Geographic revenue (EURm)



36.9 million with an adjusted EBITDA margin of 16.0% (14.8%). The margin improvement year on year is mainly driven by Pure-Pak® volume growth and favorable raw material cost development. In manufacturing, production efficiency was good, leading to positive mix effects from operations versus the comparable period. In the quarter, fixed costs increased in line with inflation, FTE ramp-up and travel.

In Americas, adjusted EBITDA increased 5.2% to EUR 17.4 million with an adjusted EBITDA margin of 23.5% (22.6%). The improvement in EBITDA margin was a result of school milk volume increase from JV's, partly offset by negative size mix effect. Operations in the Montreal plant remained focused on cost control improvements, with favorable effects year-on-year. Fixed cost increased versus the comparable period mainly from wage inflation.

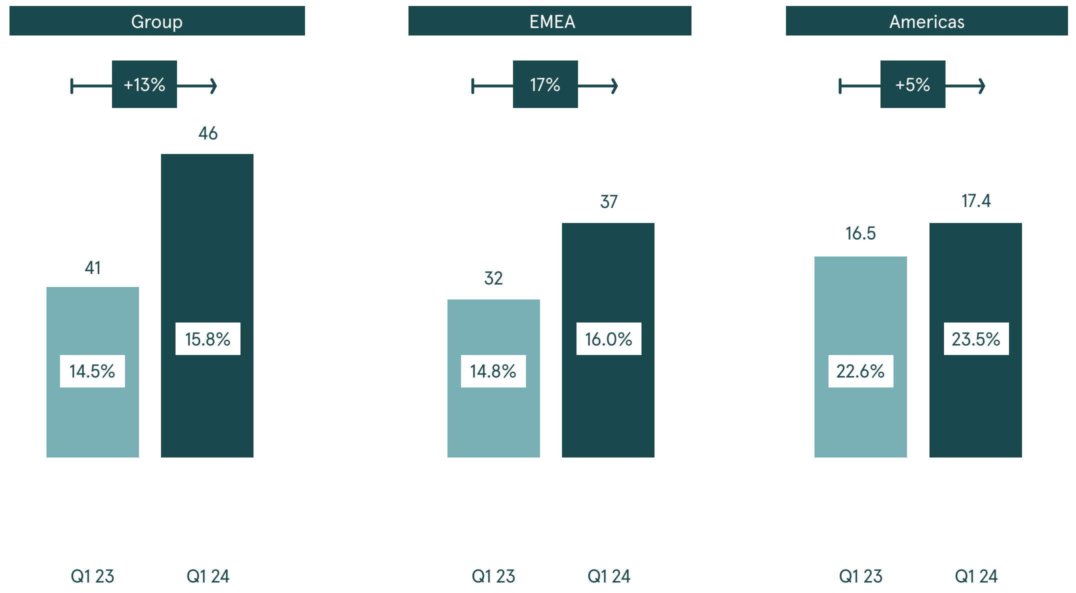
Profit

In the first quarter of 2024, operating profit increased 12.9% to EUR 27.8 million. Depreciation and amortization were EUR 0.7 million higher than the same period last year mainly from amortization related to our new tethered closure lines. The remaining operating margin development is a result of the factors explained above in adjusted EBITDA section.

Profit before tax from continuing operations increased 44.2% to EUR 26.1 million in 2024. This was mainly attributable to growth in EMEA, as well as joint ventures of EUR 1.2 million, and EUR 3.6 million from net financial expenses. Net financial expenses in the period were impacted by unrealized fair value gains on interest rate swaps, as well as lower interest payments from reduced debt levels, somewhat offset by increased interest rates. The period also recorded favorable foreign exchange gains.

Tax expense for the quarter was EUR 4.3 million, an increase of EUR 2.3 million compared to same period last year because of the increased profit before tax. The tax expense is also dependent on the relative mix of profits and losses taxed at varying rates in the jurisdictions in which Elopak operates combined with currency translation effects.

Adjusted EBITDA distribution (EURm)



For the first quarter 2024, cash flow from operations was EUR 34.3 million, reflecting a strong quarter in terms of earnings somewhat offset by taxes paid mainly driven tax payments in Canada related to 2023. Despite the top line growth for the Group, there were no material impact from working capital. Increased inventories from filling machines were offset by reduced inventories from packaging material.

Net cash flow used in investing activities was EUR -6.1 million. This reflects a normal level of leased filling machines and manufacturing plant projects in Europe, investments related to the new plant in the US, offset by EUR 4.0 million of dividends received from our joint venture business.

Net cash flow from financing activities was EUR -21.6 million from net down payment on bank loans of EUR 14.0 million, as well as interest paid of EUR 2.6 million, and lease payments of 5.3 million.

Capital structure

The leverage ratio as of March 31, 2024, was 1.8x from 1.9x at year-end 2023. The improvement was mainly driven by down-payment of bank debt of EUR 20.0 million and improved adjusted EBITDA of EUR 5.1 million, somewhat offset by increased lease liability of 3.0 million and overdraft facilities of EUR 3.9 million.

Elopak's equity ratio is 34.8% at the end of March 31, 2024, compared to 32.8% at the end of 2023.

Consolidated financial statements

Consolidated statement of income

(EUR 1.000)	NOTE	Quarter ended March 31 2024	2023	Full year 2023*
Revenues	2	291 923	283 393	1 132 043
Other operating income		1	1	145
Total income	**3**	**291 924**	**283 394**	**1 132 187**
Cost of materials		(181 657)	(182 158)	(719 796)
Payroll expenses		(49 854)	(47 054)	(189 623)
Depreciation and amortization expenses		(15 885)	(15 223)	(60 147)
Impairment of non-current assets		(160)	(77)	(1 186)
Other operating expenses		(16 523)	(14 223)	(58 658)
Total operating expenses		**(264 078)**	**(258 736)**	**(1 029 409)**
Operating profit	**2**	**27 846**	**24 658**	**102 778**
Financial income and expenses				
Share of net income from joint ventures		2 248	1 012	6 855
Financial income		2 983	702	7 807
Financial expenses		(7 331)	(7 833)	(32 064)
Foreign exchange gain/(loss)		388	(409)	(498)
Profit before tax from continuing operations		**26 134**	**18 129**	**84 880**
Income tax		(4 294)	(1 947)	(15 513)
Profit from continuing operations		**21 840**	**16 181**	**69 366**
Discontinued operations Russia		–	–	(1 339)
Profit/(loss) from discontinued operations		**–**	**–**	**(1 339)**
Profit/(loss)		**21 840**	**16 181**	**68 027**
Profit attributable to:				
Elopak shareholders		21 502	15 470	67 061
Non-controlling interest		338	711	966
Basic and diluted earnings per share from continuing operations (in EUR)		0.08	0.06	0.25
Basic and diluted earnings per share from discontinued operations (in EUR)		0.00	0.00	0.00
Basic and diluted earnings per share attributable to Elopak shareholders (in EUR)		0.08	0.06	0.25

*Audited

Consolidated statement of comprehensive income

(EUR 1,000)	Quarter ended March 31 2024	2023	Full year 2023*
Items that will not be reclassified subsequently to profit or loss			
Actuarial gain/(loss) on defined benefit pension plans, net of tax	34	63	(81)
Items reclassified subsequently to net income upon derecognition			
Exchange differences on translation foreign operations Elopak shareholders	3 240	(443)	375
Exchange differences on translation foreign operations non-controlling interest	179	(149)	(383)
Net value gain/(loss) on cash flow hedges, net of tax	545	(374)	(1 517)
Other comprehensive income, net of tax	**3 998**	**(903)**	**(1 606)**
Total comprehensive income	**25 838**	**15 279**	**66 421**
Total comprehensive income attributable to:			
Elopak shareholders	25 321	14 716	65 838
Non-controlling interest	517	563	583

*Audited

Consolidated statement of financial position

(EUR 1,000) ASSETS	NOTE	March 31, 2024	March 31, 2023	December 31, 2023*
Development cost and other intangible assets		59 532	67 973	62 300
Deferred tax assets		21 266	22 040	22 883
Goodwill		105 465	104 871	106 061
Property, plant and equipment		205 190	201 160	202 934
Right-of-use assets		89 397	77 582	86 370
Investment in joint ventures		41 300	37 328	37 709
Other non-current assets		14 256	18 965	14 892
Total non-current assets		**536 405**	**529 919**	**533 149**
Inventory		198 792	195 547	192 189
Trade receivables		113 685	96 765	110 243
Other current assets		112 123	106 301	113 720
Cash and cash equivalents		19 895	15 913	13 308
Total current assets		**444 495**	**414 526**	**429 460**
Total assets	3	**980 900**	**944 445**	**962 610**

*Audited

(EUR 1,000) EQUITY AND LIABILITIES	NOTE	March 31, 2024	March 31, 2023	December 31, 2023*
Attributable to Elopak shareholders		332 043	274 417	306 253
Non-controlling interest		9 560	9 039	9 043
Total equity		**341 603**	**283 456**	**315 296**
Pension liabilities		2 398	2 471	2 502
Deferred tax liabilities		13 968	16 921	14 041
Non-current liabilities to financial institutions		204 533	284 133	224 433
Non-current lease liabilities		80 924	74 349	78 424
Other non-current liabilities		4 293	2 686	5 033
Total non-current liabilities		**306 116**	**380 561**	**324 434**
Current liabilities to financial institutions		23 184	6 630	19 333
Trade payables		129 507	118 660	127 847
Taxes payable		938	2 644	6 997
Public duties payable		26 031	26 646	25 066
Current lease liabilities		24 019	17 069	23 096
Other current liabilities		129 502	108 779	120 540
Total current liabilities		**333 182**	**280 429**	**322 880**
Total liabilities		**639 298**	**660 989**	**647 314**
Total equity and liabilities		**980 900**	**944 445**	**962 610**

*Audited

Consolidated statement of cash flows

(EUR 1,000)	NOTE	Quarter ended March 31 2024	Quarter ended March 31 2023	Full year 2023*
Profit before tax from:				
Continuing operations		26 134	18 129	84 880
Discontinued operations		–	–	(1 339)
Profit before tax (including discontinued operations)		**26 134**	**18 129**	**83 540**
Interest to financial institutions		2 609	3 181	11 303
Lease liability interest		1 882	1 679	6 566
Profit before tax and interest paid		**30 624**	**22 989**	**101 410**
Depreciation, amortization and impairment losses		16 044	15 300	61 332
Net (gains), losses from disposals, impairments and change in fair value of financial assets and liabilities[1]		2 206	3 262	8 630
Net unrealized currency (gain)/loss		(1 482)	(3 463)	(174)
Income from joint ventures		(2 248)	(1 012)	(6 855)
Net (gain)/loss on sale of non-current assets		9	13	(13)
Income taxes paid		(11 071)	(816)	(14 270)
Change in trade receivables		(2 573)	4 451	(9 275)
Change in other current assets		(803)	840	(5 265)
Change in inventories		(5 349)	(8 875)	(6 982)
Change in trade payables		1 686	(4 744)	3 897
Change in other current liabilities [1]		7 313	21 637	24 982
Change in net pension liabilities		(73)	(194)	(228)
Net cashflow from operating activities		**34 284**	**49 387**	**157 189**
Purchase of non-current assets		(10 584)	(8 946)	(40 774)
Proceeds from sale of non-current assets		–	–	122
Proceeds from sale of financial assets and businesses		–	–	4 883
Dividend from joint ventures		4 018	–	2 018
Change in other non-current assets		441	(1 375)	1 772
Net cash flow from investing activities		**(6 125)**	**(10 321)**	**(31 978)**

(EUR 1,000)	NOTE	Quarter ended March 31 2024	Quarter ended March 31 2023	Full year 2023*
Proceeds of loans from financial institutions		213 849	294 256	1 087 304
Repayment of loans from financial institutions		(227 546)	(334 764)	(1 174 598)
Interest to financial institutions		(2 609)	(3 181)	(11 303)
Lease payments		(5 325)	(4 610)	(18 359)
Dividend paid to equity holders of Elopak ASA		–	–	(19 634)
Purchase of treasury shares		–	–	(885)
Net cash flow from financing activities		**(21 631)**	**(48 299)**	**(137 475)**
Effects of exchange rate changes on cash and cash equivalents		58	(737)	(310)
Net change in cash and cash equivalents		6 587	(9 969)	(12 574)
Cash and cash equivalents at the beginning of the year		13 308	25 883	25 883
Cash and cash equivalents at the end of the period		**19 895**	**15 913**	**13 308**

*Audited

[1] Reclassification of change in fair value of financial assets and liabilities

Consolidated statement of changes in equity

March 31, 2024

(EUR 1,000)	Note	Share capital	Other paid in capital	Currency translation reserve	Cash flow hedge reserve	Retained earnings	Non-controlling interest	Total equity
Total equity 01.01		**50 104**	**70 548**	**(27 103)**	**(4 275)**	**216 977**	**9 043**	**315 295**
Profit for the period		–	–	–	–	21 502	338	21 840
Other comprehensive income for the period net of tax		–	–	3 240	545	34	179	3 998
Total comprehensive income for the period		**–**	**–**	**3 240**	**545**	**21 536**	**517**	**25 838**
Share based payments		–	470	–	–	–	–	470
Total capital transactions in the period		**–**	**470**	**–**	**–**	**–**	**–**	**470**
Total equity 31.03		**50 104**	**71 018**	**(23 863)**	**(3 730)**	**238 513**	**9 560**	**341 603**

March 31, 2023

(EUR 1,000)	Note	Share capital	Other paid in capital	Currency translation reserve	Cash flow hedge reserve	Retained earnings	Non-controlling interest	Total equity
Total equity 01.01		**50 155**	**69 987**	**(27 477)**	**(2 758)**	**169 584**	**8 477**	**267 967**
Profit for the period		–	–	–	–	15 470	711	16 181
Other comprehensive income for the period net of tax		–	–	(443)	(374)	63	(149)	(903)
Total comprehensive income for the period				**(443)**	**(374)**	**15 533**	**563**	**15 279**
								–
Share based payments		–	209	–	–	–	–	209
Total capital transactions in the period		**–**	**209**	**–**	**–**	**–**	**–**	**209**
Total equity 31.03		**50 155**	**70 196**	**(27 920)**	**(3 132)**	**185 118**	**9 039**	**283 456**

Notes to the condensed interim financial statements

Note 1 Company information and basis of preparation

The Elopak Group consists of Elopak ASA and its subsidiaries. Elopak ASA is a public limited company incorporated in Norway and listed on Oslo Stock Exchange. The Elopak Group is a leading global supplier of carton packaging and filling equipment, which supplies both the fresh and aseptic segments. 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 subtotals in some of the tables may not equal the sum of the amounts shown due to rounding. Certain amounts in the comparable periods in the note disclosures have been reclassified to conform to current period presentation.

The Board of Directors approved the condensed consolidated interim financial statements for the period ended March 31, 2024 on May 7, 2024.

Basis of preparation

The condensed consolidated 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 2023, 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, 2023.

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 2023.

The annual report for 2023 provides a description of the uncertainties and risks for the business.

Note 2 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 continuing operations only.

As described in the accounting policy for revenues in the annual report for 2023, and in compliance with IFRS 15, the Group recognizes revenue over time for goods without alternative use where the Group has a legally enforceable right to payment. This gives a positive effect on revenue and EBITDA in times where the inventory level of such goods is increasing and negative effect in times where the inventory level of such goods is decreasing. The impact on EBITDA for the quarter is EUR 934 thousand for 2024 and EUR 3 508 thousand for 2023.

Revenues specified by geographical area

(EUR 1,000)	Quarter ended March 31 2024	2023
USA	56 868	53 707
Germany	38 313	38 734
Canada	18 978	18 369
Netherlands	15 930	13 304
Norway	5 993	6 873
Other	155 842	152 406
Total revenue	**291 923**	**283 393**

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

Revenues by product and operating segment

(EUR 1,000)

Quarter ended March 31, 2024	**EMEA**	**Americas**	**Other and eliminations**	**Total**
Cartons and closures	193 726	70 478	(957)	263 247
Equipment	18 458	2 953	(8 419)	12 993
Service	15 631	-	(319)	15 312
Other	2 708	572	(2 909)	371
Total revenue	**230 523**	**74 003**	**(12 603)**	**291 923**

Quarter ended March 31, 2023	**EMEA**	**Americas**	**Other and eliminations**	**Total**
Cartons and closures	193 430	72 895	(1 056)	265 269
Equipment	4 291	18	6	4 314
Service	12 837	-	(177)	12 660
Other	2 953	243	(2 047)	1 149
Total revenue	**213 511**	**73 156**	**(3 273)**	**283 393**

Note 3 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 continuing operations only.

Operating segments

(EUR 1,000)

Quarter ended March 31, 2024	EMEA	Americas	Other and eliminations	Total
Revenue from contracts with customers	218 259	73 445	218	291 923
Revenue from other group segments	12 264	558	(12 822)	–
Total revenue	230 523	74 003	(12 603)	291 923
Other operating income	1	–	–	1
Total income	230 524	74 003	(12 603)	291 924
Operating expenses [1]	(193 612)	(58 871)	4 449	(248 034)
Depreciation and amortization	(13 713)	(1 746)	(426)	(15 885)
Impairment	(160)	–	–	(160)
Operating profit	**23 039**	**13 386**	**(8 580)**	**27 846**
EBITDA [2]	36 912	15 132	(8 154)	43 890
Adjusted EBITDA [2]	36 914	17 378	(8 154)	46 138
Total assets	1 001 099	180 980	(201 179)	980 900
Purchase of non(current assets during the quarter	7 867	2 356	362	10 584

(EUR 1,000)

Quarter ended March 31, 2023	EMEA	Americas	Other and eliminations	Total
Revenue from contracts with customers	210 220	72 915	258	283 393
Revenue from other group segments	3 291	241	(3 531)	–
Total revenue	213 511	73 156	(3 273)	283 393
Other operating income	1	–	–	1
Total income	213 511	73 156	(3 273)	283 394
Operating expenses [1]	(181 827)	(57 643)	(3 967)	(243 436)
Depreciation and amortization	(12 850)	(1 754)	(619)	(15 223)
Impairment	(77)	–	–	(77)
Operating profit	**18 757**	**13 759**	**(7 859)**	**24 658**
EBITDA [2]	31 684	15 513	(7 240)	39 958
Adjusted EBITDA [2]	31 684	16 526	(7 240)	40 970
Total assets	953 510	163 207	(172 272)	944 445
Purchase of non-current assets during the quarter	7 631	1 137	177	8 946

[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 Financial risk management

Derivatives

(EUR 1,000)	March 31, 2024 Assets	March 31, 2024 Liabilities	March 31, 2024 Total	March 31, 2023 Assets	March 31, 2023 Liabilities	March 31, 2023 Total	December 31, 2023 Assets	December 31, 2023 Liabilities	December 31, 2023 Total
Currency derivatives	37	10 475	(10 438)	937	4 171	(3 234)	904	7 398	(6 494)
Commodity derivatives	72	796	(724)	–	1 946	(1 946)	31	2 408	(2 377)
Interest derivatives	3 586	1 412	2 174	6 602	176	6 426	3 650	2 105	1 545
Total	**3 695**	**12 682**	**(8 987)**	**7 540**	**6 293**	**1 246**	**4 585**	**11 911**	**(7 326)**

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 “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 statement of comprehensive income statement. Interest derivatives are measured at fair value through profit or loss.

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

Note 5 Off-balance sheet commitments and contingencies

Commitments for the acquisition of property, plant and equipment is EUR 52 368 thousand as of March 31, 2024 and EUR 756 thousand as of March 31, 2023. The increase during the period is primarily related to the construction of our new production plant in Little Rock, Arkansas.

Note 6 Taxes

In tax disputes, the Group accounts for tax costs according to decisions made by local tax authorities, or according to subsequent tax rulings in the actual case, or similar cases. A dividend distribution from Elopak Systems AG to Elopak ASA, formerly Elopak AS, in 2011 and 2014 was deemed to be taxable income for Elopak ASA in a decision by Norwegian tax office in 2017. The full tax cost of NOK 69 600 thousand was recognized and paid in accordance with the ruling at that time. Elopak lost in the Oslo district court in 2022 and Borgarting court of appeal in March 2024. Elopak will appeal the ruling to the Supreme Court.

Note 7 Dividend

The Board will propose to the Annual General Meeting a dividend of NOK 1.46 per share for 2023.

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).

Organic revenue

Organic revenue is a measure of revenue adjusted for currency effects and effects of acquisition and disposal of operations. The Group presents this APM because management considers it to provide useful supplemental information for understanding the Group's revenue development over time for comparability purposes.

Organic revenue

	Quarter ended March 31		Change YoY
(EUR 1,000)	2024	2023	
Total revenue and other operating income	291 924	283 394	3.0%
Currency effect	901		
Acquisition and disposal effect	–		
Organic revenue	**292 825**	**283 394**	**3.3%**

	Quarter ended March 31		Change YoY
(EUR 1,000)	2023	2022	
Total revenue and other operating income	283 394	225 761	25.5%
Currency effect	(3 175)		
Acquisition and disposal effect	(16 107)		
Organic revenue	**264 112**	**225 761**	**17.0%**

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.

Items excluded from adjusted EBITDA

	Quarter ended March 31	
(EUR 1,000)	2024	2023
Impairment fixed and long term assets Ukraine	–	48
Impairment current assets Ukraine	–	–
Onerous contracts	–	–
Total adjusted items	**–**	**48**
Calculatory tax effect [1]	–	–
Total adjusted items net of tax	**–**	**48**

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

Reconciliation of EBITDA and adjusted EBITDA

	Quarter ended March 31	
(EUR 1,000)	2024	2023
Operating profit	27 846	24 658
Depreciation, amortization and impairment adjusted	16 044	15 251
Impairment fixed and long term assets Ukraine	–	48
EBITDA	**43 890**	**39 957**
Total adjusted items with EBITDA impact	–	–
Share of profit from joint ventures (continued operations) [2) 3)]	2 248	1 012
Adjusted EBITDA	**46 138**	**40 970**

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

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 profit attributable to Elopak shareholders

	Quarter ended March 31	
(EUR 1,000)	2024	2023
Profit attributable to Elopak shareholders	21 502	15 470
Discontinued operations	–	–
Items excluded from adjusted EBITDA net of tax	–	48
Adjusted profit attributable to Elopak shareholders	**21 502**	**15 518**

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.

Net debt and leverage ratio

	Quarter ended March 31	
(EUR 1,000)	2024	2023
Bank debt [1)]	205 000	285 000
Overdraft facilities	23 184	6 630
Cash and equivalents	(19 895)	(15 913)
Net bank debt	**208 289**	**275 717**
Lease liabilities	104 942	91 419
Net debt	**313 231**	**367 135**

1) Bank debt is excluding amortized borrowing costs of EUR 467 thousand as of March 31, 2024 and EUR 867 thousand as of March 31, 2023.

Leverage ratio [2)]	**1.8**	**2.7**

2) Leverage ratio is calculated based on last twelve months adjusted EBITDA of EUR 176 036 thousand as of March 31, 2024 and EUR 135 415 thousand as of March 31, 2023.

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.

Adjusted Earnings per share

	Quarter ended March 31	
(EUR 1,000 except number of shares)	2024	2023
Weighted-average number of ordinary shares	268 951 670	269 213 495
Profit attributable to Elopak shareholders	21 502	15 470
Adjusted profit attributable to Elopak shareholders	21 502	15 518
Basic and diluted earnings per share attributable to Elopak shareholders (in EUR)	0.08	0.06
Adjusted basic and diluted earnings per share (in EUR)	**0.08**	**0.06**

Reconciliation of net income from joint ventures

	Quarter ended March 31	
(EUR 1,000)	2024	2023
Lala Elopak S.A. de C.V.	1 582	727
Impresora Del Yaque	665	286
Elopak Nampak Africa Ltd	2	(1)
Total share of profit joint ventures	**2 248**	**1 012**

Additional information

Contact information

Mirza Koristovic
Head of Investor Relations
+47 938 70 525

Bent Axelsen
Chief Financial Officer
+47 977 56 578

Financial calendar

May 13, 2024 Annual General Meeting
August 15, 2024 Half-yearly Report
October 30, 2024 Quarterly Report – Q3

Elopak reserves the right to revise the dates

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.

This is Elopak

As worldwide makers of cartonbased 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.

For more information please visit
www.elopak.com