

Press release, PlantPaper Holding A/S and Ellepot A/S

Ellepot and PlantPaper join forces in merger

Ellepot and PlantPaper are joining forces to form the Ellepot Group on a mission to reduce the use of plastics in the plant propagation process by providing game-changing systems to the global market. Present on five continents, with 18 partners and sales to more than 120 countries, Ellepot Group is determined to be the industry leader in paper pot technologies.

Ellepot and PlantPaper both develop and produce propagation systems consisting of customised machines, specially developed papers and trays for growers worldwide for the production of paper pots. The two companies will now merge as the Ellepot Group.

"Both companies share the same mission; providing environmentally sustainable propagation solutions to our customers. This makes the merger an obvious and strong decision. As industry leaders, we will be able to invest further in a broader and better product and service portfolio for the benefit of growers and other customers in the industry," says Lars Steen Pedersen, CEO of Ellepot.

Lars Steen Pedersen will remain CEO of the new Ellepot Group.

Carsten Storgaard, CEO of PlantPaper, will continue in the Ellepot Group as Business Development Director. He also welcomes the merger and the possibility to reach customers worldwide and supply them with sustainable solutions.

"Ellepot has strong technology and well-tested production of customised machines and trays, as well as a strong global presence. Therefore, our customers will have access to an even larger range of products," says Carsten Storgaard, CEO of PlantPaper.

Ellepot Group is owned by two renowned and distinguished family-owned Danish investment companies, Kirk Kapital and Karsten Ree Holding, who have acquired Ellepot from the private equity fund Capidea.

Karsten Ree Holding is the current owner of PlantPaper and knows the industry.

"We have, through our ownership in PlantPaper, been involved in this business for more than five years and have during this period also been following the development of Ellepot. Both companies share the same mission; providing environmentally sustainable propagation solutions to our customers. Simultaneously, we are very pleased with the opportunity to co-own Ellepot Group with Kirk Kapital, being a reputable and competent co-owner," says Christian Ree, Director of Karsten Ree Holding.

In the past years, both companies have experienced growth and financial success. Following the merger, Ellepot Group will be present on five continents, have 18 partners and sales to more than 120 countries.

"It has been a pleasure to follow the successful development of both Ellepot and PlantPaper for the past three years. The propagation system that both companies develop and produce is smarter and cheaper than traditional propagation methods. Most importantly, the solutions are environmentally sustainable as they dramatically reduce the usage of plastics in the propagation process. We look forward to supporting Ellepot Group in its future journey," says Kim Gulstad, CEO of Kirk Kapital.

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About Ellepot

Ellepots core business is to develop and produce customised Ellepot machines, specially developed papers, and propagation trays for the Ellepot system. Ellepot has over 25 years of experience and expertise in the development and production of customised solutions for horticulture worldwide. Ellepot is headquartered in Esbjerg.

About PlantPaper

PlantPaper has since 2016 supplied a complete 360° propagation system and biobased certified paper for plugs U1. The company head office and production facilities are located in Ribe, Denmark, and PlantPaper has a global wholesale network providing PlantPaper products to growers worldwide.

About Karsten Ree Holding

Karsten Ree Holding is a family-owned investment company owned by the Ree family. Karsten Ree Holding manages approx. EUR 650 m, which is invested into Strategic Investments and Financial Investments. Within Strategic Investments, Karsten Ree Holding is an active and long-term owner of businesses within sustainable energy, travel and leisure and E-com.

About Kirk Kapital

Kirk Kapital is a family-owned investment company owned by the Kirk Johansen family. The Kirk Johansen family is the descendants of Ole Kirk Christiansen, who founded the construction toy company LEGO. Kirk Kapital manages approx. EUR 1.3 bn, which is invested into Strategic Investments and Financial Investments. Within Strategic Investments, Kirk Kapital is an active and long-term owner of larger minority shareholdings in: Alliance+, Beck Pack, Exxit59, Danske Stenhuggerier, Dansk Traeemballage, FMD, Globeteam, KOMPAN, Scanmetals, Tacton, TITAN Containers, TP Aerospace, TPS Rental Services and VivoMega.