

Trondheim, Norway, 28 April 2021

BEWI enters into an agreement to acquire a majority stake of the listed Polish company IZOBLOK to strengthen its position in the automotive industry

BEWI ASA, the owner of BEWiSynbra Group AB and a leading provider of packaging, components, and insulation solutions, today announces that the company has entered into an agreement to acquire a majority stake of the listed Polish company IZOBLOK, a leading European provider of Expanded Polypropylene (EPP) components to the automotive industry.

“We are pleased to announce this transaction, once again confirming our strategy to consolidate in a market that has shown considerable growth. Through this acquisition, we significantly strengthen our market position in the automotive industry. IZOBLOK is a solid company, with a strong position within EPP components to this industry in Europe. Together we will become the leading provider of components to an industry we expect will continue growing on the other side of the pandemic,” says Christian Bekken, CEO of BEWI ASA.

BEWI ASA has entered into an agreement to acquire 54.21 per cent of the shares, corresponding to 65.66 per cent of the voting rights, of IZOBLOK Spółka Akcyjna (“IZOBLOK”). The acquisition is structured as an acquisition of a holding company into which the sellers will contribute the IZOBLOK shares prior to completion of the transaction. The holding company will contain a combination of non-listed shares (series A-shares) with voting preferences and shares listed on Warsaw Stock Exchange (listed on GPW Main Market). Under Polish rules, the contribution of IZOBLOK shares into the holding company, will trigger a mandatory offer for up to two-thirds (2/3) of the voting rights in IZOBLOK, corresponding to a mandatory offer of additionally 0.44 per cent of the voting rights in IZOBLOK.

Completion of the acquisition is conditional upon customary closing conditions. The acquisition is expected to be completed in the second quarter of 2021.

Prior to the acquisition, BEWI has an annual turnover of approximately EUR 15 million to the automotive industry. The company has facilities for production of EPP components to the automotive industry in Sweden and Portugal, with sales to several European countries.

IZOBLOK has a market share of approximately 20 per cent of the market for automotive EPP components in Europe and is by that a top player in the production of EPP parts for the automotive industry. IZOBLOK has a well-diversified and growing portfolio of blue-chip clients, such as Volkswagen Group, Jaguar Land Rover, BMW, Hyundai, and Ford. The company has a strategic geographic location in both southern Poland and through its subsidiary in Germany (IZOBLOK GmbH), with developed infrastructure ensuring effective access to customers across Europe. Further, the company has a well-invested asset base comprising of four production facilities.

The automotive industry in Europe has been severely affected by the Covid-19 pandemic, negatively impacting IZOBLOK’s revenues and results for the last twelve months. For the period February 2020 to January 2021, the company had revenues of EUR 38 million and an EBITDA of 1.5 million. However, the results for the second and third quarter of 2020/2021 indicate that IZOBLOK is recovering to a normal, pre Covid-19, level. For the full financial year from 1 May 2018 to 30 April 2019, IZOBLOK reported revenues of EUR 51 million and an EBITDA of EUR 6 million.

“IZOBLOK is an integrated provider like us, with production of both the raw material and end-products. We believe our two companies is a good strategic match and we see a great synergy potential related to our own automotive business,” Bekken continues.

The existing management team of IZOBLOK, headed by CEO Przemysław Skrzydlak, will continue to lead the company. BEWI intends to be an active owner.

“Components from EPP are excellent for use in cars. In addition to being shock-absorbing, they can reduce noise, improve acoustics, and replace other components to reduce weight. This means that less energy is used, lowering emissions from fossil cars, and extending the range for electrical cars,” says Bekken.

The agreed consideration for the 54.21 per cent shares, as mentioned above, is approximately EUR 16.5 million, of which approximately EUR 13.5 million will be paid in cash and the remaining consideration will be settled through issuance of approximately 1,090,000 new shares in BEWI ASA. The cash portion of the acquisition will be financed through available funds and acquisition finance provided by Nordea and is expected to be refinanced in due course through debt and/or equity.

SpareBank 1 Markets AS has acted as M&A advisor in connection with the transaction and DLA Piper as legal advisor.

Sellers have been represented by PwC (M&A lead advisory), Olesiński & Wspólnicy (legal advisory) and Chabasiewicz, Kowalska & Partners (legal advisory).

For further information, please contact:

Charlotte Knudsen, Director of IR and Communications BEWi ASA, tel: +47 9756 1959

Marie Danielsson, CFO BEWI ASA, tel: +46 70 661 0047

About BEWI ASA

BEWI is an international provider of packaging, components, and insulation solutions. The company's commitment to sustainability is integrated throughout the value chain, from production of raw materials and end goods, to recycling of used products. With a vision to protect people and goods for a better every day, BEWI is leading the change towards a circular economy.

BEWI ASA is listed at the Oslo Børs under ticker BEWI.

The information is such that BEWI ASA is required to disclose in accordance with the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 20:30 CEST on 28 April 2021

About IZOBLOK Group

IZOBLOK Group is an international market leader that specializes in the processing of foamed polypropylene (EPP). In four plants (3 in Poland and 1 in Germany) with a total area of 40,000 square metres, more than 30 million EPP products are produced annually, mainly for the automotive and logistics industries. The main customers of the products and services offered by the companies of the IZOBLOK Group are the leading international brands of the automotive industries in both OEM and TIER 1 as well as logistic.

IZOBLOK Group is listed at the Warsaw Stock Exchange under ticker IZB.

Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "strategy", "intends", "estimate", "will", "may", "continue", "should" and similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions. 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.

Actual events may differ significantly from any anticipated development due to a number of factors. Such risks, uncertainties, contingencies, and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not provide any guarantees that the assumptions underlying the forward-looking statements in this announcement are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this announcement or any obligation to update or revise the statements in this announcement to reflect subsequent events. You should not place undue reliance on the forward-looking statements in this document.

The information, opinions and forward-looking statements contained in this announcement speak only as at its date and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm, or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this announcement.