Nordic Credit Rating

CORPORATE

Norway

30 Apr. 2025

Elopak ASA

Full Rating Report

LONG-TERM RATING

BBB-

OUTLOOK

Stable

SHORT-TERM RATING

N3

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RATING RATIONALE

Our 'BBB-' long-term issuer rating on Norway-based carton packaging producer and distributor Elopak ASA reflects the company's solid position in the European carton packaging market, geographic diversity and broad customer base. It also factors in the company's sound credit metrics and moderate financial leverage. In addition, our assessment of the operating environment is positive, based on increasing demand for sustainable products and a likely transition to carton packaging from plastic.

The rating is constrained by Elopak's small size compared with its main peers, Swedish multinational Tetra Pak and Swiss multinational SIG Group AG (SIG). The company has a relatively small share of the aseptic carton packaging market, which accounts for the bulk of the wider market for carton packaging of liquid products. A further rating constraint is the cyclical nature of the raw materials market, although contract stipulations and pricing mechanisms partially offset this cyclicality.

STABLE OUTLOOK

The outlook is stable, reflecting our expectation that Elopak will maintain its current market position in Europe while growing in the US and new markets. In addition, it reflects our belief that Elopak will maintain stable operating margins and stay committed to its medium-term leverage target of 2.0x (excluding off-balance-sheet financing). The outlook also takes into account the sustainability aspects of and growing potential for carton packaging of liquids.

POTENTIAL POSITIVE RATING DRIVERS

- Net debt/EBITDA sustainably below 2.0x or EBITDA/net interest sustainably above 13x; and
- Improved operating efficiency, with an EBITDA margin sustainably above 15% over time.
- A noticeable shift towards the use of carton packaging and an increasing share of the liquid packaging market.

POTENTIAL NEGATIVE RATING DRIVERS

- Net debt/EBITDA above 3.0x and funds from operations/net debt below 20% over a protracted period.
- Mounting substitution risk from alternative packaging solutions or loss of key customers.
- Increased risk appetite, indicated by higher dividend payouts or a more aggressive growth strategy.

Figure 1. Key credit metrics, 2021–2027e

EURm	2021	2022	2023	2024	2025e	2026e	2027e
Revenues	940	1,024	1,132	1,157	1,238	1,324	1,417
EBITDA	119	116	161	171	189	199	218
EBITDA margin (%)	12.7	11.3	14.2	14.8	15.2	15.0	15.4
FFO	93	95	123	125	148	158	174
Net debt	303	448	393	435	433	449	438
Total assets	783	956	963	1,055	1,097	1,127	1,168
Net debt/EBITDA (x)	2.5	3.9	2.4	2.5	2.3	2.3	2.0
EBITDA/net interest (x)	12.2	14.0	7.3	9.3	9.7	10.7	12.4
FFO/net debt (%)	30.7	21.3	31.3	28.8	34.2	35.2	39.8
FOCF/net debt (%)	13.7	-1.8	28.2	4.9	10.7	6.6	13.5

Source: NCR estimates and company data. e–estimate. FFO–funds from operations. FOCF–free operating cash flow. All metrics adjusted in line with NCR methodology.

ISSUER PROFILE

Elopak is a Norway-based carton packaging manufacturer and distributor. Since its establishment in 1957 as a licensee of Pure-Pak, the company has been majority-owned by family-owned investment holding company Ferd AS. With operations in more than 70 countries, 2,850 employees and manufacturing facilities in 12, the company produces and distributes about 16bn items of carton packaging per year. In addition to the production and distribution of carton packaging, Elopak manufactures aseptic filling machinery, sells and distributes new machinery for packaging fresh products from partners, and provides service and maintenance support.

BUSINESS RISK ASSESSMENT

Business risk assessment

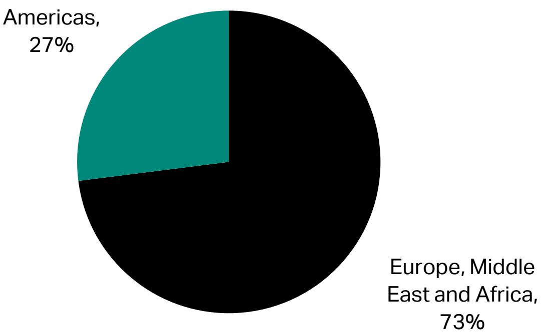
We base our business risk assessment on Elopak's solid market position in a sector that benefits from general economic conditions and global megatrends such as the reduction in emissions and energy use, and environmentally sound waste management. We also factor in the company's diversified revenue streams and customer base. Although Elopak is smaller than its closest industry peers, we expect it will maintain stable operating margins given its ability to pass on most changes in commodity raw material costs, which are subject to volatility.

Global packaging industry benefits from increasing environmental focus

Operating environment

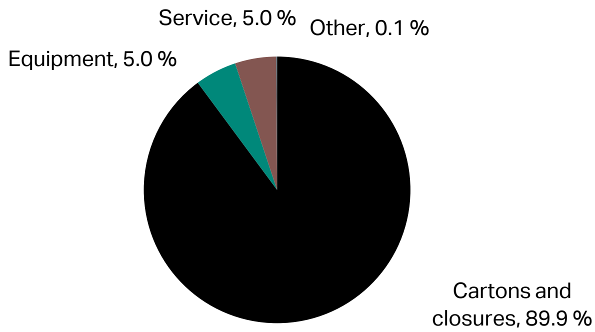
The global carton packaging industry is characterised by generally stable overall demand, with consumption correlated with general economic conditions and levels of urbanisation. However, the commodity-based inputs, such as paperboard, aluminium foil, and energy are highly cyclical. The industry is fragmented, and economies of scale are important to ensure resource availability and sustainable profit margins, while catering to multinational clients. Barriers to entry exist in the form of stringent health and safety requirements and sustainable access to raw materials. Another industry characteristic is that operators typically develop strong long-term customer relationships, often based on extensive customer investments in filling machinery and the time-consuming process of replacing these systems.

Figure 2. Sales by geographic region, 2024



Source: company.

Figure 3. Sales by segment, 2024



Source: company.

Elopak operates within the packaging market for liquid products, which represents approximately 40% of the total global packaging market. Its operations are largely concentrated on fresh dairy and aseptic milk and juice, for which consumer demand has proven to be less price sensitive. Packaging producers and distributors have generally passed on costs while maintaining operating margins. Elopak's largest shares of revenue come from fresh packaging products, which account for 76%, while 20% comes from aseptic packaging products, which have a longer shelf life. While the aseptic market is larger and more concentrated, the fresh market has lower barriers to entry, although with some patents. Margins also tend to be higher in the aseptic market.

We expect the overall liquid packaging market will continue growing on the back of underlying economic fundamentals. In the liquid packaging sector, polyethylene terephthalate (PET) packaging has historically gained market share at the expense of carton packaging. The main driver has been growth in emerging markets, which tend to favour plastic, and the rising market share of bottled water. However, we note the increasing global focus on environmental issues such as emissions reduction, waste management and recycling. In our view, carton packaging could become the preferred choice, buoying market share for carton packaging companies. The EU's Single-Use Plastics Directive and Packaging and Packaging Waste Directive could also drive this expected shift to carton packaging from plastic.

We note that the tariffs on imports to the US, recently announced by US President Donald Trump (effective on 5 Apr. 2025 and then put on hold for 90 days on 9 Apr. 2025), will likely have a limited impact on Elopak. The company's largest market is the US, contributing approximately 21% of its full-year revenues in 2024. Elopak carries out most of its production at its Montreal plant in Canada. However, we expect clients will absorb the tariffs under current contracts. Elopak's new facility in the US, in Little Rock, Arkansas, should enable the company to avoid tariffs on some of its production over time. The plant has a revenue-run rate of around EUR 100m per production line, and the first line is set to become operational in the first half of 2025 and reach full capacity by year-end.

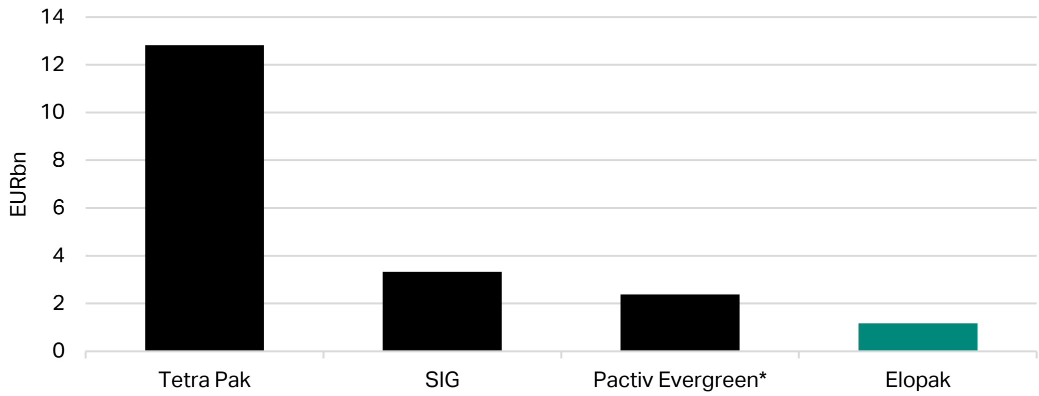
European leader in carton packaging for fresh products, but lacking in scale globally

Market position

The global carton packaging market is dominated by just a few companies, of which privately owned competitor Tetra Pak is by far the largest, with a focus on aseptic carton packaging and packaging for fresh products. Elopak has a leading position in the European market for carton packaging for fresh products, having focused on this sector since the start of its Pure-Pak licence agreement in 1957. However, the aseptic carton market is much larger than the market for carton packaging of fresh products; aseptic cartons offer a long shelf life of 6–12 months, compared with a shorter shelf life of up to three months for fresh products. Unlike Asian markets, which prefer products with a longer shelf life, Elopak's markets in Europe and the US favour fresh food packaging. We expect this preference will support Elopak's traction in the two latter markets.

Elopak's strong market position enables it to enter long-term sourcing contracts for inputs such as paperboard at competitive prices. Such contracts have ensured stability against volatile price fluctuations in recent years. Elopak's market position is supported by its strong Pure-Pak brand name, which accounts for a sizeable portion of the company's revenue. However, in the larger, higher-growth, aseptic carton market, Elopak remains a small player. In a bid to capture market share, Elopak introduced Roll Fed carton packaging in 2014. Roll Fed packaging can be used on a large share of units of installed Tetra Pak filling machinery worldwide.

Figure 4. Elopak peers' revenues, 2024



Source: company. *Reflects revenues for the Food and Beverage Merchandising divison. EUR/USD=0.92.

Elopak presented its 2030 strategy in September 2024. It announced its ambition to become a company with revenues of EUR 2bn by focusing on three strategic priorities: realizing global growth; strengthening leadership in core markets; and leveraging the shift away from plastic packaging. We believe that the company's current market position will support these strategic priorities. Elopak's acquisition of Naturepak Beverage Packaging, a leading provider of liquid cartons and packaging in the Middle East and North Africa, and its expansion into the Indian market through its joint venture GLS Elopak in 2022, have rapidly enlarged the company's regional footprint and diversified revenues and the customer base, while building market position.

The US plant, where production is set to commence in the first half of 2025, should also underpin Elopak's growth and market position. The project is progressing according to plan, and we understand the first production line's capacity is fully sold. The company has announced an additional EUR 25m investment into a second production line to start production in 2026. The facility will likely enable Elopak to better serve existing and new customers and has a revenue-run rate of EUR 200m for the two production lines. Moreover, the company could invest in additional lines, each requiring capital spending of EUR 25-30m.

The company also continues to foster the shift to carton packaging from plastic, not only in food and beverage packaging, but also in non-food packaging for products such as detergents. Elopak has secured larger customers such as the British manufacturer of cleaning products McBride plc, Norway-based Orkla Home & Personal Care AS and US consumer goods corporation Procter & Gamble. To achieve revenues of EUR 2bn by 2030, Elopak has also indicated it is considering inorganic growth in adjacent food segments and new vertical markets over time.

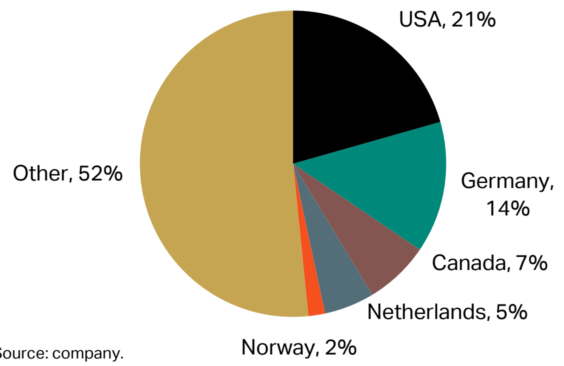
Machinery sales and support bolster client relationships

Size and diversification

Elopak's long-term relationships with clients, to which it supplies packaging machinery, support its market position. The company produces its own aseptic filling machinery and has introduced new module-based machinery to lower transaction costs with the aim of increasing sales and market position. Due to the significant upfront investments required for machinery, customers tend to remain loyal to the distributor. Machinery is either sold or leased to clients, supporting subsequent sales of compatible carton packaging for an average of 15 years. Contracts are often entered into on a shorter-term basis, but clients typically renegotiate prior to expiry.

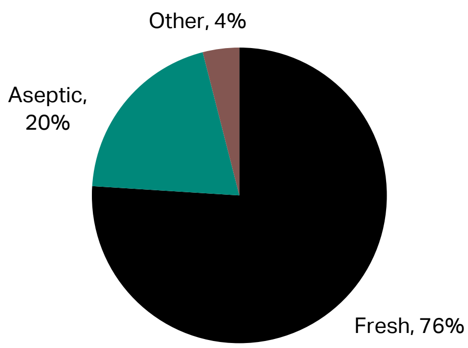
The company's top 10 clients generated 30% of sales volumes in 2024. These clients were both European and American, reducing revenue concentration risk. Elopak's proprietary Pure-Pak carton packaging can be filled only on machinery that the company distributes. However, we note that the risk of losing a client at the end of a contract period increases with the age of the respective machinery. The company has further diversified revenues through joint ventures and licensing agreements. Japan-based Nippon Paper Industries Co., Ltd. has a licence agreement to distribute Pure-Pak cartons domestically, while South Africa-based Nampak Products Ltd has a licence agreement to distribute them in several African countries including South Africa, Namibia and Sudan. Elopak is also represented through joint ventures in Mexico, the Dominican Republic, Kenya and India.

Figure 5. Revenues by country, 2024



Source: company.

Figure 6. Revenues by end-markets, 2024



Source: company.

Elopak depends on raw materials sourced from third parties. To cover production at its 12 global facilities, the company sources paperboard from two suppliers in Europe, Stora Enso Oyj of Finland and Billerud AB of Sweden, and two in North America, Nippon Paper Industries Co., Ltd. and Brazil-based producer Suzano Holding SA. The company has demonstrated resilience to market fluctuations, such as the recent spike in raw materials prices, but its reliance on third-party inputs remains a risk.

Margins in line with medium-term targets

Operating efficiency

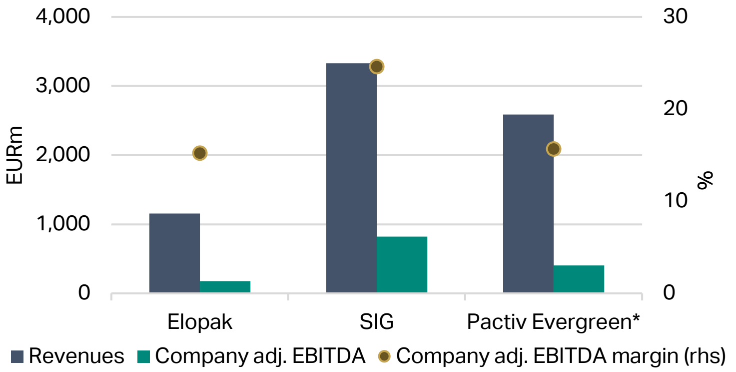
Although the input factors in Elopak's production operations are cyclical and volatile, the company offsets some volatility risk by entering multi-year CPI-linked fixed price contracts for raw board in the

European market. This practice, as well as other hedging activities, has effectively reduced the company's sensitivity to sharply rising prices in recent years. In addition, we expect customers will absorb most additional costs, keeping operating margins relatively stable. In the Americas, Elopak's revenues are linked to raw-material price indexes, effectively hedging against price increases.

Elopak has improved its EBITDA margin in recent years on the back of price and volume increases. In 2024, the margin widened primarily on volume growth and a favourable sales mix but also due to positive raw material effects. Elopak saw strong sales growth in its core products, notably cartons and closures, along with Roll Fed volume growth in India (volume increase of 86% compared with 2023). We expect that competition and cost increases during the start-up phase of the US plant will keep margins in check and that the company's EBITDA margin will remain in the low end of its medium-term target of 15–17%. Elopak reported an EBITDA margin of 15.2% as of 31 Dec. 2024.

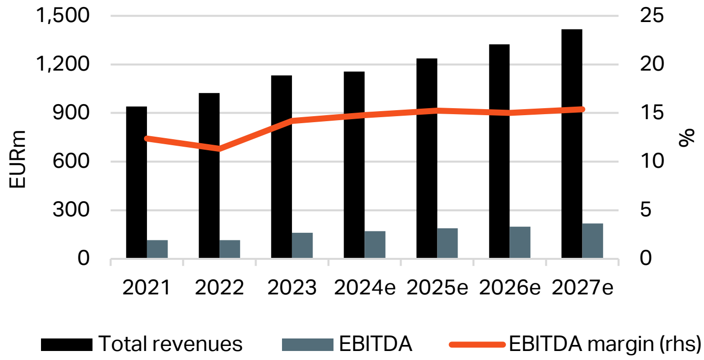
Elopak's EBITDA margins will likely continue to be markedly lower than those of most of its closest peers, in our view. We note that SIG's operations differ significantly from Elopak's and that it has a greater focus on North Africa, Asia, and the Pacific region. It also uses machinery leasing agreements to a greater extent than Elopak, resulting in above-industry-average operating margins. We expect Tetra Pak will report higher margins than Elopak due to its superior market position. Pactiv Evergreen Inc. (now operating under the Novolex name since the merger of the two companies closed on 1 Apr. 2025), which focuses mainly on North and South America, has margins resembling Elopak's.

Figure 7. Elopak peers' revenues and margins, 2024



Source: companies. *Food and Beverage merchandising division.

Figure 8. Operating margins, 2021–2027e



Source: NCR estimates and company data. e–estimate.

FINANCIAL RISK ASSESSMENT

Financial risk assessment

Our financial risk assessment reflects our expectation that Elopak will, over time, maintain its leverage ratio in line with its medium-term financial target. In our assessment, we also factor in the company's relatively stable operating margins and supportive trends in the wider packaging industry. In our view, the company's risk appetite is commensurate with our ratio analysis.

Moderate financial leverage despite high capital spending

Ratio analysis

Elopak's financial leverage has been stable in the past two years despite high investment requirements due to strong cash flow generation. As of 31 Dec. 2024, investment costs amounted to EUR 109m, encompassing investments in the new US plant, an increase in leased out filling machines, and investments in India to install a second Roll Fed production line. We expect annual investments to be around EUR 100m in our forecast period through end-2027, driven by the company's continued investments in the US plant, capacity expansion in growth markets and efficiency upgrades of production lines in core operations. We also expect that stronger EBITDA, as growth investments come into production, will contribute to improved credit metrics over time.

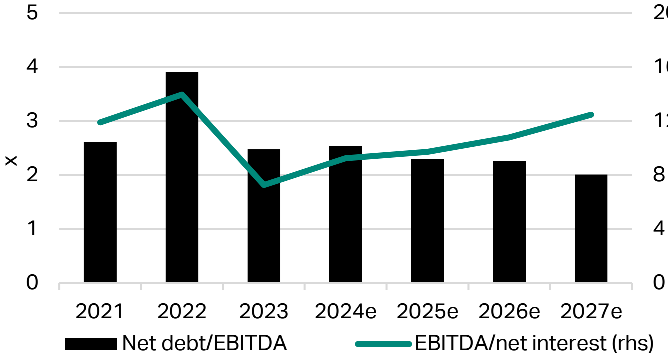
We include dividends from joint ventures in EBITDA. Our calculations of the company's net debt include factoring and reverse factoring (supply chain finance) where this increases payments beyond normal payment terms. We adjust cash holdings to reflect cash trapped in countries where the company has no centralised control of its cash holdings (a figure we put at about EUR 2.0m globally).

Figure 9. Base-case forecast key assumptions and credit metrics, 2025e–2027e

EURm	2025e	2026e	2027e
Revenue growth (%)	7.0	7.0	7.0
EBITDA margin (%)	15.2	15.0	15.4
Capital expenditure (EURm)	100	110	95
Dividend payment	35	42	44
Net debt/EBITDA (x)	2.3	2.3	2.0
EBITDA/net interest (x)	9.7	10.7	12.4
FFO/net debt (%)	34.2	35.2	39.8
FOCF/net debt (%)	10.7	6.6	13.5

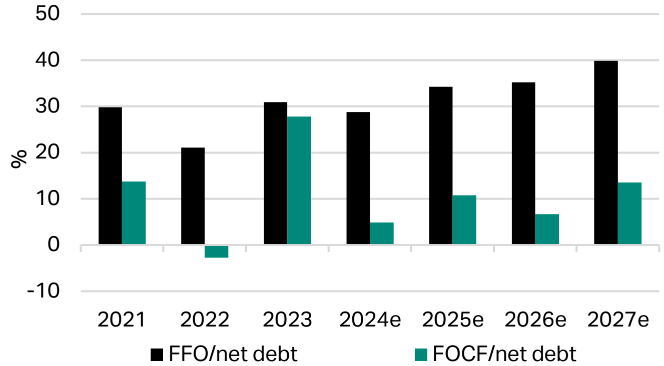
Source: company and NCR estimates. e–estimate. FFO–funds from operations. FOCF–free operating cash flow. All metrics adjusted in line with NCR methodology.

Figure 10. Net debt/EBITDA and EBITDA/net interest, 2021–2027e



Source: NCR estimates and company data. e–estimate.

Figure 11. FFO/net debt and FOCF/net debt, 2021–2027e



Source: NCR estimates and company data. e–estimate.

Moderate medium-term leverage target

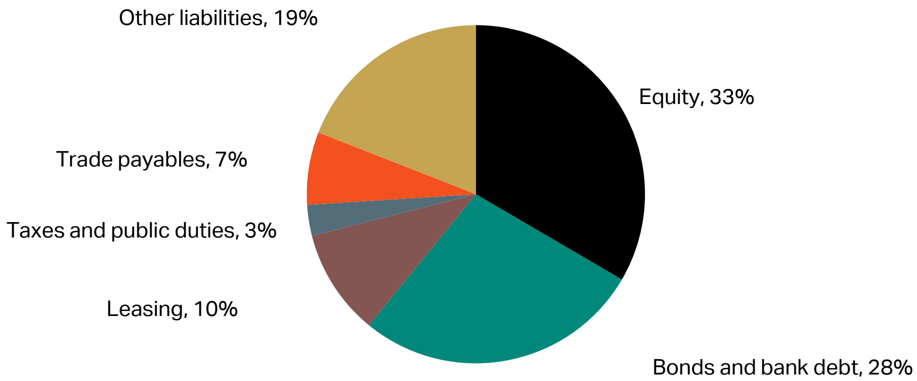
Risk appetite

We view Elopak's risk appetite as commensurate with our assessment of the company's financial ratios. We expect the company will continue its acquisitive strategy, albeit with a generally prudent approach to future acquisitions. The company targets net debt/EBITDA of 2.0x over time (2.1x as of 31 Dec. 2024, excluding off-balance-sheet financing), and we expect the company's leverage will remain around this level in 2025 and 2026.

The company is largely funded by senior unsecured bonds, equity, bank debt and factoring. In May 2024, Elopak issued senior unsecured green bonds totalling NOK 2.7bn with an average debt maturity of about 4.3 years. The company also has a multicurrency revolving credit facility of EUR 210m (unsecured but containing negative pledges) available until June 2029. Elopak uses interest hedging to reduce interest rate fluctuation risk. As of end-2024, Elopak had around EUR 170m in interest rate swaps with an average duration of about four years.

By end-2023, Elopak had delivered on all 3–5-year targets set out in the 2021 initial public offering (IPO), including leverage at 2.0x, EBITDA margin of 14–15% and annual organic revenue growth of 2– 3%. In 2024, Elopak announced new targets for the next 3–5 years, including leverage at 2.0x, EBITDA margin of 15–17% and 4–6% annual organic growth. Elopak has indicated it aims to pay dividends of 50–60% of adjusted net profit, and the proposed dividend payout for 2024 is EUR 34m. We expect the company to forgo dividend payments if its financial position requires it. The company acquires shares under its share-buyback programme which is used to meet obligations towards employees who participate in Elopak's long-term incentive plan.

Figure 12. Balance sheet composition, 2024



Source: company.

ADJUSTMENT FACTORS

Adjustment factors neutral

Adjustment factors are assessed as neutral and have no effect on our standalone credit assessment.

Liquidity

Liquidity adequate

Our 12-month liquidity analysis is based on a stressed scenario in which the company cannot access the capital markets or extend bank loans, and therefore must rely on internal or committed external funding sources to cover its liquidity needs. We typically expect a company with an investment grade rating ('BBB-' or above) to cover its liquidity needs, with limited need for external funding over the coming 12 months. We assess Elopak's liquidity position as adequate. Projected net sources of liquidity outweigh net uses by 2.2x in 2025.

Figure 13. Liquidity analysis (stressed scenario) 31 Dec. 2024–31 Dec. 2025

Liquidity, next 12 months	AMOUNT (EURM)
Cash and cash equivalents (100%)	21
Adjusted FFO (75%)	111
Unutilised credit facilities	181
Total sources	**313**
Repayment of borrowings	7
Committed capital expenditure	100
Dividend payment	34
Total uses	**141**
Sources/uses (x)	**2.2**
Sources - uses (EURm)	**172**

Source: company and NCR estimates. FFO–funds from operations.

Environmental, social and governance factors

ESG factors adequate

The main environmental, social and governance (ESG) issues that could affect our rating on Elopak are factors that could contribute to loss of revenue, rising operational costs, increased capital spending, loss of value of assets and decreased access to funding. We note the company's strong sustainability profile in an industry that aims to leverage megatrends related to increased environmental focus.

We assess increasing demand from investors, consumers and other stakeholders for sustainable packaging solutions as positive for the overall business risk profile. We believe the main credit risks are related to alternative usage of raw materials that could significantly affect access to and/or the costs of vital inputs in Elopak's value chain. Health and safety risk is also a concern, especially in areas such as food safety and the use of filling machinery. Rapidly changing legislation governing sustainability could significantly increase capital expenditure or result in substandard products and erode market share if the company cannot adapt to new regulations.

Elopak has sustainability targets approved by the UN's Science Based Targets initiative and the World Resource Institute, which align with the aims of the Paris Agreement.

Figure 14. ESG considerations

Issue	Risk	Mitigating efforts	Result
Health and safety	Loss of reputation, customers, revenue and brand recognition.	Zero-harm philosophy regarding health and safety, training, and use of certification to document safety. Total Recordable Injury (TRI) frequency per 1m hours worked < 3.2 by 2030.	TRI frequency of 4.3 in 2024. No reports of issues with food safety.
CO_2	New regulations and increased taxation could reduce operating efficiency. Regulatory requirements could increase capital spending.	Sustainability is a core industry philosophy. The company aims for high levels of recycling and reductions in emissions. Targeting 100% renewable materials by 2030 and carbon-neutral products.	6% reduction in Scope 1 and 2 greenhouse gas emissions and 5% increase in Scope 3 greenhouse gas emissions in 2024. Elopak has been carbon neutral since 2016.
Waste and waste management	New regulations could reduce operating efficiency and increase capital spending. Increased consumer focus on waste.	In 2026, the EU Packaging and Packaging Waste Regulation (PPWR) will become legally binding. Elopak aims to have its entire portfolio designed for recycling by 2030. The company plans to develop metrics when recycling is defined in the PPWR.	Elopak estimates that around 70% of its cartons are designed for recycling according to proposed PPWR requirements.
Changing weather patterns or sharp increase in demand for wood	Loss of access to raw materials, sharp price increases affecting margins, deteriorating market position.	Long-term relations with suppliers, contracts for several years at a time. Diversification of suppliers.	Stable input and generally stable costs.

Source: company. See ESG factors in corporate ratings.

OWNERSHIP ANALYSIS

Ownership neutral

Since its IPO in 2021, Elopak remains majority owned by family-owned investment holding company Ferd AS. We expect Ferd AS to remain a long-term owner and note that Ferd AS has supported Elopak financially in the past. We do not typically regard family-owned firms as parent companies in a group structure.

Figure 15. Ownership structure, 2024

Owner	Share of capital and votes
Ferd AS	44.37%
Nippon Paper Industries co	5.05%
Folketrygdfondet	4.37%
Alfred Berg Kapitalforvaltning	2.84%
DNB Asset Management AS	2.36%
Artemis Investment Management	2.04%
Fidelity International (FIL)	1.93%
Fjärde AP-fonden	1.41%
Indépendance et Expansion AM S.A.	1.21%
Arctic Fund Management	1.07%
Others	33.35%
Total	**100%**

Source: company.

ISSUE RATINGS

Elopak is largely financed through senior unsecured bonds. We rate Elopak's senior unsecured bonds 'BBB-', in line with the long-term issuer rating. The issue rating reflects our expectation that the company will keep its gross secured debt to EBITDA well below 2.0x over a protracted period.

SHORT-TERM RATING

The 'N3' short-term rating reflects the company's liquidity profile relative to our 'BBB-' long-term issuer rating. The company's committed funding sources to uses stand at 2.2x in our liquidity analysis, which we regard as indicative of a strong liquidity profile for the long-term issuer rating.

METHODOLOGIES USED

(i) Corporate Rating Methodology, 8 May 2023.
(ii) Rating Principles, 14 Feb. 2024.
(iii) Group and Government Support Rating Methodology, 14 Feb. 2024.

Figure 16. NCR's adjustments to credit metrics, 2021–2027e

EURm	2021	2022	2023	2024	2025e	2026e	2027e
EBITDA	111	110	164	166	182	193	213
Dividends from JV	5		2	10	10	9	9
Capitalised development expenses	-3	-3	-5	-5	-3	-3	-3
Other EBITDA adjustments	7	9					
NCR-adj. EBITDA	119	116	161	171	189	199	218
Net interest	-6	3	-15	-10	-12	-12	-11
Financial costs from leases	-4	-4	-7	-8	-7	-7	-6
Other interest adjustments		-8					
NCR-adj. net interest	-10	-8	-22	-18	-20	-19	-18
NCR-adj. EBITDA	119	116	161	171	189	199	218
NCR-adj. net interest	-10	-8	-22	-18	-20	-19	-18
Current tax	-16	-12	-16	-27	-21	-22	-26
NCR-adj. FFO	93	95	123	125	148	158	174
Changes in working capital	-15	-70	27	0	-2	-18	-19
Capital spending	-37	-42	-41	-109	-100	-110	-95
Capitalised development expenses	3	3	5	5	3	3	3
Other cash flow from operations	-2	5	-4		-3	-3	-4
NCR-adj. FOCF	42	-8	111	21	47	30	59
Cash and cash equivalents	24	26	13	28	27	9	18
Restricted cash	-2	-2	-2	-2	-2	-2	-2
NCR-adj. cash and equivalents	23	24	11	27	26	8	17
Gross interest-bearing debt	184	326	244	291	291	291	291
Lease liabilities	81	91	102	107	100	93	86
Retirement benefit obligations	3	3	3	2	2	2	2
Adjustments due to factoring	40	38	40	45	48	52	55
Adjustments due to reversed factoring	19	16	17	17	18	19	21
NCR-adj. total debt	326	472	405	462	459	457	455
NCR-adj. cash and equivalents	-23	-24	-11	-27	-26	-8	-17
NCR-adj. net debt	303	448	393	435	433	449	438

Source: NCR estimates and company data. e–estimate. FFO–funds from operations. FOCF–free operating cash flow.

Figure 17. Elopak key financial data, 2021–2024

EURm Period-end	FY 31 Dec. 2021	FY 31 Dec. 2022	FY 31 Dec. 2023	FY 31 Dec. 2024
INCOME STATEMENT				
Revenue	940.3	1,023.9	1,132.2	1,156.6
EBITDA	110.5	109.9	164.1	166.4
EBIT	54.1	41.8	102.8	99.4
Net interest expense	-5.7	3.2	-15.5	-10.5
Pre-tax profit	45.2	46.4	84.8	88.8
Net profit	**29.0**	**10.6**	**68.0**	**61.5**
BALANCE SHEET				
Property, plant and equipment	186.4	202.0	202.9	265.0
Intangible assets and goodwill	108.7	176.3	168.4	160.5
Other non-current assets	125.6	153.7	161.9	165.2
Total non-current assets	**420.8**	**532.0**	**533.1**	**590.7**
Cash and equivalents	24.3	25.9	13.3	28.0
Other current assets	338.2	398.6	416.2	436.7
Total assets	**783.3**	**956.5**	**962.6**	**1,055.4**
Total equity	269.1	268.0	315.3	352.7
Gross debt	183.9	325.7	243.8	290.5
Other liabilities	330.4	362.8	403.5	412.6
Total equity and other liabilities	**783.3**	**956.5**	**962.6**	**1,055.8**
CASH FLOW STATEMENT				
Pre-tax profit	45.2	46.4	84.8	88.8
Cash flow before changes in working capital	83.6	94.8	130.0	139.7
Changes in working capital	-15.2	-69.7	27.2	0.1
Operating cash flow	**68.4**	**25.1**	**157.2**	**139.8**
Capital expenditure	-37.4	-42.5	-40.8	-109.1
Other investing activities	11.1	-83.5	8.8	12.2
Cash from investing activities	**-26.2**	**-126.0**	**-32.0**	**-96.9**
Dividends	-10.0	-19.6	-19.6	-34.4
Share repurchases	–	–	–	–
Other financing activities	-20.8	122.2	-117.8	4.2
Cash from financing activities	**-30.8**	**102.6**	**-137.5**	**-30.2**
Cash and equivalents beginning of year	6.4	24.3	25.9	13.3
Cash flow for year	**13.0**	**1.7**	**-12.3**	**15.2**
Cash and equivalents at end of year	24.3	25.9	13.3	28.0

Source: company. FY–full year.

Figure 18. Elopak rating scorecard

Subfactors	Impact	Score
Operating environment	20.0%	bbb-
Market position	10.0%	bbb-
Size and diversification	10.0%	bb+
Operating efficiency	10.0%	bbb-
Business risk assessment	50.0%	bbb-
Ratio analysis		bbb
Risk appetite		bbb
Financial risk assessment	50.0%	bbb
Indicative credit assessment		**bbb-**
Liquidity		Adequate
ESG		Adequate
Peer calibration		Neutral
Stand-alone credit assessment		**bbb-**
Support analysis		Neutral
Issuer rating		**BBB-**
Outlook		Stable
Short-term rating		**N3**

Figure 19. Capital structure ratings

Seniority	Rating
Senior unsecured	BBB-

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