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**Kirk Kapital and Karsten Ree Holding acquires Ellepot from private equity fund Capidea. Simultaneously, Ellepot merges with PlantPaper, creating a strong group within sustainable propagation solutions.**

Ellepot A/S (“Ellepot”) and PlantPaper Holding ApS (“PlantPaper”) both develop and produce propagation systems consisting of customized machines, specially developed papers and trays for growers worldwide. Following a merger of the two businesses, the combined business will be present on five continents, have 18 partners and sales to more than 120 countries.

Following the successful completion of the transactions, Kirk Kapital and Karsten Ree Holding will equally own 48% of the new Ellepot Group, while the management will own the remaining shares.

Together, Ellepot and PlantPaper will be able to invest further in developing a broader and better products and services portfolio. This will enable growers to produce plants more efficiently and in an environmentally sustainable manner.

*“I am pleased to welcome Kirk Kapital and Karsten Ree Holding as shareholders in the new Ellepot Group. Simultaneously, I would like to thank Capidea for the strong support and backing that Ellepot has enjoyed for the past eight years. I am also pleased to welcome PlantPaper and its employees into the Ellepot Group family,”* says Lars Steen Pedersen, CEO of Ellepot.

Lars Steen Pedersen, CEO of Ellepot, will remain CEO of the new Ellepot Group. Carsten Storgaard, CEO of PlantPaper, will continue in the new Ellepot Group as Business Development Director.

*“I welcome the merger between PlantPaper and Ellepot. We share a mission of providing environmentally sustainable systems to the global propagation market. That mission is better pursued jointly”* says Carsten Storgaard, future Business Development Director of Ellepot Group.

Today, PlantPaper is majority-owned by Karsten Ree Holding.

*“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.

*“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 support Ellepot Group in its future journey”* says Kim Gulstad, CEO of Kirk Kapital.

The private equity fund, Capidea, has owned Ellepot since 2013.

*“We are pleased with the successful development Ellepot has had during our ownership period. We would like to thank Lars Steen Pedersen and the employees for the good cooperation and the significant achievements over the past eight years”* says Nicolai Jungersen, Partner at Capidea.

The transaction is subject to customary regulatory approvals.

### **Contact Information**

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### **About Ellepot**

Ellepot’s 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 customized solutions for the horticulture worldwide. Ellepot is headquartered in Esbjerg.

### **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.

### **About Capidea**

Capidea is a Danish private equity fund making long-term investments in competitive small and medium-sized Danish companies. Capidea was established in November 2006 and has a total capital commitment of approximately DKK 2.3 billion / EUR 305 million in three funds. Capidea’s investor base includes the European Investment Fund (this operation benefits from a guarantee from the

European Union under the European Fund for Strategic Investments), Dansk Vækstkapital II, Velliv, Nordea-fonden, Nordea Bank, Nykredit, Lars Larsen Group and a number of other blue-chip companies and private individuals who are an active part of Capidea's network. Capidea invests in companies within trading, distribution, service, IT and manufacturing. Since 2006, Capidea has acquired 22 companies with a total turnover exceeding DKK 6.5 billion / EUR 870 million. For more about Capidea, please see [www.capidea.eu](http://www.capidea.eu).