



Press release

Orkla seeks to purchase leading supplier of confectionery, bakery and ice cream ingredients

Through its wholly-owned subsidiary Orkla Food Ingredients AS, Orkla has entered into an agreement to purchase the majority of the shares in the Greek company Stelios Kanakis Industrial and Commercial S.A. ("Kanakis"). Kanakis is market leader in the sale and distribution of confectionery, bakery and ice cream ingredients in Greece.

Kanakis is listed on the Athens stock exchange, and the founder and his family own approximately 86% of the shares. Orkla has entered into an agreement to acquire approx. 65.8% from Stelios and Maria Kanakis at a purchase price per share of EUR 4.35. In connection with this agreement, Orkla has made a voluntary tender offer to all Kanakis shareholders at an offer price of EUR 4.36 per share. Completion of the share purchase agreement and the tender offer are subject to Orkla acquiring 4.18% of the shares in Kanakis from minority shareholders following announcement of the tender offer. If Orkla attains an ownership interest of over 90% in Kanakis, a squeeze-out process will be implemented and the company will be delisted. At the same time, 20% of the shares will be sold back to the Kanakis family at the same price as in the voluntary tender offer, with the result that the family will own 20% and Orkla 80% of the company.

"Kanakis has a leading position in our core categories, in addition to a broad-based network of customers and suppliers who are well-known to Orkla Food Ingredients. The company is well-positioned in a region that is seeing good growth," says Johan Clarin, Orkla Executive Vice President and CEO of Orkla Food Ingredients.

The business was established in 1985 by Stelios Kanakis, who is managing director of the company and will continue to serve in that position. The company has 73 employees and had a turnover of EUR 20.2 million (approx. NOK 197 million) in 2018, and EBIT of EUR 3.0 million (approx. NOK 29 million).

"Orkla is very impressed by the company that Stelios and his family has built over the years and we are very much looking forward to working with the family and to continue building the company together in the future," adds Johan Clarin.

The company is expected to be consolidated into Orkla's financial statements in the second quarter of 2019.

Orkla is a leading supplier of branded consumer goods and concept solutions to the consumer, out-of-home and bakery markets in the Nordics, Baltics and selected markets in Central Europe and India. Orkla is listed on the Oslo Stock Exchange and its headquarters is in Oslo. In 2018, the Group had a turnover of NOK 41 billion, and approximately 18,500 employees as of 31 December 2018.

Facts and background: www.orkla.com

Photos: www.flickr.com/orkla

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