



Highcon and SEE announce Strategic Collaboration

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\$8M investment in Convertible Debt and Purchase of first Highcon Beam 2C

YAVNE, Israel and NORTHAMPTON, Mass., Dec. 6, 2022 /PRNewswire/ -- Highcon (TASE: HICN) today announced a \$8M investment by Sealed Air Corporation (NYSE: SEE) in the context of a strategic collaboration between the two companies. The scope of the strategic collaboration includes the following components:



- Developing new product offerings, expansion into new segments and enabling manufacturing efficiencies by leveraging Highcon technology
- \$8M investment in the form of convertible debt and 15% warrants to be converted by the 5th anniversary of the Effective Date at a price of 3.1 NIS per share.
- Additional warrants to be granted against possible future purchases up to \$20 million of Highcon's products and services over a period of 3 years.

SEE, with revenues of \$5.5B in 2021, is in business to protect, solve critical packaging challenges, and "make our world better than we find it." SEE has identified that Highcon's digital paperboard converting capabilities and its unequalled knowhow around laser cutting of paperboard can support and accelerate their vision and business objectives.

The strategic collaboration includes the purchasing of a Highcon Beam 2C system for delivery and installation in the first quarter of 2023. The in-house presence of the system will allow SEE to accelerate the testing of new designs and products, as well as the manufacturing and delivery of corrugated products to the company's customers.

"Over the past months, the SEE team has been really impressed with the talent at Highcon and the company's culture. Highcon's technology and capabilities represent a meaningful opportunity for SEE," said Sergio Pupkin, SVP and Chief Growth & Strategy Officer, SEE. "Highcon's sustainability value proposition aligns with and can help us advance our vision and plans. The roadmap we are developing together is exciting, and our investment in Highcon is a natural first step in this context."

"SEE is taking Highcon's technology to places that were beyond the way that we typically defined our market opportunity. Growing that opportunity, entering new application spaces, and working together with a world class partner is very exciting," said Shlomo Nimrodi, Highcon's CEO. "It's particularly gratifying to see how SEE reacted to the talent and passions of the Highcon team, and their recognition of the strategic value of our technology. I'm confident that it's just the beginning as we prove our value to SEE to enable further expansion of our relationship. I'm proud of what we've built so far at Highcon, and with this strategic partnership, we can move farther and faster. We are certainly expecting that this collaboration will have positive impact on the company's existing business."

In recent months, teams from Highcon and SEE have collaborated to explore the application of Highcon's solutions and technology to a range of different activities. "We've demonstrated that Highcon offers so much more than might at first meet the eye," added Nimrodi. "I am proud that we've been able to reach an agreement like this despite the current challenging environment."

About Highcon

Highcon develops, markets, sells and supports a portfolio of digital cutting and creasing systems that cover a wide range of formats, substrates and applications. The Highcon technology is transforming the industry, by providing cost effective solutions to the increasing manufacturing inefficiencies facing folding carton and corrugated carton manufacturers as the result of the emerging market trends of e-commerce, shorter time to market, lower job sizes and a drive to sustainability. Such requirements cannot be accommodated by the expensive and slow conventional die-making and setup process. The Highcon digital technology bridges the gap between agile production and design flexibility delivering improved responsiveness, JIT production, short runs, customization of structure and design, and the ability to perform a wide range of applications in-house. Highcon products are installed at customer sites around the world, including some multi-national companies, effectively supporting the needs of global and local brands. Highcon is publicly traded in the Tel Aviv Stock Exchange (HICN) and its leading investors are Landa Ventures owned by Benny Landa and JVP led by Erel Margalit. For more details: www.highcon.net

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SOURCE Highcon and Sealed Air Corporation

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