

Press release May 23, 2022

Ahlström Capital acquires majority of Ahlstrom-Munksjö's Decor business

Ahlström Capital's wholly owned investment company Ahlstrom Capital B.V. has today signed an agreement to acquire 60% of Ahlstrom-Munksjö's Decor business. The Decor business is transferred to a newly formed company that is to be named Munksjö. The acquisition is a perfect fit in Ahlström Capital's Forest & Fiber focus area and offers good value creation opportunities.

Ahlström Capital has been a long-term owner of Munksjö since 2013 as the combination of Munksjö AB and Ahlstrom's Label and Processing business was completed. Since 2017, Ahlstrom-Munksjö has developed the Decor business from an established European business to a leading international player, well positioned to serve its customers globally. A growth platform in South America was established through the acquisition of Caieiras's specialty paper mill in Brazil and the fastest growing decor paper market, China, was entered through the acquisition of decor paper manufacturer Minglian New Materials Technology in Xingtai.

"Ahlstrom-Munksjö's Decor business is a leading global business with a broad product portfolio and a market-leading brand, Munksjö. This business is already the leader in higher value market segments and has strengthened the competitiveness in standard decor papers with a footprint in China following the acquisition of Minglian New Materials Technology. For Ahlström Capital the Decor business is a key investment in our Forest & Fiber focus area", comments **Lasse Heinonen**, President and CEO of Ahlström Capital.

The Decor business has operated under the Munksjö brand for more than 25 years and the brand is recognized for outstanding quality and service across the decor industry. Ahlstrom Capital B.V. will be the majority owner in the new Munksjö company with a 60% ownership, Ahlstrom-Munksjö is remaining as a minority owner together with Nidoco AB. As a standalone company the Decor business will accelerate its growth, strengthen its competitiveness and global leadership in innovation.

The closing of the transaction is subject to the approval of the competition authorities.

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About Decor business area

Products: Decor papers are primarily used in laminated wood-panel based furniture, flooring and other interior and exterior building material applications.

Key markets: Europe, North and South America, China and selected export markets

Production: Germany (Unterkochen and Dettingen), Spain (Tolosa), France (Arches), Brazil (Caieiras) and China (Xingtai)

Net sales: Approx. EUR 500 million

Employees: 1,200 people

About minority owners

Ahlstrom-Munksjö is a global leader in fiber-based materials, supplying innovative and sustainable solutions to its customers. Ahlstrom-Munksjö's mission is to expand the role of fiber-based solutions for sustainable everyday life. Annual net sales of the company is about EUR 3.1 billion and it employs some 8,000 people.

Nidoco AB is a Swedish investment company whose strategy is to create long-term value through active ownership of public and private companies. Nidoco is currently a leading shareholder of three listed companies with head offices in the Nordic region, and has direct and indirect investments in more than 300 unlisted companies globally. Nidoco is an independent part of the Virala Group.

***Ahlström Capital** is one of Finland's largest investment companies with a long history of 170 years. We are a family-owned investment company that creates value for our owners by investing in industrial companies, real estate and forest. In 2021, the annual net sales of our portfolio companies was approximately EUR 4.4 billion and they employed almost 13,500 people in 33 countries. Our current portfolio includes significant holdings in the listed companies Detection Technology Plc, Glaston Corporation, and Suominen Corporation. In addition, the portfolio includes Ahlström Invest B.V. (including a significant ownership in Ahlstrom-Munksjö), Enics AG, M&J Recycling A/S as well as an investment in the AC Cleantech Fund. Our portfolio also includes major real estate and forest holdings.*