

Press release October 12, 2022

## **Ahlström Capital has made a strategic investment in Bast Fibre Technologies**

***Ahlström Capital Group has signed an agreement to acquire 20 % of Bast Fibre Technologies Inc. (BFT). Ahlström Capital invests to drive sustainable development and the acquisition fits the Forest & Fiber focus area.***

BFT is a manufacturer of 100% plant-based, intact natural fibres with the technical and performance requirements for a wide variety of nonwoven applications. BFT is using advanced fibre processing technology to transform raw fibres from cotton, hemp, and flax plants to meet the exacting standards required by the nonwoven industry.

“As the nonwoven industry transitions away from plastics, we believe there will be exponential growth in the natural fibres market. As a responsible investor with a strategic, long-term mindset, we seek to invest in companies focused on solutions that help drive sustainable development. With a strong and experienced management team BFT is well positioned to become a global leader in the production of sustainable bast fibres. We see sustainable value-creating opportunities in the company”, comments **Lasse Heinonen**, President and CEO of Ahlström Capital.

BFT will begin work to expand capacity at its US-flagship facility in Lumberton and its EU-facility near Düsseldorf to create the world’s largest specialty bast fibre processing and purification company. The negotiated overall financing from Ahlström Capital will help BFT to scale up to a production of over 10,000 metric tonnes of sero™ hemp fibre per year by 2023 and up to 50,000 metric tonnes per year by 2026.

“Nonwoven companies, converters, and leading consumer goods companies are looking for viable natural fibre options to achieve their corporate sustainability initiatives as they move away from synthetics,” said **Jim Posa**, CEO of BFT. “The market for natural fibres is set for rapid growth, and this highly strategic funding will help BFT to solidify its position and further accelerate its expansion to meet the increasing demand for tree-free, plastic-free fibres.”

“Ahlström Capital has an excellent reputation for investing in cleantech companies offering sustainable solutions,” says **Noel Hall**, BFT’s Executive Board Chair. “It is important for us to work with an investor that shares our values and our vision of moving away from synthetic materials in nonwoven applications. Ahlström Capital has several complementary portfolio holdings in the nonwoven and sustainable fibre industries, making it both a natural fit and value-added investor for BFT. We are pleased to welcome Ahlström Capital’s Investment Director **Andreas Ahlström** to BFT’s board of directors”, says Hall.

### **For further information, please contact:**

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**About Bast Fibre Technologies**

Bast Fibre Technologies Inc. (BFT) is a triple-bottom-line cleantech fibre engineering firm that places equal emphasis on social, environmental, and fiscal responsibility. Using advanced fibre processing technology, BFT transforms raw fibres from cotton, hemp, and flax plants to meet the exacting standards required by nonwoven customers. [www.bastfibretech.com](http://www.bastfibretech.com)