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Investment extends Billerud's packaging solutions to Asia

Billerud is strengthening its position within the packaging industry by investing in a minority stake in PACCESS Packaging, a US based company with numerous operations throughout Asia. This investment is well in line with Billerud's strategy to be a customer- and solution-driven company where brand owners are becoming an increasingly important customer group. This new service platform will enhance Billerud's presence in Asia, one of the world's largest and fastest growing packaging markets.

Billerud has signed an agreement to do an investment corresponding to 30% in the packaging company PACCESS Packaging, a division of PACCESS LLC. PACCESS Packaging's core expertise is the design and development of packaging for production and delivery in Asia. Their customer base of leading multinational brand owners and retailers have utilized packaging to enhance brand and product marketing and to optimize product movement through their supply chain. PACCESS Packaging provides a wide range of value-added services to design and deliver cost- and time-effective retail and transport packaging solutions across key industry verticals. PACCESS Packaging has established operations in the major export countries in Asia. The company has approximately 60 employees and sales of approximately MUSD 27.

"This investment marks an additional step for Billerud to become a more customer- and solution-driven company. We see that packaging optimisation with regard to function, material, design and sustainability are becoming increasingly important to brand owners. With Billerud's expertise with renewable materials and PACCESS Packaging's established customer base, broad knowledge of packaging development and deep experience in Asia, we will create a strong platform for future growth. We will immediately expand our position in Asia, a key growth market," says Per Lindberg, CEO and President of Billerud.

"We are excited by the cooperation with Billerud and the opportunity to bring additional technical expertise within renewable materials to extend our packaging solutions service offering to Europe. The association with Billerud will strengthen PACCESS Packaging's established business model as an

Billerud is a packaging paper company with a business concept to supply customers with innovative and high quality packaging paper. A consistent concentration on attractive market segments and a strong customer focus are cornerstones of Billerud's strategy. Billerud focuses on kraft paper and containerboard and has a world-leading position within several product segments. The company's production units are among the most cost-efficient in Europe for these products
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independent packaging service provider, deploying innovative design and materials across our global supply network. Our partnership with Billerud will bring increased opportunities for growth to new business sectors and high growth markets,” says Harve Bellos, President of PACCESS LLC.

The investment is a cash transaction and subject to customary closing conditions being met. Billerud’s intention is over time to increase its ownership in PACCESS Packaging.

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