

Oji Holdings Acquires a European Advanced Materials Conversion Company

Oji Holdings Corporation (President: Hiroyuki Isono; Head Office: Chuo-ku, Tokyo) announces the signing of a share transfer agreement with One Equity Partners, a US investment fund, to acquire all shares of Walki Holding Oy (Head Office: Finland; hereinafter “Walki”), a leading company with advanced technologies in material conversion especially for paper-based sustainable solutions.

The purpose of the acquisition is to build and expand a platform for Oji’s packaging business in Europe as one of the leaders in the packaging sector. Oji strives to diversify its product portfolio to meet customers evolving ESG requirements through sustainable packaging business, contributing to the circular economy.

Walki is a material convertor with unique coating technologies that allows brand owners to achieve fully recyclable paper packaging. The demand for eco-friendly paper packaging is increasing from various leading European brand owners, as it complies with the proposed Packaging and Packaging Waste Regulations (PPWR)*. Walki particularly has a competitive advantage in the barrier paper packaging for direct food contact together with special coating applied to form an ultra-thin barrier layer on paper; ensuring the necessary product barrier properties to be used as a packaging material. Walki has rapidly expanded their network in the EU through acquisition in order to develop its technology effectively.

The combination of Oji’s barrier technologies and Walki’s advanced technical lamination will accelerate the development of environmentally friendly fiber-based solutions. We believe that this will positively promote the global shift from single use plastic packaging to paper packaging.

【Walki Overview】

Company Name	Walki Holding Oy (Established in 1930)
Location	Ahventie 4 A 15 FIN-02170, Espoo, Finland / Manufacturing sites 17 plants in 8 countries
Business	Manufacture and sales of coating on paper, lamination, printing, and other processing
Annual Sales	705 million €(FY2022)
Number of Employees	Approx. 1,700

【Walki's 3 Businesses Areas】

Consumer packaging

Recyclable paper packaging materials with barrier properties for food and FMCG products



Industrial packaging

Functional paper packaging for industrial products



Engineered materials

High-performance heat insulators for the construction industry, automotive skin, etc.



*) Packaging and Packaging Waste Regulations (PPWR): EU regulation for a 50% recycling rate for packaging materials by 2025. Binding targets are proposed for the recycling rate for each material (85% by the end of 2030 for paper and cardboard).

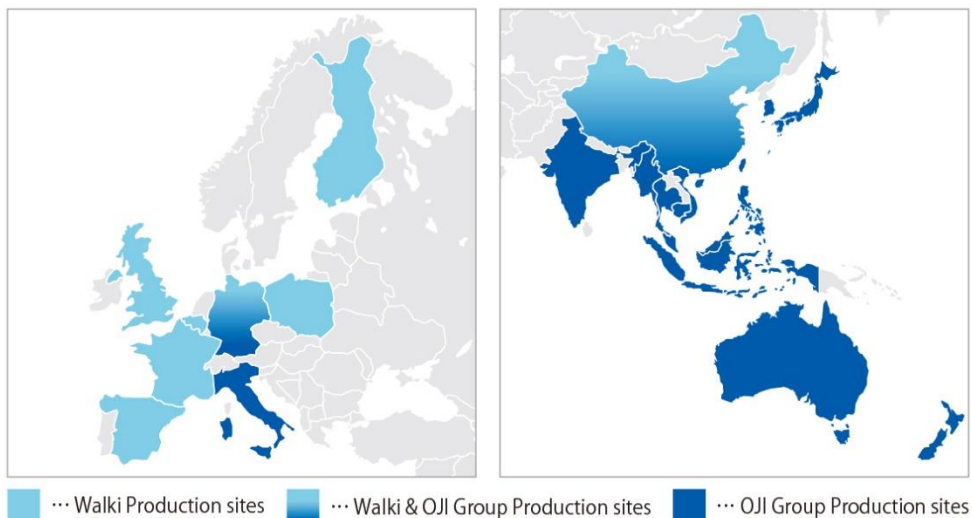
In the light of the proposed PPWR in Europe, packaging material manufacturers and brand owners are in a position to choose recyclable, reusable and compostable packaging.

Walki's R&D assets will also accelerate its technology innovation to meet the compliance of PPWR and contribute to ESG.

The implementation of packaging regulation in Europe is expected to reach Southeast Asia, India and Oceania by 2030. As of today, several countries have applied plastic packaging regulation to make the world greener. Demand of FMCG (Fast Moving Consumer Goods) brand owners headquartered in Europe in choosing environmentally friendly packaging in Southeast Asia is also anticipated to increase in the near future.

Oji is confident in being able to provide the requested solutions to those customers and to establish a leading position in Southeast Asian, Indian and Oceanian markets.

walki



Oji Group will continue to make further efforts in contributing to a sustainable society.

【Impact on the Financial Results in the Current Fiscal Year】

This matter will have a minor impact on forecast financial result for the fiscal year ending March 2024.

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