



## **Pixelle Specialty Solutions to Acquire Specialty Paper Business From Verso Corporation**

*Establishes Pixelle As Largest Specialty Papers Business in U.S.*

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Spring Grove, PA – November 12, 2019 – [Pixelle Specialty Solutions \(“Pixelle”\)](#), one of the largest specialty paper producers in North America in terms of annual production, has signed a definitive purchase agreement to acquire specialty paper mills in Jay (“Androscoggin”), ME and Stevens Point, WI from Verso Corporation. The transaction is anticipated to close in the first quarter of 2020.

The Androscoggin mill has the capacity to produce approximately 425,000 tons of paper per year and currently produces flexible packaging papers, release liner base, specialty labels, kraft papers and linerboard. The Stevens Point mill has the capacity to produce approximately 210,000 tons of paper per year and currently produces coated flexible packaging papers, release liner base, thermal papers, and other specialty labels.

Upon closing, Pixelle will be the largest specialty paper business in the U.S. in terms of annual production, with industry-leading positions in a broad range of products including high-speed inkjet, machine glazed (MG) & machine finished (MF) papers, release liner, thermal base paper, trade book paper, carbonless, greaseproof, and coated one side (C1S) specialties. Pixelle will operate four mills (Androscoggin, ME; Chillicothe, OH; Spring Grove, PA; and Stevens Point, WI), three of which have on-site pulp mills, with a total of 12 paper machines and the capacity to produce more than one million tons of paper annually in aggregate. Additional operations will include a converting facility in Fremont, OH and wood fiber sourcing operations in strategic wood baskets in Maine, Maryland, Ohio and West Virginia.

Pixelle was formed in 2018 by Lindsay Goldberg, a private investment firm that focuses on partnering with families, founders, and management teams seeking to actively build their businesses. Steven Klinger, a Lindsay Goldberg Affiliate Partner, and his management team have more than 150 years combined experience in the paper and packaging industries and have worked together previously at Georgia-Pacific and Smurfit-Stone. Lindsay Goldberg has significant prior experience investing and building value in the paper and packaging sectors. Notable investments include [Golden West Packaging Group](#) and Crown Paper Group, where Mr. Klinger also serves as Executive Chairman.

Mr. Klinger, commenting on the agreement to purchase the mills, said, “When we created Pixelle, we stated that we would leverage our differentiated, customized approach to manufacturing to help Pixelle build on its great reputation with customers and strengthen its positions in the specialty paper markets it serves. Since then, we have made significant

progress and we believe there are still many opportunities to continue to drive growth and enhance our operations. Through the addition of these two mills, we are positioning Pixelle for the future and look forward to continuing to be the best supplier and partner for our customers.”

Pixelle President Tim Hess added, “We are very excited about the new specialty capabilities and talented workforce that will be added to our portfolio. With Lindsay Goldberg’s resources, industry experience and management talent, combined with Pixelle’s skilled workforce and world class assets, we are building a high-performance, specialized business for our customers.”

Credit Suisse and Citizens Bank are serving as financial advisors and Cravath, Swaine & Moore is serving as legal advisor to Pixelle on the transaction.

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