



Appvion Completes Sale to Lender Group Led by Franklin Advisers

Paper Industry Veteran and Longtime Director George W. Wurtz III Appointed Chief Executive Officer

Former Appvion Executive Jim Tyrone Named Senior Vice President of Sales and Marketing

New Collective Bargaining Agreements with United Steelworkers Union Reached as Part of Sale

(Appleton, Wis., June 13, 2018) – Appvion (the “Company”) today announced completion of the sale of substantially all of the Company’s assets to a group of its lenders led by Franklin Advisers, Inc. (the “Purchaser”). The transaction will significantly reduce Appvion’s debt, provide additional liquidity, and better position the Company to compete long-term in the evolving specialty paper market and further invest in the innovation that has made it a market leader.

As previously announced, the sale was approved by the U.S. Bankruptcy Court for the District of Delaware on May 14, 2018. The total consideration was approximately \$365 million, plus the assumption of substantial liabilities, including many of the Company’s contractual obligations.

Ratification of New Collective Bargaining Agreements

Prior to the closing of the transaction, the Company reached agreement with the United Steelworkers Union on new collective bargaining agreements for Appvion’s manufacturing facilities in Appleton, Wisconsin, West Carrollton, Ohio, and Roaring Spring, Pennsylvania. The new three-year agreements, which were ratified at the end of May, cover approximately 830 Appvion employees.

Paper Industry Veterans Join Management Team

George W. Wurtz III, who has served as a member of Appvion’s board of directors for nearly seven years, has been named president, chief executive officer, and chairman of the Company’s newly-formed board. Jim Tyrone, who served as a senior vice president at Appvion from 2010 to 2012, has been named senior vice president of sales and marketing. These appointments are effective immediately.

“I would like to thank Kevin Gilligan for his leadership and many contributions during his tenure as CEO, helping Appvion navigate opportunities and challenges as well as its successful restructuring and sale process, and recognize Justin Merritt for his commitment to serving our customers as our sales and marketing lead through sale completion,” said George Wurtz.

“With nearly four decades of experience in the paper and packaging sector, George Wurtz brings a unique blend of deep industry, operational, and financial expertise to Appvion, along with broad knowledge of its capabilities and markets,” said Mark Boyadjian of Franklin Advisers. “We trust that George will engage Appvion’s strong leadership team and dedicated employees to best position the company for long-term growth and success.”

“I’m honored to have been selected as Appvion’s CEO,” said Wurtz. “This is a period of great opportunity for Appvion, as we have completed our sale and are positioned more strongly than ever. I look forward to working together with the leadership team, our talented employees, our valued suppliers, and our new owners to serve our customers and build this company’s future.”



Appvion and certain of its subsidiaries filed voluntary Chapter 11 cases on October 1, 2017 to facilitate a balance sheet restructuring and better position the business for long-term growth and success. On May 23, 2018, Appvion filed with the Bankruptcy Court a Chapter 11 Plan of Liquidation (the “Plan”) to wind down the cases while the Company continues to operate in the ordinary course. The proposed Plan and the previously approved global settlement among Appvion, the Purchaser, Franklin Advisers, the Official Committee of Unsecured Creditors, and holders of the Company’s \$250 million of second lien notes pave the way for completion of the Chapter 11 cases in an expeditious manner.

DLA Piper is serving as legal counsel to Appvion, Guggenheim is serving as the Company’s investment banker, and AlixPartners is providing Chief Restructuring Officer services. O’Melveny & Myers, PJT Partners LP, and MERU are serving as advisors to Franklin Advisers on the transaction.

About George W. Wurtz III

George Wurtz joined Appvion and Paperweight Development Corp. as a director in July 2011. Wurtz co-founded Soundview Paper Company, a manufacturer and distributor of finished paper products, where he previously served as chairman of the board of directors and chief executive officer. Prior to Soundview, Wurtz was the chief executive officer and president of WinCup, a leading manufacturer and distributor of a broad line of disposable foodservice products, and an executive vice president of Georgia-Pacific Corporation, a then publicly-traded leading maker of tissue, pulp, paper, packaging, building products, and related chemicals, after it acquired the James River Corporation / Fort James Corporation, where he had held a number of executive management positions.

In addition to serving as chairman of Appvion’s board, Wurtz is currently a director of Remington Outdoor Company, Mohawk Fine Papers, Bemis Company, and Urbanspace. He also serves as a director and as chairman of the State University of New York (SUNY) at Oswego Engineering Advisory Board.

Wurtz received a bachelor’s degree in industrial arts and technology from SUNY Oswego in 1978.

About Jim Tyrone

Jim Tyrone returns to Appvion with 36 years of management experience and an outstanding record of executive leadership in delivering strong market, financial, and operational results. He most recently served as executive vice president of commercial operations and business development for NewPage Corporation.

Tyrone’s career in the paper industry began with Mead Corporation, where he served as vice president and general manager of the carbonless paper business unit, president of the fine paper division, vice president of Mead’s paper division (all coated, carbonless, and uncoated paper products), and senior vice president of sales and marketing for MeadWestvaco Corporation prior to its spinoff of NewPage. His responsibilities included managing channel strategy, sales and profit margin growth, product improvements, organizational changes, productivity, throughput, and cost improvements.

Tyrone earned a master’s degree in business administration from Harvard University and a bachelor’s degree in chemical engineering from the University of Virginia.



About Appvion

Appvion creates product solutions through its development and use of coating formulations and applications. The Company produces thermal, carbonless, security, inkjet, digital specialty, and colored papers. Headquartered in Appleton, Wisconsin and employing approximately 1,250 people, Appvion operates coating and converting plants there and in West Carrollton, Ohio and a pulp and paper mill in Roaring Spring, Pennsylvania. In connection with the consummation of the sale, the Company has changed its legal name to Appvion Operations, Inc. but will continue to do business as Appvion. For more information on Appvion, visit www.appvion.com.

Media Contacts: Bill Van Den Brandt
Senior Manager, Corporate Communications
(920) 991-8613
bvandenbrandt@appvion.com

Finsbury
Kal Goldberg / Sherri L. Toub / Nick Leasure
(646) 805-2854

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