

Velvet CARE sees 2023 sales rising to around €335 million as Partners Group completes acquisition

Klucze, Poland, March 5 2024 – Velvet CARE, Central Europe’s fastest-growing consumer tissue producer, said its 2023 sales grew to around PLN 1.5 billion (€335 million), confirming its solid growth trajectory as Partners Group, a leading global private markets firm, completed its earlier announced acquisition of the company.

Velvet CARE saw growth both in exports and on Poland’s domestic market, and across the company’s product portfolio, including branded products and manufacturing of private-label products for retailers. Record sales from the company’s Czech unit Moracell also contributed to the result.

Partners Group, which agreed in December to acquire Velvet CARE on behalf of its clients from Abris Capital Partners, has announced that it plans to use the company as a platform for expansion in Europe. The current management board, including **CEO Artur Pielak**, will remain in place, while Partners Group will appoint new supervisory board members.

“We’re extremely proud of our solid sales growth – for the 10th year in a row!” Pielak said. “This is very special moment for us: a new partner, new opportunities and new ambitions, and we are excited to write the next chapter of Velvet CARE’s history. We’re looking forward to support from the new supervisory board members and the rest of the Partners Group team as we accelerate our growth, continuing to pursue our mission of building the Central European leader in this sector and seeking opportunities elsewhere on the continent.”

ESG highlights of 2023 for the company included certification in October as a B Corp, making Velvet CARE the first major European company in its industry to achieve the coveted status reflecting its environmental, social and governance priorities. Earlier Velvet CARE had earned a Gold Medal from EcoVadis, placing in the top 5% of rated companies on the scorecard measured by the world’s largest provider of business sustainability ratings.

Velvet CARE has reduced emissions and water usage per tonne of output by half since 2013, while increasing tissue production by four times.

Headquarters:
Klucze-Osada 3; 32-310 Klucze, Poland
phone: +48 32 758 71 00

Commercial Office:
SKYLIGHT Złote Tarasy, ul. Złota 59, 00-120 Warsaw, Poland
phone: +48 22 461 27 00

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The company plans to continue expanding its sales in Central Europe, by playing an active role in the further consolidation of the region's hygiene tissue manufacturing market. Velvet CARE will also pursue organic growth, with plans including a fourth tissue machine at its main facility in Klucze, Poland.

Founded in 2013 and with roots stretching back more than a century, Velvet CARE is one of the largest manufacturers of hygiene tissue products in Central Europe, with about 900 employees in Poland and Czechia. The past five years have been marked by dynamic growth, driven by investment in top-class, proven production technology, infrastructure and automation, which allowed a significant increase in the scale of production.

Velvet CARE's product portfolio includes toilet paper, paper towels, paper tissues and moist toilet paper. Its Velvet brand has enjoyed great popularity in Poland for the past 26 years, and the company also produces for private labels. Velvet CARE has two factories, in Klucze, Poland and Žabčice, Czechia, and sells its products on about 30 markets, mainly in Europe.

English-language media contact:

Paweł Kozłowski

Aldgate Strategy Group

+48 601 957 807

pawel.kozlowski@aldgate.eu

About Velvet CARE

Founded in 2013, with roots stretching back more than a century, Velvet CARE makes toilet paper, kitchen towels and facial tissue, and is the Polish market leader in branded paper hygiene products. The company has total annual capacity of up to 150,000 tonnes, and sells its products in about 30 countries. Velvet CARE's main production facility in Klucze, southern Poland, was founded in 1897. It was acquired by International Paper during Poland's transition from communism in the mid-1990s. In 2003, the investor sold the company to fellow US-based giant Kimberly-Clark. The current company was established 10 years later in a management buyout. Velvet CARE has now been acquired by Partners Group, a leading global private markets firm, in a deal announced in December 2023 and finalised in March 2024.

Velvet CARE has its commercial office in Warsaw and production facilities in two locations: Klucze in southern Poland, and its Moracell unit in Žabčice, near Brno in the Czech Republic. The company's Velvet label is Poland's top brand in the hygiene paper category.

The Klucze paper plant is one of the largest in Central Europe, with almost 100,000 square metres of production and warehouse buildings on 40 hectares of land. Since 2016 it has been part of the Special Economic Zone/Polish Investment Zone, qualifying it for investment incentives.

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About Partners Group

Partners Group is a leading global private markets firm. Since 1996, the firm has invested USD 210 billion in private equity, private real estate, private debt and private infrastructure on behalf of its clients globally. Partners Group seeks to generate attractive returns through capitalizing on thematic growth trends and transforming attractive businesses and assets into market leaders. The firm is a committed, responsible investor and aims to create sustainable returns with lasting, positive impact for all its stakeholders. With USD 147 billion in assets under management as of 31 December 2023, Partners Group provides an innovative range of bespoke client solutions to institutional investors, sovereign wealth funds, family offices and private individuals globally. The firm employs more than 1,900 diverse professionals across 20 offices worldwide and has regional headquarters in Baar-Zug, Switzerland; Denver, USA; and Singapore. It has been listed on the SIX Swiss Exchange since 2006 (symbol: PGHN). For more information, please visit www.partnersgroup.com or follow us on [LinkedIn](#).

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phone: +48 22 461 27 00

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Velvet CARE sp. z o. o. - headquarters in Klucze, registered at the District Court for Kraków - Śródmieście
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