

PRESS RELEASE

Progroup builds new corrugated sheetfeeder plant in south-west Germany

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- **Sustainable packaging park is being constructed in Petersberg near Pirmasens**
- **State-of-the-art corrugated board production from 2023**
- **Progroup invests more than 90 million euros in the new building**

Landau, 31 August 2021 – Progroup is starting the preparations for the construction of the PW15 corrugated sheetfeeder plant which is going to be constructed near the villages of Petersberg and Höheischweiler (Rhineland-Palatinate, Germany). From the second quarter of 2023, up to 500 million square metres of corrugated board sheets per year are expected to be produced here. Around 60 new jobs for highly skilled employees and apprentices are set to be created at the plant, which will cover around 28,000 square metres. The company is investing more than 90 million euros in the new building and is thus continuing to pursue its growth strategy.

The modern production facility will be constructed right next to the plant of the packaging manufacturer G&G Preier. “The proximity to G&G Preier played an important role in our decision to choose this location. In interlinking our logistics and production processes, we see great potential for operating even more sustainably and efficiently,” says Maximilian Heindl, Chief Development Officer and Deputy CEO of Progroup.

The cooperation between both companies will create a new packaging park on the site in which the neighbouring packaging manufacturer will receive deliveries of corrugated board from Progroup just-in-time via a direct link.

New packaging park for sustainable products and production

The new PW15 plant will manufacture almost all customary grades of corrugated board. The planned production speed is 400 m/min with a working width of 3.35 metres. The production line is designed among other things to produce single-wall and double-wall Next Board® corrugated board sheets with B, C, E and F flutes and smaller grammages in all combinations. Next Board® corrugated boards are renowned for much lower use of energy and raw materials and in production and transport they reduce the CO₂ emissions per tonne of corrugated board by 26 per cent on average – and do this with enhanced strength figures.

In the long term, Progroup is striving to achieve carbon-neutral recycling. To do this, the company is investing around two million euros in state-of-the-art, resource-saving

production methods at its new site. For example, Progroup is planning to use an efficient trigeneration system. This will save the use of fossil fuels and at the same time reduce CO₂ emissions by utilising energy efficiently.

The building envelope of PW15 will meet high energy standards in order to reduce heating energy in winter and the energy required for cooling in summer. There will also be air-conditioning units with efficient heat recovery systems and modern air circulation concepts. With these investments in sustainable, resource-saving production, the new plant will seamlessly continue the company's Green Hightech strategy.

Highly automated plant for a good working environment

When it is fully up and running, the production at the new plant will feature one of the highest levels of automation in the industry. This will be achieved with modern production facilities, fully automatic transport systems as well as high-bay warehouse technology and process control systems to link everything together.

PW15 as the next milestone in Progroup's growth strategy

"With PW15, Progroup will not only boost the Palatinate region as a business location, but at the same time it will expand its position in the market in northern France and southern Germany," says Jürgen Heindl, Chief Executive Officer of Progroup. "We are consistently pursuing our growth strategy so that we can offer our customers the high reliability of supply and impressive product quality they are used to and at the same time attract new groups of customers." The company plans to double in size by 2025 compared to 2015. The plan is to create more than 500 new jobs over this period. The level of investment is around 1.5 billion euros. Current growth projects: By 2024, the plan is to commission four large plants in Poland, Germany, France and Italy and continue to accelerate Progroup's growth in the respective markets.

About Progroup

Progroup AG, located in Landau in the German state of Rhineland-Palatinate, Germany, is one of the leading manufacturers of containerboard and corrugated board in Europe. Since it was founded in 1991 in Offenbach/Queich, the company has been pursuing a consistent growth strategy which, in addition to technological leadership, is also based on the use of innovative and environmentally friendly production technologies. Progroup operates production sites in six countries in Central Europe. These currently include three paper factories, eleven corrugated sheetfeeder plants, a logistics company and an RDF power station. With 1,455 employees, the company generated sales of around 881 million euros in 2020.

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