



Seale & Associates

PAPER INDUSTRY
Q1 2023
VALUATION UPDATE

Introduction

We are pleased to share our Paper Industry Multiples Valuation Update for Q1 2023.

At Seale & Associates, we are committed to providing process-driven solutions designed to optimize value and achieve our clients' strategic objectives in a range of transactions including Mergers, Acquisitions, Divestitures and Carve-Outs, Business Sales, Recapitalizations, and Joint Ventures, among other corporate finance and strategy consulting services.

Over the course of 23+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our Paper Industry clients that are looking to grow through acquisitions or optimize their portfolios through strategic divestitures.

Seale has extensive experience advising leading multinational companies, private equity firms and family-owned businesses across a wide range of industries.



James A. Seale | President
jseale@sealeassociates.com



Brett M. Carmel | Senior Managing Director
bcarmel@sealeassociates.com



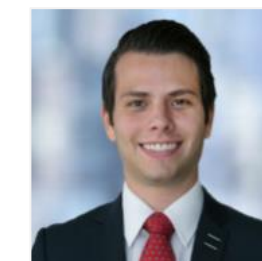
Robert Whitney | Managing Director
rwhitney@sealeassociates.com



Sergio Garcia del Bosque | Managing Director
sgarcia@sealeassociates.com















Carlos Hernández | Managing Director
chernandez@sealeassociates.com









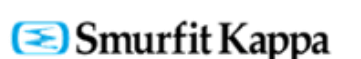


Alejandro Montemayor | Vice President
amontemayor@sealeassociates.com

Pulp & Paper Global Comparable Public Companies

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		First Quarter Mar. 31, 2023		
						2021	2022	EV/EBITDA	EV/Revenue	
Empresas CMPC S.A.	 CHL	\$4,192	\$8,846	\$7,821	21.6%	16.9x	5.4x	4.8x	1.1x	
Iberpapel Gestión, S.A.	 ESP	\$189	\$146	\$315	10.2%	12.7x	8.6x	4.5x	0.5x	
JK Paper Limited	 IND	\$787	\$999	\$725	31.5%	7.6x	6.9x	4.3x	1.4x	
Klabin S.A.	 BRA	\$3,948	\$8,825	\$3,789	38.5%	10.4x	6.6x	5.6x	2.2x	
Mercer International Inc.	 CAN	\$646	\$1,661	\$2,281	23.6%	7.8x	3.4x	3.0x	0.7x	
Nippon Paper Industries Co., Ltd.	 JPN	\$889	\$6,976	\$8,497	4.3%	10.0x	10.4x	16.1x	0.8x	
Sappi Limited	 ZAF	\$1,475	\$2,666	\$7,259	14.8%	10.5x	4.4x	2.5x	0.4x	
Semapa - Sociedade de Investimento e Gestão, SGPS, S.A.	 PRT	\$1,187	\$2,469	\$3,337	26.2%	6.3x	4.3x	2.7x	0.7x	
Suzano S.A.	 BRA	\$10,757	\$23,359	\$9,426	56.4%	9.1x	5.5x	4.1x	2.4x	
Svenska Cellulosa Aktiebolaget SCA (publ)	 SWE	\$9,264	\$10,394	\$2,203	35.8%	38.0x	14.7x	12.9x	4.7x	
The Navigator Company, S.A.	 PRT	\$2,547	\$3,029	\$2,634	29.0%	10.2x	7.4x	3.9x	1.1x	
UPM-Kymmene Oyj	 FIN	\$17,934	\$21,565	\$12,525	20.7%	12.4x	11.1x	7.9x	1.7x	
						Mean	9.7x	6.7x	4.3x	1.2x
						Median	10.1x	6.6x	4.2x	1.1x

■ Excluded from mean and median

Paper Products Global Comparable Public Companies

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		First Quarter Mar. 31, 2023		
						2021	2022	EV/EBITDA	EV/Revenue	
Clearwater Paper Corporation	 USA	\$560	\$1,120	\$2,080	10.6%	5.4x	5.6x	4.7x	0.5x	
International Paper Company	 USA	\$12,598	\$17,803	\$21,161	14.1%	8.3x	5.9x	5.5x	0.8x	
Irani Papel e Embalagem S.A.	 BRA	\$417	\$568	\$319	31.0%	7.5x	4.6x	5.4x	1.7x	
Metsä Board Oyj	 FIN	\$3,034	\$3,328	\$2,657	15.5%	9.7x	6.8x	5.5x	1.2x	
Miquel y Costas & Miquel, S.A.	 ESP	\$508	\$524	\$362	17.4%	5.9x	5.6x	8.2x	1.4x	
Mondi plc	 GBR	\$7,692	\$9,299	\$9,514	18.6%	9.4x	6.8x	5.1x	1.0x	
Smurfit Kappa Group Plc	 IRL	\$9,321	\$12,598	\$13,696	16.9%	9.6x	7.4x	5.1x	0.9x	
Stora Enso Oyj	 FIN	\$10,546	\$12,746	\$12,483	18.3%	12.3x	7.5x	4.9x	1.0x	
Sylvamo Corporation	 USA	\$1,960	\$2,673	\$3,628	18.8%	3.4x	4.3x	3.6x	0.7x	
■ Excluded from mean and median						Mean	7.4x	6.1x	5.3x	1.0x
						Median	7.9x	5.9x	5.1x	1.0x

Paper – Q1 Global Transactions

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Mar-23		CAN	Provides a diverse range of wood, pulp, tissue and paper products		-	100.0%	-	-	-
Feb-23	Dryden Pulp Mill of Domtar Corporation	CAN	Operates as a pulp mill			100.0%	-	-	-
Feb-23		USA	Offer paper and parchment products to the foodservice industry	hoffmaster®	-	100.0%	-	-	-
Feb-23		PRT	Manufactures core board paper and color paper			100.0%	-	-	-
Feb-23	Goma Camps Cosumer SL, Goma Camps France	ESP	Manufactures paper and paper products			100.0%	\$92.8	-	0.7x
Jan-23		CHE	Manufactures paper and paper products	Undisclosed		50.0%	\$484.0	-	-
Jan-23	Marubeni Office Supply	JPN	Manufactures and sales recording paper for cash registers, ATMs, handy terminals, facsimiles, and other office equipment		Marubeni	50.1%	\$18.5	-	-
Jan-23		USA	Produces wood pulp	Charlestown Investments Limited		100.0%	-	-	-
Jan-23		USA	Manufactures and distributes paper products		-	100.0%	-	-	-

Representative Global Engagements

 has acquired 	 has acquired 	 has sold Triumph Processing - Embee Division to All Metals Processing of Orange County	 has sold Triumph Air Repair & Triumph Engines businesses to 	 has acquired unified brands from 	 has partnered with ROVENSA — WELL-BALANCED AGRICULTURE — a company backed by 	 has acquired 	 has sold the North American guarding business of to 	 has sold to 	 has sold to 	 a subsidiary of has sold HTPG A division of Carrier Commercial Refrigeration, Inc. to
 has sold to Daives Baird Pty Ltd a sister company of 	 has acquired Wabi Wabi Development Corporation	 has sold JJI JAMES BURN INTERNATIONAL to Code Flower Inc.	 has sold its GRACE Membranes Business UOP a subsidiary of 	 has sold BURNY KALIBURN and CNC Cleveland Motion Controls to LINCOLN ELECTRIC	 has sold a controlling interest to WM WASTE MANAGEMENT	 has been acquired by ENSTRUCTURE	 has sold SENSI-CARE and ALOE+VESTA to MEDLINE	 has sold their Sanitaryware Manufacturing Plant to corona	 has acquired Multiple snack companies WISE DEEPRIVER Capital County Brands	 has sold UNITEC ELEVATOR SAFETY • INTEGRITY • EXPERIENCE to PACIFIC AVENUE CAPITAL PARTNERS
 has sold Commercial Flight Training Business to ALTEON A BOEING COMPANY	 has been acquired by DHL	 has sold Oxbow Sulphur, Inc. to H.J.BAKER	 has been acquired by Fortune Brands Home & Security	 has sold NEVEX to KPAC Holdings, Inc. A private investment group	 Engineers & Constructors has acquired ALEGRO PROJECTS LIMITED	 has acquired CENTURY 21 REALTY holding real estate	 has acquired StirlingLloyd	 has sold its SYCAR Resins business to National Starch & Chemical A member of the ICI Group	 has sold NEGRI BOSSI™ to Private Equity Partners	 has been acquired by ACSmith.
 has agreed to sell VITROMEX to MOHAWK INDUSTRIES, INC.	 has acquired KFC KFC Costa Rica from QSR	 has been acquired by LAMOSA	 has sold Enginetics to Enjet AERO	 has sold the Films Business of ATPlastics to bpi	 has been acquired by IMCD	 has sold CUPRUM PRODUCTOS PLASTICOS to NMM	 Oxbow's Senior Subordinated debt issued by H.J.BAKER was refinanced by BMO	 has sold maestro health to MARPAI	 has acquired Fulflex YOUR ELASTICS EXPERT from THE MOORE COMPANY	 sold its concrete pumping business to PUMPING TEAM

Advisor to Leading Companies Worldwide



Contact



Headquarters

901 N. Glebe Road
Piso 5
Arlington, Virginia
+1 (703) 294 6770



Latin America Office

Av. Javier Barros Sierra 495
Piso 3
Park Plaza III
Ciudad de México



Monterrey Office

Av. Lázaro Cárdenas 2225
Piso 3
San Pedro Garza García, N.L.

Please contact us if you would like further information about M&A trends and/or specific transaction multiples for your industry

© Seale & Associates

Washington, D.C. | Miami | Cincinnati | Mexico City | Monterrey

Creative Solutions. Trusted Advice.

Founded in 1999, Seale & Associates is a leading global investment bank with extensive experience in mergers and acquisitions and corporate finance advisory services. Seale has an outstanding track record closing hundreds of sell-side and buy-side transactions, more than US\$50 billion in value, across a wide range of industries around the world. Our professionals are trusted advisors maintaining the highest quality and utmost integrity.

+20

YEARS OF EXPERIENCE

+\$40

BILLION CLOSED
TRANSACTIONS GLOBALLY

SERVICES AND SOLUTIONS

- Mergers & Acquisitions
- Divestitures
- Joint Ventures / Alliances
- Takeover Defense Support

- Due Diligence / Support
- Expert Witness Testimony
- Corporate Finance Advisory
- Strategy Consulting

Trusted Advisor to Leading Companies Worldwide

We have worked repeatedly with many of the most well-known companies in the world...

...as well as with many funds, family-offices and privately held companies.



Seale & Associates

Creative Solutions. Trusted Advice.