

Seale & Associates

Creative Solutions. Trusted Advice.

**PAPER
INDUSTRY**

**Q1
2021**

**VALUATION
UPDATE**

INTRODUCTION

We are pleased to share our Paper Industry Valuation Update for Q1 2021.

At Seale & Associates, we are committed to provide process-driven solutions designed to optimize value and achieve our clients' strategic objectives on 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 20 years we have been successfully serving clients all over the world, and we are delighted to provide investment banking advisory services to our Paper Industry clients that are looking to grow through acquisitions or optimize their portfolio through strategic divestitures.

Seale has extensive experience advising companies that engage in the production and distribution of paper, and those that engage in printed media, such as newspapers and magazines. Additionally, Seale has advised leading multinationals, private equity firms and family owned businesses across a wide range of industries.

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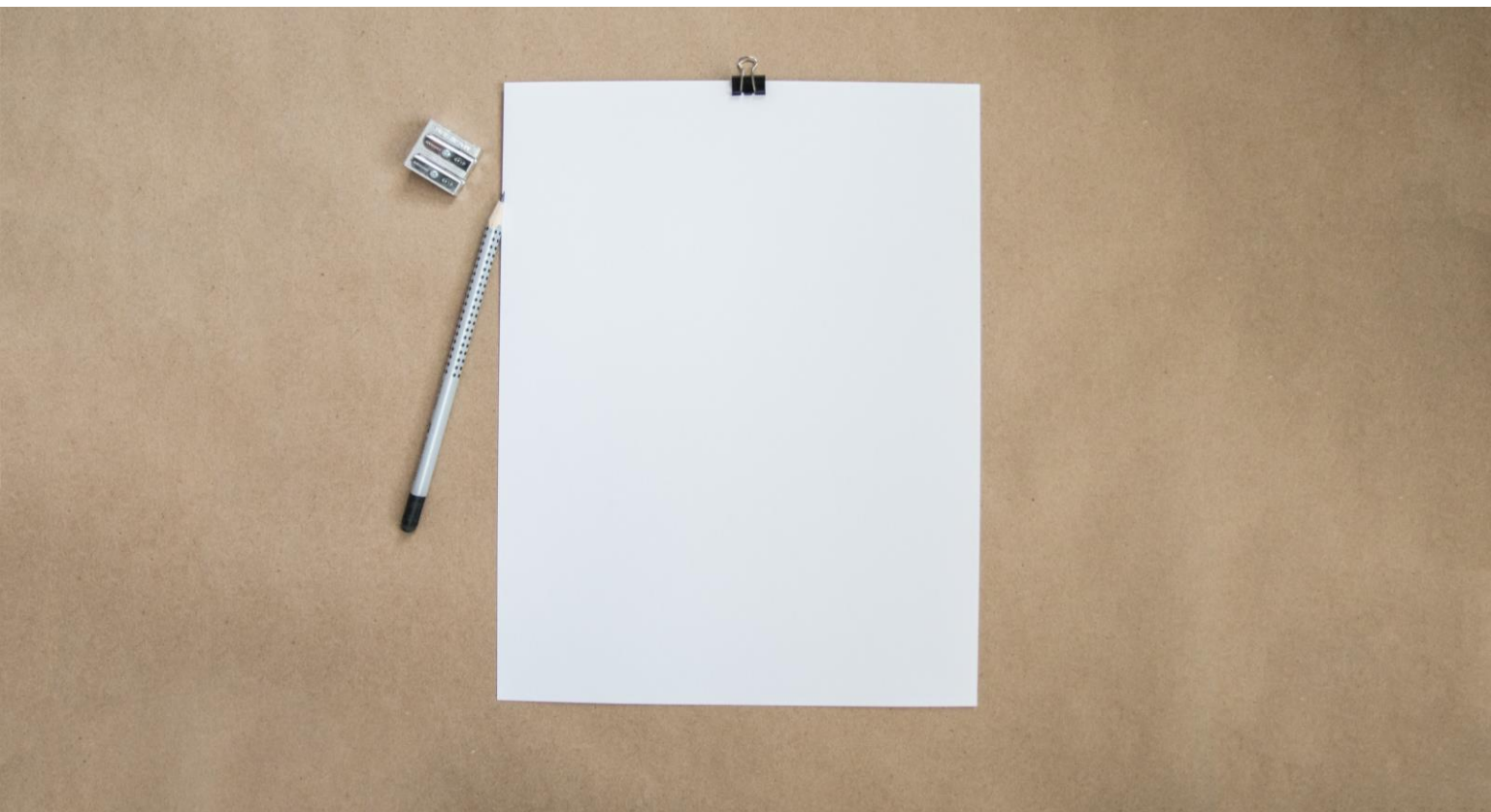
COMPARABLE PUBLIC COMPANIES- GLOBAL

Company	Country	Market Cap. US\$MM	Enterprise Value US\$MM	Revenue US\$MM	EBITDA Margin	Annual Average EV/EBITDA		First Quarter Mar. 31, 2021		
						2019	2020	EV/EBITDA	EV/Revenue	
Bio Pappel, S.A.B. de C.V.	 MEX	\$14,788	\$1,046	\$1,378	16.7%	2.7x	2.5x	4.7x	0.8x	
Clearwater Paper Corporation	 USA	\$625	\$1,376	\$1,869	14.1%	7.0x	7.5x	4.9x	0.7x	
Domtar Corporation	 USA	\$1,856	\$2,714	\$3,652	7.9%	4.6x	5.3x	8.9x	0.7x	
Empresas CMPC S.A.	 CHL	\$8,039	\$11,312	\$5,287	11.6%	8.1x	12.4x	NR	2.2x	
Iberpapel Gestión, S.A.	 ESP	\$245	\$212	\$191	7.7%	5.5x	5.8x	15.0x	1.2x	
International Paper Company	 USA	\$21,241	\$29,216	\$20,580	14.5%	6.5x	6.1x	8.8x	1.4x	
Irani Papel e Embalagem S.A.	 BRA	\$251	\$297	\$198	19.8%	6.5x	7.3x	8.1x	1.6x	
Metsä Board Oyj	 FIN	\$3,878	\$4,157	\$2,315	16.0%	7.1x	10.0x	11.5x	1.9x	
Miquel y Costas & Miquel, S.A.	 ESP	\$537	\$524	\$337	27.1%	7.8x	6.0x	6.0x	1.6x	
Mondi plc	 GBR	\$12,358	\$15,043	\$8,150	19.8%	6.9x	7.0x	9.1x	1.8x	
Neenah, Inc.	 USA	\$865	\$1,044	\$793	12.8%	11.1x	8.8x	9.7x	1.3x	
Nippon Paper Industries Co., Ltd.	 JPN	\$1,385	\$8,312	\$9,675	8.3%	9.6x	8.8x	10.5x	0.9x	
Glatfelter Corporation	 USA	\$761	\$990	\$916	12.3%	10.4x	8.0x	8.3x	1.1x	
Semapa	 PRT	\$1,106	\$3,015	\$2,288	19.2%	5.9x	6.1x	6.3x	1.4x	
Smurfit Kappa Group Plc	 IRL	\$12,128	\$14,942	\$10,434	16.0%	6.4x	7.2x	8.8x	1.5x	
Stora Enso Oyj	 FIN	\$15,031	\$18,645	\$10,146	9.9%	6.7x	8.7x	14.7x	1.9x	
Svenska Cellulosa Aktiebolaget SCA (publ)	 SWE	\$12,453	\$13,434	\$2,425	9.7%	14.0x	NR	NR	5.9x	
The Navigator Company, S.A.	 PRT	\$2,329	\$3,190	\$1,695	19.1%	7.7x	7.6x	10.3x	2.0x	
UPM-Kymmene Oyj	 FIN	\$19,173	\$19,741	\$10,495	14.5%	7.8x	8.9x	12.7x	2.0x	
NR: Not Relevant						Mean	7.5x	7.4x	9.3x	1.7x
						Median	7.0x	7.4x	8.9x	1.5x



PAPER – Q1 GLOBAL TRANSACTIONS

Date	Target	Country	Description	Seller	Buyer	Additional Notes
Mar-21	Ferguson Paper Co.	USA	Produces paper rolls for cash registers, adding machines, and desk calculators	Ferguson Paper Co.		-
Mar-21	Industrias de transformación de Andoain S.A.	ESP	Manufactures release liners and paper			Acquired for US\$247.5 million. EV/Revenue: 2.1x
Feb-21	Semapa - Sociedade de Investimento e Gestão, SGPS, S.A.	PRT	Produces and sells uncoated wood free printing and writing paper			Acquired an additional 26.8% stake for US\$2.7 billion. EV/EBITDA: 6.7x. EV/Revenue: 1.4x
Feb-21	Carbonless Rolls and Security Papers Business of Appvion Operations, Inc.	USA	Comprises paper manufacturing products and solutions			-
Feb-21	International Paper - Kwidzyn Sp. z o.o.	POL	Manufactures paper products			Acquired for US\$852.0 million. EV/EBITDA: 7.6x. EV/Revenue: 1.4x
Feb-21	Worcester Envelope Company	USA	Manufactures envelopes			-
Feb-21	Tailormade Design Limited	GBR	Offers hand embellished greeting cards and paper products	Tailormade Design Limited	Sandbox Group LLC	-
Feb-21	Corex US LLC	USA	Offers paper cores, edge protectors, consumer packaging applications, and board solutions			-



REPRESENTATIVE GLOBAL ENGAGEMENTS

Honeywell
has sold
TENSOR
to

GE Power Systems


has acquired



has acquired



has acquired



has sold
 **JAMES BURN INTERNATIONAL**
to

and
JBI Holding SAS




has been acquired by



has partnered with

a subsidiary of
FEMSA


has acquired



has acquired







acquired
The Zinc Recycling Business
of



has been acquired by
FEMSA

Grupo Educativo IEJV
UNIVERSIDAD JOSÉ VASCONCELOS

has been acquired by
NACER GLOBAL


a subsidiary of

has sold
HTPG
to
 and 


has been recapitalized by


tyco
has sold the North American guarding business of

to
GARDA


Engineers & Constructors
has acquired



has been acquired by



has been acquired by



has been acquired by
COLFAX


has sold Cosmoceel Química to

a business unit of
ICL

intelectiva
has acquired

KFC Costa Rica
from
QSR


has carved out and sold its concrete pumping assets in Mexico to



has acquired
  
dealers of



Holding company of
sanfer
acquired a majority stake in



has been acquired by



Grupo Galaz, S.A de C.V.
has been acquired by



has acquired
workshop and store in Mexico City from





has been acquired by



merged its beverage division with

FEMSA


has sold its sanitaryware business
ST. THOMAS CREATIONS
and

to


Seale & Associates

Creative Solutions. Trusted Advice.

Since 1999, **Seale & Associates** has been the trusted advisor to respected public and private companies from around the world. Seale is a global investment bank with extensive experience in mergers and acquisitions (M&A), corporate finance advisory, and enterprise level strategy consulting with a track record of success in a diverse range of industries. Our experienced team of professionals are committed to serving clients with excellence and integrity, while offering innovative ideas and solutions to address complex transactions.

ADVISOR TO LEADING COMPANIES WORLDWIDE



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

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