

***This report has been issued for information purposes only and is not intended to constitute investment advice. It is based on estimates and forecasts of third parties regarding revenues, earnings and business developments. Such estimates and forecasts cannot be independently verified by reason of the subjective character. CPH Chemie + Papier Holding AG gives no guarantee, representation or warranty and is not responsible or liable as to its accuracy and completeness.***

***This report is not a prospectus within the meaning of art. 652a CO or art. 27 et seq. of the SIX Listing Rules. This document is neither an advice on investment, nor a recommendation or invitation for purchasing, holding or selling any securities, money market instruments or derivatives and no investment decision should be based on this report. This report speaks as of its date. Neither CPH Chemie + Papier Holding AG nor Dynamics Group AG assume any responsibility to up-date the report.***

# CPH Chemie + Papier Holding AG

Switzerland | Industrial Goods & Services

## Event Update

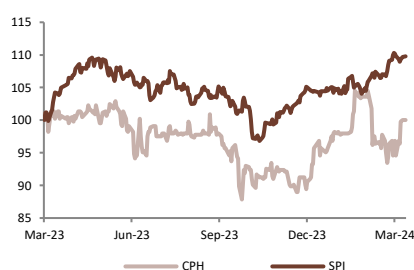
26 March 2024

### Company Data

Price:	CHF 88.80
Market Cap:	CHF 533.2mn
Free Float:	11.1%
No. of shares:	6.0mn
Avg. traded volume (30 day):	2,561.0
Bloomberg:	CPHN SW
Reuters:	CPHN-EB
ISIN:	CH0001624714

Source: SIX Swiss Exchange and Bloomberg

### Share Price Development



Source: Bloomberg

### Key Financial Data

	2022	2023	2024E	2025E
Sales	725.4	624.0	573.3	641.5
EBITDA %	18.1%	16.3%	9.2%	11.2%
EBIT %	15.5%	13.3%	5.5%	7.8%
Net Margin %	13.9%	12.6%	4.1%	6.7%
Basic EPS	16.83	13.15	3.96	7.12
Diluted EPS	16.83	13.15	3.96	7.12
DPS	4.50	4.00	1.20	1.80
Equity Ratio %	59.8%	72.9%	73.1%	73.4%
Capex	(29.6)	(15.6)	(27.4)	(32.7)
P/Sales	0.7x	0.8x	0.9x	0.8x
P/E	5.0x	6.4x	21.4x	11.9x
EV/EBITDA	3.4x	4.4x	8.2x	6.0x

Source: Research Dynamics, Company data

### Next Events

Annual General Meeting	20 Mar 2024
Investor Day	11 June 2024
Extraordinary General Meeting	20 June 2024
1H24 Results	18 July 2024

### Analysts

Doris Rudischhauser  
dru@researchdynamics.ch

Alexandre Müller  
amu@researchdynamics.ch

Tel: +41 43 268 3232

[www.researchdynamics.ch](http://www.researchdynamics.ch)

## CPH Chemie + Papier Holding AG (CPH) announces plan to separate Paper business from Chemistry and Packaging activities

### Deal Overview

On 20 March 2024, CPH Chemie + Papier Holding AG's (CPH) Board of Directors announced its intention to separate the Perlen Paper business from the Chemistry and Packaging activities business through spin-off. It is intended that, following the separation, CPH (excluding the Paper business) shall be renamed CPH Group AG and retain the Chemistry and Packaging divisions. On the other hand, the spin-off entity shall focus on the Paper business and the real estate in Perlen, Switzerland, under the name of Perlen Industrieholding AG.

The spin-off transaction separates the Paper business from the Chemistry and Packaging activities. This separation will be achieved by distributing shares of Perlen Industrieholding AG (the spin-off entity) to all existing CPH shareholders as a dividend. Post separation, CPH Group AG shall continue to be listed on SIX Swiss Exchange, while Perlen Industrie-holding AG) shares will be tradable over-the-counter via an appropriate platform.

The planned transaction aligns with the Board of Directors' efforts towards restructuring its business and creating two independent, focused companies. It will not impact the day-to-day operations of the Chemistry, Packaging, and Paper divisions. Market presence and brand identities will remain consistent, such as Zeochem for Chemistry, Perlen Packaging for Packaging, and Perlen Papier AG for Paper. The restructuring of the holding will not bring about any alterations for the independently operating companies' employees, customers, or business partners.

The transaction is anticipated to be completed by the end of the second quarter of 2024, subject to shareholder approval and customary regulatory approvals. CPH will convene an Extraordinary General Meeting for shareholder approval of the spin-off on 20 June 2024 and is anticipated to share additional information and specifics regarding the intended transaction and governance frameworks with the invitation to the Extraordinary General Meeting.

### Deal Rationale

CPH (parent) currently operates through three distinct divisions across diverse markets: the Chemistry division, which contributes 20.0% of FY23 sales; Packaging, which contributes 38.0% of sales; and the Paper division, accounting for ~42.0% of total sales.

The Chemistry and Packaging divisions have demonstrated remarkable growth over the past five years, boasting sales compound annual growth rates (CAGRs) of 9.7% and 9.1%, respectively. Their strategic positioning within global niche markets has undoubtedly contributed to this success. In contrast, the Paper Division's performance was very volatile due to a market characterized by declining demand and fluctuating capacity as more and more companies exit the market. Furthermore, a similarly positive trend is observed in the EBIT margin development across the Packaging and Chemical segments. In Packaging, the EBIT margin has more than doubled from 5.6% in FY19 to 12.7% in FY23, and in Chemical, it increased from 11.3% in FY19 to 15.2% in FY23. Conversely, the Paper segment with an EBIT margin of 11.6% in FY23 has been very volatile in the last years due to its market environment. These fluctuations within the Paper sector present challenges in reliably projecting the Group's earnings trajectory over time. Through the planned spin-off, management would be able to thoroughly assess the market dynamics and take strategic measures to mitigate these uncertainties and sustain overall profitability.

### Focus on high growth and superior margin business

CPH Group AG will consist of a Chemical and Packaging business after separation. The segments are performing well, with targeted revenue growth of 3.0%-5.0% per year, EBITDA margins of 16.0%-18.0% and high growth in free cash flows. In the Chemical segment, Zeochem is a leading global supplier of chemicals, offering diverse products across industries. On the other hand, in the Packaging division, Perlen Packaging ranks third globally in innovative high-barrier blister films, especially for pharmaceuticals known for their quality, reliability, and innovation. By combining the Chemical and Packaging division, CPH Group AG will continue to pursue its differentiation strategy with a focus on international niche markets that offer above-average growth opportunities both organically and through acquisitions. Post-

separation, the CPH Group AG entity will be a focused growth company with a good market position in attractive niche markets.

#### **Strategic focus and prospects for Perlen Industrieholding AG post-separation**

Conversely, the Paper division operates within an industry marked by intense competition, where companies vie for market share and profitability. Despite these challenges, the division is committed to attaining and upholding cost leadership within its sales markets, which primarily encompass Switzerland and the surrounding border regions.

Following the separation, Perlen Industrieholding AG continues to leverage its competitive advantages, such as Perlen Papier's nearly CO<sub>2</sub>-neutral operations, distinguishing it from competitors. This capability allows Perlen Industrieholding AG to effectively navigate the paper industry's volatility amidst declining demand. Additionally, the strategic plan entails optimising the utilisation of the Perlen site and expanding complementary industrial activities.

The new entity will also be nearly debt-free with substantial net liquidity, an equity ratio of approximately 80%, and backing from the long-term family shareholders. Moreover, post-separation, Perlen Industrieholding AG plans to distribute dividends based on performance, free cash flow and liquidity while providing regular updates on business performance, making it attractive for investors.

#### **Mitigate valuation discount and enhance investor value**

The management believes that through separation, CPH Chemie + Papier Holding AG (Parent) can mitigate its current valuation discount as the Chemistry and Packaging segments are perceived to possess substantial growth potential within appealing niche markets, and by concentrating on them, the company aims to diminish earnings volatility. As a result, CPH (ex-Paper) is expected to become more predictable, rendering its shares more appealing to investors in the capital market. Consequently, this increased attractiveness is anticipated to impact trading volumes and liquidity in the future positively.

#### **Valuation and conclusion**

We are maintaining our current valuation and plan to reassess the valuation of both Perlen Industrieholding AG (the spin-off entity) and CPH Group AG (excluding the Paper business) once additional details regarding the distribution and shareholders' approval become available.

We value CPH using DCF and relative valuation techniques. Our intrinsic value of CHF 92.6 per share implies an upside of 4.3% from current levels. For relative valuation, since the Group operates in three entirely different divisions, we compare CPH's divisions with different sets of relevant industry peers. We have employed three parameters – EV/EBITDA, P/S, and P/E – to analyse the relative valuation of the Group. CPH currently trades at an EV/EBITDA multiple of 5.3x (FY2024e), a significant 47.0% discount to the weighted average multiple of division peers.

The global economic outlook indicates a gradual recovery, with the IMF projecting a 3.1% growth in global GDP for 2024. However, near-term challenges loom, as persistent inflationary pressures and geopolitical tensions in Eastern Europe, the Middle East, and Asia may impact the company's trajectory. Furthermore, limitations in raw material availability and constrained pricing dynamics are anticipated to exert downward pressure on margins. Although over the past decade the performance of the Paper Division was volatile and demanding, the supply side squeeze should keep the division's profitability under pressure. Moreover, the operating results of the Packaging and Chemistry divisions – both benefitting from somewhat higher visibility – are expected to remain resilient. A better bottom line at Group level and the cost optimisation efforts are expected to result in a healthy performance of the company's stock price.

**Exhibit 1: CPH – Comparison with division peers**

Company	EV/EBITDA			P/S			P/E		
	3 year average	CY2024E	CY2025E	3 year average	CY2024E	CY2025E	3 year average	CY2024E	CY2025E
CPH Chemie & Paper	5.8x	5.3x	4.8x	0.8x	0.7x	0.7x	8.3x	10.8x	9.4x
<b>Paper peers:</b>									
Holmen	7.8x	12.8x	12.4x	1.0x	2.9x	2.9x	15.2x	21.3x	20.3x
Stora Enso	6.3x	9.5x	7.2x	0.4x	0.9x	0.9x	11.6x	26.3x	14.3x
Altri Sgps	7.9x	8.4x	7.0x	0.7x	1.2x	1.2x	10.4x	15.5x	11.2x
Metsa Board	5.8x	8.9x	6.6x	0.4x	1.2x	1.1x	15.2x	16.5x	10.3x
Upm-Kymmene	6.1x	9.8x	7.9x	0.5x	1.5x	1.4x	11.3x	15.6x	11.5x
Norske Skogindustrier	NA	NA	NA	NA	NA	NA	88.6x	NA	NA
Cropper (James)	2.6x	0.0x	0.0x	0.3x	0.0x	0.0x	9.1x	6.1x	4.0x
Oji Holdings Corp	NA	NA	NA	NA	0.3x	0.3x	11.6x	8.5x	7.3x
<b>Chemistry peers:</b>									
Honeywell Int.	8.4x	14.2x	13.3x	1.4x	3.3x	3.2x	14.2x	19.9x	18.2x
Clariant	6.6x	NA	NA	0.6x	NA	NA	11.1x	NA	NA
Arkema	5.4x	5.9x	5.5x	0.7x	0.7x	0.7x	9.8x	9.9x	8.8x
Chemours Co/The	7.8x	NA	NA	1.7x	NA	NA	15.9x	NA	NA
<b>Packaging peers:</b>									
Macfarlane Group Plc	5.8x	0.1x	0.1x	0.2x	0.0x	0.0x	7.7x	10.1x	9.9x
Gerresheimer Ag	7.0x	8.8x	7.6x	1.0x	1.4x	1.3x	14.2x	17.0x	13.5x
West Pharmaceutical Services	9.9x	31.5x	26.6x	1.7x	9.0x	8.3x	20.1x	48.2x	40.5x
Convertidora Industrial Sa-A	8.4x	NA	NA	0.4x	NA	NA	NA	NA	NA
Psb Industries	4.6x	NA	NA	0.4x	NA	NA	8.1x	NA	NA
Bilcare Ltd	3.3x	NA	NA	0.2x	NA	NA	2.7x	NA	NA
Median	6.3x	8.9x	7.2x	0.5x	1.2x	1.1x	11.4x	16.0x	11.4x
High	9.9x	31.5x	26.6x	1.7x	9.0x	8.3x	88.6x	48.2x	40.5x
Low	2.6x	0.0x	0.0x	0.2x	0.0x	0.0x	2.7x	6.1x	4.0x
Premium (disc) to peers	(7%)	(40%)	(33%)	55%	(38%)	(39%)	(28%)	(33%)	(17%)

Source: Bloomberg and Refinitiv (as on 25 March 2024)

**Exhibit 2: CPH – Comparison with weighted average of division peers**

	EV/EBITDA			P/S			P/E		
	3 year average	CY2024E	CY2025E	3 year average	CY2024E	CY2025E	3 year average	CY2024E	CY2025E
Weighted peer multiples	7.8x	10.0x	8.6x	0.7x	1.9x	1.8x	16.3x	18.1x	14.3x
CPH	5.8x	5.3x	4.8x	0.8x	0.7x	0.7x	8.3x	10.8x	9.4x
Premium (disc) to peers	(27%)	(47%)	(44%)	11%	(61%)	(61%)	(49%)	(40%)	(34%)

Source: Bloomberg and Refinitiv (as on 25 March 2024)

## DETAILED FINANCIAL STATEMENTS

### Income Statement

CHF mn (except per share)	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Chemistry sales	78	73	95	110	124	120	125
Paper sales	293	210	231	384	262	218	270
Packaging sales	153	162	171	231	237	235	247
<b>Net Sales</b>	<b>525</b>	<b>445</b>	<b>497</b>	<b>725</b>	<b>624</b>	<b>573</b>	<b>642</b>
Cost of Sales	(298)	(255)	(336)	(431)	(364)	(373)	(405)
<b>Gross profit</b>	<b>227</b>	<b>190</b>	<b>161</b>	<b>294</b>	<b>260</b>	<b>201</b>	<b>236</b>
Personnel cost	(93)	(93)	(92)	(102)	(103)	(95)	(106)
Outsourced maintenance/repairs	(20)	(17)	(18)	(28)	(22)	(22)	(24)
Other operating expense	(26)	(25)	(25)	(34)	(33)	(32)	(34)
<b>Total operating costs</b>	<b>(139)</b>	<b>(135)</b>	<b>(135)</b>	<b>(163)</b>	<b>(158)</b>	<b>(148)</b>	<b>(164)</b>
<b>EBITDA</b>	<b>88</b>	<b>55</b>	<b>26</b>	<b>131</b>	<b>102</b>	<b>53</b>	<b>72</b>
Depreciation on tangible fixed assets	(30)	(29)	(27)	(16)	(18)	(20)	(21)
Depreciation on intangible assets	(1)	(1)	(1)	(2)	(1)	(1)	(1)
<b>Operating profit (EBIT) before impairment</b>	<b>57</b>	<b>25</b>	<b>(3)</b>	<b>112</b>	<b>83</b>	<b>32</b>	<b>50</b>
Impairment	0	0	(150)	0	0	0	0
<b>Operating profit (EBIT)</b>	<b>57</b>	<b>25</b>	<b>(153)</b>	<b>112</b>	<b>83</b>	<b>32</b>	<b>50</b>
Finance costs	(6)	(5)	(5)	(4)	(4)	0	0
Finance income	0	0	1	0	1	0	0
<b>Total financial income (expenses)</b>	<b>(6)</b>	<b>(5)</b>	<b>(4)</b>	<b>(4)</b>	<b>(3)</b>	<b>0</b>	<b>0</b>
<b>Profit before taxes (before exceptional items)</b>	<b>51</b>	<b>20</b>	<b>(157)</b>	<b>108</b>	<b>80</b>	<b>32</b>	<b>50</b>
Non-operating items	1	19	7	(8)	12	0	0
Income taxes	(3)	8	(2)	1	(13)	(8)	(8)
<b>Profit attributable to the parent</b>	<b>48</b>	<b>47</b>	<b>(152)</b>	<b>101</b>	<b>79</b>	<b>24</b>	<b>43</b>
<b>Basic EPS</b>	<b>8.1</b>	<b>7.8</b>	<b>(25.3)</b>	<b>16.8</b>	<b>13.2</b>	<b>4.0</b>	<b>7.1</b>
<b>Diluted EPS</b>	<b>8.1</b>	<b>7.8</b>	<b>(25.3)</b>	<b>16.8</b>	<b>13.2</b>	<b>4.0</b>	<b>7.1</b>
<b>DPS</b>	<b>1.8</b>	<b>1.8</b>	<b>1.3</b>	<b>4.5</b>	<b>4.0</b>	<b>1.2</b>	<b>1.8</b>

Source: Research Dynamics, Company data

### Balance Sheet

CHF mn	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
<b>Assets</b>							
<b>Non-current assets</b>							
PPE	366.4	352.6	196.5	213.7	222.0	228.6	240.1
Intangible assets	5.6	5.6	5.8	4.5	3.9	3.5	3.2
Long-term financial assets	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Long-term financial receivables	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other non-current assets	54.0	64.8	58.4	55.8	56.3	56.3	56.3
<b>Total Non Current Assets</b>	<b>436.0</b>	<b>432.9</b>	<b>270.7</b>	<b>284.0</b>	<b>292.2</b>	<b>298.5</b>	<b>309.6</b>
<b>Current assets</b>							
Inventories	78.5	78.3	87.5	113.1	102.1	100.0	125.7
Trade accounts receivable	72.4	52.9	69.3	93.9	71.1	73.8	82.6
Other receivables	14.0	17.2	28.5	21.9	19.3	16.3	16.3
Prepaid expenses and accrued income	8.6	6.7	9.2	9.6	5.8	5.8	5.8
Short-term financial receivables	0.0	0.0	0.1	0.0	0.0	0.0	0.0
Liquid funds and Securities	93.1	116.3	95.1	143.6	107.6	101.6	102.6
<b>Total assets</b>	<b>702.7</b>	<b>704.2</b>	<b>560.4</b>	<b>666.2</b>	<b>598.2</b>	<b>596.1</b>	<b>642.5</b>
<b>Shareholders' Equity and Liabilities</b>							
Share capital	12.0	1.2	1.2	1.2	1.2	1.2	1.2
Capital reserves	4.2	4.2	(0.1)	(0.1)	(0.5)	(0.5)	(0.5)
Profit reserves	375.2	418.5	459.5	397.1	435.5	411.5	428.1
Net result for the year	48.3	46.9	(151.6)	0.0	0.0	23.7	42.7
<b>Non-current liabilities</b>							
Long-term financial liabilities	116.8	109.7	106.6	0.0	0.0	0.0	0.0
Pension scheme liabilities	0.7	1.2	1.4	1.7	0.0	0.0	0.0
Other long-term liabilities	0.6	0.4	0.3	0.0	0.0	0.0	0.0
Long-term provisions	47.5	31.5	24.1	31.4	41.3	38.3	38.3
<b>Current liabilities</b>							
Trade accounts payable	66.3	56.8	84.8	93.0	71.0	72.9	83.8
Other payables	3.6	4.6	3.9	6.5	7.7	7.7	7.7
Accrued liabilities and deferred income	16.3	16.8	18.3	27.2	32.3	32.3	32.3
Short-term financial liabilities	5.9	8.1	3.2	98.9	0.7	0.0	0.0
Short-term provisions	3.8	3.3	7.4	7.8	8.8	8.8	8.8
<b>Total liabilities</b>	<b>261.4</b>	<b>232.4</b>	<b>249.9</b>	<b>266.6</b>	<b>161.9</b>	<b>160.0</b>	<b>171.0</b>
<b>Total equity and liab.</b>	<b>702.7</b>	<b>704.2</b>	<b>560.4</b>	<b>666.2</b>	<b>598.2</b>	<b>596.1</b>	<b>642.5</b>

Source: Research Dynamics, Company data

### Cash Flow Statement

CHF mn	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Net profit for the period	48.5	47.0	(151.4)	101.0	79.0	23.7	42.7
Non-cash adjustments:	31.2	(2.2)	169.5	28.4	11.3	21.2	21.6
<b>Change in current assets and liabilities:</b>							
(Increase)/ decrease in inventories	(10.2)	(4.1)	(9.6)	(27.2)	7.4	2.0	(25.6)
Decrease in trade accounts receivable	(1.3)	20.5	(15.5)	(26.7)	18.7	(2.7)	(8.8)
Increase/ (decrease) in trade accounts payable	(2.8)	(9.0)	30.7	6.9	(17.1)	1.9	10.9
Other changes in working capital	(4.3)	2.8	(7.9)	15.3	10.5	0.0	0.0
<b>Cash flows from operating activities</b>	<b>61.0</b>	<b>55.0</b>	<b>15.8</b>	<b>97.6</b>	<b>109.9</b>	<b>46.1</b>	<b>40.9</b>
Investments in tangible fixed assets	(21.9)	(17.5)	(23.0)	(32.9)	(33.8)	(26.6)	(32.0)
Disposals of tangible fixed assets	0.8	5.2	5.2	4.3	19.1	0.0	0.0
Investments in intangible assets	(1.0)	(1.3)	(1.6)	(1.0)	(0.9)	(0.8)	(0.7)
Sale of subsidiary/ Divestiture of interests	0.0	0.1	0.2	0.0	0.0	0.0	0.0
Investments in business activities	0.0	(1.6)	0.0	0.0	(2.4)	0.0	0.0
Repayment of long-term financial receivables	100.9	(0.3)	(0.1)	0.0	0.0	0.0	0.0
<b>Cash flow generated (used) in investment activities</b>	<b>78.9</b>	<b>(15.3)</b>	<b>(19.2)</b>	<b>(29.6)</b>	<b>(18.0)</b>	<b>(27.4)</b>	<b>(32.7)</b>
Increase/ (Decrease) in short-term financial liabilities and receivables	(123.4)	(4.4)	(6.9)	(3.2)	0.7	(0.7)	0.0
Increase/ (Decrease) in long-term financial liabilities	(1.1)	0.0	0.0	(6.5)	0.0	0.0	0.0
Increase in other long-term liabilities	(0.2)	(0.4)	(0.3)	(1.3)	(98.7)	0.0	0.0
Dividends to shareholders	(10.9)	(10.8)	(10.8)	(7.8)	(27.0)	(24.0)	(7.2)
<b>Cash flow generated (used) in financing</b>	<b>(135.6)</b>	<b>(15.6)</b>	<b>(18.0)</b>	<b>(19.0)</b>	<b>(125.7)</b>	<b>(24.7)</b>	<b>(7.2)</b>
Exchange (losses)/gains	(0.2)	(0.9)	0.2	(0.5)	(2.2)	0.0	0.0
<b>Net change in cash</b>	<b>4.1</b>	<b>23.2</b>	<b>(21.2)</b>	<b>48.5</b>	<b>(36.0)</b>	<b>(6.1)</b>	<b>1.0</b>
Opening cash balance	89.0	93.1	116.3	95.1	143.6	107.6	101.6
<b>Closing cash balance</b>	<b>93.1</b>	<b>116.3</b>	<b>95.1</b>	<b>143.6</b>	<b>107.6</b>	<b>101.6</b>	<b>102.6</b>

### Key Ratios

	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
<b>Growth Ratios</b>							
Sales Growth	(2%)	(15%)	12%	46%	(14%)	(8%)	12%
Chemistry division	(2%)	(6%)	30%	16%	13%	(3%)	4%
Paper division	(3%)	(29%)	10%	67%	(32%)	(17%)	24%
Packaging division	0%	6%	5%	35%	3%	(1%)	5%
Operating Profit Growth	10%	(56%)	NM	NM	(26%)	(62%)	59%
Net Income Growth	14%	(3%)	NM	NM	(22%)	(70%)	80%
<b>Profitability Ratios (%)</b>							
Operating margin (before impairment) (%)	11%	6%	(1%)	16%	13%	6%	8%
Chemistry division	6%	6%	16%	13%	13%	11%	12%
Paper division	12%	(1%)	(11%)	20%	12%	(7%)	6%
Packaging division	11%	13%	3%	10%	15%	12%	12%
EBITDA Margin %	17%	12%	5%	18%	16%	9%	11%
Net Margin (%)	9%	11%	(31%)	14%	13%	4%	7%
<b>Return Ratios</b>							
Profit Margin	9%	11%	(31%)	14%	13%	4%	7%
Asset Turnover	0.7x	0.6x	0.8x	1.2x	1.0x	1.0x	1.0x
Financial Leverage	1.8x	1.5x	1.6x	1.7x	1.5x	1.4x	1.4x
Dupont ROE (%)	11%	10%	(39%)	28%	19%	5%	9%
ROCE (%)	10%	4%	(1%)	28%	19%	7%	11%
ROA (%)	6%	7%	(24%)	16%	12%	4%	7%
<b>Leverage Ratios</b>							
Debt - Equity Ratio	0.3x	0.2x	0.4x	0.2x	0.0x	0.0x	0.0x
Net Debt - Equity Ratio	0.1x	0.0x	0.0x	(0.1x)	(0.2x)	(0.2x)	(0.2x)
Interest Coverage	9.1x	9.1x	(1.1x)	46.8x	31.7x	471.4x	794.2x
<b>Liquidity Ratios</b>							
Current Ratio	2.8x	3.0x	2.5x	1.6x	2.5x	2.4x	2.5x
Quick Ratio	2.0x	2.2x	1.7x	1.2x	1.7x	1.6x	1.6x
<b>Valuation Ratios</b>							
EV/EBITDA	4.9x	7.9x	16.8x	3.3x	4.2x	8.2x	6.0x
P/E	10.5x	10.8x	NM	5.0x	6.4x	21.4x	11.9x

Source: Research Dynamics, Bloomberg, Company data

**DISCLAIMER**

CPH Chemie + Papier Holding AG ("CPH") is a client of Research Dynamics. The equity research report(s) are prepared for informational purposes only and are paid for by the company portrayed in the report. Research Dynamics is a division of Dynamics Group AG. Dynamics Group is an independent consultancy firm focused on strategic advisory, communication management and research and analysis.

This report (henceforth known as "document") has been drafted by the authors concerned as a non-binding opinion on the market situation and on the instruments of investment in question and compiled by Dynamics Group in order to provide background information about the companies. It is intended exclusively for the purpose of information.

Dynamics Group has not individually verified the information and data on which this document is based. All information and data in this document originate from generally available sources which the author concerned or Dynamics Group viewed as reliable at the time of drafting this document. However, no liability can be assumed for their correctness, accuracy, completeness and appropriateness – neither expressly nor tacitly. The contents of this document do not represent an assurance or guarantee by the authors concerned or Dynamics Group. Forward-looking information or statements in this document contain information that is based on assumptions, forecasts of future results, estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations

Dynamics Group shall not be liable for any consequential damage to properties – on whatever legal grounds it may be. Liability of Dynamics Group on account of premeditation or gross negligence shall remain unaffected by this.

Dynamics Group has no permission to provide assurances or assume guarantees on behalf of the companies or a third party mentioned in this document. Neither the companies mentioned in this document nor any other individual assumes liability for any loss, damage or detriment that may result from the use of this document, especially when taking decisions on investments, or from other reasons. Dynamics Group cannot be held responsible for detrimental consequences that occur or may occur due to the use or its omission based on the views and inferences contained in this document. Past performance trends of value, price or rates do not provide any indications to the future trends for an investment. Dynamics Group does not provide any guarantees for the suggested yield or the achievement of referred targets.

This document does neither represent an offer of purchase, holding or sale of any securities, money market instruments or of derivatives, nor does it contain the basis for a contract or a commitment of any kind. Every investment, for example, in debentures, shares and options, is associated with enormous risks. A decision on investment with regard to any security may not be based on this document. This document is neither an advice on investment, nor a recommendation or invitation for purchasing, holding or selling any securities, money market instruments or derivatives.

Dynamics Group does not conduct any investment business and, accordingly, does not itself hold any positions in the securities mentioned in this document. However, the respective directors, employees and contractors of Dynamics Group may hold positions in the described securities and/or options, futures and other derivatives that are based on these securities.

This document has been provided to you for information only. It may not be reproduced or distributed to others or published in any other form partially or fully.

The distribution of this document and the information contained therein may be restricted in other jurisdictions by law and persons who may come into possession of this document must be aware of possible restrictions and adhere to the same. Failure to comply with such restrictions may constitute an infringement of the laws in USA or Canada governing the securities or of the laws of any other jurisdiction.

This study is protected by the copyright laws. It may be used only for the purpose as defined in this disclaimer. Portions of the study, if quoted, must be acknowledged by indicating the source. Any use other than this shall require prior written permission by Dynamics Group. Reproduction, circulation, publication and provision of online access to the document shall be regarded as its use and the same shall require permission. Circulation of this document, especially in a foreign country, may be permitted only under the provisions of the disclaimer and the applicable regulations. Unauthorized use of the study or omission of details of the source or the acknowledgement of copyright may lead to initiation of a civil suit for damages and be liable for prosecution.

If any part or individual formulations of this disclaimer are found to be unsustainable or become unsustainable at a future date, the rest of the contents and their validity shall not be affected by it.

**Dynamics Group AG**

Utoquai 43  
CH-8008 Zürich  
Tel. +41 43 268 32 32  
Fax +41 43 268 32 39

Zeughausgasse 22  
CH-3011 Bern  
Tel. +41 31 312 28 41  
Fax +41 31 312 28 49

21, rue des Caroubiers  
CH-1227 Carouge/GE  
Tel. +41 22 308 62 20  
Fax +41 22 308 62 36

[contact@dynamicsgroup.ch](mailto:contact@dynamicsgroup.ch)

[www.dynamicsgroup.ch](http://www.dynamicsgroup.ch)