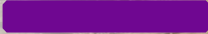


Strategic consulting for forest product markets: Case study – Market feasibility studies



Fastmarkets consulting
Independent market intelligence and advisory

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About Fastmarkets consulting

Fastmarkets consulting drives successful commodities ventures by empowering you to make quicker and better-informed investment and commercial decisions.

Combining tailored, independent advice with unrivaled market intelligence, our consulting builds upon Fastmarkets' trusted price benchmarks and research analytics to help you better facilitate trade, capture true market value and improve stakeholder expectations.





The client challenge

Establishing an independent and globally recognised market consultant to Mandated Lead Arrangers (“MLA’s”) for debt financing purposes

Fastmarkets consultants were approached by a major global paper and pulp producer looking to secure favorable debt financing for the purpose of funding the development of their expansion into high-value application products.

When undertaking this project, our consultants had to work to a variety of client requirements, including:

Contract optimization

The organization required independent recommendations to **make their sales agreements best-in-class for their commercial teams.**

Securing debt finance

They needed a **highly trusted and reliable market feasibility study to secure debt finance** for a significant expansion supplying high-value products, mostly to EU, US and Asian markets.

Growth opportunities

To help **identify future organic and acquisition growth opportunities**, the client required a deep-dive analysis of viable strategic options focusing on liquid packaging board (LPB).

Fastmarkets consulting solutions

Within a challenging and ever-evolving forest product market, Fastmarkets consultants were able to advise the client and its finance lenders as to how best to operate and anticipate rapidly changing pricing developments.

- We assigned two teams of experienced market and technical consultants to work in parallel: one team focused on the off-take agreement; one team conducted the strategic review and market feasibility study.
- We applied our proprietary six-step research process, involving extensive primary research techniques supplemented by our in-house proprietary databases and forecasting models.
- This enabled us to gather detailed market intelligence on customer demand and pricing information in key target markets over the course of the twelve-week project.



Client outcomes

After identifying key insights on the client's target markets, Fastmarkets consultants delivered a comprehensive due-diligence strategic assessment.



Insight-backed investment decisions

Our market feasibility study defined the market size and potential sales volumes and revenues which positively **assisted the client's bank and investment consortium** in their investment and financing decisions.



Independent project due-diligence

With accurate and comprehensive data and analytical support, **Fastmarkets was able to independently validate the Project as being one of world's largest and lowest cost producers with a carbon-footprint substantially lower** than current alternatives.



New market expansions

Fastmarkets provided market-entry advise **specific to liquid packaging board (LPB)**. We supported the client on **aseptic carton usage in applications other than milk and dairy products**, as well as indentifying how the client could differentiate itself among its competitors by offering customization of cartons/LPB for these applications.

Optimized off-take agreement

We also resolved further issues within the off-take agreement and **advised the client and its partners on the optimal structure and composition of the agreement**.

Client testimonials



Fastmarkets **provides a rich source** of customizable data and statistical analysis, which we need for market visibility because the paper industry is global, and **we are impacted with everything** that happens around the world.”

Commercial Director



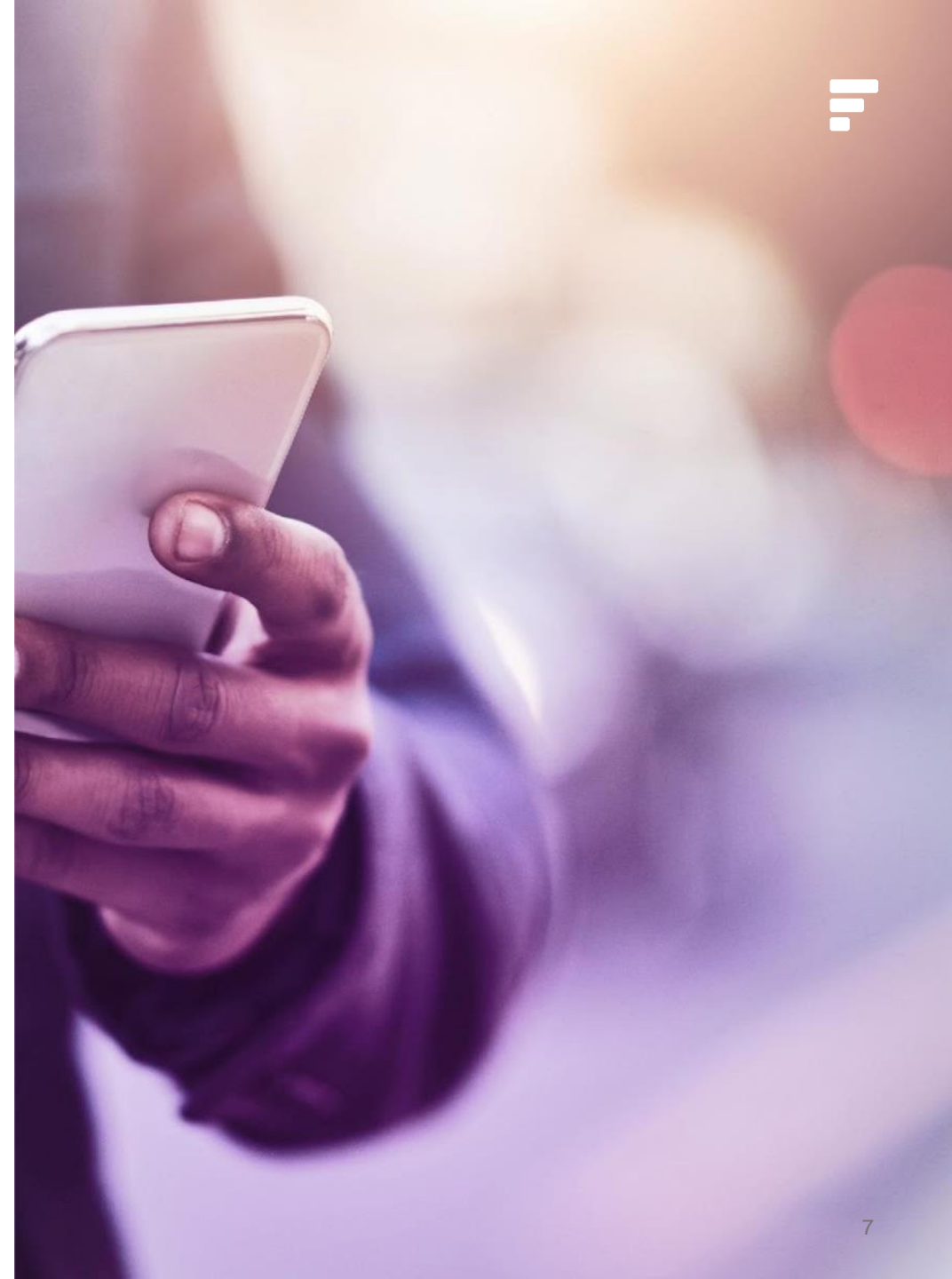
Drax Power Limited commissioned Fastmarkets to conduct a comprehensive risk assessment on pulp and paper mills in North America. From the work supplied it was clear upon completion that **we made the right choice to work with Fastmarkets on this project.**”

Vice-President



At a high level, **we were very pleased with the work that Fastmarkets did**, and it tracked very closely with the scope that we had agreed to. Fastmarkets provided a great work product. The **Fastmarkets team was always very responsive to our requests**, which we very much appreciated.”

Director



Thank you



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Brian covers the global commodities sector in detail having written numerous reports, studies, and papers and conducted extensive consultancy and market research projects over the past 25 years at Fastmarkets.

Brian speaks English and Russian.



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Luis brings over 15 years of direct experience across marketing, planning, market Intelligence and client relationship roles in multinational companies, working closely with executives and senior management teams to deliver actionable insights that help them make informed and strategic decisions that drive success.

Luis speaks English, Spanish and Portuguese.