

New State Capital Takes Majority Stake in Wilmington Paper

New State Capital Partners ("New State") today announced that an affiliate has made a majority equity investment in Wilmington Paper Corp. and its related affiliates ("Wilmington Paper" or "the Company"), a value-added services provider in the recovered paper-based fiber space. Stuart Lurie, Chief Executive Officer and son of the Company's founder Harvey Lurie, and other members of the management team will remain with the Company and have retained a substantial minority stake in the business. Terms of the transaction were not disclosed.

"Wilmington Paper has a differentiated niche in fiber waste given its broad reach, longstanding relationships, and industry expertise, and is uniquely positioned to capitalize on the growing worldwide demand for recycled fiber content," said Kurt Lentz, Senior Principal at New State. "We are delighted to be working with Stuart and his team as we seek to further extend the Company's reach within the fiber scrap and waste management sector through both organic initiatives and via add-on acquisitions."

Founded in 1977 and headquartered in Pine Brook, NJ, Wilmington Paper acquires scrap and post-commercial use fiber from a network of over 2,000 converting and waste hauling suppliers across the U.S. The Company utilizes on-premise assets at its suppliers' sites, in-house logistical and brokering capabilities, and eight strategically-located recycling centers across the eastern and southern U.S. to collect, transport, process, and market premium recycled fiber grades globally into the growing recycled corrugated, tissue, and folding carton production end markets. Wilmington Paper and its suppliers and customers continue to benefit from increasing recycling rates driven by government regulatory requirements, consumer sentiment, and a near doubling in global demand for recycled fiber over the last 20 years. According to the American Forest & Paper Association, the U.S. paper-fiber recycling rate has increased over 65% since the early 1990s.

Mr. Lurie commented, "New State will be an invaluable partner as we embark on the next chapter of Wilmington Paper's growth. Their resources will help us invest in the people, innovative technology, and logistical equipment and solutions that will enhance our capabilities and maintain our competitive position in the years to come."

Silvergrove Advisors LLC ("Silvergrove") initiated this transaction and acted as exclusive financial advisor to Wilmington Paper. Brian Moloney, CEO of Silvergrove, commented, "Wilmington Paper has been a pioneer in the recovered fiber industry since its founding by Harvey Lurie in 1977, and remains at the forefront of recycling trends including conversion from plastic to paper packaging, increasing recovered fiber content in paper products, and zero waste to landfill. New State's successful track record of growing family and founder owned companies and its entrepreneurial approach make it the right partner for Wilmington Paper as it capitalizes on these accelerating trends under the continued leadership of Stuart Lurie and Brett Lurie."

About Wilmington Paper

Wilmington Paper (www.wilmingtonpaper.com) is a leading global intermediary and processor of production scrap and post commercial use recovered fiber waste. The Company is a trusted and reliable service provider that leverages its network and operations to assist thousands of

suppliers in maximizing the value of their fiber scrap and waste streams while providing a steady supply of recovered fiber to producers of corrugated, tissue, and paperboard products. The Company's Wilmington Paper division is known for its unique on-premise supplier service model, *The Program*, a proprietary audit, logistics and revenue management platform, while its Recycling Management Resources division (www.recyclingmr.com) operates eight specialty recycling centers throughout the eastern and southern U.S.

About New State Capital Partners

New State Capital Partners LLC is an entrepreneurial-minded private equity firm that strives to be nimble, decisive and cooperative. New State prides itself on a long-term outlook, approaching each potential investment as an opportunity to create lasting and valuable relationships with company founders and especially independent sponsors. The firm has the ability to invest up to \$100 million in equity per transaction and seeks to invest in market-leading companies with \$8 million to \$35 million of EBITDA in the areas of business services, industrials, and consumer. New State and its affiliates have invested in 30 companies to date. For more information visit www.newstatecp.com.

About Silvergrove Advisors LLC

Silvergrove is a merger and acquisition advisory firm based in NYC which represents family, founder and entrepreneur owned companies in the middle market on strategic sales, recapitalizations, mergers and acquisitions with financial and strategic investors and acquirers. For more information on Silvergrove, please visit www.silvergroveadvisors.com.