

CONFIDENTIAL

# Packaging Market Update

First Quarter 2022





**Ken Brooks**  
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Plastics & Packaging Global Leader

# A Softer Start to 2022

## GLOBAL M&A OVERVIEW

Compared to the historical levels of 2021 global M&A activity, Q1 2022 had a relatively softer start. Despite the deceleration, Q1 extended the streak of \$1 trillion global deal value to seven consecutive quarters – making it the longest streak ever sustained for this level of quarterly M&A deal value. Nonetheless, relative to the booming first quarter of 2021, Q1 2022 was down by 21% in deal value and 17% in volume.<sup>1</sup> These lower levels are explained in several ways:

- 2021 was an unprecedented year and will be extremely difficult to surpass going forward.
- Sustained global supply chain disruption has caused dealmakers to question what is to come and continues to create uncertainty.
- Geopolitical challenges that unfolded at the onset of 2022 have had a damper on business-related decisions worldwide.
- The sudden spikes and size thereof in interest rates globally and recent signals by the US Federal Reserve that further increases are in the plans to curb sustained inflationary pressures.

In contrast to this, the beginning of 2022 put a spotlight on the technology sector, which represented a record 25% of global M&A deals,<sup>2</sup> as well as the real estate sector, which witnessed an 86% increase in deal value compared to the first quarter of 2021 to reach a record quarter deal value of \$127 billion.<sup>3</sup> Furthermore, mega deals dominated in Q1, with 14 topping the \$10 billion mark, representing a 46% increase compared to Q1 2021.<sup>4</sup> All in all, while the 2022 M&A market may not reach the record-breaking level of 2021, 2022 is still expected to foster M&A activity at higher levels than 2020, but with significantly more uncertainty.

## PACKAGING OVERVIEW

### Packaging M&A Activity in Q1 2022

Based on our selected samples of relevant sector transactions, the global packaging deal market continued to exemplify resilience, with a total of 84 transactions in Q1 2022, compared to 70 and 81 in Q4 2021 and Q1 2021, respectively. Individual deal values were among the highest seen in past quarters, with 26% of deals with disclosed values topping the \$1 billion mark. Among these megadeals was Apollo Global Management Inc.’s announcement it would acquire Novolex Holdings LLC for \$6 billion, which closed just after quarter end, as well as Clearlake Capital Group’s announcement it would acquire Intertape Polymer Group Inc. for \$2.6 billion. Further to the heightened deal values observed, a trend continuing through the first quarter of 2022 has been the series of acquisitions concluded by large packaging companies, namely ProAmpac, with a total of eight M&A deals in 2021, that added another deal to its list in Q1 2022 through its acquisition of Belle-Pack Packaging Inc.; Berlin Packaging with seven M&A deals in 2021, adding two other transactions in Q1 2022 through its acquisition of United Bottles & Packaging and Premi S.p.A; Resource Label Group with six M&A deals in 2021, adding one more in Q1 2022 through its acquisition of QSX Labels; and TricorBraun Inc. completing five M&A deals in 2021, adding three more in Q1 2022 through its acquisition of Neville and More Ltd., Zuckerman-Honickman Inc. and Vessel Packaging Inc.

During Q1 2022, flexible packaging dominated in terms of the number of M&A deals announced and/or closed, representing 48% of our selected sample of packaging deals, compared to 32% in 2021. This shift was mirrored with a corresponding decrease in the number of paper packaging deals, representing 19% of our selected sample of packaging deals, compared to 29% in 2021. The continued and rising dominance of flexible packaging is no surprise, as it is the ideal packaging substrate in the growing e-commerce shipping market due to its durability and lightweight characteristics,<sup>5</sup> as well as offering several more sustainable and environmentally friendly attributes compared to other packaging substrates. According to the FPA,<sup>6</sup> even if the complexity of making certain multi-layer structures more environmentally friendly remains in terms of valuation multiples on a TEV/EBITDA basis, multiples for packaging transactions remained strong in Q1 2022, ranging from 10.0x to just over 18.0x on deals with disclosed terms. Based on our sample of 84 transactions in Q1 2022, PE-backed strategic players significantly dominated, representing 53% of total deal activity, with strategics and private equity buyers trailing at 31% and 15%, respectively. This trend is in line with the global M&A market, which saw an 18% increase in the value of PE-backed buyouts compared to year-over-year Q1.

Delving deeper into the above-mentioned notable Q1 2022 packaging deals, US-based Apollo Global Management, LLC agreed to acquire a majority stake in US-based Novolex Holdings, LLC for \$6.0 billion. Novolex is a leading global manufacturer of diverse packaging products for the foodservice, delivery and carryout, food processor and industrial markets. The investment will strengthen Novolex’s leadership position by expanding its blue-chip customer relationships through a shared commitment to sustainability and product innovation. Apollo went on to close the deal with Novolex in the first few days of Q2 2022. Further to this, US-based Clearlake Capital Group, L.P. agreed to acquire Canada-based Intertape Polymer Group Inc. (IPG) for \$2.6 billion. IPG engages in the manufacturing of film- and paper-based labels, pressure-sensitive and water-activated tapes, stretch and shrink films, protective packaging, woven and non-woven products, and packaging machinery for industrial and retail use. The transaction will provide IPG with the operational and financial resources to accelerate its acquisition strategy, as well as organic growth opportunities such as investing in product innovation, sustainability and market expansion. The transaction value implies a TEV/LTM revenue multiple of 1.6x and TEV/LTM EBITDA multiple of 11.7x.

### Raw Material Trends

On the raw material front, tight supplies and ever-rising energy prices caused prices of all major resins to increase in February and March, with the most notable increase being in polypropylene, with a 15¢ per-pound increase in March.<sup>7</sup> While prices are not expected to decrease in the short term, major suppliers such as Shell, Nova and Exxon all have current expansion plans. This should lead to a more balanced supply-demand, which could translate in price decreases towards the end of 2022 or beginning of 2023.

### Sustainability Trends

Since the onset of the pandemic over two years ago, plastic recycling volumes have been negatively impacted, with a year-over-year decrease of more than 5% in 2020 in the US, for a total of 4.8b pounds of PCR.<sup>8</sup> As the overall sustainability movement gains more and more momentum, investments have been ramping up globally to improve and meet long-term circular economy targets. In the US, investments have been focused on new technologies for chemical recycling, while Canada has been concentrating on improved recyclability for black plastics and polystyrene packaging. Moreover, the Canada Plastics Pact (CPP) published a list of problematic materials and went a step further by also addressing design changes, such as flexible packaging using at least 90% from a single material, and more recycling-friendly designs for PET thermoforms (originally recommended by Paris-based Consumer Goods Forum). Further to this, during the first quarter of 2022, the UN Plastics Treaty was signed, which undertakes to further promote the sustainable production and consumption of plastics. In parallel to this, European consumer packaged goods manufacturers are pledging to make significant investments towards flexible packaging recycling and encouraging policies that support sustainable alternatives. These companies have launched the Flexible Packaging Initiative, which is calling on governments to provide funding and programs to promote recycling and sustainable solutions. However, according to the European report “ReShaping Plastics,” substituting plastics with other materials offers very limited scope for reaching net-zero emissions targets.

## LOOKING AHEAD: THE YEAR TO COME

Even though the likelihood of increasing taxes on capital gains in the US is close to none, the combination of several factors is still fueling M&A activity. Between the COVID damage of the past two years, supply chain disruptions leading to raw material price volatility, as well as the quickly escalating Russian war in Ukraine, with its growing spillover effects on food supply and energy prices globally, many entrepreneurs are strongly considering selling their businesses. While rising interest rates could dampen M&A activity, it is unlikely that it will have a material impact in the short term, as interest rates will likely remain relatively low in absolute terms, and as a result only have minimal impacts on valuations and the availability of capital. While 2022 might not benefit from as much activity as 2021, many analysts predict it will remain a very active year, ahead of what we witnessed in 2020.

<sup>1</sup> Refinitiv, Global Mergers & Acquisitions Review Q1 2022

<sup>2</sup> Refinitiv, Global Mergers & Acquisitions Review Q1 2022

<sup>3</sup> Refinitiv, Global Mergers & Acquisitions Review Q1 2022

<sup>4</sup> Refinitiv, Global Mergers & Acquisitions Review Q1 2022

<sup>5</sup> Plastics Today, Flexible Packaging Delivers in the Ecommerce Era

<sup>6</sup> Flexible Packaging Association, Flexible Packaging Circular Life

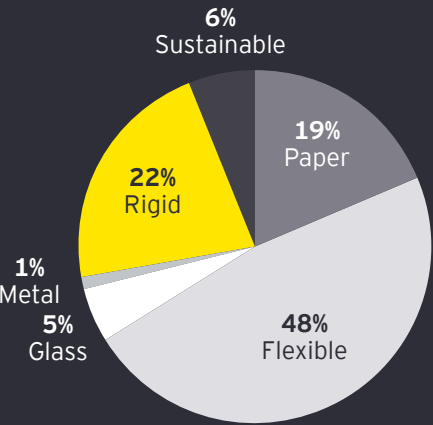
<sup>7</sup> Plastic News

<sup>8</sup> Plastic News

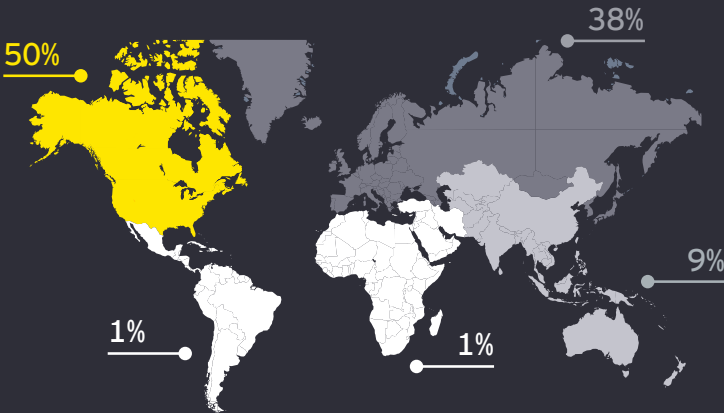
# Quarterly dashboard

## QUARTERLY DASHBOARD AND KEY Q1 2022 TAKEAWAYS

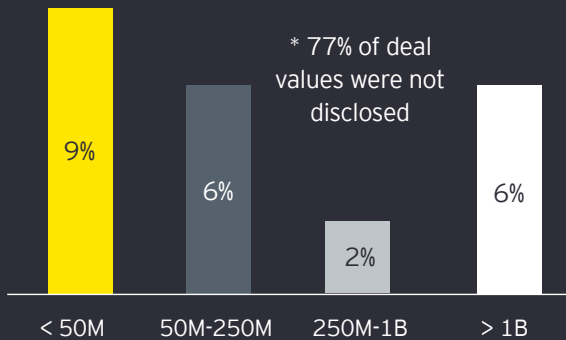
### Substrate



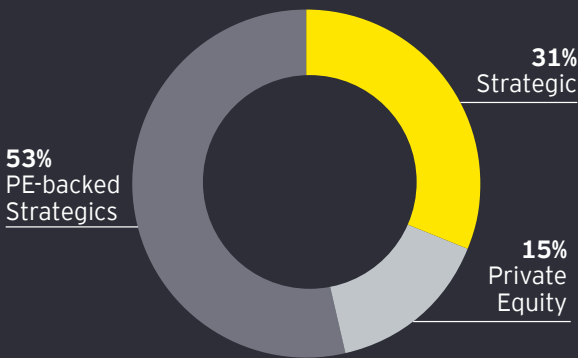
### Geography (target)



### Size



### Buyer type



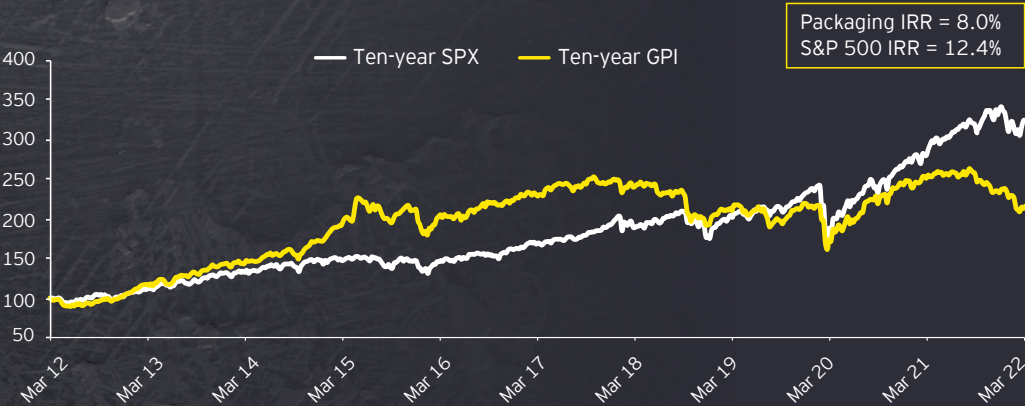
- ▶ The EY Global Packaging Index has been on a steady upwards trend over the last two years, however, has fallen by 9% during Q1 2022, in line with the downwards trend equally observed in the SPX
- ▶ Percentage of financial sponsor transaction volumes in Q1 of 2022 increased slightly to 21.1% from 19.1% in 2021
- ▶ Interest rates on government debt securities continue to increase through Q1 2022. Total Debt/EBITDA multiples of Middle-Market LBO Loans have increased to 6.0x in Q1 2022 from 5.6x in 2021
- ▶ Paperboard prices continued to gradually increase through Q1 2022, with the 10-Y average increasing to 116.9 from 115.8 in 2021. Plastic raw material prices trended upwards during Q1 2022, following downward trends observed through Q4 2021
- ▶ 84 sector transactions are highlighted in this market update, five of which exceeded \$1B



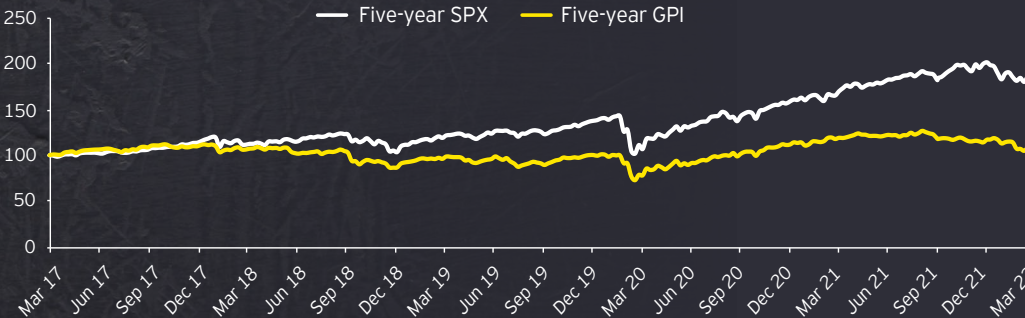
# 10-year Valuation Trends in the Packaging Sector

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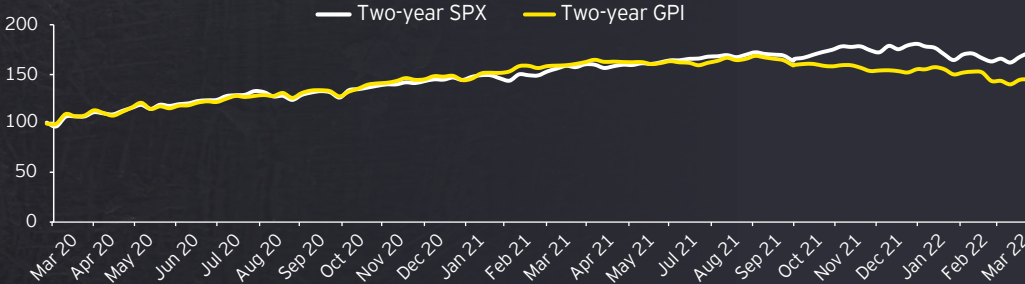
EY Global Packaging Index - 10 years



EY Global Packaging Index - 5 years



EY Global Packaging Index - 2 years



The Ernst & Young Corporate Finance global packaging index tracks the performance of the most widely traded global packaging companies relative to the benchmark S&P 500 composite index.

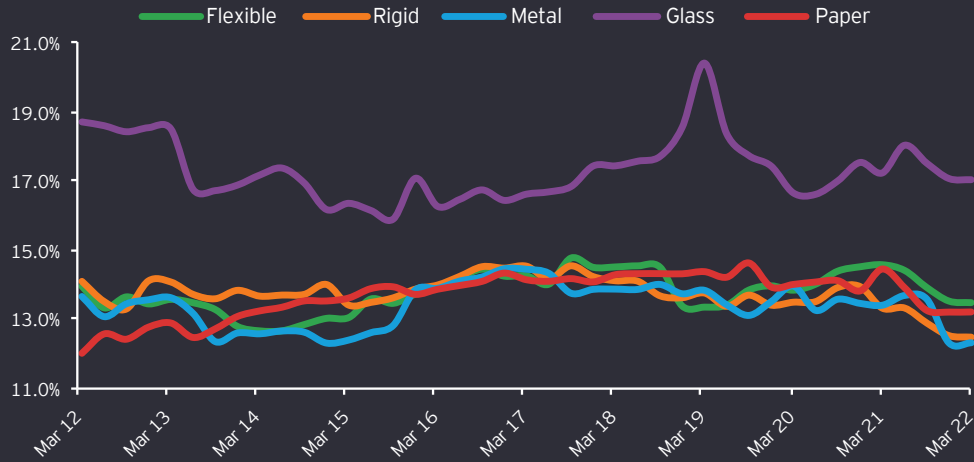
Our global packaging index consists of the following publicly traded packaging companies:

- Alulflexpack AG
- Amtor plc
- AptarGroup, Inc.
- Ardagh Group S.A.
- Avery Dennison Corporation
- Ball Corporation
- Berry Global Group, Inc.
- BG Container Glass Public Company Limited
- BillerudKorsnäs AB (publ)
- Cascades Inc.
- CCL Industries Inc.
- Chuo Kagaku Co., Ltd.
- CPMC Holdings Limited
- Crown Holdings, Inc.
- DS Smith Plc
- Duni AB (publ)
- EPL Limited
- FP Corporation
- Fuji Seal International, Inc.
- Gerresheimer AG
- Graphic Packaging Holding Company
- Greif, Inc.
- Groupe Guillin S.A.
- Hokkan Holdings Limited
- Huhtamäki Oyj
- International Paper Company
- Lee and Man Paper Manufacturing Limited
- Mayr-Melnhof Karton AG
- Metsä Board Oyj
- Mondi plc
- Mpact Limited
- Myers Industries, Inc.
- MYS Group Co., Ltd.
- Nampak Limited
- Nine Dragons Paper (Holdings) Limited
- O-I Glass, Inc.
- Oji Holdings Corporation
- ORG Technology Co., Ltd.
- Orora Limited
- Packaging Corporation of America
- Pact Group Holdings Ltd
- Pum-Tech Korea Co., Ltd
- Rengo Co., Ltd.
- Reno De Medici S.p.A.
- Sealed Air Corporation
- Shanghai Baosteel Packaging Co., Ltd.
- Shantou Dongfeng Printing Co., Ltd.
- Shenzhen Jinjia Group Co., Ltd.
- Silgan Holdings Inc.
- Smurfit Kappa Group Plc
- Sonoco Products Company
- Stora Enso Oyj
- Sunrise Group Company Limited
- Taiwan Hon Chuan Enterprise Co., Ltd.
- Takween Advanced Industries
- The Pack Corporation
- Toyo Seikan Group Holdings, Ltd.
- Uflex Limited
- Vetropack Holding AG
- Vidrala, S.A.
- WestRock Company
- Wipac Ltd.
- Xiamen Hexing Packaging Printing Co., Ltd.



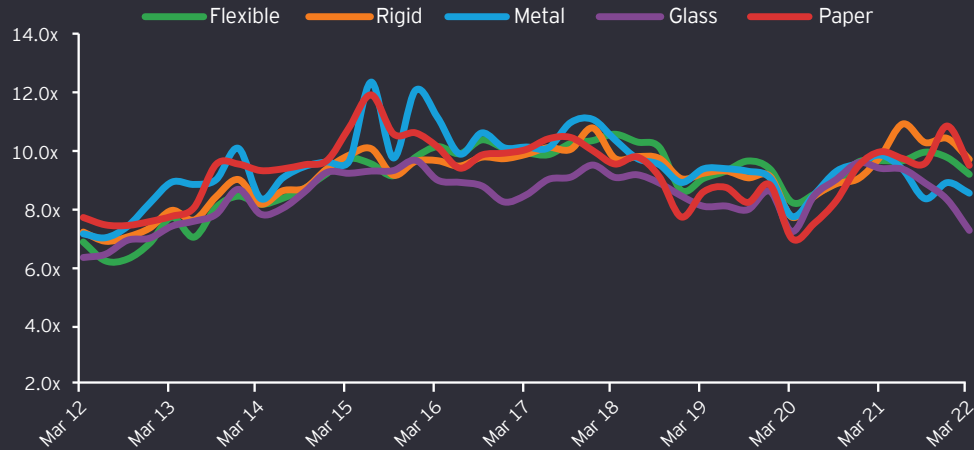
# Global packaging M&A activity

EY global packaging EBITDA margin trends by format type



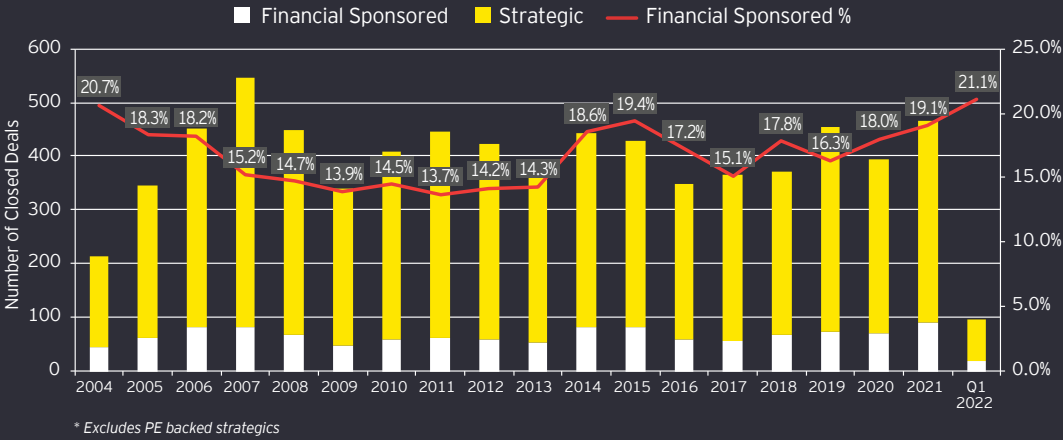
Source: Standard & Poor's Capital IQ

EY global packaging index EV/EBITDA by format type



Source: Standard & Poor's Capital IQ

Reported packaging transactions by type of purchaser<sup>1</sup>



\* Excludes PE backed strategics

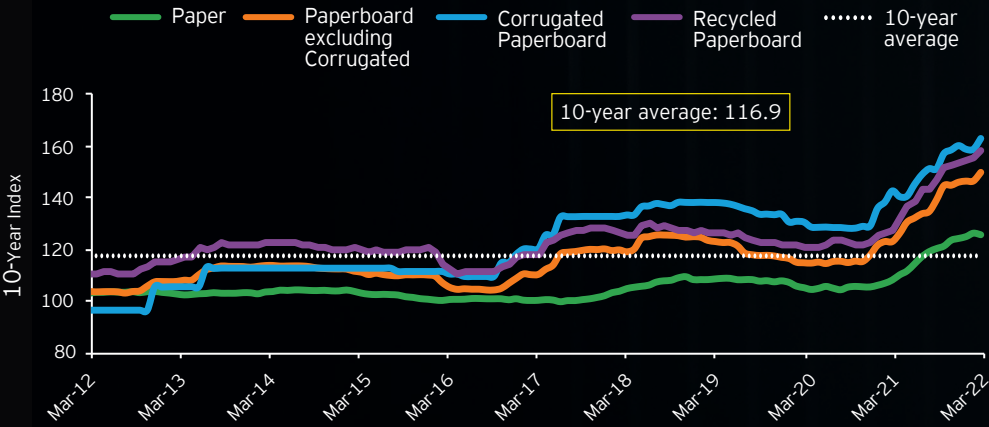
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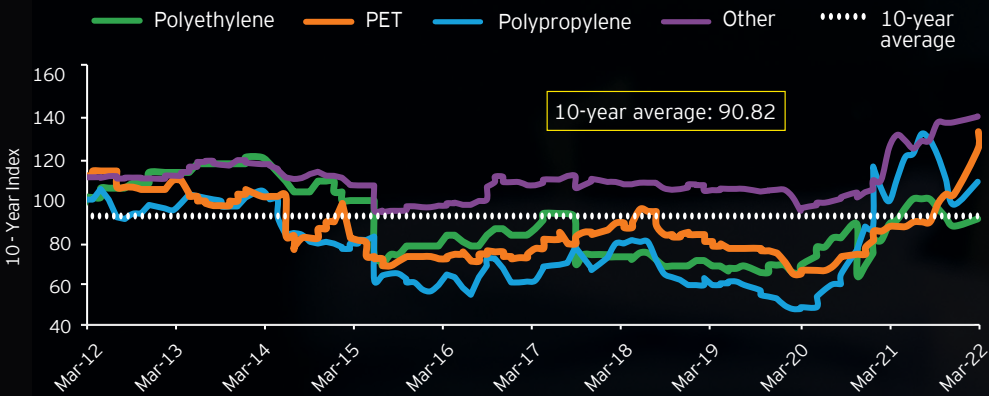
# Packaging Leading Indicators: 10-year Raw Materials Trends

## Paper Packaging



Source: Federal Reserve Bank of St. Louis

## Plastic Packaging



Source: Plastic News

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# Recent News

## INDUSTRY NEWS UPDATES

### Recent M&A Intelligence

- ▶ Germany-based consumer goods company **Henkel has invested in a stretch-blow moulder** from filling and packaging firm KHS, featuring preferential heating capabilities, in an effort to **increase its polyethylene terephthalate (PET) bottle production**. The KHS system has the capacity to process up **to 21,700 bottles an hour**.
- ▶ UK-based packaging manufacturer **Sirane** has announced a **multi-million-pound investment to develop a site for its innovative board division**. The facility will add approximately 40,000ft<sup>2</sup> of manufacturing space to the company in total. The facility will also allow Sirane to invest in more environmentally friendly packaging technologies.
- ▶ **Bericap SC LLC** of Cowpens, S.C., one of 24 manufacturing sites around the world for Bericap GmbH & Co., will **add several production lines** to serve customers across the U.S. and Canada. Bericap is **spending \$19.7 million** on this latest expansion phase.
- ▶ US-based aluminium packaging company **Ball has begun building a can manufacturing facility in Northamptonshire, UK**. The plant is intended to address growing consumer demand for **recyclable aluminium drinks cans**. It will manufacture **more than one billion fully recyclable cans in its first year** of operation and is expected to generate 200 jobs for local communities.

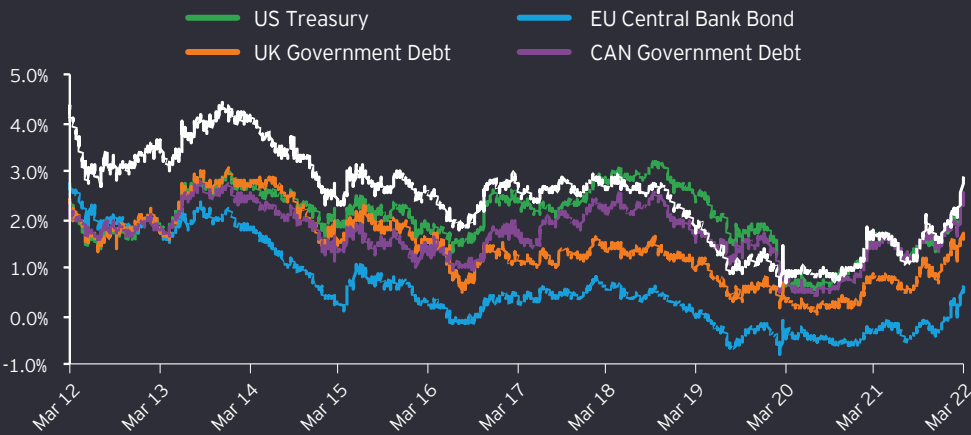
- ▶ Austrian packaging and recycling company **ALPLA has purchased German recycling firm Texplast**. Based in Bitterfeld-Wolfen, Texplast **manufactures polyethylene terephthalate (PET) pellets and flakes from used PET bottles**, which are used to create preforms for new bottles.

### Raw Material News

- ▶ **ExxonMobil Chemical will add almost 1 billion pounds of capacity for polypropylene resin** in Baton Rouge, La., by the end of the year. Houston-based ExxonMobil **will spend more than \$500 million** on the project, which will double the site's PP capacity.
- ▶ **The Compound Co. has acquired the Exxelor resin business from Esso Deutschland GmbH** for an undisclosed price. The acquisition will increase their firm's annual compounding capacity to more than 150 million pounds and will allow the firm to reach new markets.
- ▶ France-based diversified chemical manufacturer **Arkema has closed its previously announced acquisition of Ashland's Performance Adhesives business for around \$1.65bn** in an all-cash transaction. Ashland's Performance Adhesives business supplies a wide range of **adhesives for flexible packaging** and pressure-sensitive adhesives for various markets, including decorative labels, protection and signage films

# Credit market conditions and M&A activity

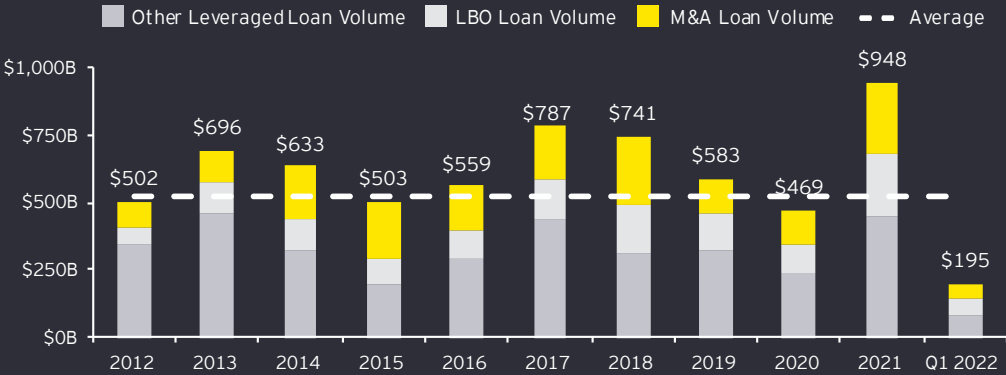
Interest Rates on 10-Year Government Debt Securities



Source: Standard & Poor's Capital IQ

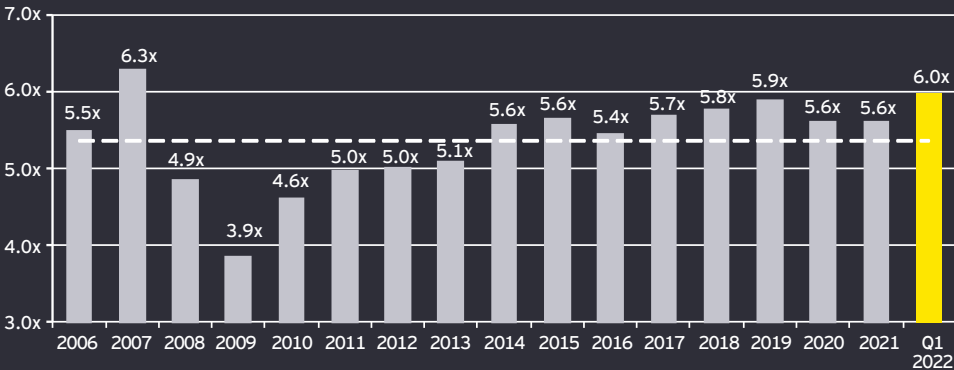
Interest rates on government debt securities continue to increase through Q1 2022. Total Debt/EBITDA multiples of Middle-Market LBO Loans have increased to 6.0x in Q1 2022 from 5.6x in 2021

10-Year Global Leveraged Loan Volume (USD)



Source: Standard & Poor's LCD. Historical data from source may vary from previous Market Update editions due to periodical database updates and/or different calculation methodologies from different presentations.

Average Total Debt/EBITDA Multiples of Middle-Market LBO Loans



Source: Standard & Poor's LCD. Historical data from source may vary from previous Market Update editions due to periodical database updates and/or different calculation methodologies from different presentations.



# Transaction Snapshot

ERNST & YOUNG CORPORATE FINANCE IS PLEASED TO ANNOUNCE THE FOLLOWING SUCCESSFUL TRANSACTION IN THE PACKAGING SECTOR DURING THE FIRST QUARTER OF 2022



EY\* acted as exclusive financial advisor to United Bottles & Packaging.



\* Ernst & Young Orenda Corporate Finance Inc.

## ABOUT THE COMPANY

Founded in 1994, United Bottles and Packaging imports and distributes glass bottles for food and beverage facilities in North America. The company provides glass bottles for beer, wine, cider, mead, spirits, Kombucha, cold-brewed coffee, juice, water, and soft drinks. It offers various services including contract beer bottle washing, repacking, emptying expired products, and plain & printed cartons. It serves more than 4,000 customers and has 100 products

## THE WIN-WIN

The acquisition of United Bottles and Packaging strengthens Berlin Packaging's position in Canada's food and beverage markets as well as expands its glass offerings across North America. This is the third acquisition that Berlin Packaging has completed in Canada since 2020.





# EY in the Conversation with Orientate

## EYCF'S GLOBAL PLASTICS & PACKAGING LEADER KEN BROOKS FEATURED IN ORIENTATE'S MARCH 2022 MARKET REPORT

Orientate | March 2022

In Conversation

### IN CONVERSATION WITH:



**Mr. Ken Brooks**

Senior VP, Strategy & Transactions

Ernst & Young

Ken Brooks is a Senior Vice President (Partner) in Ernst & Young's Corporate Finance ("EYCF") practice. Based in Montreal, Canada, he provides a range of transaction advisory services relating to mergers, acquisitions, divestitures, restructuring and joint ventures to established and entrepreneurial growth companies, private and public, locally and globally and has 30 years of M&A experience.

Ken's focus is servicing companies within the manufacturing sector, especially plastics and packaging related companies. He is the global leader of EYCF's plastic & packaging group and is recognized as a "thought leader" in this sector. He has been a keynote speaker on consolidation within the plastics & packaging industry, most notably at AMI hosted BIAA conferences over the past ten years, as well as numerous other industry events.

Here he talks to Orientate about the surge of activity in packaging M&A and why the biax film industry remains an attractive proposition for investors.

**OR:** There has been a huge surge in packaging M&A over the last two years. What is driving this? What impact did the pandemic have on this development?

**KB:** 2021 was a record year for packaging transactions in terms of volume and it is almost counter intuitive to have seen that many transactions in the context of a pandemic world. The reality is that packaging is still an incredibly high value proposition for investors. In 2021, roughly 51% of the packaging transactions were driven either by private equity as new platforms or by private equity backed strategics, and 49% by strategics. So, one out of every two transactions that happened in 2021 were driven by private equity.

The availability of capital has continued to remain historically high, the cost of capital has continued to remain historically low, and people have learnt to deal and work within the context of the pandemic – that wasn't the case back in March to June 2020 when people were trying to figure everything out. Covid related adjustments to earnings have pretty much made their way through the system.

There are segments of the packaging industry that have benefitted from changes in consumer behaviour. A lot of the thinking is that those consumer changes are going to remain, as typically it take 3 months for a changed behaviour to become permanent, and we've been in the pandemic for 24 months. So, a lot of the behaviour such as working from home in some form, hybrid or otherwise, is going to remain part of the fabric as we move forward. There is going to be more in-home consumption which is generally good for packaging. There will be less B2B packaging in terms of some of the quick service or restaurant usage - I don't believe people are in a rush to get back to their old habits, they will over time but increasing inflation will curb people's spend in restaurants.

Packaging continues to be robust. There are very hungry acquirers, big industry consolidators, there is a chase for growth and quality assets. But, there are not enough good quality assets, so every time there is a quality asset in the market it is a competitive bidding situation driving prices.

*"there are not enough good quality assets, so every time there is a quality asset in the market it is a competitive bidding situation driving prices"*

Transactional activity would have happened in any event because the pandemic had no impact on the cost of capital or the availability of capital. If anything, the pandemic drove increased levels of available capital while it also drove resiliency in companies. Any company able to demonstrate resiliency throughout the pandemic got a higher valuation than pre-pandemic. In a very contorted way, the pandemic has increased valuations for certain parts of the market. Fundamentally, what could stop the current cycle is a significant increase in interest rates, significant not only in terms of actual percentage increase but also in terms of speed of implementation. A regional war with potential

The conversation digs further into the factors responsible for the surge in M&A activity in the packaging sector and the sustained attractiveness of the biax film industry for investors.

“

The single biggest concern would be, to the extent that they have had a fabulous run through the pandemic period, to demonstrate the sustainability of their profits to able to get premium pricing.

“

[...] the packaging marketplace in South America has been vibrant throughout Covid and I believe we are likely to see more transactions in the Southern hemisphere over the next couple of years.

“

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“

ESG wasn't even an afterthought 4-5 years ago [...] people are talking more and more about it and 5 years from now, we will draw the same conclusion – that notwithstanding its growing importance it will have seemed like an afterthought five years prior given the level it will have reached.


“

2021 was a record year for packaging transaction in terms of volume [...] Segments of the packaging industry have benefited from changes in consumer behavior [...] a lot of the thinking is that those consumer changes are going to remain, as typically it takes 3 months for a changes behavior to become permanent, and we've been in the pandemic for 24 months.




# Sustainable Packaging Trends

## 10 TRANSACTIONS IN THE SUSTAINABLE PACKAGING SECTOR IN Q1 2022



Acquired




For an undisclosed amount

Texplast produces PET pellets and flakes from used PET bottles. The acquisition will enable Alpha to increase its recycling capacity in Germany to 75,000 tonnes of PET bottles per annum.




Acquired



For an undisclosed amount

Choose Packaging manufactures the world's only commercially available zero-plastic paper bottle. The acquisition will strengthen HP's capabilities in verticals like sustainable packaging.



Acquired



For an undisclosed amount

Megara is a leading manufacturer of graphics-grade solid polypropylene sheets and innovative point-of-sale display, and consumer packaging. The acquisition will allow Corex Plastics to extend its offering in the plastic sheet manufacturing and recycling industry in Australia.




Acquired



For \$620.0M

Octal is a major global producer of PET sheets and owns the proprietary direct-to-sheet technology, which eliminates several energy-intensive conversion steps, resulting in the lowest cost production method for PET sheets.




Acquired


Pure BioPlastics

For an undisclosed amount

Pure BioPlastics operates as a renewable plastics company that offers bio-based technologies. The acquisition will help CBD Global Sciences to set up a bio-based technology division that would provide advancing solutions to the global environmental issues dealing with plastics.




Acquired




For an undisclosed amount

Carton Pack is a leading Italian group in the development, production, and marketing of multi-material packaging for the food sector. The acquisition will allow Carton Pack to consolidate its leadership in the European market and expand its product portfolio and international presence.




Acquired




For an undisclosed amount

F.G. Curtis Plc manufactures folding cartons for the cosmetics and beauty markets. The acquisition will strengthen both companies' market presence.




Acquired




For \$204.4M

Midwest manufactures recycled containerboard for corrugated packaging and recycled bag products. The acquisition of Midwest by McKinley, a wholly-owned subsidiary of Bio PAPPET, will enrich Bio-PAPPET-McKinley culture and competitiveness in the North American market.



Acquired



For an undisclosed amount

PACCOR is a leading international player in the packaging industry, offering integrated packaging solutions to safeguard valuable products mainly in the food industry and selected other segments.



Acquired



For an undisclosed amount

PolyFerm has a unique technology portfolio of biobased and biodegradable elastomeric polymers known as medium-chain-length-polyhydroxyalkanoate. The acquisition will strengthen TerraVerdae's core capabilities and enhance its ability to produce biopolymers and resins for a wider range of applications.





## Sustainability Related Announcements

- ▶ The **US Plastic Pact**, which includes major players, from consumer brands like Coca-Cola Co. and Walmart Inc. to packaging makers like Amcor Ltd and resin makers like Eastman Chemical Co., announced a voluntary plan Jan. 25 **to phase out 11 materials they consider “problematic or unnecessary,” by 2025**. Besides PS, EPS and PVC, the phaseout list includes three commonly littered products – cutlery, stirrers and straws – as well as other packaging materials seen as contaminating recycling streams.
- ▶ **Supported by 175 countries, the United Nation's** top environmental body agreed March 2 to **move forward on a global plastics pollution treaty**, setting in motion talks that could have a major impact on how plastics are regulated and used around the world.
- ▶ **Republic Services Inc.**, the nation's second-largest solid waste management company, is delving deeper into plastics recycling with plans to **create a national plastic reprocessing footprint**. It will be the company's first-ever facility to further process PET into food-grade PET flake. The initial Las Vegas site will also handle high density polyethylene and polypropylene, and output is expected to exceed **100 million pounds per year**.
- ▶ Brazil-based polyolefin producer **Braskem** is aiming to expedite the advanced recycling of plastic by **investing in waste management and energy production company Nexus Circular**. Nexus uses its **proprietary advanced recycling technology** to convert plastics, which would otherwise be sent to landfill, into circular feedstocks. These materials are then converted to virgin plastics for use in various applications, including packaging.
- ▶ **Evergreen Plastics Inc.** is continuing a rapid expansion, creating **one of the largest food-grade PET recyclers in the United States**. Thanks to another two acquisitions, the company now figures to be one of the three biggest producers in the United States with a total of four facilities. Evergreen has seen its recycled PET capacity expand dramatically since the start of 2021 to **11.6 billion bottles annually**.
- ▶ Sustainable materials firm **Origin Materials** plans to **build a major plant-based PET feedstock plant in Louisiana**. West Sacramento, Calif.-based Origin **will spend at least \$750 million** to build the plant in Geismar. **The plant will use sustainable wood residue** – sourced partly from Louisiana's timber mills and managed forests – to make PET feedstock for packaging, textiles, apparel and other applications.
- ▶ French biochemistry company **Carbios** has **collaborated** with Thailand-based petrochemical firm **Indorama Ventures** to **build a manufacturing plant for bio-recycled polyethylene terephthalate (PET)**. The plant will be equipped with Carbios' PET bio-recycling technology and will have the **capability to process 50,000t of PET waste a year**.



# Q1 2022 Selected Packaging Transactions

## > FLEXIBLE

TARGET: **All American Label Co.**, United States  
ACQUIRER: **Western Shield Acquisitions**, LLC, United States

AALP provides premium flexographic, digital, and offset labels as well as shrink sleeves, folding cartons, flexible packaging, and grand format signage. The acquisition will allow Western Shield to extend its manufacturing footprint into the Southeast US region.

TARGET: **Amcor plc** (Rinteln facility), Switzerland  
ACQUIRER: **Tucano Group**, Switzerland

Switzerland-based Tucano Group acquired Switzerland-based Rinteln Facility of Amcor Plc (“Rinteln Facility of Amcor”). Rinteln facility of Amcor is a specialist in high-quality flexible packaging solutions and renowned supplier to the confectionary and tobacco industries.

TARGET: **Bass Flexible Packaging, Inc.**, United States  
ACQUIRER: **C-P Flexible Packaging, Inc.**, United States

Bass specializes in manufacturing stand-up pouches, premade bags, and shrink sleeves and has developed a customer-centric service model supported by nimble assets and systems enabling the company to meet short lead times for a wide breadth of order quantities. The acquisition will help C-P to expand into the highly attractive confectionery and health & beauty markets and add state-of-the-art short-run and short lead time capabilities. The company’s North American footprint now consists of 11 locations with over 1,000 employees.

TARGET: **Belle-Pak Packaging Inc.**, Canada  
ACQUIRER: **ProAmpac Intermediate, Inc.**, United States

Belle-Pak is a manufacturer of flexible packaging products with a diverse product portfolio consisting of poly mailers for e-commerce and logistics services, packing list envelopes and custom medical and clinical bags. The acquisition will expand ProAmbac’s growing presence in Canada and extend its reach in high-growth e-commerce, healthcare, and logistics end markets.

TARGET: **Clear View Bag Company, Inc.**, United States  
ACQUIRER: **Summit Plastics, Inc.**, United States

Clear View manufactures and distributes polyethylene, polypropylene, hi-density, and related packaging products. The acquisition will strengthen Summit Plastics’ geographic presence, expand its product offerings, and create a vertically integrated platform better suited to serve customers across the packaging value chain.

TARGET: **Crasti & Company Pty Ltd**, Australia  
ACQUIRER: **Close the Loop Ltd**, Australia

Crasti supplies flexible intermediate bulk container and bulk packaging to many business-to-business clients, including multinationals, national corporates, and major government departments. The acquisition will enhance CTL’s position in the bulk packaging market as well as aid in the expansion of its product portfolio. The transaction closed at **\$4.2M**.

TARGET: **Divipa SL**, Spain  
ACQUIRER: **Fedrigoni Group**, Italy

Divipa engages in developing, manufacturing, and distributing self-adhesive materials. The acquisition will help Fedrigoni expand its global presence, increase production capacity, and create synergies in production and procurement.

TARGET: **Clear Eurofilms Extrusion Ltd\***, United Kingdom  
ACQUIRER: **Trioworld Group**, Sweden

Eurofilms provides a range of stretch film products, shrink film, covers, sheets, bags, sacks and other packaging products and serves customers in the areas of distribution, beverage, food and industrial packaging.

TARGET: **FIBCORP Polyweave Pvt. Ltd.**, India  
ACQUIRER: **Sah Polymers Limited**, India

FIBCORP manufactures flexible intermediate bulk containers (FIBC) and bulk bags. The acquisition will result in significant synergies and immense value addition by opening new markets and the ability to shell out a new range of products whilst attracting diverse talent from the industry by complementing each other’s strengths.

TARGET: **Five Star Holding Corp\***, United States  
ACQUIRER: **The Jordan Company, L.P.**, United States

Five Star operates as a manufacturer of flexible packaging, printed films, bag making, post-consumer resins, and sustainability solutions. The transaction closed at **\$1.5B**.

TARGET: **Flexible Packaging Joint Venture of Greif, Inc.**, United States  
ACQUIRER: **Gulf Refined Packaging**, United States

Greif manufactures packaging accessories and provides filling, packaging, and other services for a wide range of industries. The transaction closed at **\$123.0M** for a **50% stake**.

TARGET: **Flexoprint Labels S/A**, Brazil  
ACQUIRER: **All4Labels Group GmbH**, Germany

Flexoprint manufactures labels and offers self-adhesives, shrink sleeves, in-mold labels, internal tags, and aluminum seals. It serves the food, beverage, hygiene, cleaning, cosmetics, chemical, pharmaceutical, pet, automotive, and packaging industries. The acquisition will allow All4Labels to enhance its product portfolio and offer complementary products.

TARGET: **Flex-Pak Packaging Products Inc.**, United States  
ACQUIRER: **Vonco Products, Inc.**, United States

Flex-Pak provides flexible barrier packaging and sterile barrier DuPont Tyvek pouches for leading consumer and healthcare organizations. The acquisition will help Vonco provide risk-free turnkey contract manufacturing of devices, packaging, and sterilization management, and streamline the supply chain for their customers.

TARGET: **foxpak Flexibles Ltd**, Ireland  
ACQUIRER: **Sealed Air Corporation** (NYSE:SEE), United States

Foxpax partners with leading brands to deliver highly decorated packaging solutions, stand-up and spout pouches, and sachets that serve a variety of markets including food retail, pet food, seafood, and snacks. The acquisition will assist Sealed Air in accelerating their digital future with innovations in smart packaging for leading brands around the world.

\* Denotes announced transactions  
Source: S&P Capital IQ



# Q1 2022 Selected Packaging Transactions (cont'd)

TARGET: **G.S.D.I. SAS**, France  
ACQUIRER: **GIMV NV**, Belgium

GSDI engages in the manufacture and installation of adhesive films and serves railway, building and public spaces, food, public transport, trading and distribution, hotel, agri-business, and health sectors. The investment will allow GSDI to support its growth ambitions in the railway market, both in France and internationally, and accelerates its development in new high-growth segments.

TARGET: **Intertape Polymer Group Inc.\***, Canada  
ACQUIRER: **Clearlake Capital Group, L.P.**, United States

IPG engages in the manufacturing of film and paper-based labels, pressure-sensitive and water-activated tapes, stretch and shrink films, protective packaging, woven, and non-woven products and packaging machinery for industrial and retail use. The transaction will provide IPG with the operational and financial resources to accelerate acquisition strategy, as well as organic growth opportunities such as investing in product innovation, sustainability, and market expansion. The transaction closed at **\$2.6B** and implies a **TEV/LTM Revenue multiple of 1.6x** and **TEV/LTM EBITDA multiple of 11.7x**.

TARGET: **Labeltronix LLC**, United States  
ACQUIRER: **Advanced Web Technologies, LLC**, United States

Labeltronix is a leading label manufacturer of premium craft labels and serves some of the country's most prominent brands. The acquisition will enhance AWT's end-market presence, high-end premium crafted label manufacturing capabilities, and will have an immediate impact in adding value for existing and new customers.

TARGET: **Limo Labels A/S**, Denmark  
ACQUIRER: **All4Labels Group GmbH**, Germany

Limo manufactures packaging labels intended to serve the healthcare and industrial sectors. This acquisition will increase the size and international reach of All4Labels.

TARGET: **Lirsa S.r.l.**, Italy  
ACQUIRER: **Arrigoni S.p.A.**, Italy

Lirsa manufactures plastic films that are used in agriculture, films, and industrial packaging sectors.

TARGET: **MacArthur Corporation**, United States  
ACQUIRER: **Advanced Web Technologies, LLC**, United States

MacArthur is a manufacturer of labels, tags, decals, and functional film and serves Global 500 customers. The company integrates enhanced features, including serialized barcoding, RFID, anti-counterfeit, anti-tamper, and anti-microbial technologies into its products. The acquisition will allow Web Technologies to broaden its end-market knowledge, engineering expertise, manufacturing capabilities and expand its product offering.

TARGET: **Macfarlane Labels Limited**, United Kingdom  
ACQUIRER: **The Reflex Group Ltd**, United Kingdom

Macfarlane Labels operates in the commercial printing industry that provides self-adhesive and resealable labels to a wide range of sectors including food, health and beauty, household products, beverages, and pharmaceuticals. The acquisition will allow Reflex to focus resources on growing their protective packaging businesses both in the UK and Europe. The transaction closed at **\$8.7M**.

TARGET: **Megara (Australia) Pty. Ltd.\***, Australia  
ACQUIRER: **Corex Plastics (Australia) Pty. Ltd.**, Australia

Megara is a leading manufacturer of graphics-grade solid polypropylene sheets and innovative point-of-sale display, consumer packaging, presentation, and stationery products. The acquisition will allow Corex Plastics to extend its offering in the plastic sheet manufacturing and recycling industry in Australia.

TARGET: **Novolex Holdings, LLC\***, United States  
ACQUIRER: **Apollo Global Management, Inc.** (NYSE:APO), United States

Novolex is a leading global manufacturer of diverse packaging products for the foodservice, delivery and carryout, food processor, and industrial markets. The investment will strengthen Novolex's leadership position by expanding its blue-chip customer relationships through a shared commitment to sustainability and product innovation. The transaction closed at **\$6.0B**.

TARGET: **NYCO Flexible Packaging GmbH**, Switzerland  
ACQUIRER: **FairCap GmbH**, Germany

NYCO manufactures packaging solutions, such as shrink sleeves, die-cut lids, push-through foil, coffee caps, medical lidding, thermoformable lids, coated film, and foil. The acquisition will help NYCO to achieve its potential as an independent company, develop forward-looking sustainable packaging solutions and grow in new markets.

TARGET: **OCTAL Holding SAOC\***, Oman  
ACQUIRER: **ALPEK, S.A.B. de C.V.** (BMV:ALPEK A), Mexico

Octal is a major global producer of PET sheets and owns the proprietary direct-to-sheet technology, which eliminates several energy-intensive conversion steps, resulting in the lowest cost production method for PET sheets. The acquisition will help Alpek in expanding presence into the PET sheet and thermoforming industries, achieving its CO2 emissions reduction goals, cutting down costs by capturing administrative and operational synergies, and serving the growing needs for 100% recyclable packaging. The transaction closed at **\$620.0M**.

TARGET: **Olymp'Etiqu SAS**, France  
ACQUIRER: **Labelys Group**, France

Olymp'Etiqu manufactures technical adhesive labels for the agri-food market as well as for hygiene, industry, and chemicals. The acquisition will strengthen Labelys Group's position in the food sector and expand its footprint into the Grand-Ouest region.

TARGET: **Paradigm Label Inc.\***, United States  
ACQUIRER: **Brook & Whittle Limited**, United States

Paradigm Label specializes in flexible packaging, pressure-sensitive labels, and shrink sleeves. The acquisition will further strengthen Brook + White's West Coast presence and its ability to deliver the fastest lead times in the industry.

TARGET: **Prime Label KC, Inc.**, United States  
ACQUIRER: **Todd McCullough**, United States

PKLC provides custom pressure-sensitive labels and sheets to customers throughout the US and offers its custom printing services to customers across several industries such as healthcare, retail & packaging, food and beverage and industrial & commercial.

TARGET: **Promosac - Mediprotec**, France  
ACQUIRER: **Dzeta Conseil**, France

Promosac - Mediprotec manufactures and markets single-use packaging products and personal protective equipment for distribution professionals. The acquisition aims to triple the size of Promosac - Mediprotec to €150.0M (\$169.5M) in revenue within five years.



# Q1 2022 Selected Packaging Transactions (cont'd)

TARGET: **QSX Labels**, United States

ACQUIRER: **Resource Label Group, LLC**, United States

QSX Labels operates in the label and packaging industry and offers digital, flexographic, and screen-printed custom labels, including state-of-the-art finishing capabilities. The acquisition will expand Resource Label's regional strength in New England and its leading position in the label and packaging industry.

TARGET: **Rhein-Plast GmbH**, Germany

ACQUIRER: **Ringmetall SE**, Germany

Rhein-Plast produces monofilms made of polyethylene (PE) in addition to extrusion and printing. In addition, it offers a broad product portfolio of bags and sacks made of polyethylene and serves the pharmaceutical and biotech industries. The acquisition will help Ringmetall to have more production know-how and greater vertical integration in the product area of barrel inner shells and inliners in the future. The transaction will also help Ringmetall to secure a long-standing and resilient network of customers from the pharmaceutical industry.

TARGET: **S.A.P.I.C.I. S.p.A.**, Italy

ACQUIRER: **Sun Chemical Group S.p.A.**, Italy

SAPICI manufactures polyurethanes for coatings, flexible packaging, industrial adhesives, prepolymers, and inks. The acquisition will help Sun Chemical become an integrated player in the lamination adhesives market - directly owning assets, technologies, and resources to improve its product portfolio.

TARGET: **Scholle IPN Corporation\***, United States

ACQUIRER: **SIG Combibloc Group AG**, Switzerland

Scholle designs and manufactures packaging products for food, beverage, and non-food markets. This acquisition diversifies SIG's exposure to growing and resilient end markets. SIG's portfolio of market-leading sustainable food and beverage carton solutions will be expanded into bag-in-box and spouted pouches for retail, institutional, and industrial customers. The combined entity will have a total of 69 sales and manufacturing sites worldwide, with almost 8,000 employees. The transaction closed at **\$1.8B** and implies a **TEV/Revenue multiple of 3.5x** and **TEV/EBITDA multiple of 18.2x**.

TARGET: **Skipnes Etikett AS**, Norway

ACQUIRER: **Volati AB**, Sweden

Skipnes Etikett produces self-adhesive labels for both food and industrial products. The company works with flexo and digital printing and has invested heavily in new technology and upgraded machinery over the last three years. The acquisition strengthens Volati's market position in Norway, with the combined entity becoming one of the country's leading label producers.

TARGET: **Spinnaker Coating, LLC**, United States

ACQUIRER: **MACtac Americas, LLC**, United States

Spinnaker Coating manufactures pressure-sensitive paper and film products for the printing industry. The company's products include adhesive-coated papers, foils and films for hand-applied labelling applications. The acquisition will enhance MACtac's technical capabilities and enhance its product portfolio. The transaction closed at **\$40.0M** and implies a **TEV/Revenue multiple of 0.3x**.

TARGET: **Substantially All of Operating Assets of Syfan Manufacturing, Inc.**, United States

ACQUIRER: **Intertape Polymer Group Inc.**, Canada

Syfan Manufacturing engages in manufacturing of shrink and over-wrap films. The acquisition of Syfan is expected to expand Intertape's existing shrink film production capacity in North America, allowing it to better service the growing demand of its customer base. The transaction closed at **\$18.0M**.

TARGET: **Techflex Packaging, LLC**, United States

ACQUIRER: **Signature Flexible Packaging, Inc.**, United States

Techflex manufactures customized pouch converter packaging solutions for food and medical end markets. The acquisition will strengthen Signature Flexible's ability to provide comprehensive flexible packaging solutions and services to its customer base throughout North America.

TARGET: **True Liberty Bags**, United States

ACQUIRER: **The Scotts Miracle-Gro Company**, United States

True Liberty Bags offer bags for various purposes including household & garden, outdoor recreation, commercial and cannabis products. The acquisition reinforces Scotts Miracle's commitment to provide commercial cannabis cultivators in state-authorized markets with a complete set of solutions driven by insight and innovation. The transaction closed at **\$10.0M**.

TARGET: **Valley Forge Tape & Label Co., Inc.**, United States

ACQUIRER: **I.D. Images LLC**, United States

Valley Forge designs and manufactures printed labels for the healthcare, food and beverage, consumer product, electronics, data processing, and OEM industries. The acquisition will allow I.D. Images, a portfolio company of Soul Source Capital LLC, to continue its significant growth in the labels industry as well as represents its third significant transaction in the last five months.

TARGET: **Weidelco B.V.**, Netherlands

ACQUIRER: **Foodpartners B.V.**, Netherlands

Weidelco provides a range of packaging, spices, cleaning products, nets, synthetic casings, and equipment for the food industry. The acquisition will allow Foodpartners to continue its growth and strengthen its position in its respective geographical market.

TARGET: **Yantai Xinhui Medical Packaging Materials Co Ltd** and **Yantai Xinhui Packaging Co Ltd**, China

ACQUIRER: **DatwylerSchweiz AG**, Switzerland

Yantai Xinhui Medical Packaging Materials and Yantai Xinhui Packaging engage in manufacture of packaging products for the pharmaceuticals industry. This acquisition provides DatwylerSchweiz with direct access to the fast-growing healthcare market in China.

## > GLASS

TARGET: **Neville and More Limited**, United Kingdom

ACQUIRER: **TricorBraun, Inc.**, United States

Neville provides glass, plastics, and aluminum packaging for various household brands across multiple end markets including health care, pharma, personal care, and food & beverage. The acquisition will enable TricorBraun to offer expanded services and supply chain options to customers.

TARGET: **Premi S.p.A.**, Italy

ACQUIRER: **Berlin Packaging L.L.C.**, United States

Premi is a global packaging supplier that specializes in dynamic and innovative solutions for the beauty and cosmetic industries. The acquisition will allow Berlin to expand their product portfolio in the beauty and cosmetic sector, and help them to focus on being a one-stop shop for its customers.



# Q1 2022 Selected Packaging Transactions (cont'd)

TARGET: **Refresco Group NV**, Netherlands  
ACQUIRER: **KKR & Co. Inc.**, United States

Refresco Group is the global independent beverage solutions provider for retailers and A-brands with production in Europe and North America. It offers an extensive range of product and packaging combinations. The acquisition will help Refresco Group to build on its ability to manufacture high quality products that meet the growing demand for sustainable beverage solutions, with a focus on sustainable sourcing, responsible production, and environmentally friendly operations.

TARGET: **United Bottles & Packaging**, Canada  
ACQUIRER: **Berlin Packaging L.L.C.**, United States

UBP supplies bottles and closures for alcoholic beverages such as wine, spirits, beer, and cider, in addition to a wide selection of bottles and closures for food and non-alcoholic beverages. The acquisition strengthens Berlin's position in Canada's food and beverage markets as well as expands its glass offerings across North America.

## > PAPER

TARGET: **Assets of Fibro Corporation**, United States  
ACQUIRER: **Tekni-Plex, Inc.**, United States

Fibro develops and manufactures innovative molded-fiber packaging. The acquisition expands Tekni-Plex's materials science solutions in the fresh food marketplace to include a broader range of sustainable and pulp-based packaging solutions.

TARGET: **Carton Pack\***, Italy  
ACQUIRER: **A&M Capital Europe**, United Kingdom

Carton is a leading Italian group in the development, production, and marketing of multi-material packaging for the food sector, with a particular focus on the fruit and vegetable and ready-to-eat segments. The acquisition will allow A&M to consolidate its leadership in the European market, expand its product portfolio and international presence.

TARGET: **Color-Box, LLC\***, United States  
ACQUIRER: **Menasha Packaging Company, LLC**, United States

Color-Box manufactures corrugated packaging specializing in high-graphic boxes and supplies a full range of packaging solutions, including containerboard, corrugated boxes and sheets, recyclable mailers for e-commerce, and high-graphic packaging. The acquisition will expand Menasha's geographic footprint and will provide additional graphics, design, and structural packaging options for its customers.

TARGET: **EGGER Druck + Medien GmbH**, Germany  
ACQUIRER: **Pinsker Druck und Medien GmbH** and **ARCUS Capital AG**, Germany

EGGER manufactures printed packaging boxes such as complex folding boxes, printed boxes, displays, stands and mailings with classic product packaging for small and medium-sized businesses. The acquisition will assist Pinsker in further development of high-quality functional print products as well as individualized mailings, displays and cardboard packaging. The transaction closed at **\$12.4M**.

TARGET: **F.G. Curtis Plc**, United Kingdom  
ACQUIRER: **Medica Packaging Limited**, United Kingdom

FGC manufactures folding cartons for the cosmetics and beauty markets. The acquisition will provide both companies a stronger market presence.

TARGET: **Huhtamaki Smith Anderson Spółka Z Ograniczona Odpowiedzialnoscia**, Poland  
ACQUIRER: **Huhtamäki Oyj**, Finland

Huhtamaki Smith manufactures and sells food service paper bags. The acquisition enables the Huhtamäki to invest in and further grow the business in Eastern Europe. The transaction closed at **\$2.3M** for a **50% stake**.

TARGET: **Huston-Patterson Llc**, United States  
ACQUIRER: **Lewisburg Printing, Inc.**, United States

Lewisburg manufactures printed materials and packaging for a broad range of markets, including personal care, food & beverage, healthcare, and other consumer markets. The transaction will enhance Lewisburg's manufacturing capabilities, customer relationships, and geographic reach.

TARGET: **Industria Litografica Cartotecnica - S.R.L.**, Italy  
ACQUIRER: **P. Van De Velde Group**, Belgium

Industria manufactures cards, stickers, and counter displays & packaging solutions. With this acquisition, P.Van De Velde enters the Italian market, adding a company of 7.8 M euros in annual revenues (2020 figures) to its corporate tree.

TARGET: **Midwest Paper Group**, United States  
ACQUIRER: **McKinley Paper Company**, United States

Midwest manufactures recycled containerboard for corrugated packaging and recycled bag products. The acquisition will help McKinley significantly increase its U.S. container board production. The transaction closed at **\$204.4M**.

TARGET: **Neenah, Inc. (NYSE:NP)\***, United States  
ACQUIRER: **Schweitzer-Mauduit International, Inc.**, United States

Neenah manufactures specialty materials with uses in premium packaging, transportation and water filters, technology and beauty products, industrial labels, tapes and abrasives, and digital printing for high-end apparel. The acquisition will significantly broaden SMI's customer base, product lines and technical expertise. The transaction closed at \$1.2B and implies a **TEV/Revenue multiple of 1.1x** and **TEV/EBITDA multiple of 10.0x**.

TARGET: **Phoenix Color Corp.**, United States  
ACQUIRER: **Lakeside Book Company**, United States

Phoenix provides printing services such as printing on plastics like polyester, vinyl, and styrene to the publishing industry and manufactures game boards, box wraps, posters, postcards, and collectible cards. The acquisition will enable Lakeside's publishing customers to conveniently manage the book and cover printing in one place. The transaction closed at **\$134.8M** and implies a **TEV/Revenue multiple of 1.2x**.

TARGET: **Pioneer Packaging Inc.**, United States  
ACQUIRER: **B2B Industrial Packaging LLC**, United States

Pioneer offers packaging solutions with a focus on sectors that include industrial, retail, and moving and storage. The acquisition will help B2B Industrial to leverage state-of-the-art technology and offer complete custom packaging solutions from design to delivery.

\* Denotes announced transactions  
Source: S&P Capital IQ



# Q1 2022 Selected Packaging Transactions (cont'd)

TARGET: **Professional Image, Inc.**, United States

ACQUIRER: **Oliver Inc.**, United States

Professional Image manufactures custom folding carton packaging and provides innovative stock packaging and accessories to customers in food and beverage, beauty products, confection, health and wellness, and consumer goods markets. The acquisition will enhance Oliver's geographic reach, capacity, and high-end, design-forward product offerings.

TARGET: **SFBC, LLC**, United States

ACQUIRER: **Vidya Brands Group**, United States

SFBC manufactures paperboard boxes intended for food, hardware and pharmaceutical end-markets. SFBC team will be partnering with VBG to continue to lead an aggressive growth and transformation plan.

TARGET: **Varcotex SpA**, Italy

ACQUIRER: **Cadicagroup S.p.a.**, Italy

Varcotex manufactures woven labels and hang tags for fashion, printed labels, leather, and high-frequency labels. The acquisition will allow Cadicagroup to develop its strategic positioning, strengthening its production capabilities, and further enriching its offering to high-end customers with an increasingly integrated supply chain in line with a greater focus and attention to sustainability.

## > RIGID

TARGET: **AcoustaProducts Ltd**, United Kingdom

ACQUIRER: **Avon Group Manufacturing Limited**, United Kingdom

Acousta Products operates as a manufacturer of acoustic foam and rubber products for several industrial customers in the automotive, medical, air conditioning, and packaging sectors. The acquisition by Avon Group will further consolidate its position as a major player in UK's industrial component manufacturing sector.

TARGET: **Allied Plastics, Inc.**, United States

ACQUIRER: **All-State Industries, Inc.**, United States

Allied manufactures medium-to-heavy-gauge thermoformed plastic components for agriculture and heavy equipment OEMs, consumer products, and packaging/dunnage industries. The combined business will be one of the largest providers of non-metallic components in its markets, with eight total manufacturing facilities in the United States and Mexico.

TARGET: **Andicor Container Distribution**, Canada

ACQUIRER: **Novvia Group**, United States

Andicor distributes cans, pails, drums, and other rigid packaging products to a variety of end markets. The acquisition will allow Novvia to expand in the Canadian market.

TARGET: **Automatic Plastics Limited**, Ireland

ACQUIRER: **Comar, LLC**, United States

APL manufactures injection molded products primarily for the medical device and pharmaceutical sectors. The acquisition provides a foundation for Comar to supply its multinational customers and grow in European healthcare markets. The combined company will have 11 manufacturing facilities and over 1200 employees worldwide.

TARGET: **Business of M/s Skypet Polymers**, Thailand

ACQUIRER: **TPAC Packaging India II Private Limited**, India

Skypet manufactures and supplies PET Preforms and PET Bottles. The acquisition will enhance TPAC's presence in the PET rigid packaging space, expand its geographical footprint and further diversify its segmentation with entry into the water packaging segment and strengthen its presence in the liquor packaging segment. The transaction closed at **\$13.8M**.

TARGET: **Canyon Plastics**, United States

ACQUIRER: **Vpet Usa, Inc.**, United States

Canyon designs and manufactures low, medium, and high blow-molded, stretch blow-molded, and injection-molded HDPE and PET plastic products across diversified end markets. The acquisition will increase the overall scale of Vpet's business and further diversify its product offering, customers, and end markets.

TARGET: **Evergreen Asia**, China

ACQUIRER: **SIG Combibloc Group AG**, Switzerland

Evergreen Asia supplies filling machines, cartons, closures, and after-sales service to its customers in the fresh dairy segment, mainly for milk, and has production facilities in China mainland, South Korea, and Taiwan. The acquisition will enable SIG to increase its share of wallet with existing customers and to access a new customer base. The transaction closed at **\$335.0M** implies a **TEV/Revenue multiple of 2.1x** and **TEV/EBITDA multiple of 12.0x**.

TARGET: **Fine Line Settings Inc.**, United States

ACQUIRER: **Handgards, LLC**, United States

Fineline manufactures and supplies disposable tableware and packaging products, including eco-friendly compostable and recyclable solutions. The acquisition will enable Handgards to offer a broader portfolio of foodservice solutions to customers across North America.

TARGET: **Foam Concepts, Inc.**, United States

ACQUIRER: **Altior Solutions**, United States

Foam Concepts is a manufacturer of expanded polystyrene (EPS) foam products for the cold chain, protective packaging, and construction end markets. The acquisition will strengthen Altior's position as a leading provider of packaging and componentry solutions. With the addition of Foam Concepts and its facility, Altior will operate 19 manufacturing facilities across the US to help customers solve their packaging, insulation and componentry needs.

TARGET: **H-B Packaging Group LLC**, United States

ACQUIRER: **International Packaging Corporation**, United States

H-B Packaging manufactures boxes for applications in the candy & confectionery, awards & trophies, and professional photography markets. The acquisition will enable IPC to combine the hallmark of HB Packaging with its extensive product lines.

TARGET: **Wi-Sales GmbH**, Germany

ACQUIRER: **Ewald Doerken AG**, Germany

Wi-Sales provides transport packaging solutions and serves various industries such as automotive, agricultural engineering, aviation, retail, furniture, and recycling.



# Q1 2022 Selected Packaging Transactions (cont'd)

TARGET: **Intertech Plastics, Inc.**, United States

ACQUIRER: **TriMas Corporation**, United States

Intertech provides complex, precision injection molded components for the medical, packaging, industrial, and consumer goods industries. The acquisition will expand TriMas's product offerings into the life sciences market.

TARGET: **Ngoc Nghia Industry-Service-Trading Joint Stock Company\***, Vietnam

ACQUIRER: **Indorama Netherlands B.V.**, Netherlands

Ngoc provides PET packaging products to major multinational and Vietnamese brands in the beverage and non-beverage industries. The acquisition will strengthen IVL's market position in the packaging business in high-growth markets of the Asia-Pacific region. The transaction closed at **\$94.1M**.

TARGET: **PACCOR Packaging GmbH**, Germany

ACQUIRER: **Færch Plast A/S**, Denmark

PACCOR is a leading international player in the packaging industry, offering integrated packaging solutions to safeguard valuable products mainly in the food industry and selected other segments. The acquisition underlines Faerch's overall strategy for creating circularity in food packaging and will accelerate the required material conversion towards sustainable packaging solutions in the European dairy sector.

TARGET: **Rudolf Dankwardt GmbH**, Germany

ACQUIRER: **Lafayette Mittelstand Capital**, Luxembourg

Rudolf Dankwardt provides manufacturing and packaging solutions to the cosmetics industry.

TARGET: **Strazaplastika d.d.**, Croatia

ACQUIRER: **DS Smith Plastics Bilzen N.V.**, Belgium

Strazaplastika engages in the manufacturing of reusable plastic products for the food, agriculture, construction, and automotive markets. The company supplies crates, pallets, and containers with an extended range of trays, totes, and carriers for the food and beverage industry.

TARGET: **Veritiv Canada, Inc.**, Canada

ACQUIRER: **Imperial Dade**, United States

Veritiv provides janitorial and hygiene products print and food service packaging solutions. The acquisition will enhance Imperial's presence across North America. The transaction closed at **\$190.1M**.

TARGET: **Zuckerman-Honickman, Inc./Vessel Packaging Inc.**, United States

ACQUIRER: **TricorBraun, Inc.**, United States

ZH provides innovative packaging to most of the iconic beverage brands in the world whereas Vessel provides aluminium can packaging for all major beverage end markets, from beer, wine, and cider to kombucha, coffee, and other beverages. The acquisition will strengthen TricorBraun's position in the beverage packaging market.

## > SUSTAINABLE

TARGET: **Choose Packaging**, United Kingdom

ACQUIRER: **HP Inc.**, United States

Choose manufactures the world's only commercially available zero-plastic paper bottle. The acquisition will strengthen HP's capabilities in verticals, and especially in sustainable packaging. HP will integrate Choose into its personalization and 3D printing business to upscale its technology and customer footprint within the market.

TARGET: **Packaging Technology Group, Inc.**, United States

ACQUIRER: **Cold Chain Technologies, LLC**, United States

PTG designs, engineers, and manufactures sustainable, thermal shipping, and packaging solutions for the biopharmaceutical and life sciences sector. The acquisition will enhance CCT's commitment to environmentally friendly and sustainable packaging solutions.

TARGET: **PolyFerm Canada Inc.\***, Canada

ACQUIRER: **TerraVerdae Bioworks Inc.**, Canada

PolyFerm has a unique technology portfolio of biobased and biodegradable elastomeric polymers known as medium-chain-length-polyhydroxyalkanoate. The acquisition will strengthen TerraVerdae's core capabilities and enhance its ability to produce biopolymers and resins for a wider range of applications, including films, coatings, and adhesives.

TARGET: **Pure BioPlastics, Inc.\***, United States

ACQUIRER: **CBD Global Sciences Inc.** (CNSX:CBDN), United States

PBP operates as a renewable plastics company that offers bio-based technologies which transform readily available non-food biomass into bioplastic products. The acquisition will help CBD to set up a bio-based technology division that would provide advancing solutions to the global environmental issues dealing with plastics.

TARGET: **Texplast GmbH**, Germany

ACQUIRER: **ALPLA Werke Alwin Lehner GmbH & Co KG**, Austria

Texplast produces PET pellets and flakes from used PET bottles. The acquisition will enable Alpla to increase its recycling capacity in Germany to 75,000 tonnes of PET bottles per annum.

## > METAL

TARGET: **Aerofil Technology Incorporated**, United States

ACQUIRER: **Knowlton Development Corporation Inc.**, Canada

Aerofil provides aerosol and liquid filling solutions and offers custom packaging and retail solutions, warehousing and distribution services, packaging solutions for private label brands, and lab testing and technical resource support services. The acquisition will allow Knowlton to offer customers a trans-Atlantic solution while leveraging its industry-leading aerosol R&D and innovation expertise.

\* Denotes announced transactions

Source: S&P Capital IQ



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# Our Plastics and Packaging team

Our team is part of a global network of professionals that combines an in-depth understanding of the industry’s dynamics and key players with the ability to provide a variety of transaction services.



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