

# PACKAGING M&A UPDATE

SEPTEMBER 2024

## Packaging Industry M&A Activity Tracking

Global Packaging M&A posted 21 deals in September, down two transactions from August levels and nine from activity recorded in September 2023. Financial buyers remained steady in activity, tallying 12 deals, while strategic buyer activity was below 2024 averages. To date, 227 deals have been posted, which is 17 more than the 210 posted in 2023 through the same period. The Rigid Packaging, Paper, and Machinery & Distribution subsectors accounted for the most deals during the month, with each posting at least six deals. Despite lower deal volumes in September, 2024 is still on track to be a strong year for Global Packaging M&A

### PACKAGING M&A BY SUBSECTOR

Subsector	Month-to-Date			Year-to-Date		
	2023	2024	Change	2023	2024	Change
Rigid Packaging	9	7	-2	47	47	0
Flexible Plastic	6	1	-5	31	29	-2
Paper	7	6	-1	57	54	-3
Printing/Labels	1	1	0	29	26	-3
Protective Packaging	2	0	-2	9	17	8
Machinery & Distribution	5	6	1	37	54	17
<b>Total</b>	<b>30</b>	<b>21</b>	<b>-9</b>	<b>210</b>	<b>227</b>	<b>17</b>

### PACKAGING M&A BY BUYER TYPE

Type	MTD	% of Total	YTD	% of Total
Strategic	9	43%	120	53%
Add-On (PE)	8	38%	75	33%
Platform (PE)	4	19%	32	14%

### PACKAGING M&A BY GEOGRAPHY

Type	MTD	% of Total	YTD	% of Total
US-to-US	8	38%	79	35%
US-to-Foreign	2	10%	25	11%
Foreign-to-US	2	10%	8	4%
Foreign	9	43%	115	51%

- Rigid Packaging led all packaging subsectors in deal volume during September, posting seven deals during the month. This represented a two deal decrease from September 2023. Machinery & Distribution was the only subsector to see increased deal flow when compared to the same period in 2023
- On the year, Machinery & Distribution and Protective Packaging are the only two subsectors with more deal activity in 2024 than 2023. Together, these subsectors have recorded 25 additional deals this year
- Financial buyer activity remained steady during the month with 12 deals. Strategic buyer activity waned in September, posting nine transactions, five fewer than September 2023 and the 2024 average
- Deals across geographies remained in line with prior 2024 results. Foreign transactions led all other types with nine deals, or just over 40% of all activity. Domestic transactions followed closely behind with eight transactions in September
- M&A activity was varied by end market with no single market accounting for more than 33% of all deals. Medical had its strongest month of the year, posting 25% of its total 2024 volume in the month

### PACKAGING M&A BY END MARKET

End Market	MTD	%	YTD	%
Food & Beverage	7	33%	63	28%
Industrial	6	29%	98	43%
Consumer	5	24%	54	24%
Medical	3	14%	12	5%



**JOHN HART**  
 Managing Director  
 248.223.3468  
 john.hart@pmcf.com

If you are a packaging company considering a merger, acquisition, sale, or recapitalization in the short or longer term please consider leveraging PMCF's transaction planning and execution expertise to best position your company in a transaction.

## Packaging M&A Update – September 2024

### Industry Multiples and Trends

Rigid Packaging, Flexible Packaging, and Paper Packaging subsectors experienced little variation in average EV/EBITDA multiples month-over-month with all three subsectors changing by less than 0.25x from August. Other Packaging median EV/EBITDA multiple declined roughly 1.0x during the month

### Public Stock Performance

Packaging subsector performance was largely flat during September with no subsector average month-to-date value moving more than 3.5%. Despite the flat performance within the month, packaging stocks remain up on the year with all subsectors seeing mean increases over 4%

Company Name	Stock Performance Year-to-Date	Stock Performance Month-to-Date	Enterprise Value / LTM <sup>1</sup>	
			Revenue	EBITDA
<b>Rigid Plastic</b>				
AptarGroup, Inc.	29.6%	4.6%	3.25x	14.79x
Berry Global Group, Inc.	0.9%	-1.3%	1.37x	8.47x
Essentra plc	-9.9%	-13.3%	1.72x	11.64x
Nampak Limited	139.6%	8.9%	0.56x	6.11x
Silgan Holdings Inc.	16.0%	0.4%	1.58x	9.66x
Sonoco Products Company	-2.2%	-3.4%	1.30x	7.70x
<b>Mean</b>	<b>29.0%</b>	<b>-0.7%</b>	<b>1.63x</b>	<b>9.73x</b>
<b>Median</b>	<b>8.4%</b>	<b>-0.4%</b>	<b>1.48x</b>	<b>9.06x</b>
<b>Flexible Plastic</b>				
Amcor plc	17.5%	-1.0%	1.70x	11.61x
Huhtamaki Oyj	-5.0%	-5.9%	1.22x	8.36x
Pactiv Evergreen Inc.	-16.0%	-2.5%	1.11x	5.07x
Sealed Air Corporation	-0.6%	3.9%	1.77x	8.66x
Transcontinental Inc.	31.2%	7.0%	0.87x	5.57x
Winpak Ltd.	16.2%	4.1%	1.57x	7.68x
<b>Mean</b>	<b>7.2%</b>	<b>1.0%</b>	<b>1.38x</b>	<b>7.83x</b>
<b>Median</b>	<b>7.8%</b>	<b>1.5%</b>	<b>1.40x</b>	<b>8.02x</b>
<b>Paper Packaging</b>				
Cascades Inc.	-18.1%	12.5%	0.69x	6.72x
DS Smith Plc	50.3%	-1.3%	1.27x	8.55x
Graphic Packaging Holding Co.	20.0%	-1.1%	1.54x	7.35x
Greif, Inc.	-4.5%	0.2%	1.19x	8.17x
International Paper Company	35.1%	0.9%	1.18x	9.37x
Karat Packaging Inc.	4.2%	2.2%	1.39x	10.20x
Packaging Corporation of America	32.2%	2.8%	2.67x	12.58x
Smurfit Westrock Plc	NM	4.2%	2.20x	13.16x
<b>Mean</b>	<b>17.0%</b>	<b>2.5%</b>	<b>1.52x</b>	<b>9.51x</b>
<b>Median</b>	<b>20.0%</b>	<b>1.5%</b>	<b>1.33x</b>	<b>8.96x</b>
<b>Other Packaging</b>				
Avery Dennison Corporation	9.2%	-0.5%	2.41x	14.13x
Ball Corporation	18.1%	6.4%	1.84x	11.47x
CCL Industries Inc.	38.4%	7.0%	2.37x	11.38x
Crown Holdings	4.1%	6.1%	1.54x	9.70x
Gerresheimer AG	-15.2%	-22.7%	1.93x	9.51x
O-I Glass, Inc.	-19.9%	3.4%	0.97x	5.22x
Toyo Seikan Group Holdings, Ltd.	-1.6%	-2.9%	0.56x	5.45x
<b>Mean</b>	<b>4.7%</b>	<b>-0.5%</b>	<b>1.66x</b>	<b>9.55x</b>
<b>Median</b>	<b>4.1%</b>	<b>3.4%</b>	<b>1.84x</b>	<b>9.70x</b>

<sup>1</sup>LTM as of latest available financials

Sources: S&P Capital IQ, Company Websites, Pitchbook, Company Reports, PMCF

## Notable M&A Activity

Date	Acquirer	Target	Category
9/20/24	Creo Group	United Solutions, Inc.	Rigid Packaging
9/19/24	Welch Packaging Group, Inc.	Capitol City Container Corp.	Corrugated
9/17/24	Molex LLC	Vectura Group Ltd.	Rigid Packaging
9/12/24	Nowvia Group	Liquid Bottles	Distribution
9/4/24	Novolex Holdings, LLC	Assets of American Twisting Company	Paper Packaging
9/3/24	Dlondlobala Capital	Nampak Liquid Cartons	Paper Packaging
9/3/24	Veritiv Corporation	Orora Packaging Solutions	Distribution
9/1/24	Berlin Packaging	Nissho Jitsugyo	Rigid Packaging

Sources: S&P Capital IQ, Company Websites, Pitchbook, Company Reports, PMCF

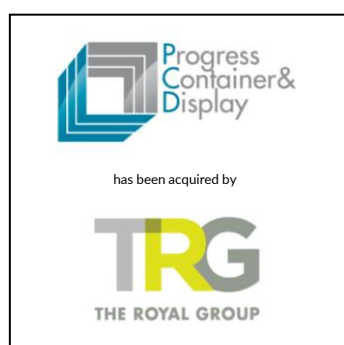
## Major News & Insights

- Sonoco Puts Thermoforming, Flexible Packaging Business in Play (Plastics News)
- Industry Backs Proposed Federal Plastics Recycling Bill (Plastics News)
- Packaging Updates Anticipated in Biden Administration's Waning Months (Packaging Dive)
- Fed Cuts Rates by Half Percentage Point (The Wall Street Journal)
- ExxonMobil Sued by California over Recycling Claims (Packaging World)
- U.S. Hiring Accelerated in September, Blowing Past Expectations (The Wall Street Journal)

## PMCF's Plastics & Packaging Group

PMCF's Plastics and Packaging investment bankers are dedicated solely to serving the needs of middle-market transactions within the plastics and packaging industries. Our exclusive focus on plastics and packaging sale, merger, and acquisition advisory provides significant advantages to our clients and the opportunity to maximize value in a transaction. PMCF's extensive coverage of these industries has provided us with specialized, in-depth knowledge of the sector dynamics and relationships with key strategic and financial industry players. Our firm has been serving the plastics and packaging industries for over 20 years and has a long track record of successful transactions involving specialty, niche players in these industries.

## Recent PMCF Plastics & Packaging Transactions



CORRUGATED PACKAGING



CORRUGATED PACKAGING



PACKAGING DISTRIBUTION & BLOW MOLDED PACKAGING



RECYCLING & FLEXIBLE PACKAGING



Two-time winner, Boutique Investment Banking Firm of the Year by M&A Advisor

Awarded, Cross Border Corporate and Strategic Acquisition of the Year by M&A Advisor

Awarded, Cross Border M&A Deal of the Year by M&A Advisor

Awarded, Deal of the Year by ACG Detroit

120 S Riverside Plaza  
Suite 2100  
Chicago, IL 60606

## Experienced Professionals. Trusted Advisors. Proven Results.

This Plastics & Packaging M&A Update is not an offer to sell or a solicitation of an offer to buy any security. It is not intended to be directed to investors as a basis for making an investment decision. This Plastics & Packaging M&A Update does not rate or recommend securities of individual companies, nor does it contain sufficient information upon which to make an investment decision.

PMCF will seek to provide investment banking and/or other services to one or more of the companies mentioned in this Plastics & Packaging M&A Update.

PMCF, and/or the analysts who prepared this Plastics & Packaging M&A Update, may own securities of one or more of the companies mentioned in this Plastics & Packaging M&A Update.

The information provided in this Plastics & Packaging M&A Update was obtained from sources believed to be reliable, but its accuracy cannot be guaranteed. It is not to be construed as legal, accounting, financial, or investment advice. Information, opinions, and estimates reflect PMCF's judgment as of the date of publication and are subject to change without notice. PMCF undertakes no obligation to notify any recipient of this Plastics & Packaging M&A Update of any such change.

The charts and graphs used in this Plastics & Packaging M&A Update have been compiled by PMCF solely for illustrative purposes.

All charts are as of the date of issuance of this Plastics & Packaging M&A Update, unless otherwise noted.

The PMCF Plastics and Packaging Indices may not be inclusive of all companies in the Plastics and Packaging industries and is not a composite index of the Plastic and Packaging industry sector returns. Index and sector returns are past performance which is not an indicator of future results.

This Plastics & Packaging M&A Update is not directed to, or intended for distribution to, any person in any jurisdiction where such distribution would be contrary to law or regulation, or which would subject PMCF to licensing or registration requirements in such jurisdiction.

PMCF is a trade name for PMCF Advisors, LLC and P&M Corporate Finance, LLC, a FINRA-registered broker-dealer and SIPC member firm. The term "PMCF" refers to one or more of these legally separate and independent advisory practices. P&M Corporate Finance, LLC provides capital-raising and private placement services that require registration as a broker-dealer. PMCF Advisors, LLC provides M&A-related services that do not require registration in reliance upon the SEC M&A Brokers No-action Letter (2014) and comparable state-level exemptive relief.

Please see [pmcf.com](http://pmcf.com) to learn more.

For more information, check out our new website, where you can access the electronic version of this report, sign up for future emails, read our latest industry reports, and more!



Affiliate



Member of CFI