

PLASTICS M&A UPDATE

DECEMBER 2024

Plastics Industry M&A Activity Tracking

Global Plastics M&A ended 2024 on a strong note, with 31 deals announced in December. Both strategic and financial buyers contributed almost equally to deal activity during the month, a trend that has persisted throughout the year. This balanced participation represents a shift from prior years, when strategic buyers typically dominated deal activity. Overall, plastic M&A activity in 2024 was robust, with 401 transactions recorded—only the second time the plastics sector exceeded 400 deals in a single year. Notably, both foreign and domestic transactions outpaced 2023 volumes, with foreign transactions outpacing prior year volume by nine deals, a 5% increase in activity.

PLASTICS M&A BY SUBSECTOR

Subsector	Month-to-Date			Year-to-Date		
	2023	2024	Change	2023	2024	Change
Blow Molding	1	0	-1	16	13	-3
Injection Molding	10	4	-6	129	112	-17
Film	4	5	1	45	48	3
Resin/Color & Compounding	5	8	3	42	41	-1
Sheet & Thermoforming	1	4	3	19	27	8
Specialty	15	10	-5	131	160	29
Total	36	31	-5	382	401	19

PLASTICS M&A BY BUYER TYPE

Type	MTD	% of Total	YTD	% of Total
Strategic	16	52%	201	50%
Add-On (PE)	12	39%	118	29%
Platform (PE)	3	10%	82	20%

PLASTICS M&A BY GEOGRAPHY

Type	MTD	% of Total	YTD	% of Total
U.S.-to-U.S.	7	23%	144	36%
U.S.-to-Foreign	3	10%	40	10%
Foreign-to-U.S.	3	10%	24	6%
Foreign	18	58%	193	48%

- Resin/Color & Compounding tallied its highest monthly volume of 2024 in December, accounting for eight deals. Injection Molding had a slow month of activity tying its least active month this year with four transactions recorded. Despite a slow December, the Injection Molding subsector finished 2024 with elevated activity levels relative to historical years
- Both strategic and add-on acquisitions remained in line with 2024 averages and drove a substantial portion of deal flow during December. Platform private equity deals recorded only three deals overall, or eight fewer deals than in November
- There were 18 deals announced that involved a foreign buyer and seller during the month, which represented 58% of all activity. Meanwhile, domestic M&A activity lagged from monthly 2024 averages, accounting for seven transactions, or 23% of all activity
- The Food & Beverage end market had a strong end to the year with eight deals posted in December and 23 in Q4, which represented 20% of the deal flow during the last 3 months of the year. Following high levels of activity in October and November, deal flow in the Medical end market slowed, with only one deal posted in December

PLASTICS M&A BY END MARKET

End Market	MTD	%	YTD	%
Food & Beverage	8	26%	57	14%
Industrial	19	61%	268	67%
Consumer	3	10%	49	12%
Medical	1	3%	27	7%



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If you are a plastics 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.

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Industry Multiples and Trends

Valuation multiples for plastic public entities fell slightly in December but remained high. All subsectors maintained an average EV/EBITDA multiple of 7.7x or greater. Plastic Packaging companies led all subsectors with an average EV/EBITDA ratio of nearly 8.5x, which was more than half a turn higher than the other two subsectors.

Public Stock Performance

Public plastics companies experienced a decline in stock performance during December, with all indices falling by at least 3% on average. During the year, share prices of Resin and Color & Compounding and Plastic Fabrication companies on average decreased by double digit percentages while Plastic Packaging companies experienced modest growth in 2024.

Company Name	Stock Performance Year-to-Date	Stock Performance Month-to-Date	Enterprise Value / LTM ¹	
			Revenue	EBITDA
Resin and Color & Compounding				
Avient Corporation	-3.5%	-21.7%	1.63x	9.02x
Danimer Scientific, Inc.	-89.9%	-36.5%	10.78x	NM
Dow Inc.	-28.1%	-10.8%	0.99x	6.43x
LyondellBasell Industries N.V.	-23.0%	-12.2%	0.83x	6.91x
Solvay SA	11.3%	-5.7%	0.93x	4.75x
Trinseo PLC	-38.9%	18.0%	0.70x	10.14x
Westlake Chemical Corporation	-18.9%	-11.6%	1.46x	8.98x
Mean	-27.3%	-11.5%	2.48x	7.70x
Median	-23.0%	-11.6%	0.99x	7.94x
Plastic Packaging				
Amcor plc	-3.1%	-12.2%	1.55x	10.22x
Aptar Group, Inc.	26.8%	-9.4%	3.15x	14.07x
Berry Global Group	-4.7%	-11.2%	1.26x	7.23x
Essentra plc	-23.2%	-10.1%	1.51x	10.20x
Huhtamaki Oyj	-6.9%	0.1%	1.20x	8.14x
Nampak Limited	119.3%	-6.0%	0.91x	6.05x
Pactiv Evergreen Inc.	27.5%	28.8%	1.30x	7.74x
Sealed Air Corporation	-7.9%	-8.1%	1.70x	8.33x
Silgan Holdings Inc.	14.3%	-10.1%	1.55x	9.50x
Sonoco Products Company	-13.0%	-6.3%	1.21x	7.10x
Transcontinental Inc.	33.9%	7.6%	0.85x	5.44x
Winpak Ltd.	16.8%	-1.5%	1.57x	7.47x
Mean	15.0%	-3.2%	1.48x	8.46x
Median	5.6%	-7.2%	1.40x	7.94x
Plastic Fabricating				
Core Molding Technologies, Inc.	-11.4%	-0.8%	0.39x	3.41x
Proto Labs, Inc.	0.8%	-4.7%	1.68x	12.43x
Myers Industries, Inc.	-44.1%	-5.8%	0.99x	7.39x
Mean	-18.3%	-3.7%	1.02x	7.74x
Median	-11.4%	-4.7%	0.99x	7.39x

¹LTM as of latest available financials

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

Notable M&A Activity

Date	Acquirer	Target	Category
12/19/2024	Multi-Color	Eximpro	Film
12/18/2024	TOPPAN Holdings Inc. (TSE:7911)	Thermoformed and Flexibles Packaging Business of Sonoco	Thermoforming
12/12/2024	Revolution Sustainable Solutions	Island Plastics, LLC	Resin
12/09/2024	TricorBraun	Veritiv (Containers Division)	Distribution
12/06/2024	Inteplast Group	CoolSeal USA	Sheet
12/04/2024	Aurora Plastics	Lastique International Corporation	Resin
12/03/2024	Novolex Holdings	Pactiv Evergreen Inc. (NasdaqGS:PTVE)	Thermoforming
12/02/2024	KPS Capital Partners	INEOS Composites Limited	Composites

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

Major News & Insights

- Novolex Buying Pactiv Evergreen in \$6.7B Deal (Plastics News)
- Resin Prices May Be Volatile in 2025 (Plastics News)
- Toppan to Buy Sonoco's Thermoformed and Flexibles Business for \$1.8B (Packaging Dive)
- Global Plastic Pollution Treaty Talks Fail in Final Meeting of 2024 (Packaging Dive)
- Breaking Down Trump's Tariffs on China and the World, in Charts (The Wall Street Journal)
- U.S. Economy Is Doing What Few Others Are: Getting More Productive (The Wall Street Journal)

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- We are available to brief your management team, ownership, or board with our thoughts on your value in today's market
- PMCF can provide a benchmark comparison of your organization's strengths, weaknesses, and anticipated buyer viewpoints

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