

### PMCF Industry M&A Activity Tracking

For July 2021, the Global Plastics market continued its year-to-date trend of strong M&A volume. Monthly M&A transactions totaled 41 deals, up from last year's totals of 24. Strategic buyers continued to be a key driver in transaction growth for the month, accounting for 59% of total volume, or 24 transactions. Overall, both strategic and private equity buyers have been very active in the Global Plastics market, leading to a robust deal pace through the first seven months of the year.

The Injection Molding subsector continued its strong year of M&A activity, totaling 9 transactions in the month and 76 in the year. Along with Injection Molding, growth for the month was driven by other key subsectors, namely Film, Sheet, and Thermoforming, which combined to account for 19 transactions. Plastic subsectors, as a whole, have performed well from an M&A volume standpoint through the first seven months of 2021, and are not showing any signs of slowing down in the near term.

July 2021 was a strong month for Global Packaging M&A volume as well. While volume fell from last month's record high, the total of 29 transactions was 71% higher than July 2020, proving that the industry has surged back from a down year due to COVID. Paper packaging continued to lead all packaging subsectors with 92 transactions on the year and 17 in the month. Meanwhile, plastic packaging, which represents both rigid and flexible plastic packaging, is up 89% relative to this same time last year and totaled 10 transactions in the month. Both private equity and strategic buyers have been active in the packaging space this year with private equity continuing its rebound from last year's levels. Private equity add-on activity experienced growth in the month relative to July 2020, accounting for 31% of transactions.

Overall, it was another month of strong M&A activity for the Plastics and Packaging sectors, which continue to be on a record pace for 2021. Plastics and Packaging M&A markets have experienced consistent elevated activity throughout the year, and the current environment would indicate that these transaction levels will continue through the remainder of the year (and likely longer).

Data as of July 31, 2021		Month-to-Date (MTD)			Year-to-Date (YTD)		
Plastics	2020	2021	Change	2020	2021	Change	
Blow Molding	0	1	1	9	14	5	
Injection Molding	5	9	4	37	76	39	
Film	1	8	7	12	49	37	
Resin / Color & Compounding	7	4	-3	30	40	10	
Sheet & Thermoforming	2	11	9	8	23	15	
Specialty	9	8	-1	46	56	10	
<b>Total Plastics</b>	<b>24</b>	<b>41</b>	<b>17</b>	<b>142</b>	<b>258</b>	<b>116</b>	
Strategic	54%	59%	4%	59%	54%	-5%	
Financial Buyer - Add-on	29%	17%	-12%	25%	26%	1%	
Financial Buyer - Platform	17%	24%	8%	15%	20%	5%	
Packaging	2020	2021	Change	2020	2021	Change	
Rigid Plastic	5	4	-1	29	34	5	
Flexible Plastic	1	6	5	9	38	29	
Paper	8	17	9	57	92	35	
Other	3	2	-1	23	41	18	
<b>Total Packaging</b>	<b>17</b>	<b>29</b>	<b>12</b>	<b>118</b>	<b>205</b>	<b>87</b>	
Strategic	53%	52%	-1%	63%	50%	-13%	
Financial Buyer - Add-on	24%	31%	8%	21%	31%	10%	
Financial Buyer - Platform	24%	17%	-6%	16%	20%	3%	

Sources: Capital IQ, PitchBook, Thomson Reuters, Company Reports, PMCF

### Notable M&A Activity

Date	Acquirer	Target	Category
7/28/2021	Danimer Scientific, Inc.	Novomer Inc.	Resin
7/27/2021	ProAmpac	Euroflex TEO	Flexible Packaging
7/26/2021	ILC Dover LP	The Flexan Corporation	Medical Molding
7/20/2021	Altimar Acquisition Corp. II	Kemeera Inc. d/b/a Fathom	3D Printing & Prototyping
7/19/2021	Faerch Group	MCP Performance Plastic	Rigid Packaging
7/7/2021	Revere Plastics Systems, LLC	Ferguson Production, Inc.	Injection Molding
7/5/2021	Smurfit Kappa	Cartonbox	Folding Cartons
7/5/2021	Apollo Global Management	Reno De Medici S.p.A.	Paper Packaging
7/2/2021	Westfall Technik, Inc.	Carolina Precision Plastics LLC	Rigid Packaging
7/2/2021	Clayton, Dubilier & Rice, LLC	Multi-Color Corporation and Fort Dearborn	Printing/Labels

### Public Entity Performance

Index	% Change July MTD	% Change July YTD
S&P 500 Index	↑ 2.3%	↑ 17.0%
PMCF Plastics & Packaging Index <sup>(1)</sup>	↓ -1.1%	↑ 6.2%
Rigid Plastic Packaging <sup>(2)</sup>	↓ -4.5%	↑ 5.4%
Flexible Plastic Packaging <sup>(3)</sup>	↑ 2.2%	↑ 5.0%
Other Packaging <sup>(4)</sup>	↓ -0.8%	↑ 6.5%
Paper Packaging <sup>(5)</sup>	↓ -0.1%	↑ 14.7%

(1) AMC, ATR, AVY, BLL, BERY, CCLB, CLN, CMT, ESNT, FOE, HUH1V, ITP, LYB, MYE, SLGN, NPK, POL, SEE, SIM, SOLB, SON, TCLA, TG, WLK, WPK, NWL (2) ATR, BERY, NPK, SLGN, SON (3) AMC, HUH1V, SEE, TCLA, WPK (4) AVY, BLL, CCLB, CCK, GXI, OI, TSE:5901, ARD (5) CAS, SMDS, GPK, GEF, IP, MNDI, PKG, SK3, WRK

### Major News

- Drive to Charge Packagers for Recycling, but Industry Fights (US News)
- Which Consumer Trends Will Be Here to Stay Post-Pandemic? (Packaging World)
- Plastic Product Demand Still Not Back to Pre-COVID Levels (Plastics News)
- Pricing on the Move for Polystyrene, Polypropylene, PET (Plastics News)

# Use Our Expertise to Maximize Shareholder Value

Since our inception over 25 years ago, PMCF has offered robust transaction planning and preparation services to help business owners achieve the best possible outcome in a transaction whether it be in the short or long term. Our long track record of successful transactions is directly attributable to our focus on preparation and being proactive throughout the transaction process.

## STRATEGIC ASSESSMENT

- PMCF is frequently requested to complete an analysis of a company's strategic positioning within the plastics and packaging marketplace
- Our review may consider your operations, products, end markets, financial trends, growth opportunities, and management team
- We are available to brief your management team, ownership, or board with our thoughts on your current value in today's market
- PMCF can provide a benchmark comparison of your organization's strengths, weaknesses, and anticipated buyer viewpoints

## WORKING WITH PMCF

- PMCF is a licensed and FINRA-registered investment banking organization
- Confidentiality is of the highest importance and we welcome the execution of appropriate agreements prior to the exchange of data
- PMCF's senior bankers will respond to any inquiries and will be directly involved in all discussions
- If engaged, the majority of PMCF's costs are contingent on a successful transaction
- We insist on potential clients contacting our long list of references

Considering a sale involves balancing shareholder and company goals as well as M&A market conditions – a challenging exercise. Our plastics and packaging team can assist in guiding your decision making with insight regarding shareholder succession, timing, acquisitions, major capital expenditures, personnel changes, and other key milestones

### Company Goals

- Maximum Financial Performance and Growth
- Improve Competitive Position
- Maintain Financial Flexibility
- Generate Returns for Shareholders



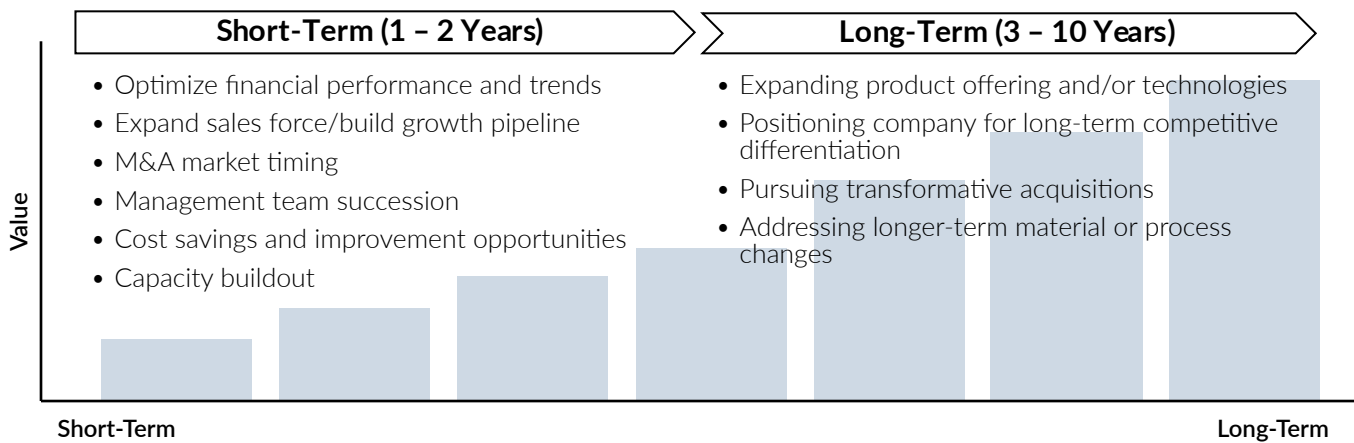
**Impact:**  
Valuation  
ROI  
Sale Timing



### Shareholder Goals

- Maximize Shareholder Value
- Maintain Adequate Risk/Return Profile
- Liquidity/Wealth Diversification
- Adequate Succession Planning/Exit Strategy

## Short & Long-Term Horizons: PMCF Helps the Whole Way



Please let us know if you would like to set up a confidential call or meeting to discuss transaction planning and execution in the short or long-term. You can reach John Hart, who leads PMCF's Plastics & Packaging Group at (248) 223-3468 or john.hart@pmcf.com.

# 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.

Rigid Packaging	Flexible Packaging	Engineered Products	Corrugated & Paper Packaging
Blow Molding	Injection Molding	Extrusion	Specialty Film
Color & Compounding	Printing & Labeling	Thermoforming	Packaging Machinery

## Recent PMCF Plastics & Packaging Transactions



has been acquired by



PACKAGING DISTRIBUTION & BLOW MOLDED PACKAGING



has been acquired by



a portfolio company of



INJECTION MOLDING



a portfolio company of



has been acquired by



a portfolio company of



RECYCLING & FLEXIBLE PACKAGING



has been acquired by



a portfolio company of



THERMOFORMED PACKAGING



has completed a recapitalization with



SPECIALTY EXTRUSION & INJECTION MOLDING



has been acquired by



a portfolio company of



INJECTION & BLOW MOLDED PACKAGING



has been acquired by



a portfolio company of



SPECIALTY PAPER & LUXURY PACKAGING



has been acquired by



a portfolio company of



THERMOFORMED PACKAGING, FOLDING CARTONS



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

Awarded, Manufacturing Deal of the Year by MiBiz

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Two Towne Square, Suite 425  
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