

PMCF Industry M&A Activity Tracking

Global Plastics M&A saw another strong month in November 2021 from a deal volume standpoint. Deals on the month totaled 45 transactions with high participation from both strategic and financial buyers. Overall, the past eleven months have exhibited record levels of transactions following somewhat depressed levels last year due to COVID.

Plastics subsectors were all active in the month of November and were once again paced by Injection Molding transactions which totaled 15 transactions on the month. In 2021, Injection Molding has accounted for ~28% of deal volume with 120 deals. These numbers are more than double 2020 levels through this same time last year. Other than Injection Molding, Resin and Color & Compounding posted 5 transactions which was an increase of two transactions over November 2020. On the year, Plastics subsectors have increased dramatically over last year's levels.

Global Packaging M&A posted a healthy level of transaction activity in November 2021 with 38 deals on the month. This level of transaction volume is the highest year-to-date. Deal volumes were driven by an active Paper subsector which saw 19 deals on the month. Corrugated transactions contributed ~42% of the paper deal volume up from ~23% in November 2020. Overall, Corrugated transactions have accounted for ~31% of Paper transactions on the year and have almost doubled last year's levels. Flexible and Rigid Plastic Packaging transactions remained elevated and accounted for 12 Packaging deals on the month. Private Equity and Strategic buyers were active in both the Paper and Plastic Packaging M&A markets accounting for an equal split of the total deals.

The past month was strong from an M&A standpoint as both the Plastics and Packaging sectors saw high transaction volumes. Based on all the feedback we are hearing in the marketplace, December should bring similar levels of elevated transaction activity and cement 2021 as a record year from a transaction standpoint for both the Plastics and Packaging sectors. If you are a plastics or 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.

Data as of November 30, 2021	Month-to-Date (MTD)			Year-to-Date (YTD)		
Plastics	2020	2021	Change	2020	2021	Change
Blow Molding	2	3	1	14	24	10
Injection Molding	8	15	7	70	120	50
Film	4	11	7	26	86	60
Resin / Color & Compounding	3	5	2	47	61	14
Sheet & Thermoforming	2	3	1	14	42	28
Specialty	9	8	-1	77	100	23
Total Plastics	28	45	17	248	433	185
Strategic	61%	47%	-14%	59%	52%	-6%
Financial Buyer - Add-on	25%	29%	4%	24%	26%	2%
Financial Buyer - Platform	14%	24%	10%	17%	22%	4%
Packaging	2020	2021	Change	2020	2021	Change
Rigid Plastic	4	5	1	49	64	15
Flexible Plastic	4	7	3	21	63	42
Paper	9	19	10	95	144	49
Other	1	7	6	31	55	24
Total Packaging	18	38	20	196	326	130
Strategic	50%	50%	0%	59%	49%	-10%
Financial Buyer - Add-on	44%	32%	-13%	25%	31%	6%
Financial Buyer - Platform	6%	18%	13%	16%	19%	4%

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

Notable M&A Activity

Date	Acquirer	Target	Category
11/24/21	SupplyOne, Inc.	IC Industries, Inc.	Corrugated Packaging
11/23/21	Protective Industries, Inc.	Medbio, LLC	Medical Plastics
11/22/21	Liberty Diversified International, Inc.	Dallas Container Corporation	Corrugated Packaging
11/18/21	Bamberger Polymers Corp.	Kolm Polymers Ltd.	Resin Distribution
11/17/21	Rhône Group, LLC	Paragon Films, Inc.	Film
11/12/21	Inovar Packaging Group, LLC	Dion Label Printing, Inc.	Printing/Labels
11/08/21	Molded Devices, Inc.	Seitz LLC	Medical Plastics
11/08/21	Sonoco Products Company (NYSE:SON)	Assets of D&W Paper Tubes, Inc	Paper Cores & Tubing
11/04/21	ProAmpac Intermediate, Inc.	Irish Flexible Packaging Limited/Fispak Ltd	Flexible Packaging
11/02/21	Tide Rock Holdings LLC	Altratek Plastics, Inc.	Injection Molding

Sources: Capital IQ, Company Websites, PitchBook, Company Reports, PMCF

Public Entity Performance

Index	% Change November MTD	% Change November YTD
S&P 500 Index	↓ -1.0%	↑ 22.6%
PMCF Plastics & Packaging Index ⁽¹⁾	↓ -4.5%	↑ 5.9%
Rigid Plastic Packaging ⁽²⁾	↑ 0.4%	↑ 1.9%
Flexible Plastic Packaging ⁽³⁾	↓ -2.8%	↑ 3.9%
Other Packaging ⁽⁴⁾	↓ -2.8%	↑ 11.1%
Paper Packaging ⁽⁵⁾	↓ -6.7%	↑ 6.4%

(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 (5) CAS, SMDS, GPK, GEF, IP, MNDI, PRG, SK3, WRK

Major News

- U.S. Economic Activity in Manufacturing Sector Grew in November (RISI Info)
- Importance of Plastics an Unexpected Impact of COVID-19 (Plastics News)
- Supply Chain Issues 'Continuing for the Foreseeable Future' (Plastics News)
- U.S. Economy Could Enjoy Post-Holiday Glow, New Variant or No (Wall Street Journal)

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



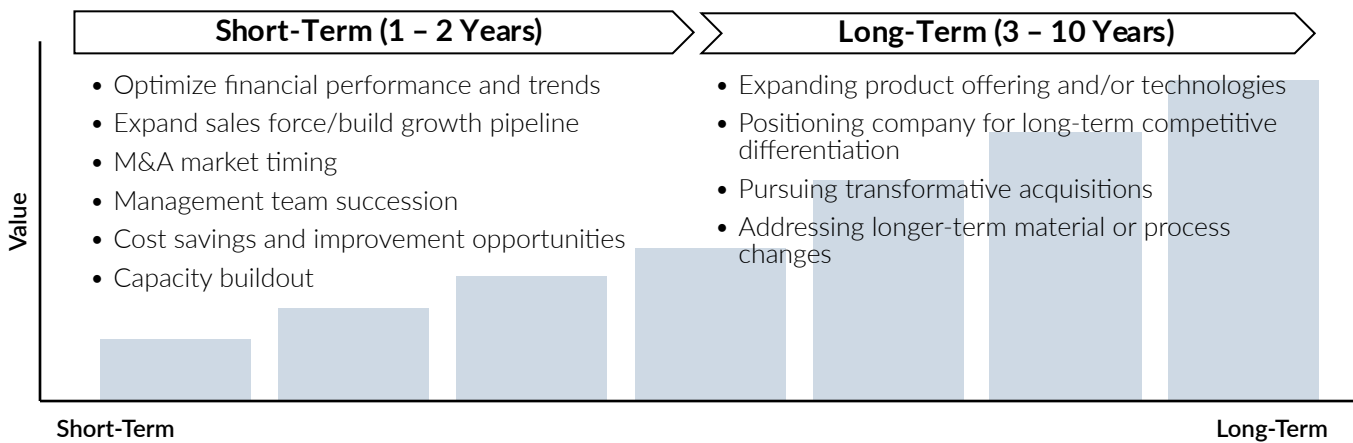
Impact:
Valuation
ROI
Sale Timing



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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