

### PMCF Industry M&A Activity Tracking

Global Plastics and Packaging M&A had a strong start to the 4th quarter with transaction activity matching last year's totals in both sectors in October 2020. This is the first time both sectors have either matched or exceed last year's total since COVID began impacting M&A in March 2020. We are not ready to declare M&A is back to pre-COVID levels, but we were certainly pleased to see the monthly statistics come in strong for the month. We recognize that a number of the deal closings in October were carryovers or transactions that had been delayed due to COVID. However, we are also seeing transactions that have been launched during COVID reach successful conclusions, which is encouraging from an M&A recovery perspective.

From a buyer makeup perspective, there were similar trends in both Plastics and Packaging sectors in October 2020. Strategic buyer transactions increased at the expense of private equity add-on transactions while private equity platform transactions were flat compared to last year. There continues to be a preference towards buyers with a strategic angle which is a consistent trend we've seen throughout COVID. That said, it was encouraging to see private equity platform transactions equal last year's levels which prior to last month, had been lagging last year largely due to unfavorable credit markets.

We don't publish transaction multiples in our monthly M&A updates but stay tuned for our 3rd quarter 2020 Packaging Pulse report which will provide summary results from our proprietary database. Without spoiling the surprise, the transaction multiples have been surprisingly resilient for the transaction multiples we tracked for quality / performing businesses through the end of September 2020.

We want to wish all our contacts in the United States a Happy Thanksgiving holiday. We have so much to be thankful for at PMCF and would be remiss if we didn't take the opportunity to say thank you to all of our clients and business relationships. We are grateful to be able to cover the plastics and packaging segment for over 20 years and advise on many life changing transactions for our clients.

If you are a plastics and 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 October 31, 2020	Month-to-Date (MTD)			Year-to-Date (YTD)		
Plastics	2019	2020	Change	2019	2020	Change
Blow Molding	0	0	0	23	12	-11
Injection Molding	9	7	-2	84	62	-22
Film	4	2	-2	48	22	-26
Resin / Color & Compounding	2	4	2	36	44	8
Sheet & Thermoforming	1	2	1	23	12	-11
Specialty	7	8	1	72	68	-4
<b>Total Plastics</b>	<b>23</b>	<b>23</b>	<b>0</b>	<b>286</b>	<b>220</b>	<b>-66</b>
Strategic	48%	57%	9%	56%	59%	3%
Financial Buyer - Add-on	22%	13%	-9%	25%	24%	-1%
Financial Buyer - Platform	30%	30%	0%	20%	18%	-2%
Packaging	2019	2020	Change	2019	2020	Change
Rigid Plastic	6	4	-2	66	45	-21
Flexible Plastic	3	2	-1	46	17	-29
Paper	8	12	4	92	86	-6
Other	1	0	-1	39	30	-9
<b>Total Packaging</b>	<b>18</b>	<b>18</b>	<b>0</b>	<b>243</b>	<b>178</b>	<b>-65</b>
Strategic	28%	39%	11%	54%	60%	6%
Financial Buyer - Add-on	44%	33%	-11%	26%	23%	-3%
Financial Buyer - Platform	28%	28%	0%	20%	17%	-3%

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

### Notable M&A Activity

Date	Acquirer	Target	Category
10/29/20	TriMas Corporation (NasdaqGS:TRS)	Affaba & Ferrari Srl	Injection Molding
10/27/20	Resource Label Group	McDowell Label	Printing/Labels
10/23/20	Revolution	Polar Plastics, Inc.	Film/Flexible Packaging
10/22/20	Atkore International Group Inc. (NYSE:ATKR)	Queen City Plastics, Inc.	Extrusion
10/09/20	Prairie Industries, Inc.	Sonoco Poland Packaging Services Sp. z o.o.	Contract Packaging
10/07/20	Sole Source Capital LLC	Dallas Plastics Corp.	Film
10/04/20	New Prospect Capital	AMVIG Holdings Limited (SEHK:2300)	Tobacco Packaging
10/02/20	Piovan S.p.A. (BIT:PVN)	DOTECO S.p.A.	Machinery
10/01/20	Green Bay Packaging, Inc.	Third Dimension, Inc.	Corrugated Packaging

### Public Entity Performance

Index	% Change October MTD	% Change October YTD
S&P 500 Index	↓ -2.8%	↑ 1.2%
PMCF Plastics & Packaging Index <sup>(1)</sup>	↓ -0.2%	↓ -6.3%
Rigid Plastic Packaging <sup>(2)</sup>	↓ -2.8%	↓ -5.6%
Flexible Plastic Packaging <sup>(3)</sup>	↓ -3.4%	↓ -3.2%
Other Packaging <sup>(4)</sup>	↑ 5.3%	↑ 14.7%
Paper Packaging <sup>(5)</sup>	↑ 0.9%	↓ -9.8%

(1) AMC, ATR, AVY, BLL, BERY, CCLB, CLN, POM, CMT, ESNT, FOE, HUH1V, ITR, LYB, MYE, SLGN, NPK, POL, SEE, SIM, SOLB, SON, TCLA, TG, WLK, WPK, IPLP, NWL (2) ATR, BERY, IPLP, 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

- Elections seen as sharpening focus on plastics in Washington (*Plastics News*)
- E-commerce acceleration to continue driving corrugated box demand in post-COVID world (*Fastmarkets RISI*)
- US machine shipments continue recovery in third quarter (*Plastics News*)
- Plastics recycling, marine litter get attention at EPA summit (*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



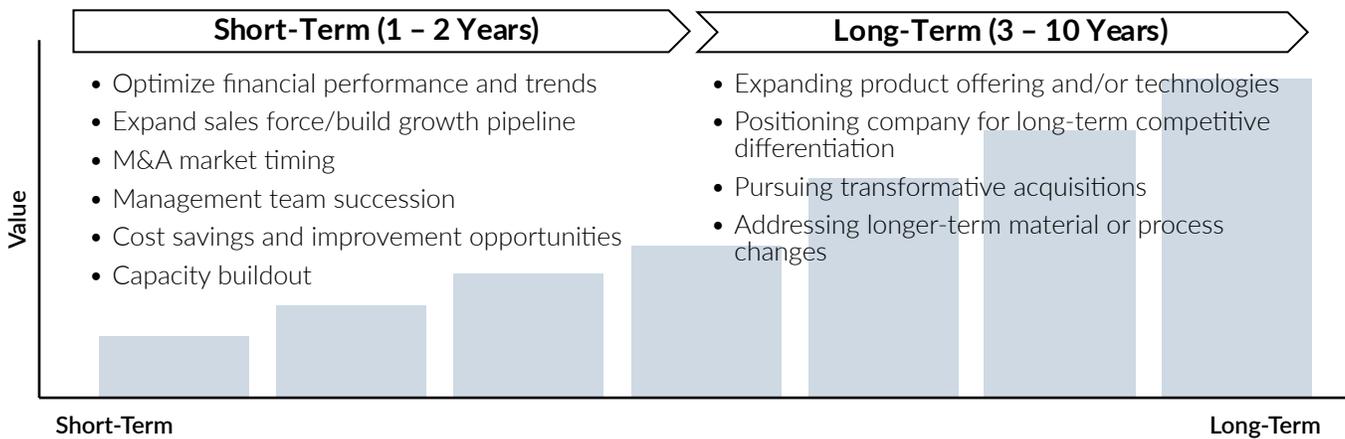
**Impact:**  
Valuation  
ROI  
Sale Timing



### 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

THERMOFORMED  
PACKAGING

SPECIALTY EXTRUSION &  
INJECTION MOLDING

INJECTION & BLOW  
MOLDED PACKAGING

SPECIALTY PAPER &  
LUXURY PACKAGING

THERMOFORMED PACKAGING,  
FOLDING CARTONS

CORRUGATED  
PACKAGING

CORRUGATED PACKAGING &  
EQUIPMENT

SPECIALTY  
EXTRUSION



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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