

PMCF Industry M&A Activity Tracking

Global Plastic M&A volumes remained at high levels through September 2021. For the fifth month in a row, Plastics M&A volume totaled 40 or more transactions. Transaction levels in September were driven by active participation from strategic buyers, which accounted for 65% of the total deal volume, or 26 transactions. On a volume basis, private equity groups equaled prior year levels with 14 transactions on the month. Overall, the Plastics M&A market activity has been robust in 2021 and has shown no signs of slowing down over the final quarter of the year.

The Food & Beverage end-market exceeded September 2020 levels by 4 transactions and accounted for 18% of deal volume on the month. The Consumer end-market similarly outpaced previous year levels with 12 transactions on the month compared to 7 recorded in September 2020. From a process standpoint, Film led all subsectors with 13 transactions in September 2021, which represented a large increase over the 6 transactions seen in September 2020. Through the year-to-date, Film has benefited from increased private equity add-on acquisitions; 22 of the 35 total private equity transactions in the Film subsector have been add-on acquisitions. Aside from Film, Injection Molding, Blow Molding, Resin, and Color & Compounding helped to drive high transaction volumes for the month, combining to account for 35% of recorded transactions, or 14 deals.

Global Packaging M&A remained steady in September 2021, with 23 total transactions on the month. Similar to the Plastics deals in September, Packaging transactions were driven by active strategic buyers, which accounted for 61% of the total transactions. On the year, the Paper subsector has already exceeded 2020 transaction levels which points to the market's strong rebound from a down year last year. Flexible Plastic deals increased by 2 transactions compared to September 2020 and the subsector has seen transaction growth of 36 transactions compared to year-to-date 2020. While Packaging M&A has normalized over the past two months, robust transaction levels early in the year are set to push sector transaction levels to record highs for the year.

M&A volumes in the Plastics and Packaging sectors have been on record pace through the first three quarters of the year. With highly active strategic and private equity buyers and a flurry of sellers trying to get transactions closed by year end, the sectors are set to continue this strong pace in the fourth quarter.

Notable M&A Activity

Date	Acquirer	Target	Category
09/23/21	Tekni-Plex, Inc.	Keyes Packaging Group, Inc.	Food Packaging
09/20/21	Silgan Holdings Inc. (NasdaqGS:SLGN)	Gateway Plastics, Inc.	Rigid Packaging
09/17/21	Spartech LLC	Crawford Industries LLC	Extruded Sheet
09/16/21	Pretium Packaging LLC	Alpha Consolidated Holdings, Inc.	Rigid Packaging
09/14/21	Clearlake Capital Group, L.P.	MOLD-RITE Plastics, LLC	Rigid Packaging
09/14/21	TricorBraun, Inc.	Cormack Packaging Pty Limited	Packaging Distribution
09/10/21	PPC Flexible Packaging LLC	Consumer Packaging Group, Inc.	Flexible Packaging
09/08/21	Pactiv Evergreen Group Holdings Inc.	Fabri-Kal Corporation	Rigid Packaging
09/03/21	Cedar Ridge Holding Co.	Oneida Molded Plastics, LLC	Injection Molding
09/01/21	H.I.G. Capital, LLC	Jackson Paper Mfg. & Sustainable Corrugated	Corrugated Packaging

Public Entity Performance

Index	% Change September MTD	% Change September YTD
S&P 500 Index	↓ -4.8%	↑ 14.7%
PMCF Plastics & Packaging Index ⁽¹⁾	↓ -7.7%	↑ 3.4%
Rigid Plastic Packaging ⁽²⁾	↓ -9.8%	↓ -1.1%
Flexible Plastic Packaging ⁽³⁾	↓ -9.1%	↑ 2.3%
Other Packaging ⁽⁴⁾	↓ -7.3%	↑ 8.8%
Paper Packaging ⁽⁵⁾	↓ -7.4%	↑ 10.2%

(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, NVL (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, PKG, SK3, WRK

Data as of September 30, 2021	Month-to-Date (MTD)			Year-to-Date (YTD)		
	2020	2021	Change	2020	2021	Change
Plastics	29	40	11	197	338	141
Blow Molding	3	3	0	12	20	8
Injection Molding	7	6	-1	55	92	37
Film	6	13	7	20	70	50
Resin / Color & Compounding	4	5	1	40	53	13
Sheet & Thermoforming	0	3	3	10	31	21
Specialty	9	10	1	60	72	12
Total Plastics	29	40	11	197	338	141
Strategic	52%	65%	13%	59%	54%	-5%
Financial Buyer - Add-on	28%	18%	-10%	25%	26%	1%
Financial Buyer - Platform	21%	18%	-3%	16%	21%	4%
Packaging	23	23	0	160	255	95
Rigid Plastic	7	7	0	41	48	7
Flexible Plastic	5	7	2	15	51	36
Paper	9	8	-1	74	111	37
Other	2	1	-1	30	45	15
Total Packaging	23	23	0	160	255	95
Strategic	48%	61%	13%	63%	49%	-14%
Financial Buyer - Add-on	26%	26%	0%	22%	32%	10%
Financial Buyer - Platform	26%	13%	-13%	16%	19%	4%

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

Major News

- Plastics Executives Face Daunting Labor Crunch (Plastics News)
- Supply Chain Shortages May Cut Into Holiday Wish Lists (Plastics News)
- The Pandemic's Impact Evident on Packaging (Plastics News)
- Corporate-Buyout Loans Near Highs of 2007 (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

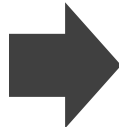
WORKING WITH PMCF

- 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



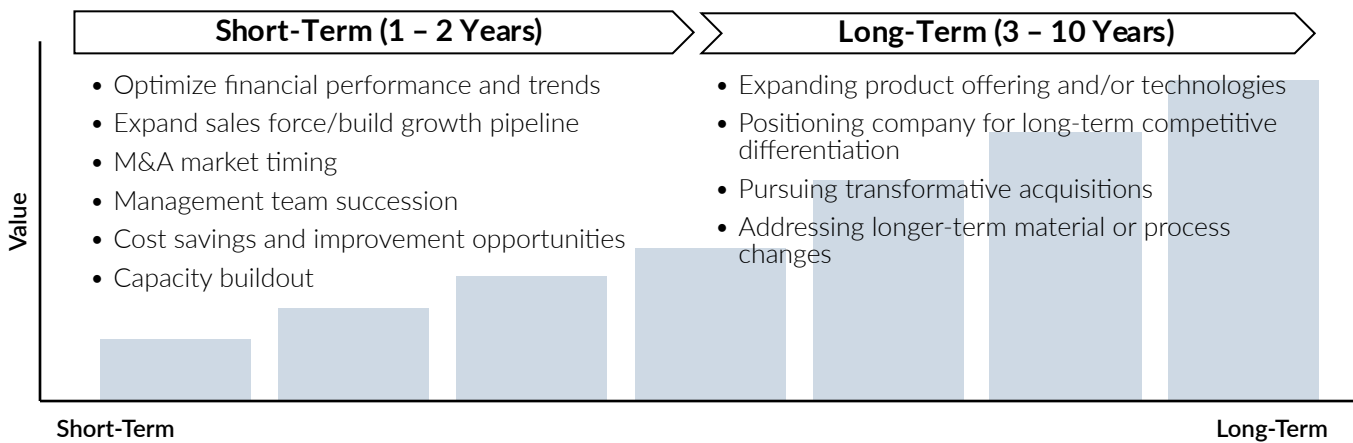
Impact:
Valuation
ROI
Sale Timing



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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