

PMCF Industry M&A Activity Tracking

Global Plastics M&A continued the trend of high deal volume in the month of October. The month saw the highest level of activity recorded on the year with 50 transactions. Deal volume more than doubled last year's October levels as strategic and financial buyers actively participated in the plastics M&A market.

From a subsector standpoint, October brought with it a new high for Specialty transactions which include Extrusion, Rotomolding, and Distribution. Specialty transactions accounted for 20 deals on the month, or 40% of the deal volume. These deals were driven by consolidation in the Extrusion market; 8 of the 20 Specialty transactions on the month were Extrusion related. Other notable subsectors that contributed to high October transaction levels were Injection Molding, Film, and Sheet & Thermoforming. These subsectors combined to account for 26 transactions in the month.

Plastic M&A occurred in a diverse set of end-markets in the month of October led by Industrial and Consumer transactions. Through the year-to-date, Industrial and Consumer transactions have accounted for 208 deals, up from 129 deals through this same time last year. Plastic Construction deals were up over October 2020; while there were no recorded Construction deals in October 2020, Construction volume accounted for 6 deals in October 2021.

Global Packaging M&A rebounded from an average month last month by posting 33 transactions in October 2021. This level of volume was 15 transactions greater than October 2020, or a ~83% increase. Packaging subsectors were once again paced by Paper packaging transactions which recorded 14 deals on the month, accounting for ~42% of deal volume. Plastic Packaging, which includes Flexible and Rigid Plastic packaging products, accounted for 16 transactions and saw strong growth relative to October 2020 when the subsector only posted 6 total transactions. On the year, Rigid Plastic transactions have already matched 2020 levels while Flexible Plastic transactions have more than doubled.

October 2021 was an extremely active month from an M&A standpoint, building on the high transaction volumes seen throughout the year. As the end of the year approaches and uncertainty around the taxation environment intensifies, high deal volumes should continue through the remainder of the quarter.

Data as of October 31, 2021	Month-to-Date (MTD)			Year-to-Date (YTD)		
	2020	2021	Change	2020	2021	Change
Plastics	2020	2021	Change	2020	2021	Change
Blow Molding	0	1	1	12	21	9
Injection Molding	7	13	6	62	105	43
Film	2	5	3	22	75	53
Resin / Color & Compounding	4	3	-1	44	56	12
Sheet & Thermoforming	2	8	6	12	39	27
Specialty	8	20	12	68	92	24
Total Plastics	23	50	27	220	388	168
Strategic	57%	50%	-7%	59%	53%	-6%
Financial Buyer - Add-on	13%	24%	11%	24%	26%	2%
Financial Buyer - Platform	30%	26%	-4%	18%	21%	4%
Packaging	2020	2021	Change	2020	2021	Change
Rigid Plastic	4	11	7	45	59	14
Flexible Plastic	2	5	3	17	56	39
Paper	12	14	2	86	125	39
Other	0	3	3	30	48	18
Total Packaging	18	33	15	178	288	110
Strategic	39%	55%	16%	60%	49%	-11%
Financial Buyer - Add-on	33%	24%	-9%	23%	31%	8%
Financial Buyer - Platform	28%	21%	-7%	17%	19%	3%

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

Notable M&A Activity

Date	Acquirer	Target	Category
10/25/21	Novvia Group	Fox Valley Containers, Inc.	Packaging Distribution
10/21/21	C-P Flexible Packaging, Inc.	Sycamore Sales, Inc. d/b/a Preferred Packaging	Flexible Packaging
10/15/21	Harvest Partners, LP	Fortis Solutions Group, LLC	Labels
10/06/21	Pregis Corporation	Danco Packaging Supply Company LLC	Paper Converting
10/05/21	Opus Packaging Group Inc.	Palmetto Packaging Corporation	Corrugated Packaging
10/04/21	Airlite Plastics Co.	Cosmetic Specialties International, LLC	Injection Molding
10/04/21	Rohrer Corporation	Coburn Carton Solutions	Folding Cartons
10/04/21	Tide Rock Holdings	Pikes Peak Plastics Co, LLC	Injection Molding
10/04/21	Silgan Holdings Inc. (NasdaqGS:SLGN)	Easytech Closures S.p.A	Closures
10/01/21	GTCR LLC	PPC Flexible Packaging LLC	Flexible Packaging

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

Public Entity Performance

Index	% Change October MTD	% Change October YTD
S&P 500 Index	↑ 6.9%	↑ 22.6%
PMCF Plastics & Packaging Index ⁽¹⁾	↑ 2.5%	↑ 5.9%
Rigid Plastic Packaging ⁽²⁾	↑ 3.0%	↑ 1.9%
Flexible Plastic Packaging ⁽³⁾	↑ 1.5%	↑ 3.9%
Other Packaging ⁽⁴⁾	↑ 2.1%	↑ 11.1%
Paper Packaging ⁽⁵⁾	↓ -3.4%	↑ 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

- Pandemic Economic Impact Shrinks US Plastics Exports (Plastics News)
- As Hiring Problem Grows, Automakers, Suppliers Get Creative (Plastics News)
- US Prices, Wages Rise at Fastest Pace in Decades (Wall Street Journal)
- Economies Growing in 2021 Even with Continued Supply Chain Challenges (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

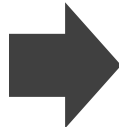
WORKING WITH PMCF

- 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



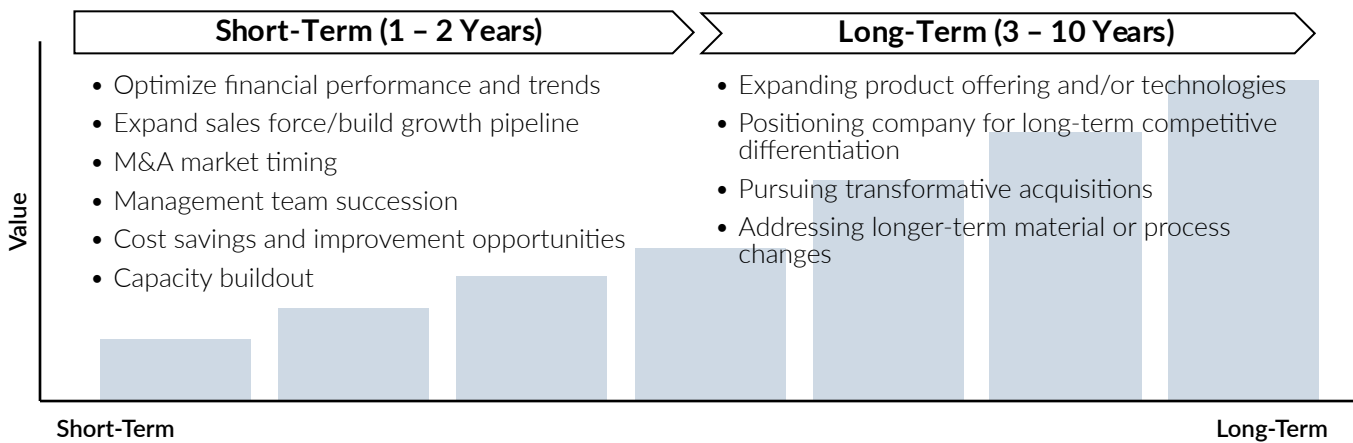
Impact:
Valuation
ROI
Sale Timing



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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