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FOR WHAT TRULY COUNTS



## M&A Facts Quarterly Q4 – 2023

Packaging Sector

### Packaging - M&A-Highlights and Market Insights

Data source: S&P Capital IQ. Analysis by Proventis Partners.

- ▶ **Trading and transaction multiples** – EBITDA trading multiples increased compared to the previous quarter, which is driven by the increasing market capitalization rate of the peer companies. The median of the transaction multiples was 8.5x.
- ▶ **Review & Outlook** – Although both trading and transaction multiples increased, transaction activity fell to its second-lowest level in the last two years with 54 recorded transactions in the packaging industry in Q4. Like 2022, 2023 was characterized by strong market volatility caused by geopolitical conflicts and interest rate hikes. This led to great uncertainty among investors and therefore slowed down deal activity.
- ▶ With the anticipated interest rate cuts in 2024, the cost of capital will reduce, which will increase M&A activity in the packaging sector, especially in private equity driven transaction. The positive outlook is also reflected in the general increase in market capitalization of most packaging companies in Q4 2023.
- ▶ **Notable transactions** – The Clondalkin Group sold Wentus GmbH, one of the leading manufacturer for high-performance food-, consumer- and hygiene packaging, to Trioworld Group Ab. Another notable transaction is the announced acquisition of the Ipackchem Group by Greif Inc.. With the transaction, SK Capital would exit its investment in Ipackchem after three years

### Packaging Peer Group

Note: TEV = Total Enterprise Value. LTM = Last Twelve Months. Data source: S&P Capital IQ. In €m.

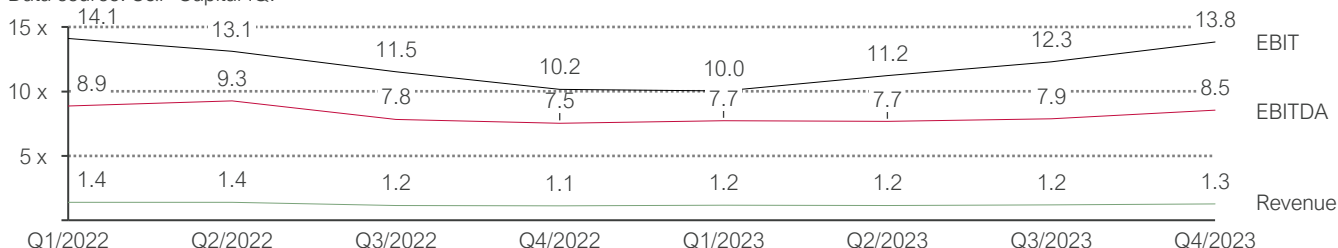
Company Name	Country	Market Cap	TEV	Total Revenue LTM	EBITDA LTM <sup>1)</sup>	TEV/EBITDA LTM Q3/2023 <sup>2)</sup>	TEV/EBITDA LTM Q4/2023 <sup>2)</sup>	Q3 vs. Q4 Trend
Ball Corporation	United States	16,408	24,337	12,692	1,911	12.2x	12.8x	▲
Amcor plc	Switzerland	12,597	19,105	13,629	1,808	9.3x	10.2x	▲
International Paper Company	United States	11,316	15,829	17,113	2,388	6.3x	6.7x	▲
WestRock Company	United States	9,635	17,696	18,100	2,452	5.6x	6.3x	▲
Smurfit Kappa Group Plc	Ireland	9,283	12,471	12,267	2,020	5.4x	5.9x	▲
Mondi plc	United Kingdom	8,593	10,189	8,278	1,371	6.8x	7.5x	▲
Berry Global Group, Inc.	United States	7,042	14,769	11,965	1,880	8.2x	8.2x	▼
DS Smith Plc	United Kingdom	4,874	7,209	8,535	1,176	4.9x	5.7x	▲
Sealed Air Corporation	United States	4,772	9,009	5,213	1,012	8.5x	8.9x	▲
Silgan Holdings Inc.	United States	4,360	7,891	5,418	789	8.2x	8.9x	▲
Huhtamäki Oyj	Finland	3,840	5,274	4,240	450	9.2x	11.0x	▲
Gerresheimer AG	Germany	3,259	4,252	1,974	386	11.4x	10.6x	▼
Mayr-Melnhof Karton AG	Austria	2,532	4,146	4,428	462	7.5x	9.0x	▲
Wipac Ltd.	Canada	1,821	1,389	1,094	215	6.5x	6.6x	▲
Median						7.9x	8.5x	▲

1) EBITDA LTM does not include income (loss) from affiliates.

2) Multiples are calculated based on last reported LTM EBITDA including income (loss) from affiliates.

### Packaging Peer Group Trading Multiples

Data source: S&P Capital IQ.



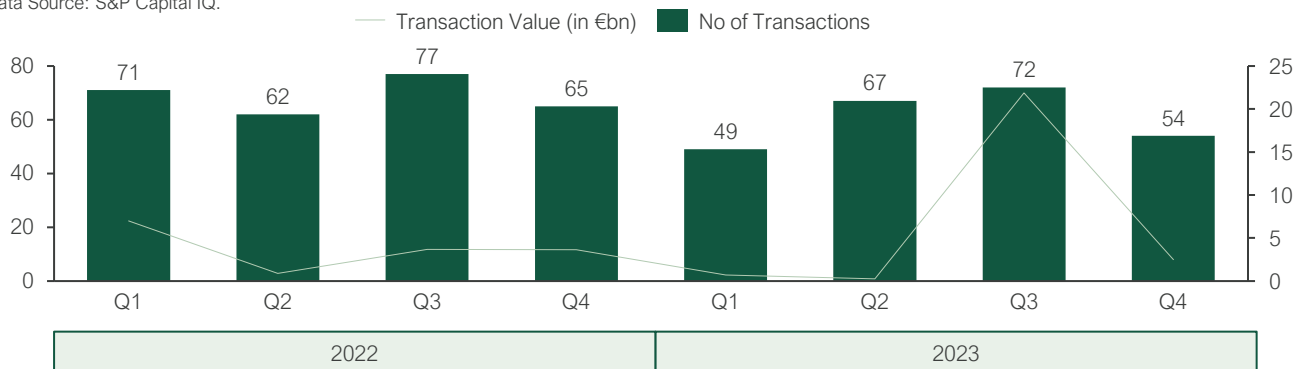
## Recent Packaging M&A Transactions

Note: EV = Total Enterprise Value. Total Transaction Value in €m. Data source: S&P Capital IQ. Selection of transactions by Proventis Partners.

Announced Date	Target	Target Country	Acquirer	Acquirer Country	Acquired Stake %	Total Transaction Value	Implied EV/ EBITDA
30.12.2023	Wentus GmbH	DE	Trioworld Group Ab	SE	100	n/a	n/a
27.12.2023	Foshan Golden Milky Way Intelligent Equipment Co., Ltd. (SZSE:300619)	CN	n/a		6	n/a	n/a
20.12.2023	Daeyang Paper Mfg. Co., Ltd. (KOSDAQ:A006580)	KR	Shindaeyang Paper Co., Ltd. (KOSE:A016590)	KR	0	0	24.7
06.12.2023	CPMC Holdings Limited (SEHK:906)	HK	Changping (Hangzhou) Industrial Holdings Co., Ltd.	CN	100	1,658	10.0
16.11.2023	Atlantic Packaging SA	MA	ALPLA Werke Alwin Lehner GmbH & Co KG	AT	-	n/a	n/a
14.11.2023	Fuji Glass Co., Ltd. (TSE:5212)	JP	n/a		37	8	13.4
13.11.2023	Duncan Print Group Ltd	UK	Carton Group GmbH	DE	100	n/a	n/a
06.11.2023	Silte S.r.l.	IT	Axiom Packaging S.A.S.	FR	100	n/a	n/a
03.11.2023	MHM Automation Limited (NZSE:MHM)	NZ	Bettcher Industries, Inc.	US	100	113	21.4
31.10.2023	Ipackchem Group SAS	FR	Greif, Inc. (NYSE:GEF)	US	100	509	9.4
23.10.2023	Walki Group Oy	FI	Oji Holdings Corporation (TSE:3861)	JP	100	n/a	n/a
19.10.2023	Yonwoo Co., Ltd (KOSDAQ:A115960)	KR	Kolmar Korea Co., Ltd. (KOSE:A161890)	KR	45	n/a	n/a
12.10.2023	Brødrene Hartmann A/S	DK	Thornico Food & Food Technology Group A/S	DK	10	34	4.8
02.10.2023	B&D 2010 Group Limited	UK	Macfarlane Group UK Ltd	UK	100	4	7.7
02.10.2023	Reliance Products Ltd.	CA	Greif, Inc. (NYSE:GEF)	US	100	19	n/a

## Packaging M&A Deal Count, Recorded Transaction Volume Q1 2022 – Q4 2023

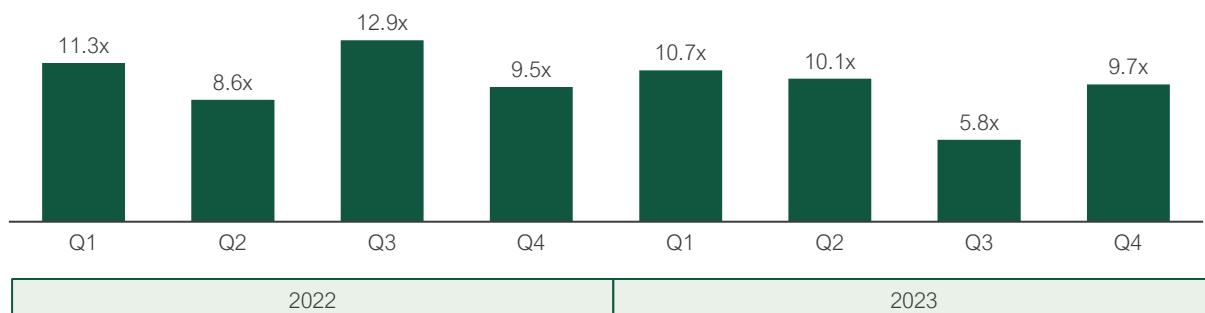
Data Source: S&P Capital IQ.



## Packaging M&A Transaction Multiples Q1 2022 – Q4 2023

Implied Transaction Enterprise Value / EBITDA of announced transactions with disclosed multiple.

Data Source: S&P Capital IQ.



### Packaging Operating Financial Metrics

Q3-23 data only. Q4-23 data not yet released. In €m or % where indicated. Data source: S&P Capital IQ.

#### Company Size

##### Small Cap



- ▶ Market Cap in €m 1 to 250
- ▶ Average Market Cap in €m 50
- ▶ Number of companies 330

##### Mid Cap



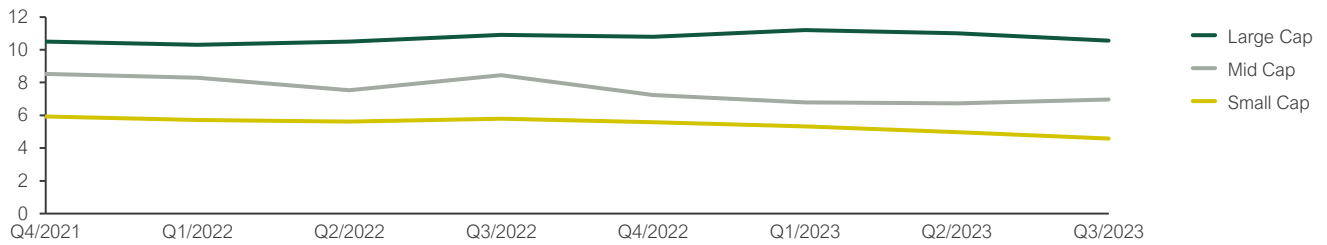
- ▶ Market Cap in €m 251 to 2,500
- ▶ Average Market Cap in €m 755
- ▶ Number of companies 107

##### Large Cap

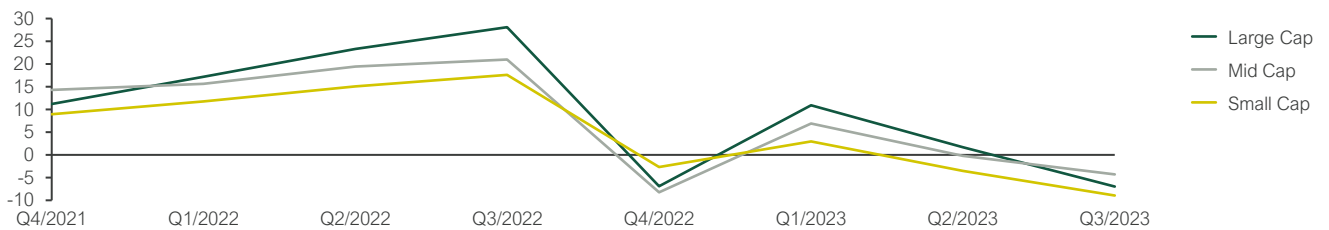


- ▶ Market Cap in €m >2,500
- ▶ Average Market Cap in €m 8,55
- ▶ Number of companies 37

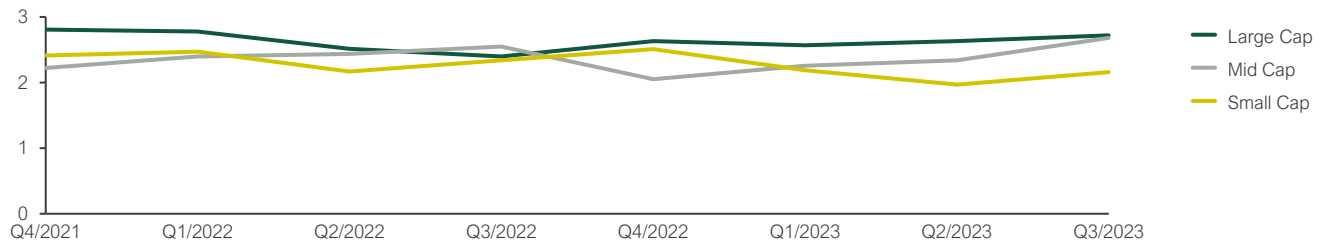
#### EBIT Margin (in %)



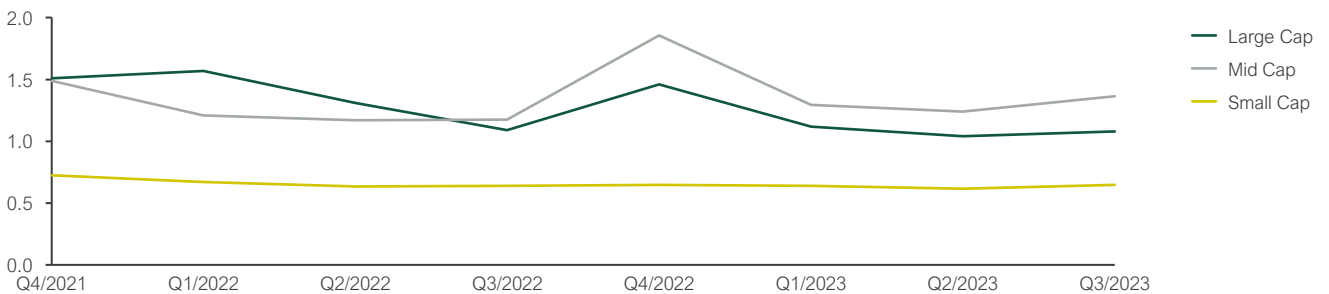
#### Year-on-Year Revenue Growth (in %)



#### Debt/EBITDA



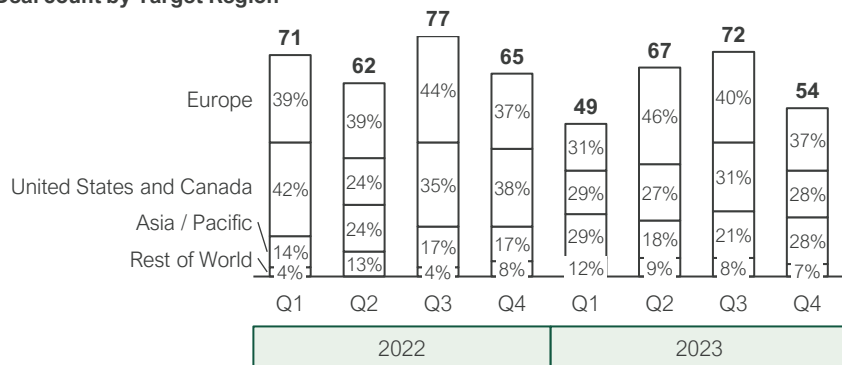
#### Market Capitalization/Revenue



### Packaging M&A Deal Analysis

Announced transactions. Implied M&A Enterprise Value / LTM EBITDA of announced transactions with disclosed multiple.  
Data Source: S&P Capital IQ.

#### Deal count by Target Region

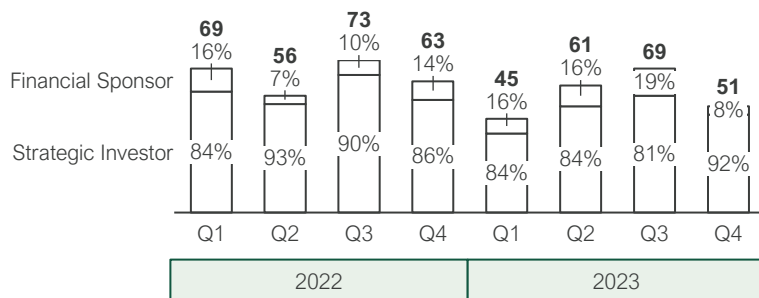


#### EBITDA Multiple (LTM) by Target Region



#### Deal count by Investor Type

Announced transaction with identified investors.

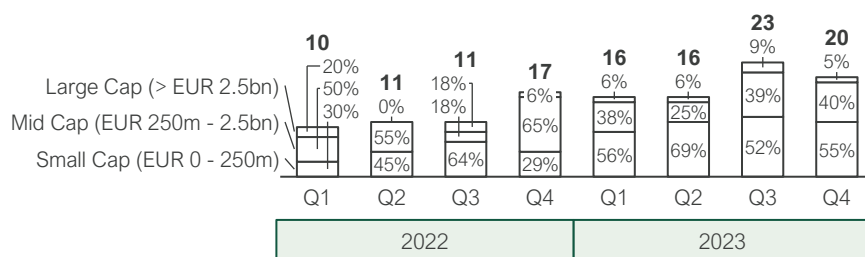


#### EBITDA Multiple (LTM) by Investor Type

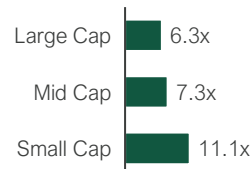


#### Deal count by Company Size

Announced transactions with disclosed annual pre-transaction revenues.



#### EBITDA Multiple (LTM) by Company Size



### Notes

The analysis considers announced transactions only. Recent Transactions and Quarterly Multiples only include transactions with available Enterprise Values (EV). As Capital IQ constantly updates its database, the values might differ from previous M&A Facts.

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