

ProventisPartners.

FOR WHAT TRULY COUNTS



M&A Facts Quarterly Q3 – 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 remained somewhat stable compared to the previous quarter. The median of the transaction multiples was 6.3x and therefore in a similar range as the median of the trading multiples.
- ▶ **Review** – Deal activity in Q3 was slightly higher than in Q2, indicating a stable overall M&A environment, despite consistently high interest rates and ongoing geopolitical tensions. Small cap transactions and strategic investors looking to consolidate the market continue to drive deal activity in the packaging sector, with a few notable PE-driven transactions.
- ▶ **Outlook** – With inflation rates and energy prices decreasing and investors becoming more familiar with the new macroeconomic situation, a pickup in deal flow can be expected in the next months, as larger players look to drive further consolidation. Especially financial investors could drive deal activity due to lower interest rate uncertainty continuing the trend of Private Equity gaining a growing deal share in the packaging sector.
- ▶ **Notable transactions** – Wendel exited its investment in Constantia Packagaing, one of the leading European flexibles packaging companies, with the sale to One Rock Capital Partners, while Carlyle sold French glass bottle manufacturer Olympe to Australian competitor Orora.

Packaging Peer Group

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

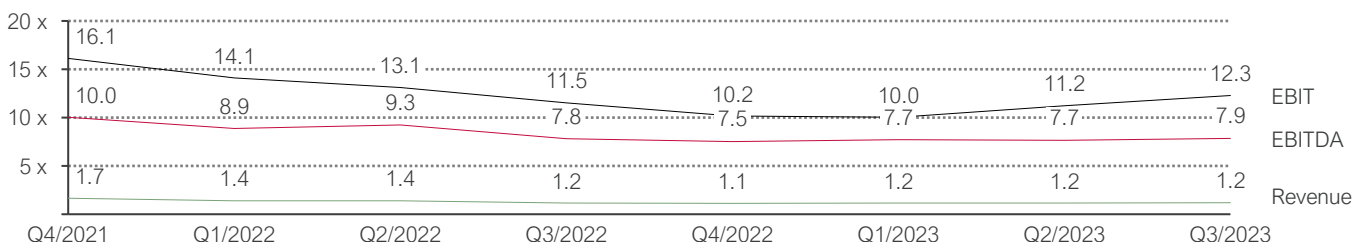
Company Name	Country	Market Cap	TEV	Total Revenue LTM	EBITDA LTM ¹⁾	TEV/EBITDA LTM Q2/2022 ²⁾	TEV/EBITDA LTM Q3/2023 ²⁾	Q1 vs. Q4 Trend
Amcor plc	Switzerland	12,321	18,712	13,460	1,824	10.1x	9.3x	▼
Ball Corporation	United States	14,818	23,632	13,331	1,752	13.3x	12.2x	▼
International Paper Company	United States	11,595	16,820	18,537	2,354	5.3x	6.3x	▲
WestRock Company	United States	8,673	17,614	18,983	2,696	4.9x	5.6x	▲
Mondi plc	United Kingdom	7,675	9,271	8,278	1,371	4.8x	6.8x	▲
Smurfit Kappa Group Plc	Ireland	8,165	11,353	12,267	2,020	4.8x	5.4x	▲
Sealed Air Corporation	United States	4,483	9,000	5,071	982	9.4x	8.5x	▼
Berry Global Group, Inc.	United States	6,908	15,730	11,906	1,849	8.3x	8.2x	▼
Silgan Holdings Inc.	United States	4,478	8,187	5,744	882	8.5x	8.2x	▼
DS Smith Plc	United Kingdom	4,558	6,490	9,365	1,231	4.6x	4.9x	▲
Huhtamäki Oyj	Finland	3,256	4,807	4,381	495	8.3x	9.2x	▲
Mayr-Melnhof Karton AG	Austria	2,556	4,233	4,645	563	6.1x	7.5x	▲
Wipac Ltd.	Canada	1,754	1,381	1,087	208	7.1x	6.5x	▼
Gerresheimer AG	Germany	3,435	4,450	1,974	386	13.0x	11.4x	▼
Median						7.7x	7.9x	▲

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.



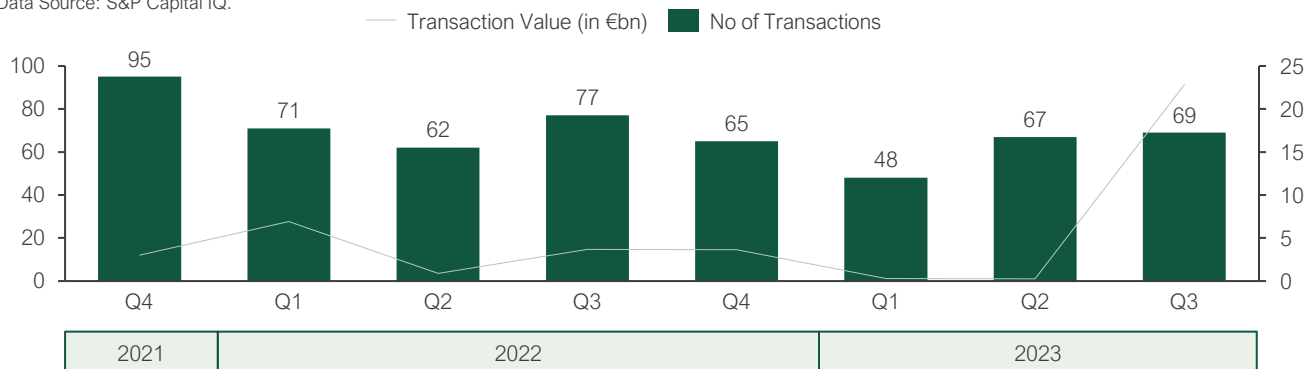
Recent Packaging M&A Transactions

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
28.09.2023	Kefla-Glas GmbH & Co. KG	DE	Lifco AB (publ) (OM:LIFCO B)	SE	n/a	n/a	n/a
19.09.2023	Brødrene Hartmann A/S (CPSE:HART)	DK	Thornico Holding A/S	DK	31	106	5.49
12.09.2023	WestRock Company (NYSE:WRK)	US	Smurfit Kappa Group Plc (ISE:SK3)	IE	100	19,838	6.27
05.09.2023	Olympe SAS	FR	Orora Limited (ASX:ORA)	AU	100	1,290	n/a
30.08.2023	ColePak Inc.	US	Greif, Inc. (NYSE:GEF)	US	51	69	n/a
30.08.2023	VMD Group SA	CH	Amorim Cork, Sgps, S.a.	PT	55	12	n/a
30.08.2023	Evergreen Plastic Products Manufacturing L.L.C	AE	Emirates Reem Investments Company PJSC (DFM:ERC)	AE	100	11	n/a
21.08.2023	Integrated Packaging Solutions	US	XANO Industri AB (publ) (OM:XANO B)	SE	100	19	n/a
11.08.2023	Phoenix Flexibles Pvt. Ltd.	IN	Amcor plc (NYSE:AMCR)	US	100	n/a	n/a
06.08.2023	Suzhou Hycan Holdings Co., Ltd. (SZSE:002787)	CN	Shanghai D-shine Investment Management Co., Ltd.	CN	5	14	19.84
03.08.2023	Helvetia Packaging AG	CH	Crown Packaging European Division GmbH	CH	100	n/a	n/a
01.08.2023	U.S. BulkSak Businesses of Sonoco Products Company	US	n/a	n/a	100	19	n/a
31.07.2023	Constantia Flexibles Group GmbH	AT	One Rock Capital Partners, LLC	US	100	1,097	n/a
27.07.2023	Europoligrafico S.p.A.	IT	Carton Group GmbH	DE	100	n/a	n/a
05.07.2023	Coropoulis Packaging SA	GR	Berlin Packaging Italy S.p.A.	IT	100	n/a	n/a

Packaging M&A Deal Count, Recorded Transaction Volume Q4 2021 – Q3 2023

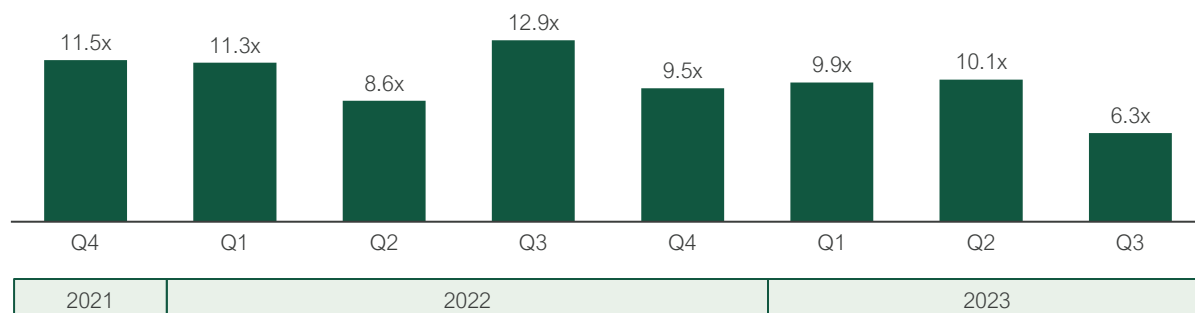
Data Source: S&P Capital IQ.



Packaging M&A Transaction Multiples Q4 2021 – Q3 2023

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

Data Source: S&P Capital IQ.



Packaging Operating Financial Metrics

Q2-23 data only. Q3-23 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



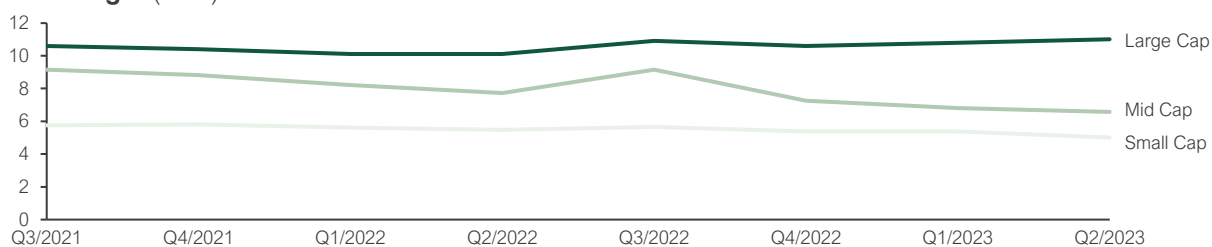
- ▶ Market Cap in €m 251 to 2,500
- ▶ Average Market Cap in €m 755
- ▶ Number of companies 107

Large Cap

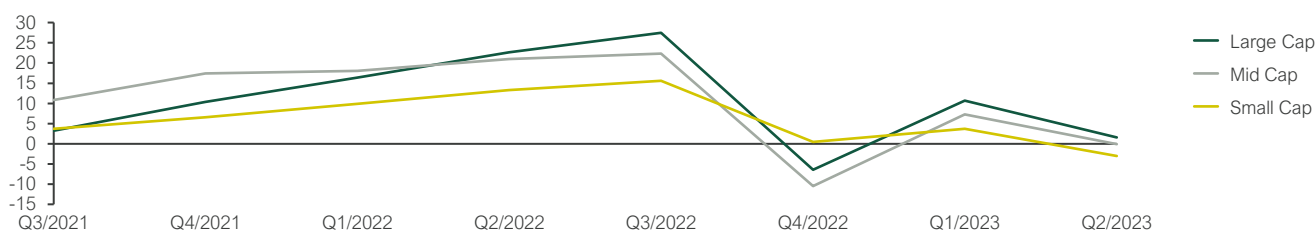


- ▶ Market Cap in €m >2,500
- ▶ Average Market Cap in €m 8,55
- ▶ Number of companies 37

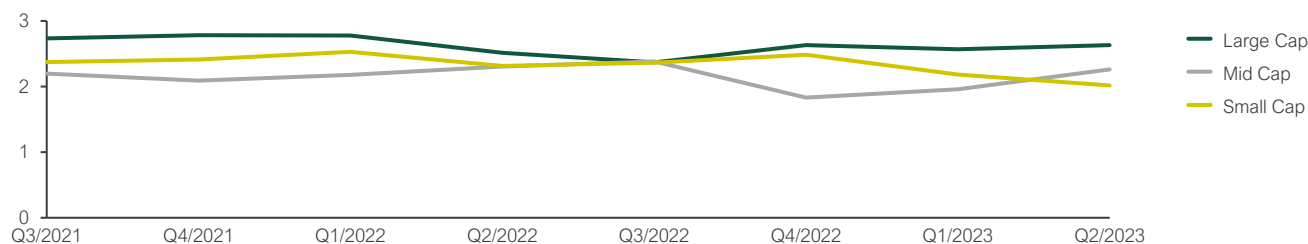
EBIT Margin (in %)



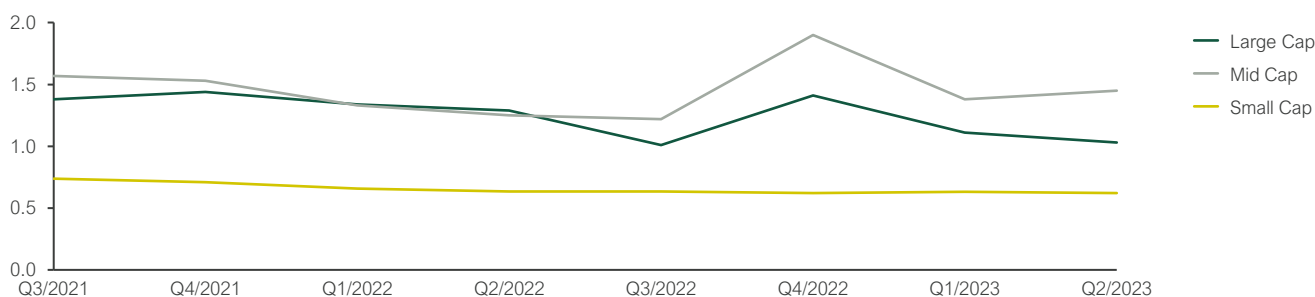
Year-on-Year Revenue Growth (in %)



Debt/EBITDA



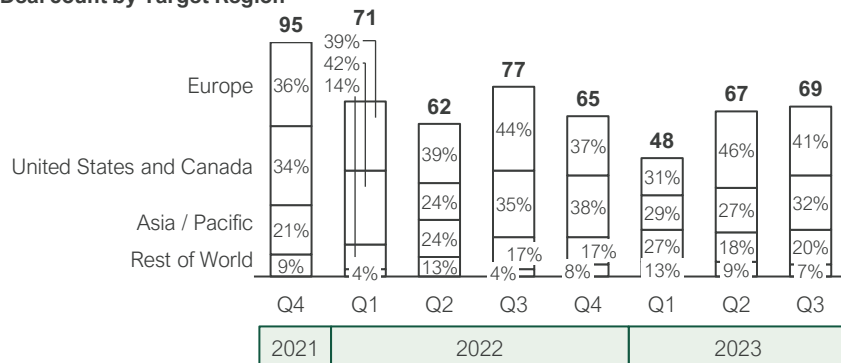
Market Capitalization/Revenue



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

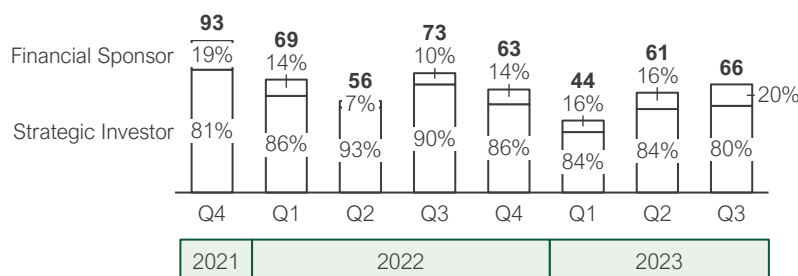


EBITDA Multiple (LTM) by Target Region



Deal count by Investor Type

Announced transaction with identified investors.

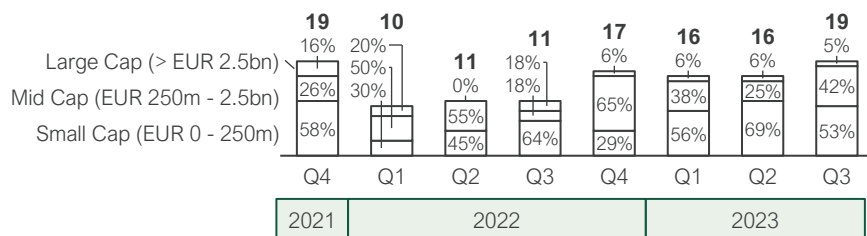


EBITDA Multiple (LTM) by Investor Type

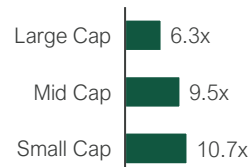


Deal count by Company Size

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.

This document is intended to provide our clients selected information on the Packaging industry. The material presented is based on sources we consider as reliable. Proventis Partners makes no representation as to the completeness or reliability of the information shown herein. Our "M&A Facts" publication is intended for the private use of our clients for information purposes only and the information presented does not represent any offer or commercial recommendation. This document may be copied or redistributed without the knowledge and consent of Proventis Partners. Proventis Partners is a trademark of Proventis Partners Holding GmbH, Munich, Germany.

Dusseldorf, Germany
Proventis Partners GmbH
Harald Poeschke, Partner
h.poeschke@proventis.com
T: +49 211 540 10 801

Hamburg, Germany
Proventis Partners GmbH
Jost Hartmann, Partner
j.hartmann@proventis.com
T: +49 40 360 9759-0

Munich, Germany
Proventis Partners GmbH
Jan Poerschmann, Partner
j.poerschmann@proventis.com
T: +49 89 388 88 1-0

Zurich, Switzerland
Proventis Partners AG
Christoph Studinka, Partner
c.studinka@proventis.com
T: +41 44 536 3630



Proventis Partners is exclusive Member of Mergers Alliance in German-speaking Europe.

Contact - M&A Facts Packaging

Ulrich Schneider
u.schneider@proventis.com
T: +49 40 360 9759-0