

SUSTAINABILITY & AUTOMATION ADOPTION DRIVE HEALTHY PACKAGING M&A ACTIVITY

PACKAGING SECTOR UPDATE | NOVEMBER 2023



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CONTACT OUR PACKAGING SECTOR BANKERS



David Bench
Managing Director
Co-Head of Industrials
949-734-7888
dbench@capstonepartners.com



Mike Schumacher
Managing Director
314-285-5877
mschumacher@capstonepartners.com



Christopher Cardinale
Director
949-220-0537
ccardinale@capstonepartners.com

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Packaging

Sustainability & Automation Adoption Drive Healthy Packaging M&A Activity

KEY SECTOR TAKEAWAYS

Capstone Partners' [Industrials Group](#) is pleased to share its Packaging report. The Packaging sector has continued to adopt technological innovation, automation, and environmentally-sustainable solutions, fueling transaction activity in the space. Strategic and financial buyers have continued their affinity for the sector. Despite a decrease in merger and acquisition (M&A) activity year-over-year (YOY), large-scale deals have continued to materialize. Several additional key report takeaways are outlined below.

1. Packaging M&A has remained steady as E-Commerce, Consumer Staples, and Pharmaceuticals end markets have stabilized demand.
2. Packaging material input prices have appreciated, testing the general health of supply chains as companies reshore their networks.
3. Legislation has reignited the push for sustainable solutions with greater responsibility placed on producers for the end-of-life management of the products introduced to the market.
4. Public strategics have focused on automation capabilities, a characteristic that has driven premium M&A valuations year-to-date (YTD).
5. Middle-market transaction activity has seen a meaningful uptick in add-on acquisitions by private equity firms, increasing from its traditional range of 30-35% of all deals to 44% in YTD 2023.
6. Flat to contracting volumes that have been experienced across substrates in 2023 are expected to return to growth in 2024, which will bring companies back to the selling table ahead of 2025 market and economic growth.

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To learn more about Capstone's wide range of advisory services and Packaging sector knowledge, please [contact us](#).

SUSTAINABILITY & AUTOMATION PROPELS DEAL ACTIVITY

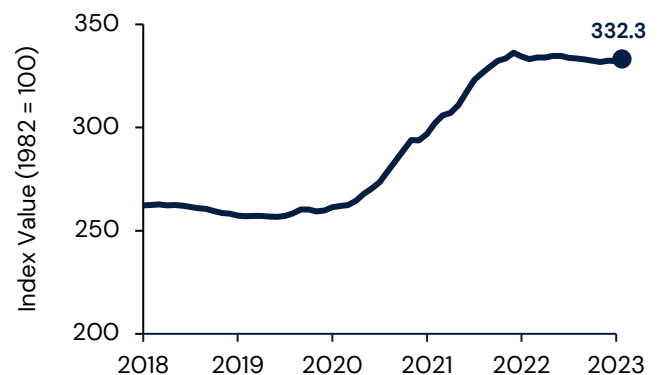
Pricing power, sustainability initiatives, and automation capabilities have driven Packaging sector growth throughout 2023. The space has been upheld by small-to-medium-sized enterprises (SMEs) reporting healthy earnings as personal consumption expenditures (PCEs) have reached all-time highs in September (\$18.9 billion), according to the St. Louis Federal Reserve.¹ While increased input costs have been passed to customers, companies that have demonstrated defensible volume growth have attracted M&A buyers to the sector. The producer price index (PPI) for Pulp, Paper, and Allied Products reached all time highs in 2022, and have remained at elevated levels through September (332.3) as supply chain constraints and materials shortages have driven input costs higher, according to the St. Louis Federal Reserve.² A major driver of input price appreciation has been the general fragility of supply chains, a point of introspection for companies who have begun reshoring their networks. The Fast-Moving Consumer Goods (FMCG) sector, a key Packaging end market, underwent significant changes to its Just-In-Time (JIT) supply chain management model post-pandemic. As a result, many producers began destocking, a trend that has tested the sector.

New sustainability initiatives had been largely muted as the pandemic swept the globe and left packagers adapting to new environments. Legislation has reignited the push for sustainable solutions as the extended producer responsibility law (EPR) has assigned greater responsibility on producers for the end-of-life management of products introduced to the market, according to the National Conference of State Legislatures.³ Public companies have adjusted, noting sustainability in their recent earnings calls. Mondi (LSE:MNDI), a global leader in kraft paper, recently outlined its sustainability commitments to focus on circular materials, using innovative solutions to avoid waste, according to its website.⁴ Mondi's recent acquisition of Hinton Pulp (July, \$5 million), a paper mill capable of producing ~275,000 tons per year, has demonstrated the company's commitment to fully integrated, efficient systems, according to its earnings transcript.⁵ Similarly, Graphic Packaging (NYSE:GPK) has aligned offerings with sustainable consumer preferences, delivering fiber-based packaging through its recent acquisition of Bell (August, \$262.5 million), according to its earnings presentation.⁶



The pandemic galvanized the need for automation, with Amcor (NYSE:AMCR) and Sealed Air (NYSE:SEE), two leaders in packaging solutions, advocating widespread adoption across the space. Amcor's recent acquisition of Moda (June, undisclosed) has positioned the company to provide a turnkey equipment solution model where efficiency is maximized through automation, according to its Q4 earnings transcript.⁷ Sealed Air has seen total revenue growth of approximately 20% YOY in Q2, with its Food Automation segment experiencing revenue growth of 40% YOY, according to its recent earnings.⁸ As sustainability and automation capabilities continue to permeate the sector, companies will likely look towards the M&A market to bolster internal capabilities.

Producer Price Index for Pulp, Paper, and Allied Products Remains at Historic Highs



Source: U.S. Bureau of Labor Statistics and Capstone Partners

PACKAGING M&A HOLDS STEADY, SPONSORS REMAIN ACTIVE

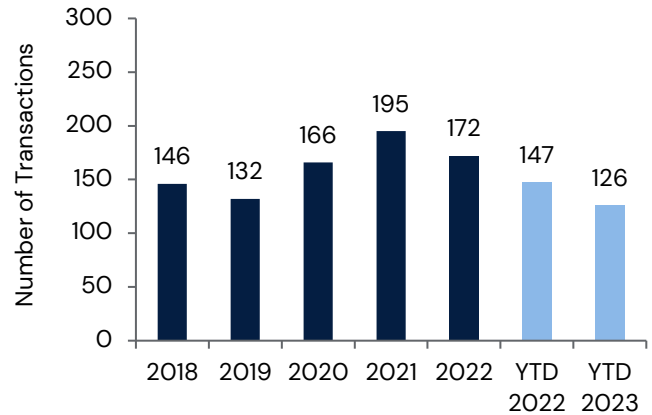
Packaging M&A activity has softened YOY with 126 deals announced or completed YTD, a 14.3% decrease from YTD 2022 levels. Despite headwinds to dealmaking, sector players have continued to pursue large, transformational M&A opportunities, evidenced by Brady IFS' acquisition of Envoy for \$1.7 billion (more details on page eight). Moreover, in a space largely dependent on other verticals, demand for Packaging M&A has remained steady. E-Commerce, Consumer Staples, and Pharmaceuticals end markets have performed well and supported sector activity. At the same time consumer-based Packaging markets, such as Cosmetics, have slumped.

Private strategics have decreased activity in the space, falling from 44.9% of deal activity in YTD 2022, to 35.7% in YTD 2023. Sector players have sought to achieve scale and additional capacity through inorganic growth, finding attractive prices for businesses as others have divested less profitable segments.

Private equity firms have continued to command a significant portion of M&A activity, comprising 41.6% of deal volume YTD. These sponsors have sought best-in-class facilities and solution providers with differentiated end markets. Of note, in May, BDT Capital Partners (BDT) and Leonard Green & Partners (LGP), announced its agreement to acquire ProMach, a global leader in processing and packaging solutions (undisclosed). "We believe ProMach is well positioned to capitalize on secular industry tailwinds, including the transition to sustainable packaging and the accelerating adoption of automation technologies, and we look forward to supporting the company's continued expansion and success," commented Byron Trott, Chairman and Co-CEO of BDT, in a press release.⁹

Revenue visibility and inelastic demand for products and services have underpinned M&A pricing in the Packaging sector. Companies that have shown continuous volume growth or provide unique, niche packaging solutions have captured higher valuations from buyers. Conversely, players that have not met sustainability expectations from customers and acquirers have received lower valuations. M&A transaction valuations in YTD 2023 have been dominated by larger acquisitions that have traded at lower EBITDA multiples. Average Packaging M&A multiples through YTD have amounted to 9.3x EV/EBITDA, outperforming sector public company trading multiples of 8.5x, but trailing the Industrials average M&A valuation (10.7x EV/EBITDA).

Packaging Transaction Volume Slows Following Record Years



Year-to-date (YTD) November 1
Source: Capital IQ, FactSet, PitchBook, and Capstone Partners

Key Packaging Performance Indicators



End Market Diversity: Companies with exposure to a variety of end markets have weathered economic headwinds and attracted greater buyer appetite.



Automation Technology: Operators have invested in automation technology to increase efficiency and meet evolving consumer demand.



Sustainability: Heightened government regulation and consumer preferences regarding sustainability has increased demand for circular packaging products.

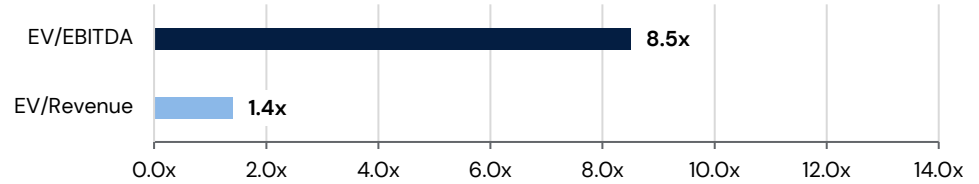


Technology Adoption: Packagers have increasingly utilized technology to improve communication visibility and streamline processes.

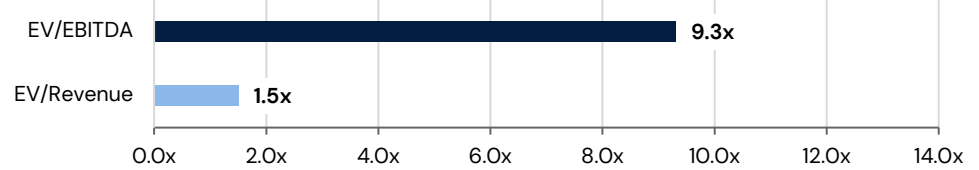
Source: Capstone Partners

PREMIUM VALUATIONS DRIVEN BY CAPABILITY EXPANSION

Average Last Twelve-Month Public Company Trading Multiples
 Capstone's Packaging Public Company index has traded at discounted LTM valuations.

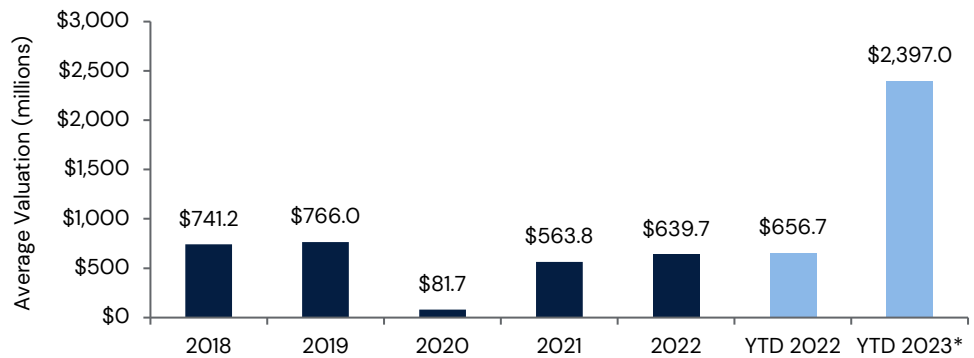


Average Packaging M&A Purchase Multiples (2018-YTD 2023)
 Healthy M&A valuations have supported steady transaction activity through YTD.



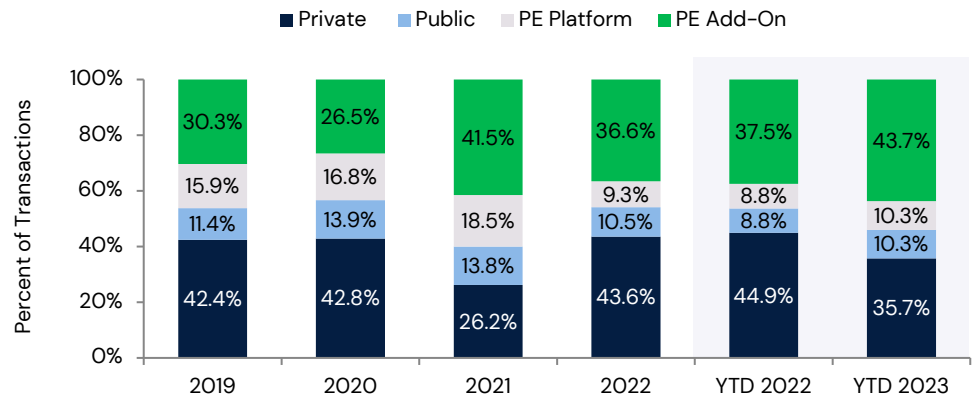
Year-to-date (YTD) November 1
 Packaging index includes AMC, AVY, BALL, BERY, CCK, GPK, IP, MNDI, OI, PKG, SEE, SK3, SON, WRK
 Source: Capital IQ, FactSet, PitchBook, and Capstone Partners

Large Deals Persevere Against Broader Market
 Strategic buyers have continued completing large deals, paying attractive valuations for sector players serving diverse end markets with advancements in sustainability and automation.



*Includes SK3 acquisition of WRK for \$21.0 billion
 Year-to-date (YTD) ended November 1
 Source: Capital IQ, FactSet, PitchBook, and Capstone Partners

Private Equity Continues to Capture Greater Deal Activity Through Add-On Acquisitions
 The high-margin, high-volume nature of the Packaging sector has drawn significant interest from private equity-backed companies in the sector and has created a significant demand for add-on deals.



Year-to-date (YTD) ended November 1
 Source: Capital IQ, FactSet, PitchBook, and Capstone Partners

IMPERIAL DADE BOLSTERS DISTRIBUTION NETWORKS



Headquarters: Jersey City, New Jersey
Markets: Trading Companies and Distributors
Year Founded: 1935
Employees: 6,900

Imperial Dade is an independently owned distributor of foodservice disposables, janitorial, and industrial supplies across North America. Imperial Dade has rapidly expanded under the direction of father-and-son duo of Robert Tillis (Chairman) and Jason Tillis (CEO), with the company completing its 75th acquisition in November. The company has received significant investments from Bain Capital Private Equity, Audax Private Equity, and recently Advent International, who acquired a significant stake in Imperial Dade from Bain in May 2022 (terms were not disclosed).

Imperial Dade’s revenue has grown from \$2 billion to \$5 billion since 2019, serving 90,000 customers. The company has built upon its inorganic growth investment thesis completing 17 deals through YTD 2023. Imperial Dade’s recent acquisition of Advance Shipping Supplies (November, undisclosed) underscores the company’s focus on becoming the leading national distributor of industrial, foodservice, and janitorial products, “continuing to find ways to better serve our customer and vendor partners,” stated Stephane Lapointe, President of Imperial Dade Canada, in a deal press release.¹⁰

Imperial Dade 2023 Deal Activity

Target	Announce Date	Deal Type	Business Description
Advance Shipping Supplies	11/01/23	Add-On Acquisition	Distributes industrial supplies, packaging materials, and janitorial products.
The Janton Company	10/02/23	Add-On Acquisition	Distributes janitorial products.
Eugène Allard Produits d’Emballage et d’Entretien	09/29/23	Add-On Acquisition	Distributes paper goods, packaging materials, and other safety and janitorial products.
Ralik	09/08/23	Add-On Acquisition	Distributes paper goods, packaging materials, and other safety and janitorial products.
Prime Paper & Packaging	09/05/23	Add-On Acquisition	Supplies packaging and needs of foodservices, janitorial/chemical, medical, and retail businesses.
Supreme Paper Supplies	09/05/23	Add-On Acquisition	Distributes foodservice and janitorial products.
Ohio & Michigan Paper	08/21/23	Add-On Acquisition	Offers safety, office, packaging, and janitorial products, as well as sanitary disposables.
Apache Group of Minnesota	08/01/23	Add-On Acquisition	Distributes foodservice packaging products.
Atlantis Packaging	07/07/23	Add-On Acquisition	Manufactures packaging and containers.
Lovan Industries	07/05/23	Add-On Acquisition	Distributes industrial and janitorial supplies.
Triple F Holdings	07/05/23	Add-On Acquisition	Distributes foodservice packaging supplies, janitorial supplies, and sustainable packaging.
Columbus Paper Company	05/15/23	Add-On Acquisition	Distributes foodservice and janitorial products.
Green Streets USA	05/01/23	Add-On Acquisition	Distributes paper and packaging products and supplies.
Action Paper & Packaging	03/01/23	Add-On Acquisition	Distributes paper goods, packaging materials, material handling equipment, and safety and janitorial products.
Servicorp Industrial Supplies	03/01/23	Add-On Acquisition	Provides cleaning, paper and packaging products
Solutions Sherby	03/01/23	Add-On Acquisition	Provides sanitary products and industrial packaging services.
Focus Packaging and Supply	02/01/23	Add-On Acquisition	Offers packaging solutions.

Source: Company websites, Capital IQ, PitchBook, Imperial Dade, and Capstone Partners

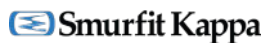
LARGE DEAL ACTIVITY VITALIZES PACKAGING M&A



BradyIFS acquired Envoy Solutions (October) for a purchase price of \$1.7 billion, according to a press release.¹¹ Through the deal, BradyIFS and Envoy, two leaders in foodservice distribution and facility care, have combined their highly complementary business models to gain a stronger customer base and provide additional high-value solutions to its customers across broader geographical locations in the U.S. Fomento Económico Mexicano (BMV:FEMSA UBD) will retain a 37% stake in the combined company after its divestiture of Envoy, with 63% of the new entity owned by existing equity holders, Kelso & Company and Warburg Pincus. The enterprise is expected to generate approximately \$5 billion in annual revenue under previous BradyIFS CEO, Kenneth D. Sweder, serving as Chairman and CEO. The new entity will accelerate growth by combining resources and expertise, enhancing the value proposition, and deploying even more capital, commented Envoy CEO, Mark M. Fisher, in a press release.



Graphic Packing (NYSE:GPK) acquired Bell for \$262.5 million in September, equivalent to 1.3x EV/Revenue and 8.8x EV/EBITDA. Bell operates three converting facilities that consume approximately 95,000 tons of paperboard per year, according to Graphic's earnings presentation. Bell serves the Food, Consumer Products, and Mailing segments with partnerships with household names; possessing a supply relationship with the U.S. Postal Service and potential growth drivers derived from Amazon and Walmart's shift away from plastic materials. The acquisition would add \$200 million in sales, \$30 million in EBITDA, and \$10 million in synergies. The acquisition aligns well with Graphic's future goals to enhance its financials as part of "Vision 2025" and other strategic acquisitions, such as machine investments in Michigan, and a \$1 billion construction project of a new coated recycled board (CRB) mill in Waco, Texas, to reach paperboard integration metrics closer to 90%.



Major packaging conglomerates Smurfit Kappa (ISE:SK3) and WestRock (NYSE:WRK) have announced a merger in which Smurfit Kappa has agreed to acquire WestRock for an enterprise value of \$21.0 billion (September), equivalent to 1.0x EV/Revenue and 6.3x EV/EBITDA. The combined entity, Smurfit WestRock, is expected to be a global leader in sustainable packaging with exceptional scale, quality, product, and geographic diversity, according to a press release.¹² The firm will be domiciled in Ireland with listing on the New York Stock Exchange and led by Tony Smurfit as CEO and Irial Finan as Chair. The purchase price represents a 36% premium to WestRock's recent closing price. "Smurfit WestRock will be the 'Go-To' packaging partner of choice for customers, employees and shareholders. We will have the leading assets, a unique global footprint in both paper and corrugated, a superb consumer and specialty packaging business, significant synergies, and enhanced scale to deliver value in the short, medium and long term," commented Tony Smurfit in a press release.



Private equity firm, Clayton, Dubilier & Rice (CD&R), announced the acquisition of Veritiv Corporation (NYSE:VRTV), a full-service distributor of business-to-business packaging, facility solutions, and print products, for an enterprise value of \$2.9 billion (August). The deal represents a 31% premium of Veritiv's 30-day volume-weighted average price, valuing the distributor at 0.5x EV/Revenue and 5.5x EV/EBITDA, according to a press release.¹³ The deal comes as Veritiv better positions itself to fight slowing demand as consumers have cut spending due to higher prices and a difficult interest rate environment. Rob Volpe, Partner at CD&R, stated, "Veritiv is a very well-positioned industry leader with differentiated capabilities that deliver value to customers. We look forward to supporting Veritiv's talented leadership team in this next phase of the company's growth, as they continue to pursue their long-term strategic objectives while maintaining an unwavering commitment to employees, suppliers, and customers," according to a press release.

SELECT M&A TRANSACTIONS

Date	Target	Acquirer	Target Business Description	Enterprise	EV/LTM	
				Value (mm)	Revenue	EBITDA
11/01/23	Advance Shipping Supplies	Imperial Dade	Distributes industrial supplies, packaging materials, and janitorial products.	-	-	-
09/23/23	Accord Carton	Mason Wells	Manufactures custom folding cartons for private label and branded consumer goods.	-	-	-
09/12/23	WestRock (NYSE:WRK)	Smurfit Kappa (ISE:SK3)	Provides fiber-based paper and packaging solutions.	\$20,968.0	1.0x	6.3x
09/06/23	Soteria Flexibles	TJC	Manufactures customized flexible plastic packaging products.	-	-	-
08/30/23	ColePak	Greif (NYSE:GEF)	Manufactures interior paper packing partitions.	\$147.1	-	-
08/21/23	Integrated Packaging	XANO (OM:XANO B)	Provides machinery and integration technology to metal packaging manufacturers.	\$21.0	1.3x	-
08/07/23	Veritiv (NYSE:VRTV)	Clayton, Dubilier & Rice	Offers value-added packaging products and services.	\$2,896.5	0.5x	5.5x
08/01/23	Bell	Graphic Packaging (NYSE:GPK)	Manufactures and supplies folding cartons.	\$262.5	1.3x	8.8x
08/02/23	Norwood Paper	New Water Capital	Distributes non-box-related packaging products.	CF	CF	CF
07/10/23	Hinton Pulp	Mondi (LSE:MNDI)	Pulp and paper mill.	\$5.0	-	-
07/05/23	Triple F	Imperial Dade	Distributes foodservice, janitorial, and sustainable packaging supplies.	-	-	-
06/21/23	The Standard Group	PaperWorks	Manufactures custom printed paperboard packaging products.	-	-	-
06/21/23	Poly Flex Products	Nefab	Engineers reusable trays, returnable containers, and other packaging products.	-	-	-
06/15/23	Pharmaceutic Litho & Label	Resource Label	Prints pharmaceutical labels.	-	-	-
05/08/23	Assets of Graf-Pak	Supremex (TSX:SXP)	Provides folding carton packaging solutions.	\$4.5	0.9x	-
05/04/23	Pro-Western Plastics	Berry Global (NYSE:BERY)	Manufactures plastic medical, dairy, and tamper evident containers.	\$88.0	-	-
05/03/23	Pro Mach	LGP; BDT Capital	Manufactures packaging solutions.	-	-	-
05/02/23	Spectrum Plastics	DuPont de Nemours (NYSE:DD)	Manufactures specialty packaging products.	\$1,750.0	-	-
05/01/23	Green Streets	Imperial Dade	Distributes paper and packaging products and supplies.	-	-	-
04/03/23	Nursery Supplies	Mill Point Capital	Supplies plastic containers for the wholesale Nursery industry.	-	-	-
03/01/23	Centurion Container	Greif (NYSE:GEF)	Provides container reconditioning services.	\$204.2	1.9x	8.5x
02/13/23	Container Services	Shore Capital	Manufactures custom rigid plastic packaging containers.	-	-	-
01/17/23	Thermopatch	Avery Dennison (NYSE:AVY)	Manufactures packaging equipment.	-	-	-

Blue indicates Capstone advised transactions; CF = Confidential
Source: Capital IQ, PitchBook, FactSet, and Capstone Partners

CAPSTONE CASE STUDY

Capstone Partners advised Norwood Paper—a leading manufacturer of packaging materials—on its sale to Bulklift International, a portfolio company of New Water Capital.

Norwood Paper Inc. is one of the largest woman-owned and managed wholesalers of chipboard in the United States. The family-run company was founded in 1972 and specializes in non-box related packaging such as skid liners, dust covers, tier sheets, and divider sheets. For more information, please visit norwoodpaper.com.

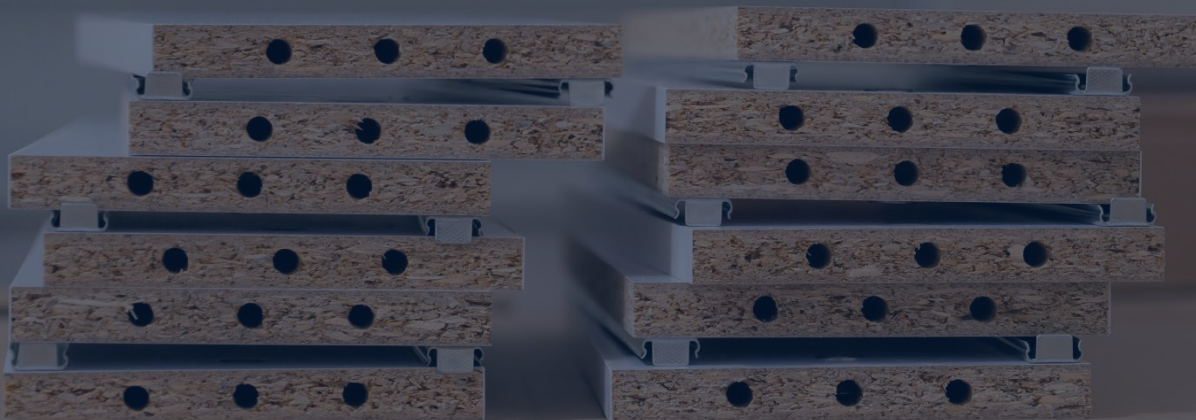
Bulk Lift International is a designer, producer, and distributor of bulk packaging and shipping products. Headquartered in Illinois, with state-of-the-art manufacturing facilities in Mexico, India, and China, Bulk Lift has established a reputation for top quality and flexibility, using deep technical expertise to develop custom products designed to help reduce customers' total packaging costs. For more information, please visit Bulklift.com.

New Water Capital L.P. is a private equity firm focused on lower-middle market companies in the consumer products and industrial manufacturing and services sectors with revenues of \$30 million to \$300 million. New Water Capital's collaborative transaction and operating model is built specifically to support companies in transition, building on their unique cultures and strengths. For more information, please visit newwatercap.com.



“ In a difficult acquisition financing environment—and in the midst of commodity pricing hitting heights not seen since the last supercycle—Capstone continues to deliver great results to clients in the Packaging sector, finding them optimal partnerships that allow for continued success. ”

Mike Schumacher
Managing Director, Capstone Partners



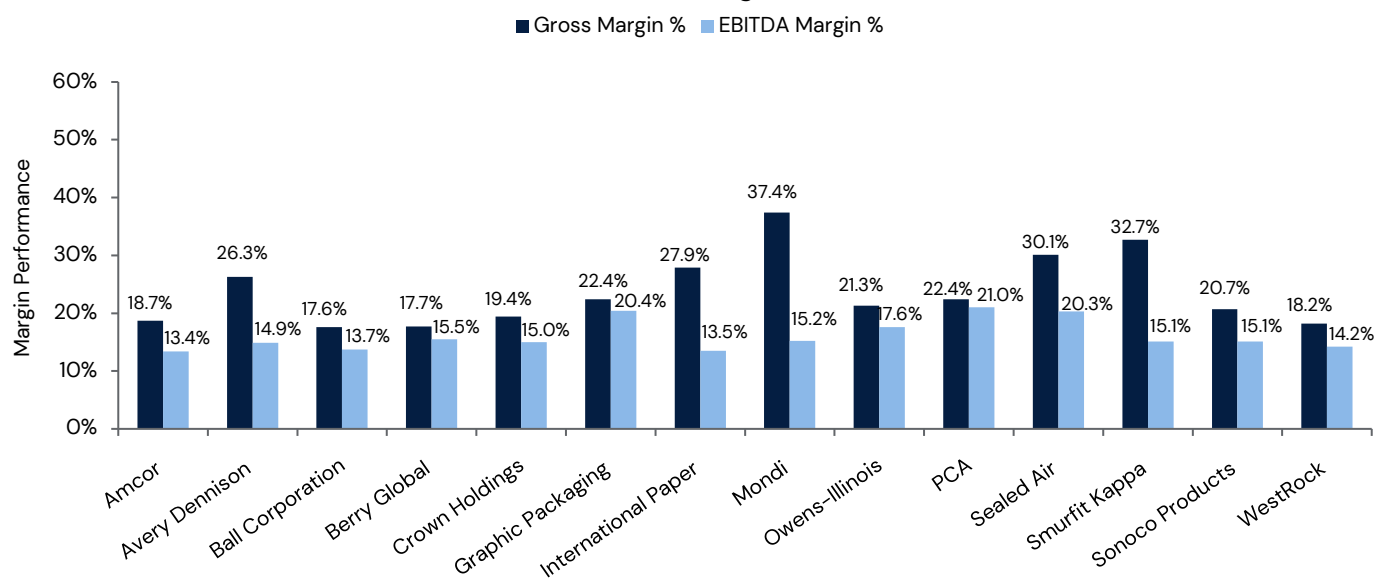
PUBLIC COMPANY DATA

Company	Price 11/03/23	% 52 Wk High	Market Cap	Enterprise Value	LTM			EV / LTM	
					Revenue	EBITDA	Margin	Revenue	EBITDA
Arcor plc	\$8.98	74.7%	\$12,959.2	\$20,153.2	\$14,425.0	\$1,928.0	13.4%	1.4x	10.5x
Avery Dennison Corporation	\$181.24	92.5%	\$14,595.5	\$17,665.2	\$8,279.7	\$1,233.8	14.9%	2.1x	14.3x
Ball Corporation	\$51.22	82.4%	\$16,149.7	\$24,913.7	\$14,174.0	\$1,941.0	13.7%	1.8x	12.8x
Berry Global Group, Inc.	\$58.80	86.5%	\$6,944.3	\$16,281.3	\$12,998.0	\$2,019.0	15.5%	1.3x	8.1x
Crown Holdings, Inc.	\$83.31	86.5%	\$9,972.5	\$16,939.5	\$12,164.0	\$1,825.8	15.0%	1.4x	9.3x
Graphic Packaging Holding Company	\$22.08	80.1%	\$6,757.6	\$12,196.6	\$9,565.0	\$1,952.0	20.4%	1.3x	6.2x
International Paper Company	\$34.60	82.6%	\$11,972.2	\$16,960.2	\$19,448.0	\$2,619.0	13.5%	0.9x	6.5x
Mondi plc	\$16.75	84.4%	\$8,125.3	\$9,839.4	\$9,037.1	\$1,371.0	15.2%	1.1x	7.2x
O-I Glass, Inc.	\$14.95	63.4%	\$2,313.2	\$6,561.2	\$7,157.0	\$1,261.0	17.6%	0.9x	5.2x
Packaging Corporation of America	\$158.27	99.4%	\$14,078.5	\$16,128.6	\$7,842.9	\$1,644.2	21.0%	2.1x	9.8x
Sealed Air Corporation	\$34.62	61.4%	\$5,000.4	\$9,683.5	\$5,517.3	\$1,119.3	20.3%	1.8x	8.7x
Smurfit Kappa Group Plc	\$34.53	80.0%	\$8,932.4	\$12,356.0	\$13,391.9	\$2,020.0	15.1%	0.9x	6.1x
Sonoco Products Company	\$55.11	86.5%	\$5,398.4	\$8,719.0	\$6,821.5	\$1,028.2	15.1%	1.3x	8.5x
WestRock Company	\$37.85	96.3%	\$9,704.9	\$19,168.7	\$20,724.3	\$2,943.5	14.2%	0.9x	6.5x

Mean	16.1%	1.4x	8.5x
Median	15.1%	1.3x	8.3x
Harmonic Mean	15.7%	1.2x	7.9x

EV = enterprise value; LTM = last twelve months
 \$ in millions, except per share data
 NM = Not Meaningful

Last Twelve-Month Margin Performance



Source: Capital IQ and Capstone Partners as of November 3, 2023

BUYER UNIVERSE

Capstone maintains an active presence in the Packaging sector with in-depth knowledge of the buyer universe and business characteristics that drive premium valuations in an M&A process. Our sector knowledge and network provide us with unique insights into market trends and buyer preferences.

Leading Strategic Buyers



Leading Financial Buyers



Source: Capstone Partners

PACKAGING REPORT CONTRIBUTORS

**David Bench**

Managing Director,
Co-Head of Industrials Investment Banking
dbench@capstonepartners.com | 949-734-7888

David is a Managing Director based out of Orange County, CA. Prior to Capstone Partners, David managed the Western region for Morgan Stanley Smith Barney's Capital Strategies Group and its predecessor, Citi Capital Strategies. David has focused on middle market investment banking for 30+ years and has been the lead banker in over 250 M&A transactions involving both domestic and foreign corporate buyers, as well as leveraged recaps with private equity sponsors. His areas of focus include Manufacturing and Industrials (products and services) and Business Services. His achievements in the investment banking industry have gained him national recognition by the M&A Advisor.

**Mike Schumacher**

Managing Director
mschumacher@capstonepartners.com | 314-285-5877

Mike Schumacher joined Capstone Partners in January 2017 from a private merchant bank that he co-founded in 2014, where he served as Head of Advisory Services. Over the course of Mr. Schumacher's 25-year investment banking career, he has advised, evaluated, and worked with companies and financial sponsors across various industries and sizes. Mr. Schumacher has completed transactions totaling over \$10 billion in value, including debt, equity and strategic advisory. His sector expertise is in the Packaging Sector, both on the manufacturing and distribution sides. Mr. Schumacher has covered the Light Industrials space for 14 years at middle market investment banks. Previously, Mr. Schumacher was with Morgan Stanley, where he served as a Vice President focusing on Heavy Industrials in North America and Asia. Mr. Schumacher started his career with Bear Stearns in equity research and debt capital markets in New York and Hong Kong.

**Christopher Cardinale**

Director
ccardinale@capstonepartners.com | 949-220-0537

Chris is a Director within Capstone's Industrials Investment Banking Group with over 10 years of experience serving clients on transactions involving mergers, acquisitions, carveouts, divestitures, recapitalizations and capital raises. Based in Orange County, CA, he supports management and clients throughout the U.S. Chris' industry experience includes Environmental, Health & Safety, Facilities Services, Packaging, Precision Manufacturing, Chemicals and Industrial Distribution.

**Neve Adler**

Market Intelligence Analyst
nadler@capstonepartners.com | 617-619-3387

Neve serves as a Market Intelligence Analyst at Capstone Partners covering the Industrials industry. Prior to joining the firm's Market Intelligence Team, Neve was an intern at the Bank of New York Mellon and Gray Private Wealth. Neve graduated with a Bachelor's of Science degree in Finance from Bentley University.

FIRM TRACK RECORD

Capstone Partners Industrials professionals have represented clients across various Packaging end-market specialties. This focus allows Capstone Partners to provide packaging clients with real-time transaction feedback and immediate access to key decision makers among the industry's most active acquirers and investors. A sampling of Capstone Partners' closed transactions is shown below.



HAS BEEN ACQUIRED BY



A portfolio company of




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Mike Schumacher
Managing Director

"Flat to contracting volumes that have been experienced across substrates in 2023 are expected to return to growth in 2024, which will bring companies back to the selling table ahead of 2025 market and economic growth."

CAPSTONE'S PROPRIETARY RESEARCH REVEALS TOP SERVICES IN DEMAND

The current stage and initiatives of a business often dictates which financial services are in demand. As the majority of CEOs polled in Capstone's 2023 Middle Market Business Owners Survey indicated growth strategies are a priority for 2024, the lion's share (31.5%) of owners anticipate a need for growth strategy support services. Similarly, 28.5% of owners require accounting and audit support to shore-up cash flows and establish financial stability. In addition, more than one-fourth of CEOs demonstrated an interest in accessing relevant industry research to keep up with emerging industry trends, complete competitor analyses, and track capital markets activity in their space.

Capstone has developed a full suite of [corporate finance solutions](#) to help privately owned businesses and private equity firms through each stage of the company's lifecycle, ranging from growth to an ultimate exit transaction. In addition, we developed a specialty consulting practice to provide financial advisory services to companies experiencing distress or performance challenges. All of these capabilities are supported by 16 industry groups, an active sponsor coverage group, and a dedicated market intelligence team.

Top Financial Services Required by Business Owners in 2024



Question: Have you ever had, or do you anticipate having, a need for any of the following services?
Source: Capstone Partners' Middle Market Business Owner Survey, Total Sample Size (N): 435



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Disclosure

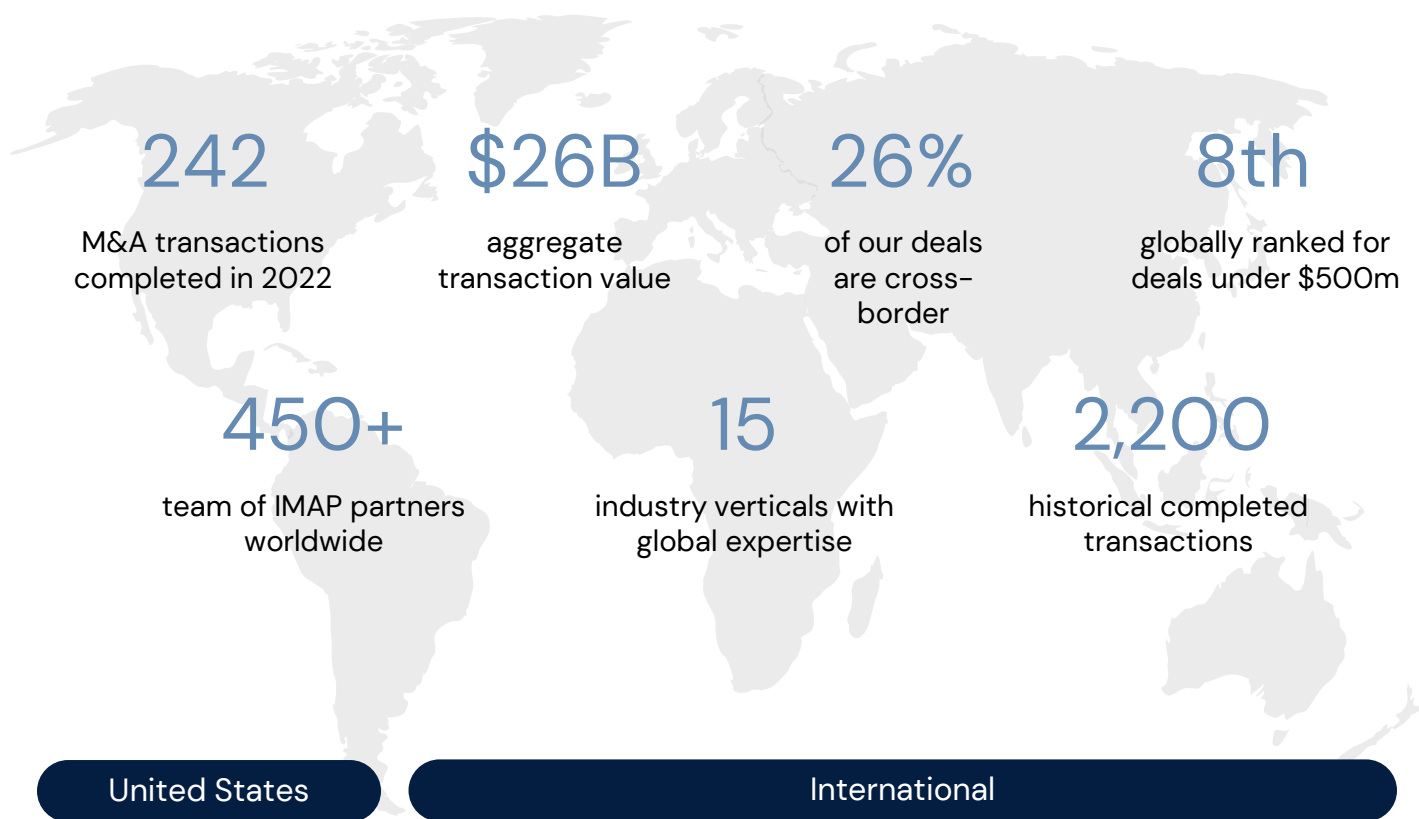
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CAPSTONE PARTNERS

Market Presence

With a long-established U.S. footprint, together with an international partner platform, we provide clients with broad expertise and access to key market relationships on a global basis. Our presence is backed by ~200 professionals in the U.S. with 450+ partners across 41 countries.



~200 professionals
8 offices

Boston · Chicago · Dallas ·
Denver · Detroit · Irvine ·
New York · Tampa

450+ partners
60+ offices in 41 countries

Asia: China · India · Japan · Thailand
Africa: Congo · Egypt · Ghana · Ivory Coast · Mauritius · Morocco · Nigeria · Senegal · South Africa
Americas: Toronto · Vancouver · Argentina · Brazil · Chile · Colombia · Mexico · Panama & Central America · Peru
Europe: Belgium · Bosnia & Herzegovina · Croatia · Czech Republic · Finland · France · Germany · Hungary · Ireland
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