



PAPER & PACKAGING *IQ*

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Industry-Specific Overview of Recent M&A and Capital Markets Activity

JANUARY 2025

Recent Market Observations

Paper & Packaging Industry Update | January 2025

As we enter 2025, the U.S. paper and packaging industry is positioned to operate in a more balanced economic environment, marked by steady demand recovery driven by favorable factors including rate cuts and waning inflation. The food and beverage (F&B) sector has been a catalyst for demand, with consumer-packaged goods (CPG) volumes rising for the first time in three years, fueled by increased promotional activity and consumer optimism. Additionally, the destocking trend that had previously dampened demand has mostly subsided, as industry players expect minimal impact moving ahead.

With improving demand, streamlining product portfolios through divestitures or product transitions has become a priority for companies aiming to re-focus on capturing growth in their areas of expertise. Companies like Sonoco Products, Reynolds Consumer Products, Berry Global, Pactiv Green, and Sealed Air, have recently divested non-core business verticals to focus on strategic markets. Footprint optimization is also a key focus, as companies aim to reduce excess capacity in underutilized regions and reallocate to areas with higher demand for improved operational efficiency.

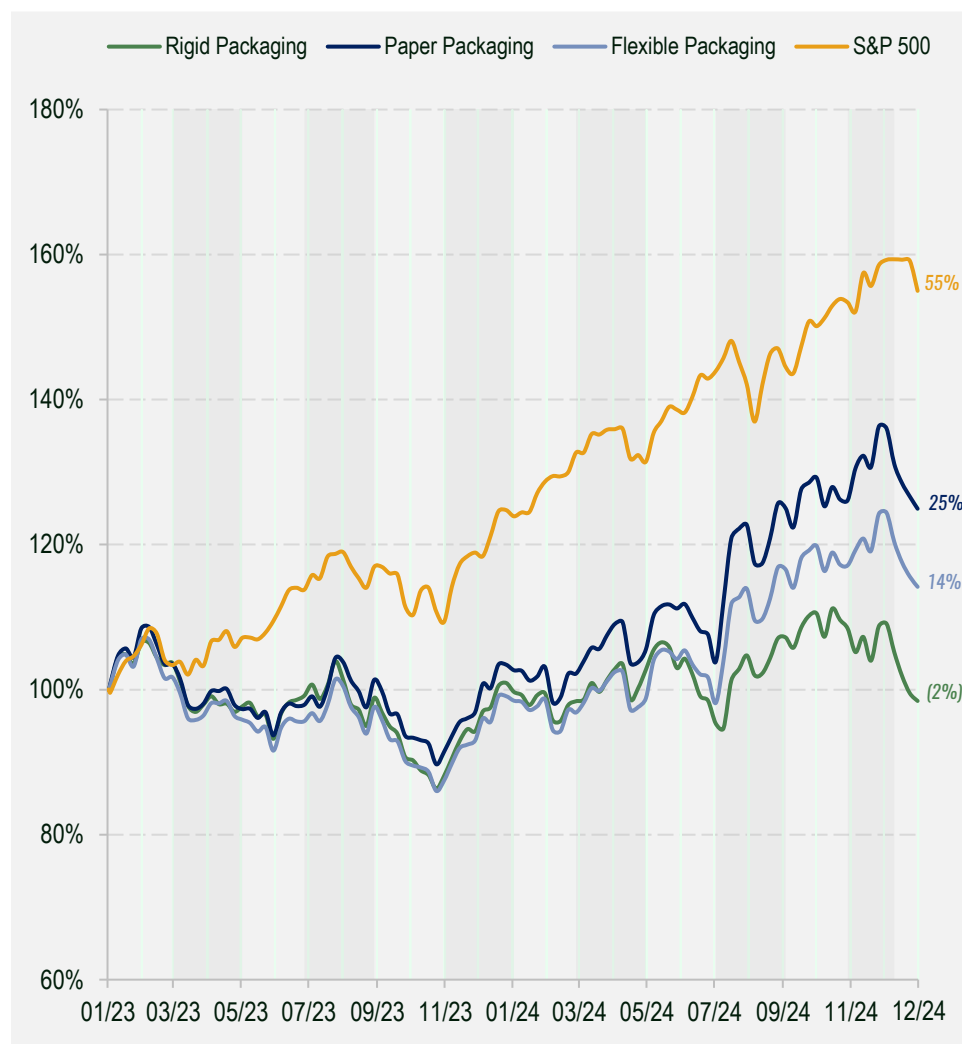
The ongoing growth of e-commerce has fueled demand for corrugated and containerboard products. Leading companies such as Cascades, Greif, International Paper, and Packaging Corporation of America have reported increased shipments. This demand is expected to grow at approximately a 3% CAGR through 2026, driven by an increase in online sales. In response to this anticipated growth, industry players have announced price increases for various substrates, set to take effect in early 2025.

A shift towards sustainability continues to gain momentum, driven by regulation and consumer choice. Extended Producer Responsibility programs are central to this trend, with five states – Maine, California, Colorado, Minnesota, and Oregon – already implementing such initiatives, and more are expected to follow. Packaging end users are increasingly seeking environmentally friendly alternatives. For instance, Amazon announced it has replaced 95% of plastic air pillows in North American deliveries with paper fillers, reducing plastic waste. Nestlé introduced paperboard canisters for Vital Proteins, cutting plastic usage by 90%, while brands like Starbucks and McDonald's are advancing sustainability by adopting eco-friendly packaging solutions.

The M&A landscape is transforming, driven by high-impact deals fueling industry consolidation. Smurfit Kappa's merger with WestRock unites Europe's top containerboard producer with North America's second-largest. International Paper's pending acquisition of DS Smith aligns North America's No.1 with Europe's second-largest. Other significant transactions include Novolex's acquisition of Pactiv Evergreen and Amcor's purchase of Berry Global. As regulatory pressures and sustainability demands grow, M&A plays a pivotal role in optimizing portfolios to stay competitive in a dynamic market.

Source: Packaging Dive, Packaging Gateway, Resource Recycling, Census Bureau, Circana

Recent Stock Price Performance – Paper & Packaging Indices













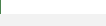
















Source: Capital IQ

Paper and Packaging Universe – **Rigid Packaging:** AMBP, AMC, ATR, BALL, BERY, CCK, GEF, MYE, OI, PTVE, SLGN, TRS, UFPT; **Paper-Based Packaging:** CAS, GEF, IP, PACK, PKG, SON, SW
Flexible Packaging: AMC, BERY, REYN, SEE, TCL.A, TG, WPK

Public Market Trading Multiples

Paper & Packaging Industry Update | January 2025

(\$ in millions, other than stock price)		12/31/2024	Quarterly	Market	Total	LTM		Gross	EBITDA	Net Debt /	Enterprise Value / LTM	
Company		Stock Price	Price Δ	Cap.	EV ⁽¹⁾	Revenue	EBITDA	Margin	Margin	EBITDA	Revenue	EBITDA
Rigid Packaging	 Amcor plc	\$9.26	(18%)	\$13,554	\$21,047	\$13,550	\$1,904	20%	14%	3.6x	1.6x	11.1x
	 Aptargroup, Inc.	157.10	(1%)	10,454	11,298	3,573	761	37%	21%	1.0x	3.2x	14.8x
	 Ardagh Metal Packaging S.A.	3.01	(19%)	1,799	5,437	4,845	628	13%	13%	5.1x	1.1x	8.7x
	 Ball Corporation	55.13	(17%)	16,452	21,212	13,785	2,093	20%	15%	2.1x	1.5x	10.1x
	 Berry Global Group, Inc.	64.67	(2%)	7,450	15,475	12,258	1,984	18%	16%	3.8x	1.3x	7.8x
	 Crown Holdings, Inc.	82.69	(12%)	9,773	16,274	11,756	1,853	21%	16%	3.1x	1.4x	8.8x
	 Greif, Inc.	61.12	(1%)	3,027	6,062	5,448	707	20%	13%	3.5x	1.1x	8.6x
	 Myers Industries, Inc.	11.04	(15%)	411	816	823	97	32%	12%	3.7x	1.0x	8.4x
	 O-I Glass, Inc.	10.84	(16%)	1,676	6,167	6,643	939	16%	14%	4.5x	0.9x	6.6x
	 Pactiv Evergreen Inc.	17.47	56%	3,132	6,746	5,197	774	13%	15%	4.1x	1.3x	8.7x
	 Silgan Holdings Inc.	52.05	1%	5,559	8,998	5,784	845	17%	15%	3.6x	1.6x	10.6x
	 TriMas Corporation	24.59	(3%)	998	1,438	907	112	23%	12%	3.5x	1.6x	12.8x
	 UFP Technologies, Inc.	244.51	(20%)	1,876	2,088	462	87	28%	19%	2.3x	4.5x	24.0x
Median								20%	15%	3.6x	1.4x	8.8x
Paper Packaging	 Cascades Inc.	\$8.28	7%	\$836	\$2,282	\$3,426	\$284	34%	8%	4.6x	0.7x	8.1x
	 Greif, Inc.	61.12	(1%)	3,027	6,062	5,448	707	20%	13%	3.5x	1.1x	8.6x
	 International Paper Company	53.82	12%	18,698	23,554	18,640	1,955	28%	10%	2.2x	1.3x	12.0x
	 Packaging Corp. of America	225.13	6%	20,075	21,987	8,175	1,625	21%	20%	1.1x	2.7x	13.5x
	 Ranpak Holdings Corp.	6.88	11%	573	933	354	46	37%	13%	6.8x	2.6x	20.5x
	 Sonoco Products Company	48.85	(9%)	4,800	8,001	6,573	1,012	21%	15%	2.9x	1.2x	7.9x
	 Smurfit WestRock	53.86	13%	27,906	41,913	16,432	2,400	22%	15%	5.2x	2.6x	17.5x
Median								22%	13%	3.5x	1.3x	12.0x
Flexible Packaging	 Amcor plc	\$9.26	(18%)	\$13,554	\$21,047	\$13,550	\$1,904	20%	14%	3.6x	1.6x	11.1x
	 Berry Global Group, Inc.	64.67	(2%)	7,450	15,475	12,258	1,984	18%	16%	3.8x	1.3x	7.8x
	 Reynolds Consumer Products	26.99	(10%)	5,672	7,375	3,681	703	27%	19%	2.3x	2.0x	10.5x
	 Sealed Air Corporation	33.83	(5%)	4,929	9,179	5,397	1,053	30%	20%	3.9x	1.7x	8.7x
	 Transcontinental Inc.	12.91	(1%)	1,081	1,672	2,027	301	17%	15%	1.9x	0.8x	5.6x
	 Winpak Ltd.	33.17	(3%)	2,091	1,650	1,121	235	31%	21%	NM	1.5x	7.0x
	 Tredegar Corporation	7.68	8%	258	416	717	47	15%	7%	3.1x	0.6x	8.8x
Median								20%	16%	3.4x	1.5x	8.7x

Source: Capital IQ

(1) EV ("Enterprise Value") is defined as market capitalization plus net debt, preferred equity, and minority interest.

(2) Medians exclude all non-meaningful values.

Valuation and Debt Multiples

Paper & Packaging Industry Update | January 2025

Valuation and debt levels have remained relatively stable over the past four quarters; however, Paper-Based Packaging has experienced the most notable surge in valuation and debt levels since Q1 2024



Source: Capital IQ

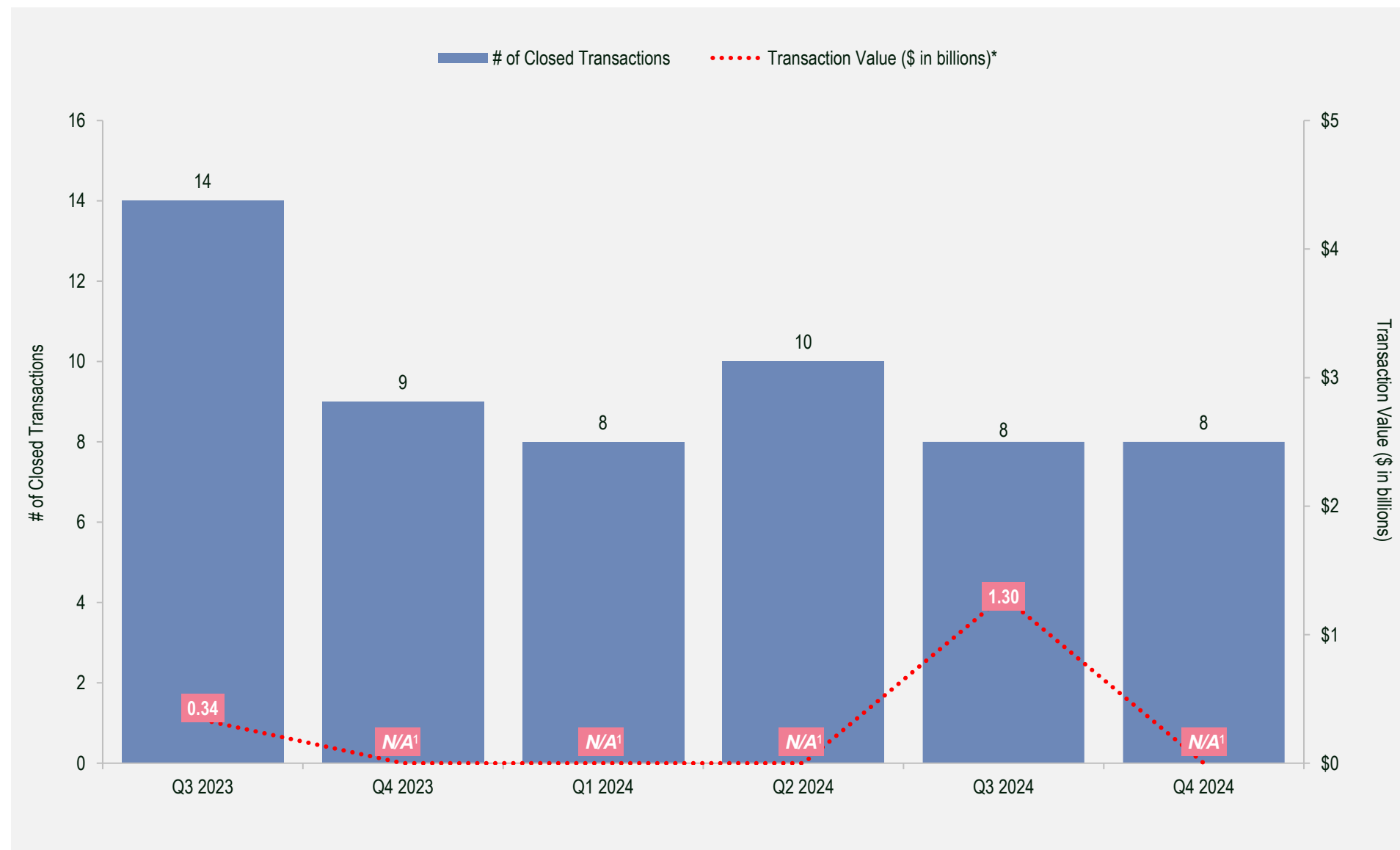
(1) EV ("Enterprise Value") is defined as market capitalization plus net debt, preferred equity and minority interest.

(2) Median and mean values exclude all non-meaningful values.

U.S. M&A Activity

Paper & Packaging Industry Update | January 2025

Packaging deal volumes dropped by ~30% in H2 2024, with 16 reported deals compared to 23 in H2 2023







































Source: Capital IQ

*Transaction Value represents publicly announced deal terms

(1) There were no transaction values publicly disclosed during this quarter

Recent Transaction Activity

Paper & Packaging Industry Update | January 2025

Date	Target	Acquiror	Enterprise Value (\$M)	Target Description
11/24			Undisclosed	Manufactures durable aluminum cases and containers
10/24	 FLUTED PARTITION		Undisclosed	Manufactures fluted packaging elements
10/24			Undisclosed	Specializes in high-speed bottle filling, blister packaging, and pouching, as well as various secondary packaging, inventory management, and distribution services
10/24			Undisclosed	Provides folding paper cartons, specialty die cuts, spiral paper tubes, paperboard spools and reels, ribbon packaging, retail cards and tags, and custom products, as well as pressure sensitive labels
10/24			Undisclosed	Manufactures packaging and crating solutions
10/24			Undisclosed	Produces corrugated shipping boxes and supplies
9/24			Undisclosed	Produces custom-designed boxes and packaging, including corrugate boxes, die-cut boxes, and cold chain packaging
9/24			\$1,200.0	Offers a wide range of packaging products and services, including rigid and flexible packaging, beverage packaging, labels, and specialty papers
8/24			Undisclosed	Offers corrugated packaging products in various styles, including flutes, grades, and coating options used for furniture, appliances, bulk boxes, and large produce boxes
8/24			\$137.0	Manufactures molded expandable polystyrene (EPS) foam products for recreational, industrial, first aid, and shipping applications
7/24			Undisclosed	Manufactures mailing and shipping tubes, industrial paper cores, precision knife-cut cores, concrete forming tubes, chipboard pad converting and custom slitting
7/24			Undisclosed	Custom film manufacturer of stretch, shrink, custom additives, and converter-grade films used for industrial packaging and agricultural applications
6/24			Undisclosed	Operates as a packaging and materials company
6/24			Undisclosed	Designs, manufactures, and supplies corrugated, foam insert, and wood packaging products
6/24			Undisclosed	Designs, manufactures, and distributes corrugated packaging products, point-of-purchase displays, protective shipping cartons, and ancillary packaging supplies
5/24			Undisclosed	Designs and manufactures plastic packaging for the foodservice retail and food processor industries
5/24			Undisclosed	Manufactures flexible film and paper packaging products for food, beverage, nutraceutical, construction, textile, and healthcare markets
5/24			Undisclosed	Operates as a full-service contract packaging company offering custom packaging solutions

Source: Capital IQ

Recent Amherst Partners Transaction – Century Box

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COMPANY

DETAILS

Company: Century Box, Inc. (“CBX”)

Founded: 1978

Plant: Methuen, MA

Employees: ~150

Website: www.centurybox.com

Acquiror: CORE Industrial Partners



Transaction Summary

Situation

- Founded in 1978, Methuen, Massachusetts-based Century Box is a provider of folding cartons for store-brand food and consumer products. With its short-run capabilities and specialized / unique product offering, Century Box serves as a value-added partner for customers with complex packaging and service requirements across a broad array of industry sectors
- The Company offers comprehensive printing, converting, and finishing capabilities across a range of paperboard grades, with a particular focus on the replacement of single-use plastic packaging with high-visibility, recycled paperboard packaging

Solution

- The Company's founding family engaged Amherst Partners to conduct a sale of the business. Amherst's efforts focused on finding a well-positioned partner capable of supporting further expansion of the business, including capitalizing on the market opportunities arising from a consumer shift away from single-use plastic packaging to more sustainable materials

Result

- ✓ Amherst managed a comprehensive search which generated significant interest from both strategic and private equity partners
- ✓ The shareholders elected to pursue a transaction with CORE Industrial Partners, a private equity firm with extensive experience in industrial and packaging sectors and a proven history of helping businesses achieve higher levels of success

Recent Amherst Partners Transaction – PaperTech

Paper & Packaging Industry Update | January 2025

COMPANY

DETAILS

Company: Pressed Paperboard Technologies, LLC ("PaperTech")

Founded: 1999

Plant: Findlay, OH

Employees: ~200

Website: www.papertrays.com

Acquiror: May River Capital



Transaction Summary

Situation	<ul style="list-style-type: none">■ Founded in 1999, Bingham Farms, Michigan-based PaperTech is a privately-held business that has evolved into a leading provider of sustainable paperboard packaging solutions to blue-chip customers, including international food brands, contract food packagers, food service operations, as well as commercial bakeries, quick-serve restaurants, and "take-and-bake" pizza companies■ Over its history, PaperTech has maintained a rigorous focus on innovation, value, service, and quality, producing over 500 million eco-friendly trays annually. The Company's products are made from renewable materials and provide customers with economical and sustainable packaging solutions
Solution	<ul style="list-style-type: none">■ Company founders engaged Amherst Partners to conduct a sale of the business. Amherst's efforts were focused on finding a well-positioned partner capable of supporting further expansion of the business and able to capitalize on the market opportunities arising from a consumer shift away from single-use plastic packing to more renewable, sustainable materials
Result	<ul style="list-style-type: none">✓ Amherst managed a comprehensive search which generated significant interest from both strategic and private equity partners. The Company ultimately elected to pursue a transaction with May River Capital, a firm with deep industrial sector experience and a track record of helping high-growth businesses reach new levels of success✓ With the completion of the transaction, the majority owner will fully retire but will remain as a shareholder in the Company. The minority owner will also remain as a shareholder in the business and will continue to serve a critical leadership role as Chief Development Officer, leveraging his extensive product knowledge and deep customer and supplier relationships to accelerate new business opportunities

The Amherst Partners Team

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With a track record spanning 30 years, Amherst Partners is a boutique investment banking firm focused on providing M&A advisory and capital raising services primarily for closely-held businesses

Boutique investment bank with significant Wall Street experience



Giuliani Capital Advisors J.P.Morgan



Core Execution Team



Donald Luciani
Partner



Charles Chandler
Partner



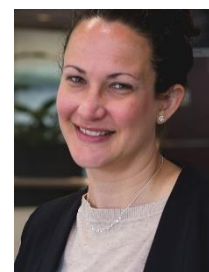
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Director



John Wendzinski
Vice President



Sam Jabara
Associate



Emily Pachla
Controller



Amber Dunn
Director of Marketing

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Jon B. Cotton
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Terry Robinson
Former Senior Vice President and Director
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