

PAPER & PACKAGING *IQ*

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

December 2025

Recent Market Observations

The U.S. packaging market continues to operate in a challenging environment into late 2025, driven by persistent macroeconomic headwinds. Muted industrial production, subdued consumer sentiment, ongoing inflationary pressures, a sluggish housing market, tariff uncertainty, and rising unemployment are collectively contributing to heightened economic uncertainty and weaker end-market demand. Consumers remain under pressure as cautious spending behavior and diminished purchasing power, particularly among lower- and middle-income households, continue to weigh on consumption.

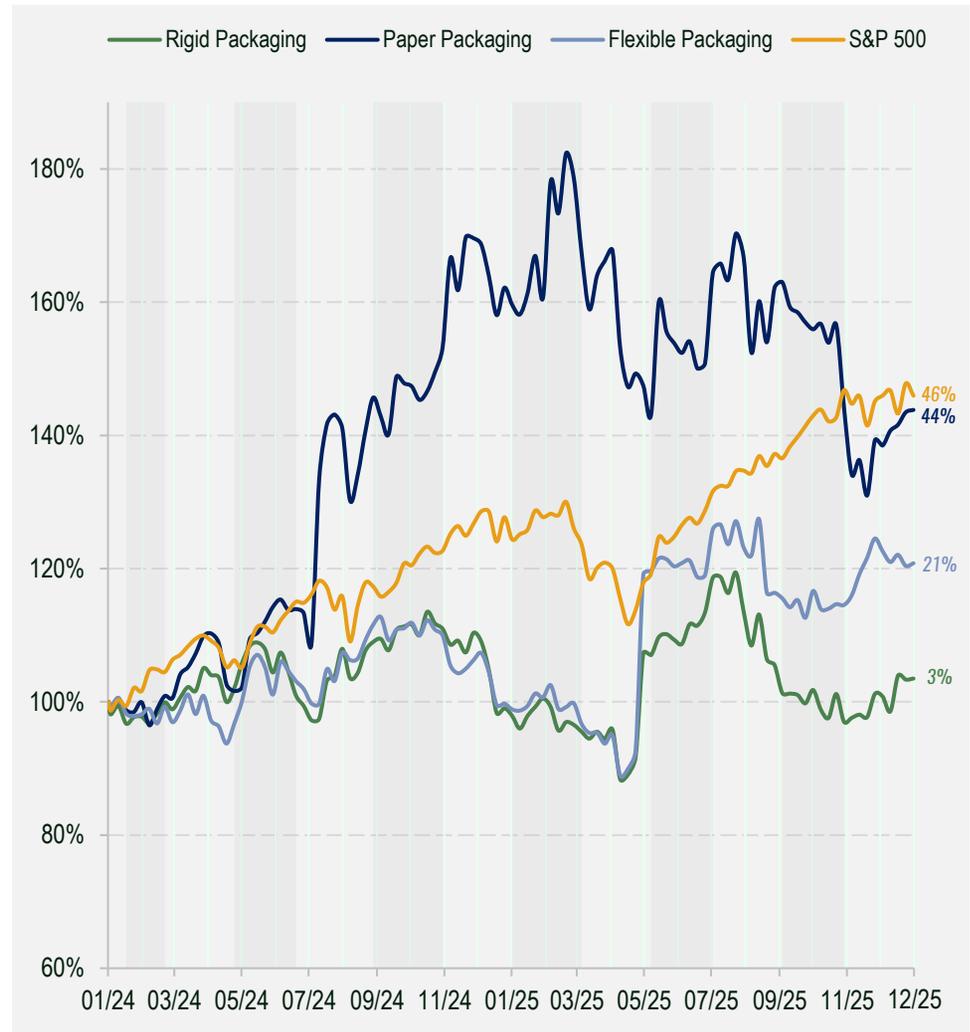
These dynamics are reflected in declining containerboard production and overall box shipments. In Q3 2025, containerboard production declined 3.1% y-o-y, while cardboard box demand fell to its lowest level since 2016, prompting historic capacity cuts across the industry. Year-to-date 2025, several containerboard producers have announced mill closures totaling approximately 3.9 million tons, representing 9.5% of North American containerboard capacity, as companies seek to optimize manufacturing footprints, retire higher-cost assets, execute planned asset conversions, and reinforce supply discipline. In line with ongoing demand softness, box shipments are expected to decline by ~1.0% to 1.5% in 2025. In Q3 corrugated shipments declined y-o-y across major producers, with Packaging Corporation of America down 2.7% per day, Smurfit Westrock down 8.7%, and International Paper down 1.7%. Since capacity rationalization outpaced the declining demand, operating rates across all four major containerboard grades increased in the second half of 2025, while mill inventories which peaked in August at a 15-month high, have since begun to moderate as producers implemented additional production downtime to better align output with demand.

Despite weaker volumes, tighter effective supply has supported pricing, keeping it relatively resilient. Major producers have continued to implement price increases through 2025 to protect margins amid cost pressures and subdued volumes. In addition, consolidation among the largest players, including International Paper, Packaging Corporation of America and WestRock, has further strengthened that pricing power. As a result, linerboard prices have risen to ~\$945 per ton, up from ~\$725 per ton in 2019, underscoring the cumulative impact of multiple pricing actions and the enhanced pricing power of large integrated producers. By contrast, weak box demand has reduced producers' need for old corrugated containers (OCC), a key fiber input, driving its prices lower in recent months after a notable spike in 2024 and bringing the market closer to a short-term supply-demand balance. However, even a modest recovery in box demand could quickly tighten fiber availability and push OCC prices higher again.

Within this challenging macro backdrop weighing on industrial end markets, certain packaging segments continue to demonstrate relative volume strength. Aluminum packaging remains a strong outperformer, consistently gaining share over other substrates. Growth has been driven by robust demand for energy drinks and non-alcoholic beverages, with aluminum cans benefiting from resilient at-home consumption trends and a compelling value proposition in multipack formats. The packaging landscape is also being reshaped by ongoing source-reduction and packaging optimization initiatives. E-commerce players, including Amazon, are increasingly reducing reliance on traditional corrugated boxes in favor of flexible paper mailers and right sized solutions that enhance logistics efficiency, while other major brands are pursuing similar strategies such as Coca-Cola adopting light weighting across its plastic bottle portfolio and Unilever deploying refillable packaging models to cut material use and improve circularity. In parallel, the growing prominence of private label brands is prompting retailers to demand more standardized, recyclable packaging formats and greater transparency from suppliers, intensifying competition among packaging providers as store brands continue to outperform national brands.

Source: Packaging Dive, Fastmarkets, Resource Recycling

Recent Stock Price Performance – Paper & Packaging Indices



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

Public Market Trading Multiples

Paper & Packaging Industry Update | December 2025

(\$ in millions, other than stock price)		12/31/2025	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	\$8.37	3%	\$19,238	\$34,223	\$17,401	\$2,495	19%	14%	5.5x	2.0x	13.7x
	Aptargroup	121.96	(8%)	8,003	9,064	3,663	810	38%	22%	1.2x	2.5x	11.2x
	Ardagh Metal Packaging	4.10	3%	2,451	6,235	5,346	667	12%	12%	4.9x	1.2x	9.3x
	Ball Corporation	52.97	5%	14,195	21,178	12,694	1,976	20%	16%	3.3x	1.7x	10.7x
	Crown Holdings	102.97	6%	11,740	17,652	12,141	2,078	22%	17%	2.5x	1.5x	8.5x
	Greif	67.70	12%	3,353	4,651	4,291	559	22%	13%	2.1x	1.1x	8.3x
	Myers Industries	18.72	12%	700	1,054	826	114	33%	14%	2.8x	1.3x	9.3x
	O-I Glass	14.76	13%	2,267	6,970	6,455	1,036	17%	16%	4.1x	1.1x	6.7x
	Silgan Holdings	40.37	(5%)	4,266	8,824	6,426	973	18%	15%	4.2x	1.4x	9.1x
	TriMas Corporation	35.45	(5%)	1,441	1,881	1,014	148	23%	15%	2.7x	1.9x	12.7x
UFP Technologies	222.03	14%	1,712	1,860	598	114	29%	19%	1.2x	3.1x	16.3x	
Median								22%	15%	2.8x	1.5x	9.3x
Paper Packaging	Cascades	\$9.09	31%	\$920	\$2,419	\$3,439	\$347	35%	10%	3.7x	0.7x	7.0x
	Greif	67.70	12%	3,353	4,651	4,291	559	22%	13%	2.1x	1.1x	8.3x
	International Paper Company	39.39	(16%)	20,799	30,450	24,334	2,057	29%	8%	3.9x	1.3x	14.8x
	Packaging Corporation of America	206.23	(4%)	18,431	21,982	8,772	1,857	22%	21%	1.8x	2.5x	11.8x
	Ranpak Holdings Corp.	5.41	(4%)	456	839	388	54	35%	14%	6.1x	2.2x	15.4x
	Sonoco Products Company	43.64	1%	4,304	9,528	7,114	1,229	22%	17%	3.9x	1.3x	7.8x
	Smurfit WestRock	38.67	(8%)	20,137	33,423	31,138	4,458	19%	14%	3.0x	1.1x	7.5x
Median								22%	14%	3.7x	1.3x	8.3x
Flexible Packaging	Amcor plc	\$8.37	3%	\$19,238	\$34,223	\$17,401	\$2,495	19%	14%	5.5x	2.0x	13.7x
	Reynolds Consumer Products	22.92	(7%)	4,821	6,505	3,707	660	25%	18%	2.4x	1.8x	9.9x
	Sealed Air Corporation	41.43	15%	6,095	10,081	5,332	1,043	30%	20%	3.6x	1.9x	9.7x
	Transcontinental	16.57	17%	1,391	1,955	1,958	290	17%	15%	1.8x	1.0x	6.7x
	Winpak	32.54	11%	1,943	1,623	1,126	237	31%	21%	NM	1.4x	6.8x
	Tredgar Corporation	7.18	(7%)	245	295	691	49	15%	7%	0.9x	0.4x	6.0x
Median								22%	16%	2.4x	1.6x	8.3x

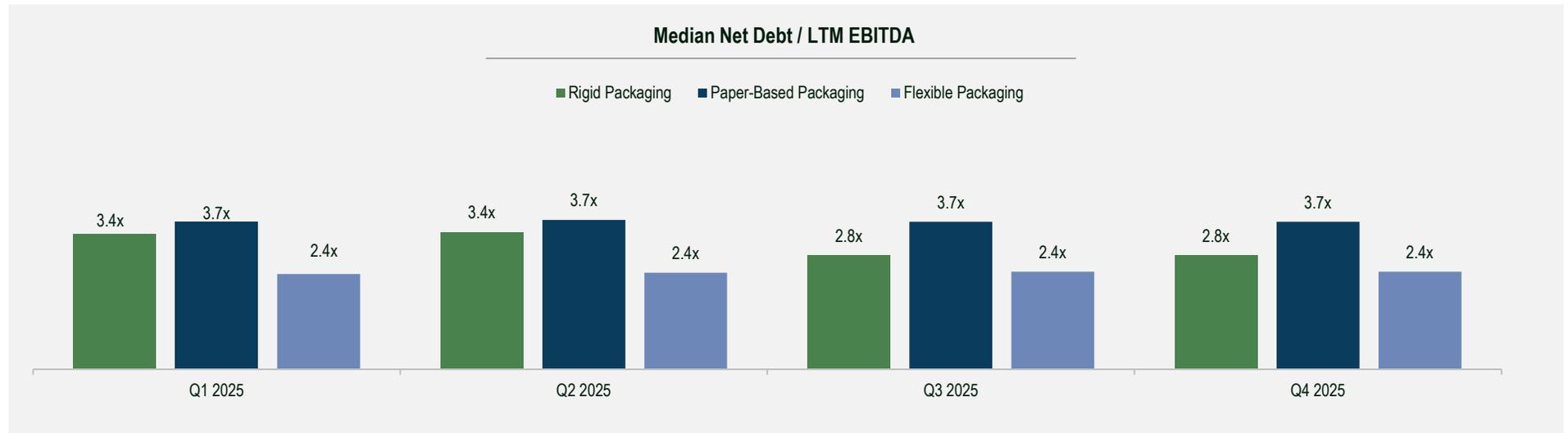
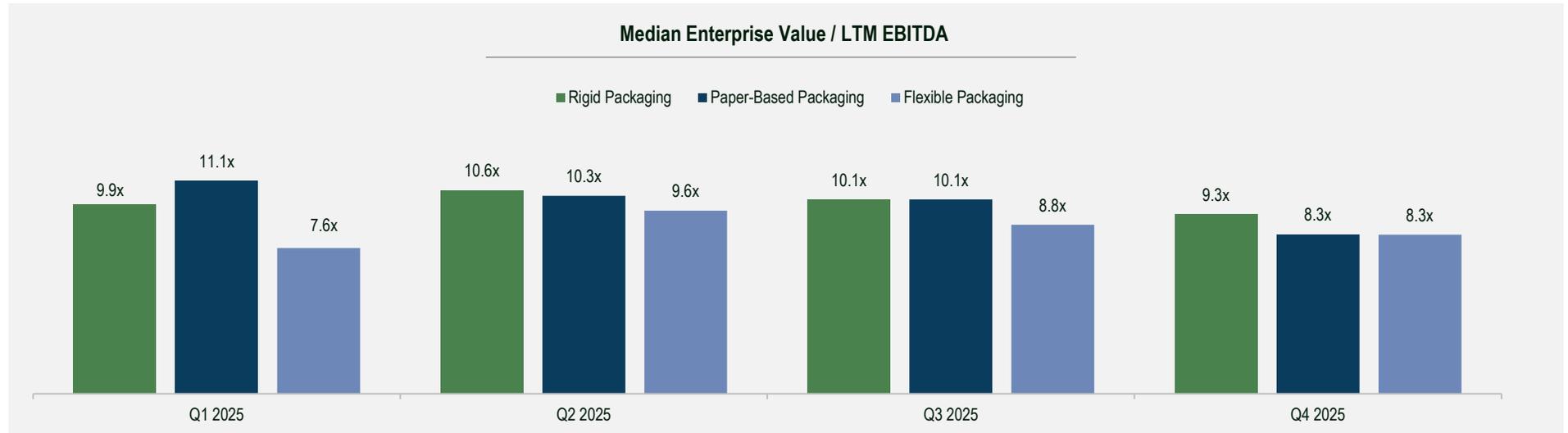
Source: Capital IQ

(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

Valuation multiples peaked in the first half of 2025 and softened by year-end across all packaging segments, while debt levels remained relatively stable



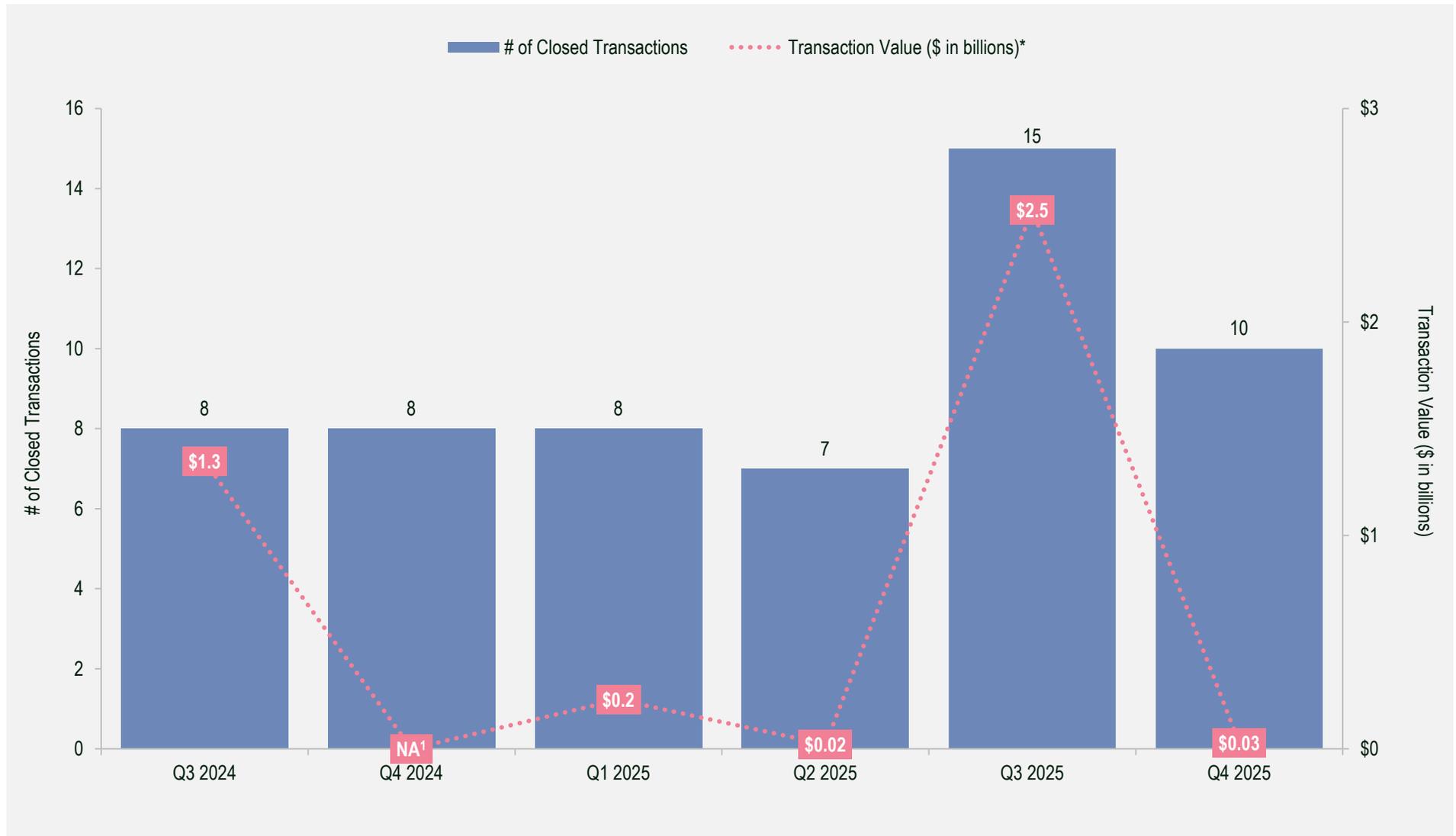
Source: Capital IQ

(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

Packaging deal volumes accelerated in the second half of 2025, rising 56% to 25 reported transactions compared to 16 transactions in the same period of 2024



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 | December 2025

Date	Target	Acquiror	Enterprise Value (\$M)	Target Description
12/25			Undisclosed	Manufactures and sells custom packaging and display solutions in the United States
12/25			Undisclosed	Manufactures precision thermoformed and extruded plastic packaging products
12/25			Undisclosed	Offers a broad assortment of plant-based packaging products
11/25			Undisclosed	Manufactures and distributes packaging solutions
11/25			Undisclosed	Designs and manufactures rigid plastic products
10/25			Undisclosed	Manufactures corrugated packaging solutions
10/25	Forem Packaging, Inc.		\$2.7	Manufactures and distributes flexible packaging products, including film extrusion, web flexo-printing, laminating, and bag pouches
10/25			Undisclosed	Designs, manufactures, and delivers packaging and fulfillment solutions for businesses
10/25			\$25.5	A cold-chain logistics technology company focused on thermal packaging solutions for the healthcare and life sciences sectors
10/25	AMCLO Group, Inc.		Undisclosed	Manufactures plastic and metal caps
09/25	Birch Packaging		Undisclosed	Provides contract packaging services specializing in dry food products, including flexible and rigid container packaging, pouch filling, and blending
09/25			Undisclosed	Specializes in providing packaging solutions to various industries, including automotive, distribution, retail, and agriculture
09/25			Undisclosed	Manufactures and distributes packaging and shipping products
09/25			\$725.0	Manufacturing facility for temperature-controlled packaging solutions
09/25			Undisclosed	Designs and manufactures plastic packaging for the foodservice, retail, and food processor industries
09/25			Undisclosed	Designs and manufactures packaging products for the retail industry
08/25			Undisclosed	Manufactures corrugated boxes and shipping materials
08/25			Undisclosed	Designs, manufactures, and distributes stock protective packaging solutions for large companies in the United States and internationally
08/25			Undisclosed	Manufactures pre-assembled and pre-validated recyclable shipping kits
08/25			Undisclosed	Designer and manufacturer of aluminum and molded plastic protective cases, enclosures, components and sub-assemblies
07/25			\$1,800.0	Sale includes two containerboard mills and eight sheet feeder and corrugated plants in the U.S.

Source: Capital IQ

The Amherst Partners Team

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Boutique investment bank with significant Wall Street experience



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