



Packaging Quarterly
Update

Q4 2022



DCF's Packaging Practice

Deloitte Corporate Finance LLC (DCF) is a leading global middle-market M&A adviser. Our professionals have extensive knowledge in the packaging space and use their experience to help clients enhance value.



Industrials Leadership



Will Frame
Managing Director
Head of Industrials
Chicago, IL
wframe@deloitte.com



Bill Kerkam
Managing Director
Co-lead of paper, plastics and packaging
Charlotte, NC
wkerkam@deloitte.com



Ali Bandeali
Vice President
New York, NY
albandeali@deloitte.com



Firm Overview

#1

2022 Global M&A
Advisor by deals
completed ⁽¹⁾.

704

Completed deals
in the last 12
months.

- Deep relationships in place to gain **critical strategic intelligence** and effectively market businesses.
- Worldwide, DCF has **2,400 Corporate Finance professionals** across 60 countries that complement the North American team.
- Combined with member firms of Deloitte Touche Tohmatsu Limited, **serves 79 percent of the Fortune Global 500^{®(2)}**.



Sector Focus



Paper and Paperboard



Plastic



Diversified Packaging



Metal and Glass

Table of contents

Case study	4
Deloitte thought leadership	5
Notable recent M&A transactions	6
Plastics, paper and packaging trends	8
Comparable public companies	9
Appendix – sources cited	11



Case study

Catapult Print and Packaging, LLC

Deal Contacts

Will Frame, Bill Kerkam, Ali Bandeali



has sold a majority stake to



The undersigned acted as exclusive financial advisor to
Catapult Print and Packaging, LLC



Client Overview

- Founded in 2018 and headquartered in Orlando, FL, Catapult Print and Packaging, LLC (Catapult or the Company) is a value-added specialty converter of high-quality labels, including linerless and pressure sensitive. The Company serves leading brand names in the food, beverage, industrial and consumer product markets.
- The Company has made continuous investments in cutting-edge equipment, latest print technologies, and a modern high-tech facility. This has resulted in the success of Catapult's service-centric business model, allowing it to maximize quality and service levels for customers while minimizing lead times.

Situation Overview

- The Company engaged Deloitte Corporate Finance LLC (DCF) due to its successful track record in the print and packaging sector to find the right partner for the business for its next phase of growth.
- DCF added significant value by:
 - Crafting a compelling investment thesis backed by credible data and a growth plan.
 - Orchestrating a targeted, highly competitive sale process including priority strategic and financial groups with strong appetites and track records in the space.
 - Managing an efficient due diligence process.

Key Takeaways

- Catapult's shareholders achieved their liquidity objectives while retaining a considerable stake in the Company and positioning the business for accelerated growth with the help of Quad-C's extensive industry insight and experience.

Prior engagement performance is no guarantee of future performance and may not be representative of the experience of other clients. This communication is for informational purposes only and is not intended as an offer or solicitation for the purchase or sale of a security.

Deloitte thought leadership

Deloitte thought leadership

- Deloitte stays abreast of industry trends and makes significant investments in producing cutting-edge thought leadership.
- Deloitte is deeply committed to providing insights that help keep clients on the forefront of critical trends.
- Focused research on industry drivers and trends helps enable Deloitte to demonstrate eminence in the packaging market by redefining the lens through which industry leaders operate.

Extensive knowledge network

DCF can leverage its expansive cross-business knowledge network, extensive consulting reports, and in-depth industry research to drive results and provide differentiated insights for our clients.



Recent insights



Notable recent M&A transactions

<p>Grief Inc. acquires Lee Container Corp.⁽¹⁾</p> <ul style="list-style-type: none"> • Grief Inc.(Grief) is one of the leading players in global industrial packaging products and services. • Lee Container Corporation, Inc. is a manufacturer of high-performance barrier and conventional blow molded containers. • The transaction solidifies Grief’s commitment to growing its jerrycan and small plastic bottle footprint and adds a further growth engine to its GIP business. 	<p>Close Date: Dec 2022 EV: \$300 MM Rev: \$157.9 MM EV/Rev: 1.9x EV/EBITDA: 9.1x</p>
<p>GPA Global acquires U.S. and Mexico based packaging manufacturer Jenco Productions, Inc.⁽²⁾</p> <ul style="list-style-type: none"> • GPA Global (GPA), a supplier of full-service packaging solutions serving consumer electronics, healthcare, jewelry, beauty and wine & spirits markets across North America and Europe. • Jenco Productions Inc., a family business of 27 years specializes in high-end rigid boxes and also leads in bookbinding and direct mail. • The deal expands GPA’s footprint in North America and enables them to establish a presence in Mexico. 	<p>Close Date: Dec 2022 EV: N/A Rev: N/A EV/Rev: N/A EV/EBITDA: N/A</p>
<p>Sole Source Capital LLC’s portfolio company I.D. Images LLC acquired Precision Label, Inc.⁽³⁾</p> <ul style="list-style-type: none"> • I.D. Images LLC (IDI) is a premier provider of product identification solutions. • Precision Label, Inc. (Precision) is a manufacturer of prime labels for the food & beverage, industrial, and nutraceutical end markets. • Precision’s Canadian facilities expand IDI’s presence across Canada while increasing its exposure to digital printing and prime label offerings. 	<p>Close Date: Dec 2022 EV: N/A Rev: N/A EV/Rev: N/A EV/EBITDA: N/A</p>
<p>Wynnchurch Capital, L.P. invests in Nekoosa Coated Products, LLC to grow its Appvion platform.⁽⁴⁾</p> <ul style="list-style-type: none"> • Wynnchurch Capital, L.P. is one of the leading middle-market private equity investment firms. • Headquartered in Nekoosa, Wisconsin, Nekoosa Coated Products, LLC provides specialty engineered materials for the graphics and commercial print markets in North America and Europe. • The transaction is expected to create an engineered coating specialist with market leading products, scale and diversification across customers and end-markets. 	<p>Close Date: Nov 2022 EV: N/A Rev: N/A EV/Rev: N/A EV/EBITDA: N/A</p>
<p>PPC Flexible Packaging, LLC acquired Plastic Packaging Technologies, LLC.⁽⁵⁾</p> <ul style="list-style-type: none"> • PPC Flexible Packaging LLC is a provider of printing and converting of flexible films, pouches, etc. • Plastic Packaging Technologies, LLC is known for delivering quality, value-added flexible packaging solutions. • The acquisition is complementary with the vision of becoming a differentiated flexible packaging converter in North America. 	<p>Close Date: Oct 2022 EV: N/A Rev: N/A EV/Rev: N/A EV/EBITDA: N/A</p>

Notable recent M&A transactions

<p>Dunes Point Capital, LP acquires K-1 Packaging Group, LLC and Everest Packaging Corp, LLC.⁽¹⁾</p> <ul style="list-style-type: none"> • Dunes Point Capital, LP is a family office and private investment firm, focused on companies in the industrial and business services sectors. • Located in City of Industry, CA, K-1 Packaging Group, LLC is a designer and provider of custom turnkey packaging solutions primarily to the wellness and personal care end-markets. • The transaction reinforces Dunes Point Capital, LP's investment strategy. 	<p>Close Date: Oct 2022 EV: N/A Rev: N/A EV/Rev: N/A EV/EBITDA: N/A</p>
<p>Atlas Holdings LLC acquires Crown Paper Group, Inc.⁽²⁾</p> <ul style="list-style-type: none"> • Atlas Holding LLC (Atlas) operates in sectors such as aluminum processing, food manufacturing and distribution, packaging, paper, power generation, printing, pulp, supply chain management and wood products. • Crown Paper Group, Inc. is one of the leading independent regional containerboard businesses and has a strategic presence in the growing markets of the Pacific Northwest and Western Canada. • Through this transaction, Atlas aims to grow in paper, packaging and allied industries. 	<p>Close Date: Oct 2022 EV: N/A Rev: N/A EV/Rev: N/A EV/EBITDA: N/A</p>
<p>Resource Label Group, LLC Acquires Chicago based Deco Flexible Packaging.⁽³⁾</p> <ul style="list-style-type: none"> • Resource Label Group, LLC (Resource Label) is a full-service provider of pressure sensitive label, shrink sleeve and RFID/NFC technology for the packaging industry. • Deco Flexible Packaging is one of the leading pressure sensitive and flexible packaging companies. • The transaction is aimed towards expanding Resource Label's presence in the Midwest and leadership in the label and packaging industry. 	<p>Close Date: Oct 2022 EV: N/A Rev: N/A EV/Rev: N/A EV/EBITDA: N/A</p>

Paper, plastics, and packaging trends

Sector trends

- The top trends in food and beverage packaging continue to be the development of high barrier mono-material and all polyethylene structures that are recyclable through store-drop off programs and readily recyclable with modern technologies.⁽¹⁾
- In the health and medical industry, packages engineered to meet dosing compliance regulation which can be easily and safely dispensed continue to trend. Technologies are being developed to replace aluminum given the scarcity and cost of aluminum foil on the global market.⁽²⁾
- With stricter regulations and greater consumer awareness towards reducing packaging waste, many businesses continue to innovate and deliver on eco-friendly packaging options.⁽³⁾
- Smart packaging is a fast-growing segment, with ever-increasing use of technologies such as QR codes, smart labels, RFID, etc. They offer value-added benefits of security, authentication, and connectivity, making the product packaging a data carrier and a digital tool.⁽⁴⁾

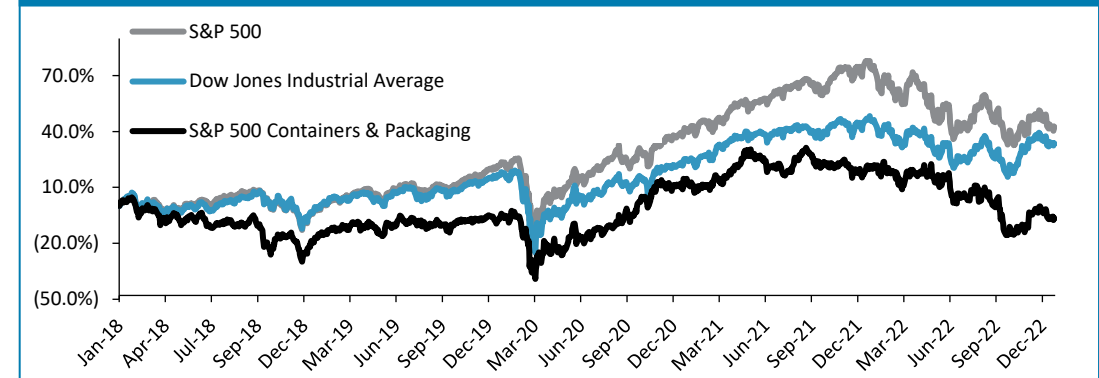
Select recent M&A activity⁽⁵⁾

Close Date	Target	Acquiror	Implied EV (MM)	EV/Revenue
Dec 2022	Lee Container Corporation, Inc.	Greif, Inc.	300.0	1.9x
Dec 2022	Precision Label, Inc.	I.D. Images LLC	N/A	N/A
Nov 2022	Nekoosa Coated Products, LLC	Wynnchurch Capital, L.P	N/A	N/A
Oct 2022	Plastic Packaging Technologies, LLC	PPC Flexible Packaging LLC	N/A	N/A
Oct 2022	Crown Paper Group, Inc.	Atlas Holdings LLC	N/A	N/A
Oct 2022	Deco Flexible Packaging LTD.	Resource Label Group, LLC	N/A	N/A

Trading metrics⁽⁵⁾

Sector	Median Enterprise Value (\$MM)	Last Twelve Months		NTM
		EV/Revenue	EV/EBITDA	EV/EBITDA
Plastic	\$12,445.8	1.7x	10.2x	8.6x
Diversified Packaging	\$6,763.4	1.1x	9.1x	8.2x
Paper and Paperboard	\$8,758.8	1.1x	6.7x	6.4x
Metal and Glass	\$16,955.2	1.3x	11.7x	9.7x
Packaging Index	\$10,602.3	1.2x	9.7x	8.4x

Index performance⁽⁶⁾



Comparable public companies

Plastic and diversified packaging companies⁽¹⁾

Company (Ticker)	% of 52 Week High	LTM Revenue	Revenue CAGR (3 Yr)	LTM EBITDA	EBITDA Margin	Enterprise Value ("EV")	Last Twelve Months		NTM
							EV/ Revenue	EV/ EBITDA	EV/ EBITDA
<i>(\$ in Millions)</i>									
Plastic									
Amcor plc (ASX:AMC)	93.0%	\$14,836.0	12.8%	\$2,069.0	13.9%	\$24,449.8	1.6x	11.8x	0.0x
Avery Dennison Corporation (NYSE:AVY)	82.5	9,196.6	9.2	1,381.5	15.0	17,630.2	1.9	12.8	13.0
Berry Global Group, Inc. (NYSE:BERY)	80.9	14,495.0	17.8	2,105.0	14.5	16,001.4	1.1	7.6	7.6
Brady Corporation (NYSE:BRC)	85.6	1,303.2	4.1	234.4	18.0	2,356.9	1.8	10.1	10.5
CCL Industries Inc. (TSX:CCL.B)	83.4	4,576.9	5.3	851.9	18.6	8,890.3	1.9	10.4	9.5
Wipak Ltd. (TSX:WPK)	87.4	1,167.8	10.0	224.5	19.2	1,690.8	1.4	7.5	7.2
Median	84.5%				16.5%		1.7x	10.2x	8.6x
Mean	85.5%				16.6%		1.6x	10.0x	8.0x
Diversified Packaging									
DS Smith Plc (LSE:SMDS)	79.5%	\$9,401.1	9.2%	\$1,090.9	11.6%	\$6,763.4	0.7x	6.2x	5.4x
Greif, Inc. (NYSE:GEF)	90.3	6,349.5	11.4	926.3	14.6	5,493.8	0.9	5.9	6.8
Huhtamäki Oyj (HLSE:HUH1V)	80.1	4,290.0	9.4	579.3	13.5	5,323.8	1.2	9.2	8.4
Orora Limited (ASX:ORA)	71.9	2,818.5	6.5	241.6	8.6	2,230.0	0.8	9.2	7.9
Sealed Air Corporation (NYSE:SEE)	70.5	5,767.5	6.7	1,178.6	20.4	10,680.1	1.9	9.1	9.1
Silgan Holdings Inc. (NYSE:SLGN)	95.0	6,395.4	12.3	905.1	14.2	9,300.9	1.5	10.3	9.4
Sonoco Products Company (NYSE:SON)	90.5	7,013.7	9.0	1,045.2	14.9	9,187.3	1.3	8.8	8.3
Median	79.8%				13.8%		1.1x	9.1x	8.2x
Mean	81.2%				13.8%		1.2x	8.3x	7.8x

Comparable public companies (Cont.)

Paper and paperboard, and metal and glass companies⁽¹⁾

Company (Ticker)	% of 52 Week High	LTM Revenue	Revenue CAGR (3 Yr)	LTM EBITDA	EBITDA Margin	Enterprise Value ("EV")	Last Twelve Months		NTM
							EV/ Revenue	EV/ EBITDA	EV/ EBITDA
<i>(\$ in Millions)</i>									
Paper and Paperboard									
Cascades Inc. (TSX:CAS)	59.5%	\$3,174.9	(4.2)%	\$179.2	5.6%	\$2,153.8	0.7x	12.0x	6.4x
Clearwater Paper Corporation (NYSE:CLW)	81.3	2,043.1	5.2	248.6	12.2	1,162.7	0.6	4.7	4.7
Empresas CMPC S.A. (SNSE:CMPC)	74.2	7,493.1	8.7	1,614.8	21.5	8,758.8	1.2	5.4	5.1
Graphic Packaging Holding Company (NYSE:GPK)	92.5	9,042.0	13.7	1,448.0	16.0	12,248.4	1.4	8.5	7.0
International Paper Company (NYSE:IP)	68.9	21,114.0	(2.6)	2,901.0	13.7	17,579.9	0.8	6.1	7.7
Mayr-Melnhof Karton AG (WBAG:MMK)	78.3	4,327.3	20.9	656.2	15.2	4,897.6	1.1	7.5	7.7
Nampak Limited (JSE:NPK)	24.0	940.0	5.0	89.2	9.5	444.6	0.5	5.0	6.9
Mativ Holdings, Inc. (NYSE:MATV)	65.3	1,897.7	22.5	167.4	8.8	2,894.3	1.5	17.3	8.2
Packaging Corporation of America (NYSE:PKG)	75.9	8,542.8	6.9	1,996.3	23.4	13,738.1	1.6	6.9	8.2
Glatfelter Corporation (NYSE:GLT)	14.8	1,451.9	16.2	67.2	4.6	882.5	0.6	13.1	0.0
Sappi Limited (JSE:SAP)	77.6	7,296.0	8.3	1,075.0	14.7	2,887.1	0.4	2.7	3.2
Smurfit Kappa Group Plc (ISE:SK3)	68.7	12,348.9	8.9	1,949.1	15.8	13,054.4	1.1	6.7	6.2
Stora Enso Oyj (HLSE:STERV)	65.7	11,311.0	3.8	2,131.8	18.8	13,777.4	1.2	6.5	6.1
Svenska Cellulosa Aktiebolaget SCA (publ) (OM:SCA B)	64.8	2,057.7	1.0	794.2	38.6	9,839.5	4.8	12.4	12.8
WestRock Company (NYSE:WRK)	64.2	21,256.5	5.1	3,346.8	15.7	17,242.1	0.8	5.2	5.3
Median	68.7%					15.2%	1.1x	6.7x	6.4x
Mean	65.0%					15.6%	1.2x	8.0x	6.4x
Metal and Glass									
Ball Corporation (NYSE:BLL)	52.2%	\$15,475.0	10.2%	\$2,130.0	13.8%	\$24,933.9	1.6x	11.7x	13.0x
Crown Holdings, Inc. (NYSE:CCK)	63.0	12,985.0	3.8	303.0	2.3	16,955.2	1.3	56.0	9.7
O-I Glass, Inc. (NYSE:OI)	92.4	6,750.0	0.3	1,079.0	16.0	6,832.6	1.0	6.3	6.0
Median	63.0%					13.8%	1.3x	11.7x	9.7x
Mean	69.2%					10.7%	1.3x	24.7x	9.6x

Appendix

Sources Cited

Page 2:

1. Mergermarket. January 2023. Data as of December 31, 2022.
2. "About Deloitte", Deloitte. November 2022 "<https://www2.deloitte.com/ba/en/pages/about-deloitte/articles/about-deloitte.html>"

Page 6:

1. "Grief Inc. acquires Lee Container Corp", Grief.com. November 2022. <https://www.greif.com/greif-to-acquire-lee-container/>
2. "GPA Global acquires U.S. and Mexico based packaging manufacturer Jenco Productions, Inc.", Premiumbeautynews.com. December 2022. <https://www.premiumbeautynews.com/en/gpa-global-acquires-jenco-and,21264,en>
3. "Sole Source Capital LLC's portfolio company I.D. Images LLC acquired Precision Label, Inc", Business Wire. December 2022. <https://www.businesswire.com/news/home/20221205005253/en/Sole-Source-Portfolio-Company-ID-Images-Acquires-Summit-Labels-and-Precision-Label>
4. "Wynnchurch Capital, L.P. invests in Nekoosa Coated Products, LLC to grow its Appvion platform.", Business Wire. November 2022. <https://www.businesswire.com/news/home/20221102005141/en/Wynnchurch-Invests-in-Nekoosa-Growing-Appvion-Platform>
5. "PPC Flexible Packaging, LLC acquired Plastic Packaging Technologies, LLC.", GlobeNewswire. October 2022. <https://www.globenewswire.com/en/news-release/2022/10/21/2539180/0/en/PPC-Flexible-Packaging-LLC-Announces-Acquisition-of-Plastic-Packaging-Technologies-LLC.html>

Page 7:

1. "Dunes Point Capital, LP acquires K-1 Packaging Group, LLC and Everest Packaging Corp, LLC.", Dunespointcapital.com. October 2022. <https://dunespointcapital.com/news/dunes-point-capital-lp-announces-the-acquisition-of-k-1-packaging-group-llc-and-everest-packaging-corp-llc/>
2. "Leading West Coast paper and packaging company joins Atlas Holding LLC's manufacturing and distribution businesses.", PR Newswire. October 2022. <https://www.prnewswire.com/news-releases/atlas-holdings-acquires-crown-paper-group-301646856.html>
3. "Resource Label Group, LLC Acquires Chicago based Deco Flexible Packaging.", Business Wire. October 2022. <https://www.businesswire.com/news/home/20221004006051/en/Resource-Label-Group-Acquires-Chicago-based-Deco-Flexible-Packaging>

Page 8:

1. "The key trends moulding the future of packaging", Packaging Gateway: August 2022. <https://www.packaging-gateway.com/analysis/the-key-trends-moulding-the-future-of-packaging/>
2. "Flexible Packaging", Foxpak. November 2022. <https://www.foxpak.com/flexible-packaging/2022-packaging-trends/>
3. StartUs Insights. August 2022. Trend Intelligence - Stay Ahead Of The Technology Curve (startus-insights.com)
4. "Top 6 Packaging Trends for 2022", Exploding Topics. July 2022. <https://explodingtopics.com/blog/packaging-trends>
5. S&P Capital IQ. January 2023. <https://www.capitaliq.com/CIQDotNet/Charting4/ModernBuilder.aspx?savedChartId=318462&fromC3=1>
6. S&P Capital IQ. January 2023. <https://www.capitaliq.com/CIQDotNet/Charting4/ModernBuilder.aspx?savedChartId=318462&fromC3=1>

Page 9:

1. S&P Capital IQ. October 2023. <https://www.capitaliq.com/ciqdotnet/screening/screenbuilderviper.aspx?uniquescreenid=547128457>

Page 10:

1. S&P Capital IQ. October 2023. <https://www.capitaliq.com/ciqdotnet/screening/screenbuilderviper.aspx?uniquescreenid=547128457>



This newsletter is a periodic compilation of certain completed and announced merger and acquisition activity. Information contained in this newsletter should not be construed as a recommendation to sell or a recommendation to buy any security. Any reference to or omission of any reference to any company in this newsletter shall not be construed as a recommendation to sell, buy or take any other action with respect to any security of any such company. We are not soliciting any action with respect to any security or company based on this newsletter. This newsletter is published solely for the general information of clients and friends of Deloitte Corporate Finance LLC. It does not take into account the particular investment objectives, financial situation, or needs of individual recipients. Certain transactions, including those involving early-stage companies, give rise to substantial risk and are not suitable for all investors. This newsletter is based on information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such. Prediction of future events is inherently subject to both known risks, uncertainties and other factors that may cause actual results to vary materially. We are under no obligation to update the information contained in this newsletter. We and our affiliates and related entities, partners, principals, directors, and employees, including persons involved in the preparation or issuance of this newsletter, may from time to time have “long” and “short” positions in, and buy or sell, the securities, or derivatives (including options) thereof, of companies mentioned herein. The companies mentioned in this newsletter may be: (i) investment banking clients of Deloitte Corporate Finance LLC; or (ii) clients of Deloitte Financial Advisory Services LLP and its related entities. The decision to include any company for mention or discussion in this newsletter is wholly unrelated to any audit or other services that Deloitte Corporate Finance LLC may provide or to any audit services or any services that any of its affiliates or related entities may provide to such company. No part of this newsletter may be copied or duplicated in any form by any means or redistributed without the prior written consent of Deloitte Corporate Finance LLC.

About Deloitte Corporate Finance

Deloitte Corporate Finance LLC (DCF), a broker-dealer registered with the U.S. Securities and Exchange Commission (SEC) and member of the [Financial Industry Regulatory Authority \(FINRA\)](#) and the [Securities Investor Protection Corporation \(SIPC\)](#), is an indirect wholly-owned subsidiary of Deloitte Financial Advisory Services LLP and affiliate of Deloitte Transactions and Business Analytics LLP. Investment banking or other services that would require registration as a broker-dealer with the SEC and membership in FINRA would be provided exclusively by DCF. For more information, visit www.investmentbanking.deloitte.com. Please see www.deloitte.com/us/about for a detailed description of the legal structure of Deloitte LLP and its subsidiaries.

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (DTTL), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as Deloitte Global) does not provide services to clients. In the United States, Deloitte refers to one or more of the US member firms of DTTL, their related entities that operate using the “Deloitte” name in the United States and their respective affiliates. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see www.deloitte.com/about to learn more about our global network of member firms.