

Industry update - Packaging

Key market drivers

Sustainability



Innovation & Productivity



E-Commerce & Digitalisation



Covid-19 Response



Regulations



End markets



Industry Consolidation



Supply chain / Inflation



Valuation metrics for selected market participants

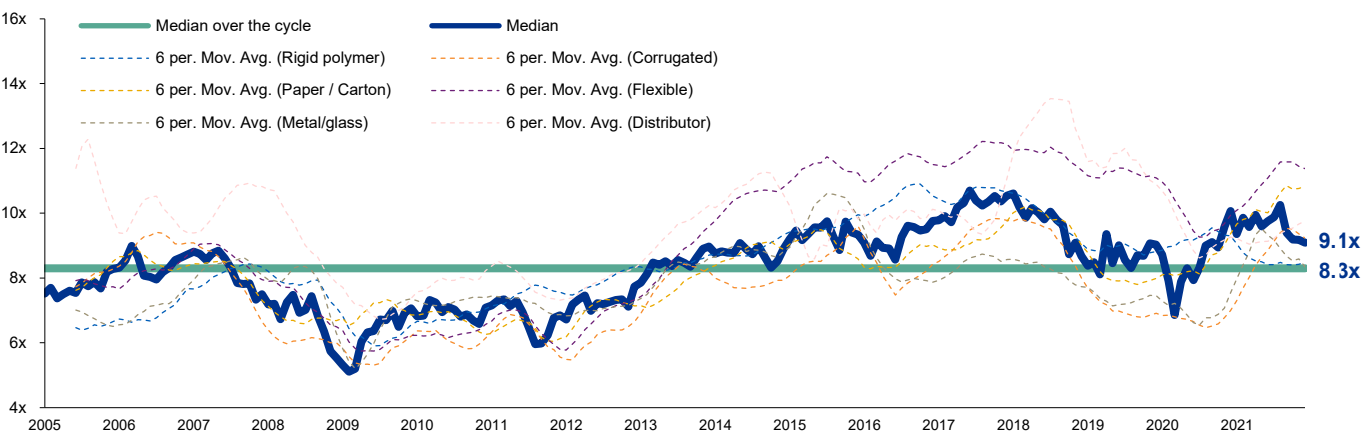
		Enterprise Value as a multiple of:														
		Company	Country	Enterprise Value	Leverage Net Debt / EBITDA	EBITDA Margin 2021F	EBIT Margin 2021F	Revenue			EBITDA			EBIT		
								2020A	2021F	2022F	2020A	2021F	2022F	2020A	2021F	2022F
CORRUGATED	International Paper Company	US	18,062	2.1x	14.8%	9.3%	1.2x	1.1x	1.2x	8.3x	7.7x	7.3x	13.3x	12.3x	11.0x	
	WestRock Company	US	14,692	2.8x	15.9%	8.4%	1.1x	1.0x	1.0x	7.2x	6.5x	5.7x	13.7x	12.4x	9.7x	
	Smurfit Kappa Group Plc	IE	12,671	1.6x	17.0%	10.7%	1.7x	1.5x	1.4x	9.7x	9.1x	7.9x	15.3x	14.3x	11.8x	
	Packaging Corporation of America	US	10,649	1.0x	21.0%	15.5%	2.2x	1.9x	1.8x	11.7x	9.0x	8.5x	15.9x	12.2x	11.5x	
	Mondi plc	UK	10,897	1.4x	19.8%	13.9%	1.8x	1.8x	1.7x	9.1x	9.0x	8.0x	13.4x	12.9x	11.0x	
	DS Smith Plc	UK	6,913	1.9x	13.6%	8.2%	1.2x	1.1x	1.0x	8.4x	7.8x	7.0x	17.0x	13.0x	10.1x	
	Rengo Co., Ltd.	JP	3,288	3.5x	11.2%	5.6%	0.7x	0.7x	0.7x	6.3x	6.3x	6.0x	11.9x	12.8x	11.6x	
	Average		11,025	2.1x	16.2%	10.2%	1.4x	1.3x	1.3x	8.7x	7.9x	7.2x	14.4x	12.8x	11.0x	
	Median		10,897	1.9x	15.9%	9.3%	1.2x	1.1x	1.2x	8.4x	7.8x	7.3x	13.7x	12.8x	11.0x	
PAPER & CARTON	Stora Enso Oyj	FI	12,755	1.4x	20.5%	14.1%	1.7x	1.5x	1.6x	13.2x	7.5x	8.0x	26.1x	10.9x	11.9x	
	Graphic Packaging Holding Company	US	7,451	3.9x	14.7%	8.0%	1.6x	1.4x	1.2x	11.1x	9.7x	6.9x	20.4x	17.8x	10.8x	
	Sonoco Products Company	US	5,385	2.1x	13.8%	9.4%	1.4x	1.3x	1.3x	9.8x	9.5x	9.0x	13.9x	14.0x	13.0x	
	Huhtamäki Oyj	FI	4,683	3.0x	13.8%	9.1%	1.6x	1.6x	1.4x	10.9x	11.5x	10.2x	17.6x	17.6x	15.4x	
	BillerudKorsnäs AB (publ)	SE	3,210	1.0x	15.8%	8.5%	1.5x	1.5x	1.4x	14.6x	9.5x	8.4x	69.1x	17.7x	13.7x	
	Mayr-Melnhof Karton AG	AT	3,871	2.6x	14.4%	8.7%	1.7x	1.6x	1.3x	11.9x	11.2x	8.5x	18.7x	18.6x	13.0x	
	Metsä Board Oyj	FI	2,308	n/a	22.7%	18.5%	1.4x	1.3x	1.3x	8.3x	5.8x	6.3x	11.8x	7.1x	8.1x	
	Cascades Inc.	CA	1,921	4.1x	10.5%	4.2%	0.6x	0.8x	0.8x	5.0x	7.6x	6.1x	8.7x	19.1x	11.9x	
	Essentra plc	UK	1,269	1.6x	13.6%	8.5%	1.4x	1.3x	1.2x	11.2x	9.7x	8.3x	32.8x	15.5x	12.4x	
Average		4,762	2.2x	15.5%	9.9%	1.4x	1.4x	1.3x	10.7x	9.1x	8.0x	24.3x	15.4x	12.2x		
Median		3,871	2.1x	14.4%	8.7%	1.5x	1.4x	1.3x	11.1x	9.5x	8.3x	18.7x	17.6x	12.4x		
RIGID POLYMER	Berry Global Group, Inc.	US	14,532	4.2x	16.0%	10.1%	1.6x	1.4x	1.4x	9.2x	8.8x	8.5x	13.9x	14.0x	12.4x	
	AptarGroup, Inc.	US	6,726	1.7x	19.0%	11.6%	3.1x	2.8x	2.7x	15.4x	14.9x	13.6x	22.7x	24.4x	21.4x	
	Silgan Holdings Inc.	US	6,349	4.6x	15.1%	10.6%	1.8x	1.5x	1.4x	11.3x	10.2x	9.2x	14.6x	14.5x	12.9x	
	Gerresheimer AG	DE	3,167	3.4x	21.2%	11.5%	2.5x	2.5x	2.3x	11.9x	11.8x	10.5x	23.1x	21.8x	17.9x	
	Pact Group Holdings Ltd	AU	1,039	3.6x	16.7%	9.3%	1.1x	1.1x	1.1x	6.6x	6.5x	6.3x	11.9x	11.8x	11.2x	
	Groupe Guillin S.A.	FR	507	0.9x	16.7%	10.4%	0.9x	0.8x	0.8x	4.9x	5.1x	5.0x	6.5x	8.1x	8.2x	
	Average		5,387	3.1x	17.5%	10.6%	1.8x	1.7x	1.6x	9.9x	9.6x	8.9x	15.5x	15.8x	14.0x	
Median		4,758	3.5x	16.7%	10.5%	1.7x	1.5x	1.4x	10.2x	9.5x	8.9x	14.3x	14.2x	12.6x		
FLEXIBLE	Amcor plc	AU / CH	18,237	3.1x	15.7%	11.9%	2.0x	1.9x	1.8x	13.0x	11.9x	11.4x	17.2x	15.6x	14.2x	
	Avery Dennison Corporation	US	15,440	2.0x	16.3%	13.0%	2.5x	2.3x	2.2x	16.1x	14.4x	13.6x	18.2x	18.0x	16.9x	
	Sealed Air Corporation	US	9,960	3.1x	20.5%	16.4%	2.8x	2.5x	2.3x	14.0x	12.0x	11.1x	15.8x	15.0x	13.6x	
	CCL Industries Inc.	CA	7,852	1.1x	20.8%	15.2%	2.6x	2.4x	2.3x	12.2x	11.4x	11.0x	17.6x	15.7x	14.9x	
	Transcontinental Inc.	CA	1,589	2.0x	17.1%	9.2%	1.0x	1.0x	1.0x	5.6x	6.0x	5.9x	10.2x	11.1x	10.1x	
	Wipac Ltd.	CA	1,188	n/a	18.3%	13.6%	1.9x	1.7x	1.6x	8.4x	9.1x	7.9x	10.3x	12.3x	10.2x	
	Average		9,044	1.6x	18.1%	13.2%	2.1x	2.0x	1.9x	11.5x	10.8x	10.1x	14.9x	14.6x	13.3x	
Median		8,906	2.0x	17.7%	13.3%	2.3x	2.1x	2.0x	12.6x	11.7x	11.0x	16.5x	15.3x	13.9x		
METAL & GLASS	Crown Holdings, Inc.	US	15,003	3.2x	16.0%	13.5%	1.8x	1.8x	1.7x	11.9x	11.0x	10.4x	15.3x	13.0x	12.2x	
	O-I Glass, Inc.	US	4,661	3.9x	17.6%	10.4%	1.0x	1.0x	1.0x	7.3x	5.7x	5.5x	12.7x	9.6x	9.2x	
	Ball Corporation	US	28,478	3.5x	15.5%	11.6%	3.3x	2.8x	2.6x	20.1x	18.2x	15.9x	28.6x	24.3x	20.6x	
	Greif, Inc.	US	3,995	3.1x	13.6%	9.5%	1.2x	1.0x	0.9x	8.3x	7.0x	6.7x	12.3x	10.1x	9.4x	
	Nampak Limited	SA	392	n/a	n/a	n/a	0.7x	n/a	n/a	7.2x	n/a	n/a	12.4x	n/a	n/a	
	Toyo Seikan Group Holdings, Ltd.	JP	1,759	n/a	n/a	n/a	0.4x	n/a	n/a	3.7x	n/a	n/a	10.1x	n/a	n/a	
	Vidrala, S.A.	SP	2,314	0.6x	27.0%	18.8%	2.6x	2.6x	2.4x	9.4x	9.6x	9.1x	13.1x	13.8x	13.2x	
Average		8,086	3.4x	17.9%	12.8%	1.4x	1.6x	1.5x	9.7x	10.5x	9.6x	15.2x	14.3x	12.8x		
Median		3,995	3.4x	16.0%	11.6%	1.1x	1.4x	1.3x	7.8x	9.0x	8.6x	12.6x	11.5x	10.8x		
DISTRIBUT.	Bunzl plc	UK	11,344	1.9x	8.8%	7.2%	1.1x	1.1x	1.1x	12.1x	12.6x	12.6x	16.7x	15.5x	15.5x	
	Macfarlane Group PLC	UK	248	1.4x	11.2%	7.9%	1.1x	0.9x	0.8x	9.8x	7.9x	7.7x	17.4x	11.2x	11.1x	
	Average		5,796	1.6x	10.0%	7.5%	1.1x	1.0x	1.0x	10.9x	10.3x	10.1x	17.0x	13.4x	13.3x	
	Median		5,796	1.6x	10.0%	7.5%	1.1x	1.0x	1.0x	10.9x	10.3x	10.1x	17.0x	13.4x	13.3x	
ALL	Average		6,060	2.0x	15.6%	10.4%	1.6x	1.5x	1.4x	10.9x	9.6x	8.7x	19.7x	14.7x	12.7x	
	Median		3,580	2.0x	15.7%	9.8%	1.4x	1.3x	1.3x	9.8x	9.0x	8.0x	15.7x	14.0x	11.9x	

Note: Multiples are based on: Enterprise Value as of 31 December 2021 and historical and forecast revenue, EBITDA and EBIT, calendarised to 31st of December; "nmf": not meaningful; "n/a" : not available

Q4 2021

Industry update - Packaging (cont.)

Sector Valuation through the cycle (EV/LTM EBITDA)

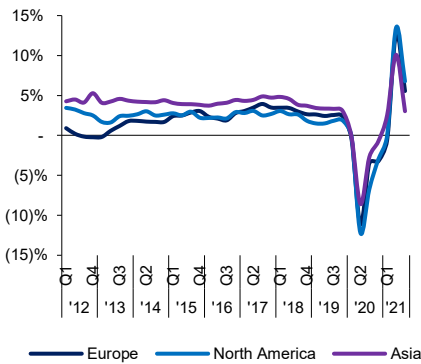


Selected recent transactions

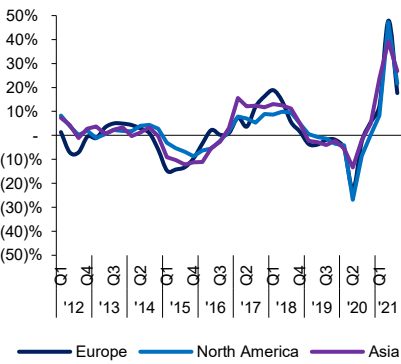
Oct 2021	- Silgan acquired Unicep Packaging, a US based manufacturer of precision dosing dispensing packaging
Oct 2021	- Multi-Color (CD&R) acquired Skanem Group label operations in Europe and Thailand
Oct 2021	- CCL Industries acquired D&F (T/a Fuzetouch), a Mexico based supplier of graphic interface control panels and assemblies
Oct 2021	- ALPLA acquired BTB PET-Recycling, a Germany based PET recycler
Oct 2021	- Silgan Holdings acquired Easytech Closures, Italy-based manufacturer of easy-open and sanitary metal closures
Oct 2021	- DW Reusables to acquire Etap Enjeksiyon & Etap Dogan, Turkey based manufacturer of reusable rigid transport packaging materials
Oct 2021	- Berlin Packaging (Oak Hill Capital) to acquire Le Parfait, a France based manufacturer of jars from O-I
Nov 2021	- Ardagh to buy Consol, a South-Africa based manufacturer of glass packaging
Nov 2021	- Quva NV acquired a majority stake in Resilux, a Belgian manufacturer of PET preforms and bottles
Nov 2021	- Genstar acquired Brook + Whittle, a US manufacturer of labels from TruArc
Nov 2021	- All4Labels (Triton backed) acquired Labelprint24 and Packaging Warehouse, a Germany based web-to-print provider of labels
Nov 2021	- Berlin Packaging recapitalised by Oak Hill Capital and CPP
Nov 2021	- Inspirit Capital acquired Pelita Medical Papers, a UK based packaging paper company from Swedish-listed group, BillerudKorsnäs.
Dec 2021	- O-I Glass to sell Cristar, a Colombia based glass manufacturer to Nadir Figueiredo S.A
Dec 2021	- Rhône acquired Paragon Films, a USA based manufacturer of stretch film from Wellspring Capital
Dec 2021	- Sonoco agrees to acquire Ball Metalpack for USD 1.35bn
Dec 2021	- ProAmpac (Pritzker Capital) acquired Prairie State Group, a USA-based manufacturer of flexible packaging and labeling
Dec 2021	- Corruaseal Group acquired Neopak, a South Africa manufacturer of recycled containerboard from Ethos Private Equity
Dec 2021	- Duraco Specialty Tapes (OpenGate Capital) acquired 3 Sigma a US manufacturer of custom pressure sensitive coated products
Dec 2021	- CSafe Global acquired Softbox, a UK provider of temperature-controlled pharma packaging solutions from Great Point Partners
Dec 2021	- Sonoco Recycling acquires American Recycling, a USA based recycler of recovered paper

Economic Indicators

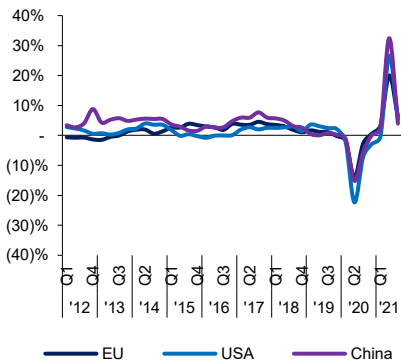
GDP growth (y-o-y)



Global Trade (y-o-y)



Industrial Output (y-o-y)



Global Packaging M&A Network



UK Contacts



Gavin Combe
Partner – Separation and Integration
T: +44 (0)20 7694 1841
E: gavin.combe@kpmg.co.uk



Patrick Palicica
Associate Director – M&A Lead Advisory
T: +44 (0)20 3078 3799
E: patrick.palicica@kpmg.co.uk



Glynn Bellamy
Partner – Transaction Services
T: +44 (0)121 609 6170
E: glynn.bellamy@kpmg.co.uk

kpmg.com/uk

