



Packaging M&A Update

Q2 2025

Packaging M&A Update Q2 2025

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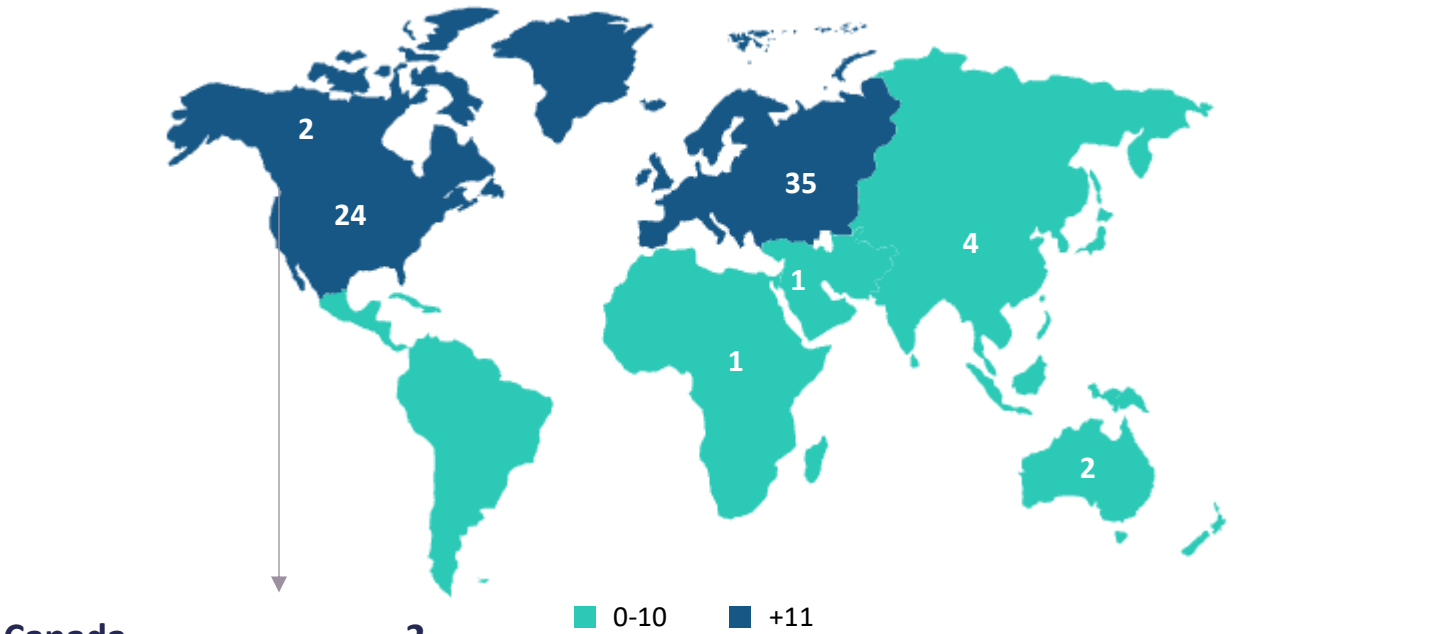
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REPORT HIGHLIGHTS

- In Q2, the Dow Jones Containers & Packaging Index decreased by 3.6% and was outperformed by a 10.2% increase in the S&P 500 over the same period.
- The median EV/EBITDA multiple for reported private equity deals increased to 15.0x through 1H from 5.8x in 2024, and the median EV/EBITDA multiple for strategic buyers decreased to 7.5x from 9.0x in the prior year.
- M&A deal volume in the sector increased 11.3% in Q2 to 69 deals from 62 in Q1, and increased 15.0% from 60 deals in Q2 of the prior year.
- North America was the second most active region, behind Europe, in Q2 with 26 deals. Most notably in North America was Amcor's acquisition of Berry Global, an Indiana-based manufacturer of plastic packaging and protection products, for \$24.7 billion in April 2025.
- Total capital invested in M&A transactions increased 194.7% in Q2 to \$33.3B from \$11.3B in Q1 in large part from the Berry Global deal mentioned above.



Of the 69 deals in the Packaging sector in Q2, Europe was the most active with 35. A notable European deal was IK Partners acquisition of Sterimed, a French manufacturer of sterilized healthcare packaging products generating over \$100.0 million in annual revenue, for an undisclosed amount in June 2025. North America was the second most active with 26 transactions and all other regions combined for a total of 8 deals.



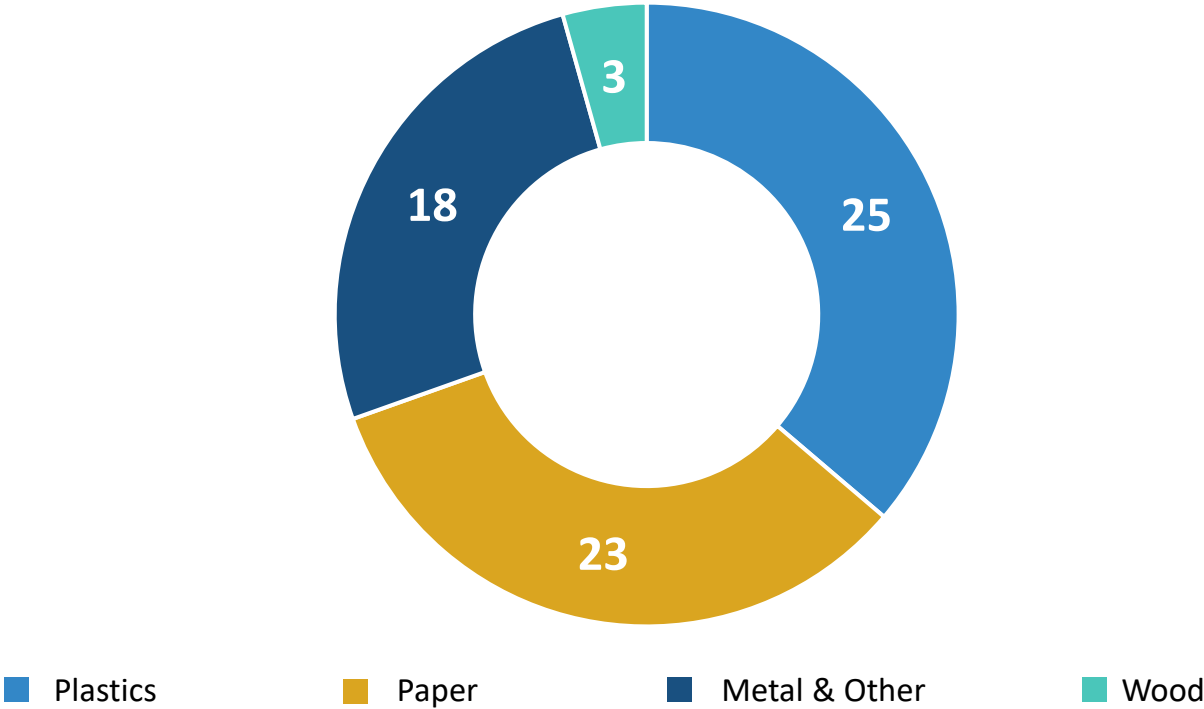
Canada	2
United States:	24
Great Lakes:	6
West Coast:	5
Mid Atlantic:	4
Southeast:	3
Others:	6

In the U.S. market, the Great Lakes region was the most active area with 6 deals, followed by the West Coast and Mid Atlantic with 5 and 4 closed transactions, respectively, in the quarter. A notable deal in the Great Lakes region (in addition to the Berry Global deal mentioned on the previous page) was Novolex Holding’s \$6.7 billion acquisition of Pactiv Evergreen, an Illinois-based manufacturer of sustainable packaging solutions, for \$6.7 billion in April 2025. The Southeast region saw 3 closed transactions and all other U.S. regions combined for a total of 6 completed deals.

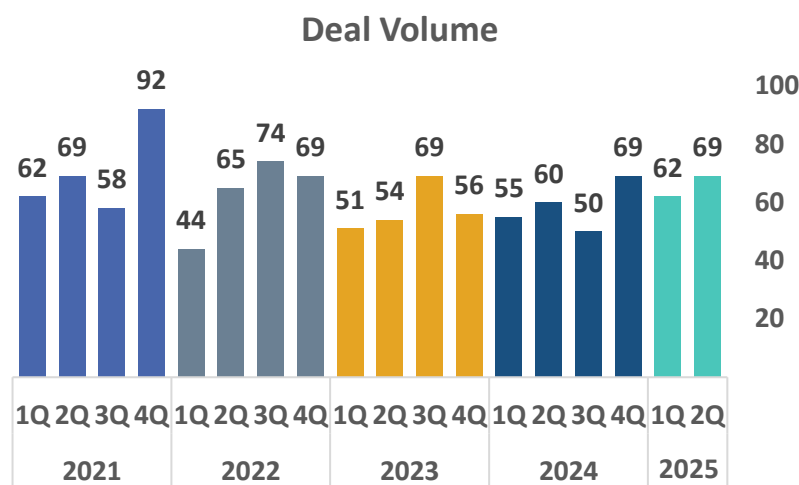
Outside of the U.S. in the North American market, 2 transactions closed in the Canadian market in Q2.

Of the 69 Packaging deals in Q2, 25 were in the Plastics subsector, making it the most active from an M&A volume standpoint. The Paper and Metal & Other subsectors saw 23 and 18 closed transactions, respectively, followed by Wood with 3 deals in the quarter.

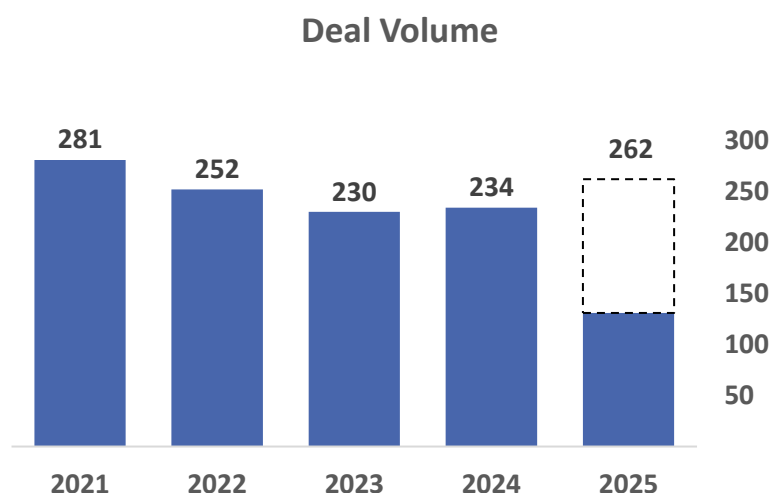
Deals by Subsector



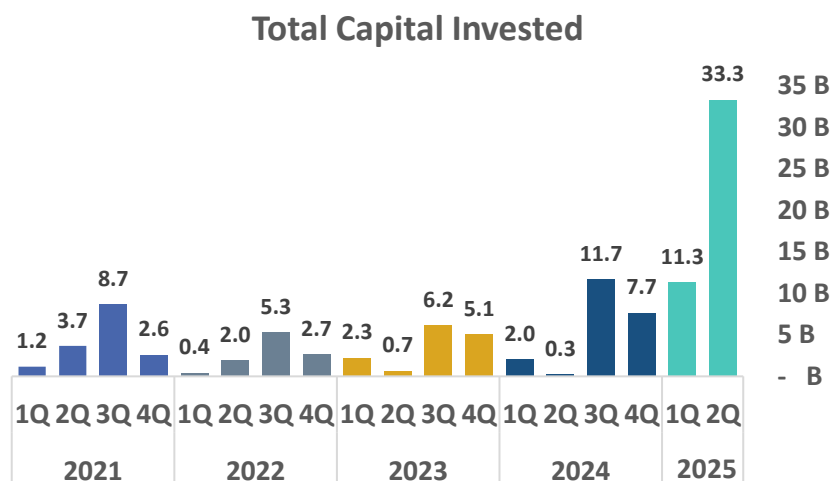
Deal volume in the Packaging sector increased 11.3% in Q2 to 69 deals from 62 deals in Q1, and increased 15.0% from 60 deals in Q2 of the prior year. Q2 represents a continuation of the trend of generally increasing quarterly deal volume seen since Q1 2023 and is indicative of a general sense of economic stability including stabilizing inflation and the potential for interest rate cuts.



Annual deal volume is on pace to increase 12.0% to 262 deals in 2025 from 234 in 2024. With a strong 1H relative to 1H of the prior year, we attribute this projected increase in annual deal volume to improving economic conditions, including stabilizing inflation and the potential for interest rate cuts. As we move further into 2025 and clearer tariff policy emerges, we anticipate an uptick in M&A activity in the Packaging sector driven by these favorable market conditions.



Total capital invested in M&A deals in the Packaging sector increased 194.7% in Q2 to \$33.3B from \$11.3B in Q1, and increased 11,000.0% from \$0.3B in Q2 of the prior year. The increase from the prior quarter is primarily due to Amcor's acquisition of Berry Global for \$24.7 billion in April 2025. Comparatively, the largest transaction in Q1 was International Paper's \$9.9 billion acquisition of DS Smith in January 2025.

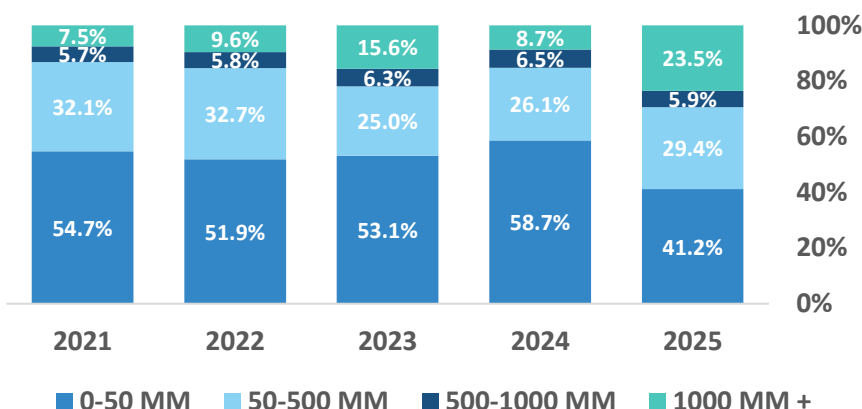


In 1H, we generally saw a shift in mix toward larger-sized deals from the prior year, specifically in the large cap market (\$1000 MM+), which increased to 23.5% from 8.7% in 2024. The middle market (\$50 - \$500 MM) saw an increase to 29.4% from 26.1% in 2024. The lower middle (\$0 - \$50 MM) and upper middle (\$500 - \$1000 MM) tranches of the market decreased to 41.2% and 5.9% in 1H from 58.7% and 6.5%, respectively, in the prior year.

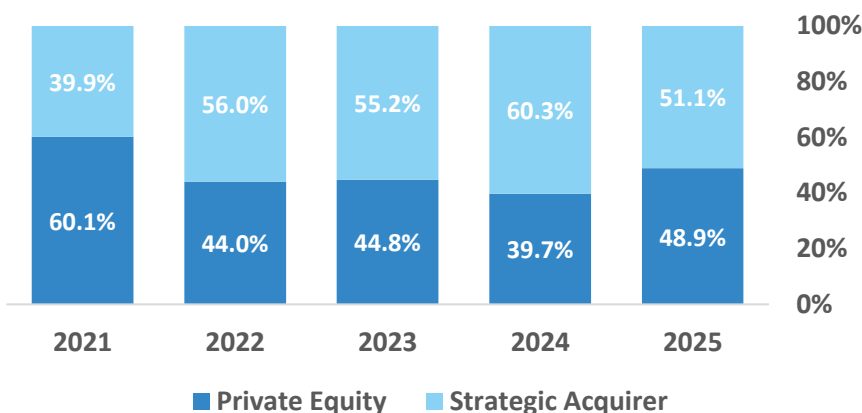
As a % of total deal volume, PE buyers trended higher in 1H relative to strategic buyers, representing 48.9% of deal volume in the sector and up from 39.7% in 2024. 1H marks the highest percentage of deal volume from PE buyers over the last four years.

Following the trend in deal volume, total capital invested by PE investors (as a % of overall capital invested) increased in 1H to 15.9% from 14.3% in 2024. 1H 2025 marks a continuation in the trend of strategic acquirers investing substantially more capital in M&A transactions than PE buyers in the Packaging sector. Large strategic acquisitions, such as Amcor's \$24.7 billion acquisition of Berry Global, demonstrate robust interest from large strategic buyers seeking growth opportunities in the sector.

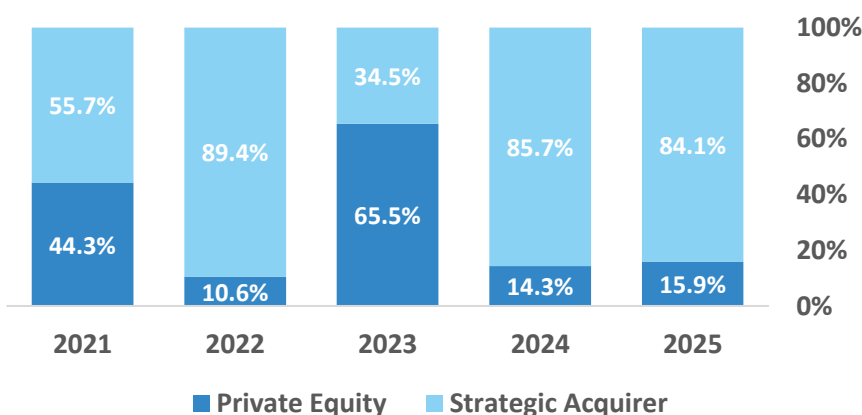
Deal Volume by Deal Size



Deal Volume by Acquirer



Total Capital Invested by Acquirer

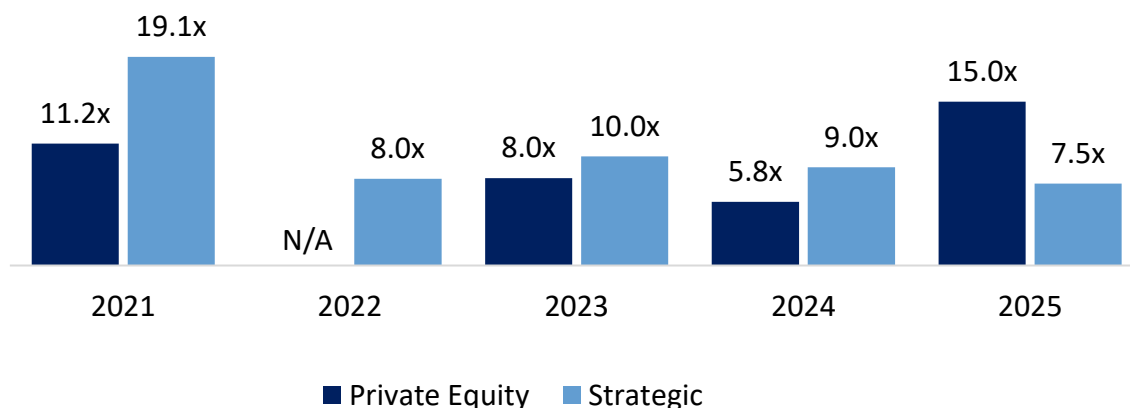


The median EV/EBITDA multiple for reported private equity deals increased to 15.0x in 1H from 5.8x in 2024, but decreased for strategic deals to 7.5x from 9.0x in the prior year.

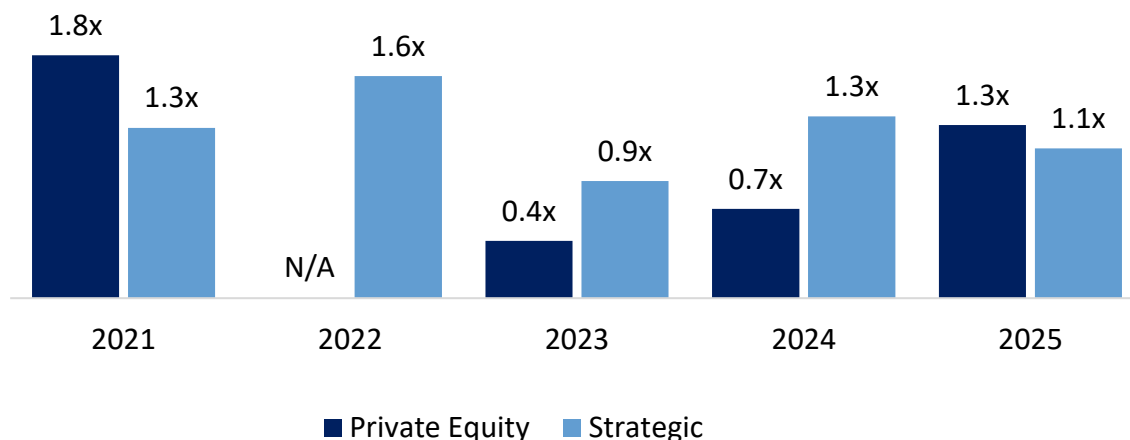
The median EV/Revenue multiple for reported private equity increased to 1.3x in 1H from 0.7x in 2024, but decreased for strategic deals to 1.1x from 1.3x in the prior year.

1H 2025 marks the highest median EV/EBITDA multiple for private equity in the past five years.








Reported EV/EBITDA Multiples













Reported EV/Revenue Multiples



Active Strategic Investors – Packaging

Investor	2025 Investments	Select Targets
	2	 
	1	
	1	

Active Private Equity Investors – Packaging

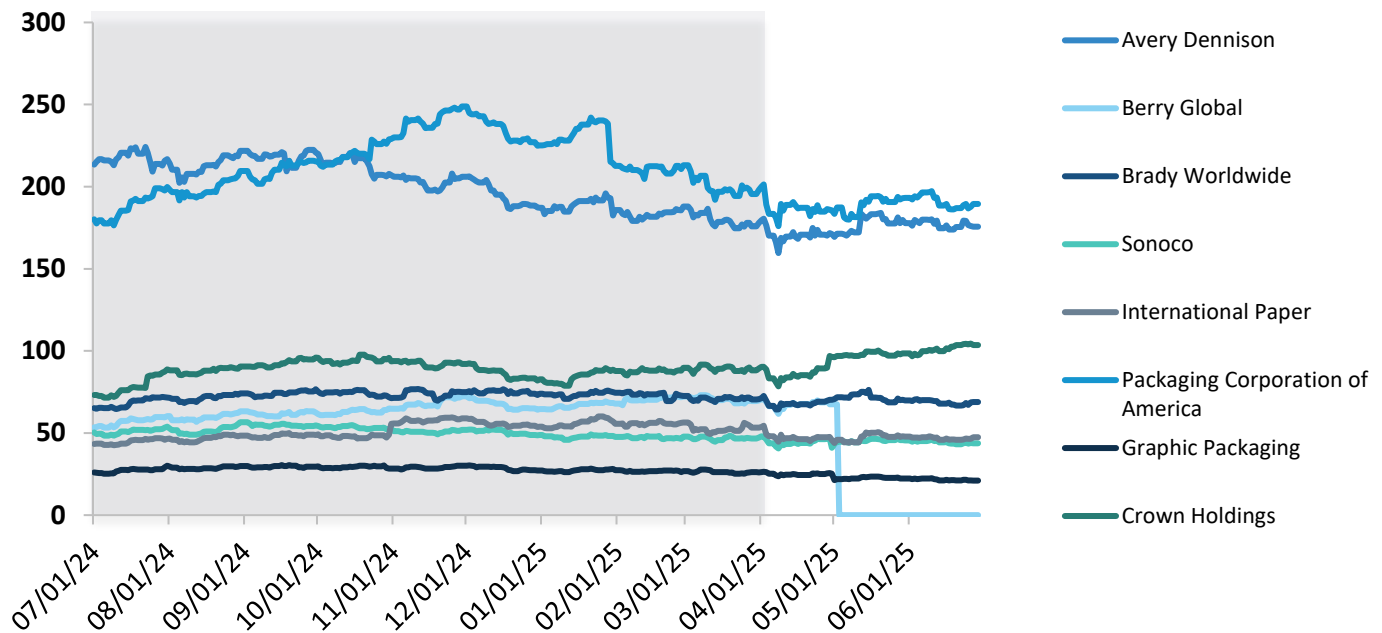
Investor	2025 Investments	Select Targets
	2	  
	2	 
	2	 

Largest Deals (Disclosed)

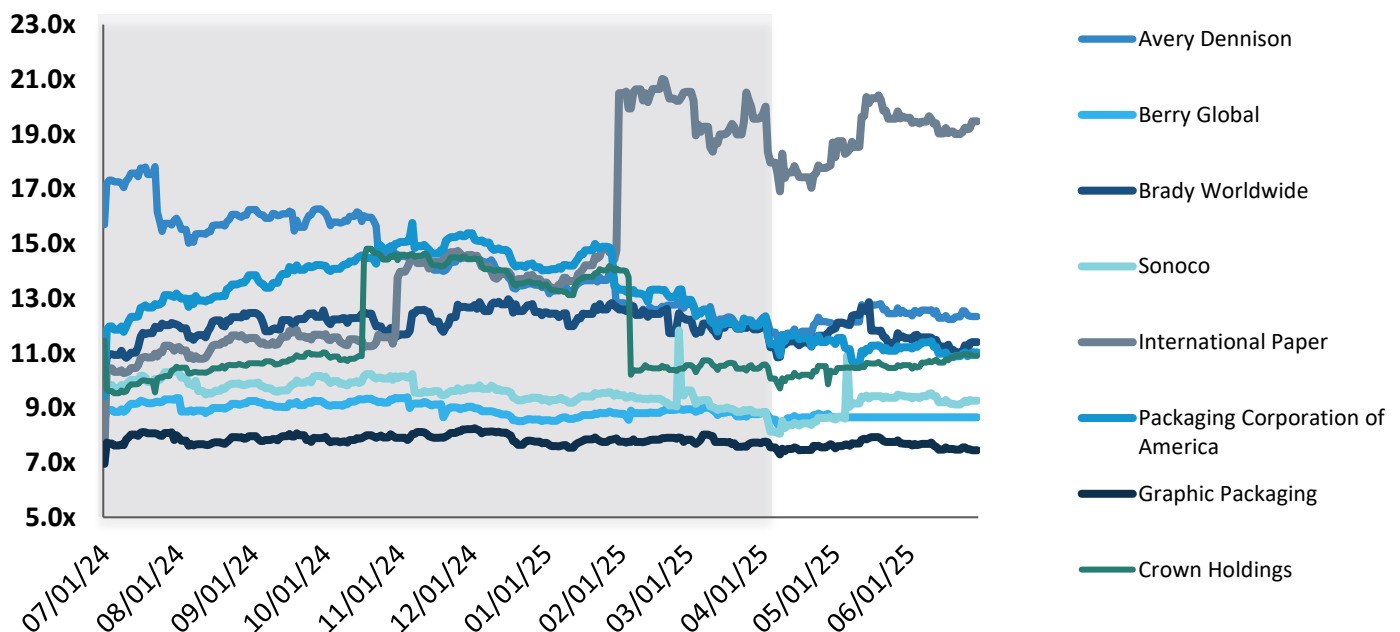
Deal Date	Company Name	Investors	Deal Type	Deal Size (\$mm)	EV		Target Business Description
					Revenue	EBITDA	
20-Jun-2025	Diamond Box	Nova Paper and Packaging	Merger/ Acquisition				Manufacturer of cardboard packaging products catering to fast-moving consumer goods companies.
19-Jun-2025	Master Plastics Group	Investec	Buyout/LBO				Manufacturer of flexible packaging products for consumer markets.
18-Jun-2025	Iflex's Paper Containers & Packaging Business	Undisclosed Investor	PIPE	6			Manufacturer and printer of flexible films.
03-Jun-2025	Heritage Envelopes	Encore Group.	Merger/ Acquisition				Manufacturer of envelopes.
03-Jun-2025	Lüttgens Kunststoff-Technik	Artemis Capital Partners	Buyout/LBO				Manufacturer of thermoplastic elements.
20-May-2025	Sterimed	IK Partners	PE Growth/ Expansion				Manufacturer of sterilized healthcare products and packaging products intended for hospitals and medical centers.
30-Apr-2025	Berry Global	Amtcor	Merger/ Acquisition	24,706	1.18x	6.72x	Supplier of plastic packaging products mainly sold to consumer-oriented end markets.
24-Apr-2025	Zellwin Produce	Huhtamäki	Merger/ Acquisition	18			Manufacturer of molded fiber egg packaging products.
15-Apr-2025	Captiva Containers	Trivest Partners	PE Growth/ Expansion				Manufacturer of custom bottles & stock containers.
15-Apr-2025	Kinki Cardboard	Rengo's Paper Containers & Packaging Business	Corporate				Manufacturer of packaging solutions designed to support logistics and storage needs.
10-Apr-2025	Al-Pack Enterprises	SeaFort Capital	PE Growth/ Expansion				Manufacturer of packaging products.
04-Apr-2025	Metal Technology	Karman Space & Defense	Merger/ Acquisition	90			Manufacturer of industrial, laboratory, and chemical containers and apparatus.
04-Apr-2025	Arrow Film Converters	Film and Foil Solutions	Merger/ Acquisition	1			Provider of packaging solutions catering to food and non-food sectors.
01-Apr-2025	Pactiv Evergreen	Novolex Holdings	Buyout/LBO	6,700	1.27x	15.03x	Manufacturer and distributor of fresh foodservice and food merchandising products and fresh beverage cartons.
01-Apr-2025	Sonoco's Thermoformed and Flexibles Packaging Business	Toppan Holdings	Merger/ Acquisition	1,800			Provider of thermoformed and flexible packaging services.
01-Apr-2025	Ecopol	ROC Global Opportunities	PE Growth/ Expansion				Manufacturer of water-soluble and biodegradable packaging products.
Mean				4,760	1.23x	10.88x	
Median				90	1.23x	10.88x	
High				24,706	1.27x	15.03x	
Low				1	1.18x	6.72x	

Target	Investor	Driver	Deal Synopsis
		Merger/ Acquisition	<p>Berry Global, an Indiana-based manufacturer of plastic packaging and protection products, was acquired by Amcor for \$24.7 billion in April 2025. The combination of Amcor's flexible film business with Berry's container and closures divisions creates a more comprehensive packaging portfolio across consumer and healthcare segments, while significantly expanding the global footprint to serve approximately 140 countries.</p>
	   	Buyout/LBO	<p>Pactiv Evergreen, an Illinois-based manufacturer of sustainable packaging solutions, was acquired by Novolex Holdings for \$6.7 billion in April 2025. The combined company offers over 250 brands, forming one of the most diversified substrate platforms in the food and beverage packaging market and enabling Novolex to serve a broad customer base, from large quick-service restaurants to small producers.</p>
		Merger/ Acquisition	<p>Sonoco's Thermoformed & Flexibles Packaging business ("Sonoco"), a global leader in sustainable and premium plastic packaging, was acquired by Toppan Holdings in April 2025 for \$1.8 billion. The acquisition strengthens Toppan's North and South American footprint in sustainable packaging and combines Sonoco's leading thermoformed and flexible packaging sales network, customer base, and solution development capabilities with Toppan's global technical expertise and manufacturing capacities.</p>
		Merger/ Acquisition	<p>Metal Technology ("MT"), an Oregon-based manufacturer of industrial, laboratory, and chemical containers, was acquired by Karman Space & Defense ("Karman") for \$90.0 million in April 2025. The acquisition strengthens Karman's advanced materials platform by integrating MT's specialized refractory-alloy systems, providing access to strategic missile defense programs, and expanding technical expertise in additive manufacturing and hot forging.</p>

Stock Price

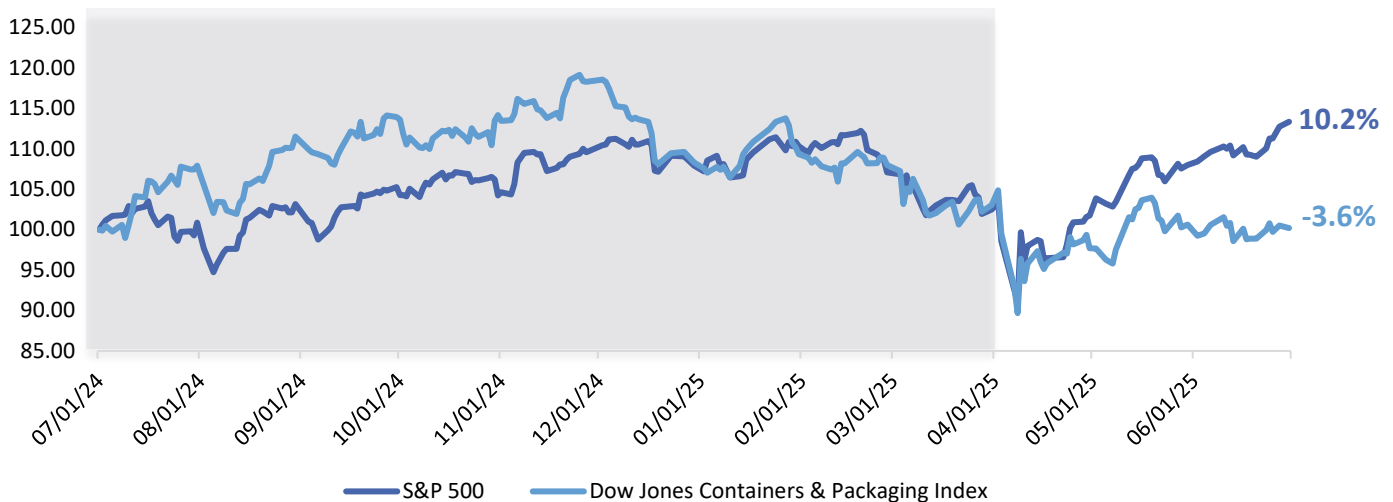


EV/EBITDA



Index Performance

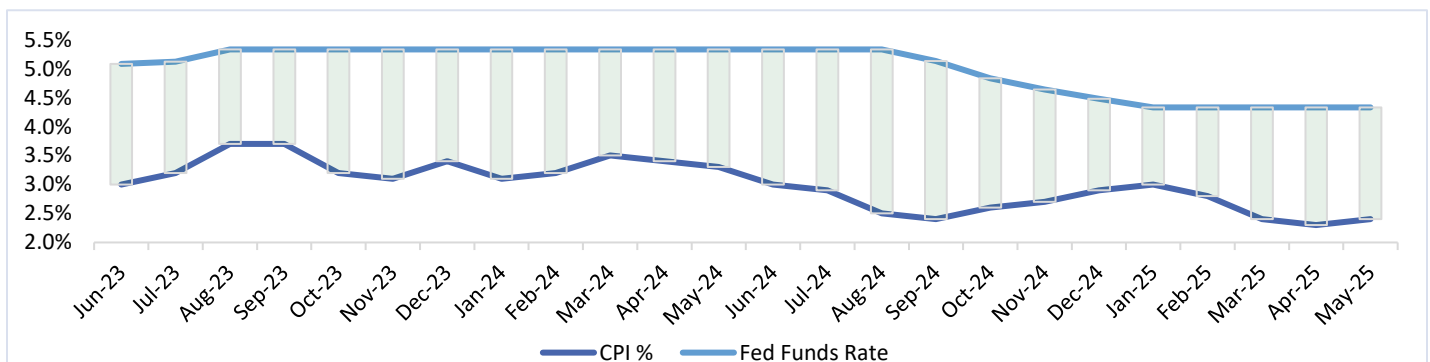
In Q2, the Dow Jones Containers & Packaging Index decreased by 3.6% and was outperformed by a 10.2% increase in the S&P 500 over the same period.



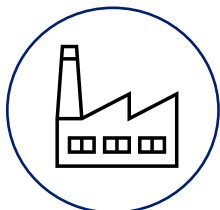
Key External Drivers

Overall, the Packaging industry tends to be more stable and resistant to volatility in the broader economy than other industries.

In June 2025, the Federal Reserve kept the federal funds rate steady at 4.25% to 4.50%, marking the fourth consecutive hold. The FOMC reiterated its cautious “wait and see” approach, emphasizing elevated uncertainty surrounding inflation, particularly due to looming tariffs and labor market dynamics. Updated projections revealed a downward revision of U.S. GDP growth to 1.4% for 2025, down from 1.7% in March, while headline and core inflation forecasts were nudged higher, with core PCE now expected to hover around 3.1%. Despite market speculation of two quarter-point rate cuts later this year, Fed Chair Powell and several governors stressed the need for clearer inflation data and job market weakening before acting, though some colleagues, including Bowman and Waller, see room for easing as soon as July. The Fed’s ongoing balancing act aims to contain inflation without derailing growth amid geopolitical and trade-related headwinds. Meanwhile, while volatility persists, the M&A environment remains favorable, underpinned by strategic deal activity and robust capital allocation.



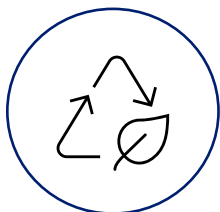
Emerging trends in the Packaging sector



Shift Towards Domestic Manufacturing

Adapting to the Current Economic Climate

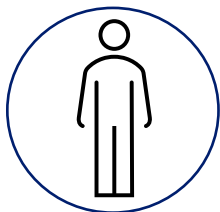
With growing uncertainty around global tariffs, U.S. based manufacturers have been increasingly shifting supply chains to domestic packaging suppliers as a way to stabilize materials sourcing and reduce costs.



Increased Regulatory Scrutiny on Packaging Waste

Stricter Government Policies Reshape Industry Priorities

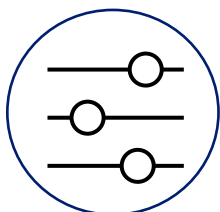
Governments worldwide are tightening regulations on packaging waste, with policies like Extended Producer Responsibility (EPR) shifting the burden of disposal costs to manufacturers. Companies are being compelled to redesign for recyclability and transparency, responding to evolving labeling requirements and waste reduction targets. This trend is forcing innovation in materials and design, pushing brands to align with stricter standards while maintaining product integrity.



Personalized Consumer Experiences

Customization Becomes a Key Driver of Brand Loyalty

Brands are increasingly using variable data printing and digital technologies to create highly personalized packaging that connects directly with individual consumers. From custom names to unique artwork, personalization is enhancing consumer engagement and fostering stronger brand loyalty. This shift toward individualized experiences is becoming a strategic differentiator, particularly in competitive sectors like beverages, cosmetics, and specialty foods.



On-Demand Packaging Production

Flexibility and Efficiency Reshape Supply Chains

On-demand packaging production is gaining traction as companies seek greater flexibility, reduced waste, and lower inventory costs. Advances in digital printing and modular manufacturing allow brands to quickly adapt to changing market demands without committing to large production runs. This model supports more sustainable practices while enabling faster product launches and customized packaging solutions.



Proven, Professional, Principled.

Investment Bankers for the Middle Market

About

R.L. Hulett is a middle-market investment bank based in St. Louis, Missouri, providing M&A and financial advisory services to middle-market companies. Since its founding in 1981, the firm has advised in over 285+ transactions in a variety of industries including Packaging, Food & Consumer, Industrials, Business Services, Transportation & Logistics, Healthcare and Software/Tech-Enabled Services. The firm has an experienced team of M&A advisors consisting of former business owners, seasoned corporate executives, professional service firm partners, CPAs and MBAs. Our ability to deliver customized solutions to meet or exceed our clients' expectations is what sets us apart from our competitors.

Our Clients

\$10 - 250MM
Revenue

\$2 - 20MM
EBITDA

Middle Market
Privately Owned

Industries Served



**Plastics &
Packaging**



Healthcare



**Tech-Enabled
Services**



Industrials



**Transportation
& Logistics**



**Food &
Consumer**



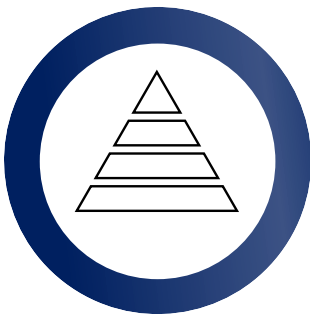
Sell-Side Advisory: Sell your business

Sell your business for the highest price and for the best terms. At R.L. Hulett, communicating the value of your business to targeted buyers and finding the best fit for your team is our forte. We strive to maintain your company's culture and heritage even as you transition out of your business.



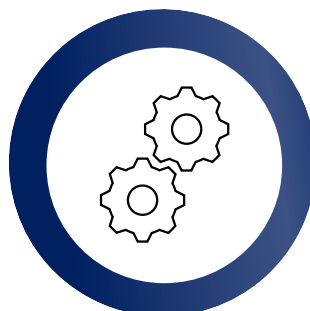
Buy-Side Advisory: Buy a business

Searching for acquisition targets can be a challenging and time-consuming task when trying to run your own business at the same time. Navigating the risks and pitfalls in negotiating valuation and deal structure can also be a daunting task for many business owners. Let our team help you minimize your risk and reduce time wasting efforts with our decades of experience in advising in both buy and sell-side M&A transactions. We utilize industry-leading M&A databases to scout for opportunities and pre-screen for "real" actionable targets so you can stay focused on what matters.



Capital Raise: Gain financial support

With nearly 40 years of experience in middle-market M&A advisory, we know how to package up your deal and put you in front of the right kind of investors who have the capital and the industry expertise you need to grow your business. Our team will develop a go-to-market strategy and advise on deal structure, valuation, due diligence and transition issues. Whether you are seeking capital for growth or trying to buy out other shareholders, we have the tools, expertise, and experience to execute a strategic process and find the optimal outcome to meet your objectives.



Restructuring: reorganization of your business

In today's uncertain economic times, more and more companies are finding themselves in unfamiliar, and unwanted, positions. Many business owners are hoping recovery is just around the corner; however, proactive measures are often required to maximize the remaining value of the business. Our team can aid banking institutions with workout situations by implementing internal controls over cash management and performing on-going cash flow modeling for their clients. We can also help business owners avoid having trouble making payments on their debts and avoid the cumbersome and low-value asset liquidation process.

Below are two recent transactions facilitated by R.L. Hulett, showcasing our expertise in the Packaging Industry. Each transaction exemplifies our commitment to delivering exceptional value and strategic growth for our clients.



have been acquired by



a portfolio company of



The Seller: Based in St. Louis, Missouri and Hong Kong with additional warehouse locations in California and Virginia, Team Three is a leading global distributor of paper, packaging and disposable plastic products to the foodservice industry. Co-founded by Bob Hubbard and Roy Van in 2009 to create a global platform for companies seeking to expand their sourcing options, Team Three has organically grown revenue and income every year since inception and was awarded a global sourcing role with one of the largest foodservice distributors in the U.S.

The Buyer: Headquartered in Exton, PA, AmerCareRoyal (“ACR”) is a single stream resource for over 6,000 disposable products used in the foodservice, janitorial, sanitation, industrial, hospitality and medical industries. With multiple shipping points across North America, ACR’s family of companies service national level customers with outstanding customer service and an ever-growing product line.

Transaction Rationale: With the acquisition of Team Three, ACR is positioned as a leader in their market while also creating a better value proposition for customers.



DEDICATED CONVERTING
GROUP

has sold substantially all
of its assets to

Vidya Holdings



The Seller: Dedicated Converting Group, Inc. is a Midwest-based converter of coverboard panels, foam padded panels, and other specialty paperboard products. The Company differentiates itself by its rapid response time, extensive product offering, and innovative features. With two manufacturing facilities in the Midwest, the Company is uniquely positioned to leverage its proximity to both customers and suppliers.

The Buyer: Vidya is the investment vehicle for the Patel family. The principals of Vidya have a long track record of investing in packaging and printing related businesses. Vidya’s principals were formerly the owners and operators of Flexo Converters, Inc., which was acquired by Novolex in July 2021.

Transaction Rationale: Vidya Holdings acquired Dedicated Converting Group (DCG) to expand its investment in the packaging industry.

Over the years, R.L. Hulett has completed hundreds of transactions in a wide variety of industries. Below are several relevant transactions in the Packaging sector. Please note that this list is not comprehensive.



have been acquired by



has sold substantially all of its assets to



have been acquired by



has sold substantially all of its assets to



has been acquired by





R. Trevor Hulett, CPA
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Mr. Hulett has led M&A transactions in a variety of industries including manufacturing/industrial, software development/IT, business services and value-added distribution for over 15 years. Prior to joining the firm, he held senior level accounting and financial management positions in both public accounting and large corporations. Mr. Hulett began his career as a Certified Public Accountant with MPP&W, a St. Louis-based public accounting firm specializing in middle market companies. He then held various management positions in internal audit and corporate accounting with a Fortune 1000 industrial manufacturing company and also spent nine years with Enterprise Rent-A-Car Company as a department manager in the Corporate Accounting group. Mr. Hulett holds his Series 62, 63 and 79 securities registration. Mr. Hulett earned a Bachelor's Degree in Accounting from the University of Missouri, Columbia.



David T. Vass
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Mr. Vass has over 30 years of business management experience including more than 10 years as President of a highly successful consumer products manufacturing company with revenues exceeding \$25 million. During this time, he not only reversed a declining sales and earnings trend, but increased both sales and operating income over 100%. In addition, he has spent over 20 years at the executive level of Vice President of Sales and Business Development. Mr. Vass also has experience in a number of other industry niches including consumer products, commercial furniture and fixtures and metal recycling. He holds a Bachelor's Degree in Economics from DePauw University and an MBA from the University of Michigan.



Christopher Riley
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Mr. Riley has owned, operated, and sold multiple businesses spanning five decades in the technology, fabrication, hospitality, real estate, social media, financial services, automotive, private equity and business services industries. He owns multiple companies, United Cutwater and Cutwater Advisory Partners, that focus on identifying, funding, growing, and exiting businesses at their Optimum Value. Prior to joining the firm, he worked in New York in the investment banking industry for 10 years. He began his career with American Express as an Estate and Tax Planning Specialist. With degrees in Finance and Philosophy and a Master's in Organizational Psychology, Chris was educated at Santa Clara University, the London School of Economics and the Harvard Business School. Chris is Series 79 and Series 63 licensed, has seven board certifications in cyber intelligence, and is a licensed forensic investigator.



Ron Litton
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Mr. Litton has been advising business owners in mergers and acquisitions since 2013. His primary industry focus areas have included industrials, paper and packaging, distribution, energy, promotional products and direct to consumer e-commerce. Prior to 2013, Mr. Litton held a variety of C-level roles with several companies in the paper and packaging industry including Unisource, Maverick Paper, Universal Graphics and Sabin Robbins. He has bought and sold a number of businesses, advised in the sale of family/founder owned businesses, and advised in start-ups and turnaround situations for banks, owners, and private equity firms. He enjoys working with owners that want to sell or transition out of their businesses. Ron covers the Kansas City and surrounding markets for the firm. He graduated from Central Missouri State University with a BS in Graphic Arts Technology and Management.



Ryan Hartman
Senior Analyst
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Ryan provides analytical support for senior-level deal managers and, as a senior analyst, supervises the preparation of confidential memorandums, financial models and industry research reports. Ryan graduated with a Bachelor of Science degree in Finance from The Freeman School of Business, Tulane University. Prior to joining the firm, Ryan worked as an equity analyst for Burkenroad reports, an equity research program that produces widely circulated financial reports on small- to medium-sized companies. During his time at Tulane University, Ryan was elected as Vice President of Administration for Tulane's community government, took extensive courses in Investment Banking M&A transactions, and volunteered as a data analyst for American Red Cross.



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Dax provides analytical support for senior-level deal managers and prepares confidential memorandums, financial models and industry research reports. Dax graduated from The University of Missouri with a Bachelor of Science degree in Finance from The Trulaske College of Business. Prior to joining the firm, Dax worked as a financial planning intern for Haribo of America, where he developed an automated sales report, utilized data to create an updated price costing model, and converted their outsourced payroll ledger to a more accurate format. During his time at The University of Missouri, Dax was involved with the Financial Planning Association and the University of Missouri Investment Group.



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Lynda Hulett leads the firm's marketing, administrative and communication efforts. She maintains the firm's proprietary CRM database, manages outbound firm communications and provides administrative support to senior deal managers. Prior to joining R.L. Hulett, Lynda spent the previous ten years in various marketing and administrative functions. Most recently, she worked as a client liaison providing administrative support for a CPA firm. Prior to that, she was employed by Moneta Group, a financial services advisory firm, where she provided marketing and administrative support to the client managers. Lynda graduated from the University of Missouri – Columbia, receiving her business degree with an emphasis in Marketing.



Robert L. Hulett
In Memoriam:
1943-2024

Mr. Hulett founded the firm in 1981 and has negotiated and completed more than 200 transactions throughout his career. He began his career as a Certified Public Accountant and practiced with Peat, Marwick, Mitchell & Co. in St. Louis as an Audit Manager and in New York as the Director of Training for Private Business. Mr. Hulett has also served as Chief Executive & Board Member for various middle market companies. As an educator, he was an adjunct professor at New York University and a tenured faculty member at Lindenwood University in St. Louis. He conducted training sessions for middle market CPA firms throughout the country for more than ten years. Mr. Hulett earned his BS/BA Cum Laude in Accounting from the University of Missouri-Columbia, and an MBA from Lindenwood University.



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