

2024 in Review & 2025 Outlook

2024 was another somber year in packaging M&A activity, shaped by the lingering effects of 2023 destocking trends, economic uncertainty and evolving industry dynamics. This mirrored the broader M&A market, which also faced a slowdown, as cautious sentiment and tighter capital availability weighed on deal-making. Additionally, the looming U.S. presidential election introduced a layer of unpredictability, causing buyers and sellers alike to adopt a wait-and-see approach. Despite the lower deal volume, some major packaging players drove industry consolidation through large-scale transactions. Looking ahead, 2025 promises a rebound in middle market activity as market conditions stabilize, presenting a renewed landscape for consolidation across the packaging industry.

The widespread inventory de-stocking across consumer-focused businesses in 2023 continued to contribute to weaker M&A activity across the packaging industry in 2024. Certain segments continued to feel the lingering effects of inventory adjustments and shifting demand patterns, although most companies reported a return to normal volume levels. While this stability offered a clearer foundation for business planning and potential deal-making, M&A activity remained subdued for the remainder of the year as buyers and sellers maintained a cautious approach, ultimately resulting in a valuation “reset”. As a result, many owners in 2024 focused on organic initiatives and a return to top-line growth.

Furthermore, political uncertainty surrounding the 2024 U.S. presidential election contributed significantly to lower levels of packaging M&A activity this year. As the election cycle unfolded, market participants adopted a cautious stance, delaying transactions amid concerns over potential regulatory shifts, economic policy changes and trade implications tied to the incoming administration. This hesitation was particularly pronounced for cross-border deals, as fears of heightened tariffs and new trade policies, frequently discussed during the Trump campaign, created additional complexity for strategic decision-

making. The resulting pause in deal-making reflected a broader “wait-and-see” attitude, with both buyers and sellers seeking clarity on the post-election economic landscape before committing to significant investments. This political uncertainty, combined with existing industry headwinds, placed further pressure on M&A activity in the packaging sector throughout 2024.

Despite the low transaction volume in 2024, the packaging industry witnessed increased consolidation, highlighted by a few significant players. In July, WestRock and Smurfit Kappa completed their merger, creating Smurfit WestRock. The approximately \$21-billion-dollar transaction positions the combined entity as the largest paper packaging company in the world, with operations in over 40 countries. Smurfit Westrock is hoping to leverage scale and operational synergies to improve its overall positioning. At a time of growing demand for sustainable packaging, the company has established itself as the global leader in sustainable, recyclable packaging materials.

Also In 2024, two significant merger announcements were made, International Paper merging with DS Smith and Berry Global merging with Amcor. As these large integrated players continue to globalize their operations and refine their customer strategies, many smaller and middle-market businesses are optimistic. The prevailing expectation is that while global giants focus on delivering shareholder value through synergies, footprint optimization and profitability, smaller firms will have opportunities to capture market share among underserved customers who may no longer align with the scale or priorities of multi-billion-dollar enterprises. Additionally, these shifts could open doors in certain geographies affected by facility closures or through spin-offs of non-core assets, creating unique opportunities for investors seeking to build or expand existing platforms. Conversations like these were evident during our attendance at PACK EXPO, as described in our [previous perspective](#).

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2024 in Review & 2025 Outlook (continued)

Looking ahead to 2025, packaging M&A activity is expected to rebound as businesses adapt to the new policies and economic environment under President Trump. Proposals for increased tariffs, particularly the potential 60% levy on Chinese imports and up to 20% on goods from other countries, could create opportunities for domestic manufacturers to capitalize on reshoring trends and bolster their competitive positioning. These policies may drive interest in acquiring U.S.-based packaging firms with strong domestic production capabilities, particularly those serving industries reliant on a secure and localized supply chain. However, the anticipated rollback of federal environmental initiatives could introduce uncertainty for investors focused on sustainability-driven growth. The evolving political and economic landscape is expected to drive strategic realignments, creating both challenges and opportunities that will shape the packaging M&A market in 2025.

Overall, 2024 was a relatively soft year for deal-making, with many acquirers circling the same limited pool of opportunities. While sentiment has improved significantly compared to 2023, most transactions this past year have been focused on add-ons or unique opportunities involving divestitures or value-oriented assets. Currently, there is cautious optimism among sellers and investors that a wave of deals earmarked for 2025 could reinvigorate packaging M&A activity. Although we expect this resurgence to begin as a gradual trickle rather than a dramatic shift, there are promising signs that long-contemplated transactions will come to fruition as headwinds fade. Improved financial performance, easing interest rates and greater capital availability are anticipated to create a more favorable environment for M&A activity in 2025.

The evolving political and economic landscape is expected to drive strategic realignments, creating both challenges and opportunities that will shape the packaging M&A market in 2025.

Market Insights

Oct-24: Blue Ocean Closures and Paboco have created the first recyclable paper bottle with a fiber-based cap, launching in early 2025.

Oct-24: Berry Global (NYSE:BERY) is upgrading its UK recycling facility to process flexible plastics, producing high-quality recyclate for products like trash bags and shrink films.

Oct-24: Alterra secured funding from **Infinity Recycling, LyondellBasell (NYSE:LYB)** and **Chevron Phillips Chemical** to improve its advanced recycling technology.

Oct-24: UPM Specialty Papers (HEL:UPM) and **Michelman** developed three recyclable, paper-based packaging solutions to replace multi-material, non-recyclable packaging, meeting food safety and sustainability requirements.

Nov-24: DS Smith (LSE:SMDS) is investing in its Polish facilities to boost sustainable packaging, increasing output by 25 million square meters.

Nov-24: Amcor (NYSE:AMCR) launched AmPrima Flowpack Pro, a recycle-ready packaging solution for bakery products like flatbread and pastries, reducing carbon footprint by up to 82%.

Nov-24: Coveris is investing in its PE extrusion facility in Winsford, UK, aligning with its "No Waste" strategy focused on sustainable packaging innovations.

Nov-24: Berry Global (NYSE:BERY) has announced the sale of its Specialty Tapes business to **Nautic Partners** to reduce debt and streamline its portfolio, aligning with its growth strategy amid its merger with Amcor.

Dec-24: Avantium (AMS:AVTX) has raised 11.2 million euros through an accelerated bookbuild to finance costs in 2025 related to Avantium's FDCA Flagship Plant.

Dec-24: Emirates Biotech announced its partnership with **Sulzer (SWX:SUN)**, as its technology provider, to build the world's largest polylactic acid (PLA) production plant in the UAE.

Dec-24: Novolex (Apollo) has announced it is acquiring **Pactiv Evergreen (NASDAQ:PTVE)**, forming a leading packaging manufacturer with a diverse set of sustainable solutions.

Dec-24: Sonoco (NYSE:SON) has announced the sale of its Thermoformed and Flexibles Packaging (TFP) Business to **TOPPAN Holdings Inc. (TSE:7911)**, streamlining operations and enabling TOPPAN to expand its global sustainable packaging solutions.

Recent Lincoln International Packaging Transactions

<p>nexgen PACKAGING</p> <p>has been sold to</p> <p>TRIMCO GROUP</p> <p>a portfolio company of</p> <p>Brookfield</p> <p>Sell-Side</p> <p></p>	<p>BWK</p> <p>and private shareholder</p> <p>have sold</p> <p>RIXIUS</p> <p>to</p> <p>berlin PACKAGING</p> <p>Sell-Side</p> <p></p>	<p>Trioworld</p> <p>a portfolio company of</p> <p>ALTOR</p> <p>has acquired</p> <p>Palamy</p> <p>from its founder and</p> <p>Crédit Mutuel Equity</p> <p>Buy-Side</p> <p></p>	<p>ONCAP</p> <p>has refinanced</p> <p>PRECISION</p> <p>Refinancing</p> <p></p>
<p>WINGATE PARTNERS</p> <p>has sold</p> <p>HC Leader in Horticultural Containers</p> <p>to</p> <p><i>Platinum Equity</i></p> <p>Sell-Side</p> <p></p>	<p>THE Packaging Wholesalers</p> <p>has been sold to</p> <p>BOX PACKAGING PARTNERS</p> <p>a portfolio company of</p> <p>Charlesbank</p> <p>Sell-Side</p> <p></p>	<p>Insight Equity</p> <p>has acquired</p> <p>clearly clean</p> <p>Acquisition Financing</p> <p></p>	<p>Sentinel CAPITAL PARTNERS</p> <p>has sold</p> <p>NEKOOSA</p> <p>to</p> <p>APPVION</p> <p>a portfolio company of</p> <p>WC WYNNCHURCH CAPITAL</p> <p>Sell-Side</p> <p></p>

Recent M&A Transactions

Select transactions

Date	Status	Target Company	Acquiring Company
Dec-24	Announced	Sonoco Products TFP Business	TOPPAN Holdings Inc. (TSE:7911)
Dec-24	Closed	Fimat	Carton Pack (A&M Capital)
Dec-24	Closed	TANN Group (Meyr-Melnhof Karton)	Evergreen Hill Enterprise
Dec-24	Closed	Arjay Company	Veritiv (CD&R)
Dec-24	Announced	Radhesham Wellpack	JK Paper (NSE:JKPAPER)
Dec-24	Closed	ARC International	Precision Roll Solutions (Guardian Capital Partners)
Dec-24	Closed	Island Plastics	Revolution Sustainable Solutions LLC (Arsenal Capital Partners)
Dec-24	Closed	Offset Print & Packaging	Alzamora Group
Dec-24	Closed	Orora Packaging Solutions	Veritiv (CD&R)
Dec-24	Announced	Pactiv Evergreen (NASDAQ:PTVE)	Novolex (Apollo)
Dec-24	Closed	CoolSeal USA	Inteplast Group
Nov-24	Closed	DOT2DOT (Abris Capital Partners)	Van Genechten Packaging
Nov-24	Closed	Clifton Packaging Group	Carton Pack (A&M Capital)
Nov-24	Closed	TigerPress	Digital Color Concepts (Sherburne Partners)
Nov-24	Closed	Munjushree Technopak (Advent)	PAG
Nov-24	Closed	ID Label	River Associates
Nov-24	Closed	Rixius (BWK)	Berlin Packaging (Oak Hill, CPPIB)

Recent M&A Transactions (continued)

Select transactions

Date	Status	Target Company	Acquiring Company
Nov-24	Announced	Berry Global (NYSE:BERY)	Amcor (NYSE:AMCR)
Nov-24	Closed	True North Packaging	Package Design & Supply (Fairchild Capital Partners)
Nov-24	Closed	Belvika Trade & Packaging (Fulcrum Capital Partners)	Coregistics (Red Arts Capital)
Nov-24	Closed	International Label & Printing	Labelink (Parkview Capital Partners)
Nov-24	Closed	Ampak	Foundation Investment Partners
Nov-24	Closed	Outlook Group (Heartwood Partners)	Aterian Investment Partners
Nov-24	Closed	Iconex Paper (Atlas Holdings)	Domtar Corporation
Nov-24	Closed	Oliver Packaging and Equipment Company (Berwind)	Monomoy Capital Partners
Nov-24	Closed	PAX Holdings	Veritiv (CD&R)
Nov-24	Closed	Tissue Products Segment of Clearwater Paper (NYSE:CLW)	Sofidel America Corporation (Sofidel S.p.A.)
Oct-24	Closed	Alucan Entec	Ball Corporation (NYSE:BALL)
Oct-24	Closed	Fluted Partition (Valley Container)	PackEdge
Oct-24	Closed	Western Europe Packaging Assets of Schumacher Packaging	Mondi (LSE:MNDI)
Oct-24	Closed	Quadpack Industries (ENXTPA:ALQP)	Texen (PSB Industries)
Oct-24	Closed	Creative Techniques Inc.	Orbis Corporation (Menasha Corporation)
Oct-24	Closed	Industrial Packaging Operations of TC Transcontinental Packaging	Hood Packaging Corporation
Oct-24	Closed	Tower Cold Chain	Cold Chain Technologies (Aurora Partners)

Recent M&A Transactions (continued)

Select transactions

Date	Status	Target Company	Acquiring Company
Oct-24	Closed	European Operations of Quad/Graphics	Capmont
Oct-24	Closed	Legacy Pharmaceutical Packaging	Nutra-Med (GenNx360 Capital Partners)
Oct-24	Closed	Tic Tac	Green Sustainable Packaging (Alcedo)
Oct-24	Closed	Reid Packaging Inc.	TransPak Corporation
Oct-24	Closed	Weener Plastics Holdings B.V.	Silgan Holdings Inc. (NYSE:SLGN)
Oct-24	Closed	Gulf Packaging	SupplyOne (Wellspring Capital Management)
Oct-24	Closed	Starport Technologies	Multi-Color Corporation (CD&R)
Oct-24	Closed	Corner Edge Products	Enjoy Converters (Champlain Financial Corporation)
Oct-24	Closed	Lifoam (Jadex Inc.)	Altor Solutions (Compass Diversified)

Public Companies Operating Statistics and Valuation Parameters

\$ in Millions, Except for Stock Price

Company Name	Stock Price	% of High 52-Week	Market Cap	Enterprise Value	LTM		YoY Revenue Growth	EBITDA Margin	Enterprise Value / LTM	
					Revenue	EBITDA			Revenue	EBITDA
Flexible										
Ancor plc	\$9.26	88.3%	\$13,554	\$21,047	\$13,550	\$1,904	(3.4%)	14.1%	1.6x	10.3x
Berry Global Group, Inc.	64.67	88.2%	7,450	15,475	\$12,258	1,984	(1.6%)	16.2%	1.3x	7.3x
Huhtamäki Oyj	0.00	85.1%	3,707	5,085	4,101	576	(1.6%)	14.0%	1.2x	8.1x
Sealed Air Corporation	33.83	82.2%	4,929	9,179	5,397	1,053	(1.7%)	19.5%	1.7x	8.4x
Transcontinental Inc.	12.91	98.5%	1,081	1,672	2,813	418	(4.3%)	14.8%	0.9x	5.5x
Winpak Ltd.	33.17	93.3%	2,091	1,650	1,121	235	(1.8%)	20.9%	1.6x	7.5x
Mean		89.3%					(2.4%)	16.6%	1.4x	7.8x
Median		88.2%					(1.7%)	15.5%	1.4x	7.8x
Labels										
Avery Dennison Corporation	\$187.13	80.1%	\$15,035	\$17,944	\$8,681	\$1,416	3.8%	16.3%	2.1x	12.0x
CCL Industries Inc.	51.40	87.3%	9,132	10,297	7,095	1,407	6.7%	19.8%	2.1x	10.0x
Mean		83.7%					5.2%	18.1%	2.1x	11.0x
Median		83.7%					5.2%	18.1%	2.1x	11.0x
Paper & Paperboard										
Cascades Inc.	\$8.28	79.4%	\$836	\$2,282	\$4,628	\$383	(0.2%)	8.3%	0.7x	7.1x
DS Smith Plc	6.79	90.1%	9,361	12,499	6,680	877	21.1%	13.1%	1.5x	10.5x
Graphic Packaging Holding Company	27.16	88.5%	8,152	13,431	8,961	1,747	(5.0%)	19.5%	1.5x	7.2x
International Paper Company	53.82	89.2%	18,698	23,554	18,640	1,955	(1.5%)	10.5%	1.3x	10.5x
Mondi plc	14.92	69.6%	6,579	8,773	7,188	886	(1.9%)	12.3%	1.1x	9.1x
Packaging Corporation of America	225.13	89.8%	20,075	21,987	8,175	1,625	4.8%	19.9%	2.7x	12.5x
Smurfit Westrock Plc	53.86	94.5%	27,910	41,917	16,432	2,400	35.9%	14.6%	2.6x	15.6x
Sonoco Products Company	48.85	79.1%	4,800	8,001	6,573	1,012	(3.1%)	15.4%	1.2x	7.1x
Mean		85.0%					6.3%	14.2%	1.6x	10.0x
Median		88.8%					(0.8%)	13.9%	1.4x	9.8x

Source: Bloomberg, Capital IQ and company filings, as of December 31, 2024

Public Companies Operating Statistics and Valuation Parameters (continued)

\$ in Millions, Except for Stock Price

Company Name	Stock Price	% of High 52-Week	Market Cap	Enterprise Value	LTM		YoY Revenue Growth	EBITDA Margin	Enterprise Value / LTM	
					Revenue	EBITDA			Revenue	EBITDA
Rigid										
Amcorg plc	\$9.26	88.3%	\$13,554	\$21,047	\$13,550	\$1,904	(3.4%)	14.1%	1.6x	10.3x
AptarGroup, Inc.	157.10	88.2%	10,454	11,298	3,573	761	2.5%	21.3%	3.2x	14.1x
Berry Global Group, Inc.	64.67	88.2%	7,450	15,475	12,258	1,984	(1.6%)	16.2%	1.3x	7.3x
Crown Holdings, Inc.	82.69	84.0%	9,773	16,274	11,756	1,853	(2.1%)	15.8%	1.4x	8.6x
O-I Glass, Inc.	10.84	61.7%	1,676	6,167	6,643	939	(6.5%)	14.1%	0.9x	5.6x
Silgan Holdings Inc.	52.05	89.5%	5,559	8,998	5,784	845	(3.4%)	14.6%	1.6x	9.5x
Sonoco Products Company	48.85	79.1%	4,800	8,001	6,573	1,012	(3.1%)	15.4%	1.2x	7.1x
Mean		82.7%					(2.5%)	15.9%	1.6x	8.9x
Median		88.2%					(3.1%)	15.4%	1.4x	8.6x
Specialty										
Ranpak Holdings Corp.	\$6.88	76.1%	\$573	\$933	\$354	\$46	5.4%	12.8%	2.6x	17.6x
Krones AG	124.51	90.0%	3,925	3,727	5,164	532	8.4%	10.3%	0.7x	6.8x
Sealed Air Corporation	33.83	82.2%	4,929	9,179	5,397	1,053	(1.7%)	19.5%	1.7x	8.4x
Mean		82.8%					4.0%	14.2%	1.7x	10.9x
Median		82.2%					5.4%	12.8%	1.7x	8.4x

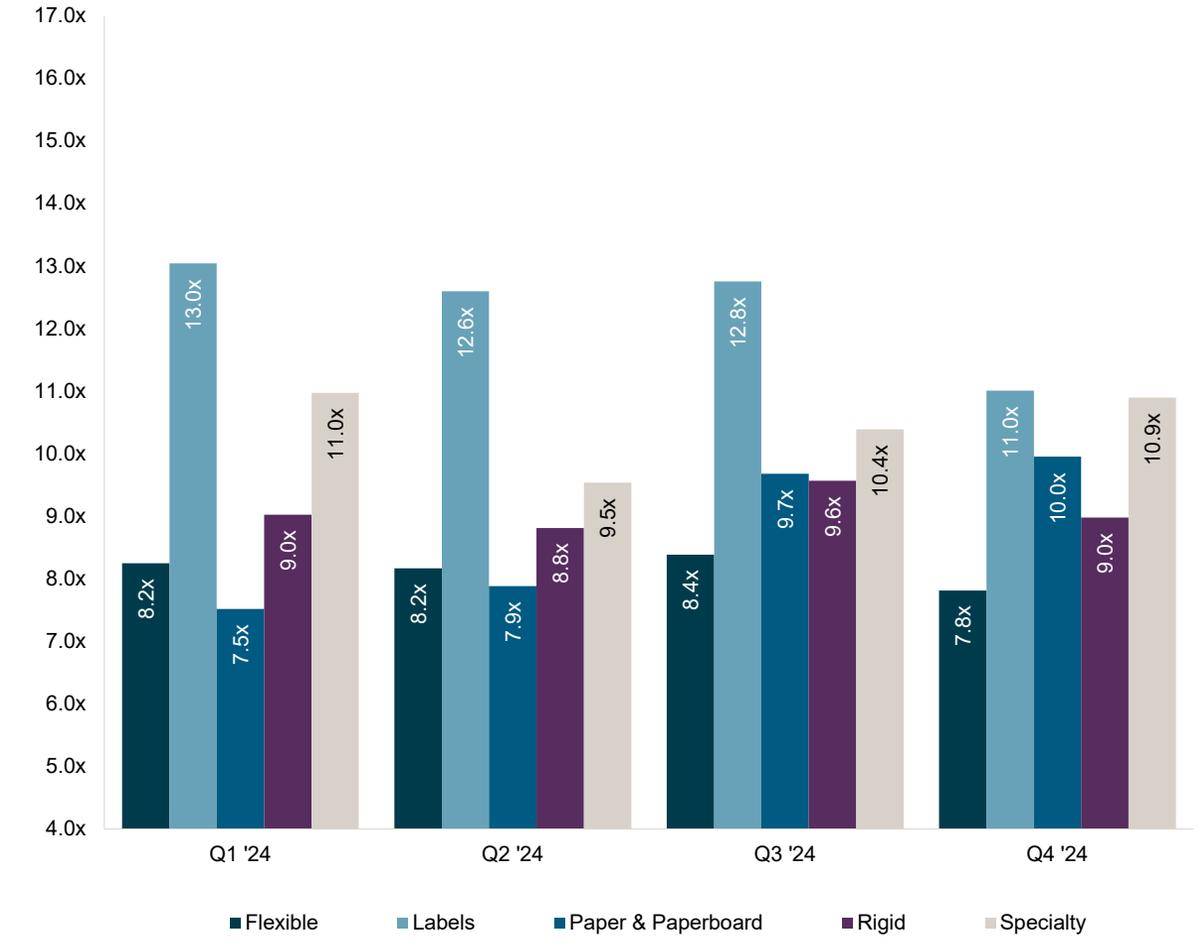
Source: Bloomberg, Capital IQ and company filings, as of December 31, 2024

Global Packaging Valuations by Subsector

LAST 12 MONTHS (LTM) RELATIVE STOCK PRICE PERFORMANCE



HISTORICAL ENTERPRISE VALUE / EBITDA VALUATION PERFORMANCE



Source: Bloomberg, Capital IQ and company filings, as of December 31, 2024

About Lincoln International

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