

Aeternus Industry Report

Packaging Industry

M&A activity and sector trends

Foreword

The packaging industry is on the move worldwide. Sustainability, scale, (over)capacity and robotization will continue to be important themes in this dynamic market in the coming years. Within the context of mergers and acquisitions, we are on the eve of consolidation, partly due to the need for economies of scale. In fact, this may well be already underway.

With a world-wide revenue of around \$ 906 billion in 2018, the packaging industry has grown steadily in recent years (2015: \$839 billion). We spend an average of around \$120 per person per year on packaging. This figure is expected to continue growing in the coming years. It is driven, among other things, by the emerging markets. With the increasing purchasing power in these regions, consumption is rising significantly and with that the need for packaging for these goods. By contrast, the developed economies are still the largest users of packaging, with online retail growing annually by around 15%.

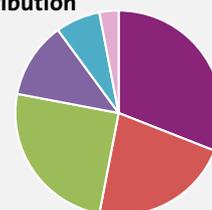
The sustainability of the packaging is increasingly playing a role in this.

Production in the Dutch packaging industry rose in 2017 and 2018 by 2% and 1,5% respectively. This translates to an increase in turnover from around € 6,3 billion in 2016 to approximately € 6,5 billion in 2018.

As a knowledge partner, we regularly inform customers, business owners and relations about the most significant developments in their industry. In this report we share our insights on trends and M&A activities within the Dutch and international packaging market. These insights are essential for plotting the right strategic course.

Packaging Sector Distribution

- Paper & Cardboard
- Hard Plastics
- Flexible Plastics
- Metal
- Glass
- Other





aeternus



corporate finance

M&A Developments

2018 turned out to be a record year for the packaging sector, with over 50% more acquisitions than in 2017 and 2016. After a turbulent 2015 with a record number of acquisitions in the global packaging sector, 2016 and 2017 seemed to have taken a slower turn with around 15% less M&A activity worldwide. The Dutch acquisition market was visibly less affected by this decrease in the number of takeovers. However, 2018 was a record year with more than 30 deals. The underlying factors driving the acquisition market have not changed, however, which means that we can also expect a comparable or even higher level of takeover activity within the packaging market for 2019.

Overcapacity, technical developments and the associated scale mean that companies are looking for ways to continue to fill their increasingly efficient and faster machinery.

The acquisition of an existing company with its own customers can offer a direct solution to this overcapacity and at the same time it can be a great way to gain direct access to new markets.

For the smaller companies in the sector, this can also bring about positive effects. These companies often have a limited investment budget or even an investment backlog and this makes it difficult for entrepreneurs to keep up with the innovative power and technological development required.

Teaming up with a bigger strategic partner can then be a solution.

These bigger strategic players can partly achieve this by using their own resources, but conversely, a takeover also proves to be a method of speeding up the current challenges, such as overcapacity.

Adding new customers within the existing production capacity by means of a takeover is therefore one of the driving factors in the acquisition market. Obviously, this also boosts the acquisition price.

We expect the number of deals within SMEs and the mid-corporate segment to further increase in the coming years and that entrepreneurs will increasingly be

confronted with valuation and acquisition issues.

Our advice: Consider this well in advance and make the right preparations so that the highest possible value is achieved. By systematically preparing for a sale, you work towards a higher return for your company.

The following pages look in more detail at the deals that took place in the packaging sector in 2016 up to and including 2018. In addition, we also briefly zoom in on the international acquisition market.

We also give a short explanation of two recent acquisitions from 2018. One in which P van de Velde Group acquired the packaging company Wesley Printing & Packaging from Maastricht. The other deal involves a family succession at label producer for the food sector, Dutch Graphic Group.



Ron van Gog



Aeternus Corporate Finance assisted owner Ron van Gog with the sale of his company Wesly Printing & Packaging from Maastricht to P van de Velde Group from Belgium. After the acquisition, Ron van Gog joined the management of the P van de Velde Group and is therefore still fully active in the packaging market. Aeternus visited Ron van Gog to see how he and the company are doing, roughly 1 year after the acquisition.

Aeternus advised Ron van Gog from Wesley Printing & Packaging on the sale to P van de Velde Group.

What were the most important motives for selling the company to a single strategic party?

The question arose when I started thinking about the future succession of my company. Because there was no one within the family, I contacted Aeternus to look at other options.

In the end, a strategic buyer turned out to be the best option for the long-term continuity of the company, whereby it should be possible for Wesly Printing & Packaging to capitalize on the economies of scale that a party like this offers. As a 'smaller player' in the folding carton market, our ability to continue participating is becoming increasingly challenging. Besides that, I also thought it was important that the personnel would be comfortable with, also for the long term.

What was the decisive factor for specifically choosing P van de Velde as the buyer?

From a strategic point of view, Wesly Printing & Packaging is a perfect match within the P van de Velde group as an additional geographical pillar, right between the Belgian branches of P van de Velde and the recently acquired Royal Schut in the central Netherlands and Vekopak in Tilburg.

Within the new group I see a lot of potential growth to further strengthen Wesly Printing & Packaging and to utilize the various specialisms that are now consolidated under one roof.

What also gave me a good feeling was that P van de Velde got down to business quickly during the process.

Did you find the acquisition process intense?

The process took quite a while. However, I can't say that I experienced it as intense. Aeternus took most of the daily affairs related to the acquisition process off my hands, so that I could focus primarily on my own company.

In actual fact, I feel that I learned a tremendous amount about my own company during this process; experiences that I can now apply in my current position within the P van de Velde group.

What do you notice in practice now about the acquisition? Do you also see the synergy effects and potentials reflected?

It takes time to transform things like a corporate culture from company-specific to



a group mentality. Last year, we actually ran purely under our own steam, which basically means that you are able to stand on your own two feet. That is definitely positive, but from 2019 the board of P van de Velde will be fully focusing on further integration of the whole.

We need to make even better use of each other's capacity and production capabilities (order sizes, types of printing presses, etc). It requires close technical alignment to perfectly harmonize this and simply needs time.

We did pick up a number of things from day one as a new group though. For example, we have made central price agreements with our suppliers when it comes to purchasing. In addition, Wesly Printing & Packaging has a good, in-house quality manager, who has been widely deployed at group level over the past year. Also, the controller at Wesly Printing & Packaging has made a crucial contribution to the implementation of an integrated IT system. Wesly Printing & Packaging has immediately added value within the group in its first year as a result!

How would you best describe your new role within the P van de Velde organization?

Obviously, I've come from an environment where I was in charge for years. I'm sparring more at boardroom level now about the road we're going to take, not just with Wesly Printing & Packaging, but also at group level. It took some getting used to, but to my mind it's going well. In practice, this me-

ans that we sit down together in management meetings at least once a month. We chiefly discuss strategic matters here such as intended investments, the organization and structuring of the sales force within the entire group, determining focus areas and sectors, and suchlike.

In addition, I also continue to pursue my purchasing and commercial activities; areas that I previously dealt with.

What important market developments do you envision? Are these also relevant to an acquisition strategy?

One of the main themes within our sector continues to be the environment. The use of plastics in packaging is a matter of debate in some sectors and the correct application of (folding) cardboard may in some cases offer a solution. Technical innovative power is essential here and we have that in-house at P van de Velde. Take Packalim in France for example, a highly innovative company within our group in the field of airtight cardboard packaging.

The same applies for migration in the packaging market. Certainly in sectors such as the food industry where we are primarily active, exposing food to chemical substances in packaging materials is a 'hot issue'.

Furthermore, we are seeing within the folding carton sector that when it comes to technical innovations in the area of machinery we are dealing with a remarkable phenomenon. Printing presses have been improved significantly in recent times.

But the process that comes next, punching, is currently lagging behind in terms of technical innovation. For a cardboard packaging company, this creates a structural moot point in your production process, as it means that you either need more punching machines or that you'll have to run more shifts to actually use the capacity of the printing press efficiently. Rotary punching is an option and digital punching machines already exist. Their capacity is far from adequate, however.

All these aspects ensure that a consolidation market is created, because these types of things demand a certain scale from an organization. Wesly Printing & Packaging is obviously a good example of this.

Are you able to look back on the process with satisfaction?

This was the first time that I have sold a company. As I mentioned, I learned a lot during the process, which is always great. We also achieved the objectives that we had set in advance with Aeternus.

In conclusion, I am extremely happy that we have completed the process in this way. The support from Aeternus was pleasant and probably contributed to making the process feel less intense. The company Wesly Printing & Packaging, including its employees, is in an even better position after this deal than before and I am extremely satisfied with that.



M&A Deals 2016 - 2018 Paper & Packaging

Below is an overview of a large number of acquisitions that took place in the packaging market between 2016 and 2018.

This gives a good idea of the most important deals in the industry and the associated trends in recent years.

The key criteria for compiling this list were:

- 1) A minimum of one party, the buyer or seller must be a Dutch company;
- 2) The company has close ties with the packaging market. It supplies or produces packaging or is a direct supplier to the sector (labels, machines, etc);

The transaction history highlights a number of interesting facts. For example, around 40% of deals over the past 3 years are foreign buyers who have purchased a Dutch company.

In particular, Belgium (7), Austria (4), Spain, the UK and Sweden (all 3), have played a prominent role in the acquisitions market in the Netherlands over the last 3 years. This directly illustrates the international character of this industry.

The trend of Chinese investors in this industry, which shows a growth in M&A from an international perspective, has yet to become fully visible in the Netherlands, however.

We are seeing that major European names such as RPC and SAICA are active on the Dutch market. In particular, the P van de Velde Group from Belgium is on the path of acquisition with three takeovers, while it also acquired a French and a German industry peer. One of the Dutch deals was supervised by Aeternus and is shown elsewhere in this report.

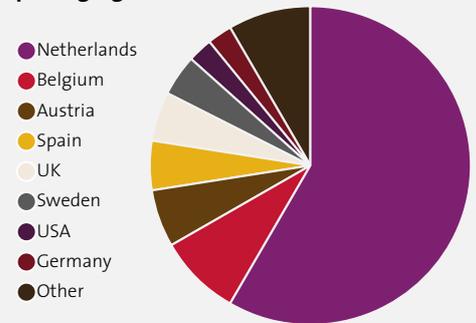
In addition, Bencis, MKB Fonds and Aurelius illustrate that financial parties with multiple acquisitions are also represented

in the sector.

We also see an interesting development from a Dutch buyer perspective. Of the 47 transactions with a Dutch buyer in the 2016-2018 period, 30% were cross-border acquisitions.

This also shows an increasing degree of internationalization. Dutch companies expanded their activities to Denmark, Germany, Norway and Spain, among others.

Origin of buyers in the Netherlands packaging market



Deal in the spotlight | Dutch Graphic Group

Last year a change of guard took place at Dutch Graphic Group. Aeternus supervised the family transfer, with the two sons taking over the shares from their father.

In terms of operational management and strategy, nothing will change for the time being. Nino Venezia will also remain active with the company in the coming years. This

definitively guarantees the continuity of the Dutch Graphic Group.

The Dutch Graphic Group can rightfully be called a family concern. In addition to his wife Anita, his two sons Gino and Enzo also work at the company. Nino, aged 55, has decided to transfer all the shares to his sons this year.

“I have been working for forty years now. My health is not optimal and that is why I want to step out of the business gradually. Later on, the boys will be running it. But I will certainly continue to be involved with

the big accounts in the coming years and I will mainly be involved in pursuing new projects.

It is not going to get any quieter now that Dutch Graphic Group has expanded its capacity significantly with its brand new printing presses and new production site. Enzo and Gino are also looking forward to a bright and successful future.

Dutch Graphic Group is a total supplier in the field of graphic products and produces labels primarily for food-related packaging. Thanks to its skilled personnel and large fleet of machinery, Dutch Graphic Group is capable of taking care of everything from A to Z, including competitive rates and fast delivery.



Merger and Acquisition Deals 2016

Acquire name	Acquire country code	Target name	Target country code	Acquire business description(s)	Target business description(s)	Announced date
SOCIEDAD ANÓNIMA INDUSTRIAS CELULOSA ARAGONESA	ES	HELLEMA VERPAKKINGEN BV	NL	Corrugated cardboard manufacturer, Hazardous waste management services, Paper producer, Paperboard box manufacturer, Waste collection.	Food safe paper packaging manufacturer, Food safe plastic packaging manufacturer	23-12-16
SOCIEDAD ANÓNIMA INDUSTRIAS CELULOSA ARAGONESA	ES	SCHUT FLEXIBLE PACKAGING BV	NL	Corrugated cardboard manufacturer, Hazardous waste management services, Paper producer, Paperboard box manufacturer, Waste collection.	Provider of flexible packaging solutions.	23-12-16
SOCIEDAD ANÓNIMA INDUSTRIAS CELULOSA ARAGONESA	ES	LEMAPACK BV	NL	Corrugated cardboard manufacturer, Hazardous waste management services, Paper producer, Paperboard box manufacturer, Waste collection.	Provider of flexible packaging solutions.	23-12-16
RPC GROUP PLC	GB	ESE WORLD BV	NL	Rigid plastic packaging manufacturer, Rigid plastic packaging manufacturer	Waste collection and recycling packaging solutions	15-12-16
PaperFoam	NL	Production location in Malaysia	MY	PaperFoam develops and manufacturers bio-based packaging solutions.	Production location in Malaysia for consumer packaging solutions.	09-12-16
API GROUP PLC	GB	AMSTERDAM METALLIZED PRODUCTS BV'S MANUFACTURING ASSETS	NL	Foil manufacturer, Laminate board and paper manufacturer, Laminate film manufacturer	Metallic label manufacturer	01-12-16
Egeria	NL	Clondalkin Flexible Packaging Group	NL	Private equity investment services	Global flexible packaging manufacturer for consumer packaging applications.	01-12-16
RPC GROUP PLC	GB	JAGTENBERG BEHEER BV	NL	Rigid plastic packaging manufacturer, Rigid plastic packaging manufacturer	Plastic products manufacturer holding company	29-11-16
SCHUR FLEXIBLES HOLDING GESMBH	AT	DRUKKERIJ ZWART BV	NL	Carton packaging manufacturer holding company, Packaging manufacturer holding company	Biscuits and confectionary packaging manufacturer, Tea and coffee packaging manufacturer	10-11-16
DaklaPack	NL	Moniss	NL	Producer of flexible plastics packaging solutions.	Supplier of packaging materials.	21-10-16
PACOMBI GROUP BV	NL	Coolhands	NL	Plastic packaging manufacturer	Manufacturer of bamboo hygiene wipes	01-10-16
Mokrupak Verpakkingen BV	NL	Soman Packcenters BV	NL	Total supplier of packaging solutions and disposables.	Total supplier of packaging solutions.	15-09-16
Tupak B.V.	NL	Vlieger Speciaal Packaging	NL	Supplier of mainly carton packaging solutions and materials.	Producer or round carton packaging solutions.	01-08-16
St-Luc Labels & Packaging	BE	Altrif Label	NL	Production of printed packaging, foldable boxes, labels, shrink sleeves and flexible packaging.	Producer of labels.	08-07-16
PACOMBI GROUP BV	NL	VAN DER GUGTEN RUIJSBURG BV	NL	Plastic packaging manufacturer	Cardboard packaging manufacturer, Shipping polystyrene foam manufacturer	06-07-16
Geostick	NL	Labelform & Labelmed	NL	Self-adhesive labels and flexible packaging solutions	Supplier of labeling solutions	30-05-16
BENCIS CAPITAL PARTNERS BV	NL	ABRISO HOLDING NV	BE	Private equity investment services	Extruded polystyrene manufacturer holding company	17-05-16
W&R Etiketten	NL	Etiket Netherlands, Vila Etiketten & Speciaal Drukkerij Max	NL	Merger between 4 labeling and flexible packaging solutions specialists	Merger between 4 labeling and flexible packaging solutions specialists	11-05-16
OERLEMANS PACKAGING BV	NL	FLEXPAC TRANSPARENT VERPAKKING-SINDUSTRIE BV	NL	Plastic packing goods manufacturer	Plastic packaging manufacturer	28-04-16
MONDI INTERNATIONAL HOLDINGS BV	NL	SIMET SA	PL	Corrugated packaging manufacturer holding company	Corrugated packaging manufacturer	26-04-16
Tetrapak	SU	Laude BV	NL	Processing, packaging and service solutions (machine producer)	Producer of plastic cheese molds.	05-04-16
Dijkstra Plastics	NL	HK Plastics	NL	Production of packaging containers.	Producer of packaging materials, developing, producing and supplying plastic packaging containers.	25-03-16
BENCIS CAPITAL PARTNERS BV	NL	CURTEC HOLDING BV	NL	Private equity investment services	Plastic container manufacturer	05-02-16
ROTOM EUROPE BV	NL	ULSA PACK A/S	DK	Manufacturer of metal boxes, plastic pallets, wood container and warehousing services.	Wood container and pallet manufacturer	21-01-16
Q.I. Press Controls	NL	INTRO International	DUI	Develops optical measure and control systems for printing & packaging industry.	Develops optical measure and control systems for printing & packaging industry.	18-01-16



Merger and Acquisition Deals 2017

Acquiror name	Acquiror country code	Target name	Target country code	Acquiror business description(s)	Target business description(s)	Announced date
AST Kunststoffverarbeitung GMBH	DE	Euro Moldings BV	NL	Industrial plastic jerry cans and drums manufacturer	Plastic bottles manufacturer, Plastic containers manufacturer	21-12-17
Aurelius Equity Opportunities	NL	Abelan Board Industrial	ES	Private equity investment services	Board & Packaging solutions	01-12-17
Weener Plastics Group BV	NL	BrasilOrange Products Plasticos LTDA	BR	manufacturer of plastic caps and closures	Cosmetic packaging solutions, mainly roll-on and roulettes	23-10-17
Siegwerk Druckfarben AG & Co. KGaA	DE	Van Son Liquids	NL	International, market leading manufacturer or printing inks for packaging.	Ink manufacturer or inks for flexo and engraving printers	17-10-17
NNZ Verpakkingen BV	NL	LBK Packaging	GB	Polyethylene, polypropylene, paper, cardboard and wood packaging manufacturer	Cardboard container manufacturing, Multiple purpose packaging solutions provider, Paper packaging services, Plastic film packaging services, Recycling services	05-10-17
Bark Verpakkingen BV	NL	Dutch Pack International	NL	Rigid packaging solutions	Supplier of printed flexible packaging materials	13-09-17
P Van De Velde Packaging	BE	Koninklijke Schut	NL	Folding carton packaging manufacturer	Manufacturer of packaging solutions made of folding carton and folding plastics	12-09-17
Wadinko	NL	Tenax	NL	Private equity investment services	"Prepress printing and screen printing services"	11-07-17
Kulicke & Soffa	NL	Liteq BV	NL	Provider of semiconductor packaging and electronic assembly solutions	Lithography solutions for advanced packaging or microchips	06-07-17
JPF NETHERLANDS BV	NL	APELDOORN FLEXIBLE PACKAGING HOLDING BV	NL	Plastics product manufacturing holding company	Flexible plastic packaging products manufacturer holding company	03-07-17
Active Capital Company	NL	Codi Group	NL	Private equity investment services	Manufacturer of flexible packaging solutions for products such as wet wipes	24-04-17
Chocapack B.V.	NL	Novelpack	NL	Packaging solutions for chocolate	Premium packaging solutions	01-04-17
VOLKERS	NL	RELIÉF	NL	Process management or packaging process (design, lithography, printing process, etc)	prepress company	01-04-17
ASEPT INTERNATIONAL AB	SE	APPARATENFABRIEK BEREILA BV	NL	Flexible food pouch packaging manufacturer, Plastic food dispensing units manufacturer, Plastic mouth and tooth health products manufacturer	Sauce dispenser manufacturer	16-03-17
ACE Partners	NL	Algemene Verpakkings Industrie (AVI)	NL	Private equity investment services	Flexible Packaging solutions	28-02-17
BWAY CORPORATION	US	MAUSER GROUP NV	NL	Metal packaging cans manufacturer, Plastic containers manufacturer	Industrial rigid packaging products manufacturer	07-02-17
VPK Packaging Group	BE	SolidPack	NL	Developing, producing and supplying cardboard packaging	Developing, producing and supplying solid board packaging	19-01-17
The Koningh Coding & Labeling	NL	Pentoprint	NL	Industrial coding & labeling systems	Labeling specialist	13-01-17
Pack Solutions	NL	Kentron Flexibles	NL	Merger between two flexible packaging companies	New entity will be called Packaging Partners	01-01-17

Merger and Acquisition Deals 2018

Acquiror name	Acquiror country code	Target name	Target country code	Acquiror business description(s)	Target business description(s)	Announced date
Wadinko	NL	Eshuis	NL	Venture capital company	Specialist in printing or labels and flexible packaging	18-12-18
P Van de Velde (Romvan)	BE	Vekopak	NL	Packaging producer	Manufacturer of cardboard packaging materials	28-11-18
Pacombi	NL	Broekhof Verpakkingen	NL	Distributor of packaging materials and disposables	Adds value to packaging and decoration materials within the flowers and plants industry	16-11-18
CCL Industries Inc.	CA	Olympic Holding	NL	Packaging pioneer	Develops new technology for supplies and their product lines	15-11-18
Indorama	NL	Medco Plast for Packing and Packaging Systems SAE	EG	Manufacturer of PET chip and polyester filament yarns	Manufacturer of plastic bottles and packaging products	14-11-18
Écart Invest	NL	Doosopmaat.nl	NL	Investment company	Box manufacturer	07-11-18





Merger and Acquisition Deals 2018

Acquiror name	Acquiror country code	Target name	Target country code	Acquiror business description(s)	Target business description(s)	Announced date
Desch Plantbak	NL	Sky-Light A/S Horticulture Activities	NO	Plant container and flower tray manufacturer	Extruded plastic sheet and thermoformed plastic packaging manufacturer	17-10-18
Maiburg Lijmen	NL	ADpro Van Dop	NL	Wholesale active in adhesives technology	Distributor of HB Fuller adhesives	08-10-18
Geostick	NL	Etiket	NL	Creator of value added solutions for the identification of a product	Supplier of labels	02-10-18
Budelpack	NL	Interpak	NL	A family company active as a co-packer in the food, pet food and fresh segments	Co-packer for food and non-food products.	11-09-18
P&D Group (MKB Fonds)	NL	Van Vliet Trading	NL	Entity for companies in the packaging sector	Supplier of packaging materials	05-09-18
P&D Group (MKB Fonds)	NL	Uniek Verpakkingen	NL	Entity for companies in the packaging sector	Supplier of packaging materials	05-09-18
De Jong Verpakkingen	NL	Gaster Wellpappe	DE	Specialist in corrugated packaging	Corrugated cardboard producer	03-09-18
Faerch Plast	DK	4PET Group	NL	Plastic packaging supplier	Pet recycling organization	02-08-18
Pregis	US	FP International	NL	Identifies and solves customers' protective packaging needs	Delivers packaging solutions for product protection during storage and transport	30-07-18
Gimv	BE	One of A Kind Technologies	NL	European investment company	Specialist in development, building and selling machines who can artificially see sensors and cameras	18-07-18
Optigroup ab	SE	Packagegroup Moonen	NL	Distributor of business essentials	Packaging solutions provider	19-06-18
Giordano	IT	Twinpack Special Products	NL	Active in the professional poultry equipment	Specialist in shipping packages	18-06-18
Novio Packaging Group	NL	Haal Verpakkingen	NL	Specialist in flexible packaging solution	Specialist in packaging for personal care products	01-06-18
Itsme Group of Companies	NL	CSi Groep	NL	A group offering innovative techniques and distributions to industries, machine building, modular construction and industrial installers	Market leader in the packaging material industry as well as the palletizing market	29-05-18
Smurfit Kappa Group plc	IE	Reparenc Holding	NL	Provider of paper-based packaging	Paper manufacturer	24-05-18
Ven Invest	NL	Dutch Graphic Group	NL	Second generation of the family acquired business	Full-service supplier and producer of labels for primarily the agri-food packaging business	17-05-18
Novio Packaging Group	NL	Scandinavian Packaging A/S	DK	Specialist in flexible packaging solution	Packaging producer of plastic bottles for food and pharma packaging	01-05-18
Weener Plastics	NL	Proenfar	CO	Supplier of plastic packaging solutions	Provider of packaging solutions	23-04-18
P Van de Velde (Romvan)	BE	Wesly Papierwaren en Kartonnages	NL	Packaging producer	Manufacturer of paper and cardboard packaging materials	20-04-18
St-Luc Labels & Packaging	BE	Pharmalabel	NL	Active in the packaging market. The business consist of cardboard, labels, shrink sleeves and flexible packaging	Producer of self-adhesive labels	05-04-18
Weener Plastics	NL	Artpack	RU	Supplier of plastic packaging solutions	Bottle manufacturer	20-02-18
Bewisynbra Group AB	SE	Synbra Holding	NL	Producer of the raw material expandable polystyrene (EPS)	Producer of EPS	14-02-18
Schur Flexibles Holding	AT	Cats Flexible Packaging	NL	Provider of flexible packaging solutions	Producer of coated and laminated waxed paper and foils	13-02-18
Schur Flexibles Holding GESMBH	AT	Hansel Flexible Packaging GMBH	DE	Carton packaging manufacturer holding company, Packaging manufacturer holding company	Paper confectionery packaging manufacturers and paper tea tag and envelope manufacturer	13-02-18
Schur Flexibles Holding GESMBH	AT	Nimax BV	NL	Carton packaging manufacturer holding company, Packaging manufacturer holding company	Paper confectionery packaging manufacturers and paper tea tag and envelope manufacturer	13-02-18
Airopack Technology Group AG	CH	Scholle IPN Equipment	NL	Industrial plastic packaging solutions manufacturer	Bag-in-box and spouted pouch filling technology manufacturer	08-02-18
United Caps	LU	Closures4you	NL	Manufacture of articles of plastic materials, capsules, closures for containers and seals	manufacturer of plastic caps and closures, roll-on packaging, bottles, jars & lids	22-01-18
Dimensio	NL	Havelaar Verpakkingen	NL	Benelux market leader in plastic bags, offering a wide range of products	Full-service supplier for packaging materials and packaging solutions, primarily for the food sector	01-01-18

M&A International

In the packaging industry you cannot avoid looking beyond the Dutch borders when you are talking about the trends and developments in the industry. Internationalization plays a significant role in the consolidation campaign.

This is not only visible when you look at the amount of international M&A activity



The most active buyers on the European market (2016-2018)	Total number of linked deals
BUNZL PLC	16
RPC GROUP PLC	10
DS SMITH PLC	8
HUHTAMAKI OYJ	6
CCL INDUSTRIES INC.	5
P VAN DE VELDE GROUP	5
SAICA	4
SMURFIT KAPPA GROUP PLC	3

in the Netherlands. From an international perspective, a number of major players are leading the consolidation move. This can be deduced from the number of deals that were linked to these parties in the past year.

In Europe, Bunzl and RPC Group in particular have been involved in many European acquisitions in recent years. The list of top consolidators in Europe is further completed by DS Smith, Huhtamaki and CCL

Industries. P van de Velde from Belgium was mentioned earlier in this report with 5 transactions, 3 of which were in the Netherlands.

Another noteworthy name is the Spanish company SAICA, which with 3 transactions in the Netherlands and 1 in Italy is also an important player in the international consolidation campaign, with the Netherlands apparently being one of the focus areas.

The big boys

The packaging market is changing, both nationally and internationally. M&A is clearly playing a crucial role in this. It is therefore no coincidence that the major consolidators in the sector are also among the largest market players.

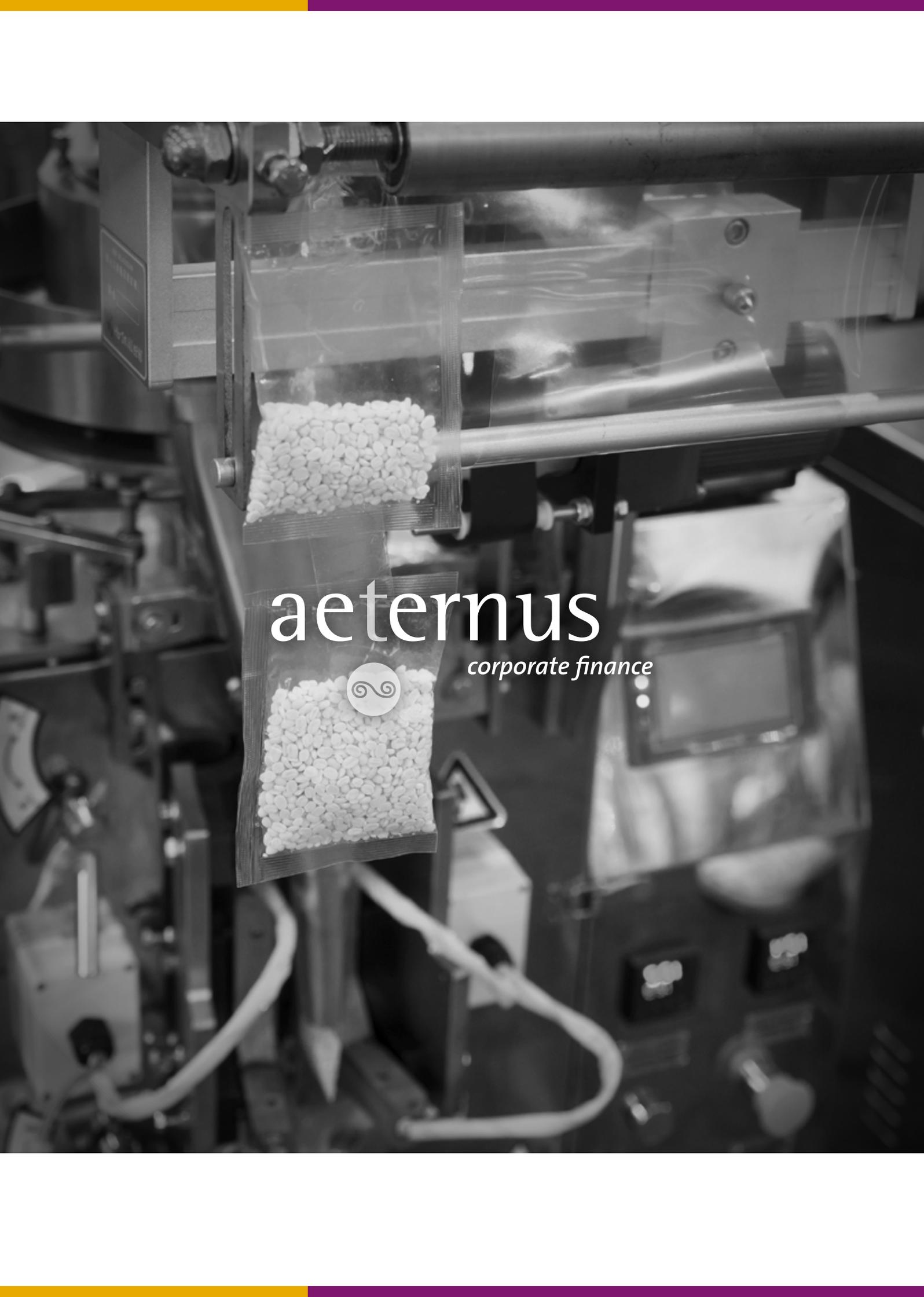
Companies such as Bunzl and Smurfit Kappa also rank among the top 20 biggest packaging manufacturers in the world. M&A is part of their growth strategy. An active M&A strategy can also be worth

considering for smaller companies. For example, to accelerate the required growth or to achieve further optimization of production capacity.

In our next sector report, we will zoom in on the top players in the market. They are often assessed on the basis of turnover, but are they also the best-performing companies in the sector? More about this in the Top-25 Packaging Report by Aeternus.



Top 20 Players Packaging Industry	Country	Turnover \$ x 000	Subsection
1 International Paper	USA	23,600,000	Pulp & Paper
2 WestRock	USA	14,100,000	Paper
3 Reynolds Holding Group Ltd	USA	10,700,000	Aluminum
4 Stora Enso	FIN	9,800,000	Paper
5 Bunzl PLC	UK	9,600,000	several (also non-packaging)
6 Ball Corp	USA	9,100,000	Metal/Alu
7 Amcor	AUS	9,100,000	Paper
8 Ardagh Group SA	IRL	8,700,000	Glass/Metal
9 Crown Holdings, Inc	USA	8,300,000	Metal/Alu
10 Smurfit Kappa Group PLC	IRL	8,100,000	Paper/Carton
11 Sealed Air Corp	USA	7,700,000	Plastics
12 Owens-Illinois	USA	7,400,000	Glass
13 Mondi	AUT	6,700,000	Paper
14 Berry Global	USA	6,400,000	Plastics
15 Silgan Holdings	USA	6,200,000	Paper/Plastics/Aluminum
16 Packaging Corporation Of America	USA	5,800,000	Paper/Plastics
17 DS SMITH PLC	UK	5,200,000	Paper/Plastics
18 Graphic Packaging	USA	4,300,000	Paper/Plastics
19 Bemis Manufacturing Company	USA	4,000,000	Plastics
20 Rexam Ltd (taken over by Ball Corp)	UK	3,900,000	Metal/Aluminum



aeternus

corporate finance





AETERNUS

BIG IN PACKAGING

Aeternus Corporate Finance

Aeternus is an independent corporate finance office with branches in Amsterdam, Eindhoven and Venlo. Active since 2006, both nationally and internationally. Our clients are companies in the top SME and mid-corporate segments.

Do you recognize yourself in these movements within your industry? Are potential value drivers such as sustainability, scaling-up, production capacity and robotization sufficiently high on your agenda?

To sharpen the strategy for your company, it may be useful to analyze the different options (scenarios). Is a Buy & Build strategy appropriate? Or

would it be more fitting to sell your business now or in the future?

At Aeternus we believe that specific knowledge within a sector contributes to a successful transaction. Our dedicated industry teams are therefore engaged daily with the latest trends & developments, news, deals and other relevant information in their sector.

Contact one of the members of the industry team Paper & Packaging. They will be happy to work with you to investigate the opportunities and dilemmas for your company.

Aeternus Office Amsterdam

Joop Geesinkweg 501
1114 AB Amsterdam
The Netherlands

Aeternus Office Eindhoven

Parklaan 54a
5613 BH Eindhoven
The Netherlands
☎ +31 (0)40 782 01 82

Aeternus Office Venlo

Noorderpoort 39
5916 PJ Venlo
The Netherlands
☎ +31 (0)77 320 06 10

info@aeternuscompany.nl
www.aeternuscompany.nl

   Let's keep in touch

Member of:

 M&A WORLDWIDE



aeternus
corporate finance
