



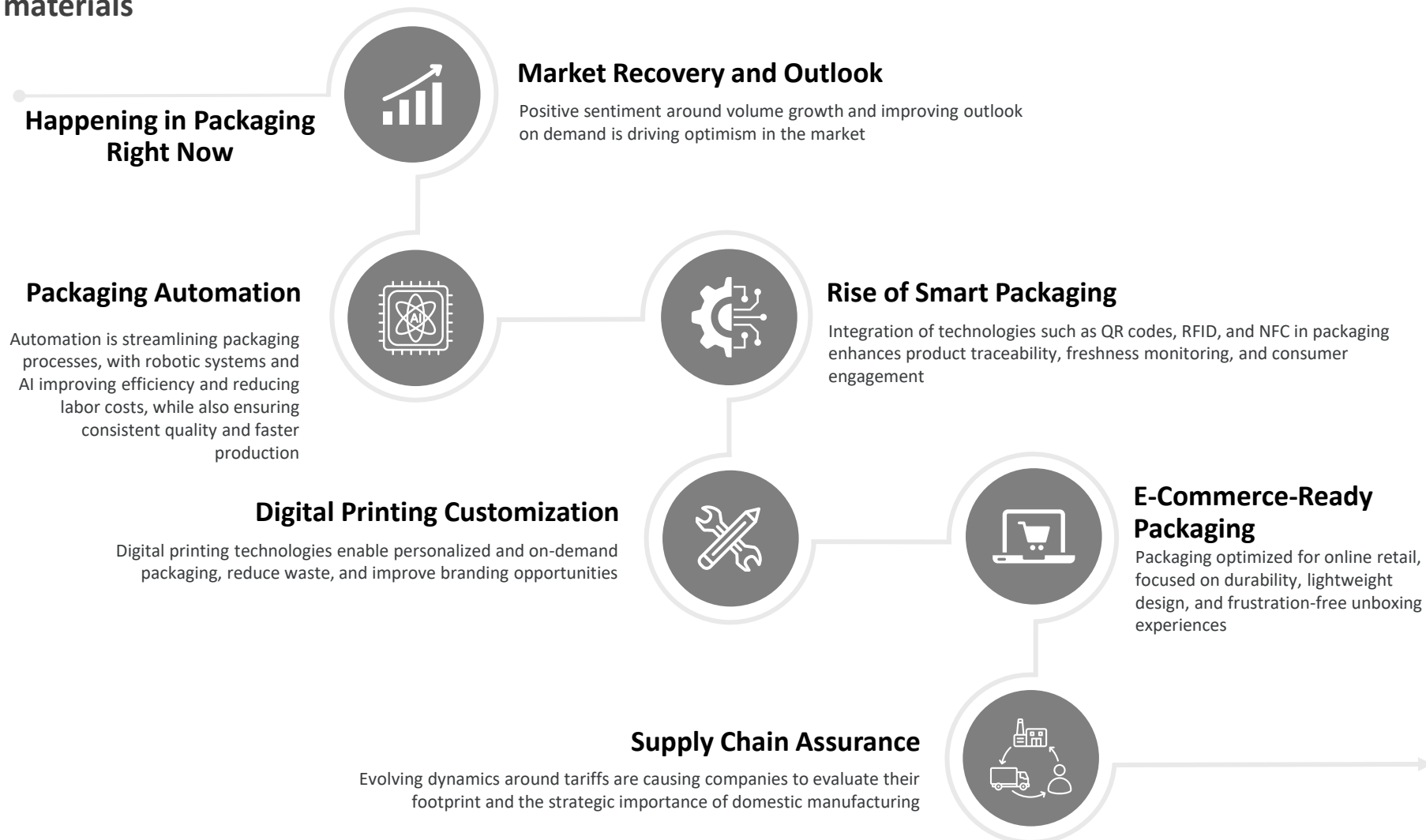
HW Harris Williams

PACKAGING SECTOR BRIEF

Q2 2025

Key Trends in Packaging

The packaging industry continues to be driven by increased focus on innovation of technologies and materials



Perspectives on Packaging

Plastics



Select Participants



Key Trends

Continued focus on lightweight, durable, and recyclable solutions to meet sustainability goals and regulatory requirements

Paper



Select Participants



Key Trends

Increasing growth due to eco-friendly appeal, with advances in biodegradable and compostable materials and increasing adoption of minimalistic designs to reduce material usage

Healthcare



Select Participants



Key Trends

Proliferation of smart healthcare packaging, including tamper-evident features, RFID-enabled tracking, and sterile barrier systems, is revolutionizing patient safety and supply chain efficiency

Protective



Select Participants



Key Trends

Protective packaging is evolving with the integration of advanced materials like antimicrobial films and smart sensors to enhance product safety and reduce spoilage

Equipment



Select Participants



Key Trends

Packaging equipment manufacturers are adopting automation and AI-driven technologies to streamline operations, improve efficiency, and support customization in packaging processes

Services



Select Participants



Key Trends

Packaging services are increasingly focused on customization and sustainability, with companies offering tailored eco-friendly solutions to meet regulatory and consumer demands

Labels



Select Participants



Key Trends

Shift toward smart solutions, incorporating RFID tags and QR codes to enhance traceability and consumer engagement

What We're Reading

Northwestern University Develops Nontoxic Graphene Oxide Solution for Food Packaging

Packaging Gateway – May 2025

Northwestern University researchers have developed a nontoxic, recyclable, and compostable graphene oxide-based coating for food packaging. This innovative material enhances the strength and barrier properties of paper-based packaging, offering a sustainable alternative to PFAS.

Read the full article [here](#)

Top 10 Takeaways from the Future of Packaging Conference 2025

LEK – May 2025

The Future of Packaging Conference 2025 highlighted key trends shaping the packaging industry, focusing on sustainability, innovation, and operational efficiency. Key insights included the recalibration of sustainability goals due to economic challenges, the growing importance of supply chain resiliency, and the rising emphasis on automation and innovation to drive value creation.

Read the full article [here](#)

Trump Administration Orders Reversal of Plastics Phase-Out in National Parks

Packaging Dive – May 2025

President Trump signed an executive order reversing Biden-era policies aimed at phasing out single-use plastics, including straws, in federal agencies and national parks by 2035.

Read the full article [here](#)

Unlock the Power of Packaging: Key Strategies in Customization

Forbes – May 2025

Packaging is no longer just a protective layer but a critical branding tool, influencing consumer perception and purchase decisions. Forbes highlights strategies such as personalized designs, sustainable materials, and interactive features like QR codes to enhance customer engagement and loyalty.

Read the full article [here](#)

Flexible by Design: The New Playbook for Packaging in North America

Boston Consulting Group – April 2025

BCG's report identifies five key megatrends reshaping North America's packaging industry: geopolitics and trade, convenience and mobility, e-commerce, health and wellness, and sustainability. It highlights the growing need for supply chain resilience, lightweight and sustainable materials, and innovative designs to meet evolving consumer preferences and regulatory demands.

Read the full article [here](#)

Recent Harris Williams Content

Packaging Labels: Stability, Diversification, and Innovation



[Link to Read](#)

2025 Harris Williams M&A Outlook



[Link to Read](#)

2025 Industry Outlook: Industrials



[Link to Read](#)

Select Recent Packaging M&A Transactions

IK Partners Acquires Sterimed

May-25



Target

IK Partners

Buyer

- Sterimed specializes in manufacturing and supplying medical packaging solutions, with a focus on sterile barrier systems for healthcare applications
- The acquisition empowers Sterimed to strengthen its presence in the medical packaging sector to address growing global healthcare demands

IPL Merges with Schoeller Allibert

Apr-25



Schoeller Allibert

- IPL is a North American manufacturer specializing in customized injection-molded and blow-molded packaging solutions; Schoeller Allibert is a provider of sustainable packaging solutions
- The merger creates a global leader in sustainable packaging, combining complementary capabilities to meet increasing regulatory and sustainability demands

UPS Acquires Andlauer Healthcare Group

Apr-25



Target



Buyer

- Andlauer Healthcare Group (AHG) is a Canada-based provider of third-party logistics and specialized cold chain transportation solutions for the healthcare sector
- This acquisition enables UPS and AHG to expand their logistics network and enhance their capabilities in serving the healthcare sector

Trivest Partners Acquires Captiva Containers

Apr-25



Target



Buyer

- Captiva Containers is a provider of high-quality, recyclable PET packaging solutions, offering custom bottle designs, printing, labeling, and flexible production lines
- Trivest Partners aims to drive growth through operational improvements and strategic investments in product innovation

Nonantum Capital Partners Acquires MSI Express

Mar-25



Target



Buyer

- MSI Express is a contract manufacturer specializing in packaging solutions for dry foods, liquids, pet food, and supplements, with 15 locations across the U.S.
- Nonantum Capital Partners plans to leverage MSI's expanded production footprint and capabilities to drive further growth and capitalize on the booming co-manufacturing market

Crestview Partners Acquires Smyth

Mar-25



Target



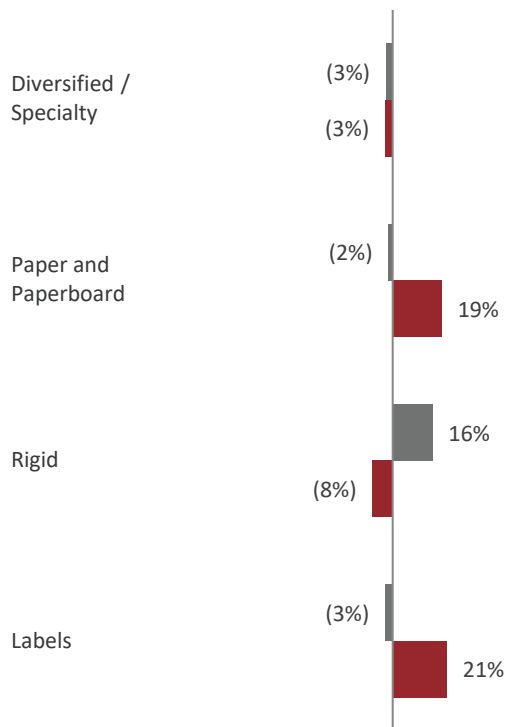
Buyer

- Smyth is a leading provider of labels and custom packaging solutions, serving consumer packaged goods companies across multiple markets
- Crestview aims to enhance Smyth's capabilities through organic investments and M&A, positioning it as a strong player in the packaging and labeling sector

Public Packaging Companies – Valuation

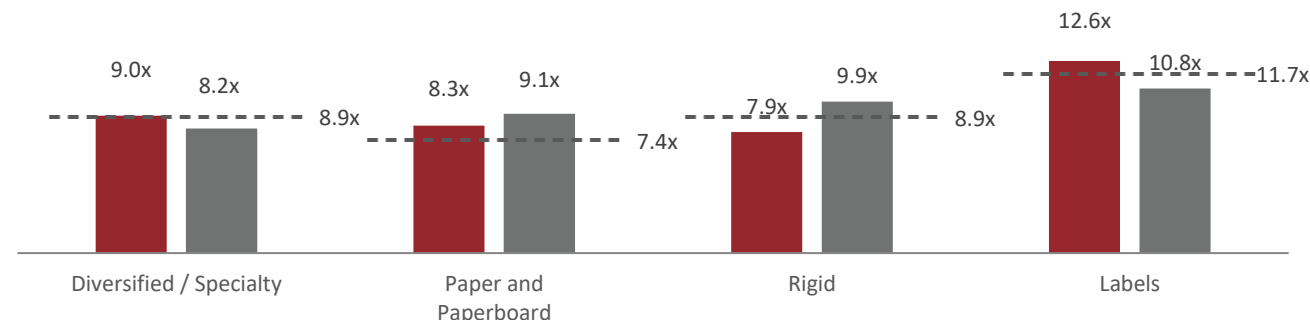
Total Shareholder Return (1- & 3-Year)¹

■ 1-Year Performance ■ 3-Year Performance



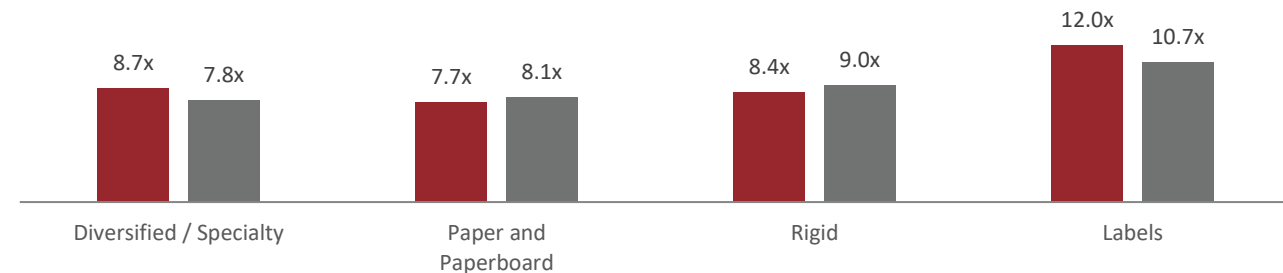
LTM EBITDA Multiple Comparison: June 2024 vs. June 2025

■ LTM June-24 ■ LTM June-25 — 3Y AVG



NTM EBITDA Multiple Comparison: June 2024 vs. June 2025

■ NTM June-24 ■ NTM June-25



Diversified / Specialty



Paper and Paperboard



Rigid



Labels



Public Packaging Companies – Operating Metrics (Q1 '25)

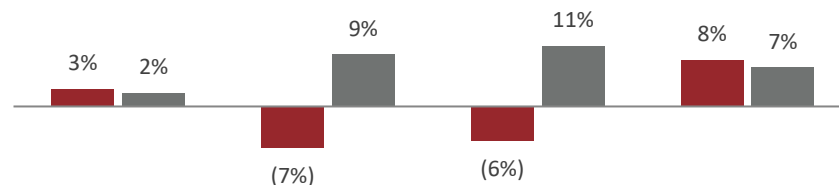
Revenue Growth

■ LTM ■ NTM



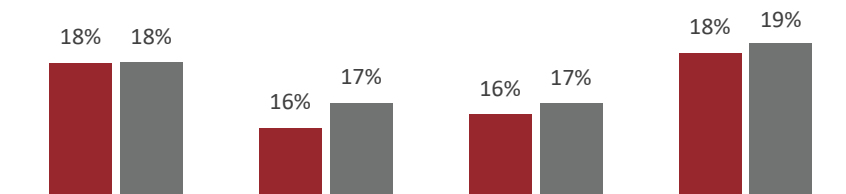
EBITDA Growth

■ LTM ■ NTM



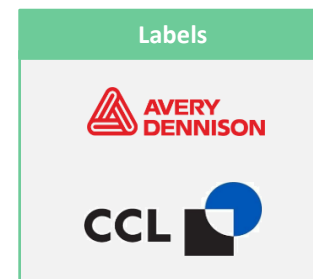
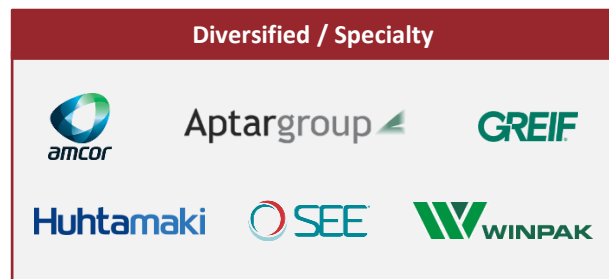
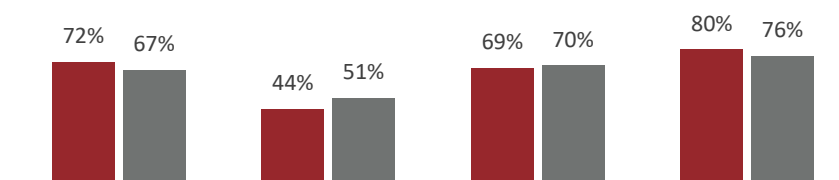
EBITDA Margin

■ LTM ■ NTM



FCF Conversion¹

■ LTM ■ NTM



Public Packaging Companies – Q1 '25 Earnings and Commentary

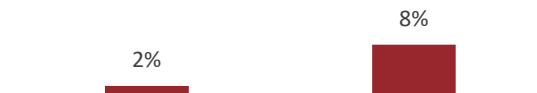
Revenue



Vs. Consensus
Beat / (Miss)

Q1 '25 vs. Q1 '24

EBITDA



Vs. Consensus
Beat / (Miss)

Q1 '25 vs. Q1 '24

EPS



Vs. Consensus
Beat / (Miss)

Q1 '25 vs. Q1 '24

Volume Growth

"In North America, volume returned to growth despite a tough comp and economic pressure on the end consumer."



"First quarter volumes in North American Food advanced 16% on the back of increased demand from vegetable and pet food customers."



"Box demand was solid and exceeded a very strong comparative period in last year's first quarter. Total volume and shipments per day in our corrugated products plants were up 2.5% versus last year's first quarter, when per day shipments were up 11% over the previous year."



Digitalization and Intelligent Packaging Gaining Momentum

"Our innovation platforms, including digitalization, are creating value and aligning with customer needs for data-driven solutions."



"Enterprise-wide Intelligent Labels grew mid-single digits, with strong adoption in apparel and food categories."



"RFID-based technology systems for inventory management continue to drive growth in our Checkpoint segment."



Tariffs

"We continue to see evolving tariff situations impacting our Beauty and Closures segments, but our global footprint allows us to adapt."



"Changes in global trade policies may create both challenges and opportunities, with tariffs impacting 4.5% of our global sales volume."



"We are monitoring tariff impacts and optimizing our supply chain to mitigate inflationary pressures, particularly in the food segment."

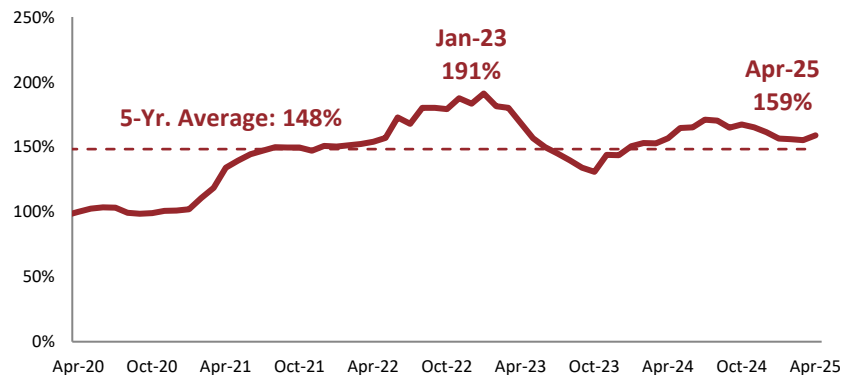


Key Material Price Trends

Pulp, Paper, and Allied Products

(Indexed, Apr-20=100%)

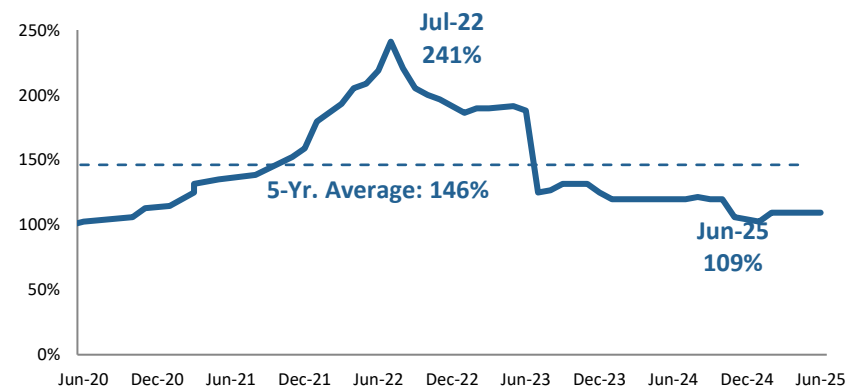
	30 Days	180 Days	1 Year
% Change	2%	(5%)	(3%)



Polyethylene Terephthalate (PET)

(Indexed, Jun-20=100%)

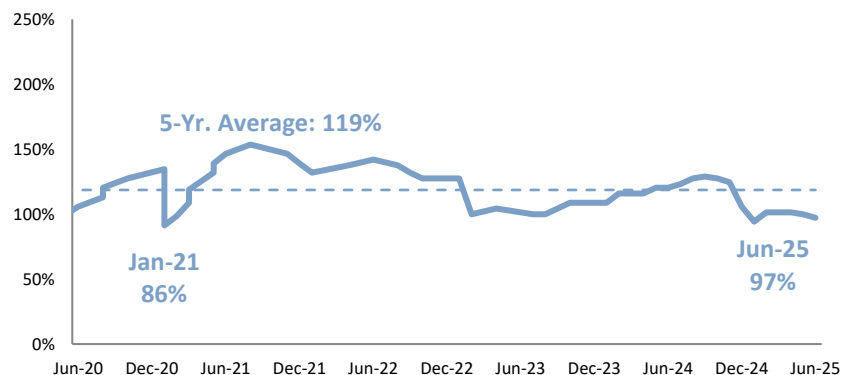
	30 Days	180 Days	1 Year
% Change	-	5%	(9%)



Low-Density Polyethylene (LDPE)

(Indexed, Jun-20=100%)

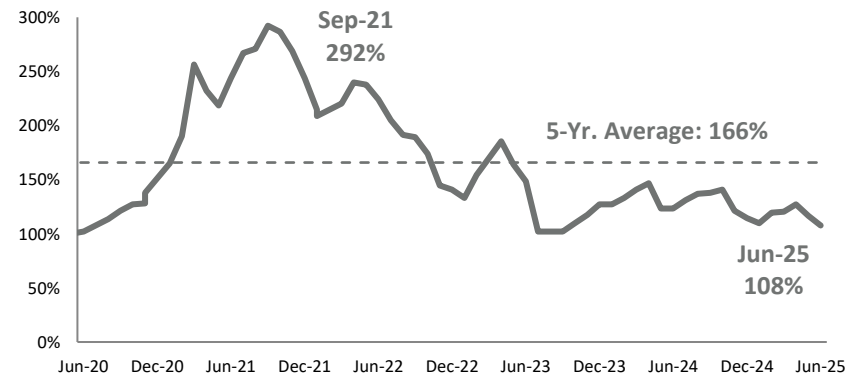
	30 Days	180 Days	1 Year
% Change	(3%)	(8%)	(19%)



Polypropylene (PP)

(Indexed, Jun-20=100%)

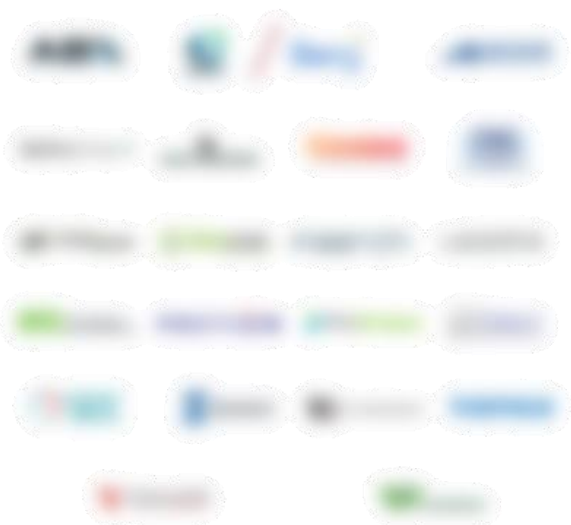
	30 Days	180 Days	1 Year
% Change	(8%)	(10%)	(13%)



Packaging Landscape – Select Participants

To view full market landscape, please contact
PackagingInsights@harriswilliams.com

Plastics



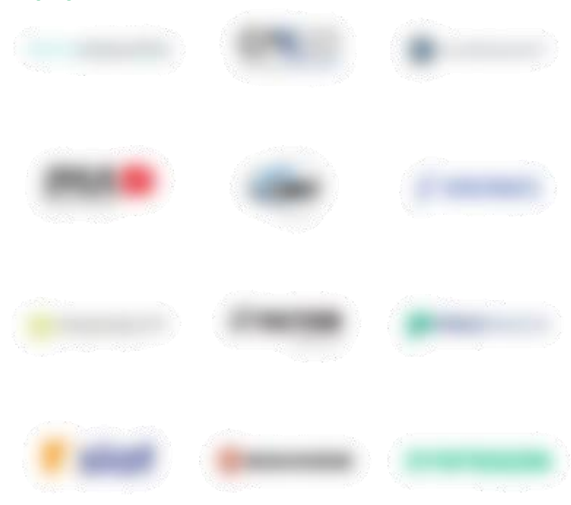
Paper



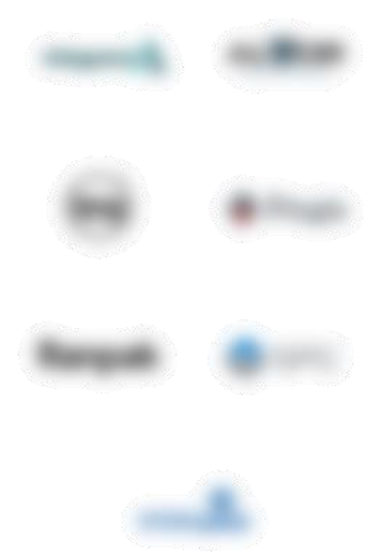
Labels



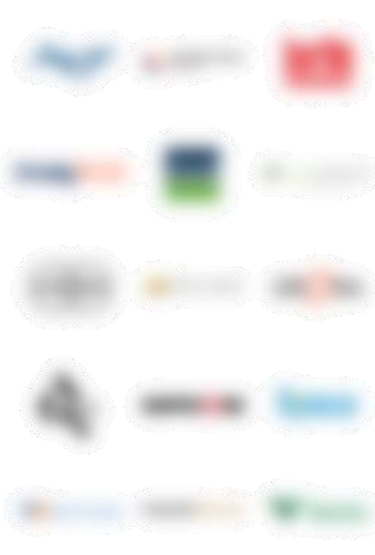
Equipment



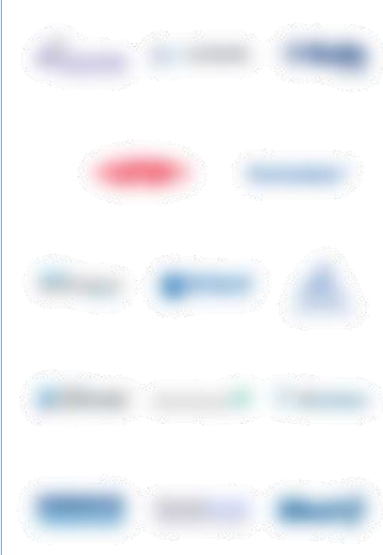
Protective



Services



Healthcare



Harris Williams Packaging Sector Overview

Harris Williams Packaging Contacts

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Plastics	Paper	Healthcare	Protective	Equipment	Services	Labels
<ul style="list-style-type: none">FlexibleRigidThermoformers	<ul style="list-style-type: none">ConsumableSpecialtyCorrugated	<ul style="list-style-type: none">Cold ChainMedical DevicesMedical Plastics	<ul style="list-style-type: none">ConsumerIndustrialProduct Securing	<ul style="list-style-type: none">Pure EquipmentRazor / Razorblade	<ul style="list-style-type: none">Co-ManufacturingDistributionSoftware	<ul style="list-style-type: none">Active PackagingLabelsRFID



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Proven Expertise

Core Values That Drive Success

Aerospace, Defense & Government Services

Business Services

Consumer

Energy, Power & Infrastructure

Healthcare & Life Sciences

Industrials

Technology

Transportation & Logistics

MERGERS & ACQUISITIONS

PRIVATE CAPITAL SOLUTIONS

PRIMARY FUND PLACEMENT



75%

Revenue from repeat clients

87%

Managing Directors promoted from within

30+

Year history

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