



INDUSTRIALS: PLASTICS AND RUBBER

- Plastics and Rubber M&A continues to increase as both strategic and financial buyers pursue transactions. Deal volume had slowed in 2020 due to exposure to the Oil and Gas market, but is strengthening as the industry moves beyond the global COVID-19 pandemic.
- The plastics and rubber indices have outperformed the S&P 500 by a considerable measure since the U.S. Presidential Election in November, further supporting expectations for strong sector performance in the near-term.
- The Purchasing Managers' Index (PMI) has continued to its strong performance over the last 12 months, maintaining a positive outlook for the manufacturing and industrials sector for the remainder of 2021.
- EdgePoint expects increasing deal momentum in the Plastics and Rubber industry throughout the remainder of 2021 as large companies return to normal operations and the threat from the global pandemic subsides. Further, small company transactions are likely to increase in the United States due to potential changes to capital gains and income tax policies.

RECENT TRANSACTIONS (SELECTED)

Target	Date	Buyers / Investors	Region	Strategic / Financial
Piedmont Polymers & Fabrication, LLC	Apr 19	C & K Plastics, Inc.	US	Strategic
Ritter GmbH	Apr 12	Avantor Performance Materials, LLC	EMEA	Strategic
Dura Plastic Products, Inc.	Apr 9	Tigre USA Inc.	US	Strategic
Rematech Industries Inc.	Apr 2	Belterra Corporation	US	Strategic
Kessel (Thailand) Co., Ltd.	Apr 2	SiamEast Solutions Public Company Limited	APAC	Strategic
Liberty Tire Recycling LLC	Apr 1	Energy Capital Partners, LLC	US	Financial
Fengze Intelligent Equipment Co.,Ltd.	Mar 18	Keshun Waterproof Technology Co., Ltd.	APAC	Financial-Backed Strategic
Cooper Tire & Rubber Company	Feb 22	The Goodyear Tire & Rubber Company	US	Strategic
Active Industrial Solutions, Inc.	Feb 19	Concours Technologies Inc.	US	Financial-Backed Strategic
International Rubber Products, Inc.	Feb 18	Integrated Polymer Solutions Group	US	Financial-Backed Strategic
Jadcore, Inc.	Feb 16	Revolution	US	Financial-Backed Strategic
Dura-Cast Products, Inc.	Feb 8	Tank Holding Corp.	US	Financial-Backed Strategic
Ancal Plásticos SA	Feb 5	Oxy Capital	EMEA	Financial
Poseidon Plastics Ltd.	Feb 3	Curzon Energy Plc	EMEA	Strategic
HERO GmbH	Jan 29	Blue Cap AG	EMEA	Financial-Backed Strategic
Distropol Limited	Jan 22	GPD Companies, Inc.	EMEA	Strategic
Wright Engineered Plastics, Inc.	Jan 20	Seaway Plastics Engineering LLC	US	Financial-Backed Strategic
Built-Rite Tool & Die, Inc.	Jan 19	Trinity Private Equity Group; Akoya Capital, LLC; Beacon Mfg	US	Financial
Diversified Manufacturing Technologies, Inc.	Jan 11	Roembke Mfg. & Design, INC.	US	Strategic

For more information and insight please contact the EdgePoint Industrials team:

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M&A
Advisory
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EdgePoint Public Comparable Index Constituents

Plastics / Polymers Index

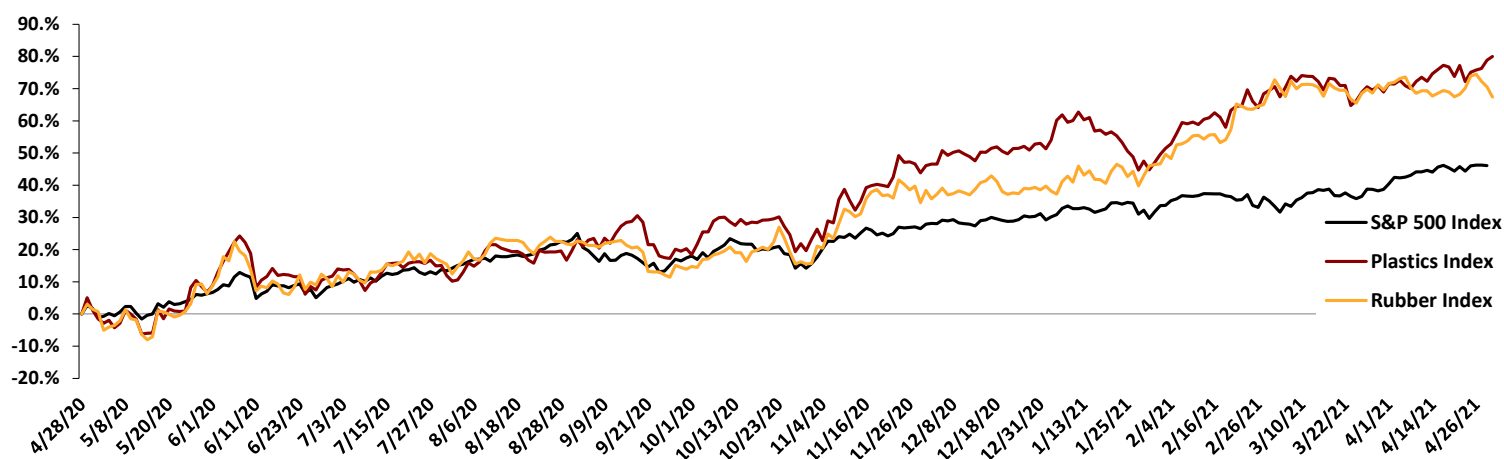
Company Name	Enterprise Value (EV)	LTM Margins		EBITDA		EV/EBITDA		Revenue LTM	Revenue Growth		Stock Price	% of 52 Wk High
		Gross	EBITDA	LTM	2021E	LTM	2021E		LTM	3-Yr. CAGR		
Avery Dennison Corporation	\$19,556	27.9%	15.6%	\$1,137	\$1,254	16.4x	15.7x	\$7,300	3.5%	2.3%	\$213.71	98.5%
Berry Global Group, Inc.	19,049	20.8%	18.3%	2,204	2,208	8.1x	8.6x	12,029	23.7%	17.7%	63.58	99.8%
Clariant AG	8,206	31.2%	15.4%	671	739	10.9x	11.0x	4,363	-12.3%	-15.4%	20.93	92.3%
Core Molding Technologies, Inc.	117	15.5%	9.2%	21	0	5.4x	0.0x	222	-21.8%	11.2%	11.33	75.9%
Dow Inc.	62,040	13.4%	14.0%	5,701	9,669	9.2x	6.5x	40,654	-2.6%	0.0%	62.68	93.2%
Essentra plc	1,627	6.9%	11.3%	139	182	10.4x	9.0x	1,224	-8.0%	-4.4%	4.39	92.6%
Ferro Corporation	2,062	30.6%	13.1%	125	181	15.1x	11.5x	959	-5.5%	-1.3%	16.75	90.0%
Intertape Polymer Group Inc.	1,933	23.9%	14.3%	173	231	10.2x	8.4x	1,213	4.7%	10.5%	24.45	96.5%
LyondellBasell Industries N.V.	50,345	12.2%	12.5%	3,478	6,972	11.9x	7.4x	27,753	-20.1%	-7.0%	104.23	92.5%
Myers Industries, Inc.	875	33.7%	12.2%	62	76	13.3x	11.6x	510	-1.0%	-2.3%	22.38	93.3%
Avient Corporation	5,998	25.5%	12.6%	467	516	12.0x	11.5x	3,693	30.8%	3.5%	50.66	97.5%
Solvay SA	16,034	25.8%	18.1%	2,157	2,445	6.9x	6.5x	11,883	-13.5%	-4.0%	127.27	96.9%
Tredegar Corporation	632	22.6%	13.5%	102	0	6.0x	0.0x	755	-8.6%	-7.7%	14.80	62.4%
Westlake Chemical Corporation	15,445	13.6%	16.0%	1,204	2,169	12.2x	7.2x	7,504	-7.6%	-2.3%	95.02	97.2%
Median		23.2%	13.8%	569	628	10.6x	8.5x	4,028	-6.5%	-1.8%	37.6	93.2%
Mean		21.7%	14.0%	1,260	1,903	10.6x	9.6x	8,576	-2.7%	0.1%	59.4	91.3%

Rubber Index

Company Name	Enterprise Value (EV)	LTM Margins		EBITDA		EV/EBITDA		Revenue LTM	Revenue Growth		Stock Price	% of 52 Week High
		Gross	EBITDA	LTM	2021E	LTM	2021E		LTM	3-Yr. CAGR		
Michelin	\$30,351	27.9%	16.6%	\$4,157	\$5,250	7.2x	5.8x	\$25,039	-15.2%	-2.3%	\$144.77	91.6%
Cooper Tire & Rubber Company	2,725	19.2%	14.8%	373	478	6.6x	5.8x	2,521	-8.4%	-4.1%	57.01	96.6%
Goodyear Tire & Rubber Company	9,959	18.4%	6.2%	788	1,421	9.0x	6.8x	12,776	-10.0%	-6.3%	17.34	89.4%
Median		19.2%	14.8%	788	1,421	7.2x	5.8x	12,776	-10.0%	-4.1%	57.01	91.6%
Mean		21.8%	12.5%	1,773	2,383	7.6x	6.1x	13,445	-11.2%	-4.2%	73.04	92.5%

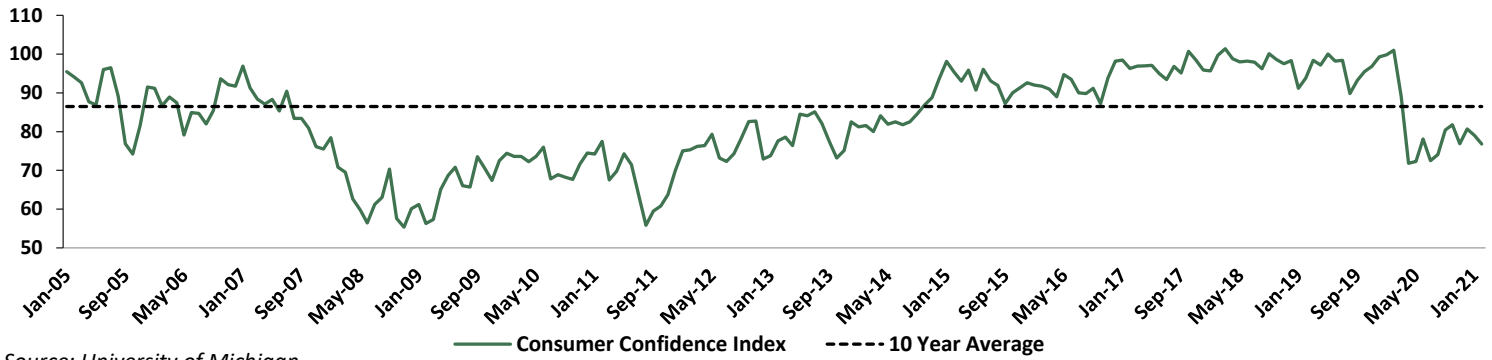
Source: S&P CapIQ (As of April 30, 2021)

Trailing Twelve Months Stock Performance

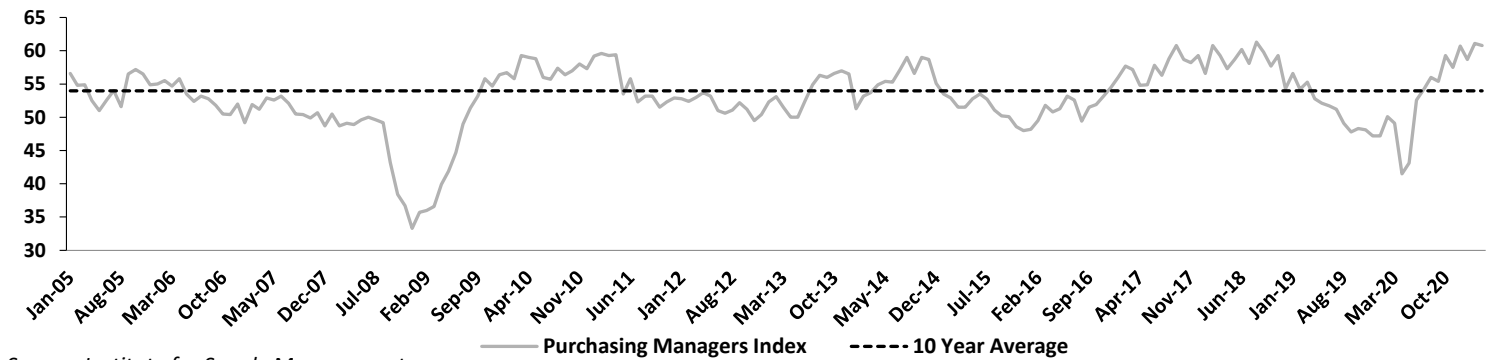


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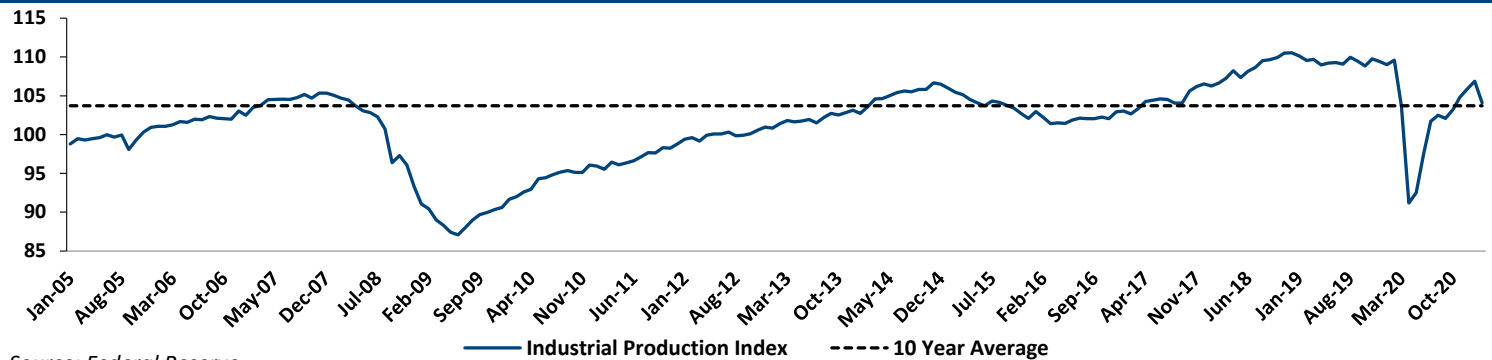
Consumer Confidence Index (2005 - 2021)



Purchasing Managers Index (2005 - 2021)



Industrial Production Index (2005 - 2021)



U.S. Real GDP Growth (2004 - 2021)

