



Quarterly Update

- Strategic and financial acquirers were active buyers of injection molding and plastic pellet compounding businesses over the last four months.
- Private equity-backed strategic buyers were the most active through April 2023. Platforms looked to increase market share and diversify end-market exposure through add-on acquisitions in the plastics industry.
- EdgePoint's plastic index underperformed the S&P 500 through April. EdgePoint's rubber index has been in-line with broader market performance over the same period.
- U.S. GDP grew at a rate of 1.1% during the 1st quarter, which is down from 2.6% for the 4th quarter of 2022. April Manufacturing PMI grew 0.8% from the prior month. The expansion in April comes after four consecutive months of contraction.
- EdgePoint expects deal volume in plastics and rubber industries to remain at its current level. Key issues EdgePoint continues to watch include the federal government debt-ceiling negotiations, increased pressure on regional banks, the Federal Reserve's decision on future rate hikes, consumer spending, and slowing economic growth.

Recent Industrials Transactions (Selected)



For more information and insights, please contact the EdgePoint Industrials Group:



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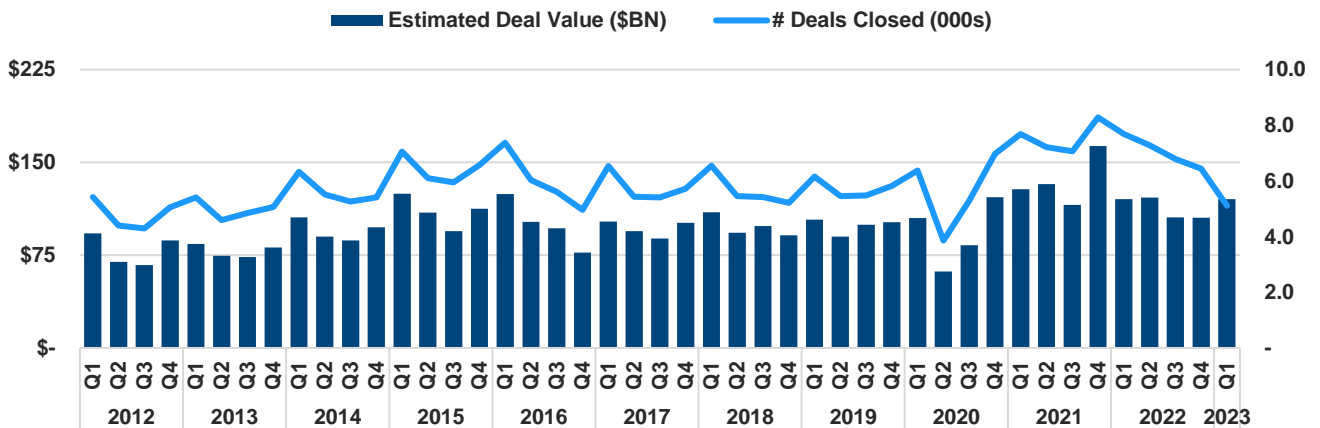
Industrials: Plastics & Rubber | April 2023

Recent Plastics & Rubber Transactions (Selected)

Target	Date	Buyer / Investor	Region (Target)	Buyer / Investor Type
Esterpet Limited	Apr 27	Biffa plc	EMEA	Financial-Backed Strategic
Castino Corporation	Apr 24	Philpott Solutions Group Inc.	United States	Strategic
Paradigm Plastic Pallets, Inc.	Apr 24	Greystone Logistics, Inc.	United States	Strategic
Horizon Plastics & Engineering, Inc.	Apr 21	DexKo Global Inc.	United States	Financial-Backed Strategic
Parkway Products, LLC	Apr 11	Clayens NP Group	United States	Financial
Nu-Pro Polymers, Inc.	Apr 11	Teknor Apex Company, Inc.	United States	Financial-Backed Strategic
Midwest Container	Apr 4	Hub Plastics, Inc.	United States	Strategic
Whitefield Plastics Corporation	Apr 3	Mearthane Products Corporation	United States	Financial
RACLOT Industries S.A.S.	Apr 3	Meteor GmbH	EMEA	Financial-Backed Strategic
Griswold L.L.C.	Mar 23	Mechanical Rubber Products, Inc.	United States	Financial
Quality Holdings, LLC	Mar 20	Red Line Plastics, LLC	United States	Strategic
Marchel Industries, Inc.	Mar 15	Plastifab Industries Inc.	United States	Financial-Backed Strategic
Suway S.A.	Feb 27	Plast-Box S.A.	EMEA	Strategic
Cavaform, Inc.	Feb 14	SyBridge Technologies	United States	Financial-Backed Strategic
Container Services, Inc.	Feb 13	Shore Capital Partners, LLC	United States	Financial
Halcyon Agri Corporation Limited	Feb 3	China Rubber Investment Group	EMEA	Financial
Aarts Packaging B.V.	Feb 1	TriMas Corporation	EMEA	Strategic
Poly-Tech Plastic Molding, Inc.	Jan 12	Arcane Capital Partners	United States	Financial
Evans Manufacturing, Inc.	Jan 9	HPG	United States	Financial-Backed Strategic

Source: S&P Capital IQ (May 1, 2023)

Global Lower-Middle Market Quarterly Deal Flow



Lower-middle market refers to deals valued at \$100 million or less

Source: Pitchbook (January 31, 2023)

Industrials: Plastics & Rubber | April 2023

EdgePoint Public Comparable Index Constituents

Plastics / Polymers Index

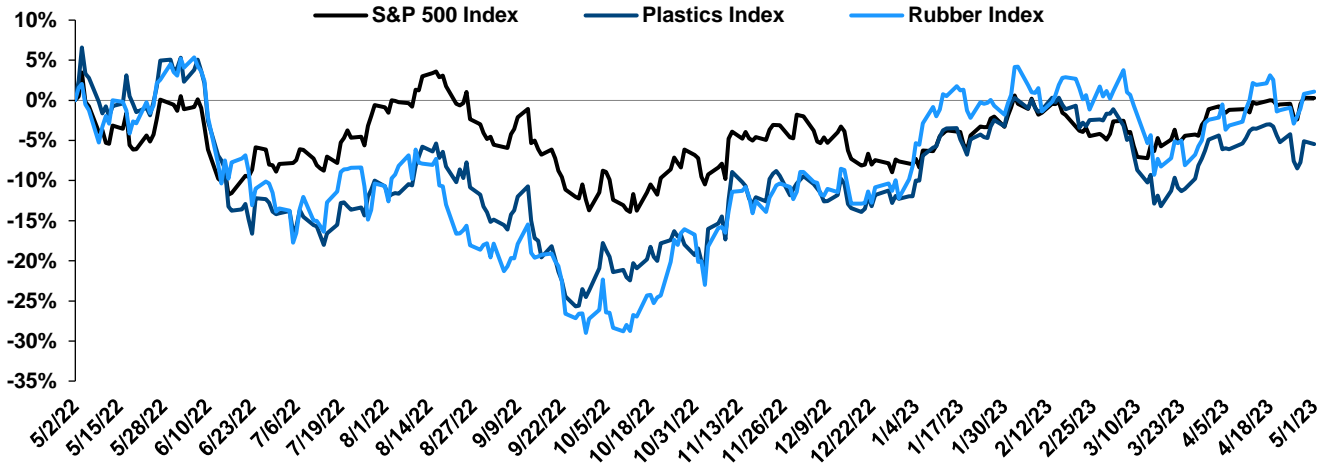
Company Name	Enterprise Value (EV)	LTM Margins		EBITDA		EV/EBITDA		Revenue		Revenue Growth		Stock Price	% of 52 Wk High
		Gross	EBITDA	LTM	2022E	LTM	2022E	LTM	LTM	3-Yr. CAGR			
Avery Dennison Corporation	17,376	26.3%	14.5%	1,271	1,362	12.9x	12.8x	8,755	0.6%	7.5%	174.68	85.5%	
Berry Global Group, Inc.	16,323	17.3%	15.2%	2,054	2,125	7.8x	7.7x	13,495	-8.1%	7.9%	57.95	87.5%	
Clariant AG	5,807	28.7%	15.6%	813	847	6.4x	6.9x	5,198	18.9%	5.7%	14.86	75.4%	
Core Molding Technologies, Inc.	204	14.4%	8.3%	32	33	6.2x	6.1x	386	18.8%	11.9%	19.38	98.5%	
Dow Inc.	51,442	13.3%	13.6%	7,259	6,336	6.0x	8.1x	53,489	-8.3%	8.6%	54.11	76.4%	
Essentra plc	506	7.4%	9.1%	31	66	13.9x	7.6x	338	12.0%	-29.7%	2.07	62.7%	
LyondellBasell Industries N.V.	41,830	12.5%	11.7%	5,570	5,648	6.8x	7.4x	47,541	-5.4%	12.4%	93.52	79.8%	
Myers Industries, Inc.	805	31.8%	11.3%	101	99	7.1x	8.1x	890	9.5%	21.3%	19.04	71.9%	
Avient Corporation	5,144	28.6%	14.1%	471	532	9.8x	9.7x	3,350	10.0%	5.9%	38.76	74.0%	
Solvay SA	13,164	26.5%	22.0%	3,519	2,820	3.7x	4.7x	15,986	27.7%	13.1%	108.85	96.4%	
Tredegar Corporation	446	13.5%	5.4%	48	-	6.7x	0.0x	894	1.8%	5.1%	9.34	73.7%	
Westlake Chemical Corporation	18,284	23.7%	23.8%	3,591	2,877	4.4x	6.4x	15,094	12.0%	23.4%	113.37	80.3%	
Median		20.5%	13.8%	1,042	1,105	6.8x	7.5x	6,977	9.8%	8.2%	46.4	78.1%	
Mean		20.3%	13.7%	2,063	1,896	7.6x	7.1x	13,785	7.4%	7.7%	58.8	80.2%	

Rubber Index

Company Name	Enterprise Value (EV)	LTM Margins		EBITDA		EV/EBITDA		Revenue		Revenue Growth		Stock Price	% of 52 Wk High
		Gross	EBITDA	LTM	2022E	LTM	2022E	LTM	LTM	3-Yr. CAGR			
Michelin	25,178	26.4%	17.7%	5,064	5,218	4.8x	4.8x	28,590	20.2%	5.8%	28.83	93.2%	
The Goodyear Tire & Rubber Company	10,954	17.7%	8.0%	1,661	1,981	5.1x	5.5x	20,838	10.4%	13.6%	10.96	69.9%	
Pirelli & C. S.p.A.	7,842	67.1%	18.0%	1,243	1,384	5.8x	5.7x	6,901	23.4%	7.1%	4.75	93.8%	
Median		26.4%	17.7%	1,661	1,981	5.1x	5.5x	20,838	20.2%	7.1%	10.96	93.2%	
Mean		37.1%	14.6%	2,656	2,861	5.2x	5.3x	18,776	18.0%	8.8%	14.85	85.6%	

Source: S&P Capital IQ (May 1, 2023)

EdgePoint Public Comparable Index Trailing Twelve Months Stock Performance

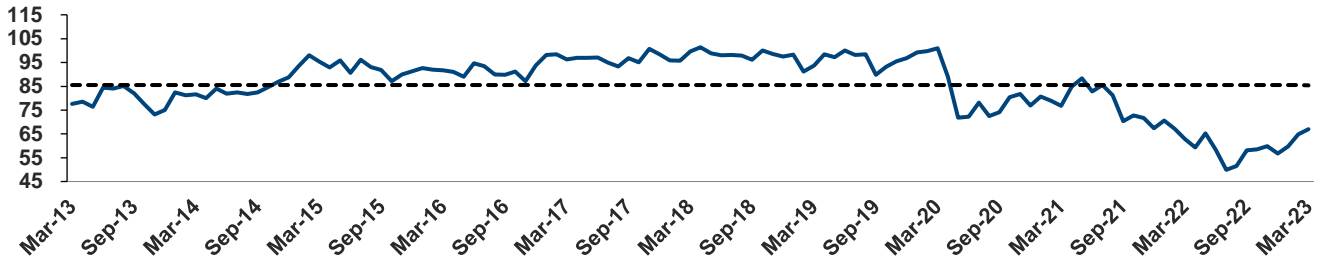


Source: S&P Capital IQ (May 1, 2023)

Industrials: Plastics & Rubber | April 2023

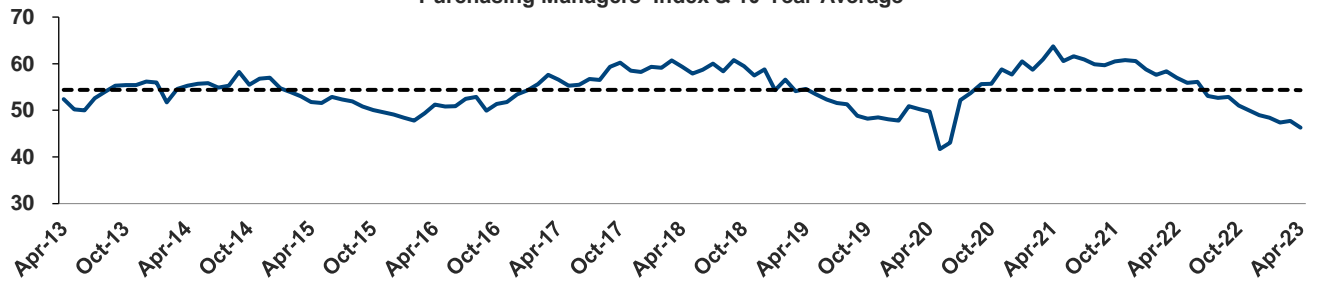
Key Macroeconomic Indicators

University of Michigan Consumer Confidence Index & 10-Year Average



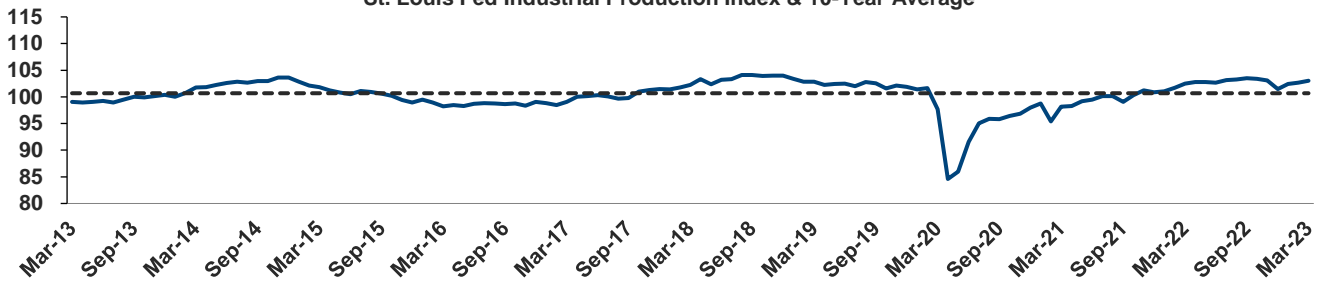
Source: University of Michigan

Purchasing Managers' Index & 10-Year Average



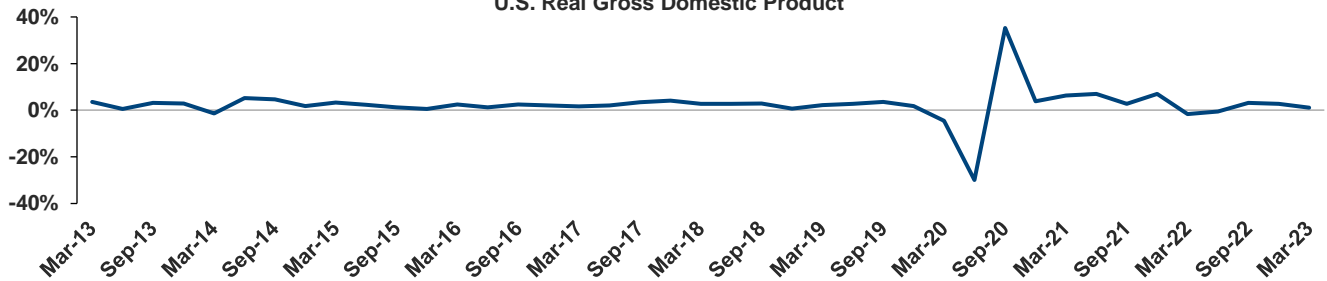
Source: Institute for Supply Management

St. Louis Fed Industrial Production Index & 10-Year Average



Source: The Federal Reserve Bank of St. Louis

U.S. Real Gross Domestic Product



Source: Bureau of Economic Analysis