



## Sonoco to Divest Europe Contract Packaging Business to Prairie Industries Holdings backed by The Halifax Group

October 12, 2020

HARTSVILLE, S.C., Oct. 12, 2020 (GLOBE NEWSWIRE) -- Sonoco (NYSE: SON), one of the most diversified global packaging companies, today announced it has signed an agreement to sell its Europe contract packaging business to Prairie Industries Holdings, a Wisconsin-based contract packaging and contract manufacturing firm backed by The Halifax Group, a Washington, D.C.-based global investment firm, for \$120 million in cash. The transaction is subject to normal closing requirements and is expected to be completed in the fourth quarter of 2020.

Sonoco's Europe contract packaging business (Sonoco Poland Packaging Services Sp. z o.o.) produced net sales of approximately \$300 million in 2019 and provides full-service custom packaging and supply chain management solutions to global consumer product goods companies through six contract packaging facilities in three locations and a warehouse all in Poland. The business is part of Sonoco's Display and Packaging segment and has approximately 2,600 employees.

According to Howard Coker, Sonoco President and Chief Executive Officer, the divestiture is part of the Company's efforts to simplify its operating structure to focus on growing its core Consumer and Industrial packaging businesses. Net proceeds from the transaction are expected to be used to reduce short-term debt and further improve the Company's strong liquidity position.

"Since opening our Europe contract packaging business with a single customer 20 years ago, we have built this business to serve some of the best known global consumer product brands supplying consumers in more than 40 countries in Europe, the Middle East, Africa and Asia," said Coker. "I want to thank our dedicated management team and employees in our contract packaging operations in Poland for their contributions to Sonoco and wish them the best as part of the Halifax family of companies."

Scott Lamb, Chief Executive Officer of Prairie Industries Holdings, welcomed the Sonoco Europe contract packaging team to the Prairie organization saying, "the team's outstanding reputation for quality service in Europe, along with a portfolio of world-class facilities, will position the combined business as a global contract packaging leader. We look forward to serving our customers with an enhanced set of capabilities, provided on a global basis."

Rothschild & Co was financial advisor for Sonoco on the transaction. Haynsworth Sinkler Boyd served as legal advisor and was assisted in Poland by DWF Poland Jamka sp.k.

### Sonoco to Report Third Quarter 2020 Financial Results on October 22

Sonoco will release its third quarter financial results before the market opens on October 22, 2020, and management will host a conference call and webcast to further discuss results beginning at 11 a.m. Eastern Time. The news release, live conference call and corresponding presentation can be accessed at <http://investor.sonoco.com>. A telephonic replay of the call will be available starting at 2 p.m. ET, to U.S. callers at 855-859-2056 and international callers at +404-537-3406. The replay passcode for both U.S. and international calls is 3164913. The archived call will be available through November 1, 2020. The webcast call also will be archived in the Investor Relations section of Sonoco's website.

### About Sonoco

Founded in 1899, Sonoco (NYSE: SON) is a global provider of a variety of consumer packaging, industrial products, protective packaging, and displays and packaging supply chain services. With annualized net sales of approximately \$5.4 billion, the Company has 23,000 employees working in approximately 300 operations in 36 countries, serving some of the world's best known brands in some 85 nations. Sonoco is committed to creating sustainable products, services and programs for our customers, employees and communities that support our corporate purpose of *Better Packaging. Better Life*. The Company ranked first in the Packaging sector on Fortune's World's Most Admired Companies for 2020 as well as Barron's 100 Most Sustainable Companies. For more information, visit [www.sonoco.com](http://www.sonoco.com).

### About Prairie Industries Holdings

Founded in 1994, Prairie Industries Holdings, along with its subsidiary Nu-Pak, is a leading contract packaging and contract manufacturing business specializing in consumer goods and food products. The Prairie Industries division offers a wide range of packaging, converting, manufacturing and warehousing services for consumer, household and industrial products. The Nu-Pak division is a USDA and FDA certified food converting company focused on ready-to-eat food manufacturing and packaging. The company is headquartered in Prairie du Chien, WI. For more information, visit [www.pind.com](http://www.pind.com) and [www.nu-pak.com](http://www.nu-pak.com).

### About The Halifax Group

Founded in 1999, The Halifax Group is a global investment firm that partners with managers and entrepreneurs to recapitalize and grow lower middle-market businesses with total enterprise values generally between \$50 million and \$300 million. Halifax specializes in equity recapitalizations, corporate carve-outs and management buyouts and invests across a variety of industries, including outsourced business services, health and wellness and franchising. The firm is headquartered in Washington, D.C. For more information, please visit [www.thehalifaxgroup.com](http://www.thehalifaxgroup.com).

Contact:  
Roger Schrum

+843-339-6018

[roger.schrump@sonoco.com](mailto:roger.schrump@sonoco.com)



Source: Sonoco Products Company