



Sonoco Announces Agreement for the Divestiture of its Protective Solutions Packaging Business as Part of Planned Portfolio Optimization Strategy

January 30, 2024

HARTSVILLE, S.C., Jan. 30, 2024 (GLOBE NEWSWIRE) -- Sonoco Products Company ("Sonoco" or the "Company")(NYSE: SON), one of the largest global sustainable packaging companies, today announced that certain of its subsidiaries entered into a definitive agreement to sell its Protective Solutions business to Black Diamond Capital Management, LLC ("Black Diamond") for an estimated \$80 million in cash. The transaction is subject to customary closing conditions and is expected to be completed in the first half of 2024. This sale is the result of Sonoco's continuing evaluation of its business portfolio and is consistent with its strategic and investment priorities.

Sonoco's Protective Solutions business is one of North America's premier manufacturers of molded expanded polypropylene and expanded polystyrene foam components and integrated material solutions serving the automotive, power sports, impact surfaces, HVAC, electronics/technology, appliances, and various other industrial end markets. The business operates nine manufacturing facilities and has approximately 900 employees. Net sales were approximately \$170 million in 2023. Financial results for Protective Solutions are reported in Sonoco's All Other Businesses reporting segment.

"We believe this divestiture builds on our previously articulated strategy to divest non-core assets and to refocus our efforts on core businesses to achieve greater scale, profitability, and market leadership," said Howard Coker, President and CEO of Sonoco. "I personally would like to thank the entire Protective Solutions team for their years of delivering quality products and outstanding customer service on behalf of Sonoco. We know their knowledge, experience, and leadership will be greatly valued by their new owner and wish the entire team much continued success in the future."

Raymond James is acting as the exclusive financial adviser and Jones Day is acting as legal advisor to Sonoco in connection with this transaction.

Greenberg Traurig, LLP is acting as the legal advisor to Black Diamond in connection with this transaction.

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About Sonoco

Founded in 1899, Sonoco (NYSE:SON) is a global provider of packaging products. With net sales of approximately \$7.3 billion in 2022, the Company has approximately 22,000 employees working in more than 320 operations around the world, serving some of the world's best-known brands. With our corporate purpose of *Better Packaging. Better Life.*, Sonoco is committed to creating sustainable products, and a better world, for our customers, employees and communities. The Company ranked first in the Packaging sector on Fortune's World's Most Admired Companies for 2022 and was also included in Barron's 100 Most Sustainable Companies for the fourth consecutive year. For more information on the Company, visit our website at www.sonoco.com.

About Black Diamond

Black Diamond is a leading privately held alternative asset management firm with over \$10 billion in assets under management across complimentary private equity, hedge fund and CLO/structured strategies. Black Diamond's private equity platform focuses on partnering with middle market companies in market leadership positions, often within sectors characterized by material tangible assets. Black Diamond has significant experience executing corporate carve out transactions from public and private companies including acquisitions of businesses from EBSCO Industries, Hexion Inc, Georgia Pacific and Arcosa Inc, among others. Founded in 1995, Black Diamond is headquartered in Stamford, CT.



Source: Sonoco Products Company