

INDUSTRIALS MONTHLY

OCTOBER 2021

Our Industrials expertise spans key sectors including building products, industrial equipment & technology, equipment rental & distribution, specialty materials and paper & packaging.

Building Products

Industrial Equipment & Technology

Equipment Rental & Distribution

Specialty Chemicals & Materials

Paper & Packaging

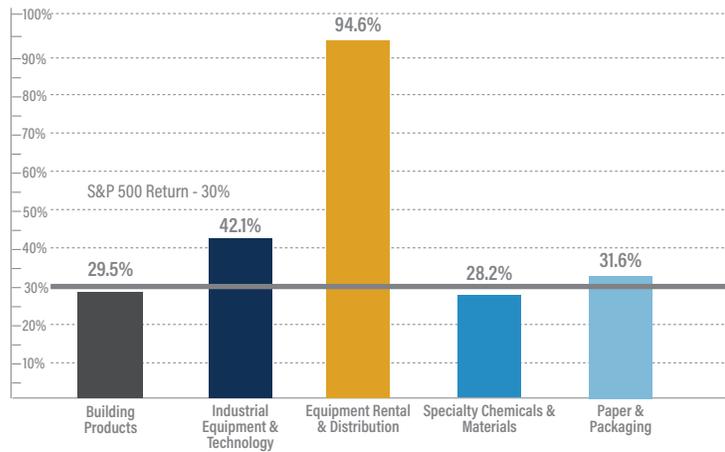
HEADLINE TRANSACTIONS

	TARGET	ACQUIROR	ACQUISITION SYNOPSIS
Building Products			<ul style="list-style-type: none"> PGT Innovations (NYSE:PGT), a manufacturer and supplier of impact-resistant residential windows and doors, has agreed to acquire Anlin Industries for \$126 million Anlin Industries is a manufacturer of vinyl windows and doors intended for the remodel and replacement market, and is recognized as a top regional brand in the western U.S.
Industrial Equipment	 Thermal and Emission Control Materials Business		<ul style="list-style-type: none"> Apollo Global Management, a New-York based private equity firm, agreed to acquire the Thermal and Emission Control Materials Business of Mitsubishi Chemical Corporation for \$759 million The Thermal and Emission Control Materials Business of Mitsubishi Chemical Corporation manufactures thermal and emission control protection materials for the industrial and automotive industries
Equipment Rental & Distribution			<ul style="list-style-type: none"> Guy Rents, a Chico, California-based equipment rental company doing business as Rental Guys, has acquired the assets of American Rents American Rents is a construction equipment rental company with locations in Carson City and Reno, Nevada
Specialty Chemicals & Materials			<ul style="list-style-type: none"> DL Chemical, South Korea's leading petrochemical company, has agreed to acquire Kraton (NYSE:KRA) for \$2.5 billion Kraton, a Texas-based specialty chemicals manufacturer, sells styrenic block copolymers, specialty polymers and other products in the Americas, Europe, Middle East, Africa and Asia Pacific Implied Enterprise Value Multiple (LTM): EBITDA: 10.2x
Paper & Packaging			<ul style="list-style-type: none"> Silgan Holdings (NASDAQ:SLGN), a manufacturer of rigid packaging for consumer goods globally, has acquired Gateway Plastics for \$485 million Gateway Plastics manufactures and markets injection molded plastic packaging solutions and offers packaging development, design and labeling services primarily for the food, pet care, chemical and consumer products industries Implied Enterprise Value Multiples (2021E): Revenue: 3.2x; EBITDA:10.5x

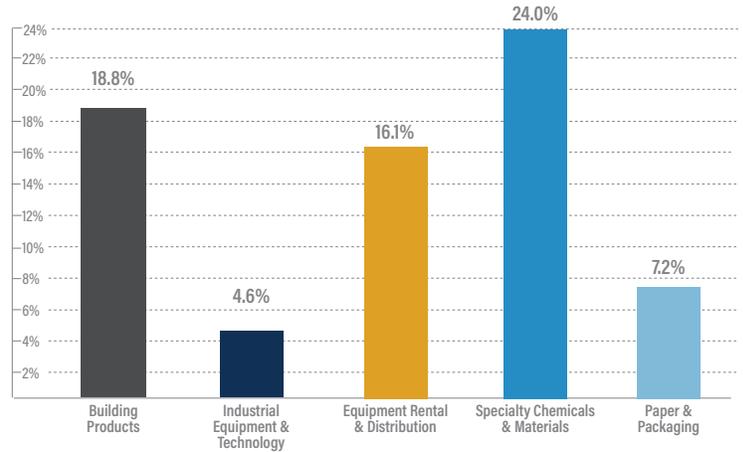
INDUSTRIALS GROWTH & VALUATION TRENDS

Note: Financial Information as of September 30, 2021

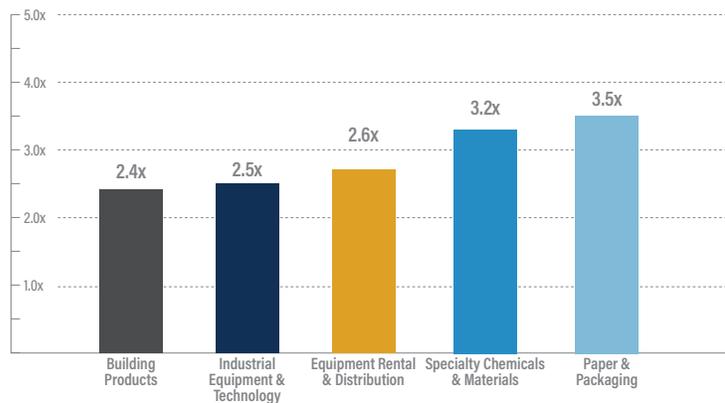
One-Year Stock Return



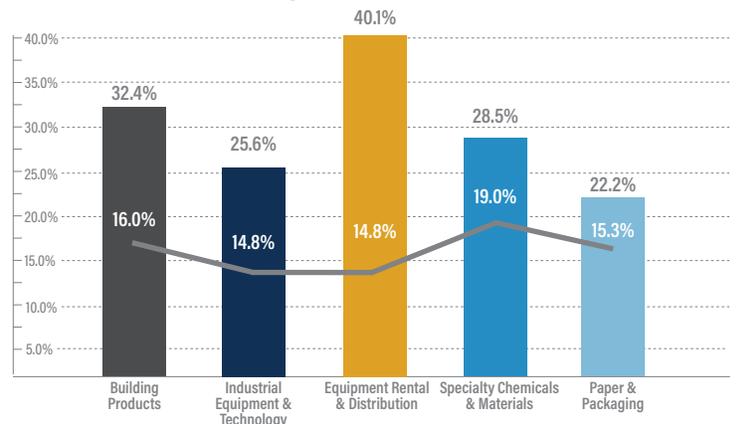
One-Year Revenue Growth



LTM Debt/EBITDA

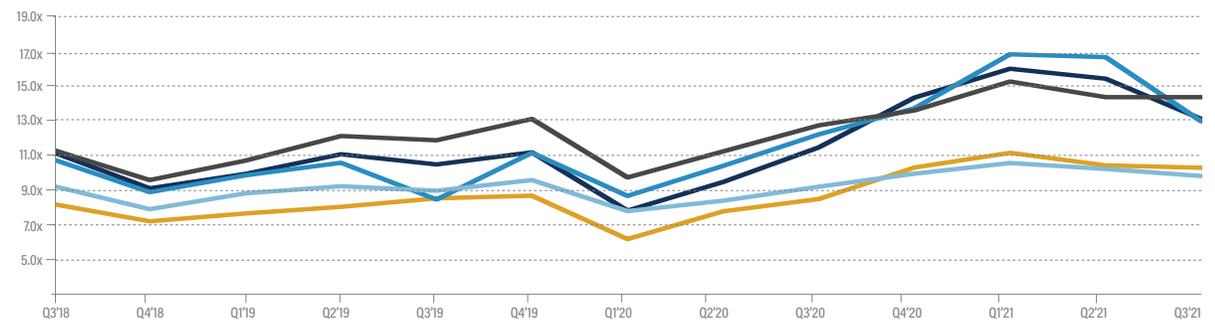


LTM Gross and EBITDA Margins*



*EBITDA Margins shown as the gray line.

TEV/EBITDA



14.3x Building Products 13.1x Industrial Equipment & Technology 10.3x Equipment Rental & Distribution 12.9x Specialty Chemicals & Materials 9.8x Paper & Packaging

SELECTED INDUSTRIALS TRANSACTIONS

Target	Acquiror	Building Products Transactions
Arran Isle	Assa Abloy (STO:ASSA B)	Assa Abloy, the world's largest provider of door opening products, solutions and services, agreed to acquire Arran Isle, a global designer, manufacturer and distributor of a wide variety of building products
Reeb Millwork	Specialty Building Products	Specialty Building Products, a distributor of building materials, agreed to acquire Reeb Millwork, a distributor of building products including entry doors, interior doors, columns, molding, stairs, windows, fireplace mantles and hardware
Capital Wholesale Fence	Fencing Supply Group	Fencing Supply Group, a manufacturer and distributor of fencing supplies, acquired Capital Wholesale Fence, a distributor of fencing materials for commercial, industrial and residential customers

Target	Acquiror	Equipment Rental & Distribution Transactions
Groupe Lou-Tec	Sagard PE, Walter Capital Partners, Investissement Québec and BDC Capital	Sagard, a Toronto-based private equity firm, acquired Groupe Lou-Tec, a heavy machinery and equipment rental provider for commercial, industrial and residential construction and renovations
Tri-Supply and Equipment	White Cap Supply	White Cap Supply, a distributor of specialty concrete and construction products, acquired Tri-Supply and Equipment, a distributor and rental provider of construction equipment and machinery
Soima Cranes	Stafford Crane Group	Stafford Crane Group, offering lifting services and crane rental, acquired Soima Cranes, a Portuguese tower crane manufacturer

Target	Acquiror	Paper & Packaging Transactions
Jackson Paper Manufacturing	H.I.G. Capital	H.I.G. Capital, a Miami-based private equity firm, acquired Jackson Paper Manufacturing, a manufacturer and supplier of corrugating recycled paper to corrugated box makers in the U.S.
Keyes Packaging (Port. Co. of Arbor Investments)	Tekni-Plex	Tekni-Plex, a manufacturer of packaging materials and medical tubing, acquired Keyes Packaging, a manufacturer of protective packaging products made up of recycled materials for the food and beverage industry
Mold-Rite Plastics (Port. Co. of Irving Place Capital)	Clearlake Capital	Clearlake Capital, a Santa Monica-based private equity firm, agreed to acquire Mold-Rite Plastics, a manufacturer and supplier of rigid plastic packaging components for a wide variety of end markets

Selected TM Capital Industrials Experience



Target	Acquiror	Industrial Equipment & Tech. Transactions
RV Group of Airxel	Thor Industries (NYSE:THO)	Thor Industries, a designer and manufacturer of RVs and related parts, acquired the RV Group of Airxel, including its air conditioning, heating, ventilation and related appliance manufacturing businesses, for \$750 million
Pleatco (Port Co. of Align Capital)	Pentair (NYSE:PNR)	Pentair, a provider of various smart water solutions worldwide, agreed to acquire Pleatco, a manufacturer of replacement filter cartridges and filtration products for industrial air and pool/spa markets globally, for \$255 million
Healthway Home Products	AE Industrial Partners	AE Industrial Partners, a Boca Raton-based private equity firm, acquired Healthway Home Products, a manufacturer of indoor air purifiers for medical facilities, clean rooms, residences, hotels, cruise ships and other applications

Target	Acquiror	Specialty Chemicals & Materials
Inpria	JSR (TKS:4185)	JSR, a global manufacturer of a wide range of functional materials, has agreed to acquire Inpria, the world's leader in the design, development and manufacturing of oxide photoresist for extreme ultraviolet lithography, for \$514 million
First Choice Ingredients	Royal DSM	Royal DSM, a global science-based company in Nutrition, Health and Sustainable Living, has agreed to acquire First Choice Ingredients, a leading supplier of dairy-based savory flavorings, for \$453 million
Epoxides Business of Arkema	Cargill	Cargill, a leading vegetable oil producer, has agreed to acquire Arkema's Epoxides Business, which produces epoxides by reacting oils with hydrogen peroxide, for \$39 million

TM Capital's Industrials Contacts

Gregory Robertson
Chairman
groberson@tmcapital.com
212.809.1410

David Felts
Managing Director
dfelts@tmcapital.com
404.995.6252

Allan Cruickshanks
Managing Director
acruickshanks@tmcapital.com
808.387.4485

Paul Smolevitz
Managing Director
psmolevitz@tmcapital.com
212.809.1416

Anthony Giorgio
Managing Director,
Specialty Chemicals & Materials
agiorgio@tmcapital.com
212.809.1428

Andy Krna
Managing Director
akrna@tmcapital.com
212.809.1442

Jonathan Mishkin
Managing Director
jmishkin@tmcapital.com
212.809.1413

Jerome Romano
Managing Director
jromano@tmcapital.com
617.259.2206

Steve Hunter
Managing Director,
Sponsor Coverage
shunter@tmcapital.com
404.995.6232