

# INDUSTRIALS MONTHLY

DECEMBER 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

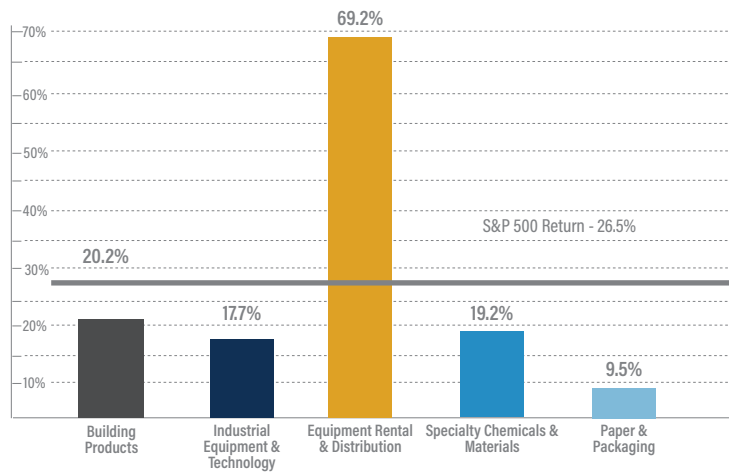
## HEADLINE TRANSACTIONS

	TARGET	ACQUIROR	ACQUISITION SYNOPSIS
Building Products	   A PORTFOLIO COMPANY OF 		<ul style="list-style-type: none"> <li>TM Capital served as exclusive financial advisor to SBS Holdings, LLC ("SBS"), a portfolio company of LongWater Opportunities, in connection with its recapitalization by Monument MicroCap Partners</li> <li>Based in Tremonton, Utah, SBS is a specialty interior building products component platform consisting of two market facing brands, San Benito Shutter and Lewis Cabinet Specialties, that sell directly to professional installers, assemblers and manufacturers, primarily addressing residential interior renovations</li> </ul>
Industrial Equipment		 A PORTFOLIO COMPANY OF 	<ul style="list-style-type: none"> <li>TM Capital served as exclusive financial advisor to Duro Dyne National Corp., a leading manufacturer and distributor of mission-critical HVAC sheet metal components and accessories, in its sale to NSI Industries, a portfolio company of Odyssey Investment Partners</li> <li>NSI Industries is a leading manufacturer and distributor of a wide variety of electrical products serving electrical distributors and contractors in the North American commercial and industrial markets; the acquisition of Duro Dyne represents NSI's entry into the HVAC industry</li> </ul>
Equipment Rental & Distribution	 		<ul style="list-style-type: none"> <li>Herc Holdings (NYSE:HRI), a heavy equipment rental company, has acquired Reliable Equipment and SkyKing Lifts, in two separate transactions</li> <li>Reliable Equipment is a provider of heavy equipment rentals including boom lifts and excavators for the industrial and construction industries</li> <li>SkyKing Lifts is a provider of aerial lift services for lifting heavy equipment and goods using skyjack and hybrid scissor lift methods</li> </ul>
Specialty Chemicals & Materials	 A PORTFOLIO COMPANY OF 		<ul style="list-style-type: none"> <li>Sika (SWX:SIKA), a Switzerland-based manufacturer of specialty chemicals, agreed to acquire MBCC Group for \$6.0 billion</li> <li>MBCC Group is the former BASF Construction Chemicals, a leading supplier of construction chemicals worldwide</li> <li>Implied Enterprise Value Multiple (2022P): EBITDA: 11.5x</li> </ul>
Paper & Packaging			<ul style="list-style-type: none"> <li>Transcontinental (TSX:TCL.A), a Canadian printer and flexible packaging provider, acquired H.S. Crocker</li> <li>H.S. Crocker engages in the design, manufacture, and supply of printed packaging solutions to the food, dairy, and pharmaceutical industries in the U.S.</li> </ul>

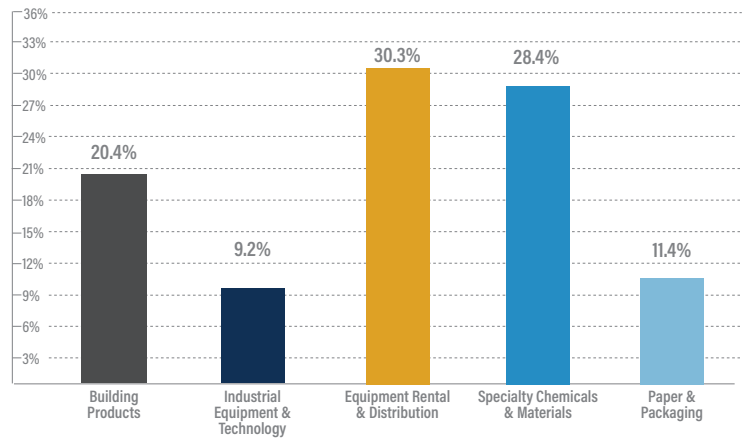
# INDUSTRIALS GROWTH & VALUATION TRENDS

Note: Financial Information as of November 30, 2021

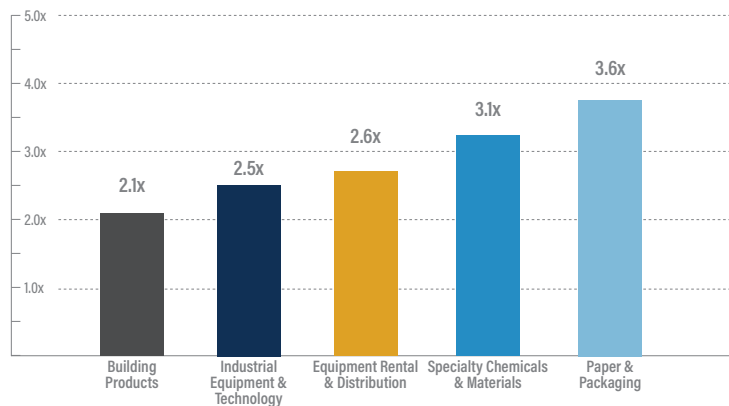
## One-Year Stock Return



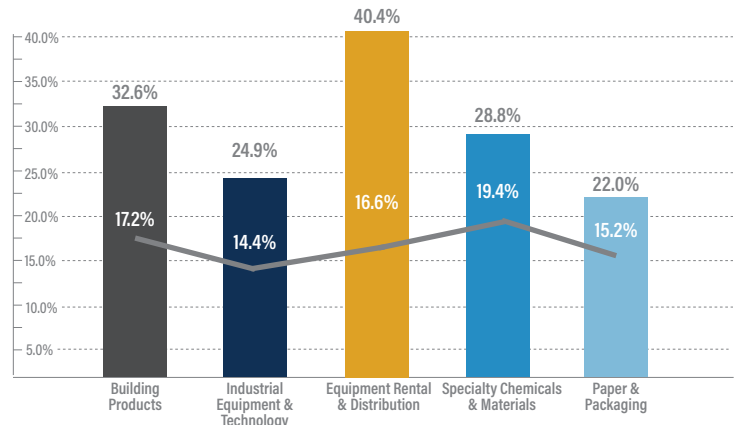
## One-Year Revenue Growth



## LTM Debt/EBITDA

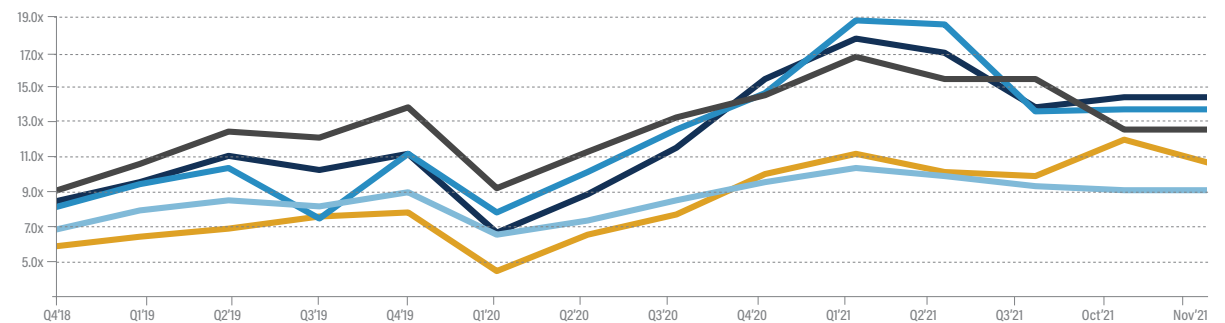


## LTM Gross and EBITDA Margins\*



\*EBITDA Margins shown as the gray line.

## TEV/EBITDA



12.2x Building Products    13.5x Industrial Equipment & Technology    10.7x Equipment Rental & Distribution    13.1x Specialty Chemicals & Materials    9.7x Paper & Packaging

# SELECTED INDUSTRIALS TRANSACTIONS

Target	Acquiror	Building Products Transactions
PFB Corp. (TSX:PFB)	The Riverside Company	The Riverside Company, a New York-based private equity firm, agreed to acquire PFB, a manufacturer of insulating building products for the residential, industrial and commercial end markets, for \$151 million

Re-Bath	TZP Group	TZP Group, a New York-based private equity firm, acquired Re-Bath, a manufacturer and remodeler of bathtubs, shower liners, shower surrounds and accessories
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AHF Products (Port. Co. of American Industrial Partners)	Paceline Equity	Paceline Equity, a Dallas-based private equity firm, agreed to acquire AHF Products, a designer and manufacturer of hardwood flooring products
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Target	Acquiror	Equipment Rental & Distribution Transactions
JMS Crane and Rigging	TNT Crane & Rigging	TNT Crane & Rigging, a provider of specialized crane services, acquired JMS Crane and Rigging, a full-service mobile crane and heavy haul transportation provider primarily serving the wind, power, petrochemical and refining markets

Owen Equipment	Wynnchurch Capital	Wynnchurch Capital, an Illinois-based private equity firm, acquired Owen Equipment, a distributor of sweepers, vacuum excavators and sewer cleaning trucks to municipal, utility and commercial customers
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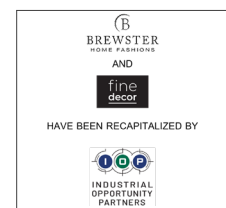
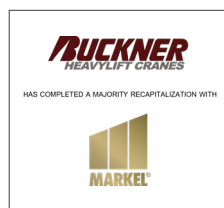
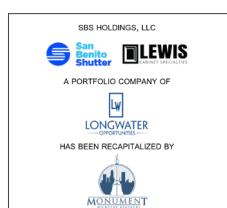
Advantage Materials Handling	Wolter	Wolter, a distributor of material handling equipment, lift trucks, fleet solutions and power systems acquired Advantage Materials Handling, a distributor of forklifts and material handling equipment
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Target	Acquiror	Paper & Packaging Transactions
Savage Universal	The Vitec Group (LSE:VTC)	The Vitec Group, a provider of products and solutions for the image capture and share market, acquired Savage Universal, a manufacturer of board and paper products to the photographic, picture framing and art supply/craft industries, for \$54 million

Ficus Pax	UFP Industries (Nasdaq:UFP1)	UFP Industries, a designer and manufacturer of wood and wood-alternative products, acquired Ficus Pax, a manufacturer of industrial packaging products including mixed-material cases and crates and nail-less plywood boxes
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Reflectix Business of Sealed Air (NYSE:SEE)	Balcan Innovations	Balcan Innovations, a manufacturer of technical films and packaging products, acquired the Reflectix Business of Sealed Air, a provider of protective food and specialty packaging materials and systems
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## Selected TM Capital Industrials Experience



Target	Acquiror	Industrial Equipment & Tech. Transactions
DiversiTech	Partners Group Holding (SWX:PGHN)	Partners Group, a Switzerland-based private equity firm, agreed to acquire DiversiTech, a manufacturer of components for the HVACR industry, for \$2.2 billion. TM Capital previously served as financial advisor to DiversiTech on multiple transactions.

BasX	AAON (Nasdaq:AAON)	AAON, a manufacturer of air conditioning and heating equipment, agreed to acquire BasX, a manufacturer of custom engineered products such as modular systems, air handling products and clean room systems for the building industry, for \$180 million
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Cincinnati Fan and Ventilator Company	SPX Corp. (NYSE:SPXC)	SPX, a supplier of infrastructure equipment for HVAC and industrial markets, agreed to acquire Cincinnati Fan and Ventilator Company, a manufacturer and supplier of industrial fans and blowers
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Target	Acquiror	Specialty Chemicals & Materials
Global Epoxy Business of Hexion (Port. Co. of Apollo)	Westlake Chemical (NYSE:WLK)	Westlake Chemical, a manufacturer and supplier of petrochemicals, has agreed to acquire the Global Epoxy Business of Hexion, which manufactures and develops specialty resins, coatings and composites for various industries, for \$1.2 billion

Caldic (Port. Co. of Goldman Sachs)	Advent International	Advent International, a Boston-based global private equity firm, acquired Caldic, a distributor and supplier of specialty chemicals, food ingredients, natural products and functional solutions for life sciences and industrial end markets
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Troy	Arxada (Port. Co. of Bain and Cinven)	Arxada, an operator of specialty chemicals businesses, has agreed to acquire Troy, a manufacturer of specialty materials intended for industrial applications including paints and coatings, wood protection, home and personal care and plastics
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