

INDUSTRIALS MONTHLY

JULY 2022

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

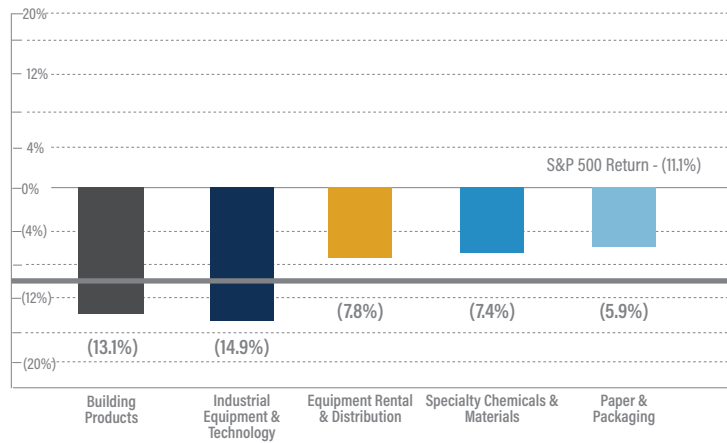
HEADLINE TRANSACTIONS

	TARGET	ACQUIROR	ACQUISITION SYNOPSISIS
Building Products	 A Portfolio Company of 		<ul style="list-style-type: none"> Atkore (NYSE:ATKR), a leading manufacturer of electrical, mechanical and safety infrastructure solutions, has acquired United Poly Systems, a portfolio company of Industrial Opportunity Partners United Poly Systems is a manufacturer of High Density Polyethylene ("HDPE") pressure pipe and conduit, primarily serving the telecom, water infrastructure, renewables and energy markets
Industrial Equipment			<ul style="list-style-type: none"> Evoqua Water Technologies (NYSE:AQUA), a provider of critical water treatment solutions and services to support customers' full water lifecycle needs, has agreed to acquire Smith Engineering Smith Engineering is a manufacturer of water treatment equipment intended for critical fluid handling, water purification and process control
Equipment Rental & Distribution			<ul style="list-style-type: none"> ABLE Equipment Rental, a distributor and rental provider of a wide variety of heavy construction equipment, has acquired Elite Construction Rentals Elite Construction Rentals is a provider of heavy construction equipment rentals, as well as services including construction planning, project management and on-site mechanical servicing The transaction by ABLE Equipment Rental will allow the Company to broaden its footprint further into southern New England and increase the size of its fleet and customer base
Specialty Chemicals & Materials	 A Portfolio Company of 		<ul style="list-style-type: none"> Balchem (NASDAQ:BCPC), a global specialty ingredients company focused on nutrition and health, has acquired Kappa Biosciences from Verdane, for \$338 million Kappa Bioscience, headquartered in Norway, is a leading science-based manufacturer of specialty vitamin K2 for the human nutrition industry and is the only company offering a patented, 99.7% all-trans vitamin K2 MK-7 Implied Enterprise Value Multiple (2022E): EBITDA: 18x
Paper & Packaging			<ul style="list-style-type: none"> Paper Excellence, a global manufacturer of pulp and paper, including printing and writing, packaging, tissue, and specialty papers has agreed to acquire Resolute Forest (NYS:RFP), for \$1.6 billion Resolute Forest (NYS:RFP) is a leading North American producer of lumber, pulp and newsprint. It is the largest North American producer of paper used in retail flyers and magazines Implied Enterprise Value Multiple (2022E): EBITDA: 4.1x

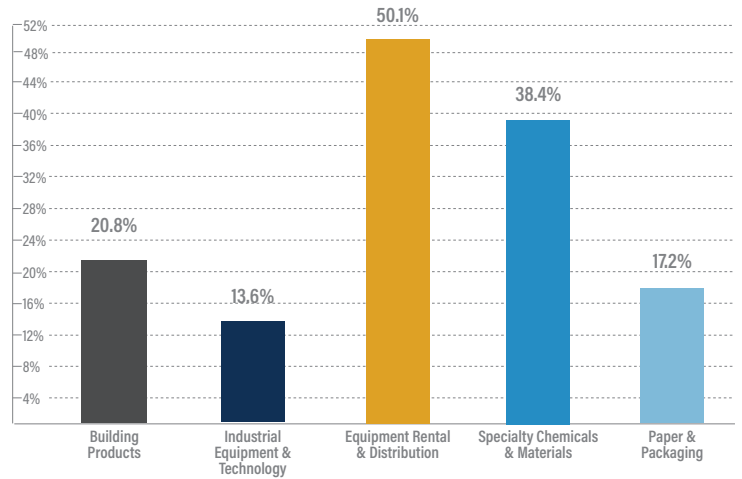
INDUSTRIALS GROWTH & VALUATION TRENDS

Note: Financial Information as of June 30, 2022

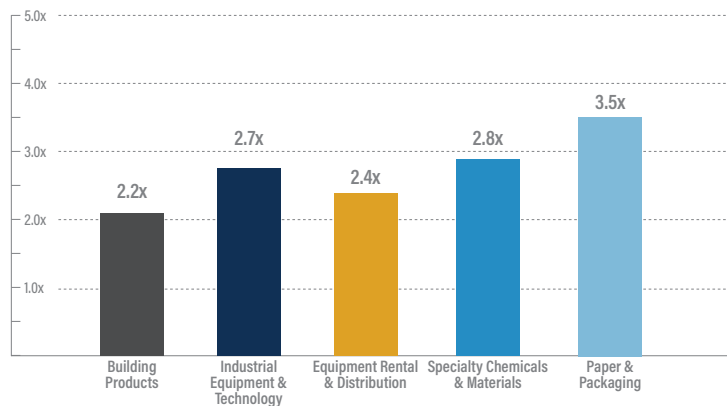
One-Year Stock Return



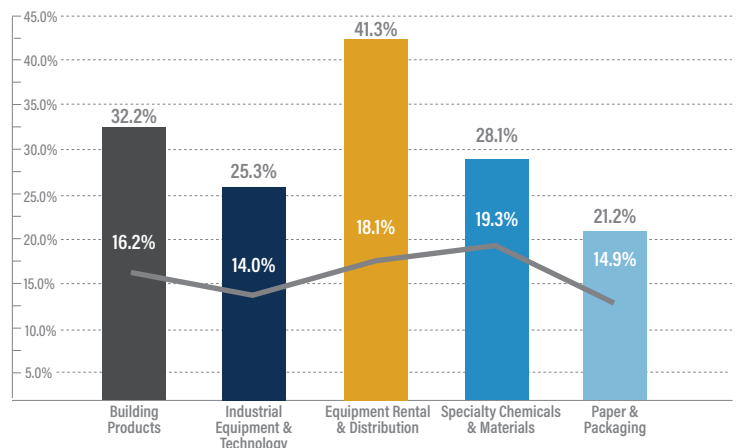
One-Year Revenue Growth



LTM Debt/EBITDA

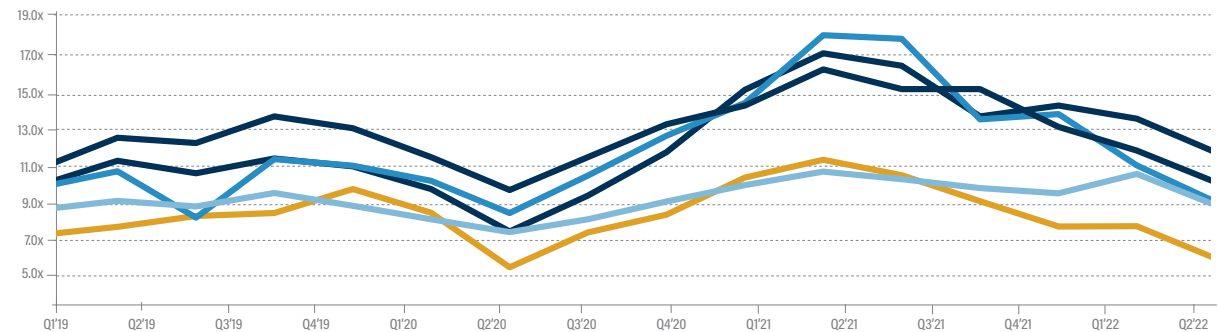


LTM Gross and EBITDA Margins*



*EBITDA Margins shown as the gray line.

TEV/EBITDA



10.1x Building Products 11.5x Industrial Equipment & Technology 6.7x Equipment Rental & Distribution 9.2x Specialty Chemicals & Materials 9.1x Paper & Packaging

SELECTED INDUSTRIALS TRANSACTIONS

Target	Acquiror	Building Products Transactions
Natural Polymers	Owens Corning (NYSE:OC)	Owens Corning (NYSE:OC), a manufacturer of insulation, roofing and fiberglass composite materials, has agreed to acquire Natural Polymers, a manufacturer of spray polyurethane foam insulation

Caldwell Manufacturing	ASSA ABLOY (STO: ASSA B)	ASSA ABLOY (STO: ASSA B), a provider of door opening products and solutions, has acquired Caldwell Manufacturing, a manufacturer of window counter balances
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NEWPRO Operating	Renovo Home Partners (Audax Private Equity)	Renovo Home Partners, a DTC platform that offers home repair and remodel products to homeowners, has acquired NEWPRO Operating, a manufacturer of home improvement products including windows, doors, insulated roofing and more
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Target	Acquiror	Equipment Rental & Distribution Transactions
Bright Equipment	Berry Companies	Berry Companies, a distributor of construction and material handling equipment, has acquired Bright Equipment, a distributor of construction and mining equipment

Compass Equipment Holdings	Arcomet Beheer	Arcomet Beheer, a Belgium-based provider of self-erecting tower cranes for sale and rental, has acquired Compass Equipment, an Arizona-based provider of tower crane and hoist rental services
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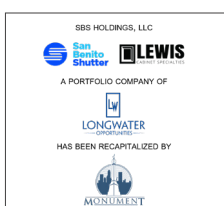
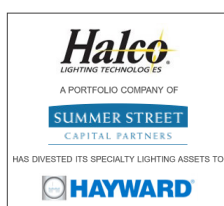
Accès Location d'Équipement	Groupe Lou-Tec	Groupe Lou-Tec, a rental company of tools, equipment and heavy machinery, has acquired Accès Location d'Équipement, a dealer and rental provider of a wide variety of forklifts to the construction industry
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Target	Acquiror	Paper & Packaging Transactions
Lewis Paper	Central National Gottesman	Central National Gottesman, a distributor of pulp, has agreed to acquire Lewis Paper, a distributor and wholesaler of printing and paper products

Camden Bag & Paper Company	Brady Industries	Brady Industries, a distributor of janitorial and sanitation products, has acquired Camden Bag & Paper Company, a distributor of paper bags, plastics, bakery supplies, janitorial supplies / equipment and industrial packaging products
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Hughes Enterprises	Envoy Solutions	Envoy Solutions, a diversified distributor of packaging solutions, has acquired Hughes Enterprises, a distributor of packaging products and equipment
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Selected TM Capital Industrials Experience



Target	Acquiror	Industrial Equipment & Tech. Transactions
Atlantic Filter	A. O. Smith (NYSE:AOS)	A. O. Smith (NYSE:AOS), a manufacturer of residential and commercial gas, heat pump and electric water heaters, has acquired Atlantic Filter, a manufacturer and distributor of water treatment equipment

Flatwork Technologies	Thermon Group (NYSE:THR)	Thermon Group (NYSE:THR), a provider of engineered industrial process heating solutions, has acquired Flatwork Technologies, a manufacturer and marketer of temperature control systems
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Thermogenics (Port. Co. of Ironbridge Equity Partners)	Audax Private Equity	Audax Private Equity, a Boston-based private equity firm, has acquired Thermogenics, a manufacturer and service provider of industrial coil tube boilers for industrial / commercial applications
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Target	Acquiror	Specialty Chemicals & Materials
Multiple Targets	Azelis (BRU: AZE)	Azelis (BRU: AZE), a leading distributor of specialty chemicals, has acquired multiple, regional specialty chemical distributors in separate, unrelated transactions including the acquisitions of: Ak-taş, Ashapura and Rocsa Colombia

Reformed Group	DKSH (SIX:DKSH)	DKSH (SIX:DKSH), a leading marketer and supplier of healthcare products, consumer products and specialty chemicals and materials, has acquired Reformed Group (Switzerland), a provider of APIs and FDFs for generic drug manufacturers
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MXL Industries	Plaskolite (Pritzker Private Capital)	Plaskolite (Pritzker Private Capital), a global manufacturer of engineering thermoplastics including Acrylic, Polycarbonate, ABS and PETG Sheet, Lighting Profiles and PMMA Polymers, acquired MXL Industries, a manufacturer of optical plastic products
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TM Capital's Industrials Contacts

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

Vidur Kapur
Principal
vkapur@tmcapital.com
212.809.1422

David Felts
Managing Director
dfelts@tmcapital.com
404.995.6252

Allan Cruickshanks
Managing Director
acruickshanks@tmcapital.com
808.387.4485

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