

INDUSTRIALS MONTHLY

OCTOBER 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

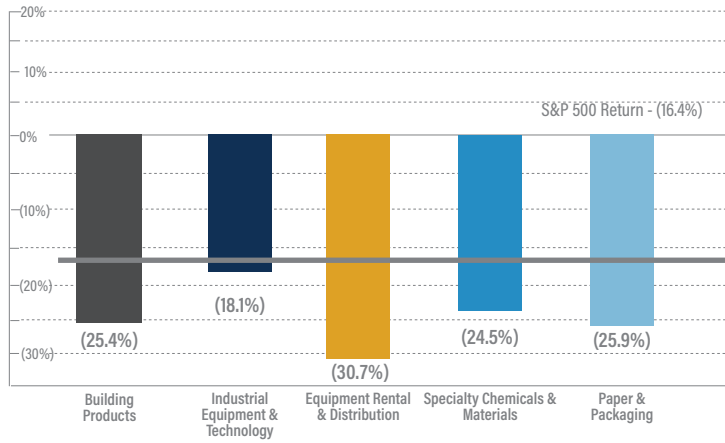
HEADLINE TRANSACTIONS

	TARGET	ACQUIROR	ACQUISITION SYNOPSIS
Building Products	 a Portfolio Company of 		<ul style="list-style-type: none"> TM Capital served as exclusive financial advisor to ProSource, a portfolio company of CID Capital, in its sale to Blue Sea Capital ProSource is a value-added distributor of plumbing, bathroom, kitchen, lighting and related products which serves the residential new construction and repair & replacement markets; the Company serves a highly recurring and diverse customer base of plumbers, contractors, interior designers and other end consumers who rely on the Company as a critical partner providing consultative sales and rapid fulfillment
Industrial Equipment & Technology			<ul style="list-style-type: none"> Timken (NYSE:TKR), a leading global manufacturer of engineered bearings and industrial motion products, has agreed to acquire GGB Bearing Technology ("GGB"), for \$305 million GGB is a leading global manufacturer of premium engineered metal-polymer bearings that are primarily used for industrial applications including pumps, compressors, HVAC, off-highway, energy, material handling and aerospace Implied Enterprise Value Multiple (FY2022) Adjusted EBITDA: ~10.0x
Equipment Rental & Distribution			<ul style="list-style-type: none"> H&E Equipment Services (NSDQ: HEES), a leading equipment rental provider focused on heavy construction and industrial equipment, has agreed to acquire One Source Equipment Rental, for \$130 million One Source Equipment Rental is a provider of industrial and general construction rental services that caters to the compressed air equipment, dewatering, pumping and earth moving equipment industries; the acquisition expands H&E's geographic footprint into the Midwest with operations in Illinois and Indiana, as well as in Kentucky
Specialty Chemicals & Materials	 <small>Phosgene Chemistry – Custom Chemicals</small>		<ul style="list-style-type: none"> SK Capital, a New York-based private equity firm, has invested in VanDeMark Chemical in partnership with the existing co-owner, Comvest Partners VanDeMark is a leading global producer of high-end specialty chemical intermediates and derivatives for a diverse set of end markets including life sciences, electronics, polymers, coatings, personal care and flavor & fragrances; the investment strengthens VanDeMark's product and service offering, particularly within the life sciences end market
Paper & Packaging			<ul style="list-style-type: none"> TricorBraun, a leading global distributor of rigid packaging, has agreed to acquire Mark's Barrel Company ("MBC") MBC specializes in the reconditioning and recycling of industrial containers including steel & plastic barrels, drums and intermediate bulk containers; the acquisition by TricorBraun strengthens its industrial packaging capabilities

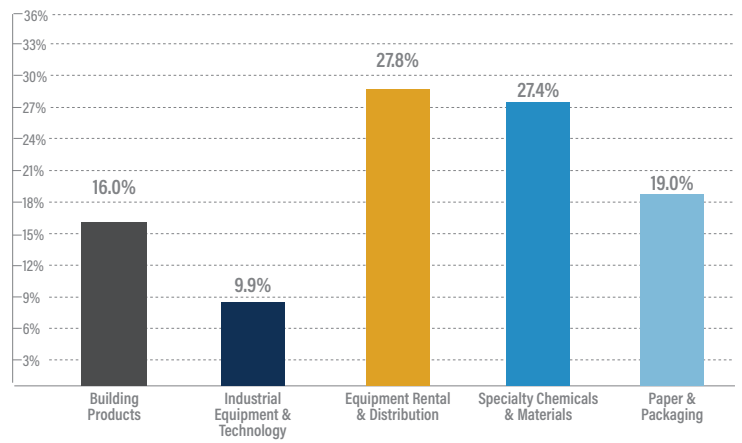
INDUSTRIALS GROWTH & VALUATION TRENDS

Note: Financial Information as of September 30, 2022

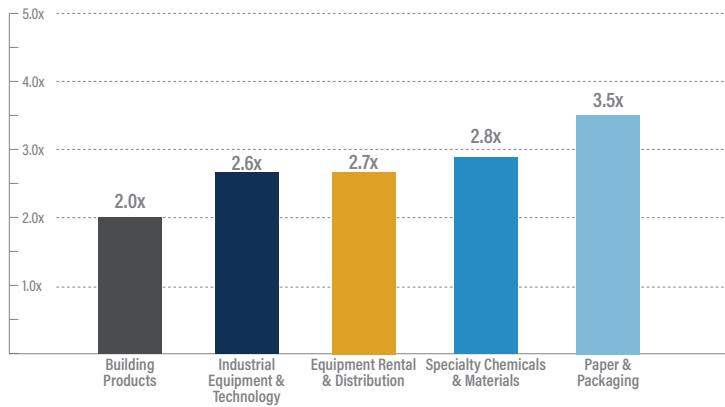
One-Year Stock Return



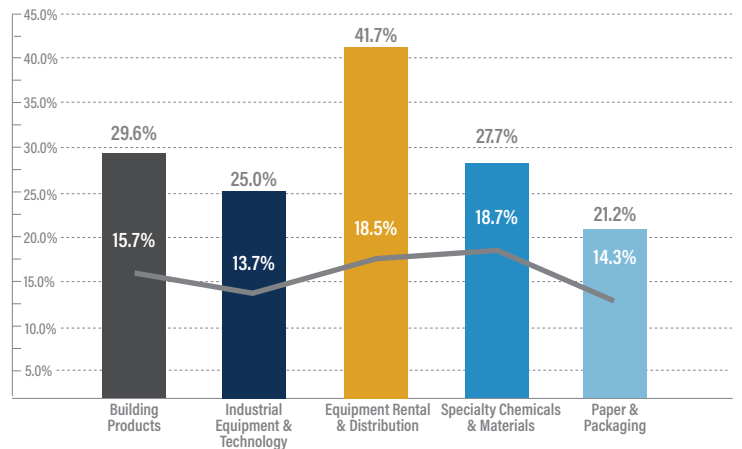
One-Year Revenue Growth



LTM Debt/EBITDA

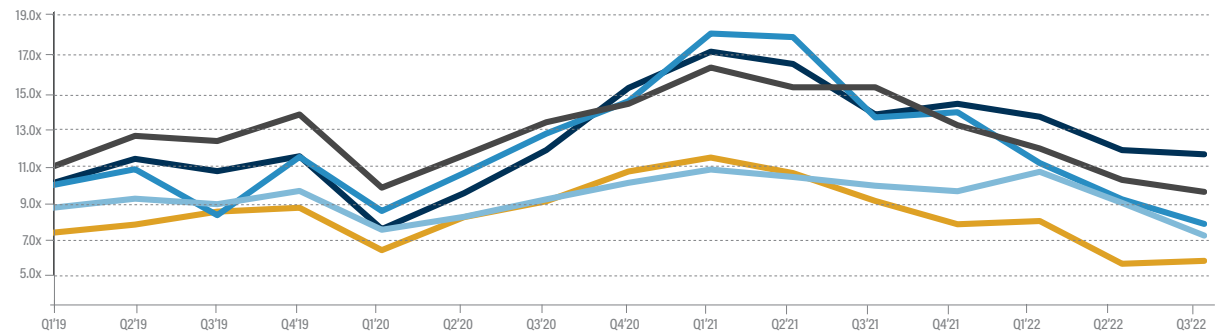


LTM Gross and EBITDA Margins*



*EBITDA Margins shown as the gray line.

TEV/EBITDA



9.6x Building Products 11.3x Industrial Equipment & Technology 6.4x Equipment Rental & Distribution 8.1x Specialty Chemicals & Materials 7.6x Paper & Packaging

SELECTED INDUSTRIALS TRANSACTIONS

Target	Acquiror	Building Products Transactions
Trussway	Builders FirstSource (NYSE:BLDR)	Builders FirstSource (NYSE:BLDR), a manufacturer and supplier of building materials, components and construction services, has acquired Trussway, a leading provider of pre-fabricated roof and floor trusses, as well as building components and services

WindsorONE	Brightstar Capital Partners	Brightstar Capital Partners, a New York-based private equity firm, has acquired WindsorONE, a leading manufacturer of fabricated wood products for interior and exterior applications that are used within the repair and remodel end market
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North Central Door	Garaga	Garaga, a leading Canada-based garage door manufacturer, has acquired North Central Door, a manufacturer of residential and commercial garage doors; the acquisition strengthens Garaga's position in the U.S. market
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Target	Acquiror	Equipment Rental & Distribution Transactions
L&N Supply	National Equipment Dealers	National Equipment Dealers, a rental provider of new, used and specialty heavy equipment, has acquired L&N Supply, a distributor of heavy commercial & industrial equipment and parts to the construction industry

ProCon JCB	Southwest Material Handling	Southwest Material Handling, a leading distributor of material-handling, construction and rental equipment, has acquired ProCon JCB, a distributor of material-handling equipment for the construction industry
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Blackout Energy Services	Rental Equipment Investment Corp. (Port. Co. of Kinderhook)	Rental Equipment Investment Corp., an equipment rental provider that offers a wide variety of general and specialty equipment, has acquired Blackout Energy Services, a provider of specialty rental equipment with a focus on flameless heaters and light towers
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Target	Acquiror	Paper & Packaging Transactions
Pallet-Ops	48forty Solutions (Port. Co. of Audax Private Equity and Summit Partners)	48forty Solutions, one of the largest pallet management services companies in North America, has acquired Pallet-Ops, a provider of pallet management solutions that include all sizes of recycled, remanufactured and custom wooden pallets

H.T. Berry	Envoy Solutions	Envoy Solutions, a distributor of specialty packaging products and solutions, has agreed to acquire H.T. Berry, a distributor of paper and disposable products catering to the healthcare, education, hospitality and commercial cleaning industries
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The Ellis Group	Max Solutions	Max Solutions, a manufacturer of specialty packaging products for the healthcare and consumer industries, has acquired The Ellis Group, the largest Canadian family-owned and operated folding carton company
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Target	Acquiror	Industrial Equipment & Tech. Transactions
Durex	Spirax-Sarco (LSE:SPX)	Spirax-Sarco (LSE:SPX), a British manufacturer of steam management systems, peristaltic pumps and fluid path technologies, has agreed to acquire Durex, a manufacturer of engineered thermal products, for \$342 million (13.5x LTM EBITDA)

Muon Group	IDEX (NYSE:IEX)	IDEX (NYSE:IEX), a leading manufacturer of pumps, flow meters, valves and fluidic systems, has agreed to acquire Muon Group, a Netherlands-based manufacturer of micro-precision industrial components for a variety of end markets, for \$685 million
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Sullivan	DXP Enterprises (NSDQ:DXPE)	DXP Enterprises (NSDQ:DXPE), a distributor of rotating equipment, bearings, power transmission and industrial supplies, has agreed to acquire Sullivan, a leading distributor and manufacturer of pumps, valves, controls and process equipment
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Target	Acquiror	Specialty Chemicals & Materials
PerformanX Specialty Chemicals	Stepan (NYSE:SCL)	Stepan (NYSE:SCL), a leading manufacturer of specialty and intermediate chemicals, has acquired PerformanX Specialty Chemicals, a producer of surfactants critical to the agriculture, oilfield, construction and household end markets

NBD Nano	Henkel (ETR:HEN3)	Henkel (ETR:HEN3), a leading provider of adhesives, sealants and functional coatings, has agreed to acquire NBD Nano, a manufacturer of repellent coatings and additives that are intended to modify surface wetting characteristics
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Terra Firma	DKSH (SWX:DKSH)	DKSH (SWX:DKSH), a distributor of specialty chemicals to a variety of end markets, has acquired Terra Firma, a leading distributor of specialty chemicals including coatings, adhesives, sealants and elastomers, for \$360 million
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Selected TM Capital Industrials Experience

