

# INDUSTRIALS MONTHLY

JANUARY 2023

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

Building Products




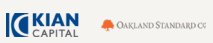










Industrial Equipment & Technology

Equipment Rental & Distribution

Specialty Chemicals & Materials

Paper & Packaging

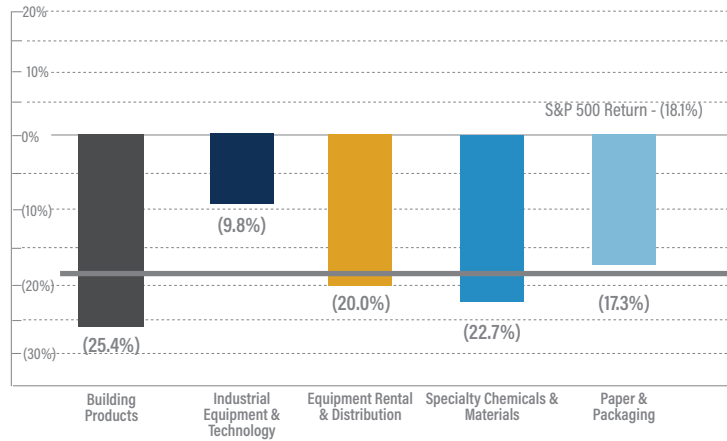
## HEADLINE TRANSACTIONS

	TARGET	ACQUIROR	ACQUISITION SYNOPSIS
Building Products	<p>The Emtek &amp; Schaub, Yale &amp; August Businesses of</p> 		<ul style="list-style-type: none"> <li>Fortune Brands (NYSE:FBIN), a leading manufacturer of home and security products, has agreed to acquire the Emtek &amp; Schaub and Yale &amp; August businesses from ASSA ABLOY (STO:ASSA), for \$800 million</li> <li>Emtek &amp; Schaub is a manufacturer of premium and luxury door and cabinet hardware; Yale &amp; August is a manufacturer of residential smart home locks</li> <li>Implied Enterprise Value Multiple (2022E) Adjusted EBITDA: 8.9x</li> </ul>
Industrial Equipment & Technology	 <p>A Portfolio Company of</p> 	 <p>A Portfolio Company of</p> 	<ul style="list-style-type: none"> <li>TM Capital served as exclusive financial advisor to Motor City Fasteners ("Motor City"), a portfolio company of Kian Capital and Oakland Standard, in connection with its sale to AFC Industries, a portfolio company of Bertram Capital</li> <li>Motor City is a technology-driven, value-added distributor of fasteners and other Class-C components, serving as a vital supply chain partner to a deeply embedded and highly recurring customer base</li> <li>The Company provides rapid fulfillment for a broad assortment of products, vendor-managed inventory and other mission-critical solutions &amp; services</li> </ul>
Equipment Rental & Distribution		 <p>A Division of</p> 	<ul style="list-style-type: none"> <li>TM Capital served as exclusive financial advisor to DCMM Rental One, Ltd. ("Rental One"), in its sale to Texas First Rentals, a division of HOLT</li> <li>Headquartered in the Dallas-Fort Worth Metroplex, Rental One is the largest independent, non-dealer provider of commercial and industrial construction equipment rental services in Texas, serving small and mid-sized contractors through fifteen branches across the Dallas-Fort Worth, Austin and San Antonio metro areas</li> <li>The combined entity totals 40 locations and immediately achieves RER Top 15 scale nationally</li> </ul>
Specialty Chemicals & Materials	<p>The Savory Solutions Group of</p> 		<ul style="list-style-type: none"> <li>PAI Partners, a Paris-based private equity firm, has agreed to acquire the Savory Solutions Group of International Flavors &amp; Fragrances (NYSE:IFF), for \$900 million</li> <li>The Savory Solutions Group of IFF is a leading manufacturer of ingredients sold into the prepared foods and foodservice markets, with a range of products that serve butchers, as well as plant-based solutions that cater to vegan and vegetarian markets</li> <li>Implied Enterprise Value Multiple (LTM Nov-22) EBITDA: 14.0x</li> </ul>
Paper & Packaging	 <p>and its Affiliate</p> 		<ul style="list-style-type: none"> <li>UFP Industries (NSDQ:UFPI), a leading manufacturer of lumber and treated wood products for the retail, industrial and construction end markets, has acquired Titan Corrugated and its affiliate, All Boxed Up</li> <li>Titan Corrugated is a leading manufacturer of corrugated packaging used in moving &amp; storage, industrial products, shipping and point-of-purchase displays</li> <li>All Boxed Up is a manufacturer of custom packaging and container boxes</li> </ul>

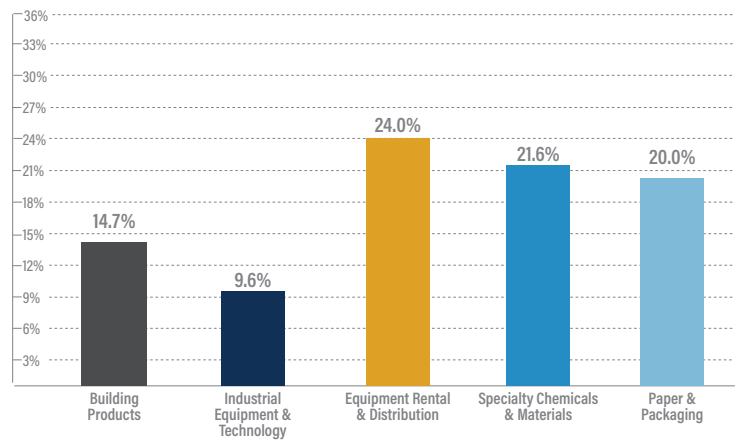
# INDUSTRIALS GROWTH & VALUATION TRENDS

Note: Financial Information as of December 31, 2022

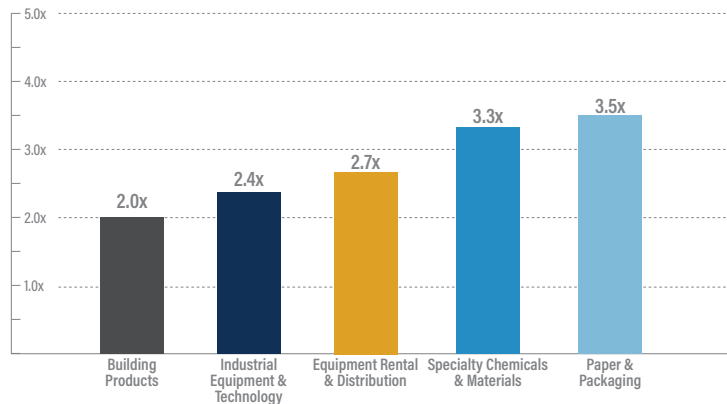
## One-Year Stock Return



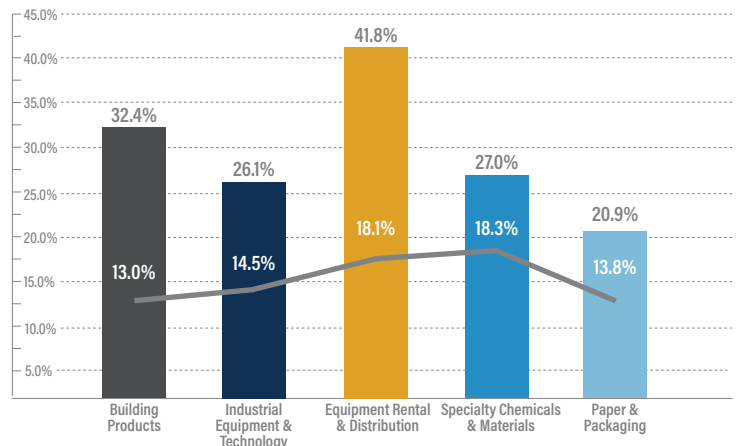
## One-Year Revenue Growth



## LTM Debt/EBITDA

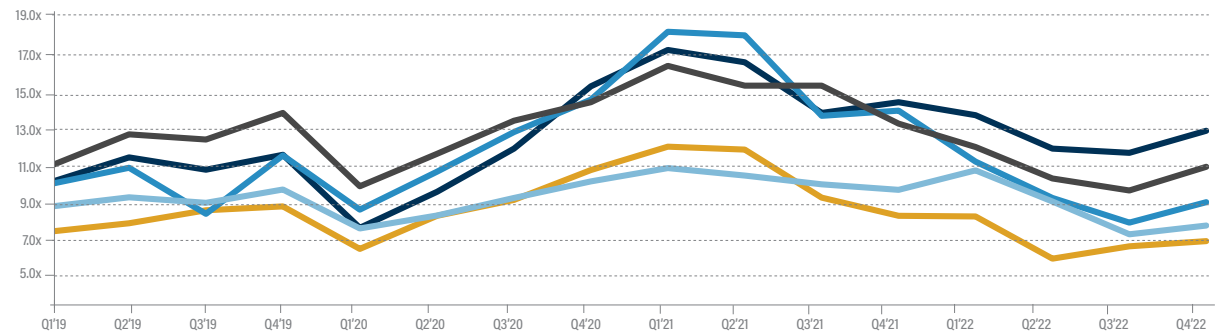


## LTM Gross and EBITDA Margins\*



\*EBITDA Margins shown as the gray line.

## TEV/EBITDA



10.6x Building Products 12.3x Industrial Equipment & Technology 7.3x Equipment Rental & Distribution 9.0x Specialty Chemicals & Materials 8.0x Paper & Packaging

# SELECTED INDUSTRIALS TRANSACTIONS

Target	Acquiror	Building Products Transactions
Win-Dor	Pella Corporation	Pella Corporation, a leading window & door manufacturer and designer for the residential and commercial end markets, has acquired Win-Dor, a manufacturer of a variety of doors and windows including multi-panel, multi-slide, folding and swing

West-Lite Supply	Facility Solutions Group	Facility Solutions Group, a leading supplier of lighting & electrical products and services, has acquired West-Lite Supply, a leading distributor of lighting products including ballasts, batteries, lamps, fixtures, lenses, tube guards and sign supplies
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Viking Fence	Crossplane Capital	Crossplane Capital, a Dallas-based private equity firm, has acquired Viking Fence, a manufacturer of wood, cedar, iron, metal, chain link and other fences for the residential and commercial end markets
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Target	Acquiror	Equipment Rental & Distribution Transactions
Premier Platforms	Empower Rental Group (Port. Co. of Crossplane Capital)	Empower Rental Group, a southeastern U.S. provider of construction equipment rental services to commercial and industrial end markets, has acquired Premier Platforms, a provider of aerial equipment rentals

FMH Material Handling	GNCO	GNCO, a distributor of material handling equipment, has acquired FMH Material Handling, a dealer and rental provider of material handling equipment including forklifts, pallet jacks, loading dock equipment, shelving and pallet racks
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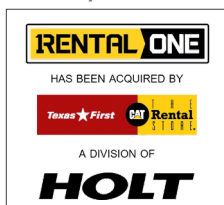
Magnum Equipment	GM Equipment Rentals	GM Equipment Rentals, a provider of aerial and material handling equipment rentals, has acquired Magnum Equipment, a provider of construction equipment rentals, including aerial work platforms and telehandlers
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Target	Acquiror	Paper & Packaging Transactions
von Drehle (Port. Co. of Comvest Partners)	Marcal Paper (Port. Co. of Atlas Holdings)	Marcal Paper, a leading manufacturer of recycled and eco-friendly bath, towel and tissue products, has acquired von Drehle, a premier manufacturer and distributor of towel and tissue products for the away-from-home market

Portage Plastics	Lacerta (Port. Co. of SK Capital)	Lacerta, a leading manufacturer of thermoformed PET packaging products, has acquired Portage Plastics, a manufacturer of thermoformed packaging products that serve a variety of end markets
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West Coast Labels	Fortis Solutions (Port. Co. of Harvest Partners)	Fortis Solutions, a manufacturer of labeling and packing products, has acquired West Coast Label, a full-service digital and flexographic printer of pressure sensitive labels sold into the food & beverage and health & beauty end markets
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## Selected TM Capital Industrials Experience



Target	Acquiror	Industrial Equipment & Tech. Transactions
Heritage Distribution (Port. Co. of Gryphon Investors)	Beijer Ref (STO:BEIJ)	Beijer Ref, a leading global distributor of commercial refrigeration, industrial refrigeration and air conditioning equipment, has acquired Heritage Distribution, a leading U.S. HVAC/R parts and equipment distributor, for \$1.3 billion (LTM Sep-22 Adjusted EBITDA: 12.0x)

Airefco	Ferguson (NYSE:FERG)	Ferguson, a leading value-added distributor of plumbing and HVAC products, has acquired Airefco, a distributor of HVAC equipment, parts and supplies including heat pumps, gas furnaces, ventilation and other related products
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Air Hydro Power	Houchens Industries	Houchens Industries, an ESOP, has agreed to acquire Air Hydro Power, a leading industrial distributor of motion control and fluid power solutions including automation, robotics, pneumatics, hydraulics and electrical motors
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Target	Acquiror	Specialty Chemicals & Materials
Chr. Hansen (CSE:CHR)	Novozymes (CSE:NZYM)	Novozymes, a leading producer of enzyme and microbial technologies, has agreed to acquire Chr. Hansen, a global producer of natural ingredients for the food, nutritional, pharmaceutical and agricultural industries, for \$12.3 billion

Laminates, Films and Coated Fabrics businesses of Synthomer (LSE:SYNT)	Surteco (ETR:SUR)	Surteco, a Germany-based manufacturer of paper and plastic surface materials, has agreed to acquire the Laminates, Films and Coated Fabrics businesses of Synthomer, a supplier of specialty chemicals to a variety of end markets, for \$255 million
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C&S Chemicals	Shoreline Equity Partners	Shoreline Equity Partners, a Jacksonville-based private equity firm, has agreed to acquire C&S Chemicals, a leading manufacturer of water treatment and animal health chemicals
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## TM Capital's Industrials Contacts

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