

INDUSTRIALS MONTHLY

FEBRUARY 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

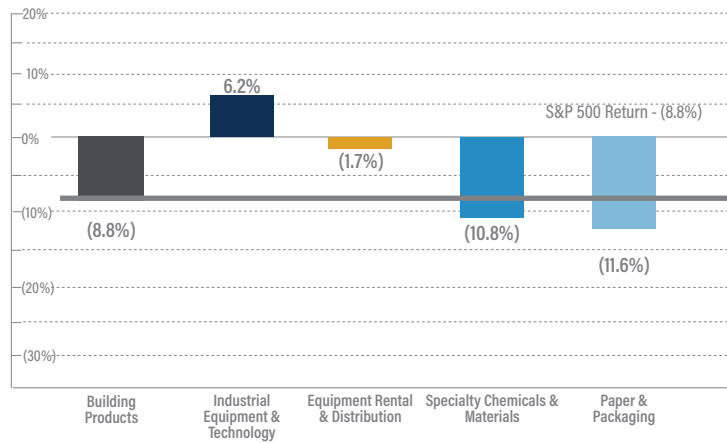
ACQUISITION SYNOPSISIS

	TARGET	ACQUIROR	ACQUISITION SYNOPSISIS
Building Products		 GYPSUM MANAGEMENT & SUPPLY	<ul style="list-style-type: none"> GMS (NYSE:GMS), a leading North American distributor of specialty building products, has acquired Tanner Bolt and Nut Tanner Bolt and Nut is a leading distributor of fasteners, tools, safety products and other related construction products to the New York City metropolitan area; the acquisition will help GMS expand its platform and increase sales of complementary products
Industrial Equipment & Technology	 A Portfolio Company of 	 3 RIVERS CAPITAL	<ul style="list-style-type: none"> TM Capital served as exclusive financial advisor to Magnum Systems, a portfolio company of Blue Sage Capital, in connection with its sale to 3 Rivers Capital Magnum Systems is a Lenexa, Kansas-based designer and manufacturer of mission-critical, customized systems and engineered components for automated material handling and packaging solutions The Company's solutions are primarily used to handle and package a variety of dry bulk solid substrates across the industrial, food, agricultural and chemical end markets
Equipment Rental & Distribution			<ul style="list-style-type: none"> Sunbelt Rentals (the U.S. operations of Ashtead Group plc (LSE:AHT)), a leading provider of equipment and tool rental services, has acquired Portable Air Portable Air provides temperature control equipment rentals, operating a multi-location platform in Cocoa, FL and Houston, TX Sunbelt Rentals ranks 2nd on Rental Equipment Register's list of the world's largest equipment rental companies (RER 100)
Specialty Chemicals & Materials	 A Portfolio Company of 	 A Portfolio Company of 	<ul style="list-style-type: none"> Colorcon, a portfolio company of Berwind, has agreed to acquire Aironov Healthcare Packaging, a portfolio company of Arsenal Capital Partners Colorcon is a leading provider of pharmaceutical technologies and a manufacturer of specialty chemicals for related industries Aironov Healthcare Packaging is a leading manufacturer of healthcare packaging products for the pharmaceuticals, nutraceuticals and health supplements end markets
Paper & Packaging		 A Portfolio Company of 	<ul style="list-style-type: none"> Oliver, a portfolio company of Tenex Capital Management, has acquired Tap Packaging + Design Oliver is a leading provider of highly customized specialty packaging solutions for the health, food and pharmaceuticals end markets Tap Packaging + Design is a leading manufacturer of custom folding cartons that serve the food & beverage, beauty, health & wellness and consumer products end markets

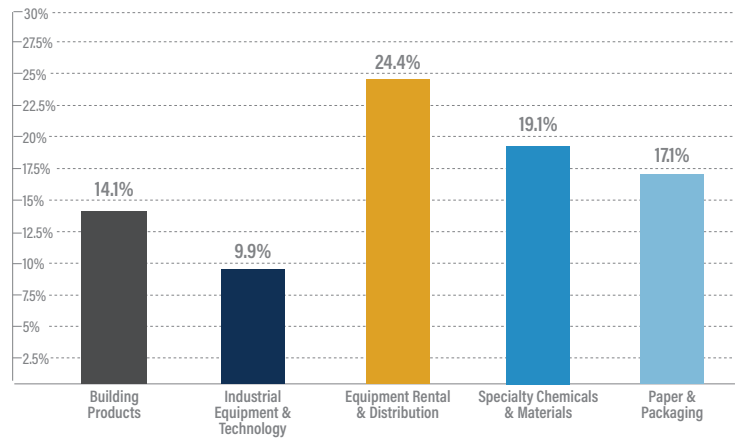
INDUSTRIALS GROWTH & VALUATION TRENDS

Note: Financial Information as of January 31, 2023

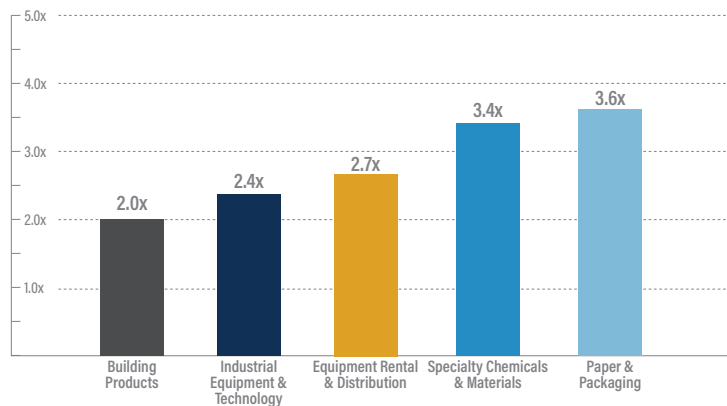
One-Year Stock Return



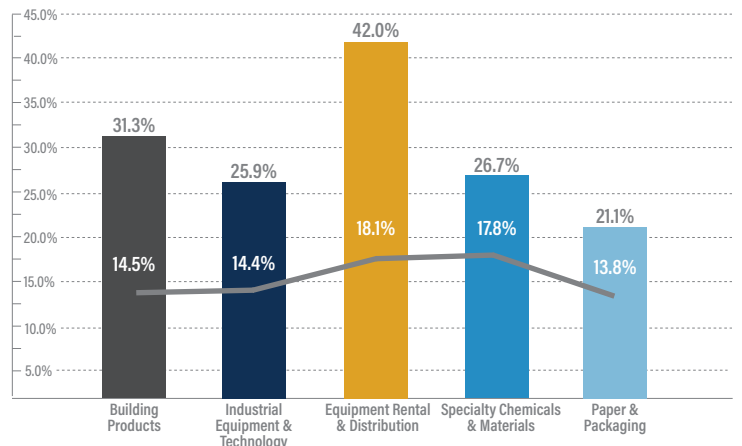
One-Year Revenue Growth



LTM Debt/EBITDA

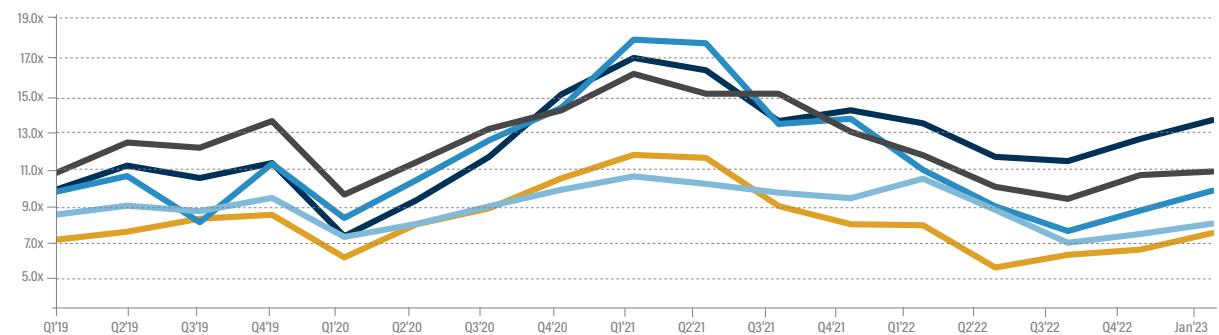


LTM Gross and EBITDA Margins*



*EBITDA Margins shown as the gray line.

TEV/EBITDA



10.8x Building Products 13.1x Industrial Equipment & Technology 8.0x Equipment Rental & Distribution 9.9x Specialty Chemicals & Materials 8.4x Paper & Packaging

SELECTED INDUSTRIALS TRANSACTIONS

Target	Acquiror	Building Products Transactions
Evoqua (NYSE:AQUA)	Xylem (NYSE:XYL)	Xylem, a leading global provider of water technology, has agreed to acquire Evoqua, a leading provider of critical water treatment solutions and services to support the full water lifecycle, for \$75 billion (LTM Dec 2022 EBITDA: ~29.0x)

Schultes Precision Manufacturing	Helios Technologies (NYSE:HLIO)	Helios Technologies, a global leader in highly engineered motion control and electronic controls technology for diverse end markets, has acquired Schultes Precision Manufacturing, a manufacturer of machinery components catering to a variety of end markets
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FloWorks (Port. Co. of Clearlake Capital)	Wynnchurh Capital	Wynnchurh Capital, an Illinois-based private equity firm, has acquired FloWorks, a distributor of specialty flow control solutions focused on non-discretionary maintenance, repair and replacement activities
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Target	Acquiror	Equipment Rental & Distribution Transactions
Shannahan Crane & Hoist	American Equipment (Port. Co. of Rotunda Capital Partners)	American Equipment, a distributor of overhead cranes and hoists to a variety of end markets, has acquired Shannahan Crane & Hoist, a leading provider of engineered overhead crane systems and maintenance, repair and overhaul field services

Liftec	Material Handling Group	Material Handling Group, a distributor of new and used material handling equipment and related parts & services, has acquired Liftec, a material handling dealer for Linde Material Handling, Baoli, Doosan and UniCarriers
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Industrial Drying Solutions (Sub. of Power Rental Solutions)	Rental Equipment Investment Corp. (Port. Co. of Kinderhook Industries)	Rental Equipment Investment Corp, an equipment rental provider that offers a wide variety of general and specialty equipment, has acquired Industrial Drying Solutions, a provider of specialty rental equipment, including heating, dehumidification and power solutions
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Target	Acquiror	Paper & Packaging Transactions
Royal Paper	Envoy Solutions	Envoy Solutions, a distributor of specialty packaging products and solutions, has acquired California based Royal Paper, a leading distributor of paper, plastics, cleaning and safety consumables to the janitorial, sanitary and foodservice end markets

Fredman Bag	Summit Plastics (Port. Co. of LongueVue Capital)	Summit Plastics, a manufacturer of low-density blown film and bags, has acquired Fredman Bag, a manufacturer of custom flexible packaging for the food & beverage, healthcare, agriculture, industrial and retail end markets
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Pulver Packaging	S. Walter Packaging	S. Walter Packaging, a manufacturer of packaging products for the branded consumer and retail industries, has acquired Pulver Packaging, a manufacturer of folding cartons and paperboard packaging for a variety of end markets
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Selected TM Capital Industrials Experience

MAGNUM SYSTEMS
A PORTFOLIO COMPANY OF

Blue Sage Capital

HAS BEEN ACQUIRED BY

3RC
3 RIVERS CAPITAL

MOTOR CITY INDUSTRIAL
A PORTFOLIO COMPANY OF

KIAN CAPITAL **OAKLAND STANDARD CO.**

HAS BEEN ACQUIRED BY

AFC Industries
A PORTFOLIO COMPANY OF

BERTRAM CAPITAL

RENTAL ONE

HAS BEEN ACQUIRED BY

Texas First **CAT Rental** **STEEL**

A DIVISION OF

HOLT

WALKER
A PORTFOLIO COMPANY OF

KENSINGTON

HAS BEEN ACQUIRED BY

Ironbridge
EQUITY PARTNERS

BellSimons COMPANIES
HVAC • REFRIGERATION • PLUMBING

HAS BEEN ACQUIRED BY

MUNCHIES **m** **marcone**

A PORTFOLIO COMPANY OF

GENSTAR
CAPITAL

PROSOURCE
A PORTFOLIO COMPANY OF

CIDCAPITAL

HAS BEEN ACQUIRED BY

Blue Sea Capital

Target	Acquiror	Industrial Equipment & Tech. Transactions
Evoqua (NYSE:AQUA)	Xylem (NYSE:XYL)	Xylem, a leading global provider of water technology, has agreed to acquire Evoqua, a leading provider of critical water treatment solutions and services to support the full water lifecycle, for \$75 billion (LTM Dec 2022 EBITDA: ~29.0x)

Schultes Precision Manufacturing	Helios Technologies (NYSE:HLIO)	Helios Technologies, a global leader in highly engineered motion control and electronic controls technology for diverse end markets, has acquired Schultes Precision Manufacturing, a manufacturer of machinery components catering to a variety of end markets
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FloWorks (Port. Co. of Clearlake Capital)	Wynnchurh Capital	Wynnchurh Capital, an Illinois-based private equity firm, has acquired FloWorks, a distributor of specialty flow control solutions focused on non-discretionary maintenance, repair and replacement activities
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Target	Acquiror	Specialty Chemicals & Materials
Admixture business of Sika (SWX:SIKA)	INEOS	INEOS, a global manufacturer of specialty chemicals and petrochemicals, has agreed to acquire the Admixture business of Sika, a leading producer of concrete additives for the construction industry, for ~\$1 billion (FY 2022 EBITDA: ~10.0x)

Kale Kimya	Univar Solutions (NYSE:UNVR)	Univar Solutions, a leading global distributor of specialty chemicals and commodities to a variety of end markets, has agreed to acquire Kale Kimya, a Turkey-based distributor of specialty chemicals to the beauty & personal care and home & industrial cleaning end markets
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Chem One	Shrieve Chemical (Port. Co. of Gemspring Capital)	Shrieve Chemical, a leading value-added chemicals distributor to industrial end markets, has acquired Chem One, a distributor of dry chemicals including sulfates, potassium hydroxide and other chemicals
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TM Capital's Industrials Contacts

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