

INDUSTRIALS MONTHLY

JUNE 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

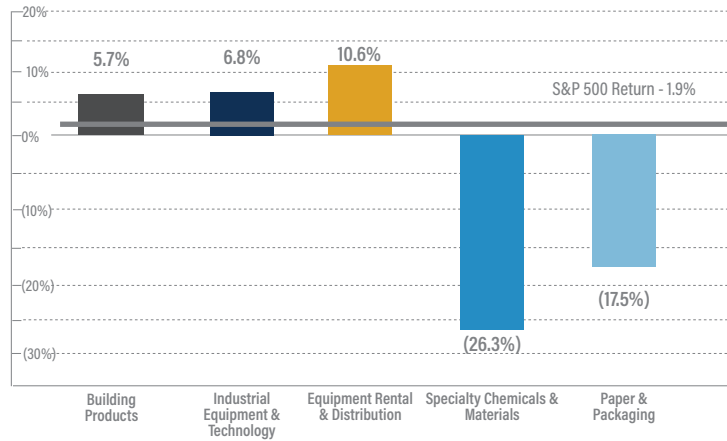
HEADLINE TRANSACTIONS

	TARGET	ACQUIROR	ACQUISITION SYNOPSISIS
Building Products	 a portfolio company of 	 	<ul style="list-style-type: none"> TM Capital served as exclusive financial advisor to Carlisle Wide Plank Floors, a portfolio company of JMHCapital, in connection with its sale to Switchback Capital Founded in 1966 and headquartered in Stoddard, New Hampshire, Carlisle is a nationally recognized leader in the design, manufacture and direct sale of luxury hardwood wide plank flooring Carlisle leverages data-driven analytics and a high-touch consultative sales team to serve consumers, designers, homebuilders, architects and influencers on an online-first, direct-to-consumer and direct-to-pro basis
Industrial Equipment & Technology			<ul style="list-style-type: none"> Stratasys (NSDQ:SSYS), a leading manufacturer of prototyping and 3D printing devices, has agreed to acquire Desktop Metal (NYSE:DM), for \$770 million Desktop Metal is a leading manufacturer of 3D printers and additive manufacturing machinery whose products serve a variety of end markets The combined entity is expected to generate \$1.1 billion in 2025 revenue
Equipment Rental & Distribution		 a portfolio company of 	<ul style="list-style-type: none"> Durante Rentals, a portfolio company of Clairvest Group (TSE:CVG), has acquired Iron Source Durante Rentals is a leading construction equipment rental provider in the New York metropolitan area Iron Source is an independent rental provider and dealer of construction equipment; the acquisition expands the footprint of Durante Rentals into the Mid-Atlantic region
Specialty Chemicals & Materials			<ul style="list-style-type: none"> Allkem (ASX:AKE), an Australian-based global producer of specialty lithium chemicals, has agreed to merge with Livent (NYSE:LTSM), for a combined valuation of \$10.6 billion Livent is a leading manufacturer of performance lithium compounds primarily used in lithium batteries and specialty polymers Implied Enterprise Value Multiple (CY2022) Adjusted EBITDA: 8.8x
Paper & Packaging			<ul style="list-style-type: none"> Atlas Holdings, a Connecticut-based private equity firm, has agreed to acquire the Thunder Bay Mill of Resolute FP Canada The Thunder Bay Mill is a leading manufacturer of bleached kraft pulp, newsprint and directory papers The acquisition adds to Atlas' other holdings in paper and packaging, including Finch Paper, Twin Rivers, Marcal and LSC Communications

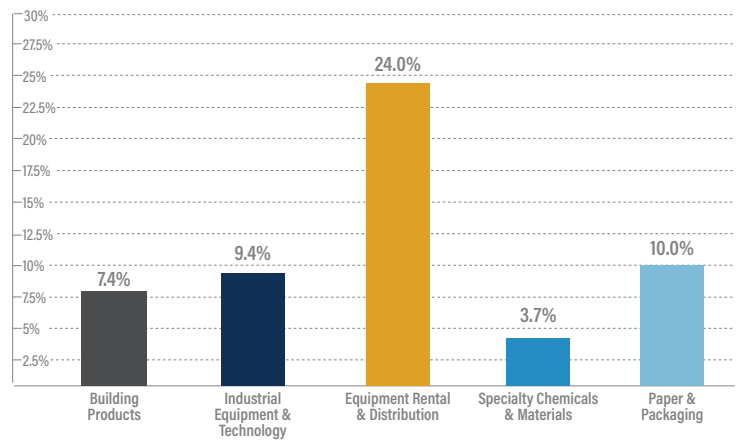
INDUSTRIALS GROWTH & VALUATION TRENDS

Note: Financial Information as of May 31, 2023

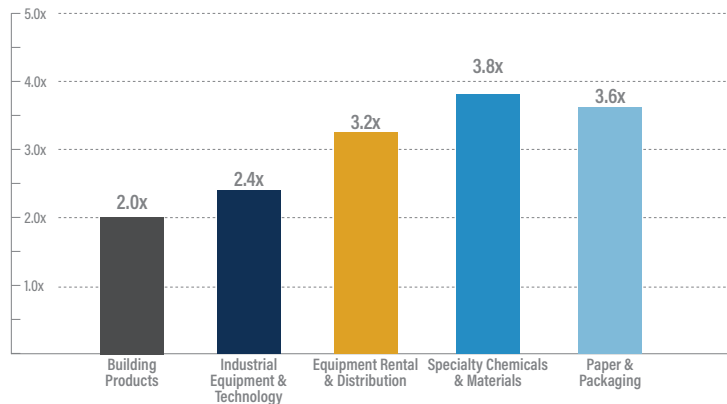
One-Year Stock Return



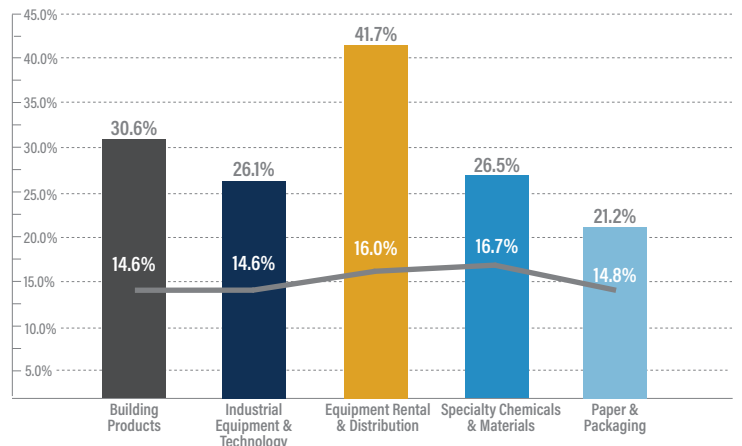
One-Year Revenue Growth



LTM Debt/EBITDA

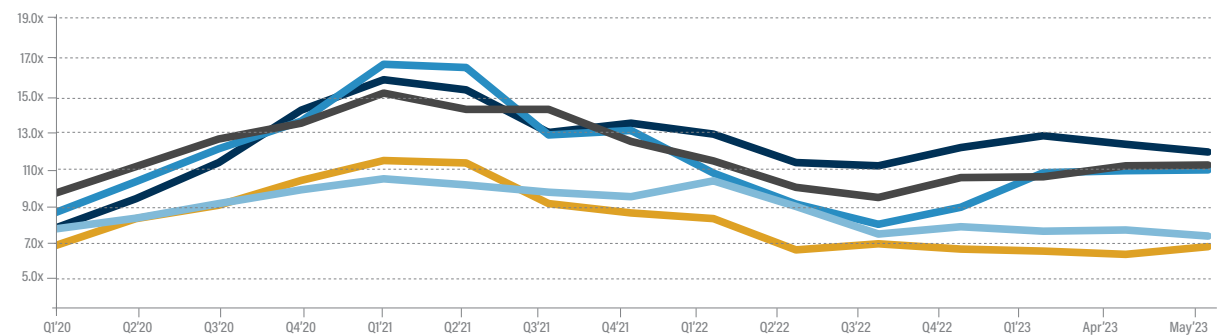


LTM Gross and EBITDA Margins*



*EBITDA Margins shown as the gray line.

TEV/EBITDA



11.3x Building Products 12.0x Industrial Equipment & Technology 6.9x Equipment Rental & Distribution 11.0x Specialty Chemicals & Materials 7.5x Paper & Packaging

SELECTED INDUSTRIALS TRANSACTIONS

Target	Acquiror	Building Products Transactions
Builders Millwork & Supply	Builders FirstSource (NYSE:BLDR)	Builders FirstSource, a manufacturer and distributor of building supplies to professional homebuilders, has acquired Builders Millwork & Supply, a supplier of building materials to the residential and commercial end markets
Chase Lumber Company	Bliffert Lumber & Hardware	Bliffert Lumber & Hardware, a supplier of building materials to the residential end market, has merged with Chase Lumber Company, a manufacturer and distributor of building materials to contractors and homeowners
Link Outdoor Lighting	SiteOne Landscape Supply (NYSE:SITE)	SiteOne Landscape Supply, a wholesale distributor of landscape supplies, has acquired Link Outdoor Lighting, a distributor of outdoor lighting products such as aurora light, brilliance LED, cast lighting and other lighting products and systems

Target	Acquiror	Equipment Rental & Distribution Transactions
Midstream Equipment	Rental Equipment Investment Corp. ("REIC") (Port. Co. of Kinderhook Industries)	REIC, an equipment rental provider that offers a variety of general and specialty equipment, has acquired Midstream Equipment, a leading provider of specialty rentals for the oil, gas and industrial end markets
C&R Implement	Atlantic & Southern Equipment	Atlantic & Southern Equipment, a leading distributor of agriculture and construction equipment, has acquired C&R Implement, an agricultural equipment dealer and service provider of AGCO equipment
Globe-Bay Area Forklift	Papé Material Handling	Papé Material Handling, a dealer and rental provider of material handling equipment, has acquired Globe-Bay Area Forklift, a rental provider of forklifts, reach lifts and scissor lifts

Target	Acquiror	Paper & Packaging Transactions
Spectrum Plastics (Port. Co. of AEA Investors)	DuPont de Nemours (NYSE:DD)	DuPont de Nemours, a diversified global specialty chemicals conglomerate, has agreed to acquire Spectrum Plastics, a provider of manufacturing services including extrusion, injection molding, laser processing, packaging and film, for \$1.75 billion (2023E EBITDA: 15.6x)
Standard Bag	Gelpac	Gelpac, a leading supplier of high-performance packaging solutions, has acquired Standard Bag, a specialty manufacturer of industrial and food grade multiwall and wovenpoly laminated bags
Northern Container	Novvia Group	Novvia Group, a global distributor of rigid container and life sciences packaging, has acquired Northern Container, a distributor of rigid packaging products to a variety of end markets

Selected TM Capital Industrials Experience

CARLISLE
wide plank floors[®]
A PORTFOLIO COMPANY OF

JMH
Capital

HAS BEEN ACQUIRED BY

SWITCHBACK
CAPITAL

ARGOSY
PRIVATE EQUITY

HAS ACQUIRED

VAG2GO

LIFT WORKS

HAS BEEN ACQUIRED BY

SUNBELT
RENTALS

THE U.S. OPERATIONS OF

Ashtead
group

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

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

Target	Acquiror	Industrial Equipment & Tech. Transactions
The FPM Business of Schenck Process Group	Hillenbrand (NYSE:HI)	Hillenbrand, a diversified industrial service provider and manufacturer, has agreed to acquire Schenck Process Group's Food Performance Group, a manufacturer and service provider of feeding, filtration, baking and material handling technologies and systems, for \$730 million
ASPEQ	SPX Technologies (NYSE:SPXC)	SPX Technologies, a leading supplier of highly engineered products and technologies, has acquired ASPEQ, a leading provider of electrical heating solutions to customers in industrial and commercial markets, for \$418 million
Southern Steel Supply	Reliance Steel & Aluminum (NYSE:RS)	Reliance Steel & Aluminum, a leading wholesaler and metal solutions provider, has acquired Southern Steel Supply, a manufacturer of steel products including structural, bars, sheets, plates, tubing, pipe, aluminum and other related products

Target	Acquiror	Specialty Chemicals & Materials
KMG Chemicals (Sub. of Entegris (NSDQ:ENTG))	Fujifilm	Fujifilm, a multinational conglomerate and manufacturer of a variety of products and services, has agreed to acquire KMG Chemicals, a manufacturer and distributor of high purity process chemicals used in semiconductors, for \$700 million
NexGen Chemical Technologies	Foremark Performance Chemicals (Port. Co. of SK Capital)	Foremark Performance Chemicals, a leading manufacturer of formaldehyde solutions for oilfields, refineries and other end markets, has acquired NexGen Chemical Technologies, a specialty chemicals manufacturer and solutions provider for the oil and gas industries
Sirius International	Azelis (BRU:AZE)	Azelis, a leading innovation service provider for the specialty chemicals and food ingredients industries, has agreed to acquire Sirius International, a leading distributor of specialty chemicals to the Benelux market

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