

INDUSTRIALS MONTHLY

MAY 2024

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

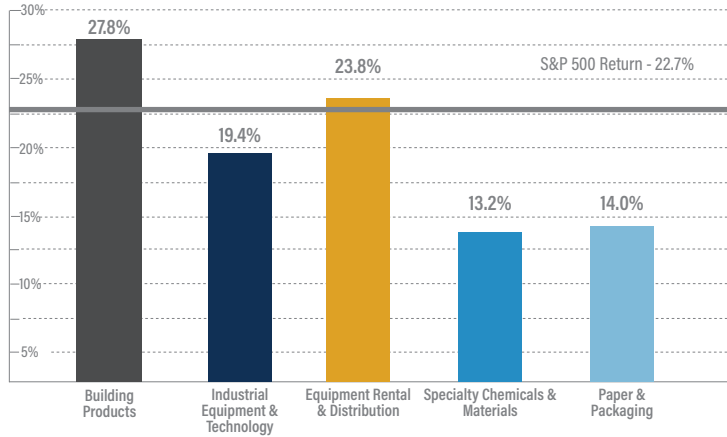
HEADLINE TRANSACTIONS

	TARGET	ACQUIROR	ACQUISITION SYNOPSIS
Building Products			<ul style="list-style-type: none"> • Quanex Building Products (NYSE:NX), a leading global manufacturer of window, door, vinyl fencing, solar, refrigeration and cabinetry products, has agreed to acquire Tyman (LSE:TYMN) for \$1.1 billion • Tyman is a leading international distributor of engineered fenestration components and access solutions to the construction industry • Implied Enterprise Transaction Value Multiple (2023) EBITDA: 11.6x
Industrial Equipment & Technology			<ul style="list-style-type: none"> • Mueller Industries, Inc. (NYSE: MLI) agreed to acquire Nehring Electrical Works for \$575 million • Nehring Electrical Works manufactures wire and cable solutions for utility, telecommunication, electrical distribution and OEM end markets • The acquisition provides Mueller Industries with a substantial platform for long-term growth in the electrical and power infrastructure space
Equipment Rental & Distribution			<ul style="list-style-type: none"> • H&E Equipment Services (NSDQ:HEES), a leading provider of equipment rental services, has acquired Lewistown Rental • Lewistown Rental is a Montana-based provider of construction and maintenance rental equipment • The acquisition allows H&E Equipment Services to capitalize on rising demand in Montana for non-residential construction, including commercial and infrastructure projects, industrial activities and agricultural production
Specialty Chemicals & Materials			<ul style="list-style-type: none"> • Apollo (NYSE:APO), a New York-based private equity firm, has agreed to acquire U.S. Silica Holdings (NYSE:SLCA) for \$1.85 billion • U.S. Silica Holdings is a diversified industrial minerals company and leading provider of last mile logistics to the oil and gas industry • Implied Enterprise Transaction Value Multiple (LTM Mar-24) EBITDA: 5.0x
Paper & Packaging			<ul style="list-style-type: none"> • International Paper (NYSE:IP), a leading manufacturer and distributor of renewable fiber-based packaging and pulp products, has agreed to acquire DS Smith (LSE:SMDS) for \$72 billion • DS Smith is a leading, a global provider of packaging solutions, paper products and recycling services • Implied Enterprise Transaction Value Multiple (LTM Apr-24E) EBITDA: 7.0x • Closing expected in Q4 2024

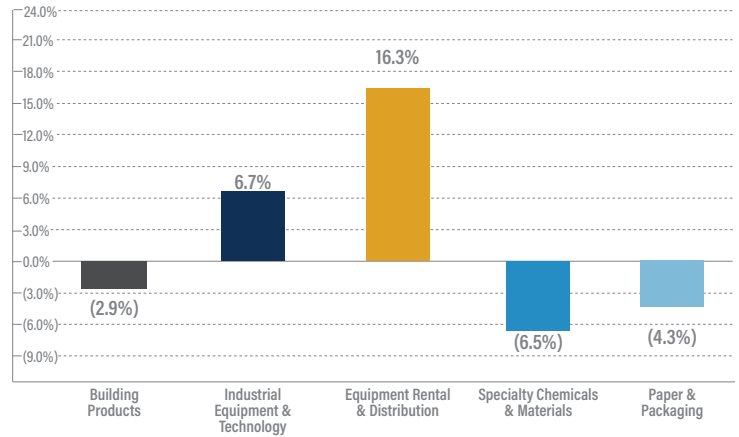
INDUSTRIALS GROWTH & VALUATION TRENDS

Note: Financial Information as of April 30, 2024

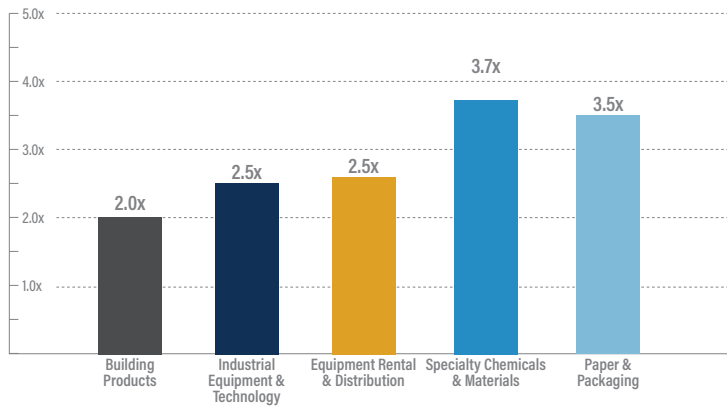
One-Year Stock Return



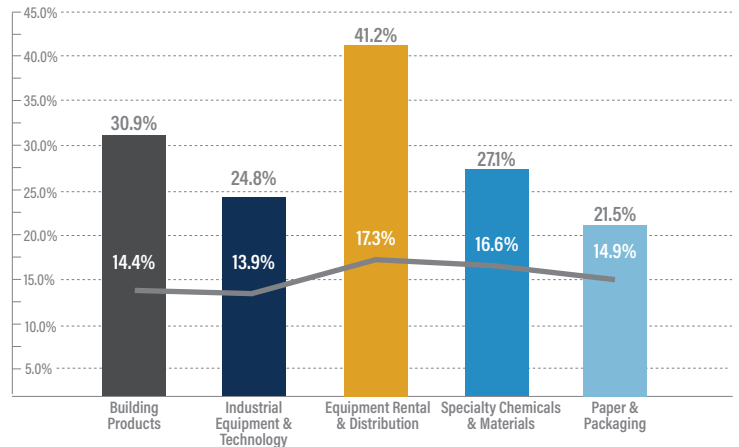
One-Year Revenue Growth



LTM Debt/EBITDA

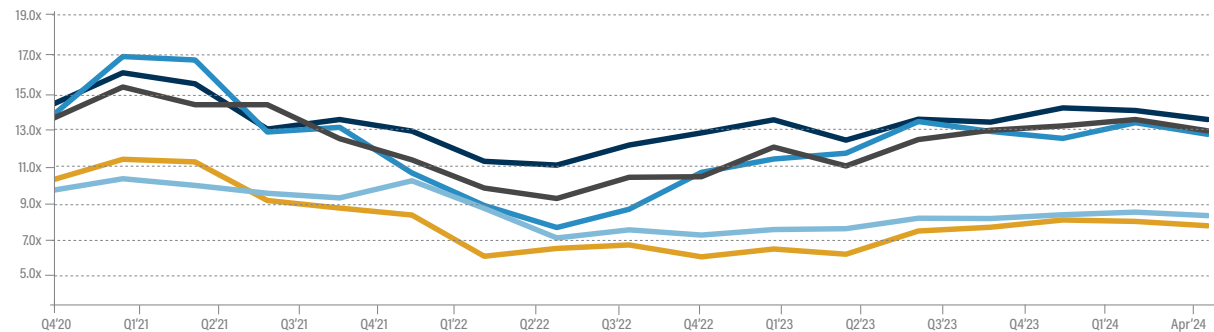


LTM Gross and EBITDA Margins*



*EBITDA Margins shown as the gray line.

TEV/EBITDA



13.0x Building Products 13.6x Industrial Equipment & Technology 8.2x Equipment Rental & Distribution 12.8x Specialty Chemicals & Materials 8.7x Paper & Packaging

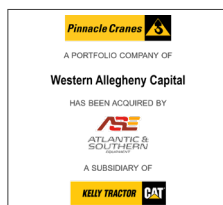
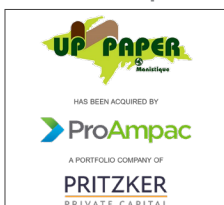
SELECTED INDUSTRIALS TRANSACTIONS

Target	Acquiror	Building Products Transactions
All American Building Products	RW America (Port Co. of Strength Capital Partners)	RW America, a distributor of building products and building envelope technology to both single-family and multi-family markets, has acquired All American Building Products, a distributor of siding, windows, doors and gutters
Smalley & Company	Beacon (NSDQ:BECN)	Beacon, a distributor of specialty roofing and complementary products, has agreed to acquire Smalley & Company, a provider of tailored sealant and waterproofing solutions
3Form	Armstrong World Industries (NYSE:AWI)	Armstrong World Industries, a manufacturer of ceiling and wall solutions, has acquired 3Form, a leading manufacturer of sustainable architectural resins and glass for ceilings, walls and other interior applications

Target	Acquiror	Equipment Rental & Distribution Transactions
SOS Fleet Services	Custom Truck One Source (NYSE:CTOS)	Custom Truck One Source, a provider of specialty equipment rentals and sales, has acquired SOS Fleet Services, a provider of fleet maintenance solutions and parts
Becnel Rental Tools	Transcat (NSDQ:TRNS)	Transcat, a distributor of handheld test, measurement and control instrumentation, has acquired Becnel Rental Tools, a provider of rental tools and services primarily utilized in the decommissioning and maintenance of oil wells, for \$50 million
Federal Rent-A-Fence	Argosy Private Equity	Argosy Private Equity, a Pennsylvania-based private equity firm, has acquired Federal Rent-A-Fence, a provider of temporary chain link fence rental services for construction sites and events

Target	Acquiror	Paper & Packaging Transactions
Ameripac	Veritiv	Veritiv, a leading specialty distributor of value-added packaging, facility solutions and print products & solutions, has acquired Ameripac, a leading provider of turnkey contract packaging and fulfillment services
Twin Rivers Paper's Unbleached Kraft Paper Mill (Port. Co. of Atlas Holdings)	American Kraft Paper Industries (Port Co. of American Industrial Acquisition Corporation)	American Kraft Paper Industries, a manufacturer and distributor of unbleached kraft paper products, has acquired an unbleached kraft paper mill from Twin River Paper, a leading manufacturer of specialty paper products
Brown Paper Goods	Inteplast Group	Inteplast Group, a manufacturer of plastic products, has acquired Brown Paper Goods, a manufacturer of paper products such as pinch bottom bags for various prepared hot and cold foods; sandwiches, foil and sub wraps; self-opening sacks; tin tie bags, butcher and freezer rolls and more

Selected TM Capital Industrials Experience



Target	Acquiror	Industrial Equipment & Tech. Transactions
Cryoworks	Crane (NYSE:CR)	Crane, a manufacturer of highly-engineered industrial products, such as valves, pipes, actuators and fittings, has acquired Cryoworks, a manufacturer and installer of cryogenic piping systems, for \$61 million
United Enertech (Port Co. of DalFort Capital Partners)	Soler & Palau Ventilation	Soler & Palau Ventilation, a manufacturer of ventilation products, has acquired United Enertech, a manufacturer of air movement and air control products
ProFab	Grote Company	Grote Company, a manufacturer of food slicing and assembly equipment, has acquired ProFab, a manufacturer of stainless steel equipment for industrial food processors

Target	Acquiror	Specialty Chemicals & Materials
Foremark Performance Chemicals (Port. Co. of SK Capital Partners)	CC Industries	CC Industries, a Chicago-based private equity firm, has acquired Foremark Performance Chemicals, a leading manufacturer of proprietary natural gas sweeteners, chemical building blocks and slow-release fertilizers
LidoChem	Valudor Products (Port Co. of Monroe Capital)	Valudor Products, a distributor of chemical raw materials to the agricultural and industrial end markets, has acquired LidoChem, a distributor of chemical raw materials, agricultural performance nutrition crops, lawn & turf fertilizers and other related products
H.P. Polymers	MFG Chemical (Port Co. of Platte River Equity)	MFG Chemical, a specialty manufacturer of complex chemistries, has acquired H.P. Polymers, a manufacturer of resin and polymers for paint and coating applications

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