

# INDUSTRIALS MONTHLY

MAY 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

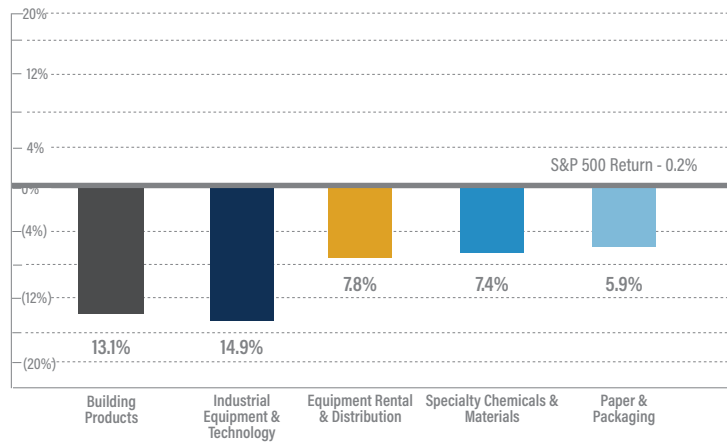
## HEADLINE TRANSACTIONS

	TARGET	ACQUIROR	ACQUISITION SYNOPSISIS
Building Products	 Access Technologies Business	 <b>ALLEGION</b>	<ul style="list-style-type: none"> <li>Allegion (NYSE:ALLE), a leading global security products and solutions provider, has agreed to acquire the Stanley Access Technologies business from Stanley Black &amp; Decker (NYSE:SWK), for \$900 million (\$810 million net of tax benefits)</li> <li>Stanley Access Technologies is a leading manufacturer, installer and service provider of automatic doors in North America, primarily in the U.S. and Canada</li> <li>Implied Enterprise Value Multiple (2022E): EBITDA: 14.5x, or approximately 12.5x including run-rate synergie</li> </ul>
Industrial Equipment	 Assets of Fill-Rite and Sotera Division	 <b>GORMAN-RUPP PUMPS</b>	<ul style="list-style-type: none"> <li>The Gorman-Rupp Company (NYSE:GRC), a leading designer, manufacturer and international marketer of pumps and pump systems, has agreed to acquire the assets of the Fill-Rite and Sotera ("Fill-Rite") division of the Tuthill Company, for \$525 million (\$445 million net of tax benefits)</li> <li>Fill-Rite provides rugged, high-performance liquid transfer pumps, as well as a comprehensive line of mechanical and digital meters, precision weights, measured certified meters, hand pumps, hoses, nozzles and accessories</li> </ul>
Equipment Rental & Distribution	 Rabern Rentals	 <b>MANITEX INTERNATIONAL</b>	<ul style="list-style-type: none"> <li>Manitex International (Nasdaq:MNTX), a leading designer, manufacturer and distributor of engineered lifting solutions, has acquired Rabern Rentals</li> <li>Rabern Rentals is a top regional provider of industrial equipment rentals for commercial construction. Rabern Rentals has four locations in Texas and a fleet of more than 1,700 machines</li> <li>Implied Enterprise Value Multiples (2021): Revenue: 1.2x; EBITDA: 3.2x</li> </ul>
Specialty Chemicals & Materials	 Protective Materials Business	 <b>AVIENT</b>	<ul style="list-style-type: none"> <li>Avient (NYSE:AVNT), a leading provider of specialized and sustainable material solutions, has acquired the DSM Protective Materials business ("Protective Materials") from Royal DSM (AMS:DSM), for \$1.5 billion</li> <li>The Protective Materials business chiefly consists of Dyneema®, the world's strongest fiber, as well as production operations of specialty polymers and plastics for high-impact applications in body armor, marine, off-shore energy and consumer and sporting goods</li> <li>Implied Enterprise Value Multiples (2022E): Revenue: 3.6x; EBITDA: 11.4x</li> </ul>
Paper & Packaging	 Pixelle Specialty Solutions	 <b>H. I. G. CAPITAL</b>	<ul style="list-style-type: none"> <li>H.I.G. Capital, a Miami, FL-based global private equity firm, has agreed to acquire Pixelle Specialty Solutions</li> <li>Pixelle Specialty Solutions, a leading provider of fiber-based specialty services, has a four-mill specialty paper platform with mills across Ohio, Maine, Pennsylvania and Wisconsin. Pixelle's mills operate 11 paper machines and deliver over one million tons of paper per year</li> </ul>

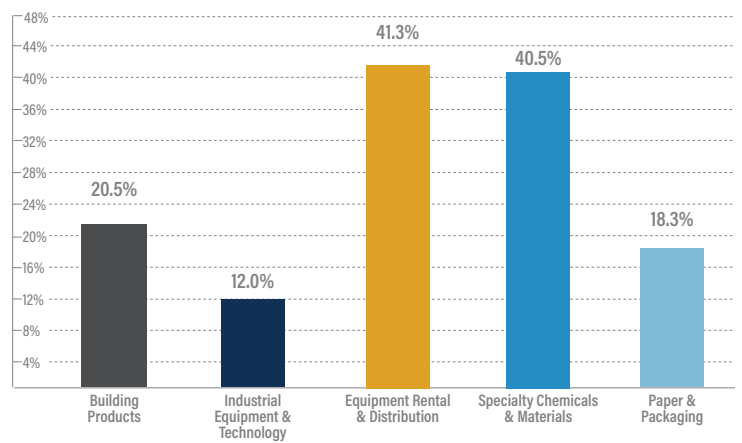
# INDUSTRIALS GROWTH & VALUATION TRENDS

Note: Financial Information as of March 31, 2022

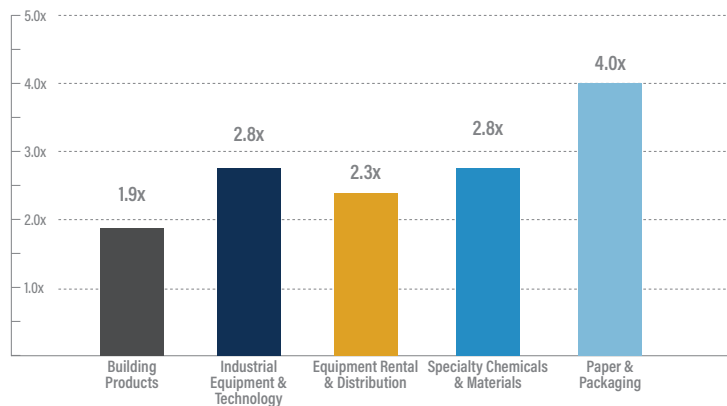
## One-Year Stock Return



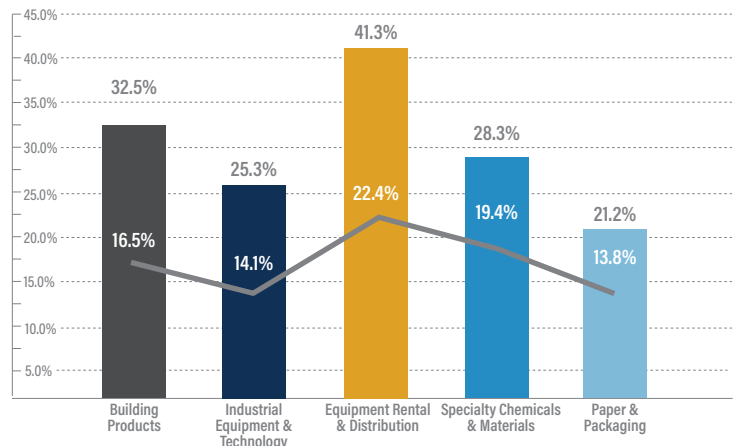
## One-Year Revenue Growth



## LTM Debt/EBITDA

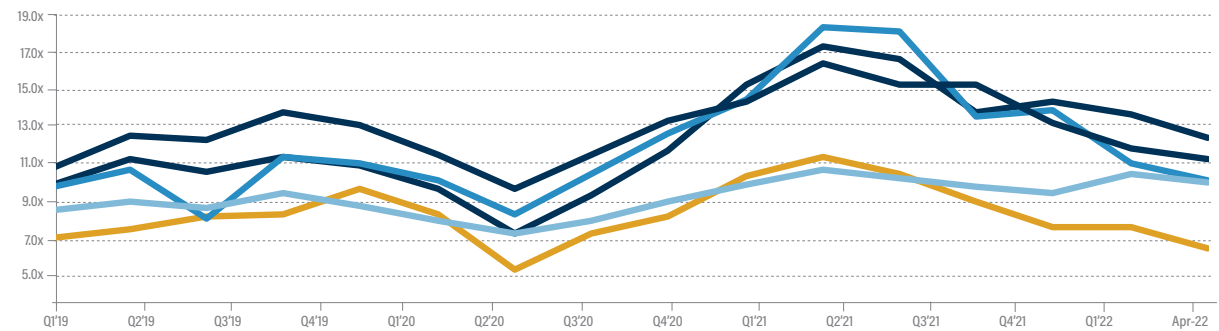


## LTM Gross and EBITDA Margins\*



\*EBITDA Margins shown as the gray line.

## TEV/EBITDA



11.1x Building Products 12.0x Industrial Equipment & Technology 7.3x Equipment Rental & Distribution 10.2x Specialty Chemicals & Materials 10.1x Paper & Packaging

# SELECTED INDUSTRIALS TRANSACTIONS

Target	Acquiror	Building Products Transactions
Marley Limited (Port. Co. of Inflexion Partners)	Marshalls (LSE:MSLH)	Marshalls, a manufacturer of hard landscaping products in the United Kingdom and internationally, has acquired Marley Limited, a manufacturer and supplier of roof systems for the construction market in the United Kingdom, for \$701 million

WearDeck (Subsidiary of JR Plastics)	Owens Corning (NYSE:OC)	Owens Corning, a manufacturer and marketer of insulation, roofing and fiberglass composite materials globally, has agreed to acquire WearDeck, a manufacturer of weather-resistant deck for commercial and residential end markets in North America
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Monmouthshire Timber Supplies	Premier Forest Products	Premier Forest Products, a distributor of timber and panel products in the United Kingdom, has acquired Monmouthshire Timber Supplies, a distributor of construction timber products to home builders and contractors in the United Kingdom
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Target	Acquiror	Equipment Rental & Distribution Transactions
Valley Industrial Crane	Wolter Group	Wolter Group, a distributor of material handling equipment, lift trucks and other fleet solutions, has acquired Valley Industrial Crane, a provider of overhead cranes and related products, as well as maintenance, inspection and installation services

Southern Material Handling	Hugg & Hall Equipment	Hugg & Hall Equipment, a regional provider of new and used forklifts, aerial lifts, telehandlers and heavy equipment in the southeastern U.S., has acquired Southern Material Handling Company, a new-and-used forklift dealer based in Tulsa
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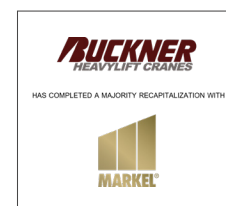
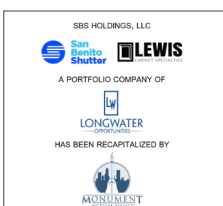
EIE Group	CFAO Holdings South Africa	CFAO Holdings, a South African-based holding company, has acquired EIE Group, a distributor, rental and value-added service provider for industrial and material handling equipment in South Africa
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Target	Acquiror	Paper & Packaging Transactions
Majend Makcs	Toppan (TSE:7911)	Toppan, a global leader in communication, security, packaging and décor materials, has agreed to acquire Majend Makcs, a manufacturer and supplier of packaging materials and solutions including retort packages, barrier materials and roll films

PBFY Flexible Packaging	TricorBraun Flex	TricorBraun Flex, a designer and manufacturer of packaging solutions has acquired PBFY, a manufacturer of plastic packaging solutions, including foil pouches and bags, paper bags, films, digital labels, heat and vacuum sealers and roll stock films
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Cam Packaging	Inline Plastics	Inline Plastics, a manufacturer of plastic containers to package fruits, vegetables, baked goods and deli items, has acquired Cam Packaging, a provider of specialized food containers, as well as plastic containers for automotive and retail packaging
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## Selected TM Capital Industrials Experience



Target	Acquiror	Industrial Equipment & Tech. Transactions
Wenger Manufacturing	Marel (ICSE:MAREL)	Marel, a developer, manufacturer and distributor of processing equipment, systems and software for the poultry, meat and fish industries has agreed to acquire Wenger Manufacturing, a manufacturer of extrusion cooking systems for grain and food processing industries globally, for \$530 million

Storage Tanks Business ("Arcosa Tank") of Arcosa (NYSE:ACA)	Black Diamond Capital Management	Black Diamond Capital Management, a Stamford, CT-based private equity firm, has agreed to acquire Arcosa Tank, a manufacturer of steel pressure tanks for the storage and transportation of propane, ammonia and other gases, for \$275 million
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Diplomatic	Daikin (TSE:6367)	Daikin, a manufacturer and distributor of air-conditioning and refrigeration equipment, has agreed to acquire Diplomatic, a designer and manufacturer of hydraulic valves and components serving industrial end markets, for \$232 million
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Target	Acquiror	Specialty Chemicals & Materials
PRIME Industries	Applied Adhesives (Port. Co. of Arsenal Capital)	Applied Adhesives, a premier adhesive solutions provider in North America, has acquired PRIME Industries, a supplier of adhesives, sealants and dispensing equipment in the Rocky Mountain region

Innovative Fragrances	Phoenix Flavors and Fragrance (Port. Co. of SK Capital)	Phoenix Flavors and Fragrance, a developer and compounder of high-performance flavors and fragrances, has acquired Innovative Fragrances, a developer and compounder of fragrance compounds for the home fragrance, personal care and air freshener markets
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North American Cement Grinding Aids and Additives Business of Chryso	Euclid Chemical Company (Subsidiary of RPM Int'l (NYSE:RPM))	Euclid Chemical Company, a leading manufacturer of concrete and masonry construction products, has acquired Chryso's North American Cement Grinding Aids and Additives Business, whose products enhance the performance of cement
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## TM Capital's Industrials Contacts

**Paul Smolevitz**  
Managing Director  
psmolevitz@tmcapital.com  
212.809.1416

**Anthony Giorgio**  
Managing Director,  
*Specialty Chemicals & Materials*  
agiorgio@tmcapital.com  
212.809.1428

**Andy Krna**  
Managing Director  
akrna@tmcapital.com  
212.809.1442

**Jonathan Mishkin**  
Managing Director  
jmishkin@tmcapital.com  
212.809.1413

**Jerome Romano**  
Managing Director  
jromano@tmcapital.com  
617.259.2206

**Vidur Kapur**  
Principal  
vkapur@tmcapital.com  
212.809.1422

**David Felts**  
Managing Director  
dfelts@tmcapital.com  
404.995.6252

**Allan Cruickshanks**  
Managing Director  
acruickshanks@tmcapital.com  
808.387.4485

**Steve Hunter**  
Managing Director,  
*Sponsor Coverage*  
shunter@tmcapital.com  
404.995.6232