

# INDUSTRIALS MONTHLY

OCTOBER 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

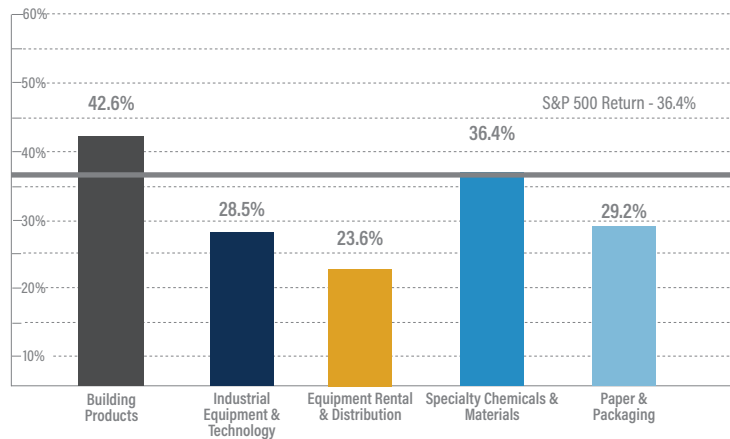
## HEADLINE TRANSACTIONS

|                                   | TARGET   | ACQUIROR  | ACQUISITION SYNOPSISIS  |
|-----------------------------------|--|---|---|
| Building Products                 | <br>a Subsidiary of<br>        |  | <ul style="list-style-type: none"> <li>• Kingswood Capital Management, a Los Angeles-based private equity firm, has acquired Kichler Lighting, a subsidiary of Masco, for \$125 million</li> <li>• Kichler Lighting is a manufacturer of decorative residential and light commercial lighting products</li> <li>• The acquisition expands Kingswood's presence in the residential lighting sector, following its acquisition of Progress Lighting in February 2024</li> </ul>   |
| Industrial Equipment & Technology | <br>a Subsidiary of<br>        |  | <ul style="list-style-type: none"> <li>• Rheem, a leading manufacturer of HVAC and commercial refrigeration products, has agreed to acquire Nortek Global HVAC, a subsidiary of Madison Industries</li> <li>• Nortek Global HVAC is a leading manufacturer of residential and commercial HVAC systems</li> <li>• The acquisition is expected to generate significant synergies as Nortek Global HVAC complements Rheem's expanding Air and Water Businesses</li> </ul>  |
| Equipment Rental & Distribution   |   |  | <ul style="list-style-type: none"> <li>• United Rentals (NYSE: URI), the world's largest equipment rental company, has acquired Shore Hire</li> <li>• Shore Hire is an Australia-based provider of trench shoring, propping and traffic management equipment rentals</li> <li>• The acquisition grows United Rentals' Australian footprint, following its acquisition of Orange Hire in June 2024</li> </ul>  |
| Specialty Chemicals & Materials   | <br>a Portfolio Company of<br> |  | <ul style="list-style-type: none"> <li>• Agilent Technologies (NYSE: A), a manufacturer of analytical laboratory technologies, including instruments, software and services, has acquired BIOVECTRA, a portfolio company of H.I.G. Capital, for \$925 million</li> <li>• BIOVECTRA is a manufacturer of ingredients used in branded drugs to treat a range of complex diseases</li> <li>• The acquisition strengthens Agilent's CDMO specialization in oligonucleotides and CRISPR therapeutics</li> </ul>                                  |
| Paper & Packaging                 | <br>a Portfolio Company of<br> |  | <ul style="list-style-type: none"> <li>• Seiko Epson (TSE: 6724), a leading manufacturer of printers, information- and imaging-related equipment, has acquired Fiery, a portfolio company of Siris Capital, for \$591 million</li> <li>• Fiery is a provider of digital printing solutions and workflow software including print servers and engines</li> <li>• The acquisition expands Seiko Epson's commercial and industrial printing capabilities and accelerates the digital transformation of its analog printing business</li> </ul> |

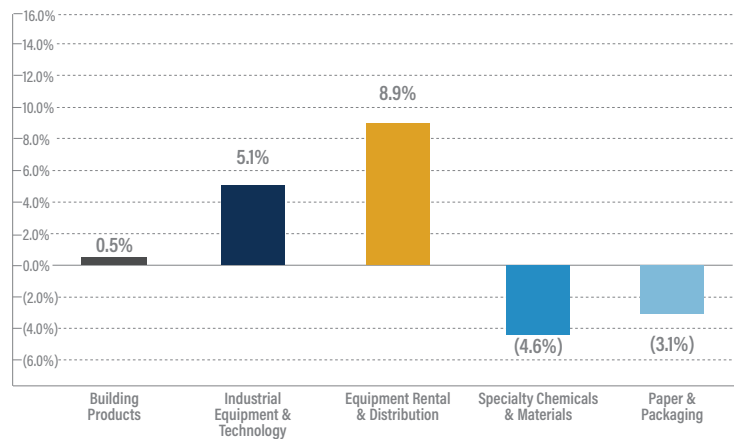
# INDUSTRIALS GROWTH & VALUATION TRENDS

Note: Financial Information as of September 30, 2024

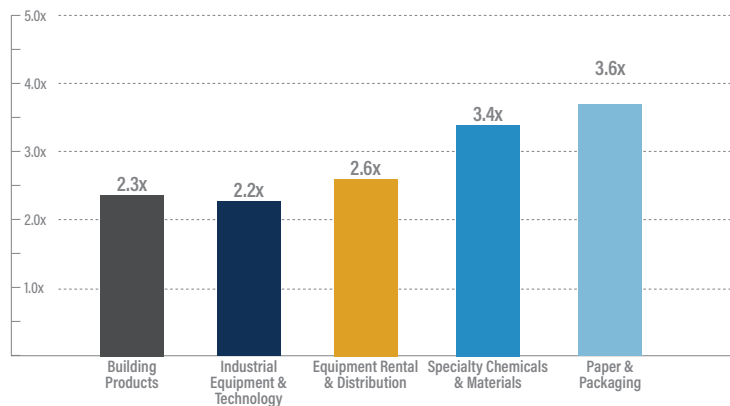
## One-Year Stock Return



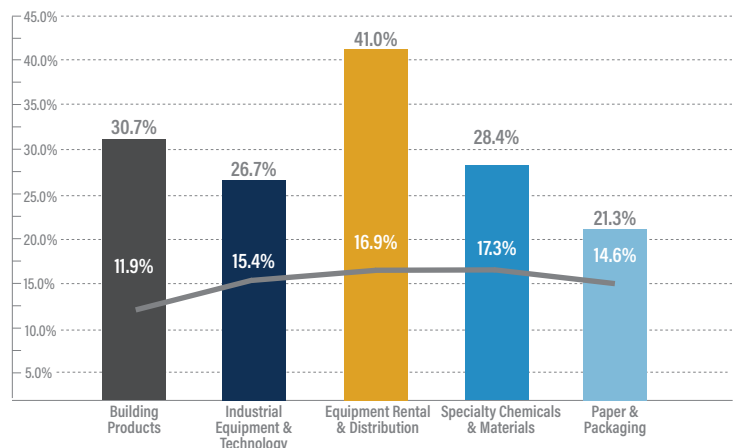
## One-Year Revenue Growth



## LTM Debt/EBITDA

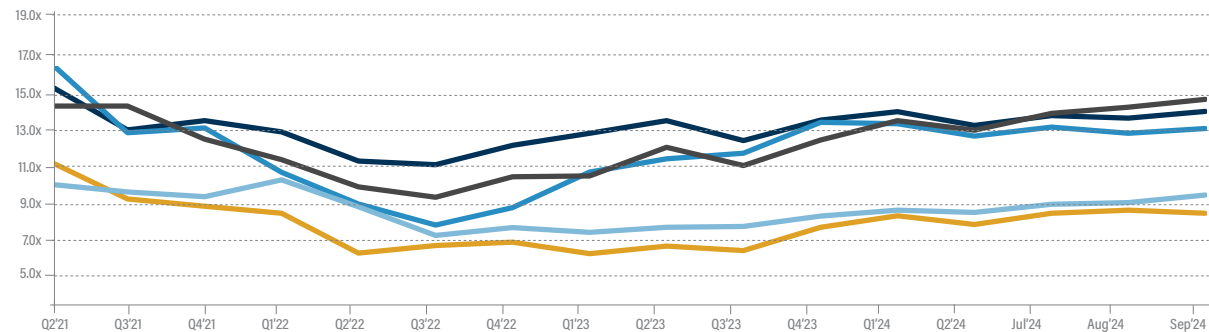


## LTM Gross and EBITDA Margins\*



\*EBITDA Margins shown as the gray line.

## TEV/EBITDA



14.7x Building Products 14.0x Industrial Equipment & Technology 8.7x Equipment Rental & Distribution 13.2x Specialty Chemicals & Materials 9.7x Paper & Packaging

# SELECTED INDUSTRIALS TRANSACTIONS

| Target   | Acquiror   | Building Products Transactions  |
|--|--|---|
| Chicago Metal Supply   | Beacon Roofing Supply (NSDQ: BECN)                     | Beacon Roofing Supply, a distributor of building products, including roofing materials, siding and waterproofing, has acquired Chicago Metal Supply, a fabricator of architectural sheet metal  |
| Nix Door and Hardware  | US LBM (Port. Co. of Platinum Equity and Bain Capital) | US LBM, a leading distributor of specialty building materials, has acquired Nix Door and Hardware, a distributor and installer of windows, doors and fireplaces to residential and commercial customers   |
| Unified Door & Hardware Group (Port. Co. of Dunes Point Capital) | Foundation Building Materials (Port. Co. of CDR)       | Foundation Building Materials, a distributor of building products, including wallboard, ceiling systems and metal framing, has acquired Unified Door & Hardware Group, a value-added distributor of doors and related hardware for commercial building applications |

| Target                     | Acquiror                       | Equipment Rental & Distribution Transactions  |
|----------------------------|--------------------------------|---|
| Tri-City Equipment Rentals | Toromont Industries (TSX: TIH) | Toromont Industries, a provider of brand-name rental equipment, construction supplies and tools, has acquired Tri-City Equipment Rentals, a provider of heavy equipment and machinery rentals |

|                       |  |  |
|-----------------------|--|--|
| Scott-Macon Equipment | Allegiance Crane & Equipment (Port. Co. of InterVest Capital Partners) | Allegiance Crane & Equipment, a provider of rental crane and lifting equipment and related services, has acquired Scott-Macon Equipment, a distributor of Tadano, Broderson and Kobelco cranes and a provider of bare rental solutions |
|-----------------------|--|--|

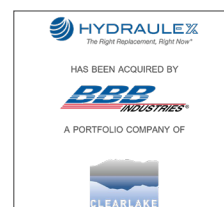
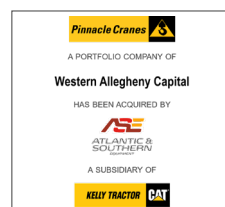
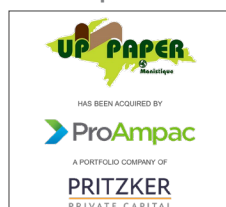
|                       |                   |  |
|-----------------------|-------------------|--|
| Wells Equipment Sales | Redline Equipment | Redline Equipment, a Case IH dealer and provider of agricultural equipment services, has agreed to acquire Wells Equipment Sales, a Michigan-based dealer of trucks, tractors and farm equipment |
|-----------------------|-------------------|--|

| Target                 | Acquiror        | Paper & Packaging Transactions   |
|------------------------|-----------------|--|
| Capitol City Container | Welch Packaging | Welch Packaging, a manufacturer of custom corrugated products, has merged with Capitol City Container, a manufacturer of custom-designed corrugated boxes and packaging products |

|                |   |  |
|----------------|---|--|
| Liquid Bottles | Novvia Group (Port. Co. of Kelso & Company) | Novvia Group, a distributor of rigid containers and life sciences packaging, has acquired Liquid Bottles, a distributor of plastic and glass containers and other rigid packaging products |
|----------------|---|--|

|                                   |                       |   |
|-----------------------------------|-----------------------|---|
| Bennett Fleet Chip & Fiber Boards | Hammond Paper Company | Hammond Paper Company, a converter of paperboard, chipboard, graphic board and other products, has acquired Bennett Fleet Chip & Fiber Boards, a distributor and converter of paperboard products |
|-----------------------------------|-----------------------|---|

## Selected TM Capital Industrials Experience



### ABOUT TM CAPITAL, A DIVISION OF JANNEY

FOUNDED IN 1989 AND NOW PART OF JANNEY MONTGOMERY SCOTT, TM CAPITAL IS THE CLIENT-FIRST INVESTMENT BANKING TEAM ADVISING INDUSTRY-LEADING COMPANIES ACROSS NORTH AMERICA AND AROUND THE WORLD. IN EVERYTHING WE DO, OUR PROFESSIONALS SHARE A RELENTLESS COMMITMENT TO ENGINEERING EXTRAORDINARY OUTCOMES WITH AN UNMATCHED STANDARD OF CLIENT CARE. OVER THE LAST THREE DECADES, WE HAVE COMPLETED NEARLY 450 TRANSACTIONS WITH A COMBINED VALUE OF \$30 BILLION. WITH OFFICES IN ATLANTA, BOSTON AND NEW YORK, OUR MISSION CRITICAL CAPABILITIES INCLUDE: COMPLEX MERGERS AND ACQUISITIONS; DEBT AND EQUITY FINANCINGS; MINORITY AND MAJORITY RECAPITALIZATIONS; RESTRUCTURINGS; AND BOARD ADVISORY SERVICES. TM CAPITAL IS ALSO A MEMBER OF OAKLINS, THE WORLD'S MOST EXPERIENCED MID-MARKET M&A ADVISOR, WITH OVER 850 PROFESSIONALS AND DEDICATED INDUSTRY TEAMS IN MORE THAN 45 COUNTRIES, HAVING CLOSED 1,700 TRANSACTIONS IN THE PAST FIVE YEARS. FOR MORE INFORMATION, PLEASE VISIT WWW.TMCAPITAL.COM.

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| Target                 | Acquiror                     | Industrial Equipment & Tech. Transactions  |
|------------------------|------------------------------|--|
| Hartwell Environmental | DXP Enterprises (NSDQ: DXPE) | DXP Enterprises, a distributor of MRO products for rotating equipment, bearings, power transmission, metal working and industrial supplies, has acquired Hartwell Environmental, a manufacturer of pumps, controls and process equipment for the wastewater industry |

|                 |                               |  |
|-----------------|-------------------------------|--|
| Damuth Services | Trane Technologies (NYSE: TT) | Trane Technologies, a manufacturer and distributor of HVAC and refrigeration products, as well as a provider of related services, has acquired Damuth Services, a distributor of Trane HVAC systems and a provider of related services |
|-----------------|-------------------------------|--|

|                     |   |   |
|---------------------|---|---|
| Agile Manufacturing | Consolidated Equipment (Port. Co. of Dominus Capital) | Consolidated Equipment, a manufacturer of attachments for skid-steers loaders, compact tractors and light-construction equipment, has acquired Agile Manufacturing, a manufacturer of front-end loaders, grapples and buckets |
|---------------------|---|---|

| Target   | Acquiror            | Specialty Chemicals & Materials   |
|--|---------------------|---|
| UW Solutions (Port. Co. of Heartwood Partners) | Apogee (NSDQ: APOG) | Apogee, a manufacturer of architectural products and provider of related services for enclosed buildings, has agreed to acquire UW Solutions, a manufacturer of high-performance coated substrates, for \$240 million |

|             |  |  |
|-------------|--|--|
| Synple Chem | eMolecules (Port. Co. of Avista Healthcare Partners) | eMolecules, a provider of business intelligence data and integrated eCommerce software for screening compound, chemical blocks and antibody supply chains, has acquired Synple Chem, a manufacturer of reagent cartridge-based chemical synthesizers |
|-------------|--|--|

|                          |  |  |
|--------------------------|--|--|
| Gotham Refining Chemical | Water Engineering (Port. Co. of Nolan Capital) | Water Engineering, a manufacturer of water treatment chemicals, has acquired Gotham Refining Chemical, a manufacturer of water treatment chemicals for the commercial and industrial end markets |
|--------------------------|--|--|

## TM Capital's Industrials Contacts

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

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

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

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

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

**Allan Cruickshanks**  
Managing Director  
acruickshanks@tmcapital.com  
804.387.4485

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

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

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