



Specialty Distribution Sector Update

KPMG Corporate Finance
Fall 2022

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Specialty Distribution Overview

Global specialty distribution industry participants include distributors and suppliers of various specialty products and parts covering a variety of end-markets. Key public industry players are categorized by sub-sectors as follows:

Sub-sector	Public Revenue / EBITDA Multiple ⁽¹⁾	Description	Key Select Industry Leadership
Automotive	2.18x / 12.4x	Omni-channel suppliers of aftermarket parts and accessories	<ul style="list-style-type: none"> AutoZone Dorman Products Genuine Parts Company LKQ Corporation O' Reilly Automotive
Building Products	0.75x / 6.0x	Suppliers of products used in residential and commercial construction applications	<ul style="list-style-type: none"> Beacon Roofing Supply Boise Cascade Builders FirstSource CRH Ferguson GMS Hardwoods Distribution SiteOne Landscape Supply
Consumer Products	1.50x / 10.0x	Distributors of specialty residential products	<ul style="list-style-type: none"> Central Garden & Pet Company Fortune Brands Home & Security Pool Corporation
Food Service	0.43x / 11.9x	Suppliers of food and non-food products to restaurants, hospitals, and schools and universities	<ul style="list-style-type: none"> Bunzl Performance Food Group SpartanNash Sysco Corporation United Natural Foods US Foods Holding
Healthcare	0.56x / 10.2x	Providers of pharmaceuticals, medical supplies, equipment and devices	<ul style="list-style-type: none"> AdaptHealth AmeriSourceBergen Cardinal Health Henry Schein McKesson Owens & Minor Patterson Companies
Industrial	1.31x / 11.6x	B2B distributors of products, equipment, and supplies to a range of industrial applications	<ul style="list-style-type: none"> Applied Industrial Technologies DXP Enterprises Fastenal Global Industrial Kaman Corporation L'Air Liquide MRC Global MSC Industrial Direct NOV NOW Rexel SPX Corporation Veritiv Corporation W.W. Grainger Watsco WESCO International
Specialty Chemicals	2.23x / 11.4x	Suppliers of smaller volume chemical formulations used in specific applications	<ul style="list-style-type: none"> Air Products and Chemicals Brenntag Hawkins IMCD Linde Univar Solutions

Source: Market statistics sourced from Capital IQ and based on 9/30/2022

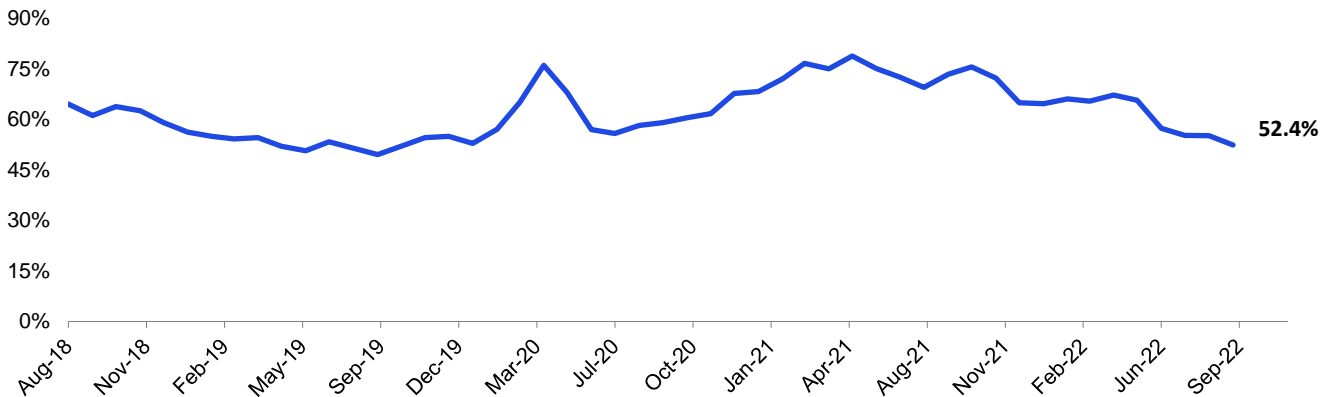
(1) Valuation Multiples represent Enterprise Value to LTM Revenue and LTM EBITDA at 9/30/2022



Specialty Distribution Overview (cont.)

Sector Perspectives: Supply Chain Issues Affecting Specialty Distribution

- In September 2022, the ISM Manufacturing Supplier Deliveries Index stood at 52.4%, indicating delays and slowdowns in the supply chain, as a result of continued transportation delays and labor shortages
 - This figure measures how quickly shipments are reaching customers. The higher the number, the slower the deliveries



- To mitigate the impact of supply chain disruption, distributors such as MRC Global, MSC Industrial, and other major industry players are building inventory buffers to cushion the impact of price increases, long lead times, and lack of product availability
- Further, many distributors have relied on technological initiatives to navigate through continued supply chain issues, by adopting systems for logistics planning, inventory management, and general automation
 - Per Holden Lewis, CFO of Fastenal Company: “Our marketplace continues to experience tight supply chains and labor shortages. To address these, we will continue to lean on technology and branch initiatives to improve productivity and an organizational culture that empowers local leaders to sustain high service levels.”
- Supplier relationships have been a critical part of managing challenging supply chain dynamics, with companies maintaining constant communication and securing long term agreements, that foster deeper relations with suppliers to ensure timely deliveries and adequate supply

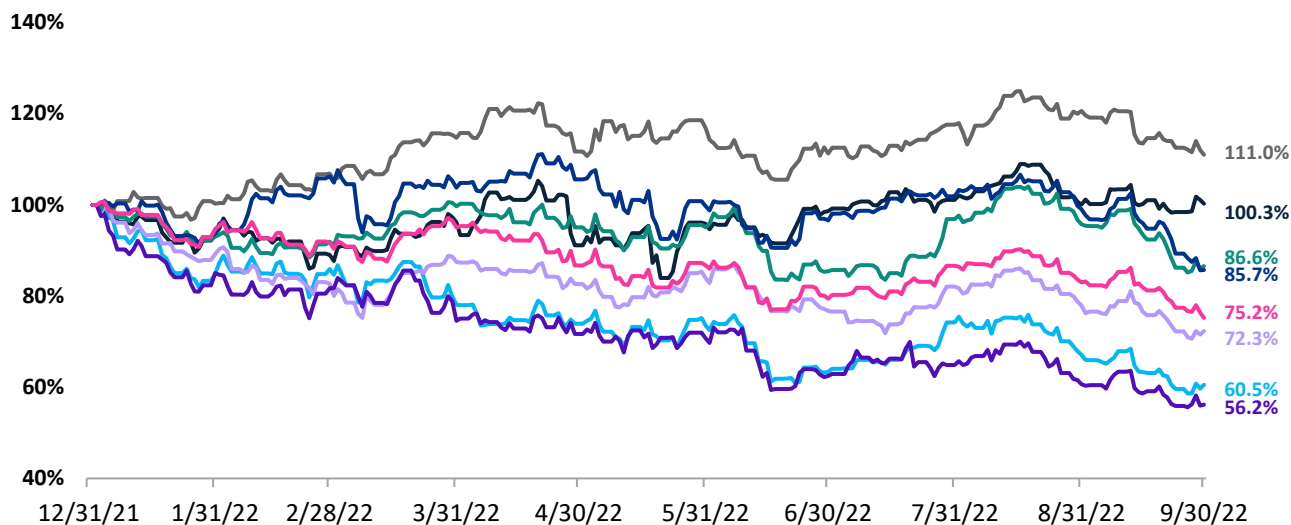
Source: Broker Reports, News Articles, Wall Street Research, and other publicly available data.

Specialty Distribution Public Markets Update

LTM Specialty Distribution sub-sectors performance has varied relative to the S&P 500 (-24.8% as of Sep-22)

Sub-sectors	Performance (1/1/22 – 9/30/22)	Mean EV/LTM EBITDA Multiples
Automotive	0.3%	12.4x
Building Products	(39.5%)	6.0x
Consumer Products	(43.8%)	10.0x
Food Service	(14.3%)	11.9x
Healthcare	11.0%	10.2x
Industrials	(13.4%)	11.6x
Specialty Chemicals	(27.7%)	11.5x
S&P 500	(24.8%)	

2022 YTD Indexed Stock Performance

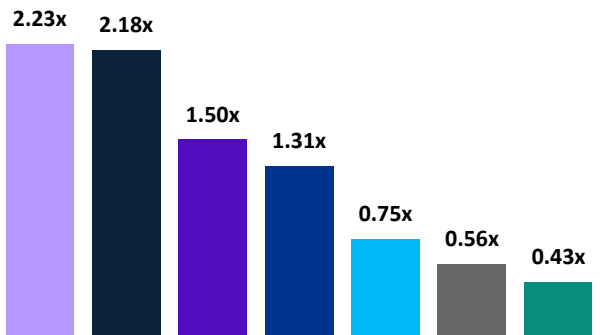


Key

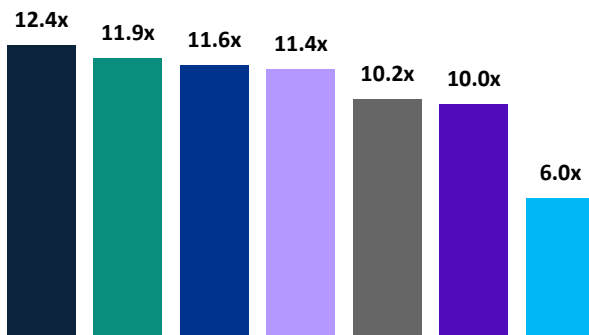


Financial Metrics(1) for Specialty Distribution Peer Groups (9/30/2022)

EV/LTM Revenue



EV/LTM EBITDA



Source: Market statistics sourced from Capital IQ

(1) Financial metrics represent the average of constituents reporting in respective category

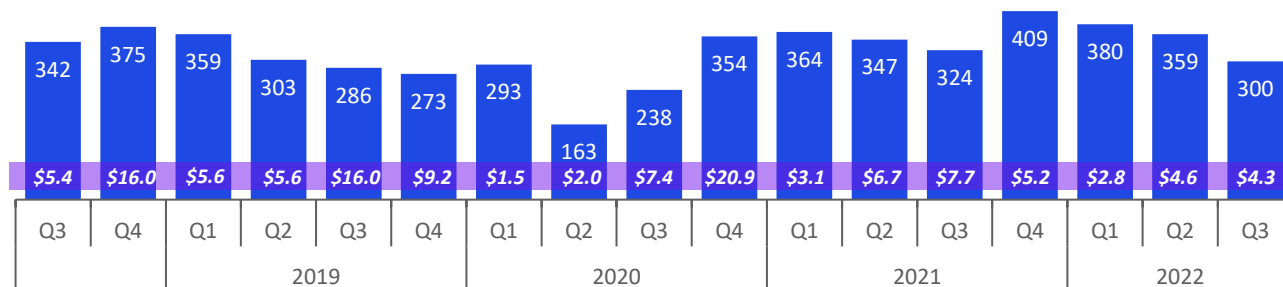


Specialty Distribution M&A Market Commentary

- Year-over-year, global Q3 2022 announced transaction value decreased ~44.2% compared to Q3 2021, while announced transaction volume decreased ~7.4% over the same period
- Quarter-over-quarter, global Q3 2022 transaction activity decreased ~16.4% compared to Q2 2022. Over the same period, announced transaction value decreased ~6.2% from \$4.6 bn to \$4.3 bn

Specialty Distribution Announced Deal Volume and Value⁽¹⁾

Deal Volume (# of transactions); Deal Value (\$ in bn)



Recent Closed Notable U.S. Specialty Distribution Deals

September 2022
Quest Engineering / Motion & Control Enterprises
 Quest engineering who distribute hydraulic and industrial valves, gauges and instrumentation products has been acquired by Motion & Control Enterprises. Motion & Control distributes motion & control systems, lubrication equipment and power tools, and provides design and engineering services

August 2022
Spartan Distributors / Reinders
 Reinders a distributor of turf equipment, irrigation products, fertilizers, grass seed and power equipment has acquired Spartan Distributors. Spartan distributes irrigation and maintenance products to golf courses, sports fields, parks, commercial, and residential sites out of their headquarters in Michigan

August 2022
Southern Fasteners & Supply / Park-Ohio Holdings
 Park-Ohio Holdings provides supply chain management outsourcing services, capital equipment and manufacturing components has acquired Southern Fasteners & Supply. Southern Fasteners are industrial fastener and hardware supply distributors based out of North Carolina

June 2022
Vallen Distribution / Nautic Partners
 Nautic Partners, a private equity firm focused on the healthcare, industrials, and services space, has acquired Vallen Distribution, from the Sonepar Group. Vallen Distribution is a leading provider of indirect industrial supplies catering to mainly maintenance, repair, operations and production-related needs of its customers

May 2022
CCOM Group / Daikin Industries
 Daikin Industries, a provider of heating and cooling systems for residential, commercial, and industrial use, has acquired CCOM Group for \$35m, 0.29x LTM Revenue, and 5.2x LTM EBITDA. CCOM Group is a distributor of HVAC products, building management systems, as well as plumbing and electrical supplies

May 2022
Cisco Air Systems / DXP Enterprises
 DXP Enterprises, an industrial and MRO product distributor, has acquired Cisco Air Systems for \$45m, 1.04x LTM Revenue, and 6.4x LTM EBITDA. Cisco Air Systems is a distributor of air compressors, vacuum pump, and other related products, with a focus on catering to the food & beverage, transportation, and general industrial markets

April 2022
PGW Auto Glass / OEP Capital Advisors
 OEP Capital Advisors, a private equity firm focused in the industrial, healthcare, and technology space, has acquired PGW Auto Glass for \$362m and 0.91x LTM Revenue. PGW Auto Glass is a distributor of glass products for the automotive aftermarket

April 2022
Lawson Products / TestEquity & Gexpro Services
 TestEquity and Gexpro Services, backed by LKCM Headwater Investments, merged with Lawson Products for \$580.7m. Lawson Products is a specialty distributor; Gexpro Services is a supply chain services provider; and TestEquity is a provider of electronic test and measurement solutions

(1) Market statistics sourced from Capital IQ, Merger Market, Pitchbook, Wall Street research, press releases. Notes: M&A analysis based on deals announced during respective periods. Deal value represents aggregate deal value for disclosed transactions for time periods noted above

Select Public Specialty Distribution Companies

Public Markets Key Trading Statistics (9/30/2022)

Sub-sectors	Indexed Share Price % Change		LTM Financials		Valuation Multiples Enterprise Value To:	
	1/1/21 - 9/30/22	1/1/22 - 9/30/22	Gross Margin	EBITDA Margin	LTM Revenue	LTM EBITDA
Automotive	67.9%	0.3%	42.6%	16.9%	2.20x	12.4x
Building Products	(5.4%)	(39.5%)	29.5%	13.2%	0.75x	6.0x
Consumer Products	(17.9%)	(43.8%)	32.4%	14.7%	1.51x	10.0x
Food Service	5.5%	(14.3%)	16.4%	3.5%	0.43x	11.9x
Healthcare	38.7%	11.0%	13.9%	6.1%	0.56x	10.2x
Industrial	13.4%	(13.4%)	31.1%	11.0%	1.31x	11.6x
Specialty Chemicals	(5.2%)	(27.7%)	26.7%	17.5%	2.25x	11.5x
Specialty Distribution Sector Mean	26.2%	(13.4%)	27.4%	11.0%	1.23x	10.5x

Public Markets Detail (9/30/2022)

Company	Country	Market Data				LTM Financials			Valuation Multiples Enterprise Value To:			
		Share Price	% 52-Wk High	Market Cap ⁽¹⁾	Enterprise Value ⁽²⁾	Revenue	Gross Margin	EBITDA Margin	LTM Revenue	LTM EBITDA	CY 2022 Revenue	CY 2022 EBITDA
Automotive												
O'Reilly Automotive, Inc.	US	\$703.35	93.7%	\$44,535	\$50,928	\$14,057	51.7%	23.5%	3.62x	15.4x	3.60x	15.9x
AutoZone, Inc.	US	\$2,141.93	90.7%	\$40,967	\$49,662	\$16,252	52.1%	22.8%	3.06x	13.4x	3.02x	13.5x
Genuine Parts Company	US	\$149.32	90.5%	\$21,118	\$24,731	\$21,376	34.9%	9.8%	1.16x	11.8x	1.15x	12.8x
LKQ Corporation	US	\$47.15	78.0%	\$12,937	\$16,393	\$12,979	40.6%	12.9%	1.26x	9.8x	1.25x	9.4x
Dorman Products, Inc.	US	\$82.12	66.8%	\$2,581	\$2,846	\$1,566	33.4%	15.4%	1.82x	11.8x	1.74x	11.2x
Mean							42.5%	16.9%	2.18x	12.4x	2.15x	12.6x
Median							40.6%	15.4%	1.82x	11.8x	1.74x	12.8x
Building Products												
CRH plc	IE	\$32.43	68.6%	\$24,360	\$28,997	\$32,812	33.4%	16.6%	0.88x	5.3x	0.91x	5.3x
Ferguson plc	GB	\$104.79	68.9%	\$21,444	\$25,801	\$28,566	30.7%	11.0%	0.90x	8.2x	0.87x	8.1x
Builders FirstSource, Inc.	US	\$58.92	68.1%	\$9,196	\$13,084	\$22,751	32.7%	18.4%	0.58x	3.1x	0.59x	3.4x
SiteOne Landscape Supply, Inc.	US	\$104.14	40.1%	\$4,687	\$5,435	\$3,764	36.0%	12.1%	1.44x	11.9x	1.39x	11.7x
Beacon Roofing Supply, Inc.	US	\$54.72	83.8%	\$3,557	\$6,456	\$7,875	26.5%	10.5%	0.82x	7.8x	0.78x	7.5x
Boise Cascade Company	US	\$59.46	69.8%	\$2,346	\$1,856	\$8,266	21.2%	14.0%	0.22x	1.6x	0.22x	1.5x
GMS Inc.	US	\$40.01	64.8%	\$1,697	\$2,985	\$4,952	32.1%	11.8%	0.60x	5.1x	0.58x	4.8x
Hardwoods Distribution Inc.	CA	\$19.18	53.1%	\$447	\$1,267	\$2,332	23.2%	10.9%	0.54x	5.0x	0.52x	4.7x
Mean							29.5%	13.2%	0.75x	6.0x	0.73x	5.9x
Median							31.4%	12.0%	0.71x	5.2x	0.68x	5.0x

Source: Market statistics sourced from Capital IQ.

All figures in USD and in millions (except share price data), where applicable, converted at rates as of 9/30/2022.

(1) Market Capitalization based on closing share prices as of 9/30/2022.

(2) Enterprise Value (EV) equals Market Capitalization plus Debt, Preferred Equity, and Minority Interest, minus Cash and Cash Equivalents.



Select Public Specialty Distribution Companies (cont.)

Public Markets Detail (9/30/2022)

Company	Country	Market Data				LTM Financials			Valuation Multiples Enterprise Value To:			
		Share Price	% 52-Wk High	Market Cap ⁽¹⁾	Enterprise Value ⁽²⁾	Revenue	Gross Margin	EBITDA Margin	LTM Revenue	LTM EBITDA	CY 2022 Revenue	CY 2022 EBITDA
Consumer Products												
Pool Corporation	US	\$318.21	54.7%	\$12,598	\$14,341	\$6,119	31.7%	17.7%	2.34x	13.3x	2.30x	13.0x
Fortune Brands Home & Security, Inc.	US	\$53.69	49.2%	\$6,943	\$10,090	\$8,045	35.8%	16.7%	1.25x	7.5x	1.23x	7.0x
Central Garden & Pet Company	US	\$36.04	62.9%	\$1,882	\$3,074	\$3,370	29.8%	10.0%	0.91x	9.1x	0.92x	8.6x
Mean							32.5%	14.8%	1.50x	10.0x	1.48x	9.6x
Median							31.7%	16.7%	1.25x	9.1x	1.23x	8.6x
Food Service												
Sysco Corporation	US	\$70.71	77.3%	\$35,787	\$46,342	\$68,636	18.0%	4.9%	0.68x	13.9x	0.64x	12.6x
Bunzl plc	GB	\$30.75	84.9%	\$10,326	\$12,413	\$13,451	23.2%	7.4%	0.92x	12.4x	0.96x	10.9x
Performance Food Group Company	US	\$42.95	73.9%	\$6,669	\$11,647	\$47,194	11.1%	1.7%	0.25x	14.7x	0.21x	10.2x
US Foods Holding Corp.	US	\$26.44	66.5%	\$5,937	\$11,496	\$32,154	15.7%	2.7%	0.36x	13.4x	0.34x	9.0x
United Natural Foods, Inc.	US	\$34.37	59.4%	\$2,004	\$5,342	\$28,928	14.5%	2.4%	0.18x	7.7x	0.18x	6.3x
SpartanNash Company	US	\$29.02	77.4%	\$1,036	\$1,788	\$9,204	15.8%	2.1%	0.19x	9.3x	0.19x	7.6x
Mean							16.4%	3.5%	0.43x	11.9x	0.42x	9.4x
Median							15.8%	2.5%	0.30x	12.9x	0.28x	9.6x
Healthcare												
McKesson Corporation	US	\$339.87	90.6%	\$48,850	\$54,581	\$268,446	4.9%	1.3%	0.20x	16.1x	0.20x	10.6x
AmerisourceBergen Corporation	US	\$135.33	80.9%	\$28,048	\$32,665	\$236,325	3.5%	1.5%	0.14x	9.1x	0.14x	9.2x
Cardinal Health, Inc.	US	\$66.68	92.3%	\$17,471	\$18,605	\$181,364	3.6%	1.3%	0.10x	7.9x	0.10x	8.3x
Henry Schein, Inc.	US	\$65.77	71.0%	\$8,952	\$11,271	\$12,718	29.9%	8.5%	0.89x	10.4x	0.87x	10.0x
Patterson Companies, Inc.	US	\$24.02	68.1%	\$2,328	\$2,894	\$6,408	20.7%	4.9%	0.45x	9.1x	0.45x	8.7x
AdaptHealth Corp.	US	\$18.78	65.3%	\$2,526	\$4,753	\$2,800	19.0%	20.7%	1.70x	8.2x	1.61x	7.5x
Owens & Minor, Inc.	US	\$24.10	49.1%	\$1,838	\$4,648	\$9,876	16.0%	4.6%	0.47x	10.3x	0.47x	7.9x
Mean							13.9%	6.1%	0.56x	10.2x	0.55x	8.9x
Median							16.0%	4.6%	0.45x	9.1x	0.45x	8.7x

Source: Market statistics sourced from Capital IQ.

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Public Markets Detail (9/30/2022)

Company	Country	Market Data				LTM Financials			Valuation Multiples Enterprise Value To:			
		Share Price	% 52-Wk High	Market Cap ⁽¹⁾	Enterprise Value ⁽²⁾	Revenue	Gross Margin	EBITDA Margin	LTM Revenue	LTM EBITDA	CY 2022 Revenue	CY 2022 EBITDA
Industrial												
L'Air Liquide S.A.	FR	\$115.28	76.6%	\$60,143	\$74,093	\$27,907	55.7%	23.5%	2.65x	11.3x	2.59x	10.7x
Fastenal Company	US	\$46.04	71.1%	\$26,458	\$26,974	\$6,817	46.4%	23.4%	3.96x	16.9x	3.90x	16.8x
W.W. Grainger, Inc.	US	\$489.19	83.1%	\$24,886	\$27,587	\$14,215	37.5%	15.1%	1.94x	12.9x	1.83x	12.1x
Watsco, Inc.	US	\$257.46	80.7%	\$9,247	\$10,019	\$7,205	27.9%	11.5%	1.39x	12.1x	1.38x	11.5x
NOV Inc.	US	\$16.18	67.2%	\$6,356	\$7,580	\$6,133	15.6%	5.9%	1.24x	20.9x	1.08x	12.0x
WESCO International, Inc.	US	\$119.38	81.2%	\$6,065	\$11,383	\$19,996	21.3%	6.6%	0.57x	8.6x	0.53x	6.9x
Rexel S.A.	FR	\$15.18	70.5%	\$4,628	\$7,596	\$17,474	26.4%	7.5%	0.43x	5.8x	0.44x	5.0x
MSC Industrial Direct Co., Inc.	US	\$72.81	82.7%	\$4,076	\$4,909	\$3,692	42.2%	14.8%	1.33x	9.0x	1.30x	8.7x
Applied Industrial Technologies, Inc.	US	\$102.78	84.8%	\$3,964	\$4,565	\$3,981	29.1%	11.1%	1.15x	10.3x	1.15x	10.6x
SPX Technologies, Inc.	US	\$55.22	80.9%	\$2,497	\$2,546	\$1,297	35.0%	9.5%	1.96x	20.6x	1.78x	11.9x
Veritiv Corporation	US	\$97.77	60.7%	\$1,365	\$2,110	\$7,311	21.7%	5.4%	0.29x	5.3x	0.29x	4.3x
NOW Inc.	US	\$10.05	75.0%	\$1,114	\$908	\$1,883	22.9%	5.4%	0.48x	8.9x	0.43x	6.2x
Global Industrial Company	US	\$26.83	59.4%	\$1,018	\$1,132	\$1,147	36.6%	10.5%	0.99x	9.4x	0.93x	9.7x
Kaman Corporation	US	\$27.93	60.1%	\$782	\$909	\$674	33.3%	14.8%	1.35x	9.1x	1.28x	9.9x
MRC Global Inc.	US	\$7.19	53.5%	\$601	\$1,506	\$2,961	16.5%	3.2%	0.51x	15.7x	0.45x	6.5x
DXP Enterprises, Inc.	US	\$23.68	65.3%	\$446	\$832	\$1,270	29.2%	7.4%	0.65x	8.9x	0.60x	7.4x
Mean							31.1%	11.0%	1.31x	11.6x	1.25x	9.4x
Median							29.1%	10.0%	1.19x	9.9x	1.11x	9.8x
Specialty Chemicals												
Linde plc	GB	\$269.59	76.5%	\$133,886	\$147,640	\$33,763	40.9%	31.8%	4.37x	13.8x	4.39x	13.7x
Air Products and Chemicals, Inc.	US	\$232.73	73.6%	\$51,619	\$56,523	\$11,970	27.1%	31.1%	4.72x	15.2x	4.50x	13.0x
Brenntag SE	DE	\$61.17	73.0%	\$9,451	\$12,029	\$18,162	22.8%	8.0%	0.66x	8.3x	0.67x	6.8x
IMCD N.V.	NL	\$120.22	58.0%	\$6,846	\$7,963	\$4,277	25.0%	11.8%	1.86x	15.8x	1.89x	15.1x
Univar Solutions Inc.	US	\$22.74	66.9%	\$3,793	\$6,254	\$10,885	25.1%	9.9%	0.57x	5.8x	0.55x	5.9x
Hawkins, Inc.	US	\$38.99	81.0%	\$819	\$982	\$840	18.4%	12.1%	1.17x	9.7x	1.08x	8.5x
Mean							26.5%	17.4%	2.23x	11.4x	2.18x	10.5x
Median							25.1%	11.9%	1.52x	11.7x	1.49x	10.8x
Total Mean							27.4%	11.3%	1.22x	10.5x	1.19x	9.2x
Total Median							27.1%	10.5%	0.90x	9.7x	0.91x	9.0x

Source: Market statistics sourced from Capital IQ.

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U.S. Specialty Distribution Transaction History

Closed Date	Target	Buyer	Enterprise Value (\$mm)	EV / LTM Revenue	EV / LTM EBITDA
Pending	Penn Jersey Paper Company	Fomento Económico Mexicano	NA	NA	NA
Pending	Palmer Johnson Power Systems	Enterprise Group	NA	NA	NA
Pending	Trio Supply Company	The ODP Corporation	NA	NA	NA
Pending	Vallen Distribution	Nautic Partners	NA	NA	NA
Pending	Distribution Business of Avient Corporation	H.I.G. Capital	\$950	NA	NA
Pending	US Exclusive Business Segment of SAB Tool Supply Co.	YG-1 Co., Ltd.	\$30	NA	NA
Pending	Sportsman Country, LLC	Kandi Technologies Group, Inc.	\$9	NA	NA
Pending	Bamberger Polymers Corp.	Plastiche S.A.	NA	NA	NA
Oct-22	International Wholesale Tile, LLC	Victoria PLC	\$29	0.45x	4.1x
Oct-22	Spartan Distributors, Inc.	Reinders, Inc.	NA	NA	NA
Oct-22	Viachem, Ltd.	Barentz BV	NA	NA	NA
Oct-22	Dees Paper Company Inc.	Imperial Dade	NA	NA	NA
Sep-22	JC Produce LLC	GrubMarket, Inc.	NA	NA	NA
Sep-22	Aldrich Clean-Tech Equipment Corp.	EVI Industries, Inc.	NA	NA	NA
Sep-22	Stone Plus, LLC	SiteOne Landscape Supply, Inc.	NA	NA	NA
Sep-22	Quest Engineering, Inc.	Motion & Control Enterprises, LLC	NA	NA	NA
Aug-22	Belt Power	PRV Management	NA	NA	NA
Aug-22	Cape Cod Stone & Masonry Supply	SiteOne Landscape Supply	NA	NA	NA
Aug-22	Southern Fasteners & Supply	Park-Ohio Holdings Corp.	\$19	0.76x	NA
Jul-22	Memo Corporation	M&D Distributors	NA	NA	NA
Jul-22	Tampa Armature Works	Integrated Power Services / Searchlight Capital Partners	NA	NA	NA
Jun-22	Imperial Dade	Advent International Corporation	NA	NA	NA
May-22	PetroChoice Holdings	Cosan	\$479	NA	NA
May-22	Cisco Air Systems	DXP Enterprises	\$52	1.19x	7.4x
May-22	CCOM Group	Daikin Industries	\$35	0.29x	5.2x
May-22	Huttig Building Products	Woodgrain	\$400	0.43x	5.8x
May-22	Lock City Supply	Core & Main	NA	NA	NA
Feb-22	Adirondack Piping Solutions	Ferguson	NA	NA	NA
Apr-22	JJ Industries of Connecticut	BlackHawk Industrial Distribution / TruArc Partners	NA	NA	NA
Apr-22	BellStone Masonry Supply	SiteOne Landscape Supply	NA	NA	NA

Source: Capital IQ, Merger Market, Pitchbook, Wall Street research, press releases



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U.S. Specialty Distribution Transaction History (cont.)

Closed Date	Target	Buyer	Enterprise Value (\$mm)	EV / LTM Revenue	EV / LTM EBITDA
Apr-22	PGW Auto Glass	OEP Capital Advisors	\$361	0.90x	NA
Apr-22	Builders Hardware	Trimlite	NA	NA	NA
Apr-22	Williams Wholesale Supply	Winsupply	NA	NA	NA
Apr-22	Florence Corporation	SRS Distribution / Leonard Green & Partners; Berkshire Partners	NA	NA	NA
Apr-22	Lawson Products	TestEquity & Gexpro services / LKCM Headwater Investments	NA	NA	NA
Mar-22	JK Enterprise Landscape Supply	SiteOne Landscape Supply	NA	NA	NA
Mar-22	Drydon Equipment	DXP Enterprises	\$8	NA	NA
Mar-22	Burlingame Engineers	DXP Enterprises	NA	NA	NA
Feb-22	Tile Redi Sales & Marketing	Mayfair Capital Partners	NA	NA	NA
Feb-22	Georgia Fire & Rescue Supply	ILUS International	\$1	0.26x	NA
Feb-22	Benoist Brothers Supply Company	Gryphon Investors	NA	NA	NA
Feb-22	Arrow Wire & Cable	Resideo Technologies	\$15	NA	NA
Feb-22	Mid-Am Building Supply	Hardwoods Distribution	\$270	NA	NA
Jan-22	Max Finkelstein	U.S. Venture	NA	NA	NA
Jan-22	MacQueen Equipment	Warren Equity Partners	NA	NA	NA
Jan-22	Askew Industrial Corporation	AFC Industries / Bertram Capital Management	NA	NA	NA
Jan-22	Eagle Alcohol Company	Alto Ingredients	\$29	0.84x	NA
Jan-22	The Gauge House	Marigny Investments	NA	NA	NA
Jan-22	A-Tech	Kele / The Stephens Group	NA	NA	NA
Jan-22	W. G. Russell Supply	The NEFCO Corporation	NA	NA	NA
Jan-22	Custom Golf Car Supply	Arrowhead Engineered Products / Genstar Capital			
Jan-22	Pinnacle Tool & Supply	BlackHawk Industrial Distribution / TruArc Partners	NA	NA	NA
Jan-22	The Expediter	DexKo Global / Brookfield Business Partners and The Sterling Group	NA	NA	NA
Jan-22	Callahan Chemical Company	Tilley Company / SK Capital Partners	NA	NA	NA
Jan-22	Kaman Distribution Group	Genuine Parts Company	\$1,300	1.00x	13.4x
Jan-22	Crabtree Siding and Supply	Beacon Roofing Supply	NA	NA	NA
Dec-21	Insulating Products	TopBuild Corp.	NA	NA	NA
Dec-21	National Lumber Company / Oxford Lumber and Materials	Builders FirstSource	\$300	NA	NA
Dec-21	Cinderella	SRS Distribution / Leonard Green & Partners; Berkshire Partners	NA	NA	NA
Dec-21	RelaDyne	American Industrial Partners	NA	NA	NA

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U.S. Specialty Distribution Transaction History (cont.)

Closed Date	Target	Buyer	Enterprise Value (\$mm)	EV / LTM Revenue	EV / LTM EBITDA
Dec-21	Atlantic Electrical Supply	Encompass Supply	NA	NA	NA
Dec-21	AMD Distribution	Installed Building Products	\$126	1.78x	NA
Dec-21	Safe Step California	Ferguson	NA	NA	NA
Dec-21	Seffner Rock & Gravel	SiteOne Landscape Supply	NA	NA	NA
Dec-21	Kimco Supply	GMS	NA	NA	NA
Nov-21	Empire Auto Parts	Sentinel Capital Partners	NA	NA	NA
Nov-21	Semco Distributing	SiteOne Landscape Supply	NA	NA	NA
Nov-21	Mayer Electric Supply Company	Rexel	\$456	0.38x	NA
Nov-21	Engineered Fastener Company	Frontenac Company	NA	NA	NA
Nov-21	Midway Sales & Distributing	Beacon Roofing Supply	NA	NA	NA
Oct-21	Eburg Enterprises	Ferguson	NA	NA	NA
Oct-21	Water and Waste Specialties	Hawkins	\$1	NA	NA
Oct-21	Bill Johnson Equipment Company	Preferred Pump & Equipment	NA	NA	NA
Oct-21	Distribution International	TopBuild Corp.	\$1,031	1.38x	12.9x
Oct-21	Reeb Millwork Corporation	Specialty Building Products / The Jordan Company	\$577	1.51x	NA
Oct-21	Gibson Machinery	Alta Equipment Group	\$16	0.82x	4.8x
Oct-21	Merfish United	Reliance Steel & Aluminum Co.			
Sep-21	Shearer Supply	PNC RiverArch Capital	NA	NA	NA
Sep-21	Shelter Products	UFP Industries	\$7	0.57x	NA
Sep-21	PPC Lubricants	RelaDyne / American Industrial Partners	NA	NA	NA
Sep-21	Premier Water	DXP Enterprises	\$6	1.61x	6.8x
Sep-21	Red Hawk	Arrowhead Engineered Products / Genstar Capital			
Sep-21	Ray Industrial Products	Buckeye Industrial Supply	NA	NA	NA
Sep-21	Genesis Systems	FloWorks International / The Stephens Group; Clearlake Capital Group	NA	NA	NA
Sep-21	Shipman's Fire Equipment	Municipal Emergency Services / PRV Management	NA	NA	NA
Sep-21	Penn Valley Chemical Company	AramSCO / Odyssey Investment Partners	NA	NA	NA
Sep-21	Capitol Wholesale Fence Company	Fencing Supply Group / The Sterling Group	NA	NA	NA
Sep-21	FTG Equipment Solutions	Bruno Generators Group; TRIME / Wise Equity	NA	NA	NA
Sep-21	Madison Aerospace	Aircraft Fasteners International / Audax Management Company	NA	NA	NA
Sep-21	Instrument Associates	Motion & Control Enterprises / Frontenac Company	NA	NA	NA

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U.S. Specialty Distribution Transaction History (cont.)

Closed Date	Target	Buyer	Enterprise Value (\$mm)	EV / LTM Revenue	EV / LTM EBITDA
Sep-21	Core-Mark Holding Company	Performance Food Group Company	\$2,694	0.20x	12.3x
Sep-21	Advanced Controls & Distribution	EIS Legacy / Audax Management Company	NA	NA	NA
Aug-21	Falcon Fastening Solutions	Trifast	NA	NA	NA
Aug-21	Arrowhead Engineered Products	Genstar Capital	NA	NA	NA
Aug-21	KushCo Holdings	Greenlane Holdings	\$135	1.18x	NM
Aug-21	Metal Stock	Alro Steel Corporation	NA	NA	NA
Aug-21	Horizon Food Equipment	Smart Care Equipment Solutions / Audax Management Company	\$36	NA	NA
Aug-21	Dayton Parts	Dorman Products	\$354	2.11x	NA
Aug-21	Pacific Pipe Company	Core & Main	\$103	1.40x	NA
Aug-21	American Hotel Register Company	HCI Equity Partners	NA	NA	NA
Aug-21	Operating Assets and Business of Matrix Chemical	Brenntag	\$54	NA	NA
Jul-21	Process Machinery	DXP Enterprises	\$10	NA	NA
Jul-21	Westside Building Material	GMS	\$135	0.68x	NA
Jul-21	Cornerstone Building Alliance SW	Builders FirstSource	\$409	1.24x	NA
Jun-21	Houston Wire & Cable Company	Omni Cable Corporation / Dot Holdings Co	\$138	0.48x	30.3x
May-21	Nivel Parts & Manufacturing Co.	Morgan Stanley Capital Partners	NA	NA	NA
May-21	Andes Chemical Corp.	IMCD	NA	NA	NA
May-21	Acme Refrigeration of Baton Rouge	Watsco	\$22	0.37x	NA
May-21	John's Lumber & Hardware Company	Builders FirstSource	\$25	0.51x	NA
Apr-21	Carter VerPlanck	DXP Enterprises	\$61	2.06x	12.2x
Apr-21	Timberwall Landscape & Masonry Products	SiteOne Landscape Supply	NA	NA	NA
Apr-21	AFC Industries	Bertram Capital Management	NA	NA	NA
Apr-21	Temperature Equipment Corporation	Watsco; Carrier Global Corporation	\$107	0.37x	NA
Apr-21	Fluid Flow Products	KKR & Co.	NA	NA	NA
Feb-21	Interior Products & Insulation Business of Beacon Sales Acquisition	Foundation Building Materials / American Securities	\$850	0.83x	11.7x
Jan-21	Foundation Building Materials	American Securities	\$1,423	0.70x	7.3x
Jan-21	Continental Batteries Company	H.I.G. Capital	NA	NA	NA
Dec-20	HD Supply Holdings	The Home Depot	\$8,000	1.34x	8.8x
Jun-20	Anixter International	WESCO International	\$5,001	0.57x	9.3x
Mar-20	Cooper Lighting	Signify	\$1,400	0.82x	7.5x

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U.S. Specialty Distribution Transaction History (cont.)

Closed Date	Target	Buyer	Enterprise Value (\$mm)	EV / LTM Revenue	EV / LTM EBITDA
Oct-19	Todd Pipe & Supply	Reece	\$148	1.34x	9.0x
Aug-19	Ruby Industrial Technologies	Littlejohn & Co.	\$700	0.64x	10.6x
Jul-19	VSP Technologies	Diploma	\$80	1.79x	NA
Jun-19	Kyocera Industrial Tools	Kyocera Corporation	\$815	1.50x	NA
Nov-18	Pollock Investments	Orora	\$83	0.32x	8.9x
Jan-18	FCX Performance	Applied Industrial Technologies	\$784	NA	NA
Oct-15	HD Supply Power Solutions; HDS Power Solutions; Pro Canadian Holdings & Assets	WESCO International	\$825	0.43x	10.4x
Jan-15	North American Breaker Co.	NXT Capital; PNC RiverArch Capital	\$78	1.96x	8.4x
Mean			\$596	0.95x	9.9x
Median			\$131	0.82x	8.9x

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Leading Middle Market Investment Banking Platform - FY 2017 – 2021



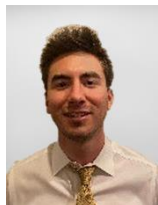
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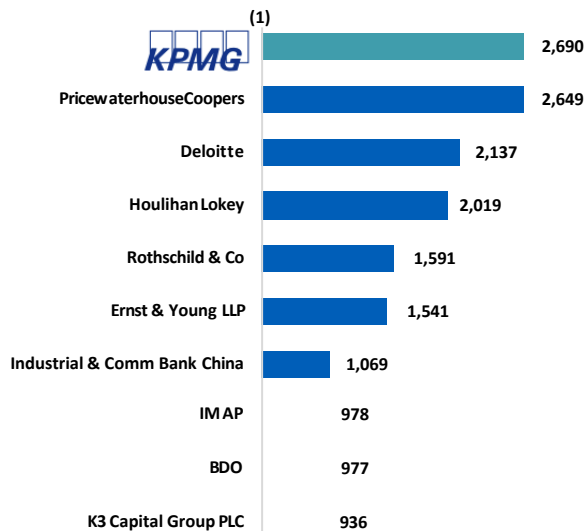
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