

Executive Summary

Delancey Street Partners (“DSP”) is pleased to present our Building Products, Materials, and Distribution (“BPMD”) Sector 2023 Year in Review. The BPMD sector includes the following sub-sectors: i) flooring & decking; ii) windows & doors; iii) electrical & lighting; iv) plumbing & HVAC; v) roofing, siding, and insulation; vi) building products distributors; and vii) building materials. The industry is large and diverse and includes the provision of a range of solutions that support the construction, maintenance, renovation, and restoration of residential, commercial, industrial, and public buildings. The industry is fueled by private and public investment and underlying economic growth.

In 2023, BPMD companies navigated many of the same challenges faced in 2022, including materials and labor cost inflation and declining housing starts and residential construction. Interest and mortgage rates remained elevated, resulting in sustained near-historic-low housing affordability levels. In contrast to 2022, many BPMD companies noted more predictable supply chains and decreased lead times. Sector growth in 2023 was aided by the acceleration of funding for government infrastructure programs and the continuation of onshoring trends.

BPMD M&A activity in 2023 remained robust. BPMD companies continued to pursue acquisitions to consolidate within their existing markets, expand geographic footprints, and broaden their product portfolios. Many public company executives noted an increased level of M&A activity and competition for high-quality companies.



Topics of Discussion

- DSP Spotlight Trend: Government Spending Supports Growth in Aggregates, Concrete, and Asphalt
- BPMD Macroeconomic Backdrop
- Review of Public Company Performance
- Sector Commentary
- Notable M&A Activity
- Private Equity Platform Profiles

DSP Spotlight Trend: Government Spending Supports Growth in Aggregates, Concrete, and Asphalt

Aggregates, concrete, and asphalt are essential materials in nearly all public and private construction projects. Second only to water, concrete is the most consumed material worldwide. Further, twice as much concrete is used in construction as all other building materials combined.⁽¹⁾ Aggregates, concrete, and asphalt, while often closely linked materials, are influenced by different market factors in the U.S. For aggregates, approximately 70% of consumption is from infrastructure and nonresidential projects, with the balance consumed by residential projects. Asphalt is almost exclusively utilized in infrastructure and nonresidential projects. Finally, the consumption of concrete is divided more equally between infrastructure and nonresidential projects and residential projects.

The aggregates, concrete, and asphalt landscape is fragmented, including both large, public companies, such as CRH (NYSE:CRH) and Martin Marietta Materials (NYSE:MLM), and various smaller, privately-held companies. Large strategics have pursued M&A strategies as a means to i) gain further exposure to the North American market; ii) expand regional footprints within the North American market; iii) realize economies of scale; and iv) achieve an optimal business mix across aggregates, cement, and concrete. The sub-sector is experiencing positive tailwinds from non-residential and infrastructure construction spending, aided by recent government initiatives such as the Infrastructure Investment and Jobs Act (“IIJA”) and CHIPS for America Act (“CHIPS Act”). The IIJA and CHIPS Act have spurred \$200 billion in planned construction spending in 2024.⁽²⁾ Aggregates, concrete, and asphalt providers are well positioned over the next several years to benefit from the deployment of federal funds for infrastructure projects.

The Infrastructure Investment and Jobs Act

The Infrastructure Investment and Jobs Act was enacted in November 2021 and provided \$1.2 trillion of federal spending, \$550 billion of which would be new spending allocated through 2026 towards U.S. infrastructure projects. Of that \$550 billion, \$110 billion is allocated to roads, bridges, and similar major projects.⁽³⁾ IIJA projects will continue into the 2030s, providing a healthy, long-term industry backdrop. These spending initiatives began to accelerate in 2023 as the value of state and local government highway, bridge, and tunnel contract awards grew 8% to \$113 billion in the U.S.⁽⁴⁾ In 2022 and 2023, work began on 135,800 miles of roads and 7,800 bridge repair projects.⁽⁵⁾

DSP Spotlight Trend: Government Spending Supports Growth in Aggregates, Concrete, and Asphalt

CHIPS for America Act

The CHIPS for America Act, signed into law in August 2022, provides \$278.2 billion of federal spending through 2032 to catalyze investments in domestic semiconductor manufacturing capacity.⁽⁶⁾ \$39.0 billion of this spending is allocated to the construction of manufacturing facilities, which will require a significant amount of infrastructure.⁽⁷⁾ In the 12 months after passing the CHIPS Act, there has been over \$166 billion in private investments for new semiconductors and electronics manufacturing facilities.⁽⁸⁾ Manufacturing starts have increased at a 34.7% CAGR, increasing from 63 million square feet in 2020 to more than 154 million square feet in 2023.⁽⁹⁾

Expected Impact

DSP believes this legislation will provide growth opportunities for aggregates, concrete, and asphalt providers in both the near and long term. 2024, 2025, and 2026 are expected to be the biggest years of the IIJA, based on funding estimates from the Congressional Budget Office and further bolstered by a \$1 trillion backlog of repairs and maintenance needed on U.S. infrastructure (more than 619,000 bridges and more than four million miles of public roads).⁽¹⁰⁾ The CHIPS Act supports the onshoring of critical component and technology manufacturing, resulting in the construction of large-scale manufacturing facilities that require extensive infrastructure investment. Further, the new employment opportunities generated by the manufacturing facilities, when combined with the structural undersupply of housing, will likely stimulate residential construction growth. DSP believes these infrastructure, nonresidential, and residential trends will result in increased demand for aggregates, concrete, and asphalt.

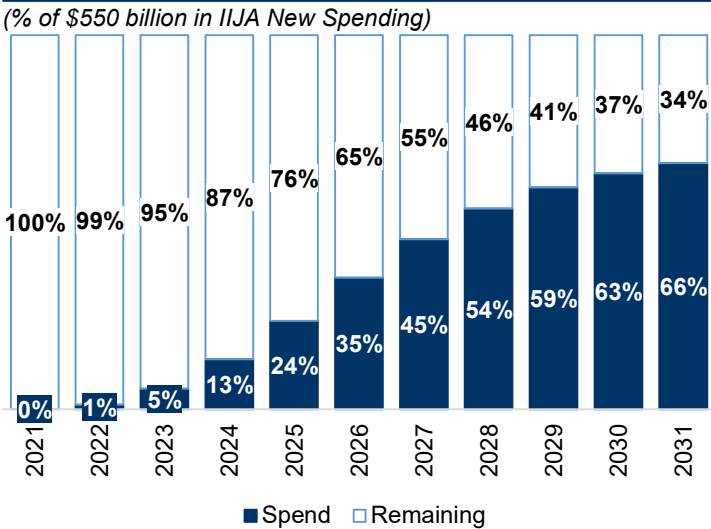
Aggregates, concrete, and asphalt providers were active acquirers in 2023, with many companies seeking to increase exposure to the North American market in an effort to take advantage of these spending tailwinds. Given the prolonged deployment of the federal spending on both infrastructure initiatives and semiconductor manufacturing facilities as well as expectations for continued non-residential manufacturing growth, these M&A trends are likely to continue into 2024.

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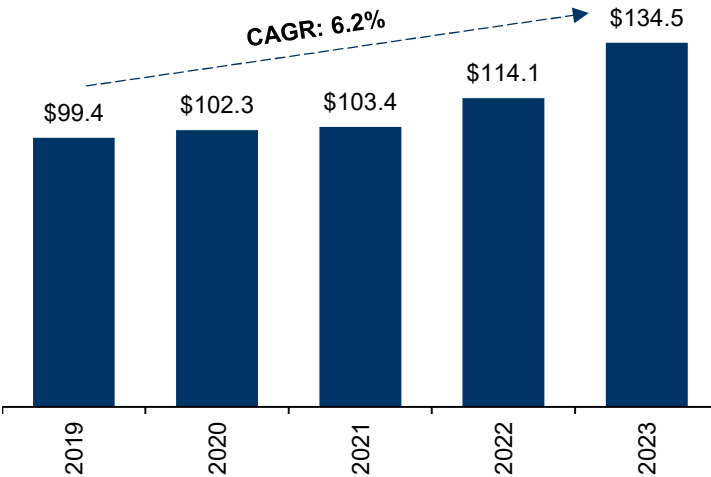
“Asphalt is going to be very strong for the next five years, which is going to help the aggregate side; the CHIPS Act and IIJA are helping. I think [price increases] will be significantly above historical year-over-year growth. There has been continued consolidation in the space, which helps. The higher share that any of these major companies have, the more they push on price.”

– Former EVP & COO, Summit Materials

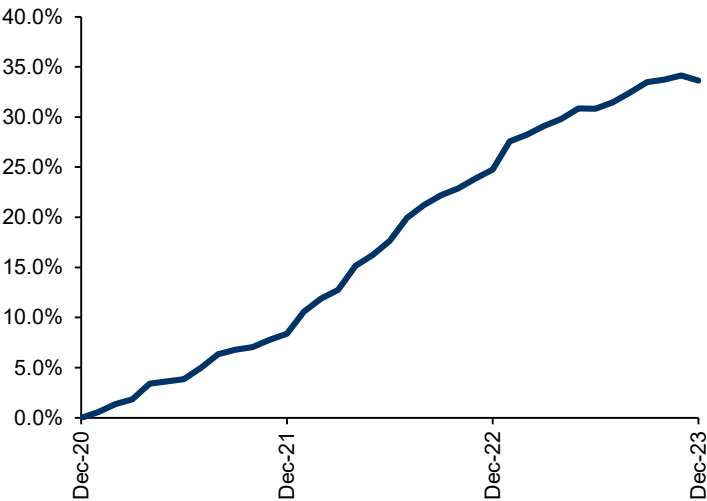
IIJA Spending Estimates (2021-2031)⁽¹¹⁾



Annual Value of Highway and Bridge Construction
Market Activity (\$ in billions)⁽¹²⁾



Cement Producer Price Index (% Change)⁽¹³⁾



BPMD Macroeconomic Backdrop

Residential

In 2023, the residential housing sector was constrained by low inventory, high acquisition costs, and high borrowing costs. Housing supply shortages are likely to persist through 2024, as many existing homeowners are unwilling to forfeit lower mortgage rates secured prior to the current high-rate environment. This “lock-in” effect has contributed to existing home sales falling to a 30-year low in 2023, with new home sales accounting for more than 30% of the single-family market compared to an 11% historical average.⁽¹⁴⁾ In 2023, both single-family housing starts and total existing and new home sales declined 6% YoY.⁽¹⁵⁾ Due to a combination of higher borrowing rates and elevated material costs, remodeling activity slowed throughout 2023 and is expected to decline throughout 2024.

Until home affordability improves, multi-family spending is expected to outperform single-family residential spending. Multi-family supply is expected to increase in 2024, as there are nearly 1 million units currently under construction.⁽¹⁶⁾ The multi-family construction market will likely continue to thrive as renting remains more affordable than buying in many regions across the U.S.

Nonresidential

Total nonresidential construction spending grew ~22% YoY in 2023. While the majority of the growth was due to the manufacturing sub-sector, other sub-sectors, such as highway and street, public safety, religious, and water supply, experienced 20%+ YoY growth. In 2024, growth is expected to be positively impacted by government spending bills passed in recent years, including the IIJA and CHIPS Act. The manufacturing, healthcare, education, and nonbuilding structure sectors will be the greatest beneficiaries of regulatory tailwinds.

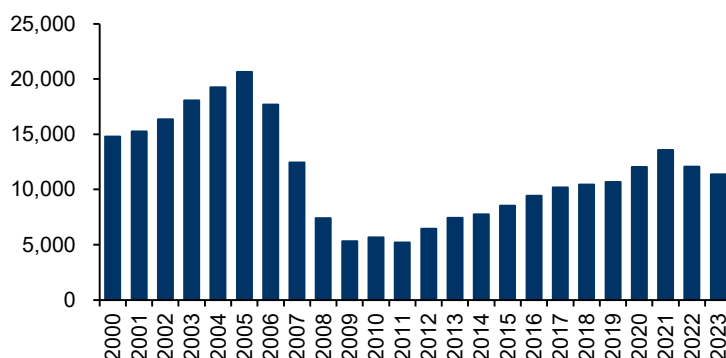
Labor and material costs are expected to remain as challenges to growth. On a YoY basis, the Dodge Momentum Index, a monthly measure of the initial report for nonresidential building projects in planning, was 16% lower in December 2023, compared to the prior year. However, the index remains higher than 2020 levels.⁽⁹⁾

Commodities and Labor

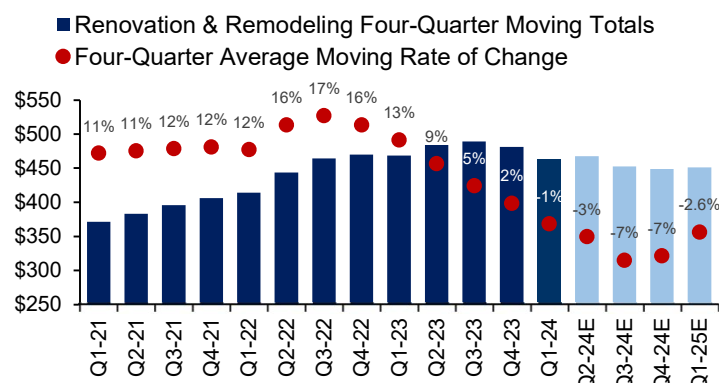
In 2023, higher input costs from labor shortages and elevated commodity prices remained the most prominent constraint on construction growth. Two-thirds of all manufacturing projects that broke ground in 2023 had hard construction costs of at least \$550 million.⁽⁹⁾ These large projects place additional pressure on the construction labor market as they require a significant workforce.

In 2023, commodity prices were less volatile than in recent years but remained elevated. Pricing pressures are not expected to ease in 2024 due to high-levels of demand and geopolitical tensions.

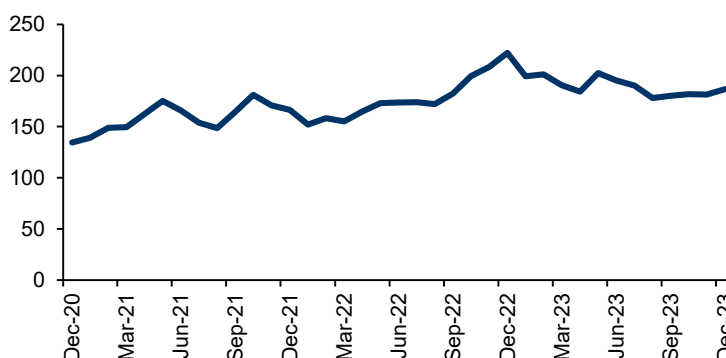
Single Family Housing Starts (Units in 000s)⁽¹³⁾



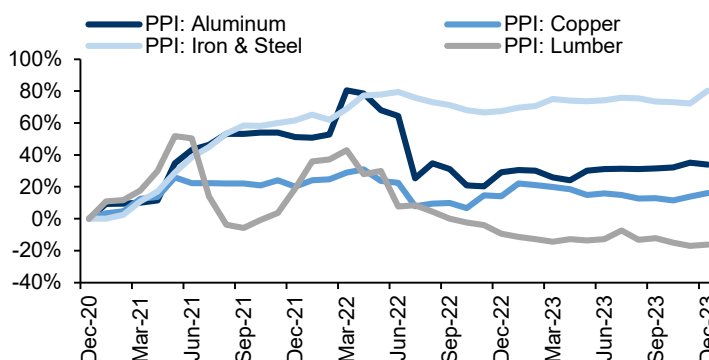
Leading Indicator of Remodeling Activity (\$ in billions)⁽¹⁷⁾



Dodge Momentum Index⁽⁹⁾



Commodity Producer Price Index (% change)⁽¹³⁾

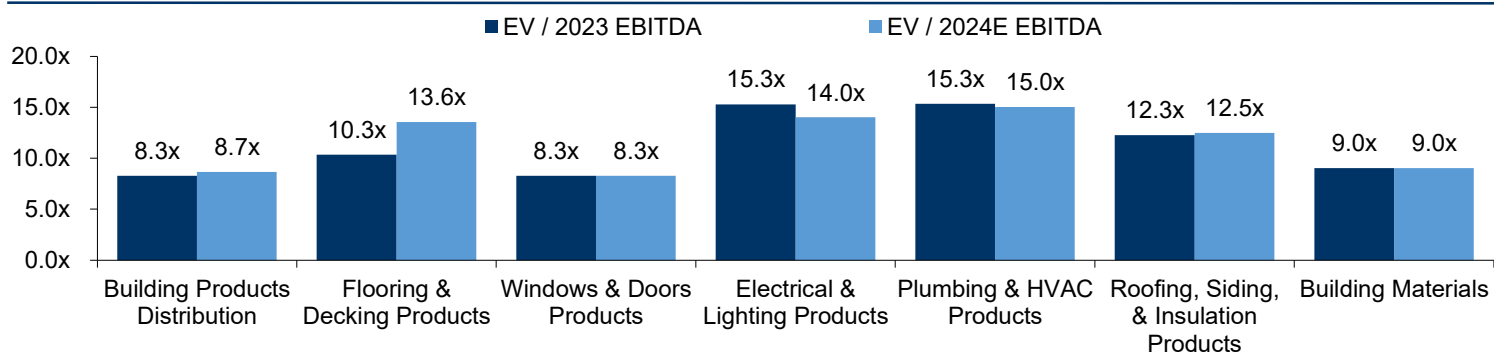


Summary Public Company Data⁽¹⁸⁾

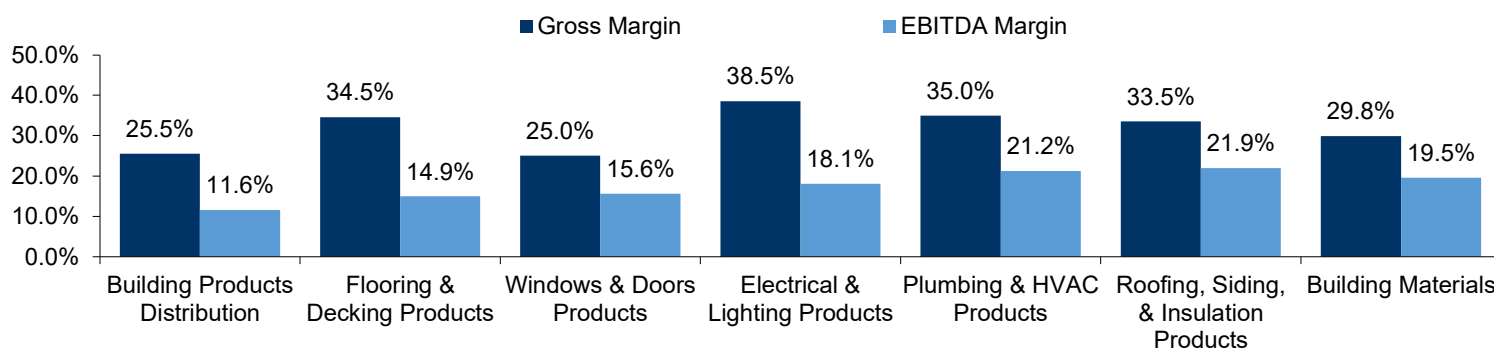
Building Products Distributors		Building Products – Flooring & Decking		Building Products – Windows & Doors		Building Products – Electrical & Lighting	
EV / 2023 EBITDA	8.3x	EV / 2023 EBITDA	10.3x	EV / 2023 EBITDA	8.3x	EV / 2023 EBITDA	15.3x
EV / 2024E EBITDA	8.7x	EV / 2024E EBITDA	13.6x	EV / 2024E EBITDA	8.3x	EV / 2024E EBITDA	14.0x
2024E P / E	14.1x	2024E P / E	25.0x	2024E P / E	14.7x	2024E P / E	19.5x
EV / 2023 Revenue	0.95x	EV / 2023 Revenue	1.05x	EV / 2023 Revenue	1.39x	EV / 2023 Revenue	2.81x
3-Yr. Revs CAGR	14.9%	3-Yr. Revs CAGR	5.2%	3-Yr. Revs CAGR	7.8%	3-Yr. Revs CAGR	12.0%
Est. 5-Yr. EPS Growth	16.8%	Est. 5-Yr. EPS Growth	2.7%	Est. 5-Yr. EPS Growth	11.3%	Est. 5-Yr. EPS Growth	9.1%
Gross Margin	25.5%	Gross Margin	34.5%	Gross Margin	25.0%	Gross Margin	38.5%
EBITDA Margin	11.6%	EBITDA Margin	14.9%	EBITDA Margin	15.6%	EBITDA Margin	18.1%
2023 Stock Price Change	56.0%	2023 Stock Price Change	27.9%	2023 Stock Price Change	34.5%	2023 Stock Price Change	31.9%

Building Products – Plumbing & HVAC		Building Products – Roofing, Siding, & Insulation		Building Materials	
EV / 2023 EBITDA	15.3x	EV / 2023 EBITDA	12.3x	EV / 2023 EBITDA	9.0x
EV / 2024E EBITDA	15.0x	EV / 2024E EBITDA	12.5x	EV / 2024E EBITDA	9.0x
2024E P / E	21.5x	2024E P / E	18.5x	2024E P / E	14.7x
EV / 2023 Revenue	3.22x	EV / 2023 Revenue	2.69x	EV / 2023 Revenue	1.73x
3-Yr. Revs CAGR	11.0%	3-Yr. Revs CAGR	11.1%	3-Yr. Revs CAGR	10.5%
Est. 5-Yr. EPS Growth	15.2%	Est. 5-Yr. EPS Growth	19.4%	Est. 5-Yr. EPS Growth	21.1%
Gross Margin	35.0%	Gross Margin	33.5%	Gross Margin	29.8%
EBITDA Margin	21.2%	EBITDA Margin	21.9%	EBITDA Margin	19.5%
2023 Stock Price Change	45.6%	2023 Stock Price Change	72.1%	2023 Stock Price Change	51.4%

Median EV / EBITDA by Sub-Sector⁽¹⁸⁾

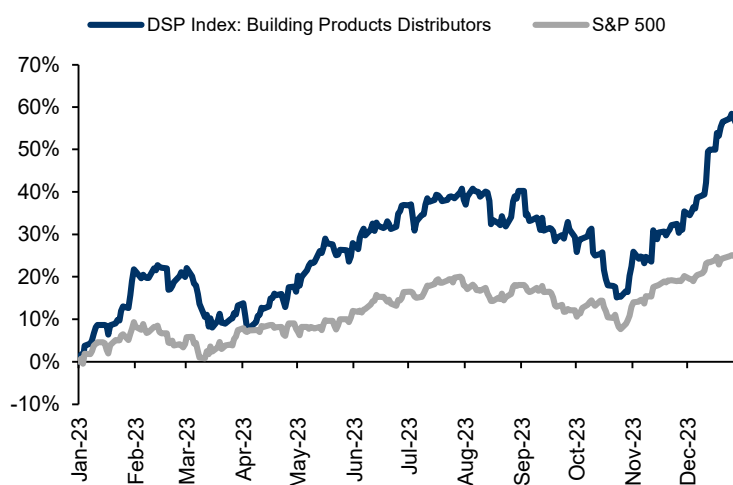


Median Margin by Sub-Sector⁽¹⁸⁾

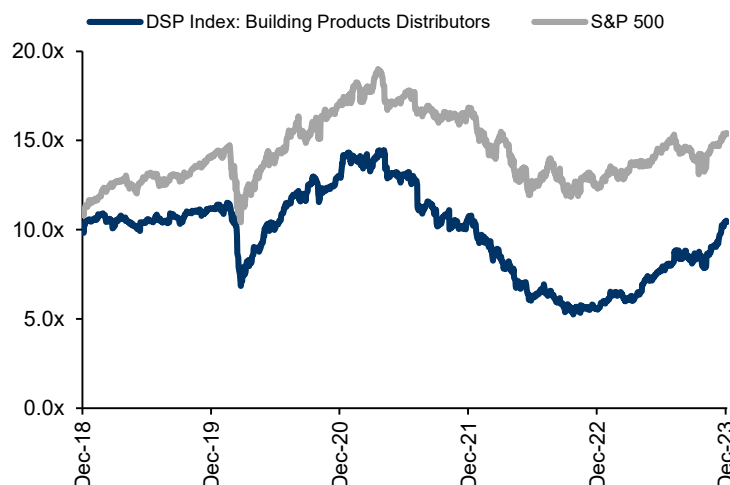


Building Products Distributors

1-Year Stock Indexed Performance (vs. S&P 500)⁽¹⁸⁾

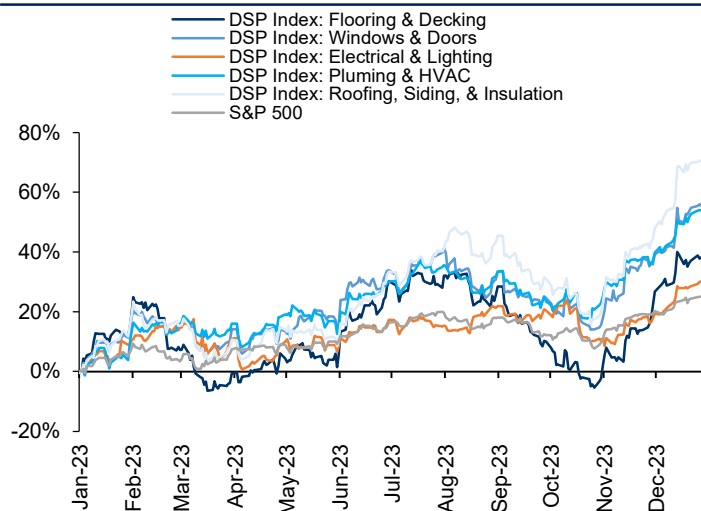


5-Year EV / EBITDA⁽¹⁸⁾

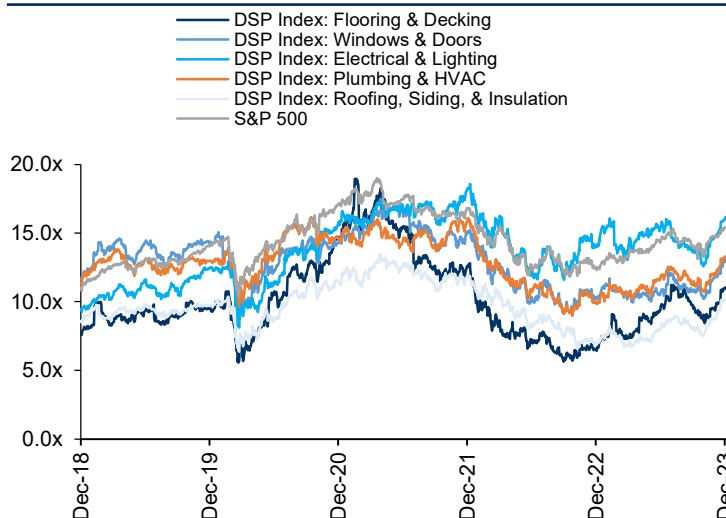


Building Products Companies

1-Year Stock Indexed Performance (vs. S&P 500)⁽¹⁸⁾

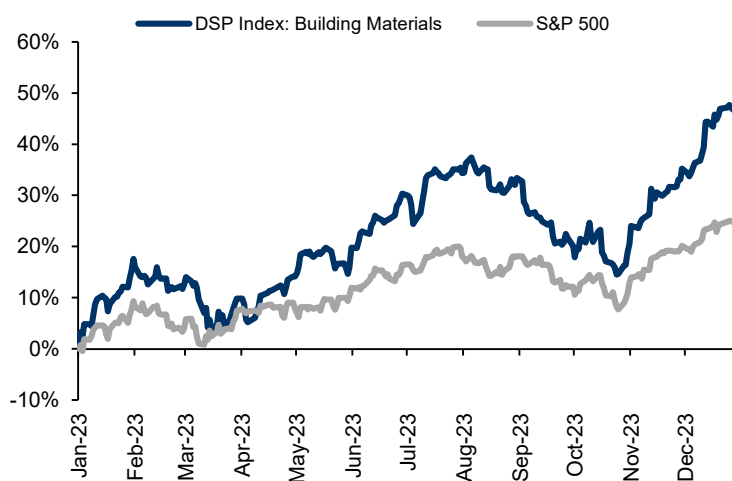


5-Year EV / EBITDA⁽¹⁸⁾

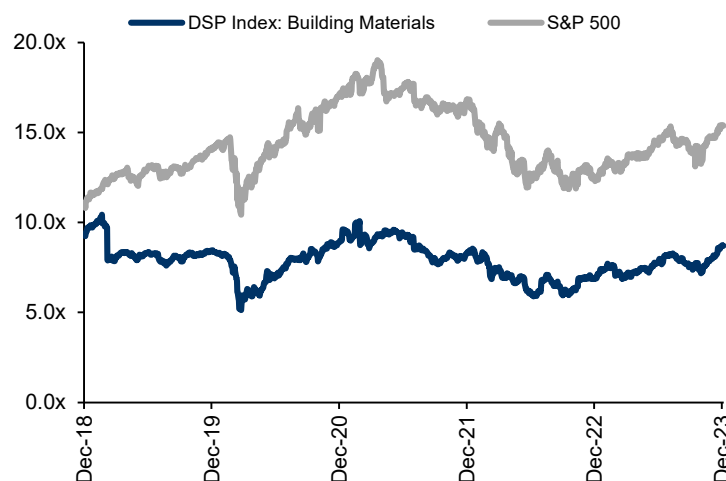


Building Materials Companies

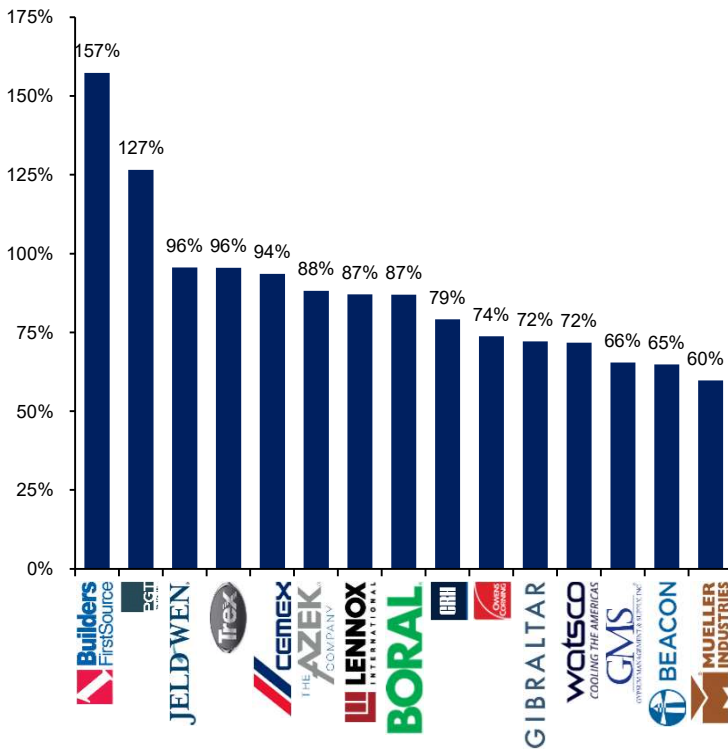
1-Year Stock Indexed Performance (vs. S&P 500)⁽¹⁸⁾



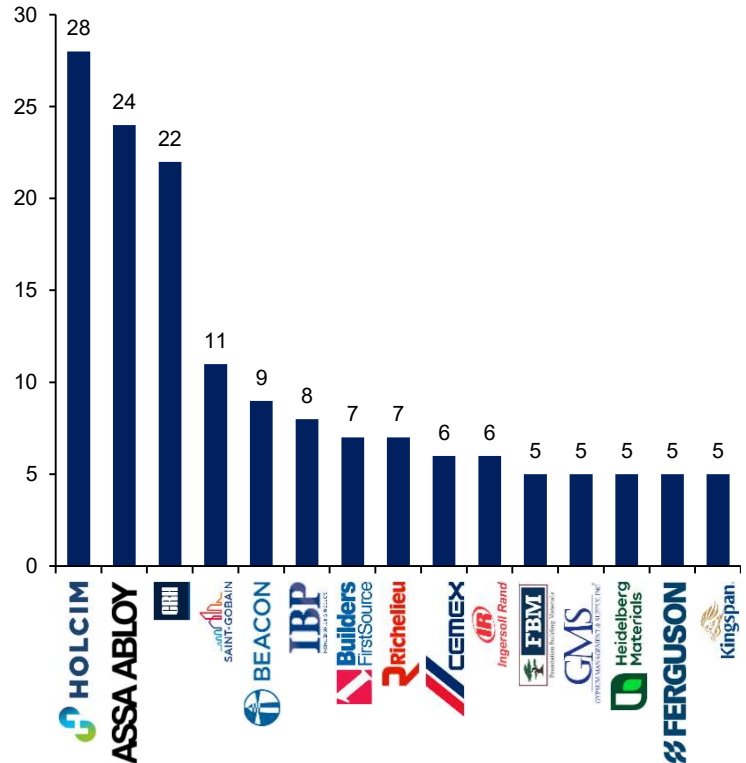
5-Year EV / EBITDA⁽¹⁸⁾



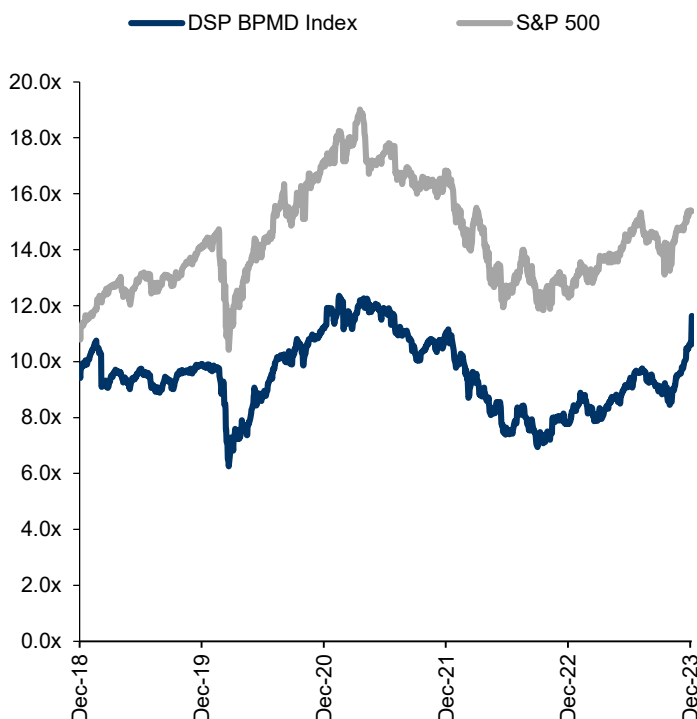
Top 15 Stock Performers⁽¹⁸⁾



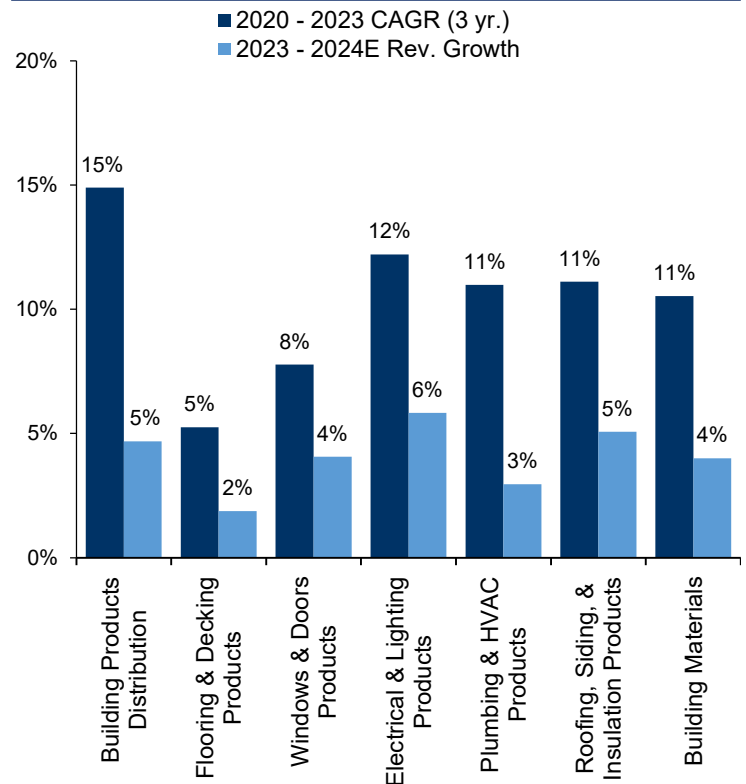
Top 15 Acquirers⁽¹⁸⁾



5-Year DSP BPMD EV / EBITDA⁽¹⁸⁾



Revenue Growth by Sub-Sector⁽¹⁸⁾



Top Stock Performers: Building Products Distribution⁽¹⁸⁾



Stats	
Sales:	\$17,097mm
EBITDA:	\$2,913mm
EBITDA %:	17.0%
'23 Stock %:	157.3%
YTD Apr '24 Stock %:	9.5%

- **Builders FirstSource Inc. (NYSE:BLDR)** distributes building products to the professional market segment for new residential construction and repair & remodeling
- The company reported ~25% YoY revenue decline in 2023, due to commodity price deflation and a weak single-family housing market; however, gross margin expanded by ~110bps, due to an increase in higher margin multi-family and value-added products revenue
- Builders FirstSource experienced significant stock price growth in 2023 due to favorable market reception from its seven completed acquisitions and \$1.8 billion of share repurchases in the year
- Management noted single-family housing market is beginning to rebound (single-family represents ~70% of the company's revenue)



Stats	
Sales:	\$7,284mm
EBITDA:	\$956mm
EBITDA %:	13.1%
'23 Stock %:	71.8%
YTD Apr '24 Stock %:	4.5%

- **Watsco Inc. (NYSE:WSO)** distributes residential and light commercial air conditioning, heating, and refrigeration equipment and related parts and supplies
- The company reported flat YoY revenue growth in 2023, primarily due to a mid-single-digit decline in residential volume offset by double-digit growth in commercial volume
- However, Watsco indicated that its volume decline was approximately half that of the broader industry, with OEM HVAC system volumes down ~15% while Watsco's volume declined only ~8%
- The company highlighted a positive pricing environment in 2024, due to the new 30% phase-down in the manufacturing of refrigerants used in older HVAC systems and the related transition to A2L refrigerants



Stats	
Sales:	\$5,393mm
EBITDA:	\$623mm
EBITDA %:	12.4%
'23 Stock %:	65.5%
YTD Apr '24 Stock %:	12.2%

- **GMS (NYSE:GMS)** distributes wallboard, steel framing, and complementary construction products
- The company posted YoY revenue growth of 1.8% for the three quarters ended January 31, 2024, due to strong multi-family and commercial end market demand and resilient pricing in all product lines except steel framing
- GMS noted pricing for steel framing is down substantially YoY, due to depressed raw steel prices
- The company stated that recent multi-family permits and starts data indicate a coming slowdown in the second half of 2024, but it expects commercial demand to remain at elevated levels and single-family demand to begin improving

Top Stock Performer: Flooring & Decking Products⁽¹⁸⁾



Stats	
Sales:	\$1,095mm
EBITDA:	\$334mm
EBITDA %:	30.5%
'23 Stock %:	95.6%
YTD Apr '24 Stock %:	7.0%

- **Trex Company Inc. (NYSE:TREX)** manufactures composite decking and railing products
- The company reported flat YoY revenue growth in 2023, primarily due to volume increases offset by the shift of early-buy channel inventory re-stocking programs into Q1 2024
- Trex expanded gross margins 480bps YoY due to improved plant production efficiencies, internal cost saving initiatives, and no negative impacts from inventory recalibration
- The company noted that year-end channel inventories are at historically low levels, down ~15% from the prior year, and that it expects a significant level of re-stocking in Q1 2024

Top Stock Performer: Windows & Doors Products⁽¹⁸⁾



Stats	
Sales:	\$1,504mm
EBITDA:	\$281mm
EBITDA %:	18.7%
'23 Stock %:	126.6%
YTD Apr '24 Stock %:	N/A*

- **PGT Innovations (NYSE:PGTI)** manufactures premium windows and doors for residential, multi-family, and commercial buildings
- Revenue increased 1.0% YoY in 2023, due to slight price increases and generally flat volumes YoY
- In December 2023, Masonite International (NYSE:DOOR) announced the agreement to acquire PGT Innovations for \$3.0 billion or \$41.00 per share (\$33.50 per share in cash and \$7.50 in Masonite common stock)
- In January 2024, however, PGT Innovations terminated the agreement with Masonite in favor of MITER Brands' 100% cash, \$42.00 per share bid to acquire the company. The transaction closed on March 18, 2024

Top Stock Performer: Electrical & Lighting Products⁽¹⁸⁾



Stats	
Sales:	\$38,828mm
EBITDA:	\$7,720mm
EBITDA %:	19.9%
'23 Stock %:	43.8%
YTD Apr '24 Stock %:	14.5%

- **Schneider Electric (ENXTPA:SU)** produces process and energy technologies, end-point and cloud connecting products, controls, and software and services, enabling digitally integrated buildings
- The company posted record revenue, 13.0% higher YoY on an organic basis, due to positive pricing impacts and growth in Energy Management and Industrial Automation segments
- Schneider expanded adj. EBITDA margin by ~180bps YoY, achieving record adj. EBITDA, aided by productivity improvements and investments in AI
- The company noted record levels of backlog, 12.7% higher YoY on an organic basis, due to increasing demand in Energy Management and Industrial Automation segments

* PGT Innovations was acquired on March 18, 2024, therefore YTD 2024 stock performance is unavailable

Top Stock Performer: Plumbing & HVAC Products⁽¹⁸⁾



Stats

Sales: \$4,982mm
EBITDA: \$1,030mm
EBITDA %: 20.7%
'23 Stock %: 87.1%
YTD Apr '24 Stock %: 3.6%

- **Lennox International Inc. (NYSE:LII)** manufactures residential and commercial HVAC equipment, including air conditioners, furnaces, heat pumps, comfort controls, and indoor air quality equipment
- The company generated record revenue, up 6.0% YoY, due to positive price and product mix impacts, partially offset by lower volume
- Lennox reported generally flat revenue for its Home Comfort Solutions segment due to significant destocking trends throughout the year, but grew revenue for its Climate Solutions segment due to positive impacts from pricing and mix
- Lennox indicated the EPA rulings are causing uncertainty regarding industry inventory levels and replacement schedules

Top Stock Performer: Roofing, Siding, & Insulation Products⁽¹⁸⁾



Stats

Sales: \$9,677mm
EBITDA: \$2,254mm
EBITDA %: 23.3%
'23 Stock %: 73.8%
YTD Apr '24 Stock %: 13.5%

- **Owens Corning (NYSE:OC)** manufactures insulation, roofing, and fiberglass composites
- Revenue declined ~1% YoY in 2023 as positive performance in the Roofing segment was offset by declines in both the Insulation and Composite segments
- The Roofing segment posted 10% YoY revenue growth due to increased asphalt shingle revenue, mild weather extending the roofing season, and positive mix impacts. However, the Composites segment posted a ~14% revenue decline YoY, due to price pressures for its glass products
- On February 9, 2024, the company announced its acquisition of Masonite International Corporation (NYSE:DOOR), a provider of branded interior and exterior doors, for a total enterprise value of \$3.9 billion (8.6x 2023E adj. EBITDA). Owens Corning will pay Masonite shareholders \$133.00 per share in cash, representing a 38% premium to the closing price on February 8, 2024

Top Stock Performers: Building Materials⁽¹⁸⁾



Stats

Sales: \$17,388mm
EBITDA: \$3,398mm
EBITDA %: 19.5%
'23 Stock %: 93.6%
YTD Apr '24 Stock %: 1.8%

- **CEMEX (BMV:CEMEXCPO)** manufactures and distributes cement, ready-mix concrete, and aggregates and provides urbanization solutions
- The company reported ~12% YoY revenue growth in 2023, primarily due to positive pricing impacts
- Cemex expanded EBITDA margins more than 250bps, due to growth in its high-margin aggregates business and portfolio optimization
- Management indicated they are optimistic about the U.S. region. While volumes were lower in 2023, the company expects volume growth in 2024 as single-family starts and permits are showing signs of stabilization and infrastructure construction continues to accelerate



Stats

Sales: \$2,405mm
EBITDA: \$358mm
EBITDA %: 14.9%
'23 Stock %: 87.1%
YTD Apr '24 Stock %: 1.3%

- **Boral Limited (ASX:BLD)** manufactures and provides concrete, cement, asphalt, aggregates, bricks, roofing, masonry products, and timber
- The company posted ~10.3% YoY revenue growth and ~350bps of EBITDA margin expansion for calendar year 2023 due to price realization and productivity improvements
- Boral experienced volume growth of ~31.0% and ~7.0% YoY in 1H 2024 in its Recycling and Asphalt Spray segments, respectively, due to increased demand
- The company expects volumes for FY 2024 to be flat YoY due to delayed projects and slowing residential demand



Stats

Sales: \$34,949mm
EBITDA: \$6,176mm
EBITDA %: 19.5%
'23 Stock %: 79.2%
YTD Apr '24 Stock %: 11.9%

- **CRH plc (NYSE:CRH)** manufactures and supplies cement, aggregates, ready-mix concrete, asphalt, and outdoor living products
- The company generated 7% YoY revenue growth, due to increased infrastructure, industrial, and manufacturing activity
- CRH completed 22 strategic add-on acquisitions in 2023; additionally, the company acquired cement and ready-mixed concrete assets and operations in Texas, strengthening the company's position in the high-growth Texas market
- The company maintains targeted capital allocation priorities, including \$16bn dedicated to strategic acquisitions over the next 5 years

Recent M&A and Strategic Commentary⁽¹⁸⁾



"First and foremost, we are a growth company. We want to continue to grow this business for the benefit of our shareholders. We have a strong and active pipeline of acquisition opportunities. Overall, we expect to have the capacity to allocate up to \$24 billion towards acquisitions and growth CapEx investments that will support future growth and value creation for years to come."

– Albert Jude Manifold, CEO, 2/29/24



"The successful transformation we made at Holcim to build up the new segments, Solutions and Products, and to focus geographically into North America is driven by M&A. We completed 97 transactions over the last five years, including 78 acquisitions and 19 divestments, and all were value accretive from day one. The bolt-ons were completed for around 5 times. On the divestment side, we were also disciplined to sell for significant valuations. Last year, we completed 28 acquisitions. We like to buy family-owned companies; 80% of our acquisitions are family-owned businesses. These businesses have high quality production, long time employees, but, at the same time, are not optimized in some processes. Thus, we are able to integrate and to execute synergies on a very significant level."

– Jan Jenisch, CEO, 2/28/24



"We expect that residential re-roofing market demand will be lower this year, driven by our assumption that storm demand will revert to the 10-year average. At the same time, we expect non-storm repair and re-roofing to be higher as the number of older roofs grows. Residential new construction and existing home sales are expected to improve also. Regarding commercial roofing, we are monitoring the Architectural Billing Index, which remains below 50, indicating contraction in activity in the first half of the year. We also see a continued shift from new construction to repair and re-roofing activity as the year progresses."

– Julian Francis, President & CEO, 2/27/24



"The [acquisition] pipeline is robust. Whereas we would have had suspicion against commercial acquisitions, our attitude has changed at this point and we are now more open to commercial acquisitions. We will continue, for the most part, to play within the spaces that we have historically. We made a distribution acquisition a number of years ago that has performed very well; that is not a space that we are afraid of and could continue to potentially look in that direction. Not long ago, we acquired a business that was more on the industrial side of insulation installation. As long as it involves material purchase and a labor component and it is a product that we could install direct, that continues to be on the watch list."

– Jeffrey Edwards, Chairman, President, & CEO, 2/22/24



"Lead times have structurally changed. Pre-pandemic, the industry was at eight weeks. During the pandemic, many companies' allocations were at 14 weeks. We maintained about four weeks for the last four quarters. We will probably hold a little more of our own finished goods on our own balance sheet, a little deeper into the season to ensure that we can hit and maintain four-week lead times; we think that is critical to drive the right level of capital efficiency throughout the channel."

– Peter Clifford, Senior VP, CFO, & COO, 2/21/24



"We have looked at a number of acquisitions. We want to make sure they are a good fit from a business perspective and a cultural perspective, which we highly value. The market is more active right now in terms of potential opportunities. I think that the expectations from sellers has normalized, but the competition is still very fierce. Financial buyers are still out there. They are still willing to accelerate the multiples paid."

– James Clark, President, CEO, & Director 1/25/24



"We have a lot of whitespace in our businesses and opportunity to make accretive acquisitions. Aligned with our innovation goals, we have four growth factors within a disciplined M&A framework to pursue building product targets. Number one, there is a lot of room to expand within our existing building envelope categories. Two, these categories provide a long tail of bolt-on opportunities in existing and new geographies. Three, these categories represent a lot of whitespace to pursue adjacent building envelope targets where we can leverage the Carlisle Experience and the Carlisle Operating System. Lastly, number four, there are plenty of creative startups that we can either acquire or partner with to expand our innovative products and solutions."

– Mehul Patel, VP Investor Relations, 12/7/23

Public Company Comparable Analysis: Building Products Distributors⁽¹⁸⁾

COMPANY		STOCK PERFORMANCE AND COMPANY DATA				MARGINS		VALUATION DATA			
(Data as of 04/30/2024)		Price	2023	YTD '24	Market	Enterprise	2023	2023	EV /	EV /	P / E
Company		4/30/2024	% Change	% Change	Value (\$mm)	Value (\$mm)	% Margin	% Margin	Rev 2023	EBITDA 2023	2024E
ADENTRA Inc.		\$30.98	15.6%	28.0%	\$694.9	\$1,243.1	20.8%	7.2%	0.56x	7.7x	6.5x
Beacon Roofing Supply, Inc.		98.53	64.8%	13.2%	6,264.1	9,124.4	25.7%	11.3%	1.00x	8.8x	9.6x
BlueLinx Holdings Inc.		109.67	59.3%	(3.2%)	949.9	1,062.2	16.8%	5.5%	0.34x	6.2x	7.1x
Builders FirstSource, Inc.		182.82	157.3%	9.5%	22,298.7	26,511.9	35.2%	17.0%	1.55x	9.1x	10.1x
Doman Building Materials Group Ltd.		5.59	47.8%	(11.0%)	486.9	966.0	16.2%	7.9%	0.52x	6.6x	6.3x
Ferguson plc**		212.42	52.8%	10.5%	42,966.5	48,171.3	30.3%	11.8%	1.64x	13.9x	15.2x
GMS Inc.**		92.52	65.5%	12.2%	3,685.4	4,884.6	32.4%	12.4%	0.91x	7.3x	7.7x
Richelieu Hardware Ltd.		28.27	35.8%	(22.2%)	1,586.9	1,787.6	12.9%	12.8%	1.35x	10.5x	11.1x
SIG plc		0.33	19.3%	(23.0%)	378.7	961.3	25.3%	4.4%	0.28x	6.3x	6.1x
Watsco, Inc.		447.72	71.8%	4.5%	16,458.2	16,764.0	27.4%	13.1%	2.30x	17.5x	19.5x
Overall Group Mean			59.0%	1.9%	9,577.0	11,147.7	24.3%	10.4%	1.04x	9.4x	9.9x
Overall Group Median			56.0%	7.0%	2,636.2	3,336.1	25.5%	11.6%	0.95x	8.3x	8.7x
Overall Group Max			157.3%	28.0%	42,966.5	48,171.3	35.2%	17.0%	2.30x	17.5x	19.5x
Overall Group Min			15.6%	-23.0%	378.7	961.3	12.9%	4.4%	0.28x	6.2x	6.1x

Public Company Comparable Analysis: Building Products Companies⁽¹⁸⁾

COMPANY		STOCK PERFORMANCE AND COMPANY DATA				MARGINS		VALUATION DATA			
(Data as of 04/30/2024)		Price	2023	YTD '24	Market	Enterprise	2023	2023	EV /	EV /	P / E
Company		4/30/2024	% Change	% Change	Value (\$mm)	Value (\$mm)	% Margin	% Margin	Rev 2023	EBITDA 2023	2024E
Flooring & Decking											
The AZEK Company Inc.		\$45.64	88.2%	19.3%	\$6,655.5	\$7,176.2	34.5%	22.2%	5.15x	23.2x	19.0x
Interface, Inc.		15.29	27.9%	21.2%	892.4	1,324.8	35.0%	13.4%	1.05x	7.8x	8.1x
Mohawk Industries, Inc.		115.32	1.3%	11.4%	7,364.7	9,967.8	25.3%	14.9%	0.90x	6.0x	6.9x
The Dixie Group, Inc.		0.54	(4.9%)	(27.7%)	8.0	119.9	26.7%	4.2%	0.43x	10.3x	N.A.
Trex Company, Inc.		88.55	95.6%	7.0%	9,624.2	9,838.0	41.3%	30.5%	8.99x	29.5x	26.1x
Group Mean			41.6%	6.2%	4,909.0	5,685.3	32.6%	17.0%	3.30x	15.4x	20.2x
Group Median			27.9%	11.4%	6,655.5	7,176.2	34.5%	14.9%	1.05x	10.3x	13.6x
Windows & Doors											
ASSA ABLOY AB (publ)		\$26.86	34.5%	(7.0%)	\$29,833.3	\$36,563.6	40.2%	18.9%	2.76x	14.6x	13.0x
Masonite International Corporation		132.55	5.0%	56.6%	2,912.9	4,122.5	23.5%	17.6%	1.46x	8.3x	9.1x
JELD-WEN Holding, Inc.		20.50	95.6%	8.6%	1,762.5	2,897.9	19.3%	8.4%	0.67x	8.1x	7.4x
Quanex Building Products Corporation		33.22	29.1%	8.7%	1,100.0	1,187.0	25.0%	14.7%	1.07x	7.3x	6.7x
Tyman plc		4.72	47.4%	17.9%	919.6	1,134.8	33.2%	15.6%	1.39x	8.9x	8.3x
Group Mean			42.3%	16.9%	7,305.6	9,181.1	28.2%	15.0%	1.47x	9.4x	8.9x
Group Median			34.5%	8.7%	1,762.5	2,897.9	25.0%	15.6%	1.39x	8.3x	8.3x
Electrical & Lighting											
LSI Industries Inc.		\$14.60	15.0%	3.7%	\$410.0	\$430.7	28.8%	10.7%	0.91x	8.5x	8.6x
Hubbell Incorporated		370.52	40.2%	12.6%	19,890.5	23,812.7	35.2%	22.8%	4.43x	19.4x	17.7x
Schneider Electric S.E.		230.00	43.8%	14.5%	128,415.4	141,186.6	41.8%	19.9%	3.64x	18.3x	16.7x
Acuity Brands, Inc.		248.30	23.7%	21.2%	7,572.6	7,750.6	44.4%	16.3%	1.99x	12.2x	11.3x
Group Mean			30.7%	13.0%	39,072.1	43,295.1	37.6%	17.4%	2.74x	14.6x	13.6x
Group Median			31.9%	13.6%	13,731.6	15,781.6	38.5%	18.1%	2.81x	15.3x	14.0x
Plumbing & HVAC											
AAON, Inc.		\$94.09	47.1%	27.4%	\$7,724.8	\$7,755.4	34.1%	24.1%	6.64x	27.6x	25.4x
Lennox International Inc.		463.42	87.1%	3.6%	16,509.1	18,603.5	31.1%	20.7%	3.73x	18.1x	18.0x
Masco Corporation		68.45	43.5%	2.2%	15,075.7	18,545.5	35.8%	20.0%	2.33x	11.6x	12.1x
Watts Water Technologies, Inc.		198.46	42.5%	(4.7%)	6,624.2	6,737.2	46.7%	20.3%	3.28x	16.2x	15.0x
A. O. Smith Corporation		82.84	44.0%	0.5%	12,150.2	12,208.8	38.5%	21.8%	3.17x	14.5x	14.0x
Mueller Industries, Inc.		55.82	59.8%	18.4%	6,341.0	5,297.0	28.9%	22.8%	1.55x	6.8x	N.A.
Group Mean			54.0%	7.9%	10,737.5	11,524.6	35.8%	21.6%	3.45x	15.8x	16.9x
Group Median			45.6%	2.9%	9,937.5	9,982.1	35.0%	21.2%	3.22x	15.3x	15.0x
Roofing, Siding, & Insulation											
Armstrong World Industries, Inc.		\$114.88	43.3%	16.8%	\$5,032.7	\$5,778.4	38.4%	33.8%	4.46x	13.2x	12.5x
Carlisle Companies Incorporated		388.25	32.6%	24.3%	18,432.5	20,585.0	35.6%	26.6%	4.49x	16.9x	15.3x
Gibraltar Industries, Inc.		71.46	72.1%	(9.5%)	2,177.4	2,168.7	27.2%	15.5%	1.57x	10.1x	9.6x
Installed Building Products, Inc.		235.73	113.6%	28.9%	6,703.3	7,489.5	33.5%	18.2%	2.70x	14.8x	13.8x
Owens Corning		168.21	73.8%	13.5%	14,576.5	16,967.2	28.8%	23.3%	1.75x	7.5x	7.1x
Rockwool A/S		329.13	24.9%	12.3%	7,047.4	6,842.5	64.0%	21.3%	1.75x	8.2x	8.4x
TopBuild Corp.		404.67	139.2%	8.1%	12,874.5	13,965.4	30.9%	21.9%	2.69x	12.3x	12.5x
Group Mean			71.4%	13.5%	9,549.2	10,542.4	36.9%	23.0%	2.77x	11.9x	11.3x
Group Median			72.1%	13.5%	7,047.4	7,489.5	33.5%	21.9%	2.69x	12.3x	12.5x
Overall											
Overall Group Mean			50.6%	11.5%	12,912.3	14,461.4	34.4%	19.3%	2.78x	13.3x	12.9x
Overall Group Median			43.5%	12.3%	7,047.4	7,489.5	34.1%	20.0%	2.33x	12.2x	12.5x
Overall Group Max			139.2%	56.6%	128,415.4	141,186.6	64.0%	33.8%	8.99x	29.5x	26.1x
Overall Group Min			(4.9%)	(27.7%)	8.0	119.9	19.3%	4.2%	0.43x	6.0x	6.7x

Public Company Comparable Analysis: Building Materials Companies⁽¹⁸⁾

COMPANY		STOCK PERFORMANCE AND COMPANY DATA				MARGINS		VALUATION DATA			
(Data as of 04/30/2024)		Price	2023	YTD '24	Market	Enterprise	2023	2023	EV /	EV /	P / E
Company		4/30/2024	% Change	% Change	Value (\$mm)	Value (\$mm)	Gross % Margin	EBITDA % Margin	Rev 2023	EBITDA 2023	2024E
Boral Limited		\$3.72	87.1%	1.3%	\$4,085.4	\$4,167.7	28.6%	14.9%	1.73x	11.6x	10.7x
Caesarstone Ltd.		6.31	(34.5%)	68.7%	217.9	266.1	16.9%	3.2%	0.47x	14.6x	59.0x
CEMEX, S.A.B. de C.V.		0.80	93.6%	1.8%	11,535.1	19,270.1	33.1%	19.5%	1.11x	5.7x	5.4x
Compagnie de Saint-Gobain S.A.		79.83	51.0%	8.3%	40,081.2	48,625.3	26.8%	15.3%	0.94x	6.1x	6.5x
CRH plc		77.42	79.2%	11.9%	53,056.4	61,609.2	34.2%	19.5%	1.76x	9.0x	9.1x
Eagle Materials Inc.		250.71	52.7%	23.6%	8,637.0	9,911.3	31.1%	37.0%	4.40x	11.9x	11.1x
Heidelberg Materials AG		101.99	56.6%	13.7%	18,568.9	25,724.9	62.1%	19.6%	1.12x	5.7x	5.4x
Holcim AG		84.19	51.4%	7.4%	47,301.3	58,325.4	42.6%	24.4%	1.94x	7.9x	7.7x
Martin Marietta Materials, Inc.		587.07	47.6%	17.7%	36,233.1	40,849.5	29.8%	33.3%	6.03x	18.1x	17.2x
Summit Materials, Inc.		38.90	35.5%	1.1%	6,825.2	9,024.0	28.9%	23.3%	3.44x	14.8x	9.0x
UFP Industries, Inc.		112.70	58.4%	(10.2%)	6,934.4	6,406.2	19.7%	11.4%	0.89x	7.8x	8.6x
Vulcan Materials Company		257.63	29.6%	13.5%	34,065.7	38,130.0	25.0%	27.6%	4.90x	17.8x	16.9x
Wienerberger AG		35.89	38.5%	7.4%	3,782.1	5,961.7	38.2%	18.1%	1.30x	7.2x	6.3x
Overall Group Mean			49.7%	12.8%	20,871.0	25,251.7	32.1%	20.5%	2.31x	10.6x	13.3x
Overall Group Median			51.4%	8.3%	11,535.1	19,270.1	29.8%	19.5%	1.73x	9.0x	9.0x
Overall Group Max			93.6%	68.7%	53,056.4	61,609.2	62.1%	37.0%	6.03x	18.1x	59.0x
Overall Group Min			(34.5%)	(10.2%)	217.9	266.1	16.9%	3.2%	0.47x	5.7x	5.4x

Representative M&A Transactions⁽¹⁸⁾

Date	Target	Acquirer	EV (\$mm)	EV / Revenue	EV / EBITDA
Announced	Adbri Limited (ASX:ABC)	CRH plc (NYSE:CRH)	\$1,929.6	1.54x	10.2x
Announced	Specialty Products and Insulation LLC (Incline Equity Partners)	TopBuild Corp. (NYSE:BLD)	960.0	1.37x	11.4x
Announced	Kamco Building Supply Corp.	GMS Inc. (NYSE:GMS)	321.5	1.31x	--
10/23/2023	Bradley Corporation	Watts Water Technologies, Inc. (NYSE:WTS)	303.0	1.52x	--
9/13/2023	Nordic Waterproofing Holding AB (publ)	Kingspan Group plc (ISE:KRX)	448.4	1.14x	9.6x
9/1/2023	Building Products of Canada Corp.	Compagnie de Saint-Gobain S.A. (ENXTPA:SGO)	978.8	3.04x	11.9x
7/11/2023	Crossroads Roofing Supply	Beacon Roofing Supply, Inc. (NASDAQ:BECN)	804.5	--	--
3/1/2023	Saint-Gobain Building Distribution Limited	Stark Group A/S	896.6	--	--
2/24/2023	Duro-Last, Inc.	Holcim Ltd. (SWX:HOLN)	1,293.0	2.39x	11.9x
1/3/2023	Endura Products, Inc.	Masonite International Corporation (NYSE:DOOR)	375.0	1.39x	--

Select Transaction Notes

Target	Acquiror	Notes
		<ul style="list-style-type: none"> Adbri Limited (ASX:ABC) manufactures building materials, including cement, concrete, aggregates, paving and landscaping products, lime, and industrial minerals, among other products The acquisition expands CRH's presence in the Australian construction materials market and complements its existing portfolio of cement, concrete, and aggregates
		<ul style="list-style-type: none"> Specialty Products and Insulation distributes and fabricates insulation and related products used in thermal, acoustic, and fire protection applications The acquisition increases TopBuild's recurring revenue stream, reduces revenue cyclicity, and expands the company's end market exposure
		<ul style="list-style-type: none"> Kamco Building Supply Corp. supplies ceilings, wallboard, steel, lumber, and other related construction products across 5 distributions facilities The acquisition advanced GMS's strategic priorities, including expanding share in its core product categories and continuing to develop a presence in New York
		<ul style="list-style-type: none"> Bradley manufactures commercial washroom and emergency safety products, including plumbing fixtures, washroom accessories, and tankless heaters The acquisition broadens Watts Water Technologies' product portfolio into "front-of-the-wall" applications and expands its sales network, providing cross selling opportunities
		<ul style="list-style-type: none"> Nordic Waterproofing manufactures roof waterproofing products, moisture, wind, and vapor barrier building membranes, and prefabricated facades, floors, and walls The acquisition expands Kingspan's geographic footprint and provides further growth opportunities for its Roofing and Waterproofing division
		<ul style="list-style-type: none"> Building Products of Canada manufactures residential roofing shingles and wood fiber insulation panels The acquisition bolsters Saint-Gobain's leadership position in light and sustainable construction products and enables the company to better serve its Canadian customers
		<ul style="list-style-type: none"> Crossroads Roofing Supply is a distributor of roofing products, including shingles, metal roofing, cedar shakes, and tile and slate products The acquisition expands Beacon's footprint and enhances the company's team and offering in the Midwest
		<ul style="list-style-type: none"> Saint-Gobain Building Distribution operates more than 600 branches and distribution centers in the U.K., offering building materials to professional builders and contractors The acquisition furthers Stark Group's focus on professional craftsmen and the renovation and maintenance market
		<ul style="list-style-type: none"> Duro-Last manufactures custom-fabricated thermoplastic single-ply roofing systems, offering recycled and energy efficiency-enhancing products The acquisition provides Holcim entry into the high-value, premium PVC membrane market and complements Holcim's roofing products portfolio with sustainable solutions
		<ul style="list-style-type: none"> Endura Products, Inc. manufactures high-performance door frames and components The acquisition complements Masonite's existing distribution channels and customer relationships and expands the company's addressable market by adding incremental product categories with a focus on premium products

Notable M&A Activity – Masonite International Acquires Fleetwood Aluminum Products

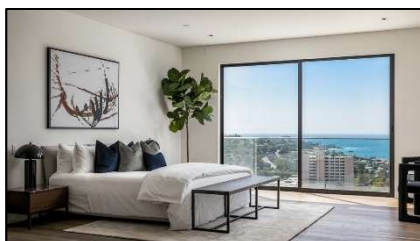
- On October 19, 2023, Masonite International Corporation (NYSE:DOOR) (“Masonite”) completed the acquisition of Fleetwood Aluminum Products, LLC (“Fleetwood”) for a total enterprise value of \$285 million (~7.8x 2024P Adj. EBITDA)
- Fleetwood is a manufacturer and distributor of premium, aluminum-framed glass door and window solutions for luxury homes, including folding, sliding, pocket, and pivot and hinged doors
- The acquisition of Fleetwood expands Masonite’s addressable market with a portfolio of customizable glass door systems and related products and increases Masonite’s product offering towards higher-end products



“Fleetwood has an outstanding reputation for product leadership, manufacturing excellence, and modern designs for luxury residential applications. This is the second acquisition we have completed in 2023 as part of our “Doors That Do More” strategy to expand our product portfolio and address new and non-traditional segments of the market with innovative and differentiated door systems.”

– Howard Heckes, President and CEO, Masonite International Corporation

Representative Products

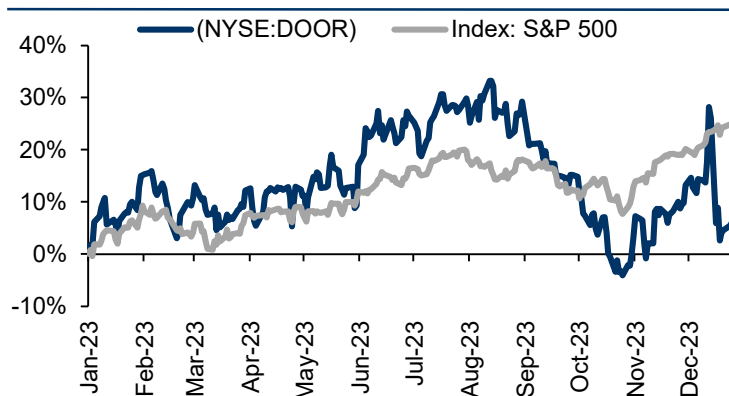


Financial Terms

Enterprise Value	\$285.0 million
Revenue Multiple	~1.90x 2024P revenue
Adj. EBITDA Multiple	~7.8x 2024P Adj. EBITDA

Source: Masonite Press Release

2023 Stock Performance



Overview of Fleetwood Aluminum Products, LLC

- Fleetwood manufactures premium, aluminum-framed glass door and window solutions
- The company expects to generate ~\$150.0 million of revenue and ~\$35.0 million of Adj. EBITDA in 2024
- The company was founded in 1961 and has a 200,000+ square foot manufacturing facility with 350+ employees
- Fleetwood is headquartered in Corona, CA

Overview of Masonite International Corporation

- Masonite is a global manufacturer and distributor of interior and exterior doors and door systems for the new construction and repair, renovation, and remodeling sectors of the residential and non-residential market
- The company was founded in 1925 and has more than 7,000 customers globally

Notable M&A Activity – Holcim Ltd. Acquires Duro-Last Inc.

- On April 3, 2023, Holcim Ltd. (SWX:HOLN) (“Holcim”) completed the acquisition of Duro-Last Inc. (“Duro-Last”) for a total enterprise value of \$1,293.0 million (11.9x 2023 pro-forma EBITDA)
- Duro-Last is a manufacturer of custom-fabricated thermoplastic single-ply roofing systems. The company is a recognized leader in sustainability, offering recycled and energy efficiency-enhancing products
- 90% of Duro-Last’s revenue is derived from non-discretionary re-roofing activity
- The acquisition of Duro-Last provides entry into the high-value, premium PVC membrane market, completing Holcim’s commercial roofing portfolio with leading, innovative, sustainable solutions
- Further, the acquisition provides Holcim i) access to new sales channels and a new customer base; ii) in-sourcing opportunities for insulation boards and systems; and iii) significant cost optimization options through global sourcing
- At the time of the acquisition, Holcim was expected to achieve \$60.0 million of synergies in 2023



“Duro-Last is a perfect strategic fit for our roofing business. Its proprietary technologies and leading brands complement our offering in the fast-growing North American market. Its energy-efficient systems and excellence in recycling will further advance our leadership in sustainability.”

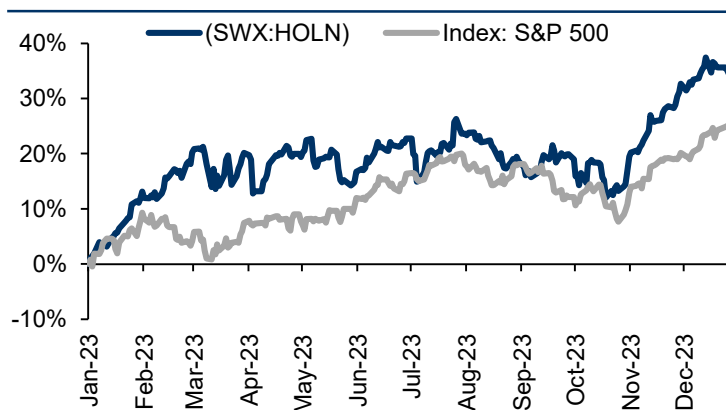
– Jan Jenisch, CEO, Holcim Ltd.

Financial Terms

Enterprise Value	\$1,239.0 million
Revenue Multiple	2.39x 2023 pro-forma revenue
Adj. EBITDA Multiple	11.9x 2023 pro-forma EBITDA

Source: Holcim Press Release

2023 Stock Performance



Overview of Duro-Last Inc.

- Duro-Last manufactures thermoplastic single-ply roofing membranes in prefabricated and roll forms, insulation products, and roofing accessories
- The company was founded in 1978 and employs 800+ employees across eight manufacturing locations across the U.S.
- Duro-Last is headquartered in Saginaw, MI

Overview of Holcim Ltd.

- Holcim is a global manufacturer of sustainable building solutions, including low-carbon concrete and cement, ultra-high performance concrete, aggregates, mortar, insulation, and roofing and wall lining systems, among other products
- The company was founded in 1833 and has more than 60,000 employees globally
- Holcim is headquartered in Zug, Switzerland

Platform Profile: JELD-WEN Australasia Business (Platinum Equity)

- On July 2, 2023, Platinum Equity (“Platinum”) announced the acquisition of the Australasia windows and doors business from JELD-WEN Holding, Inc. (NYSE:JELD) for \$461 million
- Several of the Australasia business’ brands are leaders in the production of thermally efficient windows and doors, which are important as new regulations come into effect in Australia requiring improved energy performance in homes



“The sale of the Australasia business enables us to focus on our two largest and core regions, North America and Europe, and to strengthen our balance sheet.”

– William J. Christensen, CEO, JELD-WEN Holding, Inc.



“The business is well positioned to capitalize on those trends and continue investing in innovation. A growing population, historically stable economic growth, and nationwide demand for additional housing across the country make us confident in the long-term outlook for the business.”

– Adam Cooper, Managing Director, Platinum Equity

JELD-WEN Australasia Business

- The Australasia business manufactures and distributes windows and doors, architectural glass, showers, and other related building products
- The business employs approximately 5,000 people and comprises 41 manufacturing locations across Australia, Malaysia, and Indonesia



Platinum Equity

- Platinum is a private equity firm focused on acquiring and operating companies across a broad range of industries, including industrial, telecommunications, and logistics, among others
- The firm has ~\$47 billion of assets under management and a portfolio of ~50 operating companies



Platform Profile: Galleher, LLC (Transom Capital Group)

- On December 18, 2023, Transom Capital Group (“Transom”) announced the acquisition of Galleher, LLC (“Galleher”) for an undisclosed amount. Galleher is a manufacturer and distributor of flooring products based in California
- Galleher’s products are sold to commercial and residential markets via flooring contractors, dealers / showrooms, commercial installers, builders, property managers, and designers / architects
- Transom aims to leverage its operational expertise, industry knowledge, and extensive network to further propel the company’s growth trajectory



“We believe the residential and commercial flooring products space has significant opportunity for innovation and Galleher supports virtually all of the leading brands in the space. We recognize the tremendous potential that the company holds, and we are committed to supporting its growth as a market leader in the premium flooring products segment.”

– Russ Roenick, Managing Partner, Transom Capital Group

Galleher, LLC

- Galleher is the largest floor covering distributor in the western U.S. and the third largest in the U.S., offering hardwood, luxury vinyl plank, and installation accessories
- The company was founded in 1937 and has 400+ employees across its 36 locations



Transom Capital Group

- Transom is a California-based private equity firm investing in middle-market businesses with potential that can be unlocked through operational improvements
- The firm invests across the industrial, consumer, business services, and technology industries



Platform Profile: The Cook & Boardman Group (Platinum Equity)

The Cook & Boardman Group ("C&B")

- C&B is a distributor of doors, frames, hardware, and other specialty products for residential and commercial buildings
- The company operates a network of 70+ facilities located across 21 states
- In September 2023, Platinum Equity acquired a majority interest in C&B from Littlejohn & Co. Littlejohn has retained a significant minority interest in C&B

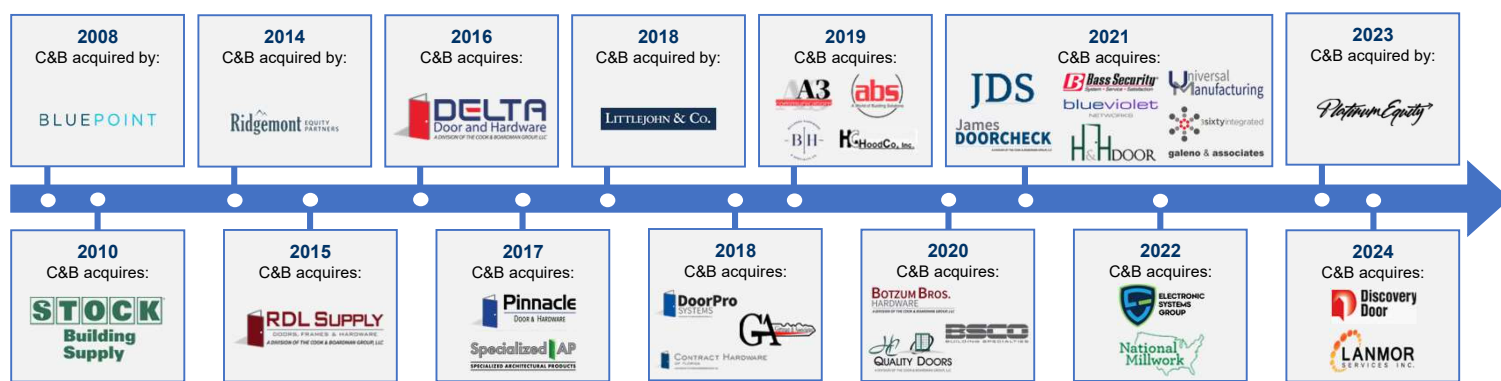


Platinum Equity ("Platinum")

- Platinum is a private equity firm focused on acquiring and operating companies across a broad range of industries, including industrial, telecommunications, and logistics, among others
- The firm has ~\$47 billion of assets under management and a portfolio of ~50 operating companies



Private Equity and M&A History



Platform Profile: US LBM Holdings (Bain Capital Private Equity & Platinum)

US LBM Holdings ("US LBM")

- US LBM is a distributor of specialty building materials, including lumber, windows, doors, roofing, siding, trusses, and decking, among other products
- The company was founded in 2009, is headquartered in Atlanta, GA, and operates 450+ distribution centers across the U.S.
- In October 2023, Platinum acquired a 50% stake in the company from Bain Capital

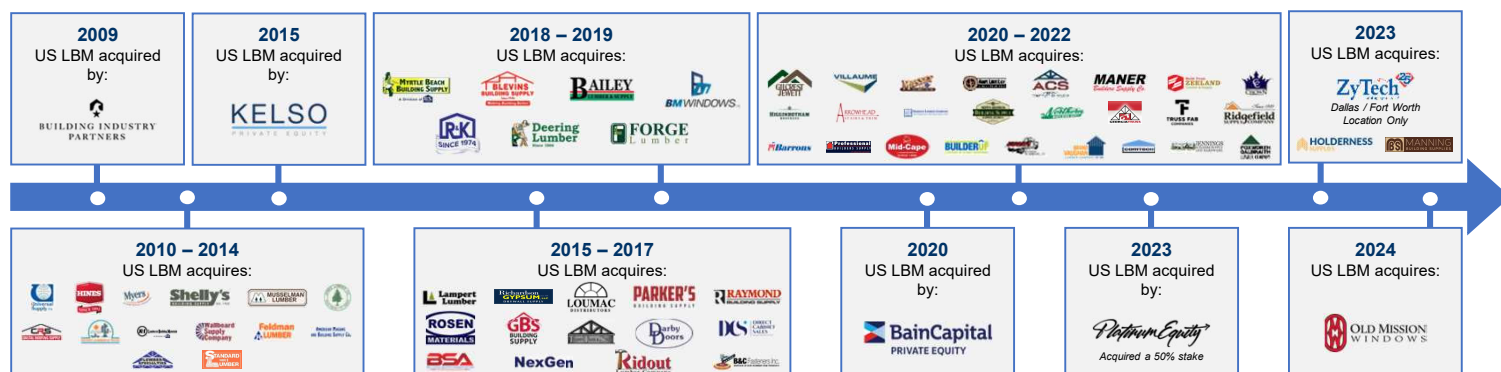


Bain Capital Private Equity ("Bain") & Platinum

- Bain is a private equity firm based in Boston, MA that primarily invests in the technology, healthcare, industrial, consumer / retail, and financial industries
- Bain currently has more than \$150 billion of assets under management and has made over 1,100 acquisitions
- Platinum will have a co-controlling stake in US LBM



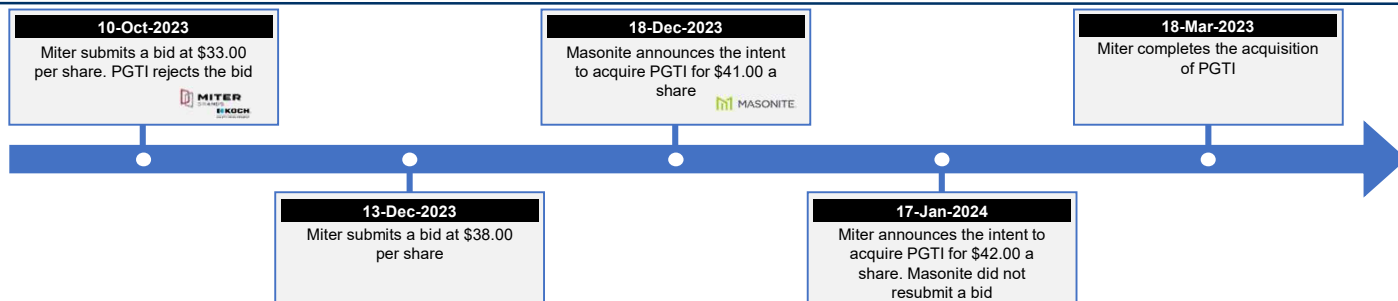
Private Equity and M&A History



Miter Brands Acquires PGT Innovations

- On January 17th, 2024, Miter Brands (“Miter”) announced the acquisition of PGT Innovations (NYSE:PGTI) (“PGTI”) for \$3.1 billion, representing an EV / EBITDA multiple of 11.2x. The acquisition was financed by Koch Equity Development, a current investor in Miter. The transaction closed on March 18th, 2024. The purchase price of \$42.00 per share represents a premium of 60% over PGTI’s unaffected closing share price on October 9, 2023
- PGTI’s impact-resistant technology and advanced manufacturing capabilities will expand Miter’s product offerings and market reach

Acquisition Bids Timeline



PGT Innovations

- PGTI is a manufacturer and supplier of windows, doors, and garage doors for impact, luxury, contemporary, energy efficient, and custom applications
- The company supplies its products to architects, builders, and homeowners in North America and the Caribbean
- PGTI was founded in 1980, and is headquartered in North Venice, FL



Miter Brands

- Miter is a manufacturer of residential vinyl and aluminum windows and doors for new construction and replacement segments
- The company was founded in 2019 through the combination of MI Windows and Doors and Milgard. Miter operates 10 manufacturing facilities throughout the U.S.



Owens Corning Acquires Masonite

- On February 9th, 2024, Owens Corning (NYSE:OC) (“OC”) announced the acquisition of Masonite (NYSE:DOOR) for \$3.9 billion, representing an EV / EBITDA multiple of 8.5x. The purchase price of \$133.00 per share represents a 46% premium to Masonite’s 20-day volume-weighted average price
- Through the acquisition of Masonite, OC will add doors to its product offerings, strengthening its position in the branded residential building products market
- The transaction is expected to increase revenue and Adj. EBITDA by an incremental \$2.9 billion and \$0.7 billion, respectively, while lowering capital intensity and increasing free cash flow generation



“Masonite is a market leader that complements our existing residential interior and exterior product offering’s and has consistently demonstrated top-line growth and margin expansion. The combination of our commercial, operational, and innovation capabilities allows us to accelerate our long-term enterprise growth strategy with a clear line of sight to meaningful synergies and increased cash flow generation”

– **Brian Chambers, Board Chair and CEO, Owens Corning**

Masonite

- Masonite is a global manufacturer and distributor of interior and exterior doors and door systems
- The company serves the construction, repair, renovation, and remodeling sectors for both the residential and non-residential building construction markets
- Masonite was founded in 1925 and is headquartered in Tampa, FL



Owens Corning

- Owens Corning is a manufacturer of building and construction materials, including roofing, insulation, and composites to construction, residential, and commercial customers
- The company was founded in 1938, is headquartered in Toledo, OH, and employs 19,000 people across 31 countries



Select M&A Transactions

Date	Target (Seller)	Acquiror	Target Business Description
Announced	Kamco Building Supply Corp.	GMS Inc. (NYSE:GMS)	Distributes building materials, including ceiling systems, drywall, steel framing systems, doors and accessories, and insulation, among other products
Announced	Adbri Limited (ASX:ABC)	CRH plc (NYSE:CRH)	Manufactures and distributes cement, premixed concrete, aggregates, pavers, and related products
Announced	Imptek Ecuador	Compagnie de Saint-Gobain S.A. (ENXTPA:SGO)	Manufactures waterproofing products for residential customers
Announced	US LBM Holdings (Bain Capital)	Platinum Equity, LLC	Distributes specialty building materials, including lumber and engineered wood products, roofing materials, siding products, trusses, and windows and doors, among other products
Announced	The Cook & Boardman Group, LLC	Platinum Equity, LLC	Distributes architectural hardware, doors, and related building products for non-residential building applications
Announced	Specialty Products and Insulation LLC	TopBuild Corp. (NYSE:BLD)	Distributes and fabricates insulation and complementary products for commercial and industrial applications
12/20/23	Eastern Architectural Systems	Cornerstone Building Brands, Inc. (CD&R)	Manufactures custom-made windows and doors
12/18/23	Galleher Corporation	Transom Capital Group, LLC	Distributes hardwood, vinyl, ceramic tile, and laminate flooring products
12/15/23	Encore Performance, LLC	Builders FirstSource, Inc. (NYSE:BLDR)	Manufactures and distributes lighting, flooring, doors and windows, lumber, decking products, moulding, and hardware
12/11/23	R.F. Peck Co., Inc.	Tom Barrow Co., Inc.	Distributes commercial HVAC equipment, including electric heating products, kitchen hoods, heat pumps, chimney systems, and dampers, among other HVAC products
12/7/23	Menkol Industries Private Limited	Compagnie de Saint-Gobain S.A. (ENXTPA:SGO)	Manufactures cement waterproofing products for commercial construction customers
12/5/23	Holderness Supplies	US LBM Holdings (Bain Capital, Platinum Equity)	Manufacturer and distributor of structural building components, engineered wood products, floor and roof trusses, and framing and specialty lumber materials
12/4/23	Dallas-Fort Worth Operations of ZyTech Building Systems	US LBM Holdings (Bain Capital & Platinum Equity)	Manufactures structural building components, such as floor and roof trusses and engineered wood products
11/29/23	Lawson Industries, Inc.	Pella Corporation	Manufactures windows and doors
11/18/23	North East Sheets & Panels Ltd	Premier Forest Products Ltd.	Manufactures doors, panels, cabinets, and worktops for kitchens, bathrooms, and bedrooms
11/17/23	Worldwide Rock Enterprises	SRS Distribution Inc. (Leonard Green & Partners)	Distributor of natural and architectural cut stone, manufactured stone, cast stone, and masonry supplies
11/11/23	City Lumber Co., Inc.	Spahn & Rose Lumber Co.	Manufactures windows, doors, and roof and floor trusses, among other products
11/1/23	H & H Roofing Supply, LLC	Beacon Roofing Supply, Inc. (NASDAQGS:BECN)	Distributes residential and non-residential roofing products
10/25/23	AES Industries, Inc.	Lennox International Inc. (NYSE:LII)	Manufactures roof curbs and drop box diffuser systems, duct transitions, and wind brackets
10/24/23	Design Air	Marathon HVAC Service, LLC	Distributes HVAC equipment, linesets, fittings, ducts, and other related products
10/23/23	Bradley Corporation	Watts Water Technologies, Inc. (NYSE:WTS)	Manufactures commercial plumbing fixtures and accessories, valves, and faucets, among other products
10/19/23	Fleetwood Aluminum Products, Inc.	Masonite International Corporation (NYSE:DOOR)	Manufactures aluminum windows and door products for luxury homes
10/11/23	Zytech Building Systems, Inc.	Dicks Lumber & Building Supplies Ltd.	Manufactures and supplies roof trusses, joint floor systems, lumber, pre-fabricated stairs, decking materials, wall panes, and other building materials
10/4/23	Manning Building Supplies, Inc.	US LBM (Bain Capital & Platinum Equity)	Provider of building supplies including lumber, hardware, custom doors, windows, millwork, and trusses
10/2/23	Brockway-Smith Company	Boise Cascade Company (NYSE:BCC)	Distributes doors, windows, millwork products, stair parts, columns and posts, and railing systems, among other products
10/2/23	Garvin Construction Products, Inc.	Beacon Roofing Supply, Inc. (NASDAQGS:BECN)	Provides building envelope solutions, including waterproofing, glass, tinting and glazing products
10/2/23	A&D Supply Company	Foundation Building Materials (American Securities & CD&R)	Distributor of drywall, steel framing, ceiling materials, insulation, and general building materials
10/2/23	Henrietta Building Supplies	FBM (American Securities & CD&R)	Distributor of drywall, steel framing, ceiling materials, insulation, and exterior insulation and finish systems
10/2/23	KCI Doors & Hardware	FBM (American Securities & CD&R)	Distributor of wooden and steel doors, door frames, and related hardware
9/29/23	Sunniland Corporation	SRS Distribution Inc. (Leonard Green & Partners)	Distributor of roofing materials, asphalt shingles, metal roofing, solar products, and professional grade fertilizers
9/7/23	Lawrence Hardware, Inc.	ASSA ABLOY AB (publ) (OM:ASSA B)	Manufactures and distributes door products, including steel hangers and rails, hinges, door closers, locksets, and deadbolts
9/5/23	S&H Building Material Corporation	Beacon Roofing Supply, Inc. (NASDAQGS:BECN)	Distributes roofing products, windows and doors, siding products, PVC and trim products, skylights, and composite decking and railing materials
9/1/23	Iverson's Lumber Company, Inc.	The Schockman Lumber Company	Supplies lumber, building materials, tools, and hardware for contractors, builders, and homeowners
9/1/23	All the assets of Gateway Supply Co	Watsco, Inc. (NYSE:WSO)	Distributes plumbing and HVAC equipment and products
9/1/23	Building Products of Canada Corp.	Compagnie de Saint-Gobain S.A. (ENXTPA:SGO)	Manufactures residential roofing shingles, wood fiber insulation panels, and soundproofing solutions
8/22/23	Operating assets of Fortress Iron, LP	Eva-Last USA, Inc.	Manufactures decking, railing, framing, fencing, and outdoor lighting products
8/17/23	MAC Metal Architectural	Cornerstone Building Brands, Inc. (CD&R)	Manufactures steel coatings and roofs, soffits, moldings, and other accessories
8/7/23	Accent Family of Companies	Apollo Global Management, Inc. (NYSE:APO)	Distributes steel products for roofing, concrete, drywall, and acoustical applications
8/2/23	Cooper Standard Technical Rubber GmbH	Holcim AG (SWX:HOLN)	Manufactures rubber products for roofing systems and flooring solutions
8/1/23	Fencing Assets and two facilities of CertainTeed	CRH (NYSE:CRH)	Manufactures vinyl and composite fencing products

Select M&A Transactions (cont'd)

Date	Target (Seller)	Acquiror	Target Business Description
8/1/23	All American Vinyl Siding Supply, LLC	Beacon Roofing Supply, Inc. (NASDAQGS:BECN)	Distributes vinyl and aluminum siding and window and gutter replacement products
7/31/23	Church's Lumber Yards	Builders FirstSource, Inc. (NYSE:BLDR)	Distributes lumber and related building materials
7/19/23	Midwest Siding Supply, Inc.	Richards Building Supply Co., Inc.	Distributes siding and decking materials, doors, and vinyl windows
7/11/23	Crossroads Roofing Supply, Inc.	Beacon Roofing Supply, Inc. (NASDAQGS:BECN)	Provides residential and commercial roofing products, roofing insulation, and coatings
6/30/23	S. G. Torrice Co., Inc.	Ferguson plc (NYSE:FERG)	Distributes HVAC equipment, parts, and accessories, including ductless equipment, ductwork, parts, thermostats, and other tools
6/30/23	LaForce, Inc.	DNS Capital, LLC	Manufactures and distributes doors, frames, security and access controls, and other building products
6/23/23	Washoe Building Supply	SRS Distribution Inc. (Leonard Green & Partners)	Distributor of roofing materials and provider of building products including waterproofing, tools, fasteners, and pavers
6/21/23	Carlisle Wide Plank Floors, Inc.	Switchback Capital LLC	Manufactures hardwood interior flooring products, including wide plank pine and oak, wide plank reclaimed, antique, and engineered and solid wood flooring products
6/20/23	Syracuse Glass Company, Inc.	Oldcastle BuildingEnvelope, Inc. (KPS Capital Partners)	Manufactures and distributes custom architectural glass and aluminum products
6/12/23	Silver State Building Materials, Inc.	Beacon Roofing Supply, Inc. (NASDAQGS:BECN)	Distributes residential roofing materials and related products
6/11/23	Killingly Building Products Co. Inc.	L&W Supply Corporation	Supplies drywall and plaster board and finish, steel framing, insulation, specialty gypsum, beads, fasteners, tools and acoustical ceilings
6/1/23	Team Air Distributing, Inc.	Kian Capital Partners, LLC	Distributes HVAC, plumbing, and electrical equipment, including outdoor heat pumps, air conditioning, packaged units, indoor gas furnaces, air components, coils and controllers
6/1/23	Sices Material Products, Inc.	FBM (American Securities & CD&R)	Distributes drywall, steel framing, ceiling systems, lumber, and general building products
5/22/23	Middle Atlantic Wholesale Lumber, Inc.	Sherwood Lumber Corporation	Distributes lumber, plywood and panels, PVC trim and sheet goods, radiant barriers, house wraps, and seam and seal tapes
5/1/23	JB Millworks, LLC	Builders FirstSource, Inc. (NYSE:BLDR)	Provides columns and posts, decking, exterior doors, hardware, interior doors, molding and trim, stairs and railings, and windows
5/1/23	Jawl Lumber Corporation	GMS Inc. (NYSE:GMS)	Distributes lumber, engineered wood, doors, framing, and other related building materials
5/1/23	Anderco Inc.	Metrie Inc.	Manufactures and distributes doors and door frames
4/30/23	UP Twiga Fiber Glass Limited	Compagnie de Saint-Gobain S.A. (ENXTPA:SGO)	Manufactures glass wool insulation products for duct and pipe wraps in commercial and residential buildings
4/30/23	Certain Assets of Builders Millwork & Supply, Inc.	Builders FirstSource, Inc. (NYSE:BLDR)	Distributes doors, cabinets, windows, stair parts, and hardware products
4/11/23	Shearer Supply, Inc.	Investcorp Holdings B.S.C.	Distributes HVAC equipment, including motors, compressors, refrigeration accessories, air handlers, furnaces, coils, and other related products
4/5/23	Exterior Solutions, Inc.	Gulfside supply, Inc.	Supplies siding materials, roofing materials, and stucco materials
4/5/23	Huber Supply Co.	Prosource, LLC	Distributes electrical, plumbing, and HVAC products for commercial and industrial clients
4/3/23	Engler, Meier & Justus, Inc.	GMS Inc. (NYSE:GMS)	Distributes acoustical ceiling and wall systems, drywall, metal framing, insulation, coatings, and claddings along with tools and accessories
4/1/23	MarJam Supply Co., Inc.	FBM (American Securities & CD&R)	Distributes lumber, plywood, cabinetry, ceilings, decking, doors, fencing, flooring, gutters and accessories, and insulation products, among other building products
3/31/23	Al's Roofing Supply, Inc.	Beacon Roofing Supply, Inc. (NASDAQGS:BECN)	Provides roofing materials and siding for residential and commercial customers
3/31/23	Prince Building Systems, LLC	Beacon Roofing Supply, Inc. (NASDAQGS:BECN)	Distributes deck and railing, doors and windows, drainage system, roofing products, stone products, and ventilation products
3/31/23	Tru Tech Corporation	ODL, Inc.	Manufactures and distributes entrance, fiberglass, decorative glass, and garden doors, blinds, venting doors, and retractable screens
3/27/23	Appalachian Truss	The Oxford Group Investments, Ltd.	Manufactures floor and roof trusses, specialty hangers, fasteners, and laminated veneer lumbers
3/27/23	Crown Doors and Shutters Limited	Edison Group	Manufactures windows and doors, curtain walling, shop front shutters, automatic doors, security grilles, fire curtains and screens, sectional doors, louvers, and roller shutters
3/3/23	Exteriors Inc.	SRS Distribution Inc. (Leonard Green & Partners)	Distributor of roofing, siding, windows, doors, and other complementary products
3/1/23	Saint-Gobain Building Distribution Limited	Stark Group A/S	Distributes building materials to professional contractors through 600 branches and distribution centers in the U.K.
3/1/23	TileBar LLC	AEA Investors LP	Manufactures floor and wall tiles, stones, vinyl, glass, and other building materials
2/24/23	Duro-Last, Inc.	Holcim AG (SWX:HOLN)	Manufactures prefabricated roofing systems, roof membranes, insulation panels, roof boards, skylight roofing systems, and drainage systems
2/1/23	Noltex Holdings, Inc.	Builders FirstSource, Inc. (NYSE:BLDR)	Manufactures roof and floor trusses
1/27/23	Marsh Building Products Inc.	SRS Distribution Inc. (Leonard Green & Partners)	Distributes gutters, windows and doors, exterior siding, and other building products
1/23/23	SAR Floors LLC	North Star Flooring	Manufactures premium vinyl plank flooring for residential and commercial applications
1/10/23	Capital Bois	Saint-Gobain Distribution Bâtiment France S.A.S.	Distributes lumber, wood frames, insulation and related building products
1/4/23	Quincaillerie Rabel Inc.	Richelieu Hardware Ltd. (TSX:RCH)	Manufactures door and window hardware products
1/4/23	First Coastal Exteriors, LLC	Beacon Roofing Supply, Inc. (NASDAQGS:BECN)	Distributes siding, gutter products, and windows
1/3/23	Endura Products, Inc.	Masonite Corporation	Manufactures performance door components, including frames, seals, and door units

Delancey Street Partners: Transaction Experience

Business Services & Technology

 has been acquired by Big Band. a portfolio company of ParkerGale Advisor to Seller	 a division of Simplify Compliance a portfolio company of LEEDS Equity Partners has been acquired by AHIMA Advisor to Seller	 a portfolio company of WDA CAPITAL has been acquired by ProService HAWAII a portfolio company of SILVER LAKE Advisor to Seller	 has been acquired by ENGAGE a portfolio company of LIGHTYEAR CAPITAL Advisor to Seller
 has been acquired by KORN FERRY Advisor to Seller	 has completed growth equity financing with VSS Advisor to GLOBO	 has been acquired by CROSS COUNTRY HEALTHCARE Advisor to Seller	 a portfolio company of IRISH ANGELS. has completed a majority growth recapitalization with CLINTON CAPITAL Advisor to RIVS

Healthcare

 has received an investment from DFW CAPITAL PARTNERS Advisor to Herspiegel	 has acquired pharmatech associates Advisor to Buyer	 has been acquired by ELEVATE a portfolio company of FRAZIER Advisor to Seller	 has received an investment from the edgewater funds Advisor to Deerfield
 has been acquired by W2O a portfolio company of NMC Advisor to Seller	 has merged with red nucleus a portfolio company of RENOVUS CAPITAL Advisor to Pyxa	 has completed a majority recapitalization with BEHRMAN CAPITAL Advisor to Emmes	 has been acquired by PAREXEL Advisor to Seller

Industrial & Industrial Technology

 has been acquired by AS a portfolio company of Odyssey Advisor to Seller	 has combined with Electron Microscopy Sciences a portfolio company of INVERNESS GRAHAM Advisor to Azer	 has been acquired by IR-V INDUSTRIES INC. a portfolio company of PROSPECT CAPITAL Advisor to Seller	 has merged with TR Advisor to Deacon
 has acquired TESTCO Advisor to Buyer	 a portfolio company of ARGOSY has been acquired by TE Advisor to Seller	 a portfolio company of ARENA has completed a senior debt financing with EAST WEST BANK Advisor to FST Technical Services	 a portfolio company of and GROTECH VENTURES has been acquired by MITLER TOLDO Advisor to Seller

Infrastructure

 certain assets of Snyder's Gateway, Inc. have been acquired by TA Advisor to Seller	 has been acquired by TriStrux a portfolio company of HURON Advisor to Seller	 has been acquired by MAGNOLIA a portfolio company of WARREN Advisor to Seller	 a portfolio company of h2 CAPITAL has been acquired by an entity formed by ANCOR Advisor to Seller
 a portfolio company of NextLevel and Bridgepoint has been acquired by PROVIDENCE STRATEGIC GROWTH Advisor to Seller	 has been acquired by Sprague Advisor to Seller	 has been acquired by BRANDFORD CASTLE PARTNERS Advisor to Seller	 has been acquired by KIELY Advisor to Seller

Delancey Street Partners

Delancey Street Partners is an independent, industry-focused investment bank. We serve CEOs, Entrepreneurs, Shareholders, and Boards of Directors of high growth and middle market private and public companies. Our services include strategic advisory, capital raising, and independent board advice. We advise on sell-side and buy-side M&A, growth capital financings, and recapitalizations. Our focus sectors include Business Services & Technology, Healthcare, Industrial & Industrial Technology, and Infrastructure.

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Securities offered through DSP Securities, LLC Member SIPC | Member FINRA

All other transactions effectuated through Delancey Street Partners, LLC

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