DELANCEY STREET PARTNERS

Building Products, Materials & Distribution
2025 Year in Review

Executive Summary



Delancey Street Partners is pleased to share our 2025 Year in Review for the Building Products, Materials & Distribution sector. 2025 was a year of diverging performance across the sector, with some segments performing well while others struggled. Housing-linked demand stayed soft: total U.S. housing starts slipped 0.6% to roughly 1.36 million, single-family starts fell 6.9%, and existing-home sales held near a 30-year low.[1][2] At the same time, spending tied to data centers, power and public infrastructure kept growing, and data center construction rose 32% to a record $41 billion.[3]

Public valuations followed that split. Our equal-weighted Building Materials index gained 9.5% in 2025, behind the S&P 500's 16.4%, as investors paid up for aggregates and cement producers with infrastructure and data center exposure. Plumbing & HVAC (+1.7%) and Electrical & Lighting (+5.0%) were positive, while Windows & Doors (-25.0%) and Roofing, Siding & Insulation (-11.8%) lagged on weak repair-and-remodel volumes and destocking. Across the seven sub-sectors in our universe, median EV / LTM EBITDA ranged from 9.5x to 14.4x at January 31, 2026.

M&A was defined by size rather than count, and several companies in our public universe made defining moves. QXO acquired Beacon Roofing Supply for about $11 billion, and James Hardie bought AZEK for $8.75 billion. Gibraltar announced an acquisition of OmniMax for $1.34 billion, Acuity bought QSC for $1.22 billion and TopBuild added SPI for $1.0 billion. ASSA ABLOY completed 23 acquisitions, including data center access-control provider Kentix.

We enter 2026 with cautious optimism. Rates are moving in the right direction: the 30-year mortgage rate ended 2025 at 6.15%, about 70 basis points lower than a year earlier, after three Federal Reserve cuts.[4][5] Harvard's remodeling index points to modest growth that slows over the year, so we do not expect a sharp residential rebound.[6]

Tariffs on metals, lumber and cabinetry will keep cost pass-through on every buyer's diligence list.[7][8][9] For owners, the window looks best for businesses with data center, power and water exposure, and for well-run residential platforms that can show margin resilience ahead of a recovery.

Key Themes for 2026

- **Strategics are leaning into nonresidential demand.** ASSA ABLOY's Kentix deal and TopBuild's purchase of SPI, which earns about 87% of revenue from commercial and industrial markets, both add nonresidential exposure.
- **Distribution consolidation continues.** With Beacon in hand and a strong acquisition pipeline, QXO is targeting $50 billion of annual revenue within a decade, which implies more large acquisitions.
- **Leading residential brands still command interest.** James Hardie–AZEK and Gibraltar–OmniMax show public buyers paying for leading exterior and roofing brands despite soft housing.
- **Sponsor exits should pick up.** Many sponsor-owned businesses acquired in 2019–2021 are getting long in the tooth relative to typical hold periods, and easing rates should help close bid-ask gaps.

Topics of Discussion

- DSP Spotlight: Data Centers 2
- Macroeconomic Backdrop 5
- Public Company Market Performance 7
- Valuation Trends & Top Performers 9
- Top Performer Profiles 11
- Strategic Commentary 13
- Comparable Public Companies 14
- M&A Activity & Representative Multiples 16
- Notable 2025 Transactions 17
- Private Equity Platform Investments 20
- Select 2025 M&A Transactions 22
- About Delancey Street Partners 24
- Appendix: Sources 26

DSP Spotlight Trend: Data Centers

This year's Spotlight looks at the data center build-out and what it means for building products. The capital is real: the five largest hyperscalers are expected to spend roughly $750 billion on capex in 2026, up about two-thirds from 2025.[10] Much of that flows into power distribution, thermal management, piping and valves, interior systems and heavy materials. Those categories drew some of the strongest buyer interest and highest multiples of 2025.

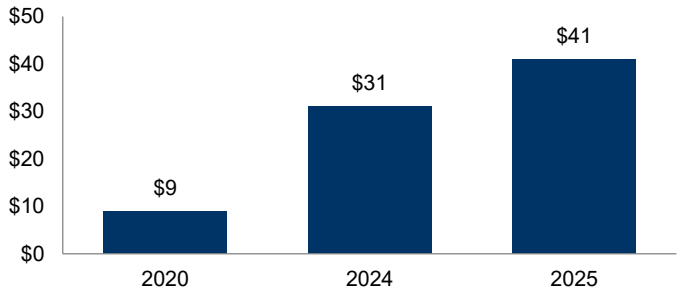
A Construction Market Moving at Two Speeds

Total U.S. construction spending was roughly flat in 2025 and ended the year about 2% below December 2024. Manufacturing construction fell about 25% over the year to its lowest level since early 2023.[11] Data centers moved the other way. Spending reached $41 billion for the year, up 32% from 2024 and 344% from 2020, and December's annualized pace was approximately $45 billion.[3][12] The pipeline also kept building. The Dodge Momentum Index, which tracks nonresidential projects entering planning, ended 2025 up 50% year over year, and commercial planning rose 45%, or 30% excluding data centers.[13]

The Capital Behind the Build-Out

2026 capex guidance from the largest cloud platforms points to another step up. Amazon guided to about $200 billion (from $131 billion in 2025), Alphabet to $175–$185 billion (from $91.4 billion), and Meta to $115–$135 billion (from $72.2 billion).[14] CreditSights estimates 2026 capex for the top five hyperscalers at roughly $750 billion, up about 67%.[10] Power is the binding constraint. Data centers used about 4.4% of U.S. electricity in 2023, and Goldman Sachs expects that share to reach roughly 8% by 2030.[15][16]

U.S. Data Center Construction Spending



Source: U.S. Census Bureau via Wolf Street; 2020 and 2024 implied from reported growth rates[3]

Hyperscaler Capex: 2025 Actual vs. 2026 Guidance[14]



Note: Alphabet and Meta shown at range midpoints

DSP Spotlight Trend *(cont'd)*

Where Building Products Companies Participate

The data center build-out gave the building products sector a second demand engine in 2025, at a time when housing-linked volumes stayed soft. That capital reaches well beyond the building shell, into power distribution, thermal management, piping and valves, interior systems and heavy materials.

Several of the best 2025 performers in our public universe have meaningful data center and infrastructure exposure. Heidelberg Materials shares rose about 112%, Mueller Industries about 45% and Ferguson about 28%. Companies across the sector are seeing that demand in orders and backlog.

- **Thermal management and HVAC.** AAON's BASX data center brand more than doubled revenue in 2025 on demand for air-side and liquid cooling, helping lift year-end backlog to a record $1.83 billion. Mueller Industries, a leading maker of the copper tube and fittings these systems rely on, posted record operating income in 2025, up 24%.
- **Electrical distribution and power.** Schneider Electric said fourth-quarter demand from data center customers grew at triple digits year over year, led by hyperscale and colocation operators.
- **Pipe, valves, fittings and water.** Ferguson posted double-digit non-residential growth; one data center it supplied needed 12 miles of copper pipe. Core & Main cited data centers as a driver of its critical infrastructure group, which has grown nearly 25% a year for five years.
- **Access control and security.** ASSA ABLOY added Kentix, a data center access control and monitoring provider.
- **Heavy materials.** Martin Marietta cited accelerating data center and energy momentum, and Vulcan called data centers its biggest catalyst, with over 150 million square feet under construction. Heidelberg Materials expects good volumes and pricing in North America, with data centers and a recovering commercial sector offsetting soft residential demand.

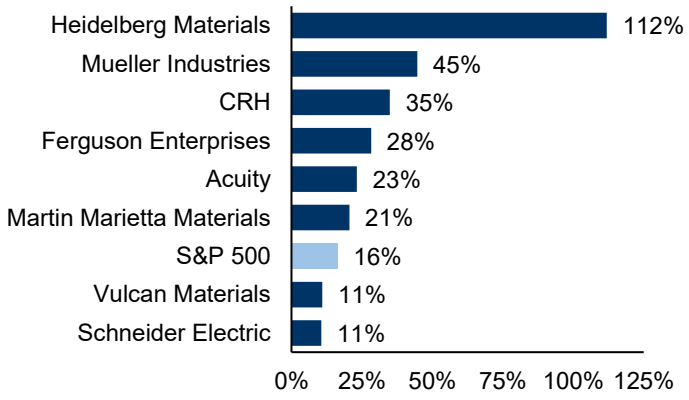
Public Company Data Center Exposure

Within our coverage universe, the companies with the most direct exposure include Schneider Electric and Acuity in Electrical & Lighting, AAON and Mueller Industries in Plumbing & HVAC, Ferguson in distribution, and the large aggregates and cement producers. Several trade at a clear premium to their sub-sector medians: AAON at 37.3x LTM EBITDA versus 14.4x for Plumbing & HVAC, and Schneider at 20.1x versus 12.8x for Electrical & Lighting.

Where the Dollars Land

Building System	Typical Products	Company Examples
Power & electrical	Switchgear, enclosures, busway, connectors, lighting & controls	Schneider Electric, Acuity, LSI
Thermal & mechanical	Liquid cooling, chillers, air handlers, copper tube & fittings	AAON, Mueller, Watsco, Lennox
Water & site	Pipe, valves, fittings, waterworks, stormwater, precast	Ferguson, Core & Main, Watts
Structure & envelope	Aggregates, cement, ready-mix, insulation, roofing	CRH, Martin Marietta, Vulcan, Heidelberg, Carlisle
Interiors & security	Ceilings, flooring, access control & monitoring	Armstrong, Interface, ASSA ABLOY

2025 Share Price Change: Select Companies with Data Center and Infrastructure Exposure[14]



DSP Spotlight Trend *(cont'd)*

2026 M&A Outlook

We expect strategic buyers to keep using M&A to add cooling, power and site-infrastructure capability, building on moves such as ASSA ABLOY's acquisition of Kentix in 2025. ASSA ABLOY is now capable of joint selling across divisions to data centers. Public markets are already rewarding direct exposure, with AAON and Schneider Electric trading at clear premiums to their sub-sector medians. For middle-market owners, the data center opportunity is less about selling directly to hyperscalers and more about being a reliable, scalable supplier to the contractors, OEMs and distributors who do. Businesses that can document data center revenue, backlog and specification wins, and show they can add capacity, are getting the strongest buyer response. We expect that to continue in 2026, with more strategic buyers using M&A to add cooling, power and site-infrastructure capability.

Risks We Are Watching

- **Concentration.** A few hyperscalers account for most of the demand, and their spending plans can change quickly.
- **Power and permitting.** Projects increasingly depend on grid interconnection timing, which can delay material pull-through.
- **Copper and metals costs.** Section 232 tariffs of 50% on steel, aluminum and semi-finished copper raise input costs for electrical and mechanical products.[7][8]

Recent Market Commentary

"I would say very excited about that Kentix acquisition because it was really the missing link for us to really offer a complete access solution for data centers. They have particularly a very good solution for those shared data centers where you have to control indirects different customers on the same rec, and they combine that access control with a lot of other information on the performance of the service."

ASSA ABLOY

Nico Delvaux
President and CEO
(October 21, 2025)

"We have been very consistent from an M&A standpoint. We always do M&A when it helps us to accelerate our strategy. We are extremely selective. We are looking at those deals that accelerate the transformation of the portfolio of Schneider Electric, but also our positioning in geography. That's why we are very excited with, one, Motivair liquid cooling for the U.S., for the rest of the world, accelerating the position of Schneider Electric in Data Center."

Schneider Electric

Olivier Blum
CEO
(July 31, 2025)

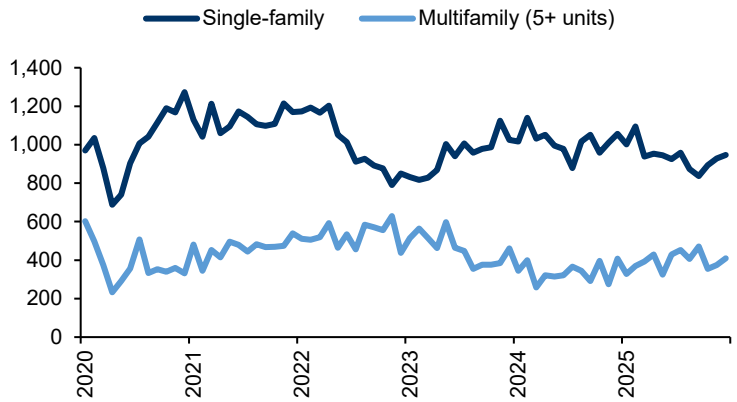
BPMD Macroeconomic Backdrop

Residential: Affordability Still the Constraint

Total housing starts were roughly flat in 2025 at about 1.36 million. Single-family starts fell 6.9% to about 943,000, while multifamily rose 17.4% from a low base.[1] Existing-home sales were about 4.06 million, near a 30-year low, as many owners stayed put with low-rate mortgages.[2] Home prices barely rose, with the Case-Shiller National Index up 1.3% year over year in December. Builders leaned on incentives: 67% offered them in December, the highest share since the pandemic, and 40% cut prices.[17][18]

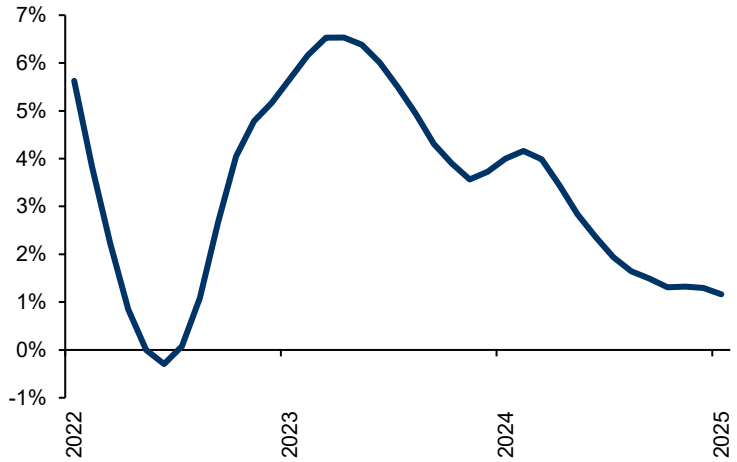
U.S. Housing Starts[19]

(Thousands of units, seasonally adjusted annual rate)



S&P Cotality Case-Shiller U.S. National Home Price Index, YoY Change[20]

(YoY % change, not seasonally adjusted)



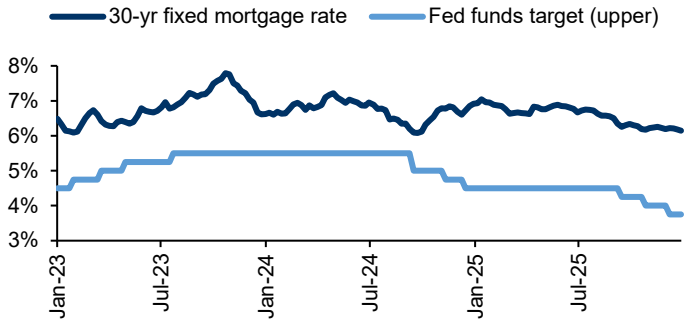
Rates and Housing Policy

Rates gave modest relief. The 30-year mortgage rate ended 2025 at 6.15%, down from 6.85% a year earlier.[4] The Fed cut rates in September, October and December, bringing the target range to 3.50%–3.75%.[5]

Washington is also paying more attention to supply: the Senate passed the ROAD to Housing Act in October, and the House passed its Housing for the 21st Century Act 390–9 in February 2026.[21]

Mortgage Rates and the Fed Funds Target[4]

(%, weekly)

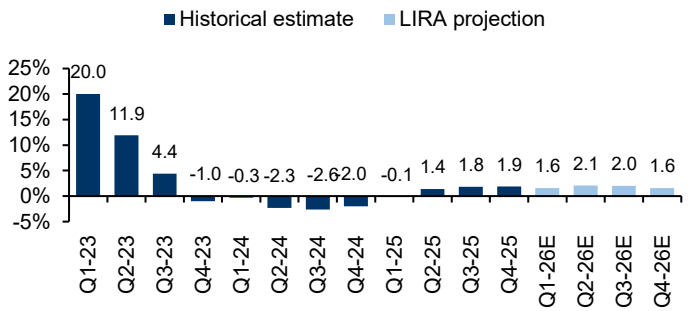


Repair & Remodel: Back to Modest Growth

Remodeling returned to growth in 2025 after two years of decline. Harvard's Leading Indicator of Remodeling Activity (LIRA) estimates that owner-occupied improvement and repair spending rose about 1.9% to roughly $509 billion in 2025, after falling 2.0% in 2024.[6] The Joint Center expects growth of about 2.1% in mid-2026, easing to 1.6% by year-end, with spending reaching about $518 billion. Its researchers note that single-family sales and permits have picked up modestly from very low levels, while housing construction and retail building-materials sales remain headwinds; lower rates would help both.

Harvard LIRA: Remodeling Spending Growth[6][22]

(YoY % change in four-quarter moving totals; 2026 projected)



BPMD Macroeconomic Backdrop (cont'd)

The longer-term case for repair and remodel is intact. The median owner-occupied home was 42 years old in 2024, up from 31 in 2005.[23]

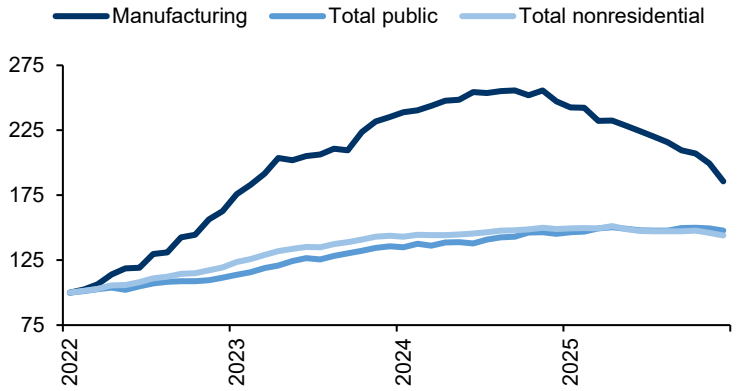
Mortgage holders entered the fourth quarter of 2025 with about $11.2 trillion of tappable equity, which can fund projects without a move.[24]

Nonresidential: Uneven

Nonresidential activity was mixed. Manufacturing construction spending fell about 25% over the year to its lowest level since early 2023, while public construction was about 2% higher than a year earlier.[11] Data center spending, covered on pages 2 and 3, was the clear bright spot.

Construction Spending by Segment[11]

(Index, January 2022 = 100; seasonally adjusted annual rate)



Inputs, Tariffs and Labor

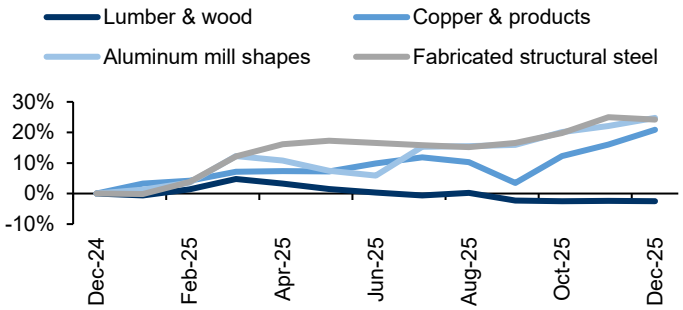
Metals inflation came back in 2025. From December 2024 to December 2025, producer prices rose about 21% for copper products, 25% for aluminum mill shapes and 24% for fabricated structural steel, while lumber and wood prices fell about 2.5%.[25]

Tariffs were a major driver. Section 232 duties on steel and aluminum rose to 50% in June, a 50% tariff on semi-finished copper took effect August 1, and duties of 10% on softwood lumber and 25% on kitchen cabinets and vanities began October 14.[7][8][9] A planned increase on cabinets and vanities was delayed by a year at the end of December.[26]

The labor market cooled, with unemployment at 4.4% in December, and wage and salary growth in the Employment Cost Index eased to about 3.4% year over year in the fourth quarter.[27]

Producer Prices for Key Inputs[25]

(% change since December 2024)



What We Are Watching in 2026

The macro backdrop points to a slow, rate-dependent recovery rather than a sharp rebound. The indicators we expect buyers and lenders to focus on:

- **Mortgage rates and home turnover.** Existing-home sales are the main trigger for remodeling projects, so even a modest pickup would help R&R-exposed products.
- **Tariff pass-through.** Whether manufacturers and distributors can keep passing through higher metals, cabinet and lumber costs without losing volume.
- **Nonresidential mix.** Data center, power and public work offsetting softer manufacturing and commercial construction.
- **Labor.** A cooler labor market may ease contractor wage pressure, though skilled trades remain tight.

Building Products, Materials & Distribution 2025 Year in Review

Summary Public Company Data[14]

Building Products Distributors	
EV / 2025A EBITDA	9.8x
EV / 2026P EBITDA	10.8x
2026P P / E	24.6x
EV / 2025A Revenue	1.1x
Gross Margin	24.3%
EBITDA Margin	7.6%
2025 Stock Price Change	(4.0%)

Flooring & Decking	
EV / 2025A EBITDA	9.6x
EV / 2026P EBITDA	9.0x
2026P P / E	16.2x
EV / 2025A Revenue	1.5x
Gross Margin	38.2%
EBITDA Margin	14.9%
2025 Stock Price Change	(8.3%)

Windows & Doors	
EV / 2025A EBITDA	10.3x
EV / 2026P EBITDA	11.4x
2026P P / E	17.6x
EV / 2025A Revenue	0.9x
Gross Margin	27.2%
EBITDA Margin	12.1%
2025 Stock Price Change	(36.6%)

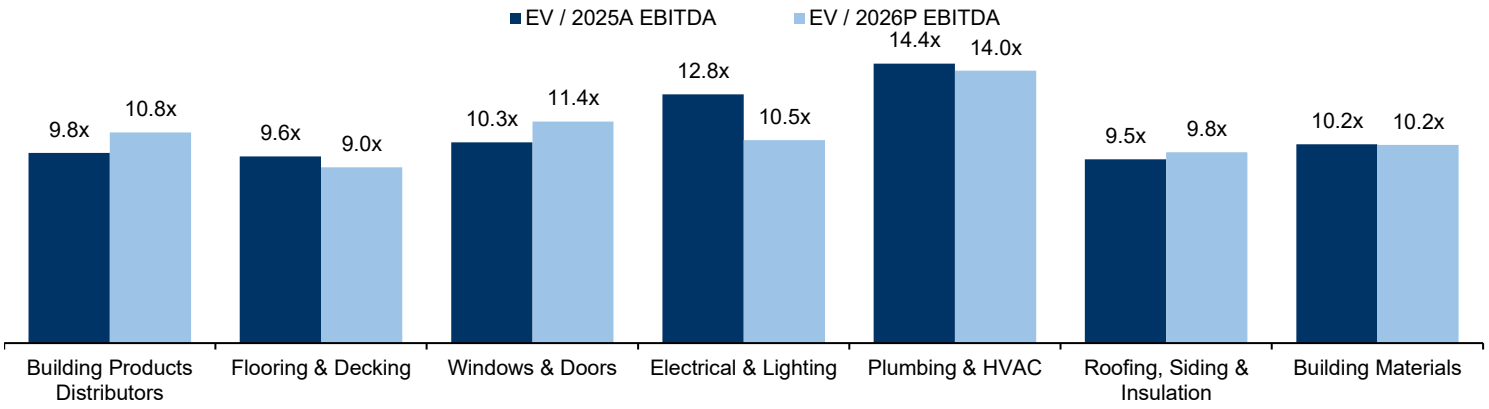
Electrical & Lighting	
EV / 2025A EBITDA	12.8x
EV / 2026P EBITDA	10.5x
2026P P / E	18.8x
EV / 2025A Revenue	1.8x
Gross Margin	40.8%
EBITDA Margin	13.7%
2025 Stock Price Change	2.5%

Plumbing & HVAC	
EV / 2025A EBITDA	14.4x
EV / 2026P EBITDA	14.0x
2026P P / E	21.9x
EV / 2025A Revenue	3.5x
Gross Margin	34.6%
EBITDA Margin	21.5%
2025 Stock Price Change	(7.3%)

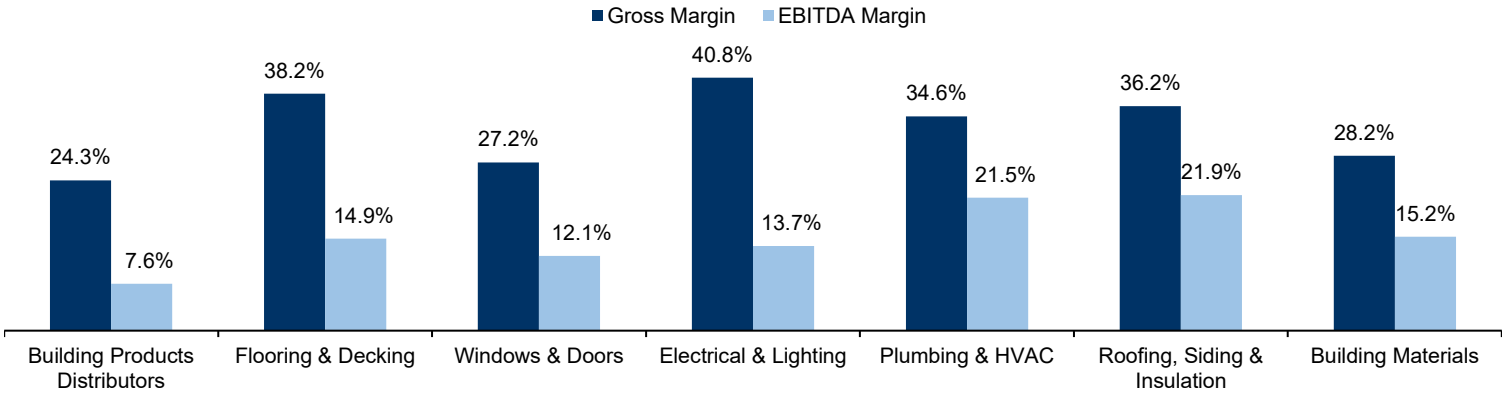
Roofing, Siding & Insulation	
EV / 2025A EBITDA	9.5x
EV / 2026P EBITDA	9.8x
2026P P / E	16.6x
EV / 2025A Revenue	1.8x
Gross Margin	36.2%
EBITDA Margin	21.9%
2025 Stock Price Change	(16.1%)

Building Materials	
EV / 2025A EBITDA	10.2x
EV / 2026P EBITDA	10.2x
2026P P / E	21.8x
EV / 2025A Revenue	2.3x
Gross Margin	28.2%
EBITDA Margin	15.2%
2025 Stock Price Change	2.1%

Median EV / EBITDA by Sub-Sector[14]

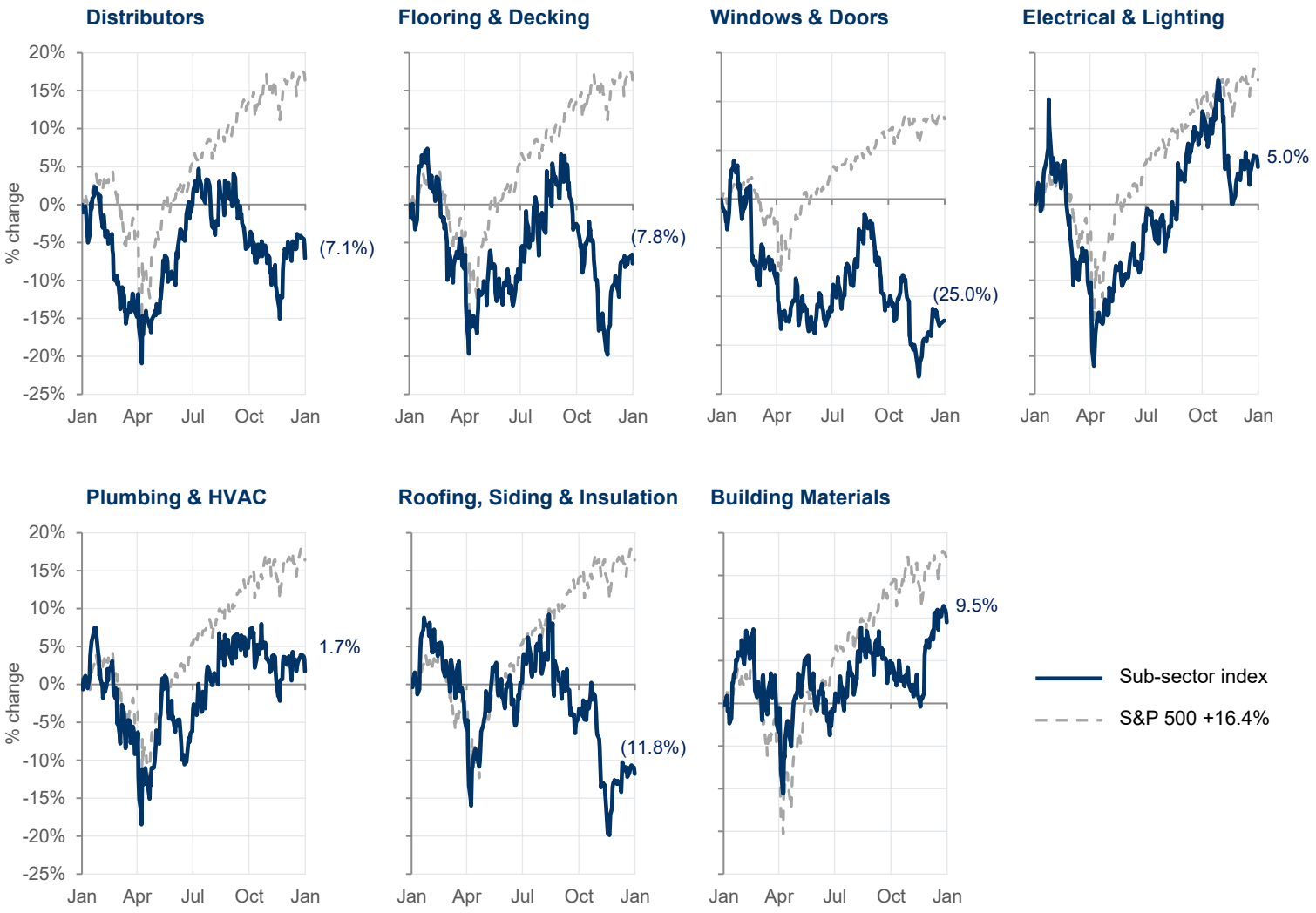


Median Margin by Sub-Sector[14]



Note: Median statistics for respective metrics. As of January 31, 2026. Source for all public company data is S&P Capital IQ.

1-Year Stock Indexed Performance (vs. S&P 500)[14]



Note: Indices reflect daily equal-weighted pricing data, rebased to 0% at 12/31/2024, and vary from the summary median statistics on page 7, 13, and 14

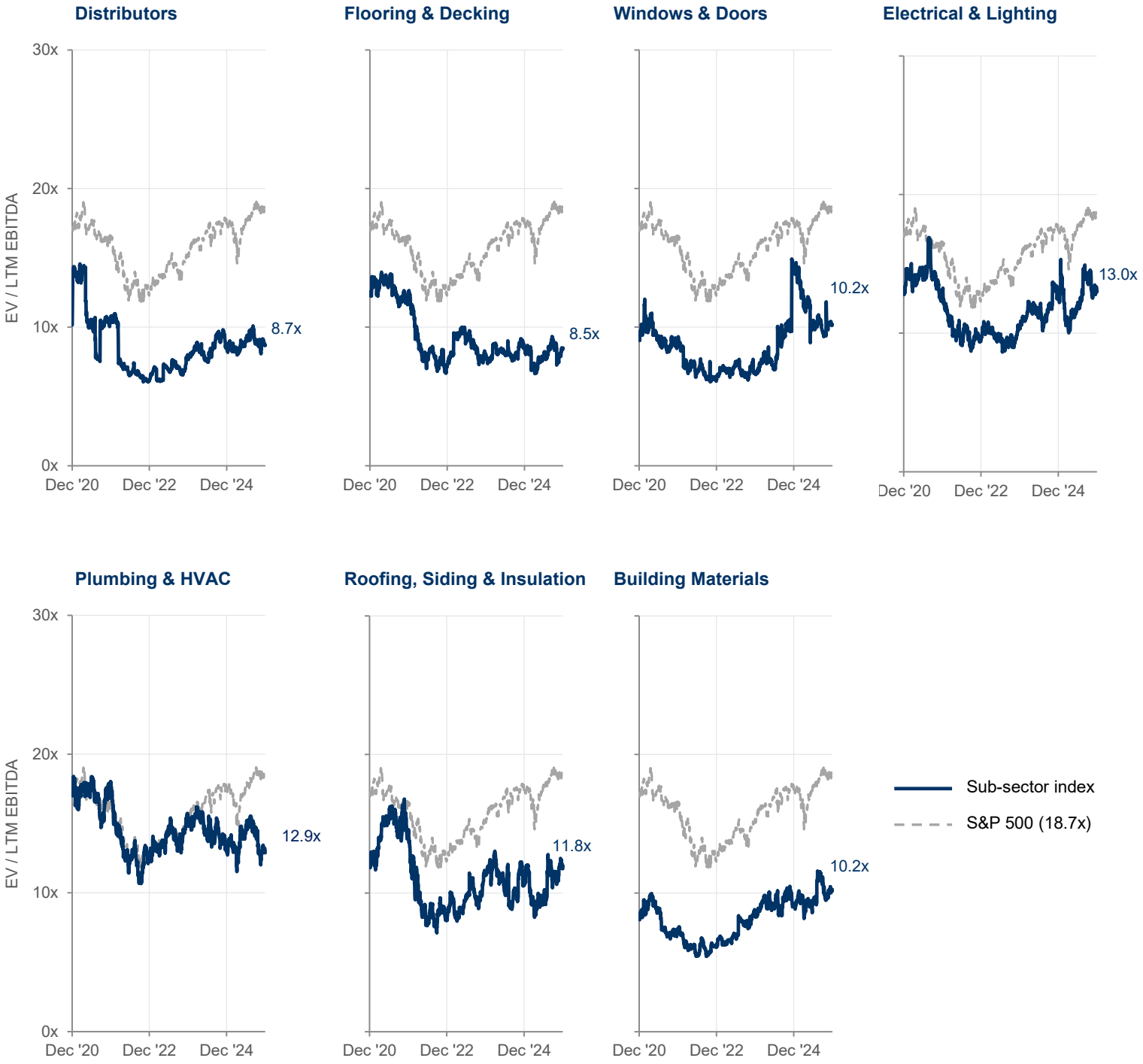
Sub-Sector Performance Summary[14]

Sub-Sector	2025 Return	Best Performer	Worst Performer
Building Products Distributors	(7.1%)	Ferguson Enterprises Inc. (+28.3%)	BlueLinx Holdings Inc. (-39.9%)
Flooring & Decking	(7.8%)	Forbo Holding AG (+32.8%)	Trex Company, Inc. (-49.3%)
Windows & Doors	(25.0%)	ASSA ABLOY AB (publ) (+32.0%)	JELD-WEN Holding, Inc. (-70.0%)
Electrical & Lighting	5.0%	Acuity Inc. (+23.2%)	Fagerhult Group AB (-7.7%)
Plumbing & HVAC	1.7%	Mueller Industries, Inc. (+44.7%)	AAON, Inc. (-35.2%)
Roofing, Siding & Insulation	(11.8%)	Armstrong World Industries, Inc. (+35.2%)	Owens Corning (-34.3%)
Building Materials	9.5%	Heidelberg Materials AG (+111.9%)	Caesarstone Ltd. (-57.3%)

Note: 2025 return is the equal-weighted sub-sector index return at 12/31/2025
Source: S&P Capital IQ

Building Products, Materials & Distribution 2025 Year in Review

5-Year EV / LTM EBITDA[14]

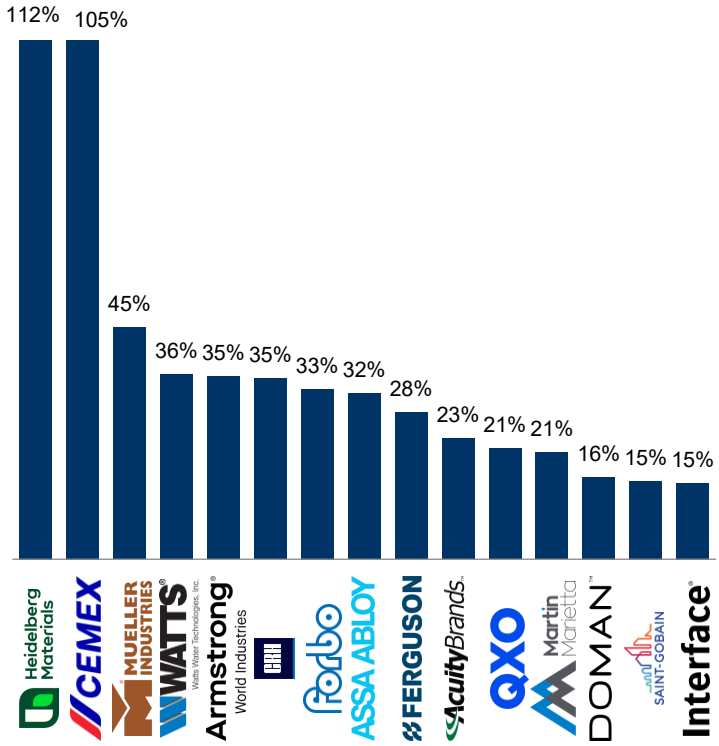


Note: Indices reflect the daily equal-weighted pricing data and vary from the summary median statistics on pages 14 and 15

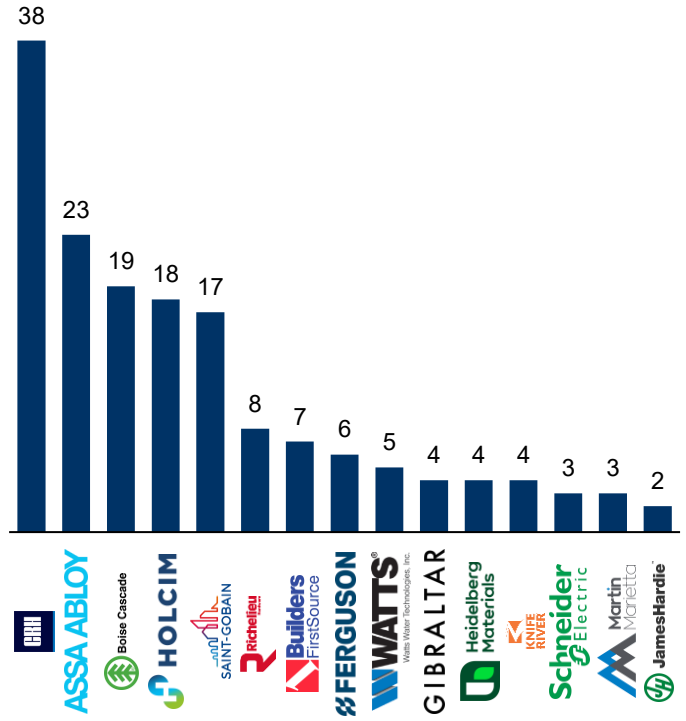
DELANCEY STREET PARTNERS

Building Products, Materials & Distribution 2025 Year in Review

Top 15 Stock Performers[14]

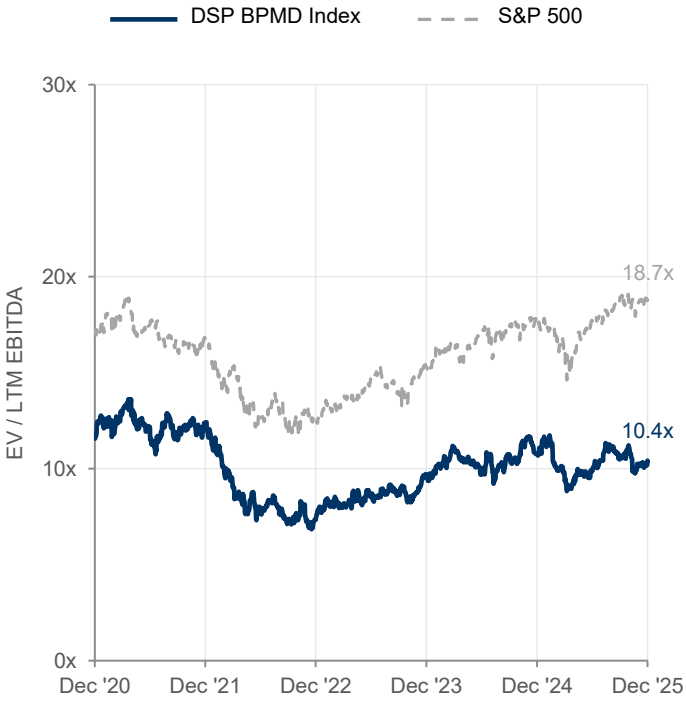


Top 15 Acquirors[14]

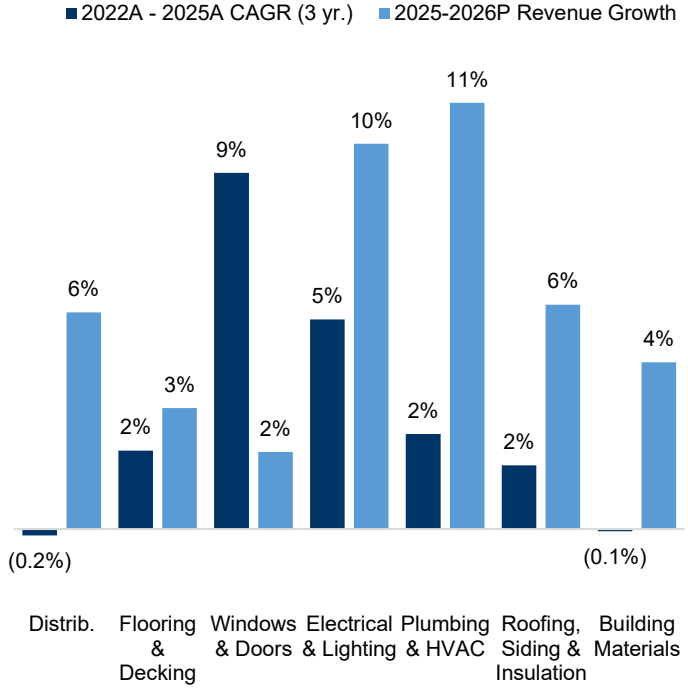


Note: Acquisition count reflects only closed acquisitions in the year 2025

5-Year DSP BPMD EV / LTM EBITDA[14]



Revenue Growth by Sub-Sector[14]



Building Products, Materials & Distribution 2025 Year in Review

Top Stock Performers: Building Products Distributors[14]

FERGUSON

Stats	
Sales:	$30,799mm
EBITDA:	$2,986mm
EBITDA %:	9.7%
'25 Stock %:	**28.3%**

- **Ferguson Enterprises Inc. (NYSE:FERG)** is the largest value-added distributor of essential water and air solutions in North America, serving residential and non-residential customers
- Calendar 2025 total revenue increased to $30.8 billion on 4.5% organic growth and 1% acquisition growth; gross margin expanded 20 bps to 30.7%, and EBITDA rose 3.7% to $3.0 billion
- Management attributed share gains to its scale and multi-customer group approach: nonresidential revenue grew 11% while residential revenue was flat, and Commercial/Mechanical grew 18% on large capital projects such as data centers
- Welcomed associates from 8 acquisitions, invested $276 million in M&A and repurchased 4.5 million shares for $902 million, ending the year at 1.1x net debt to EBITDA

QXO

Stats	
Sales:	$6,842mm
EBITDA:	$539mm
EBITDA %:	7.9%
'25 Stock %:	**21.3%**

- **QXO, Inc. (NYSE:QXO)** distributes roofing, waterproofing and complementary building products in the U.S. and Canada
- Closed the acquisition of Beacon Roofing Supply on April 29, 2025; full-year 2025 net sales were $6.8 billion versus $56.9 million in 2024, with Beacon included from the acquisition date
- Fourth-quarter 2025 net sales were $2.19 billion with EBITDA of $155.7 million (7.1% margin); full-year EBITDA was $538.9 million
- Subsequent to year-end, QXO agreed to acquire Kodiak Building Partners for $2.25 billion (completed April 2026), which management said triples its total addressable market to more than $200 billion

DOMAN™

Stats	
Sales:	$2,233mm
EBITDA:	$163mm
EBITDA %:	7.3%
'25 Stock %:	**15.8%**

- **Doman Building Materials Group Ltd. (TSX:DBM)** is a wholesale distributor of building materials and home renovation products, with treating and specialty operations across Canada and the U.S.
- 2025 revenue increased 14.9% to $2.2 billion, largely reflecting a full year of results from recent acquisitions, while gross margin improved to 16.2% from 16.0%
- EBITDA rose to $163.3 million and increased 34.2%, which management attributed to margin enhancement strategies and the full-year contribution of Doman Tucker Lumber
- Net earnings increased to $57.5 million from $39.6 million, and dividends were held at $0.40 per share despite lower fourth-quarter construction materials pricing

Top Stock Performer: Flooring & Decking[14]

Interface®

Stats	
Sales:	$1,387mm
EBITDA:	$204mm
EBITDA %:	14.7%
'25 Stock %:	**14.7%**

- **Interface, Inc. (NASDAQ:TILE)** designs, produces and sells modular carpet tile, luxury vinyl tile and nora rubber flooring for commercial interiors
- Management described 2025 as a record year: net sales rose 5.4% to $1.39 billion (4.3% currency-neutral) and EBITDA increased 14.7% to $203.7 million
- Growth was broad-based across regions and segments, with price and volume gains in all three product categories; adjusted gross profit margin expanded to 39%, which management credited to its One Interface strategy
- Generated $167.9 million of operating cash flow; management continues to evaluate disciplined M&A alongside dividends and share repurchases

Top Stock Performer: Windows & Doors[14]

ASSA ABLOY

Stats	
Sales:	$15,581mm
EBITDA:	$2,807mm
EBITDA %:	18.0%
'25 Stock %:	**32.0%**

- **ASSA ABLOY AB (publ) (OM:ASSA B)** provides door opening and access solutions for institutional, commercial and residential markets
- 2025 sales grew 1%, combining 3% organic growth and 5% net acquired growth with a 7% currency headwind
- Fourth-quarter EBIT margin reached a record 16.8%; management cited continued non-residential momentum and an 8% electromechanical organic sales increase in its regional divisions, against softer residential markets
- Completed 23 acquisitions in 2025 representing annualized sales of approximately $0.6 billion, including Sargent and Greenleaf's high-security locking business in the U.S.

Building Products, Materials & Distribution 2025 Year in Review

Top Stock Performer: Electrical & Lighting[14]

Stats

Sales:	$4,346mm
EBITDA:	$716mm
EBITDA %:	16.5%
'25 Stock %:	**23.2%**

- **Acuity Inc. (NYSE:AYI)** provides lighting, lighting controls, building management systems and an audio, video and control platform
- Fiscal 2025 (ended August 31, 2025) net sales increased 13.1% to $4.3 billion, and adjusted operating profit margin expanded approximately 100 bps to 17.7%
- Acuity Intelligent Spaces net sales rose to $764.3 million from $291.9 million following the closing of the QSC acquisition
- Acquired QSC and M3 Innovation, increased the dividend 13%, repurchased approximately $118.5 million of stock and repaid $200 million of term-loan borrowings

Top Stock Performer: Plumbing & HVAC[14]

Stats

Sales:	$4,179mm
EBITDA:	$963mm
EBITDA %:	23.1%
'25 Stock %:	**44.7%**

- **Mueller Industries, Inc. (NYSE:MLI)** manufactures copper, brass and aluminum products across its Piping Systems, Industrial Metals and Climate segments
- 2025 net sales rose 10.5% to $4.2 billion and operating income increased 24.4% to $958.5 million; diluted EPS rose 29.2% to $6.86
- Management highlighted the highest annual operating and net income in company history despite weaker market conditions and tariff-related disruption; fourth-quarter sales reflected higher selling prices from rising copper costs, partly offset by lower volumes
- Ended the year with $1.39 billion of cash and short-term investments and no debt, positioning the company to pursue strategic acquisitions

Top Stock Performer: Roofing, Siding & Insulation[14]

Stats

Sales:	$1,621mm
EBITDA:	$441mm
EBITDA %:	27.2%
'25 Stock %:	**35.2%**

- **Armstrong World Industries, Inc. (NYSE:AWI)** designs and manufactures ceiling and wall solutions in the Americas through its Mineral Fiber and Architectural Specialties segments
- 2025 net sales increased 12% and adjusted EBITDA grew 14%, with 70 bps of adjusted EBITDA margin expansion; 2025 marked the fifth consecutive year of net sales and earnings growth
- Management cited Mineral Fiber average unit value growth, productivity and double-digit Architectural Specialties growth; Mineral Fiber adjusted EBITDA margin reached a record 43.5%
- Acquired Parallel Architectural Products in the fourth quarter and announced the Eventscape acquisition in February 2026; Mark Hershey succeeds Vic Grizzle as CEO effective April 1, 2026

Top Stock Performers: Building Materials[14]

Stats

Sales:	$24,367mm
EBITDA:	$4,658mm
EBITDA %:	19.1%
'25 Stock %:	**111.9%**

- **Heidelberg Materials AG (XTRA:HEI)** produces and distributes cement, aggregates, ready-mixed concrete and asphalt worldwide
- Management called 2025 another record year, with results from current operations reaching a record $3.8 billion and EBITDA margin improving to almost 22%
- The Transformation Accelerator Initiative delivered $430 million of savings, and return on invested capital reached a record 10.4%
- Returned $1.2 billion to shareholders through dividends and buybacks; subsequent to year-end, agreed to acquire the construction materials business of Australia's Maas Group for approximately $1.1 billion
- Management noted that after four years of volume declines it is coming nearer to a turning point, and said investors should see more M&A in 2026 than in 2025 across North America, Australia, Africa, Southeast Asia and Europe

Stats

Sales:	$37,447mm
EBITDA:	$7,500mm
EBITDA %:	20.0%
'25 Stock %:	**34.9%**

- **CRH plc (NYSE:CRH)** provides building materials solutions for infrastructure and construction across North America and Europe
- 2025 revenues increased 5% to $37.4 billion and EBITDA rose 11% to $7.5 billion, marking a 12th consecutive year of margin expansion
- Americas Materials Solutions revenue and EBITDA rose 5% and 7%, respectively, with aggregates pricing up 4% (6% mix-adjusted), supported by infrastructure funding and data center and manufacturing activity
- Invested approximately $4.1 billion in 38 acquisitions across aggregates, cementitious, roads and water, plus $1.7 billion of growth capital expenditures
- Returned $1.0 billion in dividends and repurchased $1.2 billion of shares; in February 2026, guided to 2026 adjusted EBITDA of $8.1 to $8.5 billion

Recent M&A and Strategic Commentary[14]

ASSA ABLOY

"We have an active M&A pipeline. As you know, we have identified more than 900 potential targets. We are not talking to all of them, but we are talking to many of them. We are confident we will continue to close some of the acquisitions we are talking to in the coming months and quarters so that growth through acquisition for the year will go up."

– Nico Delvaux, President & CEO, 2/5/26

Heidelberg Materials

"So every market is now really focused on a very strong M&A pipeline. The pipeline is clearly full, and you should see more M&A as we go through 2026, more than in 2025."

– Dominik von Achten, CEO, 2/25/26

Interface®

"...we will continue exploring potential M&A opportunities through a rigorous and disciplined process. We do not need M&A to achieve our goals, but we will continue to evaluate opportunities that are aligned with our current strategy and that can accelerate growth and margins."

– Bruce Hausmann, CFO, 2/24/26

Armstrong® World Industries

"Our second capital allocation priority is to execute strategic acquisitions and partnerships to create shareholder value. In the fourth quarter of 2025, we acquired the issued and outstanding shares of Parallel Architectural Products, and just last week, we announced the acquisition of Eventscape."

– Chris Calzaretta, CFO, 2/24/26

MUELLER INDUSTRIES

"Moreover, we continue to have opportunities to invest in and improve each of our business platforms. We have a strong balance sheet, no debt and the necessary capital not only to support these priorities, but also to pursue strategic acquisition opportunities when they arise."

– Greg Christopher, CEO, 2/3/26

AcuityBrands.

"Now where we go from here are there are continued opportunities to expand those product lines. So maybe not for those specific examples, but for others that provide us both organic and inorganic opportunities to add to the portfolio of AIS over the next 2 years or so."

– Neil Ashe, Chairman, President & CEO, 1/8/26

Public Company Comparable Analysis: Building Products Distributors[14]

Company	STOCK PERFORMANCE AND COMPANY DATA						MARGINS		VALUATION DATA			
Building Products Distributors	Price 1/31/2026	30 Day % Change	2025 % Change	YTD % Change	Market Value ($mm)	Enterprise Value ($mm)	Gross Profit % Margin	EBITDA LTM % Margin	EV / Rev LTM	EV / EBITDA LTM	EV / EBITDA 2026E	P / E 2026E
ADENTRA Inc.	$26.69	7.7%	(4.0%)	7.7%	$646.32	$1,294.93	21.6%	6.5%	0.6x	6.9x	7.0x	10.1x
BlueLinx Holdings Inc.	69.56	13.2%	(39.9%)	13.2%	547.09	786.62	15.3%	2.7%	0.3x	9.0x	8.2x	33.9x
Builders FirstSource, Inc.	114.40	11.2%	(28.0%)	11.2%	12,650.42	17,435.41	31.0%	10.2%	1.1x	9.8x	11.4x	30.9x
Doman Building Materials Group Ltd.	7.08	3.8%	15.8%	3.8%	620.85	1,352.88	16.1%	6.8%	0.6x	7.7x	7.2x	11.5x
Ferguson Enterprises Inc.	252.46	13.4%	28.3%	13.4%	49,367.53	54,860.53	30.8%	9.9%	1.8x	14.4x	16.2x	22.1x
QXO, Inc.	22.18	15.0%	21.3%	15.0%	15,663.36	18,367.56	25.3%	7.6%	3.9x	42.5x	15.9x	N.M.
Richelieu Hardware Ltd.	30.02	4.0%	6.3%	4.0%	1,649.02	1,821.66	10.9%	10.9%	1.3x	11.9x	10.8x	24.6x
SIG plc	0.13	(1.6%)	(34.5%)	(1.6%)	154.33	875.82	24.3%	1.5%	0.3x	6.5x	5.3x	N.M.
Watsco, Inc.	386.45	14.7%	(28.9%)	14.7%	14,658.87	15,095.70	27.9%	10.4%	2.0x	16.0x	18.3x	33.9x
Overall Group Mean		**9.0%**	**(7.1%)**	**9.0%**	**$10,662.0**	**$12,432.3**	**22.6%**	**7.4%**	**1.3x**	**13.9x**	**11.1x**	**23.9x**
Overall Group Median		**11.2%**	**(4.0%)**	**11.2%**	**1,649.0**	**1,821.7**	**24.3%**	**7.6%**	**1.1x**	**9.8x**	**10.8x**	**24.6x**
Overall Group Max		**15.0%**	**28.3%**	**15.0%**	**49,367.5**	**54,860.5**	**31.0%**	**10.9%**	**3.9x**	**42.5x**	**18.3x**	**33.9x**
Overall Group Min		**(1.6%)**	**(39.9%)**	**(1.6%)**	**154.3**	**786.6**	**10.9%**	**1.5%**	**0.3x**	**6.5x**	**5.3x**	**10.1x**

Public Company Comparable Analysis: Building Materials[14]

Company	STOCK PERFORMANCE AND COMPANY DATA						MARGINS		VALUATION DATA			
Building Materials	Price 1/31/2026	30 Day % Change	2025 % Change	YTD % Change	Market Value ($mm)	Enterprise Value ($mm)	Gross Profit % Margin	EBITDA LTM % Margin	EV / Rev LTM	EV / EBITDA LTM	EV / EBITDA 2026E	P / E 2026E
Boise Cascade Company	$80.81	9.8%	(38.1%)	9.8%	$2,993.45	$3,005.29	17.2%	6.4%	0.5x	6.8x	8.4x	24.9x
Caesarstone Ltd.	2.18	17.2%	(56.2%)	17.2%	75.33	121.92	19.4%	-8.2%	0.3x	25.5x	N.A.	N.A.
CEMEX, S.A.B. de C.V.	1.25	8.9%	104.8%	8.9%	18,111.93	24,358.49	32.0%	14.9%	1.5x	9.0x	7.2x	N.A.
Compagnie de Saint-Gobain S.A.	98.87	(3.2%)	15.1%	(3.2%)	48,736.27	64,594.65	27.9%	14.8%	1.3x	7.6x	7.4x	13.7x
CRH plc	122.41	(1.9%)	34.9%	(1.9%)	81,811.33	99,587.33	36.1%	19.8%	2.7x	12.8x	12.0x	22.7x
Eagle Materials Inc.	203.81	(1.4%)	(16.2%)	(1.4%)	6,406.18	7,788.00	28.3%	31.8%	3.4x	10.2x	10.4x	17.2x
Heidelberg Materials AG	274.80	5.0%	111.9%	4.8%	48,473.20	58,319.35	64.1%	19.2%	2.5x	11.5x	10.0x	18.2x
Holcim AG	103.17	5.2%	2.1%	4.9%	55,583.85	63,693.12	44.0%	23.0%	2.1x	8.2x	12.4x	21.8x
Knife River Corporation	67.17	(4.5%)	(30.8%)	(4.5%)	3,806.13	5,013.13	18.0%	15.2%	1.6x	9.3x	9.4x	31.2x
Martin Marietta Materials, Inc.	651.95	4.7%	20.6%	4.7%	39,317.24	45,166.24	30.6%	33.7%	6.5x	18.4x	17.9x	39.7x
UFP Industries, Inc.	103.28	13.4%	(19.2%)	13.4%	5,924.43	5,278.96	16.8%	8.6%	0.8x	8.6x	8.9x	24.6x
Vulcan Materials Company	300.54	5.4%	10.9%	5.4%	39,710.62	44,472.12	28.2%	29.6%	5.6x	18.0x	16.7x	34.0x
Weyerhaeuser Company	25.78	8.8%	(15.8%)	8.8%	18,575.29	23,683.29	14.8%	10.9%	3.4x	31.4x	21.7x	N.M.
Overall Group Mean		**5.2%**	**9.5%**	**5.1%**	**$28,425.0**	**$34,237.1**	**29.0%**	**16.9%**	**2.5x**	**13.7x**	**11.9x**	**24.8x**
Overall Group Median		**5.2%**	**2.1%**	**4.9%**	**18,575.3**	**24,358.5**	**28.2%**	**15.2%**	**2.1x**	**10.2x**	**10.2x**	**23.6x**
Overall Group Max		**17.2%**	**111.9%**	**17.2%**	**81,811.3**	**99,587.3**	**64.1%**	**33.7%**	**6.5x**	**31.4x**	**21.7x**	**39.7x**
Overall Group Min		**(4.5%)**	**(56.2%)**	**(4.5%)**	**75.3**	**121.9**	**14.8%**	**-8.2%**	**0.3x**	**6.8x**	**7.2x**	**13.7x**

Public Company Comparable Analysis: Building Products[14]

Company	Price 1/31/2026	30 Day % Change	2025 % Change	YTD % Change	Market Value ($mm)	Enterprise Value ($mm)	Gross Profit % Margin	EBITDA LTM % Margin	EV / Rev LTM	EV / EBITDA LTM	EV / EBITDA 2026E	P / E 2026E
	STOCK PERFORMANCE AND COMPANY DATA						MARGINS		VALUATION DATA			
Flooring & Decking												
Forbo Holding AG	$1,184.22	7.4%	32.8%	7.1%	$1,670.5	$1,692.3	33.8%	11.9%	1.3x	10.0x	9.0x	17.3x
Fortune Brands Innovations, Inc.	54.10	8.2%	(26.8%)	8.2%	6,499.5	9,109.7	45.5%	20.0%	2.0x	9.6x	9.8x	16.6x
Interface, Inc.	31.47	12.7%	14.7%	12.7%	1,837.6	2,048.5	38.2%	14.9%	1.5x	9.0x	8.7x	13.2x
Mohawk Industries, Inc.	118.38	8.3%	(8.3%)	8.3%	7,318.4	9,145.7	25.1%	12.3%	0.9x	6.0x	6.5x	12.1x
Trex Company, Inc.	41.42	18.1%	(49.2%)	18.1%	4,442.5	4,589.4	39.5%	27.9%	3.9x	13.5x	14.7x	22.0x
Overall Group Mean		**10.9%**	**(7.4%)**	**10.9%**	**$4,353.7**	**$5,317.1**	**36.4%**	**17.4%**	**1.9x**	**9.6x**	**9.7x**	**16.2x**
Overall Group Median		**8.3%**	**(8.3%)**	**8.3%**	**4,442.5**	**4,589.4**	**38.2%**	**14.9%**	**1.5x**	**9.6x**	**9.0x**	**16.6x**
Overall Group Max		**18.1%**	**32.8%**	**18.1%**	**7,318.4**	**9,145.7**	**45.5%**	**27.9%**	**3.9x**	**13.5x**	**14.7x**	**22.0x**
Overall Group Min		**7.4%**	**(49.2%)**	**7.1%**	**1,670.5**	**1,692.3**	**25.1%**	**11.9%**	**0.9x**	**6.0x**	**6.5x**	**12.1x**
Windows & Doors												
ASSA ABLOY AB (publ)	$40.59	4.2%	32.0%	3.9%	$45,083.6	$52,564.8	42.3%	18.0%	3.5x	17.9x	15.4x	24.0x
JELD-WEN Holding, Inc.	2.72	10.6%	(70.0%)	10.6%	232.4	1,495.9	16.3%	2.5%	0.5x	10.3x	11.4x	N.M.
Quanex Building Products Corporation	18.72	21.7%	(36.6%)	21.7%	860.0	1,637.7	27.2%	12.1%	0.9x	6.6x	6.8x	11.3x
Overall Group Mean		**12.2%**	**(24.8%)**	**12.1%**	**$15,392.0**	**$18,566.1**	**28.6%**	**10.9%**	**1.6x**	**11.6x**	**11.2x**	**17.7x**
Overall Group Median		**10.6%**	**(36.6%)**	**10.6%**	**860.0**	**1,637.7**	**27.2%**	**12.1%**	**0.9x**	**10.3x**	**11.4x**	**17.7x**
Overall Group Max		**21.7%**	**32.0%**	**21.7%**	**45,083.6**	**52,564.8**	**42.3%**	**18.0%**	**3.5x**	**17.9x**	**15.4x**	**24.0x**
Overall Group Min		**4.2%**	**(70.0%)**	**3.9%**	**232.4**	**1,495.9**	**16.3%**	**2.5%**	**0.5x**	**6.6x**	**6.8x**	**11.3x**
Electrical & Lighting												
Acuity Inc.	$309.24	(14.1%)	23.2%	(14.1%)	$9,420.3	$9,954.3	48.1%	16.6%	2.2x	12.6x	10.9x	15.7x
Fagerhult Group AB (publ.)	4.22	(6.3%)	(7.7%)	(6.6%)	744.7	1,108.2	39.5%	10.7%	1.4x	11.1x	8.3x	N.M.
LSI Industries Inc.	22.11	20.7%	(5.7%)	20.7%	663.9	685.4	25.5%	8.9%	1.2x	13.0x	10.0x	18.8x
Schneider Electric S.E.	287.87	4.4%	10.6%	4.4%	161,886.9	178,377.3	42.2%	19.7%	4.2x	20.1x	16.5x	24.2x
Overall Group Mean		**1.2%**	**5.1%**	**1.1%**	**$43,179.0**	**$47,531.3**	**38.8%**	**14.0%**	**2.2x**	**14.2x**	**11.4x**	**19.6x**
Overall Group Median		**(1.0%)**	**2.5%**	**(1.1%)**	**5,082.5**	**5,531.2**	**40.8%**	**13.7%**	**1.8x**	**12.8x**	**10.5x**	**18.8x**
Overall Group Max		**20.7%**	**23.2%**	**20.7%**	**161,886.9**	**178,377.3**	**48.1%**	**19.7%**	**4.2x**	**20.1x**	**16.5x**	**24.2x**
Overall Group Min		**(14.1%)**	**(7.7%)**	**(14.1%)**	**663.9**	**685.4**	**25.5%**	**8.9%**	**1.2x**	**11.1x**	**8.3x**	**15.7x**
Plumbing & HVAC												
A. O. Smith Corporation	$73.49	9.9%	(1.9%)	9.9%	$10,232.6	$10,231.5	38.8%	21.2%	2.7x	12.2x	11.9x	21.3x
AAON, Inc.	91.06	19.4%	(35.2%)	19.4%	7,433.6	7,810.5	26.9%	15.9%	5.9x	37.3x	24.1x	38.5x
Lennox International Inc.	495.08	2.0%	(20.3%)	2.0%	17,226.8	18,962.8	33.4%	22.2%	3.6x	14.9x	15.3x	23.2x
Masco Corporation	66.09	4.1%	(12.6%)	4.1%	13,726.6	16,586.6	35.8%	19.0%	2.2x	10.9x	11.3x	14.0x
Mueller Industries, Inc.	68.07	18.6%	44.7%	18.6%	15,113.4	13,852.4	29.5%	23.4%	3.3x	13.9x	12.8x	16.4x
Watts Water Technologies, Inc.	299.31	8.4%	35.8%	8.4%	9,982.9	9,721.8	48.8%	21.7%	4.1x	18.3x	17.1x	22.6x
Overall Group Mean		**10.4%**	**1.7%**	**10.4%**	**$12,286.0**	**$12,860.9**	**35.5%**	**20.6%**	**3.7x**	**17.9x**	**15.4x**	**22.7x**
Overall Group Median		**9.2%**	**(7.3%)**	**9.2%**	**11,979.6**	**12,042.0**	**34.6%**	**21.5%**	**3.5x**	**14.4x**	**14.0x**	**22.0x**
Overall Group Max		**19.4%**	**44.7%**	**19.4%**	**17,226.8**	**18,962.8**	**48.8%**	**23.4%**	**5.9x**	**37.3x**	**24.1x**	**38.5x**
Overall Group Min		**2.0%**	**(35.2%)**	**2.0%**	**7,433.6**	**7,810.5**	**26.9%**	**15.9%**	**2.2x**	**10.9x**	**11.3x**	**14.0x**
Roofing, Siding & Insulation												
Armstrong World Industries, Inc.	$183.74	(3.9%)	35.2%	(3.9%)	$7,924.35	$8,333.85	40.5%	27.0%	5.2x	15.1x	13.6x	22.1x
Carlisle Companies Incorporated	340.89	6.6%	(13.3%)	6.6%	14,210.26	15,988.56	36.2%	24.2%	3.2x	12.7x	12.5x	16.2x
Gibraltar Industries, Inc.	51.26	3.7%	(16.1%)	3.7%	1,514.36	1,473.13	26.4%	14.4%	1.1x	6.6x	7.4x	18.3x
James Hardie Industries plc	22.99	10.8%	(32.8%)	10.8%	-	-	36.3%	25.2%	-	-	-	18.4x
Louisiana-Pacific Corporation	83.74	3.7%	(22.0%)	3.7%	5,831.94	5,893.94	23.6%	16.7%	2.1x	12.2x	12.1x	72.8x
Owens Corning	119.84	7.1%	(34.3%)	7.1%	9,849.86	15,210.86	28.5%	21.8%	1.3x	5.7x	7.5x	15.5x
Rockwool A/S	33.97	(4.1%)	(0.0%)	(4.3%)	7,025.81	6,585.31	67.4%	21.9%	1.5x	6.8x	7.0x	16.6x
Overall Group Mean		**3.4%**	**(11.9%)**	**3.4%**	**$7,726.1**	**$8,914.3**	**37.0%**	**21.6%**	**2.4x**	**9.8x**	**10.0x**	**25.7x**
Overall Group Median		**3.7%**	**(16.1%)**	**3.7%**	**7,475.1**	**7,459.6**	**36.2%**	**21.9%**	**1.8x**	**9.5x**	**9.8x**	**18.3x**
Overall Group Max		**10.8%**	**35.2%**	**10.8%**	**14,210.3**	**15,988.6**	**67.4%**	**27.0%**	**5.2x**	**15.1x**	**13.6x**	**72.8x**
Overall Group Min		**(4.1%)**	**(34.3%)**	**(4.3%)**	**1,514.4**	**1,473.1**	**23.6%**	**14.4%**	**1.1x**	**5.7x**	**7.0x**	**15.5x**

Representative M&A Transactions[14]

Date	Target (Seller)	Acquiror	EV ($mm)	EV / Revenue	EV / EBITDA
12/15/2025	Foley Products (The Concrete Co.; Oaktree)	Commercial Metals Company (NYSE:CMC)	$1,840.0	--	10.3x
11/17/2025 (Announced)	OmniMax International (Strategic Value Partners)	Gibraltar Industries, Inc. (NASDAQ:ROCK)	1,335.0	2.4x	12.1x
10/16/2025	HVAC Division of NSI Industries (Sentinel Capital)	Lennox International Inc. (NYSE:LII)	550.0	--	--
10/7/2025	Specialty Products & Insulation (Incline Equity)	TopBuild Corp. (NYSE:BLD)	1,000.0	1.4x	12.4x
9/22/2025	Eco Material Technologies (One Equity Partners)	CRH plc (NYSE:CRH)	2,100.0	--	--
9/4/2025	GMS Inc. (NYSE:GMS)	The Home Depot, Inc. (NYSE:HD) / SRS	5,500.0	1.0x	11.0x
5/1/2025	Electrical Products Group (Avail Infrastructure)	nVent Electric plc (NYSE:NVT)	975.0	2.6x	12.5x
2/10/2025	Summit Materials, Inc. (NYSE:SUM)	Quikrete Holdings, Inc.	11,500.0	3.1x	12.5x
1/15/2025	Cemix (OVNIVER Group)	Compagnie de Saint-Gobain (ENXTPA:SGO)	815.0	--	13.1x
1/1/2025	QSC, LLC	Acuity Inc. (NYSE:AYI)	1,215.0	--	14.0x

Select Transaction Notes

Target	Acquiror	Notes
FOLEY PRODUCTS / CMC PRECAST	CMC	▪ Foley supplies precast concrete and pipe products from 18 facilities in nine states ▪ The acquisition gives CMC immediate scale in precast; CMC expects $25 to $30 million of run-rate synergies by year three
OmniMax International	GIBRALTAR	▪ OmniMax manufactures residential roofing accessories and rainware in the U.S. and Canada ▪ The acquisition significantly enhances Gibraltar's position in building products; Gibraltar expects $35 million of cost synergies
HVAC Division of NSI Industries	LENNOX	▪ NSI's HVAC division supplies parts and accessories under the Duro Dyne and Supco brands ▪ The acquisition broadens Lennox's parts and supplies offering for residential and commercial HVAC customers
spi	TopBuild	▪ SPI distributes and fabricates mechanical insulation from about 90 branches ▪ The acquisition expands TopBuild's specialty distribution footprint; TopBuild expects $35 to $40 million of cost synergies within two years
ECOMATERIAL TECHNOLOGIES	CRH	▪ Eco Material supplies supplementary cementitious materials (SCMs) across North America ▪ The acquisition secures long-term supply of critical materials and strengthens CRH's cementitious position in North America
GMS GYPSUM MANAGEMENT & SUPPLY	THE HOME DEPOT	▪ GMS distributes wallboard, ceilings, steel framing and complementary building products ▪ The acquisition combines GMS with SRS to broaden Home Depot's offering for professional contractors
AVAIL Infrastructure Solutions	nVent	▪ The business makes enclosures, switchgear and bus systems for utilities and data centers ▪ The acquisition builds on nVent's Trachte control buildings platform in the infrastructure vertical
SUMMIT MATERIALS	QUIKRETE What America's Made Of	▪ Summit produces aggregates and cement, with integrated ready-mix and asphalt operations ▪ The acquisition combines Summit's aggregates, cement and ready-mix businesses with Quikrete's concrete and cement-based products
Cemix	SAINT-GOBAIN	▪ Cemix is a leading construction chemicals producer in Mexico and Central America ▪ The acquisition strengthens Saint-Gobain's presence in high-growth Mexico and Central America and its construction chemicals platform
QSC PLAY OUT LOUD	Acuity	▪ QSC designs and manufactures a cloud-manageable audio, video and control (AV&C) platform ▪ The acquisition expands Acuity's Intelligent Spaces business into audio, video and control

Notable M&A Activity – QXO Acquires Beacon Roofing Supply

- On April 29, 2025, QXO, Inc. (NYSE:QXO) ("QXO") completed the acquisition of Beacon Roofing Supply, Inc. (NASDAQ:BECN) ("Beacon") for $124.35 per share in cash, for a total enterprise value of approximately $11.0 billion including debt (11.8x 2024A Adj. EBITDA)
- The merger agreement, signed on March 20, 2025, followed the all-cash tender offer that QXO commenced on January 27, 2025; about 72% of Beacon's shares were tendered before a second-step merger completed the transaction
- The acquisition makes QXO the largest publicly traded distributor of roofing, waterproofing and complementary building products in the U.S.
- QXO plans to become the tech-enabled leader in the $800 billion building products distribution industry and is targeting $50 billion of annual revenue within the next decade through accretive acquisitions and organic growth

> "Acquiring Beacon is a key milestone in our plan to create substantial shareholder value and establish QXO as a leader in the $800 billion building products distribution industry. We will be applying our proven playbook to a platform ripe to deliver above-market organic growth and significant margin expansion."
>
> ***– Brad Jacobs, Chairman and Chief Executive Officer, QXO***

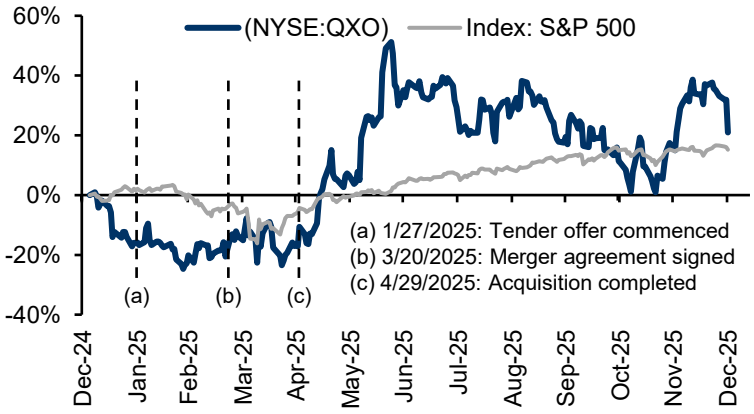
> "We have a highly differentiated business with multiple paths to success, margin expansion and value creation, and thanks to the incredible talent and dedication of our employees, I know Beacon has a bright future ahead. We will now enter a new chapter of growth, true to our mission to help our customers build more."
>
> ***– Julian Francis, President and Chief Executive Officer, Beacon***

Financial Terms

Enterprise Value	~$11,000.0 million
Revenue Multiple	1.13x 2024A revenue
Adj. EBITDA Multiple	11.8x 2024A Adj. EBITDA

Sources: QXO press releases, Beacon 2024 results and Capital IQ.

2025 Stock Performance



Overview of Beacon Roofing Supply

- Beacon distributes roofing and complementary building products, including siding and waterproofing, and offers its TRI-BUILT private label and Beacon PRO+ digital platform
- Beacon operates over 580 branches across all 50 U.S. states and seven Canadian provinces, serving nearly 110,000 customers
- Beacon generated net sales of $9,763.2 million and Adj. EBITDA of $930.2 million (9.5%) in FY2024
- Beacon was founded in 1928 and is headquartered in Herndon, VA

Overview of QXO

- QXO is a distributor of roofing, waterproofing and complementary building products in the U.S.
- QXO generated net sales of $6,842.2 million and Adj. EBITDA of $647.8 million (9.5%) in FY2025, including Beacon from April 29, 2025
- QXO is led by Chairman and CEO Brad Jacobs and is headquartered in Greenwich, CT

Notable M&A Activity – James Hardie Acquires The AZEK Company

- On July 1, 2025, James Hardie Industries plc (ASX/NYSE:JHX) ("James Hardie") completed the acquisition of The AZEK Company Inc. (NYSE:AZEK) ("AZEK") for a total transaction value of $8,750.0 million, including AZEK's net debt of approximately $386 million (22.4x LTM Dec-24 Adj. EBITDA)
- AZEK shareholders received $26.45 in cash and 1.0340 James Hardie ordinary shares per share, a total of $56.88 per share and a 26% premium to AZEK's 30-day VWAP; AZEK shareholders own approximately 26% of the combined company
- James Hardie expects at least $125 million of cost synergies and $500 million of commercial synergies, together worth at least $350 million of additional annual Adj. EBITDA, and a North American addressable market of $23 billion
- Investors reacted negatively: James Hardie's ASX-listed shares fell 14.5% on the first trading day after the announcement and ended 2025 down 32.8%, while AZEK's shares rose 17.3% that day

> "Together, we are a stronger team and have never been better positioned to serve our customers and create value for all our stakeholders. As a combined organization, our purpose of Building a Better Future for All™ will drive our continued success as a leading provider of exterior home and outdoor living solutions."
>
> ***– Aaron Erter, Chief Executive Officer, James Hardie***

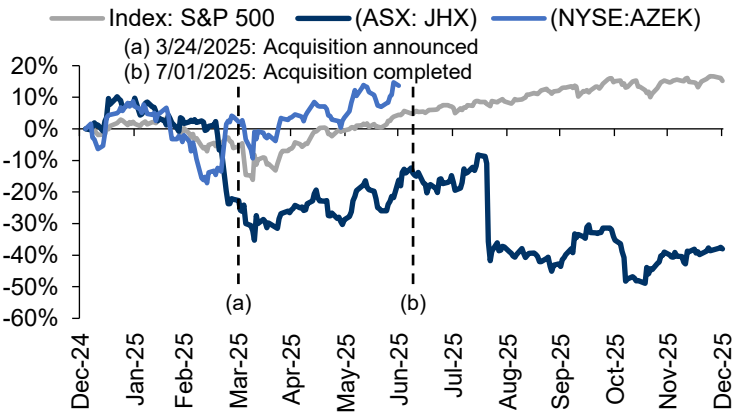
> "Building upon our proven track record of success, today marks an exciting start to the next phase of AZEK's journey to further accelerate growth and material conversion… Together with James Hardie, we are delivering value to AZEK shareholders and providing them meaningful participation in the long-term secular and financial growth opportunities created by the combined company."
>
> ***– Jesse Singh, Chief Executive Officer, AZEK***

Financial Terms

Enterprise Value	$8,750.0 million
Revenue Multiple	5.9x LTM Dec-24 revenue
Adj. EBITDA Multiple	22.4x LTM Dec-24 Adj. EBITDA

Sources: James Hardie and AZEK press releases, AZEK Q1 FY2025 results and Capital IQ.

2025 Stock Performance



Overview of The AZEK Company

- AZEK designs and manufactures low-maintenance outdoor living products, including TimberTech decking and railing, Versatex and AZEK Trim and StruXure pergolas, made from up to 85% recycled material
- AZEK generated net sales of $1.44 billion and Adj. EBITDA of $379 million (26.3%) in FY Sep-24, and Adj. EBITDA of $390.3 million in LTM Dec-24
- AZEK had approximately 2,000 employees and is headquartered in Chicago, IL

Overview of James Hardie

- James Hardie is a producer and marketer of fiber cement and fiber gypsum building solutions, sold under the Hardie, fermacell and AESTUVER brands
- James Hardie generated net sales of $3.9 billion and Adj. EBITDA of $1.1 billion (27.8%) in FY Mar-25
- James Hardie is incorporated in Ireland, with its U.S. operations based in Chicago, IL, and its shares listed on the ASX and NYSE

Notable M&A Activity – Lowe's Acquires Foundation Building Materials

- On October 9, 2025, Lowe's Companies, Inc. (NYSE:LOW) ("Lowe's") completed the acquisition of Foundation Building Materials ("FBM"), a portfolio company of American Securities and CD&R, for a total enterprise value of $8,800.0 million in cash (13.4x 2024PF Adj. EBITDA, net of expected tax benefits)
- Lowe's announced the agreement on August 20, 2025; FBM generated 2024 pro forma revenue of approximately $6.5 billion and Adj. EBITDA of $635 million, with revenue and Adj. EBITDA CAGRs of approximately 25% and 30% from 2019 to 2024
- Lowe's expects FBM to accelerate its Total Home strategy for large Pro customers through expanded capabilities, faster fulfillment, digital tools, a trade credit platform and cross-selling with the recently acquired Artisan Design Group
- Lowe's expects the transaction to be accretive to adjusted diluted EPS in the first full year after closing, excluding synergies; Lowe's shares were essentially unchanged on the announcement day (+0.3%) and ended 2025 down 2.3%

> "Completing the acquisition of FBM is an important step in accelerating our Total Home strategy to serve large Pro customers within a $250 billion total addressable market. We would like to extend a warm welcome to the FBM team, and we look forward to building on their proven track record of profitable growth."
>
> ***– Marvin R. Ellison, Chairman, President and Chief Executive Officer, Lowe's***

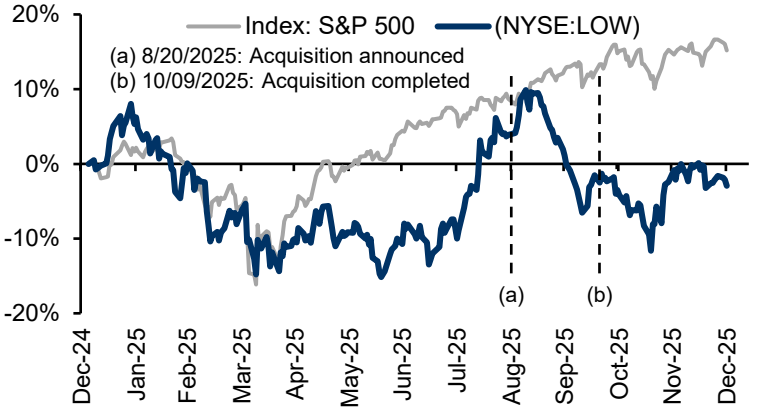
> "Joining Lowe's is an exciting next step. Since 2011, we've built a leading position in drywall, ceiling systems, and metal framing, with proven success integrating acquisitions. Together with Lowe's complementary products and incredible brand, we'll offer a more comprehensive solution for Pro customers and accelerate growth."
>
> ***– Ruben Mendoza, President and Chief Executive Officer, FBM***

Financial Terms

Enterprise Value	$8,800.0 million
Revenue Multiple	1.35x 2024PF revenue
Adj. EBITDA Multiple	13.4x 2024PF Adj. EBITDA

Sources: Lowe's press releases and Capital IQ

2025 Stock Performance



Overview of Foundation Building Materials

- FBM distributes interior building products, including drywall, metal framing, ceiling systems, commercial doors and hardware and insulation, to large residential and commercial Pros
- FBM operates over 370 locations across the U.S. and Canada, serving 40,000 Pro customers
- FBM generated 2024 pro forma revenue of approximately $6.5 billion and Adj. EBITDA of $635 million (9.8%)
- FBM was founded in 2011 and is headquartered in Santa Ana, CA

Overview of Lowe's

- Lowe's is a FORTUNE 100 home improvement company serving approximately 16 million customer transactions a week in the U.S.
- Lowe's operates over 1,700 home improvement stores and employs approximately 300,000 associates
- Lowe's generated fiscal 2024 sales of more than $83 billion
- Lowe's is headquartered in Mooresville, NC

Platform Profile: Lindsay Precast (TJC)

- On December 17, 2025, TJC, LP ("TJC"), formerly known as The Jordan Company, completed the acquisition of Lindsay Precast ("Lindsay") from MiddleGround Capital ("MiddleGround") for an undisclosed amount, following a definitive agreement announced on November 3, 2025
- Under MiddleGround, which acquired Lindsay in November 2021, Lindsay upgraded facilities, expanded its footprint and added Dutchland Incorporated in 2022 to deepen its water and wastewater capabilities
- MiddleGround positioned Lindsay to meet accelerating demand across water, utility, data center, renewable energy and other infrastructure markets

> "Their operational insight and investment enabled us to strengthen our organization and extend our reach into fast-growing markets such as renewable energy and utility infrastructure. We're proud of the team's accomplishments and look forward to building on this foundation during our next phase of growth in partnership with TJC."
>
> ***– Ron Lindsay, Chief Executive Officer, Lindsay Precast***

Lindsay Precast

- Lindsay manufactures prefabricated concrete and steel products for government, utility, renewable energy, commercial and military customers
- Operates 10 vertically integrated U.S. production facilities; founded more than 60 years ago and based in Gainesville, FL

TJC

- TJC has worked for more than 40 years with CEOs, founders and entrepreneurs
- TJC had $30.9 billion of AUM as of September 30, 2025, and has offices in New York, Chicago, Miami and Stamford

Platform Profile: Scranton Products (Sky Island Capital)

- On June 24, 2025, Sky Island Capital ("Sky Island") made a majority investment in Scranton Products ("Scranton"), a carve-out from The AZEK Company, for an undisclosed amount, one week before AZEK's sale to James Hardie closed
- AZEK had guided to fiscal 2025 Scranton net sales of $68 to $71 million and segment Adj. EBITDA of $11 to $13 million
- In December 2025, Scranton acquired certain assets of Metpar Corp., one of the largest U.S. bathroom partition manufacturers, adding metal, stainless steel and phenolic partitions; Metpar is Scranton's first add-on under Sky Island

> "Scranton Products and its brands are synonymous with plastic partitions and lockers, and have helped define the category through decades of innovation and thought leadership… We believe the leadership team has an exceptional track record growing the Company's install base and product offering, all while continuing to prioritize customer needs."
>
> ***– Michael Marsh, Principal, Sky Island Capital***

Scranton Products

- Scranton manufactures high-density polyethylene (HDPE) privacy partitions and lockers, with five product lines and 200+ customizations, for education, office, government, healthcare and other end markets
- Founded in 1978 and headquartered in Scranton, PA

Sky Island Capital

- Dallas-based lower middle market private equity firm focused exclusively on privately held manufacturing companies in North America
- Scranton is the third platform in Sky Island's second fund, which closed in January 2025 with $300 million of capital

Platform Profile: Building Controls & Solutions (Platte River Equity)

- On February 3, 2025, Platte River Equity ("Platte River") acquired Building Controls & Solutions ("BCS") from LKCM Headwater Investments for an undisclosed amount
- BCS is a value-added distributor of building automation solutions designed to optimize building performance, enhance energy efficiency and improve occupant comfort
- Platte River plans to apply its industrial distribution experience to build on the BCS platform and support growth across North America

> "BCS is a great example of Platte River's continued strategy of partnering with niche, market leaders within its target sectors. We look forward to leveraging our experience within industrial distribution to continue to build upon the impressive platform Eric, Christopher and the team have established."
>
> ***– Mark Brown, Managing Director, Platte River Equity***

Building Controls & Solutions

- BCS distributes building controls, automation, gas detection and energy management solutions for education, government, data center, healthcare and other commercial buildings
- Headquartered in Dallas, TX, with 24 branches across the U.S. and Canada

BUILDING CONTROLS & SOLUTIONS

Platte River Equity

- Denver-based private equity firm, founded in 2006, that makes control investments in North American lower middle market industrial companies
- Platte River has raised five funds with committed capital of more than $1.7 billion

PLATTE RIVER EQUITY

Platform Profile: DMI Direct Metals (Trivest Partners)

- On August 1, 2025, Trivest Partners ("Trivest"), in partnership with First Lexington and CEO Andrew Mullen, acquired Direct Metals, Inc. ("DMI") for an undisclosed amount
- DMI is the eighth platform investment of Trivest Fund VII; the partnership plans to pursue organic growth and strategic acquisitions
- Trivest aims to establish DMI as the nation's leading supplier in the fastener and construction hardware sector

> "Trivest is proud to partner with founders like Andrew Mullen to transform strong regional leaders into nationally recognized businesses, while preserving the unique culture and customer-first values that made them successful."
>
> ***– Steve Reynolds, Partner, Trivest Partners***

DMI Direct Metals

- Second-generation, family-led designer and supplier of roofing fasteners and accessories, including its flagship Panclip line for metal roofing
- Serves more than 500 OEMs and distributors from four distribution centers in Florida, Indiana and Texas; founded in 1993 and based in Ft. Myers, FL

DMI DIRECT METALS INC.

Trivest Partners

- Coral Gables, FL-based private equity firm, founded in 1981, focused exclusively on founder-led and family-owned businesses
- Trivest has completed more than 500 transactions and manages over $6.1 billion of assets

TRIVEST
Private Equity for Founders

Select M&A Transactions[14]

Date	Target (Seller)	Acquiror	Target Business Description
Announced	OmniMax International, Inc. (Strategic Value Partners)	Gibraltar Industries, Inc. (NASDAQ:ROCK)	Manufacturer of residential roofing accessories and rainware products
12/31/2025	Parallel Architectural Products	Armstrong World Industries, Inc. (NYSE:AWI)	Manufacturer of extruded aluminum exterior architectural products
12/16/2025	North American Aggregates, LLC	CRH plc (NYSE:CRH)	Producer of construction aggregates
12/15/2025	Metpar Corp. (certain assets)	Scranton Products (Sky Island Capital)	Manufacturer of restroom partitions in metal, stainless steel, phenolic and solid plastic
12/15/2025	Humphrey Company, Inc. (d/b/a Holden Humphrey)	Boise Cascade Company (NYSE:BCC)	Two-step distributor of siding, decking, trim and other specialty building products
12/15/2025	Texcrete (assets)	Knife River Corporation (NYSE:KNF)	Ready-mix concrete producer with sand and gravel operations in Texas
12/12/2025	Three distribution centers (McKillican American)	Richelieu Hardware Ltd. (TSX:RCH)	Distributor of hardware and building materials in Oregon and Washington
12/5/2025	Rhinotek Entrance Solutions	ASSA ABLOY AB (STO:ASSA B)	Distributor and installer of pedestrian automatic doors and security entrances
12/5/2025	High-security locking division (Sargent and Greenleaf)	ASSA ABLOY AB (STO:ASSA B)	Manufacturer of high-security mechanical and electronic locks and safe hardware
12/2/2025	A&S Recycling GmbH	Holcim AG (SWX:HOLN)	Recycler of construction and demolition materials in Germany
12/1/2025	Saudi Cast	Watts Water Technologies, Inc. (NYSE:WTS)	Manufacturer of cast iron and stainless steel drainage solutions in Saudi Arabia
11/30/2025	Pleasant Valley Homes, Inc. (assets)	Builders FirstSource, Inc. (NYSE:BLDR)	Wholesale manufacturer of modular homes based in Pennsylvania
11/24/2025	International Door Products	ASSA ABLOY AB (STO:ASSA B)	Manufacturer of standard and custom fire-rated steel door frames
11/14/2025	Superior Boiler	Watts Water Technologies, Inc. (NYSE:WTS)	Manufacturer of customized steam and hot water boilers
11/4/2025	Lengefeld Lumber Company	Builders FirstSource, Inc. (NYSE:BLDR)	Lumber and building materials supplier serving Central Texas
11/4/2025	Haws Corporation	Watts Water Technologies, Inc. (NYSE:WTS)	Manufacturer of emergency safety and hydration products
10/29/2025	Klassen Bronze Limited (assets)	Richelieu Hardware Ltd. (TSX:RCH)	Distributor of letters, numbers, mailboxes, signage and keys
10/27/2025	Metal Products Inc. (Advantage Capital)	ASSA ABLOY AB (STO:ASSA B)	Manufacturer of custom hollow metal doors and frames
10/16/2025	Kentix GmbH	ASSA ABLOY AB (STO:ASSA B)	Designer and manufacturer of monitoring and access control products for data centers
10/16/2025	HVAC Division of NSI Industries (Sentinel Capital)	Lennox International Inc. (NYSE:LII)	Manufacturer of HVAC parts, components and accessories (Duro Dyne and Supco)
10/6/2025	Couch Aggregates, LLC (majority stake)	CEMEX, S.A.B. de C.V. (BMV:CEMEX CPO)	Producer of sand, gravel and crushed stone in the southeastern U.S.
10/1/2025	Builder's Door & Trim	Builders FirstSource, Inc. (NYSE:BLDR)	Provider of turnkey door and trim solutions in the Las Vegas area
10/1/2025	Rystin Construction, Inc.	Builders FirstSource, Inc. (NYSE:BLDR)	Finish carpentry subcontractor and door shop in the Las Vegas area
10/1/2025	Finmac Lumber Limited	Richelieu Hardware Ltd. (TSX:RCH)	Distributor of specialized wood products in Western Canada
10/1/2025	RISE Building Products	CertainTeed (Compagnie de Saint-Gobain S.A.)	Manufacturer of composite siding and trim made from recycled materials
9/22/2025	Eco Material Technologies (One Equity Partners)	CRH plc (NYSE:CRH)	Supplier of supplementary cementitious materials
9/18/2025	Geometrik Manufacturing Inc.	Armstrong World Industries, Inc. (NYSE:AWI)	Manufacturer of wood acoustical ceiling and wall systems
9/2/2025	Ideal Security Inc.	Richelieu Hardware Ltd. (TSX:RCH)	Distributor of specialized door and window hardware
8/18/2025	SiteOwl, Inc.	ASSA ABLOY AB (STO:ASSA B)	Provider of cloud-based physical security lifecycle management software
8/4/2025	Capelon AB	Fagerhult Group AB (STO:FAG)	Provider of smart outdoor lighting control systems in Sweden
7/31/2025	High Desert Aggregate & Paving, Inc.	Knife River Corporation (NYSE:KNF)	Aggregates producer and paving contractor in Central Oregon
7/29/2025	Interstar Materials / Isoltech / Soquimic	Compagnie de Saint-Gobain S.A. (ENXTPA:SGO)	Manufacturer of joint compounds and construction chemicals
7/28/2025	Water Resources, Inc.	Ferguson Enterprises Inc. (NYSE:FERG)	Exclusive distributor of Neptune water meters in the Chicago metro area
7/25/2025	Premier Magnesia, LLC	Martin Marietta Materials, Inc. (NYSE:MLM)	Producer of magnesia-based products
7/21/2025	Manufactured Duct & Supply (Brookshire Holdings)	Ferguson Enterprises Inc. (NYSE:FERG)	Distributor of HVAC supplies and parts with duct board fabrication in Atlanta
7/1/2025	Trato TLV Group	Fagerhult Group AB (STO:FAG)	Manufacturer of retail, infrastructure and healthcare lighting in France
7/1/2025	The AZEK Company Inc. (NYSE:AZEK)	James Hardie Industries plc (ASX:JHX)	Manufacturer of composite decking, railing, trim and pergolas
7/1/2025	Kufner Grupa d.d. (aggregates business)	CRH plc (NYSE:CRH)	Aggregates producer operating four quarries in Croatia
6/30/2025	Bonded Logic, Inc. (select assets)	Carlisle Companies Inc. (NYSE:CSL)	Manufacturer of natural fiber thermal and acoustical insulation
6/30/2025	Phoenix Fibers, LLC (select assets)	Carlisle Companies Inc. (NYSE:CSL)	Processor of recycled textile fibers used in insulation

Select M&A Transactions (cont'd)[14]

Date	Target (Seller)	Acquiror	Target Business Description
6/24/2025	Ritchie Environmental Solutions, LLC	Ferguson Enterprises Inc. (NYSE:FERG)	Manufacturer's representative of water and wastewater process equipment
6/18/2025	Maturix ApS	Compagnie de Saint-Gobain S.A. (ENXTPA:SGO)	Provider of wireless real-time concrete monitoring sensors
6/17/2025	Idaho facility (Robert Weed Plywood)	UFP Industries, Inc. (NASDAQ:UFPI)	Manufacturing facility serving the factory-built housing market
6/16/2025	HPS Specialties, LLC	Ferguson Enterprises Inc. (NYSE:FERG)	Manufacturer's representative of HVAC, plumbing and hydronic supplies
6/13/2025	Freije Treatment Systems (assets)	Watts Water Technologies, Inc. (NYSE:WTS)	Provider of water treatment systems
6/4/2025	Kingspan Door Components	ASSA ABLOY AB (STO:ASSA B)	Manufacturer of door panels for residential and industrial sectional doors
6/4/2025	Sharpness Asphalt Ltd (asphalt plant)	Holcim UK (subsidiary of Holcim AG)	Asphalt plant serving Gloucester and South West England
6/4/2025	Langley Concrete Group (operations)	Holcim AG (SWX:HOLN)	Manufacturer of precast concrete pipe, manholes and box culverts
6/3/2025	Concrete Crushers Inc. (certain assets)	Heidelberg Materials US, Inc.	Concrete and aggregate recycling operations
5/31/2025	Kraemer Trucking & Excavating, Inc.	Knife River Corporation (NYSE:KNF)	Aggregates producer and excavation contractor in Minnesota
5/1/2025	Industries Camcoat Québec Inc.	Richelieu Hardware Ltd. (TSX:RCH)	Distributor of finishing products in the Greater Montreal area
5/1/2025	Southern Ice Equipment Distributors, Inc.	Watsco, Inc. (NYSE:WSO)	Distributor of food-service and commercial refrigeration equipment
5/1/2025	M3 Innovation, LLC (assets)	Acuity Inc. (NYSE:AYI)	Designer of modular LED sports lighting systems
4/29/2025	Beacon Roofing Supply, Inc. (NASDAQ:BECN)	QXO, Inc. (NYSE:QXO)	Distributor of roofing, waterproofing and complementary building products
4/17/2025	Pedestal PRO, LLC	ASSA ABLOY AB (STO:ASSA B)	Manufacturer of access control pedestals, bollards and mounting solutions
4/14/2025	National Fire Equipment Limited	Wolseley Canada (Ferguson Enterprises Inc.)	Distributor and fabricator of fire protection products in Canada
4/7/2025	Truckee-Tahoe Lumber Company	Builders FirstSource, Inc. (NYSE:BLDR)	Supplier of lumber and building materials in northern California and northwestern Nevada
4/1/2025	Rhoads & O'Hara Architectural Products, LLC	Richelieu Hardware Ltd. (TSX:RCH)	Distributor of architectural panels and related products
3/31/2025	Independent Pipe & Supply Corp.	Ferguson Enterprises Inc. (NYSE:FERG)	Distributor of pipe, valves and related products in New England
3/31/2025	Teton Steel Inc. / Epic Steel Corporation	Gibraltar Industries, Inc. (NASDAQ:ROCK)	Manufacturers of metal roofing systems, wall panels and trim
3/31/2025	Flatiron Steel, Inc.	Gibraltar Industries, Inc. (NASDAQ:ROCK)	Manufacturer of metal roofing systems, wall panels and trim
3/26/2025	H&H General Excavating (mulch and soil assets)	Oldcastle APG (subsidiary of CRH)	Bagged and bulk mulch and soil operations
3/17/2025	Gesellschaft für Sicherheitstechnik mbH	ASSA ABLOY AB (STO:ASSA B)	Manufacturer of emergency exit security solutions
3/11/2025	Senior Architectural Systems Ltd	ASSA ABLOY AB (STO:ASSA B)	Manufacturer of aluminum windows, doors and curtain walling in the U.K.
3/10/2025	Strata Corporation	Knife River Corporation (NYSE:KNF)	Aggregates-led construction materials and contracting company in North Dakota
3/4/2025	Wallace Perimeter Security	ASSA ABLOY AB (STO:ASSA B)	Manufacturer of perimeter security barriers and gates
2/28/2025	EverStrong Profiles (subsidiary of Eastern Wholesale Fence)	Oldcastle APG (subsidiary of CRH)	Manufacturer of vinyl fence and railing profiles
2/14/2025	Gardenscape (two bagging facilities)	Oldcastle APG (subsidiary of CRH)	Bulk and bagged mulch and soil facilities
2/11/2025	Lane Supply, Inc. (Venquest Capital)	Gibraltar Industries, Inc. (NASDAQ:ROCK)	Designer and manufacturer of structural canopies for convenience store and fuel markets
2/10/2025	Fosroc International Ltd.	Compagnie de Saint-Gobain S.A. (ENXTPA:SGO)	Manufacturer of construction chemicals in India and the Middle East
2/3/2025	O.C. Cluss Lumber Company	Builders FirstSource, Inc. (NYSE:BLDR)	Lumber and building materials supplier in southwestern Pennsylvania
2/3/2025	ThermaFoam	Carlisle Companies Inc. (NYSE:CSL)	Manufacturer of expanded polystyrene insulation
1/24/2025	Uhlmann & Zacher GmbH	ASSA ABLOY AB (STO:ASSA B)	Supplier of electronic access control handles, knobs and software
1/15/2025	Cemix (OVNIVER Group)	Compagnie de Saint-Gobain S.A. (ENXTPA:SGO)	Manufacturer of construction chemicals in Mexico and Central America
1/13/2025	Midwest Specialty Products, LLC	Richelieu Hardware Ltd. (TSX:RCH)	Distributor of decorative surfaces in Minneapolis
1/10/2025	Darant Distributing Corporation	Richelieu Hardware Ltd. (TSX:RCH)	Distributor of specialized hardware in Denver
1/3/2025	W.L. Lashley & Associates, Inc.	Carrier Enterprise (Watsco, Inc.)	Distributor of commercial HVAC supplies in Houston
1/2/2025	Alpine Lumber Co.	Builders FirstSource, Inc. (NYSE:BLDR)	Building materials supplier in Colorado and northern New Mexico
1/2/2025	I-CON Systems, LLC	Watts Water Technologies, Inc. (NYSE:WTS)	Manufacturer of electronic plumbing controls
1/1/2025	QSC, LLC	Acuity Inc. (NYSE:AYI)	Designer and manufacturer of audio, video and control systems

Industrial & Industrial Technology Practice

Delancey Street Partners delivers high-impact M&A and strategic advisory services to companies across the Industrial and Industrial Technology sector. Combining rigorous preparation with deep industry insight, we guide shareholders and leadership teams through their most critical transactions as their trusted, strategic advisor.

We advise founder-owned, privately held and private equity backed businesses across the company lifecycle to maximize value upon a liquidity event. We maintain close relationships with business owners, private equity firms, strategic buyers, industry executives and boards of directors who are active in Industrial Technology M&A.

Delancey Street publishes in-depth industry and M&A market reviews, analyzing market activity across both the public and private sectors. These reviews deliver sector-specific intelligence designed specifically for sector leaders, private equity firms and industry advisors.

Sub-Sector Focus

- Analytical Tools / Instrumentation
- Building Products, Materials, & Distribution
- Capital Equipment
- Connectivity
- Distribution
- Engineered Components
- Hi-Rel Electronics and Components
- Industrial Services
- Power Equipment
- Testing, Inspection, Certification, & Compliance

Representative Transaction Experience

- Meeker Holding Company, Inc. has been acquired by Hamilton Tanks — Advisor to Seller
- Bloom Engineering a portfolio company of Caledonia Private Capital has been acquired by Wabtec Corporation — Advisor to Seller
- Technicorp International II, Inc. has been acquired by Astor Place Holdings — Advisor to Seller
- Vulcan Spring has acquired GSI — Advisor to Buyer
- ARCCA has been acquired by AIS a portfolio company of Odyssey Investment Partners — Advisor to Seller
- Azer Scientific has combined with Electron Microscopy Sciences a portfolio company of Inverness Graham — Advisor to Azer
- PEI-Genesis has acquired Testco Electronic Component Distribution — Advisor to Buyer
- Linx Technologies a portfolio company of Argosy Private Equity has been acquired by TE connectivity — Advisor to Seller
- Deacon Industrial Supply Company, Inc. has merged with MW Industries — Advisor to Deacon
- FST Technical Services a portfolio company of Arena Investors has acquired Horizon Engineering — Advisor to Buyer
- Biotix a portfolio company of Fidus Partners and Grotech Ventures has been acquired by Mettler Toledo — Advisor to Seller
- Troemner has been acquired by Mettler Toledo — Advisor to Seller

Industry Reviews



Delancey Street Partners
161 Washington Street
Suite 580
Conshohocken, PA 19428

Industry Focused M&A Advisory Services

Advisory Excellence & Industry Expertise

Who We Are

Delancey Street Partners is an independent, industry-focused investment bank. We assist business owners and leaders of high growth and middle market companies achieve their strategic and financial goals by offering:

- Objective Advice
- Thoughtful, Customized Solutions
- Commitment to Long-Term Client Relationships
- Senior Leadership on all Transactions

Partners Across the Client Lifecycle

- **Sell-Side M&A**
- **Strategic Advisory**
- **Divestitures**
- **M&A Readiness**
- **Buy-Side M&A**
- **Growth Capital**
- **Equity Recapitalizations**
- **Debt Recapitalizations**

Sector Focus

- **Industrial & Industrial Technology**
- **Healthcare**
- **Business Services & Technology**
- **Infrastructure**

Senior Leadership

Patrick E. Dolan
Managing Partner
pdolan@delanceyllc.com

B. Andrew Schmucker
Sr. Managing Director
aschmucker@delanceyllc.com

Steven D. Higgins
Managing Director
shiggins@delanceyllc.com

James R. McNaughton
Managing Director
jmcnaughton@delanceyllc.com

Shane M. Carroll
Director
scarroll@delanceyllc.com

Samantha R. Testa
Vice President
stesta@delanceyllc.com

Appendix: Sources

1) NAHB, Overall Housing Starts Inch Lower in 2025 (Feb. 2026). https://www.nahb.org/news-and-economics/press-releases/2026/02/overall-housing-starts-inch-lower-in-2025
2) PBS NewsHour, 2025 home sales stuck at 30-year low. https://www.pbs.org/newshour/economy/2025-home-sales-stuck-at-30-year-low
3) Wolf Street, Construction spending on data centers, factories, power plants and office buildings (Feb. 2026). https://wolfstreet.com/2026/02/28/construction-spending-on-data-centers-factories-powerplants-and-office-buildings-boom-bust-and-in-between/
4) FRED, 30-Year Fixed Rate Mortgage Average (MORTGAGE30US) and Federal Funds Target Range Upper Limit (DFEDTARU). https://fred.stlouisfed.org/series/MORTGAGE30US
5) Federal Reserve, FOMC statement (Dec. 10, 2025). https://www.federalreserve.gov/newsevents/pressreleases/monetary20251210a.htm
6) Harvard Joint Center for Housing Studies, Remodeling Growth Set to Downshift in Late 2026 (LIRA, Q4 2025 release). https://www.jchs.harvard.edu/press-releases/remodeling-growth-set-downshift-late-2026
7) Congressional Research Service, Section 232 Tariffs on Steel and Aluminum. https://www.congress.gov/crs-product/IN12519
8) Congressional Research Service, Section 232 National Security Tariffs on Copper Imports. https://www.congress.gov/crs-product/IN12614
9) The White House, Adjusting Imports of Timber, Lumber, and Their Derivative Products (Sept. 29, 2025). https://www.whitehouse.gov/presidential-actions/2025/09/adjusting-imports-of-timber-lumber-and-their-derivative-products-into-the-united-states/
10) CreditSights, Tech: Raising Hyperscaler Capex 2026 Estimates (Feb. 9, 2026). https://know.creditsights.com/insights/tech-raising-hyperscaler-capex-2026-estimates/
11) U.S. Census Bureau via FRED, Construction spending: total (TTLCONS), manufacturing (TLMFGCONS), public (TLPBLCONS), nonresidential (TLNRESCONS). https://fred.stlouisfed.org/series/TLMFGCONS
12) Marketplace, Data center construction up nearly 30% in 2025 (Feb. 2026). https://www.marketplace.org/story/2026/02/27/data-construction-up-nearly-30-in-2025-with-limited-impact-on-gdp
13) Dodge Construction Network, Dodge Momentum Index grows 7% in December. https://www.construction.com/dodge-momentum-index-grows-7-in-december/
14) S&P Capital IQ and public company filings (10-Ks, 10-Qs, press releases, investor presentations, and earnings calls)
15) Lawrence Berkeley National Laboratory, Data center energy modeling and forecasting. https://datacenters.lbl.gov/modeling-forecasting
16) Goldman Sachs, Generational growth: AI, data centers and the coming US power surge. https://www.goldmansachs.com/pdfs/insights/pages/generational-growth-ai-data-centers-and-the-coming-us-power-surge/report.pdf
17) S&P Cotality Case-Shiller Index Reports Annual Gain in December 2025 (PR Newswire). https://www.prnewswire.com/news-releases/sp-cotality-case-shiller-index-reports-annual-gain-in-december-2025-302695875.html
18) NAHB, Builder Sentiment Inches Higher but Ends the Year in Negative Territory (Dec. 2025). https://www.nahb.org/news-and-economics/press-releases/2025/12/builder-sentiment-inches-higher-but-ends-the-year-in-negative-territory
19) Federal Reserve Bank of St. Louis (FRED), Housing starts: single-family (HOUST1F) and 5+ units (HOUST5F). https://fred.stlouisfed.org/series/HOUST1F
20) FRED, S&P Cotality Case-Shiller U.S. National Home Price Index (CSUSHPINSA). https://fred.stlouisfed.org/series/CSUSHPINSA
21) Congressional Research Service, Housing for the 21st Century Act (R48849). https://www.congress.gov/crs-product/R48849
22) Harvard Joint Center for Housing Studies, LIRA Q4 2025 chart (revised). https://www.jchs.harvard.edu/blog/remodeling-growth-set-downshift-late-2026
23) NAHB, How Old is Today's Housing Stock? (Mar. 2026). https://www.nahb.org/blog/2026/03/how-old-is-todays-housing-stock
24) ICE, Mortgage Monitor: Highly Qualified Refinance Candidates Reach 3.5-Year High (2025). https://ir.theice.com/press/news-details/2025/ICE-Mortgage-Monitor-Number-of-Highly-Qualified-Refinance-Candidates-Reaches-3-5-Year-High-Amid-Easing-Mortgage-Rates/default.aspx

Appendix: Sources *(cont'd)*

25) FRED, Producer Price Indexes: lumber & wood (WPU081), copper (WPUSI019011), aluminum mill shapes (WPU102302), fabricated structural steel (PCU33231233231212). https://fred.stlouisfed.org/series/WPU081

26) The White House, Fact Sheet: delay of tariff increases on cabinets and vanities (Dec. 31, 2025). https://www.whitehouse.gov/fact-sheets/2025/12/fact-sheet-president-donald-j-trump-adjusts-imports-of-timber-lumber-and-their-derivative-products-into-the-united-states/

27) FRED, Unemployment rate (UNRATE) and Employment Cost Index: wages and salaries (ECIWAG). https://fred.stlouisfed.org/series/UNRATE