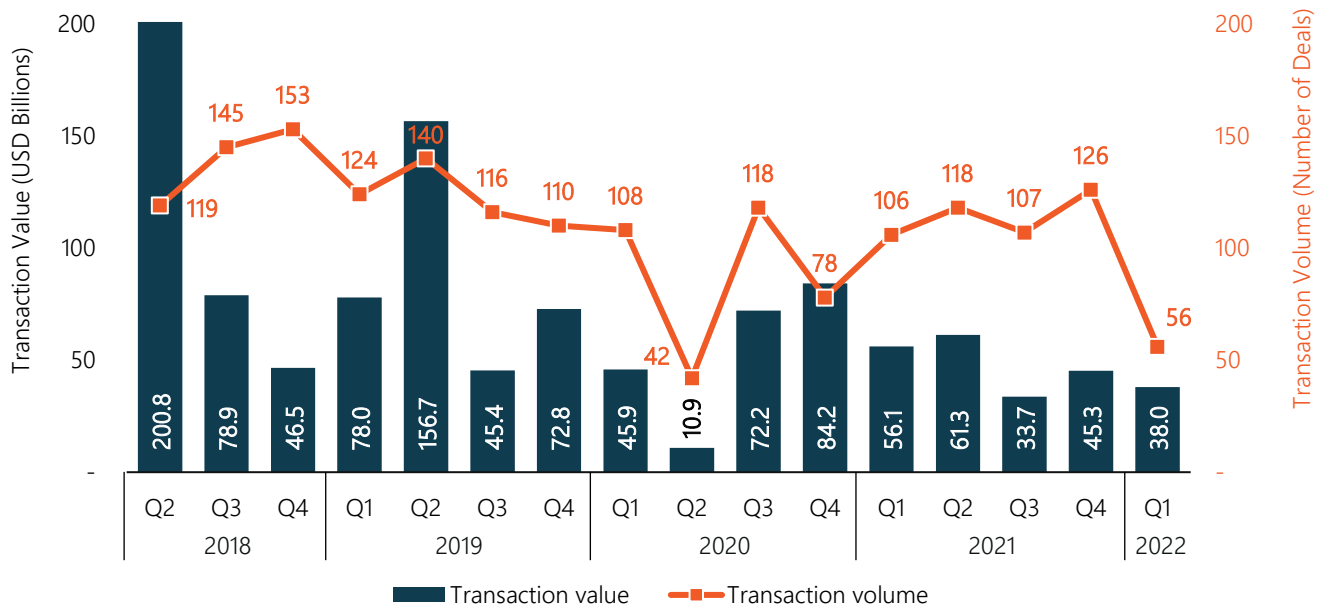


Manufacturing

Quarterly Update | Q1 2022



North American Manufacturing M&A Transactions



M&A Market Update – Q1 2022

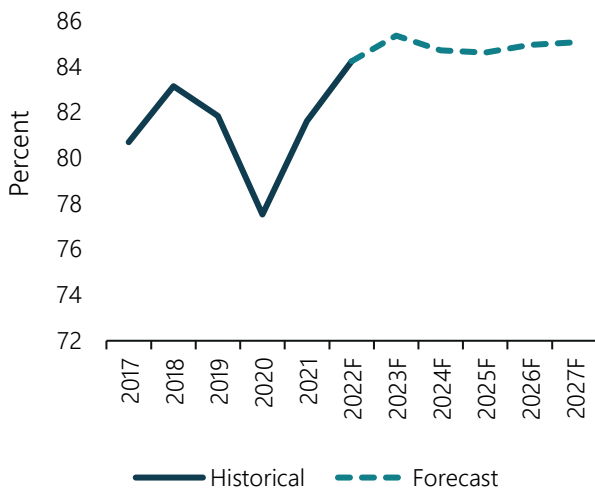
- In Q1 2022, transaction volume in the North American manufacturing sector decreased 56% and overall disclosed transaction value decreased 16% compared to Q4 2021. Although transaction volume and value decreased, average deal size increased to \$680 million, outpacing the five-year average of \$576MM. The most significant deals during the quarter included:
 - Apollo Global Managements, Inc.'s purchase of Tenneco, Inc. ("Tenneco") for \$7.6 billion. Tenneco designs, manufactures, and sells clean air, powertrain products, and systems for light vehicle, commercial truck, off-highway, industrial, motorsport, and aftermarket customers worldwide. The transaction represents a TEV/Revenue multiple of 0.4x and a TEV/EBITDA multiple of 5.1x.
 - Clayton, Dubilier & Rice LLC's acquisition of Cornerstone Building Brands Inc. ("Cornerstone") for \$5.0 billion. Cornerstone Building Brands, Inc., together with its subsidiaries, designs, engineers, manufactures, markets, and installs external building products for the commercial, residential, and repair and remodel markets in the United States, Canada, Mexico, and internationally. The transaction translates to a TEV/Revenue multiple of 1.1x and a TEV/EBITDA multiple of 7.1x.
- Strategic buyers represented the majority of Q1 2022 total deal volume at 87.5% of transactions. Financial buyers only represented 12.5% of transaction volume, but accounted for 53% of transaction value.
- The most active sectors in Q1 2022 were industrials manufacturing (16 deals), followed by consumer discretionary manufacturing (14 deals), and IT hardware manufacturing (9 deals). The communication services manufacturing sector was the least active (one deal).

Macroeconomic Indicators

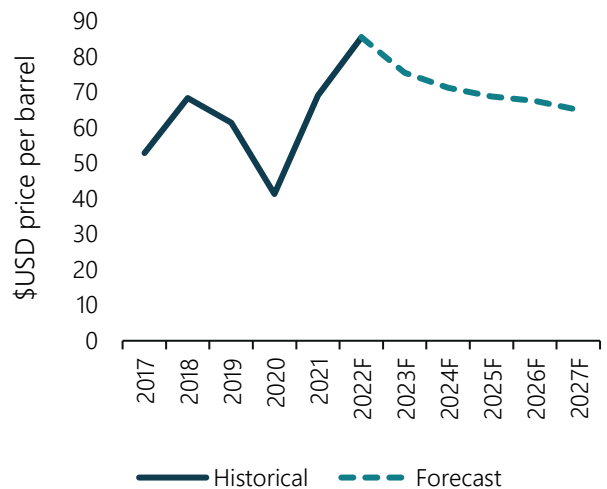
The Canadian manufacturing industry is expected to continue its growth past Q1 2022 as unemployment falls to record lows. Consumer confidence is expected continue to exhibit positive growth, albeit at a reduced level as inflation concerns and supply chain issues are expected to persist, raising consumer prices and limiting purchasing power.

IBISWorld reports expect the Canadian economy to grow over the next five years. As provinces reopen and restrictions subside due to vaccine uptake and the availability of new treatments, forecasts indicate that all major macroeconomic indicators will continue to improve. The Canadian Purchasing Managers' Index ("PMI"), an index of the prevailing direction of economic trends in the manufacturing and service sectors hit a new all-time high in March of 2022, rising to 58.9.

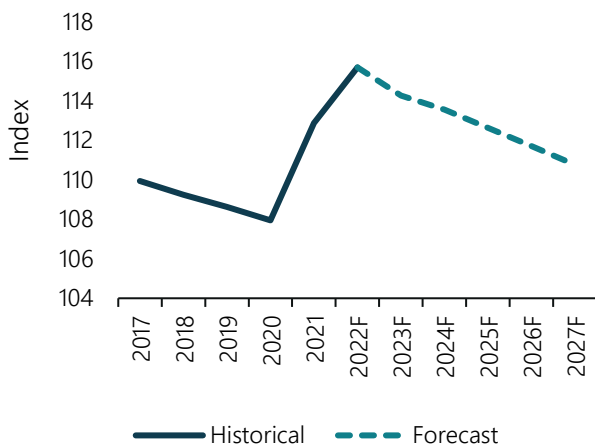
Industrial Capacity Utilization



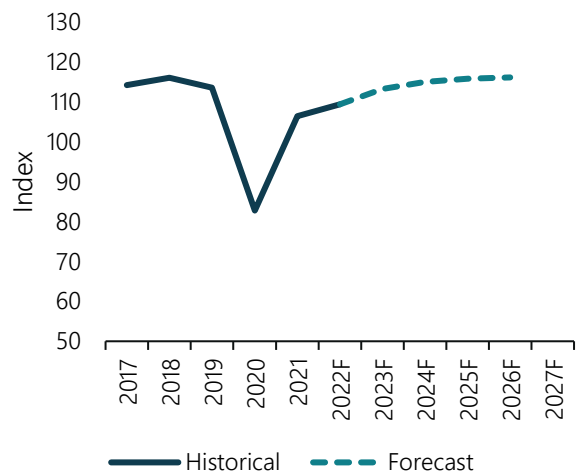
World Price Of Crude Oil



Canadian-Dollar Effective Exchange Rate Index



Consumer Confidence Index



Select Recent M&A Transactions



has acquired



Closed	Dec 31, 2021
TEV	\$135.3MM
TEV/EBITDA	Not disclosed
TEV/Revenue	Not disclosed

- **Thomson Industries, Inc.** produces linear bearings and guides, linear ball and bushing bearings, profile rail bearings, ball and lead screws, linear motion systems, linear and precision actuators, planetary gear heads, clutches and brakes, and precision balls, as well as motors, drives, and controls.
- **Nook Industries, Inc.** designs, tests, and manufactures linear motion solutions. It offers screws, linear actuators-rod style, screw jacks, modular linear actuators, linear guidance solutions, and control panels.



has acquired



Closed	Feb 1, 2022
TEV	\$59.1MM
TEV/EBITDA	Not disclosed
TEV/Revenue	Not disclosed

- **Babcock & Wilcox Enterprises, Inc.**, together with its subsidiaries, provides energy and emissions control solutions to a range of industrial, electrical utility, municipal, and other customers worldwide. It operates through three segments: Babcock & Wilcox Renewable; Babcock & Wilcox Environmental; and Babcock & Wilcox Thermal.
- **Fossil Power Systems, Inc.** designs, manufactures, supplies, and services firing equipment and safety systems for power generation, pulp and paper, and petrochemical industries in Canada and internationally.



has acquired



Closed	Feb 21, 2022
TEV	\$20.0MM
TEV/EBITDA	Not disclosed
TEV/Revenue	1.43x

- **Embellence Group AB** acquires, owns, and develops various brands in wallpapers, textiles, rugs, and other interior decoration items. The company offers its products under the Cole & Son, Wall&decò, Perswall, Pappelina, and Boråstapeter brand names.
- **Artscape Incorporated** engages in the design and manufacturing of decorative and privacy window films.

Select Recent M&A Transactions



has acquired



Closed	Feb 21, 2022
TEV	\$26.6MM
TEV/EBITDA	Not disclosed
TEV/Revenue	2.69x

- **Ocean Insight, Inc.** develops and manufactures optical solutions that enable researchers and industry to solve problems in health, safety, and the environment.
- **International Light Technologies Inc.** manufactures and sells light measurement and detection systems and specialty light source solutions for biomedical, environmental, agricultural, food and beverage, and industrial applications.



has acquired



Closed	Feb 28, 2022
TEV	\$99.3MM
TEV/EBITDA	Not disclosed
TEV/Revenue	Not disclosed

- **Taro Pharmaceutical Industries Ltd.**, a science-based pharmaceutical company, develops, manufactures, and markets prescription and over-the-counter pharmaceutical products in the United States, Canada, Israel, and internationally.
- **Alchemee LLC** ("The Proactiv Company") manufactures non-prescription acne treatment products. It offers skin smoothing exfoliator, pore targeting treatment, complexion perfecting hydrator, renewing cleanser, revitalizing toner, and repairing treatment.

ALTARIS

is acquiring



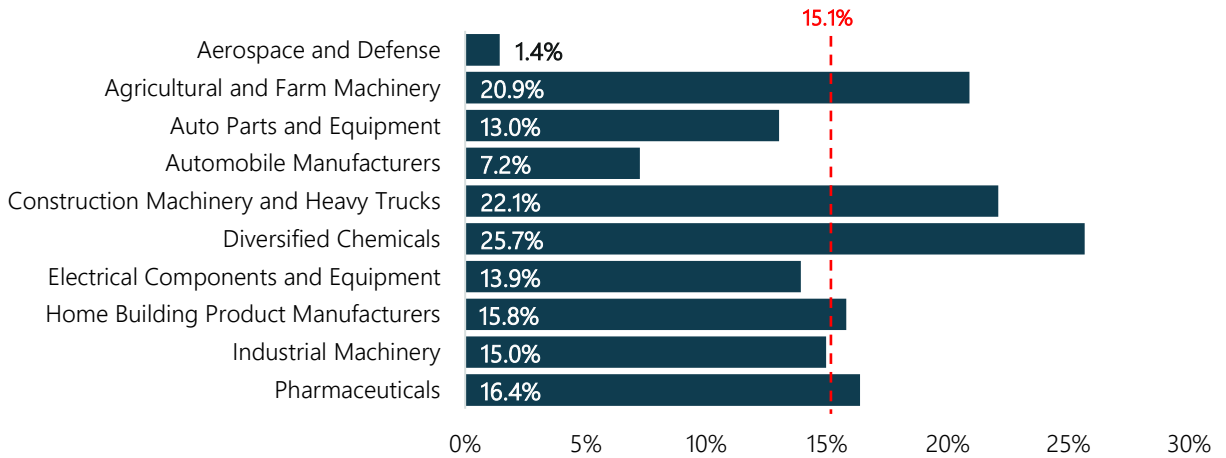
Announced	Feb 28, 2022
TEV	\$246.33MM
TEV/EBITDA	21.76x
TEV/Revenue	1.77x

- **Altaris Capital Partners, LLC.** is a private equity firm specializing in corporate carve outs, acquisitions, debt financing, private equity / buyouts fund, venture capital fund, recapitalization, divestitures, strategic co-ownership arrangements, leveraged buyouts, PIPE's, middle market, and growth capital investments.
- **IntriCon Corporation**, together with its subsidiaries, designs, develops, engineers, manufactures, and distributes body-worn devices in the United States, Europe, Asia, and internationally.

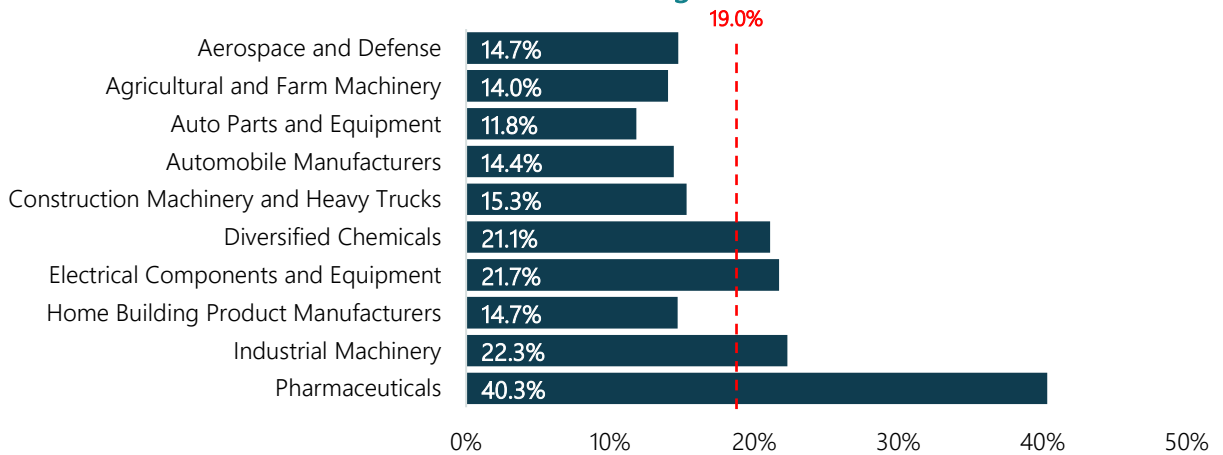
Public Comparable Analysis

Growth, Margins & Multiples

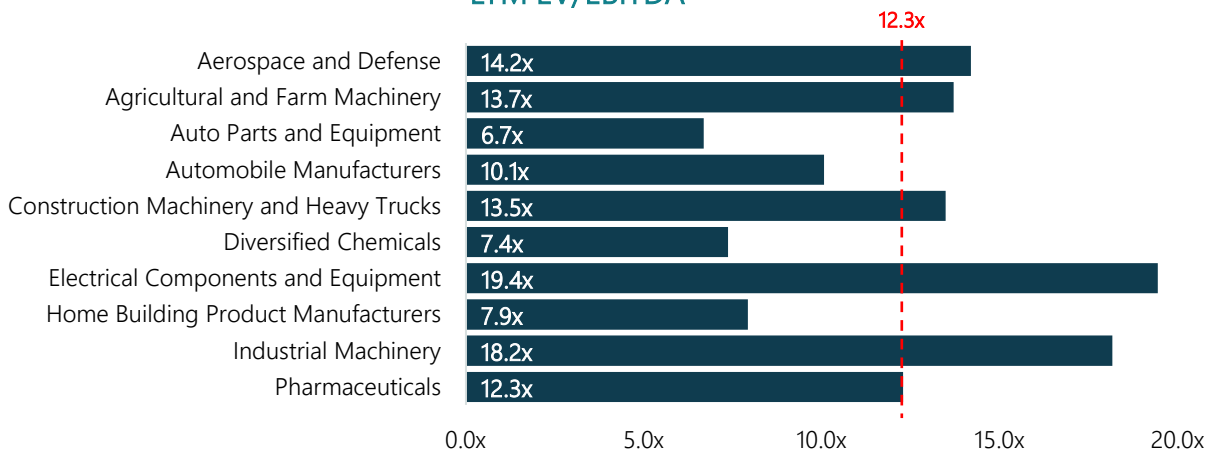
LTM Revenue Growth



LTM EBITDA Margin



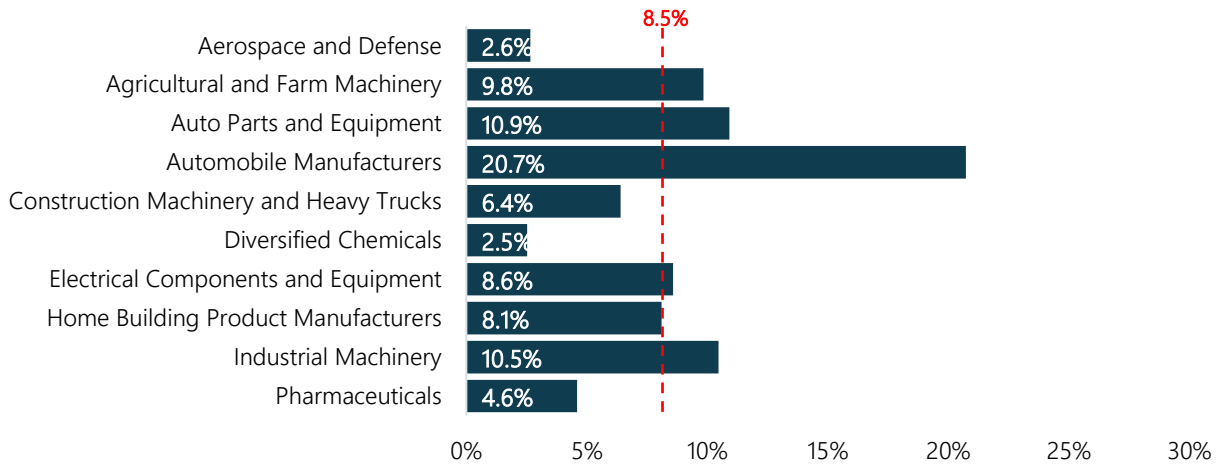
LTM EV/EBITDA



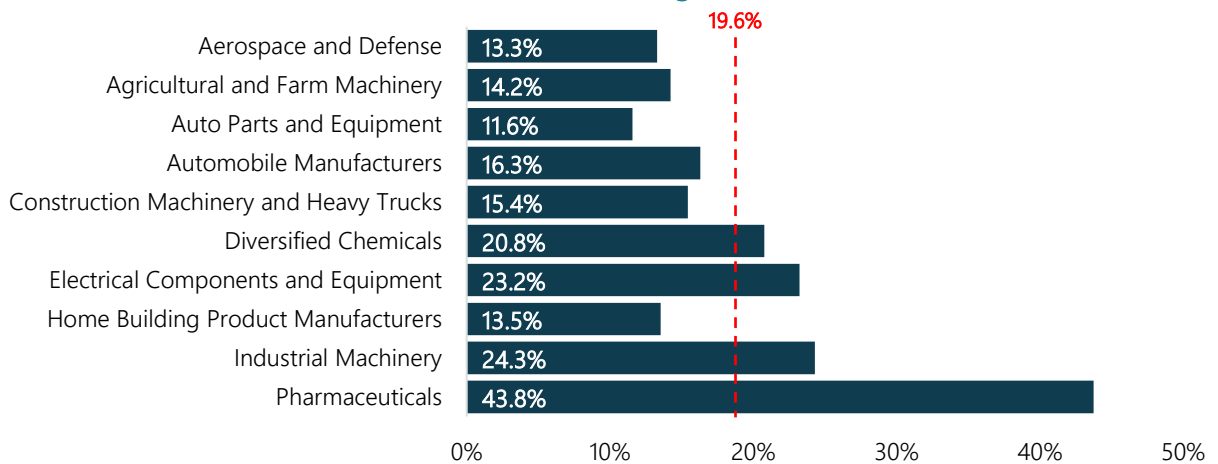
Public Comparable Analysis

Growth, Margins & Multiples

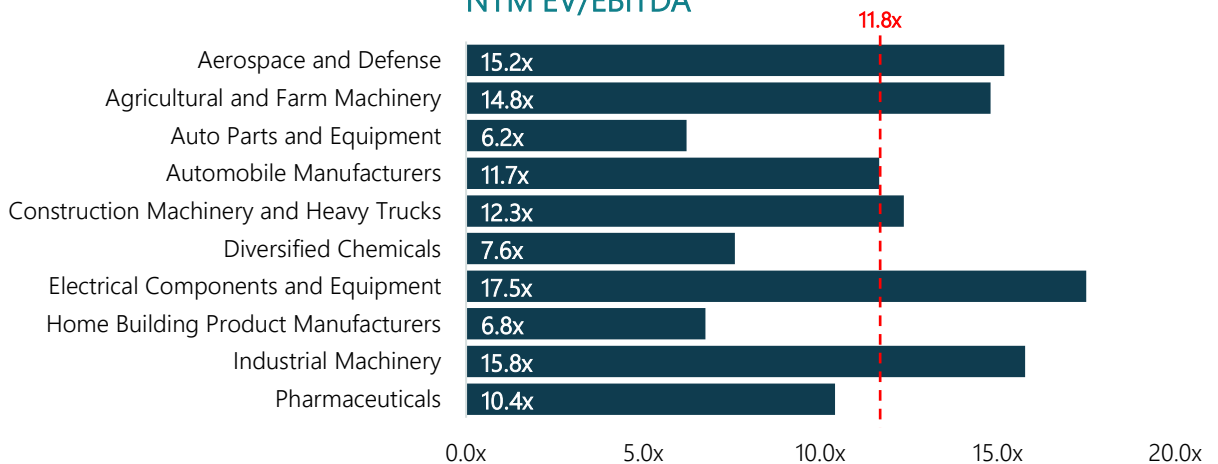
NTM Revenue Growth



NTM EBITDA Margin



NTM EV/EBITDA

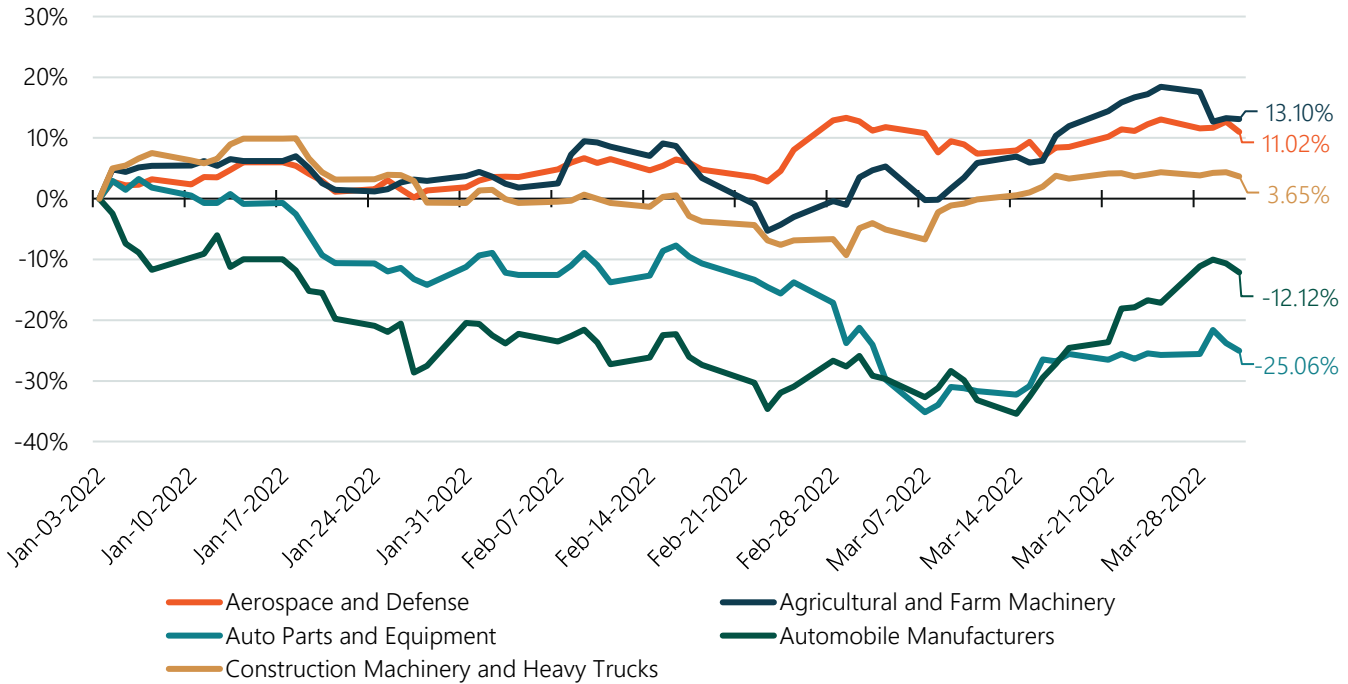


Source: Capital IQ. Data as of March 31, 2022.
 "LTM" refers to last twelve months. "NTM" refers to next twelve months.
 Valuation details provided on pages 10 and 11.

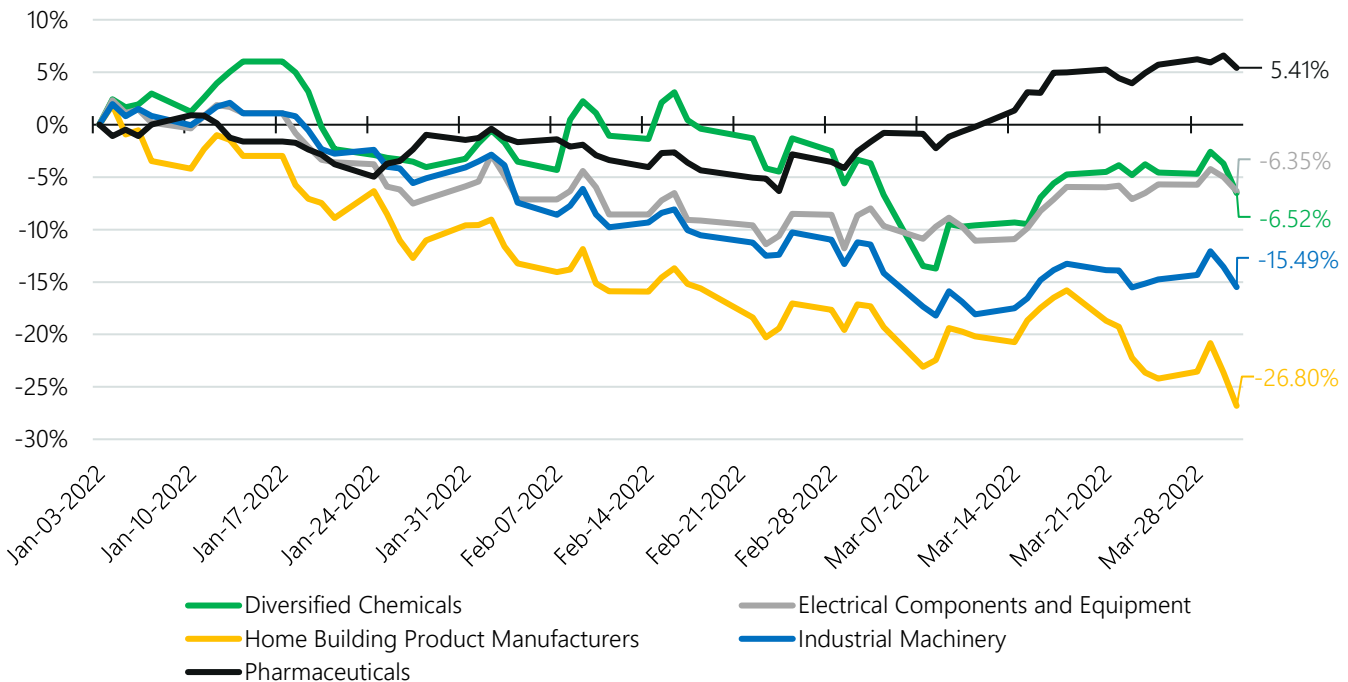
Public Comparable Analysis

Performance Analysis

Manufacturing Peer Group Stock Price Performance*



Manufacturing Peer Group Stock Price Performance*

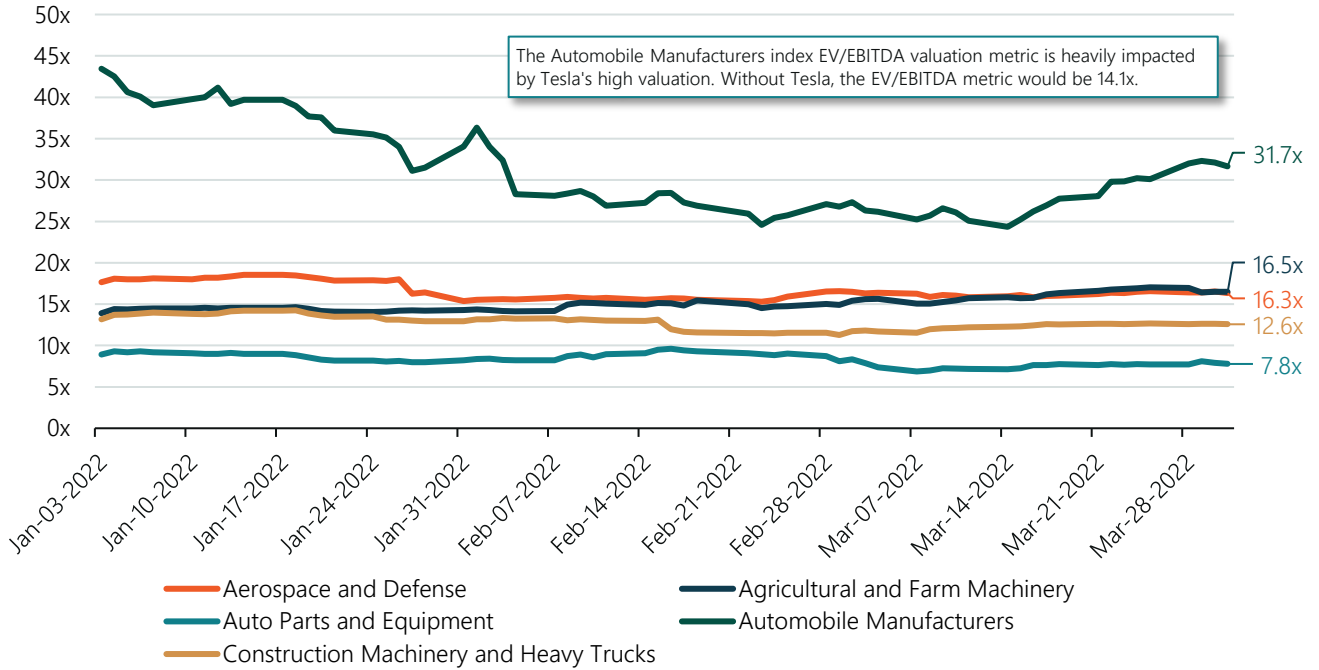


Source: Capital IQ. Data as of March 31, 2022.
Further details provided on pages 10 and 11.
*Peer group metrics are weighted by market capitalization

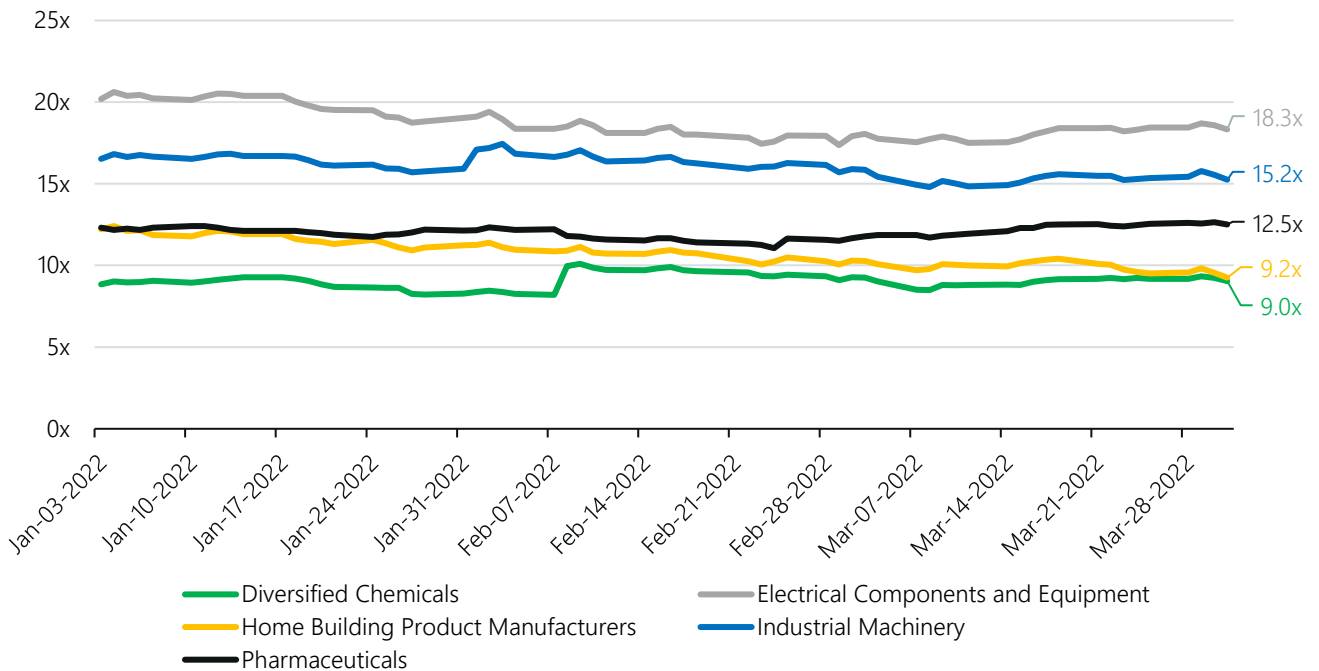
Public Comparable Analysis

Performance Analysis

Manufacturing Peer Group EV/EBITDA Multiples



Manufacturing Peer Group EV/EBITDA Multiples



Source: Capital IQ. Data as of March 31, 2022.
Further details provided on pages 10 and 11.
*Peer group metrics are weighted by market capitalization

Public Comparable Analysis

Trading Multiples & Operating Statistics

(Figures In \$USD Millions, except percentages and ratios)

Company	Market Capitalization	Enterprise Value	LTM Operating Figures				NTM Consensus Estimates			Valuation	
			Revenue	Revenue Growth	EBITDA	EBITDA Margin	Revenue Growth	EBITDA Margin	NTM EV/EBITDA	LTM EV/EBITDA	LTM EV/REV
Aerospace and Defense											
The Boeing Company	\$113,059	\$156,609	\$62,286	7.1%	\$1,837	2.9%	28.2%	9.9%	19.4x	85.3x	2.5x
Raytheon Technologies Corporation	\$146,928	\$174,280	\$64,388	13.8%	\$11,899	18.5%	7.2%	18.4%	13.9x	14.6x	2.7x
Lockheed Martin Corporation	\$120,205	\$129,703	\$65,750	(0.4%)	\$9,137	13.9%	2.6%	14.7%	12.9x	14.2x	2.0x
Northrop Grumman Corporation	\$69,812	\$80,521	\$35,667	(3.1%)	\$9,160	25.7%	2.6%	13.3%	16.6x	8.8x	2.3x
General Dynamics Corporation	\$66,953	\$78,525	\$38,469	1.4%	\$5,665	14.7%	2.2%	13.1%	15.2x	13.9x	2.0x
Median	\$113,059	\$129,703	\$62,286	1.4%	\$9,137	14.7%	2.6%	13.3%	15.2x	14.2x	2.3x
Mean	\$103,391	\$123,927	\$53,312	3.8%	\$7,540	15.1%	8.6%	13.9%	15.6x	27.3x	2.3x
Agricultural and Farm Machinery											
Deere & Company	\$127,457	\$171,444	\$44,413	20.1%	\$8,466	19.1%	9.1%	21.2%	16.6x	20.3x	3.9x
CNH Industrial N.V.	\$21,507	\$40,264	\$33,428	28.4%	\$3,645	10.9%	(36.6%)	12.5%	15.9x	11.0x	1.2x
The Toro Company	\$8,937	\$9,917	\$4,019	15.4%	\$606	15.1%	13.0%	16.0%	13.7x	16.4x	2.5x
AGCO Corporation	\$10,885	\$11,696	\$11,138	21.7%	\$1,443	13.0%	10.5%	12.2%	7.8x	8.1x	1.1x
Median	\$16,196	\$25,980	\$22,283	20.9%	\$2,544	14.0%	9.8%	14.2%	14.8x	13.7x	1.8x
Mean	\$42,197	\$58,330	\$23,250	21.4%	\$3,540	14.5%	(1.0%)	15.5%	13.5x	13.9x	2.1x
Auto Parts and Equipment											
Aptiv PLC	\$32,431	\$33,969	\$15,618	19.5%	\$1,908	12.2%	13.9%	13.7%	13.3x	17.8x	2.2x
Magna International Inc.	\$18,964	\$22,120	\$36,242	11.0%	\$4,198	11.6%	5.5%	9.8%	5.6x	5.3x	.6x
Lear Corporation	\$8,513	\$10,543	\$19,263	13.0%	\$1,576	8.2%	10.9%	7.4%	6.3x	6.7x	.5x
BorgWarner Inc.	\$9,335	\$12,330	\$14,838	46.0%	\$2,347	15.8%	7.3%	14.7%	5.0x	5.3x	.8x
Autoliv, Inc.	\$6,691	\$7,877	\$8,112	3.4%	\$959	11.8%	15.4%	11.6%	6.2x	8.2x	1.0x
Median	\$9,335	\$12,330	\$15,618	13.0%	\$1,908	11.8%	10.9%	11.6%	6.2x	6.7x	.8x
Mean	\$15,187	\$17,368	\$18,815	18.6%	\$2,198	11.9%	10.6%	11.4%	7.3x	8.6x	1.0x
Automobile Manufacturers											
Tesla, Inc.	\$1,113,708	\$1,106,299	\$62,190	73.0%	\$12,702	20.4%	53.1%	24.4%	55.3x	87.1x	17.8x
General Motors Company	\$63,555	\$155,545	\$127,004	3.7%	\$18,288	14.4%	20.7%	16.3%	6.1x	8.5x	1.2x
Ford Motor Company	\$67,958	\$171,089	\$136,341	7.2%	\$17,000	12.5%	5.8%	10.3%	11.7x	10.1x	1.3x
Median	\$67,958	\$171,089	\$127,004	7.2%	\$17,000	14.4%	20.7%	16.3%	11.7x	10.1x	1.3x
Mean	\$415,074	\$477,644	\$108,512	28.0%	\$15,997	15.8%	26.5%	17.0%	24.4x	35.2x	6.8x
Construction Machinery and Heavy Trucks											
Caterpillar Inc.	\$119,407	\$148,493	\$50,971	22.1%	\$10,832	21.3%	12.2%	17.4%	14.9x	13.7x	2.9x
Cummins Inc.	\$29,141	\$31,513	\$24,021	21.3%	\$3,676	15.3%	6.3%	15.4%	7.9x	8.6x	1.3x
PACCAR Inc.	\$30,620	\$36,330	\$23,522	25.6%	\$2,695	11.5%	6.4%	11.5%	12.3x	13.5x	1.5x
Median	\$30,620	\$36,330	\$24,021	22.1%	\$3,676	15.3%	6.4%	15.4%	12.3x	13.5x	1.5x
Mean	\$59,722	\$72,112	\$32,838	23.0%	\$5,734	16.0%	8.3%	14.8%	11.7x	11.9x	1.9x
Diversified Chemicals											
DuPont de Nemours, Inc.	\$37,740	\$47,603	\$16,653	16.1%	\$4,305	25.9%	(19.4%)	24.8%	10.8x	11.1x	2.9x
Eastman Chemical Company	\$14,450	\$19,425	\$10,476	23.6%	\$2,528	24.1%	(0.1%)	20.5%	8.9x	7.7x	1.9x
Huntsman Corporation	\$8,047	\$9,158	\$8,453	40.5%	\$1,297	15.3%	7.6%	16.2%	6.2x	7.1x	1.1x
The Chemours Company	\$5,015	\$7,552	\$6,345	27.7%	\$1,144	18.0%	5.2%	21.0%	5.4x	6.6x	1.2x
Median	\$11,248	\$14,291	\$9,465	25.7%	\$1,913	21.1%	2.5%	20.8%	7.6x	7.4x	1.5x
Mean	\$16,313	\$20,934	\$10,482	27.0%	\$2,319	20.8%	(1.7%)	20.6%	7.8x	8.1x	1.7x

Source: Capital IQ. Data as of March 31, 2022.

"LTM" refers to last twelve months. "NTM" refers to next twelve months.

Public Comparable Analysis

Trading Multiples & Operating Statistics

(Figures In \$USD Millions, except percentages and ratios)

Company	Market Capitalization	Enterprise Value	LTM Operating Figures				NTM Consensus Estimates			Valuation		
			Revenue	Revenue Growth	EBITDA	EBITDA Margin	Revenue Growth	EBITDA Margin	NTM EV/EBITDA	LTM EV/EBITDA	LTM EV/REV	
Electrical Components and Equipment												
Emerson Electric Co.	\$58,242	\$62,861	\$18,548	10.4%	\$4,201	22.7%	7.0%	24.5%	13.0x	15.0x	3.4x	
Eaton Corporation plc	\$60,639	\$69,202	\$19,628	9.9%	\$3,635	18.5%	4.1%	20.7%	16.3x	19.0x	3.5x	
Rockwell Automation, Inc.	\$32,538	\$36,771	\$7,289	17.4%	\$1,514	20.8%	14.9%	21.9%	19.9x	24.3x	5.0x	
AMETEK, Inc.	\$30,787	\$33,161	\$5,547	22.2%	\$1,670	30.1%	10.2%	29.1%	18.7x	19.9x	6.0x	
Median	\$45,390	\$49,816	\$12,919	13.9%	\$2,653	21.7%	8.6%	23.2%	17.5x	19.4x	4.3x	
Mean	\$45,552	\$50,499	\$12,753	15.0%	\$2,755	23.0%	9.0%	24.1%	17.0x	19.5x	4.5x	
Home Building Product Manufacturers												
Masco Corporation	\$12,063	\$14,563	\$8,375	16.5%	\$1,242	14.8%	5.0%	19.1%	8.6x	11.7x	1.7x	
Fortune Brands Home & Security, Inc.	\$9,831	\$12,271	\$7,656	25.7%	\$1,370	17.9%	6.6%	17.7%	8.4x	9.0x	1.6x	
JELD-WEN Holding, Inc.	\$1,826	\$3,347	\$4,772	12.7%	\$486	10.2%	7.9%	10.3%	6.2x	6.9x	.7x	
Masonite International Corporation	\$2,068	\$2,782	\$2,597	15.1%	\$429	16.5%	8.5%	16.3%	6.1x	6.5x	1.1x	
American Woodmark Corporation	\$811	\$1,441	\$1,829	9.5%	\$151	8.3%	8.3%	10.0%	7.3x	9.5x	.8x	
Caesarstone Ltd.	\$363	\$464	\$644	32.4%	\$93	14.5%	11.6%	10.8%	6.0x	5.0x	.7x	
Median	\$1,947	\$3,064	\$3,684	15.8%	\$457	14.7%	8.1%	13.5%	6.8x	7.9x	.9x	
Mean	\$4,493	\$5,811	\$4,312	18.6%	\$628	13.7%	8.0%	14.0%	7.1x	8.1x	1.1x	
Industrial Machinery												
Illinois Tool Works Inc.	\$65,527	\$71,882	\$14,455	15.0%	\$3,957	27.4%	8.9%	27.4%	16.6x	18.2x	5.0x	
Parker-Hannifin Corporation	\$36,457	\$44,432	\$15,293	13.2%	\$3,408	22.3%	6.0%	22.4%	12.3x	13.0x	2.9x	
Stanley Black & Decker, Inc.	\$21,340	\$28,863	\$15,617	19.6%	\$2,844	18.2%	24.5%	15.4%	9.6x	10.1x	1.8x	
Fortive Corporation	\$21,878	\$25,207	\$5,255	13.4%	\$1,333	25.4%	10.5%	25.8%	16.9x	18.9x	4.8x	
Ingersoll Rand Inc.	\$20,541	\$22,038	\$5,152	29.7%	\$1,086	21.1%	11.3%	24.3%	15.8x	20.3x	4.3x	
Median	\$21,878	\$28,863	\$14,455	15.0%	\$2,844	22.3%	10.5%	24.3%	15.8x	18.2x	4.3x	
Mean	\$33,148	\$38,484	\$11,154	18.2%	\$2,526	22.9%	12.2%	23.0%	14.2x	16.1x	3.8x	
Pharmaceuticals												
Johnson & Johnson	\$466,047	\$469,190	\$94,880	12.7%	\$32,671	34.4%	2.0%	35.1%	13.2x	14.4x	4.9x	
Merck & Co., Inc.	\$207,401	\$233,995	\$48,704	17.3%	\$19,323	39.7%	17.4%	42.1%	9.8x	12.1x	4.8x	
Pfizer Inc.	\$291,121	\$301,705	\$81,288	95.2%	\$33,308	41.0%	30.3%	45.7%	6.3x	9.1x	3.7x	
AbbVie Inc.	\$286,332	\$354,127	\$56,197	22.7%	\$28,403	50.5%	7.2%	53.1%	11.0x	12.5x	6.3x	
Eli Lilly and Company	\$258,405	\$271,000	\$28,318	15.4%	\$9,885	34.9%	0.7%	36.6%	26.0x	27.4x	9.6x	
Bristol-Myers Squibb Company	\$155,204	\$183,639	\$46,385	9.1%	\$21,084	45.5%	1.6%	45.4%	8.5x	8.7x	4.0x	
Median	\$272,369	\$286,352	\$52,451	16.4%	\$24,744	40.3%	4.6%	43.8%	10.4x	12.3x	4.9x	
Mean	\$277,418	\$302,276	\$59,295	28.7%	\$24,112	41.0%	9.9%	43.0%	12.5x	14.0x	5.5x	

About Us



MNP Corporate Finance (MNPCF) has a dedicated team of over 100 M&A and due diligence professionals across Canada. MNPCF works with clients in virtually all industries as they prepare, plan and execute transactions.

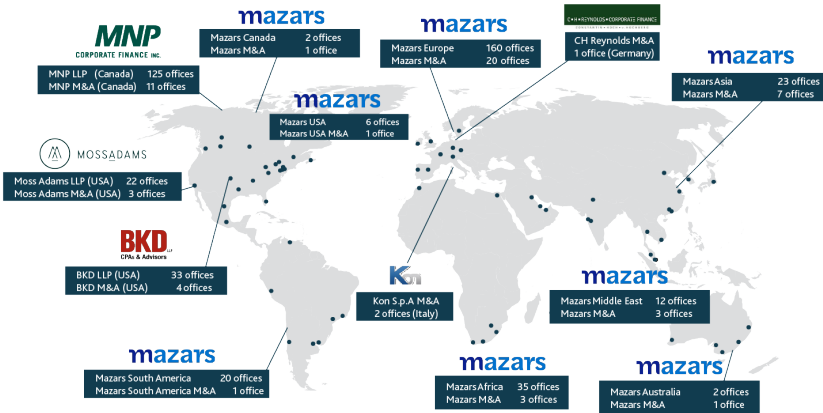
Our typical transactions range in value between \$3 million and \$300 million.

Local and International Reach

MNP is a participating firm within Praxity, a unique global alliance of independent accounting/advisory firms created to answer global business needs. As a member of Praxity, we are able to offer access to corporate finance, accounting and tax advisory services worldwide. We are also affiliated with Corporate Finance Cross Border, which consists of 250+ M&A professionals in more than 30 countries.



CFxBorder - Global reach with local relationships
 Our corporate finance team through CFxBorder consists of 250 plus M&A professionals in more than 30 countries



Services

- Divestitures
- Acquisitions
- Debt Financing
- Due Diligence
- Transaction Advisory Services

Recently Closed Deals (National)

About Us

Deal Experience

Since our inception, our team has advised on hundreds of transactions, in a wide range of industries with diverse enterprise values. In the past eight years alone we have completed over 200 transactions worth over \$3.5 billion (not including due diligence engagements).

Industry Experience

- Food & Beverage
- Retail & Distribution
- Manufacturing
- Agriculture
- Automotive
- Materials
- Health Care
- Pharmaceutical
- Transportation
- Construction
- Software
- Financial Services
- Technology
- Energy
- Oilfield Services
- Real Estate

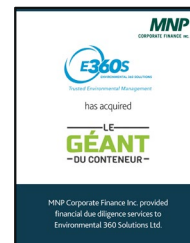
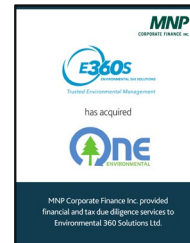
Hands-on Approach

Current M&A transactions require a hands-on approach from start to finish including the active engagement of senior resources. Our senior resources are dedicated to our clients and are available as necessary and appropriate. We keep our clients regularly informed of the engagement status, issues we are encountering, successes and overall progress.

Integrated Service Offering

We draw on the vast experience and deep specialist knowledge network of our partners locally, nationally and internationally as specialty issues arise, such as pre-transaction tax planning, transaction structuring, estate planning, valuation, due diligence, performance improvement and risk management.

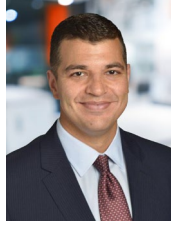
Recently Closed Deals (National)



Transaction Leadership



Brett Franklin
President
Winnipeg
Brett.Franklin@mnp.ca
204.336.6190



Aleem Bandali
Managing Director
Vancouver
Aleem.Bandali@mnp.ca
778.374.2140



Mark Regehr
Managing Director
Edmonton
Mark.Regehr@mnp.ca
780.969.1404



Mike Reynolds
Managing Director
Calgary
Mike.Reynolds@mnp.ca
587.702.5909



Erik St-Hilaire
Managing Director
Winnipeg
Erik.St-Hilaire@mnp.ca
204.336.6200



Stephen Shaw
Managing Director
Toronto
Stephen.Shaw@mnp.ca
416.515.3883



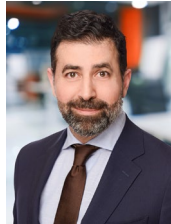
Dan Porter
Managing Director
Toronto
Dan.Porter@mnp.ca
416.515.3877



Kevin Tremblay
Managing Director
Toronto
Kevin.Tremblay@mnp.ca
647.943.4051



Jon Edgett
Managing Director
Waterloo
Jon.Edgett@mnp.ca
519.772.7460



Patrick Khouzam
Managing Director
Montreal
Patrick.Khouzam@mnp.ca
514.228.7874



Jonathan Banford
Managing Director
Chicoutimi
Jonathan.Banford@mnp.ca
418.696.3924

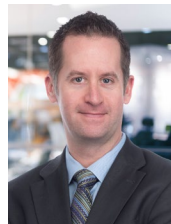


Éric Grondin
Managing Director
Sherbrooke
Éric.Grondin@mnp.ca
819.823.3290

Due Diligence Leadership



Jean-Raymond Lafond
Managing Director
Drummondville
Jean-Raymond.Lafond@mnp.ca
819.473.7251



Craig Maloney
Managing Director
Halifax
Craig.Maloney@mnp.ca
902.493.5430



Johnny Earl
Managing Director
Vancouver
Johnny.Earl@mnp.ca
604.637.1504



John Caggianiello
Managing Director
Toronto
John.Caggianiello@mnp.ca
416.513.4177