



M&A MARKET MONITOR

DISTRIBUTION

April 2021

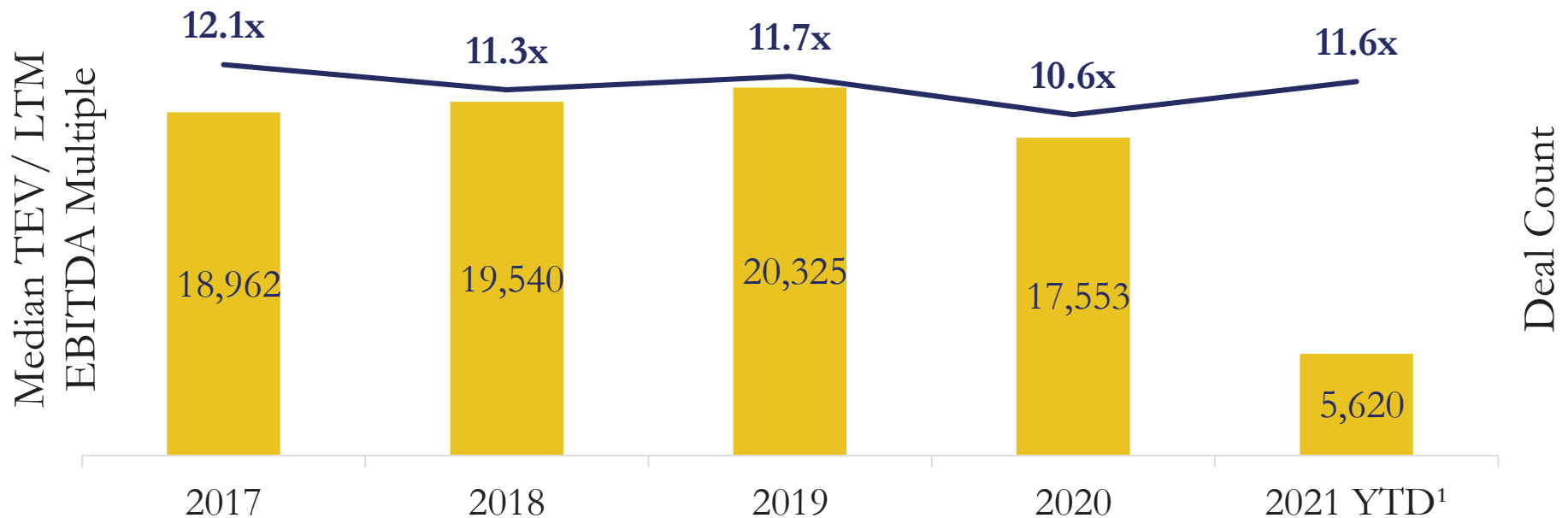
U.S. & Canada M&A Market Overview



Overall Market Transactions

Quick Highlights

- The M&A market surged during the first quarter demonstrated by strong deal count and recovering valuation multiples
 - Annualized 2021 deal count was 118% of the previous 4-year (2017-2020) average
 - Q1 2021 median TEV/LTM EBITDA multiple was in line with the previous 4-year (2017-2020) average



Source: S&P Capital IQ; ArkMalibu; Other publicly available sources

¹YTD as of 03/31/2021

About the Data

The information presented in this report is an analysis of deals in the United States or Canada. A deal is described as any closed or announced M&A transaction where the target is headquartered in the United States or Canada, financial terms of the transaction have been disclosed, and the target has an industry classification that falls into the subject industry group and as such may not be representative of your company's market valuation. Past performance is not indicative of future results. Certain adjustments have been made to the information to exclude transactions which are not specific to the industry or incorporate relevant transactions for which an industry classification was omitted.

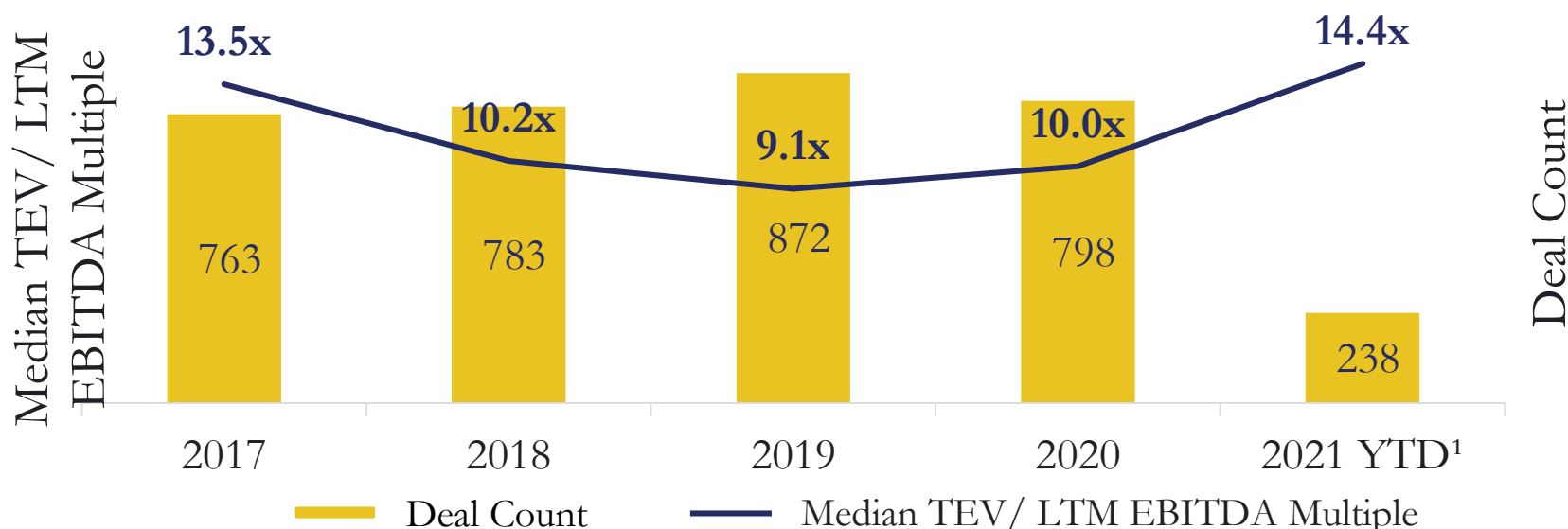
U.S. & Canada M&A Market Overview



Distribution Transactions

Quick Highlights

- The Distribution industry Q1 2021 deal count and multiples exceeded historical averages
 - Annualized 2021 deal count was 119% of the previous 4-year (2017-2020) average
 - Q1 2021 median TEV/LTM EBITDA multiple was 134% of the previous 4-year (2017-2020) average



Source: S&P Capital IQ; ArkMalibu; Other publicly available sources

¹YTD as of 03/31/2021

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Public Companies' Trading Metrics | Distribution

As of: 3/31/2021

Category / Company	Valuation Statistics				Multiples Data					
	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)			EV / EBITDA (x)		
					2020A	LTM	NTM	2020A	LTM	NTM
USD in millions except per share price										
Broadline										
AutoZone, Inc.	\$1,404.30	\$30,946	\$38,347	23.4%	2.6	2.9	2.9	10.0	11.0	13.1
Bunzl plc	\$32.00	\$10,677	\$13,088	8.0%	1.0	0.9	1.0	11.6	10.1	11.6
Dorman Products, Inc.	\$102.64	\$3,278	\$3,165	15.2%	2.6	2.9	2.6	15.3	17.9	14.7
Genuine Parts Company	\$115.59	\$16,692	\$19,452	7.7%	0.9	1.2	1.1	11.9	12.3	13.5
O'Reilly Automotive, Inc.	\$507.25	\$35,461	\$41,119	23.6%	3.3	3.5	3.5	12.6	13.3	15.6
Uni-Select Inc.	\$7.21	\$306	\$754	4.0%	0.5	0.5	0.5	8.5	8.7	6.6
Median	\$109.12	\$13,684	\$16,270	11.6%	1.8	2.0	1.9	11.7	11.6	13.3
Building Products & Construction										
Beacon Roofing Supply, Inc.	\$52.32	\$3,631	\$6,610	7.2%	0.8	0.9	1.0	10.0	10.3	12.6
Builders FirstSource, Inc.	\$46.37	\$9,572	\$11,054	7.7%	0.8	1.3	0.8	10.2	14.5	8.2
Ferguson plc	\$119.41	\$26,733	\$29,017	8.6%	1.3	1.3	1.3	13.6	13.3	12.7
Houston Wire & Cable Company	\$5.22	\$88	\$133	0.3%	0.4	0.5	NM	12.3	29.1	NM
Pool Corporation	\$345.24	\$13,863	\$14,465	12.7%	4.2	3.7	3.3	29.5	24.9	25.6
SiteOne Landscape Supply, Inc.	\$170.74	\$7,573	\$8,094	9.0%	2.9	3.0	2.7	25.6	25.8	27.7
Watsco, Inc.	\$260.75	\$9,168	\$9,532	8.2%	1.7	1.9	1.8	17.1	18.4	21.1
Median	\$119.41	\$9,168	\$9,532	8.2%	1.3	1.3	1.6	13.6	18.4	16.9

Public Companies' Trading Metrics | Distribution

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	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)			EV / EBITDA (x)		
					2020A	LTM	NTM	2020A	LTM	NTM
Diversified Industrial										
Applied Industrial Technologies, Inc.	\$91.17	\$3,534	\$4,092	9.0%	1.2	1.3	1.3	12.9	14.9	14.1
DXP Enterprises, Inc.	\$30.17	\$582	\$840	3.7%	0.5	0.8	0.8	7.7	13.9	13.1
Fastenal Company	\$50.28	\$28,878	\$29,282	23.1%	5.1	5.2	5.0	19.8	20.2	21.5
Kaman Corporation	\$51.29	\$1,422	\$1,525	14.9%	2.1	1.9	2.0	12.2	12.4	14.5
Lawson Products, Inc.	\$51.86	\$470	\$452	9.0%	1.3	1.3	1.1	15.6	12.4	10.1
MRC Global Inc.	\$9.03	\$747	\$1,590	2.2%	0.5	0.6	0.6	14.3	16.9	14.8
MSC Industrial Direct Co., Inc.	\$90.19	\$5,034	\$5,534	13.7%	1.6	1.8	1.7	11.4	12.2	12.8
Vallourec S.A.	\$34.04	\$390	\$3,492	7.0%	0.9	0.9	0.9	11.8	11.8	10.9
Veritiv Corporation	\$42.54	\$680	\$1,552	2.2%	0.2	0.2	0.3	4.9	6.1	7.9
W.W. Grainger, Inc.	\$400.93	\$20,985	\$23,281	12.9%	2.0	2.0	1.9	15.3	14.5	14.0
Median	\$50.79	\$1,084	\$2,541	9.0%	1.2	1.3	1.2	12.5	13.2	13.6
Electrical										
Rexel S.A.	\$19.84	\$6,020	\$8,777	4.4%	0.5	0.6	0.6	8.4	10.2	7.8
WESCO International, Inc.	\$86.53	\$4,341	\$9,326	5.2%	0.9	0.8	0.6	13.7	11.6	10.0
Median	\$53.18	\$5,180	\$9,051	4.8%	0.7	0.7	0.6	11.1	10.9	8.9
Energy/Oil & Gas										
DCP Midstream, LP	\$21.66	\$4,513	\$10,959	11.1%	1.7	1.8	1.1	9.0	9.4	8.8
Enbridge Inc.	\$36.39	\$73,719	\$136,309	30.2%	3.9	4.4	3.9	12.4	13.1	12.2
EnerSys	\$90.80	\$3,876	\$4,553	11.1%	1.4	1.5	1.4	11.7	12.3	11.1
Global Partners LP	\$21.36	\$726	\$2,273	3.6%	0.2	0.3	0.1	5.3	6.3	10.0
Martin Midstream Partners L.P.	\$2.47	\$96	\$632	13.9%	0.9	0.9	NM	4.9	5.4	6.6
NOV Inc.	\$13.72	\$5,326	\$6,259	-2.5%	0.9	1.0	1.1	47.6	NM	35.7
Suburban Propane Partners, L.P.	\$14.82	\$927	\$2,288	23.4%	2.0	2.1	2.0	7.8	8.0	8.7
Median	\$21.36	\$3,876	\$4,553	11.1%	1.4	1.5	1.3	9.0	8.7	10.0








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					2020A	LTM	NTM	2020A	LTM	NTM
USD in millions except per share price										
Food Services										
Core-Mark Holding Company, Inc.	\$38.69	\$1,747	\$2,328	1.2%	0.1	0.2	0.1	8.4	10.7	11.2
SpartanNash Company	\$19.63	\$709	\$1,501	2.3%	0.2	0.2	0.2	5.4	5.4	7.4
Sysco Corporation	\$78.74	\$40,190	\$48,834	3.4%	0.9	1.1	0.9	20.8	29.1	16.6
United Natural Foods, Inc.	\$32.94	\$1,854	\$5,491	2.7%	0.2	0.2	0.2	4.4	4.7	7.9
US Foods Holding Corp.	\$38.12	\$8,428	\$14,310	2.4%	0.6	0.6	0.5	18.0	23.5	13.5
Median	\$38.12	\$1,854	\$5,491	2.4%	0.2	0.2	0.2	8.4	10.7	11.2
Specialty chemicals										
Air Products and Chemicals, Inc.	\$281.34	\$62,254	\$64,476	38.5%	7.1	7.2	6.5	16.6	17.3	15.7
Brenntag SE	\$85.45	\$13,201	\$14,840	7.4%	0.9	1.1	1.0	11.7	12.8	11.5
Hawkins, Inc.	\$33.52	\$711	\$807	13.0%	1.2	1.4	1.3	8.8	10.6	9.7
L'Air Liquide S.A.	\$163.50	\$77,145	\$91,560	26.4%	3.7	3.8	3.6	13.7	13.8	12.6
Linde plc	\$280.14	\$145,710	\$161,444	32.1%	5.6	5.9	5.6	17.9	18.3	17.1
Univar Solutions Inc.	\$21.54	\$3,651	\$6,122	6.9%	0.7	0.7	0.7	8.7	9.4	9.5
Median	\$124.47	\$37,728	\$39,658	19.7%	2.4	2.6	2.4	12.7	13.3	12.1
Technology										
Arrow Electronics, Inc.	\$110.82	\$8,268	\$10,541	3.8%	0.3	0.4	0.3	9.9	8.9	8.0
Avnet, Inc.	\$41.51	\$4,128	\$5,277	2.0%	0.3	0.3	0.3	10.4	11.7	10.6
Insight Enterprises, Inc.	\$95.42	\$3,350	\$4,103	4.2%	0.4	0.5	0.5	8.8	10.5	10.3
ScanSource, Inc.	\$29.95	\$762	\$879	2.9%	0.3	0.3	0.3	8.4	9.6	8.1
Median	\$68.47	\$3,739	\$4,690	3.3%	0.3	0.3	0.3	9.4	10.1	9.2

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	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)			EV / EBITDA (x)			
					2020A	LTM	NTM	2020A	LTM	NTM	
USD in millions except per share price											
Transportation & Heavy Equipment											
AAR Corp.	\$41.65	\$1,455	\$1,623	3.0%	0.8	1.0	0.9	16.7	20.3		10.7
Finning International Inc.	\$25.41	\$4,124	\$5,045	8.3%	0.9	1.0	1.0	9.4	10.5		8.4
HEICO Corporation	\$125.80	\$16,027	\$16,551	25.7%	9.7	9.7	8.6	35.6	37.9		31.7
LKQ Corporation	\$42.33	\$12,801	\$16,877	11.6%	1.3	1.5	1.4	8.6	9.6		11.5
Titan Machinery Inc.	\$25.50	\$566	\$796	4.6%	0.6	0.6	0.5	10.2	9.4		11.2
Triumph Group, Inc.	\$18.38	\$1,011	\$2,615	7.8%	1.0	1.2	1.5	9.2	13.2		14.7
Median	\$33.58	\$2,789	\$3,830	8.0%	0.9	1.1	1.2	9.8	11.8		11.3



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