



Quarterly Update

- Rising interest rates began to impact the building products sector in the second quarter, with deal volume slowing and shifting away from LBOs and towards strategic acquisitions.
- Buyers pursuing roll-up strategies continued to show interest in overhead door manufacturing businesses, with Nucor's acquisition of C.H.I. Overhead Doors becoming the latest company in the industry to trade.
- EdgePoint's Building Products Index continued its recent decline, having underperformed the S&P 500 since January. This trend is expected to continue well into the second half as mortgage rates continue to increase.
- The Consumer Confidence Index decreased further to 58.4 points at its most recent release in May. The index is now 30 points below its 10-year average and 40 points below its early 2020 highs.
- EdgePoint expects deal volume in the building products subsector to slow slightly in the second half of 2022. Dealmaking may bounce back once the market has adjusted to the increasing interest rate environment.

Recent Industrials Transactions (Selected)



For more information and insights, please contact the EdgePoint Industrials Group:



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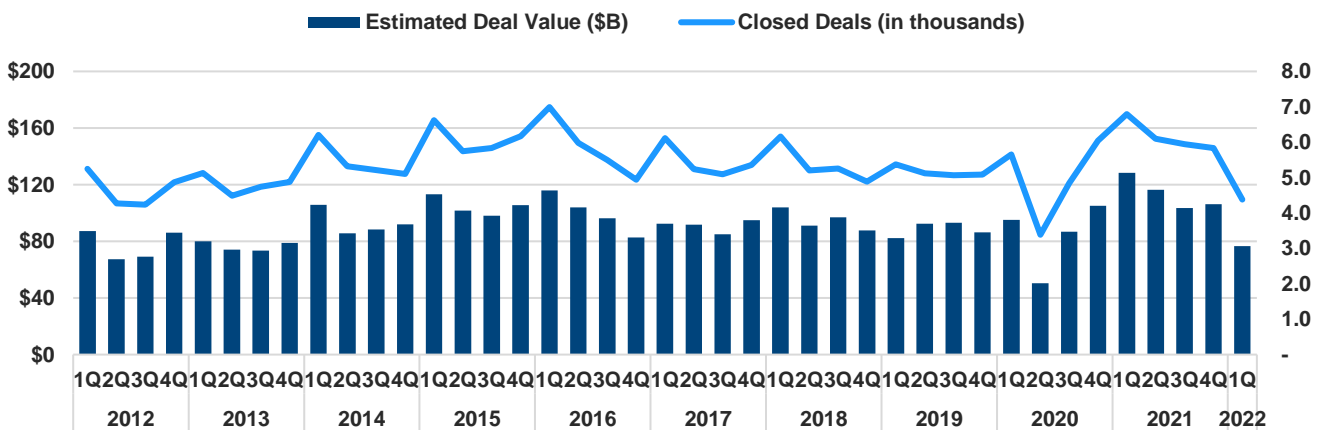
Industrials: Building Products | June 2022

Recent Building Products Transactions (Selected)

Target	Date	Buyers / Investors	Region	Strategic / Financial
C.H.I. Overhead Doors, Inc.	Jun 24	Nucor Corporation	United States	Strategic
Reckendrees Bauelemente GmbH	Jun 23	EGE Group	EMEA	Strategic
Brightview Window & Door Distribution Corp.	Jun 14	GULFSIDE SUPPLY, INC.	United States	Financial-Backed Strategic
NEWPRO Operating, LLC	Jun 1	Renovo Home Partners	United States	Financial-Backed Strategic
Stone Boutique /Allure Natural Stone	May 31	Compagnie de Saint-Gobain S.A.	Canada	Strategic
Hyvinkään Puuseppien Oy	May 31	Inwido AB (publ)	EMEA	Strategic
Westcoast Windows AB	May 31	Inwido AB (publ)	EMEA	Strategic
Signature Aluminium Sdn Bhd	May 26	Signature International Berhad	APAC	Strategic
Garolla Limited	May 18	Mayfair Equity Partners LLP	EMEA	Financial
Stigma Hyväri AB	May 4	Gapro- AB Willwood	EMEA	Strategic
Hollow Metal Doors Business Mesker	May 2	Triangle Brass Mfg. Co. Inc.	EMEA	Strategic
Huttig Building Products, Inc.	May 2	Clayton, Dubilier & Rice, LLC	United States	Financial-Backed Strategic
Somerset Hardwood Flooring, Inc.	May 1	Bauwerk Group AG	United States	Strategic
Mid-Am Building Supply, Inc.	Apr 29	Marshall's plc	EMEA	Strategic
Oldcastle BuildingEnvelope, Inc.	Apr 29	Robert Price (Builders' Merchants)	United States	Financial
AFA Forest Products Inc.	Apr 27	Gillfor Distribution Inc.	Canada	Strategic
EL and EL Wood Products Corp.	Apr 18	Metrie Inc.	United States	Strategic
Cook Sales, Inc.	Apr 11	Leonard Buildings and Truck Accessories	United States	Strategic
PANELCO SAS	Apr 5	Leonard Buildings	EMEA	Financial-Backed Strategic
Monopanel SA	Apr 1	Bremhove NV	EMEA	Financial-Backed Strategic
Florence Corporation	Apr 1	SRS Distribution Inc.	United States	Financial-Backed Strategic

Source: S&P Capital IQ (June 30, 2022)

Global Lower-Middle Market Quarterly Deal Flow



Lower-middle market refers to deals valued at \$100 million or less

Source: Pitchbook (March 31, 2022)

Industrials: Building Products | June 2022

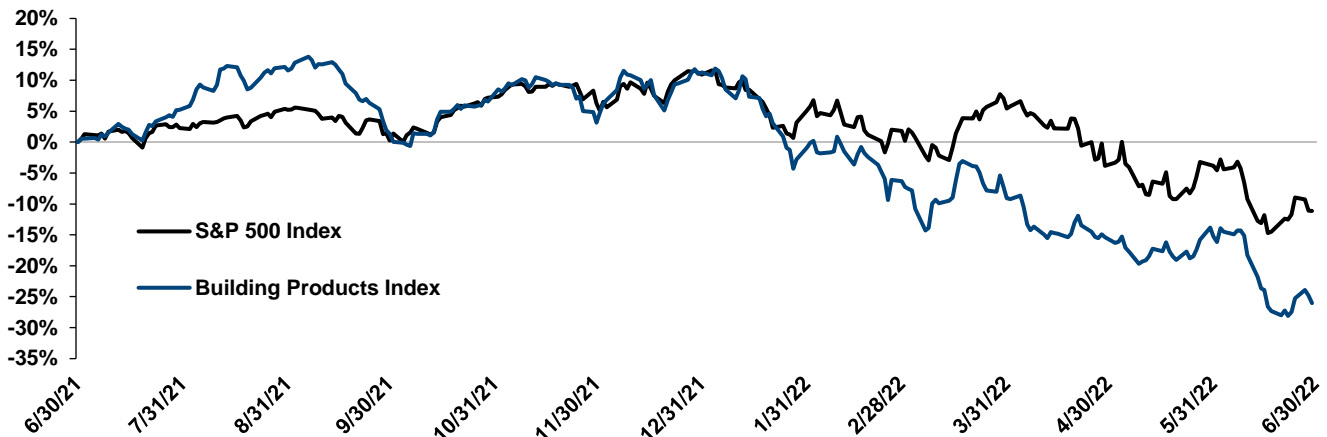
EdgePoint Public Comparable Index Constituents

Building Products

Company Name	Enterprise Value (EV)	LTM Margins		EBITDA		EV/EBITDA		Revenue LTM	Revenue Growth		Stock Price	% of 52 Wk High
		Gross	EBITDA	LTM	2022E	LTM	2022E		LTM	3-Yr. CAGR		
Advanced Drainage Systems, Inc.	\$ 8,838	29.6%	20.7%	\$ 574	\$ 808	14.9x	10.9x	\$ 2,769	39.7%	26.0%	\$ 90.07	65.3%
American Woodmark Corporation	1,350	12.2%	6.6%	123	189	9.0x	7.1x	1,857	6.5%	4.1%	45.01	54.3%
Apogee Enterprises, Inc.	1,116	23.8%	12.2%	164	158	6.8x	7.1x	1,345	6.1%	-1.8%	39.22	77.7%
Armstrong Flooring, Inc.	127	12.1%	-4.5%	(30)	-	NM	0.0x	650	11.1%	-3.7%	0.28	4.4%
Armstrong World Industries, Inc.	4,129	37.0%	25.4%	289	415	10.8x	9.9x	1,137	21.0%	4.7%	74.96	63.5%
ASSA ABLOY AB (publ)	26,211	39.6%	17.9%	1,912	2,148	13.9x	12.1x	10,686	14.3%	4.7%	21.21	74.8%
Caesarstone Ltd.	420	25.6%	9.2%	62	77	4.6x	5.4x	668	32.1%	5.6%	9.13	60.9%
Comfort Systems USA, Inc.	3,406	18.0%	7.9%	261	303	11.4x	11.2x	3,289	16.4%	13.4%	83.15	80.2%
Compagnie de Saint-Gobain S.A.	31,066	26.5%	12.5%	6,269	6,961	4.6x	4.4x	50,222	15.8%	1.9%	42.80	61.0%
Daikin Industries,Ltd.	47,201	34.0%	14.9%	3,824	3,577	13.8x	13.2x	25,603	24.7%	7.8%	160.06	73.5%
Fortune Brands Home & Security, Inc.	10,974	35.7%	16.7%	1,303	1,434	8.0x	7.7x	7,802	20.8%	12.0%	59.88	54.8%
Georg Fischer AG	4,111	38.9%	11.1%	454	489	9.5x	8.4x	4,107	17.0%	-6.6%	49.18	60.6%
Hubbell Incorporated	10,784	27.7%	16.1%	705	795	14.6x	13.6x	4,394	23.8%	-1.4%	178.58	84.0%
Installed Building Products, Inc.	3,083	30.0%	14.2%	301	374	9.3x	8.2x	2,119	25.2%	15.5%	83.16	58.8%
Interface, Inc.	1,284	36.0%	14.1%	175	184	6.5x	7.0x	1,235	15.6%	0.0%	12.54	69.6%
James Hardie Industries plc	10,581	36.3%	27.0%	977	1,149	11.4x	9.1x	3,615	24.3%	13.0%	21.89	54.7%
JELD-WEN Holding, Inc.	3,026	19.4%	7.5%	363	506	6.8x	6.0x	4,850	11.5%	3.2%	14.59	48.8%
Kingspan Group plc	12,016	28.6%	13.3%	984	1,041	12.6x	11.5x	7,389	42.0%	14.1%	60.00	53.8%
Lennox International Inc.	9,206	28.1%	15.5%	662	745	12.1x	12.4x	4,277	11.4%	3.7%	206.59	58.3%
LIXIL Corporation	8,740	34.1%	10.0%	1,179	1,019	8.0x	8.2x	11,764	3.7%	-8.0%	18.69	75.5%
Masco Corporation	15,129	33.3%	13.5%	1,160	1,691	12.3x	8.9x	8,606	13.6%	11.3%	50.60	71.2%
Masonite International Corporation	2,612	23.8%	15.0%	401	465	5.7x	5.6x	2,677	13.8%	7.0%	76.83	59.6%
Mueller Industries, Inc.	2,952	23.9%	19.2%	762	-	3.8x	0.0x	3,961	51.6%	16.9%	53.29	84.5%
NORMA Group SE	1,111	54.5%	13.0%	160	190	6.7x	5.7x	1,236	12.5%	0.6%	22.27	46.7%
Owens Corning	9,637	27.0%	22.7%	2,025	2,187	4.6x	4.4x	8,929	21.2%	8.3%	74.31	73.5%
PGT Innovations, Inc.	1,654	35.6%	13.5%	169	239	8.4x	6.9x	1,249	33.8%	19.5%	16.64	69.9%
Quanex Building Products Corporation	840	21.8%	12.0%	140	154	5.5x	5.5x	1,162	20.0%	8.9%	22.75	87.7%
Tarkett S.A.	1,386	20.0%	6.2%	197	240	6.2x	5.6x	3,175	6.0%	-0.5%	12.96	57.9%
TopBuild Corp.	7,007	28.3%	16.7%	654	846	9.5x	8.3x	3,912	39.3%	15.9%	167.16	58.8%
Tyman plc	759	33.3%	16.0%	137	137	5.6x	5.4x	861	11.0%	2.4%	2.90	51.4%
Median		28.4%	13.8%	428	477	8.4x	7.4x	3,452	16.7%	5.1%	47.09	60.9%
Mean		29.2%	13.9%	879	951	8.9x	7.7x	6,185	20.2%	6.6%	59.02	63.2%

Source: S&P Capital IQ (June 30, 2022)

EdgePoint Comparable Index Trailing Twelve Months Stock Performance

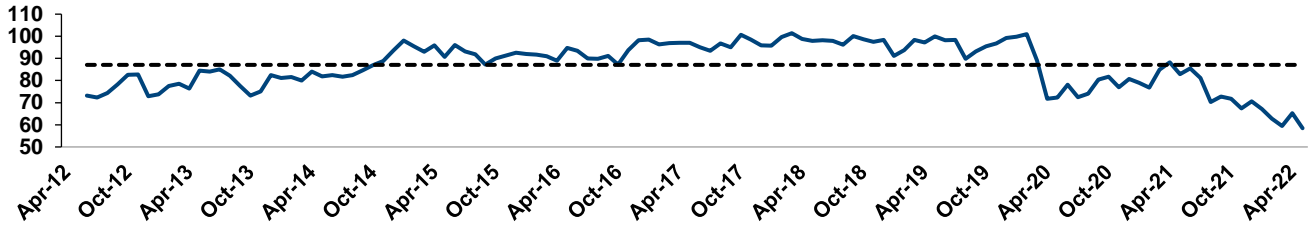


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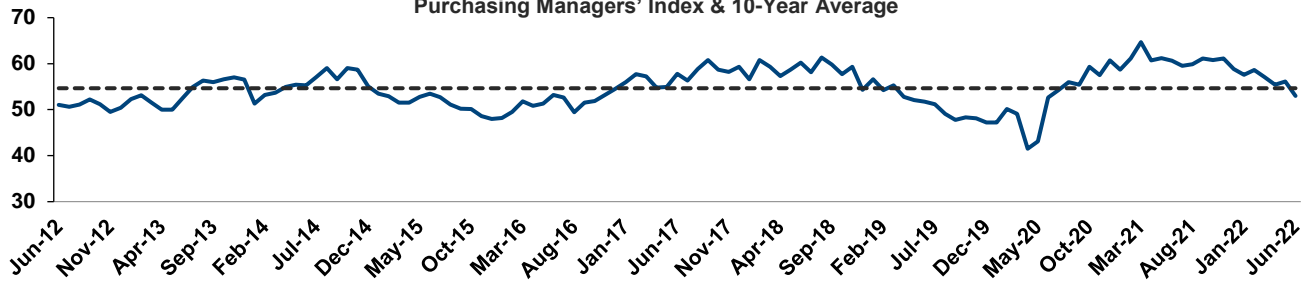
Key Macroeconomic Indicators

University of Michigan Consumer Confidence Index & 10-Year Average



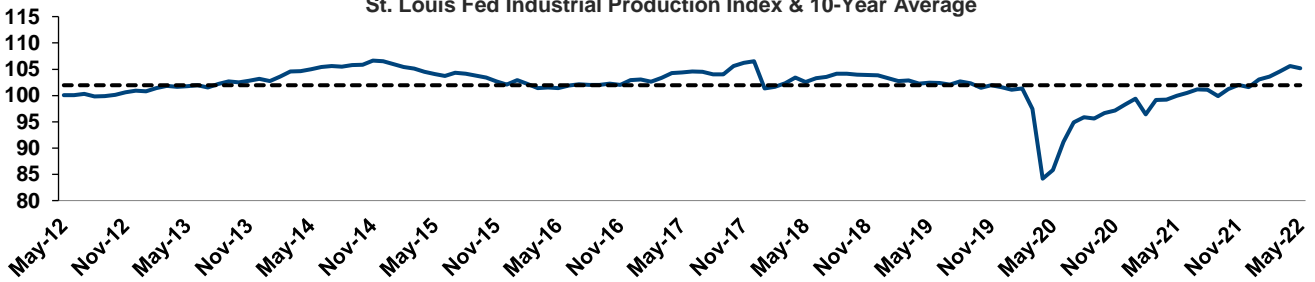
Source: University of Michigan

Purchasing Managers' Index & 10-Year Average



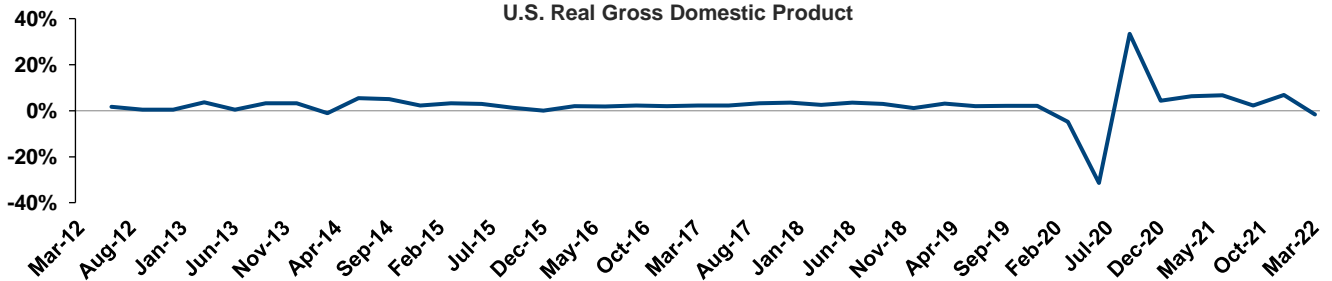
Source: Institute for Supply Management

St. Louis Fed Industrial Production Index & 10-Year Average



Source: The Federal Reserve Bank of St. Louis

U.S. Real Gross Domestic Product



Source: Bureau of Economic Analysis