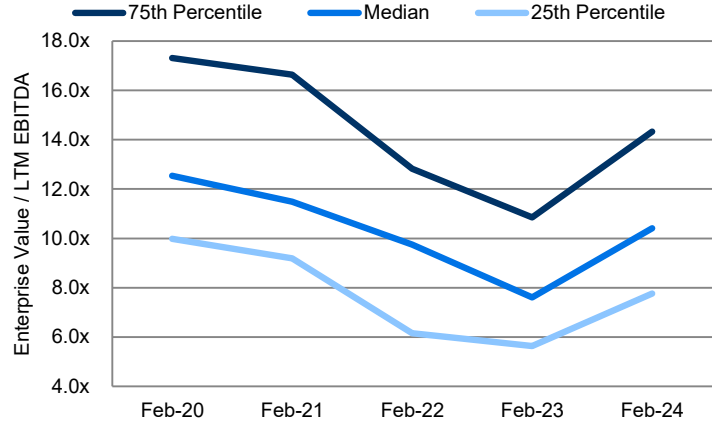


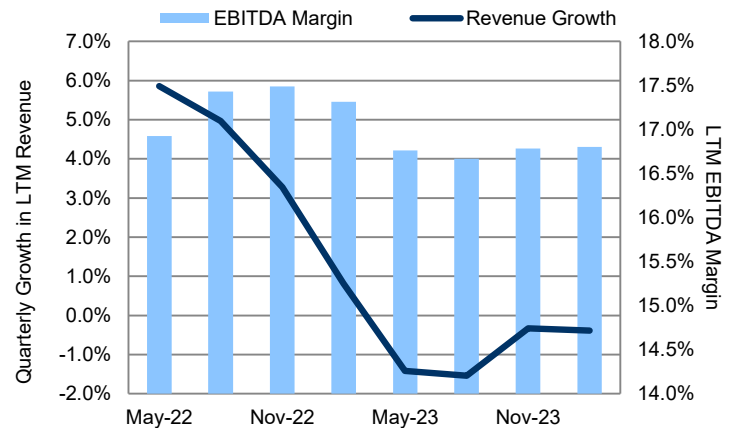
M&A Activity

- Putting 2023's slow second half in the rear-view, early indicators for 2024 deal activity are somewhat positive, particularly in the US market. Inflation is easing and rate cuts are expected, which offers some potential relief to the broader deal environment. M&A activity is expected to increase in 2024, broadly speaking, with motivating factors such as industry consolidation, digital transformation, AI, and private debt financing. Regulatory environments are seen as being the main obstacle, particularly in advanced economies, with antitrust figuring prominently as well as consideration for ESG compliance.
- On December 21, 2023, GMS Inc., a leading North American specialty building products distributor, announced that it entered into an agreement to acquire Kamco Supply Corporation and affiliates. Headquartered in Brooklyn, New York, Kamco is a leading supplier of ceilings, wallboard, steel, lumber, and other related construction products.
- On November 1, 2023, Beacon Roofing Supply, Inc. announced that it completed the acquisition of H&H Roofing Supply, LLC of Bakersfield, CA. H&H Roofing Supply, LLC engages in the distribution of residential and non-residential roofing materials. The company was founded in 2002.

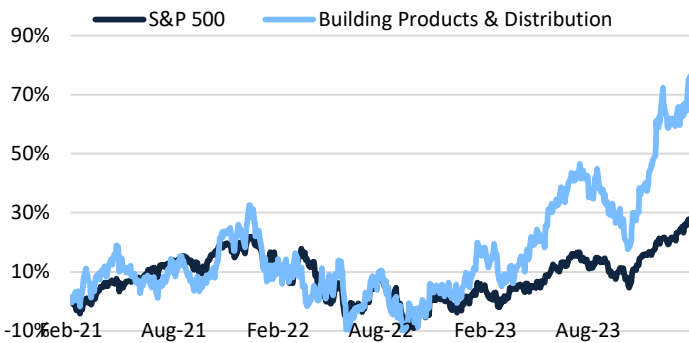
Trend in Industry EBITDA Multiples¹



Trends in Revenue Growth and EBITDA Margins¹

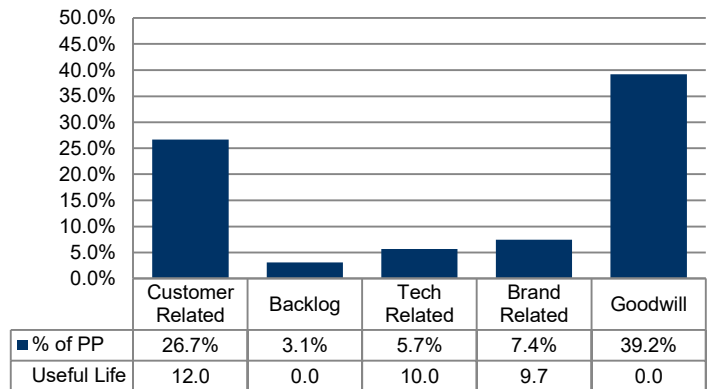


Relative Stock Price Returns²



¹ Calculated using aggregated data for APOG, AAON, SSD, ROCK, NX, PGTI, TREX, GFF, CNR, CBPX, IJIN, MAS, BLDR, PC, JCI.
² Building Products Industry is a custom, equal-weighted index constructed with the aforementioned companies.

Purchase Price Allocation (PPA) % from Recent Transactions



Notable M&A Deals



On February 9, 2024, Owens Corning and Masonite International Corporation announced that they entered into a definitive agreement under which Owens Corning will acquire all outstanding shares of Masonite for \$133.00 per share in cash, representing an approximate 38% premium. The implied transaction value is approximately \$3.9 billion, implying a purchase multiple of approximately 8.6x 2023 adjusted EBITDA, or 6.8x when including synergies of \$125 million.



On January 2, 2024, door maker PGT Innovations agreed to a higher offer from window and door manufacturer Miter Brands to take it private in a deal valued at approximately \$3.2 billion, weeks after it had green-lighted a bid from Masonite International. The PGT board unanimously determined that Miter's deal constituted a "superior proposal" compared to vinyl and aluminum doors and windows maker Masonite's \$3 billion deal.



On December 15, 2023, Builders FirstSource, Inc. acquired Encore Performance, LLC, dba Encore Flooring Products, a retailer of home improvement products and flooring materials with an initial core market in Northwest Arkansas, Oklahoma, Missouri, and Kansas.