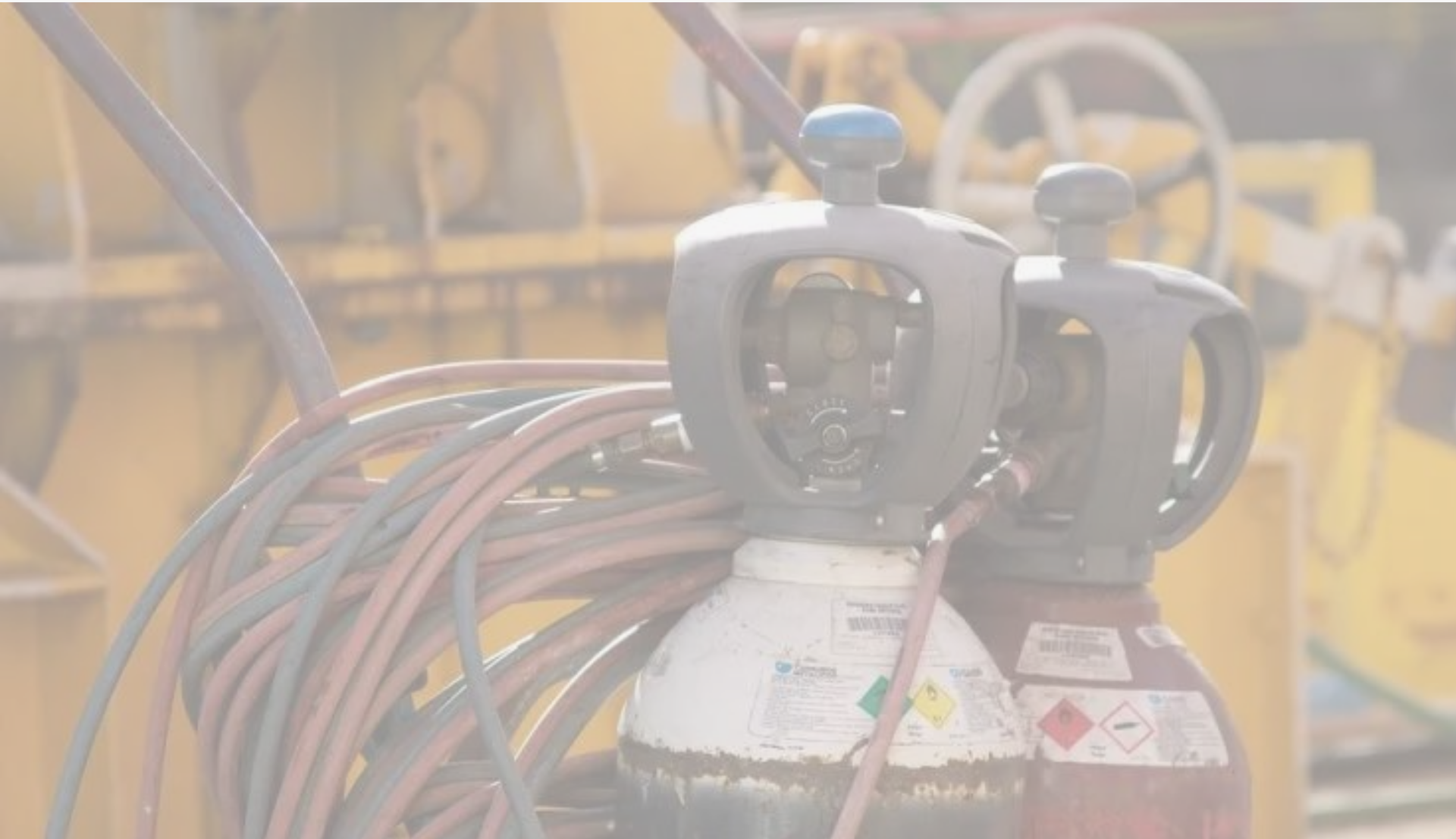


# Gases and Welding Equipment Distribution Market Update

September 2024

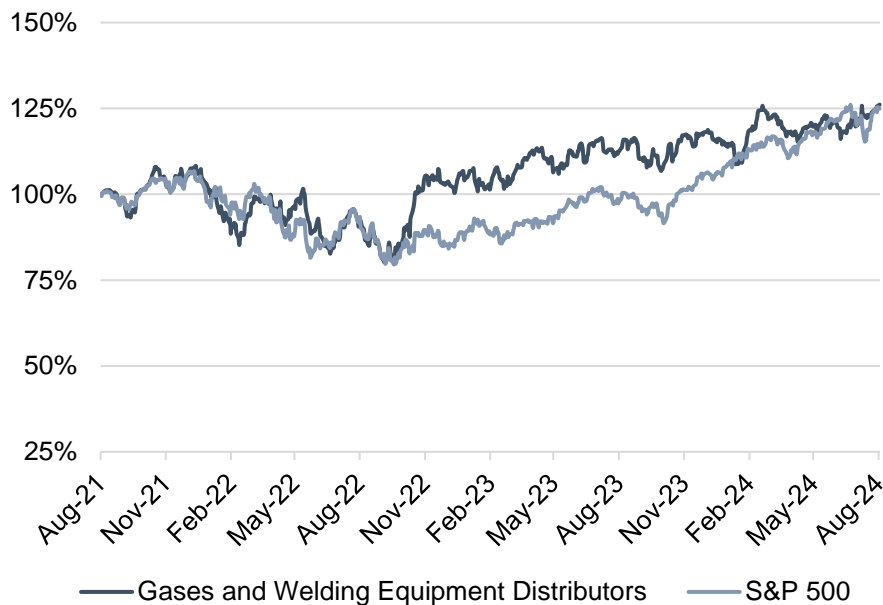
FOUNDERS  
ADVISORS



# Public Market Trends

Gases and welding equipment wholesalers remained stable despite fluctuating market conditions.

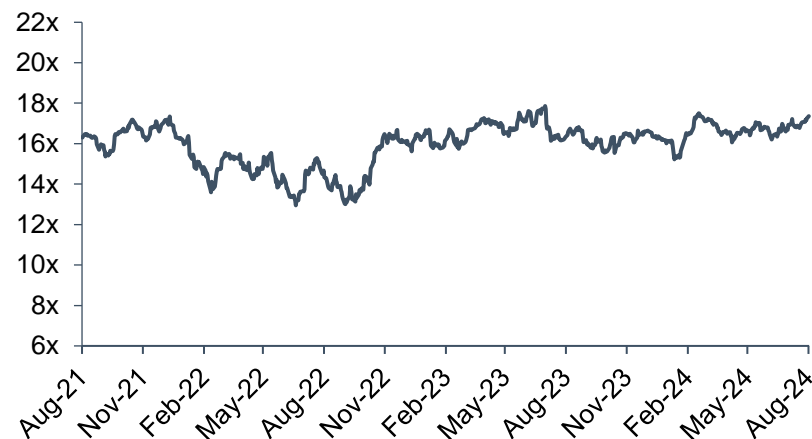
## Gases and Welding Equipment Public Market Performance



### Gases and Welding Equipment Distributors



## Gases and Welding Equipment EV / EBITDA Multiples



## Select Earnings Call Quote



**Linde**  
CEO – Sanjiv Lamba

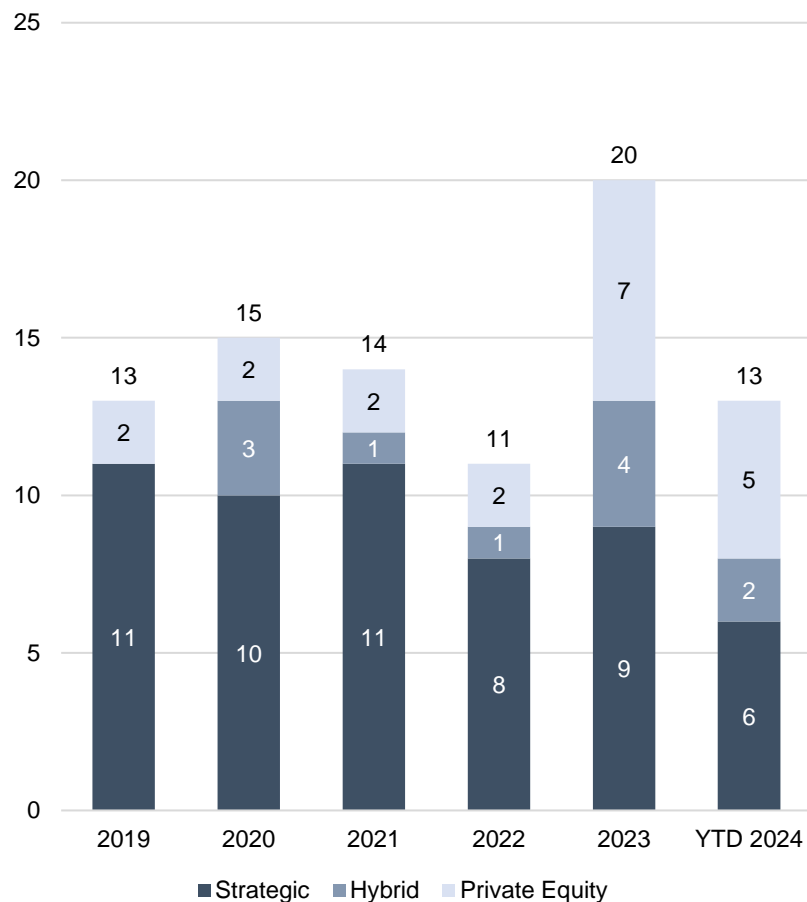
### Q1 2024 Earnings Call (May 2<sup>nd</sup>, 2024)

"I'm proud of how the Linde team continues to deliver high-quality results despite economic headwinds. We had another strong quarter, growing Earnings Per Share by 10%, Return On Capital to 25.6% and expanding operating margins 200 basis points, reaching 28.9%. These results demonstrate the resiliency of our integrated industrial gas model through optimizing our network density, all while developing high-quality growth opportunities."

# Transaction Activity

Rapid consolidation began in recent years, driven by the emergence of private equity as well as key consolidator activity.

Gases & Welding Distribution Transactions by Type

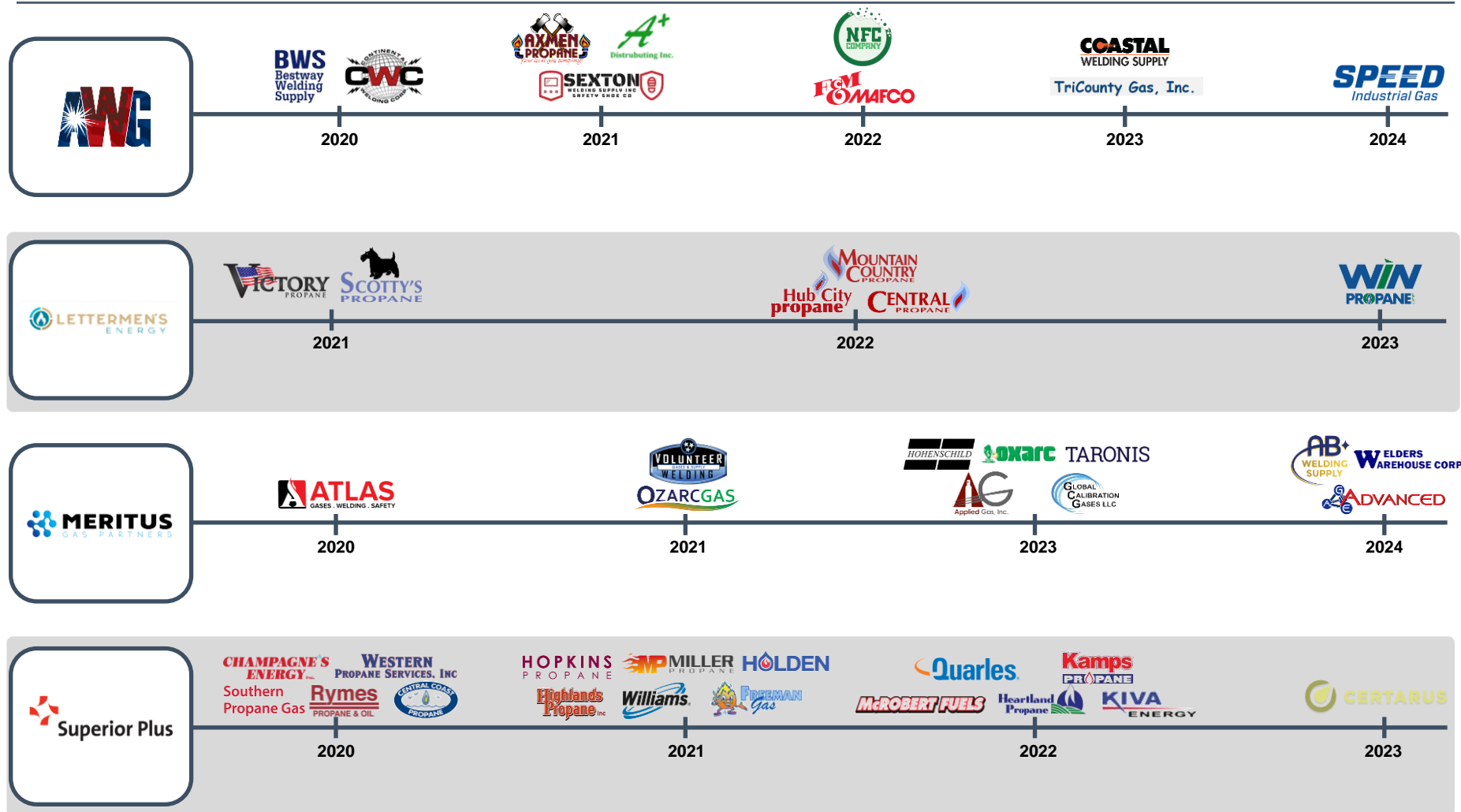


Recent Gas & Welding Distribution Transactions

Seller	Acquirer	Date
		Jul-24
		Jul-24
		Jun-24
		Jun-24
		Jun-24
		May-24
		May-24
		Apr-24
		Mar-24
		Feb-24
		Feb-24
		Jan-24
		Jan-24
		Dec-23

# Active Consolidators

The sector has multiple consolidators expanding through acquisitions.



# Specialty Distribution Coverage

Founders has focused coverage efforts on the specialty distribution sector.

## Specialty Distribution Coverage

### Commercial and Industrial

Automotive & Heavy-Duty Aftermarket



Equipment Dealers



Fastener / MRO



Fluid Power



Foodservice



Gases & Welding Equipment



Hoses & Fittings



Janitorial & Sanitation



Specialty Chemical



### Building Products

Electrical



HVACR



Landscape Supplies



Lumber & Building Materials



Pipes, Valves, & Fittings



Plumbing



Pool & Spa



Roofing



Wallboard / Gypsum



## Recent Specialty Distribution Transactions



**April 2024**

Provider of contract packaging and turnkey fulfillment service and delivery



**October 2023**

Distributes and services heavy-duty truck and trailer parts for a regional customer base



**March 2023**

Distributes refrigeration parts and equipment to restaurants, bars, and supermarkets



**July 2022**

Distributes and services industrial valves and other flow control products across the Southeast



**December 2021**

Distributes plumbing supplies and fixtures to residential repair and construction end markets



**December 2023**

Provider of parts, systems, and equipment for aggregate and mineral producer end markets



**March 2023**

Distributes fasteners and strut accessories to OEM and construction end markets



**September 2022**

Distributes lumber and building materials to residential construction end markets



**June 2022**

Distributes heavy-duty truck parts and accessories to enthusiasts via the e-commerce channel



**October 2021**

Distributes pool and spa products to dealers in the Southeast



# Industrials Group Overview

With expertise across many Industrial sectors, our group brings valuable knowledge, contacts, and resources to our clients.

## Overview

- Founders' Industrials Group consists of 15 professionals who bring a wealth of knowledge, industry expertise, and commitment to our clients
- Our Senior Bankers have over 90 years of collective experience in industry and investment banking providing expert M&A advisory services to founder-owned companies
- Our deal teams are typically comprised of four professionals that are dedicated to helping our clients navigate complex M&A transactions and achieve their strategic and personal goals

## Experience Across a Wide Array of Sectors

Advanced Mfg. and Process  
Equipment

Facility and Industrial  
Services

Advanced Materials

Plastics & Packaging

Automation & IIoT

Power and Infrastructure

Connectors and Electronics

Specialty Distribution

Construction and Building  
Materials

Test & Measurement

## Recent Transactions



April 2024



February 2024



December 2023



November 2023



October 2023



August 2023



March 2023

# Founders Overview

Founders utilizes proven expertise and process-based solutions to produce exceptional outcomes for our clients.

- Independent merger and acquisition advisory firm focused on private businesses for the last 20 years
- Expertise across five industries that include Consumer, Healthcare, Industrials, and Technology & Business Services
- Senior bankers with decades of experience in investment banking, private equity, business development, and industry
- Headquartered in Birmingham, AL, with an additional office in Dallas, TX

# FOUNDERS ADVISORS

2003

*Year founded*

## INDUSTRY COVERAGE

Industrials



Technology



Consumer



Healthcare



Business Services



45+

*Professionals*

90%+

*Percentage of  
clients that are  
family owned*

# FOUNDERS

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## ADVISORS

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