

# Roofing Distribution Market Update

November 2024

FOUNDERS  
ADVISORS



# Public Market Trends

Roofing supplies wholesalers have maintained impressive earnings over recent years and have outperformed the S&P 500

### Roofing Wholesalers Public Market Performance



Roofing Wholesalers



### Roofing Wholesalers EV / EBITDA Multiples



### Industry Guidance



**Beacon Roofing Supply**  
*President & CEO – Julian Francis*

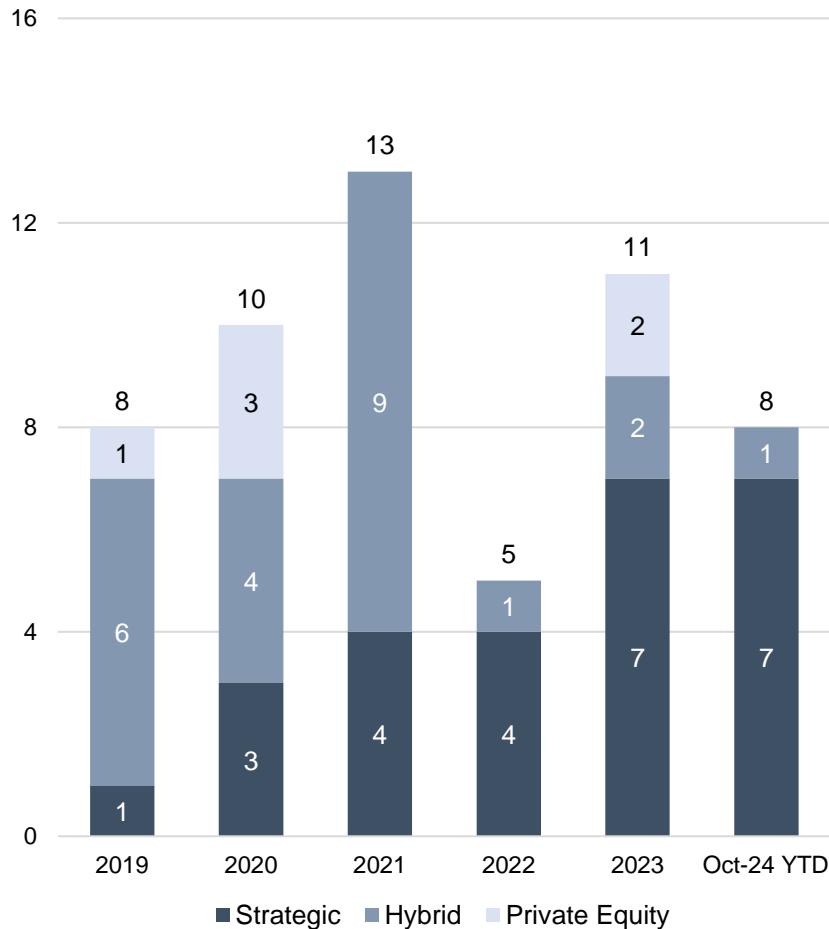
#### Q3 2024 Earnings Call

“Adding additional locations is something that we believe is absolutely critical to our strategy going forward, because we believe this is actually a high service business and providing that high-touch service is going to allow us to earn market share and capture value over a period of time. So, you should expect us to be adding 20-plus branches next year and we believe we can continue to do that going forward.”

# Recent Transaction Activity

Transaction activity has remained strong in recent years as the industry performs well and M&A continues to be in focus for key players across the sector

### Roofing Wholesale Transactions by Type<sup>1</sup>

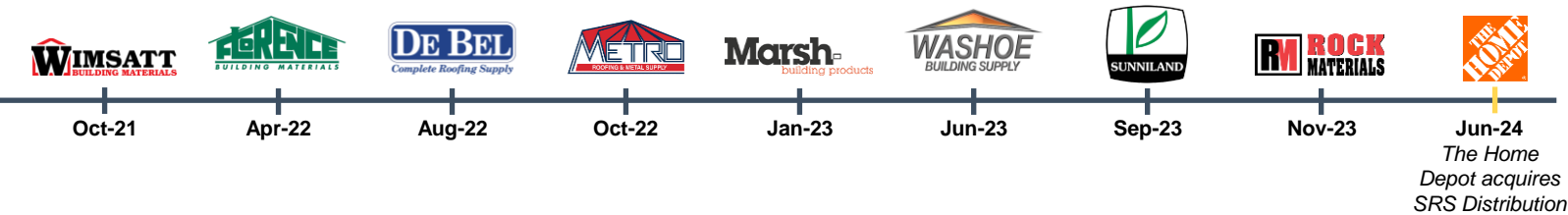
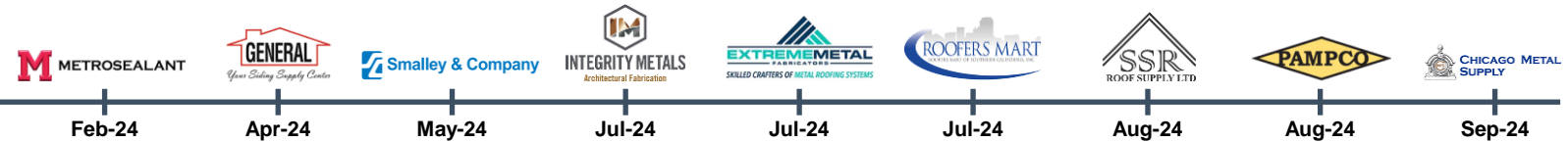


### Select Roofing Wholesale Transactions

Seller	Acquirer	Date
		Aug. 6, 2024
		Aug. 2, 2024
		Jun. 18, 2024
		Jun. 14, 2024
		Jun. 4, 2024
		Apr. 2, 2024
		Jan. 1, 2024
		Oct. 1, 2023
		Sep. 5, 2023
		Apr. 3, 2023
		Mar. 31, 2023
		Oct. 21, 2022
		Jun. 1, 2022
		Feb. 1, 2022

# 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



**December 2023**

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



**October 2023**

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



**March 2023**

Distributes fasteners and strut accessories to OEM and construction end markets



**March 2023**

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



**September 2022**

Distributes lumber and building materials to residential construction end markets



**July 2022**

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



**June 2022**

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



**December 2021**

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



**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*

45+

*Professionals*

90%+

*Percentage of clients that are family owned*

## INDUSTRY COVERAGE

Industrials



Technology



Consumer



Healthcare



Business Services



# FOUNDERS

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## ADVISORS

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