



SARGENT AND GREENLEAF

Investment Summary

| | | | |
|-------------------------|---------------------|------------------------------------|----------|
| Investment Date: | May 30, 2019 | Invested Capital: | \$76.4 M |
| Deal Type: | Corporate Carve-Out | Realized Value: | \$0.0 M |
| | | Remaining Unrealized Value: | \$76.4 M |
| | | Total Value: | \$76.4 M |

Company Description

| | |
|-------------------------|--|
| Business Summary | Sargent and Greenleaf, Inc. manufactures and sells mechanical and electronic security locks, residential door hardware, and steel doors. Three divisions include the Sargent and Greenleaf brand for security locking systems, Delaney Hardware brand for door systems hardware, and Premier Steel Doors & Frames for steel entry solutions. The company's products and services are offered directly and through distributors to banking, retail, residential and building construction, consumer, utilities, and government markets. The security company was founded in 1857 and was acquired as a carve-out from Stanley Black & Decker's security division. Delaney Hardware and Premier Steel Door & Frames, which were previously consolidated, were acquired on December 20, 2019. |
| Headquarters | Nicholasville, Kentucky – USA |
| Employees | 271 |
| Management | Mark LeMire – CEO and Acting President of Sargent and Greenleaf Locks Division Libby Zappala – President of Delaney Hardware Joey Meggs – President of Premier Steel Doors & Frames Steve Tonkel – CFO |

Recent Developments

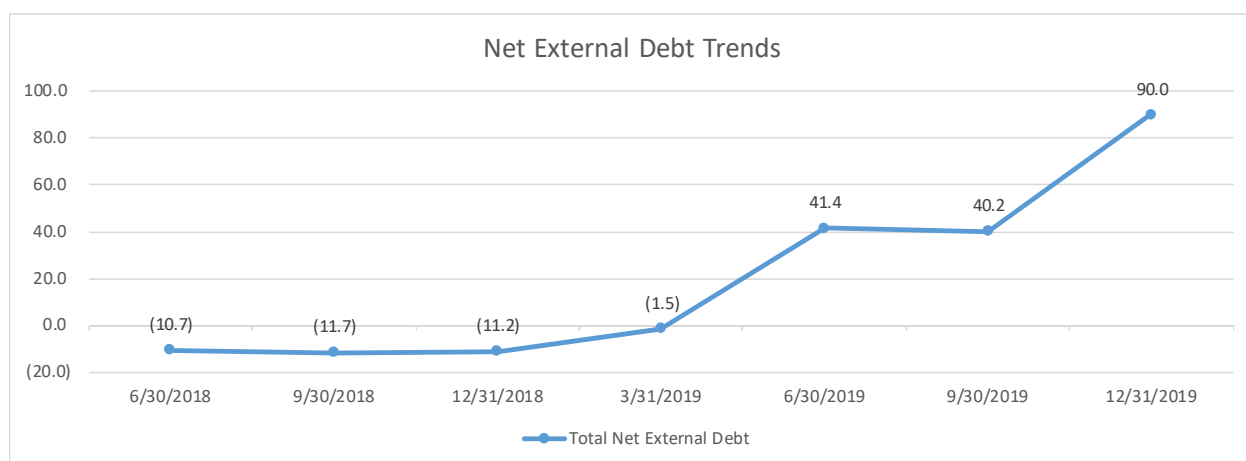
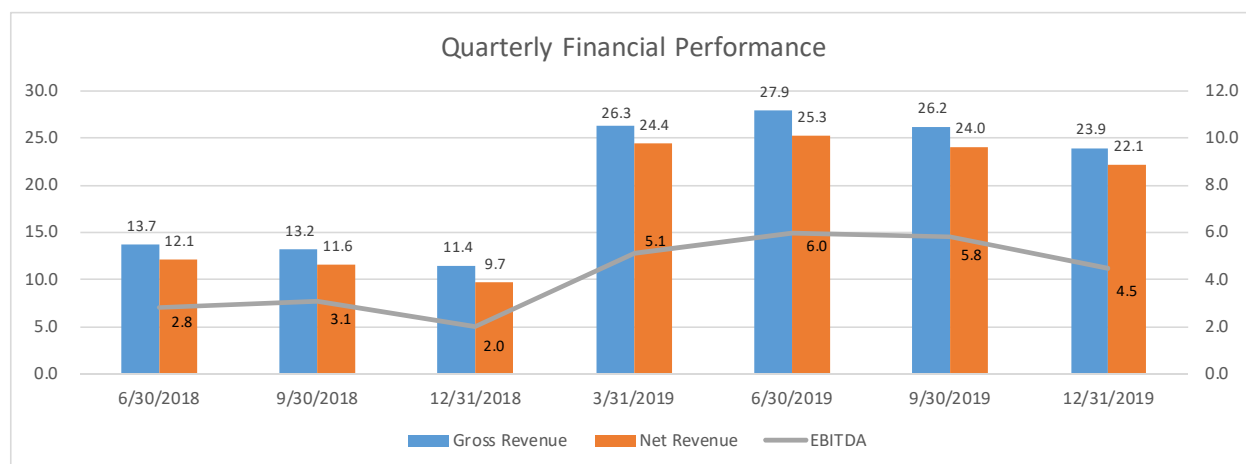
- Began S&G logo redesign and new website development, in preparation for brand refresh launch in Q2 2020
- Continued development of new S&G digital keypad with touch display, modern aesthetics, and open source connectivity, targeting summer 2020 launch
- Kicked off recruiting process for a Customer Relationship Director to coordinate product development, marketing, and customer service to best meet customer needs
- On December 20, acquired Delaney Hardware and Premier Steel Doors & Frames
- Delaney experienced multiple sales successes in Q4, including its largest sales month in Oct and >40% increase in Q4 eCommerce sales vs. prior year
- Premier experienced its best year for sales in 2019, with ~20% increase in Q4 shipments vs. prior year

Financial Summary (\$ in millions) (EBITDA does not include one-time transaction and deal fees)

| | LTM | Quarter Ended | | | At |
|----------------------|----------|---------------|----------|--------------------------------|----------|
| | 12/28/19 | 12/29/18 | 12/28/19 | | 12/28/19 |
| Revenue: | \$95.9 | \$21.7 | \$22.1 | Cash & Equivalents: | \$2.6 |
| Gross Profit: | \$38.0 | \$8.8 | \$8.7 | Debt: | \$92.5 |
| EBITDA: | \$21.9 | \$4.6 | \$5.0 | | |



Q4 2019 Financial Performance and Net Debt Trends (in USD)



Note: These charts exclude Delaney and Premier in the 2018 periods