



EXPERIENCED OPERATORS INVESTING IN THE MIDDLE MARKET

INVESTMENT CRITERIA

FUND SIZE

- \$800M Fund II (Flagship)
- \$250M Mobility Opportunity Fund (Fund II overage vehicle investing in EV, lightweighting, autonomous and connected car technologies)
- Additional Co-Invest on every deal (\$650M+ to date)
- AUM: \$2.2B

DEAL SIZE

- **Equity Investment:** \$20M to \$350M
- **EBITDA:** \$15M to \$100M
- **Revenue:** >\$75M
- **Transaction Size:** Up to \$500M

TARGET MARKET

- **Geography:** Global exposure with North American/European HQ
- **Sectors:** B2B Industrials, Manufacturing, & Specialty Distribution
- **Special Thesis Areas:**
 - **Mobility**
 - **Infrastructure**
 - **Industry 4.0**
- **Exclusions:**
 - >25% exposure to Big Box Retail
 - Turnarounds

CHARACTERISTICS

- **Good business:**
 - End market growth
 - Historical growth at / above market
 - Market leading player
 - Strong FCF conversion
- **Operationally underperforming peers / benchmarks**
- **Definable Value Creation Plan** prior to close

PORTFOLIO

Powersports Aftermarket

Mentor, OH
Revenue: ~\$200M
Fund(s): Fund II
Acquired: Nov 2021

Precast Concrete Manufacturer

Canal Fulton, OH
Revenue: ~\$125M
Fund(s): Fund II
Acquired: Nov 2021

Automotive Exterior Trim

Oldcastle, ON
Revenue: ~\$750M
Fund(s): Fund I / MOF
Acquired: Oct 2021

Garage Door Components

Archbold, OH
Revenue: ~\$250M
Fund(s): Fund I
Acquired: Sep 2021

Lightweight Auto Technologies & Auto Electrification

Valley City, OH
Revenue: ~\$1.2B
Fund(s): Fund I / MOF
Acquired: Nov 2020

Steel Infrastructure Manufacturer

Denton, TX
Revenue: ~\$225M
Fund(s): Fund I
Acquired: Jan 2020

Metal Processing & Distribution

Carol Stream, IL
Revenue: ~\$300M
Fund(s): Fund I
Acquired: Dec 2019

Steel Metal Fabricator

Hartford, WI
Revenue: ~\$150M
Fund(s): Fund I
Acquired: May 2019

Metal Springs Manufacturer

Southfield, MI
Revenue: ~\$110M
Fund(s): Fund I
Acquired: April 2019

Precision Metal Components

Elyria, OH
Revenue: ~\$110M
Fund(s): Fund I
Acquired: July 2018



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ADD-ON STRATEGY

Investing in the growth of our portfolio companies is a top priority at MiddleGround. We completed three add-on transactions in 2021 and have added six in total across our Fund I platforms to date. We are opportunistic across our platforms but are actively pursuing M&A opportunities for 5 of our platforms with the below criteria.

PORTFOLIO COMPANY	Geography	Size	End Markets	Products / Applications	Capabilities / Services	Completed Add-ons
	North America	\$20M - \$100M sales	Performance after-market auto and powersports	High performance parts, including braking, suspension, heating cooling, and other propulsion agnostic parts	Manufacturing; Strong eCommerce DTC presence a plus	  
	Texas, Florida, Southeast US	>\$5M EBITDA	Solar, Transportation, Utilities, Water	Precast concrete structures for infrastructure and energy	Steel fabrication and other vertical integration a plus	
	North America; West Coast, Southeast a plus	>\$3M EBITDA	Building Products- Residential and Industrial; Repair and remodel a plus	Springs, HVAC hardware, Exterior and interior metal hardware for both homes and industrial buildings	Manufacturing, Kitting, Assembly Dealer / distributor or contractor channel preferred	
	North America, especially Northeast and West Coast	>\$3M EBITDA / positive FCF	Medical and Aerospace, Industrial	Bar (all types), Coil laser / plasma / water jet cutting	Heat treating, Sheet / plate / blank cutting, Sheering, Slitting	  
	North America, especially Midwest or Northeast	>\$1M EBITDA / >10% EBITDA Margin, single facility	Aerospace & Defense, Medical, Plumbing, Consumer, Industrial	Screw machine, Fasteners, Clamps, Structs, Valves, Connectors, Fittings, Private label	Secondary processes (flats, holes, etc.), Assembly, CNC, Swiss/multi- spindle machining lines	 

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