

1

# Financial Performance

## Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

		Size Profile				LTM Operating Data		Forward Estimates	
Company Name	Ticker	Price at 12/31/21	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2020 Est. Revenue	2020 Est. EBITDA
Steel Industry									
Nucor Corporation	NUE	\$114.15	88.6%	\$31,265	\$25,823	\$36,484	\$10,183	\$36,023	\$8,106
Cleveland-Cliffs Inc.	CLF	\$21.77	82.1%	\$14,174	\$18,066	\$17,354	\$4,234	\$22,264	\$5,286
Steel Dynamics, Inc.	STLD	\$62.07	83.5%	\$12,896	\$12,531	\$18,409	\$4,649	\$18,597	\$3,879
Reliance Steel & Aluminum Co.	RS	\$162.22	89.5%	\$10,795	\$9,252	\$12,239	\$1,776	\$13,248	\$1,630
United States Steel Corporation	X	\$23.81	77.9%	\$7,197	\$17,816	\$20,275	\$5,344	\$19,517	\$4,190
Commercial Metals Company	CMC	\$36.29	98.5%	\$4,838	\$4,725	\$7,320	\$945	\$7,635	\$996
Allegheny Technologies Incorporated	ATI	\$15.93	63.6%	\$3,752	\$4,627	\$2,693	\$202	\$2,999	\$377
Worthington Industries, Inc.	WOR	\$54.66	72.4%	\$3,485	\$3,518	\$4,081	\$502	\$3,881	\$422
Sims Limited	SGM	\$16.06	87.9%	\$3,052	\$3,748	\$5,927	\$231	\$7,416	\$703
Carpenter Technology Corporation	CRS	\$29.19	59.3%	\$1,908	\$2,960	\$1,510	\$15	\$1,734	\$177
Ryerson Holding Corporation	RYI	\$26.05	86.7%	\$1,661	\$2,440	\$4,994	\$352	\$5,090	\$0
Schnitzer Steel Industries, Inc.	SCHN	\$51.92	87.5%	\$1,465	\$1,720	\$3,065	\$296	\$3,265	\$315
SunCoke Energy, Inc.	SXC	\$6.59	80.9%	\$1,154	\$1,593	\$1,401	\$247	\$1,505	\$228
TimkenSteel Corporation	TMST	\$16.50	93.1%	\$537	\$1,116	\$1,156	\$184	\$1,405	\$229
Haynes International, Inc.	HAYN	\$40.33	85.7%	\$465	\$531	\$365	\$27	\$453	\$56
Universal Stainless & Alloy Products, Inc.	USAP	\$7.94	63.7%	\$147	\$331	\$43	\$18	\$195	\$22

Source: Capital IQ

## 2

# **Valuation Metrics**

# Return Profile, Trading Multiples

			Return Profile					Trading Multiples	
Company Name	Ticker	Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
Steel Industry									
Nucor Corporation	NUE	25.4%	55.1%	81.2%	27.9%	321.4%	1.5x	0.9x	3.1x
Cleveland-Cliffs Inc.	CLF	16.2%	81.5%	377.8%	24.4%	2867.1%	2.2x	0.8x	3.3x
Steel Dynamics, Inc.	STLD	24.7%	60.9%	91.7%	25.3%	289.9%	1.5x	0.7x	2.8x
Reliance Steel & Aluminum Co.	RS	11.2%	20.6%	34.1%	14.5%	79.5%	1.0x	0.9x	6.1x
United States Steel Corporation	X	19.1%	64.3%	108.1%	26.4%	N/A	2.1x	0.4x	1.3x
Commercial Metals Company	CMC	11.2%	26.3%	33.5%	12.9%	58.1%	1.3x	0.7x	5.1x
Allegheny Technologies Incorporated	ATI	1.0%	-87.6%	-19.4%	7.5%	-28.3%	1.5x	1.4x	18.6x
Worthington Industries, Inc.	WOR	7.9%	29.1%	45.3%	12.3%	117.6%	1.1x	0.9x	6.9x
Sims Limited	SGM	2.0%	11.2%	20.5%	3.9%	N/A	1.5x	0.5x	12.5x
Carpenter Technology Corporation	CRS	-2.0%	-14.2%	-22.5%	1.0%	-91.7%	1.9x	1.3x	129.8x
Ryerson Holding Corporation	RYI	8.7%	61.6%	39.7%	7.0%	126.9%	1.7x	0.3x	4.7x
Schnitzer Steel Industries, Inc.	SCHN	9.8%	25.9%	70.4%	9.7%	174.8%	1.6x	0.5x	4.9x
SunCoke Energy, Inc.	SXC	4.4%	6.1%	-1.4%	17.6%	14.5%	1.2x	0.8x	4.7x
TimkenSteel Corporation	TMST	7.2%	17.8%	36.6%	15.9%	N/A	2.0x	0.5x	2.9x
Haynes International, Inc.	HAYN	0.9%	1.3%	6.0%	7.5%	N/A	1.3x	1.3x	17.1x
Universal Stainless & Alloy Products, Inc.	USAP	-0.2%	-0.7%	-76.0%	41.6%	116.1%	1.4x	3.4x	8.2x
	Mean	9.2%	22.4%	51.6%	16.0%	337.2%	1.5x	0.9x	14.5x
Source: Capital IQ	Median	8.3%	23.2%	35.3%	13.7%	116.9%	1.5x	0.8x	5.0x

# LTM Equity Performance

Major Indexes



Source: Capital IQ

# 4

# Recent M&A Activity

## Last Twelve (12) Months as of December 31, 2021

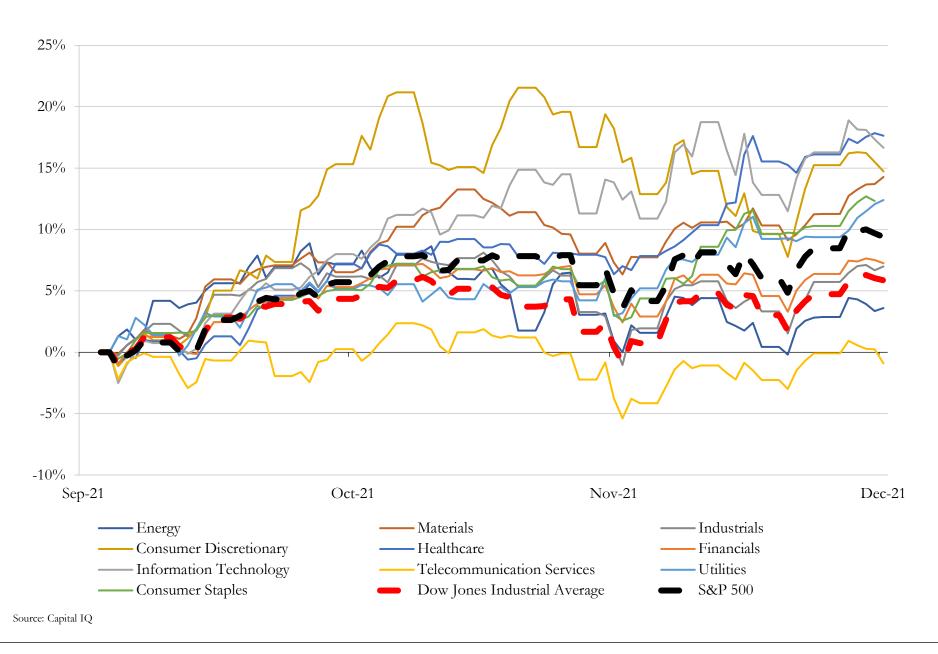
(USD in millions)

Close Date	Target	Acquirer	Implied TEV
Aug-21	Hannibal Industries, Inc.	Nucor Corporation	\$370
Dec-21	Tempel Steel Company	Worthington Steel of Michigan, Inc.	\$255
May-21	Banker Steel Company, LLC	DBM Global Inc.	\$145
Dec-21	Substantially All of the Assets and Liabilities of Universal Refractories, Inc.	Vesuvius plc	\$57
Dec-21	Etiwanda Facility Located in Rancho Cucamonga, California	Newcastle Partners, Inc.	\$55
Nov-21	Geneva Structural Tubes, LLC	MKK USA Inc.	\$24
Sep-21	Steel Piling Products Business of L.B. Foster Company	JD Fields & Company, Inc.	\$24
Aug-21	Columbus Castings Company	Stonemont Financial Group, LLC	\$9
Aug-21	Business Assets Of Merit Ends and Viking Processing Corporation	Majestic Steel USA, Inc.	NA
Dec-21	Madsen Wire Products, Inc.	Marlin Steel Wire Products LLC	NA
Oct-21	300,000 square foot facility, in West Fargo	TrueNorth Steel, Inc.	NA
Nov-21	Aarrowcast, Inc. (nka:Charter Aarrowcast)	Charter Manufacturing Company, Inc.	NA
Jun-21	Maass Flange Corporation	Ameriforge LLC	NA
Oct-21	Advance Fittings Corp.	Blackwell Capital Group LLC	NA
Oct-21	Assets of Omaha Steel	Owen Industries, Inc.	NA
Nov-21	Frazer & Jones Company	N/A	NA
Nov-21	National Bushing & Manufacturing Corp.	N/A	NA
Jul-21	Utah Pacific Bridge & Steel, LLC/Mountain Pacific Transport, LLC	Gladstone Management Corporation	NA
Jul-21	Commercial Vehicle, Select Industrial Book of Business, and ACP Division of	Grede Holdings LLC	NA
Jun-21	Rolled Steel Products, Inc.	Maas-Hansen Steel Corporation	NA
May-21	Beck Steel, Inc.	TrueNorth Steel, Inc.	NA
Mar-21	All assets of The NanoSteel Company, Inc.	N/A	NA
Feb-21	Buena Vista Magnetite iron ore project in Nevada	Magnum Mining and Exploration Limited	NA
Jan-21	Ben's Creek Carbon Mine in West Virginia	MBU Capital (UK) LLP	NA

Source: Capital IQ

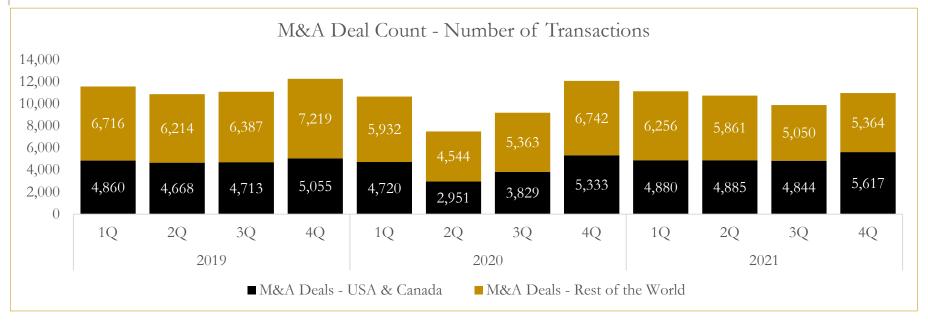
## Change in Market Capitalization by Sector

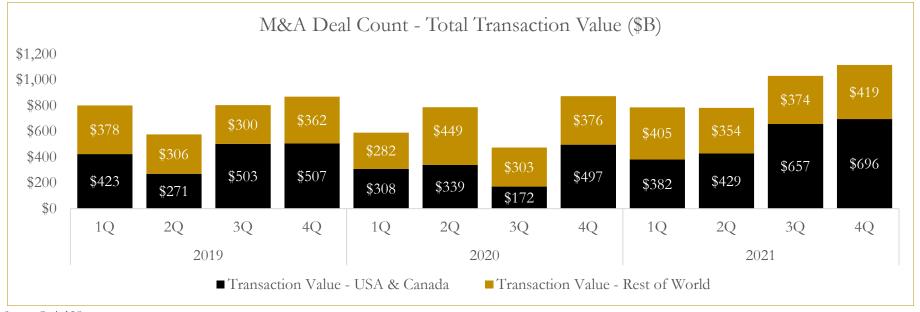
Last Three (3) Months as of December 31, 2021



### **M&A Deal Flow Statistics**

Last Three (3) Years as of December 31, 2021





# 7 | Houlihan Capital About Us

## **About Houlihan Capital**

Houlihan Capital is a leading, solutions-driven valuation, financial advisory and boutique investment banking firm. We pride ourselves on being thought leaders in an ever-changing landscape.

Houlihan Capital is SOC-compliant, a FINRA and SIPC member and committed to the highest levels of professional ethics and standards.

### Valuation & Financial Advisory

We provide an array of services that include enterprise valuations, portfolio valuation, valuation of carried interest, transaction opinions, tax and financial reporting compliance, purchase price allocations, and a wide variety of consulting services through our Financial Advisory Group.

### **Investment Banking**

Through our Investment Banking Group, we offer sell-side/buy-side advisory and capital raises. Through our Special Situations desk, we provide services that fit outside the archetypal verticals, including liquidity solutions, transactional advisory, and secondary market advisory and trading.

### **Litigation Support**

Our team provides support for a wide variety of situations including commercial and shareholder disputes, derivatives and structured finance litigation, and fraudulent conveyance.

## **Contact:**

### **Andrew Smith**

President
<a href="mailto:asmith@houlihancapital.com">asmith@houlihancapital.com</a>
(312) 450-8610

### Paul Clark

Managing Director
<a href="mailto:pclark@houlihancapital.com">pclark@houlihancapital.com</a>
(312) 450-8656

### Michael Norton

Director, Business Development mnorton@houlihancapital.com
(312) 450-8628

### Monica Blocker

Director, Business Development mblocker@houlihancapital.com
(312) 450-8699