



MiddleGround Capital

Experienced Operators Investing in the Middle Market

ABOUT MIDDLEGROUND

- MiddleGround Capital is a private equity firm that invests in industrial and specialty distribution businesses in the North American lower middle market
- We make control equity investments in fundamentally good businesses that align with our operational expertise
- We partner with management teams, families and owner-operators as a preferred buyer due to our ability to add value
- We are comfortable investing with businesses regardless of the previous ownership structure (including other private equity firms)
- We are not "Value Buyers"
- We work with Management to leverage our extensive operating experience to improve all aspects of the business
- Investing with integrity is at the core of our beliefs

WE STAND BEHIND OUR BIDS

CURRENT PORTFOLIO COMPANIES



Alco Manufacturing Corporation

Headquarters: Elyria, Ohio

Size: ~\$100M in Sales

Sector: Industrial, Precision Machining

Alco Manufacturing Corporation, headquartered in Elyria, Ohio, manufactures hydraulic connectors for the industrial and consumer end markets out of five facilities located throughout the Midwest. The Company is the #1 player in the U.S. market with the largest installed capacity amongst its direct peers and has long-term contracts in place with its customer base.

INVESTMENT CRITERIA

- **Geography:** North American Headquarters
- **Revenue:** >\$75M
- **Transaction Size:** \$75M to \$200M
- **Equity Investment:** \$25M to \$65M
- **Sector:** Business-to-Business (B2B) Industrial and Specialty Distribution
- Identified Value Creation Plan

REPRESENTATIVE SECTORS

Automotive, Building Products, Chemical Processing, Consumer Products, Furniture, Industrial Manufacturing, Capital Equipment, Metal Fabrication, Packaging, Construction, Marine, Outdoor Products, Infrastructure, Heavy Equipment, Transportation, Logistics and others

KEY INVESTMENT CONSIDERATIONS

- Company has unique know-how, intellectual property, and/or technical capabilities that create an advantage in the market
- Company operates as a valued member of the supply chain. Customer and vendor relationships are relevant
- Company is well-positioned in its marketplace for top-line growth but has opportunity for improvement in its cost structure

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