



OPENGATE CAPITAL

REALIZING POTENTIAL

2019

YEAR IN REVIEW

A C T I V I T Y R E P O R T



LETTER FROM ANDREW NIKOU

“

Happy New Year to all. I am pleased to present our 2019 Year in Review. This was an exciting period of expansion for OpenGate. We closed our second institutional fund and completed 11 transactions including six platform acquisitions, two add-on investments, and three realizations.

We achieved a significant benchmark in the fourth quarter with the final close of Fund II at \$585 million from a base of sophisticated, new and existing investors. I am incredibly proud of our efforts that resulted in raising 30% over our original target.

We also strengthened our team by welcoming five new senior investment professionals to support our global strategy across North America and Europe.

The culmination of our efforts in 2019 have set an exciting platform for the new year.



OPENGATE CAPITAL • 2019 • YEAR IN REVIEW

As I look ahead to 2020, I am confident in our team's ability to further realize potential in the lower middle market.

Andrew Nikou, Founder & CEO

Andrew Nikou



2019 ACTIVITY SNAPSHOT

2ND

INSTITUTIONAL
FUND CLOSING

6

PLATFORM
ACQUISITIONS

2

ADD-ON
INVESTMENTS

3

EXITS

5

STRATEGIC
NEW HIRES



SECOND INSTITUTIONAL FUND CLOSING

\$585 MILLION
IN COMMITMENTS

In the fourth quarter of 2019, OpenGate Capital closed its second institutional fund, OpenGate Capital Partners II & II-A, LP, at approximately \$585 million, 30% above its initial target of \$450 million. The new fund supports OpenGate's ongoing strategy to invest in lower middle market businesses throughout North America and Europe across four focus industries: Industrials, Technology, Consumer, and Business Services.

OpenGate's second institutional fund comprises investors from seven countries, including pensions, asset managers, consultants, fund of funds, wealth managers, and insurance companies from the US, Europe, and the Middle East.

UBS Securities, LLC served as the private placement agent, and Kirkland & Ellis, LLP served as legal counsel in connection with the fundraise.



SIX PLATFORM ACQUISITIONS

FIVEN & SMAC



FIVEN

INVESTMENT DATE:	MAY 2019
INDUSTRY:	SPECIALTY CHEMICALS
TRANSACTION TYPE:	CORPORATE CARVE-OUT
HEADQUARTERS:	OSLO, NORWAY
ACQUIRED FROM:	SAINT-GOBAIN

www.fiven.com

OpenGate Capital Announces Acquisition of Silicon Carbide Division from Saint-Gobain

Fiven is a leader in Silicon Carbide grains and powders, a material used throughout a variety of applications including metallurgy, refractory materials, filtration products, and technical ceramics. The business has a workforce of over 650 employees across Europe and South America, with a global manufacturing footprint across Norway, Belgium, Brazil, and Venezuela.



SMAC

INVESTMENT DATE:	MAY 2019
INDUSTRY:	BUILDING PRODUCTS
TRANSACTION TYPE:	CORPORATE CARVE-OUT
HEADQUARTERS:	ISSY-LES-MOULINEAUX, FRANCE
ACQUIRED FROM:	COLAS GROUP

www.smac-sa.com

OpenGate Capital Announces Acquisition of SMAC from Colas Group

SMAC is a leading French provider of waterproofing and building envelope solutions. The company has two divisions: SMAC Assistance Service and Essemes Services. SMAC has over 3,400 employees and operations across France, Morocco, and South America.



SIX PLATFORM ACQUISITIONS

S&G & DURACO



SARGENT AND GREENLEAF

SARGENT & GREENLEAF

INVESTMENT DATE: MAY 2019
INDUSTRY: BUILDING PRODUCTS
TRANSACTION TYPE: CORPORATE CARVE-OUT
HEADQUARTERS: NICHOLASVILLE, KENTUCKY
ACQUIRED FROM: STANLEY BLACK & DECKER

www.sargentandgreenleaf.com

OpenGate Capital Announces Acquisition of Sargent and Greenleaf from Stanley Black & Decker

Sargent & Greenleaf (S&G) designs and manufactures innovative, high-quality mechanical and electrical locks for safes, vaults, safe deposit boxes, and highly sensitive environments. Founded in 1857, S&G has 120 employees globally with a vast distribution footprint, selling products to more than 100 countries.



DURACO

INVESTMENT DATE: JUNE 2019
INDUSTRY: PACKAGING
TRANSACTION TYPE: CROSS BORDER, CORPORATE CARVE-OUT
HEADQUARTERS: FOREST PARK, ILLINOIS
ACQUIRED FROM: ESSENTA PLC

www.duraco.com

OpenGate Capital Announces Acquisition of Duraco Specialty Tapes from Essentra plc

Duraco is a B2B manufacturer of specialty tapes including Point-of-Purchase displays, appliances, transit packaging, construction, signage, and HVAC. The company has a workforce of over 133 employees with service centers in California, New Jersey, and Texas.



SIX PLATFORM ACQUISITIONS

INRULE TECHNOLOGY & COREMEDIA



inrule

INRULE TECHNOLOGY

INVESTMENT DATE: AUGUST 2019
INDUSTRY: SOFTWARE
TRANSACTION TYPE: PRIVATE SELLER
HEADQUARTERS: CHICAGO, ILLINOIS
ACQUIRED FROM: MAJORITY INTEREST FROM FOUNDERS

www.inrule.com

OpenGate Capital Announces Acquisition of Majority Interest in InRule Technology.

InRule Technology is a decision management platform that allows enterprises to automate decisions and business rules in applications, without need of modifying code. Their software is primarily used in regulated and complex industries such as financial services, insurance, government, and healthcare.



COREMEDIA

COREMEDIA

INVESTMENT DATE: NOVEMBER 2019
INDUSTRY: SOFTWARE
TRANSACTION TYPE: PRIVATE SELLER
HEADQUARTERS: HAMBURG, GERMANY
ACQUIRED FROM: MAJORITY INTEREST FROM DEUTSCHE TELEKOM CAPITAL PARTNERS AND A CONSORTIUM OF PRIVATE INVESTORS

www.coremedia.com

OpenGate Capital Announces Acquisition of Majority Interest in CoreMedia AG

Coremedia is a Web Content Management and Digital Experience Platform that offers a blend of real time product information with multi-media marketing content to deliver personalized product messaging across a variety of digital channels. The business has over 160 employees and operations in the United States, the United Kingdom, and Singapore.



TWO STRATEGIC ADD-ON INVESTMENTS



GHC



MICROZINC



EverZinc[★]
The Global Zinc Expert

GH CHEMICALS LTD. & MICROZINC INC.

INVESTMENT DATE:	JANUARY 2019
HEADQUARTERS:	SAINT HYACINTHE, QUEBEC
ACQUIRED FROM:	PRIVATE SELLER

GH Chemicals Ltd. & Microzinc Inc. produces Zinc Oxide for use in pharmaceutical and food products, fertilizer and feed grades, and runner compounding processes. GH Chemicals provides products and market expansion opportunities for EverZinc through its world-class facilities.



DELANEY



SARGENT AND GREENLEAF

DELANEY HARDWARE COMPANY

INVESTMENT DATE:	DECEMBER 2019
HEADQUARTERS:	CUMMING, GEORGIA
ACQUIRED FROM:	HCI EQUITY PARTNERS

Delaney provides high-quality branded locks, security hardware, and hollow metal doors. The add-on investment creates a larger, more diversified Sargent & Greenleaf, providing security solutions to broader end-markets and geographies.

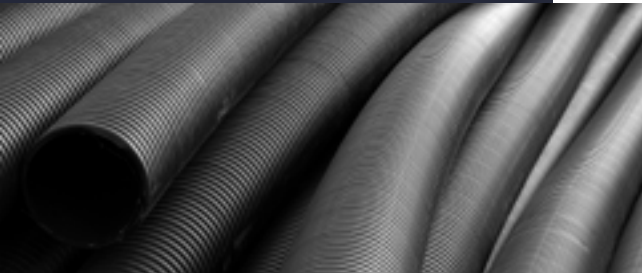


THREE EXITS

nakan
INNOVATIVE BLENDS



OMNIPLAST
INNOVATIVE PIPING SYSTEMS




POWER PARTNERS, INC.



NAKAN

ACQUIRED: FEBRUARY 2014

REALIZED: JANUARY 2019

HEADQUARTERS: REIMS, FRANCE

SOLD TO: WESTLAKE CHEMICAL CORPORATION

Nakan is a global leader in PVC, TPE, and TPO compounds for selected markets: Automotive Industry, Healthcare, Packaging, Consumer Goods, Building & Construction.

OMNIPLAST BV

ACQUIRED: FEBRUARY 2014

REALIZED: JUNE 2019

HEADQUARTERS: VEGHEL, THE NETHERLANDS

SOLD TO: CONSORTIUM OF INVESTORS

Omniplast BV produces and distributes pressure and non-pressure PVC piping systems for the transportation of gases and fluids.

POWER PARTNERS

ACQUIRED: JANUARY 2016

REALIZED: NOVEMBER 2019

HEADQUARTERS: ATHENS, GEORGIA

SOLD TO: PIONEER TRANSFORMERS, A PORTFOLIO COMPANY OF MILL POINT CAPITAL

Power Partners is a leading manufacturer of pole and pad-mounted distribution transformers serving utility, industrial, and commercial customers in North America, Central America, the Caribbean, and other markets.



FIVE STRATEGIC NEW HIRES

OpenGate strengthens its team with the addition of five new investment professionals in North America and Europe.

JAN
2019



THOMAS BARDET | SENIOR VICE PRESIDENT, OPERATIONS

Mr. Bardet joined as Vice President of OpenGate's operations team and was promoted to Senior Vice President at the end of 2019. He oversees operations for the firm's European portfolio of businesses, Alfatherm and Fichet, and provides operations support to the firm's M&A team on transactions across Europe. Mr. Bardet has held senior management roles in both Finance and Operations within the Automotive, Aerospace, and Machine Tools industries.

FEB
2019



ALEIX SUMPSI | VICE PRESIDENT, BUSINESS DEVELOPMENT

Mr. Sumpsi is based in OpenGate Capital's Paris office as the Vice President of Global Business Development. He joined OpenGate after serving as an Investment Executive at Agilitas Private Equity in London for two and a half years, with six years at Morgan Stanley prior to that.

MAR
2019



STÉPHANE FELDMANN | SENIOR VICE PRESIDENT, OPERATIONS

Mr. Feldmann joined as Vice President and was promoted to Senior Vice President at the end of 2019. He oversees operations for the firm's European investments, Fiven and SMAC. Mr. Feldmann was with SUEZ Group for 12 years and served as that firm's CFO for divisions in France, in the Northeast region of Europe, and in Poland. Prior to SUEZ Group, Mr. Feldmann was with PwC in Paris as a senior auditor.

AUG
2019



DAMIAN BLAZY | PRINCIPAL, OPERATIONS

Mr. Blazy is a Principal in the firm's Los Angeles office where he is responsible for working with the firm's North American investments and is a contributing member of the firm's global operations team. Mr. Blazy was Vice President of Portfolio Operations at a New York-based private equity firm, a Principal with Oliver Wyman, and a Research Affiliate with Massachusetts Institute of Technology. Mr. Blazy served in the United States Navy where he flew FA-18s for eight years and deployed twice in support of "Operation Enduring Freedom." During his time of service, Mr. Blazy was awarded the Strike Fighter Medal for leading 20 combat missions over Afghanistan and the Navy Marine Corps Achievement Medal.

OCT
2019



VINAY MENON | VICE PRESIDENT, OPERATIONS

Mr. Menon is a Vice President of North American Operations based in OpenGate's Los Angeles Office. Prior to joining OpenGate, Mr. Menon worked for Kelso & Company, a New York-based private equity firm where he served in a similar capacity and led a number of successful improvement efforts. Mr. Menon's focus will be on the platform investments Duraco and Energi in the firm's North American portfolio.



ADD-ON INVESTMENT OPPORTUNITIES: DURACO & INRULE TECHNOLOGY



OPENGATE AND DURACO ARE ACTIVELY SEEKING ADD-ON PROSPECTS WITH THE FOLLOWING CRITERIA:

- Specialty tape providers with market exposure in high-margin applications
- Headquartered in North America
- <\$50 million in annual sales
- Preference for converters of specialty tapes without in-house coating capabilities



OPENGATE AND INRULE TECHNOLOGY ARE ACTIVELY SEEKING M&A GROWTH OPPORTUNITIES IN THE FOLLOWING SECTORS:

- Business Process Management
- Workflow Automation
- Test Data Management
- ETL (Extract Transform Load)
- Predictive Analytics / Machine Learning
- Decision Modeling
- Low-code / No-code App Development
- Robotic Process Automation

OPENGATE CONTACT



OPENGATE CAPITAL
REALIZING POTENTIAL

BUSINESS DEVELOPMENT INQUIRIES

MR. JOSHUA ADAMS

Managing Director

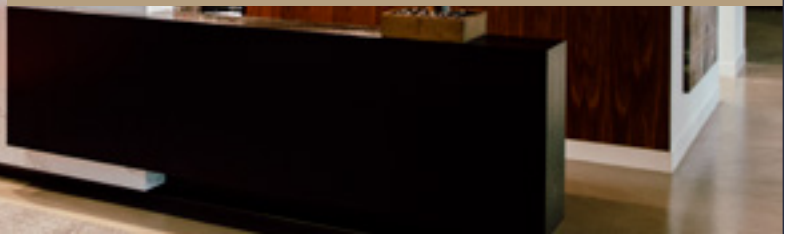
JAdams@opengatecapital.com

📍 NORTH AMERICA



**10250 Constellation Boulevard, Suite 3000
Los Angeles, CA 90067**

Tel: +1 (310) 432 7000



📍 EUROPE



**19 avenue George V
Paris, France 75008**

Tel: +33 (0) 40 06 01 58



www.opengatecapital.com