



HEARTWOOD
PARTNERS

GROWTH. DURABILITY. SUPPORT.

Heartwood Partners is a middle market private equity firm that serves as a strong and reliable capital partner to owners and managers. We intertwine strategic and financial expertise to drive growth and value creation in our investment businesses.

1982

FOUNDED

20

INVESTMENT
PROFESSIONALS

75%

AVERAGE EQUITY
CAPITALIZATION

SUPPORTING GROWTH, CREATING VALUE

UNIQUE HIGHER EQUITY, LOWER-DEBT APPROACH TO SUPPORT GROWTH

- + Capitalize our businesses with 65% - 70% equity
- + Use single outside senior debt class with long amortization, flexible covenants, and low interest rates
- = Provides management with the flexibility to pursue acquisitions and expand capital improvement

OFFERING CURRENT INCOME IN ADDITION TO LONG-TERM EQUITY GAINS

- + Quarterly cash distribution to all equity owners, including business owners and management teams
- = Provides current return on equity investment to complement opportunity to participate in future equity gains

GENUINE PARTNERSHIP WITH ALIGNED INCENTIVES WITH FOUNDERS AND BUSINESS OWNERS

- + Invest on the same terms as business owners and managers
- + Augment direct management ownership with equity incentives
- = Aligns incentives among all equity holders and management, and provides management opportunity to participate further in current income and capital appreciation

LONG-TERM INVESTMENT HORIZON TO ACHIEVE GROWTH GOALS

- + Current cash yield supports longer-term investment approach
- + Target investment period of five to ten years
- = Allows ownership and management to focus on making strategic decisions that benefit the company for the long term

INVESTMENT STRATEGY AND CRITERIA

Typically control equity investments in private U.S. companies that fit the following criteria:

- Particular areas of interest include: Aftermarket Auto/Truck Parts, Agriculture/Food, Distribution, Environmental/Industrial Services, Niche Manufacturing, Packaging & Specialty Chemicals/Materials
- Revenues between \$20 million and \$250 million
- EBITDA between \$5 million and \$30 million
- Competitive position with ability to maintain margins
- Solid, committed management team
- Demonstrated ability to produce excess cash flow
- Manageable customer concentration
- S Corporations, LLC's, partnerships or divisions of larger companies are preferred

ADD-ON CORPORATE ACQUISITION PHILOSOPHY

- Collaborate with management
- Add market share, add product line, diversify customers and/or expand geographically
- Operating profits of \$500K of higher

Please contact John Willert John Newman with business development opportunities or inquiries:

John Willert
jwillert@heartwoodpartners.com

John Newman
jnewman@heartwoodpartners.com

Heartwood Partners

301 Merritt 7
Norwalk, CT 06851

(203) 625-0770
www.heartwoodpartners.com

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COMPANIES

\$1.3B

ASSETS UNDER MANAGEMENT

33

ADD-ONS

COMPANY	INDUSTRY	BUSINESS DESCRIPTION	LOCATION / WEBSITE	ADD-ON ACQUISITIONS
 ARTISAN LANE FURNITURE COLLECTIVE	Consumer Products, Niche Manufacturing	Designer and manufacturer of high-end, made-to-order furniture.	Dallas, TX www.artisantlane.com	<ul style="list-style-type: none"> • Brookline Furniture • LEE Industries • Benchmade Mordern • Direction Furniture
 Fletcher Business Group	Niche Manufacturing, Consumer Products	Manufacturer and distributor of equipment and consumables to the picture framing, wood working and glass end-markets.	East Berlin, CT www.fletcher-terry.com	<ul style="list-style-type: none"> • Framework • Simms Machinery • A+ Automation
 CHROMASCAPE	Specialty Chemicals/Materials	Producer of color dispersions and additives for landscape, building material, packaging and graphic art applications.	Twinsburg, OH www.chromascape.com	<ul style="list-style-type: none"> • Greenville Colorants • Custom Milling & Consulting • CEL Chemical • Kemira's Colorants & Dye Business
 Super Sod A Division of Fertilome Company	Food/Agriculture	Producer of sod, seed, compost, and other landscaping products throughout the Southeastern U.S., serving contractors and consumers through retail stores, an eCommerce platform, and directly from farms.	Charleston, SC www.supersod.com	<ul style="list-style-type: none"> • MidTenn • Frog Pond • Grass Source • All Green Outdoor Center
 Imprimus	Packaging Products	Designer, printer and converter of flexographic, digital, and offset pressure sensitive labels, shrink sleeves, folding cartons, flexible packaging, and grand format signage.	Dublin, CA www.imprimus.com	<ul style="list-style-type: none"> • Western Shield • Lotus Labels
 VITALSpace	Niche Manufacturing	TheVITALSpace brands of SteelCell, CareAffirm, and Portable Solutions Group are all focused on building high-performance prefabricated modular products and components for their target markets	Baldwin, GA www.vitalspace.com	<ul style="list-style-type: none"> • Midwest Portland • Portable Solutions Group
 THE AMLON GROUP	Environmental Services	Provider of waste processing services for industrial, medical and wastewater applications.	Plano, TX www.amlongroup.com	<ul style="list-style-type: none"> • Thermaldyne • Paragon Waste • Music City Group • EcoWerks • Master Melt
 somaFINA Nutraceutical Builders	Food/Agriculture, Niche Manufacturing	Contract formulator, blender, packager/filler and distributor of specialty vitamins, supplements, botanicals and other nutraceutical products.	Layton, UT www.somafina.com	<ul style="list-style-type: none"> • UST
 NATIVE SEED™ GROUP	Food/Agriculture	Provider of native and wildflower seeds and erosion control products used in land reclamation, erosion control and cover crop applications.	Carpinteria, CA www.nativeseedgroup.com	<ul style="list-style-type: none"> • Star Seed • Arrow Seed
 BUSH BROTHERS PROVISION CO. 1886	Food/Agriculture	Value-add distributor of premium meat products to a high-end foodservice customer base.	West Palm Beach, FL www.bush-brothers.com	
 ROYAL PRODUCTS	Niche Manufacturing	Manufacturer and value-add distributor of branded accessories and tools used in computer numerical control ("CNC") machining.	Hauppauge, NY www.royalproducts.com	
 NLC NORLEE GROUP	Industrial Services	Full-service provider of electrical, mechanical, and engineering services to commercial and infrastructure, multi-family, education and other end-markets	Jacksonville, FL www.norleegroup.com	<ul style="list-style-type: none"> • AEC Electrical • AllState Electric • Regency Electric Company • Beaumont Electric Company

SELECT FORMER PORTFOLIO COMPANIES

Specialty Chemicals/Materials	Niche Manufacturing Packaging	Specialty Materials	Aftermarket Auto/Truck Parts, Niche Manufacturing	Niche Manufacturing, Specialty Chemicals/Materials	Niche Manufacturing	Niche Manufacturing	Aftermarket Auto/Truck Parts, Consumer Products, Distribution	Specialty Chemicals/Materials	Niche Manufacturing	Food/Agriculture	Aftermarket Auto/Truck Parts, Niche Manufacturing	Industrial Services
 MicroCare Business Perfectly Clean	 M&Q	 UW Solutions	 HIGH BAR BRANDS	 PARKWAY	 CMI	 Allentown Improving Lives for DNA	 APG Aftermarket Parts Group	 Green Color Concentrates	 SUR-SEAL	 Lone Star DEET PROCESSORS, LP	 Roll-Rite	 Stoller
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