

# Platinum Equity

## 2022 YEAR IN REVIEW

Platinum Equity marks an impactful 2022 with new platforms, 61 add-ons, ESG strides and philanthropic outreach

After a [record-breaking 2021 for M&A](#), deal activity slowed globally in 2022.

The reasons for the [slowdown are well-reported](#), but it was still a landmark year for Platinum Equity and its portfolio companies.

There were transactions in Europe, a result of Platinum Equity's commitment to the continent. There were significant exits. There was another example of the value Platinum Equity can provide to founder-owned businesses.

The firm and its portfolio companies made strides in the areas of ESG, and as the world eased pandemic safety measures, the philanthropic presence of Platinum Equity and CEO Tom Gores continued to grow.

And although [economic conditions remain uncertain](#), the firm, founded in 1995, is poised for an impactful 2023.

Here is a look back at 2022:

*“We’re here because we execute, we have a sense of urgency. There’s a certain culture that we have. It’s not a feeling, it’s the way you do things, it’s the way you act. Whatever comes our way, we will act the same as we have for 28 years. We will keep our core fundamentals. We’re built for a tough market, so we’re prepared for whatever comes in 2023. We’re going to keep doing our job.”*

– Tom Gores, Platinum Equity Chairman and CEO

# EUROPE

In a year of measured M&A activity, Platinum Equity added two European companies to the firm's growing portfolio. In January, Platinum Equity [announced the acquisition of UK-based Leaders Romans Group](#), a property services firm. In July, the firm [announced an agreement to acquire Imerys SA's high temperature solutions](#)



[The acquisition](#) of global women's apparel company Hop Lun, which is based in Hong Kong, is another instance of Platinum Equity building a solid working relationship with a founder-owned business. Current Platinum Equity portfolio companies Game Taco, Mad Engine, Arrow International, L&R Distributors



Platinum Equity completed 61 add-on acquisitions across its portfolio in 2022. Club Car's acquisition of Garia, a Danish low-speed electric vehicle, was one of many such acquisitions designed to spur



When Platinum Equity and Ball Corporation completed the \$1.35 billion sale of steel container manufacturer Ball Metalpack to Sonoco, it marked another exit from a Platinum Equity-sponsored partnership with a corporate

## Platinum Equity adds two companies to European portfolio

[business](#), which is located in Paris. Platinum Equity's European portfolio now includes: Spain-headquartered global environmental services leader Urbaser and global frozen seafood company Iberconsa, European vacation rentals group Awaze, European private label sweet biscuits manufacturer Biscuit International,

Italy-based global marine contractor De Wave Group and global wine distributor Fantini Group Vini. The growing European footprint is a testament to [Platinum Equity's commitment of resources over the last 20 years](#).

## Hop Lun acquisition an example of Platinum Equity's appeal to founder-owned businesses

and Centerfield were also acquired from company founders. Founded by Erik Ryd in 1992, the Hop Lun investment was led by Platinum Equity's Singapore office, which Partner Jacob Kotzubei oversees. He said: "Hop Lun is a really great example of Platinum Equity's tenacity and our ability to win over sellers in terms of just

being a firm that really values the human side of our business equation. There are many founder or family-owned businesses facing succession or other issues that need a partner who can not only provide capital, but also operational expertise. We have a lot of experience in those situations."

## Portfolio companies aggressively seek add-on opportunities

international expansion. The Augusta (Ga.) Chronicle [reported the transaction](#) "will help expand the golf cart manufacturer's reach in the growing global market." McGraw Hill (Boards & Beyond), Deluxe

(Post Haste Digital), Solenis (Clearon Corp.), Cision (Stream) and Paramount Global Surfaces (Stone Source) were among the portfolio companies to execute notable acquisitions.

## Platinum Equity, Ball Corp. exit Ball Metalpack for \$1.35 billion

seller. Platinum Equity has exited similar partnerships with Caterpillar (Neovia Logistics), Emerson (Artesyn Technologies and Vertiv), and Telstra (Sensis). Platinum Equity Partner Louis Samson [said](#): "We find that corporate sellers can benefit

from a structure that allows for a partial sale at the outset of their divestment process, with the opportunity to deliver incremental value by participating in the upside we can create together."



## Ingram Micro, Platinum Equity divest Commercial & Lifecycle Business for \$3 billion

The [closing of the sale](#) of most of portfolio company Ingram Micro's Commerce & Lifecycle Services Business to CMA CGM Group was completed in April. The transaction was valued at approximately \$3 billion. The divested CLS business

specializes in eCommerce contract logistics and omni-channel fulfillment. Platinum Equity acquired Ingram Micro for \$7.2 billion in 2021. Platinum Equity Partner Jacob Kotzubei said: "Divesting the majority of CLS allows the company

to focus more intensely on those things we believe can have the largest impact for the company and its partners." Ingram also acquired Keenondots, [which strengthens its cloud platform](#).



## Full exit of PAE (\$1.9 billion) establishes Platinum Equity in government services sector

[Platinum Equity fully exited PAE Incorporated](#) after the approximately \$1.9 billion sale to an affiliate of Amentum Government Services Holdings LLC. Platinum Equity acquired the government services provider in 2016 and took it public in 2020. PAE is a global leader in delivering mission-critical smart solutions

to the U.S. government and its allies on all seven continents. Add-on acquisitions of FCI Federal, Macfadden & Associates, CENTRA Technology, and Metis Solutions helped diversify its customer base, contract portfolio and geographic reach. PAE became publicly traded in 2020 via a transaction with a special purpose

acquisition company, after which certain affiliates of Platinum Equity retained ownership of approximately 23.6% of the company's shares. Those shares were sold in connection with the Amentum transaction.



Platinum Equity provided a comprehensive summary of the firm's approach to ESG in the form of an [Environmental, Social and Governance Report for 2021](#). Some of the highlights of the summary include: signing the United Nation's Principles of Responsible Investment, 100 percent of

investments underwent ESG due diligence, 62 percent of 2021 new hires were from diverse candidates and 100 percent of firm employees completed anti-discrimination/harassment training. The ESG efforts of portfolio companies like Ingram Micro, Urbaser, Husky and Solenis were featured

in the summary. Portfolio companies' ESG efforts were also in the news with [Solenis earning recognition](#) from Time Magazine for its role in developing PFAS-free packaging.

## Platinum Equity, portfolio companies make ESG strides



## Aventiv Technologies transformation takes significant steps

Under the direction of Platinum Equity leadership, [Aventiv Technologies appointed an independent advisory board](#) comprised of experts and advocates for reentry preparation, rehabilitation programming and access to technology for the incarcerated community. The board chairwoman is Teresa Hodge, a formerly incarcerated executive, who now is the

CEO of Mission: Launch, a nonprofit that works with financial institutions to help the formerly incarcerated get access to capital to start businesses. It was one of several advancements that has helped to accelerate the company's transformation to make its services more accessible, affordable and accountable. Platinum Equity acquired the technology provider

for the incarcerated community in 2017. Hodge said: "This board is incredibly important to changing the status quo because we understand how important it is to actually listen to diverse voices when addressing the problems in the system, and Aventiv is committed to listening to all of us."

## Gores to business leaders and policymakers: 'We have to listen to each other'

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Gores, who was raised in Flint, Mich., was a [featured speaker at the annual Mackinac Policy Conference](#), an annual policy gathering of lawmakers and business leaders in Michigan. U.S. Secretary of Transportation Pete Buttigieg, Michigan

Governor Gretchen Whitmer and former Microsoft CEO Steve Ballmer were among the notable names attending. The theme of the conference was the business community's role in polarizing times and Gores [told the audience](#): "You have to

establish common ground with everyone. We have to listen to each other. ... We have to be open, otherwise we're fraught with misunderstanding. That's an important part of the culture. I run my company that way. I run my family that way."

## Gores pledges \$100 million to launch national charitable organization

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At the conference, Gores also announced plans to [contribute \\$100 million to build a national charitable organization](#). A few days earlier, Gores announced plans to build a \$20 million community center on Detroit's west side. The announcements were in addition to

continued philanthropic efforts with long-time partners SAY Detroit, Jalen Rose Leadership Academy, Toys for Tots and Voices for Children. After a Gores donation of \$100,000 led to the successful implementation of a SAY Detroit charitable program in the summer

of 2021, another \$100,000 donation sponsored an entrepreneurial program last summer which resulted in Pistons-themed merchandise being sold by the NBA franchise in December. Proceeds benefited SAY Detroit.



## Platinum Equity begins mentorship program at Detroit charter school

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[Platinum Equity introduced a mentorship program](#) for Jalen Rose Leadership Academy. The August event took place at the Detroit Pistons Performance Center. JRLA students were given a tour of the PPC and had breakfast with either a mentor from Platinum Equity or the

Pistons organization. Afterward, Platinum Equity Principal Dan Whelan moderated a panel discussion featuring Platinum Equity Partner John Diggins and executives Katie McNaughton and Vince Ellis. The panelists shared their career paths and gave insights into careers in private equity or

professional sports. The idea is to establish solid mentorship relationships with students while exposing them to career paths they might not have considered. In February, Platinum Equity is planning to treat JRLA mentees to a Pistons game.

*Platinum Equity* →