

Auxo Investment Partners Acquires Niche Manufacturer Prestige Stamping

Deal is Auxo's First in the Custom Engineered Washer and Stamping Space; Differentiated Processes, Faster Production and Lower Costs to Propel Continued Growth within Existing – and New Markets

Private equity firm Auxo Investment Partners announced today that it has partnered with the Rink family with its investment in Prestige Stamping, Inc., a Michigan-based high-speed niche manufacturer of custom engineered stampings for the fastener industry. The deal, terms of which were not disclosed, marks Auxo's fifth acquisition in 13 months and follows the September closing of the firm's inaugural investment fund, Auxo Growth Holdings I LLC.

Prestige is a dominant player in the market for high-volume, tight-tolerance washers and similar small stampings, and manufactures over a billion washers and metal stampings annually for more than 200 customers across a diverse set of industries and geographies -- including automotive, infrastructure & construction, agricultural, electronics and home/office products. Founded in 1967, the company serves customers across the U.S. and internationally from its 100,000-square-foot facility in Warren, Michigan, and is recognized as a leader in the fastener industry when quality, lead time, and dependability matter.

Prestige recently was accredited with IATF 16949, the new global industry standard for quality management systems published by the International Automotive Task Force (IATF). In 2016, the IATF published the IATF 16949, which superseded and replaced the ISO/TS 16949, one of the most widely used international standards for quality in the global automotive supply chain.

“Starting from a stone garage in Detroit where we took our first order more than 50 years ago, our family has worked hard to build a customer- and employee-centric culture with a singular mission to deliver market-leading quality, speed and value to our customers,” said Chris Rink, CEO of Prestige Stamping, who will continue in his leadership role. “We selected Auxo as a partner because of the values our organizations share – and we think Auxo's hands-on investment approach will bolster our ability to maintain our vision and ensure a prosperous future for our company and for our long-standing employees.”

Industry-Leading Processes, Untapped Markets Fuel Growth

Prestige has developed a set of differentiated processes, automation, and customized equipment modifications to enable the company to set best-in-class industry standards for line speeds, setup time, and scrap. These efficiencies and improvements have led to higher levels of product throughput and the ability to price competitively while maintaining strong margins. These advantages, combined with a strong service model, have enabled Prestige to reduce their cost of production while maintaining the highest quality standards in the industry and market-competitive pricing.

“We were immediately impressed with Prestige and by the tenacity with which the company pursues process improvement, quality and growth,” said Auxo Managing Partner Jack Kolodny. “It's clear the company's values are closely aligned with ours, and its success has been driven by

the Rink family's relentless pursuit of excellence and customer service. We're excited to honor their legacy by bringing their industry-leading responsiveness, quality, and on-time delivery to other markets where those performance levels are critical for customers, all of which will take the business to the next level."

Beyond Prestige's core markets, Kolodny said the company will target additional sectors that will benefit from its unique manufacturing approach, including aviation and engine manufacturing, rail, aerospace/missile defense, heavy truck and other transportation sectors, among others.

"We couldn't be more thrilled to be working with Prestige Stamping and the Rink family," added Auxo Managing Partner Jeff Helminski. "This is exactly the kind of company we had in mind when we formed Auxo two years ago -- and we look forward to being an active and additive partner in the continued growth and diversification of an already outstanding company."

Advisors and lenders on the transaction included Generational Equity, Miller Johnson PLC, Barnes & Thornburg LLP, BDO USA LLP, Tree Line Capital Partners, LLC, Mercantile Bank, Aon Plc, Krauter & Co, and Advantage Benefits.

Since its October 2016 founding and prior to purchasing Prestige, Auxo has acquired four other companies, and has developed a platform of industry-leading cutting die manufacturers, including Bernal Rotary Dies, Atlas Die, Atlas Chem Milling (ACM), and Midway Rotary Die Solutions. Auxo also purchased M/G Transport Services, a leading inland barge transportation and logistics company, which carries more than 5 million tons of non-hazardous dry bulk cargo a year.

A Long-Term, Collaborative Approach

Auxo was named after the ancient Greek goddess of growth and the firm seeks to partner with companies that meet the following investment criteria:

- North America-based
- Manufacturing, industrial, value-added distribution or business services industries
- EBITDA (cash flow) of \$1.5-\$15 million
- Owner-operators seeking retirement or family succession planning solutions; or existing teams seeking to grow their businesses
- Prefer majority-control investments but will consider select minority-partner opportunities

Auxo's flexible capital model allows for long-term growth-oriented decision-making without artificial deadlines. The structure was specifically designed for family businesses facing a generational hand-off or seeking outside capital or partners to fuel growth.

About Auxo Investment Partners

Auxo Investment Partners is a Grand Rapids, Mich.-based private investment firm that partners with owners and management teams of companies at transition points in their history. Auxo

works to instill the infrastructure, processes and talent needed to help them grow to their full potential with a long- term investment approach. Auxo's unique philosophy aligns the interests of its companies, their employees, the communities in which they are located and its investors to achieve optimal outcomes for all. As our name reflects, we are not merely investors, but partners. For more information, please visit www.auxopartners.com.