
Unlocking Transformation: AIPs Approach



Northwestern University



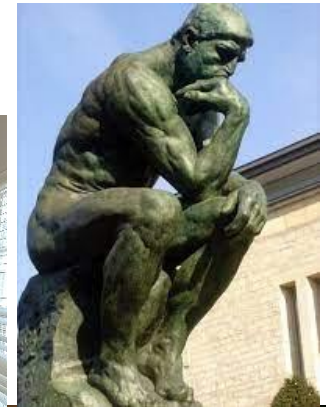
Yale SCHOOL OF MANAGEMENT



ParkerGale

AMERICAN INDUSTRIAL PARTNERS

Jimmy



The Private Equity Industry

~44,000 McDonalds globally



48,600 Fund Profiles



Private
Equity

- Maybe 25% have industrials exposure
- 12,150 funds investing in industrial assets...or \$625 Billion of capital chasing industrial deals
 - We want to be #1...can't do that by following the crowd

AIP Goal = Best Industrial Investor in PE

What Is Private Equity?

General Partner (AIP)

Runs the fund and makes investment decisions

Limited Partners (Investors)

Provide most of the money; not involved day-to-day

Private Equity Fund

Invests in companies

Portfolio Company

Portfolio Company

Portfolio Company

Portfolio Company

The primary goal of the Private Equity fund is to produce returns for its LPs; AIP does so through Business Building and implementation of our Operating Agenda

Business Building Strategy



Value focus seeks attractive entry point and downside protection

Complex investment capabilities:
corporate carve-out, public to private, complex mergers

Systematic approach to value creation through implementing
AIP Operating Agendas

Transformative investment approach creates long-term value and
differentiated risk-adjusted returns

International Portfolio Presence



\$29 Billion

Portfolio Revenue
(USD)



72k+

Portfolio
Employees



50+

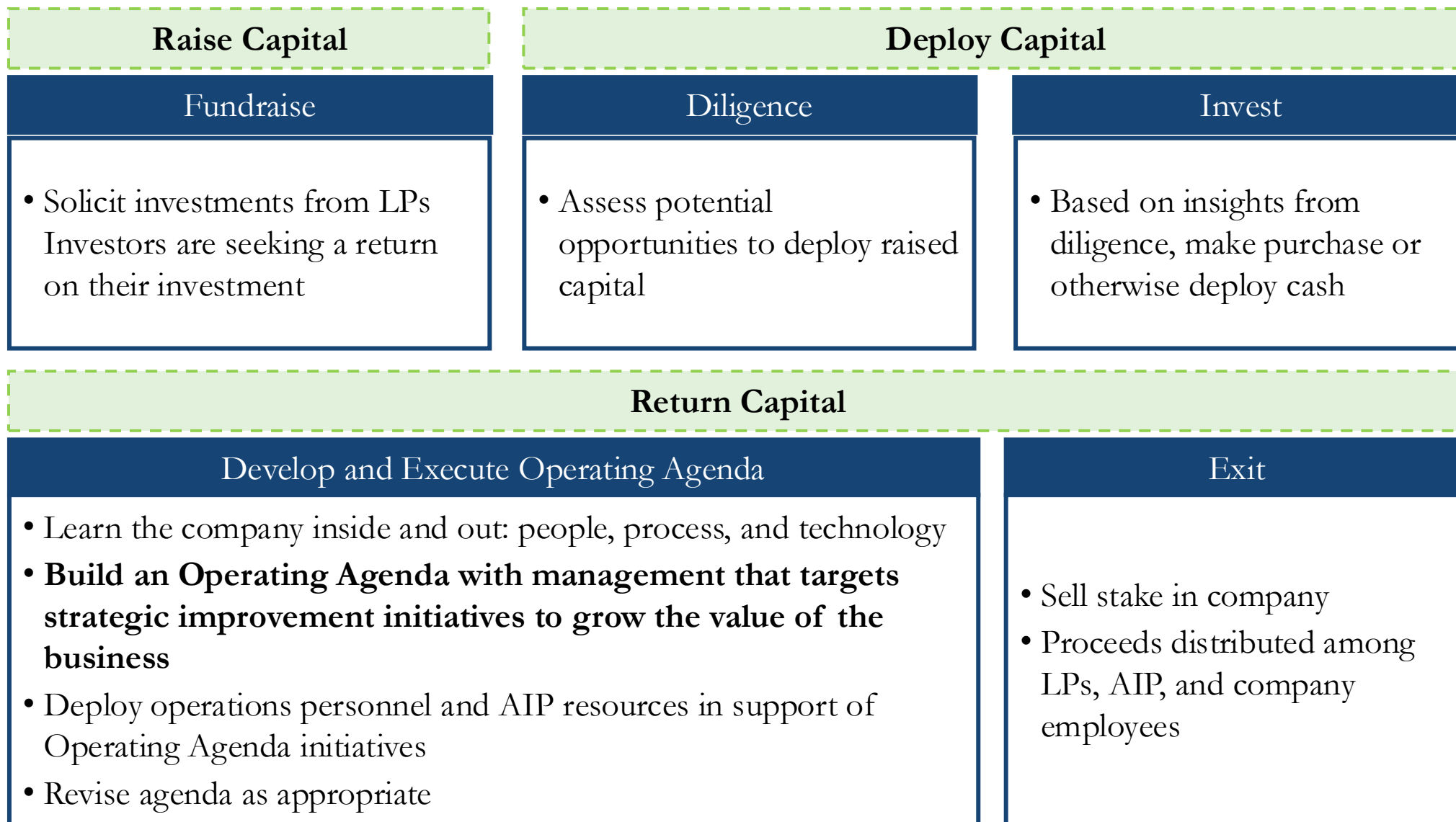
Portfolio
Countries



300+

Portfolio
Locations

American Industrial Partners: An Overview



Current Portfolio Spans the Industrial Economy



Aerospace & Defense
Services
\$4.5 billion



Lubricants Distribution
\$4.0 billion



Fluff Pulp
Producer
\$2.3 billion



Building
Products
\$2.0 billion



Soft Craft Industrial
Services
\$1.7 billion



Mining
Consumables
\$1.5 billion



Primary & Rolled
Aluminum
€1.4 billion



Rolled
Aluminum
\$1.3 billion



Wood
Pellets
\$1.2 billion



Industrial
Explosives
\$1.2 billion



Agricultural Machinery
\$1.1 billion



Personal
Care
\$1.1 billion



Drilling Services
& Products
\$1.0 billion



Restraint Control Systems
\$910 million



Lighting
Solutions
\$810 million



Marine Transportation
\$670 million



Joist & Deck Solutions
\$620 million



Fastener Distribution
& Manufacturing
\$580 million



Engineered Tank &
Specialty Trailers
\$560 million



Alkylation Services &
Specialty Sulfur-based
Products
\$400 million



Industrial
Services
\$300 million



High Pressure Pumps
& Aftermarket
\$290 million



Aerospace Automation &
Tooling Solutions
\$280 million



Aqua Services
(Salmon Farming)
\$250 million



Printing Equipment &
Aftermarket Solutions
\$190 million

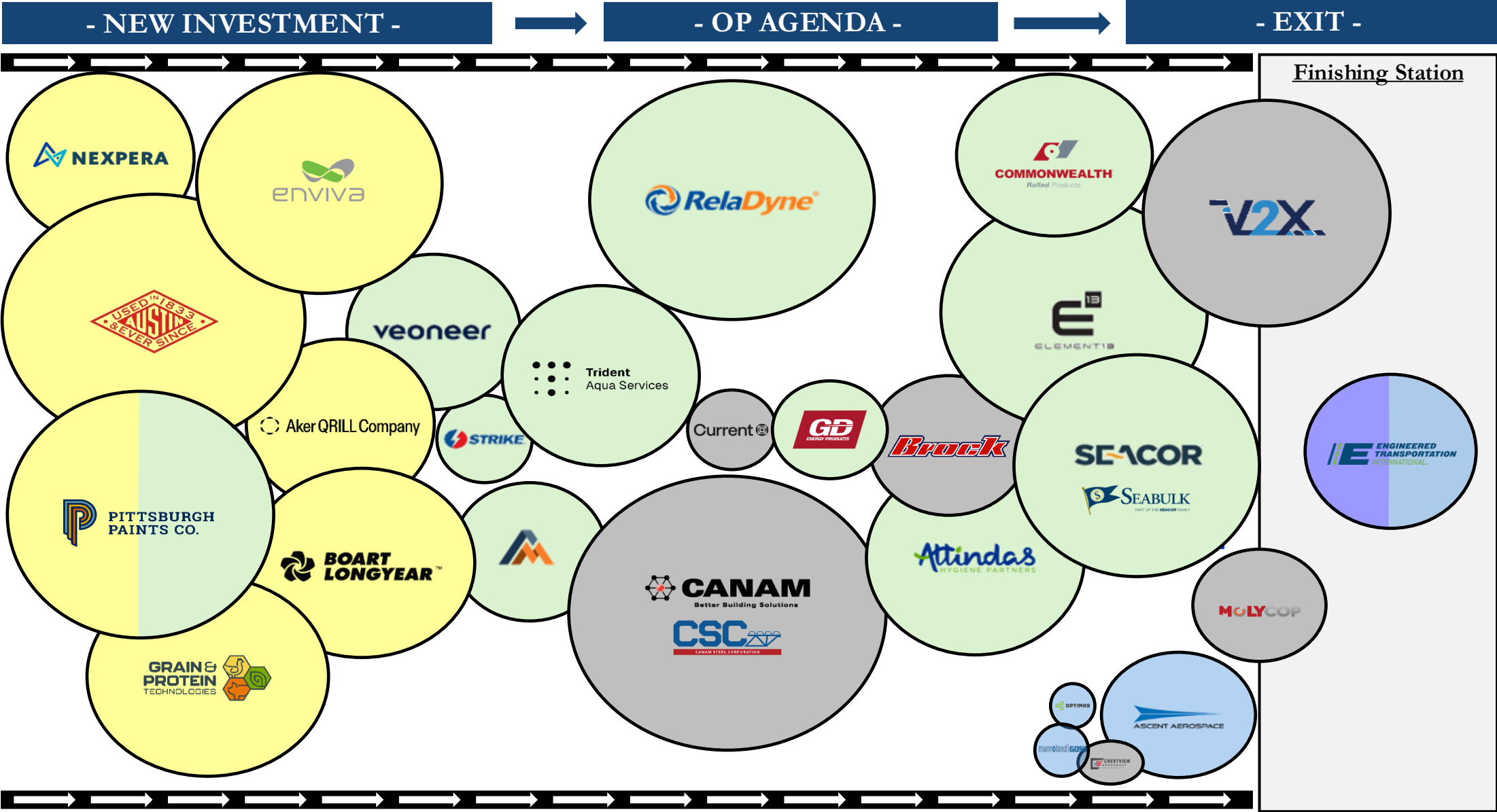


Krill
Harvesting
\$190 million



Additive Manufacturing
\$100 million

AIP “Conveyor Belt”

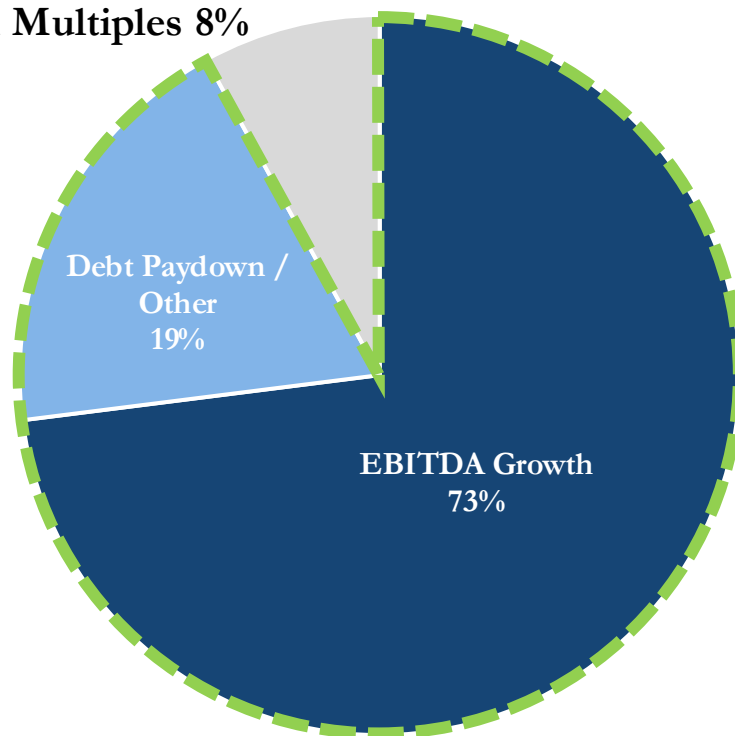


Drivers of AIP Performance

By Implementing Transformational Operating Agendas, AIP Value Creation Driven by EBITDA Expansion and Cash Generation; Not Correlated to Multiple Expansion

Value Creation Analysis of Fully Realized & Partially Realized Investments ⁽¹⁾









































Change in Multiples 8%



>90% EBITDA Growth & Cash Generation

Note: There can be no assurance that any historical trends will continue, or that AIP will be able to implement its investment, value creation, or growth strategies or achieve its objectives. No guarantee can be made as to future performance. As of June 30, 2025. Financial data is presented in USD millions unless otherwise noted. Past performance is not indicative of future results. EBITDA figures pro forma for add-ons and divestitures during AIP's ownership. Please refer to the Appendix for value creation calculation details and complete track record details and for footnotes and disclosures. (1) An investment of an AIP Fund is deemed Partially Realized if there have been distributions or share sales from such investment representing 50% or more of the cost basis or shares of such investment. Data and analysis includes all Realized and Partially Realized Investments of the AIP Funds as of Q2 2025 and their corresponding financial datapoints as of that time and excludes realizations subsequent to the period, if any.

Fund VIII Operating Agendas ~\$7bn⁽¹⁾ Projected Enterprise Value Creation and Acquired EBITDA

Fund VIII Portfolio	Operating Agenda EBITDA	Pillars					
 PITTSBURGH PAINTS CO. ⁽²⁾	\$210mm						
 AUSTIN POWDER	200						
 enviva	140						
 GRAIN & PROTEIN TECHNOLOGIES	72						
 Aker QRILL Company	100						
 NEXPERA	135						
 BOART LONGYEAR™	152						
	>1 Billion						

Source: Management assumption as of February 2025 Note: This performance information is hypothetical. Such information is calculated based on a variety of assumptions, any or all of which may not materialize. Please see Appendix for additional information regarding hypothetical performance (1) Reflects median exit multiple of 7.0x (2) Investment also held in Fund VII.

Operating Agenda Conception and Deployment

Why does Target Underperform Industry Benchmarks

Investment Underwriting: Explore illustrative benchmarks below to identify opportunities

- Market **Share Trends**
- **Revenue / Headcount**
- Top Line Growth
- Operating **Margin**
- **Lead Times / On-Time Delivery**
- **Capital Efficiency**

Illustrative Root Causes of Underperformance

Root Causes: Identify areas within business that can be improved to rectify the issues causing underperformance

- New Product Development / **Engineering Effectiveness**
- **Make vs. Buy / Vertical Integration**
- **Product Management**
- Plant Network / **Overhead Absorption**
- **Aftermarket Attachment Rate**
- **SIOP** and Planning Processes
- **Procurement Processes**
- ERP / IT Systems

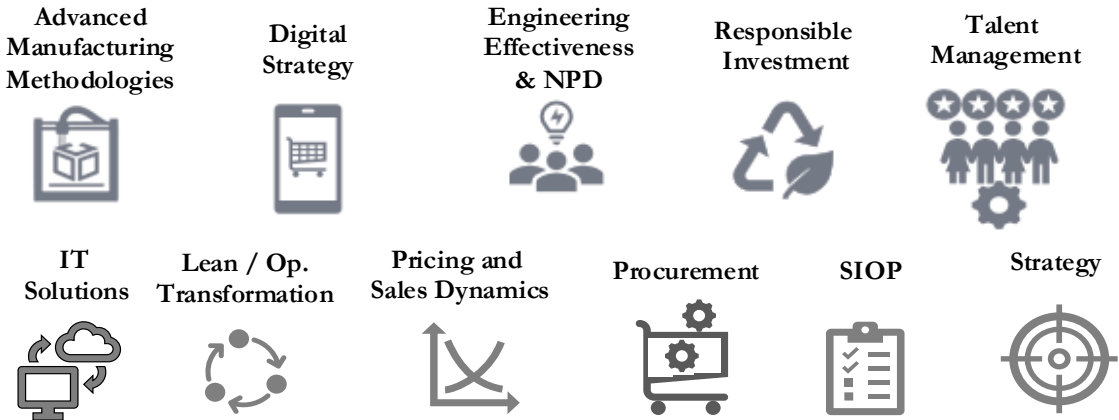
Devising & Implementing Transformational Op Agenda

Operating Agenda: Focused, yet detailed plan developed with management to transform EBITDA & business value

- 4 to 7 Highest Priority, **Highest Impact Initiatives**
- Document **Current State** and Desired **Future State**
- **Metrics** to Track Progress
- **Thoroughly Communicated**
- **Align Incentives** across Organization

Partnership between AIP & Company to Accomplish

AIP Pillars: Engage AIP’s expert operating resources aligned by function within 11 core Operating Pillars



4.0x Avg. Gross MOIC Across 29 Fully & Partially Realized Assets

AIP operating model creates distribution of returns that do not fit the traditional PE return profile (asymmetric upside, low downside)

- Value focus creates attractive purchase price and structure, providing downside protection - discounts to book value, asset protections
- Operating Agenda transforms EBITDA through AIP ownership
- Transformed businesses repositioned for attractive exits to strategic buyers

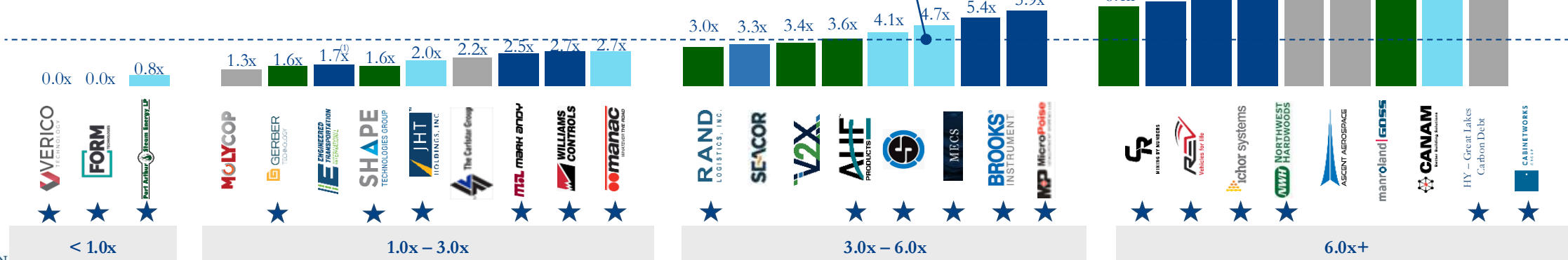
Fully Realized & Partially Realized Gross MOIC (Funds III - VII)

- Fund III
- Fund IV
- Fund V
- Fund VI
- Fund VII

Distribution of returns does not fit traditional PE return profile; Returns demonstrate asymmetric upside with low downside

Experiencing almost no realized losses decade after decade is important element of outperformance

Fund III - VII Cost-Weighted Realized Gross MOIC as of Q2: **4.0x**



AIP Culture Overview: from Kim Marvin's Off-site Presentation

AIP Guiding Principles – Read Your Own Offer Letter

American Industrial Partners is pleased to offer you a position as a wolf / wolfette with our wolfpack. American Industrial Partners places high priority on fostering an organization of extraordinarily talented professionals that function seamlessly as a team. Our values are enumerated below:

- Commit our full energy and effort to the success of AIP and its funds
- Treat investor capital with greater dedication and care than our own
- Provide transparency to investors
- Partner with the right people and provide rapid advancement
- Foster an environment that rewards teamwork and creativity
- Conduct all our business with candor and integrity
- Exit companies in better positions than when we acquired them
- Achieve outcomes worthy of our significant efforts, commitment, and use of LP capital

AIP Culture Overview: from Kim Marvin's Off-site Presentation

Wolf Pack Culture – “How” We Work Together – “Do”s



- Embrace **intelligent risk taking**
- **Subvert ego and pride** to the betterment of decision making and outcomes
- **Disagreement and intelligent dialogue** ensures all points of view are considered
- Compete hard and smart to **win in important undertakings – never give up on them**
- Use both your left and right brain – **pay attention to detail**
- Broadly **distribute credit for accomplishments** and be **humble in victory**
- **Own mistakes** and broadly communicate any bad news – **confront conflicts**
- Ask for and provide **help**
- **Honor your commitments**, large or small
- Put your **family first** and your partners second (and try to avoid putting the two in conflict)
- Be **steadfastly loyal** – even when others view it as loyal to a fault
- Speak up and **express your strongly held views** even if counter to the view of the Pack
- Bring **optimism, energy, and creativity** to our challenges and opportunities
- Waste no opportunity to express **gratitude, empathy, or compassion**
- Make your **partners proud of our firm**

I know what you're thinking... What's the deal with the wolves?



What is our Why?

AIP's Why

To be the best investor in the industrial economy.

My Personal Why

To help others live fulfilling and meaningful lives.

Our Why

Unlock Transformation In Our Businesses and the Individuals inside them.

Unlock Transformation In Ourselves too.

Focus of Today

Focus of Tomorrow