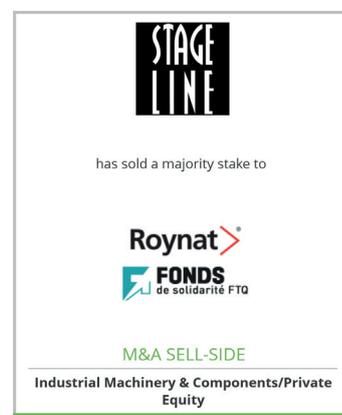


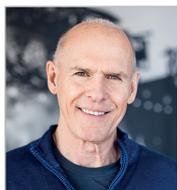
AN IMPORTANT TRANSACTION FOR THE NUMBER ONE PLAYER IN THE MOBILE STAGE INDUSTRY

Deal snapshot

- The shareholders of Stageline Mobile Stage Inc. (Stageline), a leading Canadian-based company engaged in the design, manufacturing, distribution and leasing of high-quality mobile stages, have sold a majority stake of the company to Roynat Capital, Fonds de Solidarité FTQ and the senior management team.
- Stageline manufactures and leases a complete product lineup, offering tailor-made solutions for local and international businesses. The company has been in the industry for over two decades and has earned a strong reputation for the quality and safety of its products. Over the years, Stageline's R&D team has acquired significant know-how in developing advanced stage technologies with a view to designing structures able to withstand winds of up to 175km/h.
- Roynat Capital, Inc. owns the private equity firm Roynat Equity Partners, which specializes in providing growth and equity capital to mid-market companies based in Canada. Its flexible investment structures include common equity, preferred equity and convertible debt, and can be part of a complete financing solution provided by Roynat Capital, which is a wholly owned subsidiary of Scotiabank.
- The Fonds de Solidarité FTQ is a capital development fund that channels Quebecers' savings into investments. With US\$13.7 billion in net assets as of 30 November 2017, the Fonds has helped create and maintain over 186,440 jobs. FTQ has more than 2,700 partner companies and over 645,000 shareholder savers.



What our client said



Yvan Miron, Founder and CEO, Stageline Mobile Stage Inc., Canada

"We want to thank Oaklins' team in Canada for their contribution, as they were instrumental in the realization of this complex transaction. This deal will be an important driver for the future success of Stageline and will enable the company to be well aligned with its main goal: promoting innovative, quality, safe and reliable mobile stages while maintaining sustainable and healthy growth."



Our role in the transaction

Oaklins' team in Canada acted as the exclusive investment bank advisor to the sellers in this transaction.

Market trends and deal drivers

- Nowadays, music sales represent a much lower portion of artists' revenues because of the free downloadable content that is available on the internet.
 - The concert and event promotion industry in Canada generated over US\$1.8 billion in 2015. In the US, total industry revenue topped US\$18 billion, with Live Nation Entertainment accounting for a 21% share of the market. The industry remained surprisingly stable through the 2008 financial crisis, demonstrating the high interest consumers have for events and concerts.
 - Global entertainment industry growth is expected to be approximately 5.1% per annum for the next five years, and should be largely supported by household disposable income and an increase in corporate profits as well as the emerging Chinese, Indian and South American markets.
-

M&A valuation aspects

Stageline's niche market makes the company attractive for strategic and financial investors globally. Both private equity funds and private organizations are looking for prime targets such as Stageline to strengthen their market positioning in the sector and gain further market share.

Oaklins industry specialist



✉ **Fausto Levy**, Principal, Oaklins, Canada

Fausto has extensive experience in the concert and event promotion industry, having closed a large number of industry-related deals over the last five years. He completed the sale of Solotech, a dedicated Canadian leader in technological innovation engaged in the renting and selling of light and sound equipment. Fausto has also been involved in a number of acquisitions, divestitures and financing transactions in the show business industry. His clients include Show Canada.

OAKLINS HAS CLOSED 127 DEALS IN INDUSTRIAL MACHINERY & COMPONENTS

Oaklins is the world's most experienced mid-market M&A advisor, with 700 professionals globally and dedicated industry teams in 40 countries worldwide. We have closed over 1,500 transactions in the past five years.