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FOR IMMEDIATE RELEASE

MORBARK ANNOUNCES ACQUISITION OF RAYCO MANUFACTURING

WINN, MI – November 2, 2017 – Morbark, LLC (Morbark) announced today it had completed the acquisition of Rayco Manufacturing, Inc. (Rayco) This transaction represents the first addition since affiliates of the private equity firm Stellex Capital Management LP (Stellex) acquired Morbark in 2016. The purchase of Rayco represents a significant move towards the Company's strategic focus on broadening the range of tree care and industrial equipment, aftermarket parts, and service offered to their Customers.

Rayco was founded in 1978 in Wooster, Ohio, by John M. Bowling, who as the owner of a tree care service identified the unique needs of the tree and landscape industry and began to build equipment to meet and surpass those needs. Today the company is dedicated to the design and production of an incredibly innovative line of environmental equipment. The current range of Rayco products includes: stump cutters, crawler trucks, forestry mulchers, multi-tool carriers, and attachments, brush chippers and the all-new AT71 aerial trimmer.

John Bowling, Chief Executive Officer of Rayco, stated, "Our family is very proud of the legacy we have established and nurtured over the past 39 years. As a family-run and -owned business, we view today's transaction as an opportunity to continue growing our business while joining an even larger family."

Dave Herr, Chief Executive Officer of Morbark, commented, "We are thrilled to welcome Rayco to the Morbark portfolio of companies. Rayco is a company that our senior management team has admired for a long time. We value the long-standing success of Rayco and are committed to providing the Bowling family and their dedicated employees the resources they need to continue the success they have built."

Transaction Highlights:

- The transaction is a positive, strategic fit for both companies. Rayco brings a lineup of innovative equipment into the Morbark family across multiple product categories. In particular, Rayco stump cutters, aerial trimmers, forestry mulchers and crawler trucks will enhance and complement the existing Morbark family of products.
- Rayco founder, John Bowling, will continue his work with the team to develop new products and help improve the company's existing product lines. He will continue to have an economic interest in the combined business and will be a member of Morbark's Board of Directors.
- Morbark will operate Rayco as a new division maintaining its brand identity. Rayco's experienced management team will continue to manage their operations. Teams from



each company will work together to determine how to be more efficient and leverage each other's strengths.

Herr continued, "Rayco has a well-deserved reputation for providing customers with the equipment and service they demand and the value they deserve. That product innovation and dedication will continue without interruption. We are excited by what we can bring to Rayco in the way of our experiences, our dealer network and products to complement current Rayco equipment owners."

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About Morbark, LLC

Morbark, LLC, based in Winn, Mich., has been innovating and manufacturing durable, high-performance equipment for forestry, recycling, tree care, sawmill and biomass markets for more than 60 years. Morbark equipment helps customers harvest, process and convert wood and other organic waste materials into valuable, useful and profitable products. The Company produces a full line of whole tree and waste wood chippers, flails, brush chippers, horizontal and tub grinders, sawmill equipment, material handling systems and more. For more information, please visit www.morbark.com.

About Rayco Manufacturing, Inc.

Since 1978, Rayco has been one of the most recognizable brands in environmental, forestry, landscaping, and construction equipment. Rayco's line of stump cutters, horizontal grinders, brush chippers, forestry mulchers, and rubber crawler trucks feature innovative designs and a range of options to suit any-sized job and budget, from landscaping to major construction projects. Rayco equipment is engineered and manufactured in Wooster, Ohio, and sold through an international dealer network offering equipment sales, rentals, parts, and accessories, including warranty and technical support. For more information, please visit www.raycomfg.com

About Stellex Capital Management LP

Stellex is a private equity manager that invests in and oversees the US and European corporate assets. Stellex's focus is on middle-market companies going through business or industry transitions, as well as special situation opportunities. Stellex seeks to identify and deploy capital in opportunities that have the potential to provide stability, improvement, and growth for its portfolio companies.