



# Flow Control Industry Update

Q3 2021

# Flow Control Sector Overview

Global flow control industry participants include manufacturers, distributors, and service providers, supplying equipment, machinery, components, and technologies to support industrial processes across various industries and applications. Key players in each sub-sector are categorized based upon relative revenue of their offerings

Sub-sector	Revenue/EBITDA Multiple <sup>(1)</sup>	Description	Key Players	
Industrial Processing Solutions	3.0x / 16.0x	Diversified providers of products that create (e.g., pumps, compressors, etc.), manage (e.g., actuators, valves, etc.), and measure (e.g., sensors, meters, etc.) flow and other variables (e.g., pressure, temperature, etc.) across a range of industrial processes	<ul style="list-style-type: none"> <li>❖ Badger Meter</li> <li>❖ CIRCOR</li> <li>❖ Crane</li> <li>❖ Curtiss-Wright</li> <li>❖ Emerson Electric</li> <li>❖ Flowserve</li> <li>❖ IMI</li> </ul>	<ul style="list-style-type: none"> <li>❖ Kadant</li> <li>❖ KITZ</li> <li>❖ Neles</li> <li>❖ Mueller Water</li> <li>❖ Rotork</li> <li>❖ Watts Water</li> </ul>
Pumps & Compressors	3.4x / 17.9x	Flow generating products	<ul style="list-style-type: none"> <li>❖ Dover</li> <li>❖ Ebara</li> <li>❖ Franklin Electric</li> <li>❖ Graco</li> <li>❖ IDEX</li> <li>❖ Ingersoll Rand</li> </ul>	<ul style="list-style-type: none"> <li>❖ Interpump Group</li> <li>❖ ITT</li> <li>❖ SPX FLOW</li> <li>❖ Sulzer</li> <li>❖ Gorman-Rupp</li> </ul>
Specialty Products	5.3x / 23.7x	Other products and equipment serving niche applications, including heat exchangers, blowers and mixers, and filtration and purification products	<ul style="list-style-type: none"> <li>❖ Alfa Laval</li> <li>❖ AMETEK</li> <li>❖ Donaldson</li> <li>❖ Dover</li> <li>❖ Halma</li> <li>❖ IDEX</li> <li>❖ Indutrade</li> </ul>	<ul style="list-style-type: none"> <li>❖ ITT</li> <li>❖ Parker-Hannifin</li> <li>❖ Pentair</li> <li>❖ Roper Technologies</li> <li>❖ Spirax-Sarco</li> <li>❖ Xylem</li> </ul>
Automation Technologies	3.6x / 18.8x	Process automation products and technologies	<ul style="list-style-type: none"> <li>❖ ABB</li> <li>❖ Schneider Electric</li> </ul>	<ul style="list-style-type: none"> <li>❖ Siemens</li> <li>❖ SMC</li> </ul>
Seals, Fittings, Pipes & Tubes	1.9x / 10.8x	Key components of flow control equipment and systems	<ul style="list-style-type: none"> <li>❖ Aalberts</li> <li>❖ Mueller Industries</li> </ul>	<ul style="list-style-type: none"> <li>❖ Smiths Group</li> <li>❖ Trelleborg</li> </ul>
Dispensing Equipment	6.4x / 21.4x	Products and systems that dispense, spray, or apply liquids or materials in a controlled manner	<ul style="list-style-type: none"> <li>❖ Graco</li> </ul>	<ul style="list-style-type: none"> <li>❖ Nordson</li> </ul>

Source: Market statistics sourced from Capital IQ and based on 10/19/2021

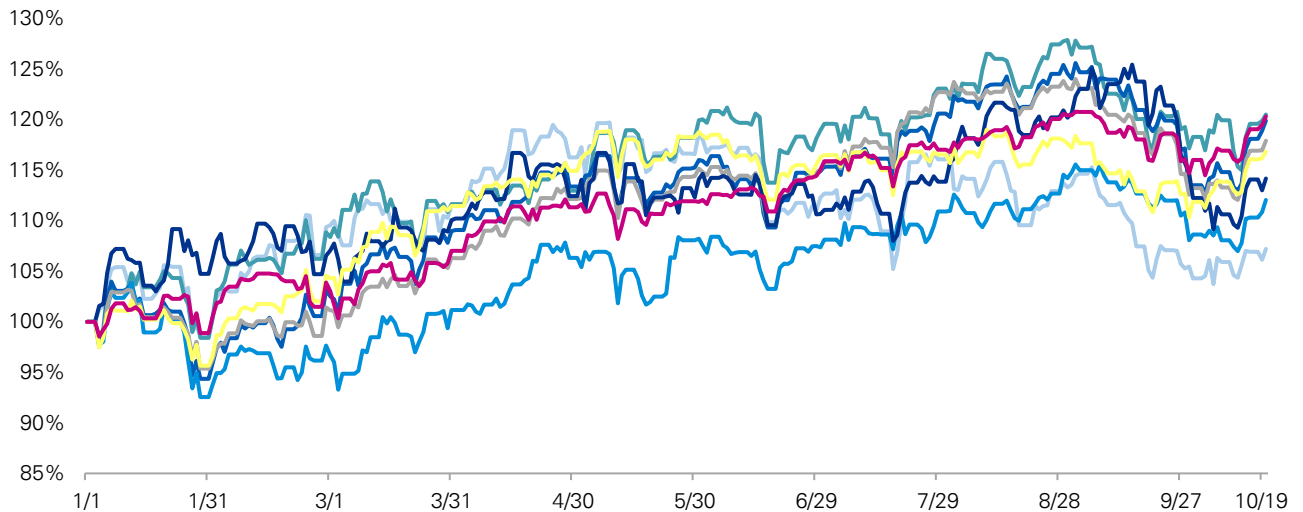
(1) Valuation Multiples represent Enterprise Value to LTM Revenue and LTM EBITDA at 10/19/2021

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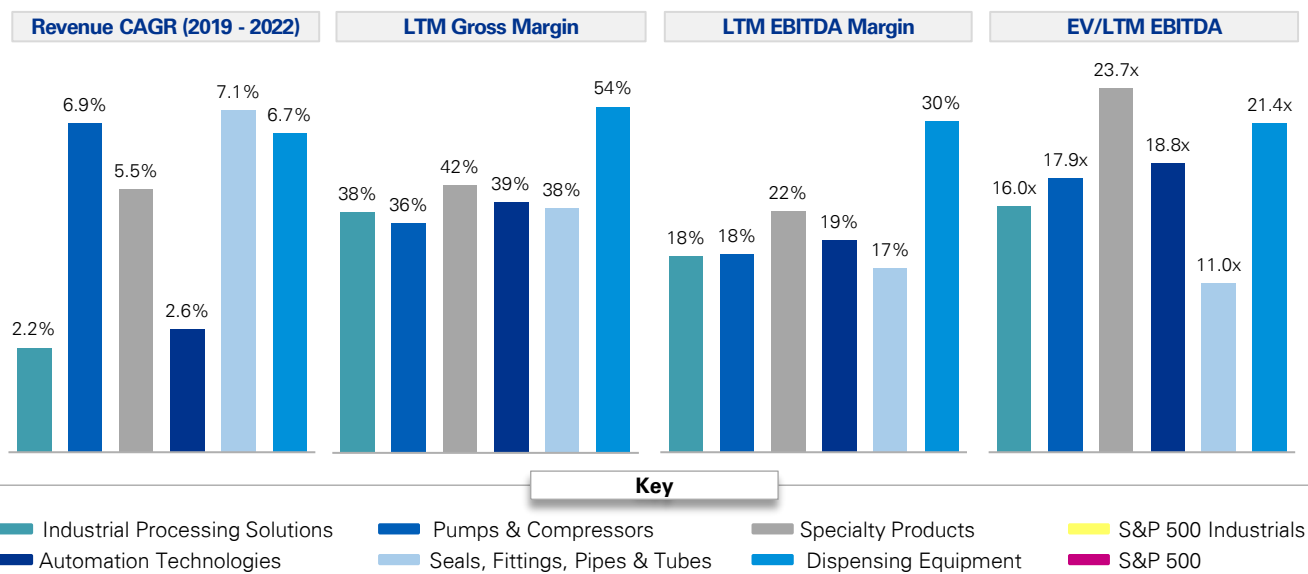
# Flow Control Public Markets Update: Q3 2021 Recap

- ▣ Indexed stock prices<sup>(1)</sup> increased across each Flow Control peer group YTD 10/19/2021 at varying levels:
  - Industrial Processing Solutions (+20.5%), Pumps & Compressor (+19.9%), and Specialty Products (+17.9%) generally performed in-line with the S&P 500 (+20.3%)
  - Automation Technologies (+14.2%), Dispensing Equipment (12.0%), and Seals, Fittings, Pipes & Tubes (+7.2%) lagged the S&P 500
- ▣ Trading multiples for Flow Control companies on 10/19/2021 recorded an overall mean EV/LTM EBITDA of 19.2x; with the mean EV/LTM EBITDA for Specialty Products at 23.7x; Dispensing Equipment companies at 21.4x; Automation Technologies at 18.0x; Pumps & Compressors at 17.9x; Industrial Processing Solutions at 16.0x; and Seals, Fittings, Pipes & Tubes at 10.8x

## Indexed Stock Performance<sup>(1)</sup> (1/1/2021 through 10/19/2021)



## Financial Metrics<sup>(2)</sup> for Flow Control Peer Groups (10/19/2021)



Source: Market statistics sourced from Capital IQ

(1) Based on market capitalization-weighted index methodology

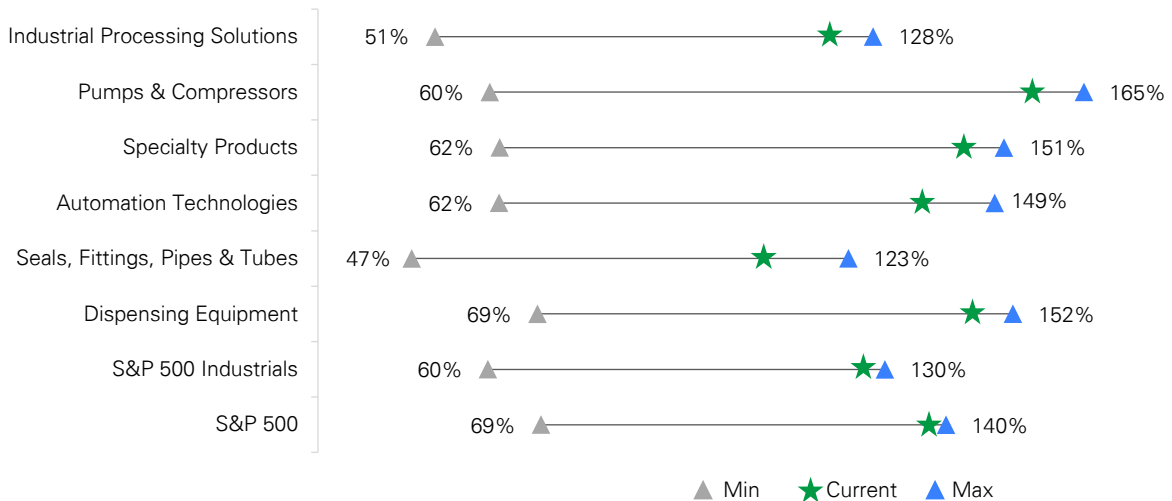
(2) Financial metrics represent the average of constituents reporting in category

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# Flow Control Public Markets Update: Q3 2021 Recap (continued)

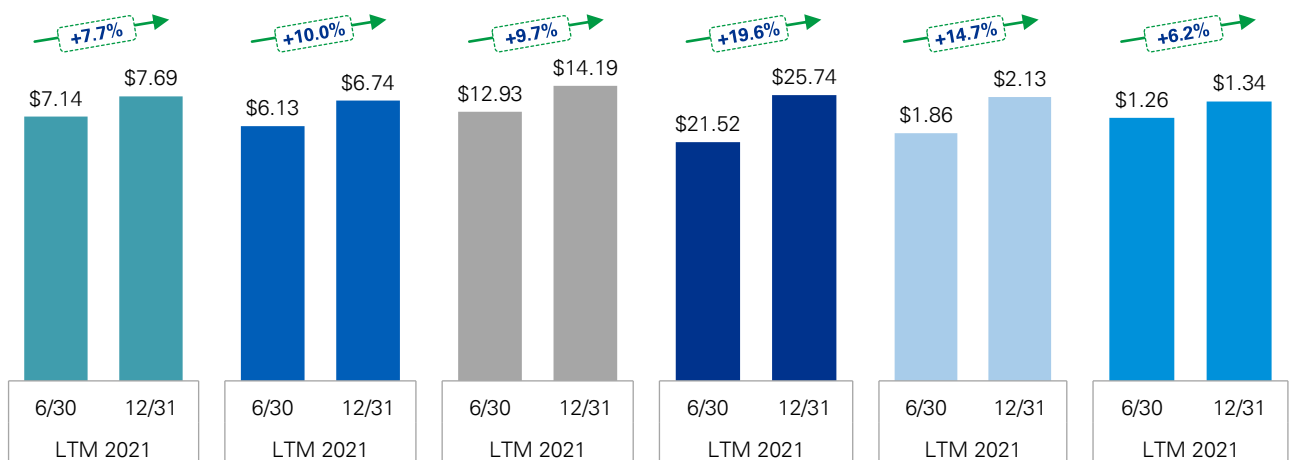
- Stock prices for the Flow Control peer groups have continue to trade at or near historically high levels
- Stock price performance<sup>(1)</sup> by peer group has varied over the period:
  - Pumps & Compressor (+57.2%), Dispensing Equipment (+47.5%), and Specialty Products (+43.2%) peer groups are each outperforming the S&P 500 (+39.9%)
  - Automation Technologies (+35.6%), Industrial Processing Solutions (+20.3%), and Seal, Fittings, Pipes, & Tubes (+10.4%) peer groups have lagged the S&P 500

## Indexed Stock Performance<sup>(1)</sup> (1/1/2020 through 10/19/2021)



## Aggregate EBITDA Comparative Analysis<sup>(2)</sup> (\$ in billions)

2021E EBITDA is forecasted to grow by +13.7% across the Flow Control peer groups compared to LTM June 2021 EBITDA



### Key

- Industrial Processing Solutions
- Pumps & Compressors
- Specialty Products
- Automation Technologies
- Seals, Fittings, Pipes & Tubes
- Dispensing Equipment

Source: Market statistics sourced from Capital IQ

(1) Based on market capitalization-weighted index methodology

(2) Financial metrics represent constituents reporting in category

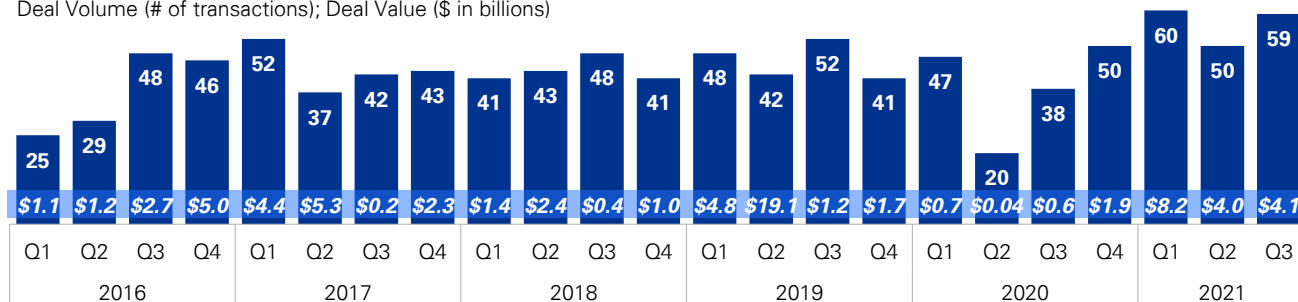
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# Flow Control M&A Market Commentary

- Announced transaction volume increased 55.3% in Q3 2021 as compared to Q3 2020, while announced transaction value increased 6.5x over the same period, largely driven by Avantor's (NYSE:AVTR) announced acquisition of Masterflex from Antylia Scientific, a portfolio company of private investment firm GTCR. Masterflex is projected to generate ~\$138M of EBITDA (46% margin) on ~\$300M of revenue in 2022E for 2022E, with 70%+ revenue generated from recurring consumables and ~90% from proprietary content. Total transaction consideration of \$2.9 billion represents 9.7x 2022E revenue and 21.0x 2022E EBITDA<sup>(1)</sup>
- Transaction activity and value increased 18.0% and 2.0%, respectively, from Q2 2021 to Q3 2021

## Global Flow Control Industry Announced Deal Volume and Value<sup>(1)</sup>

Deal Volume (# of transactions); Deal Value (\$ in billions)



## Recent Notable Flow Control Deals

October 18, 2021

### Industrial Flow Solutions (May River) / Clearwater Controls

Industrial Flow Solutions, the New Haven, CT-based and private equity owned industrial pumping solutions provider, has acquired Clearwater Controls, the Glasgow, Scotland-based provider of intelligent pump monitoring and anti-ragging solutions built around cloud-based data analytics and management for improved monitoring of water networks

October 18, 2021

### Pentair / Pleatco (Align Capital Partners)

Pentair, a global provider of water treatment and sustainable solutions, has acquired Pleatco, the Louisville, KY-based designer and manufacturer of aftermarket pleated filter cartridges, pleated bags, and other filtration products for the industrial air and pool / spa markets. Total transaction consideration of \$255 million represents 2.7x 2021E revenue

October 6, 2021

### Core & Main (Clayton Dubilier & Rice) / CES

Core & Main, a specialized distributor of water, wastewater, storm drainage and fire protection products, and related services, has acquired CES Industrial Piping Supply ("CES"), the Belton, MO-based full-service provider of HDPE pipe, fittings, and fusion machines for a range of markets, including industrial, oil & gas, water & wastewater, and environmental

September 30, 2021

### Sulzer spins-off medmix

Sulzer, a global leader in industrial flow control, has completed the spin-off of medmix, a Switzerland-based manufacturer of cutting-edge mixing, dispensing, and high-precision delivery devices for healthcare, industrial, and consumer markets. The Company is projected to generate ~\$483.0 million of revenue in 2021E with high-single digit revenue growth into 2022E

September 15, 2021

### METER Group / Drying Technology

METER Group, the Pullman, WA-based manufacturer of laboratory analytical instruments and environmental testing equipment, has acquired Drying Technology, the Silsbee, TX-based manufacturer of soft sensors and control systems designed to reduce moisture content variation in foods and improve production efficiency and quality

September 13, 2021

### Fairbanks Morse Defense (Arcline) / Hunt Valve (May River)

Fairbanks Morse Defense, the Beloit, WI-based and private equity owned provider of mission-critical equipment to military and commercial marine customer, has acquired Hunt Valve, the Salem, OH-based manufacturer of mission critical naval valves and electromechanical actuators from May River, a Chicago, IL-based private equity firm

September 7, 2021

### Avantor / Masterflex (Antylia Scientific / GTCR)

Avantor has announced the acquisition of Masterflex, the Vernon Hills, IL-based provider of peristaltic instruments and aseptic single-use fluid transfer technologies for bioproduction, from Antylia Scientific, a portfolio company of private investment firm GTCR. Total transaction consideration of \$2.9 billion represents 9.7x 2022E revenue and 21.0x 2022E EBITDA

July 26, 2021

### H.I.G. Capital / MISCOWater

H.I.G. Capital, a global private equity firm, has acquired MISCOWater, the Foothill Ranch, CA-based provider of process and equipment solutions to the municipal water, wastewater, and industrial markets, and has announced the formation of United Flow Technologies, a platform established to invest in the municipal and industrial water & wastewater market

(1) Market statistics sourced from Capital IQ, Merger Market, press releases. Notes: M&A analysis based on deals announced during respective periods. Deal value represents aggregate deal value for disclosed transactions for time periods noted above

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# Highlights from KPMG's 2021 U.S. CEO Outlook

KPMG's survey of more than 1,300 CEOs from large, global companies, including 400 in the U.S., shows that U.S. CEOs remain confident in the growth prospects of the economy and their businesses as confidence in global economic growth is rising

## Growth Strategies

Companies seek to use M&A as a means for growth and to bring new and increased value to their organizations as they position for a post pandemic economy

**86%**

*CEOs surveyed are likely to make acquisitions within the next three years*

"Pursuing inorganic growth, such as M&A or strategic alliances, is no longer about financial engineering or scale. Instead, companies are leveraging inorganic strategies to drive network and revenue synergies."

**– Carl Carande, Vice Chair-Advisory, KPMG U.S. and Global Head of Advisory**

## Resilience Priorities

Nearly all top operational priorities critical to achieving growth objectives will lean heavily on the supply chain function

**59%**

*CEOs said they will ensure their supply chain is resilient in the event of a global lockdown and travel restrictions*

"COVID-19 has brought about great challenges to the supply chain arena. There is a significant supply-and-demand disequilibrium, further exacerbated by raw material shortages, transportation congestion and delays, labor challenges and a shifting regulatory landscape"

**– Brian Higgins, Supply Chain & Operations Practice Leader, KPMG U.S.**

## Sustainable Future

CEOs are seeing significant demand for increased reporting and transparency on ESG issues today from stakeholders

**61%**

*CEOs believe their organization's principal objective is to create long-term value for all stakeholders*

"Today, stakeholders trust and, therefore, expect businesses to help solve our biggest societal challenges. This dynamic manifests itself in many ways... employees, customers, investors and, most recently, regulators are raising expectations on companies to deliver long-term ESG commitments"

**– Scott Flynn, Vice Chair-Audit, KPMG U.S.**

## People-Focused

CEOs identified their employee value proposition as the top operational priority to achieve their growth objectives

**79%**

*CEOs said that addressing burnout among their workforces is a top priority*

"Ensuring a successful outcome includes thinking beyond where teams work and focusing more on how teams work together—enabling purposeful, intentional interactions to help people succeed, learn and develop their careers"

**– Laura Newinski, Deputy Chair and COO, KPMG U.S.**

# Flow Control Spotlight: Industrial Automation Software

- The large, high-growth ~\$60 billion industrial software market<sup>(1)</sup> covers a broad set of applications, including:
  - **Engineering & design** (e.g., architectural engineering & construction, product lifecycle management, geology & geophysics, etc.)
  - **Control** (e.g., advanced process control & optimization, alarm management, human machine interface, etc.)
  - **Production management** (e.g., environmental, health & safety, lab information management systems, manufacturing execution systems, process simulation & optimization, power transmission & distribution software, etc.)
  - **Asset reliability** (e.g., plant asset management, enterprise asset management, asset integrity, field service management, etc.)
- The rapid rate of software adoption is driving robust investment as companies pursue improved performance across safety, reliability, production, and energy & emissions benchmarks
- Strategic players are aggressively pursuing M&A to accelerate industrial software strategies to adapt to the fast-paced and evolving market

**~2.5x**

*Industrial software growth outpaced PP&E spend over the past 30 years<sup>(1)</sup>*

**81%**

*Executives cite their installed base is in need of technology automation upgrades<sup>(2)</sup>*

**8%**

*Industrial automation software market CAGR over the 2021 – 2026 period<sup>(3)</sup>*

## Select Industrial Automation Software Deals

Closed Date	Target Company	Buyer	Overview
October 2021*	Aspen Technology	Emerson	Emerson announces acquisition of controlling interest in Aspen Technology (“AspenTech”), a leading global industrial software company, by contributing cash and complementary software businesses, OSI and Geological Simulation Software. Emerson’s \$8.5 billion consideration for 55% of 2022E adjusted EBITDA (\$490 million) represents 31.5x EBITDA
October 2021	Global EAM Business of Infor	Hexagon	Hexagon, a global leader in sensor, software, and autonomous solutions, has acquired the Global Enterprise Asset Management (“EAM”) Business of Infor. EAM provides SaaS-based applications used by companies in industrial and asset-intensive industries to optimize maintenance and repair of plants and equipment. Total transaction consideration of \$2.75 billion represents 15.0x 2021 revenue
September 2021	Plex Systems (Francisco Partners)	Rockwell Automation	Rockwell Automation, a global provider of next generation manufacturing solutions, has acquired Plex Systems, a provider cloud-delivered manufacturing execution systems, ERP, quality, supply chain planning and management, and IIOT and analytics. Total transaction consideration of \$2.2 billion represents ~11.9x 2022E revenue
August 2021	Maximus	Ingersoll Rand	Ingersoll Rand, a global provider of mission-critical flow creation and industrial solutions, has acquired Maximus, a provider of digital controls and IIoT production management systems for the agritech market. Total transaction consideration of \$110 million represents 3.4x revenue and ~11.3x EBITDA
July 2021	Ctek	Digi	Digi, a leading global provider of IoT connectivity products and services, has acquired Ctek, a provider of remote automation and communications solutions for industrial applications in irrigation, water & waste water management, and agriculture
March 2021	Crank Software	AMETEK	AMETEK, a global manufacturer of electronic instruments and electromechanical devices, has acquired Crank Software, a provider of embedded GUI software and services, including Storyboard, a premier, innovative solution that enables the design and development of customized user experiences in a wide range of embedded products

(1) Emerson; (2) UBS; (3) Mordor Intelligence; \* Indicates transaction pending  
Source: Press releases, public filings, Capital IQ, Merger Market

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# Select Public Flow Control Companies

## Public Markets Key Trading Statistics (10/19/2021)

Sub-sectors	Indexed Share Price % Change		LTM Financials		Valuation Multiples Enterprise Value To:	
	1/1/20 - 10/19/21	YTD 10/19/21	Gross Margin	EBITDA Margin	LTM Revenue	LTM EBITDA
Industrial Processing Solutions	20.2%	20.5%	37.6%	17.9%	3.0x	16.0x
Pumps & Compressors	57.2%	19.9%	35.9%	18.0%	3.4x	17.9x
Specialty Products	43.2%	17.9%	41.8%	22.0%	5.3x	23.7x
Automation Technologies	35.6%	14.2%	39.4%	19.9%	3.6x	18.0x
Seals, Fittings, Pipes & Tubes	10.4%	7.2%	38.2%	16.9%	1.9x	10.8x
Dispensing Equipment	47.5%	12.0%	54.0%	29.9%	6.4x	21.4x
<b>Flow Control Sector Mean</b>	<b>35.7%</b>	<b>15.3%</b>	<b>41.1%</b>	<b>20.8%</b>	<b>3.9x</b>	<b>19.2x</b>

## Public Markets Detail (10/19/2021)

Company	Country	Market Data			LTM Financials			Valuation Multiples Enterprise Value To:			
		Share Price	% 52-Wk High	Market Cap <sup>(1)</sup>	Enterprise Value <sup>(2)</sup>	Revenue	Gross Margin	EBITDA Margin	LTM EBITDA	CY 2021 Revenue	CY 2021 EBITDA
<b>Industrial Processing Solutions</b>											
Badger Meter, Inc.	US	\$102.45	91.7%	\$2,989	\$2,922	\$482	40.4%	20.7%	29.2x	5.9x	28.8x
CIRCOR International, Inc.	US	\$33.06	76.5%	\$670	\$1,119	\$766	31.4%	11.8%	12.4x	1.4x	10.7x
Crane Co.	US	\$92.55	88.4%	\$5,406	\$5,873	\$3,122	36.5%	18.4%	10.2x	1.9x	9.7x
Curtiss-Wright Corporation	US	\$130.95	97.8%	\$5,354	\$6,341	\$2,459	36.5%	21.4%	12.1x	2.5x	11.9x
Emerson Electric Co.	US	\$96.42	91.0%	\$57,640	\$62,658	\$17,847	41.9%	22.2%	15.8x	3.4x	14.8x
Flowserve Corporation	US	\$37.22	83.8%	\$4,848	\$5,778	\$3,665	31.0%	12.5%	12.6x	1.6x	13.1x
IMI plc	GB	\$23.27	90.5%	\$6,127	\$6,590	\$2,576	45.6%	17.7%	14.5x	2.6x	12.1x
Kadant Inc.	US	\$212.80	94.3%	\$2,464	\$2,667	\$691	43.9%	19.6%	19.7x	3.4x	17.1x
KITZ Corporation	JP	\$6.82	87.2%	\$611	\$733	\$1,136	26.0%	10.8%	6.0x	0.6x	6.4x
Mueller Water Products, Inc.	US	\$16.27	96.3%	\$2,580	\$2,825	\$1,081	35.2%	20.1%	13.0x	2.5x	12.9x
Neles Oyj	FI	\$14.43	88.5%	\$2,167	\$2,272	\$680	32.1%	14.3%	23.4x	3.2x	18.4x
Rotork plc	GB	\$4.86	92.3%	\$4,194	\$3,995	\$842	46.7%	25.9%	18.3x	4.8x	18.1x
Watts Water Technologies, Inc.	US	\$181.53	99.2%	\$6,107	\$6,059	\$1,668	42.1%	17.1%	21.2x	3.5x	20.7x
<b>Mean</b>							<b>37.6%</b>	<b>17.9%</b>	<b>16.0x</b>	<b>2.9x</b>	<b>15.0x</b>
<b>Median</b>							<b>36.5%</b>	<b>18.4%</b>	<b>14.5x</b>	<b>2.6x</b>	<b>13.1x</b>

Source: Market statistics sourced from Capital IQ

All figures in USD and in millions (except share price data), where applicable, converted at rates as of 10/19/2021

(1) Market Capitalization based on closing share prices as of 10/19/2021

(2) Enterprise Value (EV) equals Market Capitalization plus Debt, Preferred Equity, and Minority Interest, minus Cash and Cash Equivalents

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# Select Public Flow Control Companies (continued)

Company	Country	Market Data				LTM Financials			Valuation Multiples Enterprise Value To:		
		Share Price	% 52-Wk High	Market Cap <sup>(1)</sup>	Enterprise Value <sup>(2)</sup>	Revenue	Gross Margin	EBITDA Margin	LTM EBITDA	CY 2021 Revenue	CY 2021 EBITDA
<b>Pumps &amp; Compressors</b>											
Dover Corporation	US	\$167.91	95.2%	\$24,176	\$26,498	\$7,698	37.9%	20.5%	16.8x	3.4x	16.4x
Ebara Corporation	JP	\$53.49	95.0%	\$4,986	\$4,660	\$4,978	29.2%	12.2%	7.7x	0.9x	6.9x
Franklin Electric Co., Inc.	US	\$85.63	97.6%	\$3,976	\$4,157	\$1,443	34.9%	13.9%	20.7x	2.6x	17.6x
Graco Inc.	US	\$72.19	89.7%	\$12,254	\$11,975	\$1,918	52.3%	30.1%	20.8x	6.1x	19.9x
IDEX Corporation	US	\$216.25	91.7%	\$16,435	\$17,018	\$2,534	44.3%	26.8%	25.0x	6.2x	22.5x
Ingersoll Rand Inc.	US	\$53.57	96.3%	\$22,508	\$22,810	\$5,677	36.4%	19.6%	20.5x	4.5x	19.4x
ITT Inc.	US	\$93.02	91.8%	\$8,009	\$7,729	\$2,690	32.1%	14.7%	19.6x	2.8x	14.1x
Interpump Group S.p.A.	IT	\$69.29	96.8%	\$7,377	\$7,629	\$1,702	36.5%	23.9%	18.8x	4.2x	17.8x
SPX FLOW, Inc.	US	\$75.93	88.1%	\$3,161	\$3,249	\$1,498	34.3%	12.0%	18.1x	2.1x	15.0x
Sulzer Ltd	CH	\$101.15	64.6%	\$3,418	\$4,051	\$3,725	30.7%	11.4%	9.6x	1.2x	9.3x
The Gorman-Rupp Company	US	\$39.14	97.5%	\$1,023	\$898	\$354	26.0%	13.3%	19.0x	2.4x	15.8x
<b>Mean</b>							<b>35.9%</b>	<b>18.0%</b>	<b>17.9x</b>	<b>3.3x</b>	<b>15.9x</b>
<b>Median</b>							<b>34.9%</b>	<b>14.3%</b>	<b>19.3x</b>	<b>2.7x</b>	<b>16.7x</b>
<b>Specialty Products</b>											
Alfa Laval AB (publ)	SE	\$39.10	90.7%	\$16,286	\$17,287	\$4,602	35.2%	19.3%	19.5x	3.6x	18.0x
AMETEK, Inc.	US	\$130.14	92.9%	\$30,089	\$32,845	\$4,928	35.0%	28.9%	23.0x	6.0x	21.0x
Donaldson Company, Inc.	US	\$59.51	85.8%	\$7,355	\$7,694	\$2,854	34.3%	17.1%	15.8x	2.5x	14.5x
Dover Corporation	US	\$167.91	95.2%	\$24,176	\$26,498	\$7,698	37.9%	20.5%	16.8x	3.4x	16.4x
Halma plc	GB	\$39.53	89.9%	\$14,972	\$15,326	\$1,816	49.8%	23.6%	35.7x	7.9x	30.0x
IDEX Corporation	US	\$216.25	91.7%	\$16,435	\$17,018	\$2,534	44.3%	26.8%	25.0x	6.2x	22.5x
Indutrade AB (publ)	SE	\$28.86	84.3%	\$10,509	\$11,086	\$2,376	34.4%	15.6%	30.0x	4.4x	24.7x
ITT Inc.	US	\$93.02	91.8%	\$8,009	\$7,729	\$2,690	32.1%	14.7%	19.6x	2.8x	14.1x
Parker-Hannifin Corporation	US	\$296.24	91.2%	\$38,245	\$44,207	\$14,348	27.4%	20.7%	14.9x	2.9x	13.8x
Pentair plc	GB	\$72.66	90.4%	\$12,052	\$12,755	\$3,402	36.0%	19.5%	19.3x	3.5x	17.2x
Roper Technologies, Inc.	US	\$474.13	95.0%	\$49,985	\$58,349	\$5,988	64.6%	36.2%	26.9x	9.1x	24.8x
Spirax-Sarco Engineering plc	GB	\$209.03	90.7%	\$15,407	\$15,719	\$1,750	73.8%	25.9%	34.7x	8.4x	28.7x
Xylem Inc.	US	\$125.51	90.4%	\$22,612	\$23,917	\$5,200	38.5%	16.8%	27.3x	4.5x	26.4x
<b>Mean</b>							<b>41.8%</b>	<b>22.0%</b>	<b>23.7x</b>	<b>5.0x</b>	<b>20.9x</b>
<b>Median</b>							<b>36.0%</b>	<b>20.5%</b>	<b>23.0x</b>	<b>4.4x</b>	<b>21.0x</b>
<b>Automation Technologies</b>											
ABB Ltd	CH	\$34.58	91.6%	\$69,369	\$73,333	\$28,560	32.7%	15.3%	16.8x	2.5x	13.8x
Schneider Electric S.E.	FR	\$166.28	89.7%	\$92,284	\$105,718	\$32,438	41.1%	18.5%	17.6x	3.2x	16.3x
Siemens Aktiengesellschaft	DE	\$163.65	92.6%	\$130,647	\$183,048	\$72,944	35.5%	13.6%	18.4x	2.5x	15.8x
SMC Corporation	JP	\$590.05	84.8%	\$38,988	\$33,497	\$5,469	48.4%	32.1%	19.1x	5.6x	17.1x
<b>Mean</b>							<b>39.4%</b>	<b>19.9%</b>	<b>18.0x</b>	<b>3.5x</b>	<b>15.7x</b>
<b>Median</b>							<b>38.3%</b>	<b>16.9%</b>	<b>18.0x</b>	<b>2.8x</b>	<b>16.0x</b>

Source: Market statistics sourced from Capital IQ

All figures in USD and in millions (except share price data), where applicable, converted at rates as of 10/19/2021

(1) Market Capitalization based on closing share prices as of 10/19/2021

(2) Enterprise Value (EV) equals Market Capitalization plus Debt, Preferred Equity, and Minority Interest, minus Cash and Cash Equivalents

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# Select Public Flow Control Companies (continued)

Company	Country	Market Data				LTM Financials			Valuation Multiples Enterprise Value To:		
		Share Price	% 52-Wk High	Market Cap <sup>(1)</sup>	Enterprise Value <sup>(2)</sup>	Revenue	Gross Margin	EBITDA Margin	LTM EBITDA	CY 2021 Revenue	CY 2021 EBITDA
<b>Seals, Fittings, Pipes &amp; Tubes</b>											
Aalberts N.V.	NL	\$56.50	88.3%	\$6,248	\$7,053	\$3,360	61.4%	16.0%	13.1x	2.1x	10.6x
Mueller Industries, Inc.	US	\$45.85	95.4%	\$2,621	\$2,680	\$3,489	20.7%	15.6%	4.9x	0.7x	NM
Smiths Group plc	GB	\$19.68	85.4%	\$7,801	\$9,344	\$3,346	38.0%	18.0%	15.5x	2.8x	14.0x
Trelleborg AB (publ)	SE	\$21.94	80.7%	\$5,947	\$7,038	\$3,995	32.5%	18.2%	9.7x	1.8x	8.9x
<b>Mean</b>							<b>38.2%</b>	<b>16.9%</b>	<b>10.8x</b>	<b>1.8x</b>	<b>11.1x</b>
<b>Median</b>							<b>35.3%</b>	<b>17.0%</b>	<b>11.4x</b>	<b>2.0x</b>	<b>10.6x</b>
<b>Dispensing Equipment</b>											
Graco Inc.	US	\$72.19	89.7%	\$12,254	\$11,975	\$1,918	52.3%	30.1%	20.8x	6.1x	19.9x
Nordson Corporation	US	\$247.89	100.0%	\$14,406	\$15,193	\$2,321	55.6%	29.7%	22.0x	6.3x	20.1x
<b>Mean</b>							<b>54.0%</b>	<b>29.9%</b>	<b>21.4x</b>	<b>6.2x</b>	<b>20.0x</b>
<b>Median</b>							<b>54.0%</b>	<b>29.9%</b>	<b>21.4x</b>	<b>6.2x</b>	<b>20.0x</b>

Source: Market statistics sourced from Capital IQ

All figures in USD and in millions (except share price data), where applicable, converted at rates as of 10/19/2021

(1) Market Capitalization based on closing share prices as of 10/19/2021

(2) Enterprise Value (EV) equals Market Capitalization plus Debt, Preferred Equity, and Minority Interest, minus Cash and Cash Equivalents

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# Flow Control Transaction History

Closed Date	Target Company	Buyer	Enterprise Value (\$mm)	EV / LTM EBITDA	EBITDA Margin
Pending	Masterflex (Antylia Scientific / GTCR)	Avantor	2,900	21.0x	46%
Pending	Forterra	Quikrete Holdings	2,740	10.0x	17%
Oct-21	Process & Motion Control Segment of Rexnord	Regal Beloit	3,688	14.2x	NA
Oct-21	Park Environmental Equipment	Northwest Pipe Company	87	6.2x	21%
Aug-21	Maximus	Ingersoll Rand	110	~11.3x	~30%
Jun-21	BioDot (Artemis Capital Partners)	ATS Automation Tooling Systems	84	5.6x	42%
Jun-21	Tiger Filtration	Xebec Adsorption	17	10.6x	42%
Jun-21	Barber-Nichols	Graham Corporation	84	11.0x	14%
Jun-21	Airtech (EagleTree Capital)	IDEX Corporation	470	16.0x	35%
Mar-21	Ham-Let	Ultra Clean Holdings	348	14.5x	12%
Mar-21	Brüel & Kjær Vibro (Spectris)	NSK	204	25.0x	NA
Mar-21	Ginolis	CELLINK	75	28.5x	12%
Feb-21	Nordic Water	Sulzer	136	9.8x	16%
Jan-21	UTG Mixing Group	SPX FLOW	41	19.8x / 10.0x <sup>(1)</sup>	10%
Jan-21	DZ Trasmissioni SRL	Interpump Group	7	4.2x	25%
Dec-20	Mottrol (Doosan Corporation)	Well to Sea Investment; Socius Advisors	380	9.1x	9%
Nov-20	The Titus Company	Xebec Adsorption	8	4.8x	14%
Oct-20	DOTECO	Piovan	26	6.5x	17%
Sep-20	Scienion	CELLINK	101	16.7x	24%
Jul-20	Enerphase Industrial Solutions	Xebec Holding USA	6	5.9x	10%
Jun-20	Cogent Industrial Technologies	Kadant	7	4.5x	22%
Mar-20	Power and Energy Business of SPX FLOW	Apollo Global Management	475	6.5x	15%
Feb-20	Gardner Denver	Ingersoll Rand	15,400	9.6x	26%
Feb-20	Flow Management Devices	IDEX Corporation	125	10.4x	20%
Feb-20	SENSIT Technologies	Halma	52	11.7x	17%
Jan-20	Instrumentation & Sampling Business of CIRCOR	Crane	172	10.4x	20%
Jan-20	Bal Seal Engineering	Kaman Aerospace Group	330	12.5x	28%
Sep-19	Howden Group	KPS Capital Partners	1,800	9.0x	NA
Sep-19	PBM	IMI	85	12.5x	19%

Indicates Q3 2021 announced transaction

Source: Press releases, public filings, Capital IQ, Merger Market. (1) 10.0x Represents 2021 synergy adjusted EV/EBITDA multiple

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# Flow Control Transaction History (continued)

Closed Date	Target Company	Buyer	Enterprise Value (\$mm)	EV / LTM EBITDA	EBITDA Margin	
Sep-19	Zhejiang Innuovo Machinery	Innuovo Technology	40	11.8x	20%	
Aug-19	Spence and Leslie Product Lines of CIRCOR	Emerson	85	12.3x	33%	
Aug-19	Kaman Industrial Technologies	Littlejohn & Co.	700	10.6x	6%	
Jul-19	Velcora	IDEX Corporation	137	17.5x	21%	
Jun-19	Weir Flow Control	First Reserve Corporation	349	8.6x	21%	
May-19	Precision Flow Systems Business of Accudyne	Ingersoll Rand	1,450	13.0x	28%	
May-19	Rheinhalte Pumpen	ITT	88	9.0x	NA	
Dec-18	Nippon Oil Pump (Wendel)	CITIC Capital	97	11.1x	16%	
Aug-18	AWC Frac Valves	LBO	35	9.7x	11%	
Aug-18	Custom Fluidpower	Helios Technologies	26	6.5x	9%	
Jul-18	Aventics (Triton Partners)	Emerson	622	12.0x	NA	
Jul-18	Kimplas Piping Systems	NORMA Group	83	14.5x	22%	
Apr-18	Cephas Pipelines	KITZ Corporation	35	18.9x	10%	
Apr-18	Faster (Capvis Equity Partners)	Sun Hydraulics	531	14.9x	28%	
Feb-18	CEME (Investcorp Bank)	InvestIndustrial	323	15.1x	13%	
Jan-18	FCX Performance (Harvest Partners)	Applied Industrial Technologies	784	11.5x	12%	
Jan-18	Bimba Manufacturing	IMI	198	14.9x	12%	
Jan-18	Pure Technologies	Xylem	397	18.9x	17%	
Jan-18	JWC Environmental (Windjammer)	Sulzer Pumps Equipment	216	12.7x	NA	
Dec-17	Colfax's Fluid Handling Business	CIRCOR	843	8.3x	15%	
Sep-17	GE Osmonics (General Electric Company)	Suez SA	3,379	9.9x	16%	
Sep-17	FG Inox	Thermador Groupe	26	11.2x	14%	
Jul-17	Chromalox (Irving Place Capital)	Spirax-Sarco Engineering	415	11.0x	21%	
May-17	GESTRA (Flowserve)	Spirax-Sarco	198	11.2x	16%	
Apr-17	Valves & Controls Business of Pentair	Emerson	3,150	14.1x	13%	
Feb-17	CLARCOR	Parker-Hannifin	4,300	20.0x	16%	
Feb-17	INOXPA	Interpump Group	82	6.6x	19%	
Jan-17	Anvil International	One Equity Partners	315	7.5x	12%	
			<b>Mean</b>	<b>\$857</b>	<b>11.8x</b>	<b>19%</b>
			<b>Median</b>	<b>\$172</b>	<b>11.1x</b>	<b>17%</b>

Source: Press releases, public filings, Capital IQ, Merger Market

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# Recent Flow Control Transaction History (without EBITDA multiple data)

Closed Date	Target Company	Buyer	Enterprise Value (\$mm)
Pending	Lakers Group (Summa Equity)	Vestum	230
Pending	MECO	Grundfos	-
Pending	Tank Control Systems Business of Wärtsilä	Svanehøj	-
Pending	NYNE Mechanical	Emerson	-
Pending	Go Geothermal	NIBE	-
Pending	Valve and Pump Businesses of Flowrox	Neles	52
Oct-21	Clearwater Controls	Industrial Flow Solutions (May River Capital)	-
Oct-21	QuantumFlo	WILO	-
Oct-21	Fluitron	Ara Partners Group	-
Oct-21	The Spencer Turbine (Alliance Holdings)	Howden Group	-
Oct-21	National Pipe & Plastics	Oldcastle Infrastructure	-
Oct-21	Alflow	Indutrade	-
Oct-21	Pleatco (Align Capital Partners)	Pentair	255
Oct-21	CES Industrial Piping Supply	Core & Main (Clayton, Dubilier & Rice)	-
Sep-21	Huntington Hose & Hydraulics	Air Hydro Power (Supply Chain Equity Partners)	-
Sep-21	Drying Technology	METER Group	-
Sep-21	Hunt Valve Company (May River Capital)	Fairbanks Morse Defense (Arcline)	-
Sep-21	Flotronic Pumps	Unibloc-Pump (May River Capital)	-
Sep-21	Equflow	Saint-Gobain	-
Sep-21	Montana Waterworks And Irrigation	Dakota Supply Group	-
Sep-21	NGA Product Line of Emerson	SIT	-
Sep-21	Daniel Measurement and Control Business of Emerson Electric	Turnspire Capital Partners	-
Aug-21	Ateliers Ehrismann	AxFlow	-
Aug-21	Vortex Group of Companies	National Pump & Energy	-
Aug-21	Trillium Flow Technologies India	IMC Swarnaa Ventures	84
Aug-21	Seal Science	Integrated Polymer Solutions Group (Arcline)	-
Aug-21	CPC Pumps International	Atlas Copco	-
Aug-21	L.W. Allen (Gen Cap America)	S.J. Electro Systems (Audax)	-
Aug-21	H. E. Danby	Fischer Pump & Valve	-

Source: Press releases, public filings, Capital IQ, Merger Market

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# Recent Flow Control Transaction History (without EBITDA multiple data - continued)

<b>Closed Date</b>	<b>Target Company</b>	<b>Buyer</b>	<b>Enterprise Value (\$mm)</b>
Aug-21	Schneider Electric Motion USA	Novanta	115
Aug-21	Pacific Pipe Company	Core & Main (Clayton, Dubilier & Rice)	103
Jul-21	MISCOwater	H.I.G. Capital	-
Jul-21	Hydra-Flex	Sonny's Enterprises (Genstar Capital)	-
Jul-21	Hydrasun (Investcorp Holdings)	SCF Partners	-
Jul-21	Canyon Pipe & Supply	Ferguson	-
Jul-21	Ctek	Digi International	-
Jul-21	Tecnovielle	Bonomi Group	-
Jul-21	Dositec Sistemas	Dover	-
Jul-21	Weterings	Hexatronic Group	10
Jul-21	L.A. Turbine	Chart Industries	80

Source: Press releases, public filings, Capital IQ, Merger Market

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# KPMG Corporate Finance\* Flow Control Expertise

<p><b>KPMG</b></p> <p><b>SPXFLOW</b></p> <p>has acquired</p> <p><b>UTG</b> MIXING GROUP</p> <p>January 2021</p>	<p><b>KPMG</b></p> <p><b>ITW</b></p> <p>has divested</p> <p><b>ITW INSULATION SYSTEMS</b></p> <p>to</p> <p><b>JM Johns Manville</b> A Berkshire Hathaway Company</p> <p>December 2019</p>	<p><b>KPMG</b></p> <p><b>RICHARDS INDUSTRIES</b></p> <p>has been acquired by</p> <p><b>ASTOR PLACE HOLDINGS</b></p> <p>July 2019</p>	<p><b>KPMG</b></p> <p><b>SIGNUM TECHNOLOGY</b></p> <p>has been acquired by</p> <p><b>TRELLEBORG</b></p> <p>July 2019</p>	<p><b>KPMG</b></p> <p><b>700 VALVE SUPPLY</b> EST. 2014</p> <p>has been recapitalized by</p> <p><b>BROWN BROTHERS HARRIMAN</b></p> <p>May 2019</p>	
<p><b>KPMG</b></p> <p><b>SKF</b></p> <p>has divested its Motion Technologies Business Unit to</p> <p><b>Triton</b></p> <p>December 2018</p>	<p><b>KPMG</b></p> <p><b>ROTEX</b> Engineering For The Future</p> <p>has divested Rotex Manufacturers and Engineers to</p> <p><b>metso</b></p> <p>November 2018</p>	<p><b>KPMG</b></p> <p><b>YEE BEE FILTRATION</b></p> <p>has been acquired by</p> <p><b>SIGNUM TECHNOLOGY</b></p> <p>March 2017</p>	<p><b>KPMG</b></p> <p><b>COORSTEK</b></p> <p>has divested its Precision Seals Business to</p> <p><b>TRELLEBORG</b></p> <p>November 2016</p>	<p><b>KPMG</b></p> <p><b>PEGL</b> President Engineering Group Ltd</p> <p>has been acquired by</p> <p><b>Parker</b></p> <p>July 2015</p>	<p><b>KPMG</b></p> <p><b>Alco Valves</b> Industrial Valve Manufacturers</p> <p>has been acquired by</p> <p><b>GRACO</b></p> <p>September 2014</p>

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