



Flow Control Industry Update

Summer 2022 Newsletter

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 ⁽¹⁾	Description	Key Players	
Industrial Processing Solutions	2.5x / 12.7x	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"> ❖ Badger Meter ❖ CIRCOR ❖ Crane ❖ Curtiss-Wright ❖ Emerson Electric ❖ Flowserve ❖ IMI 	<ul style="list-style-type: none"> ❖ Kadant ❖ KITZ ❖ Mueller Water ❖ Rotork ❖ Watts Water
Pumps & Compressors	2.8x / 12.7x	Flow generating products	<ul style="list-style-type: none"> ❖ Dover ❖ Ebara ❖ Franklin Electric ❖ Graco ❖ IDEX ❖ Ingersoll Rand 	<ul style="list-style-type: none"> ❖ Interpump Group ❖ ITT ❖ Sulzer ❖ Gorman-Rupp
Specialty Products	4.1x / 16.7x	Other products and equipment serving niche applications, including heat exchangers, blowers and mixers, and filtration and purification products	<ul style="list-style-type: none"> ❖ Alfa Laval ❖ AMETEK ❖ Donaldson ❖ Dover ❖ Halma ❖ IDEX ❖ Indutrade 	<ul style="list-style-type: none"> ❖ ITT ❖ Parker-Hannifin ❖ Pentair ❖ Spirax-Sarco ❖ Xylem
Automation Technologies	2.8x / 12.6x	Process automation products and technologies	<ul style="list-style-type: none"> ❖ ABB ❖ Schneider Electric 	<ul style="list-style-type: none"> ❖ Siemens ❖ SMC
Seals, Fittings, Pipes & Tubes	1.9x / 10.5x	Key components of flow control equipment and systems	<ul style="list-style-type: none"> ❖ Aalberts ❖ Mueller Industries 	<ul style="list-style-type: none"> ❖ Smiths Group ❖ Trelleborg
Dispensing Equipment	5.4x / 17.4x	Products and systems that dispense, spray, or apply liquids or materials in a controlled manner	<ul style="list-style-type: none"> ❖ Graco 	<ul style="list-style-type: none"> ❖ Nordson

Source: Market statistics sourced from Capital IQ and based on 7/31/2022

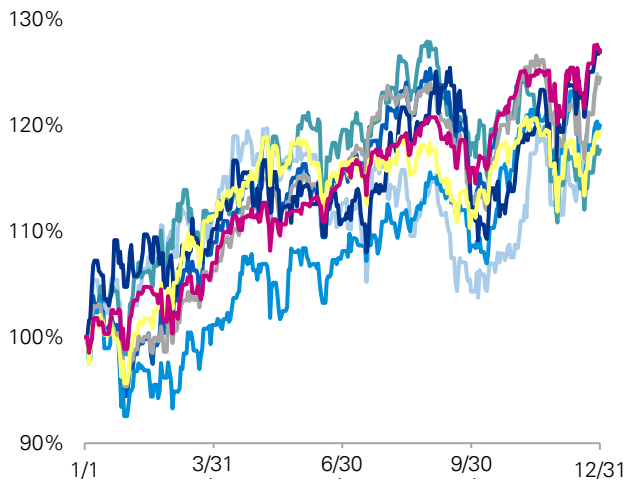
(1) Valuation Multiples represent Enterprise Value to 2022 Revenue and 2022 EBITDA at 7/31/2022

©2022 KPMG Corporate Finance LLC, a Delaware limited liability company. Member FINRA/SIPC. KPMG Corporate Finance LLC is a subsidiary of KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

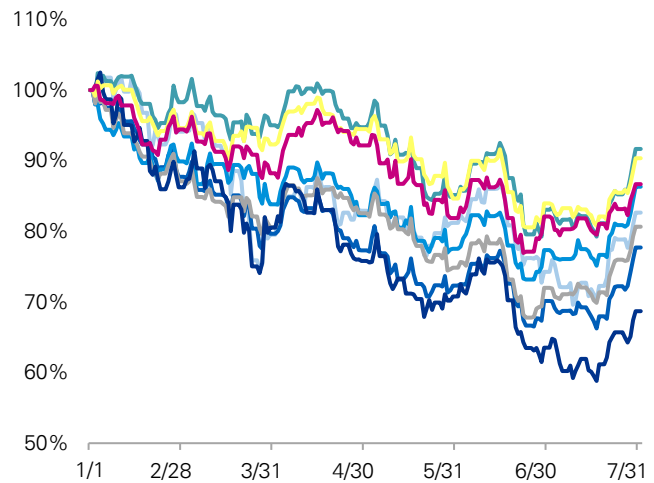
Flow Control Public Markets Update: Stock Performance

- ❑ Stock performance across peer groups experienced gains between 18% – 31% over 2021, but have retreated through 2022 YTD⁽¹⁾ in connection with the broader equity market declines driven by a combination of accelerating inflation, rising interest rates, geopolitical uncertainties, and an increasing probability of a recession
- ❑ Performance across peer groups has varied in 2021 and 2022 YTD:
 - Pumps & Compressors: +30.5% in 2021; -22.3% YTD 2022
 - Automation Technologies: +27.1% in 2021; -31.3% YTD 2022
 - Specialty Products: +24.5% in 2021; -19.4% YTD 2022
 - Seals, Fittings, Pipes & Tubes: +24.5% in 2021; -17.3% YTD 2022
 - Dispensing Equipment: +20.0% in 2021; -13.7% YTD 2022
 - Industrial Processing Solution: +17.7% in 2021; -8.4% YTD 2022

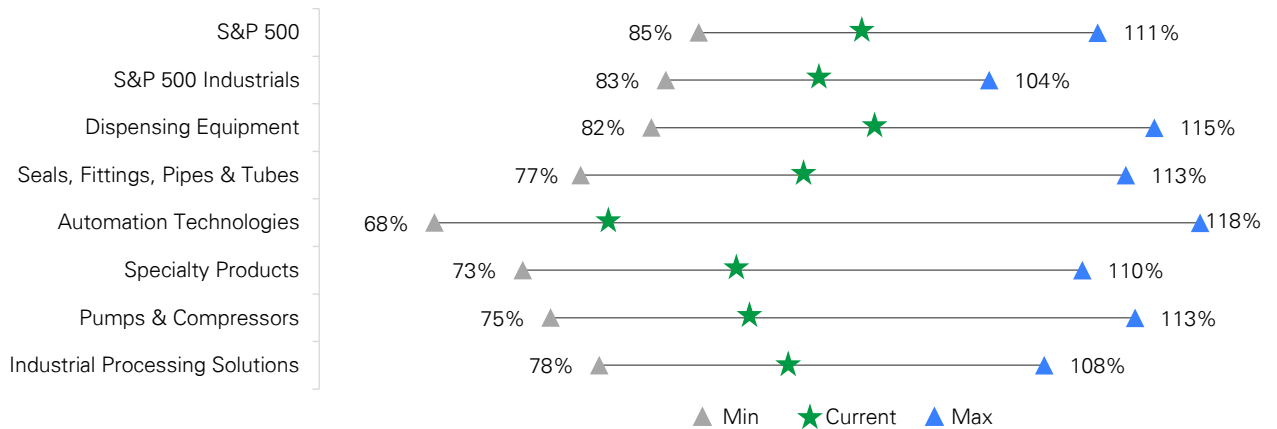
2021 Indexed Stock Price Performance⁽²⁾



2022 YTD Indexed Stock Price Performance⁽²⁾



Current Index Level Versus 52-Week High and Low as of 7/31/2022



Key

- Industrial Processing Solutions
- Pumps & Compressors
- Specialty Products
- S&P 500 Industrials
- Automation Technologies
- Seals, Fittings, Pipes & Tubes
- Dispensing Equipment
- S&P 500

Source: Market statistics sourced from Capital IQ

(1) YTD as of 7/31/2022

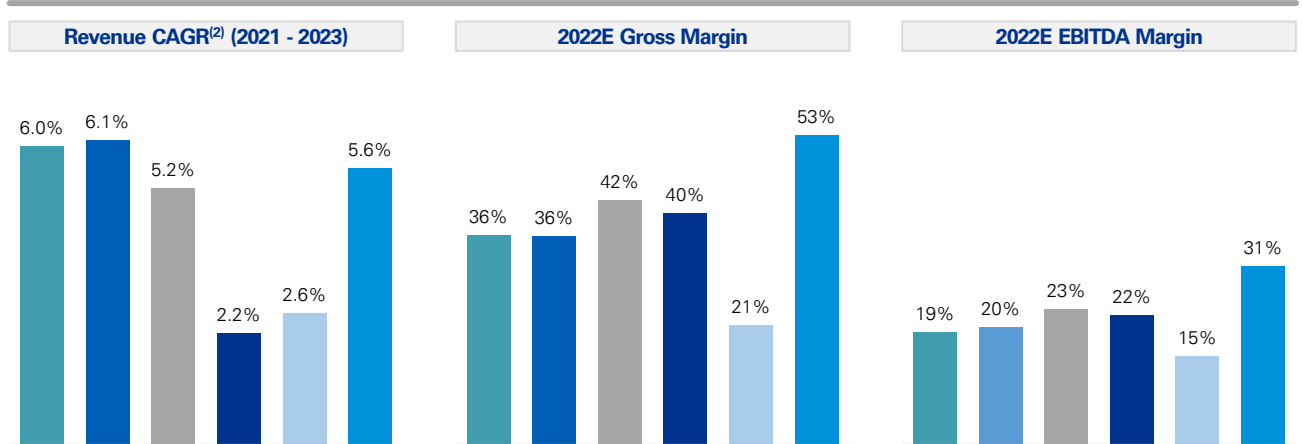
(2) Based on market capitalization-weighted index methodology

©2022 KPMG Corporate Finance LLC, a Delaware limited liability company. Member FINRA/SIPC. KPMG Corporate Finance LLC is a subsidiary of KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

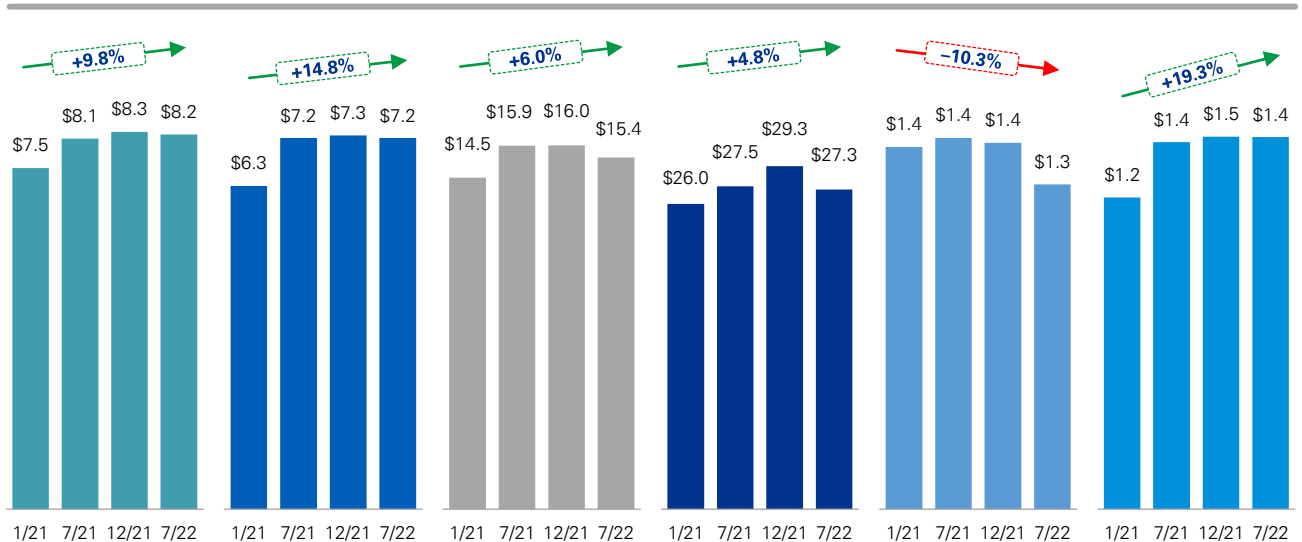
Flow Control Public Markets Update: Performance Trends

- Trading multiples for Flow Control companies on 7/31/2022 recorded an overall mean EV/2022E EBITDA of 14.0x compared to 16.6x on 1/1/2022:
 - Dispensing Equipment: 17.4x as of 7/31/2022 vs. 20.0x as of 1/1/2022
 - Specialty Products: 16.7x as of 7/31/2022 vs. 20.4x as of 1/1/2022
 - Industrial Processing Solutions: 12.7x as of 7/31/2022 vs. 14.2x as of 1/1/2022
 - Pumps & Compressors: 12.7x as of 7/31/2022 vs. 15.7x as of 1/1/2022
 - Automation Technologies: 12.6x as of 7/31/2022 vs. 15.7x as of 1/1/2022
 - Seals, Fittings, Pipes & Tubes: 10.5x as of 7/31/2022 vs. 11.7x as of 1/1/2022

Financial Metrics⁽¹⁾ for Flow Control Peer Groups (7/31/2022)



2022E Aggregate EBITDA Comparative Analysis⁽¹⁾ (\$ in billions)



Key

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

Source: Market statistics sourced from Capital IQ

(1) Financial metrics represent constituents reporting in category

(2) Metric excludes non-material figures driven by divestitures or other corporate events

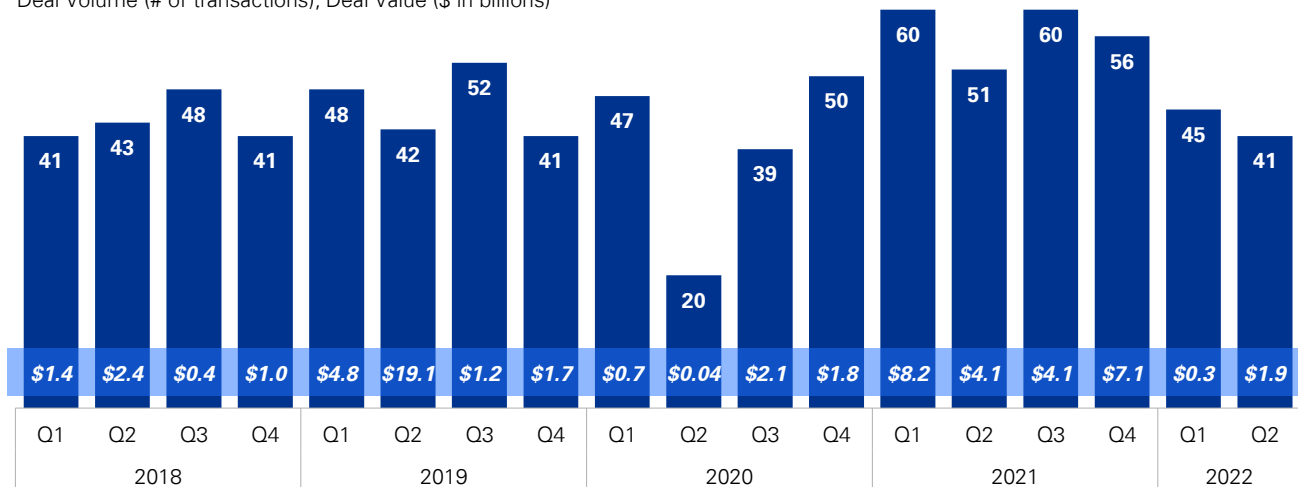
©2022 KPMG Corporate Finance LLC, a Delaware limited liability company. Member FINRA/SIPC. KPMG Corporate Finance LLC is a subsidiary of KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

Flow Control M&A Market Update and Recent Notable Transactions

Announced transaction volume decreased 19.6% in Q2 2022 as compared to Q2 2021, while announced transaction value decreased 53.2% over the same period, largely driven by Rockwell Automation's acquisition of the Plex Systems from Francisco Partners in Q2 2021, for a total transaction consideration of \$2.2 billion

Global Flow Control Industry Announced Deal Volume and Value⁽¹⁾

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



Recent Notable Flow Control Deals

August 1, 2022

Ingersoll Rand / Holtec Gas Systems, Shanghai Hanye Air Purifying Technology, and Hydro Provak Pumps

Ingersoll Rand, a global provider of mission-critical flow creation and industrial solutions, announced it has agreed to acquire Holtec Gas Systems (St. Charles, MO), Shanghai Hanye Air Purifying Technology (Shanghai, China), and Hydro Provak Pumps (Coimbatore, India) for a combined cash consideration of \$35 million

August 1, 2022

WEG / Motion Control Business of Gefran

WEG, a Brazilian producer of electrical motors, has reached an agreement to acquire the Motion Control business unit of Gefran, an Italian company that manufactures sensors, components, and industrial automation products, for ~€23 million. WEG will be responsible for the development and production of a complete line of variable frequency drives, direct current converters, and special servo drives

July 19, 2022

MiddleGround Capital / PVI Holdings (PON)

MiddleGround Capital, a Lexington, KY-based private equity firm, has acquired PVI Holdings, a distributor of flow control products such as valves, actuators, and instrumentation serving MRO applications across marine, chemical, downstream energy, and other industrial end markets, from Netherlands-based Pon Holdings. PVI is the parent company of W&O Supply, Setpoint Integrated Solutions, and A-T Controls

July 14, 2022

United Flow Technologies (H.I.G Capital) announces the completion of four add-on acquisitions

United Flow Technologies, a provider of process, pump, automation & control, and other equipment solutions, has acquired Shape, Engineered Equipment, Newman Regency, and Southwest Valve, providers of flow control products and value-added services to the municipal water and wastewater markets

July 12, 2022

Flow Control Group (KKR) / Instrumart

Flow Control Group, a distributor of mission-critical flow control and industrial automation products, has acquired Instrumart, a distributor of specialty test & measurement instrumentation. Founded in 1988 in Burlington, Vermont as a specialty test & measurement instrumentation distributor, Instrumart's industry leadership in e-commerce traces back to 1998 as an early adopter of online sales

July 7, 2022

Intdutrade / Beck Sensortechnik

Intdutrade, a manufacturer of industrial components, systems, and services with high technology content, has acquired Beck Sensortechnik, a manufacturer of high precision pressure switches, pressure transmitters, and vacuum switches. The products are sold through an international distributor network and directly to OEM customers across HVAC, water and wastewater, medical technology, and other industrial applications

(1) Market statistics sourced from Capital IQ, Merger Market, press releases.

Recent Notable Flow Control Transactions (continued)

July 5, 2022

Evoqua Water Technologies / Smith Engineering

Evoqua Water Technologies, a provider of mission-critical water and wastewater treatment solutions, has acquired Smith Engineering, a manufacturer of custom high purity water treatment equipment serving the biotech / pharmaceutical, data center, food and beverage, healthcare, medical device, and microelectronics markets. The Company offers a variety of water treatment products and services, including filtration, UV, reverse osmosis, and deionization

July 5, 2022

Dover / Malema Engineering

Dover, a manufacturer of innovative equipment and components, consumable supplies, aftermarket parts, software and digital solutions, and support services, has acquired Malema Engineering, a manufacturer of high-precision, mission-critical flow measurement and control instruments serving customers in the biopharmaceutical, semiconductor, and industrial sectors. Total consideration of \$275M, representing ~6.5x revenue

July 4, 2022

Atlas Copco / National Vacuum Equipment

Atlas Copco, a manufacturer of compressors, vacuum solutions, generators, pumps, power tools, and assembly systems, has acquired National Vacuum Equipment, a Traverse City, MI-based manufacturer of industrial vacuum pumps and packages for mobile use on tanker trucks. The Company will become a part of Atlas Copco's Industrial Vacuum Division, within its Vacuum Technique business area

June 30, 2022

FloWorks (Clearlake Capital) / netMercury

FloWorks, a specialty distributor of industrial flow control products, has acquired netMercury, a distributor of critical parts and services to the global integrated circuit fabrication and technology industries. netMercury's family of products includes system controls, temperature controls, high purity valves and fittings, fluid pumps, liquid flow controls, cleanroom equipment, consumables, vacuum pumps, and wafer process equipment, among others

June 22, 2022

One Equity Partners / DESMI

One Equity Partners, a New York, NY-based middle market private equity firm, has announced to acquire DESMI, a Danish manufacturer of pumps, pumping systems, environmental cleaning equipment, and related products and services. Founded in 1834 and headquartered in Nørresundby, Denmark, the Company provides its pumping solutions to marine and offshore, industrial, utility, defense, and fuel end markets

June 29, 2022

Otodata Holdings (Renovo Capital) / LPG Division of AIUT

Otodata Holdings, a manufacturer of remote tank monitoring hardware and software applications, and portfolio company of Renovo Capital, a Dallas, TX-based lower middle market private equity firm, has acquired the LPG division of AIUT, a supplier of IoT ecosystems for the global LPG remote monitoring and metering market

June 13, 2022

Anderson-Negele (Fortive) / Magnetic Flow Meters Component Business of GEA Diessel

Anderson-Negele, a manufacturer of sanitary process instrumentation and a subsidiary of Fortive, has announced to acquire the magnetic flow meters component business of GEA Diessel, a provider of magnetic flow meters for hygienic applications in food & beverage, pharmaceutical, and biotechnology manufacturing processes

June 9, 2022

Marshall Excelsior (Harbour Group) / Specialty Valve Group

Marshall Excelsior, a supplier of critical, highly engineered flow control products, has acquired Specialty Valve Group. Founded in 2010 and headquartered in Houston, TX, Specialty Valve Group is an exclusive distributor of Xanik products, including valves and seals used in severe service applications

June 1, 2022

Clayton, Dubilier & Rice / Industrials Business of Roper Technologies, Inc.

Clayton, Dubilier & Rice, a New York, NY-based private equity firm, announced it will acquire a majority stake in Roper Technologies' Industrial Business, including its entire Process Technologies segment and the industrial businesses within its Measurement & Analytical Solutions segment. Roper will receive upfront, pre-tax cash proceeds of ~\$2.6 billion while retaining a 49% minority interest in a new standalone entity

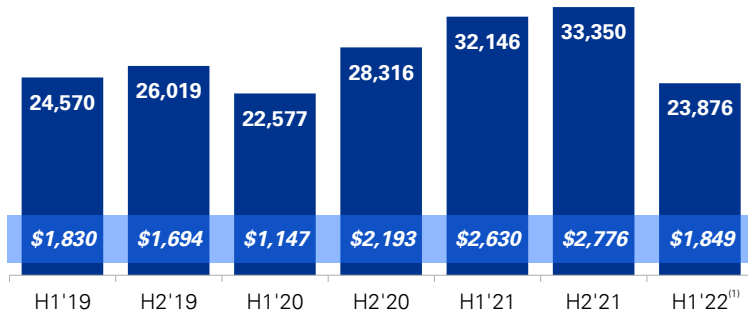
April 4, 2022

ITT / Habonim Industrial Valves & Actuators

ITT, a manufacturer of highly engineered critical components and customized technology solutions for the transportation, industrial, and energy markets, has acquired Habonim Industrial Valves & Actuators, a manufacturer of valves, valve automation, and actuation for the gas distribution, biotech, and harsh application service sectors. Total transaction consideration of \$140M, representing 3.2x LTM revenue

Results from KPMG's H1 2022 M&A Survey

Global Deal Volume (# of Transactions) and Value (\$ in billions)

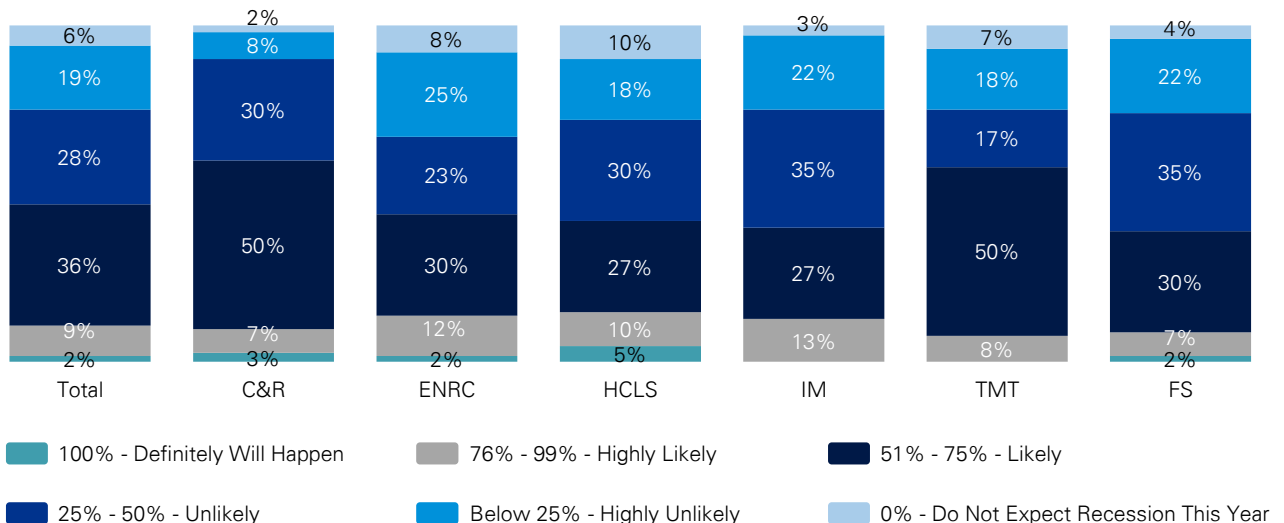


- Following a record year for M&A in 2021, deal value and volume slowed in the first half of 2022 but remained broadly consistent with levels observed in 2019 and 2020
- The decline in deal value and volume was slightly greater in the U.S. as compared to global results as the number of deals announced for purchase of U.S.-based companies (by U.S. and overseas acquirers) fell 28%, from 8,429 in H1'21 to 6,085 in H1'22

M&A Market Outlook

- Despite growing expectations for a recession, nearly 80% of respondents say their appetite for deals is as strong or stronger than in 2021
 - Primary factors behind the sustained appetite for deal making is the pace of innovation and corresponding competitive pressures across markets and the ever-growing need for digital transformation and technological advancements
 - The two most cited rationales by companies for acquisitions include: access to new products, services, and technologies (21%) and cost synergies / operational efficiencies (14%)
- 61% of executives see M&A activity increasing significantly or somewhat in their industry in the next 12 months with industrial respondents being the most bullish at 68%
 - However, when asked about their company's plan for M&A in the coming year, 51% of all respondents say they will increase deal making activity somewhat (46%) or significantly (5%)
- This divergence in business leaders' optimistic outlook and their more conservative plans is largely due to inflation, rising interest rates, and uncertain macroeconomic conditions
 - While 65% of respondents said the Russia-Ukraine war has affected their business, the biggest concern remains inflation and its economic consequences. ~75% of executives say inflation has hurt their company's margins
 - Almost half (47%) of respondents believe there is more than a 50% chance of recession before the end of 2022. The most pessimistic are executives in C&R and TMT with 60% and 58% of respondents, respectively, saying a recession will begin before the end of 2022 (as depicted below)

Executive Survey on Likelihood of Recession by Year-End



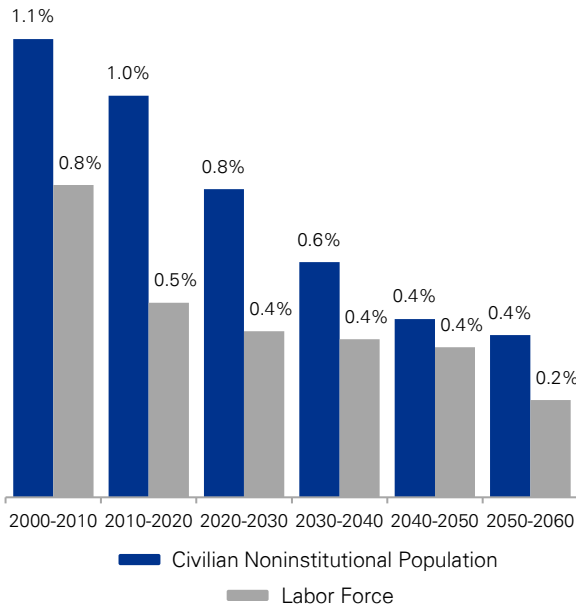
Source: KPMG H1 2022 M&A Survey: Appetite for M&A remains strong despite economic headwinds; (1) Through June 15, 2022

©2022 KPMG Corporate Finance LLC, a Delaware limited liability company. Member FINRA/SIPC. KPMG Corporate Finance LLC is a subsidiary of KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

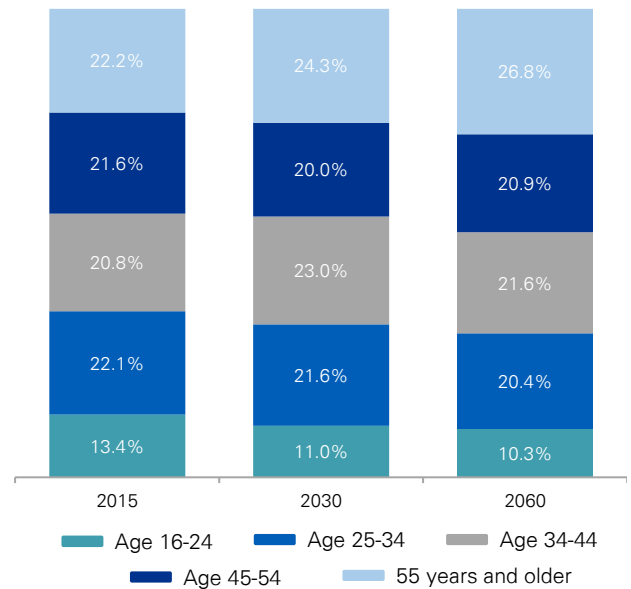
Current and Foreseeable Labor Market Challenges Driving Opportunities Across Flow & Process Control

Secular Tightening of Labor Force Driving Acute Personnel Shortages Across Manufacturing...

Declining Growth Rates for Both Population and Labor Force⁽¹⁾



Labor Force Continues to Age⁽¹⁾



...Resulting in Growth and Opportunities for Companies Across the Flow & Process Control Value Chain

Strong Demand for Technical Distribution, Service, and Sales Resources as End Users "Outsource" Know-How

- ~\$3,000 | Estimate of associated skills lost cost per existing employee⁽²⁾
- ~35% | Manufacturing workforce is eligible for retirement as early as 2027⁽²⁾
- ~1 Year | Average length of stay of GenZ workers on a single job⁽²⁾

Increased Investment in Automation Solutions to Grapple with Labor Shortages

- ~2.1M | Estimate of unfilled U.S. manufacturing jobs by 2030⁽¹⁾
- ~\$670B | Estimate of IoT spend by the manufacturing industry by 2023⁽³⁾
- 80% | Business executives plan to digitize work processes and deploy new technologies⁽⁴⁾

Recent Technical Service and/or Distribution Related Transactions

- Jul-22:** MiddleGround Capital acquires PVI Holdings, a distributor of flow control products such as valves, actuators, and instrumentation from Netherlands-based Pon Holdings
- Mar-22:** Audax Private Equity acquires Flow Control Holdings, a provider of sanitary flow components to producers of foods, beverages, and pharmaceuticals, from The Edgewater Funds and JZ Partners
- Mar-22:** DXP Enterprises acquires Drydon Equipment, a distributor of water treatment equipment, process equipment, and pumps
- Nov-21:** Bessemer acquires Tencarva Machinery Company, a distributor of flow control and process equipment solutions and services

Recent Automation Related Transactions

- Jun-22:** Otodata Holdings acquires LPG division of AIUT, a supplier of IoT ecosystems for the global LPG remote monitoring and metering market
- May-22:** Emerson acquires the controlling stake in Aspen Technology ("AspenTech"), a leading global industrial software company, by contributing cash and Emerson's industrial software businesses, OSI and Geological Simulation Software
- Oct-21:** Hexagon acquires Global Enterprise Asset Management Business, SaaS-based applications used by companies in industrial and asset-intensive industries to optimize maintenance and repair of plants and equipment, from Infor

(1) U.S. Bureau of Labor Statistics; (2) Quality Magazine; (3) Gartner; (4) World Economic Forum's Future of Jobs 2020 report

Select Public Flow Control Companies

Public Markets Key Trading Statistics (7/31/2022)

Sub-sectors	Indexed Share Price % Change		2022 Financials		Valuation Multiples Enterprise Value To:	
	1/1/21 - 12/31/21	YTD 7/31/22	Gross Margin	EBITDA Margin	2022E Revenue	2022E EBITDA
Industrial Processing Solutions	17.7%	(8.4%)	36.3%	19.5%	2.5x	12.7x
Pumps & Compressors	30.5%	(22.3%)	36.0%	20.3%	2.8x	12.7x
Specialty Products	24.5%	(19.4%)	42.3%	23.4%	4.1x	16.7x
Automation Technologies	27.1%	(31.3%)	39.9%	22.3%	2.8x	12.6x
Seals, Fittings, Pipes & Tubes	24.5%	(17.3%)	20.7%	15.4%	1.9x	10.5x
Dispensing Equipment	20.0%	(13.7%)	53.4%	30.8%	5.4x	17.4x
Flow Control Sector Mean	24.0%	(18.7%)	38.1%	21.9%	3.1x	14.0x

Public Markets Detail (7/31/2022)

Company	Country	Market Data			2022 Financials			Valuation Multiples Enterprise Value To:			
		Share Price	% 52-Wk High	Market Cap ⁽¹⁾	Enterprise Value ⁽²⁾	Revenue	Gross Margin	EBITDA Margin	LTM EBITDA	CY 2022 Revenue	CY 2022 EBITDA
Industrial Processing Solutions											
Badger Meter, Inc.	US	\$96.19	85.6%	\$2,815	\$2,723	\$547	39.6%	21.0%	26.8x	5.0x	23.7x
CIRCOR International, Inc.	US	\$17.41	47.7%	\$354	\$832	\$760	39.1%	12.8%	9.3x	1.1x	8.6x
Crane Holdings, Co.	US	\$98.93	86.1%	\$5,546	\$5,857	\$3,387	40.9%	20.7%	9.5x	1.7x	8.4x
Curtiss-Wright Corporation	US	\$143.44	88.0%	\$5,515	\$6,677	\$2,557	36.4%	21.6%	12.6x	2.6x	12.1x
Emerson Electric Co.	US	\$90.07	85.0%	\$53,493	\$58,101	\$20,146	41.4%	24.2%	13.9x	2.9x	11.9x
Flowserve Corporation	US	\$33.84	77.6%	\$4,423	\$5,470	\$3,700	29.6%	11.0%	13.5x	1.5x	13.5x
IMI plc	GB	\$16.24	71.1%	\$4,205	\$5,127	\$2,468	43.9%	22.2%	9.4x	2.1x	9.3x
Kadant Inc.	US	\$203.85	84.8%	\$2,377	\$2,540	\$899	43.2%	20.5%	16.3x	2.8x	13.8x
KITZ Corporation	JP	\$5.25	78.5%	\$471	\$577	\$0	0.0%	N/A	NM	N/A	NM
Mueller Water Products, Inc.	US	\$13.02	75.0%	\$2,044	\$2,354	\$1,240	31.9%	17.9%	12.1x	1.9x	10.6x
Rotork plc	GB	\$3.16	69.2%	\$2,717	\$2,578	\$755	46.5%	25.0%	13.0x	3.4x	13.7x
Watts Water Technologies, Inc.	US	\$138.13	65.2%	\$4,621	\$4,595	\$1,890	42.7%	17.2%	15.2x	2.4x	14.1x
Mean							36.3%	19.5%	13.8x	2.5x	12.7x
Median							40.3%	20.7%	13.0x	2.4x	12.1x

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 7/31/2022

(1) Market Capitalization based on closing share prices as of 7/31/2022

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

©2022 KPMG Corporate Finance LLC, a Delaware limited liability company. Member FINRA/SIPC. KPMG Corporate Finance LLC is a subsidiary of KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

Select Public Flow Control Companies (continued)

Company	Country	Market Data				2022 Financials			Valuation Multiples Enterprise Value To:		
		Share Price	% 52-Wk High	Market Cap ⁽¹⁾	Enterprise Value ⁽²⁾	Revenue	Gross Margin	EBITDA Margin	LTM EBITDA	CY 2022 Revenue	CY 2022 EBITDA
Pumps & Compressors											
Dover Corporation	US	\$133.68	72.6%	\$19,272	\$22,086	\$8,570	36.8%	20.9%	13.7x	2.6x	12.3x
Ebara Corporation	JP	\$38.89	74.7%	\$3,580	\$3,515	\$5,019	29.8%	13.9%	5.2x	0.7x	5.0x
Franklin Electric Co., Inc.	US	\$90.82	93.7%	\$4,206	\$4,534	\$2,055	34.0%	15.0%	20.0x	2.2x	14.7x
Graco Inc.	US	\$67.16	82.8%	\$11,358	\$11,107	\$2,122	50.6%	29.8%	19.0x	5.2x	17.6x
IDEX Corporation	US	\$208.75	86.9%	\$15,866	\$16,612	\$3,098	45.0%	28.1%	21.7x	5.4x	19.1x
Ingersoll Rand Inc.	US	\$49.80	79.5%	\$20,215	\$21,747	\$5,732	40.0%	24.2%	18.3x	3.8x	15.7x
ITT Inc.	US	\$75.03	71.1%	\$6,265	\$6,136	\$2,972	32.0%	19.8%	11.0x	2.1x	10.4x
Interpump Group S.p.A.	IT	\$42.39	60.1%	\$4,449	\$5,001	\$2,013	34.9%	22.9%	11.7x	2.5x	10.8x
Sulzer Ltd	CH	\$66.75	44.0%	\$2,260	\$2,567	\$3,413	30.2%	12.0%	6.0x	0.8x	6.2x
The Gorman-Rupp Company	US	\$30.70	65.2%	\$801	\$1,217	\$512	27.0%	15.9%	22.3x	2.4x	14.9x
Mean							36.0%	20.3%	14.9x	2.8x	12.7x
Median							34.4%	19.8%	16.0x	2.4x	13.5x
Specialty Products											
Alfa Laval AB (publ)	SE	\$29.62	77.3%	\$12,244	\$13,188	\$4,843	35.8%	19.5%	14.3x	2.7x	14.0x
AMETEK, Inc.	US	\$123.50	83.4%	\$28,517	\$30,888	\$6,045	34.9%	29.2%	19.4x	5.1x	17.5x
Donaldson Company, Inc.	US	\$54.41	78.5%	\$6,685	\$7,155	\$3,377	32.6%	17.3%	13.2x	2.1x	12.3x
Dover Corporation	US	\$133.68	72.6%	\$19,272	\$22,086	\$8,570	36.8%	20.9%	13.7x	2.6x	12.3x
Halma plc	GB	\$27.97	70.3%	\$10,587	\$10,922	\$1,989	52.8%	24.8%	22.6x	5.5x	22.1x
IDEX Corporation	US	\$208.75	86.9%	\$15,866	\$16,612	\$3,098	45.0%	28.1%	21.7x	5.4x	19.1x
Indutrade AB (publ)	SE	\$23.30	80.5%	\$8,488	\$9,139	\$2,529	35.1%	18.0%	21.5x	3.6x	20.1x
ITT Inc.	US	\$75.03	71.1%	\$6,265	\$6,136	\$2,972	32.0%	19.8%	11.0x	2.1x	10.4x
Parker-Hannifin Corporation	US	\$289.09	85.0%	\$37,111	\$44,771	\$16,049	28.2%	22.6%	13.6x	2.8x	12.3x
Pentair plc	GB	\$48.89	60.8%	\$8,040	\$8,898	\$4,136	34.3%	19.8%	12.0x	2.2x	10.9x
Roper Technologies, Inc.	US	\$436.67	86.5%	\$46,249	\$50,827	\$5,232	69.0%	40.2%	22.9x	9.7x	24.2x
Spirax-Sarco Engineering plc	GB	\$145.22	69.3%	\$10,693	\$10,926	\$1,829	75.8%	27.6%	20.4x	6.0x	21.6x
Xylem Inc.	US	\$92.03	66.3%	\$16,574	\$17,971	\$5,329	37.8%	16.3%	20.5x	3.4x	20.7x
Mean							42.3%	23.4%	17.4x	4.1x	16.7x
Median							35.8%	20.9%	19.4x	3.4x	17.5x
Automation Technologies											
ABB Ltd	CH	\$30.24	80.4%	\$57,253	\$63,333	\$29,595	33.5%	14.9%	9.5x	2.1x	14.3x
Schneider Electric S.E.	FR	\$137.23	75.3%	\$76,179	\$89,421	\$33,526	41.1%	19.9%	14.1x	2.7x	13.4x
Siemens Aktiengesellschaft	DE	\$110.71	68.7%	\$87,917	\$136,206	\$71,565	35.1%	19.7%	12.4x	1.9x	9.7x
SMC Corporation	JP	\$490.19	82.3%	\$32,029	\$26,919	\$5,954	50.1%	34.8%	13.3x	4.5x	13.0x
Mean							39.9%	22.3%	12.3x	2.8x	12.6x
Median							38.1%	19.8%	12.9x	2.4x	13.2x

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 7/31/2022

(1) Market Capitalization based on closing share prices as of 7/31/2022

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

©2022 KPMG Corporate Finance LLC, a Delaware limited liability company. Member FINRA/SIPC. KPMG Corporate Finance LLC is a subsidiary of KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

Select Public Flow Control Companies (continued)

Company	Country	Market Data				2022 Financials			Valuation Multiples Enterprise Value To:		
		Share Price	% 52-Wk High	Market Cap ⁽¹⁾	Enterprise Value ⁽²⁾	Revenue	Gross Margin	EBITDA Margin	LTM EBITDA	CY 2022 Revenue	CY 2022 EBITDA
Seals, Fittings, Pipes & Tubes											
Aalberts N.V.	NL	\$42.53	69.8%	\$4,703	\$5,412	\$3,154	0.0%	20.2%	8.2x	1.7x	8.5x
Mueller Industries, Inc.	US	\$67.33	99.4%	\$3,817	\$3,673	\$3,804	0.0%	0.0%	NM	1.0x	NM
Smiths Group plc	GB	\$18.77	93.9%	\$6,813	\$6,566	\$3,144	40.2%	20.0%	10.3x	2.1x	10.5x
Trelleborg AB (publ)	SE	\$24.36	97.0%	\$6,372	\$7,414	\$2,733	42.7%	21.5%	9.9x	2.7x	12.6x
Mean							20.7%	15.4%	9.4x	1.9x	10.5x
Median							20.1%	20.1%	9.9x	1.9x	10.5x
Dispensing Equipment											
Graco Inc.	US	\$67.16	82.8%	\$11,358	\$11,107	\$2,122	50.6%	29.8%	19.0x	5.2x	17.6x
Nordson Corporation	US	\$230.99	84.8%	\$13,285	\$14,083	\$2,574	56.3%	31.7%	18.5x	5.5x	17.2x
Mean							53.4%	30.8%	18.7x	5.4x	17.4x
Median							53.4%	30.8%	18.7x	5.4x	17.4x

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 7/31/2022

(1) Market Capitalization based on closing share prices as of 7/31/2022

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

©2022 KPMG Corporate Finance LLC, a Delaware limited liability company. Member FINRA/SIPC. KPMG Corporate Finance LLC is a subsidiary of KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

Flow Control Transaction History

Closed Date	Target Company	Buyer	Enterprise Value (\$mm)	EV / EBITDA	EBITDA Margin
Jun-22	Fill-Rite and Sotera (Tuthill)	Gorman-Rupp Company	525	15.2x	25%
May-22	Cisco Air Systems	DXP Enterprises	45	6.4x	16%
Apr-22	SPX FLOW	Lone Star	3,798	18.3x	14%
Apr-22	Neles	Valmet	1,433	16.7x	12%
Mar-22	Hoses Direct/ Hydraquip Hose & Hydraulics	Finning International	86	9.0x	28%
Mar-22	Forterra	Quikrete Holdings	2,792	10.2x	17%
Jan-22	Mar Cor (STERIS)	Evoqua Water Technologies	196	7.3x	15%
Jan-22	Kaman (Littlejohn & Co.)	Motion Industries (Genuine Parts)	1,300	13.8x	9%
Dec-21	RegO (Windjammer)	Dover	631	12.3x	24%
Dec-21	Compressor Products International (EnPro)	Howden Group (KPS Capital Partners)	195	10.4x	NA
Dec-21	Acme Cryogenics (Graham Partners)	Dover	-	18.0x	-
Nov-21	Masterflex (Antylia Scientific / GTCR)	Avantor	2,845	20.6x	46%
Oct-21	Process & Motion Control Segment of Rexnord	Regal Beloit	3,763	14.5x	NA
Sep-21	Premier Water	DXP Enterprises	6	6.8x	24%
Aug-21	Maximus	Ingersoll Rand	110	~11.3x	~30%
Jun-21	Tiger Filtration	Xebec Adsorption	17	10.6x	42%
Jun-21	Airtech (EagleTree Capital)	IDEX Corporation	469	16.0x	35%
Jun-21	BioDot (Artemis Capital Partners)	ATS Automation Tooling Systems	84	5.6x	42%
Jun-21	Barber-Nichols	Graham Corporation	70	11.0x	11%
Apr-21	Carter VerPlanck	DXP Enterprises	61	12.2x	17%
Mar-21	Ham-Let	Ultra Clean Holdings	367	17.1x	10%
Mar-21	Brüel & Kjær Vibro (Spectris)	NSK	217	26.1x	NA
Mar-21	Ginolis	CELLINK	74	28.2x	12%
Feb-21	Nordic Water	Sulzer	145	10.5x	16%
Jan-21	DZ Trasmissioni SRL	Interpump Group	7	4.2x	25%
Jan-21	UTG Mixing Group	SPX FLOW	42	33.3x	6%
Dec-20	Mottrol (Doosan Corporation)	Well to Sea Investment; Socius Advisors	380	9.1x	9%
Nov-20	The Titus Company	Xebec Adsorption	6	3.6x	18%

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

©2022 KPMG Corporate Finance LLC, a Delaware limited liability company. Member FINRA/SIPC. KPMG Corporate Finance LLC is a subsidiary of KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

Flow Control Transaction History (continued)

Closed Date	Target Company	Buyer	Enterprise Value (\$mm)	EV / EBITDA	EBITDA Margin
Oct-20	DOTECO	Piovan	26	7.6x	15%
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%
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%

Mean	\$802	12.4x	20%
Median	\$125	11.1x	19%

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

©2022 KPMG Corporate Finance LLC, a Delaware limited liability company. Member FINRA/SIPC. KPMG Corporate Finance LLC is a subsidiary of KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

Recent Flow Control Transaction History (without EBITDA multiple data)

Closed Date	Target Company	Buyer	Enterprise Value (\$mm)
Pending	Fluid-Press	DexKo Global	-
Pending	Assets of Shandong Jinggong Pump	Atlas Copco	-
Pending	DESMI	One Equity Partners	-
Pending	A. P. Supply	Ferguson Enterprises	-
Pending	VanZandt Controls	Scada Products	-
Pending	ERIKS North America (Eriks)	LKCM Headwater Investments	-
Pending	Locus	Naver Webtoon	37
Pending	General Rubber	CECO Environmental	-
Pending	CoreDux (Silverfleet Capital)	Arcline	-
Pending	Holtec , Shanghai Hanye Air Purifying Technology, and Hydro Provak Pumps	Ingersoll Rand	35
Pending	WEG	Motion Control Business of Gefran	-
Jul-22	Magnetic Flow Meters Component Business of GEA Diessel	Anderson Instrument (Fortive)	-
Jul-22	Shape, Engineered Equipment, Newman Regency, and Southwest Valve	United Flow Technologies (H.I.G Capital)	-
Jul-22	Instrumart	Flow Control Group (KKR)	-
Jul-22	Beck Sensortechnik	Indutrade	-
Jul-22	Malem a Engineering	PSG Dover	275
Jul-22	Smith Engineering	Evoqua Water Technologies	-
Jul-22	National Vacuum Equipment	Atlas Copco	-
Jun-22	Valve Business of Powell Canada Inc.	Tundra Process Solutions (Wajax)	-
Jun-22	LPG divison of AIUT	Otodata Holdings	-
Jun-22	netMercury	FloWorks (Clearlake Capital)	-
Jun-22	Ipotec	Marco Rubber & Plastics (Align Capital Partners)	-
Jun-22	Rubberline Products	Carflex Capital	-
Jun-22	Hydrolico International	Bailey International (EBSCO Capital)	-
Jun-22	Specialty Valve Group	Marshall Excelsior Company	-
Jun-22	Associated Compressor Engineers	Atlas Copco	-
Jun-22	C.A.S Products	Atlas Copco	-
Jun-22	Flatwork Technologies	Therm on Group Holdings	-
May-22	Flowtech Water Solutions	PumpServ	-

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

©2022 KPMG Corporate Finance LLC, a Delaware limited liability company. Member FINRA/SIPC. KPMG Corporate Finance LLC is a subsidiary of KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

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

Closed Date	Target Company	Buyer	Enterprise Value (\$mm)
May-22	KZValve	IDEX	120
May-22	ePUMPS	OTC Industrial Technologies	-
May-22	Lock City Supply	Core & Main	-
Apr-22	Spiroflow / Cablevey Conveyors	May River Capital	-
Apr-22	Rawson/ ICD	Relevant Industrial (Capital Southwest)	-
Apr-22	Termomeccanica Pompe	Trillium Flow Technologies (First Reserve)	-
Apr-22	Pumpenfabrik Wangen (Silverfleet Capital Partners)	Atlas Copco	-
Apr-22	Optimal Industrial Technologies and Automation	Bruker Corporation	-
Apr-22	Habonim Industrial Valves & Actuators	ITT	140
Apr-22	R&G Fluid Power	Diploma PLC	141
Mar-22	Flow Control Holdings (The EdgeWater Funds and JZ Partners)	Audax Private Equity	-
Mar-22	Ladish Valves/ Smith Valves/ Advanced Industrial Technologies/ Diamond Gear	Wynnchurch Capital	-
Mar-22	Xanor de México	Marshall Excelsior Company (Harbour Group)	-
Mar-22	Drydon Equipment	DXP Enterprises	-
Mar-22	Winsert	Altus Capital Partners	-
Mar-22	Burlingame Engineers	DXP Enterprises	-
Feb-22	Pumpegruppen	AxFlow	-
Feb-22	Nencini	OMB Valves	-
Feb-22	Airia Brands	Zehnder Group	-
Feb-22	Kubat Equipment & Service	D&H United Fueling Solutions (KLH Capital)	-
Feb-22	Burch Materials	PennSpring Capital	-
Feb-22	Vacuum and hydraulic pump business in Italy and China (Robert Bosch)	Weifu High-Technology Group	-

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

©2022 KPMG Corporate Finance LLC, a Delaware limited liability company. Member FINRA/SIPC. KPMG Corporate Finance LLC is a subsidiary of KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

KPMG Corporate Finance* Flow Control Expertise

KPMG

R&G
FLUID POWER GROUP

has been acquired by

DIPLOMA PLC

April 2022

KPMG

FLOW CONTROL HOLDINGS
Bringing Flow to Life!

a portfolio company of

the edgewater funds

and

JZ | PARTNERS

has been acquired by

Audax Group

March 2022

KPMG

CEESI **GRAFTEL**

portfolio companies of
Dorilton Capital

have been acquired by

ATS
Applied Technical Services

a portfolio company of

ODYSSEY
EQUIPMENT SERVICES LLC

December 2021

KPMG

HOSKIN SCIENTIFIC

a portfolio company of

SUPPLY CHAIN EQUITY PARTNERS

has been acquired by

River Associates

December 2021

KPMG

Alphasense
THE SENSOR TECHNOLOGY COMPANY

has been acquired by

AMETEK®

December 2021

KPMG

SPXFLOW

has acquired

UTG
MIXING GROUP

January 2021

KPMG

ITW

has divested

ITW INSULATION SYSTEMS

to

JM Johns Manville
A Berkshire Hathaway Company

December 2019

KPMG

RICHARDS INDUSTRIES

has been acquired by

ASTOR PLACE HOLDINGS

July 2019

KPMG

SIGNUM TECHNOLOGY

has been acquired by

TRELLEBORG

July 2019

KPMG

700
VALVE SUPPLY
EST. 2014

has been recapitalized by

BROWN BROTHERS HARRIMAN

May 2019

KPMG

SKF

has divested its Motion Technologies Business Unit to

Triton

December 2018

KPMG

ROTEX
Engineering For The Future

has divested Rotex Manufacturers and Engineers to

metso

November 2018

KPMG

YEE BEE FILTRATION

has been acquired by

SIGNUM TECHNOLOGY

March 2017

KPMG

COORSTEK

has divested its Precision Seals Business to

TRELLEBORG

November 2016

KPMG

PEGL
President Engineering Group Ltd

has been acquired by

Parker

July 2015

*Represents the global Corporate Finance practices of KPMG International's network of independent member firms

©2022 KPMG Corporate Finance LLC, a Delaware limited liability company. Member FINRA/SIPC. KPMG Corporate Finance LLC is a subsidiary of KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

Global Flow Control Investment Banking Team

Chrisanne Corbett
Managing Director
Chicago
T: 312-665-2779
E: ccorbett@kpmg.com

Kyle Kuklewski
Director
Chicago
T: 312-665-1249
E: kkuklewski@kpmg.com

Nathan Gerdes
Senior Associate
Chicago
T: 312-665-3522
E: ngerdes@KPMG.com

Global Coverage | Industry Knowledge | Middle-Market Focus

The Corporate Finance practices of KPMG International's network of independent member firms (KPMG) have been ranked collectively as the number one global mid-market advisor based on total deal volume for the past 20 years, according to Refinitiv. KPMG Corporate Finance was recently named Transaction Advisory Firm of the Year by The Global M&A Network, and previously named Investment Bank of the Year by The M&A Advisor. KPMG Corporate Finance provides a broad range of investment banking and advisory services to its domestic and international clients. Our professionals have the experience and depth of knowledge to advise clients on global mergers and acquisitions, sales and divestitures, buyouts, financings, debt restructurings, equity recapitalizations, infrastructure project finance, capital advisory, portfolio solutions, fairness opinions, and other advisory needs.

Important Notice

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

The information contained in this newsletter is of a general nature and is not intended to address the circumstances of any particular individual or entity including their investment objectives or financial needs. In preparing this newsletter, we have relied upon and assumed, without independent verification, the accuracy and completeness of all information available from public sources. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act or rely on the information in this newsletter without appropriate professional advice after a thorough examination of the particular situation. The information contained in this newsletter does not constitute a recommendation, offer, or solicitation to buy, sell or hold any security of any issuer. Past performance does not guarantee future results.

Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities