



# Seale & Associates

PUMPS & VALVES INDUSTRY

Q3 2024

VALUATION UPDATE

25 years

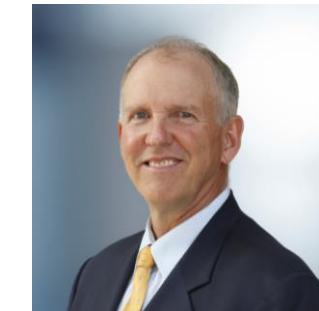
# Introduction

We are pleased to share our Pumps and Valves Industry Multiples Valuation Update for Q3 2024.

At Seale & Associates, we are committed to providing process-driven solutions designed to optimize value and achieve our client's strategic objectives in a range of transactions, including **Mergers, Acquisitions, Divestitures and Carve-Outs, Business Sales, Recapitalizations, and Joint Ventures**, among other corporate finance and strategy consulting services.

Over the course of 25+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our clients who are looking to grow through acquisitions or optimize their portfolios through strategic divestitures.

Seale has extensive experience advising leading multinational companies, private equity firms, and family-owned businesses across a wide range of industries.



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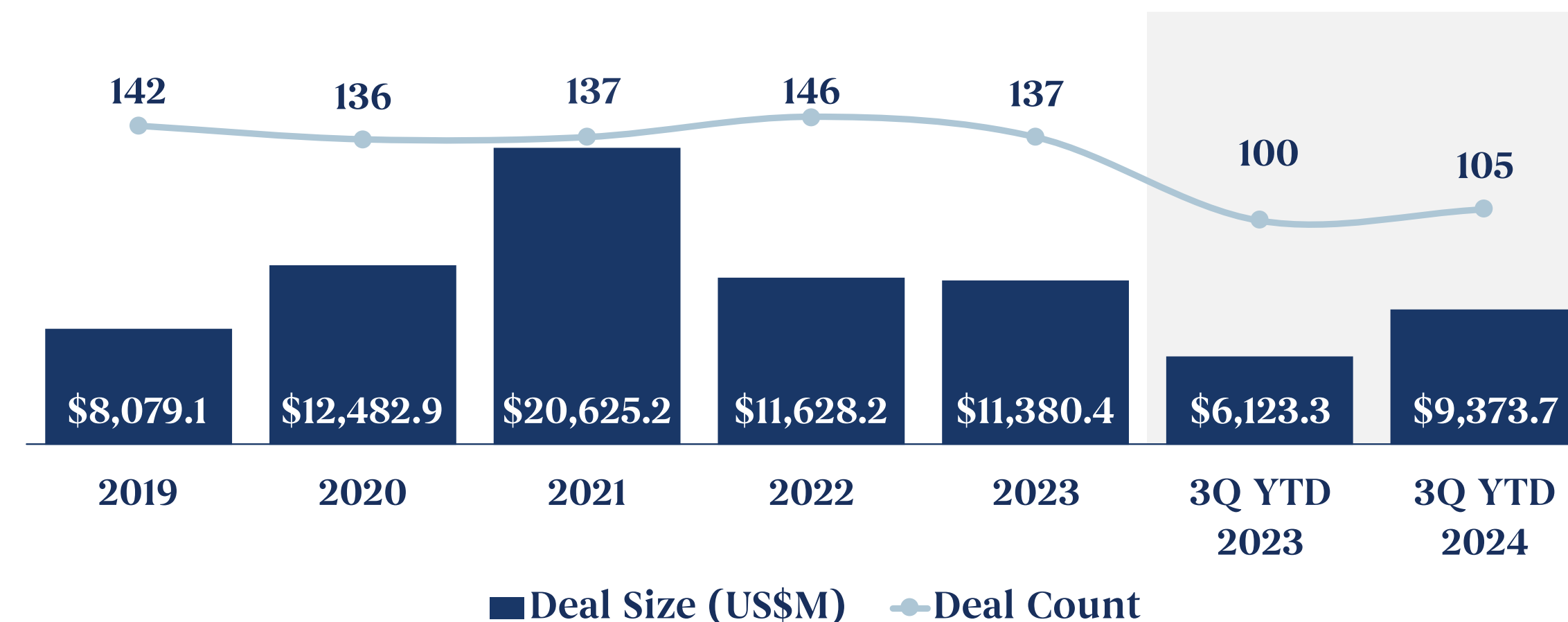
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# Pumps & Valves Industry Overview, M&A Trends and Market Intelligence

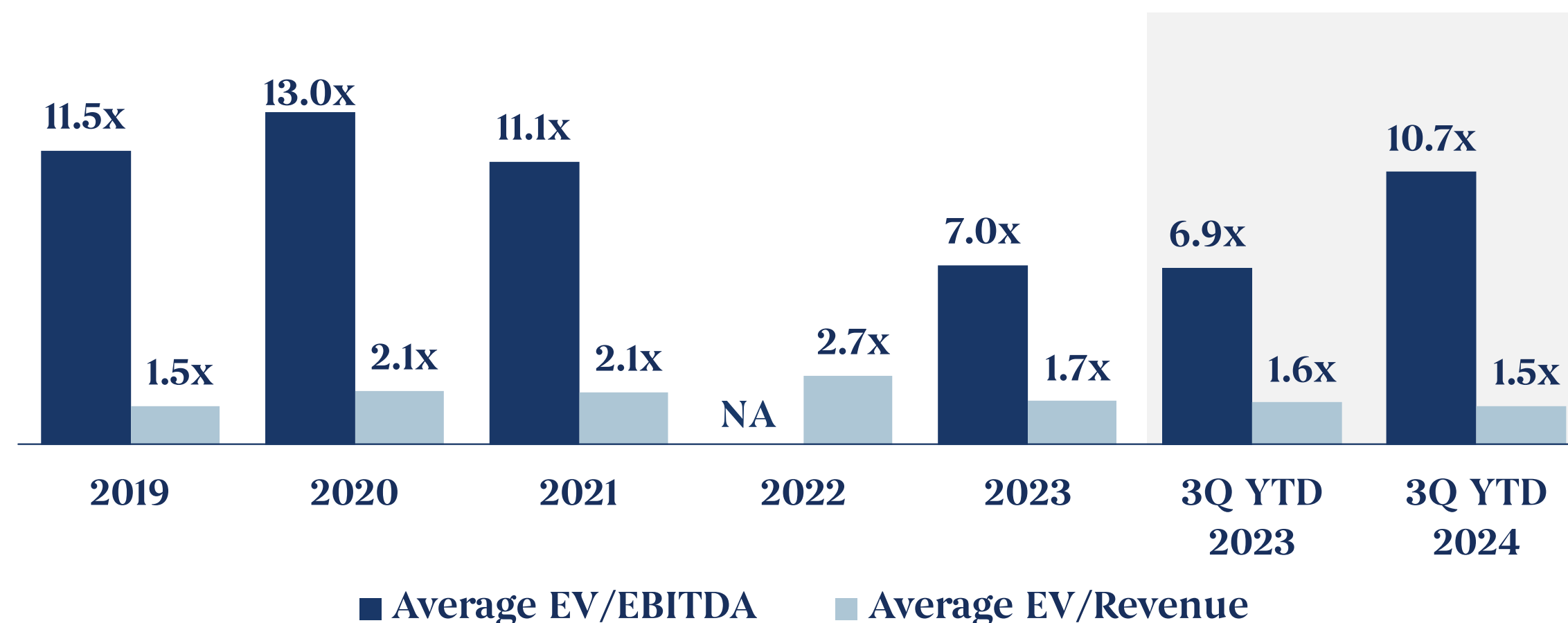
## Pumps & Valves Industry Overview

- The global pumps market was valued at **US\$85 billion** in 2023 and is anticipated to grow at a **CAGR of over 4.0%** from 2024 to 2032
- The **Asia-Pacific** region, particularly China and India, remains a key area for M&A activity. **North America** also saw substantial activity, driven strong market for aftermarket services
- M&A activity is **focused** on gaining access to cutting-edge technologies such as **IoT-enabled valves** and **smart control systems**
- The increasing emphasis on **sustainability** and **energy efficiency** is driving acquisitions of companies with advanced green technologies and energy-efficient solutions
- Ongoing **infrastructure projects** globally are prompting companies to **consolidate and expand** their capabilities through strategic acquisitions
- Oil prices have led to **renewed demand for pumps and valves** in the oil and gas sector, driving acquisitions in this area
- Major players like Flowserve, KSB, and Emerson have been **active in the M&A space**, targeting niche technology providers and expanding their geographic footprint

Pumps & Valves Industry M&A Deal Size and Volume









Pumps & Valves Industry M&A Average EV/EBITDA and EV/Revenue









Source: Pumps and Systems Magazine, Kaufman Hall, Global Market Insights





# Pumps & Valves Industry Global Comparable Public Companies

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		Third Quarter Sep. 30, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
KITZ Corporation		JPN	\$653	\$695	\$1,193	12.4%	4.8x	5.4x	4.7x	0.6x
KSB SE & Co. KGaA		DEU	\$1,231	\$1,218	\$3,245	13.0%	2.9x	3.9x	2.9x	0.4x
Nikkiso Co., Ltd.		JPN	\$468	\$985	\$1,472	9.0%	14.9x	11.0x	7.4x	0.7x
The Gorman-Rupp Company		USA	\$1,022	\$1,382	\$658	18.2%	17.5x	14.2x	11.6x	2.1x
Torishima Pump Mfg. Co., Ltd.		JPN	\$504	\$483	\$592	10.0%	5.0x	5.8x	8.1x	0.8x
Tsurumi Manufacturing Co.,Ltd.		JPN	\$691	\$512	\$431	17.5%	4.9x	5.8x	6.8x	1.2x
■ Excluded from mean and median						<b>Mean</b>	6.5x	6.4x	6.8x	0.7x
						<b>Median</b>	5.0x	5.8x	7.1x	0.7x






# Pumps & Valves Industry Global Comparable Public Companies (1/2)

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		Third Quarter Sep. 30, 2024	
						2022	2023	EV/EBITDA	EV/Revenue
Badger Meter, Inc.	 USA	\$6,424	\$6,204	\$804	21.8%	24.3x	31.3x	35.3x	7.7x
Crane Company	 USA	\$9,055	\$9,218	\$2,277	18.5%	10.0x	8.5x	21.9x	4.0x
Ebara Corporation	 JPN	\$7,504	\$7,344	\$5,671	15.3%	5.9x	6.1x	8.5x	1.3x
Flowserve Corporation	 USA	\$6,791	\$7,777	\$4,543	13.9%	12.2x	12.9x	12.3x	1.7x
Franklin Electric Co., Inc.	 USA	\$4,787	\$4,925	\$2,009	16.7%	15.2x	13.5x	14.7x	2.5x
IMI plc	 SWE	\$6,241	\$7,050	\$2,962	22.2%	11.0x	10.8x	10.7x	2.4x
Interpump Group S.p.A.	 ITA	\$4,996	\$5,585	\$2,351	22.9%	12.5x	11.3x	10.4x	2.4x
Rotork plc	 GBR	\$3,799	\$3,642	\$1,000	25.4%	17.0x	17.4x	14.3x	3.6x

# Pumps & Valves Industry Global Comparable Public Companies (2/2)





Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		Third Quarter Sep. 30, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
Sulzer Ltd	 CHE	\$5,552	\$5,828	\$4,001	13.4%	7.8x	9.2x	10.9x	1.5x	
Valmet Oyj	 FIN	\$5,907	\$7,132	\$5,945	12.6%	9.1x	8.0x	9.5x	1.2x	
Spirax Group plc	 GBR	\$7,417	\$8,509	\$2,223	22.6%	22.8x	20.0x	17.0x	3.8x	
Watts Water Technologies, Inc.	 USA	\$6,910	\$6,886	\$2,259	19.8%	14.0x	14.7x	15.4x	3.0x	
■ Excluded from mean and median						<b>Mean</b>	11.5x	11.8x	12.4x	2.0x
						<b>Median</b>	12.3x	12.1x	13.3x	2.4x

# Pumps & Valves Industry Global Comparable Public Companies (1/2)

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		Third Quarter Sep. 30, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
Alfa Laval AB (publ)		SWE	\$19,872	\$20,954	\$6,555	18.6%	15.1x	16.2x	17.2x	3.2x
Baker Hughes Company		USA	\$35,912	\$39,670	\$27,300	18.2%	9.2x	9.2x	8.0x	1.5x
Dover Corporation		USA	\$26,356	\$29,199	\$8,475	22.0%	13.6x	12.9x	15.7x	3.4x
Emerson Electric Co.		USA	\$62,571	\$76,928	\$17,492	25.8%	13.9x	12.7x	17.1x	4.4x
Indutrade AB (publ)		USA	\$11,337	\$12,245	\$3,158	17.3%	20.6x	18.1x	22.4x	3.9x
Graco Inc.		USA	\$14,783	\$14,164	\$2,131	31.5%	18.2x	18.5x	21.1x	6.6x
IDEX Corporation		GBR	\$16,238	\$16,854	\$3,195	28.2%	19.1x	18.1x	18.7x	5.3x
Ingersoll Rand Inc.		USA	\$39,606	\$43,405	\$7,158	26.1%	18.4x	18.4x	23.3x	6.1x



# Pumps & Valves Industry Global Comparable Public Companies (2/2)

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		Third Quarter Sep. 30, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
ITT Inc.	 ITT	USA	\$12,215	\$12,442	\$3,531	20.5%	11.8x	12.3x	17.2x	3.5x
Parker-Hannifin Corporation	 Parker	USA	\$81,297	\$91,678	\$19,986	25.7%	13.0x	14.5x	17.8x	4.6x
Pentair plc	 PENTAIR	GBR	\$16,184	\$17,855	\$4,095	24.5%	12.3x	13.4x	17.8x	4.4x
Xylem Inc.	 xylem	USA	\$32,798	\$34,094	\$8,424	20.8%	19.7x	22.5x	19.4x	4.0x
■ Excluded from mean and median						<b>Mean</b>	15.5x	15.5x	17.6x	4.1x
						<b>Median</b>	14.5x	15.3x	17.8x	4.2x

# Pumps & Valves Industry – Global Transactions

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Aug-24		USA	<b>FloWorks International</b> , a specialty distributor of critical flow control products, acquired <b>Assured Automation</b> , a distributor of valve automation and flow meter products		-	100.0%	-	-	-
Aug-24		USA	<b>Wipro Infrastructure Engineering</b> , a diversified engineering and manufacturing company, acquired <b>Columbus Hydraulics</b> , a U.S.-based hydraulic cylinder manufacturer		-	100.0%	-	-	-
Aug-24		USA	<b>SCF Partners</b> , an energy services-focused private equity firm, acquired <b>DeltaValve</b> and <b>TapcoEnpro</b> , manufacturers of severe-service industrial valves			100.0%	-	-	-
Aug-24		USA	<b>Flowserve Corporation</b> , a provider of flow control products and services, acquired <b>MOGAS Industries</b> , a manufacturer of severe service valves		-	100.0%	\$305.0	-	1.8x
Jul-24		ITA	<b>Dacke Industri</b> , a Swedish investment company specializing in innovative technology sectors, acquired a 70% stake in <b>Airon</b> , an Italian designer and manufacturer of valves		-	70.0%	-	-	-
Jul-24		USA	<b>Workdry International</b> , the parent company of Selwood, Siltbuster, and Vanderkamp, acquired <b>Holland Pump Company</b> , a U.S.-based water handling and pump rental services provider			100.0%	-	-	-
Jul-24*		IND	<b>AT Industries Limited</b> , a diversified company engaged in manufacturing, leasing, finance and investments, acquired a 90% stake in <b>M.R. Organisation Limited</b> , a provider of air-compressor components and services		-	90.0%	\$13.8	10.2x	1.6x
Jul-24		USA	<b>Laird Thermal Systems</b> , a provider of thermal management solutions, acquired Tark, a U.S.-based supplier of specialized pumps and cooling solutions		-	100.0%	-	-	-

\*Announced transactions pending approval and other customary closing conditions

**Mean** 10.2x 1.7x  
**Median** 10.2x 1.7x

# Procon

## TARGET

Procon

## TRANSACTION SIZE

US\$75M

## TRANSACTION TYPE

Sell-side Advisory

## INDUSTRIES

Flow Control

## GEOGRAPHY

Global

### SITUATION

Seale & Associates acted as exclusive financial advisor to Standex International Corporation (NYSE:SXI) on the announced sale of its Procon Pumps business.

### SEALE & ASSOCIATES' APPROACH

Seale was engaged by Standex, a key global multi-industry player in the industrial machinery and supply components industry, with the objective of exploring a range of strategic alternatives for its subsidiary Procon. Seale managed a competitive auction process with potential strategic and financial buyers for the Business.

### OUTCOME

The process resulted in the successful acquisition of Procon by CEME Group, a leading global solenoid pumps, rotary pumps, and solenoid valves manufacturer. The transaction value was US\$75M.

**“We believe CEME Group is well-placed to enable the Procon business to grow and reach its strategic potential.”**



*“Investindustrial’s portfolio of companies includes the CEME Group, which manufactures solenoid pumps, rotary pumps, and solenoid valves in Italy and across the globe. We believe CEME Group is well-placed to enable the Procon business to grow and reach its strategic potential. I would like to thank our Procon colleagues for their contributions to Standex and wish them much success as they start a new chapter for the business.”*

**David Dunbar**  
CEO and President of Standex

# Sign up for M&A insights

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# Sector Relevant Experience

## Extensive M&A transaction experience, including:

- Provided **divestiture advisory** services to **Standex International Corporation** on the announced **sale of its specialty pump business Procon to Investindustrial**
- Provided **divestiture advisory** services to **Tyco International** on the **sale** of its **Indian fire sprinkler and hydrant installation business** and on its **Brazilian security & fire services business**
- Provided **acquisition advisory** services to the shareholders of **State Industries, Inc.**, a manufacturer of residential and commercial water heaters, on the **sale** of the business to **A.O. Smith Corporation**
- Provided **acquisition advisory services** to the shareholders of **Grif-Fab Corporation** on the **sale of the business to Ferguson Fire & Fabrication, Inc.**, a **division of Ferguson Enterprises, Inc.**, a wholly-owned subsidiary of Wolseley plc
- Provided **divestiture advisory services** to **Flowserve Corporation** on the sale of its **Davies & Baird Australian** specialty castings foundry business to **Davies Baird Pty Ltd**, a sister company of Quality Castings Pty Ltd
- Provided **advisory services** to **ClarkeValve**, a **high-quality industrial control valves** that led to entering into a Global License and Partnership Agreement with **Ampo**



has sold



to



a portfolio company of




has sold its

**Indian Fire Sprinkler & Hydrant Installation Business**

and

**Brazilian Security & Fire Services Business**




has been acquired by




has been acquired by



a business of

has sold



to

**Davies Baird Pty Ltd**  
sister company of




has entered into a

**Global License and Partnership Agreement**

with



Commitment made of steel

# Global M&A Representative Engagements

<p><b>BEIJER REF</b></p> <p>has been acquired by</p>  <p>HERITAGE DISTRIBUTION HOLDINGS</p>	<p><b>avangardinnovative</b> MOVING THE CIRCULAR ECONOMY FORWARD</p> <p>has sold a controlling interest to</p>  <p>WASTE MANAGEMENT</p>	<p><b>ZN</b> ZINC NACIONAL</p> <p>has sold</p> <p><b>GSDKO</b></p> <p>Zinc Oxide Corporation a subsidiary of</p>  <p>Korea Zinc</p>	<p><b>Electrolux</b> PROFESSIONAL</p> <p>has acquired</p> <p><b>unified brands</b> a DOVER company</p> <p>from</p>  <p>DOVER</p>	<p><b>Port Contractors</b> STEVEDORES - TERMINAL OPERATORS</p> <p>has been acquired by</p>  <p>ENSTRUCTURE</p>	<p><b>Oxbow</b></p> <p>Oxbow's Senior Subordinated debt issued by</p>  <p>H.J. BAKER ESTABLISHED 1888</p> <p>was refinanced by</p>  <p>BMO</p>	<p><b>Hertz</b></p> <p>has acquired</p>  <p>DONLEN</p>
<p><b>Standex</b></p> <p>has sold</p> <p><b>Enginetics</b></p> <p>to</p>  <p>Enjet AERO</p>	<p><b>ITT</b></p> <p>has sold</p> <p><b>BURNY</b> <b>KALIBURN</b> IMPROVEMENTS IN SHAPE CUTTING PLASMA CUTTING INNOVATION</p> <p>and</p> <p><b>CNC</b> Cleveland Motion Controls</p> <p>to</p>  <p>LINCOLN ELECTRIC</p>	<p><b>Honeywell</b></p> <p>has sold</p> <p><b>TENSOR</b></p> <p>to</p>  <p>GE Power Systems</p>	<p><b>TRIUMPH™</b></p> <p>has sold</p> <p>Triumph Processing - Embee Division</p> <p>to</p>  <p>AMP ALL METALS PROCESSING</p>	<p><b>TRIUMPH™</b></p> <p>has sold</p> <p>Triumph Air Repair, the APU Overhaul Operations of Triumph Aviation Services - Asia, and Triumph Engines businesses</p> <p>to</p>  <p>TGG THE GORES GROUP</p>	<p><b>Rheem</b></p> <p>has acquired</p>  <p>HTPG</p>	<p><b>GRACE</b></p> <p>has sold its GRACE Membranes business</p> <p><b>Uop</b></p> <p>a subsidiary of</p> <p><b>Honeywell</b></p>
<p><b>convatec</b> - forever caring -</p> <p>has sold</p> <p><b>SENSI CARE</b></p> <p>and</p> <p><b>ALOE VESTA™</b></p> <p>to</p>  <p>MEDLINE</p>	<p><b>United Technologies</b></p> <p>has sold</p> <p><b>MobileView</b></p> <p>to</p> <p><b>SAFE FLEET</b> Driving Safety Forward™</p>	<p><b>United Technologies</b></p> <p>has sold</p> <p><b>HTPG</b> A division of Carrier Commercial Refrigeration, Inc.</p> <p>to</p> <p><b>MONOMOY</b> CAPITAL PARTNERS and <b>Starboard Capital Partners</b></p>	<p><b>LOCKHEED MARTIN</b></p> <p>has sold</p> <p>Commercial Flight Training Business</p> <p>to</p> <p><b>ALTEON</b> A BOEING COMPANY</p>	<p><b>FLOWSERVE</b></p> <p>has sold</p> <p><b>D&amp;B</b></p> <p>to</p> <p><b>DB</b> DaviesBaird</p>	<p><b>KBR</b></p> <p>has acquired</p> <p><b>Wabi</b> Wabi Development Corporation</p>	<p><b>H I G</b> HARRISON GYPSUM, LLC</p> <p>has been recapitalized by</p> <p><b>H. I. G.</b> PRIVATE EQUITY</p>



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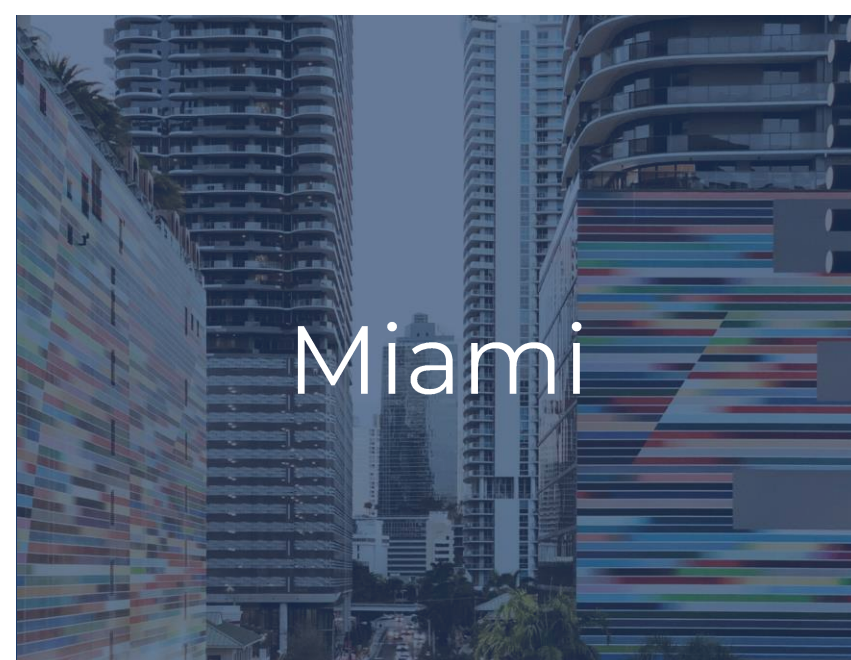
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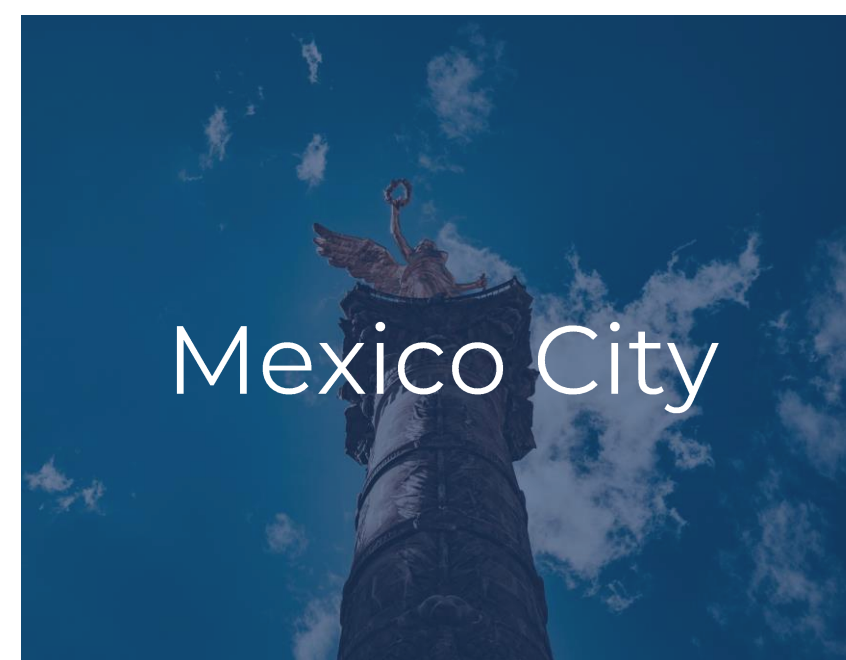
32+ years with Grupo Industrial Saltillo with experience as Director, Corp. Dev. and extensive global commercial experience  
Instituto Tecnológico y de Estudios Superiores de Monterrey  
MBA and BS in Industrial Engineering



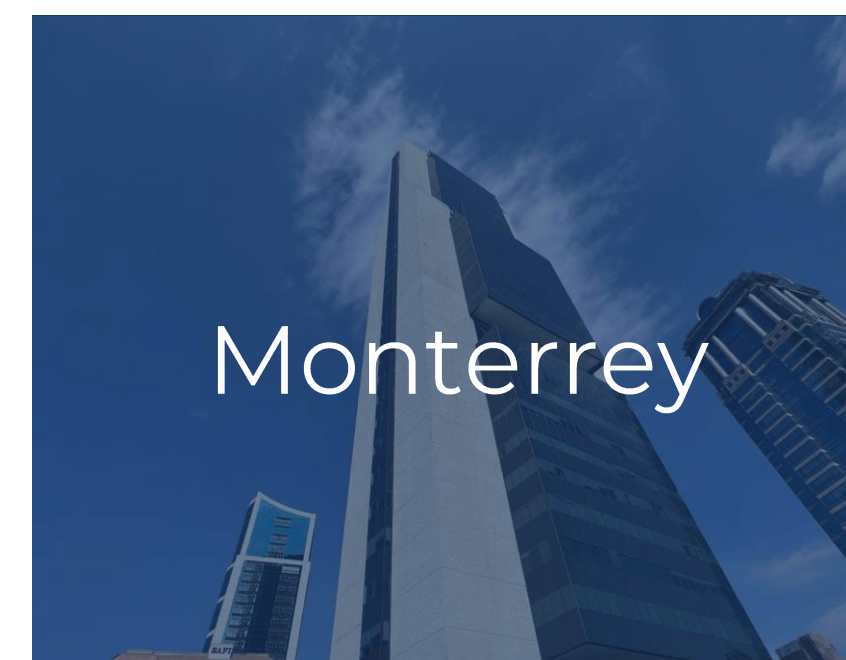
Washington D.C.



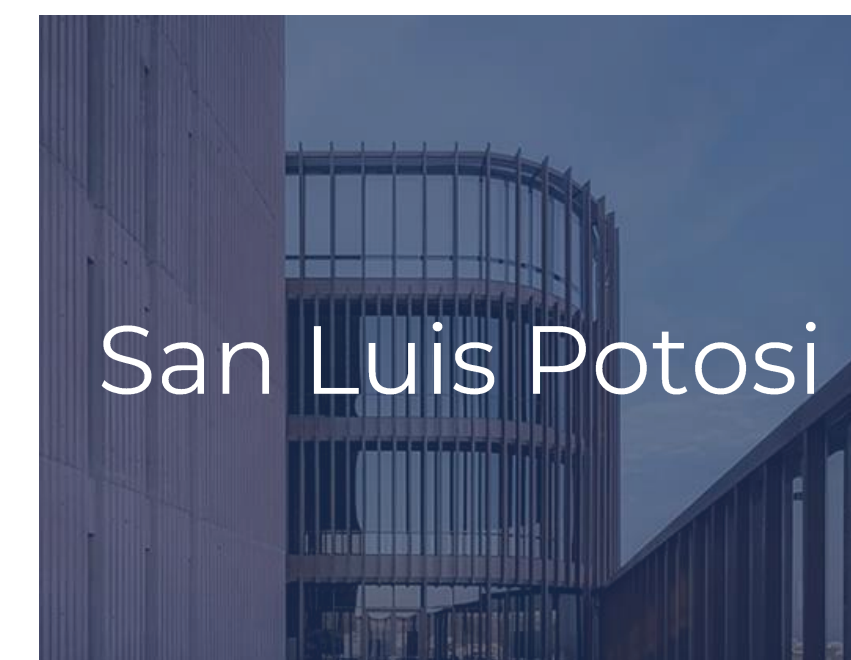
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Mexico City



Monterrey



San Luis Potosi

**Creative Solutions. Trusted Advice.**

For over 25 years, Seale & Associates has served leading public and private companies from around the world and operating in a broad range of industries with a high level of quality, integrity and independence while presenting innovative ideas and trusted solutions to address their most complex dealings.

**25**

YEARS OF EXPERIENCE

**\$50B+**

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Recapitalizations

Due Diligence / Support

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We have worked repeatedly with many of the most well-known companies in the world...

...as well as with reputable funds, family-offices and privately held companies.





# Seale & Associates

Creative Solutions. Trusted Advice.