








Flow control

Industry Update

Q4 2023

Selected M&A highlights

- Dec-23: Motion & Control Enterprises**, backed by Frontenac, acquired **Filter Resources**, a US based manufacturer of complete filtration systems, replacement filter elements and custom fabrication capabilities
- Dec-23: The Timken Company (NYSE:TKR)** acquired **Lagersmit Sealing Solutions**, a Netherlands based manufacturer and supplier of sealing solutions
- Dec-23: IDT Holding** acquired **wpi Industribedarf**, a Germany based manufacturer of gaskets serving the chemical, petrochemical and power markets
- Dec-23: Hoerbiger Holding** acquired **Minor Industria Mecanica de Precisicao**, a Brazil based manufacturer of rotary unions, swivel joints, gear pumps and quick couplers
- Dec-23: LAGERCRANTZ Group (STO:LAGR-B)** acquired **DP Seals**, a UK based supplier of rubber sealings and mouldings
- Dec-23: IJssel** acquired **JD Techniek**, a Netherlands based company engaged in repairing and delivering pumps, mechanical seals, safety relief valves, check valves, gear casings and other pipeline equipment
- Dec-23: Harrington Industrial Plastics** acquired **PumpMan**, a US based provider of onsite maintenance, repair and replacement for all components in water and wastewater pumping systems
- Dec-23: Parlym** acquired **Colves Fluid Control**, a China based manufacturer of valves for oil & gas, energy and other sectors
- Dec-23: Atlas Copco Group (STO:ATCO-A)** acquired **Kracht**, a Germany based manufacture of high quality technologies including external gear pumps, fluid measurement, valves, hydraulic drives and dosing systems
- Nov-23: ITT (NYSE:ITT)** acquired **Svanehoj Group**, a Denmark based manufacturer of pumps for the marine and oil & gas industries for **USD 395m (EV/EBITDA: 12.0x)**
- Nov-23: ITT (NYSE:ITT)** signed a joint venture agreement with **Technik Fluid Controls**, an India based manufacturer of industrial valves and pumps
- Nov-23: Graham Corporation (NYSE:GHM)** acquired **P3 Technologies**, a US based manufacturer of rotating machinery including pumps, compressors and turbines
- Nov-23: WILO** acquired **PLAD Equipment**, a Canada based pump manufacturer serving HVAC, firefighting and irrigation markets
- Nov-23: OEM International (STO:OEM-B)** acquired **Unit-Pump**, a Denmark based importer and distributor of pumps and mechanical seals
- Oct-23: Carco PRP** acquired **ROW Inc**, a US based manufacturer of encapsulated O-rings and gaskets used in industrial applications in the filtration, fluid power, hydraulics and pharmaceutical industries
- Oct-23: Andritz (VIE:ANDR)** acquired **NAF** (a subsidiary of Flowserve), a Sweden based provider of advanced control units, actuators and valves, primarily serving the paper & pulp industry
- Oct-23: IKM Gruppen** acquired **Flux Group**, a Norway based supplier and service provider of umbilicals, valves, hoses and connectors for power and fluid management applications
- Oct-23: Renta Group** acquired **Ohiko**, a Finland based specialist pumping company providing full service bypass solutions
- Oct-23: United Flow Technologies**, backed by H.I.G. Capital, acquired **Iowa Pump Works**, a US based technical distributor and service provider of pumps for the municipal water, wastewater and industrial markets

Flow Control - Focused							EV/Revenue Revenue (GBPm) Revenue growth			EV/EBITDA EBITDA (GBPm) EBITDA %			EV/EBIT EBIT (GBPm) EBIT %			2 Year CAGR 2022 2024	
Company	Country	Year end date	Market cap (GBPm)	Net debt / (cash)	Adj EV (GBPm)	Net debt / EBITDA (2021)	2022	2023	2024	2022	2023	2024	2022	2023	2024	Sales	EBITDA
Flowserve		Dec-22	4,246	799	5,076	2.0x	1.8x	1.5x	1.4x	20.6x	13.0x	11.2x	29.1x	15.7x	13.2x	12%	36%
							2,838	3,371	3,547	246	391	453	174	324	384		
							2%	19%	5%	9%	12%	13%	6%	10%	11%		
Gorman-Rupp		Dec-22	731	306	1,037	3.4x	2.5x	2.0x	1.9x	19.2x	11.6x	11.1x	27.8x	15.6x	14.2x	15%	31%
							409	515	542	54	89	93	37	66	73		
							38%	26%	5%	13%	17%	17%	9%	13%	14%		
IDEX		Dec-22	12,890	669	13,559	1.0x	5.4x	5.3x	5.2x	19.0x	19.5x	18.6x	21.9x	23.2x	22.1x	2%	1%
							2,498	2,551	2,598	713	697	730	619	584	615		
							15%	2%	2%	29%	27%	28%	25%	23%	24%		
IMI plc		Dec-22	4,352	770	5,123	1.5x	2.5x	2.3x	2.2x	11.8x	10.1x	9.5x	15.5x	12.6x	11.7x	5%	12%
							2,049	2,182	2,279	433	506	539	330	408	440		
							10%	6%	4%	21%	23%	24%	16%	19%	19%		
KITZ		Dec-22	603	60	670	0.5x	0.8x	0.7x	0.7x	6.7x	5.8x	5.6x	10.9x	8.7x	7.9x	5%	10%
							891	934	983	100	115	120	62	77	85		
							18%	5%	5%	11%	12%	12%	7%	8%	9%		
Rotork		Dec-22	2,782	(98)	2,685	n/a	4.2x	3.8x	3.5x	17.9x	15.0x	13.7x	20.9x	16.5x	15.0x	9%	14%
							642	716	761	150	179	196	128	163	179		
							13%	11%	6%	23%	25%	26%	20%	23%	23%		
Spirax-Sarco		Dec-22	7,731	837	8,569	2.0x	5.3x	5.1x	4.8x	20.3x	20.9x	19.1x	24.1x	24.9x	22.4x	5%	3%
							1,611	1,691	1,783	422	410	450	356	344	382		
							20%	5%	5%	26%	24%	25%	22%	20%	21%		
Min							0.8x	0.7x	0.7x	6.7x	5.8x	5.6x	10.9x	8.7x	7.9x	2%	1%
Mean							3.2x	3.0x	2.8x	16.5x	13.7x	12.7x	21.5x	16.7x	15.2x	8%	15%
Median							2.5x	2.3x	2.2x	19.0x	13.0x	11.2x	21.9x	15.7x	14.2x	5%	12%
Max							5.4x	5.3x	5.2x	20.6x	20.9x	19.1x	29.1x	24.9x	22.4x	15%	36%

Source CapIQ

Note: (a) Multiples are based on enterprise value as of 31-Dec-23 and historical and forecast sales, EBITDA and EBIT, calendarised to 31 December. "nmf": not meaningful; "n/a": not available.

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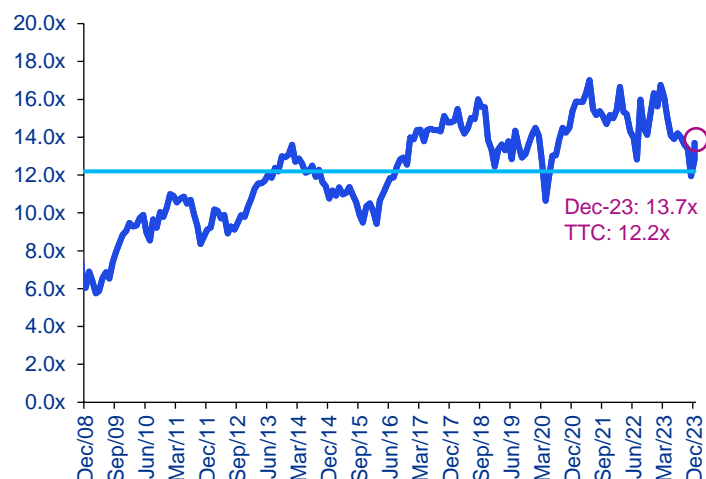
Flow Control Diversified							EV/Revenue Revenue (GBPm) Revenue growth			EV/EBITDA EBITDA (GBPm) EBITDA %			EV/EBIT EBIT (GBPm) EBIT %			2 Year CAGR 2022 2024	
Company	Country	Year end date	Market cap (GBPm)	Net debt / (cash)	Adj EV (GBPm)	Net debt / EBITDA (2021)	2022	2023	2024	2022	2023	2024	2022	2023	2024	Sales	EBITDA
Alfa Laval		Dec-22	13,016	1,041	14,084	1.1x	3.5x 4,070 27%	2.8x 4,970 22%	2.6x 5,399 9%	19.0x 742 18%	15.1x 934 19%	13.5x 1,047 19%	25.1x 562 14%	17.7x 795 16%	15.3x 921 17%	15%	19%
Crane Co.		Dec-22	5,270	(10)	5,261	n/a	2.0x 2,650 (1%)	3.2x 1,628 (39%)	3.0x 1,732 6%	10.4x 508 19%	18.5x 284 17%	16.5x 319 18%	12.7x 415 16%	20.5x 257 16%	18.2x 289 17%	nmf	nmf
Curtiss-Wright		Dec-22	6,689	800	7,489	1.7x	3.7x 2,007 2%	3.4x 2,196 9%	3.2x 2,330 6%	17.1x 437 22%	15.7x 477 22%	14.7x 510 22%	21.4x 349 17%	19.6x 382 17%	18.1x 413 18%	8%	8%
Dover		Dec-22	16,892	2,252	19,144	1.6x	2.9x 6,680 8%	2.9x 6,675 (0%)	2.8x 6,909 4%	14.1x 1,354 20%	13.4x 1,425 21%	12.6x 1,516 22%	17.2x 1,112 17%	16.4x 1,170 18%	15.0x 1,279 19%	2%	6%
Emerson		Sep-23	43,671	513	48,823	0.2x	4.4x 11,107 8%	4.0x 12,338 11%	3.5x 13,814 12%	18.4x 2,652 24%	15.5x 3,157 26%	13.6x 3,585 26%	24.2x 2,017 18%	20.3x 2,404 19%	17.0x 2,874 21%	12%	16%
EnPro		Dec-22	2,573	258	2,845	1.3x	3.3x 863 31%	3.4x 843 (2%)	3.2x 899 7%	15.0x 189 22%	14.7x 194 23%	13.4x 213 24%	26.3x 108 13%	42.1x 68 8%	20.8x 137 15%	2%	6%
Graco		Dec-22	11,497	(368)	11,129	n/a	6.6x 1,683 8%	6.5x 1,721 2%	6.3x 1,769 3%	22.2x 501 30%	19.7x 564 33%	18.8x 591 33%	24.8x 449 27%	21.9x 507 29%	21.0x 529 30%	3%	9%
Halma		Mar-23	8,615	619	9,213	1.4x	5.2x 1,772 20%	4.7x 1,950 10%	4.4x 2,073 6%	22.7x 406 23%	20.3x 453 23%	18.8x 490 24%	28.9x 319 18%	23.4x 394 20%	21.0x 439 21%	8%	10%
Ingersoll Rand		Dec-22	24,578	1,231	25,861	0.9x	5.6x 4,645 15%	4.8x 5,360 15%	4.6x 5,669 6%	25.1x 1,030 22%	18.7x 1,381 26%	17.4x 1,485 26%	37.5x 690 15%	25.2x 1,026 19%	23.3x 1,111 20%	10%	20%
ITT		Dec-22	7,691	(72)	7,591	n/a	3.2x 2,346 8%	3.0x 2,565 9%	2.8x 2,724 6%	17.1x 443 19%	14.5x 525 20%	13.0x 582 21%	21.2x 359 15%	17.4x 437 17%	15.5x 489 18%	8%	15%
Kadant		Dec-22	2,576	41	2,619	0.3x	3.7x 710 15%	3.5x 744 5%	3.4x 765 3%	17.9x 147 21%	16.9x 155 21%	16.4x 160 21%	22.0x 119 17%	20.4x 129 17%	19.7x 133 17%	4%	4%
Parker Hannifin		Jun-23	46,468	9,212	55,687	2.6x	4.1x 13,720 16%	3.6x 15,285 11%	3.5x 15,945 4%	18.3x 3,044 22%	15.7x 3,553 23%	14.5x 3,844 24%	22.3x 2,497 18%	18.9x 2,946 19%	17.0x 3,274 21%	8%	12%
Sulzer		Dec-22	2,718	285	2,960	0.7x	1.0x 2,965 1%	0.9x 3,155 6%	0.9x 3,307 5%	11.3x 262 9%	7.1x 415 13%	6.8x 436 13%	18.7x 158 5%	9.7x 305 10%	9.1x 326 10%	6%	29%
Xylem		Dec-22	21,644	1,308	22,961	1.2x	5.3x 4,335 6%	4.0x 5,731 32%	3.5x 6,601 15%	33.2x 692 16%	21.1x 1,089 19%	17.6x 1,306 20%	45.3x 506 12%	27.4x 838 15%	22.4x 1,026 16%	23%	37%
Min							1.0x	0.9x	0.9x	10.4x	7.1x	6.8x	12.7x	9.7x	9.1x	2%	4%
Mean							3.9x	3.6x	3.4x	18.7x	16.2x	14.8x	24.8x	21.5x	18.1x	8%	15%
Median							3.7x	3.5x	3.3x	18.1x	15.7x	14.6x	23.3x	20.3x	18.2x	8%	12%
Max							6.6x	6.5x	6.3x	33.2x	21.1x	18.8x	45.3x	42.1x	23.3x	23%	37%

Source: CapIQ

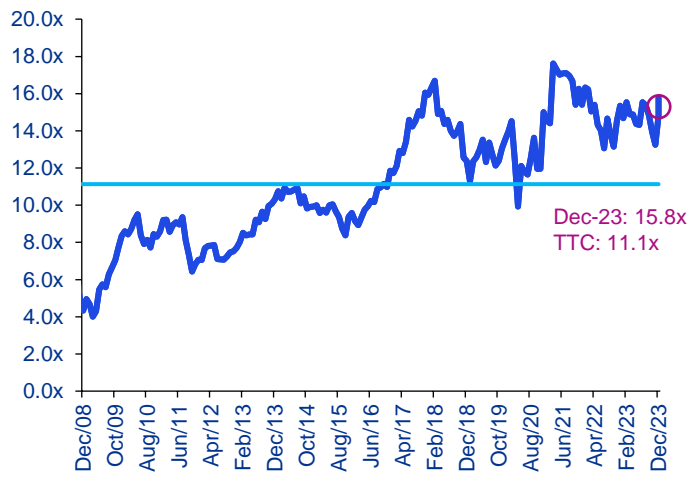
Note: (a) Multiples are based on enterprise value as of 31-Dec-2023 and historical and forecast sales, EBITDA and EBIT, calendarised to 31 December. "nmf": not meaningful; "n/a": not available.

Public company valuations through the cycle (EV/LTM EBITDA)

Flow Control – Focused

















































Flow Control – Diversified



Source: CapIQ

M&A Transaction History

Date	Target company	Country	Target Description	Acquirer company	Country	EV (m)	EV/ EBITDA
Nov-23	Svanehoj Group		Manufacturer of pumps for the marine and oil & gas industries	ITT		USD 395	12.0x
Jun-23	CIRCOR		Provider of mission critical flow control products and services for the industrial and aerospace & defence markets	KKR & Co		USD 1,700	12.8x
Jun-23	ARAG		Engaged in the development, production and supply of precision control systems and smart fluid components for agricultural spraying	Nordson		EUR 960	16.5x
Mar-23	Pfeiffer Vacuum Technology (36% stake)		Manufacturer of vacuum components offering turbopumps, leak detectors and pumping stations	Pangea (Busch Group)		EUR 477	8.3x
Feb-23 (Aborted)	Velan		Manufacturer of highly engineered valves serving nuclear, cryogenic and defence markets	Flowserve Corporation		USD 245	10.2x
Sep-22	Muon Group		Manufacturer of precise flow paths for critical applications in medical technologies, semiconductor, food processing, digital printing and filtration	IDEX Corporation		EUR 700	15.2x
Apr-22	Tuthill Corporation (Fill-Rite and Sotera Division)		Provider of rugged, high performance liquid transfer pumps and mechanical and digital meters and precision weights	Gorman-Rupp Company		USD 525	15.2x
Dec-21	Acme Cryogenics		Manufacturer of precision engineered products for production and distribution of cryogenic liquids and industrial gases	Dover Corporation		USD 295	18.0x
Dec-21	Engineered Controls International		Manufacturer of valves and regulators	Dover Corporation		USD 630	12.0x
Dec-21	SPX Flow		Supplier of highly engineered flow components, process equipment and turn key systems along with the related aftermarket parts and services	Lone Star		USD 3,800	17.1x
Jul-21	Neles		Flow control solutions and services company specialised in valves and valve automation technologies	Valmet		EUR 2,000	18.2x
Jul-21 (Aborted)	SPX Flow		Supplier of highly engineered flow components, process equipment and turn key systems along with the related aftermarket parts and services	Ingersoll Rand		USD 3,528	17.2x
Jun-21	BioDot (Artemis Capital Partners)		Manufacturer of premium non-contact and quantitative fluid dispensing systems	ATS Automation Tooling Systems		USD 84	5.6x
Jun-21	Tiger Filtration		Manufacturer of alternative in-line filter elements, vacuum pumps, separators, high pressure stainless steel filter housings	Xebec Adsorption		USD 17	10.6x
Jun-21	Barber-Nichols		Manufacturer of turbomachines, compressors and pumps	Graham Corporation		USD 84	11.0x
Jun-21	Airtech (EagleTree Capital)		Manufacturer of industry blowers, vacuums, pumps and valves	IDEX Corporation		USD 470	16.0x
Jun-21	Lydall Inc		Leader in the design and production of specialty filtration materials and advanced material solutions	Unifrax		USD 1,444	15.3x
Dec-20	UTG Mixing Group		Global provider of mixing solutions	SPX Flow		EUR 34	19.8x
Dec-20	Ham-Let		Israel-based manufacturer of compression fittings and valves	Ultra Clean		GBP 256	14.5x
Jul-20 (Aborted)	Neles		Flow control solutions and services company specialised in valves and valve automation technologies	Alfa Laval		EUR 1,796	16.3x
Jan-20	Flow Management Devices		Manufactures a comprehensive line of Unidirectional Captive Displacement Provers	IDEX Corporation		USD 125	10.4x
Dec-19	Circor (Sampling Business)		Designs and manufactures highly engineered products and sub-systems	Crane		USD 172	10.0x
Nov-19	SPX Flow (Power & Energy)		Power and energy focused flow control business of SPX FLOW	Apollo		GBP 369	6.5x

Source: Company announcements, Mergermarket and Broker estimates

M&A Transaction History (cont.)

Date	Target company	Country	Target Description	Acquirer company	Country	EV (m)	EV/ EBITDA
Aug-19	Circor (Spence & Nicholson product lines)		Manufacture of steam management products for the district heating market	Emerson		GBP 70	12.3x
Aug-19	PBM Valves		Manufacture of high-quality industrial valves and flow control products	IMI		GBP 70	12.5x
Jul-19	Velcora		Manufacture of mechanical seals for rotating machinery and aseptic processing equipment	IDEX Corporation		USD 137	13.0x
Jun-19 (Aborted)	Circor		Manufacture of engineered industrial products for various industrial end markets	Crane		USD 1,615	12.0x
Apr-19	Gardner Denver		Manufactures mission critical flow products	Ingersoll Rand		USD 15,369	11.0x
Feb-19	Rheinhalte Pumpen		Design and manufacture of centrifugal and axial flow pumps	ITT		GBP 70	9.0x
Feb-19	Precision Flow Systems		Design and manufacture positive displacement pumps and systems for the water, food & beverage, pharma and other markets	Ingersoll Rand		EUR 1,238	13.0x
Feb-19	Weir (Flow Control)		Design and manufacture of engineered valves and pumps serving power, energy and general industrial markets	First Reserve		GBP 275	8.6x
May-18	Aventics		Manufacture of pneumatic components and systems	Emerson		GBP 460	11.9x
Feb-18	Faster		Manufacture of couplings, check valves, multi fasters, casting solutions and accessories	Sun Hydraulics		GBP 431	14.7x
Dec-17	CEME		Manufacture of fluid control components for small appliances.	Invest-Industrial		GBP 333	19.3x
Dec-17	BIMBA		Manufacture of pneumatic, hydraulic and electric motion solutions	IMI		GBP 147	14.9x
Sep-17	COLFAX		Manufacture fluid-handling components and systems	Circor		GBP 637	12.3x
Apr-17	Gestra		Design and production of valves and control systems for steam and fluid process control	Spirax Sarco		GBP 159	11.2x
Apr-17	Pentair (Valves and Controls)		Valves & Controls segment of Pentair involved design, manufacture and service of valves, fittings and controls systems	Emerson		GBP 2,259	14.1x
Feb-17	Inoxpa		Manufacturer of process equipment and flow handling systems for the food, cosmetics and pharmaceutical industries	Interpump Group		EUR 90	6.6x
Dec-16	Clarcor		Manufacture of filtration products and systems as well as consumer and industrial packaging products	Parker		GBP 3,367	17.2x
Nov-16	Aflex House		Manufacture of PTFE-lined flexible hoses for the pharmaceutical, food, chemical and automotive industries	Spirax Sarco		GBP 61	10.2x
Oct-16	Critical Flow Solutions		Manufacture of critical severe-service decoking valves and fluid catalytic cracking valves	Circor		USD 210	8.5x
Aug-16	Sensus		Manufacture of regulators, water meters, flow sensors, valves and sensor reading devices	Xylem		USD 2,245	14.1x
Dec-15	Red Valve		Manufacture of pinch valves for mission critical applications in water, power and mining markets	Hillenbrand		USD 132	10.9x
Min							5.6x
Mean							12.9x
Median							12.4x
Max							19.8x

Source: Company announcements, Mergermarket and Broker estimates

KPMG s Global Flow Control Credentials

   acquired by  2023	   acquired by  2022	   acquired by  2022	   acquired by  2022	   acquired by  2020
   acquired by  2019	    acquired by  2019	   acquired by  2018	    acquired by  2018	   acquired by  2017

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