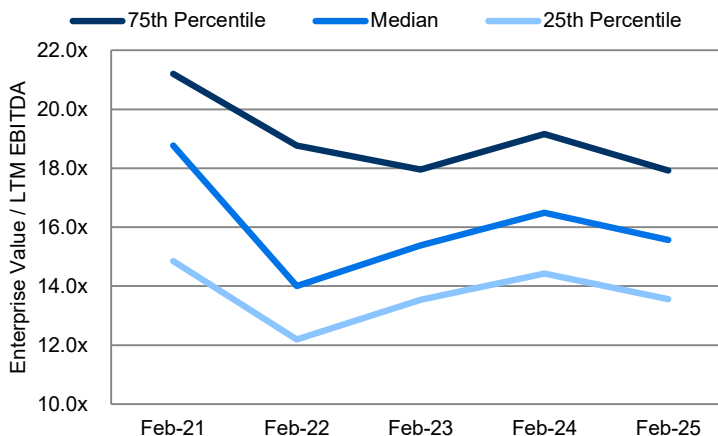


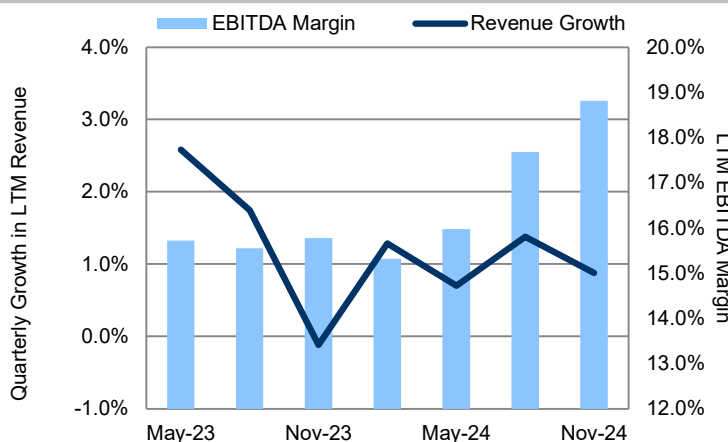
M&A Activity

- The 2024 M&A market wrapped up things nicely as deal makers successfully navigated rate changes, macroeconomic factors, higher financing costs and a major US election. 2024 North American M&A volume increased 10% with value climbing 16% when compared to 2023. In 2024 private equity deal making volume and value in the US grew 13% and 19%, respectively. In North America and Europe, M&A median valuation multiples softened to 8.8x EV / EBITDA for the year. In 2024 private equity median multiples in North America and Europe climbed to 12.2x EV / EBITDA. The outlook for 2025 remains positive as deal makers aim to take advantage of industries such as TMT, IT, healthcare, AI, industrials and energy. Digital transformation, private equity dry powder, regulatory easing, and expected rate cuts could all help spur activity in 2025.
- On January 6, 2025, Watts Water Technologies, Inc., one of the world's leading manufacturers and providers of plumbing, heating and water quality products and solutions announced that it acquired I-CON Systems Inc., a leading provider of plumbing control solutions primarily for the corrections market. I-CON's annualized sales are approximately \$25 million.
- On January 3, 2025, Trane Technologies, a global climate innovator, announced that it completed the acquisition of BrainBox AI, a pioneer in autonomous HVAC controls and generative Artificial Intelligence building technology.
- On December 3, 2024, Pentair plc announced that it acquired Florida-based G&F Manufacturing, LLC for approximately \$108 million in cash. G&F Manufacturing, LLC manufactures and services heat pumps for pools under the Gulfstream brand in the Southeast portion of the United States.
- On September 12, 2024, ITT Inc. announced the completion of its \$475 million acquisition of kSARIA Parent, Inc., a leading producer and supplier of mission-critical connectivity solutions for the defense and aerospace end markets. ITT previously announced the acquisition on Aug. 1, 2024. The acquisition will be funded through a combination of a \$460 million term loan and cash on hand.

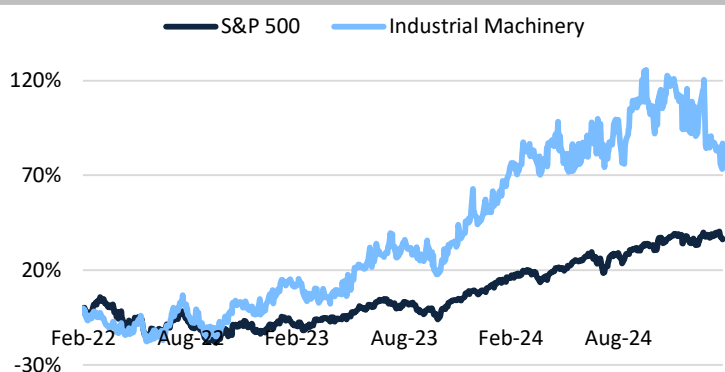
Trend in Industry EBITDA Multiples¹



Trends in Revenue Growth and EBITDA Margins¹



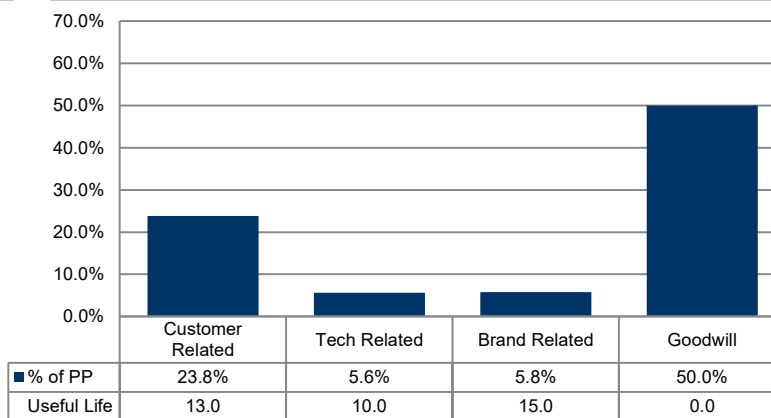
Relative Stock Price Returns²



¹ Calculated using aggregated data for GGG, MOD, DCI, ITW, IR, FTV, SWK, ITT, WTS, FLS, FLOW, NDSN, HSC, SPXC, IEX, FELE, RXN, PNR, LECO, CFX.

² Industrial Machinery is a custom, equal-weighted index constructed with the aforementioned companies.

Purchase Price Allocation (PPA) % from Recent Transactions



Notable M&A Deals



On January 27, 2025, SPX Technologies, Inc. announced that it completed the \$350 million acquisition of Kranze Technology Solutions, Inc., a leader in digital interoperability and tactical networking solutions. KTS is now a part of SPX Technologies' Communication Technologies platform, within its Detection & Measurement segment.



On September 5, 2024, IDEX Corporation completed its \$989 million acquisition of Mott Corporation and its subsidiaries, expanding IDEX's applied material science technology capabilities. Mott is a leader in the design and manufacturing of sintered porous material structures and flow control solutions, with deep applied material science knowledge and process control capabilities.