Oaklins

Industrial machinery and components

M&A update | Q3 2026



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M&A overview in North America

IM&C M&A volumes have normalized after an outsized Q1 2026. The number of transactions fell 23% from 116 in Q1 to 89 in Q3 2026 but is now in line with Q3 2025 (90) and the eight-quarter average of about 91. Recent volumes represent a reversion to the mean following the Q1 spike.

Strategic buyers drove both the surge and the pullback, rising to 106 deals in Q1 before returning to 75 in Q3, near their eight-quarter average of about 77. Financial buyers held steady at 14 deals in Q2 and Q3, but their share fell to about 13% year-to-date versus 19% in 2025 as strategic activity increased.

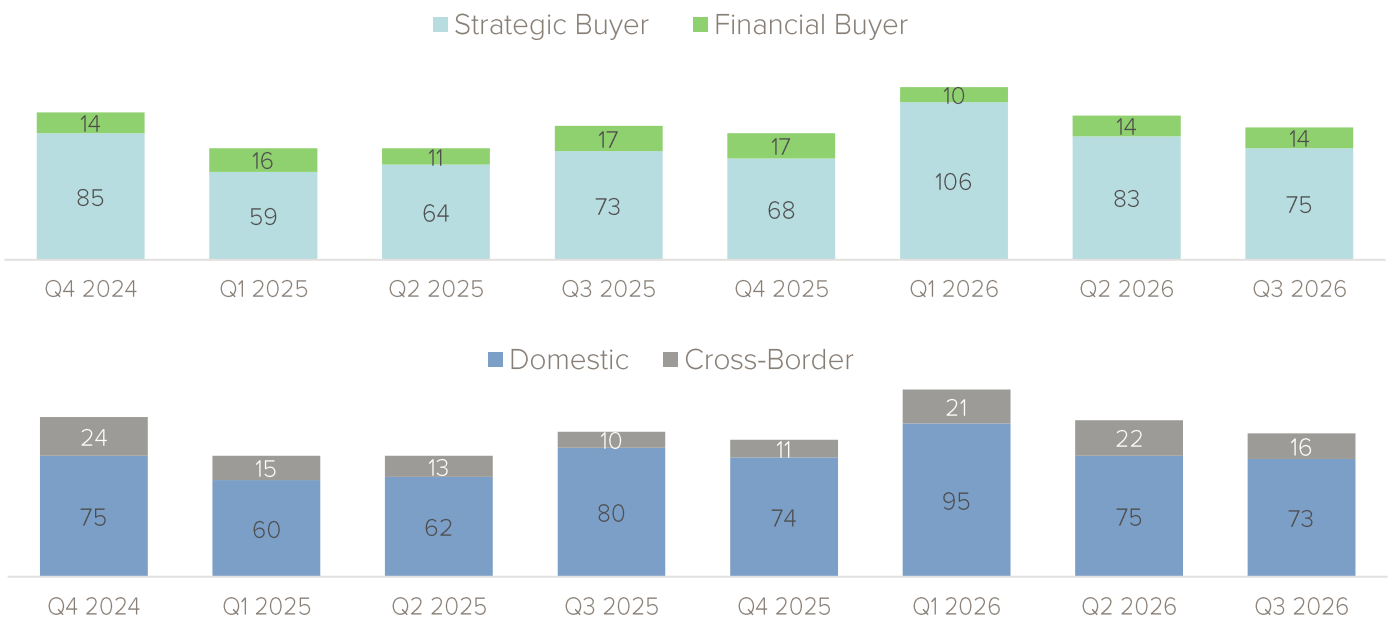
North American deals made up 82% of Q3 activity (73 deals), mostly within the U.S. Cross-border activity has been elevated in 2026, at about 20% of total volume year-to-date versus 15% in 2025. It reached 22 deals in Q2, its highest level since Q4 2024, then eased to 16 in Q3, still above every quarter of 2025. This rise, led by European buyers, is consistent with foreign acquirers seeking North American production to reduce tariff exposure.

Looking ahead, trade and monetary policy are more likely to cap a rebound. U.S. tariffs on steel and aluminum have been at 50% since June 2025, and an April 6, 2026 restatement set a flat 50% on primary steel, aluminum, and copper articles and 25% on derivatives. On August 22, the U.S. imposed a 50% tariff on about CA$27.6 billion of Canadian goods, and on September 8, Canada retaliated, including doubling its tariffs on U.S. steel and aluminum to 50%. The U.S. has also threatened to raise tariffs on Canadian autos, auto parts, and steel to 50% beginning on January 1, 2027. Higher input costs and uncertainty have created significant friction for IM&C M&A transactions, particularly for metal-intensive businesses such as automotive suppliers.

Energy costs from the war with Iran have kept inflation elevated, and on September 16, 2026, the Fed raised rates by 25 bps to 3.75%–4.00%, its first hike since July 2023, with one more projected for 2026. As it is coming late in the quarter, the effect of this rate hike will likely show in Q4 2026 and 2027 deal flow, as higher financing costs weigh on valuations and capex.

With deal volume having returned to trend, and tariffs escalating and rates rising, a return to Q1 2026 levels looks unlikely in the near term.

IM&C M&A transactions by quarter over the past 2 years



Source : Capital IQ and Press Realases

Q3 Market transactions in focus

Completion date: Sep 20, 2026	Implied EV: n.d.	EV/Sales: n.d.	EV/EBITDA: n.d.

EMT METALS

acquired

KAROB Instrument Inc.

An investment group led by EMT Metals CEO Mark Izzo **(USA)** acquired Karob Instrument **(USA),** bringing the two companies under common ownership. The goal is to expand EMT's integrated manufacturing platform serving aerospace & defense and technology OEMs.

Karob Instrument is a family-owned precision machining manufacturer based in Ocala, Florida, with more than 50 years of experience producing custom components for aerospace customers, including Gulfstream Aerospace, and other industries. It specializes in precision CNC machining, including turning, five-axis milling, hardware installation, assembly and specialized fulfillment, and handles both short-run and high-volume production.

EMT Metals is a metal fabricator and manufacturer of precision-machined components serving global OEMs in aerospace & defense, thermal management, power distribution and high-tech industrials. It operates three facilities with a vertically integrated base of 130 machines covering CNC machining, sheet metal fabrication, progressive stamping and assembly, and produces over 1,100 mission-critical SKUs each year.

Strategic Rationale: The deal adds Karob's long-standing aerospace customer relationships and precision machining expertise to EMT's platform and gives Karob access to EMT's resources and scale. It also supports EMT's strategy of serving leading A&D and technology OEMs at the scale and pace they require.

OAKLINS ADVISED THE SELLER IN THIS TRANSACTION

Completion date: Sep 03, 2026	Implied EV: n.d.	EV/Sales: n.d.	EV/EBITDA: n.d.

LEFORT

acquired

S2 MANUFACTURING

Presses et Cisailles Lefort **(Belgium)** acquired C&C Manufacturing, now operating as S2 Manufacturing **(USA)**, from Equivu Capital. The deal gives Lefort an established North American manufacturing base and adds complementary equipment lines for the scrap metal recycling and waste markets.

S2 Manufacturing, formerly Al-Jon Manufacturing, is based in Ottumwa, Iowa, and makes ALJON landfill compactors, car crushers and metal baling equipment with worldwide service and support. It also builds Vammas airport snow removal equipment and is the sole North American distributor of Bonfiglioli portable shears and Drake shredders.

Lefort is a fourth-generation, family-owned manufacturer of scrap metal processing and recycling equipment, founded in 1947 and headquartered in Gosselies, Belgium. It runs production facilities in Belgium, France and the United States, employs about 350 people, and generates roughly €130 million in annual revenue. It has a track record of strategic acquisitions, including French shear and baler maker Copex.

Strategic Rationale: The deal adds S2's established U.S. manufacturing operation and its complementary landfill, baling and airport equipment portfolio to Lefort's shear, baler and shredder range. It strengthens Lefort's presence in North America and marks Equivu's exit about five years after acquiring the business.

Completion date: Sep 01, 2026	Implied EV: n.d.	EV/Sales: n.d.	EV/EBITDA: n.d.

DIRECTUS HOLDINGS LLC

acquired

BMC

Directus Holdings **(USA)** acquired Basic Machinery Company **(USA)** to expand its industrial engineering and fabrication services across North Carolina's Triangle region.

Basic Machinery Company is a Siler City, North Carolina machinery manufacturer, founded in 1975 as a small family-owned machine shop, that has grown into a global solutions provider. It specializes in design/build solutions for material handling and processing problems that off-the-shelf equipment can't solve. Its capabilities span brick manufacturing, bulk materials handling, structural steel fabrication and plant automation. It has worked with nearly every U.S. brick manufacturer on clay processing and brick handling systems and has numerous installations outside the U.S.

Directus Holdings is a Raleigh-based investment firm founded in 1919 by Jeff Matuszak. It makes strategic control investments in industrial companies facing financial or operational challenges, and its portfolio includes Cape Point Bait, United Floor Coatings of Raleigh, and Miscellaneous Stainless and Steel Works.

Strategic Rationale: The deal adds Basic Machinery's 50-year engineering, fabrication and automation expertise to Directus's industrial portfolio. It broadens the industrial engineering and fabrication services the group offers across the Triangle region.

Completion date: Aug 04, 2026	Implied EV: n.d.	EV/Sales: n.d.	EV/EBITDA: n.d.

kps GLOBAL

acquired

EVERIDGE Every step of the way

KPS Global **(USA)** acquired Everidge **(USA)** to broaden its cold storage product portfolio and expand its reach in foodservice, convenience store and regional grocer markets.

Everidge is based in Plymouth, Minnesota, and provides commercial cold storage, walk-in coolers and freezers, cold storage doors, mobile cold storage and cook-chill solutions. It was formed in 2017 by combining four refrigeration brands (ThermalRite, CrownTonka, ICS and LoTemp Doors), runs six manufacturing facilities, and offers cold rooms, in-house slider doors and the PrepRite line of blast chillers.

KPS Global is a Fort Worth, Texas provider of end-to-end custom enclosure solutions for controlled environments and is majority-owned by Viessmann Generations Group. Its customers are mainly large food retailers that buy its custom-built insulated panels.

Strategic Rationale: The deal combines the two companies' 11 plants so they can manufacture closer to customers and cut freight costs. KPS Global gains access to Everidge's dealer network, and Everidge customers gain KPS Global's installation services. The Kahler family, Everidge's owners, became significant minority shareholders in KPS Global with board seats, and the combined company has more than 1,700 employees and 12 U.S. plants.

Source : Capital IQ and Press Realases

Q3 Market transactions in focus

Completion date: Jul 22, 2026	Implied EV: n.d.	EV/Sales: n.d.	EV/EBITDA: n.d.

EcoFusion Energy Holdings

acquired

Clean Energy Compression

EcoFusion New Energy Holdings **(Canada)** acquired Clean Energy Compression **(Canada)**. The deal brings in-house compression manufacturing capability and strengthens EcoFusion's position in compressed natural gas infrastructure.

Clean Energy Compression is a manufacturer of compression systems for clean energy distribution. It offers non-lubricated reciprocating technology, modular designs, high-pressure hydraulic compression and integrated gas management, which let transportation and industrial customers compress and distribute natural gas, biomethane and hydrogen. The company is based in Chilliwack, British Columbia. It has more than 1,000 installations in over 20 countries.

EcoFusion is a Vancouver-based Canadian corporation active in clean energy, power generation and natural gas infrastructure, and it manages specialized subsidiaries including AltaStream Energy Systems.

Strategic Rationale: The deal adds IMW's manufacturing capability to EcoFusion and strengthens its compressed natural gas infrastructure business, which runs through AltaStream Energy Systems. IMW will keep serving its existing compression customers and take on an expanded production role supporting AltaStream's electricity generation business.

Completion date: Jul 15, 2026	Implied EV: n.d.	EV/Sales: n.d.	EV/EBITDA: n.d.

TRUMPF

acquired

MATE PRECISION TECHNOLOGIES

TRUMPF **(Germany)** acquired Mate Precision Technologies **(USA)** to broaden its sheet metal tooling portfolio and strengthen its position in North America. For Mate, the deal opens substantial growth opportunities through TRUMPF's global customer base and sales network.

Mate Precision Technologies, founded in 1962 and based in Anoka, Minnesota, makes punch press tooling, press brake tooling and related consumables for sheet metal fabricators. Its tooling works with a wide range of machine brands, and it will keep operating independently under its own brand, with its management, international operations, products and customer relationships unchanged.

TRUMPF is a high-tech company that offers machine tools for sheet metal fabrication, laser technology, and solutions for the semiconductor industry. In the U.S., it has manufactured at its Farmington, Connecticut facility for more than 50 years.

Strategic Rationale: Until now, TRUMPF's bending and punching tools only worked on TRUMPF machines. Adding Mate lets it offer tooling compatible with other manufacturers' machines for the first time. The deal also advances TRUMPF's strategy of producing in the regions where its customers are, which strengthens supply chains and regional delivery. Mate's U.S. production footprint complements this across North America.

Announcement date: Jul 07, 2026	Implied EV: USD 472 million	EV/Sales: 3.93x	EV/EBITDA: 10.6x

ENERPAC TOOL GROUP

will acquire

SFE SPECIALIZED FABRICATION EQUIPMENT GROUP

Enerpac Tool Group **(USA)** to acquire Specialized Fabrication Equipment Group **(USA)** from Gladstone Investment portfolio company SFEG Holdings for about $472 million in cash. The deal expands Enerpac's industrial tools portfolio and its exposure to higher-growth geographies and end markets.

SFE Group is a Houston-based provider of specialized fabrication, welding, portable machining and material-handling equipment for critical industries worldwide. It runs 12 established brands, including Climax, B&B Sumner, Mathey Dearman and H&S Tool, and generates about $170 million in sales and $44 million in adjusted EBITDA. Its equipment serves aerospace and defense, oil and gas, power generation, mining, semiconductors and data centers.

Enerpac is a Milwaukee-based industrial tools company operating in more than 100 countries. It specializes in high-pressure hydraulic tools, controlled force products and systems for precisely positioning heavy loads.

Strategic Rationale: The deal strengthens Enerpac's position in high-growth verticals such as defense, power generation, semiconductors and data centers. It raises Enerpac's total addressable market from about $4.5 billion to $5.5 billion. It also advances Enerpac's pure-play industrial tools strategy, with synergies coming through its PEP and ECX business systems

Completion date: Jul 03, 2026	Implied EV: n.d.	EV/Sales: n.d.	EV/EBITDA: n.d

TRICOR PACIFIC CAPITAL
A FAMILY OFFICE

acquired

ARCTEC

Tricor Pacific Capital **(Canada)** acquired Arctec Alloys **(Canada)** and combined it with its existing portfolio company, Rockmount Research & Alloys, to create a leading North American maintenance welding platform.

Arctec Alloys, founded in 1968, is a Calgary-based supplier of specialty repair and maintenance welding consumables to industrial customers across Canada. It is known for strong customer relationships, technical expertise and an experienced team, and its president, Mark Trenke, stays on to lead the business and remains an equity partner alongside Tricor.

Tricor Pacific Capital is a Vancouver-based family office that invests its own capital in long-term majority acquisitions of mature businesses and real estate, and it works closely with management teams and selling owners to build long-term value. Over more than 30 years, it has completed more than 100 transactions across a range of industries.

Strategic Rationale: The deal combines Arctec's Canadian presence and specialty welding consumables expertise with Rockmount Research & Alloys, creating a larger maintenance welding platform with broader North American reach. It also builds out Tricor's industrial portfolio, in line with its long-term strategy of growing leading businesses in the industrial sector while preserving their legacy and values.

Source : Capital IQ and Press Realases

Public comparables

UNITED STATES

All figures in US$M, As of 2026-10-31	Market Cap	Enterprise Value	LTM Operating Figures: Revenues	EBITDA	EBITDA Margin (%)	EV/Rev.	EV/EBITDA
IM&C							
Parker-Hannifin Corporation	113 478	121 719	22 407	5 964	26.6%	5.4x	20.4x
Illinois Tool Works Inc.	79 164	87 728	16 646	4 871	29.3%	5.3x	18.0x
Ingersoll Rand Inc.	30 741	34 351	8 052	2 015	25.0%	4.3x	17.0x
Dover Corporation	27 631	29 202	8 577	1 959	22.8%	3.4x	14.9x
Xylem Inc.	21 191	23 751	9 059	1 965	21.7%	2.6x	12.1x
Nordson Corporation	17 973	19 677	2 980	958	32.1%	6.6x	20.5x
ITT Inc.	17 746	20 999	5 180	1 101	21.3%	4.1x	19.1x
IDEX Corporation	17 176	18 351	3 658	995	27.2%	5.0x	18.4x
RBC Bearings Incorporated	14 592	15 284	2 024	633	31.3%	7.6x	24.2x
Lincoln Electric Holdings, Inc.	14 997	15 922	4 641	926	19.9%	3.4x	17.2x
Regal Rexnord Corporation	10 471	14 804	6 149	1 197	19.5%	2.4x	12.4x
Flowserve Corporation	10 019	11 607	4 697	729	15.5%	2.5x	15.9x
The Timken Company	7 685	9 658	4 815	883	18.3%	2.0x	10.9x
Standex International Corporation	2 948	3 390	907	198	21.8%	3.7x	17.1x
Mean	27 558	30 460	7 128	1 742	23.7%	4.2x	17.0x
Median	17 176	18 351	4 815	995	21.8%	3.7x	17.1x

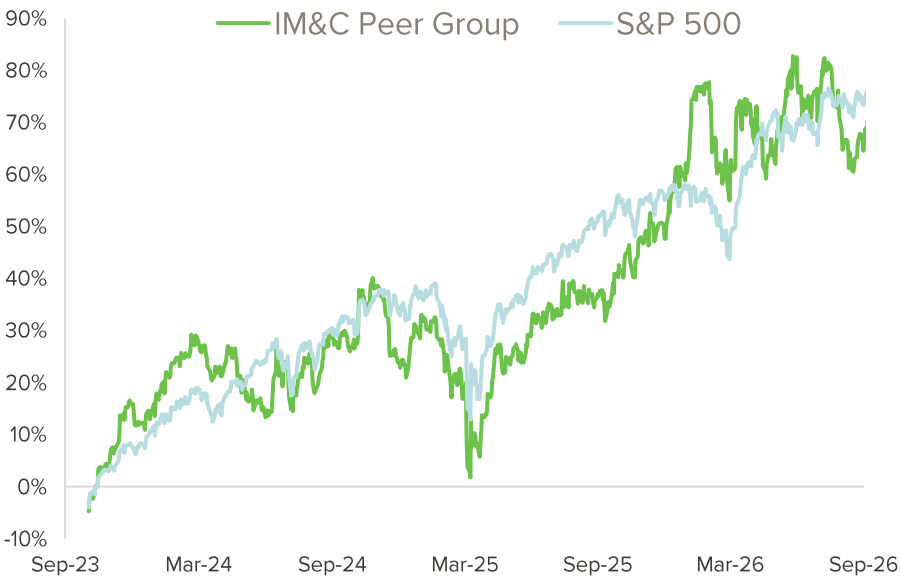
CANADA

All figures in US$M, As of 2026-10-31	Market Cap	Enterprise Value	LTM Operating Figures: Revenues	EBITDA	EBITDA Margin (%)	EV/Rev.	EV/EBITDA
IM&C							
Linamar Corporation	3 741	4 372	8 220	1 150	14.0%	0.5x	3.8x
Enerflex Ltd.	2 892	3 279	2 416	379	15.7%	1.4x	8.7x
ATS Corporation	1 782	2 652	2 028	193	9.5%	1.3x	13.8x
Velan Inc.	268	281	272	9	3.2%	1.0x	32.0x
Exco Technologies Limited	227	277	439	53	12.0%	0.6x	5.3x
EnWave Corporation	16	18	9	-1	-10.9%	2.0x	0.0x
Thermal Energy International Inc.	19	17	24	1	3.7%	0.7x	19.5x
Reko International Group Inc.	20	17	32	4	11.0%	0.5x	4.7x
Mean	1 121	1 364	1 680	223	7.3%	1.0x	11.0x
Median	227	277	272	9	9.5%	0.7x	5.3x

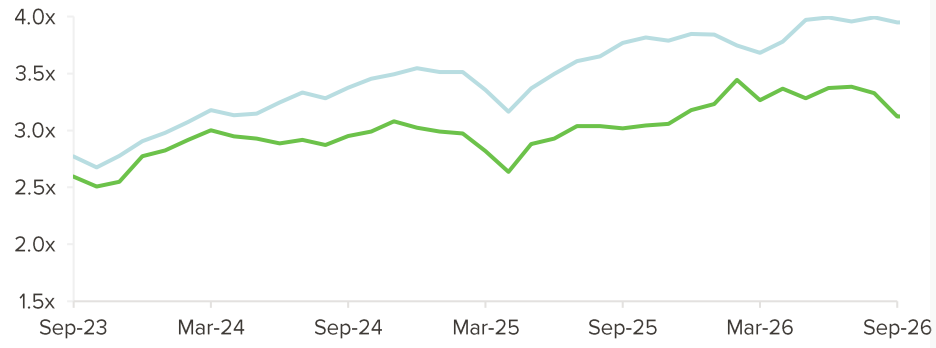
Source : Capital IQ

Stock market performance

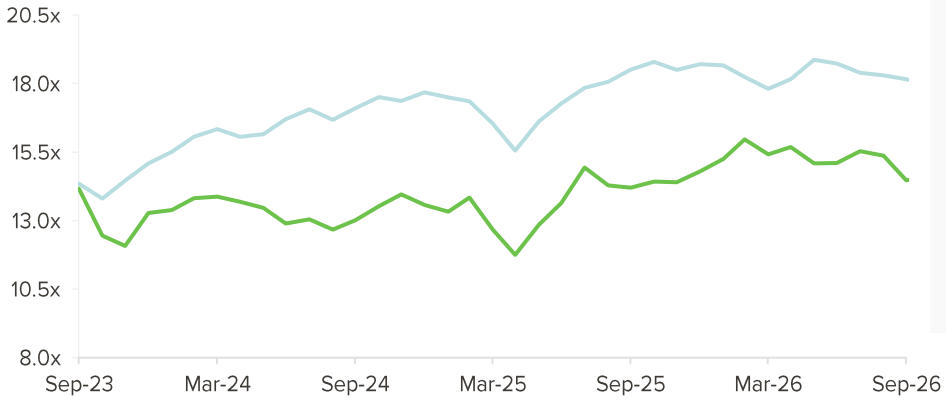
Stock price relative performance in the last three years



EV / Revenues



EV / EBITDA



Over the past three years, the IM&C peer group has gained about 60–65%, trailing the S&P 500 (about 75%). The group was hit harder than the S&P by the April 2025 tariff sell-off, briefly erasing its gains, before recovering strongly and outperforming the index in early 2026. It has since pulled back, as escalating U.S.–Canada trade tensions and the Fed's September rate hike weighed on industrial stocks.

Valuations followed the same pattern observed above. The peer group EV/EBITDA multiple fell to about 11.5x in early 2025, peaked near 15x in Q1 2026, and has since eased to about 14x, versus about 18x for the S&P 500. EV/Revenue followed a similar path, easing from about 3.4x to 3.1x, compared with about 4.0x for the index. The Q1 valuation peak coincided with that quarter's spike in deal activity, and the subsequent pullback is consistent with the normalization in M&A volume through Q3.

The automotive sector has been the weakest part of the group. On August 24, after U.S.–Canada trade talks collapsed, Martinrea fell 9.7%, Linamar 8.6% and Magna 6.6%, as the threatened 50% tariff on Canadian autos and parts from January 2027 could affect roughly US$45 billion of imports. With thin margins and deeply integrated cross-border supply chains, suppliers remain among the most exposed IM&C businesses.

Source : Capital IQ and Press Releases

Our experience in IM&C

Our most recent transaction

Standard Investment has sold AWETA to CIBUS

M&A SELL-SIDE

Agriculture/Industrial Machinery & Components/Private Equity

Cibus Capital (UK), through Cibus Fund II, acquired **Aweta (Netherlands)** from **Standard Investment (Netherlands)** to back the company's next growth phase, including international expansion and R&D investment in software and AI.

Aweta is a global market leader with more than 60 years in post-harvest sorting, grading and packing equipment for fresh produce, holding a particularly strong position in greenhouse vegetables such as cucumbers and peppers. It has more than 250 employees, and an installed base in over 50 countries.

Cibus Capital is a London-based firm founded in 2016 that invests at the intersection of technology, food and agriculture. It already knew Aweta through a portfolio company that has used Aweta machines for years.

Oaklins' team in the Netherlands acted as the exclusive sell-side advisor to Aweta's shareholders, including the majority shareholder Standard Investment and the management team. This transaction demonstrates Oaklins' strong track record in the food and horticulture equipment space as well as the broader industrial technology and industrial automation sectors.

100+ Transactions closed by Oaklins in the industrial machinery & components industry over the last 5 years.

Gramo BV has completed a mandatory public takeover bid for the shares of deceuninck

US$492m
M&A BUY-SIDE
Industrial Machinery & Components

GVS S.p.A. has completed a voluntary partial tender offer on its own shares

US$114m
M&A BUY-SIDE
Industrial Machinery & Components

SECAL has been acquired by VINCI ENERGIES

M&A SELL-SIDE
Construction & Engineering Services/ Industrial Machinery & Components/Private Equity

BJÄRNUMS RÖRTÄLPRODUKTER AB has been acquired by SBF Invest

M&A SELL-SIDE
Industrial Machinery & Components/Other Industries

FEE has been acquired by OneEquity

M&A SELL-SIDE
Energy/Industrial Machinery & Components/ Private Equity

imenco AQUA has been acquired by [AIS]

US$13.3m
M&A SELL-SIDE
Industrial Machinery & Components

Ebidco S.r.l. has finalized a voluntary public tender offer for the shares of ELES

US$48.5m
M&A BUY-SIDE
Industrial Machinery & Components/Private Equity

USHIO has acquired AMS OSRAM

US$131m
M&A BUY-SIDE
Industrial Machinery & Components

Deep local roots, global commitment

Oaklins brings opportunities from across the world and we meet you with our expertise wherever you are

OAKLINS OFFERS A COMPREHENSIVE RANGE OF SERVICES

- M&A advisory (buy- and sell-side)
- Growth equity and equity capital markets advisory
- Debt advisory
- Corporate finance services

The Industrial Machinery & Components industry is one of our focus areas. Combining comprehensive sector knowledge with global execution has led us to become one of the most experienced investment banks in the sector, with a large contact network worldwide. This results in the best possible merger, acquisition and divestiture opportunities for Industrial Machinery & Components companies.

If mergers, acquisitions, divestitures, financing or the outright sale of a business is part of your strategy, we would welcome an opportunity to exchange ideas with you.



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