
INVESTINDUSTRIAL GROWS FURTHER IN FLUID CONTROLS WITH THE ACQUISITION OF PROCON, A LEADING CUSTOM FLUID SOLUTIONS AND PRECISION PUMPS MANUFACTURER

CEME
GROUP**PROCON**[®]
custom | fluid | solutions[®]

February 8th, 2023 – An investment company indirectly held by Investindustrial VI L.P. (“Investindustrial”) has signed a definitive agreement to acquire Procon’s North American and European businesses (“Procon” or the “Business”) from the Specialty Solutions Group of Standex International Corporation (NYSE: SXI, “Standex”). The acquisition is expected to close in the upcoming weeks and the same investment company also owns Ceme S.p.A. (“CEME”), a globally recognised leading manufacturer of highly engineered, precision fluid control solutions with strong presence in Europe and Asia.

Procon is one of the leading providers of custom fluid solutions, offering a comprehensive portfolio of precision rotary pumps and gear pumps to a diverse, global customer base. The Business is headquartered in Smyrna (Tennessee), and operates light manufacturing and assembly facilities in Nogales (Mexico) and Mountmellick (Ireland), in addition to an engineering center of excellence in Tennessee. Procon generated approximately \$35 million of revenue in 2022 and the transaction has been agreed at an enterprise value of \$75 million.

The Business will remain headquartered in Smyrna. The complementarity of Procon’s product range with CEME Group – one of Investindustrial’s portfolio companies and a leading European manufacturer of highly engineered solenoid pumps and valves for niche precision fluid applications – will enhance the Group’s product offering, broadening its overall end-markets reach.

Founded in 1974 and controlled by Investindustrial since 2017, CEME Group has five production centers - Trivolzio (Pavia), Colico (Sondrio), Cavenago (MB), Tarquinia (Viterbo) and Zhong-Shan (China) - a total of 1,650 employees and a turnover which in 2022 was close to €350 million.

CEME’s main reference market consists of coffee machines, from domestic ones for private use to professional ones, which are flanked by the ironing, air conditioning and water-management sectors. In 2021, CEME completed the acquisition of 100% of ODE, a group active in the production of pumps and solenoid valves, to expand and consolidate its commercial and industrial presence.

Andrea C. Bonomi, Chairman of the Industrial Advisory Board of Investindustrial, commented: “We are delighted to add Procon to our portfolio of leading fluid control solutions specialists. This acquisition provides an attractive presence in the US market to complement Ceme’s existing strong European and Asian footprint, creating a truly global platform in the industry. Management will now be focused on continuing to invest in product quality, research & development and leveraging global scale to boost further operating efficiencies.”

Dan Borah, General Manager of Procon, commented: *“Investindustrial is the right partner for our industry-leading custom fluid solutions business. Their conviction in the opportunity that lies ahead for precision pumps is a testament to the strength of our business, its robust product offering and the team that supports it. We look forward to seeing the business continue thriving into the future.”*

Robert W. Baird served as financial advisors to Investindustrial, and Skadden, Arps, Slate, Meagher & Flom served as legal advisor.

Seale & Associates served as financial advisor to Standex and TCF Law Group served as legal advisor.

About Investindustrial

Investindustrial is a leading European group of independently managed investment, holding and advisory companies with more than €12 billion of raised fund capital. With ESG principles deeply embedded into the Firm’s core approach, Investindustrial has an over 33-year history of providing mid-market companies capital, industrial expertise, operational focus and global platforms to accelerate sustainable value creation and international expansion. Certain companies of the Investindustrial group are authorized by, and subject to regulatory supervision of the FCA in the United Kingdom and the CSSF in Luxembourg. Investindustrial’s investment companies act independently from each other and each Investindustrial fund.

Additional information is available at www.investindustrial.com.

About Standex International

Standex International Corporation is a global multi-industry manufacturer in five broad business segments: Electronics, Engraving, Scientific, Engineering Technologies and Specialty Solutions with operations in the United States, Europe, Canada, Japan, Singapore, Mexico, Brazil, Turkey, South Africa, India and China. Additional information is available at www.standex.com.

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