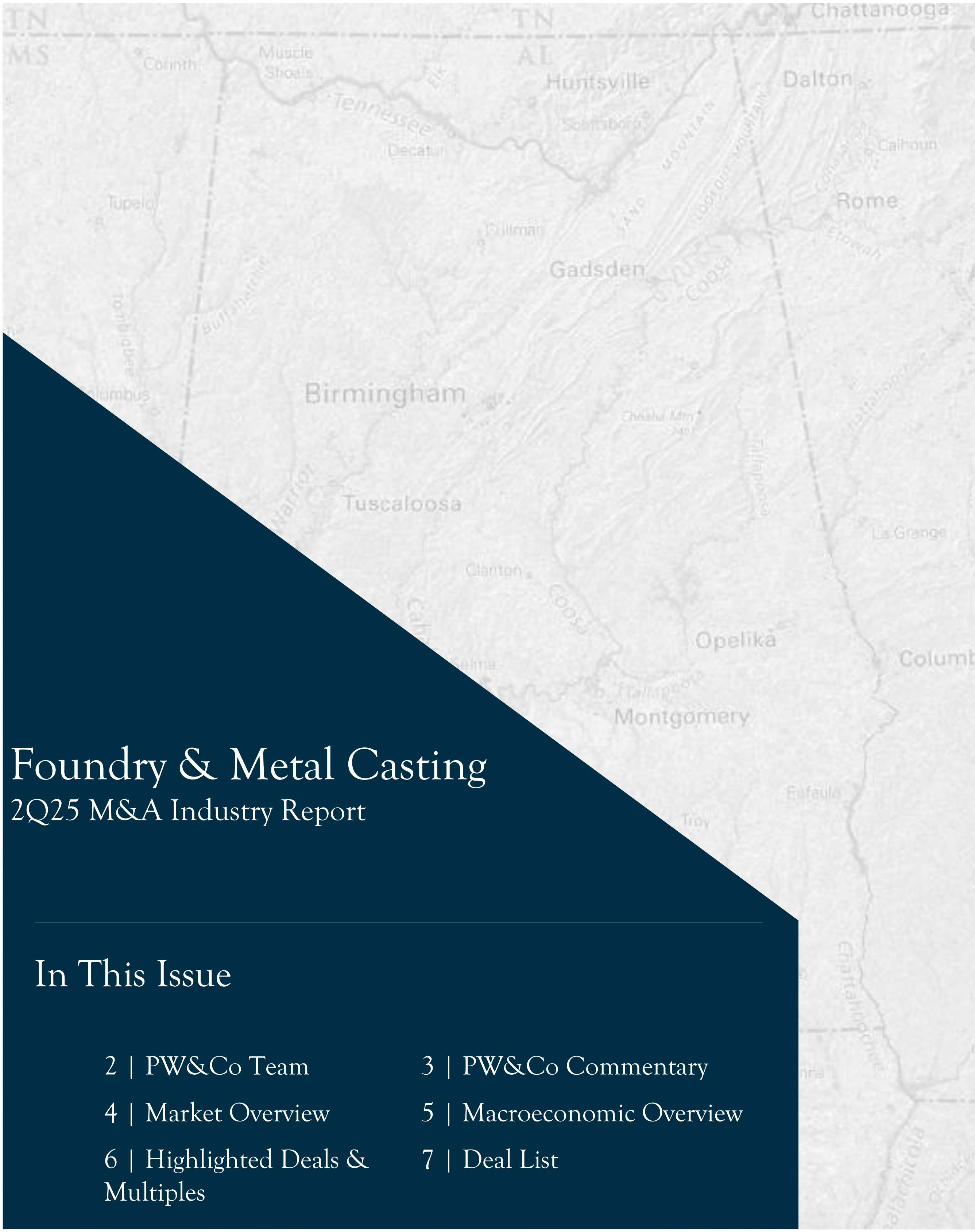

Foundry & Metal Casting

2Q25 M&A Industry Report

In This Issue

Porter White & Company

Investment Bankers since 1975

PWCO.COM

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About PW&Co

PW&Co is a Alabama-based regional investment bank focused primarily on middle market transactions within the southeast.

Investment Banking Services

- Mergers & Acquisitions
- Capital Advisory
- Valuations

PW&Co Representative Transactions

RMG
Renaissance Manufacturing Group
"Casting Our Legacy"
has been acquired by
LAWTON STANDARD
Sell-Side Advisor
Porter White & Company

FRANKLIN IRON WORKS
FIW
has been acquired by
DRUID CAPITAL PARTNERS ELYTON CAPITAL
Sell-Side Advisor
Porter White & Company

ALABAMA CASTING, LLC
has been acquired by
DRUID CAPITAL PARTNERS ELYTON CAPITAL
Sell-Side Advisor
Porter White & Company

SC Supreme Cores, Inc.
has been acquired by
JBA CAPITAL
Sell-Side Advisor
Porter White & Company

Foundry and Metal Casting Overview

PW&Co Market Review

Through the first half of 2025, M&A activity in the U.S. foundry and metal casting industry has remained resilient despite macroeconomic headwinds. Current transaction activity is being driven by buyer interest in operators with technical differentiation, end-market diversification, stable customer relationships, and investment-led growth strategies focused on automation and throughput optimization; however, we have also seen a pick-up in corporate divestitures of non-core assets for companies who serve depressed end-markets and need cash. Overall, U.S. foundry and metal casting deal volume through the first half of 2025 is down 25% compared to the first half of 2024; however, reported median deal value is up 120%. Corporate strategic acquisitions are down 14% over the same period (57% of total reported U.S. foundry and metal casting transactions), compared to a 36% decline in private equity transactions (43% of total reported U.S. foundry and metal casting transactions).

Heading into the second half of 2025 and looking further into 2026, industry operators are showing considerable optimism regarding the outlook of the industry. According to a recent Casting Source survey, 65% of foundry operators are anticipating an increase in revenues over the next twelve months, with 57% expecting revenue growth in excess of 4%. The American Foundry Society portrays a similar sentiment – projecting a 4.25% increase in industry revenues in 2025. Despite this positive outlook, industry operators continue to grapple with labor challenges. In a recent Foundry Management & Technology (FM&T) survey 52% of foundries report significant labor shortages, with 40% facing skilled labor gaps and 31% citing rising labor costs as a key issue. These pressures are accelerating investment in automation technologies such as robotics, molding systems, grinding equipment, and material handling—areas increasingly factored into buyer appetite. From a buyer's perspective, recurring concerns around customer and end market concentration remain pivotal in deal evaluation. Given the industry's specialization by metal type, casting process, and part complexity, businesses with highly concentrated revenues must clearly demonstrate the strength, longevity, and stickiness of customer relationships. Positioning around switching costs, engineering collaboration, and aftermarket exposure can help mitigate valuation discounts and reduce perceived risk.

Having a seasoned M&A advisor is critical in capitalizing on the opportunities that foundry and metal casting business owners are facing today. At Porter White, our M&A team leverages deep industry knowledge to support informed decision-making and facilitate value-maximizing transactions that align with your long-term objectives. If you are interested in selling your business, acquiring a business, or learning more about what your business is worth, please email Michael Stone or visit us online to learn more.

Select Deal Multiples (EV to EBITDA)

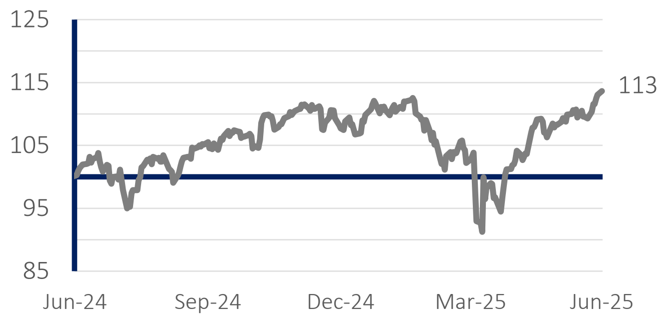
	Enterprise Value					
Industry	**\$10-25M**	**\$25-50M**	**\$50-100M**	**\$100-250M**	**\$250-500M**	**Total**
Manufacturing	5.7x	6.2x	7.3x	7.9x	9.5x	6.5x
Primary Metal Mfg.	5.6x	5.4x	6.8x	6.0x	NA	5.7x
Machinery Mfg.	5.7x	5.9x	7.1x	8.5x		6.3x
Transportation Equip. Mfg.	5.4x	5.8x	6.7x	7.4x		6.1x
Fabricated Metal Products	5.1x	6.1x	7.4x	7.9x	8.8x	6.2x
Foundries	5.4x	5.7x	NA	NA	NA	5.6x
Selected Foundries						
Iron Foundries	6.2x	5.4x	NA	NA	NA	5.8x
Steel Investment Foundries	5.6x	NA	NA	NA	NA	5.6x
Nonferrous Foundries	5.3x	NA	NA	NA	NA	5.3x
Selected Fabrication						
Forging & Stamping Fab.	4.8x	5.8x	6.5x			5.6x
Machine Shops	4.8x	5.8x	7.9x	9.8x	NA	6.2x
Metal Tank Fabrication	5.6x	6.7x		6.6x		6.2x
Ornamental & Arch. Fab.	5.5x	6.7x	7.0x		NA	6.3x
Architectural & Structural Metal Mfg.	5.7x	6.7x	7.0x	7.9x		6.6x

Note: Multiples are presented as EBITDA/Enterprise Value based on the Target Company's trailing twelve month EBITDA.
Source: GF Data

Market Overview

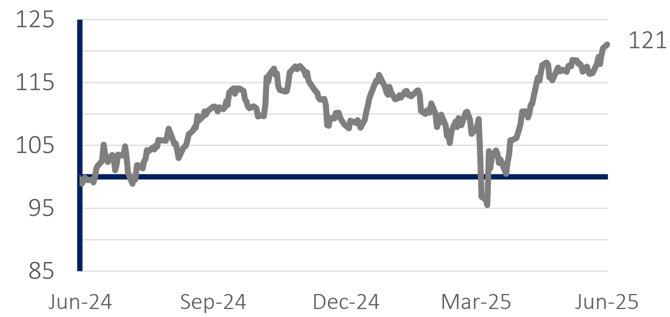
Public Markets

S&P 500 Index



Source: FRED
Note: Index June 30, 2024 = 100

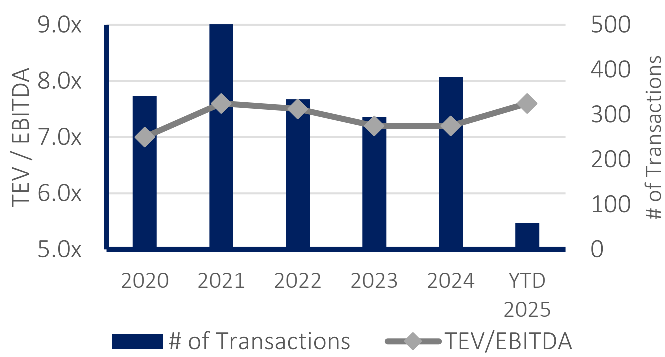
S&P 500 Industrials Index



Source: FRED
Note: Index June 30, 2024 = 100

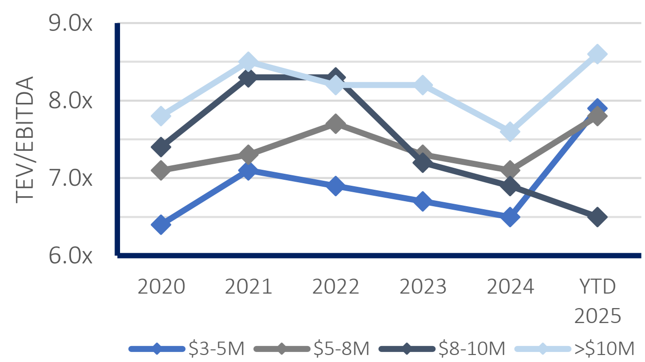
Private Markets

M&A Market Multiples (General)



Source: GF Data
Note: YTD data for M&A Multiples is as of 3/31/2025

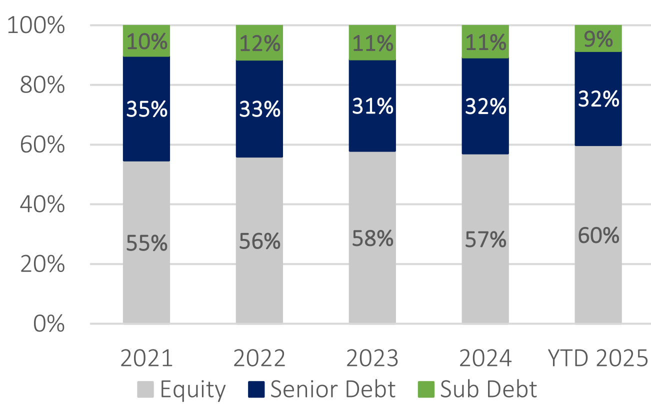
M&A Market Multiples (By Size)



Source: GF Data
Note: YTD data for M&A Multiples is as of 3/31/2025

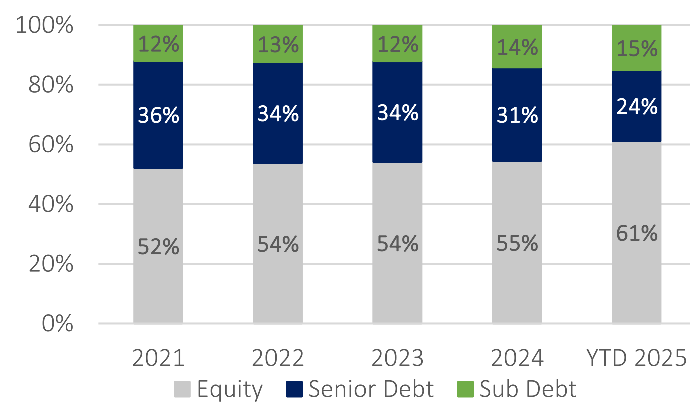
Private Markets Deal Structure

Equity & Debt Contribution by Year (All)



Source: GF Data
Note: YTD Data is as of 3/31/2025

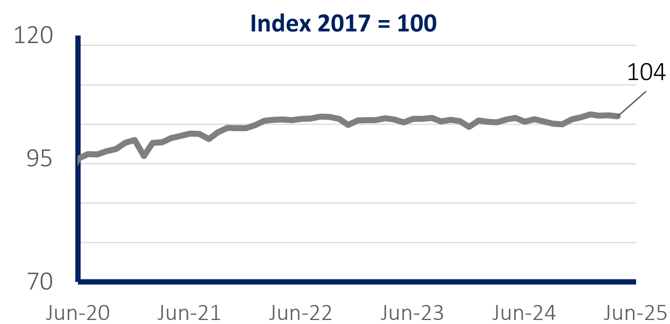
Equity & Debt Contribution by Year (Mfg.)



Source: GF Data
Note: YTD Data is as of 3/31/2025

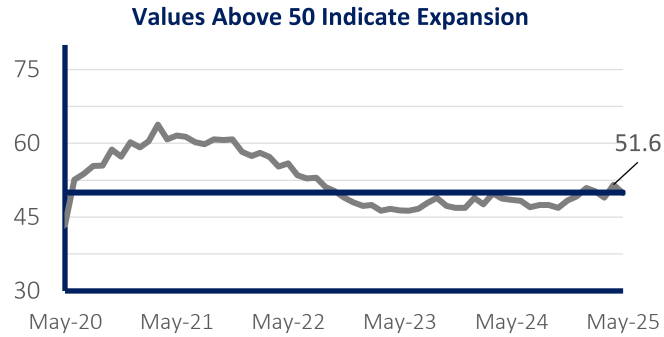
Macroeconomic Overview

Industrial Production Index



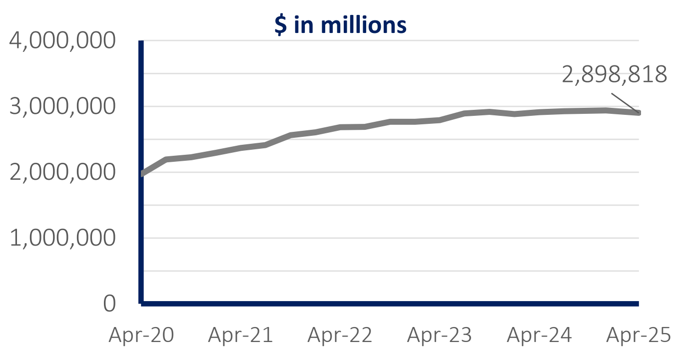
Source: FRED

ISM Manufacturing Purchasing Managers Index



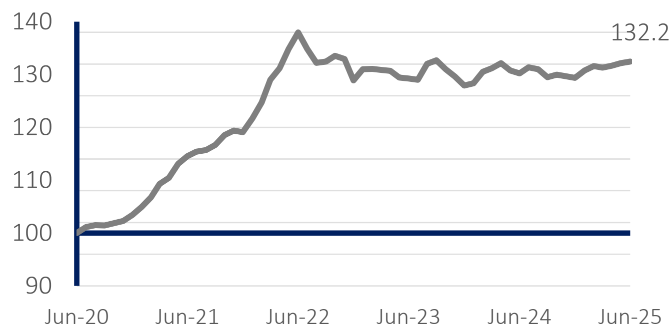
Source: FRED

Manufacturing GDP (US)



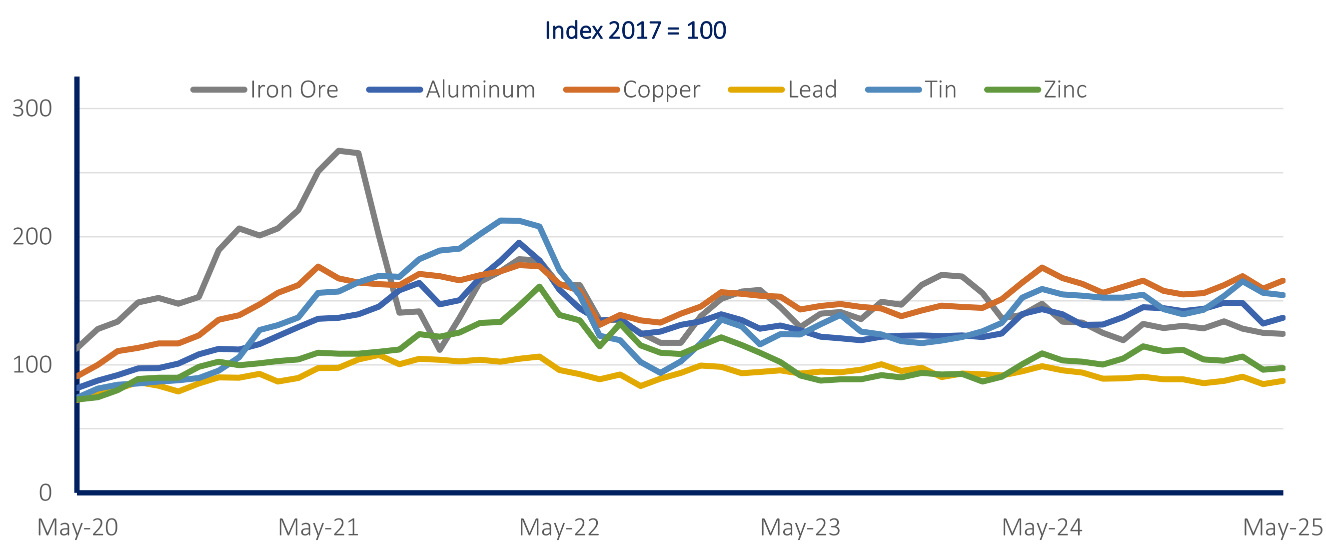
Source: FRED
Note: Most recent date as of April 1, 2025

Manufacturing Producer Price Index (US)



Source: FRED
Note: Index June 2020 = 100

Metals Pricing



Source: FRED
Note: Most recent data as of May 1, 2025

Foundry & Metal Casting

The Foundry and Metal Casting screen returns deals by and between companies that are constituents of or suppliers/servicers to the foundry and metal casting industries.

Selected Deals this Year

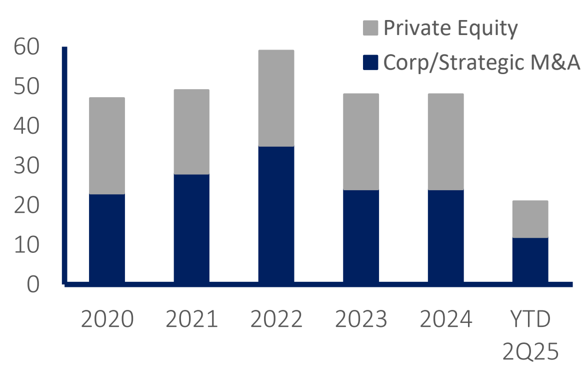
Date	Target	Description	Target Location	Buyer	TEV	Multiple
6/18/2025	FS Precision Tech	Manufacturer of precision investment castings intended to serve aerospace, defense, automotive, chemical, medical, and consumer industries.	CA	Signicast	NA	NA
6/6/2025	Kennametal Stellite	Manufacturer of alloy components designed to solve high-wear, high-temperature, and corrosion challenges in even the harshest environments.	IN	Chicago PE Firm	$19.0M	NA
6/1/2025	Industrial Tooling & Manufacturing	Manufacturer of die cast and machined aluminum components for the automotive industry.	MI	Detroit Tool Metal Products	NA	NA
5/9/2025	Bay Cast	Manufacturer of heavy-sectioned steel castings and precision machining services intended to serve the oil and gas, aerospace, and construction industries.	MI	Auxo Investment Partners	NA	NA
4/29/2025	Sunocs	Manufacturer of specialty chemicals catering to automotive, heavy machinery, die casting, coating, and electroplating industries.	IN	Kodiak (Cincinnati)	NA	NA

Deal Multiples (Foundries)

	Enterprise Value		
	$10-25M	$25-250M	Total
Enterprise Value (TEV)	$15.8M	$85.3M	$47.4M
Revenue ($ in mill.)	$17.7M	$85.5M	$48.5M
TTM Rev Growth %	1.7%	7.4%	4.3%
EBITDA Margin %	16.8%	16.4%	16.6%
TEV / Revenue	0.9x	1.0x	0.9x
TEV / EBITDA	5.4x	5.7x	5.6x

Source: GFData; NAICS 3315

Foundry Deal Flow (Last 5 Years)



Foundry & Metal Casting – Most Recent Deals

Deal Date	Company	Buyer	Target Location	TEV	EBITDA Multiple
18-Jun-25	FS Precision Tech	Signicast	California	NA	NA
6-Jun-25	Kennametal Stellite	NA	Indiana	19,000,000	NA
1-Jun-25	Industrial Tooling & Manufacturing	Detroit Tool Metal Products	Michigan	NA	NA
22-May-25	Beneficial Reuse Management	Clairvest Group	Illinois	NA	NA
9-May-25	Bay Cast	Auxo Investment Partners	Michigan	NA	NA
29-Apr-25	Sunocs	Kodiak (Cincinnati)	Indiana	NA	NA
31-Mar-25	Anderson Global	Wisconsin Aluminum Foundry	Michigan	NA	NA
28-Mar-25	Sigma International Group	Wind Point Partners	New Jersey	NA	NA
21-Jan-25	Chandler Industries	BTX Precision	Minnesota	NA	NA
21-Jan-25	Form Technologies	Ares Management, Onex (Private Equity), Ripple Industries, The D. E. Shaw Group	North Carolina	1,074,000,000	NA
15-Jan-25	CMX Metals	MERF	California	NA	NA
15-Jan-25	UnitedSiC	ON Semiconductor	New Jersey	115,000,000	NA
13-Jan-25	Thalheimer Brothers	Drum Capital Management, Mill Rock Capital, Northleaf Capital Partners, Venture Metals +	Pennsylvania	NA	NA
6-Jan-25	Precision Abrasives	Nautic Partners, SurfacePrep	New York	NA	NA
2-Jan-25	Vulcan Metals	TerraMar Capital	Missouri	NA	NA
1-Jan-25	Ford Atlantic	AEA Investors, Monroe Engineering Products	New Jersey	NA	NA
20-Dec-24	RH Sheppard Company	Balmoral RHS Acquisition	Pennsylvania	NA	NA
4-Dec-24	Zircon Precision Products	NA	Arizona	NA	NA
7-Oct-24	Morgan Bronze Products	Wieland Group	Illinois	NA	NA
12-Sep-24	Spectro Alloys	Emirates Global Aluminium, Investment Corporation of Dubai, Mamoura Diversified Global Holding	Minnesota	NA	NA
1-Sep-24	Berman Brothers Iron & Metal	NA	Alabama	NA	NA
1-Sep-24	West Coast Foundry	NA	California	NA	NA
21-Aug-24	Integra-Cast	The Edgew ater Fund	Connecticut	NA	NA
6-Aug-24	TMF Center	Steel Technologies	Indiana	NA	NA
1-Aug-24	Quality Metalcraft	NA	Michigan	NA	NA
10-Jul-24	Southern Aluminum Foundry & Machine	Gamut Capital Management, Grede Holdings	South Carolina	NA	NA
10-Jul-24	Tri-Star Glove	Blue Point Capital Partners, National Safety Apparel	Indiana	NA	NA
5-Jul-24	Fullmer Industrial Sales	TA Industrial Solutions	Pennsylvania	NA	NA
1-Jul-24	Air Pow er Dynamics	Berkshire Partners, Blue Point Capital Partners, Consolidated Precision Products, Warburg Pincus	Ohio	NA	NA
17-Jun-24	Hobson & Motzer	Aterian Investment Partners, Vantedge (San Jose)	Connecticut	NA	NA
12-Jun-24	Larpen Metallurgical Services	Grupo Unimetal	Wisconsin	NA	NA
31-May-24	Excal (Industrial Supplies and Parts)	Canerector	Wyoming	NA	NA
8-May-24	Atek Amt	Wisconsin Aluminum Foundry	Iow a	NA	NA
30-Apr-24	HieFo	NA	California	9,000,000	NA
1-Apr-24	Performix Metallurgical Additives	Elliott Investment Management, Opta Group, Speyside Equity	Indiana	NA	NA
19-Mar-24	Coronado Steel Co.	Canerector	Ohio	NA	NA
1-Mar-24	Renaissance Manufacturing Group	The Law ton Standard Co.	Wisconsin	NA	NA
1-Mar-24	Waupaca Foundry	A&M Capital, Monomoy Capital Partners	Wisconsin	NA	NA
26-Feb-24	Compass Technical Services	Unique Industrial Product	Texas	NA	NA
23-Feb-24	Allied Alloys	Stainless Steel Midw est (US)	Texas	NA	NA
21-Feb-24	Water Gremlin	Gardner Standard, Otter Lake Technologies	Minnesota	NA	NA
12-Feb-24	Cast-Rite Corporation	ADC Aerospace, GreyLion	California	NA	NA
6-Feb-24	Sharp Type	HGGC, Monotype Imaging, Thrivent	New York	NA	NA
5-Feb-24	Kinergy	Carrier Process Equipment Group	Kentucky	NA	NA
29-Jan-24	Dalton Corporation	NA	Indiana	NA	NA
26-Jan-24	Morton Photonics	Infleqtion	Florida	NA	NA
18-Jan-24	Butter Pat Industries	YETI Coolers	Maryland	48,500,000	NA
4-Jan-24	Superior Tooling	Athos (Family Office), EQT, SHL Medical	North Carolina	NA	NA
20-Dec-23	Anker Industries	Elliott Investment Management, Opta Group, Speyside Equity	Pennsylvania	NA	NA
30-Nov-23	Craft Pattern and Mold	Delos Capital, Genesis Park, Ironw ood Capital, Le Sueur, The Silverfern Group	Minnesota	NA	NA
15-Nov-23	Cast Products	HarbourVest Partners, NSI Industries, Odyssey Investment Partners	Illinois	NA	NA
15-Nov-23	Tooling & Equipment International	General Motors	Michigan	NA	NA
7-Nov-23	Davis Alloys Manufacturing	Temple Hall Group	Pennsylvania	NA	NA
20-Oct-23	Cross Technologies Group	Moresco Usa	Michigan	8,800,000	NA
19-Oct-23	NuFlux	Elliott Investment Management, Opta Group, Speyside Equity	Ohio	NA	NA
18-Oct-23	BoMar Pneumatics	Blue Sea Capital, Rhino Tool House	Indiana	NA	NA
30-Sep-23	ACME Abrasive Co.	Tyrolit Schleifmittelw erke Sw arovski	Michigan	NA	NA
15-Sep-23	R.H. Sheppard (Foundry Operations)	NA	Pennsylvania	NA	NA
14-Sep-23	Rane Light Metal Casting America	Kentucky Industrial Holdings	Kentucky	4,900,000	NA
1-Sep-23	Turbo Components	P&THE Manufacturing	Michigan	NA	NA
7-Aug-23	GeneFab	Celadon Partners	California	37,800,000	NA
31-Jul-23	DAC Industries	Gryphon Investors, Kano Laboratories	Minnesota	NA	NA
31-Jul-23	Reuland Electric	OnCore Motor Group	California	NA	NA
10-Jul-23	ClassIQMfg	Tech Cast	Oklahoma	NA	NA