



NEWS

SPX TECHNOLOGIES ANNOUNCES AGREEMENT TO PURCHASE ASPEQ HEATING GROUP

CHARLOTTE, N.C., May 01, 2023 [GLOBE NEWSWIRE] – SPX Technologies [NYSE:SPXC] announced today that it has entered into a definitive agreement to purchase ASPEQ Heating Group [“ASPEQ”], a leader in electrical heating solutions, from Industrial Growth Partners, a San Francisco-based private equity firm. ASPEQ will become a part of SPX Technologies’ HVAC Heating platform, within its electrical heating business, along with Marley Engineered Products [MEP].

Headquartered in Saint Louis, Missouri, ASPEQ provides electrical heating solutions to customers in industrial and commercial markets under the well-known and respected brands INDEECO, Heatrex, AccuTherm, Brasch, Spectrum, BannerDay PipeHeating, BBC, and Solar Products. ASPEQ has annual revenue of approximately \$120 million and is expected to be accretive to the margin of SPX Technologies’ HVAC segment.

Under the terms of the agreement, SPX Technologies will purchase ASPEQ and certain tax attributes for approximately \$418 million in cash. SPX Technologies intends to finance the acquisition of ASPEQ by drawing on its revolving credit facility and borrowing under its recently announced Incremental Term Loans. The parties anticipate the closing of the transaction in the second quarter of 2023, subject to regulatory clearance under the Hart-Scott-Rodino Act.

“We are looking forward to welcoming ASPEQ to the SPX Technologies team,” said Gene Lowe, President and CEO of SPX Technologies. “This will be our largest acquisition to date and will significantly expand our portfolio of electrical heating products where we see attractive growth trends, including decarbonization. ASPEQ’s strong brands, custom-configured products and components, and diversified end markets are a very complementary fit with our existing HVAC Heating platform. We see multiple opportunities to enhance new product innovation and create efficiencies for customers through shared channels and resources. This is SPX Technologies’ 13th acquisition since 2018, and further validates our strategy of building high-quality, market-leading platforms, and creating foundations for further growth in closely adjacent end markets.”

Dave Smith, ASPEQ’s President and CEO, said, “The combination of ASPEQ and SPX Technologies’ electrical heating business is a natural next step in the growth of our business that will provide numerous opportunities for employees and customers. Bringing together two strong portfolios of leading electrical heating brands with SPX Technologies’ substantial resources, marketing and channel infrastructure and business system is a recipe for significant growth and value creation. The ASPEQ team looks forward to working with the SPX Technologies team to build an even stronger, more valuable business.”

SPX Technologies was represented by William Blair & Company, LLC as financial adviser and K&L Gates as legal counsel. Baird and Hennepin served as financial advisors and Kirkland & Ellis LLP served as legal counsel for ASPEQ.

About SPX Technologies: SPX Technologies is a supplier of highly engineered products and technologies, holding leadership positions in the HVAC and detection and

measurement markets. Based in Charlotte, North Carolina, SPX Technologies has more than 3,300 employees in 15 countries. SPX Technologies is listed on the New York Stock Exchange under the ticker symbol "SPXC." For more information, please visit www.spx.com.

About ASPEQ: Headquartered in St. Louis, Missouri, ASPEQ is a leading provider of custom-configured electric heating and thermal management products to the industrial, commercial, military, marine, and transportation markets. The Company serves a highly diversified customer base and provides over 30 distinct product categories, including immersion and circulation heaters, duct heaters, tubular elements, unit and comfort heaters, and explosion-proof heaters, among others, as well as integrated controls and spare parts. Products are marketed through a multi-channel approach under the longstanding and well-known INDEECO, Heatrex, AccuTherm, Brasch, Spectrum, BannerDay PipeHeating, and Solar Products brands. ASPEQ was acquired by Industrial Growth Partners in November 2019. For more information, please visit our website at www.aspeqheating.com.

Forward-looking Statements:

Certain statements in this press release are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and are subject to the safe harbor created thereby. Please read these results in conjunction with the Company's documents filed with the Securities and Exchange Commission, including the Company's most recent annual report on Form 10-K. These filings identify important risk factors and other uncertainties that could cause actual results to differ from those contained in the forward-looking statements, including the following: cyclical changes and specific industry events in the Company's markets; changes in anticipated capital investment and maintenance expenditures by customers; availability, limitations or cost increases of raw materials and/or commodities that cannot be recovered in product pricing; the impact of competition on profit margins and the Company's ability to maintain or increase market share; inadequate performance by third-party suppliers and subcontractors for outsourced products, components and services and other

supply-chain risks; the uncertainty of claims resolution with respect to the large power projects in South Africa, as well as claims with respect to, environmental and other contingent liabilities; the impact of climate change and any legal or regulatory actions taken in response there to; cyber-security risks; risks with respect to the protection of intellectual property, including with respect to the Company's digitalization initiatives; the impact of overruns, inflation and the incurrence of delays with respect to long-term fixed-price contracts; defects or errors in current or planned products; the impact of the COVID-19 pandemic and governmental and other actions taken in response; domestic economic, political, legal, accounting and business developments adversely affecting the Company's business, including regulatory changes; changes in worldwide economic conditions; uncertainties with respect to the Company's ability to identify acceptable acquisition targets; uncertainties surrounding timing and successful completion of any announced acquisition or disposition transactions, including with respect to integrating acquisitions and achieving cost savings or other benefits from acquisitions; the impact of retained liabilities of disposed businesses; potential labor disputes; and extreme weather conditions and natural and other disasters.

Actual results may differ materially from these statements. The words "guidance," "believe," "expect," "anticipate," "project" and similar expressions identify forward-looking statements. Although the Company believes that the expectations reflected in its forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct.

Statements in this press release speak only as of the date of this press release, and SPX Technologies disclaims any responsibility to update or revise such statements.

Investor and Media Contacts:

Paul Clegg, VP, Investor Relations and Communications

Phone: 980-474-3806

E-mail: spx.investor@spx.com

Garrett Roelofs, Manager, Investor Relations

Phone: 980-474-3806

E-mail: spx.investor@spx.com

SOURCE SPX Technologies, Inc.

<https://www.globenewswire.com/news-release/2023/05/01/2658201/0/en/SPX-Technologies-Announces-Agreement-to-Purchase-ASPEQ-Heating-Group.html>

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425 Hanley Industrial Court
St. Louis, MO 63144
314.333.5550
info@aspeqheating.com

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