Pentair to Acquire Taco Group Holdings, Accelerating Growth and Creating a Comprehensive Suite of Innovative Water Solutions

July 28, 2026

- *Enhances Exposure to Attractive, High-Growth End-Markets Across Mission-Critical Applications, Including HVAC, Data Centers and Related Infrastructure Buildout*
- *Highly Complementary Capabilities Create a More Comprehensive Water-Management Platform with an Expanded Suite of Solutions Aligned with Secular Mega Trends*
- *Expected to be ~$0.10 to $0.15 Accretive to Adjusted EPS in Fiscal Year 2027*
- *Large, High-Growth Business with More Than $500 Million in Revenue, Double-Digit Growth and EBITDA Margins Above 20%, Including Run-Rate Cost Synergies*
- *Creates Compelling Revenue Synergies*
- *Company to Host Conference Call Today, at 9:00 AM ET to Discuss Transaction and Second Quarter 2026 Financial Results*

LONDON & CRANSTON, R.I.--(BUSINESS WIRE)--Jul. 28, 2026-- Pentair plc (NYSE: PNR), a leader in helping the world sustainably move, improve, and enjoy water, life's most essential resource, today announced that it has entered into a definitive agreement to acquire Taco Group Holdings (Taco), a leader in hydronic and water-based solutions, for approximately $1.4 billion subject to customary adjustments. The purchase price represents a multiple of approximately 10.5x 2026E EBITDA, including approximately $165 million in tax benefits and approximately $30 million in anticipated run-rate cost synergies.

The acquisition of Taco expands Pentair's portfolio of smart, sustainable water solutions to support increased exposure to key high-growth end-markets primarily in North America. Taco is a leading provider of innovative, sustainable and high-performance hydronic and water-based HVAC and data center solutions. Over its more than 100-year history, Taco has established a premier brand, track record of innovation and a comprehensive portfolio of industry-leading pumps, valves, tanks, heat exchangers and advanced controls. Taco serves a diverse customer base in commercial, industrial and residential end-markets. Taco is expected to generate approximately $540 million in revenue in fiscal year 2026, with Adjusted EBITDA margins above 20% when including expected run-rate cost synergies.

"This highly strategic and value creating acquisition enhances the scale and reach of Pentair's innovative water solutions serving high-growth commercial and industrial end-markets, including HVAC and data centers," said John L. Stauch, Pentair President and CEO. "The addition of Taco will provide Pentair with a more comprehensive suite of solutions and enhanced development capabilities to benefit our customers across commercial, industrial and residential applications. We are confident in our ability to unlock significant profitability as we scale Taco, accelerate its growth across commercial markets and implement the Pentair Business System. We look forward to welcoming the Taco team to Pentair, ushering in a new chapter of growth and value creation."

"This partnership with Pentair allows us to accelerate our growth, expand our capabilities and further invest in our innovation and technology. It will also allow us to preserve our values, expertise and customer relationships, which have made Taco successful," said John Hazen White, Jr., Owner and Chairman of the Board, and Benjamin White, President of Taco.

Key Strategic and Financial Benefits of the Transaction

- **Scales Pentair's Position in Attractive, High-Growth Commercial and Mission-Critical End-Markets:** The addition of Taco's portfolio of pumps, valves and controls will strengthen Pentair's presence across commercial end-markets, including data centers, schools, hospitals, universities as well as multi-family residential. The sustained demand for these mission-critical solutions is supported by secular water and sustainability trends, advancing Pentair's strategic priorities and establishing a highly attractive and diversified growth engine.

- **Broadens Pentair's Water-Management Platform with a Comprehensive Suite of Solutions:** Combining Pentair's existing portfolio of innovative water solutions with Taco's complementary capabilities in pumps, valves, controls and hydronic systems will create a more comprehensive offering of premier solutions for commercial, infrastructure and residential customers. Further, Pentair's innovation engine combined with Taco's development capabilities creates significant opportunities to develop new solutions across markets that meet customer needs.

- **Provides Meaningful Cross-Sell Opportunities through Complementary Channels and Go-to-Market Strategy:** Bringing together Pentair's distribution network and Taco's manufacturer representative network creates new channel opportunities that are expected to accelerate growth. Pentair expects to benefit from broader customer access and deeper partnerships across commercial, industrial and residential end-markets. The Company expects manufacturer representatives to provide more opportunities with OEMs, distributors, contractors, engineers, and end users.

- **Large Installed Base Broadens Pentair's Access to Durable Aftermarket Revenue Streams:** Taco benefits from a large installed base that generates substantial ongoing demand for replacement products, maintenance and system upgrades. The transaction will expand Pentair's access to these durable aftermarket opportunities, supporting sustained growth and deeper customer relationships.

- **Creates Compelling Cost and Revenue Synergy Opportunities:** The transaction is expected to be approximately $0.10 to $0.15 accretive to Adjusted EPS in fiscal year 2027. Pentair expects to generate approximately $30 million in run-rate cost synergies related to supply chain and operational efficiencies. The Company will apply its Pentair Business System to realize revenue synergies through complementary channels, expanded cross-selling and greater scale.

- **Maintains Solid Financial Position and Flexibility to Execute Balanced Capital Allocation Priorities:** Pentair expects to have a net leverage ratio of approximately 2.4x following the close of the transaction and expects to de-lever to <1.5x within two years of the transaction close. Pentair's strong balance sheet and robust cash flows will create ample flexibility to continue to invest in key growth initiatives while building on its track record of shareholder returns, including its more than 50 years of growing its dividend.

Transaction Details

The transaction is expected to close in the fourth quarter of 2026, subject to customary closing conditions and necessary regulatory approvals.

Pentair expects to finance the acquisition with a combination of cash on hand and committed bridge financing, which Pentair intends to refinance through a permanent debt issuance.

Upon completion of the transaction, Taco is planned to be a part of Pentair's Water Solutions reportable segment, and it is expected to continue to go-to-market under the Taco brand. Taco will maintain a significant presence in Cranston, Rhode Island.

Second Quarter 2026 Earnings Results and Investor Call

In a separate press release issued today, Pentair reported its second quarter 2026 earnings results. Pentair President and Chief Executive Officer John L. Stauch and Interim Executive Vice President and Chief Financial Officer Robert P. Fishman will discuss the Company's second quarter 2026 results and the acquisition of Taco Group Holdings on a conference call with investors at 9:00 a.m. Eastern today.

A live audio webcast of the call, along with the related presentation, can be accessed in the Investor Relations section of the Company's website, www.pentair.com, shortly before the call begins.

Jefferies LLC is serving as financial advisor to Pentair, Faegre Drinker Biddle & Reath LLP is serving as legal advisor, U.S. Bank National Association is serving as lead financing provider, and Joele Frank, Wilkinson Brimmer Katcher is serving as strategic communications advisor. Goldman Sachs & Co. LLC and Doeren Mayhew Advisors are serving as financial advisors to Taco, and Loeb & Loeb LLP is serving as legal advisor.

About Pentair plc

At Pentair, we help the world sustainably move, improve, and enjoy water, life's most essential resource. From our residential and commercial water solutions, to industrial water management and everything in between, Pentair is a core large cap value S&P 500 equity stock focused on smart, sustainable water solutions that help our planet and people thrive.

Pentair had revenue in 2025 of approximately $4.2 billion, and trades under the ticker symbol PNR. With approximately 9,000 global employees serving customers in more than 150 countries, we work to help improve lives and the environment around the world. To learn more, visit www.pentair.com.

About Taco Group Holdings

Founded in 1920, Taco is a market leader in hydronic and water-driven solutions, specializing in providing innovative, sustainable, and high-performance products for the HVAC, plumbing, and industrial sectors. With a legacy of over 100 years, Taco serves markets including residential, commercial, industrial, municipal, and more, offering a comprehensive range of products like pumps, valves, tanks, heat exchangers, and advanced controls. Taco is recognized for its unwavering commitment to customer success, providing expert guidance, training, and unmatched support through every engagement. Headquartered in Cranston, RI, with operations in North America, Europe, and Asia, Taco delivers industry-leading products and solutions backed by a culture of collaboration, reliability, and integrity. Taco's mission is to redefine value for customers by ensuring their success with cutting-edge technologies, sustainable solutions, and a "no excuses" approach to service. Taco is proud to be the trusted partner for wholesalers, contractors, engineers, and OEMs seeking dependable, cost-effective solutions that make a positive impact on people and the planet. For more information, visit www.tacoinc.com.

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

This release contains statements that we believe to be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, are forward-looking statements. Without limitation, any statements preceded or followed by or that include the words “targets,” “plans,” “believes,” “expects,” “intends,” “will,” “likely,” “may,” “anticipates,” “estimates,” “projects,” “should,” “would,” “could,” “positioned,” “strategy,” or “future” or words, phrases, or terms of similar substance or the negative thereof are forward-looking statements. All statements made about the anticipated acquisition of Taco (the “Acquisition”), including the anticipated time for completing the Acquisition, the expected financial results of the acquired business and the anticipated benefits of the Acquisition, and statements about our expected financial results as a result of the Acquisition are forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties, assumptions and other factors, some of which are beyond our control, which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. These factors include our ability to close and fund the Acquisition on the expected terms and time schedule, including obtaining regulatory approvals and satisfying other closing conditions; our ability to integrate the Acquisition successfully; our ability to retain customers and employees of the acquired business; the overall global economic and business conditions impacting our business, including the strength of housing and related markets and conditions relating to international hostilities; supply, demand, logistics, competition and pricing pressures related to and in the markets we serve; the ability to achieve the benefits of our restructuring plans, cost reduction initiatives and Transformation Program; the impact of raw material, logistics and labor costs and other inflation; volatility in currency exchange rates and interest rates; failure of markets to accept new product introductions and enhancements; the ability to successfully identify, finance, complete and integrate acquisitions; risks associated with operating foreign businesses; the impact of seasonality of sales and weather conditions; our ability to comply with laws and regulations; the impact of changes in laws, regulations and administrative policy, including those that limit U.S. or foreign tax benefits or impact trade agreements and tariffs; the outcome of litigation and governmental proceedings; and the ability to achieve our long-term strategic operating and sustainability goals and targets. Additional information concerning these and other factors is contained in our filings with the U.S. Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2025. All forward-looking statements, including all financial forecasts, speak only as of the date of this release. Pentair assumes no obligation, and disclaims any obligation, to update the information contained in this release.

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