

Donaldson to Acquire Facet

Expanding Global Leadership in High-Performance
Filtration Solutions



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+



Facet
Filtration Group®

February 2, 2026





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Forward-Looking Statement Safe Harbor

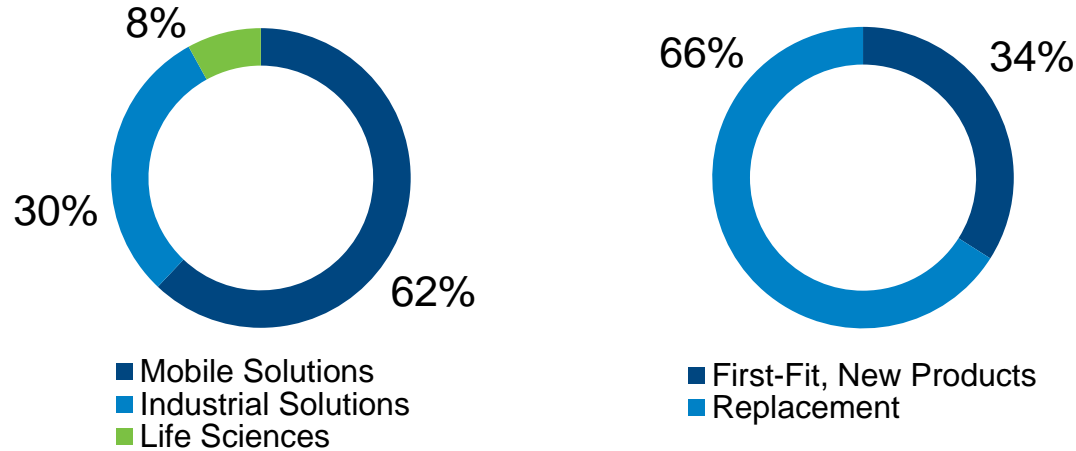
Statements in this presentation regarding future events and expectations, such as forecasts, plans, trends, and projections relating to the Company's business and financial performance, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and are identified by words or phrases such as "will likely result," "are expected to," "will continue," "will allow," "estimate," "project," "believe," "expect," "anticipate," "forecast," "plan" and similar expressions. These forward-looking statements speak only as of the date such statements are made and are subject to risks and uncertainties that could affect the Company's performance and could cause the Company's actual results for future periods to differ materially from any opinions or statements expressed. These factors include, but are not limited to, challenges in global operations; impacts of global economic, industrial and political conditions on product demand; impacts from unexpected events; effects of unavailable raw materials, significant demand fluctuations or material cost changes; inability to attract and retain qualified personnel; inability to meet customer demand; inability to maintain competitive advantages; threats from disruptive technologies; effects of highly competitive markets with pricing pressure; exposure to customer concentration in certain cyclical industries; inability to manage productivity improvements; inability to achieve commitments related to sustainability, results of execution of any acquisition, divestiture and other strategic transactions; vulnerabilities associated with information technology systems and security; inability to protect and enforce intellectual property rights; costs associated with governmental laws and regulations; impacts of foreign currency fluctuations; and effects of changes in capital and credit markets. These and other factors are described in Part I, Item 1A, "Risk Factors" of the Company's Annual Report on Form 10-K for the fiscal year ended July 31, 2025. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by law.



Donaldson's Position and Strategy

Diversified Revenue Base

(FY25 Sales)

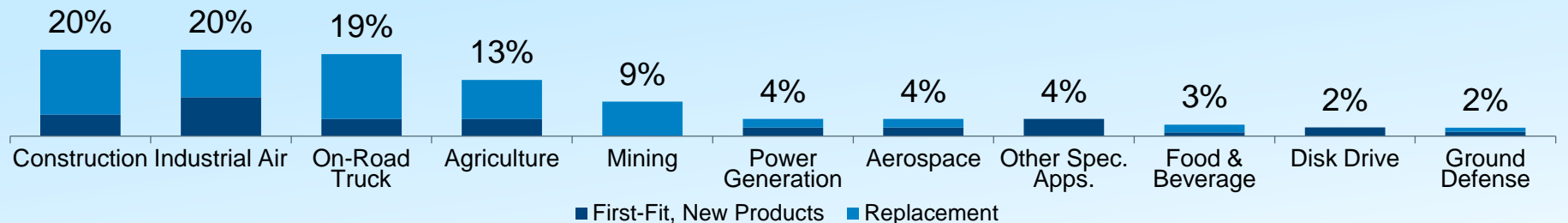


\$3.7B Total Sales

Strategic Priorities

- Expand leadership positions in technology-led filtration solutions
- Expand addressable markets
- Drive profitable long-term growth with emphasis on recurring aftermarket sales
- Disciplined, balanced approach to capital allocation

End Markets / Applications Served





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Strategic Acquisition Enhances Donaldson's Portfolio of Technology-Led Filtration Solutions

- ✓ Adds **core and adjacent market-leading** filtration solutions in critical applications
- ✓ Broadens exposure to **durable end-markets** with significant filtration needs
- ✓ Brings large, global installed base; **70% of sales from consumables with mandated replacement cycles**
- ✓ Enhances Donaldson's financial profile with strong **sales growth, margins and cash flow generation**



Builds on
Donaldson's
positions in
**Industrial
Solutions and
Aerospace &
Defense**



Transaction Summary

Price & Valuation

- Acquisition of Facet from Filtration Group
- Purchase price of \$820M in cash
- Represents 20.0x CY2025 EBITDA; 16.6x including expected tax benefit and cost synergies

Financial Highlights

- \$108M of revenue in CY2025, growing at high single digits
- \$41M of EBITDA in CY2025, at ~38% margin; immediate margin accretion with EPS accretion in FY27
- Strong cash flow conversion with CapEx <2% of sales

Leadership & Integration

- Facet leadership team and technical talent provide continuity across customer relationships and certification requirements
- To be integrated with Donaldson's Industrial Solutions segment

Financing

- Funded through a combination of cash on hand and new debt financing

Timing & Approvals

- Closing subject to customary closing conditions including required regulatory approvals



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Facet Protects the Systems that Keep the World Moving



Commercial Aviation



Military Aviation



Naval Defense



Power Generation



Backup Power & Data Centers



Fuel Terminals & Strategic Storage



Facet Overview



Facet
Filtration Group®

High-performance fuel and fluid filtration for mission-critical applications

\$108M

Sales¹

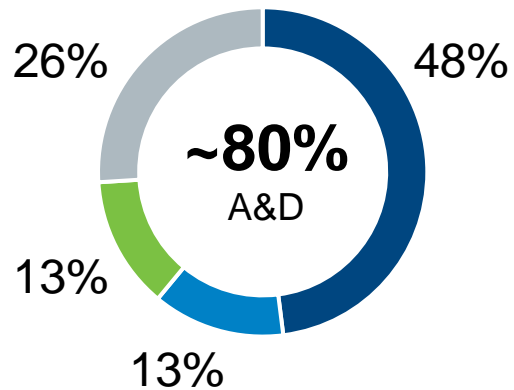
~38%

EBITDA Margin¹

~70%

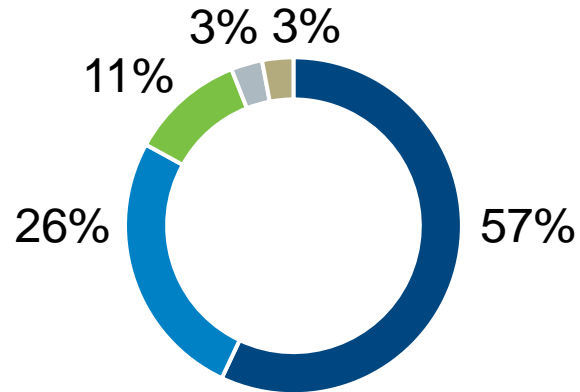
Consumables Sales

Sales by End Market¹



- Commercial Aviation
- Military Aviation
- Military Marine & Land
- Other

Sales by Geography



- North America
- Europe
- Asia
- Rest of World
- South America

Highlights



Designs and manufactures filter elements, housings, and integrated systems



Trusted in applications where safety, compliance, and uptime are critical



236 employees in 7 countries



Manufacturing sites in Oklahoma and Spain



\$8B total addressable market across aerospace & defense, power generation, data centers, and other industrials



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Facet's Broad Product Range Complements Donaldson's Offerings with Minimal Overlap

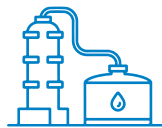
Filter Cartridges



Filter Housings and Systems



Example: Facet filtration products utilized across the entire aviation fuel supply chain



Refinery



Pipeline



Terminal



Airport Tank Farm



Fuel Truck



Aircraft Wing



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Key Takeaways



Adds Mission-Critical Fuel and Fluid Filtration Solutions

Enhances Aftermarket Position

Expands Addressable Market

Strengthens Donaldson's Financial Profile