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Valmont to acquire HR Products, Australian leader in Irrigation parts

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Valmont Industries, Inc., has entered into a definitive agreement to acquire HR Products, a leading wholesale supplier of irrigation parts in Australia, expanding the Companyâ??s geographic footprint and growing its parts presence in a key agriculture market. Valmont is a global leader providing vital infrastructure and advances agricultural productivity while driving innovation through technology.

â??Aftermarket parts and services are a critical component of our global agriculture growth strategy, as it allows us to better serve our customers through extended offerings and expands our total addressable market. Due to the long life cycle of irrigation equipment, there is a substantial market to replace wearable parts. This acquisition positions us very well to meet this demand, leveraging our existing ValleyÂ® dealer network for distribution and service, and large installed machine base in the region to grow recurring, high-value revenue streams and help lessen the cyclicality in our agriculture businessâ? said Joshua Dixon, President of Global Irrigation.

The transaction will be funded with cash on hand and is expected to be immediately accretive to earnings, with Year 1 revenue of approximately $45 million. The transaction is expected to close in the third quarter of 2023 and is subject to customary closing conditions.

â??Australia is a well-developed agriculture market and the region is focused on converting from flood irrigation as it has experienced persistent water supply challenges. HR Products has a proven and successful distribution model with strong customer relationships and robust operations across the geographically-diverse country. We are excited to welcome the HR Products team to Valmont and look forward to integrating the business and providing further value to Australian agriculture

customersâ?• added President Joshua Dixon.

HR Products provides a broad range of irrigation products to serve the agriculture and landscaping industries. The company was established in Perth, Western Australia in 1979, and has grown to nearly 100 employees and six warehouse facilities, with an extensive dealer network across the country that further strengthens Valmontâ??s market leadership.