

FOR IMMEDIATE RELEASE

Functional Devices Announces Acquisition by L Squared to Support Continued Growth; Actively Pursuing Additional Acquisitions in Field Devices for Building Automation and Controls

February 23, 2026, Sharpville, IN – Functional Devices, Inc. (“Functional Devices” or the “Company”), a leading manufacturer of quality building automation and control solutions, announced today that it has been acquired by L Squared Capital Partners (“L Squared”) to invest in the Company’s long-term growth, people, and mission. Functional Devices is best known for its iconic RIB® (Relay in a Box®) brand, which has become the industry standard for reliable, easy-to-install relays, current sensors, power supplies, and other power control products across commercial buildings, data centers, healthcare, and other high-performance environments.

“Our business has always been about focusing on our customers,” said Mark Fernandes, President and CEO at Functional Devices. *“This new partnership with L Squared is a strong match as we share a long-term vision for the business grounded in delivering dependable, high-quality products and investing in the people who make that possible. L Squared’s belief in our team, our new product development engine, and our acquisition strategy make this a natural fit. We are excited about what this enables us to do for our customers, our employees, and the buildings and communities we ultimately serve.”*

Functional Devices will continue to operate under its existing brand and leadership, maintaining the same commitment to quality, service, and innovation that customers and partners expect. The new investment will support ongoing growth initiatives, including new product innovation, expanded commercial reach, and strengthened support for customers across core markets.

“We are excited to partner with the FDI team, who have established themselves as a market standard within building automation systems,” said Sean Barrette, Managing Partner at L Squared. *“Building automation has been a core area of focus for L Squared, and we see a highly fragmented landscape of mission-critical businesses that can benefit from the scale, resources, and brand strength of the Functional Devices platform.”*

This transaction marks a transition from Shorehill Capital LLC (“Shorehill”), which acquired Functional Devices in 2019 and supported the Company through a period of continued momentum marked by investments in the leadership team, accelerated new product development, and positioning the business as a critical participant in the building automation industry.

Dave Hawkins, Managing Partner at Shorehill Capital, said, “Functional Devices has a remarkable 50-year legacy of innovation and growth. Working with the team at Functional Devices over the past seven years has been incredibly rewarding as they accelerated innovation, improved operational performance, and cultivated an outstanding culture all while delivering a superior customer experience. I am excited to see the Company flourish in the years ahead with their new partner.”

Terms of the transaction were not disclosed.

About Functional Devices, Inc.

Functional Devices, Inc. designs and manufactures reliable building automation and control solutions trusted by professionals across commercial, industrial, and institutional facilities. Known for quality, responsiveness, and a people-first culture, the Company is committed to its mission of enhancing lives in buildings and beyond. Learn more at www.functionaldevices.com.

About L Squared Capital Partners

L Squared is a long-term investment firm focused on backing leading growth companies in Education Technology, Tech-Enabled Services & Software, and Industrial Technology & Services. With 125+ years of combined investing experience, the firm has raised four funds since launching in July 2014 and secured over \$2 billion in investor commitments. Their capital comes largely from family offices, which allows them to prioritize durable revenue and earnings growth (instead of financial engineering) and tailor flexible deal structures. L Squared partners closely with management teams, giving them room to lead while providing collaborative support to navigate the challenges of rapid growth.

About Shorehill Capital LLC

Shorehill Capital LLC is a Chicago-based private equity firm with a passion for helping to create superior companies. Shorehill is focused on making control equity investments from its committed \$260 million fund in North American engineered industrial products, industrial services, and value-added distribution companies with enterprise values ranging from \$20 million to \$150 million, and add-ons of any size. Shorehill seeks opportunities with differentiated business models where its experience, network, and investment management approach can have a significant impact on the performance of the business. For more than 30 years, Shorehill's partners have worked with middle-market business leaders to accelerate growth and improve operational performance through structured investment management plans. Learn more at www.shorehillcapital.com.

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