

Important U.S. Federal Income Tax Information for Shareholders Concerning the ESAB Corporation Stock Distribution

April 26, 2022

Dear Shareholder,

On March 14, 2022, the Board of Directors of Colfax Corporation¹ (“Enovis”) declared a pro rata distribution to Enovis common stockholders of record as of the close of business on March 22, 2022 (the “Record Date”) of 90% of the outstanding shares of ESAB Corporation (“ESAB”) common stock (the “Distribution”) payable on April 4, 2022 (the “Distribution Date”). On the Distribution Date, Enovis completed the Distribution and each such shareholder who held Enovis common stock on the Record Date and did not sell them in the “regular way”² prior to the Distribution Date received one (1) share of ESAB common stock for each three (3) shares of Enovis common stock owned on the Record Date.

This letter explains certain U.S. federal income tax consequences of the Distribution and describes how to allocate your tax basis between your Enovis common stock and the ESAB common stock you received in the Distribution.

Tax Treatment of the Distribution. On April 4, 2022, Enovis received an opinion from Latham & Watkins LLP concluding, based on certain representations and undertakings of Enovis and ESAB with respect to (among other things) the activities of Enovis and ESAB following the Distribution, that the Distribution, together with certain related transactions, will qualify as a reorganization within the meaning of sections 355 and 368(a)(1)(D) of the Internal Revenue Code of 1986, as amended (the “Code”). As a result, you will generally not recognize gain or loss for U.S. federal income tax purposes upon receipt of the ESAB common stock in the Distribution. If, however, you receive cash in lieu of fractional shares you will recognize gain or loss as described below.

Fractional Shares. No fractional shares of ESAB common stock were distributed in the Distribution. Instead, all fractional shares of ESAB common stock were aggregated for all Enovis shareholders and sold in the public market. You will receive cash in lieu of fractional shares (*i.e.*, your pro rata portion of the proceeds associated with the sales of all fractional shares of ESAB common stock to which Enovis shareholders were entitled). The taxable gain or loss that you recognize with respect to any cash you receive in lieu of fractional shares is equal to the difference between the amount of cash you receive and your tax basis (determined as described below) in such fractional shares of ESAB common stock.

Tax Basis. Your tax basis in the Enovis common stock you owned immediately before the Distribution must be allocated between your Enovis common stock and the shares of ESAB common stock you received in the Distribution (including any fractional share for which you received cash).

This allocation is based on the relative fair market values of your Enovis common stock and your ESAB common stock. Although U.S. federal income tax laws do not specify how to determine fair market value, one approach is to use the average of the high and low share prices quoted on the New York Stock Exchange on April 5, 2022, the first day of regular-way trading for Enovis and ESAB common stock after the Distribution.

You should contact your tax advisor to determine these fair market values.

If you acquired your Enovis common stock at different times and at different prices, you will need to calculate a separate tax basis for each block of Enovis common stock you own and then allocate the basis in each block of stock separately to the ESAB common stock you received. Enovis suggests that you retain this

¹ Immediately following the Distribution, “Colfax Corporation” changed its name to “Enovis Corporation.”

² Shares of Colfax common stock that traded in the “regular-way” market on the New York Stock Exchange prior to the Distribution Date traded with an entitlement to shares of ESAB common stock distributed on the Distribution Date.

letter to support your determination of your basis in your Enovis common stock and your ESAB common stock.

Example: This example assumes you choose to use the average high-low trading price on April 5, 2022, as the method of determining the fair market values of the Enovis (formerly known as Colfax) common stock and the ESAB common stock.

Assumptions:

- Shares of Colfax common stock owned immediately before the Distribution: 3,000
- Colfax shareholder’s aggregate tax basis in Colfax shares immediately before the Distribution (assumed to be \$10.00 per share): \$30,000
- Shares of ESAB common stock received in the Distribution (distribution ratio of 1/3): 1,000
- Shares of Enovis common stock owned after the 1-for-3 reverse stock split: 1,000

Tax basis allocation:

	# Shares Owned	Assumed Beginning Basis (A)	Price	FMV of Shares Owned Post Distribution	% of Total FMV (B)	Allocated Tax Basis = (A) x (B)
Enovis common stock	1,000	\$30,000	\$65.56 ¹	\$65,560 ³	57.01% ⁵	\$17,103
ESAB common stock	1,000		\$49.44 ²	\$49,440 ⁴	42.99% ⁶	\$12,897
Total				\$115,000	100.00%	\$30,000

¹ Average of the high and low share prices of Enovis common stock on April 5, 2022.

² Average of the high and low share prices of ESAB common stock on April 5, 2022.

³ 1,000 shares x \$65.56

⁴ 1,000 shares x \$49.44

⁵ \$65,560/\$115,000

⁶ \$49,440/\$115,000

You are not bound by the approach used in this example, and there may be other reasonable approaches for determining the fair market values for allocating your basis between Enovis and ESAB common stock. Also, the example provided above is illustrative and is being provided pursuant to Section 6045B of the Code and as a convenience to stockholders and their tax advisors.

THE INFORMATION SET FORTH ABOVE AND IN THE ATTACHED EXHIBITS IS FOR GENERAL INFORMATION PURPOSES ONLY AND DOES NOT PURPORT TO ADDRESS ALL ASPECTS OF FEDERAL TAXATION THAT MAY BE RELEVANT TO PARTICULAR SHAREHOLDERS. THIS INFORMATION DOES NOT CONSTITUTE TAX ADVICE AND MAY NOT BE APPLICABLE TO SHAREHOLDERS WHO ARE NOT CITIZENS OR RESIDENTS OF THE UNITED STATES. NOR DOES IT ADDRESS TAX CONSEQUENCES THAT MAY VARY WITH YOUR INDIVIDUAL CIRCUMSTANCES. ACCORDINGLY, YOU ARE URGED TO CONSULT YOUR TAX ADVISORS TO DETERMINE THE APPLICATION OF THE INFORMATION SET FORTH ABOVE AND IN THE ATTACHED EXHIBITS TO YOUR INDIVIDUAL CIRCUMSTANCES AND THE PARTICULAR FEDERAL, FOREIGN, STATE AND LOCAL TAX CONSEQUENCES OF THE DISTRIBUTION TO YOU.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ [SEE ATTACHMENT](#)

Blank lines for listing Internal Revenue Code sections.


18 Can any resulting loss be recognized? ▶ [SEE ATTACHMENT](#)

Blank lines for providing information regarding loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ [SEE ATTACHMENT](#)

Blank lines for providing other necessary information.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
Signature ▶  Date ▶ April 26, 2022

Print your name ▶ Denise Dodson Title ▶ Vice President, Tax

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

**Enovis Corporation (f/k/a Colfax Corporation)
Distribution of ESAB Corporation Common Stock
Attachment to Form 8937**

Part II

Line 14. Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.

On March 14, 2022, the Board of Directors of Colfax Corporation¹ ("Enovis") declared a pro rata distribution to Enovis common stockholders of record as of the close of business on March 22, 2022 (the "Record Date") of 90% of the outstanding shares of ESAB Corporation ("ESAB") common stock (the "Distribution") payable on April 4, 2022 (the "Distribution Date"). On the Distribution Date, Enovis completed the Distribution and each such shareholder who held Enovis common stock on the Record Date and did not sell them in the "regular way"² prior to the Distribution Date received one (1) share of ESAB common stock for each three (3) shares of Enovis common stock owned on the Record Date.

This information does not purport to be complete or to describe the consequences that may apply to particular categories of Enovis shareholders.

Shareholders are urged to consult their own tax advisor regarding the particular consequences of the Distribution, including the applicability and effect of all U.S. federal, state and local, and foreign tax laws.

Line 15. Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.

For U.S. federal income tax purposes, Enovis shareholders should allocate their aggregate tax basis in their Enovis common stock held immediately prior to the Distribution among the shares of ESAB common stock received in the Distribution (including any fractional share of ESAB common stock for which cash was received) and the Enovis common stock in respect of which such ESAB common stock was received in proportion to their fair market values immediately after the Distribution.

Line 16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.

The U.S. federal income tax laws provide that the allocation of the aggregate tax basis discussed under Line 15 above shall be allocated based on the fair market value of the resulting Enovis and ESAB shares received. However, the tax law does not provide any further guidance on the determination of fair market value. One method to determine the fair market value is to use the average of the high and low trading prices of the Enovis and ESAB common stock. The average of the high and low trading prices of Enovis common stock, and of ESAB common stock on April 5, 2022 (the first day of regular-

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² Shares of Colfax common stock that traded in the "regular-way" market on the New York Stock Exchange prior to the Distribution Date traded with an entitlement to shares of ESAB common stock distributed on the Distribution Date.

way trading of both Enovis and ESAB common stock after the Distribution) was \$65.56 and \$49.44, respectively. Using this as the fair market value, the distribution ratio of one (1) ESAB share per each three (3) Enovis shares, and taking in account the 1-for-3 reverse stock split of Enovis shares that occurred after the Distribution, an Enovis shareholder's aggregate pre-Distribution tax basis in its Enovis shares should be allocated 57.01% to its post-Distribution Enovis shares and 42.99% to its ESAB shares (including any ESAB fractional share) received with respect to its Enovis shares.

Line 17. List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.

The applicable Internal Revenue Code sections upon which the tax treatment is based are sections 355, 354(a), 358(a)–(c), 368(a)(1)(D), 1001(a), 1221, 1222 and 1223(1).

Line 18. Can any resulting loss be recognized?

Enovis intends for the Distribution, together with certain related transactions, to qualify as a “reorganization” under sections 355 and 368(a)(1)(D) of the Internal Revenue Code. Assuming that this characterization is respected, Enovis shareholders generally will not recognize any loss on the Distribution for U.S. federal income tax purposes (except to the extent that a loss may be recognized with respect to any cash received in lieu of a fractional share of ESAB common stock).

Line 19. Provide any other information necessary to implement the adjustment, such as the reportable tax year.

The Distribution occurred on April 4, 2022. As a result, for U.S. federal income tax purposes, the basis adjustments in the shares of Enovis common stock and ESAB common stock should be reported in the taxable year that includes this date. In the case of shareholders who are calendar year taxpayers, the Distribution should be reportable in the tax year ending December 31, 2022.