

# Industry Update

## Industrial Technology Q3 2021

### What we mean by Industrial Technology businesses ...

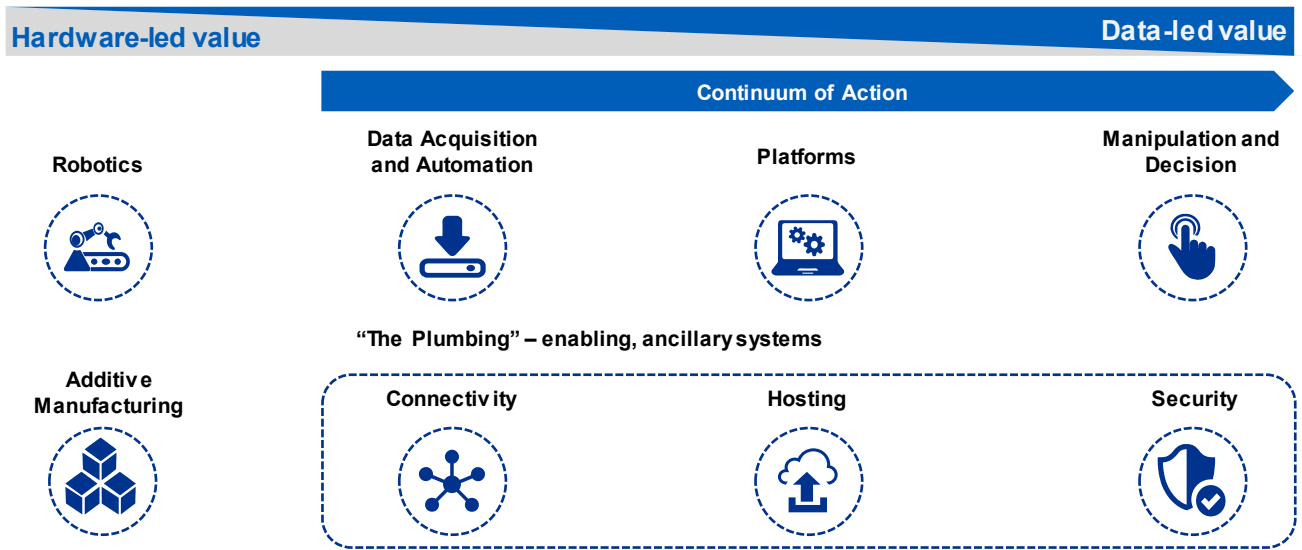
#### At a minimum

- Providing solutions which generate value in an **asset-intensive context**, sold **B2B**
- Providing IP beyond **more than just know-how**
- Improving what a business **already does** or its **resource management**
- Creating value via **data relationships** or **hyper-disruptive physical capabilities**

#### Will likely exhibit

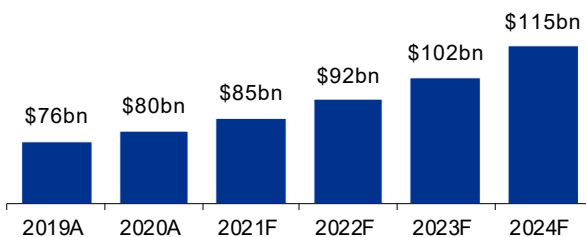
- **High barriers** to replication and correspondingly **high gross margin**
- In data-driven environments, **particularly high operating leverage**
- **Differentiated capabilities** which naturally embed, supporting subscription or other long-term commitments

### How we arrange our thinking ...



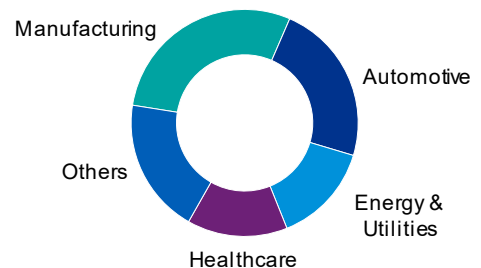
### Areas of growth in the space ...

Industrial IoT (IIOT) is forecast to grow at a 10% CAGR globally



Source: BIS Research  
 Note: Above figures and forecasts are based on 2019, therefore do not consider COVID-19 impact.

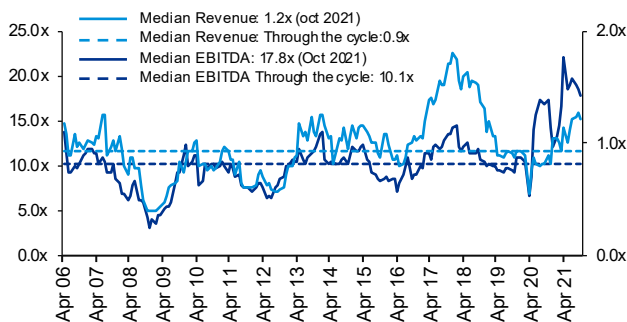
Manufacturing, Automotive and Energy share two thirds of the IIOT market



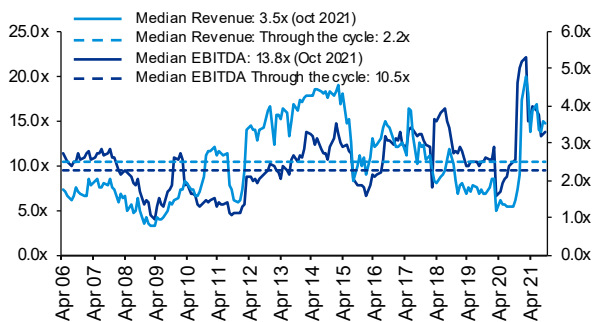
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## Public Company Valuations – Through The Cycle – EV/LTM EBITDA and EV/LTM Revenue (RHS)

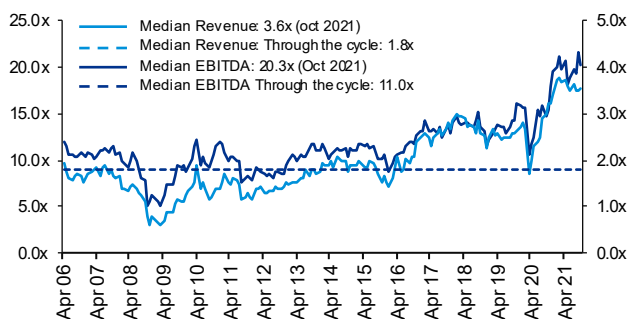
### Robotics



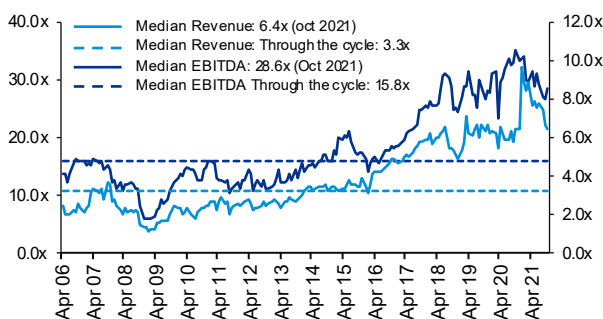
### Additive Manufacturing



### Data Acquisition and Automation



### Manipulation and Decision



Source: CapitalIQ

Note: Enterprise Value is adjusted for minority interest, preference equity, pension deficit and investments in associates.























## A Selection of Recent M&A Transactions

Date	Target	Target Country	Target Description	Acquirer	Acquirer Country
Aug-21	The ExOne Company	US	Listed company providing three-dimensional printing machines and printed products to industrial customers	Desktop Metal	US
Jul-21	ASTI Mobile Robotics	Spain	Designer, manufacturer and provider of automated intra-logistic solutions for large manufacturers	ABB	Switzerland
May-21	Additive Works	Germany	Develops and sells print to shape simulation software	3D Systems	US
Apr-21	Sensemetrics	US	Develops and offers Industrial Internet of Things (IIoT) sensor platform solutions	Bentley Systems	US
Apr-21	Kyoto Robotics	Japan	Develops and sells intelligent picking robots for logistics systems	Hitachi	Japan
Apr-21	Autostore A/S	Norway	A robotics and software company providing automation technology to warehouse & distribution facilities	SoftBank Group	Japan
Feb-21	MarkForged	US	Manufacturer of affordable metal & carbon fibre 3D printers and related software	One (SPAC)	US
Jan-21	Flir	US	An industrial technology company focused on intelligent sensing solutions for defense and industrial applications	Teledyne Technologies	US
Oct-20	Bright Wolf	US	Provider of custom Industrial Internet of Things (IIoT) solutions	Cognizant Technology Solutions	US
Oct-20	Codian Robotics	Netherlands	Provides delta robots for high-precision pick and place applications	ABB	Switzerland
Oct-20	Progea	Italy	Develops industrial automation software products for visualization, data acquisition, and management	Emerson Electric	US
Sep-20	XanTec Steuerungs- und EDV-Technik	Germany	Developer and supplier of automation and control solutions for industrial machinery	Dover	US
Aug-20	OSIsoft	US	Provides an open enterprise infrastructure to connect sensor-based data, operations, and people to enable real-time and actionable insights	AVEVA Group	US
Jul-20	Maxim Integrated Products	US	Designs, develops, manufactures, and markets a range of linear and mixed-signal integrated circuits	Analog Devices	US
Feb-20	Adesto Technologies	US	Provider of application-specific, ultra-low power and smart non-volatile memory products	Dialog Semiconductor	UK

Source: MergerMarket

# Industrial Technology - Q3 2021 Industry Update

## KPMG Deal Advisory – Selected Credentials

  <b>BISTel</b> acquired by <b>Synopsys</b> Sep 2021	  <b>Graphcore</b> investment from <b>Ontario Teachers' Pension Plan</b> Dec 2020	  <b>TerraQuest</b> acquired by <b>Apse Capital</b> Nov 2020	  <b>GroupBC</b> acquired by <b>Bentley Systems</b> Mar 2020	  <b>Oxbotica</b> investment from <b>Business Growth Fund (BGF)</b> Mar 2020	  <b>VisiumKMS</b> acquired by <b>Valsoft</b> Feb 2020
  <b>ESC Automation</b> acquired by <b>Ainsworth</b> Jan 2020	  <b>OCF</b> Management Buyout Nov 2019	  <b>Global Navigation Solutions</b> acquired by <b>CORNES Technologies</b> Nov 2019	  <b>Dynamic Systems Inc</b> acquired by <b>VPG</b> Nov 2019	  <b>Zenith Technologies</b> acquired by <b>Cognizant</b> Jul 2019	  <b>Ubisense</b> acquired by <b>Investcorp</b> Jan 2019

## UK Industrial Technology Team



**Simon Davis**

Managing Director

M: +44 (0)7798 877478

E: [simon.davis@kpmg.co.uk](mailto:simon.davis@kpmg.co.uk)



**Robert Dix**

Associate Director

M: +44 (0)7584 449068

E: [robert.dix@kpmg.co.uk](mailto:robert.dix@kpmg.co.uk)



**Conly Manolas**

Associate

M: +44 (0)7510 374653

E: [conly.manolas@kpmg.co.uk](mailto:conly.manolas@kpmg.co.uk)



**Nikhil Chandaria**

Analyst

M: +44 (0)7469 685303

E: [nikhil.chandaria@kpmg.co.uk](mailto:nikhil.chandaria@kpmg.co.uk)



**Pratiksha Deshkar**

Analyst

[pratiksharajendra.deshkar@kpmg.co.uk](mailto:pratiksharajendra.deshkar@kpmg.co.uk)

[kpmg.com/uk](https://kpmg.com/uk)



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