

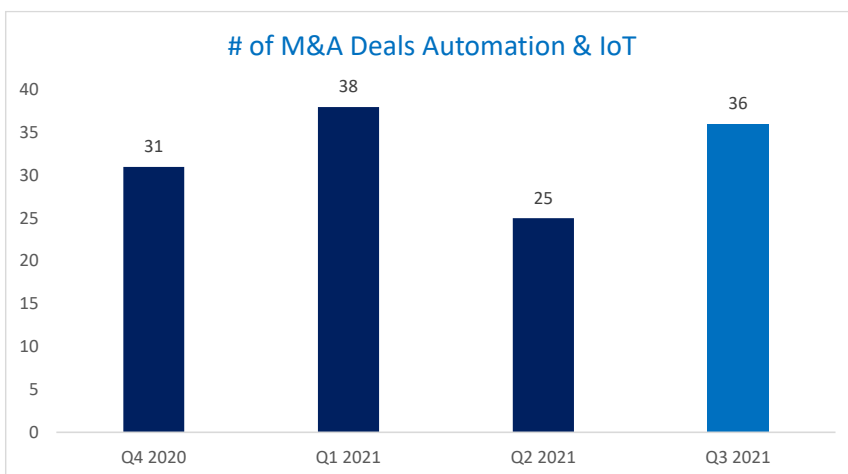
Market Update Industrial Automation & IoT

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The current challenges impacting the manufacturing and supply chain logistics environment are highlighting the need for operators to improve efficiency, productivity, and their agility to respond real-time to changes in operating environments. As a result, Industrial Automation and IoT capabilities are proving to be focus-areas of continued investment.

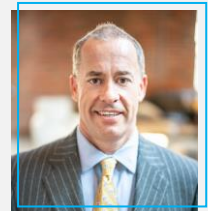
Within batch, discrete, and continuous process industries, IoT platform-software and data acquisition & analytics are trending as top areas of investment, driven by demand for the agility to respond to real-time changes in manufacturing and operating environments and derive insights that will inform day-to-day decisions. Cybersecurity is expected to continue as a major area of spending as recent highly-pervasive and public cyber attacks have highlighted the importance of strong protection of IT infrastructures across all industries. These spending trends suggest that decision makers are currently prioritizing investment in advanced process automation and data-centric initiatives in the digital transformation journey of their organizations.

Industrial Automation stock performance measured by 7MA's sector index has grown approximately 30% over the last twelve months, outperforming the broader market until September of this year. Investor concerns around ongoing and impending supply chain bottlenecks around the holiday season have influenced a recent lag in the sector, however the index has seen a rebound in October as concerns around the U.S. government debt ceiling have eased. The companies tracked in 7MA's sector index are currently trading at an average of 5.8x revenue and 23.8x EBITDA, both below their last twelve-month highs of 6.7x and 26.6x, respectively.

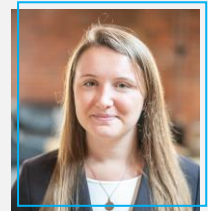


7MA has recently completed several M&A transactions for companies with Industrial Automation & IoT products, software platforms, and service offerings and has developed unparalleled deal expertise and knowledge of the industry trends, valuation trends, and most active strategic and financial buyers. Please contact Leroy Davis, Sydney Scadden, Conor Smith, or Tyler Ratterree if you would like to learn more about Industrial Automation & IoT.

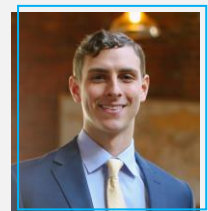
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GI Partners Acquires ORBCOMM, Taking it Private

GI PARTNERS

ORBCOMM

Private equity firm GI Partners recently completed an acquisition taking ORBCOMM (NASDAQ: ORBC), an IoT solutions provider, private. The \$1.1 billion acquisition saw ORBCOMM's shareholders receive \$11.50 in cash per share. GI Partners acquired ORBCOMM through its inaugural data infrastructure fund which has \$1.8 billion in commitments. This investment will support ORBCOMM's strong momentum in industrial IoT as it increases its investment in sales, marketing, and technology innovation to accelerate growth, execute on its long-term strategic plan and global market expansion, and provide added flexibility as a privately-held company.

Date: September 1, 2021

Deal Type: M&A

Target HQ: Rochelle Park, NJ

Emerson Electric Acquires Software Business AspenTech

EMERSON

aspentech

Emerson Electric Co (NYSE: EMR) and AspenTech (NASDAQ: AZPN) entered into an agreement that will see EMR contribute its industrial software businesses OSI Inc. and Geological Software business to AspenTech to help create a diversified, high-performance industrial software leader with greater scale, capabilities, and technologies. The transaction will accelerate EMR's software investment strategy as the company will continue to build a higher growth, more diversified and sustainable portfolio by creating an industrial software company with immediate scale and relevancy in a fast-paced and evolving market. Following the transaction, the combined entity will have a global footprint with strong go-to-market capabilities and an attractive environment for highly sought-after software talent.

Date: October 11, 2021

Deal Type: M&A

Target HQ: Bedford, MA

How are organizations benefiting from investment in Industrial Automation and IoT?



Investments in IoT are enabling manufacturers to **collect, manage, and analyze data** in a manner that is more time and cost-effective than ever before.



Implementation of smarter production floor tactics has improved the safety of employees and customers in the new work environment, ultimately **reducing downtime and improving productivity**.



Investment in e-commerce capabilities, regardless of the historical level of dependence or business model, is resulting in a **broadened reach and compatibility** with an increasingly digital global marketplace.

Offerings

Services

Products
&
Services

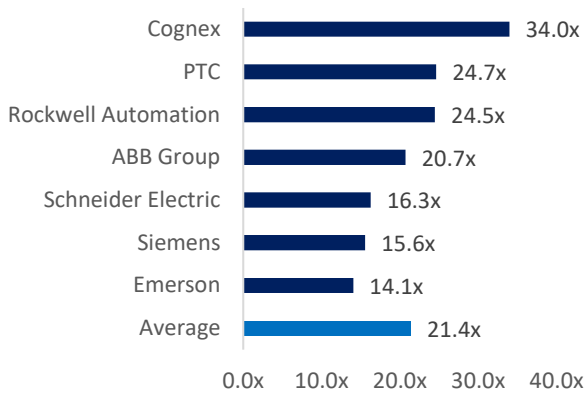
Products
&
Platforms

Please reach out to 7MA team to get access to the market landscape.

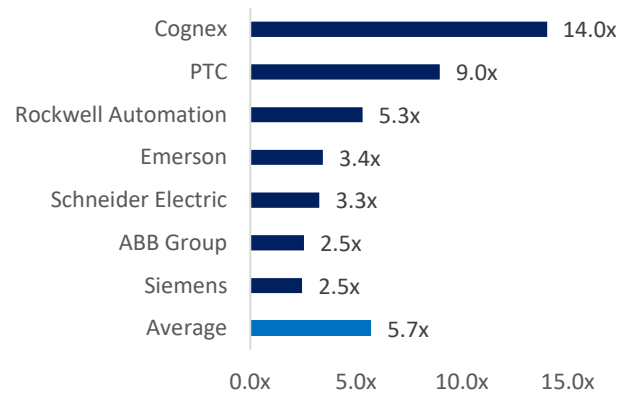
Publicly-traded Industrial Automation & IoT – Q3 2021

Companies	TEV \$m	LTM EBITDA \$m	LTM Rev \$m	Rev Growth YoY	GP %	EBITDA %	TEV / Rev X	TEV / EBITDA X	# of FTEs	Rev / FTE \$k
Siemens	176,252	11,317	71,681	-2%	36%	16%	2.5x	15.6x	293,000	60
Schneider Electric	106,779	6,555	32,613	-7%	41%	20%	3.3x	16.3x	155,466	69
ABB Group	71,361	3,441	28,114	-7%	31%	12%	2.5x	20.7x	106,080	67
Emerson	61,331	4,358	17,847	-9%	42%	24%	3.4x	14.1x	83,500	73
Rockwell Automation	35,871	1,464	6,760	-5%	42%	22%	5.3x	24.5x	23,500	153
PTC	15,377	624	1,717	16%	79%	36%	9.0x	24.7x	6,243	246
Cognex	13,792	405	983	12%	76%	41%	14.0x	34.1x	2,055	671
Average	68,681	4,024	22,816	0%	50%	25%	5.7x	21.4x	95,692	191
Median	61,331	3,441	17,847	-5%	42%	22%	3.4x	20.7x	83,500	73

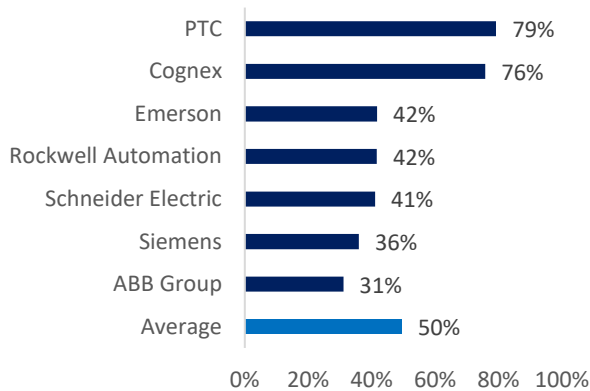
TEV / EBITDA X



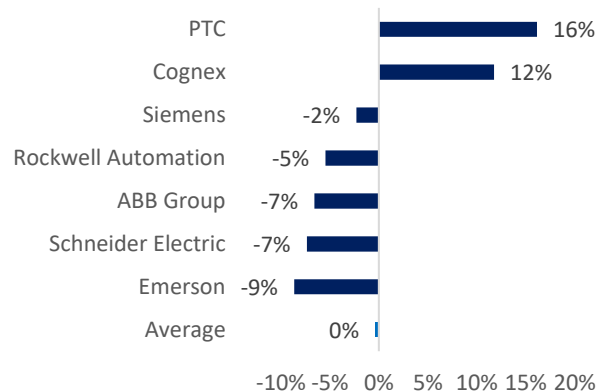
TEV / Rev X



Gross Margin %



Rev Growth YoY



Q3 2021 M&A Transactions

Date	Target	Buyer / Investor	Target Description
July 20, 2021			<ul style="list-style-type: none"> • ABB Group (ABBN: SIX Swiss Ex) is a global leader in the high growth autonomous mobile robot market acquired ASTI Mobile Robotics Group ("ASTI") to add to its robotics and machine automation solutions and expand into new industry segments. ASTI is also a leading global autonomous mobile robot manufacturer, and as a result of the acquisition, ABB will be the only company to offer a complete portfolio for the next generation of flexible automobile.
August 6, 2021			<ul style="list-style-type: none"> • ATS Automation Tooling Systems, Inc. ("ATS") (TSE: ATA) is an automation solutions provider that designs and builds customized automated manufacturing and testing systems for customers and provides pre- and post-automation services acquired BLSG, a consulting capabilities in process engineering to enhance ATS's process automation services business and help serve customers from problem identification to solution implementation. • ATS also acquired NCC Automated Systems ("NCC"), a provider of engineered-to-order sanitary automation solutions and stand-alone precision conveyance equipment. This acquisition will help ATS to provide a more holistic role in supporting the needs of its customers from the design phase through to implementation by bridging the connection between the design engineer and manufacturing operator.
September 2, 2021			<ul style="list-style-type: none"> • Timken, is a global industrial leader in engineered bearing and power transmission products acquired Intelligent Machine Solutions ("IMS"), a manufacturer of industrial robotics and automation solutions. The acquisition will help Timken expand its product line and open up more opportunities for market growth in the global \$700M robotic transfer unit industry.
August 5, 2021			<ul style="list-style-type: none"> • Siemens Mobility, an industrial conglomerate, with businesses selling components and equipment for factory automation, railway equipment, electrical distribution equipment, and medical equipment, acquired Sqills, a leading SaaS provider for freight railway management and maintenance workflow software. This acquisition will help further advance Siemens' strategy to increase the availability, capacity, and utilization of public transportation.

7MA provides Investment Banking & Advisory Services to the Business Services and Technology Industries globally. We advise on M&A and private capital transactions and provide market assessments and benchmarking. As a close-knit team with a long history together and a laser focus on our target markets, we help our clients sell their companies, raise capital, grow through acquisitions, and evaluate new markets. All securities transactions are executed by 7M Securities, LLC, member FINRA / SIPC. For more information, including research on the M&A markets, visit www.7mileadvisors.com.



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Notable 7 Mile Transactions

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KALYPSO

RA Rockwell Automation

7MA

Ajax
BUILDING CORPORATION

STRUCTURETONE
Organization

7MA

GRANITE
COMPANIES

Altisource

7MA

RS&H

TSIOUVARAS SIMMONS HOLDERNESS
CONSULTING ENGINEERS

