



# TECHNOLOGY

## In This Issue:

- Industry News
- Transactions
- State of the Industry
- About Mirus
- Mirus Technology Spotlight

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## Industry News

### **IoT Analytics insights: What CEOs talked about in Q4 2020**

IoT Business News [Full Article](#)

Mentions of the COVID-19 pandemic concerns faded in Q4 2020. Instead, much of the rising conversation at the CEO level was geared towards sustainability. The topics 5G, AI and analytics, and IoT all grew in conversation across all industries pointing to an increasing interest in tech and innovation.

Knud Lasse Lueth, CEO of IoT Analytics commented: "In 2020, the Covid-19 pandemic and its immediate effects were the omnipresent #1 topic in corporate boardrooms – in 2021, as we move ahead and towards the "new normal", two new mega focus areas are emerging: 1. Digital Transformation and 2. A strong focus on sustainability."

### **IoT Security Industry News Q4 2020**

IoT Inspector [Full Article](#)

In its latest Threat Intelligence Report, Nokia warns against the rapidly rising number of cyberattacks on IoT devices, and sees a 100% increase compared to last year. According to the telecommunications company, poorly secured IoT devices are the main reason for this surge, as they enable criminals to automatically exploit common liabilities. One more reason to automatically detect such vulnerabilities in the future!

The European Union Agency for Cybersecurity (ENISA) also warns against a rising number of security threats in its recently published Threat Landscape 2020. ENISA notices a spike in industrial espionage directly targeted at Industrial IoT devices (IIoT), particularly in the utilities, oil & gas and manufacturing industries.

### **One-third of manufacturers planning to move software to the cloud, says IoT Analytics**

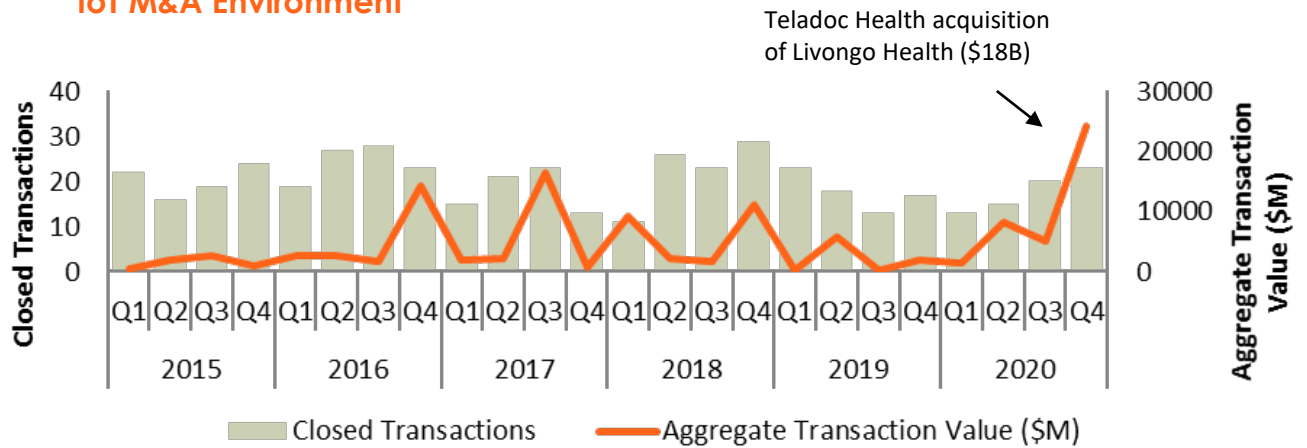
Robotics and Automation News [Full Article](#)

A Q4 2020 survey of 49 manufacturers conducted by IoT Analytics showed that the move of manufacturing software to the cloud is broadening and accelerating.

Knud Lasse Lueth, CEO at IoT Analytics, says: "Companies are struggling to make use of their data in a meaningful way and use it to create value. Today, a significant portion of this data is 'dark' (that is, it is not used for any analysis).

In combination with relatively new technologies like artificial intelligence and digital twins, the cloud and IoT is set to become an indispensable tool for improving manufacturing operations.

## IoT M&amp;A Environment



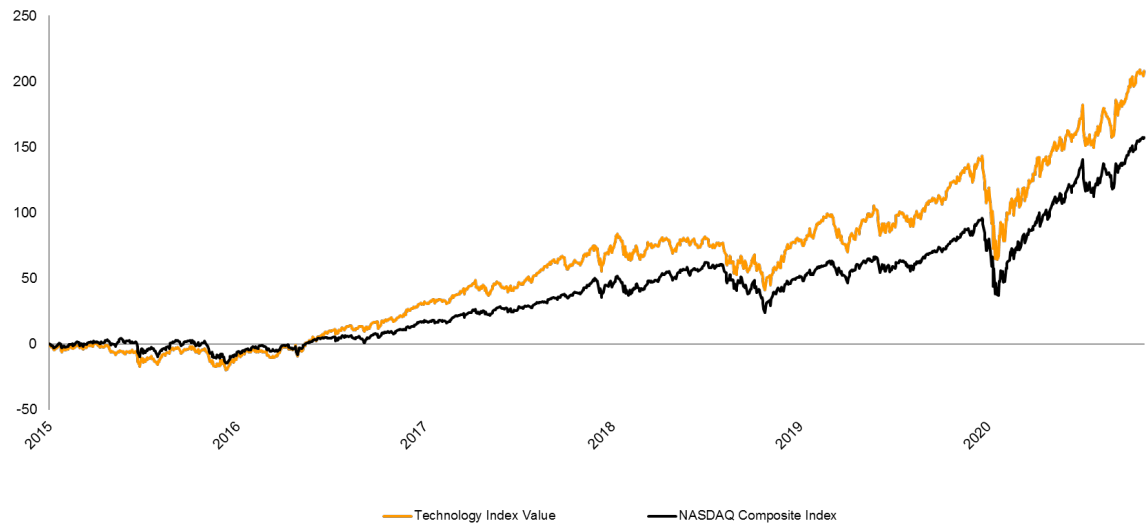
## Selected Q4 2020 IoT Transactions

Date Closed	Target	Buyers/Investors	Sector	Enterprise Value (\$M)	EV / LTM	
					Revenue	EBITDA
12/31/2020	BullGuard Limited	Avira Holding GmbH & Co. KG	Systems Software	-	-	-
12/31/2020	Fiix Inc.	Rockwell Automation, Inc. (NYSE:ROK)	Application Software	\$287.2	-	-
12/30/2020	Sensor Scientific Inc.	CTS Corporation (NYSE:CTS)	Electronic Equipment and Instruments	-	-	-
12/8/2020	andrion AG	The Capital Markets Company (UK) Ltd.	IT Consulting and Other Services	-	-	-
12/7/2020	Flowmill, Inc.	Splunk Inc. (NasdaqGS:SPLK)	Application Software	\$21.6	-	-
11/17/2020	Winjit Technologies Pvt Ltd	RIB Software SE (XTRA:RIB)	Application Software	-	-	-
11/13/2020	Avenai Inc.	Accenture plc (NYSE:ACN)	IT Consulting and Other Services	-	-	-
11/12/2020	Cedes AG	capiton AG	Electronic Equipment and Instruments	-	-	-
11/4/2020	Fujitsu Technology Solutions Bilisim Ltd. Sti.	Teknosar A.S.	Technology Hardware, Storage	-	-	-
10/30/2020	Livongo Health, Inc.	Teladoc Health, Inc. (NYSE:TDOC)	Health Care Technology	\$18,257.1	70.8x	-
10/6/2020	Nanotron Technologies GmbH	Inpixon GmbH	Semiconductors	\$8.4	-	-
10/1/2020	Open Systems International, Inc.	Emerson Electric Co. (NYSE:EMR)	Application Software	\$1,600.0	9.6x	-



# Technology

Largely mirroring the fluctuations of the NASDAQ Composite Index, the Technology sector has outperformed the overall market with a widening gap in Q4 2020. Expectations of market demand and M&A activity are set to continue this trend into 2021.



As of 12/31/2020

Company Name	Ticker	LTM Financials				Valuation Metrics			LTM Margins	
		Enterprise Value	Revenue	Gross Profit	EBITDA	EV / Revenue	EV / Gross Profit	EV / EBITDA	Gross Margin	EBITDA Margin
Activision Blizzard, Inc.	NasdaqGS:ATVI	\$55,175	\$8,086	\$5,826	\$3,025	6.8x	9.5x	18.2x	72.1%	37.4%
Adobe Systems Incorporated	NasdaqGS:ADBE	\$209,149	\$12,868	\$11,146	\$4,808	16.3x	18.8x	43.5x	86.6%	37.4%
Alliance Data Systems Corporation	NYSE:ADS	\$18,820	\$4,521	\$707	\$693	4.2x	26.6x	27.1x	15.6%	15.3%
Amphenol Corporation	NYSE:APH	\$16,944	\$8,599	\$2,664	\$1,951	2.0x	6.4x	8.7x	31.0%	22.7%
Apple Inc.	NasdaqGS:AAPL	\$1,507,082	\$294,135	\$114,067	\$85,159	5.1x	13.2x	17.7x	38.8%	29.0%
Applied Materials, Inc.	NasdaqGS:AMAT	\$56,756	\$17,202	\$7,715	\$4,844	3.3x	7.4x	11.7x	44.8%	28.2%
Arrow Electronics, Inc.	NYSE:ARW	\$7,908	\$28,673	\$3,191	\$1,101	0.3x	2.5x	7.2x	11.1%	3.8%
Automatic Data Processing, Inc.	NasdaqGS:ADP	\$64,745	\$14,591	\$6,520	\$3,813	4.4x	9.9x	17.0x	44.7%	26.1%
Booz Allen Hamilton Holding Corporation	NYSE:BAH	\$12,568	\$7,849	\$1,873	\$812	1.6x	6.7x	15.5x	23.9%	10.3%
CDW Corporation	NasdaqGS:CDW	\$20,267	\$18,468	\$3,210	\$1,613	1.1x	6.3x	12.6x	17.4%	8.7%
Cisco Systems, Inc.	NasdaqGS:CSCO	\$185,427	\$48,071	\$30,800	\$15,220	3.9x	6.0x	12.2x	64.1%	31.7%
Cognizant Technology Solutions Corporation	NasdaqGS:CTSH	\$29,833	\$16,652	\$6,060	\$2,960	1.8x	4.9x	10.1x	36.4%	17.8%
Corning Incorporated	NYSE:GLW	\$28,535	\$11,303	\$3,974	\$2,877	2.5x	7.2x	9.9x	35.2%	25.5%
DXC Technology Company	NYSE:DXC	\$12,345	\$18,159	\$3,861	\$2,531	0.7x	3.2x	4.9x	21.3%	13.9%
eBay Inc.	NasdaqGS:EBAY	\$41,620	\$10,271	\$7,798	\$3,326	4.1x	5.3x	12.5x	75.9%	32.4%
Facebook, Inc.	NasdaqGS:FB	\$597,978	\$85,965	\$69,273	\$39,533	7.0x	8.6x	15.1x	80.6%	46.0%
Fidelity National Information Services, Inc.	NYSE:FIS	\$102,039	\$12,552	\$4,204	\$4,198	8.1x	24.3x	24.3x	33.5%	33.4%
Hewlett Packard Enterprise Company	NYSE:HPE	\$25,922	\$26,982	\$8,496	\$4,284	1.0x	3.1x	6.1x	31.5%	15.9%
HP Inc.	NYSE:HPQ	\$27,511	\$56,639	\$10,437	\$4,710	0.5x	2.6x	5.8x	18.4%	8.3%
Insight Enterprises, Inc.	NasdaqGS:NSIT	\$2,761	\$8,341	\$1,300	\$352	0.3x	2.1x	7.8x	15.6%	4.2%
Intel Corporation	NasdaqGS:INTC	\$272,106	\$77,867	\$43,612	\$36,115	3.5x	6.2x	7.5x	56.0%	46.4%
International Business Machines Corporation	NYSE:IBM	\$164,948	\$73,621	\$35,575	\$16,402	2.2x	4.6x	10.1x	48.3%	22.3%
Jabil Inc.	NYSE:JBL	\$7,182	\$27,593	\$2,012	\$1,638	0.3x	3.6x	4.4x	7.3%	5.9%
Lam Research Corporation	NasdaqGS:LRCX	\$46,849	\$11,929	\$5,557	\$3,708	3.9x	8.4x	12.6x	46.6%	31.1%
Leidos Holdings, Inc.	NYSE:LDOS	\$17,722	\$11,999	\$1,673	\$1,268	1.5x	10.6x	14.0x	13.9%	10.6%
Mastercard Incorporated	NYSE:MA	\$298,688	\$15,301	\$15,301	\$8,742	19.5x	19.5x	34.2x	100.0%	57.1%
Micron Technology, Inc.	NasdaqGS:MU	\$55,382	\$22,064	\$6,922	\$9,249	2.5x	8.0x	6.0x	31.4%	41.9%
Microsoft Corporation	NasdaqGS:MSFT	\$1,489,689	\$153,284	\$104,774	\$71,687	9.7x	14.2x	20.8x	68.4%	46.8%
Motorola Solutions, Inc.	NYSE:MSI	\$28,680	\$7,414	\$3,637	\$1,933	3.9x	7.9x	14.8x	49.1%	26.1%
NCR Corporation	NYSE:NCR	\$6,257	\$6,207	\$1,674	\$611	1.0x	3.7x	10.2x	27.0%	9.8%
NetApp, Inc.	NasdaqGS:NTAP	\$8,766	\$5,524	\$3,687	\$1,076	1.6x	2.4x	8.1x	66.7%	19.5%
NVIDIA Corporation	NasdaqGS:NVDA	\$224,920	\$14,777	\$9,416	\$5,119	15.2x	23.9x	43.9x	63.7%	34.6%
Oracle Corporation	NYSE:ORCL	\$201,155	\$39,403	\$31,651	\$17,271	5.1x	6.4x	11.6x	80.3%	43.8%
PayPal Holdings, Inc.	NasdaqGS:PYPL	\$203,129	\$21,454	\$10,001	\$4,295	9.5x	20.3x	47.3x	46.6%	20.0%
QUALCOMM Incorporated	NasdaqGS:QCOM	\$109,095	\$26,689	\$16,058	\$9,129	4.1x	6.8x	12.0x	60.2%	34.2%
Salesforce.com, inc.	NYSE:CRM	\$165,194	\$20,286	\$15,107	\$2,022	8.1x	10.9x	81.7x	74.5%	10.0%
Sanmina Corporation	NasdaqGS:SANM	\$1,692	\$6,960	\$526	\$377	0.2x	3.2x	4.5x	7.6%	5.4%
SYNNEX Corporation	NYSE:SNX	\$7,783	\$24,676	\$2,924	\$1,334	0.3x	2.7x	5.8x	11.8%	5.4%
Texas Instruments Incorporated	NasdaqGS:TXN	\$118,338	\$14,461	\$9,269	\$6,856	8.2x	12.8x	17.3x	64.1%	47.4%
Visa Inc.	NYSE:V	\$423,053	\$21,479	\$20,760	\$14,736	19.7x	20.4x	28.7x	96.7%	68.6%
VMware, Inc.	NYSE:VMW	\$67,622	\$11,546	\$9,585	\$2,594	5.9x	7.1x	26.1x	83.0%	22.5%
Western Digital Corporation	NasdaqGS:WDC	\$20,166	\$16,618	\$3,829	\$2,018	1.2x	5.3x	10.0x	23.0%	12.1%
Xerox Corporation	NYSE:XRX	\$5,491	\$7,022	\$2,626	\$752	0.8x	2.1x	7.3x	37.4%	10.7%

Median	3.5x	6.8x	12.2x	44.7%	22.7%
Mean	4.7x	9.0x	16.9x	45.6%	25.1%

# Technology

## State of the Industry

### NASDAQ 100 Technology Index



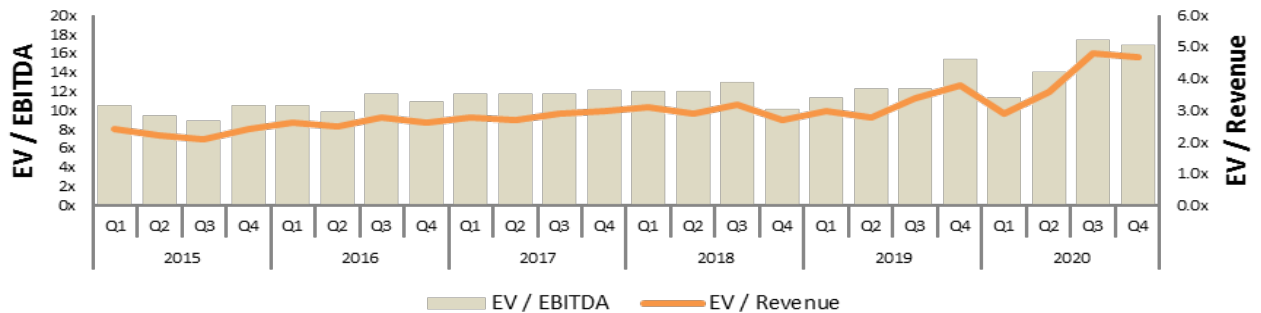
Source: Capital IQ

### S&P North American Technology Sector Index



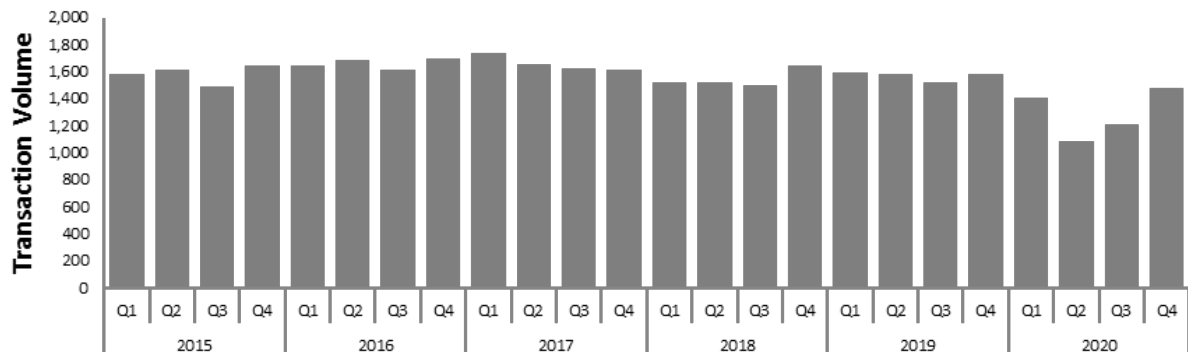
Source: Capital IQ

### Industry Valuations



Source: Capital IQ

### Technology Transaction Volume



Source: Capital IQ



## The Value of Accomplishment

The highest level of expertise and hard work is what accomplishment requires. It's what you deserve and what we do.

- We sweat the small stuff.
- Take a 3:00am call.
- Say yes.
- Say no.
- Dig deeper when things get tough.
- And celebrate with you when your efforts pay off and you can reflect on it all and say, "It's really remarkable what we've accomplished here."
- Then and only then, will we know that we've accomplished something meaningful, too.

### About Mirus

Mirus has been an active technology deal maker for the last 30 years. Representing professional investors and boards, as well as bootstrapped closely held businesses, Mirus has closed over 100 transactions in industry sectors including: Manufacturing Automation, Software, Hardware and Peripherals, Internet and Digital Media, Telecom and Networking.

### Partner Spotlight

Alan Fullerton and Rudy Minar are the leaders of our Technology team. They have a demonstrated record of managing and closing dozens of engagements with companies in the industry. Alan has been a leading technology deal maker for more than 20 years, representing publicly traded companies, professional investors and boards, and closely held businesses. An advocate for his clients, Alan has led business owners and boards of directors through over forty sell side transactions, as well as multiple buy-side, equity and debt transactions. Alan holds an MBA from Ecole des Ponts (France), an MS in Electrical Engineering from Brown University, and a BS in Mechanical Engineering from MIT. Trained as an electrical engineer, Rudy brings deep domain knowledge and extensive relationships within the software and communications and networking sectors. He earned his Master in International Affairs from Columbia University and received his BSEE from Worcester Polytechnic Institute.



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*"The Mirus team successfully guided us through every aspect of the transaction, from identifying prospective buyers through closing. They conducted a thorough process and we are delighted by the outcome."*

## Mirus Technology Spotlight



has been acquired by



Casco Development, Inc. is a leading provider of shop floor productivity software for mid-sized and large manufacturers. CAI Software is a business consulting, enterprise resource planning software development and IT support services company with products and services related to the lumber, seafood, wholesale food processing and distributions sectors, as well as the jewelry manufacturing and distribution, and precious metals recycling, refining and manufacturing sectors.



has been acquired by



now a part of



Eutecus Inc., the global technical leader in embedded video analytics; providing single-chip, multi-channel video and fusion analytics solutions, has been acquired by Sensity Systems Inc., a provider of a leading Internet of Things (IoT) platform for Smart Cities, now part of Verizon. "The combined company will provide customers with leading computer vision powered solutions in a comprehensive IoT platform for Smart Cities," according to Bruce Boes and Peter Alternative, the lead bankers representing Eutecus shareholders in the sale to Sensity Systems.



has been acquired by



Magestic Systems provides a variety of integrated manufacturing software solutions for CNC cutting applications of advanced materials such as composites and honeycomb laminates, as well non-composite materials such as heavy plate and sheet metal. Magestic Systems' solutions are used around the world by leading manufactures in the aerospace, automotive, transportation, energy, defense, industrial and construction industries. Autodesk is a leading design, engineering and entertainment software based in San Rafael, California.



has been acquired by



a portfolio company of



MAM Software is a leading global provider of cloud-based business and on-premise management solutions for the auto parts, tire and vertical distribution industries. The company provides a portfolio of innovative software (SaaS and packaged), data (DaaS), and integration (iPaaS) services that enable businesses to intelligently manage core business processes, control costs and generate new profit opportunities. MAM's integrated platforms provide a wealth of rich functionality including: point-of-sale, inventory, purchasing, reporting, data and e-commerce. Kerridge Commercial Systems (KCS) provides specialist software, services and support to deliver fully integrated trading and business management solutions to distributive trades customers, large and small.