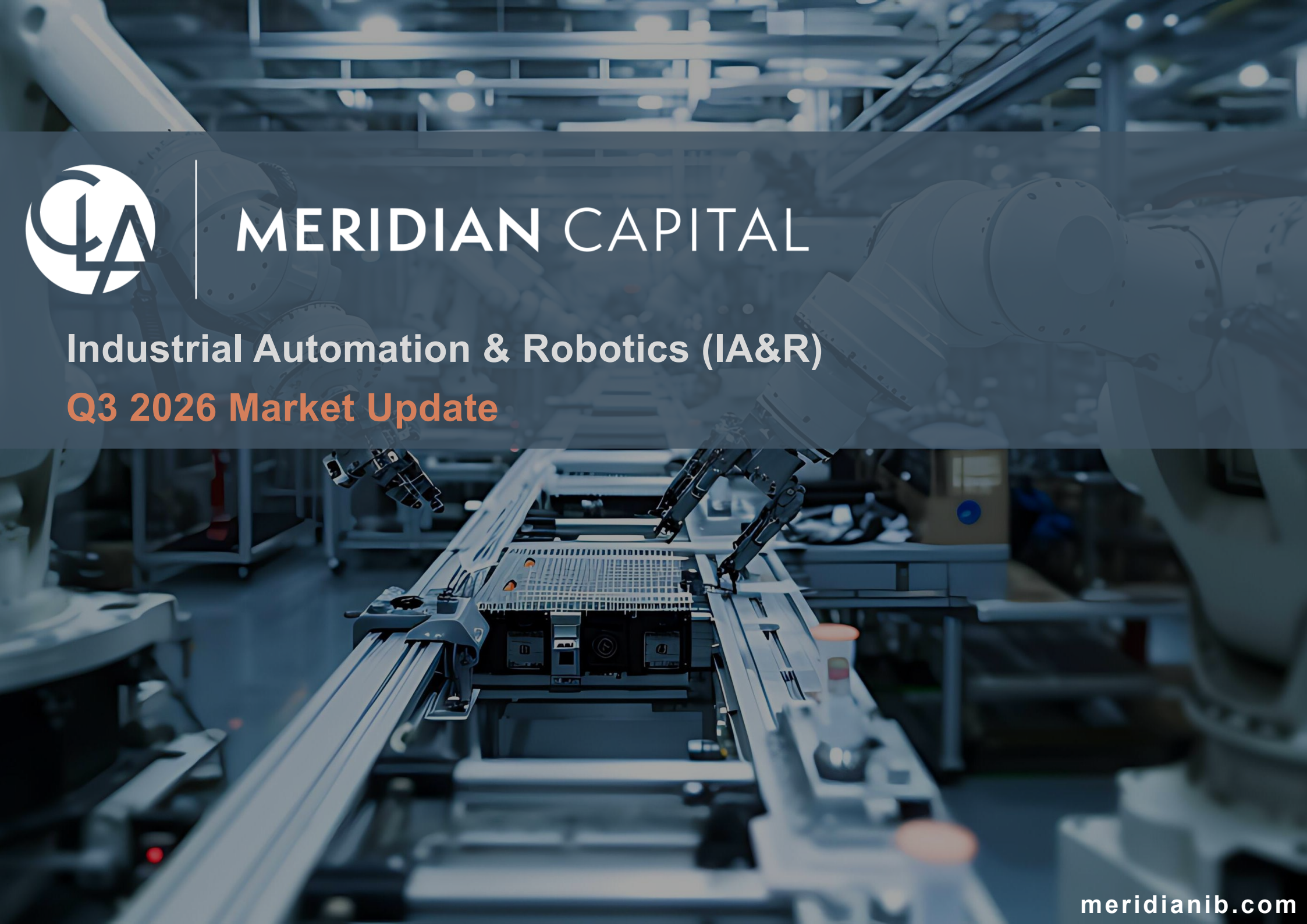


MERIDIAN CAPITAL

Industrial Automation & Robotics (IA&R)

Q3 2026 Market Update

meridianib.com

CLA Meridian Capital Manufacturing & Distribution Practice

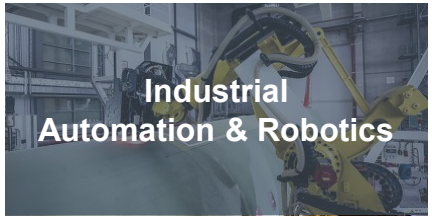
Overview

CLA Meridian Capital's Industrial practice has extensive experience advising on 70+ transactions to date, including in the Industrial Automation & Robotics sector.

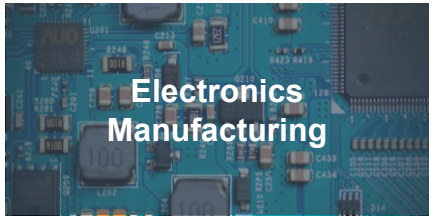
The coverage team maintains deep relationships with leading strategic acquirers and financial sponsors active in the space, and stays current on the latest sector trends, valuation drivers, and buyer priorities shaping the industry today.

CLA Meridian Capital is pleased to present its **Q3 2026 Industrial Automation & Robotics ("IA&R") Market Update**

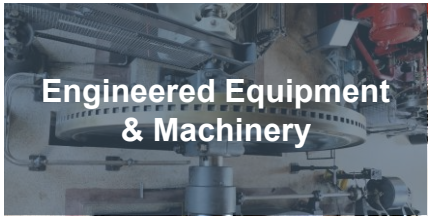
Notable Areas of Focus and Expertise



















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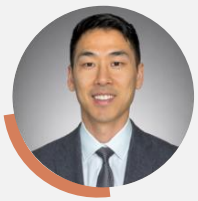
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Deep Relationships with IA&R Focused Investors

Deep Investor Connectivity

Family, Founder, & Entrepreneur Focused

CLA Meridian is focused on working on behalf of family, founder, and entrepreneur-owned businesses

Longstanding Relationships

Through decades of relationship building, CLA Meridian's senior bankers have direct connections with strategic decision makers and principals at leading PE funds and industry strategics

Storied Heritage

CLA Meridian's reputation for representing best-in-class companies helps position our clients to engage with investors and pursue an optimal outcome

Ongoing Correspondence with Financial and Strategic Investors

Honeywell, Siemens, Schneider Electric, Rockwell Automation, Emerson, ABB, Boeing, Airbus, Teledyne Technologies Incorporated, Fanuc, Zebra, Kuka, UiPath, AeroVironment, GE, Allegion, Wipro, Parker, Comau, Eaton, CSW Industrials, Danaher, Audax Private Equity, Angeles Equity Partners, Main Street Capital Corporation, Blackford Capital, OneEquity, Arsenal Capital Partners, Edgewater Capital Partners, GenNx360 Capital Partners, ae Industrial Partners, Trive Capital, Blue Sea Capital, Liberty Hall Capital Partners, Graycliff Partners, Gryphon Investors, HCI Equity Partners, Graham Partners, Shorehill Capital, McNally Capital, Court Square

Select Meridian Transaction Experience

MTM Robotics	Pacific Consolidated Industries	OSI*	Industrial Software Solutions	Cimetrix*	BERG Companies	Apollo Video Technology
MTM Robotics	PCI	OSI	Industrial Software Solutions	cimetrix	BERG	Apollo Video Technology
- Acquired by -	- Recapitalized by -	- Acquired by -	- Acquired by -	- Acquired by -	- Acquired by -	- Acquired by -
AIRBUS	TJM Capital Partners	EMERSON	EECOL ELECTRIC	PDF Solutions	HDT Global	Luminator Technology Group; Audax Group

Note: Includes transactions completed by CLA Meridian bankers while at previous firms



Section 01.
Industry & Sector Overview

Key Trends Driving Manufacturing & Automation



Material Handling & Welding Drive Automation Adoption

Material handling and welding remain the largest robotic applications, representing roughly half of industrial robot demand and providing an entry point for broader factory automation

Workforce Constraints Create Investment Tailwinds[1]

The U.S. faces a **projected shortfall of 1.9 million manufacturing workers by 2033**, creating a long-term opportunity for robotics and automation providers

Reshoring and Supply Chain Resilience Fueling IA&R Interest

Rising geopolitical tensions and trade uncertainties are pushing companies to localize supply chains. Automation investments and smart warehousing solutions are accelerating as businesses seek to reduce reliance on overseas suppliers, creating new opportunities

Sustainability and Regulatory Compliance Driving Automation Demand

Regulations and sustainability goals are driving energy-efficient automation. Companies are adopting eco-friendly robotics and predictive maintenance solutions to optimize energy use and enhance ROI

Automation Investment Remains a Strategic Priority[2]

73% of surveyed U.S. manufacturers plan to increase automation investment over the next three years, while only 37% reported having achieved automation at scale

Digital Twins, RaaS, and Partnerships Drive Cost-Effective Automation

Digital twins, simulation, and RaaS cut the capital and integration barriers for smaller manufacturers, making provider-integrator partnerships central to adoption and ROI

AI and Machine Learning Transforming Automation

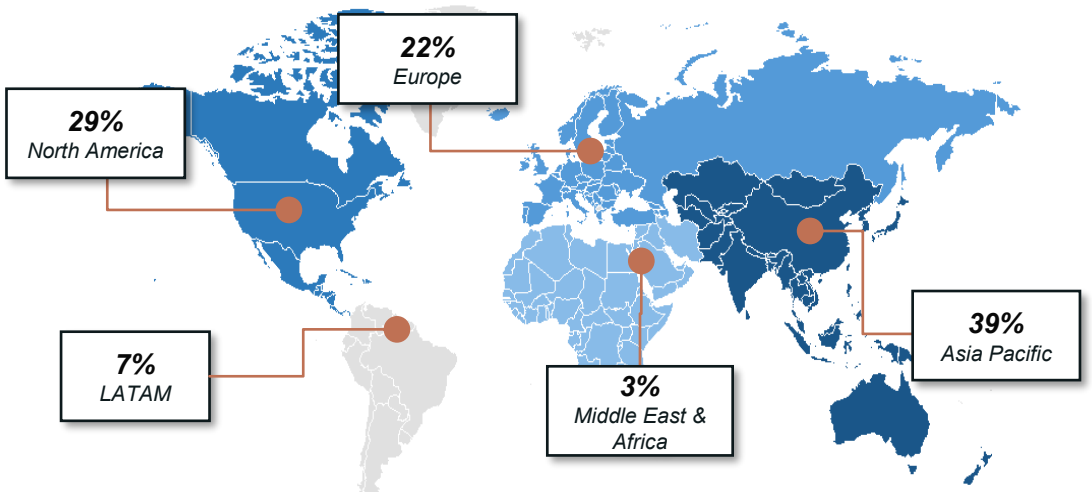
AI-powered vision systems with predictive maintenance and adaptive automation capabilities are reshaping industrial automation, with manufacturers implementing them to optimize processes, reduce downtime, and enhance quality control

Sources: (1): Manufacturing Institute; (2): Vention 2025 Manufacturing Automation Report; International Federation of Robotics; Grand View Research; Next Move Strategy Consulting; Institute for Supply Management

Industrial Automation & Robotics Overview

Sustainable market growth driven by the widespread adoption of IA&R solutions with rising demands for business productivity and efficiency

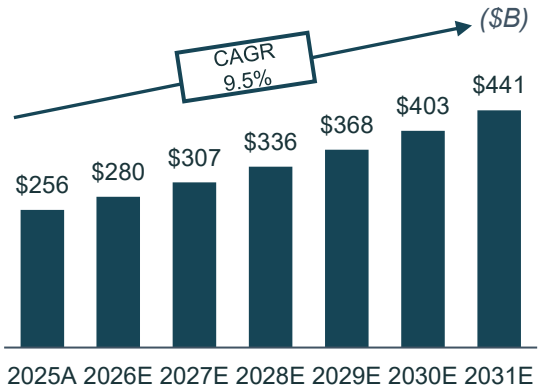
Global IA&R 2025 Market Revenue Share by Region[1]



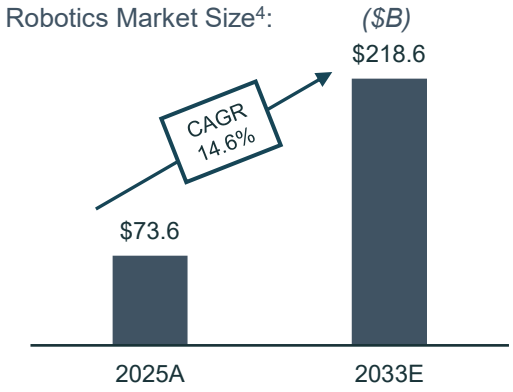
Global IA&R Regional Insights[1,2,3]

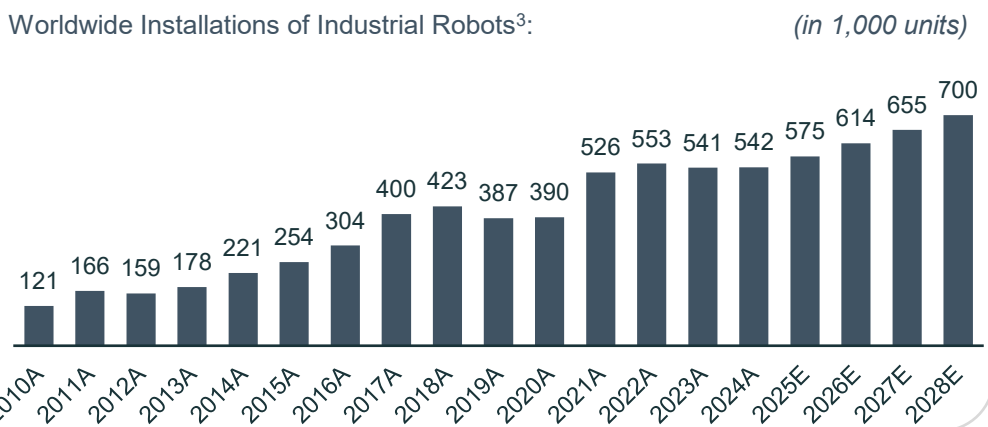
- **North America** – Experiencing rapid growth driven by AI, robotics, and smart manufacturing. The U.S. leads with heavy automation investments in automotive, medical, aerospace, and food processing.
- **Asia Pacific** – The global leader (39% of 2025 market share) in industrial automation powered by China, Japan, and South Korea. Government initiatives like "Made in China 2025" and Japan's Society 5.0 fuel demand for industrial robots and smart factories.
- **Europe** – A major global player with Germany, France, and Italy at the forefront of automation. Industry 4.0 and sustainability efforts drive adoption, with Germany housing 36% of Europe's industrial robots.
- **Middle East & Africa** – A small but growing market, led by UAE and Saudi Arabia. The Saudi Ministry of Industry and Mineral Resources plans to build 4,000 smart factories as part of the Saudi Vision 2030 to accelerate industrial automation.
- **LATAM –** Brazil and Mexico lead automation adoption in the region, particularly in automotive, food & beverage, and logistics

Global IA Market[1]



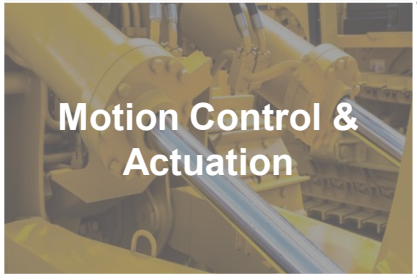
Global Robotics Market Size and Growth





Sources: (1): Precedence Research; (2): Grand View Research; (3): International Federation of Robots; (4): Mordor Intelligence

Industrial Automation & Robotics Overview

Subsector	Common Solutions	Emerging Trends	Representative Industry Leaders
 **Robotics**	➢ Industrial Robots ➢ Collaborative Robots (“cobots”) ➢ Mobile Robots ➢ Service & Specialized Robots	➢ Increased adoption of Cobots and Autonomous Mobile Robots (“AMRs”) in warehouses and factories ➢ Robotics-as-a-Service (“RaaS”) subscriptions lowering barrier to entry for robotic solutions ➢ AI and ML improving robot dexterity for complex tasks	TERADYNE, ABB, EPSON Robots, UNIVERSAL ROBOTS, KUKA, YASKAWA MOTOMAN ROBOTICS, Kawasaki Robotics, AeroVironment, MECADEMIC INDUSTRIAL ROBOTICS, SCHUNK, dji, FANUC, INTUITIVE, BostonDynamics, COMAU, MISSION DESIGN & AUTOMATION
 **Machine Vision & Sensing**	➢ 2D & 3D Vision Systems ➢ AI-Based Visual Inspection ➢ LiDAR & Depth Sensing ➢ Industrial Cameras & Edge Processing	➢ Embedded Vision and Edge Processing enabling real-time decision-making in cameras and sensors ➢ 3D Vision and Depth Sensing enhancing quality inspection, robot guidance, and object recognition ➢ Integration of AI-powered Machine Vision automating defect detection and predictive maintenance	TELEDYNE TECHNOLOGIES INCORPORATED, ZEBRA, COGNEX, YOKOGAWA Co-innovating tomorrow, KEYENCE, MISSION DESIGN & AUTOMATION, BASLER the power of sight, ST Engineering, NVIDIA, CONVERGIX AUTOMATION SOLUTIONS, BOS INNOVATIONS IN AUTOMATION, UNITX, Allied Vision, danaher
 **Motion Control & Actuation**	➢ Servo & Stepper Motors ➢ Drives & Controllers ➢ Pneumatics & Hydraulics ➢ Encoder Technologies	➢ Smart actuators with integrated sensors enhancing precision, efficiency, and responsiveness ➢ Emerging encoder technologies offering medical machine manufacturers more advanced solutions for position sensing and data transmission ➢ Prioritization of energy-efficient and regenerative drives	RENISHAW apply innovation, Rockwell Automation, B&R A member of the ABB Group, FANUC, KUKA, OMRON, MITSUBISHI ELECTRIC, Kawasaki Robotics, MECADEMIC INDUSTRIAL ROBOTICS, AIT, FESTO, BECKHOFF
 **Digital & Smart Factory Solutions**	➢ Industrial IoT & Connected Systems ➢ Cloud & Edge Computing ➢ AI-Based Predictive Analytics	➢ Increased opportunities for remote and off-site operations with improvement in communication technologies ➢ Rise of virtual twin technologies, providing real-time simulations of factory environments ➢ Cloud and Edge Computing integration for scalable data processing	RENISHAW apply innovation, SIEMENS, YOKOGAWA Co-innovating tomorrow, EMERSON, Rockwell Automation, Schneider Electric, VENTION, AIT, amazon, kyndryl

Sources: PitchBook; Company Websites

Industrial Automation & Robotics Overview

Subsector	Common Solutions	Emerging Trends	Representative Industry Leaders
Digital Twin & Simulation Technology	➢ Virtual Commissioning & Testing ➢ Real-Time Process Optimization	➢ Enhancements of Digital Twins AI training modules ➢ Integration of Augmented Reality (“AR”) with Digital Twin technologies ➢ Multi-asset Digital Twin platforms offering comprehensive and cross-department collaboration	SIEMENS, Ansys, amazon, ptc, Dassault Systèmes, Rockwell Automation, HEXAGON
Additive Manufacturing (3D Printing)	➢ Industrial-Grade Metal & Polymer Printing ➢ Rapid Prototyping & Mass Customization	➢ Shift from prototype-centric to full-scale, production-ready 3D manufacturing becoming more mainstream ➢ Expanding applications with advanced materials offering enhanced strength, sustainability, and biocompatibility ➢ New developments in micro and large-format 3D printing	HEXAGON, 3D SYSTEMS, RENISHAW, stratasys, hp, formlabs, EOS, Nikon SLM, JABIL
Modular & Flexible Automation	➢ Adaptive Manufacturing Systems ➢ Reconfigurable Assembly Lines	➢ Growing adoption of universal, plug-and-play systems for adaptable manufacturing ➢ Manufacturers promoting standardized interfaces for seamless scalability and reduced downtime ➢ “Lego-like” production / assembly lines with interchangeable modules for rapid adaptation	STANDARD BOTS, OMRON, JABIL, kardex, amazon, VENTION, KNAPP, KION GROUP, STÄUBLI
Industrial Automation Software & Controls	➢ PLCs, SCADA, and DCS ➢ Manufacturing Execution Systems (“MES”) ➢ Advanced Robotics Programming	➢ Traditional PLC-based architectures evolving into flexible, software-defined control solutions ➢ Advancement of MES platforms enabling complex workflows and enhanced data analytics ➢ Increased adoption of edge computing for real-time data analysis and control at the device level	EMERSON, ABB, Honeywell, SIEMENS, MECADEMIC, cognizant, ptc, NVIDIA, danaher, Schneider Electric, UiPath
Autonomous Systems & AI-Driven Automation	➢ Fully / semi-autonomous Robots (AGVs, AMRs, drones, etc.) ➢ AI-Driven Process Optimization ➢ Predictive Analytics ➢ Human-Robot Collaboration Technologies	➢ Expansion of AMRs and AI-powered Cobots driving flexible, human-centric automation ➢ Widespread adoption of self-optimizing, AI-driven automation systems and robotics ➢ Fully autonomous inspection and quality control procedures using AI and computer vision	amazon, SIEMENS, KUKA, FANUC, kyndryl, AeroVironment, Rockwell Automation, NVIDIA, UNITX, ST Engineering, Honeywell, UiPath, CONVERGIX AUTOMATION SOLUTIONS, ABB, cognizant

Sources: PitchBook; Company Websites

Tailored IA&R Solutions by End-Market

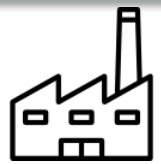
Automation and robotics solutions are unlocking significant market growth by addressing unique challenges across industrial end-markets

End-Market	Notable IA&R Trend	End-Market Challenges	Key IA&R Solutions
 **Automotive**	Nearly **45%** of auto manufacturers identify advanced manufacturing methods, including Industry 4.0 technologies–3-D printing and robotics–as the automotive innovations they are most excited about for 2025[1]	❑ Reshoring supply chains ❑ Quality issues leading to costly recalls ❑ Demand-supply gap for lithium batteries for EVs ❑ Evolving consumer preferences for sustainable and convenient mobility solutions	✓ Robots, 3-D printing, and AGVs in manufacturing ✓ Machine vision for quality control ✓ Automated battery management systems (“BMS”) ✓ Advanced driver assistance systems (“ADAS”) and autonomous vehicles (“AVs”)
 **Healthcare**	Generative AI and robotic process automation (“RPA”) technologies can reduce the time revenue-cycle medical staff spend on routine tasks by **50%** and allow bedside nurses to dedicate **20%** more time to direct patient care[2]	❑ Shortage of frontline healthcare professionals – physicians, doctors, and nurses ❑ Rising healthcare costs (drug prices, medical equipment and supplies) making it challenging to meet increasing demand	✓ Robotic process automation (“RPA”) for admin tasks ✓ Service robots and cobots ✓ Embedded vision technology ✓ AI-powered diagnostics and treatment support
 **Military & Defense**	The U.S. DoD’s FY26 budget request allocates **$13.4B** to AI and autonomy – its first dedicated budget line for these capabilities – including **$9.4B** for unmanned aerial systems and $1.2B for autonomy software and integration[3]	❑ Force protection and personnel safety ❑ Real-time data collection and insights ❑ Cybersecurity vulnerabilities	✓ Robots and Autonomous Systems (“RAS”) to assist in landmine clearance, explosive ordnance disposal, rescue operations, or undersea navigation ✓ Digital twins for battlefield simulations ✓ Autonomous weapon systems and drones ✓ Internet of Military Things (“IoMT”)
 **Energy**	By 2035, solar panel installations will **triple to 50,000 modules per hour** (3M+ pounds), requiring nearly double the workforce. AES, a leading energy provider, is keeping pace by scaling Maximo, its AI-powered robot, to accelerate deployment[4]	❑ Reduction of carbon emissions ❑ Maximizing energy usage ❑ Skilled labor shortages ❑ Aging energy infrastructure	✓ AI-powered solar panels and wind turbines ✓ AI-enabled solar installation robots ✓ Autonomous / smart grid systems ✓ Automated drilling & monitoring systems ✓ Advanced monitoring systems
 **Agriculture**	It is anticipated that in the year 2026, **70%** of the large farms in the U.S. will adopt some degree of agricultural robotics, up from the current 45%[5]	❑ Declining and aging workforce ❑ Rising costs – labor, fuel, fertilizer, and pesticides ❑ Pressure to improve crop yields and efficiencies	✓ Automated harvesting systems ✓ Agricultural robotics (harvesting, seeding, weeding, drones, etc.) ✓ Driverless tractors ✓ AI to develop and simulate testing scenarios

Sources: (1): Thomasnet; (2): Deloitte; (3): DefenseScoop; (4): Renewable Energy World; (5): Coolest Gadgets

Tailored IA&R Solutions by End-Market (cont'd)

Automation and robotics solutions are unlocking significant market growth by addressing unique challenges across industrial end-markets

End-Market	Notable IA&R Trend	End-Market Challenges	Key IA&R Solutions
 **Manufacturing**	**90%** of manufacturers are calling digital transformation essential to operations and roughly **33%** are already AI augmented across quality, cybersecurity, and process optimization[1]	❑ Skilled labor shortages and talent retention ❑ Unprecedented, surging demand ❑ Rising labor costs ❑ Data overload	✓ AI-enabled automation ✓ Advanced vision systems for quality control ✓ Cobots and AMRs ✓ Manufacturing Execution Systems ("MES") ✓ Robotics as a Service ("RaaS")
 **Warehousing & Logistics**	Warehousing automation in 2025 remains largely untapped, with **69%** of companies having never deployed an Automated Guided Vehicle ("AGV") or Autonomous Mobile Robot ("AMR") and only **9%** having fully automated conveyance[2]	❑ Labor shortages and supply chain disruptions ❑ Keeping up with surging demand from rapid e-commerce growth ❑ Human errors with order fulfillment and inventory management	✓ AGVs and AMRs for material handling ✓ Optical recognition technologies ✓ Automated Storage and Retrieval Systems ("ASRS") ✓ Pick-and-place robots ✓ Connected warehouses with real-time IoT tracking
 **Metalworking**	In 2025, the metal fabrication robots' market was valued at $3.2 billion, and is projected to grow at a CAGR of 10.9% to 2033 through various applications – cutting, welding, machining, and material handling[3,4]	❑ Retirement of experienced machinists ❑ Rising material costs ❑ Stricter environmental regulations ❑ Design requirements becoming more complex	✓ CNC machining ✓ Cobots for welding, riveting, and painting / coating ✓ IoT-enabled sensors for tracking material usage, energy consumption, and optimizing cutting and forming processes
 **Aerospace**	The global aerospace AI market size is expected to grow from USD 1.95 Billion in 2025 to USD 34.1 Billion by 2033, with a **CAGR of 43%** during the forecast period from 2025 to 2033[5]	❑ Skilled labor shortages and talent retention ❑ Stringent regulatory, precision, and security requirements ❑ Programming automation solutions for high-mix, low-volume production runs	✓ AI-powered machine vision to detect defects and predictive maintenance for aircraft components ✓ Automated inspection systems ✓ AI / ML and 3-D printing advancements ✓ Further development of advanced UAVs

Sources: (1): Rockwell Automation; (2): Warehouse Automation; (3): Manufacturing Tomorrow; (4): AnalystView; (5): Startus Insights

Comparing Industrial Automation Systems

Strategic evaluation of industrial automation systems is crucial in a rapidly evolving market. Different automation systems offer varying impacts on scalability, efficiency, and capital investment

Fixed Automation Systems



Overview:

Pre-programmed, permanent systems designed for repetitive, high-volume production of a single product or task. Once installed, fixed automation operates with minimal human intervention but is difficult and expensive to reconfigure.

Common Use Cases:

Automotive Assembly Lines – Conveyor belts with robotic welding and painting systems

Food & Beverage Packaging – High-speed bottling and labeling systems

Pharmaceutical Manufacturing – Tablet pressing, packaging, and labeling

✓ Maximized efficiency, speed, and output for standardized, large-scale production

✗ Low flexibility—expensive and time-consuming to modify for new products or processes

Programmable Automation Systems



Overview:

Systems controlled by computer commands where machines can be reprogrammed to accommodate different tasks. Frequently used in batch manufacturing environments where product designs or specifications may change periodically.

Common Use Cases:

CNC Machining – Automated milling, drilling, or cutting of parts in different shapes and sizes

Batch Chemical Processing – Automated production of different chemical formulations

Printed Circuit Board ("PCB") Assembly – Electronics manufacturing requiring batch reconfigurations

✓ Adaptable for batch production—can switch between product designs with reprogramming

✗ Requires skilled operators and downtime—reprogramming can be time-intensive, slowing production transitions

Flexible Automation Systems



Overview:

A highly adaptable system where machines are automatically reconfigured for different tasks without manual intervention. Often paired with robotics, vision systems, and AI software to adjust to dynamic production needs.

Common Use Cases:

Robotic Assembly Cells – Electronics or automotive assembly where multiple product variations are produced

Automated Material Handling Systems – Warehouse robots that dynamically move products based on order needs

3D Printing Production Lines – Custom product manufacturing without retooling

✓ High customization and agility—ideal for small-batch, customized, or rapidly changing production

✗ Higher cost & complexity—requires advanced software, sensors, and integration with production management systems

Integrated Automation Systems



Overview:

Fully connected system that integrates machinery, sensors, control systems, and enterprise software into a unified ecosystem. A cornerstone of Industry 4.0 and smart factories, providing centralized control and data-driven decision-making.

Common Use Cases:

Smart Factories – Real-time monitoring and optimization of entire production lines with advanced vision systems

A&D Manufacturing – Cross-communication of robotic arms, CNC machines, material handling, and testing equipment

Renewable Energy Plants – Integrated systems managing the generation, storage, and distribution of energy in plants

✓ Maximum efficiency, data transparency, and predictability—drives continuous improvement

✗ High upfront investment / complexity—requires advanced IT infrastructure and software expertise

Rigid / Simple / Lower-Cost ⟷ **Flexible / Complex / Expensive**

Sources: South Shore Controls; TM Robot; One Pull Wire

Types of Robotics in Industrial Automation

There is a diverse universe of robotic solutions within industrial automation, each with varying business applications. Choosing the optimal robotics solution(s) based on specific needs will help maximize automation ROI

Industrial Robots

Rigid, highly precise, programmed machines used for repetitive tasks in manufacturing environments, like assembly and welding. Often stationary and designed for maximum efficiency

Primary Applications
- Welding
- Painting & Coating
- Assembly
- Machine Tending
- Cutting & Finishing

14.5%
CAGR through 2030[1]


Articulated Robots


Cartesian Robots


SCARA Robots


Delta Robots


Cylindrical Robots

Collaborative Robots

Built to work safely alongside humans, typically with features like force sensors to avoid accidents. Designed to handle tasks that require human interaction or flexibility in small-scale operations.

Primary Applications
- Flexible Machine Tending
- Light Assembly
- Quality Inspection
- Packaging & Palletizing
- Dispensing & Fastening

32.6%
CAGR through 2030[1]


Safety Monitored Stop


Speed & Separation


Hand Guiding


Power & Force Limiting

Mobile Robots

Autonomous and semi-autonomous machines that navigate through environments to transport goods. Rely on sensors and mapping technology.

Primary Applications
- Line-Side Replenishment
- Work-in-Process Transport
- Kitting & Sequencing
- Pallet Movement
- Finished-Goods Transport

13.4%
CAGR through 2030[1]


Autonomous Mobile Robots ("AMRs")


Automated Guided Vehicles ("AGVs")


Drones / Unmanned Aerial Vehicles ("UAVs")

Service Robots

Machines developed to assist operations in diverse sectors and other specialized fields, such as logistics, hospitality, agriculture, and healthcare.

Primary Applications
- Facility Inspection
- Cleaning & Sanitation
- Surgical Assistance
- Crop Harvesting
- Worker Augmentation

19.8%
CAGR through 2030[3]


Humanoids

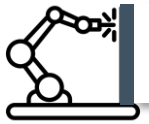

Customer Service Robots


Exoskeleton Robots


Inspection Robots


Agricultural Robots


Medical Robots



Continued **development and adoption of AI, machine vision, and adaptive control** are enhancing robotic perception and decision-making, expanding the use cases of all robotic platforms to **perform more complex tasks in increasingly variable environments** (2)

Sources: (1): Next Move Strategy Consulting; (2): Bain & Company; (3): Fortune Business Insights; Association for Advancing Automation; Intel; Standardbots

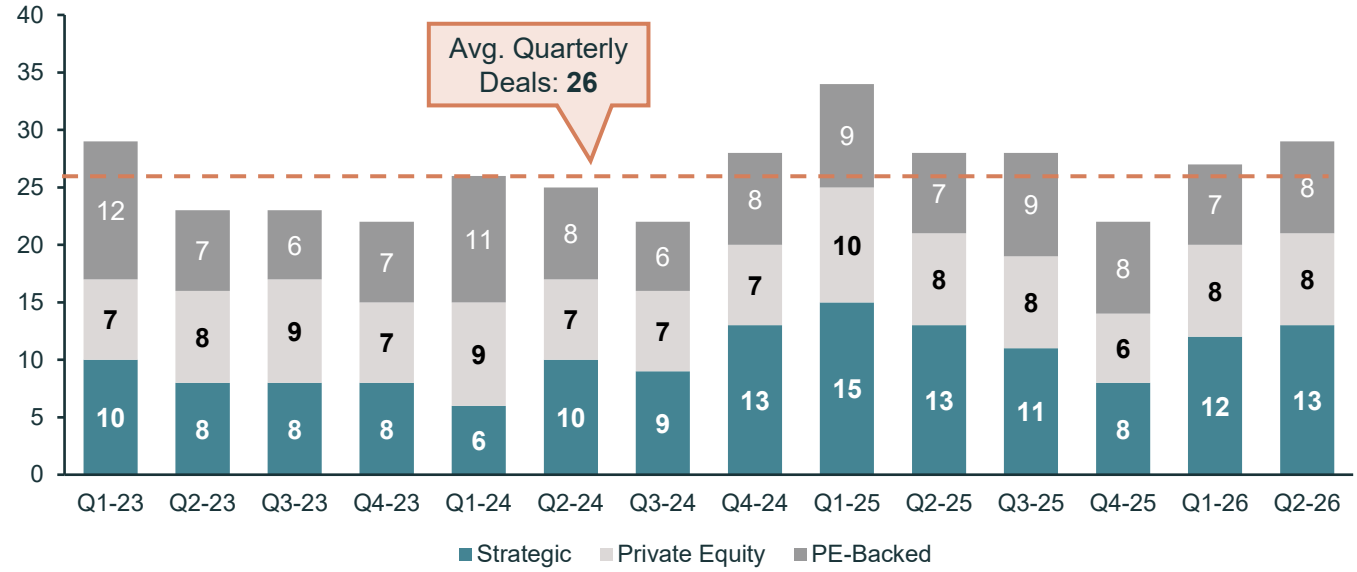


MERIDIAN CAPITAL

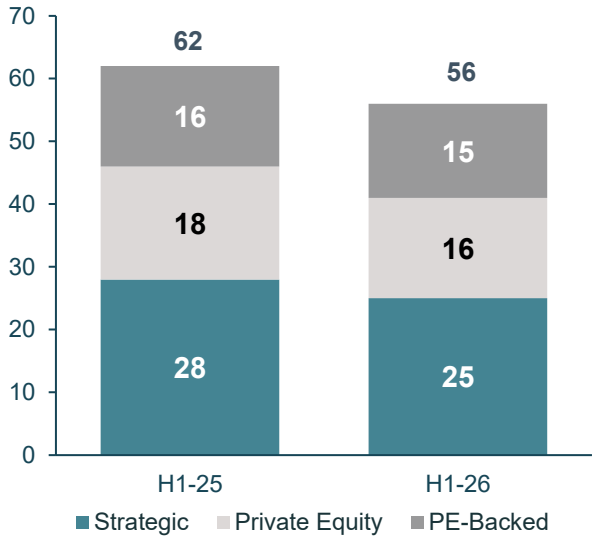
Section 02.
Buyer Activity

Industrial Automation & Robotics M&A Activity

U.S. Deal Volume (Quarterly)



Deal Volume Comparison (H1)



Key M&A Insights

Buyers are using M&A to expand beyond standalone equipment and add integrated hardware, controls, software, and services

PE and PE-backed acquirers accounted for 55% of H1 2026 deal volume, reinforcing the prominent role of financial sponsors in sector activity

AI is expanding the addressable robotics market as advances in vision, perception, and adaptive control enable robots to perform more complex tasks in variable environments

VC investment in emerging automation is supporting innovation and expanding the pipeline of potential M&A targets

Sources: PitchBook as of 8/14/26

Select Strategic Investor Profiles

Investor	IA&R Overview	# of Investments	Select Investment Targets & Descriptions					
SIEMENS ETR: SIE	Industrial automation and controls, digitalization, and smart factory solutions	280+	DEFACTO TECHNOLOGIES Jul-26	Developer of an electronic design automation platform to create RTL for system-on-chip designs	precision Jul-26	Developer of an electronic design automation software intended to democratize chip design	CANOPUS Jan-26	Developer of semiconductor metrology and inspection software for advanced technology nodes
Schneider Electric PAR: SU	Energy management and industrial automation products and services	240+	AiDASH Jul-26	Developer of a sustainable platform intended to facilitate satellite-powered operations and maintenance	motivair Feb-25	Manufacturer of cooling systems catering to artificial intelligence, automotive, cloud service, and other sectors	AUGURY Feb-25*	Developer of 3D digital twin modeling platform for automation systems
Honeywell NAS: HON	Automation, sensing, robotics, and control solutions for industrial applications	140+	Sundyne Jun-25	Manufacturer of precision centrifugal pumps and compressors	CAES Aug-24	Manufacturer of advanced electronics intended to support critical missions in aerospace and defense	CIVITANAVI SYSTEMS Mar-24	Provider of high-tech automation solutions for industrial and defense use
ABB SWX: ABBN	Robotics, electrification, and industrial automation systems	125+	rotork Jul-26	Designs and manufactures actuators and other industrial components in various markets	Specialtrasfo Jul-26	Manufacturer of transformers intended to serve renewables, offshore, power and marine industries	MESH automation Mar-26	Developer of robotic systems designed for automated processing and fabrication of steel reinforcement
EMERSON NYS: EMR	Industrial manufacturing and factory automation, control systems, and software solutions	125+	Glue Aug-26	Developer of product testing software to automate test planning, instrument selection and configuration	ni Oct-23	Provider of automated testing and measurement equipment and software solutions	afag Sep-23	Manufacturer of pneumatic and electric handling components for assembly automation
Rockwell Automation NYS: ROK	Smart manufacturing and industrial automation software	65+	Autonomique Mar-26*	Developer of AI for robots in industrial automation and other applications	RIGHTHAND ROBOTICS May-25*	Manufacturer of robotic piece-picking systems for supply chain logistics applications	elementary Oct-23	Developer of AI-powered machine vision systems that automate quality inspection and traceability
JABIL NYS: JBL	Advanced manufacturing and automation-driven production solutions	50+	Rebound Electronics Sep-25	Distributor of electronic components to serve automation end markets	ID GLOBAL Nov-24	Developer of AI-driven autonomous supply chain and procurement software	Bright Machines Apr-24*	Manufacturer of smart robotics for automated assembly and disassembly tasks
Regal Rexnord NYS: RRX	Manufacturer of electric motors, motion controls, and power transmission products	40+	Altra Motion Mar-23	Manufacturer of electromechanical power transmission products	ARROWHEAD SYSTEMS, INC. Nov-21*	Manufacturer of container handling machinery catering to food, beverage, personal care, and more	Stromag Oct-21	Manufacturer of power transmission components intended for industrial drivetrain applications
ZEBRA NAS: ZBRA	Industrial automation, tracking, and intelligent asset management	30+	Photoneo Dec-24	Developer of smart vision 3D scanners for warehouse and factory automation applications	MATROX IMAGING Jun-22	Provider of 3D sensors for OEMs and integrators involved in machine vision industries	fetch robotics Aug-21	Developer of autonomous mobile robots for warehousing and intralogistics operations
TERADYNE NAS: TER	Specializes in automatic test equipment and industrial automation applications	20+	testinsight Apr-26	Developer of an automated test equipment software tool designed for automating and improving semiconductors	QUANTIFI PHOTONICS May-25	Manufacturer of telecommunication products to solve test and measurement challenges for photonics applications	AutoGuide Mobile Robots Nov-19	Manufacturer of high-payload industrial autonomous mobile robots for assembly, manufacturing, warehousing and distribution operations

Sources: PitchBook as of 8/31/26
**Represents seed funding investment*

Select PE-Backed Profiles

Portfolio Company	Investor	Company Description
SightLine Applications (Portland, OR)	TJC May-26	Provider of video processing software and AI-powered defense solutions for autonomous and uncrewed systems
PACIV A Global Leader in Industrial Automation Solutions (Puerto Rico)	Blackford Capital Jun-23	Provider of industrial automation and systems integration for manufacturers in the pharmaceutical, biotechnology, and medical device industries
NOVARC TECHNOLOGIES (Canada)	Graham Partners Sep-22	Manufacturer and provider of collaborative welding robots and AI-driven systems for a variety of industries
CONVERGIX AUTOMATION SOLUTIONS (Troy, MI)	Crestview May-22	Provider of full-scale industrial automation systems, integration and engineering services, and AGV/AMR integration
RADWELL INTERNATIONAL, INC. (Willingboro, NJ)	CVC Apr-22	Provider of industrial automation and electronic control parts and services for plant floor and facility maintenance machinery
AIT (Plano, TX)	QIA Feb-22	Manufacturer of automated tooling and equipment intended for the global aerospace, defense, and space launch vehicle industries
INVIO AUTOMATION (Hudson, NH)	Arsenal Capital Partners Jan-22	Provider of robotics and full-service automation solutions for medical devices, renewable energy, manufacturing, logistics, and other industrial sectors

Portfolio Company	Investor	Company Description
IAR GROUP (Switzerland)	NCA NOVASTONE CAPITAL ADVISORS Dec-21	Designer and manufacturer of custom assembly machinery and collaborative robotics to enhance manufacturing efficiency
DURAVANT (Downers Grove, IL)	Warburg Pincus / Carlyle Oct-21	Manufacturer of global automation solutions, including highly-engineered food processing, packaging, and material-handling equipment
FCG FLOW CONTROL GROUP (Charlotte, NC)	KKR Apr-21	Provider of mission-critical flow control and industrial automation products for a variety of industries across North America
PACTEON (Brewerton, NY)	GenNx360 Capital Partners Sep-19	Manufacturer of end-of-line case packaging and robotic palletizing machinery and solutions
PROMACH (Covington, KY)	LGP Mar-18	Manufacturer of integrated processing and packaging solutions, offering automation and robotic systems to enhance production line performance
PAR SYSTEMS (Saint Paul, MN)	POHLAD companies Oct-17	Manufacturer and integrator of advanced automation manufacturing solutions for life science, A&D, and nuclear industries
MASSMAN Automation Designs, LLC (Alexandria, MN)	Granite Partners May-16	Manufacturer of custom-designed packaging automation equipment for a wide range of industries

Sources: PitchBook as of 8/31/26

Select PE-Backed Profiles (cont.)

Portfolio Company	Investor	Company Description
JEWETT AUTOMATION (Richmond, VA)	McNally CAPITAL Feb-25	Manufacturer of custom automation and robotic systems for complex industrial applications
RMH SYSTEMS (Waukee, IA)	Rotunda Capital Partners Feb-25	Provider of integrated automation systems and robotic solutions for material handling and packaging applications
tavoron (Eagan, MN)	FUSION CAPITAL PARTNERS Jan-25	Manufacturer of electrical and air automation systems, robotic systems, and compressed air solutions
COMAU (Italy)	OneEquity Dec-24	Manufacturer of industrial automation systems intended for aerospace, automotive, railways, and other industries
AMERICAN AUTOMATION GROUP (Lexington, TN)	LFMcapital Sep-24	Designer, manufacturer, and integrator of automated equipment, robotic controls, and programmable logic controllers
DWFRITZ PRECISION AUTOMATION (Wilsonville, OR)	BalmoralFunds Sep-24	Designer, manufacturer, and integrator of precision automation systems for advanced manufacturing applications
AGT ROBOTICS (Canada)	GAUGE CAPITAL Jun-24	Manufacturer of autonomous robotic systems for efficient, high-mix fabrication of heavy products

Portfolio Company	Investor	Company Description
E TECH GROUP (West Chester, OH)	GRAHAM PARTNERS Apr-24	Provider of automation software and engineering solutions for pharmaceuticals, logistics, and other industrial sectors
GLOBE (Tacoma, WA)	WESTWARD PARTNERS Apr-24	Manufacturer of industrial machines and systems designed to advance automation and efficiencies in factories
acieta (Waukesha, WI)	ANGELES EQUITY PARTNERS Jan-24	Provider of industrial automation and robotics integration solutions and services for the manufacturing industry
AIR AUTOMATED INDUSTRIAL ROBOTICS (Rochester Hills, MI)	ARES Jan-24	Manufacturer of fully integrated assembly lines, automation equipment, robotics, and flexible equipment
COMPASS SYSTEMS (Barberton, OH)	MAIN ST CAPITAL CORPORATION Nov-23	Manufacturer and installer of process automation systems for material handling across various industries
ONDEX automation (Oak Brook, IL)	SHORE Capital Partners Nov-23	Integrator of process, control, factory, and robotic automation systems for manufacturers
SMX INDUSTRIAL POWERING INNOVATION (Centennial, CO)	EMKO. Sep-23	Provider of steel fabrication and automation solutions for manufacturing, construction, and energy industries

Sources: PitchBook as of 8/31/26



Section 03.
Valuation Insights

M&A Implications Across the IA&R Landscape

Investor interest and valuation are heavily influenced by where a business sits in the IA&R landscape. Sub-sector maturity and end-market exposure, among other strategic factors, drive outcomes in M&A processes

IA&R Qualitative Valuation Framework

	Lower Value / Lower Investor Appetite	Market Value / Moderate Investor Interest	Premium Value / Strong Investor Appetite
Strategic Position and IA&R Capabilities			
Tech Differentiation	Commodity hardware / basic robotics or control systems	Semi-custom integration / partial IP	Proprietary software, AI/ML driven automation platforms
Strategic Maturity of Sub-Sector	Niche IA&R applications, emerging tech with longer adoption times	Mid-maturity IA&R solutions with specific industrial relevance	Core for Industry 4.0 / next-gen automation at scale
Robotics / Automation System Type	Fixed automation (legacy systems)	Programmable / semi-flexible automation systems	Integrated / AI-driven systems
Consolidation Fit	Niche player with limited footprint	Regional leader with some white space	Scalable platform with national / global reach
Market Reach & Customer Dynamics			
End-Market Exposure	Limited, lower growth end-markets	Few, moderate growth end-markets	Broad exposure, regulated / high-growth end-markets
Customer Base & Cross-Sell Potential	Project-based, SMBs, low repeat potential	Mix of SMB and midsize industrial clients	Enterprise customers with scale potential
Financial Profile			
Revenue Model	Project based / one-time installs	Mix of project-based and recurring revenue streams	Recurring revenue (SaaS / RaaS / service)
Revenue Growth Profile	<5% (flat or cyclical)	5-10% (moderate)	>10% CAGR with clear tailwinds
EBITDA Margins	<10% (install-heavy, labor intensive)	10–20% (mixed revenue)	>20% (asset-light, software-enabled)
Capex Requirements	High capex intensity / low ROI	Mixed capex with partial asset-light model	Asset-light / software-enabled / high ROI

M&A Commentary

Sub-sectors Commanding Strong Investor Appetite

- Sub-sectors with mature adoption and proven ROI **(e.g., Robotics, Industrial Automation Software & Controls, Modular & Flexible Automation, and Digital Twins)** command premium valuations due to recurring revenue, scalable platforms, and their central role in enabling Industry 4.0
- Niche or emerging sub-sectors may offer upside potential but tend to trade at discounts unless supported by proprietary tech, strong growth, or validated use cases

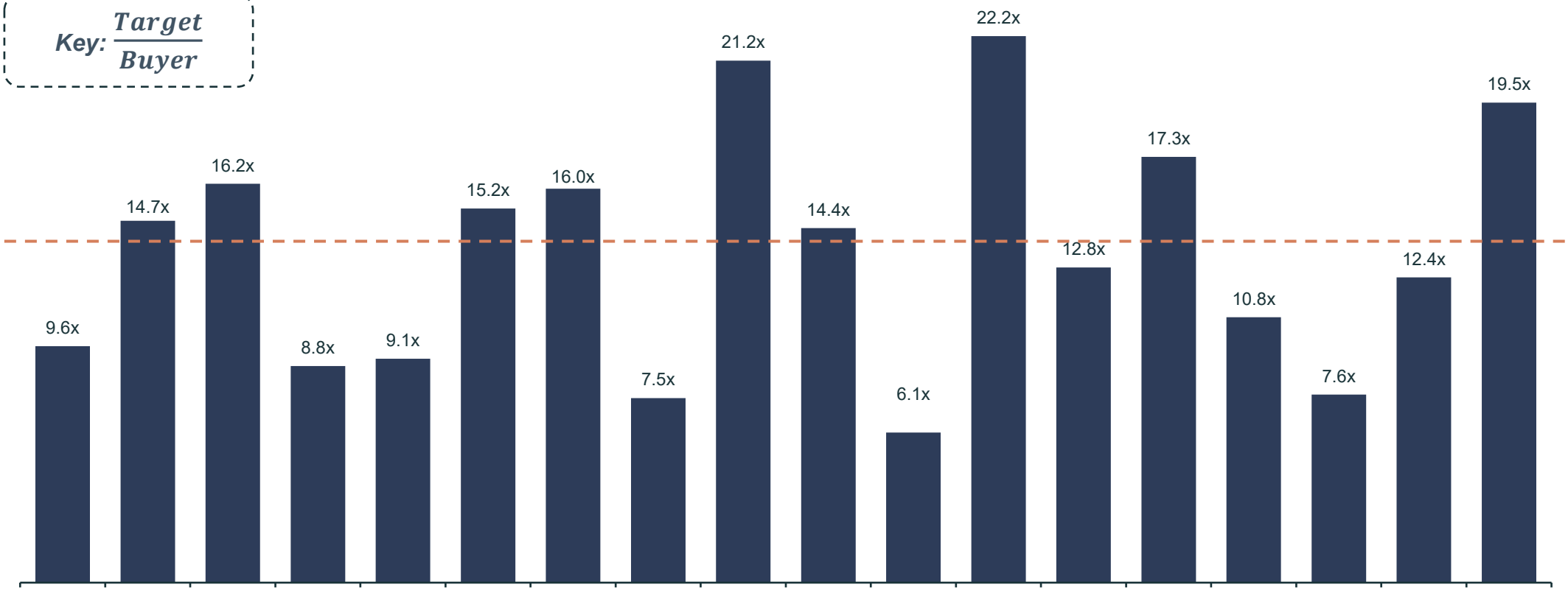
Higher-Value IA&R End-Markets

- Companies with broad exposure to secular-growth industrial end-markets **(e.g., Manufacturing, Logistics, Energy)** are highly valued by investors for reducing cyclicality and supporting platform scalability
- Companies with exposure to highly regulated and high-margin end-markets **(e.g., Healthcare, Aerospace, Defense)** are attractive when paired with tailored automation solutions, though they may narrow the buyer universe or extend diligence

Select IA&R M&A Multiples

Median EV/EBITDA (13.6x)

Key: $\frac{Target}{Buyer}$

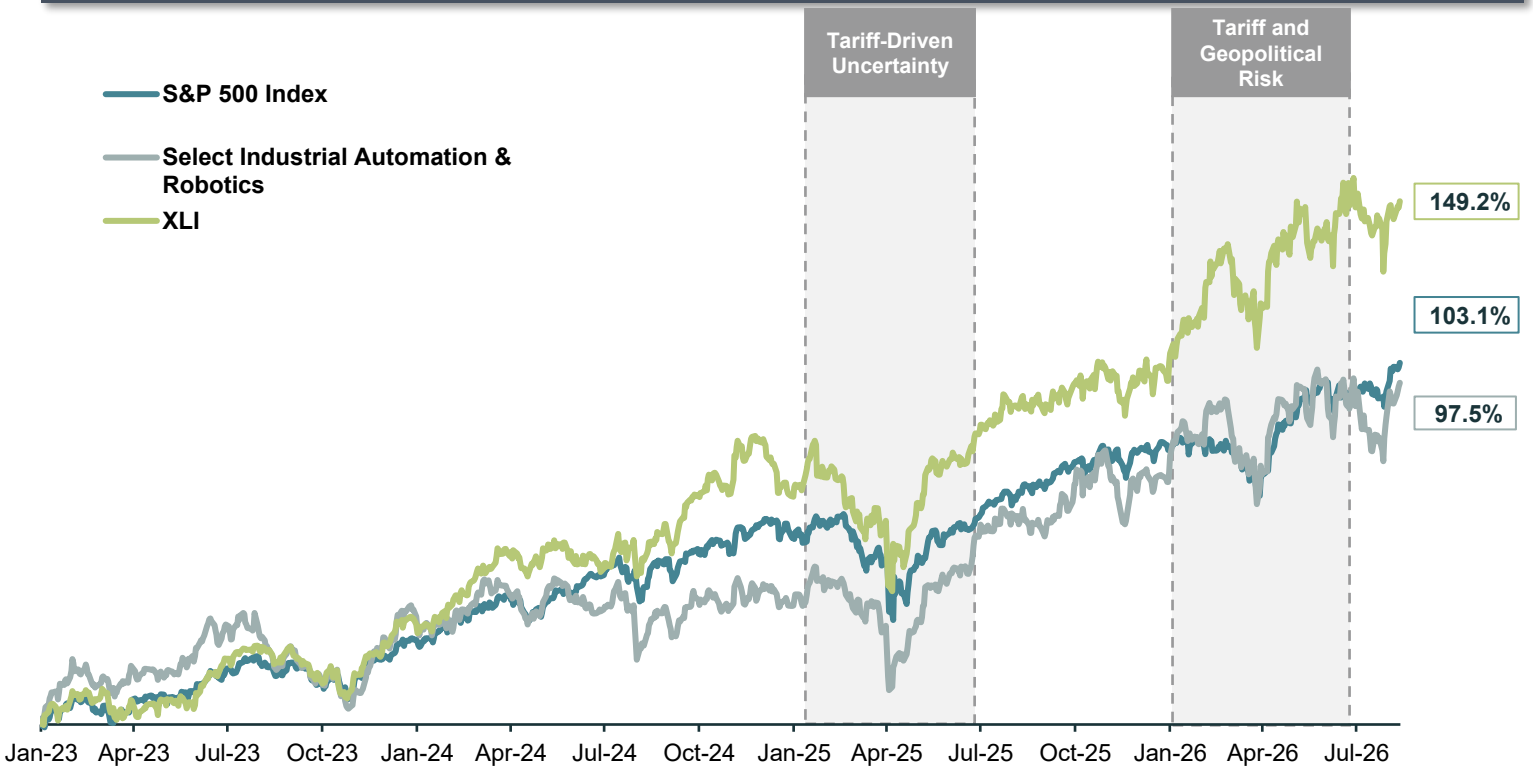


Mar 2023	Mar 2023	May 2023	Aug 2023	Jan 2024	Jan 2024	Mar 2024	May 2024	Jun 2024	Jul 2024	Sep 2024	Nov 2024	Jan 2025	Oct 2025	Oct 2025	Dec 2025	Jun 2026	Jul 2026
Storage Solutions	Altra Motion	montratec	BOBS Automation	Integrasjons Partner	LORCH	DESTACO	VITRONIC	Adimec	HollySys	BCA	MiddleGround Capital	EDGE Autonomy	ABB Robotics	EVS	alliance automation	CLEVERTECH	rotork
JUNGHEINRICH	Regal Rexnord	CMCO	DÜRR	exsitec	DAIHEN	STABILUS	PFF Group	TELEDYNE TECHNOLOGIES	上達資本	Mpac	STEMMER IMAGING	REDWIRE	SoftBank Group	Telemetrics	verbrec	CVC	ABB

Sources: PitchBook as of 8/14/26

Public Market Performance in IA&R

Industrial Automation & Robotics Public Performance



Industry Commentary

Secular Tailwinds Fueling IA&R Expansion

- Labor shortages, rising wages, and sustainability efforts are driving global automation adoption. Advances in AI, IoT, and robotics are further enhancing operational efficiency and productivity

Robust Growth Outlook for IA&R[1]

- The global IA&R market is projected to grow at a CAGR of 9% through 2030, reaching over $400 billion. Trade tensions, tariff implications on specific regions, and significant capital expenditure requirements could present near-term challenges, but investor confidence in the widespread adoption of industrial automation solutions underscores long-term success

3D SYSTEMS, ABB, AAVS, AMETEK, COGNEX, cognizant, DAIFUKU Automation that Inspires, danaher, DASSAULT SYSTEMES, EMERSON, EPSON, FANUC, HEXAGON, Honeywell, INTUITIVE, IPG PHOTONICS, JABIL, kardex, Kawasaki, KEYENCE, KION GROUP, kyndryl, MITSUBISHI ELECTRIC, mks, Novanta, OMRON, ptc, RegalRexnord, RENISHAW apply innovation, Rockwell Automation, Schneider Electric, SIEMENS, ST Engineering, symbotic, TELEDYNE TECHNOLOGIES INCORPORATED, TERADYNE, UiPath, YASKAWA, YOKOGAWA, ZEBRA

Equal Weighted XLI Index*

S&P 500 Index

**XLI represents the large-cap U.S. industrial sector; performance shown is equal weighted*

Sources: PitchBook as of 8/14/26; (1): Precedence Research

MERIDIAN CAPITAL

IA&R Publicly Traded Comparables

($ in millions, except per share data)		As of Aug 31, 2026				EV / Revenue		EV / EBITDA		Revenue Growth		TTM	
Company Name	**HQ Location**	**Share Price**	**LTM Change**	**Market Cap**	**EV**	**CY 2025A**	**CY 2026E**	**CY 2025A**	**CY 2026E**	**CY 2025A**	**CY 2026E**	**GM %**	**EBITDA %**
U.S. IA&R													
AeroVironment	Virginia	148.35	(38.5%)	$7,540	$7,742	9.0x	3.6x	134.9x	24.2x	44.4%	59.1%	25.3%	(1.8%)
Ametek	Pennsylvania	235.17	27.3%	$53,915	$55,456	6.9x	6.8x	21.8x	21.3x	3.5%	14.5%	36.4%	30.8%
Cognex	Massachusetts	60.96	38.7%	$10,255	$9,923	6.0x	8.7x	28.2x	28.5x	9.3%	17.8%	68.9%	26.4%
Cognizant Technology Solutions	New Jersey	64.58	(10.6%)	$29,090	$30,133	1.9x	1.4x	10.1x	7.3x	6.9%	6.4%	33.4%	18.5%
Danaher	District of Columbia	213.56	3.8%	$150,130	$172,351	7.3x	6.5x	25.9x	20.7x	2.2%	8.6%	58.5%	29.8%
Emerson Electric	Missouri	152.44	15.5%	$85,031	$96,121	4.8x	4.8x	18.5x	16.3x	2.9%	10.6%	53.2%	27.4%
Honeywell	North Carolina	213.53	(1.8%)	$67,676	$92,788	2.1x	4.6x	8.7x	22.7x	7.3%	(45.5%)	36.6%	34.9%
Intuitive Surgical	California	376.86	(20.4%)	$133,136	$128,049	20.4x	10.9x	57.7x	23.7x	18.2%	22.4%	66.7%	38.5%
IPG Photonics	Massachusetts	76.08	(7.0%)	$3,236	$2,381	2.2x	2.1x	24.6x	13.7x	(8.1%)	16.6%	38.4%	7.3%
Jabil	Florida	305.26	49.0%	$31,987	$34,523	0.8x	0.8x	13.7x	9.6x	3.1%	42.0%	9.2%	6.0%
Kyndryl Holdings	New York	13.45	(57.7%)	$2,930	$5,853	0.6x	0.4x	5.0x	2.2x	(1.9%)	(1.4%)	21.8%	9.5%
MKS Instruments	Massachusetts	256.24	148.0%	$17,326	$20,901	3.8x	4.1x	17.4x	14.6x	7.5%	32.6%	47.0%	23.1%
Novanta	Massachusetts	146.22	25.6%	$5,530	$5,096	4.9x	4.5x	30.7x	18.4x	3.9%	18.1%	44.5%	15.0%
PTC	Massachusetts	155.74	(27.1%)	$16,899	$18,155	8.0x	6.3x	19.4x	12.8x	16.1%	5.6%	84.5%	58.4%
Regal Rexnord	Wisconsin	158.45	6.1%	$10,551	$14,884	2.4x	2.4x	12.1x	10.9x	(5.3%)	5.5%	37.8%	19.9%
Rockwell Automation	Wisconsin	424.43	23.6%	$47,132	$50,268	5.6x	5.3x	33.9x	21.2x	0.9%	14.5%	49.1%	19.6%
Symbotic	Massachusetts	39.67	(16.4%)	$5,152	$3,831	2.8x	1.1x	NA	7.5x	20.4%	59.4%	21.3%	3.9%
Teledyne Technologies	California	612.95	13.9%	$28,414	$30,101	4.3x	4.6x	18.7x	18.4x	6.9%	9.2%	43.3%	24.9%
Teradyne	Massachusetts	349.83	195.9%	$54,693	$54,474	10.5x	10.6x	47.7x	30.2x	4.3%	79.5%	59.2%	33.1%
UiPath	New York	18.67	67.9%	$9,673	$8,449	4.8x	4.8x	252.4x	18.5x	9.1%	14.5%	83.0%	8.2%
Zebra Technologies	Illinois	353.55	11.5%	$16,727	$19,532	2.6x	3.1x	14.5x	13.2x	11.4%	18.2%	49.6%	18.0%
Mean		**$208.38**	**21%**	**$37,477**	**$41,001**	**5.3x**	**4.6x**	**39.8x**	**16.9x**	**7.8%**	**19.4%**	**46.1%**	**21.5%**
Median		**$158.45**	**11%**	**$17,326**	**$20,901**	**4.8x**	**4.6x**	**20.6x**	**18.4x**	**6.9%**	**14.5%**	**44.5%**	**19.9%**
APAC IA&R													
Daifuku	Japan	36.25	13.3%	$13,478	$12,079	2.2x	2.6x	15.3x	14.7x	(0.5%)	10.1%	25.3%	18.0%
Fanuc	Japan	37.81	32.9%	$35,287	$30,691	5.9x	5.1x	19.3x	17.7x	4.6%	10.6%	38.3%	31.2%
Kawasaki Heavy Industries	Japan	16.12	31.1%	$14,075	$19,506	1.1x	1.2x	10.7x	11.5x	13.0%	6.9%	19.7%	NA
Keyence	Japan	522.47	35.1%	$126,711	$117,382	10.9x	13.0x	20.4x	22.6x	7.3%	23.8%	83.0%	54.5%
Mitsubishi Electric	Japan	34.88	44.2%	$71,378	$69,630	1.5x	1.8x	12.1x	12.5x	5.1%	5.5%	32.1%	12.5%
Omron	Japan	41.60	61.1%	$8,180	$8,685	1.2x	1.6x	11.9x	NA	4.1%	1.6%	45.7%	11.3%
Seiko Epson	Japan	20.17	56.4%	$6,462	$6,065	0.4x	0.7x	4.1x	6.4x	1.2%	0.3%	35.4%	9.0%
ST Engineering	Singapore	8.46	41.3%	$26,403	$30,154	2.8x	2.8x	19.5x	19.6x	9.4%	20.3%	17.8%	11.8%
Yaskawa Electric	Japan	29.85	48.2%	$7,743	$8,189	2.3x	2.2x	12.5x	14.6x	(1.0%)	2.5%	35.3%	12.8%
Yokogawa Electric	Japan	31.93	7.8%	$7,989	$6,906	1.9x	1.8x	10.6x	NA	5.1%	1.6%	45.7%	16.9%
Mean		**$77.95**	**37%**	**$31,770**	**$30,929**	**3.0x**	**3.3x**	**13.6x**	**14.9x**	**4.8%**	**8.3%**	**37.8%**	**19.8%**
Median		**$33.40**	**38%**	**$13,776**	**$15,793**	**2.0x**	**2.0x**	**12.3x**	**14.6x**	**4.9%**	**6.2%**	**35.4%**	**12.8%**
European IA&R													
3D Systems	Germany	3.28	42.6%	$545	$559	0.9x	1.4x	6.9x	(302.3x)	(13.4%)	0.5%	33.8%	(6.0%)
ABB	Switzerland	97.65	45.8%	$176,935	$180,561	4.1x	4.7x	20.5x	21.2x	4.2%	12.7%	40.2%	20.5%
Dassault Systemes	France	26.47	(14.8%)	$34,780	$32,141	5.1x	4.4x	17.0x	12.2x	4.9%	6.0%	84.2%	33.0%
Hexagon	Sweden	10.41	16.2%	$27,950	$28,541	6.1x	6.0x	18.8x	16.7x	2.7%	(20.4%)	64.3%	65.5%
Kardex	Switzerland	319.53	(23.4%)	$2,466	$2,362	2.8x	2.1x	20.7x	20.0x	12.2%	24.4%	31.9%	10.6%
KION Group	Germany	51.36	(20.9%)	$6,735	$12,380	1.3x	0.9x	8.6x	5.4x	(0.5%)	9.3%	25.5%	17.0%
Renishaw	United Kingdom	69.41	59.1%	$5,050	$4,742	3.4x	4.0x	16.6x	15.9x	5.6%	28.8%	44.9%	18.8%
Schneider Electric	France	341.40	39.1%	$192,363	$209,913	4.0x	4.0x	19.2x	19.0x	7.7%	21.7%	42.1%	20.6%
Siemens	Germany	330.97	19.8%	$256,342	$295,753	3.1x	2.8x	18.9x	14.5x	5.4%	19.9%	39.4%	17.5%
Mean		**$138.94**	**18%**	**$78,129**	**$85,217**	**3.4x**	**3.4x**	**16.4x**	**-19.7x**	**3.2%**	**11.4%**	**45.1%**	**21.9%**
Median		**$69.41**	**20%**	**$27,950**	**$28,541**	**3.4x**	**4.0x**	**18.8x**	**15.9x**	**4.9%**	**12.7%**	**40.2%**	**18.8%**

Sources: PitchBook as of 8/31/26

Thank you

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MERIDIAN CAPITAL

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