

Lighting - Q2 2023 Industry Update



Selected M&A highlights

Jun-23: Mitton acquired **LightPartner Lichtsysteme**, a Germany based manufacturer of lighting solutions to the maritime sector

May-23: **SiteOne Landscape Supply** acquired **Link Outdoor Lighting**, a US based distributor of outdoor lighting products

May-23: **Lighting Developpement** acquired **Specilux**, a France based designer of professional interior lighting

Apr-23: **Tons Lightology** acquired a majority stake in **StrongLED Lighting System**, a Taiwan based designer and developer of LED lighting systems and solutions for £5m

Apr-23: **Main Street Capital** acquired a minority stake in **Infinity X1**, a US based supplier of portable lighting products

Apr-23: **F&P4BIZ** acquired **Panzeri Carlo**, an Italy based designer and manufacturer of luxury lighting devices

Apr-23: **Grote Industries** acquired **Star Headlight & Lantern Co.**, a US based manufacturer and supplier to the emergency lighting, rail and amber light markets

Public Company Valuations

Comparable Companies Analysis

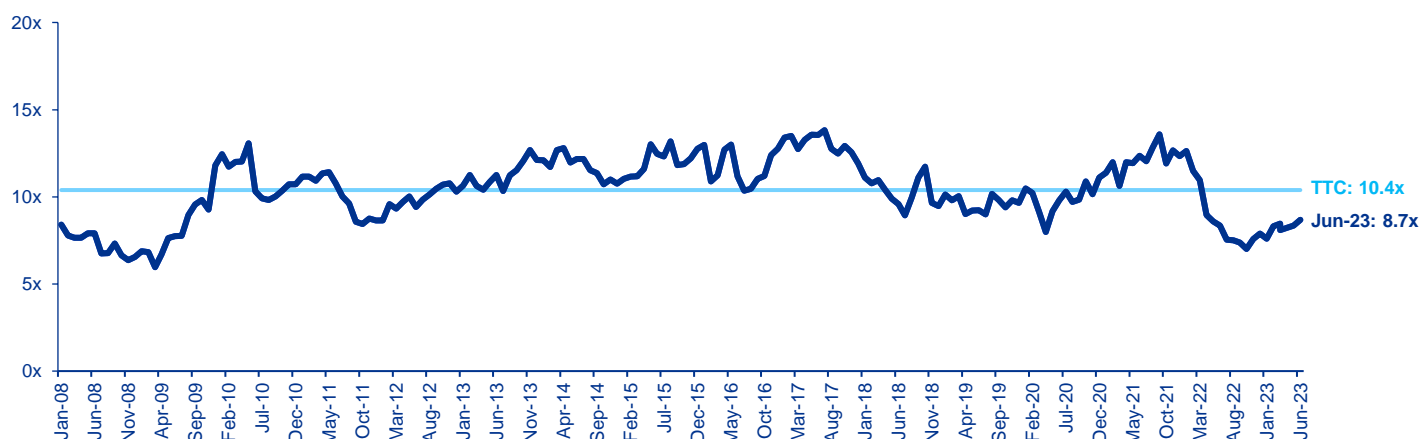
Company	Country	Year End Date	Market Cap (GBPm)	Net Debt / (Cash)	EV (GBPm)	Net debt / EBITDA (2023)	EV/Revenue Revenue growth			EVEBITDA EBITDA %			EV/EBIT EBIT %			2 Year CAGR 2022 2024	
							2022	2023	2024	2022	2023	2024	2022	2023	2024	Sales	EBITDA
Acuity Brands	USA	Aug-22	3,964	188	4,153	0.4x	1.2x	1.3x	1.3x	7.8x	8.2x	8.2x	10.3x	9.1x	9.4x	(4%)	(2%)
							3,442	3,135	3,149	530	505	508	402	456	443		
							30%	(9%)	0%	15%	16%	16%	12%	15%	14%		
Dialight	UK	Dec-22	73	32	105	2.1x	0.6x	0.6x	0.6x	8.6x	7.0x	6.2x	21.1x	17.6x	13.5x	2%	17%
							170	169	176	12	15	17	5	6	8		
							29%	(1%)	4%	7%	9%	10%	3%	4%	4%		
Endo Lighting	Japan	Mar-23	102	24	128	0.6x	0.5x	0.5x	0.5x	3.3x	3.2x	2.9x	5.9x	5.4x	4.5x	1%	7%
							270	260	274	39	40	45	21	24	28		
							10%	(4%)	5%	14%	15%	16%	8%	9%	10%		
Fagerhult	Sweden	Dec-22	879	225	1,104	2.1x	1.7x	1.6x	1.4x	11.0x	10.3x	9.9x	16.6x	15.2x	14.0x	8%	5%
							659	708	767	100	107	111	66	73	79		
							14%	7%	8%	15%	15%	14%	10%	10%	10%		
Legrand	France	Dec-22	20,588	1,970	22,563	1.1x	3.1x	3.1x	3.0x	14.3x	13.1x	12.7x	17.4x	15.3x	15.0x	1%	6%
							7,397	7,272	7,512	1,582	1,718	1,773	1,294	1,470	1,507		
							26%	(2%)	3%	21%	24%	24%	17%	20%	20%		
LSI Industries	USA	Jun-22	272	46	318	1.1x	0.8x	0.8x	0.8x	9.6x	7.9x	7.1x	14.0x	11.0x	9.7x	4%	16%
							390	399	423	33	40	45	23	29	33		
							40%	2%	6%	8%	10%	11%	6%	7%	8%		
Luceco	UK	Dec-22	193	29	221	1.0x	1.1x	1.1x	1.0x	8.3x	8.0x	7.3x	11.5x	10.9x	9.7x	2%	7%
							206	204	216	27	28	31	19	20	23		
							(10%)	(1%)	6%	13%	13%	14%	9%	10%	11%		
Oppl Lighting	China	Dec-22	1,482	(266)	1,102	n/a	0.6x	0.5x	0.4x	5.4x	6.0x	4.2x	9.2x	10.8x	7.2x	13%	13%
							1,941	2,204	2,458	204	183	261	120	102	154		
							(10%)	14%	12%	11%	8%	11%	6%	5%	6%		
Signify	Netherlands	Dec-22	1,628	(556)	1,077	n/a	1.2x	1.1x	1.0x	9.8x	8.4x	8.2x	11.8x	10.0x	9.1x	12%	10%
							875	1,013	1,099	110	128	132	91	107	118		
							(15%)	16%	8%	13%	13%	12%	10%	11%	11%		
Smart Global	USA	Dec-22	2,762	1,191	3,953	1.6x	0.6x	0.6x	0.6x	4.9x	5.4x	5.0x	7.0x	6.7x	6.2x	(3%)	(1%)
							6,665	6,138	6,260	806	736	787	564	594	636		
							16%	(8%)	2%	12%	12%	13%	8%	10%	10%		
Zumtobel	Austria	Aug-22	1,143	403	1,551	2.3x	1.0x	1.2x	1.1x	8.3x	8.9x	7.8x	12.5x	10.8x	9.3x	(2%)	3%
							1,495	1,325	1,432	187	175	199	124	143	168		
							27%	(11%)	8%	13%	13%	14%	8%	11%	12%		
Min							0.4x	0.4x	0.4x	3.3x	3.2x	2.9x	5.9x	5.4x	4.5x	(4%)	(2%)
Mean							1.1x	1.1x	1.0x	8.0x	7.5x	7.0x	12.0x	10.8x	9.6x	3%	7%
Median							0.9x	0.9x	0.9x	8.3x	8.0x	7.2x	11.7x	10.8x	9.3x	1%	6%
Max							3.1x	3.1x	3.0x	14.3x	13.1x	12.7x	21.1x	17.6x	15.0x	13%	17%

Note: Multiples are based on enterprise value as of 30 June 2023 and historical and forecast sales, EBITDA and EBIT, calendarised to 31 December. n/mf = not meaningful; n/a = not available. Enterprise Value is adjusted for minority interest, preference equity, pension deficit and investments in associates

Source: CapIQ

Public company valuations

Through the cycle (EV/LTM EBITDA)



Source: CapIQ

M&A transaction history

Date	Target company	Country	Target Description	Acquirer company	Country	EV (m)	EV/ EBITDA
Feb-23	Nordic Lights		Provider of high-quality lighting solutions for heavy-duty equipment	Methode Electronics		€154	14.0x
Sep-22	SchahLED (80% stake)		Provider of LED lighting solutions for industrial buildings	FW Thorpe		€18	6.5x
Oct-21	DW Windsor		Designer and manufacturer of exterior lighting solutions	Luceco		£17	7.3x
Oct-21	Electrozemper (63% stake)		Specialist manufacturer of emergency lighting	FW Thorpe		€41	7.7x
Jun-21	OSRAM		Manufacturer of LED lamps and lighting systems	AMS		€5,534	21.9x
Mar-21	Proelectric Services		Provider of off-grid solar energy solutions including remotely monitored lighting products	Hill & Smith		£18	13.0x
Mar-20	Cooper Lighting		Provider of LED lighting and control solutions	Signify		\$1,400	7.5x
Dec-19	ES-System		Designer, developer and manufacturer of various LED lighting solutions	Glamox		€30	8.4x
Mar-19	iGuzzini		Manufacturer of systems for the architectural lighting sector	Fagerhult		€385	10.7x
Apr-18	Veko Lightsystems		Manufacturer and supplier of industrial lighting systems	Fagerhult		€45	8.7x
Mar-18	Menu		Interior design company that provides furniture and lighting products	Polaris (PE)		\$33	7.9x
Sep-17	Kingfisher Lighting		Supplier of exterior lighting products, including road and street LED lighting systems	Luceco		£10	6.5x
Jan-17	SLV		Provider of lighting fixtures for the residential and commercial space	Ardian		€800	13.4x
Mar-16	LED Linear		Manufacturer of linear lighting solutions	Fagerhult		€40	13.6x
Dec-14	Flos		Manufacturer of consumer, professional and outdoor lighting products and lamps	Padme		\$517	10.3x
Min							6.5x
Mean							10.5x
Median							8.7x
Max							21.9x

Source: MergerMarket and KPMG intel

KPMG's global lighting credentials

KPMG 

SloanLED
Leaders in LED Technology

PRINCIPAL LED
WE SPEAK YOUR LANGUAGE

Advised SloanLED, on its sale to Principal Industries

Innovative LED technology

2022

KPMG 

FULHAM

GRAYCLIFF PARTNERS

Advised Fulham Co. Inc on its sale to Graycliff Partners

Power and lighting sub-systems

2022

KPMG 

CORE INDUSTRIAL

KELVIX

Advised Core Industrial Partners on its acquisition of Kelvix

Commercial value engineered linear lighting systems

2021

KPMG 

Sealite

SPX

Advised Sealite on its sale to SPX Corporation

Solar LED marine lanterns

2021

KPMG 

VISCOR

LEVITON

Advised Viscor on its sale to Leviton

Configurable & customisable luminaires

2019

KPMG 

Saylite

CORE INDUSTRIAL

Advised Saylite on its sale to Core Industrial Partners

Innovative LED lighting solutions

2019

KPMG 

STEINEL
intelligent technology

ADCURAM

Advised Steinel on its sale to Adcuram

Sensor controlled lighting

2019

KPMG 

PHILIPS teletrol

Cylon

Advised Teletrol on its sale to Cylon

Building energy-efficiency solutions

2018

KPMG 

FINELITE
Better Lighting

legrand

Advised Finelite on its sale to Legrand

LED lighting systems for non-residential buildings

2017

KPMG 

GREENCREATIVE

HARBOUR GROUP

Advised Green Creative on its sale to Harbour Group

LED Lamp, downlight and track lighting solutions

2017

KPMG 

OSRAM LEDVANCE

IDG 资本
IDG Capital Partners

MLS

Advised Osram on its divestment of Ledvance to a consortium

Intelligent lighting solutions & LED luminaires

2017

KPMG 

GLAMOX

LINKS rechts
A Glamox Company

Advised Glamox on its acquisition of Linksrechts

LED lighting systems for the Naval industry

2017

Contact us



Simon Davis

Managing Director

T: +44 (0)7798 877478

E: simon.davis@kpmg.co.uk



Patrick Palicica

Associate Director

T: +44 (0)7464 510458

E: patrick.palicica@kpmg.co.uk



Nikhil Chandaria

Associate

T: +44 (0)7469 685303

E: nikhil.chandaria@kpmg.co.uk



Euan McFadden

Analyst

T: +44 (0)7732 400912

E: euan.mcfadden@kpmg.co.uk

kpmg.com/uk



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2023 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation.

Document classification: **KPMG confidential.**