

Smart thermostat maker Heatmiser to be taken over in near £120m deal

A smart thermostat maker has agreed to be taken over in a deal that could rise to £118m.

Blackburn-based Heatmiser is to be bought by Solihull-headquartered IMI plc for £110m. A further £8m could be paid out depending on the company's future financial performance.

Heatmiser was founded in 1968 by Gordon Kay and employed 101 people at the end of 2021.

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The business is expected to generate a revenue of c.£22.5m for 2022, up from £20.9m in the prior 12 months. Its pre-tax profits totalled £10.4m in 2021, up from £7.7m.

The company delivers over 90% of its products in the UK as well as in Europe, Australia, New Zealand, South Africa and China, where it operates a subsidiary in Beijing.

Heatmiser is currently managed by Martyn and Sarah Kay, who will remain in the business and continue to manage it as part of IMI Hydronic.

Roy Twite, chief executive of IMI, said: "I am really pleased to announce the acquisition of Heatmiser, which is fully aligned to IMI's strategy of delivering significant shareholder value by solving industry problems and putting customers at the heart of what we do.

"This is an important, strategic entry point to the rapidly growing connected controls market, that will accelerate our

organic growth across IMI Hydronic.

“There has never been more urgency to deliver energy efficiency and comfort in buildings, and Heatmiser is a leader in this space.

“I want to personally thank the Kay family for their commitment to the transaction and welcome the entire Heatmiser team into IMI.”

Phil Clifton, divisional managing director of IMI Hydronic Engineering, added: “I am very excited about the possibilities that Heatmiser provides for our division and its potential to provide significant energy efficiencies for our customers.

“Helping our customers save energy is key to our Better World purpose.

“The business has a fantastic range of smart products, a leading position in the UK and a highly innovative and recognised proposition for its customers.

“We are all looking forward to working with Martyn and Sarah Kay and the entire Heatmiser team to grow the business jointly in the coming years.”

In a joint statement, Martyn and Sarah Kay said: “We feel very proud of the business we have created at Heatmiser and we want to say a big thank you to our team for helping us achieve a market leading position.

“By listening to our customers and reacting to market change, we have become one of the UK’s leading HVAC control brands and we are excited about joining the IMI family and the opportunities this will bring.

“We are particularly excited about the growth potential of the business in new territories and our joint vision of creating a better more energy efficient world.”

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