



CROFT & BENDER

Q4 2024 Market Report



Mergers & Acquisitions



Private Equity



Financial Advisory



CONTACT US

OVERVIEW

Since 1996, Croft & Bender has provided superior M&A, private capital raising, and financial advisory services to middle-market and emerging growth companies. The senior professionals have completed more than 1,000 corporate finance engagements, resulting in deep experience across a broad set of industries and types of transactions. In addition, the firm manages C&B Capital, three growth equity funds with over \$82 million under management.

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BROAD INDUSTRY EXPERTISE

BUSINESS SERVICES
 Information Services
 Marketing Services
 Financial Services
 Outsourced Services
 A/R Management
 Staffing
 Consulting

TECHNOLOGY
 Software/SaaS
 Financial Technology
 Human Capital Management
 Internet Marketing
 E-Commerce
 Security/Compliance
 Business Intelligence
 Telecommunications

INDUSTRIAL
 General Manufacturing
 Building Products
 Logistics
 Specialty Contracting
 Distribution
 Industrial Services
 Chemicals

HEALTHCARE
 Healthcare IT
 Clinical Services
 Outsourced Services
 Alternate Site Care
 Medical Products/Distribution

CONSUMER
 Products/Services
 Franchising
 Restaurants
 Retail
 Entertainment/Leisure

DEAL CRITERIA

MERGERS & ACQUISITIONS

- Buy side/sell side
- Enterprise Values up to \$500 million
- EBITDA greater than \$5 million
- Exceptions to typical EBITDA criteria:
 - Technology/High growth companies
 - Special situations

EQUITY & DEBT CAPITAL RAISES

- Middle-market companies
- Emerging growth businesses
- Large market opportunity
- Experienced management team
- Differentiated product or service
- Greater than \$20 million capital need



REPRESENTATIVE TRANSACTIONS

BUSINESS SERVICES



has been recapitalized by



Russell Landscape is a leading provider of commercial landscape services.



TECHNOLOGY



has received a growth equity investment from



Rentvine is a property management software platform serving the long-term residential property rental market.



INDUSTRIAL



has been acquired by



Anduro is a leading producer of flexible packaging solutions.



HEALTHCARE



has been recapitalized by



BonaDent is a leading provider of high-quality, domestically-produced, complex dental restorations.



CONSUMER



have been acquired by



Creative Laboratories is a premier full-service developer and manufacturer of haircare and skincare products.



a portfolio company of



has been acquired by



Southern Exteriors is a leading installer of siding, roofing, and other building products in the Southeastern U.S.



has completed a majority recapitalization of



Grayshift is a leading and trusted provider of digital forensics solutions.



a portfolio company of



has been recapitalized by



Fumex is a leading provider of process fume extraction and air filtration solutions.



has completed a growth recapitalization led by



InductiveHealth is a leading provider of public health disease surveillance solutions.



has been acquired by



Sushi Avenue is a leading franchisor of sushi kiosks in grocery stores and other foodservice outlets.



has partnered with



Sunshine Air Conditioning is a leading provider of residential HVAC maintenance, replacement, and installation services.



has been acquired by



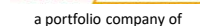
a portfolio company of



Vision is a leading provider of end-to-end Managed Mobility Services and Mobile Telecom Expense Management.



has been acquired by



a portfolio company of



Covan's is a leading provider of industrial insulation installation, scaffolding, and asbestos abatement services.



Prescription Drug Management Solution Provider

has completed a debt recapitalization with a syndicate led by



The client is a leading provider of innovative prescription drug management solutions.



Fresh Produce Distribution Company

has been acquired by a portfolio company of an

Undisclosed Buyer

Fresh Produce Distribution Company is a leading distributor of high-quality fresh produce.



has been acquired by



a portfolio company of



Entek is a leading provider of commercial HVAC, building automation, and energy services.



has issued

\$47 million of Series A Preferred Stock to an investor group led by



Grayshift is a leading and trusted provider of digital forensics solutions.



has been recapitalized by



Lehman Pipe is a leading PVF distributor to commercial HVAC and plumbing contractors.



has been recapitalized by



MediStreams is a leading provider of healthcare remittance, reconciliation, and payment automation solutions.



has been acquired by



Piece of Cake is a leading provider of specially baked cakes and treats that are available for shipping to customers around the U.S.



FEATURED TRANSACTIONS

COMPANY OVERVIEW

- Fumex Air Filtration Systems (“Fumex” or the “Company”) is a leading provider of process fume extraction and air filtration solutions that improve air quality and protect employees, equipment, and the surrounding environment
- The Company serves a diverse, global customer base across a variety of end market applications

DEAL OVERVIEW

- Croft & Bender was engaged to help the Company find a partner to provide shareholder liquidity and to support its continued growth
- Croft & Bender worked with the Company to develop marketing materials, build a financial model, conduct management presentations, manage the diligence process, and negotiate with potential buyers
- Croft & Bender negotiated a recapitalization with Vance Street Capital



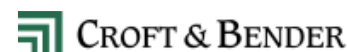
a portfolio company of



has been recapitalized by



Fumex is a leading provider of process fume extraction and air filtration solutions.



COMPANY OVERVIEW

- Anduro Manufacturing (“Anduro” or the “Company”) is a leading supplier of flexible packaging, including laminated woven sacks, for pet food, animal nutrition, and other consumer product companies in the United States and Latin America

DEAL OVERVIEW

- Having previously worked with the owners of Anduro on multiple transactions, the Company engaged Croft & Bender to help execute its sale to Five Star Holding (“Five Star”), a portfolio company of TJC
- Croft & Bender worked with the Company to produce financial analyses, manage the due diligence process, and negotiate the terms of the transaction
- Croft & Bender successfully negotiated the sale of Anduro to Five Star



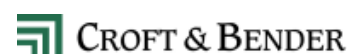
has been acquired by



a portfolio company of

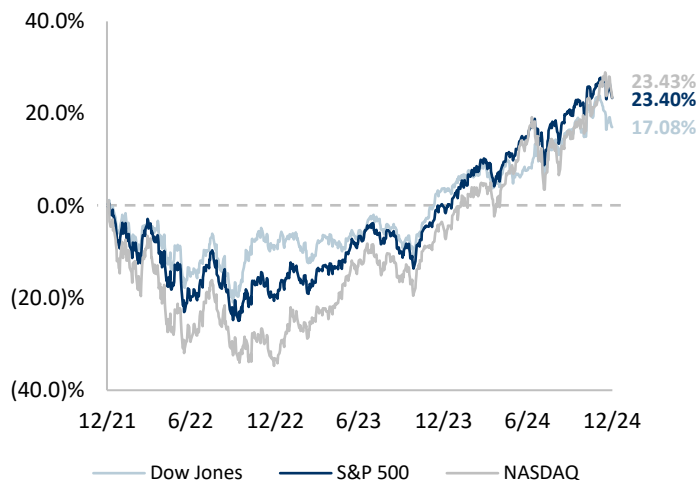


Anduro is a leading producer of flexible packaging solutions.

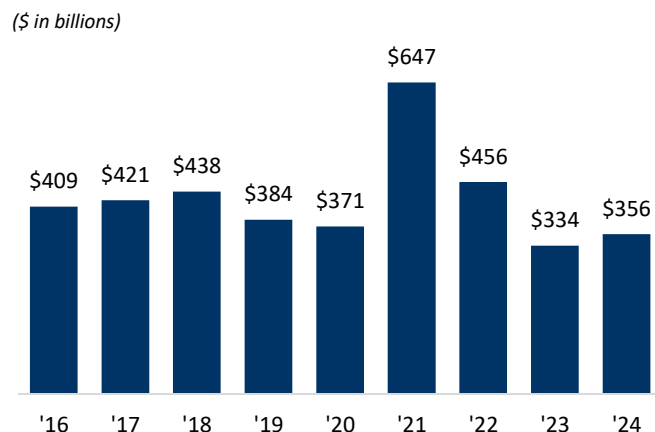


KEY CAPITAL MARKETS DATA

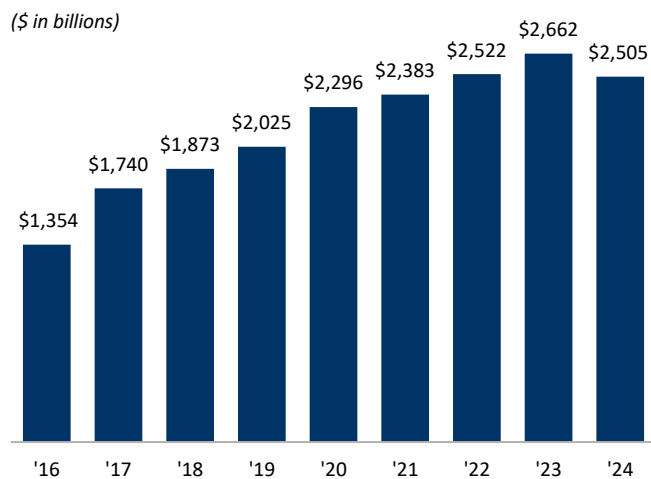
Public Equity Markets



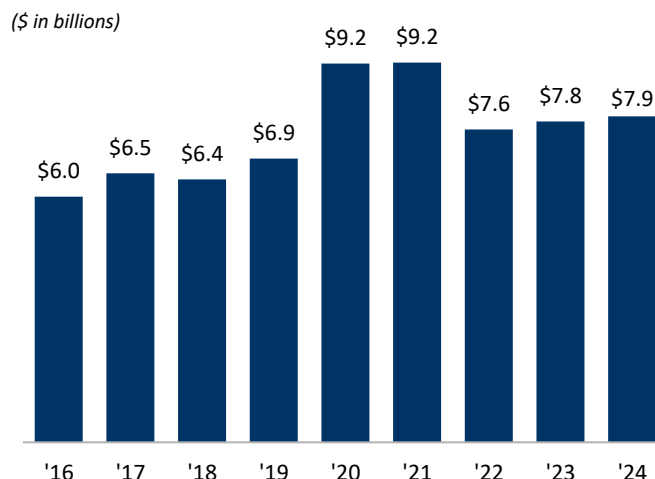
Middle Market Deal Volume



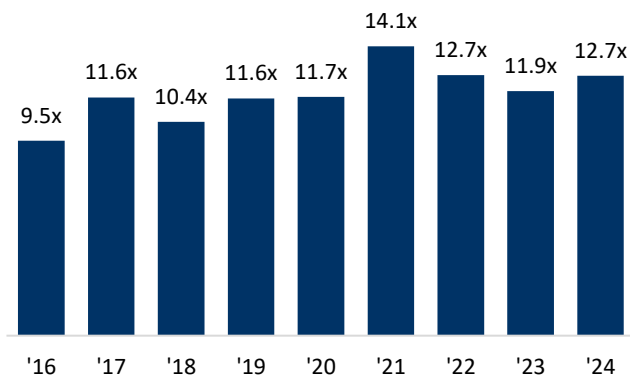
Private Equity Dry Powder



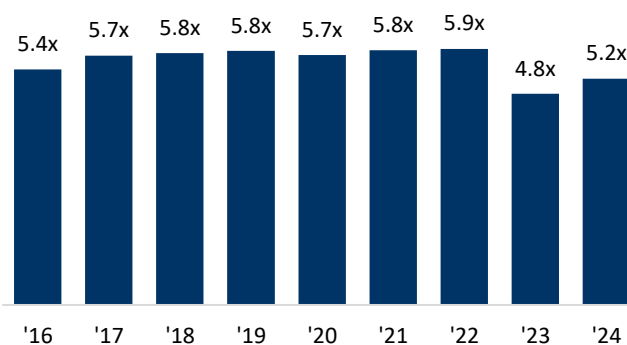
Cash on Corporate Balance Sheets⁽¹⁾



PE Enterprise Value / EBITDA Multiples



PE Debt / EBITDA Multiples⁽²⁾



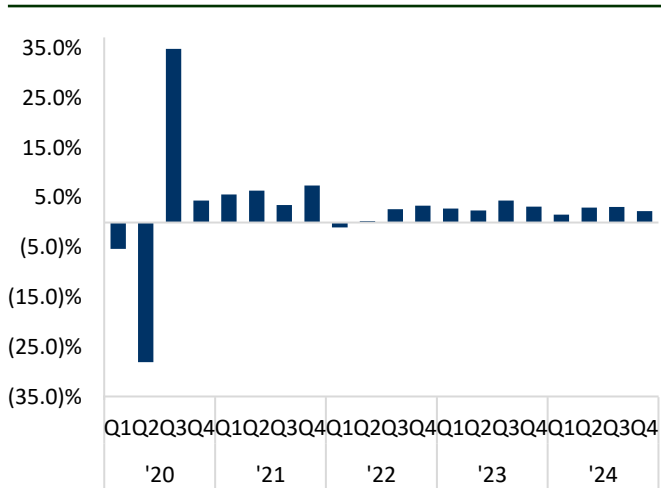
Note: Middle-market transactions have a disclosed enterprise value of less than \$1 billion.

(1) Reflects current S&P 500 constituents.

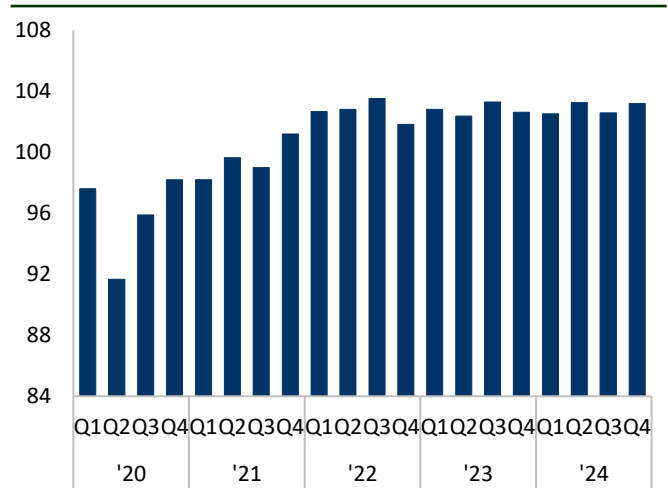
(2) Represents multiples on deals funded by broadly syndicated loans.

KEY ECONOMIC DATA

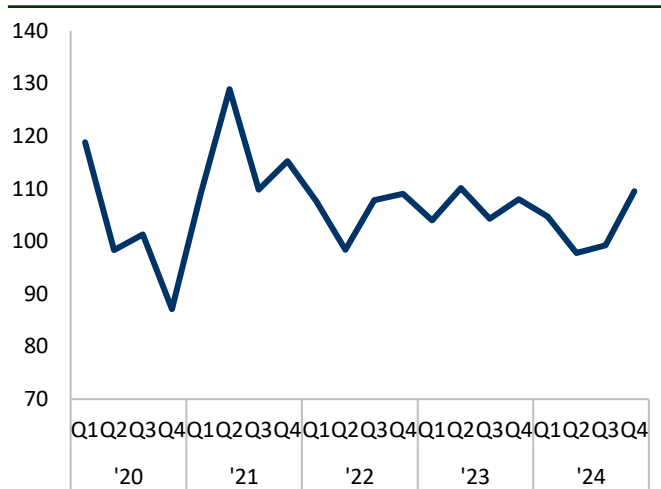
Real GDP Growth



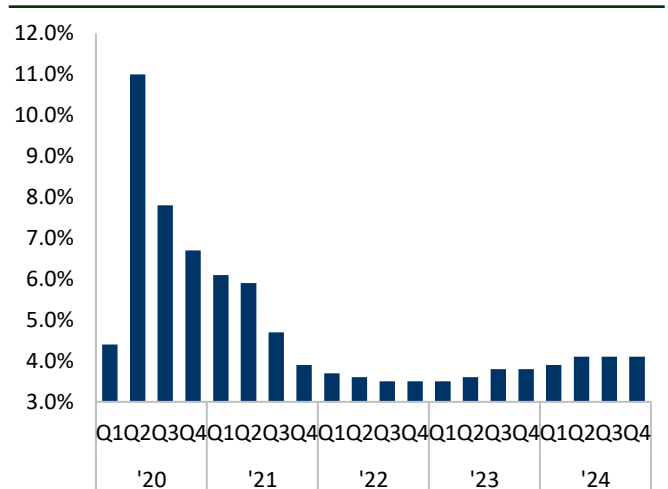
Industrial Production⁽¹⁾



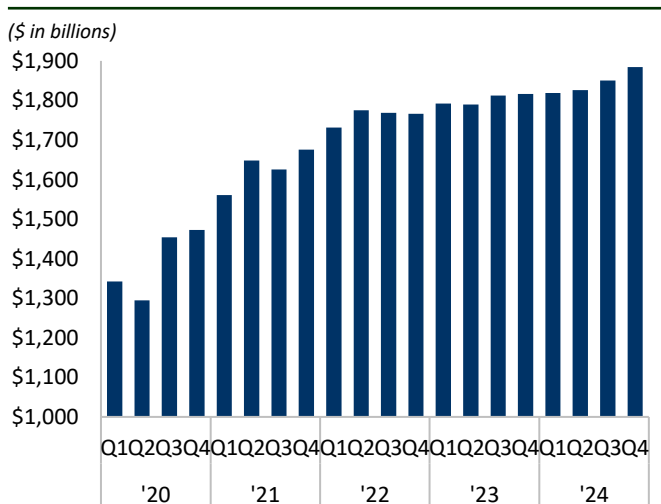
Consumer Confidence⁽²⁾



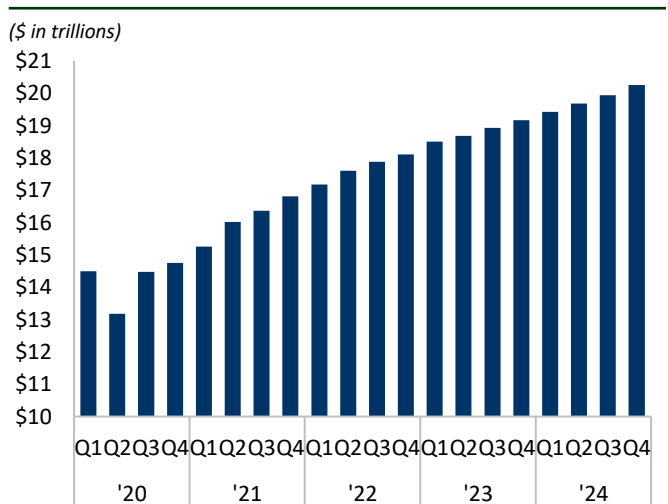
Unemployment Rate



Retail Sales



Consumer Spending



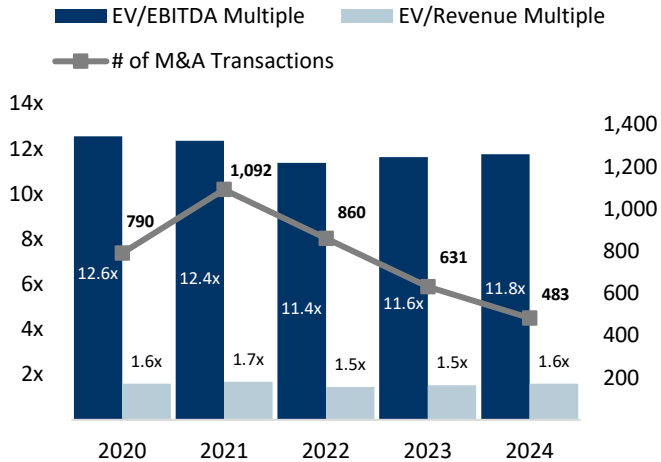
(1) Indexed relative to 2017.

(2) Indexed relative to 1985.

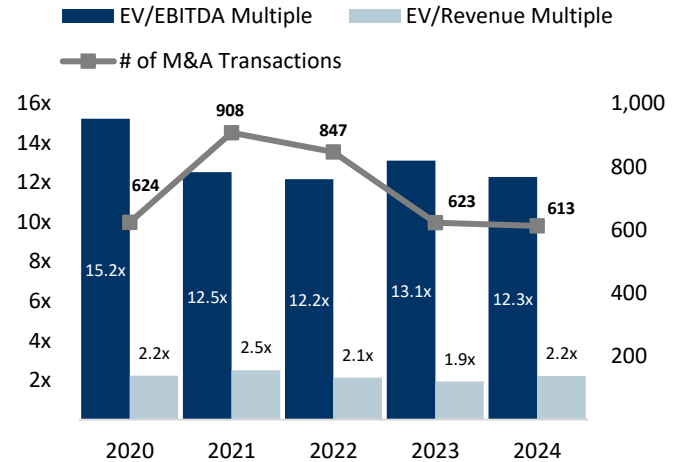


AVERAGE PUBLIC MULTIPLES & U.S. DEAL ACTIVITY BY SELECT INDUSTRY GROUPS

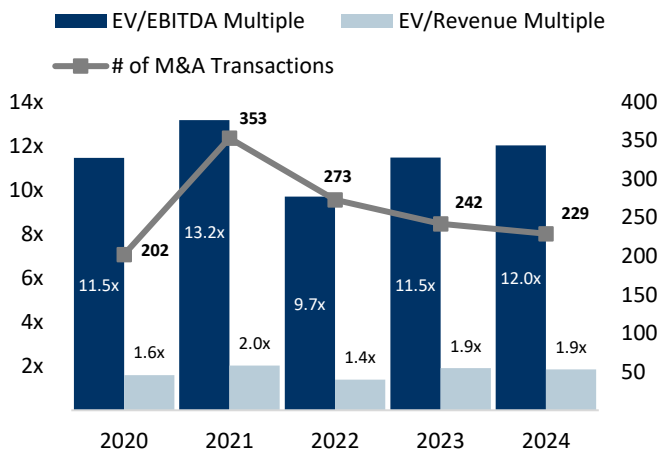
General Industrial



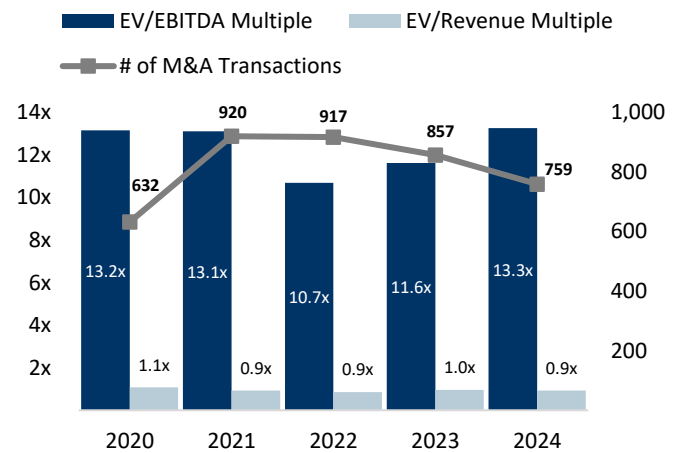
IT Consulting & Other Services



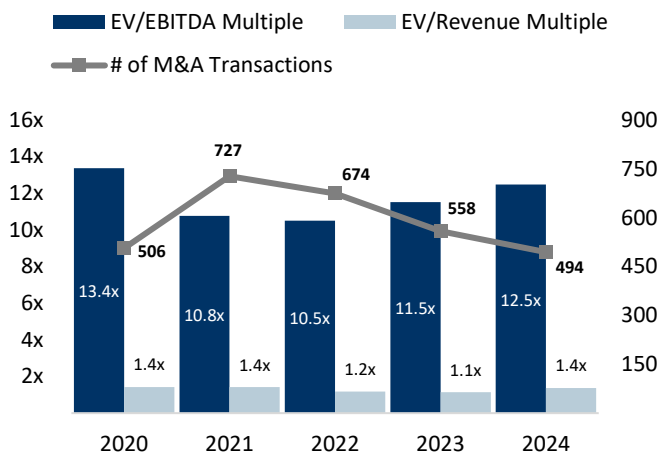
Building Products



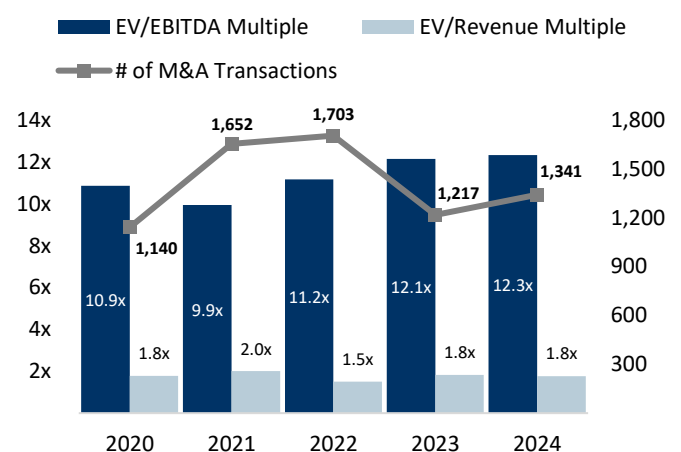
Trading Companies & Distributors



Retailing

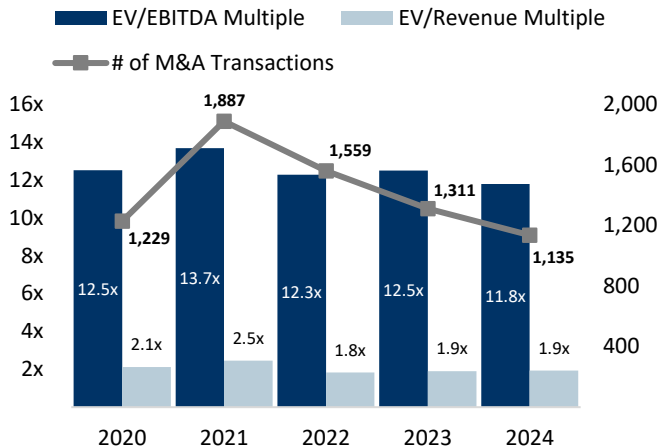


Consumer Services

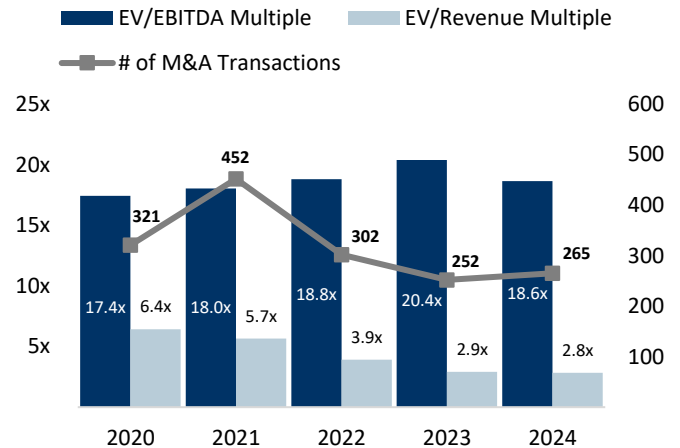


AVERAGE PUBLIC MULTIPLES & U.S. DEAL ACTIVITY BY SELECT INDUSTRY GROUPS

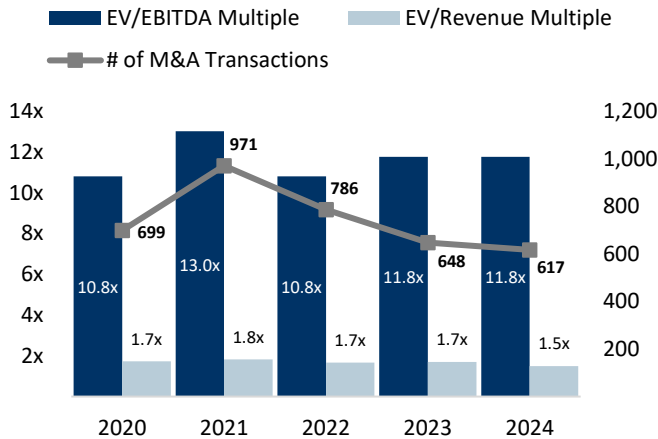
Healthcare Facilities



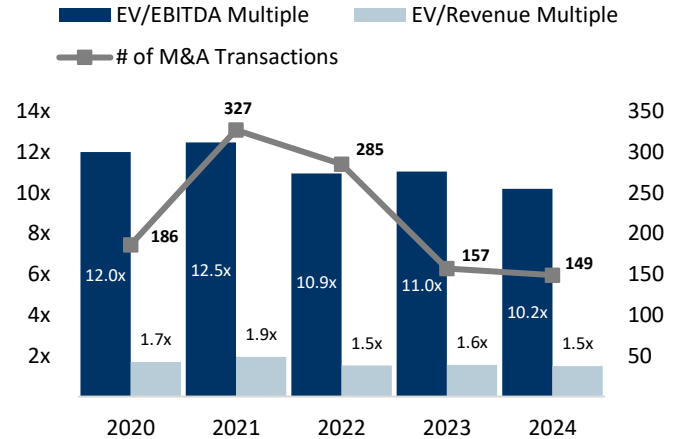
Healthcare Software



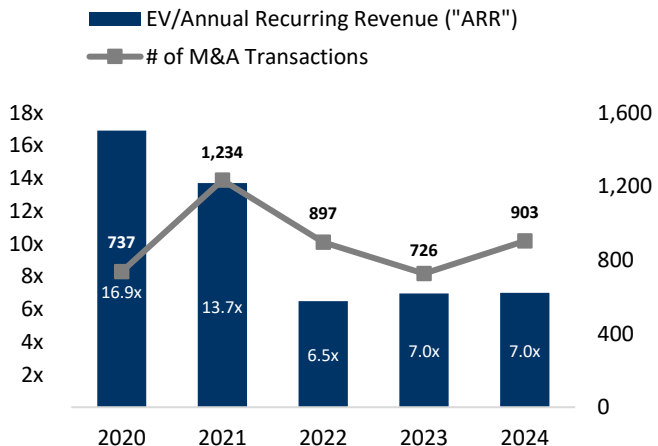
Healthcare Services



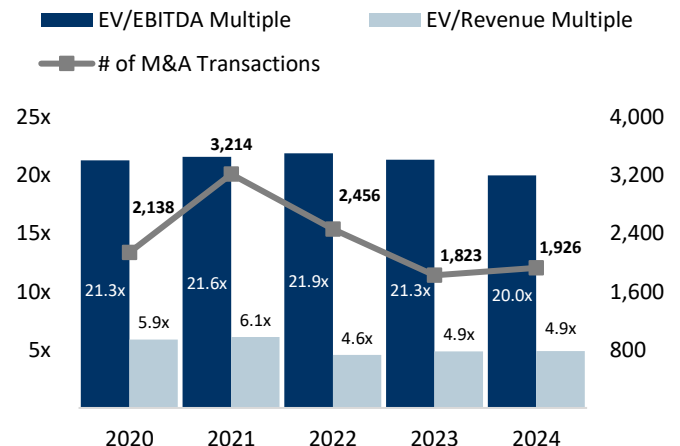
BPO & Outsourced Services



Software-as-a-Service⁽¹⁾



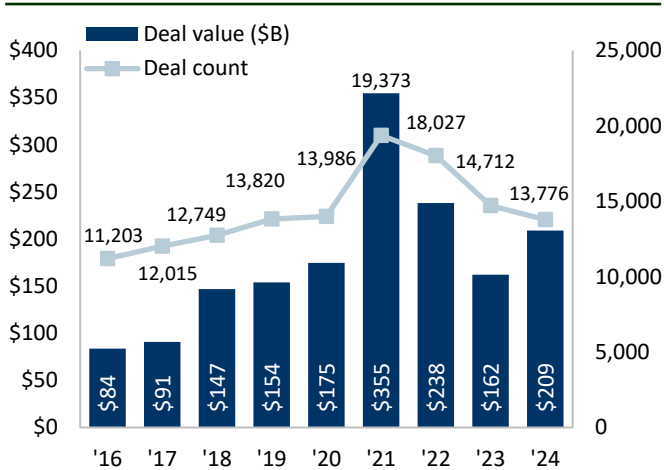
General Software & Services



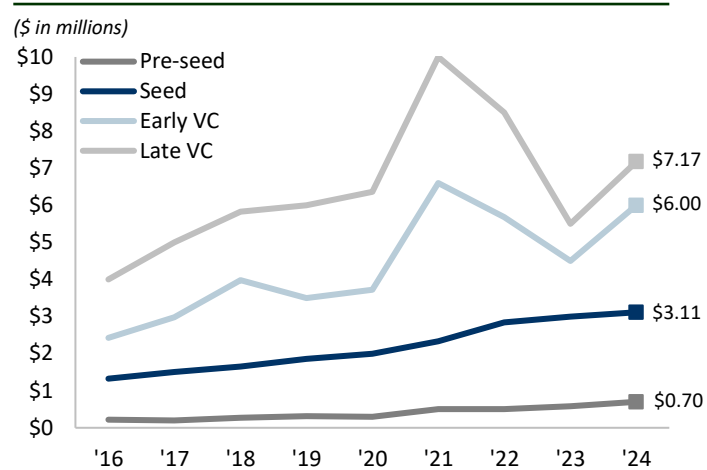
(1) SaaS Capital Enterprise Value / ARR Index.
Note: EV = Enterprise Value.

PRIVATE CAPITAL DATA

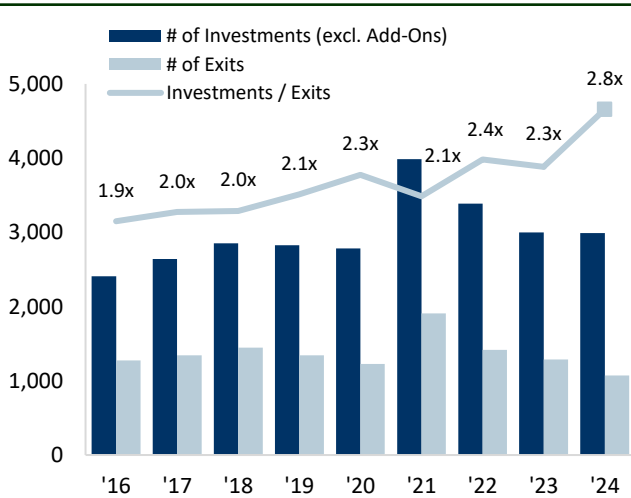
U.S. VC Activity by Year



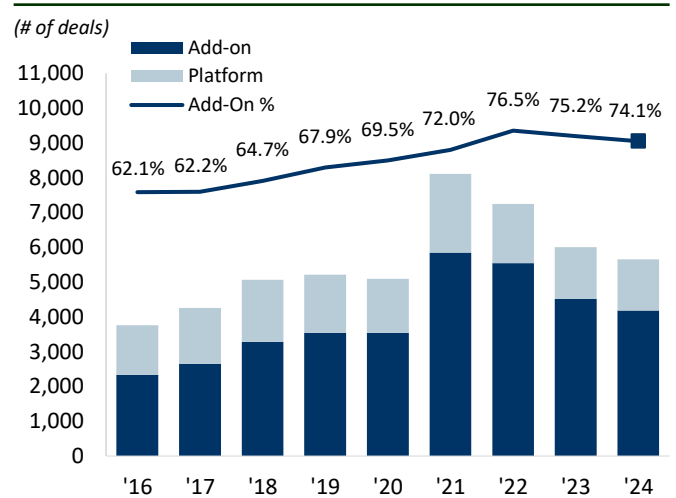
Median VC Round Size by Stage



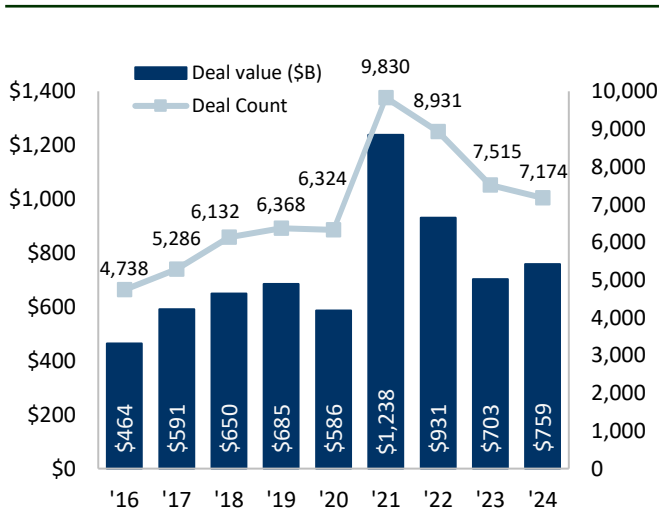
U.S. Private Equity Investments vs Exits



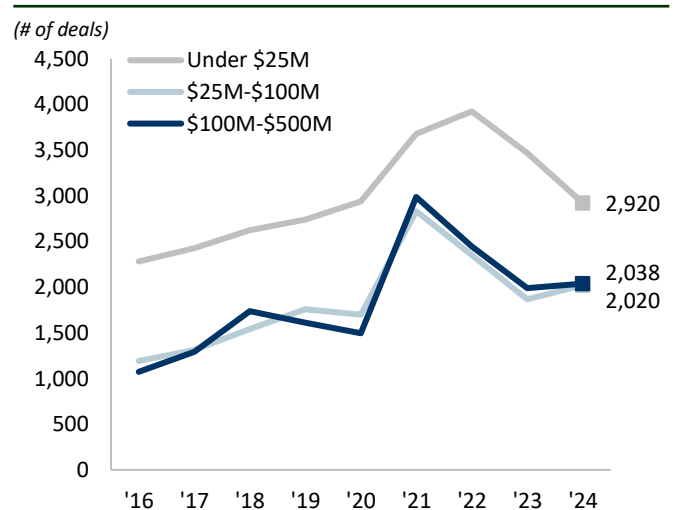
U.S. Private Equity Add-ons vs Platforms



U.S. Private Equity Activity by Year



U.S. Private Equity Deals by Deal Size





DISCLOSURES

Croft & Bender LP (www.croft-bender.com) is a leading middle market investment bank focused on the advisory needs of clients nationwide. The firm has extensive industry knowledge, transaction expertise, and a commitment to its clients' success. Croft & Bender LP provides sell-side and buy-side advisory, capital raising, and financial advisory.

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