



CROFT & BENDER

Q2 2025 Market Report



Mergers & Acquisitions



Private Equity



Financial Advisory



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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.

BROAD INDUSTRY EXPERTISE

BUSINESS SERVICES

Information Services
 Facility 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

Distribution
 Industrial Services
 General Manufacturing
 Specialty Contracting
 Building Products
 Logistics
 Chemicals

HEALTHCARE

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

CONSUMER

Products/Services
 Residential Services
 Franchising
 Restaurants
 Retail

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



Stiles is a leading provider of commercial and residential HVAC, plumbing, and building controls 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 recapitalized by



Capital Machine is a leading distributor and repair service provider of metal fabrication machinery.



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.



has been recapitalized by



Russell Landscape is a leading provider of commercial landscape services.



has completed a majority recapitalization of



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



has been acquired by



Anduro is a leading producer of flexible packaging 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.



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 been acquired by



a portfolio company of



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



a portfolio company of



has been recapitalized by



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



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 partnered with



Sunshine Air Conditioning is a leading provider of residential HVAC maintenance, replacement, and installation 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 acquired by BRAND SAFWAY

a portfolio company of



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



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 TRANSACTION

COMPANY OVERVIEW

- Stiles Heating and Cooling, Inc. ("Stiles" or the "Company") is a leading provider of commercial and residential HVAC, plumbing, and building controls services across Georgia and South Carolina

DEAL OVERVIEW

- Stiles engaged Croft & Bender to help the Company find a partner to provide shareholder liquidity, support its next stage of growth, and provide a path to transition the business to the next generation of leadership
- 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 successfully negotiated a majority recapitalization with Garnett Station Partners



has been recapitalized by



Stiles is a leading provider of commercial and residential HVAC, plumbing, and building controls services.



COMPANY OVERVIEW

- Covan's Insulation Company, Inc. ("Covan's" or the "Company") is a market-leading provider of industrial insulation installation, scaffolding, and asbestos abatement services primarily serving the Carolinas and Georgia

DEAL OVERVIEW

- Covan's engaged Croft & Bender to help the Company find a partner to provide shareholder liquidity and support the Company's 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 successfully negotiated a sale to BrandSafway, a portfolio company of Clayton, Dubilier & Rice and Brookfield Business Partners L.P.



has been acquired by



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

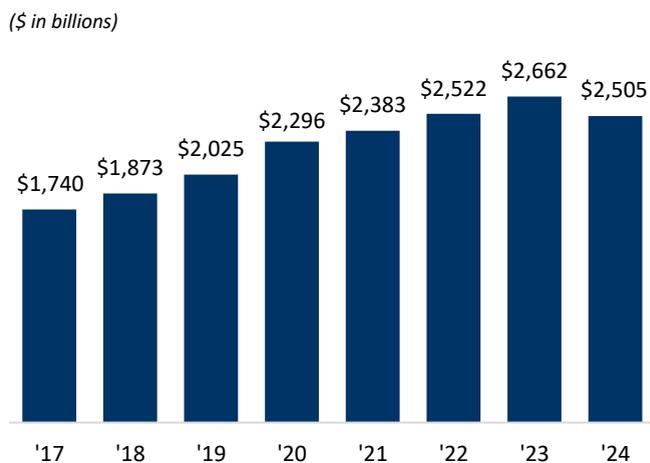


KEY CAPITAL MARKETS DATA

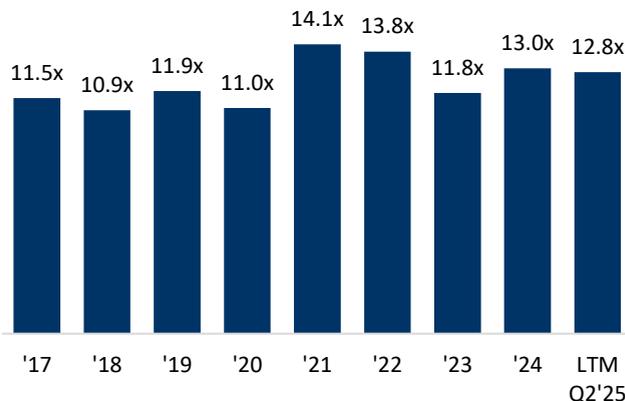
Public Equity Markets



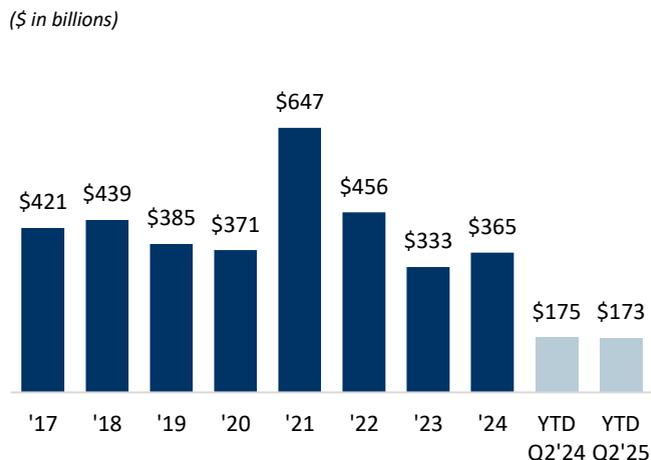
Private Equity Dry Powder



PE Enterprise Value / EBITDA Multiples



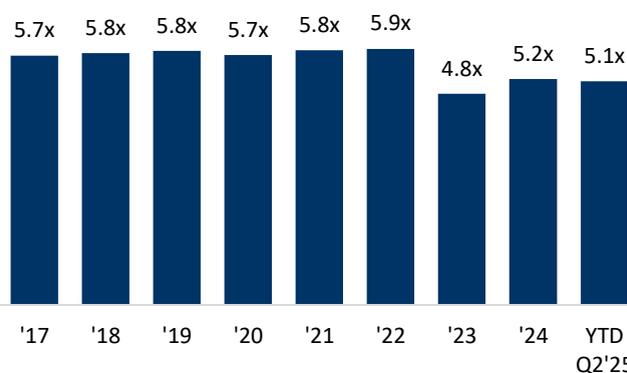
Middle Market Deal Volume



Cash on Corporate Balance Sheets⁽¹⁾



PE Debt / EBITDA Multiples⁽²⁾



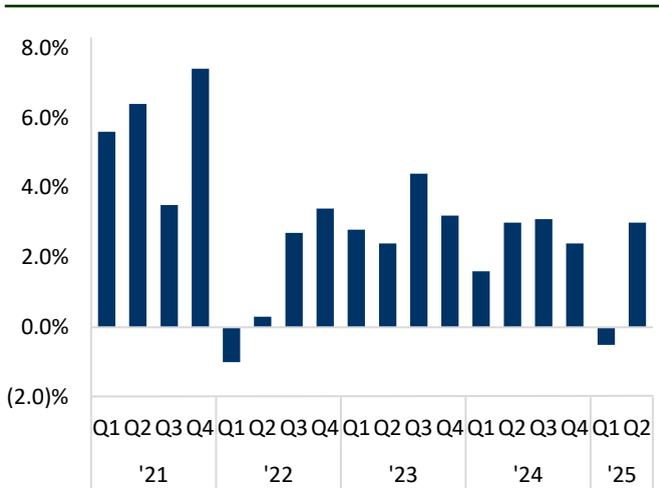
Note: Middle-market transactions have a disclosed enterprise value of less than \$1 billion.

(1) Reflects current S&P 500 constituents.

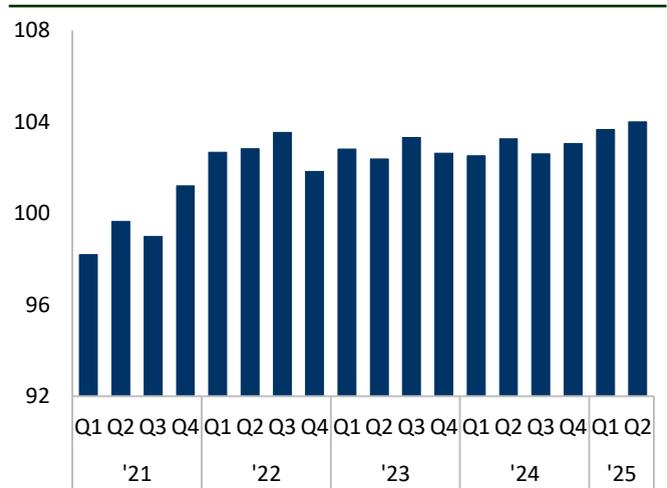
(2) Represents multiples on deals funded by broadly syndicated loans.

KEY ECONOMIC DATA

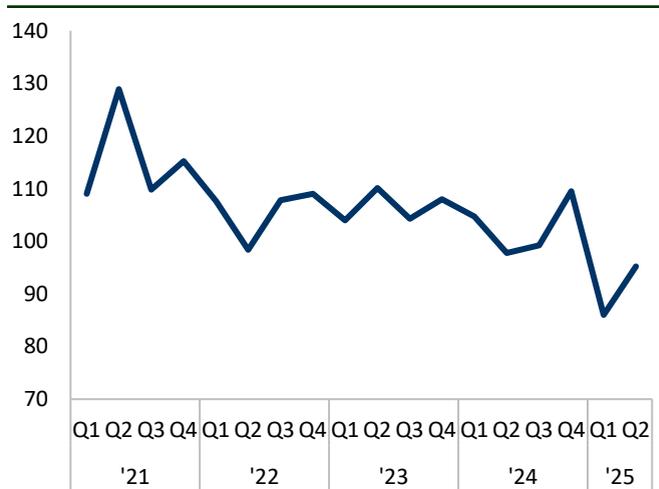
Real GDP Growth



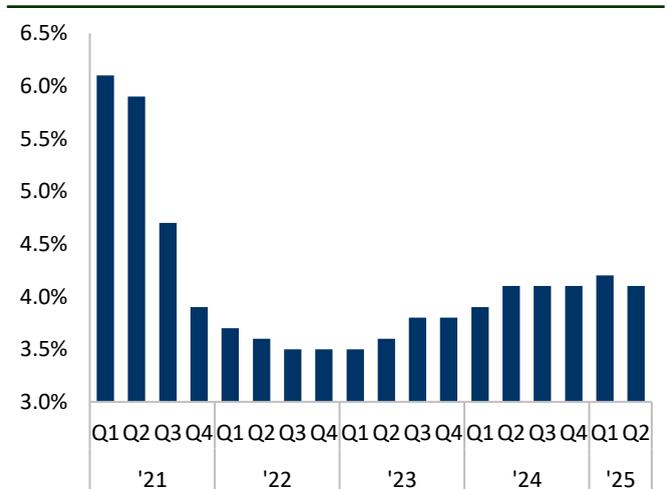
Industrial Production⁽¹⁾



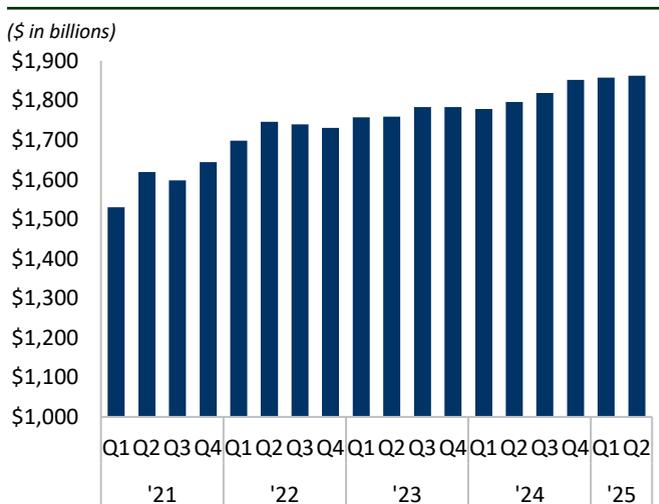
Consumer Confidence⁽²⁾



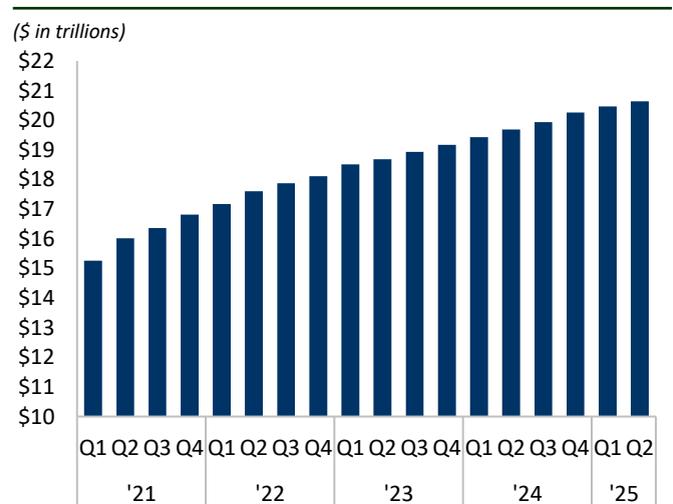
Unemployment Rate



Retail Sales



Consumer Spending

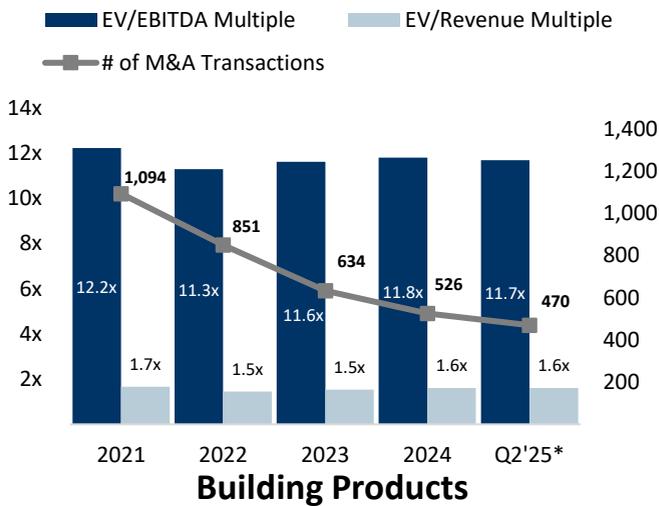


(1) Indexed relative to 2017.

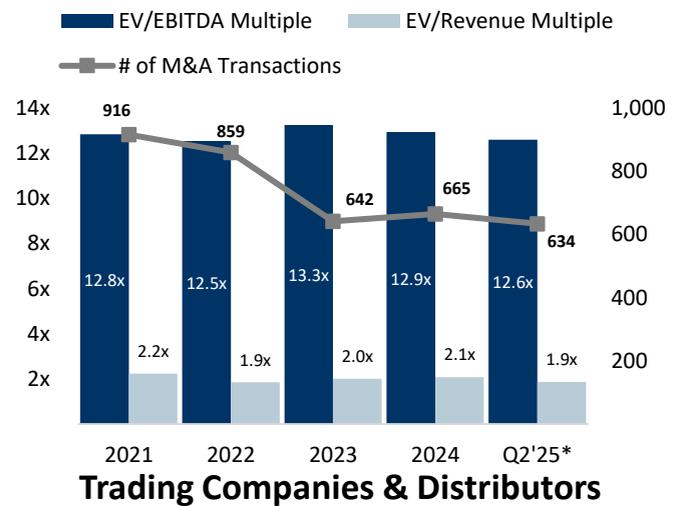
(2) Indexed relative to 1985.

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

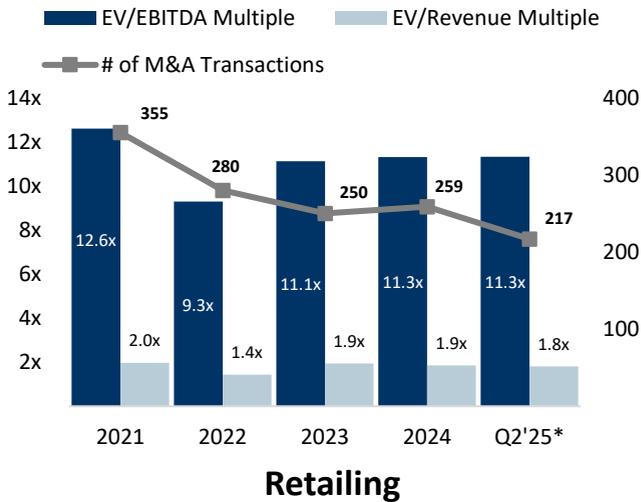
General Industrial



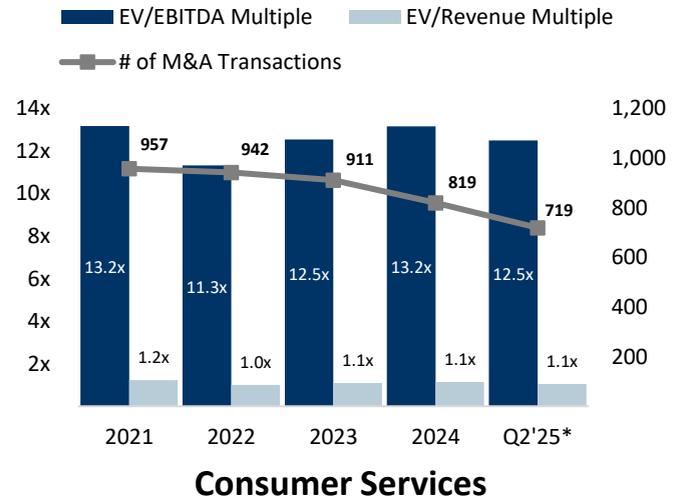
IT Consulting & Other Services



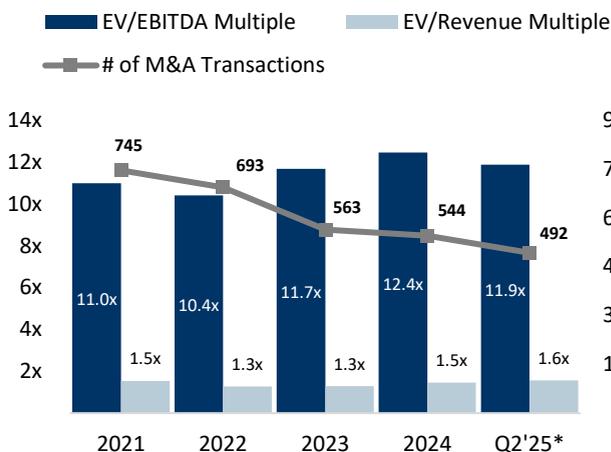
Building Products



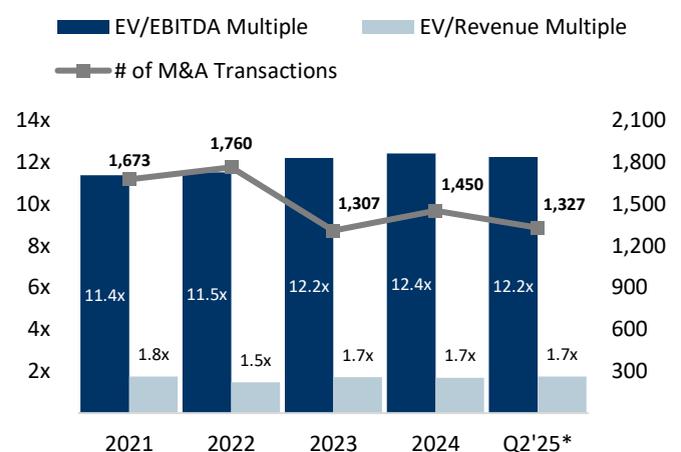
Trading Companies & Distributors



Retailing



Consumer Services



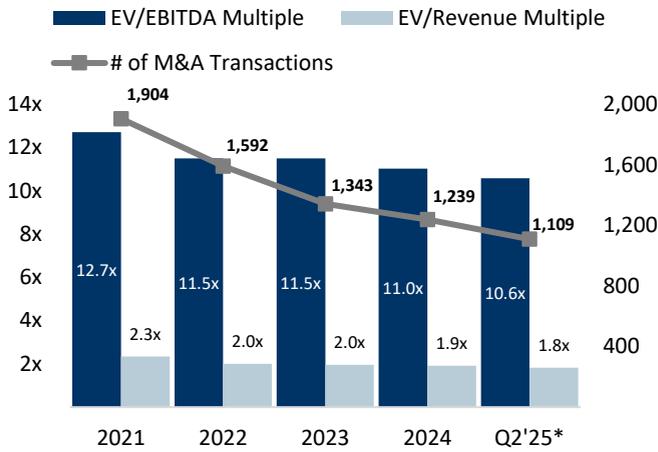
*Latest twelve months as of June 30, 2025.

Note: EV = Enterprise Value.

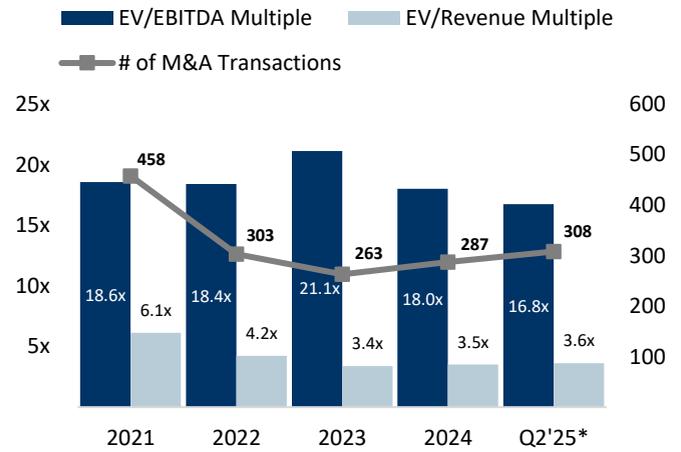


AVERAGE PUBLIC MULTIPLES & U.S. DEAL ACTIVITY BY SELECT INDUSTRY GROUPS

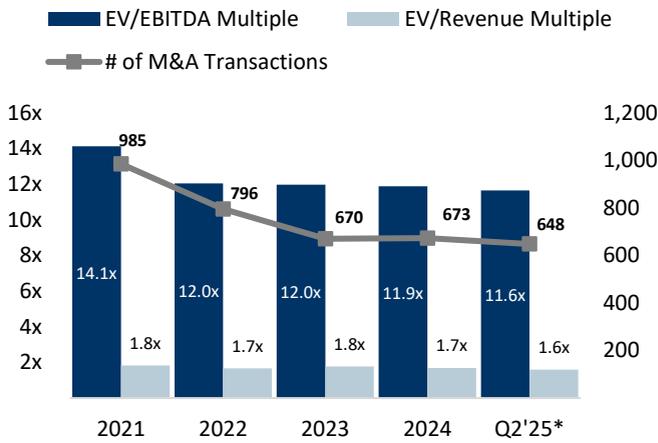
Healthcare Facilities



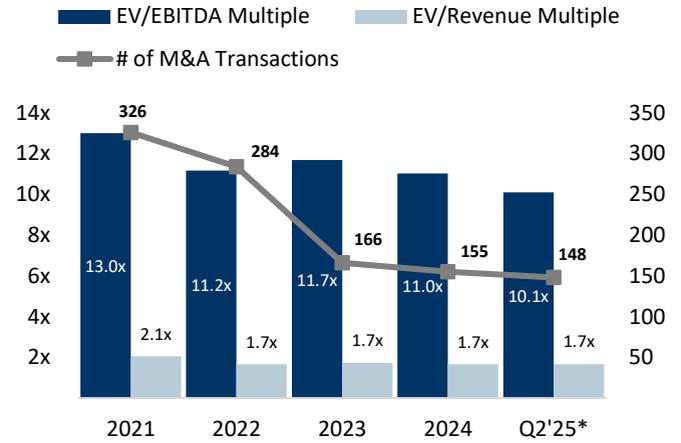
Healthcare Software



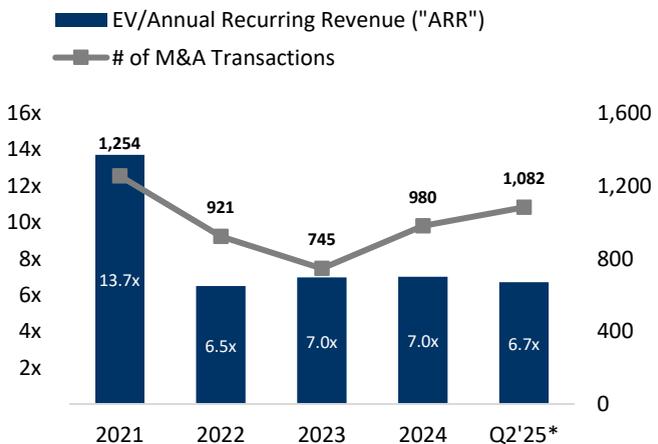
Healthcare Services



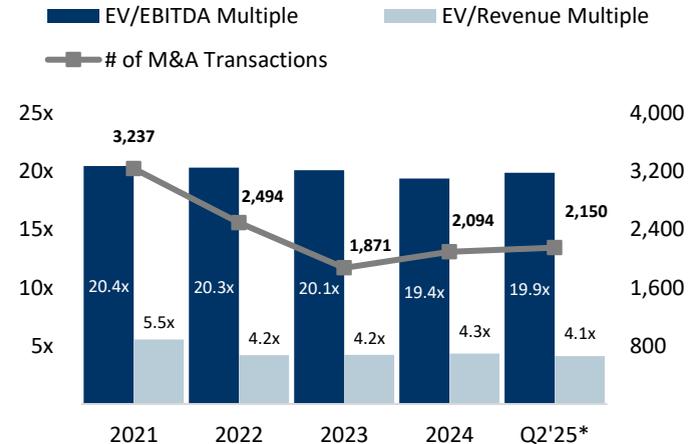
BPO & Outsourced Services



Software-as-a-Service⁽¹⁾



General Software & Services



(1) SaaS Capital Enterprise Value / ARR Index.

*Latest twelve months as of June 30, 2025.

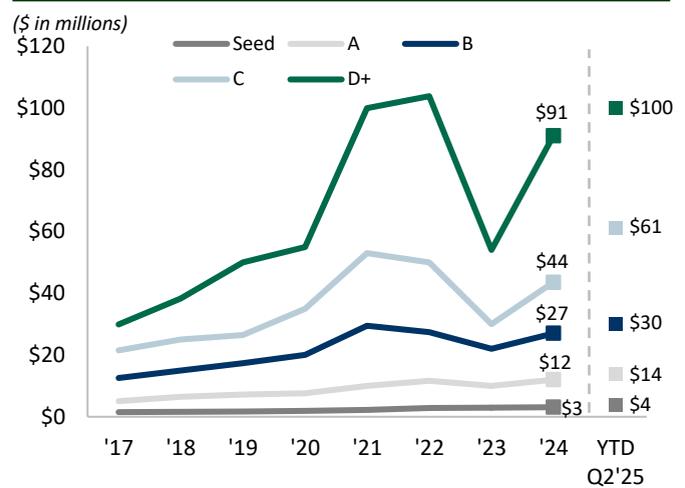
Note: EV = Enterprise Value.

PRIVATE CAPITAL DATA

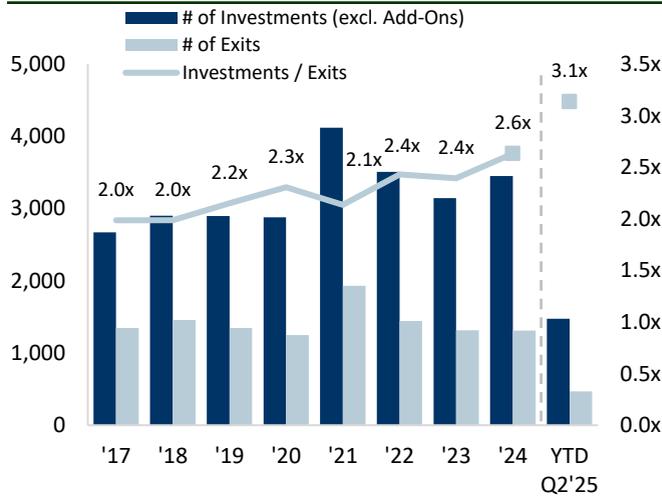
U.S. VC Activity by Year



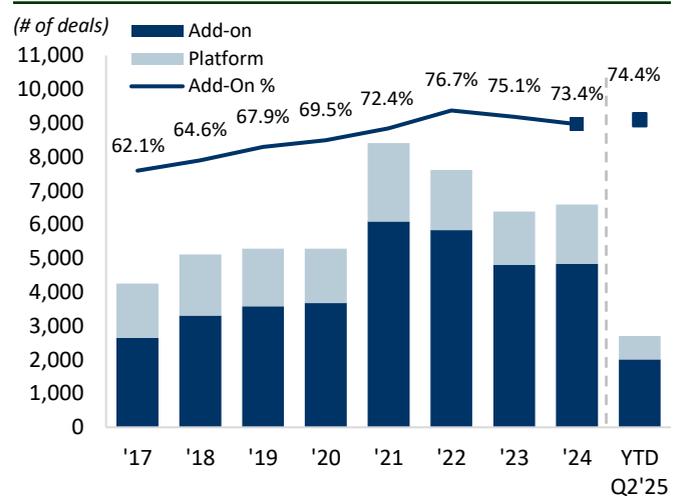
Median VC Round Size by Stage



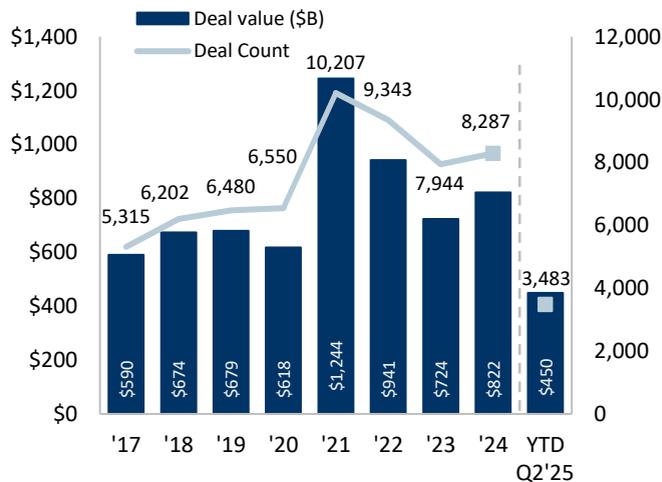
U.S. Private Equity Investments vs Exits



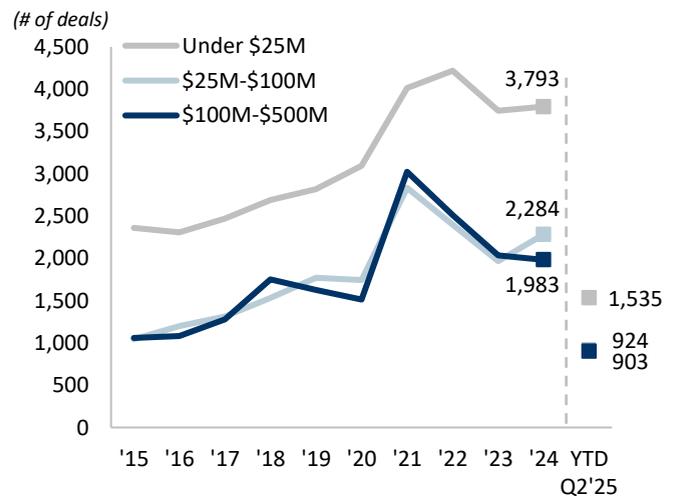
U.S. Private Equity Add-ons vs Platforms



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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