



CROFT & BENDER

Q4 2021 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
- Exceptions to typical EBITDA criteria:
 - High growth companies
 - Technology 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 received an investment from



FALFURRIAS CAPITAL

engage fi is a leading provider of technology-enabled consulting services to Community Financial Institutions.



TECHNOLOGY



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



Grayshift provides the leading mobile forensic access and extraction solution for law enforcement, national defense and the intelligence community.



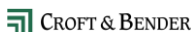
INDUSTRIAL



has partnered with



Rasa Floors is a leading provider of replacement flooring solutions to the multi-family industry.



HEALTHCARE

Undisclosed

has completed a debt recapitalization with a syndicate led by



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



CONSUMER

Tech-Enabled Real Estate Brokerage Company

has been acquired by

An Undisclosed Buyer

The client is a leading technology-driven residential real estate lead generation and brokerage platform.



has completed a buyout

Led by Existing Management

Cumberland Group is one of the Southeast's largest privately held IT Solutions Providers.



has been acquired by



a portfolio company of



THOMABRAVO

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



has been acquired by



SPECIALITY BUILDING PRODUCTS

Millwork Sales is a leading two-step distributor of millwork, hardware and related parts in the Southeastern U.S.



has been recapitalized by



TTCP

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



has been acquired by



SILVER OAK SERVICES PARTNERS

Project Drive operates 22 automotive service and repair shops across five sunbelt states.



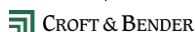
has been acquired by



a portfolio company of



Abacus Solutions is a world-class IBM i solutions provider.



has acquired



IDology is a leading provider of identity verification and fraud prevention services.



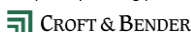
a portfolio company of

NARROW GAUGE CAPITAL

has been acquired by



SEI is a leading installer of insulation and other specialty building products.



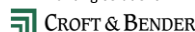
has been acquired by



a portfolio company of



Medport is a leading, tech-enabled provider of healthcare financing solutions.



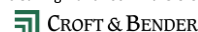
has been acquired by



a portfolio company of



ASP is the leading swimming pool cleaning franchisor in the U.S.



has been acquired by



Aqua Smart is a leading producer of treatment chemicals for the drinking water market.



has been acquired by



a portfolio company of



SIP.US is a leading provider of on-demand, enterprise-class IP communications software solutions.



has been acquired by



a portfolio company of



TriLink Saw Chain is a leading provider of chainsaw replacement parts.



has been acquired by



a portfolio company of



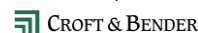
Sacred Journey Hospice is a leading hospice provider in Georgia.



has been acquired by



Carousel Designs is a leading online provider of original and custom-designed baby bedding, fabric and nursery décor.



FEATURED TRANSACTIONS

COMPANY OVERVIEW

- Established in 1998, Millwork Sales (“Millwork” or the “Company”) is a leading two-step distributor of millwork, hardware and related parts
- Millwork operates strategically located distribution centers in Florida, serving building material dealers, door shops and millwork houses across the Southeastern United States
- The Company possesses 40,000 square feet of production space between its two facilities to deliver a wide range of interior and exterior pre-hung doors

DEAL OVERVIEW

- Croft & Bender was engaged to help the Company evaluate strategic alternatives, including a possible sale
- Croft & Bender worked with Millwork to build a financial model, develop marketing materials, prepare a list of prospective buyers and manage the diligence process
- Croft & Bender successfully negotiated the sale of Millwork Sales to Specialty Building Products, a portfolio company of The Jordan Company



has been acquired by



SPECIALTY BUILDING PRODUCTS

Millwork Sales is a leading two-step distributor of millwork, hardware and related parts in the Southeastern U.S.



COMPANY OVERVIEW

- engage fi, LLC (the “Company”), formerly known as CU Engage, is a leading provider of tech-enabled consulting services to Community Financial Institutions across the United States
- The Company provides data-informed consulting services to credit unions and community banks (collectively, “Community Financial Institutions”) to optimize technology vendor selection and spend

DEAL OVERVIEW

- Croft & Bender was engaged to help the Company evaluate and pursue a partner for the next phase of growth of the business
- Croft & Bender worked with the Company to build a financial model, develop marketing materials, prepare a list of potential partners, conduct management presentations, manage the diligence process and negotiate with interested parties
- Croft & Bender successfully negotiated the growth recapitalization of the Company by Falfurrias Capital



has received an investment from



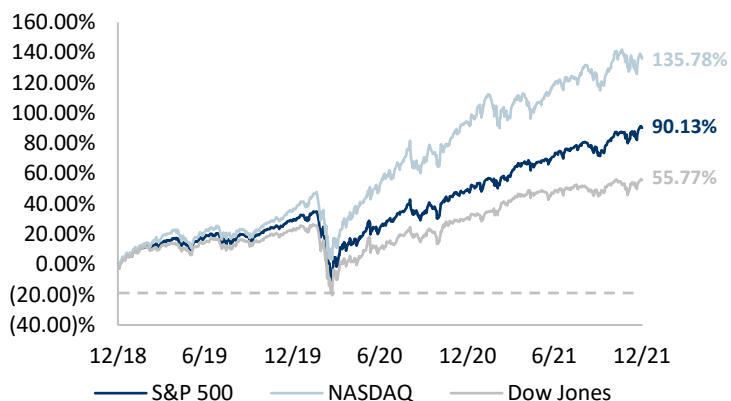
FALFURRIAS CAPITAL

engage fi is a leading provider of technology-enabled consulting services to Community Financial Institutions.

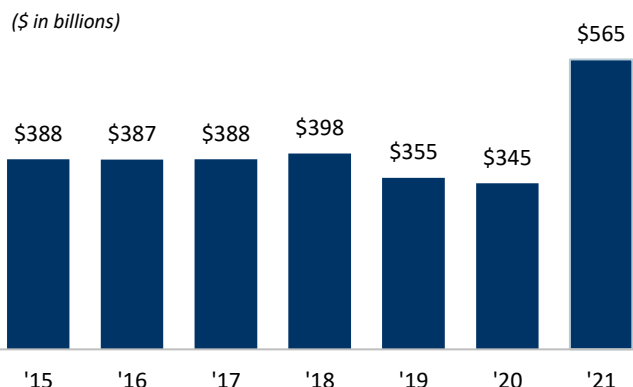


KEY CAPITAL MARKETS DATA

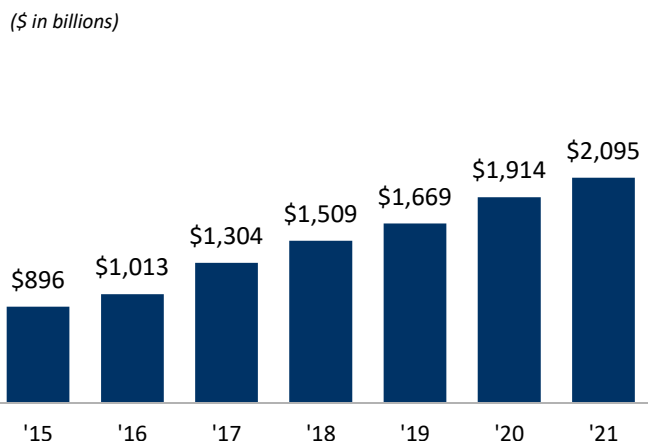
Public Equity Markets



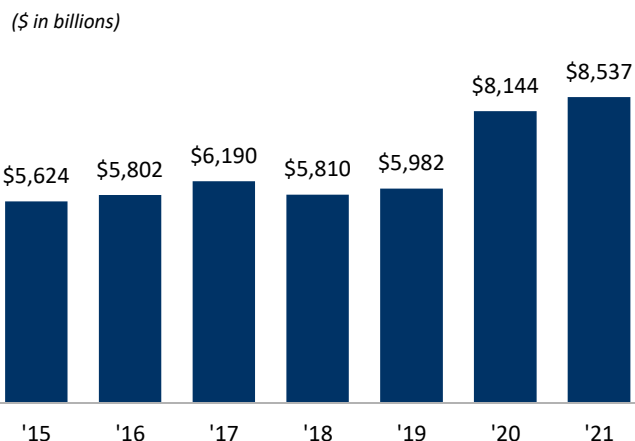
Middle Market Deal Volume



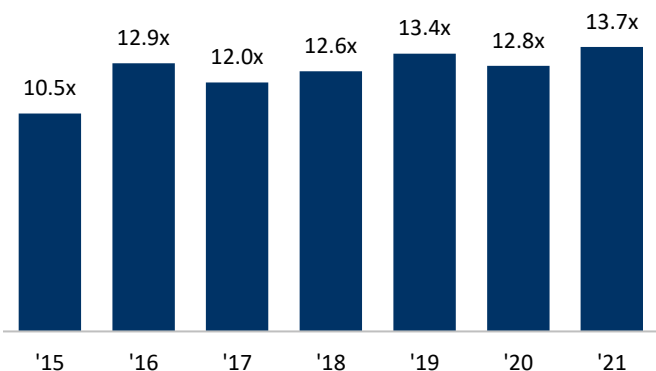
Private Equity Dry Powder



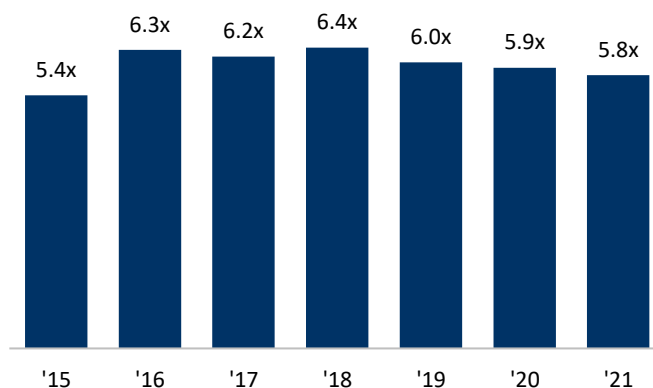
Cash on Corporate Balance Sheets⁽¹⁾



US PE Enterprise Value / EBITDA Multiples

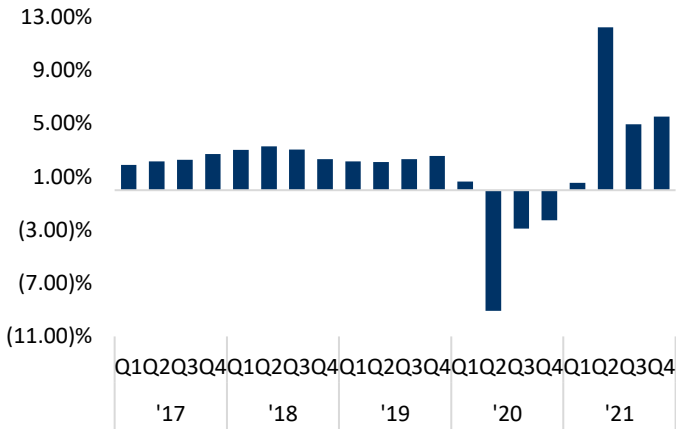


US PE Debt / EBITDA Multiples

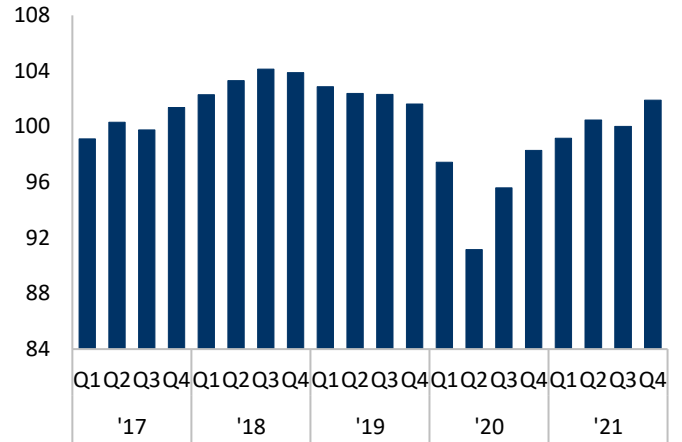


KEY ECONOMIC DATA

Real GDP Growth



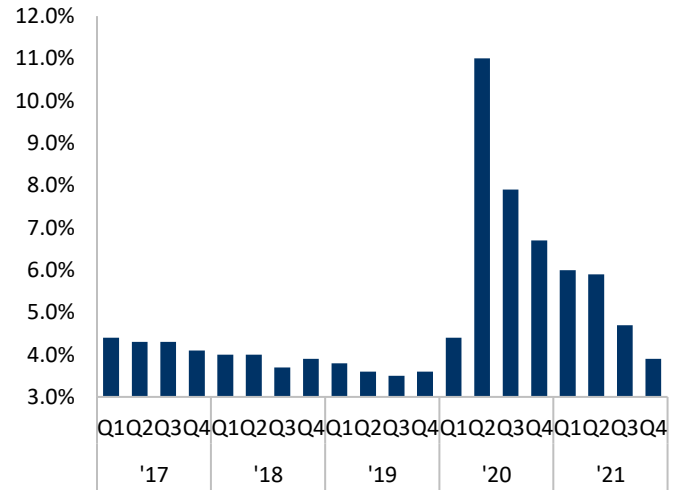
Industrial Production⁽¹⁾



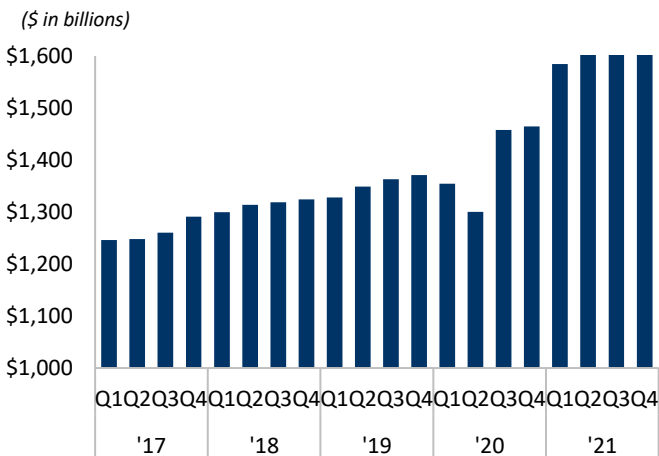
Consumer Confidence⁽²⁾



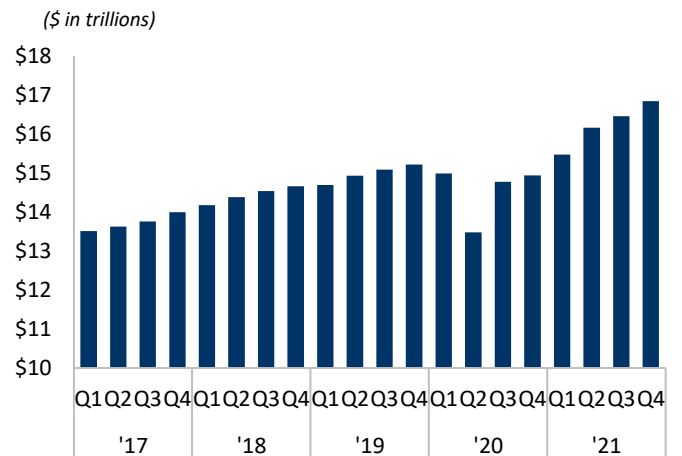
Unemployment Rate



Retail Sales



Consumer Spending



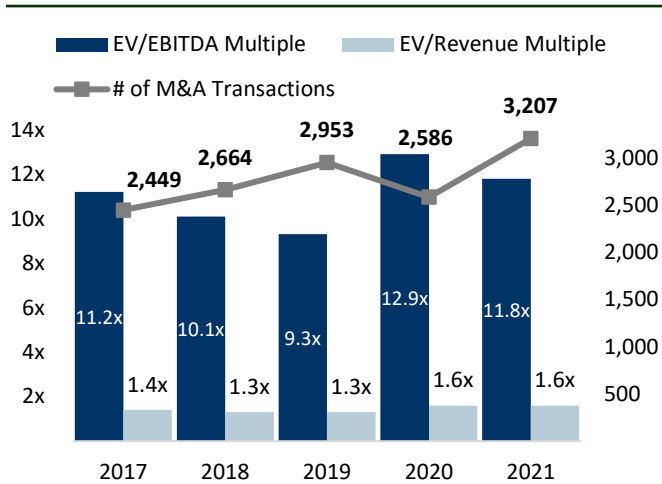
(1) Indexed relative to 2012.

(2) Indexed relative to 1985.

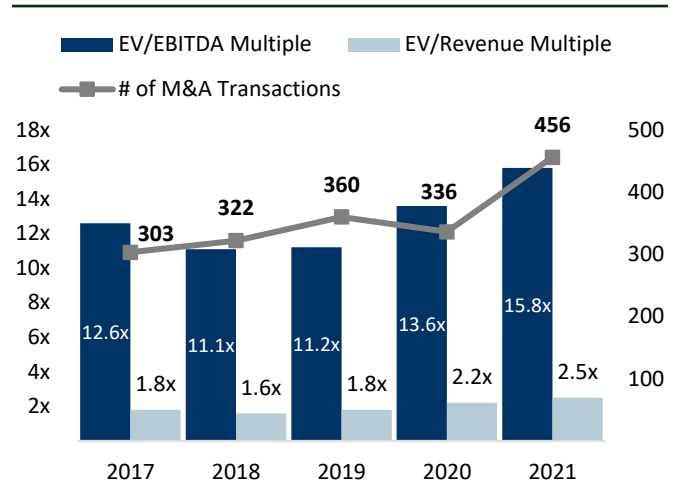


AVERAGE PUBLIC MULTIPLES & U.S. DEAL ACTIVITY BY SELECT INDUSTRY GROUPS

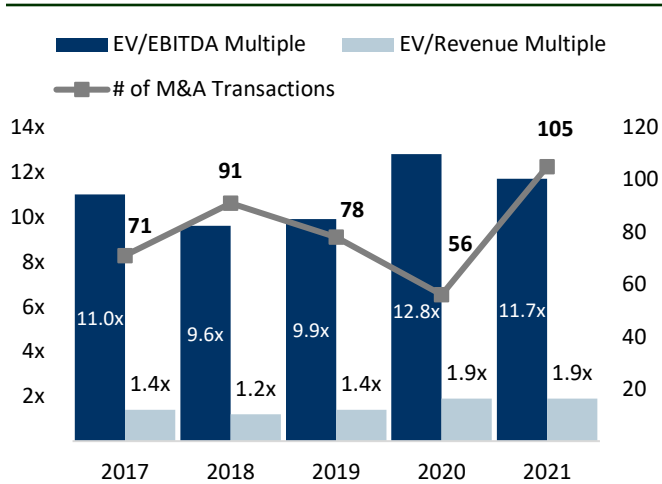
General Industrial



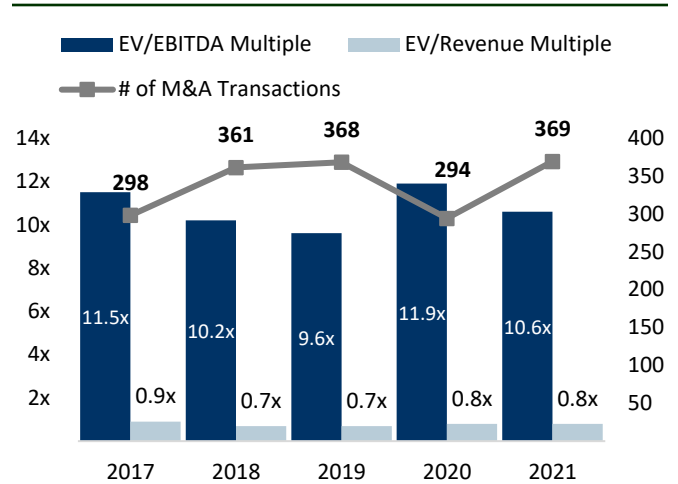
IT Consulting & Other Services



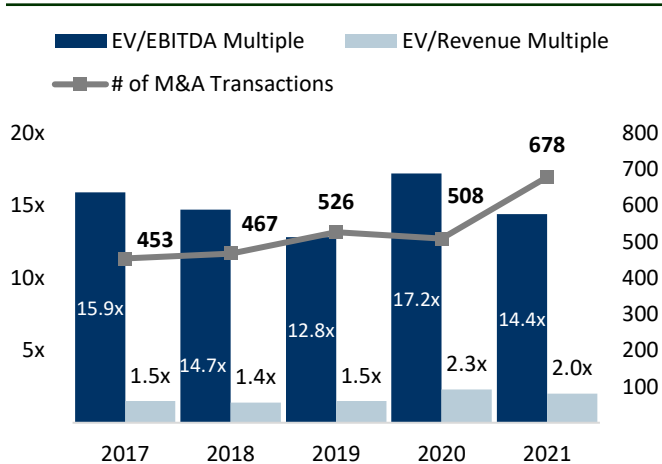
Building Products



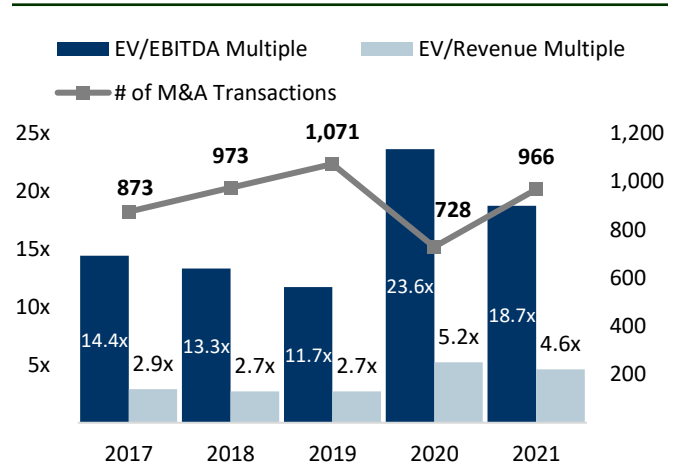
Trading Companies & Distributors



Retailing



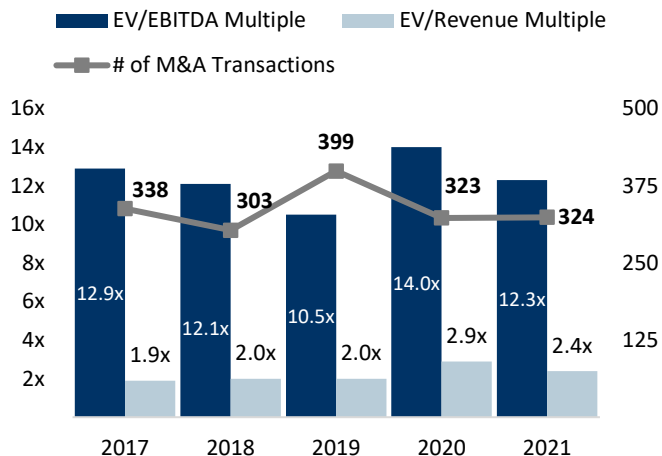
Consumer Services



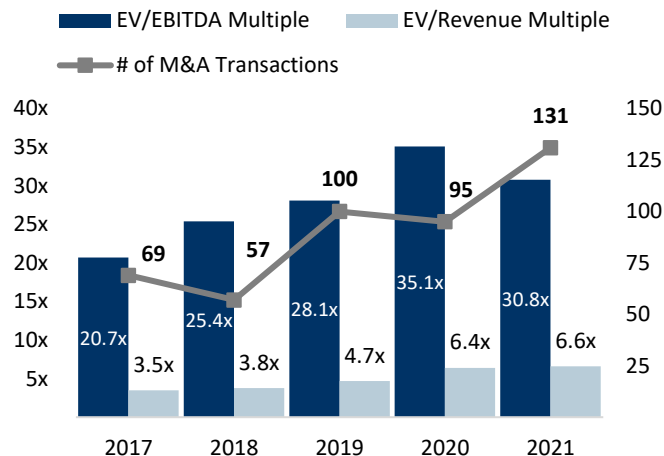


AVERAGE PUBLIC MULTIPLES & U.S. DEAL ACTIVITY BY SELECT INDUSTRY GROUPS

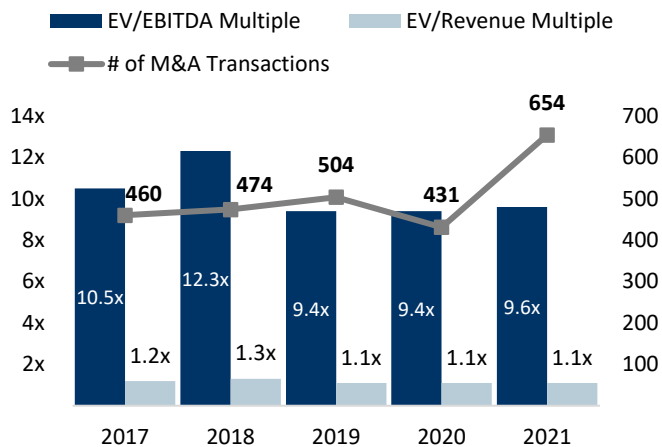
Healthcare Facilities



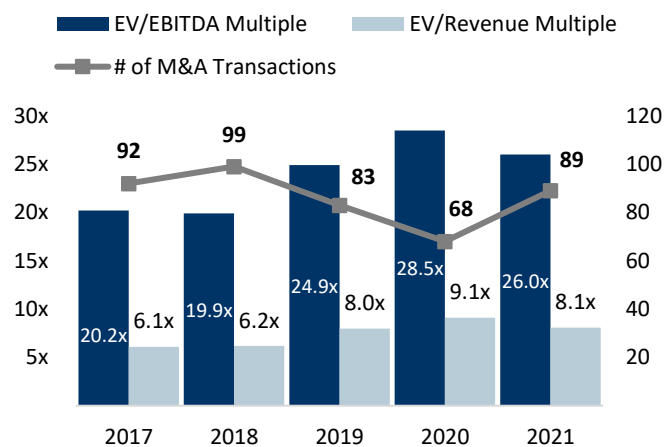
Healthcare Software



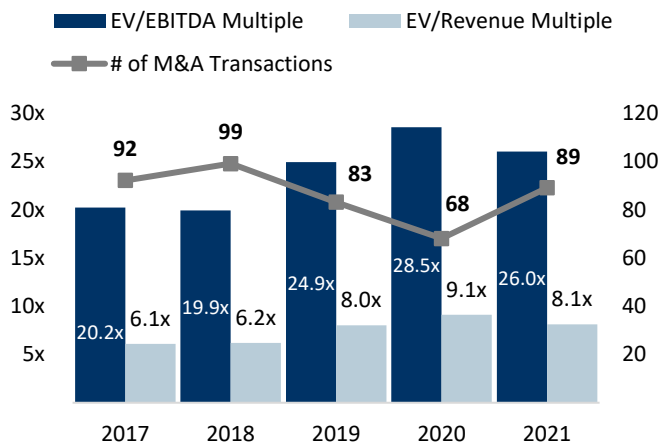
Healthcare Services



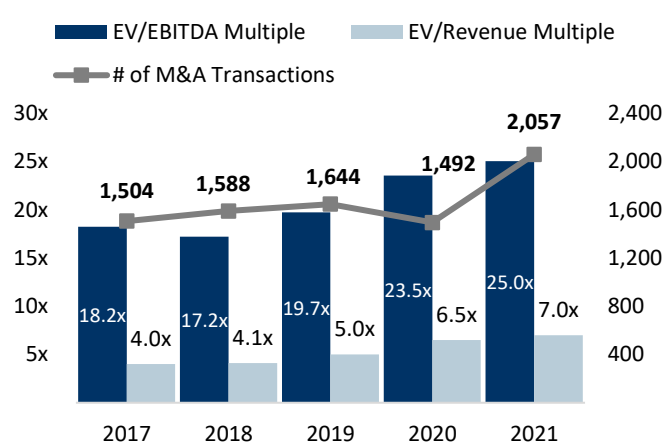
Data Processing & Outsourced Services



Software-as-a-Service

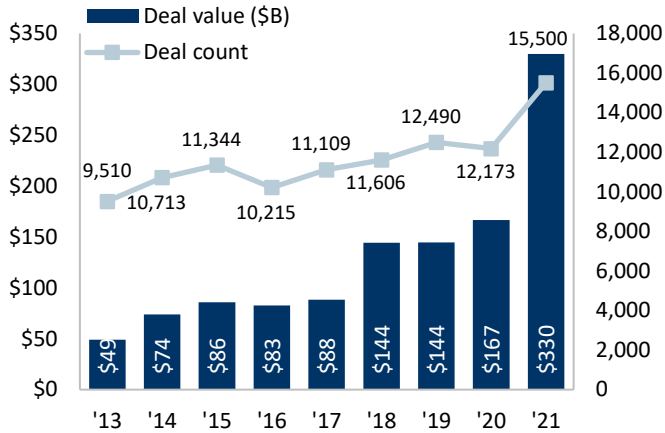


General Software & Services

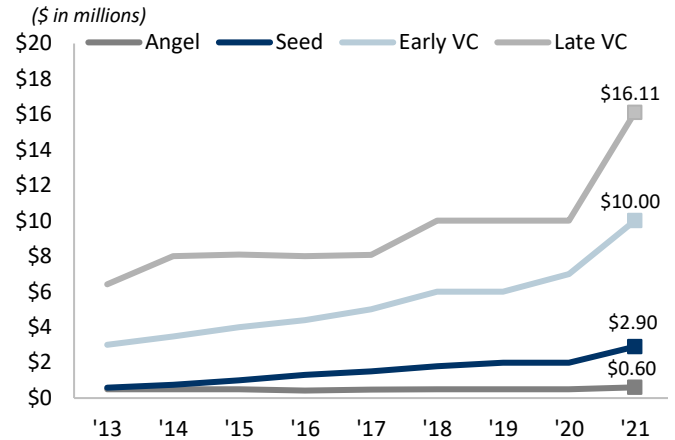


PRIVATE CAPITAL DATA

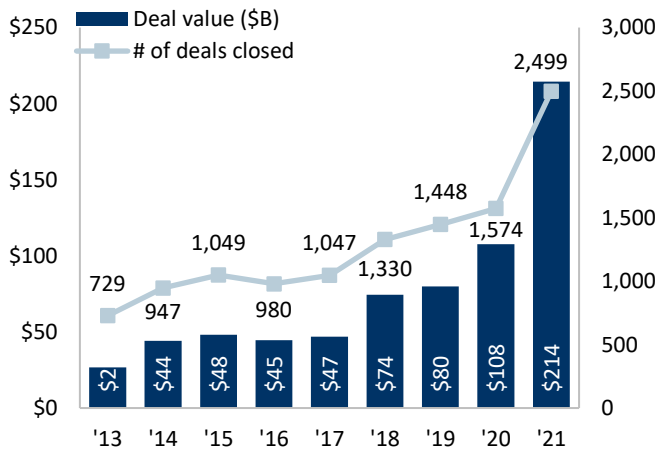
U.S. VC Activity by Year



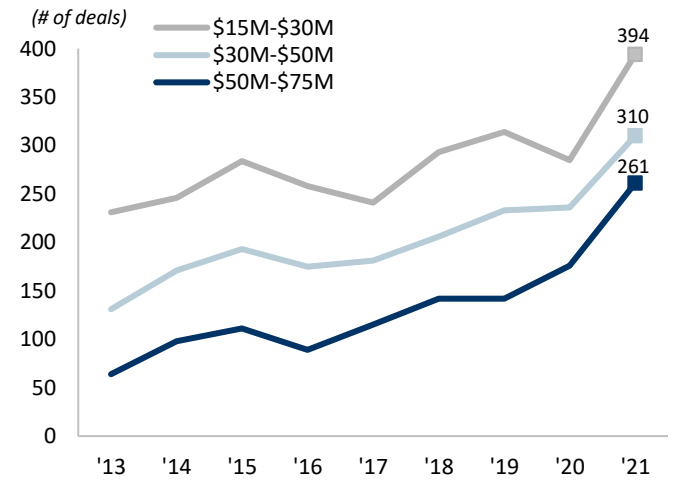
Median VC Round Size by Stage



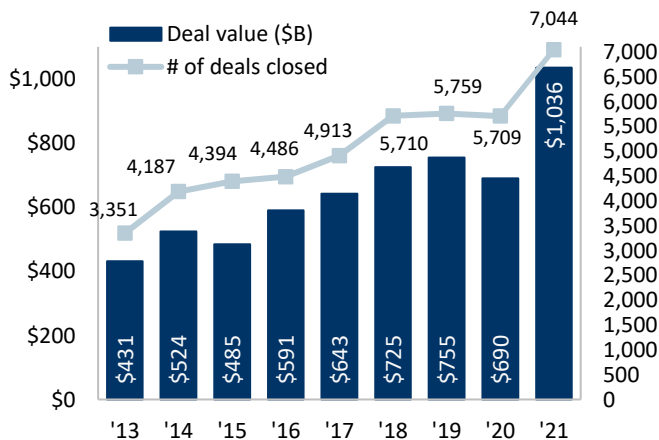
U.S. Growth Equity Activity by Year



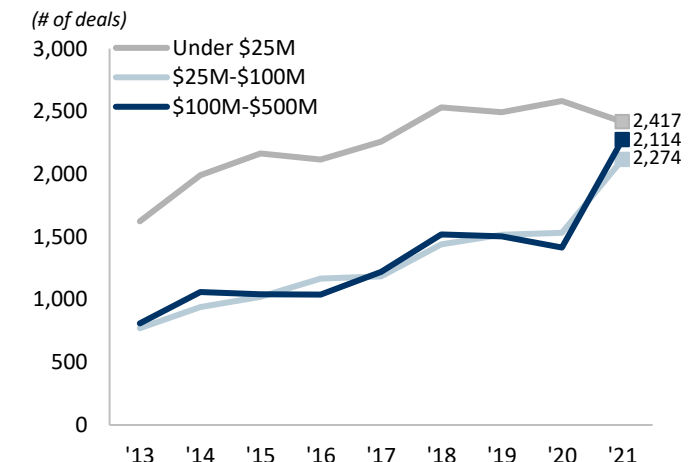
U.S. Growth Equity Deals by Deal Size



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.

Investment banking services are provided by Croft & Bender, a registered broker-dealer and member of FINRA and SIPC.

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