



# Southeast M&A Update

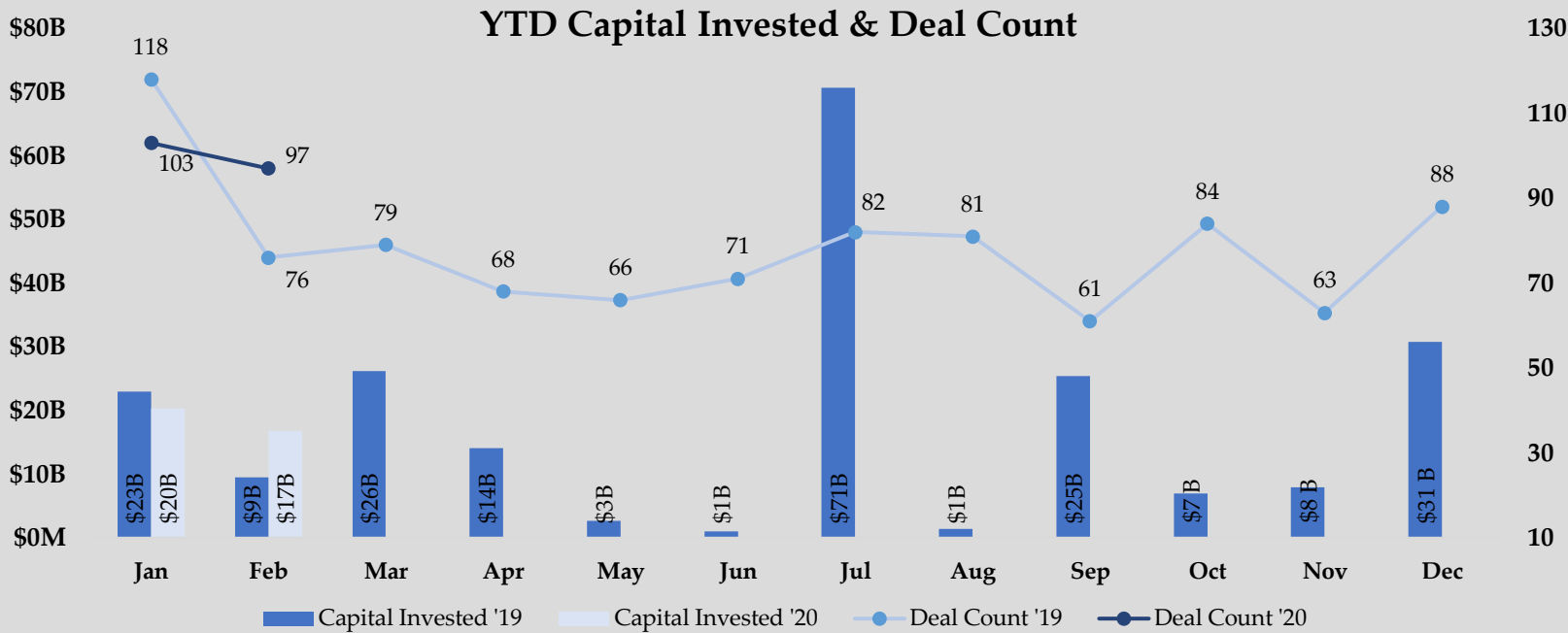
February 2020

## Notable Trends in February 2020

For the month of February, deal count was up 27.6% compared to 2019, increasing from 76 deals to 97 deals. The 97 deals are a decrease from the 103 deals the previous month. Year-over-year, total capital

invested had a large increase of 76.9% from \$9 billion down to \$17 billion, but this amount was almost the exact same as the prior month of \$20 billion. Both median deal size and the EV/EBITDA multiple

### YTD Capital Invested & Deal Count

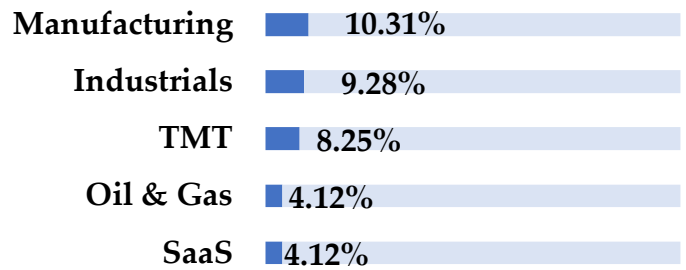


decreased year-over-year by 32.7% and 38.3%, respectively. These numbers are also lower in comparison with January.

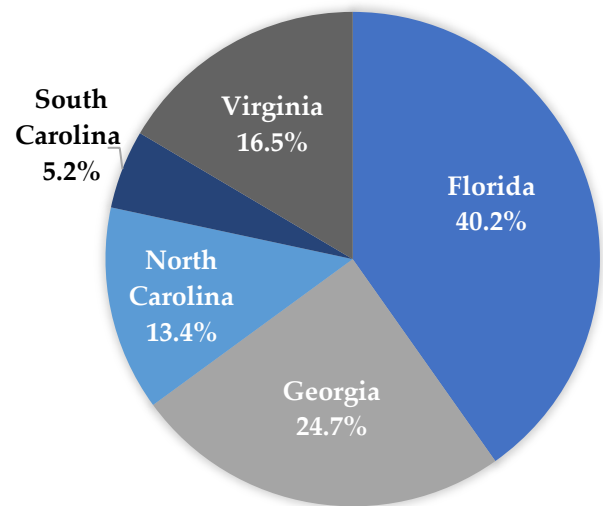
The top 3 most active verticles in the month of February were Manufacturing; Industrials; and Technology, Media, and Telecommunications (TMT) for 10.31%, 9.28%, and 8.25%, respectively. After that, there is a drop off followed by oil and gas at 4.12% and software as a service also for 4.12%.

Florida had the most completed deals at 39, including the 2<sup>nd</sup>, 3<sup>rd</sup>, and 4<sup>th</sup> largest deals of the month. Florida was the leader in deal count year-over-year and also in the last month. Georgia was second with 24 completed deals followed by Virginia with 16 deals, including the largest deal of the month in Morgan Stanley's acquisition of E\*Trade.

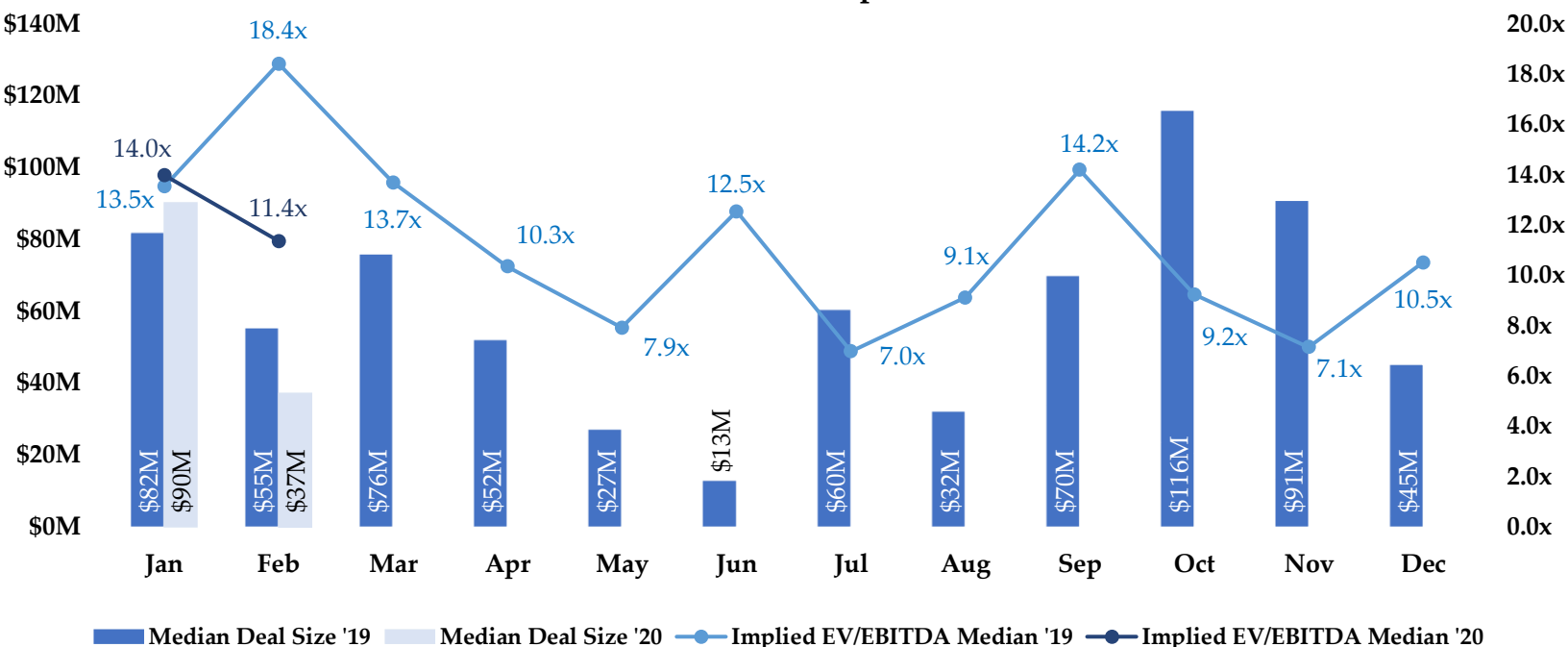
### Top 5 Associated Verticles



### DEAL COUNT PERCENTAGE BY STATE



### YTD Median Deal Size & Implied EV/EBITDA



## Selected Southeast Transactions

Deal Date	Buyer/Investors	Target/Issuer	Company State/Province	Verticals	Deal Size
20-Feb-2020	Morgan Stanley (NYS: MS)(James Gorman)	E*Trade (NAS: ETFC)	Virginia	TMT	13,000.00
14-Feb-2020	Advisor Group(James Price)	Ladenburg Thalmann Financial Services	Florida		1,300.00
04-Feb-2020	Leidos (NYS: LDOS)	L3Harris (airport security and automation business)	Florida		1,000.00
28-Feb-2020	Atlas Corp (NYS: ATCO)(Ryan Courson)	APR Energy	Florida	CleanTech, Industrials, Infrastructure, Oil & Gas	750.00
20-Feb-2020	Teleflex (NYS: TFX)(Liam Kelly)	IWG High Performance Conductors	South Carolina	Manufacturing	260.00
11-Feb-2020	Dominion Resources (NYS: D)(James Chapman)	Atlantic Coast Pipeline (Joint Venture)	Virginia	Industrials, Infrastructure, Oil & Gas	175.00
03-Feb-2020	PGT Innovations (NYS: PGTI)(Jeffrey Jackson)	NewSouth Window Solutions	Florida	Manufacturing	92.00
10-Feb-2020	Safilo Group (MIL: SFL)(Angelo Trocchia)	Privé Revaux	Florida	E-Commerce, TMT	67.50
10-Feb-2020	Digital Turbine (NAS: APPS)	Mobile Posse	Virginia	AdTech, Marketing Tech, Mobile, TMT	66.00
10-Feb-2020	Coats Group (LON: COA)(Rajiv Sharma)	Pharr High Performance	North Carolina	Manufacturing	37.00
19-Feb-2020	Israel Chemicals (TAE: ICL)(Raviv Zoller)	Growers	North Carolina	AgTech, Artificial Intelligence & Machine Learning, Big Data, TMT	27.50
11-Feb-2020	Lyft (NAS: LYFT)(Logan Green)	Flexdrive Services	Georgia	Mobility Tech, TMT	20.00
03-Feb-2020	VOXX International (NAS: VOXX)(Patrick Lavelle)	Rostra Accessories	North Carolina	Industrials, Manufacturing	16.50
24-Feb-2020	MXR The Imaging Solution Company	Oxford Instruments (Healthcare Business)	Florida	HealthTech	15.00
12-Feb-2020		Sinacori Builders	North Carolina		4.70
27-Feb-2020	VIQ Solutions (TSX: VQS)(Sebastien Paré)	Wordzexpressed Transcription Services	Georgia	Industrials	4.70
11-Feb-2020	HealthLynked (PINX: HLYK)(Michael Dent)	CURA Health Management	Florida		1.75
03-Feb-2020	Andover National(Mary Foster)	Potter's Lawn & Landscaping	Florida		1.68
27-Feb-2020	The Reading Group	Action Fabrication And Truck Equipment	Florida	Industrials	
29-Feb-2020	BrightSpring Health Services(Jon Rousseau)	Advanced Home Care (Advanced Home Health)	Georgia		
18-Feb-2020	Perfect Home Services(Justin Carrol)	Air Medics Heating And Cooling	Florida		
03-Feb-2020	General Data(Peter Wenzel)	AmeriGraph Packaging Group	Georgia	Manufacturing	
13-Feb-2020	Towne Insurance(Dudley Fulton)	Angel Agency	North Carolina		
03-Feb-2020	Frazier & Deeter	Arch + Tower	Georgia		
04-Feb-2020	Guardian Pharmacy of Jacksonville(Khristy McClelland)	Atkinson's Pharmacy	Florida		

## Transactions Highlights

### **E\*Trade (Virginia)**

They are a financial services company who provides both brokerage and other services to clients. They were bought by Morgan Stanley, a financial holding company, for about \$13 billion on February 19, 2020. This combination increases Morgan Stanley's Wealth Management scale and enhances digital capabilities. Morgan Stanley will see significant cost and funding synergies that will help create value for shareholders.

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Morgan Stanley

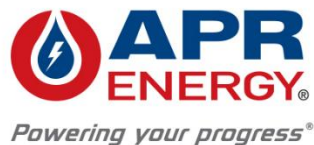


### **Ladenburg Thalmann Financial Services (Florida)**

The company is a financial services firm that has two primary lines of business: independent brokerage and investment banking. Advisor Group is one of the nation's largest networks of independent wealth management firms, and they acquired Ladenburg through a cash merger of approximately \$1.3 billion. This merger will help make Advisor Group an industry leader in wealth management.

### **L3Harris (Florida)**

The company, a technology firm that provides products, systems, and services to the government and commercial consumers, was bought by Leidos Holdings for \$1 billion in cash. Leidos is a global science and technology firm that provides services mainly for the government. This acquisition is expected to be accretive to Leidos' revenue growth, EBITDA margins, and non-GAAP EPS.



### **APR Energy (Florida)**

The company provides power solutions to customers and communities around the world. Atlas Corp., a global asset manager and operator, bought APR Energy in an all-stock transaction for approximately \$750 million. With this acquisition, Atlas Corp. operates through two subsidiaries, Seaspan Corporation and APR Energy. This acquisition will help Atlas diversify its asset class and cash flows and give them a stronger global presence

### **IWG High Performance Conductors (South Carolina)**

The company is a global leader in the manufacturing of wires and conductors. It has many different applications, including medical equipment. They were bought by Teleflex for roughly \$260 million. Teleflex is a provider of medical technology products. This acquisition will help give them more inputs in the creation of their medical devices in the future.

