



Southeast M&A Update

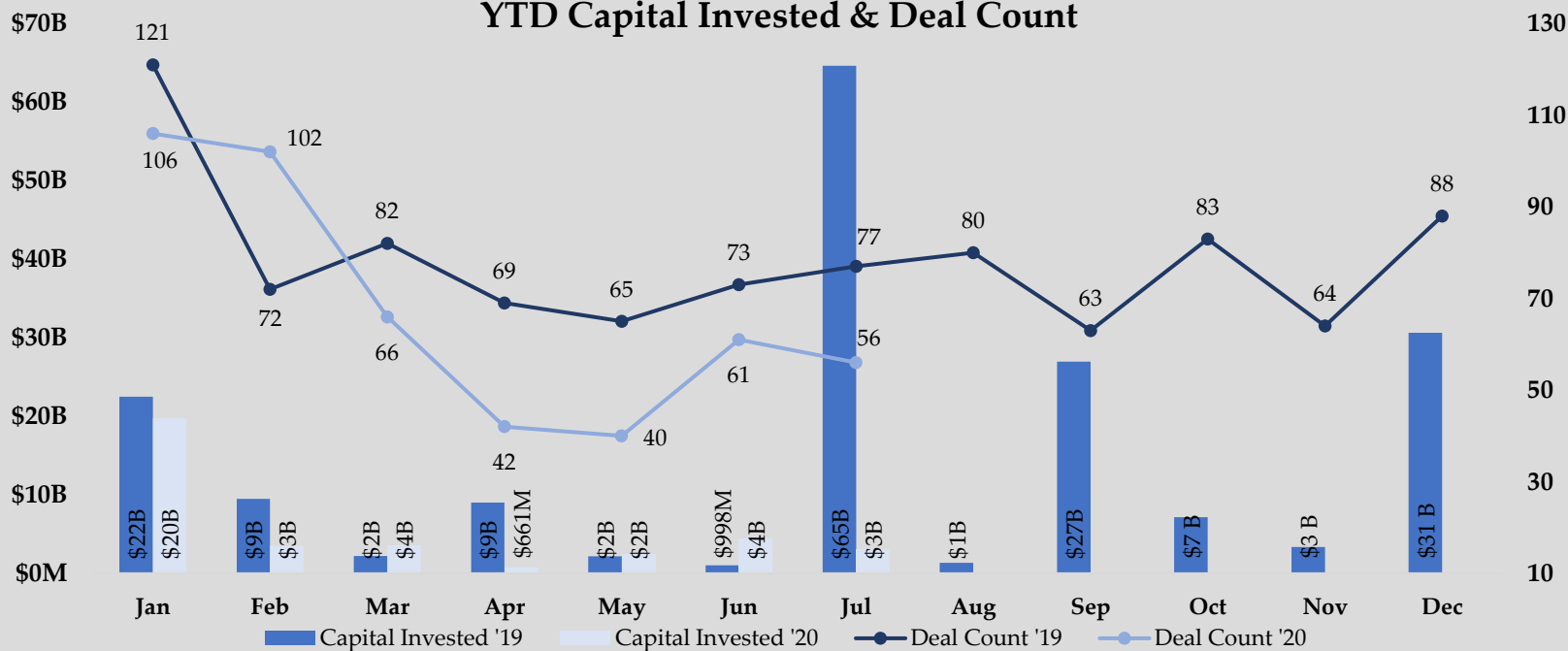
July 2020

Notable Trends in July 2020

For the month of July, deal count decreased 8% after a rise in deal activity in June. Additionally, deal activity was down 16% compared to July 2019. Capital invested decreased by 95% year-over-year and 31% compared to last month. The majority of

July's capital invested was attributed to the acquisitions of Collins Aerospace and Ironman by BAE Systems and Advance Publications, respectively. The two acquisitions comprised 87% of capital investment in the Southeast.

YTD Capital Invested & Deal Count

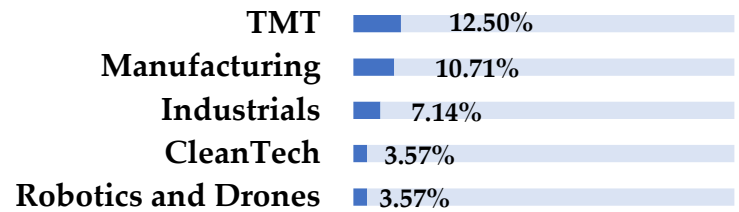


Median deal size stood at \$84 million - an increase from both July 2019's amount of \$49 million and last month's amount of \$37 million. The EV/EBITDA multiple for July was 12.3x, a 56% increase compared to last year.

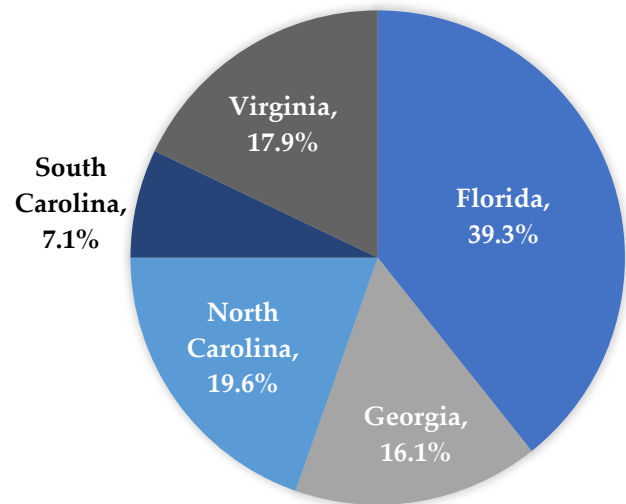
The top 3 most active verticals in the month of July were Technology, Media, and Telecommunications with 7 deals (TMT); Manufacturing with 6 deals; and Industrials with 4 deals for 12.50%, 10.71%, and 7.14% of all M&A deals completed in the Southeast, respectively.

Florida was the most active state with 22 completed deals. Florida was followed by North Carolina and Virginia with 10 and 11 completed deals, respectively. The three states together accounted for 77% of all deal activity in the Southeast.

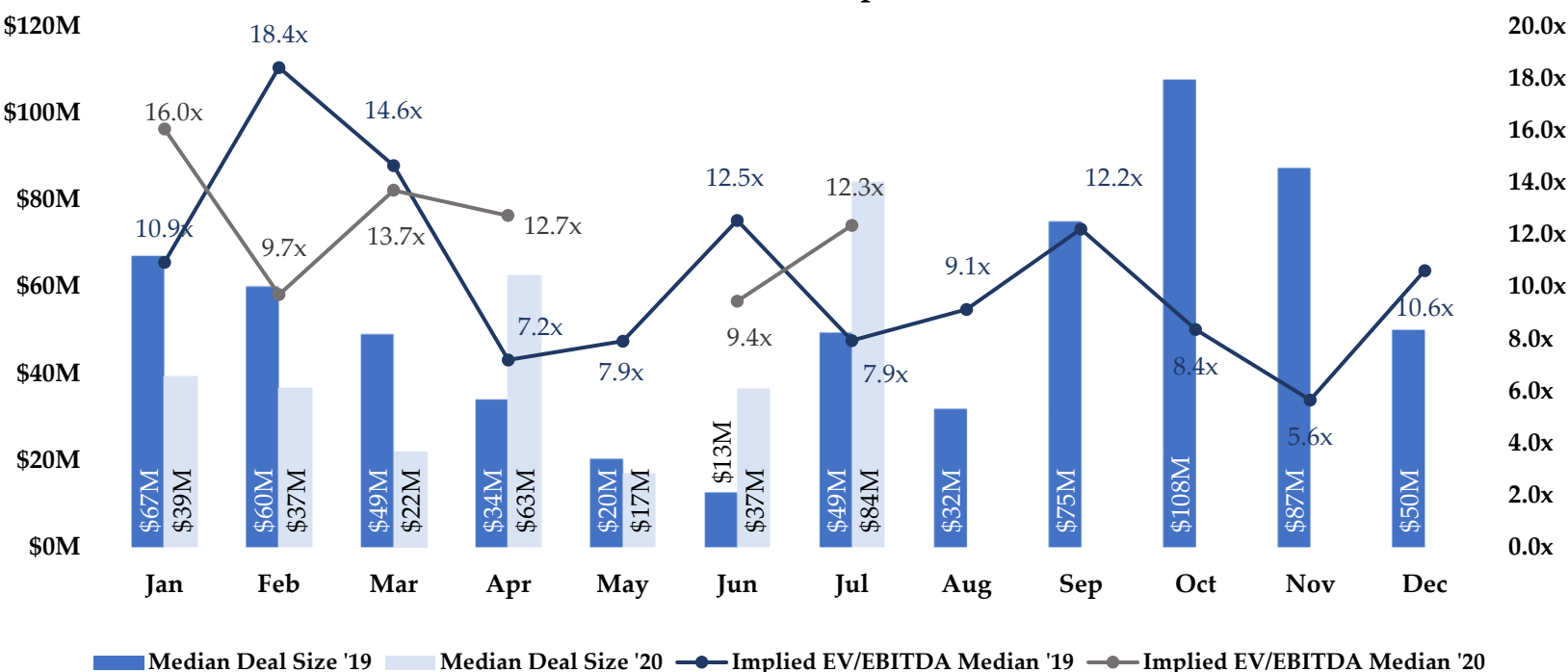
Top 5 Associated Verticals



DEAL COUNT PERCENTAGE BY STATE



YTD Median Deal Size & Implied EV/EBITDA



EV/EBITDA multiples not provided for the month of May

Selected Southeast Transactions for July

Deal Date	Buyer/Investors	Target/Issuer	Company State	Primary Industry	Deal Size (M)
7/31/2020	BAE Systems (LON: BA.)(Charles Woodburn)	Collins Aerospace (Military Global Positioning System)	Florida	Business Products and Services (B2B)	1,925.00
7/20/2020	Advance Publications, Orkila Capital(Jesse Du Bey)	Ironman	Florida	Business Products and Services (B2B)	730.00
7/1/2020	United Community Bank (NAS: UCBI)(Lynn Harton)	Seaside National Bank & Trust	Florida	Financial Services	180.00
7/1/2020	DigitalGlobe	Vricon	Virginia	Business Products and Services (B2B)	140.00
7/16/2020	Standex International (NYS: SXI)(David Dunbar)	Renco Electronics	Florida	Business Products and Services (B2B)	28.00
7/6/2020	ComSovereign (PINX: COMS)(Daniel Hodges)	Virtual Netw ork Communications	Virginia	Information Technology	19.00
7/1/2020	Sw edencare (STO: SECARE)(Hakan Lagerberg)	Stratford Animal Health	Florida	Consumer Products and Services (B2C)	17.08
7/1/2020	Pinellas Corridor	Best Western International (SureStay Plus Hotel, Clearw ater)	Florida	Consumer Products and Services (B2C)	10.50
7/17/2020	Nutrien (TSE: NTR)(Michael Frank)	AgBridge	South Carolina	Information Technology	
7/8/2020	Climatech Mechanical Service(Brad Taback)	Alliance Air Solutions	Florida	Business Products and Services (B2B)	
7/15/2020	Valsoft(Ouissam Youssef)	AllTrust Netw orks	Virginia	Information Technology	
7/1/2020	Vladmir(Dickie Sirotiak)	AmRad Engineering	Florida	Business Products and Services (B2B)	
7/21/2020	NearU (Fayetteville)(Ashish Achlerkar)	Bass Air Conditioning	North Carolina	Consumer Products and Services (B2C)	
7/8/2020	Specialty Program Group(Christopher Treanor)	Beacon Hill Associates	Virginia	Financial Services	
7/27/2020		Coeur Capital	Georgia	Financial Services	
7/23/2020	Nubank(David Vélez Osorno)	Cognitect	North Carolina	Information Technology	
7/13/2020	Bentley Systems (NAS: BSY)(Noah Eckhouse)	Cohesive Solutions	Georgia	Information Technology	
7/13/2020	Commercial Restoration Netw ork	Diamond Property Claims	Florida	Financial Services	
7/16/2020		Digital Media Solutions (United States) (NYS: DMS)	Florida	Business Products and Services (B2B)	
7/30/2020	Heritage Southeast Bank	Diversified Funding Services	Georgia	Financial Services	
7/7/2020	Nation Wide Products(Jason Darby)	DuctlessAire	South Carolina	Consumer Products and Services (B2C)	
7/1/2020	UAS Drone	Duke Robotics	Florida	Information Technology	
7/11/2020	Borland-Groover Clinic, P.A.	Gastroenterology Associates of St. Augustine	Florida	Healthcare	
7/14/2020	Triller(Bobby Sarnevesht)	Halogen Netw orks	Florida	Information Technology	
7/1/2020	KCI Technologies(Gary Mryncza)	Hulsey McCormick & Wallace	South Carolina	Business Products and Services (B2B)	

Transactions Highlights in July

Collins Aerospace (Florida)

Collins Aerospace, a provider of global positioning systems services, was acquired by BAE Systems (LON: BA) for \$1.925 billion on July 31, 2020. This acquisition is in line with BAE Systems strategy and complementary to its US-based Electronic Systems business and on completion they would be integrated into its Electronic Systems division.



Collins Aerospace

BAE SYSTEMS



Ironman (Florida)

Ironman, an organizer of endurance competitions and seller of sports apparel and accessories, was acquired by Advance Publications and Orkila Capital for \$730 million on July 20, 2020. Advance Publications move to acquire Ironman is part of diversification effort away from ad-supported media.

Seaside National Bank & Trust (Florida)

Seaside National Bank & Trust, a nationally-chartered commercial bank offering both private banking and commercial services, was acquired by United Community Banks (NAS: UCBI) for \$180 million on July 1, 2020. United Community will pick up \$1.9 billion in assets, \$1.4 billion in loans and \$1.5 billion in deposits from Seaside National Bank.



Vricon (Virginia)

Vricon, a manufacturer of photo-realistic 3D products whose technology enables imagery content to accurately represent all visible objects on the earth in 3D, was acquired by Digital Globe, a subsidiary of Maxar Technologies (NYS: MAXR), for \$140 million on July 1, 2020. Vricon's most notable customer is the U.S. Army, who uses Vricon's technology to create virtual combat-training environments. As a result of this transaction, Maxar will now hold a 100% stake in the company.

The VRICON logo consists of the word 'VRICON' in a bold, red, sans-serif typeface.The DigitalGlobe logo features a green stylized graphic of a globe or satellite dish above the word 'DigitalGlobe' in a blue, sans-serif font, with a trademark symbol.The Standex logo features a stylized 'S' composed of black and red geometric shapes, followed by the word 'Standex' in a bold, black, sans-serif font with a registered trademark symbol.

Renco Electronics (Florida)

Renco Electronics, a manufacturer of customized and standard magnetics components and products including transformers, inductors, chokes and coils, was acquired by Standex International Corporation (NYSE: SXI) for \$28 million on July 16, 2020. Renco's products are used in consumer, industrial, military, and aerospace end markets. Standex expects the acquisition to be accretive to its earnings in its first year of ownership as well as additive to consolidated free cash flow.