



# Southeast M&A Update

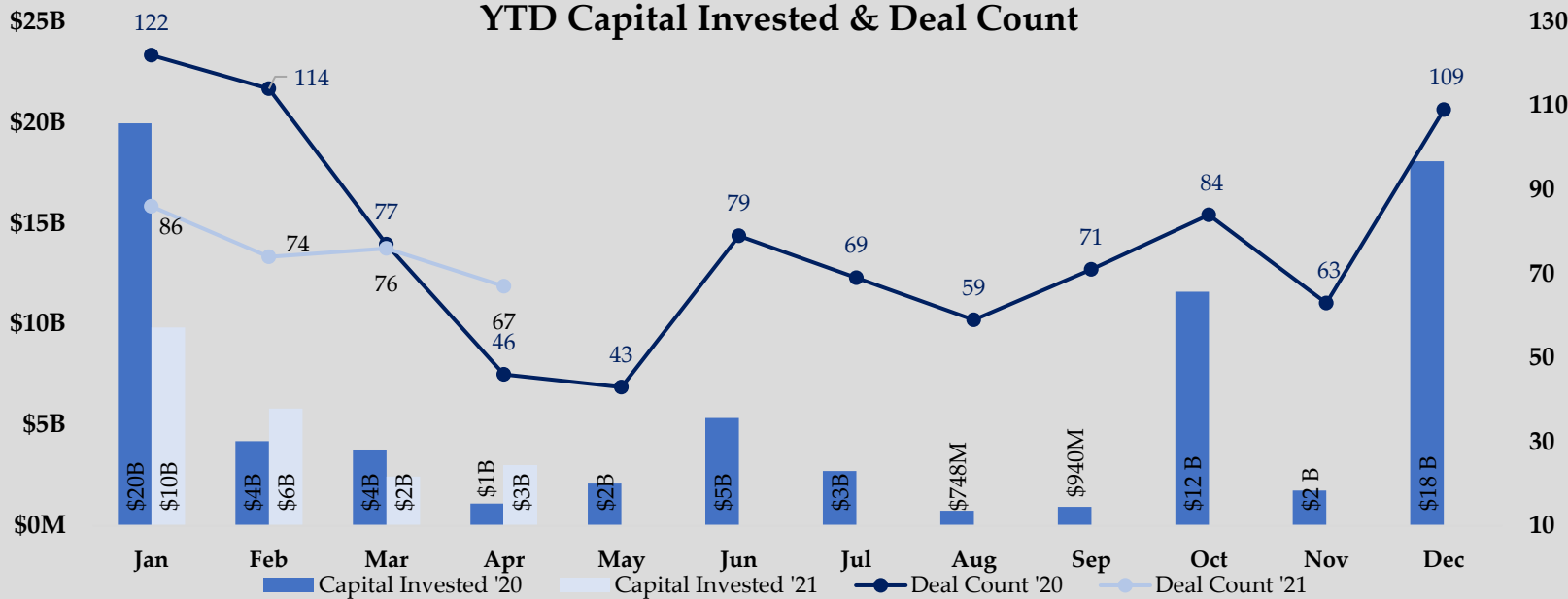
April 2021

## Notable Trends in April 2021

After a slight increase in March, deal count decreased 11% in the month of April. However, compared to April 2020, deal count was up 31%. Capital invested tripled year-over-year, and increased by 33% compared to last month. The acquisition of UPS Freight by TFI International and RentPath by Redfin drove invested capital in April. These two deals comprised 50% of capital invested in the Southeast. Median deal size was \$73

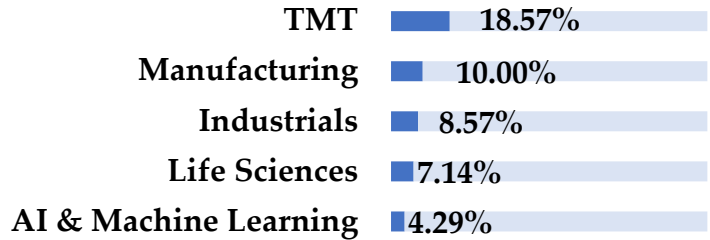
million, more than double the median of \$35 million in April 2020 and an increase from \$67 million in the month previous. This recent activity and increase in median deal size stems from companies, especially in the tech and manufacturing industries, looking to expand as we emerge from this global pandemic.

### YTD Capital Invested & Deal Count



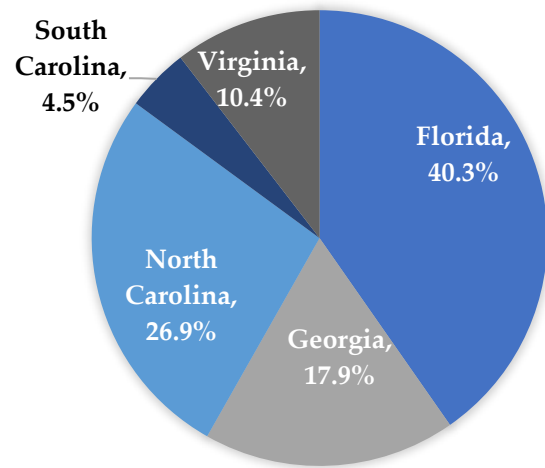
The top 3 active verticals in the month of April were Technology, Media, and Telecommunications (TMT); Manufacturing; and Industrials at 18.57%, 10.00%, and 8.57%, respectively. Additionally, Life Sciences and Artificial Intelligence and Machine Learning each accounted for 7.14% and 4.29% of completed deals.

### Top 5 Associated Verticals

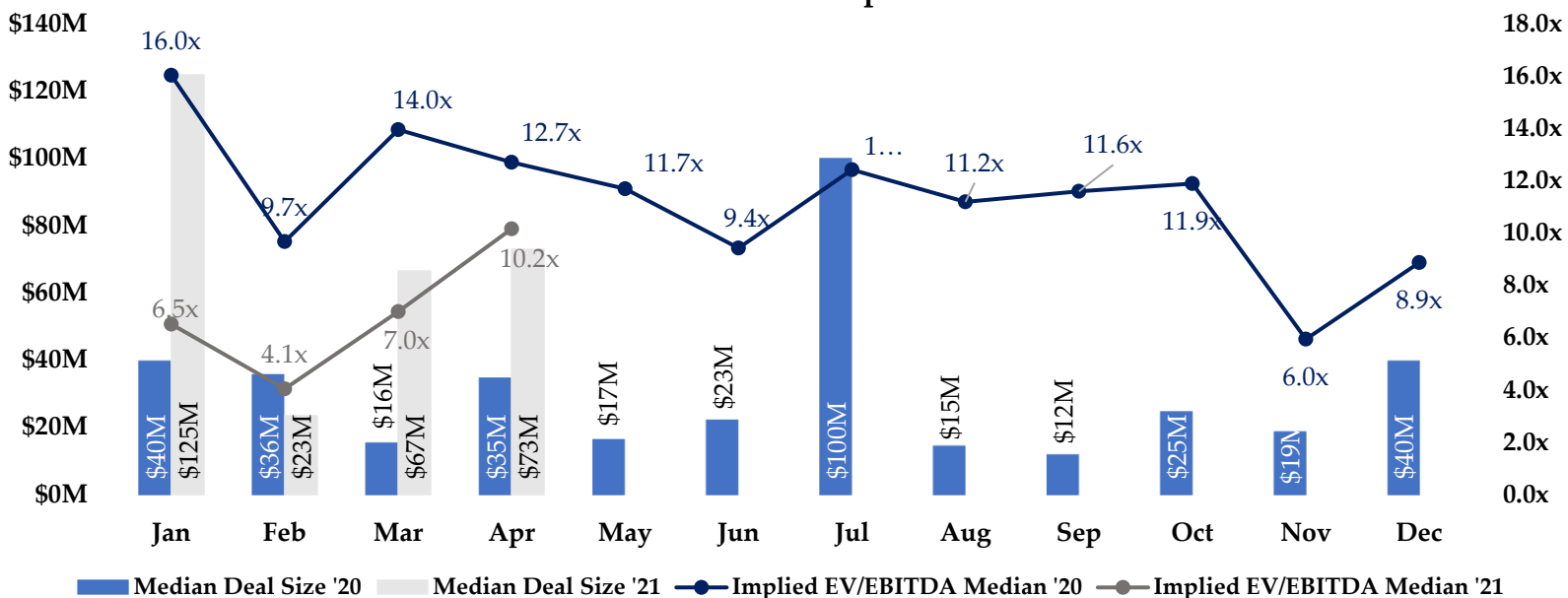


For the fifth month in a row, Florida was the most active state in terms of deal count with 27 completed deals. Although, the two largest deals of the month occurred in Virginia at \$800 million and Georgia at \$608 million. Combined, these two deals accounted for 50% of the month's capital invested.

### Deal Count Percentage by State



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



## Selected Southeast Transactions for April

Deal Date	Buyer / Investors	Target / Issuer	Company State/Province	Verticals	Deal Size (\$ mm)
30-Apr-2021	TFI International (TSE: TFI)(Alain Bedard)	UPS Freight	Virginia	Industrials	800.00
02-Apr-2021	Redfin (NAS: RDFN)(Glenn Kelman)	RentPath	Georgia	TMT	608.00
06-Apr-2021	Elbit Systems (TAE: ESLT)(Bezhael Machlis)	Sparton	Florida	Industrials, Manufacturing, TMT	380.00
06-Apr-2021	Altice USA (NYS: ATUS)(Dexter Goei)	Morris Broadband	North Carolina	TMT	310.00
27-Apr-2021	Serco (USA)(David Dacquino)	Whitney, Bradley and Brown	Virginia		295.00
02-Apr-2021	Hottinger Brüel & Kjær (Joe Vorih)	Concurrent Real-Time	Florida	TMT	166.70
05-Apr-2021	Hood Container	Sonoco (Display and Packaging Business)	South Carolina		80.00
30-Apr-2021	HCA Management Services (NYS: HCA)	Meadow s Regional Medical Center	Georgia	Life Sciences, Oncology	73.00
01-Apr-2021	Virginia National Bank (NAS: VABK)(Glenn Rust)	Fauquier Bankshares	Virginia		63.40
28-Apr-2021	Red White & Bloom (CNQ: RWB)(Brad Rogers)	Acreage Florida	Florida	Cannabis, LOHAS & Wellness	60.00
27-Apr-2021	Halma (LON: HLMA)(Andrew Williams)	PeriGen	North Carolina	Artificial Intelligence & Machine Learning, Digital Health, FemTech, HealthTech, TMT	58.00
13-Apr-2021	Orbital Energy Group (NAS: OEG)(James O'Neil)	Gibson Technical Services	Georgia		48.00
07-Apr-2021	AMN Healthcare Services (NYS: AMN)(Susan Salka)	Synzi	Florida	HealthTech, TMT	42.50
29-Apr-2021	PureKana (TSX: SBBC)(Kathy Casey)	Nirvana Group	Florida	Cannabis, LOHAS & Wellness	3.00
28-Apr-2021	OBITX (PINK: OBTX)(Eric Jaffe)	Render Payment Systems	Florida	Cryptocurrency/Blockchain, FinTech	1.20
20-Apr-2021	Making Science (XMAD: MAKS)(José Antonio Aguilar)	360 Conversion Analytics	Florida	Marketing Tech	
20-Apr-2021	Pow erVerde	374Water	North Carolina	CleanTech	
05-Apr-2021	TopBuild (NYS: BLD)(Robert Buck)	American Building Systems	North Carolina		
23-Apr-2021	The Holland SheltAir Aviation Group	Apex Executive	Florida		
14-Apr-2021	Omnicom Group (NYS: OMC)(Ed Wise)	Archbow Consulting	Florida		
01-Apr-2021	Anduril(Brian Schimpf)	Area-I	Georgia	Manufacturing, Robotics and Drones	
01-Apr-2021	Curi(Jason Sandner)	Arrow lytics	North Carolina	TMT	
05-Apr-2021	Apella Capital(Joshua Pace)	Calandra Financial	Georgia		
30-Apr-2021	Capital City Bank Group (NAS: CCBG)(William Smith)	Capital City Strategic Wealth	Georgia		
28-Apr-2021	dMed(Lingshi Tan)	Clinipace	North Carolina	Life Sciences, Oncology, TMT	

## Transactions Highlights in April

### UPS Freight (*Virginia*)

In late April, TFI International completed the acquisition of UPS Freight, the largely unprofitable truckload shipping division of UPS, for \$800 million. TFI, a Canadian trucking and logistics firms, will now earn an estimated 75% of revenue from operations in the U.S., where it already has a substantial truckload operation and a growing logistics business. As part of the deal, TFI has entered into a five-year contract to use the UPS domestic network to move packages.



**UPS Freight<sup>SM</sup>**

**REDFIN**

**RentPath<sup>TM</sup>**

### RentPath (*Georgia*)

On April 2<sup>nd</sup>, Redfin acquired RentPath for \$608 million. Redfin is a tech-powered real estate brokerage that operates a real estate search site and provides services to make the process of buying and selling a home faster, better, and less expensive. RentPath operates leading rental sites, including [Rentals.com](https://www.rentals.com) and [ApartmentGuide.com](https://www.apartmentguide.com). Combined with RentPath, Redfin can now be a destination for all North American consumers looking for a home.

### Sparton (*Florida*)

On April 6<sup>th</sup>, Elbit Systems of America completed the acquisition Sparton Corporation, a premier developer, producer, and supplier of systems supporting Undersea Warfare for the U.S. Navy and allied military forces, for \$380 million. Elbit's U.S. arm operates under a special security agreement with the Defense Department that allows it to work on certain classified U.S. government programs. In a press release, the CEO of Elbit Systems stated, "Combining their superior technology and products with Elbit Systems of America's Airborne Solutions business unit will generate additional capabilities for our customers."



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### **Morris Broadband (North Carolina)**

On April 6<sup>th</sup>, Altice USA completed the acquisition of Morris Broadband, a broadband communications services company for \$310 million. Altice USA, a national leader in communications and video services, says they will benefit from enhanced scale, operating efficiencies, and further investment support that are at the core of the company's business model and strategy, including accelerated new homes build.



### **Whitney, Bradley and Brown, Inc. (Virginia)**

On April 27<sup>th</sup>, Serco (USA), a provider of professional, technology, and management services completed the acquisition of Whitney, Bradley and Brown, Inc. for \$295 million. WBB provides consulting services including mission performance and advanced analytics and machine learning to the federal government. This deal substantially strengthens Serco's position in providing acquisition and program management services to the Department of Defense, which has been a critical growth area for the company in recent years.

