



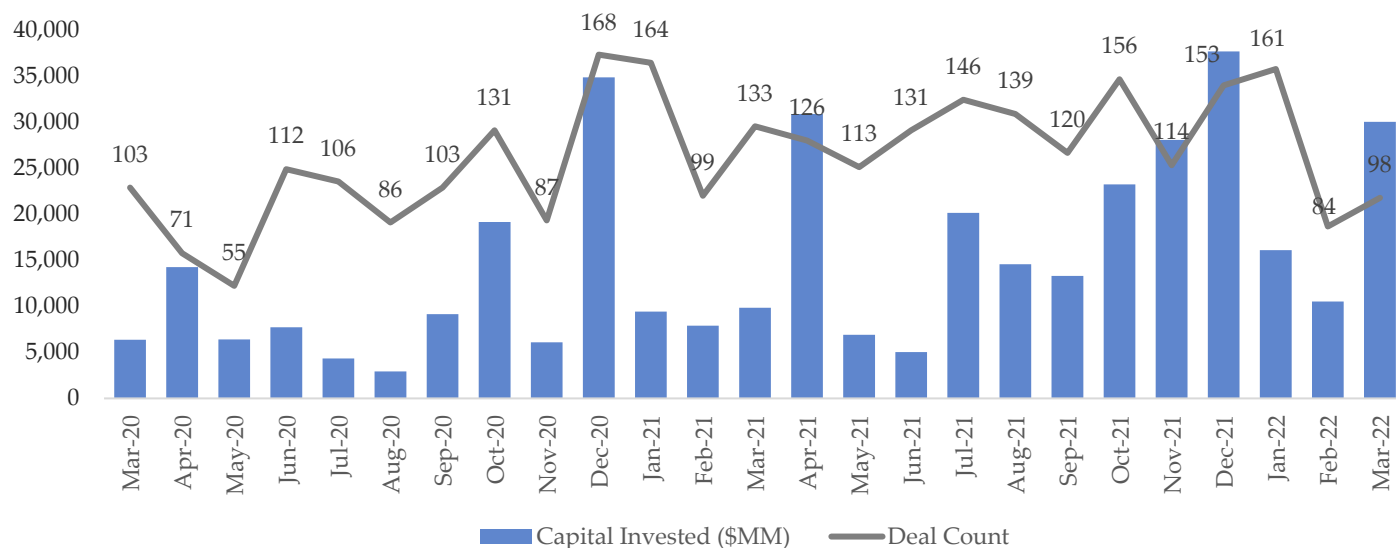
Southeast M&A Report

March 2022



OVERVIEW

Trailing 24 Months M&A Activity



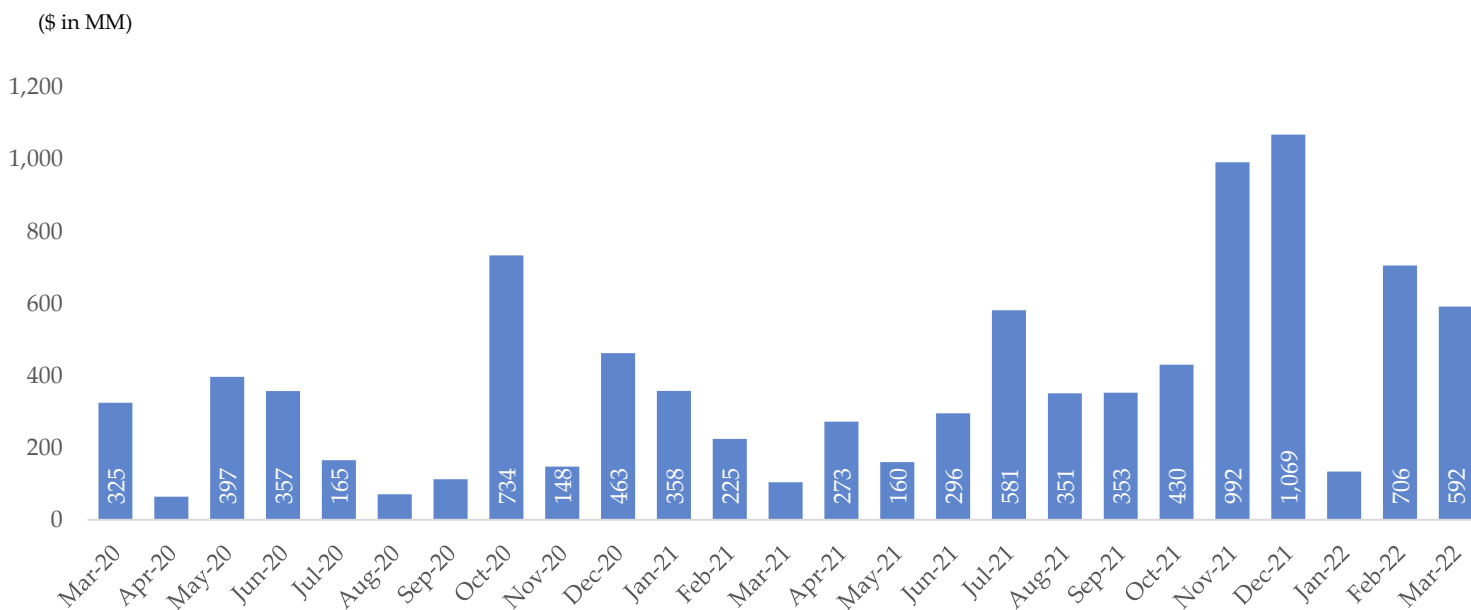
Source: PitchBook

Perspectives on US M&A Market

March tends to be a recovery month in terms of deal activity as many deals are pushed through before years end leaving January and February as fall-off months. Southeast M&A activity remained strong in March 2022 with 98 M&A transactions completed relative to 84 deals done in January.

As we move into 2022, we are unlikely to see a wholesale reversal of the positive economic rebound in 2021. However, with the consumer price index rising 8.5% annually in the United States, the Federal Reserve is expected to raise interest rates again in May and June of this year with more to follow as the year moves on. These inevitable interest rate hikes will increase the cost of capital, reducing the buying power of firms. Therefore, it's expected that the M&A market will remain strong through the first half of 2022, slowing in pace in the latter half of the year.

Trailing 24 Months Average Monthly M&A Deal Size



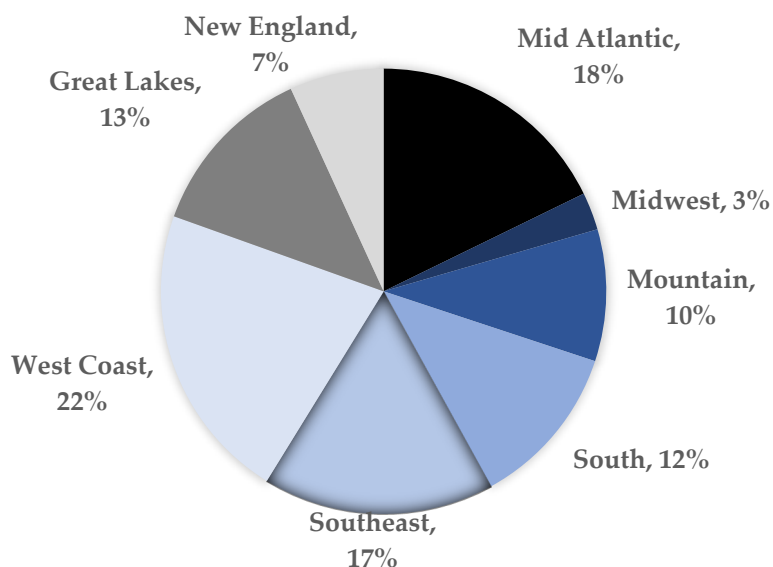
Source: PitchBook

Monthly Analysis

Average monthly deal size is on an upward trend as the United States continues to move out of the Covid-19 pandemic. Cheap debt, high levels of dry powder, and tech-emerging markets have driven EV/EBITDA multiples higher as seen over the last twenty-four months.

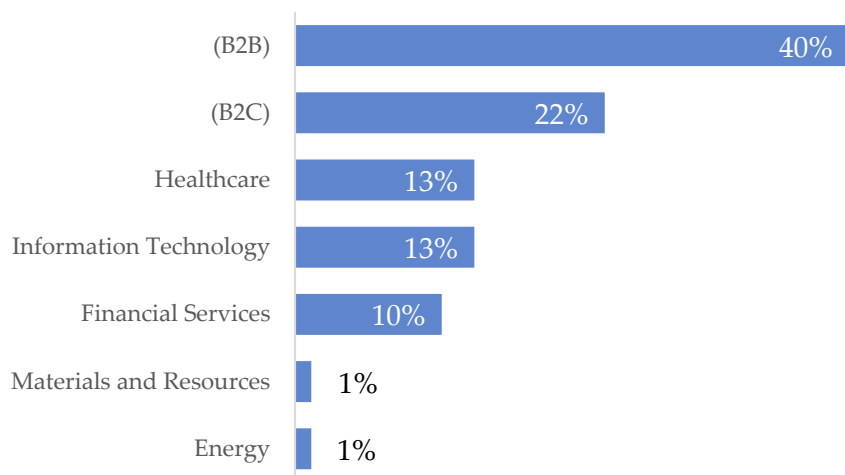
Average deal size in March 2022 can be attributed to a multiple multi-billion-dollar transactions that took place. Average deal size could see a decline in comparison to YoY numbers as we move into 2022 with multiple expected interest rate hikes, resulting in more expensive debt and lower valuation ceilings. Until interest rates rise, expect to see higher average monthly M&A deal sizes.

March 2022 M&A Deal Regionality



The Southeast region totaled 98 of 514 total deals in the month of March 2022 ranking third in deal count by region across the United States. The southeast typically rests between 13-18% of total M&A deals across the country.

March 2022 Top M&A Sectors (% of Total Deals)



The B2B and B2C industry sectors dominated the M&A activity in March 2022 combining for 62% of deals. Healthcare, information technology, financial services, energy services, and material and resources sectors followed suit accounting for the other 38%.

March Transaction Highlights

The Goldman Sachs Group/ GreenSky (Georgia)

On March 29th, The Goldman Sachs Group acquired GreenSky for \$2.24 billion. The acquisition adds to the company's consumer-banking platform through its payment plans to customers with home-improvement or healthcare needs.



SoFi / Technisys (Florida)

On March 3rd, SoFi acquired Technisys for \$1.1 billion. Technisys will accelerate SoFi's development of its full-stack, multi-product digital banking platform.

South State Corporation / Atlantic Capital Bank (Georgia)

On March 1st, South State Corporation acquired Atlantic Capital Bank for \$542 million. The acquisition enhances South State's scale and improves its market density in the Atlanta banking market.



Selected Southeast Transactions for March 2022

Deal Date	Company Name	Investors	Primary Industry Sector	Company State/Province	Deal Size (\$MM)
29-Mar-2022	GreenSky	The Goldman Sachs Group	Financial Services	GA	2,240
28-Mar-2022	NetFortris	Sangoma Technologies	Information Technology	TX	80
25-Mar-2022	Terran Orbital	Beach Point Capital Management	Business Products and Services (B2B)	FL	470
22-Mar-2022	BioDelivery Sciences International	Collegium Pharmaceutical	Healthcare	NC	604
15-Mar-2022	TransCore	ST Engineering	Information Technology	TN	2,680
11-Mar-2022	EPI Health (Drug Discovery)	Novan	Healthcare	SC	28
09-Mar-2022	Southern Research (Engineering Division)	Kratos Defense & Security Solutions	Business Products and Services (B2B)	AL	80
03-Mar-2022	Technisys	SoFi	Information Technology	FL	1,100
01-Mar-2022	Atlantic Capital Bank	SouthState Bank	Financial Services	GA	542