

MOUNTAIN WEST M&A QUARTERLY UPDATE

FOURTH QUARTER 2020

Mountain West M&A Quarterly Update

Fourth Quarter 2020

M&A activity expected to increase in the Mountain West region, especially in industries heavily impacted by the pandemic

Mountain West region economy is recovering well from COVID-19 with the rollout of the vaccine in full force and expected to have the economy be back to normal levels at the end of 2021

Colorado – As COVID-19 has hurt the leisure and hospitality industry, 2021 projections predict that transportation and utilities will experience the most growth

Idaho – After hitting an unemployment high of 10.3% during the pandemic, average unemployment in Idaho is projected to drop to 8% for 2021

Montana – Due to COVID-19, the state missed its large revenue season driven by tourism. The economy is expected to remain slow until the vaccine is fully distributed and cash inflows from the next busy season allow for full recovery in majority industries

Utah – Utah's economy continues to struggle but the effects of stimulus checks and pent-up demand are expected to lead to short-term recovery

Wyoming – Wyoming's 2021 economic outlook was ranked 2nd overall as the state weathered COVID-19 nicely and looks to capitalize in growth

Mountain West M&A Trends

M&A Deal Activity

981 transactions closed in 2020, down from 1188 from 2019. We expect overall M&A activity in the Mountain West region to increase over the course of 2021

Industry Activity

Information Technology continues to drive deal volume in 2020, accounting for 19.2% of activity with Industrials close behind at 16.6% of deal volume

Middle Market Trends

Colorado and Utah continue to drive deal volume in the Mountain West region. Colorado accounted for 57.6% of targets and 71.4% of buyers for the quarter; Utah followed with 28.0% of targets and 21.4% of buyers



“I expect to see an acceleration in deal flow in 2021, especially within the technology industry. The amount of dry powder in the market from PE Firms, SPACs and Strategics continues to be robust. Those entities will be focused on deploying their capital in 2021 to drive both revenue growth as well as acquire new critical technologies. Secondly, the cost of debt and ability to secure flexible covenant structures continues to be advantageous as you look across both the bank market and private debt markets. (See our latest Debt Capital Markets report for Q4, 2020 [here](#)). These two factors will drive more competition for technology assets, which will in turn drive valuations higher for those assets.”

Nick Orr, Managing Director
Bridgepoint Investment Banking

Notable Mountain West Transactions Q4-20

Information Technology – Colorado



December 21, 2020

Converge Technology Solutions (TSXV: CTS) announced on December 21st, 2020 that it acquired CarpeDatum Consulting, a specialized analytics consulting firm located in Colorado.

“By joining Converge, we can bring that skillset and the tools we built from the ground up to more organizations so that they can realize the benefits these technologies bring with them.” – John Martin, CarpeDatum, Managing Partner

Industrials – Utah



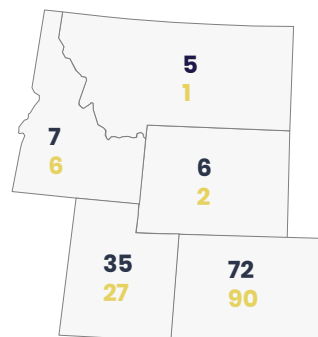
December 14, 2020

Primoris Services Corporation (NasdaqGS: PRIM) announced on December 14th, 2020 that it acquired Future Infrastructure, a leading provider of non-discretionary maintenance, repair, upgrade and installation services to the telecommunication, regulated gas utility and infrastructure end markets.



“This acquisition is fully aligned with our strategic and operational goals and represents a defining moment for Primoris.” – Tom McCormick, Primoris Services Corporation, President / CEO

Q4-20 Mountain West M&A By State



● Targets ● Buyers

Mountain West TARGETS

Colorado	72
Utah	35
Idaho	7
Wyoming	6
Montana	5
Total	125

Mountain West BUYERS

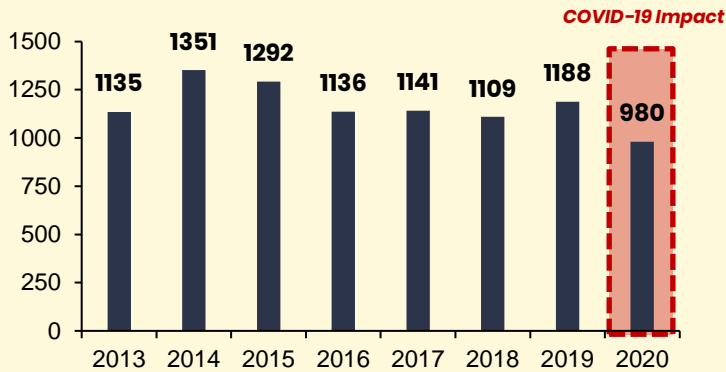
Colorado	90
Utah	27
Idaho	6
Wyoming	2
Montana	1
Total	126

Mountain West M&A Quarterly Update

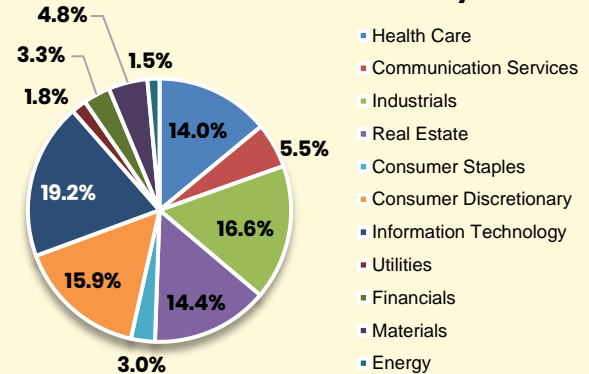
Fourth Quarter 2020

Selected Mountain West Q4-20 M&A Transaction Statistics

Mountain West M&A Volume 2013-2020



Q4-20 Mountain West M&A Volume By Sector

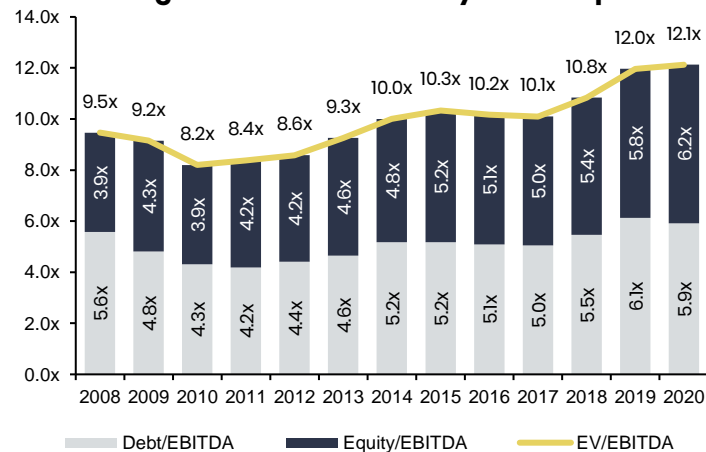


The Mountain West middle market continues to see a dip in M&A activity as the vaccine rolls out throughout the region. **Hopes are high that deal flow can return to pre-pandemic levels after a 21.2% drop in activity for the year compared to 2019**

Though recovery to pre-pandemic levels is occurring more slowly than expected, look for **multiples to stay strong in certain industries that remain at the forefront of M&A activity**; select sectors include information technology services, industrials, healthcare and consumer discretionary

The pandemic has tightened the amount of money in private equity, **but look for the same type of business model vintage funds used in 2009 to occur in 2021** as some funds look to quickly allocate capital during this period

Rolling 3-Year Median PE Buyout Multiples

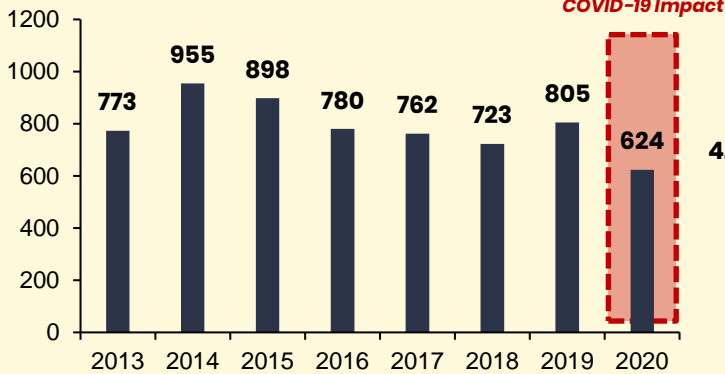


Recent Mountain West Q4-20 M&A Transactions

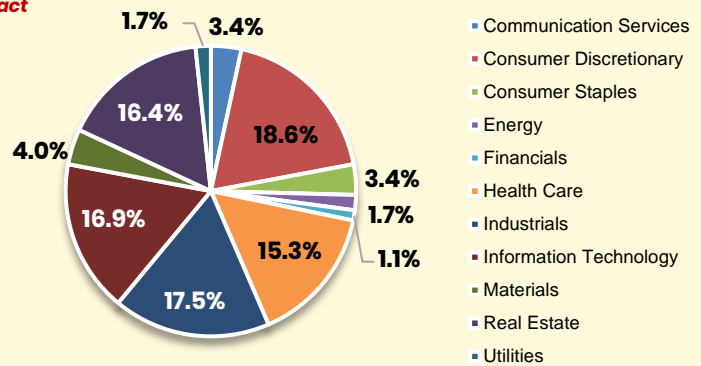
ANNOUNCED	TARGET	TARGET LOCATION	BUYER	BUYER LOCATION	TARGET SECTOR
12/31/2020	OrthoBanc	Tennessee	OrthoFi	Colorado	Health Care
12/31/2020	Wootric	California	InMoment	Utah	Communication Services
12/30/2020	Foss Occupational Safety Services	California	Martin Technical	Colorado	Industrials
12/29/2020	777 Tower at Novus Innovation Corridor	Arizona	Cypress Office Properties; Ascentris	Colorado	Real Estate
12/29/2020	Assets of Re-Poly	Missouri	GP-Plastics Holdings	Wyoming	Industrials
12/28/2020	20/20 Global	Idaho	20/20 Global	Florida	Consumer Staples
12/28/2020	Zenetex	Virginia	Vectrus Systems Corporation	Colorado	Industrials
12/24/2020	Updax	Ohio	EverCommerce	Colorado	Health Care
12/24/2020	Milagro Apartments	Utah	Graycliff Capital Partners	South Carolina	Real Estate
12/23/2020	Assets of Canopy Crop Management	California	GrowGeneration Corp	Colorado	Industrials
12/23/2020	La Quinta Inn & Suites	Utah	Suite Holdings	Utah	Consumer Discretionary

Selected Colorado Q4-20 M&A Transaction Statistics

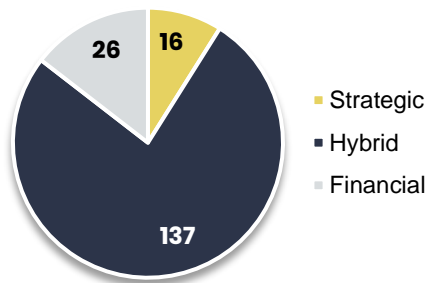
Colorado M&A Volume By Quarter



Q4-20 Colorado M&A Volume By Sector



Q4-20 Colorado Buyer Types



Notable Q4-20 Colorado Transactions

Information Technology

DevelopIntelligence

PLURALSIGHT

October 14, 2020
Pluralsight (NasdaqGS:PS) announced that it acquired DevelopIntelligence, which helps enterprise organizations onboard, upskill and reskill tech talent.

"What the DevelopIntelligence team has created is a natural fit for our long-term strategic growth." – Aaron Skonnard, Pluralsight, Co-Founder

Industrials



MIDDLEBY

December 8, 2020
Middleby (NasdaqGS: MIDD) announced that it acquired Wild Goose Filling, a domestic market leader in craft beverages.

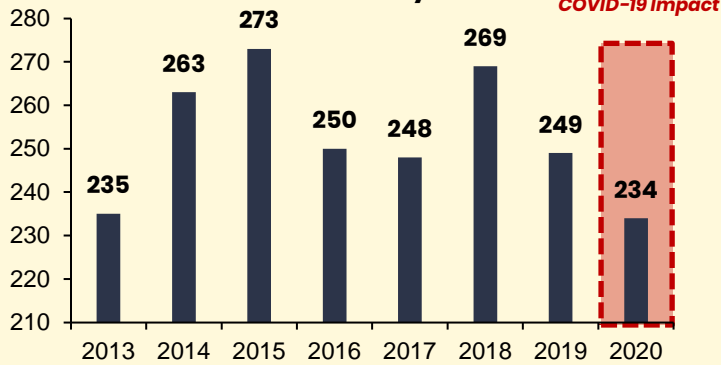
"Middleby can now offer a complete equipment solution to our craft beverage customers." – Tim Fitzgerald, Middleby, CEO

Recent Colorado Q4-20 M&A Transactions

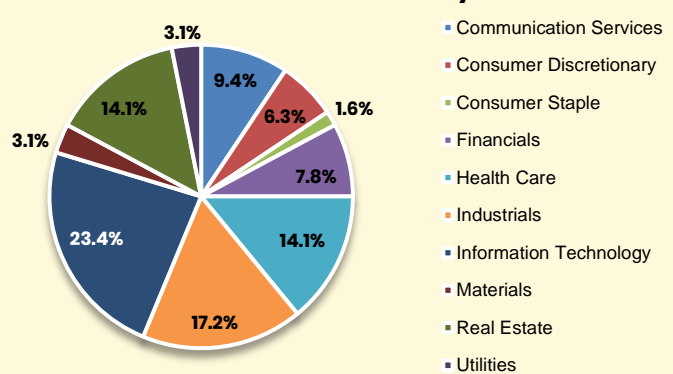
ANNOUNCED	TARGET	TARGET LOCATION	BUYER	BUYER LOCATION	TARGET SECTOR
12/31/2020	OrthoBanc	Tennessee	OrthoFi	Colorado	Health Care
12/30/2020	Foss Occupational Safety Services	California	Martin Technical	Colorado	Industrials
12/29/2020	777 Tower at Novus Innovation Corridor	Arizona	Cypress Office Properties	Colorado	Real Estate
12/28/2020	Zenetex	Virginia	Vectrus Systems Corporation	Colorado	Industrials
12/24/2020	Updox	Ohio	EverCommerce	Colorado	Health Care
12/23/2020	Canopy Crop Management	California	GrowGeneration	Colorado	Industrials
12/23/2020	Pester Marketing Company	Colorado	Phillips 66	Texas	Consumer Discretionary
12/22/2020	Just Wheels & Tires Company	California	Wheel Pros	Colorado	Consumer Discretionary
12/22/2020	Fast Pace Medical Clinic	Tennessee	Revelstoke Capital Partners	Colorado	Health Care
12/22/2020	Gudenkauf	Ohio	Congruex	Colorado	Industrials
12/22/2020	Artemis Software	Colorado	Appfire Technologies	Massachusetts	Information Technology
12/21/2020	CarpeDatum Consulting	Colorado	Converge Technology Solutions	Ontario	Information Technology
12/21/2020	Adeptive Software	Colorado	Qualia Labs	California	Information Technology

Selected Utah Q4-20 M&A Transaction Statistics

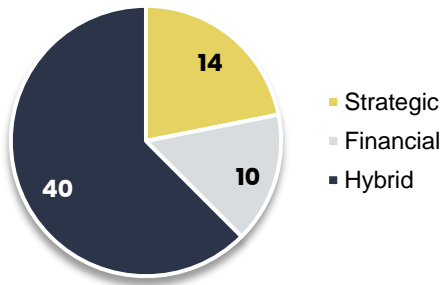
Utah M&A Volume By Quarter



Q4-20 Utah M&A Volume By Sector



Q4-20 Utah Buyer Types



Notable Utah Transactions Q4-20

Healthcare

December 21, 2020
 DW Healthcare Partners announced that it acquired Parnell Pharmaceuticals (OTCPK:PARNF), which provides patients with quality-of-life products designed to combat dryness.

DW HP

"We look forward to helping them accelerate growth in the coming years." – Eric Moore, DW Healthcare Partners, Principal

Information Technology

November 9, 2020
 Adobe (NasdaqGS:ADBE) announced that it acquired Workfront, a collaborative work management tool.

workfront

"Workfront and Adobe are such a powerful combination for the world's leading marketing organizations." – Steven ZoBell, Workfront, CTO

Recent Utah Q4-20 M&A Transactions

ANNOUNCED	TARGET	TARGET LOCATION	BUYER	BUYER LOCATION	TARGET SECTOR
12/31/2020	Wootric, Inc.	California	InMoment	Utah	Communication Services
12/24/2020	Milagro Apartments	Utah	Graycliff Capital Partners	South Carolina	Real Estate
12/23/2020	La Quinta Inn & Suites	Utah	Suite Holdings	Utah	Consumer Discretionary
12/22/2020	1,068-unit apartment portfolio	Texas	Bridge Investment Group	Utah	Real Estate
12/21/2020	Taylor Media	Florida	Clear Link Technologies	Utah	Communication Services
12/21/2020	Parnell Pharmaceuticals Holdings	New South Wales	DW Healthcare Partners	Utah	Health Care
12/18/2020	Big Benefits, Inc.	Utah	Peter C. Foy & Associates Insurance Services	California	Industrials
12/18/2020	Bromley & Griffin	Utah	Acrisure	Michigan	Financials
12/18/2020	Direct Care Administrators	Utah	Peter C. Foy & Associates Insurance Services	California	Financials
12/18/2020	Xpertdoc Technologies	Quebec	Experlogix	Utah	Information Technology
12/18/2020	Multifamily portfolio in Tucson	Arizona	Bridge Investment Group	Utah	Real Estate
12/17/2020	Utah Broadband	Utah	FIF Utah	Nebraska	Communication Services

Mountain West M&A Quarterly Update

Fourth Quarter 2020

Market-leading boutique investment bank providing M&A and capital raising advisory solutions – dedicated team serving the Mountain West region

274+ years cumulative investment banking experience spanning 216 transactions

\$121+ billion of M&A, capital raising, corporate finance and transaction advisory service experience

96 completed M&A assignments spanning more than \$36 billion

120 completed corporate finance transactions, raising more than \$85 billion in capital

SELECTED RECENT BRIDGEPOINT TRANSACTIONS

 <p>N&S Nebraska Vet Services</p> <p>HAS BEEN RECAPITALIZED BY</p>  <p>MAINST CAPITAL CORPORATION</p> <p>Growth equity and debt capital raise</p> <p>Financial Advisor</p>	 <p>diabetes supply</p> <p>HAS BEEN ACQUIRED BY</p>  <p>adapthealth</p> <p>Sell-side advisory</p> <p>Financial Advisor</p>	 <p>DBI, Inc.</p> <p>Reliable...Responsive...Resourceful...Proactive</p> <p>HAS BEEN ACQUIRED BY</p>  <p>SpireCapital</p> <p>Sell-side Advisory</p> <p>Financial Advisor</p>	 <p>Dabarc Data Advisors</p> <p>HAS BEEN ACQUIRED BY</p>  <p>DMR</p> <p>Buy-side advisory</p> <p>Financial Advisor</p>	 <p>TWIN EAGLE™</p> <p>HAS BEEN ACQUIRED BY</p>  <p>Bullseye</p> <p>Buy-side advisory</p> <p>Sole Financial Advisor</p>
 <p>AULICK Leasing</p> <p>HAS BEEN ACQUIRED BY</p>  <p>TFI International</p> <p>Sell-side advisory</p> <p>Sole Financial Advisor</p>	 <p>PrairieLife FITNESS</p> <p>HAS BEEN ACQUIRED BY</p>  <p>THE ATHLETIC CLUB</p> <p>Sell-side advisory</p> <p>Financial Advisor</p>	 <p>CONTRACTORS SIDING WINDOWS & ROOFING SUPPLY</p> <p>HAS BEEN ACQUIRED BY</p>  <p>SRS Distribution</p> <p>Sell-side advisory</p> <p>Financial Advisor</p>	 <p>MONEY SHEDS FISH CO.</p> <p>HAS BEEN ACQUIRED BY</p>  <p>McCarthy Capital</p> <p>Sell-side advisory</p> <p>Financial Advisor</p>	 <p>DMR</p> <p>Senior & Uni-tranche debt financings for debt recapitalization</p> <p>Sole Financial Advisor</p>

SECTORS OF FOCUS



Technology



Consumer & Retail



Business & IT Services



Healthcare



Industrials & Transportation

MORE THAN

274

YEARS OF EXPERIENCE

\$121B

IN TRANSACTIONS

216

TOTAL TRANSACTIONS

SENIOR LEADERSHIP



Matt Plooster
President & CEO



Wm. Lee Merritt
MD & General Counsel



Gary Grote
Managing Director



Mike Anderson
Managing Director



Nick Orr
Managing Director



Bryan Wallace
Managing Director



Chad Gardiner
Director



Joe Liss
Managing Director



Natasha Plooster
COO



Subhash Marineni
Vice President

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