



Mountain West *M&A Quarterly Update*

Second Quarter 2021

Mountain West M&A Activity Ramping Up Throughout the Spring With Impending Capital Gains Rate Hike

Q1-21 M&A volume was the highest it has been in two years as the rebound from COVID-19 continues; business owners seek exit options to avoid the negative impact of the capital gains rate hike that is expected with Biden – Bridgepoint expects this to further increase M&A activity

Economic Outlook by State

- **Colorado** – As COVID-19 has hurt the leisure and hospitality industry, H2 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 ramp up in Q2 as vaccines are fully distributed and cash inflows from the next busy season allow for full recovery in majority industries
- **Utah** – Utah weathered the pandemic very well, ending 2020 with positive job growth. Retail and construction are expected to rise throughout the rest of 2021
- **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

246 transactions closed in Q1 2021, up from 230 in Q4 2020. We expect overall M&A activity in the Mountain West region to continue to increase over the course of 2021



Industry Activity

Information Technology continues to drive deal volume in 2021, accounting for 20.2% of activity with Industrials close behind at 15.9% of deal volume



Middle Market Trends

Colorado and Utah continue to drive deal volume in the Mountain West region – Colorado accounted for 63% of targets and 65.2% of buyers in Q1; Utah followed with 19.3% of targets and 23.2% of buyers



The Rocky Mountain region continues to drive M&A and financing transactions, with the bulk of activity in the Colorado market. Bridgepoint expects this activity to continue with particular momentum in the IT Services, Industrial and Consumer verticals. An unprecedented credit market continues to bolster valuations throughout the Rocky Mountain West and we expect momentum to continue well into Q4 2021."

– Bryan Wallace, Managing Director
Bridgepoint Investment Banking

Recent Mountain West Q1-21 M&A Transactions

Communication Services – Colorado

Magnite

SPOTX

On February 5, 2021 Magnite announced that they acquired Denver-based SpotX.

"Acquiring SpotX positions us to become the world's largest, independent source of highly-coveted CTV and video inventory. Two-thirds of our revenue is now concentrated in the fastest-growing segments of the market, and as linear TV dollars move to CTV, the greatest opportunity is still ahead of us."

– Michael Barrett, President & CEO, Magnite

Information Technology – Idaho

EQUIFAX

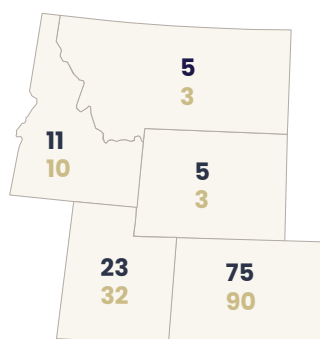
Kount®

On January 8, 2021 Equifax announced that it has acquired Boise-based Kount, a provider of AI-driven fraud prevention solutions.

"The combination of Kount solutions with Equifax differentiated data assets and cloud capabilities will enable us to quickly take advantage of new fraud prevention and digital identity offerings to deliver for our customers and drive Equifax growth."

– Mark Begor, CEO, Equifax

Q1-21 Mountain West M&A By State



● Targets
● Buyers

Mountain West Targets

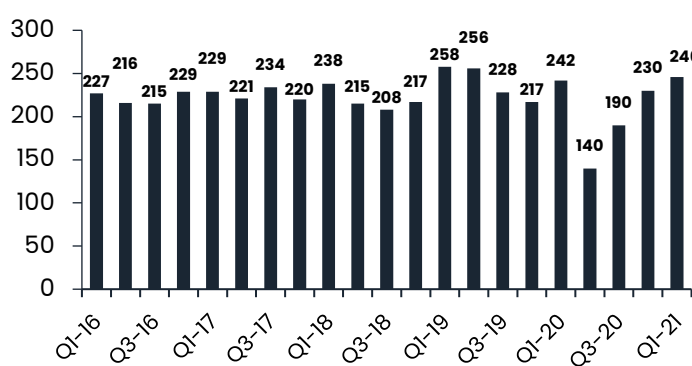
Colorado	75
Utah	23
Idaho	11
Wyoming	5
Montana	5
Total	119

Mountain West Buyers

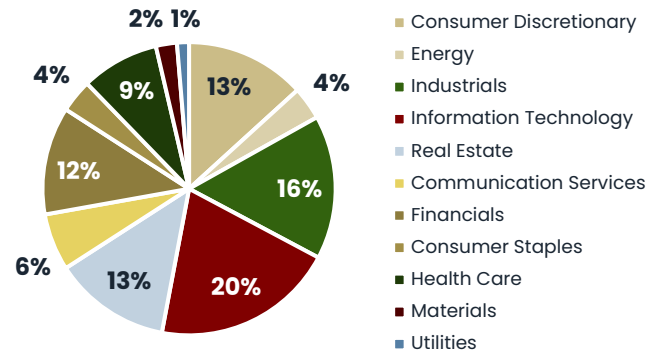
Colorado	90
Utah	32
Idaho	10
Wyoming	3
Montana	3
Total	138

Selected Mountain West Q1-21 M&A Transaction Statistics

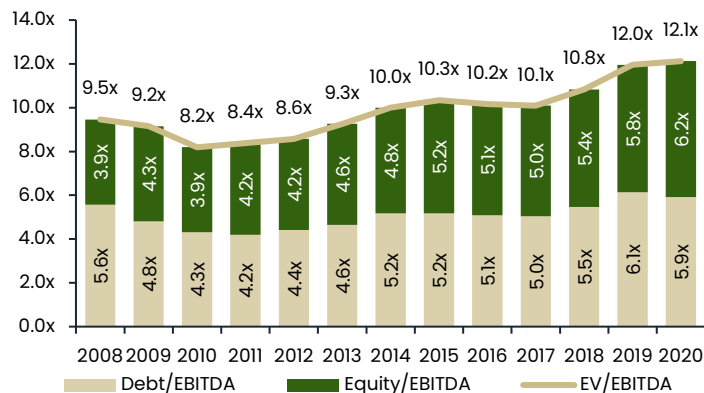
Mountain West M&A Volume By Quarter



Q1-21 Mountain West M&A Volume By Sector



Rolling 3-Year Median PE Buyout Multiples



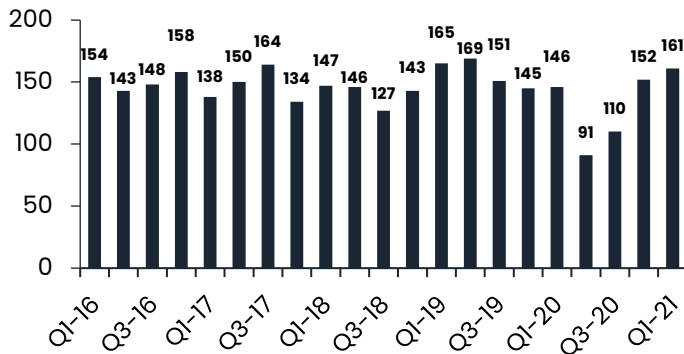
- The Mountain West market continues to see a recovery in M&A activity as the vaccine rolls out throughout the region. **Deal flow has returned to pre-pandemic levels, with activity at its highest since Q2-2019**
- Recovery in M&A activity occurred throughout the year, so look for **multiples to stay 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 the back end of 2021** as some funds look to quickly allocate capital during this period

Recent Mountain West Q1-21 M&A Transactions

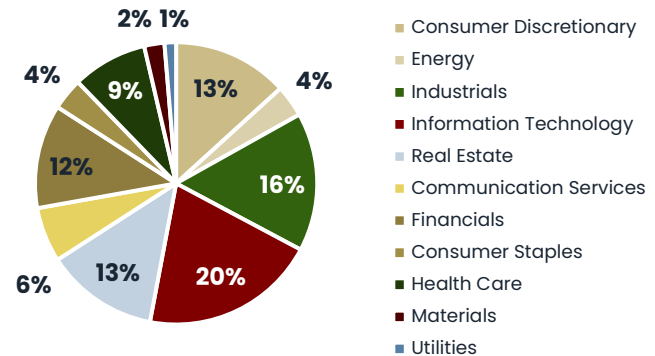
Announced	Target	Target Location	Buyer	Buyer Location	Target Sector
03/31/2021	Energy Acuity, LLC	Colorado	Enverus	Texas	Information Technology
03/31/2021	MyBuilder Limited	Greater London	Angi Inc. (NasdaqGS:ANGI)	Colorado	Communication Services
03/31/2021	Loss Run Pro, LLC	Montana	K2 Insurance Services, LLC	California	Information Technology
03/30/2021	Advanced Asset Management, LLC	Idaho	Atlas Real Estate Group, LLC	Colorado	Real Estate
03/30/2021	Cascadia Custom Molding	Idaho	Blue Point Capital Partners, LLC; RITUS Corporation	Blue Point Capital Partners, LLC (Ohio); RITUS Corporation (Wisconsin)	Materials
03/30/2021	Wall Street Insurance, Inc.	Colorado	High Street Insurance Partners, Inc.	Michigan	Financials
03/30/2021	Seasoned Development, LLC	Colorado	CrowdOut Capital LLC	Texas	Consumer Discretionary
03/30/2021	Spinnaker Management Group, LLC	Texas	SCA, LLC	Colorado	Industrials
03/29/2021	United Construction Products, Inc.	Colorado	Fibergrate Composite Structures, Inc.	Texas	Industrials
03/25/2021	Purple Insurance, LLC	Florida	Salty Dot, Inc.	Utah	Information Technology
03/25/2021	Prime Government Solutions, LLC	Utah	Rock Solid Technologies, Inc.	Puerto Rico	Information Technology
03/24/2021	Yaguara, Inc	Colorado	Chord	New York	Information Technology
03/23/2021	R&R Benefits/Risk Management, LLC	Indiana	Arthur J. Gallagher & Co. (NYSE:AJG)	Illinois	Financials
03/23/2021	Convercent, Inc.	Colorado	OneTrust, LLC.	Georgia	Information Technology

Selected Colorado Q1-21 M&A Transaction Statistics

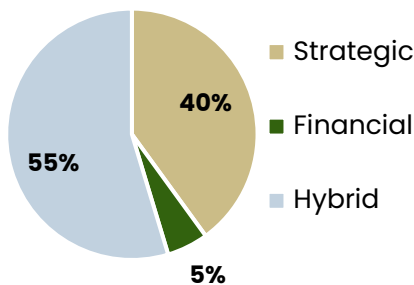
Colorado M&A Volume By Quarter



Q1-21 Colorado M&A Volume By Sector



Q1-21 Colorado Buyer Types



Notable Colorado Transactions in Q1-21

Consulting Services

ttec | **avtex**

On March 1, 2021 Eaglewood-based TTEC Digital announced that they have acquired Avtex Solutions Holdings.

"This acquisition will be transformational for TTEC and will expand our position as the global go-to-partner for holistic, cloud-based customer experience solutions." – *Ken Tuchman, Chairman and CEO, TTEC Digital*

Energy

enerPLUS CORPORATION | **Bruin**

On January 25, 2021 Denver-based EnerPlus Corporation announced that they have acquired Bruin E&P HoldCo.

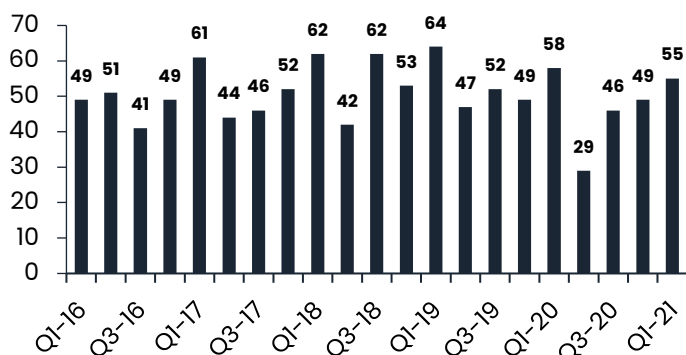
"Bruin's assets are highly complementary to our existing tier 1 position in the Bakken and will enable us to accelerate free cash flow growth and further support our focus on providing long term sustainable shareholder returns." – *Ian C. Dundas, President and CEO, Enerplus*

Recent Colorado Q1-21 M&A Transactions

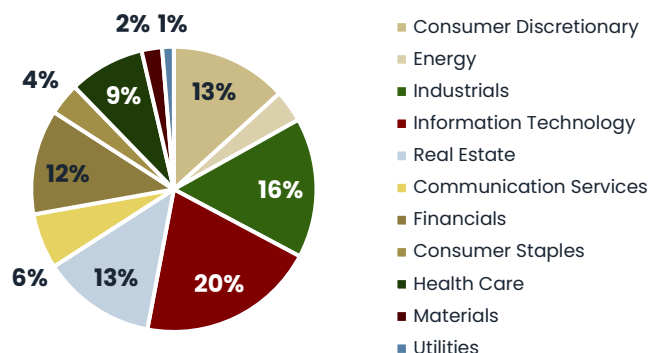
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03/31/2021	MyBuilder Limited	Greater London	Angi Inc. (NasdaqGS:ANGI)	Colorado	Communication Services
03/30/2021	Advanced Asset Management, LLC	Idaho	Atlas Real Estate Group, LLC	Colorado	Real Estate
03/30/2021	Wall Street Insurance, Inc.	Colorado	High Street Insurance Partners, Inc.	Michigan	Financials
03/30/2021	Seasoned Development, LLC	Colorado	CrowdOut Capital, LLC	Texas	Consumer Discretionary
03/30/2021	Spinnaker Management Group, LLC	Texas	SCA, LLC	Colorado	Industrials
03/29/2021	United Construction Products, Inc.	Colorado	Fibergrate Composite Structures, Inc.	Texas	Industrials
03/24/2021	Yaguara, Inc	Colorado	Chord	New York	Information Technology
03/23/2021	Convercent, Inc.	Colorado	OneTrust, LLC.	Georgia	Information Technology
03/23/2021	Cloud Elements, Inc.	Colorado	UiPath Inc. (NYSE:PATH)	New York	Information Technology
03/22/2021	Agtron, LLC	Colorado	GrowGeneration Corp. (NasdaqCM:GRWG)	Colorado	Consumer Discretionary
03/18/2021	Superior Pipeline Services, Inc.	Texas	Peak Utility Services Group, Inc.	Colorado	Industrials
03/18/2021	Devetry, LLC	Colorado	Dept Holding B.V.	Noord-Holland	Information Technology
03/17/2021	Aquarius Hydroponics, Inc.	Massachusetts	GrowGeneration Corp. (NasdaqCM:GRWG)	Colorado	Consumer Discretionary

Selected Utah Q1-21 M&A Transaction Statistics

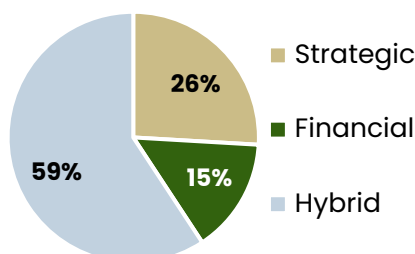
Utah M&A Volume By Quarter



Q1-21 Utah M&A Volume By Sector



Q1-21 Utah Buyer Types



Notable Utah Transactions in Q1-21

Information Technology	Industrials
 On March 9, 2021 Salt Lake City-based CenExel announced that they have acquired CITrials. "This addition expands our capacity in CNS research and will provide our customers with faster enrollment and quality results. CITrials and CenExel share a common passion to infuse consistent methodology, training, and data quality metrics in our studies." – Tom Warle, CEO, CenExel	 On March 1, 2021 Salt Lake City-based Tru-Cut, LLC announced that they have acquired Larkin Industries. "For more than 40 years, Larkin Industries has been producing complex and high-quality print finishing services, and we look forward to investing in and continuing their tradition of exceptional customer service." – Rich Allen, General Manager, Tru-Cut, LLC

Recent Utah Q1-21 M&A Transactions

Announced	Target	Target Location	Buyer	Buyer Location	Target Sector
03/25/2021	Purple Insurance, LLC	Florida	Salty Dot, Inc.	Utah	Information Technology
03/25/2021	Prime Government Solutions, LLC	Utah	Rock Solid Technologies, Inc.	Puerto Rico	Information Technology
03/19/2021	The Game Agency, LLC	Connecticut	eLearning Brothers, LLC	Utah	Communication Services
03/19/2021	Quality Container, LLC	Utah	The Cary Company	Illinois	Industrials
03/18/2021	Chorus Communications, Inc.	Pennsylvania	Telarus Inc.	Utah	Information Technology
03/12/2021	Modento Inc.	Texas	Dental Intelligence, Inc.	Utah	Health Care
03/11/2021	Viridian Sciences, Inc.	Utah	Akerna Corp. (NasdaqCM:KERN)	Colorado	Information Technology
03/11/2021	Behling Insurance Agency Inc.	Utah	Alera Group, Inc.	Illinois	Financials



Utah is back to work at pre-COVID levels. We are seeing a pickup in M&A activity and expect this to continue for 2021 and 2022.

– Chad Gardiner, Director – Bridgepoint Investment Banking

Bridgepoint Executive Summary

- **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 218 transactions
- \$121+ billion of M&A, capital raising, corporate finance and M&A transaction advisory service experience
- 97 completed M&A assignments spanning more than \$36 billion in transactions
- 121 completed corporate finance transactions, raising more than \$85 billion in capital

Selected Recent Bridgepoint Transactions

atlas
MedStaff

Growth debt financing
Sole Financing Arranger

**DATA
MIGRATION
RESOURCES**

HAS MERGED WITH
Syniti

Sell-side advisory
Sole Financial Advisor

NVS
Nebraska Vet Services

HAS BEEN RECAPITALIZED
BY
MAINST
CAPITAL CORPORATION

Growth equity and debt capital
raise

Financial Advisor

**diabetes
supply**

HAS BEEN ACQUIRED BY
+ adapthealth

Sell-side advisory
Financial Advisor

DBI, Inc.
Reliable...Responsive...Resourceful...Proactive

HAS BEEN ACQUIRED BY
SpireCapital

Sell-side Advisory
Financial Advisor

Dabarc
Data Advisors

HAS BEEN ACQUIRED BY
DMR

Buy-side advisory
Financial Advisor

TWIN EAGLE™

HAS BEEN ACQUIRED BY
BLU ANVIL

Buy-side advisory
Sole Financial Advisor

**AULICK
Learning**

HAS BEEN ACQUIRED BY
**TFI
International**

Sell-side advisory
Sole Financial Advisor

**PrairieLife
FITNESS**

HAS BEEN ACQUIRED BY
THE ATHLETIC CLUB

Sell-side advisory
Financial Advisor

CONTRACTORS
SIDING WINDOWS & ROOFING SUPPLY

HAS BEEN ACQUIRED BY
**SS
Distribution**

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Financial Advisor



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Sectors of Focus



Business & IT
Services



Technology



Healthcare



Consumer &
Retail



Industrials &
Transportation

274

YEARS OF EXPERIENCE

\$121B

IN TRANSACTIONS

218

TOTAL TRANSACTIONS

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