



STRATEGIC ADVISORS

Middle Market Investment Bankers

Bringing Efficiency to Inefficient Markets

2022

*Year In Review &
Fourth Quarter
Highlights*

PITTSBURGH REGIONAL M&A REPORT

**Merger & Acquisition Advisory
Corporate Finance Advisory
Strategic Consulting**

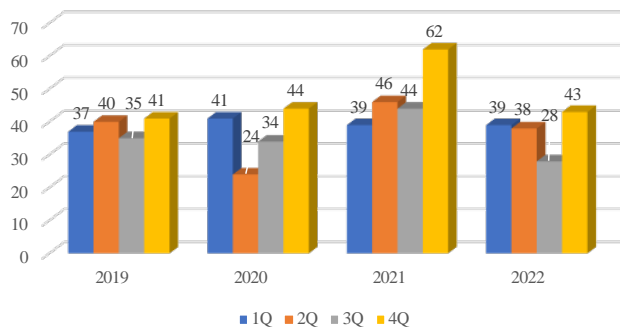
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Deals Remain Priority Despite Difficult Market Conditions

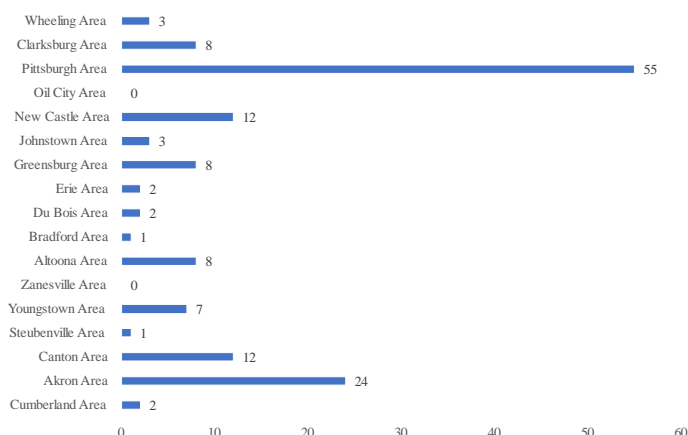
M&A Transactions by Quarter
(2019-2022)



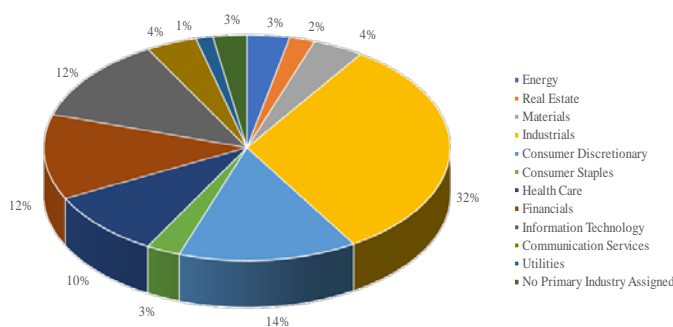
The fourth quarter (4Q) resulted in the most M&A transactions closed in each year for the past four years in all quarters (2019-2022). Deals declined from 62 regional M&A transactions in 4Q 2021, to only 43 closed M&A deals in 4Q 2022, representing a 30.6% decline year-over-year. However, the level of transactions in 4Q 2022 remain consistent with 2019 & 2020, suggesting 2021 was more of an outlier peak than 2022 a down year. Annual transaction volume similarly declined, with 2022 regional deals dropping 22.5%, from a peak of 191 in FY 2021 to 148 closed in FY 2022. Ongoing decline in deal volume suggests 2023 activity will continue to be driven by macroeconomic factors in the US economy.

Regional M&A transactions were focused in the major urban areas of Pittsburgh and Akron, which accounted for over 53% of the total deals closed in 2022. Similarly, over 68% of the 97 closed private placements favored these urban regions in 2022 with Pittsburgh leading the way. In 4Q alone, 16 M&A transactions closed in the Pittsburgh area. Per CapIQ, all 43 transactions that closed in 4Q 2022 were with strategic buyers. Financial buyers remained in a hold position, yet many of these strategic acquisitions had financial support from private equity holders. While 2022 M&A deal numbers saw a decline, Private Placements also followed, only bearing a decline in total placements of approximately 5%, when relating to 2021.

2022 M&A Transactions by Geography



2022
M&A Transactions by Sector



Once again in 4Q, Industrial deals were popular with 16 of the 43 quarterly deals being in that sector. In second place for the quarter, and tied for third on the year, deals in the Financial industry were hot, being at 9 and 18, respectively. In 2022, Industrial and Consumer Discretionary Deals accounted for almost 46% of the total deal flow. Information Technology (IT) yielded 12.16% of the total 2022 deals, minorly increasing from 12.04% in 2021. With the current economic landscape providing tough conditions for IT companies to navigate, it has opened up the door for larger entities to consolidate. This has also created an atmosphere for financial buyers to deploy acquisition strategies in 2023 towards other sectors including Energy, Materials, and Health Care, which have not been as prevalent in 2022.

PITTSBURGH REGIONAL 4Q 2022 M&A TRANSACTIONS

#	Closed Date	Target	Target Location	Buyer	Buyer Type	Sector	Value (\$USDmm)
1	12/20/2022	BCHH, Inc.	Pittsburgh Area	Stewart Information Services Corporation (NYSE:STC)	Strategic Buyer	Financials	-
2	12/16/2022	RiverStone Wealth Management, LLC	Pittsburgh Area	Carnegie Capital Asset Management, LLC	Strategic Buyer	Financials	-
3	12/11/2022	Albert Anthony Real Estate LLC	Pittsburgh Area	Howard Hanna Real Estate Services, Inc.	Strategic Buyer	Real Estate	-
4	12/08/2022	PSA South Hills Landfill Gas Venture LLC	Greensburg Area	Green Rock Energy Partners	Strategic Buyer	-	-
5	12/07/2022	ProMAXX Tool LLC	Pittsburgh Area	Milton Industries, INC.	Strategic Buyer	Consumer Discretionary	-
6	12/06/2022	McCann Plastics, Inc.	Canton Area	HEXPOL AB (publ) (OM:HPOL B)	Strategic Buyer	Materials	120
7	12/02/2022	Centric Machining Solutions LLC	Altoona Area	Continuum Equity Partners	Strategic Buyer	Industrials	-
8	12/01/2022	B&R Camper Sales Inc.	New Castle Area	Blue Compass RV, LLC	Strategic Buyer	Industrials	-
9	11/29/2022	Accion Labs US, Inc.	Pittsburgh Area	True North Managers LLP	Strategic Buyer	Information Technology	9
10	11/23/2022	A. Stucki Company	Pittsburgh Area	Stellex Capital Management LLC; Eldridge Industries LLC	Strategic Buyer	Industrials	-
11	11/23/2022	1st Choice Realty Group LLC	Youngstown Area	Select Real Estate, Inc.	Strategic Buyer	Real Estate	-
12	11/17/2022	Interaction Dynamics Group	Altoona Area	Good Leadership Enterprises, Inc.	Strategic Buyer	Industrials	-
13	11/16/2022	Sprouse Building Products, Inc.	Clarksburg Area	Santiago Investment Group, LLC	Strategic Buyer	Industrials	-
14	11/16/2022	Garrett Container Systems, Inc.	Cumberland Area	Albers Aerospace	Strategic Buyer	Industrials	-
15	11/15/2022	First Mortgage Services Group, Inc.	Cumberland Area	First United Bank & Trust	Strategic Buyer	Financials	-
16	11/14/2022	CS Trucking LLC	Canton Area	Gas Field Services, LLC	Strategic Buyer	Industrials	-
17	11/14/2022	Neon Carrot LLC	Akron Area	Lynx Innovation, Inc.	Strategic Buyer	Industrials	-
18	11/09/2022	Nathan Contracting LP	Pittsburgh Area	One Nation Contracting	Strategic Buyer	Industrials	-
19	11/08/2022	LaBrozzi Group Insurance, Inc.	Bradford Area	Union Bay Risk Advisors LLC	Strategic Buyer	Financials	-
20	11/08/2022	Fairway Laboratories, Inc.	Altoona Area	Pace Analytical Services, LLC	Strategic Buyer	Industrials	-
21	11/07/2022	Institute on Healthcare Directives, LLC	Erie Area	US Acute Care Solutions, LLC	Strategic Buyer	Health Care	-
22	11/07/2022	Gastroenterology and Hepatology Specialists, LLC	Canton Area	One GI LLC	Strategic Buyer	Health Care	-
23	11/03/2022	La Tool And Supply Co.	Akron Area	BlackHawk Industrial Distribution, Inc.	Strategic Buyer	Consumer Discretionary	-
24	11/01/2022	Curry Fluid Power	Altoona Area	Dakota Fluid Power, Inc.	Strategic Buyer	Industrials	-
25	10/31/2022	Tiefenbach North America, LLC	Clarksburg Area	Swanson Industries, Inc.	Strategic Buyer	Industrials	-
26	10/31/2022	Barnett Insurance Agency, Inc.	Canton Area	Gem-Young Insurance & Financial Services, Inc.	Strategic Buyer	Financials	-
27	10/31/2022	Pittsburgh Brokerage Services, Inc.	Pittsburgh Area	LTC Global, Inc.	Strategic Buyer	-	-
28	10/31/2022	RentEquip, Inc.	Akron Area	Leppo Inc.	Strategic Buyer	Industrials	-
29	10/26/2022	Tusco Products, L.L.C.	Akron Area	Tenth Avenue Holdings, LLC	Strategic Buyer	Consumer Discretionary	-
30	10/26/2022	Complete Intravenous Access Services, Inc.	Pittsburgh Area	Dynamic Access, LLC	Strategic Buyer	Health Care	-
31	10/24/2022	Thomas Honda of Johnstown, LLC	Johnstown Area	#1 Cochran, Inc.	Strategic Buyer	Consumer Discretionary	-
32	10/18/2022	TruFood Manufacturing	Pittsburgh Area	Mubadala Capital	Strategic Buyer	Consumer Staples	-
33	10/17/2022	McDaniel Advanced Ceramic Technologies, LLC	Pittsburgh Area	Artemis Capital Partners Management Co., LLC	Strategic Buyer	Industrials	-
34	10/11/2022	Rapid Flow Technologies LLC	Pittsburgh Area	Miovision Technologies Inc.	Strategic Buyer	Information Technology	-
35	10/11/2022	Byfron Technologies, LLC	Canton Area	Roblox Corporation (NYSE:RBLX)	Strategic Buyer	-	19
36	10/10/2022	Wigle Whiskey	Pittsburgh Area	Pittsburgh Pirates	Strategic Buyer	Consumer Staples	-
37	10/07/2022	VLN Partners, LLP	Pittsburgh Area	N. Harris Computer Corporation	Strategic Buyer	Information Technology	-
38	10/05/2022	New Vision Bookkeeping and Payroll, LLC	Akron Area	Core Support Partners LLC	Strategic Buyer	Industrials	-
39	10/04/2022	Gerber and Associates LLC	Akron Area	Senior Market Sales, Inc.	Strategic Buyer	Financials	-
40	10/03/2022	Pakco Employees Federal Credit Union	Greensburg Area	Lesco Employees Federal Credit Union	Strategic Buyer	Financials	-
41	10/03/2022	Clark Deco Moldings, Inc.	Pittsburgh Area	Coatings Solutions, LLC	Strategic Buyer	Industrials	-
42	10/01/2022	Carlin & Associates Insurance, Inc.	Altoona Area	Webber Advisors	Strategic Buyer	Financials	-
43	10/01/2022	Vision Financial Group, Inc.	Pittsburgh Area	Civista Bank	Strategic Buyer	Financials	39

PITTSBURGH REGIONAL 4Q 2022 PRIVATE PLACEMENTS

#	Closed Date	Target	Target Location	Buyer	Buyer Type	Sector	Value (\$USDmm)
1	12/05/2022	InnSight Technology, Inc.	Akron Area	-	Strategic Buyer	Health Care	0.12
2	12/02/2022	Handl Health Inc.	Cumberland Area	-	Strategic Buyer	Health Care	0.12
3	11/28/2022	Levana Finance	Clarksburg Area	Chain Ridge Capital	Strategic Buyer	Financials	-
4	11/23/2022	Empire South Terminal of West Virginia, LLC	Greensburg Area	-	Strategic Buyer	-	15.00
5	11/23/2022	WATT Fuel Cell Corporation	Canton Area	Generac Power Systems, Inc.	Strategic Buyer	Utilities	-
6	11/16/2022	The Hvac Pro, Inc.	Akron Area	Redwood Services, LLC	Strategic Buyer	Consumer Discretionary	-
7	11/15/2022	RoadRunner Recycling, Inc.	Pittsburgh Area	Headline; Avery Dennison Corporation (NYSE:AVY); Greycroft LP; FJ Labs, Inc.; Fifth Wall Ventures Management, LLC; Valo Ventures, LLC; BeyondNetZero	Strategic Buyer	Industrials	90.00
8	11/10/2022	Enriched Ag, Inc.	Akron Area	Future Ventures; Radical Ventures	Strategic Buyer	Information Technology	9.00
9	11/07/2022	OK2StandUP, Inc.	Pittsburgh Area	GENER8TOR Management, LLC	Strategic Buyer	Health Care	0.06
10	11/03/2022	Maitri Holdings, LLC	New Castle Area	-	Strategic Buyer	-	18.00
11	11/03/2022	2nd Skull, Inc.	Pittsburgh Area	-	Strategic Buyer	Consumer Discretionary	0.25
12	11/02/2022	Binary Defense Systems, LLC	Pittsburgh Area	Invictus Growth Management LLC	Strategic Buyer	Information Technology	36.00
13	10/18/2022	Vitori Health LLC	Pittsburgh Area	BV Investment Partners, L.P.	Strategic Buyer	Health Care	30.00
14	10/13/2022	GAI Consultants, Inc.	New Castle Area	Comvest Partners	Strategic Buyer	Industrials	-
15	10/13/2022	WaveClear Inc.	Akron Area	Ben Franklin Technology Development Authority (BFTDA)	Strategic Buyer	Health Care	-
16	10/11/2022	C360 Technologies, Inc.	Pittsburgh Area	Queen City Angels	Strategic Buyer	Information Technology	-
17	10/07/2022	SIGNET ARISTON INVESTMENT II, LLC	Erie Area	-	Strategic Buyer	-	3.15
18	10/06/2022	Gather AI	Altoona Area	Tribeca Venture Partners; Dundee Venture Capital; Xplorer Capital; Expa, LLC; XRC Labs; Bling Capital; 99 Tartans, LLC	Strategic Buyer	Industrials	10.00
19	10/05/2022	Erin Technologies, Inc.	Erie Area	BlueTree Capital Group; Grouse Ridge Capital, LLC; Reformation Partners; LabCo NYC	Strategic Buyer	Information Technology	5.00
20	10/04/2022	Carbon6 Technologies, Inc.	Pittsburgh Area	Benevolent Capital Management, LLC; MidCap Financial Investment Corporation (NasdaqGS:MFC); Apollo Investment Management, L.P.; White Star Capital, L.P.	Strategic Buyer	Communication Services	66.00

Transaction Requirements: Either buyer, buyer parent, target or seller must be local, and the local participant must have purchased or sold majority control. Excluded transactions which only involved selling of real estate or facilities. "Local" in this sense includes all major geographic locations within a 100-mile radius of Pittsburgh. Sorted by close date.

ABOUT STRATEGIC ADVISORS

Strategic Advisors is a middle market investment banking firm that helps clients achieve financial and business goals by providing merger and acquisition advisory, corporate finance advisory, and strategic consulting services. Along with many years of experience in advising middle market clients, our Managing Directors have experience investing in and managing portfolio companies. As a result, Strategic Advisors not only has expertise in advisory services but also firsthand knowledge of what stakeholders, investors, and lenders expect and desire.

When considering a sale of your business, the acquisition of a business, or the restructuring or recapitalization of your balance sheet, the best pathway for achieving your expectations is an expertly running a successful process that addresses all your business and personal goals. Strategic Advisors is accustomed to working with business owners to determine the best pathway to achieve their goals and objectives. Give us a call to discuss your possibilities.

Strategic Advisors works with clients across numerous industries. Selected transactions include:

 <p><i>has been acquired by</i></p> <p>Mid-Atlantic Manufacturer</p> <p><i>The undersigned acted as the exclusive merger & acquisition advisor to the owners of Ridgway Powdered Metals, Inc.</i></p>  <p>February 2022</p>	<p>Mid-Atlantic Storage & Logistics Specialist</p> <p><i>has been acquired by</i></p>  <p>AMERICAN TRAILER RENTAL GROUP</p> <p><i>along with</i></p>  <p><i>The undersigned acted as the primary M&A advisor to the stakeholders of the Mid-Atlantic Storage & Logistics Specialist.</i></p>  <p>February 2022</p>	 <p><i>has been acquired by</i></p>  <p>Transformations Care Network</p> <p><i>along with</i></p>  <p>SHORE Capital Partners</p> <p><i>The undersigned acted as the primary M&A advisor to the stakeholders of New Directions.</i></p>  <p>December 2021</p>
 <p><i>has been acquired by</i></p> <p>FreshEdge®</p> <p><i>The undersigned acted as the exclusive M&A advisor to the stakeholders of Monteverde's.</i></p>  <p>September 2021</p>	<p>TIRE & RUBBER, INC. WESTON, WV</p> <p><i>has been acquired by</i></p>  <p>Insignia Disposal Services, LLC</p> <p><i>The undersigned acted as the primary M&A advisor to the stakeholders of Tire and Rubber, Inc.</i></p>  <p>September 2021</p>	 <p><i>has been acquired by</i></p>  <p>APEX</p> <p><i>The undersigned acted as the primary M&A advisor to the stakeholders of CME Management, LLC.</i></p>  <p>September 2021</p>
<p>Mid-Atlantic Propane Distributor</p> <p><i>has been acquired by</i></p>  <p>ENERGY DISTRIBUTION PARTNERS</p> <p><i>The undersigned acted as the primary M&A advisor to the stakeholders of the Mid-Atlantic Propane Distributor.</i></p>  <p>September 2021</p>	 <p><i>has successfully secured a</i></p> <p>Dividend Recapitalization</p> <p><i>The undersigned acted as the primary corporate finance advisor to the stakeholders of White Label.</i></p>  <p>June 2021</p>	 <p><i>has been acquired by</i></p>  <p>LifeStance HEALTH</p> <p><i>The undersigned acted as the primary M&A advisor to the stakeholders of Charleston Counseling Center.</i></p>  <p>April 2021</p>

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Disclaimer:

Transaction data was taken from S&P Capital IQ.

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