



STRATEGIC ADVISORS

Middle Market Investment Bankers

Bringing Efficiency to Inefficient Markets

2023

First Quarter

PITTSBURGH REGIONAL M&A REPORT

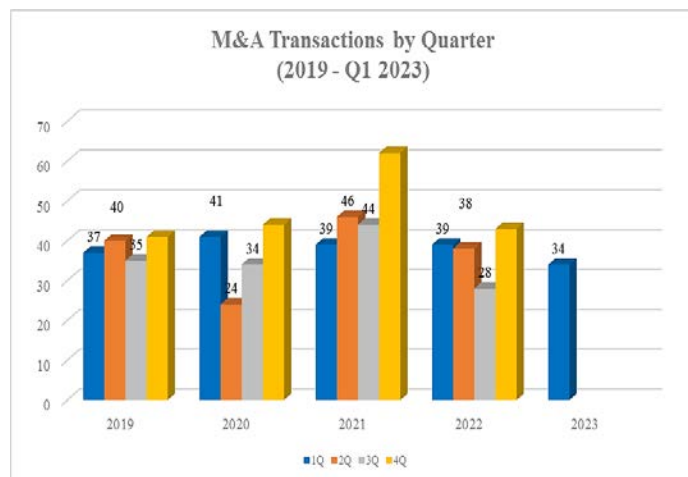
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2023: Recession or Road to Recovery?

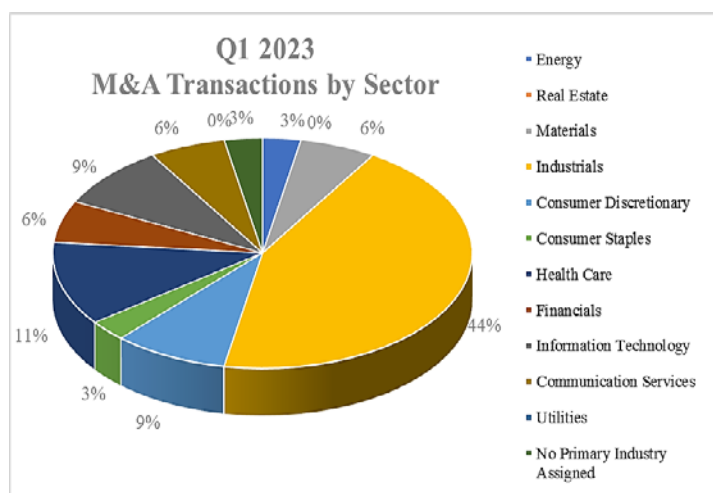
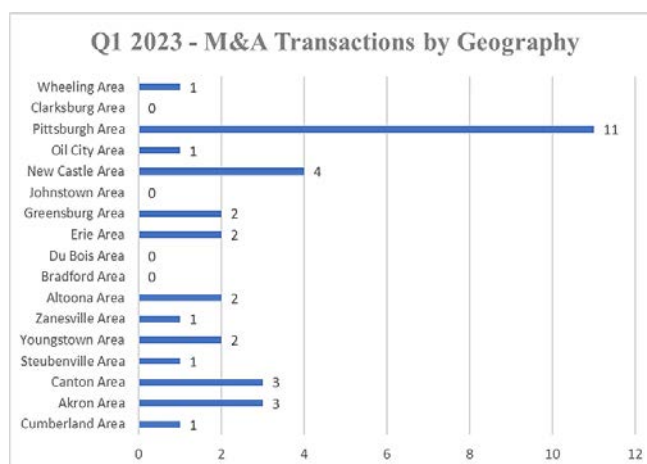


The first quarter of 2023 has kicked off at a relatively modest pace as many buyers and sellers alike continue to assess their outlook for the year. There were 34 closed M&A transactions recorded in Q1, about a 13% year-over-year decline but only an 8% decline from 2019 “pre-pandemic” levels. Although a slower start to the year has been observed in the region, M&A has by no means grinded to a halt in the wake of a dramatically different capital environment. The looming potential of a deepening U.S. recession has remained topic of discussion for some time now, and although some leading economic indicators are suggesting this might not be in the cards, there are still many macroeconomic unknowns that continue to cloud the horizon.

Consistent with history, the Pittsburgh area continued to garner the highest level of transaction volume in Q1, recording 11 M&A deals during the quarter as well as 11 Private Placements.

Transaction values for private placements ranged from \$250K to \$18.3M, with an average and median of \$4.8M and \$1.6M, respectively.

Per CapIQ, all 34 M&A transactions and Private Placements that closed in 1Q 2023 were with strategic buyers. It is to be noted that CapIQ does not distinguish between true strategic acquirers and private equity-backed strategic acquirers.



The Industrials sector maintains its strong M&A footprint in the region by a significant margin, accounting for 15 of 34 (or 44.1%) of recorded first quarter transactions in the region. The deals-by-sector distribution is relatively diversified from there. Health Care followed in second, accounting for approximately 11.8% of deals. Tied for third, Consumer Discretionary and Information each accounted for 8.8% of deals, and Industrials, Financials, and Communication Services each contributed 5.9% towards total observed transactions. A higher degree of selectivity regarding potential acquisition investments has edged many acquirers seeking stability towards the established Industrials industry, which is driven largely by the manufacturing and transportation subsectors.

PITTSBURGH REGIONAL 1Q 2023 M&A TRANSACTIONS

#	Closed Date	Target	Target Location	Buyer	Buyer Type	Sector	Value (\$USdmm)
1	03/29/2023	Northern Sound & Light, Inc.	Pittsburgh Area	AlarMax Distributors, Inc.	Strategic Buyer	Industrials	-
2	03/28/2023	Armstrong Nutrition Management Inc.	New Castle Area	Health Technologies, Inc.	Strategic Buyer	Health Care	-
3	03/27/2023	Tuscano-Maher Roofing Inc.	Greensburg Area	Tecta America Corporation	Strategic Buyer	Industrials	-
4	03/15/2023	R.T. Patterson Company, Inc.	Pittsburgh Area	Allied Resources Group LLC	Strategic Buyer	Industrials	-
5	03/06/2023	Jeff Critchlow Auto Body Inc	Pittsburgh Area	#1 Cochran, Inc.	Strategic Buyer	Consumer Discretionary	-
6	03/02/2023	Mount Perry Propane, LLC	Zanesville Area	EDPO, LLC	Strategic Buyer	Energy	-
7	03/01/2023	National Road Utility Supply, Inc.	Wheeling Area	CITCO Water	Strategic Buyer	Industrials	-
8	02/28/2023	Martin Pallet, Inc.	Canton Area	Burlington Capital Partners LLC	Strategic Buyer	Materials	-
9	02/23/2023	Alpine Sales & Rental CORP.	Altoona Area	Exodus Machines LLC	Strategic Buyer	Industrials	-
10	02/20/2023	Jerky-n-Spice	Akron Area	-	Strategic Buyer	Consumer Staples	-
11	02/20/2023	HarbisonWalker International, Inc.	Pittsburgh Area	Platinum Equity, LLC	Strategic Buyer	Materials	-
12	02/15/2023	YESCO Electrical Supply, Inc.	Youngstown Area	Schaeidler Yesco Distribution Inc.	Strategic Buyer	Industrials	-
13	02/14/2023	Bolttech Mannings, Inc.	Pittsburgh Area	Taurus Industrial Group, LLC	Strategic Buyer	Industrials	-
14	02/13/2023	Limitless NIL, LLC	Altoona Area	TEAM Group Holdings, Inc.	Strategic Buyer	Communication Services	-
15	02/07/2023	Atlas	Pittsburgh Area	Archer Technologies LLC	Strategic Buyer	Information Technology	-
16	02/02/2023	LLT Labels	Akron Area	Brook & Whittle Limited	Strategic Buyer	Industrials	-
17	01/31/2023	Pipelines, Inc.	Steubenville Area	Ferguson plc (NYSE:FERG)	Strategic Buyer	Industrials	-
18	01/31/2023	RPG Resources LLC	Pittsburgh Area	System One Holdings, LLC	Strategic Buyer	Industrials	-
19	01/27/2023	Allegany Medical Marijuana Dispensary LLC	Cumberland Area	TerrAscend Corp. (CNSX:TER)	Strategic Buyer	Health Care	10
20	01/19/2023	Northeast Medical Consulting, Inc.	Youngstown Area	Technical Safety Services, Llc	Strategic Buyer	Industrials	-
21	01/19/2023	EnviroServe Inc.	Canton Area	One Rock Capital Partners, LLC	Strategic Buyer	Industrials	-
22	01/17/2023	Three Rivers Optical Company	Pittsburgh Area	IDOC, LLC	Strategic Buyer	Information Technology	-
23	01/12/2023	Blue Peak Insurance LLC	Pittsburgh Area	Alera Group, Inc.	Strategic Buyer	Financials	-
24	01/12/2023	Zimm Cataract & Laser Center	Erie Area	Sunvera Group, LLC	Strategic Buyer	Health Care	-
25	01/11/2023	C360 Technologies, Inc.	Pittsburgh Area	Cosm Inc.	Strategic Buyer	Information Technology	-
26	01/11/2023	The Max Group of Companies	New Castle Area	SSE International, Inc.	Strategic Buyer	No Primary Industry Assigned	-
27	01/10/2023	East Coast Risk Management, LLC	Greensburg Area	Keystone Insurers Group, Inc.	Strategic Buyer	Industrials	-
28	01/05/2023	Mine Safety Appliances Company, LLC	New Castle Area	R&Q Insurance Holdings Ltd. (AIM:RQIH); Obra Capital, Inc.	Strategic Buyer	Consumer Discretionary	-
29	01/05/2023	William-Allen Company, Inc.	Canton Area	Polymer Packaging, Inc.	Strategic Buyer	Consumer Discretionary	-
30	01/04/2023	Pittsburgh City Paper, Inc.	Pittsburgh Area	Cars Holding, Inc.	Strategic Buyer	Communication Services	-
31	01/01/2023	Taylor Tele-communications Inc.	Akron Area	Verità Telecommunications Corporation	Strategic Buyer	Industrials	-
32	01/01/2023	ErieTec, Inc.	Erie Area	Purvis Industries Ltd.	Strategic Buyer	Industrials	-
33	01/01/2023	Butler Health System, Inc.	New Castle Area	Excela Health	Strategic Buyer	Health Care	-
34	01/01/2023	Emclair Financial Corp	Oil City Area	Farmers National Banc Corp. (NasdaqCM:FMNB)	Strategic Buyer	Financials	105

PITTSBURGH REGIONAL 1Q 2023 PRIVATE PLACEMENTS

#	Closed Date	Target	Target Location	Buyer	Buyer Type	Sector	Value (\$USDmm)
1	03/27/2023	Freospace Robotics Inc.	Pittsburgh Area	NFI Ventures, LLC	Strategic Buyer	No Primary Industry Assigned	-
2	03/14/2023	Entre Corporation	Pittsburgh Area	Service Provider Capital, LLC; CreatorLed Ventures; KubeVC	Strategic Buyer	Communication Services	2
3	03/10/2023	W Health Studio, Inc.	Pittsburgh Area	-	Strategic Buyer	No Primary Industry Assigned	13
4	03/09/2023	LegalSifter, Inc.	Pittsburgh Area	Carrick Capital Management Company, LLC	Strategic Buyer	Information Technology	-
5	02/28/2023	Phyto-Farma Labs LLC	Akron Area	-	Strategic Buyer	Health Care	0
6	02/21/2023	Connors Group	Pittsburgh Area	Riordan, Lewis & Haden, Inc.	Strategic Buyer	Industrials	-
7	02/16/2023	Ocean Genomics, Inc.	Pittsburgh Area	Accenture Ventures Limited	Strategic Buyer	Health Care	-
8	02/14/2023	Kloopify, Inc.	Pittsburgh Area	Innovation Works; Urban Redevelopment Authority of Pittsburgh; The Fund; Hypothesis Ventures; Black Tech Nation Ventures	Strategic Buyer	Communication Services	2
9	02/14/2023	Society Brands, Inc.	Canton Area	-	Strategic Buyer	No Primary Industry Assigned	18
10	01/27/2023	Mega Cat Studios, Inc.	Pittsburgh Area	Skybound, LLC	Strategic Buyer	Communication Services	-
11	01/26/2023	Equa Health, Inc.	Pittsburgh Area	TRIPP, Inc.	Strategic Buyer	Information Technology	-
12	01/23/2023	Hall of Fame Resort & Entertainment Company (NasdaqCM:HOFV)	Canton Area	ADC LCR Hall of Fame Manager II, LLC	Strategic Buyer	Consumer Discretionary	2
13	01/18/2023	Balmaghie Beverage Group Inc.	New Castle Area	-	Strategic Buyer	Consumer Staples	-
14	01/17/2023	Bloomfield Robotics, Inc.	Pittsburgh Area	Kubota Corporation (TSE:6326); Oeneo SA (ENXTPA:SBT); Yield Lab, LLC; WGD Capital, LP; M7 Holdings LLC	Strategic Buyer	Information Technology	-
15	01/12/2023	trAlned Inc.	Pittsburgh Area	Asia West Inc.; The Mortgage Collaborative LLC	Strategic Buyer	Information Technology	1
16	01/03/2023	Wentworth Inc	Akron Area	-	Strategic Buyer	No Primary Industry Assigned	0

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><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><i>along with</i></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><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><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><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><i>The undersigned acted as the primary M&A advisor to the stakeholders of Charleston Counseling Center.</i></p>  <p>April 2021</p>

*Securities transactions conducted through StillPoint Capital, LLC, Tampa, FL.

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