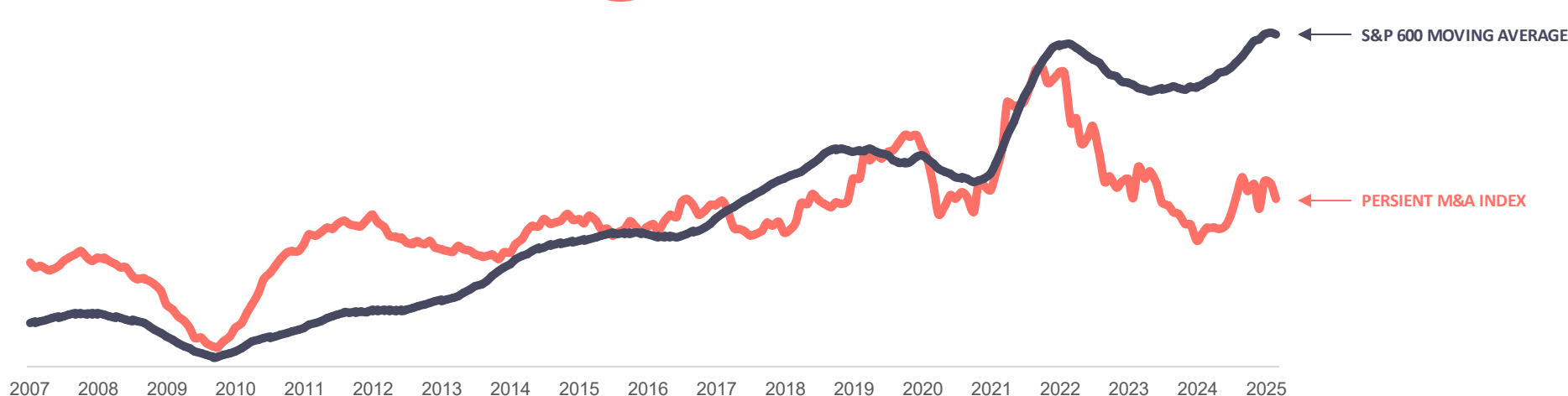


M&A MIDDLE MARKET INSIGHTS – Q1 2025

PERSIENT'S MIDDLE MARKET **M&A** INDEX

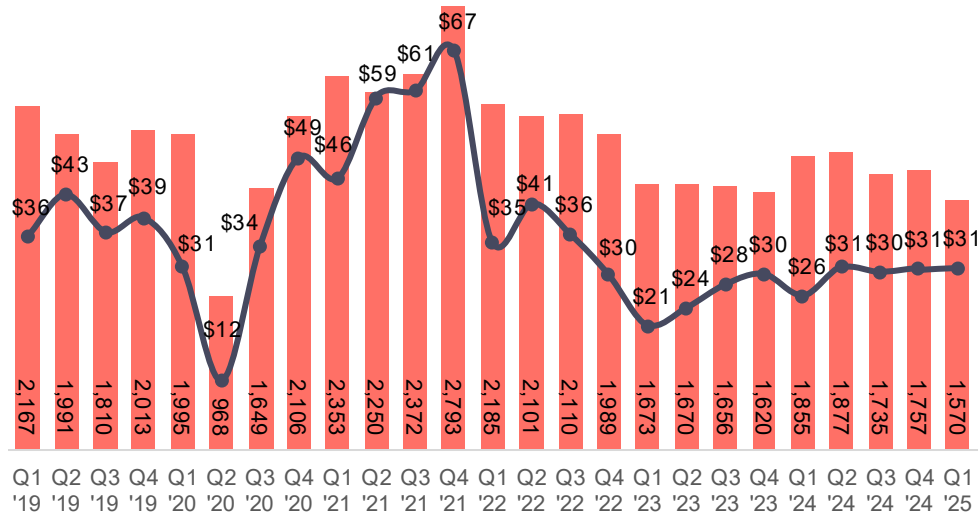


INSIGHTS

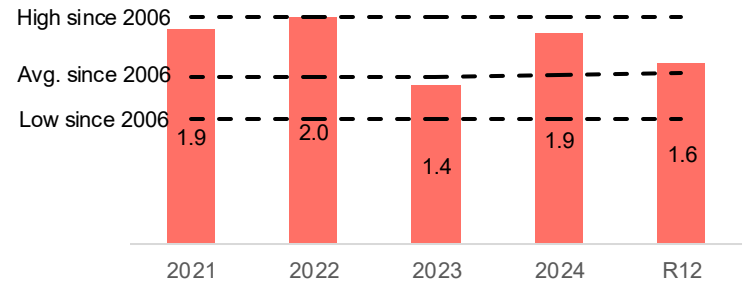
The first quarter of 2025 opened on shaky footing, as equity markets experienced a correction with uncertainty surrounding the new administration's evolving trade policy, while the Federal Reserve signaling a pause on further rate cuts adding another layer of caution. M&A activity told a more nuanced story, as total deal value climbed meaningfully year-over-year, signaling a market favoring scale and strategic conviction over volume.

M&A ACTIVITY AND VALUATIONS

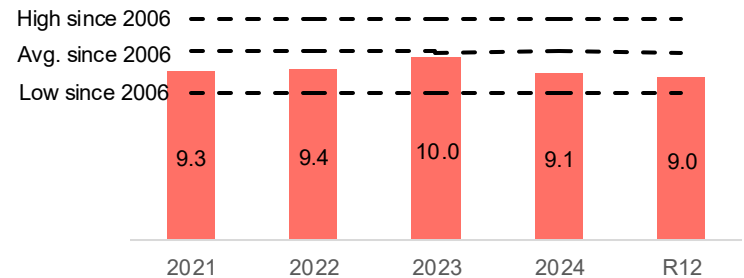
Total Middle Market M&A Volume and Value (\$b)



Middle Market M&A Revenue Multiples



Middle Market M&A EBITDA Multiples

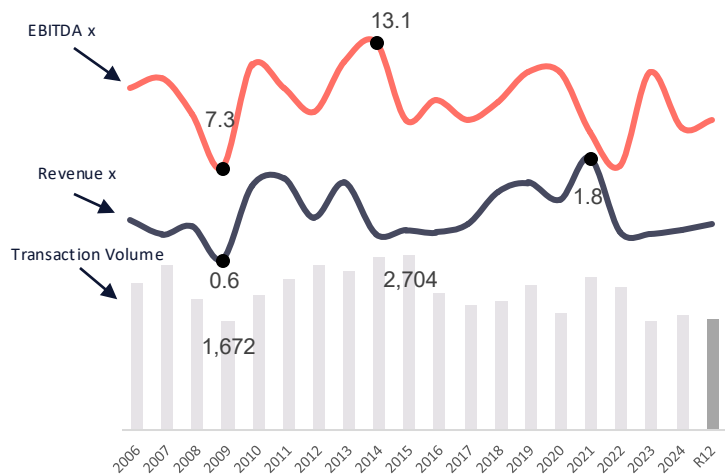


INSIGHTS

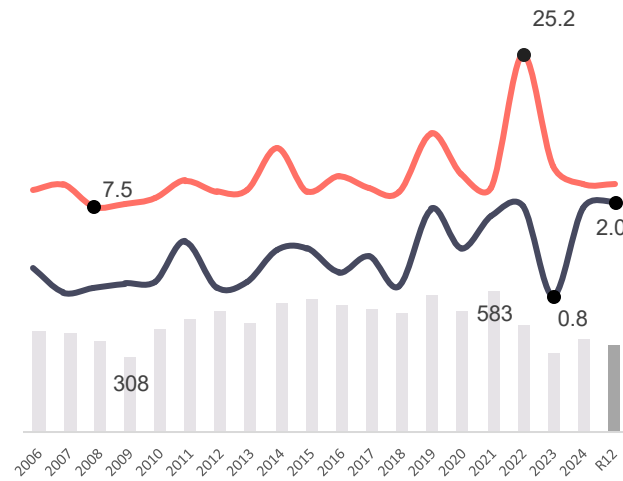
M&A activity in Q1 2025 held steady despite geopolitical and economic uncertainty, as dealmakers adapted to shifting market dynamics. Ongoing tariff pressures and evolving regulations created friction, but declining interest rates and increased reliance on private credit helped sustain deal flow. With firms adjusting strategies and capitalizing on selective opportunities, the middle market remains active, though cautiously optimistic.

M&A BY SECTOR

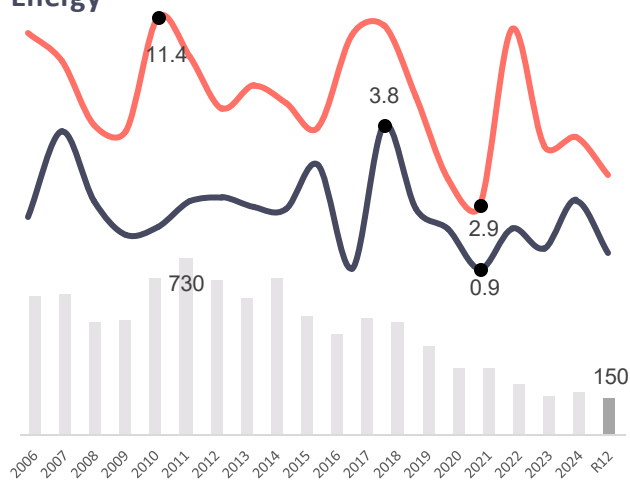
Consumer Discretionary



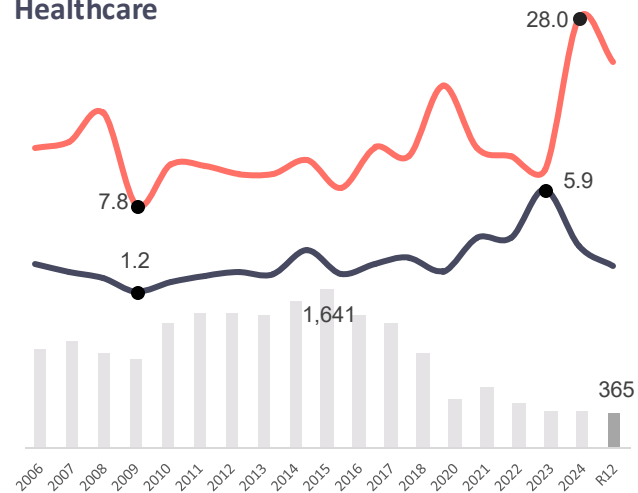
Consumer Staples



Energy

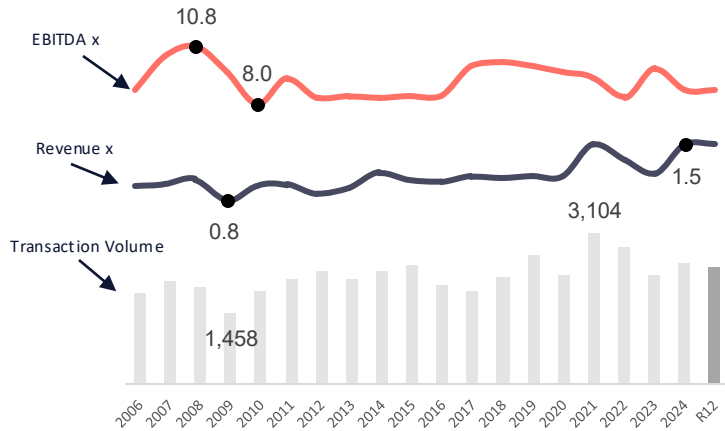


Healthcare

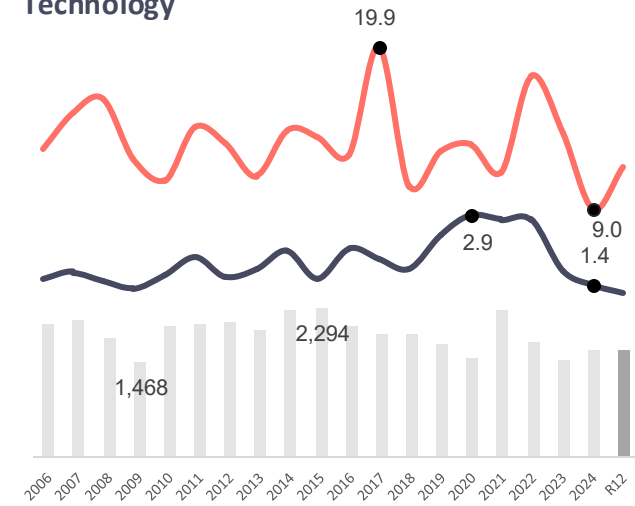


M&A BY SECTOR

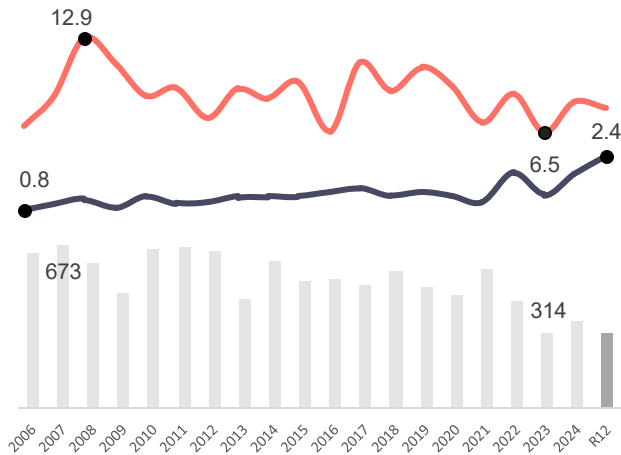
Industrials



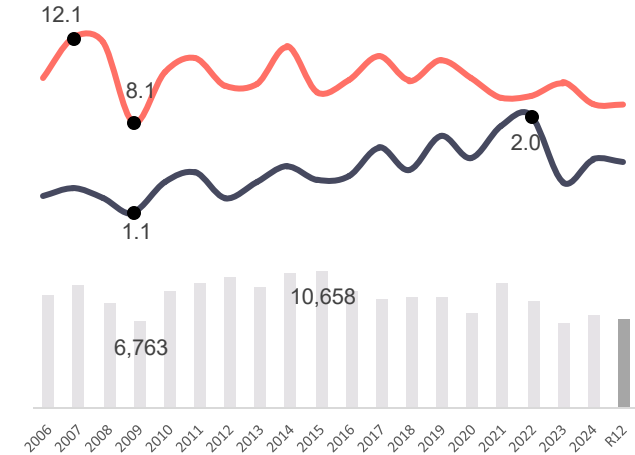
Technology



Materials



Overall



NOTEWORTHY

Announcement	Target	Buyer	Target Industry	Size (\$mm)	Revenue Multiple	EBITDA Multiple
Jan-25	Accolade, Inc.	Transcarent, Inc.	Health Care Services	\$862	1.42	-
Jan-25	Bolt Medical, Inc.	Boston Scientific Corporation (NYSE:BSX)	Health Care Equipment	\$820	-	-
Jan-25	Schawk, Inc.	Southern Graphic Systems, LLC	Diversified Support Services	\$350	-	-
Jan-25	Simple Mills, Inc.	Flowers Foods, Inc. (NYSE:FLO)	Packaged Foods and Meats	\$795	3.31	-
Jan-25	Vistar Media, Inc.	T-Mobile US, Inc. (NasdaqGS:TMUS)	Application Software	\$625	-	-
Jan-25	Miller Electric Company, Inc.	EMCOR Group, Inc. (NYSE:EME)	Construction and Engineering	\$865	1.10	10.80
Jan-25	Walmart Advanced Systems & Robotics Inc.	Symbotic Inc. (NasdaqGM:SYM)	Industrial Machinery and Supplies	\$550	-	-
Jan-25	Edge Autonomy Operations LLC	Redwire Corporation (NYSE:RDW)	Aerospace and Defense	\$925	4.17	12.85
Jan-25	Act-On Software, Inc.	Banzai Passage Inc.	Application Software	\$53	-	-
Jan-25	Logility Supply Chain Solutions, Inc.	Aptean, Inc.	Application Software	\$483	3.89	39.01
Jan-25	Moser Engine Service, Inc.	Atlas Energy Solutions Inc. (NYSE:AESI)	Heavy Electrical Equipment	\$221	-	-
Jan-25	BroadPath, LLC	Sagility LLC	Health Care Services	\$58	0.84	-
Jan-25	Cloverhill & Big Texas Brands	JTM Foods, LLC	Packaged Foods and Meats	\$40	1.30	-
Jan-25	SmartCover Systems, Inc.	Badger Meter, Inc. (NYSE:BMII)	Electronic Equipment and Instruments	\$185	5.29	-
Feb-25	Alpha Inspections Inc.	Willdan Engineering Inc.	Construction and Engineering	\$12	2.40	-
Feb-25	Catapult Health, LLC	Teladoc Health, Inc. (NYSE:TDOC)	Health Care Services	\$70	2.33	-
Feb-25	Milacron LLC	Bain Capital Credit, LP	Industrial Machinery and Supplies	\$563	1.07	8.79
Feb-25	Jake's Inc.	US Foods Holding Corp. (NYSE:USFD)	Food Distributors	\$92	0.58	-
Feb-25	Nevro Corp.	Globus Medical, Inc. (NYSE:GMED)	Health Care Equipment	\$542	0.61	-
Feb-25	Tempo Music Investments, LLC	Warner Music Group Corp. (NasdaqGS:WMG)	Movies and Entertainment	\$152	-	-
Feb-25	Formation Nation, Inc.	LegalZoom.com, Inc. (NasdaqGS:LZ)	Office Services and Supplies	\$85	-	-
Feb-25	Intevac, Inc.	Seagate Technology Holdings plc (NasdaqGS:STX)	Technology Hardware	\$131	0.99	-
Feb-25	Humane, Inc.	HP Inc. (NYSE:HPQ)	Consumer Electronics	\$116	-	-
Feb-25	Wheeler Fleet Solutions, Co.	OEP Capital Advisors, L.P.	Distributors	\$230	-	-
Feb-25	Lane Supply, Inc.	Gibraltar Industries, Inc. (NasdaqGS:ROCK)	Construction and Engineering	\$120	1.07	7.19
Feb-25	secureWISE, LLC	PDF Solutions, Inc. (NasdaqGS:PDFS)	Systems Software	\$130	-	-
Feb-25	Stuart Weitzman, LLC	Caleres, Inc. (NYSE:CAL)	Footwear	\$105	-	-
Feb-25	Oil Changers, Inc.	Valvoline Inc. (NYSE:VVV)	Specialized Consumer Services	\$625	3.13	10.70
Mar-25	Girbau North America, Inc.	EVI Industries, Inc. (NYSEAM:EVI)	Industrial Machinery and Supplies	\$43	0.57	-
Mar-25	R/GA Media Group, Inc.	Truelink Capital Management, LLC	Advertising	\$250	0.80	-
Mar-25	Identity Automation Systems, LLC	Jamf Holding Corp. (NasdaqGS:JAMF)	Application Software	\$215	-	-
Mar-25	Alliance Drilling Tools LLC	Star Equity Holdings, Inc. (NasdaqGM:STRR)	Trading Companies and Distributors	\$12	1.14	4.98
Mar-25	Tastemade, Inc.	Wonder Group, Inc.	Broadcasting	\$90	-	-
Mar-25	3D at Depth, Inc.	Kraken Robotics Inc. (TSXV:PNG)	Electronic Equipment and Instruments	\$17	1.21	-
Mar-25	Aspen Manufacturing LLC.	CSW Industrials, Inc. (NasdaqGS:CSWI)	Industrial Machinery and Supplies	\$314	2.56	11.00
Mar-25	Dave's Hot Chicken Franchise Co., LLC	Roark Capital Management LLC	Restaurants	\$1000	1.00	-
Mar-25	Napster Music Inc.	Infinite Reality, Inc.	Movies and Entertainment	\$207	-	-
Mar-25	OfferFit, Inc.	Braze, Inc. (NasdaqGS:BRZE)	Application Software	\$325	-	-

Announcement	Target	Buyer	Target Industry	Size (\$mm)	Revenue Multiple	EBITDA Multiple
1/14/25	Miller Electric Company, Inc.	EMCOR Group, Inc. (NYSE:EME)	Construction and Engineering	\$865	1.10	10.80
Buyer, a provider of electrical system solutions, entered into an agreement to acquire Target for \$865 million. Target, is an electrical contracting firm. The transaction is all-cash , with \$865 million upfront . The transaction is funded through the Buyer’s cash reserve.						
1/20/25	Edge Autonomy Operations LLC	Redwire Corporation (NYSE:RDW)	Aerospace and Defense	\$925	4.17	12.85
Buyer, a provider of space infrastructure, entered into an agreement to acquire Target for \$925 million. Target, is a provider of uncrewed airborne system technology. The transaction consideration consists of cash and stock upfront . At close, Target receives \$150 million in cash and \$775 million in common stock.						
1/31/25	SmartCover Systems, Inc.	Badger Meter, Inc. (NYSE:BMI)	Electronic Equipment and Instruments	\$185	5.29	-
Buyer, a provider of water management solutions, entered into an agreement to acquire Target for \$185 million. Target, is a provider of remote monitoring and data analysis systems. The transaction is all-cash , with \$185 million upfront . The transaction is funded through the Buyer’s cash reserve.						
2/10/25	Formation Nation, Inc.	LegalZoom.com, Inc. (NasdaqGS:LZ)	Office Services and Supplies	\$85	-	-
Buyer, a provider of online legal services, entered into an agreement to acquire Target for \$85 million. Target, is a provider of entrepreneurial business services. The transaction consideration consists of cash and stock both upfront and deferred . At close, Target will receive \$49.3 million in cash and approximately 2.2 million restricted shares of common stock. Target can receive an additional \$15.4 million in cash, following a one-year holding period.						
3/18/25	Aspen Manufacturing LLC.	CSW Industrials, Inc. (NasdaqGS:CSWI)	Industrial Machinery and Supplies	\$314	2.56	11.00
Buyer, a manufacturer and supplier of architectural building components, entered into an agreement to acquire Target for \$314 million. Target, is a manufacturer of HVAC supplies and equipment. The transaction is all-cash , with \$314 million upfront . The transaction is funded through the Buyer's cash reserve, and debt from its existing \$500 million credit facility.						

M&A MOTIVATION – CEO CHATTER

“This acquisition will allow CSWI to expand our existing HVAC/R product portfolio with an innovative portfolio of high-caliber evaporator coils and air handlers, while building on our existing HVAC/R end market leadership position. With our market knowledge and investment in people, systems, and processes, CSWI is uniquely **positioned to accelerate Aspen’s growth strategy**. This acquisition will enable us to continue **driving above market, profitable growth**, and deliver value to our shareholders.”

- [Joseph Armes, Chairman, President and CEO of CSW Industrials](#)

“With industry leading TrustPilot scores of 4.9 (Inc Authority) and 5.0 (NCH) out of 5.0, the addition of Formation Nation will **further distinguish** LegalZoom as an **industry leader focused on quality**... The company has built a **strong culture** of excellence centered around customer service.”

- [Jeff Stibel, Chairman and CEO of LegalZoom](#)

“SmartCover fits directly into our BlueEdge suite of hardware-enabled software solutions, **enhancing the scope of data, information and analytics that collectively strengthen our customers’ water management practices**. We hear from our customers with greater frequency that extreme weather events will often cause significant problems for municipal water infrastructure. SmartCover is the market leader in the fast-growing stormwater management space, which is in the very early stages of adoption in North America and other regional markets in which we operate. Given its high annual recurring software and support model, we believe that leveraging our world-class Badger Meter sales network to accelerate municipal adoption of SmartCover’s solutions will **enhance shareholder value over the long term**.”

- [Kenneth Bockhorst, Chairman, President and CEO of Badger Meter](#)

“The addition of Miller Electric expands EMCOR’s electrical capabilities through their suite of comprehensive, mission-critical services and bolsters our already strong presence in high-growth areas including data centers, manufacturing, and healthcare. With a complementary geographic footprint, **this transaction enables us to enhance our ‘local execution, national reach’ strategy** as we broaden our overall construction services platform. Importantly, Miller Electric is also a **great fit with our EMCOR Values** and culture of operational excellence with their 97-year track record of safety and innovation.”

- [Tony Guzzi, Chairman, President and CEO of EMCOR](#)

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Our team of investment banking professionals have spent decades preparing business owners for success, helping them realize the full potential value for their companies. We look beyond simple price and terms to skillfully execute deals that fulfill owners' lifestyle, legacy, and monetary goals.

Our clients typically generate sales in the \$10 – \$200 million range OR expect to generate profits/earnings (adjusted for nonrecurring add-backs) in the \$2 – \$20 million range. We have experience with companies in a variety of industry verticals, including:



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Notes: Middle Market defined as all M&A activity between \$10 million - \$1 billion in transaction value. EBITDA and Revenue multiples are based on median observations and calculated for disclosed transactions only. Our data includes majority sales and excludes Financials, Telecommunication Services and Utilities sectors. Starting September 2016, trailing 12 month data also includes transactions that have been announced but not yet closed. Within the Healthcare sector, 2019 data has been excluded as was determined to not be meaningful. Data Source: Persient, Standard and Poor's, and other public databases and announcements. Disclosure: The M&A Middle Market Insights publication is intended for private use of the recipient, for informational purpose only, and to provide an overview of certain information relating to the Middle Market Mergers & Acquisition market. This is general information only and is not a substitute for any professional advice or services, nor should it be used as a basis for any decision or action that may affect your business, or construed as containing advice or recommendation. The information provided herein is based on data obtained from certain sources we consider accurate and reliable, but we do not represent as to its accuracy or completeness. Information and our opinions are as of date provided herein without any obligation to update the information. No part of this information may be copied, photocopied, or duplicated in any form by any means or redistributed without Persient LLC's express written consent. Investment banking services offered through Independent Investment Bankers Corp., a registered broker-dealer, Member FINRA / SIPC. Persient LLC and Independent Investment Bankers Corp. are not affiliated entities.