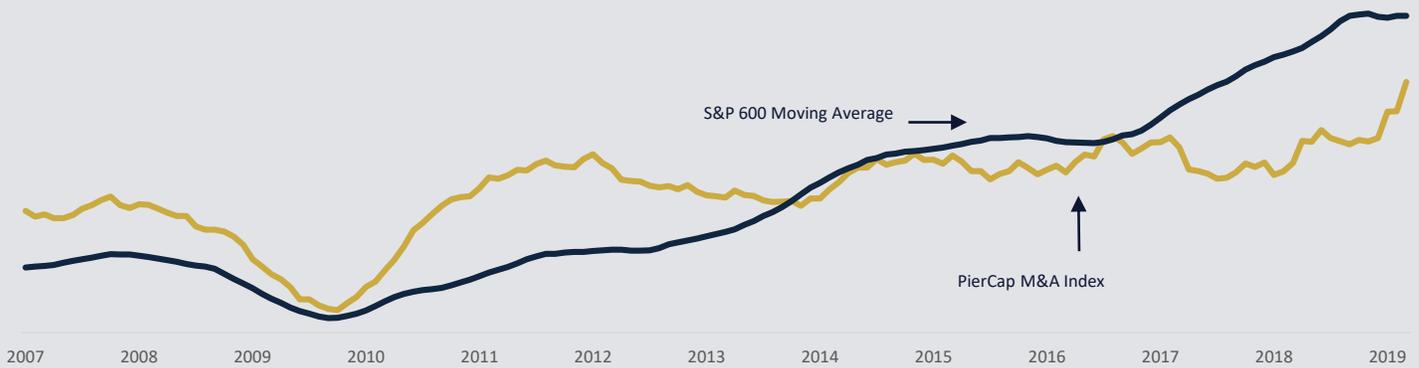


M&A MIDDLE MARKET INSIGHTS – MARCH 2019

M&A INDEX STRONG THROUGH FIRST QUARTER OF 2019

➤ PierCap's Middle Market Index



TRANSACTION VOLUMES STEADY WHILE MULTIPLES INCREASE

➤ All M&A Transaction Volumes



➤ Middle Market M&A Revenue Multiples

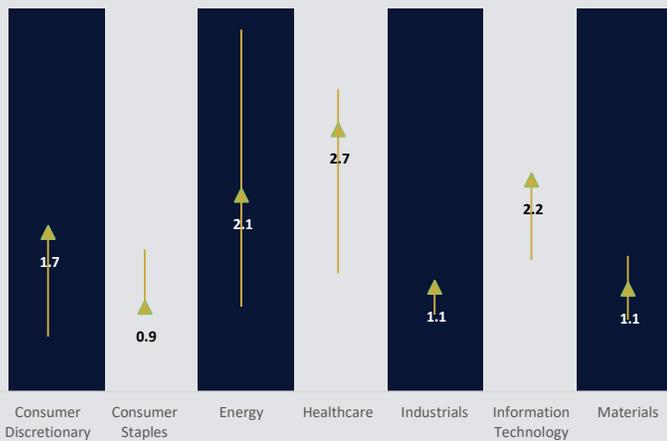


➤ Middle Market M&A EBITDA Multiples

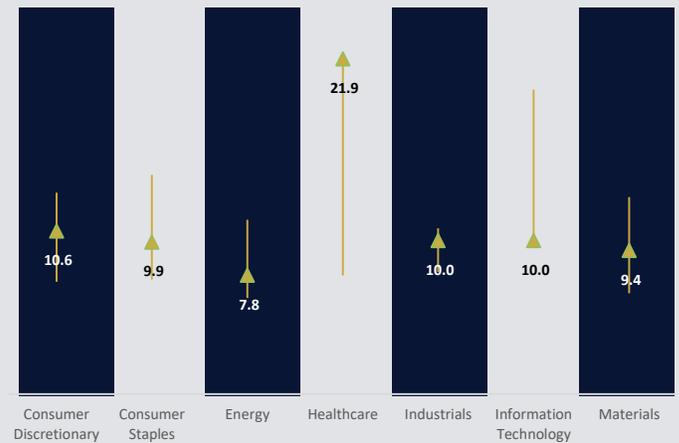


HEALTHCARE REMAINS LEADER AS Q1 COMES TO A CLOSE

➤ Middle Market Revenue Multiples by Sector



➤ Middle Market EBITDA Multiples by Sector



NOTEWORTHY TRANSACTIONS...

Announcement	Target	Buyer	Target Industry	Size (\$mm)	Revenue Multiple	EBITDA Multiple
3/1/2019	MoNa Mobile Nations, LLC	Future plc (LSE:FUTR)	Publishing	\$120	7.35x	14.71x

Buyer, a global multi-platform media company, entered into an agreement to acquire Target for \$120 million. Target is a digital publishing company that focuses on mobile technology – combining content, community, and commerce to inspire and provide confidence to brands, enthusiasts, and consumers across the world. Total consideration of \$120 million is a combination of cash, shares, and earn-out, with initial consideration consisting of \$55 million in cash and \$5 million in Buyer shares. If Target meets certain financial thresholds based on the year ending March 31, 2020, an earn-out payment up to \$60 million will be made, split equally between cash and Buyer shares, with Buyer reserving the right to pay the full earn-out in cash. Buyer intends on funding the acquisition with existing debt facilities. Target represents the second major recent acquisition of a U.S.-based publisher by Buyer, as Buyer continues expansion in the U.S. market.

Announcement	Target	Buyer	Target Industry	Size (\$mm)	Revenue Multiple	EBITDA Multiple
3/5/2019	Prescribe Wellness, LLC	Tabula Rasa HealthCare, Inc. (NasdaqGM:TRHC)	Health Care Technology	\$150	5.17x	-

Buyer, a provider of patient-specific, data-driven technology solutions for healthcare organizations, entered into an agreement to acquire Target for \$150 million. Target is a developer of a cloud-based healthcare communication platform which healthcare professionals can use to address medication adherence, patient loyalty, and medicare plan comparisons – serving 10,000 community pharmacies across the U.S., Canada, and Puerto Rico with 40 million patients in its network. The purchase price is comprised of cash consideration with a portion held in escrow for potential claims by Buyer. Buyer intends to finance the transaction with cash on the balance sheet. Al Babbington, Target CEO, stated, “We believe that the opportunity to bring the Prescribe Wellness pharmacies the clinical insights and tools that TRHC has created will accelerate the improvement of health in America and drive significantly reduced costs for government programs, health plans, and consumers.”

Announcement	Target	Buyer	Target Industry	Size (\$mm)	Revenue Multiple	EBITDA Multiple
3/10/2019	Figure Eight Inc.	Appen Limited (ASX:APX)	Application Software	\$300	10.26x	-

Buyer, a developer of high quality, human-annotated training data for machine learning and artificial intelligence, entered into an agreement to acquire Target for \$300 million. Target develops a human-in-the-loop machine learning platform that transforms data into high-quality training data for a variety of uses, including autonomous vehicles, natural language processing, intelligent chatbots, among many more. Of the \$300 million purchase price, \$175 million is in the form of an upfront cash payment, with an additional earn-out up to \$125 million to be paid in cash in March 2020 based on the achievement of certain 2019 financial results. Under the Target’s current 2019 financial budget, Buyer anticipates an earn-out payment between \$60-\$80 million. Buyer intends on funding the acquisition through both a fully underwritten placement as well as new debt facilities.

Announcement	Target	Buyer	Target Industry	Size (\$mm)	Revenue Multiple	EBITDA Multiple
3/15/2019	Future Today Inc.	Cinedigm Corp. (NasdaqGM:CIDM)	Interactive Media and Services	\$82	3.43x	-
<p>Buyer, a leading entertainment content distributor, entered into an agreement to acquire Target for \$82 million. Target operates an advertising video on-demand (AVOD) platform with an array of more than 1,000 owned and operated channels – connecting quality video content with diverse audiences. The \$82 million purchase price is comprised of cash, shares, and an earn-out, with initial consideration consisting of \$45 million in cash and \$16 million in Buyer common shares. The earn-out consideration of \$21 million will be paid to Target if certain financial performance thresholds are achieved. Buyer intends to finance the acquisition through a combination of a private placement of common shares as well as borrowings of \$20 million. Target CEO, Alok Ranjan, and Co-Founder, Vikrant Mathur, stated, “Future Today’s rapidly expanding portfolio of channels and AVOD footprint, combined with Cinedigm’s premium content and extensive distribution reach, should propel immediate strong growth and create substantial shareholder value.”</p>						

Announcement	Target	Buyer	Target Industry	Size (\$mm)	Revenue Multiple	EBITDA Multiple
3/28/2019	FLAWLESS and FINISHING TOUCH Brands of IdeaVillage Products Corp.	Church & Dwight Co., Inc. (NYSE:CHD)	Household Appliances	\$900	5.0x	16.36x
<p>Buyer, a global provider of home goods, personal care, health, and consumer products, entered into an agreement to acquire Target for \$900 million from IdeaVillage Products Corp. Target manufactures dermatologist-approved women’s electric hair removal products under the brand names of FLAWLESS™ and FINISHING TOUCH™. Of the \$900 million purchase price, \$475 million will be paid in cash at closing, with an additional \$425 million in contingent consideration to be paid in cash if twelve-month net sales targets are met, ending no later than December 31, 2021. Target represents Buyer’s 12th ‘power brand,’ and, Andy Khubani, Target CEO, stated, “We have found the perfect partner for our FLAWLESS™ brand, and for accomplishing our vision of expanding into new categories and markets. Our cultures complement one another beautifully and I’m very excited and confident in the future.” Buyer intends on financing the acquisition with debt.</p>						

Notes: Middle Market defined as all M&A activity between \$10 million - \$1billion 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. Data Source: PierCap Partners, S&P, CapitalIQ. 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 PierCap Partners, LLC’s express written consent. Investment banking services offered through Independent Investment Bankers Corp., a registered broker-dealer, Member FINRA / SIPC. PierCap Partners, LLC and Independent Investment Bankers Corp. are not affiliated entities.



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MIDDLE MARKET M&A INVESTMENT BANKING

Ashish Jariwala - 646.701.2359 | ashish@piercappartners.com
Zaheer Dhruv - 858.342.7517 | zaheer@piercappartners.com
piercappartners.com

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PierCap Partners, LLC | 4320 La Jolla Village Drive, Suite 300, San Diego, 92122