

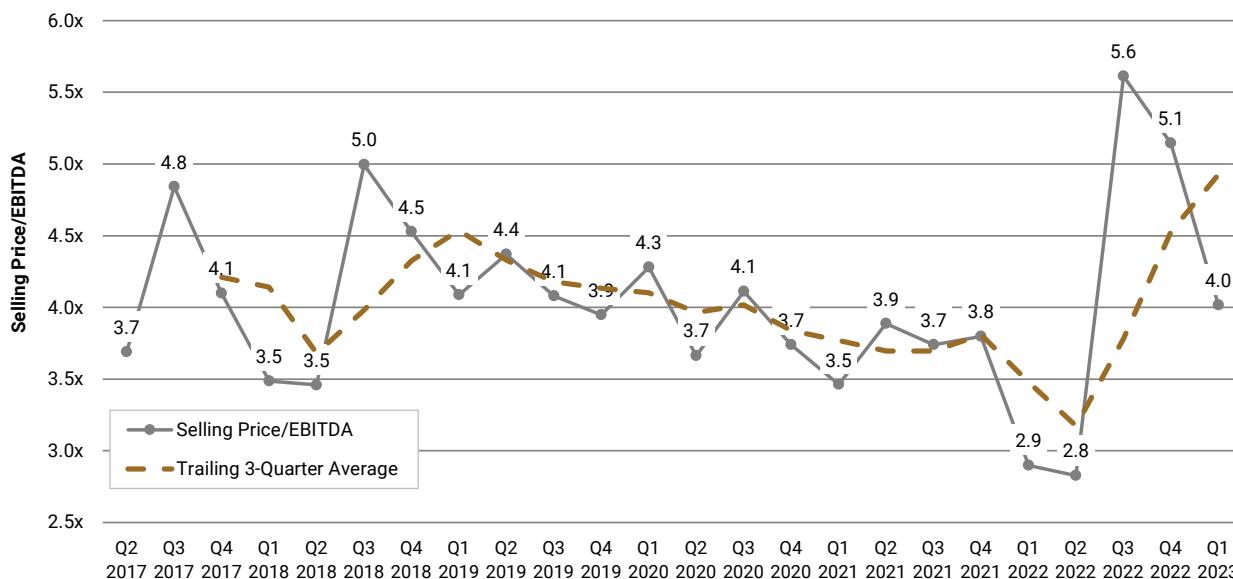
DealStats Value Index 1Q 2023

The *DealStats Value Index* summarizes valuation multiples and profit margins for acquired private companies by time period, sector, and size. Business Valuation Resources (BVR) captures this private company transaction data in its DealStats platform. Most BVR deals are not otherwise publicly available. The *DealStats Value Index* is updated quarterly and, as a result, past figures may change in future issues as new data are reported.

EBITDA MULTIPLES REACH NEW HIGHS IN 2022

In the period analyzed, the median EBITDA multiple across all industries was highest in the third quarter of 2022, at 5.6x, and there has since been a downward trend through the fourth quarter of 2022 and the first quarter of 2023.

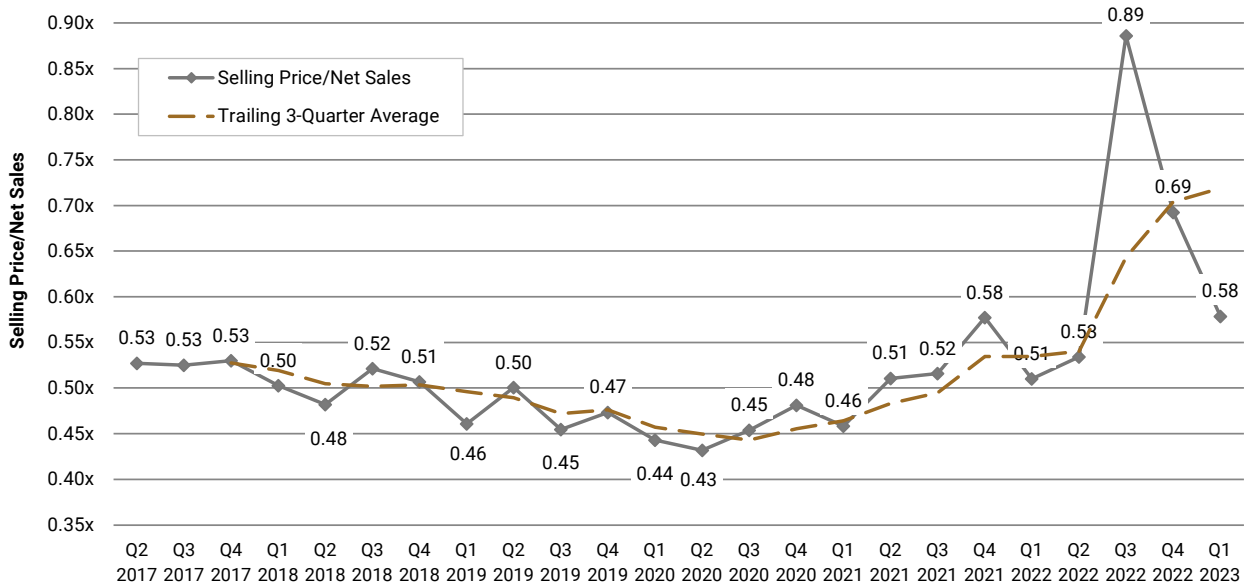
EXHIBIT 1A. MEDIAN SELLING PRICE/EBITDA WITH TRAILING THREE-QUARTER AVERAGE (PRIVATE TARGETS)



NET SALES MULTIPLE REACHES NEW HIGHS IN 2022

The median net sales multiple was the highest in the third quarter of 2022, at 0.89x. In the fourth quarter of 2022, the median net sales multiple declined sharply, falling to 0.69x, before falling further to 0.58x in the first quarter of 2023. Since the third quarter of 2020, net sales multiples have generally been increasing, as shown by the trailing three-quarter average. This contrasts with the previous trend of declines from the third quarter of 2017 to the second quarter of 2020. The lowest multiple recorded since the first quarter of 2017 was 0.43x, which was reached in the second quarter of 2020.

EXHIBIT 1B. MEDIAN SELLING PRICE/NET SALES WITH TRAILING THREE-QUARTER AVERAGE (PRIVATE TARGETS)



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President

The selling prices referred to in the *DealStats Value Index* represent the market value of invested capital (MVIC) price paid for the target firm. The MVIC price is the total consideration paid to the target and includes any cash, notes, and/or securities that were used as a form of payment plus any interest-bearing liabilities of the target company that the acquirer assumed. For more information, please visit the DealStats FAQ page: bvresources.com/products/faqs/dealstats.

The multiples and transaction data presented in the *DealStats Value Index* include both asset sale purchases and stock sale purchases. Unless otherwise noted, the multiples and transaction data presented in the *DealStats Value Index* include purchases made by both private parties and public parties.

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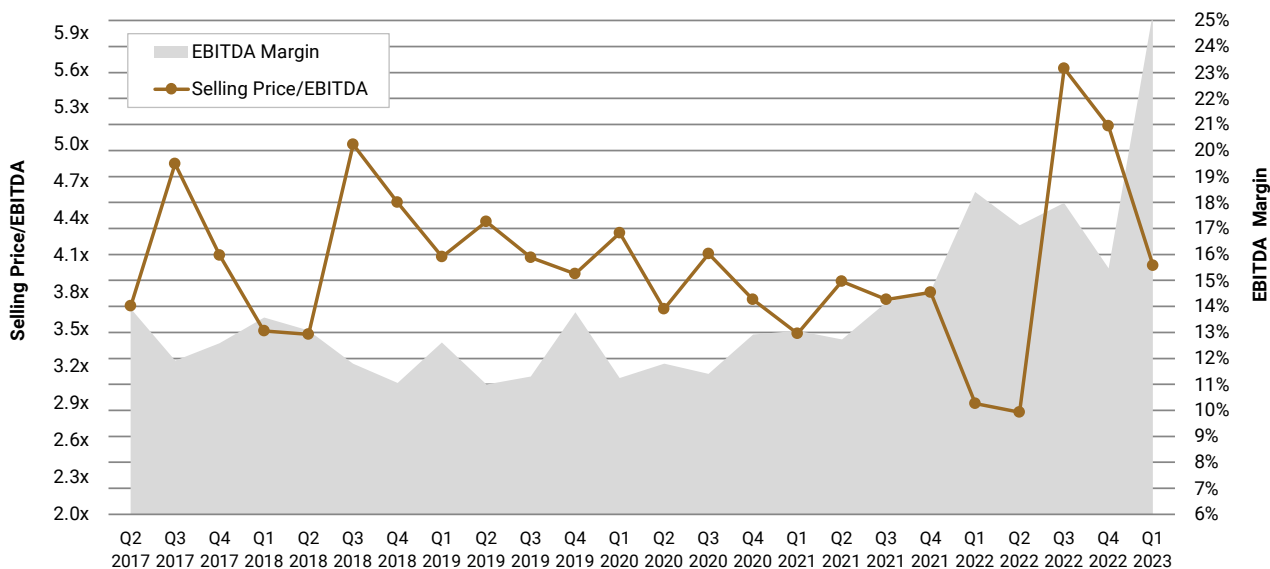
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EBITDA MARGINS RISE IN 2022 AND MAINTAIN HIGH LEVELS IN Q1 2023

EBITDA multiples fell during the first quarter of 2022 but have trended positively through the remainder of the year and are positive in the first quarter of 2023.

EBITDA, as a percentage of revenue, hit 25% in the first quarter of 2023 (the highest recorded figure over the periods analyzed). The previous range was between 11% and 12%, from the first quarter of 2019 through the fourth quarter of 2022. The lowest EBITDA margin since the first quarter of 2017 was 11%, which was reached in the second quarter of 2019.

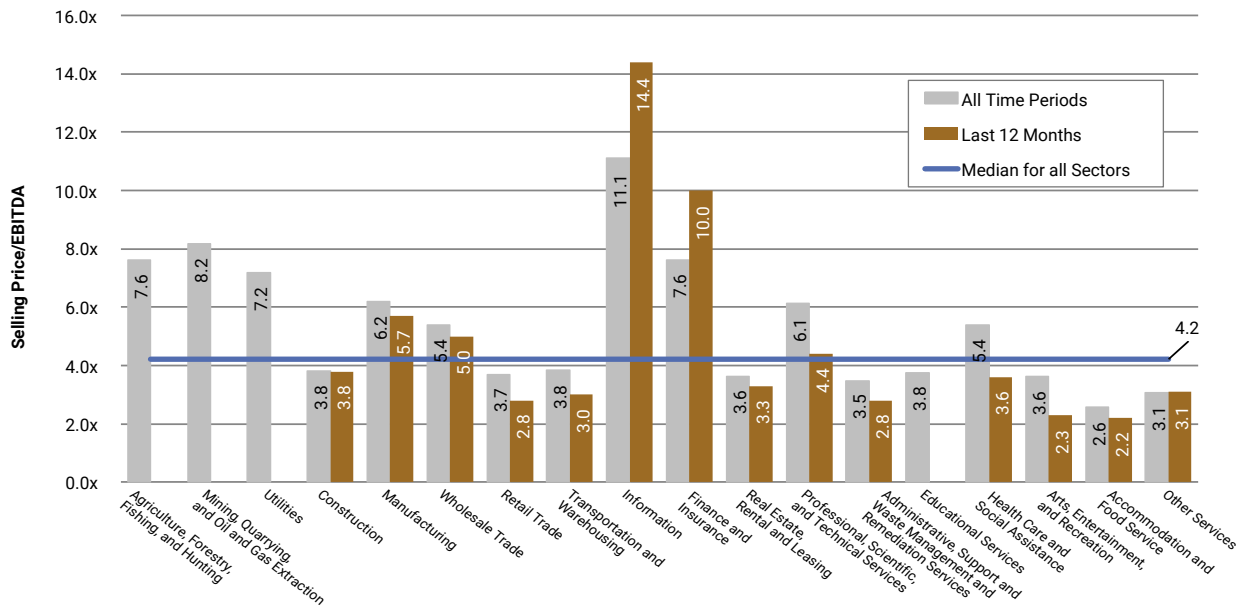
EXHIBIT 2. MEDIAN SELLING PRICE/EBITDA WITH EBITDA MARGINS (PRIVATE TARGETS)



ALL-TIME MEDIAN EBITDA MULTIPLE IS 4.2X

All-time EBITDA multiples remain the highest for the information sector (11.1x) and the mining, quarrying, and oil and gas extraction sector (8.2x). Meanwhile, the lowest all-time EBITDA multiples are in the accommodation and food services (2.6x) and the other services sectors (3.1x). The median across all industry sectors for all periods is 4.2x. The information sector has shown a notable recent increase, with the last 12-month EBITDA multiple rising to 14.4x when compared with its all-time period multiple of 11.1x.

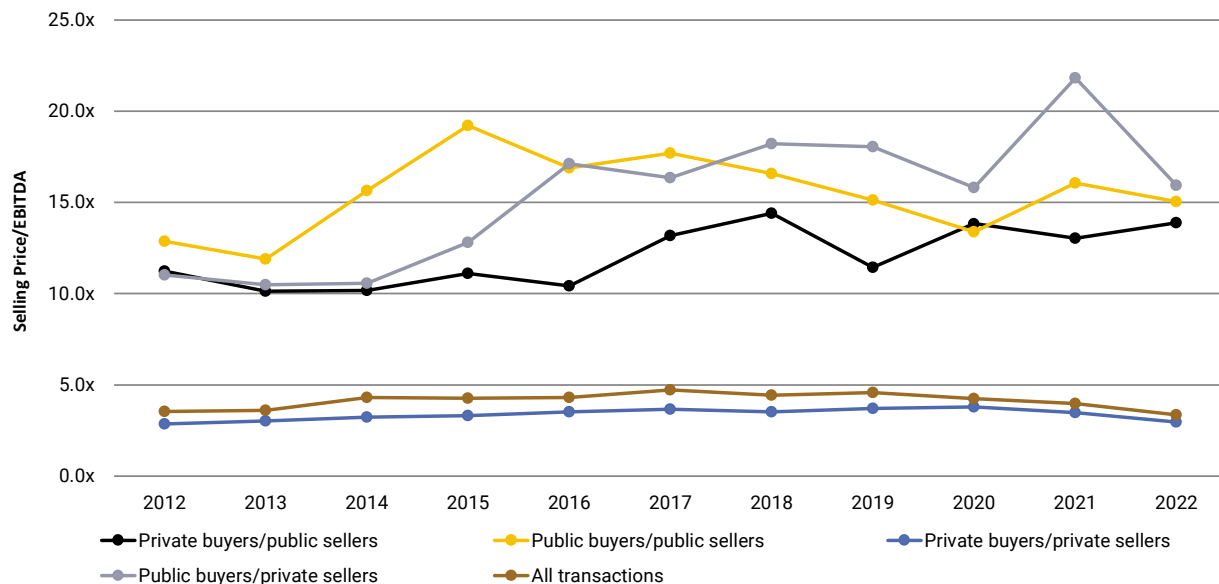
EXHIBIT 3. MEDIAN SELLING PRICE/EBITDA BY SECTOR (PRIVATE TARGETS)



EBITDA MULTIPLES FOR PUBLIC-BUYER/PRIVATE-SELLER TRANSACTIONS FALL IN 2022

EBITDA multiples for transactions with all types of buyers and sellers have been generally trending downward since 2020. EBITDA multiples for public-buyer transactions involving a private seller have shown the most drastic recent decline among all other types, with a multiple of 15.9x in 2022 compared to 21.8x in 2021.

EXHIBIT 4A. MEDIAN SELLING PRICE/EBITDA (PRIVATE TARGETS)

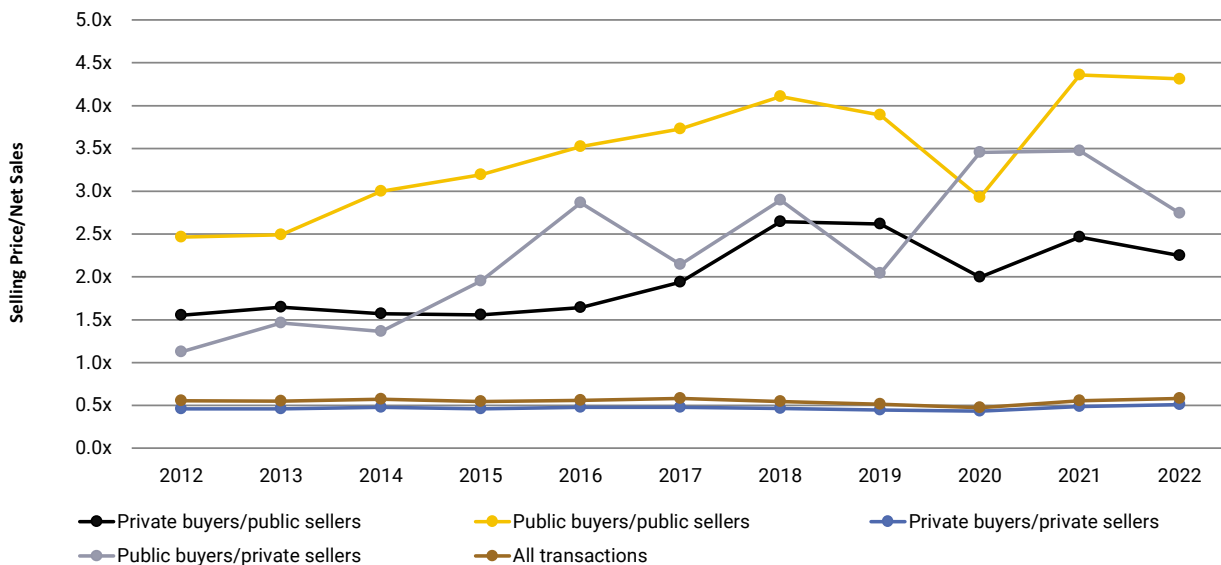


Note: Each data point in this chart is based on a minimum of 10 transaction multiples. If there are not enough transaction multiples for a particular year or quarter, the data are not included.

NET SALES MULTIPLES FOR PRIVATE-BUYER/PRIVATE-SELLER TRANSACTIONS RISE IN 2022

The median net sales multiple in the all-transactions category rose to 0.55x in 2021 and 0.58 in 2022, after being at 0.47x in 2020, the lowest value in the period analyzed. In 2020, private buyers and public buyers paid a multiple for public sellers of 2.00x and 2.93x, respectively. In 2021, the net sales multiple rose more closely to historical norms, when private buyers and public buyers paid 2.47x and 4.36x, respectively, for public targets. Generally, in 2022, almost all types of transactions faced a downward trend except for private buyer/private seller transactions, where the multiple increased by 5% compared to its previous figure in 2021.

EXHIBIT 4B. MEDIAN SELLING PRICE/NET SALES (PRIVATE TARGETS)



Note: Each data point in this chart is based on a minimum of 10 transaction multiples. If there are not enough transaction multiples for a particular year or quarter, the data are not included.

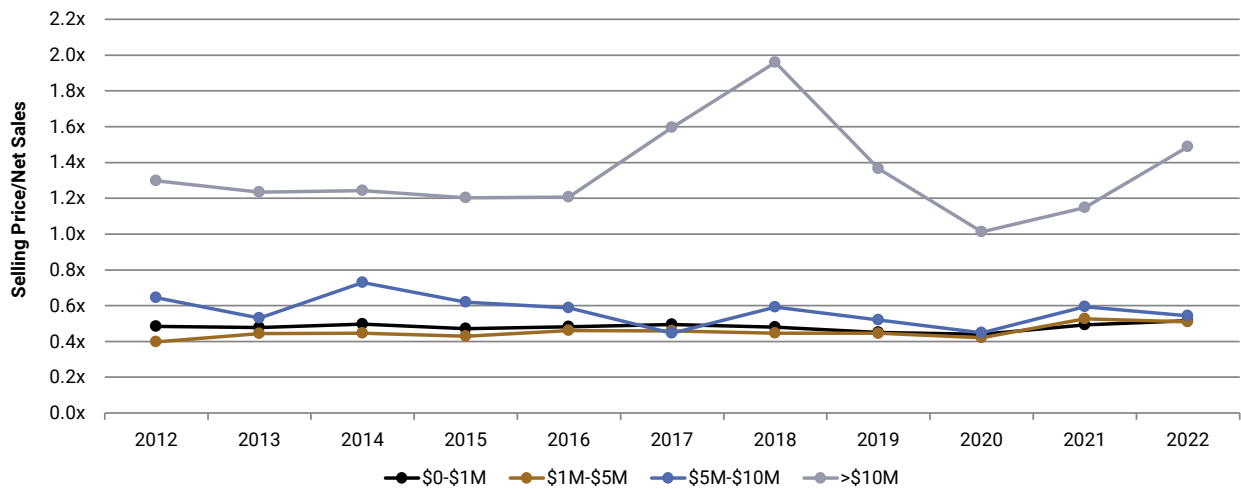
PRICING MULTIPLES AND PROFIT MARGINS ARE ON THE MOVE

As shown in the legend for Exhibits 5A to 5C and Exhibits 6A to 6C, pricing multiples for private-target acquisitions are displayed across four net sales ranges. Exhibit 5A shows a rise in the net sales multiple from 2021 to 2022 for both companies with net sales up to \$1 million and for companies with net sales greater than \$10 million.

Seller's discretionary earnings (SDE) multiples and EBITDA multiples show a negative trend in 2022 for companies across all size ranges, except for companies with net sales greater than \$10 million, which have shown an increase in EBITDA multiples since 2021.

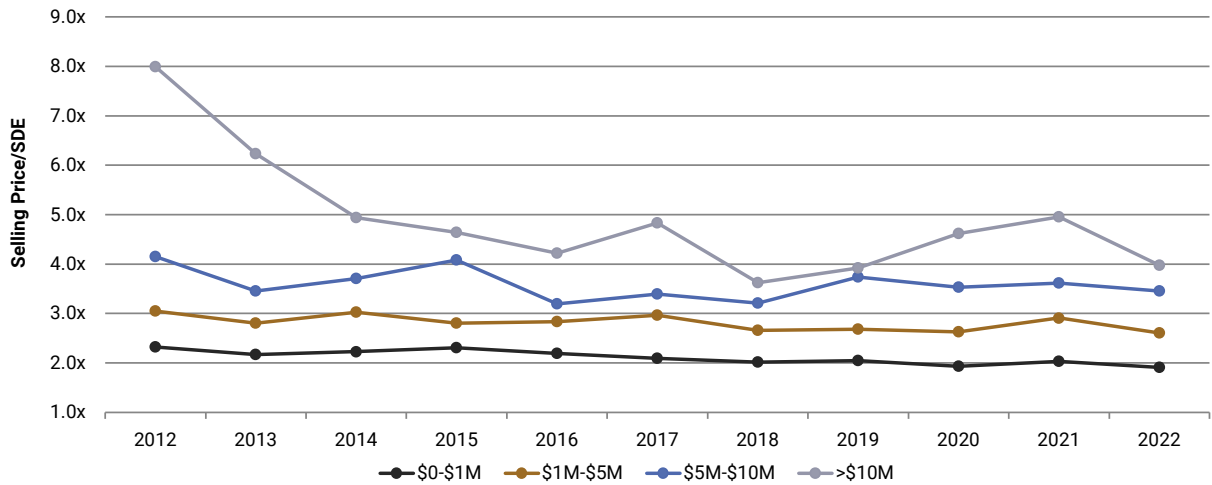
Profit margins for companies across all size ranges have generally been increasing in 2022.

EXHIBIT 5A. MEDIAN SELLING PRICE/NET SALES BY NET SALES RANGE (PRIVATE TARGETS)



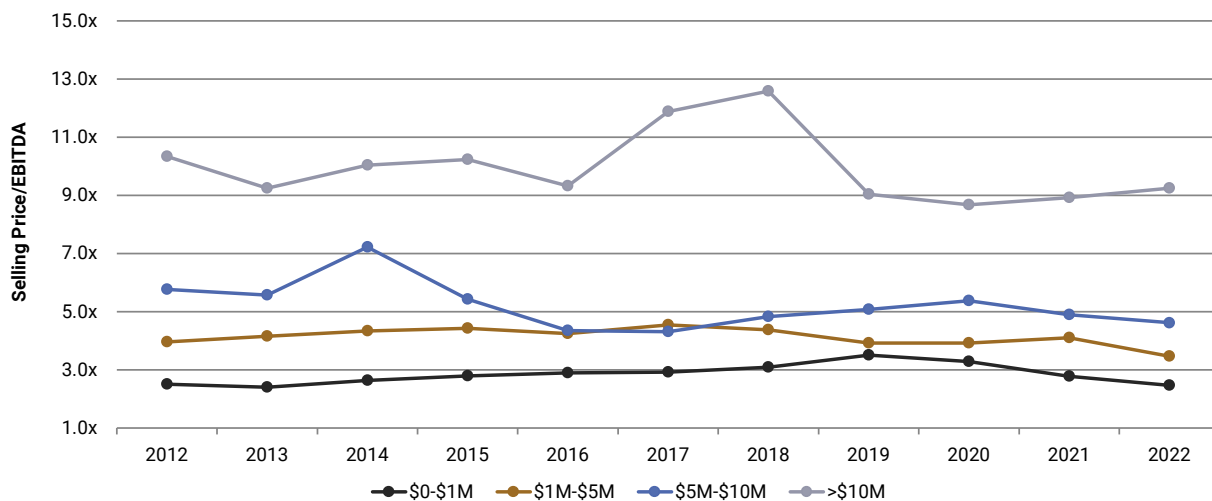
Note: Each data point in this chart is based on a minimum of 10 transaction multiples. If there are not enough transaction multiples for a particular year or quarter, the data are not included.

EXHIBIT 5B. MEDIAN SELLING PRICE/SDE BY NET SALES RANGE (PRIVATE TARGETS)



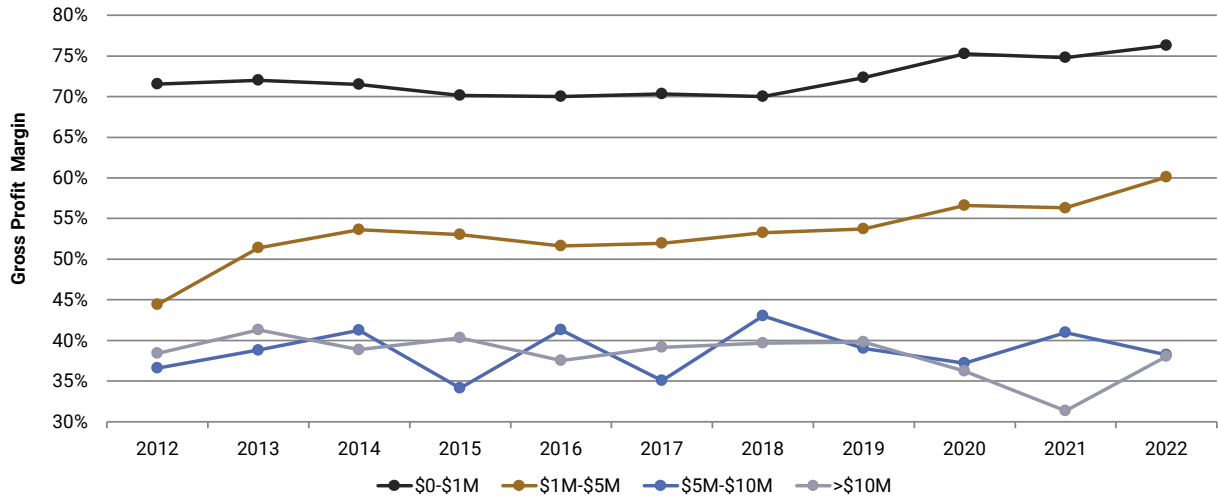
Note: Each data point in this chart is based on a minimum of 10 transaction multiples. If there are not enough transaction multiples for a particular year or quarter, the data are not included.

EXHIBIT 5C. MEDIAN SELLING PRICE/EBITDA BY NET SALES RANGE (PRIVATE TARGETS)



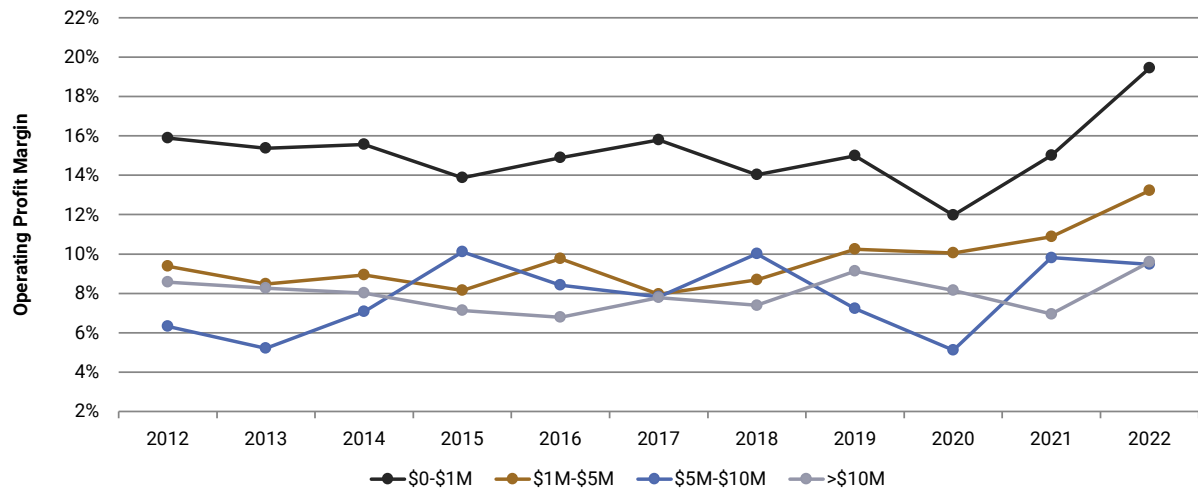
Note: Each data point in this chart is based on a minimum of 10 transaction multiples. If there are not enough transaction multiples for a particular year or quarter, the data are not included.

EXHIBIT 6A. GROSS PROFIT MARGIN BY NET SALES RANGE (PRIVATE TARGETS)



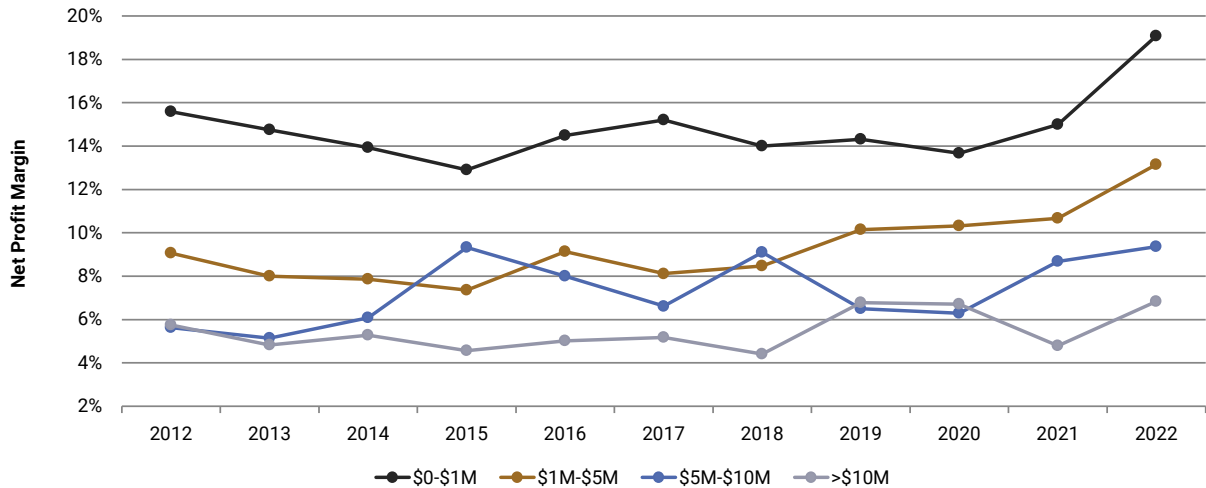
Note: Each data point in this chart is based on a minimum of 10 transaction multiples. If there are not enough transaction multiples for a particular year or quarter, the data are not included.

EXHIBIT 6B. OPERATING PROFIT MARGIN BY NET SALES RANGE (PRIVATE TARGETS)



Note: Each data point in this chart is based on a minimum of 10 transaction multiples. If there are not enough transaction multiples for a particular year or quarter, the data are not included.

EXHIBIT 6C. NET PROFIT MARGIN BY NET SALES RANGE (PRIVATE TARGETS)



Note: Each data point in this chart is based on a minimum of 10 transaction multiples. If there are not enough transaction multiples for a particular year or quarter, the data are not included.

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INTERQUARTILE RANGES ARE FAIRLY CONSISTENT

Exhibits 7A through 7D display the interquartile range of the selling price-to-net sales and selling price-to-EBITDA multiples by major industry sector and by year for private targets. In addition to showing the median multiples by sector and year, the interquartile range provides a measure of dispersion. Interquartile range is the difference between the 25th and 75th percentiles (also called the first and third quartiles), so the interquartile range describes the middle 50% of observations. The top of the gray bar indicates the 75th percentile, the bottom of the brown bar indicates the 25th percentile, and the line where the two meet represents the median. A large interquartile range indicates that the middle 50% of observations are spaced wide apart, and, if the interquartile range is narrow, the middle 50% of observations are spaced close together.

As shown in Exhibits 7A and 7B, the information sector has the greatest median selling price-to-net sales multiple and selling price-to-EBITDA multiple, as well as the greatest spread between the 25th percentile and 75th percentile. When looking at the data by year (Exhibits 7C and 7D), the median selling price-to-net sales multiple is consistently around 0.5x, while the selling price-to-EBITDA multiple is generally between 3.0x and 4.0x.

EXHIBIT 7A. SELLING PRICE/NET SALES INTERQUARTILE RANGE BY INDUSTRY SECTOR—ALL TIME PERIODS (PRIVATE TARGETS)

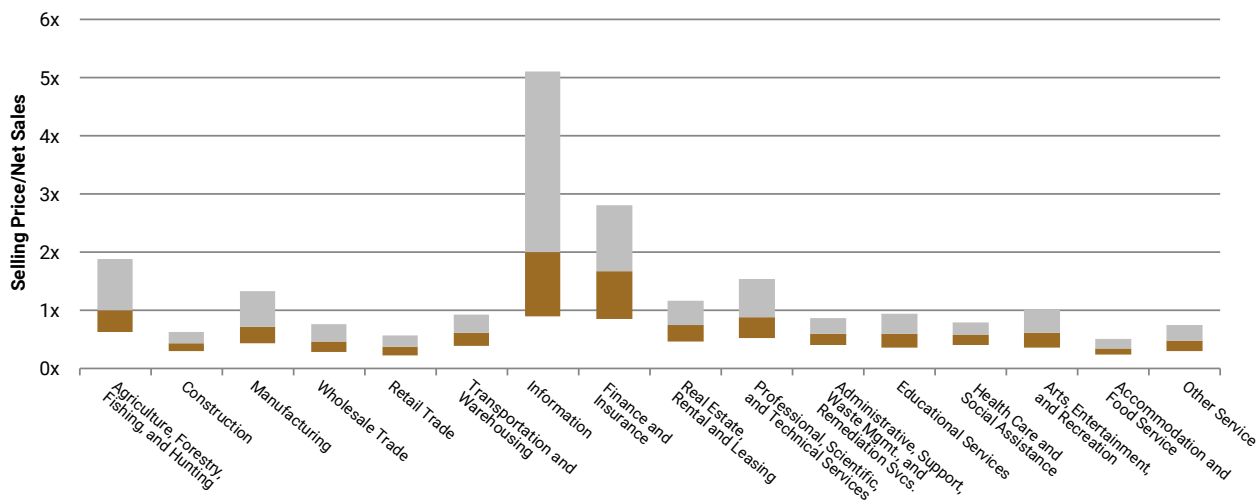


EXHIBIT 7B. SELLING PRICE/EBITDA INTERQUARTILE RANGE BY INDUSTRY SECTOR—ALL TIME PERIODS (PRIVATE TARGETS)

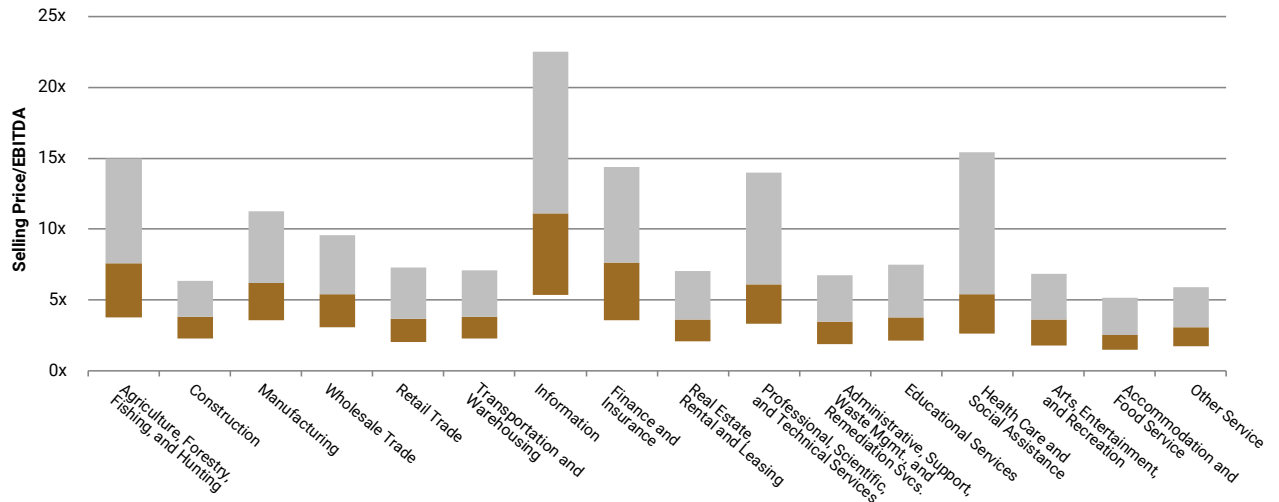
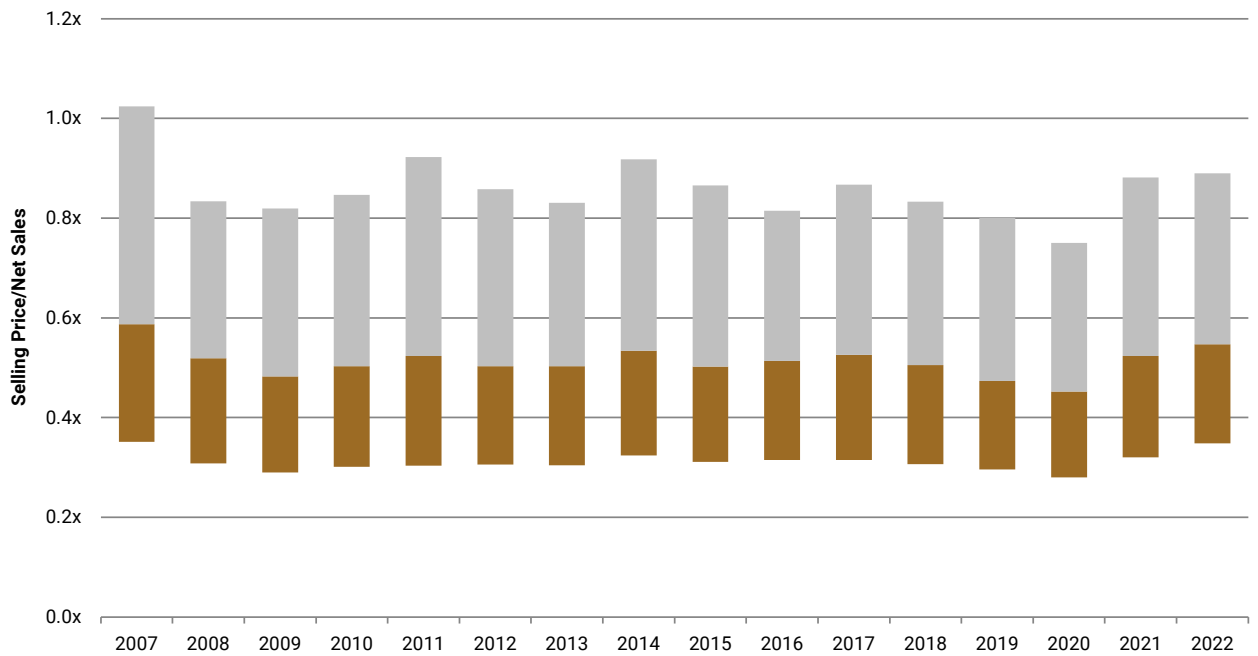
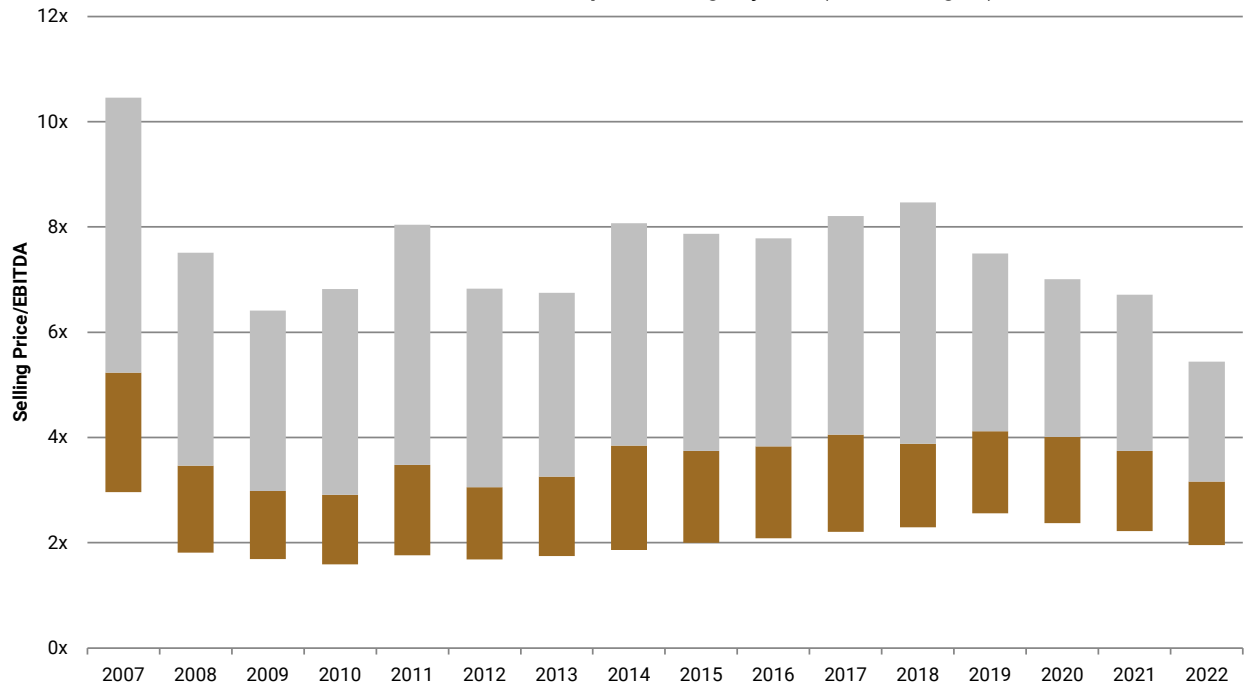


EXHIBIT 7C. SELLING PRICE/NET SALES INTERQUARTILE RANGE BY YEAR (PRIVATE TARGETS)



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EXHIBIT 7D. SELLING PRICE/EBITDA INTERQUARTILE RANGE BY YEAR (PRIVATE TARGETS)



TEN-YEAR TREND FOR PRIVATE-SELLER SECTOR MULTIPLES

Exhibits 8 through 13 display median multiples paid for private targets, as well as median profit margins, and are organized by industry sector. Multiples across the 15 sectors appear to rise and fall based on cyclical trends.

Median net sales multiples decreased in nine of the 15 sectors in 2022. The sectors that saw an increase were retail trade, transportation and warehousing, construction, administrative and support and waste management and remediation services, healthcare and social assistance, and other services.

Median seller's discretionary earnings (SDE) multiples declined in 13 of the 15 sectors in 2022. Among the sectors that saw an increase in their SDE multiple were the professional, scientific, and technical services and arts, entertainment, and recreation sectors, where SDE multiples rose 3% and 40%, respectively.

Median EBITDA multiples are trending negatively across all sectors in 2022. The sectors that saw notable declines were real estate and rental leasing, information, and educational services (a decline of 31%, 36%, and 73%, respectively).

In 2022, median gross profit, operating profit, and net profit are generally moving upwards or are maintaining levels similar to those in 2021, with the exception of the arts, entertainment, and recreation sector, which had a notable 43% net profit margin decline.

**EXHIBIT 8. MEDIAN SELLING PRICE/NET SALES
BY SECTOR (PRIVATE TARGETS)**

| NAICS | NAICS Industry Sector | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|-------|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 23 | Construction | 0.44 | 0.42 | 0.44 | 0.46 | 0.42 | 0.40 | 0.42 | 0.42 | 0.46 | 0.49 |
| 31-33 | Manufacturing | 0.81 | 0.66 | 0.69 | 0.62 | 0.71 | 0.70 | 0.60 | 0.61 | 0.71 | 0.70 |
| 42 | Wholesale Trade | 0.46 | 0.51 | 0.48 | 0.47 | 0.50 | 0.41 | 0.51 | 0.38 | 0.55 | 0.47 |
| 44-45 | Retail Trade | 0.39 | 0.36 | 0.37 | 0.39 | 0.37 | 0.38 | 0.36 | 0.35 | 0.41 | 0.42 |
| 48-49 | Transportation and Warehousing | 0.66 | 0.58 | 0.75 | 0.73 | 0.69 | 0.65 | 0.57 | 0.65 | 0.57 | 0.58 |
| 51 | Information | 2.17 | 2.17 | 1.69 | 1.95 | 2.31 | 3.59 | 2.39 | 1.58 | 4.54 | 2.63 |
| 52 | Finance and Insurance | 1.58 | 1.85 | 1.67 | 1.89 | 2.04 | 2.31 | 1.93 | 2.22 | 2.17 | 1.84 |
| 53 | Real Estate, Rental, and Leasing | 0.64 | 0.79 | 0.68 | 0.72 | 0.69 | 0.62 | 0.75 | 0.72 | 0.74 | 0.63 |
| 54 | Professional, Scientific, and Technical Services | 0.74 | 0.89 | 0.87 | 0.89 | 0.81 | 0.92 | 0.86 | 0.83 | 0.81 | 0.77 |
| 56 | Administrative, Support, Waste Mgmt., and Remediation Svcs. | 0.63 | 0.59 | 0.54 | 0.59 | 0.64 | 0.57 | 0.60 | 0.57 | 0.60 | 0.67 |
| 61 | Educational Services | 0.34 | 0.60 | 0.37 | 0.63 | 0.62 | 0.50 | 0.72 | 0.49 | 0.87 | 0.63 |
| 62 | Health Care and Social Assistance | 0.58 | 0.56 | 0.55 | 0.55 | 0.56 | 0.58 | 0.50 | 0.47 | 0.52 | 0.60 |
| 71 | Arts, Entertainment, and Recreation | 0.72 | 0.59 | 0.67 | 0.67 | 0.51 | 0.54 | 0.63 | 0.44 | 0.53 | 0.50 |
| 72 | Accommodation and Food Services | 0.32 | 0.33 | 0.32 | 0.34 | 0.31 | 0.33 | 0.33 | 0.30 | 0.33 | 0.33 |
| 81 | Other Services | 0.39 | 0.47 | 0.42 | 0.44 | 0.43 | 0.48 | 0.43 | 0.44 | 0.49 | 0.52 |
| | All Sectors | 0.50 | 0.53 | 0.50 | 0.51 | 0.52 | 0.51 | 0.47 | 0.45 | 0.51 | 0.58 |

Note: Each data point in this chart is based on a minimum of 10 transaction multiples. If there are not enough transaction multiples for a particular year or quarter, the data are not included.

**EXHIBIT 9. MEDIAN SELLING PRICE/SELLER'S
DISCRETIONARY EARNINGS BY SECTOR (PRIVATE TARGETS)**

| NAICS | NAICS Industry Sector | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|-------|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| 23 | Construction | 2.4 | 2.5 | 2.6 | 2.3 | 2.4 | 2.1 | 2.3 | 2.2 | 2.4 | 2.4 |
| 31-33 | Manufacturing | 3.5 | 2.9 | 2.9 | 2.9 | 3.0 | 2.8 | 2.6 | 2.7 | 3.1 | 2.6 |
| 42 | Wholesale Trade | 3.5 | 3.7 | 3.2 | 3.2 | 3.6 | 2.6 | 2.9 | 3.2 | 3.5 | 3.0 |
| 44-45 | Retail Trade | 2.5 | 2.8 | 2.9 | 2.8 | 2.5 | 2.3 | 2.3 | 2.4 | 2.3 | 2.2 |
| 48-49 | Transportation and Warehousing | 3.7 | 2.7 | 3.3 | 3.2 | 1.9 | 2.4 | 2.5 | 2.9 | 2.9 | 2.1 |
| 51 | Information | 2.4 | 3.5 | 2.5 | 3.4 | 3.7 | 2.8 | 2.2 | 2.0 | 3.7 | 2.4 |
| 52 | Finance and Insurance | 3.5 | 3.4 | 3.4 | 5.1 | 3.5 | 3.8 | 3.5 | 4.6 | 3.1 | 2.0 |
| 53 | Real Estate, Rental, and Leasing | 2.3 | 2.6 | 2.2 | 2.4 | 2.9 | 2.4 | 2.4 | 2.9 | 2.6 | 2.1 |
| 54 | Professional, Scientific, and Technical Services | 2.4 | 2.7 | 2.5 | 2.4 | 2.2 | 2.3 | 2.5 | 2.7 | 2.3 | 2.3 |
| 56 | Administrative, Support, Waste Mgmt., and Remediation Svcs. | 2.4 | 2.5 | 2.3 | 2.3 | 2.4 | 2.2 | 2.2 | 2.3 | 2.4 | 2.1 |
| 61 | Educational Services | 1.8 | 2.9 | 2.0 | 2.3 | 1.9 | 1.8 | 2.5 | 2.3 | 2.5 | 1.9 |
| 62 | Health Care and Social Assistance | 1.7 | 2.0 | 2.1 | 2.1 | 2.2 | 2.6 | 2.0 | 2.2 | 2.3 | 2.2 |
| 71 | Arts, Entertainment, and Recreation | 2.4 | 2.8 | 2.8 | 2.7 | 2.7 | 2.6 | 2.1 | 1.9 | 1.5 | 2.1 |
| 72 | Accommodation and Food Services | 2.0 | 2.1 | 2.2 | 2.1 | 2.0 | 1.8 | 2.0 | 1.7 | 1.8 | 1.7 |
| 81 | Other Services | 2.0 | 2.0 | 2.3 | 2.2 | 2.3 | 2.0 | 2.2 | 2.0 | 2.2 | 2.1 |
| | All Sectors | 2.4 | 2.6 | 2.5 | 2.6 | 2.5 | 2.3 | 2.3 | 2.3 | 2.4 | 2.2 |

Note: Each data point in this chart is based on a minimum of 10 transaction multiples. If there are not enough transaction multiples for a particular year or quarter, the data are not included.

**EXHIBIT 10. MEDIAN SELLING PRICE/EBITDA
BY SECTOR (PRIVATE TARGETS)**

| NAICS | NAICS Industry Sector | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|-------|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| 23 | Construction | 4.0 | 3.4 | 3.6 | 3.3 | 3.7 | 4.0 | 3.5 | 3.2 | 4.0 | 3.7 |
| 31-33 | Manufacturing | 7.2 | 5.8 | 6.1 | 6.5 | 5.8 | 7.0 | 5.1 | 5.0 | 4.5 | 3.9 |
| 42 | Wholesale Trade | 4.8 | 6.2 | 6.9 | 6.4 | 5.6 | 4.7 | 4.9 | 4.7 | 4.9 | 4.6 |
| 44-45 | Retail Trade | 3.1 | 3.4 | 3.5 | 3.5 | 3.6 | 3.8 | 4.0 | 5.1 | 3.6 | 2.8 |
| 48-49 | Transportation and Warehousing | 3.2 | 3.2 | 3.5 | 4.2 | 3.6 | 3.2 | 3.5 | 4.3 | 3.9 | 3.0 |
| 51 | Information | 8.6 | 10.0 | 6.9 | 10.7 | 13.6 | 14.7 | 9.3 | 18.5 | 17.4 | 11.1 |
| 52 | Finance and Insurance | 3.7 | 6.2 | 7.8 | 9.8 | 13.4 | 12.1 | 9.2 | 8.3 | 6.2 | 5.6 |
| 53 | Real Estate, Rental, and Leasing | 2.4 | 4.5 | 2.9 | 3.8 | 4.2 | 6.1 | 4.0 | 7.7 | 4.1 | 2.8 |
| 54 | Professional, Scientific, and Technical Services | 4.6 | 5.5 | 8.1 | 5.5 | 5.7 | 4.7 | 4.7 | 4.7 | 3.9 | 3.7 |
| 56 | Administrative, Support, Waste Mgmt., and Remediation Svcs. | 2.6 | 2.8 | 3.0 | 3.8 | 3.7 | 3.4 | 5.0 | 4.1 | 3.3 | 2.8 |
| 61 | Educational Services | 2.7 | 3.5 | 3.6 | 4.1 | 3.1 | 4.1 | 3.8 | 1.9 | 9.0 | 2.4 |
| 62 | Health Care and Social Assistance | 4.6 | 4.2 | 3.2 | 4.2 | 3.8 | 4.6 | 3.8 | 3.5 | 4.1 | 3.6 |
| 71 | Arts, Entertainment, and Recreation | 3.1 | 3.6 | 3.3 | 4.3 | 3.3 | 3.5 | 3.8 | 4.1 | 2.9 | 2.3 |
| 72 | Accommodation and Food Services | 1.8 | 2.2 | 2.4 | 2.4 | 2.8 | 2.8 | 3.3 | 2.6 | 2.3 | 2.2 |
| 81 | Other Services | 2.6 | 2.4 | 2.8 | 2.6 | 3.1 | 2.9 | 3.5 | 3.4 | 3.2 | 2.9 |
| | All Sectors | 3.3 | 3.9 | 3.8 | 3.9 | 4.1 | 4.1 | 4.2 | 4.2 | 3.7 | 3.3 |

Note: Each data point in this chart is based on a minimum of 10 transaction multiples. If there are not enough transaction multiples for a particular year or quarter, the data are not included.

**EXHIBIT 11. MEDIAN GROSS PROFIT MARGINS
BY SECTOR (PRIVATE TARGETS)**

| NAICS | NAICS Industry Sector | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|-------|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| 23 | Construction | 46% | 52% | 47% | 54% | 45% | 48% | 47% | 54% | 53% | 55% |
| 31-33 | Manufacturing | 45% | 46% | 44% | 46% | 47% | 48% | 54% | 55% | 52% | 61% |
| 42 | Wholesale Trade | 45% | 36% | 38% | 35% | 40% | 37% | 33% | 29% | 40% | 37% |
| 44-45 | Retail Trade | 43% | 46% | 43% | 45% | 45% | 46% | 51% | 46% | 50% | 48% |
| 48-49 | Transportation and Warehousing | 96% | 68% | 84% | 77% | 94% | 82% | 72% | 77% | 75% | 73% |
| 51 | Information | 67% | 70% | 67% | 47% | 68% | 70% | 72% | 65% | 65% | 73% |
| 52 | Finance and Insurance | 94% | 91% | 96% | 91% | 95% | 94% | 97% | 81% | 100% | 96% |
| 53 | Real Estate, Rental, and Leasing | 90% | 87% | 92% | 86% | 75% | 73% | 99% | 98% | 98% | 88% |
| 54 | Professional, Scientific, and Technical Services | 84% | 67% | 74% | 74% | 89% | 73% | 74% | 89% | 98% | 99% |
| 56 | Administrative, Support, Waste Mgmt., and Remediation Svcs. | 84% | 77% | 76% | 71% | 81% | 83% | 77% | 78% | 88% | 86% |
| 61 | Educational Services | 99% | 92% | 90% | 100% | 91% | 100% | 98% | 100% | 95% | 100% |
| 62 | Health Care and Social Assistance | 100% | 100% | 100% | 100% | 94% | 95% | 100% | 100% | 100% | 100% |
| 71 | Arts, Entertainment, and Recreation | 92% | 99% | 89% | 95% | 98% | 89% | 98% | 97% | 95% | 98% |
| 72 | Accommodation and Food Services | 68% | 66% | 66% | 68% | 67% | 67% | 69% | 70% | 69% | 68% |
| 81 | Other Services | 83% | 83% | 76% | 76% | 75% | 84% | 89% | 92% | 91% | 91% |
| | All Sectors | 67% | 65% | 65% | 64% | 63% | 64% | 66% | 68% | 67% | 68% |

Note: Each data point in this chart is based on a minimum of 10 transaction multiples. If there are not enough transaction multiples for a particular year or quarter, the data are not included.

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EXHIBIT 12. MEDIAN OPERATING PROFIT MARGINS BY SECTOR (PRIVATE TARGETS)

| NAICS | NAICS Industry Sector | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|-------|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| 23 | Construction | 9% | 11% | 11% | 12% | 9% | 10% | 11% | 13% | 10% | 13% |
| 31-33 | Manufacturing | 8% | 10% | 9% | 7% | 10% | 9% | 8% | 10% | 10% | 14% |
| 42 | Wholesale Trade | 6% | 8% | 6% | 9% | 8% | 7% | 8% | 6% | 10% | 10% |
| 44-45 | Retail Trade | 10% | 9% | 8% | 10% | 9% | 8% | 11% | 8% | 10% | 14% |
| 48-49 | Transportation and Warehousing | 15% | 13% | 17% | 18% | 19% | 14% | 13% | 12% | 14% | 13% |
| 51 | Information | 0% | 5% | 6% | 1% | 4% | 2% | 9% | 6% | 1% | 8% |
| 52 | Finance and Insurance | 26% | 21% | 19% | 24% | 27% | 24% | 29% | 15% | 20% | 36% |
| 53 | Real Estate, Rental, and Leasing | 25% | 17% | 16% | 17% | 15% | 14% | 25% | 13% | 13% | 18% |
| 54 | Professional, Scientific, and Technical Services | 10% | 10% | 8% | 14% | 14% | 14% | 17% | 15% | 17% | 18% |
| 56 | Administrative, Support, Waste Mgmt., and Remediation Svcs. | 18% | 18% | 15% | 15% | 17% | 15% | 14% | 12% | 16% | 24% |
| 61 | Educational Services | 10% | 15% | 8% | 16% | 18% | 17% | 14% | 11% | 13% | 24% |
| 62 | Health Care and Social Assistance | 10% | 12% | 15% | 11% | 12% | 12% | 17% | 12% | 13% | 14% |
| 71 | Arts, Entertainment, and Recreation | 18% | 19% | 10% | 12% | 17% | 7% | 18% | 0% | 23% | 17% |
| 72 | Accommodation and Food Services | 15% | 13% | 12% | 14% | 13% | 13% | 12% | 11% | 13% | 16% |
| 81 | Other Services | 13% | 14% | 14% | 15% | 13% | 15% | 11% | 10% | 15% | 20% |
| | All Sectors | 12% | 11% | 11% | 12% | 12% | 11% | 12% | 11% | 12% | 15% |

Note: Each data point in this chart is based on a minimum of 10 transaction multiples. If there are not enough transaction multiples for a particular year or quarter, the data are not included.

EXHIBIT 13. MEDIAN NET PROFIT MARGINS BY SECTOR (PRIVATE TARGETS)

| NAICS | NAICS Industry Sector | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|-------|---|------------|------------|-----------|------------|------------|------------|------------|------------|------------|------------|
| 23 | Construction | 9% | 11% | 10% | 12% | 9% | 10% | 11% | 14% | 11% | 12% |
| 31-33 | Manufacturing | 6% | 8% | 7% | 6% | 8% | 8% | 7% | 11% | 9% | 12% |
| 42 | Wholesale Trade | 6% | 8% | 5% | 7% | 8% | 6% | 8% | 6% | 9% | 8% |
| 44-45 | Retail Trade | 10% | 8% | 7% | 10% | 9% | 8% | 10% | 9% | 10% | 13% |
| 48-49 | Transportation and Warehousing | 14% | 12% | 15% | 17% | 19% | 15% | 13% | 14% | 14% | 13% |
| 51 | Information | -1% | 5% | 5% | -1% | 2% | 1% | 8% | 2% | -2% | 10% |
| 52 | Finance and Insurance | 21% | 18% | 14% | 18% | 16% | 21% | 23% | 15% | 19% | 21% |
| 53 | Real Estate, Rental, and Leasing | 25% | 18% | 14% | 17% | 14% | 14% | 25% | 16% | 13% | 14% |
| 54 | Professional, Scientific, and Technical Services | 7% | 8% | 6% | 13% | 12% | 14% | 15% | 15% | 17% | 15% |
| 56 | Administrative, Support, Waste Mgmt., and Remediation Svcs. | 18% | 14% | 14% | 15% | 16% | 15% | 13% | 14% | 15% | 24% |
| 61 | Educational Services | 9% | 12% | 8% | 16% | 18% | 15% | 13% | 11% | 8% | 24% |
| 62 | Health Care and Social Assistance | 10% | 10% | 11% | 10% | 11% | 12% | 16% | 11% | 12% | 14% |
| 71 | Arts, Entertainment, and Recreation | 19% | 19% | 12% | 12% | 17% | 4% | 18% | 0% | 25% | 14% |
| 72 | Accommodation and Food Services | 14% | 10% | 10% | 12% | 12% | 13% | 12% | 12% | 13% | 15% |
| 81 | Other Services | 13% | 13% | 13% | 14% | 12% | 15% | 11% | 13% | 14% | 21% |
| | All Sectors | 11% | 10% | 9% | 11% | 11% | 11% | 12% | 11% | 12% | 14% |

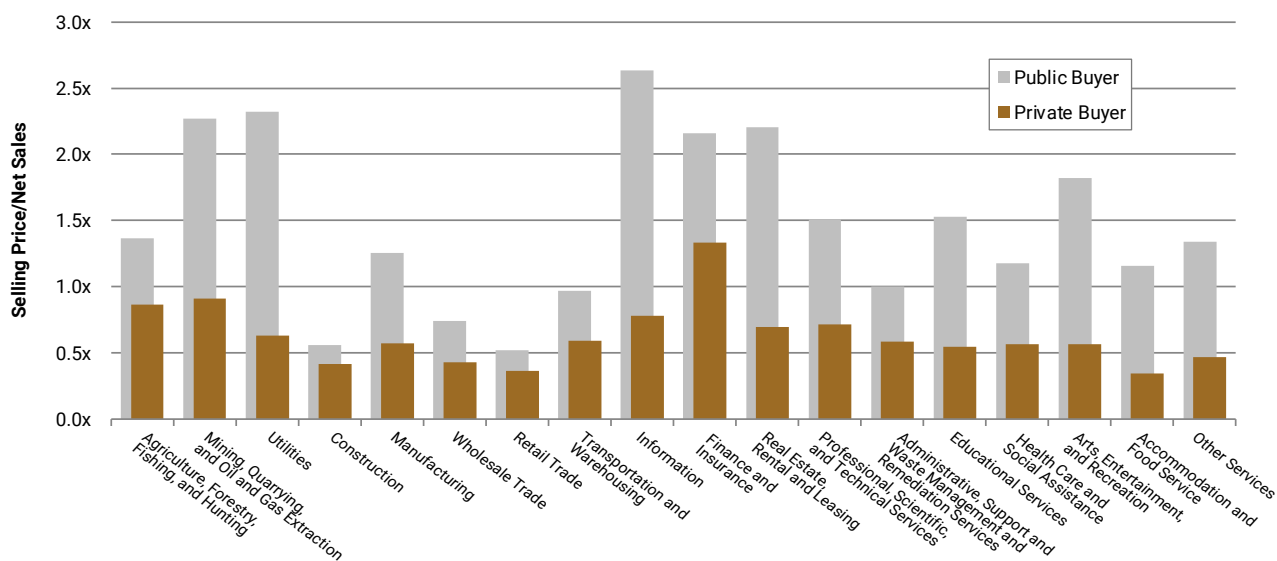
Note: Each data point in this chart is based on a minimum of 10 transaction multiples. If there are not enough transaction multiples for a particular year or quarter, the data are not included.

PUBLIC BUYERS PAY HIGHER MULTIPLES FOR PRIVATE TARGETS THAN PRIVATE BUYERS DID

Exhibits 14 and 15 compare the median valuation multiples private buyers paid (those transactions business intermediaries brokered) to what public-company buyers paid based on major industry sector groups.

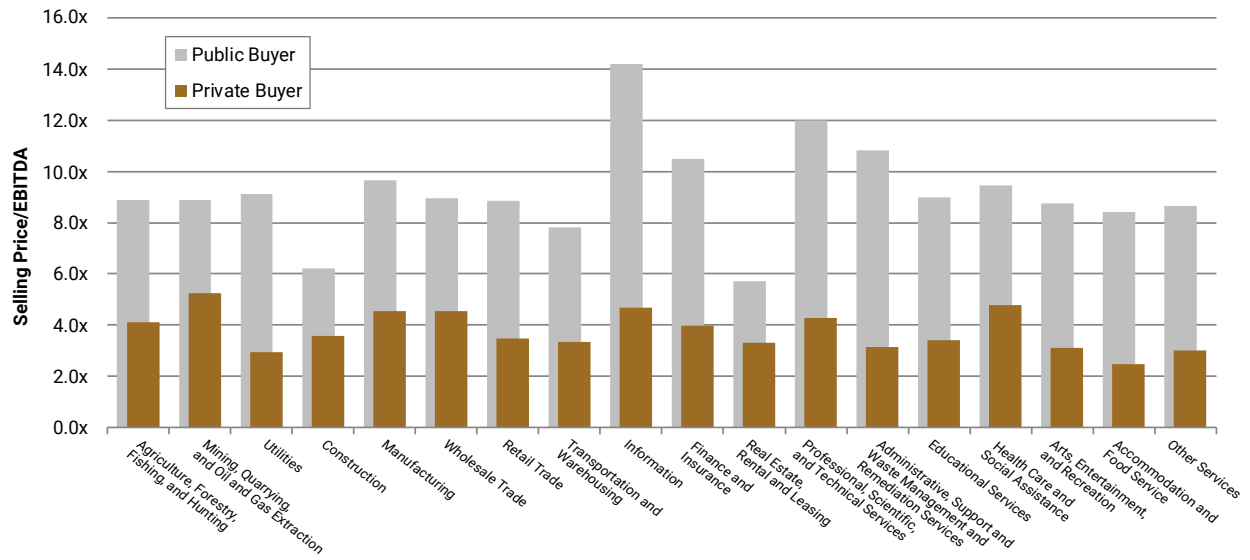
Across all NAICS sectors, public buyers paid higher multiples for private targets than private buyers paid. This may partially reflect synergies between the public buyer and the private target. Also, the typical acquisition public buyers made was larger than those private buyers made, so it is possible to conclude that larger companies sell for higher multiples than smaller companies, which is further highlighted in Exhibits 5A through 5C.

**EXHIBIT 14. MEDIAN SELLING PRICE/NET SALES
-ALL TIME PERIODS (PRIVATE TARGETS)**



0.1350

**EXHIBIT 15. MEDIAN SELLING PRICE/EBITDA
-ALL TIME PERIODS (PRIVATE TARGETS)**

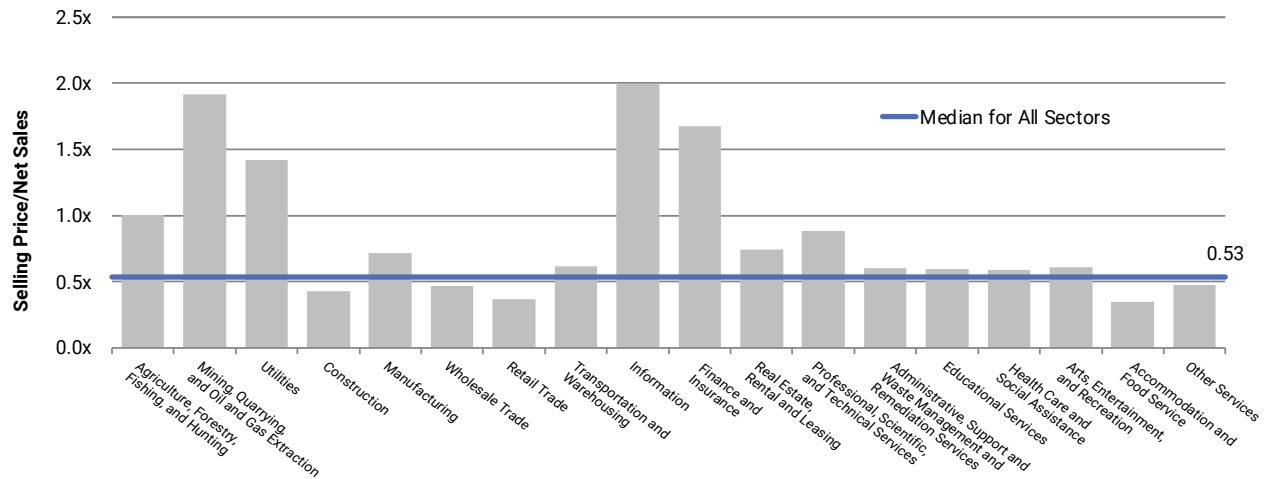


0.1350

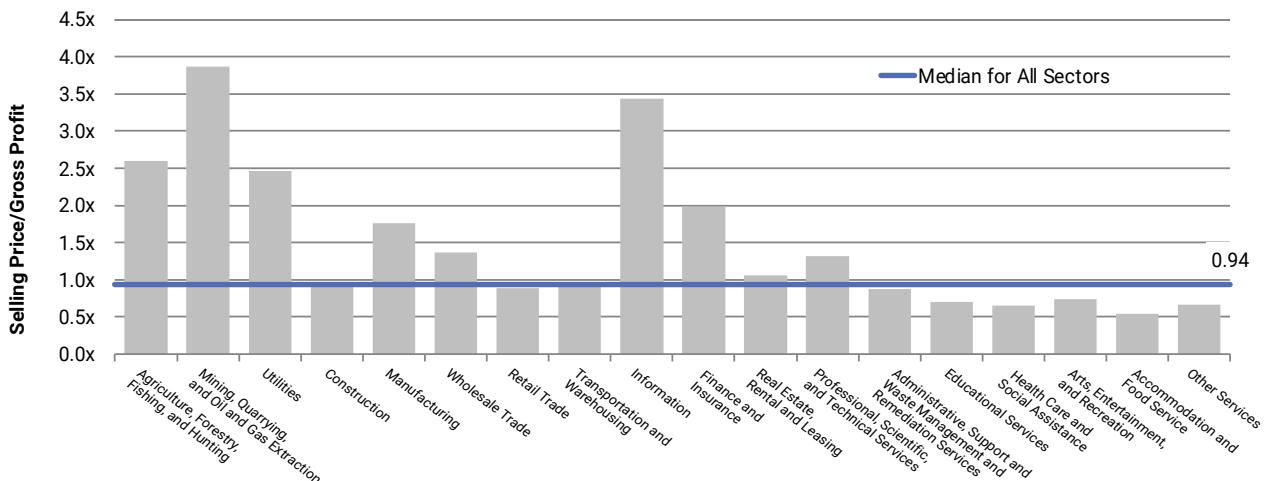
HOW DO INDUSTRY PRICING MULTIPLES AND PROFIT MARGINS COMPARE?

Exhibits 16A through 17C compare pricing multiples and profit margin ratios across 18 industry sectors. Companies within the mining, quarrying, and oil and gas extraction sector; the finance and insurance sector; utilities sector; agriculture, forestry, fishing, and hunting sector; and the information sector clearly transact at higher net sales and earnings-based pricing multiples than most other companies in other industries (see Exhibits 16A to 16E). The trend for margin ratios is less evident among the 18 industry sectors, although companies in the information sector appear to operate less efficiently, with a median operating profit margin of 1% and a median net profit margin of -1.0% (see Exhibits 17A to 17C).

**EXHIBIT 16A. MEDIAN SELLING PRICE/NET SALES
-ALL TIME PERIODS (PRIVATE TARGETS)**

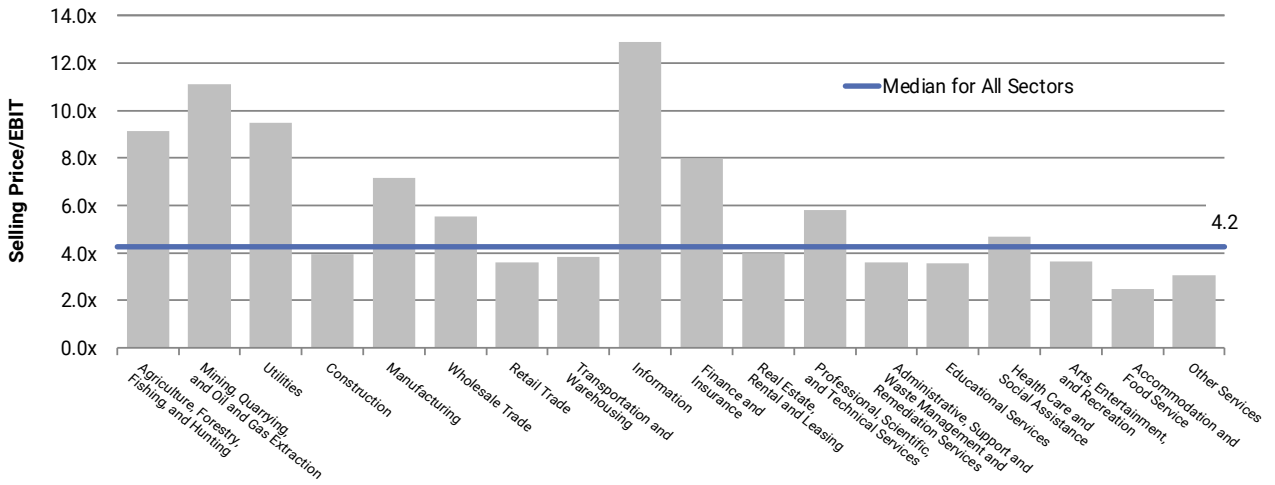


**EXHIBIT 16B. MEDIAN SELLING PRICE/GROSS PROFIT
-ALL TIME PERIODS (PRIVATE TARGETS)**

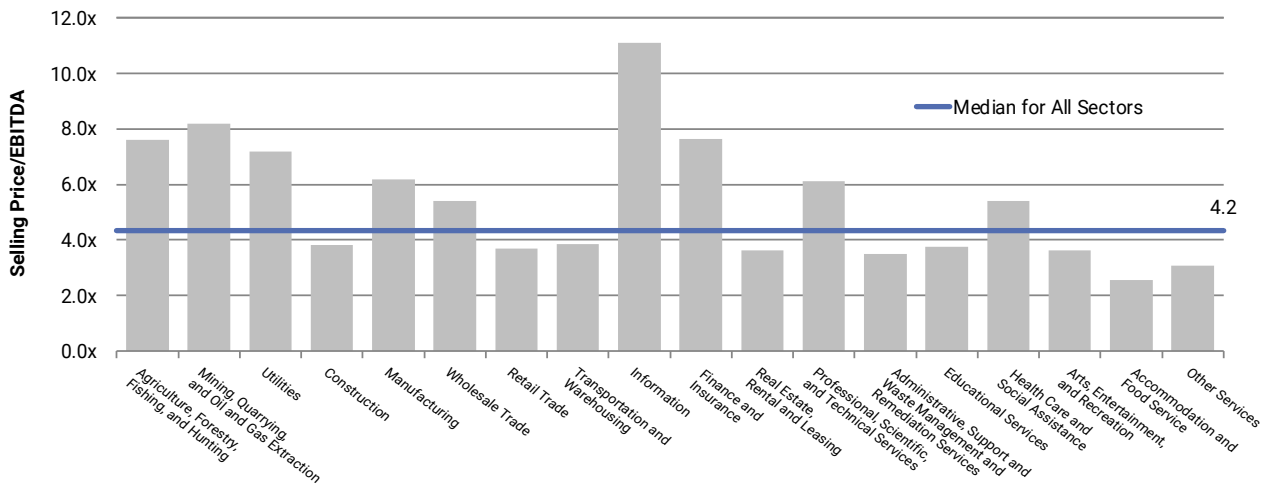


0.1350

**EXHIBIT 16C. MEDIAN SELLING PRICE/EBIT
 –ALL TIME PERIODS (PRIVATE TARGETS)**

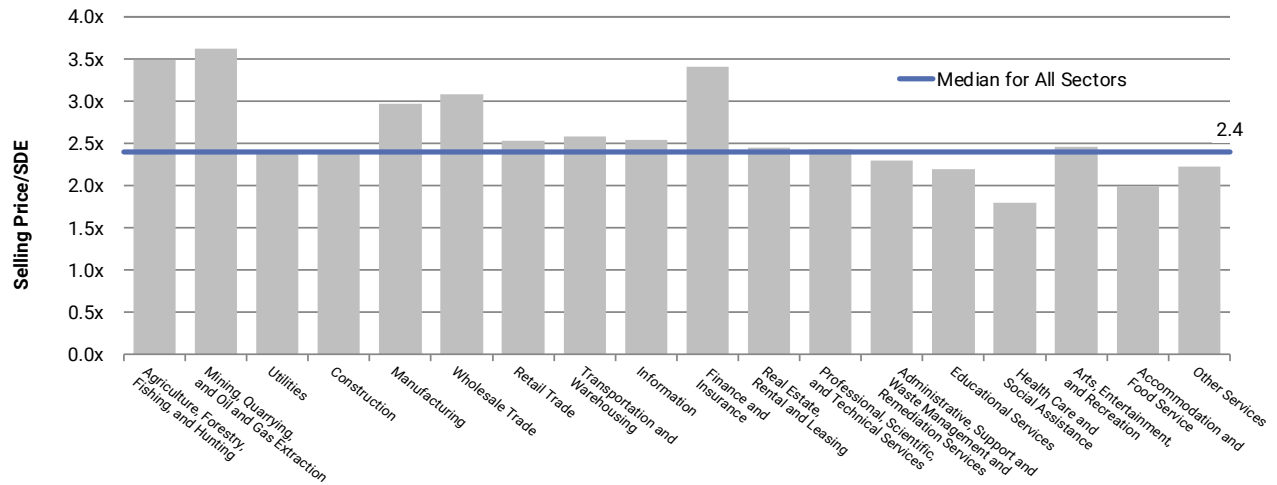


**EXHIBIT 16D. MEDIAN SELLING PRICE/EBITDA
 –ALL TIME PERIODS (PRIVATE TARGETS)**

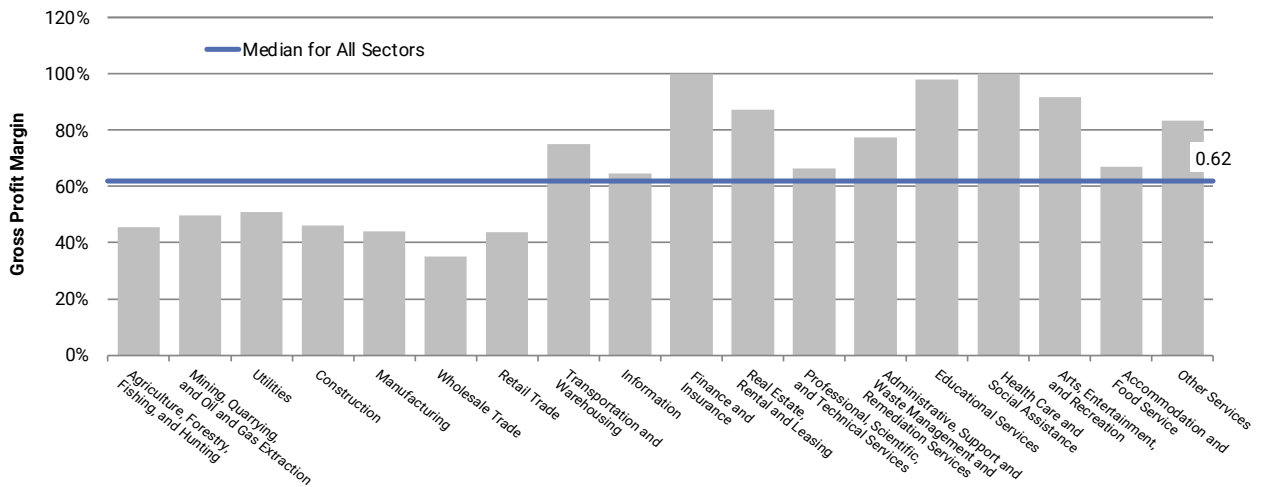


0.1350

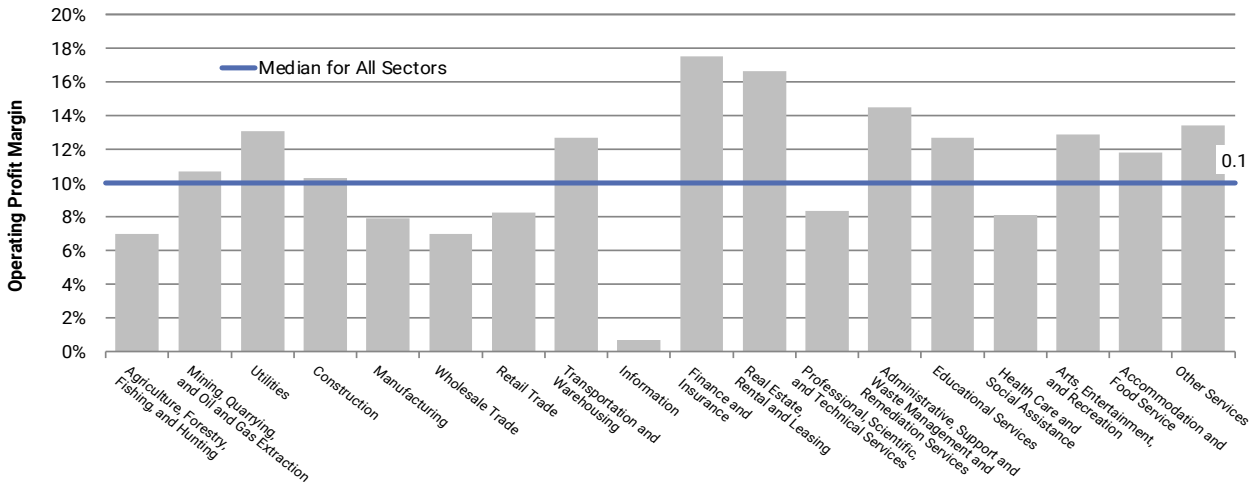
**EXHIBIT 16E: MEDIAN SELLING PRICE/SDE
-ALL TIME PERIODS (PRIVATE TARGETS)**



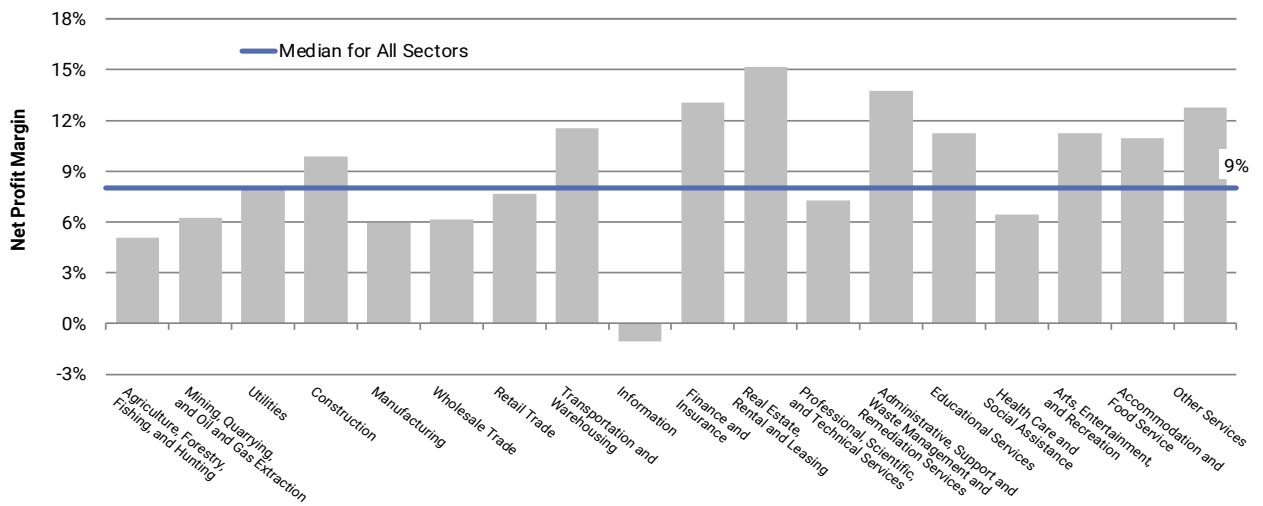
**EXHIBIT 17A. MEDIAN GROSS PROFIT MARGIN
-ALL TIME PERIODS (PRIVATE TARGETS)**



**EXHIBIT 17B. MEDIAN OPERATING PROFIT MARGIN
-ALL TIME PERIODS (PRIVATE TARGETS)**



**EXHIBIT 17C. MEDIAN NET PROFIT MARGIN
-ALL TIME PERIODS (PRIVATE TARGETS)**



MEDIAN SELLING PRICE REACHES NEW HIGH IN 2022

Exhibit 18A shows that the median selling price previously reached its highest level in 2021, at \$375,000, before reaching a new record high of \$412,000 in 2022 (a 10% increase). Median net sales amounts reached a new high of \$838,167 in 2022, which was a notable 13% increase from 2021. Both the median selling price and median net sales are continuing to trend positively since 2020.

EXHIBIT 18A. MEDIAN SELLING PRICE AND MEDIAN NET SALES (PRIVATE TARGETS)

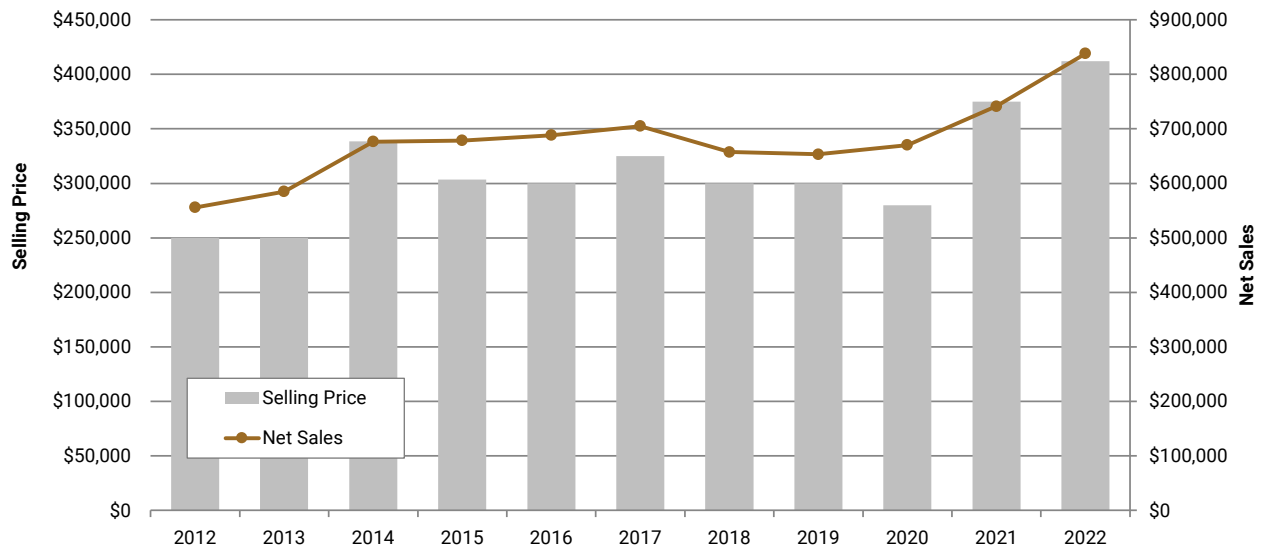
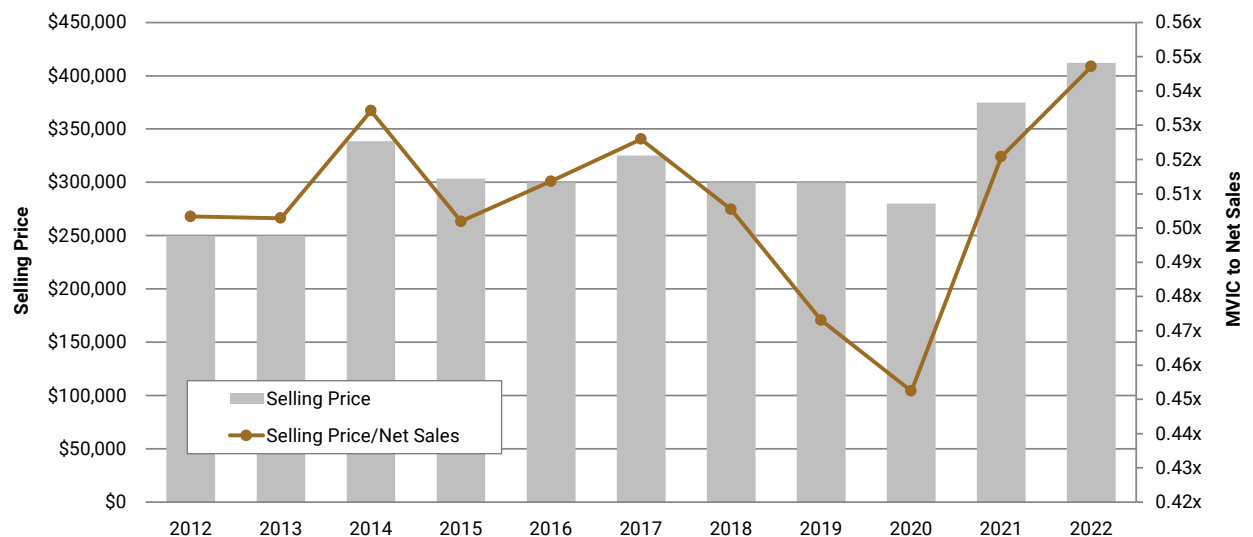


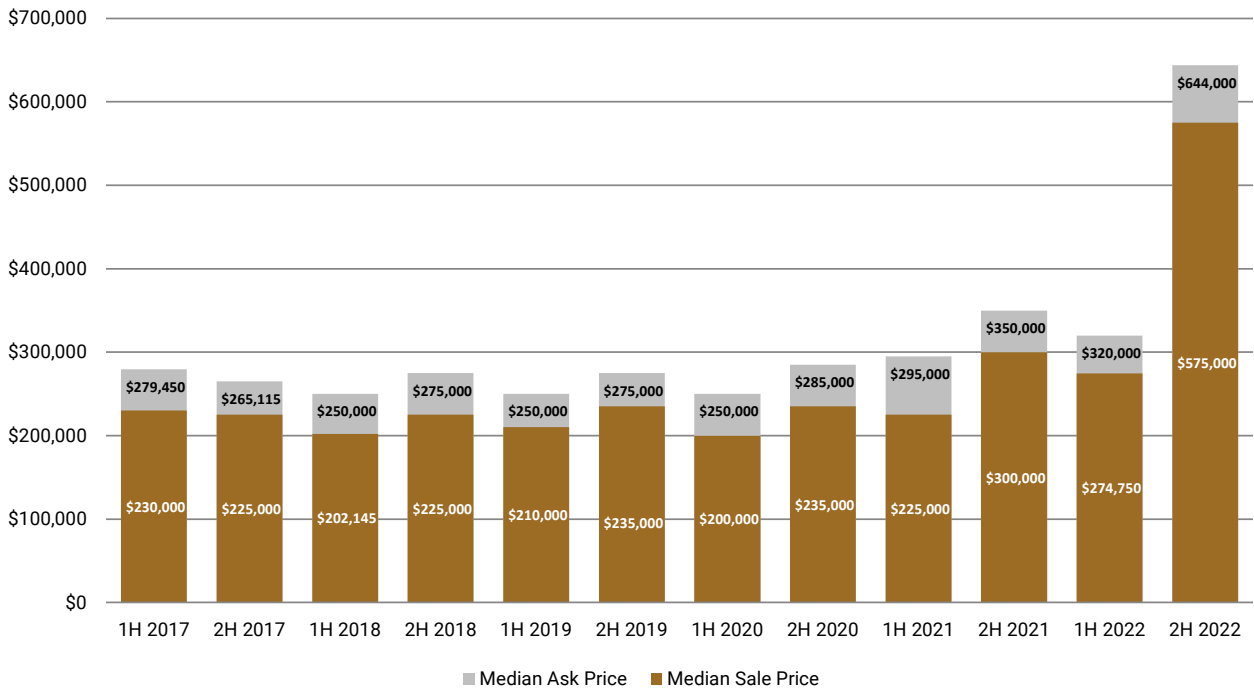
EXHIBIT 18B. MEDIAN SELLING PRICE AND MEDIAN SELLING PRICE/NET SALES (PRIVATE TARGETS)



SECOND HALF OF 2022 SHOWS SMALLER DISCOUNTS THAN USUAL

Exhibit 19 best illustrates the negotiation process between buyers and sellers in which both asking prices and sale prices continually fluctuate during the highlighted period, as well as historically. What a seller's business is likely to sell for has effectively been different than the original asking price and is based on cyclical trends in the economy as well as the buyers' assessment of financial conditions, industry comparables, potential return on investment, and the goodwill worth of your business as a going concern, among other considerations. The largest discount recorded in the reported period (first-half 2017 to second-half 2022) was 31.1% in the first half of 2021. Typical discount levels range between 16% and 18%. The most recent discount in the second half of 2022 is 12%.

EXHIBIT 19. MEDIAN ASK PRICE VS. MEDIAN SALE PRICE SEMIANNUALLY (PRIVATE TARGETS)

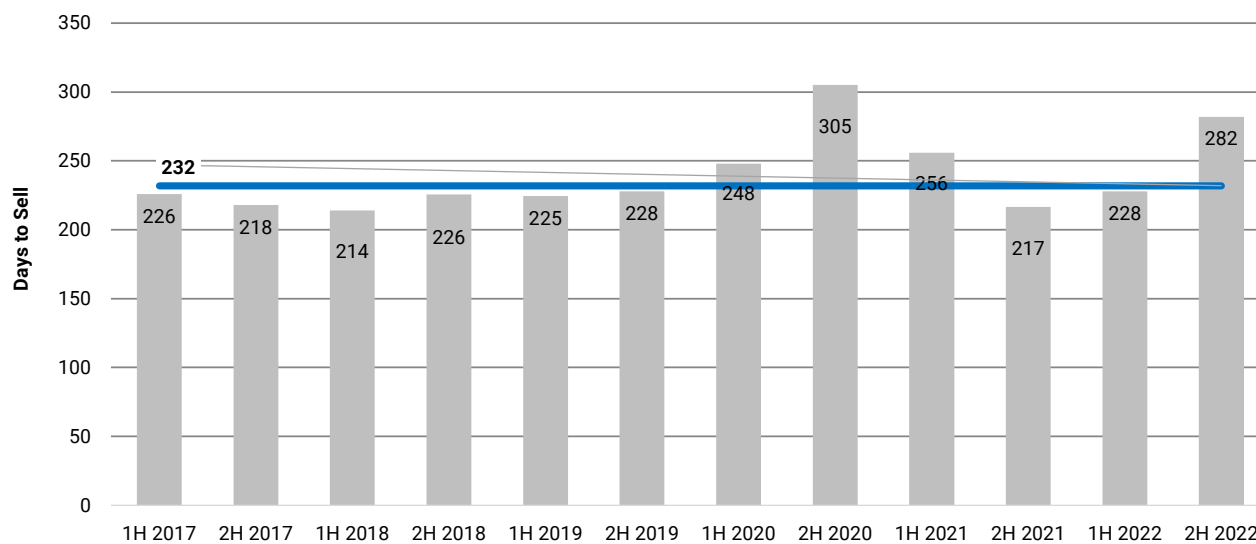


MEDIAN DAYS TO SELL MAINTAINS NORMAL LEVELS IN 2022

Days to sell is the number of days it takes to sell a business (the difference between the date the business was listed for sale and the date the sale closed).

The second half of 2020 continues to be the highest period reported when it comes to the time it takes to close a sale (305 days). Since then, the median days-to-sell figure has returned to more typical levels that are closer to the overall median days-to-sell mark of 232 across the period reported (first-half 2017 to second-half 2022).

EXHIBIT 20. MEDIAN DAYS TO SELL SEMIANNUALLY* (PRIVATE TARGETS)



* Based on the sale date of transactions.

OVERVIEW OF OWNER'S COMPENSATION

Exhibits 21 through 22 display various statistics on owner's compensation broken down by sector and size.

Owner's compensation figures are based on all transactions in the DealStats database, where historical information has been inflation-adjusted. Inflation adjustments are based on CPI (CPIAUCSL) figures, where average adjustment factors are developed for each year. Annual average adjustment factors are then applied to every owner's compensation figure for each transaction in the database.

Across all statistical measures (25th percentile, median, average, 75th percentile), owner's compensation increases as the size of the company increases.

The mining, quarrying, and oil and gas extraction sector has the highest median owner's compensation (\$250,703), while accommodation and food services has the lowest median owner's compensation (\$37,002). Healthcare and social assistance is a close second to the mining, quarrying, and oil and gas extraction sector, where it has the highest average and 75th percentile among all industries.

When observing owner's compensation by sector and size, we can see that the healthcare and social assistance sector has the highest median owner's compensation across all size groups (except for companies with net sales larger than \$10 million).

EXHIBIT 21: OWNER'S COMPENSATION STATISTICS BY SECTOR (PRIVATE U.S. TARGETS)

| NAICS | NAICS Sector | 25th Percentile | Median | Average | 75th Percentile |
|-------|---|-----------------|-----------------|------------------|------------------|
| 11 | Agriculture, Forestry, Fishing and Hunting | \$0 | \$55,017 | \$100,297 | \$106,197 |
| 21 | Mining, Quarrying, and Oil and Gas Extraction | \$123,966 | \$250,703 | \$432,881 | \$339,456 |
| 22 | Utilities | \$7,592 | \$63,353 | \$101,093 | \$114,250 |
| 23 | Construction | \$50,100 | \$97,763 | \$150,530 | \$177,207 |
| 31-33 | Manufacturing | \$38,647 | \$95,721 | \$177,846 | \$188,417 |
| 42 | Wholesale Trade | \$41,159 | \$96,293 | \$155,901 | \$191,066 |
| 44-45 | Retail Trade | \$14,242 | \$50,912 | \$88,220 | \$102,111 |
| 48-49 | Transportation and Warehousing | \$18,573 | \$53,711 | \$136,196 | \$124,968 |
| 51 | Information | \$12,997 | \$78,553 | \$260,938 | \$180,870 |
| 52 | Finance and Insurance | \$24,951 | \$63,277 | \$130,014 | \$123,585 |
| 53 | Real Estate and Rental and Leasing | \$24,550 | \$56,151 | \$100,023 | \$102,450 |
| 54 | Professional, Scientific, and Technical Services | \$42,655 | \$97,937 | \$158,992 | \$187,987 |
| 56 | Administrative and Support and Waste Management and Remediation | \$22,160 | \$56,205 | \$99,256 | \$113,063 |
| 61 | Educational Services | \$18,634 | \$51,518 | \$137,781 | \$92,922 |
| 62 | Health Care and Social Assistance | \$41,509 | \$123,747 | \$451,017 | \$418,833 |
| 71 | Arts, Entertainment, and Recreation | \$0 | \$37,707 | \$107,787 | \$83,041 |
| 72 | Accommodation and Food Services | \$2,628 | \$37,002 | \$52,018 | \$68,792 |
| 81 | Other Services (except Public Administration) | \$10,018 | \$42,222 | \$63,719 | \$84,095 |
| | All Sectors | \$20,977 | \$61,359 | \$136,382 | \$130,184 |

EXHIBIT 22: OWNER'S COMPENSATION STATISTICS BY SECTOR AND SIZE (PRIVATE U.S. TARGETS)

| NAICS | NAICS Sector | \$0M-\$1M | | | |
|-------|---|-----------------|-----------------|-----------------|-----------------|
| | | 25th Percentile | Median | Average | 75th Percentile |
| 11 | Agriculture, Forestry, Fishing and Hunting | \$5,171 | \$27,444 | \$44,571 | \$77,774 |
| 23 | Construction | \$27,761 | \$59,364 | \$69,625 | \$97,198 |
| 31-33 | Manufacturing | \$20,159 | \$55,685 | \$68,965 | \$95,785 |
| 42 | Wholesale Trade | \$19,238 | \$52,699 | \$67,899 | \$91,269 |
| 44-45 | Retail Trade | \$542 | \$33,216 | \$44,002 | \$65,682 |
| 48-49 | Transportation and Warehousing | \$11,738 | \$31,859 | \$43,880 | \$68,027 |
| 51 | Information | \$0 | \$46,660 | \$62,354 | \$89,017 |
| 52 | Finance and Insurance | \$23,308 | \$49,559 | \$70,961 | \$91,375 |
| 53 | Real Estate and Rental and Leasing | \$20,318 | \$47,422 | \$59,350 | \$83,335 |
| 54 | Professional, Scientific, and Technical Services | \$27,874 | \$62,721 | \$83,279 | \$111,275 |
| 56 | Administrative and Support and Waste Management and Remediation | \$15,411 | \$41,191 | \$52,312 | \$72,012 |
| 61 | Educational Services | \$14,413 | \$46,856 | \$55,181 | \$78,692 |
| 62 | Health Care and Social Assistance | \$26,541 | \$69,367 | \$139,316 | \$162,694 |
| 71 | Arts, Entertainment, and Recreation | \$0 | \$31,889 | \$45,441 | \$66,849 |
| 72 | Accommodation and Food Services | \$0 | \$30,584 | \$38,161 | \$56,231 |
| 81 | Other Services (except Public Administration) | \$5,797 | \$36,020 | \$48,351 | \$69,058 |
| | All Sectors | \$11,213 | \$41,498 | \$58,448 | \$76,793 |

| NAICS | NAICS Sector | \$1M-\$5M | | | |
|-------|---|-----------------|------------------|------------------|------------------|
| | | 25th Percentile | Median | Average | 75th Percentile |
| 11 | Agriculture, Forestry, Fishing and Hunting | \$12,728 | \$70,078 | \$156,152 | \$252,808 |
| 23 | Construction | \$69,244 | \$114,689 | \$152,252 | \$192,031 |
| 31-33 | Manufacturing | \$81,901 | \$147,003 | \$191,464 | \$242,155 |
| 42 | Wholesale Trade | \$58,270 | \$118,412 | \$153,015 | \$197,333 |
| 44-45 | Retail Trade | \$38,326 | \$82,573 | \$109,857 | \$142,818 |
| 48-49 | Transportation and Warehousing | \$50,093 | \$120,654 | \$149,217 | \$195,120 |
| 51 | Information | \$95,726 | \$174,719 | \$271,856 | \$313,354 |
| 52 | Finance and Insurance | \$100,914 | \$169,111 | \$248,246 | \$323,311 |
| 53 | Real Estate and Rental and Leasing | \$63,268 | \$94,088 | \$132,204 | \$141,662 |
| 54 | Professional, Scientific, and Technical Services | \$93,585 | \$161,839 | \$215,764 | \$264,654 |
| 56 | Administrative and Support and Waste Management and Remediation | \$65,774 | \$126,415 | \$166,790 | \$193,895 |
| 61 | Educational Services | \$32,266 | \$128,904 | \$164,817 | \$221,915 |
| 62 | Health Care and Social Assistance | \$127,829 | \$405,229 | \$821,670 | \$1,327,633 |
| 71 | Arts, Entertainment, and Recreation | \$63,439 | \$132,278 | \$151,102 | \$197,253 |
| 72 | Accommodation and Food Services | \$35,861 | \$75,024 | \$96,444 | \$123,934 |
| 81 | Other Services (except Public Administration) | \$52,790 | \$100,242 | \$128,721 | \$171,703 |
| | All Sectors | \$61,094 | \$119,290 | \$211,646 | \$213,790 |

Exhibit continues on next page

EXHIBIT 22: OWNER'S COMPENSATION STATISTICS BY SECTOR AND SIZE (PRIVATE U.S. TARGETS), CONTINUED

| NAICS | NAICS Sector | \$5M-\$10M | | | |
|-------|---|------------------|------------------|------------------|------------------|
| | | 25th Percentile | Median | Average | 75th Percentile |
| 11 | Agriculture, Forestry, Fishing and Hunting | \$110,314 | \$190,919 | \$272,313 | \$365,585 |
| 23 | Construction | \$114,689 | \$207,388 | \$354,876 | \$410,652 |
| 31-33 | Manufacturing | \$111,374 | \$190,411 | \$319,133 | \$307,830 |
| 42 | Wholesale Trade | \$51,340 | \$150,168 | \$210,378 | \$303,947 |
| 44-45 | Retail Trade | \$76,807 | \$210,333 | \$213,758 | \$316,388 |
| 48-49 | Transportation and Warehousing | N/A | N/A | N/A | N/A |
| 51 | Information | N/A | N/A | N/A | N/A |
| 52 | Finance and Insurance | N/A | N/A | N/A | N/A |
| 53 | Real Estate and Rental and Leasing | \$215,919 | \$288,548 | \$392,441 | \$454,185 |
| 54 | Professional, Scientific, and Technical Services | \$142,227 | \$262,213 | \$371,280 | \$413,294 |
| 56 | Administrative and Support and Waste Management and Remediation | N/A | N/A | N/A | N/A |
| 61 | Educational Services | \$118,756 | \$530,986 | \$1,675,867 | \$3,082,685 |
| 62 | Health Care and Social Assistance | N/A | N/A | N/A | N/A |
| 71 | Arts, Entertainment, and Recreation | \$133,769 | \$230,660 | \$299,125 | \$405,411 |
| 72 | Accommodation and Food Services | N/A | N/A | N/A | N/A |
| 81 | Other Services (except Public Administration) | \$104,392 | \$209,271 | \$363,807 | \$390,545 |
| | All Sectors | \$103,151 | \$207,511 | \$360,553 | \$385,908 |

| NAICS | NAICS Sector | >\$10M | | | |
|-------|---|------------------|------------------|------------------|------------------|
| | | 25th Percentile | Median | Average | 75th Percentile |
| 11 | Agriculture, Forestry, Fishing and Hunting | N/A | N/A | N/A | N/A |
| 23 | Construction | \$230,652 | \$369,195 | \$476,718 | \$560,667 |
| 31-33 | Manufacturing | \$12,935 | \$249,437 | \$633,019 | \$509,986 |
| 42 | Wholesale Trade | \$147,775 | \$234,536 | \$317,608 | \$365,019 |
| 44-45 | Retail Trade | \$133,907 | \$241,050 | \$700,732 | \$421,112 |
| 48-49 | Transportation and Warehousing | \$179,000 | \$420,469 | \$1,078,063 | \$744,585 |
| 51 | Information | N/A | N/A | N/A | N/A |
| 52 | Finance and Insurance | N/A | N/A | N/A | N/A |
| 53 | Real Estate and Rental and Leasing | N/A | N/A | N/A | N/A |
| 54 | Professional, Scientific, and Technical Services | \$136,188 | \$295,373 | \$671,430 | \$577,562 |
| 56 | Administrative and Support and Waste Management and Remediation | \$174,740 | \$339,048 | \$504,479 | \$474,813 |
| 61 | Educational Services | N/A | N/A | N/A | N/A |
| 62 | Health Care and Social Assistance | \$115,324 | \$308,301 | \$1,933,282 | \$341,841 |
| 71 | Arts, Entertainment, and Recreation | N/A | N/A | N/A | N/A |
| 72 | Accommodation and Food Services | N/A | N/A | N/A | N/A |
| 81 | Other Services (except Public Administration) | N/A | N/A | N/A | N/A |
| | All Sectors | \$127,947 | \$280,656 | \$692,904 | \$524,796 |



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