

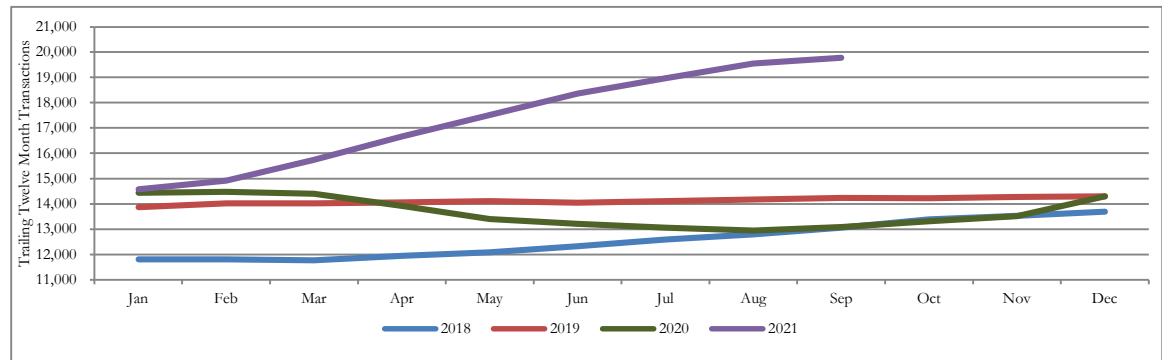
# THE MARKET

## FOR PRIVATELY HELD COMPANIES

### Topics Relevant to Middle Market Mergers & Acquisitions

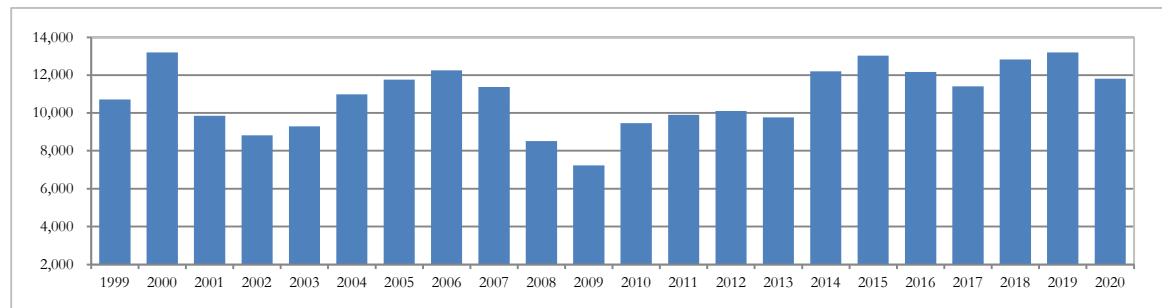
Trailing twelve month transaction activity, as evidenced in Chart 1, has exceeded the peak levels observed in 2019 and early 2020.

**Chart 1: Trailing Twelve Month (TTM) Total M&A Transaction Volume**



Total Announced Transactions, U.S. Buyer or Seller | Source: FactSet Mergerstat

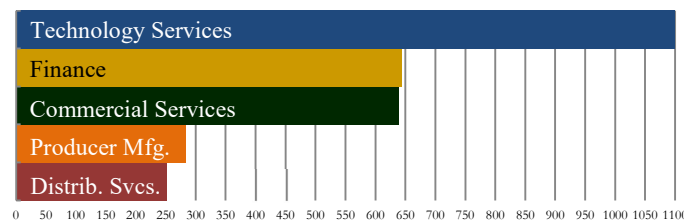
**Chart 2: Annual M&A Transaction Volume**



Total Announced Transactions, U.S. Buyer or Seller | Source: Mergerstat Review 2020

### Which Sectors are Most Active?

The chart to the right reveals the five most active sectors in terms of transactions closed for the three months ended September 30, 2021. In addition to those listed in the chart, the following sectors also exhibited high transaction volume: Consumer Services, Industrial Services, Retail Trade, Health Services, and Health Technology.



Total Announced Transactions, U.S. Buyer or Seller | Source: FactSet Mergerstat

### Waterview is a Financial Advisory Services firm focused on Investment Banking and Valuation Services

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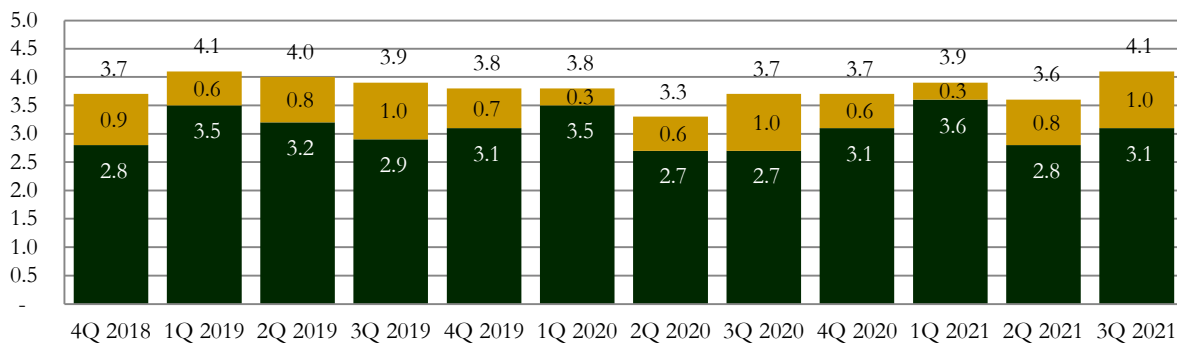
#### Valuation Multiples TEV / EBITDA Private Equity Sponsored M&A Transactions

TEV (\$Millions)	2003-2016	2017	2018	2019	2020	YTD 2021	Average	Std Dev	N =
10-25	5.6	6.3	5.9	6.1	5.9	6.0	5.7	1.6	1,594
25-50	6.2	6.6	6.9	6.9	6.8	7.1	6.5	1.7	1,221
50-100	6.9	8.2	8.8	7.5	8.0	8.2	7.3	1.9	828
100-250	7.7	9.0	8.7	9.3	8.6	8.9	8.2	2.2	446
<b>Average</b>	<b>6.2</b>	<b>7.2</b>	<b>7.2</b>	<b>7.0</b>	<b>7.0</b>	<b>7.2</b>	<b>6.5</b>	<b>2.0</b>	
<b>N =</b>	<b>2,605</b>	<b>273</b>	<b>298</b>	<b>324</b>	<b>327</b>	<b>262</b>			<b>4,089</b>

Source: GF Data® M&A Report, November 2021. Seller Type: Private | Multiple Range: 3x - 15x | Geography: U.S. or Canadian Buyer

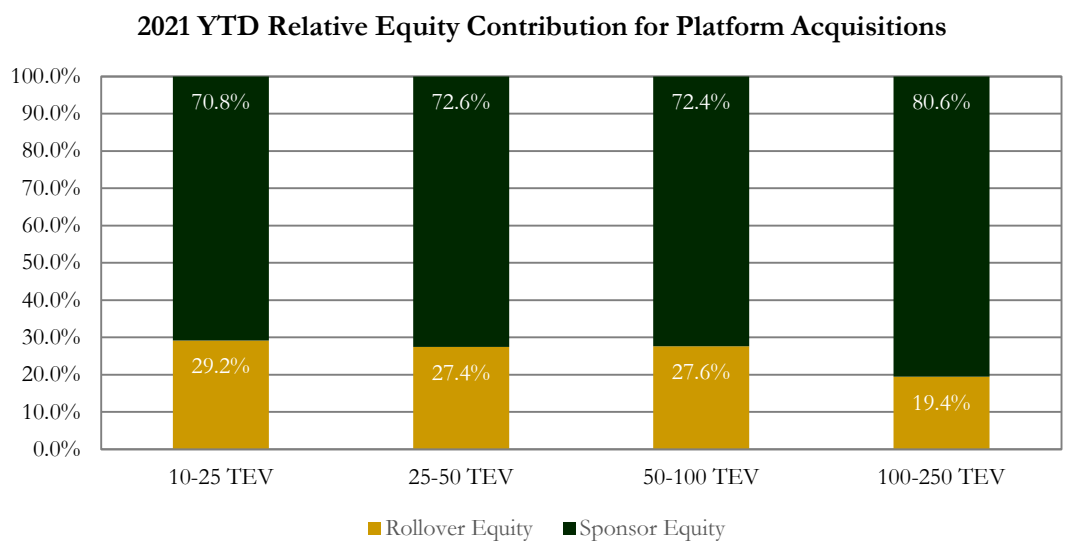
#### Average Debt Multiples Private Equity Sponsored M&A Transactions

Subordinated Debt  
Senior Debt



Source: GF Data® Leverage Report November 2021. Seller Type: Private | Geography: U.S. or Canadian Buyer

#### 2021 YTD Relative Equity Contribution For Platform Acquisitions



Source: GF Data® Leverage Report, November 2021. Seller Type: Private | Geography: U.S. or Canadian Buyer