

Q3 2024

WATERVIEW INVESTMENT BANKING  
M&A ADVISORY ♦ VALUATIONS ♦ CAPITAL SOURCING

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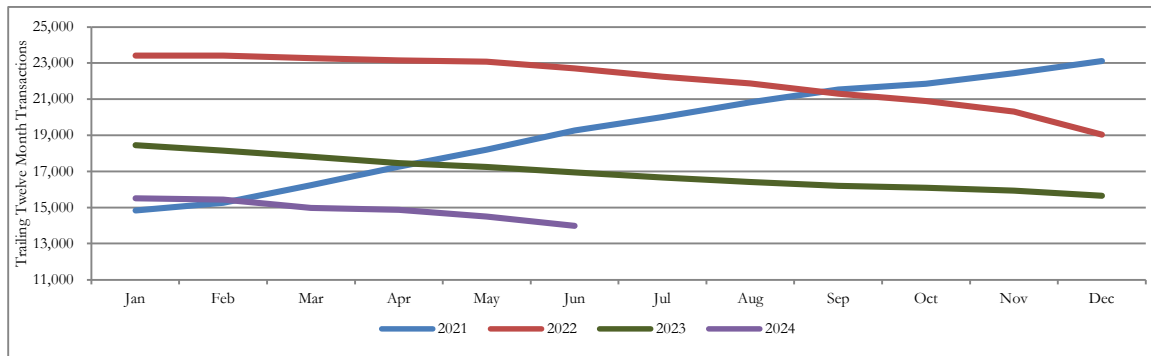
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# THE MARKET

## FOR PRIVATELY HELD COMPANIES

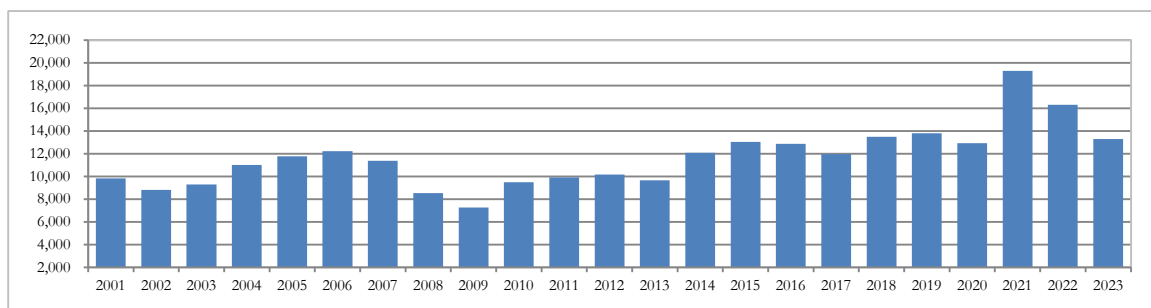
### Topics Relevant to Middle Market Mergers & Acquisitions

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



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

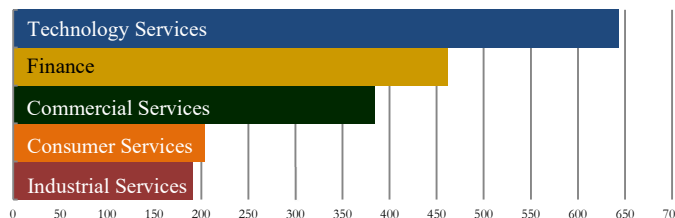
Chart 2: Annual M&A Transaction Volume



Total Announced Transactions, U.S. Buyer or Seller | Source: FactSet Review 2024

### 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 June 30, 2024. In addition to those listed in the chart, the following sectors also exhibited high transaction volume: Distribution Services, Producer Manufacturing, 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

- Waterview Investment Banking serves client companies with revenue between \$10 million and \$200 million:
  - Sell Side Representation (marketing to both strategic and financial buyers)
  - Capital Sourcing (senior debt, mezzanine and equity)
  - Valuation (to support exit planning strategies)

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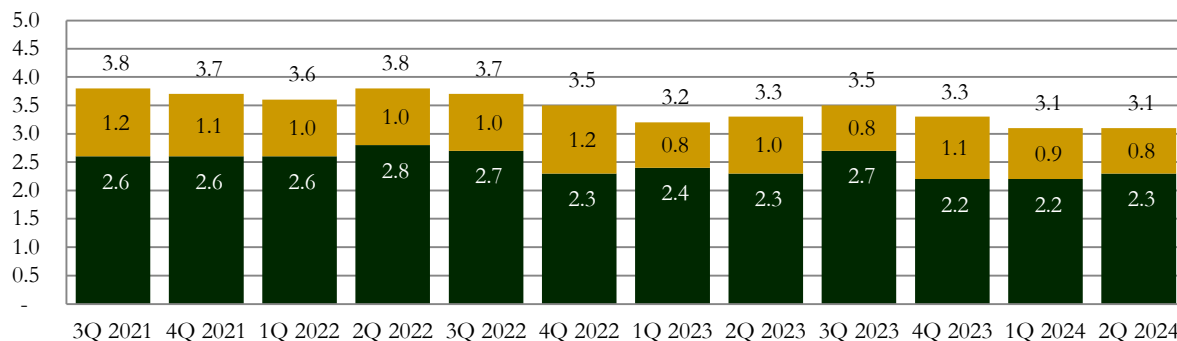
#### Valuation Multiples TEV / EBITDA Private Equity Sponsored M&A Transactions

TEV (\$Millions)	2003- 2019	2020	2021	2022	2023	YTD 2024	Average	Std Dev	N =
10-25	5.8	5.9	6.1	6.4	6.0	6.4	5.9	1.6	1,994
25-50	6.5	6.7	7.2	7.0	7.0	6.4	6.7	1.8	1,536
50-100	7.5	8.0	8.3	8.5	8.0	8.7	7.7	2.0	1,053
100-250	8.2	8.7	9.3	9.1	9.6	8.3	8.5	2.3	592
<b>Average</b>	<b>6.6</b>	<b>7.0</b>	<b>7.6</b>	<b>7.5</b>	<b>7.2</b>	<b>7.1</b>	<b>6.9</b>	<b>2.0</b>	
<b>N =</b>	<b>3,611</b>	<b>342</b>	<b>501</b>	<b>334</b>	<b>293</b>	<b>180</b>			<b>5,261</b>

Source: GF Data® M&A Report, August 2024. Seller Type: Private | Multiple Range: 3x - 15x | Geography: U.S. or Canadian Buyer

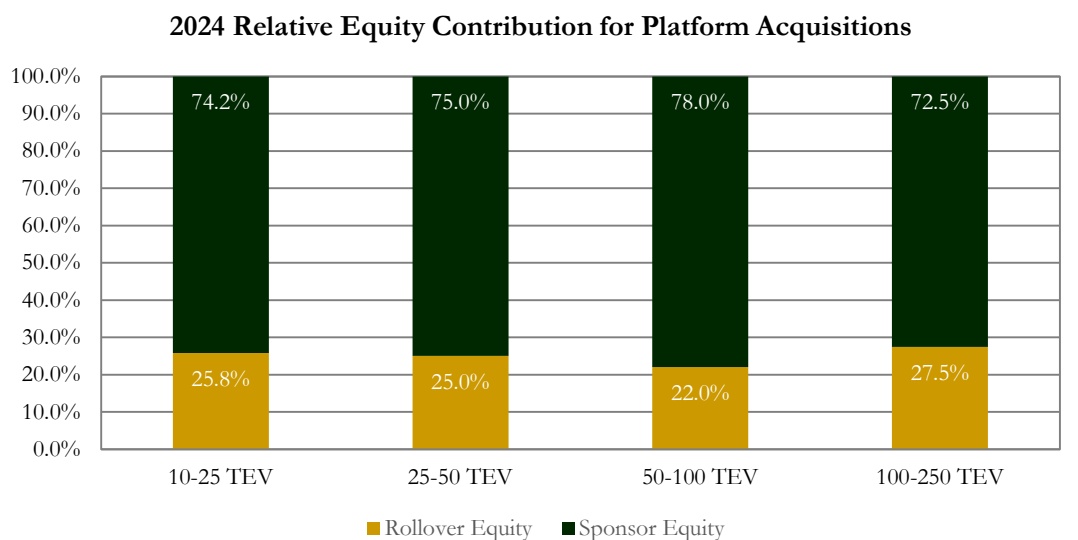
#### Average Debt Multiples Private Equity Sponsored M&A Transactions

Subordinated Debt  
Senior Debt



Source: GF Data® Leverage Report, August 2024. Seller Type: Private | Geography: U.S. or Canadian Buyer

#### 2024 Relative Equity Contribution For Platform Acquisitions



Source: GF Data® Leverage Report, August 2024. Seller Type: Private | Geography: U.S. or Canadian Buyer

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