

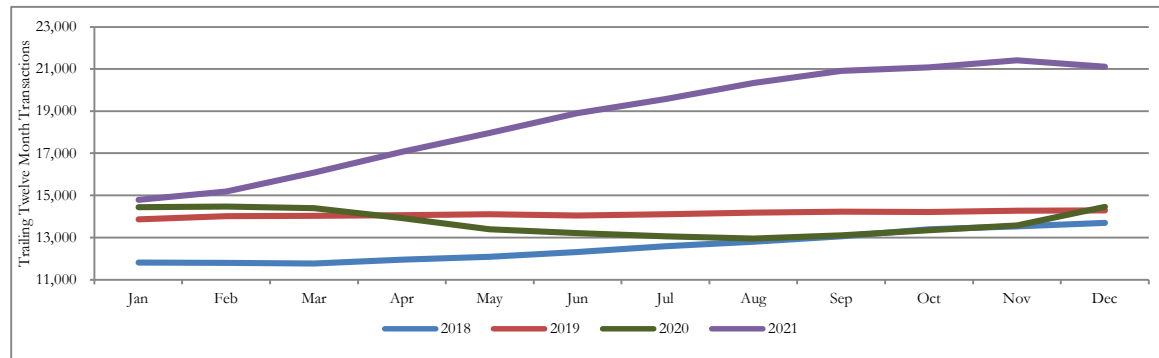
THE MARKET

FOR PRIVATELY HELD COMPANIES

Topics Relevant to Middle Market Mergers & Acquisitions

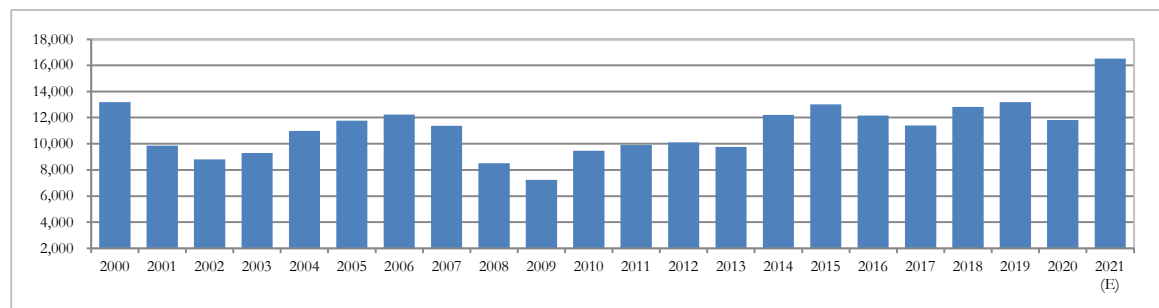
Trailing twelve month transaction activity, as evidenced in Chart 1, has exceeded levels observed in 2019 and 2020.

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



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

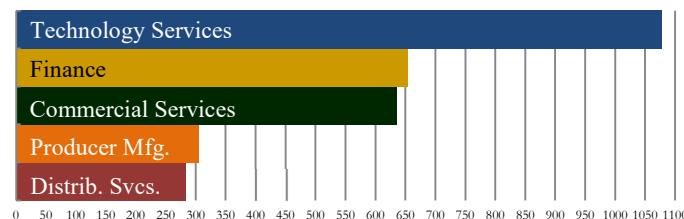
Chart 2: Annual M&A Transaction Volume



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 December 31, 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

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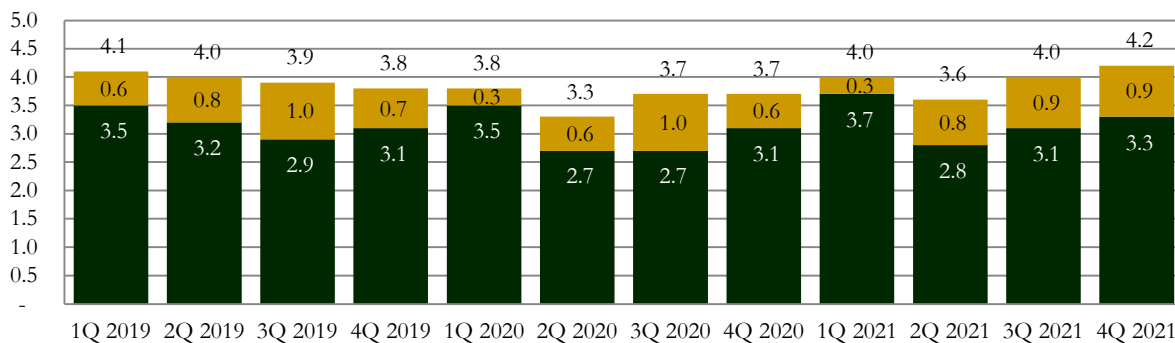
Valuation Multiples TEV / EBITDA Private Equity Sponsored M&A Transactions

TEV (\$Millions)	2003-2016	2017	2018	2019	2020	2021	Average	Std Dev	N =
10-25	5.6	6.3	5.9	6.1	5.9	6.2	5.7	1.6	1,644
25-50	6.2	6.6	6.9	6.9	6.8	7.0	6.5	1.7	1,279
50-100	6.9	8.2	8.8	7.5	8.0	8.3	7.4	1.9	867
100-250	7.7	9.0	8.7	9.3	8.6	9.0	8.3	2.2	472
Average	6.2	7.2	7.2	7.0	7.0	7.3	6.6	2.0	
N =	2,605	273	299	324	329	432			4,262

Source: GF Data® M&A Report, February 2022. Seller Type: Private | Multiple Range: 3x - 15x | Geography: U.S. or Canadian Buyer

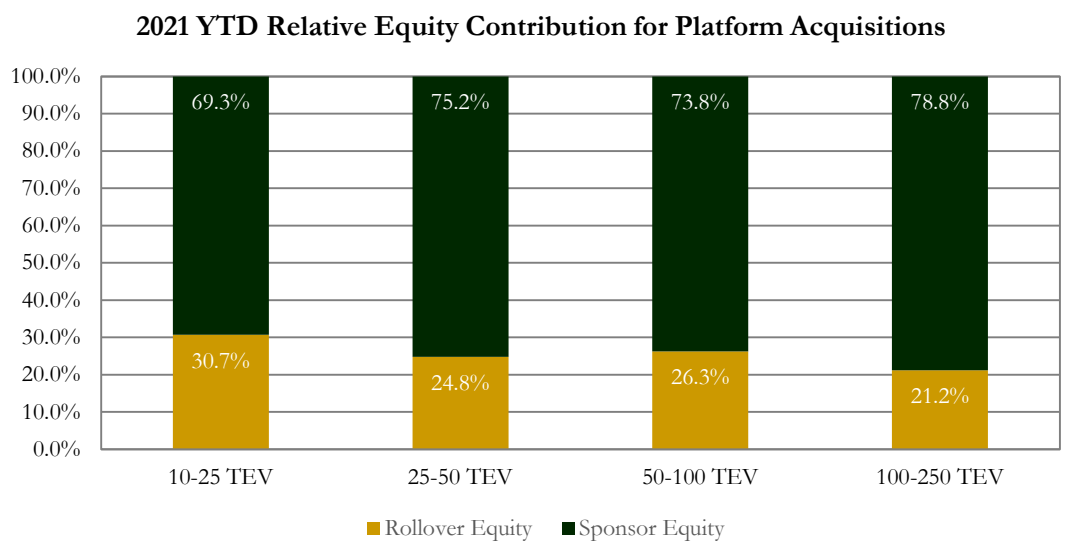
Average Debt Multiples Private Equity Sponsored M&A Transactions

Subordinated Debt
Senior Debt



Source: GF Data® Leverage Report February 2022. Seller Type: Private | Geography: U.S. or Canadian Buyer

2021 YTD Relative Equity Contribution For Platform Acquisitions



Source: GF Data® Leverage Report, February 2022. Seller Type: Private | Geography: U.S. or Canadian Buyer