

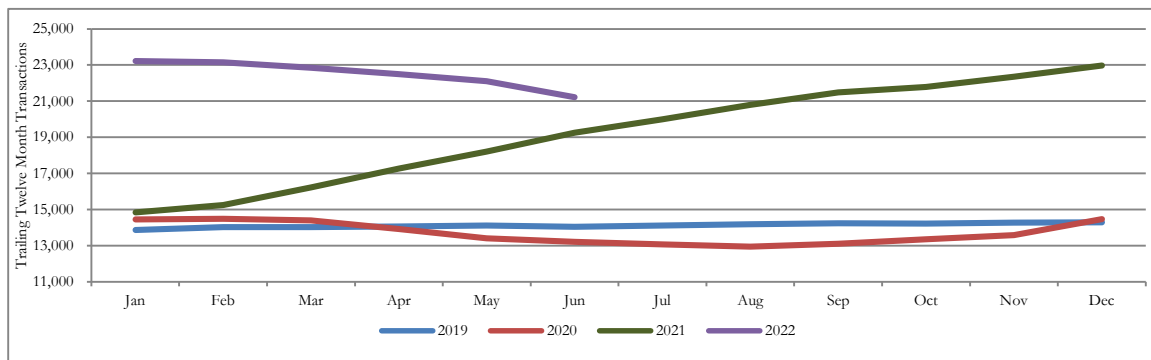
# THE MARKET

## FOR PRIVATELY HELD COMPANIES

### Topics Relevant to Middle Market Mergers & Acquisitions

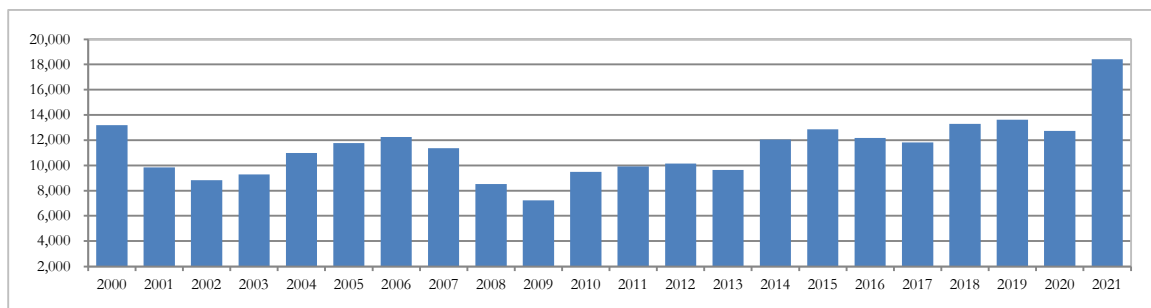
Trailing twelve month transaction activity, while moderating, still exceeds levels observed in 2019 and 2020.

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



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

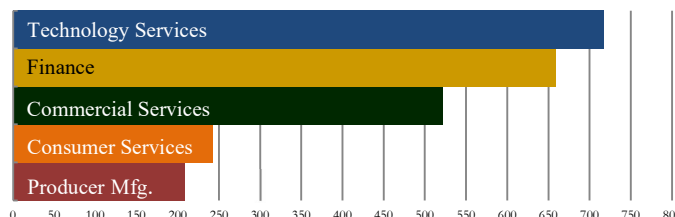
**Chart 2: Annual M&A Transaction Volume**



Total Announced Transactions, U.S. Buyer or Seller | Source: Mergerstat Review 2022

**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, 2022. In addition to those listed in the chart, the following sectors also exhibited high transaction volume: Distribution 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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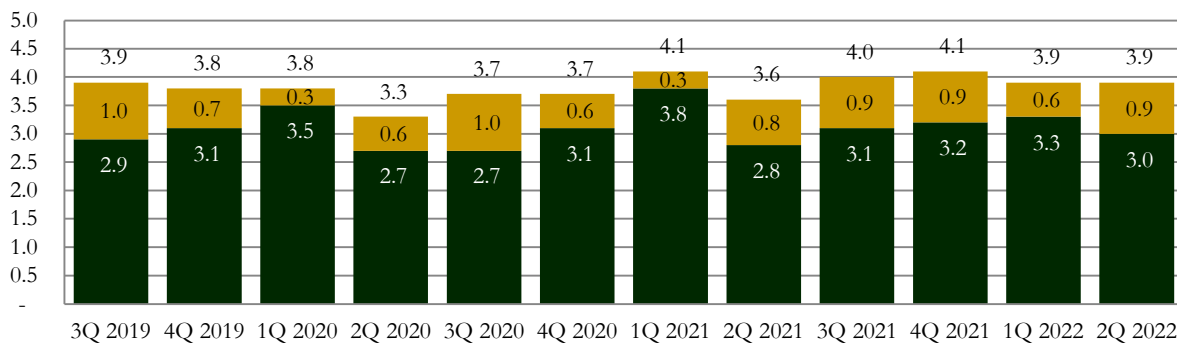
#### Valuation Multiples TEV / EBITDA Private Equity Sponsored M&A Transactions

TEV (\$Millions)	2003-2017	2018	2019	2020	2021	YTD 2022	Average	Std Dev	N =
10-25	5.7	6.0	6.1	5.9	6.1	6.3	5.8	1.6	1,732
25-50	6.4	6.9	7.0	6.7	7.2	6.7	6.6	1.7	1,347
50-100	7.3	8.9	7.5	8.0	8.4	9.2	7.6	2.0	918
100-250	8.0	8.8	9.2	8.7	9.3	9.3	8.4	2.2	510
<b>Average</b>	<b>6.5</b>	<b>7.2</b>	<b>7.1</b>	<b>7.0</b>	<b>7.4</b>	<b>7.4</b>	<b>6.7</b>	<b>2.0</b>	
<b>N =</b>	<b>2,940</b>	<b>305</b>	<b>332</b>	<b>337</b>	<b>464</b>	<b>129</b>			<b>4,507</b>

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

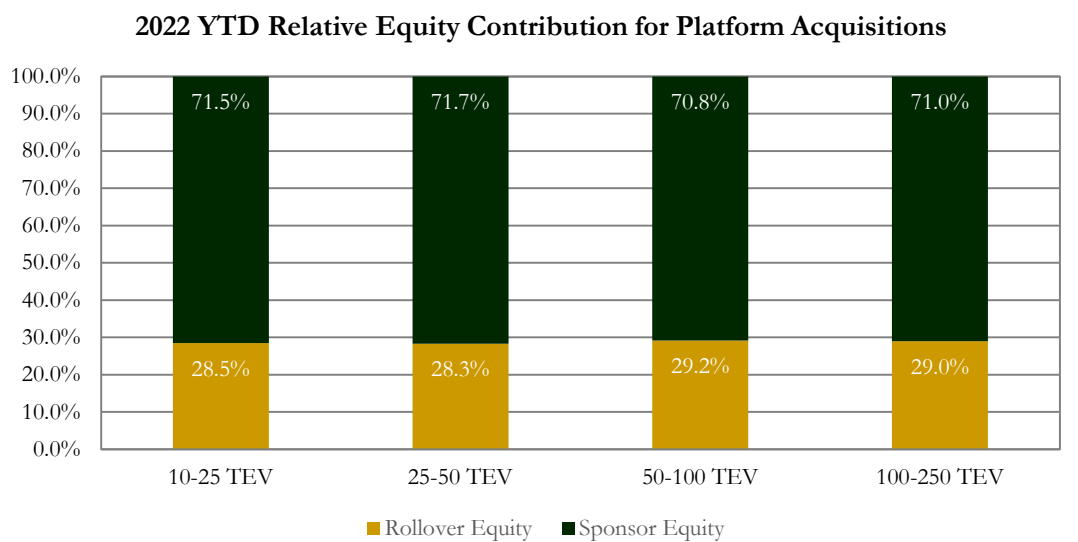
#### Average Debt Multiples Private Equity Sponsored M&A Transactions

Subordinated Debt  
Senior Debt



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

#### 2022 YTD Relative Equity Contribution For Platform Acquisitions



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