



Seale & Associates

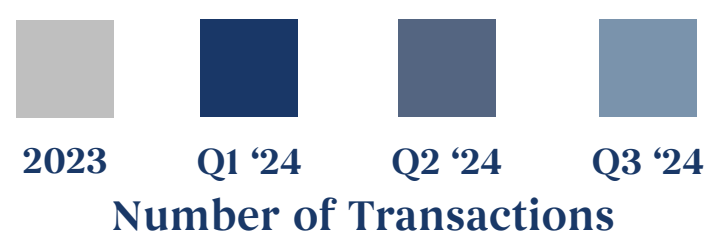
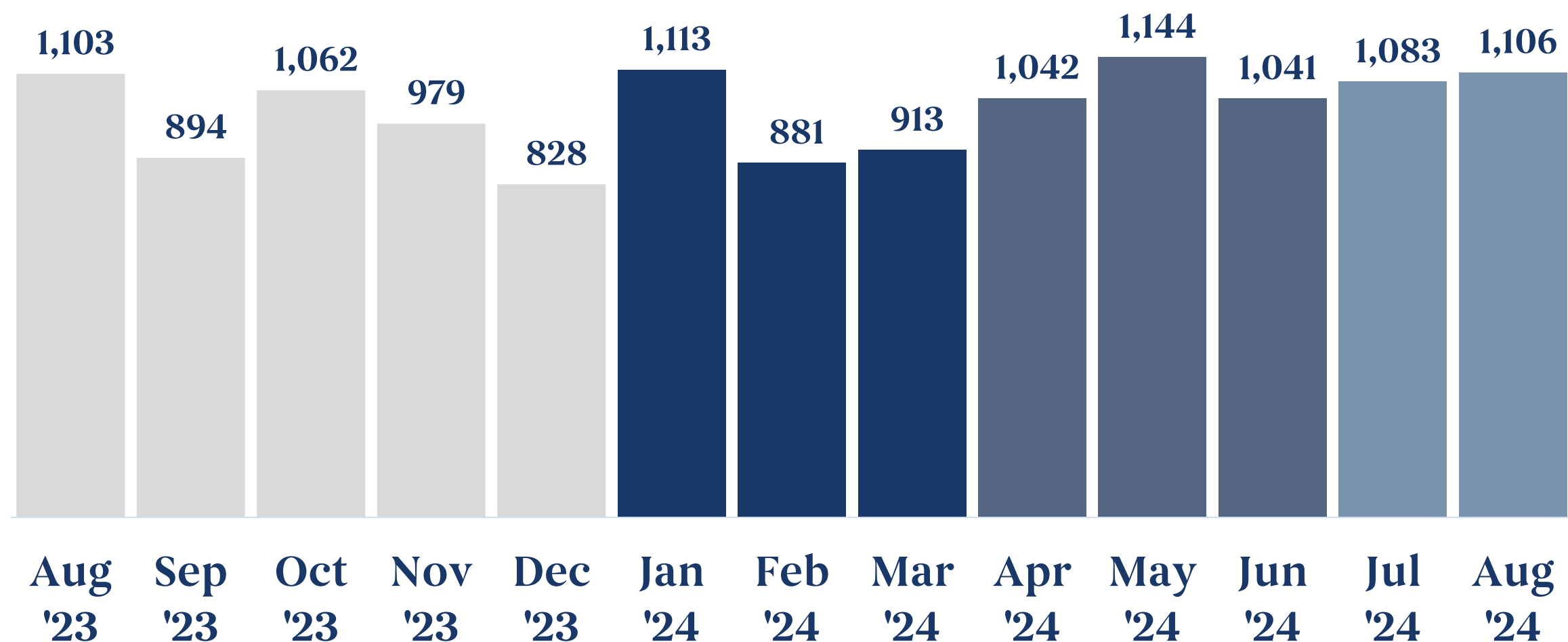
MERGERS & ACQUISITIONS
U.S.

AUGUST 2024

Summary of Mergers & Acquisitions in the U.S.

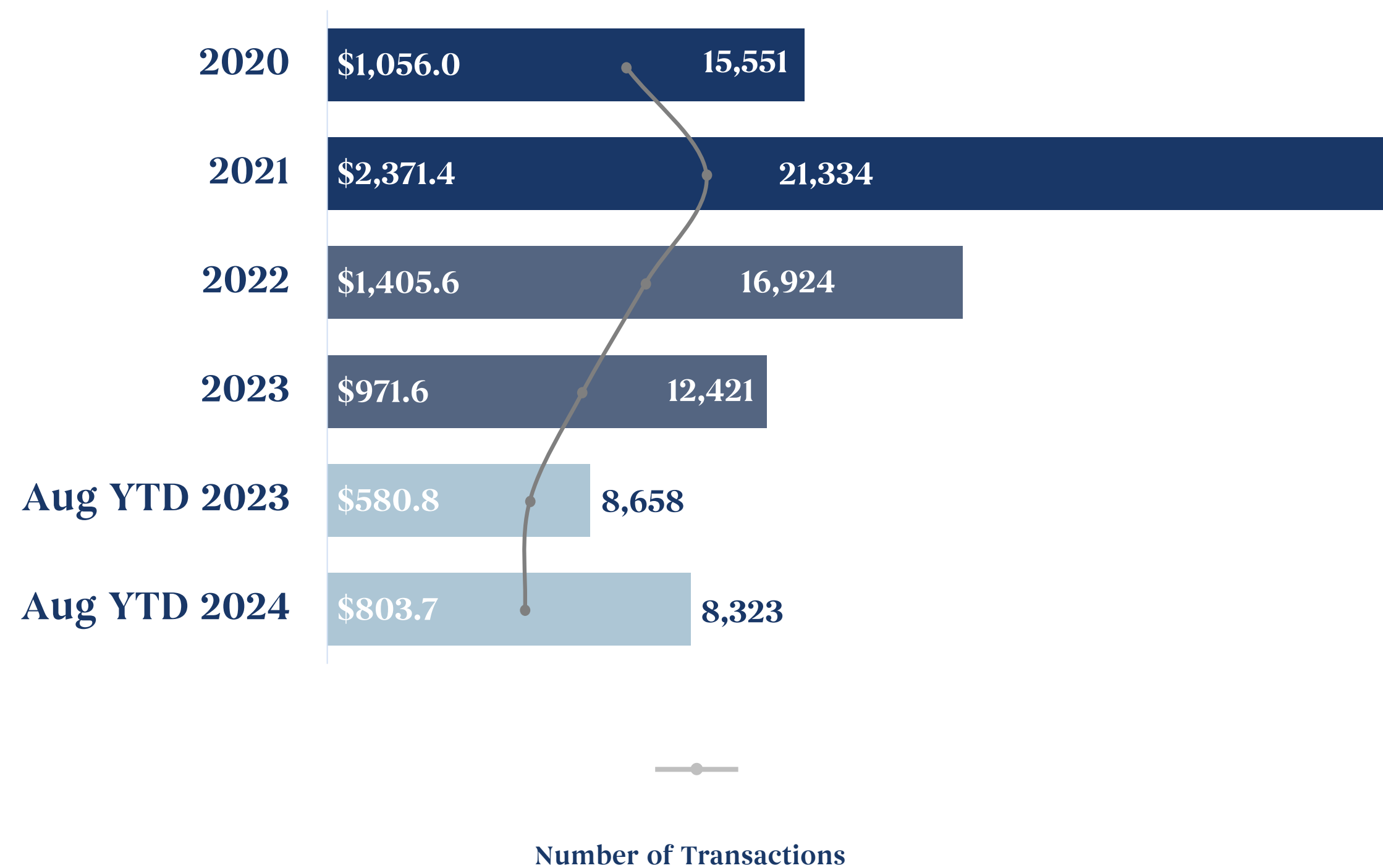
During August 2024, **1,106 transactions** were announced in the U.S., **0.3% more** than in August 2023.

Disclosed Deal Volume in the U.S.
Number of Transactions per Month



Disclaimer: Includes announced transactions subject to customary closing conditions and regulatory approvals
Source: Capital IQ

Disclosed Deal Volume and Value of Acquisitions in the U.S.
Annual Transactions (US\$ Billion)



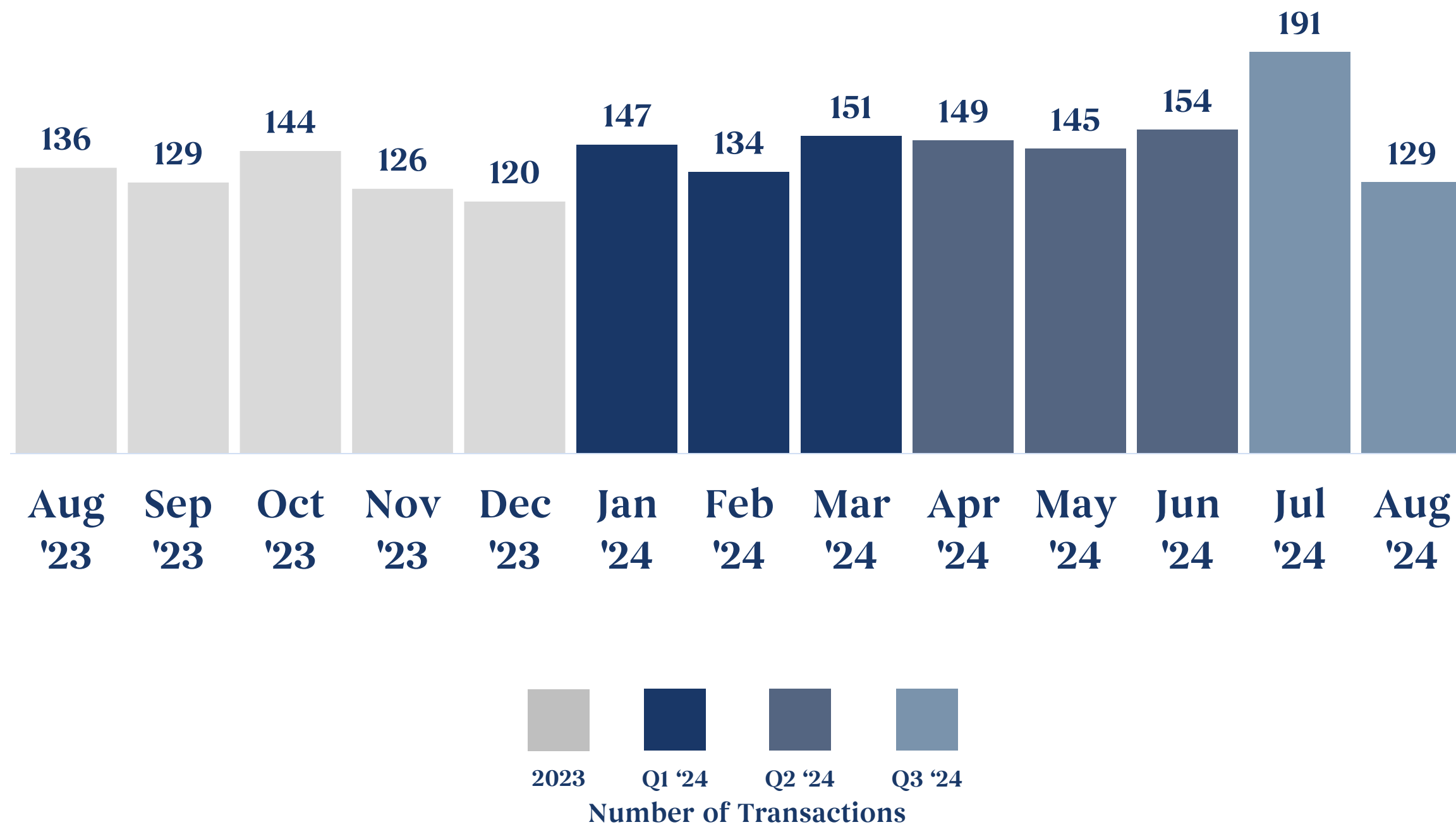
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Summary of Acquisitions Abroad by U.S.-based Companies

During August 2024, **129 acquisitions** were announced by U.S.-based companies abroad, **5.1% less** than in August 2023.

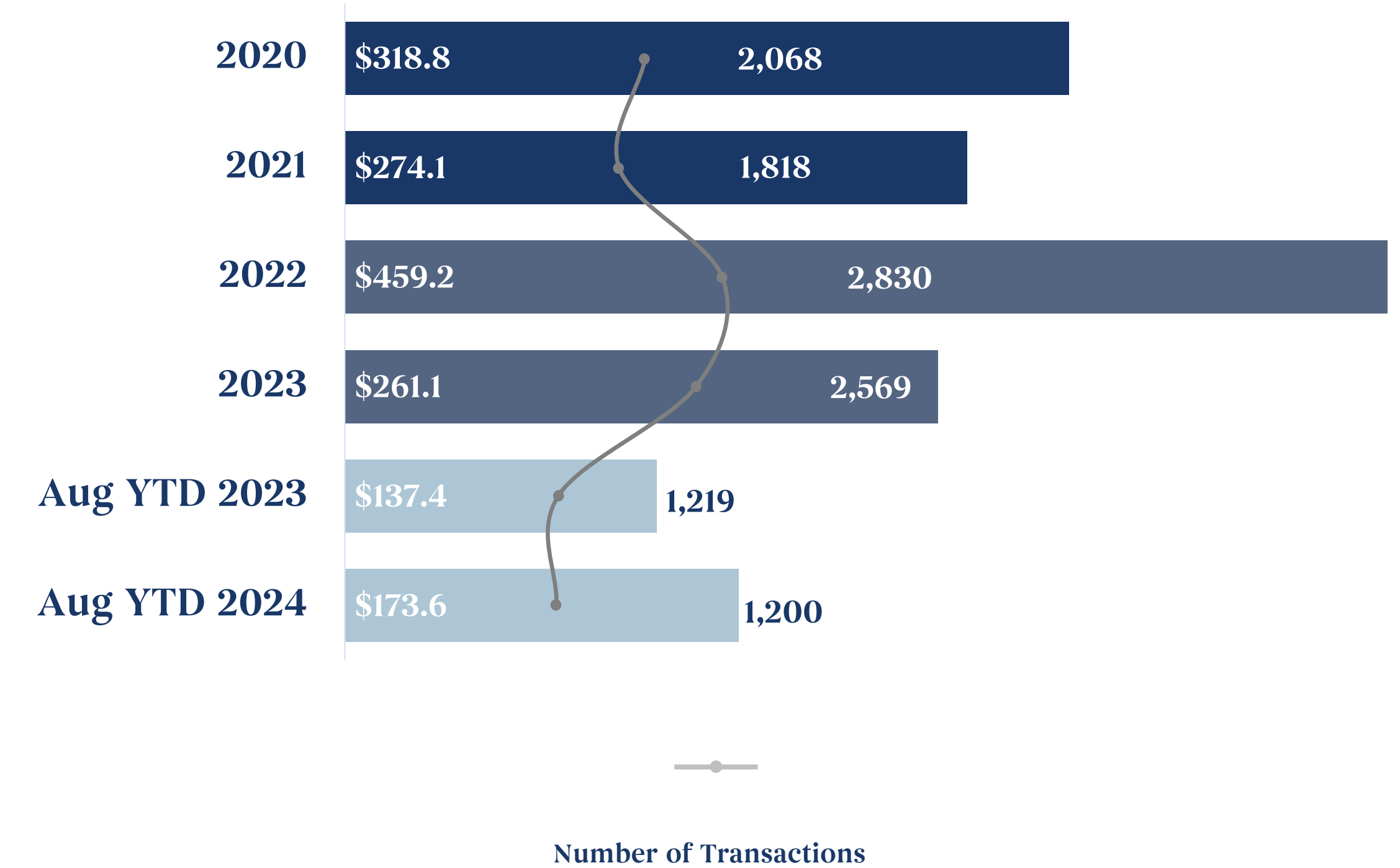
Disclosed Deal Volume by U.S.-based Companies Abroad

Number of Transactions per Month



Disclosed Deal Volume and Value of Acquisitions by U.S.-based Companies Abroad

Annual Transactions (US\$ Billion)



Disclaimer: Includes announced transactions subject to customary closing conditions and regulatory approvals

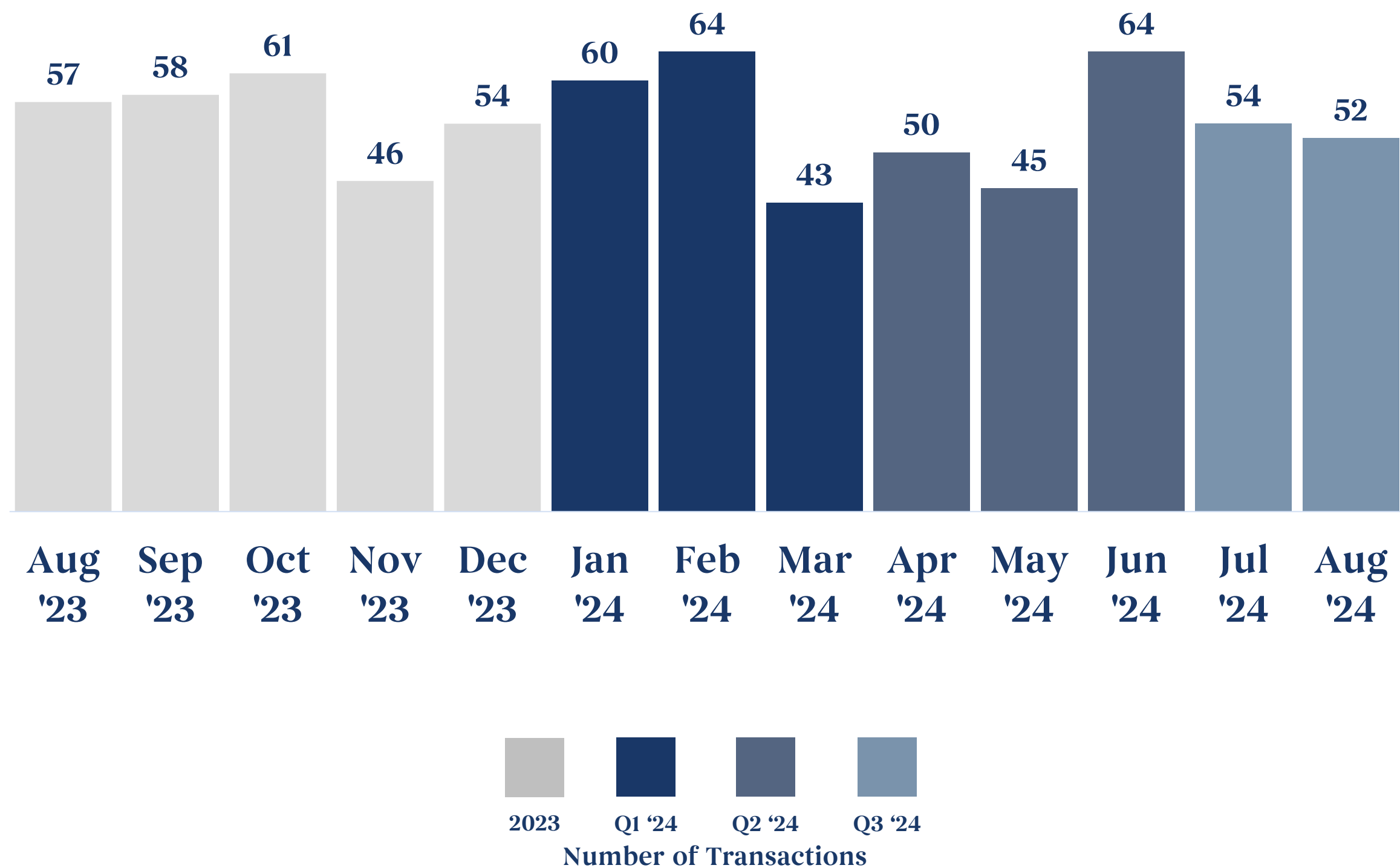
Source: Capital IQ

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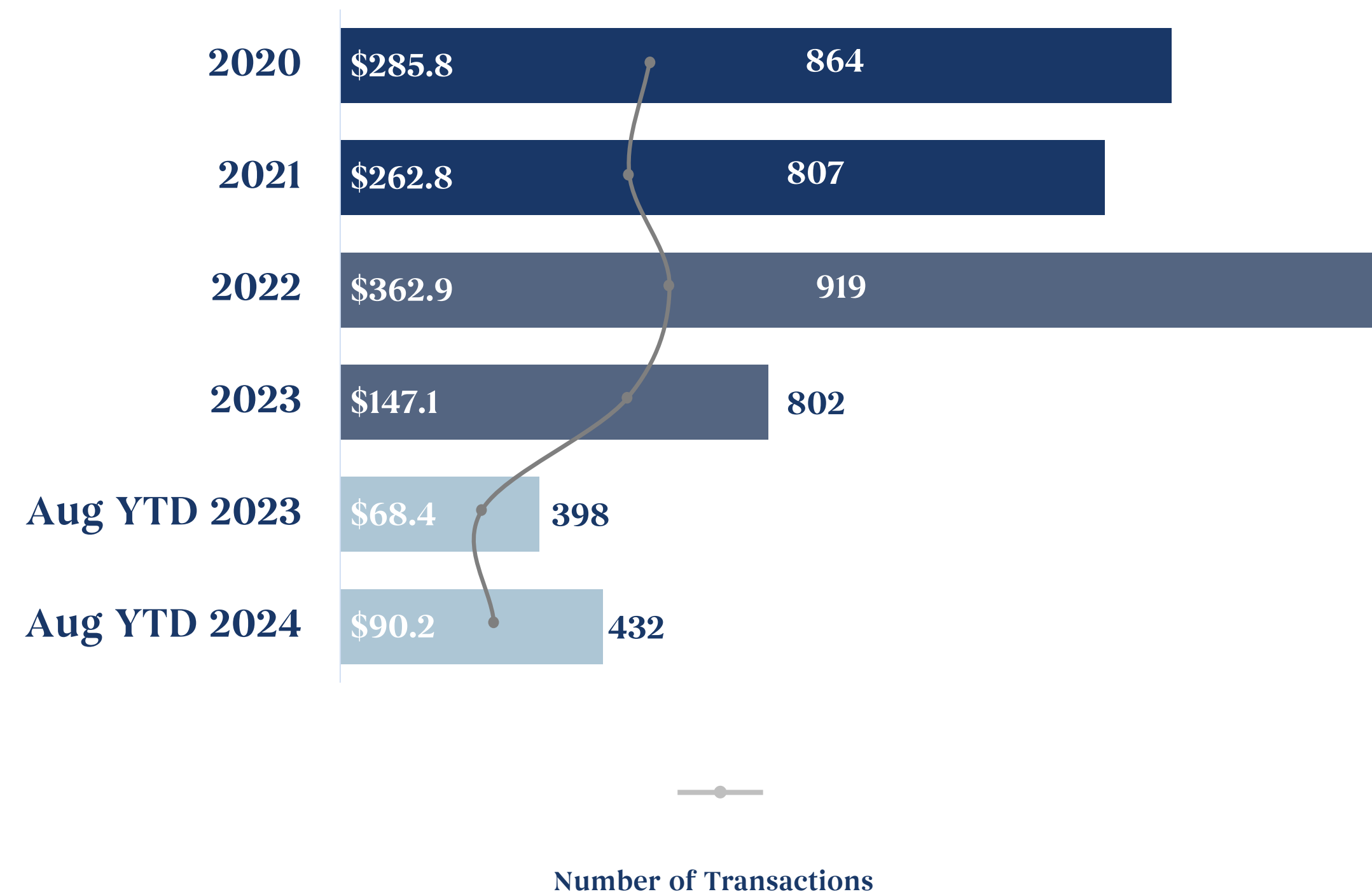
Summary of Divestitures Abroad by U.S.-based Companies

During August 2024, **52 divestitures** were announced by U.S.-based companies abroad, **8.8% less** than in August 2023.

Disclosed Deal Volume of Divestitures by U.S.-based Companies Abroad
Number of Transactions per Month



Disclosed Deal Volume and Value of Divestitures by U.S.-based Companies Abroad
Annual Transactions (US\$ Billion)



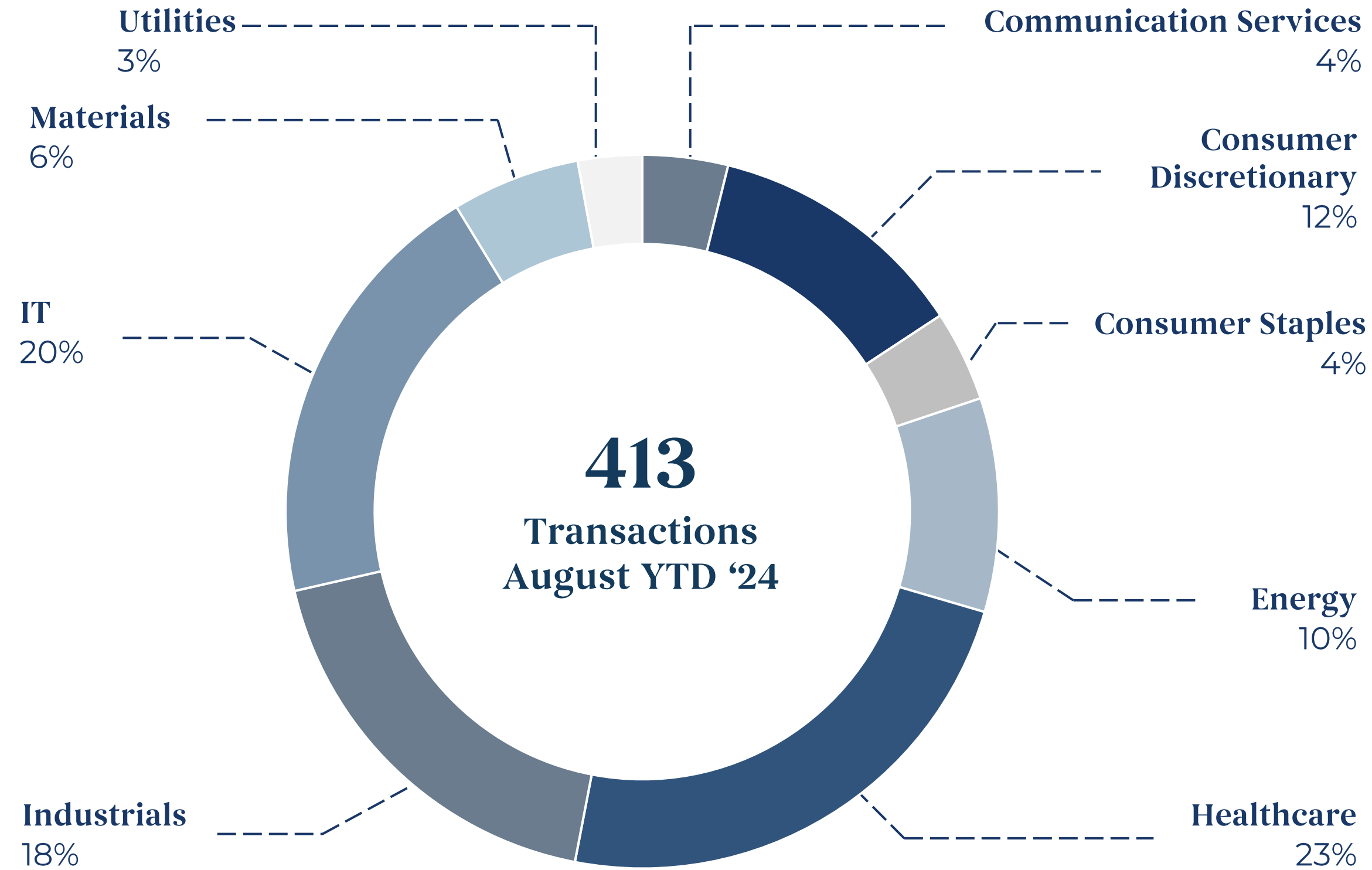
Disclaimer: Includes announced transactions subject to customary closing conditions and regulatory approvals
Source: Capital IQ

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Summary of US\$50M-US\$2B Deals by Industry

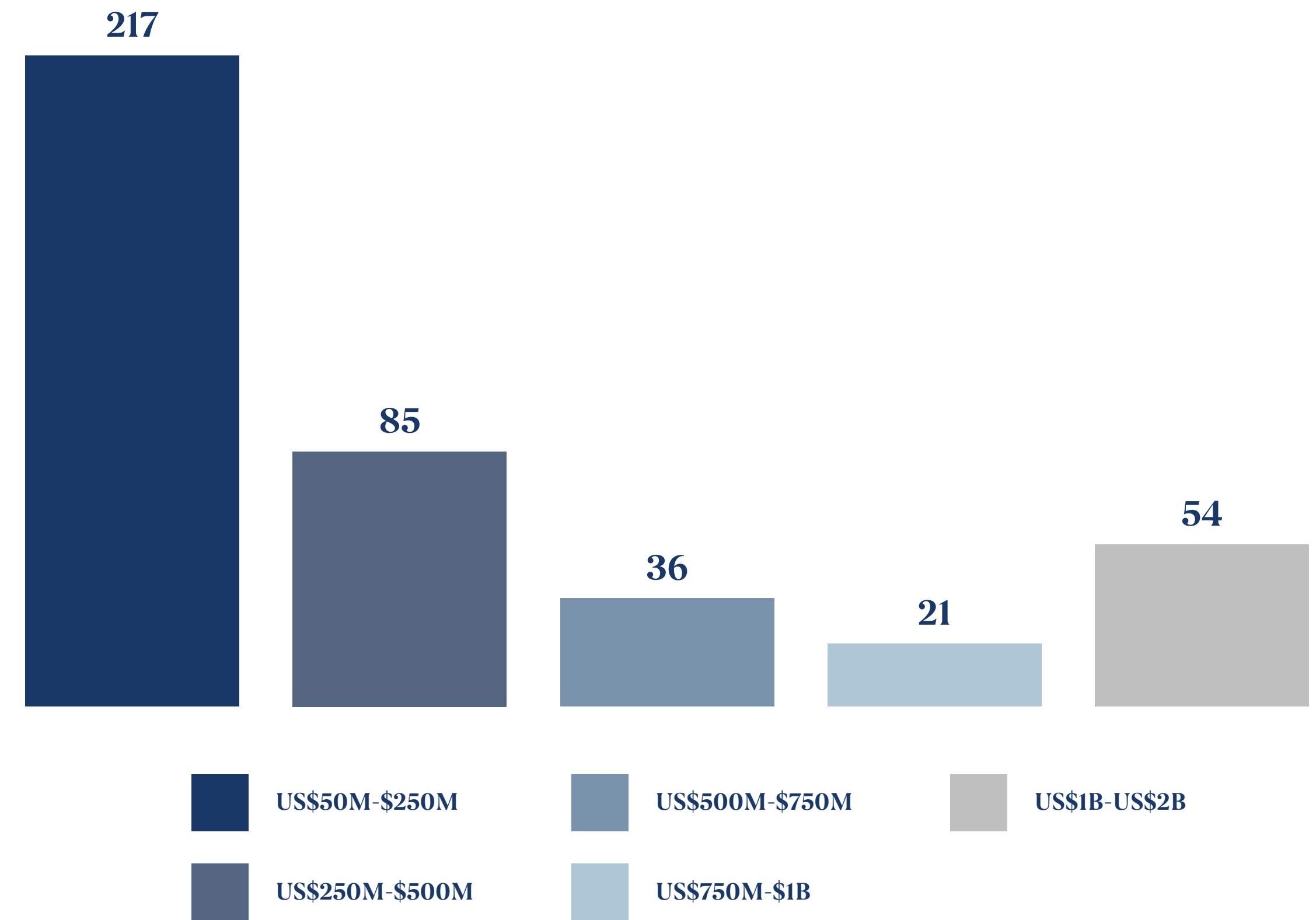
U.S. Transactions by Sector

Percentage of Transactions August YTD '24¹



Disclosed Deal Volume and Value of U.S. Transactions

Number of Transactions August YTD '24 by Enterprise Value



¹This page only considers transactions with disclosed enterprise values larger than US\$50M and below US\$2B, where the acquired equity stake was larger than 51%. Excludes financials and real estate. Please contact us for more information on a particular sector

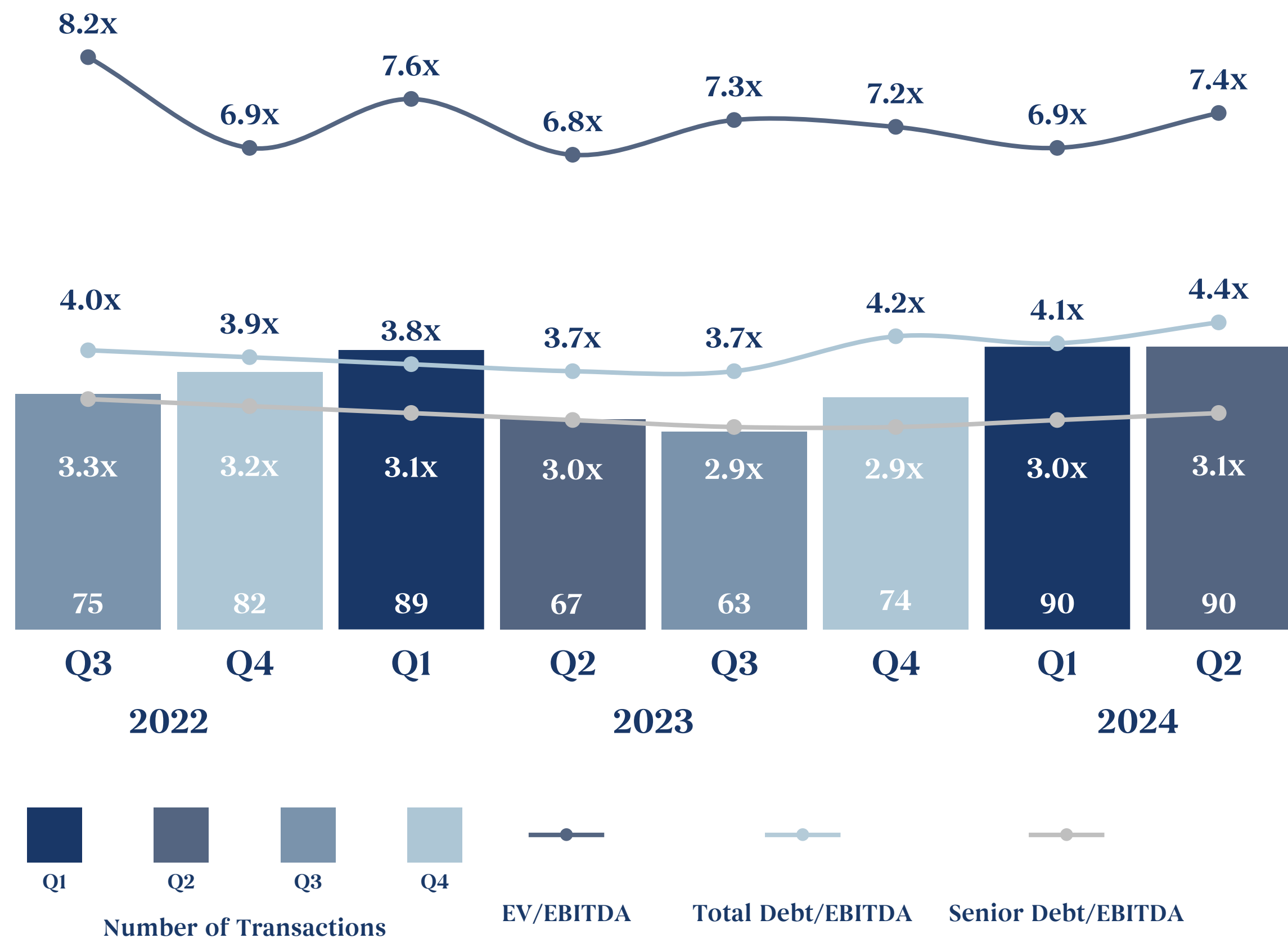
Disclaimer: Includes announced transactions subject to customary closing conditions and regulatory approval

Source: Capital IQ

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Private Equity: Key Insights on M&A Deal Activity – As of Q2 2024

Private Equity Activity
Quarterly Number of Transactions



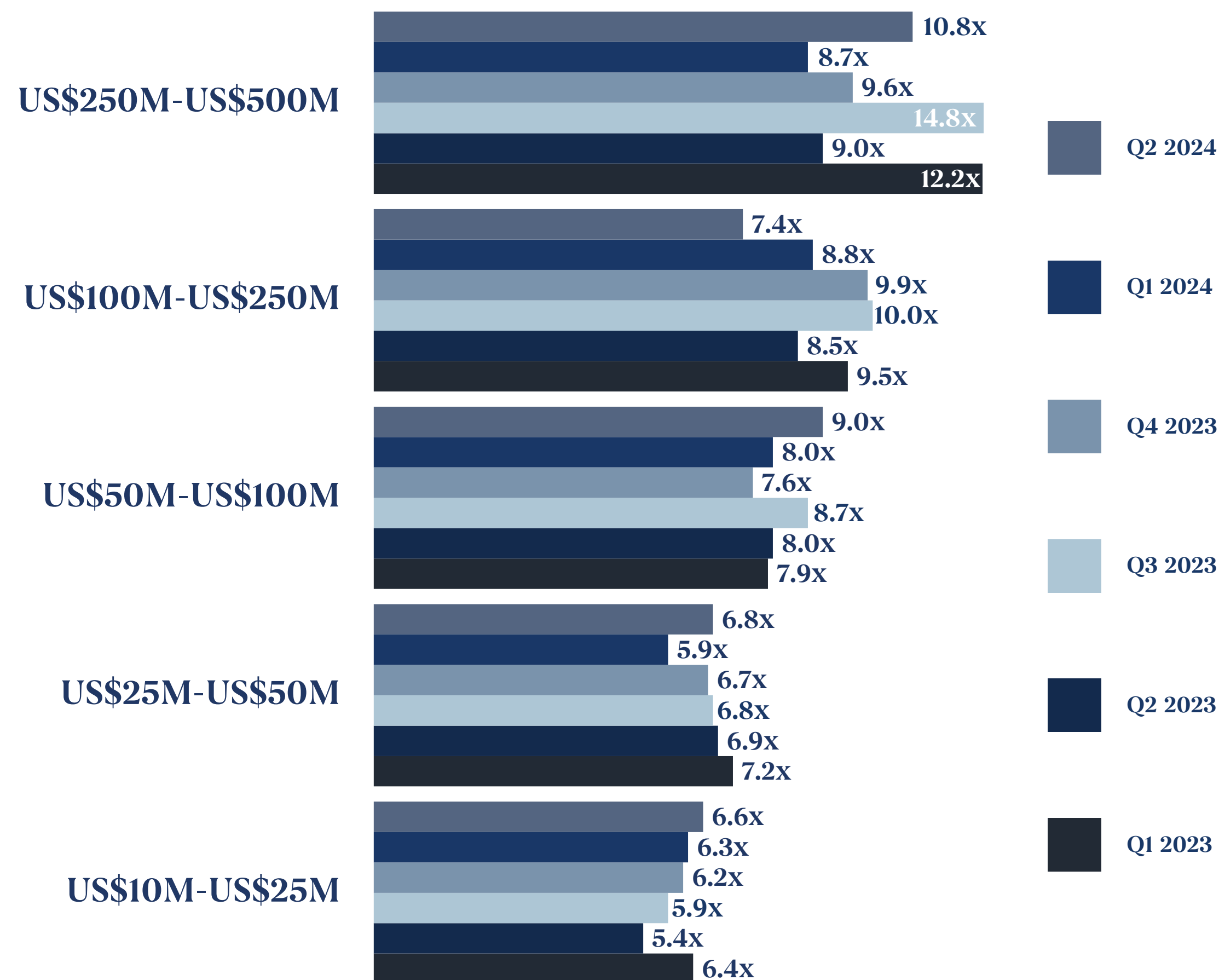
Mid-Market M&A: Q2 2024 Shows Resurgence in Deal Volume and Valuations:

- In the **Q2 2024**, mid-market **private equity-backed M&A** recorded **90 completed transactions**, matching the activity level seen in Q1. This marks a significant improvement from late 2023, signaling sustained momentum and setting the stage for potential growth in the coming quarters.
- Middle-market deal volume surged in **H1 2024**, with **180 completed deals**, putting the year on track to surpass the totals from both 2023 and 2022. If the 2024-run rate deal volume continues, it is **projected to exceed** last year's deal count by nearly **23.0%**, signaling a robust resurgence in M&A activity.
- **Average valuations on completed deals reached 7.4x EV/EBITDA in Q2**, reflecting a half-turn (0.5x) increase from Q1. This rise indicates improved market conditions, particularly in **deals valued under US\$100M**, as well as those between **US\$250M and US\$500M**, all of which saw an increase in average valuations.
- **The volume and valuation of Above-Average Financial Performers (AAFP)*** declined in H1 2024, with AAFP companies making up just **38.0% of the overall market**, down from 46.0% last year and below the historical average of 56.0%. The premium for **AAFP deals dropped to 7.0%**, the lowest in five years, suggesting that many high-performing firms are holding off for better market conditions.

*GF Data defines above-average financial performers as businesses with TTM EBITDA margins and revenue growth rates both above 10%, or one above 12% and the other metric at least 8%. Outliers on the high side are also excluded.

Private Equity: Key Insights on M&A Deal Valuation Trends – As of Q2 2024

Disclosed Valuation Multiples of Private Equity Transactions
EV/EBITDA Multiples by Enterprise Value Range



Shifting Dynamics of M&A and Valuations:






















- Average spreads between larger and smaller deals **contracted** in H1 2024, signaling **less favorable valuations** for bigger companies. The **2.7x spread** between deals valued at **US\$10M-US\$100M** and **US\$100M-US\$500M** remained consistent with historical averages. However, average **multiples** for both tiers were **below the norm, at 6.4x and 9.4x**, respectively, compared to 6.8x and 10.2x in 2023.
- Despite the overall increase in valuations, deals valued between **US\$100M** and **US\$250M** experienced a multiple compression, with average valuations dropping by more than **1.5x EBITDA**. This decline reflects lower average revenue growth and margins within this size tier, indicating ongoing **market challenges**, with higher quality businesses remaining on the sidelines.
- **Technology, healthcare services, and distribution sectors** all averaged **7.2x YTD 2024**. Technology and healthcare dropped from average valuations of 10.2x and 8.9x respectively, likely to shifts in investor sentiment and regulatory pressures, while the distribution sector stayed consistent. Valuations in the **manufacturing sector** improved to **6.8x YTD 2024**, up from 6.5x in 2023, driven by smaller deals and higher valuations for transactions between **US\$50M** and **US\$100M**.
- **Add-on investments surged in H1 2024**, making up **44.0% of deals**, up from 35.0% in 2023. This reflects a shift towards **enhancing existing platforms**. Increased competition, particularly for deals below US\$50M, pushed valuations higher, reversing the trend of add-ons selling for less than platform deals.

NOTE: All multiples mentioned above represent EV/EBITDA

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Source: GF Data

Representative Sub-US\$2B Transactions During August 2024

Target			Buyer		Seller	Financial Information			
Name	Description	Sector	Name	Country	Name	Size (US\$M)	% Acquired	EV/ EBITDA	EV/ Revenue
 POWER ENGINEERS *	Provides engineering and consulting services, specializing in energy, utilities, and infrastructure projects	Industrials		CAN	-	\$1,780.0	100.0%	15.2x	2.1x
 thoughtworks *	Provides global technology consultancy and software design services	Information Technology		GBR	Multiple Sellers	\$1,750.0	38.8%	-	1.7x
 PETIQ *	Provides pet health and wellness products	Healthcare		USA	-	\$1,500.0	100.0%	13.0x	1.2x
 Loc Performance *	Develops driveline, suspension, track systems, armor, and rubber products for military and industrial vehicles	Industrials		DEU	-	\$950.0	100.0%	-	-
REVANCE *	Develops aesthetic and therapeutic products, specializing in neuromodulators and dermal fillers	Healthcare		USA	-	\$924.0	100.0%	-	3.7x
 Airtron *	Provides HVAC systems for residential new construction homes	Industrials		USA		\$500.0	100.0%	8.6x	-
 SARIA *	Develops fiber optic and electrical cable assemblies	Industrials		USA	Multiple Sellers	\$475.0	100.0%	-	2.7x
iteris	Provides smart mobility infrastructure management solutions	Information Technology		ITA	-	\$335.0	100.0%	-	1.9x
 MOGAS *	Provides ball valves for industrial applications such as power, oil, gas, and mining	Industrials		USA	-	\$305.0	100.0%	7.5x	-
Black & Veatch Wireless Infrastructure Business	Provides wireless telecommunications infrastructure services	Industrials		USA		\$150.0	100.0%	-	-
 alum-a-lift	Provides ergonomic lifting equipment	Industrials		SWE	-	\$120.0	100.0%	-	4.6x

Source: Capital IQ, Dealogic, Press Releases

*Announced transactions pending approval and other customary closing conditions

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We have worked repeatedly with many of the most well-known companies in the world...

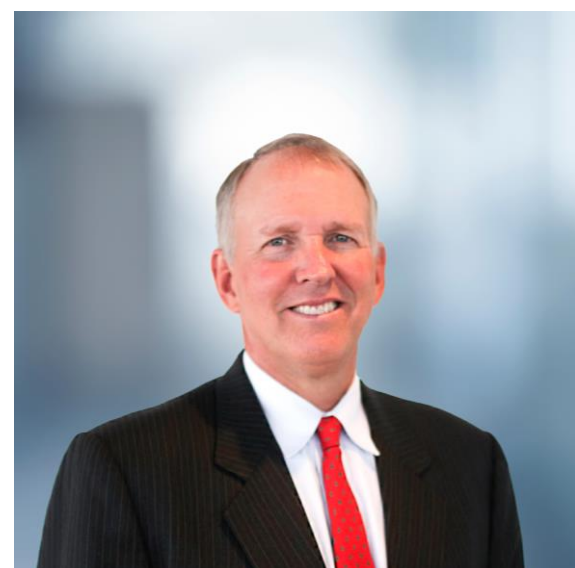
...as well as with reputable funds, family-offices and privately held companies.



Representative Global Engagements

 has acquired 	 has acquired 	 has been acquired by  portfolio company of 	 has sold Triumph Air Repair & Triumph Engines businesses to 	 has acquired unified brands from 	 has partnered with  a company backed by  	 has acquired 	 has sold the North American guarding business of  to 	 has sold  to 	 has sold  to 	 a subsidiary of  has sold  to 
 has sold  to Daives Baird Pty Ltd a sister company of 	 has acquired 	 has sold  to Code Flower Inc.	 has sold its GRACE Membranes Business  a subsidiary of 	 has sold  and  to 	 has sold a controlling interest to 	 has been acquired by 	 has sold SENSI CARE and ALOE VESTA to 	 has sold their Sanitaryware Manufacturing Plant to 	 has acquired Multiple snack companies   	 has sold  to 
 has sold Commercial Flight Training Business to 	 has been acquired by 	 has sold Oxbow Sulphur, Inc. to 	 has been acquired by 	 has sold  to 	 Engineers & Constructors has acquired 	 has acquired 	 has acquired 	 has sold Triumph Processing - Embee Division to 	 has sold  to Private Equity Partners	 has been acquired by 
 has sold  to 	 has acquired  KFC Costa Rica from 	 has been acquired by 	 has sold  to 	 has sold the Films Business of  to 	 has been acquired by 	 has sold  to 	 Oxbow's Senior Subordinated debt issued by  was refinanced by 	 has sold  to 	 has acquired  from THE MOORE COMPANY	 sold its concrete pumping business to 

Washington, D.C. | Miami | Mexico City | Monterrey | San Luis Potosi

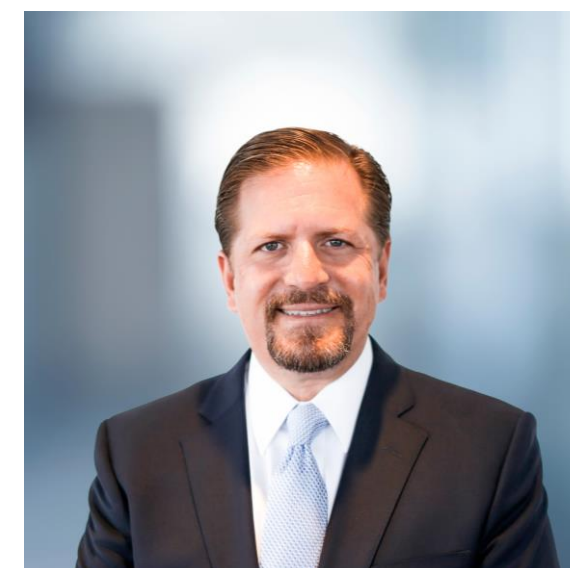


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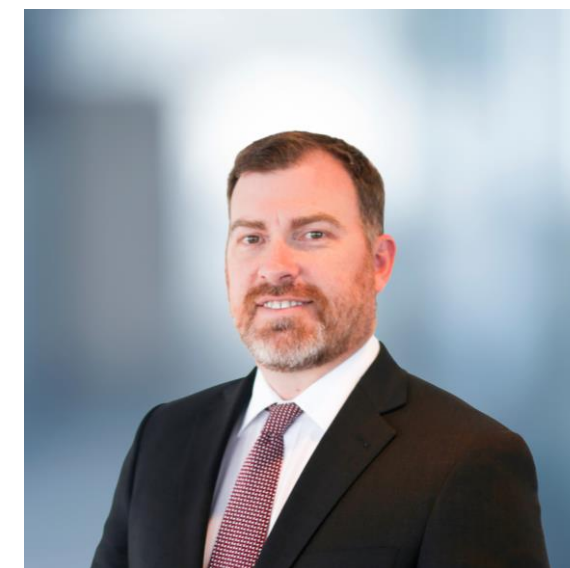


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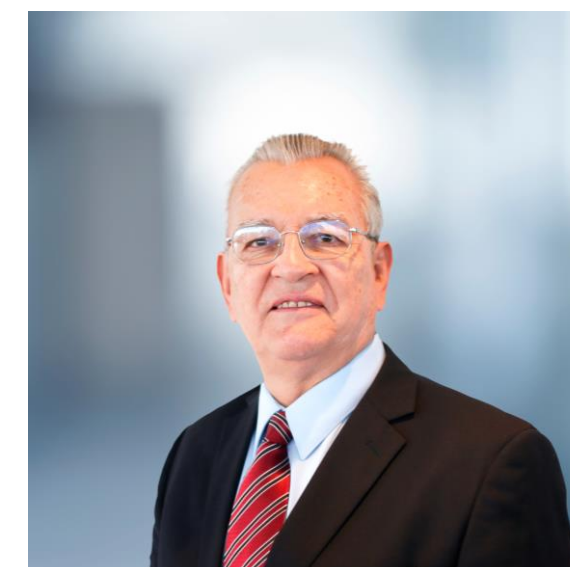


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Please contact us if you would like further information about M&A trends and/or specific transaction multiples for your industry.

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