



Seale & Associates

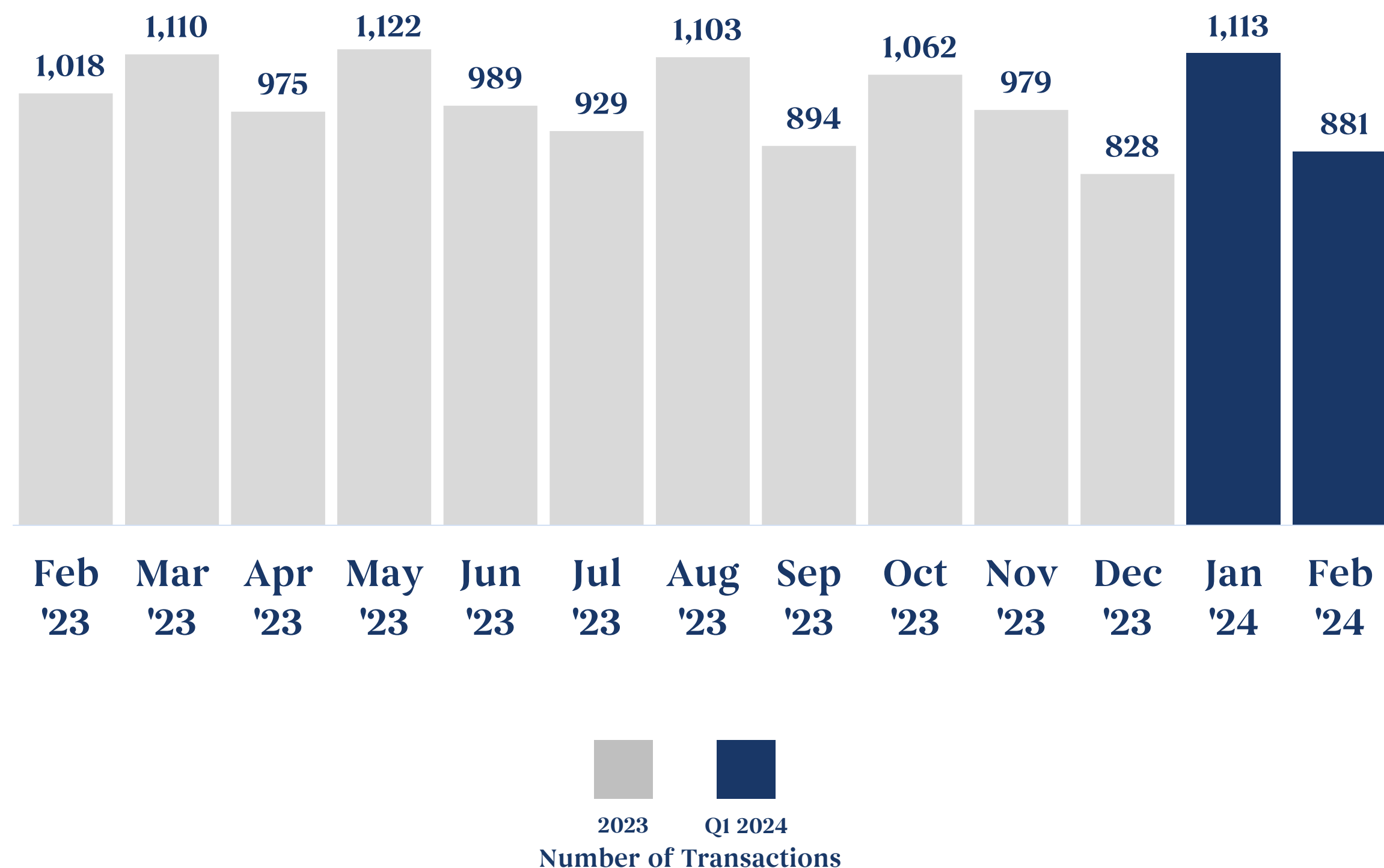
MERGERS & ACQUISITIONS
U.S.

FEBRUARY 2024

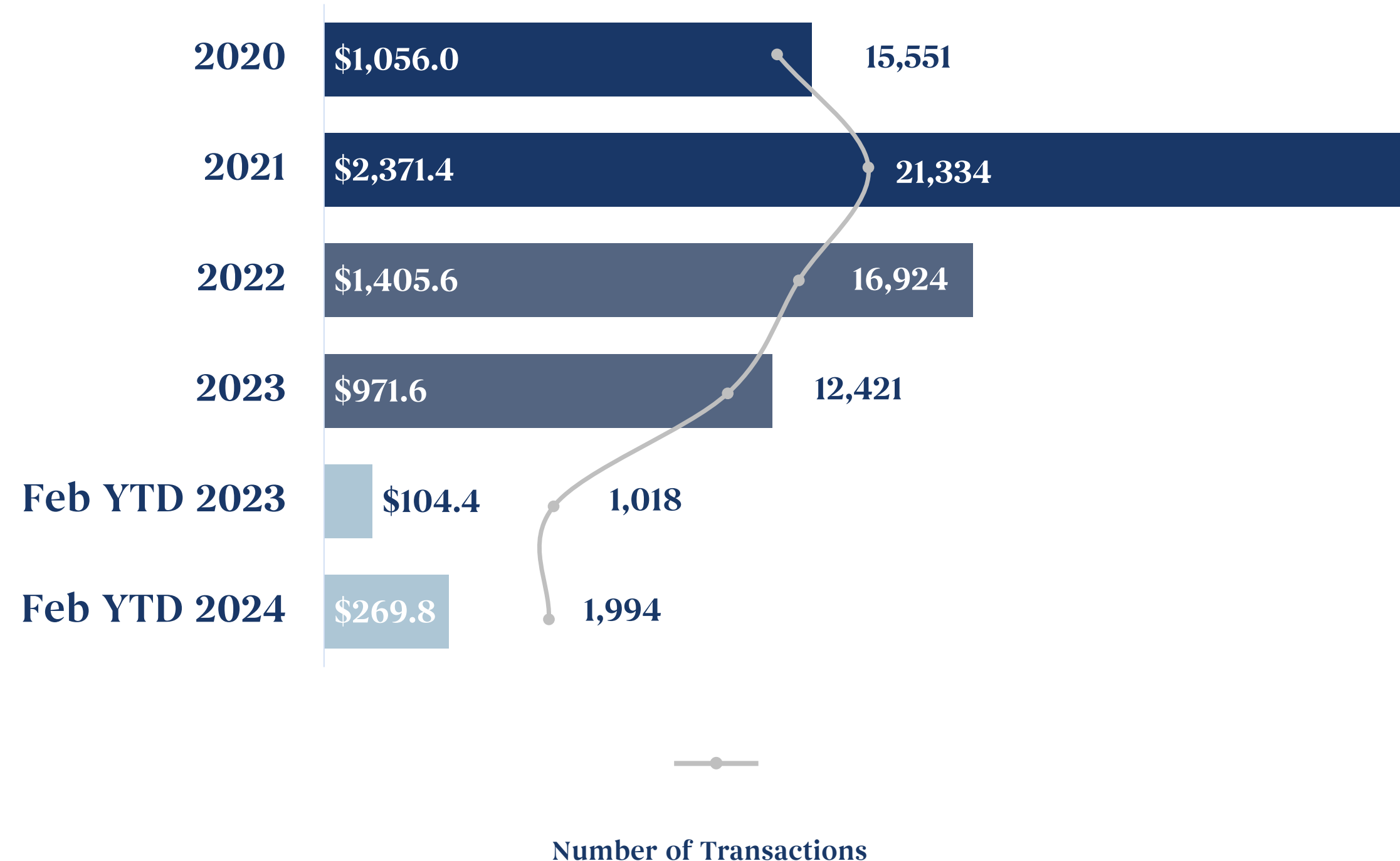
Summary of Mergers & Acquisitions in the U.S.

During February 2024, **881 transactions** were announced in the U.S., **13.5% less** than in February 2023.

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



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



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

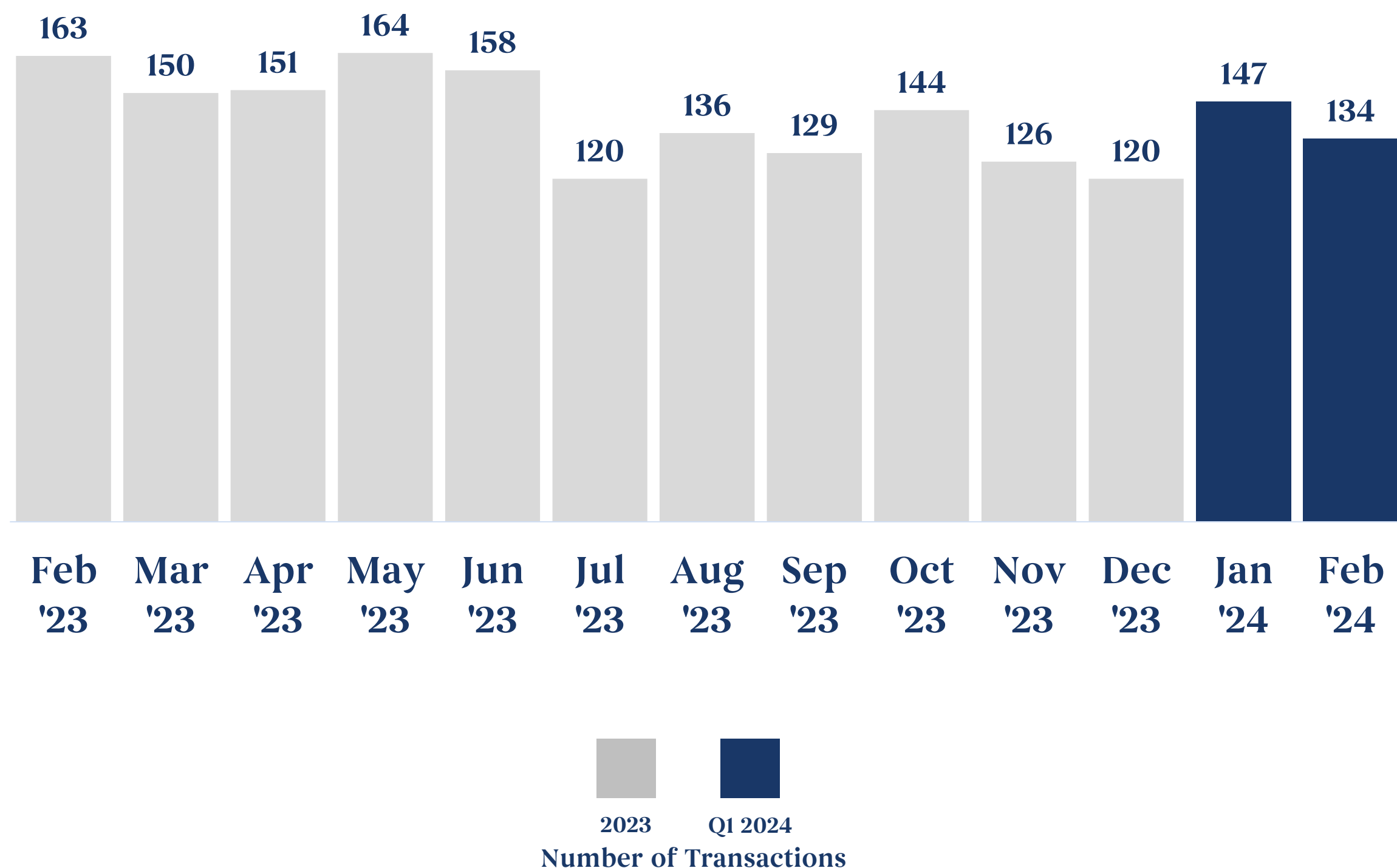
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Summary of Acquisitions Abroad by U.S.-based Companies

During February 2024, **134 acquisitions** were announced by U.S.-based companies abroad, **17.8% less** than in February 2023.

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

Number of Transactions per Month

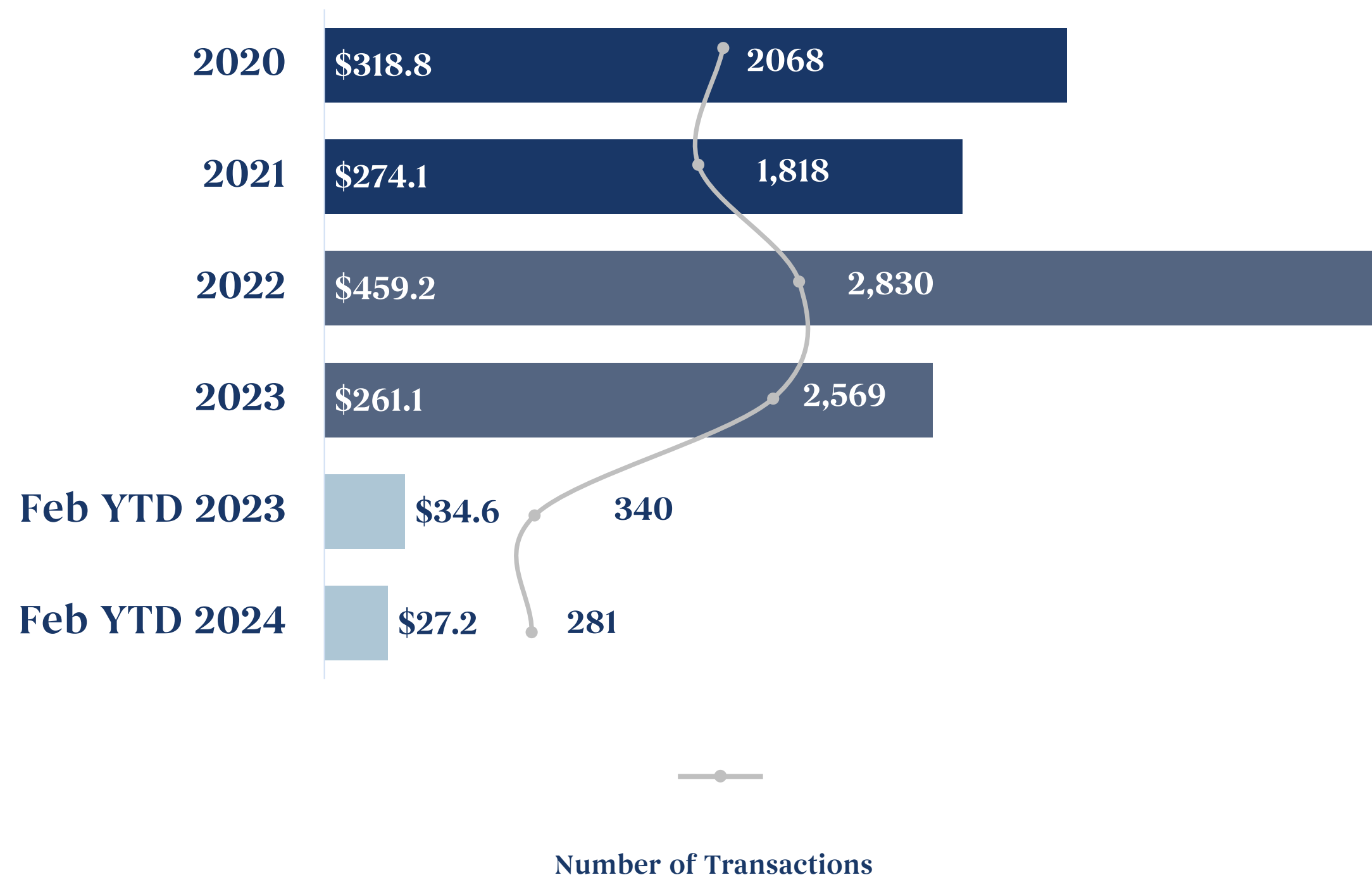


Disclaimer: Includes announced transactions subject to customary closing conditions and regulatory approvals

Source: Capital IQ

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

Annual Transactions (US\$ Billion)



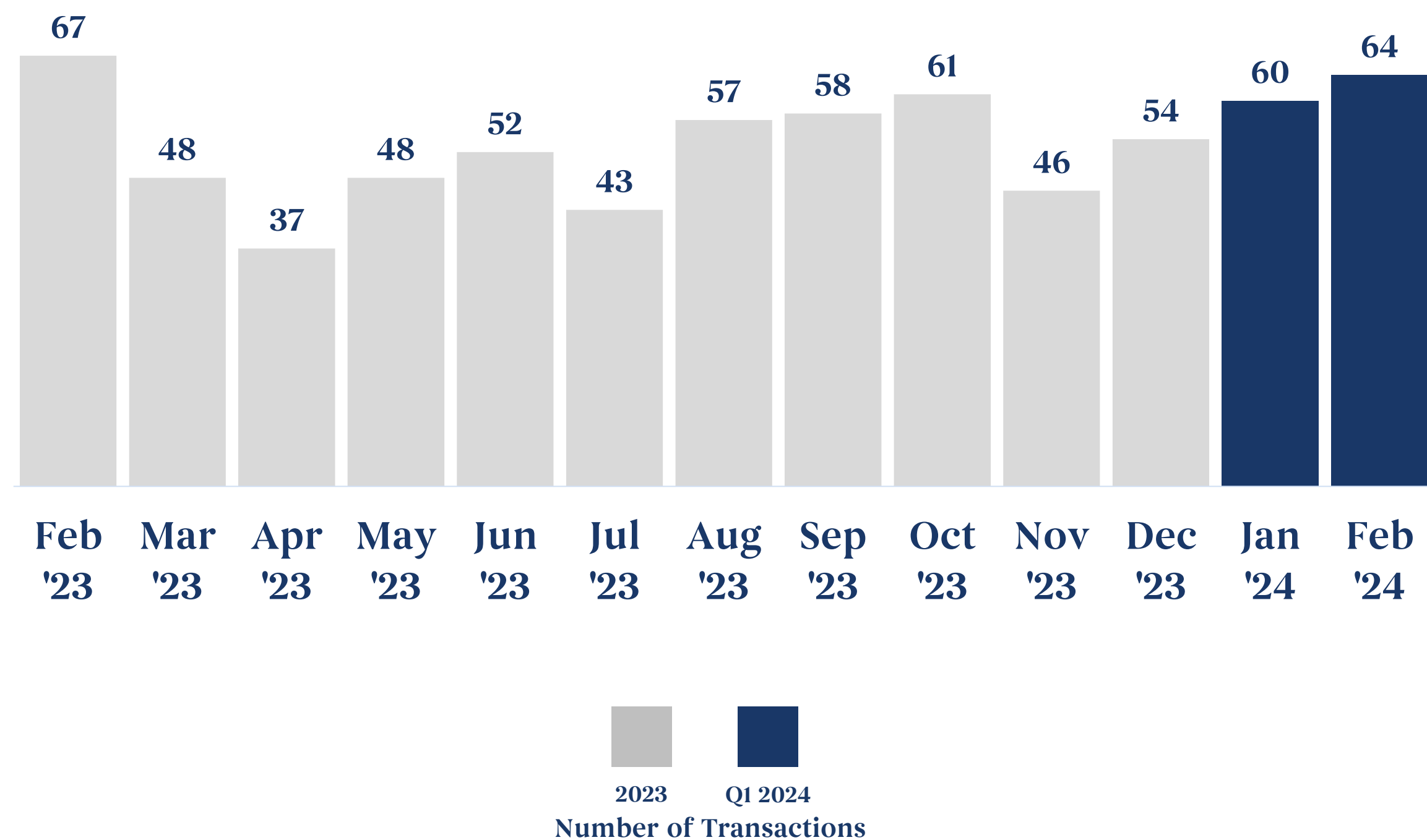
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Summary of Divestitures Abroad by U.S.-based Companies

During February 2024, **64 divestitures** were announced by U.S.-based companies abroad, **4.48% less** than in February 2023.

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

Number of Transactions per Month

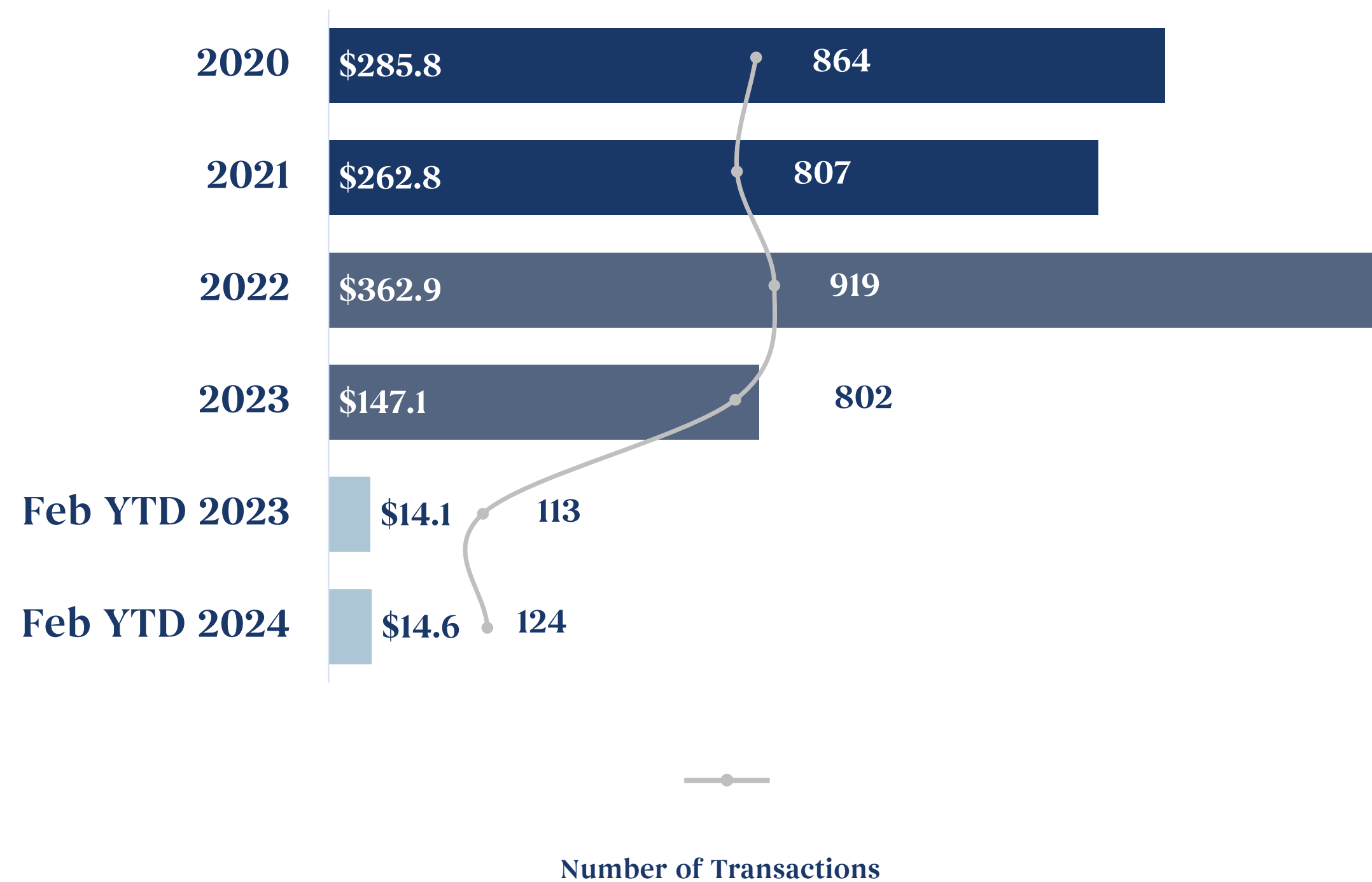


Disclaimer: Includes announced transactions subject to customary closing conditions and regulatory approvals

Source: Capital IQ

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

Annual Transactions (US\$ Billion)

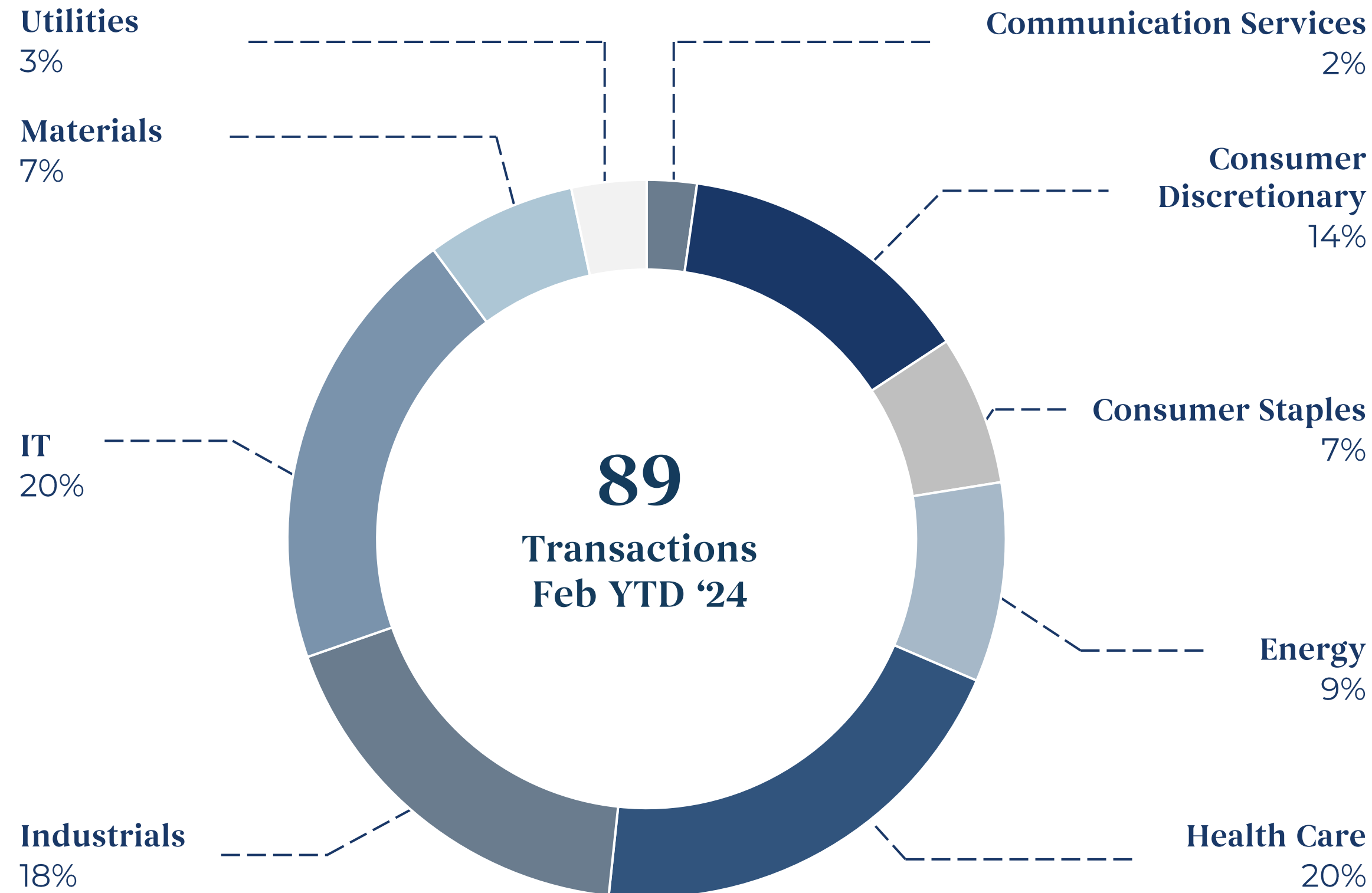


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Summary of US\$50M-US\$2B Deals by Industry

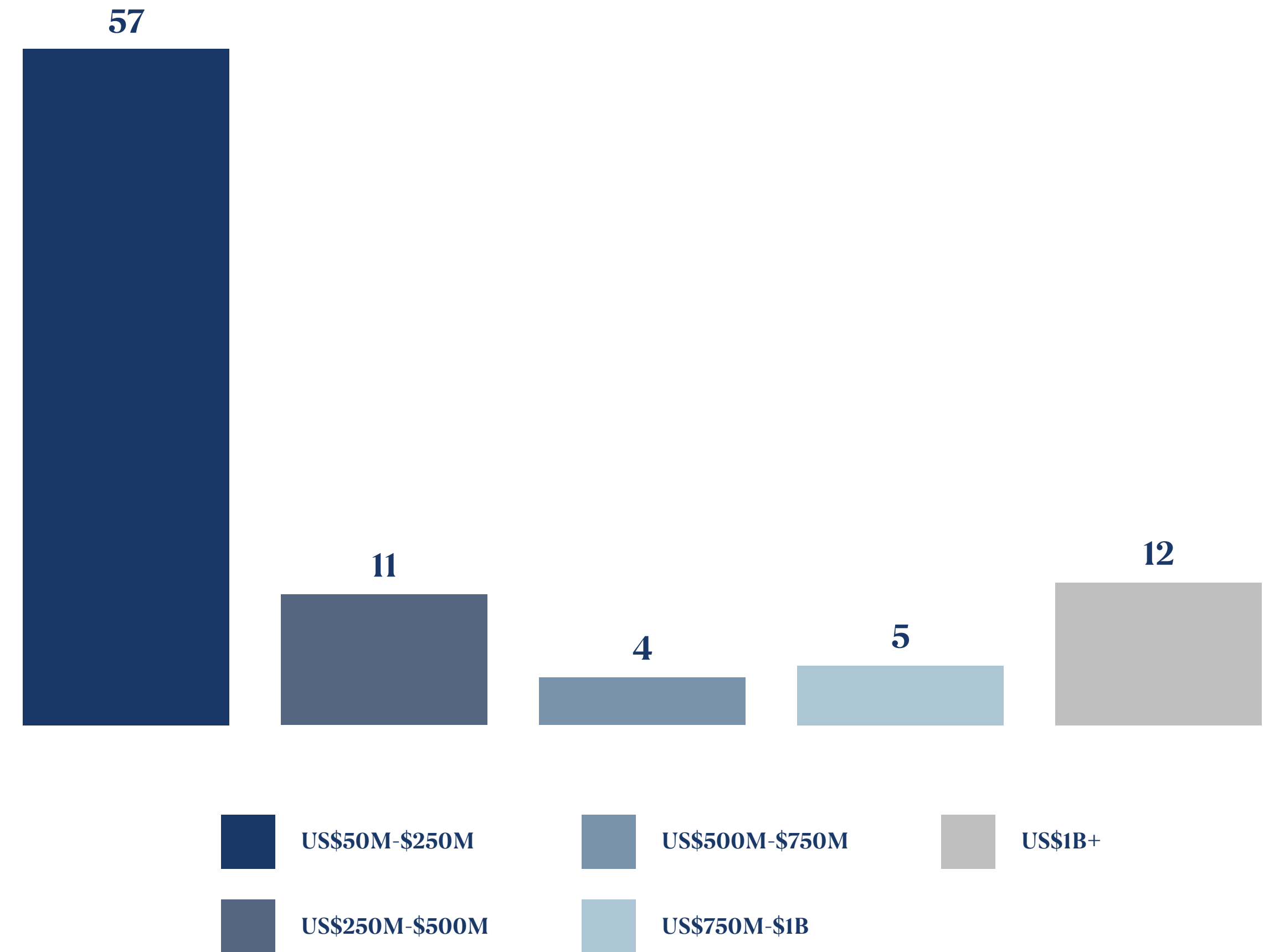
U.S. Transactions by Sector

Percentage of Transactions February YTD '24¹



Disclosed Deal Volume and Value of U.S. Transactions

Number of Transactions February 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

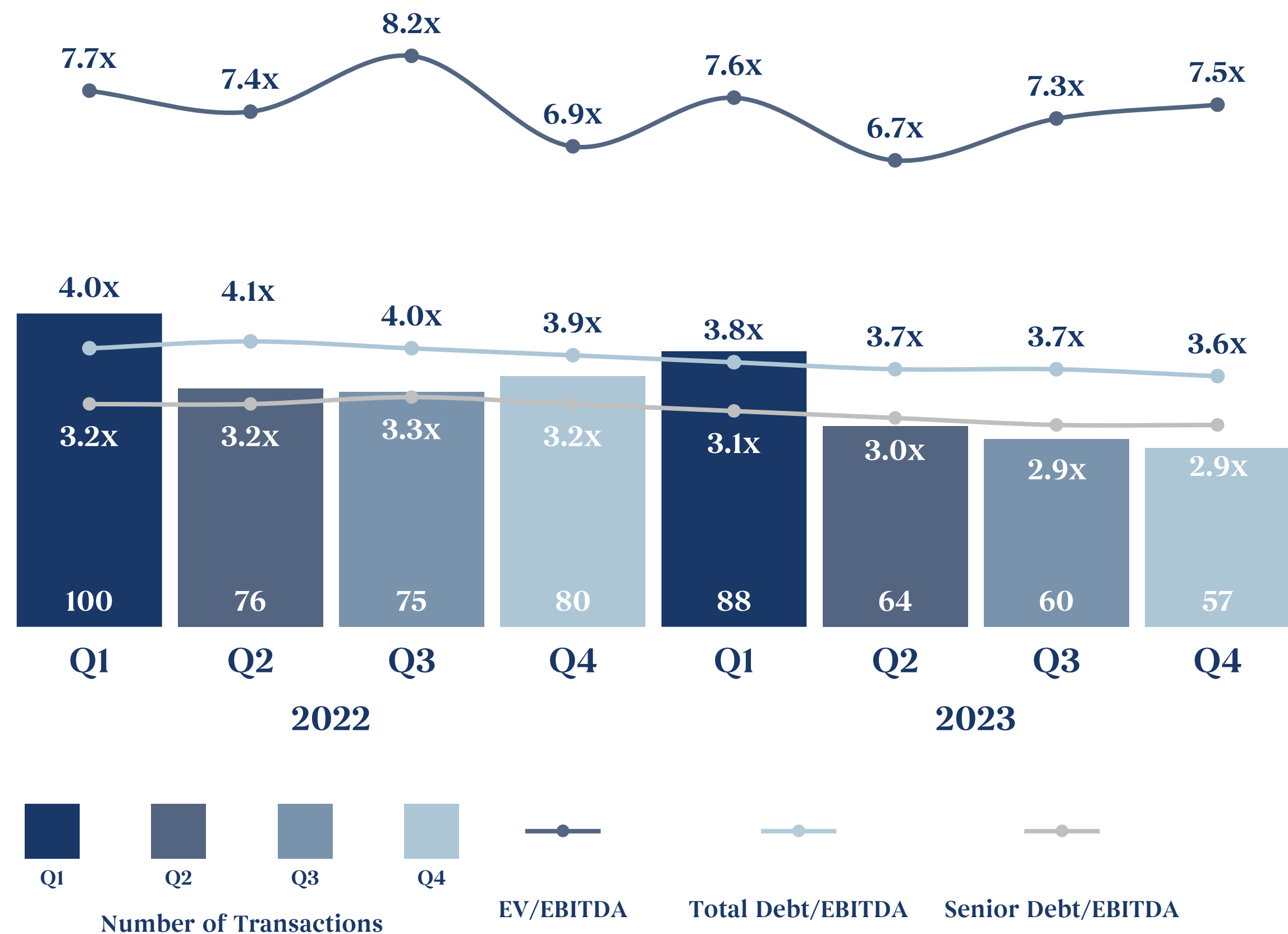
Disclaimer: Includes announced transactions subject to customary closing conditions and regulatory approval

Source: Capital IQ

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Private Equity: Key Insights on M&A Deal Activity – As of 2023

Private Equity Activity
Quarterly Number of Transactions



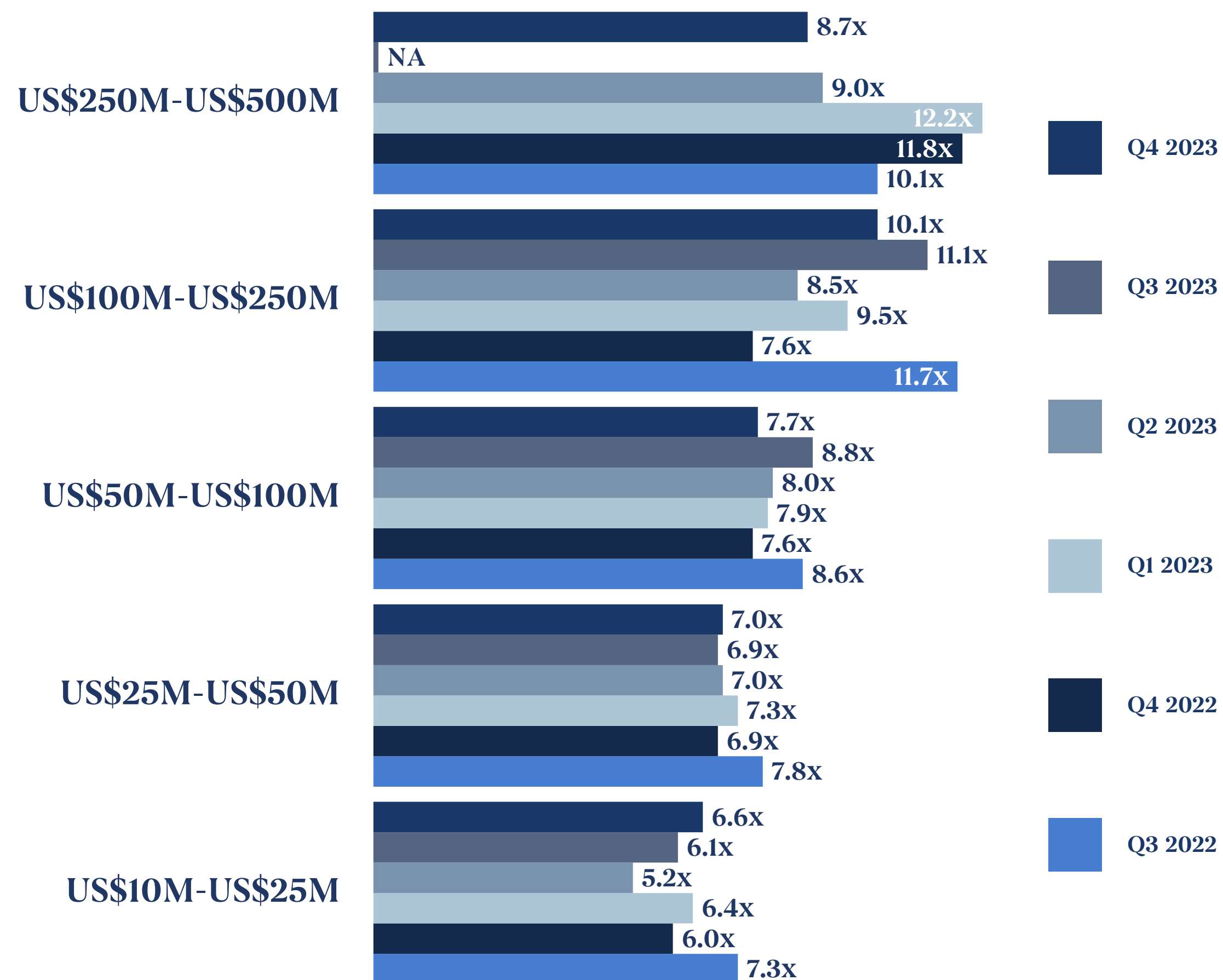
Mid-Market M&A: Q4 2023 Sees Deal Volume Decline and Valuations Climb for High Performers

- The **fourth quarter** of **2023** showed a **decline** in mid-market **private-equity-backed M&A**, with only **57 transactions** in the fourth quarter. In 2023, there were **269 transactions**, marking a **19.0%** and **46.0%** drop from 2022 and 2021, respectively.
- The **valuations** on completed deals in the fourth quarter **averaged 7.5x EV/EBITDA**, **increasing 0.2x** from the third quarter. This brings the **year's average to 7.3x**, slightly below the **7.6x average** of 2022 and 2021.
- Despite the decrease in transaction numbers, the market maintained a balanced valuation perspective, prioritizing larger and more financially solid companies. Those with **over US\$10M in annual EBITDA** achieved a valuation **higher than the average of 8.2x**. Furthermore, companies exhibiting high financial performance secured a **28.0% average valuation premium**, highlighting the market's emphasis on operational excellence as key factors in determining a company's value.
- The high-interest rate environment has pushed the adoption of rollover equity in deal structures, with its usage in **platform buyouts hitting 14.7%** and **featuring in over 60.0% of transactions**.

*GF Data defines better 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 2023

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



Shifting Dynamics of M&A and Valuations

- In the second half of 2023, average valuations saw a rebound across deals valued between **US\$10M** and **US\$500M**, marking a significant recovery from the first half's lows. This uptick reflects a more **competitive M&A landscape** and a higher premium placed on financial performance.
- Manufacturing sector valuations, especially within Branded Consumer and Business-to-Business categories, **remained below 2022 averages**, whereas unbranded consumer manufacturing **rebounded significantly to 7.3x**. This variation highlights differing market dynamics and investor sentiment across industries.
- **Add-on investments** accounted for **49% of all buyouts in 2023**, a slight increase from the previous quarters, **demonstrating a stable yet significant shift** towards **add-on strategies** over new platform acquisitions. The narrowing gap in purchase price multiples between add-ons and platforms underscores a **focused approach to value creation** within **existing portfolios**.
- The **valuation spread** between smaller deals (US\$10-US\$100 million TEV) and larger transactions (US\$100-US\$500 million) **widened to a record 3.8x in 2023**, emphasizing the **size premium in deal valuations** and the escalating competition for larger assets.

Source: GF Data

If you would like to receive in-depth valuation information on specific industries, please email us by clicking here: [✉](#)

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

Target			Buyer		Seller	Financial Information			
Name	Description	Sector	Name	Country	Name	Size (US\$M)	% Acquired	EV/ EBITDA	EV/ Revenue
 everbridge™	Provides critical event management and enterprise safety solutions	Information Technology	 THOMABRAVO	USA	-	\$1,500.0	100.0%	-	3.3x
	Provides mission-essential, maintenance activities in support of critical missions	Industrials	 CBRE	USA	A C P	\$800.0	100.0%	-	-
 Jackpocket	Provides digital lottery services	Convenience Retail	 DRAFT KINGS	USA	Multiple Sellers	\$750.0	100.0%	-	-
Facility of Graphic Packaging Holding Company	Manufactures bleached paperboard for sustainable consumer packaging	Materials	 CLEARWATER PAPER	USA	 Graphic Packaging INTERNATIONAL	\$700.0	100.0%	7.0x	-
 cyanco	Distributes high-quality solution and solid sodium cyanide	Materials	 ORICA	AUS	 cerberus	\$640.0	100.0%	7.5x	-
 galaxysolutions™	Provides IT solutions including application development, business consulting across various sectors	IT Consulting	 endava	GBR	-	\$375.0	100.0%	-	-
WESCO Integrated Supply Business	Provides industrial maintenance, repair and operations and supply chain solutions	Industrials	 VALLEN	USA	 wesco	\$350.0	100.0%	-	0.4x
 ZEROFOX™	Provides external SaaS-based cybersecurity solutions	Information Technology	Haveli	USA	Multiple Sellers	\$350.0	100.0%	-	-
 The Carlstar Group	Manufactures specialty tires and wheels for various markets	Consumer Discretionary	 TTAN	USA	 AMERICAN INDUSTRIAL PARTNERS	\$296.0	100.0%	4.1x	-
 ScienceIO	Develops AI healthcare platform, structuring medical language for insights	Healthcare	 veradigm	USA	-	\$140.0	100.0%	-	-
 TE MRO	Provides maintenance, repair, and overhaul services for aircraft engine components and accessories	Industrials	 VSE AVIATION	USA	-	\$120.0	100.0%	-	-

Source: Capital IQ, MergerMarket, Dealogic

Selected Transactions Commentary



THOMABRAVO

has acquired



everbridge™

“Joining Thoma Bravo will mark a pivotal moment for Everbridge and our mission to empower organizations worldwide with the tools to successfully navigate critical events.”

David Wagner, President and CEO of Everbridge



CBRE

has acquired



from

A | C | P

“The acquisition is consistent with key elements of our M&A strategy that focus on enhancing our technical services capabilities, increasing revenue resilience and secular growth and expanding our government client base within Global Workplace Solutions.”

Bob Sulentic, Chairman and CEO of CBRE



**DRAFT
KINGS**

has acquired



jackpocket

“This transaction will create significant value for DraftKings not only by giving our customers another differentiated product to enjoy but also by improving our overall marketing efficiency similar to how our daily fantasy sports database created an advantage for DraftKings in OSB and iGaming.”

Jason Robins, Co-founder and CEO of DraftKings



ORICA

has acquired

cyanco

from



cerberus

“I am delighted to announce the acquisition of Cyanco today, accelerating the delivery of Orica’s Mining Chemicals strategy and creating a leading global mining chemicals business.”

Sanjeev Gandhi, Managing Director and CEO of Orica

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For over 25 years, Seale & Associates has served leading public and private companies from around the world and operating in a broad range of industries with a high level of quality, integrity and independence while presenting innovative ideas and trusted solutions to address their most complex dealings.

25

YEARS OF EXPERIENCE

\$50B+

TRANSACTIONS GLOBALLY

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Recapitalizations

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Expert Witness Testimony

Corporate Finance Advisory

Strategy Consulting

Trusted Advisor to Leading Companies Worldwide

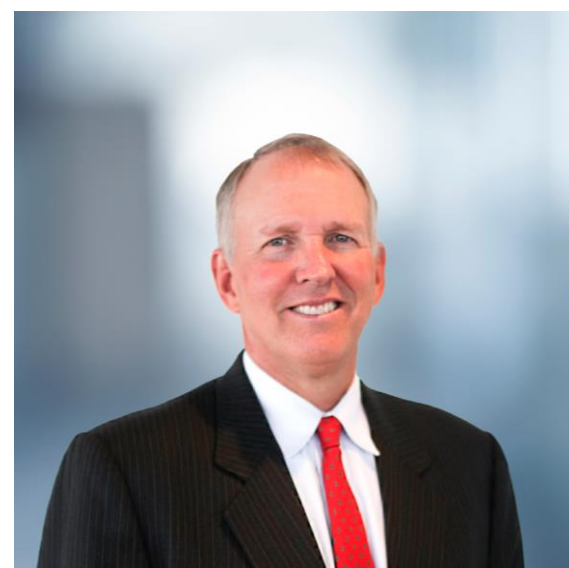
We have worked repeatedly with many of the most well-known companies in the world...

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



Representative Global Engagements

 has acquired 	 has acquired 	 has sold  to 	 has sold Triumph Air Repair & Triumph Engines businesses to 	 has acquired  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 KPAC Holdings, Inc. A private investment group	 Engineers & Constructors has acquired 	 has acquired 	 has acquired 	 has sold its SYCAR Resins business 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 



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University of Florida - BA in Political Science with High Honors

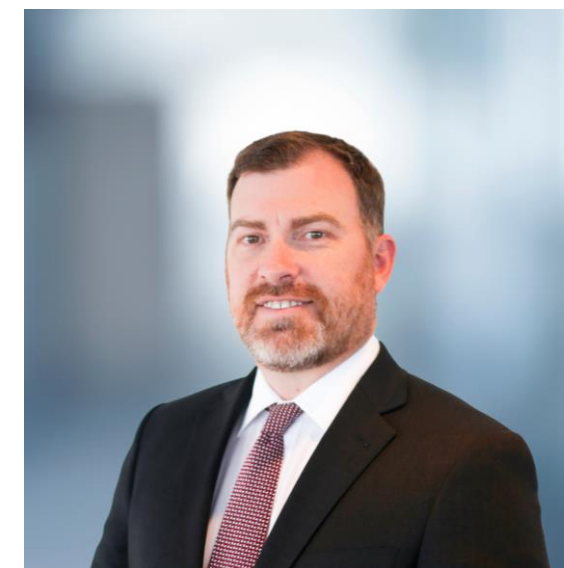


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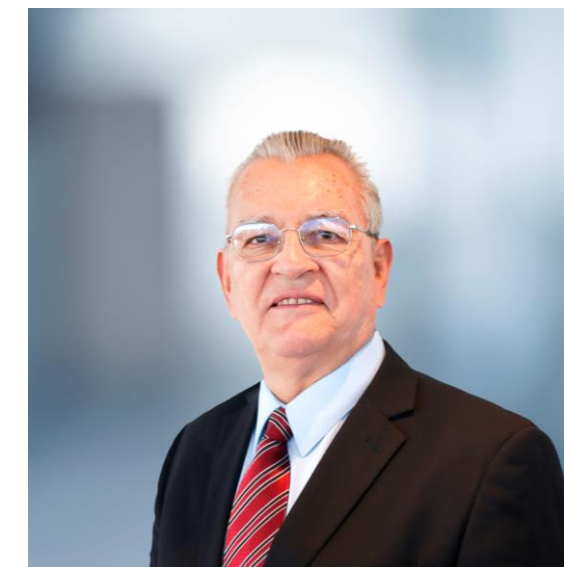


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Instituto Tecnológico y de Estudios Superiores de Monterrey - MBA and degree in Industrial Engineering

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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