



Seale & Associates

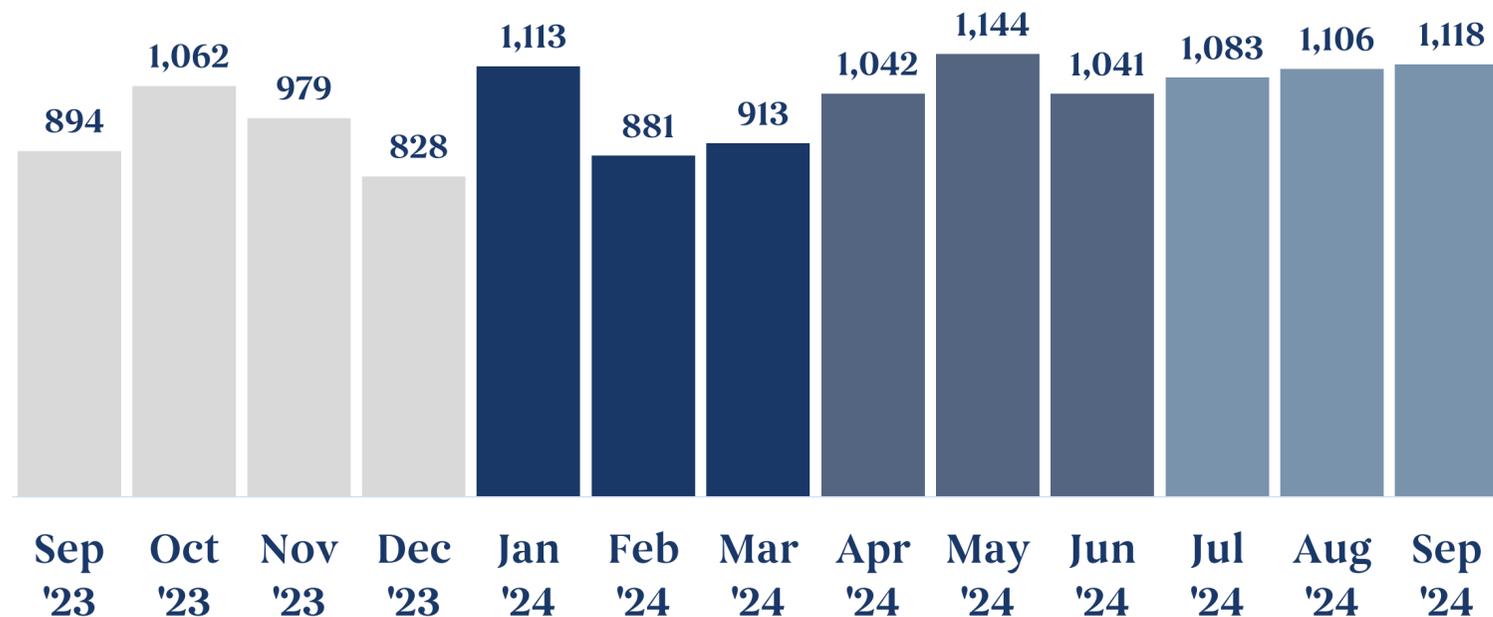
MERGERS & ACQUISITIONS
U.S.

SEPTEMBER 2024

Summary of Mergers & Acquisitions in the U.S.

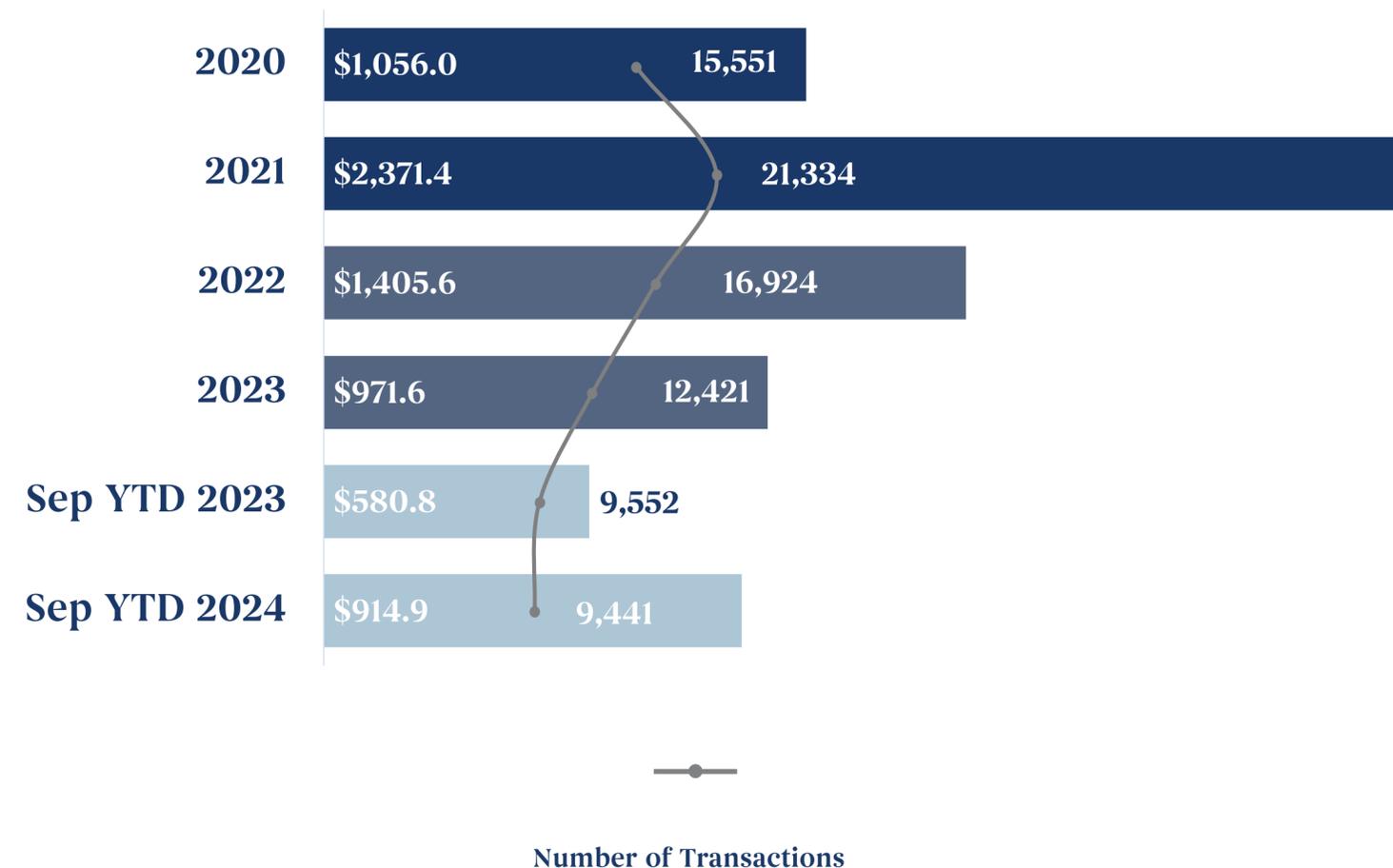
During September 2024, **1,118 transactions** were announced in the U.S., **25.1% more** than in September 2023.

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)



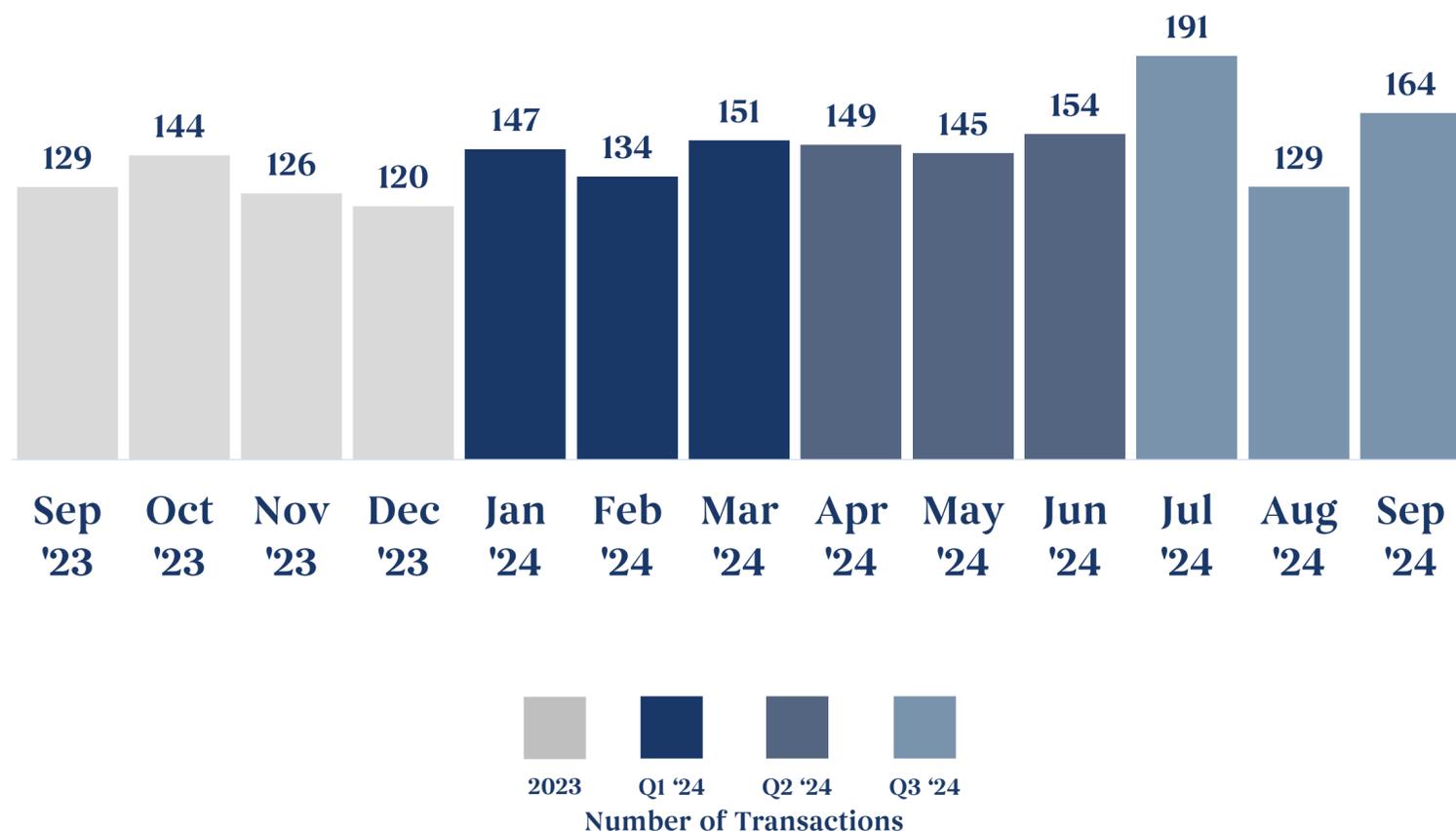
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Summary of Acquisitions Abroad by U.S.-based Companies

During September 2024, **164 acquisitions** were announced by U.S.-based companies abroad, **27.1% more** than in September 2023.

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

Number of Transactions per Month

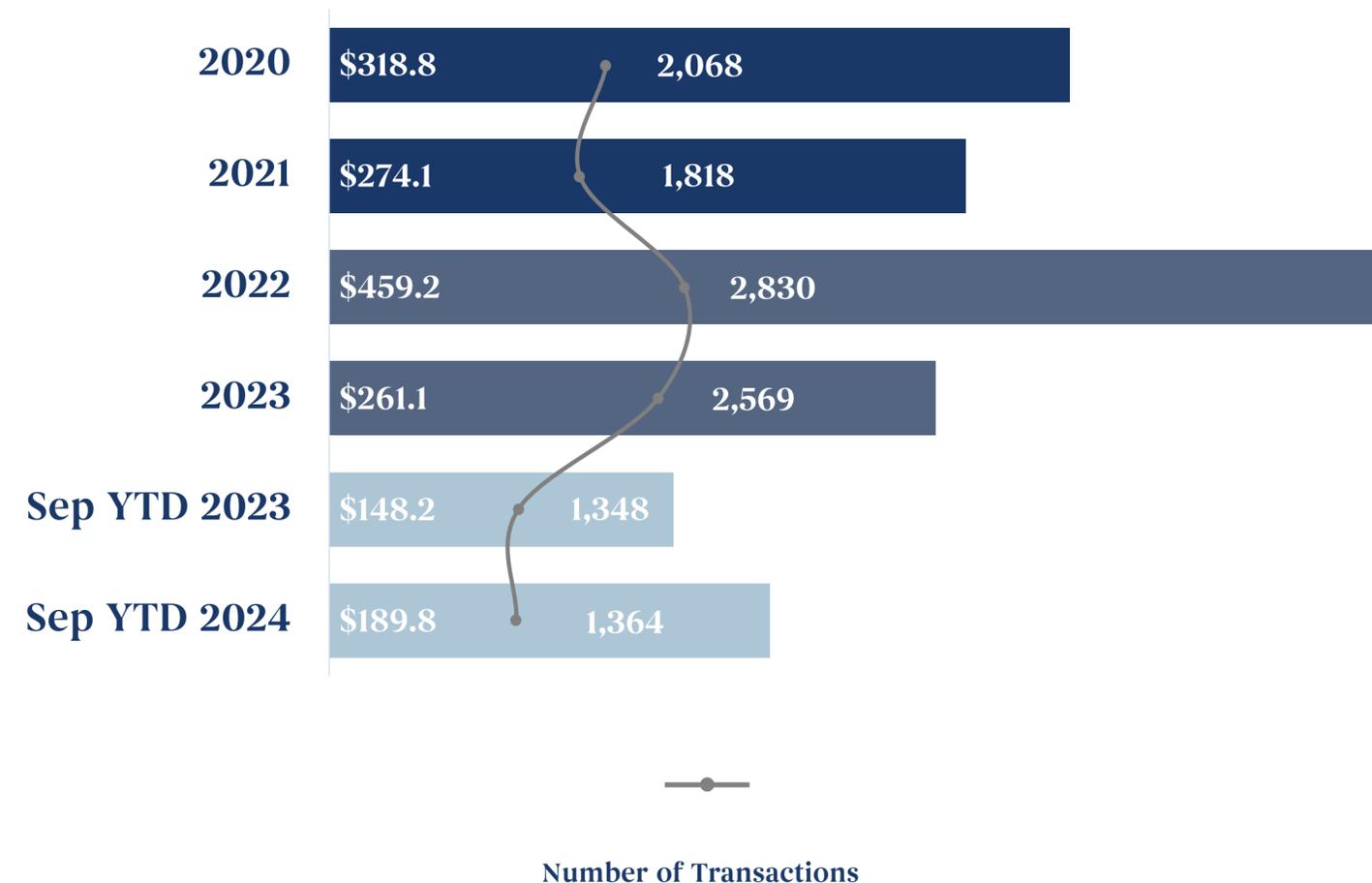


Disclaimer: Includes announced transactions subject to customary closing conditions and regulatory approvals

Source: Capital IQ

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

Annual Transactions (US\$ Billion)

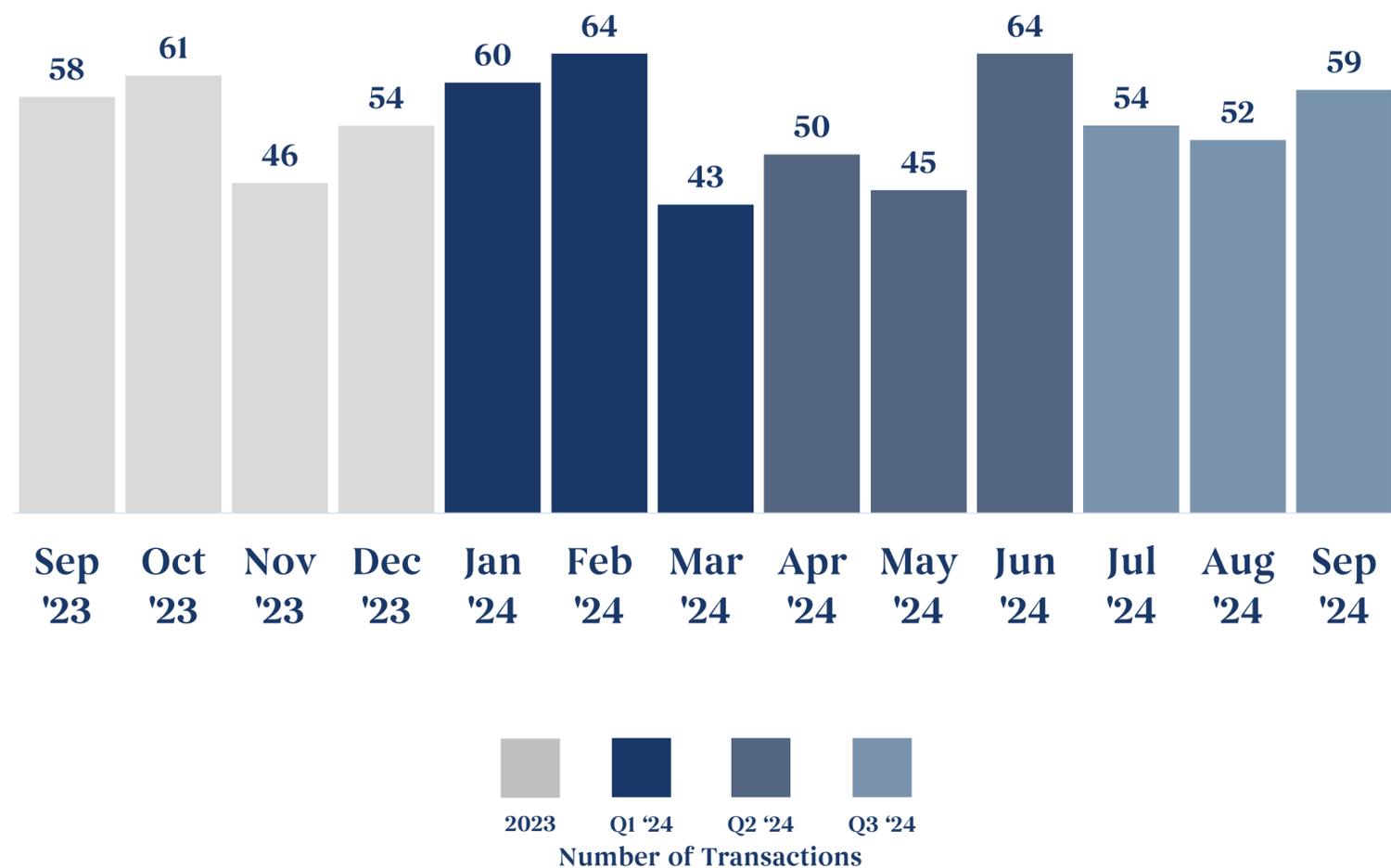


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Summary of Divestitures Abroad by U.S.-based Companies

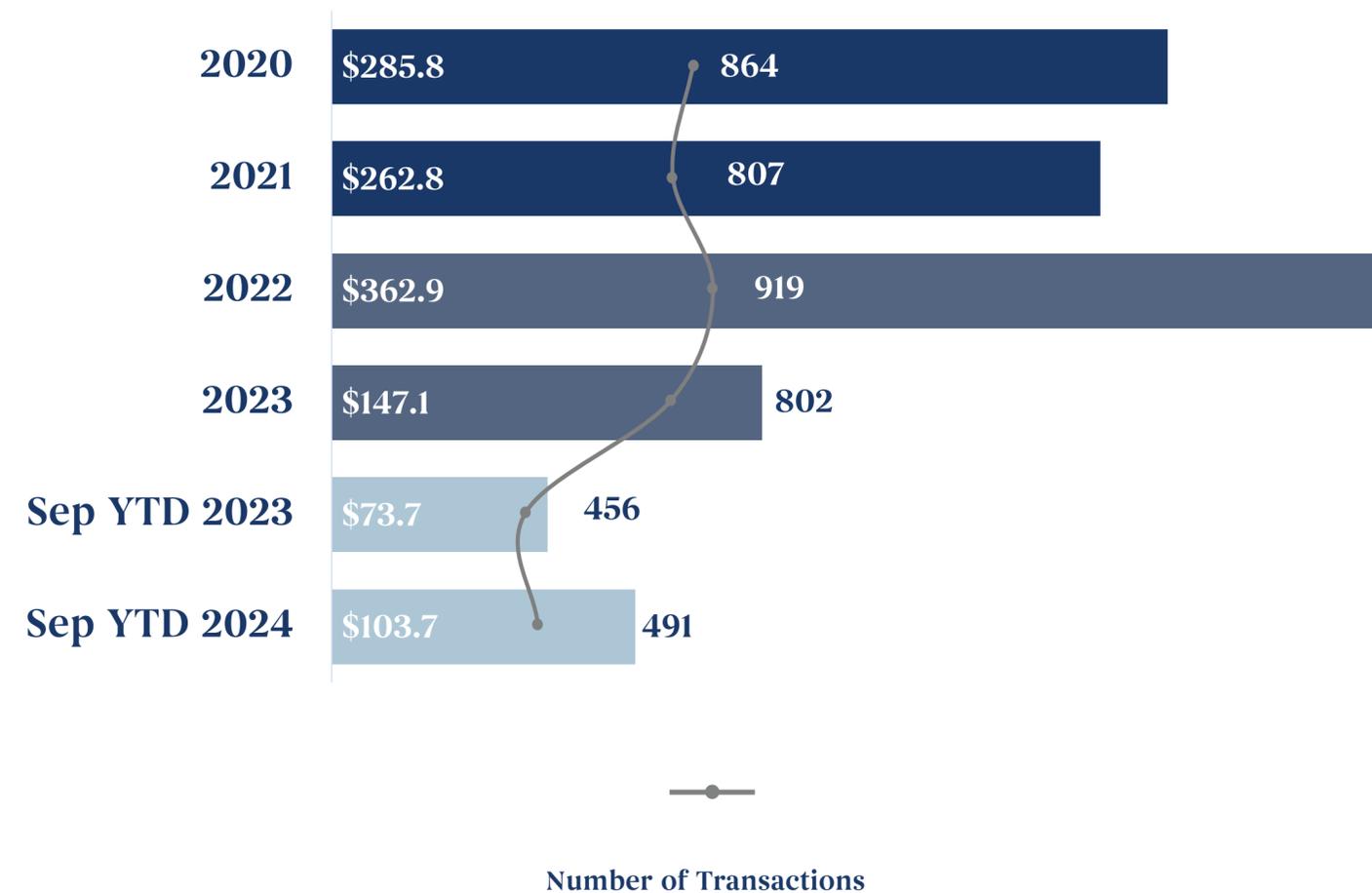
During September 2024, **59 divestitures** were announced by U.S.-based companies abroad, **1.7% more** than in September 2023.

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)

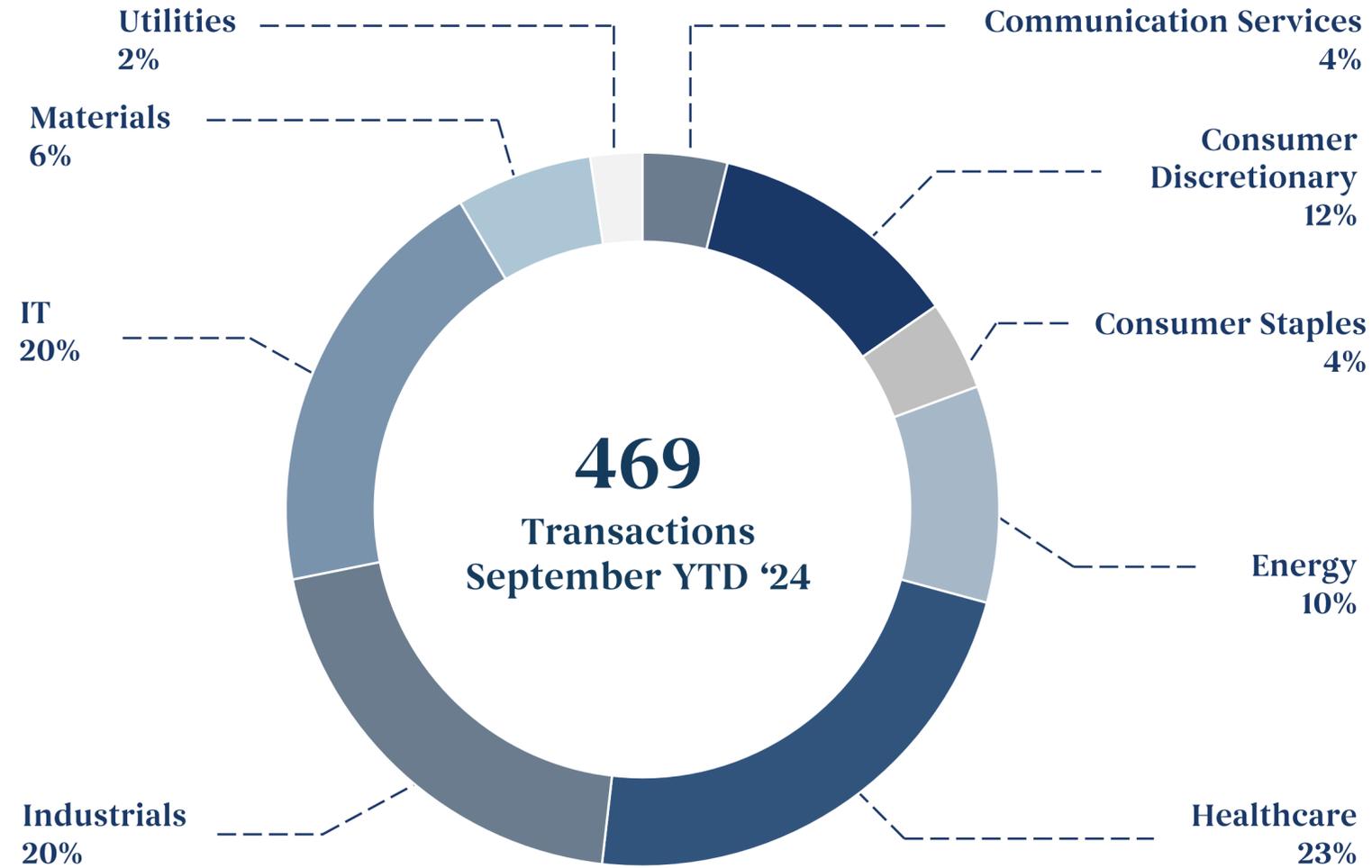


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Summary of US\$50M-US\$2B Deals by Industry

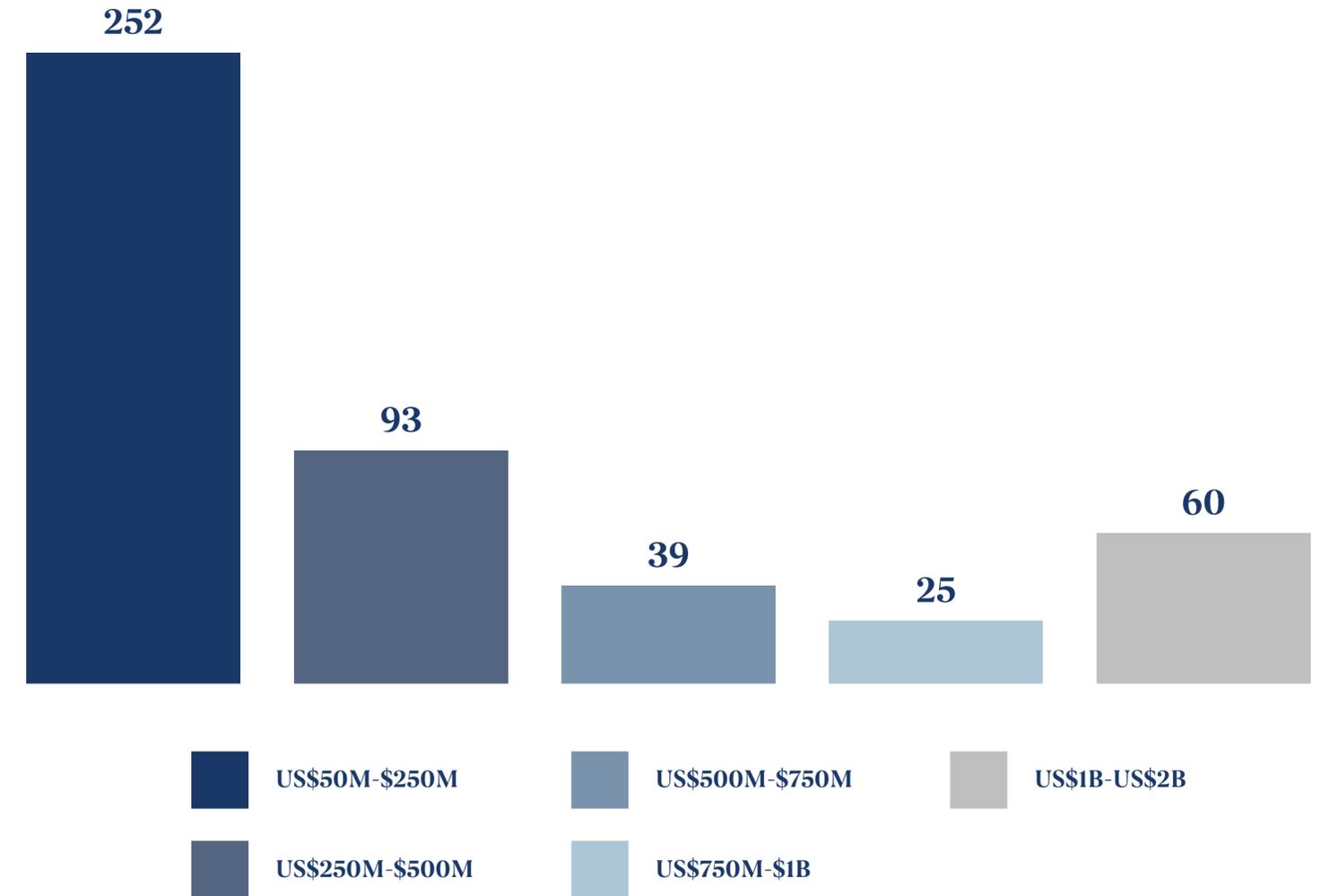
U.S. Transactions by Sector

Percentage of Transactions September YTD '24¹



Disclosed Deal Volume and Value of U.S. Transactions

Number of Transactions September 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

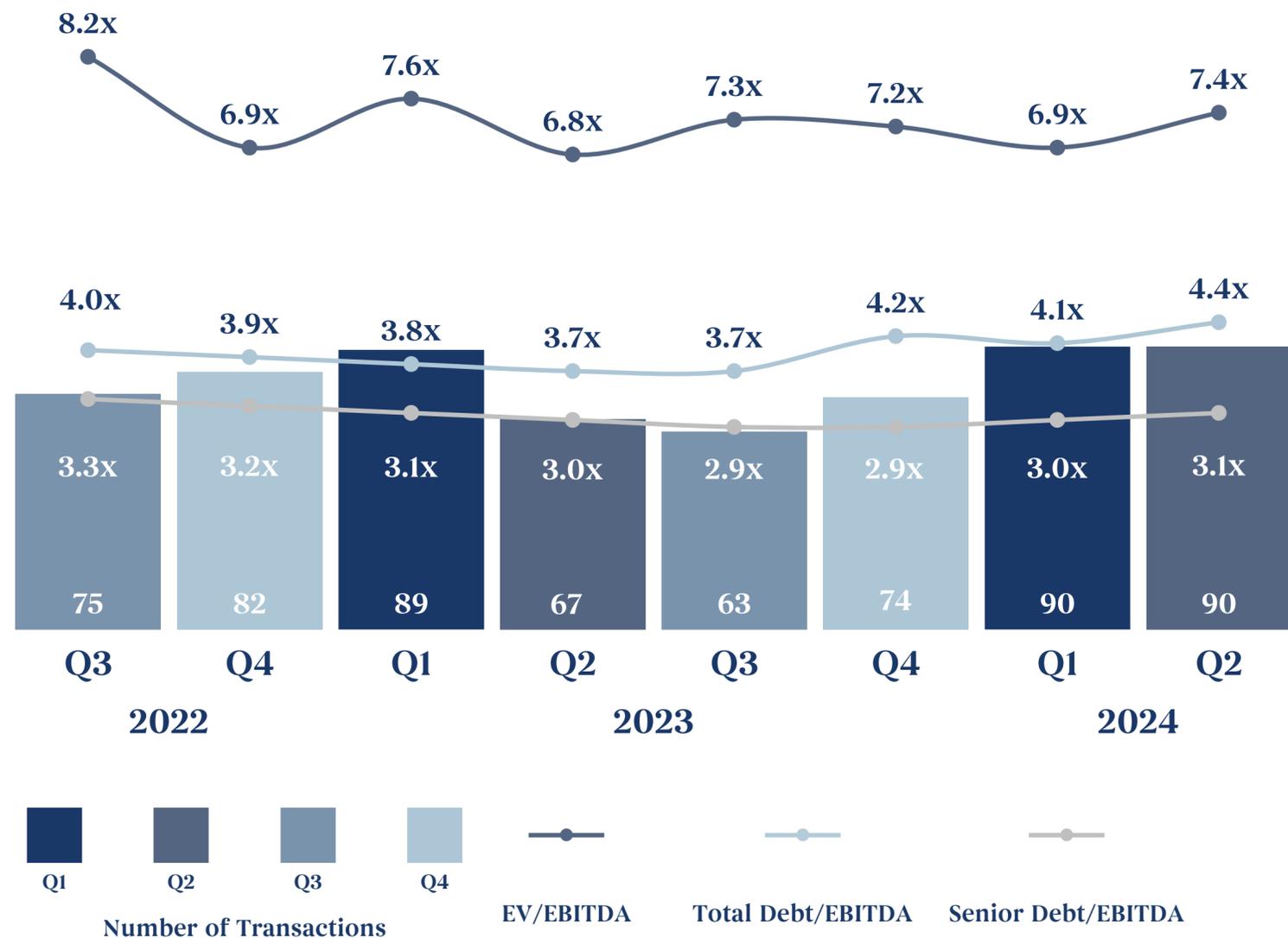
Disclaimer: Includes announced transactions subject to customary closing conditions and regulatory approval

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



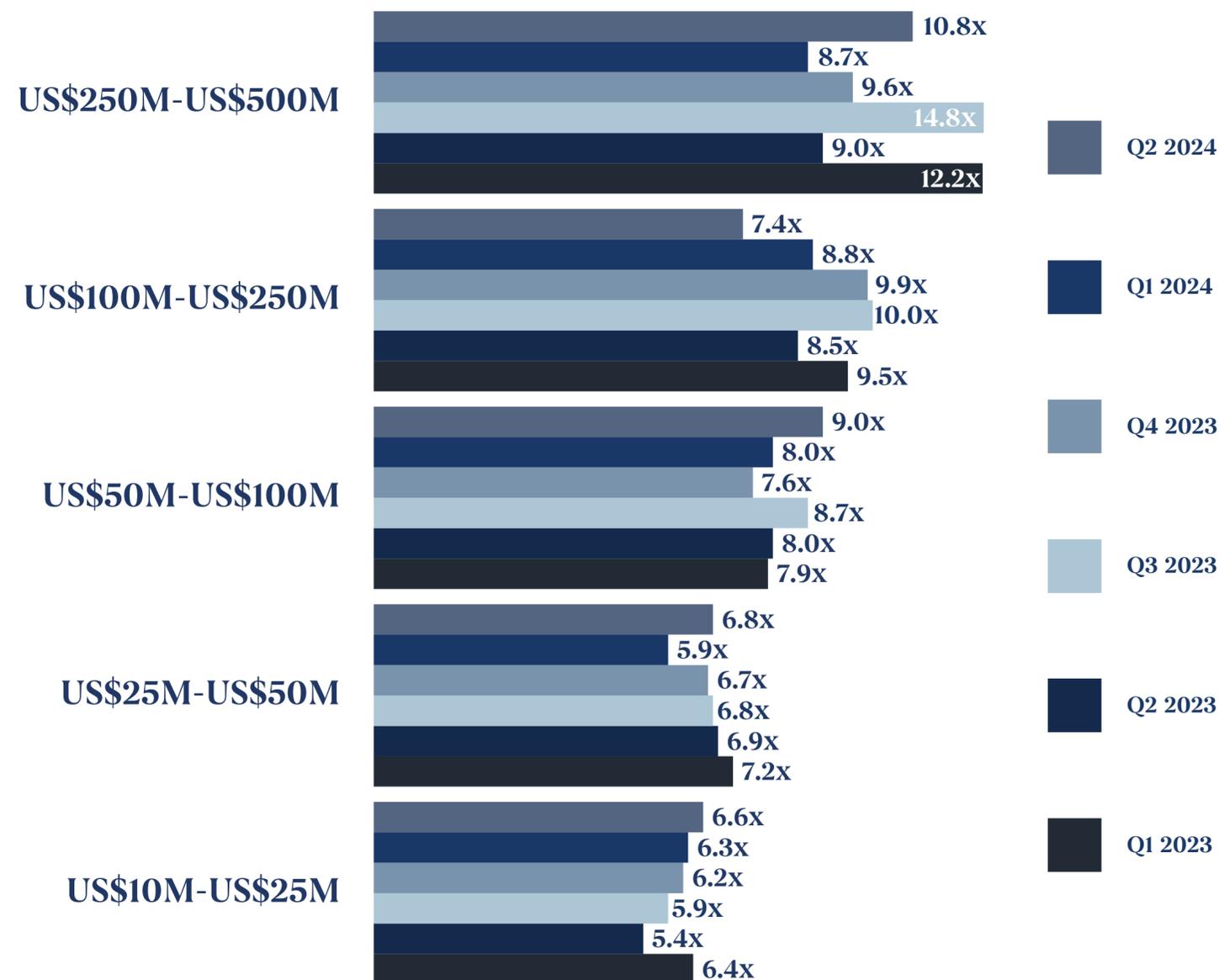
Middle-Market M&A: Q2 2024 Shows Resurgence in Deal Volume and Valuations:

- In the **Q2 2024**, middle-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 **1.4x 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

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 August 2024

Target			Buyer		Seller	Financial Information			
Name	Description	Sector	Name	Country	Name	Size (US\$M)	% Acquired	EV/ EBITDA	EV/ Revenue
 Azure Summit Technology	* Provides high-performance RF hardware and software technologies	Industrials	 CACI EVER VIGILANT	USA	-	\$1,275.0	100.0%	-	-
Orora Packaging Solutions	* Provides sustainable packaging solutions	Materials	 Veritiv	USA	 ORORA	\$1,200.0	100.0%	9.9x	-
 Integrated Oncology NETWORK	* Provides operational, clinical, and financial solutions for care networks	Healthcare	 CardinalHealth™	USA	Multiple Sellers	\$1,115.0	100.0%	-	-
 ShareFile™	* Provides SaaS-native, AI-powered, document-centric solutions	Information Technology	 Progress®	USA	 citrix®	\$875.0	100.0%	-	-
 satcom direct.	* Provides satellite communications and connectivity solutions	Industrials	 gogo	USA	-	\$600.0	100.0%	-	-
 airbase	Provides finance and spend management software solutions	Information Technology	 paylocity	USA	Multiple Sellers	\$325.0	100.0%	-	-
 UW Solutions	* Provides high-performance coated substrates for diverse applications	Materials	 apogee	USA	 HEARTWOOD PARTNERS	\$240.0	100.0%	-	-
RLS (USA), Inc.	* Provides medical imaging and therapy drugs	Healthcare	 Telix	AUS	 RLS	\$230.0	100.0%	-	1.5x
Business Of Cook Group Incorporated	* Provides a comprehensive end-to-end product portfolio of medical devices and accessories	Healthcare	 MERITMEDICAL	USA	 COOK GROUP	\$210.0	100.0%	-	5.7x
 PARSEC "Light Years Ahead"	Provides terminal management services to railroads	Industrials	 Universal	USA	-	\$193.6	100.0%	-	0.8x
Substantially all of the assets of Edgio, Inc.	Provides digital content delivery, video streaming, and cybersecurity services	Information Technology	LYNROCK LAKE	USA	 Edgio	\$110.0	100.0%	-	-

Source: Capital IQ, Dealogic

*Announced transactions pending approval and other customary closing conditions

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Representative Global Engagements

 has acquired 	 has acquired 	 has merged with 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 	 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

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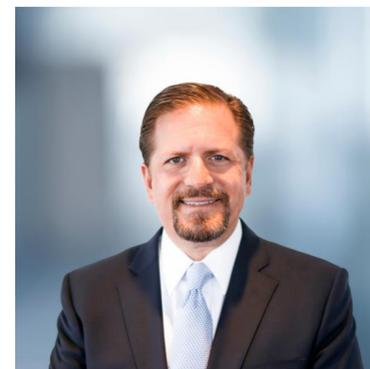


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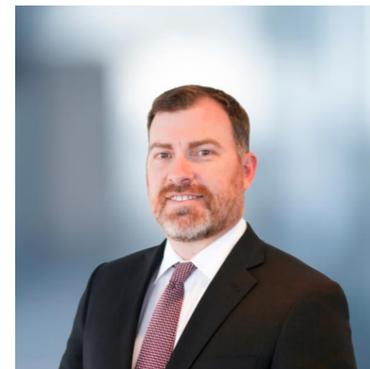


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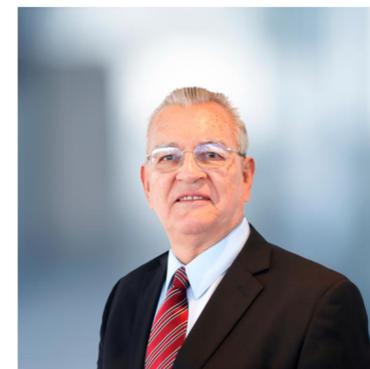


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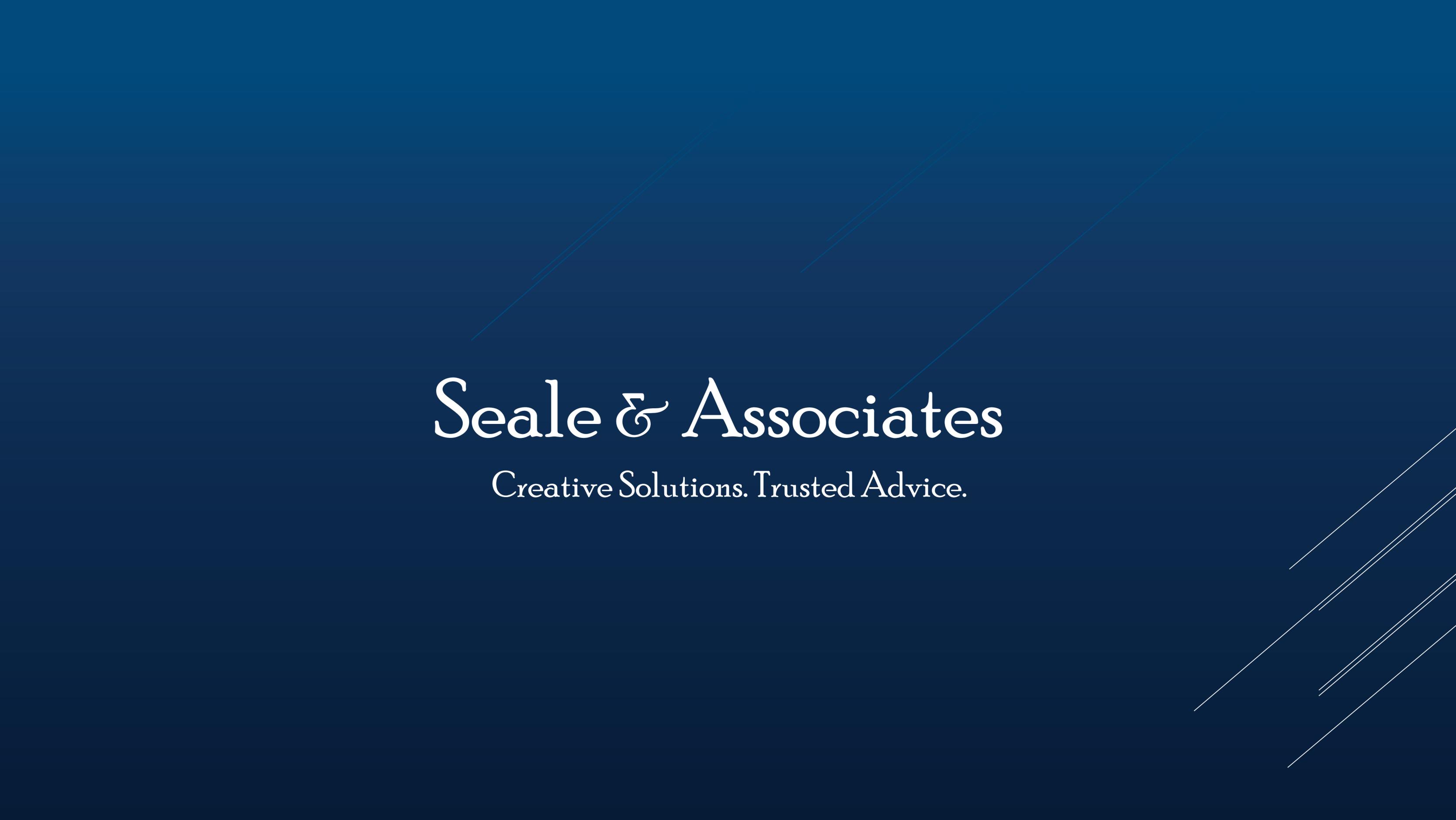
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32+ years with Grupo Industrial Saltillo with experience as Director, Corp. Dev. and extensive global commercial experience
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