

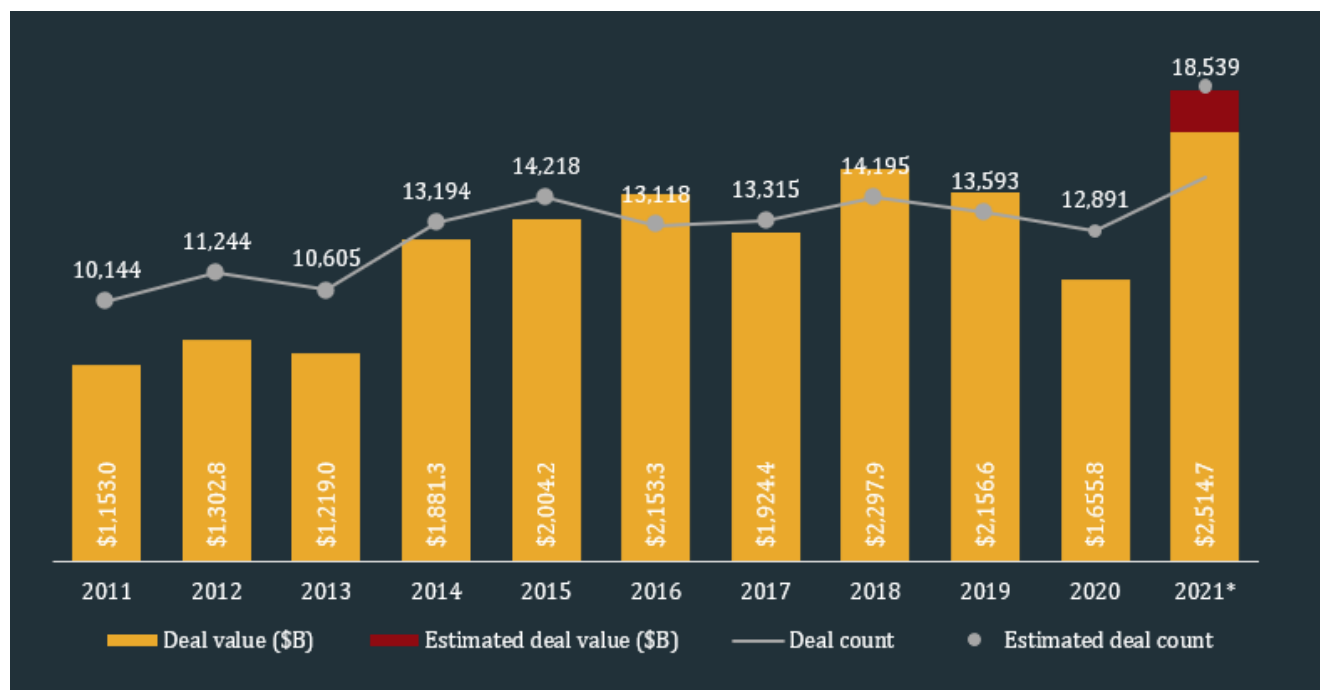
M&A Quarterly Update: 2021 Fourth Quarter



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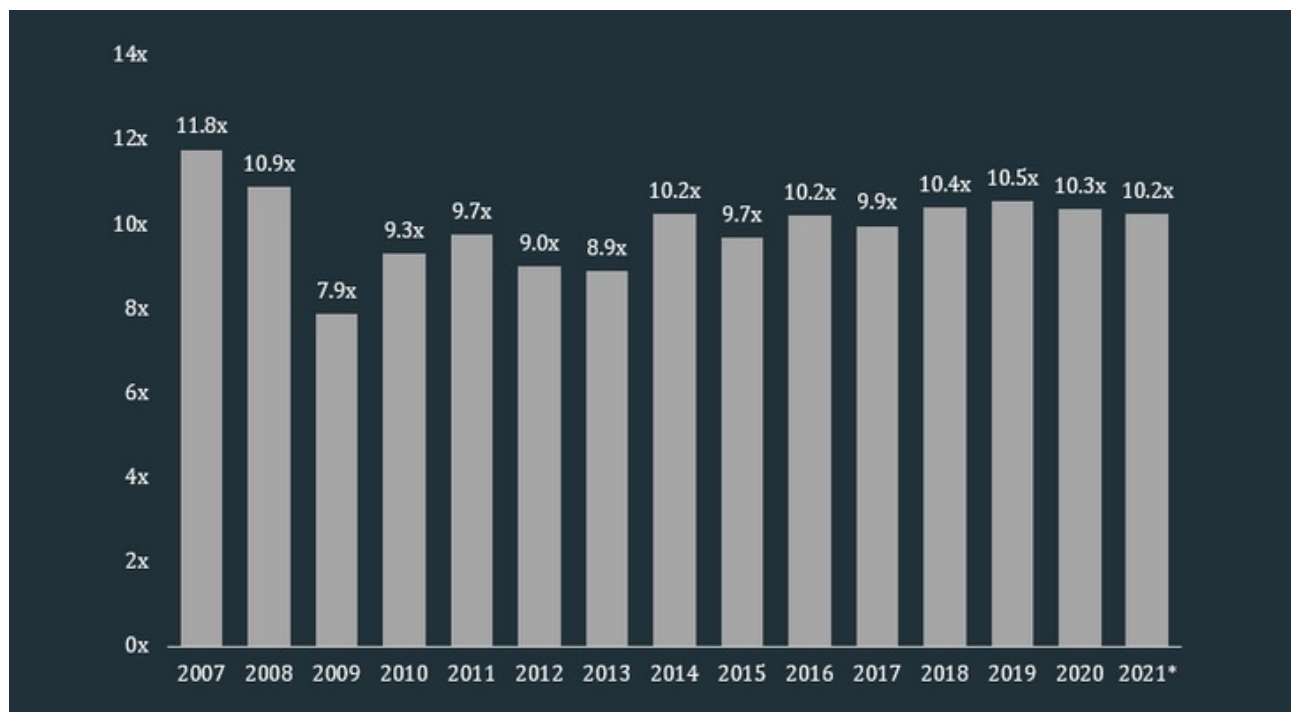
Welcome to the M&A Quarterly Update for 2021. This Quarter Report analyzes data from the fourth quarter of 2021.

North America M&A activity continued at a rapid pace in the fourth quarter of 2021. More than 5,300 deals closed for a combined \$843.41 billion transaction value in the quarter, setting both a deal count and value record. As of December 31, an estimated 18,538 deals have been completed in 2021 for a total value of \$2.75 billion. This is an increase of \$507.65 billion in deal value recorded compared to 2020.



*As of 12/31/2021

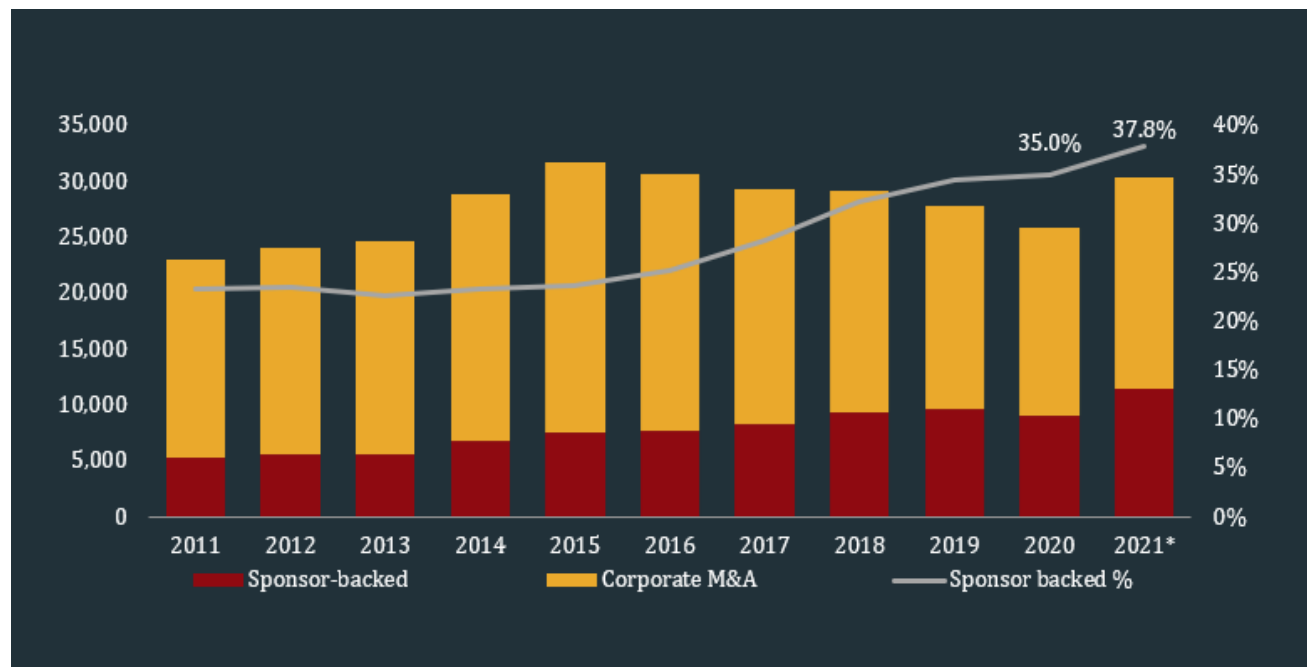
Deal multiples have remained relatively consistent since 2018. Median EV/EBITDA multiples were 10.2x in 2021 compared to 10.3x in 2020.



*As of 12/31/2021



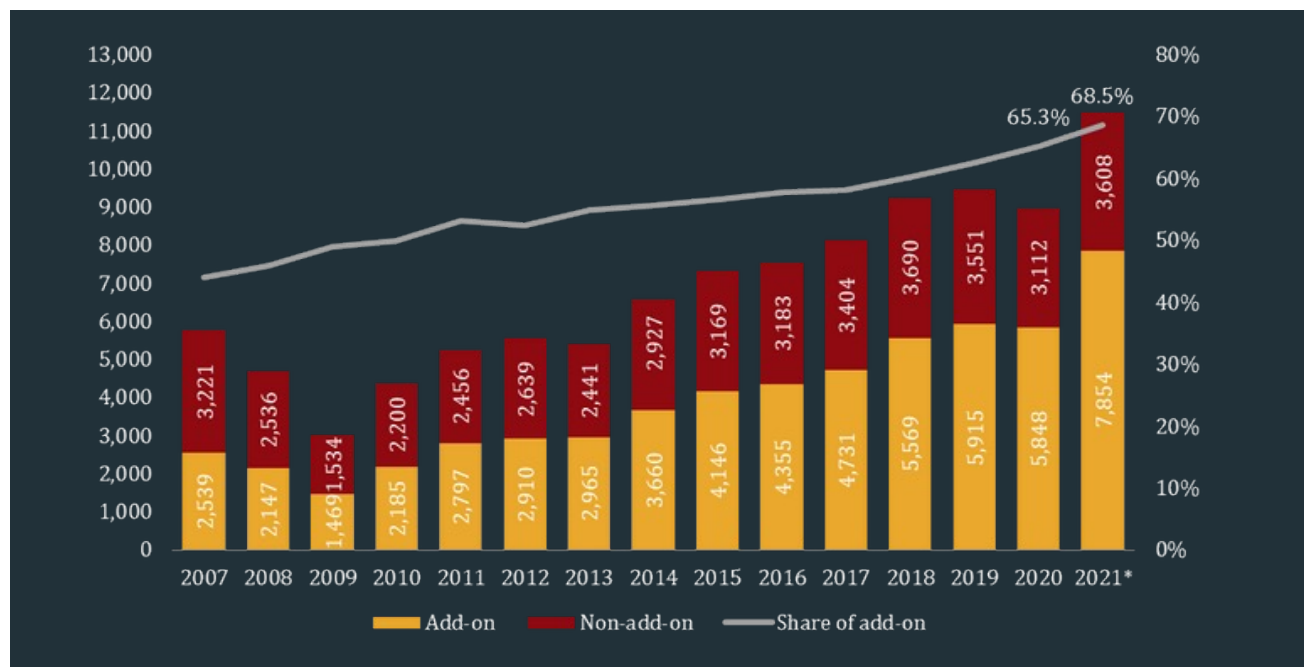
Through the deployment of record amounts of dry powder, private equity firms accounted for 37.8% of transactions in Q4 2021. By comparison, PE-backed deals constituted 23.3% of the global M&A count in 2011.



*As of 12/31/2021



The number of add-on deals exceeded platform and strategic investments. The proportion of add-ons to overall transactions has increased from 65.3% in 2020 to 68.5% for 2021.



*As of 12/31/2021

M&A activity in 2021 reached record levels. Trends are expected to continue in the coming quarters, driven by significant amounts of cash on corporate balance sheets, low-cost financing, and record levels of private equity capital. However, labor shortages, supply chain woes, and elevated energy prices create headwinds to monitor as we head into 2022.

Source: Pitchbook

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Sources: SEC filings, regulatory filings, Pitchbook, and company presentations.

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