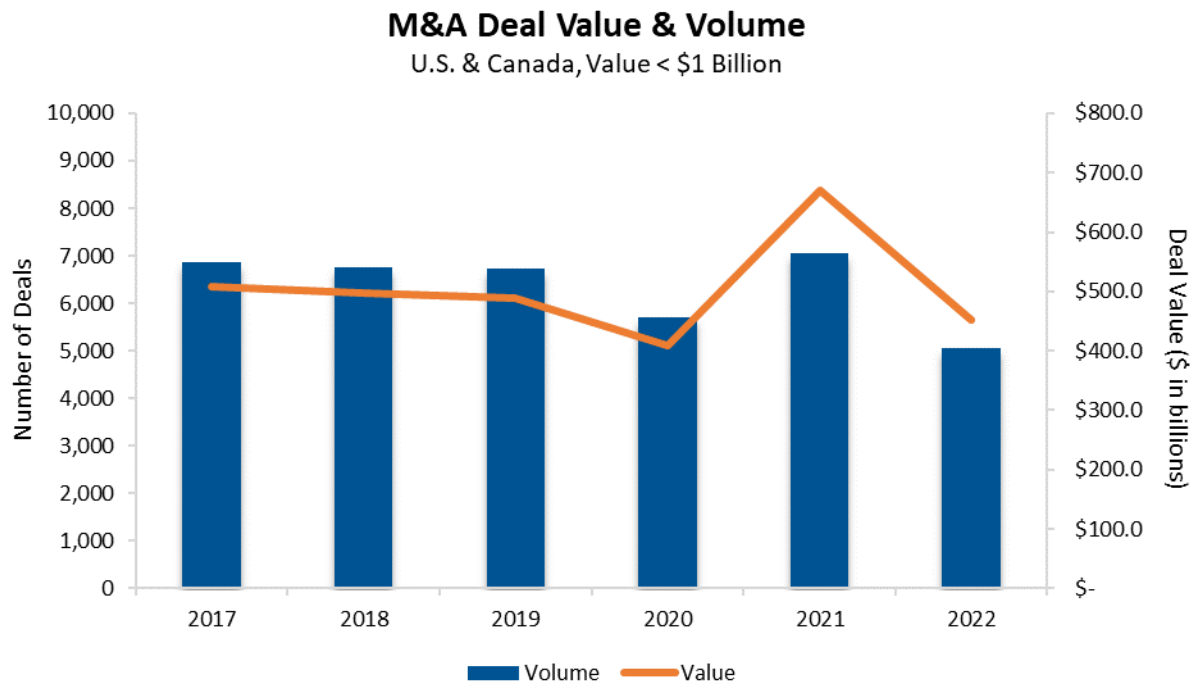


Capital Markets Update

2022

Capital Markets Update

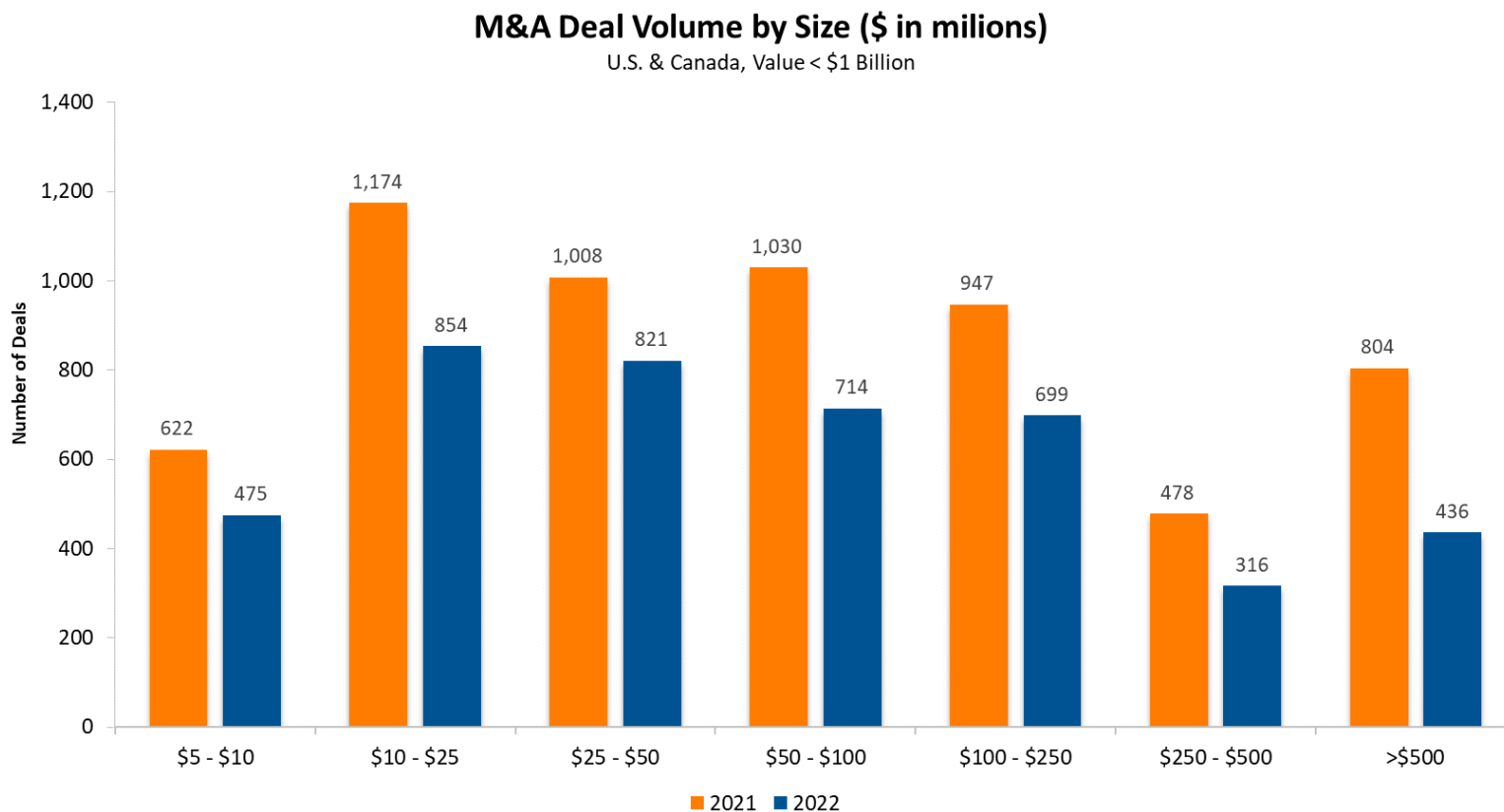
- Merger and Acquisition activity has been on a downward trend since 2016 but rebounded slightly in 2021.
- Overall transaction volume decreased by 28.1% in 2022. The total M&A deal dollar value declined 32.4%, from approximately \$670.2 billion in 2021 to approximately \$452.8 billion in 2022.



Source: Capital IQ

Capital Markets Update

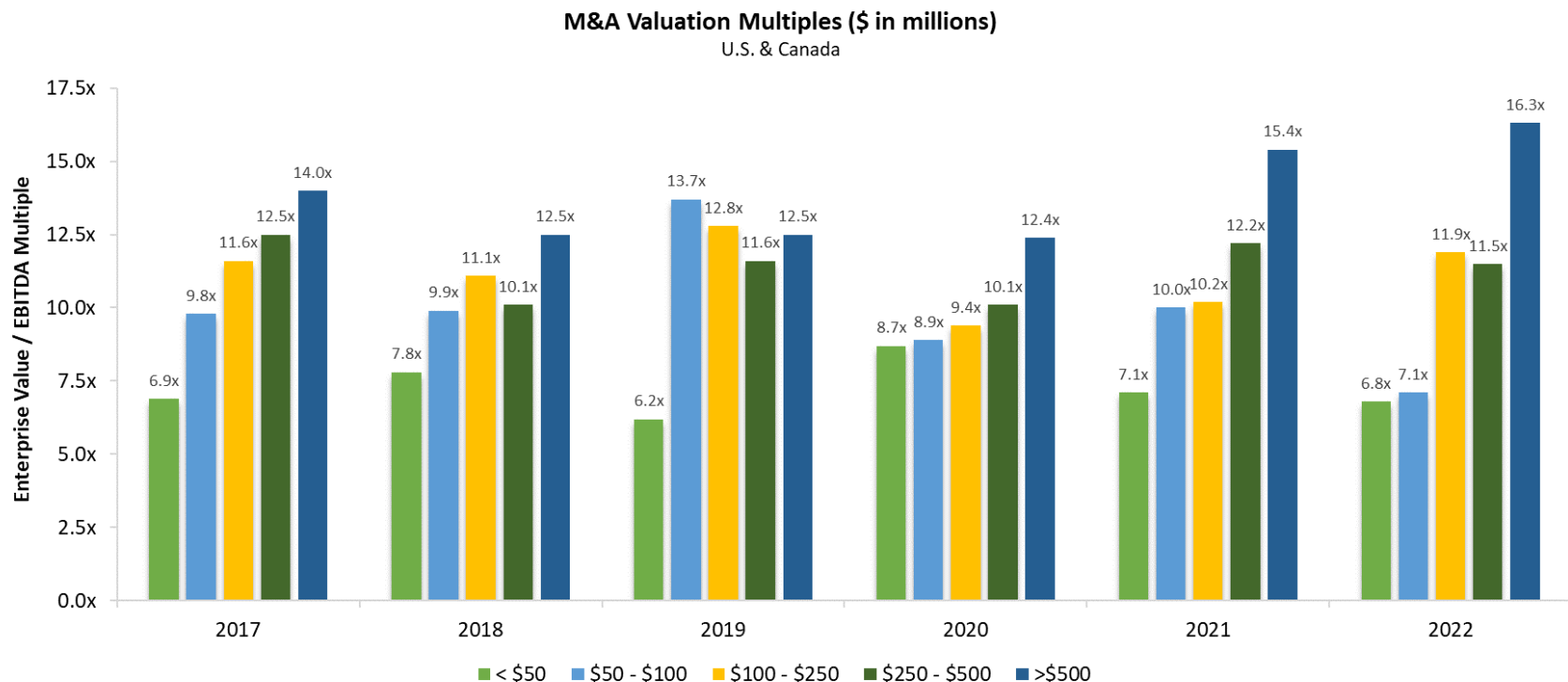
- Total transaction volume decreased for all deal size categories under one billion dollars from 2021 to 2022.



Source: Capital IQ

Capital Markets Update

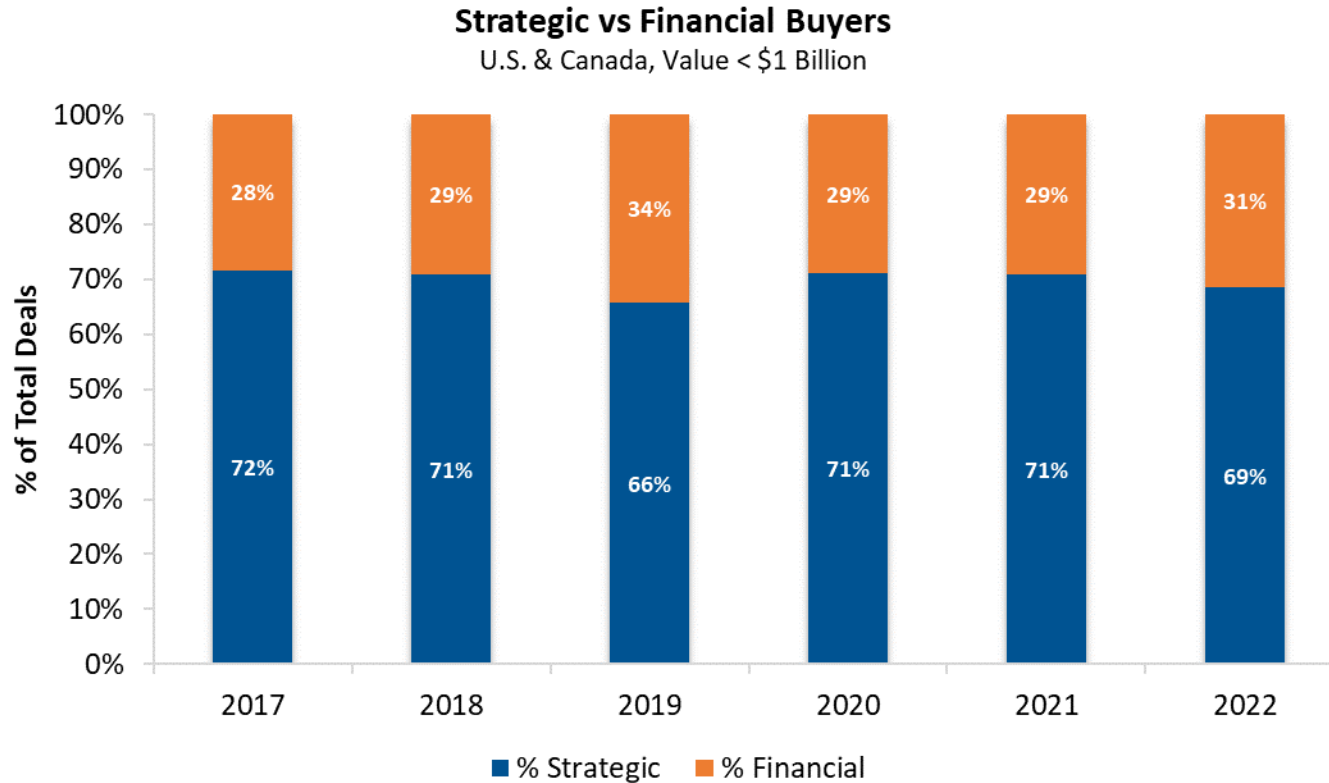
- Median EBITDA multiples for transactions under \$50.0 million, between \$50.0 and \$100.0 million, and between \$250.0 and \$500.0 million in value declined compared to 2021. However, the median multiple of EBITDA for transactions valued between \$100.0 and \$250.0 million and greater than \$500.0 million were above those of 2021.
- Generally, higher multiples continued to be placed on larger transactions, reflecting a size premium.



Source: Capital IQ

Capital Markets Update

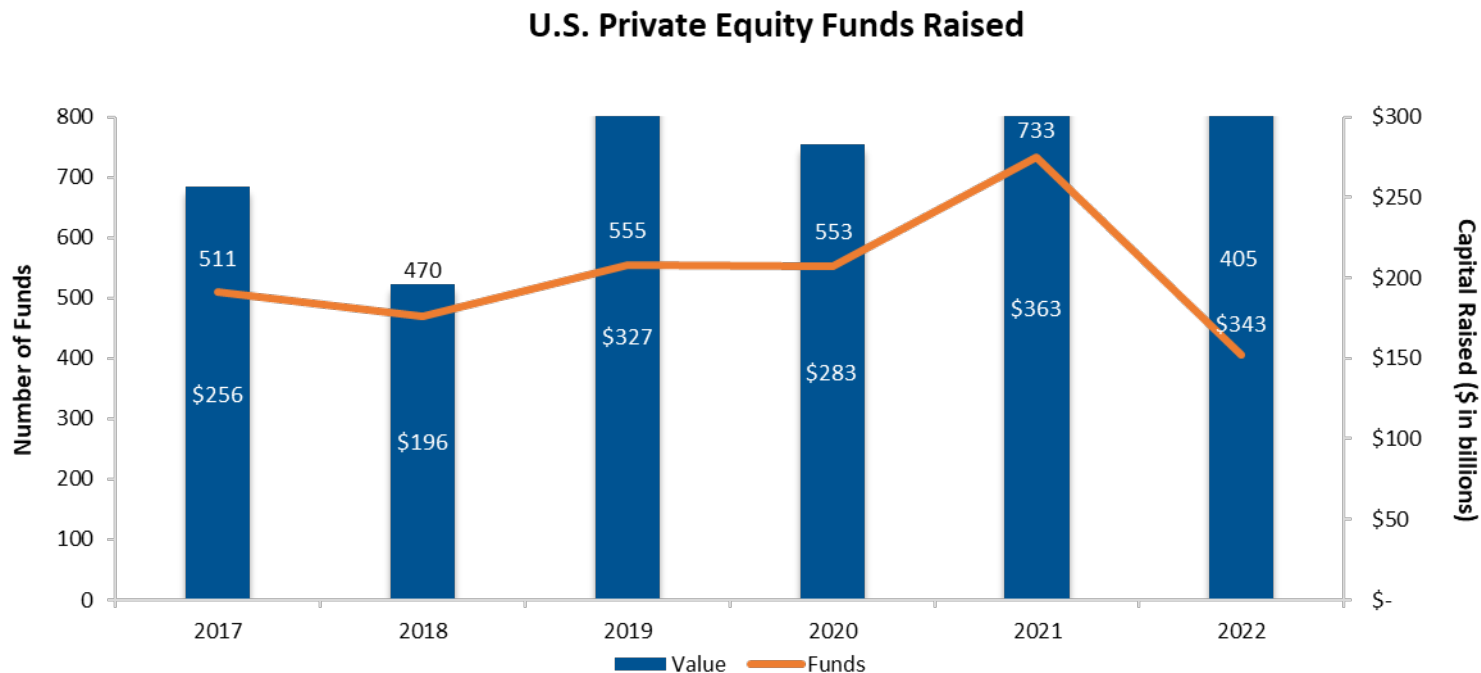
- Transactions with strategic buyers accounted for approximately 70% of transactions under \$1.0 billion in value in 2022.



Source: Capital IQ

Capital Markets Update

- U.S. private equity funds raised the second highest amount of capital in the last five years during 2022, with only 2021 highs outpacing 2022. In addition, the number of U.S. private equity funds raised has decreased since 2021 highs.

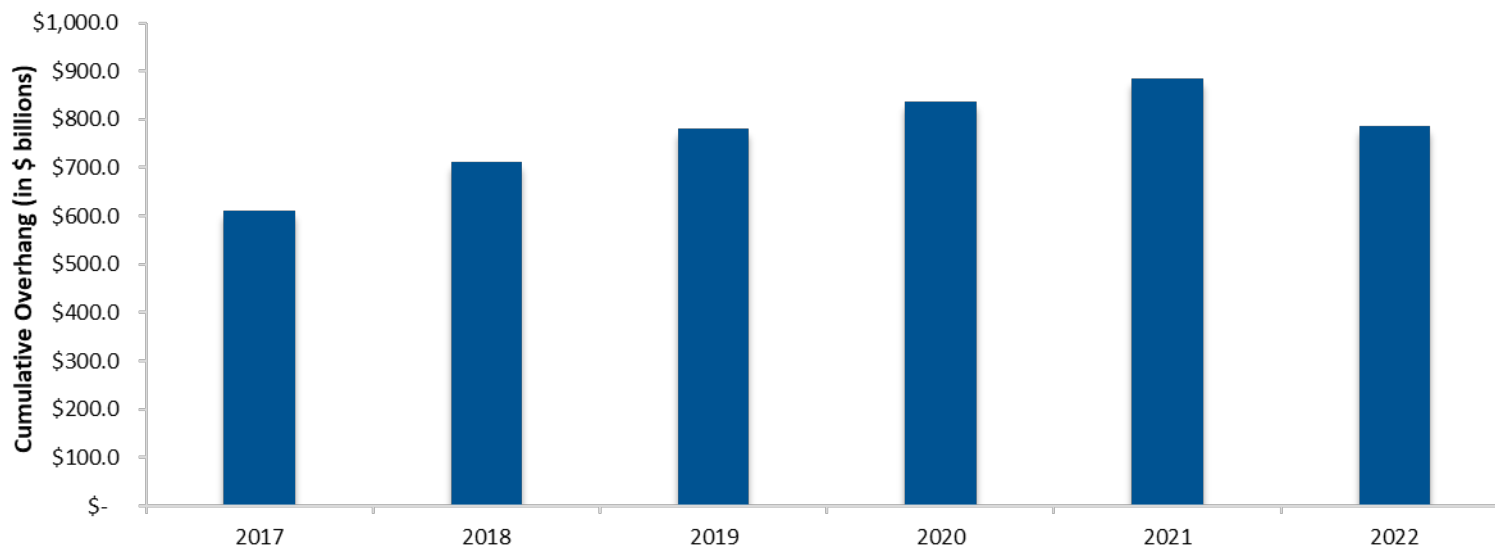


Source: PitchBook

Capital Markets Update

- For the first year since 2008, private equity dry power shrank by 10.9% in 2022. Dry power is at a historical low as a percentage of assets under management, at a value of 30.2%.
- As of the end of the third quarter of 2022, U.S. private equity dry powder was over \$750.0 billion.

U.S. Private Equity Dry Powder



Source: PitchBook