

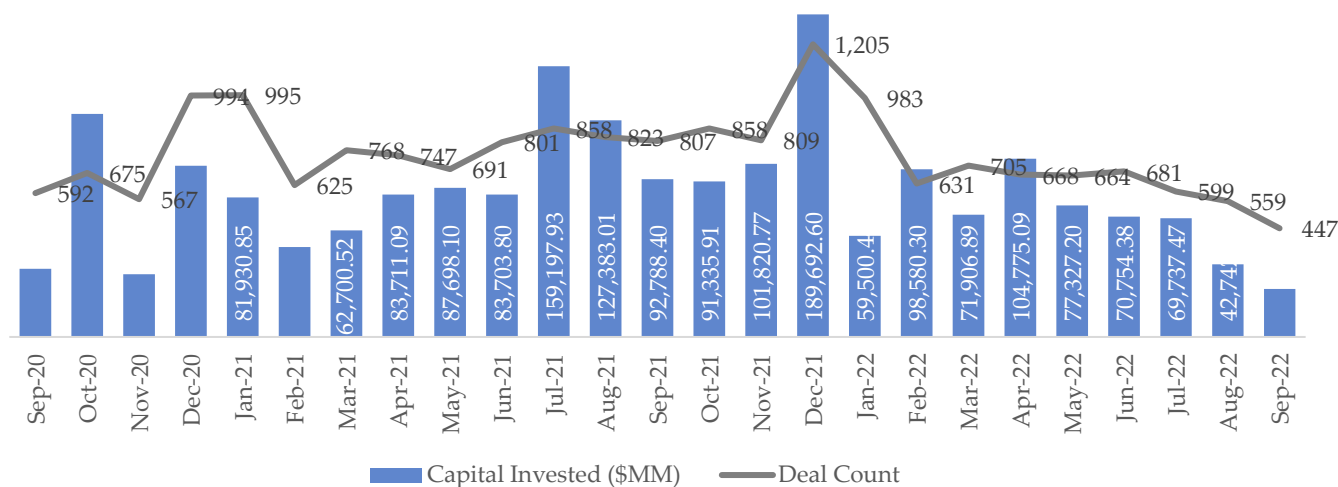


U.S. M&A Report

September 2022

OVERVIEW

Trailing 24 Months M&A Activity



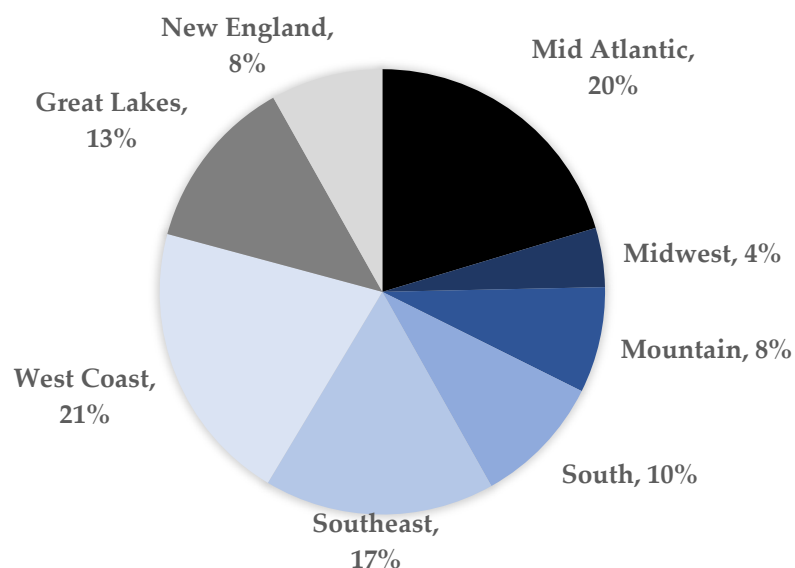
Source: PitchBook

Perspectives on US M&A Market

There were 447 deals completed in September of 2022. Deal count YoY continues its downward trend moving out of September. Capital invested dipped in September which can be attributed to creditors coming down on leverage in deals. Companies are still using M&A to try and maintain competitive advantages within their respective markets as industry trends transformed under Covid-19.

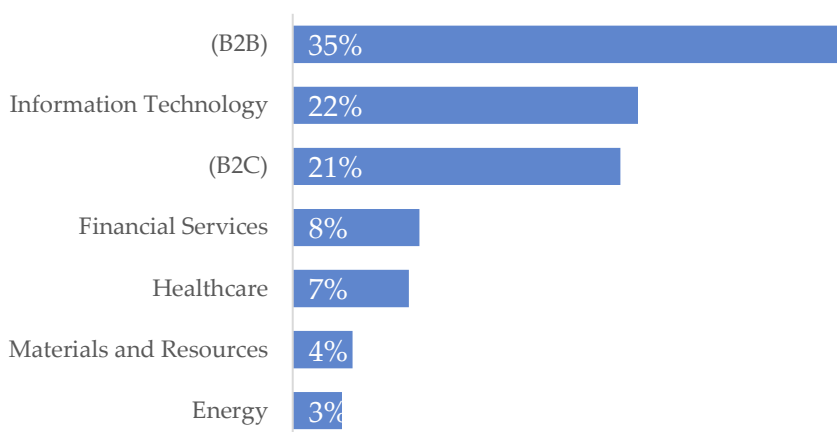
As Q3 came to an end and we move into Q4, deal counts have begun to slow down with the uncertainty in the current market. High-growth stocks have tumbled under fear of higher interest rates leading to an increase in discount rates. This would in turn drag down valuations seen over the past year and further stifle M&A activity going forward. Private Creditors are beginning to come down a turn or more on leverage, which will slow deal count down even more moving deeper into 2022.

September 2022 M&A Deal Regionality



The West Coast and Mid Atlantic led the U.S. regions in percent of deals done in September 2022 coming in with 91 and 90 deals, respectively. The Southeast, Great Lakes, South, and Mountain regions followed suit with 74, 56, 42, and 34 deals respectively.

August 2022 Top M&A Sectors (% of Total Deals)



The B2B and Information Technology sectors led M&A activity in September 2022 combining for 57% of deals. B2C, financial services, healthcare, materials and resources, and energy sectors followed suit accounting for the other 43%. The information technology sector has continued its hyper-growth stage as technological advancements continue in the U.S.; the sector is expected to continue to boom in the M&A market as larger firms look for add-ons and synergies to maintain a competitive advantage in the market.

September Transaction Highlights

Alphabet / Mandiant (Virginia)

On September 12th, Alphabet acquired Mandiant for \$5.4 billion. The acquisition will allow Google Cloud to deliver an end-to-end security operations suite with even greater capabilities to support customers across their cloud and on-premise environments.

The Alphabet logo, consisting of the word 'Alphabet' in a red, sans-serif font.The Mandiant logo, featuring the word 'MANDIANT' in white, uppercase, sans-serif font on a dark blue rectangular background.The FTX US logo, featuring a stylized 'FTX' in blue and red followed by 'US' in black, sans-serif font.The Voyager logo, featuring the word 'VOYAGER' in white, uppercase, sans-serif font on a dark blue rectangular background.

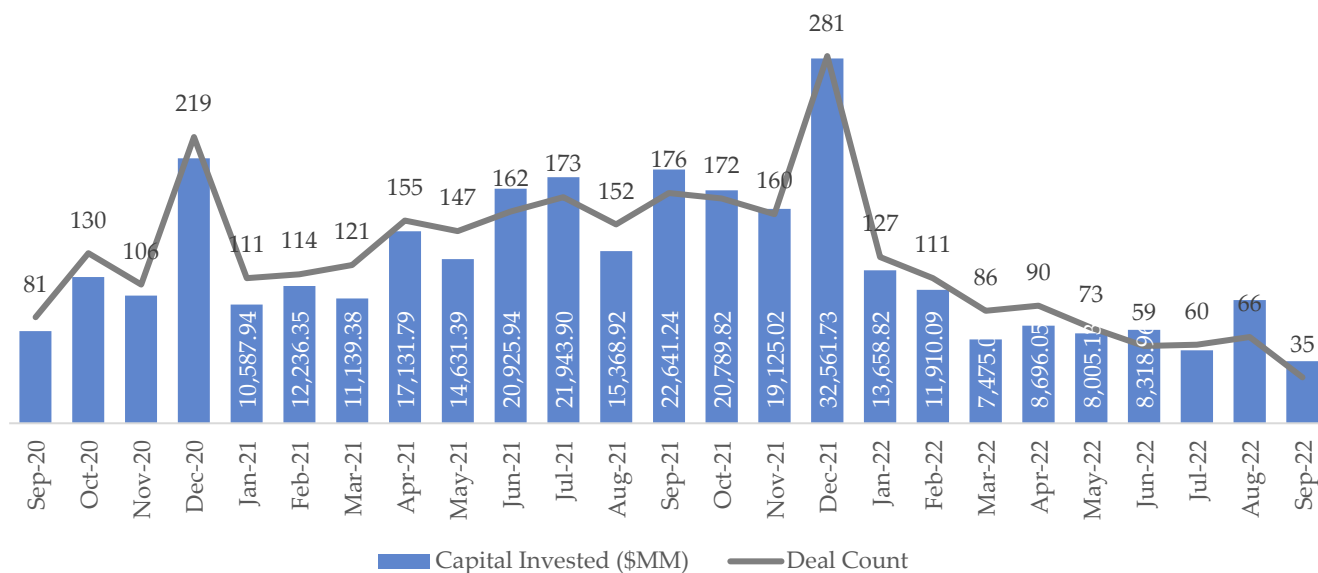
FTX US / Voyager Digital (New York)

On September 26th, FTX US acquired Voyage Digital for \$1.5 billion. Voyager Digital operates as a subsidiary to FTX US serving as a crypto-asset broker providing retail and institutional investors with a turnkey solution to trade crypto assets.

Lower-Middle Market

(\$5MM-500MM Transactions)

Trailing 24 Months M&A Activity



Source: PitchBook

Monthly Analysis

Lower-middle market U.S M&A activity has followed a similar trend to that of the broader market. As seen in both the lower-middle market and the broader market, there have been lower deal counts in the first eight months of 2022 in comparison to 2021.

Healthcare IT and SaaS sectors have seen explosions in M&A activity within the lower-middle market as larger companies look for niche add-ons that provide synergies to maintain a competitive advantage in the two growing competitive markets. The lower-middle market will continue to follow trends of the broader market as we head into the tail end of 2022 with leverage ratios decreasing across the market.

September Transaction Highlights

John Bean Technologies / Bevcorp (Ohio)

On September 1st, John Bean Technologies acquired Bevcorp for \$290 million. This acquisition helps John Bean Technologies expand its presence in the beverage processing and packaging market while enhancing its competitive position.



DB Schenker / USA Truck (Arkansas)

On September 15th, DB Schenker acquired USA Truck for \$483.49 million. The acquisition allows Schenker to expand its global logistics services across land, air, and ocean transportation services, as well as comprehensive solutions for logistics and global supply chain management.

MC Hologram Inc / Golden Path Acquisition (New York)

On September 16th, MC Hologram acquired Golden Path Acquisition for \$450 million. MC Hologram provides holographic digital twin technology services for customers and has built a holographic digital twin technology resource library.



Selected U.S. Lower/Middle Market Transactions for September 2022

Deal Date	Companies	Investors	Deal Size
30-Sep-2022	Wellution	SciSparc (NAS: SPRC)(Oz Adler)	20.00
31-Sep-2022	Tri Global Energy	Enbridge (TSE: ENB)	270.00
31-Sep-2022	IZI Medical Products	Halma (Lon: HLMA)	168.00
28-Sep-2022	Standard Bariatrics	Teleflex (NYS: TFX)	300.00
27-Sep-2022	Tropicana Las Vegas	Bally's (NYS: BALY)(George Papanier)	148.00
23-Sep-2022	Midland Cogeneration Venture	Capital Power (TSE: CPX)(Brian Vaasjo), Manulife Investment Management(Scott Kushner)	373.00
19-Sep-2022	Johnny Was	Oxford Industries (NYS: OXM)(Thomas Chubb)	270.00
19-Sep-2022	Parker-Hannifin (Aircraft Wheel & Brake Division)	Kaman (NYS: KAMN)(Ian Walsh)	440.00
16-Sep-2022	MC Hologram (NAS: HOLO)	Golden Path Acquisition (NAS: GPCO)	450.00
15-Sep-2022	USA Truck	DB Schenker(Jochen Thewes)	483.49
01-Sep-2022	Bevcorp	John Bean Technologies (NYS: JBT)(Brian Deck)	290.00
01-Sep-2022	RavenVolt	ABM Industries (NYS: ABM)(Scott Salmirs)	450.00