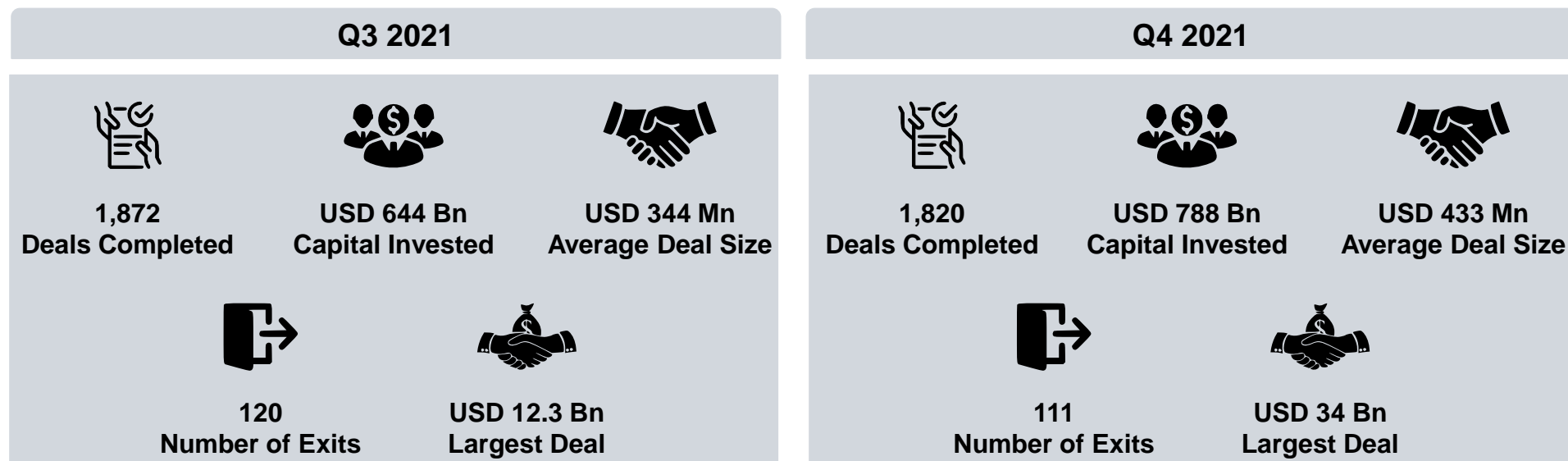


# Global Private Equity Factbook – Q4 2021

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# PE activity increases worldwide due to surge in big-ticket investments, despite decline in number of deals



USD 758 Mn	Median Fund Size	USD 605 Mn
14.1%	Internal Rate of Return	16.0%
USD 52.7 Mn	Median Dry Powder	USD 50.6 Mn
1.0x	DPI Multiple	0.6x
1.6x	TVPI Multiple	1.5x
0.7x	RVPI Multiple	0.9x

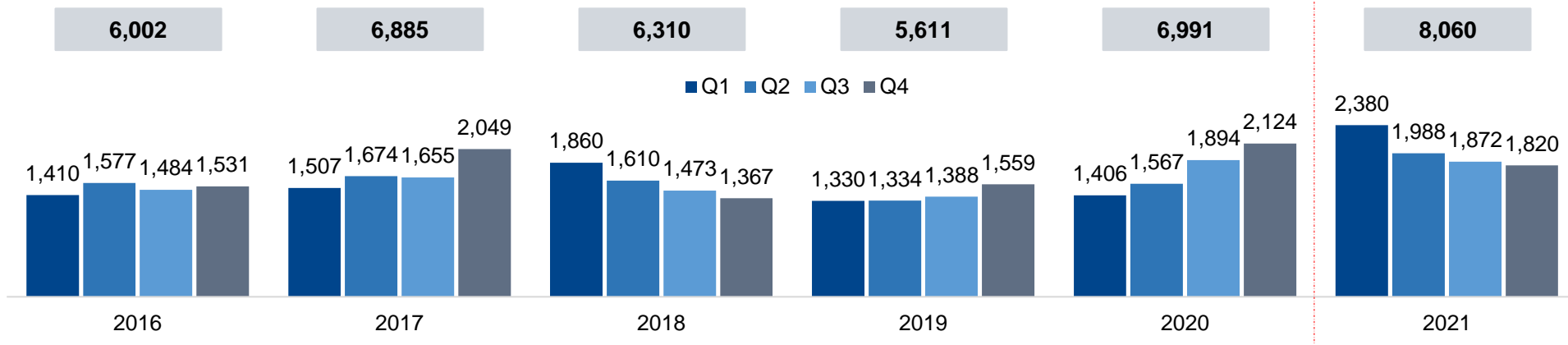
Source: Pitchbook, Aranca Analysis

Note: Quarter represents the calendar year.

# Deal volumes down 2.8% in Q4 2021; majority investments comprise PIPE and growth/expansion deals

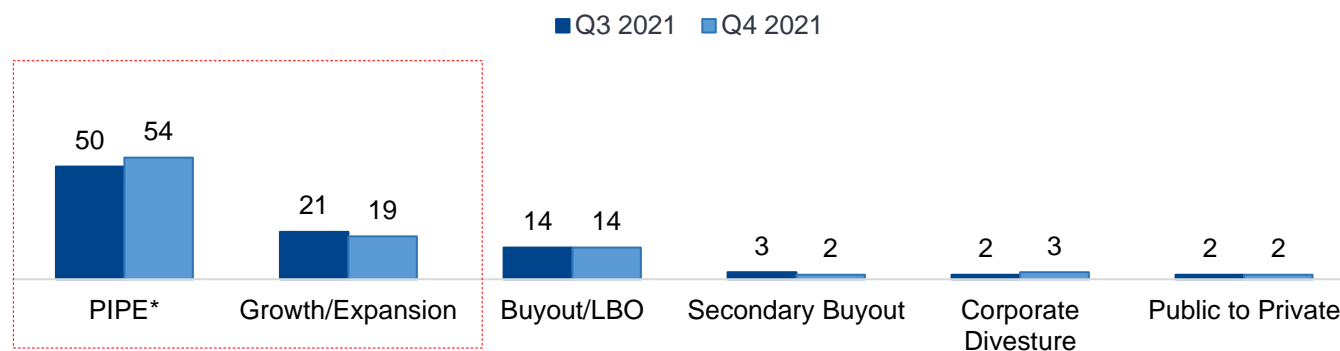
## Number of Deals

Figures in Units



## Type of Deals – 2021

Figures in Percentage



Indicates annual/YTD deals completed

*“In 2021, there was a significant increase in deal activity and valuations. Ample market liquidity, low interest rates, and a record-high number of PE firms have contributed to a tremendous amount of deal making.”*

**– International Law Firm**

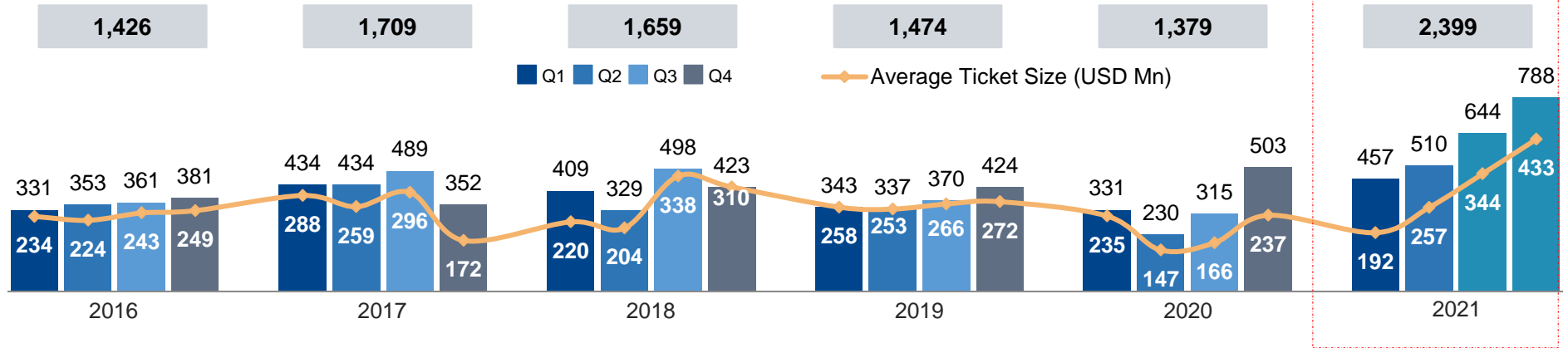
Source: Pitchbook, Aranca Analysis

Note: \*PIPE – Private Investment in Public Equity

# PE investments up 22% YoY to USD 2.4 Tn in Q4, average deal size increases 26% QoQ; investors primarily invest large sums in buyout deals

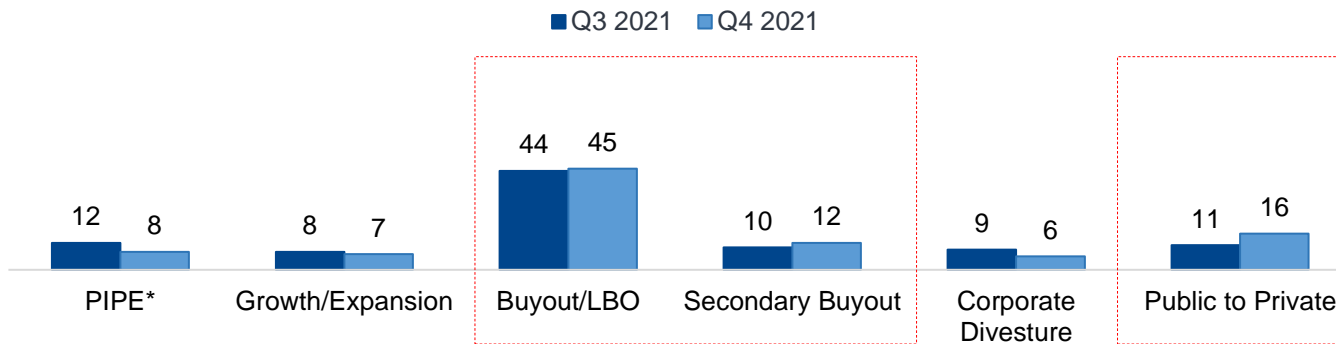
## Capital Invested

Figures in USD Bn



## Type of Deals – 2021

Figures in Percentage



Indicates annual/YTD capital invested

*“Rising demand for software during the pandemic—particularly data management software, network security, and cybersecurity—coupled with record levels of PE dry powder and high valuations for public tech companies has set the stage for bullish dealmaking in the private markets.”*

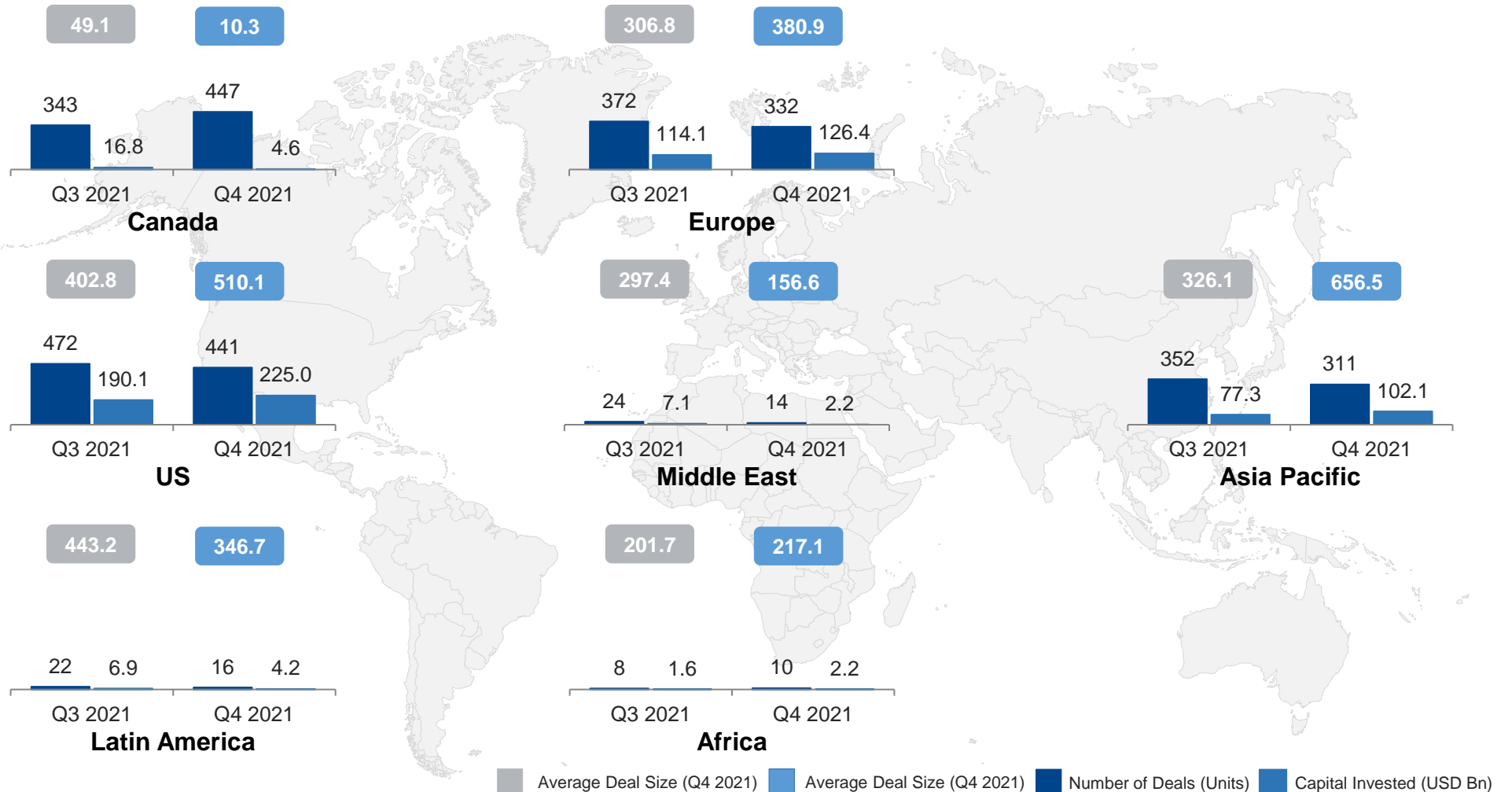
**– Private Equity Analyst**

Source: Pitchbook, Aranca Analysis

Note: \*PIPE – Private Investment in Public Equity

PE firms focus on Asia Pacific and US, with investments growing 33% and ~18%, respectively; investments in Canada and Middle East decrease ~70%

### Target Geographies



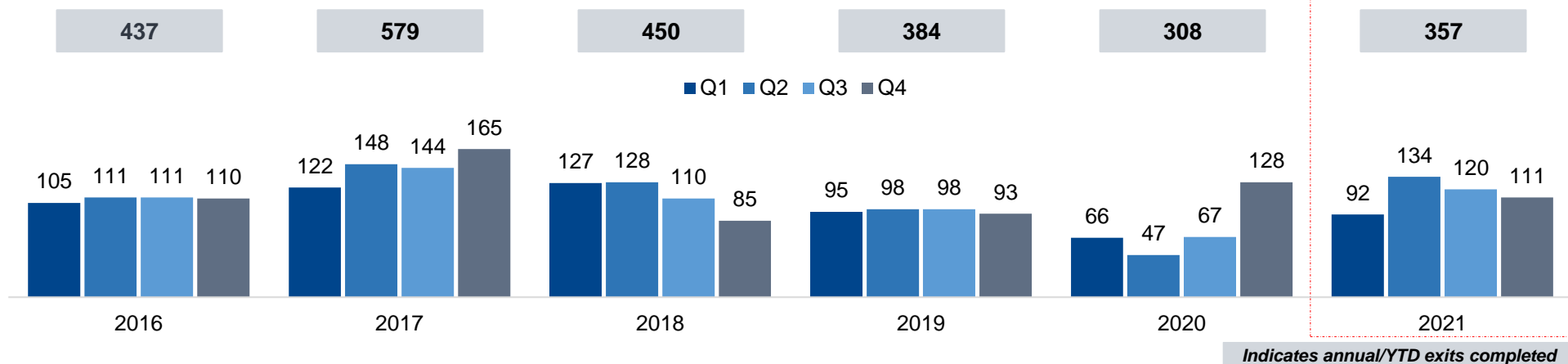
Source: Pitchbook, Aranca Analysis

Note: Due to data gaps, reported capital invested does not add up to total capital invested

# Exit valuations robust in Q4 2021, with buyouts accounting for ~73% of total exits

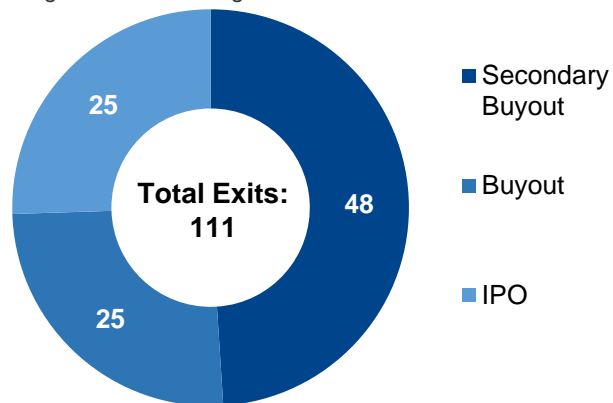
## Number of Exits

Figures in Units



## Type of Exits – Q4 2021

Figures in Percentage



## Exit Multiples\*

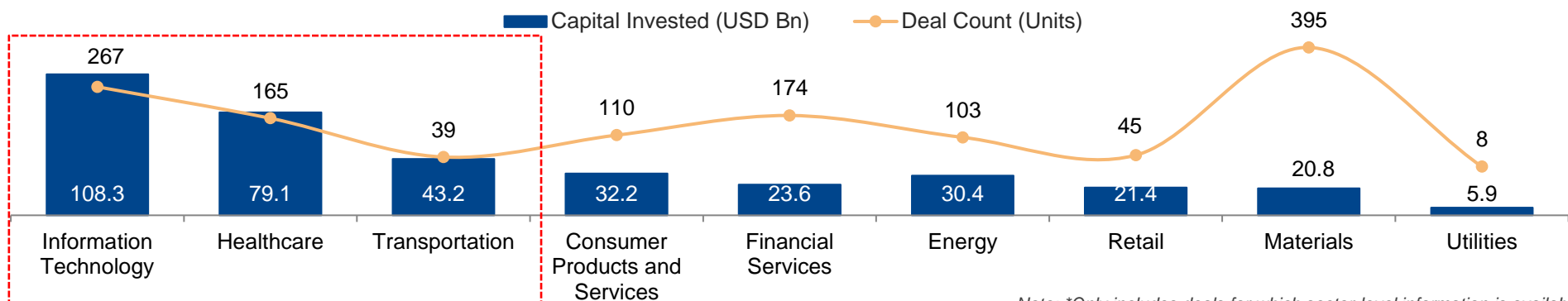
Parameters	Secondary Buyout		Buyout		IPO	
	Q3 2021	Q4 2021	Q3 2021	Q4 2021	Q3 2021	Q4 2021
Enterprise Value (USD Mn)	444.4	1,169.3	281.9	312.5	-	-
EV/EBITDA	12.0x	15.0x	5.8x	14.1x	-	-
EV/Revenue	3.0x	3.4x	4.3x	4.1x	-	-

Source: Pitchbook, Aranca Analysis

Note: \*All multiples indicate median value

# IT, healthcare, transportation sectors attract ~49% of total capital invested by PE firms in Q4 2021

## Top Sectors\* – Q4 2021



Note: \*Only includes deals for which sector-level information is available

## Top Deals – Q4 2021

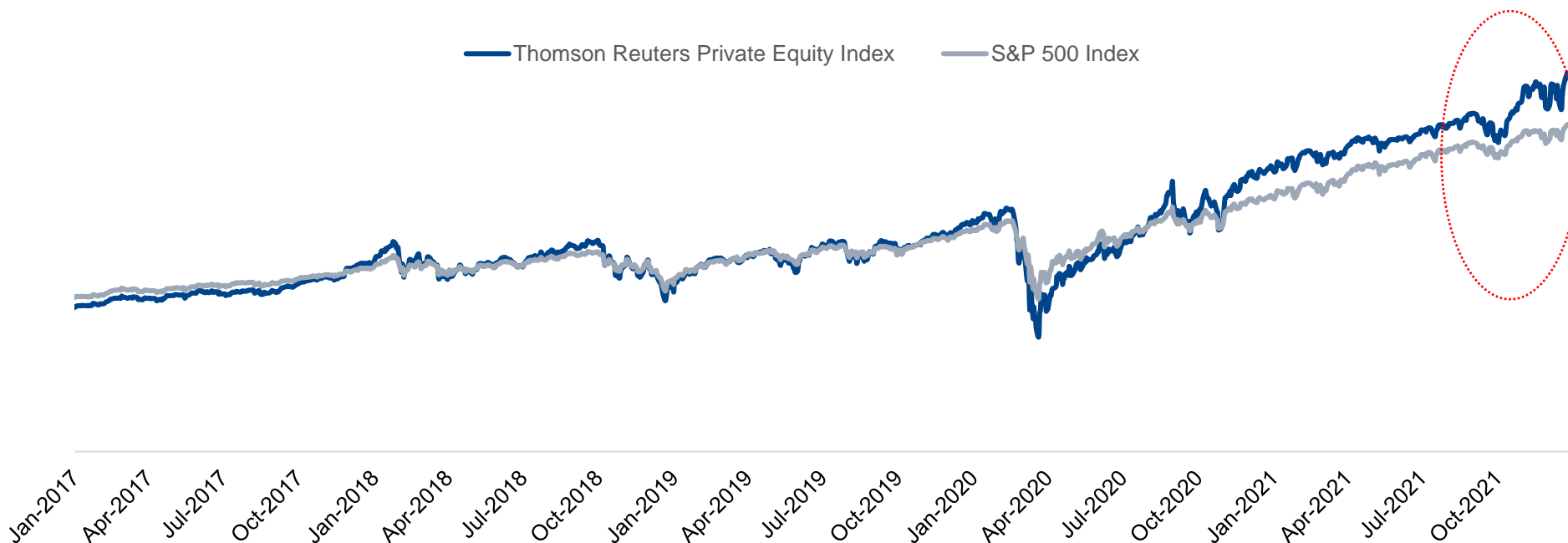
Primary Industry	Company Name	Deal Date	Deal Size (USD Mn)	% Acquired	Deal Type	Investors	Deal Size/EBITDA	Deal Size/Revenue	EV/EBITDA	EV/Revenue
Healthcare	Medline Industries	Oct-2021	34,000	80	Buyout/LBO	Blackstone, Government of Singapore Investment Corporation	-	1.7x	-	2.1x
	Athenhealth	Nov-2021	17,000	100	Buyout/LBO	Bain Capital, Bain Capital Tech Opportunities	-	-	-	-
Information Technology	CyrusOne	Nov-2021	15,000	100	Buyout/LBO	Global Infrastructure Partners, Kohlberg Kravis Roberts	25.0x	12.9x	24.2x	12.6x
	McAfee	Nov-2021	14,000	100	Buyout/LBO	Advent International, Canada Pension Plan Investment Board	43.6x	4.4x	40.9x	4.1x
Transportation	Sydney Airport	Nov-2021	14,909	84.9	Buyout/LBO	AustralianSuper, Global Infrastructure Partners, Qsuper	156.4x	31.7x	245.5x	49.8x
Retail	Wm Morrison Supermarkets	Oct-2021	9559	100	Buyout/LBO	Clayton, Dubilier & Rice	9.5x	0.4x	9.1x	0.4x
<b>Median</b>							<b>34.3x</b>	<b>4.4x</b>	<b>32.6x</b>	<b>4.1x</b>

Source: Pitchbook, Aranca Analysis

\*Note: Deals include completed and announced

# PE firms continue to outperform equity markets in Q4 2021, supported by strong PE activity

## Index Returns



Index	Index Returns	
	Q3 2021	Q4 2021
Thomson Reuters Private Equity Index	116%	157%
S&P 500 Index	91%	111%

Source: Reuters Eikon, Aranca Analysis



# Aranca View

## Way Forward

*“Last year was a record year in terms of dealmaking, and private equity was a significant portion of that. I don’t see that ending as long as the markets hold out. Part of this is the pace of fundraising and the total amount of dry powder that’s available. People are keen to get that invested in opportunities.” – UK-based Private Equity Firm*

*“For private equity, we continue to see healthcare, technology and consumer as the three most interesting sectors within buyouts. Even though competition for such deals has further increased, we continue to see attractively priced opportunities in the small and mid-sized segment of the market.” – UK-based Private Equity Firm*

*“Firms will have to be creative in deal-sourcing with such increased competition for quality assets. The focus on sustainable and ESG-driven investment will also continue to drive activity this year and beyond.” – US-based Private Investment Firm*

*“With the emergence of the Omicron variant, it’s clear that the pandemic induced volatility will continue as we move into the new year, presenting both challenges and opportunities in the PE industry.” – UK-based Private Equity Firm*

Source: Aranca Analysis

### PE Industry Outlook



**Fundraising and excess dry powder expected to drive PE activity**



**PE to remain bullish on healthcare, IT, and consumer products sectors**



**Focus on sustainability and ESG-driven investments**



**Pandemic-induced volatility could create investment opportunities**



**500+**

Strong team of professionals  
across multi-disciplinary domains

**2500+**

Global clients

**120+**

Sectors and sub-sectors  
researched by our analysts

**80+**

Countries where we have  
delivered projects

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