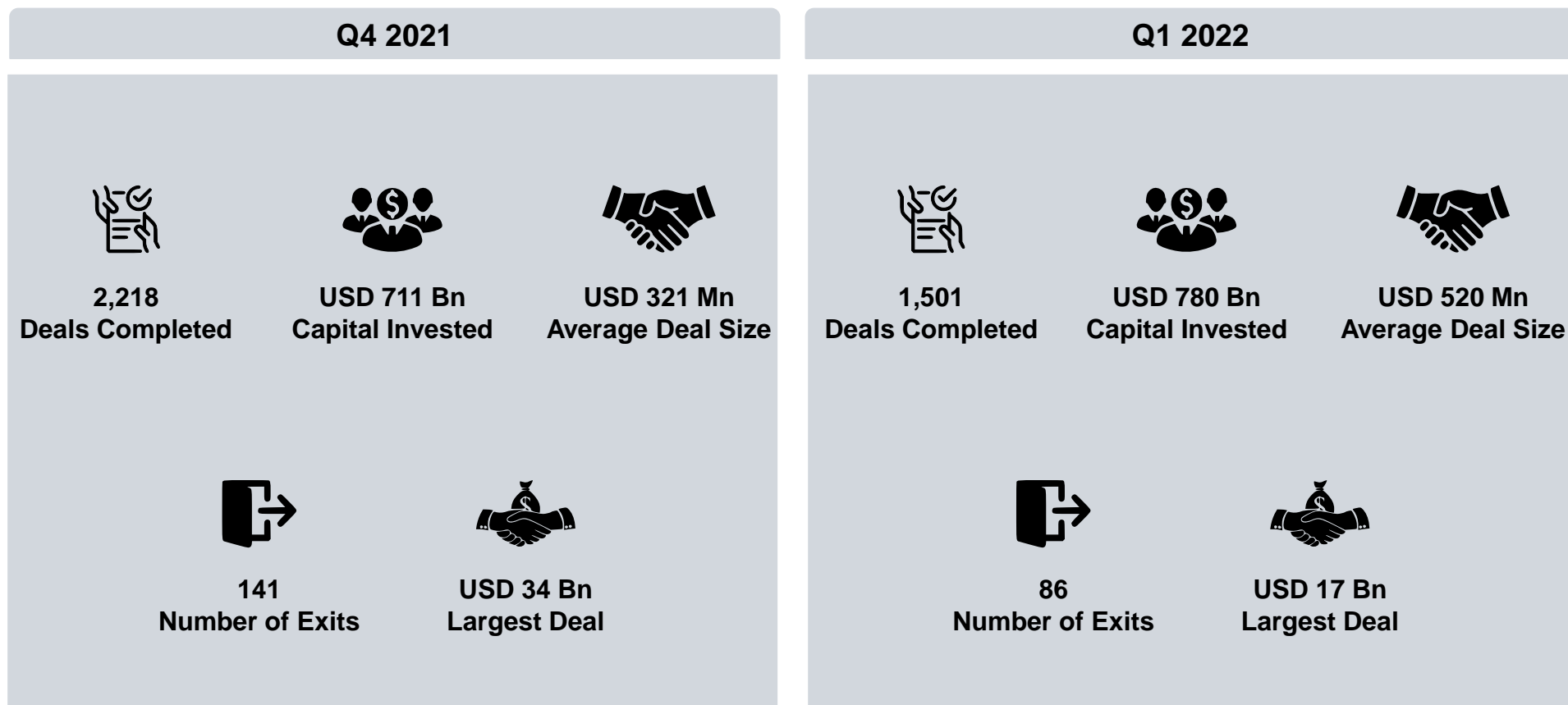


Global Private Equity Factbook – Q1 2022



Slowdown in private equity activities in Q1 2022 due to uncertain macro environment



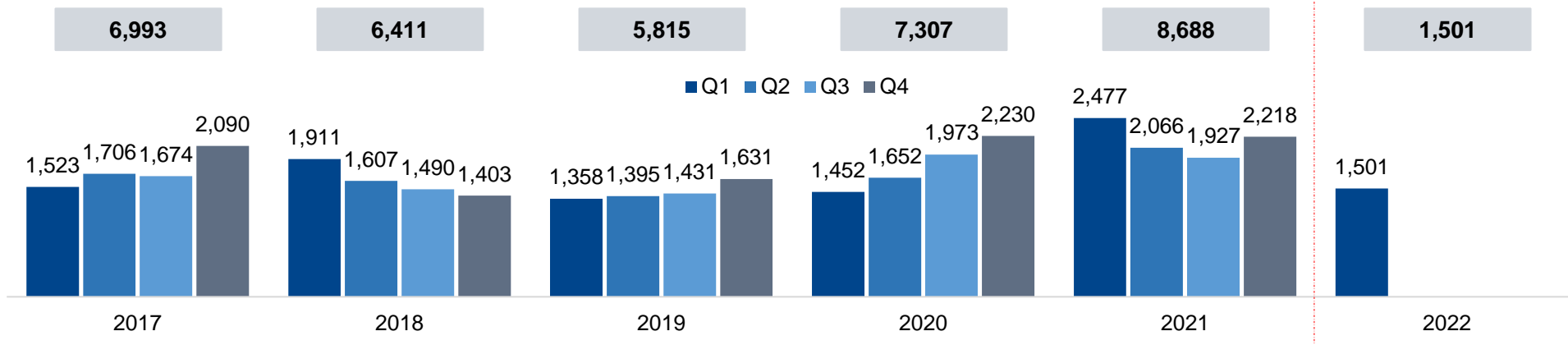
Source: Pitchbook, Aranca Analysis

Note: Quarter represents the calendar year.

Decline of 32% q-o-q in deal volume as PE investors remained cautious and evaluated potential impact of volatile environment

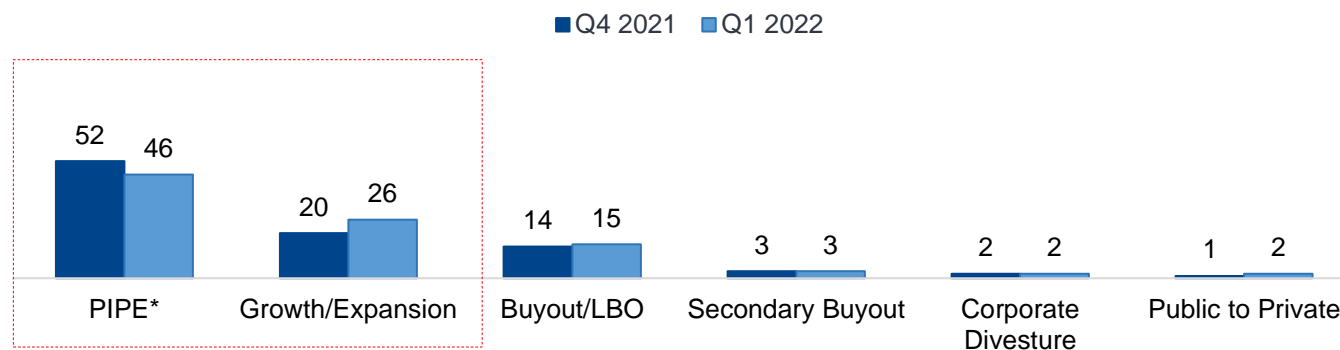
Number of Deals

Figures in Units



Type of Deals – 2021–2022

Figures in Percentages



Indicates annual/YTD deals completed

“The pace of private equity activity eased in January as volatility in international markets, inflation and interest rate rises created a degree of uncertainty for buyers and sellers alike.”

– International Law Firm

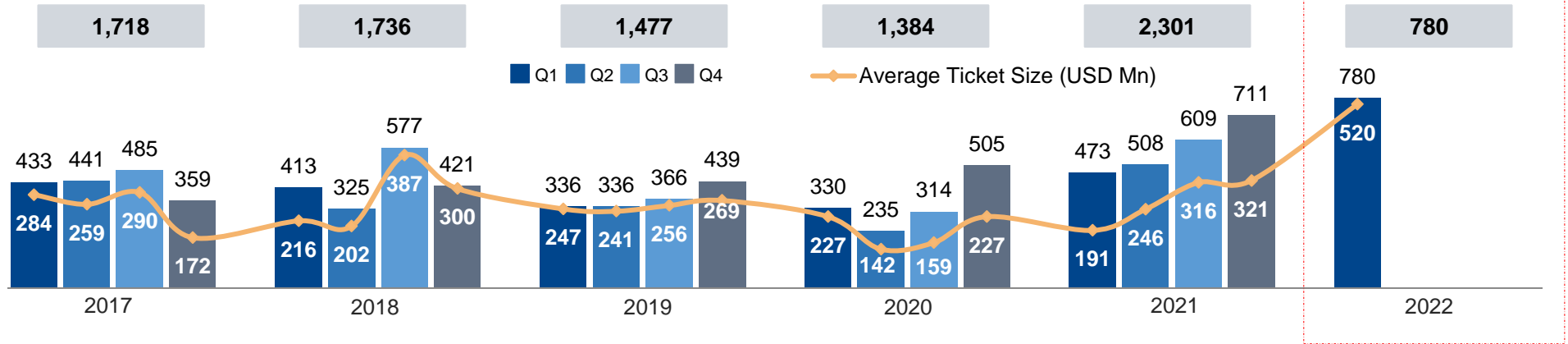
Source: Pitchbook, Aranca Analysis

Note: *PIPE: Private Investment in Public Equity

Despite decline in deal volume, PE firms invested USD 780 Bn in Q1 2022, highest since 2017, driven by increased investments in leveraged buyouts

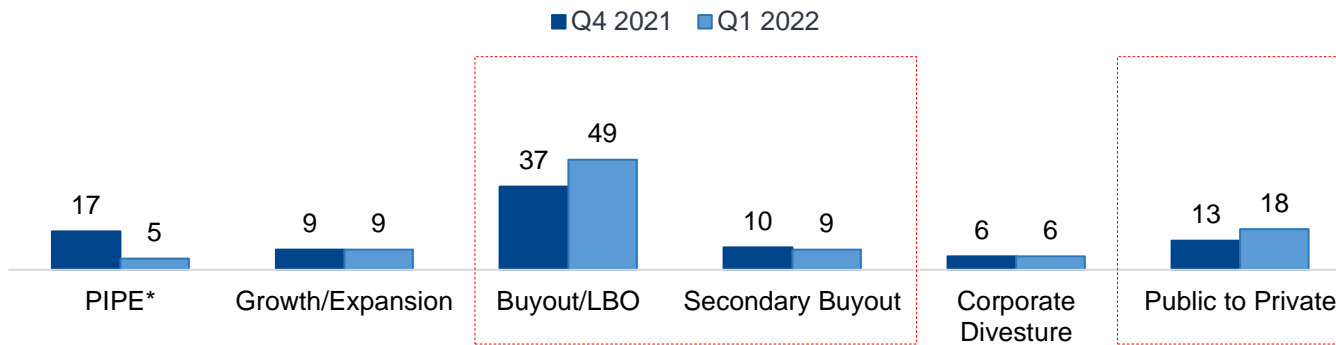
Capital Invested

Figures in USD Bn



Type of Deals – 2021–2022

Figures in Percentages



Indicates annual/YTD capital invested

“Despite the slowdown, private equity groups enjoyed their strongest ever start to the year as they deployed vast cash piles accumulated during the pandemic.”

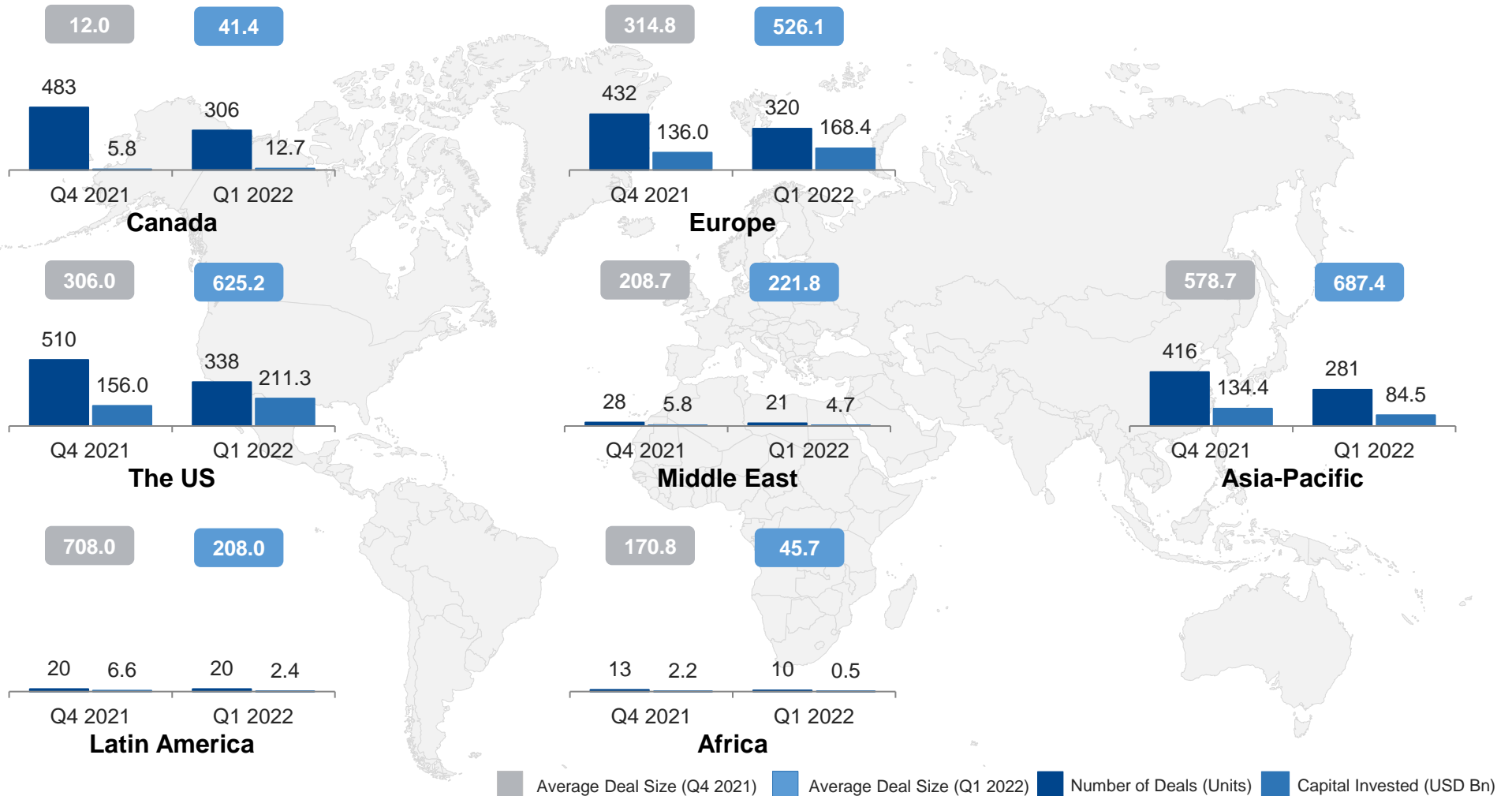
– Private Equity, Hedge Funds, M&A Reporters of Business News Organization

Source: Pitchbook, Aranca Analysis

Note: *PIPE: Private Investment in Public Equity

Capital investment increased in North America and Europe but declined in all other regional markets in Q1 2022

Target Geographies



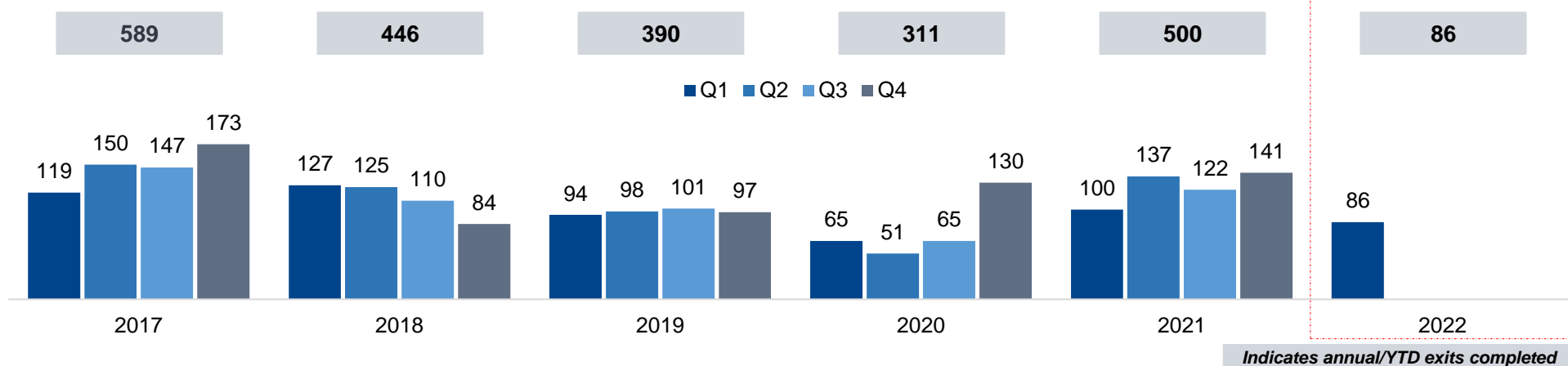
Source: Pitchbook, Aranca Analysis

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

Valuation impacted by macroeconomic factors such as rising interest rates, inflation and Russian-Ukraine war, led to a decline in PE exits

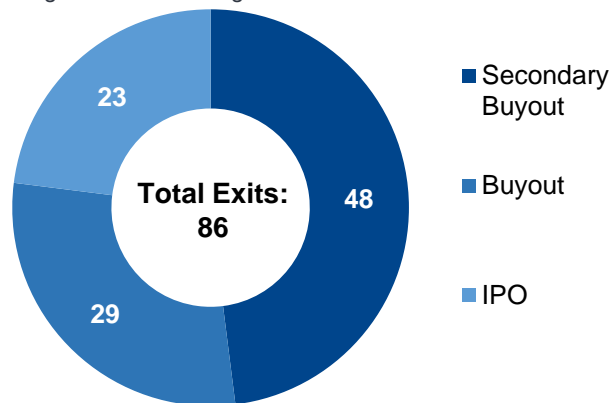
Number of Exits

Figures in Units



Type of Exits – Q1 2022

Figures in Percentages



Exit Multiples*

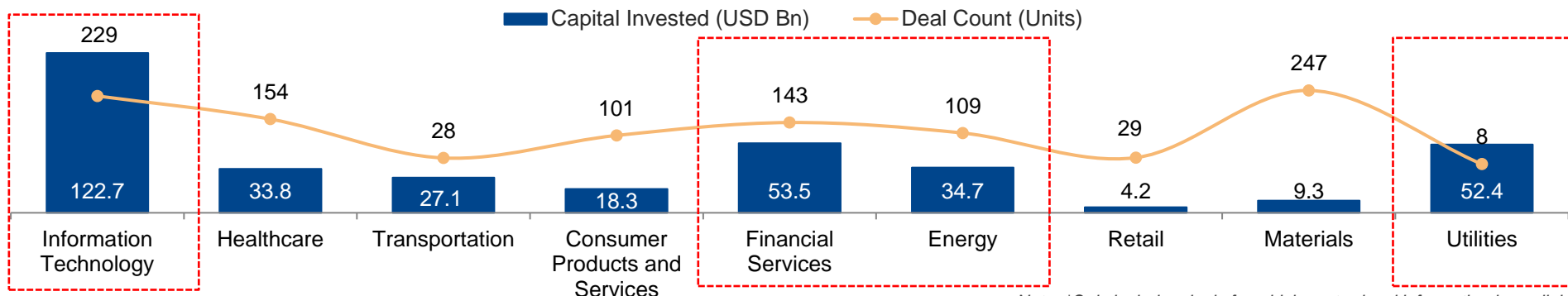
Parameters	Secondary Buyout		Buyout		IPO	
	Q4 2021	Q1 2022	Q4 2021	Q1 2022	Q4 2021	Q1 2022
Enterprise Value (USD Mn)	586.8	705.8	315.0	200.0	-	-
EV/EBITDA	14.5x	15.0x	9.9x	16.4x	-	-
EV/Revenue	2.3x	7.8x	3.8x	2.0x	-	-

Source: Pitchbook, Aranca Analysis

Note: *All multiples indicate median value

IT, Financial Services, Energy, and Utilities attracted ~74% of total capital invested by PE firms in Q1 2022

Top Sectors* – Q1 2022



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

Top Deals – Q1 2022

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	Athenhealth	Feb-2022	17,000	100	Buyout/LBO	Bain Capital, Bain Capital Tech Opportunities, Govt of Singapore Investment Corporation, Hellman & Friedman	-	-	-	-
Information Technology	CyrusOne	Mar-2022	15,000	100	Buyout/LBO	Global Infrastructure Partners, Kohlberg Kravis Roberts	25.7x	12.4x	25.1x	12.2x
Utilities	AusNet	Feb-2022	10,200	100	Buyout/LBO	Alberta Investment Management, Brookfield Asset Management, Healthcare of Ontario Pension Plan	16.8x	7.2x	16.4x	7.0x
Energy	Occidental Petroleum	Mar-2022	8000	15	PIPE	NA	0.6x	0.3x	-	-
Financial Services	Cominar REIT	Mar-2022	4436	100	Buyout/LBO	Artis Real Estate, Blackstone, Canadian Real Estate Investment Trust, Canderel, FrontFour Capital Group, Groupe Mach	-	-	-	-
Median							8.7x	7.8x	20.7x	8.4x

Source: Pitchbook, Aranca Analysis

*Note: Deals include completed and announced

Aranca View

Way Forward

*“As interest rates shift from hovering at zero to potentially increasing significantly, the private equity industry will face new pressures. The inflow of capital to the asset class will decelerate, leading to an increased scrutiny of costs and an opportunity to shift bargaining power to limited partners. While the private equity industry has made promising steps towards innovation to preserve momentum, the adverse macroeconomic pressures will likely still prevail, affecting the industry’s growth and, subsequently, its cost structure, which remains a controversial subject.” – **Center for Economic and Policy Research***

*“Limited partners (LPs) will continue to invest heavily in PE strategies throughout 2022, estimating that at least \$952 billion will be raised by PE funds” – **Global Private Equity Publication Firm***

*“Yet, there are compelling reasons for dealmakers to be optimistic, besides the continued rollout of vaccinations and easing of COVID-19 restrictions. Global economic performance is expected to improve, despite macroeconomic headwinds, and the sheer weight of capital available to private equity firms and excess cash sitting on corporate balance sheets suggest the deals pipeline is set to stay strong for the foreseeable future ” – **Head of Corporate M&A Consulting at Insurance Firm***

Source: Aranca Analysis

PE Industry Outlook



In the short run, macroeconomic and geopolitical factors expected to impact growth of PE investment value



PE activities expected to regain momentum as the global economy stabilizes in the second half of 2022



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

ABOUT ARANCA



Growth Advisory

CXOs in Strategy, SBUs, Sales, Marketing, CI/MI, Innovation



Valuation & Financial Advisory

CFOs in Startups, PE/VC Firms, Corporate M&A Teams, Mid-market Companies



Technology | IP Research & Advisory

R&D, Tech Scouting, Open Innovation, IP Teams, Product Development



Investment Research & Analytics

Brokerage, Hedge Funds, IRPs, I-Banks, AMCs, Investor Relations

Decide Fearlessly

From startups to the Fortune 500, private equity and global financial firms, Aranca is the trusted research and advisory partner for over 2500 companies



www.aranca.com



This material is exclusive property of Aranca. No part of this presentation may be used, shared, modified and/or disseminated without permission.
All rights reserved.

For additional details, please contact:

Email : info@aranca.com