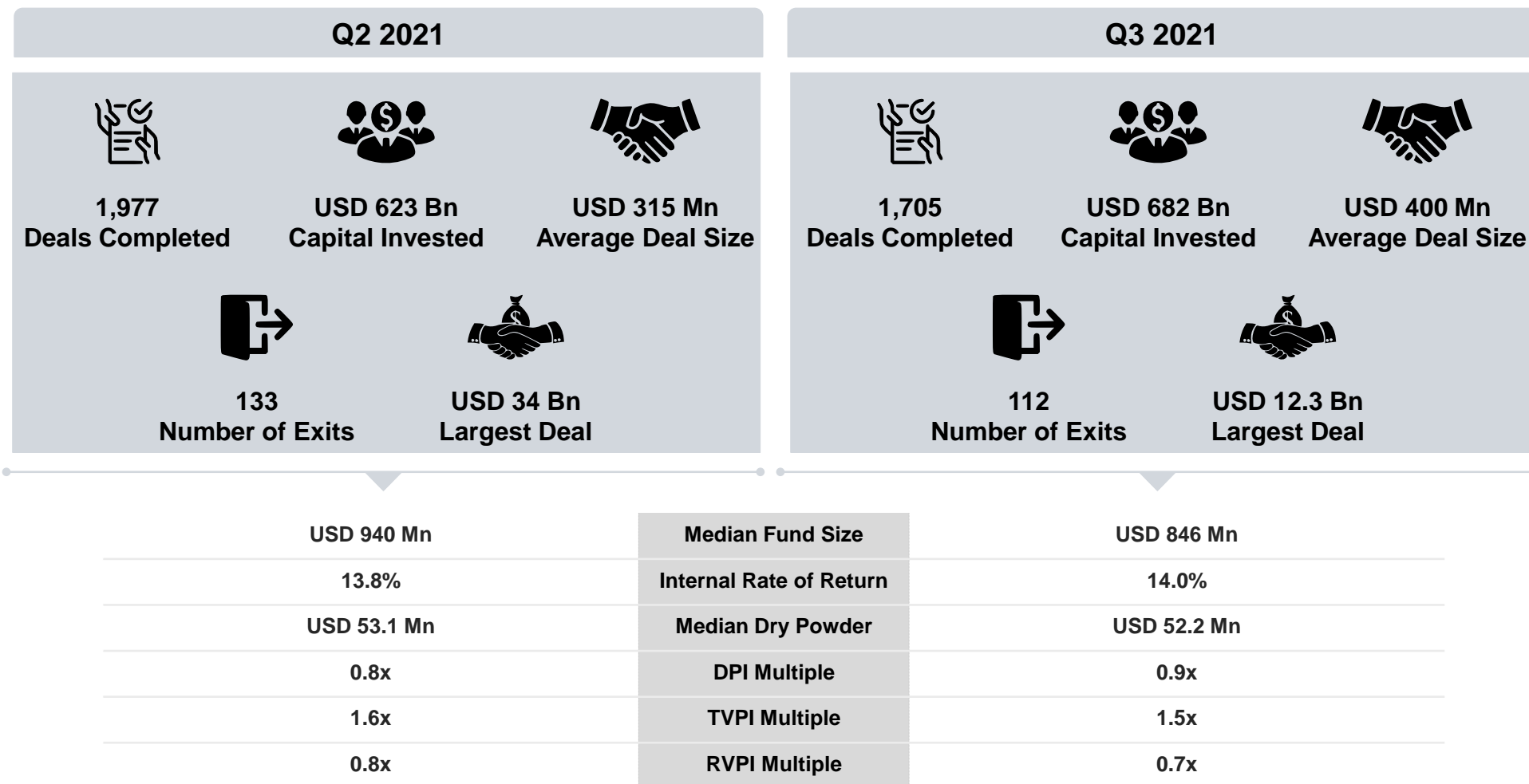


# Global Private Equity Factbook – Q3 2021

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# Average deal size increased by ~27% as PE firms focused on big-ticket investments in Q3 2021



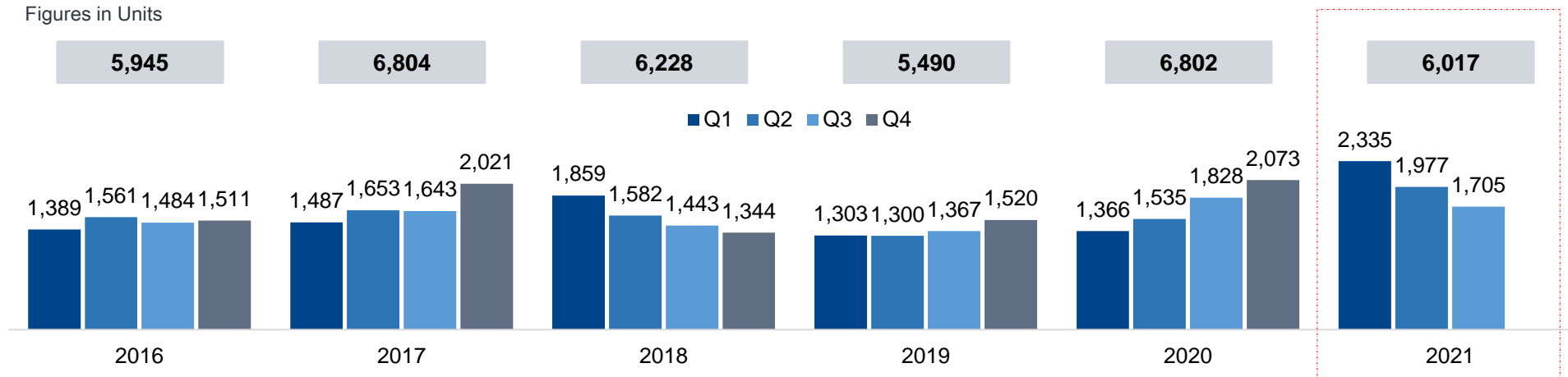
Source: Pitchbook, Aranca Analysis

Note: Quarter represents the calendar year.

# Number of deals declined by ~14%; PIPE transactions accounted for over 50% of total deals completed

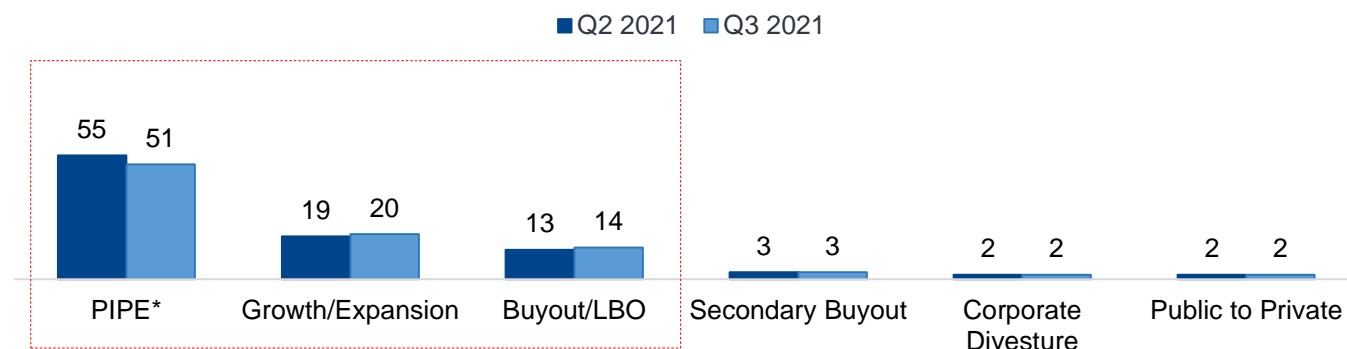
## Number of Deals

Figures in Units



## Type of Deals – 2021

Figures in Percentages



Indicates annual/YTD deals completed

*“Investors are flush with cash and want companies to look for acquisitions in areas where they need to grow or add capabilities and services rather than just paying dividends or buying back shares.”*

**– M&A Co-Head of an Investment Banking Firm**

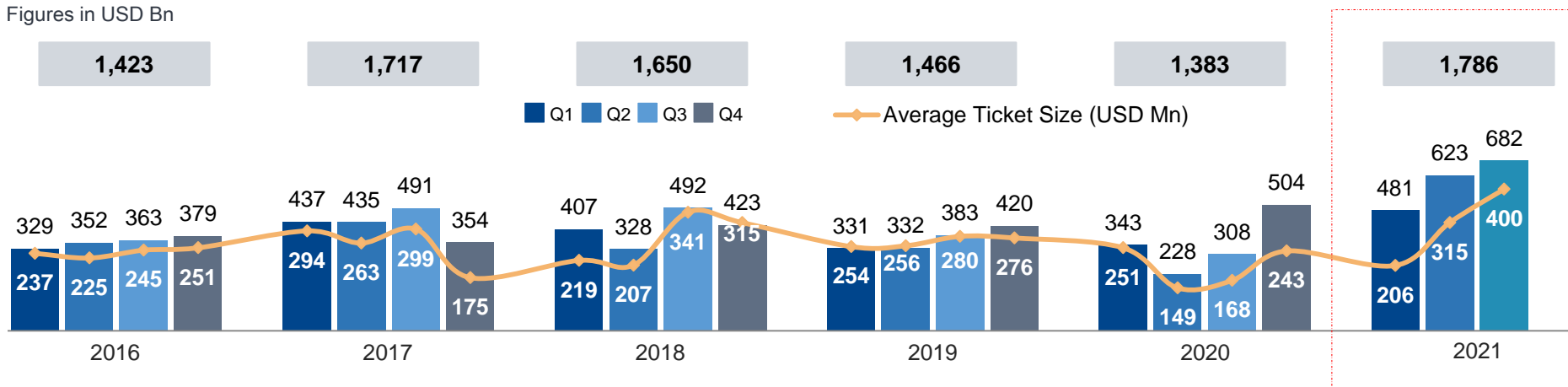
Source: Pitchbook, Aranca Analysis

Note: \*PIPE: Private Investment in Public Equity

Capital invested and average ticket size grew by ~9% and ~27%, respectively; PE firms primarily focused on investments in buyouts and divestitures in Q3 2021

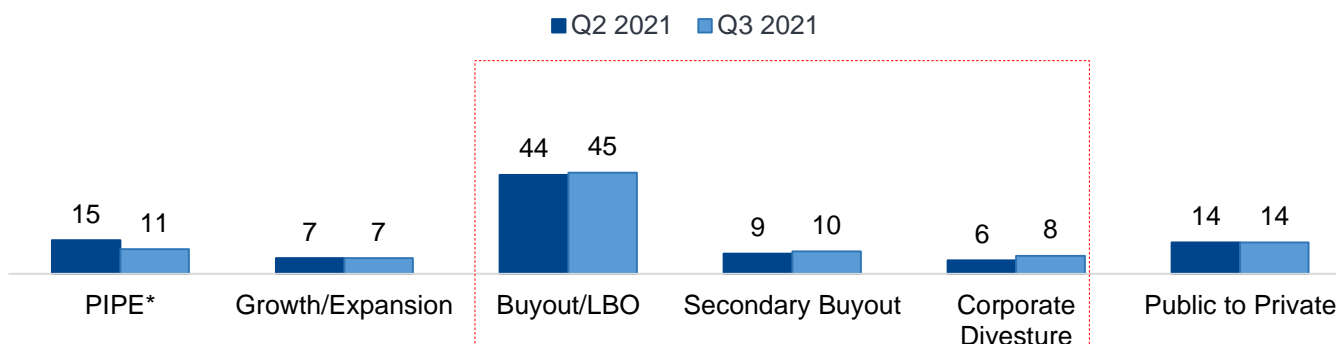
## Capital Invested

Figures in USD Bn



## Type of Deals – 2021

Figures in Percentages



Indicates annual/YTD capital invested

*“There is a clear recognition that valuations are very high at the moment. Funds are pursuing opportunities where they have conviction they can add value.”*

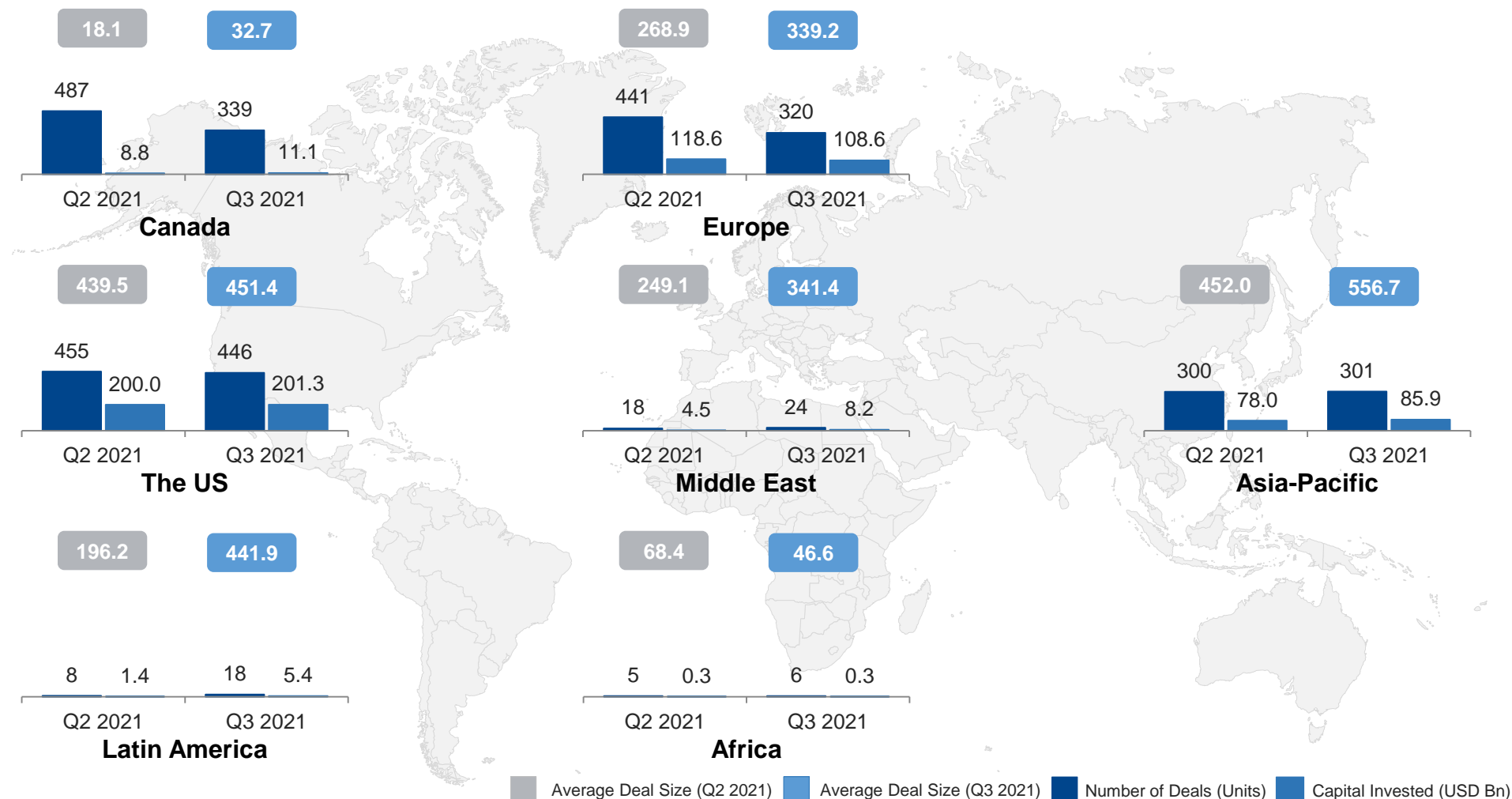
**– Financial and Strategic Investor Group Head of an Investment Banking Firm**

Source: Pitchbook, Aranca Analysis

Note: \*PIPE: Private Investment in Public Equity

PE investments remained stable in the US and Asia-Pacific, while it declined by ~8% in Europe and grew by ~83% in the Middle East

## Target Geographies



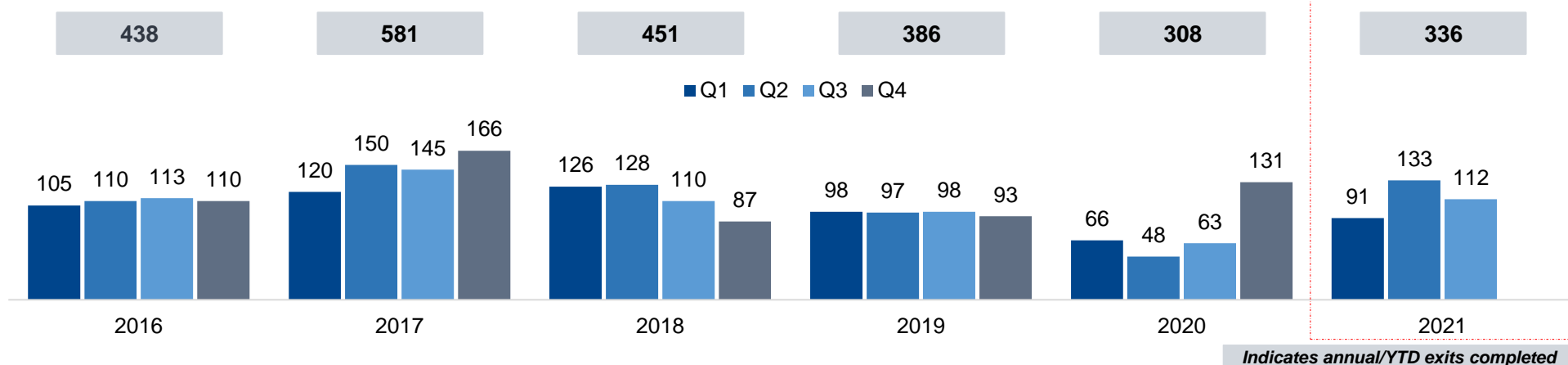
Source: Pitchbook, Aranca Analysis

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

# PE firms expect further strengthening of market valuations, and hence, postponed exits, leading to a ~15% decline in Q3 2021

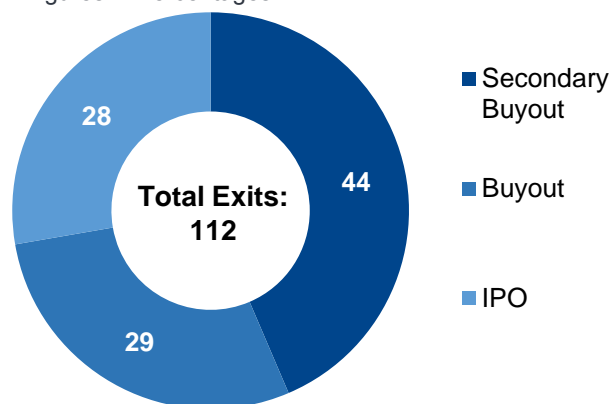
## Number of Exits

Figures in Units



## Type of Exits – Q3 2021

Figures in Percentages



## Exit Multiples\*

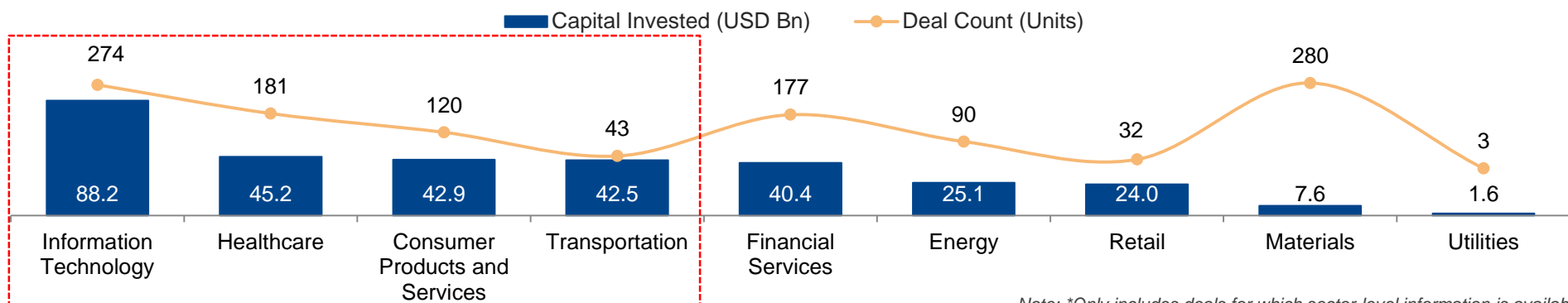
Parameters	Secondary Buyout		Buyout		IPO	
	Q2 2021	Q3 2021	Q2 2021	Q3 2021	Q2 2021	Q3 2021
Enterprise Value (USD Mn)	517.4	531.7	369.4	401.4	-	-
EV/EBITDA	12.3x	14.9x	13.5x	9.0x	-	-
EV/Revenue	3.1x	2.8x	3.5x	2.2x	-	-

Source: Pitchbook, Aranca Analysis

Note: \*All multiples indicate median value

# IT, Healthcare, Consumer Products, Transportation attracted about 52% of total capital invested by PE firms in Q3 2021

## Top Sectors\* – Q3 2021



## Top Deals – Q3 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
Information Technology	Proofpoint	Aug-2021	12,300	100	Buyout/LBO	Thoma Bravo(Seth Boro)	-101.1x	10.8x	-	9.99x
Energy	Contemporary Amperex Technology	Aug-2021	8,979	NA	PIPE	NA	4.1x	0.8x	-	-
Healthcare	Parexel International	Jul-2021	8,500	100	Buyout/LBO	EQT, Goldman Sachs Merchant Banking Division	-	-	-	-
	Inovalon Holdings	Aug-2021	7,300	100	Buyout/LBO	22C Capital, Insight Partners, Nordic Capital	35.0x	10.2x	34.4x	10.0x
Business Products & Services	Ingram Micro	Jul-2021	7,200	100	Buyout/LBO	Platinum Equity	-	-	-	-
Information Technology	Quality Technology Services	Aug-2021	6,700	100	Buyout/LBO	Blackstone Real Estate Income Trust, The Blackstone Group	25.5x	11.5x	34.2x	15.3x
Median							14.8x	10.5x	34.3x	10.0x

Source: Pitchbook, Aranca Analysis

Note: Deals include completed and announced

# Aranca View

## Way Forward

*“We expect heightened IPO activity through year-end, assuming equity markets remain strong. New SPAC issuances should continue as regulatory changes enhance investor confidence in overall governance. Both routes remain viable options for companies seeking access to public investors and to generate liquidity for private equity investors.” – **US-based Bank Holding Company***

*“The next 12 months are set to be an exciting time for tech M&A. Corporates and PE firms are increasing their TMT investments, with the need to scale up and keep pace with technology advancement continuing to drive dealmaking.” – **US-based Market Intelligence Company***

*“The conditions for strong deal activity are set to remain in place for the rest of this year and into the next. PE firms continue to close new funds and although interest rates are expected to rise in 2022, financing conditions are set to remain benign by historical standards” – **US-based International Law Firm***

*“Lots of funding and investment opportunities have created a real boom in private equity. The more PE firms take over companies, the more they grow, the more cash they can extract from their investments, the more opportunities they can take. Investors are flush with cash and looking to put the money to work.” – **US-based Private Equity Firm***

Source: Aranca Analysis

### PE Industry Outlook



**IPO activity expected to increase in the upcoming quarters**



**PE Investors likely to remain bullish on IT, financial services, and healthcare sectors**



**Focus on big-ticket investments through multi-investor or SPAC deals**



**Inflow of funds to increase PE activity**



**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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