

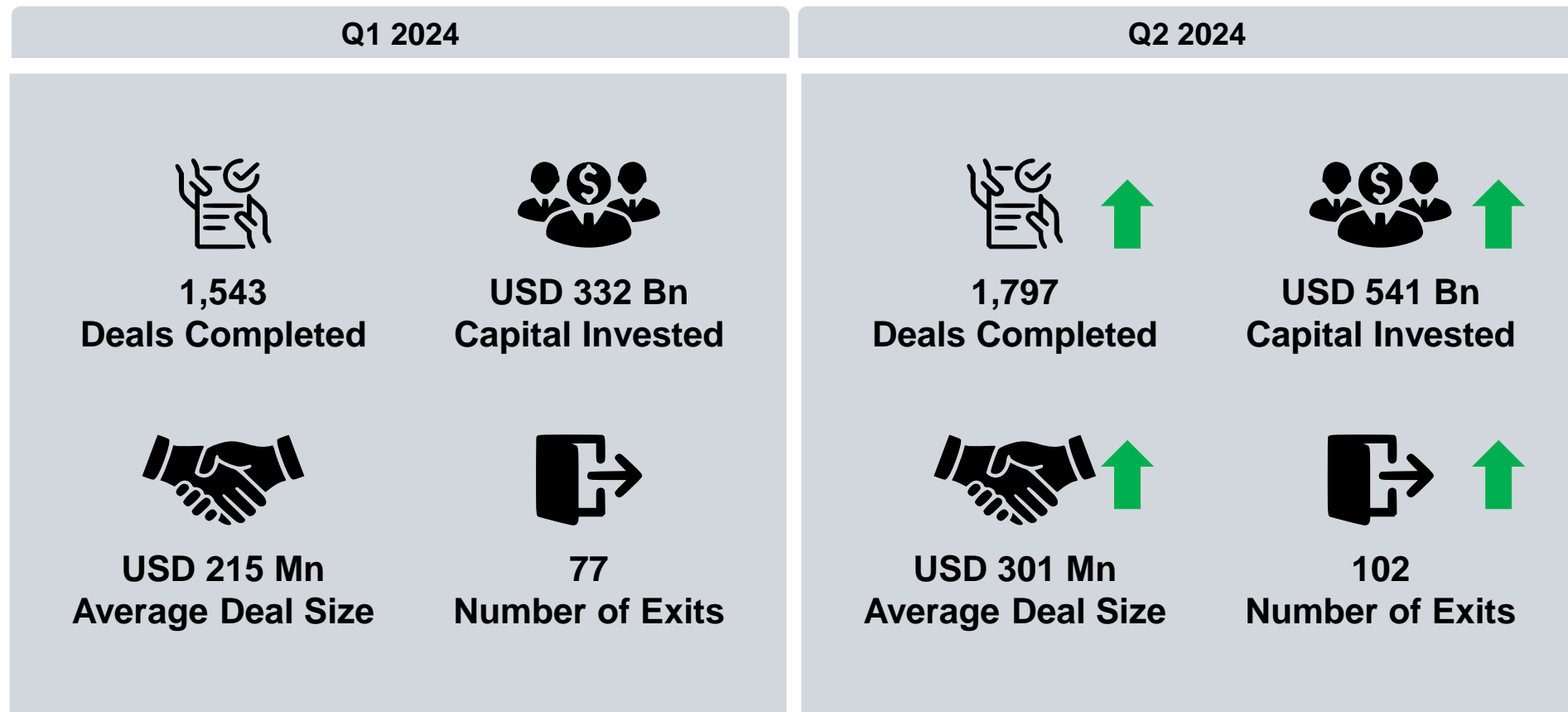
Special Report

Private Equity Factbook – Q2 2024

Focus: Global



Private equity (PE) investments rebounded in Q2 2024 as firms began utilizing their substantial reserves of dry powder



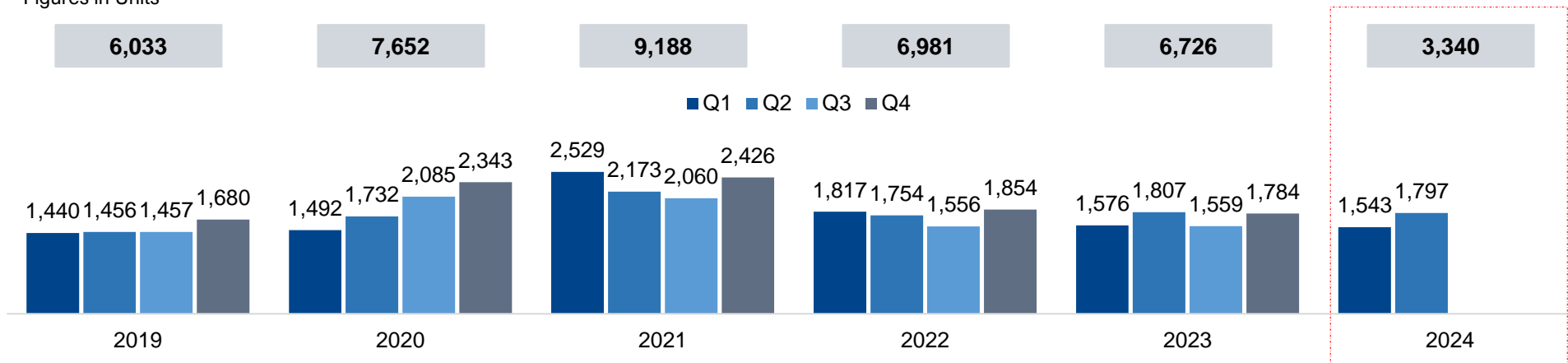
Source: Pitchbook, Aranca Analysis

Note: Quarter represents the calendar year.

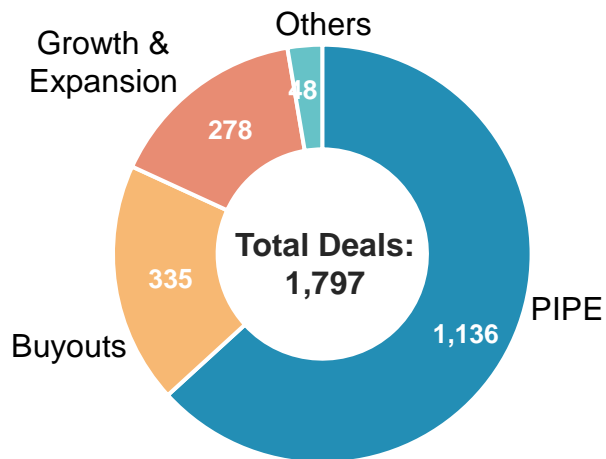
PE deals increased by 16.5% quarter-over-quarter in Q2 2024, largely driven by a continued focus on private investments in public entities

Number of Deals

Figures in Units



Type of Deals – Q2 2024



Indicates annual/YTD deals completed

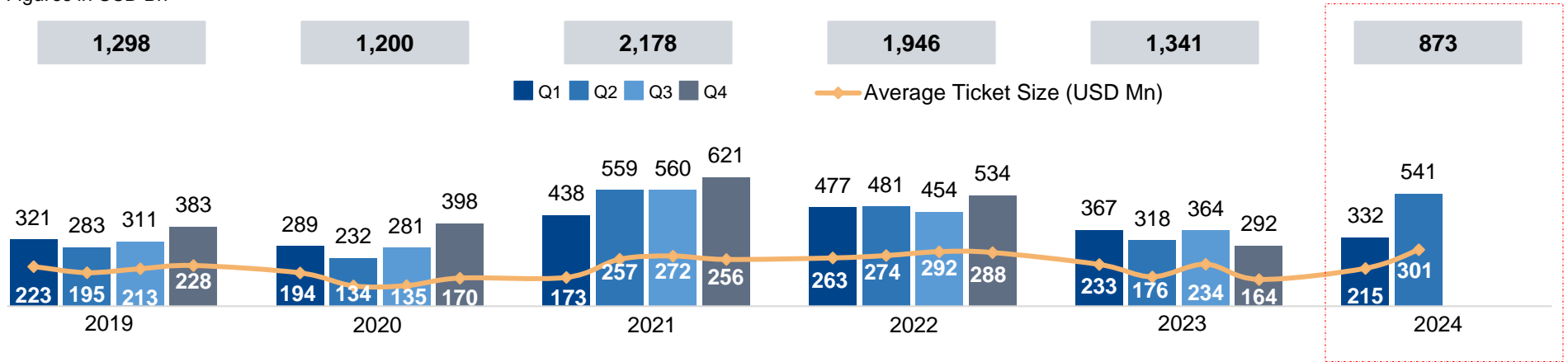
- In Q2 2024, the rise in PE deal activity can be ascribed to the aggressive deployment of dry powder in anticipation of more favorable economic conditions.
- Additionally, the surge in deal volume can be underpinned to the anticipated decline in borrowing costs, which has bolstered investor confidence in future returns.
- Moreover, the increase was largely fueled by a rise in private investment in public equity (PIPE) deals, buyouts, and public-to-private transactions, which grew by 22%, 14%, and 25%, respectively.
- Conversely, the volume of growth/expansion transactions witnessed a slight decline of 1%.

Source: Pitchbook, Aranca Analysis

In Q2 2024, PE firms reported a 63% increase in invested capital, alongside a 40% rise in average ticket size, driven by several high-value transactions

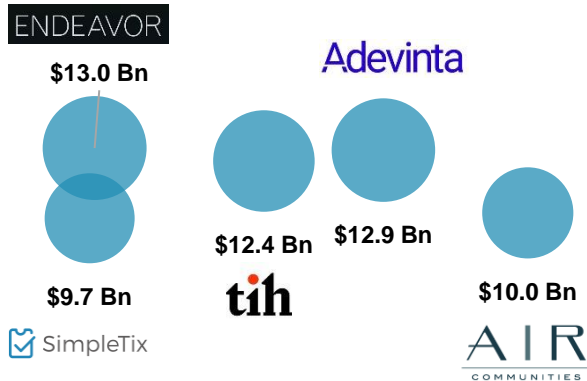
Capital Invested

Figures in USD Bn



Top 5 Deals – Q2 2024

Indicates annual/YTD capital invested

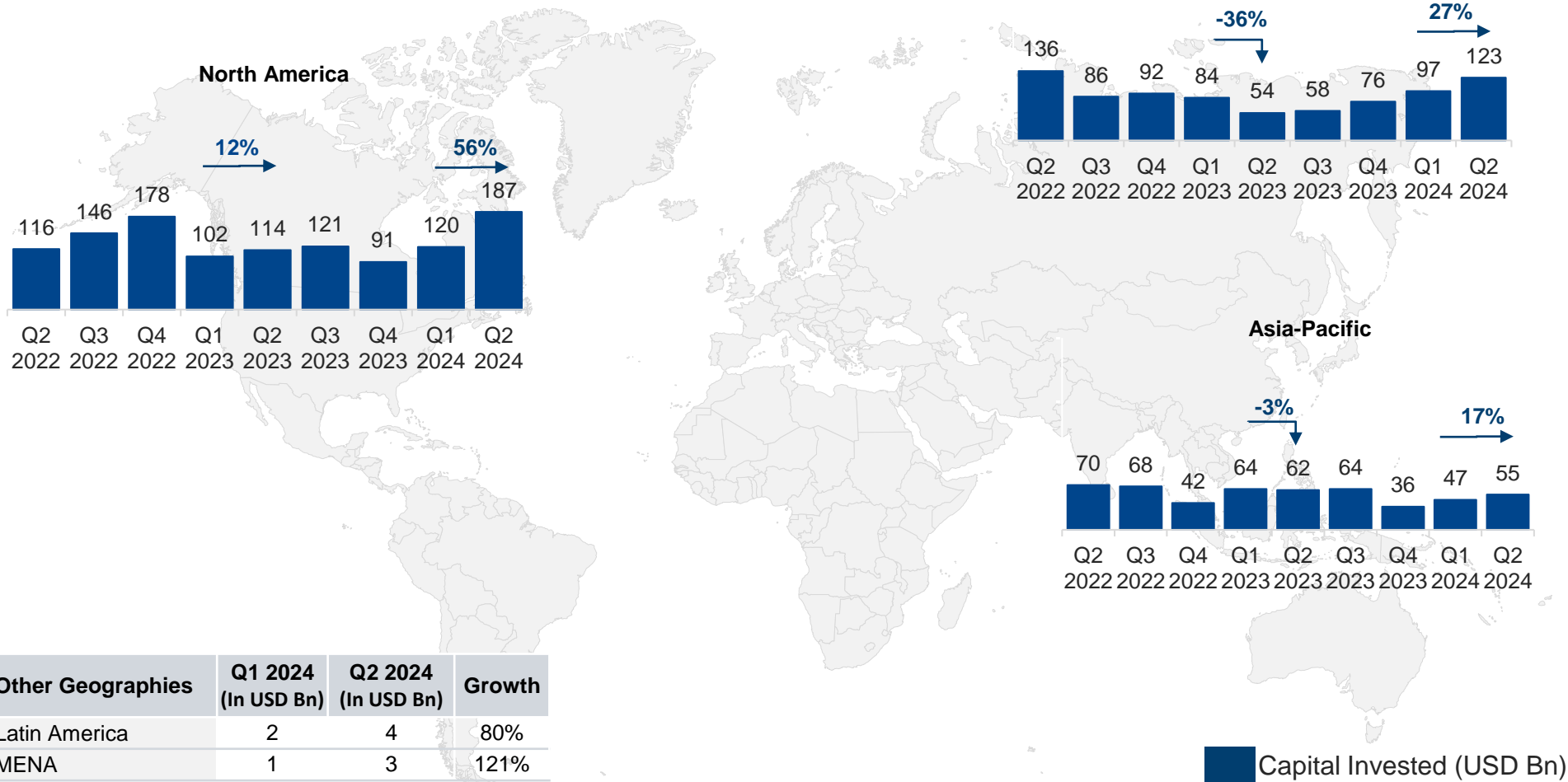


- The increase in capital investments was fueled by reduced borrowing costs and enhanced leverage thresholds, which enabled the execution of large-scale deals.
- Greater pricing stability contributed to a more predictable market, which further strengthened investor confidence and drove the rise in deployed capital.
- Private equity firms channeled this increased investment capital into public-to-private transactions and secondary buyouts, which saw significant surges of 188% and 57%, respectively.
- Additionally, transaction value in the growth/expansion market increased by 52% compared with the previous quarter, while PIPE deals experienced modest growth of 2%.

Source: Pitchbook, Aranca Analysis

PE investments in North America rose by 56%, while Europe and the APAC regions recorded increases of 27% and 17%, respectively

Key Geographies

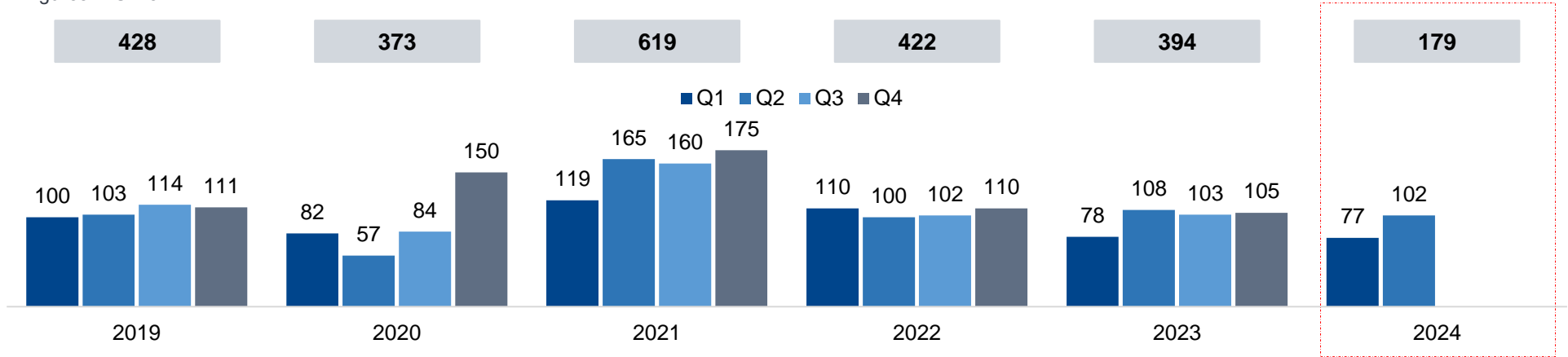


Source: Pitchbook, Aranca Analysis

PE exit activities rebounded in Q2 2024, signaling positive momentum for the industry

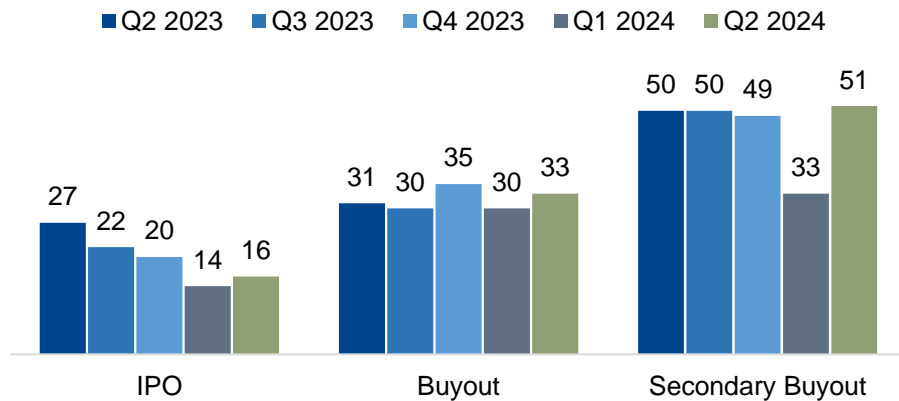
Number of Exits

Figures in Units



Key Exit Routes

Figures in Units



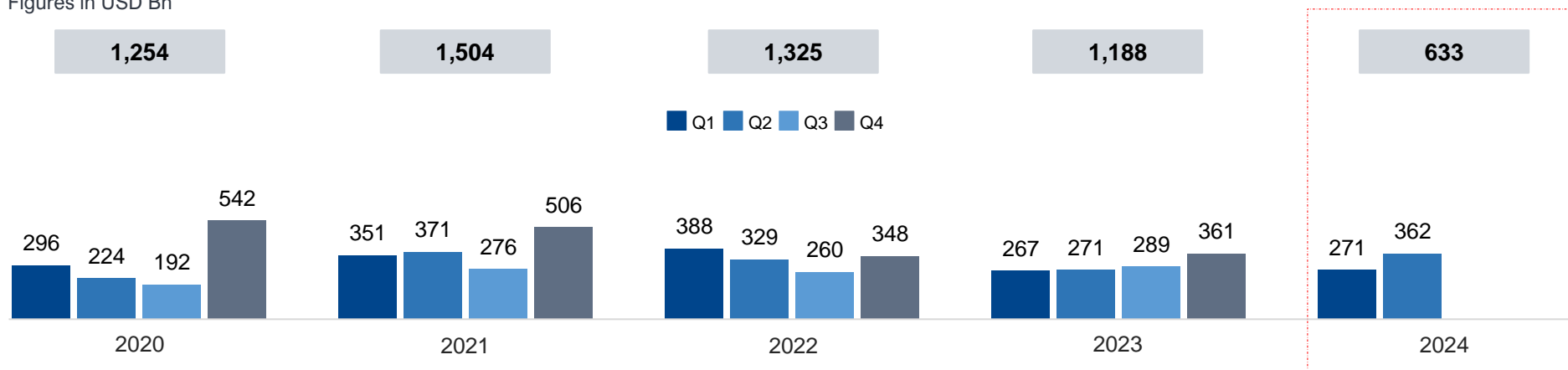
- Exit activity gained momentum in Q2 2024, with approximately 102 exits—a 32% increase from the previous quarter—signaling successful investment sales and potential profit gains for investors.
- Although market recovery has supported these exits, continued pressure to return capital could lead to asset sales if deal activity decelerates.
- The current exit landscape remains favorable for secondary investors, who can step in and provide essential liquidity solutions. Moreover, secondary buyouts are regaining prominence, now accounting for the majority (51%) of private equity exits.

Source: Pitchbook, Aranca Analysis

In Q2 2024, fundraising levels remained strong, with buyout funds leading in the resilient PE market

Capital Raised

Figures in USD Bn

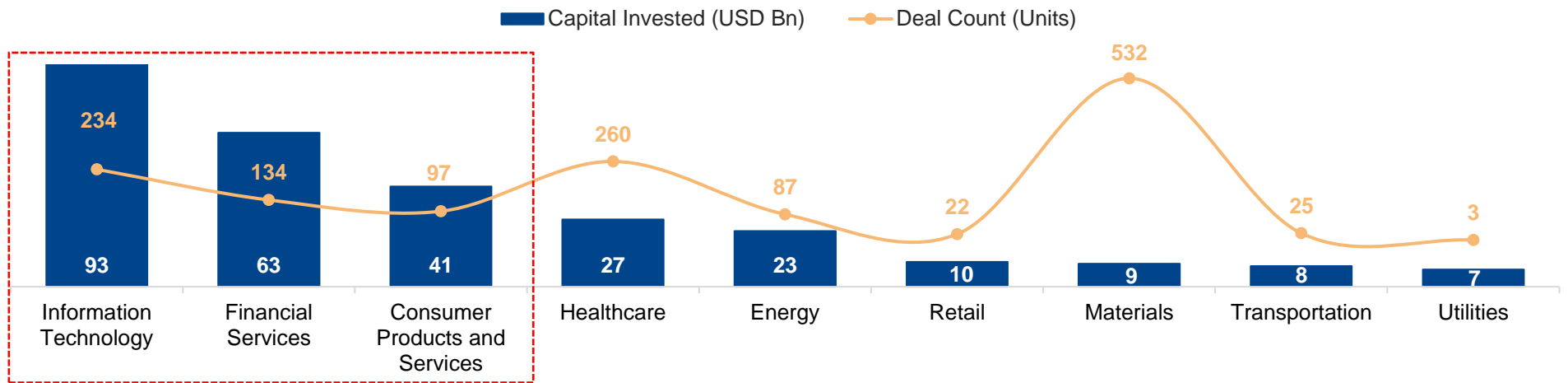


- In Q2 2024, PE fundraising remained strong, showing resilience despite challenges such as limited capital recycling.
- Buyout funds have become the leading force in capital acquisition, highlighting their dominance in fundraising, while growth equity funds have faced difficulties as investors remain cautious about higher-risk strategies.
- Platform leveraged buyout (LBO) transactions have stabilized following previous challenges related to debt availability, with the average LBO purchase price multiple rising to 11.1x in H1 2024, although still below historical averages.
- Additionally, investors are increasingly concentrating their capital on a few large, established PE firms, limiting funding opportunities for smaller managers and intensifying competition, which has led to higher valuations.

Source: Pitchbook, Merger Market, Aranca Analysis

IT, financial services, and consumer products and services sectors account for approximately 53% of the total capital invested by PE firms

Top Sectors* – Q2 2024



Note: *Only includes deals for which sector-level information is available. Deals include those completed and announced

“PE firms buy companies and participate actively in their businesses to help them grow and achieve their full potential. These investment firms operate in some of the most dynamic sectors in the economy, particularly technology, and they foster innovation that has a deep impact across the economy.”

– A professional services firm

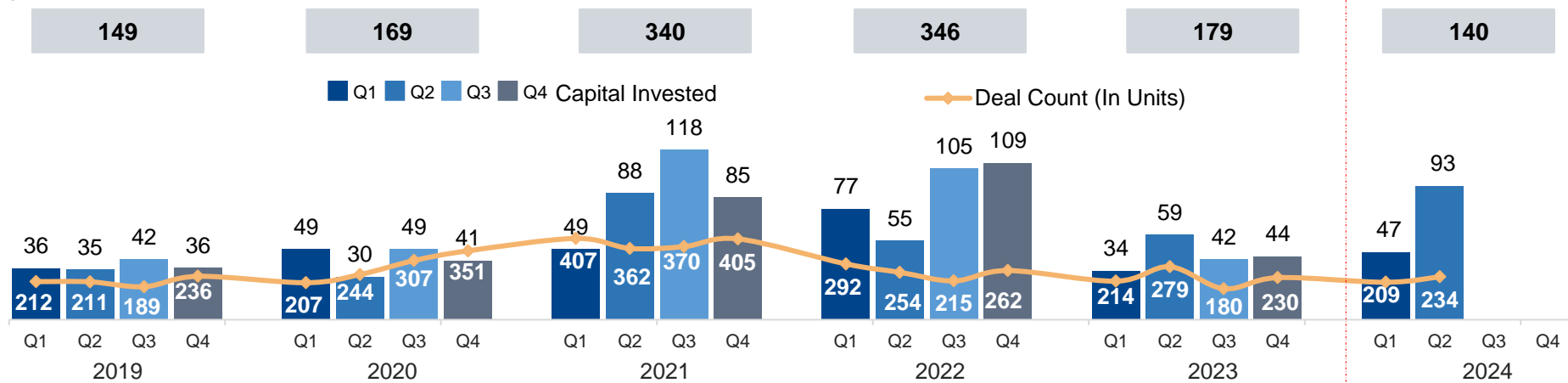
“Technology is now a cornerstone of mid-market private equity, not only as a sectorial investment thesis, or a way to unlock the full potential of portfolio companies but also as a transformative force within the industry itself.”

– A private equity publication

IT sector investments surged 98% QoQ in deal value and 12% QoQ in deal volume, with software deals comprising 61% of the total

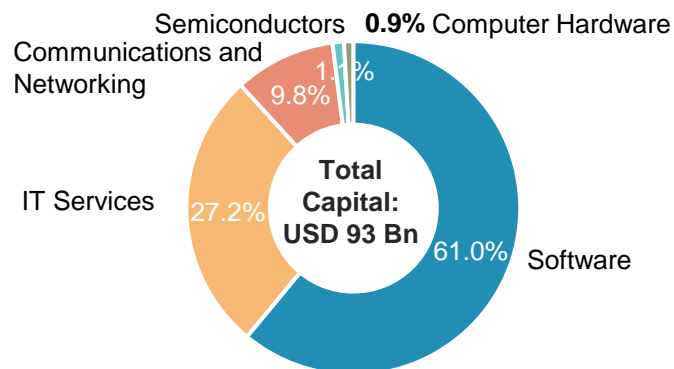
Top Sectors – Information Technology

Figures in USD Bn



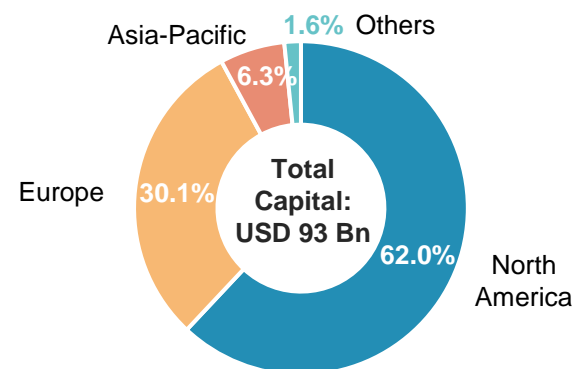
IT by Primary Sectors in Q2 2024

Figures in Percentage and USD Bn



IT by Geography in Q2 2024

Figures in Percentage and USD Bn



Source: Pitchbook, Aranca Analysis

*Note: Deals include completed and announced

Top PE investments in the IT sector in Q2 2024 *(Illustrative)*

IT Sectors	Subsectors	Company Name	Company Description	Geography	Deal Size (USD)	Deal Type	Investors	EV/ EBITDA	EV/ Revenue
Software	Business/ Productivity Software	SimpleTix	Developer of an event ticketing platform	The US	9,750.0 Mn	Buyout/ LBO	Occom Ventures	-	-
	Financial Software	Nuvei	Provider of payment technology solutions	Canada	6,300.0 Mn	Buyout/ LBO	Advent International, Caisse de dépôt et placement du Québec, Novacap	22.5x	4.9x
IT Services	Systems and Information Management	Vantage Data Centres	Operator of data centers	The US	9,200.0 Mn	PE Growth/ Expansion	DigitalBridge, GiantLeap Capital, Silver Lake	-	-
	IT Consulting and Outsourcing	Aareon	Provider of information technology consulting services	Germany	4,207.1 Mn	Buyout/ LBO	Caisse de dépôt et placement du Québec, TPG	40.9x	11.6x
Communications and Networking	Telecommunication Service Providers	Vodafone España	Provider of telecommunications services	Spain	5,356.4 Mn	Buyout/ LBO	Zegona Communications	-	-
		Triad Telecom	Provider of telecommunications services	The US	2,000.0 Mn	Buyout/ LBO	-	-	-
Computer Hardware	Computers, Parts and Peripherals	Technoprobe	Developer of chips and operates in design and development of probe cards	Italy	516.0 Mn	PIPE	Teradyne	-	-
	Storage (IT)	KIOXIA	Manufacturer of memory and related products	Japan	100.0 Mn	PE Growth/ Expansion	-	-	-
Semiconductor	Application Specific Semiconductor	UNISOC	Developer of integrated circuit design and mobile chipsets	China	557.8 Mn	PE Growth/ Expansion	Bank of Communications, CSC Financial Company, Guotai Junan Innovation, Hony Capital, ICBC Financial, PICC Capital	-	-
	Production (Semiconductors)	Polar Semiconductor	Manufacturer of automotive-grade semiconductors	The US	175.0 Mn	Buyout/ LBO	Niobrara Capital Partners, Prysm Capital	-	-
Median								31.7x	8.2x

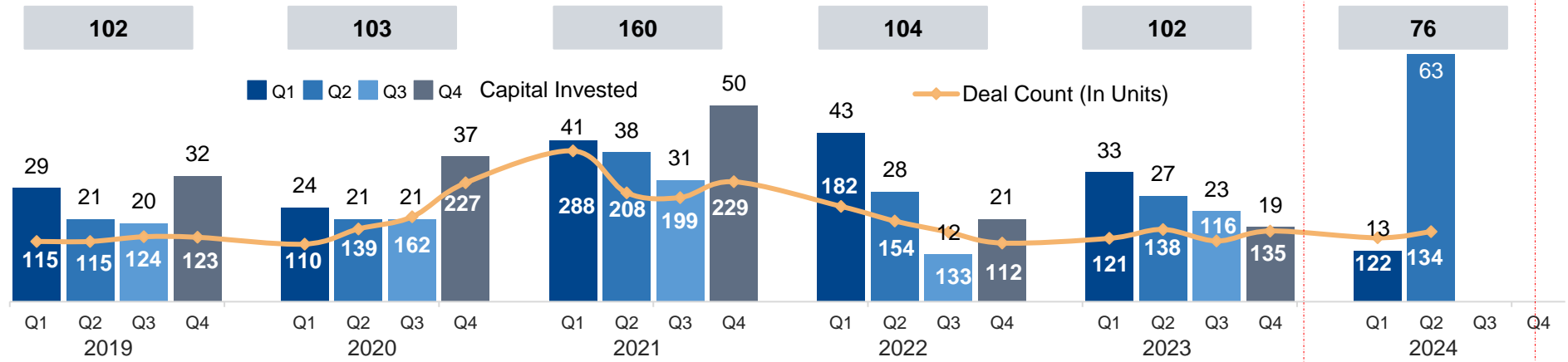
Source: Pitchbook, Aranca Analysis

*Note: Deals include completed and announced

PE deals injected substantial capital into financial deals in Q2 2024, driven by investments in insurance, capital markets, institutions, and commercial banks

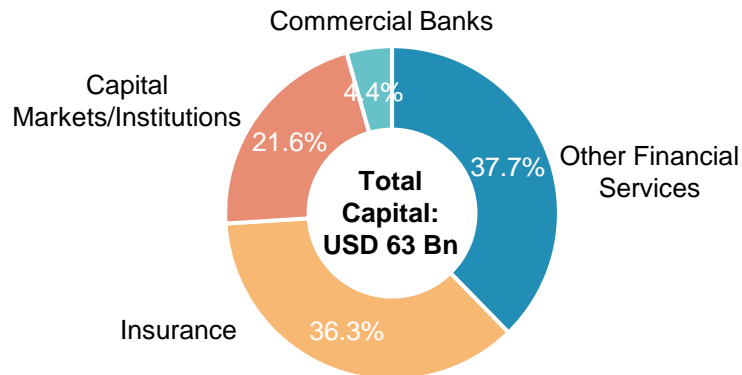
Top Sectors – Financial Services

Figures in USD Bn



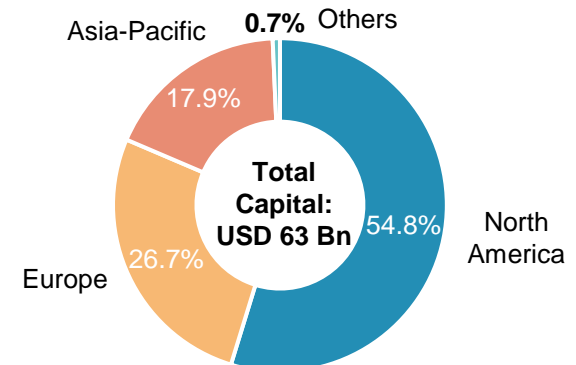
Financial Services by Primary Sectors in Q2 2024

Figures in Percentage and USD Bn



Financial Services by Geography in Q2 2024

Figures in Percentage and USD Bn



Source: Pitchbook, Aranca Analysis

*Note: Deals include completed and announced

Top PE investments in the Financial Services sector in Q2 2024 *(Illustrative)*

Financial Services Sectors	Subsectors	Company Name	Company Description	Geography	Deal Size (USD)	Deal Type	Investors	EV/ EBITDA	EV/ Revenue
Insurance	Insurance Brokers	TIH	Operator of an insurance broking agency	The US	12,400.0 Mn	Buyout/ LBO	Clayton, Dubilier & Rice; Mubadala Investment Company, Stone Point Capital	-	4.4x
	Multi-line Insurance	Chubb	A property and casualty insurer	Switzerland	7,000.0 Mn	PIPE	Berkshire Hathaway	-	-
Capital Markets/ Institutions	Asset Management	Hargreaves Lansdown	Operates as a direct-to-investor investment service	The UK	5,869.3 Mn	Buyout/ LBO	Abu Dhabi Investment Authority, CVC Capital Partners, Nordic Capital	-	-
		Fisher Investments	Provider of investment advisory services	The US	3,000.0 Mn	PE Growth/ Expansion	Abu Dhabi Investment Authority, Advent International	-	-
Commercial Banks	Thriffs and Mortgage Finance	Computershare Loan Services	Provider of mortgage loan services	The US	720.0 Mn	Buyout/ LBO	Rithm Capital	-	-
	National Banks	AU Small Finance Bank	Provider of financial services such as personal banking, insurance, and retail loans	India	599.0 Mn	PIPE	-	-	-
Other Financial Services	Real Estate Investment Trusts (REITs)	AIR Communities	Owens a portfolio of apartment units across various communities	The US	10,000.0 Mn	Buyout/ LBO	Blackstone	8.6x	12.3x
	Holding Companies	Perdaman	Provider of fertilizer ownership and management services	Australia	4,168.0 Mn	PE Growth/ Expansion	Global Infrastructure Partners, Mubadala Investment Company	-	-
Median								8.6x	8.4x

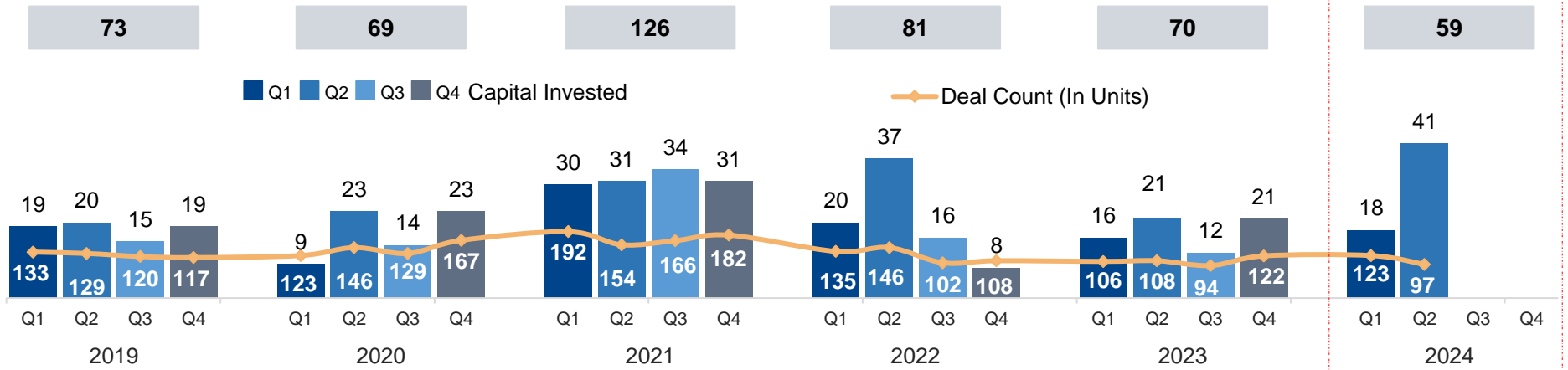
Source: Pitchbook, Aranca Analysis

*Note: Deals include completed and announced

Investments in consumer products and services surged 128% QoQ in deal value, with consumer non-durable deals accounting for over 57%

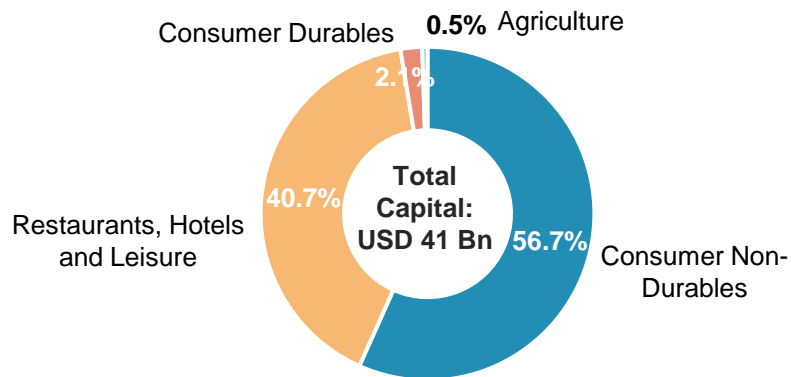
Top Sectors – Consumer Products and Services

Figures in USD Bn



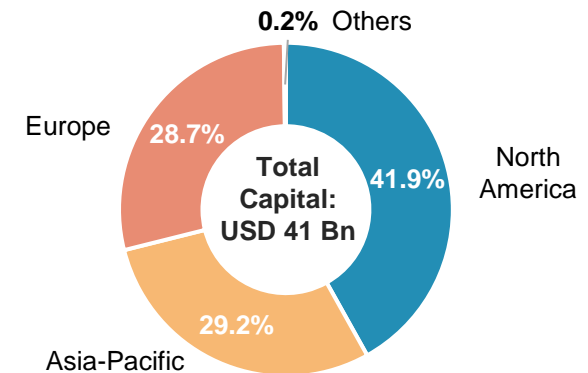
Consumer Products and Services by Primary Sectors in Q2 2024

Figures in Percentage and USD Bn



Consumer Products and Services by Geography in Q2 2024

Figures in Percentage and USD Bn



Source: Pitchbook, Aranca Analysis

*Note: Deals include completed and announced

Top PE investments in Consumer Products and Services sector in Q2 2024 *(Illustrative)*

Consumer Products and Services Sectors	Subsectors	Company Name	Company Description	Geography	Deal Size (USD)	Deal Type	Investors	EV/ EBITDA	EV/ Revenue
Restaurants, Hotels and Leisure	Restaurants and Bars	Subway	Operator of a quick-service restaurant chain	The US	9,550.0 Mn	Buyout/ LBO	Roark Capital Group	13.1x	0.9x
		Tropical Smoothie Cafe	Operator of a restaurant chain serving fresh food and smoothies	The US	2,000.0 Mn	Buyout/ LBO	Blackstone	-	1.5x
Consumer Non-Durables	Food Products	Haldiram's India	Producer and retailer of snacking products	India	8,500.0 Mn	Buyout/ LBO	-	-	-
		Froneri	Producer of ice cream intended for retailers and wholesalers	The UK	5,000.0 Mn	Buyout/ LBO	-	-	-
Consumer Durables	Recreational Goods	Riddell	Manufacturer of protective athletic equipment for football games	The US	400.6 Mn	PE Growth/ Expansion	-	-	-
		Snow Peak	Manufacturer of natural lifestyle products and outdoor goods	Japan	330.0 Mn	Buyout/ LBO	Bain Capital	-	1.8x
Agriculture	Cultivation	Sementes São Francisco	Producer of soybean seeds	Brazil	84.4 Mn	Buyout/ LBO	Patria Investments	-	-
	Aquaculture	Salmon Evolution	A land-based salmon farming company that uses hybrid flow-through system technology	Norway	34.2 Mn	PIPE	Bondø Invest, Dongwon Industries, Farvatn, Jawendel, Kjølås Stansekniver, Ronja Capital, Stette Invest AS	-	-
Median								13.1x	1.5x

Source: Pitchbook, Aranca Analysis

*Note: Deals include completed and announced

Aranca View



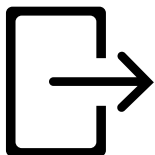
- Private equity firms are anticipated to seek out opportunities for portfolio growth, driven by strong financial markets and a stable economic outlook



- Deal pipelines are being replenished, and dealmakers expect a sustained rebound in activity throughout the second half of the year, driven by lower interest rates, ample dry powder, and favorable market conditions



- Technology is expected to continue being a dominant investment focus, with AI and machine learning significantly boosting portfolio values



- Amid low traditional exit activity, private equity firms will continue to prioritize alternative strategies, such as partial asset sales, continuation funds, dividend recaps, and NAV loans, to return capital to investors.



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