

The 18th Annual Southeastern M&A/ Private Equity Forum

The State of the M&A Market

Moderator



Steven E. Brady
Partner,
Withum



Andrea Farley
Partner,
Troutman Pepper
Hamilton Sanders
LLP



**Michael E.
Hollingsworth II**
Partner,
Nelson Mullins Riley
& Scarborough LLP



Emily Maier
*Senior Vice
President, National
Group Leader -
M&A Insurance,*
Woodruff Sawyer



Anirban Sen
*Editor-in-Charge,
U.S. M&A,*
Thomson Reuters

Introductions

Moderator

- **Steve Brady**, Partner | Market Leader, Transaction Advisory, Withum

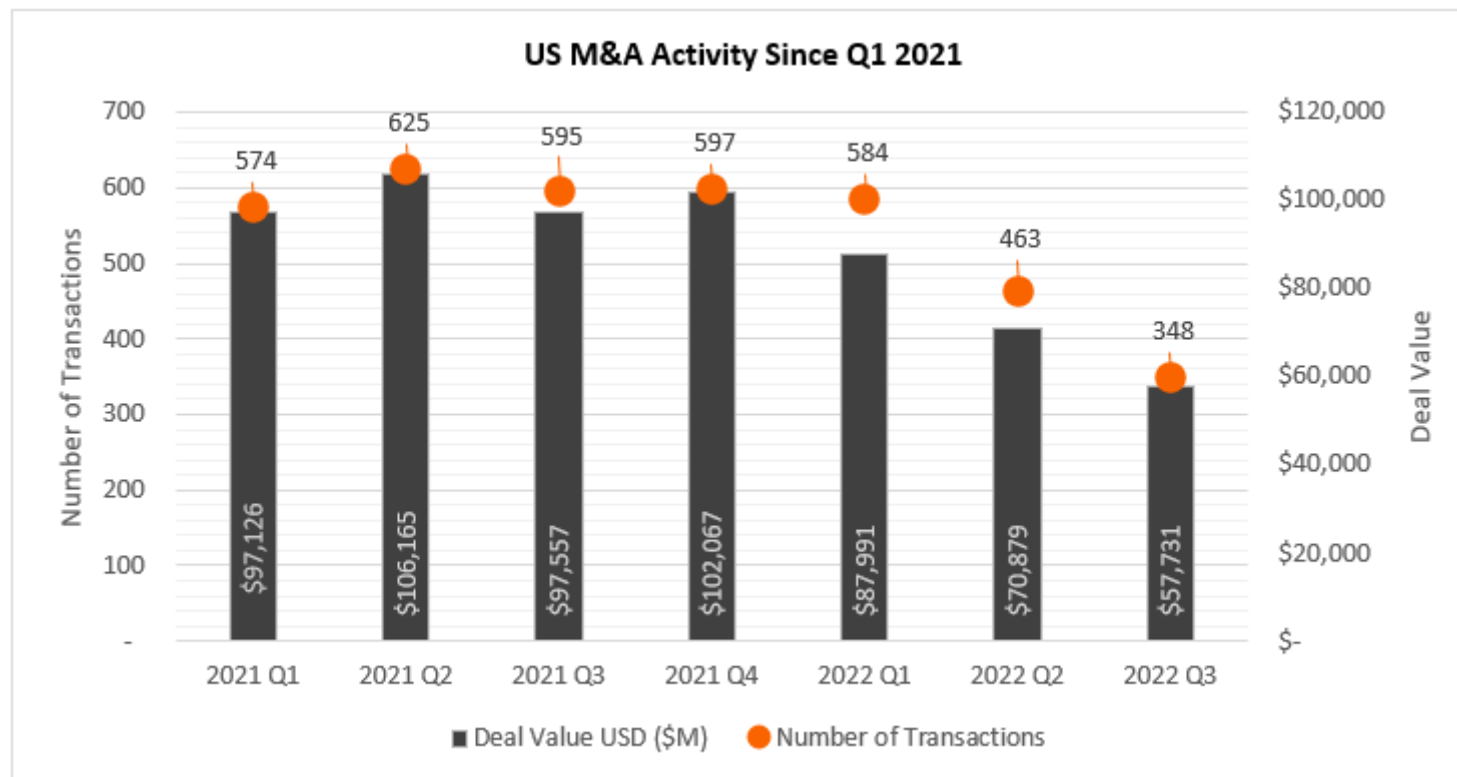
Panelists

- **Andrea Farley**, Partner, Troutman Pepper Hamilton Sanders LLP
- **Michael Hollingsworth II**, Partner, Nelson Mullins Riley & Scarborough LLP
- **Emily Maier**, Senior Vice President, Woodruff Sawyer
- **Anirban Sen**, Editor-in-Charge, US M&A, Thomson Reuters

M&A activity

Q1 & Q2 2022 retreated from 2021's highs

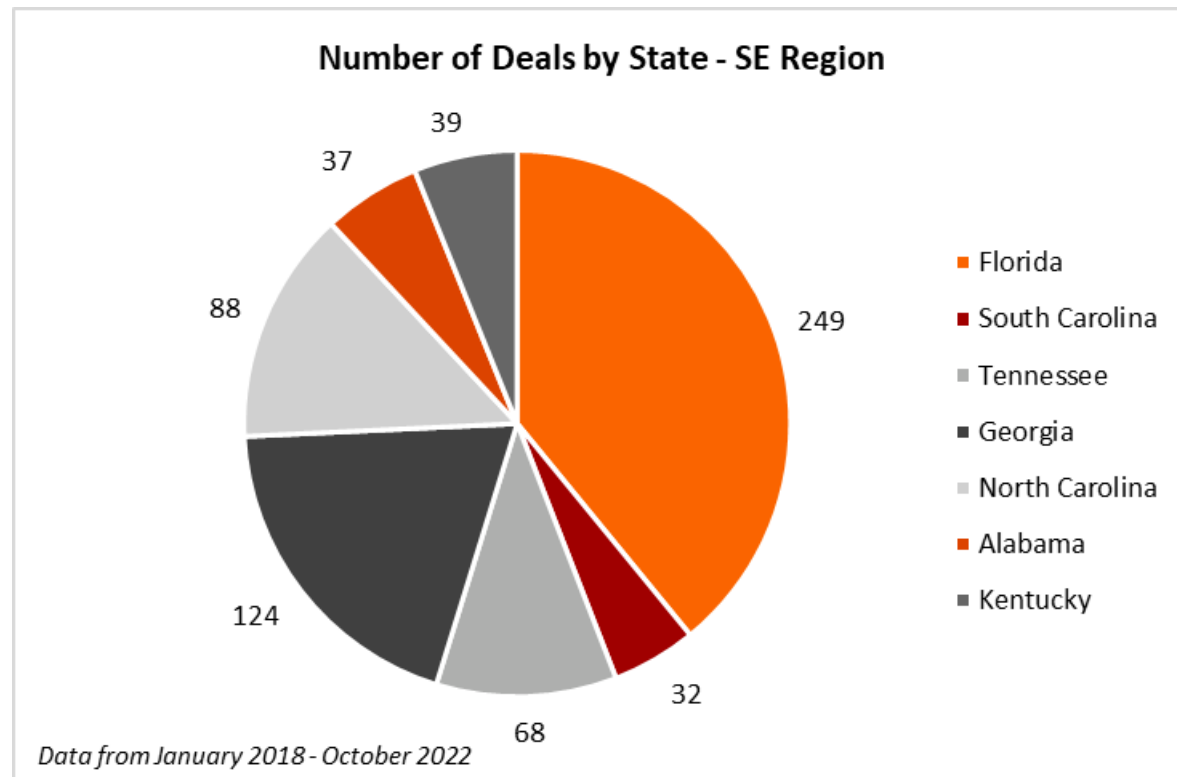
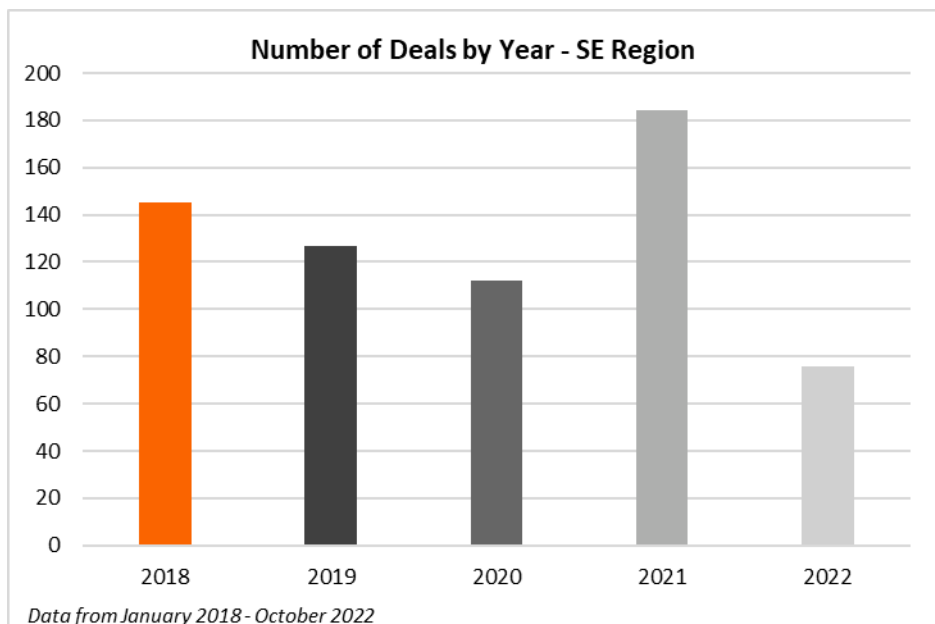
- Mega deals down
- Overall deal values down
- Number of deals down
- Return to 'normal' for most of the market



Southeast M&A activity

1H 2022 retreated from 2021's highs

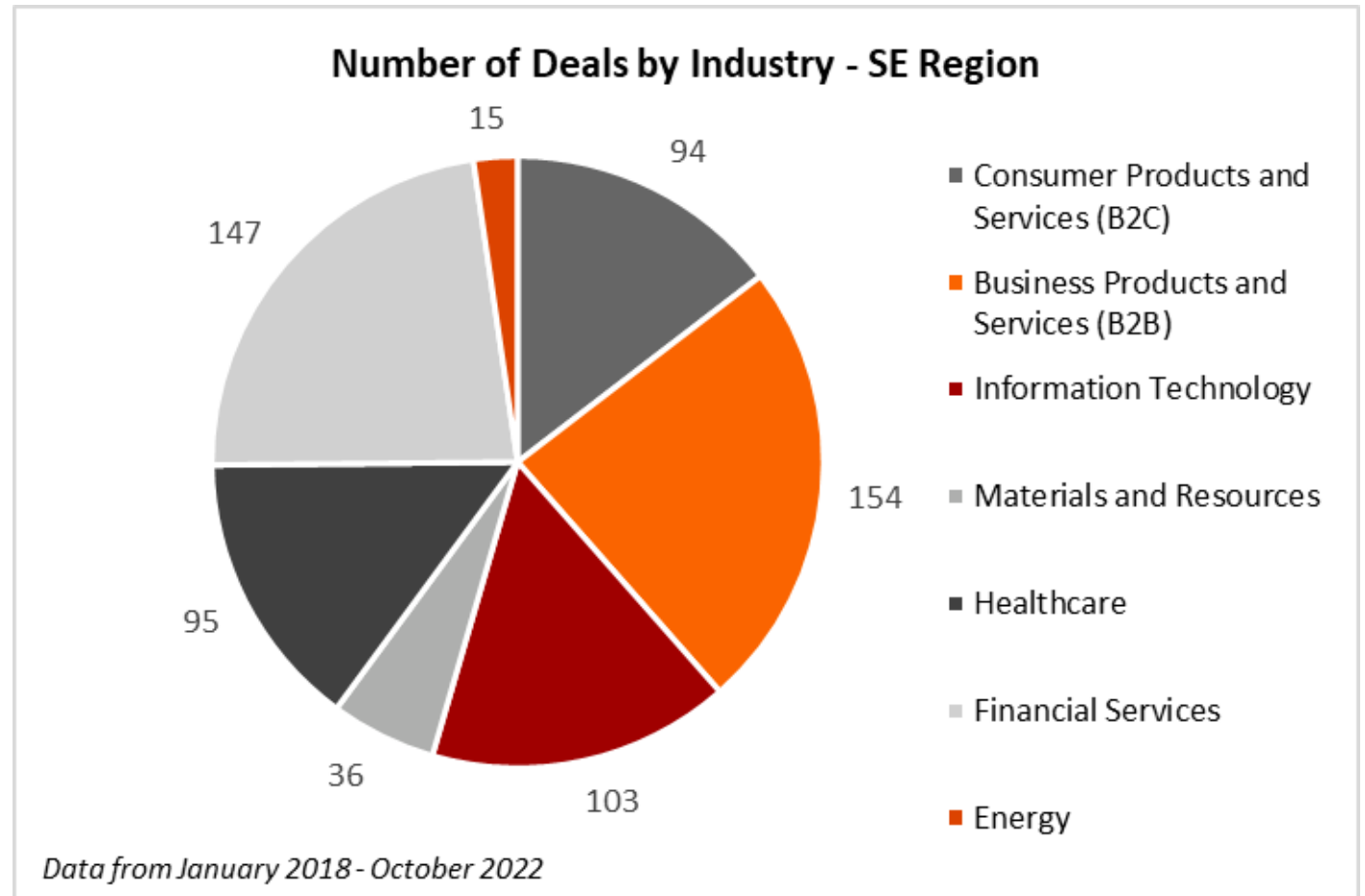
- Middle market activity continues
- Return to 'normal' for most of the Southeast



Southeast M&A activity by Sector

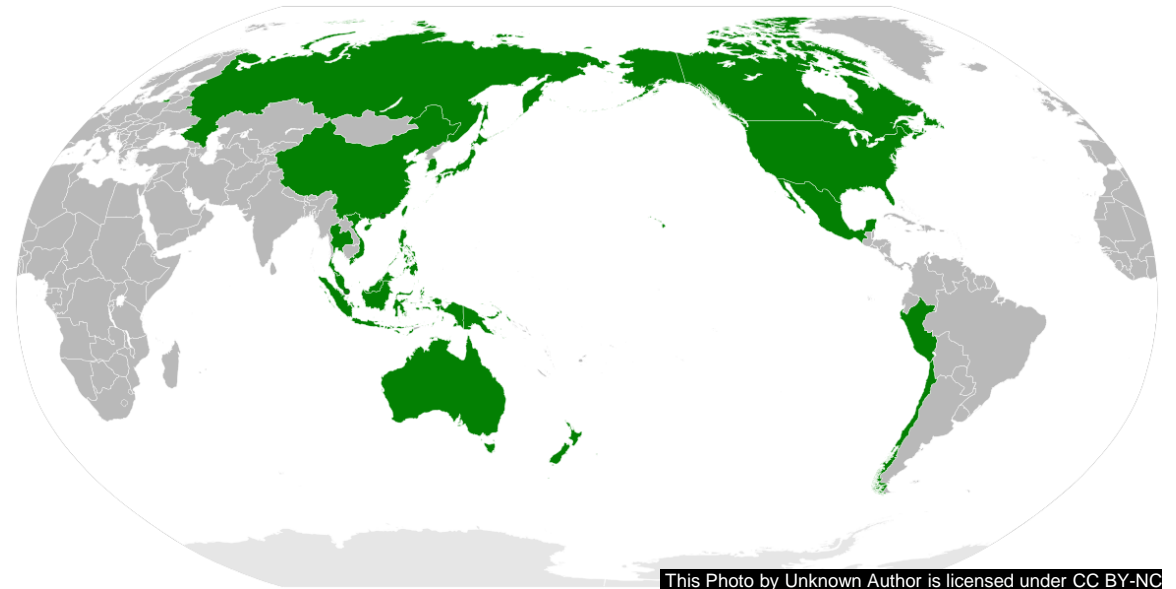
B2B and Financial Services have been the two active sectors

Technology, Healthcare and B2C also very strong



Economic impacts

- Middle market status
- Post-pandemic state of businesses
- TTM EBITDA
- Impact of interest rates
- Global recession
- Time to close deals



Debt markets

- State of the debt markets
- Impact of rising rates on big banks
- Debt market has impacted larger deals
- Other reasons buyers are focusing on smaller deals



Supply chain

- Post-pandemic supply chain issues



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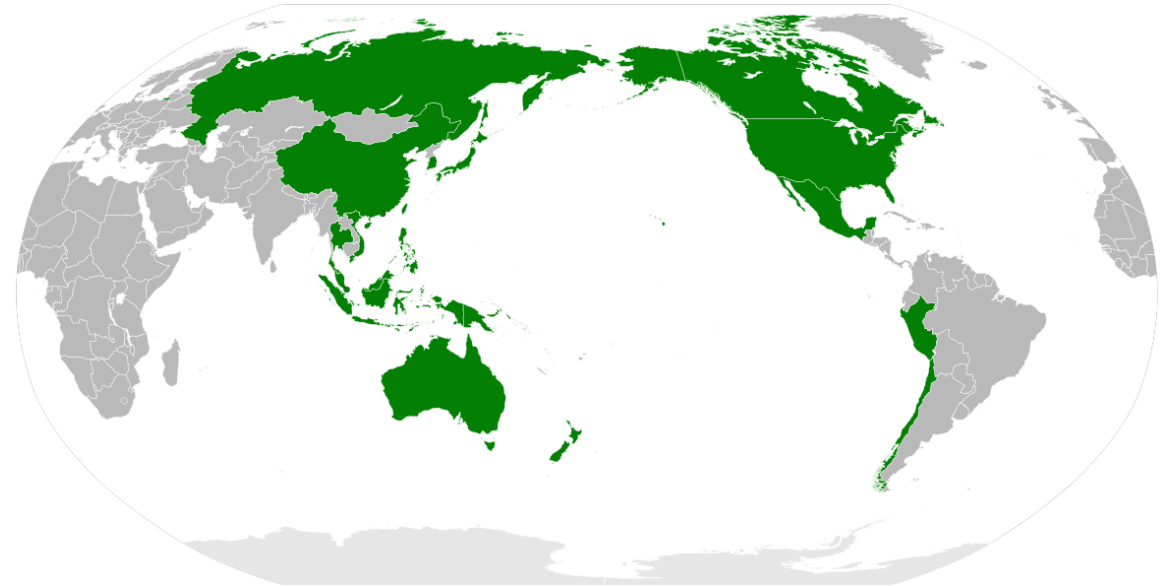
Deal participants

- Number of bidders
- Private equity vs strategics



Structuring considerations

- Structuring impacts
- RWI, escrow, indemnities?
- Venture / early stage growth equity



Reps & Warranties Insurance

- State of the market
- Evolution of the product
- When viable
- Claims
- Pricing



Political landscape

- SE Region
 - Senate race in Georgia
 - Florida
- Congressional shift coming?
- Regulatory changes
- Impact of infrastructure spending



Sectors

Active industries in the Southeast

- B2B
- Financial Services
- Technology
- Healthcare
- B2C

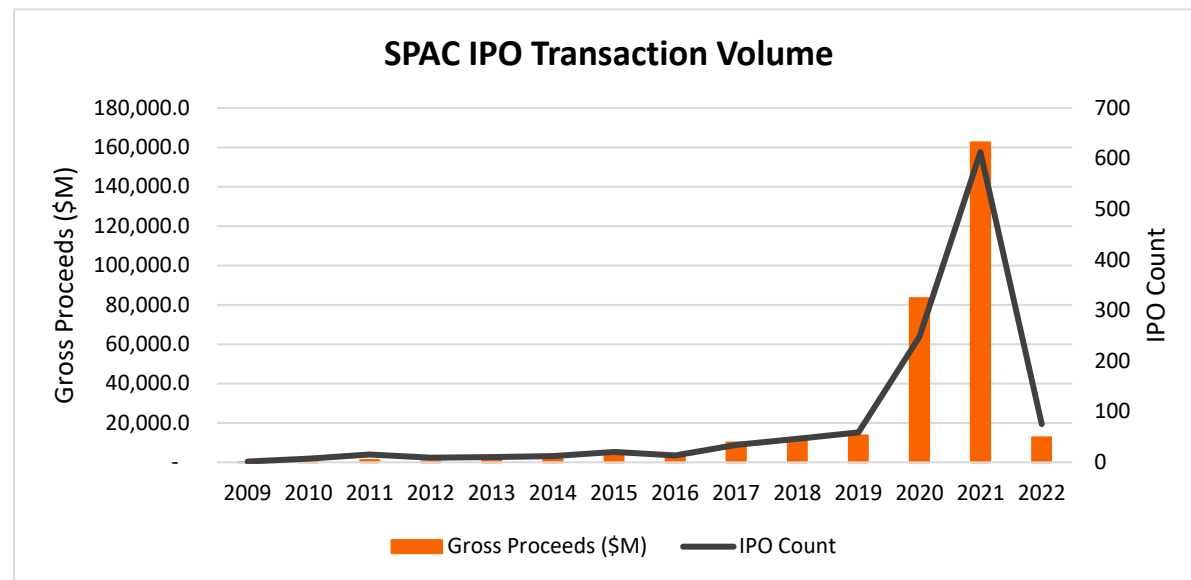
Which sectors are investors placing their money?

SPACs

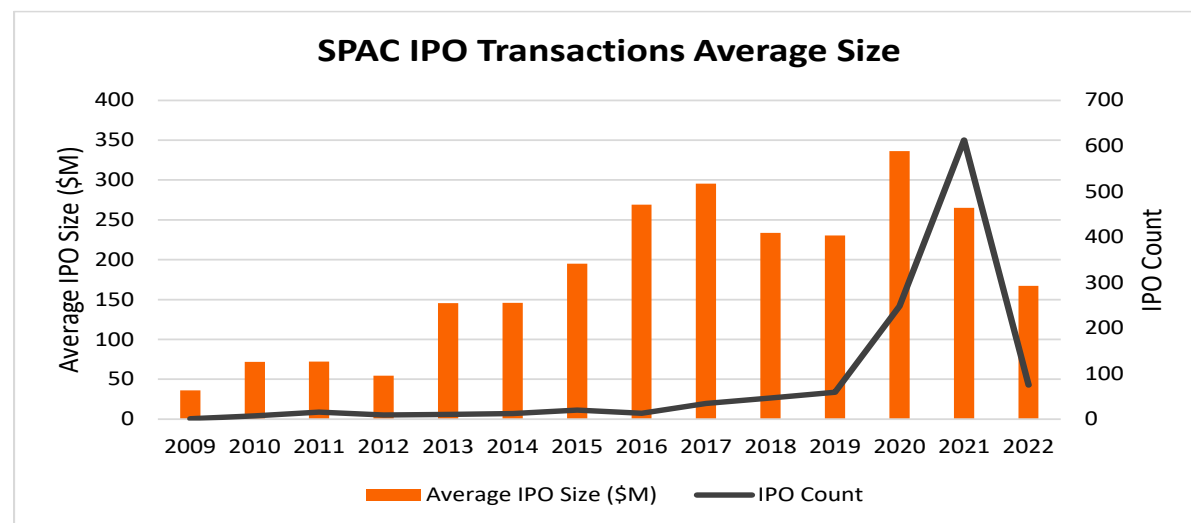
Dramatic increase in SPAC activity through 2021

- Funds raised and number of SPAC IPO's
- APAC companies going public in the US through SPAC transactions
- IPO's down significantly in 2022

– Data through Sept 14, 2022



Where do we go from here?



Final thoughts

Bullish or bearish ?

- **Andrea**
- **Michael**
- **Emily**
- **Anirban**



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