



CALABASAS CAPITAL

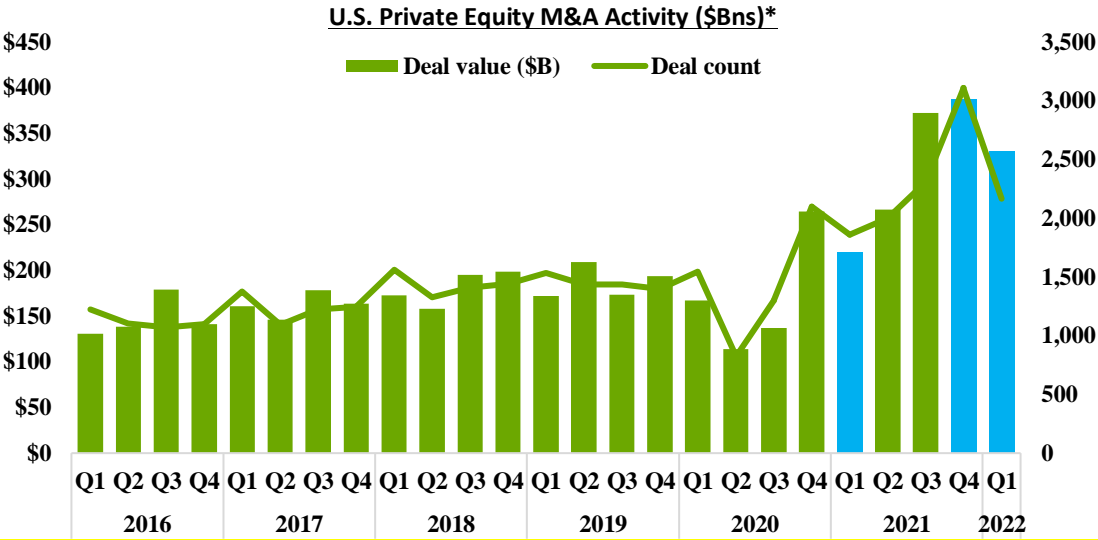
Q1 2022 Private Equity M&A Market Update

About Us

Calabasas Capital is a boutique investment banking firm focused on serving lower middle-market privately held companies, including many family-held businesses, and their owners. We specialize in sell-side and buy-side mergers, sales and acquisitions and we raise private equity and debt capital.

Private Equity M&A Momentum Continues For Now

According to PitchBook data, private equity M&A activity in the U.S. in Q1 2022 slowed from the frenetic pace in Q4 2021 but was still up on a year-over-year basis. Deal value in Q1 2022 was down 15% on a sequential basis vs. Q4 2021 but up 51% on a year-over-year basis as compared to Q1 2021. The sequential slowdown was more pronounced based on the number of deals completed. Deal volume in Q1 2022 was down 30% as compared to Q4 2021 but up 16% year-over-year. It may be surprising that deal flow was not even weaker given the headlines, however strong deal flow momentum carried over from Q4 2021, which for most of the quarter offset the impact of higher interest rates, inflation and supply chain effects of the war in Ukraine, most of which did not start to kick in until March.



*Source: PitchBook Data Q1 2022 U.S. Private Equity Report.

We are beginning to hear of some complications being faced due to interest rates and global economic concerns on larger M&A deals in March and April where financing is a significant component but so far, we have not observed a similar dynamic in the lower middle market. Not yet anyway.

Calabasas Capital

Our comprehensive services include:

- Sell-Side and Buy-Side Mergers & Acquisitions Advisory
- Private Equity & Debt Capital Raising
- Acquisition Financing
- Financial Restructuring

Our industries of expertise include:

- Consumer Products & Services
- Business Services
- Aerospace & Defense
- Software & Ecommerce
- Industrial Manufacturing & Distribution
- Food & Restaurants

Contact Us

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