



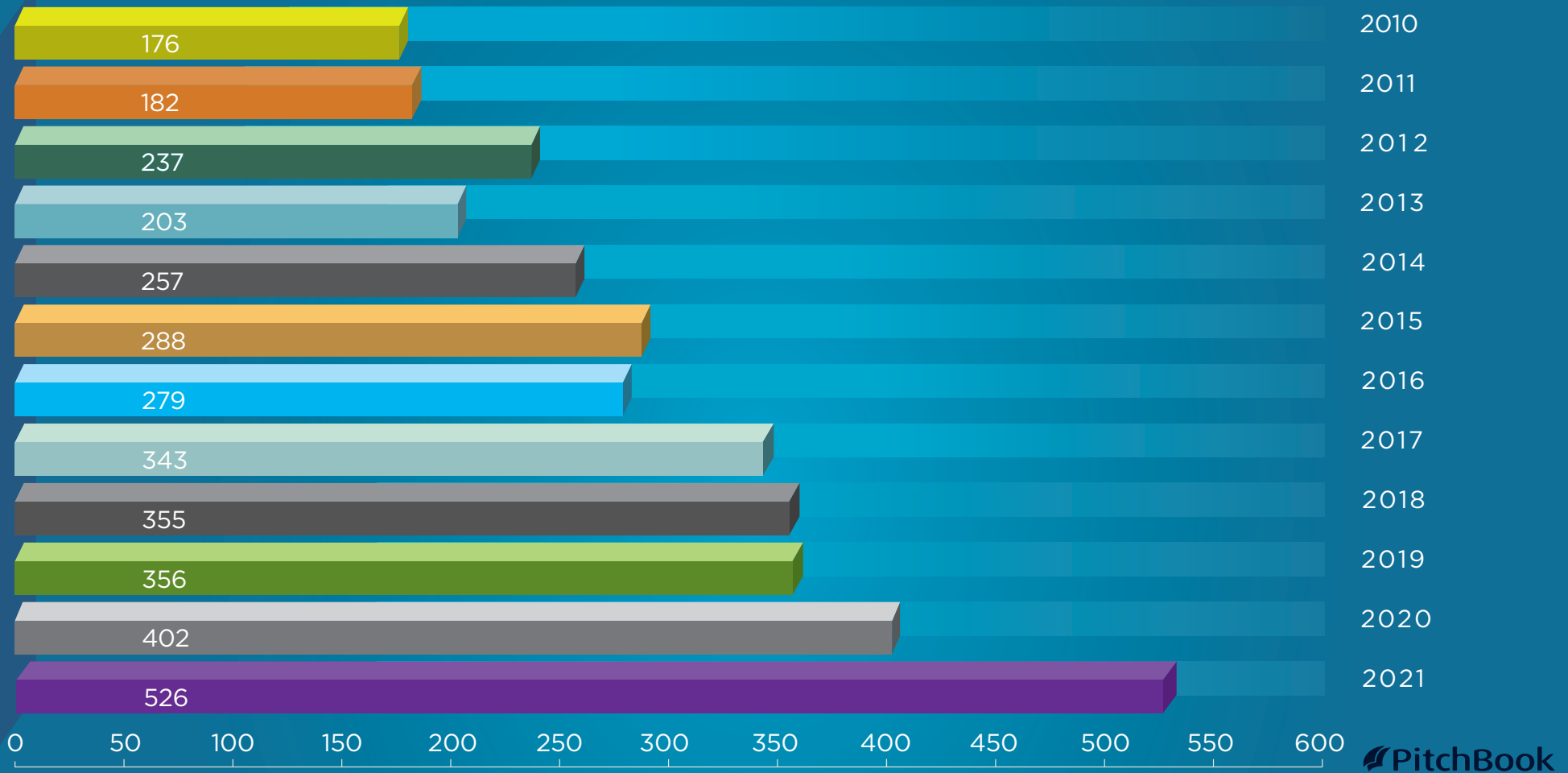
Cassel Salpeter & Co.  
INVESTMENT BANKING

## A VIEW OF 2021: FLORIDA PE DEAL REPORT

THIS INFOGRAPHIC REPORT AND ALL ASSOCIATED CHARTS, PREPARED BY CASSEL SALPETER & CO. WITH DATA FROM PITCHBOOK AS OF DECEMBER 31ST, 2021, PROVIDES A TOP-LEVEL EXAMINATION OF PRIVATE EQUITY ACTIVITY IN FLORIDA. IT OFFERS IN-DEPTH INSIGHT AND DATA-DRIVEN ANALYSIS OF THE STATE'S PE TRENDS, WITH A FOCUS ON DEAL FLOW ACTIVITY.

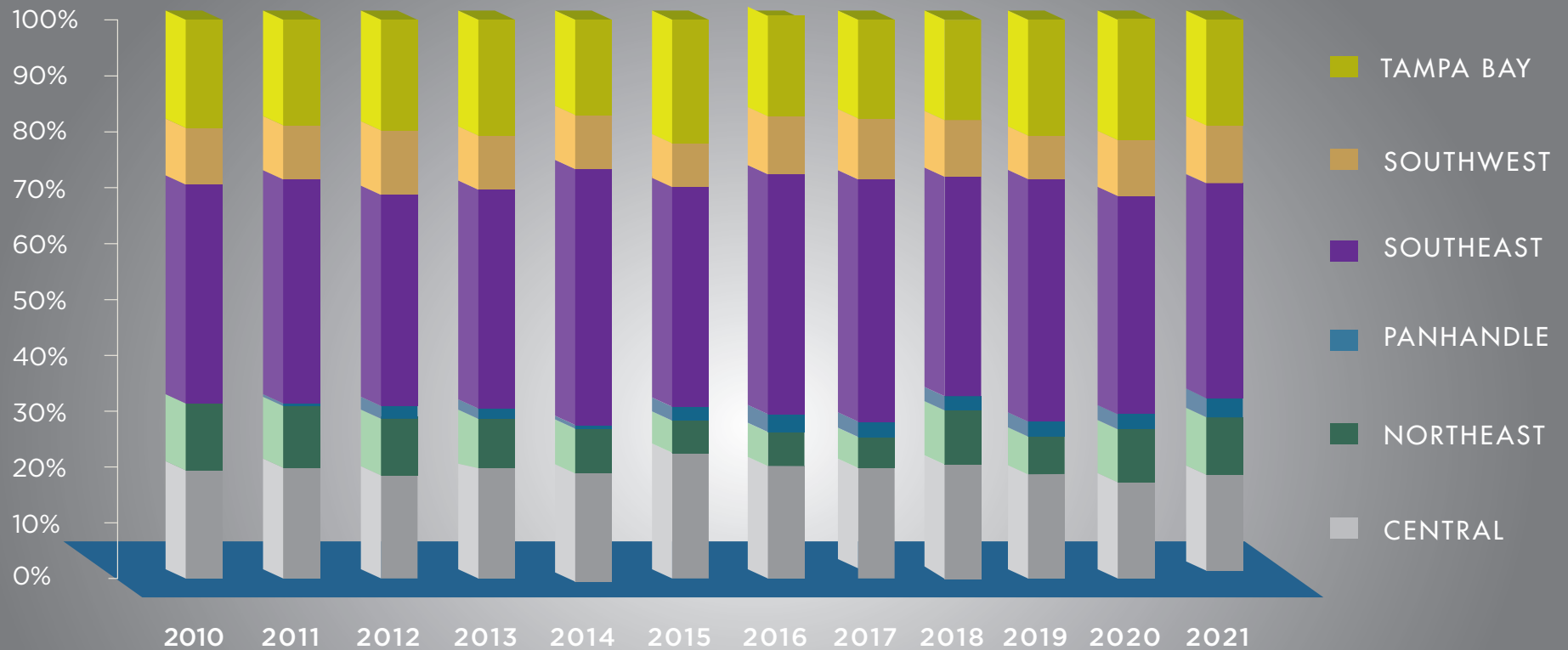
THIS REPORT INCLUDES ALL PE INVESTMENTS (INCLUDING BUYOUT, ADD-ON, GROWTH, AND RECAPITALIZATION), EXCLUDING REAL ESTATE INVESTMENTS, MADE INTO TARGET COMPANIES WITH HEADQUARTERS IN FLORIDA.

# Florida PE Deal Flow by Year



2021 was an unprecedented year for Florida PE deal flow. Many industries, if not the majority, experienced intense competition and higher than average multiples as a result. One can assume this frenzy is, at least in part, driven by PE firms trying to capitalize on high growth profiles and low interest rates.

# Florida PE Deal Flow by Region

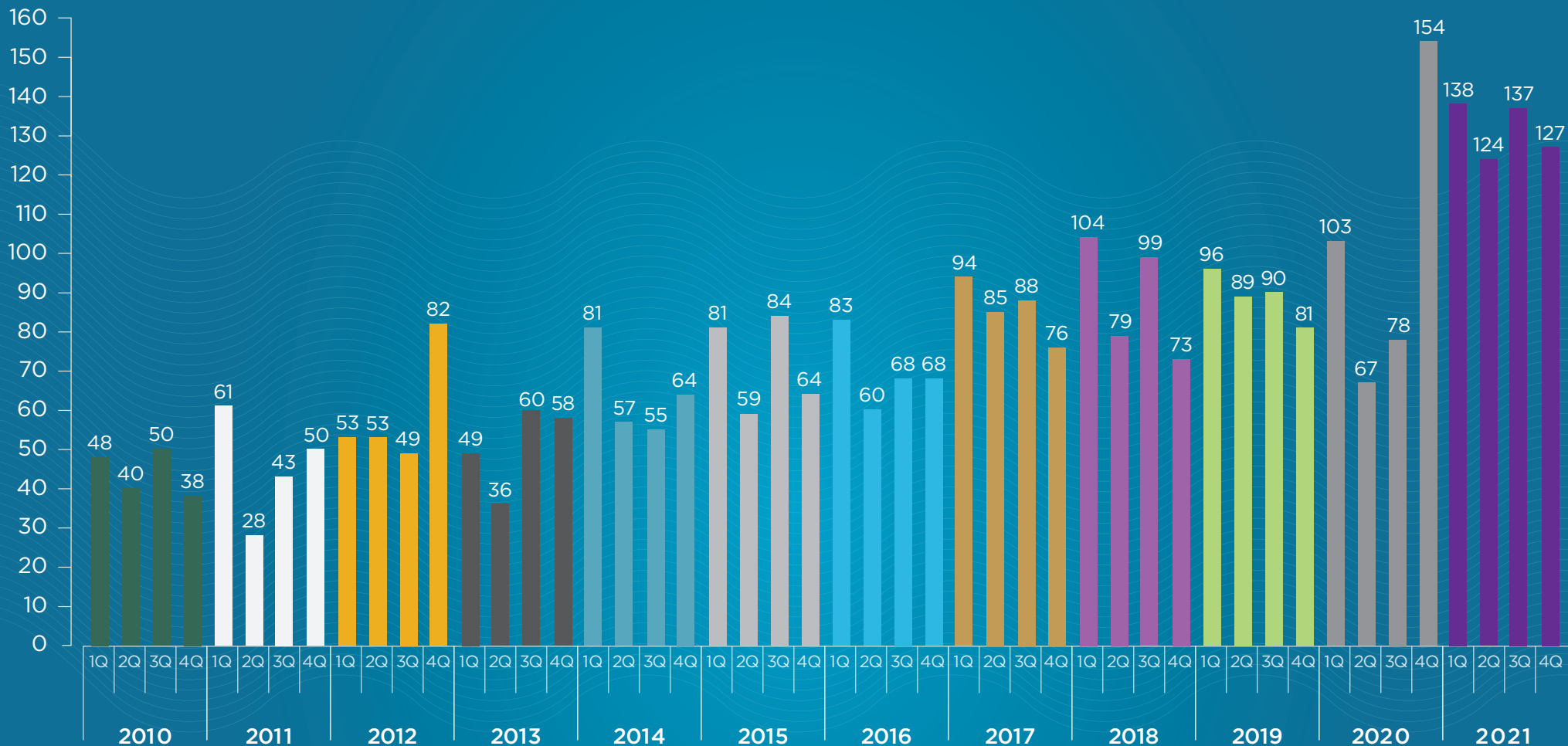


PitchBook

The Southeast region remains the leading area for Florida dealmaking, accounting for approximately 39% in 2021. Central and Tampa Bay regions followed, each accounting for approximately 19% of total Florida PE deals in 2021.

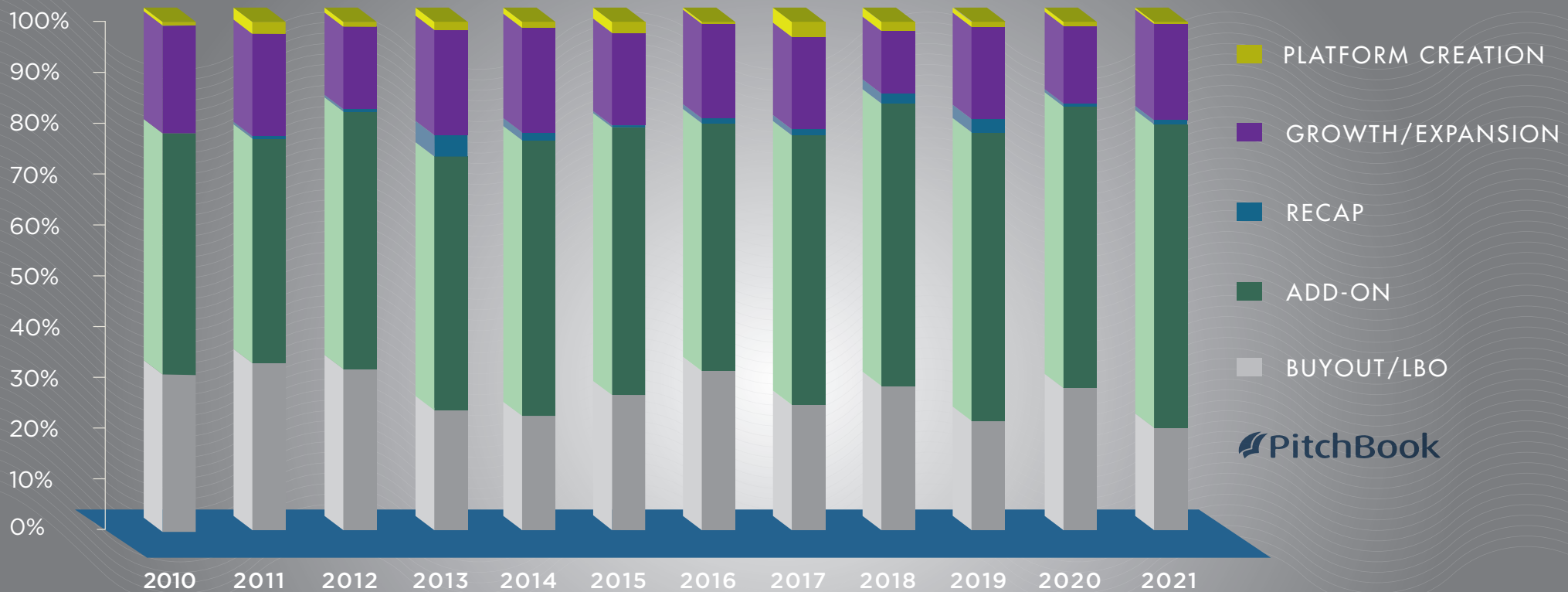
The Northeast and the Southwest each accounted for approximately 10%, in line with 2020 percentages. The Panhandle once again saw the lowest percentage of Florida PE deals, accounting for approximately 3% in 2021.

# Florida PE Deal Flow by Quarter



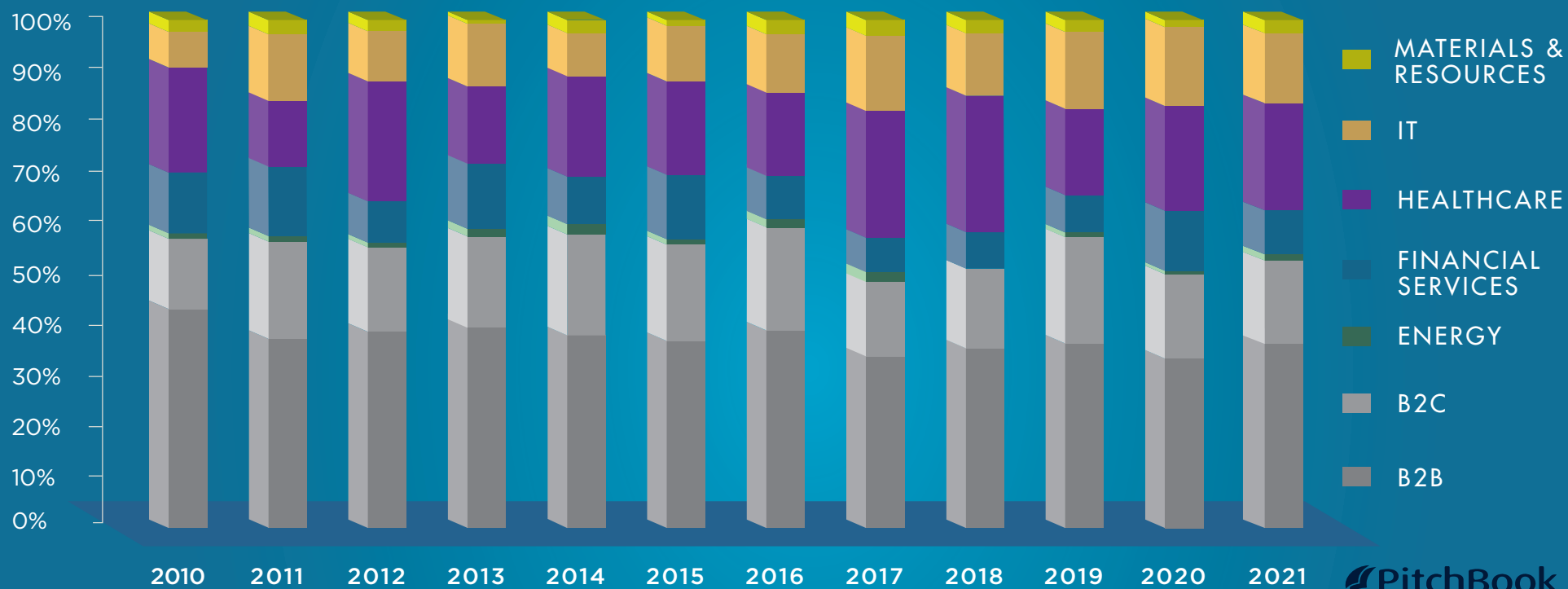
Every quarter in 2021 saw a robust amount of PE deals in Florida, and all quarters starting with Q4 2020 has surpassed any previous years quarters since we began documenting the data in this report. As the majority of the deal making community is predicting a slowdown or more normalized market at some point, no one knows when that will occur.

# Florida PE Deal Flow by Type



As we have seen in prior years, Add-On's drove Florida PE deal activity in 2021, accounting for approximately 59%. This is the highest percentage we have seen to date in our reports. Buyout/LBO's and PE Growth/Expansion accounted for approximately 21% and 19%, respectively. While PE Growth/Expansion percentage is in line with prior years, Buyout/LBO percentage is down quite a bit, down from approximately 29% in 2020.

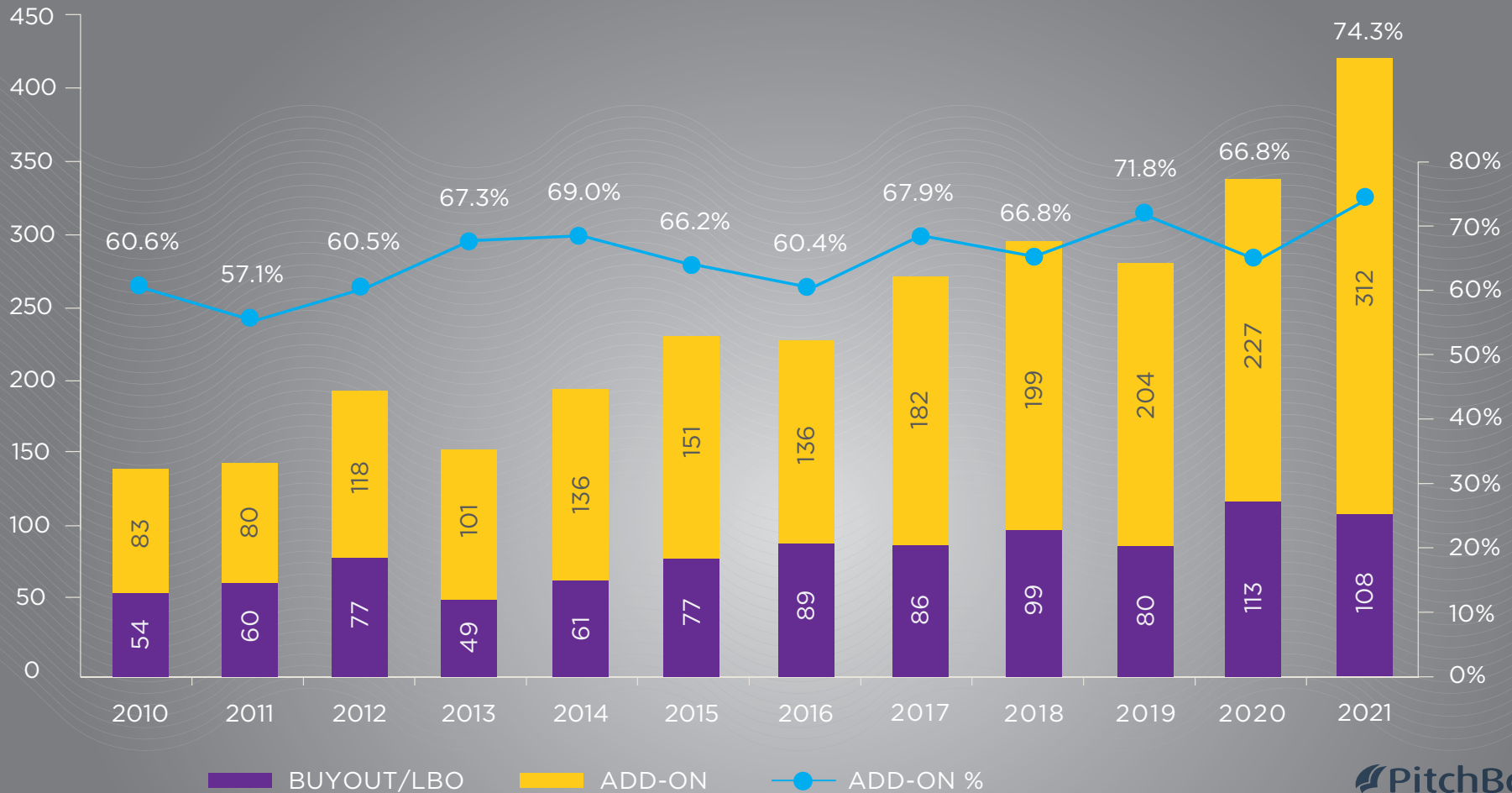
# Florida PE Deal Flow by Sector



PitchBook

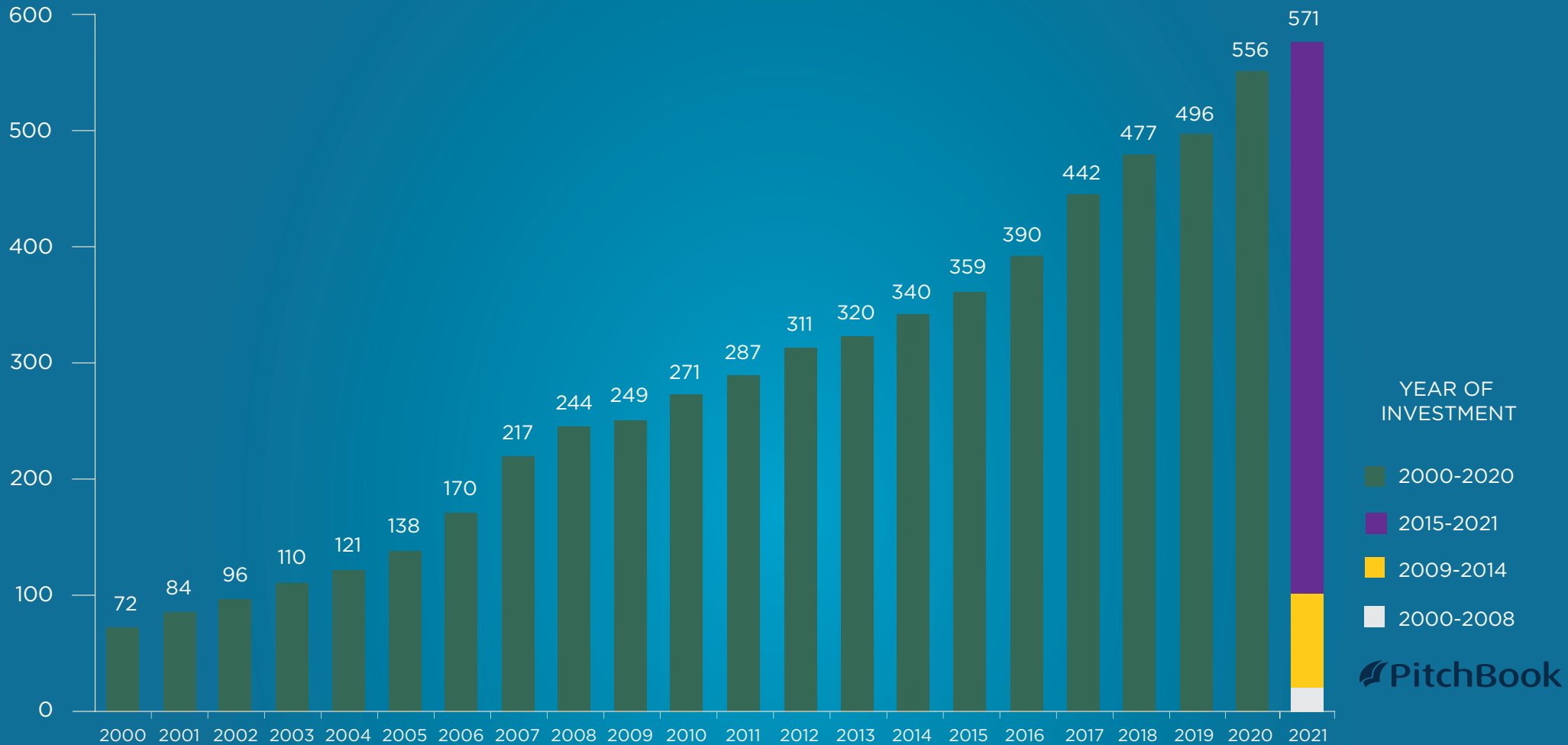
B2B remained the dominant sector in Florida PE deal activity in 2021, accounting for approximately 37%. The Healthcare sector also remained at a high percentage, accounting for approximately 21% of Florida PE deals in 2021. Surprisingly, IT sector percentage decreased slightly from 16% in 2020 to 14% in 2021. B2C remained steady at approximately 16% in 2021.

# Florida Buyouts vs. Add-ons



As discussed previously in this report, Add-On's propelled Florida PE deal activity and accounted for the majority of Florida PE control investments in 2021. Hitting an all-time high in our records, Add-On's accounted for approximately 74%, as PE firms in Florida continue with their tried-and-true buy-and-build strategy.

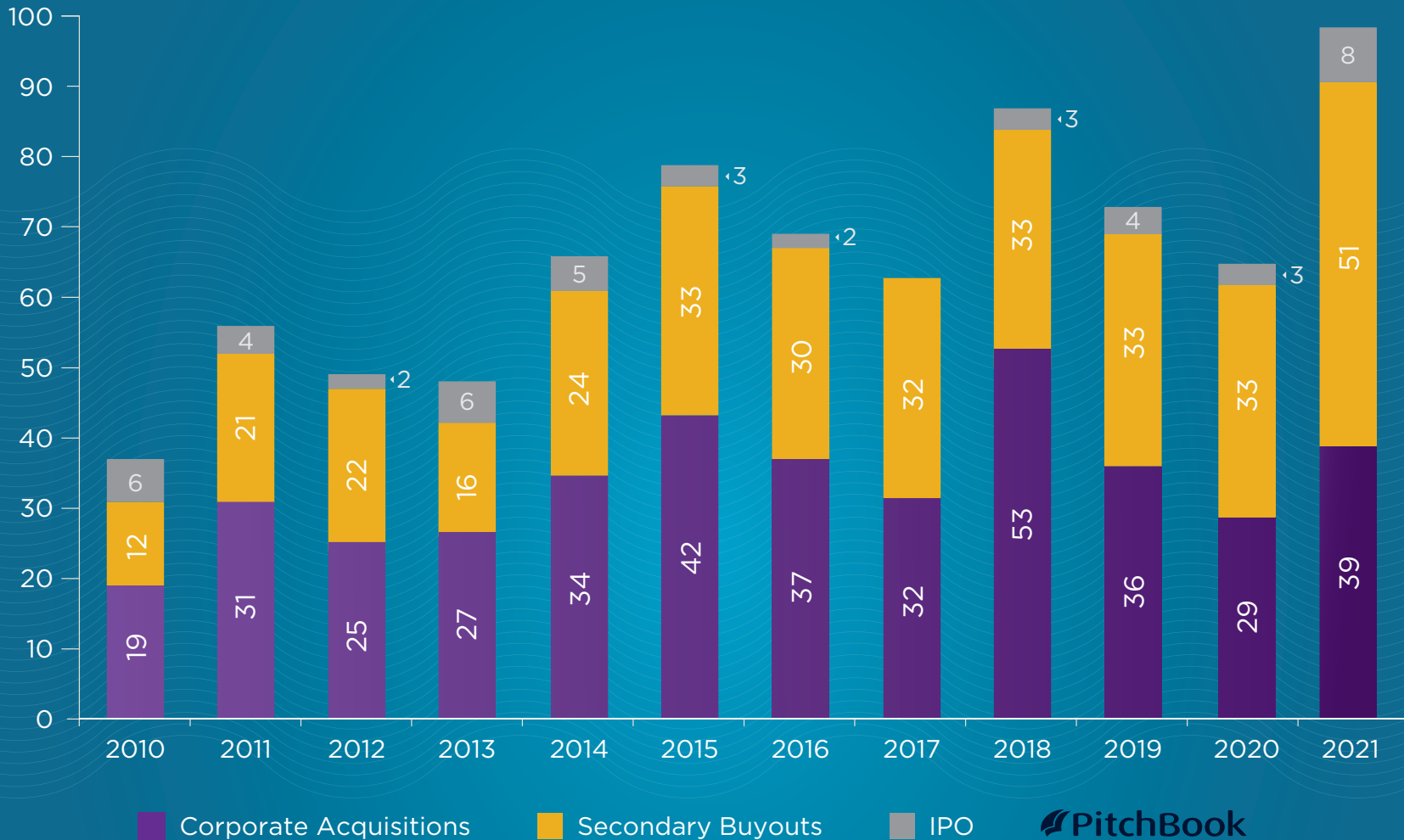
# PE-Backed Florida Companies



Florida PE-backed company inventory continued to grow, with an additional 15 (net) new PE-backed Florida companies. This growth has seemed to slow in comparison to prior years, however it could just be that the amount of PE-backed Florida company exits is greater in comparison to previous years.

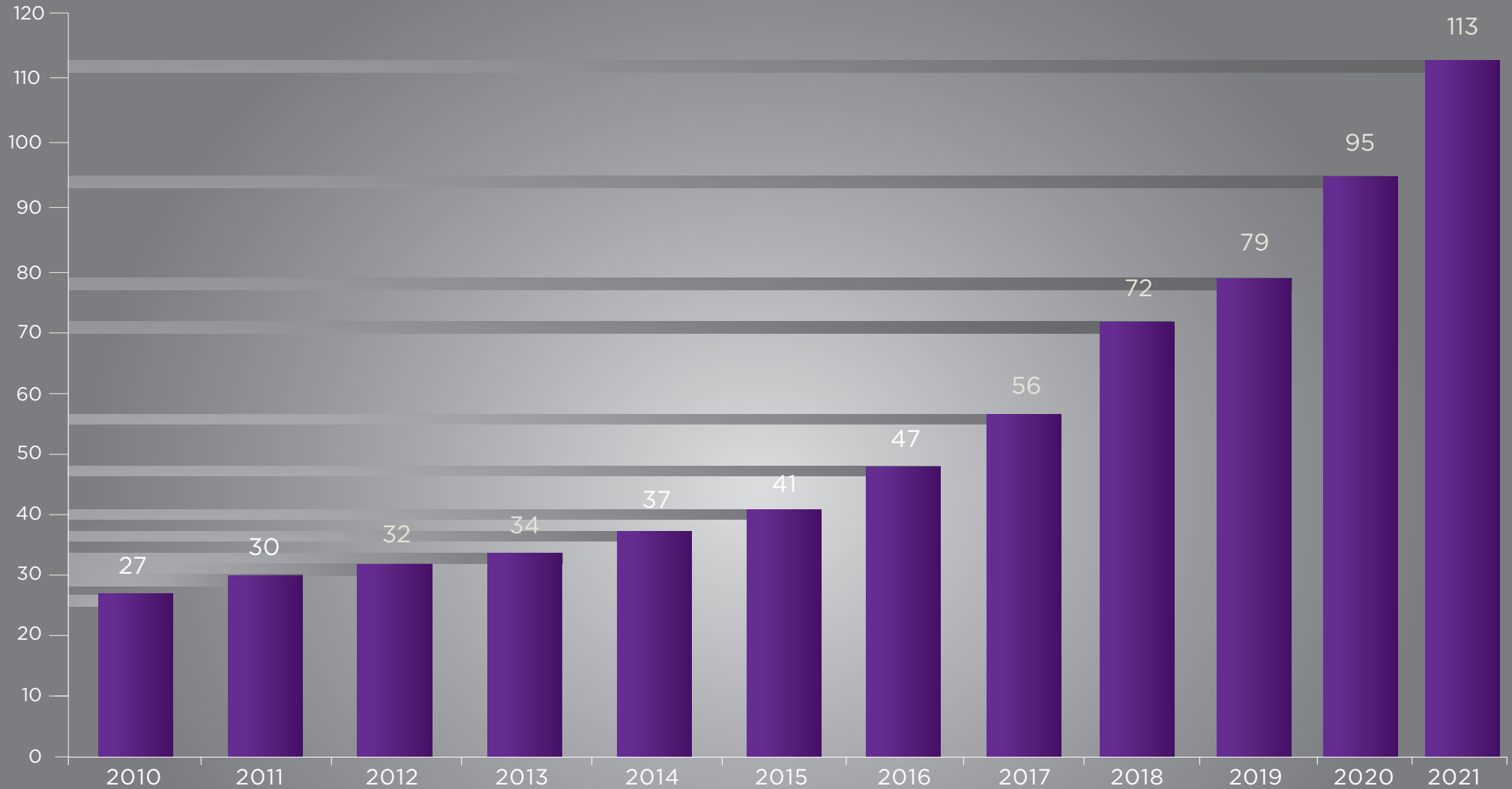


# Florida PE Exits by Type



The primary exit route for Florida PE deals in 2021 was secondary buyouts, which continues with the new trend for the second year in a row, likely due to PE firms trying to spend dry powder. While globally IPOs and reverse mergers with SPACs seemed to boom, it was not the reflection in Florida according to our data from Pitchbook.

# Florida-Based PE Firms



 PitchBook

Not surprisingly, the number of PE firms with headquarters in Florida continued to skyrocket, with an additional 18 Florida-based PE firms since year-end 2020. We continue to hear of PE firms and companies in general moving their headquarters to Florida, and do not predict this trend to change in 2022 either.

# METHODOLOGY



## PRIVATE EQUITY DEALS

This report includes all PE investments (buyout, growth, recapitalization, and add-on), excluding real estate investments, made into target companies, with headquarters in Florida. Only investments made directly by private equity firms or their portfolio companies are counted. Buyout deals are defined as transactions in which the PE investors receive controlling ownership stakes in the target companies. Growth deals are defined as minority investments in target companies. Add-on deals are defined as acquisitions by companies with private equity backing.



## FLORIDA-BASED PRIVATE EQUITY FIRMS

This report includes PE firms with headquarters in Florida that were either actively investing or raising funds during the reported periods.



## PE-BACKED FLORIDA-BASED COMPANIES

This report includes companies headquartered in Florida that are in part or in whole backed by PE firms.

**Cassel Salpeter & Co.** is a boutique investment banking firm focused on providing independent and objective advice to middle market and emerging growth companies.



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