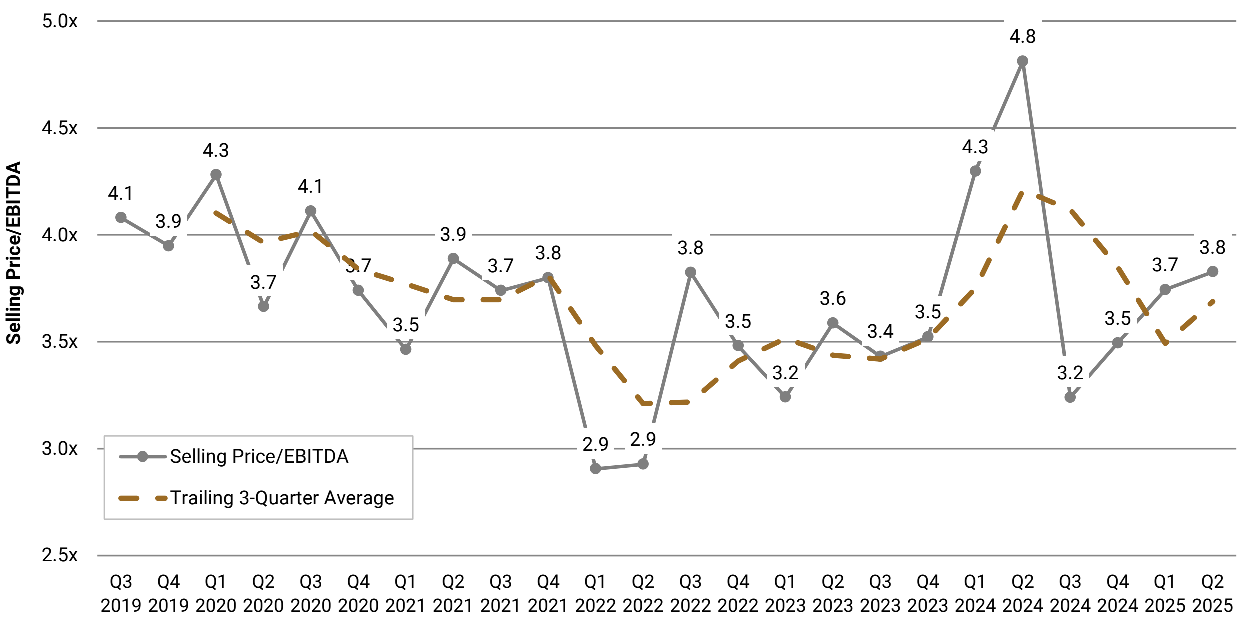
DealStats Value Index Digest Q3 2025

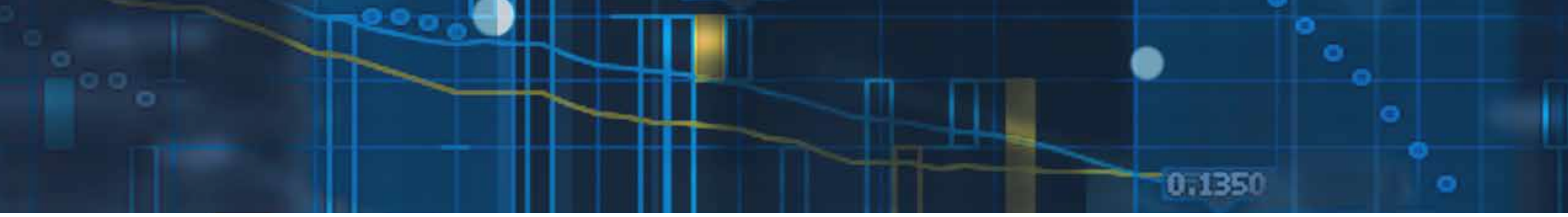
This *DealStats Value Index Digest* is an excerpt from the *DealStats Value Index*. The *DealStats Value Index* summarizes valuation multiples and profit margins for acquired private companies by time period, sector, and size. Business Valuation Resources (BVR) captures this private company transaction data in its DealStats platform. Most BVR deals are not otherwise publicly available. The *DealStats Value Index* is updated quarterly and, as a result, past figures may change in future issues as new data are reported.

EBITDA MULTIPLES INCREASE IN Q2 2025

In the time period analyzed, median multiples across all industries reached 4.1x in the third quarter of 2019 before trending downward, to 2.9x, in the first and second quarters of 2022. Since then, median multiples have generally been trending upward, reaching a peak of 4.8x in the second quarter of 2024, before dropping to 3.2x in the third quarter of 2024. EBITDA multiples have rebounded to 3.7x in the first quarter of 2025, followed by a further increase, to 3.8x in the second quarter of 2025.

EXHIBIT 1A. MEDIAN SELLING PRICE/EBITDA WITH TRAILING THREE-QUARTER AVERAGE (PRIVATE TARGETS)

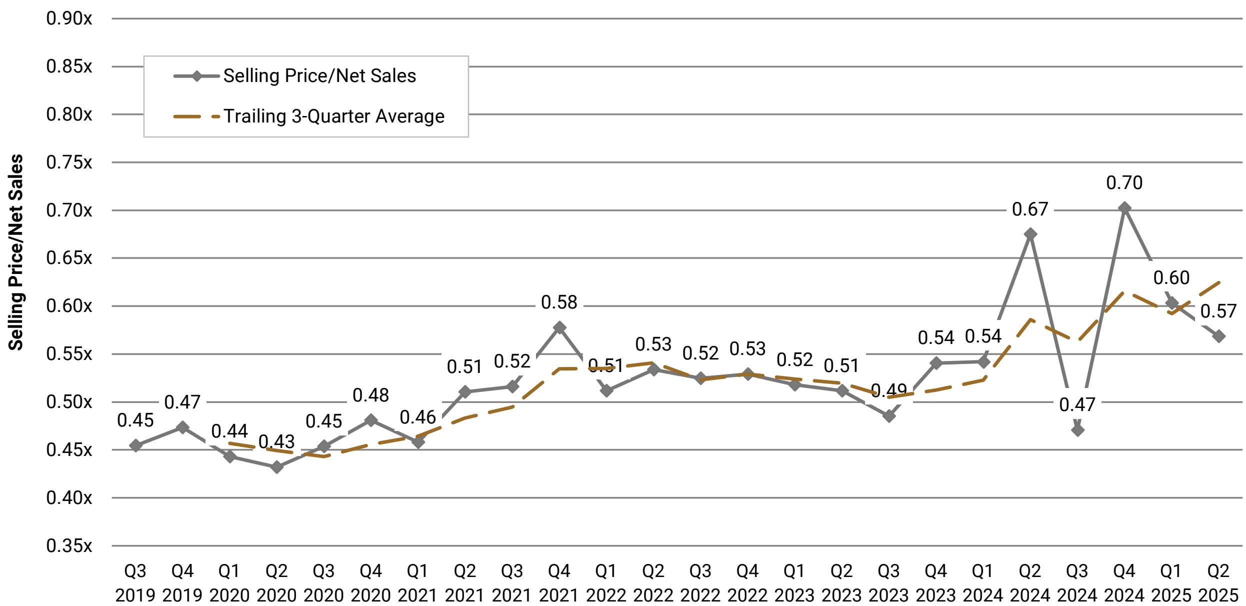




NET SALES MULTIPLES DECLINE IN Q2 2025

In the quarters analyzed in this report, the net sales multiple of 0.7x in the fourth quarter of 2024 marked a significant increase from previous quarters. However, this was followed by a decline to 0.6x in the first quarter of 2025 and a further dip, to 0.57x, in the second quarter of 2025. Since the second quarter of 2020, net sales multiples have generally been increasing, according to the trailing three-quarter average. The lowest multiple recorded since the third quarter of 2019 was 0.43x in the second quarter of 2020.

EXHIBIT 1B. MEDIAN SELLING PRICE/NET SALES WITH TRAILING THREE-QUARTER AVERAGE (PRIVATE TARGETS)



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The selling prices referred to in the *DealStats Value Index* represent the market value of invested capital (MVIC) price paid for the target firm. The MVIC price is the total consideration paid to the target and includes any cash, notes, and/or securities that were used as a form of payment plus any interest-bearing liabilities of the target company that the acquirer assumed. For more information, please visit the DealStats FAQ page: bvresources.com/products/faqs/dealstats.

The multiples and transaction data presented in the *DealStats Value Index* include both asset sale purchases and stock sale purchases. Unless otherwise noted, the multiples and transaction data presented in the *DealStats Value Index* include purchases made by both private parties and public parties.

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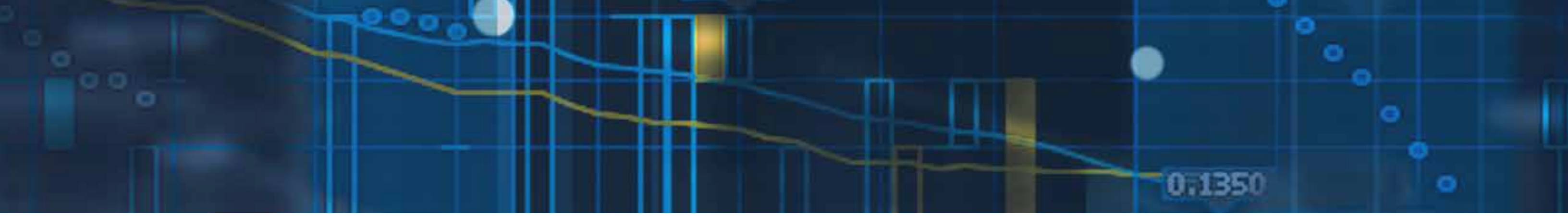
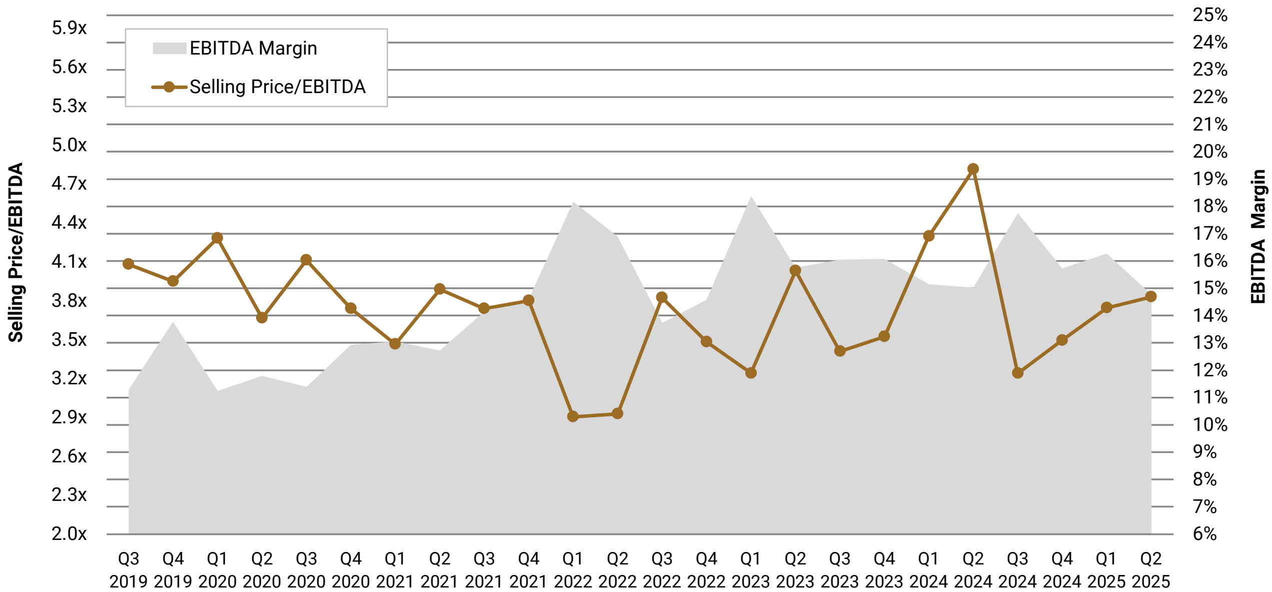
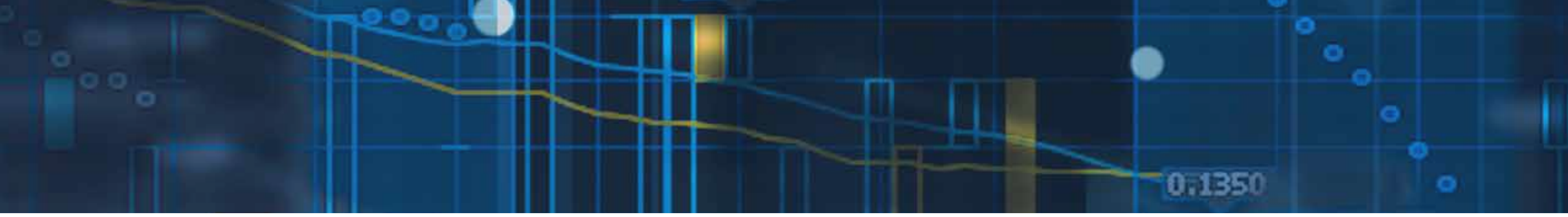


EBITDA MARGINS DECLINE SLIGHTLY IN Q2 2025

EBITDA margins reached 18% in the third quarter of 2024, before slightly declining to 16% in the fourth quarter of 2024. EBITDA margins continued to be 16% in the first quarter of 2025 before declining slightly, to 15%, in the second quarter of 2025. EBITDA margins peaked at 18% in three different quarters: the first quarter of 2022, the first quarter of 2023, and the third quarter of 2024. The previous range was between 11% and 15% from the third quarter of 2019 through the fourth quarter of 2021. Since the third quarter of 2019, EBITDA margins have never been below 11%.

EXHIBIT 2. MEDIAN SELLING PRICE/EBITDA WITH EBITDA MARGINS (PRIVATE TARGETS)

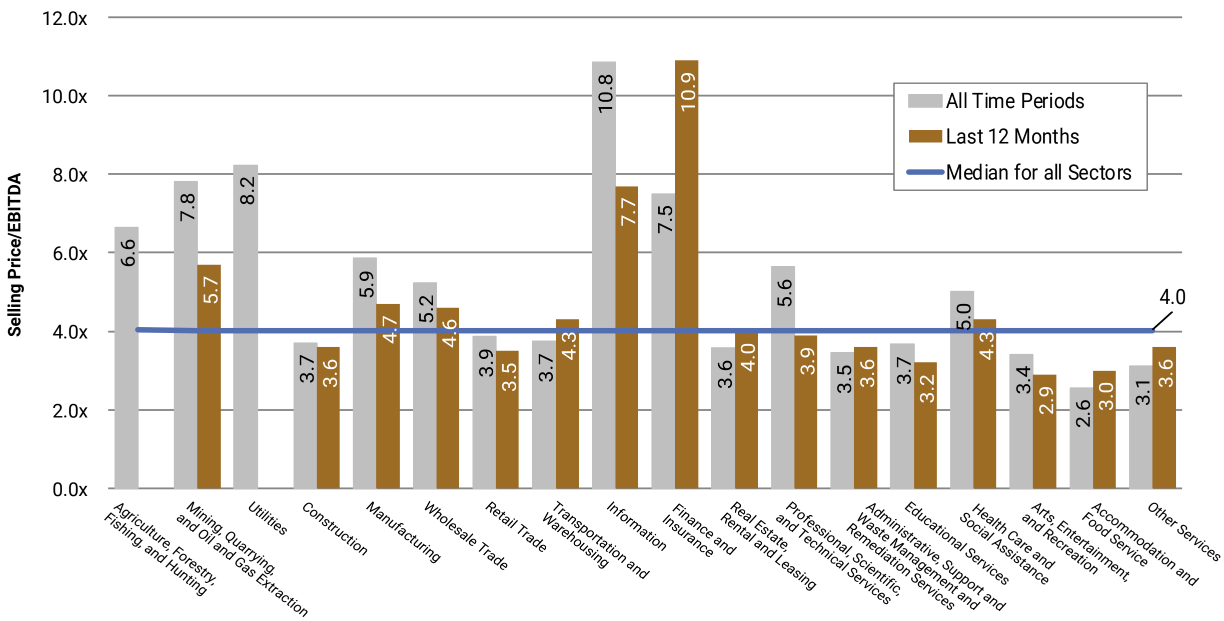


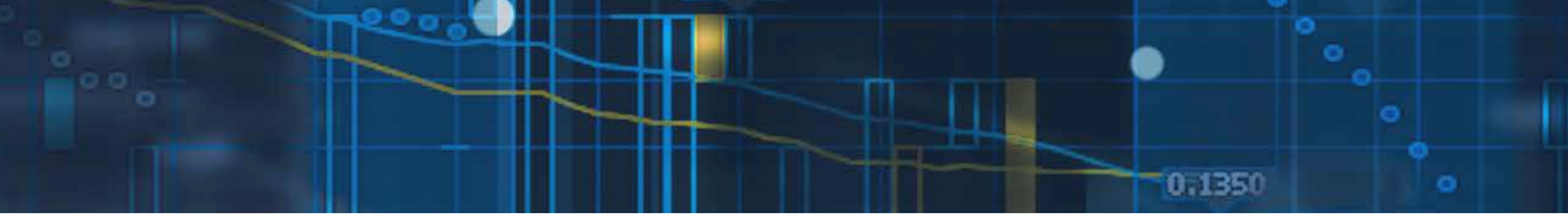


ALL-TIME MEDIAN EBITDA MULTIPLE FOR ALL SECTORS IS 4.0X

All-time EBITDA multiples remain the highest for the information sector (10.8x) and the utilities sector (8.2x). Meanwhile, the lowest all-time EBITDA multiples are in the accommodation and food services (2.6x) and the other services sectors (3.1x). The median across all industry sectors for all periods is 4.0x. The finance and insurance sector has shown a recent notable increase, with the last 12-month EBITDA multiple rising to 10.9x compared to its all-time period multiple of 7.5x.

EXHIBIT 3. MEDIAN SELLING PRICE/EBITDA BY SECTOR (PRIVATE TARGETS)

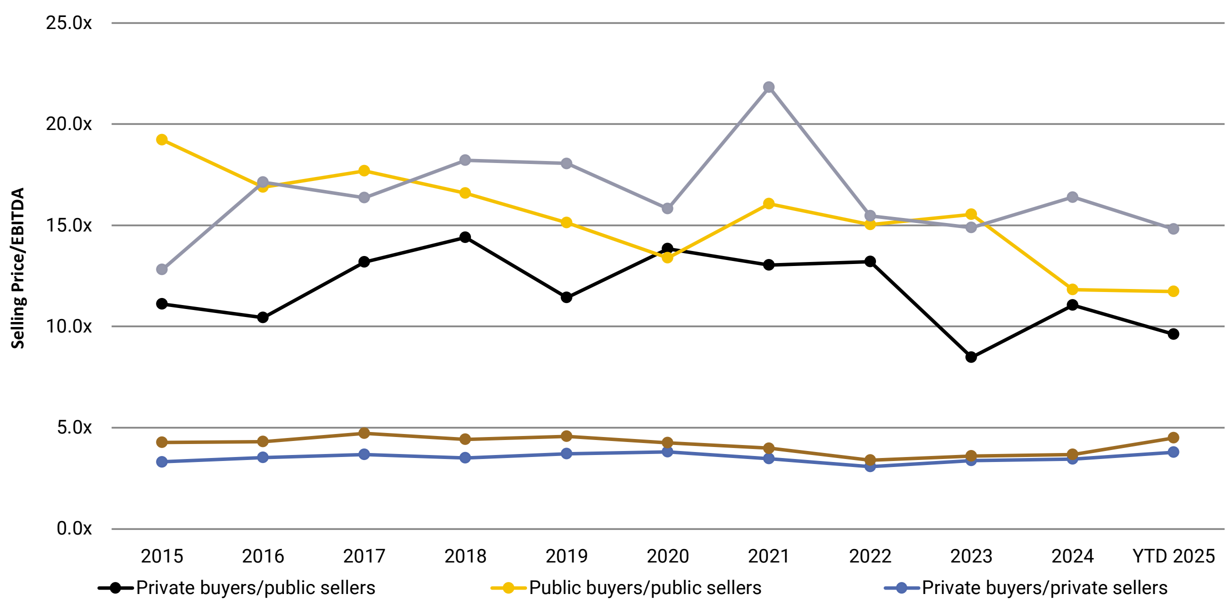




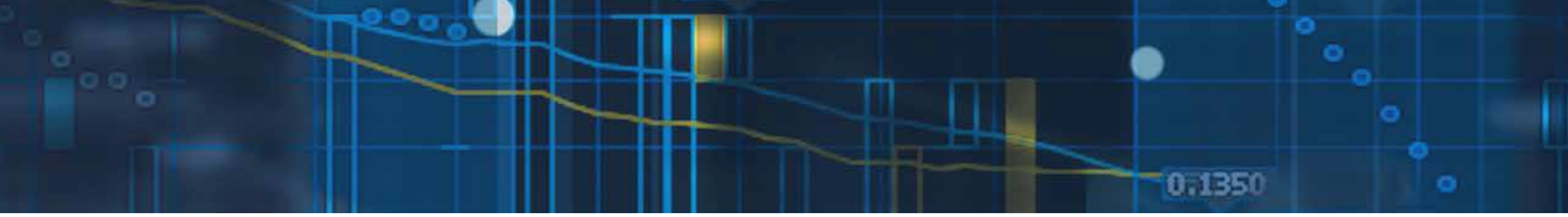
EBITDA MULTIPLES FOR PRIVATE-BUYER/PUBLIC-SELLER TRANSACTIONS SHOW SIGNIFICANT DECREASE IN 2025 YEAR TO DATE

The all-transactions category has generally trended slightly downward since 2020 but saw an uptick, from 3.7x in 2024 to 4.5x, in 2025 year to date. For private-buyer transactions involving public sellers, EBITDA multiples have shown a notable decrease in 2025 year to date, decreasing from 11.1x in 2024 to 9.6x. In transactions involving private buyers and private sellers, EBITDA multiples increased slightly, from 3.4x in 2024 to 3.8x in 2025 year to date. Public-buyer-to-private-seller transactions declined notably, from 16.4x in 2024 to 14.8x in 2025 year to date. However, they remain elevated relative to most other transaction types, reflecting continued appetite for strategic acquisitions in this segment.

EXHIBIT 4A. MEDIAN SELLING PRICE/EBITDA (PRIVATE TARGETS)



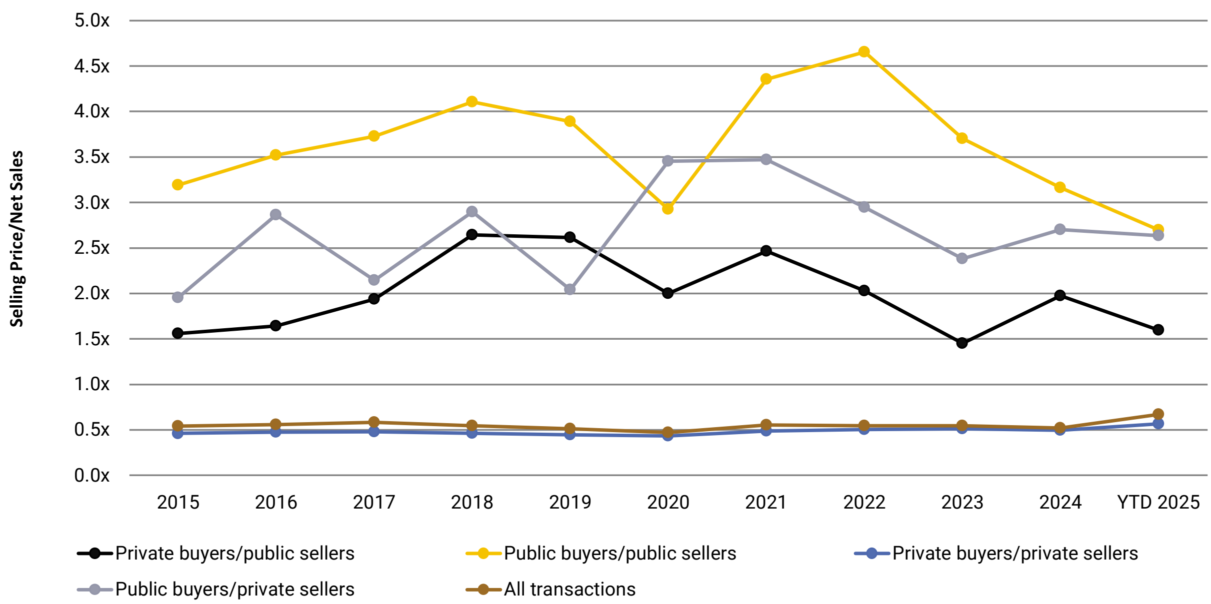
Note: Each data point in this chart is based on a minimum of 10 transaction multiples. If there are not enough transaction multiples for a particular year or quarter, the data are not included.



NET SALES MULTIPLES FOR PRIVATE-BUYER/PRIVATE-SELLER TRANSACTIONS SHOW SIGNIFICANT INCREASE IN 2025 YEAR TO DATE

In 2025 year to date, the most notable net sales multiple increase was for private-buyer transactions involving private sellers, where the multiple rose from 0.49x in 2024 to 0.57x, reflecting a 14.9% increase. The most notable decline occurred in private-buyer transactions involving public sellers, where the net sales multiple fell from 1.97x in 2024 to 1.6x in 2025 year to date, reflecting a 19% decrease.

EXHIBIT 4B. MEDIAN SELLING PRICE/NET SALES (PRIVATE TARGETS)



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