

M&A Update: Navigating a Dynamic Environment

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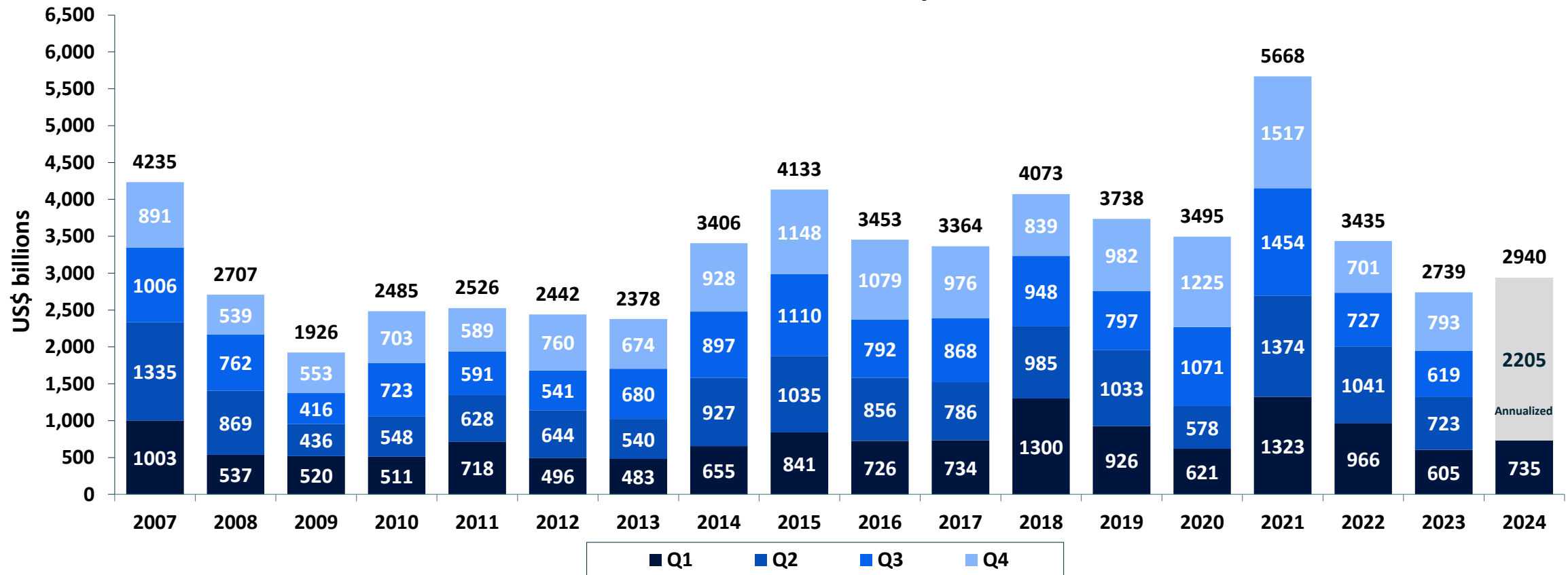
WACHTELL, LIPTON, ROSEN & KATZ

Topics

1. State of the M&A Market
2. Update on Regulatory Environment
3. Financing Trends
4. Private Equity Transactions
5. Recent Case Law Developments Affecting Dealmaking

Global M&A Volume: 2007-Q1 2024

Global M&A Volume by Quarter

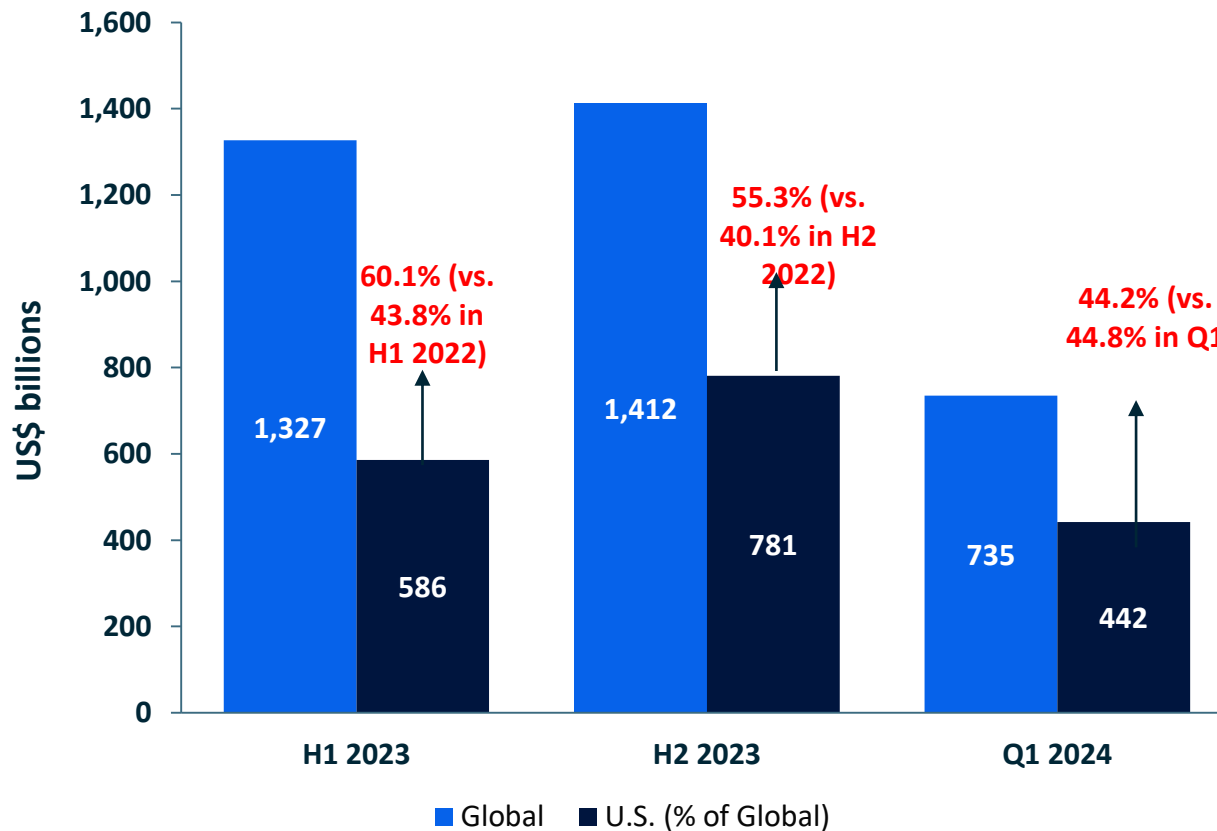


Source: Refinitiv.

Note: Chart includes all announced deals that are pending or completed. 2024 data is annualized in gray by tripling first-quarter data and adding to the first-quarter volume.

Global and U.S. M&A Volume: H1 vs H2 2023; Q1 2024

Global and U.S. M&A Volume



Source: Refinitiv.

Note: Chart includes all announced deals that are pending or completed.

10 Largest Deals Announced in 2023

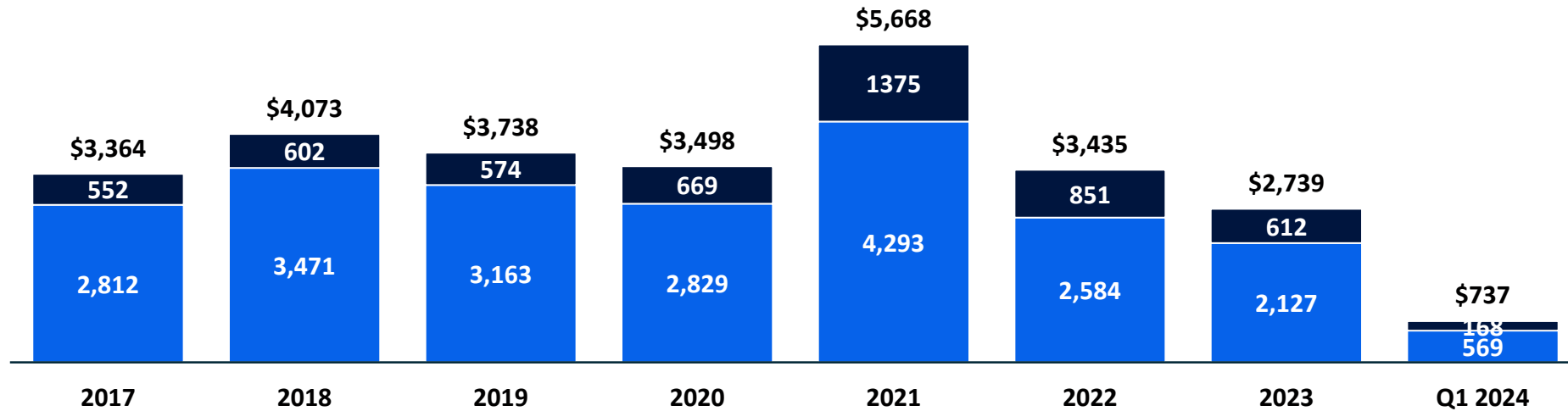
H1 2023	H2 2023
<p>\$41.0b</p> <p>Seagen</p>	<p>\$27.9b</p> <p>splunk</p>
<p>\$21.2b</p> <p>NEWCREST MINING LIMITED</p>	<p>\$65.1b</p> <p>PIONEER NATURAL RESOURCES</p>
<p>\$18.6b</p> <p>MAGELLAN MIDSTREAM PARTNERS, L.P.</p>	<p>\$21.3b</p> <p>dish</p>
<p>\$13.5b</p> <p>TRITON</p>	<p>\$19.9b</p> <p>Smurfit Kappa</p>
	<p>\$59.4b</p> <p>HESS</p>
	<p>\$13.4b</p> <p>NIPPON STEEL</p>
	<p>United States Steel Corporation</p>

Source: Deal Point Data

Sponsor vs. Strategic M&A Activity

Global M&A Deal Volume by Buyer Type

■ Strategic ■ Financial Sponsor



% of Global Vol

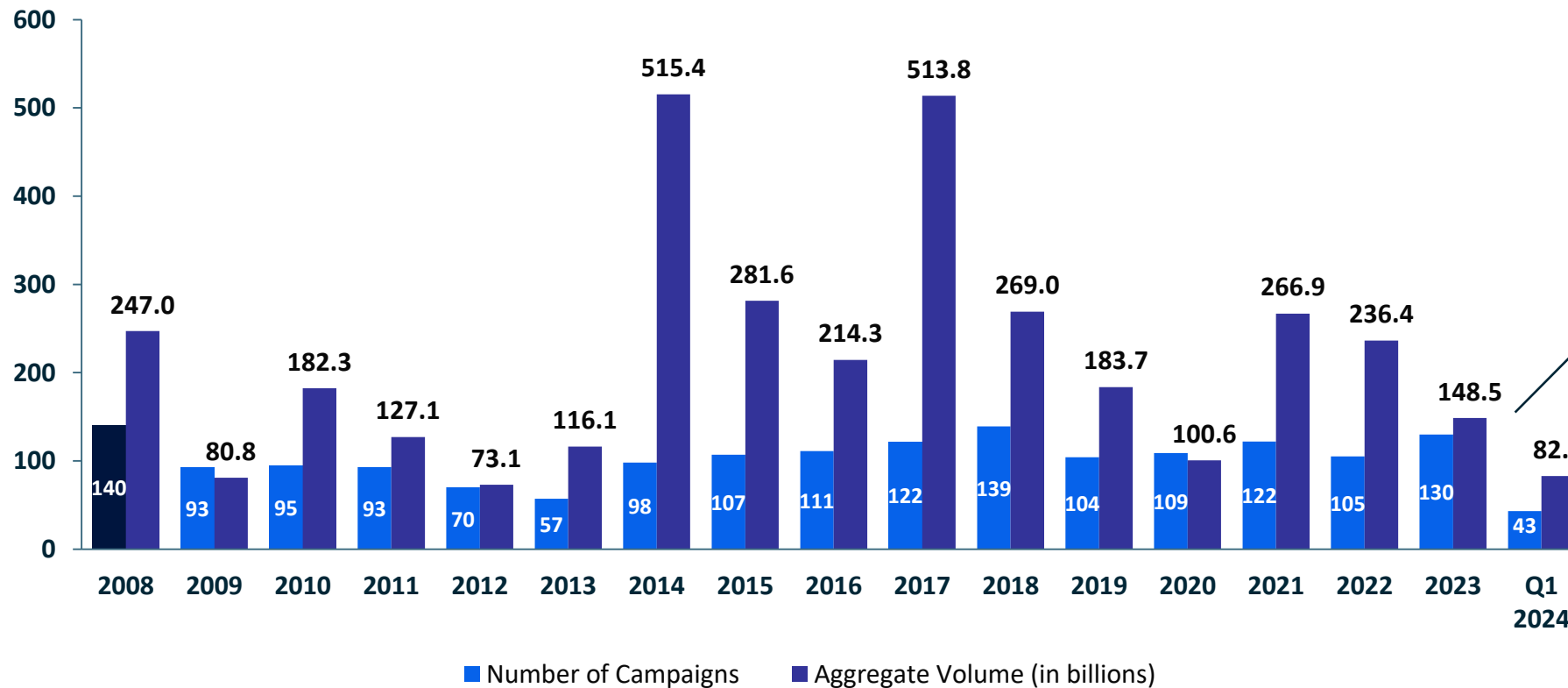
	2017	2018	2019	2020	2021	2022	2023	Q1 2024
Strategic	84%	85%	85%	81%	76%	75%	78%	77%
Sponsor	16%	15%	15%	19%	24%	25%	22%	23%

Source: Refinitiv.

Note: Chart includes all announced deals that are pending or completed.

Global Hostile and Unsolicited M&A Campaigns

Global Hostile and Unsolicited M&A Campaigns



Select Recent Hostile Bids



Source: Refinitiv.

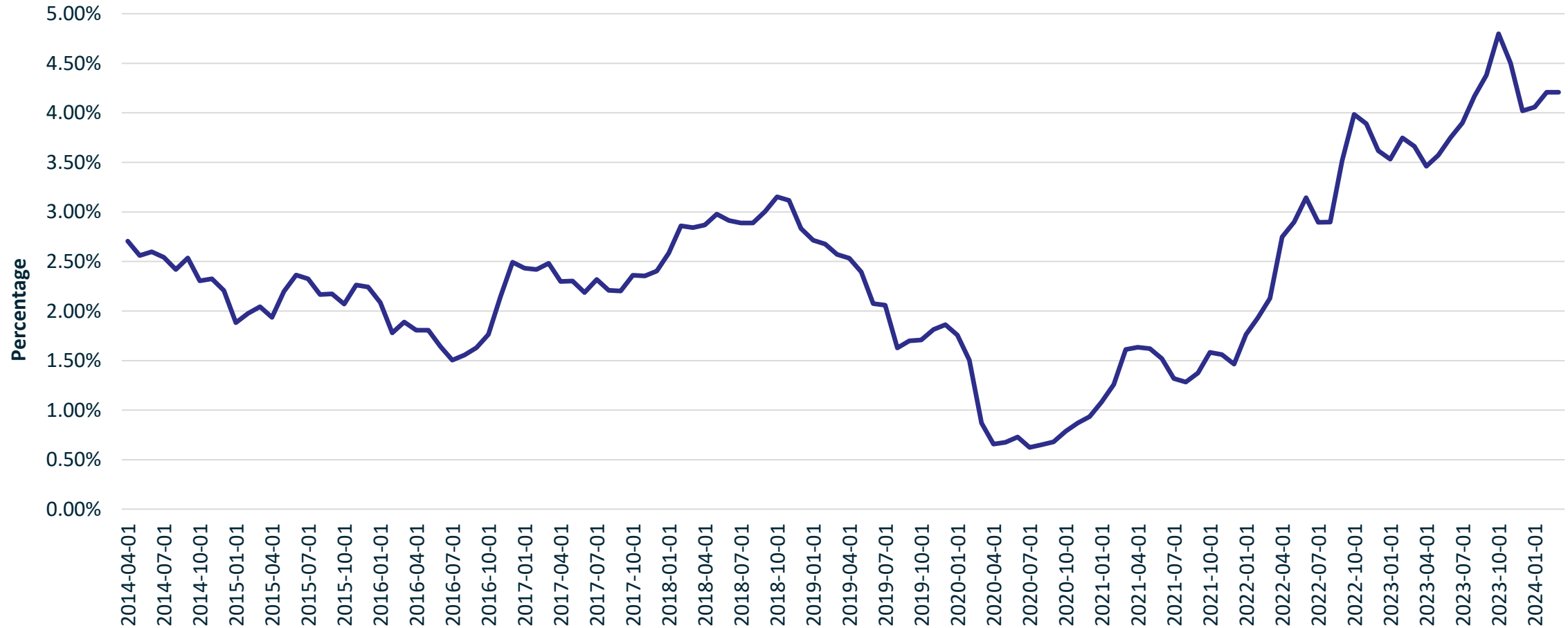
Regulatory Update

- **Aggressive antitrust enforcement agenda**
 - 2023 Merger Guidelines
 - Proposed HSR Form
 - Expressed Unwillingness to Settle
 - Industry-Specific Concerns
- **Increased deal uncertainty and political headwinds**
 - Jurisdictional Uncertainty
 - FDI and Reverse CFIUS
- **Protracted timelines**

Navigating Regulatory Climate

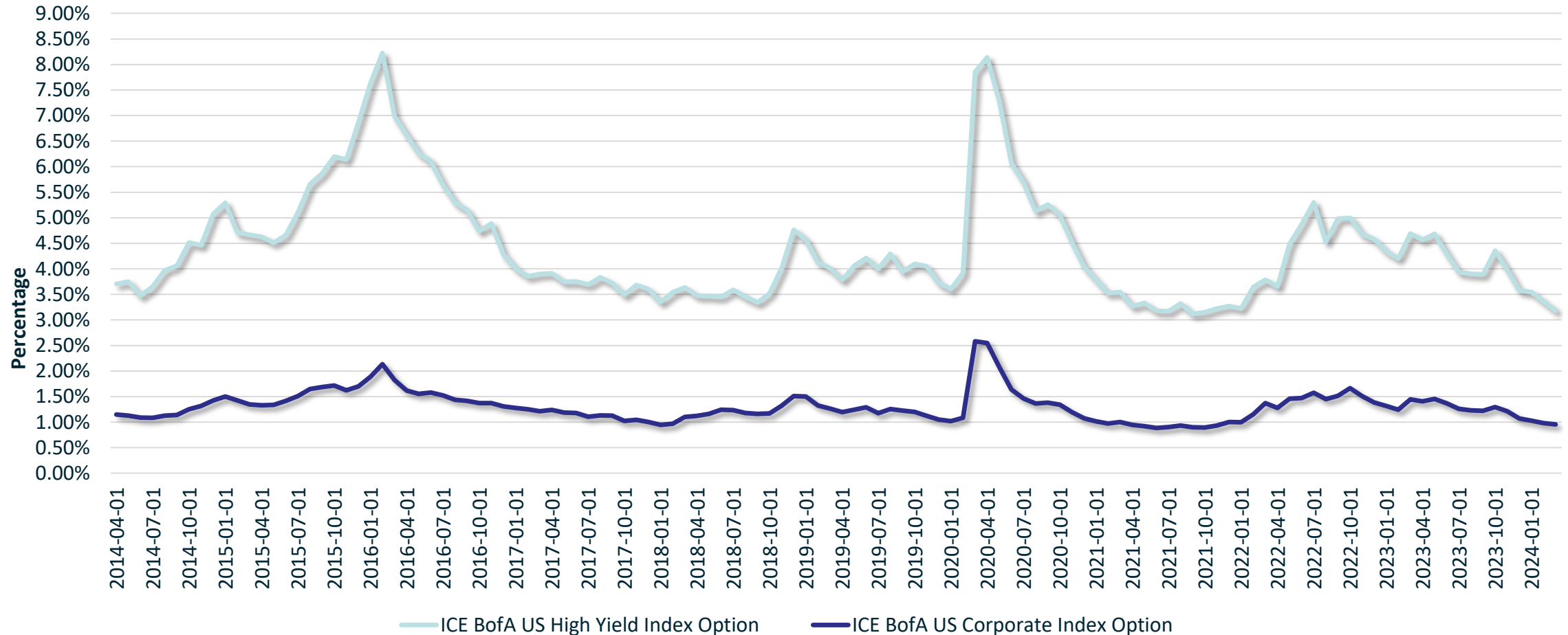
- **Filing strategy**
- **Regulatory strategy**
- **Communications Strategy**
- **Contractual Provisions**
 - Regulatory covenant / Reverse termination fees
 - Closing conditions
 - Outside dates
 - Interim covenants
 - Ticking fees
 - Financing commitments

U.S. 10-Year Treasury Rates



Source: FRED Economic Data.

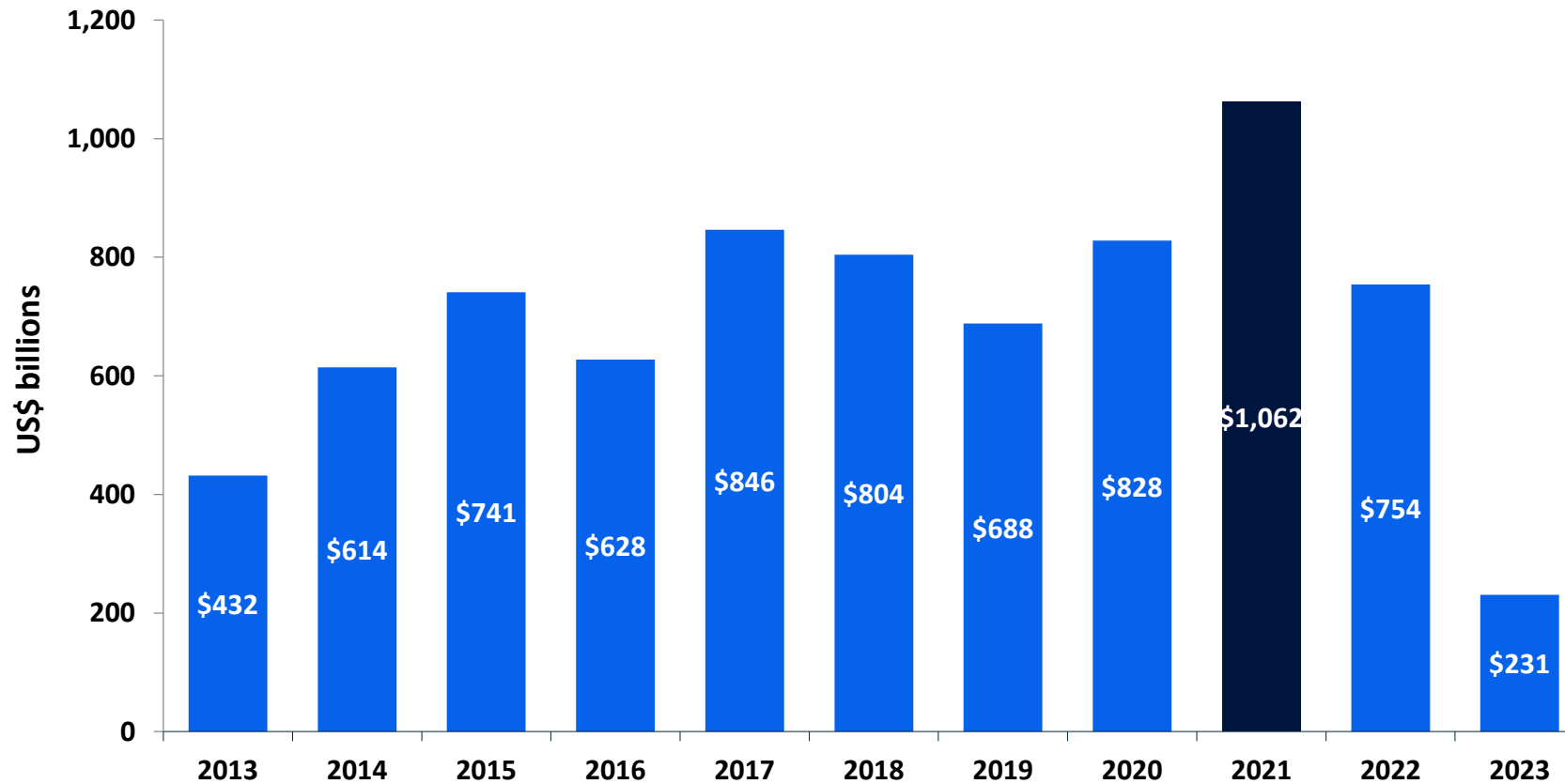
High Yield and Investment Grade Credit Spreads



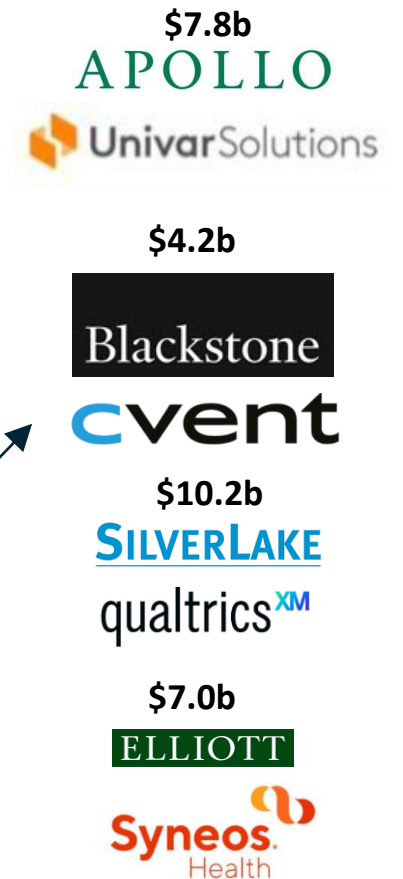
Source: FRED Economic Data.

U.S. Private Equity Deal Activity

US PE M&A Volume



Select 2023 Take-Privates



Source: Refinitiv.

Note: Chart includes all announced deals as of 12/31/23.

Recent Case Law Affecting Dealmaking

- *Crispo*
- *Activision Blizzard*
- *Moelis*
- Proposed Amendments to the DGCL