



M&A Market Overview

FEBRUARY 2025 – RIDDLE CAPITAL RESEARCH

Foreword

Extraordinary

At Riddle Capital Research, we are excited to present our second dedicated M&A report. Building on our previous work, this marks the beginning of our monthly research series, where we will explore key trends, transactions, and market movements shaping the world of mergers and acquisitions.

As a team of students, we see research not just as an academic pursuit but as a practical exercise in financial analysis and market understanding. Our work serves as both a learning experience and an opportunity to challenge conventional perspectives. By continuously refining our methodology, deepening our market insights, and applying our findings in real-world contexts, we aim to develop a professional standard of research while maintaining the fresh perspective that sets us apart.

We believe true insight comes from curiosity, independent thinking, and a willingness to question existing narratives. In this M&A report, we take a data-driven, objective approach, leveraging our ability to analyse market trends without institutional biases.

This is just the beginning of our monthly research journey, and we look forward to evolving with each publication. If you have any questions or feedback, please feel free to reach out to us.

Disclaimer

This analysis has been conducted by research analysts at Riddle Capital Research. While we strive for accuracy and objectivity, this report is for informational purposes only and should not be considered financial advice. Investors are encouraged to conduct their own due diligence before making any financial decisions. Riddle Capital Research and its contributors assume no liability for investment choices made based on this report.



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Mergers & Acquisitions

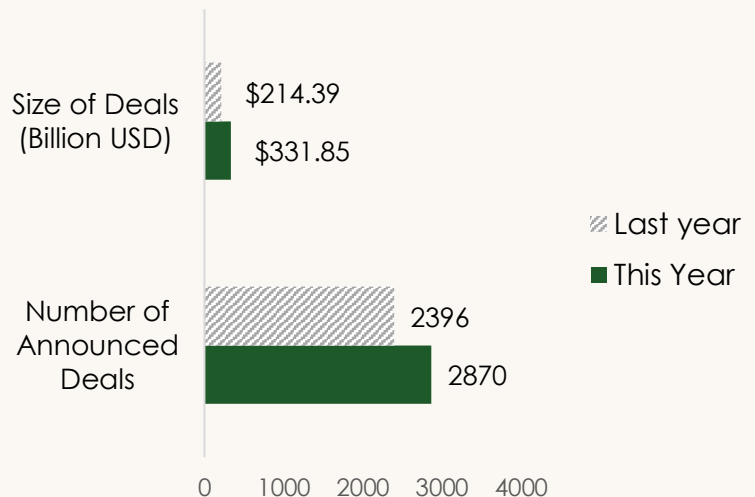
Tobias Thorsen
Co-Founder and M&A Research Lead

Global Market Overview

February showed an interesting development compared to the same period last year. The number of announced deals rose from 2,396 to 2,870, an increase of 19.78%. Even more impressive, the total deal value surged dramatically from \$214.39 billion to \$331.85 billion, marking a significant 54.78% increase. Companies are not only making more deals but also pursuing much larger transactions.

This increase suggests that despite ongoing economic uncertainties, such as fluctuating interest rates, persistent inflation, and geopolitical concerns, confidence in global markets is strong.

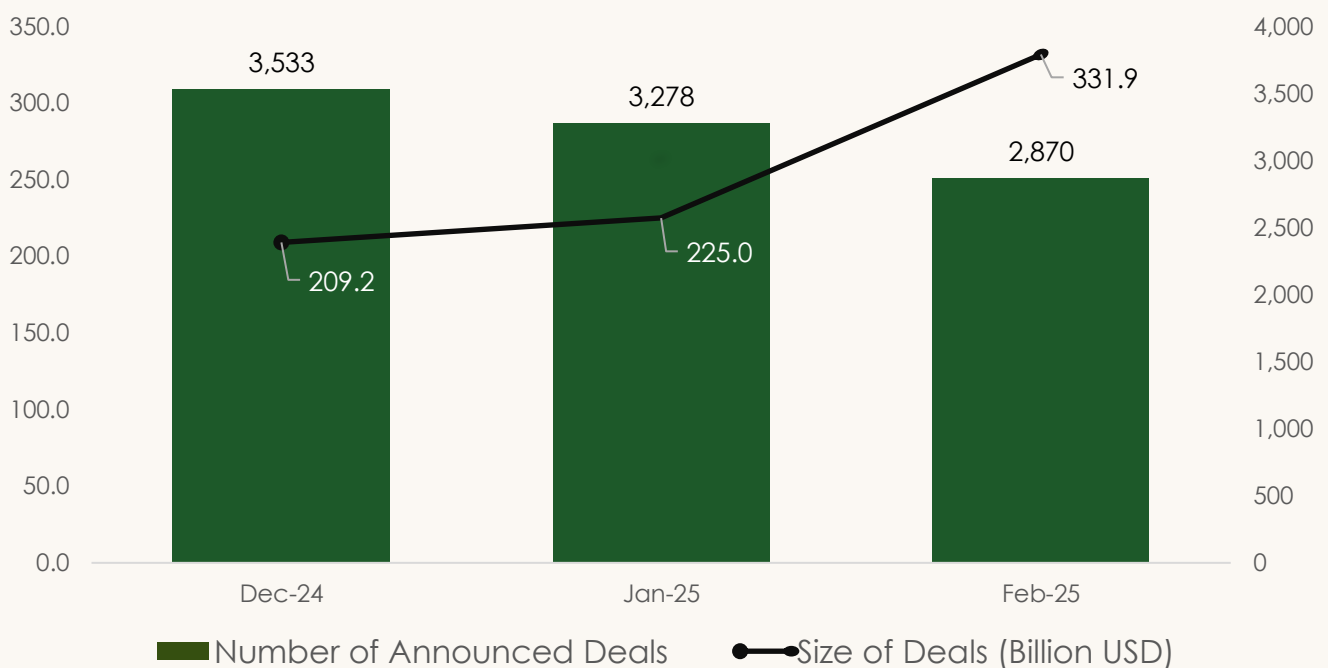
Comparison: Last Year Versus This Year - February



Month-Over-Month Trend

Compared to January, February saw fewer deals but higher overall value. Deal count dropped from 3,278 in January to 2,870 in February, a 12.45% decrease. However, the value of these deals jumped significantly from \$225 billion to \$331.85 billion, up by 47.49%. Companies are clearly focusing on fewer but more impactful acquisitions.

Amount of Deals Versus Size of Deals - The last 3 months

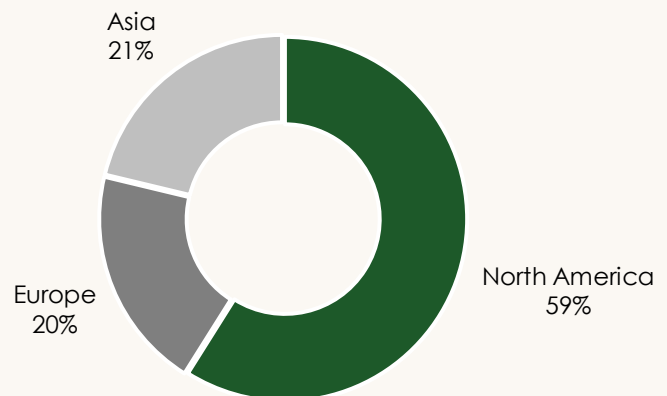


Regional Distribution

To better understand the key trends driving mergers and acquisitions in January, we have taken a weekly approach to identifying notable transactions. Specifically, we selected the five largest M&A deals from each week, covering a five-week period, and then combined them into a single dataset of 25 notable transactions. This method allows us to capture a more dynamic overview of the deal activity, ensuring that our analysis does not just focus on the absolute largest deals of the month but instead provides a somewhat more comprehensive view, including both headline-deals and other influential transactions.

Through our visualizations, we can see that North America remains the top region, accounting for 59% of the largest deals, followed by Asia with 21%, and Europe with 20%.

Regional Distribution of the 25 Largest M&A Deals
(Top Five Weekly Transactions)



The Three Biggest M&A Announcements of February:

Caisse de dépôt et placement du Québec Acquires Innergex Renewable Energy Inc. – \$7 Billion

The largest M&A deal in February was Caisse de dépôt et placement du Québec's \$7 billion acquisition of Innergex Renewable Energy, a major producer of hydroelectric, wind, and solar energy.

This deal highlights continued investment in renewable energy driven by regulations and sustainability goals. As investors and governments prioritize clean energy, companies use acquisitions to quickly grow their green energy portfolios.

Blackstone Inc. Acquires Safe Harbor Marinas, LLC – \$5.65 Billion

Blackstone Inc.'s \$5.65 billion acquisition of Safe Harbor Marinas, LLC marked a major investment in the U.S. marina and superyacht service industry.

This transaction demonstrates increasing interest in leisure and hospitality investments, driven by rising consumer spending. Infrastructure-focused companies like Blackstone use acquisitions of premium leisure assets to capitalize on shifting consumer preferences.

Mitsui & Co., Ltd. Acquires Rhodes Ridge Iron Ore Project in Australia – \$5.34 Billion

Mitsui & Co., Ltd.'s \$5.34 billion acquisition of the Rhodes Ridge iron ore project in Australia highlights global efforts to secure essential natural resources.

Amid ongoing supply-chain uncertainties and changing raw material prices, Mitsui strengthens its commodity portfolio. Acquiring major resource projects allows companies like Mitsui to ensure stable material supplies despite market volatility.

Updated Outlook for 2025:

America: While deregulation and tax incentives continue to encourage mergers, growing concerns about economic slowdown and regulatory scrutiny may slightly temper dealmaking. Companies will still pursue strategic acquisitions, though more cautiously.

Europe: European firms will remain under pressure to consolidate, particularly in banking, consumer goods, and industrial sectors, driven by a need to compete globally and gain efficiency amid uncertain economic conditions.

Asia: Geopolitical uncertainties, especially around US-China relations and ongoing trade tensions, will likely cause companies to be careful with cross-border M&A, slowing dealmaking until greater stability emerges.