KROLL

Industry Multiples in Latin America

Q2 2022

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Foreword

Javier Zoido

Managing Director

Latin America and Iberia Valuation Advisory Services Leader

Dear readers,

We are pleased to launch the first edition of our *Latin America (LATAM) Industry Multiples* quarterly report. This report provides valuable insights into trading multiples for various key industries in LATAM as of June 30, 2022. Our analysis uses publicly traded companies in Latin American countries, distributed among several different industries and sectors, following the definitions by the Global Industry Classification Standard (GICS).

In 2021, growth in LATAM rebounded from the contraction following the COVID-19 pandemic. Current growth prospects, however, remain moderate, due to domestic and international challenges. Inflationary pressures are not likely to fade away in the short term. Additionally, in spite of the region's modest trade and financial linkages with Russia and Ukraine (according to the repot cited below, these two countries and Belarus account for just 0.6% of the region's exports), the disruptions caused by the Russia-Ukraine war will continue to negatively affect LATAM, given the impact on consumer prices, weaker global growth and tighter financial conditions.[1]

According a recent World Bank report, real economic growth in LATAM and the Caribbean is forecast to moderate to 2.5% in 2022, declining from 6.7% in 2021.[2,3] The two largest economies in the region, Brazil and Mexico, are expected to post low growth rates in 2022 (1.5% and 1.7%, respectively), dragging the region's expected overall growth. The Mexican economy has yet to recover to its pre-pandemic size (in real terms). The outlook for LATAM and the Caribbean in the following two years is expected to remain weak, with growth decelerating to 1.9% in 2023 and 2.4% in 2024. While these are relatively subdued growth rates when compared to the post-pandemic recovery of 2021, they are more in line with the trends observed in the region since 2013.[4]

Domestic challenges related to inflation, financial conditions and policy uncertainty are likely to have a negative impact. Further, slowing growth in export markets, faster than anticipated monetary tightening in the United States, and supply chain bottlenecks will also negatively affect the region. Although the Russia-Ukraine war, by contributing significantly to the rise in commodity and energy prices, led to raised prices for many regional exporters, the war will likely have a negative effect on growth in LATAM due to weaker global trade. According to the World Bank's report, all large LATAM economies (except Mexico) are net commodity exporters, so higher commodity prices will generally improve export earnings. However, surging energy prices may also result in increasing input costs in many countries, while higher fertilizer costs will curb benefits from elevated agricultural export prices. For instance, the World Bank's report states that Brazil imports about 80% of its fertilizers, while Argentina imports close to 70%. Additionally, central banks in the region started to accelerate the pace of interest rate increases, making financing more expensive and economic growth slower. Regarding the exchange rates of the main currencies in the region, the trends have been mixed. Countries benefitting the most from the increase in fossil fuel global commodity prices have seen their currencies appreciating since Q4 2021 against the U.S. dollar. However, others have seen a significant depreciation in recent months partly owing to the U.S. central bank's rapid increase in interest rates, China's policy of zero-Covid cases decreasing demand for copper, as well as local political tensions.

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[1] Alicia Bárcena Ibarra - "The economic and financial effects on Latin America and the Caribbean of the conflict between the Russian Federation and Ukraine, March 2022", United Nations Economic Commission for Latin America and the Caribbean (UNECLAC).

[2] "Global Economic Prospects – Stagflation Risk Rises Amid Sharp Slowdown in Growth", World Bank, June 2022.

[3] The World Bank's report provides aggregated forecasts for LATAM and the Caribbean.

[4] The World Bank IBRD-IDA database, available here: https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=ZJ

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Foreword

Stock markets in LATAM have had generally poor performance in 2022, although they have been performing better than the S&P 500 and the STOXX® Europe 600 (STOXX Europe). The STOXX® Latin America Total Market Index (STOXX LATAM TMI) has fallen 5.2% in H1 2022 (S&P 500: -21%, STOXX Europe: -17%).[5] The monetary policy tightening in the region has also been reflected in an increase in long-term interest rates in the Latin American economies.

In terms of EV/EBITDA, as reflection of the deteriorated market conditions and pessimistic outlook, multiples have generally decreased over the H1 2022 due to a pessimistic outlook and deteriorating market conditions. All sectors/industry groups presented in this report observed a decrease in their multiples during H1 2022. The industry with the smallest decrease was electric, gas and water utilities (0.1x EV/EBITDA decrease since Q4 2021). The low multiples in the Materials industry is partly attributable to the drop in iron and copper prices in the first semester of 2022, driven by the shutting down of several steel mills in China.

Our report provides a detailed overview of the EV/revenues, EV/EBITDA, P/E and P/B multiples of publicly traded companies in LATAM covering nonfinancial industries and Market Capitalization/Revenues, P/TBV, P/E and P/B multiples covering financial industries for which such data is available. We also provide an eight-quarter lookback at the trends of these multiples for the industries covered.

This valuable analysis has been possible thanks to the commitment of our great Valuation Services team, with a particular mention to Francisco Micheloto for his rigorous work and dedication to the project.

We hope you find this report helpful in understanding the range of trading multiples for major industries in LATAM. If you would like to receive further information or discuss any of the findings, please contact us.

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[5] The STOXX LATAM TMI covers approximately 95% of the free float market capitalization of LATAM companies.

Sources: World Bank – "Global Economic Prospects, June 2022"; UNECLAC – "The economic and financial effects on Latin America and the Caribbean of the conflict between the Russian Federation and Ukraine, March 2022"; Banco de España – "Report on the Latin American Economy, First Half of 2022"; Kroll analysis.

Summary: Median Multiples by Sector/Industry Groups

As of June 30, 2022

Sector/Industry Group	EV/Revenues	EV/EBITDA	P/E	P/B
Communication Services	1.8x	4.9x	12.2x	1.1x
Consumer Discretionary	1.2x	7.5x	8.3x	0.7x
Consumer Durables and Apparel	1.0x	6.2x	6.9x	0.6x
Consumer Services	1.7x	8.5x	17.4x	0.9x
Retailing	0.9x	7.6x	8.3x	0.8x
Consumer Staples	0.9x	6.8x	11.3x	1.5x
Food and Staples Retailing	0.6x	7.6x	11.8x	1.3x
Food. Beverage and Tobacco	1.0x	5.4x	10.1x	1.5x
Energy	1.7x	4.4x	7.5x	1.2x
Health Care	2.3x	11.1x	15.0x	2.0x
Industrials	1.3x	6.1x	8.6x	1.3x
Capital Goods	0.8x	4.9x	7.1x	1.1x
Commercial and Professional Services	1.2x	5.8x	15.3x	1.9x
Transportation	2.1x	7.0x	13.0x	1.9x
Information Technology	0.9x	4.6x	8.0x	0.9x
Software and Services	1.5x	6.1x	21.0x	1.1x
Materials	0.9x	3.5x	5.2x	1.3x
Real Estate	7.7x	11.2x	10.5x	0.6x
Utilities	2.1x	5.3x	7.5x	1.0x
Electric. Gas and Water Utilities[1]	1.7x	4.9x	5.6x	0.8x

Financials Sector/Industry Group	Market Cap./Revenues	P/TBV	P/E	P/B
Financials	2.0x	1.0x	7.4x	1.1x
Banks	1.8x	1.0x	6.6x	1.0x

[1] According to GICS nomenclature. this is classified as "Industry," which is one level below "Industry Group."

Country Snapshot: Argentina

The MERVAL index is a price-weighted index, calculated as the market value of a portfolio of stocks selected based on their market share, number of transactions and quotation price. It is typically used as the benchmark stock market index in Argentina.
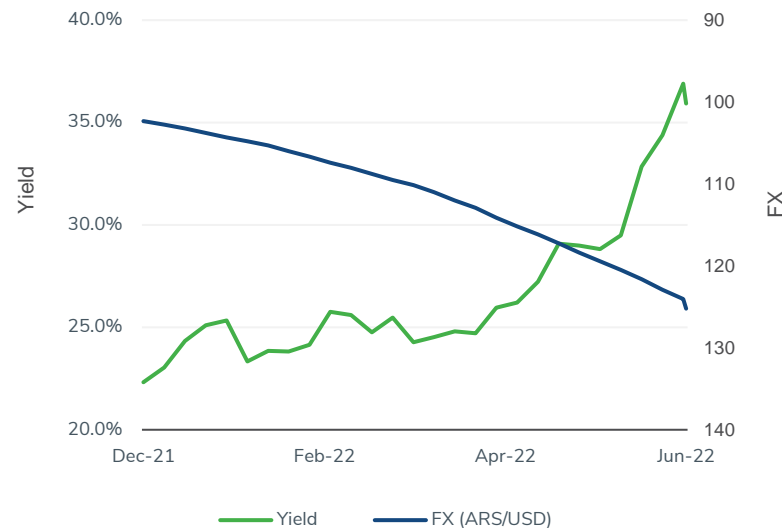
In H1 2022, MERVAL decreased by 14.2% (in price terms, converted to USD), compared to the 5.2% decrease in the STOXX LATAM TMI, 20.8% decrease in the S&P 500 and 16.7% decrease in the STOXX Europe. Argentinian real GDP is expected to grow by 4.5% in 2022 and 2.5% in 2023, according to the World Bank's *Global Economic Prospects* report (June 2022). The Argentinean peso has depreciated against the U.S. dollar by 18% since the beginning of 2022.

MERVAL Spotlight

Historical Evolution: MERVAL, S&P 500; STOXX Europe 600, and STOXX LATAM TMI[1]
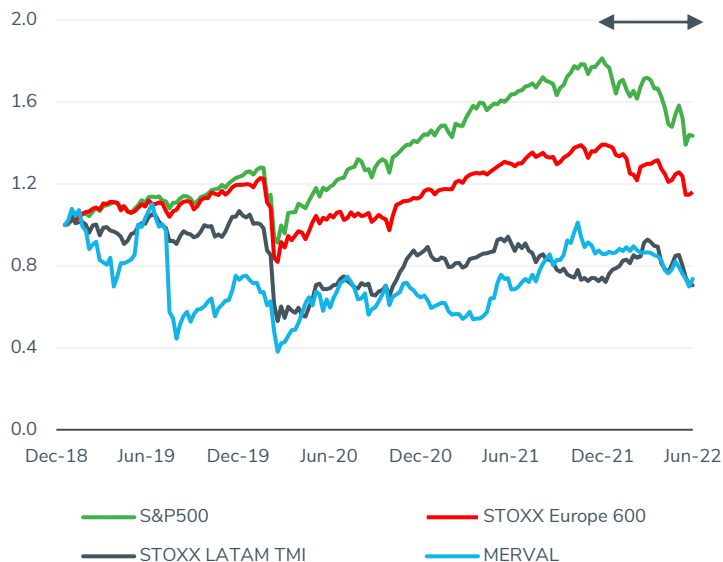
- S&P500
- STOXX Europe 600
- STOXX LATAM TMI
- MERVAL

FX and Long-term Government Bond Yield in 2022[2]

- Yield
- FX (ARS/USD)

Stock market performance during the H1 2022

-14.2% ⬇   -20.8% ⬇
-5.2% ⬇   -16.7% ⬇
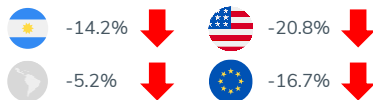
[1] Current MERVAL methodology started on January 2019. MERVAL, S&P 500 and STOXX LATAM TMI evolution in USD, STOXX Europe 600 evolution in EUR.
[2] Argentinean USD-denominated international bond expiring in 2030.
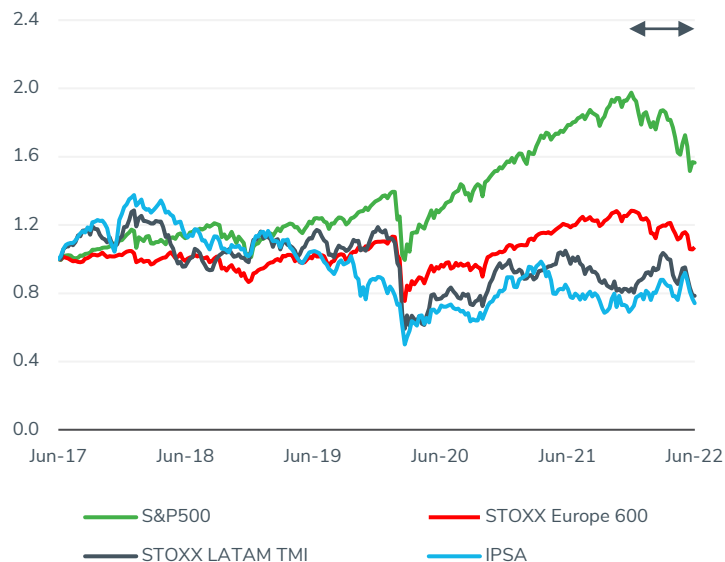Sources: Capital IQ; World Bank – "Global Economic Prospects, June 2022"; Kroll analysis.

Country Snapshot: Brazil

The IBOVESPA is the main performance indicator of the stocks traded in the Brazilian stock market and lists major companies in the Brazilian capital market. It is typically used as the benchmark stock market index in Brazil.
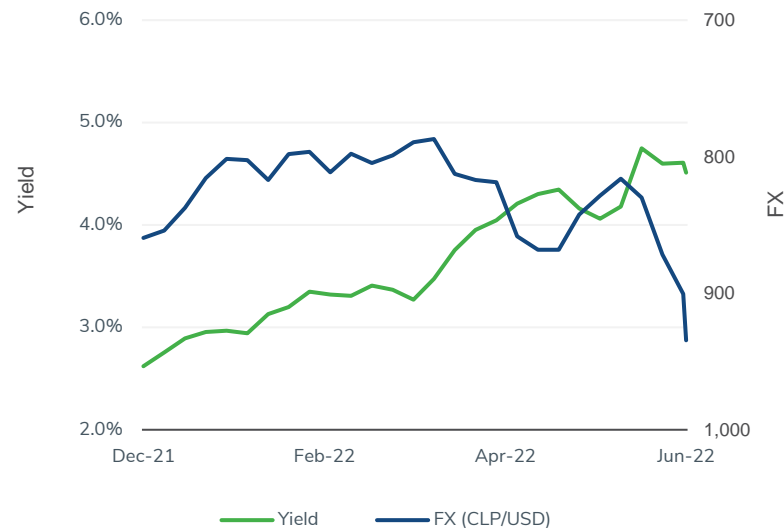
In H1 2022, IBOVESPA remained stable, +0.2% change (in price terms, converted to USD). Brazilian real GDP is expected to grow by 1.5% in 2022 and 0.8% in 2023, according to the World Bank's *Global Economic Prospects* report (June 2022). The Brazilian real has appreciated against the U.S. dollar by 9% since the beginning of 2022.

IBOVESPA Spotlight

5Y Evolution: IBOVESPA, S&P 500; STOXX Europe 600, and STOXX LATAM TMI[1]
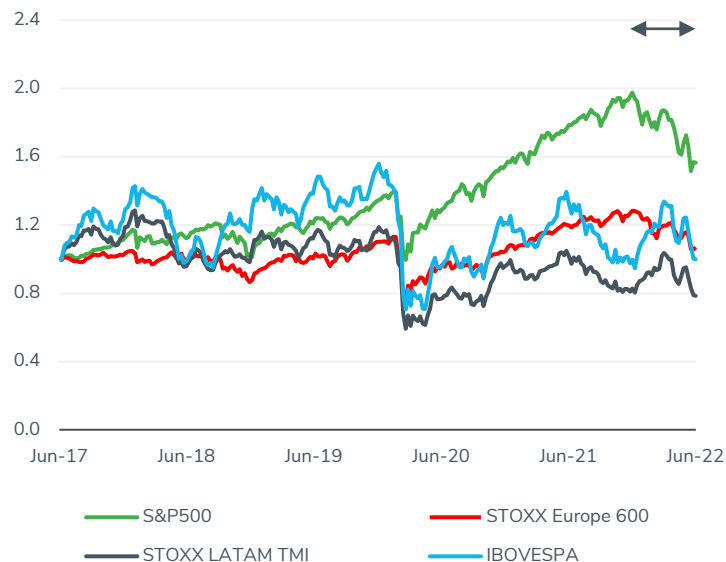
Legend: S&P500 | STOXX Europe 600 | STOXX LATAM TMI | IBOVESPA

FX and Long-term Government Bond Yield in 2022[2]

Legend: Yield | FX (BRL/USD)

Stock market performance during the H1 2022

- Brazil: +0.2% ↑
- USA: -20.8% ↓
- (Mexico): -5.2% ↓
- Europe: -16.7% ↓
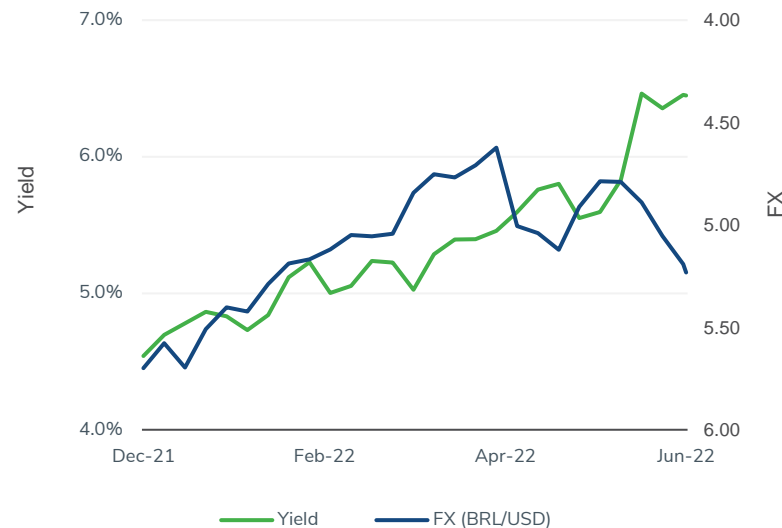
[1] IBOVESPA, S&P 500 and STOXX LATAM TMI evolution in USD, STOXX Europe 600 evolution in EUR.
[2] Brazilian USD-denominated international bond expiring in 2031.
Sources: Capital IQ; World Bank – "Global Economic Prospects, June 2022"; Kroll analysis.

Country Snapshot: Chile

The IPSA measures the price variations of the largest and most liquid Chilean issuers listed on the Santiago Stock Exchange. It is typically used as the benchmark stock market index in Chile.
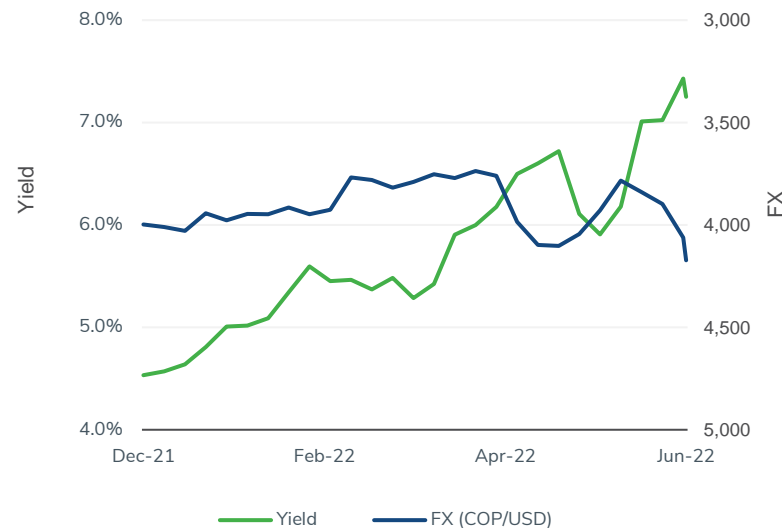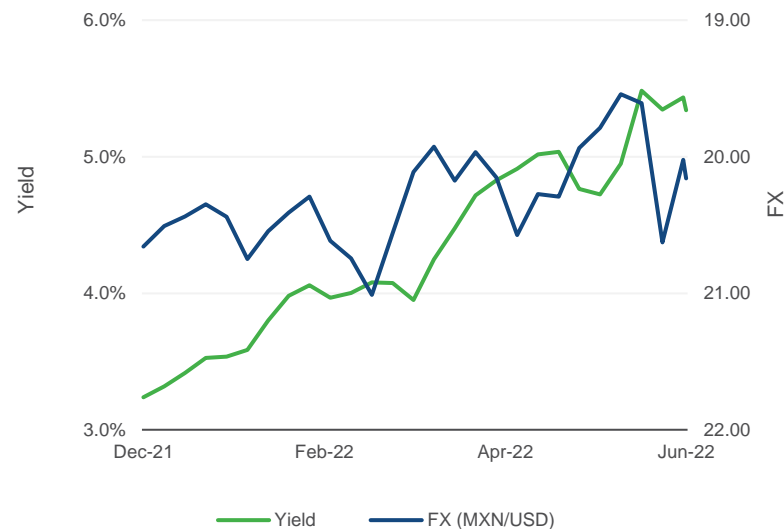
In H1 2022, IPSA increased by 5% (in price terms, converted to USD). Chilean real GDP is expected to grow by 1.7% in 2022 and 0.8% in 2023, according to the World Bank's *Global Economic Prospects* report (June 2022). The Chilean peso has depreciated against the U.S. dollar by 8% since the beginning of 2022.

IPSA Spotlight

5Y Evolution: IPSA, S&P 500; STOXX Europe 600, and STOXX LATAM TMI[1]

- S&P500
- STOXX Europe 600
- STOXX LATAM TMI
- IPSA

FX and Long-term Government Bond Yield in 2022[2]

- Yield
- FX (CLP/USD)

Stock market performance during the H1 2022

Chile +5.0% ↑   USA -20.8% ↓
World -5.2% ↓   Europe -16.7% ↓

[1] IPSA, S&P 500 and STOXX LATAM TMI evolution in USD, STOXX Europe 600 evolution in EUR.
[2] Chilean USD-denominated international bond expiring in 2032.
Sources: Capital IQ; World Bank – "Global Economic Prospects, June 2022"; Kroll analysis.

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Country Snapshot: Colombia

The MSCI COLCAP index is the main reference of the Colombian stock market and is made up of 20 issuers and the 25 most liquid stocks in the market, weighting the stocks by adjusted market capitalization with no participation limit. It is typically used as the benchmark stock market index in Colombia.

In H1 2022, MSCI COLCAP decreased by 10% (in price terms, converted to USD). Colombian real GDP is expected to grow by 5.4% in 2022 and 3.2% in 2023, according to the World Bank's *Global Economic Prospects* report (June 2022). The Colombia peso has depreciated against the U.S. dollar by 4% since the beginning of 2022.

MSCI COLCAP Spotlight

5Y Evolution: MSCI COLCAP, S&P 500; STOXX Europe 600, and STOXX LATAM TMI[1]
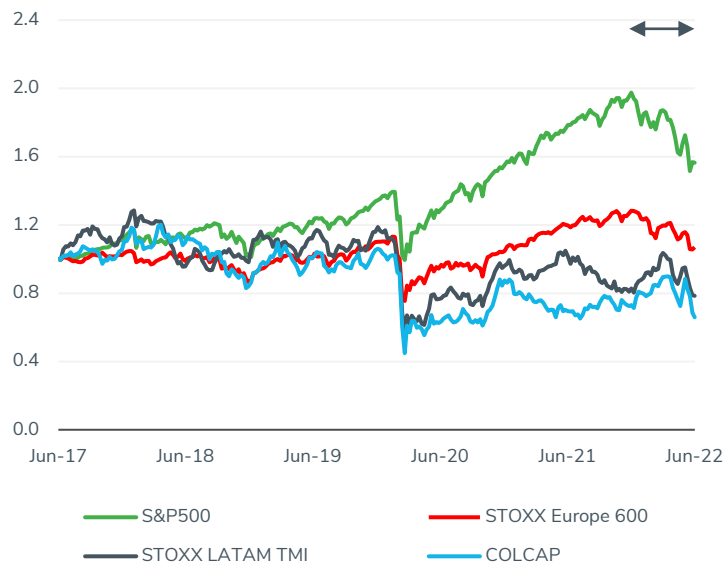
Legend: S&P500, STOXX Europe 600, STOXX LATAM TMI, COLCAP

FX and Long-term Government Bond Yield in 2022[2]

Legend: Yield, FX (COP/USD)

Stock market performance during the H1 2022

- 🇨🇴 -9.9%
- 🇺🇸 -20.8%
- 🌎 -5.2%
- 🇪🇺 -16.7%

[1] COLCAP, S&P 500 and STOXX LATAM TMI evolution in USD, STOXX Europe 600 evolution in EUR.
[2] Colombian USD-denominated international bond expiring in 2032.
Sources: Capital IQ; World Bank – "Global Economic Prospects, June 2022"; Kroll analysis.

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Country Snapshot: Mexico

The S&P BMV IPC index is a modified capitalization-weighted index subject to diversification requirements, traded on the Mexican Stock Exchange. It is typically used as the benchmark stock market index in Mexico.
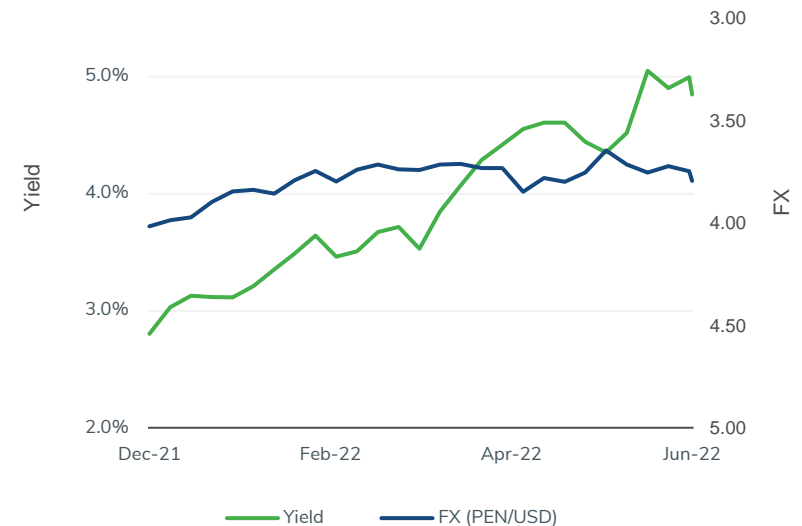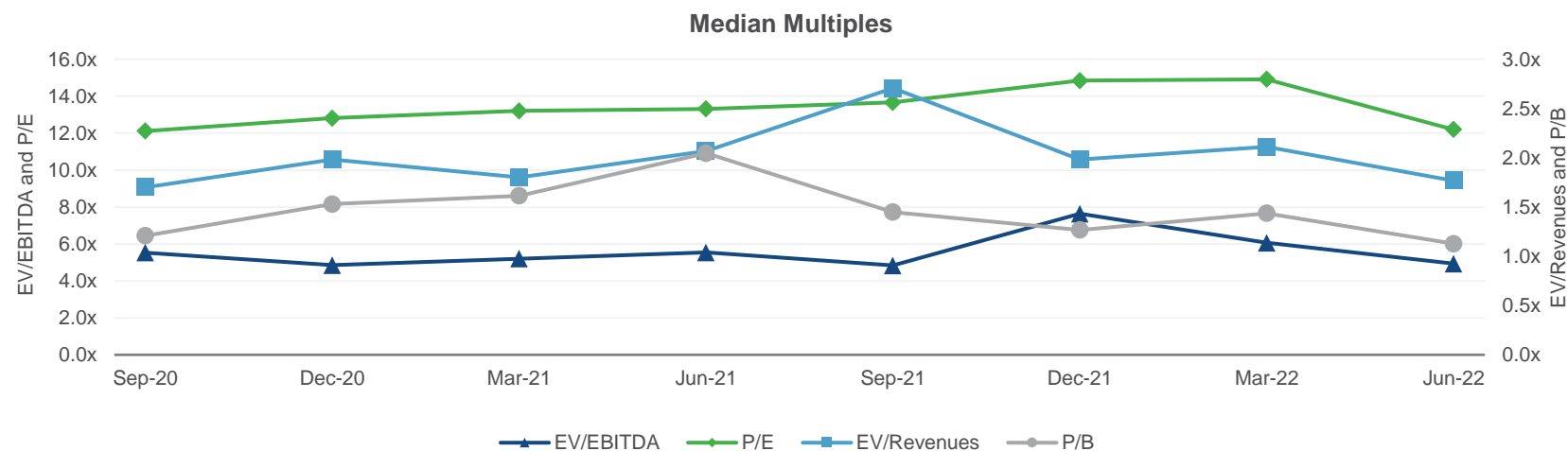
In H1 2022, S&P BMV IPC decreased by 9% (in price terms, converted to USD). Mexican real GDP is expected to grow by 1.7% in 2022 and 1.9% in 2023, according to the World Bank's *Global Economic Prospects* report (June 2022). The Mexican peso has appreciated against the U.S. dollar by 2% since the beginning of 2022.

BMV IPC Spotlight

5Y Evolution: BMV IPC, S&P 500; STOXX Europe 600, and STOXX LATAM TMI[1]
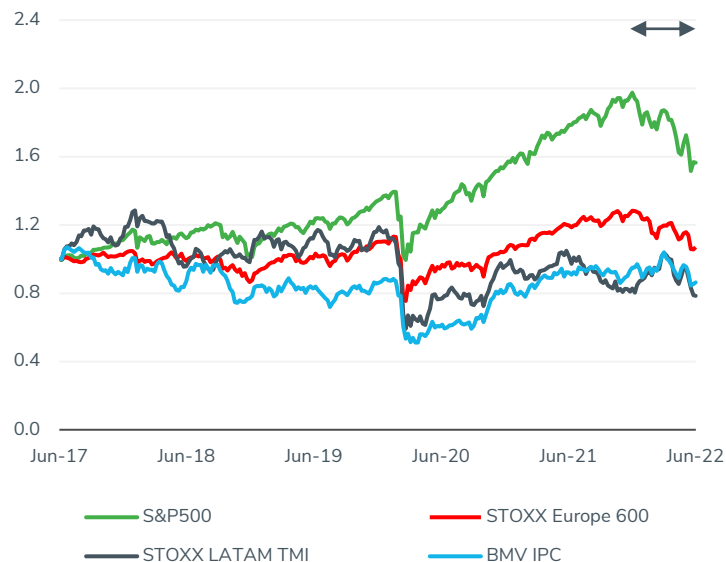
- S&P500
- STOXX Europe 600
- STOXX LATAM TMI
- BMV IPC

FX and Long-term Government Bond Yield in 2022[2]

- Yield
- FX (MXN/USD)

Stock market performance during the H1 2022

🇲🇽 -9.1% ⬇	🇺🇸 -20.8% ⬇	
🌐 -5.2% ⬇	🇪🇺 -16.7% ⬇	

[1] BMV IPC, S&P 500 and STOXX LATAM TMI evolution in USD, STOXX Europe 600 evolution in EUR.
[2] Mexican USD-denominated international bond expiring in 2032.
Sources: Capital IQ; World Bank – "Global Economic Prospects, June 2022"; Kroll analysis.

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Country Snapshot: Peru

The S&P BVL Peru General Index was designed to be the broad benchmark for the BVL. It is a free-float-adjusted capitalization-weighted index which includes additional liquidity and trading frequency requirements for its constituents. It is typically used as the benchmark stock market index in Peru.

In H1 2022, S&P BVL decreased by 11% (in price terms, converted to USD). Peruvian real GDP is expected to grow by 3.1% in 2022 and 2.9% in 2023, according to the World Bank's *Global Economic Prospects* report (June 2022). The Peruvian sol has appreciated against the U.S. dollar by 6% since the beginning of 2022.

BVL Peru Spotlight

5Y Evolution: BVL Peru, S&P 500; STOXX Europe 600, and STOXX LATAM TMI[1]
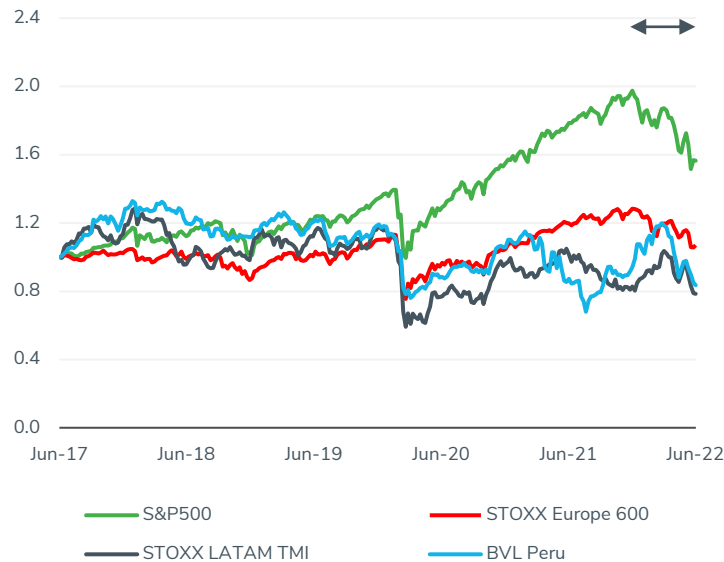
Legend:
- S&P500
- STOXX Europe 600
- STOXX LATAM TMI
- BVL Peru

FX and Long-term Government Bond Yield in 2022[2]

Legend:
- Yield
- FX (PEN/USD)

Stock market performance during the H1 2022

🇵🇪	-11.2% ⬇	🇺🇸	-20.8% ⬇
🌐	-5.2% ⬇	🇪🇺	-16.7% ⬇

[1] BVL Peru, S&P 500 and STOXX LATAM TMI evolution in USD, STOXX Europe 600 evolution in EUR.
[2] Peruvian USD-denominated international bond expiring in 2032.
Sources: Capital IQ; World Bank – "Global Economic Prospects, June 2022"; Kroll analysis.

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Communication Services

Q2 2022

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Communication Services

As of June 30, 2022

	EV/Revenues	EV/EBITDA	P/E	P/B
Number of Observations[1]	12	12	12	12
Number of Outliers[2]	2	4	6	3
High	3.3x	14.8x	18.2x	2.5x
Third Quartile	2.1x	6.2x	14.4x	1.3x
Mean	**1.8x**	**6.2x**	**12.0x**	**1.2x**
Median	**1.8x**	**4.9x**	**12.2x**	**1.1x**
First Quartile	1.4x	4.2x	8.4x	0.8x
Low	0.7x	3.5x	7.1x	0.7x

Median Multiples

[1] A sector/industry group must have a minimum of five EV/EBITDA company participants to be calculated.
[2] Outliers have been excluded from the concluded multiples. Please refer to "Criteria" for outlier criteria and definitions.
Sources: Capital IQ; Bloomberg; Kroll analysis.

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Communication Services
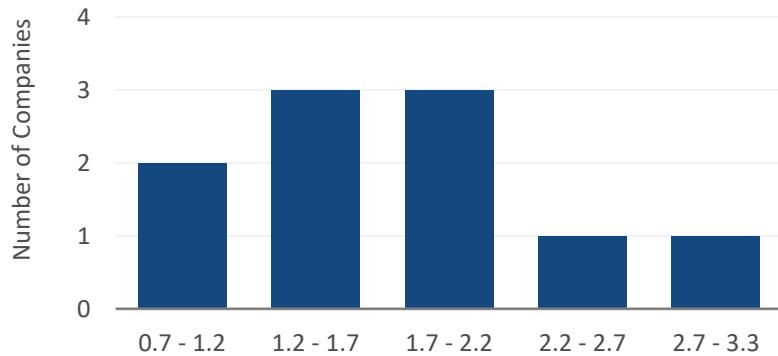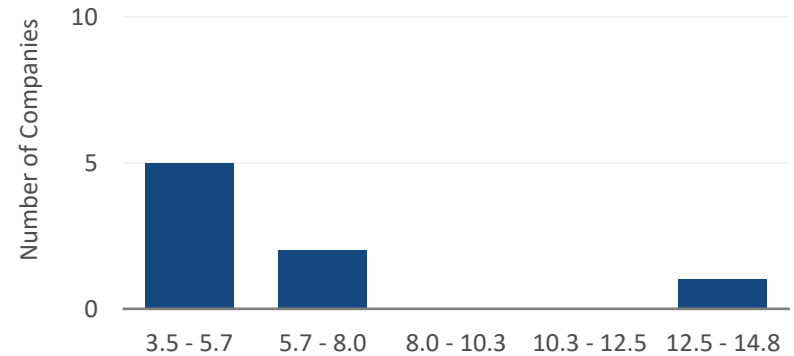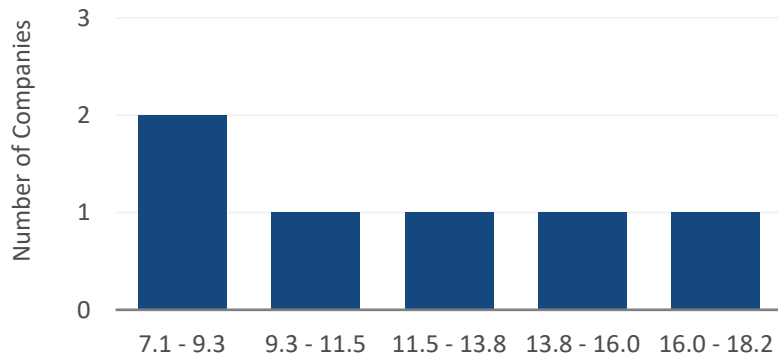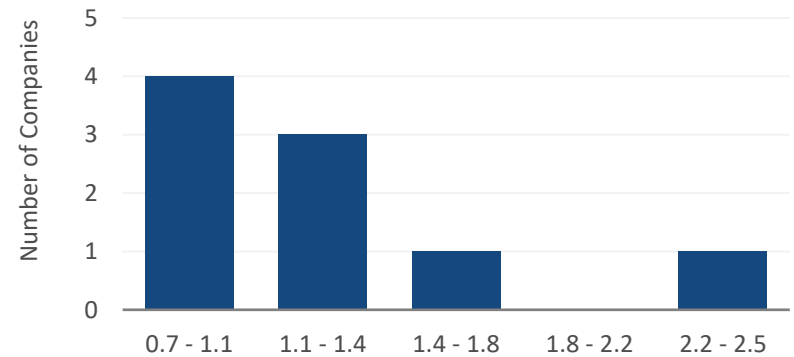
As of June 30, 2022

Consumer Durables and Apparel

Q2 2022

KROLL

Consumer Durables and Apparel

As of June 30, 2022

	EV/Revenues	EV/EBITDA	P/E	P/B
Number of Observations[1]	31	31	31	31
Number of Outliers[2]	5	10	13	10
High	4.9x	24.2x	23.6x	2.8x
Third Quartile	1.9x	10.6x	12.0x	1.1x
Mean	**1.4x**	**8.0x**	**8.7x**	**0.8x**
Median	**1.0x**	**6.2x**	**6.9x**	**0.6x**
First Quartile	0.6x	4.3x	4.0x	0.4x
Low	0.1x	2.4x	2.7x	0.2x
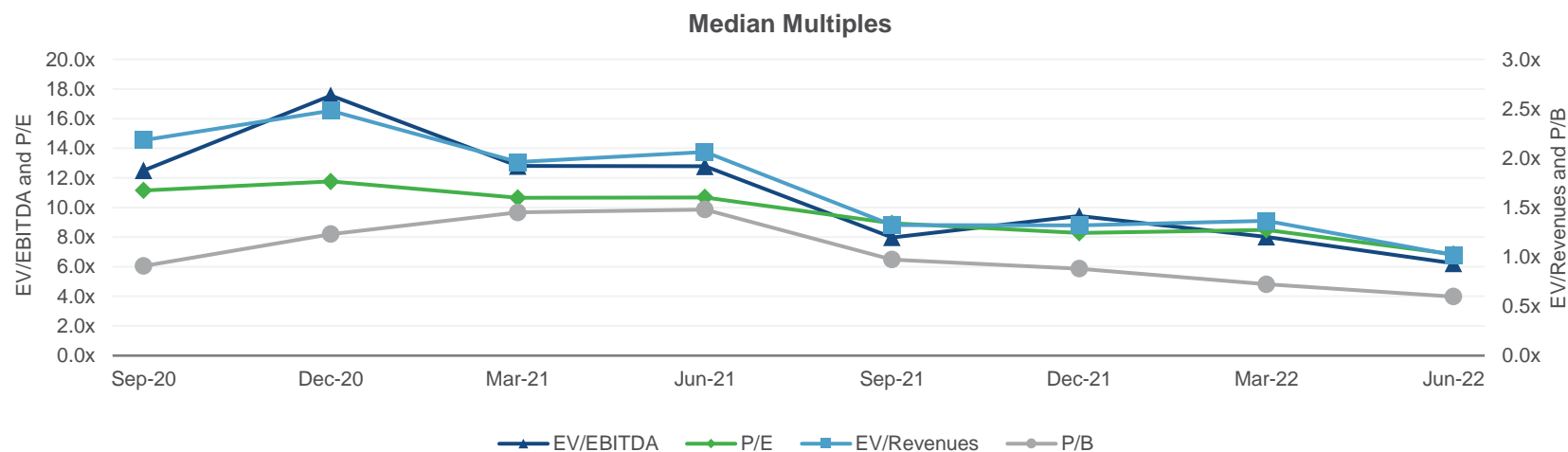
Median Multiples

[1] A sector/industry group must have a minimum of five EV/EBITDA company participants to be calculated.
[2] Outliers have been excluded from the concluded multiples. Please refer to "Criteria" for outlier criteria and definitions.
Sources: Capital IQ; Bloomberg; Kroll analysis.
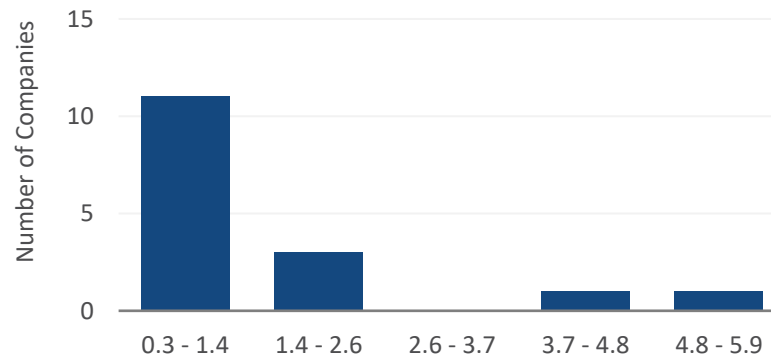
Consumer Durables and Apparel

As of June 30, 2022
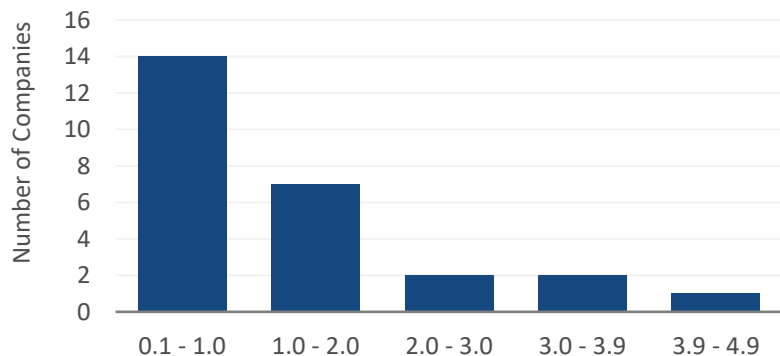
EV/Revenues
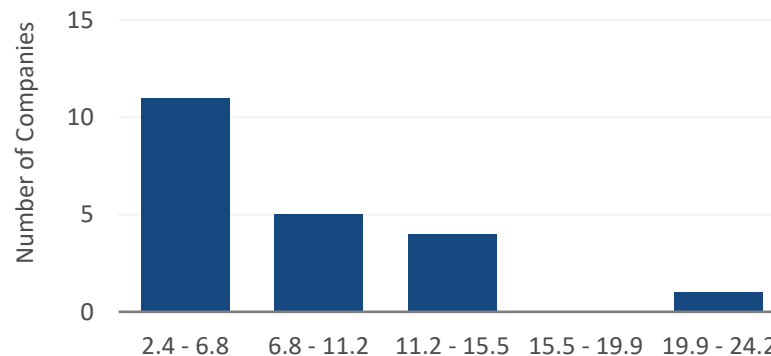
EV/EBITDA

P/E
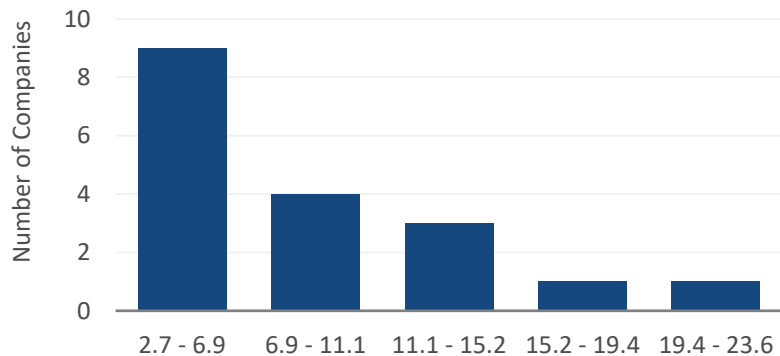
P/B
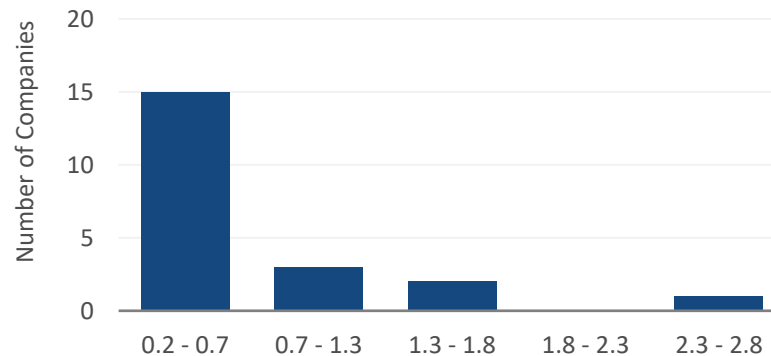
Consumer Services

Q2 2022

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# Consumer Services

As of June 30, 2022

	EV/Revenues	EV/EBITDA	P/E	P/B
Number of Observations[1]	20	20	20	20
Number of Outliers[2]	3	5	14	4
High	3.7x	18.3x	20.9x	5.9x
Third Quartile	2.6x	11.7x	19.0x	1.7x
Mean	**2.0x**	**9.3x**	**17.2x**	**1.4x**
Median	**1.7x**	**8.5x**	**17.4x**	**0.9x**
First Quartile	1.4x	6.0x	15.3x	0.5x
Low	0.9x	4.8x	13.1x	0.3x
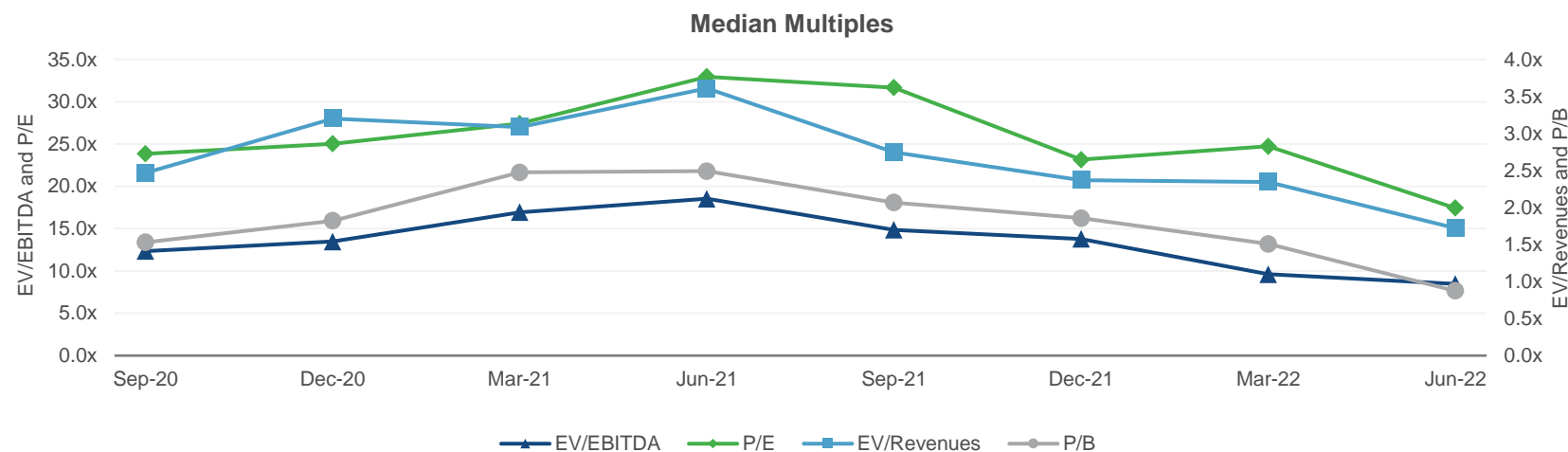
Median Multiples

[1] A sector/industry group must have a minimum of five EV/EBITDA company participants to be calculated.
[2] Outliers have been excluded from the concluded multiples. Please refer to "Criteria" for outlier criteria and definitions.
Sources: Capital IQ; Bloomberg; Kroll analysis.

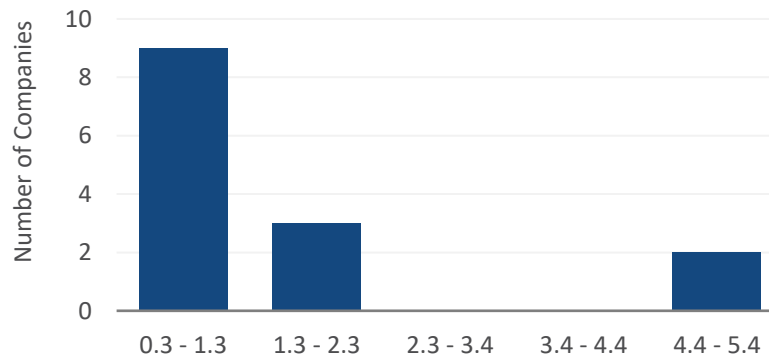# Consumer Services

As of June 30, 2022
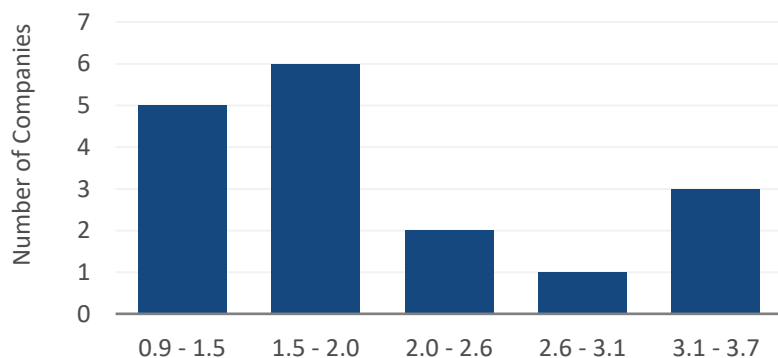
EV/Revenues
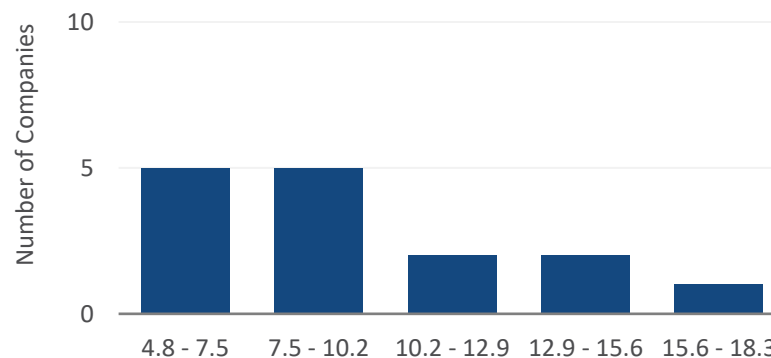
EV/EBITDA

P/E
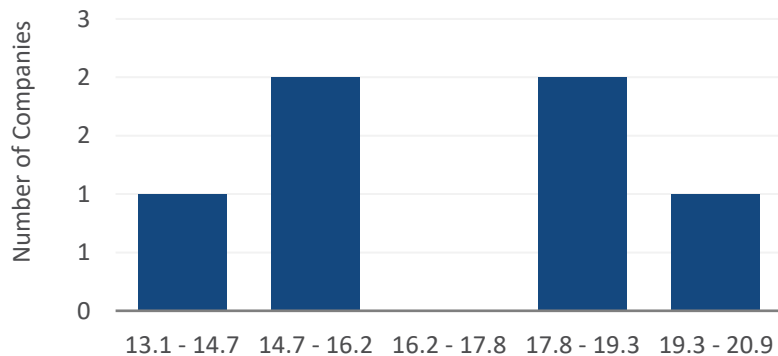
P/B

Retailing

Q2 2022

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Retailing

As of June 30, 2022

	EV/Revenues	EV/EBITDA	P/E	P/B
Number of Observations[1]	17	17	17	17
Number of Outliers[2]	4	6	6	3
High	2.9x	14.3x	101.8x	5.4x
Third Quartile	1.2x	10.1x	17.9x	2.1x
Mean	**1.1x**	**8.1x**	**21.8x**	**1.6x**
Median	**0.9x**	**7.6x**	**8.3x**	**0.8x**
First Quartile	0.6x	5.9x	4.9x	0.6x
Low	0.2x	3.0x	3.0x	0.3x
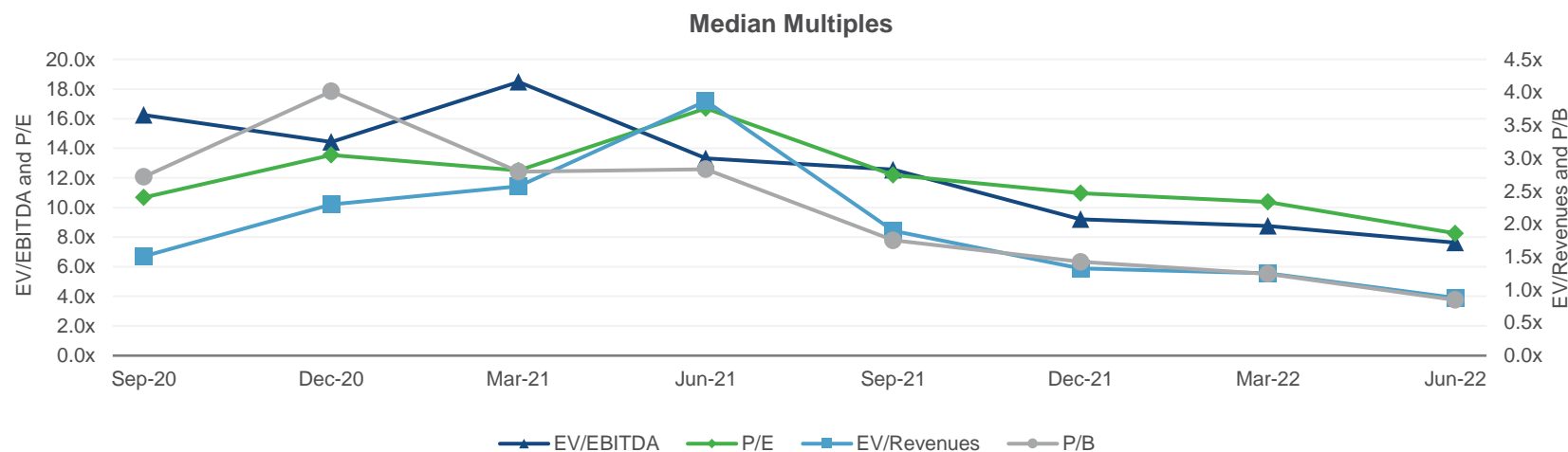
Median Multiples

[1] A sector/industry group must have a minimum of five EV/EBITDA company participants to be calculated.
[2] Outliers have been excluded from the concluded multiples. Please refer to "Criteria" for outlier criteria and definitions.
Sources: Capital IQ; Bloomberg; Kroll analysis.

Retailing

As of June 30, 2022
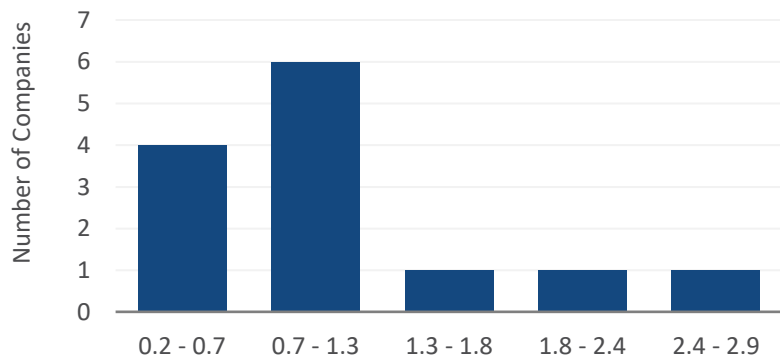
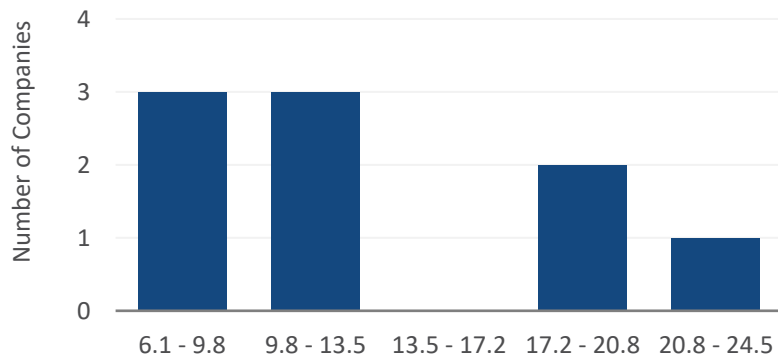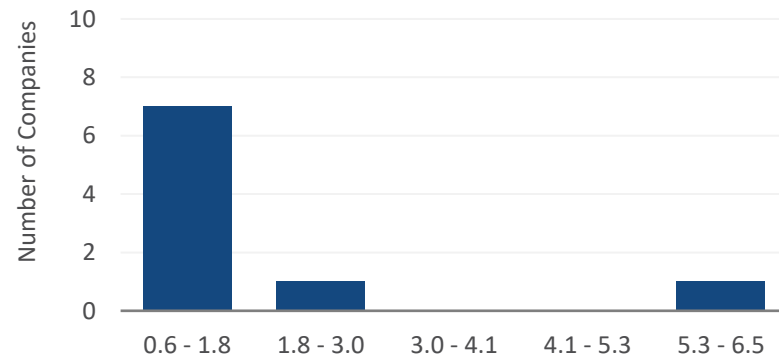**EV/Revenues**
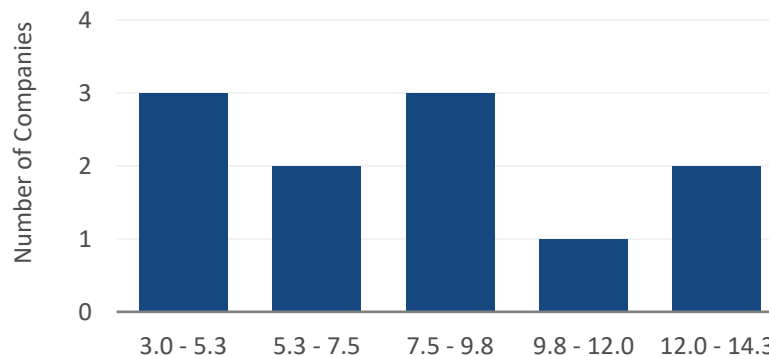
EV/EBITDA

P/E
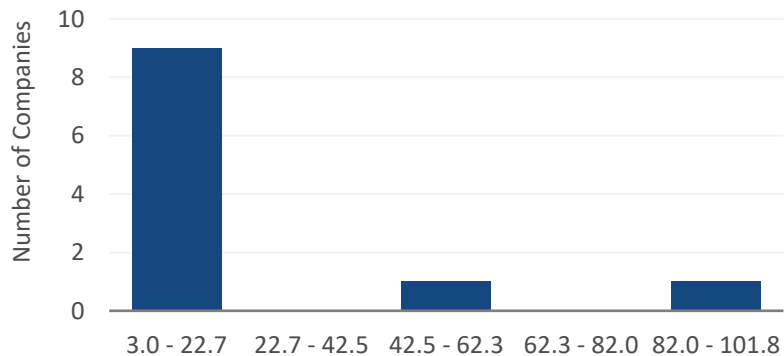
P/B

Food and Staples Retailing

Q2 2022

Food and Staples Retailing

As of June 30, 2022

	EV/Revenues	EV/EBITDA	P/E	P/B
Number of Observations[1]	12	12	12	12
Number of Outliers[2]	2	2	3	3
High	1.4x	13.3x	24.5x	6.5x
Third Quartile	0.9x	9.2x	17.7x	1.6x
Mean	**0.7x**	**8.0x**	**13.5x**	**1.8x**
Median	**0.6x**	**7.6x**	**11.8x**	**1.3x**
First Quartile	0.5x	5.9x	9.3x	0.9x
Low	0.4x	4.2x	6.1x	0.6x
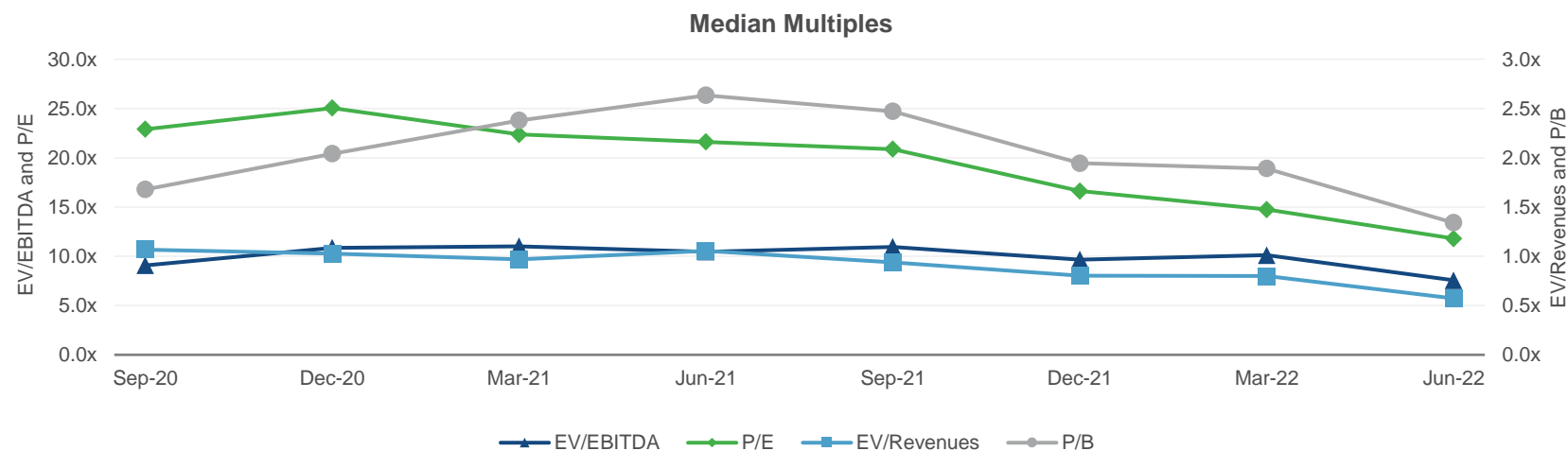
Median Multiples

[1] A sector/industry group must have a minimum of five EV/EBITDA company participants to be calculated.
[2] Outliers have been excluded from the concluded multiples. Please refer to "Criteria" for outlier criteria and definitions.
Sources: Capital IQ; Bloomberg; Kroll analysis.
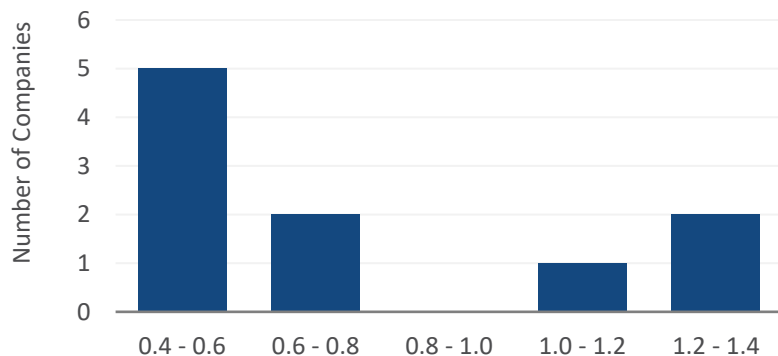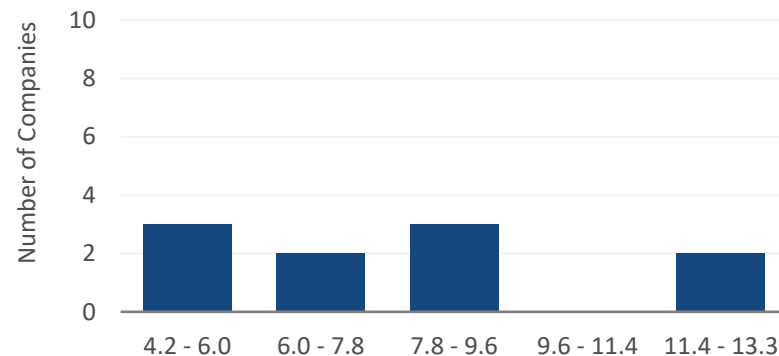
Food, Beverage and Tobacco

Q2 2022

KROLL

Food, Beverage and Tobacco

As of June 30, 2022

	EV/Revenues	EV/EBITDA	P/E	P/B
Number of Observations[1]	26	26	26	26
Number of Outliers[2]	4	4	8	5
High	2.5x	12.8x	17.4x	2.9x
Third Quartile	1.2x	7.4x	14.4x	1.8x
Mean	**1.1x**	**6.2x**	**10.5x**	**1.6x**
Median	**1.0x**	**5.4x**	**10.1x**	**1.5x**
First Quartile	0.7x	4.6x	6.9x	1.3x
Low	0.5x	2.7x	3.9x	0.8x
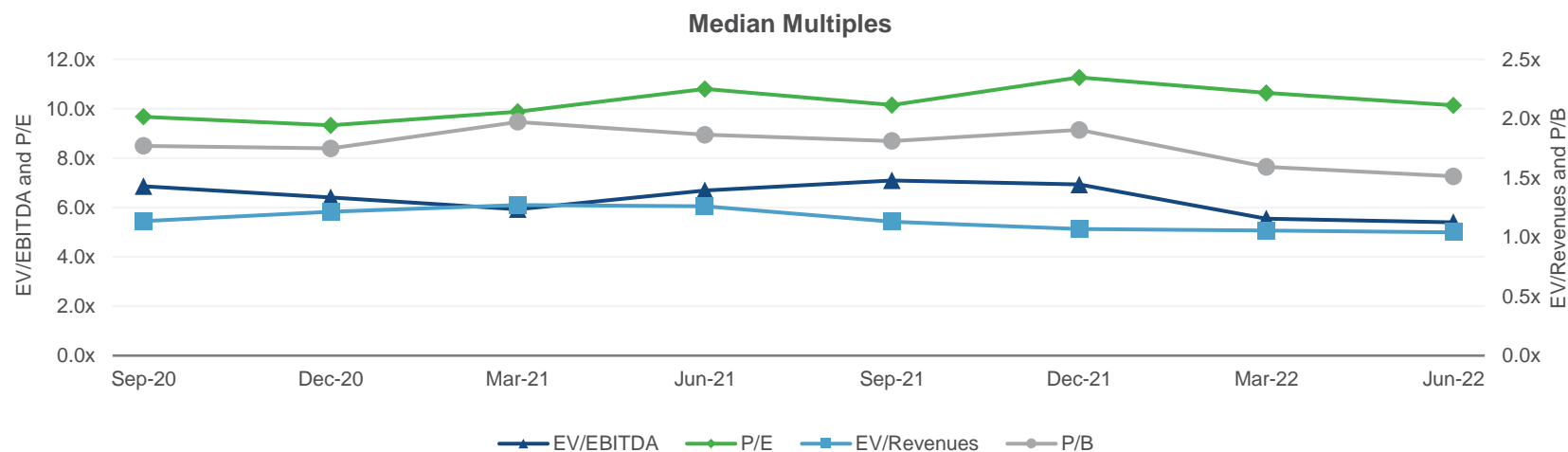
Median Multiples

[1] A sector/industry group must have a minimum of five EV/EBITDA company participants to be calculated.
[2] Outliers have been excluded from the concluded multiples. Please refer to "Criteria" for outlier criteria and definitions.
Sources: Capital IQ; Bloomberg; Kroll analysis.
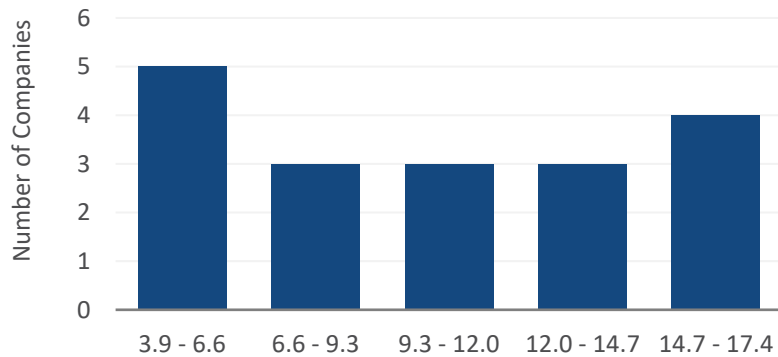
Food, Beverage and Tobacco
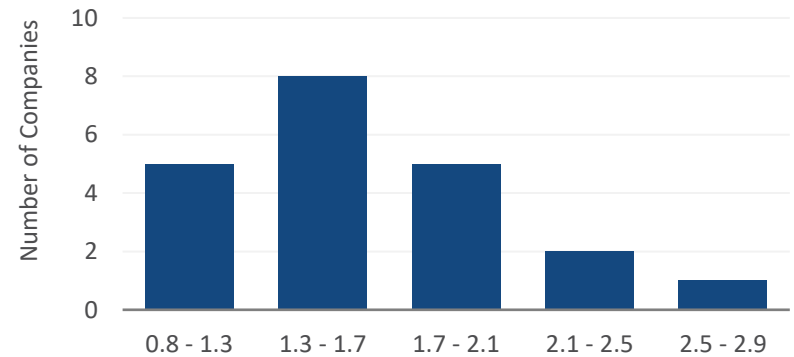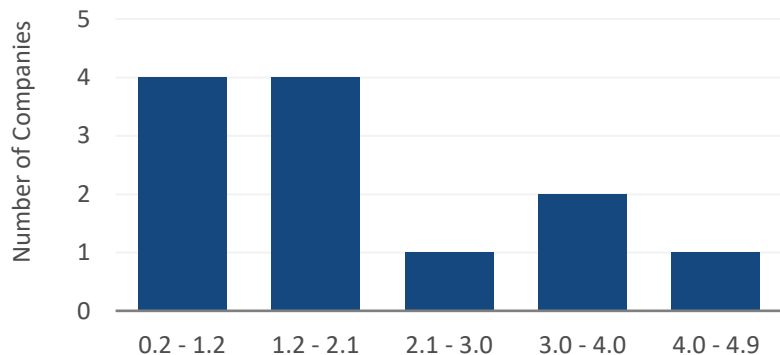
As of June 30, 2022
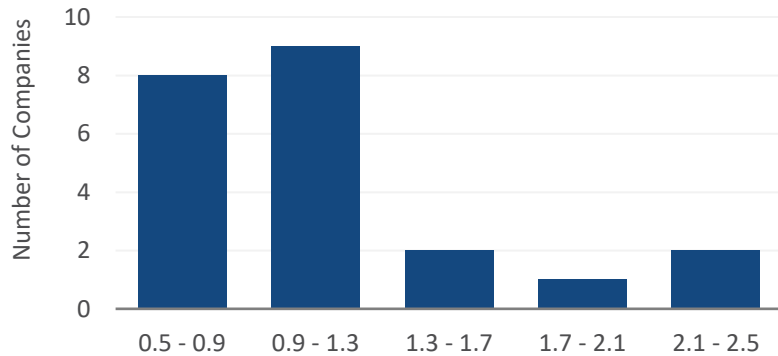
EV/Revenues
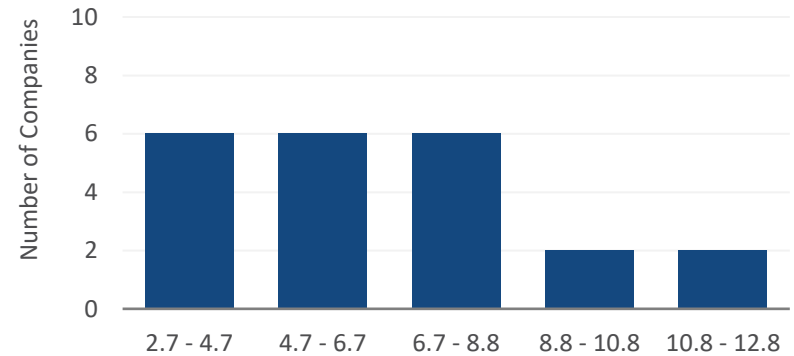
EV/EBITDA

P/E

P/B

Energy

Q2 2022

Energy

As of June 30, 2022

	EV/Revenues	EV/EBITDA	P/E	P/B
Number of Observations[1]	14	14	14	14
Number of Outliers[2]	2	4	5	5
High	4.9x	10.1x	16.1x	2.8x
Third Quartile	2.5x	7.9x	9.2x	1.6x
Mean	**1.9x**	**5.2x**	**7.7x**	**1.3x**
Median	**1.7x**	**4.4x**	**7.5x**	**1.2x**
First Quartile	0.9x	2.7x	5.6x	0.8x
Low	0.2x	1.7x	2.5x	0.5x
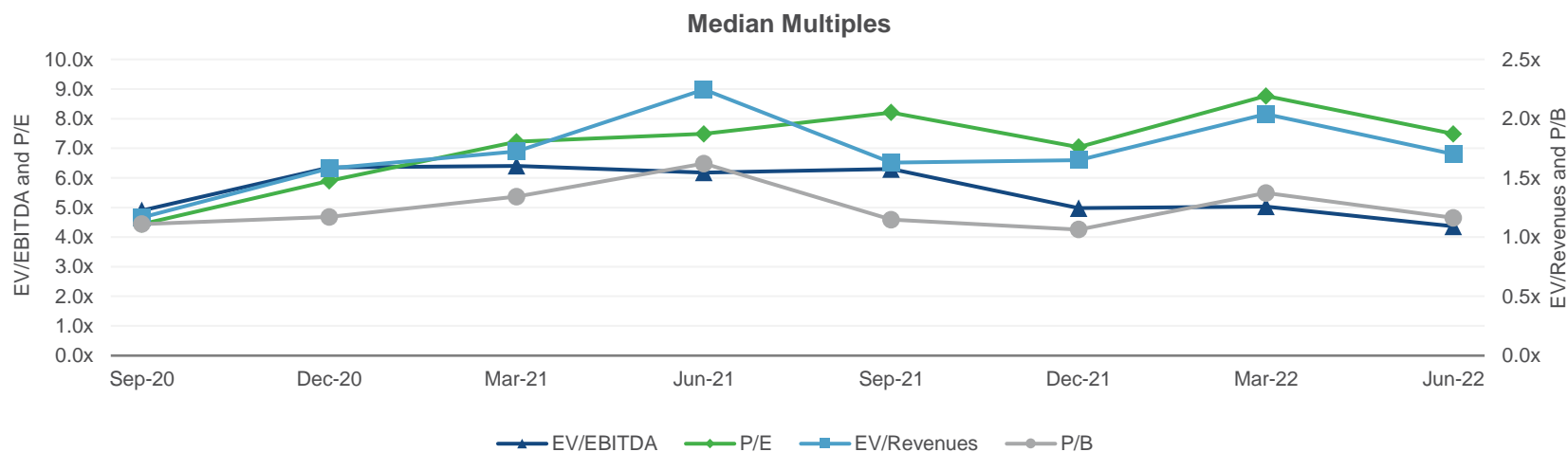
Median Multiples

[1] A sector/industry group must have a minimum of five EV/EBITDA company participants to be calculated.
[2] Outliers have been excluded from the concluded multiples. Please refer to "Criteria" for outlier criteria and definitions.
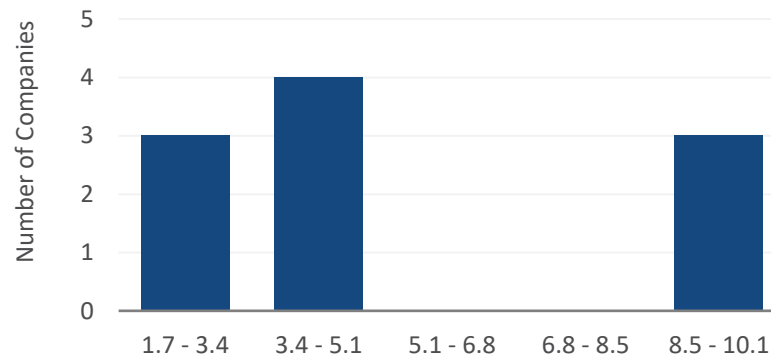Sources: Capital IQ; Bloomberg; Kroll analysis.
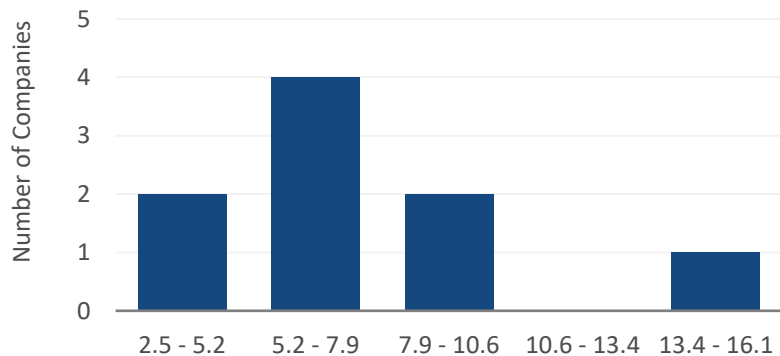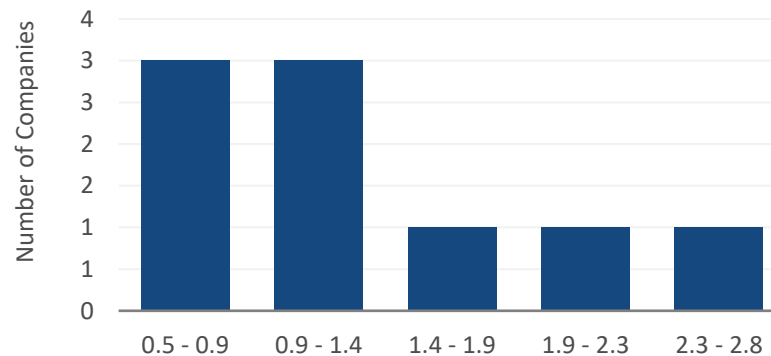
Energy

As of June 30, 2022

EV/Revenues

EV/EBITDA

P/E

P/B

Financials

Q2 2022

Financials

As of June 30, 2022

	Market Cap./Revenues	P/TBV	P/E	P/B
Number of Observations[1]	42	42	42	42
Number of Outliers[2]	8	12	14	9
High	9.3x	3.7x	19.4x	3.6x
Third Quartile	3.4x	1.7x	12.4x	1.9x
Mean	**2.7x**	**1.3x**	**9.1x**	**1.3x**
Median	**2.0x**	**1.0x**	**7.4x**	**1.1x**
First Quartile	1.0x	0.7x	6.0x	0.7x
Low	0.4x	0.4x	3.2x	0.3x

Median Multiples

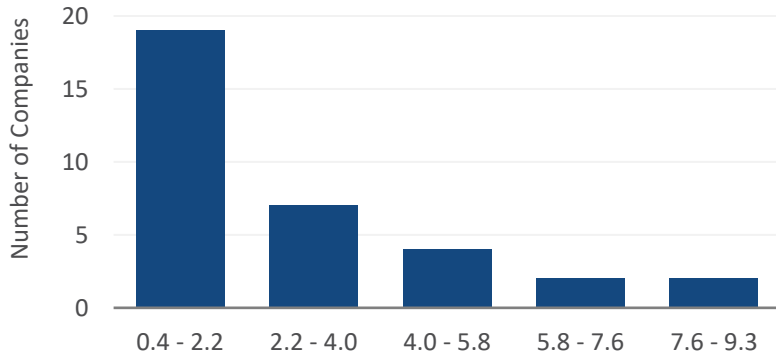[1] A sector/industry group must have a minimum of five EV/EBITDA company participants to be calculated.
[2] Outliers have been excluded from the concluded multiples. Please refer to "Criteria" for outlier criteria and definitions.
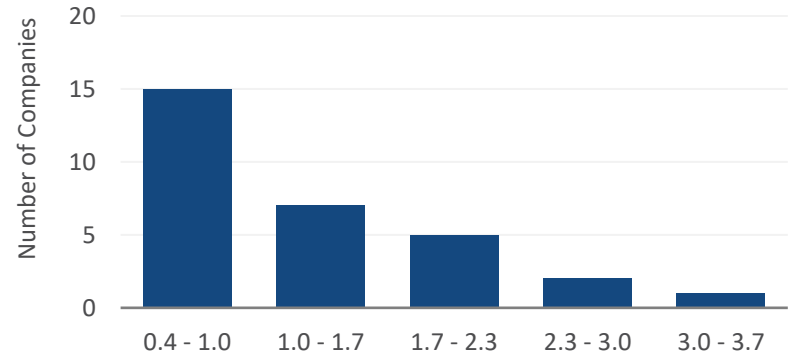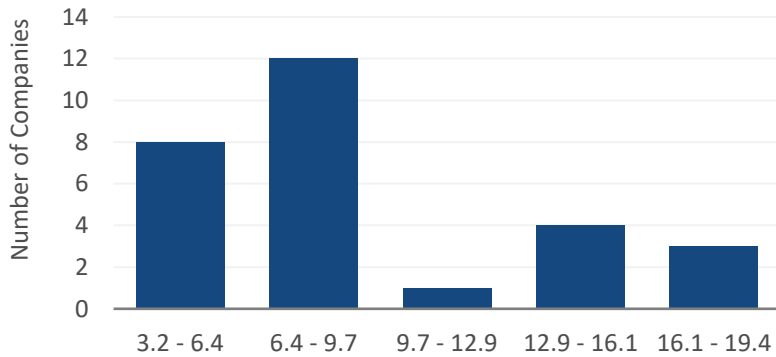Sources: Capital IQ; Bloomberg; Kroll analysis.

KROLL 34

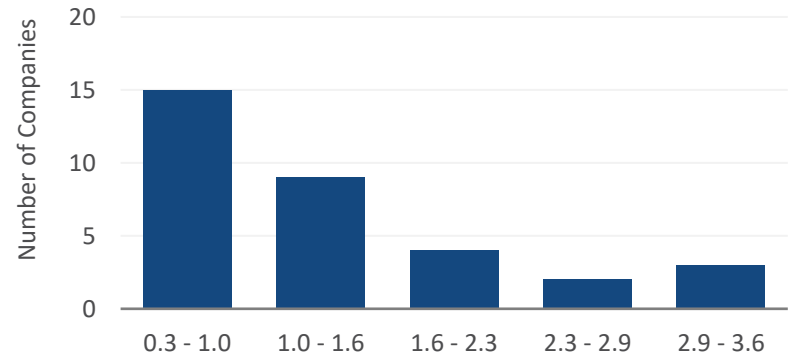# Financials

As of June 30, 2022

Health Care

Q2 2022

KROLL

Health Care

As of June 30, 2022

	EV/Revenues	EV/EBITDA	P/E	P/B
Number of Observations[1]	15	15	15	15
Number of Outliers[2]	2	3	7	3
High	4.9x	18.9x	41.3x	4.2x
Third Quartile	3.4x	14.7x	15.9x	2.5x
Mean	**2.5x**	**11.2x**	**17.3x**	**2.1x**
Median	**2.3x**	**11.1x**	**15.0x**	**2.0x**
First Quartile	1.4x	6.8x	12.9x	1.6x
Low	0.7x	5.9x	9.5x	0.5x

Median Multiples

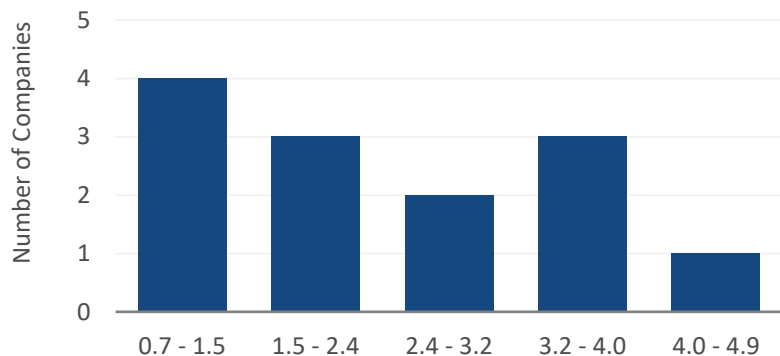[1] A sector/industry group must have a minimum of five EV/EBITDA company participants to be calculated.
[2] Outliers have been excluded from the concluded multiples. Please refer to "Criteria" for outlier criteria and definitions.
Sources: Capital IQ; Bloomberg; Kroll analysis.

KROLL 37

Health Care
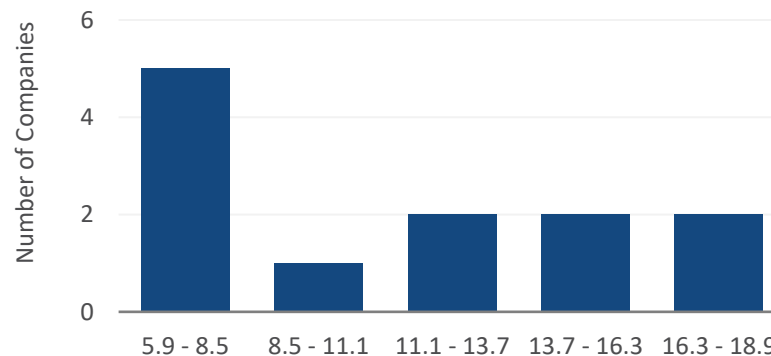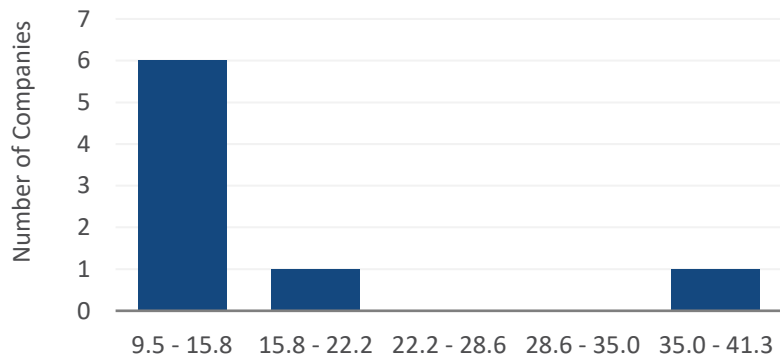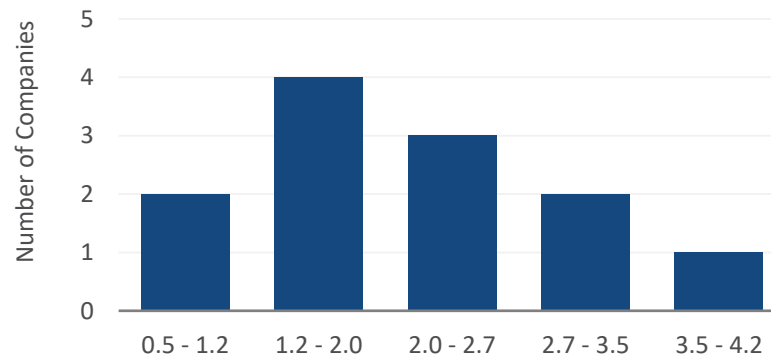
As of June 30, 2022

Capital Goods

Q2 2022

KRØLL

Capital Goods

As of June 30, 2022

	EV/Revenues	EV/EBITDA	P/E	P/B
Number of Observations[1]	22	22	22	22
Number of Outliers[2]	4	3	5	3
High	4.2x	34.3x	43.8x	3.9x
Third Quartile	1.2x	8.1x	8.6x	1.9x
Mean	**1.1x**	**8.4x**	**10.7x**	**1.4x**
Median	**0.8x**	**4.9x**	**7.1x**	**1.1x**
First Quartile	0.7x	4.0x	4.2x	0.6x
Low	0.5x	2.0x	2.4x	0.3x
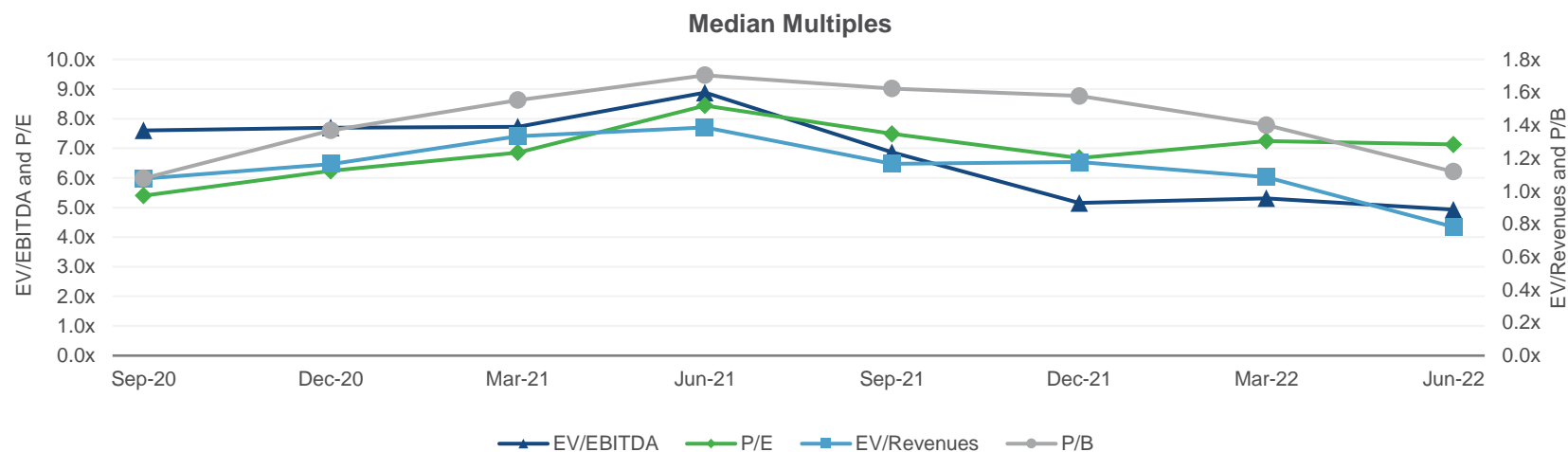
Median Multiples

[1] A sector/industry group must have a minimum of five EV/EBITDA company participants to be calculated.
[2] Outliers have been excluded from the concluded multiples. Please refer to "Criteria" for outlier criteria and definitions.
Sources: Capital IQ; Bloomberg; Kroll analysis.

KROLL 40

Capital Goods
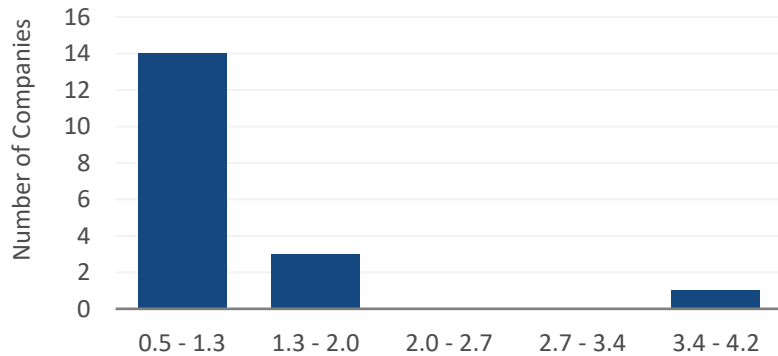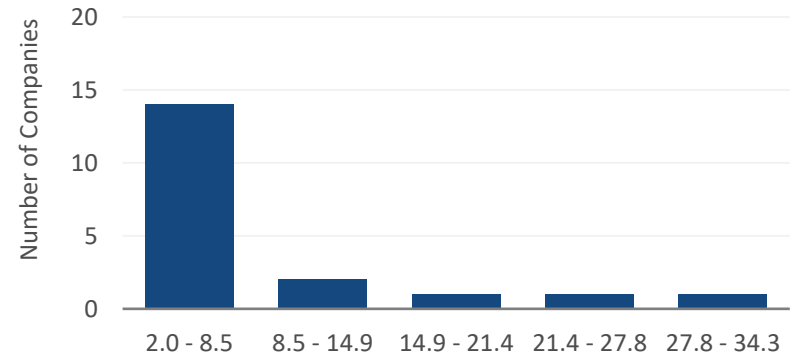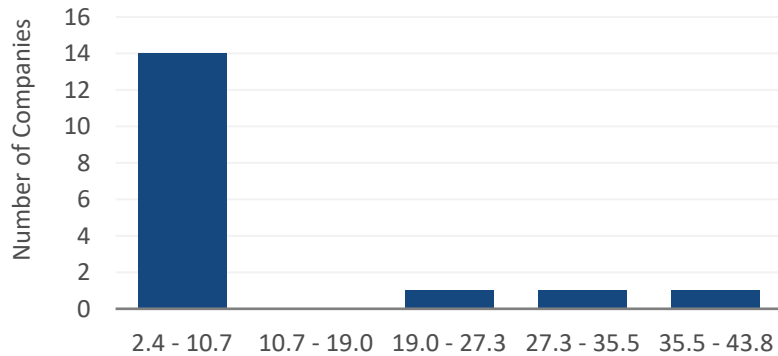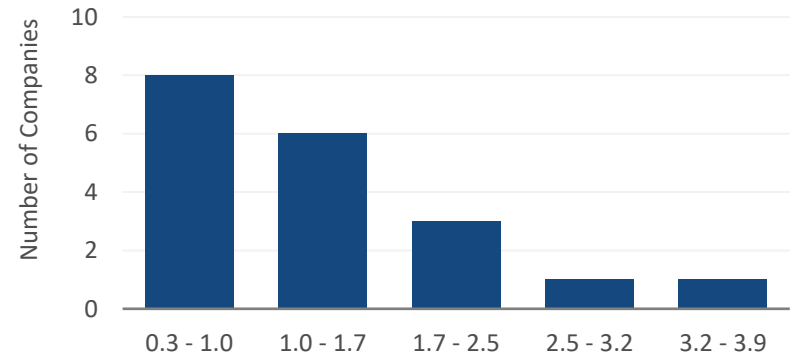
As of June 30, 2022

Commercial and Professional Services

Q2 2022

KROLL

Commercial and Professional Services

As of June 30, 2022

	EV/Revenues	EV/EBITDA	P/E	P/B
Number of Observations[1]	7	7	7	7
Number of Outliers[2]	2	2	5	3
High	2.1x	9.3x	15.8x	3.4x
Third Quartile	2.0x	7.9x	15.6x	2.7x
Mean	**1.4x**	**6.1x**	**15.3x**	**2.0x**
Median	**1.2x**	**5.8x**	**15.3x**	**1.9x**
First Quartile	1.0x	4.1x	15.0x	1.2x
Low	0.6x	3.6x	14.8x	0.9x
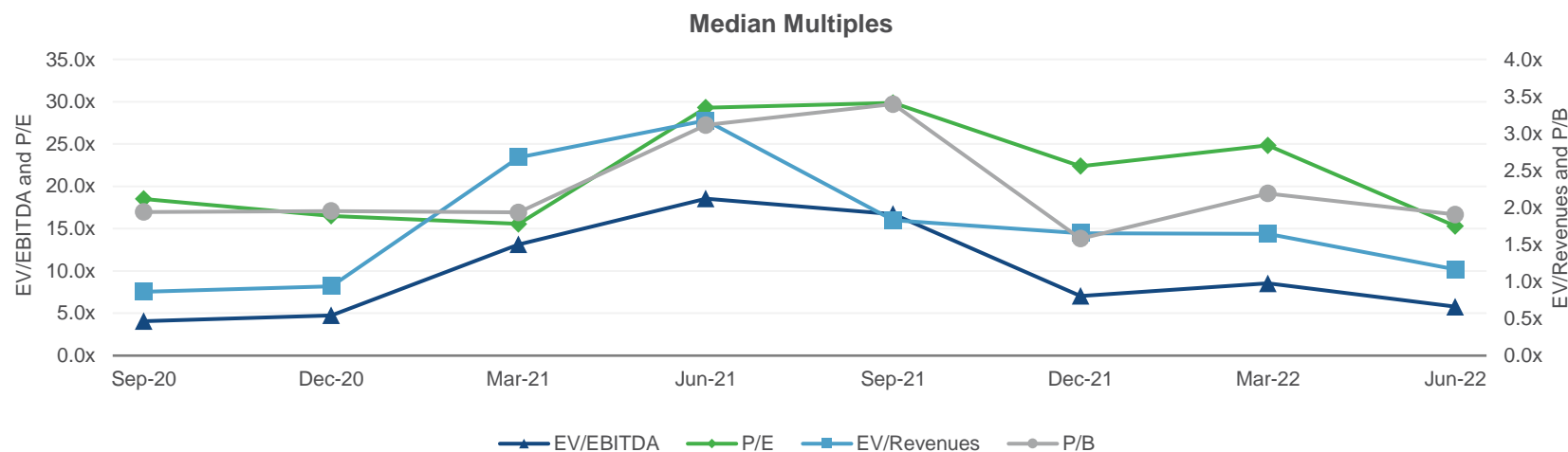
Median Multiples

[1] A sector/industry group must have a minimum of five EV/EBITDA company participants to be calculated.
[2] Outliers have been excluded from the concluded multiples. Please refer to "Criteria" for outlier criteria and definitions.
Sources: Capital IQ; Bloomberg; Kroll analysis.

Commercial and Professional Services

As of June 30, 2022

EV/Revenues

Number of Companies

| 0.6 - 0.9 | 0.9 - 1.2 | 1.2 - 1.5 | 1.5 - 1.8 | 1.8 - 2.1 |

EV/EBITDA

Number of Companies

| 3.6 - 4.7 | 4.7 - 5.9 | 5.9 - 7.0 | 7.0 - 8.1 | 8.1 - 9.3 |

P/E

Number of Companies

| 14.8 - 15.0 | 15.0 - 15.2 | 15.2 - 15.4 | 15.4 - 15.6 | 15.6 - 15.8 |

P/B

Number of Companies

| 0.9 - 1.4 | 1.4 - 1.9 | 1.9 - 2.4 | 2.4 - 2.9 | 2.9 - 3.4 |

Transportation

Q2 2022

KROLL

Transportation

As of June 30, 2022

	EV/Revenues	EV/EBITDA	P/E	P/B
Number of Observations[1]	27	27	27	27
Number of Outliers[2]	5	6	9	8
High	5.7x	11.9x	69.9x	5.7x
Third Quartile	3.0x	9.2x	18.8x	2.4x
Mean	**2.5x**	**7.5x**	**16.0x**	**2.1x**
Median	**2.1x**	**7.0x**	**13.0x**	**1.9x**
First Quartile	1.4x	5.6x	7.4x	1.3x
Low	0.8x	4.2x	2.9x	0.7x
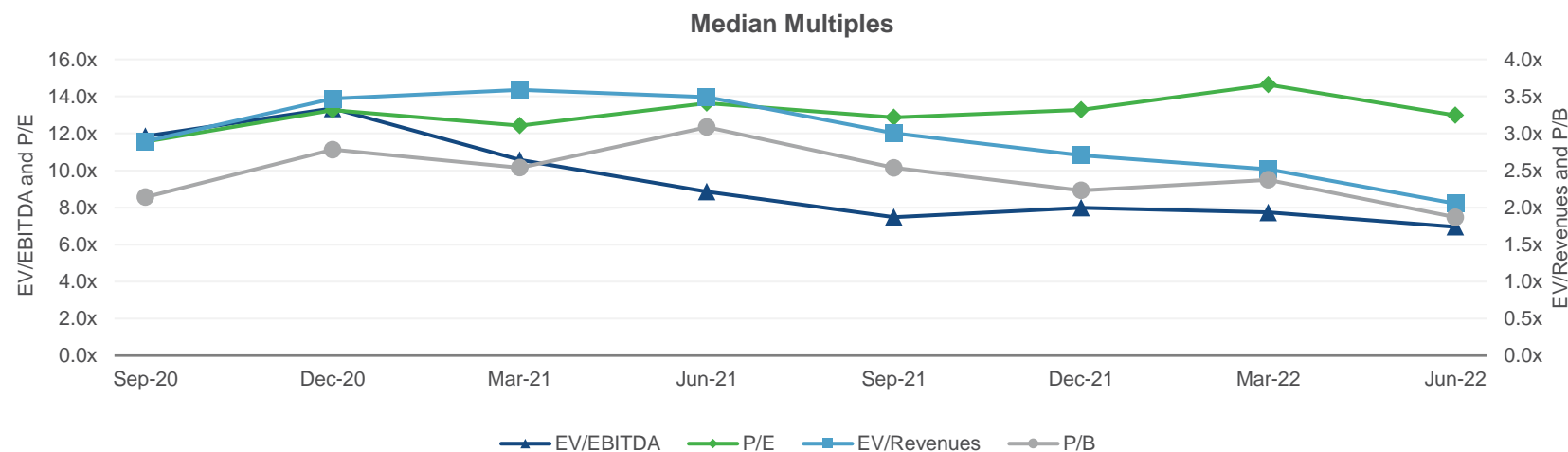
Median Multiples

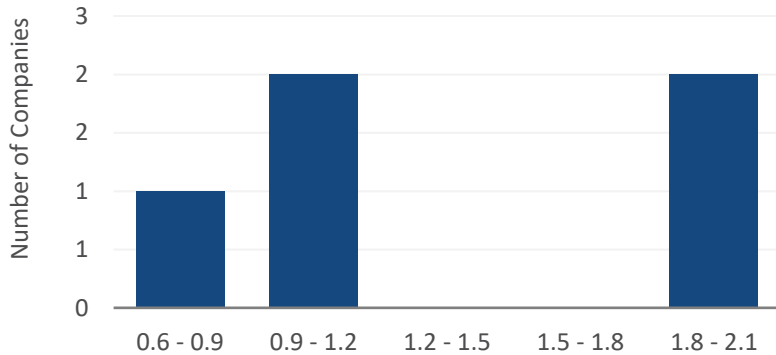[1] A sector/industry group must have a minimum of five EV/EBITDA company participants to be calculated.
[2] Outliers have been excluded from the concluded multiples. Please refer to "Criteria" for outlier criteria and definitions.
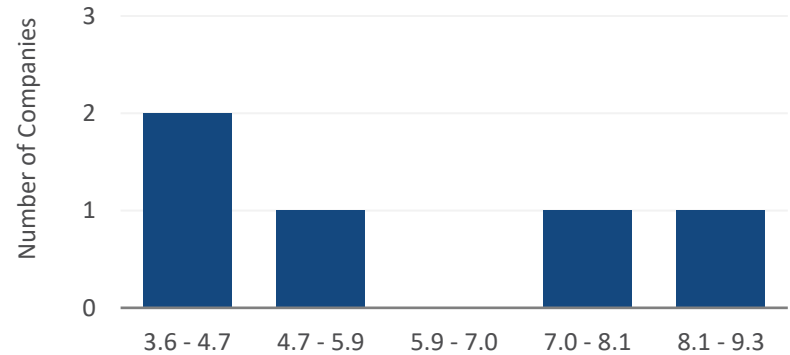Sources: Capital IQ; Bloomberg; Kroll analysis.
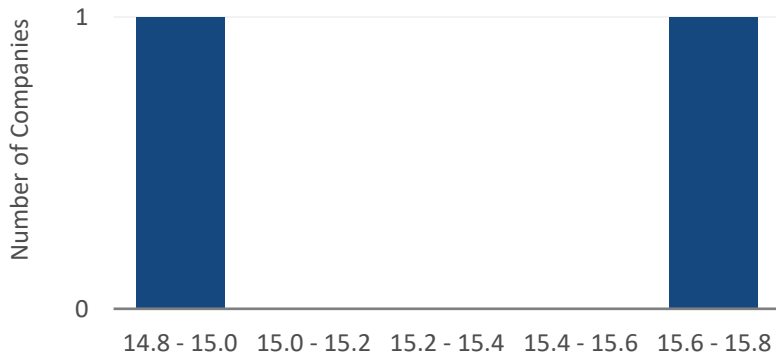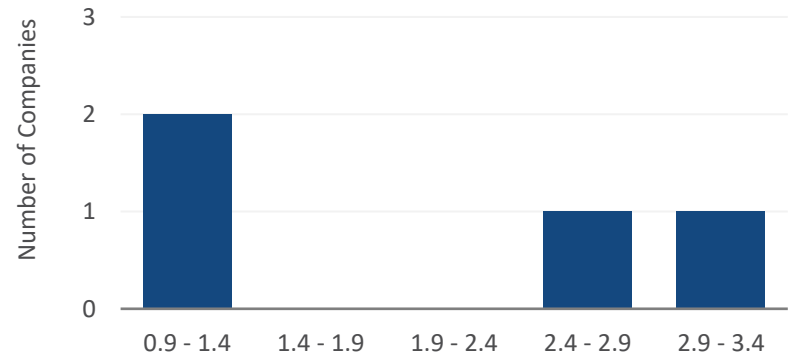
Transportation

As of June 30, 2022

EV/Revenues
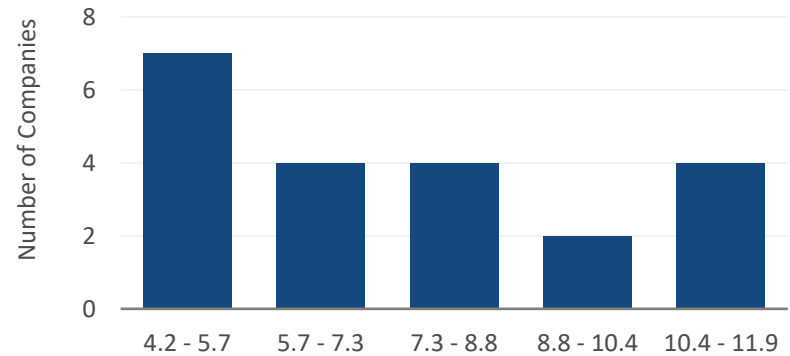
EV/EBITDA

P/E

P/B

Software and Services

Q2 2022

KROLL

Software and Services

As of June 30, 2022

	EV/Revenues	EV/EBITDA	P/E	P/B
Number of Observations[1]	9	9	9	9
Number of Outliers[2]	2	4	5	2
High	3.5x	16.3x	33.9x	1.7x
Third Quartile	2.4x	13.3x	29.4x	1.5x
Mean	**1.7x**	**8.9x**	**21.0x**	**1.2x**
Median	**1.5x**	**6.1x**	**21.0x**	**1.1x**
First Quartile	0.9x	4.8x	12.6x	1.0x
Low	0.4x	3.8x	8.1x	0.4x

Median Multiples

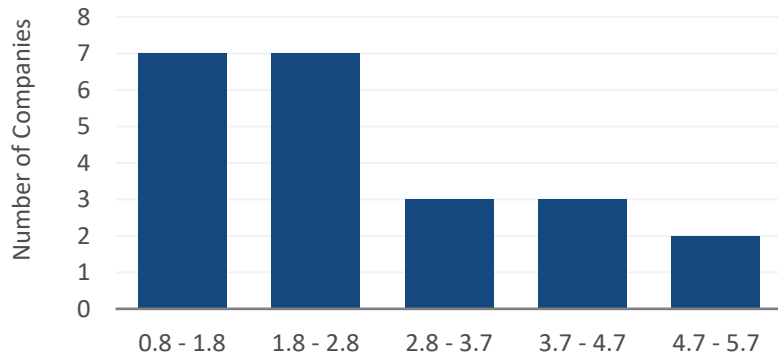[1] A sector/industry group must have a minimum of five EV/EBITDA company participants to be calculated.
[2] Outliers have been excluded from the concluded multiples. Please refer to "Criteria" for outlier criteria and definitions.
Sources: Capital IQ; Bloomberg; Kroll analysis.

KROLL 49

Materials

Q2 2022

KROLL

Materials

As of June 30, 2022

	EV/Revenues	EV/EBITDA	P/E	P/B
Number of Observations[1]	39	39	39	39
Number of Outliers[2]	6	7	11	7
High	2.9x	14.2x	17.1x	7.6x
Third Quartile	1.4x	5.3x	8.1x	2.0x
Mean	**1.1x**	**4.4x**	**6.5x**	**1.7x**
Median	**0.9x**	**3.5x**	**5.2x**	**1.3x**
First Quartile	0.6x	2.4x	3.6x	0.8x
Low	0.3x	1.3x	1.8x	0.4x
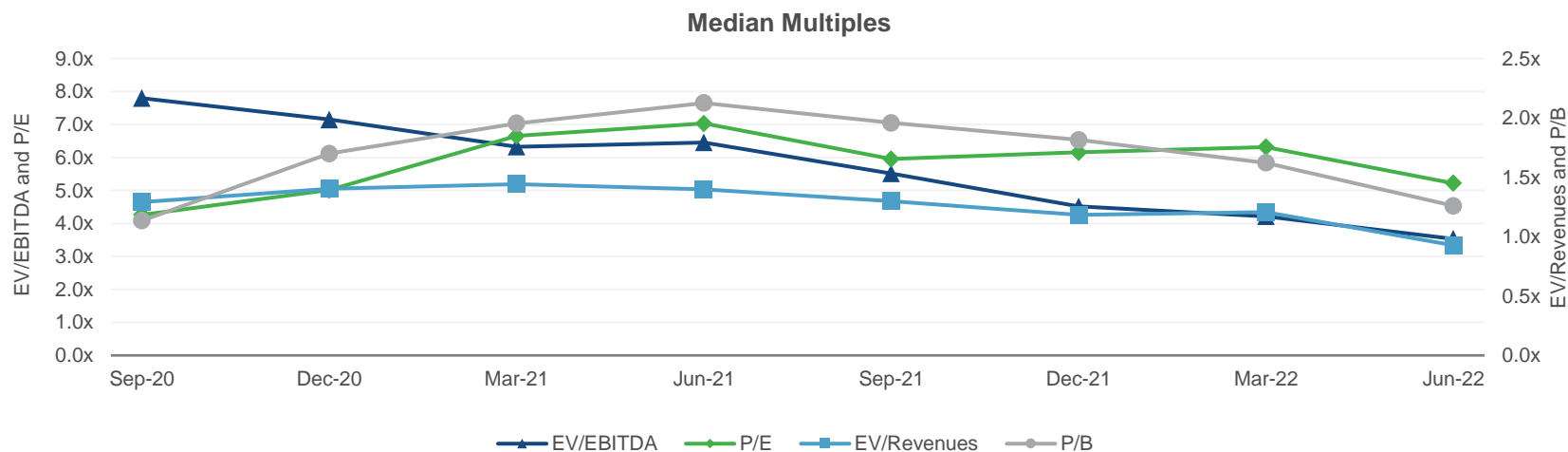
Median Multiples

[1] A sector/industry group must have a minimum of five EV/EBITDA company participants to be calculated.
[2] Outliers have been excluded from the concluded multiples. Please refer to "Criteria" for outlier criteria and definitions.
Sources: Capital IQ; Bloomberg; Kroll analysis.
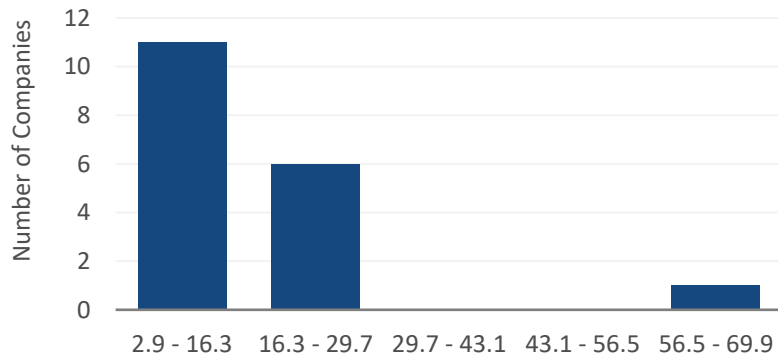
Materials

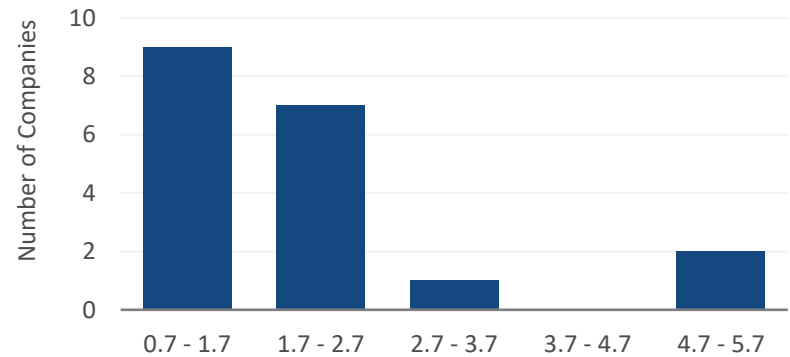## As of June 30, 2022
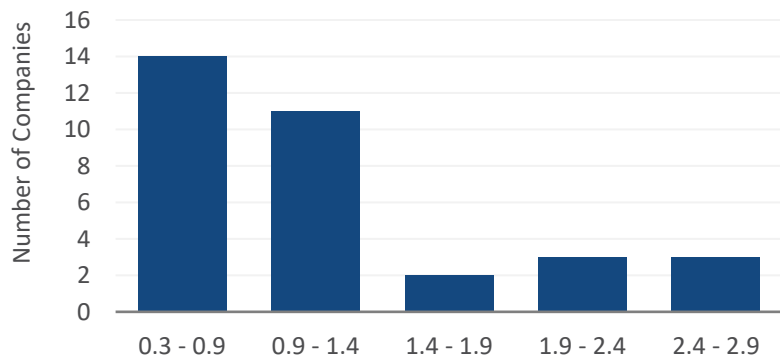
EV/Revenues
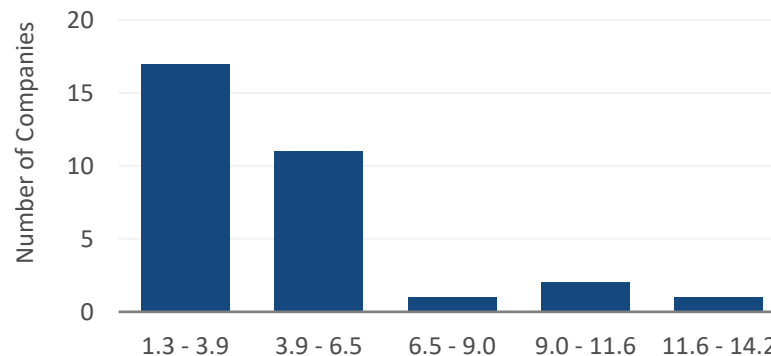
EV/EBITDA

P/E
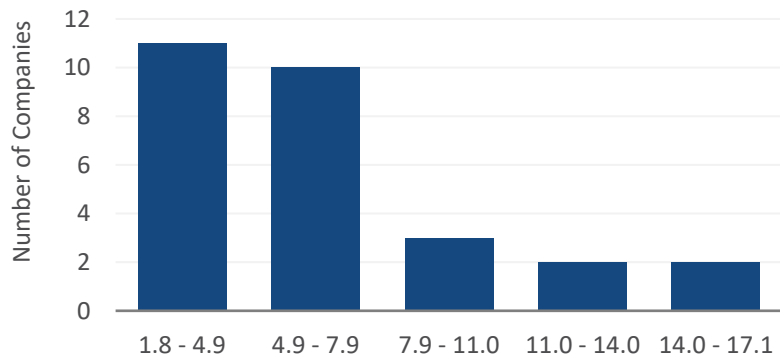
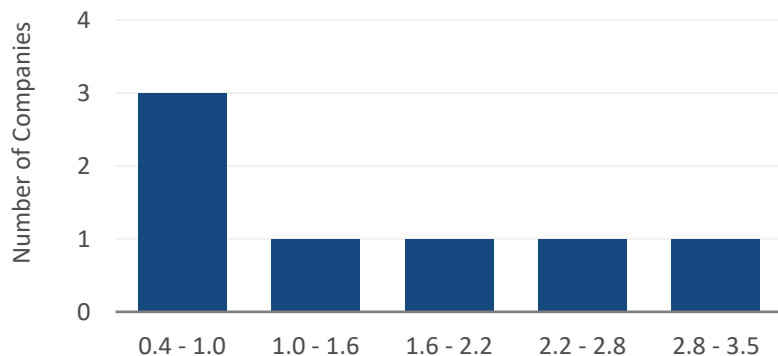
P/B
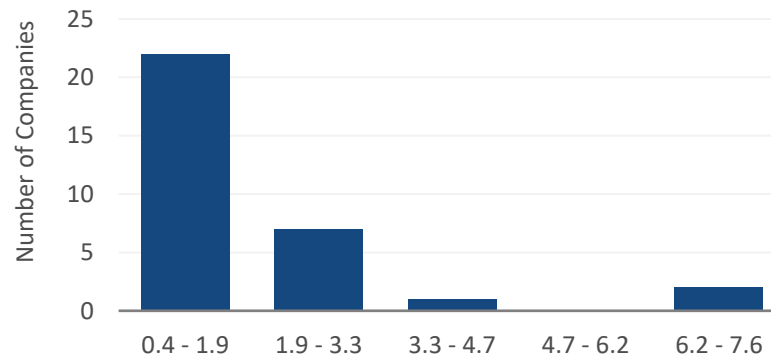
Real Estate

Q2 2022

KROLL

Real Estate

As of June 30, 2022

	EV/Revenues	EV/EBITDA	P/E	P/B
Number of Observations[1]	18	18	18	18
Number of Outliers[2]	2	5	5	4
High	18.9x	27.7x	35.0x	2.0x
Third Quartile	10.2x	14.3x	19.4x	0.8x
Mean	**7.1x**	**12.6x**	**14.1x**	**0.7x**
Median	**7.7x**	**11.2x**	**10.5x**	**0.6x**
First Quartile	1.5x	7.2x	7.2x	0.5x
Low	0.6x	2.1x	0.7x	0.4x
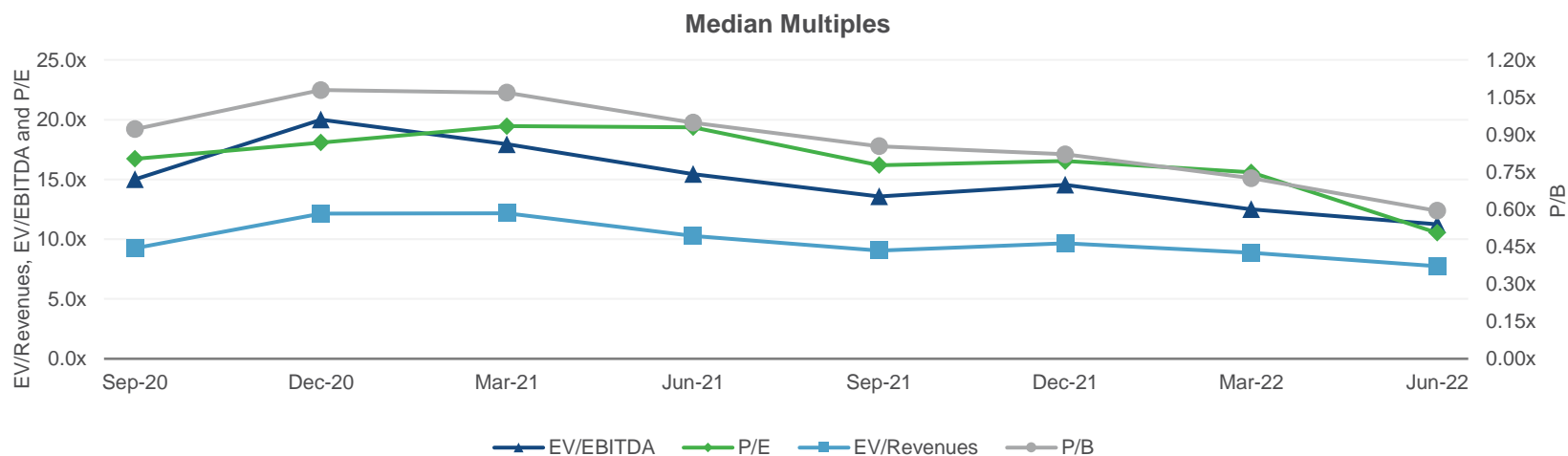
Median Multiples

[1] A sector/industry group must have a minimum of five EV/EBITDA company participants to be calculated.
[2] Outliers have been excluded from the concluded multiples. Please refer to "Criteria" for outlier criteria and definitions.
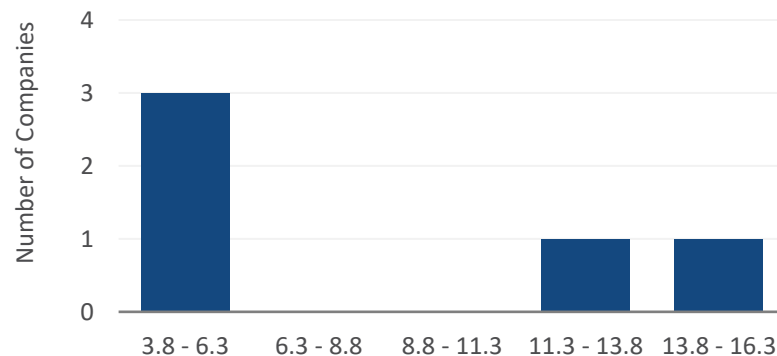Sources: Capital IQ; Bloomberg; Kroll analysis.
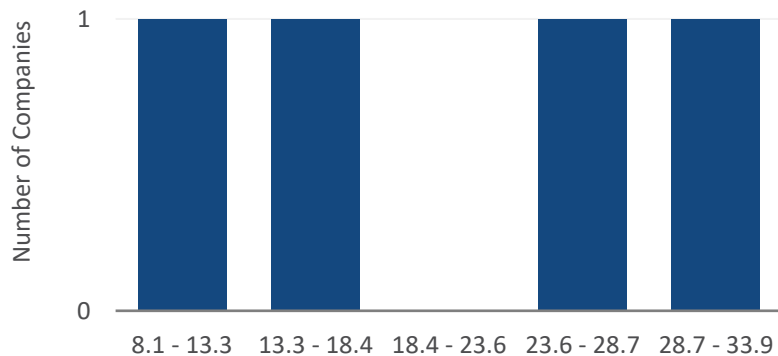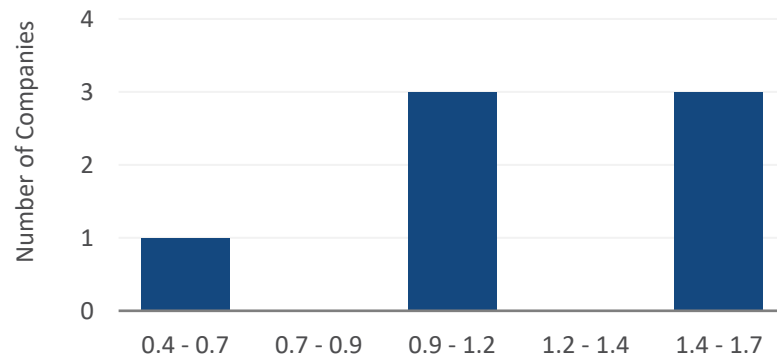
Real Estate

As of June 30, 2022
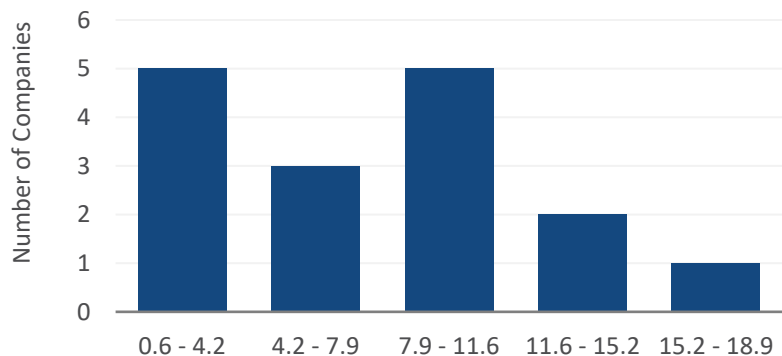
EV/Revenues
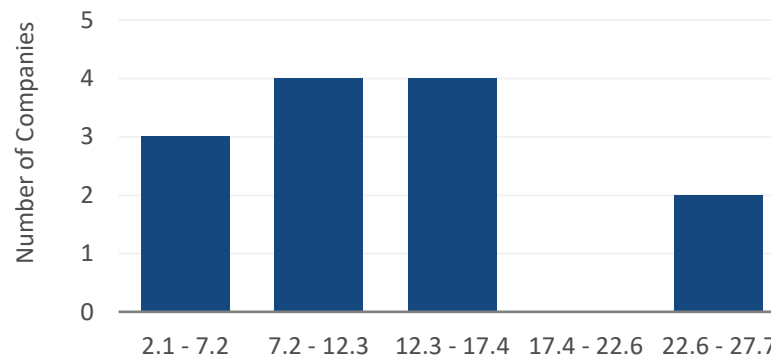
EV/EBITDA

P/E
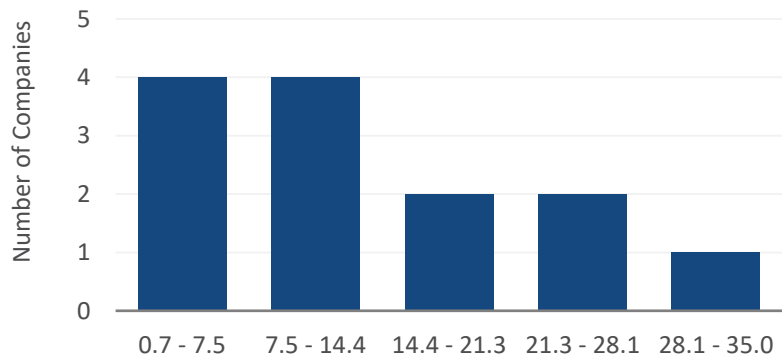
P/B

Utilities

Q2 2022

KROLL

Utilities

As of June 30, 2022

	EV/Revenues	EV/EBITDA	P/E	P/B
Number of Observations[1]	22	22	22	22
Number of Outliers[2]	4	3	4	3
High	4.6x	16.7x	228.3x	2.1x
3rd Quartile	3.7x	7.1x	11.9x	1.4x
Mean	**2.4x**	**6.7x**	**21.1x**	**1.0x**
Median	**2.1x**	**5.3x**	**7.5x**	**1.0x**
1st Quartile	1.3x	4.6x	5.4x	0.7x
Low	0.8x	3.4x	4.4x	0.2x
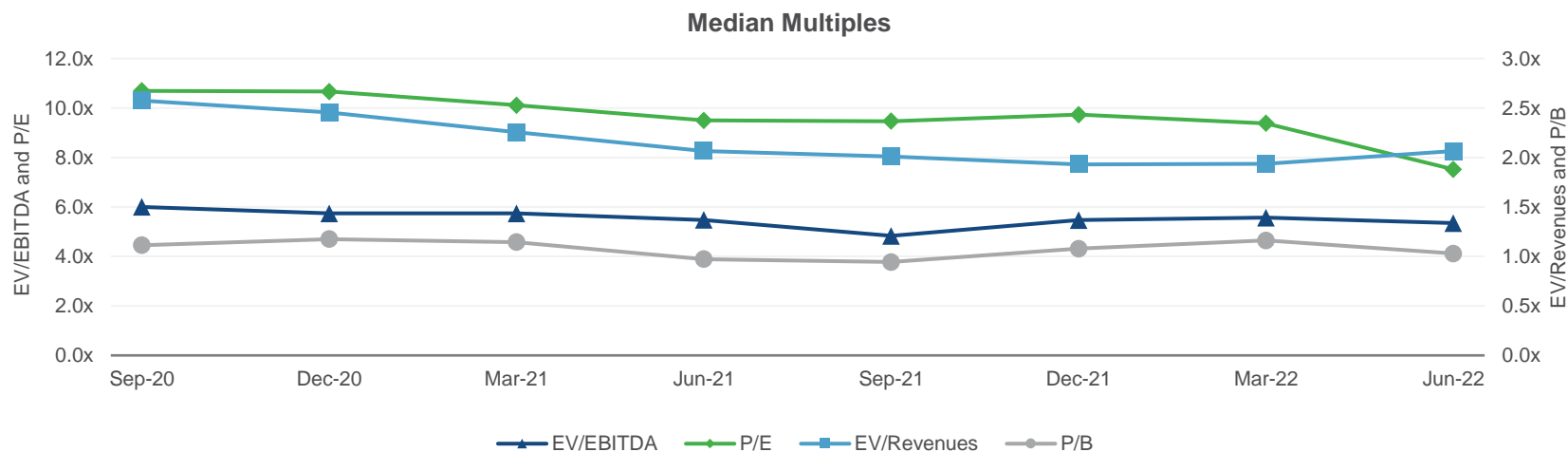
Median Multiples

[1] A sector/industry group must have a minimum of five EV/EBITDA company participants to be calculated.
[2] Outliers have been excluded from the concluded multiples. Please refer to "Criteria" for outlier criteria and definitions.
Sources: Capital IQ; Bloomberg; Kroll analysis.

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Utilities

As of June 30, 2022

EV/Revenues — bar chart (Number of Companies):
- 0.8 - 1.6: 7
- 1.6 - 2.3: 3
- 2.3 - 3.1: 1
- 3.1 - 3.8: 3
- 3.8 - 4.6: 4

EV/EBITDA — bar chart (Number of Companies):
- 3.4 - 6.0: 11
- 6.0 - 8.7: 5
- 8.7 - 11.3: 1
- 11.3 - 14.0: 0
- 14.0 - 16.7: 2

P/E — bar chart (Number of Companies):
- 4.4 - 8.0: 10
- 8.0 - 11.6: 3
- 11.6 - 15.2: 3
- 15.2 - 18.8: 0
- 18.8 - 228.3: 2

P/B — bar chart (Number of Companies):
- 0.2 - 0.6: 4
- 0.6 - 1.0: 5
- 1.0 - 1.4: 5
- 1.4 - 1.8: 3
- 1.8 - 2.1: 2
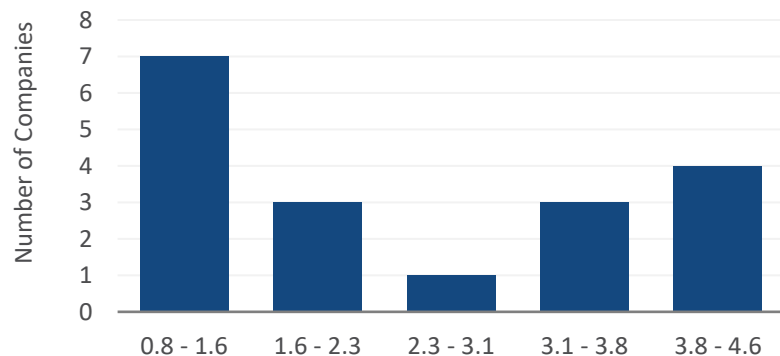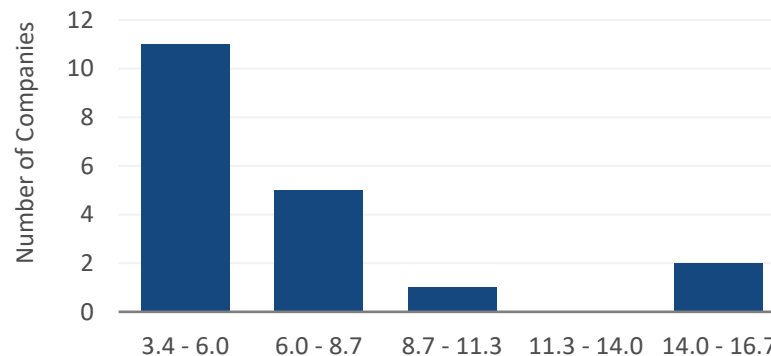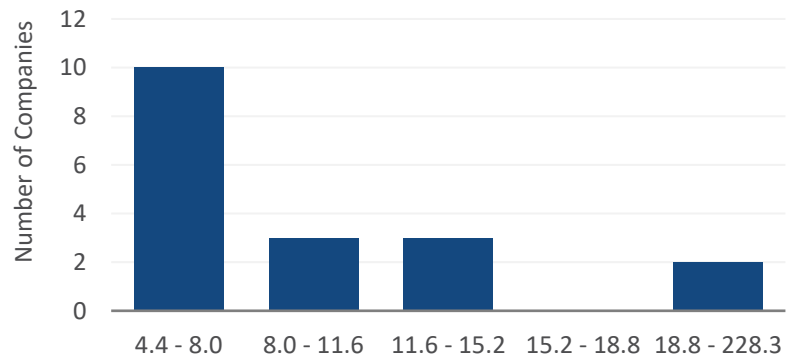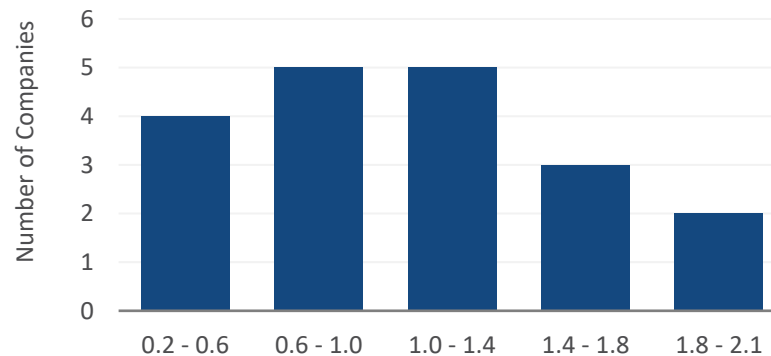
Criteria

- For all reported multiples, we have considered Latin American companies that were publicly traded as of this report's reference date (data sourced from Standard & Poor's Capital IQ). Companies were grouped by sectors, industry groups or industries, as defined by the Global Industry Classification Standard, considering that each grouping would have enough constituents and granularity to attain the objective of this report.[1]

- Companies are only considered in the computation of the different multiples if the following criteria are met: market capitalization is above the 10th percentile, at least 20% free float, and average daily volume is above 0.1% of the float (data derived from Standard & Poor's Capital IQ and Bloomberg databases).

- Observations deemed to be outliers have been excluded from the above analysis. Outlier criteria include: (i) negative multiples, (ii) multiples below the fifth percentile and (iii) multiples above the 95th percentile.

- EV = Enterprise Value = Market value of equity plus book value of debt,[2] minority interests, preferred stock, less cash and cash equivalents, loans and notes receivables, and long- and short-term investments. Revenues = Revenue for latest 12 months. EBITDA = Earnings before interest, taxes, depreciation and amortization for latest 12 months (provided by Capital IQ, adjusted for non-recurring items). P/E = Share price divided by earnings per share on a diluted basis. P/B = Share price/book value per share on a diluted basis where book value per share equals total book value of equity divided by diluted number of shares. P/TBV = Share price/book value minus intangible assets, per share on a diluted basis.

- Multiples have been computed in companies' filing currencies.

[1] The GICS structure is comprised of 11 sectors, 24 industry groups, 69 industries and 158 sub-industries.
[2] Book value of debt includes lease liabilities.

Industry Definitions

The industry classification for the companies represented in this report is based on the GICS. A summary of the sectors, as well as a brief description of those relevant industry groups that are part of a particular sector, according to the GICS guidelines, is found below:

Communication Services	
Media and Entertainment	Companies providing advertising, marketing or public relations services. Owners and operators of television or radio broadcasting systems, including programming and services. Publishers of newspapers, magazines and books in print or electronic formats. Companies that engage in producing and selling entertainment products and services, including gaming products and mobile applications.
Telecommunication Services	Providers of primarily cellular or wireless telecommunication services and operators of primarily fixed-line telecommunications networks.
Consumer Discretionary	
Automobiles and Components	Companies related to the production of passenger automobiles and light trucks, motorcycles, scooters or three-wheelers, as well as companies manufacturing parts and components for those vehicles, including tires and rubber.
Consumer Durables and Apparel	Manufacturers of electric household appliances and related products. Includes manufacturers of durable household products, power and hand tools, including garden improvement tools, but excludes TVs and other audio and video products. Manufacturers of apparel, accessories and luxury goods. Includes companies primarily producing designer handbags, wallets, luggage, jewelry and watches and manufacturers of textile and related products.
Consumer Services	Owners and operators of leisure and accommodation activities such as hotels, bars and restaurants, cruise ships, leisure facilities, casinos and gaming facilities, among others.
Retailing	Companies involved in owning and operating department stores, general merchandise stores and specialty stores. It also includes companies providing retail services primarily through the internet, mail order and TV home shopping retailers.

Industry Definitions

Consumer Staples	
Food and Staples Retailing	Owners and operators of food and drug retail stores, pharmacies, hypermarkets and super centers selling food and a wide-range of consumer staple products. Distributors of food products to other companies and not directly to the consumer.
Food, Beverage and Tobacco	Producers of beer and malt liquors, distillers, vintners, producers of alcoholic and non-alcoholic beverages, including mineral waters. Producers of agricultural products and producers of packaged foods, including dairy products, fruit juices, meats, poultry, fish and pet foods. Manufacturers of cigarettes and other tobacco products
Household and Personal Products	Producers of non-durable household products, including detergents, soaps, diapers and other tissue and household paper products not included elsewhere. Manufacturers of personal and beauty care products, including cosmetics and perfumes.
Energy	
Energy	Companies engaged in exploration and production, refining and marketing, and storage and transportation of oil and gas and coal and consumable fuels. It also includes companies that offer oil and gas equipment and services.
Financials	
Banks	Commercial diverse with a national footprint whose revenues are derived primarily from conventional banking operations, have significant business activity in retail banking and small and medium corporate lending, and provide a diverse range of financial services. This also includes regional banks that tend to operate in limited geographic regions and excludes investment banks.
Diversified Financial Services	Financial exchanges for securities, commodities, derivatives and other financial instruments, and providers of financial decision support tools and products including ratings agencies. Providers of a diverse range of financial services and/or with some interest in a wide range of financial services including banking, insurance, and capital markets, but with no dominant business line.
Consumer Finance	Providers of consumer finance services, including personal credit, credit cards, lease financing, travel-related money services and pawn shops.

Industry Definitions

Financials (cont.)	
Capital Markets	Financial institutions primarily engaged in diversified capital markets activities, including a significant presence in at least two of the following areas: large/major corporate lending, investment banking, brokerage and asset management. Includes financial exchanges for securities, commodities, derivatives and other financial instruments.
Insurance	Companies providing insurance and reinsurance services of any kind as well as insurance and reinsurance brokerage firms.
Health Care	
Health Care Equipment and Services	Companies including health care providers and services, companies that manufacture and distribute health care equipment and supplies and health care technology companies.
Pharmaceuticals, Biotechnology and Life Sciences	Companies involved in the research, development, production and marketing of pharmaceuticals and biotechnology products.
Industrials	
Capital Goods	Companies related to the manufacturing or distribution of goods. The sector is diverse, containing companies that manufacture machinery used to create capital goods, electrical equipment, aerospace and defense, engineering, and construction projects.
Commercial and Professional Services	Companies involved in supporting businesses with specialized skills such as human capital management, research and consulting services, office services, security and protection services, environmental and maintenance services.
Transportation	Companies involved in providing mainly goods and passenger transportation through air, sea or land. Companies owning and operating the infrastructures needed for transportation, such as airports, ports, railtracks or roads.

Industry Definitions

Information Technology	
Semiconductors and Semiconductor Equipment	Manufacturers of semiconductors, semiconductor equipment and related products, including manufacturers of solar modules and cells as well as manufacturers of the raw material and equipment used in the solar power industry.
Software and Services	Companies offering software and information technology services as well as infrastructure for the internet, including data centers, cloud networking and storage infrastructure.
Technology Hardware and Equipment	Companies involved in manufacturing communication equipment, cellular phones, personal computers, computer components, peripherals, electronic equipment and components as well as technology distributors.
Materials	
Materials	Companies that manufacture chemicals, construction materials, glass, paper, forest products and related packaging products, and metals, minerals and mining companies, including producers of steel.
Real Estate	
Real Estate	Companies engaged in real estate development and operation. It also includes companies offering real estate-related services and Equity Real Estate Investment Trusts (REITs).
Utilities	
Electric, Gas and Water Utilities	Companies involved in producing or distributing electricity, in the distribution of gas, in redistributing water to the end-consumer, as well as utility companies with significantly diversified activities in addition to core electric utility, gas utility and/or water utility operations.
Independent Power and Renewable Electricity Producers	Independent power producers and energy traders and companies that engage in generation and distribution of electricity using renewable sources.

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