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Envestnet has agreed to be acquired by private-equity firm Bain Capital in a deal that values the wealth-**technology** platform at \$4.5 billion.

Envestnet on Thursday said Bain will pay \$63.15 a share, a 2.4% premium to Wednesday's closing price of \$61.70, for the Berwyn, Pa., company and nearly 12% above Envestnet's closing price of \$56.54 on April 15, before Reuters reported that the company was exploring a sale.

The deal is slated to close in the fourth quarter.

Envestnet said private-investment firm Reverence Capital Partners also agreed to participate in the transaction, while BlackRock, Fidelity Investments, Franklin Templeton and State Street Global Advisors have committed to invest in the transaction and will hold minority stakes in the company. Shares of Envestnet edged down on Thursday.

At least one Wall Street analyst thinks the price Bain is paying for Envestnet seems a bit light.

D.A. Davidson's Peter Heckmann, who has previously said he thought Envestnet could fetch \$80 to \$85 a share from a strategic buyer, on Thursday said the Bain deal reflects a multiple at the lower end of what he would expect for a vertically focused **technology** and services company.

Envestnet said its agreement with Bain contains "no-shop" restrictions on its ability to seek a better deal, but it can hold talks if approached by another buyer with a superior proposal, with Bain holding matching rights.

The Envestnet deal continues an upswing in private-equity M&A activity this year. Private-equity firms have struck more than \$138.3 billion of leveraged buyouts so far in 2024, compared with \$90.8 billion in the same period last year, marking a 52% increase, according to data provider Dealogic.

Boston-based Bain, which has about \$185 billion in assets under management, last month agreed to buy PowerSchool Holdings in a deal that values the education-software provider at \$5.6 billion, including debt.

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