

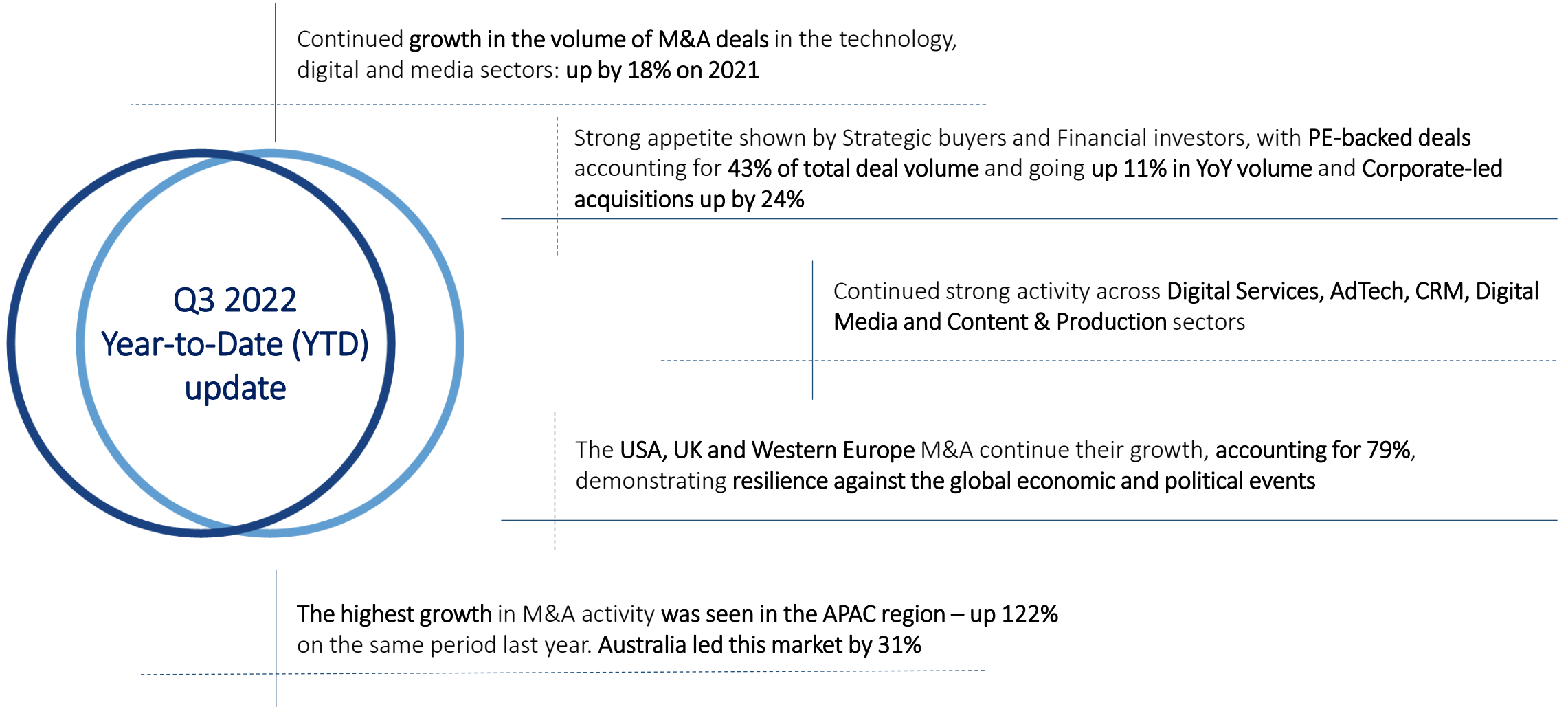
# CIESCO GLOBAL M&A REVIEW

## Q3 2022 UPDATE





## Key findings

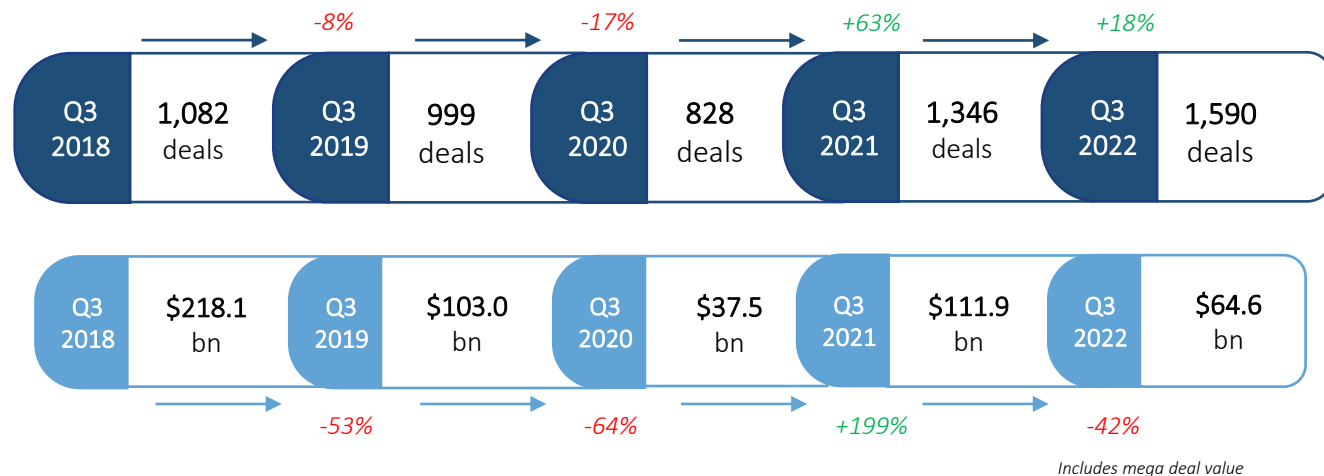




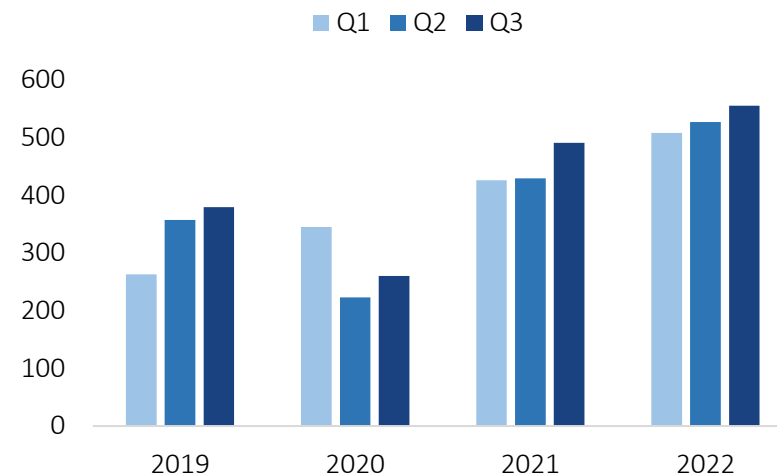
## Continued growth in the volume of M&A deals in the technology, digital and media sectors - 18% on 2021

- 1,590 transactions announced to date in the first three quarters of 2022 in the technology, digital and media sectors
- The deal volume has been increasing each quarter this year: 508 deals completed in Q1, 527 in Q2 and 555 in Q3
- 18% increase in year-to-date deal activity from the same period in 2021
- The overall disclosed value of deals has gone down 42%, however, the data shows that less than a third of deals on average have their values disclosed
- 2 mega-deals (deals with a value above \$10bn) announced to date – in Q1 (The Nielsen Company acquired by Evergreen Coast Capital for \$16 billion) and Q2 (Zendesk acquired by Permira for \$10.2 billion).

Year-to-date Deal Volume and value as of Q3 2018 - 2022



Deal volume in Q1, Q2 and Q3 in 2019-2022





Cisco Global M&A Review – Q3 2022 Year-to-Date Update

Highlight deals in Q3 – driven by the need for smart use of data, seamless UX, eCommerce and subscription models. This is a trend across several buyer categories, from consultancies, to tech, to media owners

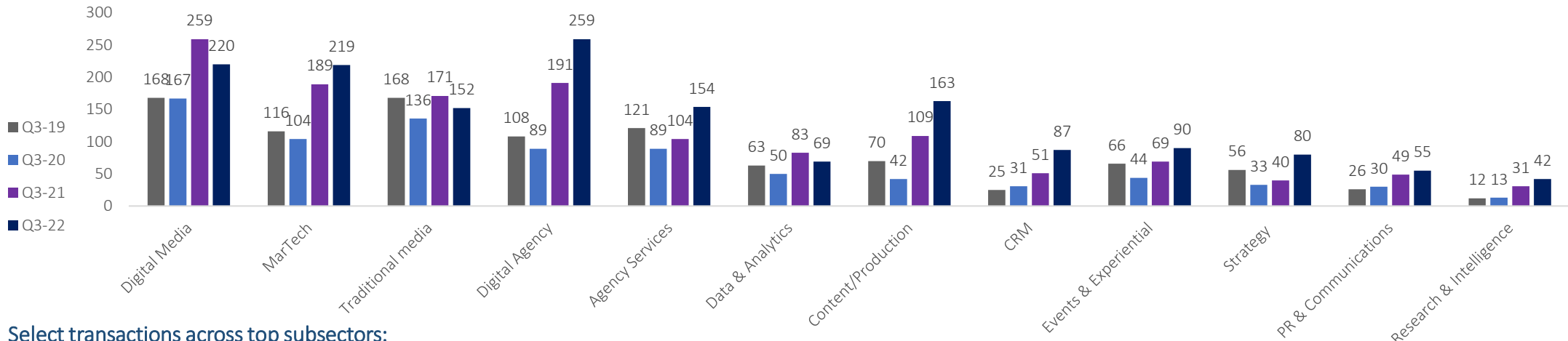
Select deals in Q3 2022

Target	Bidder	Month	Target description	Buyer description	Enterprise Value
martin	PubMatic	Sep-22	Media measurement and reporting platform (US)	AdTech company (US, NASDAQ: PUBM)	\$45m
Zephr	zuora SILVER LAKE	Sep-22	Subscription experience platform for publishing and media companies (UK)	Cloud-based subscription management platform provider (US, NYSE: ZUO)	\$50m
MIQ	Bridgepoint	Sep-22	Programmatic media agency (UK)	Private equity firm (UK)	\$900m
SHOPTALK	DEPT THE CARLYLE GROUP	Aug-22	Brand and design experience studio (UK)	Digital agency group (NL)	n.a.
EXTENTIA INFORMATION TECHNOLOGY	MERKLE a dentsu company	Aug-22	Enterprise mobility, cloud engineering, and UX agency	CX transformation company within Dentsu network (US/JP)	n.a.
BRANDCAST	TIME	Aug-22	No-code digital platform for enterprise websites	Global media company (US)	n.a.
THE STABLE	accenture	Jul-22	Tech-enabled commerce services company	Global professional services firm (IR, NYSE: CAN)	n.a.
COVER communications	Ykone aufeminin	Jul-22	Influencer marketing agency (DE)	Influencer Marketing Group (France)	n.a.
INDUSTRY DIVE	informa	Jul-22	Multi-market B2B audience development through specialist content (US)	B2B markets, live and on-demand events and digital services group (UK)	389m



# Strong M&A activity across all focus sectors, with the highest deal volume across Digital Media and Digital Services

Deal volume YTD by sector for the period Q3 2018 – Q3 2022



Select transactions across top subsectors:

Digital Media	Digital Services	MarTech/ AdTech	Content & Production	Market & Consumer Research
 Social metaverse Platform	 eCommerce agency	 AdTech: Media trading	 Visual production and animation studio	 AI-based consumer insights and market research consulting
Sold to	Sold to	Sold to	Sold to	Sold to
 Web3 company	 Advertising holding network	 Leading Commerce Media Platform	 Video game company	 Private Equity firm
\$25m	n.a.	\$250m	n.a.	n.a.
To develop the world’s first physical digital twin (“phygital experience”)	WPP’s growth strategy building on existing capabilities in commerce and technology	Criteo can ramp up its commerce media strategy and gain a differentiated first-party data capability	To ‘focus on development of visual content’ using Nintendo intellectual property	Aim of working on the UTOPIA Metaverse, which is scheduled to launch in 2023



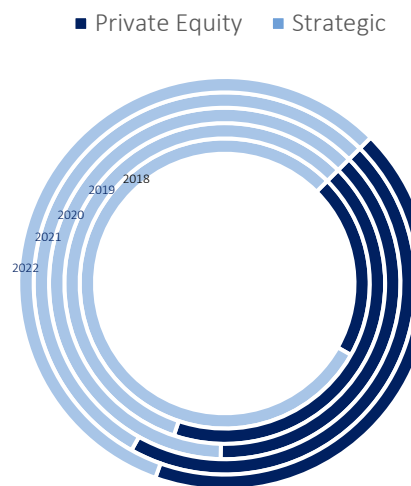
# PE-backed corporates continue leading the activity in the sector and Endeavor Business Media is the top Strategic bidder

## Most active buyers of 2022 as of Q3

Parent / Backer	Acquiring Entity	YTD as of Q3:		
		2022	2021	2020
	PE-backed trade 	11	5	3
	PE-backed trade 	7	7	1
	Strategic	6	0	0
	Strategic - MarComs 	6	4	3
	Strategic - Consulting 	5	3	0
	Strategic - Media	5	0	0
	PE-backed trade 	5	2	0

## PE vs Strategic Acquirers

- PE and PE-backed firms continue to be a strong buyer category, increasing their activity by 11% in Q3 2022 to date (683) compared with Q3 2021 (614), whilst Strategic Acquirers have increased their activity by 24% (907) compared with the same period in 2021 (732).
- As a proportion of the overall deal total, Private Equity buyers make up 43%, whilst Strategic Acquirers increased their proportion of the overall deal activity to 57%, up 3% from the same period in 2021.



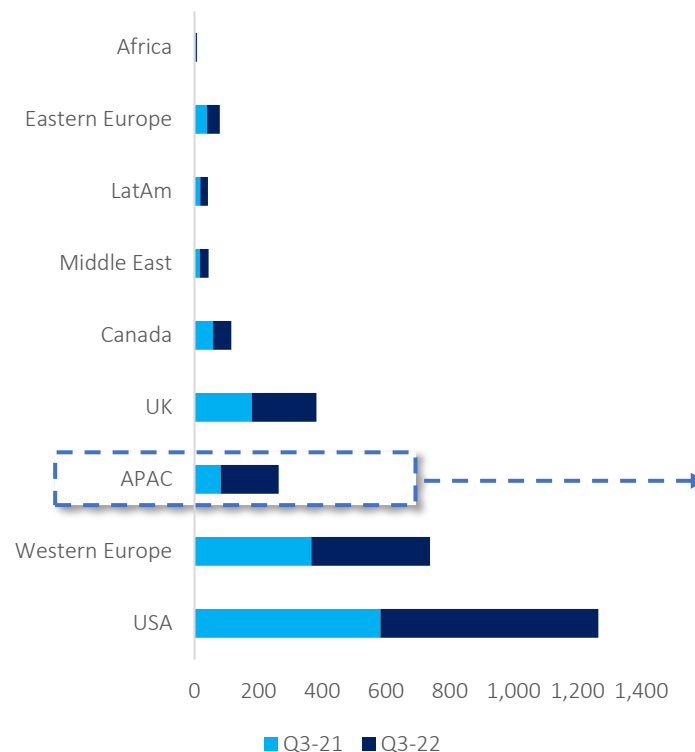
YTD Q3	Total deals	PE	Strategic
2018	1,082	21%	79%
2019	999	43%	57%
2020	828	38%	62%
2021	1,346	46%	54%
2022	1,590	43%	57%



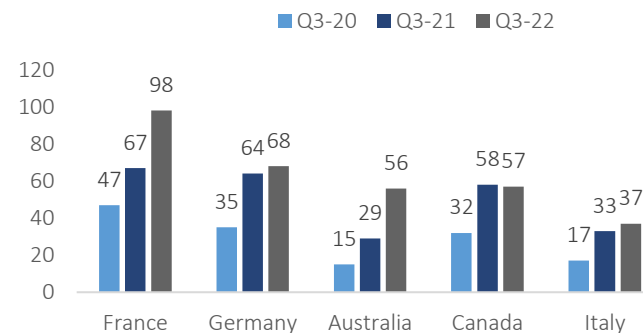
## The USA, UK and Western Europe M&A continue their growth, whilst record activity is seen in APAC – up 122%

- The two largest markets (target companies' locations) remain the USA and the UK with 683 (17% increase from Q3 2021) and 203 (13% increase from Q3 2021) deals respectively.
- Combined, the USA and UK account for 56% of total deal volume, holding their value. They are followed by France, Germany, Canada, Australia and Italy, all of which combined represent 76% of total deal volume.
- The USA, UK and Western Europe markets continue to show resilience to the fluctuations in the political and economical landscape of the respective regions.
- The APAC region saw the largest increase in YTD activity compared to the same period last year – up 122%.
- Notable activity in APAC was recorded by Consultancies (Accenture, Capgemini, Deloitte), Tech (Amazon, CI&T), Advertising networks (Dentsu, Hakuhodo, WPP, Havas), and PE-backed digital (Brainlabs, The Marketing Practice), amongst others.

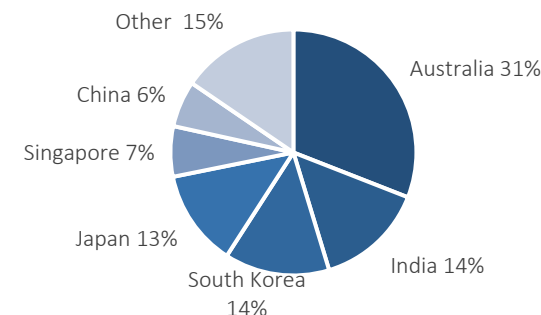
Deal volume by region as of YTD Q3 2021 and 2022



Top active target countries, following USA and UK (deal volume YTD Q3 2020 – YTD Q3 2022)



APAC saw the largest YoY % increase from YTD Q3 2021 – up 122%





## Ciesco Global M&A Review – Q3 2022 Year-to-Date Update

The report provides an overview of the year-to-date global M&A deal activity in Q3 2022 within the technology, digital, media and marketing sectors– with statistical analysis of overall global deals by volumes and disclosed values, as well as by geographic region and sectors. The report also provides insights and trend analysis of private equity related activity and an overview of the evolving buyer landscape, along with an outlook for the sector.

The report has been prepared by analysts at Ciesco’s Market Intelligence team using various data points and sources including data that is available via PitchBook and several other M&A databases.

Ciesco is a London-based M&A advisory firm specialising in the technology, digital, media and marketing sectors, with coverage of Europe, Asia and North America.

If you would like to discuss any of the findings in this report, please contact:

**Chris Sahota**

CEO  
+44 (0)20 7153 6030  
[chris.sahota@ciesco.com](mailto:chris.sahota@ciesco.com)

**Colin Wheeler**

Partner  
+44 (0)20 7153 6073  
[colin.wheeler@ciesco.com](mailto:colin.wheeler@ciesco.com)

**Aika Kussimova**

M&A Associate Director  
+44 (0)20 7155 9286  
[aika.kussimova@ciesco.com](mailto:aika.kussimova@ciesco.com)

**Annabelle Pugh**

Market Intelligence  
+44 (0)20 7150 9799  
[annabelle.pugh@ciesco.com](mailto:annabelle.pugh@ciesco.com)

**Ciesco**

156-158 Buckingham Palace  
Road  
London, SW1W 9TR  
United Kingdom

[www.ciesco.com](http://www.ciesco.com)

[@CiescoGroup](https://twitter.com/CiescoGroup)

The intellectual property rights to the research and data provided herein is owned by Ciesco Limited (“Ciesco” or Ciesco). Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without Ciesco’s prior consent. Ciesco do not accept or assume any liability or obligation for or relating to the content or information (“data”) contained herein, any errors, inaccuracies, omissions or delays in the data, or for any actions taken or not taken by anyone in reliance on the information in this publication or for any decision based on it.

While this publication has been carefully prepared, it has been written in general terms and should be seen as broad guidance only. The publication cannot be relied upon to cover specific situations and you should not act, or refrain from acting, upon the information contained therein without obtaining specific professional advice. Please contact Ciesco to discuss these matters in the context of your particular circumstances. In no event shall Ciesco, its partners, employees and agents be liable for any special, incidental, or consequential damages or for any loss arising out of the use of the data.

Ciesco Limited is registered in England and Wales under no. 0724319. Our registered office is based at 156-158 Buckingham Palace Road, London SW1W 9TR, United Kingdom.

© October 2022 Ciesco Limited. All rights reserved.