

## INFORMATION INDUSTRY

### *The Production and Provision of Content*

#### FULL YEAR 2022 :: Mergers and Acquisitions Trend Report

##### 2022 KEY HIGHLIGHTS

- Strategic acquisitions represented 77 percent of total volume and 23 percent of total value in 2022, respectively.
- Seven of the industry's top ten largest deals during the year were completed by strategic acquirers.

##### 2022 KEY TRENDS

- Total transaction volume in 2022 decreased by five percent over 2021, from 4,359 to 4,127.
- As for the industry's three horizontal markets, Software volume decreased by 16 percent; Online & Mobile volume decreased by 8 percent; and Media & Marketing volume increased by 14 percent.
- Total transaction value in 2022 decreased 17 percent over 2021, from \$648.31 billion to \$535.95 billion.
- The median revenue multiple decreased from 4.0x in 2021 to 2.8x in 2022. The median EBITDA multiple decreased from 15.0x in 2021 to 10.9x in 2022.

##### M&A MARKET OVERVIEW

Berkery Noyes tracked 12,456 Information Industry transactions between 2020 and 2022, of which 2,374 disclosed financial terms, and calculated the aggregate value to be \$1,227.18 billion. Based on known transaction values, we project values of 10,082 undisclosed transactions to be \$277.48 billion, totaling \$1,504.67 trillion worth of transactions tracked over the past three years.

Disclosed median enterprise value multiples for all segments combined in this report during the last 36 months were 3.0x revenue and 12.5x EBITDA.

Out of 12,456 deals tracked by Berkery Noyes between 2020 and 2022, transactions valued at \$160 million and above garnered a median enterprise value multiple of 5.6x revenue. In contrast, companies with transaction values between \$10 million and \$20 million captured a median enterprise value multiple of 2.4x revenue.

##### M&A Market Dynamics

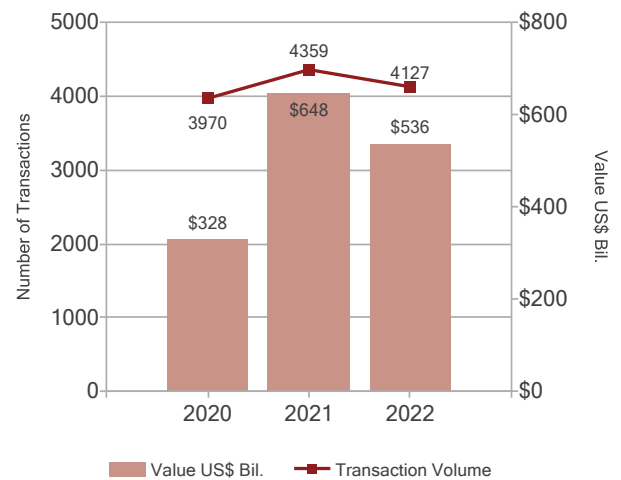


Figure 1. 2020-2022 value and volume comparison.

##### Median Enterprise Value Multiples

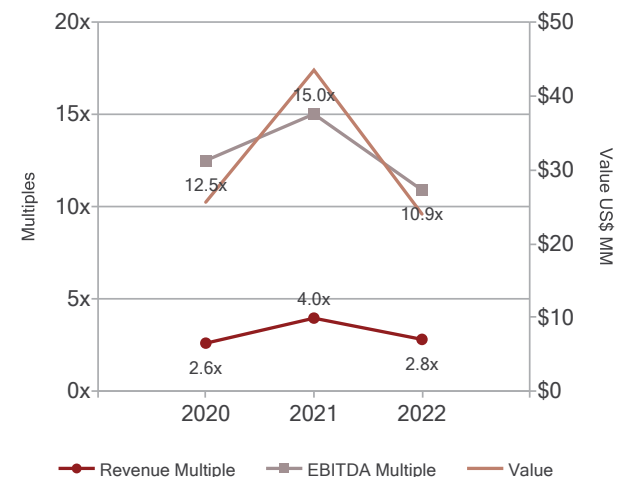
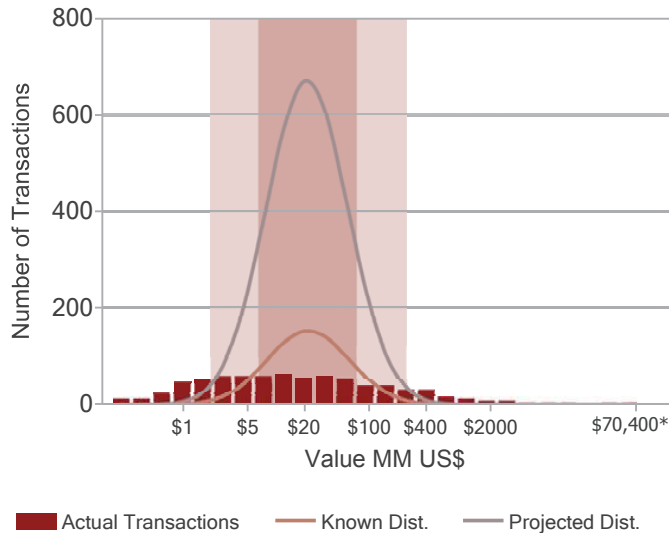


Figure 2. 2020-2022 median value, revenue, EBITDA comparison.

# Transaction Analysis :: January 1, 2022 – December 31, 2022

**Bell Curve - Histogram**



**Figure 3.** Shows the distribution of Information Industry transactions based on publicly available information and Berkery Noyes estimates. Using a logarithmic scale, we determined that nearly one-third of companies purchased had transaction values of \$4.5 million to \$54.6 million. Based on this data, we estimate the total transaction value of deals done in 2022 at \$535.9 billion.

\* Indicates largest transaction in the industry from Jan. 1, 2022 to Dec. 31, 2022.

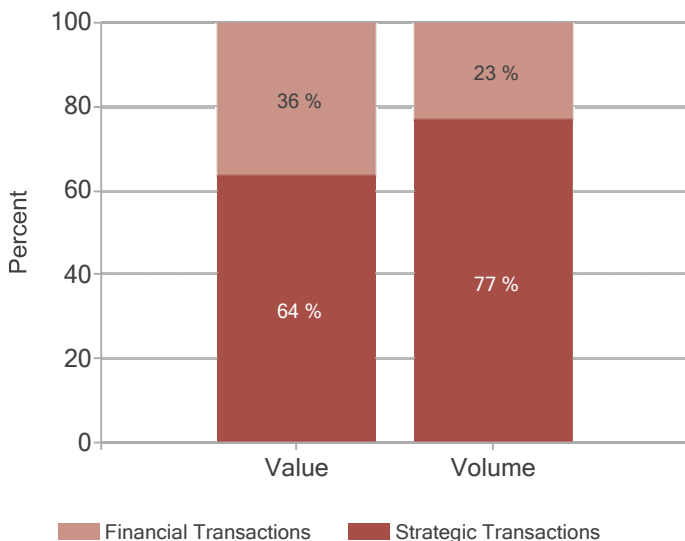
**Distribution Table**

Value in MM US\$	Known Number	Projected Number	Total Number	%	Cumulative %
\$0.2	14	0	14	2 %	2 %
\$0.4	14	0	14	2 %	4 %
\$0.6	22	1	23	3 %	7 %
\$1.0	48	6	54	6 %	13 %
\$1.6	49	25	73	6 %	19 %
\$2.7	58	79	137	8 %	27 %
\$4.5	60	197	256	8 %	35 %
\$7.4	59	380	439	8 %	42 %
\$12.2	62	571	633	8 %	50 %
\$20.1	53	669	722	7 %	57 %
\$33.1	58	610	668	8 %	65 %
\$54.6	53	433	486	7 %	72 %
\$90.0	41	240	280	5 %	77 %
\$148.4	41	103	144	5 %	83 %
\$244.7	32	35	66	4 %	87 %
\$403.4	31	9	40	4 %	91 %
\$665.1	15	2	16	2 %	93 %
\$1,096.6	14	0	14	2 %	95 %
\$1,808.0	9	0	9	1 %	96 %
\$2,981.0	7	0	7	1 %	97 %
\$4,914.8	4	0	4	1 %	97 %
\$8,103.1	6	0	6	1 %	98 %
\$13,359.7	4	0	4	1 %	98 %
\$22,026.5	0	0	0	0 %	98 %
\$36,315.5	1	0	1	0 %	99 %
\$59,874.1	2	0	2	0 %	99 %
Total #	766	3361	4127		
Total \$ Value	\$463,859	\$72,087	\$535,946		
Middle 3rd of Industry Middle 2/3rds of Industry					

**Figure 4.** Presents the data depicted in the bell curve histogram.

## Strategic vs. Financial Comparison

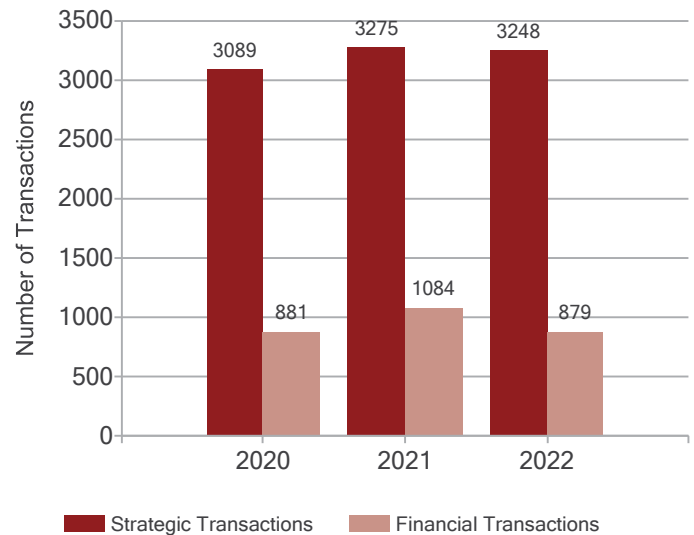
**M&A Dynamics By Transaction Type**



**Figure 5.** 2022 value and volume comparison by acquirer type.

**Note:** Financial transactions are those financed by private equity, venture capital, and other investment firms. This includes acquisitions by portfolio companies of the investment firms.

**Transaction Type**



**Figure 6.** 2020-2022 acquirer type comparison by year.

## Purchaser Analysis

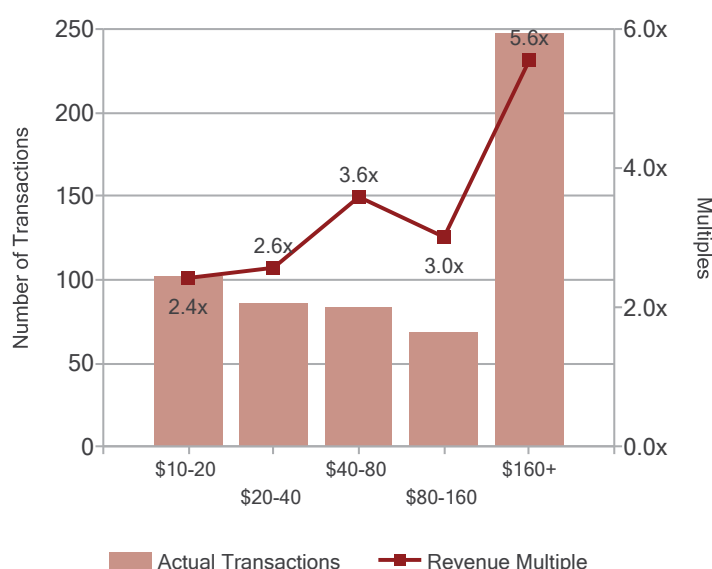
### Top Ten Notable Transactions 2022

Deal Date	Target Name	Buyer	Value MM US\$
05/27/22	VMware, Inc.	Broadcom Limited	\$70,358
01/18/22	Activision Blizzard	Microsoft Corporation	\$68,625
04/26/22	Twitter, Inc.	Elon Musk	\$41,773
09/15/22	Figma	Adobe Systems Incorporated	\$20,000
01/31/22	Citrix Systems, Inc.	TIBCO Software Inc., Elliott Management Corp.	\$16,620
05/04/22	Black Knight, Inc.	Intercontinental Exchange	\$15,916
03/30/22	The Nielsen Company, Inc.	Elliott Management Corp., Brookfield Asset Management, Inc.	\$15,581
01/11/22	Zynga, Inc.	Take-Two Interactive Software, Inc.	\$12,510
06/24/22	Zendesk	Hellman & Friedman LLC, Permira	\$10,200
03/21/22	Anaplan, Inc.	Thoma Bravo, LLC	\$9,796
2022 Aggregate Transaction Value			\$535,946
Top 10 Aggregate Transaction Value			\$281,379

**Figure 7.** Lists the top ten transactions for 2022 and calculates their aggregate transaction value as a percentage of the total aggregate transaction value as shown in Figure 1 & 4.

**Note:** Transaction data based on **announced date**. Deal value represents total consideration paid by the acquirer.

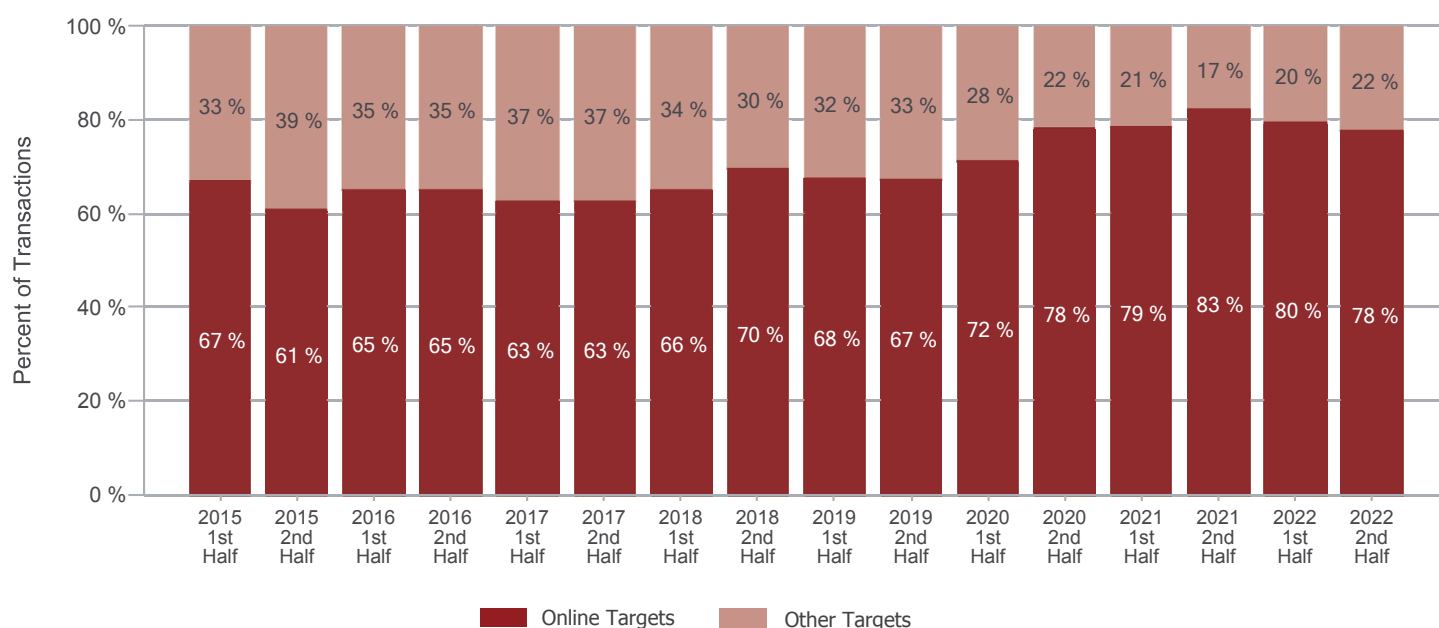
### Median EV/Revenue Multiples by Size



**Figure 8.** Presents the median enterprise value/revenue multiples paid for companies in the Information Industry from Jan. 1, 2020 to Dec. 31, 2022 based on publicly available data.

## Transactions Involving an Online Component

### Transaction Percentages of Online Targets



**Figure 9.** Percentage of total Information Industry transactions where the target company conducts the majority of their business online. The total percentages are measured by year from 2015-2022.

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All charts in this report are based on data gathered by Berkery Noyes' research department. All time period statistics are based on the transaction announcement date. The information contained herein is of a general nature and is not intended to address the circumstances of any particular company, individual, or entity. There can be no guarantee that such information is accurate.

For current intelligence on Mergers and Acquisitions activity in the Information Industry please visit our online service at [www.mandasoft.com](http://www.mandasoft.com)

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