



M&A KEY FACTS

288+ Deals in media & technology

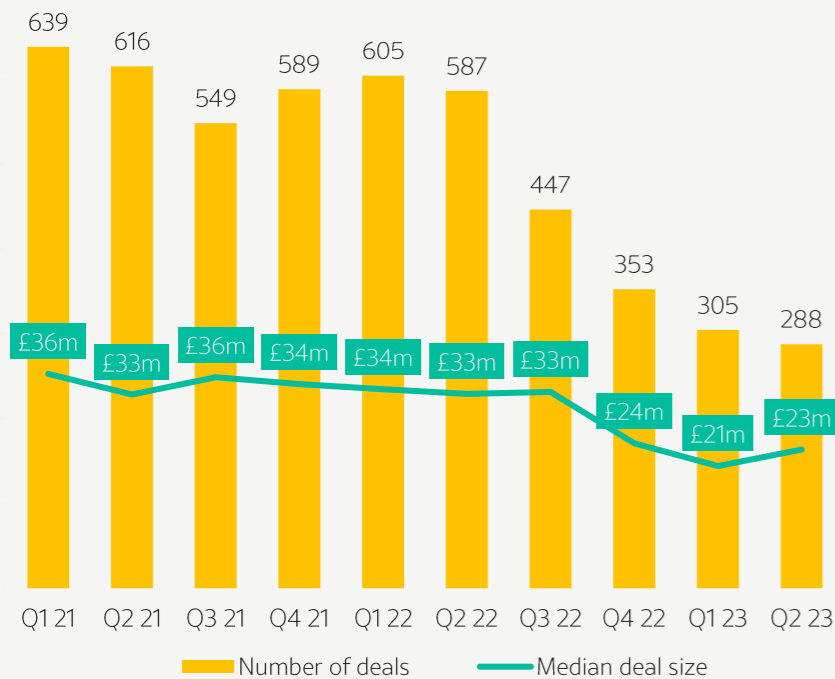
£23m Median deal size

£13bn Largest deal: Endeavor / WWE

£48bn Capital invested (disclosed deals amounts only)

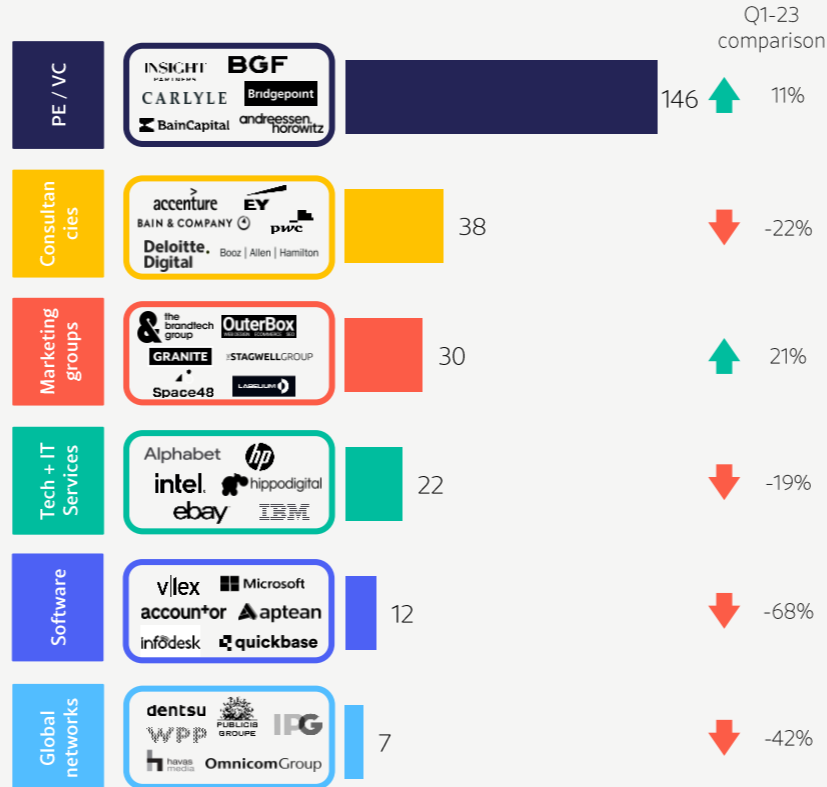
Source: PitchBook / WY analysis

GLOBAL TRANSACTION TRENDS



Note: Deals reflect WY tracked investors only / Pitchbook Index updated quarterly

BUYER & INVESTOR LANDSCAPE



SPOTLIGHT ON

Artificial Intelligence (AI)

Q2 saw three marketing AI deals of varying scales. Publicis Sapient bought out their JV partner Elder Research to fully acquire PS AI Labs, an AI consultancy that helps customers optimise their customer interactions. Brandtech Group acquired Pencil, a generative AI SaaS platform and Pentad acquired Codec, an award-winning AI company providing real-time insights for brands to connect with consumers.



Marketing Groups

The cohort of PE-backed and listed 'challenger' agencies and other smaller independent marketing groups that sit below the six Global Networks saw a significant slowdown in Q1 but have awoken in Q2, bucking the overall industry trend and making a total of 30 acquisitions.

With MSQ's sale to US-PE One Equity Partners having completed in June and with a number of PE-backed agencies reportedly in the market, it will be interesting to see whether deal volumes continue to pick up in H2.



THE VIEW FROM WY

It was another relatively sedate quarter for buyers and investors in the media and technology space with deal volumes slightly down on Q1, but still broadly in line with pre-pandemic levels.

Despite the overall decrease in activity, Q2 did see a number of significant deals in the marketing services space. PE-backed challenger agencies reactivated their M&A after a quiet Q1 with notable deals including Brandtech Group's acquisition of digital media agency Jellyfish, ITG's acquisitions of ReviewStudio and Pixelz.ai and Labelium's acquisition of Jirada. Listed marketing group Stagwell also made its first acquisition of the year when it acquired the creative agency, In the Company of Huskies, in April.

Private Equity buyers exercised a greater degree of confidence in the media and technology world than in the previous two quarters. Most notably among PE deals were One Equity Partners' acquisition of MSQ, after which we can anticipate further bolt-on acquisitions in the USA, and Towerbrook's \$400m co-investment with FL Entertainment in acquisitive French creative agency, The Independents.

With US markets continuing to rebound and The Bank of England expecting inflation in the UK to ease in H2, we continue to anticipate an increase in investor confidence and resurgence of deal activity.

NOTABLE DEALS



WY M&A TRACKER

See how we analyse the latest global M&A activity across the media and technology sectors with our live M&A tracker which can be viewed on our website.

wypartners.com/tracker

