



ARKMALIBU

M & A MARKET MONITOR

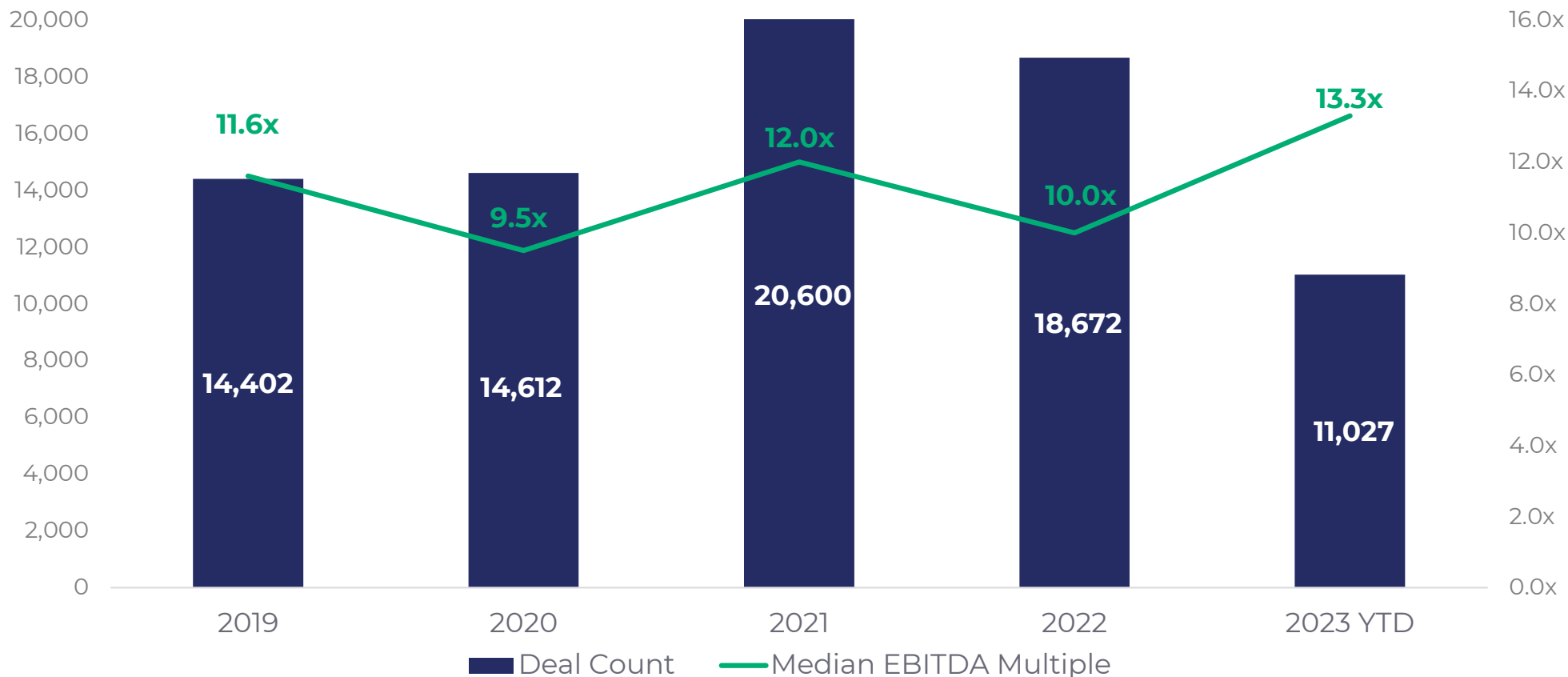
**TECH, MEDIA, & TELECOM
U.S. & CANADA**

Third Quarter, 2023

Overall M&A Market Overview

Highlights:

- Q3 2023's M&A deal count **fell below** historical levels while the median EBITDA multiple **rose above** historical levels
 - Q3 2023's deal count of **3,222** was down **12%** QoQ and **28%** YoY
 - 2023's annualized deal count of **14,743** is down **21%** YoY
 - Q3 2023's median EBITDA multiple of **13.8x** was up **32%** QoQ and **26%** YoY
 - Q3 2023's high EBITDA multiple is due in part to a preponderance of larger deals

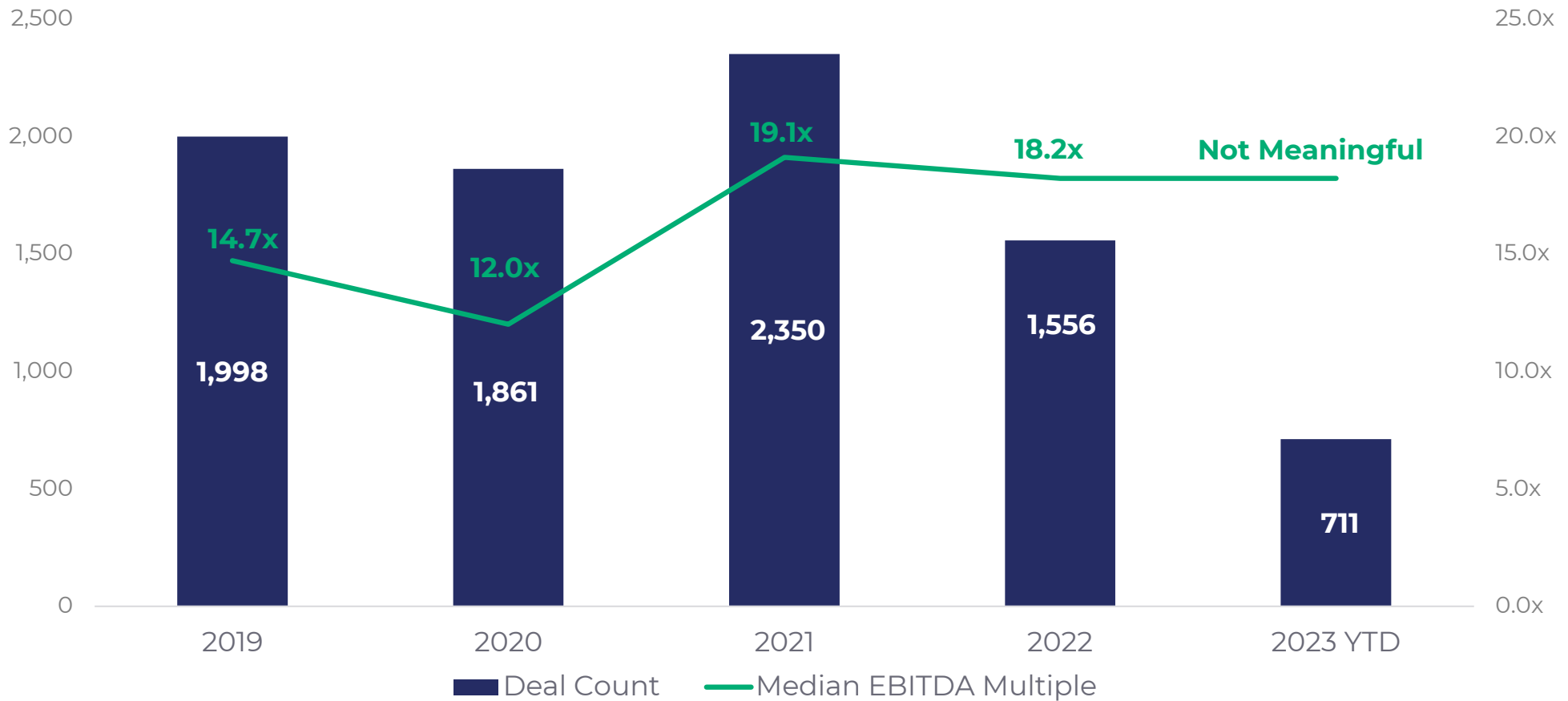


About the Data: All data is from Pitchbook, ArkMalibu, and other public sources as of 9/30/2023. The above data reflects any announced or closed M&A transaction where the target is headquartered in the United States or Canada, financial terms have been disclosed, and the target has an industry classification that falls into one of the 17 industry groups tracked by ArkMalibu and as such may not be representative of your company's market valuation. Certain adjustments have been made to the information to exclude transactions which are not specific to the industry or incorporate relevant transactions for which an industry classification was omitted.

Tech, Media, & Telecom M&A Market Overview

Highlights:

- Q3 2023's M&A deal count **fell below** historical levels
 - Q3 2023's deal count of **173** was down **29% QoQ** and **48% YoY**
 - Annualized 2023 deal count is down **39% YoY**
 - Not enough EBITDA multiples were published in Q3 2023 to provide reliable data



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Tech, Media, & Telecom Public Trading Metrics

As of: 9/30/2023

Category / Company	Valuation Statistics				Multiples Data					
	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)			EV / EBITDA (x)		
					2022A	LTM	NTM	2022A	LTM	NTM
USD in millions except per share price										
Application Software / SaaS										
Autodesk	\$206.91	\$44,230	\$44,822	22.0%	8.5	8.6	7.9	40.8	39.0	20.6
Check Point Software Technologies	\$133.28	\$15,593	\$14,008	38.4%	6.2	5.9	5.6	16.0	15.4	12.8
DocuSign	\$42.00	\$8,535	\$7,969	2.5%	4.5	3.0	2.8	NA	NM	11.4
Intuit	\$510.94	\$143,196	\$146,223	27.5%	8.6	10.2	9.1	34.9	37.0	22.8
Microsoft	\$315.75	\$2,345,948	\$2,294,657	48.0%	8.6	10.8	9.5	17.7	22.5	18.8
Oracle	\$105.92	\$290,155	\$367,484	37.6%	6.6	7.2	6.7	17.2	19.2	13.3
Salesforce	\$202.78	\$197,305	\$197,708	20.1%	4.4	6.0	5.4	31.0	29.7	13.8
SAP	\$129.72	\$151,738	\$149,454	21.5%	4.0	4.6	4.3	19.8	21.8	13.3
ServiceNow	\$558.96	\$114,028	\$111,493	12.0%	11.1	13.9	10.8	NM	NM	32.7
Smartsheet	\$40.46	\$5,467	\$4,976	-15.0%	6.7	5.7	4.8	NA	NA	54.1
VMware	\$166.48	\$71,884	\$76,317	25.5%	4.5	5.6	5.3	18.2	22.0	14.1
Workday	\$214.85	\$56,291	\$52,902	3.2%	6.9	7.9	6.8	NM	NM	24.2
Median		\$92,956	\$93,905	21.8%	6.7	6.6	6.2	19.0	22.3	16.4
Internet and Digital Media										
Alibaba Group	\$86.74	\$222,740	\$188,916	15.4%	1.6	1.5	1.4	14.4	9.5	6.3
Alphabet	\$130.86	\$1,655,757	\$1,566,539	29.6%	3.7	5.4	4.7	11.5	18.3	11.6
Amazon.com	\$127.12	\$1,311,592	\$1,386,536	11.3%	1.8	2.6	2.2	18.5	22.8	12.4
Baidu	\$134.35	\$47,649	\$36,472	13.0%	1.6	1.9	1.8	NM	14.9	NA
eBay	\$44.09	\$23,463	\$24,572	23.5%	2.8	2.5	2.4	NA	10.5	7.5
iQIYI	\$4.74	\$4,535	\$5,990	5.4%	1.5	1.3	1.4	NA	24.7	NA
Netflix	\$377.60	\$167,332	\$175,749	63.7%	4.4	5.5	4.8	7.0	8.6	20.0
Roku	\$70.59	\$9,989	\$8,883	-16.5%	1.4	2.8	2.4	NA	NA	NM
Snap	\$8.91	\$14,459	\$14,931	-28.3%	3.1	3.3	3.0	NA	NA	NM
Spotify	\$154.64	\$30,105	\$28,228	-5.9%	1.1	2.2	1.8	NM	NA	NM
Tencent Holdings	\$39.11	\$372,281	\$385,015	50.7%	5.1	4.6	4.2	10.8	9.0	NM
Yelp	\$41.59	\$2,858	\$2,557	8.3%	1.4	2.0	1.8	16.3	21.0	7.5
Median		\$38,877	\$32,350	11.3%	1.7	2.5	2.3	12.9	14.9	9.6

Tech, Media, & Telecom Public Trading Metrics

As of: 9/30/2023

Category / Company	Valuation Statistics				Multiples Data					
	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)			EV / EBITDA (x)		
					2022A	LTM	NTM	2022A	LTM	NTM
USD in millions except per share price										
IT Services										
Accenture	\$307.11	\$193,172	\$188,037	16.2%	2.7	2.9	2.8	15.9	16.8	14.6
Automatic Data Processing	\$240.58	\$99,112	\$100,353	24.9%	6.2	5.8	5.2	25.3	23.5	17.5
Capgemini	\$175.12	\$29,879	\$34,387	13.8%	1.5	1.4	1.4	10.7	10.5	8.6
Cognizant Technology Solutions	\$67.74	\$34,212	\$33,598	17.2%	1.5	1.7	1.7	7.9	10.1	9.7
DXC Technology	\$20.83	\$4,274	\$8,509	4.5%	0.6	0.6	0.6	3.4	13.3	4.1
HCL Technologies	\$14.84	\$40,271	\$38,267	23.6%	2.7	3.0	NA	11.8	12.6	NA
Infosys	\$17.25	\$71,397	\$70,210	NA	4.2	3.8	NA	17.1	15.7	NA
Tata Consultancy Services	\$42.41	\$155,169	\$150,452	26.6%	5.1	5.3	NA	18.4	19.9	NA
Wipro	\$4.88	\$25,446	\$22,279	19.4%	2.2	2.0	1.9	11.1	10.2	NA
Median		\$40,271	\$38,267	18.3%	2.7	2.9	1.8	11.8	13.3	9.7
Hardware										
Amphenol	\$83.99	\$50,096	\$52,991	23.7%	3.9	4.2	4.1	16.7	17.8	17.4
Apple	\$171.21	\$2,676,737	\$2,723,535	32.1%	5.4	7.1	6.7	16.4	22.1	20.2
Applied Materials	\$138.45	\$115,818	\$115,382	30.8%	3.3	4.3	4.4	10.4	14.1	14.8
Canon	\$24.14	\$23,841	\$26,336	14.6%	0.8	0.9	0.9	5.6	6.0	6.0
Hewlett Packard Enterprise	\$17.37	\$22,283	\$32,771	14.0%	1.0	1.1	1.1	8.4	7.9	5.8
Hitachi	\$62.10	\$57,679	\$67,934	13.1%	0.7	0.9	1.2	6.1	6.7	NA
Intel	\$35.55	\$148,883	\$177,126	14.4%	1.8	3.3	3.1	4.7	22.7	9.1
International Business Machines	\$140.30	\$127,814	\$171,890	11.9%	3.6	2.8	2.7	34.0	23.8	12.2
Juniper Networks	\$27.79	\$8,931	\$9,395	13.0%	2.1	1.7	1.7	14.6	12.8	8.1
Lenovo	\$1.03	\$12,500	\$12,896	5.6%	0.1	0.2	0.2	2.3	4.0	NA
Murata Manufacturing Company	\$18.30	\$34,580	\$32,403	26.0%	1.9	2.7	2.4	6.2	10.6	8.9
NXP Semiconductors	\$199.92	\$51,540	\$59,152	37.0%	3.8	4.5	4.3	10.1	12.1	10.3
Nvidia	\$434.99	\$1,074,425	\$1,069,356	37.9%	12.5	32.7	15.0	49.2	NM	24.0
Qualcomm	\$111.06	\$123,943	\$130,756	30.5%	3.0	3.4	3.5	7.7	11.1	9.7
Samsung Electronics	\$50.48	\$335,727	\$276,852	20.7%	0.9	1.4	1.3	2.9	6.5	5.3
Texas Instruments	\$159.01	\$144,376	\$146,043	53.9%	7.4	7.8	7.8	13.0	14.4	14.9
Median		\$86,749	\$91,658	22.2%	2.6	3.1	2.9	9.3	12.1	10.0

Tech, Media, & Telecom Public Trading Metrics



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					2022A	LTM	NTM	2022A	LTM	NTM
USD in millions except per share price										
Traditional Media										
FUJI Media Holdings	\$10.73	\$2,385	\$2,980	NA	0.5	0.8	0.8	5.7	4.8	NA
Hakuhodo DY Holding	\$8.23	\$3,020	\$2,873	7.8%	0.4	0.4	0.4	3.6	5.0	5.1
Lagardère	\$20.24	\$2,850	\$7,368	14.3%	1.0	0.9	0.8	7.7	6.4	8.5
News Corp	\$20.06	\$11,602	\$14,857	11.6%	1.3	1.5	1.4	10.1	13.0	8.6
Omnicom Group	\$74.48	\$14,715	\$19,225	16.0%	1.4	1.3	1.3	9.2	8.4	NA
Pearson	\$10.60	\$7,577	\$8,890	25.6%	1.9	1.9	2.0	8.3	7.3	8.8
Publicis Groupe	\$75.79	\$18,986	\$21,661	17.6%	1.3	1.4	1.5	6.8	8.0	6.8
Sirius XM Radio	\$4.52	\$17,368	\$27,093	28.0%	3.6	3.0	2.9	13.0	10.8	9.6
The Interpublic Group of Companies	\$28.66	\$11,032	\$14,163	14.4%	1.5	1.3	1.5	9.4	9.1	NA
The New York Times	\$41.20	\$6,771	\$6,356	13.6%	2.3	2.7	NA	16.1	19.8	NA
The Walt Disney Company	\$81.05	\$148,304	\$197,367	12.4%	2.6	2.2	2.1	17.9	18.1	11.4
Thomson Reuters	\$123.16	\$56,074	\$58,786	49.5%	8.8	8.7	8.3	26.3	17.7	20.8
Fox	\$31.20	\$14,610	\$18,825	15.9%	1.3	1.3	1.3	8.2	8.0	6.7
Vivendi	\$8.76	\$8,978	\$11,616	-8.4%	1.6	1.2	1.1	NA	NA	8.7
Wolters Kluwer	\$121.09	\$29,426	\$32,111	30.9%	4.9	5.5	5.2	16.0	17.8	16.3
WPP	\$8.95	\$9,615	\$17,309	11.6%	1.0	1.0	1.2	7.6	8.4	6.7
Median		\$11,317	\$16,083	14.4%	1.5	1.4	1.4	9.2	8.4	8.7
Telecommunications										
AT&T	\$15.02	\$107,378	\$275,583	17.0%	2.3	2.3	2.2	5.8	13.3	6.2
China Mobile	\$8.39	\$183,823	\$150,969	17.6%	0.7	1.1	1.0	3.7	6.1	3.1
Comcast	\$44.34	\$182,908	\$274,056	24.1%	2.0	2.3	2.2	8.7	9.4	7.1
Deutsche Telekom	\$20.98	\$104,351	\$286,710	36.3%	2.3	2.4	2.4	6.1	6.7	5.5
Konica Minolta	\$3.26	\$1,609	\$4,514	-1.2%	0.6	0.5	0.6	11.5	NA	7.1
Liberty Global (UK)	\$17.12	\$7,611	\$20,733	-5.3%	2.7	2.8	2.7	2.1	NA	7.8
Motorola Solutions	\$272.24	\$45,469	\$51,293	25.6%	5.6	5.3	5.0	23.9	20.8	16.2
Nippon Telegraph & Telephone	\$1.18	\$100,808	\$167,839	25.8%	1.6	1.7	1.9	6.0	6.8	NA
Nokia	\$3.77	\$20,883	\$18,514	13.3%	0.9	0.7	0.7	6.5	5.3	4.2
Orange	\$11.47	\$30,507	\$29,412	29.9%	1.3	0.6	0.6	3.6	2.1	2.1
Ricoh Company	\$8.64	\$5,262	\$6,265	8.4%	0.4	0.4	0.4	4.7	4.6	NA
SoftBank Group	\$42.41	\$62,159	\$171,499	62.7%	3.2	3.6	3.7	NA	5.7	13.6
Verizon Communications	\$32.41	\$136,253	\$310,413	36.6%	2.5	2.3	2.3	7.4	6.3	6.4
Vodafone Group	\$0.94	\$25,372	\$73,466	62.2%	1.8	1.5	1.6	4.1	2.5	5.2
Median		\$53,814	\$112,217	24.8%	1.9	2.0	2.0	6.0	6.2	6.3

NM = Not meaningful; NA = Data not available

About ArkMalibu

UNORTHODOX



Senior-level service is our standard

Our **senior bankers actively guide your sale** alongside M&A advisors with \$100B+ in transaction value experience.

Decades of experience from former public company CEOs, Wall Street bankers, seasoned executives, and Fortune 500 consultants advocate on your behalf.

UNCONFLICTED



Loyalty to you is our livelihood

We advocate **ONLY** for sellers in order to avoid any conflict of interest, and to encourage you **not to settle for less than maximum value**.

We only seek to represent **one-time sellers**, both family and founder owned.

UNRELENTING



Our unique strategy sells your story

You benefit from our proprietary **'Four Boxes' methodology** which minimizes buyers' perceived risks and **unlocks value** for your company and its unique culture.

We balance rigorous evaluation with creativity to find the best path and the right partner to meet your goals.



We are anchored to increasing your value

ArkMalibu is tied to your destiny; we are anchored to the goal of bringing you unparalleled value while navigating the **personalities and interests of the people involved**.

We coach you through the challenges so you can enjoy your hard-earned and well-deserved prosperity.

Client Testimonial - Wiseway Supply

“ I **could not have expected more** from a financial advisor than that which ArkMalibu provided in our transaction. They **worked very closely with me** to ensure that **the value of Wiseway Supply was evident** when we were ready to find a partner. Working with **ArkMalibu ensured that we found, out of many interested, the right partner** that valued our team and would provide additional fuel to turn my family-owned company into a platform that will grow even more aggressively than we have in our first 50 years. **Without hesitation, I would recommend ArkMalibu to business owners contemplating a transaction.** ”



WISEWAY
Integrity. Experience. Innovation. Results.

John Cain, CEO – Wiseway Supply



4555 Lake Forest Drive, Suite 365
Cincinnati, OH 45242



(513) 583-5413



www.arkmalibu.com