INDUSTRY UPDATE FEBRUARY 2024

News & Digital Media

ankura CAPITAL ADVISORS

2023 proved to be a difficult year in News & Digital Media M&A, with deal count reaching its lowest level since 2009

Advertising revenues were down across the board due to macroeconomic headwinds and a decline in consumer spending. However, we expect a rebound in revenues driven by mobile advertising

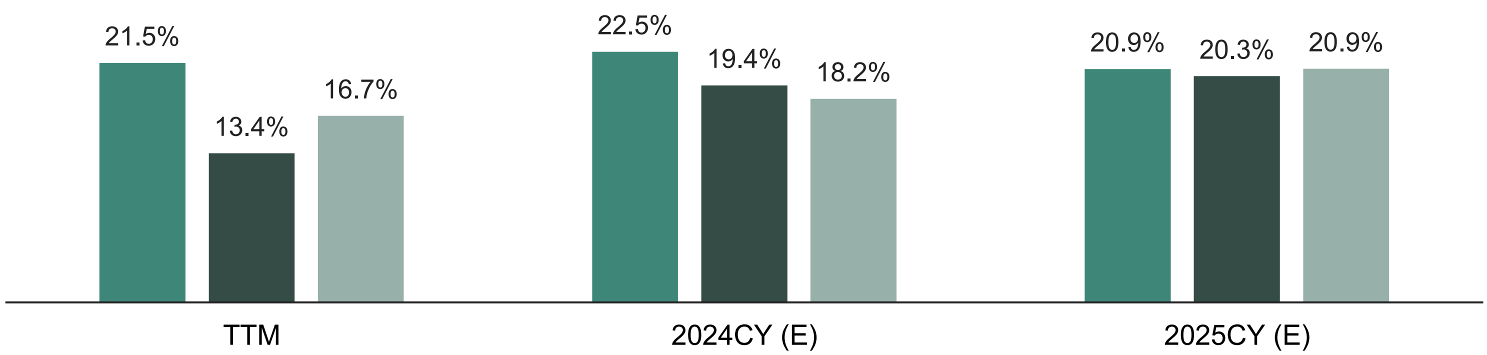
The expansion of digital media caused disputes among legacy players (e.g. Disney vs Charter) over direct-to-consumer products and the new industry landscape

The shift to digital media has led to unsustainable competition and fragmentation in the industry and will require consolidation for future success

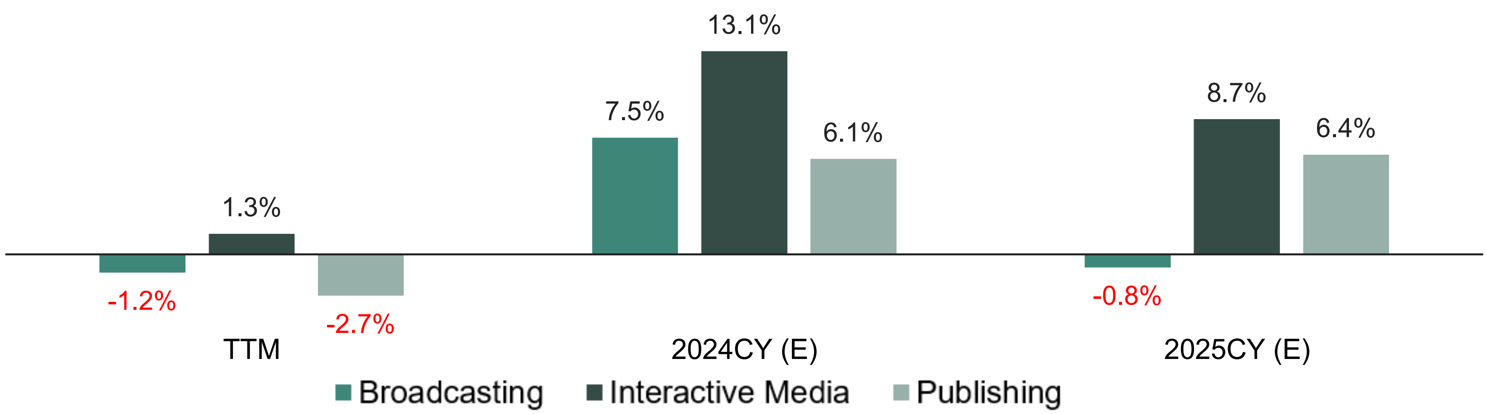
NEWS & DIGITAL MEDIA HEADLINE TRANSACTIONS

TARGET	ACQUIRER	ACQUISITION SYNOPSIS
BETCHES	LAD BIBLE	The company was acquired by The LADbible (LON: LBG) for approximately $54 million on October 17, 2023. With this acquisition, The LADbible (LON: LBG) aims to accelerate its presence and understanding of the North American market, while developing deeper relationships with U.S. brands and agencies.
		Texts.com was acquired by Automattic, owner of WordPress and Tumblr, for approx. $50 million. The acquisition bolsters Automattic's broader goal of consolidating everyday media for use on one secure, interactive platform.
The Business Podcast Network	THEFUTURUM GROUP	The company was acquired by The Futurum Group for $33 million. This acquisition will further the Futurum Group's capabilities in its research, media, and client advisory divisions. Specifically, the company's flagship show "The Drill Down" will add a large listener base to Futurum's current broadcasted options.

EBITDA MARGINS



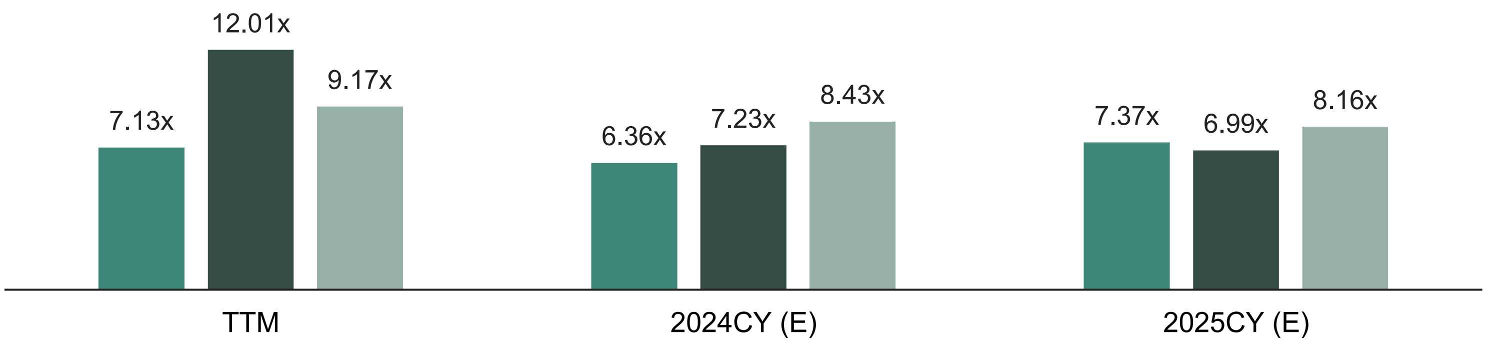
REVENUE GROWTH



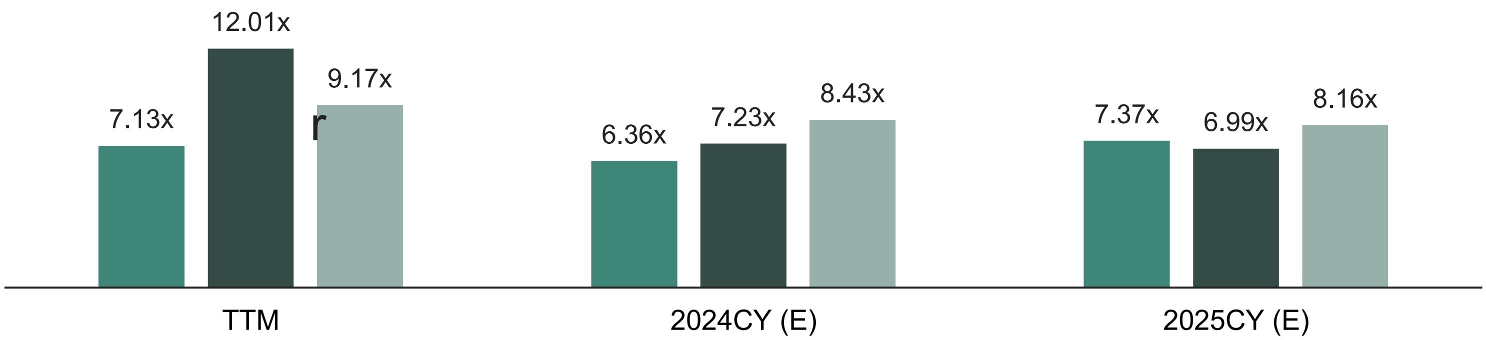
Source: Data from Pitchbook and CapIQ as of 1/23/24, AlixPartners "Media and Entertainment Report", PewResearch "State of the News Media", IBISWorld "Newspaper Publishing in the US"

- The past year saw strong multiples in the tech-heavy Interactive Media sector, with mature Broadcasting and Publishing figures remaining more sustainable
- Valuation multiples in Publishing are expected to remain relatively stable in the near term, while data on Interactive Media and Broadcasting suggest a decline to multiples that align with current industry and macroeconomic uncertainties
- Digital advertising revenues and content will emerge as the primary forces driving valuations in the News & Digital Media industry throughout 2024 and 2025

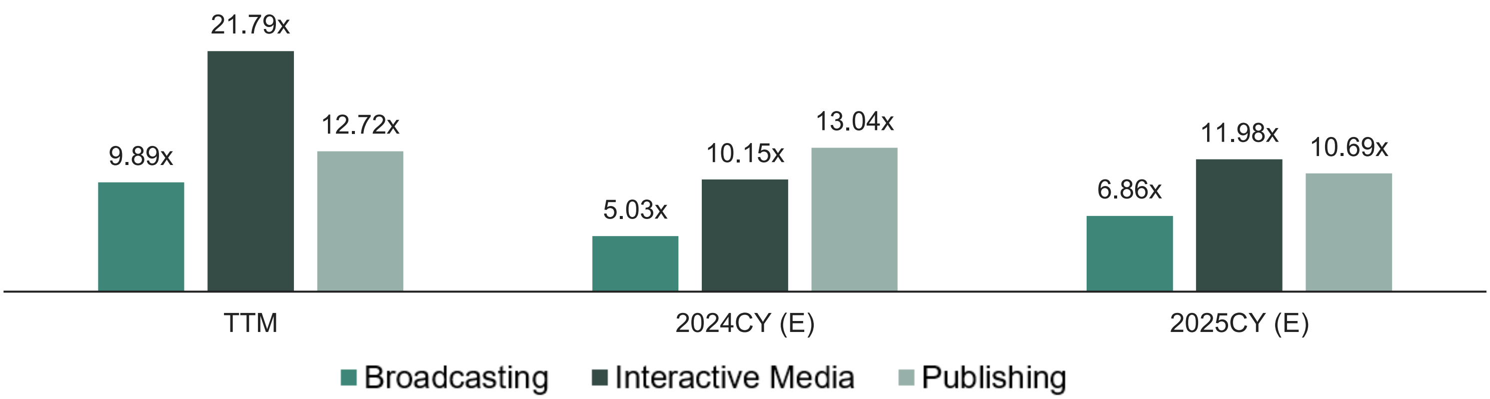
ENTERPRISE VALUE / EBITDA



ENTERPRISE VALUE / REVENUE



PRICE / EARNINGS



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