

# Q2 Public Market Update

July 2021



JEGI  
CLARITY

## » Key takeaways

1

**Total equity market value up by 7% since April 2021**



The Media, Marketing, Information & Technology public equity markets continue to prosper, with the total equity market value up by 7% since April 2021.

2

**2021 revenue growth of 17% across all sectors**



Led by +28% growth across the eCommerce and digital media sectors, 2021 forecasted revenue growth remains strong across all sectors at 17% vs 2020. Notably, the Marketing Technology sector is also forecasting strong year on year revenue growth of +20%.

3

**2021 EBITDA growth of 17% across all sectors**



Favorable outlook for 2021 EBITDA, with nearly all sectors expecting double digit growth vs. 2020. Very positive outlook for Digital Media vs. 2020 with several sub-sectors including search and social media expecting +30% year on year EBITDA growth.

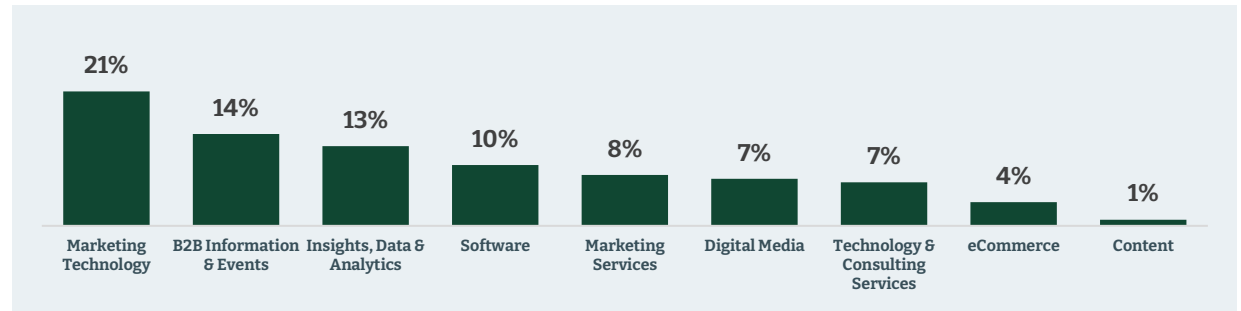
Valuation environment remains robust with the Media, Marketing, Information & Technology markets having increased by 7% (\$975bn) since Q1 2021. This is underpinned by strong forecasted 2021 revenue growth across all sectors, with an average of 17% across the market, representing total incremental revenue across the market of nearly \$455bn.

# » Media, Marketing, Information and Technology: Public market perspectives

## Market Capitalization

From 01 Apr 2021 - 30 June 2021

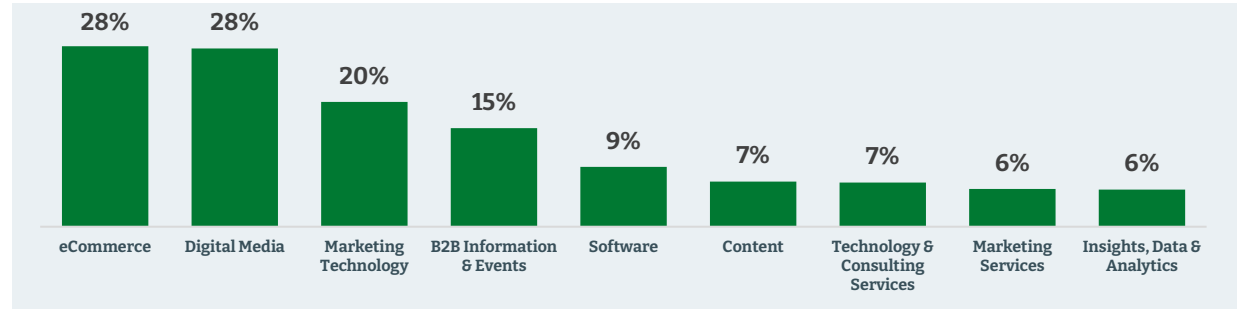
In Q2 2021 the total equity market value of the Media, Information & Technology sectors grew by 7%



## FY21 Revenue Growth

Current FY21 Forecast vs FY20

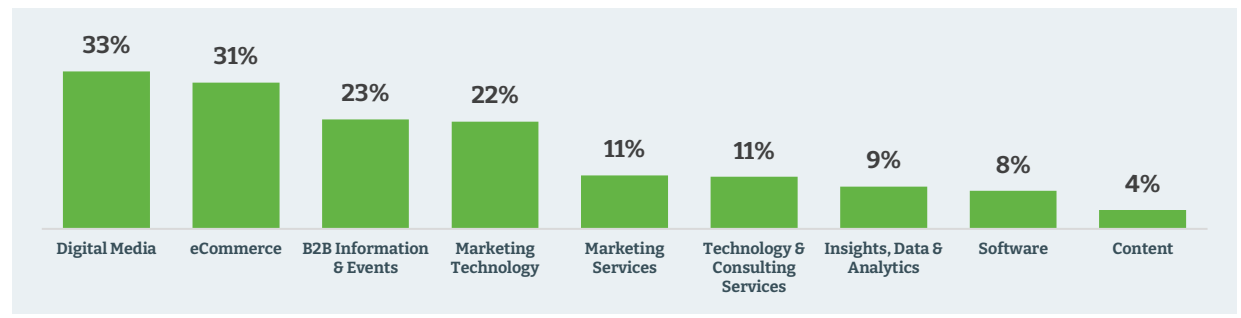
FY21 revenue growth across the Media, Information & Technology sectors is expected to be 17%, as shown by current market forecasts



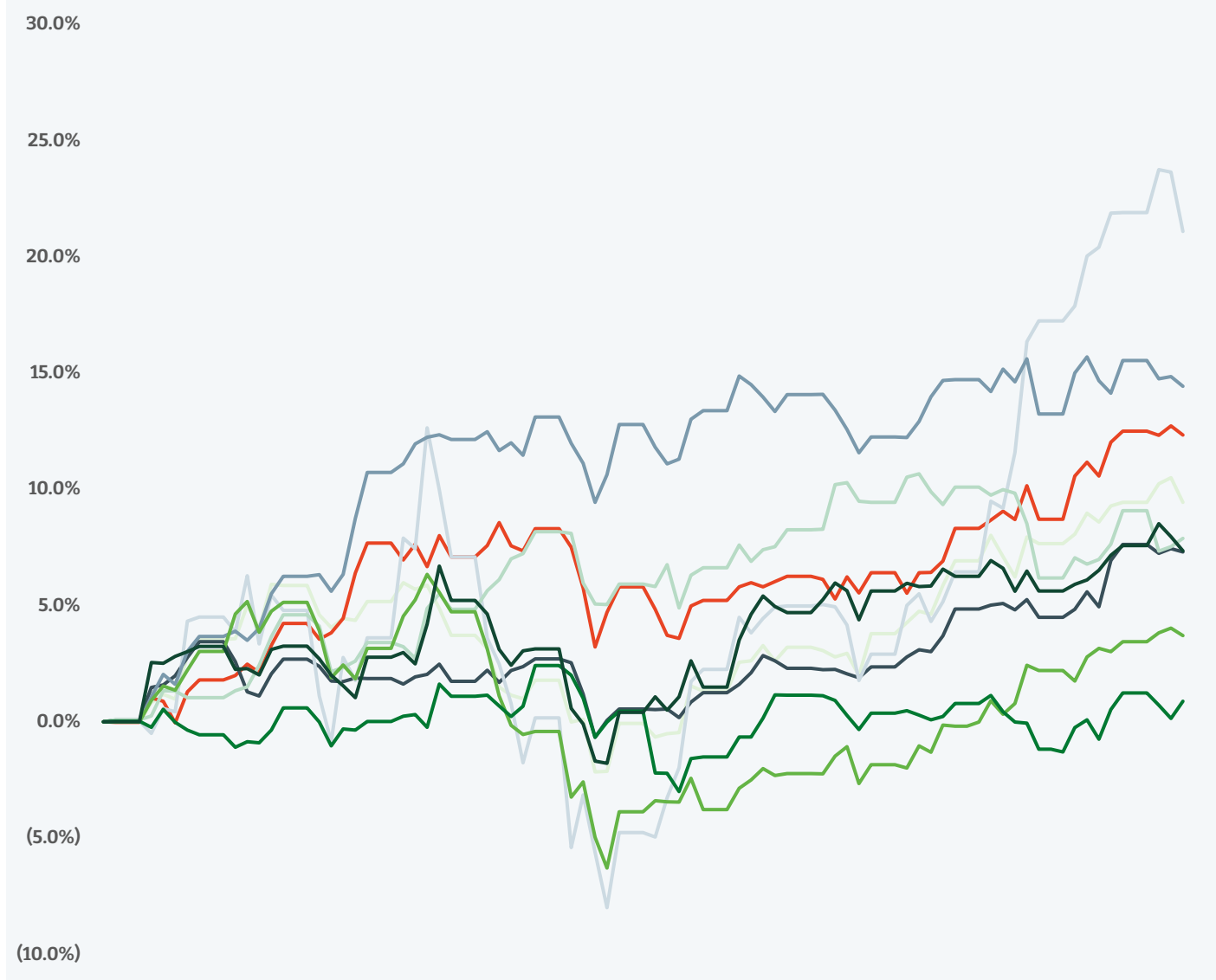
## FY21 EBITDA Growth

Current FY21 Forecast vs FY20

Current market forecasts show that FY21 EBITDA growth across the Media, Information & Technology sectors is predicted to be 17%



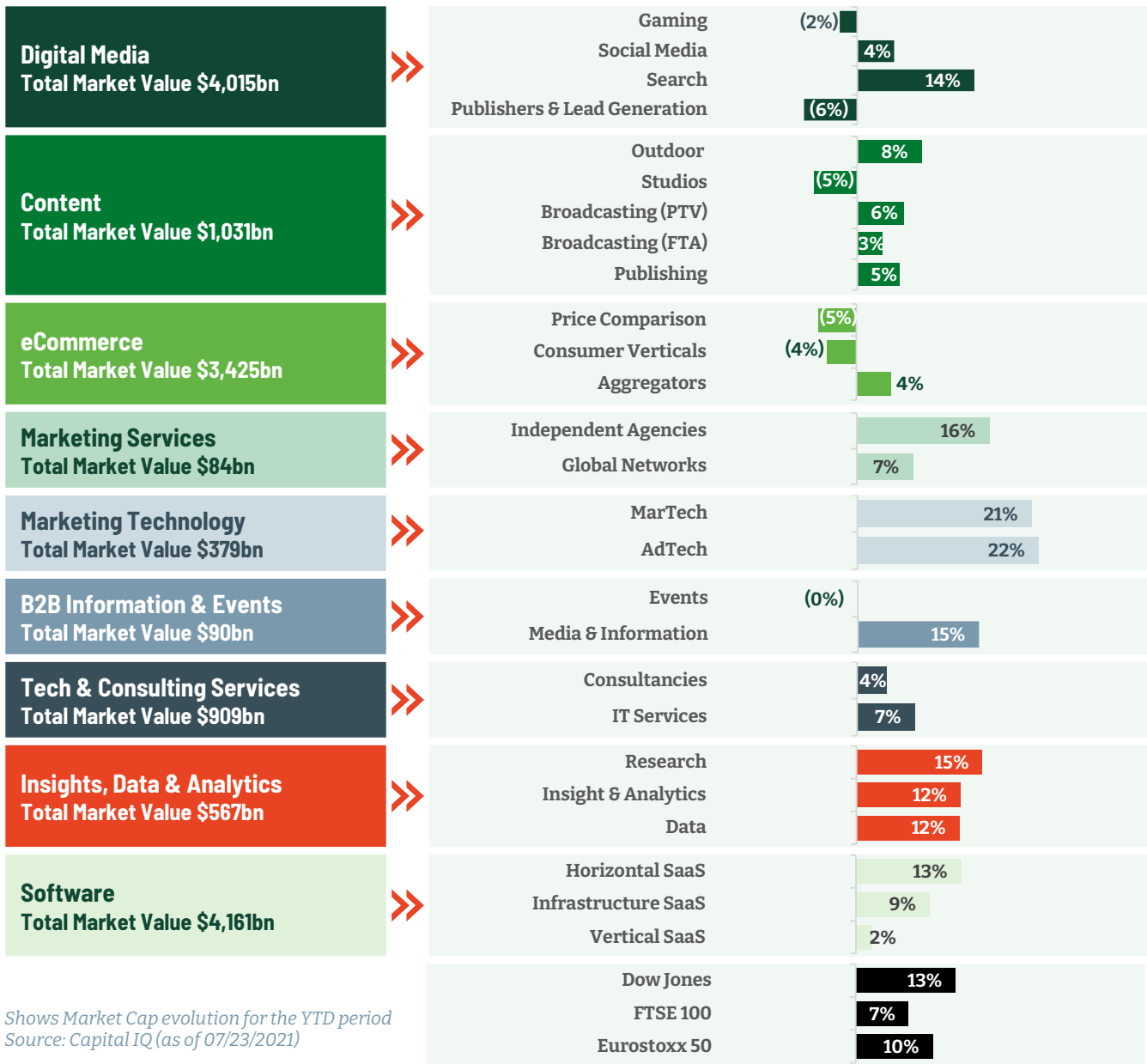
# » The total market value of the Media, Marketing, Information and Technology Sectors has increased by 7% since April 2021



Marketing Technology Index Value \$387bn	↑ 21%
B2B Information & Events Index Value \$90bn	↑ 14%
Insights, Data & Analytics Index Value \$569bn	↑ 12%
Software Index Value \$4,200bn	↑ 9%
Marketing Services Index Value \$84bn	↑ 8%
Tech & Consulting Services Index Value \$912bn	↑ 7%
Digital Media Index Value \$4,013bn	↑ 7%
eCommerce Index Value \$3,436bn	↑ 3%
Content Index Value \$1,023bn	↑ 1%

Shows Market Cap evolution for Q2  
Source: Capital IQ (as of 07/23/2021)

# » AdTech and MarTech emerge as leaders of TMV growth in Q2 2022



Since April 1, 2021, the total equity market value of the Media, Marketing, Information & Technology sectors has grown by 7%.

MarTech and AdTech were the top performing sector with TMV growth of 21% and 22% respectively. The continuing debate about privacy, the open market and the rapid shift to streaming and eCommerce are expected to propel the trend going into Q3.

The main drag on TMV growth through Q2 2021 has been eCommerce. While the growth outlook for these sectors remain positive, the sector was able to withstand the decline in Price Comparison and Consumer Verticals and saw TMV growth of 4% in Q2.

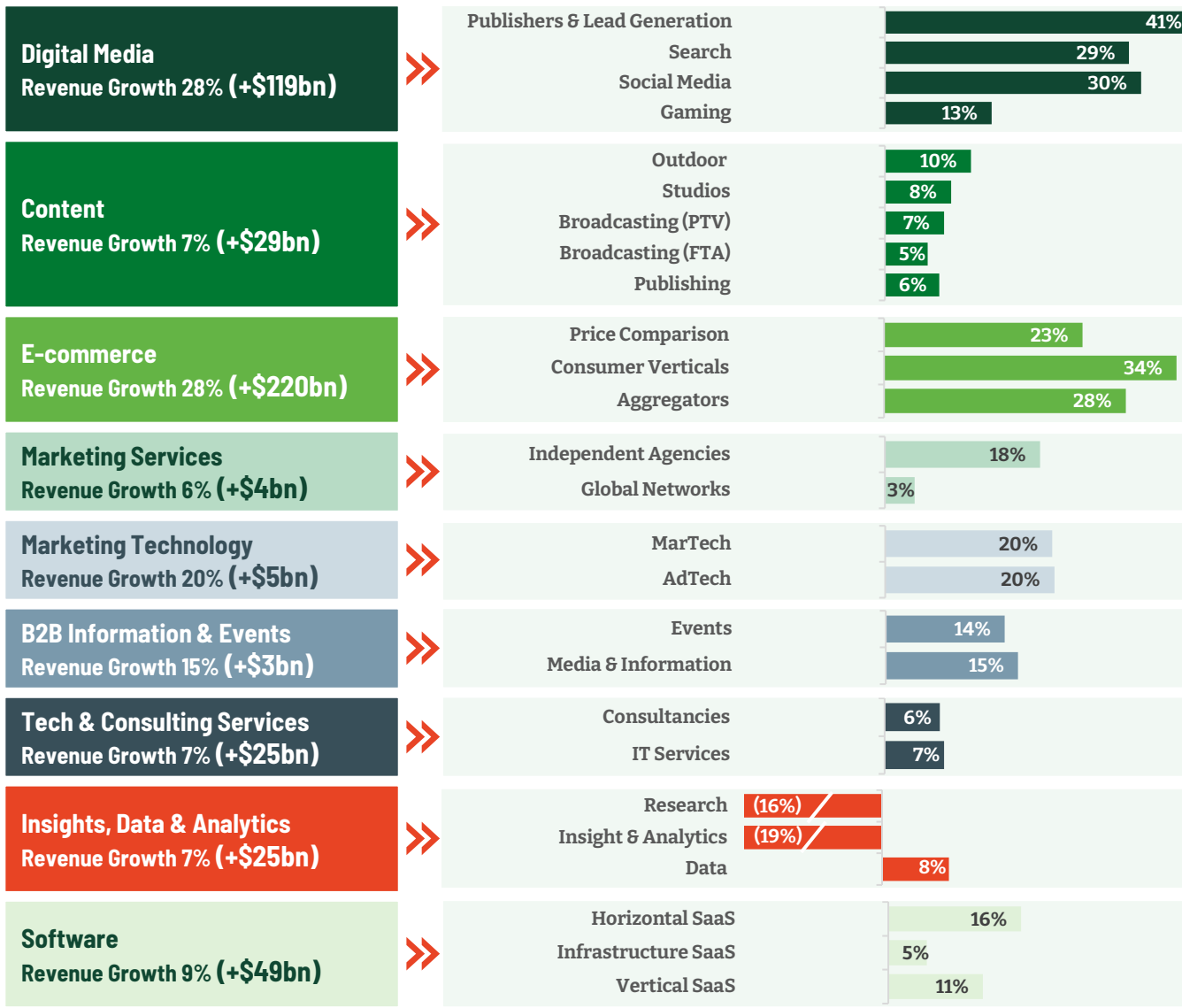
Investor demand for businesses exposed digital transformation solutions and best-in-class CX is similarly reflected in TMV growth in both Tech & Consulting Services (up 7%) and Insights, Data, Analytics (up 12%).

The Digital Media sector, led by companies such as Facebook, Snap and Google, also continues to perform, up 7% (\$4,015bn of TMV) over the period. The sector benefits from powerful tailwinds, including strong and growing demand for performance marketing.

The B2B Information & Events sector, driven by Media & Information, is up 15% over the period (\$90bn) despite the Event sub-sector which has been slower to return.

Shows Market Cap evolution for the YTD period  
Source: Capital IQ (as of 07/23/2021)

# » Forecast 2021 revenue growth of +10% for many sectors...



Strong 2021 revenue growth is projected by current market forecasts for nearly all sectors. The growth is driven by powerful tailwinds across many sub-sectors and a “bounce-back” in revenues in those sectors most impacted in 2020.

Total revenue growth is forecast at c.17% from 2020 to 2021, signifying an aggregate increase in revenues across all sectors of close to \$455bn, with double-digit percentage growth expected across many sub-sectors.

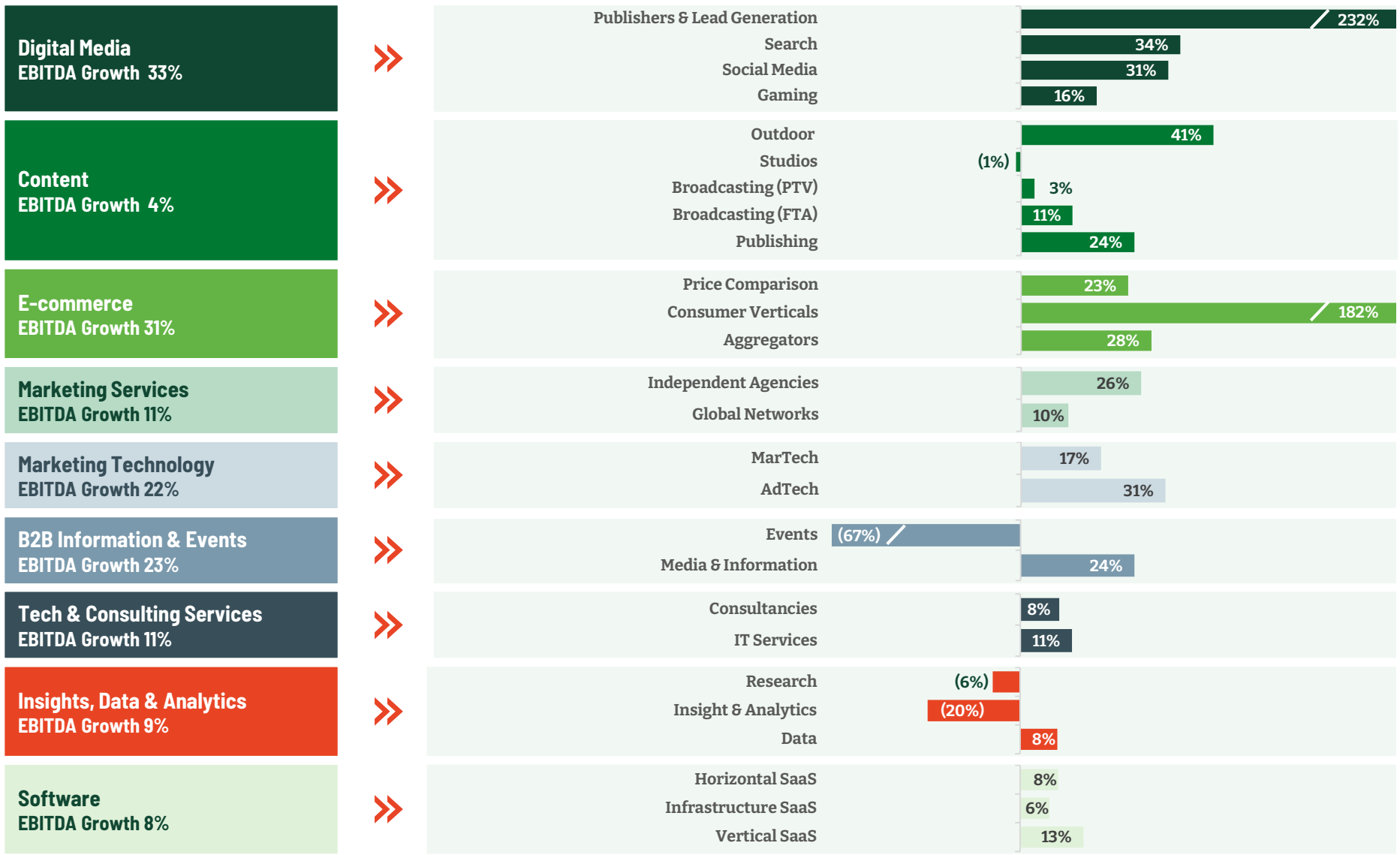
eCommerce is expected to have the strongest revenue growth, increasing by 28% to \$997B, showing a limited correlation with the change in TMV. The sector growth is underpinned by underlying growth of 28% at Marketplaces & Aggregators (including Amazon and Shopify). Many vertically focused eCommerce providers have directly benefited from sector specific rebound in consumer spending in certain verticals.

With Publishers & Lead Generation being the key sub-sector of growth and benefitting from demand from the eCommerce vertical, the Digital Media sector is forecast as a high performer with growth of 28%.

Events are also projected to have an increase in revenue as restrictions are being lifted and an increasing number of people are getting vaccinated.

Shows forecasted revenue growth FY20-FY21  
 Source: Capital IQ (as of 07/23/2021)  
 Note: Data and Analytics segment significantly impacted by Nielsen's divestiture of Nielsen IQ division

# »...driving double-digit EBITDA growth for 2021



Shows forecasted EBITDA growth FY20-FY21  
 Source: Capital IQ (as of 07/23/2021)  
 Note: Data and Analytics segment significantly impacted by Nielsen's divestiture of Nielsen IQ division

# » Summary valuation multiples

		EV/ REVENUE FY21	EV/ EBITDA FY21
Digital Media	Gaming	4.2x	13.3x
	Social Media	9.5x	18.7x
	Search	3.1x	13.3x
	Publishers & Lead Generation	3.4x	18.8x
Content	Outdoor	3.8x	19.6x
	Studios	1.9x	11.5x
	Broadcasting (PTV)	2.9x	9.3x
	Broadcasting (FTA)	1.7x	7.7x
	Publishing	1.6x	9.1x
E-commerce	Price Comparison	1.9x	12.8x
	Consumer Verticals	3.8x	20.2x
	Aggregators	3.7x	16.7x
Marketing Services	Independent Agencies	1.1x	10.4x
	Global Networks	1.5x	8.6x
Marketing Technology	MarTech	5.4x	14.4x
	AdTech	2.6x	12.2x
B2B Information & Events	Events		0.0x
	Media & Information	4.2x	17.9x
Tech & Consulting Services	Consultancies	1.5x	13.1x
	IT Services	2.0x	12.1x
Insights, Data & Analytics	Research	4.3x	19.2x
	Insight & Analytics	6.5x	10.3x
	Data	8.1x	21.7x
Software	Horizontal SaaS	11.6x	17.0x
	Infrastructure SaaS	5.6x	15.6x
	Vertical SaaS	7.9x	19.3x



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Marketing Consulting

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Digital Transformation

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Content Delivery Platform

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B2B Content Syndication

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B2B Media

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Content Production

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