

How much are companies worth in the Technology, Media and Telecoms sector?

3 key factors can give private company owners an indication of their valuation:

1 The Enterprise Value to EBITDA* multiples on which comparable listed companies are trading

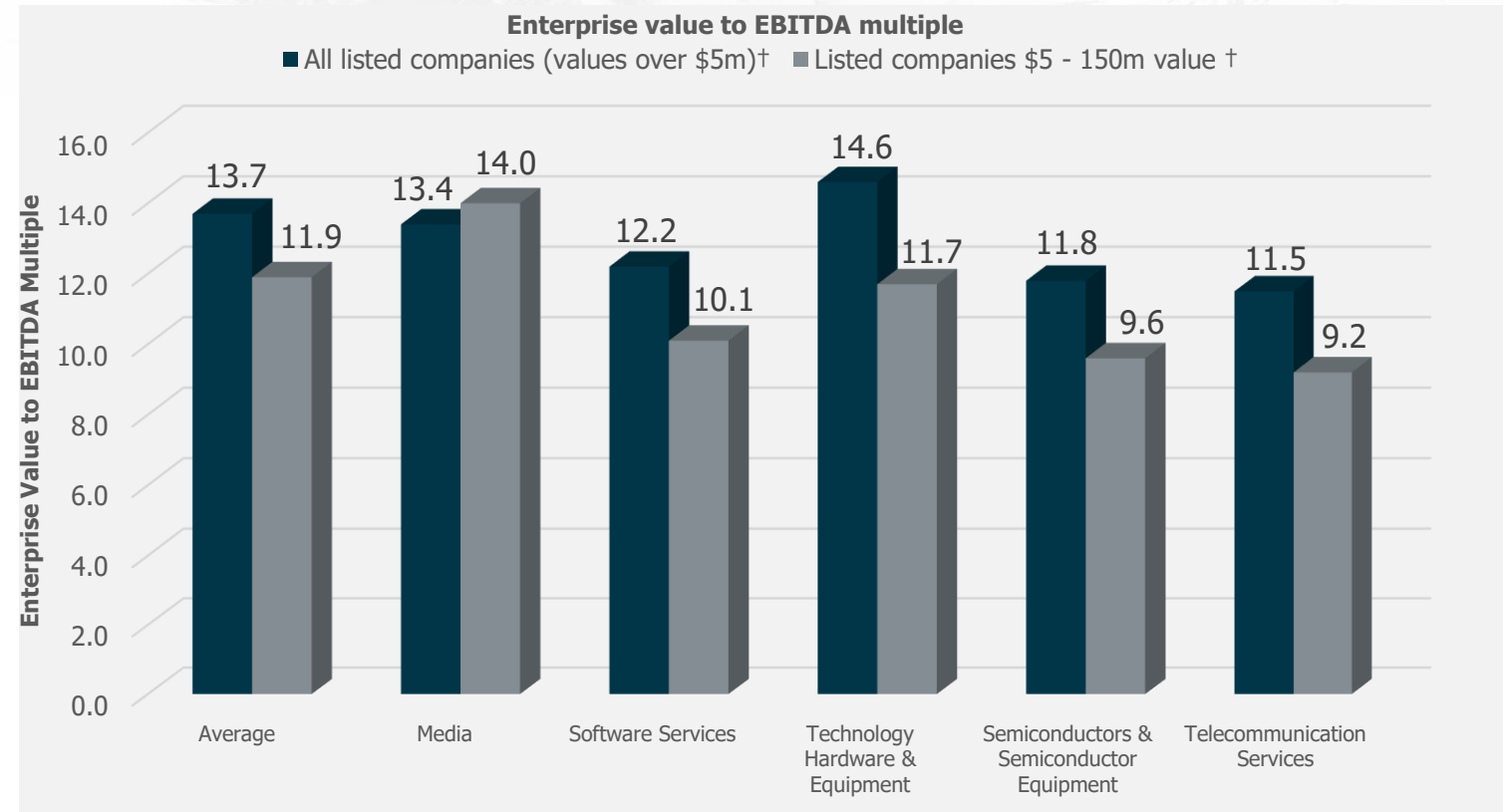
2 The multiple of EBITDA paid by acquirers of comparable companies

3 The volume of completed mergers and acquisitions transactions

1

At the end of H2 2023, the global, all market average Enterprise Value to EBITDA multiple for listed Technology, Media and Telecoms (TMT) companies was **13.7x**.†

Within the TMT sector, average trading multiples varied for all listed companies between **11.5x** and **14.6x** across the range of sub-sectors. On average, sub \$150m companies traded at a discount to all listed companies.



* EBITDA is Earnings Before Interest, Tax, Depreciation and Amortisation as derived from latest published accounts.

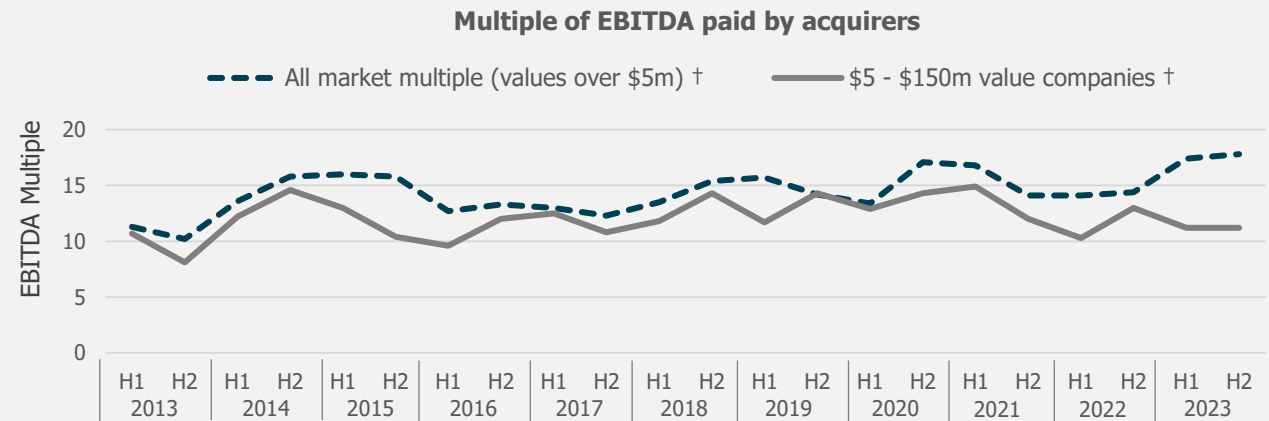
† Note, the Enterprise Value to EBITDA multiples above are for listed companies. By comparison, **privately owned companies are generally valued at a discount.**

Listed company data for the period was accurate at 31/12/2023.

2

The average multiple† of EBITDA* paid globally in TMT transactions to acquire control of companies has increased slightly over the past six months. It currently stands at **17.8x**.

When reviewing these multiples, we break out companies in the range \$5-150m, as they tend to have unique attributes which affect their valuation. The multiple for these lower mid-market transactions has remained the same over the past six months at **11.2x**.



* EBITDA is Earnings Before Interest, Tax, Depreciation and Amortisation as derived from latest accounts prior to the transaction.
 † Note, the transaction multiples above are calculated from raw historic data. This typically understates profits and therefore **valuations achieved are generally at lower multiples of "normalised" profits.**

3

In H2 2023, there were 3,638 transactions globally in the TMT sector. This was a decrease on the preceding six months, when there were 4,112 transactions.



Corbett Keeling's Global TMT Specialists:



Francois Barou



Curt Hopkins



Mark Miller



Sat Sanghera



Lee Shorten



John Toppin

Contact **Jim Keeling**
020 7626 6266
Jim.Keeling@corbettkeeling.com