



Datasite Forecaster

Five forces that will shape 2024

Trends based on Datasite's proprietary, aggregated, and anonymized transaction data.



The Datasite view: Data and definitions

We have developed the following definitions to provide clarity on how we are filtering and categorizing our data, which is all aggregated and anonymized.

- **Buy-side deal.** Datasite projects categorized as an asset purchase.
- **Buy-side deal kickoff.** The day a new buy-side data room is created in Datasite Diligence or Acquire.
- **Led.** The organization type that initiated the creation of a new data room in Datasite.

Deal velocity
Deal outcomes
Deal depth

M&A market activity

What the public sees

Publicly announced deals

What we see

Undisclosed deals

Active, unannounced deals

Deals put on hold

Abandoned deals

Five M&A trends to watch in the coming year

A sharp 14% spike in 4Q 2023 sell-side deal kickoffs compared to the same time as last year points to an extra busy start to 2024 for dealmakers globally. As these deals move through the M&A pipeline, here are five trends to track:

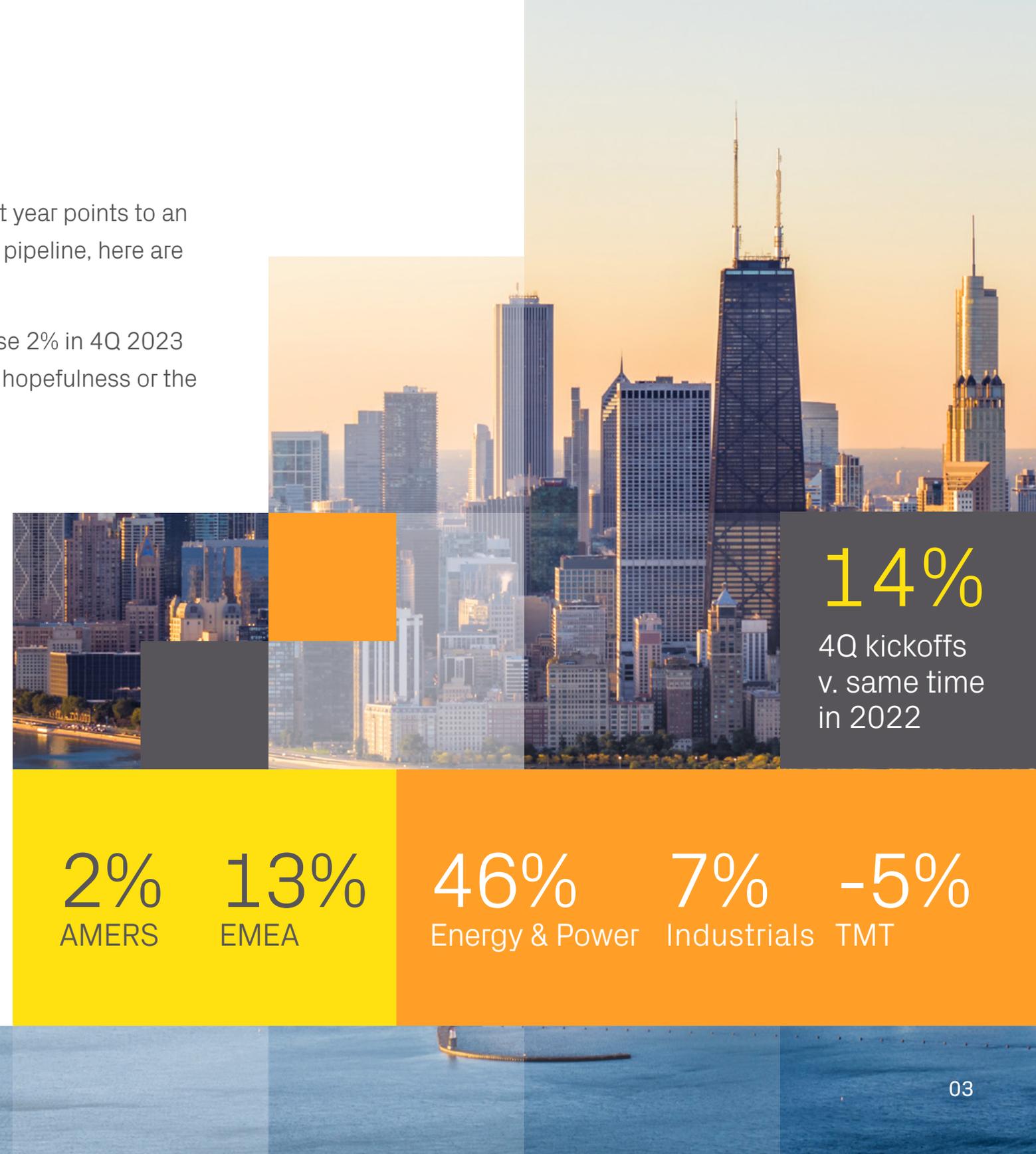
Americas' green shoots After limping through most of 2023, Americas deal kickoffs rose 2% in 4Q 2023 compared to 4Q 2022, lifted by a spike in Energy activity. Are these signs of life holiday hopefulness or the start of a larger comeback?

EMEA roars forward EMEA deal kickoffs jumped 13% in 4Q 2023 compared to the same time in 2022, driven by an end of year boost from the Industrials and Consumer sectors. Will the resurgence of these two sectors continue into 2024?

Energy blasts up Energy, the surprise growth story of 2023 M&A, topped its year-long run with a 46% spike in 4Q deal kickoffs compared to 4Q 2022. As this mass of deal kickoffs moves through the M&A pipeline, will the glut cause a cool down?

Industrials revival Industrials M&A, which deflated this year after a blockbuster post-Covid run, bumped up a healthy 7% in 4Q deal kickoffs compared to the same time in 2022. Could the late-year turnaround signal a larger global revival?

TMT tails off Deal kickoffs in the Technology, Media, and Telecom (TMT) dipped 5% in 4Q 2023 compared to the same time in 2022. When will the TMT doldrums end?



Positive 2H momentum lifts 1H 2024 outlook

Dealmakers bounced back from a weak 1H, kicking off 8% more sell-side processes in 2H compared to 2H 2022. Look for these deals to close between February and May.

- More kickoffs does not mean more public deal announcements in six months' time. Completion rates continue to sink from their 2021 high, with only 46 out of 100 kickoffs closing in 2H 2023.
- At a median of 169 days, due diligence took nine more days in 2H 2023 than it did in 2H 2022.

A note on our data:

Historical kickoff data may increase slightly as unknown deals get reclassified. We adjust our numbers accordingly.

Global sell-side deal kickoffs Jan.- Dec 2023 v 2022

■ 2023 ■ 2022 ■ Monthly kickoffs YoY

-15% -3% -2% -20% -9% 0% 7% -7% 4% 12% 11% 17%



Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

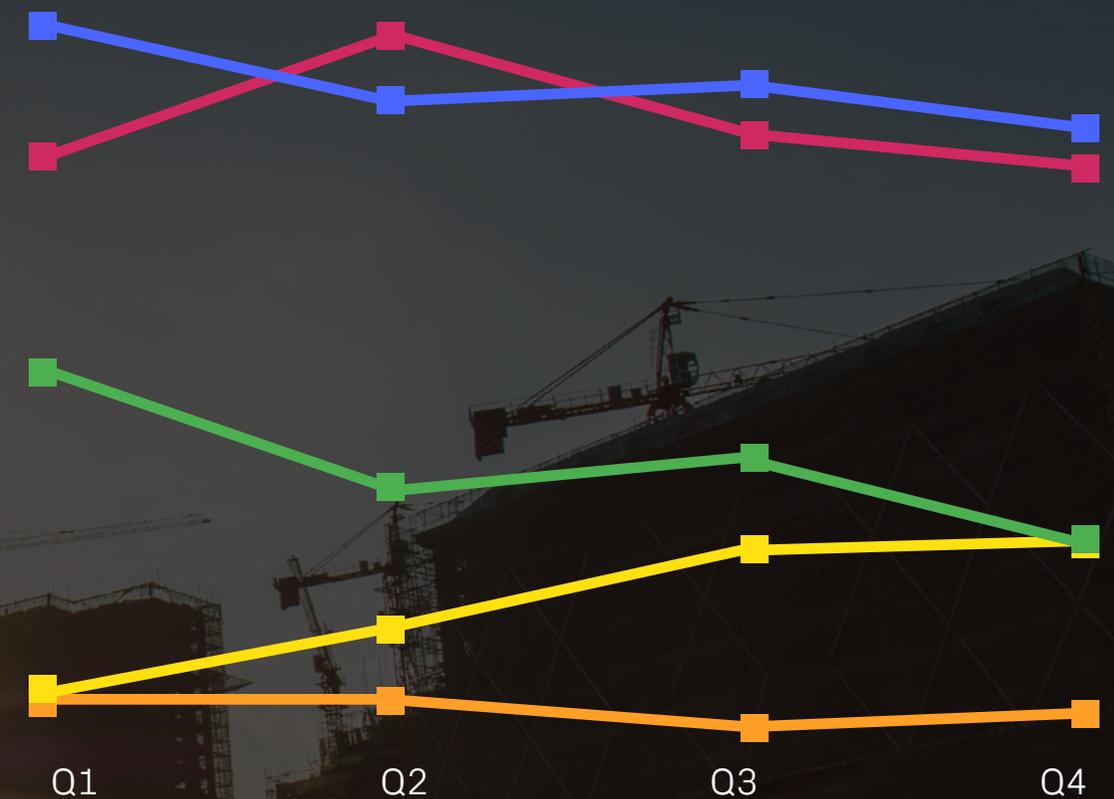
Industrials outlook bumps up in 2024

Energy zooms into the spotlight

- Industrials' deal kickoffs jumped 7% in 4Q compared to the same period last year. After a dismal year, the jump could signal a resurgence in the second biggest M&A sector.
- Energy topped off a banner year with a 46% boom in deal kickoffs in 4Q 2023 compared to the same time last year. Look for a busy 1H as energy dealmakers seize their moment.
- Healthcare deal kickoffs stayed a steady 2-3% over 2022 numbers, bolstering the stealth comeback story of the year.

2023 sell-side deal kickoffs by top five sectors

■ Energy ■ Consumer ■ Healthcare ■ Industrials ■ TMT



Datasite is where deals are made

 14,000 deals annually

 2 million users (4 years)

 Track deals at inception vs. announcement

Datasite is where deals are made. We provide a complete M&A platform, driving transactions in 180 countries for investment banks, corporates, private equity, and law firms. Projects become seamless through our unique combination of technology and always-on assistance, built around the world's most trusted data room. Learn more at [Datasite.com](https://www.datasite.com).

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