

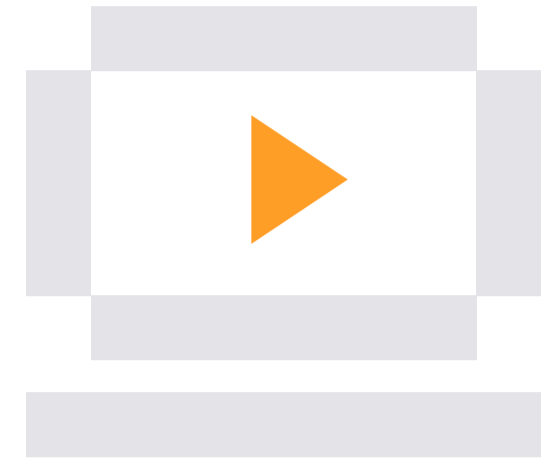
2022 UK TMT M&A outlook: Hotspots and challenges

Technology, media and telecommunications (TMT) was one of the strongest sectors for mergers and acquisitions in 2021, but what's on tap for 2022? Will the surge continue and which subsectors are expected to drive the most activity? Datasite surveyed 200 senior UK M&A professionals, including some CEOs, to find out where the best investment opportunities and challenges lie. From cybersecurity investments to a changing regulatory environment, M&A professionals are preparing for a busy year.

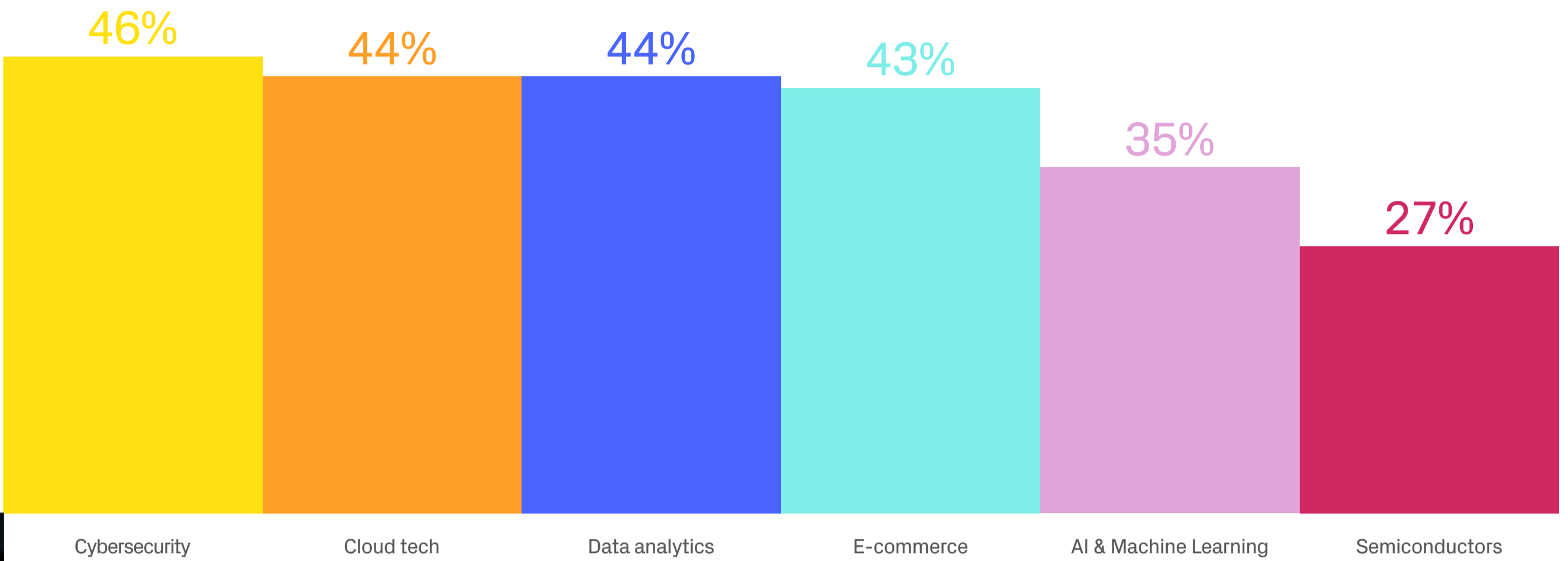


Investing in protection

M&A professionals will continue to focus on completing transformational deals in 2022, but shifting security expectations brought on by the pandemic are increasing interest in cyber protection investments.



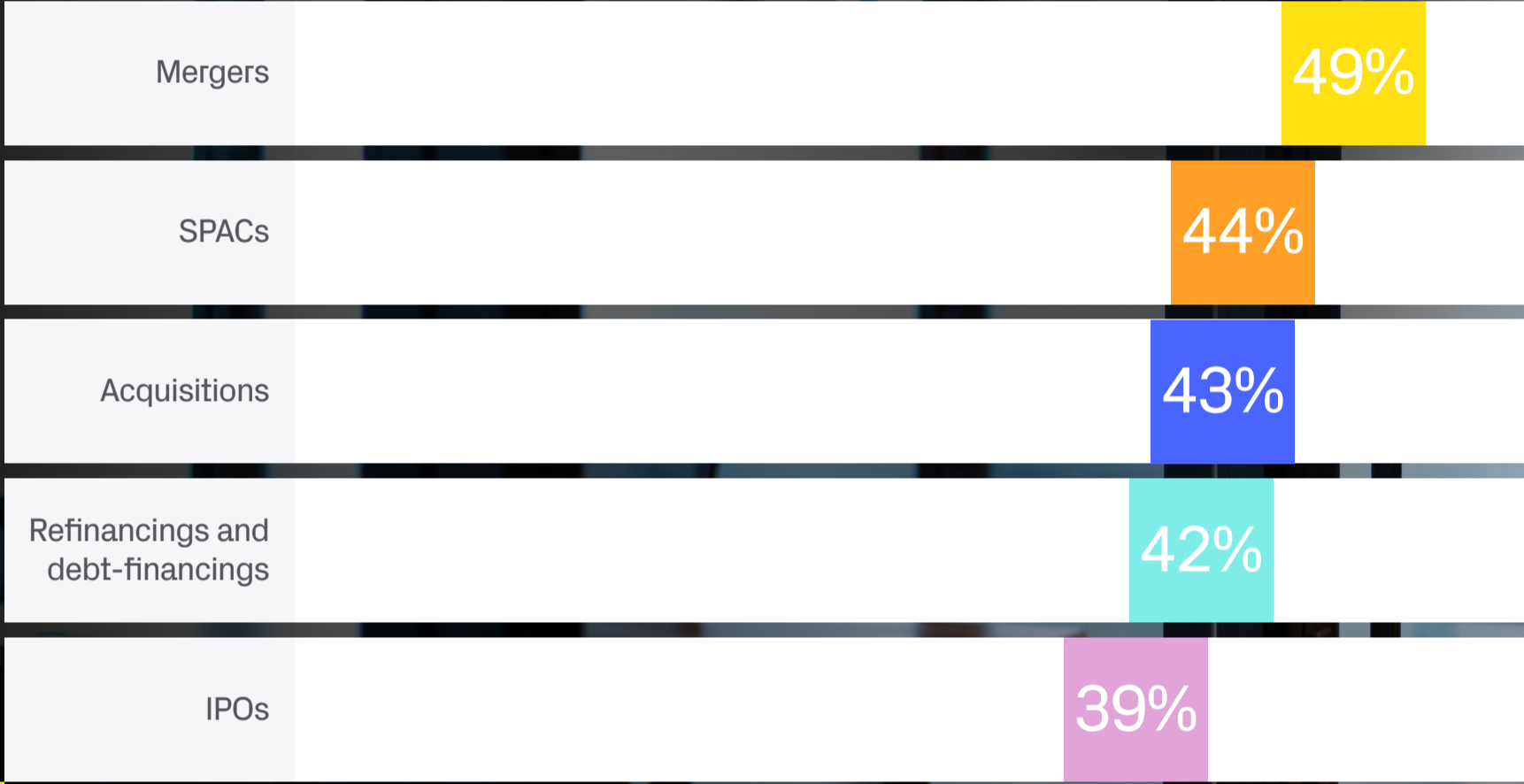
What tech subsectors do you expect to present the best opportunities for dealmaking over the next 12 months, if any?



SPACs to outpace IPOs

TMT deals will reflect a variety of types in 2022, but special purpose acquisition companies (SPACs), approved for use in the UK in Fall 2021, are expected to be more popular than initial public offerings (IPOs), the more traditional way for companies to go public.

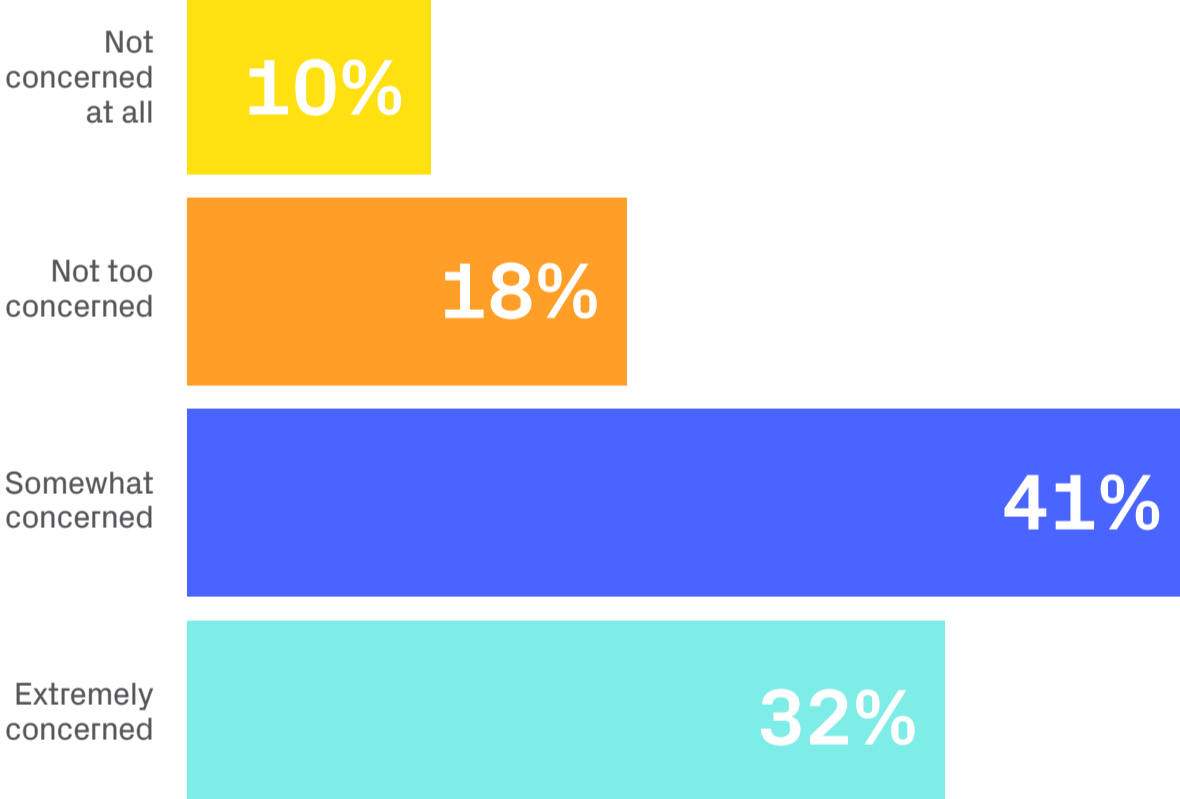
What will drive the most activity in the TMT sector in the next 12 months?



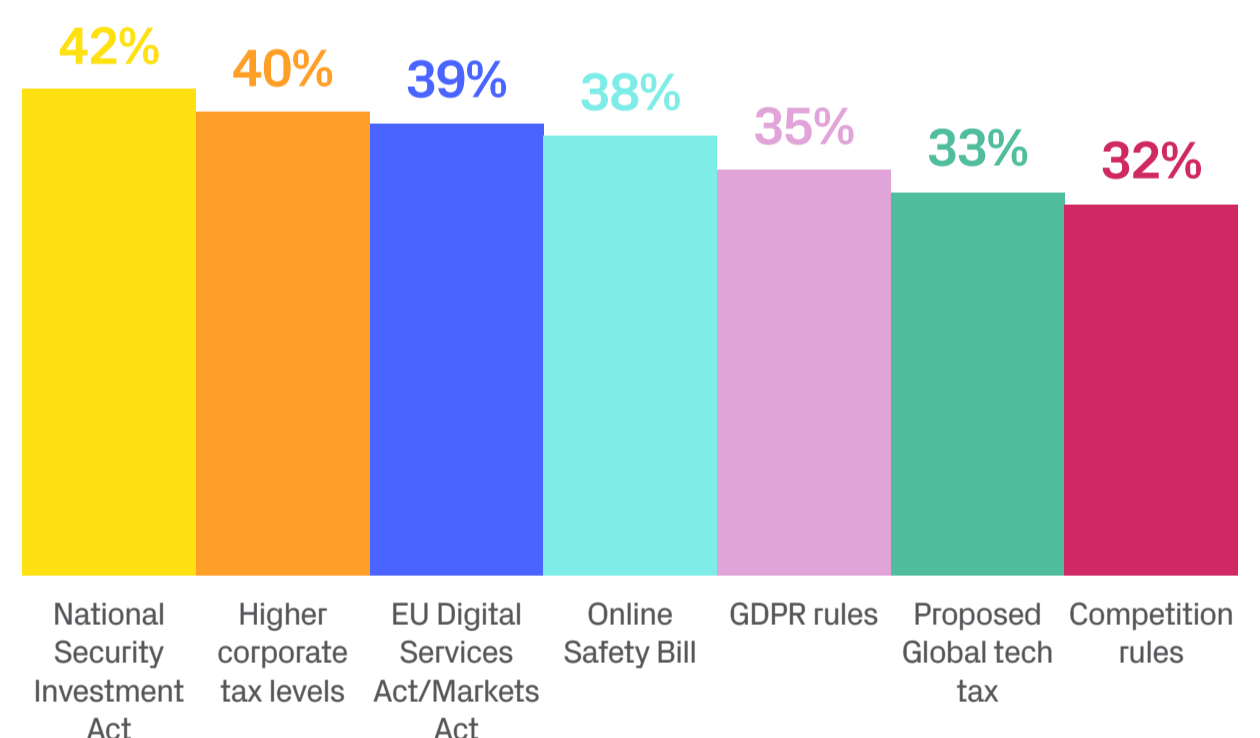
Changing regulatory landscape is a big concern for dealmaking

More than 70% of UK M&A professionals are concerned that increased scrutiny around national security issues and changing tax and privacy regulations will prevent some deals from happening this year.

How concerned, if at all, has increased regulatory activity made you about your company's ability to do deals in 2022?



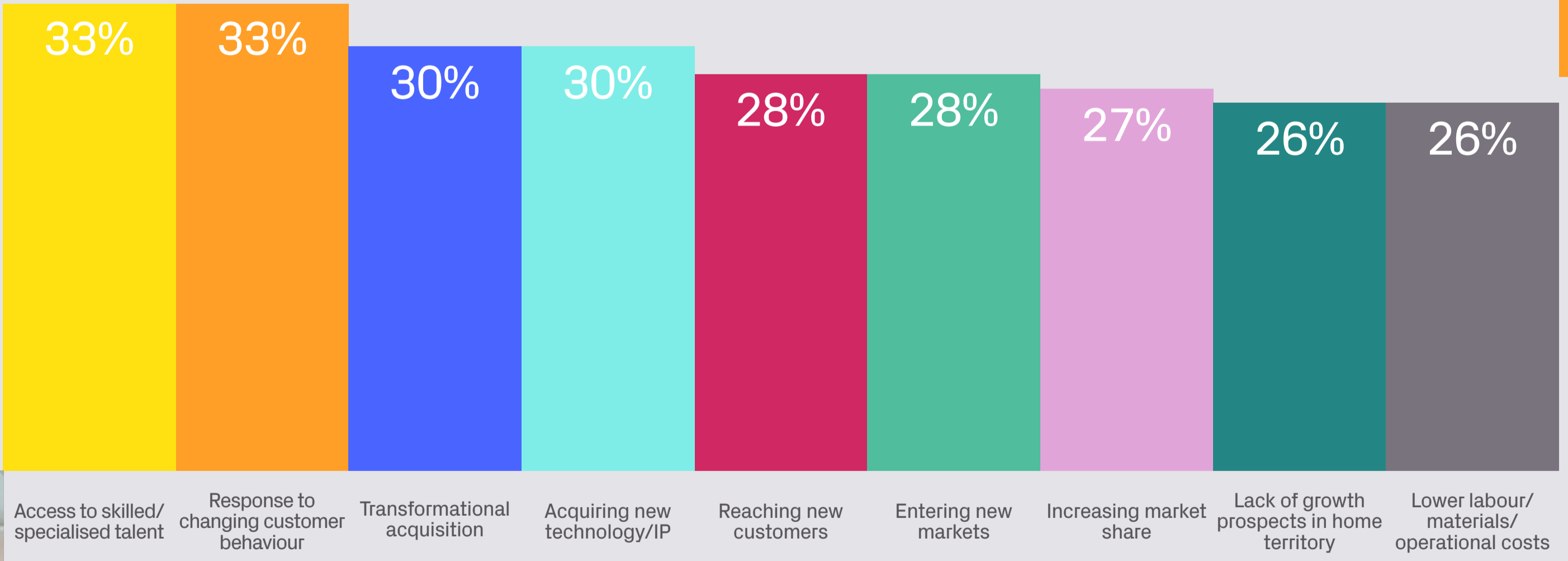
Which of the following regulations will affect tech M&A dealmaking the most in the next 12 months, if any?



Search for talent, changing customer behavior driving cross border deals

A shortage of information-technology talent and evolving customer preferences are prompting UK M&A professionals to make and seek acquisitions abroad.

What are the main strategic drivers of recent and future cross-border technology acquisitions?



Tech companies with metaverse capabilities will boom in 2022

M&A professionals believe that there will be increased interest in companies with such capabilities.

