

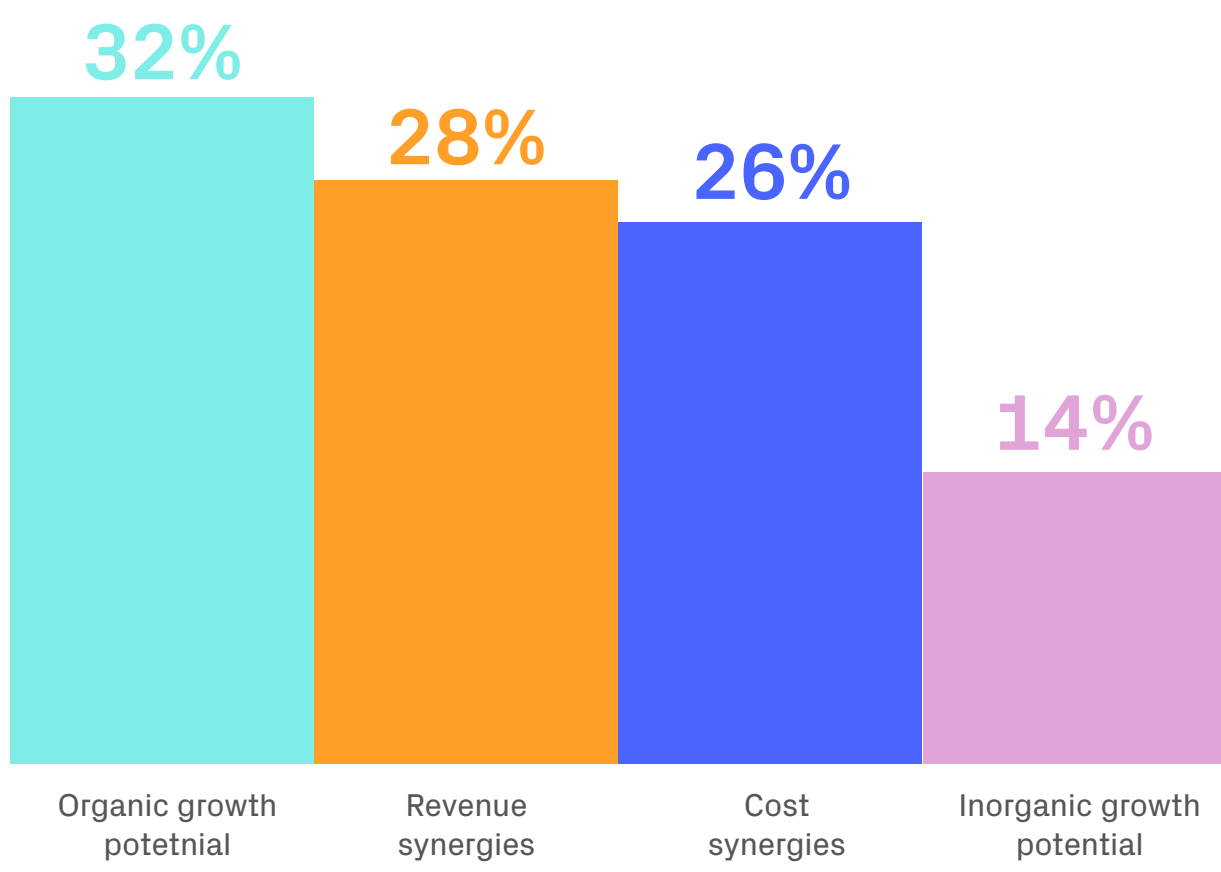
2022 M&A outlook and 2021 year in review

For many, 2020 lasted a lifetime, and 2021 flew by at record pace. With 2021 global transaction values and volumes at record levels, dealmakers have had an incredibly busy year. Can this pace continue? To understand just what kind of opportunities and challenges are ahead for global M&A, Datasite surveyed 600 dealmakers in the US, UK and EU to find out. Following are key takeaways on what's top of mind for dealmakers, including the good, the bad, and the ugly.

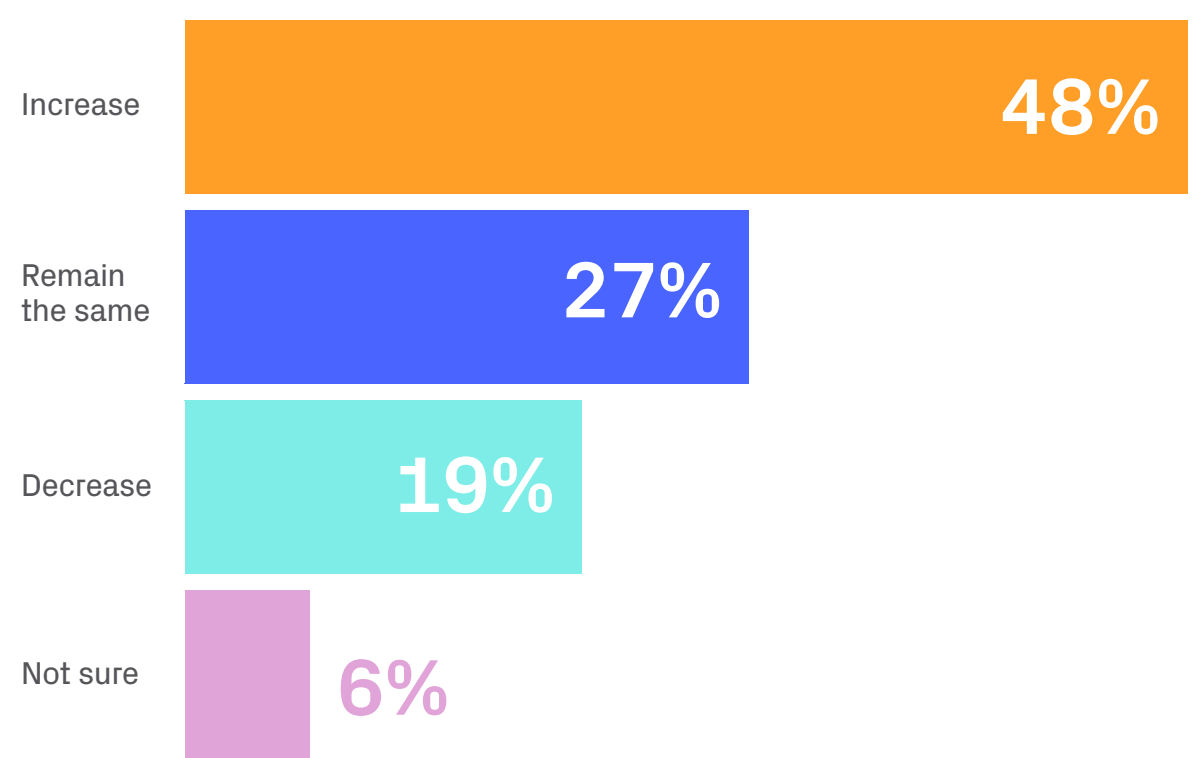
Global dealmakers are on the hunt for growth in 2022.

If 2021 was all about transformational deals fueled by organizations turning to technology and combining with other companies to ensure their competitiveness, dealmakers in 2022 are focused on organic growth potential and most expect deal activity to increase over the next 12 months.

What will be the most important consideration for 2022 M&A target evaluations?



Which direction is global deal volume headed in the next 12 months?



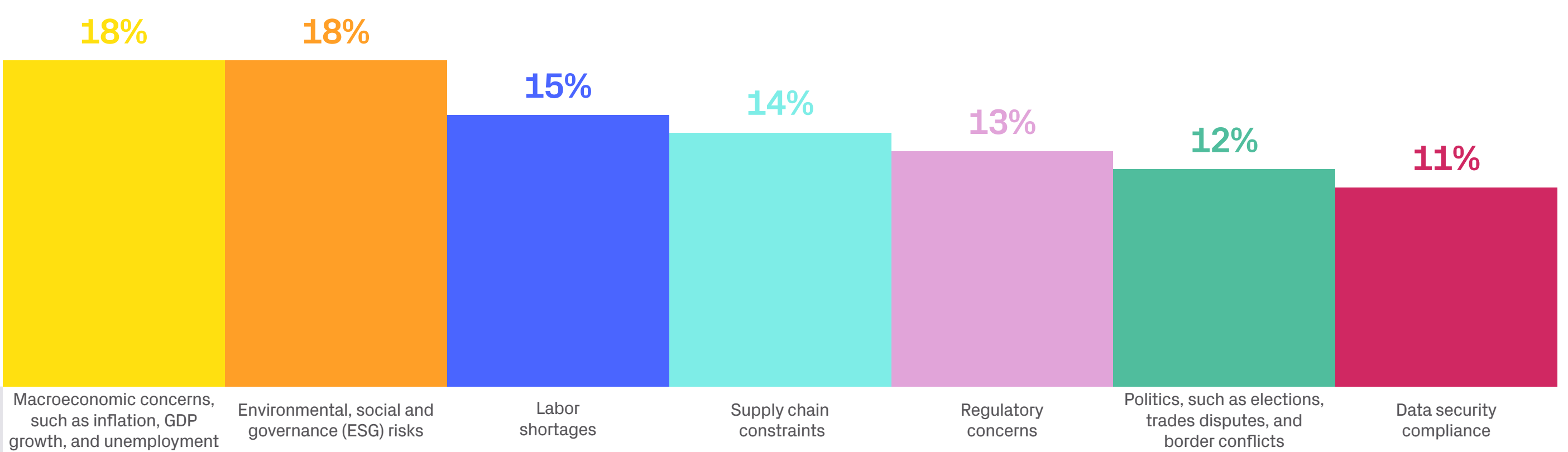
Inflation, supply chain, labor shortages and ESG are expected to be the biggest deal blockers in 2022.

Inflation impacted deals in 2021 and is expected to again be one of the biggest deal breakers in 2022. In addition to inflation, global dealmakers will be focused on ESG risks, supply chain challenges and labor shortages as potential deal breakers.

71%

say inflation impacted an M&A deal on which they worked in 2021.

What do you expect to sink the most deals in 2022?



Spurred by high valuations, dealmakers in 2021 became more selective.

Across the world, dealmakers were more selective in the deals they chose to move forward with in 2021, mostly spurred by higher valuations, which caused many to change their strategies.

89%

were more selective in choosing deals to move forward with in 2021 due to bandwidth constraints, high valuations and macroeconomic concerns.



Technology is central to dealmaking and more family time in 2022.

Dealmakers used technology to help manage the high volume of transactions in 2021 and most expect to use it even more in 2022 to manage M&A processes and bandwidth constraints. This could be good news, as many want to spend more time with family next year.

How did you respond to bandwidth constraints in 2021?

