

A Data-Driven Analysis of the Media & Entertainment Industry (2025 Report)



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Introduction

Alignment Growth and Crunchbase are pleased to present our 2025 annual report on the \$3 trillion global Media & Entertainment (“M&E”) industry.

The developments of 2025 reinforce several common themes across the diverse segments of M&E: ownership of proven IP, scale, data, and direct audience relationships have become the defining sources of durable competitive advantage. Whether through accelerated consolidation among legacy operators, the rapid operationalization of AI, or the concentration of capital flows into fewer, scaled platforms, the industry is reorganizing around a select cohort of businesses capable of capturing and monetizing consumer attention on a global scale.

Leveraging Crunchbase data alongside Alignment Growth’s proprietary insights, we examine how these forces have manifested across private, public, and M&A markets in 2025 and assess how our prior expectations have evolved.

Whether you are an industry executive, creator, investor, or consumer, we hope this report provides helpful perspectives on the state of the M&E industry today and the forces shaping its future. We welcome your comments and feedback at info@alignmentgrowth.com.

About Crunchbase

Crunchbase is a predictive intelligence solution that forecasts private market movements using the unique combination of live private company data, AI, and market activity data from 80M+ users. It helps people operating in the private market — such as go-to-market (GTM) teams, investors, and wealth managers — move first and make more confident decisions. To learn more, visit crunchbase.com and follow Crunchbase on [LinkedIn](#) and [X](#).



About Alignment Growth

Alignment Growth is a private markets specialist investor in the global Media & Entertainment industry, investing behind high-conviction themes and partnering with category-leading companies and entrepreneurs. Our team’s deep industry expertise, operator experience, and direct access to global media, entertainment, tech, and capital markets leaders enable us to identify, access, and unlock differentiated value alongside our partners. For more information, visit alignmentgrowth.com.



M&E outlook

Scale redefined: M&A super-cycle in full gear

Our [2023 report](#) put forth a hypothesis that ‘media conglomerates will be compelled to pursue structural separations of Good Bank segments of businesses from those with Bad Bank characteristics’ with subsequent consolidation of separated businesses likely to follow.

In 2025, this thesis shifted decisively toward execution. An ongoing bidding war between [Netflix](#) and [Paramount Skydance](#) for [Warner Bros. Discovery](#), a \$34.5 billion acquisition of [Cox](#) by [Charter](#)¹, and the \$10 billion spin-off of [Versant](#) from [Comcast/NBCU](#)², among other mega-deals, underscore the magnitude of strategic repositioning currently underway.

We view the continued consolidation wave as a structural inevitability, driven by a **fundamental and permanent shift in the industry’s definition of scale.**

Not long ago, scale and negotiating leverage were defined by distribution ‘gatekeepers’ like [Comcast](#), which at its peak in the late 2000s commanded access to over 20 million video customers in the U.S.³. Reach was regional, fragmented, and supportive of a complex ecosystem of TV networks, content creators, and distributors.

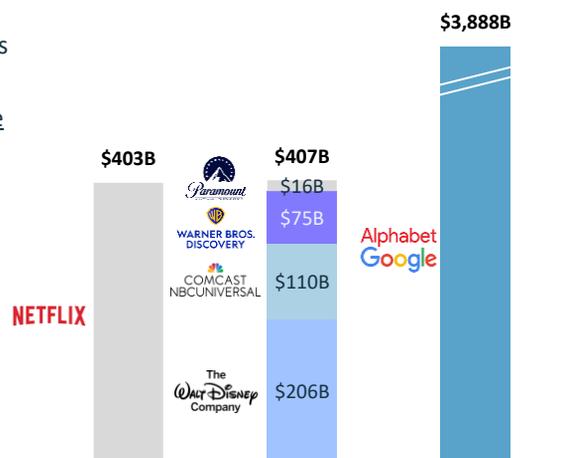
Today, global digital direct-to-consumer platforms operate at a scale orders of magnitude greater than traditional models. As of early 2026, [Netflix](#) is ‘serving an audience approaching 1 billion globally’⁴, while [YouTube](#) has reached nearly 3 billion monthly unique viewers⁵. Scale is no longer regional – it is global and driven by data and algorithms.

This shift is reflected in relative market caps: as of year-end 2025, [Netflix](#)’s market cap nearly matched the combined capitalization of [Disney](#), [Warner Bros. Discovery](#), [Comcast/NBCU](#), and [Paramount Skydance](#), yet is still dwarfed by [Alphabet](#), [YouTube](#)’s parent.

In this environment, subscale streamers may find it increasingly difficult to compete for premium content while fighting subscriber churn; smaller content producers may find it more challenging to negotiate with mega-counterparties; and AI advancements in content creation, distribution, and monetization will continue to amplify the scale and capabilities of global tech-enabled players with direct consumer relationships and large proprietary datasets.

The ecosystem simply may no longer sustainably support the same number of standalone operators that existed in the linear era. In our opinion, consolidation is no longer optional – the economics demand it.

Market capitalization as of Dec. 31, 2025



AI goes ‘vertical’: structural tailwinds for M&E

Our [2023 report](#) asserted our view that AI can provide powerful structural tailwinds for the M&E industry, both as an internal driver of operating leverage and an external catalyst enabling consumers to spend more time on entertainment as AI-powered productivity gains begin to reshape how our time is allocated. As we look toward 2026, this thesis is shifting from theoretical to operational.

As the AI product development cycle is rapidly moving beyond general-purpose ‘infrastructure’ LLMs toward industry-specific ‘vertical’ applications, AI is becoming increasingly embedded across the entire M&E value chain: early experiments are quickly maturing into a defining shift in how media is created, distributed, and monetized. From streamlining production workflows for games and video content to pioneering new media formats (have any AI microdramas popped up on your social feed?), delivering ads and content recommendations with precision targeting, and improving the yield of live events through dynamic pricing and personalized on-location offerings, AI is driving significant leverage in many specific high-stakes operating environments today.

As ‘vertical’ AI applications become the de facto operating system for modern content and distribution and platforms, we expect the resulting efficiency gains to drive a **permanent re-rating of operating leverage that has been historically elusive in a content-centric industry like M&E.**

Capital flows have rapidly followed the technology evolution: AI-related venture and growth funding in M&E reached \$5.0 billion in 2025, marking a sharp increase from the \$1.7 billion raised in 2024. Notably, over 60% of that funding (\$3.1 billion) was directed towards growth-stage companies – a stark contrast to a mere \$0.4 billion of AI-related growth-stage funding in 2024, signaling the rapid pace of AI maturation for M&E use cases. Recent marquee growth-stage financings in 2025 included a \$900 million Series C for [Luma AI](#), a startup focused on AI-generated video and imagery reportedly valued at over \$4.0 billion⁶, a \$308 million Series D financing for [Runway](#), a video generation model developer, at a \$3.0 billion valuation⁷, and a \$300 million Series B round for [Black Forest Labs](#), valuing the AI image-generating platform at \$3.3 billion⁸.

AI-related funding dollar volume in M&E



Rewriting the playbook: digitally-native sports leagues

In May 2025, streaming reached a historical milestone, surpassing the combined broadcast and cable TV viewing share in the U.S. for the first time, with [YouTube](#) in a commanding lead over other platforms⁹. As TV audiences age and viewership on traditional video distribution platforms continues to erode, screen time on social media has steadily climbed to a global average of 2 hours and 41 minutes per day in 2025, with U.S. teens averaging nearly 5 hours daily¹⁰. The dollars have followed: by 2027, U.S. advertising on social media is expected to exceed the combined ad spending across TV and streaming services¹¹.

Not surprisingly, younger fans are consuming media, including sports, differently. Fans aged 18-29 spend just 25% of their sports viewing time watching live sports compared to 60% for fans over 60¹². Instead, they spend significantly more time engaging with player content on social media and watching highlights, as 'always-on,' personality-driven content has become the preferred format for many younger audiences¹³.

A generational, structural shift in social-first media consumption and fan behavior is giving rise to a new class of digitally-native sports formats designed for attention efficiency, gamification, and personality-driven storytelling.

Unlike traditional sports properties that rely primarily on legacy TV distribution, emerging leagues often feature embedded creator ecosystems with large, global social audiences. As a result, leading digitally native sports organizations are capable of attracting scaled audiences of otherwise hard-to-reach younger fans, in some cases with 80% or more of followers under age 34¹⁴, compared to only 17% of U.S. [NFL](#) viewers in that demographic¹⁵. Innovation around monetization and sponsor engagement tailored to social platforms is also evident, with brand partnerships often embedded within the product experience rather than confined to passive signage or traditional commercial breaks.

Investors are beginning to take notice: recent capital raises for emerging sports organizations across a wide digital native spectrum include a \$63 million financing for [Kings League](#)^{*}, a global seven-a-side soccer competition with gamified rules; a Series B round for [Unrivaled](#), a women's three-on-three basketball league; and a Series A round for [TMRW Sports](#), parent of [TGL](#), a golf league that fuses advanced tech with live action, founded by Tiger Woods, Rory McIlroy, and Mike McCarley¹⁶.

As consumer attention continues to fragment and advertising dollars follow audiences toward digital platforms, we believe that sports properties architected for social, streaming, and community-led engagement are positioned to capture disproportionate growth within the evolving sports landscape.

*An Alignment Growth managed fund is an investor in Kings League.

Best of M&E 2025

2025 worldwide box office

| Title | Studio | Worldwide box office |
|----------------------|-------------------------------------|----------------------|
| Ne Zha 2 | Enlight | \$2,260M |
| Zootopia 2 | Disney | \$1,746M |
| Avatar: Fire and Ash | Disney | \$1,380M |
| Lilo & Stitch | Disney | \$1,038M |
| A Minecraft Movie | WBD & Legendary | \$958M |

Source: BoxOfficeMojo.com as of Jan 31, 2026

2025 worldwide top music tours

| Artist (Title) | Worldwide box office |
|---------------------------------------|----------------------|
| Coldplay (Music of the Spheres) | \$465M |
| Beyoncé (Cowboy Carter) | \$408M |
| Kendrick Lamar & SZA (Grand National) | \$359M |
| The Weeknd (After Hours til Dawn) | \$337M |
| Shakira (Las Mujeres Ya No Lloran) | \$327M |

Source: Billboard

2025 U.S. most-watched non-sports telecasts

| Title | Network | Viewers |
|--|---------------------|---------|
| The Oscars | ABC | 20.3M |
| SNL 50 th Anniversary Special | NBC | 16.5M |
| Grammy Awards | CBS | 16.2M |
| 60 Minutes: S58/E6 (President Trump; Guinness World Records) | CBS | 15.0M |
| The Floor | Fox | 14.8M |

Source: "The 100 Most-Watched Telecasts of 2025..." by Variety (December 2025)

2025 worldwide top Netflix titles

| Title | Hours viewed |
|--------------------|--------------|
| Wednesday S2 | 964M |
| Squid Games S2 | 963M |
| Squid Games S3 | 923M |
| Stranger Things S5 | 880M |
| KPop Demon Hunters | 864M |

Source: "What We Watched: A Netflix Engagement Report" by Netflix (July 2025 and January 2026)

2025 U.S. top-selling video games

| Title | Publisher |
|---------------------------|-------------------------------------|
| Battlefield 6 | Electronic Arts |
| NBA 2K26 | Take-Two |
| Borderlands 4 | Take-Two |
| Monster Hunter: Wilds | Capcom |
| Call of Duty: Black Ops 7 | Activision Blizzard |

Source: Circana

2025 top-grossing mobile games

| Title | Publisher | Unified revenue |
|-------------------|-------------------------------|-----------------|
| Honor of Kings | Tencent | \$1,680M |
| LastWar: Survival | First Fun | \$1,570M |
| Roblox | Roblox | \$1,460M |
| Whiteout Survival | Century Games | \$1,400M |
| Royal Match | Dream Games | \$1,370M |

Source: Appmagic

M&E venture & growth funding

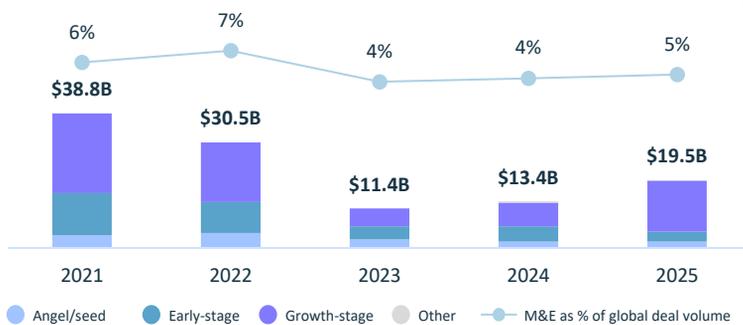
\$19.5 billion global M&E venture and growth funding in 2025, a **46% increase** from 2024

After two years of subdued activity, global M&E venture and growth funding rebounded in 2025, reaching a total deal volume of \$19.5 billion, a 46% year-over-year increase. Funding levels have now returned to those observed during the pre-‘tech bubble’ period of 2019–2020. The uptick in M&E also outpaced the broader venture and growth funding market, which grew by 30% year-over-year, according to Crunchbase data.

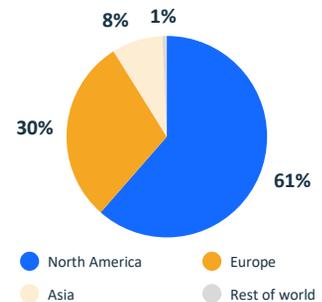
This recovery was predominantly driven by \$500+ million mega-deals. In 2025, nine such financings raised \$8.9 billion, a stark increase from only one in 2024 (Disney’s \$1.5 billion investment in Epic Games). Taken together, these large-scale raises accounted for over 100% of the year-over-year increase in M&E funding, suggesting that **capital flows to smaller-scale opportunities actually declined**. The *redefinition of scale* is therefore evident in the private markets as well, with investors directing larger checks to a smaller number of perceived winners, prioritizing scale-driven concentration over broad ecosystem expansion.

Geographic dispersion was similarly pronounced: Europe and North America led the rebound, with funding increasing 123% and 61%, respectively, while Asia and Rest of World regions declined by 42% and 75%, highlighting geopolitical headwinds and capital markets’ preference for mature, scaled ecosystems in Western markets.

Global M&E funding dollar volume



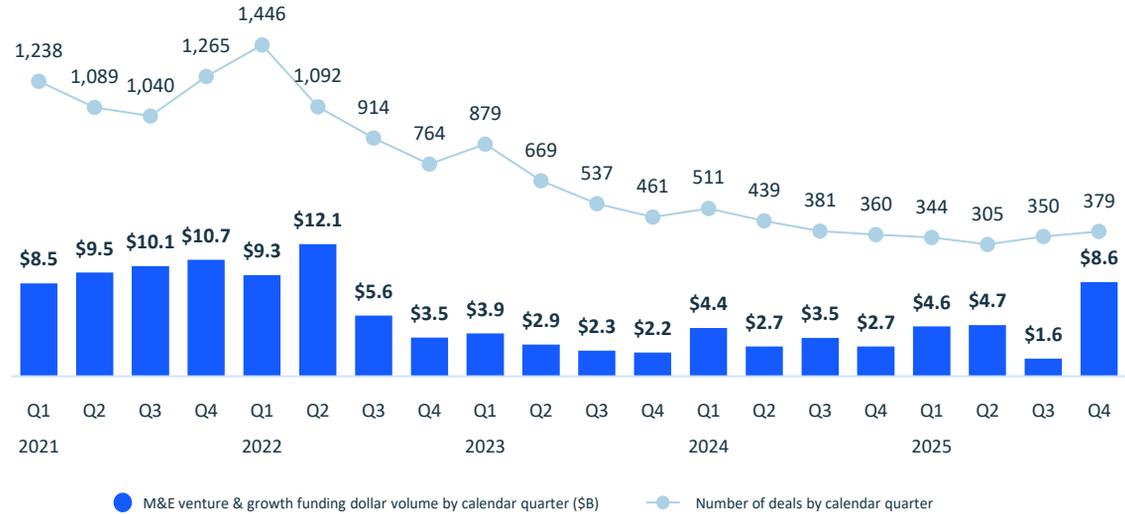
2025 M&E funding dollar volume by geographic market



As noted earlier, AI-related funding accounted for 26% of the total, or \$5.0 billion, marking a sharp increase from the \$1.7 billion raised in 2024 (13% of the total), as investor focus is increasingly shifting from general-purpose ‘infrastructure’ LLMs toward companies pursuing industry-specific ‘vertical’ applications.

M&E venture and growth announced deal counts remained muted, falling to a new low of 305 transactions in Q2 and further underscoring a more selective capital environment defined by increasing concentration in fewer, larger transactions.

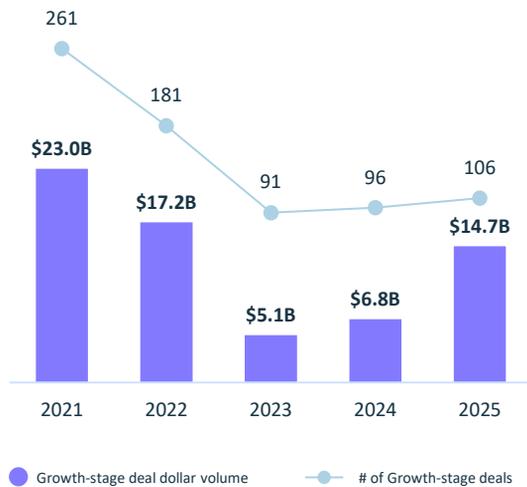
Global M&E funding volume by calendar quarter



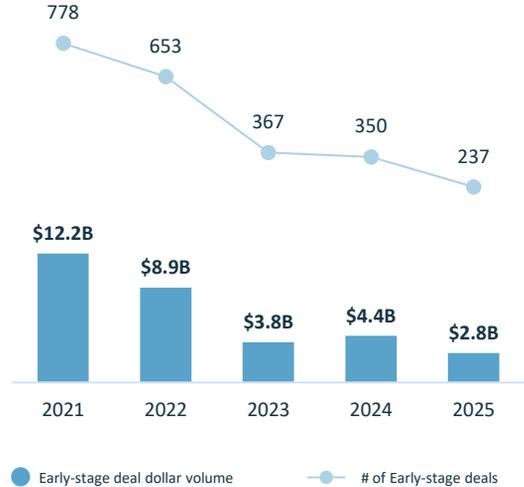
Bigger checks, fewer bets: Capital concentrates in growth-stage and mega-rounds as early-stage funding contracts

Mega-rounds propelled growth-stage M&E funding to \$14.7 billion, more than doubling year-over-year, with the average deal size increasing nearly twofold to \$139 million. In sharp contrast, early-stage funding fell 36% to \$2.8 billion in 2025, its lowest level since 2019, broadly mirroring the decline in early-stage deal count.

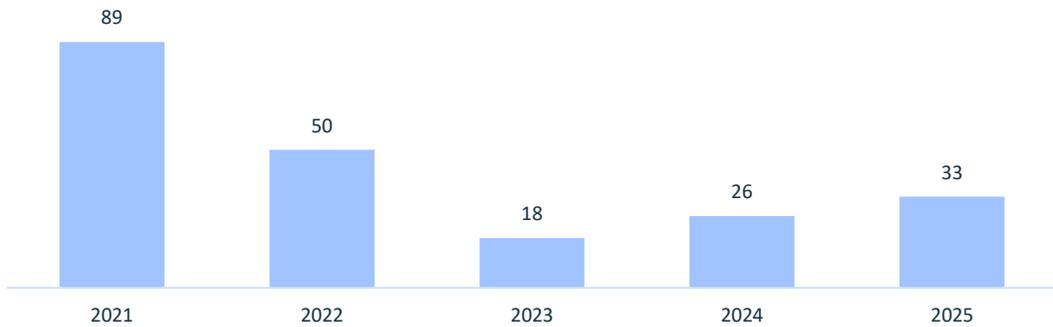
Global growth-stage M&E funding volume



Global early-stage M&E funding volume



Number of \$100M+ M&E mega-rounds



A summary of the largest growth-stage M&E deals is provided below.

2025 M&E select growth-stage mega-rounds

| Company | HQ location | M&E sector | Amount | Investor(s) |
|---|----------------|-----------------|------------|--|
| MARI | U.S. | Experiences | \$2,000 | Apollo , RedBird , Qatar Investment Authority |
| DAZN | United Kingdom | Sports | \$1,574M* | SURJ , Len Blavatnik |
| Dream Games | Turkey | Video Games | \$1,250M** | CVC |
| Boston Celtics | U.S. | Sports | \$1,000M | Aditya Mittal |
| X (formerly Twitter) | U.S. | Creator Economy | \$1,000M | Elon Musk, others |
| Luma AI | U.S. | Enablers (AI) | \$900M | HUMAIN , AMD Ventures , Andreessen Horowitz , others |
| Utah Brands & Entertainment | U.S. | Sports | \$500M | Otro Capital |
| Synesthesia | United Kingdom | Enablers (AI) | \$380M* | Google Ventures , Evantic , Hedosophia , others |
| Runway | U.S. | Enablers (AI) | \$308M | General Atlantic , NVIDIA , others |
| Bending Spoons | Italy | Enablers | \$270M | T. Rowe Price , Baillie Gifford , others |

* Cumulative; Raised over multiple rounds

** Total financing \$2.5 billion¹⁷, with an assumed 50/50 allocation between equity and debt

M&E venture & growth funding activity: Sector spotlights

3.7x+ increase in Sports funding

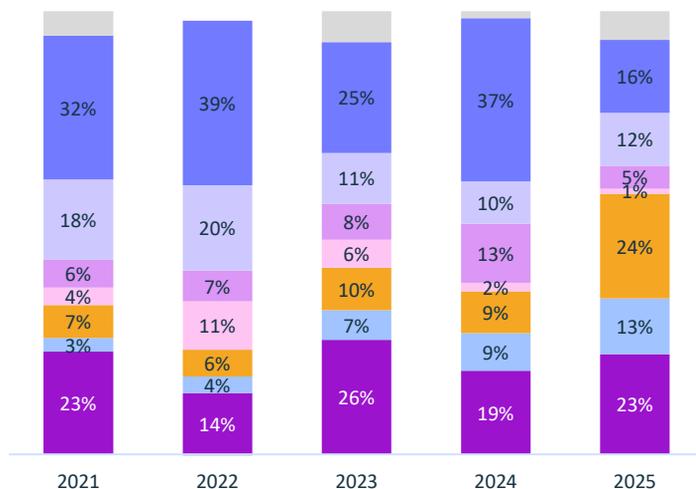
(44%) Music & Audio decline

After a banner year for global M&E funding in 2025, the gains were anything but uniform across the sectors.

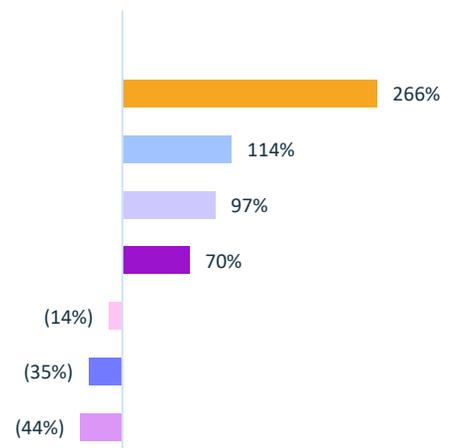
A significant inflow of private capital into the sports ecosystem, with more than \$12 billion in new sports-focused PE and VC vehicles raised or announced in 2025 alone¹⁸, contributed to a record-high level of Sports funding in our dataset at \$4.6 billion, representing a 3.7x increase from 2024. Investment in Experiences also increased meaningfully, rising 114% to \$2.4 billion; however, this growth was heavily skewed by a \$2.0 billion equity raise by MARI¹⁹, a newly launched platform led by Ari Emanuel.

Music & Audio funding declined 44% following a strong rebound in 2024. The capital raising environment for Video Game companies remained challenging, declining 43% when normalized for CVC's 2025 mega-deal with Dream Games¹⁷ and Disney's \$1.5 billion strategic investment in Epic Games in 2024²⁰.

Global M&E funding dollar volume by sector



2025 global M&E funding dollar volume change by sector



* Sectors with partial overlap²¹

Creator Economy: momentum continues

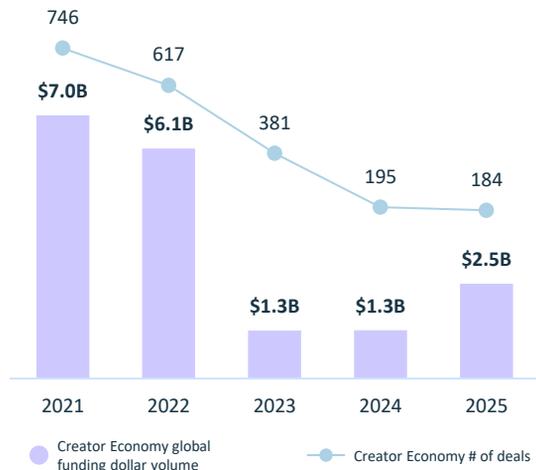
As discussed in last year’s [report](#), ‘2024 put the creator economy back on the map.’

That momentum accelerated in 2025, with funding for Creator Economy businesses increasing 97% year-over-year to \$2.5 billion. While still below pandemic-era highs, the broader shift toward creator-led consumption continues to reshape the M&E landscape.

Importantly, this evolution is no longer confined to pure-play creator platforms. Traditional M&E companies are increasingly embedding creator-driven strategies into their business models (e.g., [Fox’s](#) recent launch of a dedicated digital studio division²² and [Regal’s](#) on-screen partnership with [Dude Perfect](#)²³), blurring the lines between ‘creator’ and ‘traditional’ media. The structural imbalance where consumer time spent on creator-led media far outpaces monetization, first highlighted in our [2024 report](#), remains a durable tailwind likely to sustain investor appetite for the sector.

Select largest Creator Economy funding rounds of 2025 are highlighted below.

Creator Economy: global funding by year



2025 select Creator Economy funding rounds

| Company | Summary description | HQ location | Stage | Amount |
|--------------------------------------|--|-------------|----------|----------|
| X (formerly Twitter) | Social media platform | U.S. | N/A | \$1,000M |
| Whatnot | Livestream shopping app | U.S. | Series E | \$265M |
| Uscreen | Creator monetization platform | U.S. | N/A | \$150M |
| ShopMy | Creator storefront and affiliate monetization platform | U.S. | N/A | \$148M* |
| Substack | Newsletter publishing and subscription platform | U.S. | Series C | \$100M |

* Cumulative; Raised over multiple rounds

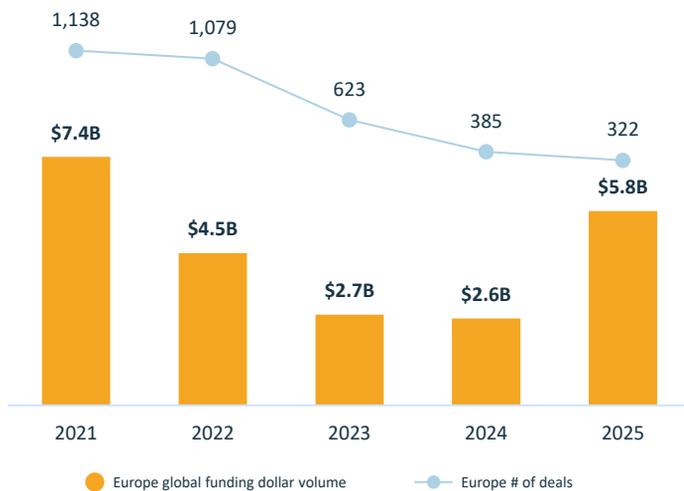
M&E venture & growth funding activity: Regional spotlights

Europe funding more than **doubled** to **\$5.8 billion** in 2025

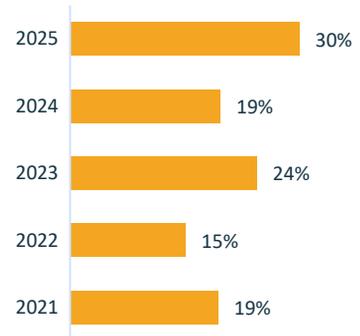
M&E venture and growth funding in Europe increased 123% year-over-year to \$5.8 billion, marking the second-highest level in our dataset and trailing only the 2021 peak. Growth in European M&E also significantly outpaced the broader European venture and growth funding ecosystem, which expanded 9% over the same period, according to Crunchbase data.

Similar to global dynamics, the rebound in Europe was driven primarily by larger rounds. In 2025, the region recorded 11 large-scale financings of \$100+ million, matching the 2021 peak. Activity was broad-based across M&E sectors and geographic regions, spanning video games ([Dream Games](#) in Turkey), sports streaming ([DAZN](#) in Germany), AI ([Synthesia](#) in the UK and [Black Forest Labs](#) in Germany), and consumer apps ([Bending Spoons](#) in Italy.)

M&E funding volume in Europe



Funding in Europe as a % of global M&E funding



M&E M&A market activity

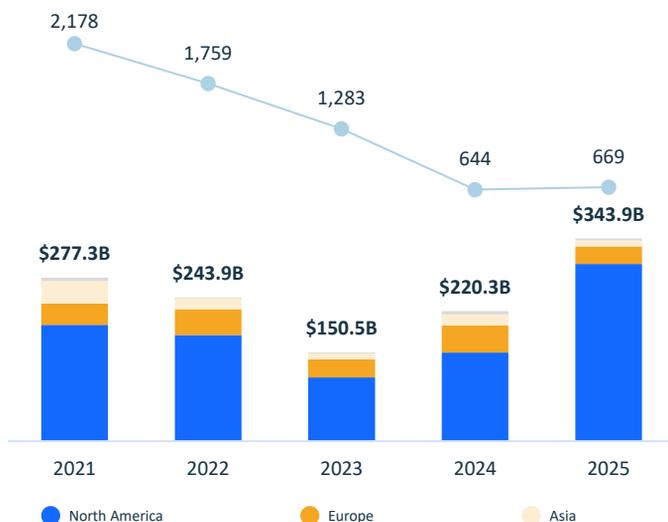
56% Increase in 2025 M&E announced M&A deal volume

Against a backdrop of redefined scale, regulatory shifts, and the rapid advent of AI, global announced M&E deal volume surged to \$343.9 billion, its highest level since 2019 and a 56% year-over-year increase.

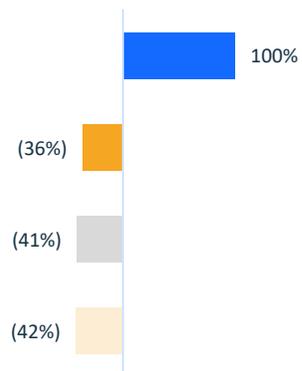
In an environment of intense competition for consumer attention and spending, buyers are demonstrating a willingness to pay premium multiples for scaled assets with proven IP, deeply engaged fan bases, and cross-platform monetization potential. Bold strategic bets included Netflix's \$82.7 billion proposed acquisition of Warner Bros. studio and HBO at a 25.1x forward EBITDA²⁴; the largest LBO on record, a \$55.0 billion take-private of Electronic Arts led by PIF at 24.1x forward EBITDA²⁵; and Mark Walter's acquisition of a controlling stake in the LA Lakers, setting a record \$10.0 billion valuation for an NBA franchise. Other marquee mega-deals included Elon Musk's merger of X into xAI at a \$45.0 billion valuation²⁶ and Charter's \$34.5 billion acquisition of Cox¹.

North America carried the rebound, with announced M&E deal volume doubling to \$300.7 billion, supported by mega-deal activity, a more favorable macro-economic and regulatory outlook in the U.S., and strong financing markets. In contrast, deal volumes in Europe, Asia, and the Rest of the World declined in the mid-40% range, as trade tensions, softer macroeconomic conditions, and ongoing geopolitical uncertainties weighed on dealmaking.

Global M&E announced M&A by geography



2025 YoY global M&E announced M&A dollar volume gain



Select largest announced 2025 M&A transactions in M&E are listed below.

2025 select announced M&E M&A transactions

| Target | HQ location | M&E sector | Acquiror(s) | Transaction | Deal value |
|-------------------------------------|-------------|---------------------|---------------------------------|----------------|------------|
| <u>Warner Bros.</u> * ²⁷ | U.S. | Traditional Media | <u>Netflix</u> * | Acquisition | \$82.7B |
| <u>Electronic Arts</u> * | U.S. | Video Games | <u>PIF</u> | Take private | \$55.0B |
| <u>X (formerly Twitter)</u> | U.S. | Digital Media | <u>xAI</u> | Merger | \$45.0B |
| <u>Cox Communications</u> | U.S. | Distribution | <u>Charter Communications</u> * | Acquisition | \$34.5B |
| <u>Los Angeles Lakers</u> | U.S. | Sports | Mark Walter | Majority Stake | \$10.0B |
| <u>Dun & Bradstreet</u> * | U.S. | Media Info Services | <u>Clearlake</u> | Take private | \$7.7B |
| <u>TEGNA</u> * | U.S. | Distribution | <u>Nexstar Media Group</u> * | Acquisition | \$6.2B |
| <u>Boston Celtics</u> | U.S. | Sports | Consortium led by Bill Chisholm | Acquisition | \$6.1B |
| <u>Portland Trail Blazers</u> | U.S. | Sports | Consortium led by Tom Dundon | Acquisition | \$4.3B |
| <u>Shutterstock</u> * | U.S. | Digital Media | <u>Getty Images</u> * | Acquisition | \$3.7B |

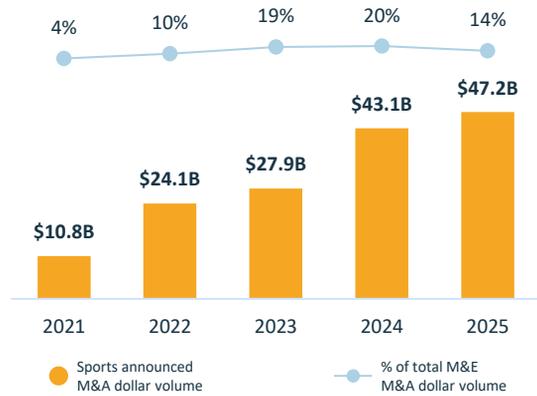
* Denotes public companies

M&E M&A market activity: Sector spotlights

Game On for sports dealmaking

2025 was another banner year for Sports M&A. Global announced deal value reached \$47.2 billion, representing a 10% year-over-year increase and extending its steady climb for the fifth consecutive year. As the broader media ecosystem grapples with fragmentation and shifting consumer behavior, Sports remain a bright spot, supported by durable fan engagement, premium advertiser demand, and growing media rights values – trends first highlighted in our [2023 report](#).

Sports: announced M&A deal volume



Private equity has been a central driver of this momentum. Ownership rule changes permitting private equity participation catalyzed significant capital formation and institutional investment across major U.S. sports franchises, with notable 2025 transactions including [Sixth Street](#)'s minority stake acquisitions in both the [New England Patriots](#)²⁸ and the [San Francisco Giants](#)²⁹. At the same time, marquee international transactions, such as [Apollo](#)'s \$1.6 billion acquisition of [Atletico Madrid](#)³⁰, underscore the growing global appetite for premium sports assets.

Strong capital flows and rising franchise valuations have also buoyed investor interest across the broader sports ecosystem, including emerging sports organizations, sports betting, technology and service providers, and youth and collegiate sports.

With more than \$12 billion in new sports-focused PE and VC vehicles raised or announced in 2025 alone¹⁷, we expect this significant dry powder to continue fueling deal momentum and expanding institutional participation in Sports.

Some of the largest sports M&A deals announced in 2025 are listed below.

2025 select announced sports M&A transactions

| Target | HQ location | Sector | Acquiror(s) | Transaction | Deal value |
|--|-------------|----------------|---------------------------------|----------------|------------|
| Los Angeles Lakers | U.S. | NBA team | Mark Walter | Majority Stake | \$10.0B |
| Boston Celtics | U.S. | NBA team | Consortium led by Bill Chisholm | Acquisition | \$6.1B |
| Portland Trail Blazers | U.S. | NBA team | Consortium led by Tom Dundon | Acquisition | \$4.3B |
| Tipico | Malta | Sports betting | Banijay | Majority Stake | \$3.5B |
| Pittsburgh Penguins | U.S. | NHL team | Hoffmann family | Majority Stake | \$1.8B |

M&E public market update

\$2.1 trillion collective market cap gain by public M&E companies in 2025³¹

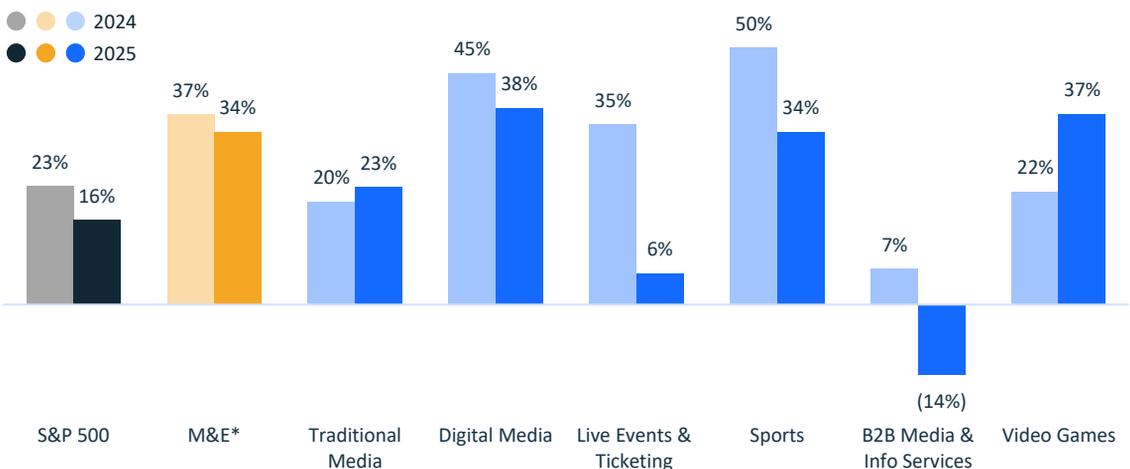
In 2025, total market capitalization across the publicly traded M&E ecosystem tracked by Alignment Growth increased by \$2.1 trillion, outperforming the S&P 500's percentage gain by more than twofold. However, these gains were concentrated in a narrow group of mega-cap technology platforms and premium IP assets.

Similar to 2024, Alphabet and Meta accounted for the vast majority of the increase. In 2025, Alphabet's market capitalization rose by \$1.5 trillion, or 62%, while Meta increased by \$189 billion, or 12%, driving continued strong gains for the Digital Media sector.

The Sports and Video Game sectors also sustained their momentum from 2024. Sports performance was supported by a sector-wide re-rating, while Video Game equities continued to recover following a difficult period of post-pandemic normalization. Top contributors for these sectors included TKO (47% share price increase in 2025) and Unity (97% rebound after a challenging 2024), while top detractors were Manchester United (8% share price decline) and Ubisoft (51% decline).

Concerns over AI substitution weighed on the B2B Media & Info Services sector, with total market capitalization declining 14% from 2024. Sprout Social was the largest detractor within the group, with its share price falling 63% in 2025 amid slower-than-expected revenue growth and a more cautious forward outlook relative to AI-focused peers.

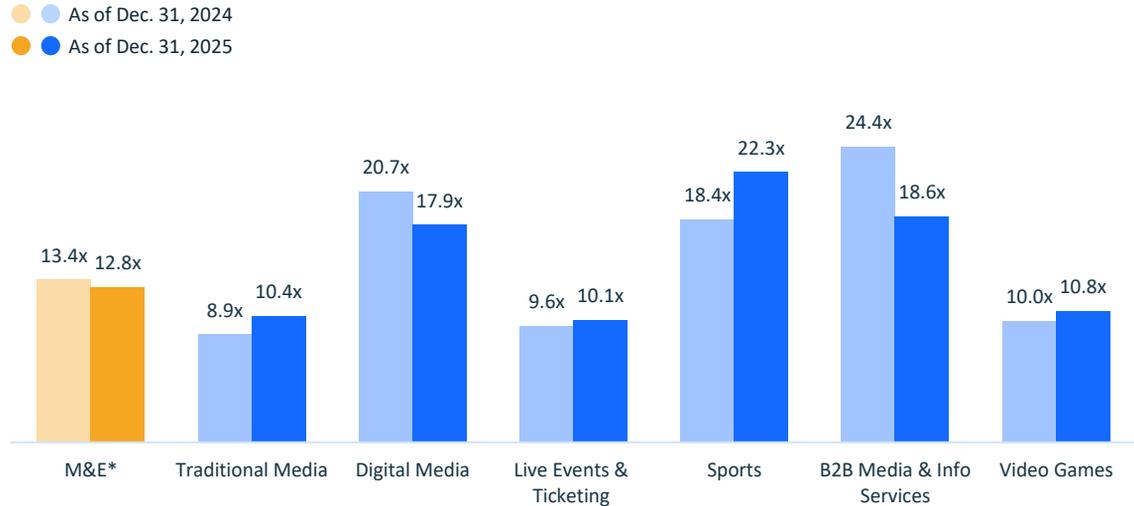
Percent change in total market capitalization by sector³¹



* Total percentage change of market cap for all companies listed in Endnote 31

Bifurcated performance across the publicly listed M&E ecosystem has driven meaningful sector repricing. In Sports, the median Enterprise Value to one-year forward EBITDA multiple expanded by 3.9x, while the B2B Media & Info Services sector experienced approximately 5.8x of multiple compression.

Median Enterprise Value to consensus one-year forward EBITDA multiples by sector³¹



Note: Calculations exclude negative multiples and multiples greater than 50x
 * Median Enterprise Value to consensus one-year forward EBITDA multiples of all companies listed in Endnote 31

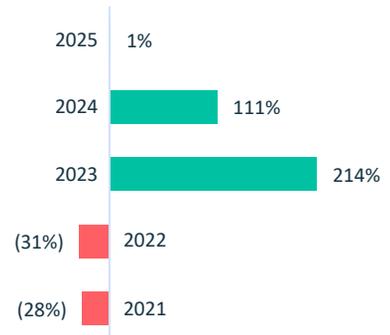
IPO activity cautiously re-emerges

Global M&E IPO dollar volume approached pre-COVID levels in 2025, nearly tripling year-over-year to \$6.2 billion, supported by strong public market performance, lower volatility, a more constructive interest rate environment, and a backlog of higher-quality issuers. Nonetheless, new issuance remained significantly below the peak levels seen in 2021.

Global M&E IPO volume by geographic market³²



Global M&E average IPO returns by annual cohort³² to Dec. 31, 2024



Aftermarket performance among the 2025 IPO cohort has been bifurcated. Slower-growth, sponsor-controlled businesses faced headwinds, including [StubHub](#), which declined 42% following its September debut amid competitive and regulatory concerns surrounding secondary ticketing, and [NielsenIQ](#), which finished the year down 21%. By contrast, higher-growth TMT issuers such as [Figma](#), which ended 2025 up 13%, have seen favorable market reception.

2025 select M&E IPOs³²

| Company | HQ location | M&E sector | Listing exchange | Transaction | Proceeds raised | Δ Share price (IPO to 12/31/25) |
|---------------------------|-------------|---------------------|------------------|-------------|-----------------|---------------------------------|
| Figma | U.S. | Enablers | NYSE | IPO | \$1,219M | 13% |
| NielsenIQ | U.S. | Media Info Services | NYSE | IPO | \$1,050M | (21%) |
| Navan | U.S. | Experiences | NASDAQ | IPO | \$923M | (32%) |
| StubHub | U.S. | Experiences | NYSE | IPO | \$800M | (42%) |
| HBX Group | Spain | Experiences | HBX | IPO | \$772M | (26%) |

Looking ahead to 2026, capital markets sentiment toward M&E IPOs remains cautiously optimistic. A pipeline of scaled, brand-driven platforms, including [Canva](#), [Discord](#), [Mindbody](#), and [Strava](#), could test investor appetite, particularly if public market conditions remain supportive.

Endnotes

Sources: Unless indicated otherwise in endnotes below or inline references above, all venture and growth funding data points cited in this report were sourced from Crunchbase. Analysis by Alignment Growth presented herein is based on the data from Crunchbase and company filings, press articles, and FactSet. M&A and public company data is sourced from company filings and FactSet.

1. Charter [press release](#) (2025)
2. Alignment Growth's estimate based on Versant's 'when-issued' opening share price as of Dec. 15, 2025 and company disclosures
3. Comcast public filings
4. Netflix Q4'25 [letter](#) to shareholders (2026)
5. Global Media Insight [blog](#) (2026)
6. "Luma AI raises \$900 million in funding round..." by CNBC (2025)
7. "AI film and animation startup Runway raises \$308 million in funding..." by Variety (2025)
8. "Germany's AI image generator Black Forest Labs raises \$300M at \$3.25B valuation..." by Crunchbase (2025)
9. "Streaming reaches historic TV milestone..." by Nielsen (2025)
10. SQ Magazine Jan. 2026 [report](#) (2026)
11. eMarketer [research](#) (2025)
12. "How sports fandom is evolving in 2025..." [report](#) by L.E.K. Consulting (2025)
13. "Do younger audiences really not watch sport?" by SportsPro (2024)
14. See, e.g., Overtime [press release](#) (2025) and Sportcal [interview](#) of the CEO of Kings League (2026) (an Alignment Growth managed fund is an investor in Kings League)
15. S&P Global NFL fan [report](#) (2024)
16. Kings League [press release](#) (2026) (an Alignment Growth managed fund is an investor in Kings League), Unrivaled [press release](#) (2025), and TMRW Sports [press release](#) (2024)
17. "'Royal Match' maker Dream Games raises \$2.5 billion..." by Bloomberg (2025)
18. Drake Star 2025 year-end sports tech [report](#) (2026)
19. "Ari Emanuel raises \$2 billion..." by Bloomberg (2025)
20. The Walt Disney Company [press release](#) (2024)
21. Partial overlap refers to deals that span multiple sectors; deals are allocated by primary sector
22. "Fox launches creator studios venture..." by Variety (2026)
23. Regal [press release](#) (2025)
24. Deal value from Netflix [press release](#) (2025); deal multiple calculated based on EBITDA estimate for fiscal year ending Dec. 31, 2026, sourced from Warner Bros. Discovery public filings
25. Deal value from "Electronic Arts goes private..." by WSJ (2025); deal multiple calculated based on mid-point Operating Income guidance provided by the company for fiscal year ending Mar. 31, 2025, sourced from EA's public filings and Alignment Growth's estimates
26. "Elon Musk says his AI firm has acquired X..." by Deadline (2025)
27. Transaction has been unanimously recommended by the Board of Directors of Warner Bros. Discovery to its shareholders; however, the process remains ongoing, and Paramount submitted a revised, higher offer on Feb. 23, 2026
28. Sixth Street [press release](#) (2025)
29. Sixth Street [press release](#) (2025)
30. Apollo [press release](#) (2025)
31. Sector groups referred to in this section are comprised of the following companies:
 - a. Traditional Media: Disney, Fox, Lionsgate Studios, Paramount Skydance, Sony, Warner Bros. Discovery
 - b. Digital Media: Alphabet, Meta, Netflix, New York Times, Pinterest, Reddit, Roku, Snap, Spotify
 - c. Live Events & Ticketing: CTS Eventim, Eventbrite, Live Nation, StubHub, Vivid Seats
 - d. Sports: Atlanta Braves, Formula One, Manchester United, MSG Sports, TKO
 - e. B2B Media & Info Services: CoStar Group, FactSet, Hubspot, Klaviyo, Morningstar, Semrush, Similarweb, S&P Global, Sprout Social, Thomson Reuters, Verisk, ZoomInfo
 - f. Video Games: Electronic Arts, Embracer Group, CD Projekt RED, Capcom, Konami, Krafton, Modern Times Group, Nintendo, Netmarble, Netease, Nexon, NCsoft, Paradox Interactive, Pearl Abyss, Perfect World, Playtika, Roblox, Sega, Shift Up, Square Enix, Stillfront, Take-Two Interactive, Tencent, Ubisoft, Unity, Yoozoo Games
32. Excludes SPAC IPOs, direct listings, and transactions with less than \$50M in gross proceeds

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