



Swiss M&A Report – Market and valuation update

Technology, Media and Telecommunications



March 2025

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M&A sell-side

- Company sales
- Succession solutions
- Carve-outs
- Management buy-outs
- Financing solution
- Commercial vendor assistance
- Financial vendor assistance
- SPA advise
- Tax structuring and advice
- Operational carve-outs

M&A buy-side

- Strategic acquisitions
- Buy-and-build acquisitions
- Mergers
- Management buy-ins
- Joint ventures and strategic alliances
- Commercial due diligence
- Financial due diligence
- Legal due diligence
- Tax due diligence
- Post-merger integration

Introduction

PwC is the leading middle-market M&A advisor trusted by more top decision-makers than any other service provider. Our clients choose us for our expertise, industry knowledge and our proven ability to execute successful transactions. We are a community of experts who combine human ingenuity, experience and technology to deliver sustained outcomes and build trust.

The 'Swiss M&A Report – Market and valuation update' gives you an overview and insights into the current Technology, Media and Telecommunications ('TMT') M&A market in Switzerland. You will find information on the overall transaction environment as well as current valuation levels of eight selected subsectors covering the entire TMT market.

PwC offers holistic M&A advisory services covering all aspects before, during and after a transaction. As your financial advisor, we coordinate and advise you along the entire transaction process and we can support you on specific inquiries or individual parts of the transaction. With our wider Deals practice, we can support you on any transaction-related matter.

#1

M&A mid-market
advisor

>25

completed transactions
in 2024 in Switzerland

>600

completed transactions
globally

Who we are...



...the **leading M&A advisor**
for mid-sized transactions in
Switzerland and globally.



...your **ideal partner** for all
matters before, during and
after a transaction.



...a very experienced **M&A team**
focused on the **TMT industry**
advising on local and
cross-border deals supported
by our **global network**.

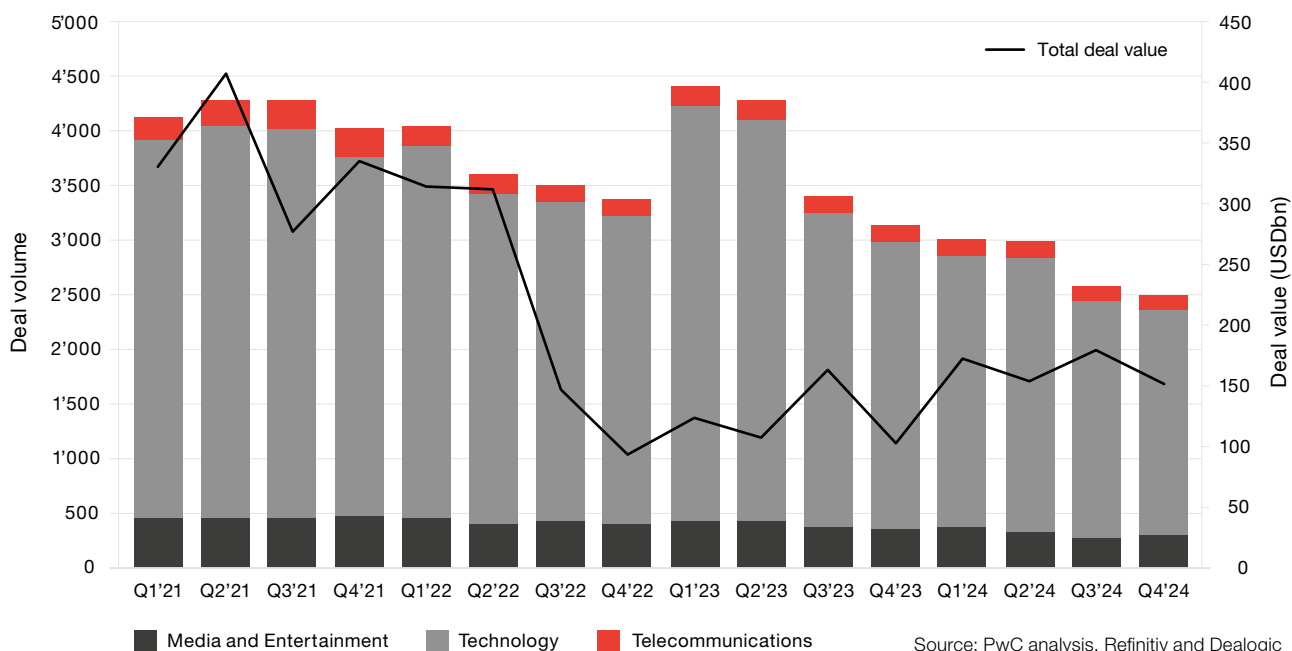


...**one stop-shop offering**
additionally all other transaction
related services, e.g. legal
and tax advice or due diligence
and valuation services.

Transaction environment

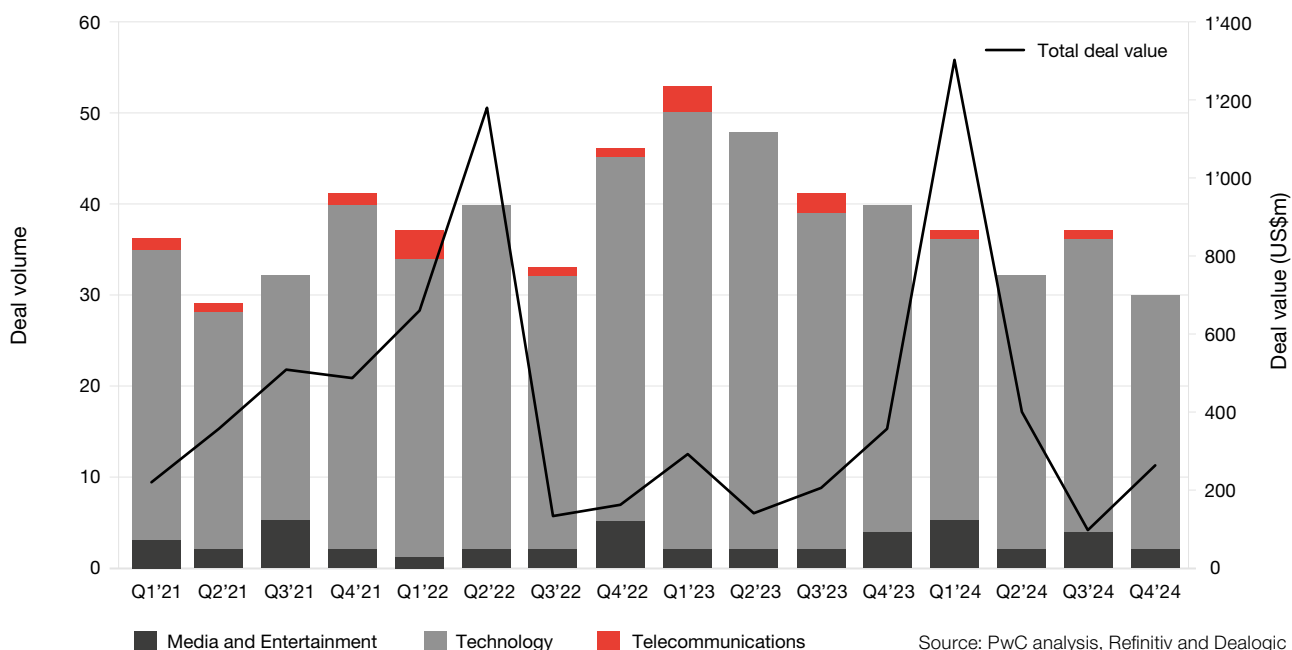
Global TMT deal volumes and values, 2021 – 2024

The TMT M&A transaction volume has been decreasing steadily over the past year, hitting its lowest point in four years. Meanwhile, there are indications of a gradual uptick in deal values.



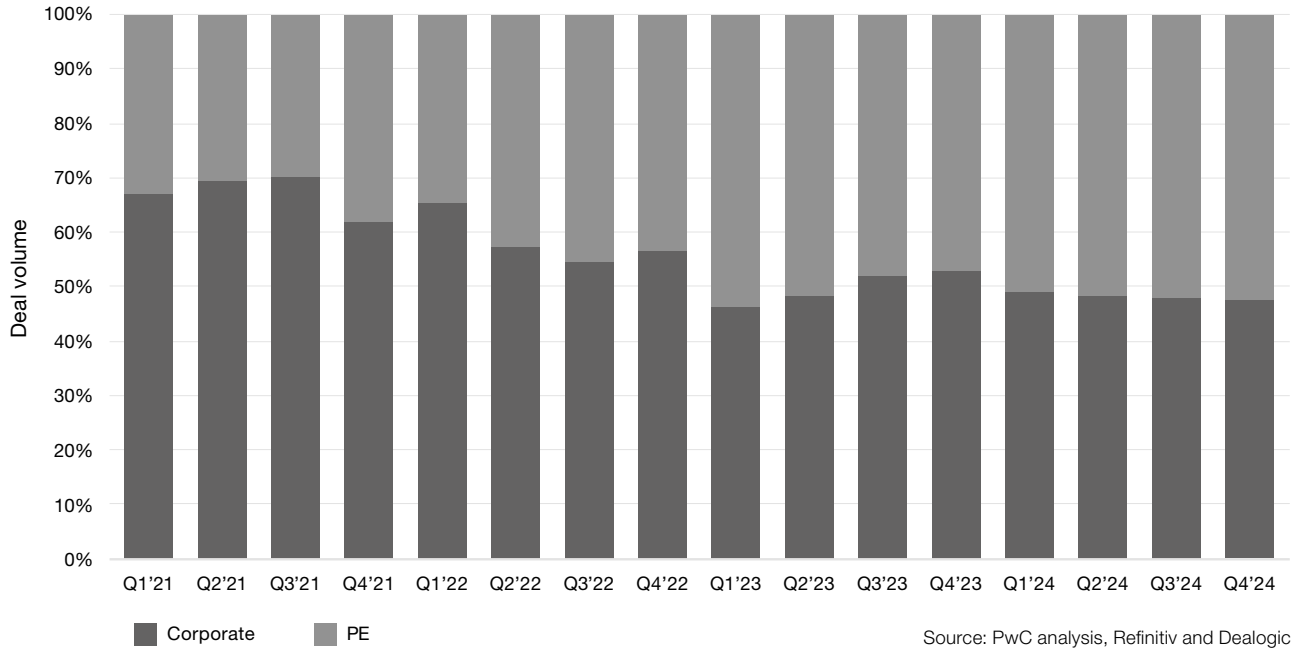
Swiss TMT deal volumes, 2021 – 2024

While deal values experienced a spike in Q1'24 before readjusting to previous levels, Swiss TMT deal volumes have seen a continuous decline, with the Technology subsector leading the market, representing 89% of all transactions.



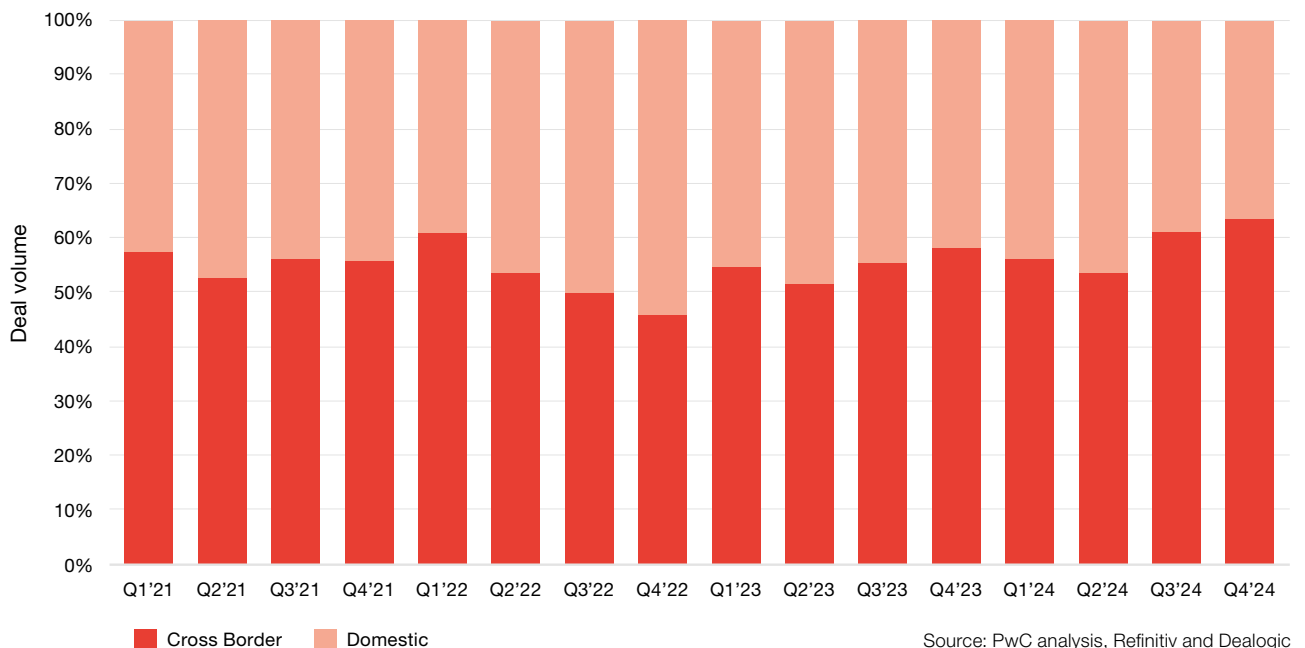
Corporate vs. private equity in the Swiss TMT market, 2021 – 2024

In 2023, private equity firms (PE) and financial investors have established themselves as the key players in Swiss TMT sector deals. However, there has been a noticeable stabilization in activity levels since the first quarter of 2024.



Cross border vs. domestic deals in the Swiss TMT market, 2021 – 2024

The significant number of cross-border deals in the Swiss TMT sector, which surpasses the global average, underscores the appeal of Swiss TMT assets on the international stage.



Top 10 deals in the last twelve months

Targets with Swiss HQ by deal value

Announced date	Target	Industry	Transaction type (stake)	Buyer	Seller	Deal value (in USD m)
05.03.2024	BETA CAE Systems International AG	Software	Sale (100%)	Cadence Design Systems Inc	–	1,240
30.05.2024	APG SGA AG	Advertising	Sale (25%)	AG für die Neue Zürcher Zeitung	JCDecaux SE	182
12.12.2024	ANYbotics AG	Technology	Investment (funding round)	A group of investors led by Qualcomm Ventures	–	60
07.05.2024	Ams-OSRAM AG ¹	Technology	Sale (100%)	Focuslight Technologies Co Ltd	–	48
09.10.2024	xFram Technologies SA	Software	Investment (Series C funding)	A group of investors led by Partech Partners SAS	–	39
05.06.2024	M^0 Foundation	Technology	Investment (Series A funding)	A group of investors led by Bain Capital Crypto	–	35
06.08.2024	KNIME AG	Software	Investment (Additional funding)	Invus Group LLC	–	30
03.06.2024	Neural Concept SA	Software	Investment (Series B funding)	A group led by Forestay Capital SA	–	27
12.12.2024	Embotech AG	Software	Investment (funding round)	A group led by VC firms, Emerald Technology Ventures and Yttrium	–	26
12.11.2024	LocalStack GmbH	Software	Investment (Series A funding)	Notable Capital, CRV LLC and Heavybit Inc	–	15

Source: PwC analysis, Mergermarket, S&P Capital IQ, S&P Capital IQ Pro

Notes: Overview only includes deals with publicly available deal values and where the target was headquartered in Switzerland

¹ Sale of Passive Optical Components Assets consisting of facilities in Singapore and Switzerland, R&D capacities and linked IP.

TMT sector overview

Overview of operational key performance indicators

	Sales growth LTM	Sales growth LTM-1	EBITDA margin LTM	EBITDA margin LTM-1
Advertising	(3.0%)	0.3%	9.1%	6.6%
Application software	1.9%	0.6%	15.2%	14.1%
IT services	(0.2%)	9.1%	7.9%	9.8%
Media and entertainment	0.1%	7.7%	10.9%	11.8%
Online services	(0.7%)	(3.3%)	7.7%	10.8%
Publishing	(3.6%)	0.4%	9.4%	9.3%
Systems software	(1.0%)	2.8%	13.2%	13.3%
Telecommunication services	(2.8%)	(2.4%)	17.3%	18.7%

Overview of revenue, EBITDA, and EBIT trading multiples

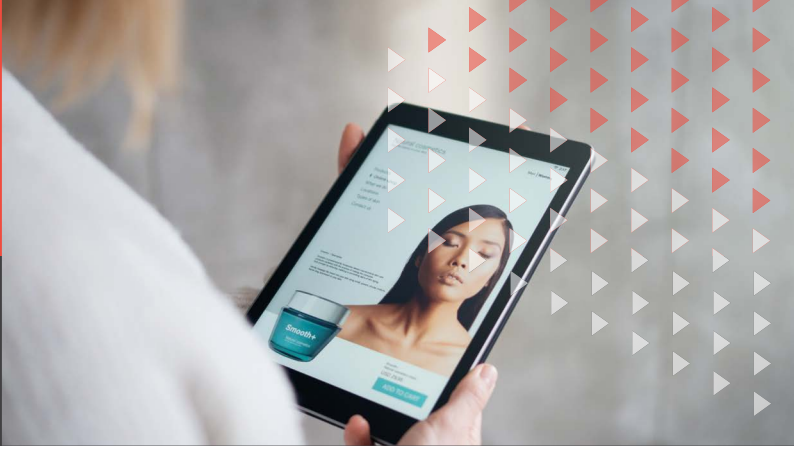
	EV/Revenue LTM	EV/Revenue 5y average	EV/EBITDA LTM	EV/EBITDA 5y average	EV/EBIT LTM	EV/EBIT 5y average
Advertising	1.1x	1.3x	7.3x	9.0x	13.3x	19.9x
Application software	2.5x	4.6x	16.7x	19.5x	17.4x	21.3x
IT services	1.0x	1.4x	9.3x	11.4x	13.2x	16.7x
Media and entertainment	1.8x	2.6x	10.3x	13.3x	17.3x	22.7x
Online services	1.6x	2.8x	11.1x	15.7x	13.4x	15.2x
Publishing	1.0x	1.1x	8.4x	9.9x	10.0x	15.3x
Systems software	3.2x	3.0x	15.1x	14.8x	19.4x	23.4x
Telecommunication services	1.5x	1.9x	7.5x	6.6x	13.2x	14.8x

Source: PwC analysis, S&P Capital IQ, S&P Capital IQ Pro

Notes: Peer group categorisation is based on the Global Industry Classification Standard (GICS); financial year figures for the peer group are based on last 12 months (LTM) data available as per 22 January 2025

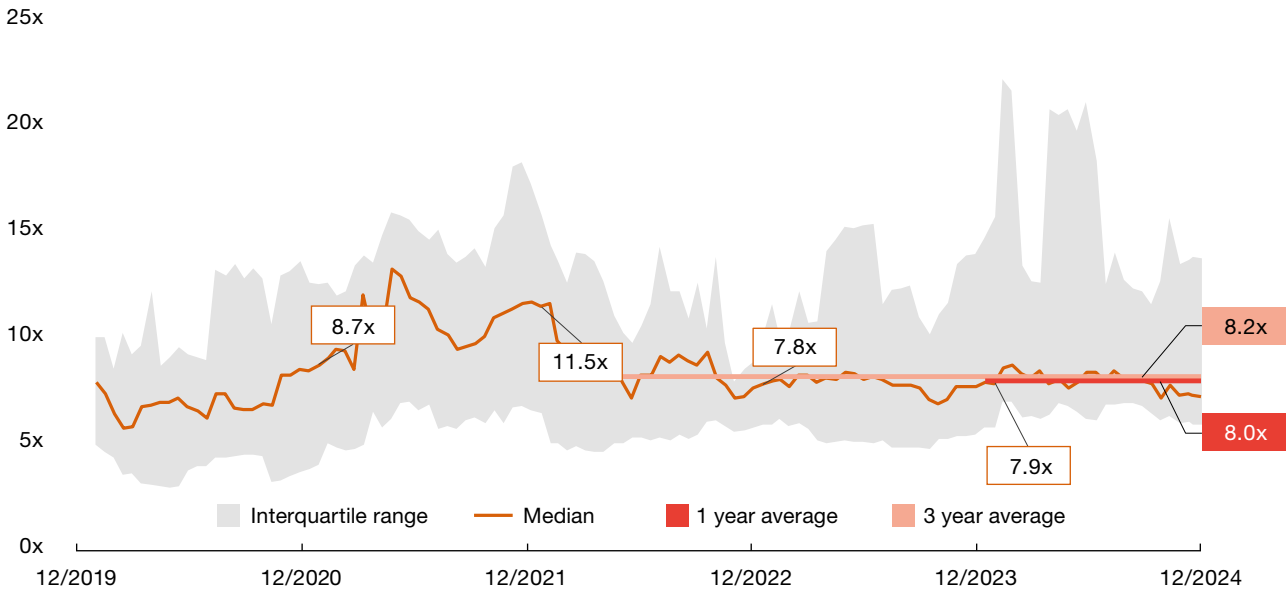


Advertising

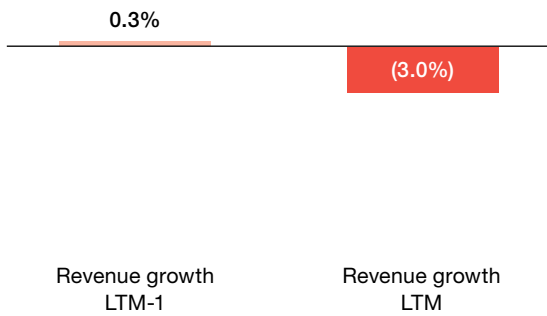


	EV/Revenue	EV/EBITDA	EV/EBIT
LTM	1.1x	7.3x	13.3x
5-year average	1.3x	9.0x	19.9x

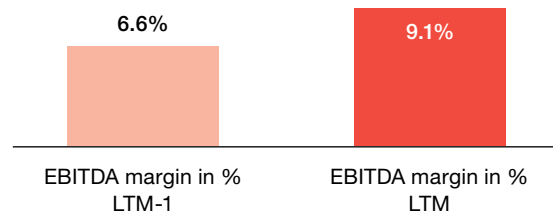
EV/EBITDA LTM – Trading over time



Sales growth development



EBITDA margin development



Selected examples of the peer group



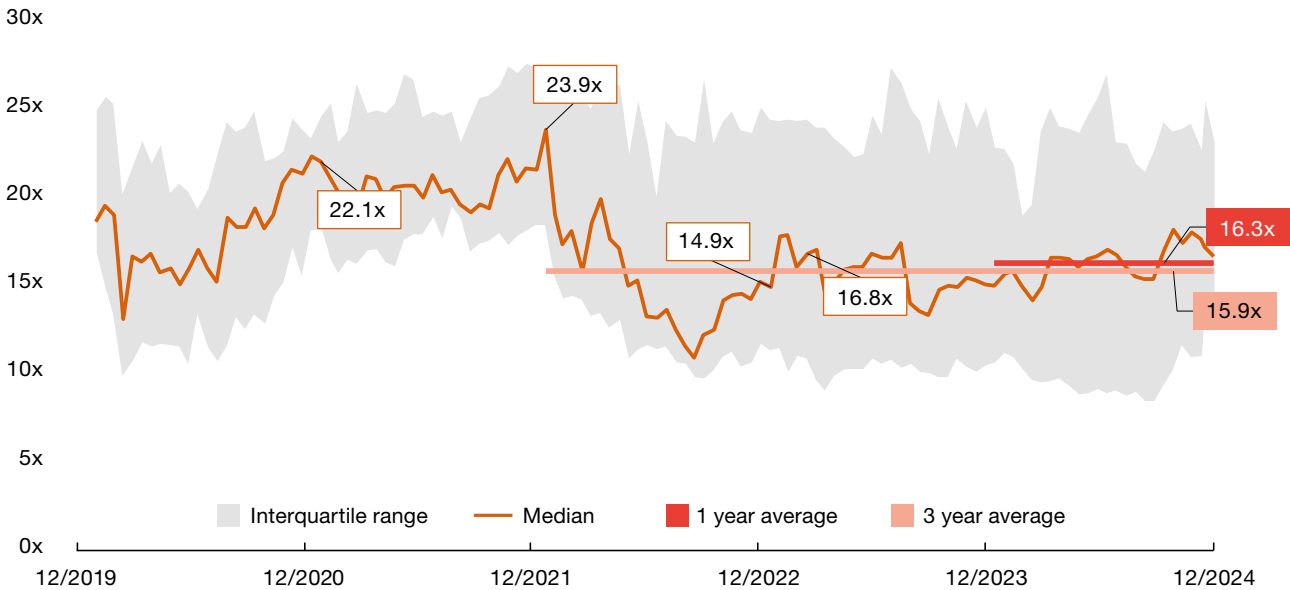


Application Software

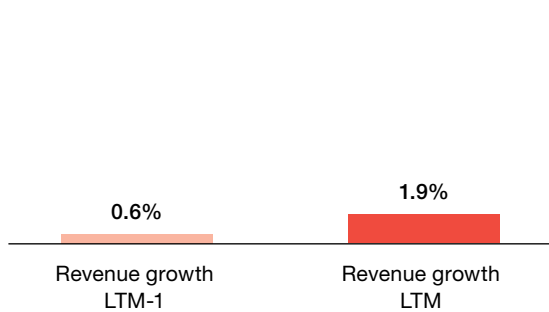
	EV/Revenue	EV/EBITDA	EV/EBIT
LTM	2.5x	16.7x	17.4x
5-year average	4.6x	19.5x	21.3x



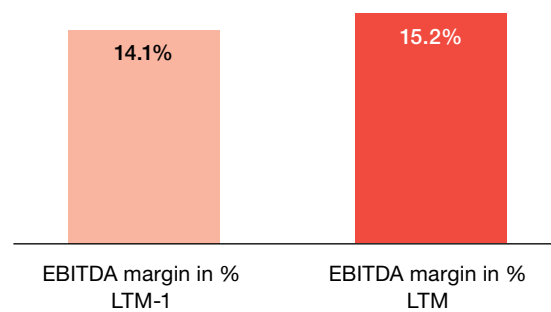
EV/EBITDA LTM – Trading over time



Sales growth development



EBITDA margin development



Selected examples of the peer group



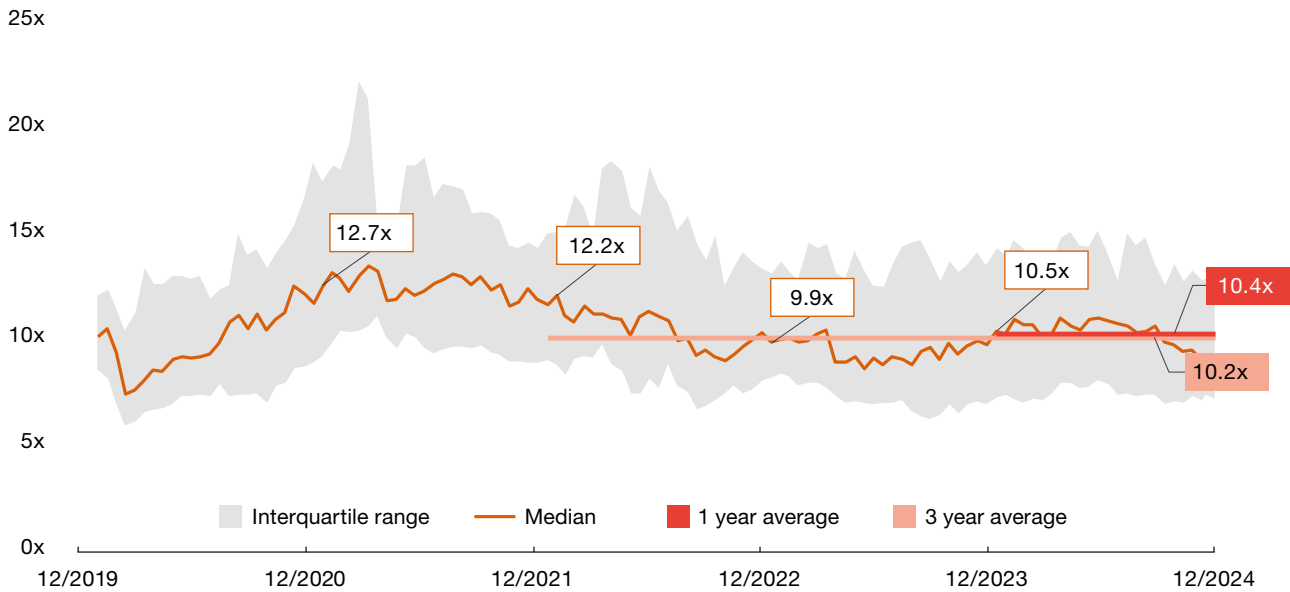


IT Services

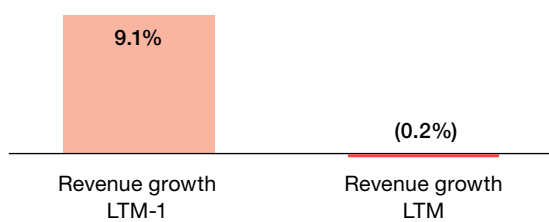


	EV/Revenue	EV/EBITDA	EV/EBIT
LTM	1.0x	9.3x	13.2x
5-year average	1.4x	11.4x	16.7x

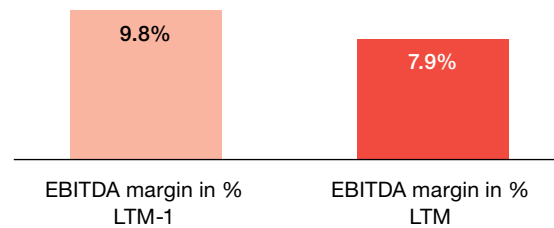
EV/EBITDA LTM – Trading over time



Sales growth development



EBITDA margin development



Selected examples of the peer group



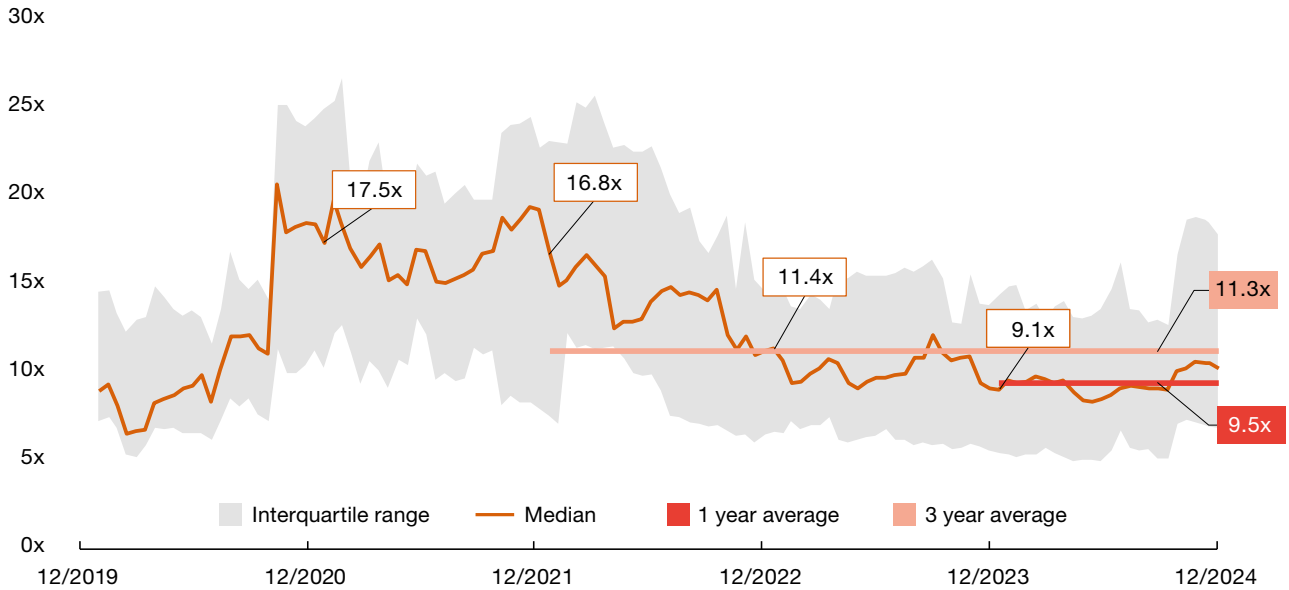


Media & Entertainment

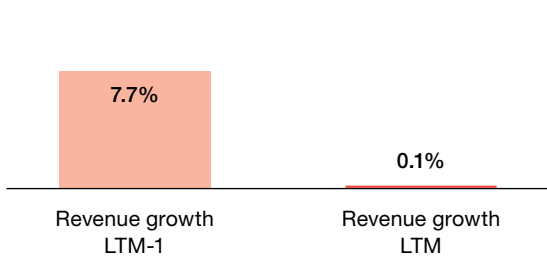


	EV/Revenue	EV/EBITDA	EV/EBIT
LTM	1.8x	10.3x	17.3x
5-year average	2.6x	13.3x	22.7x

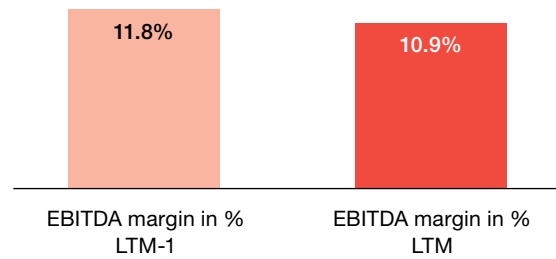
EV/EBITDA LTM – Trading over time



Sales growth development



EBITDA margin development

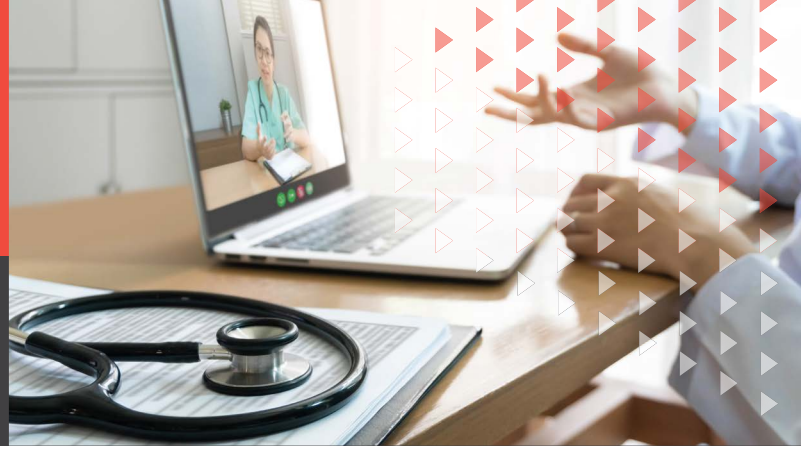


Selected examples of the peer group



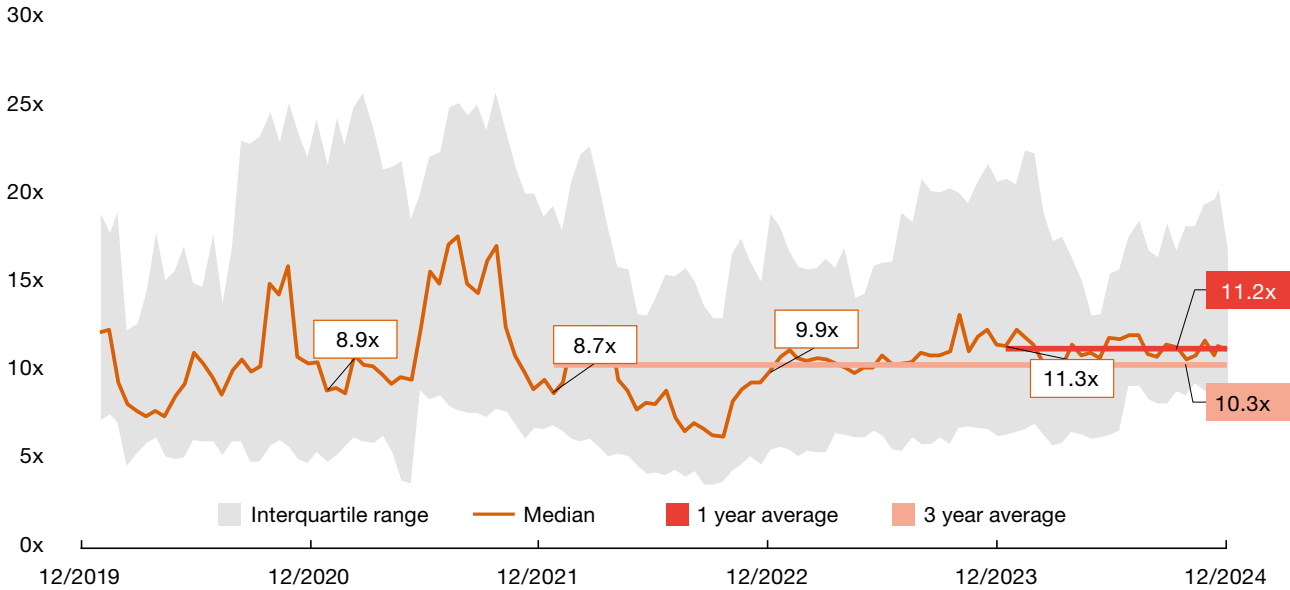


Online Services

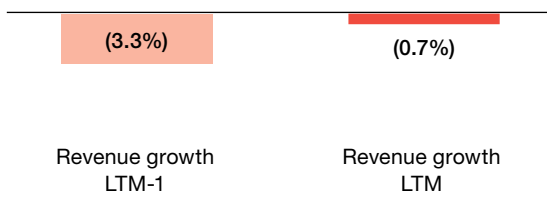


	EV/Revenue	EV/EBITDA	EV/EBIT
LTM	1.6x	11.1x	13.4x
5-year average	2.8x	15.7x	15.2x

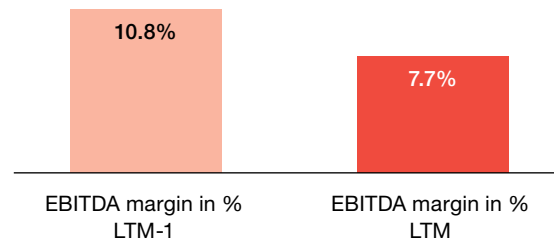
EV/EBITDA LTM – Trading over time



Sales growth development



EBITDA margin development



Selected examples of the peer group



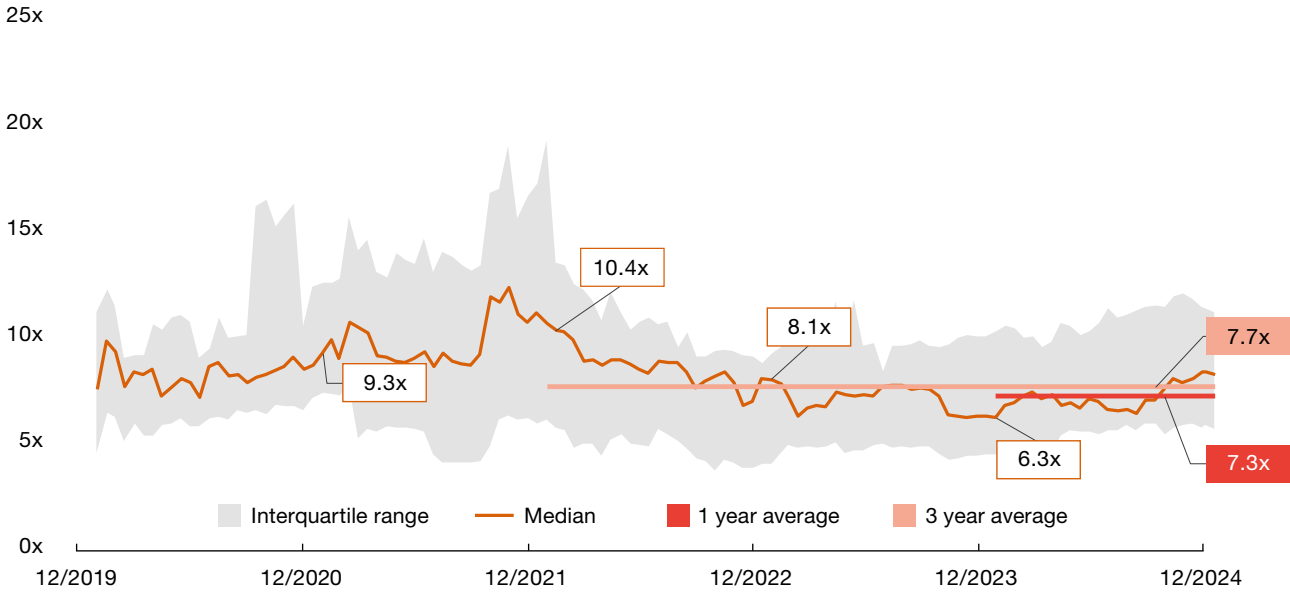


Publishing

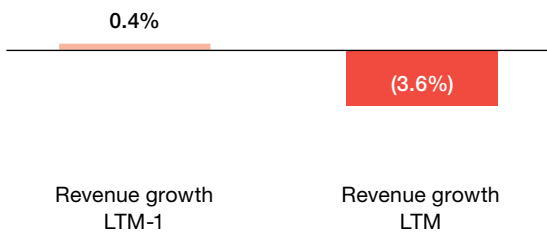


	EV/Revenue	EV/EBITDA	EV/EBIT
LTM	1.0x	8.4x	10.0x
5-year average	1.1x	9.9x	15.3x

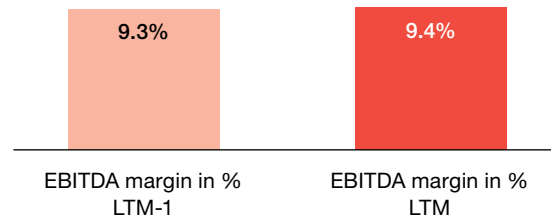
EV/EBITDA LTM – Trading over time



Sales growth development

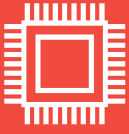


EBITDA margin development

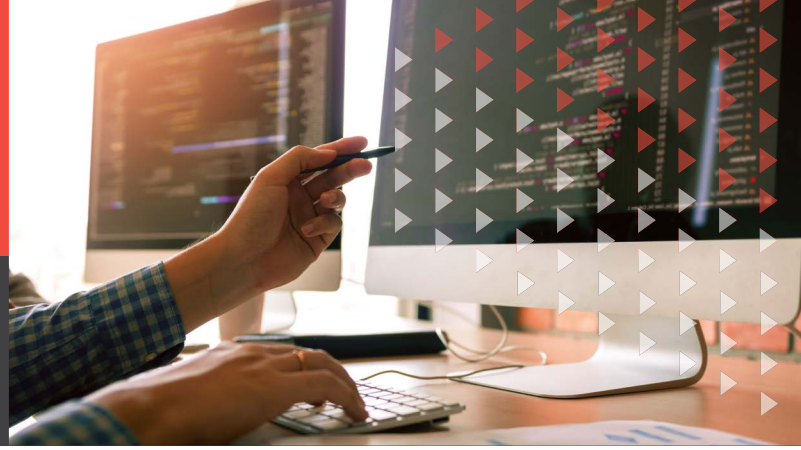


Selected examples of the peer group



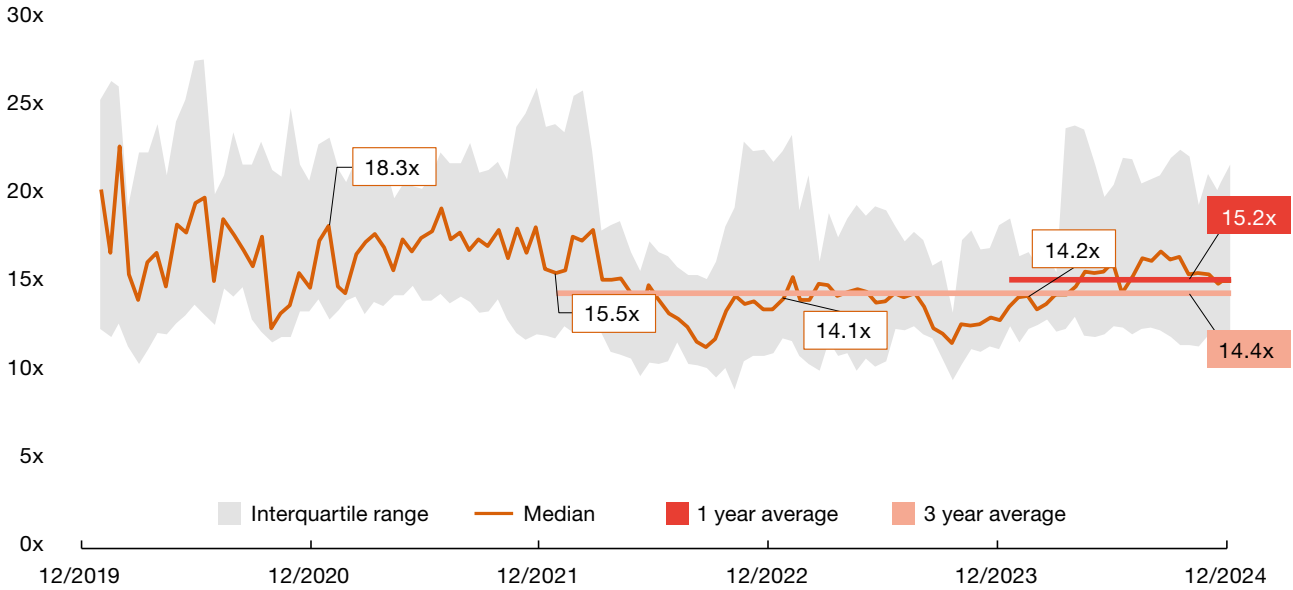


Systems Software

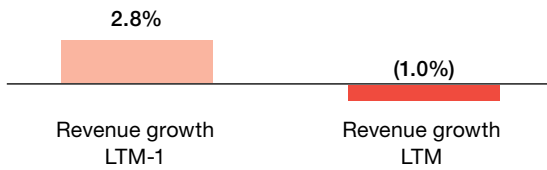


	EV/Revenue	EV/EBITDA	EV/EBIT
LTM	3.2x	15.1x	19.4x
5-year average	3.0x	14.8x	23.4x

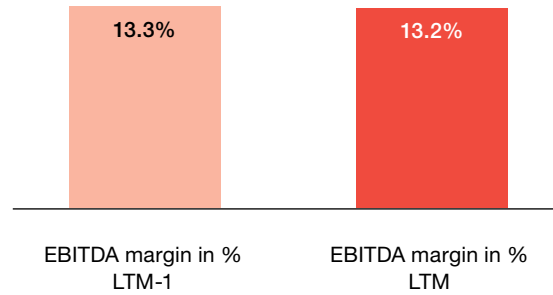
EV/EBITDA LTM – Trading over time



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EBITDA margin development



Selected examples of the peer group



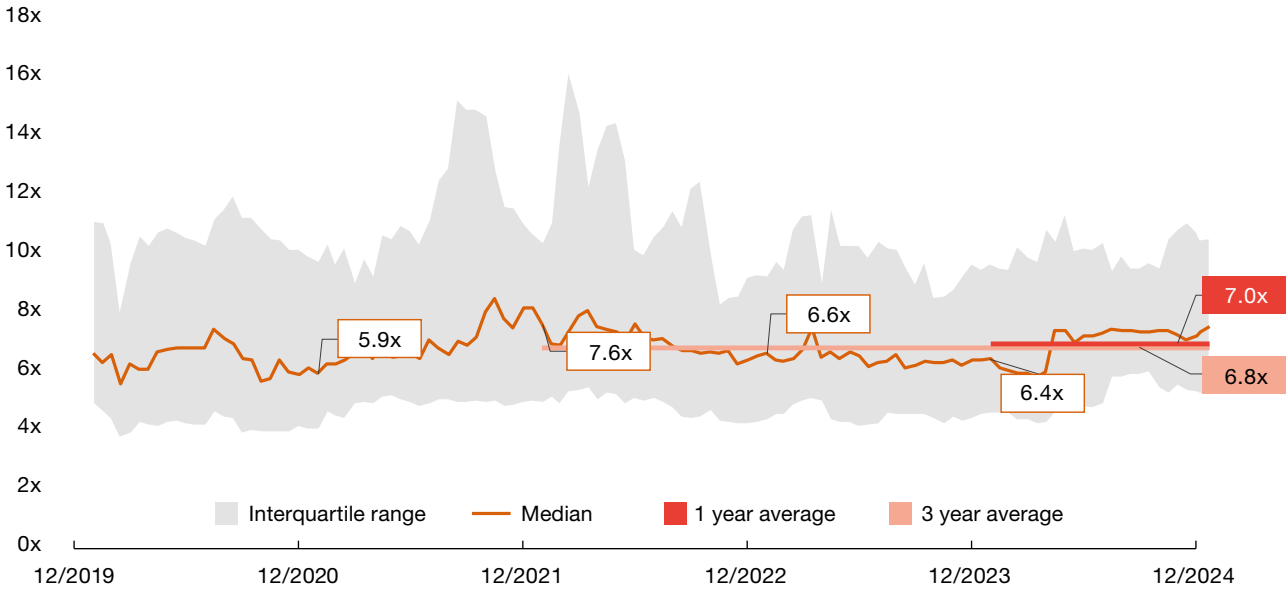


Telecommunication Services

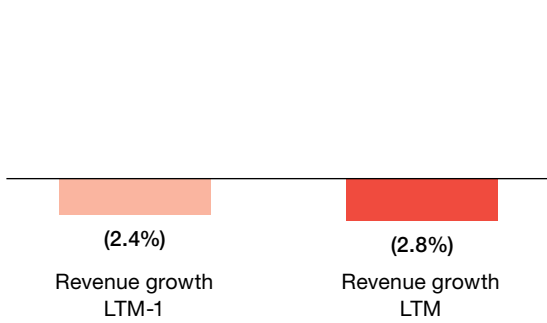
	EV/Revenue	EV/EBITDA	EV/EBIT
LTM	1.5x	7.5x	13.2x
5-year average	1.9x	6.6x	14.8x



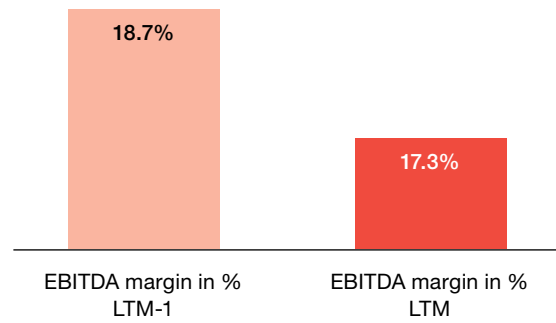
EV/EBITDA LTM – Trading over time



Sales growth development



EBITDA margin development



Selected examples of the peer group





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In the dynamic TMT sector, mergers and acquisitions (M&A) are key for driving innovation and seizing opportunities. With advances in generative AI and strong market demand, transformative deals will be crucial for staying competitive. Despite challenges like fluctuating interest rates and geopolitical uncertainties, M&A momentum is expected to grow as market conditions stabilise, focusing on strategic acquisitions to unlock value and foster growth in the evolving TMT industry.”

Lasse Stünitz
Partner, M&A TMT Leader

Why you should consider M&A and how we can help you



Continuous disruption

According to creative destruction theory, businesses that do not keep up with current innovations and remain stuck in their status quo risk falling behind the competition and ultimately becoming obsolete. History has shown this to be true, especially in the fast-paced TMT market.

Nokia, Internet, iPhone, Metaverse, blockchain, machine learning, artificial intelligence, Tesla, Amazon, Netflix, ChatGPT, Web 2.0, Internet of (intelligent) Things, edge computing, hyperscaler, 5G, fintech, cybersecurity, augmented/virtual reality, digital twins, splinternet, quantum computing

How does your business stay relevant?



...its threats

Declining revenues, lack of motivation, new projects, lack of innovation, status quo, financial stress, critical mass, non-core assets, ongoing consolidation, large platforms/one-stop shops, skill shortage, increasing regulatory requirements, changing consumer behaviour, new generation, globalisation, ESG

We are convinced that M&A can help your business to stay relevant for the long-term, secure or monetise your life's work and protect you from the risks resulting from



...its opportunities

Product innovations, new markets, customer diversification, market share, improved market position, synergies, economies of scale, consolidation, exit, succession, expansion, bilateral offer, multiple arbitrage, portfolio diversification, technological leadership, buy and build, new partner for growth, joint venture, enhanced bargaining power, financial stress/needs

the ever-increasing pressure to innovate. However, it is very important to understand that M&A is not just M&A.

Professional M&A advice mitigates the stumbling blocks to M&A transactions



...and actions to succeed

Auction process, exit strategy, re-investment, tax optimisation, due diligence, integration, normalised earnings, adjusted EBITDA, small cap discount, illiquidity discount, control premium, equity story, sale preparation, acquisition strategy, SPA, information memorandum, management presentation, value drivers, value creation, net working capital target, net debt, equity value, enterprise value, multiple analysis, net present value, negotiation

The value of a business is not just the EBITDA multiple times EBITDA – although this can be a good proxy.

The market value, if professionally considered, depends on multiple factors and needs careful analysis. It is critical to define and pursue well-defined transaction goals in order to realise a successful and rewarding transaction.

With our highly experienced team we can help you benefit from the numerous advantages of M&A transactions and mitigate the respective risks, whether the objectives are strategic, financial or personal. The transaction process can be a bumpy ride – but with professional preparation and collaboration throughout the process, it can be the successful end of one chapter and the beginning of a new chapter that opens many new opportunities – and not only in the field of M&A!

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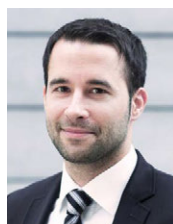
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please visit our site



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Adapting to economic uncertainty calls for a strategic focus on resilience and agility to capitalise on transformative deals. Dealmakers in TMT must navigate complexities with clear plans, align deal objectives with strategic tech goals, and position themselves for sustained growth by targeting tech-driven advantages and potential divestments. Proactively identifying and seizing transformational opportunities will be key to managing tech portfolios effectively and driving long-term value creation across all TMT business segments.”

Matthias Kind
Director, M&A TMT expert

