

US TMT Sector M&A & Valuation TLDR - 2025-11-10

US TMT Sector

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1. 30-Second TL;DR

- Yimutian Inc. announced its acquisition of Ningbo Xunxi Technology to enhance its B2B2C ecosystem, with deal specifics pending.
- Eaton Corp. acquired Boyd Thermal for \$9.5 billion to strengthen its AI cooling technology capabilities in data centers.
- The TMT sector shows cautious optimism, with an average EV/EBITDA multiple of 15.5x, driven by tech advancements but facing regulatory scrutiny and economic uncertainties.

2. 1-Minute TL;DR

- Yimutian Inc. is acquiring Ningbo Xunxi Technology to optimize its B2C strategy and enhance digital supply chain management, though financial details are yet to be disclosed.
- Eaton Corp.'s \$9.5 billion acquisition of Boyd Thermal aims to bolster its AI cooling technology for data centers, positioning it for growth in a critical market.
- The TMT sector reflects cautious optimism, with an average EV/EBITDA multiple of 15.5x. High-growth areas like software (20.3x) and AI (22.5x) attract premiums, while traditional sectors like telecom (9.8x) and media (12.1x) lag due to slower growth.
- Market dynamics are shaped by technological advancements, regulatory scrutiny, and economic uncertainties, influencing future M&A activities.

3. 2-Minute TL;DR

- Yimutian Inc. has reached a binding agreement to acquire Ningbo Xunxi Technology, a move aimed at expanding its B2B2C business ecosystem. The deal size is undisclosed, but the acquisition is expected to enhance Yimutian's digital supply chain management capabilities and diversify its revenue streams in China's agricultural digital economy. Risks include integration challenges and regulatory approvals.
- Eaton Corp. is making a significant \$9.5 billion acquisition of Boyd Thermal, a division specializing in AI cooling technology. This acquisition is strategic for Eaton as it seeks to enhance its capabilities in

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data center and aerospace operations, tapping into the growing demand for efficient thermal management solutions. Key risks involve the integration of Boyd's operations and potential disruptions in existing business lines.

- The TMT sector is characterized by cautious optimism, with an average EV/EBITDA multiple of 15.5x across subsectors. High-growth areas like software (20.3x) and AI (22.5x) command higher valuations, while traditional sectors like telecom (9.8x) and media (12.1x) face challenges due to slower growth.

- Key market drivers include technological advancements and strategic partnerships, while headwinds consist of regulatory scrutiny and economic uncertainties. Analysts predict continued consolidation in the sector, emphasizing the importance of focusing on high-growth areas and monitoring regulatory developments.