

APAC TMT Sector M&A & Valuation TLDR - 2025-12-27

APAC TMT Sector

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1. 30-Second TL;DR

- Shanghai Commercial Bank partnered with HashKey Exchange for a \$206 million co-branded credit card, bridging traditional finance and digital assets.
- The TMT sector shows cautious optimism, with an average EV/EBITDA multiple of 15.5x, driven by strong demand in AI and fintech, while traditional sectors face challenges.
- Key market dynamics include regulatory scrutiny and economic uncertainties, influencing M&A activities and investment strategies.

2. 1-Minute TL;DR

- Shanghai Commercial Bank's partnership with HashKey Exchange aims to launch Asia's first co-branded credit card for digital asset investors, leveraging HashKey's digital capabilities.
- The TMT sector is characterized by cautious optimism, with an average EV/EBITDA multiple of 15.5x, reflecting strong growth in AI (22.5x) and fintech (18.7x), while telecom (9.8x) and media (12.1x) face slower growth.
- Market drivers include technological advancements and robust investment, while headwinds consist of regulatory scrutiny and economic uncertainties.
- Analysts predict continued consolidation in the sector, particularly in high-growth areas like AI and fintech.

3. 2-Minute TL;DR

- Shanghai Commercial Bank's strategic partnership with HashKey Exchange, involving a \$206 million investment, aims to launch a co-branded credit card for digital asset investors, marking a significant step in integrating traditional banking with digital finance. The deal reflects SCB's digital transformation strategy, although it faces risks from regulatory challenges and market volatility.
- The TMT sector is navigating a landscape of cautious optimism, with an average EV/EBITDA multiple of 15.5x. High-growth sectors like AI (22.5x) and software (20.3x) attract investor interest, while

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traditional sectors like telecom (9.8x) and media (12.1x) struggle due to slower growth.

- Key market drivers include continuous technological advancements and strong investment in fintech, highlighted by the acquisition of Clearwater Analytics for \$8.4 billion. However, regulatory scrutiny and economic uncertainties pose risks to M&A activities and valuations.
- The current banking pipeline reflects a dynamic landscape with live deals, mandated transactions, and active pitches, projected to generate approximately \$25 million in fees. Focus areas include AI and telecom, indicating strong demand for advisory services in these sectors.
- Overall, the TMT sector presents both opportunities and challenges, with a focus on technological advancements and market dynamics shaping future investment strategies.