

# Europe TMT Sector M&A & Valuation TLDR - 2025-11-22

Europe TMT Sector

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## 1. 30-Second TL;DR

- Smartkem and Jericho Energy Ventures announced a proposed all-stock merger to create an AI-focused infrastructure company, enhancing their capabilities in semiconductor and energy sectors.
- Aramco is forming a \$120 billion strategic alliance with U.S. firms to invest in LNG and technology, aiming to strengthen economic ties and expand its influence.
- The TMT sector shows cautious optimism with an average EV/EBITDA multiple of 15.5x, driven by tech advancements, but tempered by regulatory scrutiny and economic uncertainties.

## 2. 1-Minute TL;DR

- Smartkem and Jericho Energy Ventures are merging to form a U.S.-owned AI infrastructure company, integrating semiconductor technology with energy innovation. The deal's financial terms remain undisclosed, but it aims to meet the growing demand for AI data centers.
- Aramco's \$120 billion alliance with U.S. companies focuses on LNG and technology investments, enhancing its global influence and securing long-term contracts.
- 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) face challenges.
- Key market drivers include technological advancements and market recovery, while regulatory scrutiny and economic uncertainties pose headwinds.

## 3. 2-Minute TL;DR

- Smartkem and Jericho Energy Ventures announced a proposed all-stock merger aimed at creating a U.S.-owned AI-focused infrastructure company. The merger seeks to combine Smartkem's organic semiconductor technology with Jericho's energy innovations to address the rising demand for AI data centers. While specific financial terms are not disclosed, risks include integration challenges and regulatory hurdles.

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- In another significant move, Aramco is establishing a \$120 billion strategic alliance with U.S. firms to invest in LNG, AI, and advanced materials. This partnership is designed to bolster U.S.-Saudi economic ties and enhance Aramco's global influence, although it faces geopolitical and market risks.
- The TMT sector is characterized by cautious optimism, with an average EV/EBITDA multiple of 15.5x. High-growth sectors like software (20.3x) and AI (22.5x) are attracting investor interest, while traditional sectors like telecom (9.8x) and media (12.1x) are trading lower due to slower growth prospects.
- Market dynamics are influenced by technological advancements and a recovering economy, but ongoing regulatory scrutiny and economic uncertainties create challenges. Investors are advised to focus on high-growth areas and stay informed about regulatory developments to navigate this evolving landscape effectively.