

US TMT Sector M&A & Valuation TLDR - 2025-11-13

US TMT Sector

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1. 30-Second TL;DR

- Coinbase and BVNK have abandoned a \$2 billion acquisition aimed at enhancing stablecoin services, reflecting challenges in the crypto market.
- The TMT sector shows cautious optimism, with an average EV/EBITDA multiple of 15.5x, driven by tech advancements but tempered by regulatory scrutiny.
- Key sectors like AI (22.5x) and software (20.3x) command higher valuations, while telecom (9.8x) and media (12.1x) lag due to slower growth.

2. 1-Minute TL;DR

- Coinbase's failed \$2 billion acquisition of BVNK was intended to bolster its stablecoin offerings in a growing market but faced integration and regulatory risks.
- The TMT sector is characterized by cautious optimism, with an average EV/EBITDA multiple of 15.5x. High-growth areas like AI and software are attracting investor interest, while traditional sectors like telecom and media are underperforming.
- Market dynamics are influenced by technological advancements, strong investment in tech, and ongoing regulatory scrutiny, shaping future M&A activities.

3. 2-Minute TL;DR

- Coinbase's recent attempt to acquire BVNK for \$2 billion aimed to enhance its institutional stablecoin services, tapping into a \$312 billion market. However, the deal was abandoned due to integration challenges and regulatory scrutiny. Coinbase's stablecoin services contributed \$246 million to its Q3 revenue of \$1.9 billion.
- 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) are attracting significant investment, while traditional sectors like telecom (9.8x) and media (12.1x) face challenges due to slower growth.
- Key market drivers include continuous technological advancements and robust investment in tech and

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fintech, while headwinds consist of regulatory scrutiny and economic uncertainties. Analysts predict ongoing consolidation in the sector, with a focus on high-growth areas like AI and fintech.

- The current banking pipeline in TMT includes live deals, such as Workhorse Group's merger with Motiv Electric Trucks, and mandated deals like SoftBank's sale of its Nvidia stake to fund AI investments. The active pipeline is projected to generate approximately \$30 million in fees, indicating strong demand for advisory services in emerging sectors.