BLOK
Management

BLOK MANAGEMENT GMBH

Telecommunication, Software & Technology

MARKET OVERVIEW AND M&A ACTIVITY

September 2025

BLOK Management

Specialized team for the Telecommunication, Software & Technology sector

BLOK Management follows a clear sector focus to bring the best possible advisory services to the respective clients

- BLOK's Telecommunication, Software & Technology (TS&T) sector team has been active in TS&T markets for years supporting its clients in M&A sell-side, M&A buy-side, funding as well as other corporate finance services
- We have excellent relationships with key players in the industry
- Our independency give us the opportunity to advise our clients without conflicts of interest
- Our global reach, as well as our personal advisory on partner level deliver high-quality results for all stakeholders involved

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Executive summary

Global

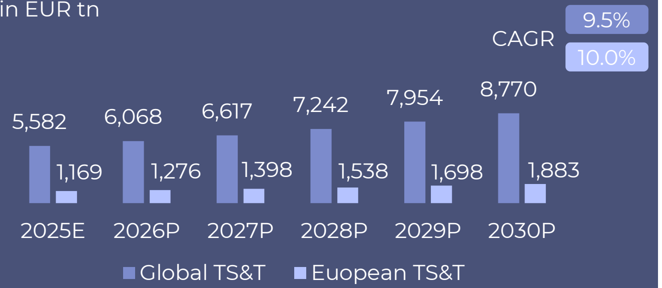
- The global TS&T market is on a steady growth path with cybersecurity, AI infrastructure and multi-cloud as main priorities for corporates and private equities
- The US CLOUD Act and tariff moves raise compliance and supply-chain risks and drive buyers toward jurisdiction-aligned assets

Europe

- With sovereign cloud and AI adoption accelerating, Europe's public cloud spending is on track to reach about EUR 200bn by 2030P
- Connectivity and data infrastructure are EU priorities backed by public programs, projected to drive more carve-outs and buy-and-builds over the next two years

Global and European TS&T market

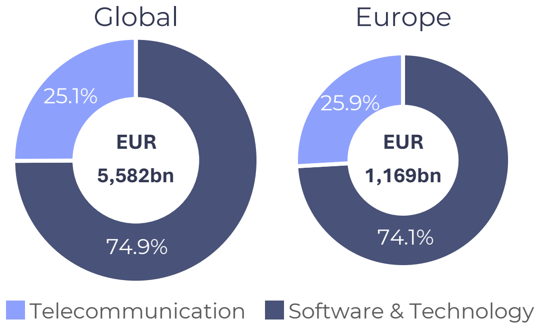
in EUR tn



General explanation

TS&T refers to the Telecommunication, Software & Technology markets that include amongst others AI, cyber-security, data center, data services via mobile network and landline, IoT, public cloud, robotic, semiconducter, software and voice services via mobile network and landline

Market by segment (2025)



Market overview

The global TS&T market is expected to grow at a CAGR of 9.5% between 2025E and 2030P, from the market value of EUR 5,582bn to EUR 8,770bn. The European TS&T market accounts for 20.9% of the global market value and is expected to grow with a CAGR of 10.0% between 2025E and 2030P, from a market value of EUR 1,169bn to EUR 1,883bn

Key market facts

Public Cloud: Driven demand for european sovereign clouds due to US hyperscalers

Cybersecurity: Over half of German firms suffered serious cyber incidents in 2024/2025

Software: North American software names continue to outgrow European peers

Data Center: Global electricity use is projected to more than double to 945 TWh by 2030P

European comparable transaction valuation snapshot

Median EV/Sales	Median EV/EBITDA
2.5x	12.9x

Sources: Capital IQ, Mergermarket, BLOK research

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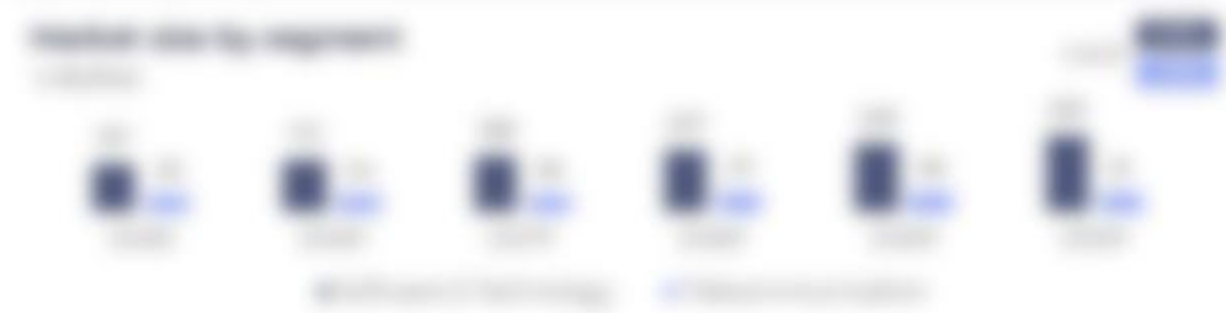

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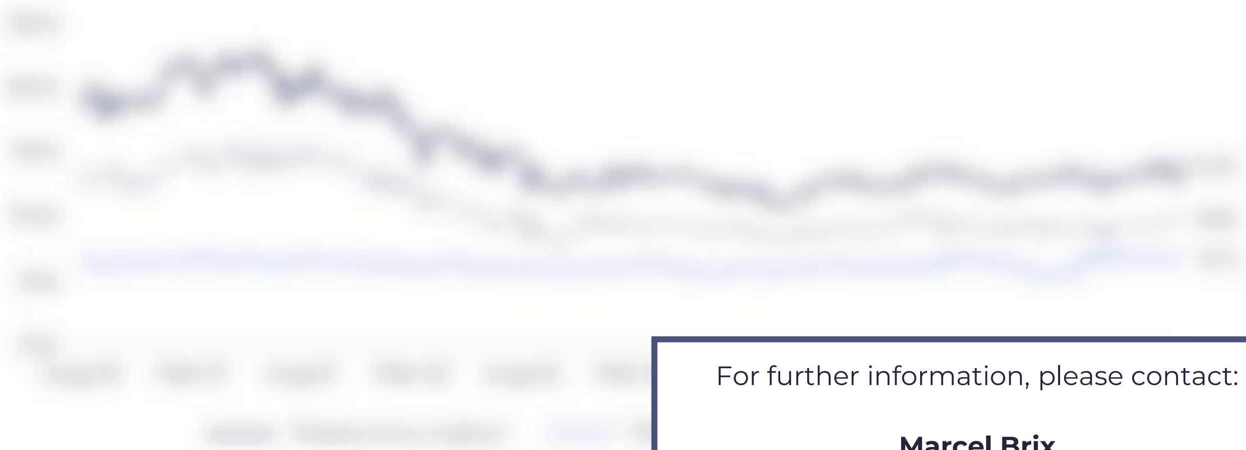

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Conclusion

Market trends

- Rising cyberattacks and NIS2/KRITIS compliance are driving PE-backed roll-ups in European cybersecurity
- Telecom market remains fragmented in Europe hosting seven times more operators than the United States
- Sovereign cloud and AI reshape Europe as public cloud spend races toward EUR 200bn by 2030

M&A / valuation

- Deal Momentum in the Software & Technology sector is rebuilding
- North American software companies continue to show higher growth and valuation multiples than European peers in 2025
- Telecom consolidation advances as the EU clears Orange and MásMóvil and the UK clears Vodafone and Three UK

Outlook

- Connectivity and data-infra are EU priorities underpinned by public programs. More carve-outs are expected
- Tariffs and regulatory volatility will shape cross-border diligence and valuation haircuts
- Cybersecurity, AI infrastructure, vertical SaaS and multi-cloud remain priority themes for strategics and PE

BLOK Management at a glance

>100
Closed deals[1)]

70%
Sell-side

> EUR 5bn
Total deal value

50%
Cross-Border

~ EUR 65m
Average deal value

45%
Private Equity Involvement

Sector focus


Business Services


Industrials


Telecommunications


Software & Technology


FMCG


Life Sciences


Environment


Education


Automotive


Logistics


Construction


Chemicals

Our services

M&A sell-side advisory
- Exit readiness
- Corporate carve-out/ spin-off
- Private equity sell-side
- Corporate succession

M&A buy-side advisory
- Add-on acquisitions
- Private equity buy-side

Corporate finance advisory
- Sell-side lender education
- Acquisition financing / LBO
- Refinancing
- Real estate financing
- Working capital financing
- Growth financing (CAPEX / Add-ons)
- Valuations
- Venture Capital

1) Includes previous deals by BLOK team members

BLOK Management – your local partner, at home globally

■ Local execution support via BLOK's global partner network