



Sector Reports

Clarity on Mergers & Acquisitions 2022

Recap and outlook of
the Swiss M&A landscape

January 2022



Sector Overview

Click on a sector box to jump to the respective report.

Chemicals



2021 Review Deal activity boomed to the highest levels seen for almost 10 years, marked by two transactions of around USD 5–6bn.

2022 Outlook We expect the industry to continue divesting non-core operations and undertaking selected bolt-on acquisitions with a focus on high-margin segments such as speciality chemicals.

Consumer Markets



2021 Review The number and value of deals rose in 2021 thanks to ongoing portfolio management and growing considerations around ESG and Direct-to-Consumer.

2022 Outlook Multiples remain high due to strong competition for good assets from corporate and Private Equity players with large war chests.

Commodities



2021 Review The number of deals picked up following a sharp drop in 2020, recovering to around 2018 levels. Total deal values remain far below those of 2016–2018, however.

2022 Outlook Deals that are oriented around more sustainable, renewable energy will become more prevalent, and vertical integration in the EV supply chain is likely to continue.

Financial Services



2021 Review Swiss buyers were particularly active both domestically and abroad. As the number of deals rose significantly, deal values were boosted by a USD 5.8bn Insurance acquisition by Zurich-based Chubb.

2022 Outlook New regulatory requirements will continue to drive local deals in insurance brokerage and among independent wealth managers and trust businesses. Private Banking is another area to watch for continued consolidation.

Industrial Markets



2021 Review Activity picked up following the sharp drop in 2020, with the number of deals hitting a new record high. Deal values remain far below that of 2018's record, however.

2022 Outlook Portfolio reviews and bolt-on acquisitions will continue to drive activity, with considerable ongoing interest from Private Equity in the mid-market.

Real Estate



2021 Review Capital flows and transaction volumes both strengthened in the persistently low interest – and now inflationary – environment.

2022 Outlook Investors are beginning to price ESG considerations into investment decisions with the result that lower-quality properties with poor carbon footprints will lose out.

Pharmaceuticals & Life Sciences



2021 Review Bouncing back following a difficult 2020, the number and value of deals both boomed in 2021, with four deals each exceeding USD 5bn.

2022 Outlook Portfolio reviews and planned spin-offs are on the cards, as is continued activity by serial dealmakers with healthy war chests.

Private Equity



2021 Review Activity rallied as deal makers regained confidence in the market, leading to a record year in terms of the number of deals. Three-quarters of deals were acquisitions and there was a significant rise in large cross-border transactions.

2022 Outlook With significant amounts of dry powder to be deployed, firms will continue to compete for a limited number of quality assets. Distressed transactions will increase in 2022 as government rescue measures for companies decline.

Power & Utilities



2021 Review Deal values rose by almost 80 percent, driven by two transactions. The overall deal mix favored renewable energy and battery and storage-related solutions.

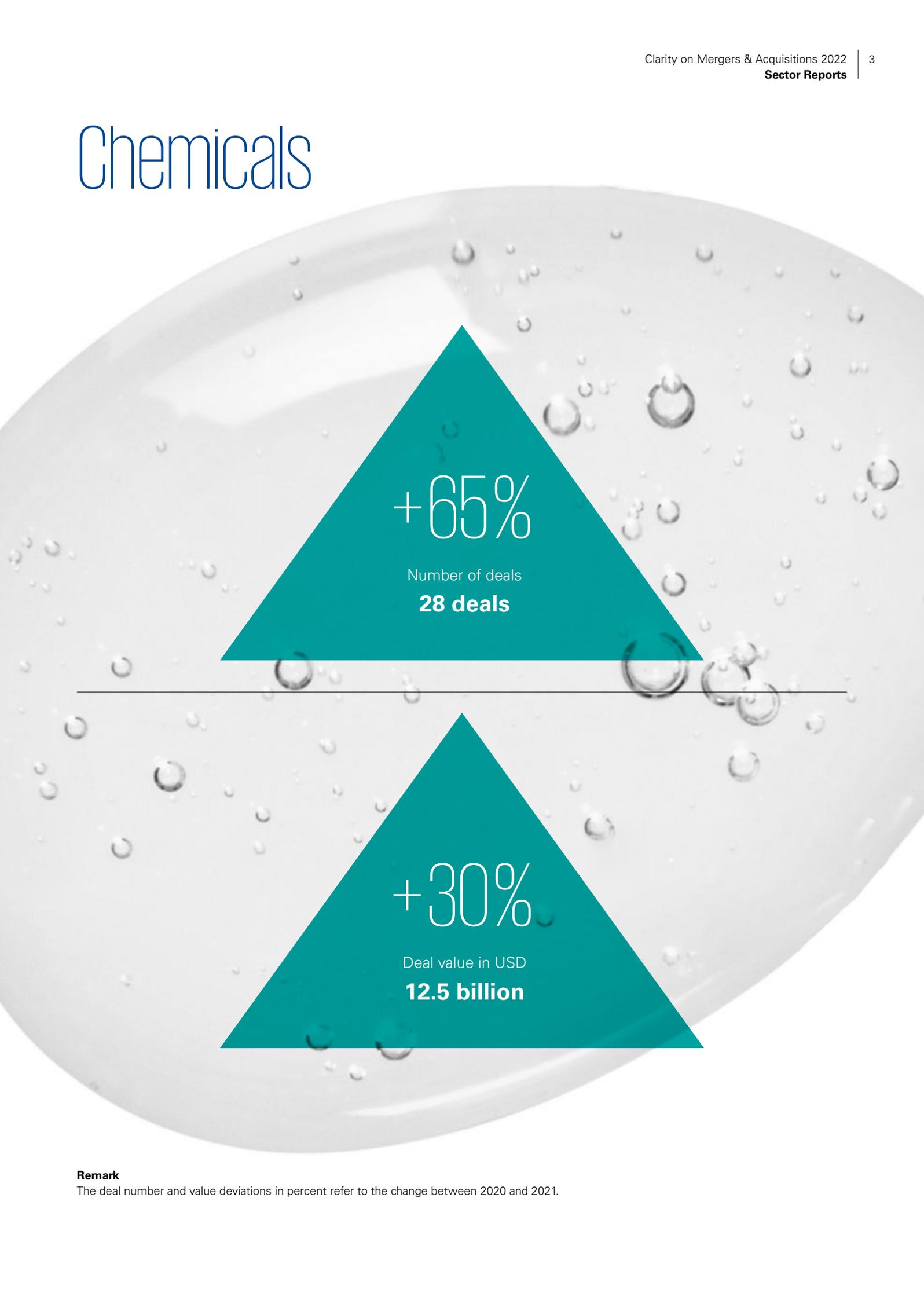
2022 Outlook Renewable energy will remain in sharp focus given climate commitments and concerns over Switzerland's energy security given stalled discussions over integration with the EU energy market.

Technology, Media & Telecommunications

2021 Review Activity rebounded strongly, climbing to a record high for the number of deals. Technology continues to boom while Media houses reposition themselves or join forces to compete against global giants.

2022 Outlook Software will remain at the top of the list. An increase in cyber-attacks in 2021 will likely result in greater deal activity in this space.

Chemicals



+65%

Number of deals
28 deals

+30%

Deal value in USD
12.5 billion

Remark

The deal number and value deviations in percent refer to the change between 2020 and 2021.



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Top Deal 2021

USD 6.0 billion

Target: MBCC Group

Buyer: Sika AG

2021 review

Deal activity boomed to the highest levels seen for almost 10 years, marked by two transactions of around USD 5–6bn.

2022 outlook

We expect to continued divestment of non-core operations and selected bolt-on acquisitions with a focus on high-margin segments such as speciality chemicals.

Top 5 Swiss Chemicals deals 2021

Announced date	Target	Stake %	Target country	Bidder	Bidder country	Seller	Seller country	Value USDm
Nov 2021	MBCC Group	100	Switzerland	Sika AG	Switzerland	Lone Star Funds	USA	5,977
Feb 2021	Lonza Group AG (Speciality Ingredients Business)	–	Switzerland	Cinven Partners LLP; Bain Capital, LP	United Kingdom, USA	Lonza Group AG	Switzerland	4,668
Jun 2021	Clariant AG (Pigments business)	–	Switzerland	Heubach GmbH; SK Capital Partners, LP	Germany, USA	Clariant AG	Switzerland	951
Aug 2021	Serra do Salitre phosphate project	100	Brazil	EuroChem Group AG	Switzerland	Yara International ASA	Norway	410
Dec 2021	Fertilizantes Heringer SA	51	Brazil	EuroChem Group AG; AIM Capital SE	Switzerland, Cyprus	Heringer Participacoes	Brazil	338

Chemicals

Following a dip in 2020 as the pandemic created global uncertainty, the number of deals picked up last year, growing by more than 60 percent from 17 deals in 2020 to 28 in 2021. Two transactions stood out from the crowd due to their size: the acquisitions of MBCC Group and Lonza Specialty Ingredients.

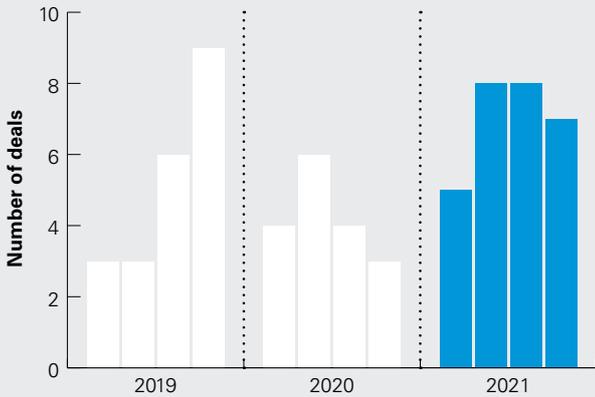
Last year's largest transaction saw Sika acquire MBCC Group at an estimated deal value of almost USD 6bn from an affiliate of Lone Star Funds. Formerly BASF Construction Chemicals, MBCC Group is a leading supplier in construction chemicals worldwide. The acquisition is expected to complement and broaden Sika's product and solution offerings and to strengthen its geographic footprint. The transaction is subject to regulatory approval and closing is targeted for the second half of 2022.

Bain Capital and Cinven Partners meanwhile acquired Lonza Specialty Ingredients (LSI) for a total enterprise value of USD 4.7bn in a deal that closed on 1 July 2021. LSI provides microbial control solutions and chemical technologies, as well as composite materials, performance intermediates and chemicals. The transaction is part of a divestment strategy that allows Lonza to focus on the healthcare business. Under its new ownership, LSI is expected to benefit from Bain and Cinven's resources and expertise, with investment to further its R&D and business growth.

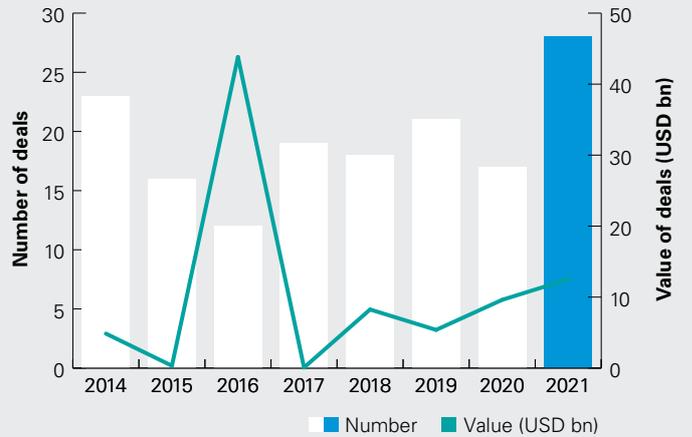
Another of the year's major acquisitions was the purchase of Clariant's pigments business by Heubach and SK Capital Partners in a deal valued at just under USD 1bn. The transaction will see Clariant reinvest to acquire a 20 percent stake in the combined business. The sale is in line with Clariant's strategy to focus on its core operations while also enabling it to participate in future growth opportunities in the pigment business and the synergies of the combination with Heubach.

Chemicals

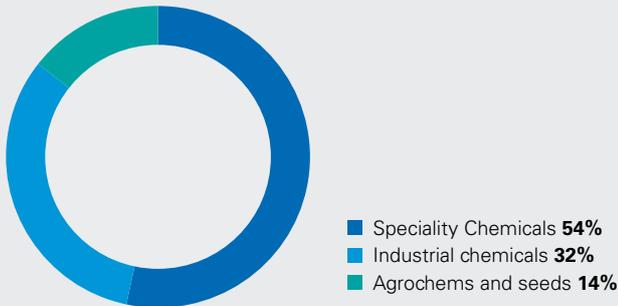
Number of deals per quarter



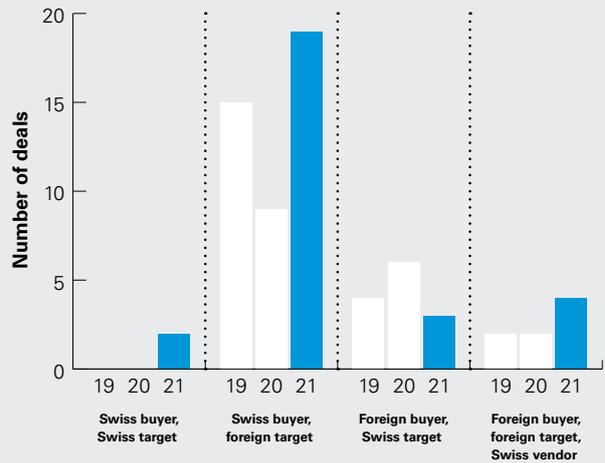
Number and value of deals per year



Number of deals per industry sub-sector 2021



Split of deals by target/buyer/seller 2019 to 2021



Outlook

As the global economy reopens and restrictions are lifted, M&A activity is expected to recover further. The coming year is unlikely to see several transactions in Switzerland on the scale of those seen last year, however.

We expect upcoming deals to focus on core businesses and the divestment of non-core activities. This may be complemented by selected bolt-on acquisitions in high-margin segments such as speciality chemicals to offset increasing cost pressures.

Commodities



Remark

The deal number and value deviations in percent refer to the change between 2020 and 2021.

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Top Deal 2021

USD 1.8 billion

Target: Vivo Energy plc

Buyer: Vitol Group

2021 review

The number of deals picked up following a sharp drop in 2020, recovering to around 2018 levels. Total deal values remain far below those of 2016–2018, however.

2022 outlook

Deals that are oriented around more sustainable, renewable energy will become more prevalent, and vertical integration in the EV supply chain is likely to continue.

Top 5 Swiss Commodities deals 2021

Announced date	Target	Stake %	Target country	Bidder	Bidder country	Seller	Seller country	Value USDm
Nov 2021	Vivo Energy plc	64	United Kingdom	Vitol Group	Switzerland	Helios Investment Partners LLP	United Kingdom	1,838
Nov 2021	Ernest Henry Mining Pty Ltd	70	Australia	Evolution Mining Limited	Australia	Glencore Plc	Switzerland	728
Mar 2021	Zennor Petroleum Limited	100	United Kingdom	NEO Energy	United Kingdom	Unigestion SA; Kerogen Capital (Asia) Limited	Switzerland, Hong Kong	625
Jun 2021	Cerrejon Zona Norte	67	Colombia	Glencore Plc	Switzerland	Anglo American Plc; BHP Group Plc	United Kingdom	588
Oct 2021	Petroteq Energy Inc	100	USA	Viston United Swiss AG	Switzerland			457

Commodities

The past year saw supply chain disruptions drive up Commodities prices across the various segments, while investors turned to Commodities as protection against expected inflation rises. Against this background, M&A activity picked up following a sluggish 2020. The result was the number of deals returning to 2018 levels, though deal values remain significantly below those seen between 2016 and 2018.

In the **Energy** sector, demand for oil – and production by OPEC – fell in 2020 due to the pandemic. They have since been steadily increasing and are expected to return to pre-pandemic levels by mid-2022. Despite a continued reliance on fossil fuels, the transition to renewable energy sources is playing out in the M&A market through transactions such as Vitol's acquisition of Big Sky Wind from Blackrock. As part of broader attempts to decarbonize economies, some larger Commodities players in Switzerland have turned their attention to the decarbonization of transportation, and the EV supply chain in particular. These include Vitol and Mercuria investing in compressed natural gas (CNG) stations, charging stations, and EV lithium supplies and recycling solutions for essential EV materials.

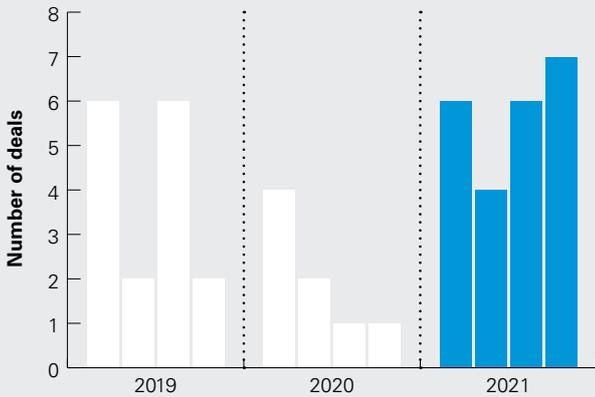
Metals prices have been impacted by supply chain disruptions, which are not expected to be fully resolved before the end of 2022. As a result of metals prices being at their highest for years, the profitability of the main actors in this segment has increased substantially.

Turning again to EV, prices of metals that are critical to the production of EV batteries are soaring. This is causing businesses in the EV supply chain – including Tesla and China's Contemporary Amperex Technology battery manufacturer – to integrate the mining and production of relevant materials inhouse.

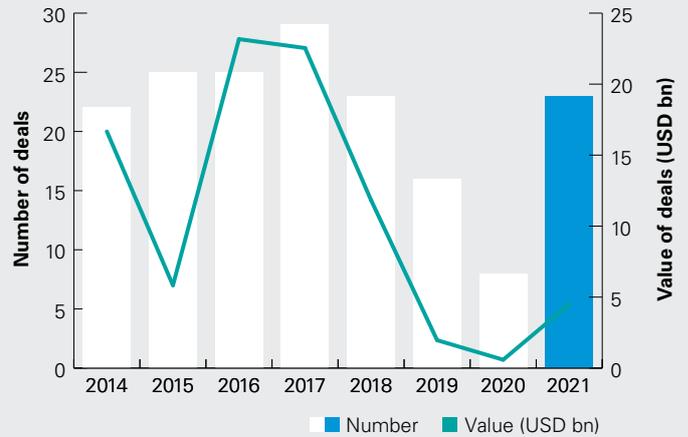
Prices of **Agricultural** commodities rose sharply in 2021 on the back of strong demand (e.g. despite record production, demand for cereals exceeded supply), increasingly extreme climate conditions in certain locations negatively impacting crops, higher freight costs, and a shortage of workers due to lockdown-related disruptions. As efforts focus more intently on decarbonizing economies, businesses are looking at progressive technology-based solutions such as alternative proteins and plant-based bio-solutions, regenerative agricultural practices, and combining these with carbon offsetting programs. Going forward, a threat to Agricultural prices is expected from the rising cost of inputs such as fertilizers and energy costs, and a growing use of crops to produce biofuels.

Commodities

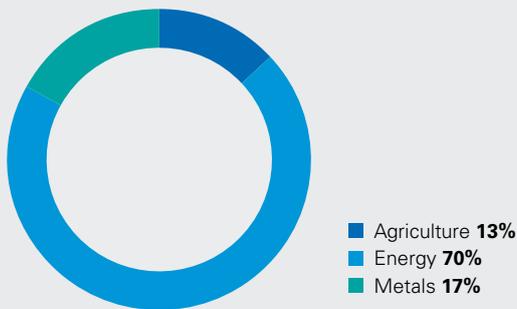
Number of deals per quarter



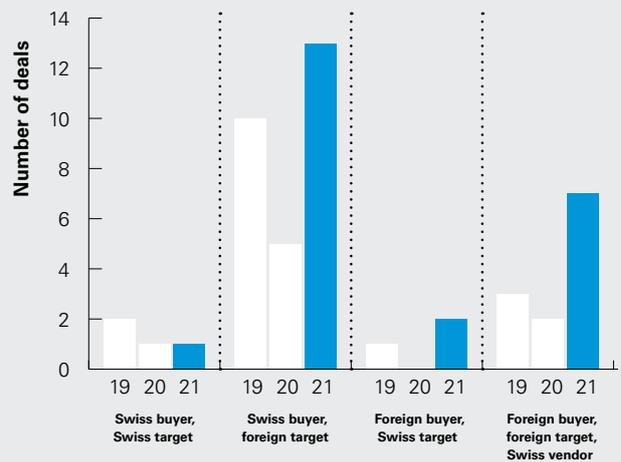
Number and value of deals per year



Number of deals per industry sub-sector 2021



Split of deals by target/buyer/seller 2019 to 2021



Outlook

Price rises across the main Commodities segments are expected to slow. Slight price decreases may even be observed by the end of 2022 compared to 2021.

The transition to a circular economy with more sustainable, renewable sources of energy is a strategic objective of Commodities players, as evidenced by some of the deals in this sector such as the Chevron-Mercuria joint venture or in the Power & Utilities sector such as the acquisition of a wind farm by MET Holding. The prevalence of such deals can be expected to grow over the coming years as is the continued vertical integration among EV manufacturers.

Consumer Markets





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Top Deal 2021

USD 10.0 billion

Target: L'Oreal SA **

Buyer: L'Oreal SA

2021 review

The number and value of deals rose in 2021 thanks to ongoing portfolio management and growing considerations around ESG and Direct-to-Consumer.

2022 outlook

Multiples remain high due to strong competition for good assets from corporate and Private Equity players with large war chests.

Top 5 Swiss Consumer Markets deals 2021

Announced date	Target	Stake %	Target country	Bidder	Bidder country	Seller	Seller country	Value USDm
Dec 2021	L'Oreal SA **	4	France	L'Oreal SA	France	Nestlé SA	Switzerland	10,050
Apr 2021	The Bountiful Company	100	USA	Nestlé SA	Switzerland	KKR & Co. Inc.; The Carlyle Group	USA	5,750
Feb 2021	Nestlé Waters North America Inc.	100	USA	Metropoulos & Co; One Rock Capital Partners, LLC	USA	Nestlé SA	Switzerland	4,300
Feb 2021	Independent Vetcare Limited	*	United Kingdom	Nestlé Purina PetCare Company; EQT Partners AB; Silver Lake Partners	Switzerland; Sweden; United Kingdom			4,233
Jan 2021	Careismatic Brands Inc	100	USA	Partners Group Holding AG	Switzerland	New Mountain Capital, LLC	USA	1,300

* undisclosed

** Sale of shares does not represent an entire exit – following the transaction, Nestlé still owns 20.1% of L'Oréal

Consumer Markets

2021 saw an increase in M&A volumes and values as the recurring theme of active portfolio management that has driven activity in recent years was joined by the growing importance of ESG and appetite for Direct-to-Consumer businesses.

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Actively managing its portfolio further, Nestlé was again the largest driver of M&A in this sector, as it was in 2020 too. Key moves last year saw Nestlé expand its presence in the Vitamins, Minerals and Supplements sector with the USD 5.8bn acquisition of The Bountiful Company while exiting from its North American Waters business. The sector's largest transaction of 2021 was Nestlé's move in December to trim its stake in L'Oréal from 23 percent to just over 20 percent. This move will generate CHF 9.3bn of proceeds that will be used to fund a new share buy-back program from 2022 onwards.

ESG standards and transparency have both become increasingly important generally, and are highly relevant to Consumer Markets businesses. We are seeing the long-expected change in consumer preferences taking place towards more sustainable products and

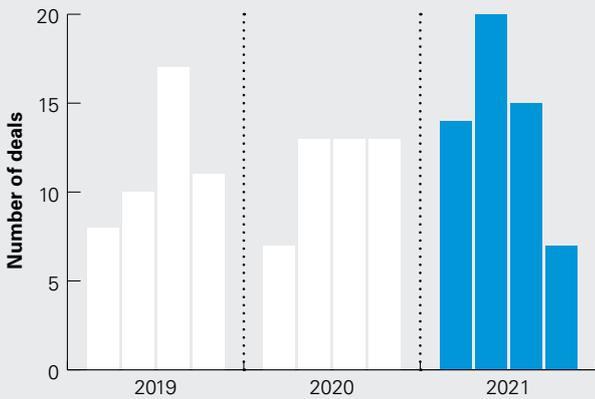
responsible advertising. This highlights the need to align product portfolios and brands to personal ESG values. It also means Consumer Goods businesses must become better at measuring and evaluating ESG in their portfolios, including how to measure ROI when looking at new acquisitions.

Direct-to-Consumer businesses have been a focus of M&A interest during the past year, with many growing rapidly during lockdown due to more customers buying online, some for the first time. Acquirers have faced the challenge of assessing how sustainable the COVID-19 boost is and we expect buyer appetite in 2022 to move back towards omni-channel businesses.

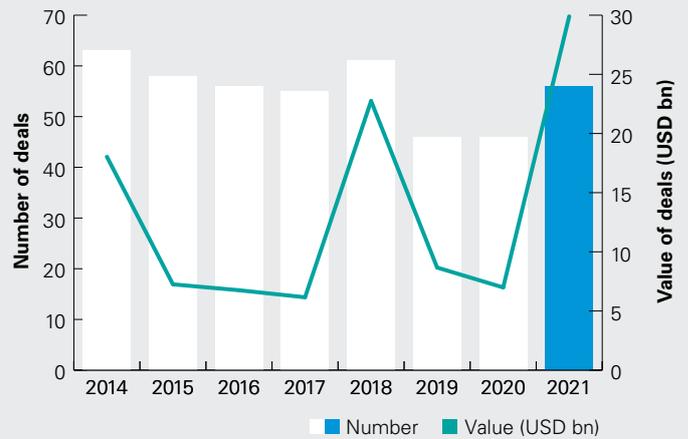
Private Equity interest in Consumer Markets remained high, with investments by Partners Group into Breitling and Careismatic Brands hitting the headlines. Activity at the smaller end of the M&A spectrum was also high, however, buoyed by record rounds of funds being raised and Switzerland's strong position as a hub for start-ups in areas such as software and foodtech. We see foodtech as an area to watch for 2022 and expect to see more venture capital investments into this segment.

Consumer Markets

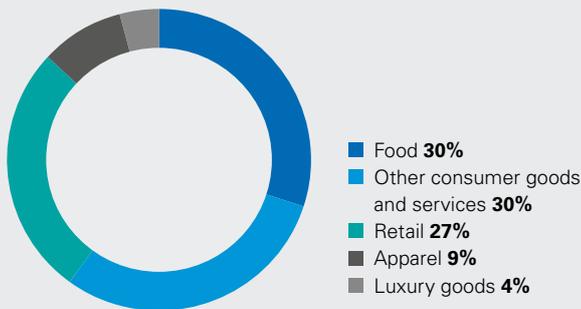
Number of deals per quarter



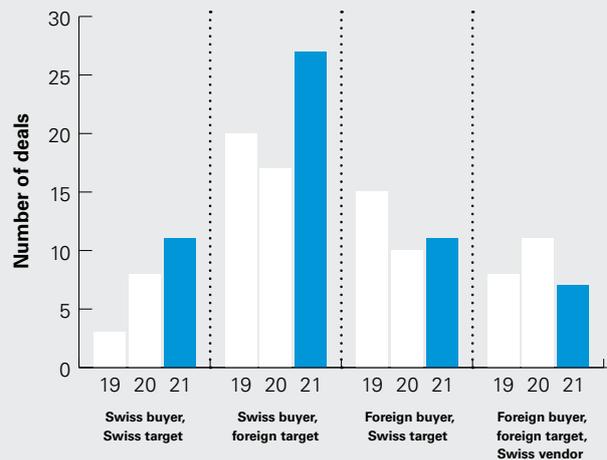
Number and value of deals per year



Number of deals per industry sub-sector 2021



Split of deals by target/buyer/seller 2019 to 2021



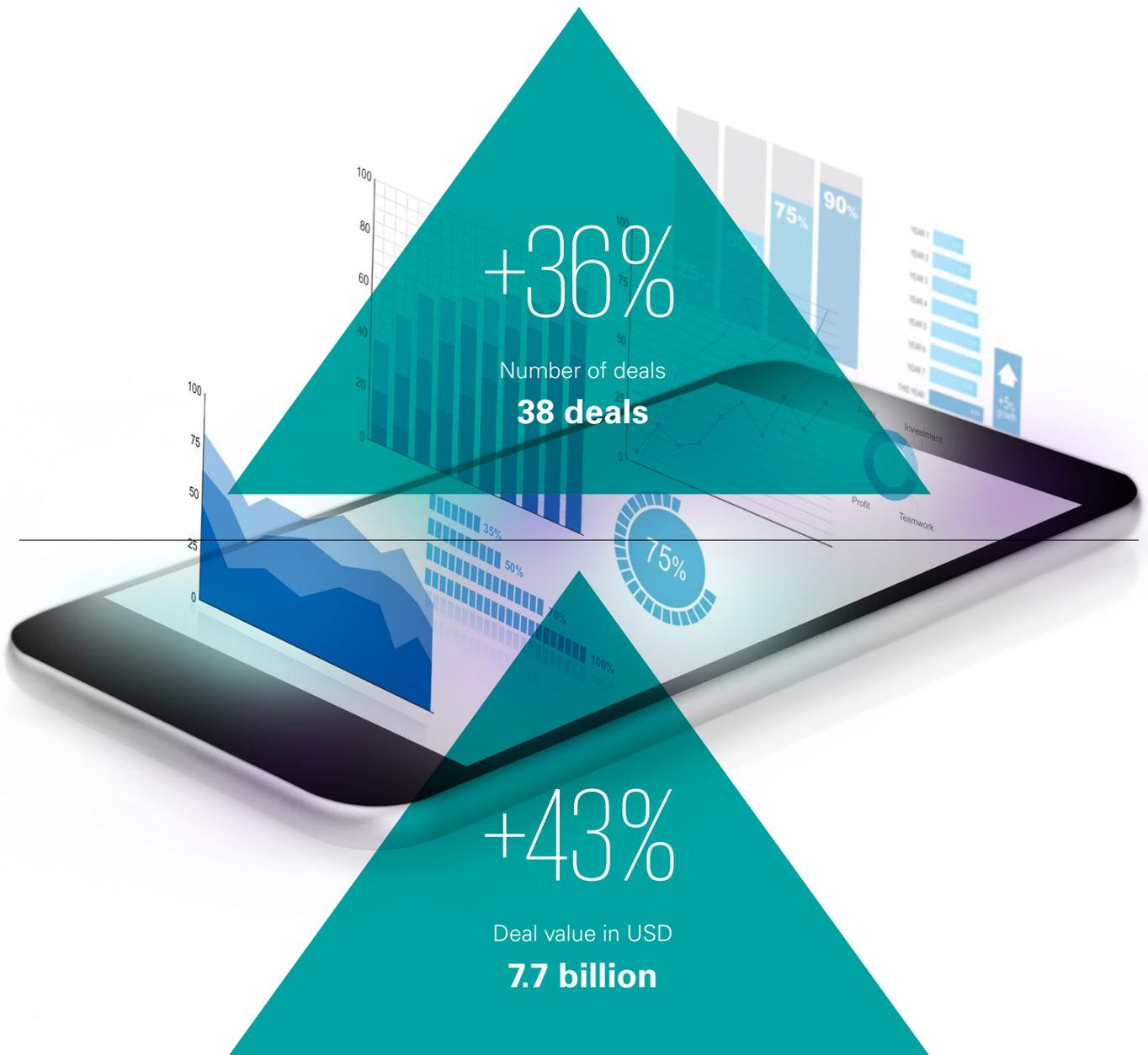
Outlook

We expect M&A activity to continue to rebound following the 2020 dip, with large war chests at both corporate and Private Equity acquirers together with ongoing strategic pressures to manage portfolios. Portfolio reviews will increasingly involve an ESG lens, which may itself lead to transactions.

There are potential bumps in the road due to the prospects of interest rate rises and, more importantly for the Consumer Goods and Retail sectors, ongoing supply chain difficulties and the risks of further COVID-19 lockdowns.

For the moment, the main challenge for acquirers is the high multiples being commanded in the sector as major investors and corporates compete to use M&A to achieve scale and innovation.

Financial Services

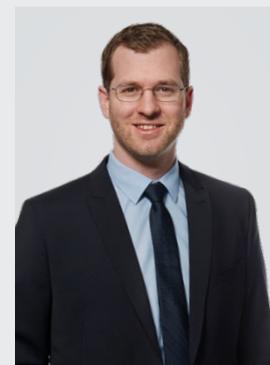


Remark

The deal number and value deviations in percent refer to the change between 2020 and 2021.



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Top Deal 2021

USD 5.8 billion

Target: Cigna Corporation (APAC insurance business)

Buyer: Chubb Ltd

2021 review

Swiss buyers were particularly active both domestically and abroad. As the number of deals rose significantly, deal values were boosted by a USD 5.8bn Insurance acquisition by Zurich-based Chubb.

2022 outlook

New regulatory requirements will continue to drive local deals in insurance brokerage and among independent wealth managers and trust businesses. Private Banking is another area to watch for continued consolidation.

Top 5 Swiss Financial Services deals 2021

Announced date	Target	Stake %	Target country	Bidder	Bidder country	Seller	Seller country	Value USDm
Oct 2021	Cigna Corporation (APAC insurance business)	–	Asia-Pacific	Chubb Ltd	Switzerland	Cigna Corporation	USA	5,750
Nov 2021	Huatai Insurance Group Co Ltd	7	China	Chubb Ltd	Switzerland	Tianfeng Securities Co., Ltd.; Humanwell Healthcare (Group) Co., Ltd.	China	444
May 2021	Clearstream Fund Centre AG	49	Switzerland	Deutsche Boerse AG	Germany	UBS AG	Switzerland	428
Aug 2021	Deutsche Bank Financial Advisors	100	Italy	Zurich Insurance Group AG	Switzerland	Deutsche Bank AG	Germany	415
Dec 2021	Huatai Insurance Group Co Ltd	6	China	Chubb Ltd	Switzerland	Chongqing Contemporary Lishi Industrial Development Co., Ltd.	China	387

Financial Services

As in recent years, Insurance produced the only mega-deal in Financial Services. Investment Management was a hotbed of smaller deal activity due to the disposal of foreign subsidiaries by Swiss Private Banks. While Private Banks actively pursued M&A, consolidation among them was relatively slow, producing only two deals.

A relatively slow year in **Banking** saw J. Safra Sarasin buy Bank of Montreal's private banking business in Hong Kong and Singapore; Hyposwiss Private Bank purchase United Mizrahi Bank (Switzerland); and Union Bancaire Privée announce two acquisitions (Banque Privée BCP (Suisse), and Danske Bank International's private banking business in Luxembourg). UBS disposed of its Spanish business to Singular Bank. EFG sold its remaining 41 percent stake in Spain's A&G and said it would buy the remaining shares in its Australian subsidiary Shaw and Partners. These transactions demonstrate the ongoing trend towards larger private banks.

Activity in **Insurance** was at a similar level as recent years. The sector produced the largest deal as Chubb acquired Cigna's insurance business across seven Asia-Pacific markets for USD 5.8bn. Chubb also acquired a majority stake in China's Huatai Insurance Group through two acquisitions, for USD 0.8bn. Credit Suisse sold its life insurance business to Octium Group, and Allianz Suisse announced and executed a reinsurance resolution for a legacy portfolio of life insurance products with Resolution Re. Swiss Life acquired life insurance carrier Elips Life, and SIX-listed Spice Private Equity acquired Brazilian insurance carrier Argo Seguros Brasil.

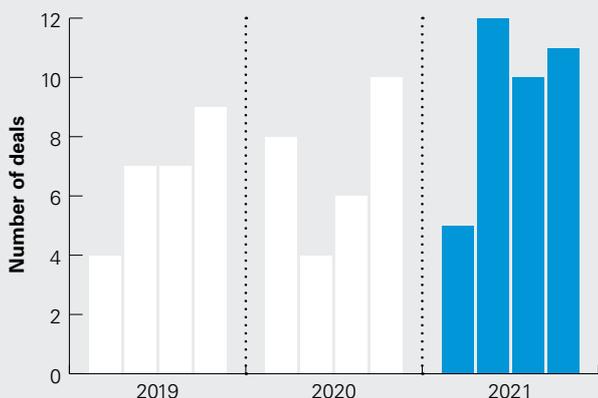
Investment Management produced many deals last year. EFG sold some of its foreign non-banking subsidiaries, including EFG Fund management in Luxembourg and its French asset manager Oudart. Several Swiss buyers acquired investment managers abroad, with the UK being a particularly hot target as Vontobel bought the remaining 40 percent of shares in

TwentyFour Asset Management, Edmond de Rothschild merged its UK business with Hottinger Group, and VZ acquired Lumin Wealth Management. Further afield, UBS sold UBS Swiss Financial Advisers to Vontobel, creating the largest Swiss-domiciled wealth manager for US clients seeking an account in Switzerland. Further, UBS bought the remaining 40 percent stake in Brazil-based Consenso Investimentos. Inbound transactions meanwhile included US asset management giant PGIM acquiring Swiss Montana Capital Partners.

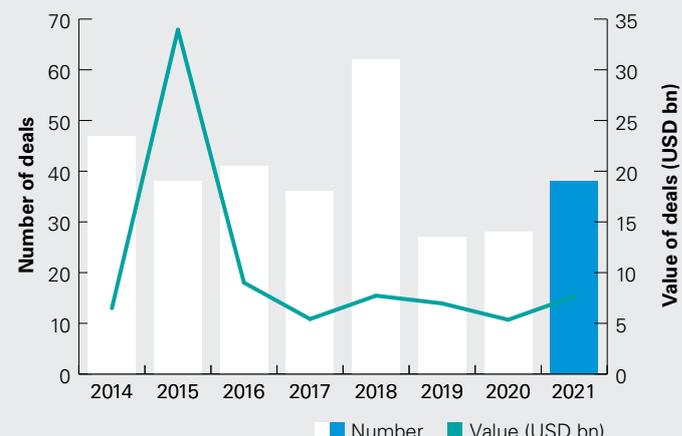
In **other areas**, the insurance broker space was also active. Zurich Insurance Group acquired Deutsche Bank Financial Advisors, an Italian fund and insurance brokerage platform covering over 1,000 external financial advisors and 100 employees. Swiss consolidation is being driven by regulatory pressure, especially limits on brokerage fees by the new mandatory agreement for insurance brokers (Branchenvereinbarung „Vermittler“). This contributed to US insurance broker Arthur J. Gallagher & Co. buying the remaining 35 percent of Zurich-based Hesse & Partner, and Singapore's Insurtech unicorn Bolttech buying specialty insurance broker i-surance.

In a further sale, UBS sold its remaining 48.8 percent stake in Clearstream Fund Centre B2B to Deutsche Börse, and private debt specialist DDM Holding acquired Swiss Bankers Prepaid Services. There were also some significant old-world investments into new-world crypto businesses, including Deutsche Börse's 67 percent participation in Zug's Crypto Finance Group and the acquisition of Protos Asset Management by Canada's DeFi Technologies.

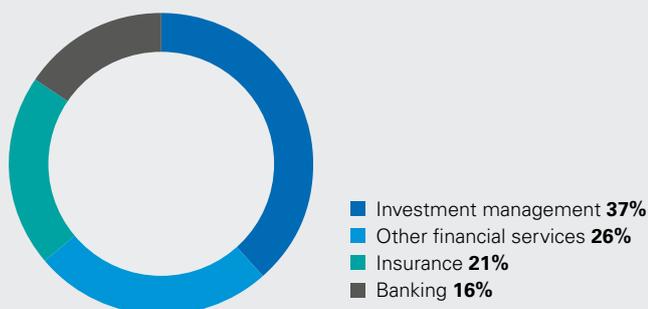
Number of deals per quarter



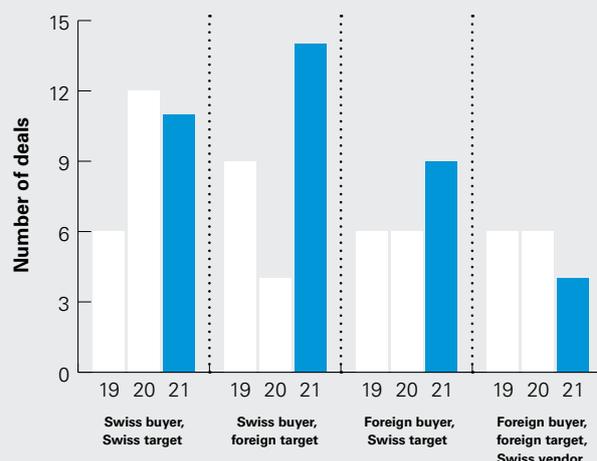
Number and value of deals per year



Number of deals per industry sub-sector 2021



Split of deals by target/buyer/seller 2019 to 2021



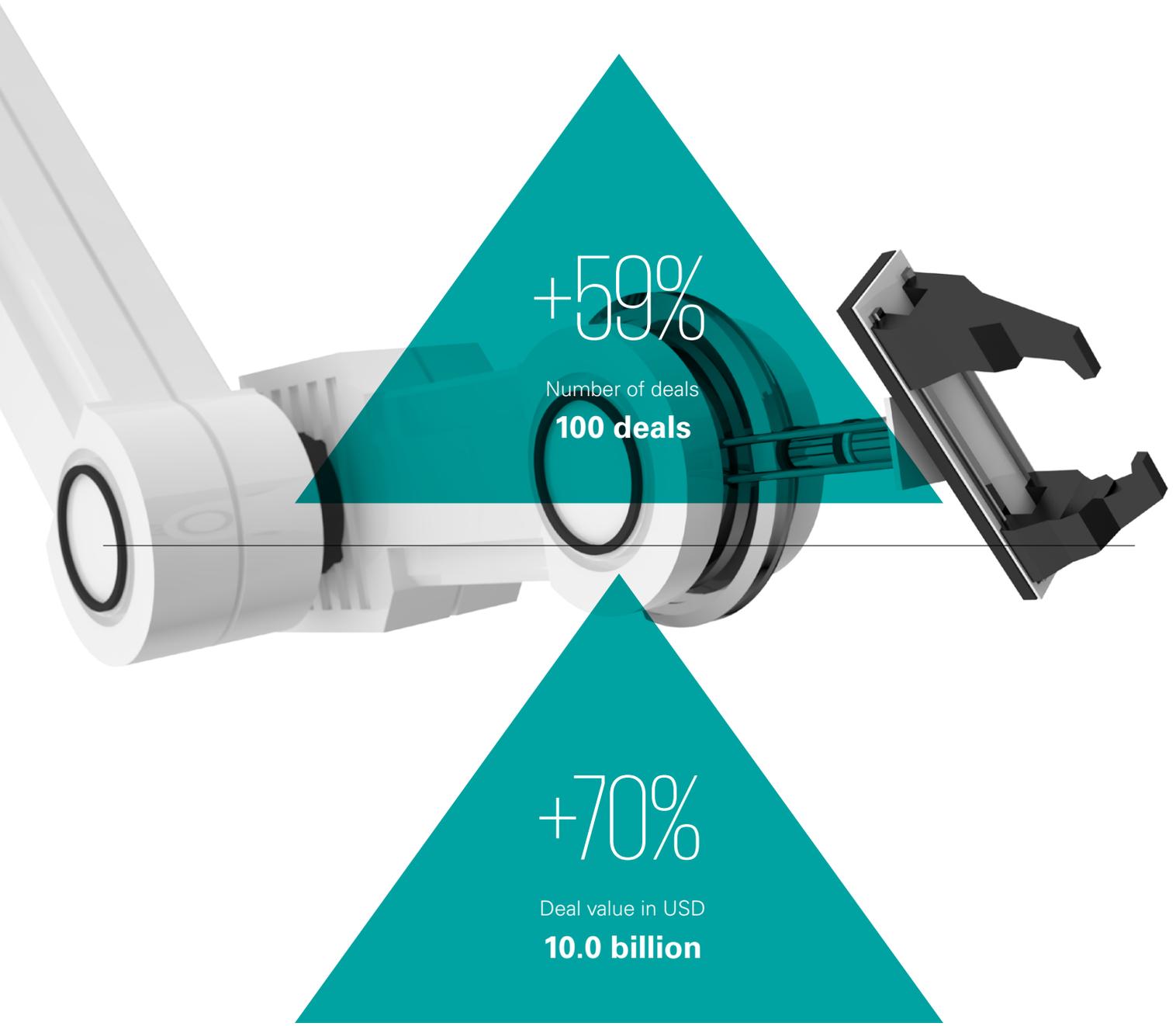
Outlook

Persistent, severe challenges for smaller and medium-sized Swiss **Private Banks** mean consolidation is likely to continue over the coming years.

Insurance will continue to see investments in ecosystems, selected Insurtechs, and portfolio adjustments. This will extend beyond large scale or Switzerland-based international insurers to include others such as health insurers to provide a more holistic approach towards health care. In life insurance, some peers might follow Allianz Suisse’s precedent in reinsuring a large-scale legacy portfolio.

Some Private Banking trends are reflected in **Investment Management**, with a global move towards consolidation among asset managers, independent wealth managers and multi-family offices in particular. The introduction of FINIG will make around 2,400 independent wealth managers and trustees subject to increased regulatory supervision by the end of 2022. Together with the appearance of several Private Equity-backed consolidators in the sector recently, deal activity should rise.

Industrial Markets



Remark

The deal number and value deviations in percent refer to the change between 2020 and 2021.



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Top Deal 2021

USD 2.9 billion

Target: Dodge

Buyer: RBC Bearings Inc.

2021 review

Activity picked up following the sharp drop in 2020, with the number of deals hitting a new record high. Deal values remain far below that of 2018's record, however.

2022 outlook

Portfolio reviews and bolt-on acquisitions will continue to drive activity, with considerable ongoing interest from Private Equity in the mid-market.

Top 5 Swiss Industrial Markets deals 2021

Announced date	Target	Stake %	Target country	Bidder	Bidder country	Seller	Seller country	Value USDm
Jul 2021	Dodge	100	USA	RBC Bearings Inc.	USA	ABB Ltd	Switzerland	2,900
Jan 2021	Garrett Motion Inc	100	Switzerland	Oaktree Capital Management LP; Centerbridge Partners, L.P.	USA			2,259
Nov 2021	DiversiTech Corporation	100	USA	Partners Group Holding AG	Switzerland	Permira Advisers LLP	United Kingdom	2,200
Jan 2021	Arbonia AG (windows business)	–	Switzerland	Dovista A/S	Denmark	Arbonia AG	Switzerland	364
Aug 2021	Accotex; Temco; Saurer Intelligent Technology Co., Ltd. (Schlafhorst automatic winder business)	–	Switzerland	Rieter Holding AG	Switzerland	Saurer Intelligent Technology Co., Ltd.	China	353

Industrial Markets

Ongoing portfolio reviews and bolt-on acquisitions characterized M&A for Switzerland's larger Industrial players. Private Equity was again a key driver of deal activity in 2021. By contrast, transformational corporate deals were notable for their absence.

As the number of deals rose by 38 and total deal values were USD 10.0bn, only three transactions exceeded USD 1bn. Rather, Switzerland's Industrial groups were busy carrying out portfolio reviews and focused bolt-on acquisitions.

Among the transactions that arose from ongoing portfolio reviews were ABB's divestment of its Mechanical Power Transmission division to RBC Bearings for USD 2.9bn, and Arbonia's sale of its windows business to Denmark's DOVISTA. Looking ahead, ABB intends to exit its Turbocharging business through a spin-off of this division to existing shareholders or via a divestment, with summer 2022 being the target. ABB also continues to work towards an IPO of its E-mobility division and plans to divest its Power Conversion business.

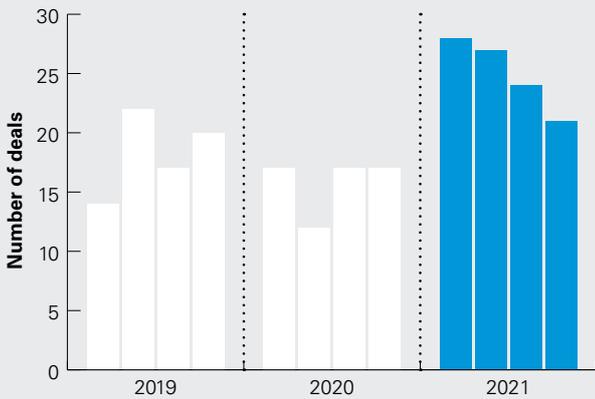
Bolt-on strategies also yielded a number of transactions: Rieter acquired three businesses from Saurer, being one in ring and compact-spinning systems and two in

component businesses; OC Oerlikon purchased Inglass, an Italian company engaged in engineering, designing and manufacturing molds and injection systems; and Sulzer bought Nordic Water, a Swedish supplier of water treatment technology.

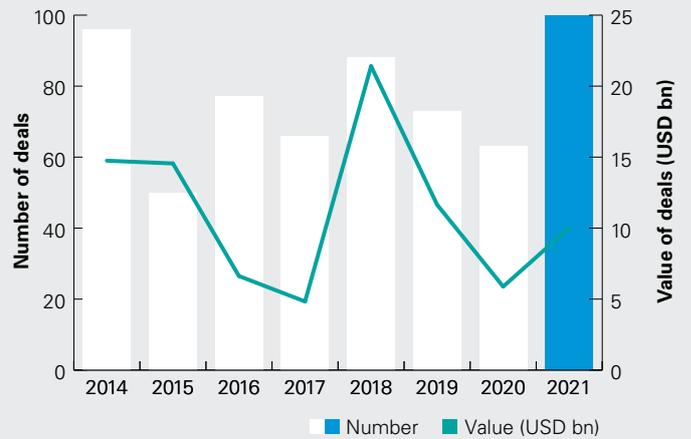
Mettler-Toledo International meanwhile acquired Mayfair Technology (PendoTECH), the US-based manufacturer and distributor of single-use sensors, transmitters, control systems and software for measuring, monitoring and data collection.

Encouraged by the availability of funds to invest and well-functioning debt markets, Private Equity continues to play an active role in the Industrial segment. For instance, Invision expanded its portfolio by acquiring a majority stake in Plumettaz, a provider of high-tech cable laying solutions. Renaissance Evergreen meanwhile acquired Baitella, a provider of individualized holding system solutions.

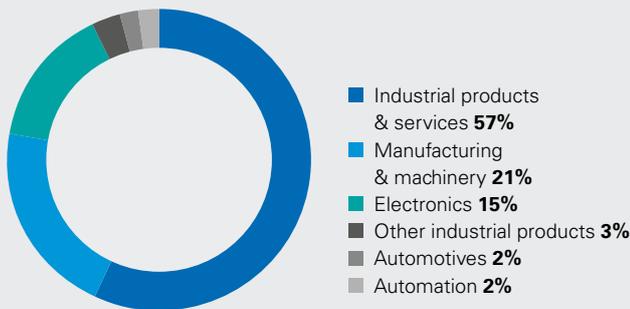
Number of deals per quarter



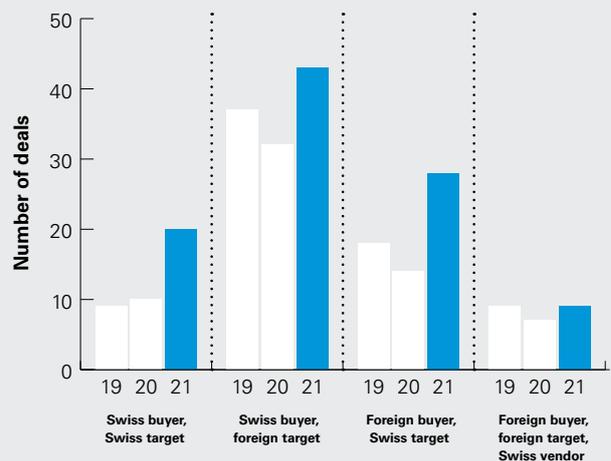
Number and value of deals per year



Number of deals per industry sub-sector 2021



Split of deals by target/buyer/seller 2019 to 2021

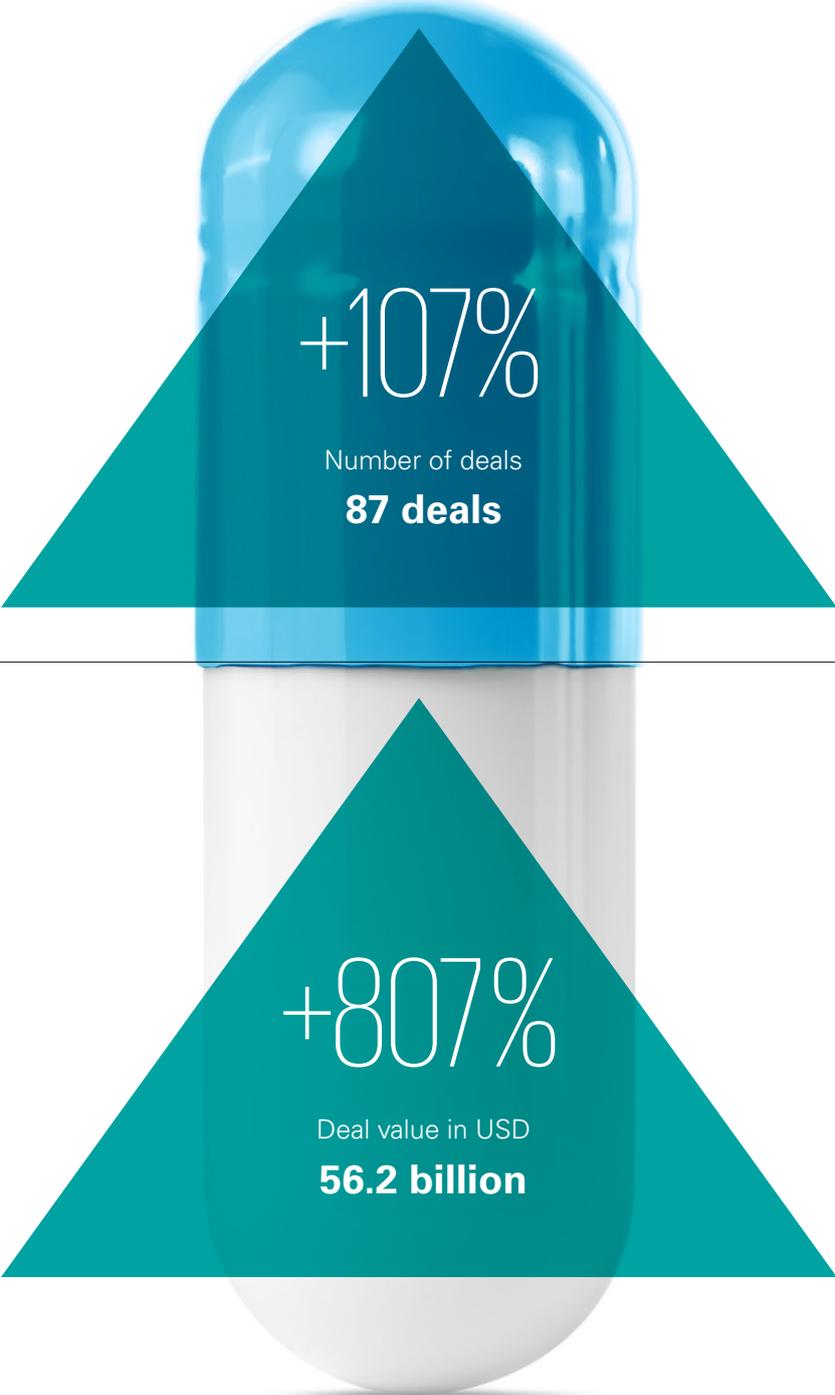


Outlook

Besides some specific deals which are already being anticipated, such as those arising from ABB's portfolio review, we expect companies to predominantly continue to undertake bolt-on acquisitions in order to acquire new capabilities and address the rapid pace of technological development.

We expect Private Equity to remain a driving force in the mid-market segment, including with regard to transactions driven by succession considerations as the baby boomer generation transitions into retirement.

Pharmaceuticals & Life Sciences



+107%

Number of deals

87 deals

+807%

Deal value in USD

56.2 billion

Remark

The deal number and value deviations in percent refer to the change between 2020 and 2021.



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Top Deal 2021

USD 20.9 billion

Target: Roche Holding AG

Buyer: Roche Holding AG

2021 review

Bouncing back following a difficult 2020, the number and value of deals both boomed in 2021, with four deals each exceeding USD 5bn.

2022 outlook

Portfolio reviews and planned spin-offs are on the cards, as is continued activity by serial dealmakers with healthy war chests.

Top 5 Swiss Pharmaceuticals & Life Sciences deals 2021

Announced date	Target	Stake %	Target country	Bidder	Bidder country	Seller	Seller country	Value USDm
Nov 2021	Roche Holding AG	33	Switzerland	Roche Holding AG	Switzerland	Novartis AG	Switzerland	20,852
Dec 2021	Vifor Pharma AG	100	Switzerland	CSL Limited	Australia	Patinox AG	Switzerland	11,765
May 2021	Roivant Sciences, Ltd.	100	Switzerland	Montes Archimedes Acquisition Corp.	USA			6,304
Jun 2021	Cerba HealthCare S.A.S.	*	France	EQT Partners AB; Public Sector Pension Investment Board; Bpifrance SA	Sweden; Canada; France	Partners Group Holding AG	Switzerland	5,345
Jul 2021	Pharmathen SA	100	Greece	Partners Group Holding AG	Switzerland	BC Partners Limited	United Kingdom	1,887

* majority stake

Pharmaceuticals & Life Sciences

Deal activity recovered in 2021 following a dip in 2020. The increased number of deals delivered some notable and sizeable transactions, including by regular dealmakers Nestlé Health Science and Partners Group, and a sell-back of Roche shares by Novartis.

Agreeing to sell back around one-third of Roche bearer shares for an estimated USD 20.9bn, Novartis ended its 20-year stake in the group, stating that it no longer views Roche as a strategic investment or part of its core business. Roche meanwhile noted that the deal will give it more strategic flexibility.

In December 2021, Australian biopharma group CSL launched an all-cash public tender offer to acquire all Vifor Pharma's publicly held shares for an aggregate equity value of USD 11.8bn. Diversifying CSL's portfolio through additional commercialized products, the transaction expands its pipeline by 37 percent and complements CSL's existing therapeutic focus areas.

The year's next largest transaction was the USD 6.3bn merger between Switzerland's Roivant Sciences and Montes Archimedes Acquisition Corp – a special purpose acquisition company (SPAC) – in a reverse takeover that is expected to raise more than USD 600m to fund discovery and development programs.

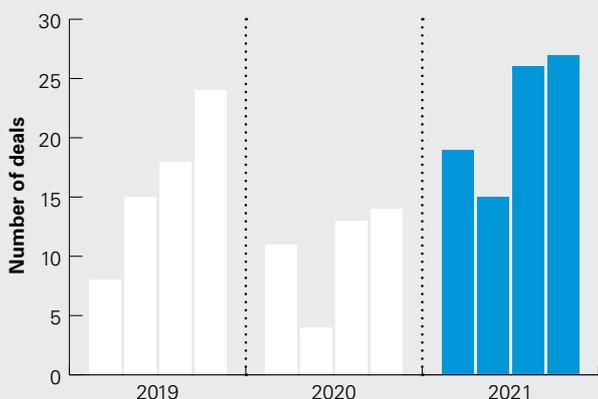
Partners Group sold its stake in Cerba Healthcare, a leading player in medical diagnostics, to EQT Private Equity for USD 5.3bn.

Elsewhere in Pharmaceuticals, ADQ – one of Abu Dhabi's largest holding companies – announced its intention to buy Acino, a Swiss-based leading provider of pharmaceuticals with a presence in more than 90 countries across the Middle East, Africa, Latin America, Russia, Ukraine and the CIS region.

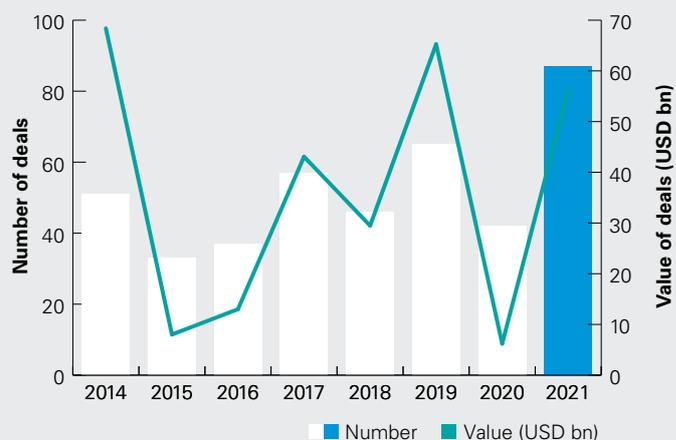
Following the completion of its acquisition of Aimmune in 2020, Nestlé Health Science has remained firmly on the acquisition trail. 2021 saw it undertake a number of deals, including acquiring the core brands of The Bountiful Company, a leader in the growing global nutrition and supplement category; and buying Nuun, a company dedicated to functional hydration.

Another serial acquirer was Philip Morris International, which furthered its "Beyond Nicotine" strategy by purchasing three businesses: Vectura, a provider of innovative inhaled drug delivery solutions that enables its partners to deliver medicines to patients; Fertin Pharma, a leading developer and manufacturer of innovative pharmaceutical and well-being products based on oral and intra-oral delivery systems; and OtiTopic, a US respiratory drug development company with a late-stage inhalable acetylsalicylic acid (ASA) treatment for acute myocardial infarction.

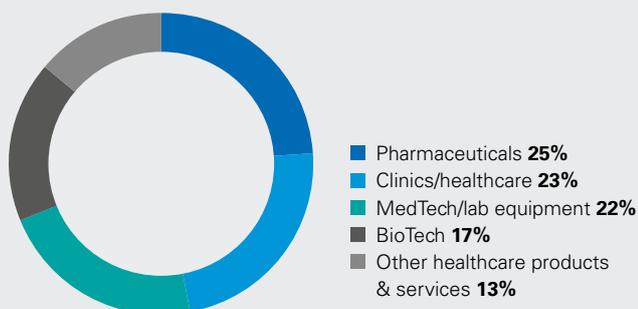
Number of deals per quarter



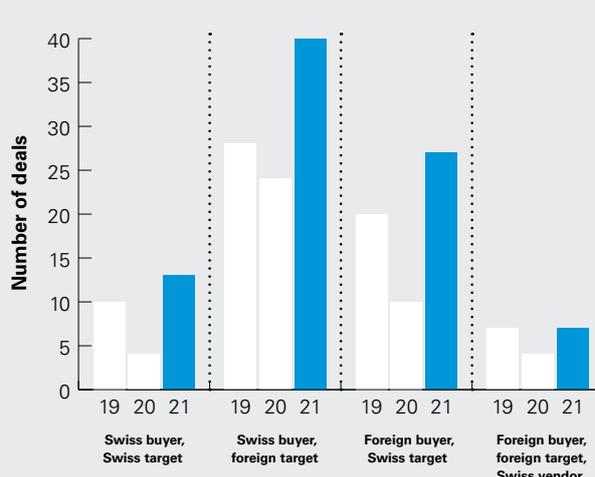
Number and value of deals per year



Number of deals per industry sub-sector 2021



Split of deals by target/buyer/seller 2019 to 2021

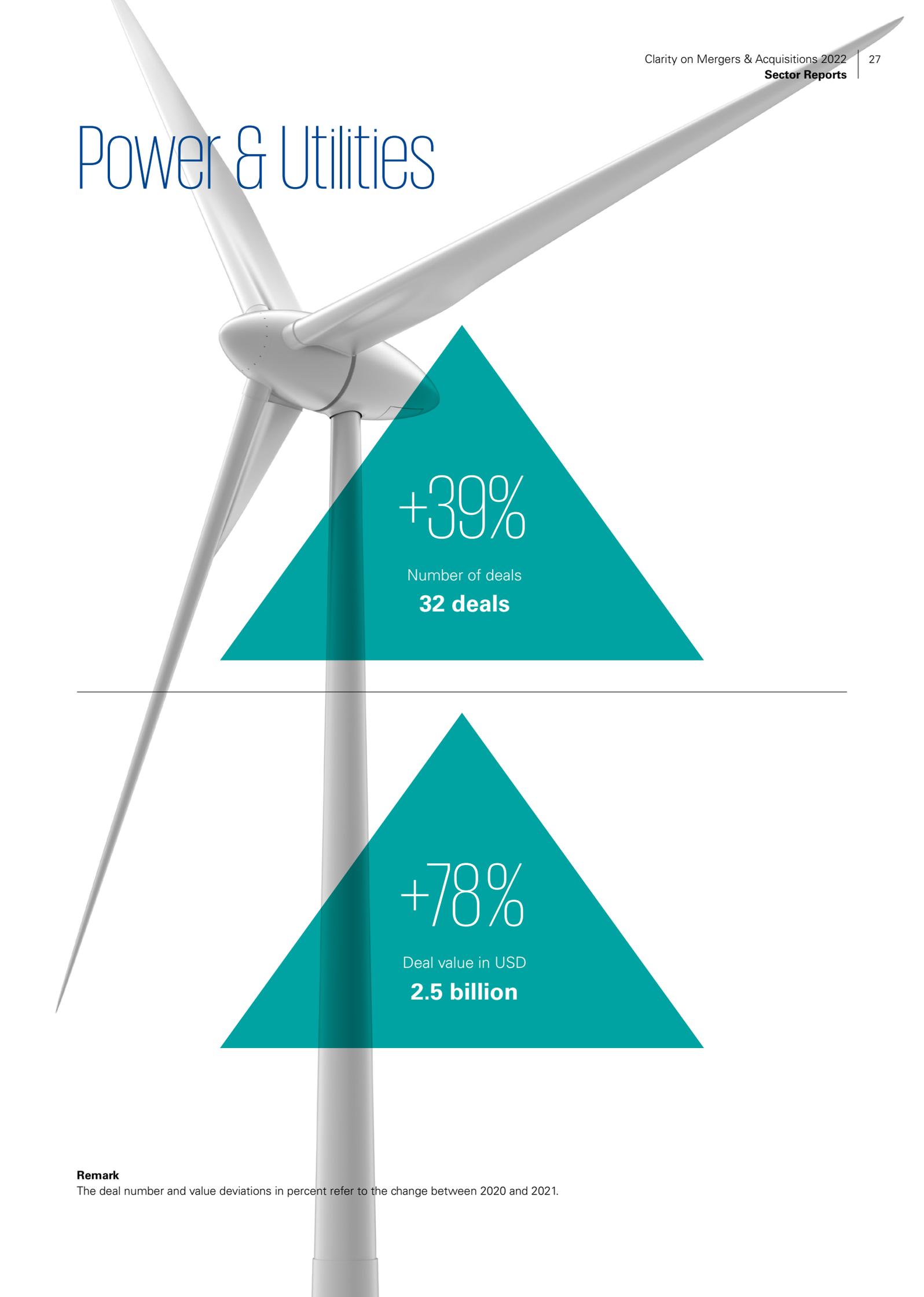


Outlook

Novartis recorded particularly strong growth in Innovative Medicines and announced a strategic review of its generics unit Sandoz – with a decision due by the end of this year, which will help determine what funds might be available to spend on future acquisitions. Together with the cash raised from the sale of Roche shares, Novartis has plenty of firepower to remain active in M&A, though the group has tended to focus on acquisitions of less than USD 1bn in recent years.

Elsewhere, J&J announced it will spin off its Consumer Health business into a new publicly traded company by the end of this year. It will be interesting to see whether others follow suit.

Power & Utilities



+39%

Number of deals
32 deals

+78%

Deal value in USD
2.5 billion

Remark

The deal number and value deviations in percent refer to the change between 2020 and 2021.



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Top Deal 2021

USD 952 million

Target: Fortum Oyj AB (district heating businesses in the Baltics)

Buyer: Partners Group Holding AG

2021 review

Deal values rose by almost 80 percent, driven by two transactions. The overall deal mix favored renewable energy and battery and storage-related solutions.

2022 outlook

Renewable energy will remain in sharp focus given climate commitments and concerns over Switzerland's energy security given stalled discussions over integration with the EU energy market.

Top 5 Swiss Power & Utilities deals 2021

Announced date	Target	Stake %	Target country	Bidder	Bidder country	Seller	Seller country	Value USDm
Mar 2021	Fortum Oyj AB (District heating businesses in the Baltics)	–	Estonia, Lithuania, Latvia	Partners Group Holding AG	Switzerland	Fortum Oyj AB	Finland	952
Sep 2021	Energy Vault SA	100	Switzerland	Novus Capital Corporation II	USA			816
Nov 2021	Kraftwerk Ryburg-Schworstadt AG	23	Switzerland	AEW Energie AG	Switzerland	Canton of Aargau	Switzerland	163
May 2021	NTR Plc (86MW Norra Vedbo wind farm)	–	Sweden	Reichmuth & Co	Switzerland	NTR Plc	Ireland	140
Dec 2021	Renewable Power International Partners SL	100	Spain	White Summit Capital, IST3 Investment Foundation, and Reichmuth & Co	Switzerland			113

Power & Utilities

The deal mix in 2021 changed slightly. It continued to comprise renewable energy transactions and notably battery and storage-related transactions. Reflecting a focus on the transition to a greener economy, deal value was driven by two transactions totaling USD 1.8bn. These were Partners Group's acquisition of a Baltic district heating platform and the merger between Energy Vault, a Switzerland-based provider of grid-scale energy storage solutions, and Novus Capital Corporation II.

The year's largest deal saw Partners Group acquire a district heating platform in the Baltic region from Fortnum Oyj for almost USD 1.0bn. The platform derives its fuel primarily from renewable or recycled sources, supporting Partners Group's aim to reduce reliance on conventional energy sources. This sat alongside two further investments and one divestment by the private equity firm in Power and Utilities last year. These included buying a controlling stake in US-based community solar and battery storage platform Dimension Renewable Energy (expected to be one of the largest community solar operators in the US¹), and buying Resilient Infrastructure Group, a water infrastructure platform in the US and Canada. On the sell-side, Partners Group sold its stake in Enerya, a natural gas distributor in Turkey.

Through its USD 0.8bn acquisition of, and subsequent merger with, Novus Capital Corporation II, Energy Vault listed on the NYSE. The transaction brought together Energy Vault's gravity energy cost-efficient storage platform with Novus Capital Corporation II, a special purpose acquisition company aiming for sustainability and social equity.

In view of its energieAARGAU energy strategy, the Canton of Aargau sold its 23 percent direct stake in the 120 MW Kraftwerk Ryburg-Schwörstadt hydro power plant to AEW Energie. Swiss and German companies including EnBW, Axpo and Alpiq co-own the plant.

Reichmuth & Co expanded its investment solutions in sustainable long-term infrastructure investments by investing USD 140m in Sweden's 86 MW Norra Vedbo Wind Farm. A Swiss consortium backed by Reichmuth & Co, White Summit Capital and IST3 Investment Foundation meanwhile acquired a 100 MW portfolio of small hydro and wind assets in Iberia.

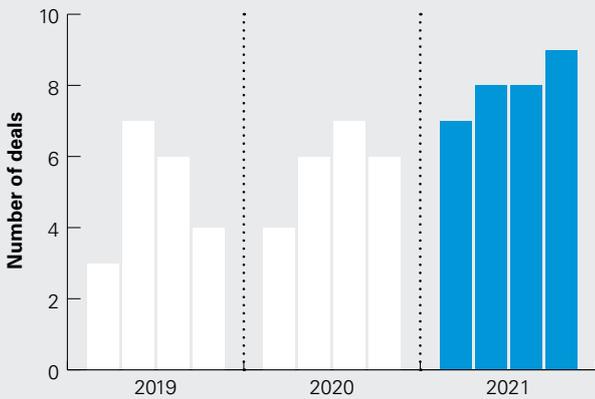
Credit Suisse's renewable energy focused spin-off Energy Infrastructure Partners (EIP) invested USD 60m with ContourGlobal in Green Hunter Group, which has solar photovoltaic assets in Italy. EIP also acquired 80 percent of Norway's 99 MW Sorfjord Vindpark wind farm. EIP's European fund closed exceeding its EUR 1bn target in June 2021.

In other deals, Etrion Corporation completed the sale of its Japanese solar projects via three transactions for a total consideration of USD 75m. SUSI Partners, a Switzerland-based sustainable energy infrastructure asset manager, expanded its energy storage solutions investments by buying a 50 MW battery project in Ireland from ABO Wind and three UK based lithium-ion battery storage assets with a cumulative capacity of 40 MW from Eelpower. MET Group acquired Spain's Cogen Energia which uses surplus heat from gas-based electricity production to generate steam, and agreed to buy Grupo Enhol's Suvorovo Wind Park, a Bulgarian 60 MW wind farm and electric power distributor. State-owned Elektrizitaetswerk der Stadt Zuerich (ewz), which aims for a 100% renewable energy production portfolio, acquired 95 MW Norwegian wind farm Måkaknuten, covering consumption of around 17,000 households.

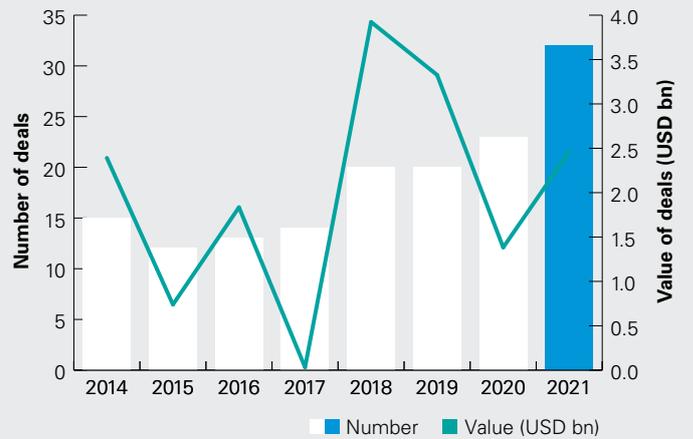
¹ Source: <https://www.partnersgroup.com/en/news-views/press-releases/investment-news/detail/article/partners-group-to-acquire-us-community-solar-and-battery-storage-platform-dimension-renewable-energy-2/>

Power & Utilities

Number of deals per quarter



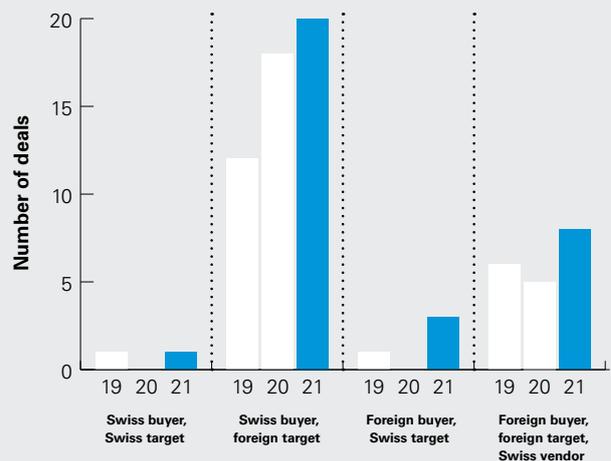
Number and value of deals per year



Remark

Sub-sector data and figures are not available for this sector.

Split of deals by target/buyer/seller 2019 to 2021



Outlook

In light of the transition to low-carbon solutions that is required to achieve the Paris Agreement targets, the Power & Utilities sector is gaining much attention. Despite rejecting the CO₂ law in a national referendum earlier this year, Switzerland remains committed to achieving net zero carbon emissions by 2050. This requires further investments in smart sustainable solutions.

As well as price rises for electricity and other energy sources potentially continuing to rise in 2022 and expected growth in demand, Switzerland will need to focus on the stagnated integration of the Swiss and EU electricity markets. This is especially important given the Swiss government's warnings about the risk of future power shortages. Besides defining a series of potential preventive measures, the government has urged parliament to approve new laws to strengthen Switzerland's energy security by 2025 by boosting the use of renewable sources.

Private Equity



Remark

The deal number and value deviations in percent refer to the change between 2020 and 2021.

Top Deal 2021

USD 9.6 billion

Target: GlobalLogic Inc

Buyer: Hitachi, Ltd.



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2021 review

Activity rallied as deal makers regained confidence in the market, leading to a record year in terms of the number of deals. Three-quarters of deals were acquisitions and there was a significant rise in large cross-border transactions.

2022 outlook

With significant amounts of dry powder to be deployed, firms will continue to compete for a limited number of quality assets. Distressed transactions will increase in 2022 as government rescue measures for companies decline.

Top 5 Swiss Private Equity deals 2021

Announced date	Target	Stake %	Target country	Bidder	Bidder country	Seller	Seller country	Value USDm
Mar 2021	GlobalLogic Inc	100	USA	Hitachi, Ltd.	Japan	Partners Group Holding AG; Canada Pension Plan Investment Board	Switzerland, Canada	9,600
May 2021	Roivant Sciences, Ltd.	100	Switzerland	Montes Archimedes Acquisition Corp.	USA			6,304
Nov 2021	MBCC Group	100	Switzerland	Sika AG	Switzerland	Lone Star Funds	USA	5,977
Apr 2021	The Bountiful Company	100	USA	Nestlé SA	Switzerland	KKR & Co. Inc.; The Carlyle Group	USA	5,750
Jun 2021	Cerba HealthCare S.A.S.	*	France	EQT Partners AB; Public Sector Pension Investment Board; Bpifrance SA	Sweden, Canada, France	Partners Group Holding AG	Switzerland	5,345

* majority stake

Private Equity

Growing confidence in the global economy led to a significant uptick in Private Equity transactions, with around 75 percent of deals in Switzerland being acquisitions. The number of cross-border investments involving either investors or targets that were Swiss-based rose considerably in both absolute and relative terms. Together with the deals mentioned below, 2021 was a led to a record deal making year for private equity in Switzerland.

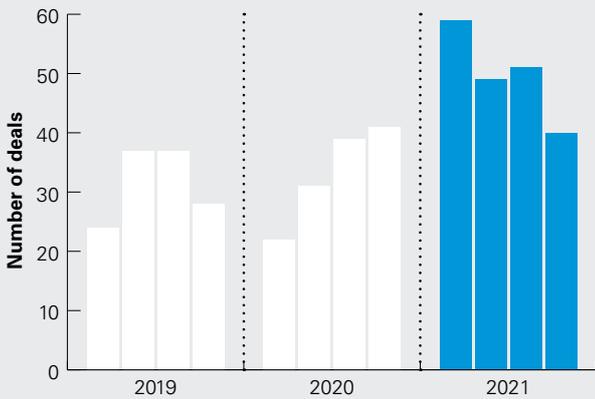
Partners Group was again Switzerland's most active Private Equity deal maker. Among others, it acquired Greek generic pharmaceuticals company Pharmathen from BC Partners for USD 1.9bn; partnered with TA Associates to acquire UNIT4 for a total deal value of USD 2bn; bought Careismatic Brands from New Mountain Capital for USD 1.3bn; took a majority stake in transportation equipment provider Milestone Equipment for USD 1bn and in EOLO for USD 1.1billion; acquired a minority stake in Breitling from CVC Capital Partners; and bought US-based Axia Women's Health. It sold its stake in GlobalLogic to Hitachi; part of its holding in Cerba Healthcare to EQT Partners; Brazil's largest fresh food retail chain Hortigil Hortifruti; and ISP to OMERS Private Equity. It also participated as a minority shareholder as Kuehne + Nagel became the majority shareholder of logistics group Apex.

The largest Swiss inbound deal in 2021 was Roivant Sciences going public by merging with Montes Archimedes Acquisition Corporation at a deal value of USD 6.3bn, followed by Bain Capital and Cinven Partner's acquisition of Lonza Specialty Ingredients (LSI) for USD 4.7bn, then One Rock Capital Partners and Metropoulos' acquisition of Nestlé Waters North America for USD 4.3bn. Other notable deals were KPS Capital Partners' acquisition of Crown Holdings' European tinplate business, Heubach and SK Capital Partners' investment in Clariant's pigments business, AP Moller Holding's acquisition of Swiss based Unilabs from Apex Partners, and US-based Novus' acquisition of Energy Vault.

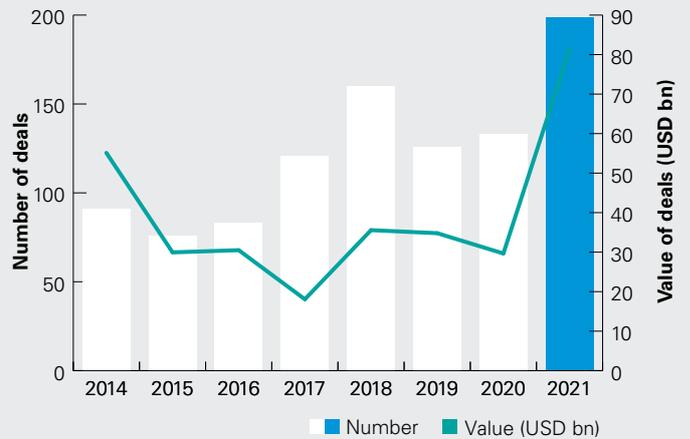
Other cross-border deals include MBCC Group's acquisition of Sika from Lonestar for USD 6bn, and KKR and Carlyle Group selling their stake in The Bountiful Company to Nestlé for USD 5.8bn.

Many mid-market Private Equity houses were again very active: Invision in particular, acquiring cable-laying machines manufacturer Plumettaz from Evoco and a majority stake in online store SkyScale Schweiz as well as Reichelt Elektronik from Dätwyler, as well as add-ons for portfolio companies. CGS Management sold its majority stake in Stuertz Maschinenbau to Capiton and SF Tooling Group to Storskogen, while portfolio company Photonics Systems bought Proaut Technology. Equistone acquired Franke Water Systems in a carve-out. Verium portfolio company Mobil in Time (MiT) bought Nassag, Trobag and Zigerlig to bolster its position in water damage restoration and construction drying. EGS partnered with Credit Mutuel Equity to acquire Swiss scaffolding company Roth Gerüste from The Keystone Group. BLR acquired Fostag and Patrimonium invested in Germany's OCTO Actuators among others; Gyrus Capital bought PwC Italy's Public Administration and Public Healthcare consulting business in an MBO. Helvetica Capital invested in Leoni Studer, Constellation acquired Bike Evasion Sports through portfolio company Swiss E-Mobility Group and Baukon Management through cpc Baulogistik, and Storskogen acquired Swiss industrial company Artum. Ufenau made two acquisitions in Spain: refrigeration business R&M and a majority stake in industrial and sanitation hygiene solution provider Alfus Iris, which then purchased Controlil. Ufenau also agreed to sell its majority stake in Swiss IT Security (SITS) to Triton Partners. AS Equity Partners acquired Swiss Post Solutions from Swiss Post, Swiss aseptic solutions provider SKAN was listed on the Swiss Exchange (SIX) by former shareholder BV Holding, and Telemos acquired Mammut Sports Group from Conzzeta Holding.

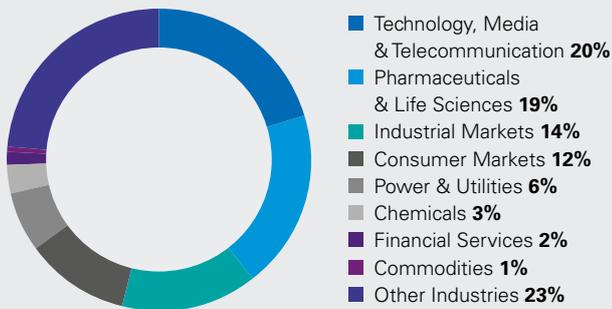
Number of deals per quarter



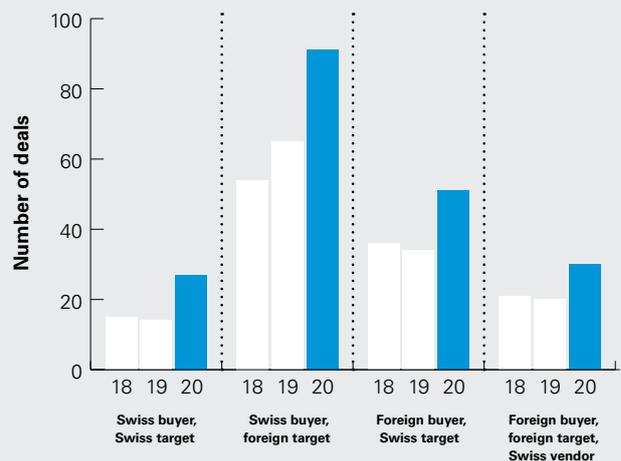
Number and value of deals per year



Number of deals per industry sub-sector 2021



Split of deals by target/buyer/seller 2019 to 2021



Outlook

Deal activity will be increasingly driven by sustainability topics, with firms needing to continue the implementation of relevant strategies to remain competitive. Distressed transactions will increase in 2022 as government rescue measures for companies decline.

Dry powder in the market and an easing of COVID-19 concerns speak for a positive year ahead. However, concerns regarding new virus variances as well as uncertainty resulting from inflationary trends and interest rate increases at the same time, may shift the needle. In any case Private Equity houses face stiff competition for high quality assets.

Real Estate





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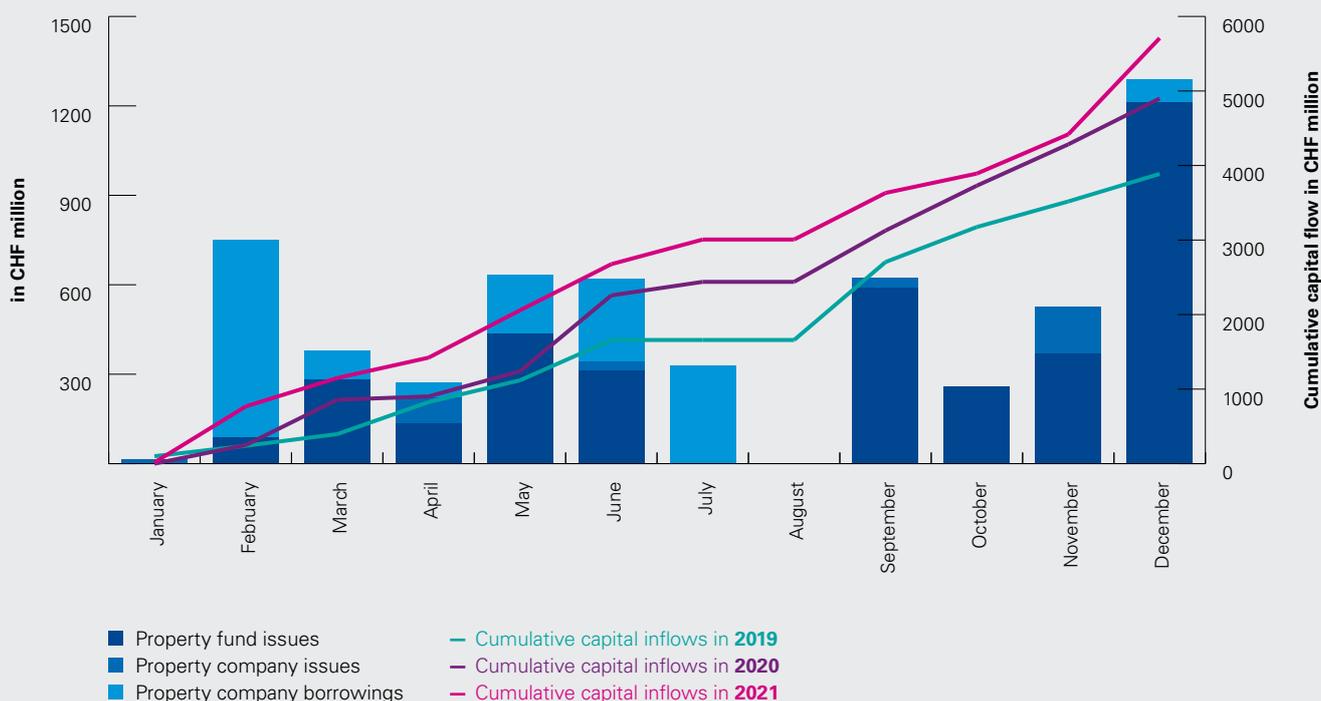
2021 review

Capital flows and transaction volumes both strengthened in the persistently low interest – and now inflationary – environment.

2022 outlook

Investors are beginning to price ESG considerations into investment decisions with the result that lower-quality properties with poor carbon footprints will lose out.

Flow of capital into listed property investments in Switzerland 2021



Real Estate

Following a pandemic-driven dip of -2.9 percent in 2020, Switzerland's GDP is expected to grow by 3.5 percent in 2021. Signaling a rapid improvement in the overall economic situation, a recovery is also forecast for other key aspects such as unemployment, which is expected to fall from 3.1 percent in 2020 to 2.4 percent in 2022. Such positive developments bring back inflation, however, which at 0.6 percent in 2021 is significantly higher than the minus 0.7 percent in 2020. All of these factors impact heavily on the Real Estate sector.

Lower inflation has meant less pressure than in the US and Eurozone to increase interest rates. Switzerland's key interest rate has remained unchanged at -0.75 percent since June 2019. While yields on 10-year bonds rose in 2021, they remain in negative territory. The SNB's policy is partly influenced by the ECB, as a combination of higher interest rates in Switzerland and constant interest rates in the Eurozone would intensify pressure on the Swiss franc.

High demand for real estate investments continues

In the persistently low interest rate – and now again inflationary – environment, direct investments in real estate remain popular due to a lack of attractive investment alternatives. This is one reason why the strong capital inflows we saw into the listed market in 2020 became even stronger in 2021.

Transaction volumes also rose sharply in 2021 compared to the previous year. This is partly due to the market having stalled following the onset of the pandemic, yet prices for investment properties continued to rise. In fact, some reached new highs. Residential properties recorded a price increase of 4.7 percent. In contrast, there is some skepticism around commercial properties, which is reflected in the considerably lower price growth of 0.5 percent.

One noteworthy direct deal that reflects current market conditions was the sale of a privately held residential portfolio in Geneva to a cantonal pension fund. Yet, most transactions are asset deals and therefore not noted for the purposes of this publication.

Residential real estate leads positive sentiment

In our latest market survey, we note very positive attitudes towards the real estate market. As an indicator of the market's development, KPMG's Swiss Real Estate Sentiment Index (sresi.ch) reached its highest value since it was launched in 2011. After significantly negative economic sentiment in 2020, most survey participants expect prices in the Swiss real estate investment market to rise in the coming year.

Positive price expectations are driven largely by expected price rises in residential investment real estate, where survey participants note a scarcity of quality investment opportunities. Although the outlook for commercial real estate has improved, risk remains with regard to structural changes in this segment. In the aftermath of the pandemic, home or remote working is here to stay and will have a noticeable impact on demand for floorspace. The health crisis has also accelerated the expansion in online shopping that has been putting retail spaces under pressure for years. This is especially true for peripheral locations, with investors preferring city centers and close by.

Want to get more information on the Swiss real estate investment market? Visit www.sresi.ch for the most important findings of the 2021 study.

The aggregated Swiss Real Estate Sentiment Index (sresi®) is a measure of the expectations of market players for developments over the next twelve months and is generated on the basis of an assessment of the economic developments and the movement of prices on the real estate investment market.

The index reflects the assessment of around 300 survey respondents who represent an investment and appraisal volume of up to CHF 300 billion. Since it was launched in 2012, the sresi has established itself as a leading qualitative indicator of forthcoming developments in the Swiss real estate investment market.

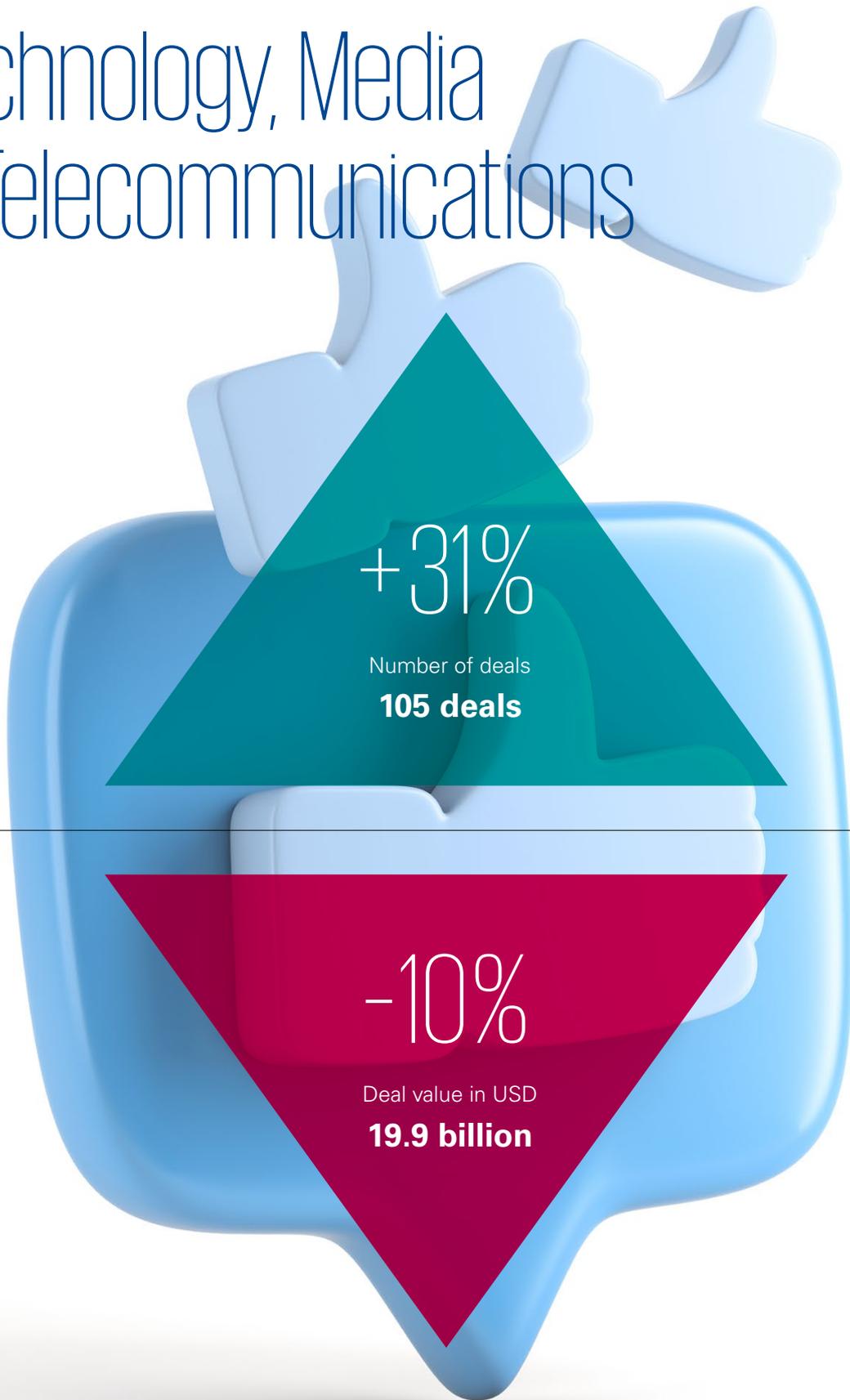
Sustainability becomes increasingly important

Another structural component is the new laws and regulations that focus on tenant protection and sustainability. High living costs combined with the limited expansion possibilities for new construction in Switzerland have produced political reactions, such as the city of Basle deciding on a cap for residential rents. At a federal level, although the motion in the referendum to restrict carbon emissions was not adopted, actions at a Cantonal level will continue to move Switzerland towards a net zero climate position. As an example, on 28 November 2021, the Canton of Zurich voted for the amendment of the Energy Act, which, among other things, will allow only climate-neutral heating going forward. We expect similar acts to be put into force in other Cantons in the near future.

A further impact comes from the new EU taxonomy that sets clear ESG goals for many companies. Investors are beginning to price these aspects into their investment decisions: low-quality properties with a poor carbon footprint are seen as the market's future losers.

With another record in capital flow into the property market, capital pressure will continue in 2022. Investors are beginning to put a price tag on the above-mentioned regulations and climate goals, which will leave its footprint in the market.

Technology, Media & Telecommunications



Remark

The deal number and value deviations in percent refer to the change between 2020 and 2021.



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Top Deal 2021

USD 9.6 billion

Target: GlobalLogic Inc

Buyer: Hitachi, Ltd.

2021 review

Activity rebounded strongly, climbing to a record high for the number of deals. Technology continues to boom while Media houses reposition themselves or join forces to compete against global giants.

2022 outlook

Software will remain at the top of the list. An increase in cyber-attacks in 2021 will likely result in greater deal activity in this space.

Top 5 Swiss Technology, Media & Telecommunications deals 2021

Announced date	Target	Stake %	Target country	Bidder	Bidder country	Seller	Seller country	Value USDm
Mar 2021	GlobalLogic Inc	100	USA	Hitachi, Ltd.	Japan	Partners Group Holding AG; Canada Pension Plan Investment Board	Switzerland, Canada	9,600
Nov 2021	AutoForm Engineering GmbH	100	Switzerland	The Carlyle Group	USA	Astorg Partners	France	2,000
Mar 2021	UNIT4 N.V.	100	Netherlands	TA Associates Management, LP; Partners Group Holding AG	USA, Switzerland	Advent International Corporation	USA	2,000
Aug 2021	Atria Convergence Technologies Ltd	100	India	Partners Group Holding AG	Switzerland	TA Associates Management, LP; Sofina SA; True North	USA, Belgium, India	1,200
Sep 2021	CityFibre Infrastructure Holdings Plc	*	United Kingdom	Mubadala Investment Company PJSC; Interogo Holding AG	United Arab Emirates, Switzerland	Antin Infrastructure Partners S.A.S.	France	1,139

* minority stake

Technology, Media & Telecommunications

Software continues to be the major source of deals as companies looking to strengthen their digital capabilities and offer customers innovative solutions. COVID-19 has accelerated digital transformation and the adoption of latest technologies. Established Swiss online Media platforms that won the disruption in Consumer Markets are now joining forces to face the strength of global giants.

The largest **Technology** deal was in software, where Partners Group sold its 45 percent stake in GlobalLogic, a US developer of digital transformation systems, for USD 9.6bn, as well as selling its majority stake in Straive. Carlyle Group agreed to acquire Swiss software firm AutoForm in a secondary transaction from the Astorg fund. Players in more traditional sectors are gearing up their digital capabilities with specific acquisitions, such as Bystronic's takeover of Kurago, Galenica's acquisition of Lifestage Solutions, and Landis+Gyr which bought Luna Elektrik, True Energy and Rhebo. Swiss unicorns are also on the rise: Acronis secured more than USD 250m from CVC Capital Partner, valuing the company above USD 2.5bn. Digital employee experience software provider Nexthink secured USD 180m in its Series D from Permira at a valuation of USD 1.1bn.

In IT services, solutions and cloud, serial acquiror SoftwareONE strengthened its SAP capabilities by buying Optimum Consulting, ITPC, ITST, SE16N, and Centiq, as well as expanding its Cloud services. Triton Partners acquired Swiss IT Security Group, Accenture bought Trivadis, BKW underlined its IT ambitions by acquiring UMB, and AWK Group merged with Germany's Ginkgo M.C. and Dutch Quint Group on its path to become a leading international technology consulting group.

In semiconductors and sensors, Cicor Group's former anchor shareholder HEB Swiss Investment sold its stake to One Equity Partners, then bought Axis Electronics. Exceet Group sold GS Swiss PCB to AFINUM, u-blox fully acquired Sapcorda Services and Mettler-Toledo bought PendoTECH, a provider of single-use sensors, transmitters, control systems and software.

In consumer electronics, Sonova Holding acquired Sennheiser Electronic's Consumer division to capture growth opportunities in the fast-growing market for true wireless headsets and the emerging segment of speech enhanced hearables.

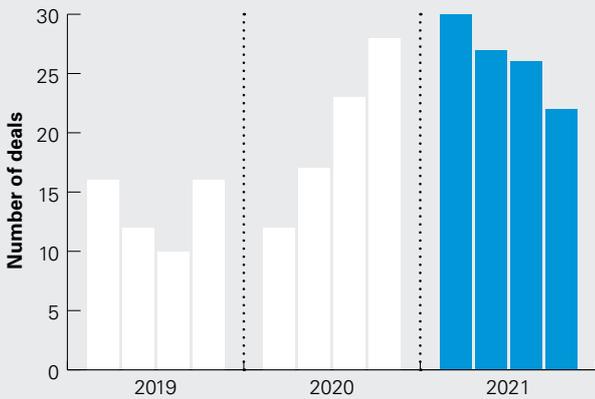
TX Group, Ringier, die Mobiliar and General Atlantic formed a **Media** joint venture to create the Swiss Marketplace Group to compete against global giants such as Google and Amazon and disruptive start-ups. Daetwyler finally sold its online electronic components distribution business Reichelt to Invision.

Sportradar further shaped its solution portfolio and geographic footprint by acquiring Australia's InteractSport, the UK's Fresh Eight Gaming and Synergy Sports Technology of the US.

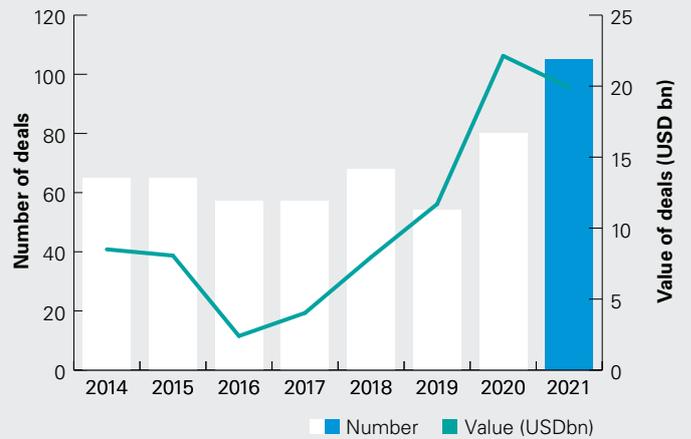
Ringier acquired a majority stake in Bulgaria-based Sportal Media Group and Digital Ventures OOD, a key milestone in accelerating Ringier's sports media strategy and its largest investment in recent years.

In **Telecoms**, Partners Group increased its holding in India's Altria Convergence Technologies to a controlling stake that valued the company at almost USD 1.2bn, and acquired EOLO in another billion dollar deal. Swisscom sold its stake in Belgium-based international carrier services provider BICS, and French B2B operator Celeste acquired 100 percent of Swiss competitor VTX Telecom. Sunrise-UPC focused on integration, while competitor Salt was also not active in M&A.

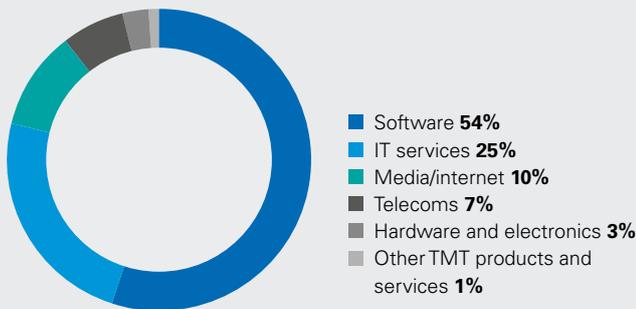
Number of deals per quarter



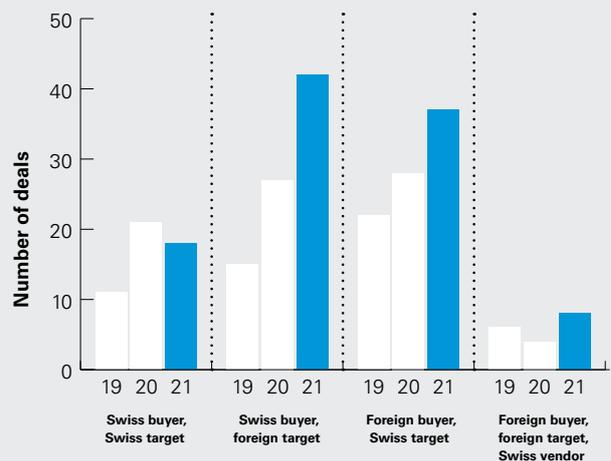
Number and value of deals per year



Number of deals per industry sub-sector 2021



Split of deals by target/buyer/seller 2019 to 2021



Outlook

Software will remain the most active area in **Technology**, with an intensification of cyber attacks in 2021 likely to drive growing deal activity. ESG is expected to play an increasingly important role in TMT in the coming years, as indicated already by SIX Group's acquisition of Orenda Software Solutions, an AI platform specializing in ESG and alternative data sets, or Partners Group's acquisition of sustainable Data Center provider atNorth.

Following the formation of the Swiss Marketplace Group, eyes will be on the group's development and its capability to defend its position in the **Media** sector against growing competition in the platforms business.

We expect no substantial changes in the Swiss **Telecoms** market, though we note some pressure on Salt, which may use selected acquisitions to strengthen its position.

We thank all
our clients
for their trust



Froneri

KPMG Deal Advisory provided Froneri with vendor and separation assistance in connection with the sale of the frozen food business to Nomad Foods

January 2021



Lonza Group AG

KPMG Deal Advisory provided vendor assistance and vendor due diligence services on Lonza's disposal of its Specialty Ingredients business to Bain Capital and Cinven

February 2021



Lonza Group AG

KPMG Deal Advisory provided completion accounts advice to Lonza in connection with its disposal of sites in Ploermeil (FR) and Edinburgh (UK) to NextPharma

February 2021



Babilou S.A.S.

KPMG Deal Advisory provided Babilou S.A.S. with financial and tax due diligence support in connection with their acquisition of Children's World

March 2021



One Equity Partners LLP

KPMG Deal Advisory provided One Equity Partners with financial due diligence in connection with their acquisition of a stake in Cicor Technologies, a Swiss listed leading electronic manufacturer

March 2021



QCENTRIS AG

KPMG Deal Advisory acted as sole M&A lead advisor to the shareholders of QCENTRIS on the merger with Acial

March 2021



Dimontonate Floccati s.p.a.

KPMG Deal Advisory

provided Dimontonate Floccati s.p.a. with financial due diligence advice in connection with their acquisition of SwissFlock AG

April 2021



Sage Group

KPMG Deal Advisory

advised Sage Group with financial, separation, tax and pensions vendor due diligence services for the sale of their Swiss business to Infoniqa, a provider of HR software solutions

April 2021



Forster Gruppe AG and Genossenschaft Migros Aare

KPMG Deal Advisory

provided Forster Gruppe AG and Genossenschaft Migros Aare with financial, legal and tax due diligence and transaction support in connection with their acquisition of Capricorn Holding AG

May 2021



Kuehne + Nagel International AG

KPMG Deal Advisory

acted as sole M&A lead advisor to Kuehne+Nagel on the acquisition of Apex International Corporation

May 2021



SoftwareONE Holding AG

KPMG Deal Advisory

provided SoftwareONE Holding AG with financial due diligence support in connection with their acquisition of a controlling stake in SynchroNet

May 2021



Sonova Holding AG

KPMG Deal Advisory

acted as exclusive financial, separation, tax and pensions due diligence advisor and provided valuation, SPA, TSA and integration support

May 2021



Karl Vögele AG

KPMG Deal Advisory

acted as sole M&A lead advisor to CCC Group on the sale of Karl Vögele AG to cm.shoes GmbH which acquired the company in cooperation with GA Europe

June 2021



NAS Africa Aviation Limited

KPMG Deal Advisory

advised NAS Africa Aviation Limited in their acquisition of BidAir Services and Commuter Handling Services with financial and tax due diligence

June 2021



Tecan Group

KPMG Deal Advisory

provided Tecan Group with financial and tax due diligence support in connection with their acquisition of Paramit Corporation

June 2021



Qualitech AG

KPMG Deal Advisory

acted as sole M&A lead advisor to the shareholders of Qualitech AG on the sale to Eurofins Scientific

July 2021

Prudential Financial Inc.

Prudential Financial Inc.

KPMG Deal Advisory

KPMG provided financial due diligence services in connection with the acquisition of Montana Capital Partners AG.

July 2021

ARBONIA

Arbonia AG

KPMG Deal Advisory

provided M&A advisory and vendor due diligence (financial, tax, pensions) services to Arbonia on the sale of its Windows business to DOVISTA Group

August 2021



Allianz Suisse Versicherungs-Gesellschaft

KPMG Deal Advisory

Acted as financial advisor to Allianz Suisse on a reinsurance solution for a legacy portfolio of individual life products with Bermuda-based Resolution Re

September 2021



SoftwareONE Holding AG

KPMG Deal Advisory

provided SoftwareONE AG with financial due diligence support in connection with their acquisition of Centiq Limited

September 2021



SoftwareONE Holding AG

KPMG Deal Advisory

provided SoftwareONE AG with financial due diligence support in connection with their acquisition of HeleCloud Limited

September 2021



SoftwareONE Holding AG

KPMG Deal Advisory

provided SoftwareONE Holding AG with financial due diligence support in connection with their acquisition of SE16N and SE16 Consulting

September 2021



Adecco

KPMG Deal Advisory

provided financial vendor assistance and separation services to Adecco in connection with the disposal of its Legal Consulting and eDiscovery business units to Consilio

October 2021



NAS Africa Aviation Limited

KPMG Deal Advisory

advised NAS Africa Aviation Limited in their acquisition of Signon Aviation Limited with financial and tax due diligence

October 2021



SKAN Group AG

KPMG Deal Advisory
acted as sole financial advisor on the Initial Public Offering of SKAN

October 2021



HIAG Immobilien Schweiz

KPMG Deal Advisory
Advisor to HIAG AG on a capital increase
CHF 156m

November 2021



iRobot Corporation

KPMG Deal Advisory
provided iRobot Corporation with financial, pensions, HR and tax due diligence support in connection with their acquisition of Aeris Cleantec AG

November 2021



Feintool International Holding AG

KPMG Deal Advisory
acted as financial advisor and provided pension and tax due diligence services to Feintool International Holding AG in their acquisition of Kienle + Spiess GmbH

December 2021



Sika AG

KPMG Deal Advisory
advised Sika AG in their acquisition of MBCC Group with financial and tax due diligence and SPA advice

December 2021



Swiss Bankers Prepaid Services

KPMG Deal Advisory
KPMG provided vendor due diligence services in connection with the sale of Swiss Bankers Prepaid Services AG to DDM Holding AG

December 2021



Transgourmet Holding AG

KPMG Deal Advisory
acted as exclusive financial, legal, labour, regulatory, tax, logistics and IT due diligence advisor and provided SPA support

2021



Methodology

This study is based on the Mergermarket, Capital IQ, Refinitiv Eikon and KPMG databases, focusing on deals announced in 2021 but also providing historical data drawn from previous editions of Clarity on Mergers & Acquisitions (formerly M&A Yearbook).

The consideration of individual transactions and their allocation to specific industry segments are based on our judgment and are thus subjective. We have not been able to extensively verify all data and cannot be held responsible for the absolute accuracy and completeness thereof. Analysis of different data sources and data sets may yield deviating results. Historical data may differ from earlier editions of this Clarity on Mergers & Acquisitions as databases are updated retroactively for lapsed deals or for transactions that were not made public at that given time; we have also aligned some of the selection parameters and industry segmentation more closely to those applied by the above mentioned databases, which can also lead to differences in historical data representation. The following notes pertain to data contained in this publication.

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1

Deals are included where the deal value is equal to or greater than the equivalent of USD 7 million

2

Value data provided in the various charts represent the aggregate value of the deals for which a value was stated. Please note that values are disclosed for approximately 50 percent of all deals

3

Where no deal value was disclosed, deals are included if the turnover of the target is equal to or greater than the equivalent of USD 14 million

4

Deals are included where a stake of 30 percent or more has been acquired in the target. If the stake acquired is less than 30 percent, the deal is included if the value is equal to or exceeds the equivalent of USD 140 million

5

Deals are included in their respective industry sector based on the industry of the target business

6

All deals included have been announced but may not necessarily have closed

7

Activities excluded from the data include restructurings where ultimate shareholders' interests are not affected

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