



Zurich, Paradeplatz 20th March, 2023: United Banks of Switzerland: SKV, SBV & SBG (in English CS, SBC & UBS)

Swiss M&A 2022: Robust Market in Difficult Environment, Sluggish Start into 2023, Until Last Weekend



[Winfried Weigel](#)

corporate development, business development, Corporate Finance, Capital Markets, Mergers & Acquisitions, restructurings, change management, interim management, IPO, coach, startup advisor, Private Equity, Venture Capital

[29 articles](#)

March 21, 2023

Swiss M&A 2022: robust market in difficult environment, disclosed transaction value only down by 8%, based on smaller no. of deals with reported deal value (-23%)

and YTD 2023: 48 M&A deals with a reported deal value of just CHF 10 bn until 19th March, 2023; plus CHF 3 bn negotiated takeover of CS by UBS via share deal announced on 20th March, tops the Swiss 2023 YTD league table

Dr. Winfried Weigel, weigelCF, www.weigelCF.com

Zurich, 20th March, 2023

Based on a detailed deal-by-deal analysis of an ever growing mergermarket sample of all deals with Swiss acquirors or sellers and Swiss targets with a total of 1,718 deals (1,097 in 2021) and a aggregated transaction value of CHF 313 bn (219 bn 2021) from 674 transactions with deal values disclosed, we only extracted a total of **126 Swiss M&A transactions** (target or buyer or seller is Swiss) with deal values disclosed and an aggregated deal value of CHF 109 billion based on our rigid M&A criteria, which is a **8.3% decline** of the aggregated deal value and a **23% decline** of the number of M&A deals with reported deal values compared to 2021. However, we counted total no. of **752 M&A deals 2022** compared to 694 M&A deals in 2021 (+8.4%).

We only included corporate transactions with a change of control (assuming a minimum acquired stake of 30%), excluded buy-outs of minority stakes from existing investors by the majority investor, excluded financial investments (less than a controlling stake), individual real estate acquisitions (but included corporate acquisitions of real estate companies), acquisitions of renewable energy projects (but included corporate acquisitions of renewable energy developers or operators), other asset acquisitions, such as manufacturing facilities, product rights, patents or licenses, or oil & gas wells, corporate spin-offs of business units to existing shareholders, or funding rounds of start-up and growth companies via share capital increases (pl. see last years report for more information on the systematic of our analysis; in case of questions please reach out to office@wweigel.com).

Key facts on 2022 M&A Deal activity

We counted **43 Swiss (Targets) M&A deals** with an aggregated **deal value of CHF 30 billion**, down from 59 deals and an aggregated deal value of CHF 46 billion in 2021. 9 deals are still pending.

We also counted **50 Swiss acquisitions abroad** with an aggregated deal value of **CHF 54 billion**, compared to 76 acquisitions a year ago with an aggregated deal value of CHF 50bn. 16 deals still need to close.

And we counted **33 Swiss M&A divestitures abroad** with an aggregated deal value of **CHF 24.5 billion** compared to 28 deals with a combined deal value of CHF 22.5 billion in 2021, 11 deals still have to close.

That sums up to **126 M&A transactions with a Swiss Target, Seller or Acquiror** and a aggregated transaction value of **CHF 108.6 billion**, compared to 163 M&A deals and an aggregated deal value of CHF 118.5 billion in 2021.

To put these numbers into perspective: the **largest M&A deal 2022 globally** was **Microsoft's all-cash \$68.7 billion acquisition** of the US-listed Candy Crush game creator Activision Blizzard in January 2022.

Swiss M&A Transactions

The largest Swiss M&A transaction acquisition achieved rank no. 8 in the European deal list 2022 and still fetches a top 20 rank on a global basis: **Koninklijke DSM NV's** proposed **merger offer to the Firmenich shareholders** in Switzerland in a deal valued at approx. **\$21 billion**, with the proposed merger expected to be completed after approval of antitrust authorities, expected in H1/2023, in a public tender offer for DSM shares in exchange for DSM Firmenich shares (exchange ratio 1:1). Post completion the **Firmenich shareholders** will own 34.5% of the merged new DSM-Firmenich company.

The 2nd largest Swiss M&A deal and 10th largest European Deal 2022 is the public takeover bid for **Swedish Match AB** by Swiss based European Headquarter **Philip Morris International Inc.** at a final offer price of SEK 116 p. sh. which is equivalent to a total consideration of SEK 176.4 billion and a total deal value including net debt of SEK 189.24 billion (**CHF 18.7 bn**).

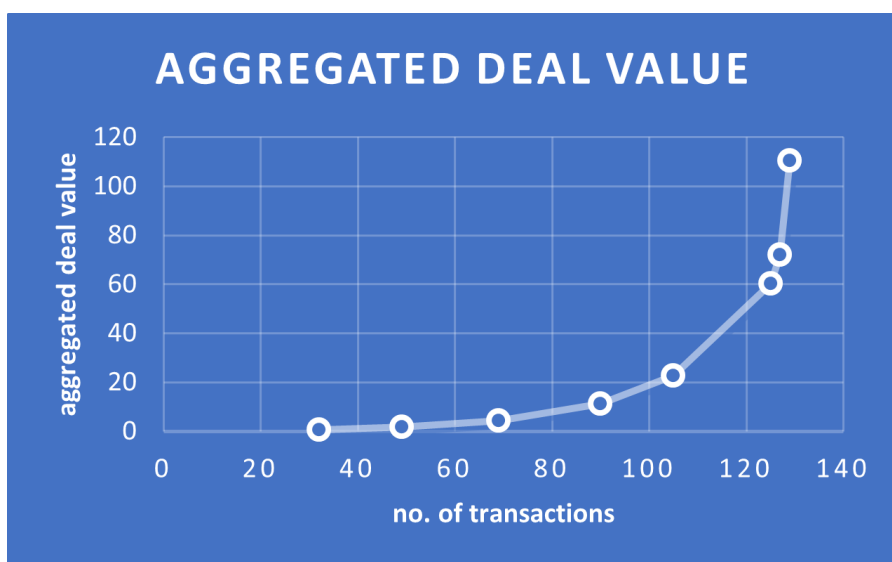
The third largest Swiss M&A Deal was the divestiture of LafargeHolcim's cement operations in India for CHF 6.4 billion that raised strong interest from large global PE players but ended up in strategic hands in a combined \$ 8.8 billion public takeover process.

Deal Size Categories

We categorized the Swiss M&A activity according to the deal values into 8 value ranges. The smallest value range includes all M&A deals <CHF 50 million which is the range with the highest number of transactions (32) and the lowest aggregated deal value (CHF 0.6 billion or 0.55% of the total deal value). The range with the largest aggregated deal value are transactions values > CHF 10 billion with only 2 transactions accounting for a combined CHF 38.6 billion deal value or 35.5% of the total M&A Deal Value. All acquisitions in Switzerland up to a transaction value of CHF 60 million were completed. Of the larger 28 acquisitions, 13 are still pending, including the largest deal with Firmenich.

No.	CHF Min.	CHF Max.	CHF Value	Aver. p. trx.
2	10 bn	10 bn	38.6 bn	19.3 bn
2	5 bn	< 10bn	11.6 bn	5.8 bn
20	1 bn	< 5 bn	37.7 bn	1.9 bn
15	500 mn	< 1 bn	11.3 bn	740k
21	200 mn	< 500 mn	6.9 bn	330k
20	100 mn	< 200 mn	2.7 bn	136k
17	50 mn	< 100 mn	1.1 bn	66k
32	2 mn	< 50 mn	0.6 bn	20k

Distribution of M&A Deals According to its Transaction Value



Aggregated Deal Value Building up as Function of the Number of Deals

In terms of no. of deals the smallest segment is the most active segment even for transactions with disclosed deal values, it will have an even higher share of all M&A deals, as deal values of smaller transactions often remain confidential. Interesting to see is the fact that over the next five value ranges the no. of transactions is quite evenly distributed, of course, confirming the fact that the **bulk of the fees** is made with the CHF(USD, EUR) billion deals, of which we have counted 24 that represented **81% of the aggregated deal value** and only **19% of the transactions** with disclosed deal values. Last year, we counted more than 3 transactions without disclosed deal value for every transaction with a disclosed deal value. We have not finished the analysis of all M&A transactions without deal value disclosed because the sample is so big.

Conclusions

Compared to last years analysis we can say: (1) **SPACs** are a thing of the past and were a result of the monetary easing policy by the central banks creating and maintaining negative interests rates over a long time period. **SPACs** where an instrument to park your cash at a

low but positive interest rate. The largest Swiss and one of the very few global **De-SPAC deals** was the withdrawn **\$7.7 bn offer** to acquire **SAZKA Entertainment AG**, a Swiss-based operator of lotteries and sports betting games from a Czech holding company. The offer included \$ 750 million funding in form of cash, a \$ 300 million earn-out and a high stock market valuation. (2) The **funding frenzy of start-ups and growth companies** continues. We eliminated 47 Swiss funding rounds (seed, A- to G-rounds, plus large infrastructure projects*) with a total funding amount of **CHF 3.5 billion**, another 25 foreign funding rounds with participation of Swiss investors for a combined funding amount of **CHF 1.8 billion**, and 177 foreign funding rounds starting from \$ 1 million up to a USD 580 million B-round and resulting in a aggregated funding amount of **CHF 16.6 billion**. (3) The **boom for direct investments** by institutional and semi-institutional investors and UHNWIs continues and more and larger financial investments become known to the market. E.g., besides the already mentioned real estate and renewable energy deals we excluded 13 financial corporate investments with Swiss involvement, thereof 4 investments in Switzerland with a combined value of CHF 6.7 billion, the largest Swiss investment was a **12.78% stake** in **Credit Suisse** in November 2022 for **CHF 1.85 billion** by a Saudi investor. (4) **Big Data**: we analyzed and eliminated 114 foreign M&A transactions with an aggregated deal value of **CHF 132.5 billion** because we could not find an apparent Swiss angle. That does not mean that there may not be a selling shareholder with a Swiss address and a fraction of shares somehow involved. But it does mean that the M&A Deals does not meet our definition for a Swiss M&A Deal (Swiss buyer or seller or Swiss target).

Largest Swiss M&A Deals 2022

Of the top 15 deals 5 have not closed yet, 9 deals were announced in the first half of the year, the busiest month was May. The top 15 deals only include two Swiss targets, the takeover of the fragrances and flavours champion **Firmenich** and famous vending machine operator and kiosk group **Valora**.

Top Swiss M&A Deals 2022 by value (in CHF), compiled by www.waljeICF.com based on mergemarket data

Announced Date	Completed Date	Deal Value CHF(m)	% Shares Acq.	Target Company	Target Nation	Bidder Company	Bidder Nation	Seller Company	Seller Nation
31/05/2022		13.886	100%	Firmenich SA	CH	Royal DSM NV.	NL	Firmenich Shareholders	CH
11/05/2022	28/11/2022	18.730	100%	Swedish Match AB	SWE	Philip Morris International Inc.	CH, USA	Public Offer	SWE
15/05/2022	16/09/2022	6.400	63.11% 54.53%	Ambuja Cement (53.11% ACC Ltd (54.53% Ambuja Cement	IND	Adani Enterprises Ltd	IND	Laforge Holcim Ltd (ACC & Ambuja Cement publicly listed)	CH
03/01/2022	03/01/2022	5.186	100%	WS Audiology A/S	DK	Santo Holding AG, EQT AB	CH, SWE	WS Audiology A/S	DK
11/07/2022		3.629	100%	Autogrill S.p.A.	I	Duffly Group	CH	Edizione S.r.l.	I
07/05/2022	30/05/2022	3.050	100%	Chelsea Football Club	UK	Clearlake Capital Group, Hansjoerg Wyss, Todd Boehly, Mark Walter (Private Investors)	USA, CH	Roman Abramovich	RUS
05/08/2022	16/05/2022	2.671	100%	Foundation Risk Partners	USA	Partners Group Holding AG	CH	Warburg Pincus LLC	USA
09/06/2022		2.524 (GBP 5.04 p. sh.)	55.44%	Mediclinic International Plc	SA	Remgro Ltd., MSC Mediterranean Shipping Company S.A. through its subsidiary SAS Shipping Agencies Services SARI	CHF, SA	Cash Offer to remaining shareholders	SA
07/12/2022		2.524 (AUD 4 bn)	100%	CWP Renewables	AUS	Squadron Energy Pty Ltd	AUS	Partners Group Holding AG	CH
05/07/2022	07/10/2022	2.436	100%	Valora Holding AG	CH	Fomento Economico Mexicano S.A.B. de C.V.	MEX	Public Offer	CH
17/05/2022		2.093	100%	Lyntia Networks SAU	ES	AXA Investment Managers SA, Swiss Life Asset Management AG	F, CH	Antin Infrastructure Partners SA S	F
10/08/2022	10/11/2022	1.942	50%	United States Infrastructure Corp	USA	Kohlberg & Company, LLC	USA	Partners Group Holding AG (retains 50%)	CH
02/02/2022	01/04/2022	1.840	Majority	Orgain Inc	USA	Nestle Health Science SA	CH	Butterfly Equity LLC	USA
19/04/2022	22/07/2022	1.804	100%	Affidea BV	NL	Groupe Bruxelles Lambert SA	BE	B-FLEXION Group Holdings SA (Bertarelli FO)	CH
31/07/2022	31/07/2022	1.713	100%	Healthlyne Inc.	USA	Genentech Inc (Roche Holding AG)	USA, CH	Venture Investors LLC	USA

M&A Deals announced 2022 with Swiss participation as target, acquirer or seller



colour explanation

As a result, the other **13 were Swiss M&A deals outside Switzerland**: 9 Swiss acquisitions abroad and 4 divestitures abroad. We do not see a single **domestic Swiss deal** (target and acquirer in Switzerland) among the largest deals, but two domestic US deals, one domestic Australian deal and one domestic deal in India. **10 of the top 15 deals** include a financial direct investor (PE, VC, AM, FO) on seller or acquirer side, four deals are PE secondaries. **Ten out of the top 15 deals** have closed. In total, 91 out of the 126 deals with disclosed deal values closed.

2023 YTD

The 2023 start into 2023 (as of 19th March, 2023) has been one of the **slowest starts** into a new year for the past decade. The largest deal 2023 was announced on Sunday night, is certainly the **CHF 3 bn CS takeover by UBS** in form of a mandatory share capital increase with a public **CHF 9 bn loss assumption guarantee** (plus a **CHF 200 bn liquidity line**) for which we cannot calculate the deal value. We might see some legal challenges of this transaction.

Of the total reported **261 M&A deals 2023** announced until 19 March, 2023, thereof **86 with disclosed deal values** and a combined deal value of just **CHF 14 bn**, we eliminated 38 deals with an aggregated deal value of CHF 3.9 bn. The largest Swiss M&A transaction until 19th March 2023 is the **CHF 1.84 bn** acquisition of 74% of a South African peer company by Swiss **Vitol Group** with crude oil trading, exploration and storage activities through its UK subsidiary. The only other CHF 1bn+ deal is the **CHF 1.2 bn** add-on acquisition by **LafargeHolcim** in the USA. The biggest M&A deal in Switzerland YTD is the **0.75 bn** sale of the Admixtures business unit of **Sika AG** to a UK corporate buyer.

So far, we see stable capital markets, despite rising interest rates, slowing inflation but still on a too high level, high but decreasing energy prices, less talk about a possible recession, high employment with loss of purchase power, high corporate profits and dividends, but a war in Europe and a still accelerating climate change. The banking crises due to huge depreciation losses on the fixed income side, and an apparent lack of crises management modus, may be cooling down due to the forced merger of CS and UBS, but it is certainly not under control. The UBS share price is rising, the new UBS is twice as big as the Swiss BIP (before restructuring CS), and the new Swiss Banking Giant may become too big to rescue.

The year ahead is certainly difficult to predict, but growth is critical for corporate success, and external growth is easier and quicker to implement than organic growth. With relatively stable capital markets we should expect an improvement of the currently sluggish M&A market.

Dr. Winfried Weigel office@wweigel.com +41 76 443 2001

Published by



[Status is online](#)

[Winfried Weigel](#)

corporate development, business development, Corporate Finance, Capital Markets, Mergers & Acquisitions, restructurings, change management, interim management, IPO, coach, startup advisor, Private Equity, Venture Capital

Published • 6d

[29 articles](#)

[hashtag#mergers](#) [hashtag#acquisitions](#) [hashtag#bankingcrisis2023](#) [hashtag#UBS](#) [hashtag#CS](#) [hashtag#SNB](#) [hashtag#Finma](#) [hashtag#SECA](#) [hashtag#publictakeover](#) [hashtag#SPAC](#) [hashtag#Fundinground](#) [hashtag#divestitures](#) [hashtag#Leaguetable](#) [hashtag#privateequity](#) [hashtag#realestateinvestments](#) [hashtag#renewableenergyinvestments](#) [hashtag#M&A](#) [hashtag#SwissM&A](#)