



TOMORROW : 2050

Alternative Futures for TMT

What could the TMT sector look like by 2050?

TMT is one of the world's most rapidly evolving and active sectors and cross-border M&A activity will continue its aggressive growth. Knowing what trends may impact the TMT sector over the coming decades is critical for those who want to harness the sector's power to reshape the world. In [Translink's TOMORROW: 2050 Alternative Futures for TMT Report](#), four possible futures are explored.

RED SCENARIO:

In this context, economic power shifts to the East and the South where technologies are developed and adopted in a rapid manner, with little regard for people, ethics and sustainability.

WHAT THIS MEANS FOR M&A:

- 1 M&A deals happen rapidly.
- 2 M&A decisions are led by profit motives and there are competitive positions in new and existing markets.
- 3 Players compete for 'the next technology'.

ORANGE SCENARIO:

Under these conditions, the TMT sector is hailed for its focus on technologies that empathise with the purpose of making the world a better place for human beings.

WHAT THIS MEANS FOR M&A:

- 1 Deals consider the influence of technologies on people and planet.
- 2 Deals facilitate skills development for TMT.
- 3 Deals must pass the test of being ethical in a strongly regulated TMT sector.
- 4 Deals happen in previously dominant markets to secure local supply and amplify opportunities to participate in new markets.

HERE IS A
SYNOPSIS OF EACH
SCENARIO AND
THEIR POTENTIAL
IMPACTS ON
M&A

PURPLE SCENARIO:

Here, there is a fair distribution of economic power across the globe, however, technologies are developed and adopted in a rapid, irresponsible manner with little regard for people, ethics and sustainability.

WHAT THIS MEANS FOR M&A:

- 1 A less complex regulatory environment means M&A transaction costs are lower.
- 2 Possibly wider geographical scope for deals.
- 3 First and fast movers have the edge in a competitive, volatile market.
- 4 Some deals are done to bolster earlier supply chain vulnerabilities.

BLUE SCENARIO:

This scenario will see the fair distribution of economic power across the globe. Technologies in this context are developed and adopted in a responsible manner with consideration for ethics, people, and sustainability.

WHAT THIS MEANS FOR M&A:

- 1 Deals are made based on the increased fairness and responsibility criteria and expectations.
- 2 The well-considered regulatory environment is tough, but clear.
- 3 Lucrative deals are done between organisations focusing on skills development and 'work- from- anywhere' opportunities.
- 4 Deals happen across sectoral boundaries, some even creating new intersectoral entities.