



Oaklins

OCTOBER 2025

Quarterly Tech M&A Update Q3 2025

AGENDA

TMT sector Q3 2025 – Key takeaways

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M&A activity in both the European and German tech markets showed sustain momentum in Q3 2025. The number of transactions in Europe rose by 2%, from 651 deals in Q2 to 663 in Q3 2025. The German market significantly outperformed the European M&A activity and registered an increase by 19% from 134 to 160 transactions in Q3.
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Strategic investors dominated in Q3 2025 the European tech M&A landscape, accounting for over 92% of transactions. Both strategic and financial investors continued to emphasize international growth strategies, with cross-border deals representing 57% of total transactions.
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In Q3 2025, M&A activity show a positive momentum for Application software (329 transactions) and IT-Services (249 transactions). Other sectors like System software and Semiconductors show a stable, but moderate activity.
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The valuation level of our publicly listed peer group continued to rise in the third quarter 2025 on balance. Towards the end of the quarter, multiples approached cycle highs, buoyed by falling yields following the Fed's first interest rate cut in 2025, robust and in some cases raised earnings estimates, as well as sustained AI demand and further market concentration on the ‘Mag 7’.

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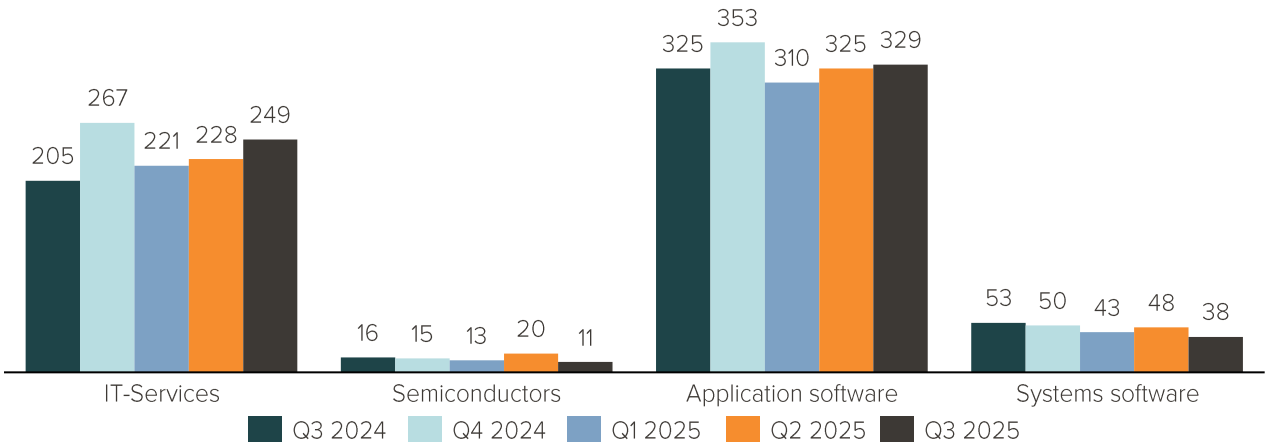
EDITOR'S TOP TECH DEAL PICKS

Date	Deal type	Target	Deal description	Acquirer / Investor
SEP 2025	M&A	 	Public Investment Fund-PIF, Silver Lake Technology Management LLC and Affinity Partners, have signed an agreement to acquire Electronic Arts Inc, a software developer of gaming platforms.	   
SEP 2025	M&A	 	Hitachi Ltd, an industrial technology company is to acquire through its subsidiary Globallogic Inc, a software-Computer, Synvert GmbH, a D&A full-service provider optimizing business processes.	 
SEP 2025	M&A	 	Workday Inc., a provider of enterprise cloud-based applications is to acquire Sana Labs AB, a software company engaged with personalized online learning platform.	 
AUG 2025	M&A	 	Allgeier SE, a software services provider has acquired a majority stake in all4cloud GmbH & Co KG, a software company, active in the field of information systems development.	 
AUG 2025	M&A	 	Strangeworks Inc, a quantum computing platform provider that delivering access quantum computing technologies, has acquired Quantagonia GmbH, a quantum algorithm technology start-up.	 
AUG 2025	M&A	 	Apryse Software Inc, a software company engaged in providing digital document processing technology has acquired Scanbot SDK GmbH, the Germany based software company.	 
JUL 2025	M&A	 	Accenture plc, a company engaged in the providing of management consulting, technology, and outsourcing services, has acquired SYSTEMA Systementwicklung GmbH, a provider of software system integration and automation for the manufacturing industry.	 
JUL 2025	M&A	 	Critical Manufacturing Sa, a software company, has acquired Convanit, an AI-powered image analytics company for smart manufacturing.	 
JUL 2025	M&A	 	Alten SA, a provider of engineering and technology consulting services, has acquired ENERGY4U GmbH, an IT service provider.	 
JUL 2025	M&A	 	Bain Capital LP, a global private investment firm, agreed to acquire the majority stake in HSO BV, a provider of Microsoft Dynamics AX, and Dynamics AX industry specific add-ons.	 

Source: Mergermarket and Oaklins research as of 30-September-2025

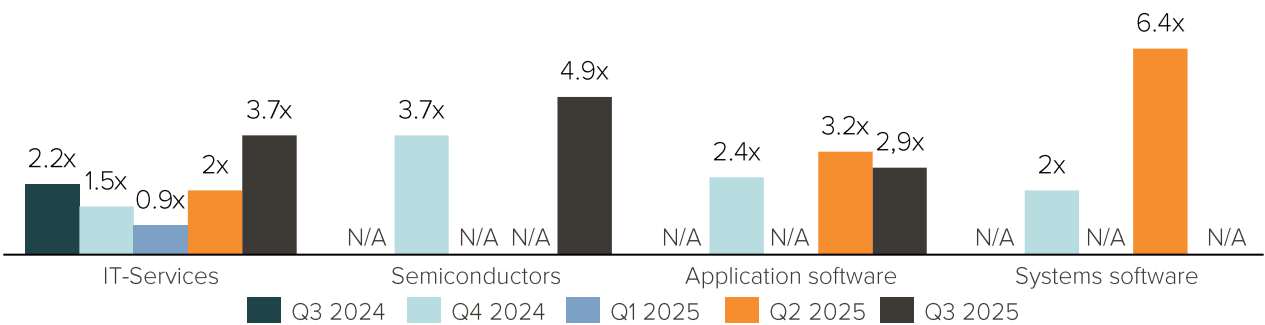
TECH SECTOR M&A TRANSACTION OVERVIEW

Number of M&A transactions in Europe between Q3 2024 and Q3 2025



Tech M&A activity in Europe showed contrasting dynamics across key segments. The IT-Services sector and application software continued to see growth, while semiconductor and system software transactions declined. Overall, the figures demonstrate a positive trend when compared to Q1.

M&A transaction multiples¹ between Q3 2024 and Q3 2025 (Enterprise Value/Sales²)



Valuation levels in Q3 2025 paint a nuanced picture, with positive momentum emerging in key segments. The IT-Services sector recorded a strong rebound, with transaction multiples rising to 3.7x, a fourfold increase compared to Q1.

Source: Capital IQ as of 30-September-2025

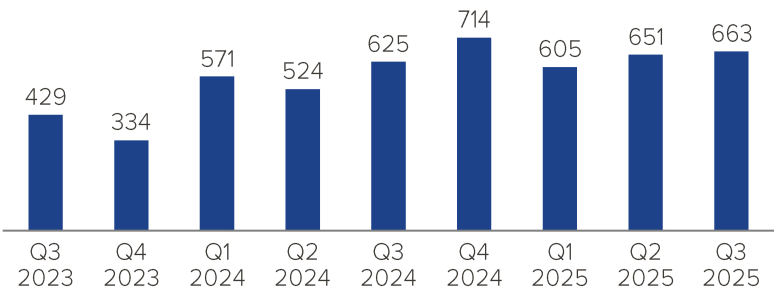
Notes: 1) Retrieved from Capital IQ excluding deals with revenue multiples >30.0x

2) Reported as LTM figures

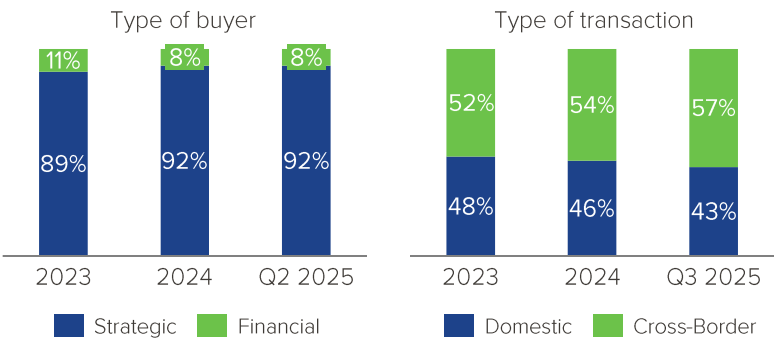
M&A TECH TRANSACTION ACTIVITY

Transaction overview in Europe

Transactions per quarter (Q3 2023 – Q3 2025)



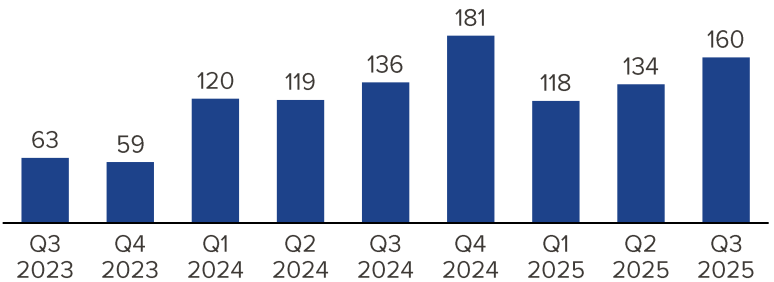
The positive momentum in the European tech market persisted through Q3 2025 following a robust second quarter. The number of M&A transactions rose from 651 to 663, marking another period of steady expansion. This continued growth highlights sustained investor confidence in the sector.



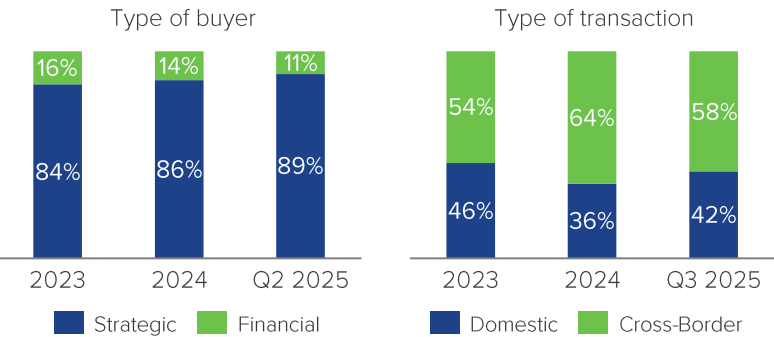
Strategic investors dominated the market in Q3 2025, representing 92% of all deals. Cross-border activity rose to 57%, highlighting a strong shift toward international expansion and global growth ambitions. This trend underscores investors' focus on expanding their global footprint and strengthening their market position through cross-border synergies.

Transaction overview in Germany

Transactions per quarter (Q3 2023 – Q3 2025)




The recovery in the European tech market persisted in the German landscape as well. Transactions rose to 160 in Q3 2025, a 16% increase over Q2. While still below the Q4 2024 peak, this rebound highlights renewed activity and resilience in the German tech M&A landscape.



In Germany, financial investors accounted for just 11% of tech deals in Q2 2025, down from 18% in the previous quarter. Strategic buyers strengthened their dominance with an 89% share, while cross-border transactions continued to rise, representing 58% of total deal activity.


TECH SECTOR VALUATION (PUBLIC COMPANIES)

Semiconductors & Semiconductor Equipment




EBITDA margin 2025E: **45.8%**
Revenue growth 2025E: **6.2%**
Stock returns Q3 2025: **18.7%**

IT-Services




EBITDA margin 2025E: **20.7%**
Revenue growth 2025E: **-5.0%**
Stock returns Q3 2025: **-8.7%**

Application Software



EBITDA margin 2025E: **38.0%**
Revenue growth 2025E: **5.3%**
Stock returns Q3 2025: **-6.2%**


Technology Hardware & Equipment



EBITDA margin 2025E: **25.4%**
Revenue growth 2025E: **-1.4%**
Stock returns Q3 2025: **11.0%**

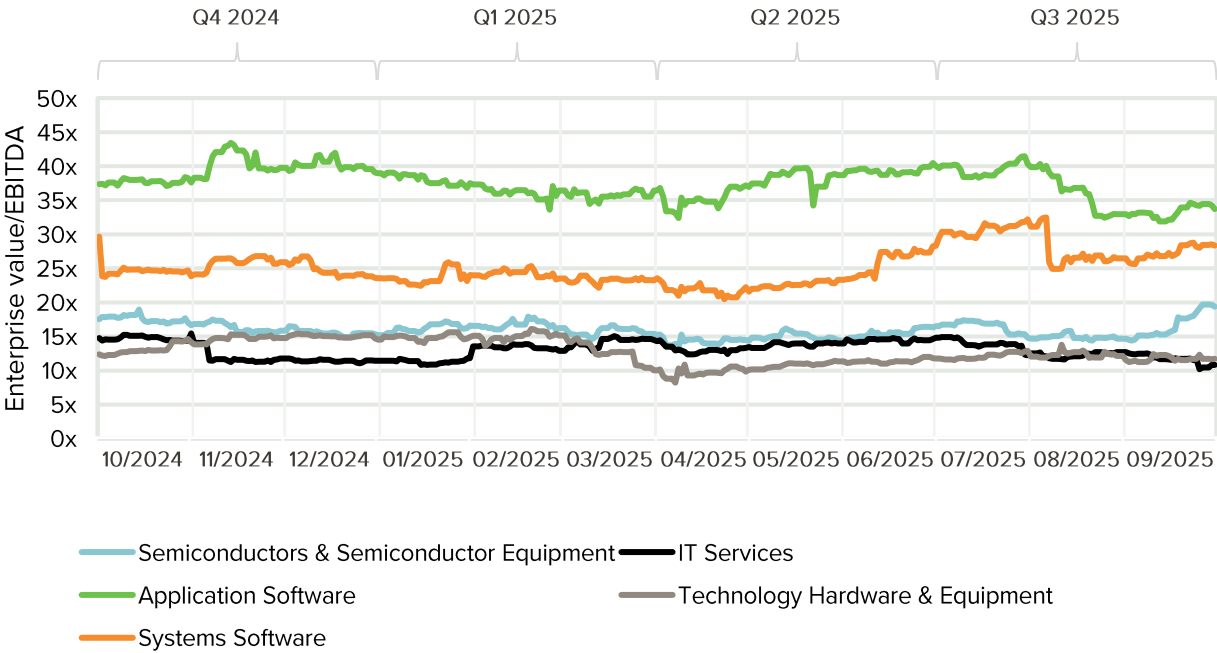
Our top 10
publicly traded
tech watchlist

Systems Software



EBITDA margin 2025E: **52.8%**
Revenue growth 2025E: **-4.5%**
Stock returns Q3 2025: **-0.0%**

EV/EBITDA¹ Multiples Tech Subsectors

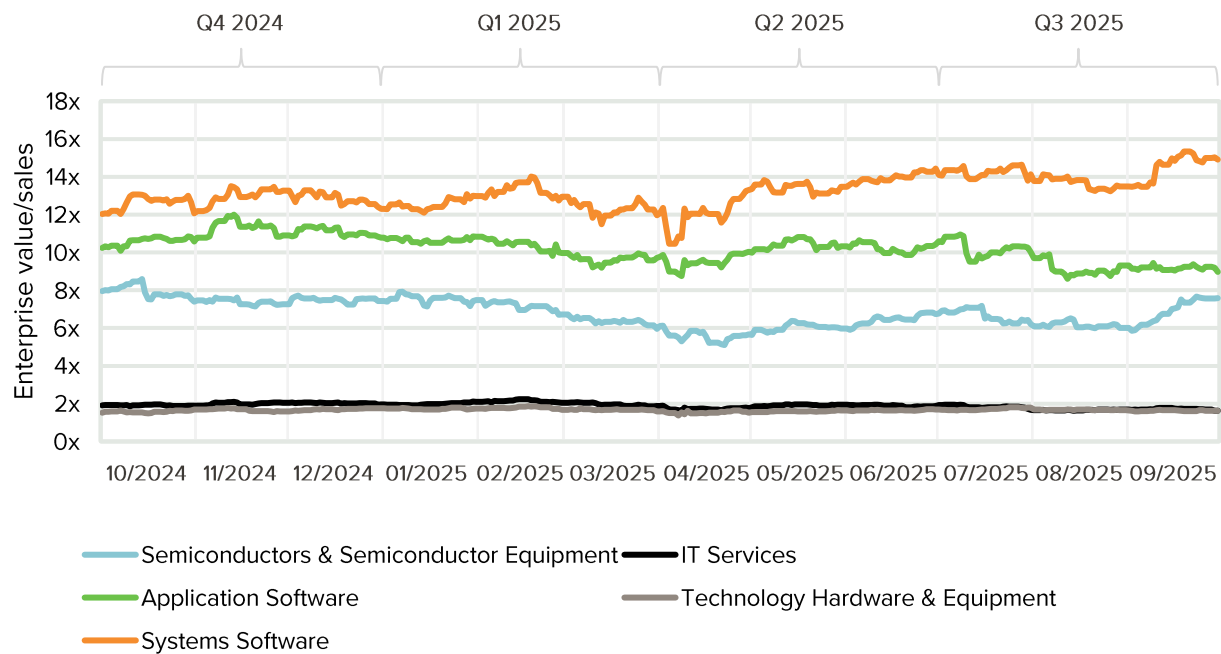


Sources: Capital IQ and Mergermarket as of 30-September-2025
Notes: 1) Daily total EV divided by lease and affiliate income adj. LTM EBITDA as of 30-September-2025
(Capital IQ)
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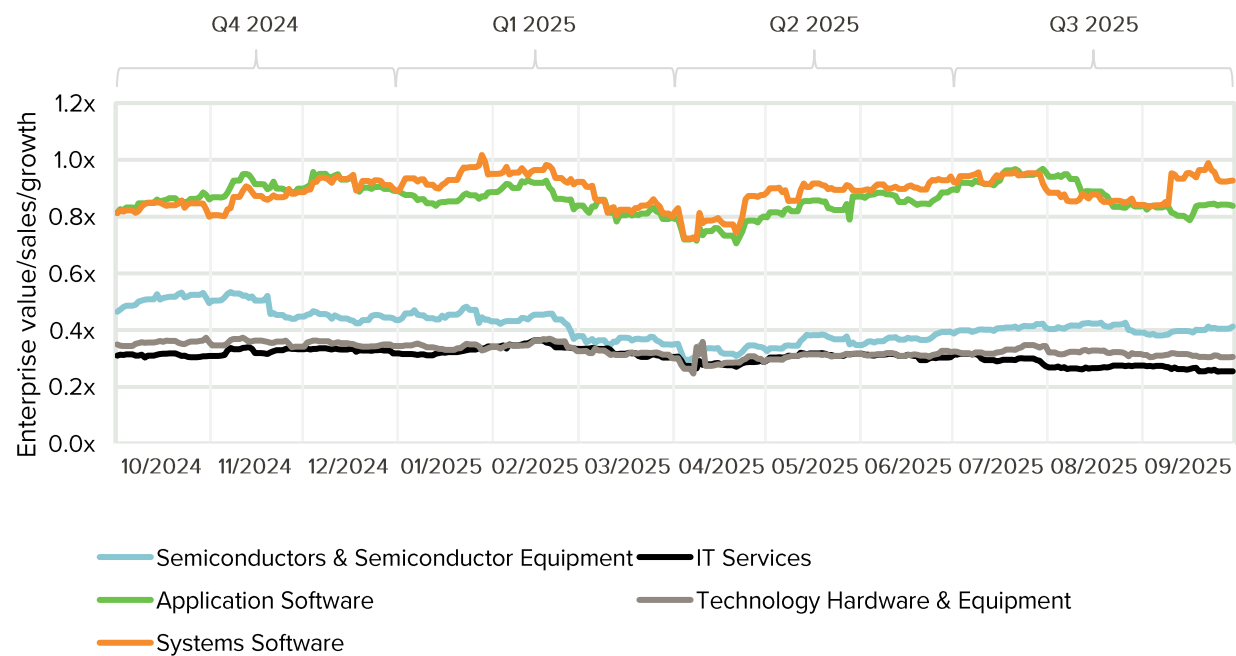


TECH SECTOR VALUATION (PUBLIC COMPANIES)

EV/Sales Multiples¹ Tech Subsectors



EV/Sales/Growth² Multiples Tech Subsectors



Sources: Capital IQ and Mergermarket as of 30-September-2025
Notes: 1) Daily total EV divided by total LTM revenues as of 30-September-2025 (Capital IQ)
2) Daily EV/Sales multiple divided by 1-year annual revenue growth consensus estimate as of 30-September-2025 (Capital IQ)



OAKLINS’ TECH DEAL OF THE QUARTER



has acquired



M&A BUY-SIDE

TMT

July 2025

Orange Cyberdefense has acquired Ensec AG

In a strategic move within the European cybersecurity sector, Orange Cyberdefense, the French expert cybersecurity division of the Orange Group, has acquired Ensec AG, a leading Swiss cybersecurity company with a focus on with a focus on managed security services, threat intelligence, and the development of innovative cybersecurity solutions for businesses.

This acquisition marks a significant step in strengthening Orange Cyberdefense’s presence in Switzerland, expanding its footprint into the German-speaking region and positioning the company as a national market leader.

Orange Cyberdefense is the expert cybersecurity business unit of the Orange Group, the multinational telecommunications operator and digital service provider in France. Ensec is a cybersecurity company, recognized for its expertise in consulting, IT security integration, managed security services and customized support across a broad range of solutions from leading cybersecurity providers. The company employs around 40 specialized experts and serves more than 130 clients, including financial institutions, energy and retail companies and public sector organizations.

Oaklins France advised Orange throughout the Ensec acquisition process, ensuring the smooth execution of the transaction in just a few weeks.



OAKLINS’ TECH SECTOR TRANSACTIONS Q3 2025




has been acquired by




M&A SELL-SIDE

TMT


SEP 2025



has sold its portfolio company



to



M&A SELL-SIDE

Automotive/Private Equity/TMT

AUG 2025




has been acquired by




M&A SELL-SIDE

TMT

AUG 2025



has acquired



M&A BUY-SIDE

Private Equity/TMT

JUL 2025



has been acquired by



a portfolio company of



M&A SELL-SIDE

TMT

JUL 2025



has been acquired by



M&A SELL-SIDE

TMT

JUL 2025



a portfolio company of



has been sold to




a portfolio company of




M&A SELL-SIDE

Private Equity/TMT

JUL 2025



has been acquired by



M&A SELL-SIDE

TMT

JUL 2025



has acquired



M&A BUY-SIDE

TMT

JUL 2025

OAKLINS GERMANY TECH SECTOR TEAM

Our industry expertise

Oaklins is a global advisory firm specialized in M&A, corporate finance, valuation, due diligence and fundraising. With more than 900 dedicated professionals in over 40 countries, we leverage our local presence in order to provide the best possible service on the ground.

Each year Oaklins completes more than 50 transactions within the global tech sector. Our German tech sector team brings decades of combined industry experience and has closed a variety of transactions with most of them requiring a cross-border approach.

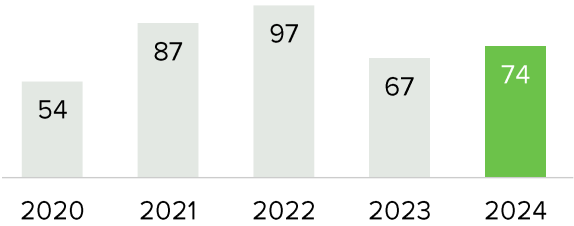
The tech sector team maintains close contact with decision-makers, industry leaders & movers from the German and European tech industry.

Tech transactions advised by Oaklins (2020-2024)

379 34%

Transactions closed Cross-border transactions

No. of Tech transactions per year (Oaklins)



Your Tech Sector Team at Oaklins Germany



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