



**LOMBARD GLOBAL**  
TECH INVESTMENT BANKERS

# Tech M&A

2025 Q2 Europe Market Update

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# Lombard Global, Inc. – About Us



Tech Investment Banking firm established in 2004, with locations and professionals in Austin, Dallas, Los Angeles, Boston, and globally.

Exclusively focused on middle-market **IT Services, Artificial Intelligence, Software, Healthcare IT, and Biotech** sectors. Differentiators include: **1) technology focus 2) tech business operating expertise 3) cross- border expertise.**

A seasoned team of **senior investment leaders, augmented by global junior talent**, with diverse backgrounds spanning technology, investment banking, entrepreneurship, management consulting, healthcare, sales and business development, strategy, accounting and finance.

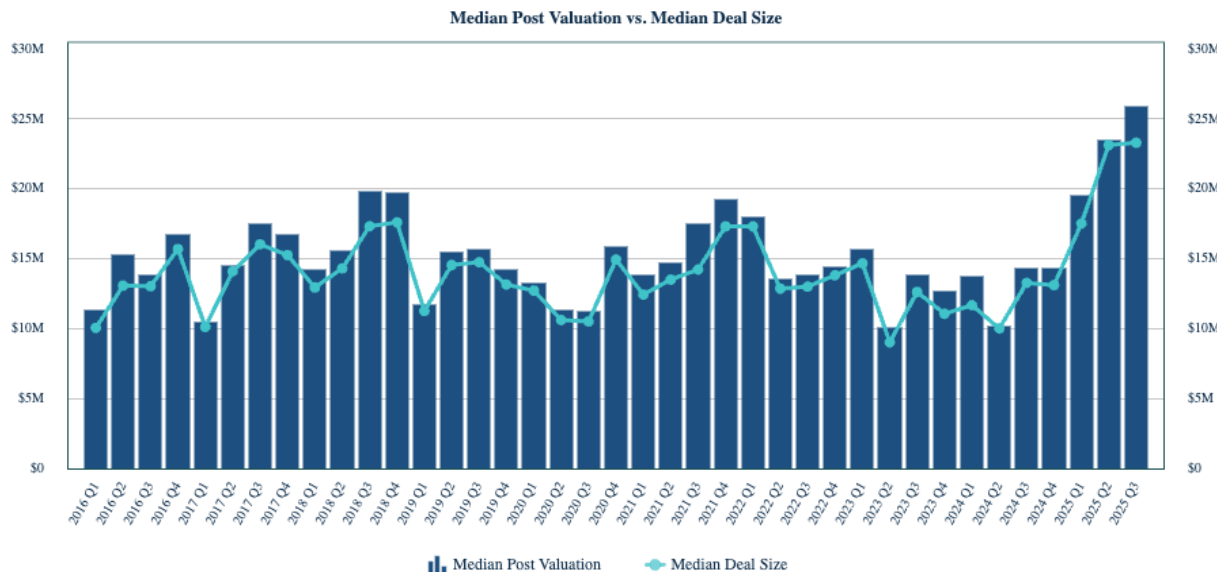
Established by **Bill Billeaud**, bringing **four decades of expertise** in assisting both U.S. and international companies achieve growth, turnaround and exit successfully.

# M&A Update and Commentary

## Market Commentary

- **European Information Technology M&A activity** in Q2 2025 showed **resilient momentum**, with deal count increasing modestly (+3.1% QoQ) even as overall PE deal value fell. Smaller, **mid-market technology transactions dominated**, while add-ons reached a record 36.7% of total PE deal value.
- **US buyers played an outsized role**, participating in nearly **one-fifth** of European technology deals and contributing to over a third of total deal value, highlighting the region's strategic appeal for **cross-border expansion**.
- Exits remained subdued, with **IPOs largely absent**, leaving strategic acquisitions and sponsor-to-sponsor transactions as the primary liquidity routes.
- Within IT, software and IT services consolidation drove activity, with **Q2 M&A value in technology rising 36.6% QoQ**, reaffirming the sector as an engine of EU.

## Technology Services Quarterly Transactions



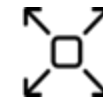
## Key Growth Drivers



Enterprises across Europe continue to replace fragmented legacy IT systems, driving integration and modernization-focused acquisitions.



Strategic buyers active in acquiring AI-driven customer support and automation platforms, as companies prioritize efficiency and engagement.



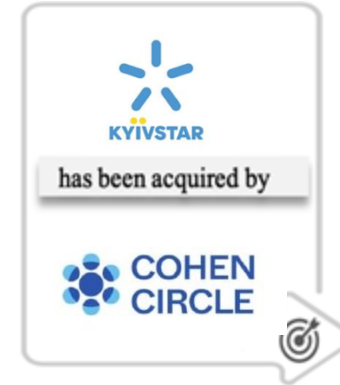
Cybersecurity deal flow accelerated, with triple-digit transaction volumes in Q2 2025, reflecting investor focus on resilience amid rising cyber threats.



Ongoing migration to cloud infrastructure and SaaS adoption is fueling consolidation, with mid-market players emerging as prime targets for scale.

# Recent Technology Services Transactions

## Highlighted Transaction



## Highlighted Transaction

### SoftwareONE Acquires Crayon Group Holding

*Cloud Optimization | IT Services | SaaS & Digital Transformation*

- Crayon Group is a leading Nordic IT services and software asset management provider, specializing in cloud optimization, SaaS reselling, and enterprise digital transformation.
- With strong operations across Scandinavia, Crayon helps enterprises manage software costs, optimize multi-cloud deployments, and accelerate modernization.
- SoftwareOne, a Swiss IT firm, is acquiring Crayon Group for \$1.4 billion (July 2025), reinforcing its position as a global consolidator in IT services and cloud solutions.
- This acquisition strengthens SoftwareONE's presence in Northern Europe and expands its capabilities in cloud migration and SaaS adoption, aligning with enterprise demand for scalable, cost-efficient IT models.

# Other M&A Transactions

## Calastone Acquires SS&C (Jul 2025 | England)

Target:	<b>CALASTONE</b>	Investor:	<b>SS&amp;C</b>
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## AXA Acquires Prima (Aug 2025 | Italy)

Target:	<b>prima</b>	Investor:	<b>AXA</b>
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## Nice Acquires Cognify (Sep 2025 | Germany)

Target:	<b>COGNIFY</b>	Investor:	<b>NiCE</b>
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## Outbrain Acquires Teads (Feb 2025 | Luxembourg)

Target:	<b>Teads</b>	Investor:	<b>Outbrain</b>
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## CGI Group Acquires bjss (Feb 2025 | England)

Target:	<b>bjss</b>	Investor:	<b>CGI</b>
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## KBC Acquires 365 Invest (May 2025 | Slovakia)

Target:	<b>365 bank</b>	Investor:	<b>KBC</b>
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## Schibsted Media Acquires Telia Company (Jul 2025 | Sweden)

Target:	<b>Telia Company</b>	Investor:	<b>Schibsted</b>
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## Team Viewer Acquires 1E (Jan 2025 | England)

Target:	<b>1E</b>	Investor:	<b>Team Viewer</b>
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# Geographical Spotlight: Scandinavia

## Market Commentary

- **Scandinavia has emerged as a resilient IT mid-market M&A hub** in recent years after heavy volume fluctuations across the 2010s, with deal activity concentrated in the €50–150M range. **Software/SaaS and IT consulting** dominate, supported by high digital adoption and strong public-sector digitization.
- **Private equity is the primary driver of M&A activity**, with Nordic funds like EQT, Verdane, and Summa Equity pursuing buy-and-build strategies, carve-outs, and take-privates. **Sponsor fundraising** remains strong, ensuring firepower for **platform roll-ups** in SaaS, managed services, and AI/data consultancies.
- **Corporate M&A surged in 2025**, with H1 deal value hitting **€47.2B across 925 deals (+93% YoY)**. Strategic acquirers are consolidating **SaaS productivity tools, telecom infrastructure, and data/analytics platforms**.

## Select Market Participants



## Key M&A Transactions 2025

Date	Acquirer	Target	Target Description
Sep-2025	 workday	 Sana	Enhances proactivity and personalization of work & learning platform through AI embedding
Sep-2025	 cadence	 HEXAGON	Boosts Cadence's system-analysis and multiphysics simulation capabilities
Aug-2025	 CVC	 W / T H secure	Expands security technology and consulting and managed services through take-private
Jul-2025	 viaplay	 allente <small>waar talenten groeien</small>	Strengthens Viaplay's position in the Nordic streaming and pay-TV market
May-2025			Improves CodeLab's position in the Norwegian SaaS market through compliance solutions
Mar-2025	 POLLEN STREET	 ORDER YOYO	Develops Pollen Street portfolio's footprint in digital ordering and payment solutions

## Notable Transaction



- In **September of 2025**, Workday agreed to buy **Swedish AI startup Sana Labs** for **USD \$1.1B**.
- The acquisition combines **Sana's AI-powered search, learning, and agent tools** with Workday's robust HR and data analytics divisions for **strong revenue synergies**.

# Geographical Spotlight: UK



## Market Commentary

- After a **slow Q1** due largely to macroeconomic uncertainty, deal-making in the UK IT services **sector surged in Q2 2025** with **190 completed transactions**, up 24% from 153 in Q1.
- A strong mix of strategic and sponsor buyers pursued acquisitions that expand **automation, predictive analytics, and cybersecurity capabilities** across industries, with private equity participating in **over 70%** of all UK IT services deals in the recent quarter. **IT managed services** saw the strongest momentum among subsectors, alongside software development and AI.
- **Industry-disrupting cross-border acquisitions** such as Keysight–Spirent highlighted the momentum of AI dealmaking in Q2, reinforcing **long-term growth expectations** as the global AI market is projected to surpass **\$250B by 2030**.

## Select Market Participants



## Key M&A Transactions 2025

Date	Acquirer	Target	Target Description
Jul-2025	SS&C	CALYSTONE	Enhances SS&C's fund services network, boosting global connectivity and automation
Jun-2025	CARLYLE	intelliflo	Supports presence in the wealthtech sector by leveraging Intelliflo's digital platforms for advisors
Apr-2025	KKR	OSTTRA	Strengthens KKR portfolio's presence in financial market infrastructure
Mar-2025	VIavi	Qspirent	Bolsters position in network testing and assurance market by adding cybersecurity validation
Mar-2025	sportradar	IMGARENA	Improves sports data and betting services by adding premium media rights
Mar-2025	KEYSIGHT	SPIRENT Communications	Expands network testing and security portfolio, giving it end-to-end capabilities across 5G and cloud

## Notable Transaction

  
acquired by  


- In **April of 2025**, KKR agreed to buy OSTTRA, a **joint-venture post-trade services group** co-owned by S&P Global and CME, for **USD \$3.1B**.
- KKR plans to harness OSTTRA's **mission-critical post-trade technological infrastructure** across OTC markets in fixed income.

# Geographical Spotlight: Italy



## Market Commentary

- After a strong 2024, Italy’s IT sector in H1 2025 has skewed toward **selective, capability-driven acquisitions**, with PE-backed activity focusing on managed services and data enablement. **Rising valuations and lower volumes** characteristic of the global TMT sector has similarly defined Q1 and Q2 IT sector M&A activity in Italy.
- Cybersecurity** sits atop shopping lists; sector M&A remained busy through mid-2025, and Italy’s ecosystem produced scale-up wins (such as **Exein’s** chip-security deal with MediaTek), reinforcing buyer focus on **embedded security and managed detection/response**.
- Italy has also recently enacted a **comprehensive AI law** (aligned with the EU AI Act) and earmarked **~€1bn** from the state to support **AI, telecoms, and cybersecurity, which will provide** a strong tailwind for domestic IT services bolt-ons in AI safety and model operations.

## Select Market Participants



## Key M&A Transactions 2025

Date	Acquirer	Target	Target Description
Aug-2025			Gains SaaS foothold in Italy’s motor insurance segment, boosting European distribution
Aug-2025			Enhances IT consulting, system integration, UX/UI design, and research support through take-private
Jun-2025			Accelerates NEXT4’s innovation in digital services and system-integrator capabilities
Mar-2025			Improves industrial automation market positioning and turnkey plant solution offerings
Mar-2025			Cements Poste’s role as a long-term strategic advisor in Italian telecommunications
Feb-2025			Enables Retelit and Italian state to control vital 600,000 km submarine-cable network

## Notable Transaction



- In August of 2025, AXA acquired a **51% stake in Italian SaaS direct insurer Prima** for €500 million with **options to acquire the remaining 49%** by 2030.
- This acquisition gives AXA a **strong foothold in Italy’s rapidly digitalizing motor insurance segment**, doubling its market share in Italy.



# Geographical Spotlight: Germany

## Market Commentary

- Technology accounted for the majority of German M&A activity, with **236 IT-related deals** in the first half of 2025—far outstripping other sectors such as **media (20 deals)** and **telecommunications (34 deals)**.
- Germany serves as **Europe’s anchor for industrial and tech M&A**, with blue-chip corporate divestments and carve-outs facilitating continent-wide consolidation, particularly in high-growth sectors like **AI and ESG**. Cross-border deals are **frequent**, as European and global investors target German IT firms for their **advanced capabilities, scale, and resilient business models**, using these platforms to expand across the EU.
- The **automotive market** in Germany is under **pressure** of China’s development in the EV market, which will result in **a wealth of distressed assets flowing to the tech market**.

## Select Market Participants




Sources: PitchBook, PWC

## Key M&A Transactions 2025

Date	Acquirer	Target	Target Description
Sep-2025	NiCE	COGNIGY	Cognigy’s exceptional conversational AI accelerates AI adoption in customer experience
Aug-2025	rumble	NORTHERN DATA GROUP	Strengthened Rumble’s cloud and scaled AI compute capacity
Mar-2025	Moltiply	verivox	Further established Moltiply’s presence in the European comparison market
Mar-2025	Centric Software	contentserv	Powered Centric to better organize and convert the data into real revenue for customers
Mar-2025	MILDEF	roda solid IT-solutions	Strengthened MilDef’s presence in Europe and gives access to important market channels
Feb-2025	Gamma	STARFACE COMFORTPHONING	Established Gama as a top providers of cloud seats in Germany and accelerated clouds adoption

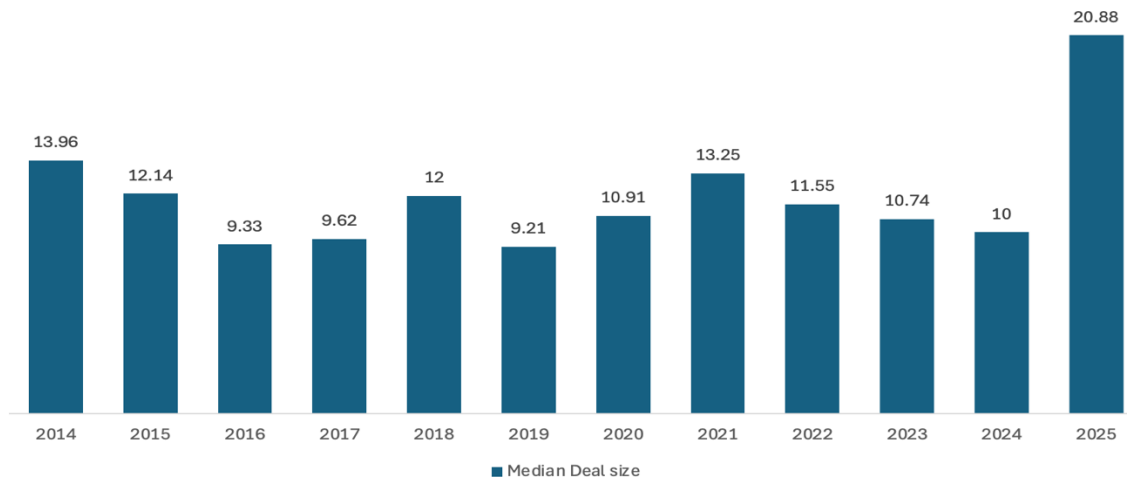
## Notable Transaction

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- In August 2025, Rumble acquired a 100% stake of **Northern Data Group** for **\$1.1 billion**, all stock deal.
  - The acquisition **combined** Northern Data Group’s strong data **infrastructures** with Rumble’s **blockchain partnership**, transforming Rumble into a **global AI cloud leader**.

## Trends in Europe Tech M&A

- **Strong Momentum:** With global market uncertainty and emerging global geopolitical tensions, the momentum for tech M&A remains high, driven by an urgent need for data transformation capabilities and technology expertise. AI, cloud services, cybersecurity, and digital platforms continue to be core focus areas, with companies in these segments attracting significant M&A interest.
- **Cross-Border Attractiveness:** **US buyers** played a significant role, participating in nearly **20%** of European tech deals and contributing to over a third of total deal value, highlighting **Europe's strategic appeal for international expansion**. Central and Eastern Europe is becoming an aspiring area for tech M&A services, with its combination of skilled talent pools, lower operating costs, and strategic nearshore opportunities.
- **Major Investors: Private Equity (PE)** firms played a pivotal role in M&A market, which **significantly contributed to the overall deal market** in Europe. PE firms prioritize sectors with **strong digital transformation needs, such as software, SaaS, AI, cybersecurity, and cloud services**.

## Median Tech Deal Size (millions)



## Catalysts for Future Tech M&A Market

- **Digital Transformation Acceleration:** Enterprises across Europe continue replacing **fragmented legacy IT systems** with integrated, modern platforms.
- **AI and Automation Demand:** AI-enabled customer support platforms, predictive analytics, and automation tools are highly sought after, boosting **deal activity and valuations** in software and IT services subsectors.
- **Sector-Specific Tailwinds:** Strong government backing for AI, telecoms, and cybersecurity in markets like **Italy and Scandinavia**.

# Questions? – Contact Us Directly

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