

Technology Services M&A Report

Q4
2023

2024 Trends

Equiteq

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Executive Summary

The Technology Services sector continues to demonstrate both resilience and relevance, underlining its significance to buyers in the Knowledge Economy. A robust performance in the fourth quarter saw deal volumes and transactional spend rise in response to growing signs of stability in the market.

This is by no means a full recovery, but it suggests buyers are keen to get back on track and pursue their inorganic growth strategies. In turn, profitability and resilience remain front of mind and sellers will need to tick numerous boxes if they are to see interest transform into a transaction.

Valuations normalizing at levels closer to long-term norms, and plentiful capital, should help spur activity among Private Equity and we have seen signs of a more aggressive approach during Q4. Likewise, a flurry of deals completed by Accenture at the tail end of the year may be a positive sign of deal making activity among Strategics in the year to come – especially as the need to keep up an accelerating pace of technological change gets more acute.

In this report, the Equiteq team shares their thoughts, insight, and commentary on M&A activity during the fourth quarter in the IT Services and Enterprise Software segments. We also reflect on 2023 as whole and look at several trends shaping M&A activity in 2024.

Such trends include the continued interest of buyers in verticals such as healthcare and financial services, the growing demand for businesses capable of helping organizations meet ESG and other regulatory demands, and the ripeness of emerging AI/ML markets for consolidation by early movers.

To find out more, please feel free to contact our team, whose details are contained within this report. [O](#)

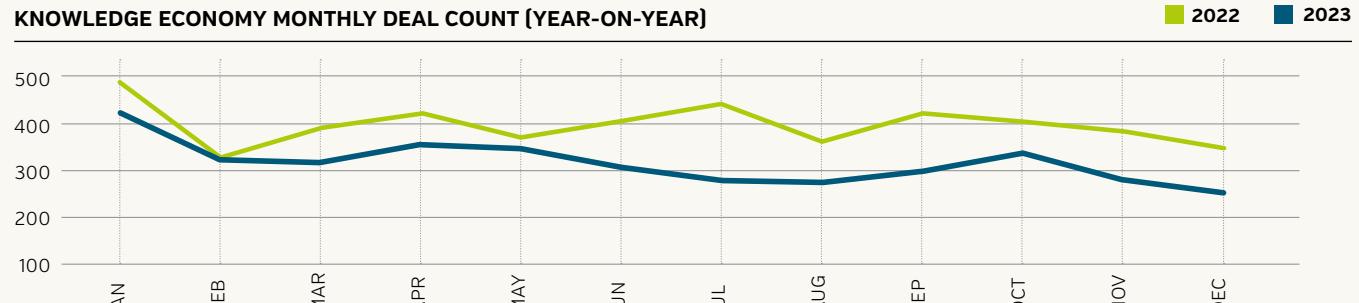
**David Jorgenson
CEO, Equiteq**

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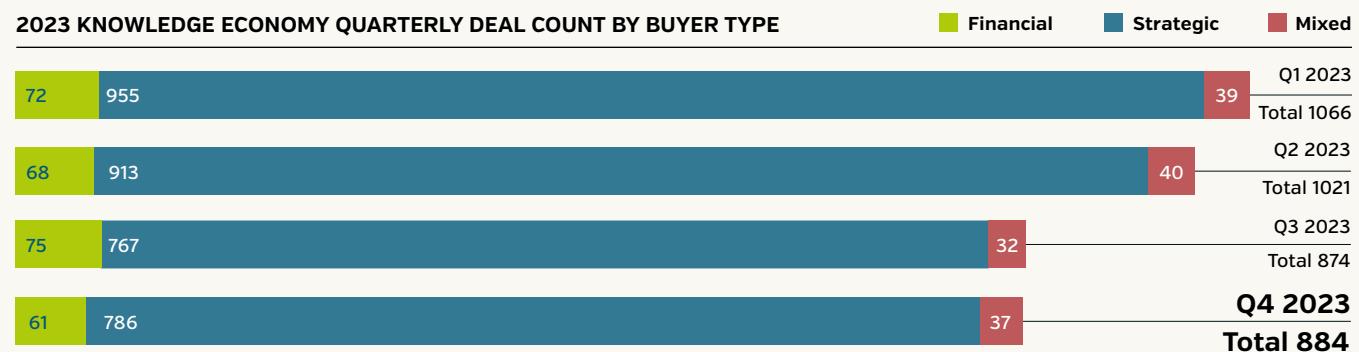


year-on-year decrease in deal volume during Q4 2023

KNOWLEDGE ECONOMY MONTHLY DEAL COUNT (YEAR-ON-YEAR)

2023 KNOWLEDGE ECONOMY TRANSACTION VALUES BY SIZE
(TRAILING Q-ON-Q)

2023 KNOWLEDGE ECONOMY QUARTERLY DEAL COUNT BY BUYER TYPE



IT Services

Q4 M&A activity

KEY TAKEAWAYS

- Deal volumes remained consistent in the IT Services quarter-on-quarter, but we saw a sharp upturn in capital invested following several large deals late in the year
- In a positive sign for M&A in 2024, major acquirers like Accenture completed numerous transactions in the fourth quarter, potentially signaling a wider uptick in dealmaking activity
- Buyers remain interested in a diverse set of digital service lines, most prominently data and analytics, Artificial Intelligence [AI], and Machine Learning [ML]

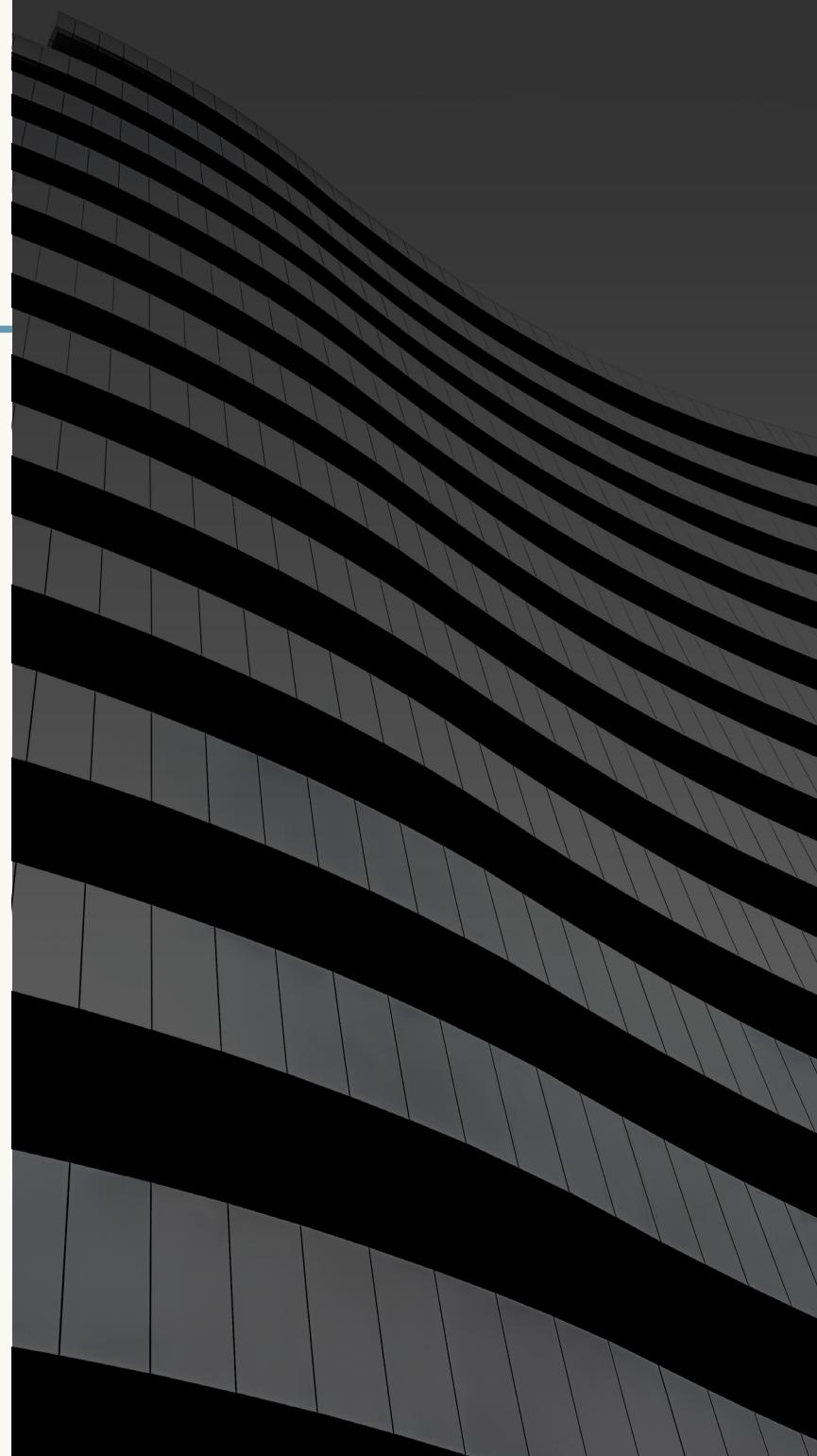
Q4 MARKET ACTIVITY

Dealmaking in the IT Services market once again demonstrated a robust level of consistency in the final quarter of 2023. Deal volumes in October [79] and November [80] were the highest since July and represented two straight months of growth before ultimately tailing off in December [71]. This means that the total of 230 completed transactions in Q4 fell just short of matching the 237 seen in Q3.

"There was still slowness in the market during Q4, but we could see some parties trying to be a bit more aggressive in resuming their inorganic growth strategy," says Sylvaine Masson, Managing Director, Head of APAC at Equiteq. "It's clear the market is picking up and buyers are increasingly keen to find potential opportunities."

While volumes held steady, we saw levels of investment grow month-on-month in Q4. Peaking at \$5.8bn in December, the total quarterly spend in the fourth quarter [\$10.1bn] was more than four times higher than that of Q3 [\$2.4bn]. This was powered by major deals such as the \$4.4bn acquisition of Alteryx by the Private Equity firms Clearlake Capital Group and Insight Partners, as well as the \$410mn acquisition of the Google Cloud specialist, SADA, by Insight Enterprises.

"The Tech Services market is on the up, but it hasn't fully recovered from the economic headwinds that were at play earlier in the year," says Alex Monck, Managing Director at Equiteq in Sydney, Australia. "While we're seeing some bigger deals happen globally, there's still a heightened focus on company financials and performance. Sellers need to be ticking all the boxes if they want to attract a buyer's interest."



PROFITABILITY REMAINS FRONT OF MIND

Signs of easing economic headwinds had a positive effect on buyer activity in Q4 even if the most attractive assets remain elusive.

"There's still a scarcity of companies that can show profitability and growth," says Masson. "Those that can and that have reached a certain size will see interest arise quickly. As an example, we launched a process for a double-digit EBITDA IT services business in Southeast Asia in early January [2024] and had eight companies asking about pre-emptive discussions within a week."

For firms unable to meet buyer demands on financial metrics, it continues to be a challenging market in which to attract broad-based interest. Potential exceptions lie in specific niches of the market with buyers growing more open to deals for less profitable assets in areas such as ESG, healthcare, and other highly regulated sectors.

"Buyers are willing to overlook some of these profitability and growth KPIs when there's a scarcity of companies in high demand areas like ESG and sustainability," says Monck. "They're willing to pay strong multiples to get a deal done because these niches are strategically valuable."

While buyers may be willing to embrace a little bit of risk, any potential deal is likely to take time to complete due to the level of scrutiny investment committees are applying to due diligence right now. Preparation then is the key to success.

"Attractive companies that are well prepared will have a better chance of attracting higher multiples and of shortening the due diligence process," says Masson. "It's about being smart and being prepared, which will help maintain momentum and enable a faster process. The emphasis is almost as much on the sellers as it is the buyers now because everyone wants a quicker transaction - but not at the expense of proper due diligence."

A MODICUM OF MOVEMENT

We remain in a high inflation, high interest rate environment, but it is one that is increasingly a known quantity. Both buyers and sellers have now spent the better part of a year coming to terms with such headwinds and adjusting accordingly.

"In the latter half of 2023, we saw the early signs of what we're seeing now with regards to founder-sellers accepting lower valuations and Private Equity houses needing a level of capital to reinvest," notes Jerome

Glynn-Smith, Managing Director, Head of Europe, at Equiteq in London, UK.

With Private Equity holding back for the better part of a year, major deals in Q4 such as the take private of Alteryx by the Private Equity firms Clearlake Capital Group and Insight Partners suggest that financial investors are keen to deploy funds. Following a downturn, we've also seen a slight rebound in dealmaking activity among Strategics too. This is most notable in the activity of Accenture, which seems to have emerged from a period of hibernation.

The serial acquirer announced a multitude of deals in late 2023, including transactions for the data consultancy, Redkite, and the data engineering firm, Ocelot Consulting. Both deals reflect the growing necessity of robust data and analytics expertise as companies look to embrace the AI and ML era.



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With signs of stability emerging and buyers keen to resume acquisition strategies, this should act as a major signal to any seller contemplating a transaction in the coming year.



TECHNOLOGY SERVICES: AREAS OF INTEREST

The need to future proof operations remains a central tenet of inorganic growth strategies for many buyers. Yet as new technology emerges, we are seeing many key digital service lines enter a new phase of maturity. Areas like Public Cloud remain central to acquisition theses, but attention is turning away from implementation and towards simplifying Cloud infrastructure to meet the growing data demands of AI and ML related technologies.

However, current preferences for quality over quantity means buyers are looking to firms in well-established platform ecosystems, which are proving to be safer bets for investment right now.

“We continue to see significant interest in the scaled technology platforms, the SAPs, the Salesforces, ServiceNows, and Oracles of the world,” says Greg Fincke, Managing Director, Co-Head of North America at Equiteq in Boston. “And we also continue to see broad interest around data analytics and custom application development, although the level of interest can vary depending on the buyer group.”

Findings in our 2024 Global Buyers Report validate the strong appetites that buyers hold digital capabilities, especially in areas such as data and analytics. With signs of stability emerging and buyers keen to resume acquisition strategies, this should act as a major signal to any seller contemplating a transaction in the coming year.

“One of the key attributes of the Knowledge Economy is that there are so many potential buyers and investors out there depending on the specific technologies, verticals, and functions that you focus on as an organization,” says Fincke. “We know that buyers have broad interests and it’s as much about matching your expertise with the right subsector of buyers as it is demonstrating the quality of your business.”

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PRIVATE EQUITY LOOKING TO CAPITALIZE ON FALLING VALUATIONS

Growing signs of stability in the market appear to be paving the way for Financial Investors to deploy funds more actively. With substantial financial reserves and valuations falling, we've seen activity increasing already among Private Equity-backed Strategics and Private Equity sponsors.

Both have returned to the forefront of dealmaking in the Enterprise Software market with several interesting deals being made. In a push to become a major consulting player in the European SAP Digital Supply Chain market, UK-based software firm Valantic acquired the Spanish SAP specialist, Sapttools, via the financial sponsor Deutsche Private Equity [DPE]. We also saw the acquisition of the Adobe Workfront platform partner, Zee Jay Digital, by US-based Marketing Services firm, MERGE, via the financial sponsor Keystone Capital Management in October.

"Financial investors want to see more predictability and when they do, they're being more aggressive in making acquisitions for software companies," says Nayak. "The subdued market environment - or at least, the perceived subdued market environment - presents an exciting opportunity for inorganic growth because it means that Private Equity can push for higher caliber deals at lower valuations."

STRATEGICS FIGHTING TO KEEP UP WITH THE TIMES

Buyer interests remain unchanged in the Enterprise Software sector, with firms specializing in data protection, data sovereignty, and cybersecurity all still high on the dealmaking agenda. The critical nature of such capabilities and the pace of technological change means we're seeing larger Strategic players looking to inorganic growth keep up with the innovation frontier.

"Strategics are under pressure to keep up with the times, so we've seen several very interesting acquisitions made by some of the large players in the latter part of 2023," says Nayak. "These are deals for very complementary acquisitions that support and accelerate the transformation of more traditional business models."

Nayak suggests that one of the most significant 'transformation-led' deals in Q4 would be the acquisition of National Instruments, a leading provider of software-connected automated test and measurement systems, by Emerson Electric, a Fortune 500 manufacturing corporation, for \$8.2bn. Similarly, we've seen NASDAQ acquire Adenza, a provider of mission-critical risk management and reporting software, from the investment firm Thoma Bravo for ~\$10.5bn.

"What this says to me is that the big Strategic players don't want to become obsolete," says Nayak. "They want to remain relevant and this means that either they have to build things in house, which traditionally has not been the strength of large organizations, or they have to go and acquire companies. And it's the latter that is driving this focus on transformative deals." 

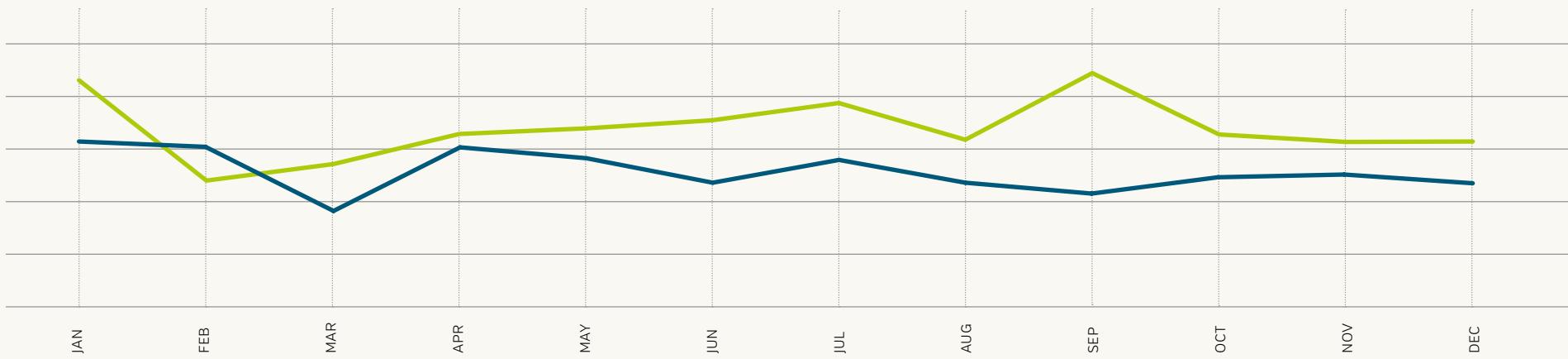
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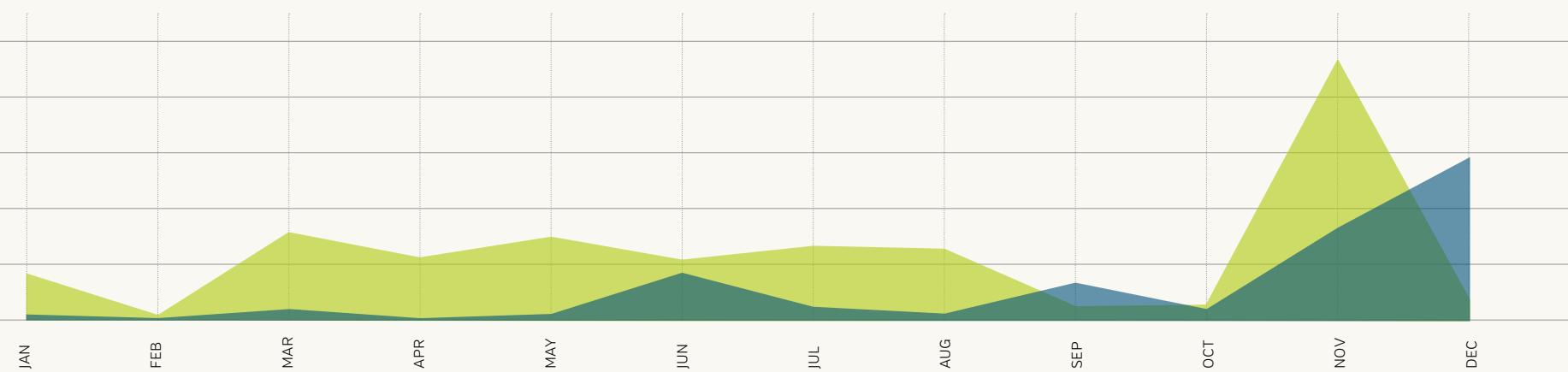
YEAR-ON-YEAR MONTHLY IT SERVICES DEAL COUNT

2022 2023



MONTHLY IT SERVICES DEAL VALUE (US \$, MILLIONS)

2022 2023



2023 Summary: 5 Key Takeaways

1

MACROECONOMIC HEADWINDS PROVED TRICKY TO NAVIGATE

Ongoing macroeconomic challenges were the defining factor shaping M&A activity in the IT Services sector during 2023. As companies sought to cut costs and offset a rapid rise in both interest rates and inflation, we saw dealmaking appetites curbed for all but the most profitable of companies. Uncertainty in the debt market also posed particular challenges for Private Equity, especially in the first half of the year. Yet with interest rates now holding and signs of economic stability starting to appear towards the end of the year, this sets the scene for what could be a more positive dealmaking environment in 2024.

2

DEAL VOLUMES FELL BUT NOT AS SHARPLY AS OTHER SECTORS

Despite both deal volumes falling year-on-year, we still saw levels of activity that surpassed those seen pre-pandemic. In the face of economic challenges, dealmakers had to adjust their strategies accordingly given the scarcity of available, well-prepared, and quality targets.

"I would say that 2023 was not a stellar year, but it was not a terrible year either," says Masson. "It was a year in which although we saw fewer transactions in the IT Services market, there was still a fairly robust volume of deals being made, especially compared to other sectors."

3

VALUATIONS WERE INFORMED BY PROFITABILITY

Resilience and profitability rose to top of many wish lists during 2023 as we saw a flight to quality among Knowledge Economy buyers. While this may have shrunk the pool of attractive assets, firms that could display quality in sectors such as healthcare, life sciences, and financial services were still able to attract a respectable number of potential offers as well as robust valuations.

"We saw numerous deals happen for assets that were resilient to the wider trend of economic downturn," says Glynn-Smith. "And because there was a kind of flight to quality among buyers, those assets that were resilient to the difficulties of last year were well valued and sought after."

4**VALUATIONS
STABILIZED**

While economic headwinds may have dampened deal volume, they have also helped stabilize valuations at a lower overall level. In turn, sellers have had to adjust their expectations downwards over the past year. This normalization of the market should help pave the way for buyers to act in a way that many have been unable to during 2023.

"We've seen a stabilization of both the macroeconomic environment and a hint towards lower interest rates in the medium term, this leads the market to be cautiously optimistic for 2024," adds Glynn-Smith. "I don't expect the volumes of 2022 or 2021, but I do expect an increase in volumes - and hopefully a pretty significant increase versus what we saw in 2023, which were at a decade low."

5**PRIVATE EQUITY WERE
HESITANT TO INVEST**

A key inhibitor of transactions in 2023 was business performance and health. With businesses navigating the challenges presented by declining revenues and lack of growth, Private Equity players were naturally hesitant to invest in such a market. Yet with signs of macroeconomic stability in the second half of the year, we've started to see a growing number of financial investors seeking to deploy funds.

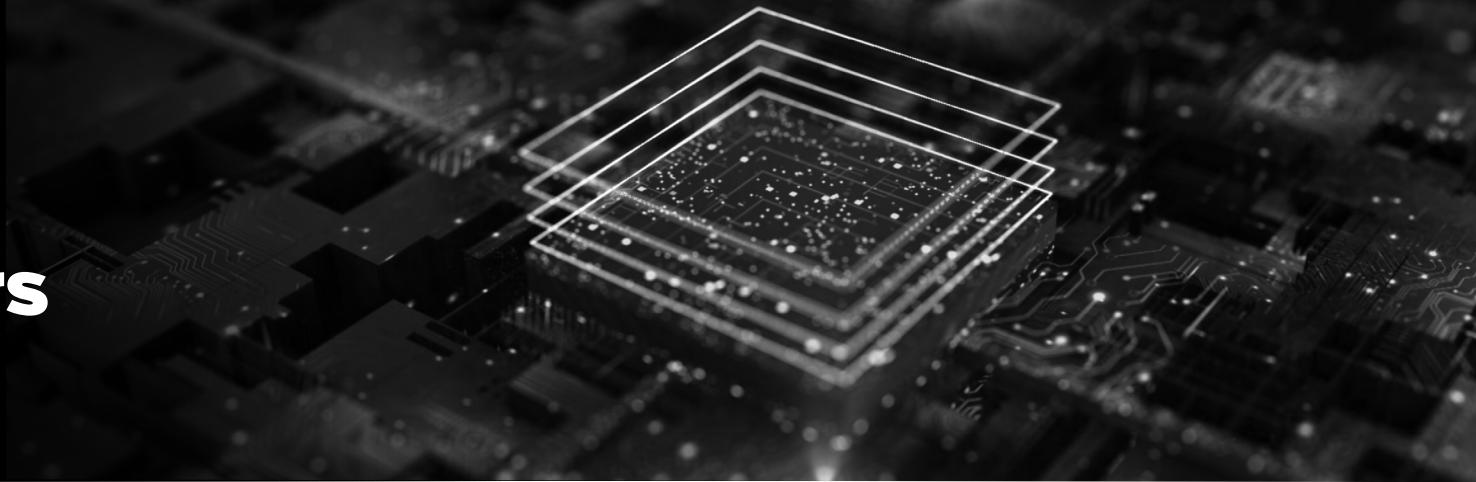
"Looking back at the past 12 months we can see that deal volumes have been too low for the natural cycle of capital to be healthily recycled, particularly among Private Equity investors," says Glynn-Smith. "I think that we will see an upturn in activity among financial investors as we move forward into a more stable market in 2024." 



With signs of macroeconomic stability in the second half of the year, we've started to see a growing number of financial investors seeking to deploy funds.



2024 M&A: Trends & Drivers



TREND 1: THE MACROECONOMIC ENVIRONMENT - WHAT DOES IT MEAN FOR 2024

Signs of stability in the macroeconomic environment bode well for dealmakers in 2024. Recession fears appear to have subsided as governments have fought to curb rising interest rates. This ought to reflect positively on dealmaking in the Technology Services segment, which although decoupled from the more significant impacts that we've seen in other sectors, has still seen activity cool in the past year.

"Preparation will be key and proper due diligence makes a lot of sense in this market," says Masson. "Buyers will not want to spend money on companies that aren't transaction-ready because the chances of not completing will be too high. This is time and effort that they could focus on more realistic targets."

Consequently, we expect buyers to continue to pursue quality over quantity, with appetites for profitability and resilience unlikely to abate any time soon. However,

with signs of the market stabilizing and a renewed vigor among buyers, this could kickstart M&A activity in the first half of 2024 and build momentum that accelerates in the latter half of the year.

"We're due to come out of our interest rate cycle, which helps things, and when buyers are spending money, the corporates are also willing to take more risk - especially as funding costs are coming down too," says Monck. "We'll likely see these factors play out, which will help to drive M&A across global markets. How much will it help? It's hard to say, but we can expect a little bit more risk taking from buyers in 2024."

More favorable market conditions will undoubtedly be welcomed in all corners of the Knowledge Economy. This is especially true among Private Equity buyers, who are still sitting on record levels of dry powder. The appetite to deploy funds is building sharply among financial investors and we're seeing many aggressively on the lookout for both investment and exit opportunities to keep their capital moving.

TREND 2: MACRO TREND - THE DIGITAL TRANSFORMATION AGENDA

Digital transformation remains a strong driver of M&A activity among buyers, especially as digital service offerings become more mature. For example, findings from our 2024 Global Buyers Report suggest that interests are evolving quickly, with appetites moderating over the past 12 months for 'pure play' Public Cloud, where an almost universal M&A interest dropped to around 50% of surveyed buyers.

While this is still a significant level of interest, it shows that as firms look to reduce the complexity of the Cloud, we're seeing buyer interests change in turn. Conversely, with Cloud offerings simplifying, we're seeing data-related operations become more complex. To this end, interest in data and analytics is intensifying as buyers make such capabilities a priority for acquisition.

"Digital transformation is a long-term trend, that's for sure. What we're seeing now though is that maturity is increasing and more firms are progressing along the natural S-curve of that market," says Glynn-Smith. "We're past the early stages of fast growth fueled by early-stage digital transformation demand. And now, we're starting to see the industry move into other pockets of 'next generation' demand, with buyer interests changing in line with this."

As more innovative technologies like AI and ML emerge, data capabilities are only becoming more intrinsic to operational success. This is pushing both companies and buyers to look to the next frontier of digital transformation. Attention is turning towards how to unlock the benefits of digital transformation more effectively. In turn, the companies of most interest will be those that can enable or consult on how to make the most of data and analytics, as well as how to consume the cloud in a more efficient and cost-effective way.

TREND 3: SECTOR OF NOTE: HEALTHCARE IT

The healthcare IT market is an area that appears poised for rapid growth in the coming years with some digital healthcare markets in Europe already projecting a CAGR above 17% through 2027. It is a vertical that is attracting increasingly strong interest from the buying community. Our 2024 Global Buyers Report reflects this, with almost two-thirds of buyers holding a 'high' or 'very high' interest in the space.

"A lot of this interest is stemming from the perception

that healthcare is a resilient industry," says Emmanuel Kostucki, Managing Director at Equiteq in London, UK. "The upward trajectory we're seeing not only signifies financial potential but also underscores a pivotal shift towards digitalization within the healthcare sector. Embracing Healthcare IT isn't just about modernizing processes; it represents a fundamental commitment to improving patient outcomes, operational efficiency, and accessibility to quality care."

While opportunities abound, it is also a sector governed by stringent regulatory requirements that many technology services or digital consultants are not equipped to deal with. It is valuable then to build both digital expertise and an understanding of how to deploy that expertise in highly regulated environments. While the firms that are attracting particular interest from buyers in the healthcare IT market are those that can demonstrate these differentiated skill sets, many are pure play firms that occupy specific niches, which can limit M&A activity - even if buyer interest is strong.

"The challenge is that companies that are pure play in these digital healthcare niches tend to be quite small and niche applied," says Glynn-Smith. "What that means is that, on the one hand, you'll have resilient and fast-growing digital healthcare companies, however they are likely either not big enough for M&A, or too successful to divest at this juncture."

Healthcare IT is a vertical that is of demonstrable interest to Private Equity, with a diverse and growing number of healthcare-focused investment funds

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AI and ML will be a key driver of M&A activity in the Knowledge Economy, but to what extent remains a question mark. Although it's an attractive sector, it's still a new sector.

appearing, particularly in the United States. This pool includes both specialized investment funds, such as Council Equity Partners, Shore Capital Partners, and Sheridan Capital, as well as generalist funds that are rapidly augmenting teams with healthcare subject matter experts to lead their thesis in the space.

"There's investment coming from both sides of the market as well as from a Private Equity standpoint. The market is awash with cash from specialized healthcare funds," says John Gannon, Director, Coverage at Equiteq. "There's an acute need within the pharma industry and the specialty drug market for better data analysis. Tech Services firms that can help companies better strategize around their data and use it to unlock better treatments will certainly be of interest to investors in 2024."

TREND 4: THE CONTINUED RISE OF ARTIFICIAL INTELLIGENCE AND MACHINE LEARNING

As the race for ever greater efficiency gains proliferates, the rapid growth of buyer interest in both Artificial Intelligence and Machine Learning is unlikely to diminish any time soon. Yet this is still a relatively nascent space, and interest still outstrips investment for now.

"AI and ML will be a key driver of activity in the Knowledge Economy, but to what extent remains a question mark. Although it's an attractive sector, it's still a new sector," says Masson. "It will depend on the profile of companies and their availability. Those that

develop AI and ML capabilities will be attractive but there will also be a lot of buzz in the market that buyers need to be wary of."

Among those companies claiming to be specialists, AI and ML related work still constitutes only a small amount of overall revenue contribution. For most, the bulk of their work is still coming from wider digital transformation projects. Given the large amount of data that AI and ML technologies need to process, it's clear that many companies lack the foundations to fully leverage these innovative technologies.

"Digital transformation is still important and still very attractive, but it is data at the top of buyer's lists. Data underpins AI - without data, even the smartest AIs can't fulfill requests," says Monck. "Companies need to get their data foundations right, and this is where we're seeing one of the strongest areas of demand by far among buyers."

As data capabilities develop, AI, ML, and LLMs will inevitably play a bigger role in driving internal productivity and the delivery of client deliverables. It's unsurprising then that buyers are paying close attention to firms capable of enabling AI-enabled automation. Yet activity in this space remains low, while buyers await a greater level of sophistication to develop before acting. This will be especially pertinent for managed IT services providers, as those that can develop such capabilities will attract greater interest than those that are unable to enable next-gen organizational transformations.

TREND 5: PRIVATE EQUITY PARTICIPATION

There are signs that dealmaking activity among Private Equity may rebound from the quieter-than-many-expected 2023.

"We've seen numerous announcements of new funds being raised and, with record levels of dry powder, Private Equities will have to invest at some point," says Masson. "Investors are being more proactive in looking for good investment opportunities, but they are still looking for profitability and reasonable growth - that remains the most attractive trait for Private Equity buyers right now."

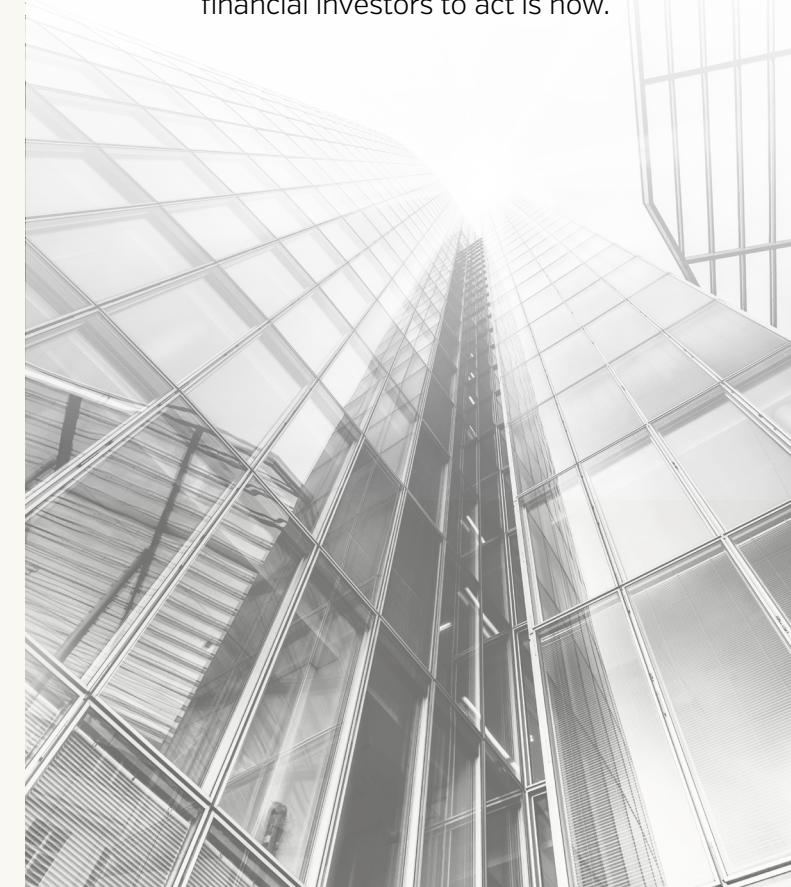
With inflation and interest rates slowing, valuation multiples falling, and the need to deploy funds persisting, the time for financial investors to act

is now. With the demand for Tech Services firms only growing, this will undoubtedly lead to an acceleration in activity among financial investors keen to stake their claim to companies with high potential and limited risk in the coming year.

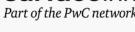
"From a Private Equity perspective, I'm confident of seeing the market potentially bounce back quite quickly," adds Gannon. "Financial investors can see where the market is trending and are very likely, in my view, to deploy capital ahead of that growth or at least in lockstep with it. This interest may not arise in terms of total dollars invested but rather in a level of engagement that would likely rival the market peak we saw a couple of years ago." 



With inflation and interest rates slowing, valuation multiples falling, and the need to deploy funds persisting, the time for financial investors to act is now.

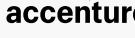


Q4 2023: Deal Highlights

Deal Date	Target HQ	Target	Buyer/Investor	Deal Description
20/12/2023	🇮🇹	 LifeBee DIGITALIZING LIFE SCIENCES A ProductLifeGroup Company	 PLG ProductLifeGroup	Life Science consulting firm specializing in digitalization, operational excellence, and compliance
19/12/2023	🇫🇷	 EDG	 LATOUR CAPITAL OPERATIONAL EQUITY	Multi-specialist technology services - digital content, marketing performance, data & AI, cybersecurity & technology, and growth enablers
18/12/2023	🇺🇸	 FOREFRONT	 NEORIS	Cloud services and software company specializing in Salesforce Cloud & Implementation
18/12/2023	🇬🇧	 REDKITE	 accenture	Data consulting - Advanced Data Analytics, Business Intelligence, Data Engineering
15/12/2023	🇩🇪	 avenga	 KKCG	Global IT engineering and consulting platform specializing in custom software development, Enterprise SaaS, Public Cloud, AWS, GCP, Salesforce
15/12/2023	🇺🇸	 evolv	 INTERLOCK EQUITY	200+ person consulting firm specializing in data analytics, based in Addison, TX, United States
13/12/2023	🇺🇸	 THIRDERA	 cognizant	Global ServiceNow partner with expertise in digitization and automation
11/12/2023	🇺🇸	 surfaceink Part of the PwC network	 pwc	Product, software, and UIX design and development studio
07/12/2023	🇺🇸	 Mainline INFORMATION SYSTEMS	 H.I.G. CAPITAL	Comprehensive Infrastructure Solutions, Managed IT Services, CIO Advisory services

Sell side
advisor

Q4 2023: Deal Highlights

Deal Date	Target HQ	Target	Buyer/Investor	Deal Description
05/12/2023		 connexta IT. Gemeinsam. Stärker.	FREMMAN CAPITAL	Multi-Cloud-Services, IT Security, Managed Services
05/12/2023		 FUTURE MIND	 SOLITA	Digital advisory and delivery company - custom app development
01/12/2023		 SADA An insight company	 Insight	Cloud technology consulting company, specializing in Google Cloud Platform, offering services such as infrastructure modernization, analytics, managed cloud services, AI, and application development
01/12/2023		 OCELOT CONSULTING	 accenture	Technology consulting business specializing in modern application development, cloud engineering, data engineering, and data science
30/11/2023		 migration	 netgo	Managed Cloud Services provider
28/11/2023		 iCom CLOUD	 KPMG	Cloud consulting - Salesforce, digital marketing
28/11/2023		 incapsulate Part of accenture	 accenture	255-person management and technology consulting firm specializing in Salesforce solutions and data analytics
27/11/2023		 closer	 Critical by Design SMART4 ENGINEERING	Data science experts
26/11/2023		 solnet	 accenture	118-person digital transformation and technology consulting firm based in Wellington, New Zealand

Sell side
advisor

Q4 2023: Deal Highlights

Deal Date	Target HQ	Target	Buyer/Investor	Deal Description
22/11/2023	UK	CIVICA	Blackstone	International software business specializing in public sector solutions
21/11/2023	CH	netrics	 Bregal Unternehmerkapital	Cloud Services, Digital Transformation
21/11/2023	IE	(i)COMPUNET	 nostra backed by  Phoenix Equity Partners	IT Service Provider, Microsoft Gold Partner, Cloud Solutions
13/11/2023	IT	 FASTERNET	WeArePROJECT Innovation Company	Data Protection, Cybersecurity, Fortinet
08/11/2023	UK	 sapphire frictionless digital	 NTT DATA	Accounting solutions, Data Analytics (AWS)
30/10/2023	UK	 6POINT6 Part of Accenture	 accenture	Technology consulting firm specializing in digital transformation for public and private sector organizations
25/10/2023	NL	 Xemnia	 FOREMAN CAPITAL	Leading AI consulting company, specializing in data mining, machine learning, and predictive modeling
24/10/2023	UK	 Dynamic WORKING SMARTER	 KINGLAND CAPITAL	IT Support, IT Managed Services, Cloud Services, Cloud Solutions

Q4 2023: Deal Highlights

Deal Date	Target HQ	Target	Buyer/Investor	Deal Description
23/10/2023	🇫🇷	 SOYHUCE	 — backed by — 	Tech lab specializing in algorithms and AI, big data
12/10/2023	🇵🇹	 Singularity Part of Devoteam	 devoteam — backed by — 	Data consulting business - BI, AI, Analytics
12/10/2023	🇺🇸	 Mphasis SILVERLINE The Next Applied	 Mphasis — backed by — 	Salesforce consulting business specializing in Salesforce.com and Force.com application development
11/10/2023	🇺🇸	 momentum consulting		Data and technology firm specializing in digital transformation, data analytics, and custom app development
10/10/2023	🇬🇧	 assured data protection		Technology service focused on Business Continuity
10/10/2023	🇺🇸	 Formidable	 Nearform Commerce — backed by — 	Global digital design + development firm specializing in React.js, React Native, GraphQL, Node.js, and the extended JavaScript ecosystem
09/10/2023	🇬🇧	 appsbroker	 cts Cloud Application Services — backed by — 	Largest Google Cloud Agile Systems Integrator in EMEA

Q4 2023: Deal Highlights

Deal Date	Target HQ	Target	Buyer/Investor	Deal Description
06/10/2023		 CLOUDNEXA	 nClouds	AWS, Cloud Solutions
06/10/2023		 APIXIT <small>L'expertise augmentée</small>	 BECHTLE	Consulting business specializing in digital workplace, IT infrastructure, and cybersecurity services
05/10/2023		 SAPTOOLS	 — backed by —  DEUTSCH PRIVATE EQUITY	SAP Gold Partner focused on sales planning and supply chain optimization
04/10/2023		 beyond technologies	 SYNTAX	SAP solution integration and business process optimization, S/4HANA, Application Management Services
04/10/2023		 ZEEJAY DIGITAL	 +MERGE — backed by —  KEYSTONE CAPITAL	Marketing Transformation, Digital agency, Content Management

Contributors



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During David's 20-year career as technology consultant and investment banker, he has advised business owners, shareholders, boardrooms, and C-level executives on every aspect of growth and value realization. David is expert at every aspect of corporate financial advisory, from valuation, strategic financial advisory, public and private equity and debt financing, exit planning, M&A strategy, and execution.

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Greg is a Managing Director at Equiteq for North America. Greg works with owners to understand their goals for both themselves and their firms. He then brings together the necessary resources to deliver solutions to meet their objectives. Greg draws on his diverse business background to help owners think through what they want to achieve and when.

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Jerome is a Managing Director at Equiteq and leads end-to-end sell-side and buy-side transaction advisory work, as well as active engagement and coverage of entrepreneurs and private equity in Europe. Jerome's expertise and value to clients stem from a combination of extensive enterprise technology services domain knowledge with strong transaction execution experience.

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Sylvaine is Managing Director, Head of Asia Pacific, based in Singapore. She is a specialist corporate advisor responsible for project managing sell-side and buy-side M&A transactions across the region.

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As a Managing Director, Alex leads and supports clients through the entire sales process, advising shareholders on how best to achieve their exit objectives. Alex has successfully completed a wide range of transactions across a variety of sectors and geographies.

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Arun is a Director in Equiteq's APAC team and has over a decade of experience advising growth companies in the technology consulting/services and enterprise software domains across India, United States and South East Asia.

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John is a Director at Equiteq, spearheading the firm's Financial Sponsor and Market Coverage efforts. John has over a decade of middle market Knowledge Economy M&A advisory experience.

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Meet Equiteq

We are the leading global investment bank for the Knowledge Economy

Equiteq is the leading specialist in Knowledge Economy investment thanks to our first-hand insight and research, our close relationship with the key acquirers in the sector, and through the deals we complete.

Who are we?

Equiteq is a fast-growing, global M&A specialist. We sell the world's smartest knowledge-based and technology firms. Being close to active buyers and investors helps us to understand their acquisition needs and this informs how we can add value to founders and shareholders who want to sell their businesses.

Why Equiteq?

We are the recognized specialist advisor in the Knowledge Economy where intellectual property has historically been delivered through people in consulting firms, but more and more is delivered in combination with technology.

Our benchmarking studies – produced for the last 15 years – have become the industry standard and are supported with detailed insight reports on a range of disciplines within our sector.

Our aim

It's simple - our goal is to bring you to the smartest deal. 

Equiteq Services

Our clients sit at the heart of every transaction we advise upon, whether helping you to dramatically increase your return on M&A or by helping you to achieve the best possible valuation.

Our services in the Knowledge Economy cover the following key areas:

Sell Advisory

Equiteq supports owners of innovative knowledge-based and technology firms seeking to realize equity value. We advise on all aspects of M&A, from helping ambitious owners find capital to inject into their business to accelerate growth, through to a full company sale. We use our unparalleled understanding, experience, and access to find you the right buyer or investor, at the best price and terms.

Buy Advisory

Equiteq supports Strategic Acquirers and financial sponsors seeking to dramatically increase their returns on M&A in knowledge-based and technology services businesses. After 15 years exclusively advising owners of firms towards exit, we have the assets, systems, and experience to help you enhance and execute your M&A strategy.

Corporate Divestitures

We work with corporations to meet their divestiture objectives, including disposal of non-core or underperforming assets that either have synergistic potential within other businesses or could form part of a Private Equity portfolio investment. After 15 years exclusively advising owners of firms in the sector towards exit, Equiteq has the people, processes, sector insight and market access to deliver your transaction at the right price and with preferred deal terms.

Strategic Deal Origination

We work with Strategic Acquirers and Financial Sponsors to develop detailed, insight-driven plans for investment into new markets. By leveraging our sector insight and purpose-built methodology, we can rapidly convert an attractive investment thesis 'on paper' into an actionable plan to realize the opportunity, helping you to exploit key innovation trends through a less crowded, lower risk route. 

Equiteq Highlights

Our global teams remain active throughout the year, advising on deals, as well as sharing their expertise in market-leading reports and events.

Here are our highlights.
Click the links below each topic to find out more.

Sign up here to hear more from Equiteq



Insights

Global Buyers Report 2024

For the ninth year, we're pleased to present the findings from our annual survey of global Strategic buyers and Private Equity investors across Technology and Consulting services.

[Find out more](#)

Environmental & Sustainability Consulting M&A report 2024

The market is currently experiencing significant growth due to the increasing demand for ESG disclosure and rising investments in climate change initiatives. This heightened focus on ESG has become a top priority at the C-level, and it is expected to lead to increased investments in the field.

[Find out more](#)

Life Sciences Consulting M&A Report 2024

M&A within the life sciences sector continues to be very active for consulting and technology companies. The global Life Sciences consulting services market is expected to grow at a CAGR of >8%, fueled by strong fundamentals and macro trends.

[Find out more](#)

Equiteq Deals in Q4 2023

evolv Consulting investment from **Interlock Equity** [December 2023]

[Find out more](#)

ProcureAbility acquired by **Jabil** [November 2023]

[Find out more](#)

Solnet Solutions acquired by **Accenture** [November 2023]

[Find out more](#)

Adivo Associates sold to **Herspiegel Consulting** [December 2023]

[Find out more](#)

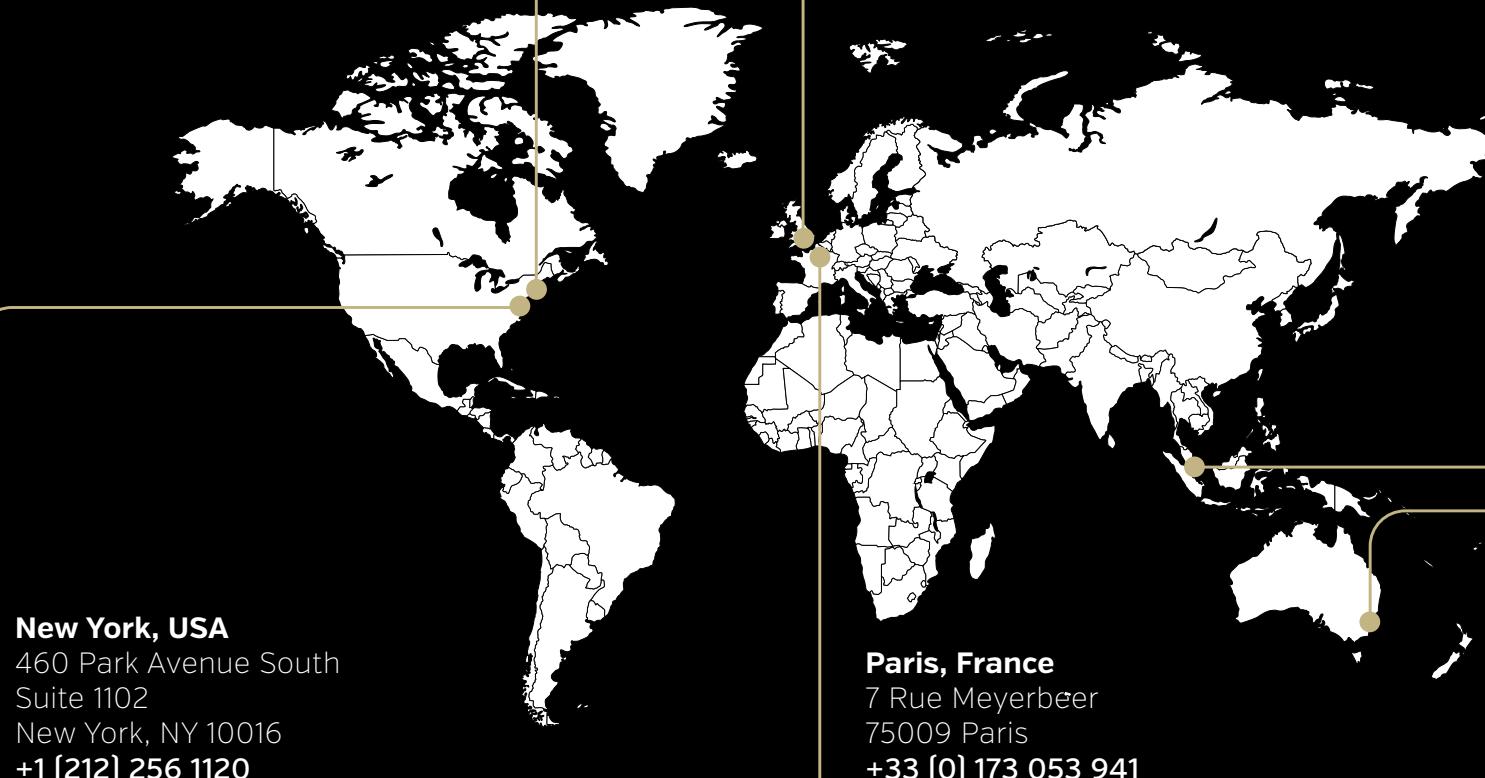
[View all deals here](#)

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