Clairfield industry snapshot Q1 2025

Software M&A

July 2025

Software Sector Snapshot – Q1 2025

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Software M&A

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Deal Volumes & EBITDA Multiples

- The number of Software M&A transactions in Q1-25 totalled **177**, a slight decrease on the **192** completed in Q4-24, with the total disclosed deal value in Q1-25 amounting to **£4.1bn**.
- The volume of strategic trade deals has remained fairly constant with 111 and 104 deals being completed in Q4-24 and Q1-25 respectively, showing the underlying strength of M&A in the Software sector.
- The Specialist Applications sub sector continues to be very active, accounting for **73** of the total transactions in Q1-25.
- Disclosed EBITDA multiples within the Software sector remain high across all sub sectors with a 1x increase in Enterprise Software.

Private Equity Transactions

- In Q1-25 the number of private equity deals reached **67** transactions, a decrease from Q4-24 which had **78** recorded deals.
- In one of the larger private equity deals, **Leeds Equity Partners** acquired **Learnosity**, a global leader in digital assessment software based in Ireland. The investment will accelerate Learnosity's growth across education and professional training markets, supporting innovation in assessment delivery, analytics, and AI-driven solutions.

Market Outlook

- Both strategic trade and private equity M&A volumes suffered in Q1-25 with Q2-25 also expected to be relatively subdued as businesses try to cope with the unsteady macroeconomic environment.
- Private equity firms are placing greater emphasis on exit certainty as the exit backlog continues to rise, with a growing preference for assets that attract strong trade buyer interest over those reliant on secondary PE routes.
- Demand for AI-native and outcome-based software continues to rise, as acquirers favour solutions that deliver measurable ROI and integrate seamlessly into customer workflows.

Q1-25 At A Glance

177
No. of Deals

£4.1bn
Total Disclosed Deal Value

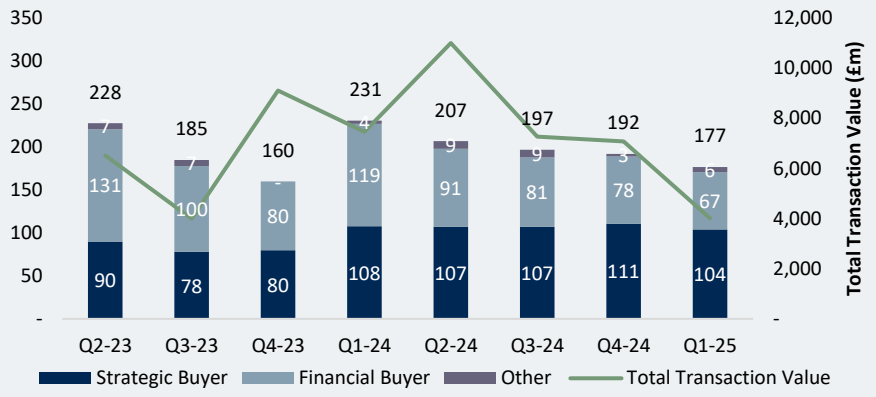
38%
Involved a PE Buyer

Data Storage & Security
Highest Average EV/EBITDA Multiple

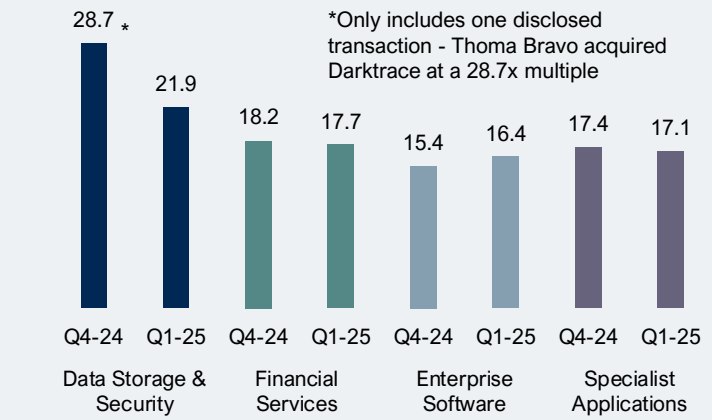
Specialist Applications
Highest Volume Sub Sector

Enterprise Software
Highest Growth Sub Sector Vs Q4 2024

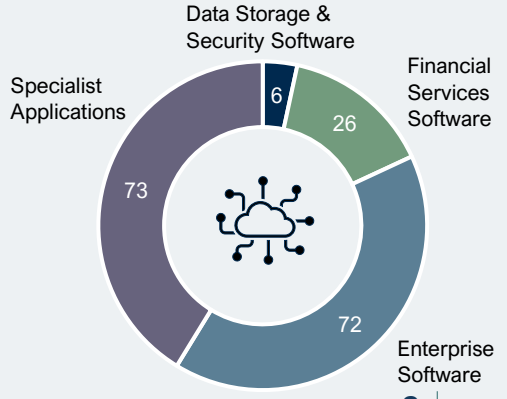
M&A VOLUMES BY TYPE



TRAILING AVERAGE LTM EV/EBITDA MULTIPLES



DEALS BY SUB SECTOR – Q1-25



Key Transactions

Strategic Trade & Private Equity Transactions

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Key Trade and Private Equity Transactions

KORT Payments acquires direct marketing payments arm of Paysafe

- KORT Payments, a Toronto-based omnichannel payments provider, has acquired the direct marketing payment processing business of Paysafe. The acquisition supports KORT's international expansion while allowing Paysafe to streamline its portfolio and sharpen its focus on core growth verticals.

ITG has acquired PureRed, an omnichannel content and technology company based in the United States

- ITG, a UK-based content marketing technology provider, has acquired US-based PureRed, an established provider of omnichannel content and technology to expand into North America. The deal adds 500+ staff, strengthens ITG's U.S. presence and supports global delivery of its AI-enabled content solutions.

IG Group has acquired Freetrade, a commission-free investment platform based in the UK for £160m

- IG Group, a UK-based financial services firm, has acquired Freetrade, a commission-free investment platform based in the UK, for £160m. The acquisition expands IG's UK trading and investment offering, bringing a strong brand, scalable technology and access to new customer segments.

NEA has led a £142m Series D funding round for Synthesia, a UK-based generative AI video company

- NEA (New Enterprise Associates) has led a £142m Series D funding round for Synthesia, a London-based generative AI video communications platform, valuing the company at over £1.5bn. The funding will support product innovation, talent expansion, and global growth across North America, Europe, Japan, and Australia.

Queen's Park Equity has acquired a majority stake in Wordwall, a UK-based global edtech platform

- Queen's Park Equity, a UK-based private equity firm, has acquired a majority stake in Wordwall, a global edtech platform based in the UK. The investment will support Wordwall's international growth, AI integration, and leadership expansion, positioning it as a leading player in digital education.

Marlin has acquired a stake in Napier AI, a UK-based provider of AI-driven financial crime compliance software

- Marlin, a US-based investment firm, has acquired a majority stake in UK-based Napier AI, a provider of AI-driven financial crime compliance software. The deal, following last year's £45m backing from Crestline Investors, will support Napier's global expansion and accelerate R&D in the evolving anti-financial crime market.

Financial Services software	**Specialist Applications**	**Specialist Applications**	**Specialist Applications**
KORT PAYMENTS	itg	IG Group	easyPARK
Have acquired	Have acquired	Have acquired	Have acquired
Paysafe	PureRED	Freetrade	Parkopedia
Financial Services Software	**Enterprise Software**	**Enterprise Software**	**Specialist Applications**
MoonPay	Kerridge Commercial Systems	NEA	QUEEN'S PARK EQUITY
Have acquired	Have acquired	Have acquired a stake in	Have acquired a majority stake in
helio	ram TRACKING	synthesia	Wordwall
Enterprise Software	**Specialist Applications**	**Enterprise Software**	**Enterprise Software**
MARLIN EQUITY PARTNERS	BOWMARK CAPITAL	KESTER CAPITAL	LEEDS Equity Partners
Have acquired a majority stake in	Have acquired	Have acquired	Have acquired
NAPIER	altia.	Re-flow	Learnosity

Clairfield In The Sector

Clairfield advised the shareholders of Theorem Solutions Limited on its sale to Tech Soft 3D

- Theorem, founded over 30 years ago, provides a suite of CAD translation and Extended Reality Software Solutions, including 3D Visualisation and Digital Twin, for the engineering metaverse.
- Tech Soft 3D is a leading provider of engineering software development toolkits with offices in Japan, USA, England, France and Norway. This acquisition cements Tech Soft 3D as a leading provider of CAD Data Translation and Re-use for both application developers and end-users.

Engineering Software

THEOREM SOLUTIONS

was sold to

TECH SOFT 3D

> *"The Clairfield Team provided invaluable advice and supported us at every stage of the sale process. Their deep understanding of the software sector helped us achieve a fantastic result"*
>
> **Mark Stowe**, CEO of Theorem

Listed Valuation Multiples

Listed valuation multiples in the Software sector

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EBITDA multiples are performing strongly across the Specialist Applications sub sector with EV/EBITDA multiples ranging from 9.1x to 13.9x

Data Storage & Security Software

Company	EV/EBITDA Multiple	EV/Rev Multiple
cirata	Undisclosed	3.3x
corero	Undisclosed	5.2x
intercede	Undisclosed	6.4x

Financial Services Software

Company	EV/EBITDA Multiple	EV/Rev Multiple
aquis	Undisclosed	7.9x
arcon	3.5x	1.3x
PayPoint	7.0x	1.9x
Finseta	7.9x	1.6x

Enterprise Software

Company	EV/EBITDA Multiple	EV/Rev Multiple
Aptitude	18.3x	2.7x
celebrus	9.2x	1.6x
Microlise	6.2x	2.6x
RELX	21.6x	8.6x

Specialist Applications

Company	EV/EBITDA Multiple	EV/Rev Multiple
accesso	9.1x	1.5x
the craneware group	13.9x	4.3x
eagleeye	9.5x	2.2x
TRACSIS	9.3x	1.5x

Clairfield International

About us

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A complete range of M&A services providing a wealth of experience to our clients

Mergers & Acquisitions Advisory

Strategic Advisory

Capital solutions

Headquartered in Europe with locations in every major region worldwide, we offer access to corporate businesses, investors, and key decision makers, combined with thorough understanding of local regulations and cultures.

400+
Team members

32
Countries

80%
International mandates

140+
Transactions per year

Top 10
European Midmarket rankings

Recent Clairfield Software Transactions

Software & apps
weezevent minority backed by naxicap partners, BFC Croissance
acquired
Kaboodle

Software & apps
Clarity Software
was sold to
Inktavo

Software & apps
Theorem Solutions
was sold to
TechSoft 3D

Software & apps
technologyone
acquired
Scientia

Software & apps
batka
sold
Keycoopt System
to
Beetween
backed by
Elevation Capital Partners

Software & apps
gpi
sold
Argentea
to
Zucchetti

Software & apps
Gaïana iD Systemes
backed by
Meanings
acquired
tipsa

Software & apps
SoftProject
was sold to
Main Capital Partners

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