

# M&A Pulse Technology

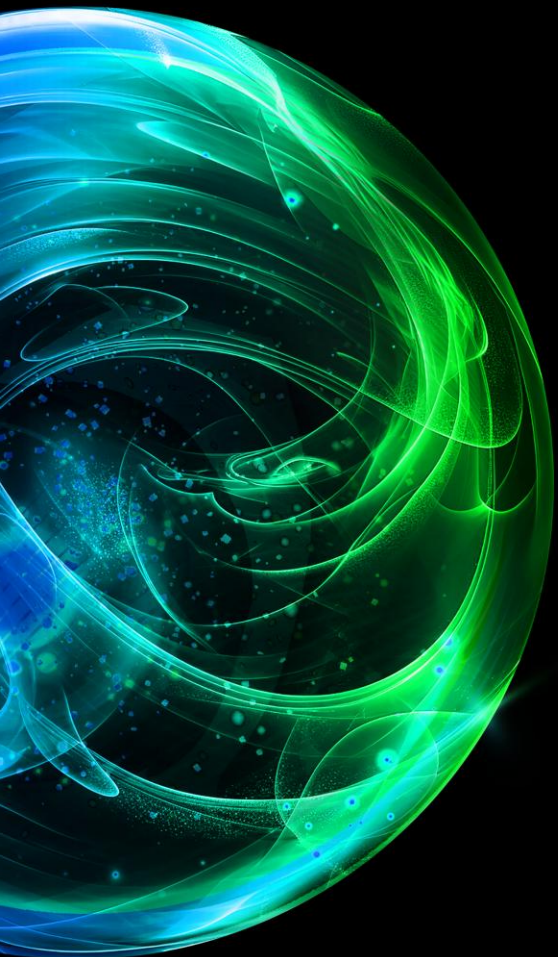
Q1 2026

---

**Deloitte Advisory Poland**  
M&A Corporate Finance

April 2026





- 1 — Executive Summary
- 2 — Tech Services Market
- 3 — Software Market

# Letter from the Editors

## Tech market update

In Q1 2026, tech buyers continued to be active but much more selective. Investors are prioritizing targets that have greater scale, strong profitability, or AI-resilient business models. As Dept Agency stated in its 2026 report, *“AI is rewriting the rules before most teams can even finish the deck.”* In other words, founders and key managers need strong responses when potential buyers challenge them on how AI may disrupt their business models.

## Poland - notable transactions

In Poland, Spire Capital acquired a 60% stake in Betasi, a provider of hotel management systems (HMS).

Apple Inc. purchased 100% of the shares of MotionVFX, a developer of video editing software plugins and templates.

## Private markets - fewer deals

Deal volume slowed slightly year over year.

In tech services, there were 466 deals in Q1'26 vs. 502 in Q1'25. Financial sponsors participated in 132 transactions (vs. 140 a year earlier). The European market saw significant activity, with 175 deals taking place. Known enterprise value across these deals exceeded 145 EURb, with a median EV/EBITDA of 12.2x.

In SaaS, deal volume fell to 292 from 334, with PE-backed deals declining from 117 to 98. SaaS transactions exceeded 140 EURb in disclosed EV.

Across the deals observed, buyers focused on the following themes:

- Deep vertical expertise (healthcare and financial services specialists were in high demand in Q1)
- Strong exposure to Microsoft-oriented services (e.g., OnPar Technologies and Net at Work; Cognizant and 3Cloud)
- Proven engines to convert users and accelerate cross-sell (e.g., Alia Software and Dotdigital)

## Public markets - AI is driving the narrative

In public markets, a key highlight was IBM's 11 USDb acquisition of Confluent. This reinforces how critical real-time data infrastructure has become for enterprise AI systems. Upon the deal's closing, Rob Thomas, Senior VP at IBM Software, said that *“Transactions happen in milliseconds, and AI decisions need to happen just as fast. With Confluent, we are giving clients the ability to move trusted data continuously across their entire operation so their AI models and agents can act on what is happening right now, not on data that is hours old.”*

On another note, Salesforce showed strong confidence in the future of Agentforce by announcing a 25 USDb, debt-funded accelerated share buyback program. The company continues to be one of the leading free-cash-flow-generating SaaS platforms.

Meanwhile, Kraken decided to pause its IPO plans, citing significant digital asset volatility.

**Mateusz Pacholik**  
E: mpacholik@deloittece.com

**Mateusz Zięba**  
E: mzieba@deloittece.com

**Deloitte.**

# Q1'2026 M&A snapshot

// Technology services

## Key stats

Deals  
**466**

**-7.2%**

YoY change

Total deal count across core geographies,  
as tracked in Deloitte's database

US

**148**

Europe

**175**

Top 3

 35

 23

 22

Total EV

**145**EURb

Financial sponsors

-5.7% YoY change

28%

Strategic investors

-7.7% YoY change



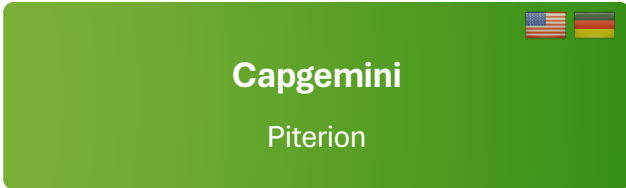
72%

Note: Europe deals excl. Russia; EV reflects transactions with publicly disclosed deal values  
Sources: Deloitte, MergerMarket

# Public markets: M&A on the agenda

// Technology services

















## Public markets

	 Cognizant 3Cloud	 Infosys Optimum Healthcare IT & Stratus Global	 Capgemini Piterion
News What is happening?	M&A   Acquisition of an independent Microsoft Azure-dedicated services provider	M&A   Signed definitive agreements to acquire two U.S.-based specialist tech firms	M&A   Agreed to acquire a specialist in Product Lifecycle Management and industrial digitalization
Metric	-   Undisclosed	180 USDm   Combined transaction value	-   Undisclosed
Description	Move in Cognizant's "AI Builder" strategy, adding 1,200 Azure specialists to scale AI and cloud app innovation globally	Horizontal expansion into high-growth verticals, specifically healthcare provider digitalization and P&C insurance core system modernization	Strengthening the "Intelligent Industry" practice, expanding engineering capabilities for automotive and aerospace sectors in Germany and India
Outcome	Completed Q1 2026	Pending Targeting Q2 2026 closing	Pending Regulatory approvals

# Private markets: Cloud, AI/data and niche consultancies

// Technology services

## Private markets

 <p> Hawk Infinity AS  Skykontoret AS</p>	<p>Hawk Infinity acquired 100% of Skykontoret, a Norway-based IT consultancy and cloud services provider focused on systems integration.</p>
 <p> Nordic Capital AB  Norvestor Equity AS  Foxway AB</p>	<p>Nordic Capital, alongside Norvestor, invested in Foxway, a Sweden-based provider of circular IT and technology lifecycle services, including device management, refurbishment, and reuse.</p>
 <p> Born Digital  Multi-entity acquisition</p>	<p>Born Digital completed a multi-entity acquisition, including Dinamo, Kae Marketing Intelligence, Techpros and Digr, spanning Norway and the UK. The group combines digital consulting, marketing intelligence, software development, and innovation capabilities.</p>
 <p> SQLI SA  Station10</p>	<p>SQLI acquired Station10, a UK-based data and AI consultancy serving sectors including retail, travel, financial services, and the public sector.</p>
 <p> Blue Soft Group  TSI Consulting Services</p>	<p>Blue Soft Group acquired TSI Consulting Services, a France-based software testing and QA specialist.</p>

1

Continued interest in AI, data, and digital transformation consultancies to deepen advanced analytics and automation capabilities

2

Actively targeting cloud, IT infrastructure and niche tech consultancies as well as regional system integrators

3

Focusing on combining strategy, marketing and technology offering (e.g., Born Digital case)

# Q1'2026 M&A snapshot

## Key stats

Deals  
**292**

**-7.0%**

YoY change

Total deal count across core geographies,  
as tracked in Deloitte's database

US

**78**

Europe

**106**

Top 3

 26

 17

 15

Total EV

**140** EURb

Financial sponsors  
-16.2% YoY change

34%




Strategic investors  
-1.5% YoY change

66%

Note: Europe deals excl. Russia; EV reflects transactions with publicly disclosed deal values  
Sources: Deloitte, MergerMarket







# Public markets: delistings, share repurchases, and delayed IPOs

## Public markets

	 <b>IBM Corporation</b> Confluent	 <b>Salesforce</b>	 <b>Payward (Kraken)</b>
<b>News</b> What is happening?	<b>Delisting</b> Following the closing, Confluent delisted its Class A Common Stock from Nasdaq	<b>ASR</b> Accelerated Share Repurchase	<b>IPO</b> Temporarily paused plans for a 2026 IPO following a confidential S-1 submission
<b>Metric</b>	<b>11 USD<sub>b</sub></b> Transaction value (31.00 USD per share)	<b>25 USD<sub>b</sub></b> Transaction value (Debt-financed)	<b>10-15 USD<sub>b</sub></b> Targeted valuation
<b>Description</b>	Integration of real-time data streaming into IBM's hybrid cloud and Watsonx AI architecture to provide "live" data foundations for enterprise AI agents	Capital return efficiency following record cash flows and management's stated conviction in "Agentforce" AI scaling and margin stability	Adverse public market conditions for digital asset exchanges and high volatility in the crypto sector during Q1 2026
<b>Outcome</b>	<b>Completed</b> March 17, 2026	<b>Initiated</b> Est. closing 2027	<b>Paused</b> Pending improved market stability

# Private markets: Mission-critical SaaS and advancing AI capabilities

## Private markets

 <b>Visma</b>  fulll	<p>Visma acquired a minority stake in fulll, a France-based SaaS provider offering accounting, payroll, and HR solutions, as part of a strategic partnership with In Extenso.</p>
 <b>Rite Ventures</b>  Lemonsoft	<p>Rite Ventures acquired a minority stake in Lemonsoft, a Finnish ERP SaaS provider focused on SMEs, supporting scaling of a mission-critical ERP platform in the Nordics, with continued demand for SME digitalization.</p>
<div style="background-color: red; color: white; padding: 2px; display: inline-block;">Withdrawal</div>  <b>Apax Partners</b>  Pinewood Technologies	<p>Apax explored a ~575GBpm take-private of Pinewood Technologies, a provider of automotive SaaS solutions, but ultimately withdrew its offer.  <i>Commentary: On February 13, Apax withdrew its offer for Pinewood, citing challenging market conditions, triggering an almost 40% decline in the share price that day.</i></p>
 <b>Wingify Software</b>  AB Tasty	<p>Wingify (owner of VWO) acquired AB Tasty, a France-based provider of experience optimization and personalization SaaS solutions.</p>
 <b>Accenture</b>  Faculty Science	<p>Accenture agreed to acquire Faculty, a UK-based applied AI company, reportedly at a valuation exceeding 1USBb, strengthening AI and decision intelligence capabilities, particularly in enterprise-scale deployments.</p>

1

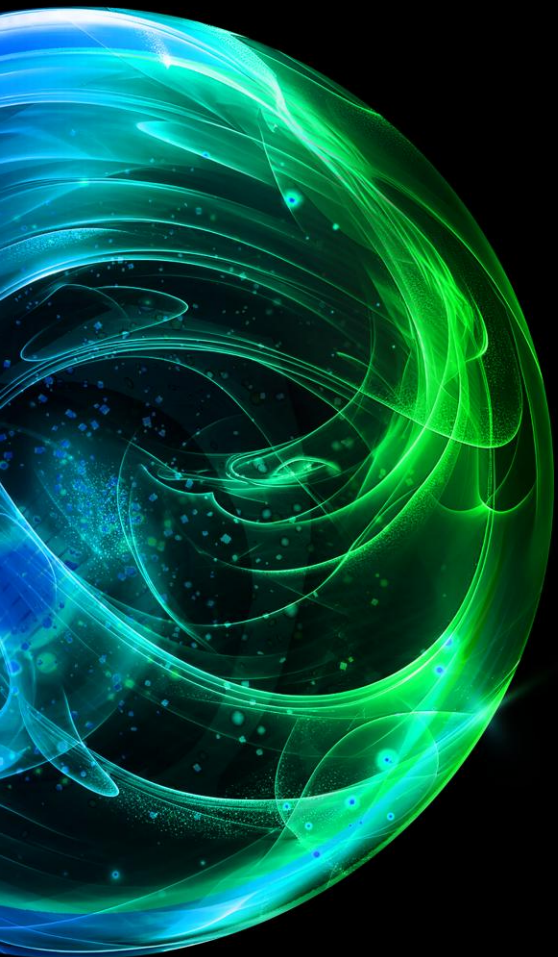
Continued strength in mission-critical SaaS (ERP, accounting, automotive platforms)

2

Actively seeking AI and data capabilities increasingly central to SaaS valuations (e.g., Faculty, Pinewood)

3

Growth in product ecosystem consolidation and internationalization (e.g., AB Tasty/Wingify)



1 — Executive Summary

2 — Tech Services Market

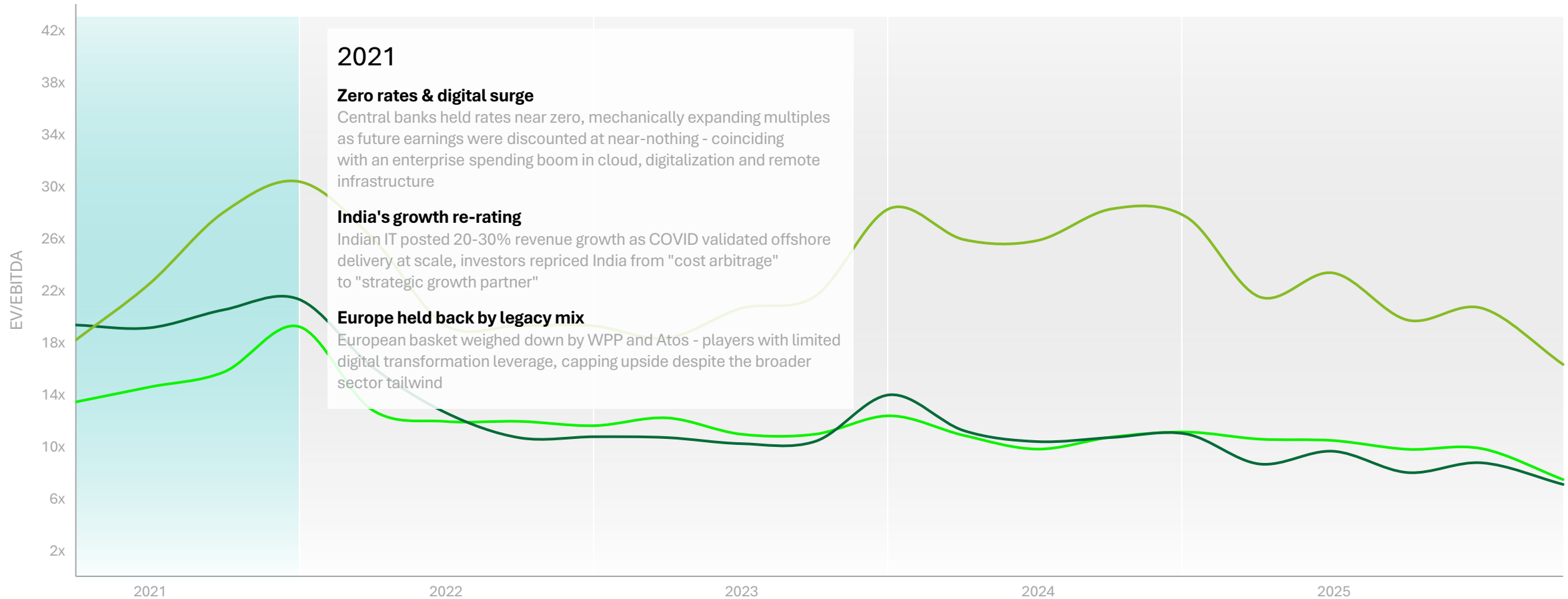
3 — Software Market

/ Public

/ Private

# Zero rates and digital surge drove technology multiples to a decade high

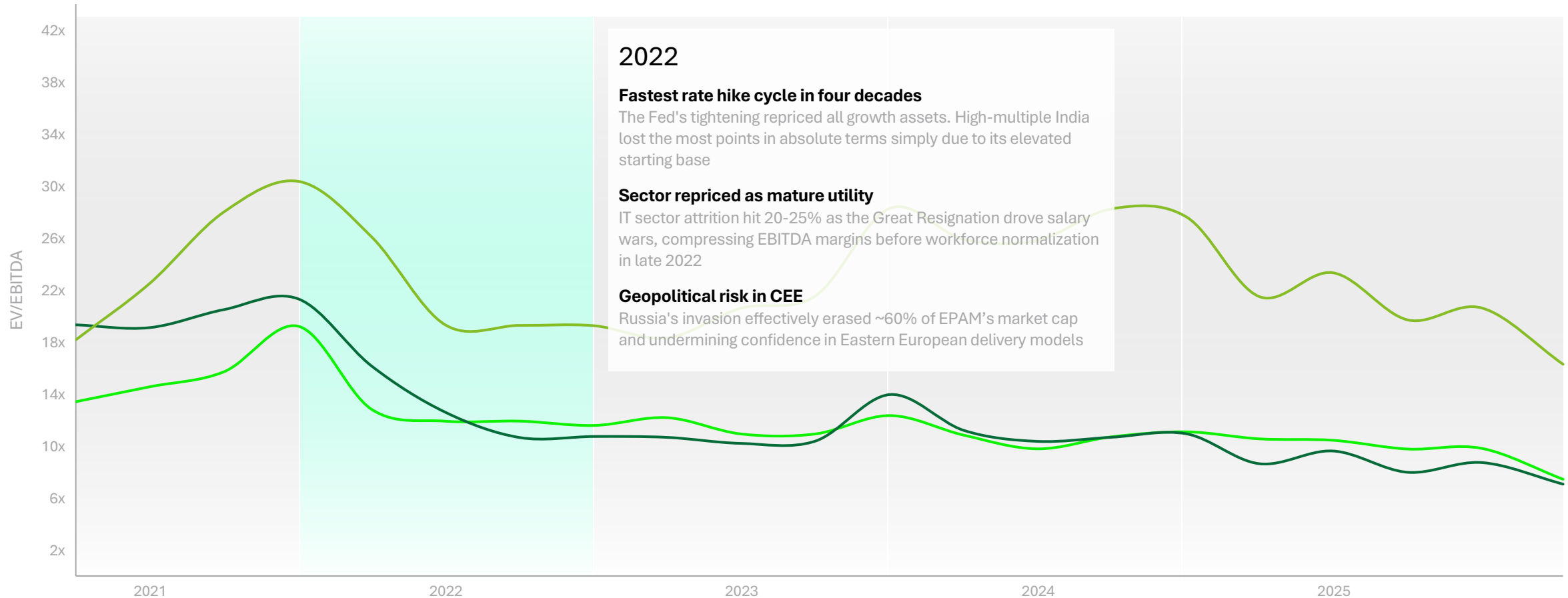
## Technology services | Geographies



Notes: Data as at 10.04.2026  
Sources: Deloitte, Capital IQ

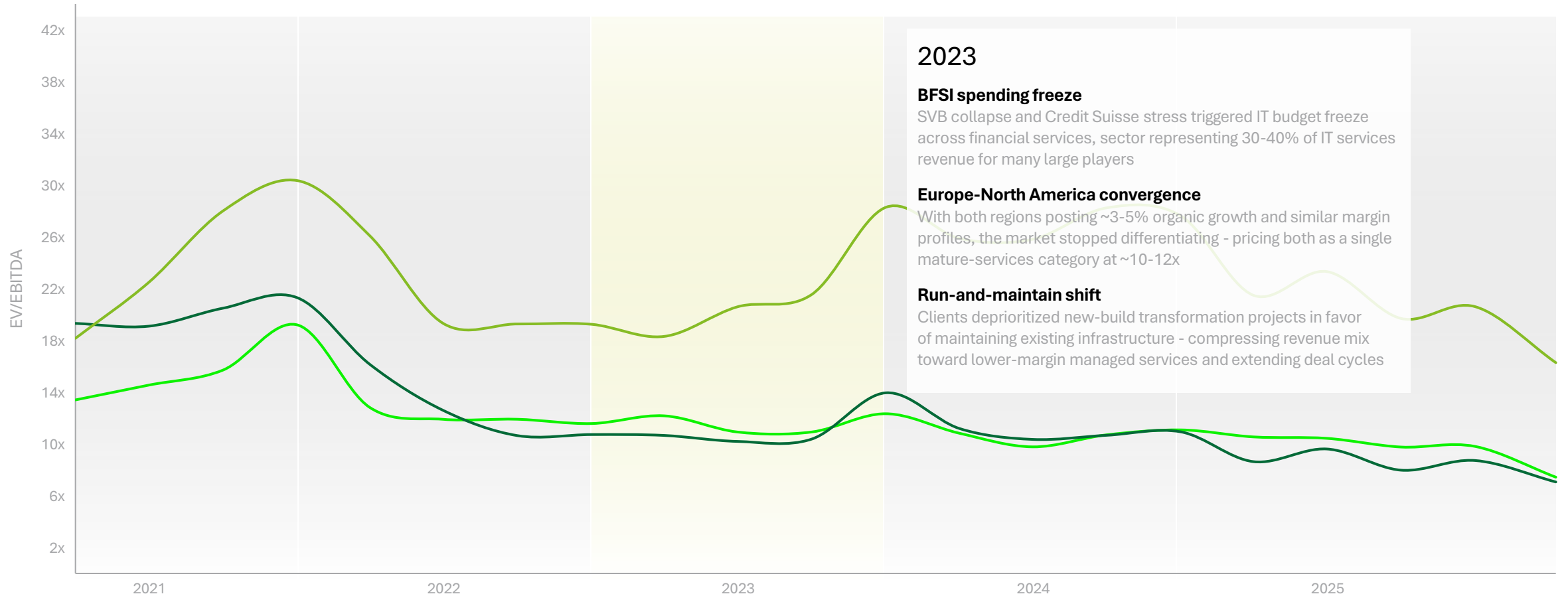
# Aggressive rate hikes and geopolitical shocks unwound the IT sector's growth premium

## Technology services | Geographies



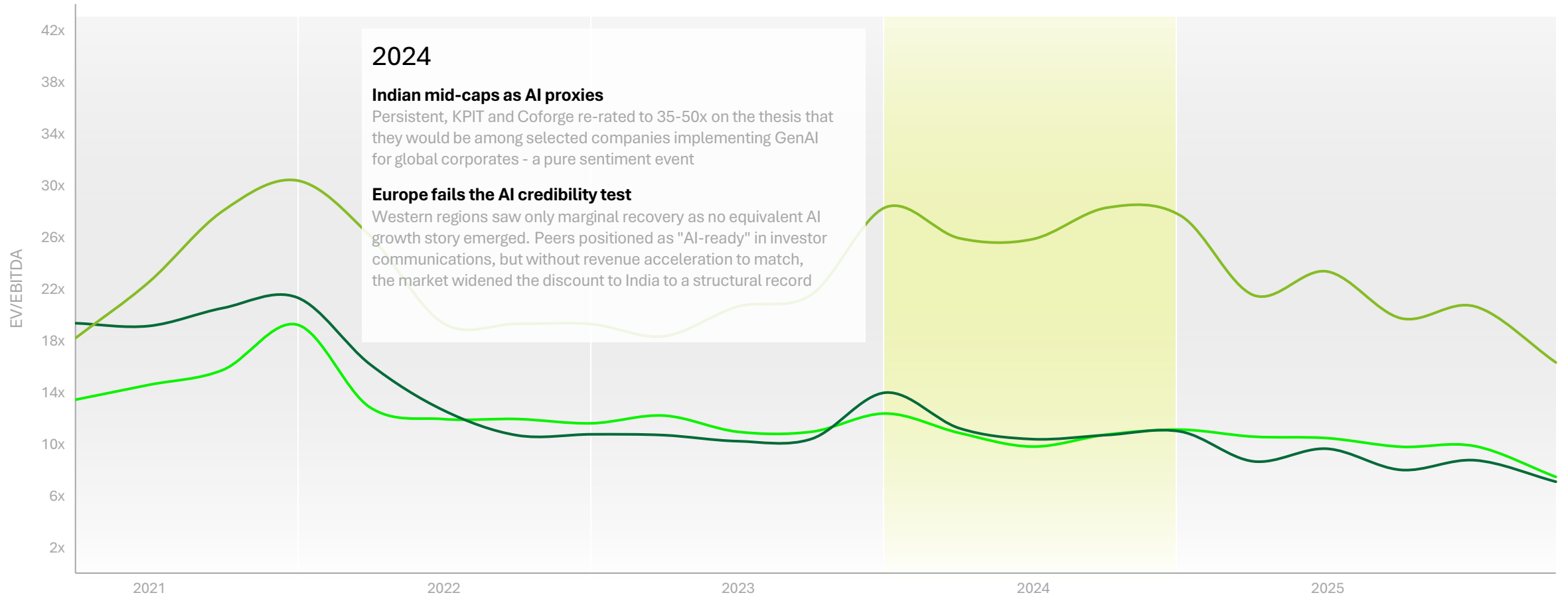
# Run-and-maintain shift compressed multiples and erased the Europe-North America valuation gap

## Technology services | Geographies



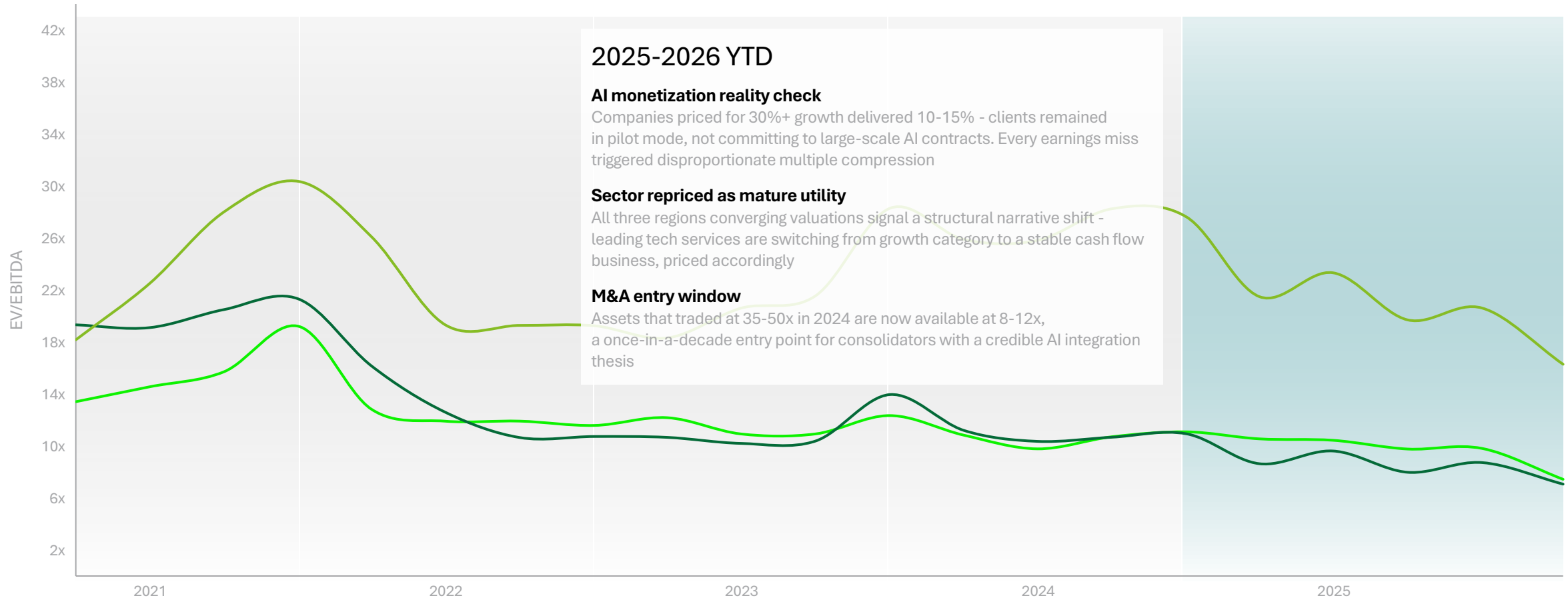
# AI re-rating accrued exclusively to Indian mid-caps, leaving Western peers at a structural discount

## Technology services | Geographies



# Once-in-a-decade entry point for acquirers with a credible AI thesis

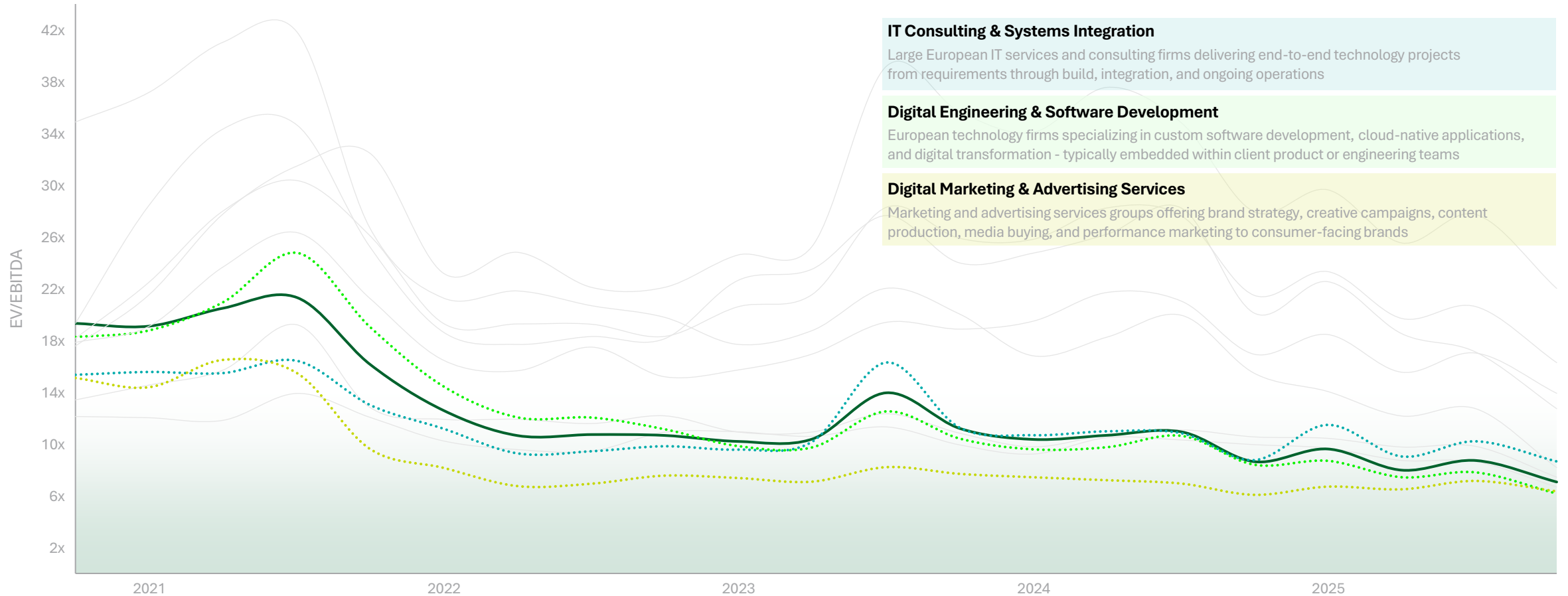
## Technology services | Geographies



Notes: Data as at 10.04.2026  
Sources: Deloitte, Capital IQ

# Macro pressure is overriding sub-sector differentiation across European tech services

## Categories of technology services | Europe



**IT Consulting & Systems Integration**  
 Large European IT services and consulting firms delivering end-to-end technology projects from requirements through build, integration, and ongoing operations

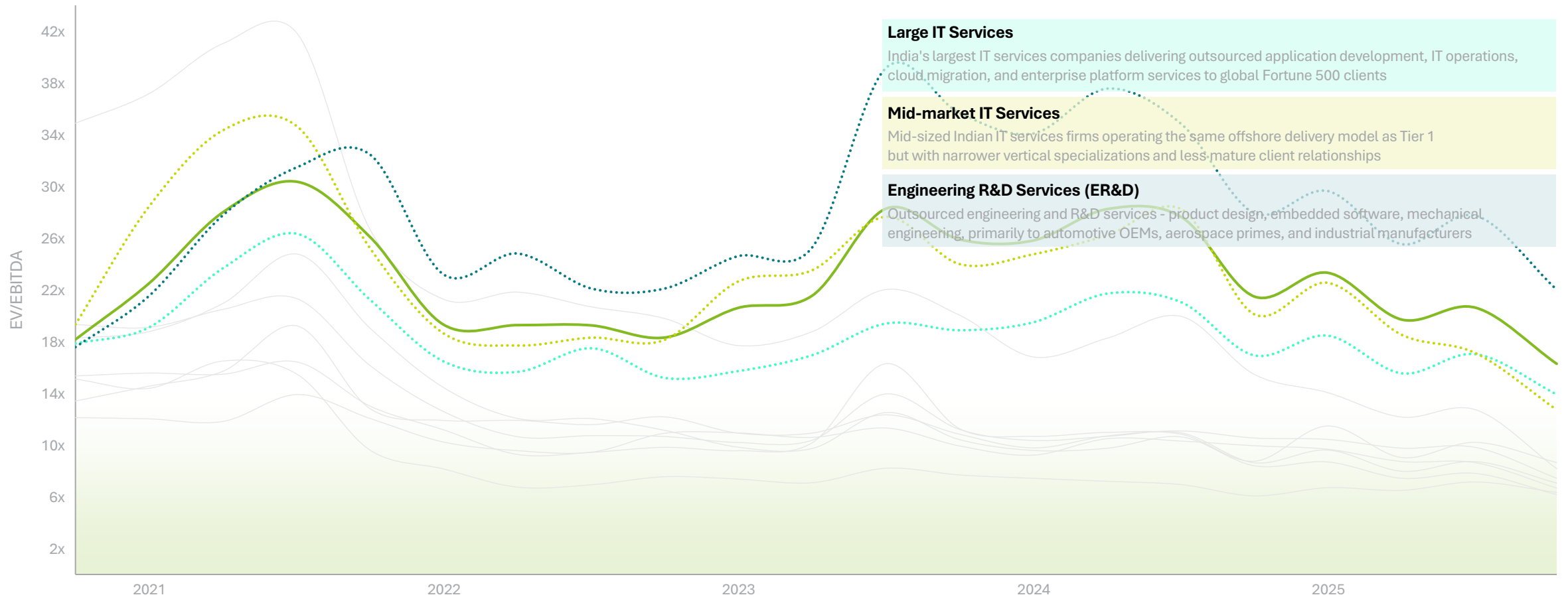
**Digital Engineering & Software Development**  
 European technology firms specializing in custom software development, cloud-native applications, and digital transformation - typically embedded within client product or engineering teams

**Digital Marketing & Advertising Services**  
 Marketing and advertising services groups offering brand strategy, creative campaigns, content production, media buying, and performance marketing to consumer-facing brands

Notes: Data as at 10.04.2026  
 Sources: Deloitte, Capital IQ

# Engineering R&D drove India's 2024 re-rating but faces the sharpest correction

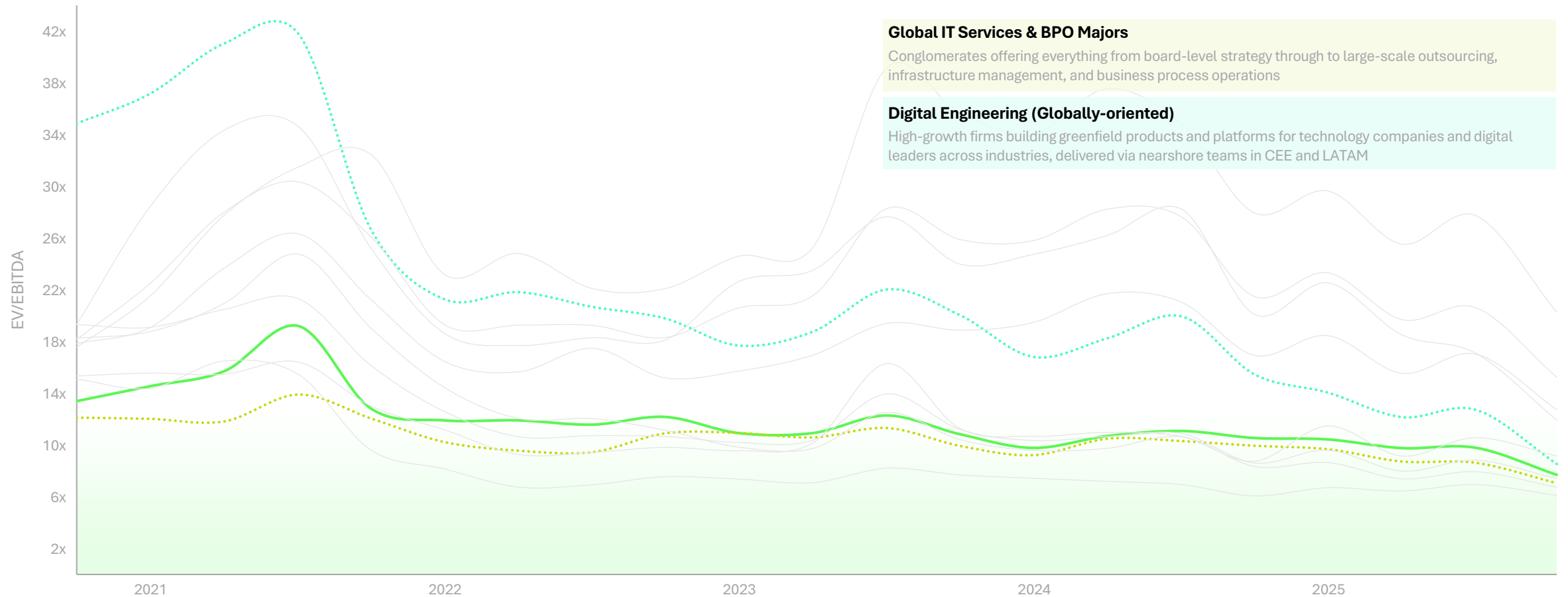
## Categories of technology services | India



Notes: Data as at 10.04.2026  
Sources: Deloitte, Capital IQ

# Digital Engineering's collapse reflects the most complete AI-narrative unwind in the Western market

## Categories of technology services | North America



**Global IT Services & BPO Majors**  
 Conglomerates offering everything from board-level strategy through to large-scale outsourcing, infrastructure management, and business process operations

**Digital Engineering (Globally-oriented)**  
 High-growth firms building greenfield products and platforms for technology companies and digital leaders across industries, delivered via nearshore teams in CEE and LATAM

# Geographic scope and peer group composition

Technology services | **Categories**

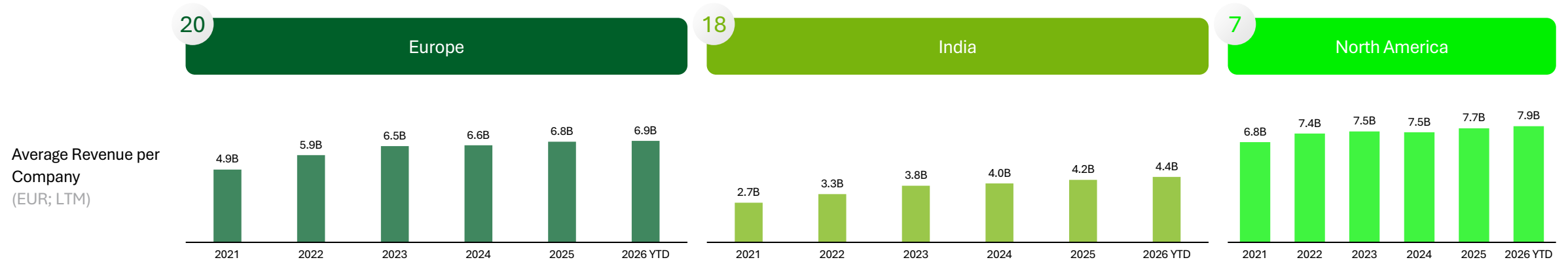


Companies per category

**Deloitte.**  
Detail and underlying analysis available upon request, please contact Deloitte M&A Corporate Finance team

# Revenue is growing steadily across all regions, with notable efficiency gaps between service segments

## Technology services | Unit economics

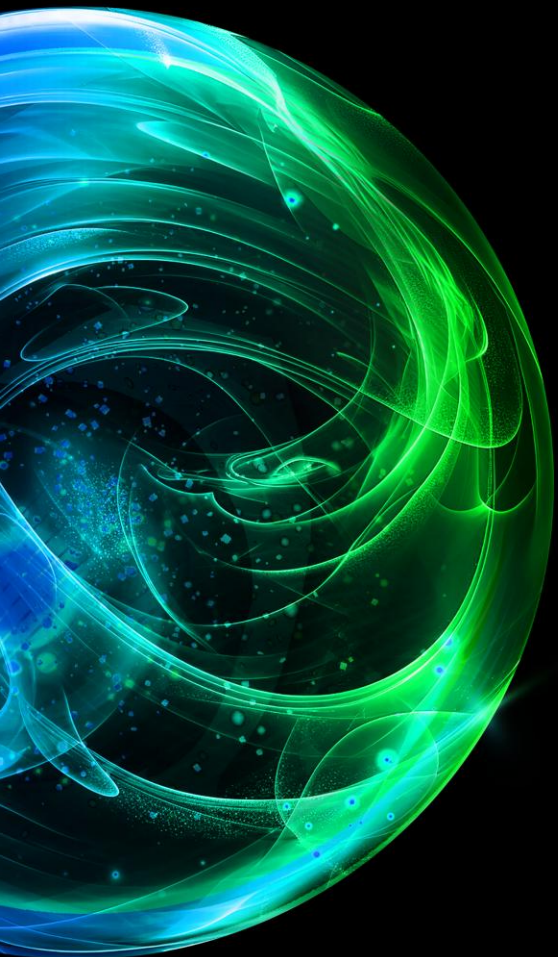


### Average Revenue per FTE (EUR)



- 2021
- 2022
- 2023
- 2024
- LTM

**Deloitte.**  
 Detail and underlying analysis available upon request, please contact Deloitte M&A Corporate Finance team



1 — Executive Summary

2 — Tech Services Market

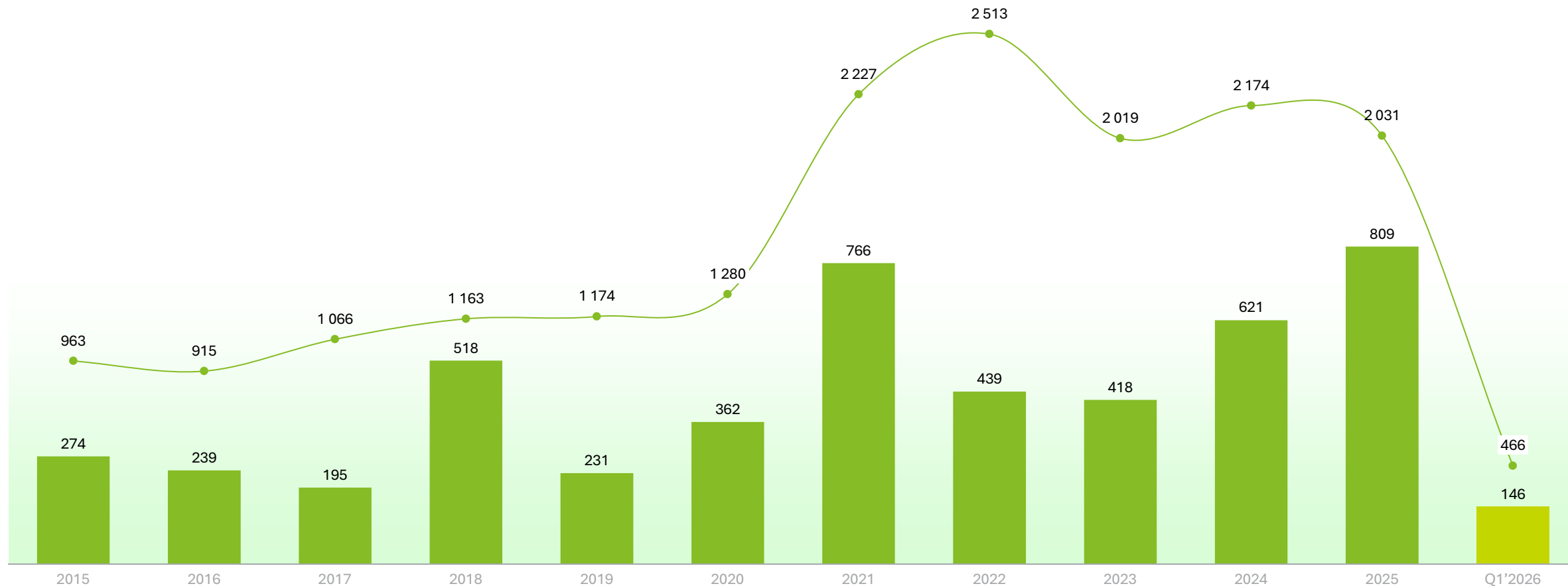
/ Public

/ Private

3 — Software Market

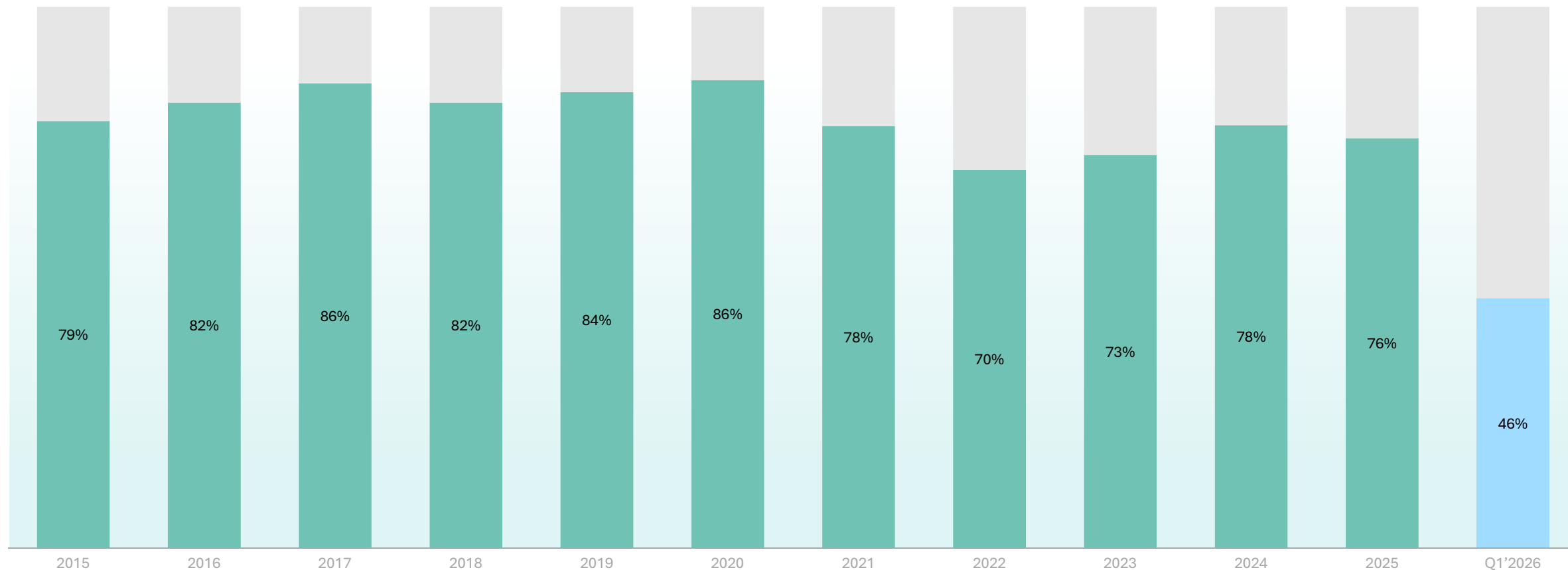
# Transaction volume in 2025 was at a lower level than in the early post-COVID years

## Private market deals dynamics



# Among tech services deals with reported EBITDA, around 80%<sup>1</sup> involved EBITDA-positive companies

## EBITDA positive deals

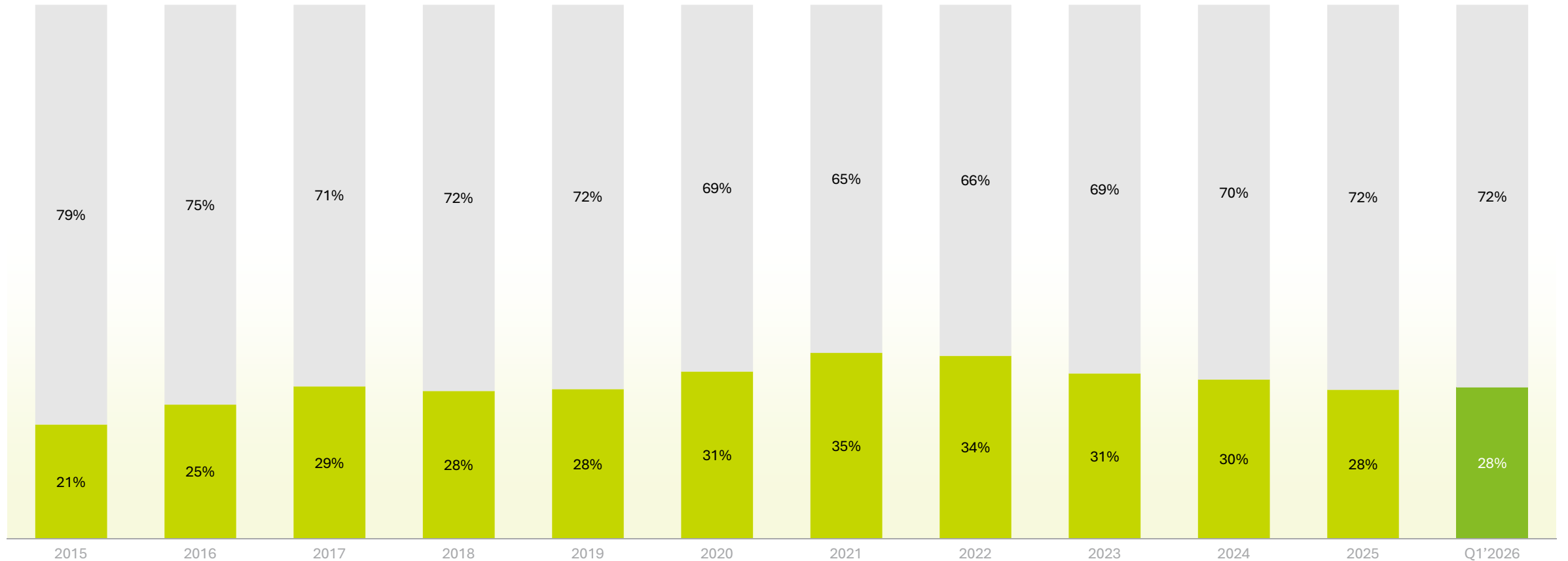


Notes: 1) Data for the period 01.01.2015 – 31.03.2026

Sources: Deloitte, Mergermarket

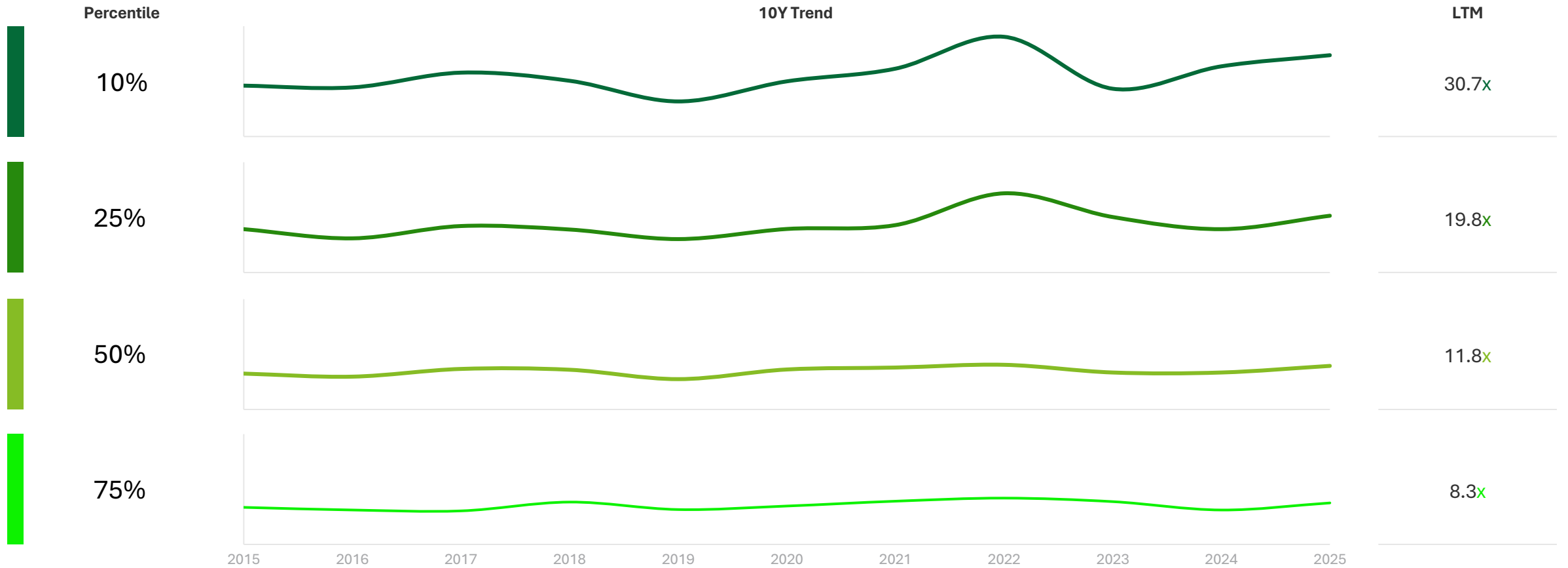
# Over the years, most tech services acquirers have been strategic investors, often backed by private equity

Breakdown of deals by investor type



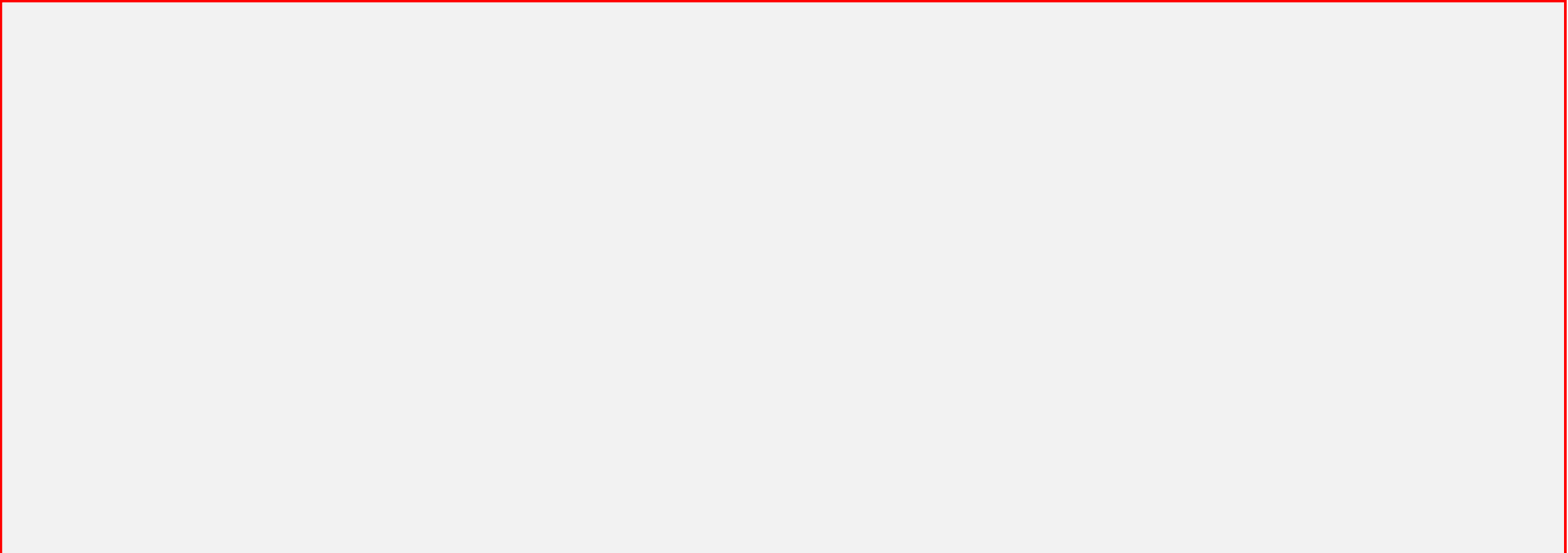
# Overview of valuation trends in the private tech services market

Valuation trends (EV/EBITDA)



Notes: LTM defined as 04.2025 – 03.2026 and excluding outliers; Data as at 31.03.2026  
Sources: Deloitte, Mergermarket

# Most active strategic buyers of tech services

Buyer	Count	Targets
		

**Deloitte.**

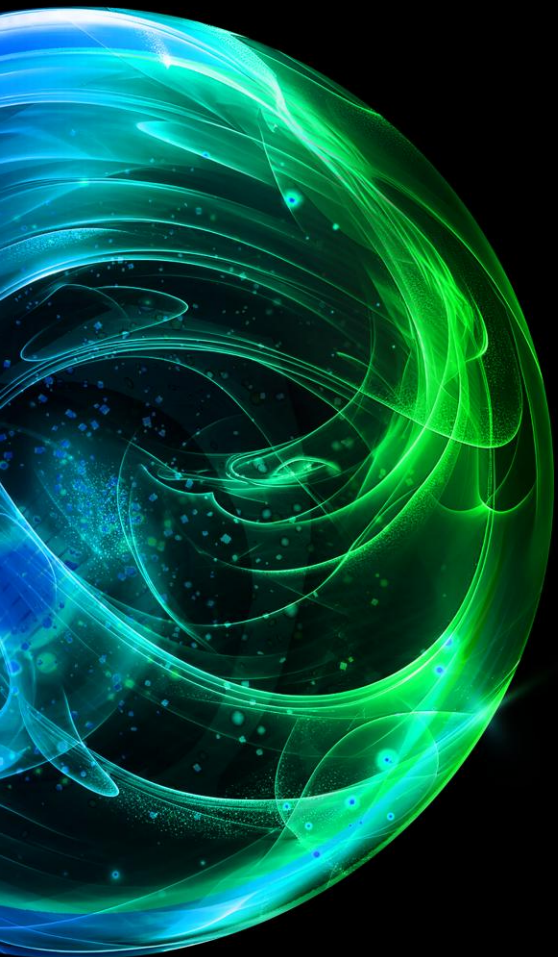
Detail and underlying analysis available upon request, please contact Deloitte M&A Corporate Finance team

# Most active financial buyers of tech services

Buyer	Count	Targets

**Deloitte.**

Detail and underlying analysis available upon request, please contact Deloitte M&A Corporate Finance team



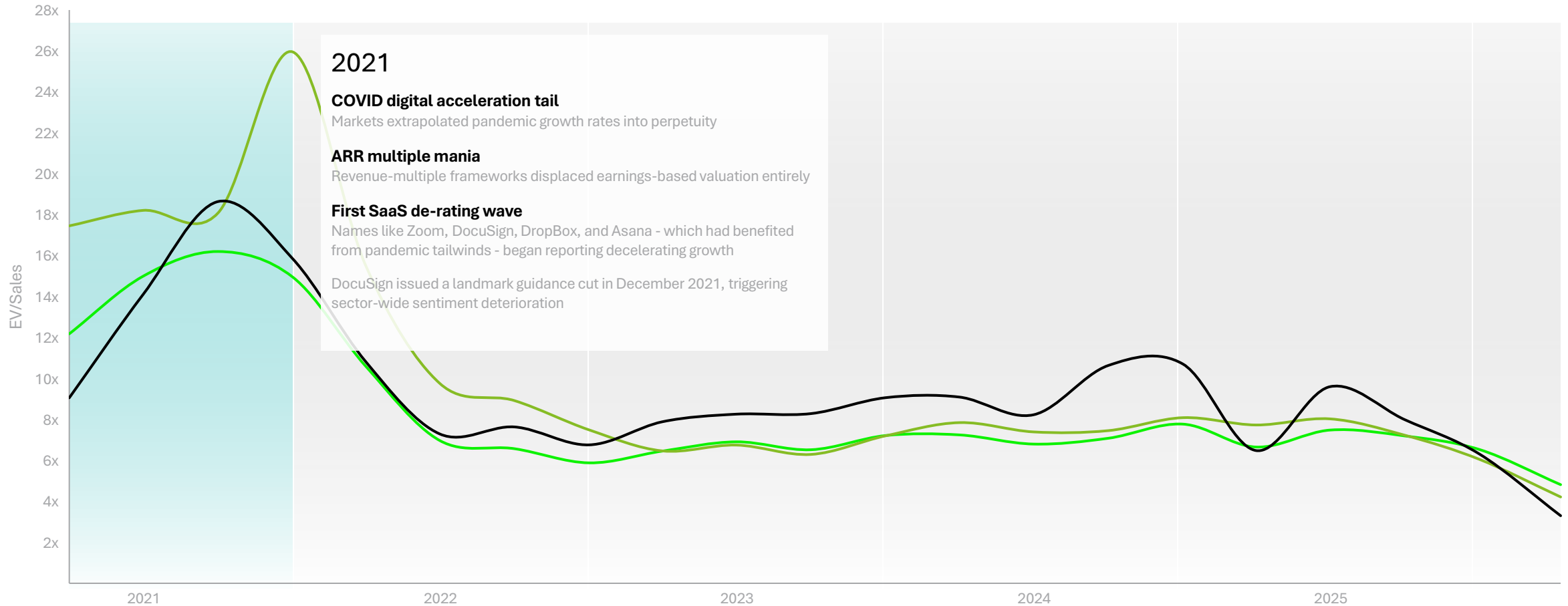
1 — Executive Summary

2 — Tech Services Market

3 — Software Market / Public  
/ Private

# Zero-rate distortion inflated software multiples to levels fundamentally disconnected from intrinsic value

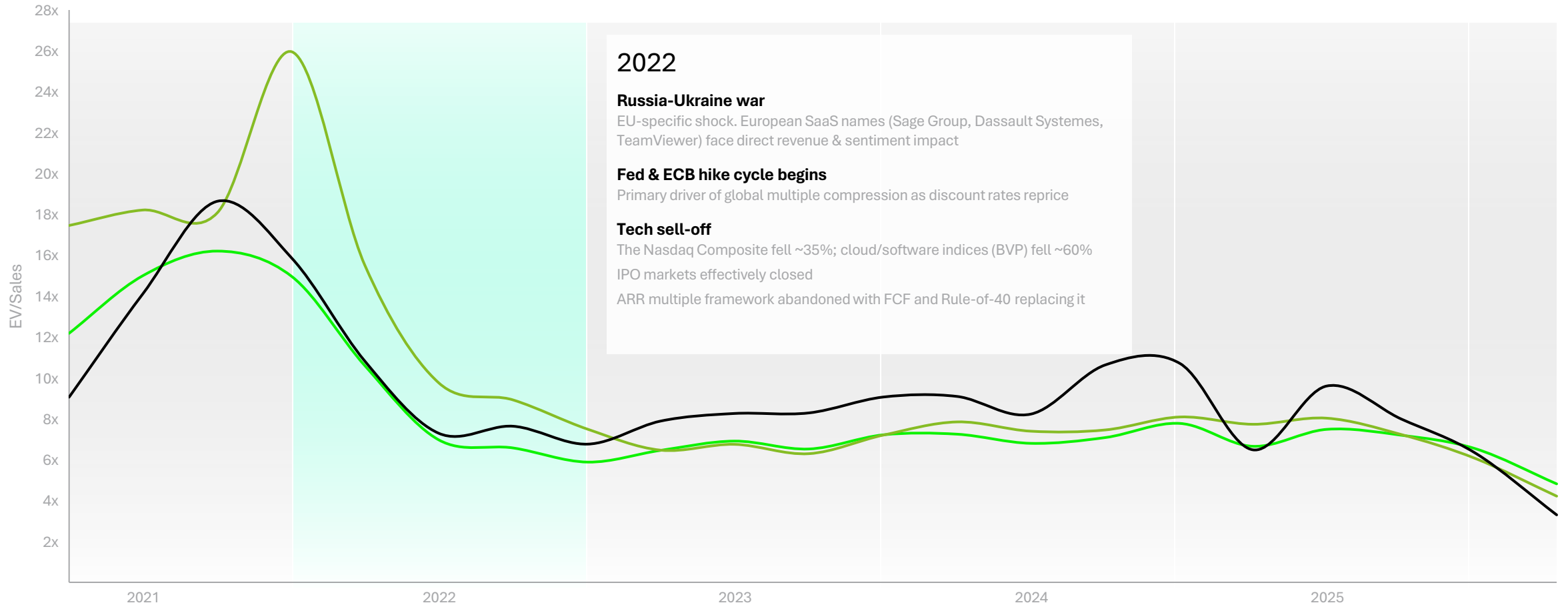
SaaS companies | EV/Sales multiple trends



Notes: Data as at 10.04.2026  
Sources: Deloitte, Capital IQ

# Rate normalization and geopolitical shock triggered the sharpest SaaS de-rating in a decade

SaaS companies | EV/Sales multiple trends



## 2022

### Russia-Ukraine war

EU-specific shock. European SaaS names (Sage Group, Dassault Systemes, TeamViewer) face direct revenue & sentiment impact

### Fed & ECB hike cycle begins

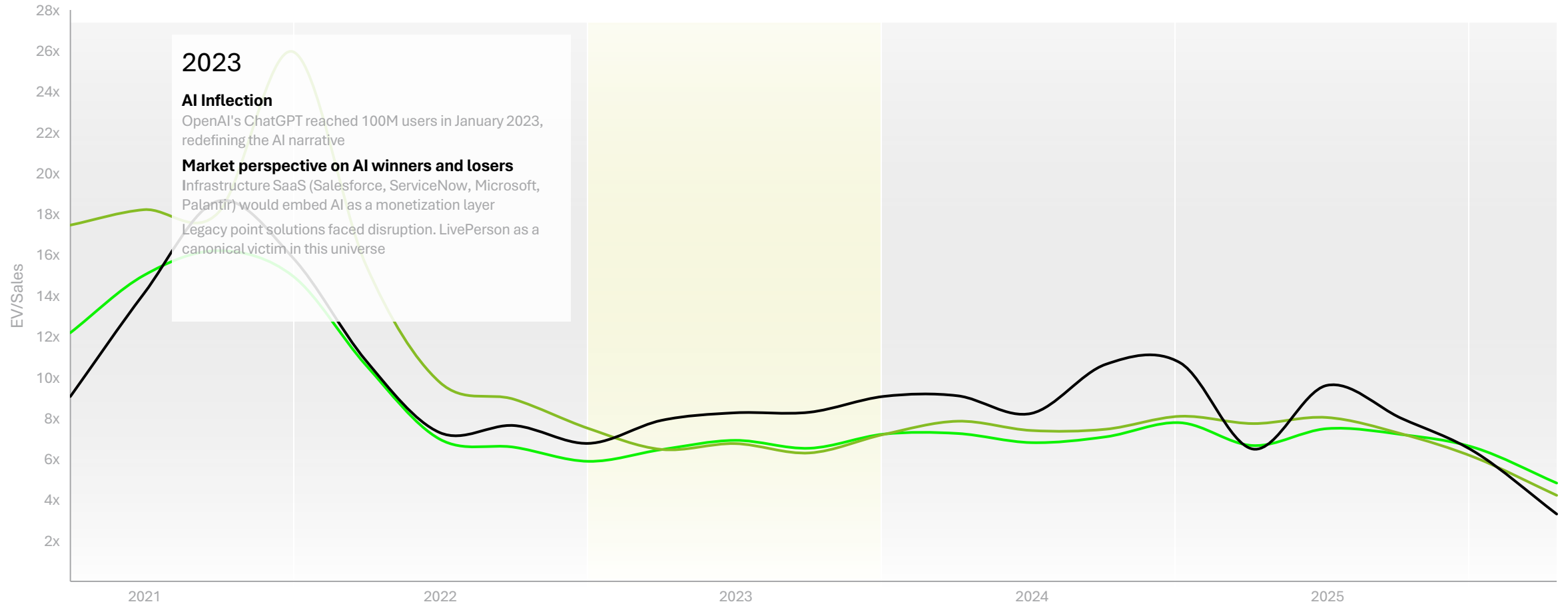
Primary driver of global multiple compression as discount rates reprice

### Tech sell-off

The Nasdaq Composite fell ~35%; cloud/software indices (BVP) fell ~60%  
 IPO markets effectively closed  
 ARR multiple framework abandoned with FCF and Rule-of-40 replacing it

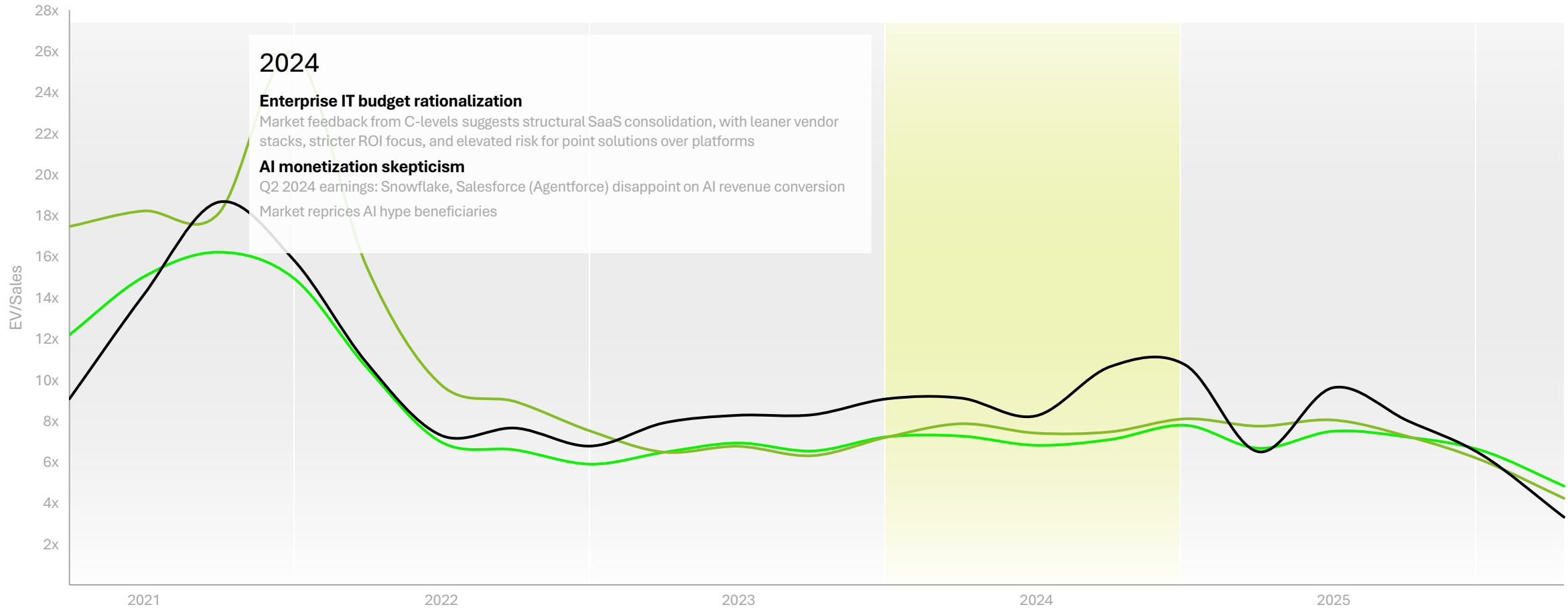
# AI separates platform compounders from point-solution victims as the monetization race begins

SaaS companies | EV/Sales multiple trends



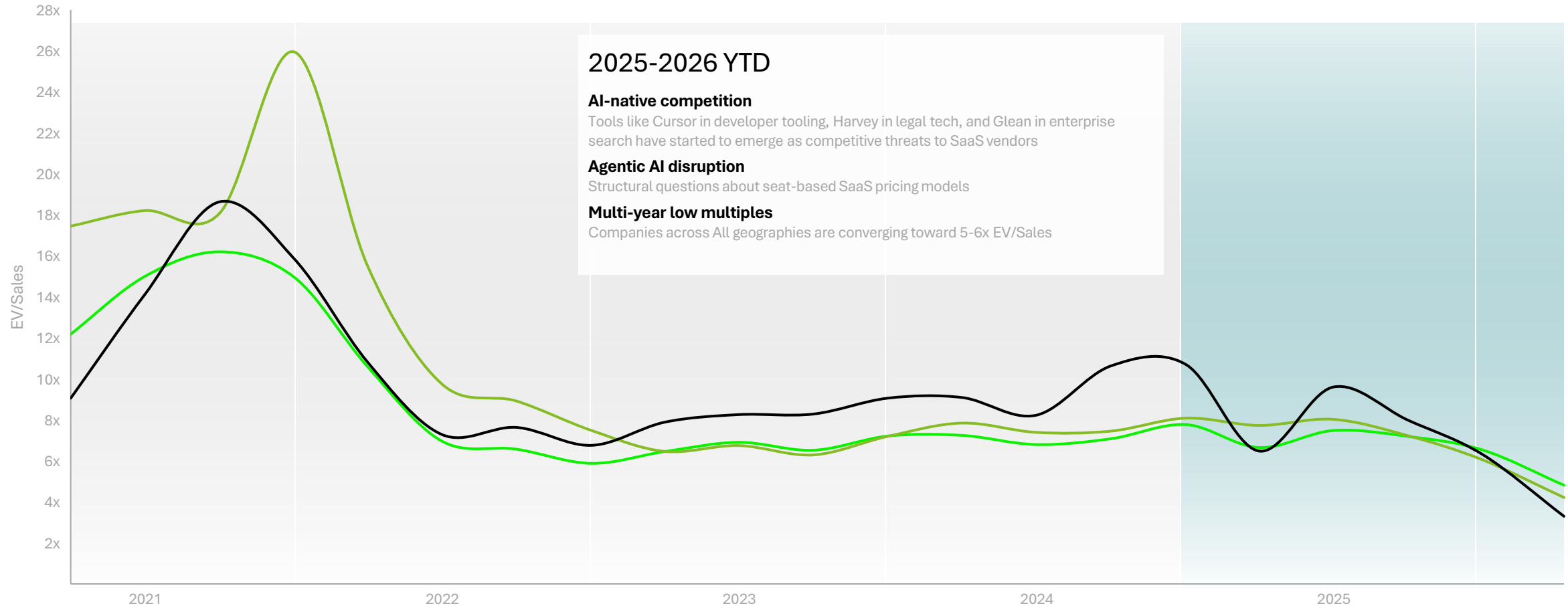
# AI hype meets budget discipline as platform consolidation accelerates and monetization disappoint

SaaS companies | EV/Sales multiple trends



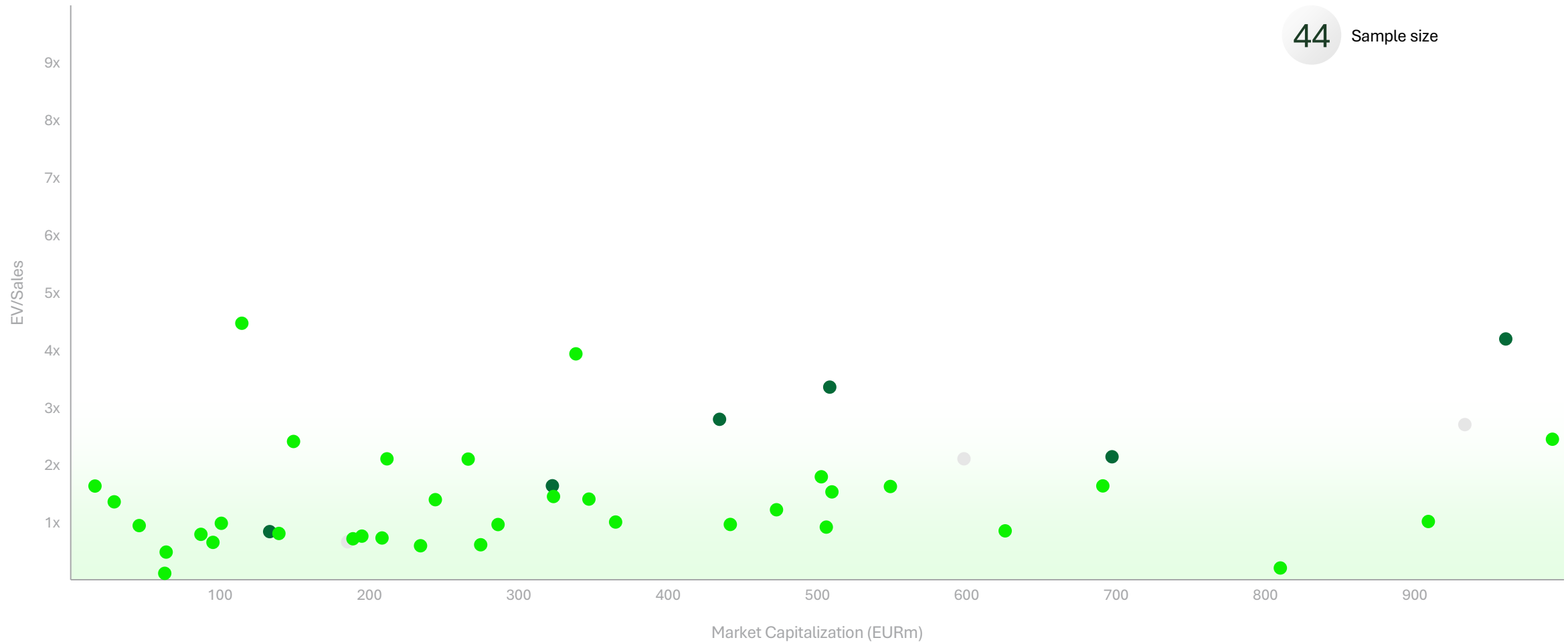
# AI-native entrants and agentic models structurally challenge incumbent SaaS pricing and retention

SaaS companies | EV/Sales multiple trends



# Market capitalization vs. EV/Sales multiple correlation analysis

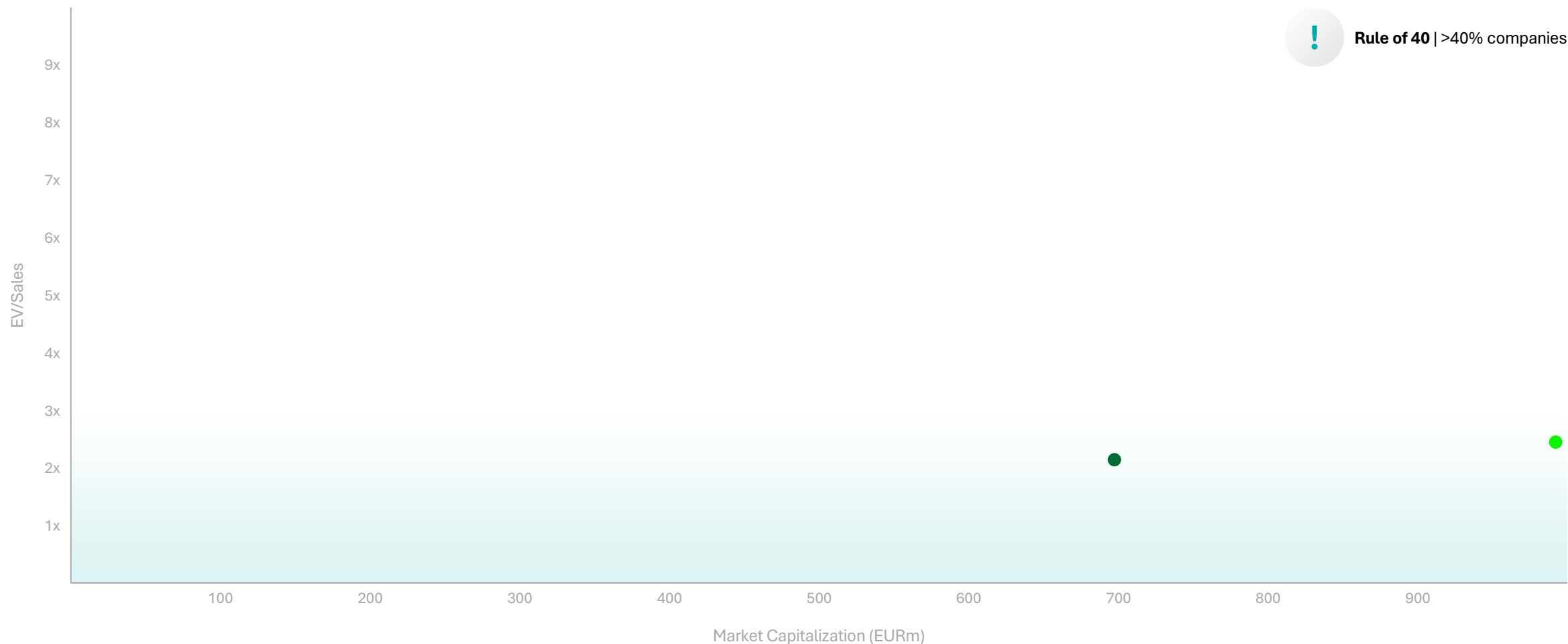
SaaS companies by geography | small cap



Notes: LTM financial data; EUR as at 10.04.2026, Small cap defined as up to EUR 1 000m  
Sources: Deloitte, Capital IQ  
© 2026 Deloitte Advisory | M&A | Corporate Finance

# Market capitalization vs. EV/Sales correlation with Rule of 40 overlay

SaaS companies by geography | small cap



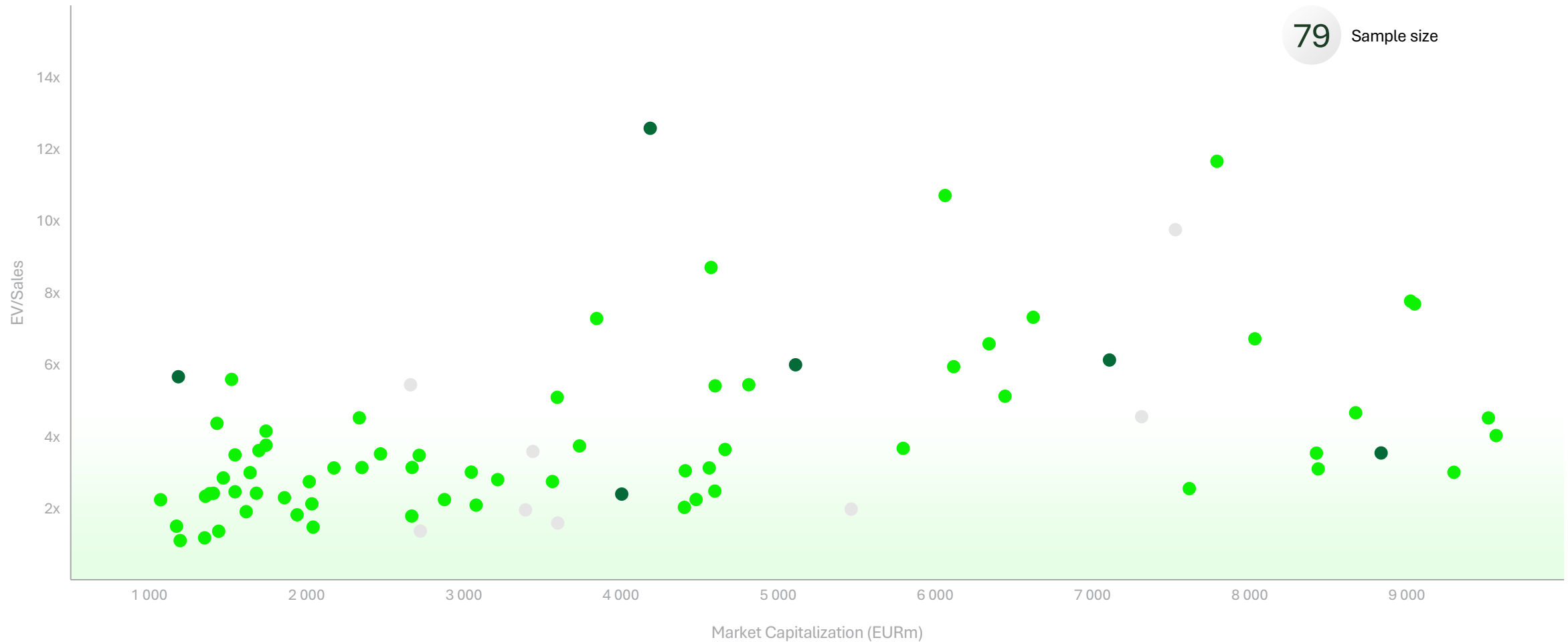
Notes: LTM financial data; EUR as at 10.04.2026, Small cap defined as up to EUR 1 000m

Sources: Deloitte, Capital IQ

© 2026 Deloitte Advisory | M&A | Corporate Finance

# Market capitalization vs. EV/Sales multiple correlation analysis

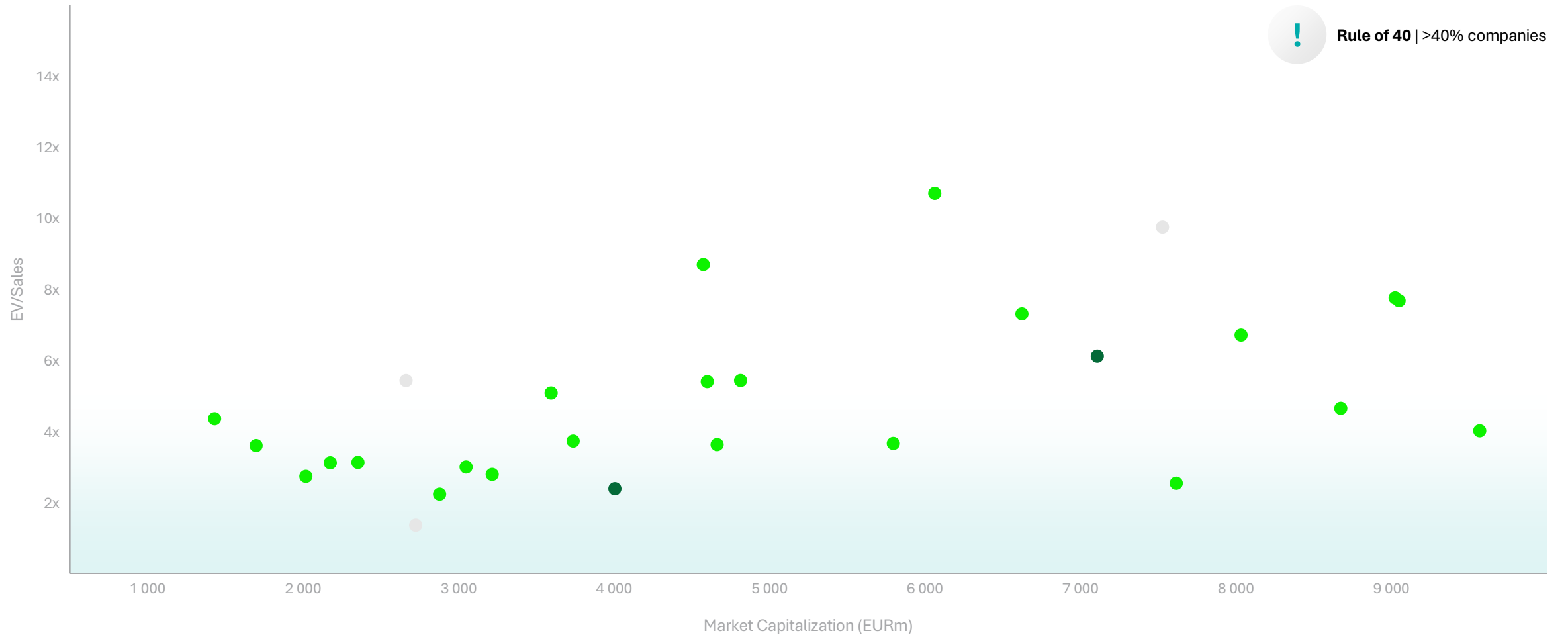
SaaS companies by geography | medium cap



Notes: LTM financial data; EUR as at 10.04.2026, Medium cap defined as EUR 1 000-10 000m  
Sources: Deloitte, Capital IQ  
© 2026 Deloitte Advisory | M&A | Corporate Finance

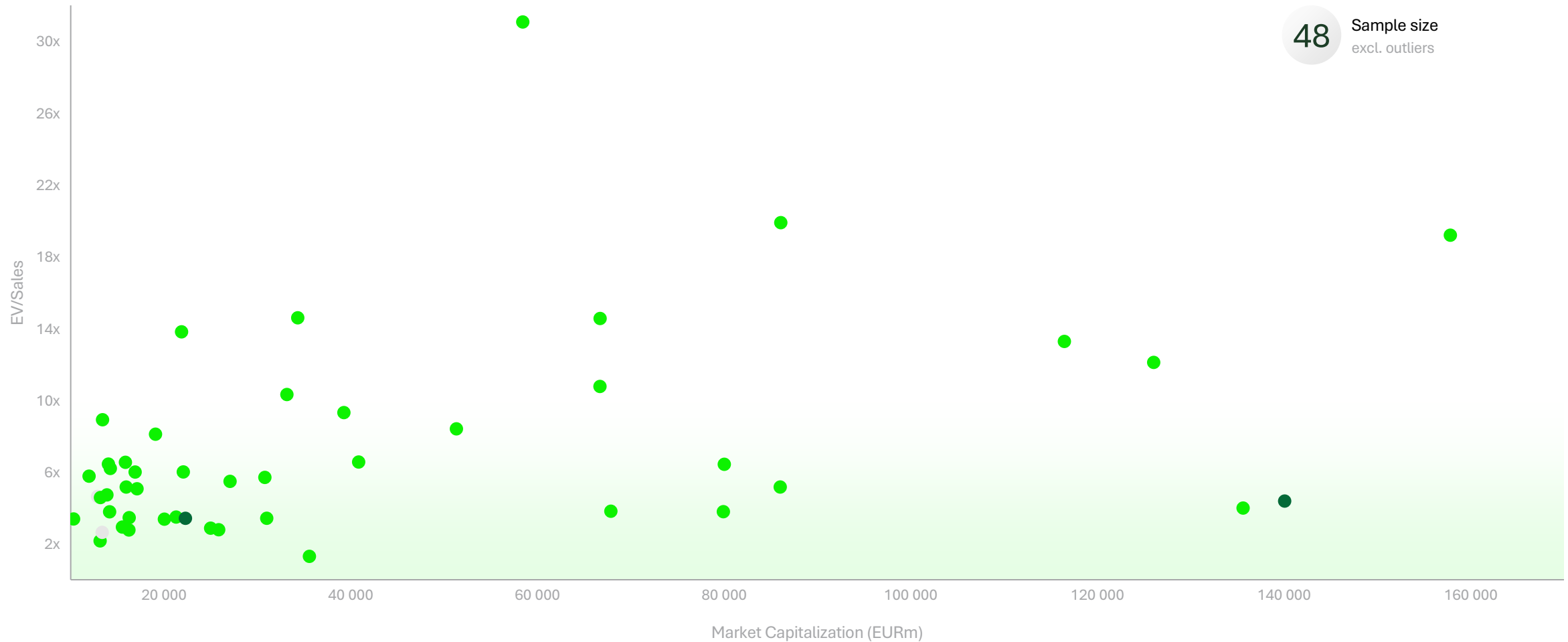
# Market capitalization vs. EV/Sales correlation with Rule of 40 overlay

SaaS companies by geography | medium cap



# Market capitalization vs. EV/Sales multiple correlation analysis

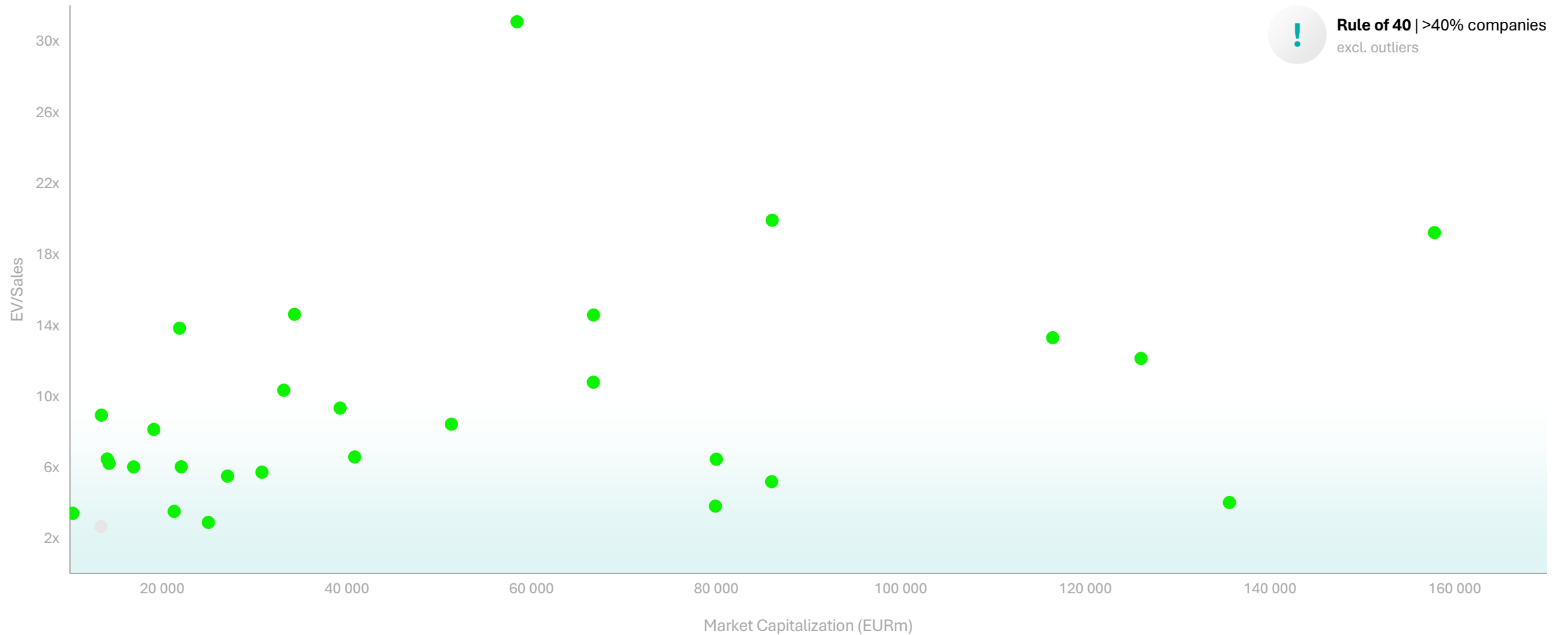
SaaS companies by geography | mega cap



Notes: LTM financial data; EUR as at 10.04.2026, Mega cap defined as above EUR 10 000m  
Sources: Deloitte, Capital IQ  
© 2026 Deloitte Advisory | M&A | Corporate Finance

# Market capitalization vs. EV/Sales correlation with Rule of 40 overlay

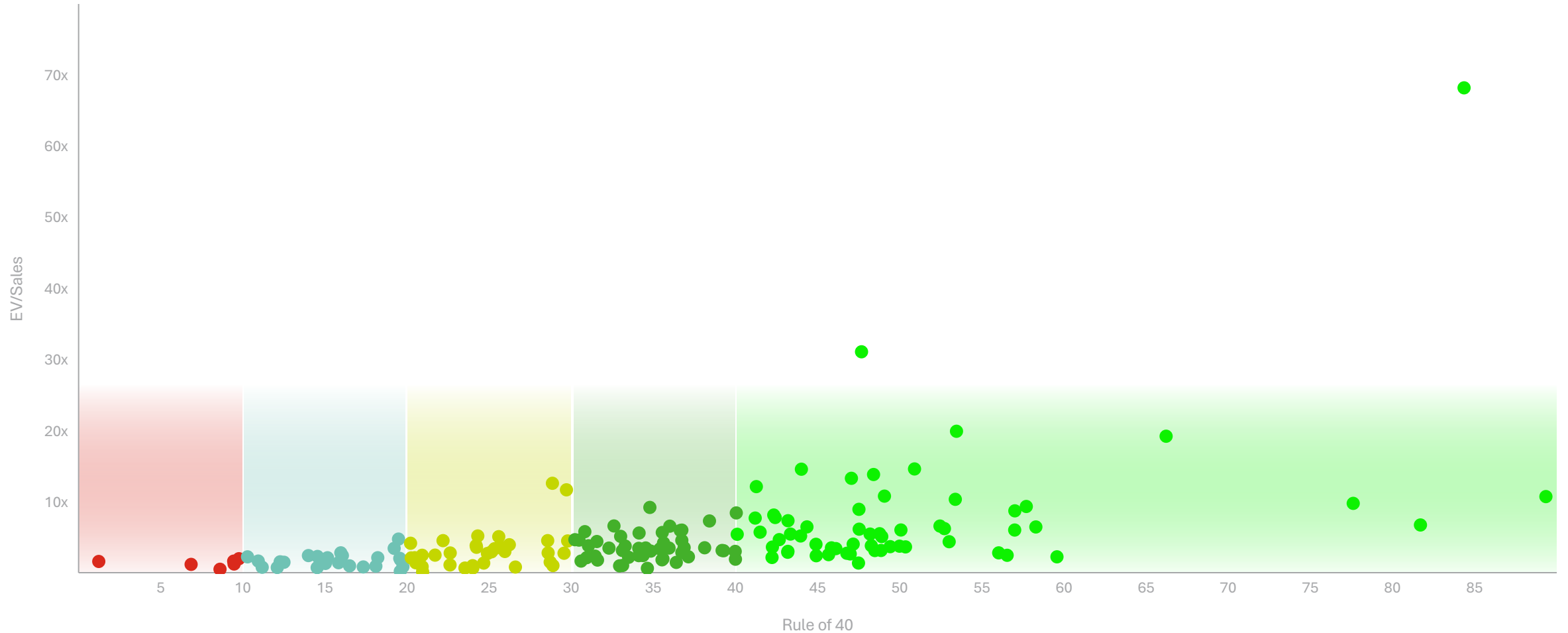
SaaS companies by geography | mega cap



Notes: LTM financial data; EUR as at 10.04.2026, Mega cap defined as above EUR 10 000m  
Sources: Deloitte, Capital IQ  
© 2026 Deloitte Advisory | M&A | Corporate Finance

# Rule of 40 vs. EV/Sales multiple correlation analysis

SaaS companies by Rule of 40 performance



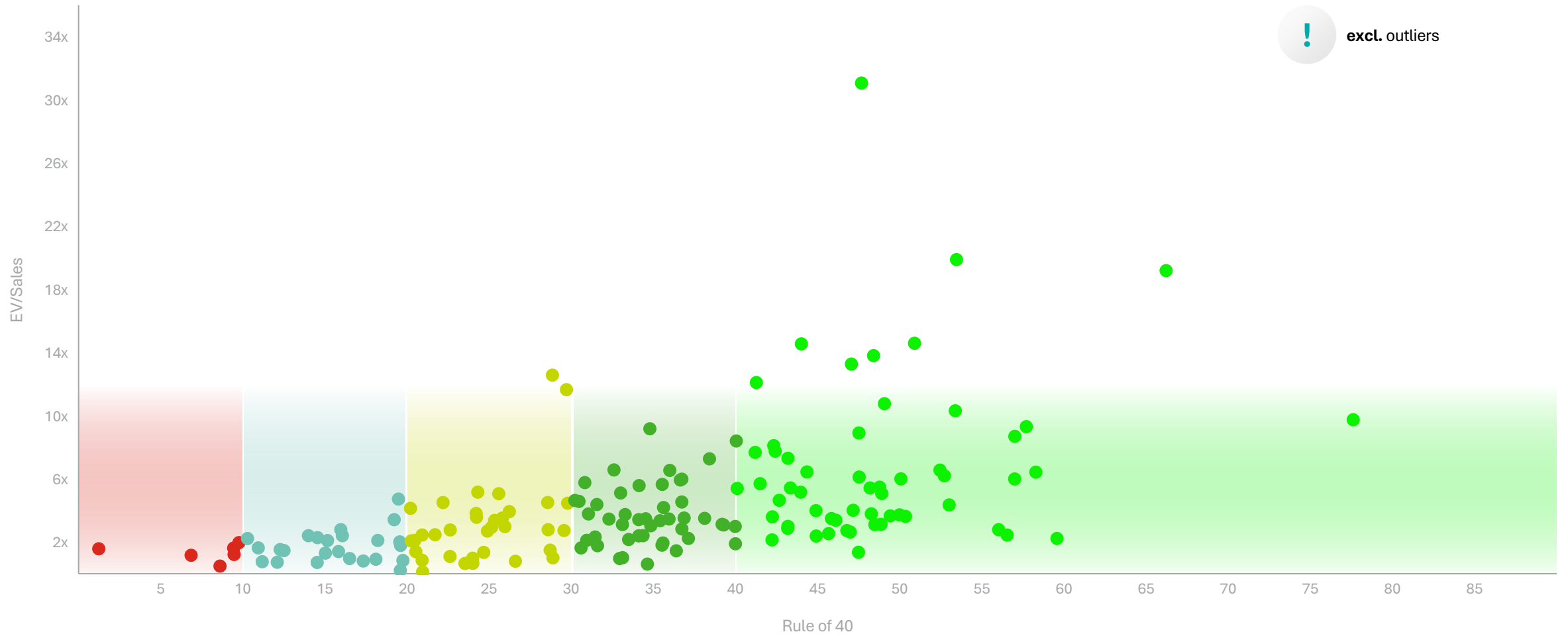
Notes: LTM financial data; EUR as at 10.04.2026  
Sources: Deloitte, Capital IQ

© 2026 Deloitte Advisory | M&A | Corporate Finance

● Underperforming (<10) ● Developing efficiency (10-20) ● Scaling (20-30) ● High quality growers (30-40) ● Best in class (>40)

# Rule of 40 vs. EV/Sales multiple correlation analysis

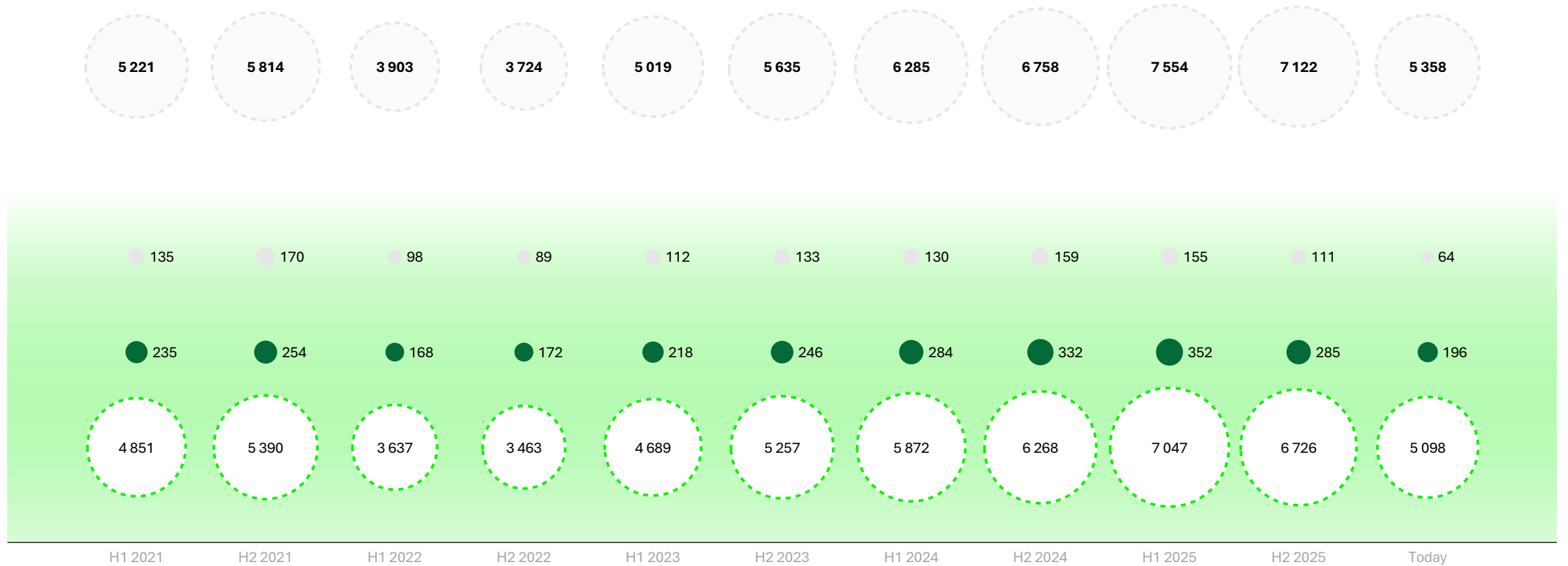
SaaS companies by Rule of 40 performance



Notes: LTM financial data; EUR as at 10.04.2026  
Sources: Deloitte, Capital IQ

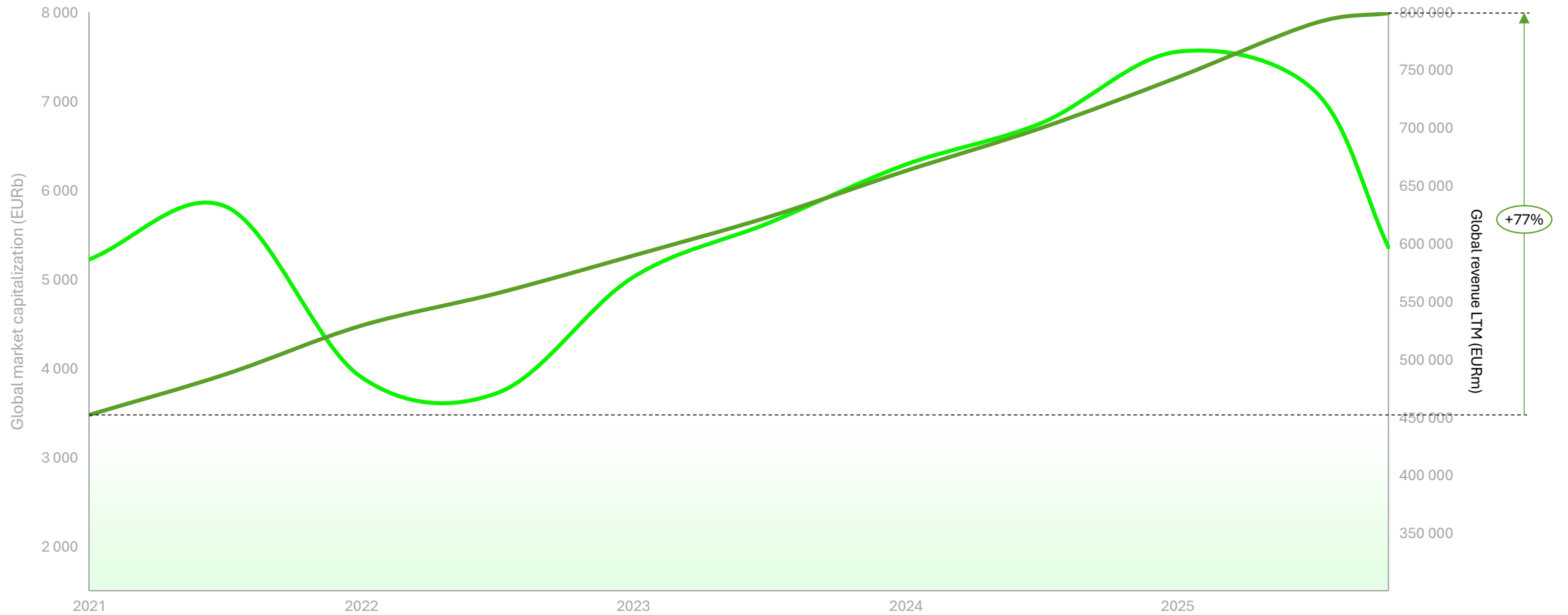
# Proprietary SaaS landscape segmented by category

Geographies by market capitalization | EURb



# 70%+ topline growth since 2021 vs. market caps normalizing back to 2021/22 highs

Global SaaS market capitalization vs. Revenue

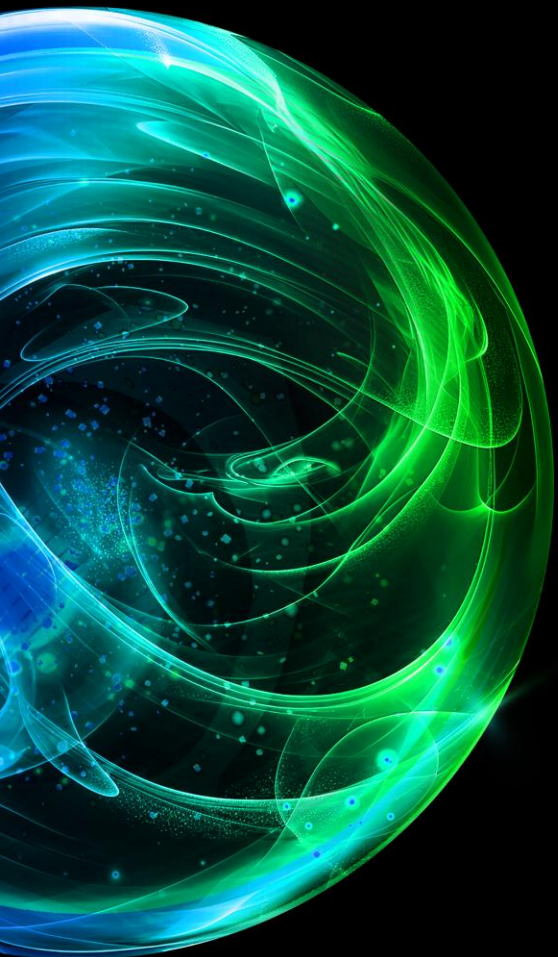


# Deloitte proprietary SaaS landscape segmented by category

Segment	Sample size	Revenue growth		Gross margin		EBITDA margin		EV/Sales		EV/EBITDA	
		2025A	2026E	2025A	2026E	2025A	2026E	2025A	2026E	2025A	2026E
Vertical applications	21	10.9%	12.5%	48.8%	65.1%	22.1%	28.2%	5.6x	3.7x	25.5x	13.2x
Customer Experience Management	19	5.2%	9.9%	52.8%	73.2%	15.3%	26.1%	3.4x	2.0x	22.3x	7.6x
Security	15	2.8%	8.1%	77.0%	77.6%	28.7%	28.5%	3.3x	2.3x	11.5x	8.2x
Fintech	13	6.2%	6.9%	51.1%	52.1%	33.9%	39.3%	4.7x	3.7x	13.7x	9.4x
ERP & Financial applications	10	15.3%	18.3%	80.1%	81.0%	25.1%	34.6%	7.6x	3.8x	30.2x	11.1x
DevOps & Workflow Automation	10	19.3%	15.6%	80.7%	82.3%	4.8%	24.0%	6.1x	2.9x	125.7x	12.0x
IT Infrastructure & Operations	9	13.2%	14.6%	76.5%	77.7%	14.1%	26.1%	5.9x	4.1x	41.8x	15.6x
Data Analytics	8	25.4%	33.4%	74.0%	77.6%	8.7%	35.8%	34.1x	17.7x	393.6x	49.5x
Communication Infrastructure	8	6.8%	7.5%	65.3%	67.8%	15.5%	28.2%	2.9x	2.5x	18.7x	9.0x
Supply Chain Management	8	19.9%	19.6%	60.4%	73.1%	24.0%	33.6%	10.2x	6.1x	42.6x	18.0x
Collaboration & Project Management	8	1.1%	4.1%	78.9%	80.5%	22.1%	34.8%	3.4x	2.3x	15.2x	6.6x
Healthtech	8	2.1%	-20.0%	52.3%	56.8%	20.7%	40.3%	8.0x	8.3x	38.7x	20.5x
Edge & Network Security	8	18.0%	17.2%	67.6%	67.5%	32.9%	39.1%	12.5x	11.7x	38.1x	30.0x
Human Capital Management	7	8.2%	7.2%	57.1%	56.6%	32.9%	34.2%	5.4x	3.8x	16.3x	11.0x
Design & Engineering Software	7	12.4%	16.6%	84.4%	87.3%	29.3%	42.2%	10.5x	7.4x	35.7x	17.6x
Broad SaaS Leaders	7	14.3%	17.1%	71.1%	70.8%	51.6%	54.1%	10.5x	6.7x	20.3x	12.4x
Payment solutions	5	6.3%	5.0%	43.9%	46.9%	19.9%	20.7%	2.3x	1.7x	11.6x	8.2x
eCommerce	3	28.6%	25.7%	49.5%	48.8%	16.1%	18.3%	16.8x	9.2x	104.4x	50.3x
<b>Summary</b>	<b>174</b>	<b>9.9%</b>	<b>12.9%</b>	<b>69.4%</b>	<b>71.2%</b>	<b>36.1%</b>	<b>40.3%</b>	<b>5.7x</b>	<b>5.1x</b>	<b>15.9x</b>	<b>12.6x</b>

Notes: Summary shows median performance across selected metrics for companies within the Deloitte SaaS database

Sources: Deloitte



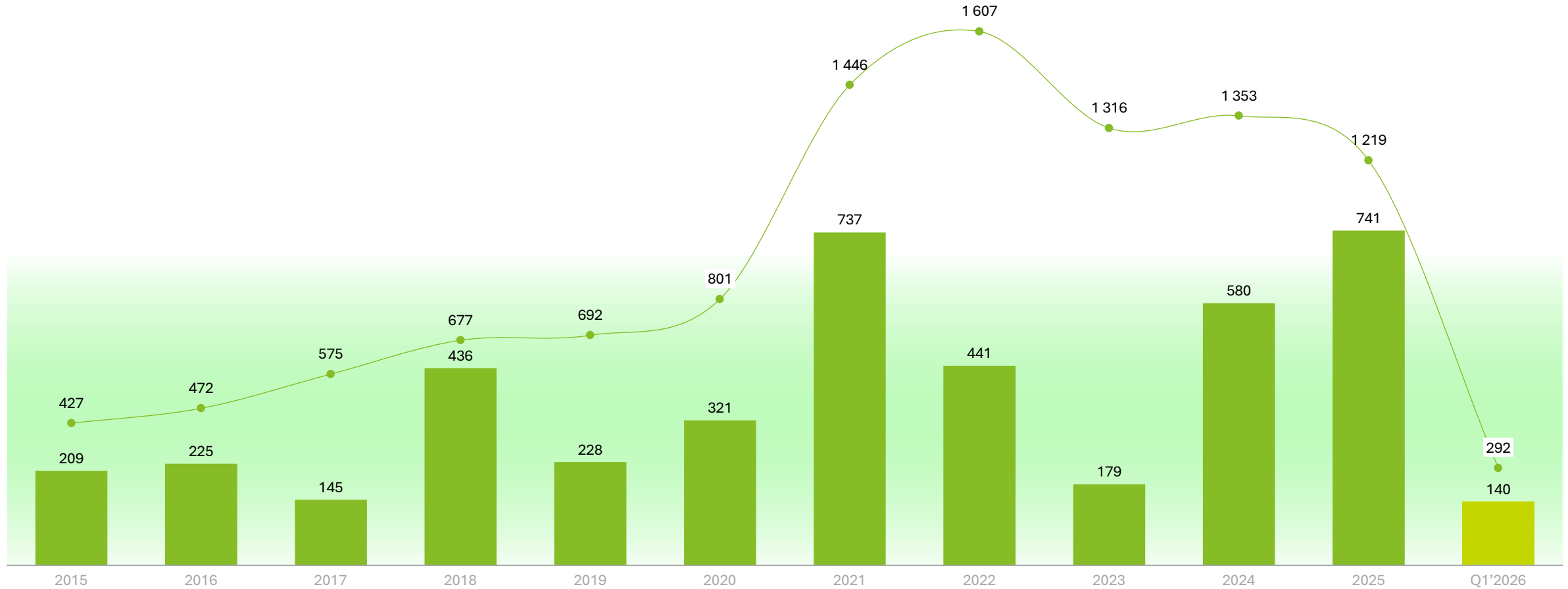
1 — Executive Summary

2 — Tech Services Market

3 — Software Market / Public  
/ Private

# Despite declining transaction volumes, total EV across disclosed deals increased significantly

## Private market deals dynamics

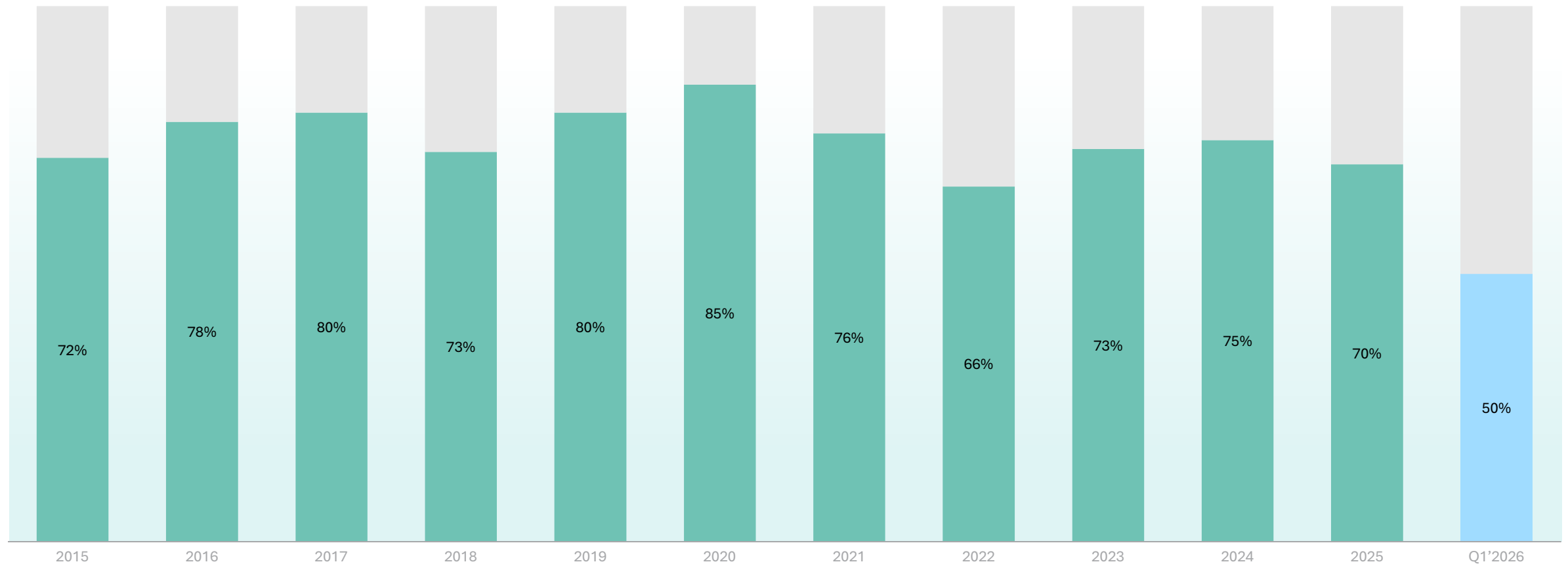


Notes: Data for the period 01.01.2015 – 31.03.2026  
 Sources: Deloitte, Mergermarket  
 © 2026 Deloitte Advisory | M&A | Corporate Finance

● Deals by year ■ Total EV (EURb)

# Among software deals with disclosed EBITDA, over 75%<sup>1</sup> involve EBITDA-positive companies

## EBITDA positive deals



Notes: Data for the period 01.01.2015 – 31.03.2026

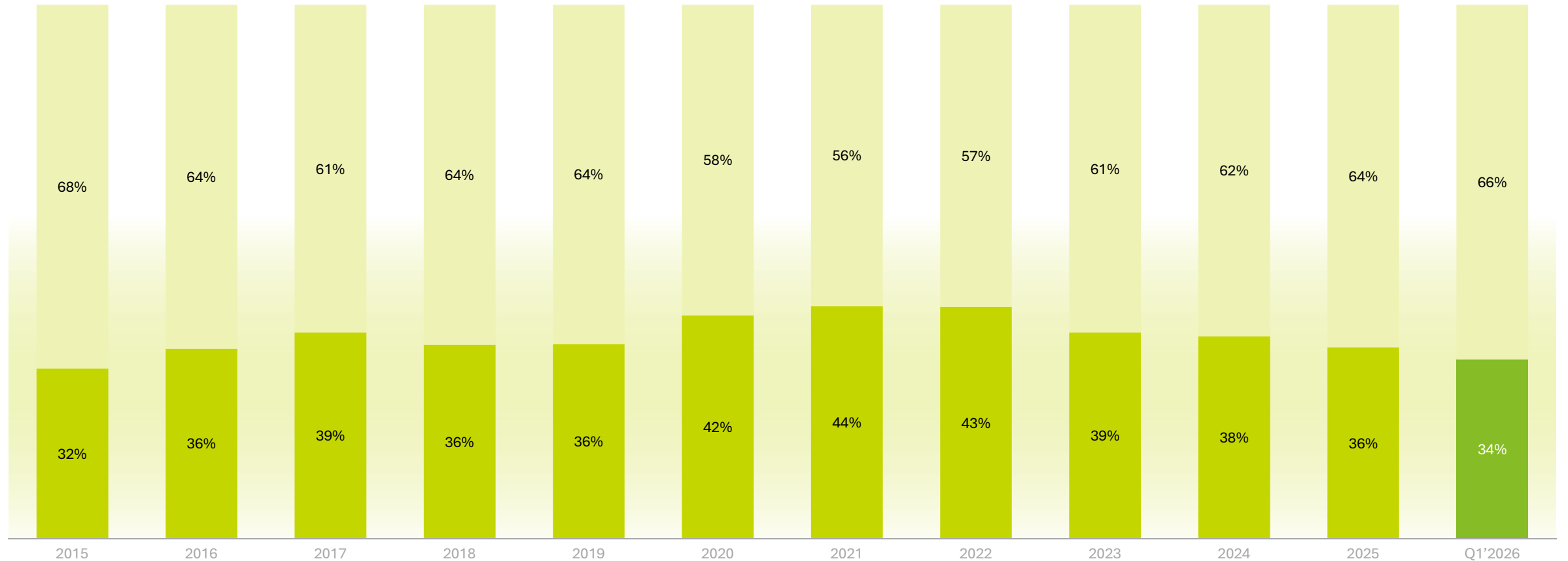
Sources: Deloitte, Mergermarket

© 2026 Deloitte Advisory | M&A | Corporate Finance

EBITDA positive deals

# Over the years, most software acquirers have been strategic investors

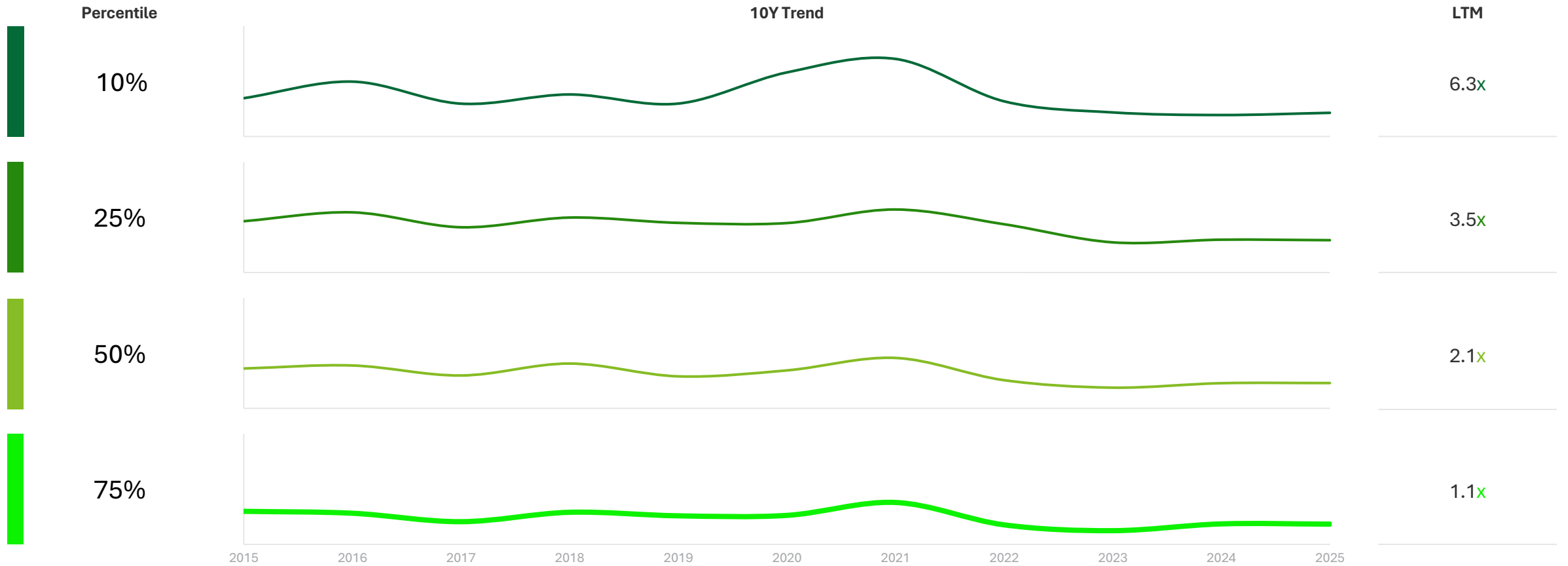
Breakdown of deals by investor type



Notes: Data for the period 01.01.2015 – 31.03.2026  
Sources: Deloitte, Mergermarket  
© 2026 Deloitte Advisory | M&A | Corporate Finance

# Overview of valuation trends in the private SaaS market

## Valuation trends (EV/Sales)



Notes: LTM defined as 04.2025 – 03.2026 and excluding outliers; Data as at 31.03.2026

Sources: Deloitte, Mergermarket

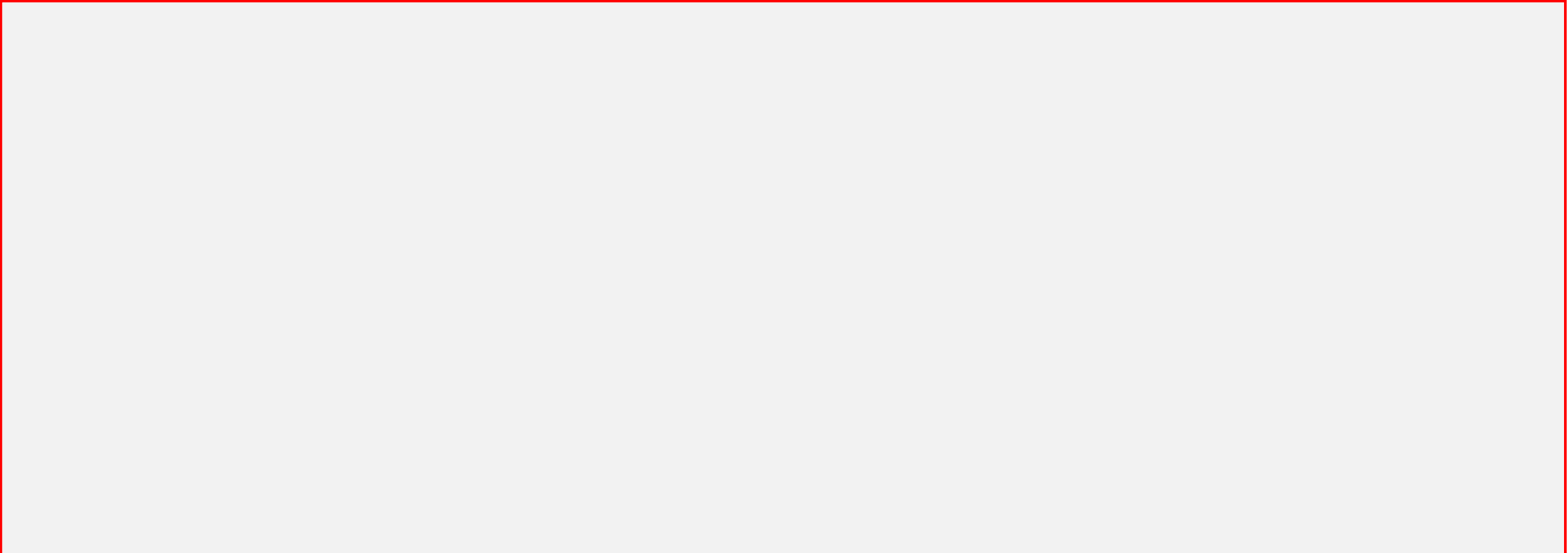
# Most active strategic buyers of SaaS

Buyer	Count	SaaS Targets

**Deloitte.**

Detail and underlying analysis available upon request, please contact Deloitte M&A Corporate Finance team

# Most active financial buyers of SaaS

Buyer	Count	SaaS Targets
		

**Deloitte.**

Detail and underlying analysis available upon request, please contact Deloitte M&A Corporate Finance team

## Contact details

---

**M&A Corporate Finance | Technology**

**Mateusz Pacholik**

E: [mpacholik@deloittece.com](mailto:mpacholik@deloittece.com)

**Mateusz Zięba**

E: [mzieba@deloittece.com](mailto:mzieba@deloittece.com)

**Business Development | M&A**

**Bartosz Sawulski**

E: [bsawulski@deloittece.com](mailto:bsawulski@deloittece.com)

