



SOFTWARE M&A REPORT | Q4 2025 EDITION

Momentum builds in software M&A as
deal values and volumes rebound

Welcome to the latest edition of Silverpeak's Software M&A report

This quarter's analysis examines European and North American deal activity, drawing on more than 28,000 transactions from Capital IQ and Pitchbook.

Our comprehensive dataset captures both disclosed and undisclosed transactions across all deal sizes. This robust foundation enables us to identify meaningful trends in buyer activity, valuation dynamics, and cross-border deal flow within the software sector.

Editorial team

For further discussion or sector insight, please contact:

Pietro Strada
ps@silverpeakib.com

Dominic Taurins
dt@silverpeakib.com

Joseph Walker
jwa@silverpeakib.com

Quarterly key findings

Software M&A momentum strengthened in 2025, with deal values and median deal sizes reaching three-year highs. Strategics were the most active buyers in large-cap deals, PE drove mid-market activity, and European buyers gained share across deal count and value in their own continent.

- **Median deal values have more than tripled since 2022** - rising from \$40m to a three-year high of \$129m in 2025 as the software sector matures and companies continue to scale.
- **A healthy dealmaking environment was evident across all size segments** - with sustained activity in both the large-cap and mid-market deals. 2025 marked the strongest year since 2022, with cumulative deal value reaching \$362bn.
- **Strategic buyers were most active in the largest transactions** - leading the market by deal value and accounting for 11 of the 15 \$1b+ deals in Q4 25, while PE continued to be the engine of mid-market activity.
- **European buyers have become increasingly active over recent months** - with both their share of total deal count and deal value rising by more than 10% relative to North American counterparts in recent months.

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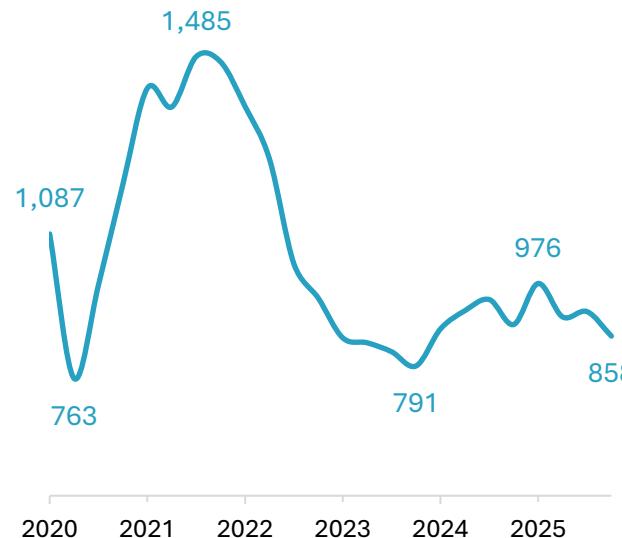
Software remains the most active and resilient sector in tech M&A globally. 2025 marked a renewed acceleration in deal activity, with total value reaching a three-year high and sustained interest from both private equity and strategic acquirers.

PIETRO STRADA
MANAGING PARTNER,
SILVERPEAK



Software M&A momentum builds as deal count stabilises and median valuations accelerate through 2025

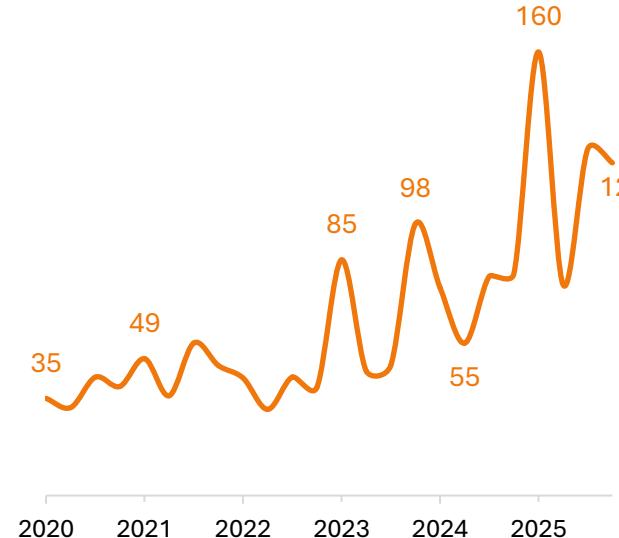
QUARTERLY TOTAL DEAL COUNT stabilises following post-COVID normalisation



Source: CapIQ, Pitchbook.

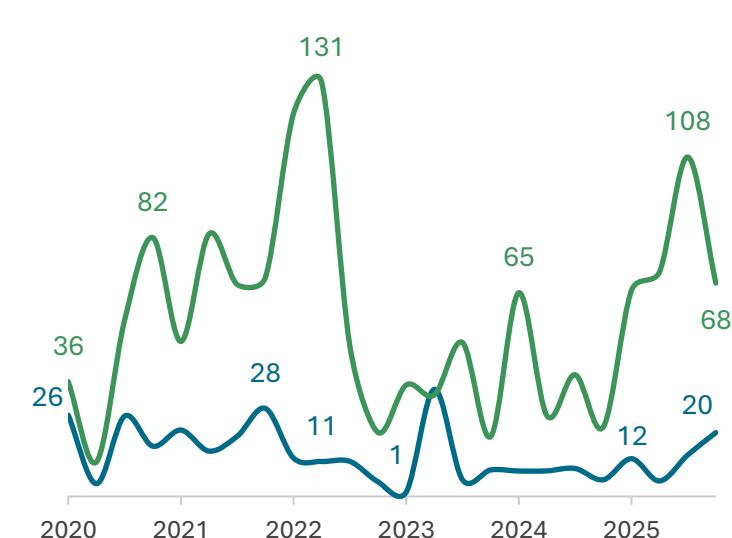
Notes: a) Only deals greater than \$5m shown. b) \$ values shown are implied EV. c) Data as of 9 January 2026.

QUARTERLY MEDIAN DEAL VALUE (\$m) trends higher, driven by large-cap deals



Median software M&A deal value has increased materially, more than doubling since 2022, as buyers prioritise higher-quality, scalable assets.

QUARTERLY CUMULATIVE DEAL VALUE (\$b) in Europe is up, and North America is down

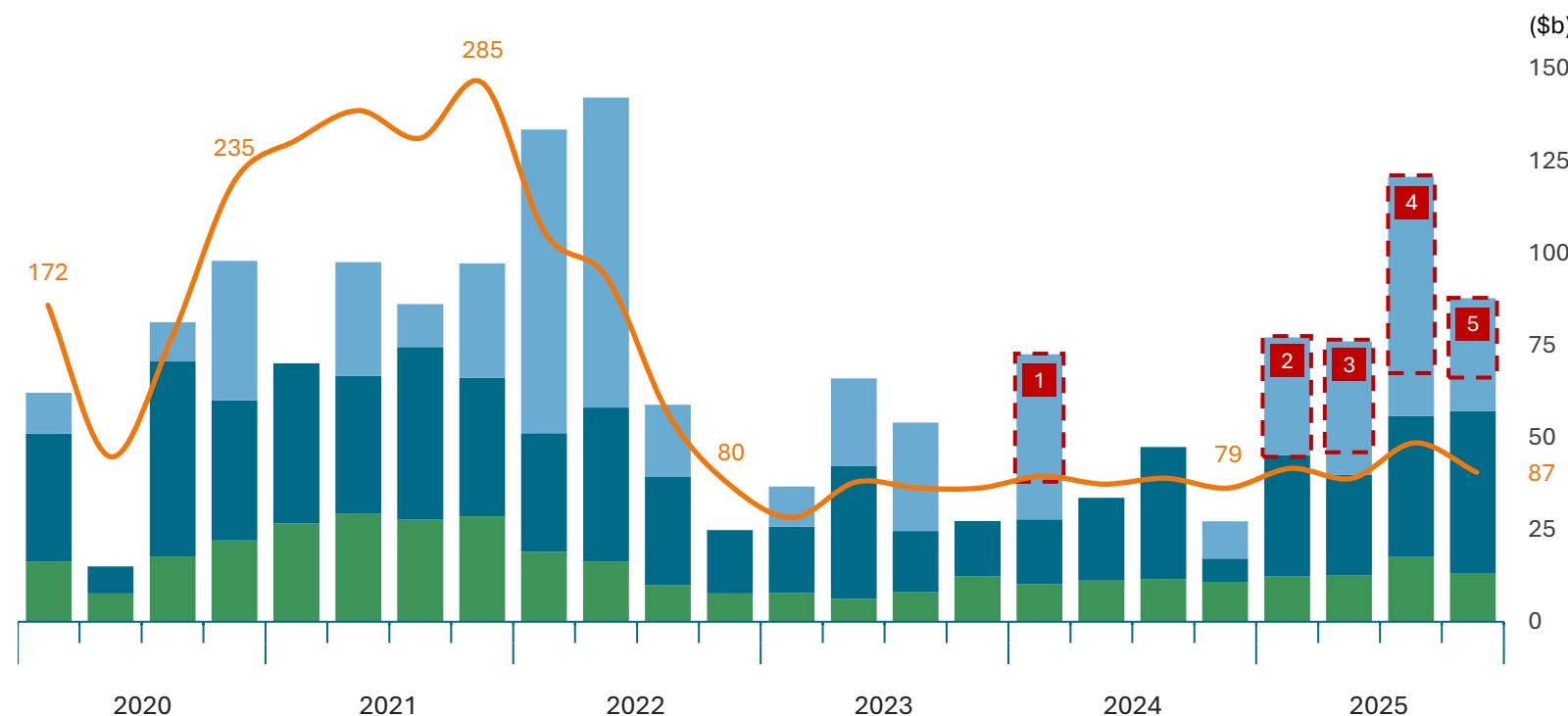


European deal value shows upward momentum, supported by increased mega-deals activity, as North American activity eases from recent Q3 2025 highs.

Software M&A total deal value continues to rise, across all size segments, in particular driven by mega-deals relative to 2024

M&A DEAL VALUE BY SIZE

Under \$1b between \$1b and \$10b over \$10b total disclosed deal count



Source: CapIQ, Pitchbook.

Notes: a) Only deals greater than \$5m shown. b) \$ values shown are implied EV. c) Data as of 9 January 2026.

Software M&A total deal values have increased sharply in 2025 compared with 2023 and 2024, driven by a strong appetite for mega deals. This has occurred despite the total disclosed deal count remaining broadly stable, having plateaued from its 2022 peak.

Larger platform acquisitions continue to underpin total disclosed deal value, highlighted by acquisitions such as Electronic Arts, Dayforce, and Groq in 2025.

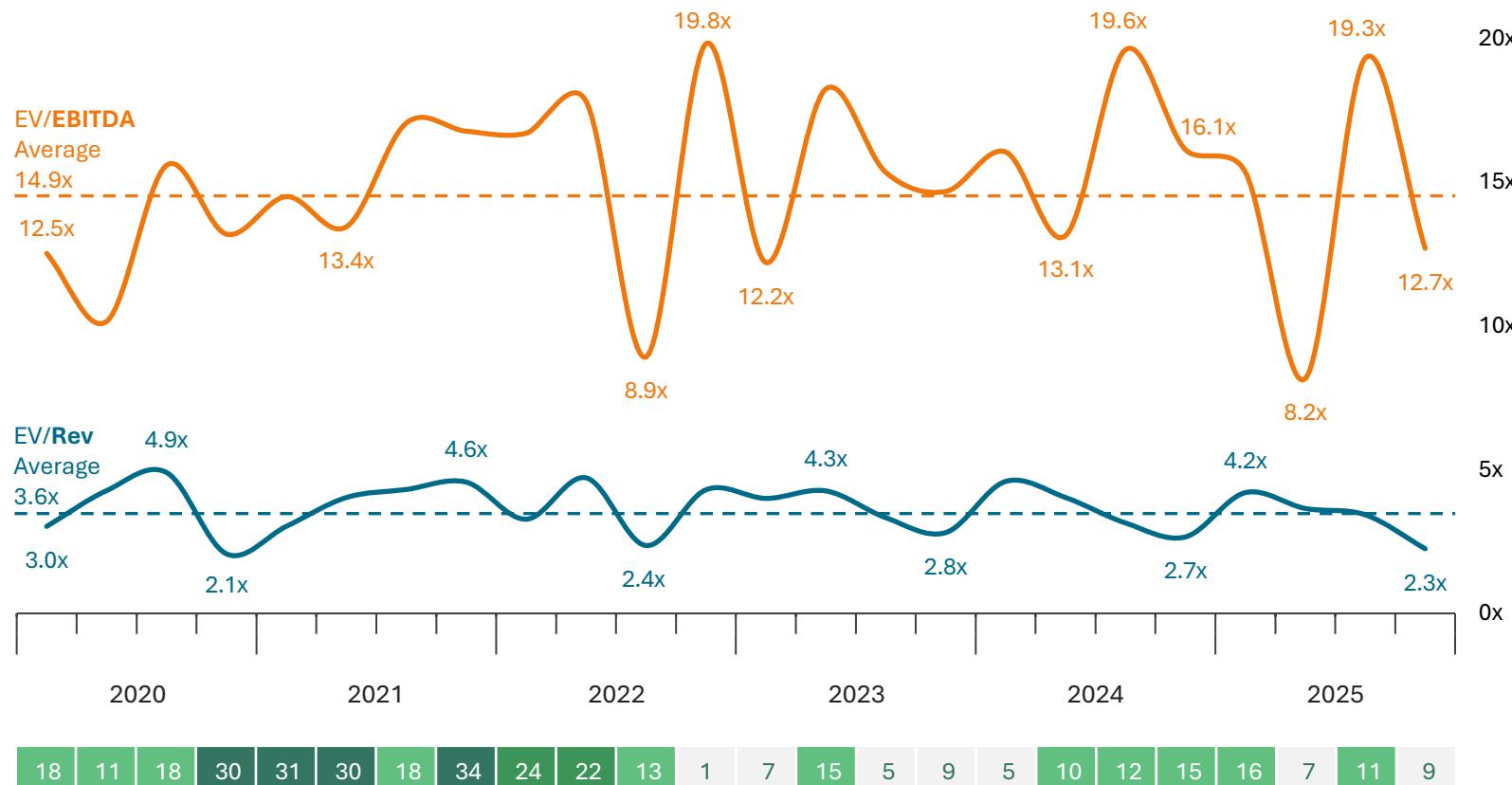
MEGA DEALS (TARGET | ACQUIRER)

1	\$33b	Ansys	SYNOPSYS [®]
2	\$32b	WIZ [®]	Google
3	\$24b	worldpay	globalpayments
4	\$53b	EA	PIF
5	\$20b	Groq	NVIDIA

Median valuation multiples have declined but remain within the historical band

MEDIAN VALUATION MULTIPLES FOR M&A DEALS [WHERE BOTH EV/REVENUE AND EV/EBITDA ARE DISCLOSED]

EV/EBITDA multiples EV/Revenue multiples Number of deals with disclosed multiples



Source: CapIQ, Pitchbook.

Notes: a) Only deals greater than \$5m shown. b) Only deals with an EV/EBITDA multiples <58x shown here. c) Data as of 9 January 2026.

EV/EBITDA multiples have compressed but remain within the historical 12–17x band, declining by 3.4x year-on-year, reflecting increased pricing discipline among buyers.

EV/Revenue multiples have also fallen but remain within the historical 2–4x band, down 0.4x year-on-year. This points to a more selective valuation environment, where multiples remain more sensitive to macro conditions and investor sentiment.

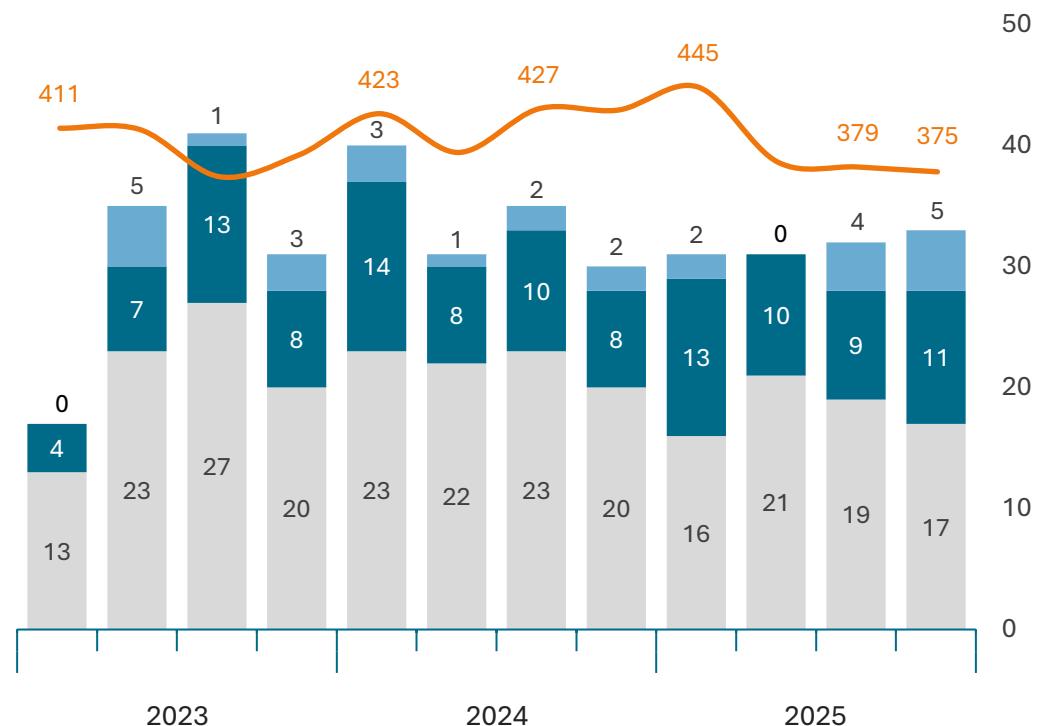
It is important to note, however, that this analysis is based on a confined dataset with a limited number of data points.

Increased buyer selectivity is accelerating the repricing of software valuations

European software M&A activity remains stable as European buyers increase their share of total value and count of European targets

NUMBER OF EUROPEAN DISCLOSED M&A DEALS

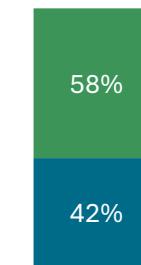
Under \$100m over \$100m over \$1b Total undisclosed deal count



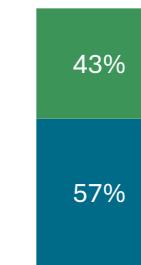
BUYERS OF EUROPEAN TARGETS BY HQ LOCATION

BY VALUE

LAST 2 YEARS



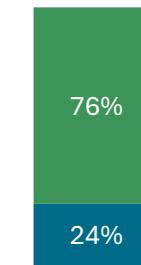
LAST 3 MONTHS



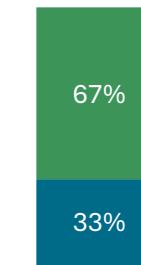
North American
European

BY DEAL COUNT

LAST 2 YEARS



LAST 3 MONTHS



North American
European

European software M&A activity remains stable, with quarterly deal volumes broadly consistent. This stability is supported by continued \$1b+ transaction activity, despite a decline in sub-\$1b deals in recent quarters.

Buyers of European targets are shifting by both value and deal count. European buyers have increased their share of deal count and value in the last three months, compared to the last two years.

However, North American buyers continue to dominate by deal count, highlighting a growing divergence between value and volume in European software M&A.

Strategic buyers of premium assets dominated \$1b+ software M&A activity in Q4 2025

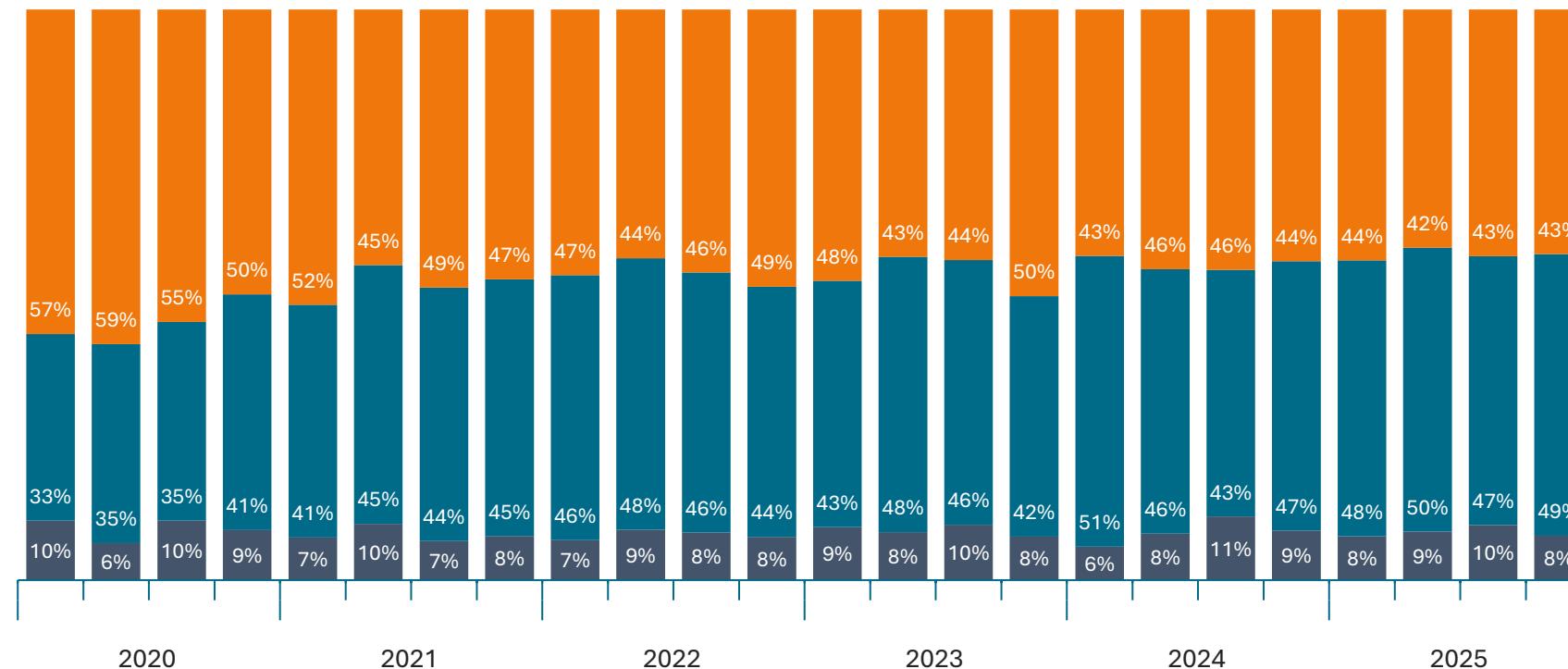
M&A TRANSACTIONS EXCEEDING \$1B IN Q4 2025

EV SIZE	EV/REV	EV/EBITDA	TARGET	HQ	SECTOR	ACQUIRER	TYPE	HQ
\$20.0b	40.0x	NA	 groq		AI acceleration software	 NVIDIA	STRATEGIC	
\$10.7b	9.6x	NA	 Confluent		Data streaming software	 IBM	STRATEGIC	
\$7.8b	NA	NA	 ARMIS		Cybersecurity software	 ServiceNow	STRATEGIC	
\$6.8b	NA	NA	 Forsta		Customer experience software	 Qualtrics	PE-BACKED	
\$5.4b	NA	NA	 tipico		Sports betting software	 Betclic	STRATEGIC	
\$5.4b	NA	NA	 ABB Robotics division		Industrial automation software	 SoftBank Group	STRATEGIC	
\$3.4b	NA	NA	 chronosphere		Cloud observability software	 Palo Alto Networks	STRATEGIC	
\$3.0b	NA	NA	 nDreams		Virtual reality software	 KPI IT	STRATEGIC	
\$2.7b	2.3x	13.4x	 CSG		Customer engagement software	 NEC	STRATEGIC	
\$2.2b	3.2x	45.4x	 jamf		Device management software	FRANCISCO PARTNERS	PE	
\$1.7b	NA	NA	 securiti		Data privacy software	 Veeam	PE-BACKED	
\$1.7b	4.0x	132.5x	 SEMRUSH		Digital marketing software	 Adobe	STRATEGIC	
\$1.7b	2.3x	12.0x	 allfunds		Wealth management software	 Deutsche Börse Group	STRATEGIC	
\$1.3b	NA	NA	 GoCardless		Payment processing software	 mollie	STRATEGIC	
\$1.1b	NA	NA	 greendot bank Non-banking operations		Embedded finance software	 Smith Ventures	PE	

PE and PE-backed acquirers continue to have the majority share of total deal count

SHARE OF DEAL COUNT BY BUYER TYPE

PE PE-backed Strategic



Source: CapIQ

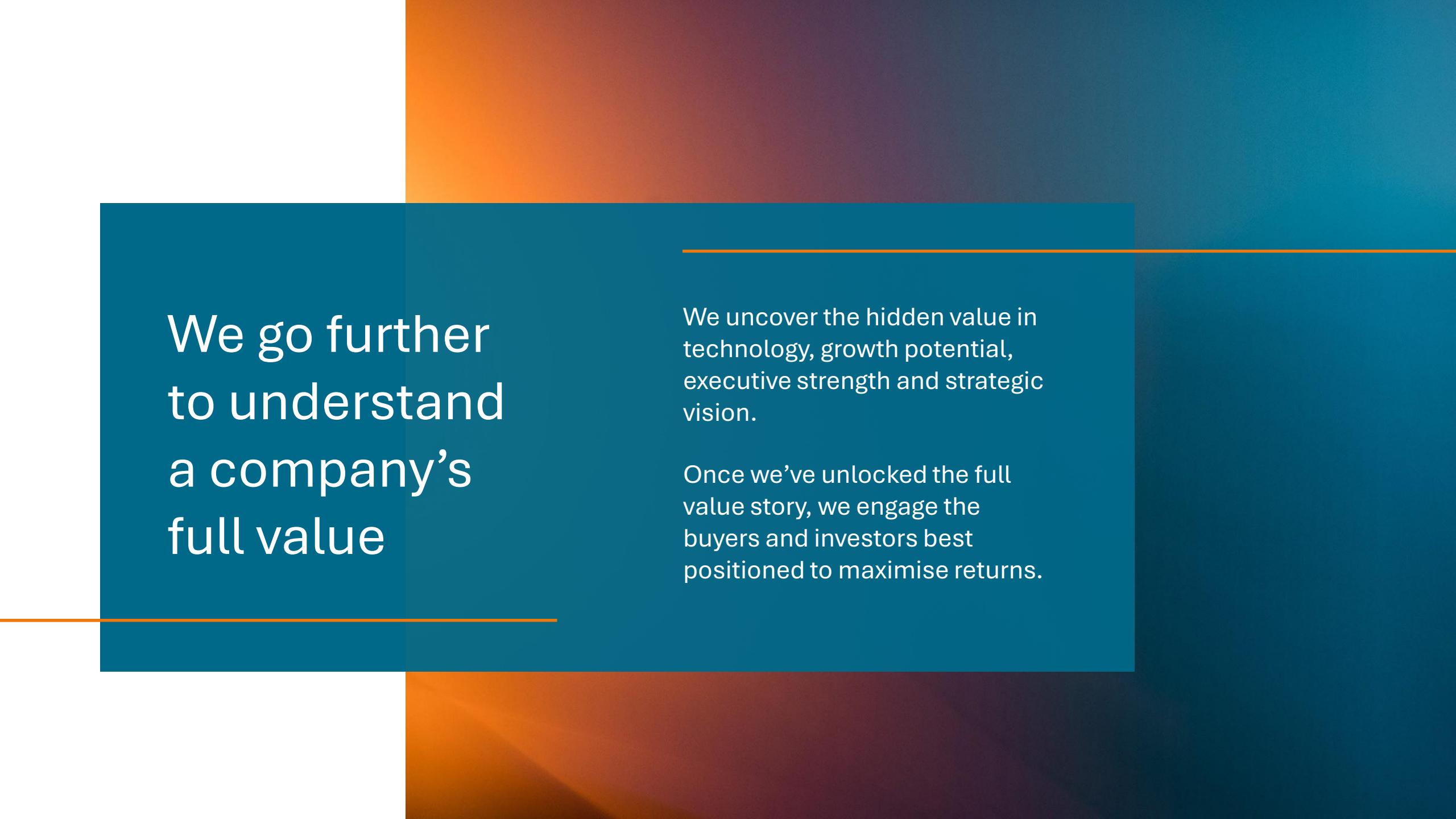
Notes: a) Smaller data set of over 15,000 transactions from CapIQ used – no minimum deal size. b) Data as of 9 January 2026.

PE and PE-backed buyers maintained a majority share of software M&A activity in 2025, accounting for 55% of total deal count – marking their highest share on record.

While PE and their portfolio companies continue to dominate the share of total deal count, strategic buyers remain highly active in transactions exceeding \$1bn. This underscores sustained appetite for premium, strategically aligned assets, even as strategics' share of total deals continues to fall.

About Silverpeak





We go further to understand a company's full value

We uncover the hidden value in technology, growth potential, executive strength and strategic vision.

Once we've unlocked the full value story, we engage the buyers and investors best positioned to maximise returns.



€30-300m

M&A transactions

€15-150m

Growth financing

Silverpeak is a boutique investment bank specialising in M&A and financing for technology growth companies

With experience of over 400 deals, our team understands what makes tech businesses valuable, connecting them with the right buyers and investors globally.

25+

team concentrated in a single office

400+

completed deal experience

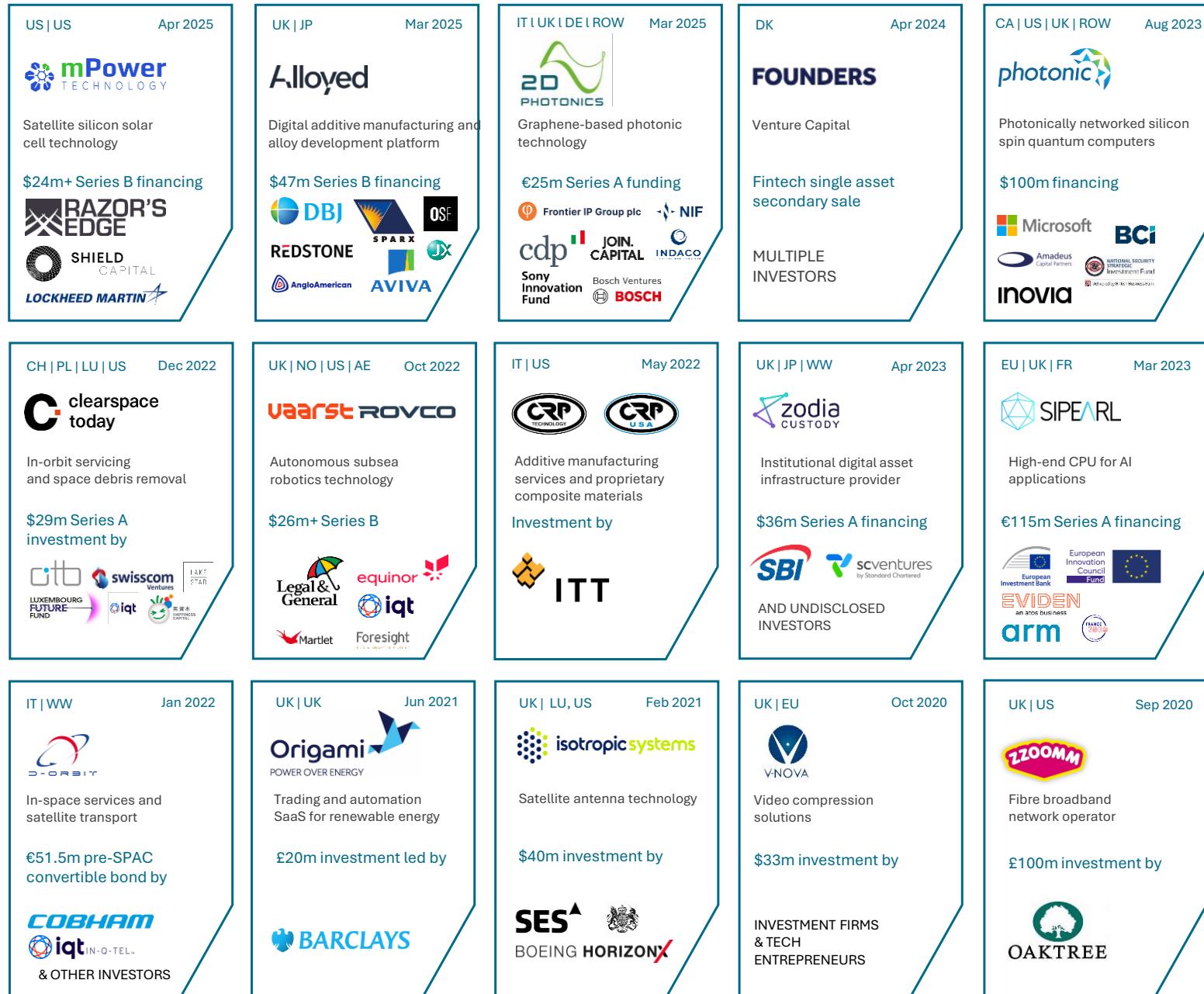
60%+

transactions with North American counterparties in the last 3 years

M&A success across Europe and North America

UK UK myHappymind Digital mental health solutions for schools Minority investment from LDC	Dec 2025	AU DE BlueOcean MARINE TECH SYSTEMS Autonomous underwater vehicles (AUVs) for C4ISR Sale to Helsing	UK AU US rotageek Intelligent workforce management platform Sale to ELMO KI Management	UK UK ScreenCloud Global leader in digital signage software Sale to TENZING	CH US IDQ FROM VISION TO TECHNOLOGY Quantum secure networking Sale to IONQ
AUT AUT JICO Technology GmbH Quartz, silicon, and ceramic for semiconductors Majority sale to Wietersdorfer	Oct 2024	UK UAE SHIPSERV Maritime e-procurement platform Sale to marcura BACKED BY MARLIN EQUITY PARTNERS	AU DE camplify Travel P2P marketplace €30m acquisition of PaulCamper MARKET LEADER IN GERMANY	UK US AVVIO Hotel technology platform driving direct bookings Sale to SHR BACKED BY Serent CAPITAL	UK NO CYBEROWL Maritime software company Sale to DNV
BG IE US GemSeek Data science & analytics provider for CX transformation Sale to accenture	Mar 2024	UK UK worksmart Regtech SaaS solution Sale to Davies	UK UK cloudtrade Data extraction & document automation SaaS ML platform Sale to advanced People. Partnership. Solutions.	NO CA Safran Project management and risk analysis software Sale to JDM Technology Group	NL US LOGINVSI Application testing software Majority sale to WAVECREST GROWTH PARTNERS
	Mar 2022				

Growth financing across software, deeptech and digital services



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Silverpeak's global reach and deep sector expertise were invaluable in securing high-quality strategic investors. Their guidance helped us articulate our equity story to a sophisticated investor base, and we're grateful for their support in navigating this milestone transaction.

KEVIN HELL, PRESIDENT & CEO, MPOWER TECHNOLOGY



SILVERPEAK

Silverpeak LLP
123 Victoria Street,
London, SW1E 6DE, UK

+44 (0) 20 7529 5400
london@silverpeakib.com
silverpeakib.com

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