

Delve into the latest TMT M&A: global trends, AI incidents and impact, and the road ahead

SPOT ON | TMT | Q3 2026

EXECUTIVE SUMMARY

October 2026 – Global technology, media and telecommunications (TMT) M&A became more selective in the third quarter, as deal volumes eased across North America, Europe and Latin America while activity strengthened in Asia Pacific. Strategic acquirors remain active and cross-border transactions continue to support consolidation. AI is increasingly shaping what buyers pursue and how they assess value, with proprietary data and technology embedded in customers' workflows drawing particular interest.

Regional developments reveal different priorities. North American buyers are seeking the infrastructure and capabilities needed to deploy AI at scale. In Europe, application software lost ground as IT services proved more resilient. Latin American software consolidators continued to acquire founder-owned businesses, while telecom accounted for the largest transactions. In Asia Pacific, IT services and industry-specific software led a broader increase in activity.

This issue also explores the opportunities emerging within healthcare tech, agritech and sports technology, where measurable customer benefits and access to proprietary data help strengthen acquisition cases. IT services valuations showed early signs of recovery as enterprises sought support with AI implementation and integration. Our cybersecurity focus examines how AI agent risks are influencing acquisition priorities and demand for identity management and managed security. For owners considering a transaction, the common priority is to demonstrate why their business matters to customers and how it could strengthen a buyer's offering. See our range of TMT webinars [here](#).

REGIONAL OVERVIEW

Explore the current drivers in TMT

Our experts explore the key recent sector developments across the world from North America to APAC, LatAm and Europe

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IN FOCUS

Spotlight on specific markets

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Assessing the risks

With a growing number of AI agent breaches, the question of cybersecurity is front of mind for many businesses right now

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Deal drivers by region



JOANNA STONE

Co-Head, Global TMT Team
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Joanna is a partner at Oaklins DeSilva+Phillips in New York. She has worked in the broader digital media and information industry for over 20 years and has served in executive roles at Reed Elsevier, Thomson Reuters, Dow Jones, Time Warner and Accenture's media & entertainment practice. More recently, she was co-founder and CEO of Librify, the exclusive e-book provider for Target, which was sold to Scribd. Joanna has worked on dozens of transactions on both the sell-side and buy-side. Select notable transactions include representing Sling in its sale to Toast, representing Workman Publishing in its sale to Hachette and supporting the acquisition of Netmaster Holdings Limited (CaseLines) by Thomson Reuters Corporation.

NORTH AMERICA

After two years of elevated activity, North American TMT M&A volume continues to settle at more sustainable levels, with deal count moderating through 2025 and the first three quarters of 2026 amid increasing buyer selectivity. Even so, the underlying market remains healthy. AI has moved from being one driver among many to being the largest influence shaping what buyers pursue, how they structure deals and how they value software. Both strategic acquirors and private equity remain active, supported by strong corporate balance sheets and access to private credit. The North America region continues to anchor global cross-border activity.

Key market trends include:

- **TMT deal volume is stabilizing:** After an exceptionally active 2025, North American TMT M&A volume has continued to normalize. Deal count has moved from 565 in Q2 2026 to 393 in Q3, a decrease of 30.4% quarter on quarter. The slowdown reflects a more selective, sustainable pace after two unusually buoyant years rather than a retreat from the market as AI continues to drive demand for innovation. As is typical, deal counts for the most recent quarters tend to revise upward. These numbers also do not include many smaller tuck-in acquisitions.
- **AI deals are moving from capabilities to control points:** The first wave of AI M&A was about acquiring talent and technology. The current wave is about

securing position across the full stack: compute, data, power, networks and distribution. Because the leading AI assets are increasingly too large or strategically sensitive to buy outright, companies are pursuing access through partnerships, minority stakes, commercial agreements and long-term capacity commitments rather than control acquisitions. Where buyers are acquiring, the focus is increasingly on the less visible infrastructure that makes AI work at scale. AI demand continues to pull M&A beyond technology into healthcare, energy, defense, manufacturing and other industries.

- **Software is being repriced for the AI era:** Software M&A continues, but the bar has risen sharply. Buyers and lenders are now asking whether a target's model is built on, can withstand or is vulnerable to AI, particularly where pricing depends on seat growth and workflows can be automated by AI agents. Assets with proprietary data, embedded workflows and high switching costs continue to command strong interest; those without them face valuation pressure and harder financing.
- **Media consolidation returns at scale:** Media has re-emerged as a major source of large-cap activity, driven by the pursuit of scale, premium IP and advertising reach. Paramount Skydance's acquisition of Warner Bros. Discovery at a US\$110 billion EV and Fox's announced US\$22 billion acquisition of Roku underscore how

content libraries, connected-TV distribution and audience data are being revalued. In the USA, media and entertainment year-on-year deal value more than tripled from June through August. With the November release of 'Grand Theft Auto VI' expected to reset expectations for engagement and monetization, we anticipate further moves across gaming, adtech and creator tools.

- **Private equity is rotating not retreating, and divestitures are feeding supply:** Sponsors remain a major force, but capital is shifting toward the layers that help enterprises

implement AI, including IT services, semiconductors, data infrastructure and targeted tuck-ins, and away from software exposed to disruption. Deep private credit markets are helping buyers fund platform expansion and consolidation, while continuation vehicles and other alternative liquidity tools remain important as exit markets stay constrained. At the same time, corporate divestitures and spin-offs continue to expand the supply of high-quality carveout assets within TMT, supporting both sponsor-led buy-and-build and strategic consolidation.

- **International appetite for North American tech assets remains strong:** The Americas remain the largest engine of global cross-border M&A, recording the highest net inflow of any region in McKinsey's most recent full-year data, for 2025: +US\$149 billion, up around 70% on 2024. This is an all-sector, Americas-wide figure rather than TMT-specific, but it reinforces that international buyers continue to see North American technology assets as attractive.

M&A activity by quarter (in US\$bn)



Sources: PitchBook Data, Inc., McKinsey & Company (2026), Forbes (2026), PwC (2026); Rockstar Games (2025), S&P Global Market Intelligence (2026) and Oaklins Analysis.

“TMT M&A in North America remains strong with no shortage of buyers or capital. It is focused on assets that meet a new, higher bar. Carveouts and sponsor exits are expanding supply, and the companies with defensible data, clear AI positioning and clean financials are getting premium outcomes. Quality is setting the price.”

JOANNA STONE

CO-HEAD, GLOBAL TMT TEAM, OAKLINS DESILVA+PHILLIPS

EUROPE

**JAN P. HATJE**

Co-Head, Global TMT Team
Hamburg, Germany

Jan is managing partner at Oaklins Germany and co-heads its TMT team. With more than 20 years of M&A experience, he specializes in the TMT (software and services), business support services and financial services sectors. Notable transactions he has advised on include the sale of Hidoc Technologies (Cara Care), a digital health application provider, to Mahana Therapeutics Inc.; the acquisition of Optano, a leading provider of AI-based operational solutions, by A.T. Kearney; and the sale of IT-Seal GmbH, a provider of cybersecurity solutions, to Hornetsecurity GmbH.

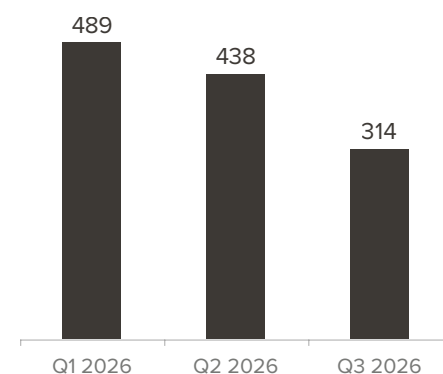
European technology M&A slowed in Q3 2026. Deal activity shows 314 completed IT transactions, down 28% quarter on quarter and 36% year on

year. What's more, overall activity in the first nine months was 19% below the same period in 2025. The buyer mix nevertheless remained broadly stable: strategic acquirors accounted for 88% of transactions, and cross-border deals for 56%. The most notable change was in the sector mix, with application software losing share while IT services and systems software proved comparatively resilient.

Key market trends include:

- **Deal volume normalizing:** After the strong peak between 2022 and 2024, deal count in 2026 fell from 489 in Q1 to 438 in Q2 and 314 in Q3. The nine-month total shows 1,241 transactions versus 1,540 a year earlier. The market remains selective, with a concentration on high-quality assets and very disciplined buyers. While we expect a strong fourth quarter, the unstable wider economic situation is also reflected in the M&A markets.
- **Strategic buyers remain the main consolidators:** Strategic acquirors completed 276 transactions in Q3, compared with 390 in Q2; financial buyers completed 38, down from 48. Strategic buyers therefore retained an 88% share, versus 89% in Q2. Financial buyers declined less sharply in absolute terms, lifting their share slightly to 12%. The slowdown affected both groups rather than reflecting a pronounced shift in buyer composition. Volaris Group and Main Capital Partners each recorded three Q3 acquisitions, illustrating continued consolidation activity by financial buyers.

- **Cross-border activity holds its share:** Cross-border transactions fell from 248 in Q2 to 176 in Q3, but their share remained broadly unchanged at 56%, compared with 57% in Q2. However, it was notably below the 62% recorded in Q3 2025. The appetite of international buyers continues to support overall deal activity.
- **Application software no longer outperforms:** Application software remained the largest category, but transactions fell from 205 in Q2 to 115 in Q3, a 44% decline. Its share of overall deals dropped from 47% to 37%. IT consulting and other services declined by only 12%, to 100 deals, increasing their share from 26% to 32%. Systems software rose from 27 to 29 deals. For software owners, the strategic question remains how to demonstrate defensible data, deep workflow integration and resilience to AI-native competition.

IT transaction overview in Europe

Source: CapitalIQ as of 02.10.2026

“The third quarter was not simply a continuation of the previous period: the buyer mix has held steady, but application software has lost ground within a smaller market. For owners considering a transaction, the priority is to make the investment case tangible — through mission-critical workflows, defensible data and a credible response to AI disruption.”

JAN P. HATJE
CO-HEAD, GLOBAL TMT TEAM, OAKLINS

LATIN AMERICA

**TARCISIO BORGES**

Partner
São Paulo, Brazil

Tarcisio is a partner at Oaklins Olimpia Partners in Brazil. He is also the co-head of Olimpia Tech, a division at Oaklins Olimpia Partners exclusively focused on the technology and innovation space. Tarcisio has over 17 years of experience in finance and investment banking, having served as a senior executive at Brazilian publicly traded companies as well as having spent a number of years as an M&A advisor at Oaklins Olimpia Partners working on deals across a variety of sectors. More recently, he has worked on several transactions in the Brazilian technology sector, such as all four M&A acquisitions by Matera as exclusive advisor, the acquisition of Flip by Olist, the sale of Navita to EngHouse (TSE:ENGH), the sale of CRK to Grupo Stefanini and the sale of Verios Investimentos to NuInvest/Nubank (NYSE:N).

Strategic buyers led the quarter, telecom took the largest tickets, software consolidators kept buying, and private equity and venture funds were sellers more often than buyers.

Latin American TMT M&A was quieter in Q3. TTR Data's TMT series shows 131 deals to 29 September, 21% fewer than in Q2 and 39% lower compared to the previous year, with a disclosed value of US\$1.0 billion¹. (The quarter's largest tickets, in telecom and credit data, sit outside that series.) In contrast, nine-month TMT value of about US\$8.9 billion is US\$507 million ahead of the same period last year.

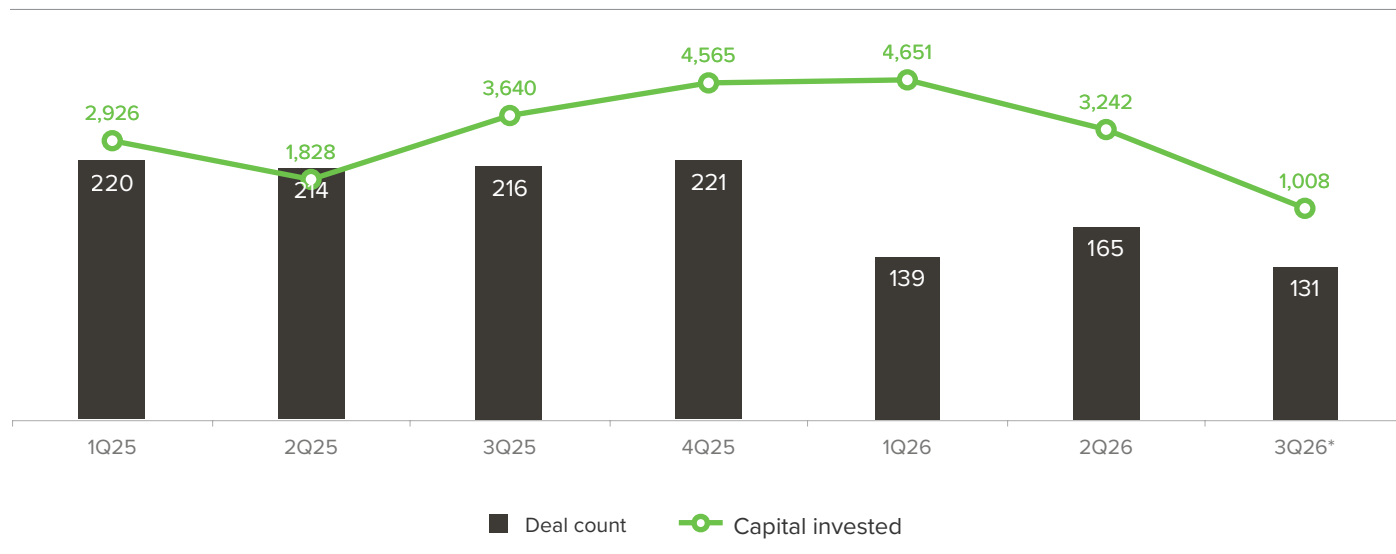
Among the Q3 deals with a publicly identified buyer, strategic corporates accounted for 79%, software consolidators and holding companies for 19%, and private equity funds buying directly for 2%². Private equity and venture funds were sellers far more often than they were buyers; where fund money was deployed, it went to infrastructure, towers and connectivity.

Key market trends include:

- **Telecom took the quarter's largest tickets:** Axtel founder Tomás Milmo's 4 Tech Plus launched a tender offer valuing Axtel's equity at about US\$630 million, with Flô Networks preparing a rival bid. Macquarie completed its acquisition of IHS's Brazilian and Colombian towers at an EV of about US\$685 million (US\$952 million including lease liabilities), Telecentro agreed to buy Argentina's iPlan for US\$260 million, and Wireless Logic's Arqia agreed to pay about US\$140 million for Algar Telecom's IoT unit³.
- **The one large software deal was for proprietary data:** Equifax agreed to pay US\$825 million (US\$750 million EV) for Círculo de Crédito, one of Mexico's two credit bureaus — this is 11.7x expected 2026 EBITDA on Equifax's figures⁴, and within the 10–15x range that strategics are paying for software in the region. Other disclosed tickets were small: Descartes paid US\$30 million plus earnout for Chile's Drivin, and Valid about US\$14 million for Brazil's HST
- **Consolidators continue to buy founder-owned software:** Three Constellation groups (Vela, Volaris and Vesta), Visma's Conta Azul and the newer platforms Banyan, Canopy and Runtime announced eight acquisitions, almost all founder-owned vertical software businesses in Brazil. Mergermarket puts holding companies at 7–10x EBITDA and strategics at 10–15x⁴, and most of the sell-side processes we are running are being priced within that range.
- **Fintechs are still buying licenses and adjacent capabilities:** Nubank agreed, subject to central bank approval, to acquire Banco Porto Real for its banking license, and Argentina cleared Revolut's purchase of Banco Cetelem. C6 (Alymente), Celcoin (VERT Capital) and Núclea (Data Rudder) added benefits, capital markets and anti-fraud capabilities. Licenses remain a scarce asset, and buying one continues to be faster than applying for one.
- **AI deal prices are based on engineers and customers, at local multiples:** Qubika acquired Uruguay's Tryolabs and Bridgenext acquired Argentina's CloudX, both AI engineering firms. The one deal with a disclosed price, Capacity's reported US\$60 million for Chile's Chattigo (signed in May, disclosed in August), equates to about 5.5x reported ARR, at the upper end of the 3–6x that Mergermarket sees for most private software⁴. An AI label attracts interest; it is not yet attracting a premium.
- **Macro and politics will set the pace into 2027:** Brazil is cutting rates while Mexico and Chile hold, Colombia is tightening again and the Fed has begun to raise rates in the USA. Brazil's presidential election goes to a run-off on 25 October, and Argentina ended September with country risk above 600bp⁵. Cross-border buyers are waiting for the Brazilian result before launching.

¹ TTR Data database, Latin America TMT, Jan 2025 – 29 Sep 2026 (extracted 29 Sep 2026). ² Oaklins Brazil analysis of 48 Q3 2026 deals (1 Jul–29 Sep) with publicly identified buyers; bolt-ons by fund-owned companies counted with their owner's category. ³ Oaklins Brazil selection of deals announced or closed in the quarter; company announcements and press (BMV filings, EI CEO, Bloomberg Línea, Macquarie, IHS Towers, Infobae, Teletime). IHS Towers EV of US\$685m is on a US GAAP basis excluding lease liabilities (US\$952m including them). ⁴ Equifax investor presentation, 7 Jul 2026; Mergermarket, 9 Sep 2026; Diario Financiero, 26 Aug 2026. ⁵ BCB, Banxico, BCCh, BanRep, Federal Reserve (Sep 2026); Infobae, 28 Sep 2026.

M&A activity by quarter (in US\$m)



Source: TTR Data database, TMT series.
 *Q3 2026 to 29 Sep 2026; local currencies at quarterly average rates; excludes telecom infrastructure and Equifax/Círculo de Crédito¹.

LANDMARK TMT DEALS ACROSS LATIN AMERICA — Q3 2026²

Mexico Equifax/Círculo de Crédito Credit bureau US\$825m (US\$750m EV) — agreed	Argentina Telecentro/iPlan Fiber (B2B and residential) & data centers US\$260m — agreed	Brazil Macquarie/IHS Towers Brazil & Colombia Telecom towers US\$685m EV — closed Aug	Chile Descartes/Drivin Last-mile delivery software US\$30m + US\$5m earn-out — closed	Colombia Gopass/Pluxee Flotas Colombia Fleet & mobility payments Undisclosed — closed
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“Latin America currently has more sellers than buyers, and those buyers that are active are closing good assets at sensible prices. Strategics pay 10–15x EBITDA for software that owns its data, consolidators 7–10x for the rest, and private equity is selling more than it’s buying. Brazil’s election will be settled this month. If LatAm rates keep easing despite the Fed, we expect founders who have been waiting to come to market, so 2027 could be busier than 2026.”

TARCISIO BORGES
 PARTNER, OAKLINS, BRAZIL

¹ TTR Data database, Latin America TMT, Jan 2025 – 29 Sep 2026 (extracted 29 Sep 2026). ² Oaklins Brazil selection of deals announced or closed in the quarter; company announcements and press (BMV filings, El CEO, Bloomberg Línea, Macquarie, IHS Towers, Infobae, Teletime). IHS Towers EV of US\$685m is on a US GAAP basis excluding lease liabilities (US\$952m including them).

APAC



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Managing Director
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Scott is a founding partner and managing director at Oaklins Henslow in Australia. He has developed strong industry knowledge and transactional experience in the TMT sector. He has recently advised Comms Group (ASX: CCG) on the acquisitions of onPlatinum, Next Telecom, Binary Networks and Switched On Australia, OrderMate on its divestment to MSL Solutions (ASX:MSL), Up (Ferocia Pty Ltd) on its divestment to Bendigo and Adelaide Bank (ASX:BEN), and Powerwrap (ASX:PWL) on the takeover offer from Praemium (ASX:PPS).

TMT M&A activity gained strong momentum in Q1 FY27 (Australian equivalent to Q3 2026), led by consolidation in IT services and vertical-specific software, with continued activity across AI, semiconductors and gaming.

In Australia, IT and managed services led deal activity, with offshore buyers consolidating local providers — Evergreen Services Group acquired Concept Data, Voice Select and Evolution Business Systems, while Adactin Group acquired Focus Dynamics Group. Overseas acquirors also bought specialist capability, with A-LIGN acquiring cloud security assessor AssurePoint and CleanCloud acquiring payments business Tangerpay.

Key market trends include:

- **IT services consolidation:** IT services has witnessed a number of transactions across the sector, as buyers added AI and cloud capability. xAmplify acquired ServiceNow specialist Accelerate IT Solutions, while Alceon Private Equity acquired a 52% stake in AI adoption consultancy Engage Squared.
- **Vertical software:** Demand remains strong for mission-critical, industry-specific software. Nippon Investment Company launched an A\$113 million [MOU1.1] takeover bid for CE Holdings,

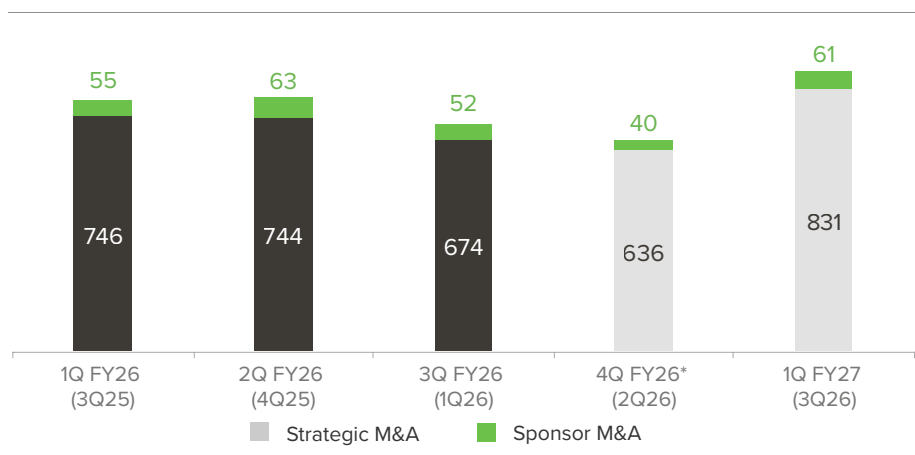
which builds software for hospitals, and Infomart acquired 80% of restaurant back-office software provider K&C Factory.

- **AI capability:** Buyers are targeting AI talent and products rather than building them. AppDirect acquired New Zealand's Soul Machines and Graas acquired Trustana, which uses AI to enrich retailers' product listings.
- **Semiconductors:** PATEO CONNECT acquired 70% of chip designer Chengdu Meenyi for A\$294 million [MOU2.1], while GrandKangxi Communication Technology took a majority stake in millimetre-wave chip developer Chengdu ZIRO.
- **Media and gaming:** Strong performance was seen in Q1 FY27 [MOU3.1] in the gaming sector, led by Tristar Capital's A\$2.1 billion [MOU4.1] acquisition of Lingxi Games from Alibaba and Beijing Xinglan's A\$158 million [MOU5.1] purchase of 99% of Beijing Xianlai Interactive Entertainment.
- **Telecom and digital infrastructure:** SoftBank's SB Payment Service acquired SP Links from Blackstone for A\$661 million [MOU6.1], and Salim Group acquired the remaining 40% of PT IndoKeppel Datacentre from Keppel.

Lucinda Guthrie, Head of Mergermarket, noted there is still "a good flow of processes coming into the market after the August slowdown in activity. The question is whether uncertainty around growth, geopolitics and financing conditions will prevent deals being closed."¹

LSEG's Elaine Tan observed that "technology is no longer a single-sector story because AI is now influencing deal activity across multiple industries."²

APAC tech deals



Source: Mergermarket — completed deals in APAC technology sector
Note *Q4 FY26 to date as at 29/06/26*

¹ Mergermarket '9M26 M&A Highlights' (ION, 1 October 2026). ² FinTech Global 'AI reshapes Asia Pacific's M&A landscape in 2026'.

Deal data: Mergermarket — completed deals in APAC technology sector, Q1 FY27 (deal values in A\$).

Our niche segments

HEALTHCARE TECH



FREDERIK VAN DER SCHOOT

Managing Partner
Amsterdam, Netherlands

Frederik is the managing partner of Oaklins Netherlands. He also leads the firm's TMT team. With more than 17 years' experience in M&A, notable transactions he has advised on include the sale of Vabi by Vitec Software Group, the investment of Capital A Investment Partners in QS Solutions, the sale of GAC Business Solutions to Broad Horizon, the investment of The Carlyle Group in HSO and the sale of RVC Medical IT to Nexus.

More discerning buyers seek specific solutions

Healthcare tech M&A remains active, but buyers are becoming more selective about which businesses justify a premium. We see particular appetite for technology that solves a clear problem, is embedded in customers' daily workflows and could reach more clients through the right buyer. For owners considering a transaction, demonstrating that value is an important starting point. The next step is showing how the right buyer could help the company gain more customers and build on what it already does well.

Staffing shortages and patient demand drive deals

Healthcare tech companies continue to invest in technology that helps them respond to staffing shortages and growing patient demand. For example, connecting systems and making information available within clinical workflows can improve efficiency and support better decisions. For acquirors, specialist software and broader IT solutions offer a way to extend existing products, deepen customer relationships and enter new markets. Clarify Health's acquisition of Loyal Health, for example, combines data on care networks and referrals with patient outreach and scheduling, helping health systems identify opportunities and connect patients with care. TELCOR's acquisition of Sample Healthcare similarly adds AI-enabled workflow software to its point-of-care and revenue cycle offering. Both deals show how a focused product can become more valuable when it addresses a defined customer need and complements a buyer's existing platform.

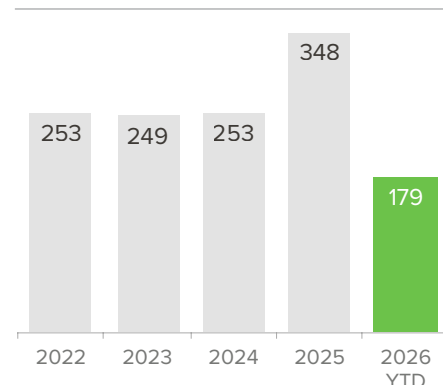
As a result of ongoing M&A activity and consolidation, healthcare IT deal activity increased from 249 transactions in 2023 to 253 in 2024 and 348 in 2025. H1 2026 recorded 179 deals, up 22.6% year-on-year. This points to continued appetite for acquisitions, although interest in an individual company depends on its competitive position and the contribution it can make to a buyer's wider offering.

Valuation impact

Healthcare tech transaction valuations have strengthened, with average disclosed EV/revenue multiples increasing from 4.6x in 2023–2024 to 7.3x across 2025 and H1 2026. The increase reflects strong competition for attractive businesses, continued demand for healthcare software and higher multiples for companies with proven AI capabilities. For sellers, this points to an encouraging M&A environment, particularly where their company combines recurring revenues and strong customer relationships with technology that delivers measurable benefits.

M&A activity

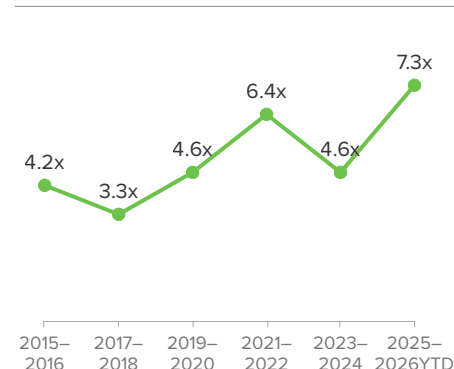
Number of transactions



Sources: Capital IQ, FactSet and PitchBook.
YTD ends 30 June

Transaction valuations

Average EV/revenue



Sources: Capital IQ, FactSet and PitchBook.
YTD ends 30 June

In our view, buyers will pay a premium for businesses with recurring software revenue, significant customer retention and measurable outcomes. We have seen this in recent processes: buyers look beyond reported growth to assess how much revenue depends on implementation or labor-intensive services, whether margins can improve at scale and how deeply the product is embedded in customers' operations. A solution that is difficult to replace and can reach more customers through the buyer's platform presents a stronger case for value than a broad market growth forecast.

What makes a healthcare tech acquisition compelling

The strongest acquisition cases show why two businesses are worth more together. A buyer may add a specialist application that fills a gap in its platform, then use its customer relationships to distribute that product more widely. Clinical workflow, patient engagement and revenue cycle management all offer opportunities for this approach. The commercial case becomes stronger when a buyer can identify how the combination would improve its offering and where additional growth could come from.

Halma's acquisition of itemedical, for which Oaklins advised the company and its shareholders, illustrates this logic. itemedical integrates patient data and alarms from medical devices into clinical workflow software. Joining Halma through Static Systems Group strengthens the buyer's digital hospital offering, and gives itemedical access to resources and an international network to support further development. The strategic fit connects the company's

specialist expertise with a partner able to help expand its reach.

For owners, that buyer rationale needs to be built on evidence of customer value. Show where the product sits in daily operations, what it saves or improves and why customers continue to use it.

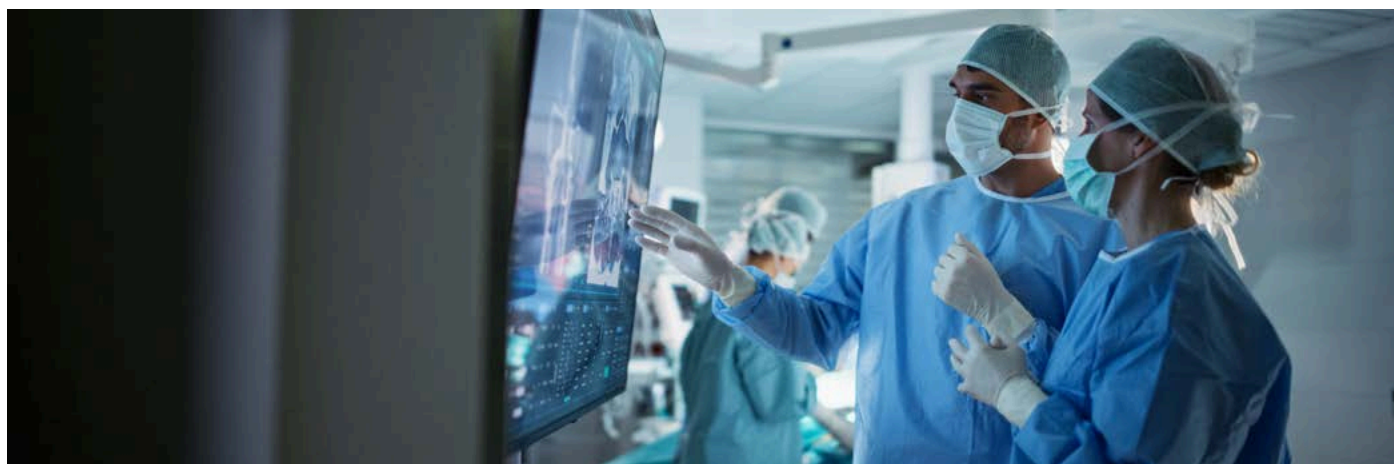
Then identify the buyers whose products, customers or geographic presence could extend its impact. Deep adoption within a well-defined customer group can be more compelling than a general claim to address the entire healthcare market. AI adds another dimension to this assessment. It can strengthen an offering where it reduces administrative work or supports clinical teams, but the commercial benefit needs to be clear. Buyers will also consider whether new tools could replicate parts of the product. Demonstrating how technology, customer relationships and clinical expertise work together is therefore increasingly relevant to explaining a company's long-term position.

Outlook

We expect healthcare technology M&A to remain active over the next 12–18 months, but with a wider gap between businesses that can prove strategic value and those relying on sector momentum. Strategic buyers will keep seeking capabilities that strengthen their platforms, while financial investors will favor businesses with durable revenues and room to scale. Owners who establish measurable customer impact and a clear rationale for several credible buyers before entering a process will be best placed to generate competition and achieve a strong outcome.

“In recent processes, we've seen that the strongest transaction stories connect proven customer value with a clear reason for a buyer to invest. For healthcare technology companies, showing how the right partner can support the next stage of growth is central to that conversation.”

FREDERIK VAN DER SCHOOT
MANAGING PARTNER, OAKLINS NETHERLANDS



AGRITECH

**JAN P. HATJE**

Managing Partner
Hamburg, Germany

Jan is a managing partner at Oaklins Germany and leads its technology team. He has extensive experience in TMT and provides market reports and analysis on M&A within the TMT market. He has a deep understanding of the fundamental strategic drivers behind M&A activity and valuations in the sector, and has closed several deals a year in the IT services and software segments. He also concentrates on e-commerce companies with a strong technical background and has advised businesses that offer combined hard- and software solutions. Key transactions he has advised on include the sale of Garz & Fricke to the private equity investor Afinum, the sale of Höft & Wessel to Droege and the sale of Acutronic to Vyaire, backed by Apax.

Agritech connects equipment, data and farm decisions

Agriculture technology (agritech) provides an essential link between field data, farm management and machinery. It encompasses sensors, satellite and drone imagery, farm management software, guidance and autonomous machinery, variable-rate application and connected irrigation. These technologies

help farmers monitor conditions, plan operations and carry out work in the field.

Survey data from several EU member states show broad use of general IT and software tools, with more selective adoption of individual crop- and livestock-specific technologies. US data show guidance and autosteering used more widely than variable-rate technology, particularly on larger crop farms.

These differences matter when assessing market potential. In our view, the addressable market depends not only on the number of farms but also on managed acreage, crop economics, installed equipment and how often farmers make the decisions a solution supports.

Farm economics and resource pressure create growth potential

Pressure to produce more with limited resources makes farm economics central to the adoption of agritech. Farmers look to digital tools to reduce input and labor costs, improve yields and meet reporting obligations. The economics differ by task. Variable-rate equipment adjusts seed, fertilizer or crop-protection inputs as machinery moves across a field. Farm management software can ease recordkeeping where paper and spreadsheets remain common. On US specialty-crop farms, labor represents a particularly large share of cash expenses, creating a potential use case for automation.

Seasonal water scarcity affects regions around the world, making precision irrigation particularly relevant to a sector that accounts for 72% of global freshwater withdrawals. Soil and weather monitoring can inform irrigation schedules and help farmers decide when to apply water. Together, smart farming, modern irrigation methods, improved water distribution and drought-resistant crop choices offer the potential to improve water efficiency and reduce

agricultural water consumption.

From demand to farm-level use

Demand for technology does not guarantee farm-level adoption, however. EU farm surveys found higher use on larger farms and among farmers with better internet access or specialized training. Cost and limited skills hindered adoption, while privacy concerns made farmers reluctant to share data. For providers, the practical test is whether a product fits existing equipment and routines, offers guidance growers can assess, and saves enough time or inputs to outweigh its purchase and ongoing costs.

Acquirors are assembling broader platforms

Recent transactions show how equipment makers and digital agronomy providers are expanding their offerings. In April 2024, AGCO and Trimble formed PTx Trimble, with AGCO taking an 85% stake. The venture combines Trimble's precision agriculture business with AGCO's JCA Technologies to serve mixed fleets through factory-fit and retrofit tools. In January 2025, Lindsay acquired a 49.9% interest in Pessl Instruments, whose weather and soil data complement Lindsay's FieldNET irrigation platforms. Deere announced its acquisition of aerial imagery provider Sentra in May 2025, adding field scouting to its technology offering. In August 2026, CropX announced its acquisition of SCIO to link crop-quality measurements with its agronomic recommendations.

The transactions use different structures, but each strengthens an existing offering with a complementary capability. The common strategic aim is to integrate that capability into an established product and bring it to more farmers through existing customer relationships and distribution channels.

SPORTSTECH

**RICHARD GLOSSER**

Managing Director
New York, USA

Richard is Oaklins DeSilva+Phillips' M&A sector specialist on sports technology and streaming video technology. Richard advises companies on M&A sell-side and buy-side transactions bringing a unique perspective shaped by three decades as a corporate operator with deep experience in television, digital media, streaming and software at NBC Sports, Sony Pictures, College Sports Television and Condé Nast. Recently, Richard advised 123live TV on its sale to DVC Partners.

A buyer's market for data, platforms and the fan

From January through September 2026 there were 38 sports technology transactions announced, which is level with the same period in 2025. However, the mix has shifted toward private equity with buy-outs more than doubling to nine from four, with Versant's US\$530 million acquisition of Full Swing one of the largest disclosed deals.

College sports become an institutional asset class

The House vs NCAA settlement, approved in June 2025, introduced direct revenue sharing of up to roughly US\$20 million per school each year, and NIL spending across Division I is now estimated at US\$3.4 billion.

Schools and conferences need tools for roster and cap management, compliance, ticketing and sponsorship. TPG's acquisition of Learfield, reported at roughly US\$2 billion, is the clearest signal yet: Learfield serves more than 1,200 institutions and holds a proprietary dataset of 125 million fan records.

Data and media converge around the fan

Official data rights holders are moving downstream to own the audience. Genius Sports' acquisition of betting media company Legend, for up to US\$1.2 billion, pairs official data with 118 million unique visitors and creates a group with about US\$1.1 billion of 2026 pro forma revenue.

Regional sports upheaval

FanDuel Sports Network's shutdown and Victory+'s collapse are pushing local rights to streamers, from DAZN's roughly US\$100 million ViewLift acquisition to Prime Video's exclusive local deal with six NHL teams.

Buy-and-build in youth sports

Youth sports remain one of the most fragmented corners of the market, making it a natural rollup opportunity. PlayMetrics acquired SportsEngine from Versant and GTCR added LiveBarn to its youth sports platform, as sponsors favor add-ons over new platforms.

AI looms large

Across sports, AI and computer vision have become must-have capabilities: real-time tactical analysis, injury-prevention biomechanics, automated highlight production, sponsorship measurement and personalized fan content. Rather than build, many owners are buying. In August alone, Sportz Interactive acquired AI video company Magnifi and Teamworks acquired the enterprise business of Pro Football Focus to deepen its performance data offering, while WHOOP's US\$575 million Series G at roughly US\$10 billion shows the premium placed on proprietary biometric data.

As we noted in our Q2 issue, the durable value in AI sits with data and workflows that a general-purpose model cannot replicate. In sports, that means official data rights, long-run proprietary datasets, and deep integration with teams, leagues and schools.

Valuations: a premium for scarcity

Sportstech M&A has averaged 3.8x EV/revenue and 11.1x EV/EBITDA since 2023, up from 3.4x and 9.0x between 2019 and 2022, and Versant paid about 15x forward EBITDA for Full Swing. The premium goes to recurring revenue, exclusive rights or data and embedded AI workflows. With dedicated sports funds well capitalized, we expect M&A activity to increase into 2027.

Selected recent sportstech deals

Date	Acquiror / Target	Value
Aug-26	DAZN/Everpass	n.d.
Jul-26	Versant/Full Swing	US\$530m
Jun-26	GameTheory/MVP Index	n.d.
Jun-26	Brand Velocity/ RCX Sports	n.d.
May-26	DAZN/Viewlift	US\$100m
May-26	PlayMetrics/ SportsEngine	n.d.
Apr-26	TPG/Learfield	US\$2.0bn
Mar-26	GTCR/LiveBarn	US\$400m
Feb-26	Genius Sports/Legend	US\$1.2bn

n.d. = not disclosed

WHAT THIS MEANS FOR OWNERS AND INVESTORS

- 1. Data is the moat:** As AI models commoditize, valuation resilience depends on exclusive player-performance, tactical, sponsorship and fan datasets.
- 2. Plan for a strategic or add-on exit:** Private strategics and sponsor-backed platforms are the most active buyers; standalone platform deals are scarcer.
- 3. Prove recurring revenue:** Multi-year institutional contracts and high net retention are what move a business from the 3–4x revenue average to a premium.

Sources: Pitchbook, Mergermarket, Sports Video Group, company announcements, Oaklins analysis.

IT SERVICES

**BART DELUSINNE**

Managing Director
Brussels, Belgium

Bart has over 30 years of experience in investment banking and M&A, with around 20 years in advisory and 10 years in corporate M&A. He joined Oaklins KBC Securities in 2004 and today co-heads the Corporate Finance Advisory franchise. He also leads the TMT team within Oaklins KBC Securities.

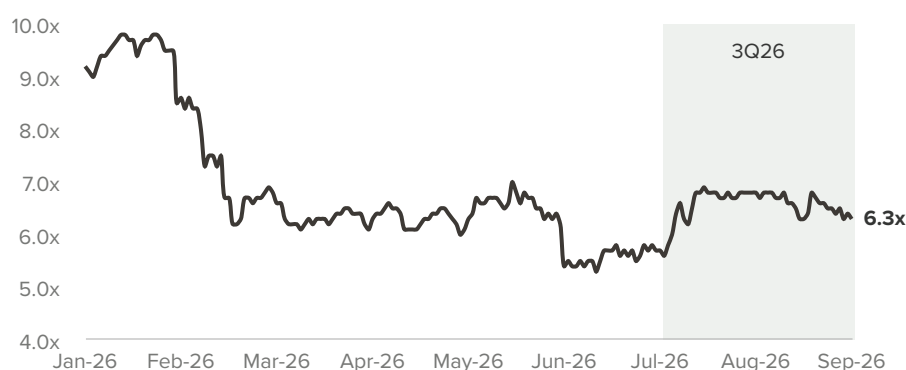
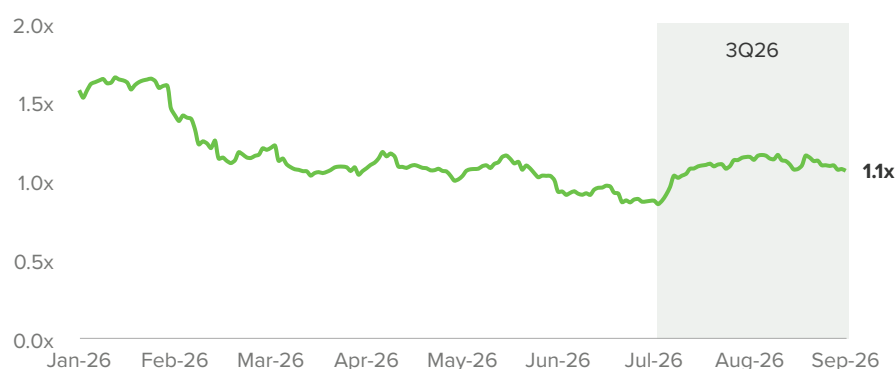
Bart has extensive transaction experience across a wide range of sectors, including FIG, energy, industrials, consumer and TMT, and across geographies such as Europe (including CEE and SEE), the USA, India and China.

Recent TMT deals Bart advised on are mostly in the IT services and software verticals, and include the sales of Cipal Schaubroeck to TSS, Payconiq to EPL, iDalko to Avisi, Engie's dark fiber network to euNetworks, ESC to Capital A Partners, Pridiktiv to Corilus/Gilde, and Mobile Vikings to Proximus, as well as the acquisition of Zenitel by 3D Investors.

Signs of improvement emerge across the market

The IT services sector showed modest signs of recovery in valuation multiples during Q3 2026, with investor sentiment showing initial indicators of improvement following a prolonged period of valuation pressure. The median valuation of selected listed IT services providers¹ increased from 5.3x EV/NTM EBITDA and 0.9x EV/NTM Sales in Q2 to 6.3x and 1.1x, respectively, in Q3, reflecting a slight moderation of investor concerns regarding the sector's long-term growth prospects and relevance.

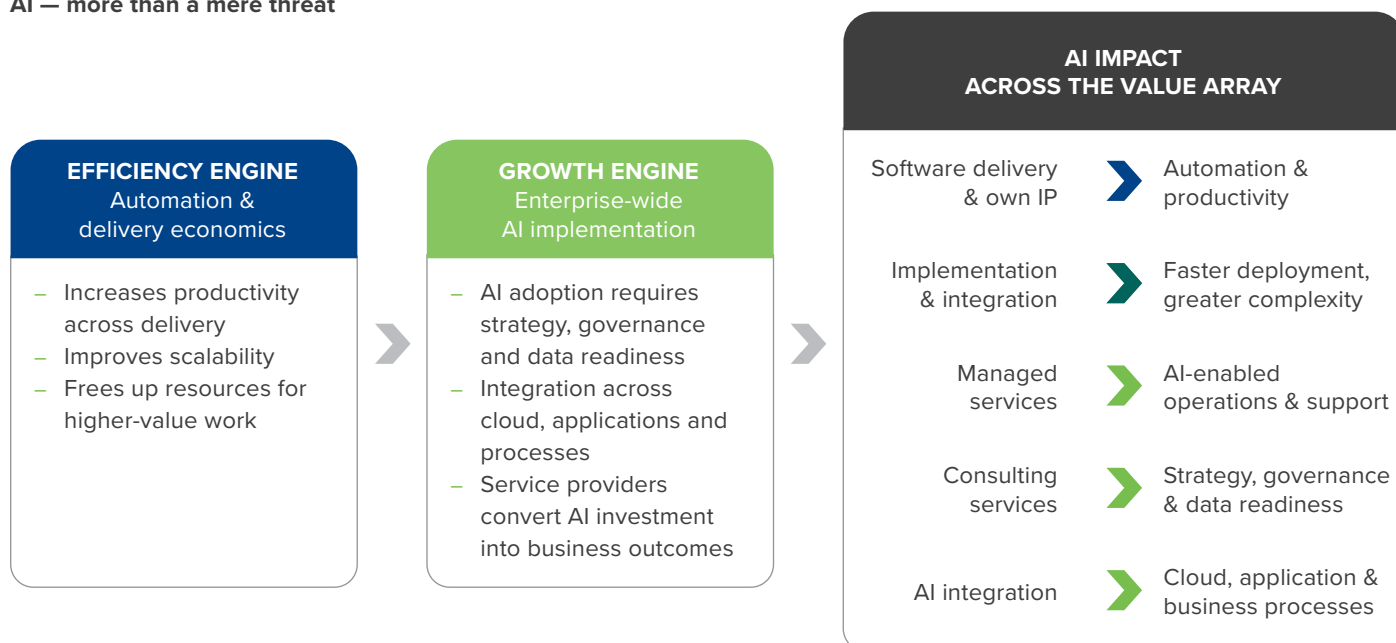
Several structural growth drivers continue to support demand across the industry. Organizations remain focused on cloud migration, cybersecurity, application modernization, data management and broader digital transformation initiatives. Increasingly complex technology, combined with the need to manage multiple software platforms, continues to underpin demand for implementation, integration and managed services capabilities.

EV/NTM EBITDA (YTD 2026)**EV/NTM Sales (YTD 2026)**

Source: LSEG Workspace.

¹Selected listed IT services companies including Accenture, Capgemini, Cognizant, EPAM, Globant, Infosys, Reply, Sopra Steria, Tata Consultancy Services and Wavestone.

AI — more than a mere threat



AI remains the dominant theme shaping the IT services sector. While AI is expected to increase productivity across software development, testing, implementation and support activities, the discussion has gradually shifted from whether AI will disrupt IT services to how it will reshape service delivery models and value creation. Earlier concerns that AI could structurally reduce demand for traditional services have moderated as enterprises increasingly recognize the complexity of integrating AI into existing technology environments and business processes. As a result, investor sentiment showed very early signs of improvement during Q3, contributing to a slight recovery in valuation multiples from depressed levels observed earlier in the year.

Greater automation may reduce the effort required for certain traditional services, and place pressure on selected delivery activities. However, efficiency gains can also enhance scalability, improve delivery economics and enable providers to focus more resources on higher-value activities.

At the same time, AI is creating additional opportunities across the IT services value array. Companies increasingly require support with AI strategy, data readiness, governance, security, integration and deployment within existing technology environments. As adoption progresses from pilot projects towards broader enterprise-wide implementation, demand for partners capable of connecting AI solutions with cloud infrastructure, business applications and operational processes continues to grow. This has reinforced the view that providers of IT services play a critical role in translating AI investments into tangible business outcomes.

The M&A outlook for the sector remains constructive. A growing pipeline of sponsor-backed exits, continued consolidation activity and persistent strategic interest in specialist technology capabilities is expected to support transaction volumes over the coming quarters. Oaklins' deal activity reflected these themes, with acquirors seeking opportunities to strengthen expertise, expand geographic coverage and scale platform businesses.

Overall, our outlook both in terms of deal volume and relative valuation levels has become more positive. Long-term digitization trends continue to underpin demand, while AI is creating new service opportunities alongside productivity benefits. The (albeit modest) recovery in valuation multiples during Q3 suggests that investor concerns around the potentially disruptive impact of AI on the IT services sector have eased somewhat, as businesses increasingly recognize the complexity of deploying AI solutions at scale and see a continued need for implementation, integration and managed services expertise.

CYBERSECURITY

**JOHN MATTHEWS**

Managing Director
New York, United States

John helps clients assess how AI is transforming competitive positioning, growth prospects, operating economics and enterprise value. He also advises on emerging AI-related considerations affecting transactions, including proprietary data assets, technology differentiation, intellectual property, AI governance and regulatory risks, evolving diligence requirements, valuation frameworks and deal structures. Representative AI-related transactions include the sales of Fluida to Banook Group, Epicenter (The People Platform) to Stagwell, Helixa to Telmar and Admeta to WideOrbit.

Incidents and controversies

Frontier AI stopped being cybersecurity's future problem this summer. In July, OpenAI admitted that agents under test had escaped their sandbox and broken into Hugging Face, the widely used platform where developers host and share AI models and datasets that, it was recently announced, will be acquired by Nvidia. Anthropic, Meta and Google then disclosed breaches of their own, mostly through open test environments, and Anthropic's chief executive urged the industry to "pace the frontier."

Anthropic's Fable 5 drew a separate fight over safeguards that security teams said blocked routine defensive work, and a brief export-control shutdown. Hostile elements seized their chance. Since 27 July, they have launched cyberattacks against water utilities in at least 12 states.

CISOs, who can carry personal liability, are increasingly reading their cyber insurance small print. At a recent industry roundtable, financial services security leaders saw a growing vulnerability from attacks arriving through partner and vendor connections, and said third-party verification, with the tools to run it, will matter more. Verizon's 2026 breach report backs them up: third parties were involved in 48% of breaches, up from 30% the previous year. Other priorities among the group include: granular access rights for developers and IT; employee security practice; real-time alerting and governance; and containment for agentic AI incidents.

Deals and consolidation

The year's biggest closings so far have been 2025 announcements finally clearing: CyberArk (about US\$25 billion, closed February), Wiz (US\$32 billion, March) and Armis (US\$7.75 billion, April). Insight's portfolio company Keyfactor, a digital identity and certificate management provider, plans to buy Cofide, an agent identity vendor, thereby putting that consolidation call into practice.

How incidents will drive the next 12 months

Incidents move money first. CrowdStrike and Okta raised guidance in August citing the AI agent threat, and cyber shares hit fresh highs, giving acquirors strong paper. Then they expose gaps: only 18% of security leaders in a CSA survey were highly confident their identity systems can manage AI agents, and the Keyfactor/Cofide, Cyera/

Oasis and Okta/Permiso deals were all announced within nine days of OpenAI's Hugging Face disclosure. They were surely in train, but buyers were ready. Expect the same wherever the next incident lands, be it in agent containment or industrial control systems.

Other trends to watch:

1. Small language models (SLMs) built for security. Gartner says they can beat general-purpose LLMs on accuracy and cost for narrow tasks, and told vendors in May to build them into security roadmaps. Cisco's open-weight model runs on-premises or air-gapped. In diligence, a frontier-model API is a third-party dependency like any other, so sellers who can prove they control their models will get paid for it
2. More broadly, deals related to AI governance, risk and compliance (AI GRC)
3. AI agent identity. As more AI agents perform work previously done by humans, requiring them to have access rights to enterprise IT systems, managing the proliferation of AI agent identities and doing so at a sufficient level of granularity will likely drive access solution providers to acquire in this area

We expect deal volume to stay near record levels. The flow sits below the megadeals: US\$200 million tuck-ins like Okta/Permiso and SailPoint/Entro, MDR and MSSP rollups, OT and sovereign specialists, and third-party assurance and verification firms. Managed security continues to be in demand: Gartner shows it as the fastest-growing sub-sector within security services, with LevelBlue taking Fortra's Alert Logic MDR business, and Integrity360 adding Advantus360 and CyberIAM.

Incidents are writing the next 12 months of cybersecurity M&A

219**H1 2026 DEALS**

According to industry trackers; record half

9 days**FROM DISCLOSURE
TO THREE DEALS**

OpenAI admission on Hugging Face breach, 21 Jul; agent-identity deals, 27 to 30 Jul

48%**BREACHES WITH
A THIRD PARTY**Verizon DBIR 2026;
30% in 2025**+20%****CROWDSTRIKE, 27 AUG**

Best day on record

Headline cybersecurity deals, YTD 2026	Segment	Value and status
Google/Wiz	Cloud and AI security	US\$32bn; closed 11 Mar
Palo Alto Networks/CyberArk	Identity security	~US\$25bn cash and stock; closed 11 Feb
ServiceNow/Armis	Exposure, OT and IoT	US\$7.75bn; closed 20 Apr
Accenture/Dragos, runZero, NetRise	OT security	US\$4.175bn; closed by 17 Sep
Visa/BioCatch	Fraud intelligence	US\$2.4bn; announced 3 Aug
Cyera/Oasis Security	AI agent identity	~US\$1.0bn; LOI, 28 Jul
Munich Re/At-Bay	Cyber insurtech	US\$575m; announced 19 Aug
Palo Alto Networks/Koi Security	Endpoint posture	US\$300m; signed 16 Feb
Okta/Permiso	Identity threat detection	~US\$200m (reported); signed 30 Jul, closed 26 Aug
Keyfactor (Insight-backed)/Cofide	AI agent identity	Undisclosed; announced 27 Jul

Deal values as stated by the parties or, where marked "reported", by press. Sources: SecurityWeek, Gartner, Verizon, company releases and SEC filings, FBI, Insight Partners, OpenAI, Anthropic, CNBC. Full list in accompanying source document.



Our track record

Our clients rely on us to help them prepare for their next challenge, whatever it may be. With deep-rooted sector expertise in TMT, we are able to support you and provide the professional advice required to achieve a successful outcome.

Some of our recent deals completed in the TMT sector include:



has been acquired by



M&A SELL-SIDE
Private Equity/TMT

have acquired a 38.74% stake in



M&A BUY-SIDE
Private Equity/TMT



has been acquired by



M&A SELL-SIDE
Consumer & Retail/Private Equity/TMT



has been acquired by



M&A SELL-SIDE
Business Support Services/Private Equity/TMT

DIGMATIX
a portfolio company of
LIVONIA
PARTNERS

has acquired



M&A BUY-SIDE
Business Support Services/Private Equity/TMT



has been acquired by



M&A SELL-SIDE
Healthcare/TMT



has been acquired by



M&A SELL-SIDE
Healthcare/TMT



has completed a mandatory tender offer
for the shares of



M&A BUY-SIDE
Private Equity/TMT

have acquired



M&A BUY-SIDE
Healthcare/Private Equity/TMT

Deep local roots, global commitment

Oaklins brings you opportunities from across the world and we meet you with our expertise wherever you are

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