VENERO CAPITAL ADVISORS

Future of Work M&A and Investment Activity

Q3 2026



About Venero Capital Advisors

Investment banking dedicated to your success

We are specialist M&A and corporate finance advisors delivering standout results for founders.

FOUNDER-FOCUSED M&A ADVISORY

We champion founder-led businesses at every step—from deciding if it's the right time to sell and hiring the right advisor, to positioning your company for sale, creating maximum leverage, and navigating due diligence—so you can approach M&A with confidence, clarity, and control.

EQUITY CAPITAL RAISING

Well-executed private placements underpinned by access to a global network of institutional investors.

DEBT FINANCING

Tailored capital structure solutions to support your financial objectives across market cycles.



Our Competitive Advantage

HANDS-ON SENIOR PARTNERS

All transactions are led by hands-on senior Partners with decades of experience across multiple sectors and complex deal structures.

INTERNATIONAL BUYER NETWORK

With an extensive network spanning 20+ countries, we deliver superior outcomes by connecting clients with both local and international acquirers.

DEEP MARKET INSIGHTS

#1 ranked M&A advisor in HR Tech and WorkTech, providing real-time intelligence and strategic positioning advantages.

Our global team of seasoned M&A advisors

Our advisors bring decades of experience from top-tier financial institutions, combining deep sector knowledge with proven transaction expertise to deliver exceptional client outcomes.



Georgios Markakis

25 years' experience in M&A, debt and equity financing at Deutsche Bank and Morgan Stanley.



Michael Goodwin

30 years' experience in strategy, M&A, capital raising and operations for high-growth tech businesses.



George Galanopoulos

23 years of corporate finance experience across public and private markets; previously at Rothschild & Co.



Charles Bedard

Extensive track record in buy-side and sell-side M&A advisory, with focus on US mid-market Work Tech business.



Marc Garrido

Over 35 years' experience in the HRIS industry, with focus on fundraising, M&A and business transformation.



Argyris Chatzilias

20+ years in structured finance, covering PEs and corporates with 80+ deals worth $20bn+; previously at HSBC.



Elie Youssef

Experienced entrepreneur and M&A advisor with over 21 years in tech, specializing in sell-side execution and maximizing founder exit value.



Thierry Vanbever

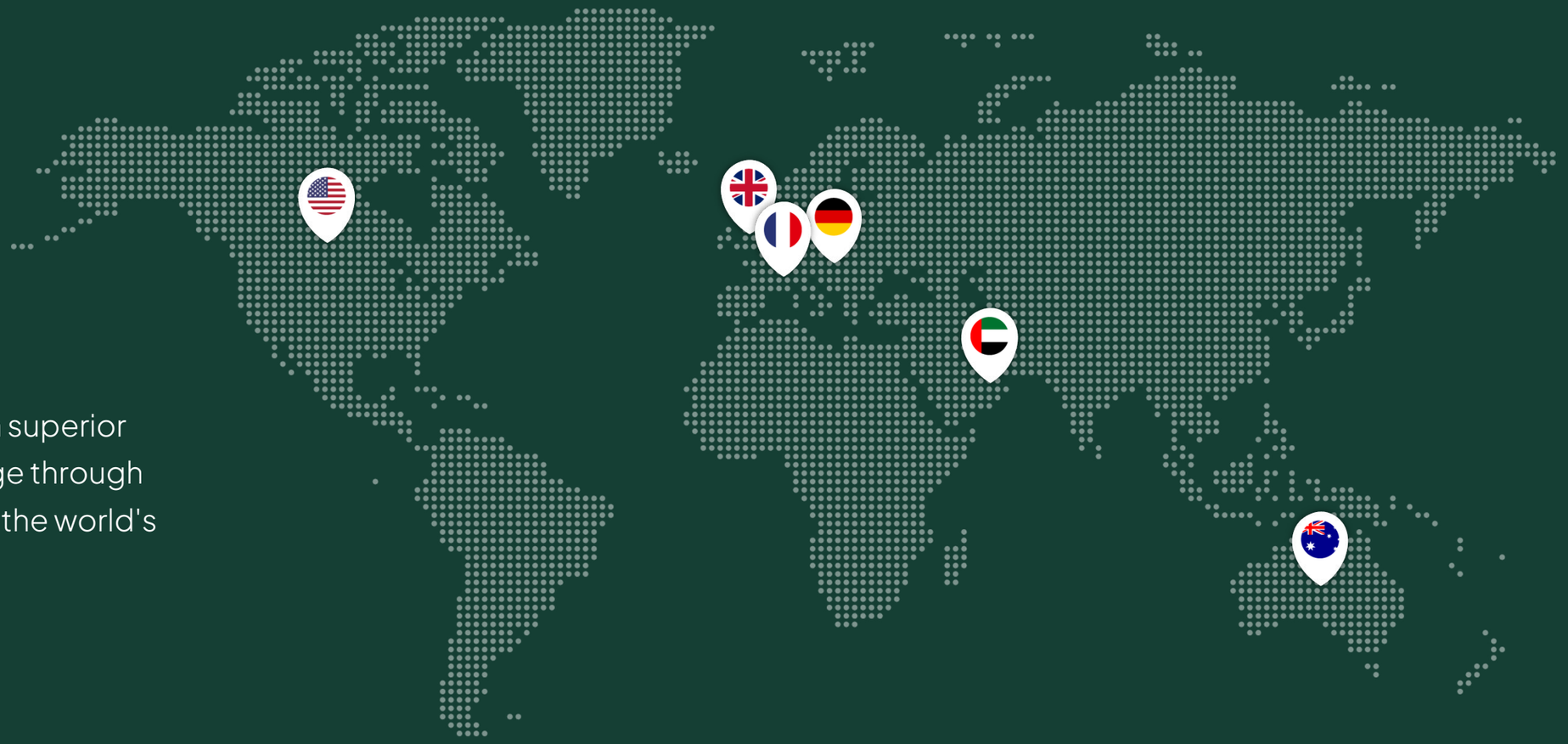
M&A and corporate development leader with 30+ years' experience and deep industry-specific focus.



Matthias Bartholdi

Accomplished track record of DACH centric client coverage and M&A transaction support.

International presence



We provide our clients with superior service and global coverage through colleagues and partners in the world's major financial hubs.

OUR MAIN OFFICES ARE:

LOS ANGELES
360 E 2nd St
Los Angeles, CA 90012

LONDON
23 Berkeley Square
London W1J 6HE

BERLIN
Europaplatz 2
Berlin 10557

Celebrating 10 years alongside founders

10 years delivering excellence | VENERO CAPITAL ADVISORS

VIEW OUR EXTENSIVE DEAL TRACK RECORD ▶

Ten Years. Countless Milestones.

Ten years ago, Venero Capital Advisors was founded on a simple principle: stand firmly on the side of founders. Since then, we have advised growth-stage and mid-market businesses around the world on M&A, Debt Financing and Equity Financing, connecting them with leading strategic buyers and investors. To every founder, investor and partner who has been part of the journey: thank you.

OUR TRACK RECORD

110+ transactions by our senior bankers	$60bn aggregate deal value	92% of M&A processes with cross-border interest	26+ years average experience

10 years. Countless founder journeys. One partner alongside them.



Market Insights

Record M&A as buyers reprice SaaS and capital chases AI agents



Georgios Markakis
Managing Partner

Q3 2026 was the busiest quarter for WorkTech M&A in our dataset. We tracked 131 transactions, against a range of 88 to 117 per quarter over the previous three years, including a record 70 in North America. Investment rose 165% to $5.9bn across 221 rounds, the highest quarterly total since Q2 2022.

The recovery is real, but it is not a return to 2021. Bending Spoons agreed to buy Airtable and Miro for $2.6bn combined, at 2.3–2.7× ARR and 80–90% below their peak private valuations. At the same time, sponsors paid full prices for software embedded in compliance and payroll, such as TeamSystem at around 17× EBITDA and the €10bn+ Cegid–Silae combination. Buyers are paying for durability, and every seller is being asked how AI changes their business.

AI has become the common thread. 39 of the companies acquired this quarter were AI-native, three times as many as a year ago, and AI-native companies raised 79% of the capital invested. Incumbents such as ServiceNow, Paylocity, Paychex and Deel are buying agents and verification tools rather than building them.

Public markets have improved, but selectively. Venero's WorkTech index traded at 3.0× NTM revenue at quarter end, up from 2.4× at end-June, and the Rule of 40 explains about two-thirds of the variation in revenue multiples across our 39 listed peers.

We are cautiously optimistic about the quarters ahead. Strategic buyers need AI capability, sponsors have capital to deploy and investors are funding larger rounds again. The window is open, but it favors well-prepared companies: a credible AI strategy, efficient growth and realistic price expectations will matter more than ever. We look forward to discussing what this means for your business.

131
M&A transactions, a quarterly record

$5.9bn
invested across 221 funding rounds

79%
of capital raised by AI-native companies

39
AI-native M&A targets (Q3 2025: 13)

3.0×
WorkTech EV/NTM revenue (end-June: 2.4×)

Source: Press reports as of 1 October 2026, Venero Capital Advisors analysis

Public Markets Update

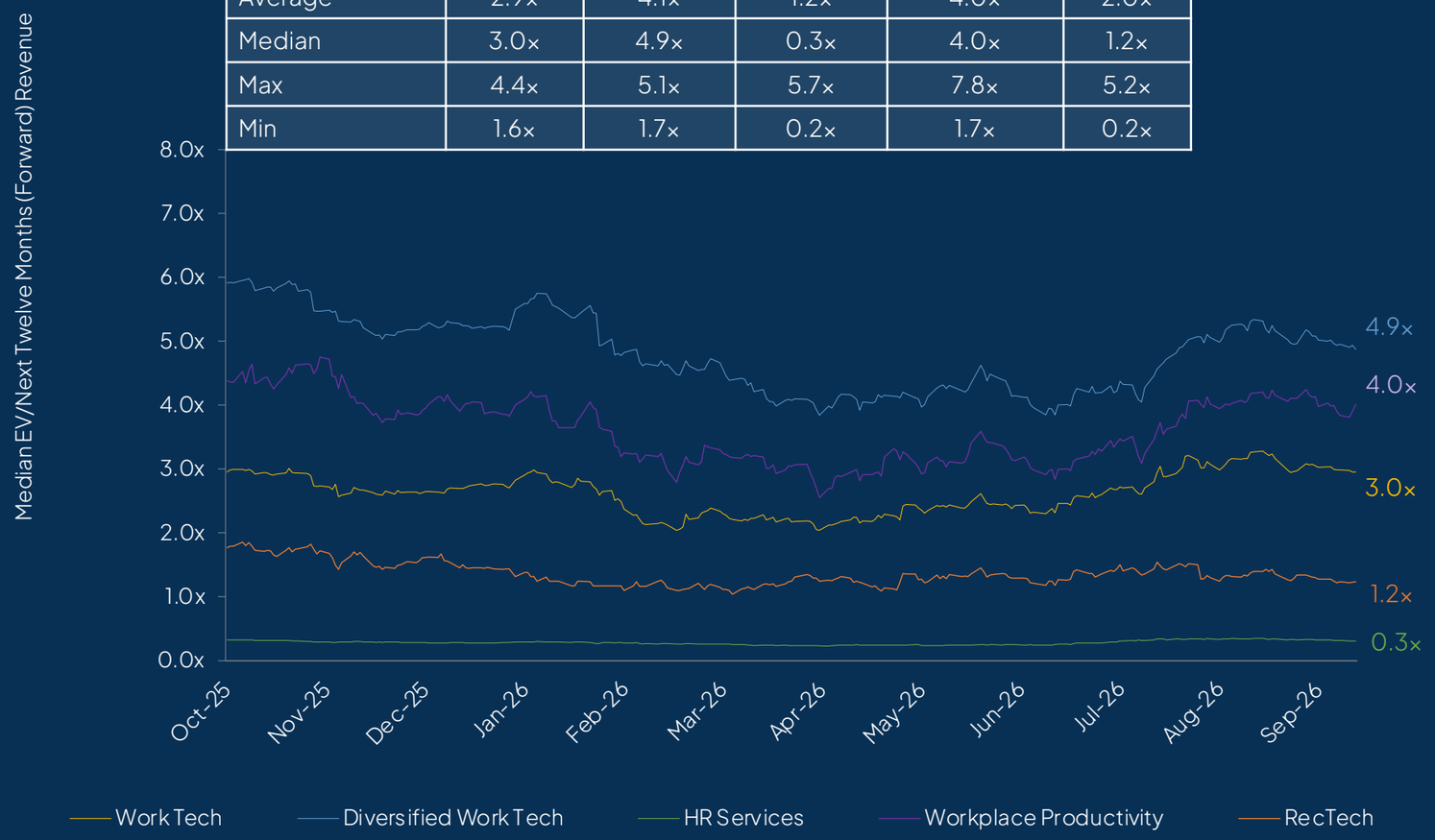
Public peer valuation development

Public WorkTech valuations recovered in Q3. The median EV/NTM revenue multiple rose to 3.0× at end-September, from 2.4× at end-June and a low of 2.0× in February.

Workplace Productivity (3.0× to 4.0×) and Diversified WorkTech (4.0× to 4.9×) led the rally, while Recruitment Tech (1.2×) and HR Services (0.3×) were flat.

Investors are rewarding visible AI monetisation and pricing power, and discounting hiring-volume and seat-based exposure.

EV/NTM Sales	WorkTech	Diversified	Services	Productivity	RecTech
Average	2.9×	4.1×	1.2×	4.0×	2.0×
Median	3.0×	4.9×	0.3×	4.0×	1.2×
Max	4.4×	5.1×	5.7×	7.8×	5.2×
Min	1.6×	1.7×	0.2×	1.7×	0.2×



Source: S&P Global Market Intelligence, Venero Capital Advisors analysis

Revenue growth benchmarking

WorkTech incumbents are still growing at double digits: the peer median is 12% for 2026E and 11% for the 2025–27E CAGR.

Freshworks (15% CAGR), ATOSS (13%), Docebo and Asure (12% each) lead the group, with ATOSS accelerating to 13% in 2026E and 14% in 2027E on cloud migration.

Demand for HCM, payroll and WFM software is intact. The multiple compression of the past year reflects perceived AI risk to seat-based pricing rather than weaker revenue.

		YOY REVENUE GROWTH[a]				CAGR
	COMPANY	2024	2025	2026E	2027E	2025–27E
WORK TECH	ATOSS	15%	10%	13%	14%	13%
	Workday	16%	13%	12%	11%	11%
	Intuit	14%	15%	12%	9%	10%
	Sage	8%	7%	10%	9%	9%
	Paylocity	16%	12%	9%	7%	8%
	Paycom	10%	10%	8%	7%	8%
	First Advantage[b]	76%	12%	7%	8%	8%
	Freshworks	21%	16%	16%	14%	15%
	Asure Software	0%	17%	15%	9%	12%
	Docebo	19%	14%	14%	10%	12%
	Median	15%	13%	12%	9%	11%

(a) Calendarized to December
(b) Reflects the higher combined revenue following the acquisition of Sterling Check Corp
Source: Analyst forecasts

>50%	20%-50%	0%-20%	-10%-0%	-20%-10%	<-20%

Revenue growth benchmarking (cont.)

Recruitment Tech remains the weakest cohort, with a median CAGR of 1% to 2027E. Fiverr (-16% in 2026E) and Upwork (-6%) are contracting as AI absorbs entry-level freelance work.

Recruit (+12% in 2026E) and Seek (+7%) show that marketplaces with data scale and AI-led matching can grow through a soft hiring cycle.

Diversified WorkTech grows at a median 8% CAGR. Oracle is the outlier (+28% in 2026E, +41% in 2027E), driven by AI infrastructure rather than HCM.

		YOY REVENUE GROWTH[a]				CAGR
	COMPANY	2024	2025	2026E	2027E	2025-27E
RECRUITMENT TECH	Recruit	3%	4%	12%	10%	11%
	Seek	-6%	9%	7%	4%	5%
	DHI	-6%	-12%	-1%	2%	1%
	Upwork	10%	4%	-6%	-1%	-3%
	ZipRecruiter	-27%	-5%	3%	5%	4%
	Freelancer	-3%	6%	-10%	10%	0%
	Fiverr	8%	11%	-16%	-13%	-14%
	Median	-3%	4%	-1%	4%	1%
DIVERSIFIED WORK TECH	Oracle	7%	14%	28%	41%	35%
	SAP	8%	10%	8%	12%	10%
	ADP	7%	7%	6%	6%	6%
	Upland Software	-7%	-21%	-11%	1%	-6%
	Median	7%	8%	7%	9%	8%

>50% | 20%-50% | 0%-20% | -10%-0% | -20%-10% | <-20%

(a) Calendarized to December

Source: Analyst forecasts

Revenue growth benchmarking (cont.)

HR Services is set for a modest cyclical recovery, with median growth of 8% in 2026E after 2% in 2025. TrueBlue (+10%) and Manpower (+8%) are rebounding off a low base.

The 2025–27E CAGR remains a subdued 6%. Payroll and PEO models (Paychex and TriNet, 8% each) continue to outgrow staffing, where Randstad and Adecco stay at low single digits.

Buyers favour recurring payroll and benefits revenue over transactional staffing.

		YOY REVENUE GROWTH[a]				CAGR
	COMPANY	2024	2025	2026E	2027E	2025–27E
HR SERVICES	Paychex	6%	12%	10%	5%	8%
	Healthstream	4%	3%	10%	5%	7%
	TriNet	8%	8%	8%	8%	8%
	Randstad	-5%	-4%	1%	3%	2%
	Insperity	2%	4%	1%	4%	3%
	Adecco	-3%	-1%	3%	3%	3%
	TrueBlue	-18%	1%	10%	3%	7%
	Manpower	-5%	-1%	8%	4%	6%
	Median	-1%	2%	8%	4%	6%

>50%	20%-50%	0%-20%	-10%-0%	-20%-10%	<-20%

(a) Calendarized to December

Source: Analyst forecasts

Revenue growth benchmarking (cont.)

Workplace Productivity is the most polarised cohort. ServiceNow (20% CAGR), Monday.com and Atlassian (17% each) and HubSpot (16%) compound at 16% to 20%, while Dropbox (0%) and Zoom (4%) have stalled.

The leaders sell platforms through which AI agents can execute work. The laggards sell seats for document and meeting workflows that AI increasingly automates.

		YOY REVENUE GROWTH[a]				CAGR
	COMPANY	2024	2025	2026E	2027E	2025–27E
WORKPLACE PRODUCTIVITY	ServiceNow	22%	21%	22%	19%	20%
	Atlassian	21%	23%	19%	14%	17%
	Salesforce	9%	10%	11%	10%	11%
	Zoom	3%	4%	5%	4%	4%
	Dropbox	2%	-1%	0%	0%	0%
	Box	5%	8%	9%	9%	9%
	Hubspot	20%	20%	18%	14%	16%
	Asana	12%	9%	9%	8%	8%
	DocuSign	8%	8%	9%	8%	8%
	Monday.com	33%	27%	19%	15%	17%
	Median	10%	9%	10%	9%	10%

>50%	20%-50%	0%-20%	-10%-0%	-20%-10%	<-20%

(a) Calendarized to December

Source: Analyst forecasts

Growth is rewarded in both revenue and EBITDA multiples

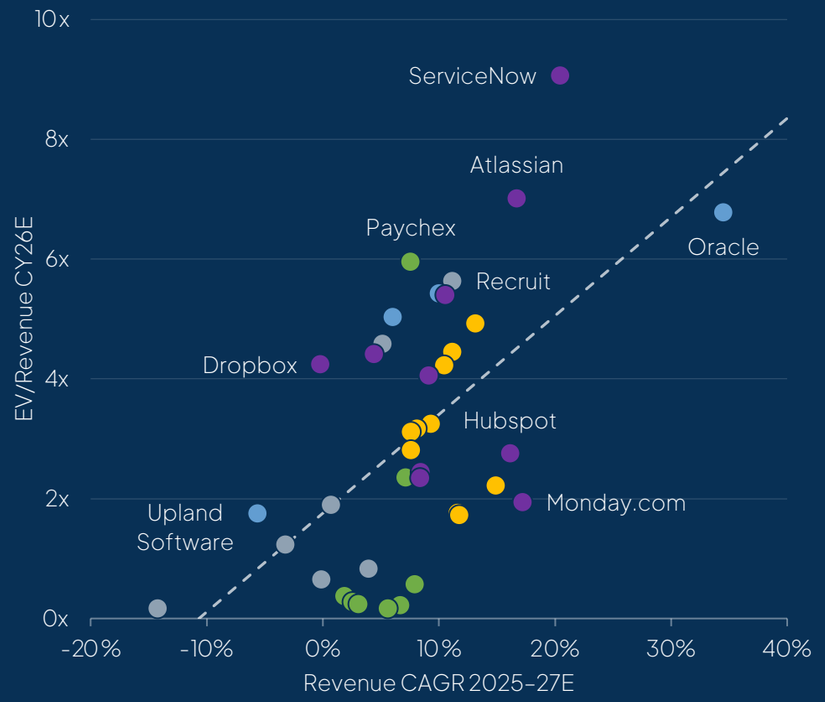
Across the listed peers on Venero's WorkTech index, each additional 10 points of 2025–27E revenue CAGR is associated with ~1.6× more EV/Revenue and ~4.4× more EV/EBITDA.

Growth explains about a third of the variation on an EV/EBITDA basis. This is more than the impact of EBITDA margins and the Rule of 40.

ServiceNow (20% CAGR) and Atlassian (17%) command the highest revenue multiples. Monday.com and HubSpot grow about as fast as Atlassian but trade at 2× to 3× revenue, as investors discount seat-based collaboration models.

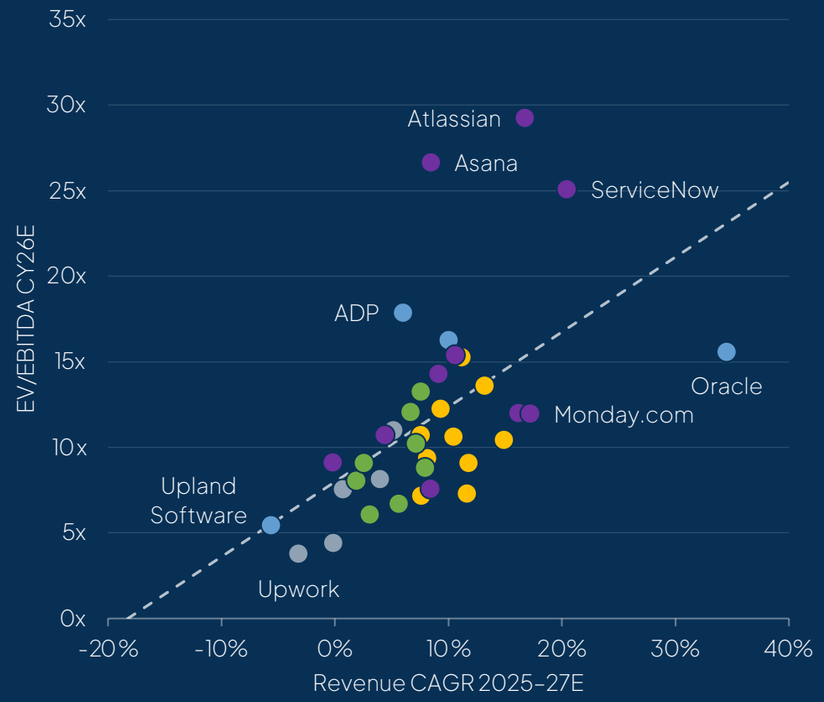
REVENUE GROWTH VS EV/REVENUE

R^2 0.34 | +1.6× EV/Revenue per 10pts of growth | n = 39



REVENUE GROWTH VS EV/EBITDA

R^2 0.30 | +4.4× EV/EBITDA per 10pts of growth | n = 37



WorkTech · Recruitment · Diversified WorkTech · HR Services · Workplace Productivity · Linear trend

Note: Peer set of 39 listed companies shown in the appendix. Rule of 40 = revenue CAGR 2025–27E + EBITDA margin 2026E. EV/EBITDA charts exclude Fiverr (0.5×) and Recruit (32.6×) as outliers

Source: Venero Capital Advisors analysis, October 2026

Profitability lifts revenue multiples, but not EBITDA multiples

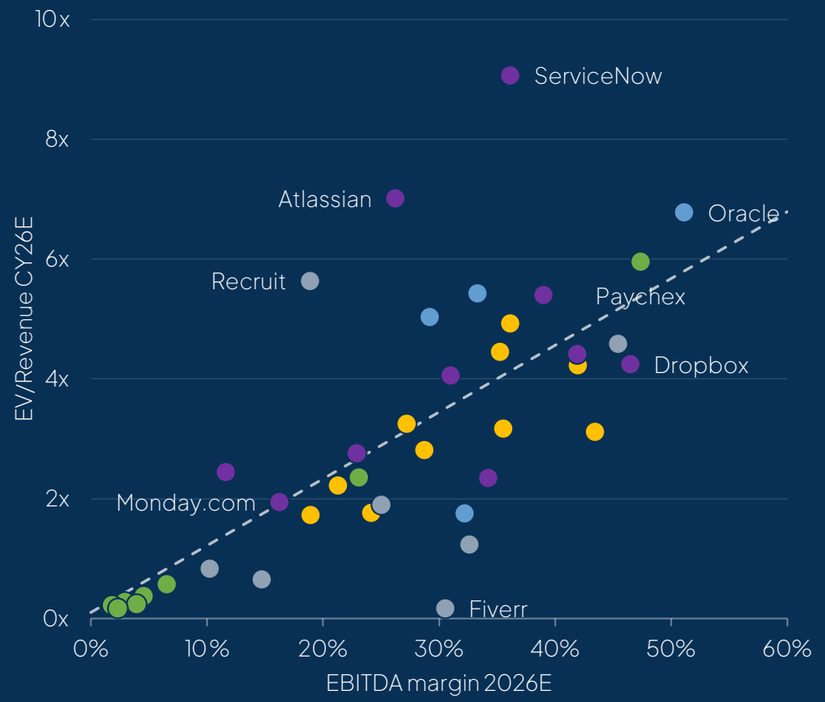
EBITDA margin is the stronger single driver of EV/Revenue (R^2 0.49). Each 10 points of 2026E margin adds ~1.1× revenue, and low-margin staffing and PEO models anchor the range at 0.2–0.6×.

On EV/EBITDA, margin explains almost nothing (R^2 0.03). Investors capitalise current profits at similar multiples, then pay up for growth.

For sellers, margin expansion lifts the revenue multiple, but only growth lifts the EBITDA multiple.

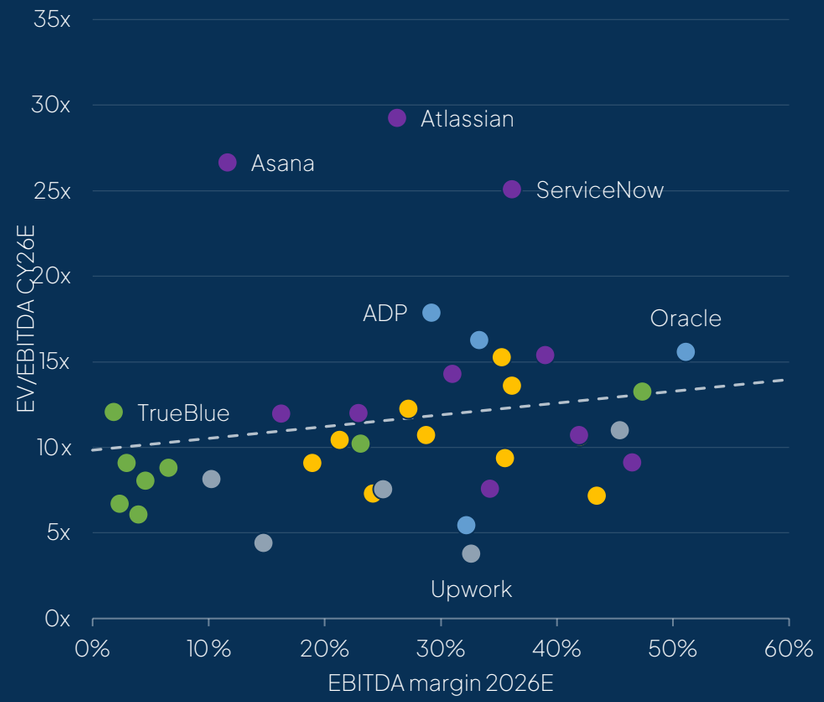
EBITDA MARGIN VS EV/REVENUE

R^2 0.49 | +1.1× EV/Revenue per 10pts of margin | n = 39



EBITDA MARGIN VS EV/EBITDA

R^2 0.03 | no meaningful relationship | n = 37



WorkTech · Recruitment · Diversified WorkTech · HR Services · Workplace Productivity · Linear trend

Note: Peer set of 39 listed companies shown in the appendix. Rule of 40 = revenue CAGR 2025–27E + EBITDA margin 2026E. EV/EBITDA charts exclude Fiverr (0.5×) and Recruit (32.6×) as outliers

Source: Venero Capital Advisors analysis, October 2026

The Rule of 40 is the best single predictor of revenue multiples

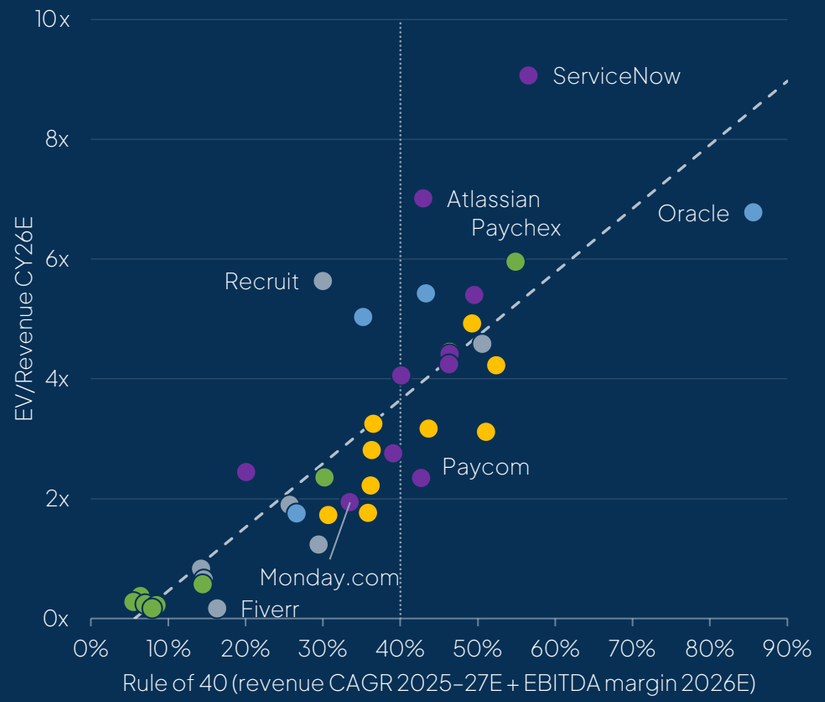
Combining growth and margin explains about two-thirds of the variation in EV/Revenue (R^2 0.69). Each 10 points of Rule of 40 adds ~1.1× revenue.

Peers at or above 40% trade at a median 4.5× revenue and 13.4× EBITDA, against 1.8× and 9.1× below it.

The market pays slightly more for a point of growth than for a point of margin. AI platforms (ServiceNow, Atlassian) sit well above the line; seat-based HCM and collaboration names (Paycom, Paylocity, Monday.com, DocuSign) below it.

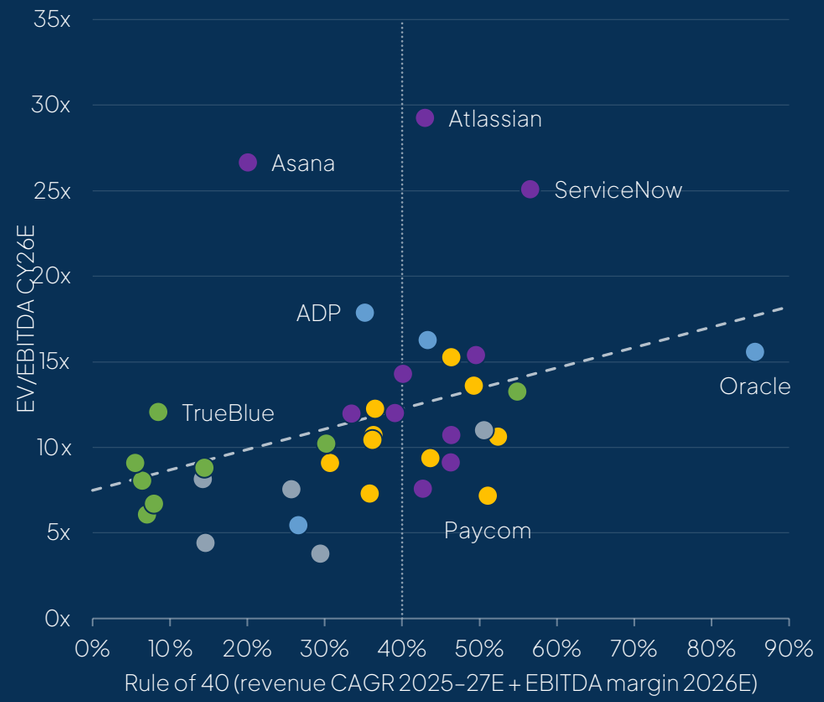
RULE OF 40 VS EV/REVENUE

R^2 0.69 | +1.1× EV/Revenue per 10pts of Rule of 40 | n = 39



RULE OF 40 VS EV/EBITDA

R^2 0.13 | +1.2× EV/EBITDA per 10pts of Rule of 40 | n = 37



WorkTech · Recruitment · Diversified WorkTech · HR Services · Workplace Productivity · Linear trend · Rule of 40 = 40%

Note: Peer set of 39 listed companies shown in the appendix. Rule of 40 = revenue CAGR 2025–27E + EBITDA margin 2026E. EV/EBITDA charts exclude Fiverr (0.5×) and Recruit (32.6×) as outliers

Source: Venero Capital Advisors analysis, October 2026

M&A Update

WorkTech M&A volume and value

WorkTech M&A reached a record 131 transactions in Q3 2026, up 49% on Q2 and 12% on Q3 2025.

Productivity (26) and Business Management (28) software made up 41% of volume, while core HR Tech held steady at 77 deals.

Disclosed or reported value was $5.7bn across 20 deals, led by Miro ($1.4bn), Airtable ($1.3bn), Entersoftone ($1.1bn) and Tanda ($0.6bn). Several of the largest transactions, including TeamSystem and the Cegid and Silae merger, had no disclosed deal value.



Note: Disclosed deal values only. (a) Includes acquisition of Civica by Blackstone ($2.5Bn) and acquisition of Iris by Leonard Green & Partners ($4.0Bn);(b) Includes acquisition of Sterling by First advantage ($2.2Bn);(c) Includes acquisition of Zellis by APAX Partners ($1.6Bn) and acquisition of WalkMe by SAP ($1.5Bn);(d) Includes acquisition of Instructure by KKR ($4.5Bn) and acquisition of Smartsheet by Vista ($8.4Bn);(e) Includes acquisition of WorkForce Software by ADP ($1.2Bn) and acquisition of Learning Technologies Group by General Atlantic ($1.0Bn);(f) Includes acquisition of Paycor by Paychex ($4.1Bn) and acquisition of Moveworks by ServiceNow ($2.9Bn);(g) Includes acquisition of Heartland Payroll by Acrisure ($1.1Bn) and acquisition of Melio by Xero ($2.5Bn);(h) Includes acquisition of NEOGOV by EQT ($3.1Bn), acquisition of Dayforce by Thoma Bravo ($12.3Bn), and acquisition of Sana Labs by Workday ($1.1Bn);(i) Includes acquisition of PG Forsta by Qualtrics ($6.8Bn), acquisition of Banmedica by Patria Investments ($1.0Bn), and acquisition of Qualified by Salesforce ($1.2Bn);(j) Includes acquisition of Manus by Meta ($2.5Bn) and acquisition of Brex by Capital One ($5.2Bn);(k) Includes acquisition of Alegeus by UnitedHealth Group ($3.0Bn), acquisition of Contentful by Salesforce ($1.5Bn), and acquisition of Fin (formerly Intercom) by Salesforce ($3.6Bn);(l) Includes acquisition of Airtable by Bending Spoons ($1.3Bn), acquisition of Miro by Bending Spoons ($1.4Bn), and acquisition of Entersoftone by Hg ($1.1Bn).
Source: Press reports as of 1 October 2026, Venero Capital Advisors analysis

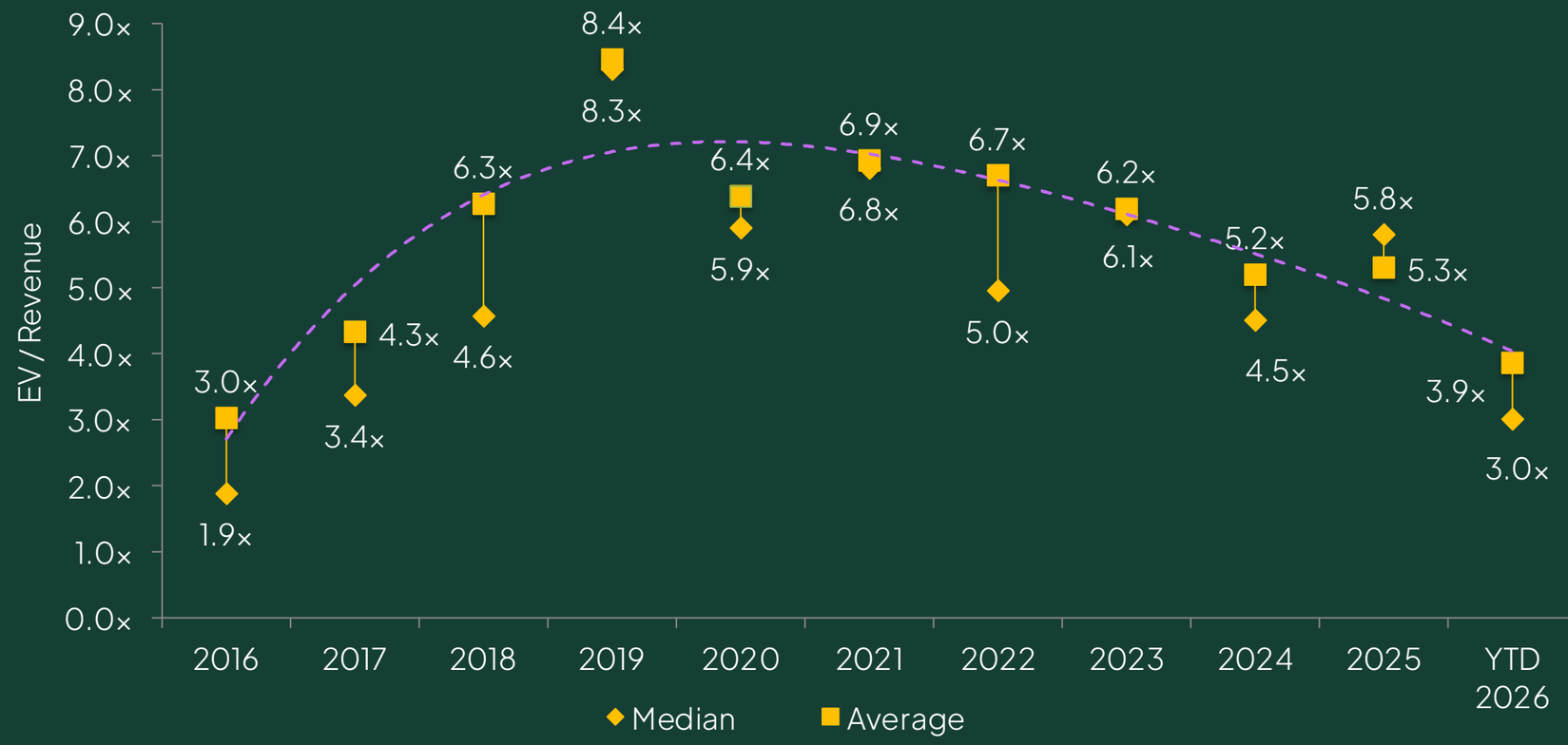
What are the valuation multiples for WorkTech companies?

A two-speed market has emerged: Seat-based SaaS whose growth has slowed are changing hands at 2 to 3× ARR, as buyers price in the risk of displacement by AI agents.

At the other end, software embedded in regulation, such as e-invoicing and payroll, carries switching costs that AI is unlikely to erode quickly, which keeps these assets scarce and well bid.

PE is the swing buyer in both segments, making 23 of the 131 acquisitions in Q3 2026 directly and at least 18 more through portfolio companies.

WORKTECH VALUATION MULTIPLES OVER TIME



Note: Median and average of disclosed EV/Revenue multiples (EV/ARR where revenue is not disclosed), excluding outliers below 1.0× or above 20.0×

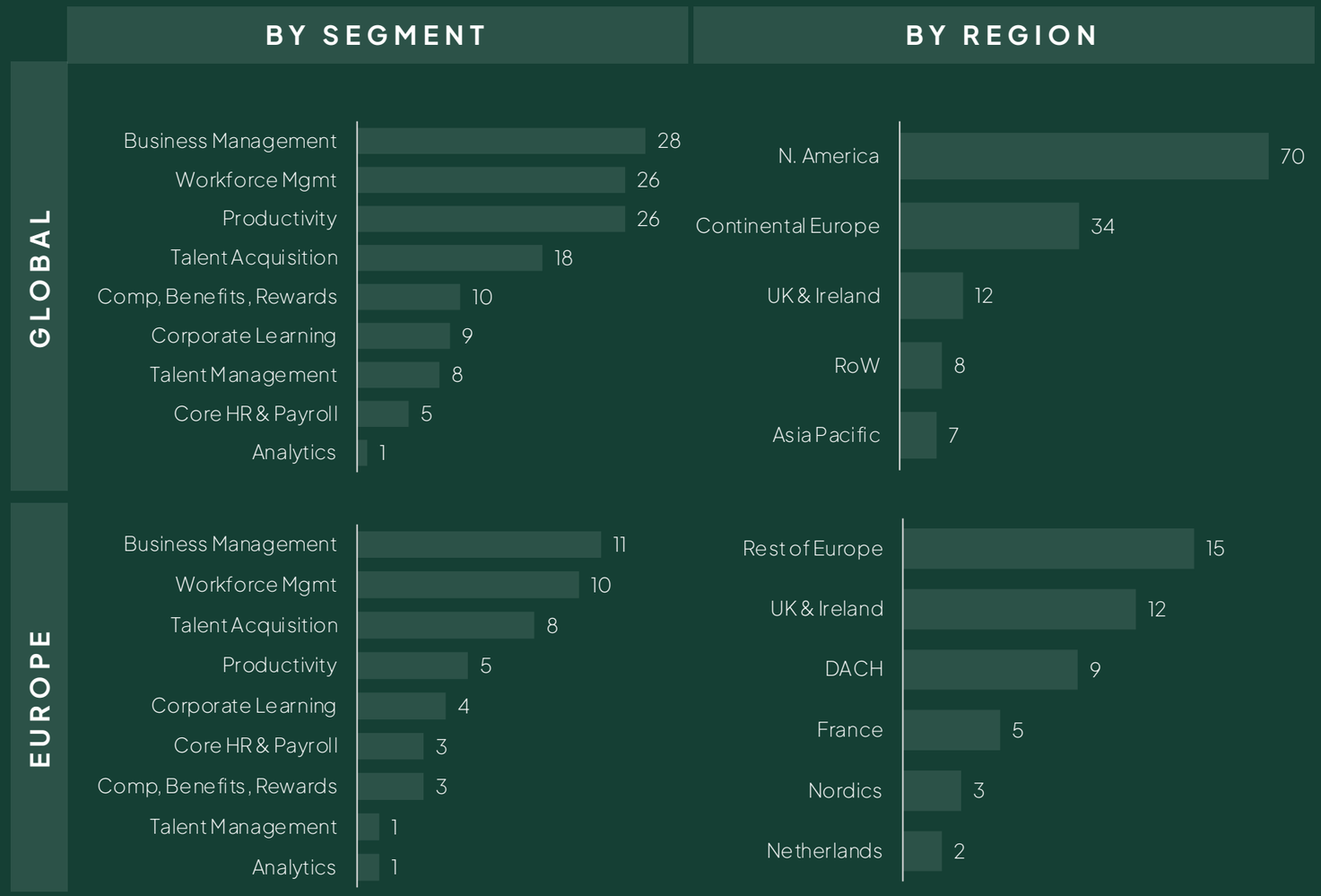
Source: Press reports as of 1 October 2026, Venero Capital Advisors analysis

Q3 2026 M&A activity by segment and geography

Business Management (28), Workforce Management (26) and Productivity (26) were the most active segments. Talent Acquisition slowed to 18 deals, its lowest count since Q4 2023.

North America generated a record 70 transactions (Q2: 38). Europe recovered to 46 (Q2: 28), led by the UK & Ireland (12) and DACH (9).

European buyers are consolidating country-specific ERP, e-invoicing, payroll and scheduling software, where local regulation creates defensible niches.



Source: Venero Capital Advisors analysis

AI is now the core M&A thesis

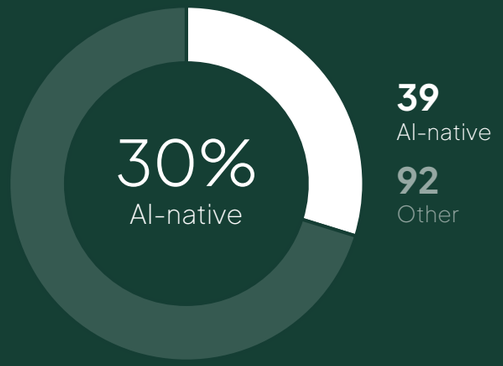
Incumbent platforms are buying AI capability rather than building it.

Targets are typically small, recently funded AI-native teams that can be embedded directly into existing workflows, from HR service delivery to hiring and verification.

39 of the 131 targets acquired in Q3 2026 (30%) were AI-native, up from 26 in Q2 and 13 in Q3 2025. Seventeen of them build AI agents that carry out tasks on their own ("digital workers"), against six in each of the two previous quarters.

Most were small, recently funded teams and only a handful disclosed a price, so buyers are paying for product and talent rather than revenue. Three patterns stand out: agent orchestration, verification as hiring fraud and deepfakes rise, and AI-native add-ons for HCM suites.

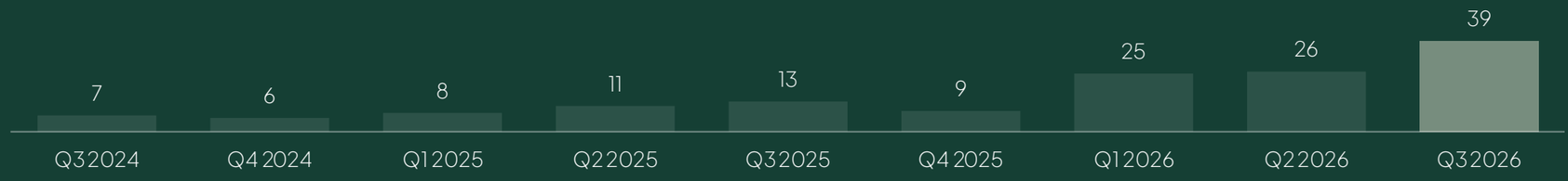
Q3 2026 TARGETS



39 AI-native

92 Other

AI-NATIVE TARGETS ACQUIRED PER QUARTER



AGENTS AND ORCHESTRATION

ServiceNow ai.work, Sweep
Palo Alto Networks Console
Sierra Takeoff
Mitratech BotDojo
AppDirect Soul Machines
Certinia Moonnox

TRUST AND VERIFICATION

Deel Clarity (deepfake detection)
Checkr Truv (income and employment verification)
Medallion Andros (credentialing)

AI-NATIVE TOOLS FOR HCM SUITES

Paylocity Aidora
Lattice Pando
Factorial Empion
Metaview Reval
Paychex WizeHire

Source: Press reports as of 1 October 2026, Venero Capital Advisors analysis

Q3 2026 deals in focus

OPERATOR BUYOUT

Bending Spoons / Airtable + miro

$2.6bn combined

Two collaboration leaders with ~$1.1bn of combined ARR acquired within five weeks at 2.3–2.7× ARR. Miro shareholders reinvest $295m in Bending Spoons equity.

Why it matters: Sets a public reference price for scaled, slower-growth SaaS.

SPONSOR-LED COMBINATION

Silver Lake / cegid + silæ

€10bn+ combined EV

Combines two portfolio companies into one SMB platform for e-invoicing, accounting, payroll and payments, with 2m customers and 13m payslips a month.

Why it matters: Payroll is becoming a module of broader SMB finance platforms.

MINORITY STAKE

FP Francisco Partners + KKR / TeamSystem

€8–10bn valuation

H&F sold a ~15% stake at ~17× 2025 EBITDA of €476m in a "private IPO" process, returning capital without a listing.

Why it matters: Sponsors pay up for software embedded in e-invoicing mandates.

GROWTH INVESTMENT

THOMABRAVO / TANDA

$561m

First institutional capital for an Australian WFM and payroll platform that bootstrapped for 14 years and serves 8,000 shift-based employers.

Why it matters: Frontline workforce management remains a priority for large sponsors.

HIRING TRUST

deel. / Clarity

Undisclosed

Deel ($1.5bn ARR) made its 15th acquisition, adding deepfake and identity verification as synthetic applicants are forecast to reach ~25% of job applications by 2028.

Why it matters: Hiring fraud is becoming a core HR Tech problem.

AGENT CONSOLIDATION

servicenow / ai.work + Sweep

Undisclosed

Two agentic platforms bought in one quarter: autonomous AI workers for operations, and an agentic workspace for go-to-market teams.

Why it matters: Large platforms are consolidating the agent layer early.

Note: Tanda value as reported for the Thoma Bravo investment; TeamSystem multiple based on press reports

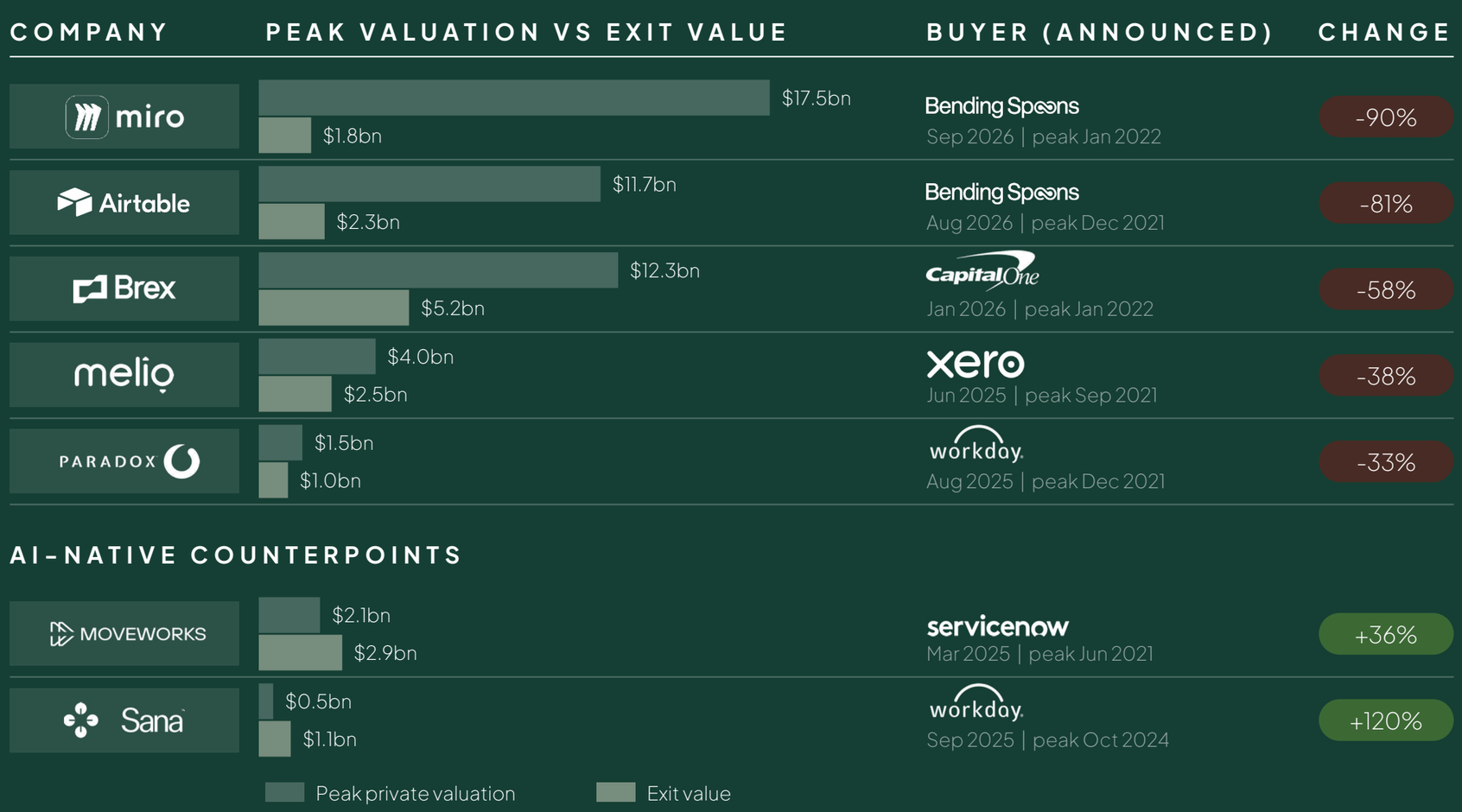
Source: Company announcements, press reports as of 1 October 2026, Venero Capital Advisors analysis

The unicorn reset: 2021–22 valuations meet 2026 pricing

Several of the most highly valued pandemic-era software companies have now been sold for a fraction of their peak private valuations.

Buyers are pricing them on cash flow and durability rather than growth: Bending Spoons paid 2.3–2.7× ARR for Miro and Airtable, 80–90% below their 2021–22 rounds.

AI-native assets are the exception. Moveworks and Sana Labs sold above their last private valuations.



Note: Exit values are equity values where disclosed (Miro EV $1.36bn, Airtable EV $1.29bn). Melio excludes a $0.5bn earn-out. Peak valuations as reported at the time of each round

Source: Company announcements, press reports, Venero Capital Advisors analysis

Deal structures are adapting to the valuation reset

With exit windows narrow and valuations reset, owners are using partial liquidity, rollovers and in-portfolio mergers to bridge the gap between 2021 valuation levels and today's prices.

Each structure trades some cash or control today for a better price later. Buyers use structure too, taking minority stakes to gain data and distribution without paying a control premium.

TeamSystem 01

MINORITY STAKES AND PRIVATE IPOS

H&F sold ~15% of TeamSystem to Francisco Partners and KKR at an €8–10bn valuation, returning capital without a listing.

Angle Health 02

TENDER OFFERS AND SECONDARIES

Angle Health's $400m tender alongside a $200m Series C gave early shareholders and employees liquidity at a $2.7bn valuation.

miro 03

ROLLOVER INTO ACQUIRER EQUITY

Miro shareholders reinvest $295m of their proceeds in Bending Spoons shares, keeping exposure to the acquirer's model.

HiBob 04

STRATEGIC MINORITY INVESTMENTS

Salesforce led a $166m investment in HiBob, taking a stake in the workforce data layer its AI agents rely on.

TANDA ENTERSOFTONE 05

FOUNDER PARTIAL EXITS

Tanda took $561m from Thoma Bravo after 14 bootstrapped years; Entersoftone's founders reinvested alongside Hg's majority. Both keep founders in for the upside.

cegid silæ 06

SPONSOR-TO-SPONSOR MERGERS

Silver Lake is merging portfolio companies Cegid and Silae rather than selling either, building scale ahead of an exit.

Source: Company announcements, press reports as of 1 October 2026, Venero Capital Advisors analysis

Serial acquirers are shaping the WorkTech M&A market

Eleven buyers made three or more WorkTech acquisitions in the twelve months to September 2026.

They fall into three groups: country-by-country consolidators (Visma in accounting and e-invoicing across Europe and Latin America, Main Capital in Northern European vertical software), AI-led capability builders (ServiceNow, Salesforce, UKG) and recruiting and learning roll-ups (Humanly, Phenom, Learning Pool, Toptal).

These buyers have repeatable integration playbooks and are the most likely bidders for subscale assets in their segments.

ACQUIRER	DEALS (LTM)	BUYER TYPE	TARGETS (OCT 2025 – SEP 2026)
VISMA	9	Strategic (PE-backed)	WeFact, Equality Check, MaisMei, fulll, Dootax, Pag Util, Tek01, Fattura Elettronica, Mister Contador
Humanly	4	Strategic (VC-backed)	Sprockets, Qualifi, HourWork, Anthill
learningpool	4	Strategic (PE-backed)	WorkRamp, Elucidat, WorkStep, Confirm
MAIN CAPITAL PARTNERS	4	Private equity	BrainsFirst, SMS Stiewi, Orgvue, Confirma Software
Toptal	4	Strategic	Graphite, No Single Individual, Adeva, QO Collective
servicenow	3	Strategic	Pyramid Analytics, ai.work, Sweep
salesforce	3	Strategic	Qualified, Contentful, Fin (formerly Intercom)
UKG	3	Strategic (PE-backed)	Chattr, Mo, Inova
phenom	3	Strategic (VC-backed)	Included, Applied, Plum
Vensure Employer Solutions	3	Strategic (PE-backed)	CreAI, Distro, TecsPal
VISTA EQUITY PARTNERS	3	Private equity	Nexthink, Dentira, Joblogic

Note: Acquirers with three or more WorkTech acquisitions announced between 1 October 2025 and 30 September 2026, including acquisitions by portfolio companies where the sponsor is named as buyer

Source: Press reports as of 1 October 2026, Venero Capital Advisors analysis

Q3 2026 selected M&A transactions

DATE	TARGET	ACQUIRER	DATE	TARGET	ACQUIRER	DATE	TARGET	ACQUIRER
Jul-26	ai.work	ServiceNow	Aug-26	Airtable	Bending Spoons	Sep-26	Miro	Bending Spoons
Jul-26	Aidora	Paylocity	Aug-26	Clarity	Deel	Sep-26	TeamSystem	Francisco Partners, KKR
Jul-26	Beam Benefits	Principal Financial Group	Aug-26	Ascensus	Genstar Capital	Sep-26	Tanda	Thoma Bravo
Jul-26	Engagedly	Energage	Aug-26	Truv	Checkr	Sep-26	Sweep	ServiceNow
Jul-26	WorkTango	BI WORLDWIDE	Aug-26	Pando	Lattice	Sep-26	WizeHire	Paychex
Jul-26	Talent Funnel	The Access Group	Aug-26	Nava Benefits	Alliant Insurance Services	Sep-26	Silae	Cegid
Jul-26	Pflegia	Ardian	Aug-26	Nourish Care	Hg Capital	Sep-26	Orgvue	Main Capital Partners
Jul-26	No Fluff Jobs	Grupa Pracuj	Aug-26	Reval	Metaview	Sep-26	Salary Finance	Stream
Jul-26	Viterbit	InfoJobs	Aug-26	Bangert	Sage	Sep-26	Empion	Factorial
Jul-26	Joblift	Adzuna	Aug-26	ShiftOS	Trusted Health	Sep-26	Symphony Talent	Harver

Source: Press reports as of 1 October 2026, Venero Capital Advisors analysis

Investment Activity Update

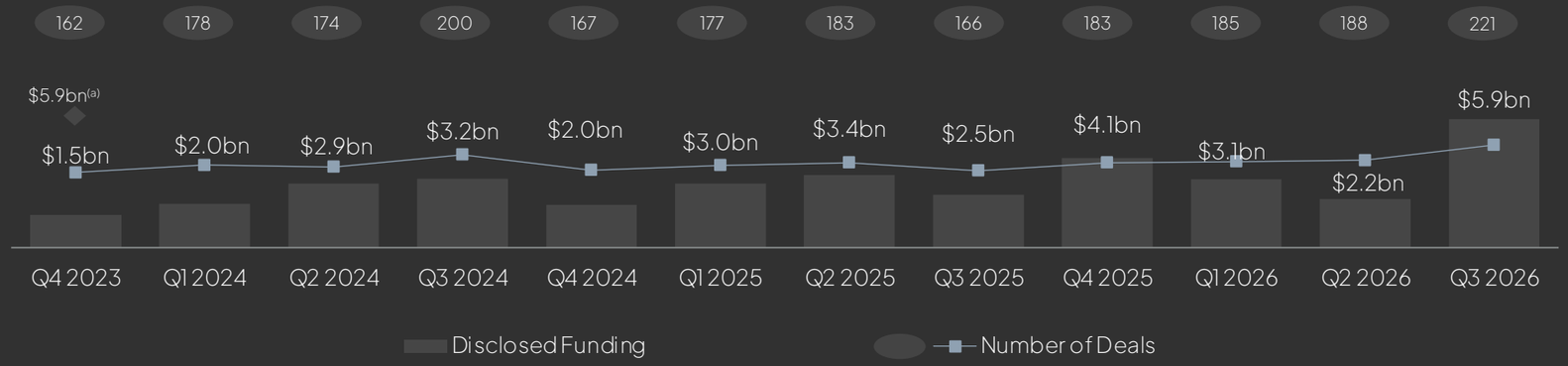
WorkTech investment activity highlights

WorkTech funding rose 165% QoQ to $5.9bn across 221 rounds, the highest quarterly total since Q2 2022.

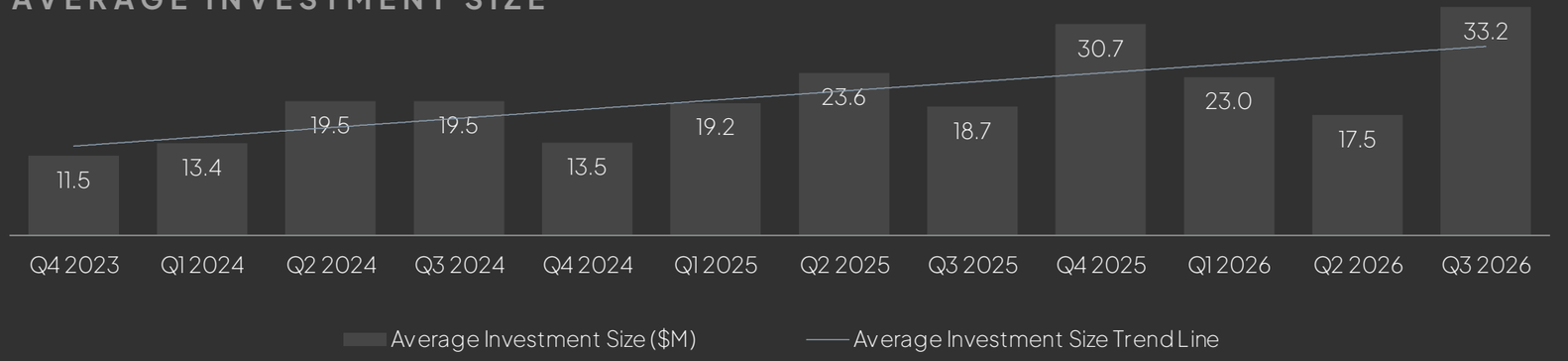
The average round nearly doubled to $33.2m (Q2: $17.5m) and the median rose to $10m from $4m. Eighteen rounds were $100m or larger, led by Wonderful ($550m), Angle Health ($600m incl. a $400m tender) and EliseAI ($350m).

AI-native companies raised 79% of the capital. HR Tech categories raised $2.4bn across 105 rounds: more capital than in Q2 ($1.2bn), but fewer rounds (151).

QUARTERLY INVESTMENTS INTO WORKTECH (GLOBAL)



AVERAGE INVESTMENT SIZE



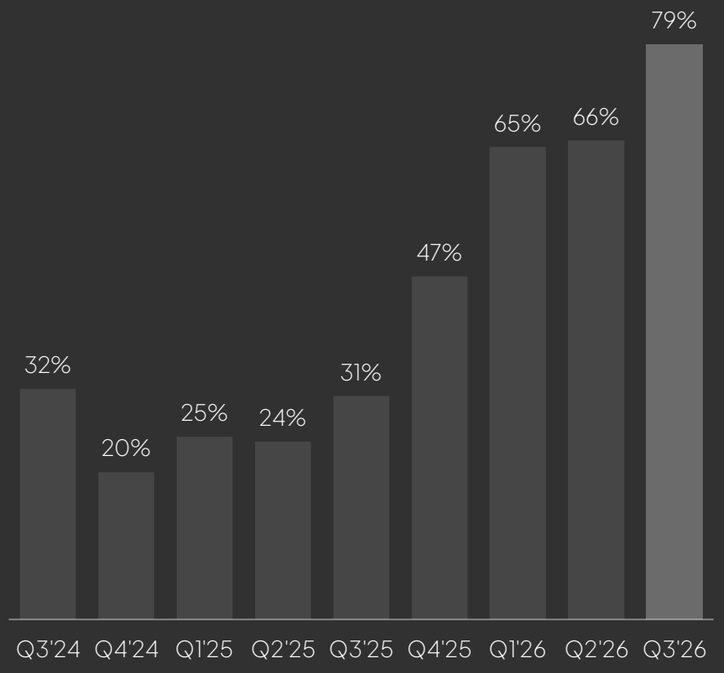
Note: Disclosed deal values only

(a) Reflects investment of €4.0bn ($4.4bn) in Visma (outlier)

Source: Press reports as of 1 October 2026, Venero Capital Advisors analysis

Four themes defined Q3 2026 funding

AI-NATIVE SHARE OF CAPITAL RAISED



1. THE AGENTIC ENTERPRISE

$2.4bn across 97 rounds

AI agent platforms raised more than any other theme (Q2: 30 rounds). Wonderful raised $550m at a $5bn valuation a year after founding; EliseAI ($350m), HappyRobot ($150m), Prentis ($100m) and Ema ($77m) automate operations, HR, IT and finance work end to end.

2. BENEFITS AND HEALTHCARE COST

$1.1bn in Comp, Benefits & Rewards

Rising employer health costs are pulling capital into new benefits models. Angle Health raised $600m (incl. a $400m tender) at a $2.7bn valuation, alongside Rightway ($155m), Thatch ($108m), Oxbridge Health ($39m) and ICHRA specialists Corridor and Stack Health.

3. AI-NATIVE FRONTLINE WORKFORCE

$630m in Workforce Management

Skello ($230m), Miter ($40m), Relay ($36m) and Flip ($25m) bring AI scheduling, pay and communications to shift-based and field workers. Thoma Bravo's investment in Tanda shows the same thesis in M&A.

4. WORKFORCE DATA AS AI INFRASTRUCTURE

$166m HiBob round led by Salesforce

Salesforce backed HiBob to bring people and organisational data to its AI agents. Skan AI ($63m) captures work signals to ground AI, and micro1 ($100m) supplies expert talent to train AI models.

Note: Excludes convertible notes and debt. Agentic enterprise = rounds tagged "Digital Worker". AI-native = description or sub-category references AI, agents, machine learning or LLMs

Source: Press reports as of 1 October 2026, Venero Capital Advisors analysis

Mapping the agentic AI layer in WorkTech

Capital and acquirers are concentrating where AI performs work rather than assisting the people who do it. That is the largest structural risk to per-seat pricing, and the largest opportunity for platforms that own workflow data.

Enterprise agent platforms and orchestration	**Wonderful** $550m round	**Prentis** $100m round	**Ema** $77m round	**InstaLILY** $60m round	**ai.work** ServiceNow	**Sweep** ServiceNow	**BotDojo** Mitratech	**Takeoff** Sierra
HR and IT service agents	**Harmony** $34m round	**PeopleX** $34m round	**Console** Palo Alto Networks	**Soul Machines** AppDirect	**Moonnox** Certinia			
Recruiting agents	**Metaview** $60m round	**Jack & Jill** $40m round	**Spott** $21m round	**Reval** Metaview	**Empion** Factorial			
Trust, identity and verification	**Xapien** $56m round	**Yardstik** $30m round	**Clarity** Deel	**Truv** Checkr	**Andros** Medallion			
Vertical operations agents	**EliseAI** $350m round	**HappyRobot** $150m round	**Zuma** Venn	**ShiftOS** Trusted Health	**Pixi** zvoove			
AI-native finance back office	**Rillet** $100m round	**Numeral** $100m round	**Confido** $55m round	**Ande** $52m round	**BackOps** $42m round	**Adaptive** $30m round	**Integral** $21m round	
Models and agent infrastructure	**Arcee AI** $150m round	**Enigma** $71m round	**Skan AI** $63m round	**Raindrop** $35m round				

Raised a round in Q3 2026 | Acquired in Q3 2026 (acquirer shown)

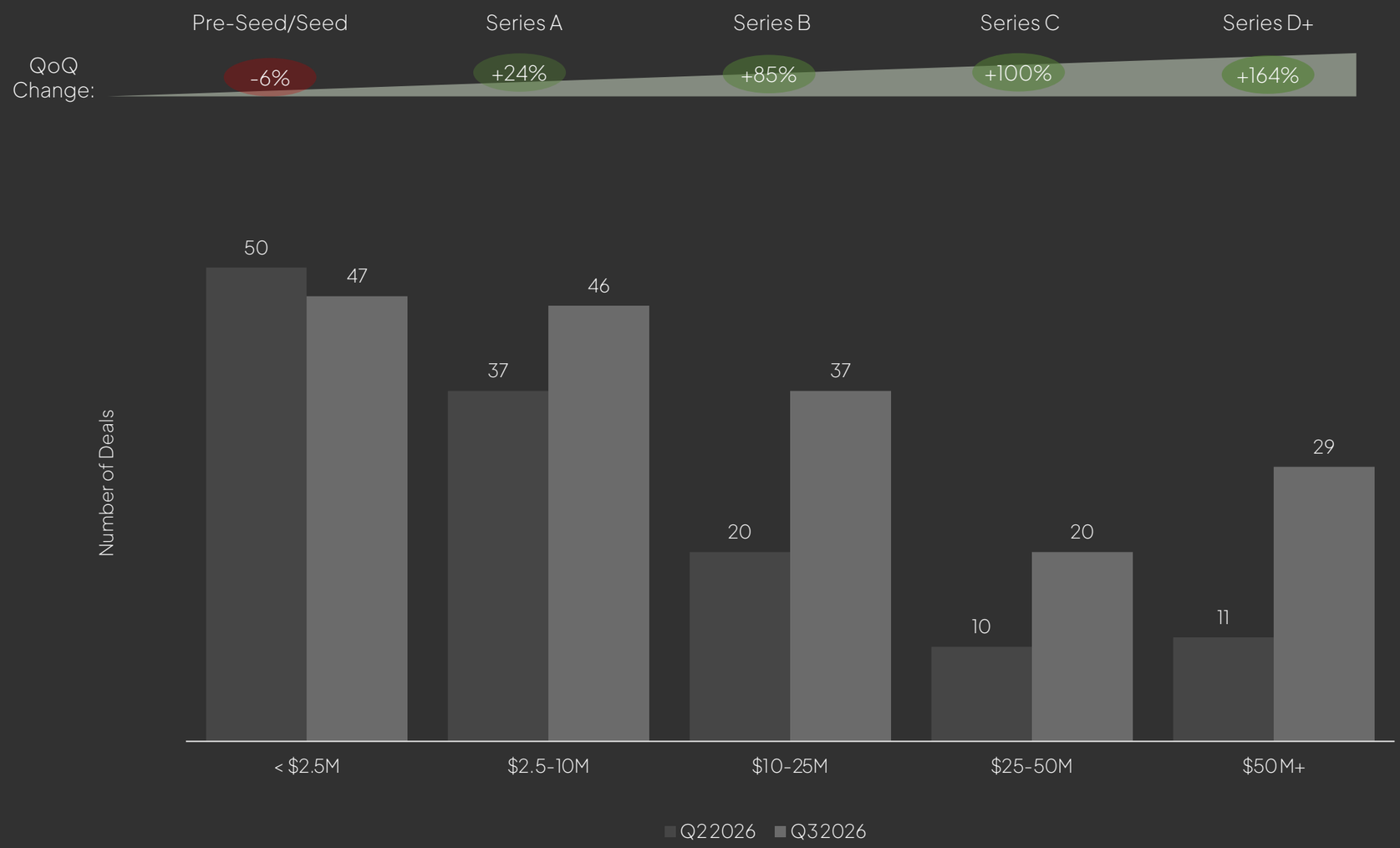
Source: Press reports as of 1 October 2026, Venero Capital Advisors analysis

Investment volume by deal size

Growth in the middle and upper end of the market drove the increase in capital. Rounds of $50m+ rose from 11 to 29, $25–50m doubled (10 to 20) and $10–25m rose 85% (20 to 37), while sub-$2.5m rounds were broadly flat.

Late-stage investors have re-engaged: there were 14 Series C rounds (Q2: 5), raising $1.5bn, and Series B capital tripled to $1.0bn.

Companies with demonstrable AI-native traction are raising large rounds quickly, while capital for undifferentiated SaaS remains scarce.



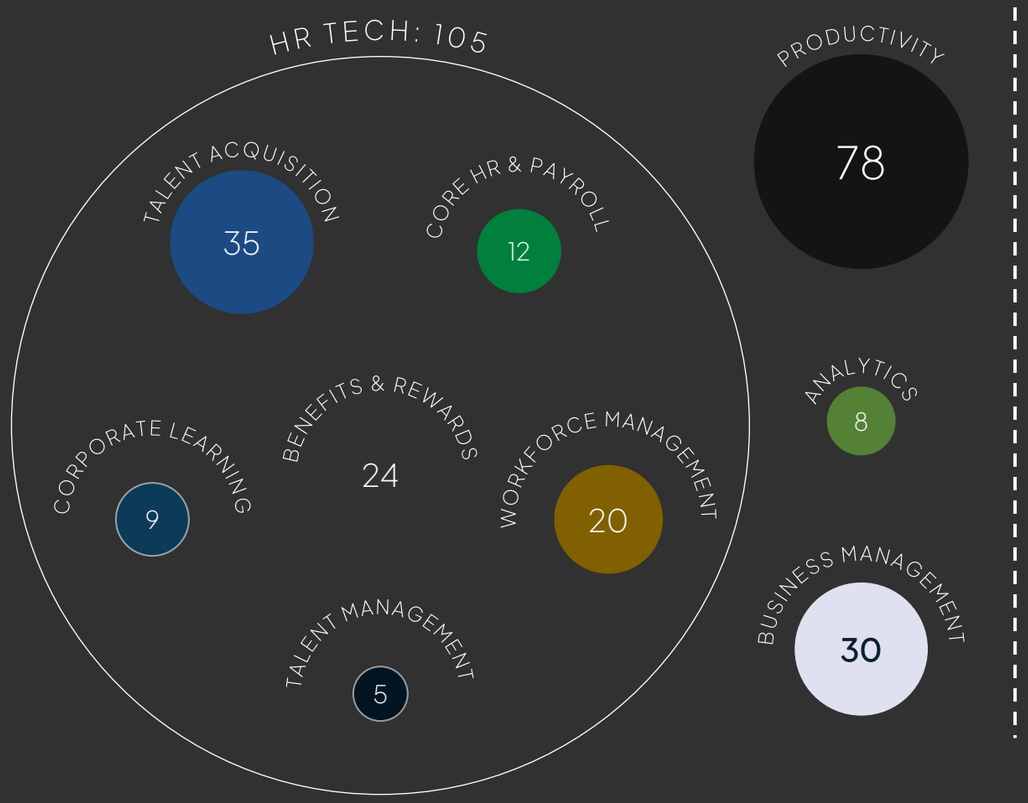
Note: Disclosed deal values only

(a) 42 funding rounds did not disclose the investment size

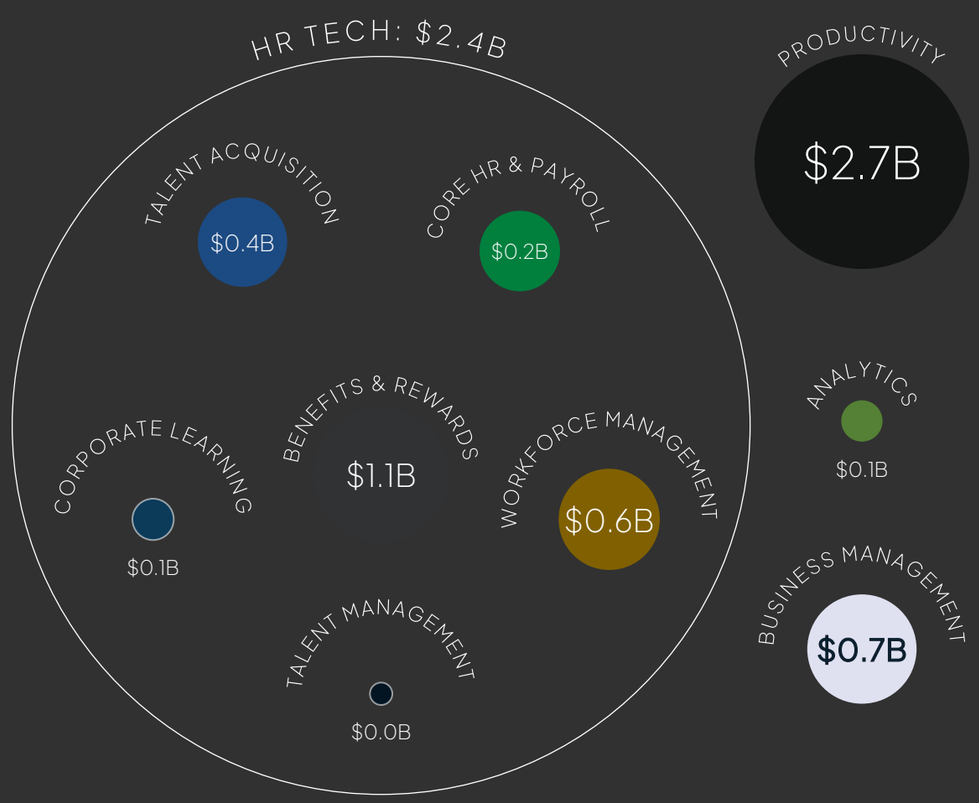
Source: Press reports as of 1 October 2026, Venero Capital Advisors analysis

Q3 2026 investment activity by segment

NUMBER OF FUNDING ROUNDS: 221



AMOUNT RAISED: $5.9BN

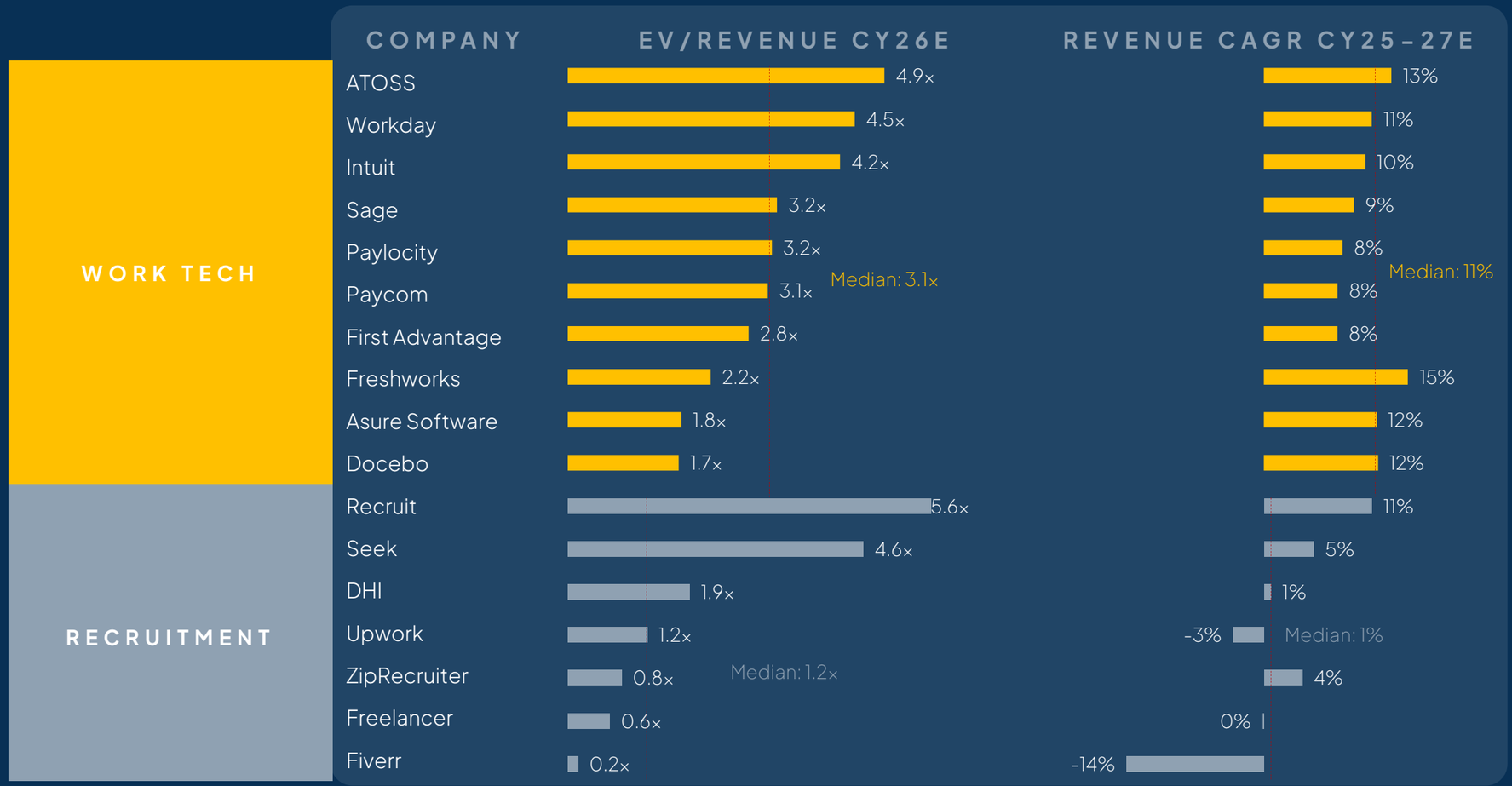


Q3 2026 selected funding rounds, by size

DATE	COMPANY	AMOUNT ($M)	DATE	COMPANY	AMOUNT ($M)	DATE	COMPANY	AMOUNT ($M)
Sep-26	Wonderful	550.0	Sep-26	Noxtua	115.0	Jul-26	Enigma	71.0
Sep-26	Angle Health	400.0	Sep-26	Thatch	108.0	Aug-26	Skan AI	63.0
Sep-26	EliseAI	350.0	Jul-26	Prentis	100.0	Jul-26	InstaLILY	60.0
Aug-26	Wispr Flow	280.0	Jul-26	LearnVector	100.0	Sep-26	Metaview	60.0
Sep-26	Kahua	250.0	Aug-26	Rillet	100.0	Sep-26	Xapien	56.0
Jul-26	Skello	230.0	Sep-26	micro1	100.0	Sep-26	Confido	55.0
Sep-26	Hibob	166.0	Sep-26	Numeral	100.0	Sep-26	Capacity	54.0
Sep-26	Rightway	155.0	Aug-26	MarginEdge	80.0	Sep-26	Ande	52.0
Aug-26	HappyRobot	150.0	Sep-26	Ema	77.0	Sep-26	BackOps	42.0
Sep-26	Arcee AI	150.0	Jul-26	Freehand	75.0	Sep-26	Jack & Jill	40.4

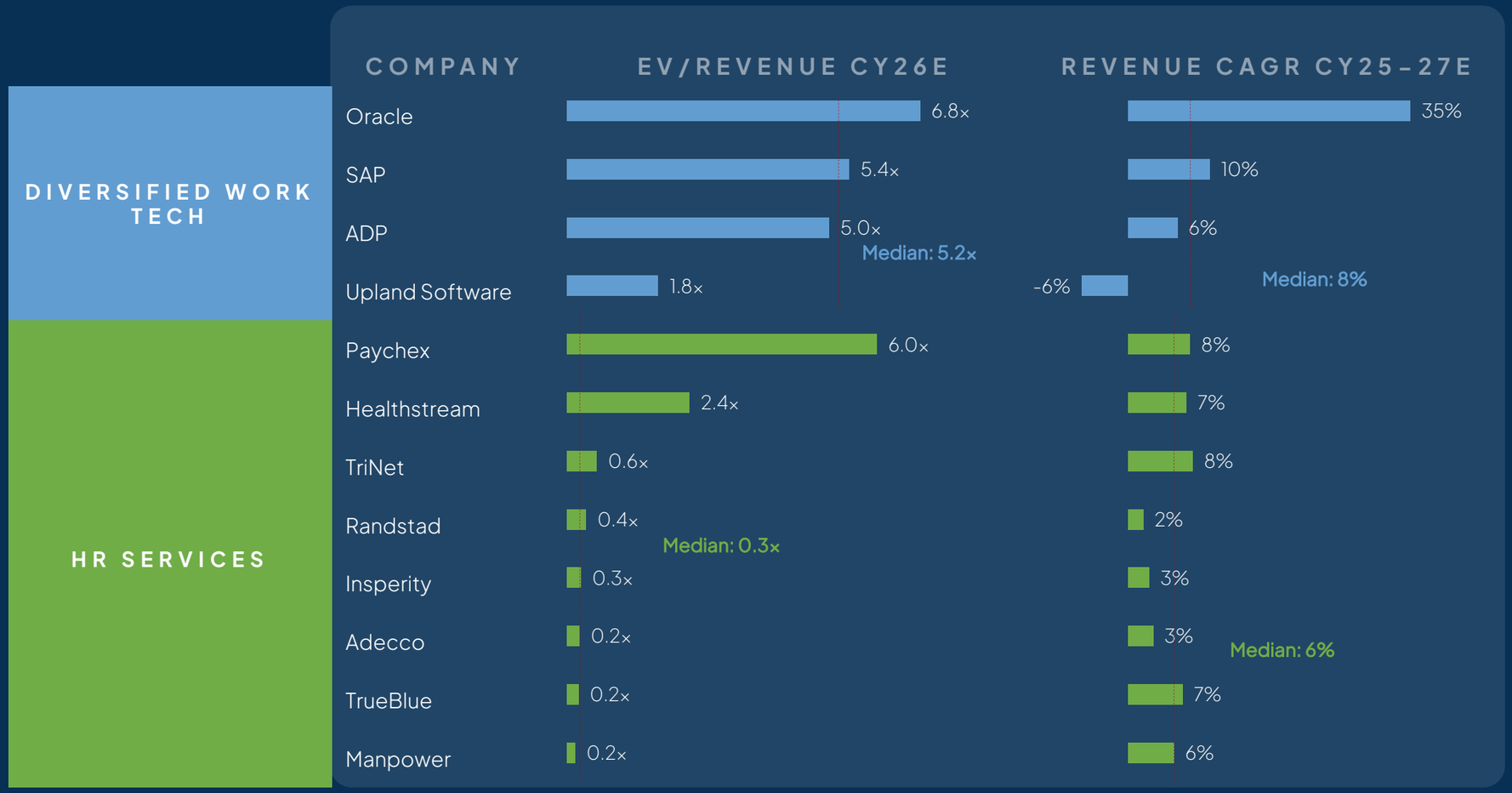
Appendix: Public Companies Benchmarking

Peer benchmarking: Valuation & revenue growth



Source: Venero Capital Advisors analysis, October 2026

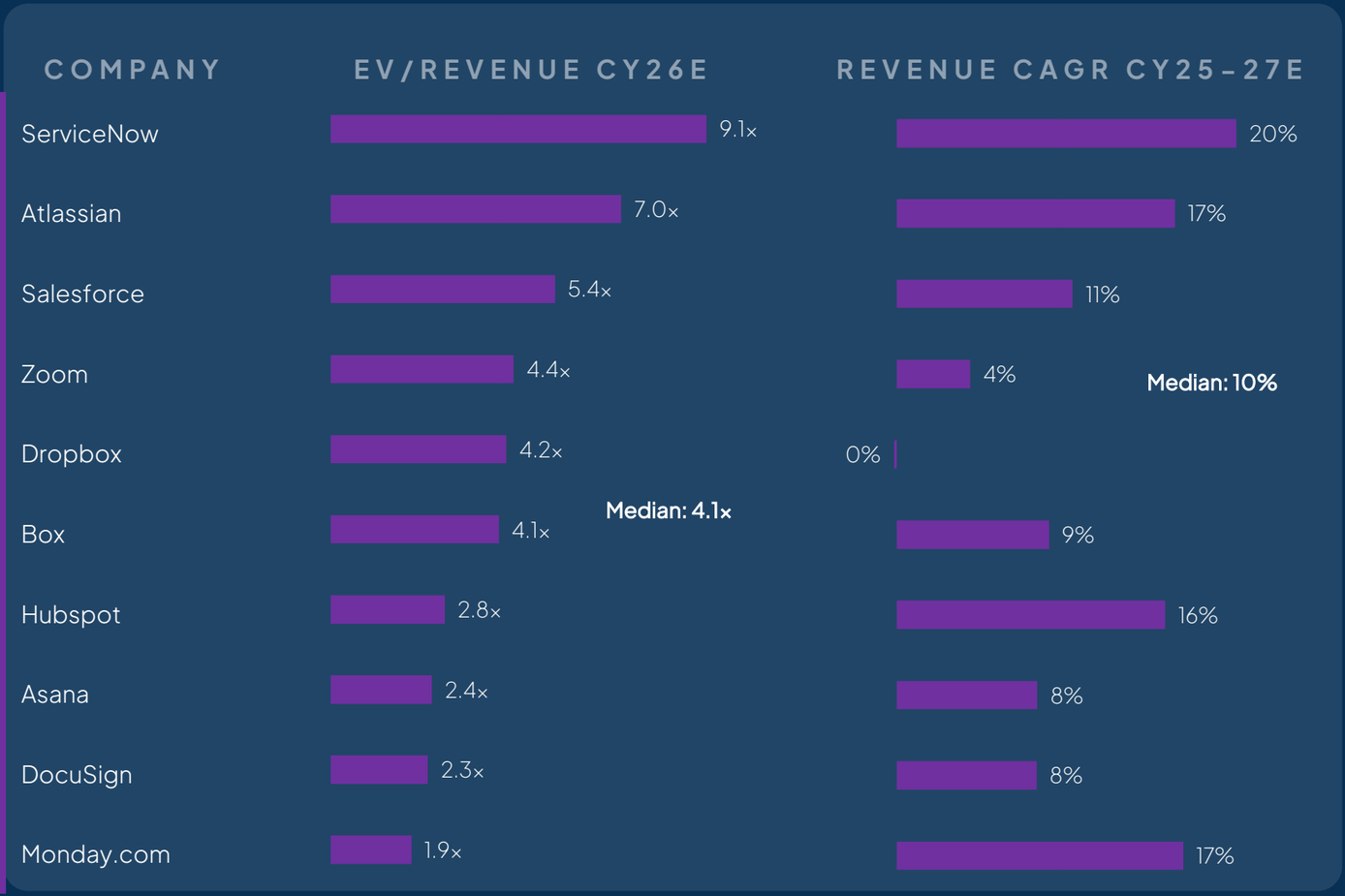
Peer benchmarking: Valuation & revenue growth (cont.)



Source: Venero Capital Advisors analysis, October 2026

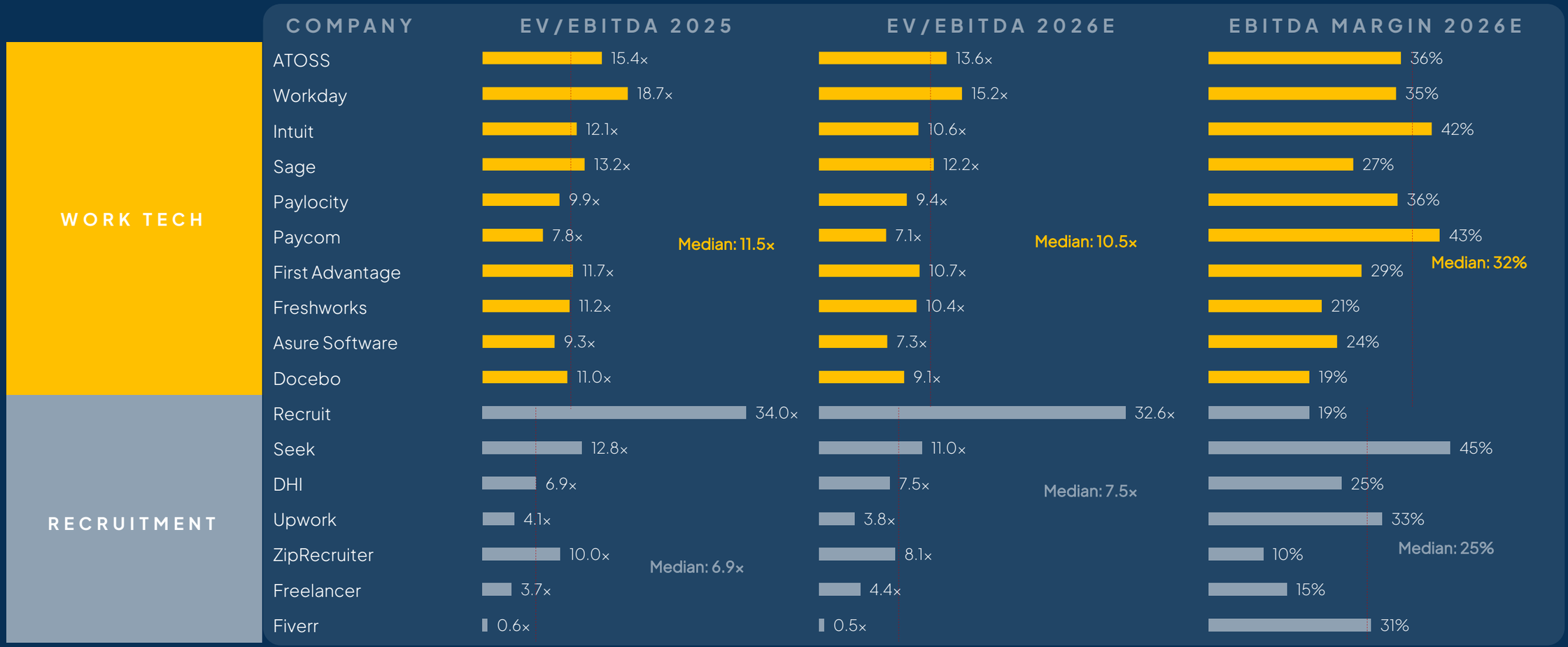
Peer benchmarking: Valuation & revenue growth (cont.)

WORKPLACE PRODUCTIVITY



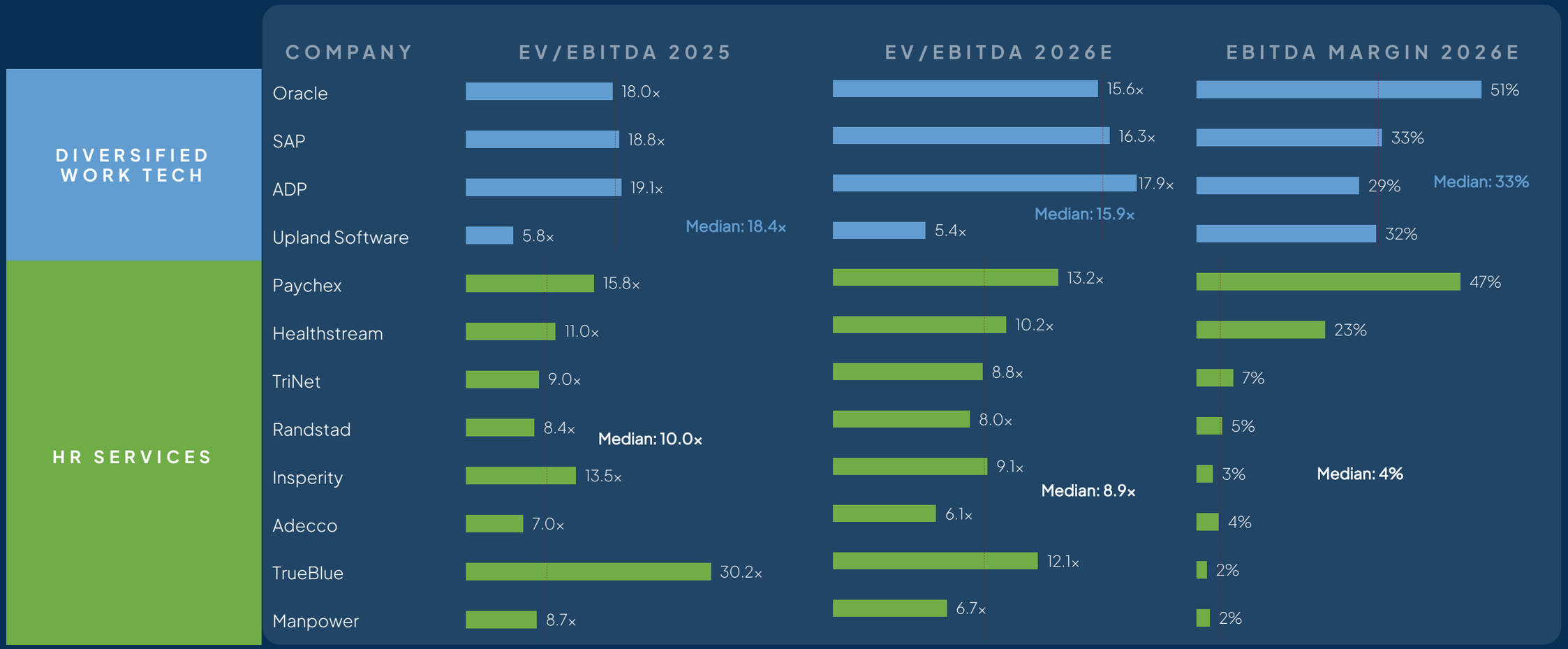
Source: Venero Capital Advisors analysis, October 2026

Peer benchmarking: Profitability



Source: Venero Capital Advisors analysis, October 2026

Peer benchmarking: Profitability (cont.)



Source: Venero Capital Advisors analysis, October 2026

Peer benchmarking: Profitability (cont.)

WORKPLACE PRODUCTIVITY

COMPANY	EV/EBITDA 2025	EV/EBITDA 2026E	EBITDA MARGIN 2026E
ServiceNow	30.1×	25.1×	36%
Atlassian	37.0×	29.2×	26%
Salesforce	17.3×	15.4×	39%
Zoom	11.4×	10.7×	42%
Dropbox	9.1×	9.1×	46%
Box	16.0×	14.3×	31%
Hubspot	14.4×	12.0×	23%
Asana	n.m.	26.6×	12%
DocuSign	8.4×	7.6×	34%
Monday.com	15.6×	12.0×	16%
	Median: 15.6×	**Median: 13.1×**	**Median: 33%**

Source: Venero Capital Advisors analysis, October 2026

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