



PALA
CORPORATE FINANCE

HR TECH SECTOR REPORT

Q1 2025

Hamburg 2025

PALA IS THE NO. 1 PARTNER TO FAST GROWING SMALL & MEDIUM SIZED COMPANIES

PARTNER LED ADVISORY BOUTIQUE

CORPORATE FINANCE MANDATES

+30

M&A transactions closed

+€2BN

Total transaction volume



SERIAL ENTREPRENEURS WITH STRONG EXPERIENCE

We focus on industries where we possess deep industry expertise gained through our own founding experience or successfully closed transactions



3

Startups founded



3

Companies advised in 2025



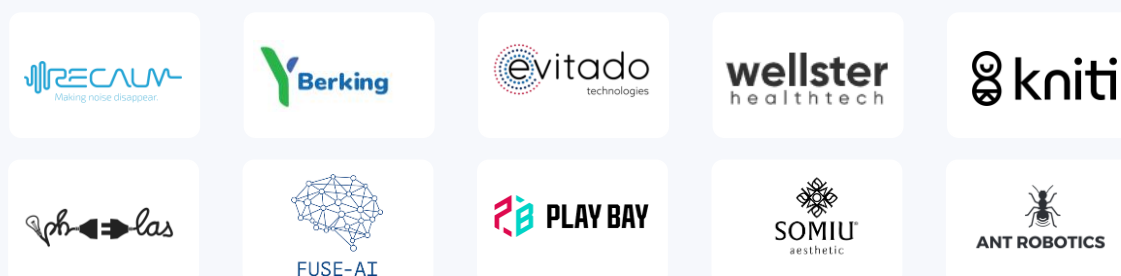
STARTUP MANDATES

+40

Startups advised

+€100M

Total financing volume



WHY WE ARE DIFFERENT



We are entrepreneurs



We found companies



We act as business angel



We have large cap experience



We are success driven

ABOUT US



PALA is an independent financial advisor established to identify, service and execute transactions across high-growth sectors

PALA provides advice on mergers and acquisitions, strategic consulting, capital raising and corporate finance

The firm serves venture capital, private equity, startups, and family-owned business worldwide. For more information

LEARN MORE ABOUT PALA

LEARN MORE ABOUT OUR SERVICES

LEARN MORE ABOUT OUR MANAGING PARTNERS

REQUEST A MEETING

KEY FACTS AND FIGURES

**ENTREPRENEURS
INNOVATIVE
EXPERIENCED**

5
*Total
Professionals*

+30
*Transactions
Completed*

+20
*Years of
Experience*

+€2BN
*Transaction
Volume*

60%
*Cross-border
Deals*

OUR SERVICES

M&A



- Sell side
- Buy side
- MBI/MBO

BUY AND BUILD



- Consolidation Strategy
- Market research & Approach

SUCCESSION



- Sale preparation
- Deal structuring

DEBT ADVISORY



- Structuring of debt and equity
- Capitalization
- Venture debt

CORPORATE VENTURE CAPITAL (CVC)



- Startup research
- Investment advisory & management

VALUATION



- Forecast & company valuation
- Fairness opinion

SELECTED REFERENCES



MAQUET
GETINGE GROUP



DZM

ARDIAN

Katjes

W WEBNIQUE

Advent International
GLOBAL PRIVATE EQUITY

apotal.de
IHRE VERSANDAPOTHEKE

EVP

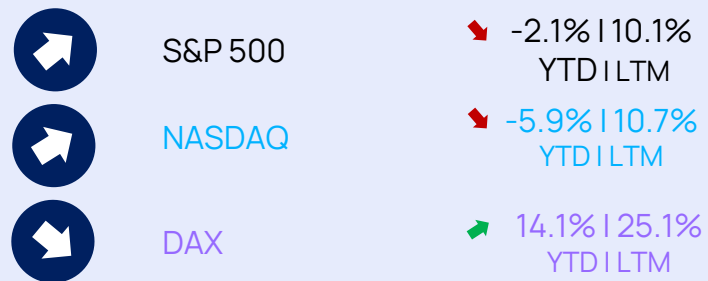
wellster
healthtech

DÜRR

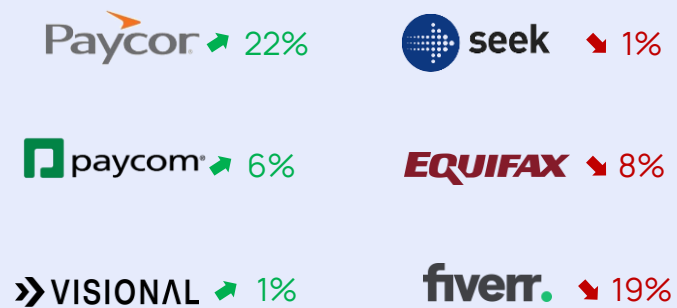
HR TECH VALUATION DASHBOARD

PUBLIC MARKET ENVIRONMENT

Mixed stock market performance in face of mounting uncertainties



SELECTED HR TECH STOCK PERFORMANCE WINNERS & LOSERS 25 YTD

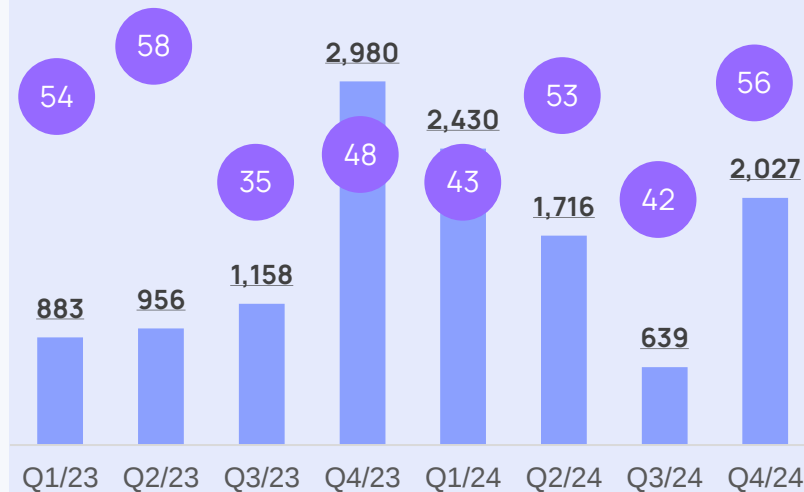


M&A TRANSACTION ENVIRONMENT

Strong uptick in Q4/2024 with M&A momentum heading up

Disclosed Transaction Volume in \$m

Transaction Count

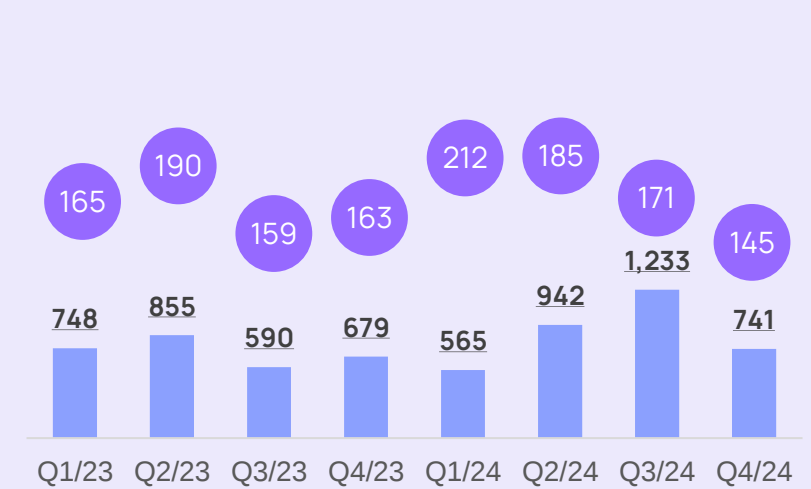


FUNDRAISING ENVIRONMENT

Remarkable fundraising momentum in the HR Tech sector, showcasing investor appetite for solutions that redefine the future of work

Disclosed Fundraising Volume in \$m

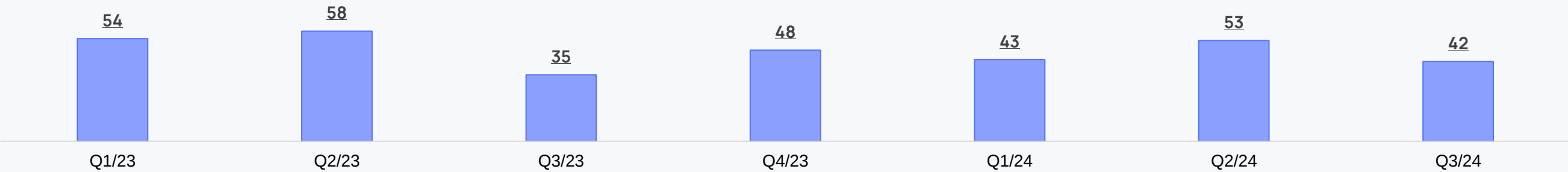
Fundraising Count



GLOBAL TRANSACTION DEVELOPMENT IN HR TECH

M&A TRANSACTION COUNT DEVELOPMENT

Quarterly Avg: 49
2023 – 2024



M&A TRANSACTIONS

MOST RECENT	Date	Target	Acquirer	Target Description
	Dec-24	PitchYou	talents connect aktiengesellschaft	WhatsApp interview Platform
	Dec-24	PayHumanGroup	HRPath Your way to people success	Recruiting & HR offerings
	Nov-24	snagajob	JobGet	Job search platform
	Nov-24	nivimu	septeo	Cloud based HR software focused at digitalization
	Oct-24	PERBILITY	Rivean Capital	Cloud based HR software for commercial clients
	Sep-24	Jobtip	Talentech	Online recruiting platform

BUYERS TO WATCH

ARDIAN

ECM

Flow Capital

Blackstone

IEQT

dayforce

cornerstone

Rivean Capital

VISMA

paylocity

IRIS

access

Oakley Capital

verdane

Vision Mittelstand Partners

UKG

SELECTED M&A DEALS IN GERMANY



UNDISCLOSED
ACQUIRED BY



- HR Patch has acquired Talent at Work, specializing in workforce solutions and talent management
- The acquisition is part of HR Patch's strategy to expand its capabilities in talent acquisition and workforce optimization

January 2025



UNDISCLOSED
ACQUIRED BY



- Deel acquires Zavvy, a people enablement platform, for an undisclosed amount
- The acquisition enhances Deel's global HR offering by integrating Zavvy's AI-driven performance management and learning & development solutions

February 2024



UNDISCLOSED
ACQUIRED BY



- Growth buyout investor Keensight Capital acquires Aconso, a leading provider of digital document management solutions for HR departments
- The acquisition supports Aconso's expansion strategy

September 2023



UNDISCLOSED
ACQUIRED BY



- WorkGenius acquires Expertlead, a technology-driven platform specializing in freelancer assessment and placement
- The acquisition enables WorkGenius to expand its European presence and enhance its freelance talent marketplace

August 2023



UNDISCLOSED
ACQUIRED BY



- CleverConnect acquires Talentry, a specialist in talent relationship management and employee referrals
- The acquisition aims to create a comprehensive talent acquisition solution to address labor shortages across Europe

June 2022



UNDISCLOSED
ACQUIRED BY



- Personio acquires Back Technologies, an interactive ticketing system for employees
- The acquisition is in line with Personio's growth strategy to further expand automated work processes

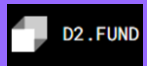
May 2022

SELECTED FUNDRAISING IN GERMANY



€2.1M
 PRE-SERIES-A





- Menlo has raised €2.1M from Ventis Capital, Scalehouse and D2 Fund
- The proceeds will be used to strengthen its workforce management solution targeting rail transport

January 2024



€40M
 GROWTH



- Coachhub, a leading digital coaching platform has raised €40M from HSBC innovation Banking
- This funding aims to accelerate investments in artificial intelligence and product expansion.

January 2024



€4M
 SERIES A




- The Munich-based recruiting technology startup WorkerHero has raised €4M in a Series A financing round
- WorkerHero uses AI-driven sourcing and matching to provide companies with high-quality candidates.

June 2024



€17M
 GROWTH



- VEDA, an Aachen, Germany-based company specializing in HR software and payroll-as-a-service, secured €17 million in funding
- VEDA plans to use the funding to extend its market share in the DACH

May 2024



€8.8M
 SERIES A




- Kenjo a leading all-in-one software designed to reduce number of administrative tasks in the HR area has raised €8.8M
- This investment will be used to strengthen presence in the European market

September 2023



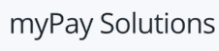
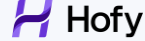
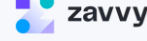
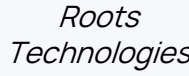
€50M
 SERIES B



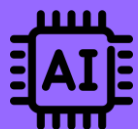
- WorkMotion, a leading European HR-tech firm for global employment, has raised €50M led by Canaan Venture
- The funding will be used to expand the automation capabilities of WorkMotion's Global Talent OS platform

June 2022

MOST ACTIVE STRATEGIC ACQUIRERS SINCE 2022

ACQUIRER	# ACQUISITIONS (SINCE 2022)	TARGETS
 VISMA  Hg  TPG	73	 onvisit  evcliz  LINK MY BOOKS  TimeChimp  PENN30  mobilexpense  vakanta  tugesto  finthesis  Quaderno  P8 Software (Feb 2025) (Feb 2025) (Jan 2025) (Dec 2024) (Dec 2024) (Nov 2024) (Nov 2024) (Nov 2024) (Oct 2024) 2022-2024
 access  Hg	25	 donorfy  paytronix  HireAra  TRADIFY  QikServe  shrGROUP  Lightyear  InCase  Wireless Social  OYSTA (Nov 2024) (Nov 2024) (Oct 2024) (Oct 2024) (Sep 2024) (Jun 2024) (Mai 2024) (Mai 2024) 2022-2024
 IRIS  Hg  ICG  LGP	8	 SchoolSpider  swipeclock  blue octopus  Bishop Fleming  HMV  apex  myPay Solutions  Paycheck Plus (Oct 2024) (May 2024) (Nov 2023) (Nov 2023) (Sep 2023) (Feb 2023) (Oct 2022) (May 2022)
 deel.  GENERAL CATALYST	6	 assemble  Hofy  Deel Local Payroll  zavvy  CAPBASE  Roots Technologies (Dec 2024) (May 2024) (Mar 2024) (Feb 2024) (Jan 2023) (Jan 2022)
 cornerstone	4	 SkyHive.  TALESPIN  sumtotal  edcast (May 2024) (Jul 2024) (Jun 2022) (Mar 2022)
 UKG	4	 immedis  QUORBIT  ascentis  interboro (Jun 2023) (Nov 2022) (Mar 2022) (Feb 2022)

TRENDS PALA EXPECTS FOR 2025



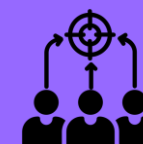
AI-POWERED RECRUITMENT & AUTOMATION

AI-driven applicant tracking systems (ATS), chatbots, and resume screening tools will streamline hiring, making recruitment faster and more accurate.



SKILLS-BASED HIRING & WORKFORCE PLANNING

Companies will shift from traditional degree-based hiring to skill-based hiring, leveraging AI to match candidates based on competencies rather than just credentials.



EMPLOYEE EXPERIENCE PLATFORMS

HR tech will focus on enhancing employee well-being, engagement, and productivity through AI-driven platforms that provide personalized recommendations, learning opportunities, and mental health support.



HR ANALYTICS & PREDICTIVE WORKFORCE PLANNING

Advanced people analytics will help HR teams make data-driven decisions about hiring, retention, and performance, reducing turnover and optimizing workforce strategies.



VIRTUAL REALITY & AUGMENTED REALITY IN TRAINING

Companies will increasingly use VR and AR for immersive onboarding, upskilling, and compliance training, making learning more engaging and effective.



GENERATIVE AI FOR HR OPERATIONS

Generative AI will assist HR teams by automating tasks like policy drafting, performance review summaries, and even personalized employee coaching, increasing efficiency and accuracy.

OUR TEAM FOR YOUR SUCCESS

PALA CORE TEAM



PATRICK BAUER

Managing Partner

Patrick founded **PALA** in 2021 with the vision to provide top notch advice to entrepreneurs from future-oriented sectors

Patrick is a serial entrepreneur with a strong background in the investment banking industry. Prior to founding PALA, Patrick served as a Vice President at Ferber & Co.



LAURENS AHLRING

Managing Partner

Laurens founded **PALA** in 2021 with the vision to revolutionize the investment industry through new innovative approaches.

Prior to PALA he worked in the Investment Banking industry, which equipped him with a strong financial experience and most recently he founded his own startup.



VALERIIA BAZHANOVA

Associate

Valeriia acts as Associate for **PALA** and is responsible for the execution of M&A transactions and startup projects.

Prior joining PALA, she worked for the leading accounting firm Mazars. Valeriia holds a Bachelor of Science in Leadership Management and has a background in accounting.

INDUSTRY EXPERTS



MORITZ MÜHLECK

Industry Expert

Moritz is member of the advisory board and a renowned entrepreneur in the fitness and leisure industry.

As founder and CEO of the fitness chain Fit/One he has made a significant contribution to the company's success since 2014.



FRANK AHLRING

Financing Expert

Frank has been working in the financing industry for over 40 years and acts as financing expert to PALA

Prior to starting his own financing advisory Frank worked in the Corporate Banking division of Commerzbank Bremen.

PRIVATE AND PALA REFERENCES

SELL SIDE ADVISOR  Sold to 	BUY SIDE ADVISOR  Acquisition of 	SELL SIDE ADVISOR  Sold to 	BUY SIDE ADVISOR  Acquisition of 	ADVISORY  Consulting	SELL-SIDE ADVISOR  Sold League Spot to 	FOUNDER  Seed Funding
BUY SIDE ADVISOR  Acquisition of 	SELL SIDE ADVISOR  Sold Medap Therapy to 	ADVISOR  Funding Round	ADVISOR  €80M Series B	BUY SIDE ADVISOR  Acquisition of 	BUY SIDE ADVISOR  Acquisition of 	SELL SIDE ADVISOR  Sold to 
SELL SIDE ADVISOR  Sold to 	BUY SIDE ADVISOR  Acquisition of 	BUY SIDE ADVISOR  Acquisition of 	SELL SIDE ADVISOR  Sold to 	ADVISOR  €50M Bond placement	BUY SIDE ADVISOR  Acquisition of 	SELL SIDE ADVISOR  Sold to 



PALA
CORPORATE FINANCE

CORPORATE FINANCE
STRATEGIC ADVICE
SCALE-UP

palacf.com