



North East M&A Technology Sector Snapshot

Jul-22 to Sep-22

Contents

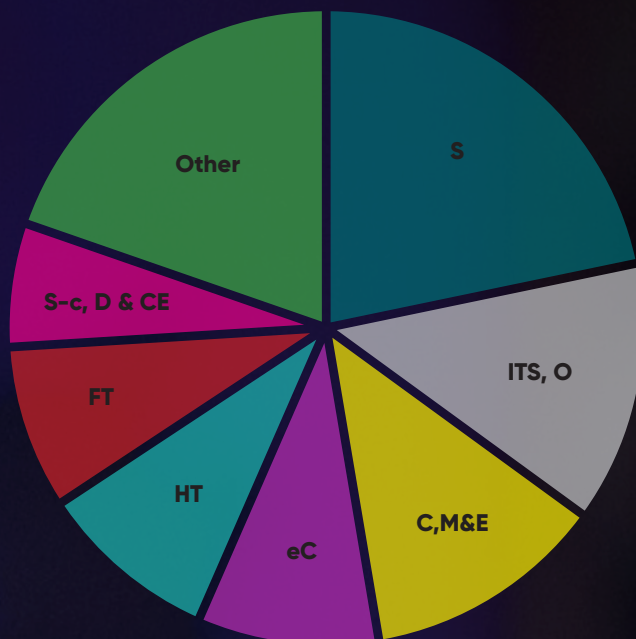
- 3** Key M&A Headlines
- 4** Introduction
- 6** A General Round Up of Technology Sector News and Innovation
- 8** Democratising Learning – The Future of Classrooms
- 12** The EdTech Sector Under the Spotlight
- 16** Some Interesting Deals in the UK Technology Sector
- 18** Some Interesting Deals in the North East Technology Sector
- 20** A Closer Look at Some Notable Technology Deals Supported by RGCF and Mercia
- 24** Authors
- 26** Deals

Key M&A Headlines

Most active M&A sectors by volume of deals done

(Jul-22 to Sep-22)

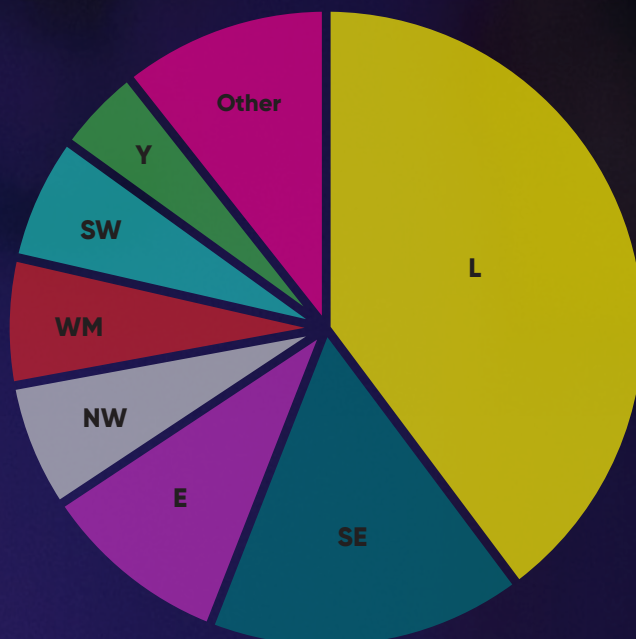
- Software** - 21%
- IT Services & Outsourcing** - 13%
- Communications, Media & Entertainment** - 12%
- eCommerce** - 9%
- HealthTech** - 9%
- FinTech** - 8%
- Semi-conductor, Devices & Consumer Electronics** - 6%
- Other** - 22%



Most active M&A regions by volume of deals done

(Jul-22 to Sep-22)

- London** - 37%
- South East** - 15%
- East of England** - 9%
- North West** - 6%
- West Midlands** - 6%
- South West** - 6%
- Yorkshire** - 4%
- Other** - 10%



Total deals in the 'technology' sector in UK (Jul-22 to Sep-22)

302 Deals

Introduction

Welcome to the seventh edition of the North East: M&A Technology Sector Snapshot – a joint production from Ryecroft Glenton and Mercia Asset Management PLC.

We publish a snapshot each quarter to provide information on national themes in the UK tech sector, as well as focusing on developments closer to home, in the North East.

The snapshot provides an insight into key industry trends, current market data, news and an overview of recent transactions. In this issue, the deal round-up covers the three months from July 22 to September 22.

Each quarter we shine the spotlight on a specific sub-sector within the technology industry. This quarter we take a closer look at the EdTech sector.

The UK tech market continues to be very active with 302 deals recorded between July 2022 to September 2022, with approximately 38% relating to an acquisition or a sale, whilst 54% of these deals related to a funding round. Software has held the top spot for the most active tech sub-sector for M&A in Q3 22 and London continues to lead the way geographically, with 37% of all deals in the quarter.

Quarter	Total Deals (UK)	Total deals (North East)	Most active region of total deals	North East share of deals	Most active sector
Q2 - 21	296	9	London (40%)	3%	Software (38%)
Q3 - 21	264	3	London (38%)	1%	Software (34%)
Q4 - 21	227	10	London (34%)	4%	IT Services & Outsourcing (32%)
Q1 - 22	245	10	London (38%)	4%	Software (18%)
Q2 - 22	330	9	London (44%)	3%	Software (28%)
Q3 - 22	302	9	London (37%)	3%	Software (21%)

Sources – MarketIQ

The UK tech market continues to be very active with 302 deals recorded between July 2022 to September 2022, with approximately 38% relating to an acquisition or a sale.



A General Round-Up of Technology Sector News and Innovation

General Tech Sector News Update

The third quarter of 2022 has seen many interesting developments within the technology sector, illustrated by the article extracts and references below.

National and International

Autumn Statement: UK tech reacts to Hunt's 'next Silicon Valley' goal

- "The chancellor announced £55bn in tax rises and cuts to public spending in an Autumn Statement partially focused on restoring economic credibility following his predecessor's disastrous mini-budget.
- For businesses, Hunt outlined measures relating to corporation tax, R&D budget, startup tax relief and plans to rein in Big Tech."

Article available here: <https://www.uktech.news/news/government-and-policy/autumn-statement-uk-tech-20221117>

The UK's Most Popular Employee 'Work Perks'

- "A new study by Remote has surveyed 10,000 individuals across five nations to reveal what employees value the most when it comes to 'work perks', and how these differ across locations, industries and generations."

Article available here: <https://techround.co.uk/business/most-popular-employee-work-perks/>

Electric vehicle charging network Be. EV wins £110m investment from Octopus to transform infrastructure across UK

- "Manchester-based electric vehicle charging network Be. EV has secured an investment of up to £110m from Octopus Energy Generation that will allow it to add 1,000 charging points across the UK and "kickstart a national infrastructure effort"."

Article available here: <https://www.business-live.co.uk/technology/electric-vehicle-charging-network-beev-25363832>

80% of Family Businesses are Less Confident of Survival this Winter

- "The Institute for Family Business (IFB) says 80 per cent of its members are less confident going into this winter than last year at the height of the pandemic.
- The IFB, the UK's largest family business organisation, is calling on the new Government under Prime Minister Rishi Sunak to take substantial measures to help tackle inflation and combat rising interest rates. Both of which are damaging businesses' ability to invest in their future."

Article available here: <https://techround.co.uk/business/family-businesses-less-confident-of-winter-survival/>

North East

North East tech innovator Honcho collapsed with £4.87m deficiency, documents show

- "Honcho Markets Ltd – which traded as Honcho – called in liquidators earlier this month after efforts to find a buyer for the business failed. The company had been incorporated by Gavin Sewell and Frank Speight amid moves to disrupt the vehicle insurance market through its app and website."

Article available here: <https://www.business-live.co.uk/technology/north-east-tech-innovator-honcho-25371493>

Fintech Sector in North East to Create 2,000+ Jobs in 3 Years

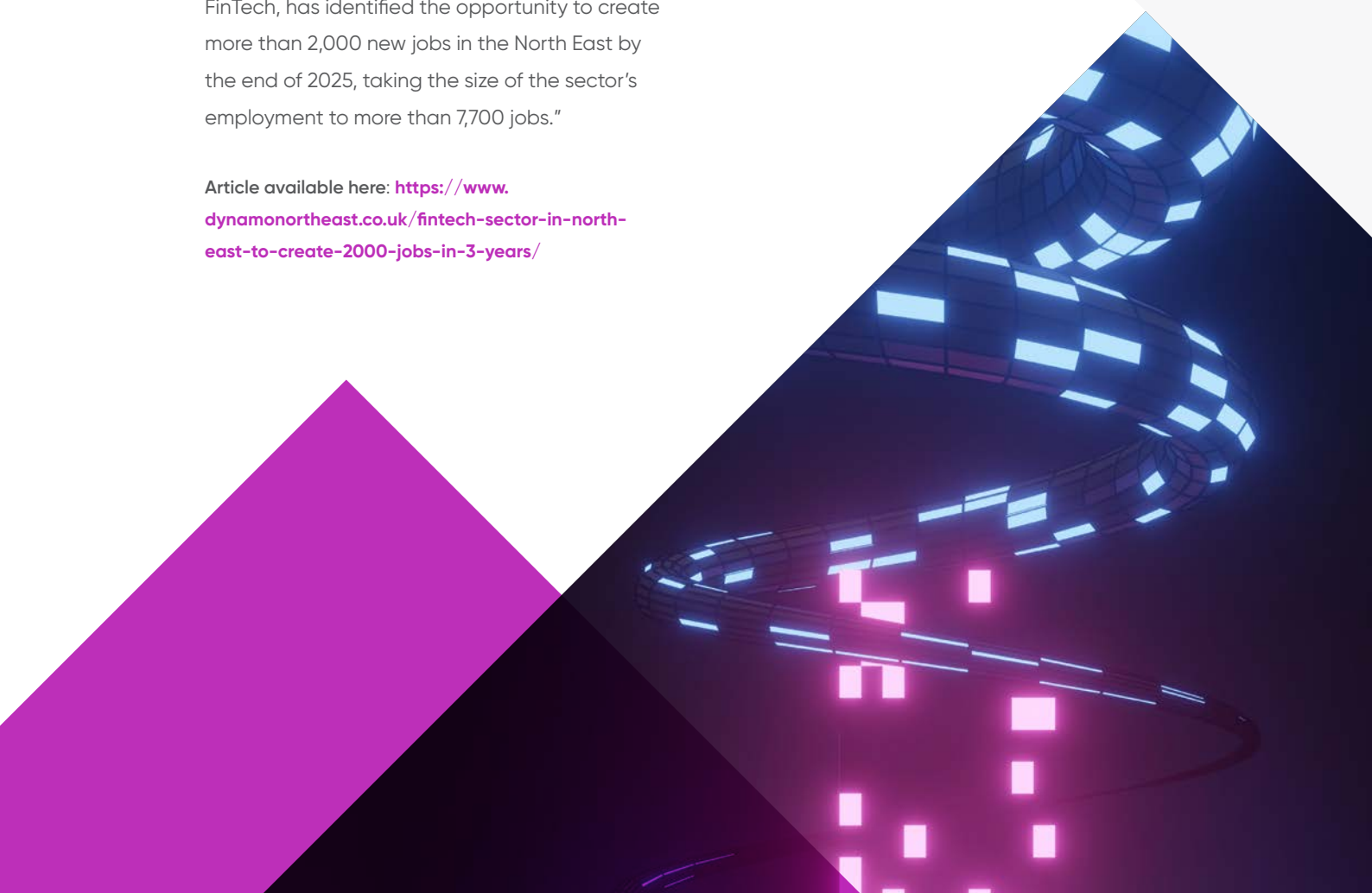
- "A new regional growth strategy, developed in response to a national strategic review of FinTech, has identified the opportunity to create more than 2,000 new jobs in the North East by the end of 2025, taking the size of the sector's employment to more than 7,700 jobs."

Article available here: <https://www.dynamonortheast.co.uk/fintech-sector-in-north-east-to-create-2000-jobs-in-3-years/>

Opencast Named in Newsweek's UK Top 100 'Most Loved Workplaces' for 2022

- "Global news publisher Newsweek has announced its first-ever annual rankings for the UK's Top 100 'Most Loved Workplaces' list – and Tyneside technology consultancy Opencast is ranked at number 19 on the list.
- The 2022 UK Top 100 Most Loved Workplaces list is the result of Newsweek's collaboration with the respected Best Practice Institute (BPI), a leadership development and benchmark research company."

Article available here: <https://www.dynamonortheast.co.uk/opencast-named-in-newsweeks-uk-top-100-most-loved-workplaces-for-2022/>



Democratising Learning – The Future of Classrooms

One of the many impacts of the pandemic was a move to remote learning as the primary tool in ensuring continuation of development for younger individuals. While this was initially viewed as a positive step in limiting disruption, a reluctance to return to classrooms and technology mishaps raised questions around whether a move to remote learning over the longer term is a sustainable option. This article aims to highlight the effects of remote learning and delve more deeply into the future of classroom learning, while providing examples of companies paving the way in the education technology sector.

Without the ability to hold in-person lectures and seminars, platforms such as Zoom and MS Teams presented themselves as learning lifelines. The rapid adoption of cloud technologies to support this shift has provided the impetus for continued innovation¹. The transformative mindset forced upon universities by the pandemic led to huge innovation within the sector, with the UK education technology sector growing by 72% in 2020. Furthermore, with 600 Ed-Tech companies, the UK accounted for 30% of all investment deals relating to the sector across the whole of Europe².

Ironically, remote learning has opened the opportunity for more intimate instruction, not less. In overcrowded classrooms, “virtual tables” can help to alleviate reluctance to ask questions or communicate with students. These workspaces can be organised by student comprehension, subject matter interest,

location, native language or nothing at all. Students’ self-confidence varies greatly, meaning that enabling students to engage via writing, rather than verbally, can also be a powerful tool in encouraging participation and may lead to more effective memory retention³. The biggest leap for education technology, however, comes in the form of increased digital access to research materials. According to a four-year study by Educause, 30% of students opted not to purchase a textbook at least once during their course; 41% had delayed purchasing one, and 15% had taken fewer courses or decided not to take a particular class due to the high cost of textbooks⁴. Rising costs of these items provides an opportunity for innovation, and will enable lower-income households to participate in wider learning more effectively.

China currently leads the way in mass-scale e-learning solutions that combine human teachers and Artificial Intelligence (“AI”), with nine education technology unicorns of its own. AI allows these companies to deliver a learning experience that caters to the specific needs of the child and helps them progress, rather than provide traditional lessons that leave some children behind, and others bored. AI used in this way can help reduce costs and enable more people of all ages to access education, and will allow human teachers to delegate many routine tasks, such as planning, assessment, timetabling and even the imparting of facts, and instead focus on students’ curiosity, critical thinking, and creativity⁵.



Unfortunately, however, it is not all good news for the budding sector. Like any fundamental shift away from traditional approaches, remote-based learning is not without its challenges. One of the most pressing issues facing the remote-based learning industry is the lack of access to the equipment and technology. Another is that adapting learning materials to be delivered through remote means requires deliberate thought and must consider the simple fact that some students learn better in a more structured environment and may struggle when using a remote-based learning platform⁶.

To combat these risks, between July 2020 and June 2021, 1,122,308 electronic devices were purchased by the Department of Education ("DoE") to facilitate online learning for students who lacked access to digital equipment⁷. This is a significant step in widening access to digital learning platforms; however, its effectiveness in improving learning remains unsubstantiated. The DoE has committed over £100m for these means and is also offering peer-to-peer support for schools and colleges leading the way with the use of technology.

Another challenge is the ability to test and grade students effectively. When considering remote-based learning and testing, the infamous grading disaster that occurred in the UK summer of 2020 should not be forgotten and highlights how the reliance on algorithms to maintain academic integrity can backfire with catastrophic consequences if not implemented correctly. A review by the Office for National Statistics has since stated that remote learning was “at best” a partial substitute for classrooms in its current state, showing that there is still a long way to go before considering this option a sustainable alternative to traditional methods⁸.

While the remote education learning space is currently dominated by larger players, the UK is at the forefront of development in the space. Edtech companies in the UK are numerous but tend to be

at an earlier stage in development than those in markets like the US. Companies have raised smaller sums of money than those in sectors such as AI, fintech and health-tech and are less well-equipped to cope with the sudden demand from parents or schools.

Rising Stars 1.0 winner Developing Experts has been offering their edtech platform, focused on the science curriculum, for free to schools throughout 2020, with over 1000 UK schools and 3000 schools in China signed up to the platform⁹. Other platforms, such as MAMA.codes, aim to provide the younger generation with access to subjects not readily available in schools – MAMA.codes focuses on coding lessons for kids between 3-11 years old.

¹ <https://edtechnology.co.uk/people-policy-politics/why-the-lecture-hall-isnt-dead-implementing-the-cloud/>

² https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1080930/Futureopportunities_for_education_technology_in_England_June_2022.pdf

³ <https://www.timeshighereducation.com/campus/using-remote-learning-technology-boost-student-engagement-and-interaction>

⁴ <https://www.bdo.co.uk/en-gb/plugin/insights/the-evolution-of-ed-tech-trends-to-watch-in-2022>

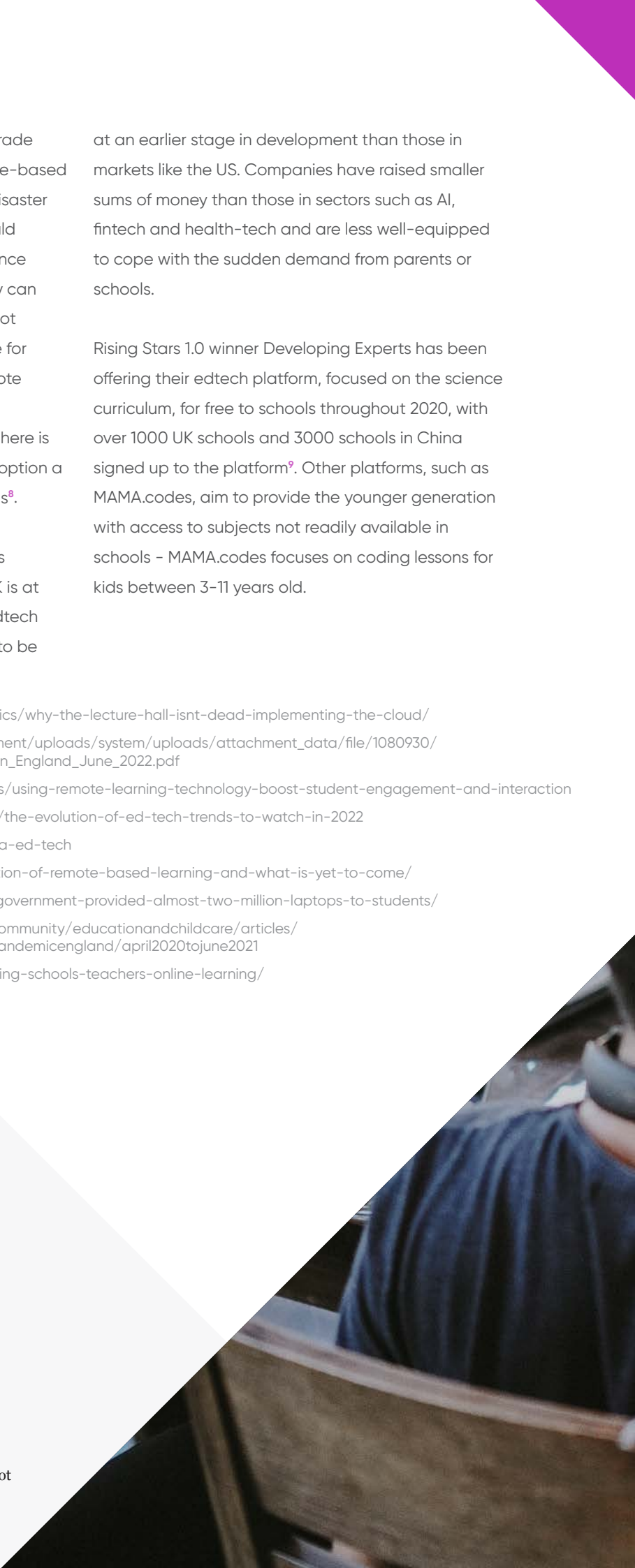
⁵ <https://www.wired.co.uk/article/kai-fu-lee-china-ed-tech>

⁶ <https://news.elearninginside.com/the-acceleration-of-remote-based-learning-and-what-is-yet-to-come/>

⁷ <https://edtechnology.co.uk/uncategorised/uk-government-provided-almost-two-million-laptops-to-students/>

⁸ <https://www.ons.gov.uk/peoplepopulationandcommunity/educationandchildcare/articles/remoteschoolingthroughthecoronaviruscovid19pandemicengland/april2020tojune2021>

⁹ <https://technation.io/news/british-edtech-helping-schools-teachers-online-learning/>







The EdTech Sector Under the Spotlight

Edtech refers to the use of technology in education, in both the public and private education sectors, as well as continuing professional development and lifelong learning. The global Edtech market size was valued at \$85bn in 2021, and it is expected to reach over \$230bn by 2028, demonstrating a compound average growth rate (CAGR) of 15% during that period¹⁰. It is a sector that has grown in significance in recent years, with the Covid-19 pandemic supercharging growth in the sector. The closure of school buildings during 2020 meant that schools were forced to try out new kit, and efforts to increase broadband connectivity for schools were sped up.

Parents are increasingly being tempted by Edtech firms that offer education outside of school that might give their children an edge. Companies such as Outschool and GoStudent, American and Austrian unicorns respectively are growing fast as a result of this demand. Delivering learning to adults is another service that has grown since the pandemic, with many furloughed workers taking up online courses in order to improve their job prospects, and this high demand remains.

The sector is not without its challenges though, as some of the unicorns, including Coursera and Duolingo, are yet to turn a profit.

The UK has numerous examples of Edtech success stories including Multiverse, a London-based company that operates an online recruitment board that uses AI technology to link non-graduate apprentices with employers. Multiverse has raised a total of £319m worth of equity investment across five funding rounds since being founded in 2016, with revenue doubling to £10m from 2020 to 2021. Another example is Perlego that operates an e-book subscription service for textbooks via its own app-based e-reader. Founded in 2016, the Camden-based company has raised £55.6m in equity fundraising across six rounds. Its most recent investment worth £24.4m was completed in March 2022.

Industry Trends

There are a number of trends being seen this year, with automation becoming increasingly prevalent. The shift to cloud technology is continuing, where information can be accessed from anywhere in real-time. More and more schools are migrating their IT infrastructure and using more cloud-based solutions, given the data is easier to manage and access.

New concepts such as the application of AI, gamification and machine learning enhanced by data analytics will intensify and be the primary tech drivers of the EdTech revolution, and the wider trend of personalisation. With data analytics, teachers now have powerful tools to identify individual student learning behaviours and styles and adapt learning programmes to promote more positive learning outcomes, at scale.

Further tech is likely to be integrated with the learning experience. This will cover more interfaces than ever before, including smartphones, virtual reality headsets, computer screens and tablets. The variety and accessibility should help to drive higher levels of engagement and also learning performance¹¹. Over 90% of school leaders report that data and analysis is a significant issue impacting their workload, so expect to see more solutions being utilised to alleviate this, such as real-time informative dashboards¹².

Overview of M&A

Venture capital firms invested around \$21bn into education technology companies globally in 2021, according to research firm Holon IQ. This was up from around \$16bn in 2020, and \$7bn in 2019, which shows the effect the 2020 pandemic had on the industry. Investment in 2021 was three times that of 2019 and 40 times more than a decade ago. 17 Edtech startups became unicorns in 2021, 12 of which listed on public exchanges. These included Coursera, a marketplace for online courses with a stock market value of nearly \$3bn and Duolingo, an app for language learners, which is worth around \$4bn. Holon IQ has predicted that global Edtech revenues could almost double from \$227bn (2021) to around \$400bn in 2025, a fifth higher than its pre-pandemic forecast¹³.

Recent sizeable deals in the sector include, in October 2022, Frontline Education, a US-based developer of cloud-based educational software, while in the UK, earlier this year Busuu, a developer of a language learning platform designed to offer varied vocabulary training courses, was acquired by Chegg for £329m.

¹⁰ <https://www.prnewswire.co.uk/news-releases/edtech-market-will-reach-usd-230-billion-by-2028-growing-at-a-cagr-of-15-valuation-reports-874234620.html#:~:text=The%20global%20EdTech%20market%20size,15%25%20during%202022%2D2028.&text=Learners%20are%20increasingly%20turning%20to,expensive%20than%20traditional%20classroom%20learning>

¹¹ <https://www.fenews.co.uk/exclusive/op-ed-from-cuemath-top-four-edtech-trends-for-2022/>

¹² <https://www.businessleader.co.uk/what-are-the-edtech-trends-we-can-expect-in-2022-2/>

¹³ https://www.economist.com/business/2022/02/19/can-the-ed-tech-boom-last?utm_medium=cpc.adword.pd&utm_source=google&ppccampaignID=18156330227&ppcadID=&utm_campaign=a.22brand_pmax&utm_content=conversion.direct-response.anonymous&gclid=CjwKCAiAvK2bBhB8EiwAZUbP1ltlo-hSZkkTQKOY-N-OPsL6ElfpEoCsCmq_QjbowRvmoGCitiPdABoCZZIQAvD_BwE&gclidsrc=aw.ds

Ones to watch

Exciting businesses to watch in the sector include Tutorful, a platform that helps parents and students to find online tutors, that raised £3m from Mercia in 2021. The Sheffield-based platform achieved a 376% growth in revenue from online tuition during 2020 as students took to distance learning, whether to support their existing school or university studies or to learn new hobbies and skills. The triple-digit growth also continued into 2021. Founded in 2015, Tutorful now has over 11,000 registered tutors covering more than 300 subjects. Around 70% of clients are children, with the remainder being adults who can learn anything from languages to music, computer programming or even get help with a PhD course.

Solutionpath, an Edtech company whose software platform alerts universities to students in need of support, secured a £1m loan from Mercia in 2021 to help scale up its operation. Described as a 'fitness app for education', Solutionpath's platform measures students' engagement with their learning activities. It identifies changes in behaviour and alerts both

students and tutors, encouraging students to take action and allowing tutors to intervene at the right time and offer personalised support.

Graide, a software platform that cuts the time taken by teachers to mark maths and science papers, raised £800k from Mercia in May 2022 to help them commercialise the system. Graide is aimed at higher-education institutions and can be used to mark both coursework and exam papers for 'STEM' subjects. It can not only assess the final answers, but also a student's workings. The system, which incorporates artificial intelligence, learns an assessor's marking style so they do not have to grade the same answer twice. As the assessor works through the paper, Graide automates more and more of the feedback. The team estimates that the system can reduce grading times by an average of 89 per cent while giving students seven times as much feedback. Graide is already being piloted at six universities in the UK.



Some Interesting Deals in the UK Technology Sector

(Jul-22 to Sep-22)

The deals that have been selected below have been chosen to show the variety and diversity of activity in the sector in terms of deal types and sub-sectors.

Date: Closed	Target	Acquirer / Funder	Sub Sector	Target Product Line	Value / Investment funding	Region	Deal Type
30 Sep 2022	Albumedix Ltd	Sartorius AG	BioTech	Manufactures high-quality recombinant human albumin from yeast using manufacturing technologies devised by the application of biotechnology and genetics	£415m	East Midlands	Acquisition
04 Aug 2022	Maritime Intelligence	Private Group led by Montagu	Software	Provides business-critical real-time data, insights and analytics that help power global shipping operations and risk and compliance management	£385m	London	Investor Buy-Out
08 Sep 2022	Ducentis Biotherapeutics Ltd	Arcutis Biotherapeutics Inc	BioTech	Operates a preclinical-stage biotechnology company focused on developing novel therapies for inflammation and autoimmune diseases	£348m	South East	Acquisition
08 Aug 2022	Gridserve Holdings Ltd	Infracapital Partners	GreenTech	Provides tech-enabled sustainable energy services, including hybrid solar + battery farms, electric vehicle charging infrastructure, and a customer-centric electric vehicle leasing platform,	£200m	South East	Development Capital
19 Jul 2022	Spring Fibre Ltd	Kingsley Capital Partners	Communications, Media & Entertainment	Provides telecommunication services	£155m	London	Development Capital

Date: Closed	Target	Acquirer / Funder	Sub Sector	Target Product Line	Value / Investment funding	Region	Deal Type
17 Aug 2022	Hi Bob Ltd	Bessemer Venture Partners	IT Services & Outsourcing	Develops a cloud-based human resources management platform	£124m	London	Development Capital
07 Jul 2022	Yu Life Ltd	Dai-ichi Life Insurance Company	Software	Designs and develops insurance and game-based software for life insurance industry	£95m	London	Development Capital
01 Aug 2022	Pharmaspectra Group Ltd	Inflexion Private Equity	AI, Big Data, Analytics/BI	Provides medical affairs data to the pharmaceutical and biotech industry	£82m	London	Acquisition
28 Sep 2022	Pheon Therapeutics Ltd	Atlas Venture	BioTech	Develops a pipeline of monotherapies antibody-drug conjugate for targets and/or with payloads	£64m	East of England	Development Capital
15 Jul 2022	Nyobolt Ltd	IQ Capital Partners	Semiconductor, Devices & Consumer Electronics	Develops ultra-high battery power technology	£50m	East of England	Development Capital

Source – MarketIQ

Some Interesting Deals in the North East Technology Sector (Jul-22 to Sep-22)

The deals that have been selected below have been chosen to show the variety and diversity of activity in the sector in terms of deal types and sub sectors.

Date: Closed	Target	Acquirer / Funder	Sub Sector	Target Product Line	Value / Investment funding	Region	Deal Type
01 Aug 2022	Carter Business Systems Ltd	Spectrum Workplace Technology Group Ltd	IT Services & Outsourcing	Provides managed print and digital automation solutions with engineering support and helpdesk functions	£1.25m	North East	Acquisition
22 Aug 2022	Eslington Ltd	Angel investors & Verts 4 Pets	Semi-conductor, Devices & Consumer Electronics	Develops pet and owner wellbeing technology including applications and wearable technology	N/D	North East	Development Capital
31 Aug 2022	Footy Club Ltd	"NorthStar Ventures Ltd	eCommerce	Operates a technology platform which allows global football fans to compare prices and find deals on football equipment	N/D	North East	Development Capital
18 Jul 2022	Hylton Plantation Solar Farm Ltd	NorthStar Ventures Ltd - Footy Club Ltd"	GreenTech	Established to develop a 20MWp solar PV system for Nissan Motor Manufacturing UK	£10.6m	North East	Acquisition
26 Aug 2022	Mandata Group Ltd	"LDC - Mandata Group Ltd	Software	Provides cloud-hosted software solutions for the transport and logistics sector	N/D	North East	Development Capital
30 Sep 2022	Opencast Software Europe Ltd	Bibby Financial Services	IT Services & Outsourcing	Provides a range of digital consultancy and services	£5m	North East	Development Capital
05 Sep 2022	Paid Group Ltd	Crane Group, Seedcamp	eCommerce	Provides a procurement platform	N/D	North East	Development Capital
01 Jul 2022	Phusion IM Ltd	Sword Charteris Ltd	IT Services & Outsourcing	Provides information management software	N/D	North East	Acquisition
21 Jul 2022	Zerolight Ltd	NorthEast innovation Funds, Ponooc	Software	Provides software development services	N/D	North East	Development Capital

Source - MarketIQ



Ryecroft Glenton



mercia
asset management

A Closer Look at Some Notable Technology Deals Supported by RGCF and Mercia



Salesfire

Salesfire raised £2m from Mercia in October 2022. Based in Middlesbrough, Salesfire is a provider of a suite of SaaS software tools to eCommerce companies in order to support sales conversion and optimisation. The business specialises in products that increase conversion from on-site visitors (rather than generating site traffic) such as overlays, recommendations and visually similar searches. The business was a spin-out from Visualsoft in 2018 and has grown well since, with 51 employees and an ARR of £2.25m. The Northern Powerhouse Investment Fund's investment will provide growth capital to allow the company to increase its sales and marketing activity and continue its product development.



Send Technology Solutions

Mercia invested £3m into Send Technology Solutions in November 2022, as part of a £9m round led by Breega. Send provides underwriting workbench software to insurers, re-insurers and Managing General Agents on large enterprise contracts, enabling underwriters to save as much as 40% of their time by organising all their data into a single system.

To date, the business has been bootstrapped, growing to £8m turnover in 2022 with annual recurring revenue (ARR) growth over 175% for the last two years



Zedify

Mercia invested £1.8m into Zedify, in November 2022. Zedify is a logistics and delivery business that is using proprietary end-to-end software to drive efficiencies in delivery process and route mapping, with key competencies in inner-city deliveries. Since inception it has grown net revenue to c.£2m.

The funding will allow the company to deliver the product roadmap, sign more strategic customers (following recent wins with Zara, Evri and Yodel) and roll out additional hubs; the company plans to expand into 15 new locations in the next three years.



Axis Spine Technologies

In October, Mercia invested £6.8m as part of a £10.8m round into Axis Spine Technologies, a medical device company focused on advancing anterior surgery of the lumbar spine.

The company was developed with founder Jonathan Arcos to develop a US-market-focused spinal implant company that will be an attractive acquisition target to a major player.



Market Dojo

Esker, a global cloud platform provider and leader in AI-driven process automation solutions announced in January 2022 that it plans to acquire 50.1% of Market Dojo. The transaction is due to complete in 2022.

Based in Bristol, Market Dojo has 20 employees and over 160 customers, 60% of which are outside its domestic market, including France, the United States and the Middle East. Market Dojo's eSourcing cloud solution was created to address the need for structured and digitised processes in procurement. Designed by procurement professionals, Market Dojo's unique on-demand solution enables users to centralise information, negotiate the best value for goods and services and select the right suppliers – all without requiring a complex and costly implementation process.

Ryecroft Glenton Corporate Finance advised Market Dojo on the sale of their business to Esker.



VTUK

VTUK, a cloud-based property CRM software platform has been acquired by The iamproperty group for an undisclosed sum.

Established in 1989 by founder Peter Grant, it works with more than 300 estate agencies across the UK and already shares a number of mutual customers with iamproperty. VTUK offers functionality-rich CRM solutions including Openview, a cloud-based property CRM software platform. The platform creates a seamless and intuitive experience that enables agents to fully automate their day-to-day operations.

Ryecroft Glenton Corporate Finance advised the shareholders of VTUK on the sale of the business to iamproperty.

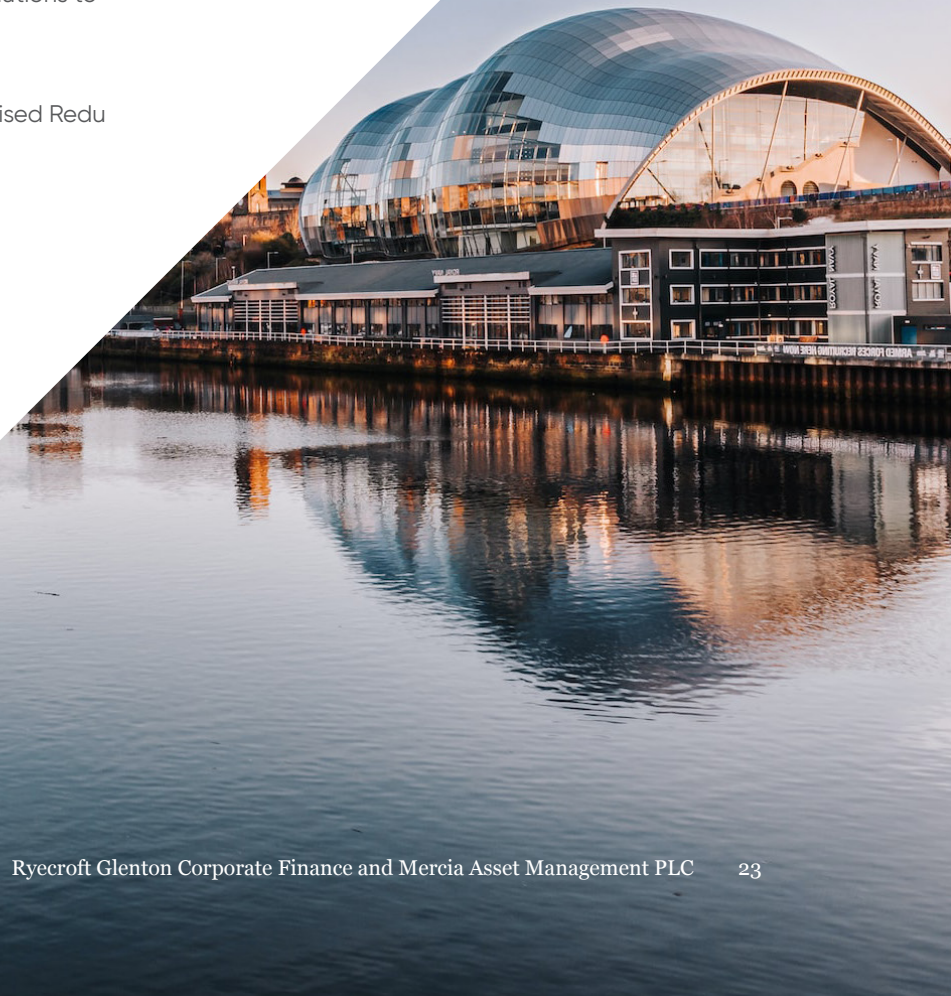


Redu Group / MBL Solutions

MBL Solutions, a North East gift card provider has been acquired from Redu Group by Appreciate Group for an undisclosed fee. Appreciate is known for owning such names as Love2shop, Park Christmas Savings and highstreetvouchers.com.

MBL Solutions was previously acquired by Redu Group during the pandemic, which saw the team grow the business over the next 18 months, increasing turnover and headcount, whilst bringing significant clients on board and providing further solutions to the market.

Ryecroft Glenton Corporate Finance advised Redu Group on its disposal of MBL Solutions.



Authors



Nick Johnson

Nick is a partner within RG Corporate Finance, advising businesses on all aspects of growth, change and transformation. Nick leads RG's technology team.

0191 2125915

nickjohnson@ryecroftglenton.com



Benjamin Kain

Ben is an Corporate Finance Executive within the RG Corporate Finance team working on a wide range of CF transactions. Ben is also a member of RG's technology team.

0191 212 5922

benkain@ryecroftglenton.com



Harry Lamb

Harry is a Tax Assistant working within the RG Business Tax team, and is involved in projects across the spectrum from R&D claims to share planning. Harry is also a member of RG's technology team.

harrylamb@ryecroftglenton.com





Ian Wilson

Ian is the Fund Principal for the North East Venture Fund and, in addition to acting as a member of Mercia's Investment Committee, is focused on early-stage and technology investments across the North East.

0191 731 4130

Ian.Wilson@mercia.co.uk



Alex Simpson

Alex is an Investment Manager for the North East Venture Fund and is responsible for sourcing and executing early-stage and technology investments deals in addition to portfolio management.

0191 731 4133

Alex.Simpson@mercia.co.uk

North East: M&A Technology Sector Snapshot is a joint production from Ryecroft Glenton Corporate Finance and Mercia Asset Management PLC.



Deals



Smart Energy Technology

Provision of Corporate Finance advice and financial and tax due diligence services to Shard Credit Partners on its investment in the Management Buyout (MBO) of Chameleon Technology (UK) Ltd.



Unified Telecommunications

Provision of Corporate Finance advice to the shareholders of Nice Network Ltd on the sale of the business to LDC backed Onecom Group.



Technology

Provision of Corporate Finance advice to the shareholders of Vision Teknology UK Ltd on the sale of the Business to iamproperty Group, backed by LDC



Employee Welbeing

Provision of Corporate Finance advice to Latus Health Limited on the acquisition of Reward Me Now.



Procurement Technologies

Provision of Corporate Finance advice to the shareholders of Market Dojo Limited on the sale of 50.1% of the business to Esker Inc., a technology company listed on the Paris Stock Exchange



Ed-Tech

Provision of Corporate Finance advice to the management team of e-Quality Solutions Group on their MBO of the business, in a deal funded by Shard Credit Partners.



Technology

Provision of Corporate Finance advice to Redu Group, on their disposal of MBL Solutions, a North East based gift card and reward provider to Appreciate Group, a publicly listed gift card and reward product provider.



Art Health Solutions

arthealthsolutions.com

*£800k equity investment from Mercia
Gateshead*



Little Journey

littlejourney.health

*£1.4m equity investment from Mercia
London*



Broker Insights

brokerinsights.com

*£4.1m equity investment from Mercia
Dundee*



Ryecroft Glenton is registered to carry on audit work in the UK and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales. Details about our audit registration can be viewed at www.auditregister.org.uk, under reference number C006313267.

Mercia Asset Management PLC is registered in England and Wales: 09223445. Registered address: Forward House, 17 High Street, Henley-In-Arden, Warwickshire B95 5AA. Its subsidiaries, Mercia Fund Management Limited, Enterprise Ventures Limited and EV Business Loans Limited are authorised and regulated by the Financial Conduct Authority.

This material is published for the information of clients. It provides only an overview of the regulations in force at the date of publication, and no action should be taken without consulting the detailed legislation or seeking professional advice. Therefore no responsibility for loss occasioned by any person acting or refraining from action as a result of the material can be accepted by the authors or the firm's.