Annual Report

CLEARWATER

2025/26

Contents

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Foreword

FY 2025/26 has been a year of continued progress and momentum for Clearwater. In a market shaped by ongoing political and economic shifts, we've remained focused on what matters most: delivering the right outcomes for our clients.

We completed 202 transactions in the past year, and were ranked the 4th most active M&A adviser in Europe by deal volume. That consistency of market position reflects both the quality of our deal craft in a more demanding market and the strength of the relationships we've built across the mid-market.

It's also been a year of recognition. Being named Pan-European Corporate Finance House of the Year at the Real Deals Private Equity Awards is something we're incredibly proud of. It's a testament to the dedication of our team and the trust our clients place in us every day.

We've continued to strengthen our international presence. The rebrand of Vulcain to Clearwater in France and Belgium marks an important step, increasing our coverage to 13 countries across Europe, supported by strategic partnerships in the US and Asia. Alongside this, we've expanded our capabilities in Spain, launching debt advisory and enhancing our private equity coverage to better support clients across the full transaction lifecycle.

Growth isn't just about geography, but also people. Over the past year, our team has grown by 10%, with 11 new Partners joining the business.

We've also promoted 82 colleagues, including 23 at senior level. These are important milestones, but more importantly, they reflect the strength of our culture and our commitment to developing talent from within.

That culture continues to be one of our greatest strengths. In our latest engagement survey, 99% of our people said they are proud to work at Clearwater, and 95% would recommend it as a great place to work. We've also taken further steps to support inclusion and progression, including the launch of our female mentoring programme alongside ClearVision, helping to create meaningful opportunities for growth across the business.

Coming together as one team remains a priority. Our annual conference in Madrid was a great reminder of the energy, collaboration, and shared ambition that runs through the team here. That sense of connection underpins how we work with each other and, ultimately, how we deliver for our clients.

Looking ahead, uncertainty remains a defining feature of the market. But as we've seen time and again, uncertainty also creates opportunity for those who are prepared. Our focus is on helping clients navigate that complexity with clarity and confidence, bringing together local insight, international reach, and deep sector expertise to support every stage of their journey.

We're excited about what's ahead and remain committed to building on this momentum, continuing to grow, to invest in our people, and to deliver the best possible outcomes for the businesses we advise.

Pan European

Corporate Finance House of the Year

RealDeals PRIVATE EQUITY AWARDS 25

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Year in numbers

FY25/26

€11.4bn Deal value	**209** Deals completed	**€3.7bn** Debt raised

Deals involving PE:

132 with **96** GPs

82 Promotions	**11** New partners	**10%** Team growth

Most active sectors:

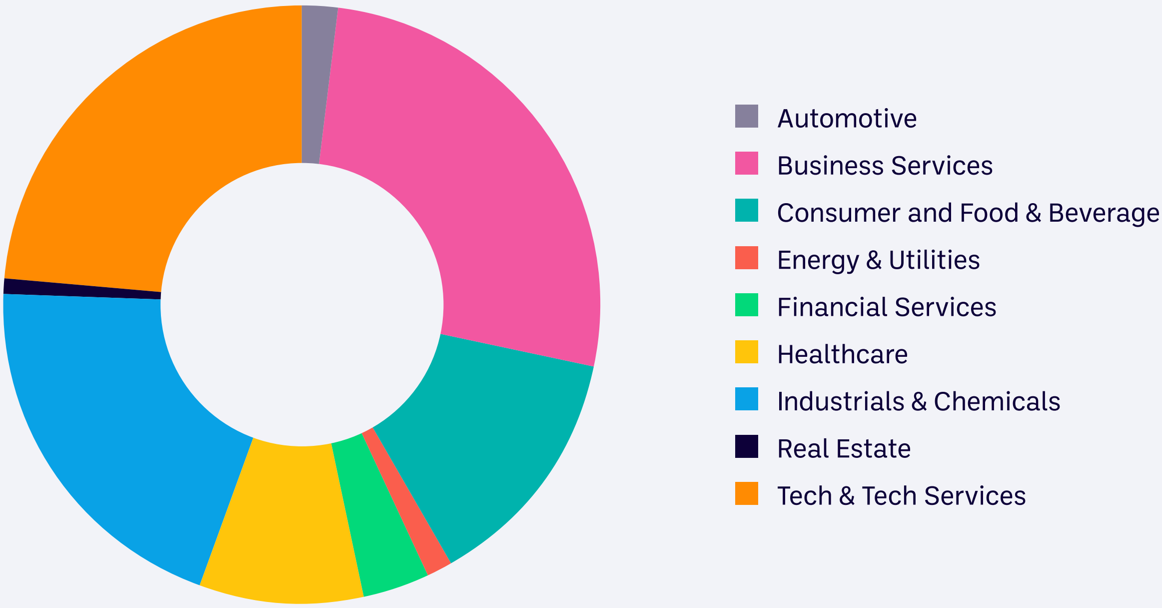
- Business Services
- Tech & Tech Services
- Industrials & Chemicals

Ranking & market position

4th

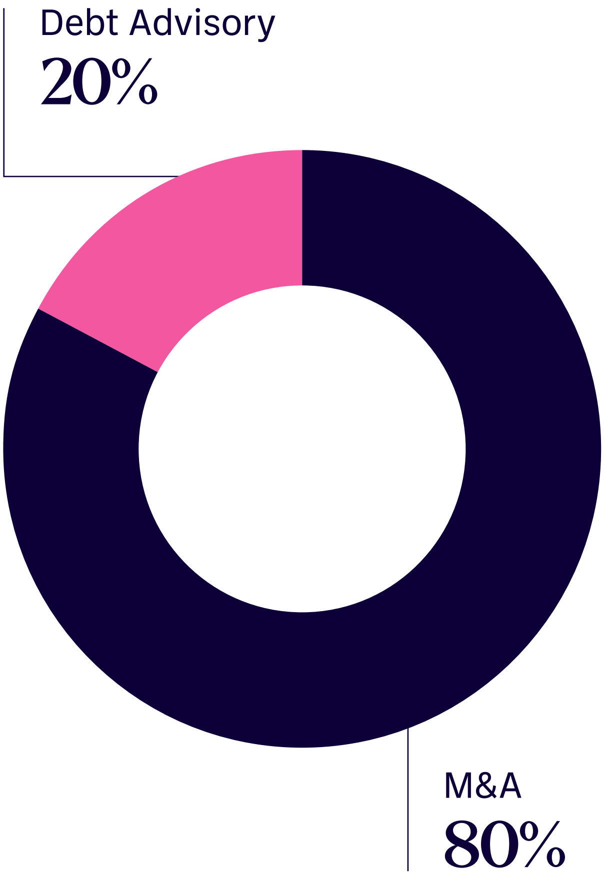
most active independent M&A adviser in Europe in 2026

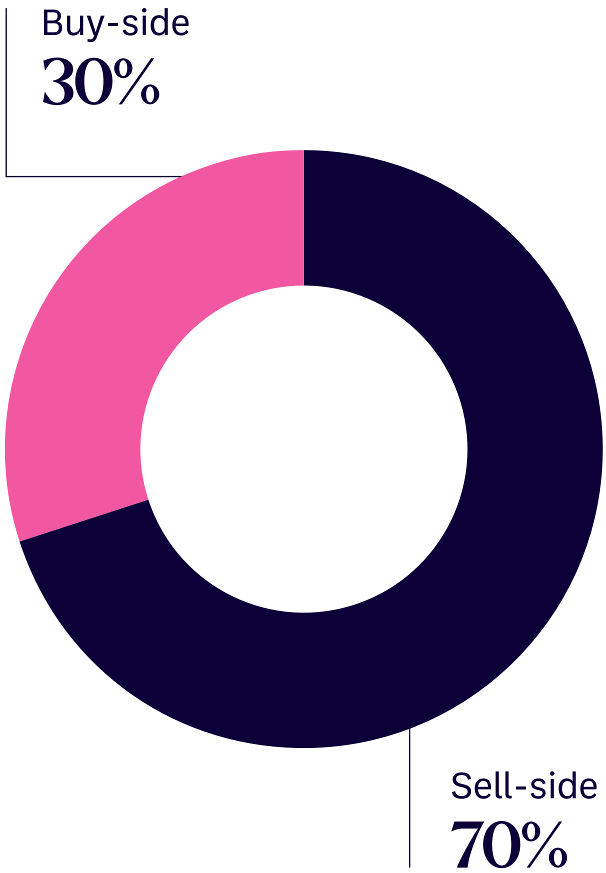
Deal volume by sector



Services offering

% of total deal volume





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M&A outlook

Bruce Weir
COO

Overall market trends

The past 12 months have reinforced a shift that has been building for some time. M&A activity hasn't slowed in a uniform way, but it has become more complex, more selective, and more dependent on context.

Interest rates and inflation are no longer the dominant forces shaping behaviour. While financing conditions remain important, they've largely been absorbed into the market's expectations. What's replaced them is a more fragmented and unpredictable backdrop driven by geopolitics, sector disruption, and structural change.

What's striking isn't just the presence of uncertainty, but its frequency and variety. New risks are emerging regularly, often with little warning and limited visibility on how long they will last or how far they will reach. From geopolitical tensions to rapid technological change, particularly around AI, the market is operating in an environment where long-term forecasting is significantly more difficult.

Uncertainty hasn't disappeared. If anything, it's accelerated and taken new forms. What's changed is how we navigate it; using deeper insight and preparation to give clients clarity in an increasingly complex market.

Michael Schor
Partner

Despite this, deal activity has remained resilient. The key difference is that it's no longer broad-based. Instead, activity is increasingly concentrated around specific sectors, themes, and asset types where buyers have conviction. This has created a more uneven market, where strong assets continue to transact well, while others face more scrutiny, longer timelines, or delays in execution.

We stay close to the market, across sectors, geographies, and with private equity, so we understand where conviction sits. That connectivity means we can guide clients towards the areas where demand is strongest, even in uncertain conditions.

Lars Rau Jacobsen
Managing Partner

At a regional level, this selectivity is also shaping capital flows. Markets perceived as stable and predictable are attracting increased attention, particularly within Western Europe and the Nordics. In contrast, regions with higher geopolitical exposure are seeing more cautious behaviour, not necessarily a withdrawal of capital, but a more measured approach to deployment.

Key drivers of M&A activity

From macro to micro: how risk is being reassessed

The drivers of M&A activity have become more nuanced.

Rather than broad macro trends dictating behaviour across the board, we're seeing a more granular assessment of risk at the sector, business model, and even individual company level. Geopolitical events are influencing activity, but not in a uniform way. Instead, they are creating shifts in attractiveness between sectors and geographies, with some benefiting from tailwinds while others face headwinds.

This has led to a more dynamic market, where opportunities still exist but are increasingly tied to timing and positioning. Windows of opportunity can emerge quickly, driven by themes such as defence spending, energy transition, or consolidation trends. However, those windows can close just as quickly if conditions change.

There are windows when it's optimal to sell, and they can open and close faster than you think. If you're not ready when that window appears, the opportunity can pass.

Lars Rau Jacobsen
Managing Partner

Diverging investor behaviour

Investor behaviour has also become more varied.

Across the market, we're seeing three distinct approaches emerge. Some investors are taking a cautious stance, stepping back from certain sectors or delaying deployment until there is greater clarity. Others are continuing to invest but with increased discipline, placing more emphasis on valuation, due diligence, and downside protection. At the same time, a third group is actively leaning into the uncertainty, viewing it as an opportunity to acquire assets at more attractive valuations while competition is reduced.

This divergence is shaping deal dynamics. Processes may involve fewer buyers, but those who engage tend to be more serious and better prepared. Competition still exists, particularly for high-quality assets, but it's more focused and less speculative than in previous cycles.

Risk, resilience, and long-term visibility

Perhaps the most consistent theme across all discussions is the shift in how buyers think about risk.

Buyers are placing greater emphasis on resilience, both in terms of operational performance and strategic positioning. It's no longer enough to demonstrate historical growth. Businesses need to show how they will perform in a more uncertain and rapidly evolving environment.

This includes exposure to geopolitical risk, supply chain resilience, customer diversification, and the ability to adapt to technological change. AI, in particular, has become a central consideration in many transactions, not necessarily as an immediate driver of value, but as a factor that could reshape industries over the medium to long term.

As a result, buyers are spending more time assessing future positioning and placing greater weight on the credibility of long-term growth narratives.

Trends in dealmaking

A shift towards earlier engagement and deeper preparation

One of the most important changes in dealmaking is happening before a process formally begins.

We're seeing a clear increase in early-stage engagement, with more time spent working alongside clients to assess readiness, refine strategy, and identify potential issues ahead of launch. This isn't just about preparation in the traditional sense. It's about shaping the conditions for a successful outcome well in advance of going to market.

In practical terms, that means more detailed strategic discussions, earlier identification of potential risks, and greater use of tools such as market sounding and pre-emptive analysis. It also means working with management teams to refine their objectives and ensure alignment before entering a process.

This earlier engagement creates a more robust foundation for the process itself. It allows businesses to address potential red flags in advance, improve the quality of information available to buyers, and present a clearer, more compelling equity story.

> *We're strengthening the dialogue with clients before executing. It's about testing assumptions, identifying risks early, and making sure the business is truly ready before going to market.*

Miquel Martí
Managing Partner

Longer processes and more rigorous due diligence

Once a process is underway, the impact of this environment becomes even more visible.

Due diligence is broader and more detailed, reflecting the increased focus on risk. Buyers are taking more time to validate assumptions, test resilience, and understand how businesses will perform under different scenarios. As a result, deal timelines are extending, and processes that may previously have taken a few months are now often longer and more involved.

This isn't just a reaction to uncertainty; it reflects a more fundamental shift in buyer behaviour. Decision-making is becoming more structured, with greater emphasis on evidence, data quality, and scenario analysis.

At the same time, sellers are responding by anticipating these requirements earlier in the process. Many of the questions that would traditionally arise during due diligence are now being addressed in advance, as part of the preparation phase. This creates a stronger alignment between buyer expectations and seller readiness.

Fewer buyers, stronger conviction

Another noticeable trend is the change in process dynamics.

Where processes in previous years may have attracted a large number of potential buyers, today's environment often sees a more focused group. It's increasingly common for processes to involve a smaller number of highly engaged parties, rather than a broad field of participants.

While this can reduce competitive tension in some cases, it also leads to more meaningful engagement. Buyers who enter a process are typically better informed, more committed, and more likely to follow through to completion.

> *In many processes today, if you have two or three serious buyers, you're already in a strong position.*

Michael Schor
Partner

Readiness over timing

Perhaps the most defining shift is in how businesses approach timing.

In previous cycles, there was often a strong focus on waiting for optimal market conditions. Today, that approach is becoming less practical. With conditions changing rapidly and unpredictably, the emphasis has moved towards readiness.

Businesses that are well-prepared can act when opportunities arise, whether driven by sector trends, buyer appetite, or strategic developments. Those that aren't prepared may find themselves unable to take advantage of favourable conditions when they occur.

This is particularly important in a market where external factors can influence timing in ways that are difficult to predict. From geopolitical developments to sector-specific shifts, the ability to respond quickly has become a key advantage.

The role of advisers

These changes are also reshaping the role of advisers.

The focus is moving away from purely execution towards a broader advisory role that spans strategy, preparation, and value creation. The most effective outcomes are increasingly driven by the work done before a process begins, rather than the process itself.

This includes helping clients understand how their business will be perceived by different buyer groups, identifying and mitigating risks, and ensuring that the equity story is both credible and compelling.

It also involves supporting clients over a longer time horizon. In some cases, relationships develop over several years before a transaction takes place, allowing for a more thoughtful and structured approach to value creation and exit planning.

What this means in practice

Taken together, these trends point to a market that is still active, but fundamentally different in how it operates.

Dealmaking today requires more preparation, more analysis, and more strategic thinking than in previous cycles. It rewards businesses that are well-positioned, well-prepared, and able to demonstrate resilience in the face of uncertainty.

At the same time, it creates opportunities for those who are willing to engage early, adapt to changing conditions, and move with conviction when the right moment arises.

In that sense, the market hasn't become less attractive, but simply become more demanding.

04

Private equity insights

Marcus Archer
Managing Partner

Deployment pressure meets a more complex market

Private equity remains one of the most influential forces in the M&A landscape, but the environment it's operating in has shifted meaningfully. Uncertainty hasn't eased, but evolved, and funds are learning to operate within it rather than wait for it to pass.

This is shaping behaviour across the board. Many funds are still holding larger portfolios than they would like, with extended hold periods stretching beyond historic norms. At the same time, pressure from LPs to return capital ahead of future fundraises is building.

The result is a more complex balancing act. Firms are managing existing investments, looking for exit routes, and trying to create capacity for new opportunities, all at once.

We're seeing portfolios that are significantly larger than they should be. That creates a knock-on effect, where teams are stretched and don't have the time to focus on new opportunities in the same way.

While deal flow is improving and pipelines are stronger than they were this time last year, deployment isn't uniform. Some funds are under pressure to invest and are prepared to move quickly, while others, particularly those further along in their deployment cycle, are taking a more measured approach.

This is creating a degree of polarisation in the market. In certain situations, funds with strong conviction and deployment pressure are willing to stretch on valuation to secure the right asset. Others remain disciplined, focusing on price and long-term value.

Greater scrutiny, sharper focus

Despite the need to deploy capital, private equity firms are approaching deals with more rigour than ever. Investment committees are asking tougher questions, diligence is deeper, and timelines are often longer.

At the centre of that scrutiny is one dominant theme: resilience.

AI has become a defining consideration in almost every investment decision. Businesses are no longer judged purely on growth or recurring revenue, but on how exposed they are to disruption and how well positioned they are to adapt.

This is particularly evident in software and technology, where the conversation has shifted from growth potential to defensibility. Increasingly, investors are looking for businesses with strong customer "stickiness", service layers, or hybrid models that combine technology with human expertise.

Everything is being looked at through the lens of AI disruption. It's not just about growth anymore, it's about resilience and how defendable the business is.

More broadly, macro factors such as inflation, cost pressures, and geopolitical uncertainty continue to feed into decision-making. Funds aren't stepping back from deals, but they are taking more time to get comfortable with risk.

Evolving deal structures and capital strategies

While the fundamentals of dealmaking remain intact, there are clear shifts in how transactions are being structured.

One notable development is the increased use of preferred equity structures. These allow private equity firms to offer a higher headline valuation, while making sure their capital ranks ahead of management in the event of an exit.

This approach is serving two purposes. It provides flexibility in valuation discussions, and it reinforces alignment, ensuring management teams are fully committed to delivering the next phase of growth.

At the same time, leverage levels at entry are generally lower than in previous years. In a more uncertain environment, funds are prioritising balance sheet flexibility over maximising returns through debt.

This is also enabling a more proactive approach to growth. With less debt in place, businesses have greater capacity to pursue acquisitions, invest in expansion, and respond to market opportunities as they arise.

Buy-and-build: from strategy to necessity

Buy-and-build strategies are becoming even more central to private equity playbooks.

While they've long been a feature of the market, they're now being used more deliberately as a tool for both growth and risk management. In sectors where organic growth is harder to achieve, acquisitions provide a faster route to scale and value creation.

At the same time, diversification through add-ons is helping businesses become more resilient, whether by expanding service lines, entering new geographies, or reducing reliance on a single revenue stream.

We're seeing more funds adopt buy-and-build, even those that haven't historically focused on it. It's become a core part of how they think about growth.

Deployment pressure is also playing a role here. Where new platform opportunities are limited, funds are increasingly investing behind existing assets, accelerating consolidation strategies within their portfolios.

Conviction-led investing and earlier engagement

Another clear shift is how private equity firms are identifying and pursuing opportunities.

Rather than casting a wide net, funds are becoming more focused. Most are narrowing in on a small number of sectors where they have strong conviction and a clear value creation strategy.

This is being supported by more proactive, "outside-in" work. Funds are building relationships with target businesses and advisers well before a formal process begins, and in many cases are forming views on assets months or even years in advance.

The impact is significant. By the time a process launches, the most prepared buyers are already well positioned to act decisively.

The growing influence of PE-backed buyers

The role of private equity-backed portfolio companies in M&A continues to expand.

These businesses are increasingly competing head-to-head with both traditional trade buyers and private equity funds for new acquisitions. With the backing of institutional capital and the agility of a corporate acquirer, they are often able to move quickly and present compelling strategic cases.

In many processes, they are now among the most credible bidders.

At the same time, there is growing interest from US-backed portfolio companies looking to expand into Europe. While this hasn't yet fully translated into completed deal volumes, the level of activity and intent is increasing, suggesting a more competitive and internationally driven market ahead.

Continuation vehicles gain momentum

Continuation vehicles have also become a more prominent feature of the private equity landscape.

Once viewed as a niche solution, they are now a mainstream route for managing portfolio dynamics. For funds holding strong-performing assets that require more time or capital, continuation vehicles offer a way to deliver liquidity to existing investors while retaining exposure to future upside.

This trend has accelerated quickly, with continuation-led exits now accounting for a significantly larger share of overall activity.

> *Continuation vehicles have moved from being a niche solution to a core part of how funds manage exits and extend value creation.*

For the mid-market in particular, this presents a growing opportunity, both in terms of deal flow and the need for tailored financing and advisory support.

A market defined by discipline and opportunity

Taken together, these dynamics point to a private equity market that is more disciplined, more focused, and increasingly strategic in how it operates.

Funds are still active. Capital is still available. But success is now defined by preparation, conviction, and the ability to navigate complexity, rather than simply participating in a rising market.

For high-quality businesses, the opportunity remains significant. But as with the broader M&A landscape, outcomes are becoming more selective, and execution is relying more heavily on getting the fundamentals right from the outset.

05

Debt advisory and financing markets

Simon Chambers
Partner and Head of Debt Advisory

Liquidity remains strong across the European debt markets, with lenders still under pressure to deploy capital into high-quality opportunities.

While the broader market backdrop remains uncertain, appetite for attractive credits continues to be highly competitive, particularly where businesses can demonstrate resilience, predictable earnings, and strong long-term fundamentals.

This has created a market where borrower-friendly terms remain available for the strongest assets, despite the wider economic and geopolitical challenges shaping sentiment across global markets.

There's still a huge amount of liquidity in the market, and not enough opportunities for that capital. When a high-quality business comes to market, lenders are very keen to participate.

At the same time, the lending environment has become increasingly selective. Businesses exposed to greater operational uncertainty, changing consumer demand, or disruption risks are facing more scrutiny from lenders, with funding processes often taking longer as providers work through a wider range of downside scenarios.

Much of that caution is being driven less by interest rates themselves and more by the broader uncertainty surrounding geopolitics, inflationary pressure, and the long-term implications of AI across different industries.

Navigating uncertainty and evolving borrower behaviour

While interest rates remain an important consideration, relatively small movements in pricing are no longer having the same impact on market activity that they did during the sharp rate increases of previous years. Instead, lenders and borrowers are far more focused on understanding how businesses can withstand external shocks and adapt to a rapidly changing operating environment.

This is particularly evident in diligence processes, where lenders are increasingly examining how businesses would respond to rising fuel costs, supply chain disruption, labour pressures, or AI-related market changes.

Uncertainty has become part of the operating environment. Businesses, investors, and lenders are no longer waiting for stability to return. They're focused on understanding risk properly and making sure businesses can navigate whatever comes next.

One of the clearest trends over the past 12 months has been the continued growth in refinancing activity. As private equity firms hold portfolio companies for longer, many businesses are reaching the point where existing debt facilities need to be refinanced, extended, or restructured to support the next phase of growth.

In many cases, refinancing is also being used to support continued buy-and-build strategies, with sponsors seeking additional flexibility to pursue acquisitions while maintaining prudent leverage levels.

Alongside this, borrowers are increasingly looking for flexibility within financing structures themselves. Payment-in-kind (PIK) features, where interest can be rolled up rather than paid in cash immediately, are becoming more common as businesses seek to preserve liquidity and create additional headroom in uncertain conditions.

A more sophisticated lending market

The continued expansion of private credit has significantly increased the range of funding options available to businesses and sponsors. However, this has also made the market more complex to navigate, reinforcing the growing importance of specialist debt advisory within the wider M&A process.

Debt advisory is now becoming a standard part of many transactions, particularly in sponsor-backed deals where lender education and financing certainty are critical to achieving competitive outcomes.

We now deal with around 80 different lenders across the market. Structures and terms move quickly, so having the right lender relationships and knowing who to approach for each situation has become increasingly important.

Differences between traditional banks and private credit providers are also becoming more pronounced. Banks are often proving more flexible when assessing higher-risk opportunities, adjusting leverage levels or pricing to fit within their risk appetite. By contrast, many private credit funds remain focused on a narrower range of high-quality credits and are more likely to step away entirely from opportunities that fall outside their preferred profile.

This divergence is creating a more nuanced funding landscape, where selecting the right lender group and financing structure can have a meaningful impact on transaction outcomes.

Sector appetite and outlook

Lender appetite remains strongest in sectors where long-term demand visibility remains clear and disruption risk is perceived to be lower. Healthcare, business services, and other defensive sectors continue to attract strong support from lenders, while businesses with more direct exposure to AI disruption or changing consumer behaviour are facing greater caution.

Software and technology businesses, in particular, are being examined through a different lens than they were even 12 months ago, as lenders and investors assess the long-term implications of AI on product relevance, competitive positioning, and recurring revenue durability.

Looking ahead, the overall expectation is for liquidity levels across Europe to remain strong. While political instability, geopolitical tensions, and AI-related disruption are likely to continue shaping sentiment, the depth of capital available across the European lending market means well-positioned businesses should continue to have access to attractive financing solutions.

The underlying liquidity in Europe remains very strong. The bigger challenge isn't access to capital, it's navigating uncertainty and understanding how businesses will perform in a rapidly changing environment.

06

Sector highlights

Tech & Tech Services

Wesley Fell-Smith
Partner and Head of Tech & Tech Services

Navigating disruption in an era of AI acceleration

The defining theme across tech and tech services over the past year has been the pace and scale of disruption being driven by AI. Almost every conversation in the sector now comes back to the same questions: what is genuinely changing, what is hype, and which business models are most exposed?

That's created a more complex market, but also a more active one. Investors, management teams, and founders are all having to think harder about how software and services businesses will evolve, where the risks sit, and which assets are best placed to benefit from the next phase of adoption. While some have stepped back in the face of uncertainty, others are leaning into the change with conviction.

The result is a market being reshaped in real time. Some software categories are clearly under pressure, particularly where offerings are more easily replaced or switched off. At the same time, there remains a clear and lasting need for businesses that help clients centralise data, connect systems, manage complexity, and deploy technology effectively. Those fundamentals have not gone away.

AI is the backdrop to every conversation we're having at the moment. It's creating uncertainty, but it's also creating opportunity for the businesses that are positioned in the right parts of the market.

Software and services both facing a new wave of change

One of the biggest shifts in the market is that disruption is no longer being viewed as a software-only issue. While much of the early debate has focused on SaaS and the extent to which AI may replace existing tools, the services side of the market is equally exposed to change.

Across technology-enabled services, legal services, IT services, and broader business services categories, AI is beginning to reshape how work is delivered, how teams are structured, and where value sits. In some cases, it's acting as a co-pilot alongside existing teams. In others, the long-term direction of travel points towards more autonomous delivery models. That transition won't happen overnight, but the shift has clearly started.

At the same time, real-world deployment remains more complex than the market narrative sometimes suggests. AI tools still depend on strong data foundations, reliable governance, and effective implementation. That means expertise remains critical. The businesses and investors navigating this environment most successfully are those who are distinguishing between short-term noise and long-term value creation.

Adoption cycles creating new opportunities

The current cycle is also following a pattern familiar from previous waves of technological change. New tools are attracting significant investment, creating strong demand for specialist support around implementation, integration, and ongoing management. As new technology enters the market, the wider services ecosystem around it also grows.

This is already being reflected in spending patterns. In some parts of the market, budgets are shifting away from ongoing managed services and towards professional services that can support adoption and transformation. At the same time, service providers are evolving their own propositions to help clients deploy and manage new tooling more effectively.

That dynamic is creating attractive opportunities across both software and services. While the shape of demand is changing, the need for deep technical understanding, specialist implementation capability, and informed strategic advice remains strong.

Uncertainty affecting sentiment, but not stopping activity

Macroeconomic pressures have continued to influence the market, particularly in people-led tech services businesses, where inflation feeds directly into cost bases, margins, and pricing decisions. Higher costs of capital have also shaped investment appetite and valuation discussions, as they have across the broader M&A landscape.

However, while uncertainty has affected sentiment and pricing, it hasn't stopped deal activity. In many ways, periods of disruption can be highly supportive of M&A. They create reasons for founders to exit, for investors to rebalance portfolios, and for buyers to act with conviction where they see a clear angle on future growth.

That's helped sustain strong activity levels across the sector. The key has been careful positioning: helping clients articulate how their business fits into a changing market without overplaying trends or leaning on superficial narratives. In a market shaped by rapid change, clarity matters more than ever.

Focus on the right segments has paid off

A major factor behind the team's momentum has been its long-standing focus on areas of the market that require deep expertise and are harder to commoditise. Rather than chasing every high-growth software trend, the emphasis has been on segments where implementation, know-how, and strategic positioning matter most.

That's proved valuable in the current environment. While some parts of the market have faced greater disruption, businesses with more complex use cases, stronger technical depth, or more embedded customer relationships have remained attractive. This has enabled the team to maintain momentum while others have had to reposition more quickly around changing investor sentiment.

The approach has also supported strong activity across both software and tech services, rather than over-indexing to one side of the market. That balance remains important in a sector where disruption is affecting business models in different ways and at different speeds.

We've always focused on areas where technology is more complex, more embedded, and more difficult to replace. That discipline has served us well in a market where not all software, and not all services, are equal.

Collaboration driving a stronger international platform

The team has also benefited from a particularly strong year of collaboration across the wider Clearwater platform. Cross-border knowledge sharing, market intelligence, and active teamwork across offices have all increased, strengthening the ability to understand changing trends and position clients effectively.

Our ability to share insight across markets is a real strength. The more we collaborate across geographies and sectors, the better positioned we are to understand where demand is building and how to help clients navigate it.

That collaborative model is proving especially valuable in a market where no single office or individual can claim to have all the answers. Success increasingly depends on shared learning, collective judgement, and the ability to move quickly as the landscape changes.

Looking ahead: complexity will create opportunity

The year ahead is unlikely to bring less disruption. If anything, the pace of change across AI, data, software, and services is likely to continue accelerating. That will create both opportunity and pressure across the sector, with clear winners and losers emerging over time.

For the strongest businesses, however, this environment remains rich with opportunity. Those that help customers make sense of complexity, implement technology effectively, and build durable capabilities will continue to be in demand. For investors, the challenge will be separating hype from substance and backing businesses with real strategic relevance in the next phase of adoption.

In that environment, the sector will remain highly active. Change creates uncertainty, but it also creates momentum, and for well-positioned businesses, that momentum can be powerful.

Key figures

49

deals completed

€1.8bn

in deal value

Future-proofing targeting: how we helped Digiseg find the right long-term home

digiseg

In a digital world undergoing continuous structural change driven by AI, it takes careful preparation, M&A craftsmanship and strategic positioning to successfully sell an adtech software business.

Privacy regulation keeps tightening, cookies are fading out, and AI is reshaping how the open internet works in real time. Buyers are still active, but they require deeper understanding of the market dynamics and AI-defensibility.

That was the backdrop when we advised the owners of Digiseg, a privacy-first data platform that enables cookie-free audience targeting and measurement globally, on its sale to HAWK Infinity.

From day one, our job was to help the shareholders turn strong business momentum into a competitive outcome, position the business with confidence in a changing market, and find a long-term partner that matched what the owners wanted next.

Our role: turning momentum into options

We'd known Digiseg's founders for years, long before the business reached its current global scale during 2024 and 2025. They were early pioneers in the adtech industry, recognising the need for alternatives to tracking and cookies, and building a "privacy-by-design" dataset country by country, well before the market caught up.

We ran a structured sales process designed to do three things:

- Show buyers what's genuinely unique about Digiseg's data platform and why it's not possible to replicate at scale in combination with deep DSP / SSP integrations
- Build conviction in the investment case, even with AI-driven uncertainty in the wider ad market
- Create competitive tension, giving the owners choice on price, structure, and future stewardship

With this approach, we engaged with a broad buyer universe and generated multiple bids, giving the shareholders real leverage and optionality when it mattered.

We kept the story commercially grounded and buyer-friendly, making sure Digiseg felt understandable, scalable and hard to displace and ensuring buyers understood the 'why' behind the data.

The market context: why “post-cookie” is now a buying theme

Digital advertising has been moving steadily towards programmatic channels, while privacy regulation and platform-led changes have made traditional cookie-based tracking less effective. At the same time, AI has introduced a new layer of uncertainty. Businesses across adtech are being forced to rethink how they create value, and investors are asking tougher questions about who wins and who loses as the market evolves.

That meant our positioning had to be sharp and grounded in what buyers could genuinely underwrite with confidence. We focused on the fundamentals. Digiseg’s platform is privacy-by-design, enabling cookie- and tracking-free targeting and measurement across devices and formats. The value sits in a proprietary dataset and methodology, not in a feature that can be replicated quickly. And crucially, the platform benefits from scale. The more it’s used, the stronger and more refined the data becomes, creating a compounding advantage over time.

Why HAWK Infinity was the right partner

Digiseg’s shareholders weren’t looking for a short-term owner or a buyer that would change the company’s direction overnight. They wanted a partner who took a long-term view, valued cash generation, margins, and growth, and supported the business to keep building, with the existing team continuing to lead.

That’s why HAWK Infinity stood out.

HAWK Infinity is a Scandinavian investment firm with a long-term approach and deep experience across software and IT. The fit worked on both sides. Digiseg gained an owner that understands the realities of scaling software businesses through market cycles, while backing management to keep driving the strategy forward.

For the shareholders, it also delivered the outcome they wanted personally. The transaction supported a management succession plan and created space for the founders’ next chapter.

Positioning Digiseg’s defensible edge

We kept the story commercially grounded and buyer-friendly. Digiseg had to feel understandable, scalable, and hard to displace.

Key proof points helped:

- Digiseg recognises more than 70% of global digital impressions, across devices and media types
- The platform is used in more than 50 countries and supports thousands of agencies and campaigns
- Financial momentum was clear, with double-digit revenue growth driven by integration with an increasing number of DSPs and SSPs

We also wanted to make sure buyers understood the “why” behind the data. The business combines synthetic IP clustering with household characteristics and statistical modelling to enable targeting in the “unaddressable” environment without using personal data.

We designed a process that gave buyers time to build conviction while maintaining the competitive tension needed for a strong outcome.

What this deal tells us about the market

Even in a digital advertising market that's evolving quickly and facing structural change, investor appetite remains strong for high-performing software businesses with genuine, defensible moats. Capital hasn't disappeared, but it has become more selective.

What we're seeing more consistently is that buyers want clear, well-evidenced answers to two fundamental questions. First, what makes this business difficult to replicate? And second, what continues to hold true if the market shifts again?

In sectors like adtech, where regulation, platform policies and AI are all reshaping the landscape, those questions matter more than ever. Buyers are looking beyond short-term growth and asking whether the competitive advantage is structural. They want to understand whether the core asset, whether that's data, technology, relationships or network effects, becomes stronger over time or gradually commoditised.

In Digiseg's case, the answers were compelling. The business is built on proprietary data, deep integrations and a methodology that isn't easily substituted. AI adoption may even be a growth driver going forward. Its scale reinforces the strength of that dataset, creating network effects that improve performance as usage increases. And its privacy-first architecture aligns with the direction of travel in regulation and consumer expectations. That combination gave buyers confidence that the platform's value isn't dependent on a single market condition, but rooted in fundamentals that can endure through change.

The outcome: a long-term partner for scalable growth

The sale to HAWK Infinity has given Digiseg a long-term partner to support its next phase of growth, including further platform integrations and deeper uptake across existing customers and new markets.

And for us, it's another example of what great outcomes look like in today's environment: strong preparation, confident positioning, and a process that creates real choice for shareholders.

Industrials & Chemicals

Michael Loudon
Partner and Head of Industrials & Chemicals

Resilience, infrastructure, and the power of long-term demand

The industrials and chemicals sector has delivered another solid year, underpinned by a continued shift towards resilient, high-quality assets with clear long-term demand drivers. While macro uncertainty remains a constant backdrop, investors have become increasingly disciplined in where they deploy capital, prioritising businesses with strong visibility of earnings and exposure to structural growth markets.

Across Europe, activity has concentrated around sectors linked to essential infrastructure. Water, power, and data connectivity continue to attract significant investment, supported by long-term regulatory frameworks and sustained capital expenditure programmes. These markets offer both downside protection and clear growth trajectories, making them particularly attractive in an environment where predictability is at a premium.

At the same time, there's been a noticeable move away from more capital-intensive and energy-heavy business models. Investors are focusing on asset-light, differentiated, service-led propositions, where margins are stronger and cost pressures can be more effectively managed.

We're seeing consistent demand for businesses with real resilience, particularly those aligned to infrastructure priority areas, which bring long-term visibility on both spend and growth.

A changing investor landscape

One of the most notable shifts over the past 12 months has been the growing convergence between private equity and infrastructure investors. "Core-plus" infrastructure funds, supported by significant capital raised in recent years, have become increasingly active in the mid-market, competing directly with private equity for assets that offer stable, long-term returns.

This has broadened the buyer universe and intensified competition for high-quality businesses, particularly those with recurring revenues and essential service offerings. At the same time, private equity has re-engaged with the sector, recognising the relative resilience of industrials, and perhaps seen as a safe-haven in a world of AI-uncertainties.

Strategic buyers also remain highly active, particularly from North America, where there's a strong appetite for European assets. This combination of buyer groups continues to support robust processes and valuations for the right opportunities.

Industrial tech and energy transition shaping demand

Industrial technology is now embedded across the vast majority of businesses in the sector. What was once a distinct subsector has become a defining characteristic, with digital enablement, automation, and data-led capabilities increasingly expected as standard.

Alongside this, the energy transition is regaining momentum. Rising energy prices and ongoing geopolitical pressures have brought renewed focus to areas such as energy efficiency, storage, and distribution. Technologies supporting decentralised energy systems, including district heating and home energy solutions, are gaining traction, while circular economy models are becoming more commercially compelling.

Innovation continues to be a key differentiator. Businesses that can evolve their service offering, unlock scalability, and adapt to regulatory requirements are commanding the greatest interest from investors.

Industrial tech now runs through almost every business we see, it's no longer a niche, it's fundamental to how companies differentiate and grow.

Sector hotspots: defence, power, and specialised services

Several subsectors have stood out for their strong levels of activity and investor interest:

- Aerospace and defence, driven by increased government spending and long-term programme visibility, alongside rapid innovation in industrial technologies
- Power and energy infrastructure, particularly where it supports data centres and electrification trends across Europe
- Specialty chemicals and distribution, where value-added propositions in fragmented markets continue to attract consolidation strategies
- Industrial and infrastructure services, especially businesses with recurring, compliance-driven revenue models
- Equipment-as-a-service models, reflecting the shift towards service-led, asset-light businesses with deep competitive moats

There's also growing momentum in recycling and circular economy businesses, as rising input costs and regulatory pressures reinforce the value of closed-loop systems.

Navigating uncertainty in a more resilient mid-market

While geopolitical factors continue to shape the broader landscape, their impact has been uneven across the market. Larger, discretionary transactions are more susceptible to delays, particularly where the strategic rationale is less immediate. In contrast, mid-market activity remains resilient, driven by necessity factors such as succession planning, growth capital requirements, and private equity investment cycles.

Supply chain disruption and cost pressures are still present, particularly for lower-margin, energy-intensive businesses. However, companies with differentiated propositions and pricing power have demonstrated a strong ability to navigate these challenges.

Regulation is playing an increasingly important role, providing both clarity and impetus for change. It’s driving innovation, supporting consolidation, and prompting portfolio reshaping, particularly among international conglomerates reassessing their geographic focus and capital priorities.

A connected, growing international team

Our industrials and chemicals team continues to strengthen its international platform, operating as a fully integrated sector group across Europe and the US. Collaboration across offices remains a key differentiator, with strong alignment between regional teams and deep sector expertise.

The expansion of teams in France, Germany, the Netherlands, and Ireland has added further momentum, alongside continued investment in senior talent across key subsectors, including chemicals, infrastructure services, and industrial technology. Our partnership with KeyBanc continues to enhance access to North American buyers, supporting cross-border opportunities for clients.

Combining local insight with international reach is critical. It allows us to position assets in the right markets and connect them with the right buyers across the mid-market.

Looking ahead: confidence in fundamentals

The outlook for the sector remains positive, supported by strong underlying fundamentals. Demand for infrastructure, energy transition, and defence capabilities is expected to continue driving activity, while innovation and service-led models will shape the next generation of high-performing businesses.

In a market where uncertainty is likely to remain a constant, preparedness, resilience, and clarity of strategy will continue to define success. For businesses that can demonstrate these qualities, the opportunity to attract investment and achieve strong outcomes remains firmly intact.

Key figures

42

deals completed

€2.5bn

in deal value

Healthcare

David Weavers

Partner and Head of Healthcare

Shifting demand and a changing funding model

Healthcare continues to be shaped by a fundamental shift in who pays for care. Across many parts of the market, demand is moving steadily away from fully state-funded provision towards private pay and employer-supported models, as individuals and businesses seek faster access to services that public systems are increasingly struggling to provide in a timely manner.

This has created strong momentum in areas such as occupational health, corporate health services, and other healthcare models where employers are taking a more active role in supporting workforce wellbeing. For many businesses, these services are no longer seen as optional benefits, but as a practical response to rising absence, long waiting times, and growing pressure on public provision.

At the same time, this shift is reinforcing investor interest in subsectors that are less dependent on stretched public budgets and better positioned to benefit from long-term changes in how healthcare is accessed and funded.

We're seeing a clear shift in parts of the market towards private pay and employer-backed provision, as people look for faster access to care and companies play a bigger role in supporting health needs.

Regulation and funding pressures creating a more selective market

Alongside this growth in private demand, parts of the sector remain heavily influenced by public funding frameworks across Europe. While the specifics vary by country, reimbursement models, government budgets, and regulatory oversight continue to play a defining role in shaping performance and investment appetite.

For businesses operating within publicly funded systems, the past 18 months have brought increased scrutiny around pricing, reimbursement, and compliance. In some markets, this has been driven by fiscal pressure on healthcare systems. In others, it reflects ongoing reform and attempts to rebalance public and private provision.

This has created a more complex and, at times, challenging backdrop. Uncertainty around funding levels, regulatory change, and policy direction has slowed decision-making and made investment cases harder to assess. The impact isn't uniform. It varies significantly by geography and subsector, depending on how exposed businesses are to public funding and how predictable those frameworks are.

What's clear is that uncertainty itself is often the most disruptive factor. Investors can price risk when there's clarity. They're far more cautious when the rules may still change, particularly in cross-border situations where regulatory frameworks differ.

As a result, healthcare remains a highly segmented market. Investment appetite isn't driven by broad sector sentiment, but by a detailed understanding of local regulation, funding stability, and the resilience of individual business models within each of the many healthcare and pharma sub-sectors that exist.

Technology supporting delivery, efficiency, and new products

The role of technology in healthcare continues to grow, although its impact differs significantly across the market. In people-led care settings, technology is primarily improving the efficiency of delivery rather than replacing frontline labour. AI, data tools, and digital platforms are helping providers manage scheduling, reporting, record-keeping, and other administrative demands, making day-to-day operations more effective and easing the burden on staff.

In other parts of the sector, particularly pharma services, technology is creating more direct commercial opportunities. Companies are increasingly developing their own AI-enabled tools and digital products, both to enhance internal capability and to offer new solutions to clients. In these settings, technology isn't only making businesses more efficient, but also strengthening differentiation and opening up additional revenue streams.

This contrast highlights one of the defining characteristics of healthcare: technology matters across the board, but its application is shaped by the specific operating model of each business.

Sector hotspots: Pharma services, medical products, and employer-backed care

Investor interest remains strongest in subsectors that offer scalability, defensibility, and exposure to long-term demand. Pharma services continues to attract attention, supported by improving spending patterns among larger pharmaceutical companies and renewed confidence in growth trajectories across the supply chain. After a softer period two to three years ago, this part of the market has become more active again, helping to improve deal appetite among founders and investors alike.

Medical products and devices also remain attractive, particularly because of their international growth potential. Unlike more locally anchored care models, these businesses can often scale more easily across borders through export-led expansion.

Employer-backed health services are another area of growing interest, reflecting the broader move towards corporate-funded provision and preventative care. More widely, specialist care services continue to provide opportunity, although these tend to be more domestic in nature and therefore need to be assessed through a different lens.

Technology is becoming more important across healthcare, but its role varies. In some businesses, it supports delivery and efficiency, while in others, it's becoming part of the product itself.

Long-term demographic support, but subsector differences matter

The long-term outlook for healthcare remains supported by clear demographic demand drivers, particularly ageing populations and the rising need for specialist support. These trends continue to underpin confidence in many parts of the market, especially for investors with a longer-term view.

That said, the effect is gradual rather than dramatic. In many care-related sectors, demographic growth is supportive over a 10-year horizon rather than transformative in the short term. This has contributed to growing interest from infrastructure-style investors and other capital providers with longer hold periods, whose return expectations and investment horizons are better aligned with these steady demand trends.

By contrast, traditional private equity remains more focused on businesses that can deliver clearer growth within a shorter timeframe, which is one reason why pharma services, medical products and device-led models often attract particularly strong attention.

A resilient sector with selective insulation from wider shocks

Compared with many other sectors, healthcare has remained relatively insulated from some of the broader geopolitical and macroeconomic disruption affecting dealmaking elsewhere. While no business is fully protected from the wider environment, many healthcare companies are less directly exposed to the kinds of energy, supply chain, and international trade pressures that have weighed more heavily on industrial markets.

Instead, the most significant pressures tend to come from funding structures, public policy, and regulatory intervention within the sector itself. This reinforces the importance of deep subsector knowledge and the careful assessment of where risk sits, how long it may last, and when clarity is likely to return.

Connected expertise across healthcare and pharma

Our healthcare team continues to advise across a broad mix of care provision, healthcare services, medical products, devices, and pharma-related businesses. While care provision remains the largest part of the team's activity, this spans a wide range of specialist areas rather than any single category, reflecting the breadth of the market and the importance of subsector expertise.

Cross-border collaboration remains an important strength. Over the past year, the team has worked on joint mandates between the UK and France in pharma services, and between the UK and Ireland in occupational health, demonstrating the ability to bring together relevant experience where client needs and sector themes overlap.

Looking ahead: opportunity in the right parts of the market

The healthcare market remains active, but increasingly selective. Businesses with exposure to private pay, employer-supported health provision, international scalability, or clearly defined specialist niches are likely to continue attracting the strongest interest. At the same time, parts of the market that rely on public funding will remain closely tied to regulatory clarity and policy direction.

For investors and business owners alike, success in healthcare will depend on understanding those distinctions. This is a broad and resilient sector, but it's not a uniform one. The best outcomes will continue to come from identifying the subsectors where demand is strongest, risk is better understood, and long-term fundamentals remain firmly supportive.

Key figures

18

deals completed

€1.4bn

in deal value

CASE STUDY: HEALTHCARE

Precision meets potential: advancing cancer treatment with Minerva Imaging

In the race to develop more effective cancer treatments, precision is everything.

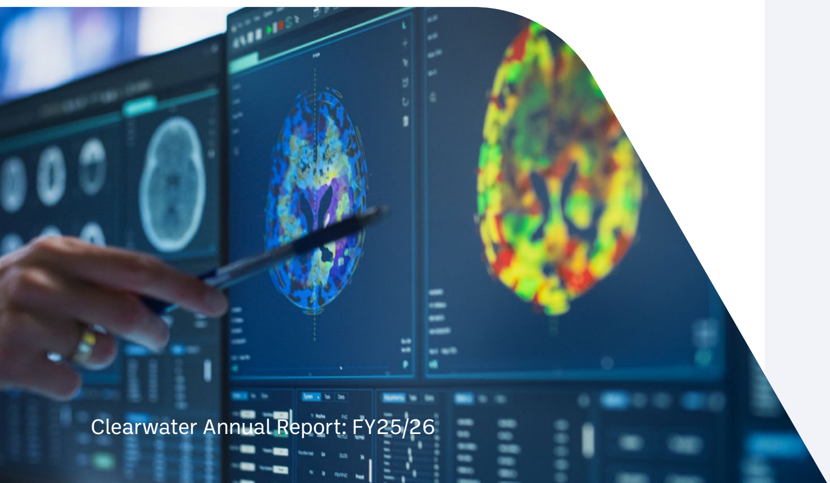
The ability to target tumours accurately, while preserving healthy tissue, has become one of the most important frontiers in modern medicine. That's where radiopharmaceuticals and radioligand therapies are beginning to reshape the landscape.

At the centre of that shift sits Minerva Imaging.

Working with some of the world's largest pharmaceutical companies, Minerva Imaging plays a critical role in bringing next-generation cancer therapies closer to patients. Its focus is highly specialised. The business supports drug developers by testing and validating radioligand therapies across the full development lifecycle, from early laboratory work through to preclinical and clinical-stage studies.

In simple terms, these therapies combine a radioactive isotope with a targeting molecule, allowing treatment to be delivered directly to cancer cells. The promise is significant. More effective treatments, fewer side effects, and better outcomes for patients.

For pharmaceutical companies investing heavily in this area, the ability to test and refine these therapies quickly and reliably is essential. That's where Minerva Imaging has built its position.



Enabling a new wave of cancer therapies

Interest in radiopharmaceuticals has accelerated rapidly in recent years. What was once considered an emerging area is now moving into the mainstream, with therapies reaching the market and attracting significant investment from global pharma.

This shift is being driven by a combination of scientific progress and growing demand for more targeted treatments. Radioligand therapies offer a level of precision that traditional approaches often can't match, and the pipeline of new drugs continues to expand.

Minerva Imaging has grown alongside this trend. It's established itself as a global leader in a niche that's both technically complex and commercially important. Its role isn't just supportive, it's enabling. Without the ability to test these therapies effectively, development timelines would extend significantly.

In many cases, Minerva's work can accelerate time to market by six to twelve months. In a sector where speed has both commercial and clinical implications, that impact is meaningful.

A long-term partnership built on timing and trust

Clearwater had been following Minerva Imaging's journey for over five years prior to formal engagement. Throughout that time, we worked closely with the shareholders, maintaining an ongoing dialogue around growth, market positioning, and the optimal timing for an investor process.

As the business reached a critical point in its development, with strong market momentum and increasing demand for its capabilities, that relationship evolved into a formal mandate. The depth of understanding built over time, combined with a trusted partnership with the owners, made Clearwater the natural choice to advise on the next phase.

A platform built for scale and specialisation

A key factor underpinning investor interest was Minerva Imaging's fully integrated model.

The business has invested heavily in purpose-built facilities designed specifically for radiopharmaceutical testing.

That investment has created a platform that's both scalable and efficient. All key services are delivered in one place, allowing clients to move through the testing process without the delays and complexity that often come with more fragmented models.

Many contract research organisations operate with a mix of in-house capabilities and outsourced elements. Minerva has taken a different approach. Its focus on specialisation and integration allows it to deliver a more streamlined service, which is particularly valuable in a field where precision and consistency are critical.

Simplifying complexity and shaping the narrative

Given the scientific depth of the business, a key part of our role was to translate complex technical capabilities into a clear and compelling investment case.

We positioned Minerva Imaging as a global market leader operating in a high-growth segment of the healthcare sector. The focus was on its role in supporting large pharmaceutical companies, its impact on development timelines, and the strength of its integrated platform.

By grounding the story in commercial relevance and growth potential, we were able to engage a broad range of investors while maintaining credibility with those who had deep sector expertise.

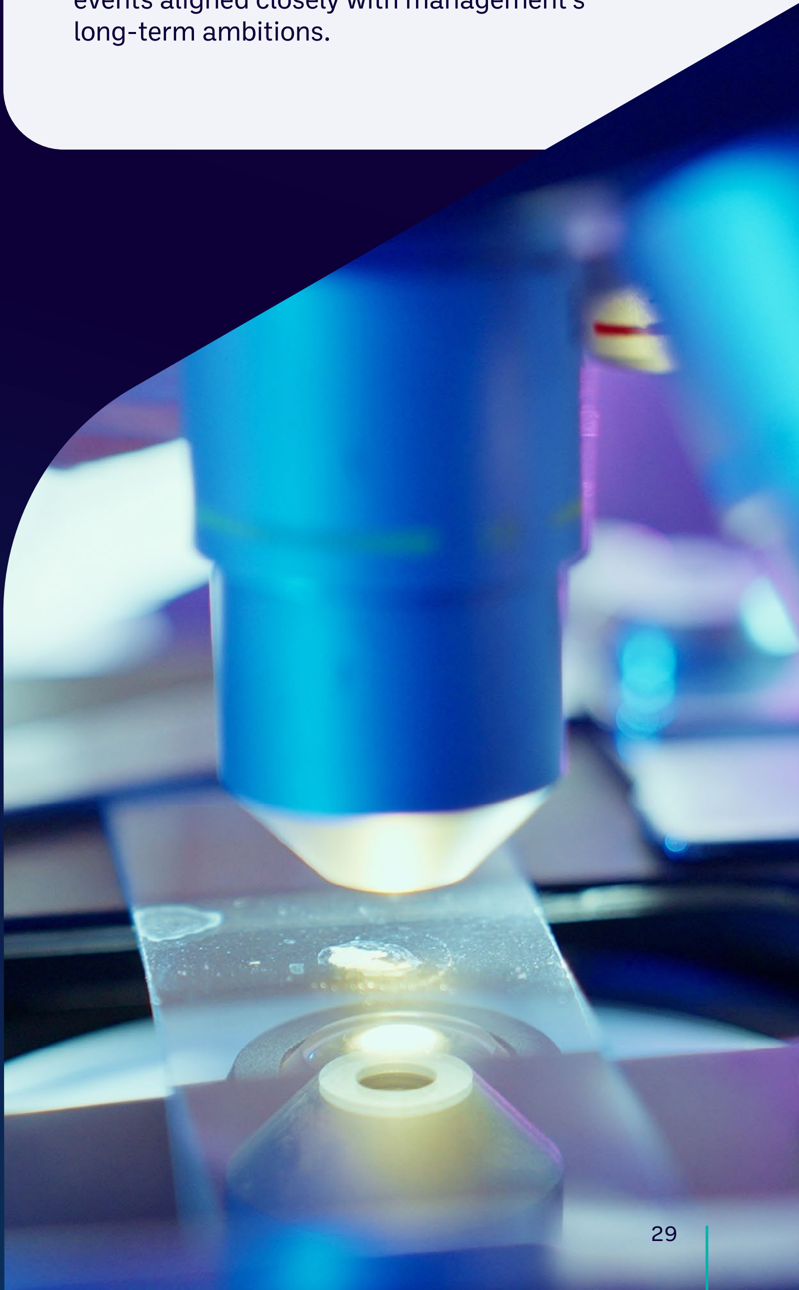
Throughout the process, we worked closely with management to ensure understanding, momentum and alignment, helping them navigate a highly competitive environment without losing focus on day-to-day operations.

Finding the right partner for the next phase

As the business continued to scale, the shareholders were clear on their priorities: maintaining Minerva's position as a global leader required continued investment, international expansion, and the ability to grow alongside its customers.

They weren't just looking for capital, they were looking for a partner who understood the sector, could support expansion into key markets such as the US, and had experience in building and scaling global platforms.

Nordic Capital emerged as the right fit. With a strong track record in healthcare and deep understanding of radioligand therapies, Nordic Capital brought both strategic insight and execution capability. Its experience in supporting international growth and preparing businesses for future liquidity events aligned closely with management's long-term ambitions.



CASE STUDY: HEALTHCARE

A process shaped by selectivity, not scarcity

From the outset, investor interest was exceptionally strong.

Between 70 and 80 potential buyers expressed interest, including private equity firms, venture capital investors and strategic acquirers.

The challenge wasn't generating demand, but identifying the right partners.

To manage this effectively, we introduced a structured pre-qualification process. Interested parties were required to demonstrate their understanding of the sector, their experience in scaling similar businesses, and their ability to support the company's strategic objectives.

This approach significantly narrowed the field. Around 30 submissions were received, with approximately 20 parties invited into the formal process. From there, further selection focused on strategic fit as much as valuation.

By the final stages, a small group of highly credible partners remained, creating a competitive environment while ensuring alignment with the company's long-term vision.

Building for the next phase of growth

With Nordic Capital on board, Minerva Imaging now has a clear roadmap for the next stage of its development.

The focus will be on expanding internationally, particularly in the US, while continuing to invest in its capabilities and exploring targeted acquisitions. The foundations are already in place, and the partnership provides both the resources and the strategic direction to execute at pace.

A market defined by demand and scarcity

This transaction highlights the strength of investor appetite for specialist CROs and radiopharmaceutical platforms.

There's a growing recognition that this isn't a distant opportunity. The technology is proven, therapies are reaching patients, and demand continues to increase. At the same time, the number of high-quality assets in the space remains limited.

That imbalance is driving competitive processes and strong valuations for businesses with the right positioning.

Minerva Imaging sits firmly within that group. A highly specialised platform, operating at the intersection of science and commercial value, and playing a critical role in advancing the future of cancer treatment.

Business services

Rob Burden

Partner and Head of Business Services

Essential, resilient, and increasingly attractive to investors

Business services has continued to perform strongly, with investor appetite concentrating around the most resilient parts of the market. As in recent years, there's been a clear preference for businesses with recurring revenue, strong visibility of earnings, and services that are compliance-led or operationally essential.

That trend has only strengthened over the past 12 months. In a market still shaped by caution, investors have continued to favour businesses that are predictable, defensible, and less vulnerable to disruption. This has made many areas of business services particularly attractive, especially where regulation, mandatory testing, or ongoing operational requirements underpin demand.

Whether in fire and life safety, audit, training, or specialist technical services, the most sought-after businesses are those providing services that customers cannot easily defer. In that sense, the sector has increasingly been seen as a safe harbour for capital looking for quality and resilience.

We've seen a real flight to resilience in business services. The most attractive businesses are the ones providing essential, compliance-led services with recurring revenues and high-quality earnings.

A safe harbour in a more selective market

The wider deal environment has also helped strengthen the sector's appeal. As some investors have stepped back from areas perceived to carry greater disruption risk, particularly within parts of technology and tech services, more capital has flowed towards the steadier end of the market.

This has benefited business services, particularly businesses operating in areas where demand is supported by legislation, regulation, or structural skills shortages. These are markets where customers still need the service regardless of broader economic volatility, and where revenue is often protected by long-term contracts or repeat compliance requirements.

While inflation and interest rates have influenced deal structures and valuations across the board, the core attraction of business services has remained intact. The businesses attracting the strongest interest are those that combine resilience with clear growth potential, rather than relying on more cyclical or discretionary spend.

Subsector strength in education, professional services, and TIC

The strongest activity has continued to come from a number of priority subsectors where the team has built deep expertise and long-term credibility. Education and training, professional services, and testing, inspection, and compliance-related services remain central areas of focus, each offering scale, fragmentation, and strong buy-and-build potential.

These subsectors are attractive for similar reasons. Many are large and still highly fragmented, creating opportunities for consolidation. Many also sit in markets where services are essential, compliance-led, or difficult to displace. For private equity in particular, that combination of fragmentation, resilience, and repeat demand remains highly compelling.

Transport and logistics has also shown momentum in the right areas, particularly where business models are asset-light, tech-enabled, and margin-accretive. By contrast, more capital-intensive or operationally exposed areas continue to be approached more selectively.

The result is a market where the detail matters. Business services remains a broad category, but the strongest outcomes are being achieved in those niches where regulation, essential service delivery, and operational defensibility come together.

Technology as both enabler and differentiator

Technology is having an increasing impact across the sector, particularly in improving efficiency and strengthening client delivery. The businesses performing best are those using AI, automation, and digital tools not as a bolt-on, but as a practical way to improve how services are delivered, how opportunities are identified, and how clients are retained.

For many service businesses, digital tools are now helping process operational data faster, improve response times, and convert frontline activity into actionable commercial outcomes. In sectors where engineers, inspectors, or technicians are working across large estates or customer bases, AI is making it easier to capture information, prioritise remedial work, and create quotes and tenders far more quickly than traditional manual processes allow.

Technology is also becoming a stronger client retention tool. Digital platforms that give customers visibility over their estate, compliance status, or service requirements are increasing stickiness and making service propositions more compelling over time.

However, AI is also creating challenges in some areas, particularly where it may reduce future demand for certain skills or service lines. As a result, the winners aren't just those investing in technology, but those who are thinking carefully about where it enhances the model and where it may require strategic adaptation.

The best businesses are embracing technology to improve efficiency and drive growth, but also to make their services more embedded and valuable to clients over the long term.

ESG rising up the agenda

ESG continues to play an increasingly important role across the sector, both in terms of internal business quality and client expectations. From an investor perspective, strong governance, responsible operating practices, and clear ESG credentials are now embedded in how businesses are assessed. These are no longer side considerations, but part of the core quality story.

In some areas of business services, the relevance goes further still. Businesses operating in training, compliance, safety, and related services are often able to demonstrate a broader positive impact through the services they provide. Whether improving workplace safety, helping people into employment, or supporting better standards across public services, many of these businesses are aligned with wider social outcomes as well as commercial growth.

This is becoming particularly important in public sector and regulated markets, where ESG credentials increasingly influence tender decisions and customer expectations. For many businesses, it's now both a commercial requirement and a strategic differentiator.

Built on long-term focus and deep subsector expertise

A key driver of the team's success has been its sustained focus on a small number of priority subsectors over a number of years. Rather than spreading effort too widely, the strategy has been to build depth, credibility, and relationships in the areas where long-term M&A activity and investor demand were expected to be strongest.

That focus is now translating into momentum. In the UK, the business services team has grown to its largest size to date, reflecting both increased activity and continued investment in capability. More broadly, there's growing collaboration across the platform, with activity in areas such as accountancy, education, and compliance services also being seen in Ireland and the Netherlands, while the French team has added further strength in education.

The more connected we are as a team, the better we can support clients across a wider range of opportunities. It also reinforces our position in the parts of the market where we're most active.

Looking ahead: momentum in the right niches

The outlook for business services remains positive, particularly in the areas where demand is driven by regulation, essential service provision, and long-term structural need. Investors are likely to remain highly selective, but the strongest businesses in the right niches should continue to command attention.

Across the sector, the same themes are expected to hold true: resilience matters, quality of earnings matters, and essential services matter. Businesses that are able to combine those qualities with smart use of technology, strong ESG credentials, and clear growth pathways will remain well positioned in the year ahead.

Key figures

53

deals completed

€2.5bn

in deal value

A new chapter for Obsequio Group

Obsequio Group has quickly established itself as a leading platform in the UK life safety market.

Headquartered in Leicestershire and founded in 2020 by Simon Cashmore and Simon Abley, the Group delivers technology-led compliance solutions through a portfolio of brands that ensure environments where people live, learn and work are completely safe.

Prior to securing investment from Beech Tree Private Equity in 2023, Obsequio successfully raised acquisition facilities from Beechbrook Capital, completing five acquisitions to create the platform for further growth. Beechbrook continued to support Obsequio following the Beech Tree investment, with facilities to enact the near- and medium-term M&A pipeline.

From hospitals and universities to local authorities, leisure centres and student accommodation, Obsequio's highly skilled engineers design, test and maintain critical systems spanning fire detection and suppression, security systems, water hygiene, air quality and asbestos monitoring.

Against a backdrop of ever-tightening regulations, Obsequio has built a reputation as a trusted partner for customers in higher risk industries who have more complex fire systems, low risk tolerance and large diverse estates with multiple buildings, often with differing safety needs and systems.

Building a premium platform in a highly sought after sector

When Beech Tree Private Equity first invested in Obsequio, they backed a business built around well-known, established brands and led by a highly experienced management team with a proven track record of creating value for multiple investors. That combination of fresh ambition and seasoned execution set the tone for the journey ahead.

In just two and a half years under Beech Tree's partnership, Obsequio:

- Delivered double-digit organic growth in a market growing at c.5%, underpinned by strong customer service
- Completed seven acquisitions, demonstrating a compelling buy-and-build strategy in the life safety and compliance services
- Enhanced the quality of earnings, with an increasing proportion of recurring and re-occurring
- Bolstered the senior leadership team through a blend of strategic external hires, home grown talent, and from acquired businesses

Obsequio also began to leverage technology as a true differentiator. Through Drax, the Group developed a unique solution that monitors life-safety assets from multiple OEMs across customer estates, tracks compliance and identifies required repair/maintenance works. Led by a highly experienced CTO, Obsequio started to build a bank of powerful case studies demonstrating the value of this capability in real-world environments.

In a TICC (testing, inspection, certification and compliance) landscape where there are relatively few scaled, high-quality assets, this combination of capabilities, growth and technology made Obsequio a scarce and highly sought-after platform.

CASE STUDY: BUSINESS SERVICES

From investment framework to an accelerated exit

We have sat alongside the team at Obsequio and Beech Tree for a number of years, supporting the business from the original investment through to its subsequent sale to Warren Equity Partners. That enduring relationship meant we could help shape the journey, not just execute the latest deal.

Shortly after Beech Tree's investment, we worked with them to develop an exit framework, three to five years ahead of a sale process. This included:

- Defining what "good" should look like at exit, including margin profile, business mix and technology roadmap
- Benchmarking Obsequio's potential exit profile against other TICC and compliance assets
- Mapping the likely global buyer universe and understanding which investors would most value the platform

With the blueprint set, we progressively brought in our wider suite of capabilities to help the business deliver on the plan:

- M&A and debt advisory: We helped secure an acquisition facility from Kartesia, providing the necessary firepower to support a sustained buy-and-build strategy and underpin future growth
- Data and modelling: Our data and analytics team built clear, accurate and decision-ready modelling and analysis to evidence the core assertions in the equity story, from organic growth and M&A performance to the quality of contracted revenues and the impact of technology
- ESG and sustainability: Working with our ESG specialists, Obsequio embedded sustainability more explicitly into its value proposition, aligning the business with the evolving priorities of its customers and investors

By the time the sale process commenced, we were able to present a fully evidenced, data-rich story that resonated strongly with investors: a premium, technology-enabled platform with proven buy-and-build capability, exceptional organic growth and high-quality earnings.

Designing a sharp, seamless and highly competitive process

Obsequio's scarcity value in the TICC sector, an area where investors have a long track of strong returns, meant that appetite for the business was high. The challenge with such a business is therefore not generating the initial interest, but how does one channel the interest to shape the process to identify a partner with the conviction, cultural fit and resources to support the next phase of growth.

We designed a tight and highly competitive process, underpinned by:

- **Deep sector and investor insights:** Our long history in TICC, compliance and business services meant that we knew which investors best aligned thematically and have a strong track record of investing in the sector
- **Tight process choreography:** Timing was complex. The team needed to navigate regulatory approvals (including NSIA clearance), near-term acquisitions still in flight, synergy realisation, timing of potential changes to capital gains tax, all while ensuring the company continued to deliver to budget and within an accelerated timetable over the summer period.
- **Early, controlled information flow:** We accelerated due diligence and strategically released information to shortlisted investors in stages, ensuring a steady flow of data that helped them build conviction quickly without placing undue burden on the management team.
- **Integrated advisory delivery:** Working as an integrated team across M&A, debt advisory, and data analytics helped ensure a seamless process, with no repeated explanations, consistent messaging and high-quality execution throughout.

Ultimately, the process was pre-empted by a high-conviction party, allowing Obsequio and Beech Tree to achieve an outstanding outcome within a condensed timetable.

Our confidence in standing behind that pre-emptive offer was grounded in years of sector experience and close knowledge of the investor.

CASE STUDY: BUSINESS SERVICES

A thematic partner for the next phase

Warren Equity Partners emerged as the ideal partner to support Obsequio's next chapter. As a US-based thematic investor, Warren focuses on regulatory-driven, mission-critical services, often with a strong technology angle; a precise match for Obsequio's model and ambitions.

Warren brings:

> Deep experience in related sectors: deep understanding of the operating model, culture and levers that drive value

> Significant capital and appetite for M&A: enabling Obsequio to accelerate its buy-and-build strategy, pursue larger and more transformational acquisitions, and further consolidate a fragmented market

> Operational support with real industry heritage: including a specialist team with backgrounds at global industrial leaders such as Honeywell, to help Obsequio maximise the opportunity through better use of data, systems and processes

Throughout, the transaction was underpinned by transparency and open communication, helping to ensure all parties enter the next phase of the journey aligned and energised.

Building the future of life safety and compliance

Today, Obsequio is rapidly establishing itself as one of the leading independent players in its market, with a clear path to further scale. With Warren's backing, the Group is expected to:

> Increase the pace and ambition of M&A, targeting both complementary bolt-ons and potentially larger, more transformational opportunities

> Double down on technology, continuing to develop the Drax platform and extending its use across the customer base

Enhance operational performance, using data and specialist support to drive efficiency while maintaining the high service levels its clients depend on

For its customers, the story is continuity plus progress; the same trusted partner, with even greater capability and reach.

This transaction represents another landmark transaction for our Business Services team and TICC expertise. It showcases the value of building early, long-term relationships, of bringing the full breadth of our services to bear – from M&A and debt advisory to ESG and data analytics – and of combining deep sector insight with disciplined, creative process design.

Most importantly, it reflects what sits at the heart of our business: helping ambitious management teams and investors unlock the full potential of great businesses, by supporting them at every stage of their journey.

Consumer

Christopher Jones
Managing Partner and Head of Consumer

A market of contrasts: resilience beneath the headlines

The consumer sector has remained one of the most complex and closely watched areas of the market over the past 12 months. While headlines continue to point to pressure on spending, the underlying picture is more nuanced.

At a structural level, the consumer is in relatively strong financial health across the UK and Europe. Household balance sheets are robust, savings rates remain elevated, and wage growth has, in many cases, outpaced inflation. The challenge isn't the capability to spend, but consumer confidence.

As a result, behaviour has become more selective and more polarised. Higher income cohorts are doing fine, lower income groups are finding life much tougher.

Premium and value segments are both performing well, while mid-market propositions are under increasing pressure. This shift is shaping both strategic decision-making and investor appetite across the sector.

We're seeing a clear bifurcation. Consumers are either trading up or trading down, and the middle ground is losing share.

At the same time, investor demand is concentrating around a number of more resilient categories. Travel, health and wellness, food and drink, and pet-related sectors continue to attract robust levels consumer spend, while leisure and hospitality have faced weaker demand following the post-COVID rebound, combined with a "perfect storm" of operating cost headwinds.

Alongside macroeconomic pressures, structural shifts in consumer behaviour are continuing to reshape the sector in unexpected ways.

One of the most talked-about developments has been the rapid rise of GLP-1 weight loss drugs and their broader impact on consumption patterns. What began as a healthcare trend is now influencing multiple areas of consumer spend, from food consumption and dining habits through to travel, fitness, and apparel.

The impact goes far beyond food. It's starting to influence how people think about spending across a whole range of categories.

Charlotte Astleford
Director

While the full implications are still emerging, it's clear that these types of behavioural shifts are creating both risks and opportunities across the market.

At the same time, recommerce and circular models are gaining traction, particularly among younger consumers. Platforms focused on second-hand and resale are seeing increased adoption, reflecting both value-conscious purchasing and changing attitudes towards ownership.

Digital transformation and the changing path to purchase

Digital transformation continues to play a central role in the sector, although the narrative has evolved. The shift towards online-only models has stabilised, and in some areas has begun to reverse slightly. Consumers are increasingly engaging with brands across both physical and digital channels, with omni-channel now firmly established as the dominant model.

> *We've reached a more balanced position. It's no longer about online replacing physical retail. It's about how the two work together.*

Charlie Graham
Director

At the same time, the way consumers discover products is changing rapidly. AI-driven search, shifts in digital marketing effectiveness, and the rise of new platforms such as TikTok Shop are all reshaping customer acquisition strategies.

Traditional performance marketing channels are becoming more expensive and less predictable, while organic visibility is increasingly shaped by AI-led search tools. As a result, brands are having to adapt quickly, experimenting with new routes to market and new ways of engaging with customers.

Cost pressures and an uncertain outlook

Inflationary pressures, wage increases, and higher energy and distribution costs have all impacted margins, particularly in more labour-intensive areas such as retail, leisure and hospitality.

Geopolitical developments are also adding another layer of uncertainty. The conflict in the Middle East is already impacting energy prices and supply chains, which could feed through into further cost pressures across the sector.

While the extent of this impact remains unclear, it highlights how external shocks continue to influence both consumer confidence and business performance.

Investment dynamics: selective but active

Against this backdrop, investment activity remains selective but active.

Large consumer groups are continuing to streamline portfolios, driving carve-out activity and creating opportunities for investors to acquire focused, high-quality assets. At the same time, private equity appetite remains strongest in areas with clear structural growth drivers, particularly health, wellness, and premium consumer segments.

Sustainability remains part of the investment conversation, particularly through themes such as circular economy and responsible sourcing. However, it's no longer the primary driver of decision-making. Instead, it tends to act as an additional layer of attractiveness rather than a standalone investment thesis.

Clearwater's approach: focus, relationships, and sector depth

In a market that hasn't been easy for several years, our consumer team has maintained strong momentum by focusing on the areas that matter most.

We've stayed focused on the bright spots in the consumer economy which is where most of the M&A is being seen. That's allowed us to stay active and deliver great outcomes, even in a tough market.

The team has completed 27 deals across Europe in FY 25/26, and has consistently outperformed expectations, supported by deep sector expertise and long-standing relationships across both private equity and strategic buyer communities.

This relationship-led approach is central to the team's success. By maintaining an active dialogue with both buyers and business owners, the team is able to stay close to evolving demand and identify opportunities early.

We don't give easy advice. We give good advice. That's what builds long-term relationships and gets deals done.

Charlie Graham
Director

The team's long-term commitment to the sector has also been a differentiator. While some competitors have scaled back their consumer coverage, we've continued to invest, strengthening our position and benefiting from increased market share as a result.

Outlook: cautious confidence

Looking ahead, the consumer sector is expected to remain dynamic and, at times, unpredictable. Confidence may take time to recover, and external factors will continue to influence sentiment. However, the fundamentals remain in place for future growth.

There's still plenty of opportunity. It's about being in the right places and understanding where growth is really coming from.

Charlotte Astleford
Director

For well-positioned businesses, and for investors with conviction, the sector continues to offer attractive opportunities. Success will depend on understanding shifting consumer behaviours, adapting to new routes to market, and focusing on the areas where demand is most resilient.

And as the past year has shown, those who stay close to the detail and remain confident in their approach will continue to find ways to succeed.

Key figures

27
deals completed

€2bn
in deal value

Consolidation meets conviction: a defining moment for El Granjero and Spain's egg market

Over the past five years, Spain's egg market has quietly transformed.

What was once a fragmented sector of regional, family-owned producers has evolved into a landscape defined by scale, consolidation, and international ambition. Private equity-backed platforms have emerged, international operators have entered, and the number of sizeable independent businesses has steadily reduced. Against that backdrop, El Granjero stood out.

Founded in 1997 and based near Segovia, the business had grown into one of Spain's leading independent egg producers, selling more than 300 million eggs annually and housing close to one million laying hens. More importantly, it had already undertaken the strategic investments that many of its peers were still facing. As European regulation accelerated the transition away from cage-based production, El Granjero had proactively shifted the majority of its output towards alternative systems, including free-range, barn, and organic eggs. That early move positioned the company ahead of both regulatory deadlines and consumer demand.

When we got to know the shareholders, the opportunity was clear. El Granjero combined scale, modernised facilities and strong retailer relationships in a market where independent assets of this size were becoming increasingly scarce.

A process defined by timing and judgement

During 2024, we were engaged to conduct a comprehensive analysis of the market landscape and El Granjero's strategic opportunities. While the business was already performing strongly, our assessment identified a number of targeted investments that could further strengthen the platform and enhance its long-term positioning in a consolidating sector. Following this review, we advised the shareholders to prioritise these investments before initiating any potential M&A process, allowing sufficient time for the initiatives to deliver measurable operational and financial results.

Rather than forcing momentum prematurely, the family chose to follow that advice. Over the following months, the investments were successfully implemented, reinforcing the company's operational platform and further strengthening its market position. At the same time, consolidation across the Spanish egg sector continued to accelerate, and the scarcity value of scaled independent producers increased. With those developments in place, we launched a competitive sale process at the beginning of 2025 that attracted strong interest from both Spanish and international investors, including Italian, German and Dutch groups. Following the receipt of several offers, the shareholders entered into exclusive negotiations with a preferred bidder.

Then an unexpected development reshaped the situation entirely. Egg prices rose sharply within a single month, materially impacting profitability across the sector. For El Granjero, this meant that the financial profile underpinning earlier negotiations no longer reflected reality. We worked closely with management to model the impact of these pricing dynamics, rebuilt a business case, and engaged with the bidder to explain why the valuation assumptions needed to be revisited.

When agreement could not be reached on updated terms, we advised the shareholders not to proceed. It was a moment that required understanding, and conviction. Closing quickly would have been simpler, but waiting for the right partner at the right valuation was more aligned with the long-term value of the business. Shortly afterwards, Hevo Group re-engaged. This time, the strategic fit, valuation, and long-term vision aligned.

Why El Granjero was so strategically attractive

El Granjero's appeal rested on a combination of structural tailwinds and operational strength. From a regulatory and consumer perspective, the shift towards alternative egg production is no longer optional. The European Union has been steadily tightening standards around animal welfare, while consumers have demonstrated a growing willingness to pay a premium for free-range and organic products. With more than 60% of its revenues derived from alternative systems, El Granjero was already aligned with this trajectory. Crucially, it had completed most of the necessary capital investment, meaning an acquirer would inherit a platform positioned for growth rather than transition.

Commercially, the business had long-standing relationships with Spain's major retail chains, supplying blue-chip supermarkets such as Carrefour, Lidl, and Alcampo for more than a decade. These relationships were built on consistent quality, reliability of supply and operational robustness. The absence of bird flu incidents throughout the company's history further reinforced its reputation in a sector where disruption can have immediate commercial consequences.

Operationally, El Granjero was vertically integrated, producing its own feed and having recently invested in a state-of-the-art automated egg sorting and classification facility. These investments enhanced efficiency, improved margins, and strengthened scalability, all of which are highly attractive in a consolidating market.

A sector where scale changes everything

The Spanish egg market increasingly favours larger operators. Retail customers are concentrated and commercially demanding, feed costs and chick supply economics reward purchasing power, and logistics and operational efficiency benefit from density and footprint.

By the time of the transaction, four major groups were actively consolidating the sector. Hevo Group, part of Global Eggs, had already built a substantial presence through prior acquisitions. Adding El Granjero not only strengthened its alternative production mix and retailer exposure, but also elevated the combined entity to the largest egg producer in Spain.

For Global Eggs, this marked a significant step in its broader European strategy. Spain provides a strong foothold for further expansion across Southern Europe. For El Granjero's shareholders, it provided the reassurance that the business they had built would continue within a well-capitalised, growth-oriented industrial platform.

Supporting a family business through transformation

As with many family-owned businesses, the transaction involved more than financial metrics.

El Granjero plays an important role in its local community near Segovia, and the shareholders were keen to ensure continuity for employees and the region alongside achieving fair value.

Throughout the process, we worked closely alongside the company's finance function, supporting preparation, coordinating due diligence, and facilitating communication with international bidders. In practical terms, this meant frequent on-site engagement and close integration with the internal team to ensure the process progressed smoothly without disrupting day-to-day operations.

Balancing valuation, strategic fit, and cultural alignment was central to delivering the right outcome.

A defining chapter in Spain's egg consolidation story

This transaction reflects wider trends shaping Southern Europe's food production landscape.

Investor appetite remains strong for resilient, scaled platforms that combine regulatory alignment, operational efficiency, and established customer relationships. Spain's competitive cost base and growing domestic demand further enhance its attractiveness within Europe.

For Global Eggs and Hevo Group, the acquisition of El Granjero consolidates leadership in Spain and strengthens the foundation for future growth. For El Granjero's shareholders, it marks the culmination of nearly three decades of disciplined growth and investment, and the transition of the business into its next chapter within a larger European platform.

In a market defined by consolidation, timing, and judgement proved decisive. Knowing when to pause, when to renegotiate, and when to proceed ultimately shaped the outcome.

Our transaction highlights

Key figures

209
deals completed

€11.4bn
in deal value

€3.7bn
debt raised

TIKEHAU CAPITAL
entered into exclusive discussions to acquire
SciaTeq

minerva IMAGING
sold to
NORDIC CAPITAL

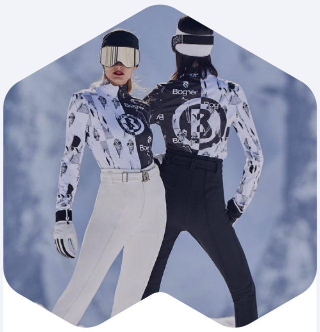
BOVAG
enters into strategic partnership with
a.s.r.
and sells
Bovemij Group's
insurance activities

WIDE GROUP
a portfolio company of
POLLEN STREET
raised financing from funds managed by
BlackRock.

EX NIHILO
PARIS
secondary LBO with
L CATTERTON

Theras
acquires Pikdare's Consumer Health division
PiC solution
part of the MTD Group and portfolio company of
QUATTROR & Investindustrial

LDC
reinvests in
aspire



Katjes International
acquires a majority stake in
BOGNER
and secures related financing

Ingersoll Rand

acquired 100% of the share capital of

Termomeccanica Industrial Compressor & adicomp

from

Termomeccanica
Termomeccanica Group

GREAT RAIL JOURNEYS

sold to

VITRUVIAN PARTNERS

Beech Tree PRIVATE EQUITY

successful exit of

obsequio group

to

WARREN EQUITY PARTNERS

Airedale Group

acquired by

BRENNTAG

NPM part of SHV

acquired

Elbfrost seit 1980

from

Bencis

and secured related acquisition financing

Eltronic FUELTECH

sold to

G&O MARITIME GROUP

Access Infinity

on its investment from

cbpe

Palm

acquired five corrugated box plants from

International Paper

PERWYN

invests in

OUTCO

CEDAR AUTO GROUP

sold to

Salvador Caetano

JIFMAR GROUP

acquires

SEACONTRACTORS

workboat fleet and secures a €200m debt financing package

AMBIENTA

acquires a majority stake in

No Dig Alliance

Knudsen Plast
injection moulding for healthcare

sold to

MGS
Healthcare Manufacturing

CPM. PARTNERS

sold a majority stake to

DEUTSCHE PRIVATE EQUITY

SwissLife
Asset Managers

acquired a property portfolio from

Club del Sole
FULL LIFE HOLIDAYS

BETWEEN GROUP

backed by

Montefiore
INVESTMENT

DERMAPHARM

sold to

ARCHIMED

BONTRUP

sold

United Dairy Group
A BONTRUP COMPANY

to

GreenTop Acres

EDR MEDESO

sold to

construsoft

backed by

GREEN PARK
INVESTMENT PARTNERS

APUKKA
RESORT

sold to

First Camp

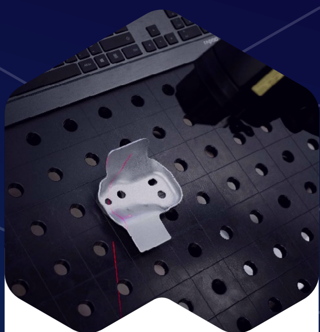
backed by

Norvestor

Lusiaves
grupo

invests in

Oblanca



frauenthal
GROUP

sold its automotive division to

STEELCO.TECH
METAL SHAPES OUR WORLD

a portfolio company of

RCP

DESDE 1997
el Granjero
Tierra de Pinares

sold to

HEVO
Group

a subsidiary of

GLOBAL EGGS

JAN

sold to

deJong&Laan

backed by

WATERLAND
PRIVATE EQUITY INVESTMENTS

RHEININVEST

sold

spiegelInstitut

to

Visteon

SYNOVA

invests in

klearcom

Tannenwald Holding

acquired

SPAR Switzerland

from

SPAR

Infometric

sold to

VITEC
vertical software

BioSalma

sold to

visionhealthcare

P&R
P&R - Têxteis, S.A.

sold to

SOGEPOC

GRUPPO FOS
soluzioni ad alta tecnologia

sold a stake to

AUDENSIEL

a portfolio company of

Sagard & CAPZA

IK Partners

invests in

KESTREL CAPITAL

08 Inside Clearwater

Footprint growth

Over the past 12 months, we've continued to invest in the business across Europe, strengthening our presence in key markets and creating the right environment to support our clients and our people.

A major milestone this year was the rebrand of our French partner, Vulcain, which now operates as Clearwater in France and Belgium. While the partnership was established earlier in the year, this step formalises what has already been happening in practice. One integrated team, working seamlessly across borders.

The Paris-based team brings deep expertise in the small and mid-cap market, with more than 150 completed transactions over the past decade. Their strong track record in cross-border activity aligns closely with Clearwater's international approach, and the rebrand further strengthens our ability to support clients with both local insight and international reach.

Alongside this, we've continued to invest in our physical presence. In the UK, our Birmingham team has moved into a new office in the heart of the city's professional services district. As the UK's founding region, the Midlands remains a key strategic focus, and this move reflects both the growth of the team and our long-term commitment to the region.

In the Nordics, our team in Aarhus has moved into a new office, while in Copenhagen we have expanded our existing space, creating more room for collaboration and future growth. These moves aren't just about location, but about creating environments where our teams can work together more effectively and where we can bring clients together in the right setting.

Together, these developments reinforce the strength of our European platform and our ambition to continue growing in a way that supports both our clients and our people.

Team development

Over the past year, our team grew by 10%, bringing our total headcount to more than 475 experts across 20 offices in 13 countries. This reflects our continued ability to attract high-quality talent, while maintaining the culture and values that define Clearwater.

We also saw strong internal progression across the business, with more than 80 colleagues promoted during the year, including 23 senior promotions to Partner and Director. In total, we welcomed 11 new Partners, the majority of whom were promoted from within.

Alongside this growth, we've continued to invest heavily in capability and development across the firm. Over 6,500 hours of centrally delivered training were completed during the year, an increase of more than 11% compared to FY2025 and above the sector average for per person training investment. This reflects a continued strategic emphasis on building technical expertise, leadership capability, and professional excellence at every level of the business.

We've also made meaningful progress in strengthening representation across senior roles. The proportion of women in senior leadership positions, including Director and non-deal roles, increased by around 10% year-on-year. Across the wider business, women now represent approximately 24% of our team.

This balance of external hiring, internal development, and long-term investment in our people remains a core part of our approach. We're focused on building careers, not just roles, creating an environment where individuals can grow alongside the business.

99%

of our people said they are proud to work at Clearwater

95%

would recommend Clearwater as a great place to work

Culture, development and engagement

While our footprint continues to expand, our culture remains central to everything we do.

We're a people business at heart, and that's reflected in how we invest in development, collaboration, and inclusion across the firm. Our training programmes continue to evolve, supporting colleagues at every stage of their careers, while cross-border collaboration remains a key part of how we deliver for clients.

Over the past 12 months, we've continued to strengthen outcomes around inclusion, belonging, and culture, building on the already strong engagement levels recorded in 2025. Participation in ClearVision and related initiatives has increased, helping to drive stronger collaboration across offices and deeper engagement at a pan-European level.

ClearVision, our DE&I and culture programme, alongside the introduction of our mentoring network, remains a key mechanism for turning our commitments into action. These initiatives create shared accountability across the business and help embed inclusive behaviours into day-to-day working life, rather than treating them as standalone initiatives.

This year's engagement survey once again highlighted the strength of that culture. 99% of our people said they are proud to work at Clearwater, 95% would recommend us as a great place to work, and 92% trust the business to provide a safe and inclusive environment. These are results we're incredibly proud of, particularly in a market where engagement levels are often under pressure.

Together, these initiatives demonstrate continued progress in embedding inclusion, wellbeing, and development as core drivers of performance and long-term success.

This increasingly connected, supportive environment is a key part of what makes Clearwater different. It underpins how we work together, how we share knowledge, and ultimately how we deliver for our clients.

Looking ahead

As we continue to grow, our focus remains the same. Building a strong, connected platform across Europe, investing in our people, and creating an environment where both can thrive.

That combination is what enables us to support our clients in the moments that matter most.

82

Promotions

11

New partners

+10%

Team growth

Internal promotions

Mads Crawford Højdahl
Partner
Denmark

Klaus Hansted
Partner
Denmark

Casper Norre
Partner
Denmark

Stig Windeløv
Partner
Denmark

Jens Holst Stevn
Director
Denmark

Pierre-Alexandre Chlabovitch
Director
France & Belgium

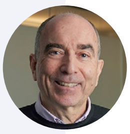
Niko Piiparinen
Associate Partner
Finland

Khalid Afras
Managing Partner
Germany

Michael Bälz
Managing Partner
Germany

Ross O'Donovan
Partner
Ireland

Artur Pereira
Associate Partner
Portugal



Vicente Orts
COO
Spain

Internal promotions continued

Marcos Linares
Director
Spain

Felicia Nordin
COO
Sweden

Mattias Nilsson
Director
Sweden

Zack Goddard
Partner
UK

Mark Maunsell
Partner
UK

Greg Cornes
Director
UK

Ben Crowe
Director
UK

John Haygarth
Director
UK

Tom Kaye
Director
UK

Dom Moir
Director
UK

External hires

Ari Suolanen
Director
Finland

Romain Domange
Partner
France

Özgür Büber
Director
Germany

Martin Kooistra
Partner
Netherlands

Robert Voogd
Director
Netherlands

Narcís Francás
Managing Director
Spain

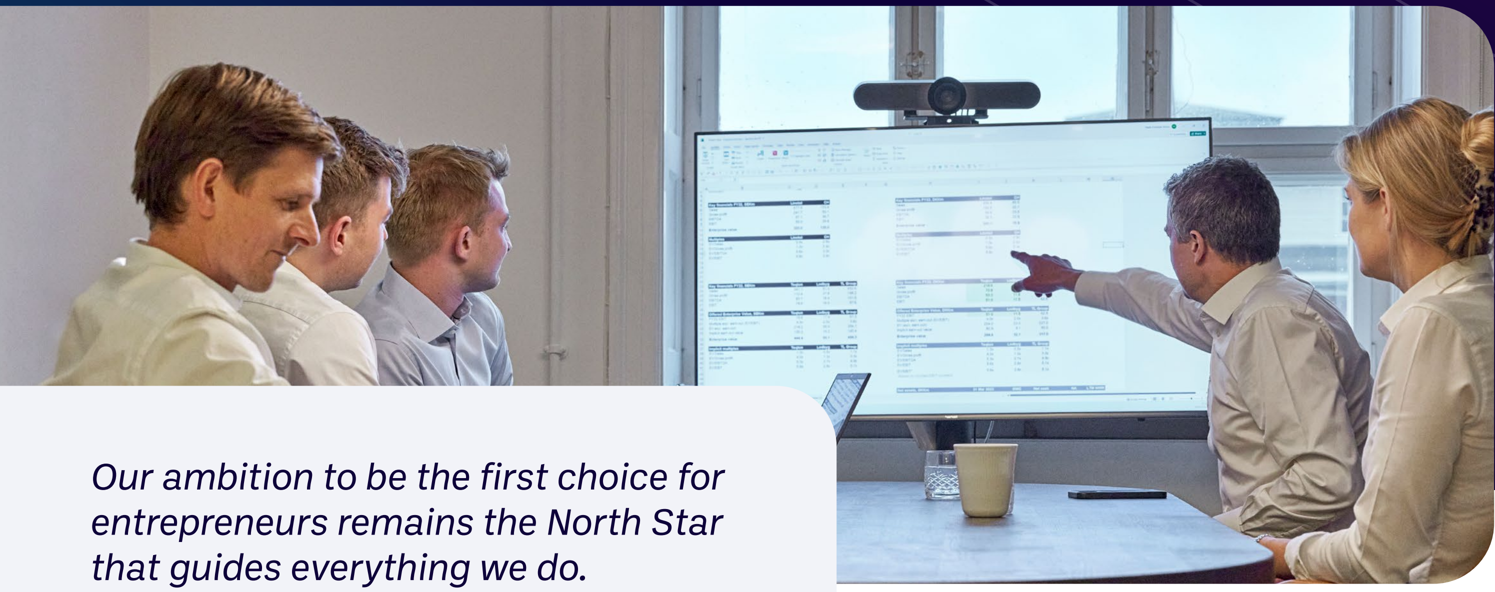
Fernando de Lacalle
Managing Director
Spain

Berta Esteban
Director
Spain

David Monfort
Director
Spain

Guillermo Sala
Director
Spain

09 Strategy and outlook for FY25/26



Our ambition to be the first choice for entrepreneurs remains the North Star that guides everything we do.

At the heart of that ambition is a focus on helping founders and businesses unlock their full potential, navigate change with confidence, and ultimately realise long-term value. That means more than delivering transactions. It's about building trusted relationships, offering clear advice, and supporting clients through every stage of their journey.

As the market evolves, so does the role of an adviser. Clients are engaging earlier, thinking more strategically, and looking for partners who can help them prepare, position, and execute with confidence. Our focus is on meeting that need. By combining deep sector expertise with long-standing relationships, we're continuing to strengthen our position as a trusted adviser to both entrepreneurs and investors across the mid-market.

Our international platform remains a key part of that strategy. With 20 offices across 13 countries, supported by partnerships in the US and Asia, we are well positioned to connect opportunities across borders. We'll continue to build on that foundation, bringing together the right balance of local insight and international reach to deliver the best outcomes for our clients. That means staying close to our markets, investing in sector expertise, and strengthening collaboration across our teams.

Internally, our focus remains on our people. We are continuing to invest in talent, developing future leaders and creating an environment where individuals can thrive. Growth in the business will continue to be supported by a combination of strategic hiring and internal progression, ensuring we maintain the culture and quality that define Clearwater.

We're also continuing to evolve how we work. Innovation will play an important role, particularly where it enhances how we support clients and improves the way we operate as a firm. At the same time, our commitment to being a responsible and inclusive business remains unchanged. Through initiatives such as ClearVision and our mentoring programmes, we're focused on creating opportunities, supporting progression, and building a culture where everyone feels valued and able to succeed.

Looking ahead, uncertainty is likely to remain a feature of the market. However, as we've seen over the past year, activity doesn't stop. It shifts. Our role is to help clients stay ready, identify the right opportunities, and act with conviction when the time is right.

We're confident in the strength of our platform, the quality of our people, and the relationships we've built. With that foundation, we're well placed to continue growing, supporting our clients, and delivering exceptional outcomes in the years ahead.

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About Clearwater

At Clearwater, we are the home of business—dedicated to ensuring that every business meets its true potential.

With over 20 years of experience, we've been helping great businesses achieve more by providing expert, tailored advice to unlock opportunities and create lasting success.

We know the hard work that goes into building a business, and we work tirelessly to make sure your efforts are rewarded. As an independent adviser, we prioritise transparency and trust, so you can be confident we'll always look after your business.

Specialising in the mid-market sector, where specialist guidance is often overlooked, we have a proven track record of unleashing potential and unlocking the future for ambitious businesses. Whether working locally or leveraging our global reach, we deliver bespoke, high-quality services to meet the unique needs of our clients.

CLEARWATER

Belgium | Denmark | Finland | France | Germany | Ireland | Italy | Netherlands | Portugal | Spain | Sweden | Switzerland | UK | US

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