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Cyber Security Insights

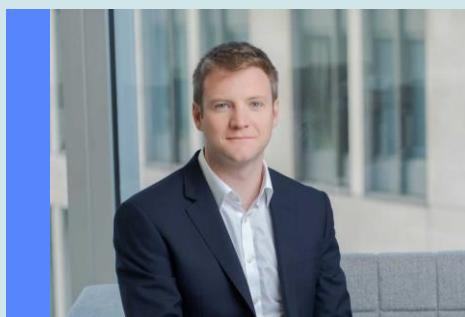
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The UK cyber security market continues to demonstrate its strategic importance, driven by a heightened threat environment and rapidly expanding attack surfaces as well as a number of high profile attacks with significant financial and reputational damage.

Against this backdrop, M&A remains active but increasingly selective, as buyers prioritise capability, resilience and quality of earnings.”

**TOM STOTEN, DIRECTOR
CYBER SECURITY LEAD**



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Cyber security is a large and growing part of the economy

67.3K

Number employed in the UK Cyber Security Industry

£13.2bn

UK Cyber Security Market Size

2k+

Number of UK Cyber Security businesses

72%

Of businesses view Cyber as high priority

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What's driving UK cyber security now



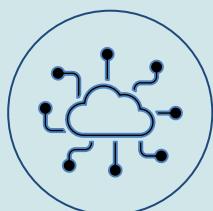
Market Tailwinds: Threat Landscape

Cyber incidents are rising sharply in frequency and impact, pushing cyber security firmly onto board agendas across the UK.



Regulation and Systematic Change

Regulatory pressure is increasing, but slower UK implementation risks holding back competitiveness and investment.



Expanding Attack Surfaces

Digital transformation, connected devices and AI are rapidly expanding attack surfaces and raising the complexity of cyber risk.



Evolving M&A Landscape

M&A remains active but selective, with buyers prioritising defensible specialisms, capability depth and quality of earnings.

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UK Cyber Security M&A (2016-2025)

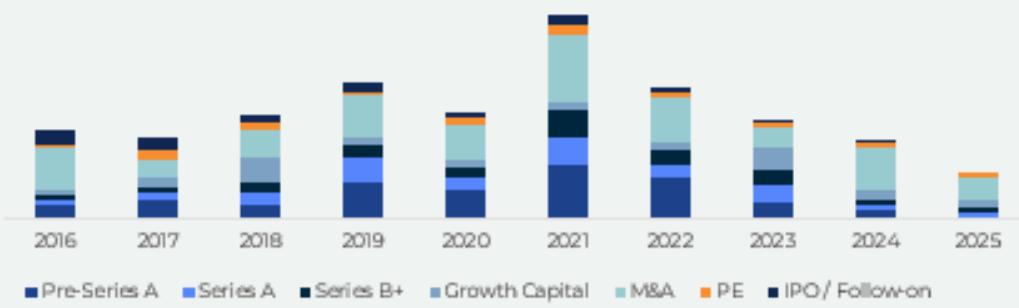
UK Cyber Services transactions



Selected Cyber Services transaction (EV/EBITDA multiples)



UK Cyber Software transactions



Selected Cyber Software transaction (EV/Revenue multiples)



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Cavendish's latest technology deals

Cyber Security, Defence & IT Services

 NatWest provided acquisition financing to gcp growth capital partners on its investment in CYBER SERVICES	 OSL has been acquired by TERMA[®]	 alchemy has been acquired by NTT DATA	 DigitalXRAID has been acquired by LIMERSTON CAPITAL	 Atech has been acquired by iOmart	 GRC International Group [®] Supports your needs and has been acquired by BLOOM EQUITY PARTNERS
 Creative ITC has received minority investment from LDC	 on security received investment from Gresham House VENTURES	 symatrix has been acquired by AST	 ARCULUS CYBER SECURITY has been acquired by Bridewell a portfolio company of gcp	 SILENT SENTINEL has been acquired by MOTOROLA SOLUTIONS	 SentryBay has been acquired by PELICAN CAPITAL

28 transactions completed within Technology since January 2024

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