

megabyte



The Winning Companies 2024

The UK's
best-performing scale-up
technology companies



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NatWest

Our purpose at NatWest Group is to champion potential, helping people, families and businesses to thrive. As the largest supporter of UK businesses, we are well placed to support our customers as they navigate today's challenges and move forward with confidence. The NatWest team is always looking for new ways to support tech businesses and help them achieve their ambitions. We want to grow alongside the sector and have a dedicated team of Relationship Managers based across the UK. With a local presence and strong financial knowledge, they also have specialist technology, media and telecoms experience across this increasingly convergent industry. By working with our network of partners, the team can deliver services that are tailored just for your business.

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LDC

For over 40 years, LDC has been a trusted private equity partner for ambitious management teams, with a successful track record across technology, ICT and digital media. Since 2012, within these dynamic sectors, we have invested £1.8bn into more than 86 fast growing businesses, right across the UK. The scale of our portfolio and our experience means we help to add value and maximise growth opportunities.

We work in partnership with management teams to help businesses to grow, through international expansion, new product development, scaling organic growth through sales and marketing, or buy-and-build M&A. Our most recent success stories include:

- iamproperty – a Newcastle-headquartered property tech business. During our four-year partnership, the enterprise value of the business increased by 278% and we generated a money multiple of 3.7x.
- FSP – a Reading-based provider of digital transformation services. We originally invested in 2020 and supported the management team to more than double revenue and headcount.
- MSQ – a creative and technology group of agencies operating at an international level. During our four-year partnership MSQ increased EBITDA from £6m to £20m, acquired five complementary businesses, and we generated a money multiple of 3.9x.

In 2023, four of our portfolio companies were featured in the Megabyte50 list of UK's best performing private companies, and three portfolio companies featured in 2022. We're proud to be a platinum sponsor of the Megabyte Emerging Stars 2024.

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[Find out more](#)



Glossary

Peer Group Acronyms

Software & Digital Platforms	
BMS	Business Management Suites
BC	Business & Consumer
CRM	Customer Relationship Management
FM	Financial Management
FINS	Financial Services
GH	Government & Healthcare
HCM	Human Capital Management
IND	Industrials
IM	Information Management
SI	Security & Infrastructure
SCM	Supply Chain Management

ICT & Digital Services

BPO	Business Process Outsourcing
ITCON	IT Consulting
ITMS	IT Managed Services
TS	Telecoms Services
VARS	Value-Added Resellers

Report Acronyms

MBO	Management Buyout
SBO	Secondary Buyout
P2P	Public to Private
IPO	Initial Public Offering
FPO	Follow on Public Offering

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The UK's best-performing **scale-up** technology companies

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The industry leaders of the future

Executive summary

The Megabuyte Scorecard has developed into a key component of Megabuyte's day-to-day research, giving the research team and subscribers the ability to quickly understand the relative performance and health of businesses, and increasingly the consistency of a company's performance over time. Having tailored the methodology to businesses with revenues of between £3m and £10m, we have been able to identify and celebrate the latest batch of top performing scale-up companies. In this report, we expand on the Scorecard methodology, provide analysis on the 2024 Emerging Stars, and look at which companies might break out into our other flagship award programme: the Megabuyte50.

“ Being included in the Megabuyte Emerging Stars Awards showcases Thrive's focus on delivering effective learning software and content solutions, underpinned by great customer service and retention.

”
Sean Richardson
CEO & Founder, Thrive Learning
Emerging Stars 2024 – Top 50 Company



#megabuyte100

“ We're delighted to be included in the Megabuyte Emerging Stars, recognising our strong progress in building and commercialising next generation fibre networks in the UK, becoming one of the larger 'altnets' from a standing start four years ago.

”
Jeremy Chelot
CEO, Netomnia
Emerging Stars 2024 – Top 50 Company

Megabuyte's coverage of scale-up companies expands

Megabuyte now tracks over 8,600 Software & Digital Platforms and ICT & Digital Services companies, within which an estimated 1,200 companies are in the Emerging Stars revenue criteria range of £3-10m and a further 5,800 are below the £3m revenue mark. This puts the 2024 Emerging Stars cohort into the top 5% of all scale-up technology companies across the UK – a commendable feat in of itself!

The data-backed selection process rewards companies that have demonstrated robust growth, either in reported numbers or from our estimates based on various statutory data points, with our analyst view overlaid. 28 of the 50 are under our Software & Digital Platform sector coverage, with the remaining 22 distributed amongst the ICT & Digital Services sector.

2024 awards

Each of the Emerging Stars are considered for their respective peer group awards. This year, 12 of Megabuyte's 16 peer groups have at least one representative make it into the 50. Of these peer groups, the most populous and competitive areas of the market were IT Consulting (16 companies), Information Management Software (6), and Government and Healthcare Software (6).

This year's winner of the Outstanding Owner-Managed Performance is **etiCloud**, a legal sector-focussed digital workplace provider. etiCloud sells hosted desktop, unified comms, connectivity and offsite IT support services on a direct model and has been on a stellar growth track since its founding in 2015. Meanwhile, the winner of the Outstanding Investor-Backed Performance Award is **hyperexponential**, a London-based insurance pricing and underwriting software provider. hyperexponential is tackling the speciality, reinsurance and small business insurance market with its disruptive proprietary platform, hx Renew.

Flight to quality

Despite the much tougher environment for deal making over the past year, we saw no less than 19 corporate events amongst the 2024 Emerging Stars. This included 6 buy-side M&A deals, 8 VC and growth capital funding rounds, and 4 private equity investments (3 MBOs and 1 SBO).

Moving on up

Based on current growth trajectories, some of this year's Emerging Stars likely have or soon will exceed the revenue eligibility criteria for the Award series next year. We analysed this year's cohort to see which of these may be on course to qualify for the Megabuyte50 – our successor Awards series which recognises the leading 50 UK mid-market technology companies that are north of £10m of revenue and profitable. Our analysis suggests that 15 of this year's 50 Emerging Stars are on the right track to do so. More than half of these remain bootstrapped.

Our proprietary benchmarking methodology

megabyte scorecard

An expert tool for companies and the investor and advisory communities seeking to measure and understand companies' performance relative to peers.

What does a 'good' tech scale-up company look like?

The Emerging Stars programme aims to talent spot future mid-market leaders from a cohort of smaller UK private and publicly-listed companies. While some of these companies are relatively young, many have been operating for several years but have recently found a rich growth seam. So, how does one go about assessing which companies are performing better than others? We leverage our proprietary Scorecard methodology with an analyst overlay to measure which companies are genuinely outperforming the market.

How does it work?

Our Emerging Stars selection process combines a quantitative benchmarking analysis process, developed by the research team at Megabyte from over 15 years of analysing ICT & Digital Services and Software & Digital Platform companies, with an acute analyst view on a company's trading. Compared with the seven key measures used for the Megabyte50 methodology, our quantitative analysis system used for the Emerging Stars is more focused on growth and assesses key measures such as organic revenue growth and EBITDA margins for full accounts companies, and trade debtor growth, employee growth, and change in retained profits for abbreviated accounts companies. These are weighted to reflect what we believe is the optimum balance for scale-up companies.



Who qualifies?

Companies eligible for the Emerging Stars programme are drawn from the peer groups covered in the Megabyte universe.

Eligibility criteria

- UK domiciled and headquartered companies
- Private and public companies
- Not a subsidiary of a much larger organisation
- Has not been through very significant M&A recently or other such transformational events
- Actual or estimated revenues between £3m and £10m in its last reported year

We define scale-ups broadly. Your company could be newly founded or have operated for years, recently discovering substantial growth potential. Our primary interest lies in growth, regardless of your company's age or stage.

> Growth

There is a greater focus on organic growth, whilst also recognising the strategic benefits an organisation may derive longer term from a well-thought M&A strategy more qualitatively.

> Profitability

Whilst we recognise many companies scale-up companies may generate losses in sight of the growth opportunity, we do give additional credit to companies that are able to demonstrate similar growth whilst maintaining margin.

> Size

Size does not in itself mean that a company is good or bad and this award series focuses on emerging companies by definition, but the law of large numbers does mean that it is harder to generate growth, in percentage terms, as a company gets larger. As such, we do recognise growth as companies reach the upper limit (reported or estimated) of the revenue range.

Universally consistent

Our analysis considers all companies in the ICT & Digital Services and Software & Digital Platform universe as equals. As such, all companies evaluated are compared and contrasted against each other equally and regardless of domain. The result is a list of companies that have been identified for outstanding performance irrespective of direct peers, good or bad. The selected peer group winners may feature as one of a cohort of other shortlisted strong performers, or be the sole nominee, highlighting their relative outperformance against others in the market.



nudge is delighted to be included in the Megabyte Emerging Stars Awards. Money affects everyone in the world, all 8bn of us, so the presence of our unique global solution continues to show through in our growth trajectory and customer delight.



Tim Perkins
Co-Founder & CEO, nudge
Emerging Stars 2024 - Top 50 Company

Find out more about our
Scorecard methodology at
www.megabyte.com



Emerging Stars 2024 cohort

Presenting the 2024 Emerging Stars

Here we present this year's 50 Emerging Stars. The winners of the Outstanding Performance awards and Peer Group awards can be found in the next section but, before that, let us look at some of the high-level dynamics of the group.

The 50 companies in this year's Emerging Stars series were selected from an initial longlist of over 1,200 companies. There was fierce competition in a year in which digital transformation fuelled a broad-based acceleration in growth across the mid-market, with many peer groups within the Megabuyte universe generating record growth rates. Being named as a top 50 company within this year's award series is therefore testament to a very strong performance amongst a backdrop of

strong results and should be commended, regardless of whether they emerge as an eventual award winner or not.

This year, companies across 12 peer groups within Megabuyte's UK Tech Sector taxonomy were selected as award winners. Two of these were also subsequently chosen as the leading owner-managed and investor-backed companies against the rest. The full list of companies can be seen below.

Company (A-Z)	Region	Peer Group	Ownership	Investors	Headcount
4GLOBAL	London	BC	Public	-	1-50
Alliants	Southampton	BC	VC & GC Backed	Zendesk	50-100
Altia	Glasgow	GH	PE Backed	NorthEdge Capital	50-100
Ampere Analysis	London	BC	Owner Managed	-	50-100
Apache iX	Bristol	ITCON	Owner Managed	-	1-50
Arculus Cyber Security	Brighton	ITCON	Owner Managed	-	1-50
Benchmark Peer Group winner	London	BC	PE Backed	Spectrum Equity	150+
Blue Frontier	Salisbury	ITCON	Owner Managed	-	50-100
Capacitas	London	ITCON	Owner Managed	-	50-100
CMap Peer Group winner	Manchester	FM	PE Backed	NorthEdge Capital	150+
Coeo	Reading	ITCON	Owner Managed	-	50-100
Dayshape	Edinburgh	IM	VC & GC Backed	Cow Corner	100-150
DrDoctor	London	GH	VC & GC Backed	Ananda Impact Ventures, YFM Equity Partners, 24Haymarket	100-150
dxw	Leeds	ITCON	Owner Managed	-	100-150
etiCloud Best-Performing Owner-Managed & Peer Group winner	Sheffield	ITMS	Owner Managed	-	1-50

Company (A-Z)	Region	Peer Group	Ownership	Investors	Headcount
EVORA Global	London	IM	VC & GC Backed	Bridges Fund Management, Farview Equity Partners	150+
FlyForm	Cardiff	ITCON	VC & GC Backed	Izy Capital	50-100
FormusPro	Hereford	ITCON	Owner Managed	-	50-100
Gemba Advantage	London	ITCON	Owner Managed	-	50-100
hyperexponential Best-Performing Investor-Backed company & Peer Group winner	London	FINS	VC & GC Backed	Battery Ventures, Highland Europe, Andreessen Horowitz	100-150
IMP Software	Exeter	GH	Owner Managed	-	1-50
ISMS.online	Brighton	IM	PE Backed	ECI Partners	50-100
Mayden	Bath	GH	PE Backed	G Square	100-150
Mercury	Warwick	HCM	Owner Managed	-	150+
MNI	London	FINS	PE Backed	Tenzing Private Equity	150+
Mobilise Cloud	Cardiff	ITMS	Owner Managed	-	1-50
Namos Solutions	London	ITCON	Owner Managed	-	150+
Netomnia	Gloucester	TS	VC & GC Backed	Soho Square Capital, AdvenCap, DigitalBridge Group, Avenue Capital	150+
Neudata	London	FINS	VC & GC Backed	-	50-100
Nexor	Nottingham	ITCON	Owner Managed	-	50-100
NextWave	London	ITCON	Owner Managed	-	50-100
Northcoders Peer Group winner	Manchester	BPO	Public	-	100-150
Nourish Care Peer Group winner	Bournemouth	GH	PE Backed	Livingbridge	100-150
nudge	London	HCM	VC & GC Backed	Kennet Partners	100-150
Oakland	Leeds	ITCON	Owner Managed	-	100-150
Orbital Internet Group Peer Group winner	Canterbury	TS	VC & GC Backed	Mobeus Equity Partners	1-50
Placecube	Reading	CRM	Owner Managed	-	1-50
Proventeq Peer Group winner	Reading	IM	Owner Managed	-	50-100
Redmoor Health	Chorley	ITCON	PE Backed	Palatine Private Equity	50-100
Robiquity Peer Group winner	Manchester	ITCON	PE Backed	Growth Capital Partners	100-150
Screendragon	London	IM	VC & GC Backed	Federated Hermes, Kennet Partners	50-100
Social Value Portal	London	IM	VC & GC Backed	Mercia Asset Management, Beringea	100-150
Stripe OLT	Bristol	ITMS	Owner Managed	-	50-100
Synthesia Peer Group winner	London	CRM	VC & GC Backed	Accel, FirstMark Capital, MMC Ventures, Seedcamp, Kleiner Perkins, Tiny VC, GV, Google Ventures, LDV Capital	150+
Tecknuovo	London	ITCON	Owner Managed	-	50-100
Thrive Learning	Nottingham	HCM	Owner Managed	-	150+
Updraft	London	FINS	VC & GC Backed	LC Nueva, British Business Bank, Faber Capital, Auluk Investments, Quilam Capital, MoreThanCapital	1-50
Voicescape	Manchester	GH	PE Backed	BGF	1-50
Xiotech	London	BC	VC & GC Backed	Rockpool Investments	50-100
YardLink Peer Group winner	London	IND	VC & GC Backed	Amplifier, Speedinvest, Beringea, FJ Labs	50-100

Emerging Stars award winners

Recognising the UK's best-performing future mid-market leaders among smaller, private and publicly-listed companies.

In addition to the accolade of being a Megabuyte Emerging Star, we also recognise the leading companies in 12 of Megabuyte's 16 peer groups, the top-performing Owner-Managed company, and the top-performing Investor-Backed company overall. Here, we congratulate and provide our view on the 2024 award winners.

First, we'd like to commend the Outstanding Performance Awards Winners. The winner of the Outstanding Owner-Managed Performance Award overall is etiCloud, a legal sector-focussed digital workplace provider within our Cloud Services sub peer group. etiCloud sells hosted desktop, unified comms, connectivity and offsite IT support services on a direct model and has been on a stellar growth track

since its founding in 2015. It is also very profitable, reflecting its lean operating model and legal sector exposure.

The winner of the Outstanding Investor-Backed Performance Award meanwhile is hyperexponential, a London-based insurance hyperexponential, a London-based insurance pricing and underwriting software provider. hyperexponential is tackling the speciality, reinsurance and small business insurance market with its disruptive proprietary platform, hx Renew. It raised £12m in Series A funding from Highland Capital in 2021 and, in January 2024, landed \$73m in a funding round led by Andreessen Horowitz to turbocharge its growth and expansion into the US.

“ We're delighted to have won in our category at this year's Emerging Stars Awards. The award is a reflection of our continued focus on customer service and our core market proposition, a disciplined approach to where our growth is coming from and how we manage costs, and to our subject matter expertise in the professional services industry. ”

Simon Thomlinson
Financial Director, etiCloud

Best-Performing Peer Group Company (ITMS) &
Best-Performing Owner-Managed Company 2024

Outstanding performance awards Recognising outperformance across the Emerging Stars universe

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Best-Performing Owner-Managed Company

Overall



etiCloud

Ownership: Owner Managed | Region: Yorkshire & Humberside

etiCloud provides hosted desktop, unified comms, connectivity and offsite IT support services on a direct model, primarily to the legal sector, with some of its 240 customers also in Recruitment and Financial Services.

Megabuyte view: etiCloud has managed to fly largely below the radar, but its financials are hard to argue with, with deep domain expertise (first in legal and then in broader professional services) supporting strong organic growth and stellar margins driven by new logos and new service lines. These capabilities will set the business up to continue taking advantage of a digital transformation drive in its core verticals, while current / future trading is also helped by broader disruption amongst key competitors.

Shortlisted

- > etiCloud
- > Mercury
- > Oakland

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Best-Performing Investor-Backed Company

Overall



hyperexponential

Ownership: VC & GC Backed | Region: Greater London

hyperexponential's platform, hx Renew, connects to internal and external data sources and, through its mathematical modelling capabilities, helps insurers adjust and refine pricing models, as well as helps improve collaboration between actuaries and underwriters and complete more efficient account assessments and audits.

Megabuyte view: hyperexponential is a genuine disrupter in the insurance industry with its ability to sit on top of a (usually) clunky technology estate and pool an insurer's data in real time for more informed pricing decisions. All the while it has expanded profitably (according to reports) with the help of attracting some big-name insurance clients. Its progress has also been validated by a significant new equity funding round, which will fuel plans to extend into adjacent insurance segments and new regions, including the lucrative US market.

Shortlisted

- > Benchmark
- > hyperexponential
- > Nourish Care

Software & Digital Platforms Peer Group awards

Recognising best-in-class performance within individual peer groups

Best-Performing Company

Business & Consumer



Benchmark

Ownership: Private Equity Backed | Region: Greater London

Benchmark Mineral Intelligence provides independent lithium and critical minerals (graphite, nickel, cobalt, etc) prices and electric vehicle supply chain data forecast subscriptions, advisory services, and industry-specific events.

Megabyte view: Benchmark has built a strong position in a very niche vertical, having become one of the go-to providers for lithium and critical mineral pricing and supply chain intelligence. The global and vertically diversified nature of electric vehicle supply chains lends itself to a very large total addressable market, underpinning Benchmark's high-growth trajectory. Its progress has also been validated by a recent private equity investment at a reportedly high valuation.

Companies considered: 95

Shortlisted

- > Alliants
- > Ampere Analysis
- > Benchmark

Best-Performing Company

Customer Relationship Management



Synthesia

Ownership: VC & GC Backed | Region: Greater London

Synthesia provides an AI-based video generation platform that allows users to make their own digital avatars to deliver corporate presentations, training videos, and customer onboarding in over 120 languages.

Megabyte view: Synthesia is at the heart of the generative AI revolution, with its video generation platform leveraging this for corporate presentations, training videos, and customer onboarding applications. It is effectively displacing text-based systems within the enterprise (traditional forms of corporate content delivery like PDFs) by turning this information into videos. It, however, is only in the last year or two that this business has rapidly accelerated, from 16 FTEs in FY21 accounts to over 250 today according to LinkedIn.

Companies considered: 32

Shortlisted

- > Placecube
- > Synthesia



Being included in the Megabyte Emerging Stars Awards illustrates the success of Proventeq's information management and digital transformation solutions in the marketplace, helping customers execute successful data, AI, modern workplace and cloud transformation projects.



Nitin Mahajan
CEO, Proventeq

Best-Performing Peer Group Company 2024 (IM)

Best-Performing Company

Financial Management



CMap

Ownership: Private Equity Backed | Region: North West

CMap provides cloud-based professional services automation (PSA) software that covers bid to billing for professional services organisations. It focuses on the lower mid-market.

Megabyte view: CMap's accounting, engineering and construction (AEC) and life sciences professional services automation proposition is key to the company's recent success, with vertical specialisation a major differentiating factor. And while it didn't move the needle in terms of size, the company's recent acquisition of project information management player Atvero certainly rounded the AEC product offering. We do not, however, expect CMap to be an Emerging Stars for much longer, with run-rate revenues of c. £10m+ in 2023 implying that it will likely be a candidate for a Megabyte50 graduation next year.

Companies considered: 17

Shortlisted

- > CMap

Best-Performing Company

Financial Services



hyperexponential

Ownership: VC & GC Backed | Region: Greater London

The group's platform, hx Renew, connects to internal and external data sources and, through its mathematical modelling capabilities, helps insurers adjust and refine pricing models, as well as helps improve collaboration between actuaries and underwriters and complete more efficient account assessments and audits.

Megabyte view: hyperexponential is a genuine disrupter in the insurance industry with its ability to sit on top of a (usually) clunky technology estate and pool an insurer's data in real time for more informed pricing decisions. All the while it has expanded profitably (according to reports) with the help of attracting some big-name insurance clients. Its progress has also been validated by a significant new equity funding round, which will fuel plans to extend into adjacent insurance segments and new regions, including the lucrative US market.

Companies considered: 71

Shortlisted

- > hyperexponential
- > MNI
- > Updraft

Find out more about our awards and view all Emerging Stars 2024 winners at www.megabyte-awards.com

Best-Performing Company

Government & Healthcare



Nourish Care

Ownership: Private Equity Backed | Region: South West

Nourish Care provides a care management software platform to support carers in the evidencing and accessing of care records, as well as improving care provision through data insights and reporting.

Megabuyte view: Nourish Care has been a key software provider driving a rapid period of digitisation in the adult social care sector. Significantly, Nourish Care not only offers a software solution tailored to its enterprise customers, but also serves as a central hub for other solutions, which positions the company favourably in a fragmented market. Meanwhile, as the care home market matures, the recent CarePlanner acquisition offers a longer-term growth path, owing to the escalating complexity of care required to be administered at home.

Companies considered: 89

Shortlisted

- > DrDoctor
- > IMP Software
- > Nourish Care

Best-Performing Company

Human Capital Management



Mercury

Ownership: Owner Managed | Region: West Midlands

Mercury provides end-to-end staffing and recruitment solutions through its proprietary cloud-based offering, built on the Microsoft Dynamics 365 CRM platform.

Megabuyte view: Mercury's recruitment and staffing agency focus has provided a degree of vertical differentiation throughout the years. However, we suspect that its increasingly close alignment with Microsoft's Dynamics 365 and Power Platform has been a key driver behind its ability to differentiate in recent years, with dashboards, workflow automation and analytics integral to modern-day digital recruitment functions. This supported an acceleration in organic growth (to almost 60%) in FY23, as well as further healthy margin expansion.

Companies considered: 42

Shortlisted

- > Mercury
- > nudge
- > Thrive Learning

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Best-Performing Company

Industrials



YardLink

Ownership: VC & GC Backed | Region: Greater London

YardLink provides a B2B marketplace platform that brings suppliers and sites together to streamline projects, equipment hire and material supply.

Megabuyte view: YardLink's digital platform addresses a significant challenge for cost-conscious construction firms, in sourcing equipment more efficiently, while simultaneously offering suppliers a new route to monetise their assets. The few metrics available point towards a rapid trajectory for YardLink, which is fuelled by the complexity of the UK construction supply chain (with materials suppliers, equipment providers, subcontractors, labourers etc.), the lack of technology adoption, and the scalability of YardLink's platform (particularly as it grows its supplier relationships).

Companies considered: 24

Shortlisted

- > YardLink

Best-Performing Company

Information Management



Proventeq

Ownership: Owner managed | Region: South East

Proventeq's suite of technology solutions enrich and classify business data by unlocking content insights and migrating legacy enterprise CMS's to Microsoft 365.

Megabuyte view: The growth in intelligent workplaces built in SharePoint, Teams, and Azure in recent years has certainly benefitted Proventeq given its close alignment with Microsoft's content management applications. The company's content migration and classification tools are not the only string to its bow either, with services capabilities to manage a company's transition to SharePoint as well. End-to-end solution capabilities in this part of the market are not a bad thing to have, even if it means brushing up against bigger Microsoft partners with SharePoint expertise.

Companies considered: 42

Shortlisted

- > Dayshape
- > ISMS.online
- > Proventeq

“ We are delighted to be recognised as a Megabuyte Emerging Stars company, made all the more significant due to Megabuyte's rigorous company evaluation process. The achievement reflects the substantial progress that Nourish has made organically, which we now intend to further accelerate following the acquisition of CarePlanner.

John Billington
CFO, Nourish Care

Best-Performing Peer Group Company 2024 (GH)

ICT & Digital Services Peer Group awards

Recognising best-in-class performance within individual peer groups

Best-Performing Company

Business Process Outsourcing



Northcoders

Ownership: Public | Region: North West

Northcoders provides software coding training programmes through a hybrid delivery model and proprietary online training platform. Its training solutions support both private individuals and corporate clients.

Megabyte view: Northcoders has made a splash on the markets since its IPO, consistently delivering strong double-digit organic growth on a year over year basis. Its software training programmes and hybrid delivery model alleviate a structural shortage in the technology talent market and has underpinned much of this growth. Whilst the recruitment market is certainly more challenging now, the ongoing development of its corporate customer base and DfE funding looks set to support another good year.

Companies considered: 35

Shortlisted

- > Northcoders

Best-Performing Company

IT Consulting



Robiquity

Ownership: Private Equity Backed | Region: North West

Robiquity is an intelligent automation and AI consultancy that advises on, implements, and supports advanced automation solutions.

Megabyte view: Robiquity is one of the few scaled UK specialists in the intelligent automation space. From relatively recent beginnings, the company's transition from a resourcing and training solutions provider to a fully-fledged professional and managed services company has taken it right up the value chain, vindicated by a stellar run of results. The automation market is rapidly developing but Robiquity's services strategy and strong vendor alignment looks set to deliver another strong performance in 2024.

Companies considered: 188

Shortlisted

- > dxw
- > Oakland
- > Robiquity

Find out more about our awards and view all Emerging Stars 2024 winners at www.megabyte-awards.com

“ The inclusion of Orbital Internet Group in the Megabyte Emerging Stars validates our steady progress over the years, building telecoms infrastructure to business parks, holiday homes and other locations, providing attentive customer service, adapting quickly to changing market conditions, whilst also being profitable and cash generative.

Ben Doherty
CEO, Orbital Internet Group
Best-Performing Peer Group Company 2024 (TS)
Emerging Stars 2022 & 2020 – Top 25 Company

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Cavendish

Best-Performing Company

IT Managed Services



etiCloud

Ownership: Owner Managed | Region: Yorkshire & Humberside

etiCloud provides hosted desktop, unified comms, connectivity and offsite IT support services on a direct model, primarily to the legal sector, with some of its 240 customers also in Recruitment and Financial Services.

Megabyte view: etiCloud has managed to fly largely below the radar, but its financials are hard to argue with, with deep domain expertise (first in legal and then in broader professional services) supporting strong organic growth and stellar margins driven by new logos and new service lines. These capabilities will set the business up to continue taking advantage of a digital transformation drive in its core verticals, while current / future trading is also helped by broader disruption amongst key competitors.

Companies considered: 190

Shortlisted

- > etiCloud
- > Mobilise Cloud
- > Stripe OLT

Best-Performing Company

Telecom Services



Orbital Internet Group

Ownership: VC & GC Backed | Region: South East

Orbital provides connectivity, voice, hosting and colocation services to Kent-based SME, public sector organisations, and nationwide companies. It also provides broadband services through its Vfast subsidiary.

Megabyte view: Orbital Internet Group's strategy has evolved to focus on business parks and holiday homes that can be served from unbundled local exchanges, rather than its residential ISP Vfast. This is understandable; business parks are relatively underserved for fibre whilst holiday parks represent a niche but growing market. This reflects Orbital's largely business customer-driven, asset-lite model, which is no bad place to be given the significant funding constraints being faced by build-it-and-they-will-come fibre to the premise altnets.

Companies considered: 240

Shortlisted

- > Netomnia
- > Orbital Internet Group



Analysing the Emerging Stars of 2024

Mapping the UK tech sector

Megabyte is actively tracking over 8,600 companies across the Software & Digital Platforms and ICT & Digital Services sectors. This is up on previous years thanks to Megabyte's ongoing efforts to map out the UK technology sector with support from its dedicated data team and internally developed AI discovery tools.

Within this, Megabyte covers around 1,200 companies with revenues in the Emerging Stars revenue size criteria of £3-10m, as well as a further 5,800 below the £3m revenue mark. Most of these companies are owner-managed (4,900), with 100 partially or majority owned by private equity and a further 1,900 having accessed either venture capital or growth capital funding.

Digital transformation and 'chapter 2' drives performance

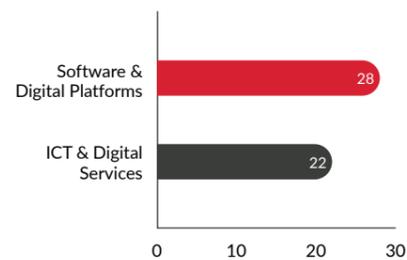
Turning our attention to this year's 50 Emerging Stars shows that the Software & Digital Platforms sector slightly outweighed their ICT & Digital Services counterparts with 28 companies against 22. However, the standout peer group is IT Consulting, with a whopping 16 companies included within this year's award series. The obvious driver behind this is continued digital transformation investment, with technology consultancies operating as the enablers of programmes of change. Other strong peer groups include Government & Healthcare (6 companies) and Information Management (6 companies). Government & Healthcare's performance reflects the increasingly digitised approach to data-led, personalised patient care, whilst the Information Management nicely captures our Chapter 2 thesis around organisational data centrality.

The other Software & Digital Platforms peer groups which have representation this year include

Business & Consumer (5), Financial Services (4), Human Capital Management (3), Customer Relationship Management (2), Financial Management (1), and Industrials (1). Other ICT & Digital Services peer groups present meanwhile include IT Managed Services (3), Telecom Services (1), and Business Process Outsourcing (1).

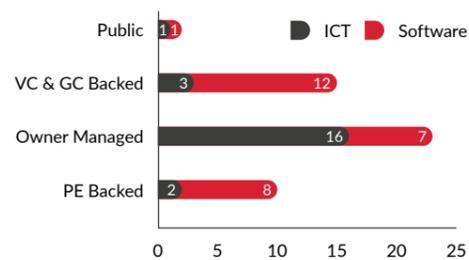
Segmenting the Emerging Stars by ownership shows an almost equal split between investor-backed (26) and owner-managed (24) companies. Of the investor-backed players, just two were public, including software development training services provider **Northcoders** and sports and leisure data analytics platform **4GLOBAL**. The ownership splits were more polarising when looking at the respective sectors; just 7 of the 28 recognised Software companies are owner managed in comparison to 16 of the 22 companies in ICT. This reflects funding model bias (particularly around VC) at an earlier stage in the Software sector.

Figure 1 > Composition by sector



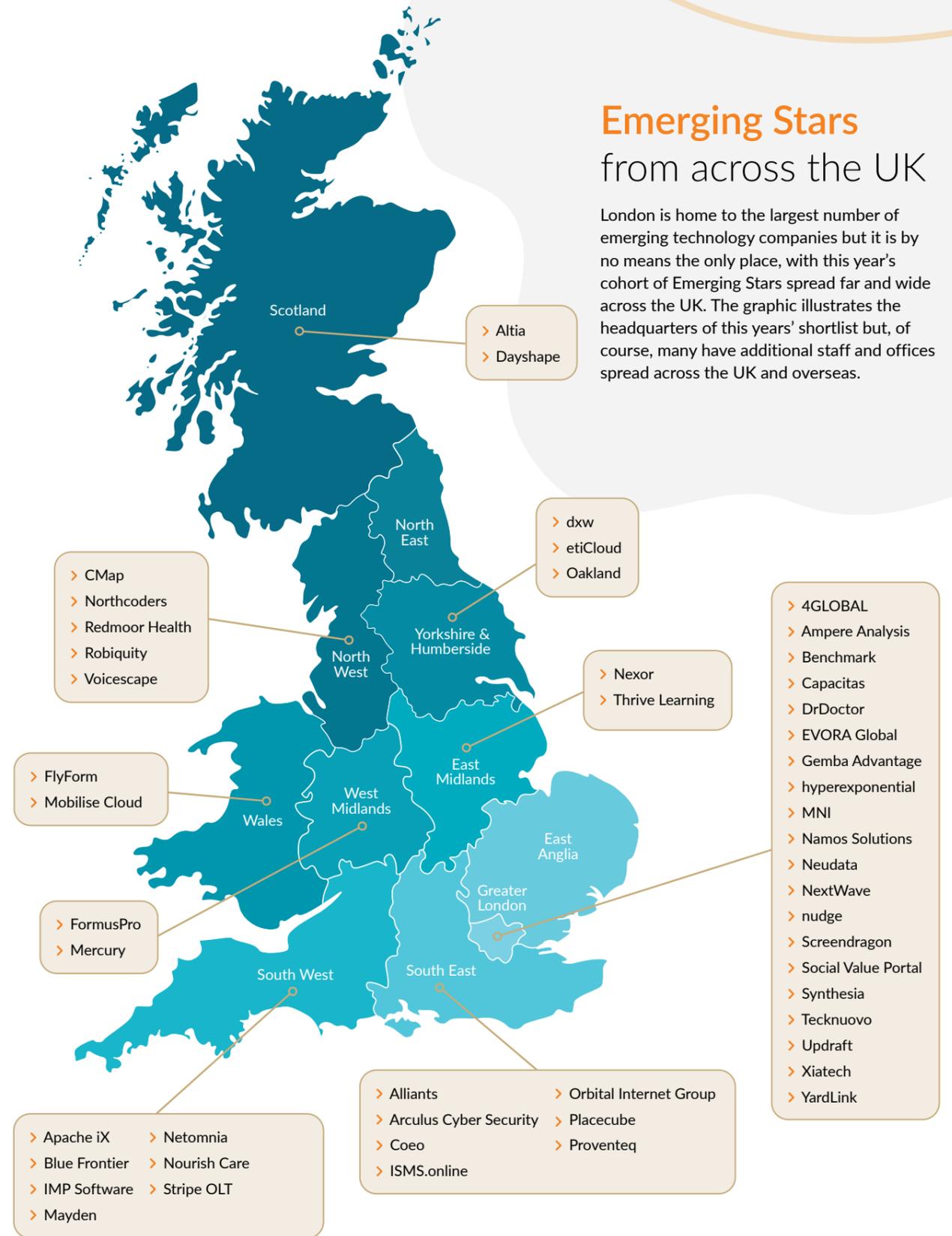
Source:
- Megabyte

Figure 2 > Composition by ownership



Emerging Stars from across the UK

London is home to the largest number of emerging technology companies but it is by no means the only place, with this year's cohort of Emerging Stars spread far and wide across the UK. The graphic illustrates the headquarters of this year's shortlist but, of course, many have additional staff and offices spread across the UK and overseas.



Corporate activity

What deal drought?

Despite a much tougher funding environment since the start of 2023, high quality businesses continued to attract VC and private equity interest. The Software sector led on this front as usual, with a host of growth capital and private equity transactions, shown in Table 1.

Major deals from some of this year's Emerging Stars include an MBO at battery and EV supply chain-focused data intelligence platform **Benchmark** (Spectrum Equity; reported £400m valuation), a £57m funding round led by Andreessen Horowitz at London-based insurance software provider **hyperexponential**, and a £72m raise led by Accel from also London-based video generation platform provider **Synthesia** (achieving unicorn status). The ICT sector was less buoyant on the external funding front but did feature a milestone £230m debt financing round for

Netomnia with six lenders to support its Fibre-to-the-Premise (FTTP) roll-out.

There was no shortage of buy-side M&A activity either. Six of the 50 Emerging Stars completed acquisitions over the course of the past year with deals from **EVORA Global** (of Metry), **dxw** (of Neontribe), **Altia** (of Aquila and Badger Software), **Nourish Care** (of CarePlanner), **Cmap** (of Alvero), and **Northcoders** (of Tech Returners).

“ Megabuyte’s Emerging Stars Awards and associated events are great for keeping tabs on the next breakthrough companies in the sector. Most importantly, Megabuyte’s detailed critiquing of companies ensures that the businesses included are those most likely to deliver sustainable growth. They are a valuable complement to the excellent day-to-day information that Megabuyte provides on the trends and participants in our markets.

Robert Stroud
Head of Corporate Development, Civica

Table 1 > Emerging Stars 2024 funding activity

Company	Peer Group	Transaction Type	Seller	Target/Acquirer/Investor	Deal EV	Date
Screendragon	IM	VC & GC	-	Kennet Partners, Federated Hermes	£21m	06/02/24
hyperexponential	FINS	VC & GC	-	Andreessen Horowitz, Battery Ventures, Highland Europe	£57m	11/01/24
Updraft	FINS	VC & GC	-	Quilam Capital, MoreThan Capital, LC Nueva, Auluk Investments	£22m	20/12/23
ISMS.online	IM	SBO	Cow Corner	ECI Partners	-	29/11/23
Benchmark	BC	MBO	-	Spectrum Equity	£402m	15/11/23
Mayden	GH	MBO	-	G Square	£50m*	07/11/23
Synthesia	CRM	VC & GC	-	NVIDIA, Kleiner Perkins, GV, FirstMark Capital, Alex Wang, Olivier Pomet, Amjad Massadr, Accel	£72m	13/06/23
Dayshape	IM	VC & GC	-	Cow Corner	-	24/04/23
Social Value Portal	IM	VC & GC	-	Mercia Asset Management, Beringea	£8.5m	19/04/23
Voicescape	GH	MBO	-	BGF	£18m*	18/04/23
Netomnia	TS	VC & GC	-	HSBC, ING Bank, NIBC Bank, RBC, Standard Chartered, UK Infrastructure Bank	£230m	17/03/23
DrDoctor	GH	VC & GC	-	YFM Equity Partners, Ananda Impact Ventures, 24Haymarket	-	22/02/23

Source:
- Megabuyte
- Company Accounts

NB:
- All deal values with an * are Megabuyte estimates

Table 2 > Emerging Stars 2024 corporate activity

Company	Peer Group	Transaction Type	Role	Target/Acquirer/Investor	Deal EV	Date
EVORA Global	IM	M&A	Buyer	Metry	-	23/01/24
dxw	ITCON	M&A	Buyer	Neontribe	-	11/01/24
Altia	GH	M&A	Buyer	Aquila	-	24/10/23
Nourish Care	GH	M&A	Buyer	CarePlanner	-	20/09/23
Altia	GH	M&A	Buyer	Badger Software	-	28/03/23
Cmap	FM	M&A	Buyer	Atvero	£1.5m*	23/02/23
Northcoders	BPO	M&A	Buyer	Tech Returners	£1.3m	07/02/23

Source:
- Megabuyte
- Company Accounts

NB:
- All deal values with an * are Megabuyte estimates

Mid-market prospects

The UK's top scale-ups

Recognition as an Emerging Star should be commended against the c. 1,200 companies analysed. The impressive growth track of many of these companies means some will exceed the upper threshold for our Emerging Stars award series revenue criteria (of £10m) based on their next accounts and graduate into the Megabuyte50. This section aims to identify the companies from this year's Emerging Stars which we believe are best placed to do so. Our analysis considers scale, growth track, deal history, and likelihood of profitability.

“ We're delighted to have won an Emerging Stars award, which we'll take as recognition for the talent of the amazing people building their careers at Robiquity, whilst working with our clients to deliver ever more interesting, complex and AI driven change to their businesses.

”
Tom Davies
CEO, Robiquity

Best-Performing Peer Group Company 2024 (ITCON)

Moving on up

Our analysis suggests that 15 of the 50 are positioned strongly to qualify for the Megabuyte50 next year. Four of these companies file full accounts, in **CMap**, **Mayden**, **Mercury** and **MNI** which based on their current revenue growth trajectories look likely to breach the £10m revenue mark in their next results. And, assuming continued/improved profitability, are strong candidates for the Megabuyte50. Of these, only staffing platform provider Mercury is yet to receive investment.

The remaining 11 companies all file abbreviated accounts but show signs of scale and profitability. The largest by current LinkedIn headcount (in the 150+ bracket) are **EVORA Global**, **Solutions**, **Benchmark** and **Namos**. We've identified a further four companies in the 100-150 LinkedIn bracket, in **Robiquity**, **dxw**, **Oakland**, and **Dayshape** and four companies at the upper end of the 50-100 LinkedIn bracket, in **Tecknuovo**, **Coeo**, **Capacitas**, and **Ampere Analysis**. More than half of the abbreviated accounts companies are yet to receive any external investment, which could partly be explained by their smaller scale.

Of course, this list is based on estimates and we hope that many both inside and outside of the 2024 Emerging Stars will scale into the mid-market next year. We would also like to recognise companies that have achieved stellar growth and scale but which are likely to be doing so through externally funded losses, and so would be ineligible for the Megabuyte50. This includes **Synthesia**, **DrDoctor**, and **hyperexponential**.

Table 3 > Top Megabuyte50 prospects

Company	Sector	Peer Group	Ownership	Investors	Headcount
MNI	Software	FINS	PE Backed	Tenzing	150+
EVORA Global	Software	IM	VC & GC Backed	Bridges Fund Management, Farview Equity Partners	150+
CMap	Software	FM	PE Backed	NorthEdge Capital	150+
Namos Solutions	ICT	ITC	Owner Managed		150+
Benchmark	Software	BC	PE Backed	Spectrum Equity	150+
Mercury	Software	HCM	Owner Managed		150+
Robiquity	ICT	ITC	PE Backed	Growth Capital Partners	100-150
Mayden	Software	GH	PE Backed	G Square	100-150
dxw	ICT	ITC	Owner Managed		100-150
Oakland	ICT	ITC	Owner Managed		100-150
Dayshape	Software	IM	VC & GC Backed	Cow Corner	100-150
Tecknuovo	ICT	ITC	Owner Managed		50-100
Coeo	ICT	ITC	Owner Managed		50-100
Capacitas	ICT	ITC	Owner Managed		50-100
Ampere Analysis	Software	BC	Owner Managed		50-100

Source:
- Megabuyte
- Company Accounts



#megabyte100

About the Megabyte award series

The Megabyte100 awards occupy a unique and influential position in the UK tech sector, distinguished by their impartial and expert evaluation of companies' financial performance through the proprietary Megabyte Scorecard.

Leveraging our specially curated data and insights from Megabyte's industry leading analysts, our awards highlight the most outstanding companies in the UK tech sector – whether thriving scale-ups or high growth mid-market players; and whether owner-managed, private equity or VC-backed or publicly listed.

[Find out more about our awards](#)

About Megabyte

At Megabyte, we support UK scale-up and mid-market software and ICT services companies to develop robust growth strategies, understand their competitive landscape and customer sentiment, benchmark their financial performance and valuation, and identify and track M&A targets. We do this in three main ways – with proprietary insights and data contained in our subscription research service, through a series of packaged consulting services, and with access to our network of some 500 tech sector CEOs through events and our expert network.

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