



NORDHAVEN
CORPORATE FINANCE

Quarterly Software Report

Q1 2018



EXECUTIVE SUMMARY

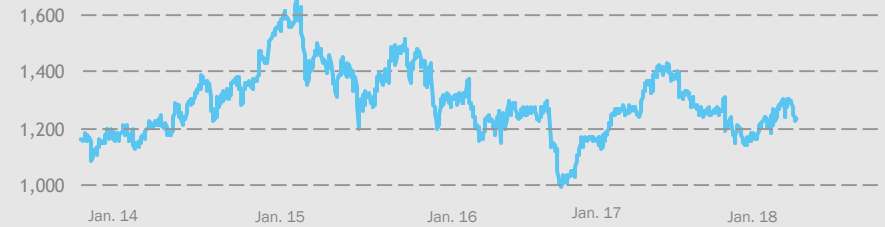
- Although the performance in the software transaction market in Q1 was strong, as expected it did not outperform the number of medals won by the Norwegian team in the Winter Olympics... The market continued to grow in Q1/18 with a total of 28 software transactions, 7 more than last quarter.
- The performance of the Nordic Technology EUR GI index was strong in Q1/18 and increased by 7.0%, making up for the weak Q4/17.
- The largest deal activity within Nordic software could again be found in Sweden, with 10 identified deals, followed by 9 deals in Denmark. Norway and Finland had 5 and 4 deals respectively.
- Private equity buyers completed 8 of the 28 deals, leaving strategists as the dominant buyer group.
- Nordic buyers continued to dominate in Q1 with 15 (55.2%) of the 28 deals, while US and Canadian buyers were the second most active.
- The Nordic discount gap now stands at 47.8% compared with international software companies, based on EV / SALES 2018E multiples.
- Please do not hesitate to provide us with feedback on this report and interesting perspectives on the Nordic software players.
- We wish you all a pleasant spring!

28
transactions
in Q1/18

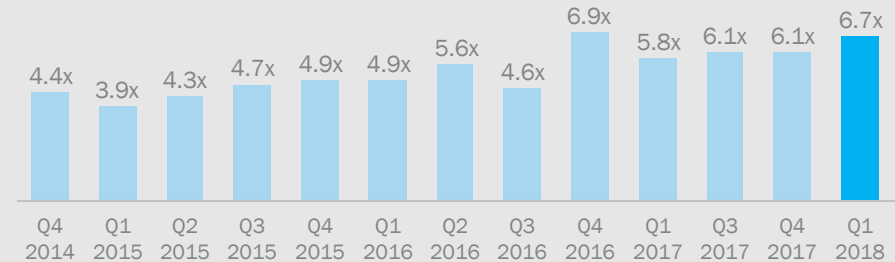
28
transactions
in Q1/17

NORDIC TECHNOLOGY EUR GI

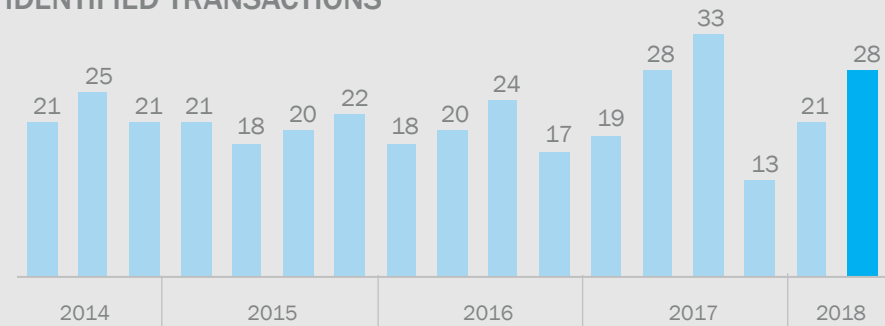
Jan 14 – Mar 18
1,800



EV / SALES INTERNATIONAL SOFTWARE COMPANIES



IDENTIFIED TRANSACTIONS

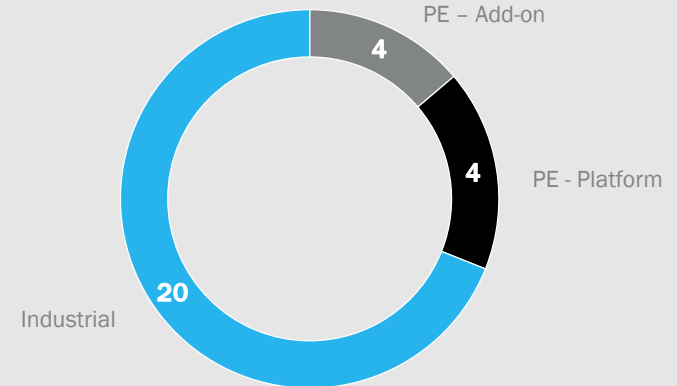


NORDIC SOFTWARE TRANSACTIONS OVERVIEW OF Q1 2018

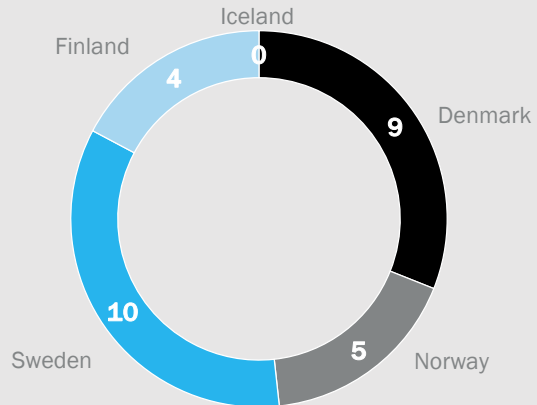
COMMENTS

- Nordhaven has identified 28 Nordic software transactions in Q1 2018
- 71.4% of the companies were acquired by industrials, which is somewhat higher than the historical average
- An equal number of private equity-backed deals were platform and add-on investments.
- Largest deal activity was in Sweden (35.7%) and Denmark (32.1%)
- 53.6% of the companies were sold to entities in the Nordics, followed by 25.0% of acquirers in rest of Europe

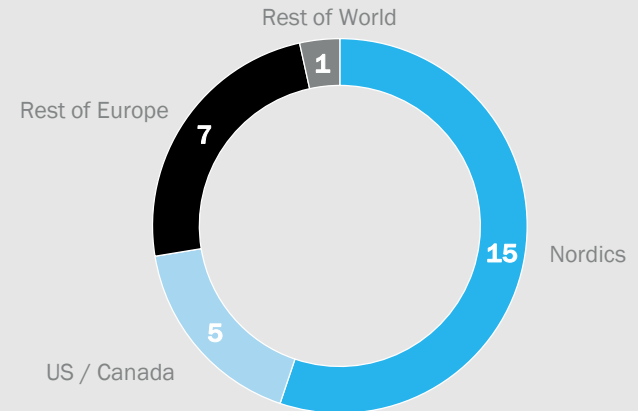
DEALS BY EXIT TYPE



DEALS BY TARGET'S COUNTRY



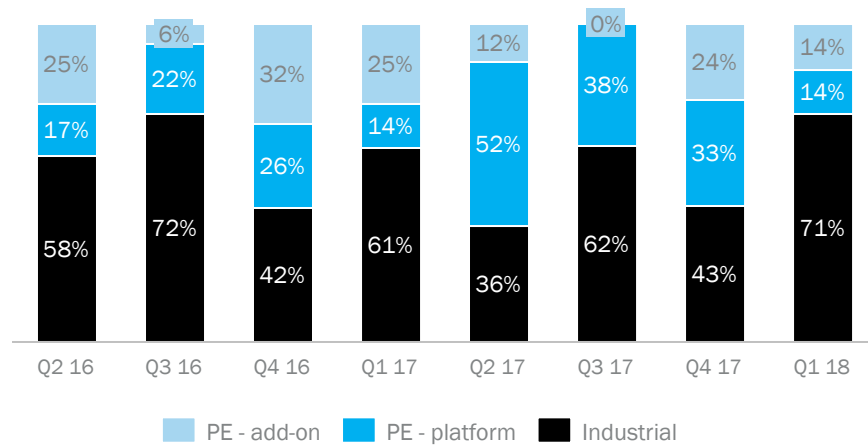
DEALS BY ACQUIRER'S COUNTRY



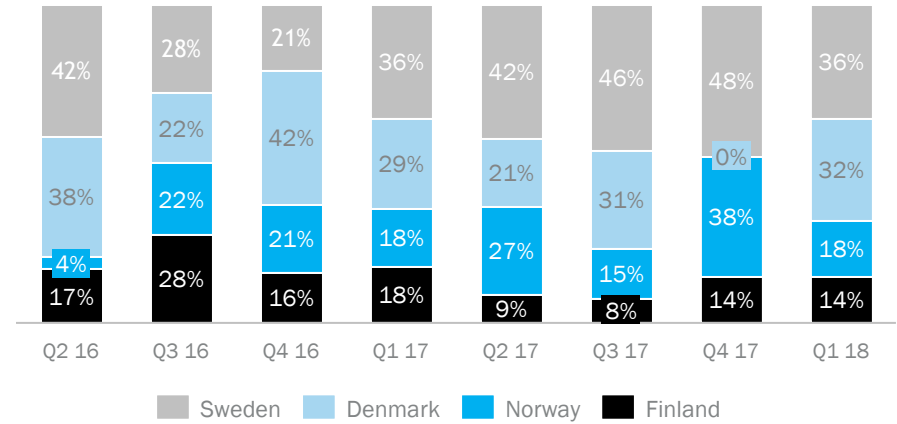
NORDIC SOFTWARE TRANSACTIONS

QUARTER-BY-QUARTER DEVELOPMENT

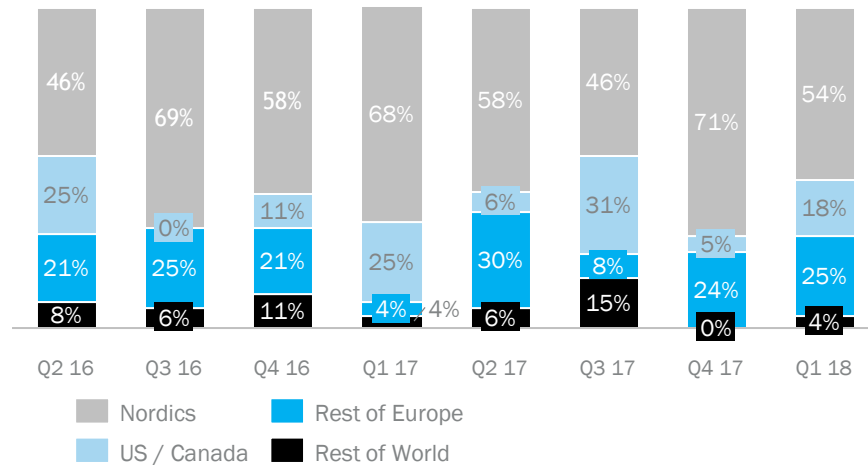
BREAKDOWN OF DEALS BY EXIT TYPE



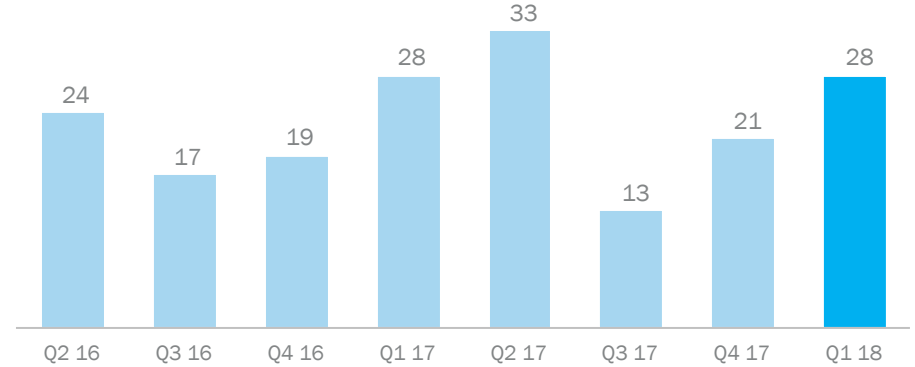
BREAKDOWN OF DEALS BY TARGET'S COUNTRY






































BREAKDOWN OF DEALS BY ACQUIROR'S REGION



NUMBER OF TRANSACTIONS



NOTABLE TRANSACTIONS DURING Q1 2018

TARGET		ACQUIROR		REVENUE 2016 (MEUR)	SELLER
 Financial Performance	Financial performance solutions and banking business of Basware			N/A	
	Software and services provider to the oil and gas industry			 1,9	
	Smart home systems and software solutions for homes			 0,6	Private investors
	Surf kiosks and advanced kiosks solutions			 2,2	Founders
	Consultancy services in IT services and solutions			 1,6	Founders
	Provider of software solutions			 7,0	Turo Puittinen (Private Investor)
	Digital key management solutions and alarm for homecare and nursing homes			 12,0	
	e-Payment products for online merchants and electronic marketplaces			 22,2	

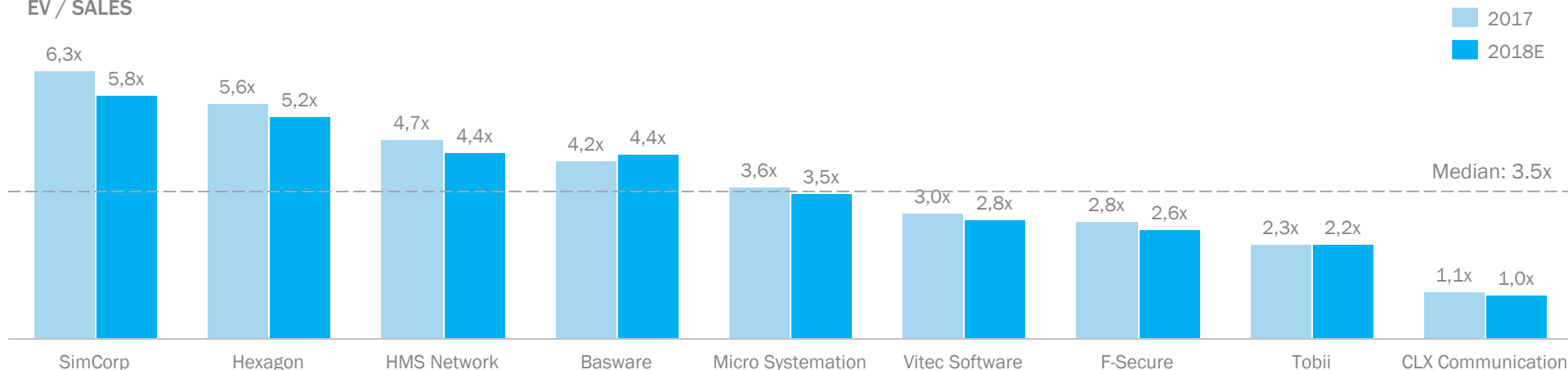
SELECTED SOFTWARE TRANSACTION MULTIPLES (EV / SALES) – LAST 12 MONTHS



TRADING MULTIPLES OF SELECTED NORDIC AND INTERNATIONAL SOFTWARE COMPANIES

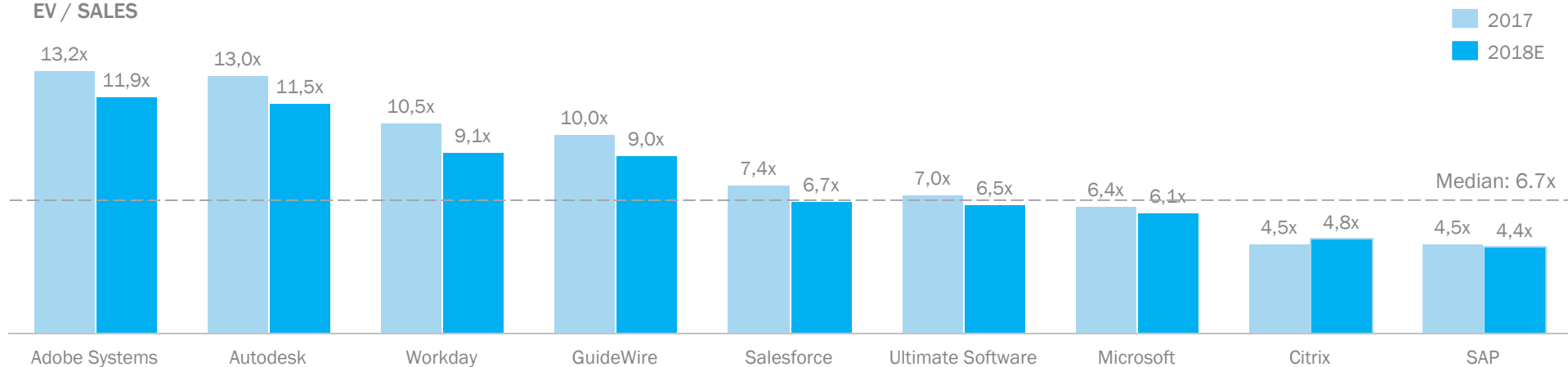
NORDICS

EV / SALES



INTERNATIONAL

EV / SALES



LIST OF IDENTIFIED NORDIC SOFTWARE TRANSACTIONS IN Q1 2018

#	TARGET	TARGET COUNTRY	BIDDER	BIDDER COUNTRY	DATE	EXIT TYPE
1	Tieto Norway (ProArc software division)	Norway	Constellation Software (Vela Software)	Canada	January	PE - Platform
2	EcoFleet Group	Denmark	Fleet Complete	Canada	January	Industrial
3	Prenax	Sweden	Edmond de Rothschild Investment Partners	France	January	PE - Platform
4	InsiderLog (80% Stake)	Sweden	Euronext	Netherlands	January	Industrial
5	CrediCare	Norway	Melin Medical	Norway	January	Industrial
6	Good Game Limited	Finland	XLMedia	United Kingdom	January	Industrial
7	Rendra	Norway	JDM Technology Group	Canada	January	Industrial
8	OptiWay	Sweden	Visma	Norway	January	Industrial
9	TenderEasy	Sweden	Alpega	Belgium	January	Industrial
10	Cale Access	Sweden	Parkeon	France	January	Industrial
11	Forsikringens Datacenter	Denmark	Constellation Software (Total Specific Solutions)	Netherlands	January	PE - Add-on
12	Komfo	Denmark	Falcon.io	Denmark	February	Industrial
13	Petostreamz	Norway	Tieto Corporation	Finland	February	Industrial
14	Templafy	Denmark	Seed Capital Denmark	Denmark	February	PE - Add-on
15	Futurehome (51% Stake)	Norway	Get	Norway	February	Industrial
16	Gordion	Sweden	Melin Medical	Norway	February	Industrial
17	Basware Corporation	Finland	Verdane Capital Advisors	Finland	February	PE - Add-on
18	Phoniro	Sweden	ASSA ABLOY	Sweden	February	Industrial
19	Orderyoyo	Denmark	Vækstfonden	Denmark	March	PE - Platform
20	Unwire	Denmark	CLX Communications	Sweden	March	Industrial
21	Bitfactor	Finland	Viria	Finland	March	Industrial
22	Frontlab DK	Denmark	LanguageWire	Denmark	March	Industrial
23	Sepior	Denmark	SBI Holdings	Japan	March	Industrial
24	Trustly Group	Sweden	Nordic Capital	Sweden	March	PE - Add-on
25	itsperfect software europe	Sweden	Hittapunktse	Sweden	March	Industrial
26	Elskling	Sweden	Zmarta Group	Norway	March	Industrial
27	Mediamaestro	Finland	Constellation Software (Total Specific Solutions)	Netherlands	March	PE - Platform
28	Lessor	Denmark	Paychex	USA	March	Industrial

NORDHAVEN IS THE LEADING INDEPENDENT M&A FINANCE ADVISOR IN THE NORDIC MARKET

NORDHAVEN IN SHORT

+40

Professionals

+20

Years experience

+300

Transactions advised

MEUR
10-100

Sweet spot deal value



NORDHAVEN SERVICE OFFERING

We operate as a strategic financial advisor and partner to owners, board members and management throughout the business life cycles.

MERGERS & ACQUISITIONS

Planning and execution of mergers and acquisitions, divestments and other corporate finance transactions are our core expertise.

DEBT & CAPITAL ADVISORY

We give advice on our clients' debt and capital structures, negotiate and execute fundraising for companies executing their M&A transactions as well as for organic growth plans. We provide advice also at the time of distress.

INCENTIVE ADVISORY

We advise in the design and implementation of tailored, equity-based long-term incentive plans that are linked to strategy execution and total returns to shareholders.

CORE SECTOR EXPERTISE

TMT

SERVICES

INDUSTRIALS

CONSUMER

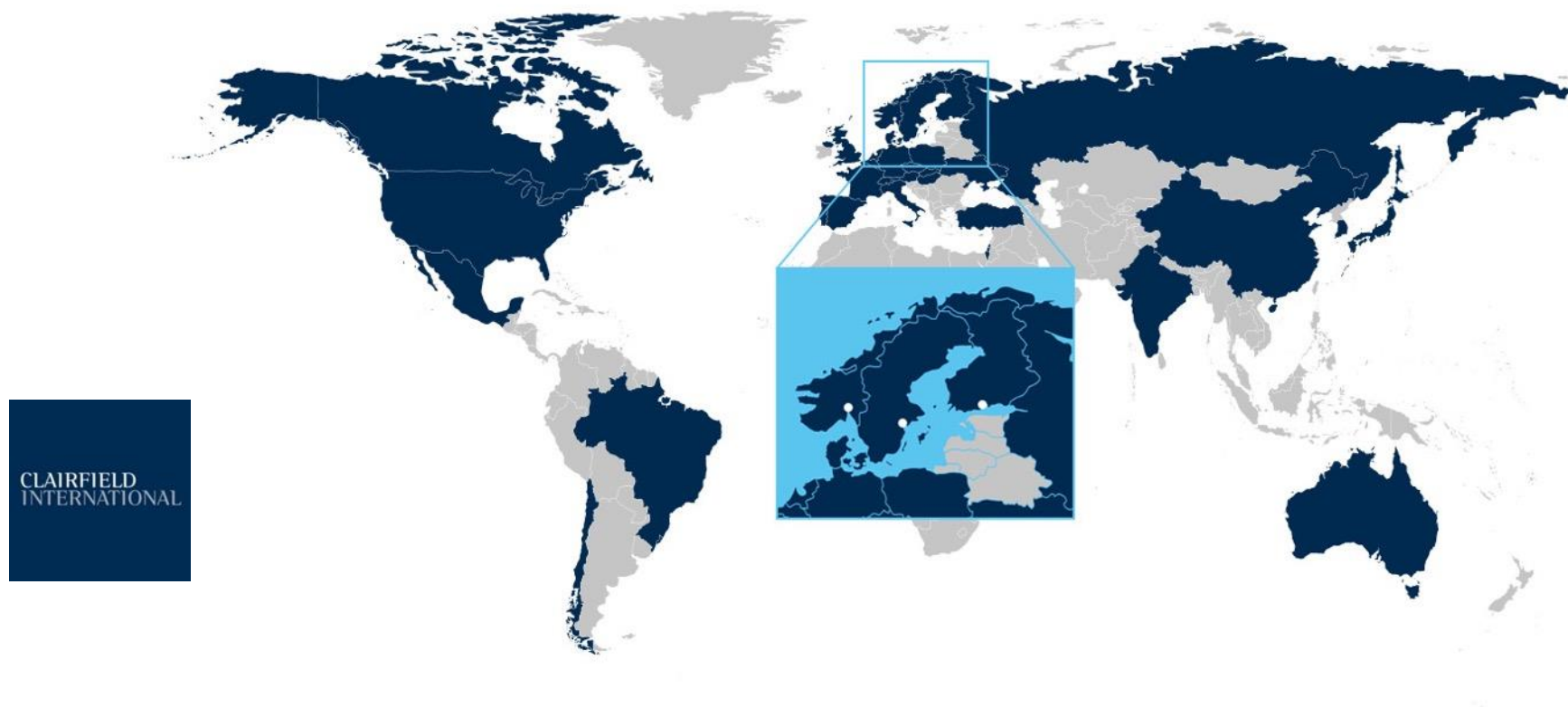
HEALTHCARE

FAR-REACHING INTERNATIONAL NETWORK WITH 34 PARTNER OFFICES WORLD WIDE

Nordhaven has been the exclusive partner of Clairfield International in Finland, Sweden and Norway since 2012. Clairfield International have local partners in over 20 countries.

Through Clairfield International we have global connectivity, and foreign markets are our home markets.

Together we are stronger.





NORDHAVEN
CORPORATE FINANCE

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