

# NORDHAVEN QUARTERLY SOFTWARE REPORT

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Q3 2021

“M&A momentum in the Nordic software space remains strong”



# KEY OBSERVATIONS Q3 2021

- Nordhaven has identified 42 software transactions in Q3 2021. This is the highest number of Q3 software deals in the Nordics since we started counting back to 2014 (100% increase from Q3 2020).
- Last twelve months counts an impressive total of 176 Nordic software transactions which is the highest number of observed software transactions over a twelve months period.
- After several quarters of exceptionally high IPO levels, we see a quarter with somewhat lower activity compared to Q1 and Q2 2021. At the same time, we see that PE companies continue to invest heavily in Nordic software companies (both new platforms and through add-on investments).
- The software industry has proven to be one of the most resilient sectors during the pandemic. Publicly listed companies have experienced another strong quarter achieving a multiple expansion with share prices improved on average with 5% during the quarter<sup>1</sup>.

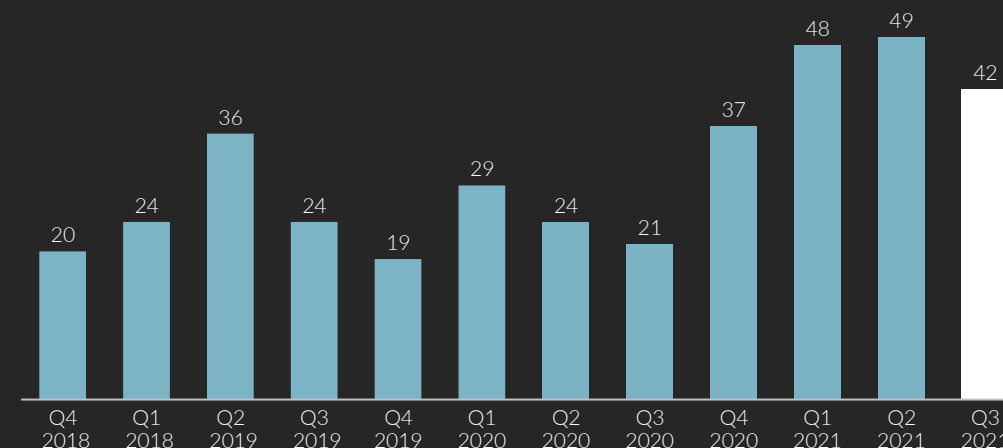


## INCLUSION CRITERIA

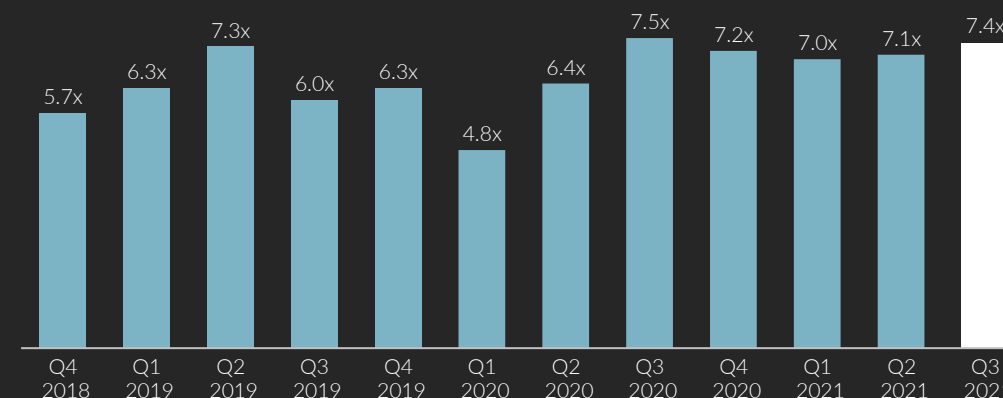
Announced transactions where a Norwegian, Swedish, Finnish, Icelandic or Danish-based software company has been sold during the quarter. The company sold must have the majority of its operations in either of these countries. Consultancies, IT-services and resellers are not included. Neither are media and gaming software with significant content creation. Hardware oriented business models with significant COGS have been excluded. Minority transactions, IPOs or transactions that does not create a "change-of-control" situation have also been excluded. Mergermarket is our primary source for identifying eligible transactions. Transactions below 5 MUSD have not been included.

## Q4 2018 – Q3 2021

### IDENTIFIED # OF NORDIC SOFTWARE TRANSACTIONS



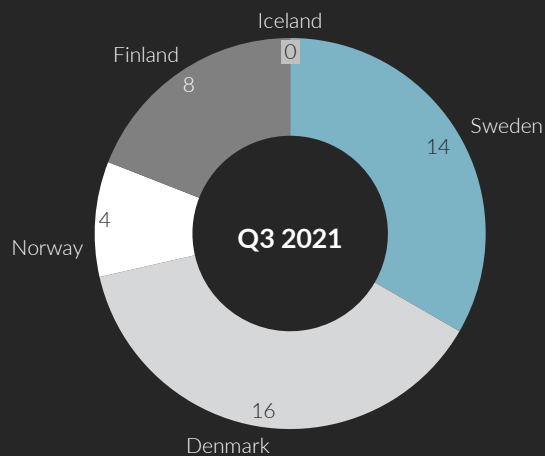
### EV / SALES 2021E INTERNATIONAL LISTED SOFTWARE COMPANIES<sup>1</sup>



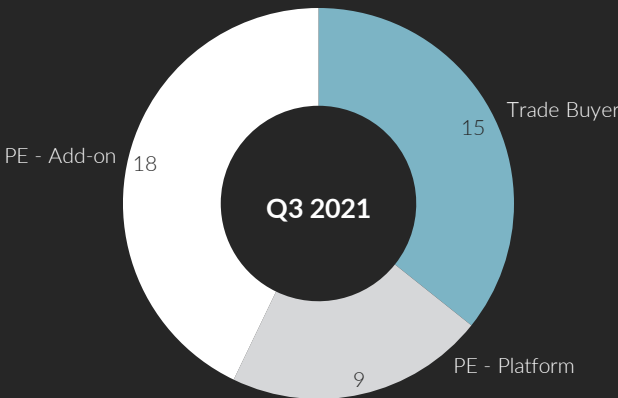
# 42 TRANSACTIONS IDENTIFIED IN THE NORDIC SOFTWARE SPACE IN Q3 2021

- Nordhaven has identified 42 Nordic software transactions in Q3 2021.
- PE investors continue to play an important role in the Nordic software transaction market. In line with the previous quarters in 2021 PE investors represent more than 50%+ of the transactions (64% in Q3 versus 53% in Q2 and 56% in Q1).
- Denmark stands out as the most active country in Q3 as 38% of the software transactions was Danish targets (compared to 24% in Q2 2021). The Swedish market remains strong with ~1/3 of the transactions in Q3.
- Nordic bidders was the most active buyers' group with 52% of the deal volume (down from 67% in Q2 2021). Buyers from Europe outside of the Nordics accounted for 26% of the transactions in Q3 2021.

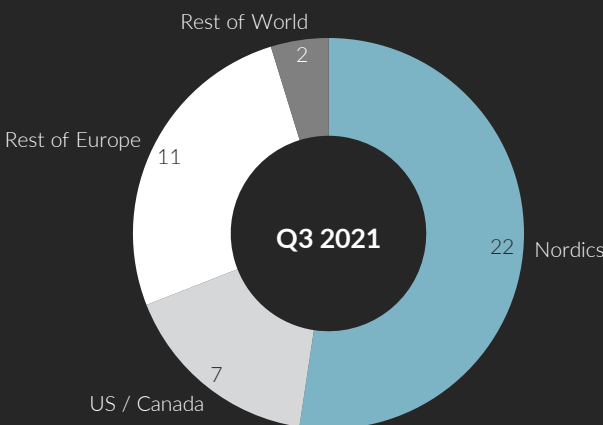
## DEALS BY TARGET'S COUNTRY



## DEALS BY ACQUISITION TYPE



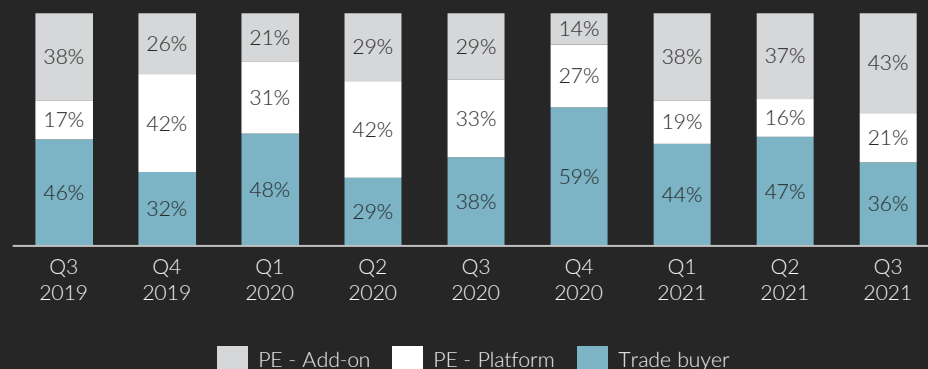
## DEALS BY ACQUIRER'S REGION



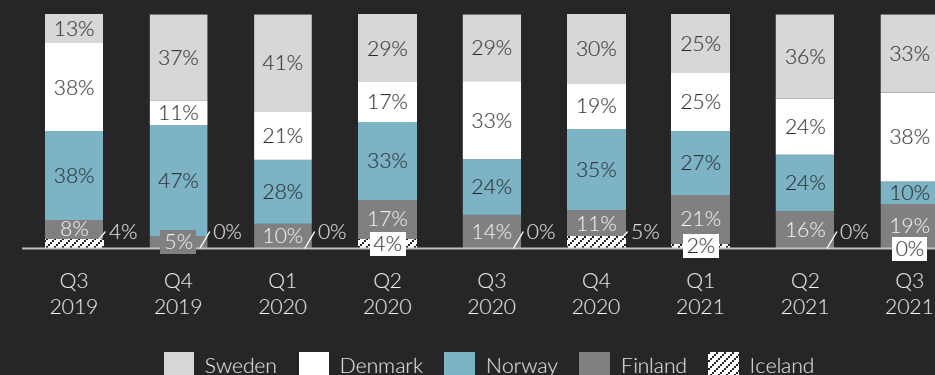
# NORDIC SOFTWARE TRANSACTIONS

## Quarter-by-Quarter development Q3 2019 - Q3 2021

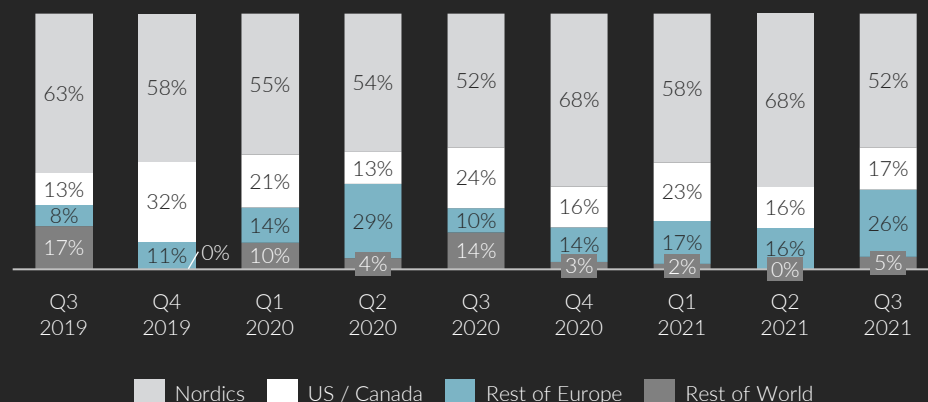
### BREAKDOWN OF DEALS BY ACQUISITION TYPE



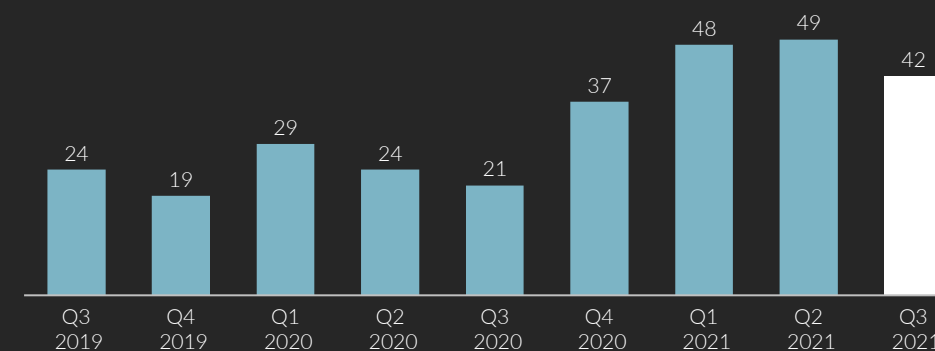
### BREAKDOWN OF DEALS BY TARGET'S COUNTRY



### BREAKDOWN OF DEALS BY ACQUIRER'S REGION



























### QUARTERLY NUMBER OF TRANSACTIONS



# SELECTED TRANSACTIONS DURING Q3 2021

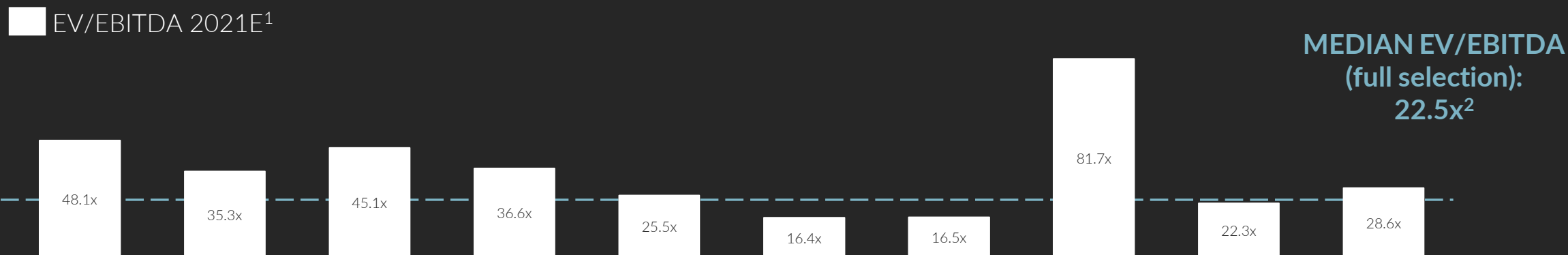
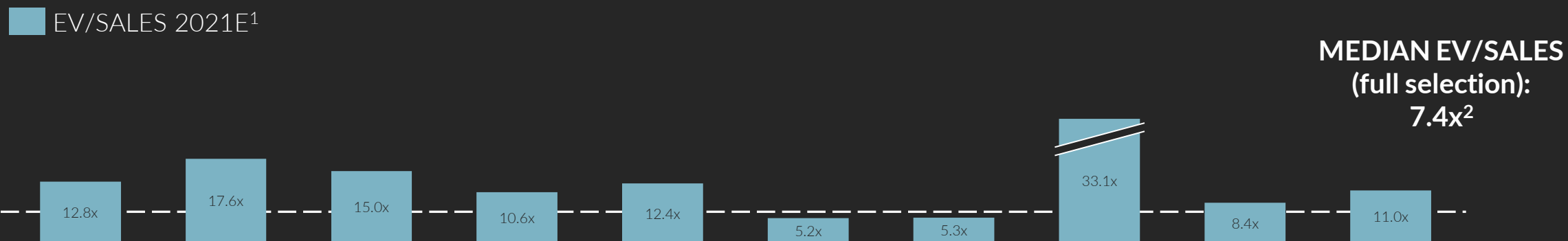
See appendix 1 for full selection

TARGET			REVENUE 2020 <sup>1,2</sup> (EURm)	SELLER	ACQUIRER
<b>BJÖRN LUNDÉN.</b>	Sweden-based provider of accounting and financial software solutions targeted at accountancies and SMEs		 10	Private	<b>MAIN</b> CAPITAL PARTNERS 
<b>barium</b>	Sweden-based provider of digital process automation SaaS solutions		 8	<b>NIDOCO</b>	<b>inrule</b> TECHNOLOGY® 
 <b>LOGIMATIC</b>	Denmark based developer of application software products for logistics, materials management, production, resources and planning		 6	Private	<b>RIIA</b> 
<b>varbi</b>	Sweden-based provider of recruitment software		 3	Private	 <b>VIKING VENTURE</b> 
 <b>Moment</b>	Norway-based SaaS project management software company		 2	Private	 <b>MONTERRO</b> 
 <b>KVALITETSKONTROLL</b>	Norway-based company providing app-based project management solution for the construction industry		 2	Private	 <b>SmartCraft</b> BETTER DIGITAL TOOLS 

# SELECTED NORDIC SOFTWARE TRANSACTION MULTIPLES – LTM

EXIT MULTIPLE (EV/SALES) <sup>1</sup>	TARGET	ACQUIRER
Q2 2021 11.1x	  Finland-based company engaged in provision of SaaS for digital planning, sourcing, and contract and supplier management solutions.	→  
Q2 2021 6.3x	  Denmark-based digital specialist in fitness club member engagement software	→  
Q4 2020 5.2x	  Norway-based e-health company engaged in developing of cloud-based electronic patient record systems (EPR) for general practitioners, specialists and public health centres	→  
Q2 2021 4.4x	  Finland-based real estate Software as a Service company	→  
Q1 2021 3.1x	  Norway-based oil and gas software business (TietoEVERY oil and gas software business)	→  
Q4 2020 2.3x	  Sweden-based B2B provider of contact centre, telemarketing and workforce management software	→  
Q2 2021 2.0x	  Norway-based prop-tech company engaged in delivering solutions digitizing the real estate	→  

# TRADING MULTIPLES FOR SELECTED INTERNATIONAL AND NORDIC SOFTWARE COMPANIES<sup>1</sup>



workday

Adobe

AUTODESK

salesforce

Microsoft

CITRIX

SAP

FORTNOX

HEXAGON

VITEC  
vertical software

# LEADING INDEPENDENT M&A SPECIALIST IN THE NORDICS

## Nordhaven in short



## Nordhaven service offering

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

Partnership with **Capillar Advisory** in Stockholm and **Nordic M&A** in Copenhagen



## Core sector expertise












## What we believe in



















- M&A is a particular craftmanship we only will be good at if we stay focused, are well prepared and strive to stay ahead of the pack
- We love technology and we admire founders – that is also our own heritage
- We seek added value for our clients through identifying and arguing for strong business logic and strategic rationale in the deals that we advise

# LEADING M&A ADVISOR IN THE NORDIC SOFTWARE SECTOR

## NORDIC SOFTWARE FINANCIAL ADVISORS BY VOLUME 2020

	9
	7
	7
	7
	6
	6
	6
	5
	4

## RECENT NORDHAVEN TECH DEALS

 Sold to  Advisor to Moment 2021	Advisor to  In the acquisition of 12 IT service businesses to establish  2021	 Sold to  Advisor to Ryde 2021
Advisor to  In the acquisition of  2021	Sold to   Advisor to Motimate 2021	 Sold to  Advisor to Xplora Mobile 2021
Advisor to  backed by  In the acquisition of Tietoiaika 2021	Advisor to  In the acquisition of  2020	 Sold to  Advisor to Holte 2020

# PARTNER OF CLAIRFIELD INTERNATIONAL

## ONE OF THE LEADING INDEPENDENT M&A ADVISORY FIRMS IN THE MID-MARKET SEGMENT

122

Transactions  
closed in 2020

300+

Professionals

€3.9bn

Cumulative value of  
transactions closed in 2020

### Western Europe

Belgium  
France  
Germany  
Italy  
The Netherlands  
Spain  
Switzerland  
United Kingdom

### Northern Europe

Denmark  
Finland  
Norway  
Sweden

### Central & Eastern Europe

Austria  
Hungary  
Poland  
Russia  
Czech Republic

### The Americas

Brazil  
Canada  
Mexico  
USA

### Middle East

Israel  
Turkey

### Asia-Pacific

Australia  
China  
Japan



We have been exclusive  
Nordic partner of Clairfield  
International since 2012,  
and we have local partners  
in over 20 countries

Through the Clairfield 320  
professionals we have  
global connectivity, and  
local access to counterpart

High ranking in the league  
tables:  
#15 worldwide  
#9 in EMEA  
#1 in EMEA Technology  
sector

# APPENDIX 1: LIST OF IDENTIFIED NORDIC SOFTWARE TRANSACTIONS Q3 2021 (PART 1)

#	TARGET COMPANY	TARGET COUNTRY	BIDDER	SPONSOR	BIDDER GEOGRAPHY	MONTH <sup>1</sup>	TYPE
1	Egreement AB	Sweden	House of Control AS		Nordics	September	Trade Buyer
2	Webshipper ApS	Denmark	nShift Group AS	Francisco Partners / Marlin Equity partners	Nordics	September	PE Add-on
3	CubiCasa	Finland	Clear Capital		US / Canada	September	Trade Buyer
4	Smarp Oy	Finland	COYO GmbH	Marlin Equity Partners	Rest of Europe	September	PE - Add-on
5	Raptor Services A/S	Denmark	QNTM Group AB	Altor	Nordics	September	PE Add-on
6	Billogram AB	Sweden	Partech Partners SAS		Rest of Europe	September	PE - Platform
7	Moment Team AS	Norway	Monterro Software Investment AB		Nordics	September	PE - Platform
8	Cybot A/S	Denmark	Usercentrics GmbH		Rest of Europe	September	PE - Platform
9	Aiia A/S	Denmark	MasterCard Incorporated		US / Canada	September	Trade Buyer
10	Observit AB	Sweden	SpectrumOne AB		Nordics	September	Trade Buyer
11	Zervant Oy	Finland	Ageras A/S	Investorp/Lugard Road Capital	Nordics	September	PE Add-on
12	Logimatic Software A/S	Denmark	RINA S.p.A.		Rest of Europe	September	Trade Buyer
13	Barium AB	Sweden	InRule Technology, Inc.	OpenGate Capital	US / Canada	September	PE Add-on
14	Varbi AB	Sweden	Viking Venture Management AS	Viking Venture	Nordics	August	PE Add-on
15	Reworks Oy	Finland	Playtika Ltd.		Rest of World	August	Trade Buyer
16	PlanMill Oy	Finland	Lemonsoft Oy		Nordics	August	Trade Buyer
17	APSYS International AB	Sweden	Efficy NV	Fortino Capital / Apax Partners	Rest of Europe	August	PE Add-on
18	LanguageWire A/S	Denmark	Bridgepoint Group Plc		Rest of Europe	August	PE - Platform
19	Mindworking A/S	Denmark	Reapit Limited	Accel-KKR	Rest of Europe	August	PE Add-on
20	FundConnect A/S	Denmark	FE fundinfo Limited		Rest of Europe	August	Trade Buyer
21	Umbraco	Denmark	Monterro Software Investment AB		Nordics	August	PE - Platform

# APPENDIX 1: LIST OF IDENTIFIED NORDIC SOFTWARE TRANSACTIONS Q3 2021 (PART 2)

#	TARGET COMPANY	TARGET COUNTRY	BIDDER	SPONSOR	BIDDER GEOGRAPHY	MONTH <sup>1</sup>	TYPE
22	Buildercom Oy	Finland	Storskogen Group AB (publ)		Nordics	August	PE - Platform
23	Viametrics AB	Sweden	Storskogen Group AB (publ)		Nordics	August	PE - Platform
24	Salary ApS	Denmark	Ageras A/S		Nordics	August	Trade Buyer
25	Meriworks AB	Sweden	Papirfly AS	Standout Capital	Nordics	August	PE Add-on
26	VividWorks Oy	Finland	Revalize, Inc.	TA Associates	US / Canada	July	PE Add-on
27	Squidhub ApS	Denmark	Hive Technology Inc	Rembrandt, Tribeca, Comcast and Vocap Investment	US / Canada	July	PE Add-on
28	Greenely AB	Sweden	Silicon Valley Bank / Luminar / ByFounders		US / Canada	July	PE - Platform
29	Esignatur DK ApS	Denmark	Scribe AB	Vitruvian Partners LLP	Nordics	July	PE Add-on
30	Comprima Software AB	Sweden	Documaster AS	Summa Equity	Nordics	July	PE Add-on
31	Retune DSP ApS	Denmark	NXP Semiconductors N.V.		Rest of Europe	July	Trade Buyer
32	Enitech AS	Norway	Embriq AS	Magnesium Capital LLP	Nordics	July	PE Add-on
33	Resight AS	Norway	Embriq AS	Magnesium Capital LLP	Nordics	July	PE Add-on
34	Kvalitetskontroll AS	Norway	SmartCraft ASA		Nordics	July	Trade Buyer
35	Workbuster AB	Sweden	Viking Venture Management AS	Viking Venture	Nordics	July	PE Add-on
36	Grade AB	Sweden	Viking Venture Management AS	Viking Venture	Nordics	July	PE Add-on
37	Bjorn Lunden AB	Sweden	Main Capital Partners B.V.		Rest of Europe	July	PE - Platform
38	Aarhus GeoSoftware	Denmark	Sequent Limited		Rest of World	July	Trade Buyer
39	720 Degrees Oy	Finland	Investment AB Latour	Latour	Nordics	July	PE Add-on
40	Schilling A/S	Denmark	Total Specific Solutions	Constellation Software	US / Canada	July	Trade Buyer
41	Chymeia ApS	Denmark	EcoOnline Holding AS		Nordics	July	Trade Buyer
42	Delta Projects AB	Sweden	Azerion Holding B.V		Rest of Europe	July	Trade Buyer

## APPENDIX 2: SELECTED PUBLICLY TRADED SOFTWARE COMPANIES

#	TICKER FACTSET	COMPANY NAME	EV/SALES 2021E	EV/EBITDA 2021E	ESTIMATE PERIOD <sup>1</sup>
1	WDAY	Workday	12.8x	48.1x	Dec 2021
2	ADBE	Adobe Systems	17.6x	35.3x	Dec 2021
3	ADSK	Autodesk	15.0x	45.1x	Dec 2021
4	NOW	ServiceNow	21.7x	67.0x	Dec 2021
5	CRM	Salesforce	10.6x	36.6x	Dec 2021
6	DSY-FR	Dassault Systems	13.2x	34.8x	Dec 2021
7	INTU	Intuit Inc	15.9x	41.2x	Dec 2021
8	CHKP	Check Point Software	5.4x	10.9x	Dec 2021
9	MSFT	Microsoft	12.4x	25.5x	Dec 2021
10	VMW	Vmware	5.1x	14.3x	Dec 2021
11	EGAN-US	eGain Corporation	3.6x	30.3x	Dec 2021
12	CSOD-US	Cornerstone Ondemand	6.1x	16.0x	Dec 2021
13	ENGH-CA	Enghouse Systems	6.1x	17.0x	Dec 2021
14	CTXS-US	Citrix	5.2x	16.4x	Dec 2021
15	CSU-CA	Constellation Software	6.8x	22.7x	Dec 2021
16	SAP-DE	SAP	5.3x	16.5x	Dec 2021
17	ORCL	Oracle	7.4x	15.3x	Dec 2021
18	CERN-US	Cerner	3.9x	11.8x	Dec 2021
19	SGE-GB	Sage Group	4.1x	18.3x	Dec 2021
20	NUAN-US	Nuance Communications	13.8x	N/A	Dec 2021
21	NLOK	NortonLifeLock	6.3x	12.1x	Dec 2021
22	PRGS	Progress Software	4.3x	10.0x	Dec 2021
23	FNOX-SE	Fortnox	33.1x	81.7x	Dec 2021
24	HEXA.B-SE	Hexagon	8.4x	22.3x	Dec 2021
25	VIT.B-SE	Vitec	11.0x	28.6x	Dec 2021



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