
Nordic Tech M&A Outlook

Software and IT Services & Consulting market

Q3 2023

Oslo

Dronning Eufemias Gate 16
0191 Oslo

Stockholm

Klara Norra Kyrkogata 26
111 22 Stockholm

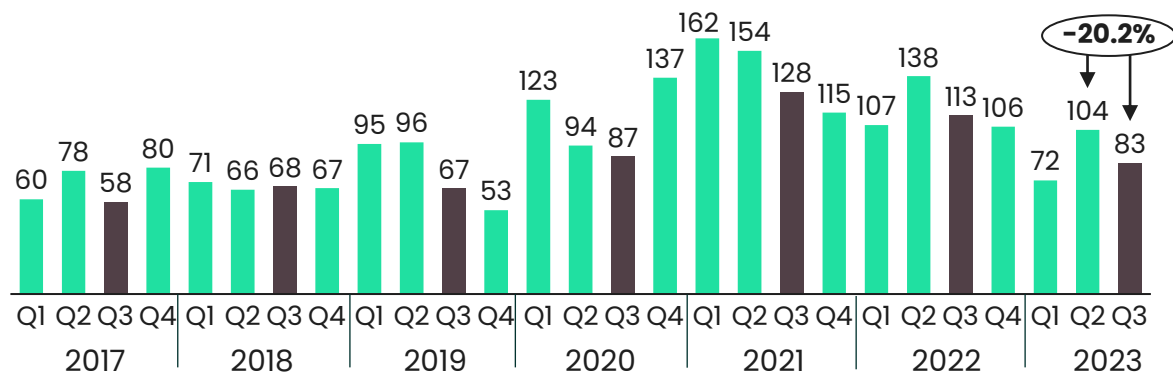


Key highlights from Q3

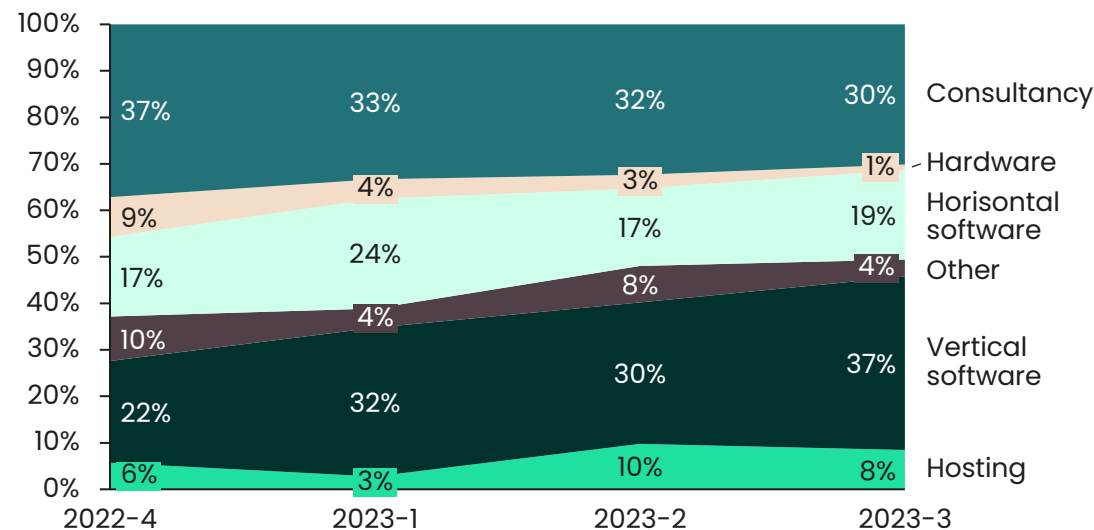
- **83 transactions** within tech were executed in Q3 2023, which although is below Q2, is also due to **historical lower activity late July/early August**. The volume is also **high compared to pre-pandemic levels**.
- There has been, from a historical standpoint, **low volatility in valuation multiples** fluctuations amongst public SME IT-consulting and SaaS companies during the last year. Arguably a consequence of ongoing macroeconomic uncertainty.
- **Stable activity in the software market**, with Q3 2023 on par with Q2. Total of 47 transactions were executed in the last three months.
- Slightly lower volumes for IT hosting and consulting transactions compared to Q3, although above Q2 2023.
- Cross-border M&A volume in Nordic SaaS remains strong, with a **large share of Q3 transactions were executed by acquirers from outside the Nordics**.

Still high M&A tech volume compared to pre-covid level

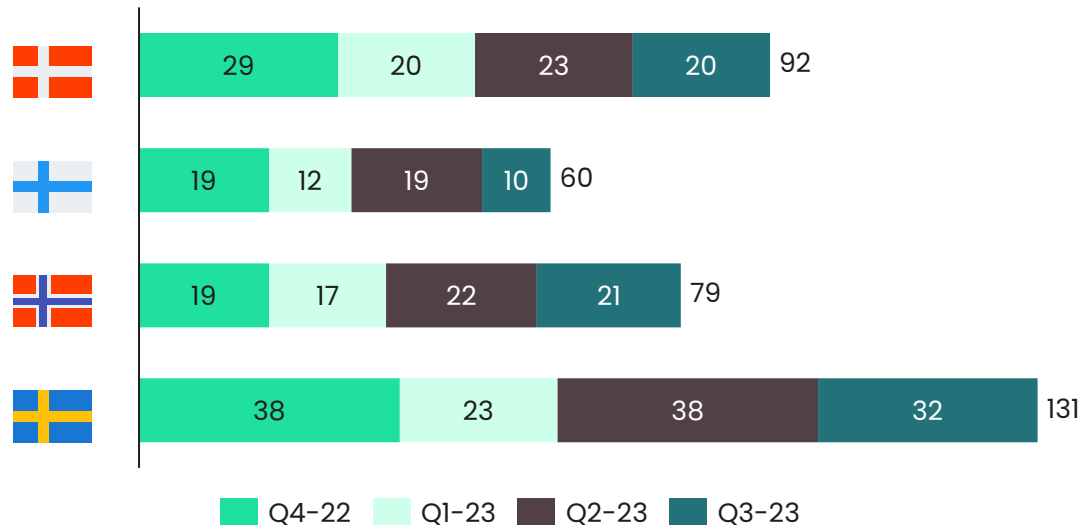
M&A transactions Nordic tech targets



LTM development transactions by Stratema-class



Nordic transactions by target country

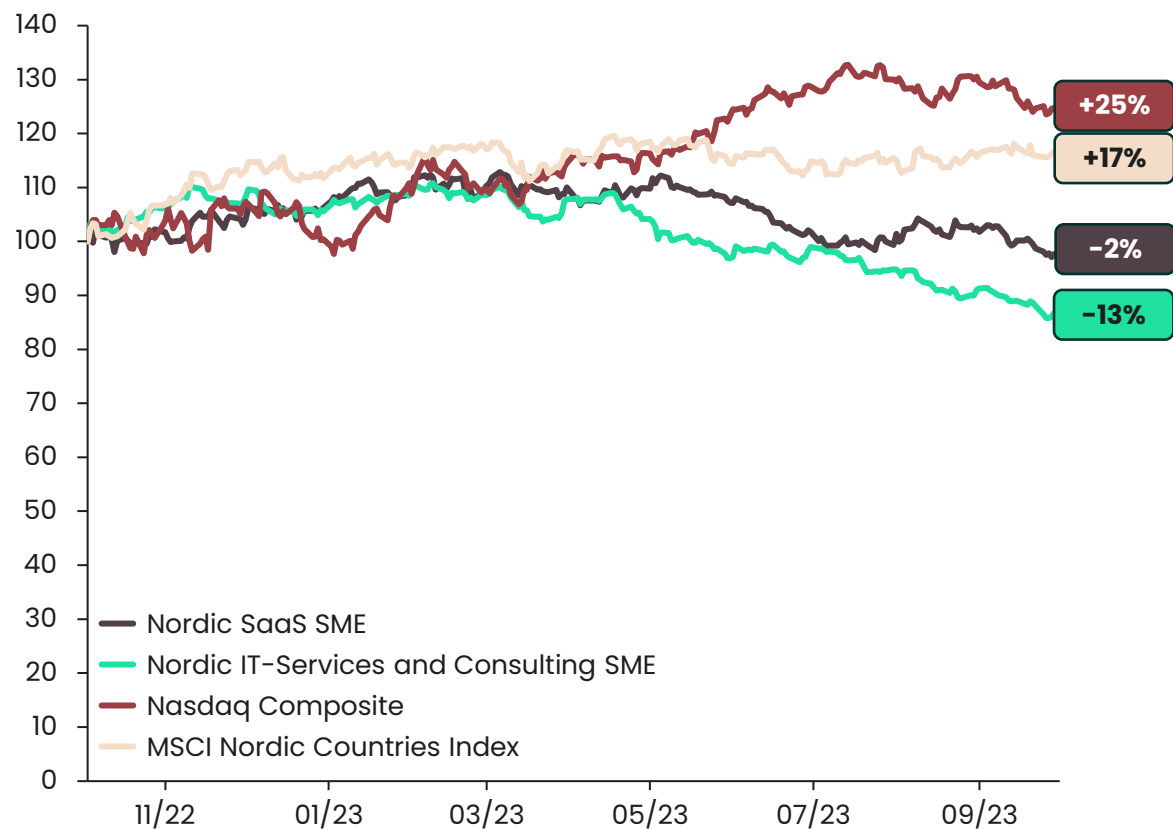


Nordic Private tech M&A multiples LTM¹

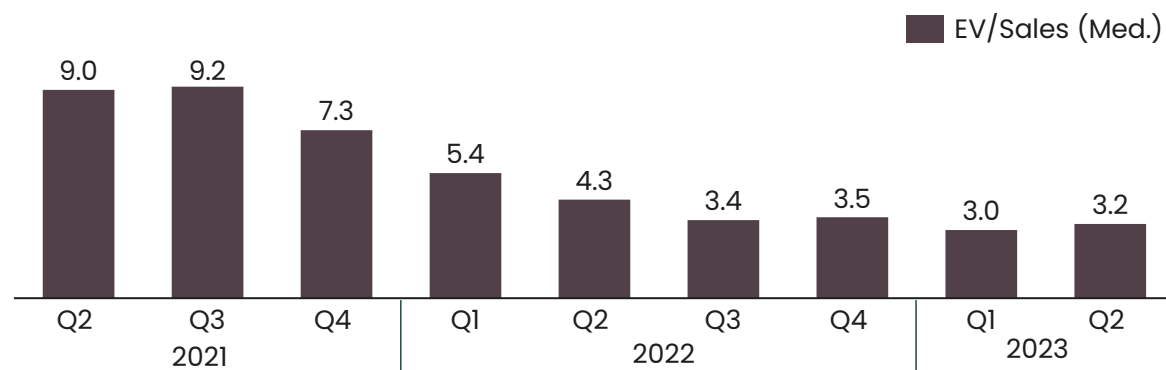
	SaaS	IT-consulting
Med. EV/Sales	3.2x	1.1x
Med. EV/EBITDA	12.4x	8.9x

Development in Nordic public tech¹

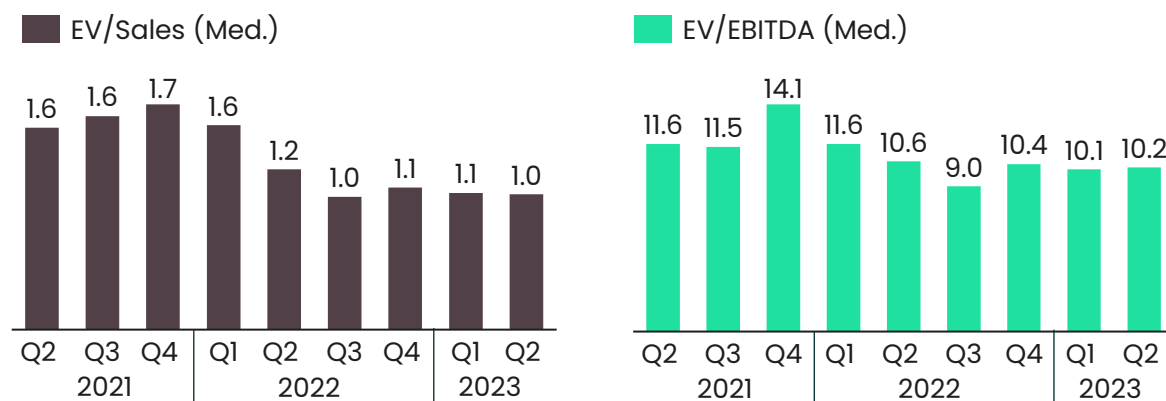
Indexes



SME Nordic Public SaaS multiples



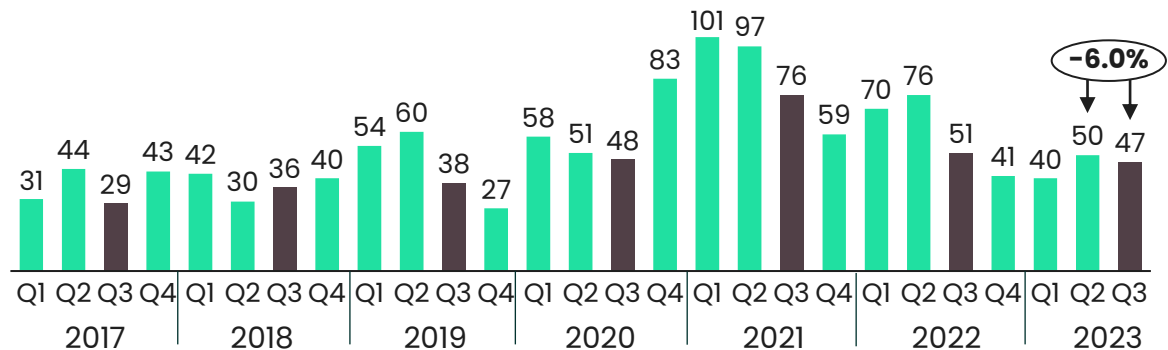
SME Nordic Public IT-Services and Consulting multiples



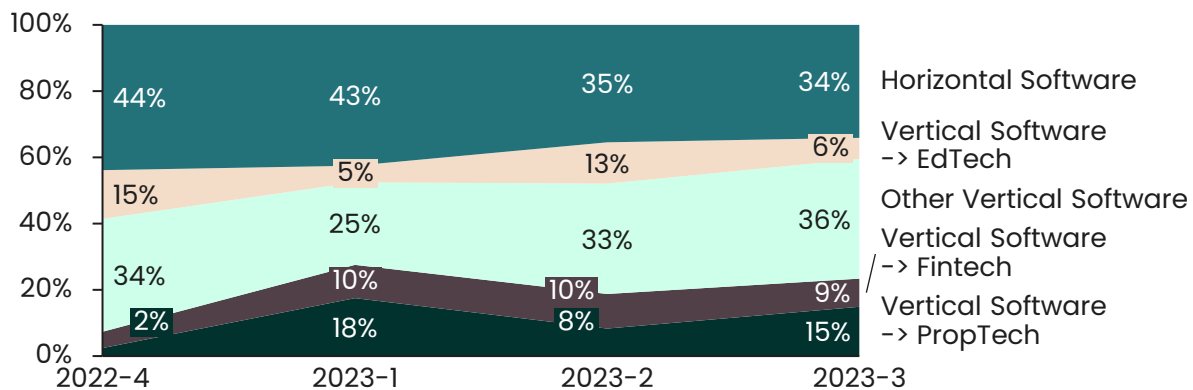
Note 1) Both Nordic IT-Consulting and Nordic SaaS are capitalization-weighted indexes created by Stratema.
 Note 2) Nordic SaaS SME Index consists of 33 Nordic SaaS companies with market cap 100-3 000 MSEK. Nordic IT-Services and consulting SME Index consists of 63 companies with market cap 100 - 3 000 MSEK
 Note 3) Multiples are compiled from publicly third-party sources

Strong quarter, with activity on par with Q2

M&A transactions Nordic software targets



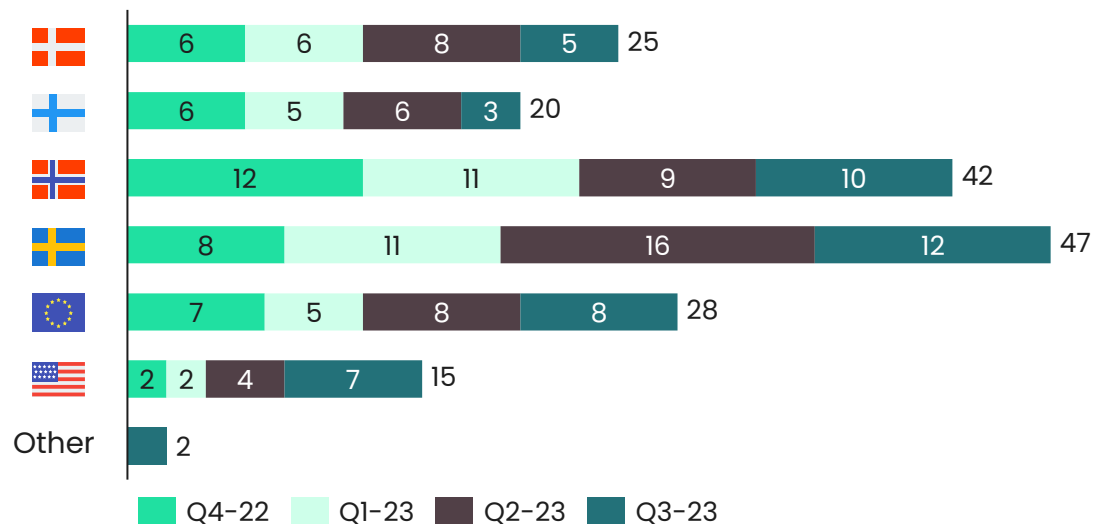
Transactions by Stratema-class



Key transactions this quarter

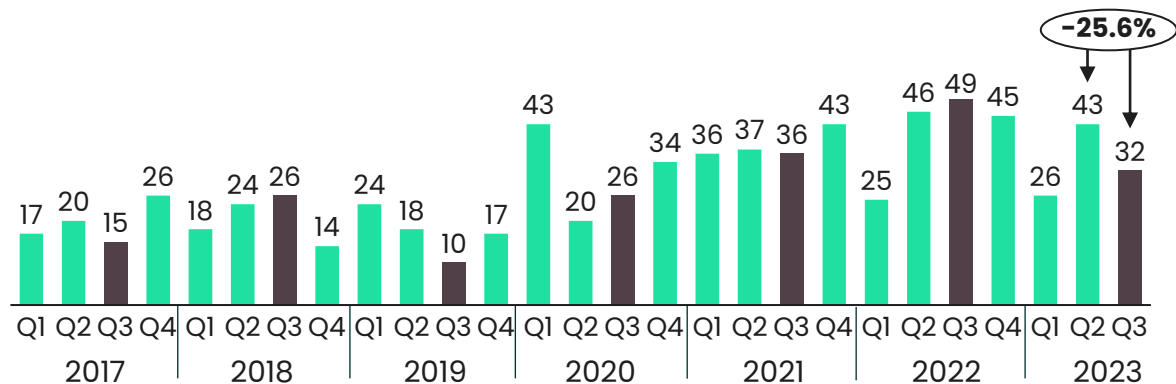
Target	Description	Buyer	Sales (MEUR)	Type
tacton	Configure, price, quote SaaS	RUBICON	33.4	PE
Acos	Digital Solutions to public sector	VISMA	25.6	PE-backed
UNIK	Real management software	MAIN CAPITAL PARTNERS	24.8	PE
Kiona	FDV Platform	CAREL	21.7	PE-backed
trainor	Online training program	apave	17.4	PE-backed

Nationality of buyers of Nordic targets LTM

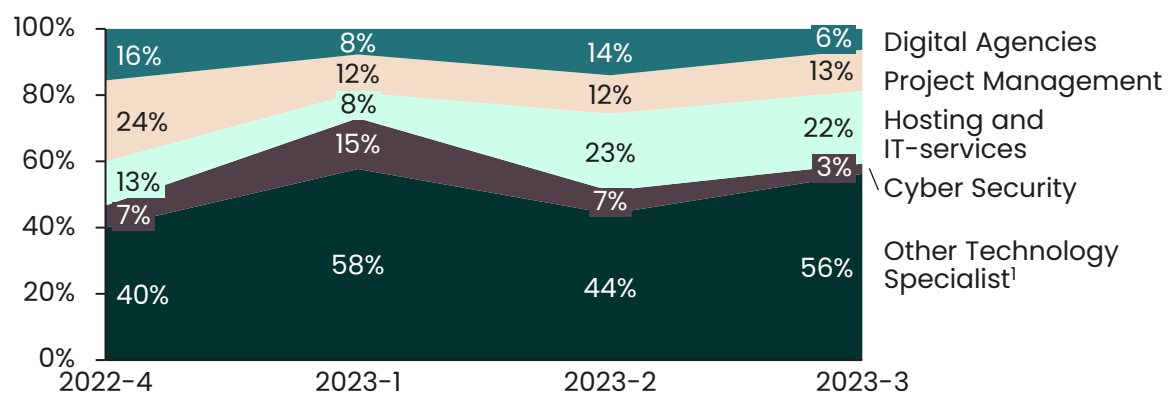


Lower than Q2, although above pre-covid level

M&A transactions Nordic IT services & consulting targets



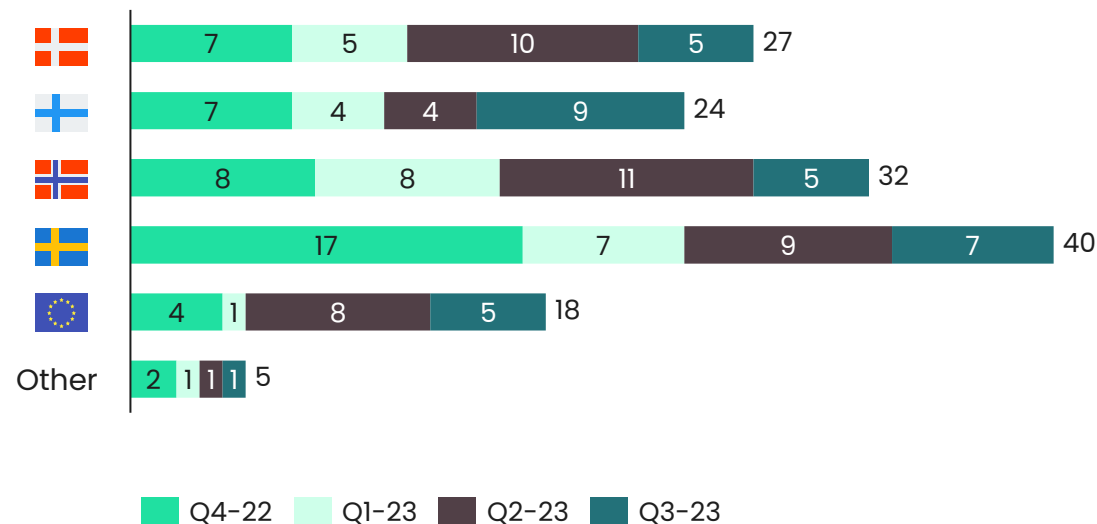
Transactions by Stratema-class



Key transactions this quarter

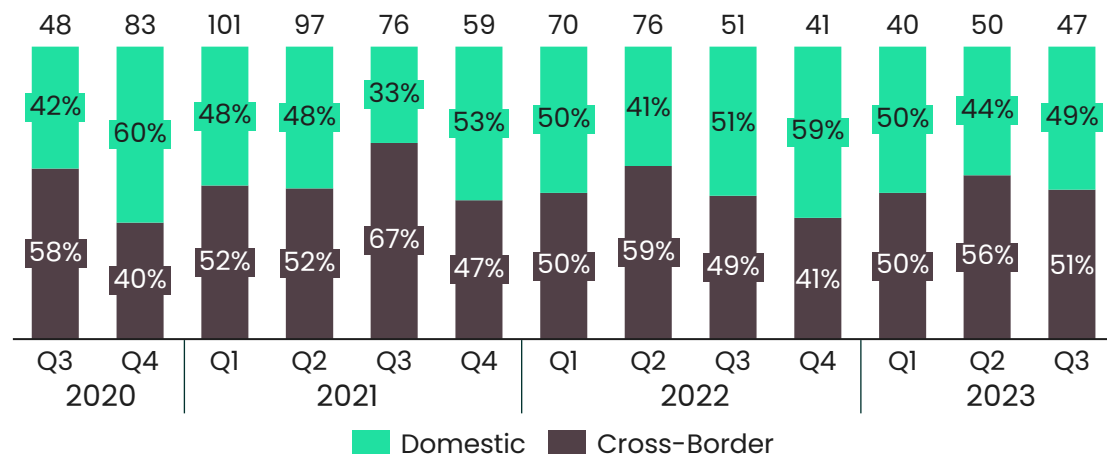
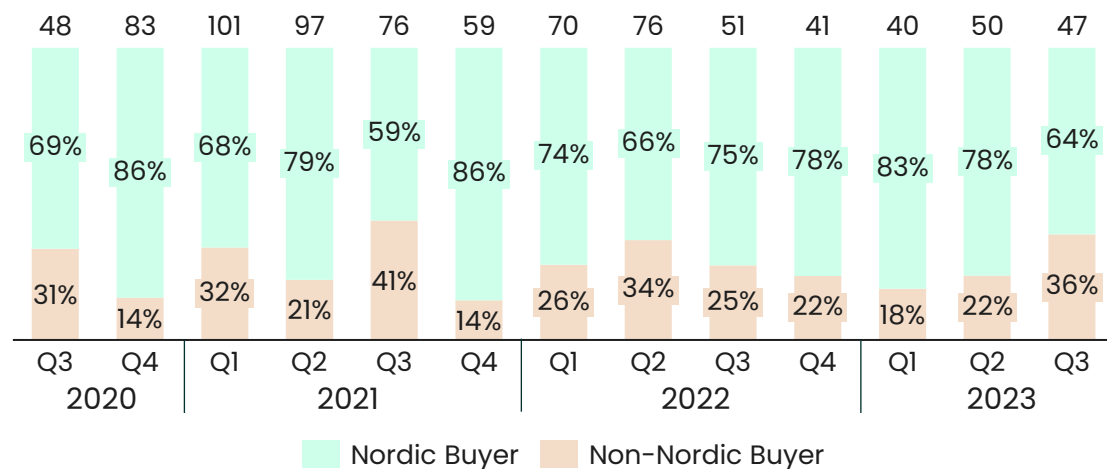
Target	Description	Buyer	Sales (MEUR)	Type
	Automation and data analytics		27.1	Industrial
	IT management		16.7	PE-backed
	Dynamics specialist		15.1	PE-backed
	Devops and cloud infrastructure		9.7	PE-backed
	Dynamics specialist		7.4	PE-backed

Nationality of buyers of Nordic targets LTM











Nordic SaaS in high demand outside domestic borders

M&A transactions (Nordic SaaS target companies)



- The Nordic SaaS M&A market has seen a significant amount of cross-border activity in recent years. In Q3 2023, a notable portion of all SaaS M&A transactions in the region were carried out by acquirers from outside the Nordics
- Investors from the US have been active in the Nordic market for a while. As previously noted by Stratema, several factors have contributed to this trend, including a high share of successful cases, favorable exchange rates, and attractive pricing.

Some notable non-Nordic acquirers Q3

Target	Sales (MEUR)	Buyer
epassi 	415.6	TA ASSOCIATES 
Q-FREE 	94.0	GUARDIAN CAPITAL 
Assessio 	24.4	POLLEN STREET 
GRIFFEYE 	10.7	MAGNET FORENSICS 

Appendix



Tech transaction database

- Stratema's M&A transaction database is a result of years of extensive research, focusing on the Nordic technology market.
- Continuous updates are made using various external resources, proprietary research as well as from communication with market participants.
 - Database inception: 2015
 - 8000+ M&A transactions
 - 4000+ Nordic (targets) M&A transactions
 - Nordic target focus



About Nordic Tech M&A Outlook

Stratema's quarterly M&A outlook covers the Nordic SME technology private market, with a focus on software, IT services and hosting, as well as tech consulting.

All data from private M&A transactions are sourced from Stratema's proprietary transaction database.

**For any inquiries regarding the quarterly report,
please reach out to:**

Dave Sandberg

Partner

+47 92 84 92 84
dave@stratema.com

Mattias Borg

Director

+46 733574142
mb@stratema.com

Stay in touch!

Oslo

Dronning Eufemias Gate 16,
0191 OSLO

Stockholm

Klara Norra Kyrkogata 26,
111 22 Stockholm

www.stratema.com

stratema.