



M&A sector report  
Nordic software and IT services market

Q4-2022

# Letter from the editors

The M&A activity level in the Nordics continued to slow down during the fourth quarter of 2022, recording a total of 61 transactions within software and IT services

The number of software transactions in Q4-22 concluded at 50, down from the 56 deals recorded in Q3-22. For 2022 however, 290 software deals was recorded, up from 247 in 2021, driven by strong H1 deal activity.

The Nordic IT services transaction market experienced some improvement in the last quarter, with 11 deals being recorded during Q4-22, up from 8 deals completed in Q3-22. Total number of IT services deals recorded in 2022 was 41, down from 72 in 2021.

For the last twelve months as per end of 2022, M&A pricing levels within software was transacted at a median EV/Sales multiple of 3.9x. For IT services, the pricing level is at a median EV/EBITDA of 12.0x at year end 2022.

SaaS multiple valuations continued their downward trajectory for global stocks, while Nordic stock valuations remained flat during the quarter. The NTM EV/Sales valuations for the Deloitte Nordic SaaS index concluded at 6.7x, with valuation at similar levels as historical mean last five years. The Deloitte Global SaaS index concluded at 5.2x NTM Sales, significantly below the last five year mean of 11.0x.

IT services stocks valuations remained fairly stable over the quarter, trading at 8.4x EV/NTM EBITDA and 9.7x EV/NTM EBITDA for the Deloitte Nordic and Global indices respectively at year-end 2022.

The Q4-2022 report reflects transactions involving a Nordic target registered by Mergermarket, as well as our transaction experience and insights.



*Nordic SaaS trading multiples at 6.7x NTM EV/Sales*



*Continued strong software deal volume*



*Nordic IT services index trading at 8.4x NTM EV/EBITDA*



*Nordic software transactions LTM EV/Sales of 3.9x*



**Kasper Harbitz Erichsen**

Corporate Finance  
[kerichsen@deloitte.no](mailto:kerichsen@deloitte.no)



**Kasper Svold Maagaard**

Corporate Finance  
[kmaagaard@deloitte.dk](mailto:kmaagaard@deloitte.dk)



**Trygve Faust-Rolseth**

M&A Strategy  
[trolseth@deloitte.no](mailto:trolseth@deloitte.no)



**Andreas Barfod**

Corporate Finance  
[abarfod@deloitte.no](mailto:abarfod@deloitte.no)

---

## TABLE OF CONTENTS

# 01

### Software

- Public market data
- M&A activity

# 02

### IT services

- Public market data
- M&A activity

# 03

### Deloitte Insights

- Recent Deloitte credentials
- Sector team & contact details

# 01 Software

# 01 Software

---

50

Record high deal volume registered in 2022, but with a significant lower volume in H2-22 compared to H1-22, as the M&A market slows down with increased macro headwinds. Deal activity remained high in Q4-2022 with a total of 50 transactions completed within the Nordic SaaS space

5x

The Global SaaS index traded at 5.2x next twelve-month sales at the end of Q4, significantly lower than the 5-year average of 11.0x NTM sales

7x

The Nordic SaaS index traded at 6.7x next twelve-month sales at quarter-end Q4, which is at the 5-year historical average of 6.7x

4x

Registered Nordic software multiples transactions concluded at a median of 3.9x for 2022

Deal volume slowed down in the Nordic software M&A market during the second half of 2022, however M&A activity is still high from a historical perspective

Listed software company valuations stabilised in Q4 2022, around their historic mean in the Nordics, whilst global SaaS valuations continued their downward trajectory

Available transaction data showcase a median EV/Sales multiple last twelve months of 3.9x Sales, however with large variations in multiples achieved

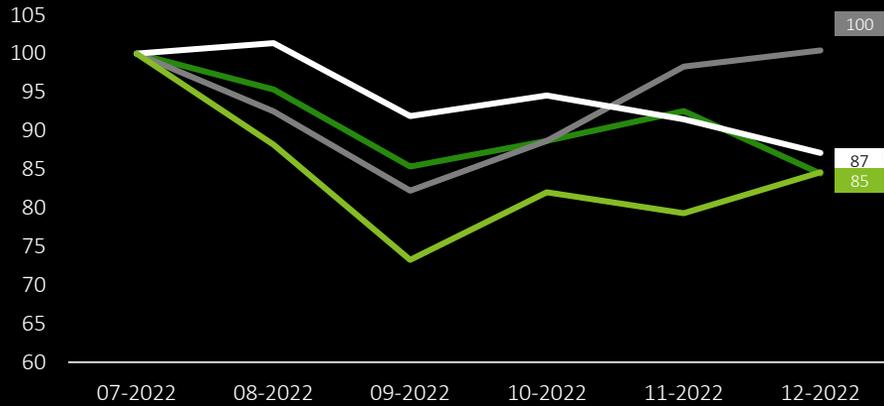
Both financial and strategic investors continued to be highly acquisitive in the Nordic countries

# Software multiple valuations decreased through 2022, with the Nordic SaaS index ending at ~7x whilst the global index ended at ~5x

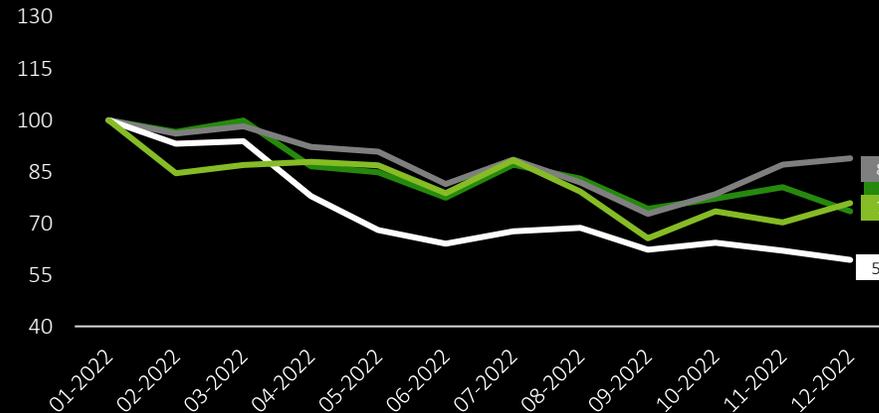


# Nordic and Global SaaS indices still outperforming Nasdaq and MSCI Nordic the last five years, despite a decline over the last 12 months

Deloitte SaaS indices vs Nasdaq Composite and MSCI Nordic - L6M



Deloitte SaaS indices vs Nasdaq Composite and MSCI Nordic - L12M



Key takeaways



Over the last five years, the Global and Nordic SaaS indices have outperformed both the MSCI Nordic and Nasdaq index

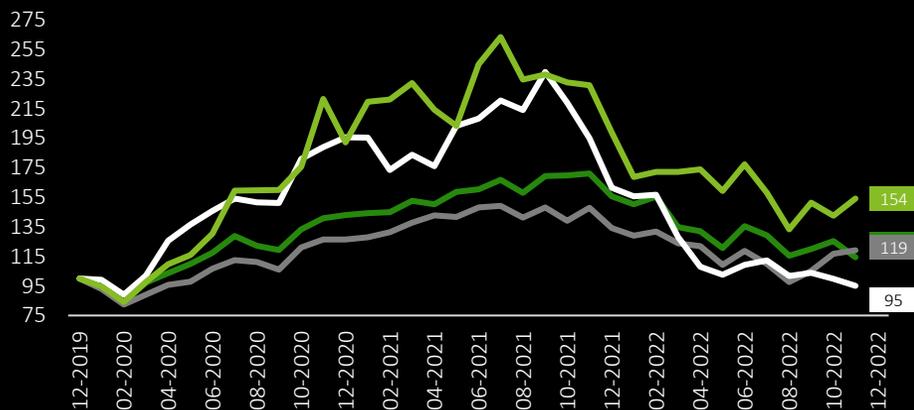


Both SaaS indices have developed negatively over the last 12 months. However, the Nordic SaaS index have had a small rebound during Q4 2022

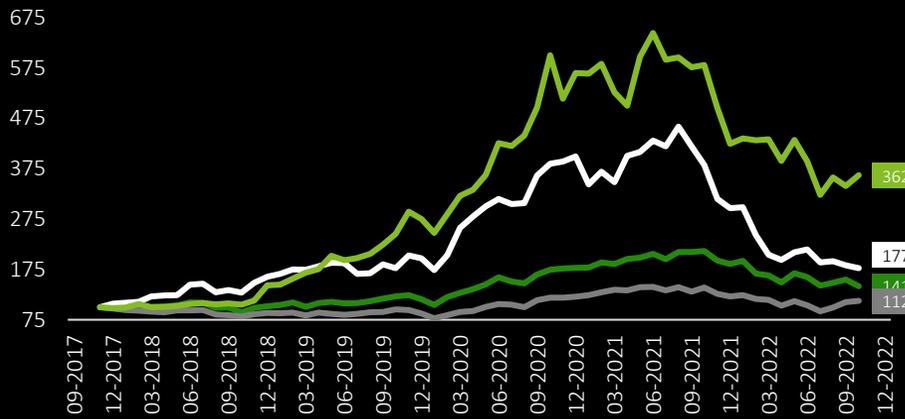


The overall strong performance of the SaaS indices over the last five years showcase the strong demand for software companies over this period, however the shifting macro environment and corresponding sentiment shift from growth to value shares have led to a sharp decline and relative underperformance over the last 12 to 18 months

Deloitte SaaS indices vs Nasdaq Composite and MSCI Nordic - L3Y



Deloitte SaaS indices vs Nasdaq Composite and MSCI Nordic - L5Y

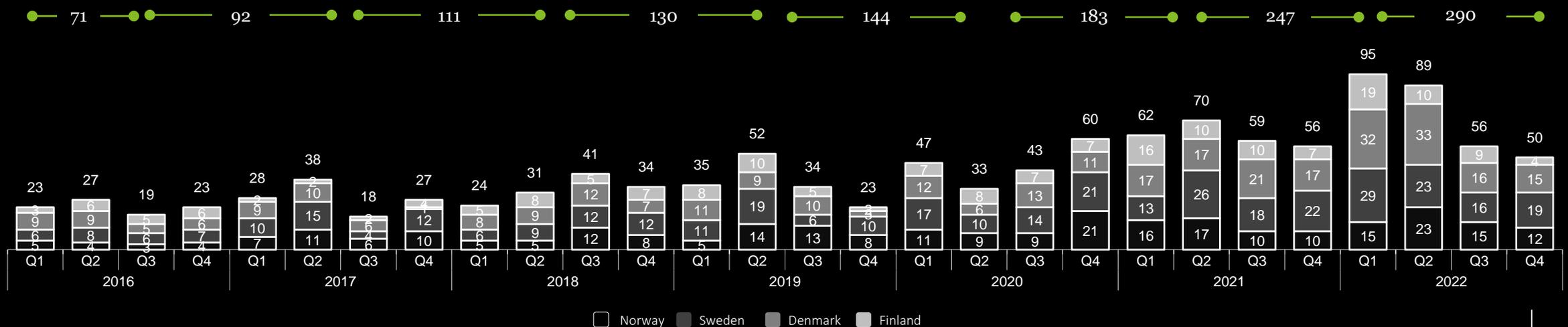


Deloitte Nordic SaaS index | Deloitte Global SaaS index | Nasdaq Composite | MSCI Nordic

# Deal volume slowed down in Q4-22 compared to previous quarters, however still high market activity

## M&A Transaction volume

Deal volume across the Nordic countries within software in Q4-22



**Norway**

- Continued high deal volume in Q4-22 with a slight downturn from Q3-22 with three less deals recorded
- PE investors accounted for ~40% of the deals in Q4-22, whilst PE-backed companies and strategic buyers accounted for ~25% and 35% respectively
- Norwegian software companies attracted significant interest from Nordic investors, completing 10 of the deals in Q4-22. Other international investors completed 2 deals

**Sweden**

- High M&A volume registered in Q4-22 with three more deals recorded compared to Q3-22
- Strategic investors accounted for 53% of the deals in Q4-22, with financial sponsors and PE-backed companies accounting for 21% and 26% respectively
- Swedish software companies attracted significant interest from international investors, completing 9 of the deals in Q4-22. Nordic investors completed 10 deals

**Denmark**

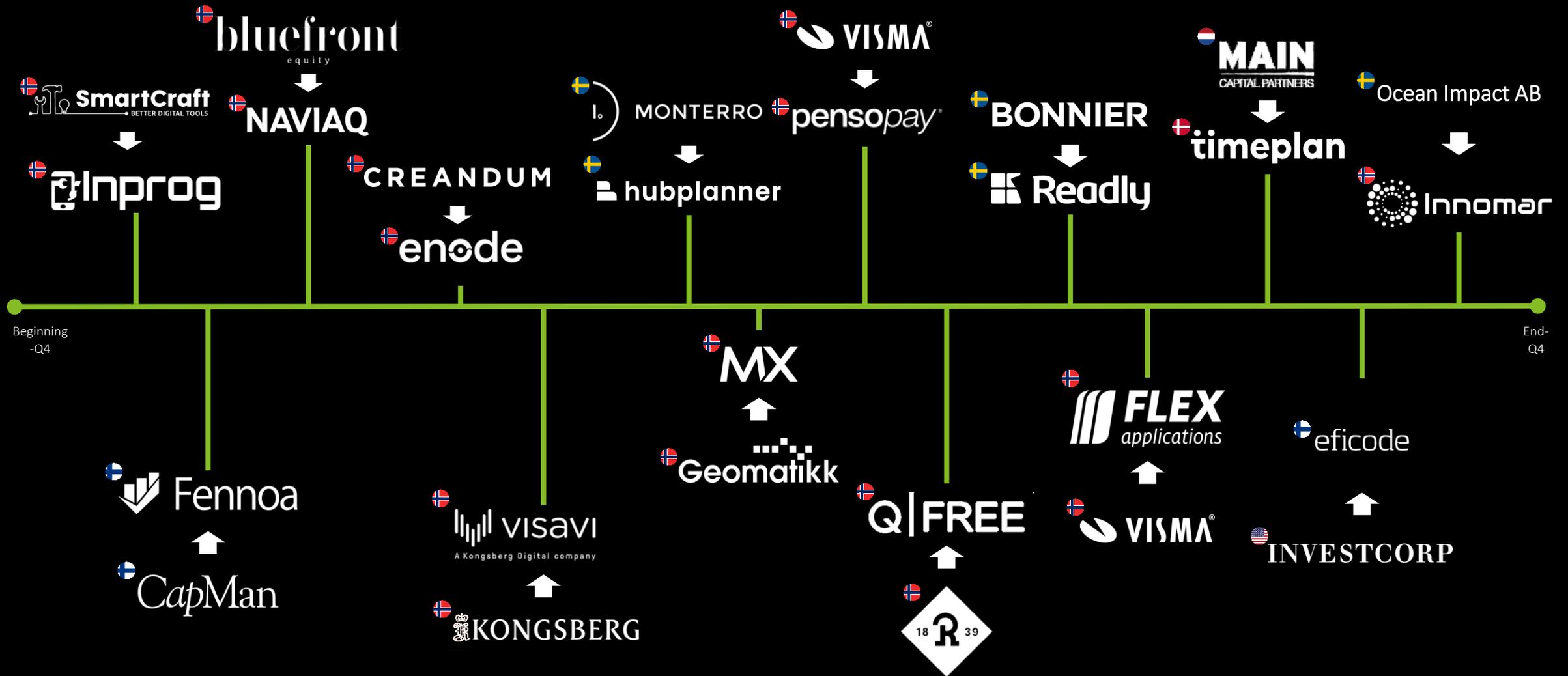
- M&A deal volume has decreased during Q4-22 with one less deal completed
- Strategic buyers accounted for 53% of the deals, whilst PE-backed investors and financial sponsors completed 33% and 13% respectively
- Danish software companies attracted significant interest from Nordic investors, completing 11 of the deals Q4-22. Other international investors completed 4 deals

**Finland**

- Lower deal volume in Q4-22 in Finland with five less deals compared to Q3-22
- Financial sponsors accounted for 75% of the deals, with PE-backed companies accounting for 25%
- Finnish software companies continue to attract interest from Nordic investors accounting for 3 deals

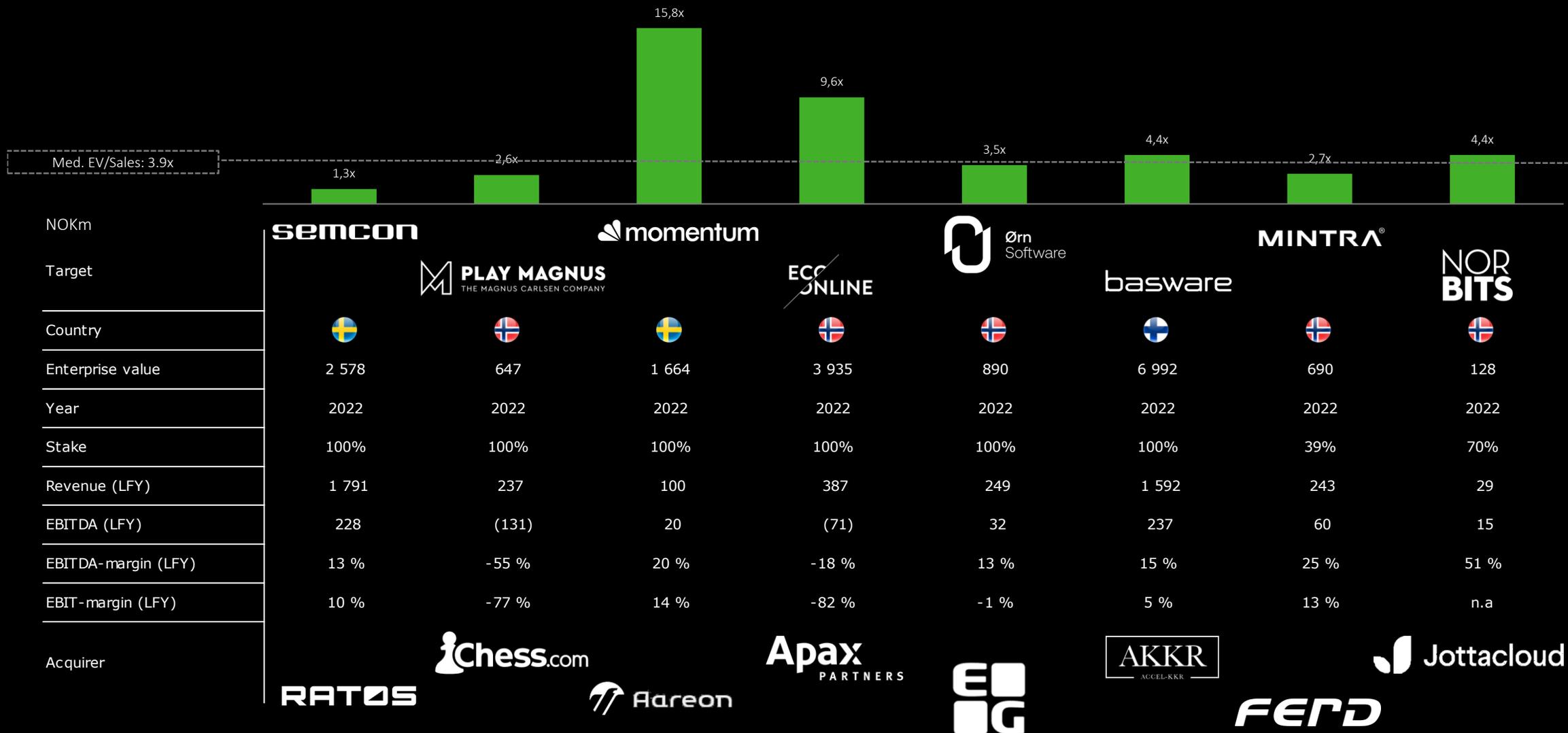
# High deal activity across the Nordics from both financial and strategic investors in Q4-22

## Selected Nordic software transactions



# Nordic software transactions concluded at a median EV/Sales multiple of 3.9x LTM

## Transaction multiples



# 02 IT services

## 02 IT services

---

11

A total of 11 transactions have been completed within the Nordic IT services space in Q4-2022

10x

Global IT services transactions concluded at a median EV/EBITDA multiple of 9.7x at the end of Q4-22

8x

The Nordic IT services index traded at 8.4x next twelve-month EBITDA at the end of Q4-22

12x

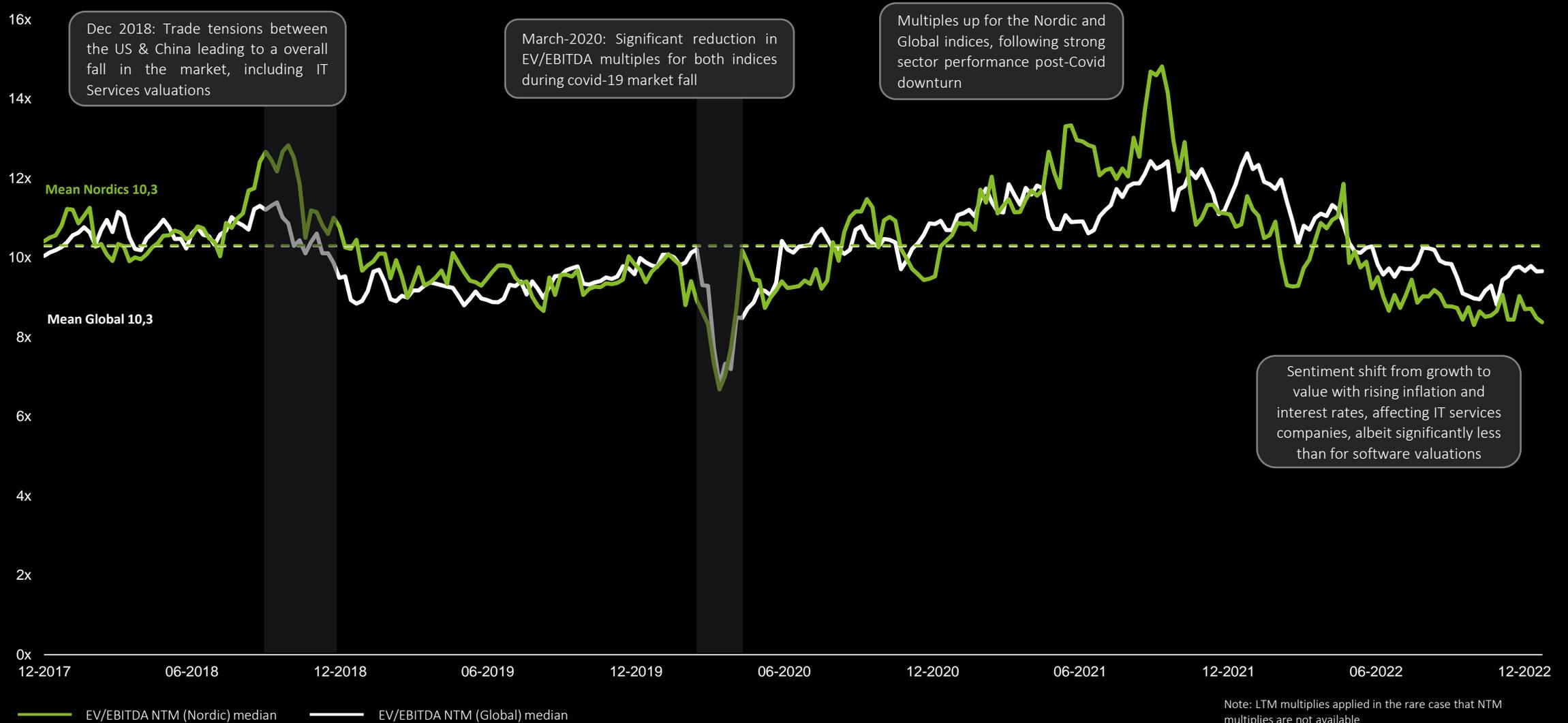
Nordic IT services transactions concluded at a median EV/EBITDA multiple of 12.0x

The deal volume in the Nordic IT services M&A market increased in Q4-22 compared to the previous quarter, with 11 registered deals. The deal volume in 2022, with 41 deals concluded, is down from 2021-levels where 72 IT services deals was recorded

The Nordic- and Global IT services indices are trading below their 5-year average NTM EBITDA multiples (both 10.3x) after continued downturn in valuation multiples during Q4-22

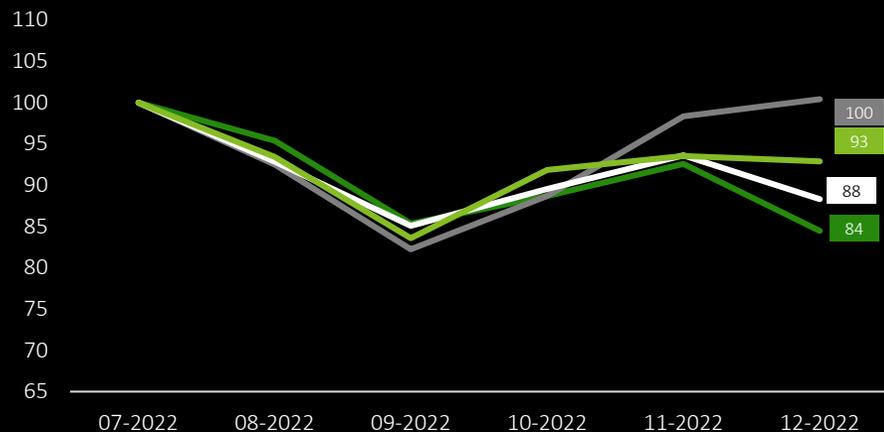
The average EV/EBITDA multiple registered for the latest available IT services transaction data is 12.0x

# For 2022, the Nordic IT Services index ended at ~8x next twelve month EBITDA, while the Global IT Services index ended at ~10 next twelve-month EBITDA

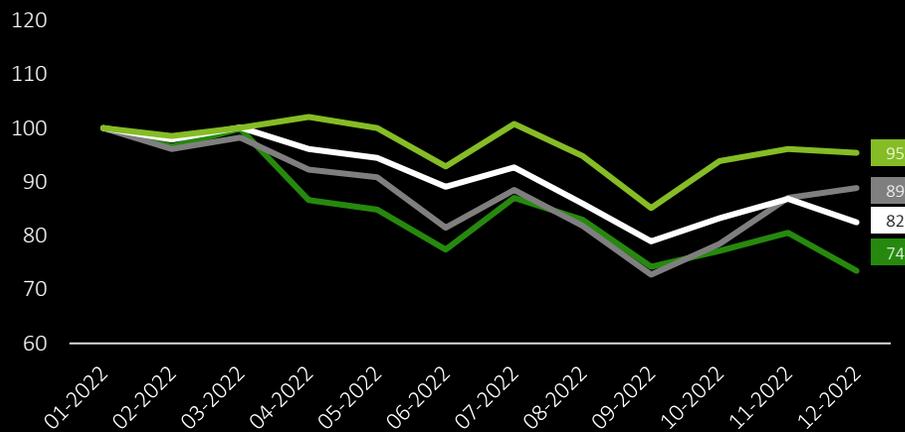


# The Nordic IT services index continues to outperform the global IT services index and the Nasdaq, despite a decline over the last 12 months

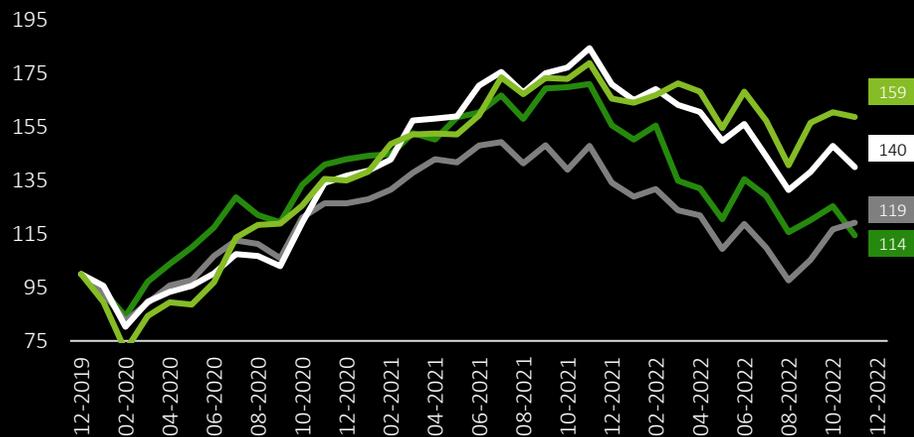
Deloitte IT services indices vs Nasdaq Composite and MSCI Nordic - L6M



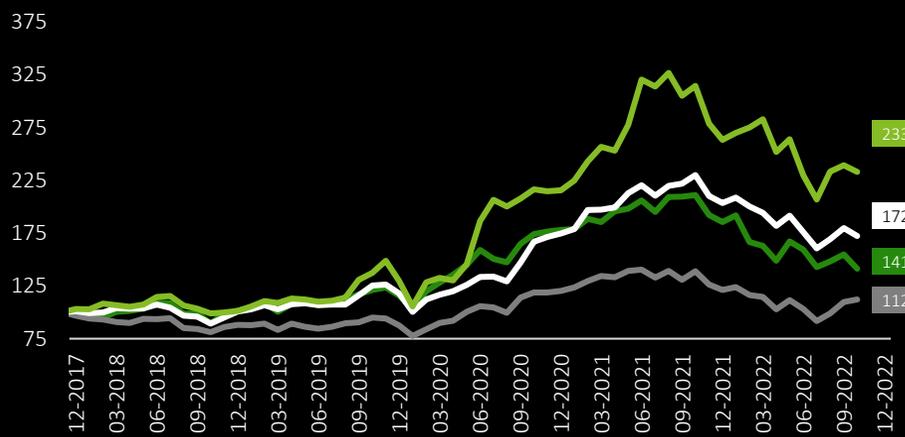
Deloitte IT services indices vs Nasdaq Composite and MSCI Nordic- L12M



Deloitte IT services indices vs Nasdaq Composite and MSCI Nordic - L3Y



Deloitte IT services indices vs Nasdaq Composite and MSCI Nordic - L5Y



— Deloitte Nordic IT services index 
 — Deloitte Global IT services index 
 — Nasdaq Composite 
 — MSCI Nordic

## Key takeaways



Over the last five years the Nordic- and Global IT services index have outperformed both the Nasdaq and the MSCI Nordic indices



The IT services indices have outperformed the broader Nasdaq index L12M

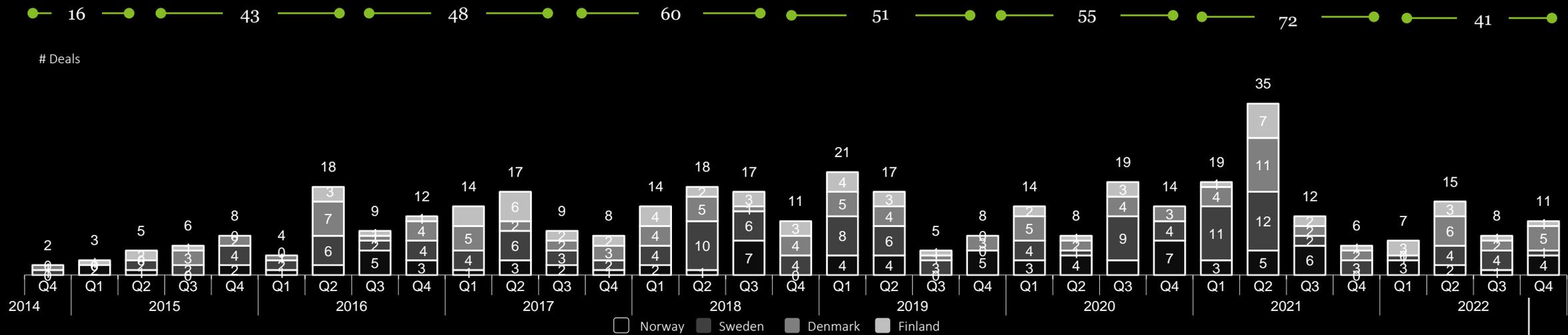


The overall strong performance of the IT Services indices over the last five years underlines the continued strong demand for IT related companies in general, albeit less than seen for software companies over the same period

# IT services deal volume in the Nordics slows down in 2022

## M&A Transaction volume

IT services deal volume across the Nordic countries in Q4-22



**Norway**

- 4 deals completed in Norway during Q4-22 which is higher compared to the previous quarter
- Norwegian PE and PE backed companies accounted for 2 deals in Q4-22, whilst strategic investors accounted for 2 deals
- There were no deals completed by international investors for Norwegian companies in Q4-22

**Sweden**

- Deal volume in Q4-22 slowed down compared to Q3-22, with one deal completed in the Swedish market
- A Swedish PE accounted for the deal in Q4-22
- A Nordic investor completed the deal in Q4-22

**Denmark**

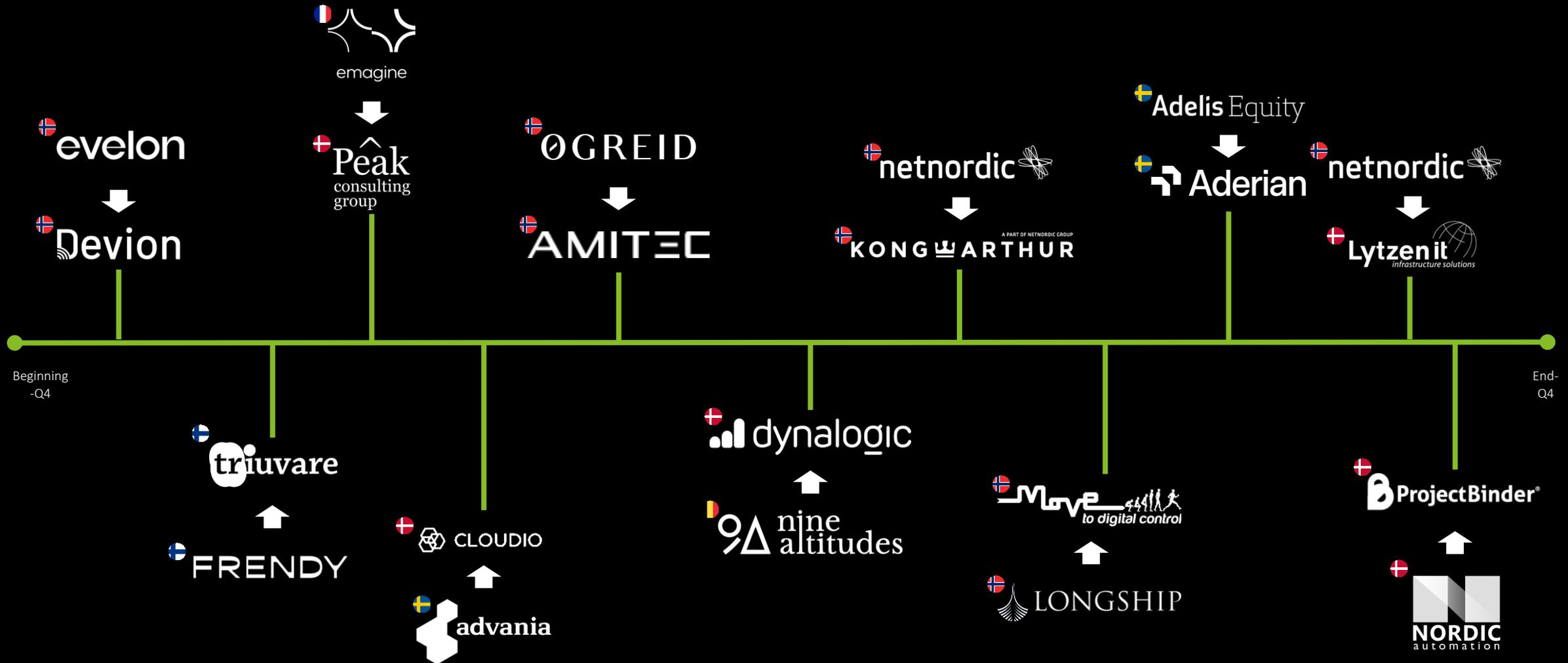
- Deal volume increased in Denmark during Q4-22 compared to Q3-22, with five deals completed during the period
- Strategic investors accounted for 80% of the deals completed during Q4-22, while PE-backed accounted for 20%
- Danish IT services companies attracted interest from international investors during Q4-22 completing 2 deals, where Nordic investors accounted for 3 deals

**Finland**

- Deal volume in Finland was on par with deal volume observed during in Q3-22, with one deal completed in Q4-22
- Strategic investors accounted for the transaction completed in Finland in Q4-22
- A Nordic investor completed the one deal recorded in Q4-22

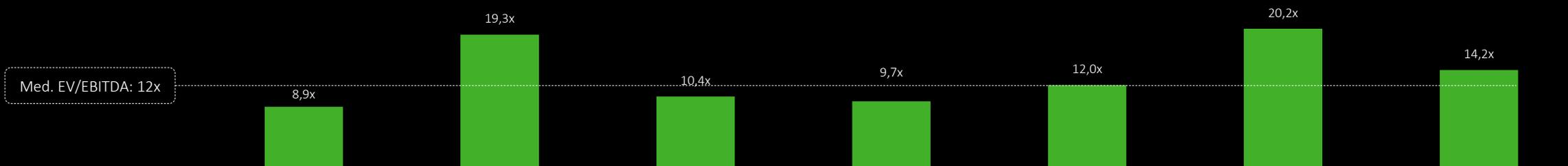
# Transactions in the Nordic IT services market in Q4-22

## Nordic IT services transactions



# Nordic IT services transactions concluded at a median EV/EBITDA multiple of 12x

## Transaction multiples



### NOKm

|                     |  |
|---------------------|--|
| Target              |  |
| Country             |  |
| Enterprise value    |  |
| Year                |  |
| Stake               |  |
| Revenue (LFY)       |  |
| EBITDA (LFY)        |  |
| EBITDA-margin (LFY) |  |
| EBIT-margin (LFY)   |  |
| Acquirer            |  |

| Target              | AMITEC | unisea | CONOA | Cybercom Intressenter AB | (vi)tari | ProData consult | Cerion |
|---------------------|--------|--------|-------|--------------------------|----------|-----------------|--------|
| Country             |        |        |       |                          |          |                 |        |
| Enterprise value    | 125    | 458    | 96    | 2,220                    | 100      | 2,491           | 66     |
| Year                | 2022   | 2022   | 2021  | 2021                     | 2021     | 2021            | 2021   |
| Stake               | 100%   | 100%   | 100%  | 100%                     | 100%     | 100%            | 100%   |
| Revenue (LFY)       | 42     | 73     | 63    | 1,529                    | 110      | 1,879           | 33     |
| EBITDA (LFY)        | 14     | 24     | 9     | 229                      | 8        | 124             | 5      |
| EBITDA-margin (LFY) | 33 %   | 32 %   | 15 %  | 15 %                     | 8 %      | 7 %             | 14 %   |
| EBIT-margin (LFY)   | n.a    | 31 %   | 15 %  | 7 %                      | 5 %      | n.a             | 14 %   |
| Acquirer            |        |        |       |                          |          |                 |        |

# 03 Deloitte Insights

# Deloitte is one of the most active advisors within the TMT sector in the Nordics

## Selected recent credentials

|   |   |  |  |   |  |
|---|---|--|--|---|--|
| <br><br><b>Sola bredbånd</b><br>acquired by<br><b>Infranode</b> | <br><br><b>KIMBRER COMPUTER</b><br>sold to<br><b>Trill Impact</b>             | <br><br><b>Lyngsoe Systems</b><br>sold to<br><b>Accent Equity</b>             | <br><br><b>EDIGard</b><br>acquired by<br><b>AnaCap</b> | <br><br><b>TAFJORD Connect</b><br>acquired by<br><b>Infranode</b> | <br><br><b>EnviDan SELVKOST</b><br>sold to<br><b>Visma</b> |
| <b>Deloitte.</b><br>acted as exclusive financial adviser to<br><b>Infranode</b><br><br>Broad process<br><i>Norwegian broadband provider</i>    | <b>Deloitte.</b><br>acted as exclusive financial adviser to<br><b>Kimbrer Computer</b><br><br>Partnership agreement<br><i>Danish supplier of IT hardware</i> | <b>Deloitte.</b><br>acted as exclusive financial adviser to<br><b>CataCap</b><br><br>Broad process<br><i>Danish logistic software and system integrator</i> | <b>Deloitte.</b><br>acted as exclusive financial adviser to<br><b>AnaCap</b><br><br>Focused process<br><i>Payment solution business</i> | <b>Deloitte.</b><br>acted as exclusive financial adviser to<br><b>Infranode</b><br><br>Focused process<br><i>Norwegian broadband provider</i>      | <b>Deloitte.</b><br>acted as exclusive financial adviser to<br><b>Waterland</b><br><br>Broad process<br><i>Nordic IT solution company</i>   |

# Deloitte professionals covering TMT in Norway

## Contact details

### Corporate Finance Advisory



**Carsten V. Haukås**  
Corporate Finance  
+47 91 555 035  
chaukas@deloitte.no  
[LinkedIn](#)



**Kasper Harbitz Erichsen**  
Corporate Finance  
+47 906 50 679  
kerichsen@deloitte.no  
[LinkedIn](#)



**Andreas Barfod**  
Corporate Finance  
+47 901 02 027  
abarfod@deloitte.no  
[LinkedIn](#)

### M&A Strategy



**Sheil Malde**  
M&A Strategy  
+47 959 20 982  
smalde@deloitte.no  
[LinkedIn](#)



**Trygve Faust-Rolseth**  
M&A Strategy  
+47 924 34 437  
trolseth@deloitte.no  
[LinkedIn](#)

### M&A Transaction Services



**Are Skjøy**  
Transaction Services  
+47 907 26 899  
askjoy@deloitte.no  
[LinkedIn](#)



**Nikolai Maldan**  
Transaction Services  
+47 952 68 729  
nmaldan@deloitte.no  
[LinkedIn](#)

### M&A Tax



**Audun Frøland**  
M&A Tax  
+47 913 48 997  
afroland@deloitte.no  
[LinkedIn](#)

### M&A and Business Transformation



**Joachim Gullaksen**  
Post Merger Integration  
+47 905 34 970  
jogullaksen@deloitte.no  
[LinkedIn](#)



**Ole Rødland**  
Technology Due Diligence  
+47 938 89 949  
orodland@deloitte.no  
[LinkedIn](#)

### M&A Legal



**Mari Wetlesen**  
M&A Legal Services  
+47 909 65 187  
mwetlesen@deloitte.no  
[LinkedIn](#)

**Deloitte.**

Please visit us at:



[Deloitte Corporate Finance](#)



[Deloitte Corporate Finance](#)



[Deloitte Norway](#)



Dronning Eufemias Gate 14  
0191 Oslo, Norway

# Deloitte professionals covering TMT in Denmark

## Contact details

### Corporate Finance Advisory



**Kasper Svold Maagaard**  
Corporate Finance  
+45 30 93 54 54  
kmaagaard@deloitte.dk  
[LinkedIn](#)



**Tore Stürmer Heyden**  
Corporate Finance  
+45 30 93 00 33  
theyden@deloitte.dk  
[LinkedIn](#)



**Preben Krab Larsen**  
Corporate Finance  
+45 22 32 82 51  
prlarsen@deloitte.dk  
[LinkedIn](#)



**Sebastian Kvist Guldborg**  
Corporate Finance  
+45 40 33 61 37  
seguldborg@deloitte.dk  
[LinkedIn](#)



**Frederik Holm Andersen**  
Corporate Finance  
+45 50 48 64 86  
fandersen@deloitte.dk  
[LinkedIn](#)

### Other Deloitte professionals covering TMT in Denmark



**Thomas Strand**  
Transaction Services



**Adam Norsker**  
M&A Strategy



**Mikkel Boe**  
Post Merger Integration



**Michael Hoe Knudsen**  
M&A Tax

**Deloitte.**

Please visit us at:



[Deloitte Corporate Finance](#)



[Deloitte Corporate Finance](#)



[Deloitte Denmark](#)



Weidekampsgade 6  
2300 Copenhagen S, Denmark

# Deloitte professionals covering TMT in Sweden

## Contact details

### Corporate Finance Advisory



**David Järnland**

- Corporate Finance
- +46 70 080 28 49
- djarnland@deloitte.se
- [LinkedIn](#)

### M&A Strategy



**Nils Lindstrand**

- M&A Strategy
- +46 70 080 29 70
- nlindstrand@deloitte.se
- [LinkedIn](#)

### M&A Transaction Services



**Marcus Ekehov**

- Transaction Services
- +46 70 080 33 12
- mekehov@deloitte.se
- [LinkedIn](#)

### M&A and Business Transformation



**Debbie Wrench**

- Post Merger Integration
- +46 70 080 29 80
- dewrench@deloitte.se
- [LinkedIn](#)



**Thomas Rauschning**

- Corporate Finance
- +46 70 080 29 81
- trauschning@deloitte.se
- [LinkedIn](#)



**Tom Pernodd**

- Transaction Services
- +46 73 397 10 60
- tpernodd@deloitte.se
- [LinkedIn](#)



**Jonas Malmlund**

- Consulting
- +46 73 397 13 03
- jmalmlund@deloitte.se
- [LinkedIn](#)

### M&A Tax



**Johan Rasmussen**

- M&A Tax
- +46 70 080 29 59
- johrasmussen@deloitte.se
- [LinkedIn](#)

### Valuation & Modelling



**Mats Lindqvist**

- Valuation & Modelling
- +46 73 397 21 14
- mlindqvist@deloitte.se
- [LinkedIn](#)



Please visit us at:



[Deloitte Corporate Finance](#)



[Deloitte Corporate Finance](#)



[Deloitte Sweden](#)



Rehngatan 11  
113 79 Stockholm, Sweden

# Deloitte professionals covering TMT in Finland

## Contact details

### Corporate Finance Advisory



**Henrik Wickström**  
Corporate Finance  
+358 40 539 1087  
henrik.wickstrom@deloitte.fi  
[LinkedIn](#)



**Matti Saarimaa**  
Corporate Finance  
+358 40 549 4631  
matti.saarimaa@deloitte.fi  
[LinkedIn](#)

### M&A Transaction Services



**Marko Pöllänen**  
Transaction Services  
+358 40 730 7053  
marko.pollanen@deloitte.fi  
[LinkedIn](#)



**Niko Annola**  
Transaction Services  
+358 40 571 0472  
niko.annola@deloitte.fi  
[LinkedIn](#)



**Santeri Karvinen**  
Transaction Services & Analytics  
+358 40 044 4519  
santeri.karvinen@deloitte.fi

### Other Deloitte professionals covering TMT in Finland



**Tapio Koivumäki**  
Post Merger Integration  
+358 40 357 6138  
tapio.koivumaki@deloitte.fi  
[LinkedIn](#)



**Jukka-Petteri Suortti**  
Consulting  
+358 50 563 6436  
jukka-petteri.suortti@deloitte.fi  
[LinkedIn](#)



**Mikko Lahtinen**  
Audit  
+358 50 599 4278  
mikko.lahtinen@deloitte.fi  
[LinkedIn](#)



**Tomi Karsio**  
M&A Tax  
+358 40 836 5171  
tomi.karsio@deloitte.fi  
[LinkedIn](#)



**Tuomo Saari**  
Consulting  
+358 40 505 9159  
tuomo.saari@deloitte.fi  
[LinkedIn](#)



**Nikolas Sjöberg**  
M&A Legal  
+358 44 750 5663  
nikolas.sjoberg@deloitte.fi  
[LinkedIn](#)



Please visit us at:



[Deloitte Financial Advisory](#)



[Deloitte Corporate Finance](#)



[Deloitte Finland](#)



Salmisaarenaukio 2,  
00180 Helsinki, Finland



Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see [www.deloitte.no](http://www.deloitte.no) to learn more.

Deloitte Norway conducts business through two legally separate and independent limited liability companies; Deloitte AS, providing audit, consulting, financial advisory and risk management services, and Deloitte Advokatfirma AS, providing tax and legal services.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our global network of member firms and related entities in more than 150 countries and territories (collectively, the “Deloitte organization”) serves four out of five Fortune Global 500® companies. Learn how Deloitte’s approximately 312,000 people make an impact that matters at [www.deloitte.no](http://www.deloitte.no).

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms or their related entities (collectively, the “Deloitte organization”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.