

The background is a dark blue field filled with numerous thin, glowing blue lines that radiate outwards from a central horizontal band. These lines resemble fiber optic cables or data connections. The central band is a lighter, semi-transparent blue, creating a sense of depth and focus.

Deloitte.

M&A sector report

Nordic technology, media and telecom market

Q1-2025

Letter from the editors

M&A activity in the Nordics within Technology, Media, and Telecommunications (TMT) declined in Q1 2025 compared to the past three quarters, influenced by geopolitical and macroeconomic uncertainty. A total of 128 transactions were completed, down from 164 transactions in Q4 2024. Despite the decline, M&A activity remains high compared to historical levels and in line with Q1 2024.

Nordic M&A activity in the software sector remained robust with 104 transactions recorded in Q1 2025, compared to 133 transactions in Q4 2024. This represents a decline of roughly 20%, constituting the largest drop across the TMT subsectors in the Nordics. Despite the decline, the software sector set a new twelve-month trailing record with 486 transactions as Q1 2025 provided more transactions than Q1 2024.

In Q1 2025, both Nordic and global software valuation multiples experienced a slight decrease. The global benchmarks saw the most significant drop, primarily driven by US-based SaaS companies. The median EV/NTM¹ Revenue multiple ended at 5.5x globally, down from 6.3x in Q4 2024. The Nordic SaaS index also decreased, closing with a median NTM revenue multiple of 2.9x, compared to 3.2x in the previous quarter. A profitability premium has re-emerged, highlighting the impact of macroeconomic uncertainty.

The Nordic IT services sector recorded ten transactions in Q1 2025, a slight decrease from twelve transactions in the previous quarter. However, this represents a significant uptick compared to Q1 2024, which saw only five transactions. The Q1 2025 median multiple for Nordic IT services peers stood at 7.8x EV/NTM EBITDA, compared to the global median of 8.9x. This indicates a narrowing of the valuation gap between Nordic and global benchmarks.

The media and telecommunications sectors maintained stable transaction activity in Q1 2025, recording 14 transactions. This marks a slight decline from the 16 transactions in the previous quarter but an increase from the 12 transactions in Q1 2024. Recent transaction multiples for Q1 2025 were notable, with EV/EBITDA ratios of 15.6x for media and 17.7x for telecommunications.

The IT hardware subsector experienced minimal transaction activity in Q1 2025, with only one recorded transaction. Due to the limited M&A activity, this report does not include a detailed analysis of the hardware sector.

The data and insights in this report draw on transactions in the Nordics recorded by Mergermarket, further supported by Deloitte's proprietary transaction experience. Transaction volume reflects Mergermarket-announced transactions within TMT industry categories.



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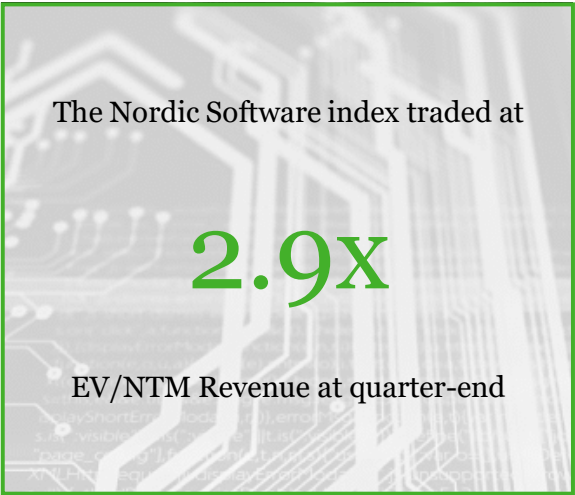
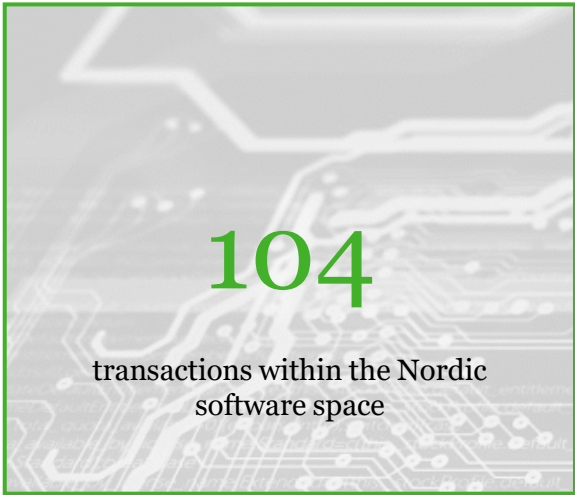
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Deloitte insights

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- Sector team & contact details

Key software statistics for Q1-2025



Notes: 1) Start of historical period analysed in this report; 2) As measured by indexed stock price; 3) Based on selected recent transactions with available data

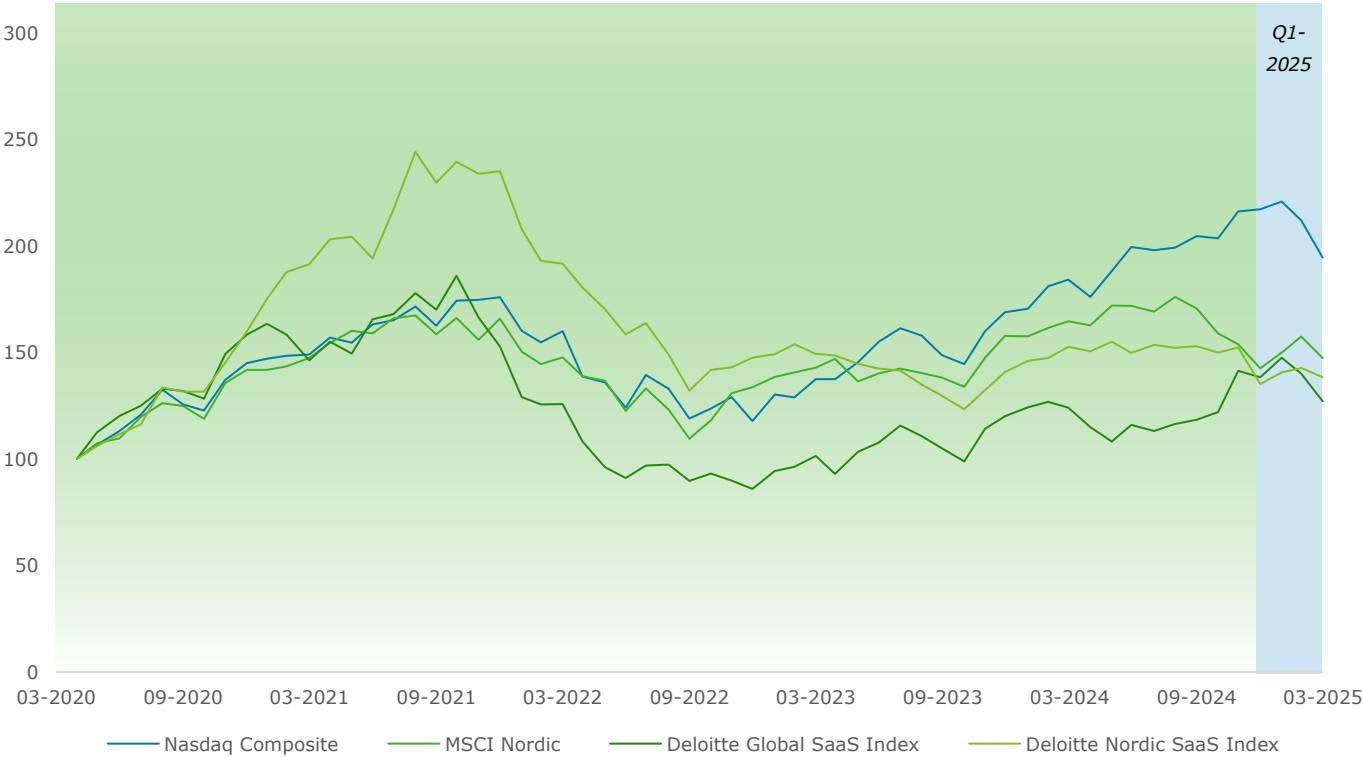
Nordic and Global software multiples declined in Q1-2025



Nordic software companies have been less impacted by recent turmoil

Indexed stock price development for various indices, start point: 100

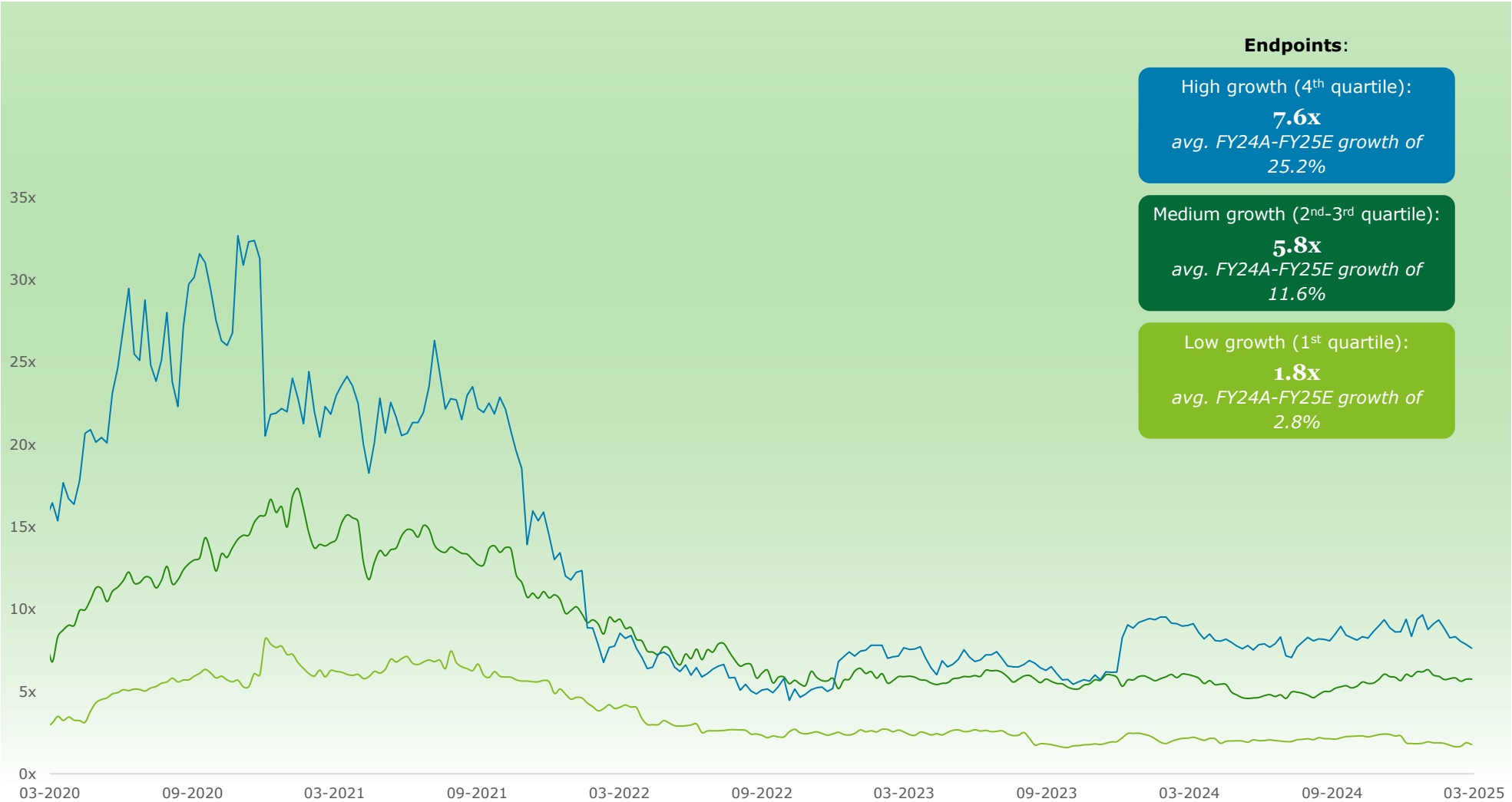
The Deloitte Nordic Software Index demonstrated greater robustness in Q1 2025 compared to the Global Software Index. This disparity is driven investors increasingly looking toward European stocks, while de-risking US exposure.



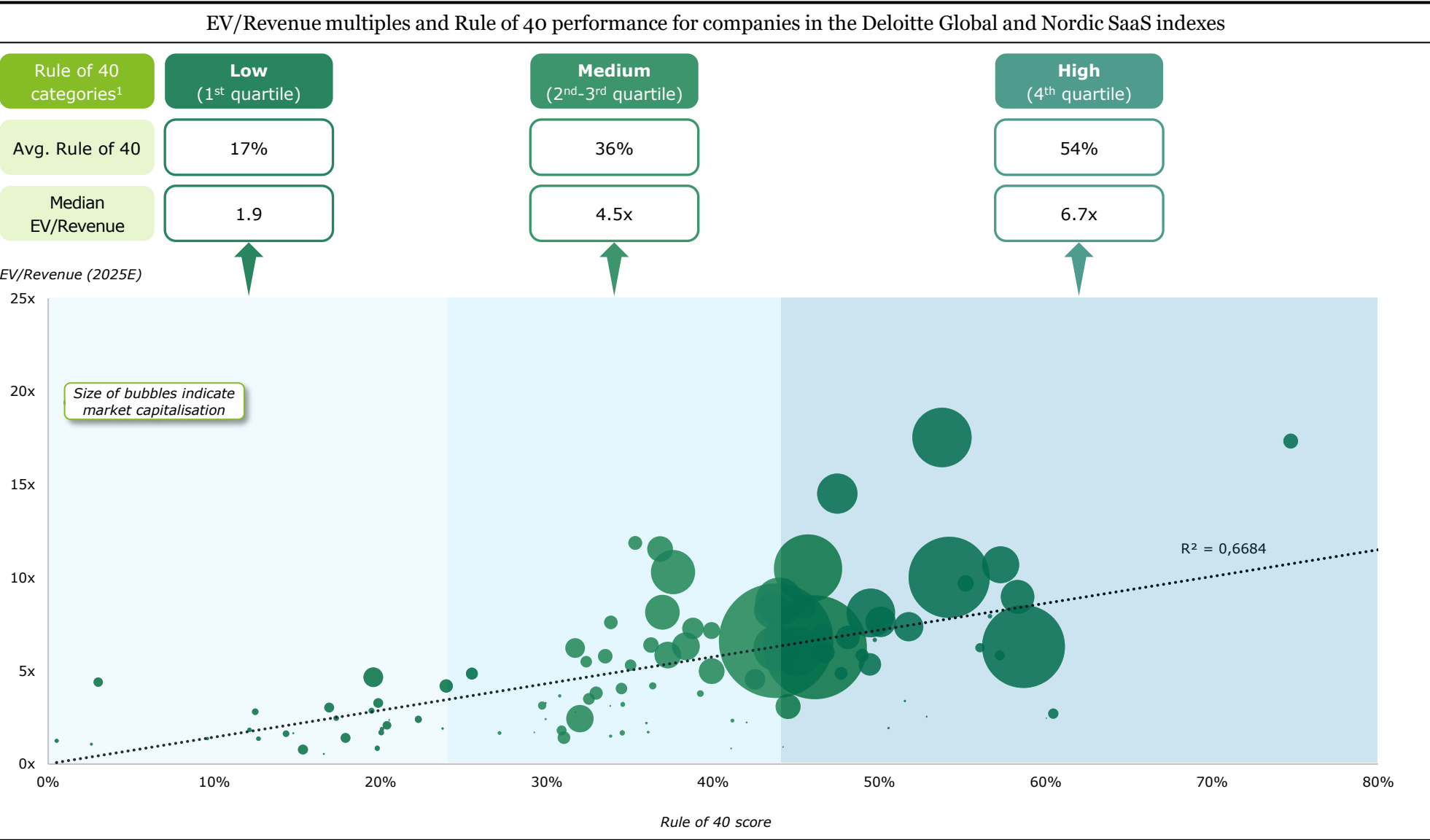
| | |
|------------------------------------|---|
| Deloitte Nordic SaaS index: 138 | Index development L3M: 2.3% L6M: (9.5%) LTM: (9.4%) |
| Deloitte Global SaaS index: 127 | Index development L3M: (8.2) L6M: 7.4% LTM: 2.4% |
| Nasdaq Composite: 198 | Index development L3M: (10.4%) L6M: (4.9%) LTM: 5.6% |
| MSCI Nordic: 147 | Index development 3M: 3.3% L6M: (13.7%) LTM: (10.5%) |

High growth continues to yield valuation premiums for software companies

Median NTM EV/Revenue development for high, medium and low growth companies in the Deloitte Global and Nordic SaaS indexes

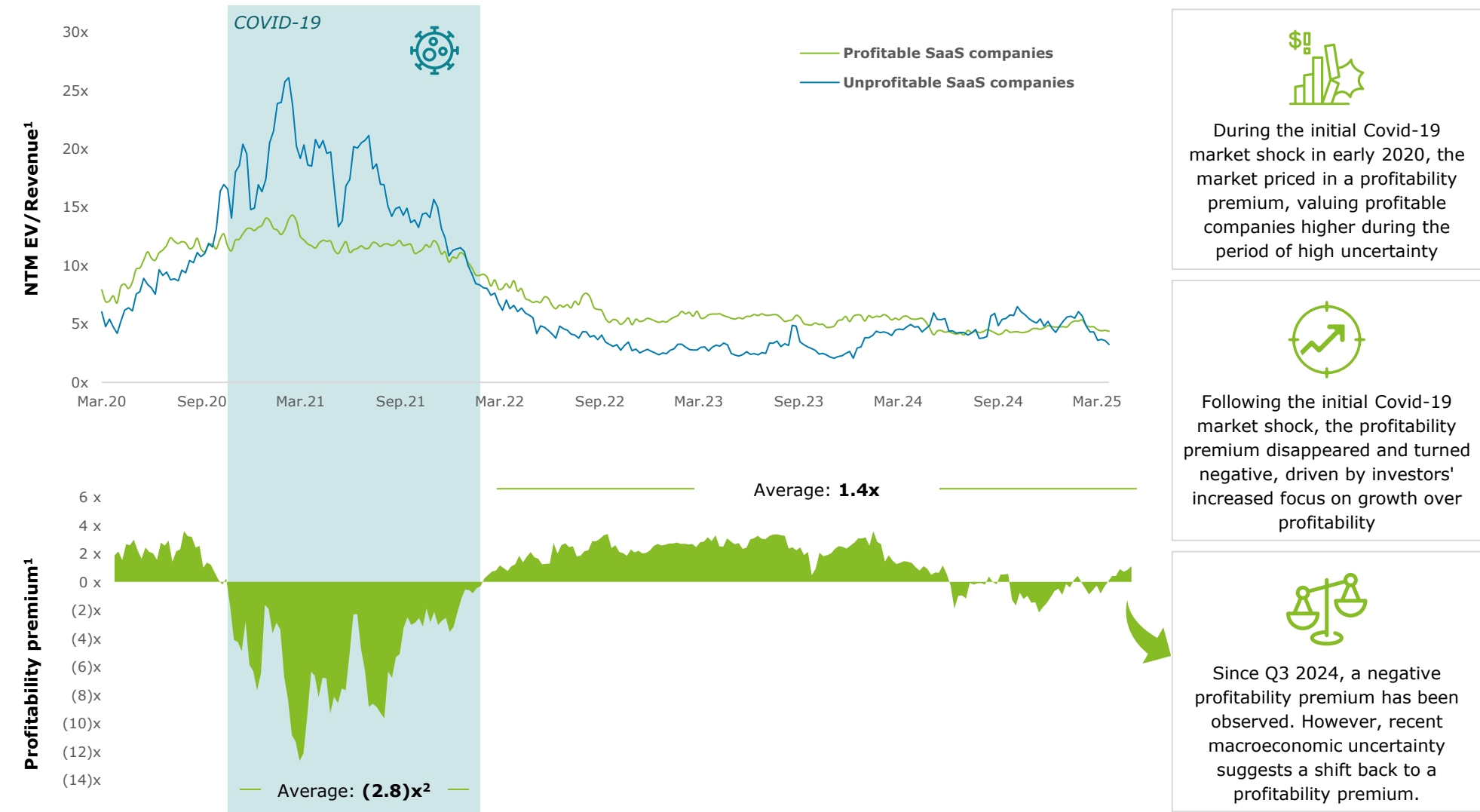


Higher Rule of 40 performance supports valuation premiums for software companies



Return to a profitability premium amid macro uncertainty and lower risk appetite

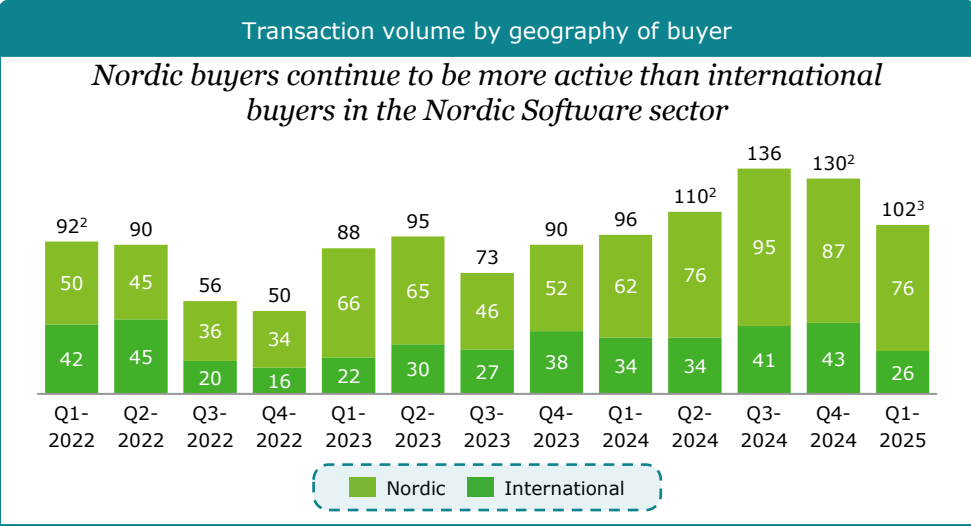
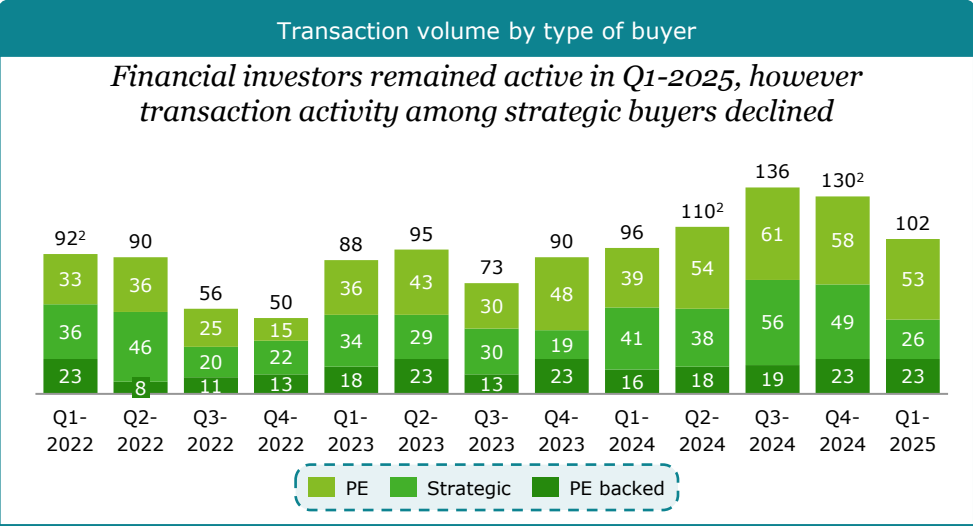
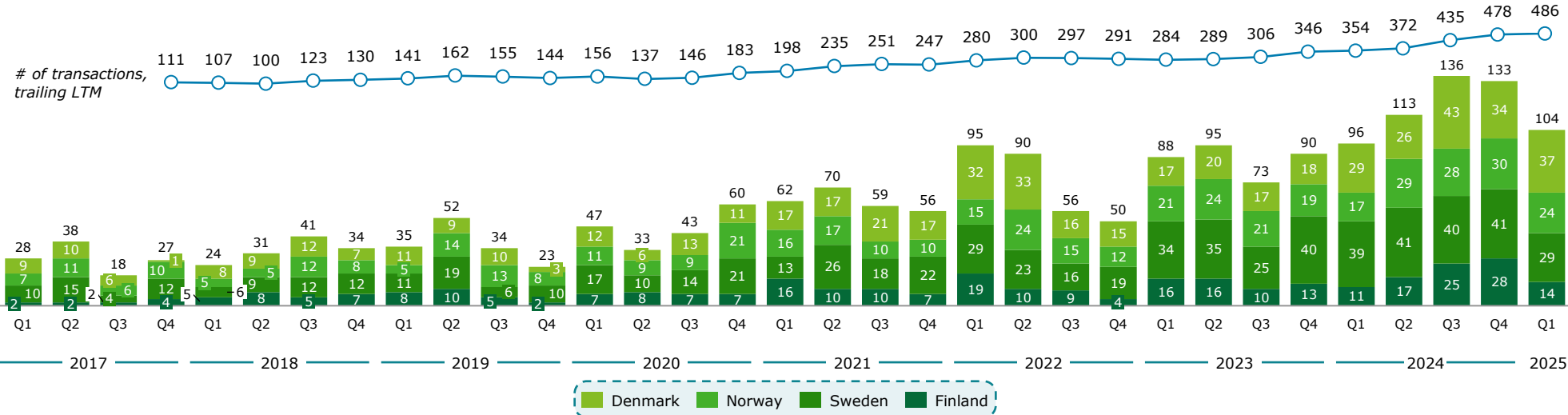
Development in NTM EV/Revenue for Deloitte Global and Nordic SaaS indexes



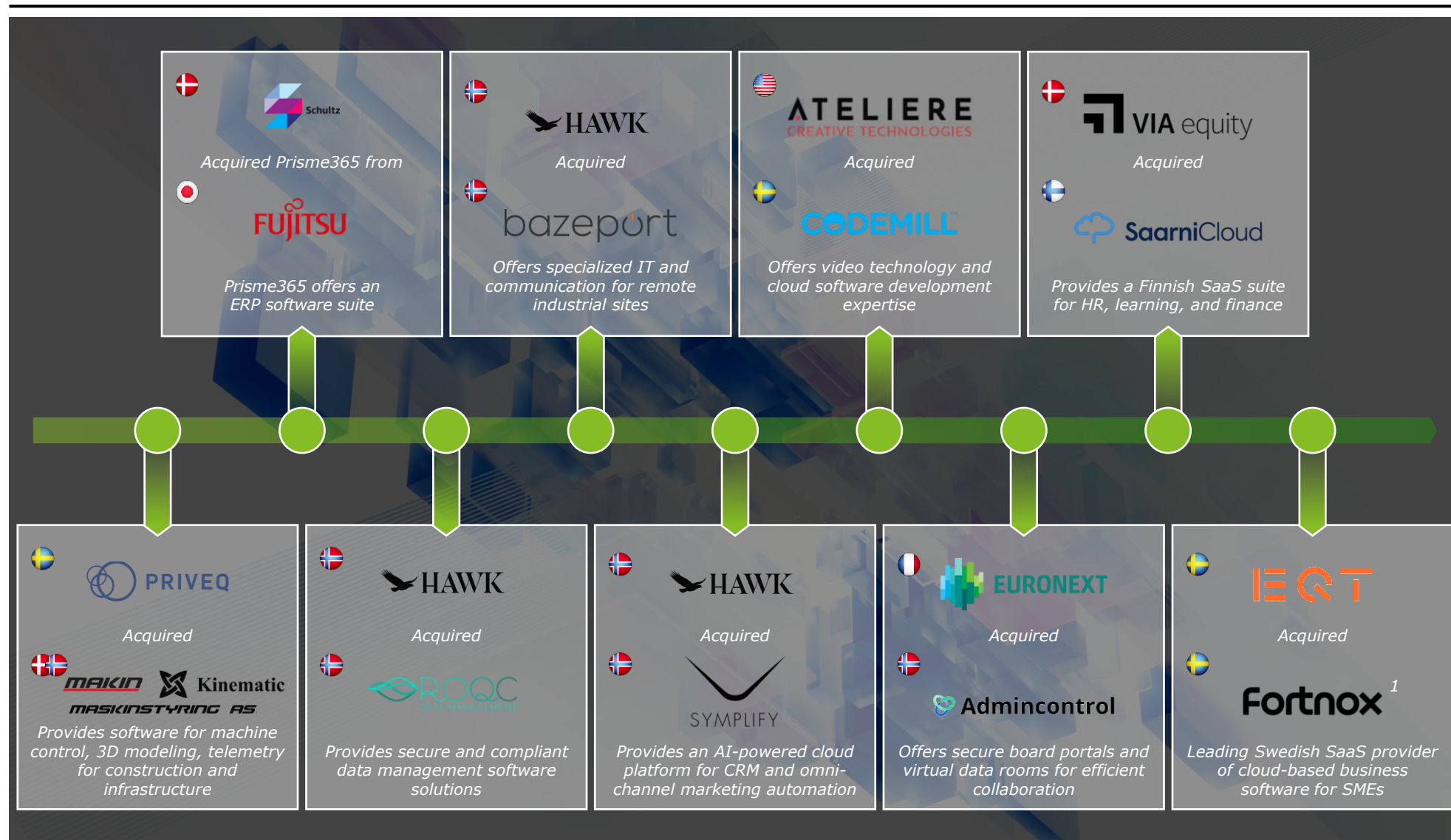
Note: 1) Starting in Q3-2024, we transitioned to the median index to mitigate outliers' impact on the profitability premium; 2) Number differs from previous reports due to index updates. Source: Deloitte; S&P's Capital IQ

The number of Nordic Software transactions down from Q4-2024, but LTM sets new record

Software transaction volume across the Nordic countries (# of transactions¹)



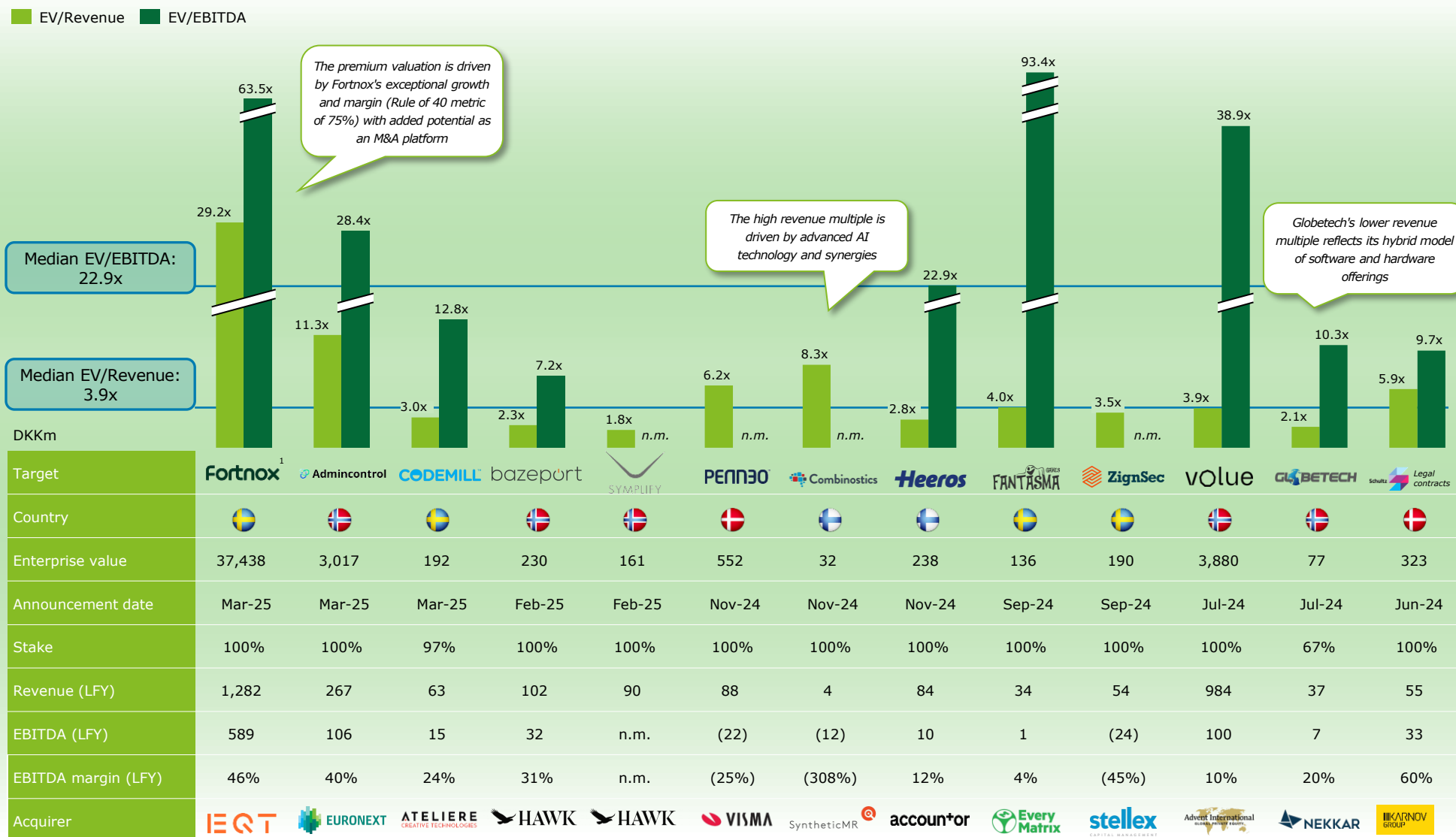
Selected Q1-2025 software transactions in the Nordics



Note: 1) Pending completion

Source: Mergermarket; Press releases; Company websites

Selected Nordic software transactions traded at a median LFY EV/Revenue of 3.9x



Note: 1) Pending completion

Source: Mergermarket; S&P's Capital IQ; Annual reports; Press releases

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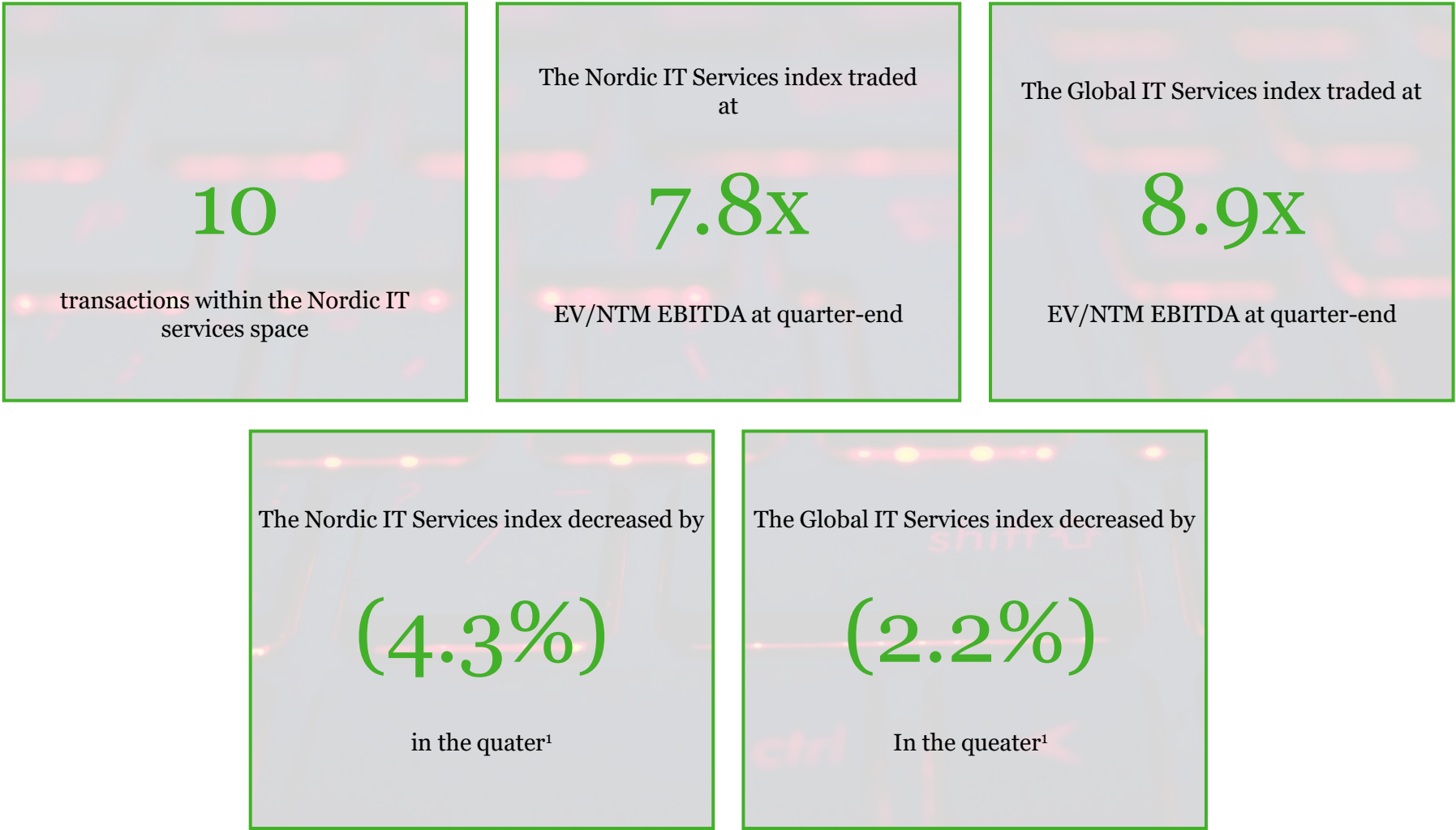
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Key IT services activities Q1-2025



Note: 1) As measured by indexed stock price

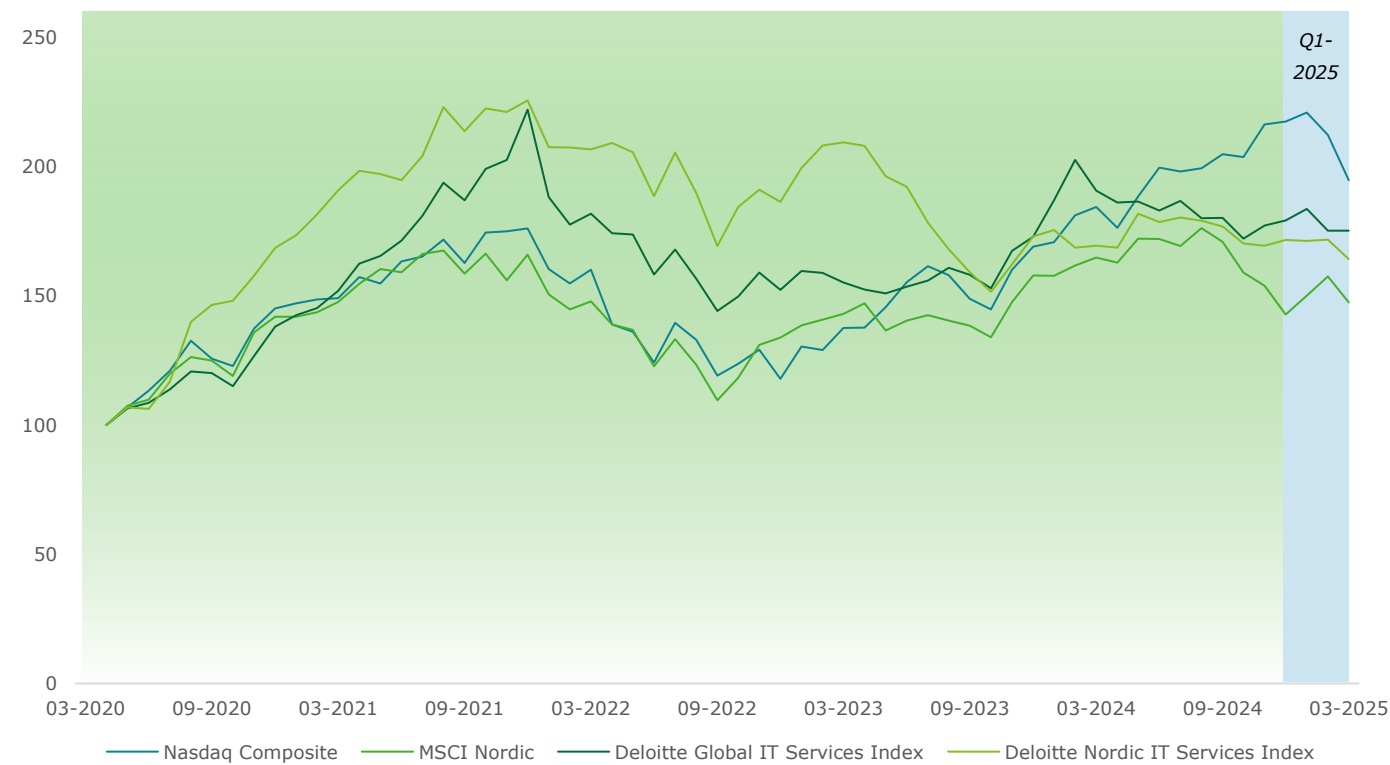
Trading multiples remain below historical averages for both Nordic and global indices



The Nordic IT Services index underperformed its global counterpart in Q1-2025

Indexed stock price development for various indices, start point: 100

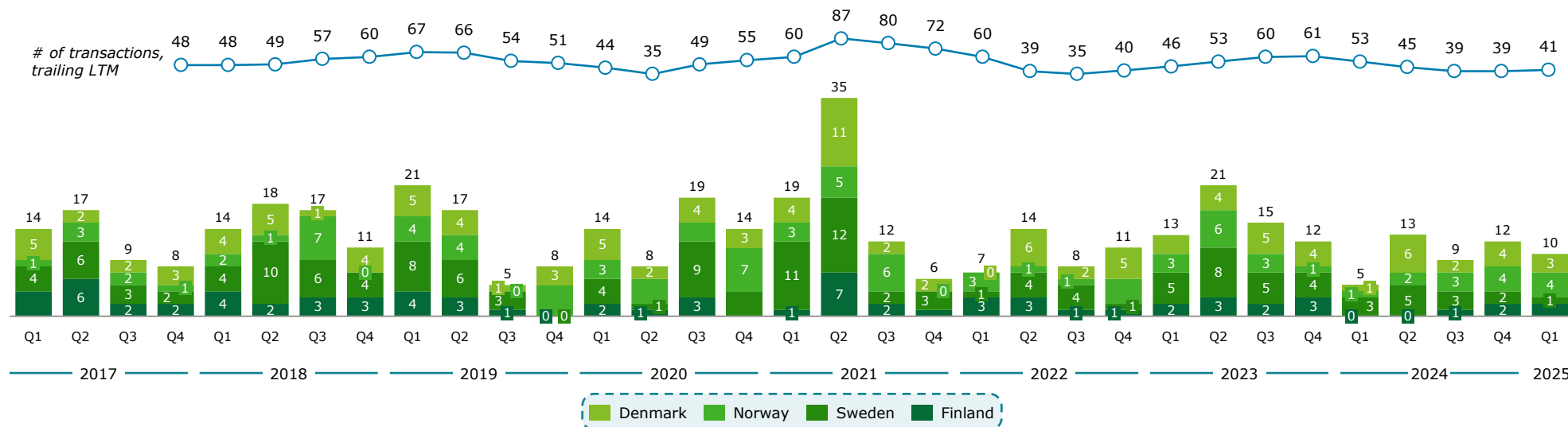
The Nordic IT Services Index decreased by 4.3% in Q1 2025, showcasing an increasingly negative performance compared to the Global IT Services Index, which decreased by 2.2% over the same period



| | |
|---|---|
| Deloitte Nordic IT services index: 164 | Index development L3M: (4.3%) L6M: (7.1%) LTM: (3.1%) |
| Deloitte Global IT services index: 175 | Index development L3M: (2.2%) L6M: (2.8%) LTM: (8.1%) |
| Nasdaq Composite: 195 | Index development L3M: (10.4%) L6M: (4.9%) LTM: 5.6% |
| MSCI Nordic: 147 | Index development L3M: 3.3% L6M: (13.7%) LTM: (10.5%) |

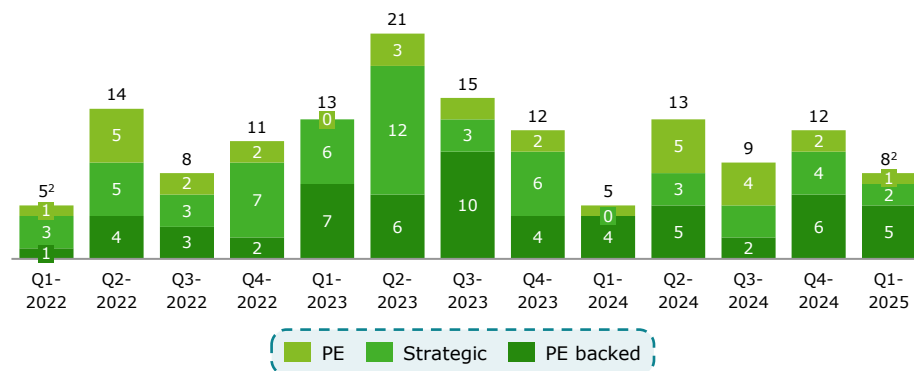
IT Services M&A activity has shown stability over the past four completed quarters

IT services transaction volume across the Nordic countries (# of transactions¹)



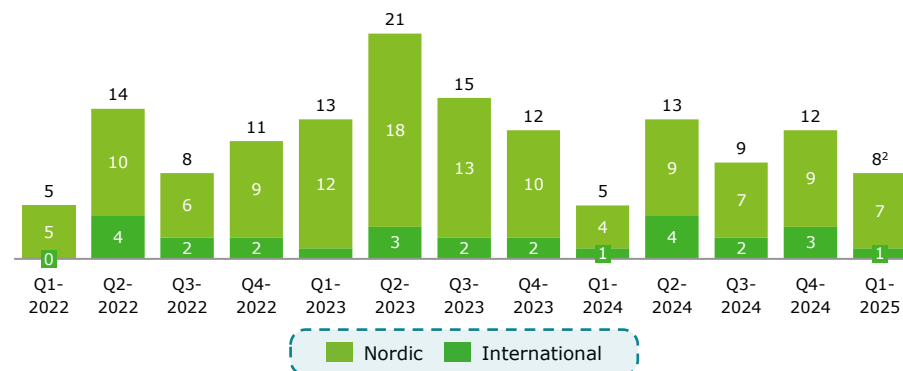
Transaction volume by type of buyer

M&A activity primarily driven by PE backed buyers in Q1-2025



Transaction volume by geography of buyer

Majority of M&A activity continues to be generated by Nordic buyers



Note: 1) Deal volume based on Mergermarket industry category "Computer services" excluding undisclosed target companies; 2) Two transactions in Q1 2022 and Q1 2025 is excluded due to the buyer being "Undisclosed". Source: Mergermarket; Deloitte

Selected Q1-2025 IT services transactions in the Nordics

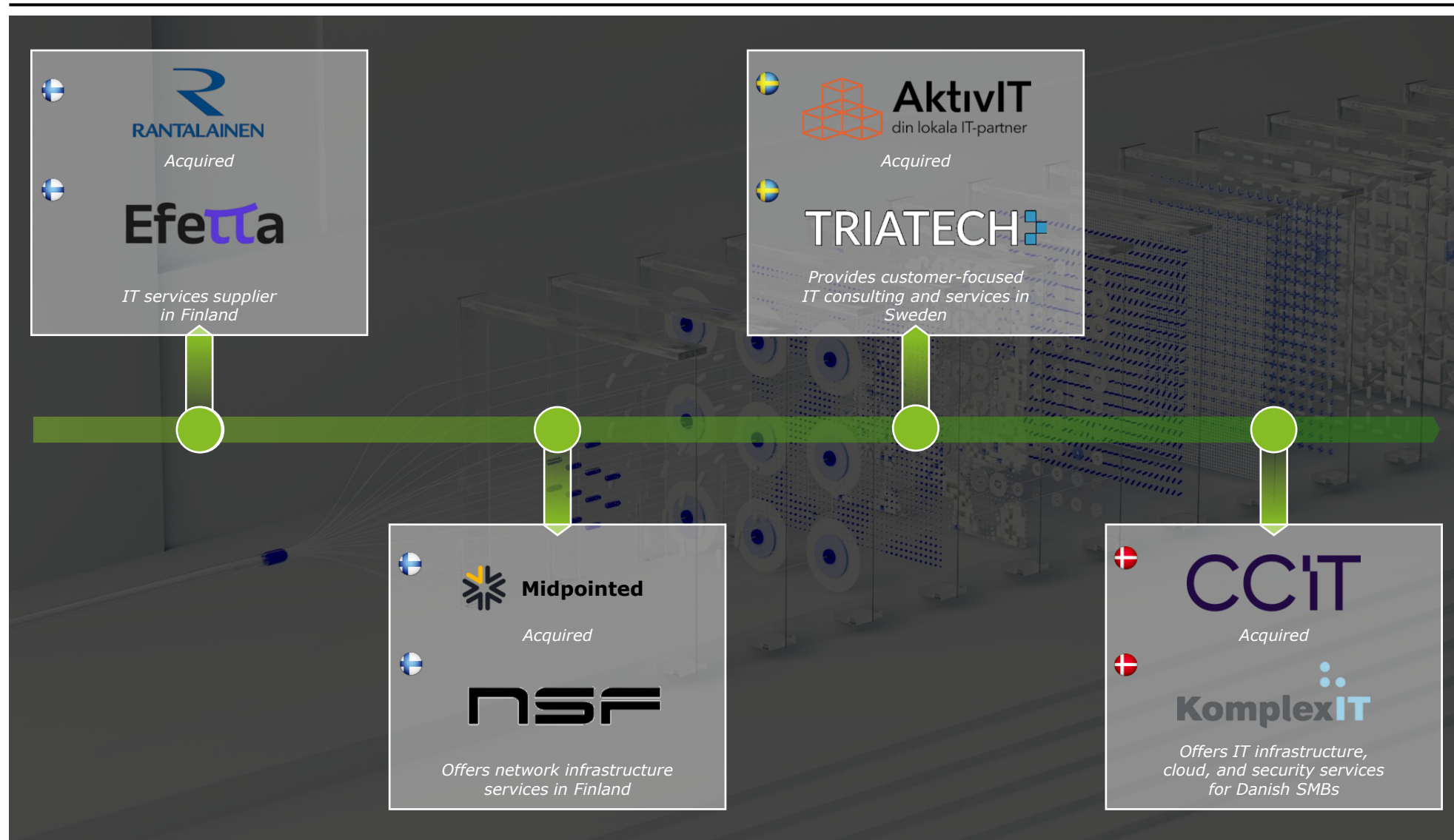


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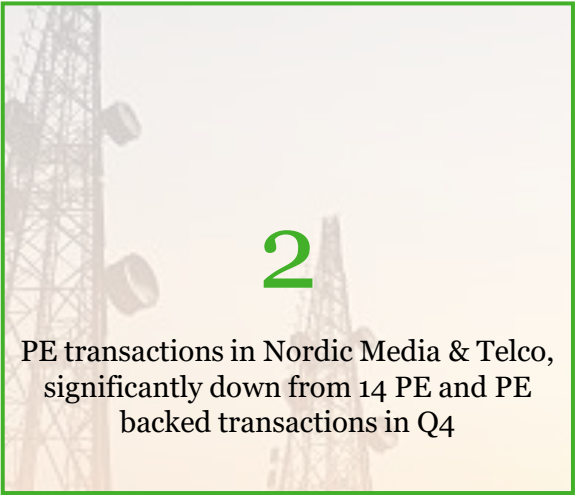
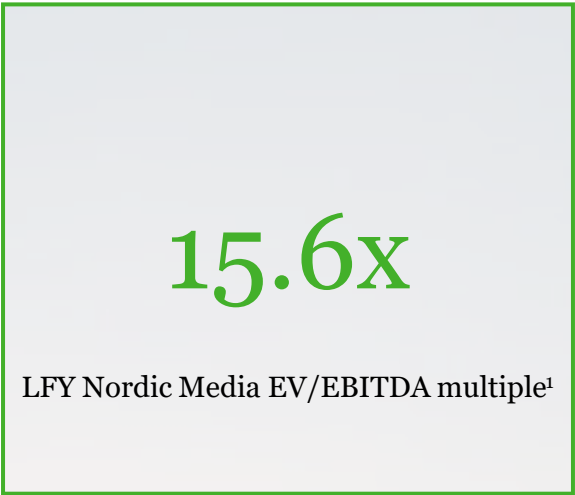
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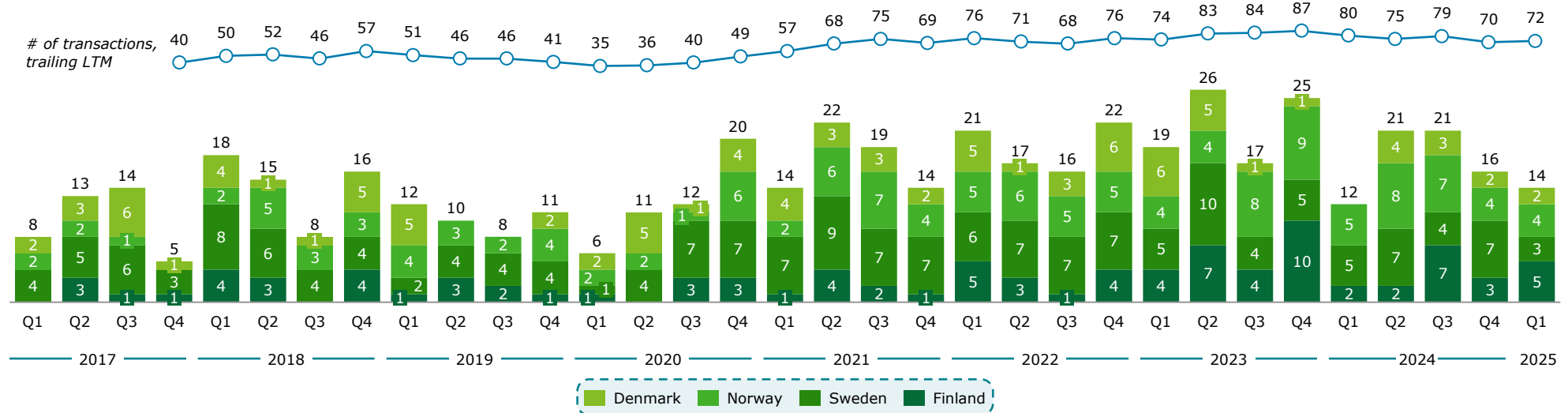
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Key Media & Telco activities in Q1-2025



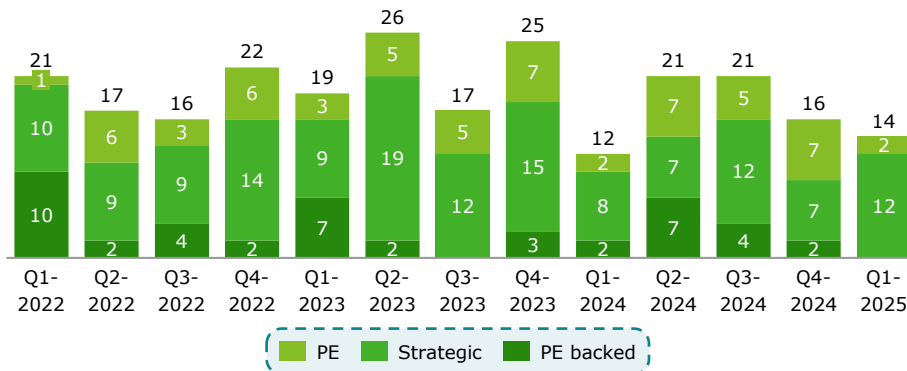
Note: 1) Based on selected recent transactions with available data

Decreasing Media & Telco M&A activity in Q1-2025 compared to Q4-2024

Media & Telco transaction volume across the Nordic countries (# of transactions¹)

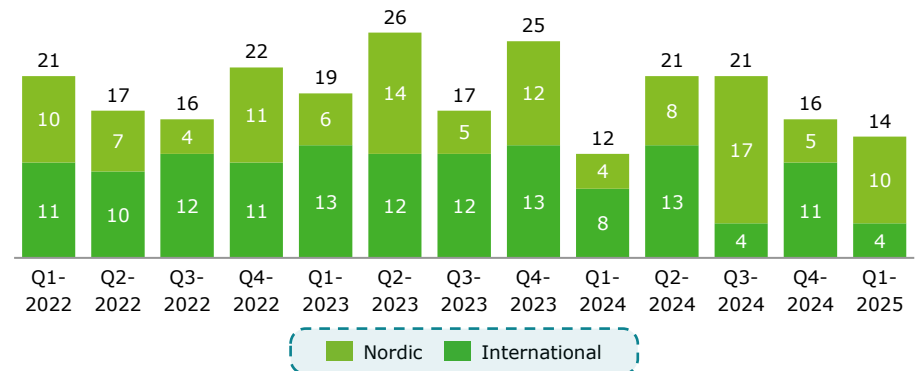
Transaction volume by type of buyer

Q1-2025 was dominated by strategic buyers in Media & Telco

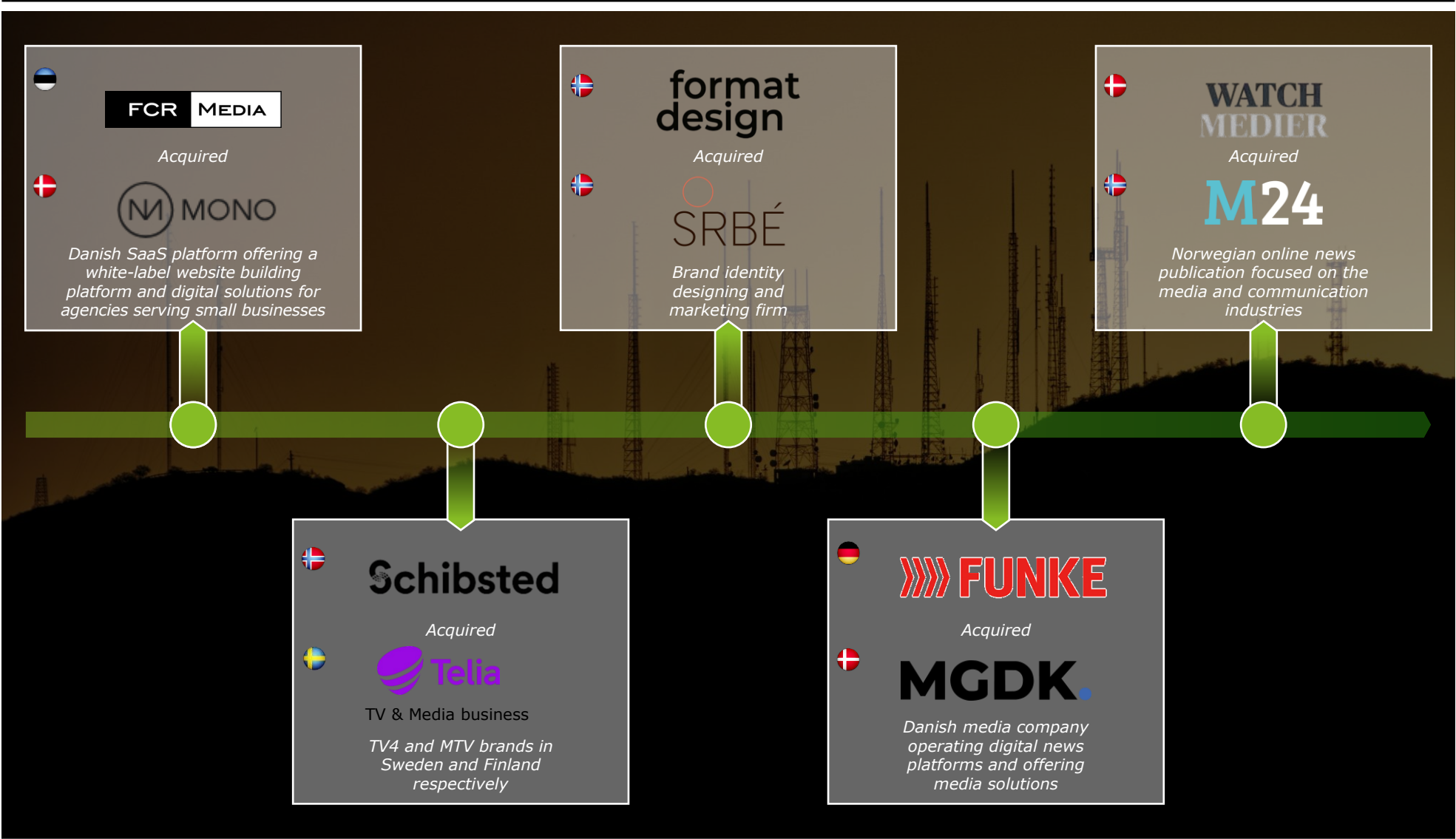


Transaction volume by geography of buyer

The majority of buyer was from the Nordics in Q1-2025



Selected Q1-2025 media & telco transactions in the Nordics



Selected Nordic Media & Telco transactions

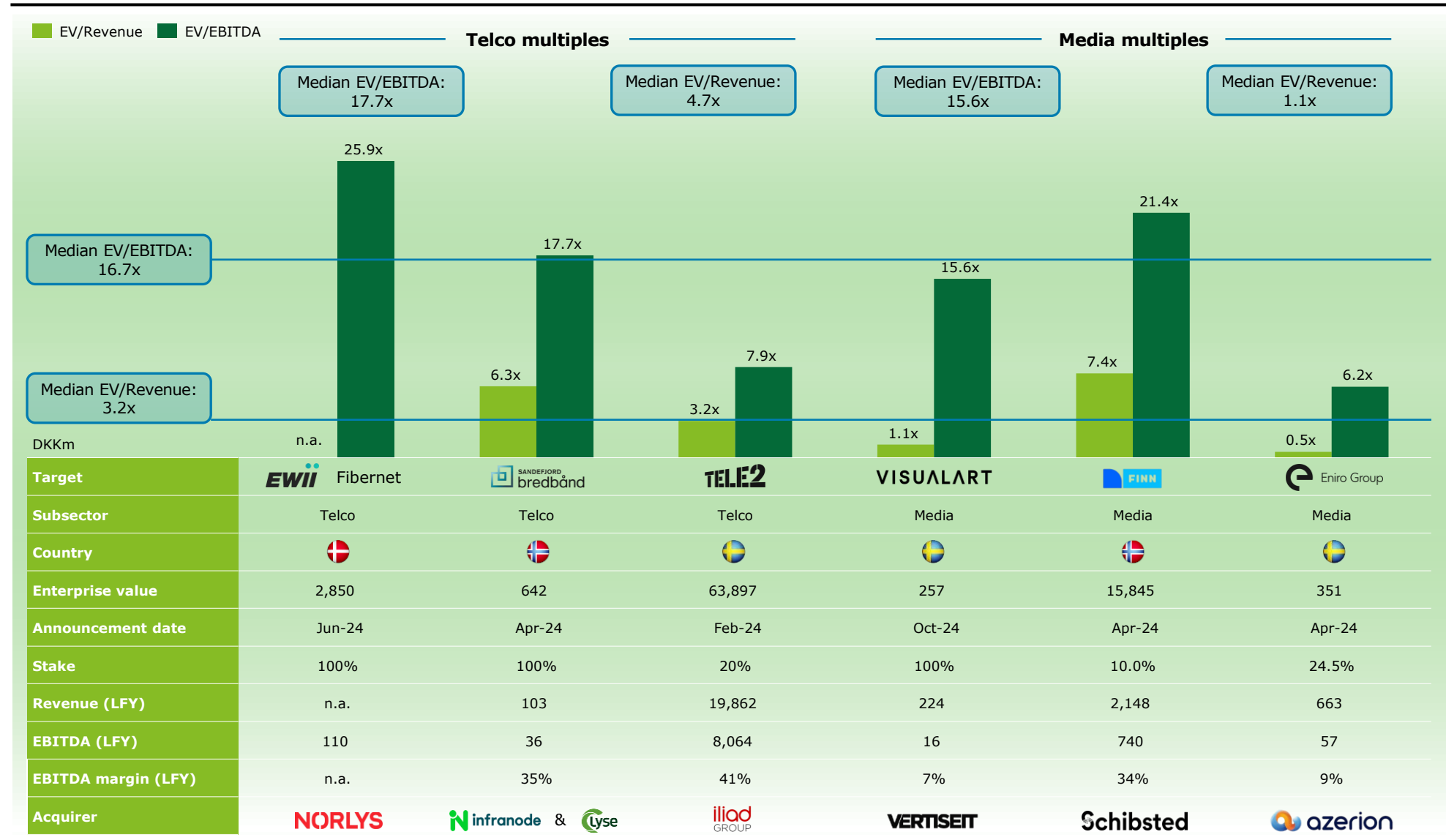




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Project “Ace” – Sale of Baze Technology to Hawk Infinity

Introduction to Baze Technology

Exclusive financial adviser to



in the sale to



February 2025



- Baze Technology has developed BazePort, a market-leading specialized software providing an advanced infotainment solution to the maritime-, hotel- and hospitality industries
- BazePort is the #1 infotainment system to users in the maritime sector, with over 1,000 installations and more than 150,000 units delivered since 2009
- The shareholders of Baze Technology sought a new financial partner to accelerate the international expansion of the company and roll-out of a new SaaS product for the deepsea market

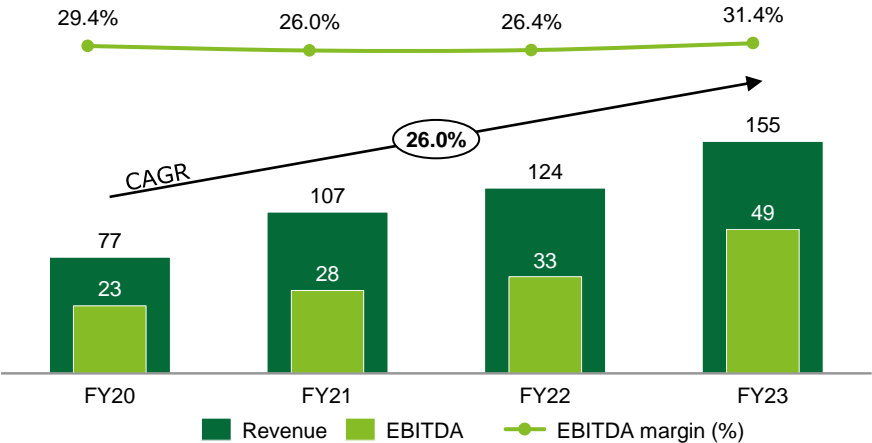
Transaction: Sell-side

Enterprise value: Undisclosed

Process: Broad

Year: 2025

Financials (NOKm)




The Ace process and key takeaways


Key Highlights

Competitive process with financial buyers interested in Baze’s unique software offering and market-leading position


Hawk signed an agreement to acquire 100% of the shares in Baze Technology, positioning the company for further international expansion and future growth


Deal dynamics


 Broad process designed for financial buyers

 A market-leading maritime infotainment platform with a high share of recurring revenue and significant growth potential, particularly within the deepsea segment—key focus areas for interested parties

Deloitte value-add services

 Deloitte CF acted as project lead and exclusive financial advisor

 Support in buyer dialogue, due diligence process, discussion with owners, and general management support

 Securing attractive terms through management of competitive dynamics and negotiation tactics




Deloitte is one of the most active advisors across the full TMT sector in the Nordics

Examples of credentials on which Deloitte Corporate Finance acted as M&A advisor

| | | | | |
|---|---|---|--|---|
| <p>Advised</p> <p>In the divestment of Prisme365 to</p> <p>2025</p> | <p>Advised</p> <p>on the sale to</p> <p>2025</p> | <p>Advised</p> <p>on the sale to</p> <p>2025</p> | <p>Advised</p> <p>on the sale to</p> <p>2025</p> | <p>Advised</p> <p>on the sale to</p> <p>2024</p> |
| <p>Advised</p> <p>on the sale of to</p> <p>2024</p> | <p>Advised</p> & <p>on the acquisition of</p> <p>2024</p> | <p>Advised</p> <p>on the sale to</p> <p>2024</p> | <p>Advised</p> <p>on the sale to</p> <p>2024</p> | <p>Advised</p> <p>on the sale of to</p> <p>(a portfolio company of)</p> <p>2024</p> |
| <p>Advised</p> <p>on the sale to</p> <p>(a portfolio company of)</p> <p>2024</p> | <p>Advised</p> & <p>on the acquisition of</p> <p>2024</p> | <p>Advised</p> <p>on the sale of to</p> <p>2024</p> | <p>Advised</p> <p>on the sale to</p> <p>2024</p> | <p>Advised</p> <p>on the sale of and identity services to</p> <p>2023</p> |
| <p>Advised</p> <p>on the sale to</p> <p>2023</p> | <p>Advised</p> <p>on the sale to</p> <p>2023</p> | <p>Advised</p> and founders <p>on the sale of to</p> <p>2023</p> | <p>Advised</p> <p>in the merger with</p> <p>2023</p> | <p>Advised</p> <p>on the sale to</p> <p>2023</p> |

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