

NORDHAVEN QUARTERLY SOFTWARE REPORT

Q3 2019



KEY OBSERVATIONS Q3 2019

- Less transactions identified in Q3 compared with the record levels observed in Q2
- Price discovery amongst Nordic software transactions remain few and with high variations
- International EV/Sales multiples confirms our view of a strong window for selling software businesses, however slightly lower multiples compared with Q2

24
transactions
in Q3 2019

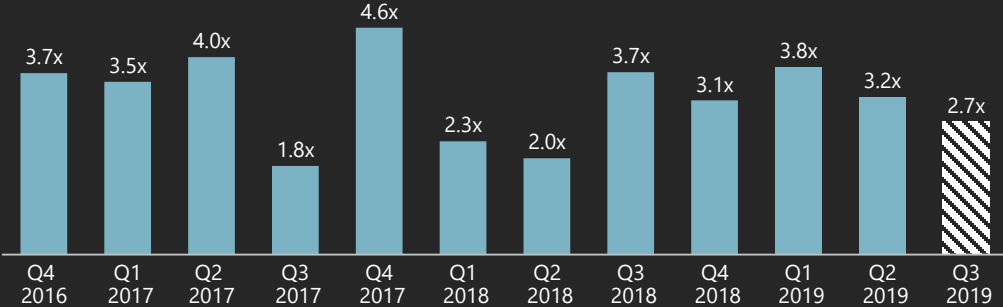
6.0x
EV / SALES²

Inclusion criteria

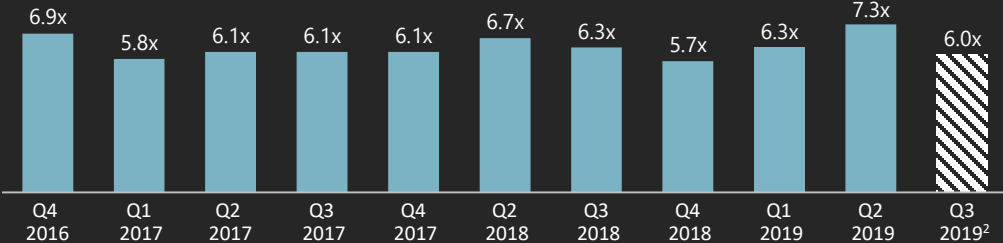
Announced transactions where a Norwegian, Swedish, Finnish, Icelandic or Danish-based software company has been sold during the quarter. The company sold must have the majority of its operations in either of these countries. Consultancy and IT-service (no software) transactions are not included. Minority transactions 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 MEUR have not been included.

Q4 2016 – Q3 2019

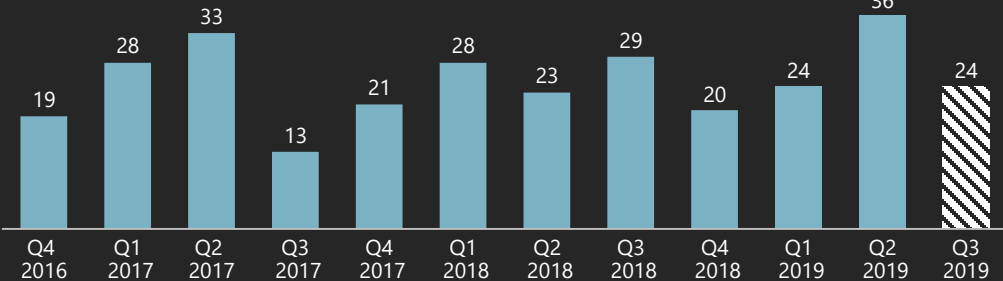
MEDIAN EV / SALES FOR SELECTED NORDIC TRANSACTIONS¹



EV / SALES INTERNATIONAL SOFTWARE COMPANIES



IDENTIFIED # OF NORDIC SOFTWARE TRANSACTIONS



1) Median for 3 selected transaction per quarter, extreme "outliers" excluded. Backward looking multiples.
 2) Median based on revised selection of international software companies (appendix 1). Source: Mergermarket, FactSet and Nordhaven analysis

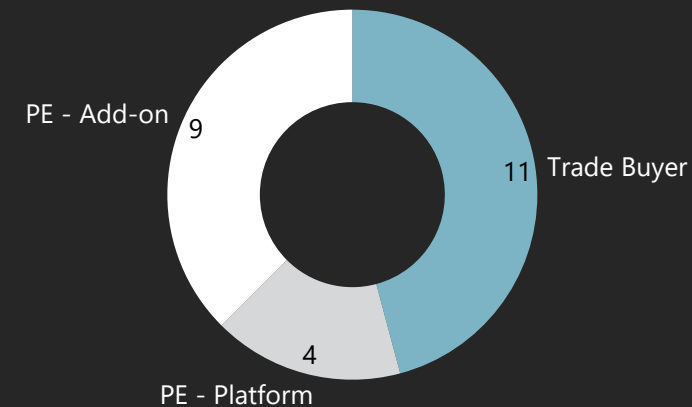
NORDIC SOFTWARE TRANSACTIONS

OVERVIEW OF Q3 2019

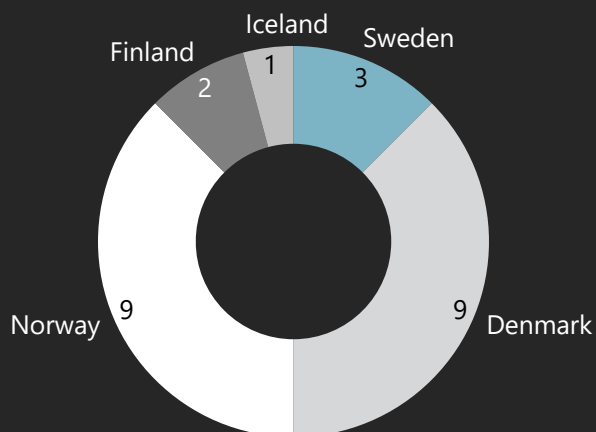
COMMENTS

- Nordhaven has identified 24 Nordic software transactions in Q3 2019
- 17% of the identified acquisitions have been identified as PE-platform investments, this is significantly below historical average
- 9 transactions were PE – Add-on and 11 transactions were conducted by Trade Buyers
- Sweden, Norway and Finland completed 14 deals, representing 58% of the total deal activity in Nordics for the period
- 63% of the transactions had Nordic bidders, that is the highest share of Nordic bidders observed in the past LTM

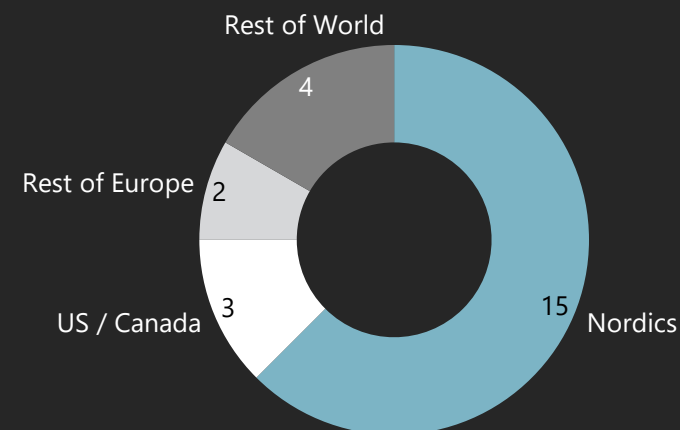
DEALS BY ACQUISITION TYPE



DEALS BY TARGET'S COUNTRY



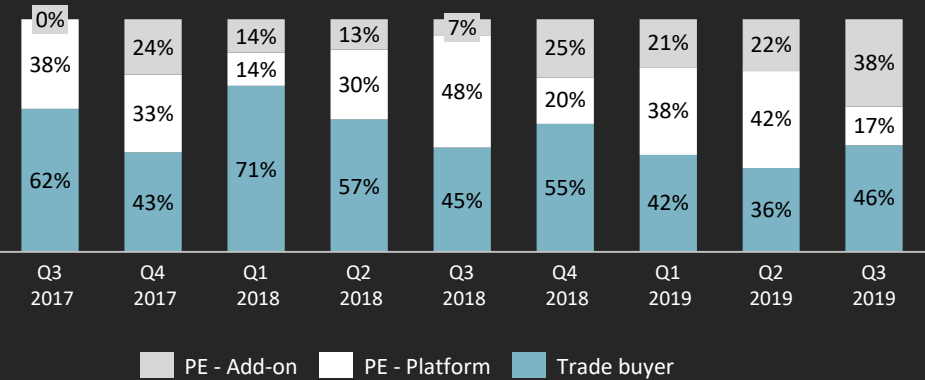
DEALS BY ACQUIRER'S REGION



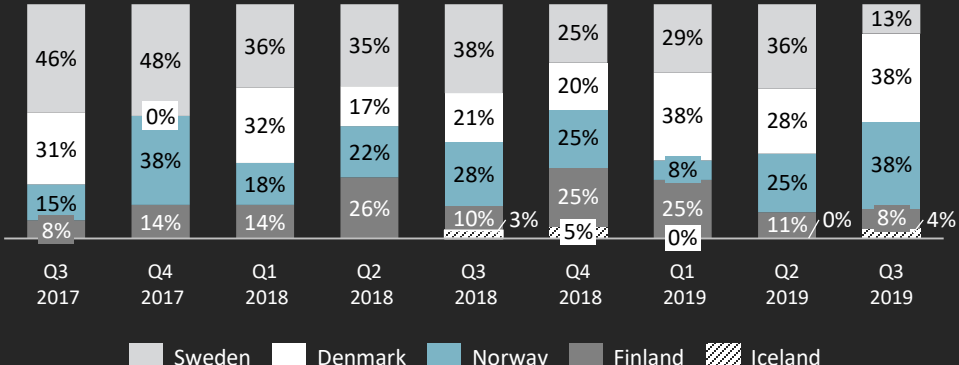
NORDIC SOFTWARE TRANSACTIONS

QUARTER-BY-QUARTER DEVELOPMENT Q3 2017 - Q3 2019

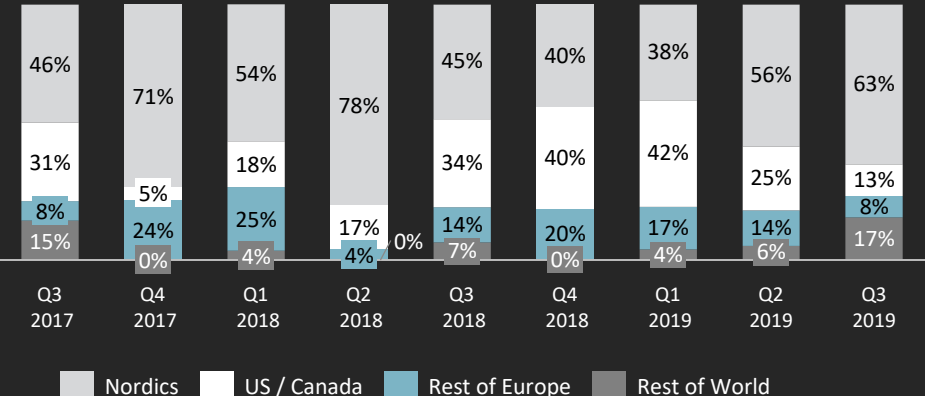
BREAKDOWN OF DEALS BY EXIT TYPE



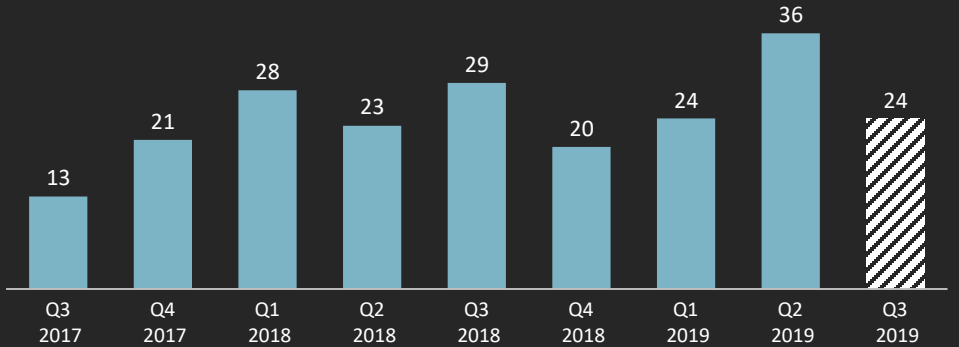
BREAKDOWN OF DEALS BY TARGET'S COUNTRY































BREAKDOWN OF DEALS BY ACQUIROR'S REGION


































NUMBER OF TRANSACTIONS



NOTABLE TRANSACTIONS DURING Q3 2019

TARGET			REVENUE 2018 (MEUR)	SELLER	ACQUIROR
	Finland-based publisher of mobile games		60	Private	 
	Finland-based provider of CADS software for design of electrical and automation systems		28	Private	 
	Norway-based company that develops, operates, sells licenses software solutions		18	Listed	 
	Iceland-based provider of customizable enterprise reporting planning (ERP) and business management software and related services		11	Corporate	 
	Norway-based provider of service management software in the field service industry		10	Private	 
	Sweden-based company engaged in providing software to construction companies, engineering firms and consulting companies		8	Private	 
	Denmark-based company providing SaaS-based digital marketing platform for empowering small businesses across the digital landscape		4	Private	 

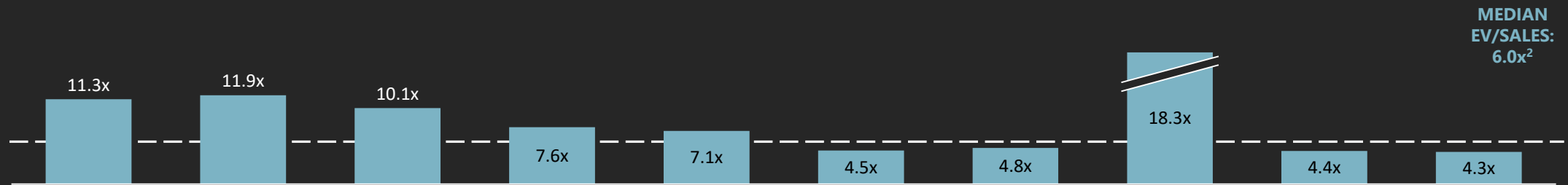
SELECTED SOFTWARE TRANSACTIONS MULTIPLES) – LAST 12 MONTHS

	EXIT MULTIPLE (EV/SALES) ¹	TARGET	ACQUIROR
Q1 2019	4.7x	 FALCON.IO  Provider of a SaaS platform that allows marketing departments to create, launch and measure social media campaigns in real time	→  CISION 
Q2 2019	4.0x	ReachMee  Sweden-based provider of cloud-based recruitment solutions	→  verdane capital  HR Nordic Holding
Q3 2019	4.0x	Seriously  Finland-based publisher of mobile games	→  Playtika 
Q1 2019	3.8x	 Wizdom  Workplace software developer	→  LiveTiles 
Q4 2018	3.1x	 TEMPO  Developer of software suite for time tracking, resource management and budgeting	→  DIVERSIS CAPITAL 
Q2 2019	3.0x	 EIG  Denmark-based provider of proprietary software solutions	→  FP FRANCISCO PARTNERS 
Q4 2018	2.7x	SPRINGWORKS  Engaged in developing mobile apps and web user interfaces for IoT applications and also develops a cloud-based analytics platform for processing data	→ TANTALUM™ 
Q3 2019	1.5x ²	 CXENSE  Norway-based company that develops, operates, sells and licenses software solutions	→ piano™ 
Q3 2019	0.7x	 WISE  Iceland-based provider of customizable enterprise reporting planning (ERP) and business management software and related services	→  CENTARA INTELLIGENT RETAIL 

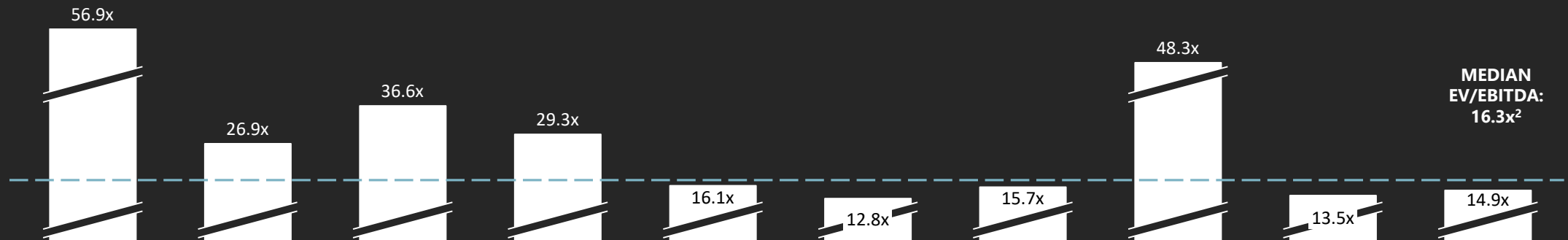
TRADING MULTIPLES FOR SELECTED INTERNATIONAL AND NORDIC SOFTWARE COMPANIES¹



■ EV/SALES 2019E¹



■ EV/EBITDA 2019E¹



LIST OF IDENTIFIED NORDIC SOFTWARE TRANSACTIONS Q3 2019



#	TARGET	TARGET COUNTRY	BIDDER	BIDDER COUNTRY	DATE	TYPE
1	Wise lausnir ehf.	Iceland	Centara ehf	Iceland	September	Trade Buyer
2	Sanimalis AS	Norway	Three Plus Group Oy	Finland	September	PE - Add-on
3	Asolvi AS	Norway	Volpi Capital LLP	United Kingdom	September	PE - Platform
4	Danamica ApS	Denmark	Oravel Stays Private Limited	India	September	Trade Buyer
5	Sonlinc A/S	Denmark	EG A/S	Denmark	September	PE - Add-on
6	Inteleon AB	Sweden	Easy Park AS	Norway,Sweden	August	PE - Add-on
7	Billy Aps	Denmark	Ageras A/S	Denmark	August	PE - Add-on
8	Seriously Digital Entertainment Oy	Finland	Playtika Ltd.	Israel	August	PE - Add-on
9	Nordic IT Denmark APS	Denmark	Dura Holdings, Inc	USA	August	PE - Add-on
10	Kymdata Oy	Finland	Cadmatic Oy	Finland	August	Trade Buyer
11	Specops Software AB	Sweden	Monterro 1 AB	Sweden	August	PE - Platform
12	Lunar Way A/S	Denmark	Seed Capital Denmark	Denmark	August	PE - Platform
13	Compilo AS	Norway	Confirma Software	Sweden	August	PE - Add-on
14	Meglerfront AS	Norway	Visma AS	Norway	August	Trade Buyer
15	Nets A/S (Majority of Corporate Services businesses) ¹	Denmark	MasterCard Incorporated	USA	August	Trade Buyer
16	Cxense ASA	Norway	Piano Software, Inc.	USA	August	Trade Buyer
17	NEC Oncolmmunity AS	Norway	NEC Corporation	Japan	July	Trade Buyer
18	Sekal AS (90% Stake)	Norway	Sumitomo Corporation	Japan	July	Trade Buyer
19	Mono Solutions ApS	Denmark	Bauer Media Group	Germany	July	Trade Buyer
20	Daintel ApS	Denmark	Cambio Healthcare Systems AB	Sweden	July	PE - Add-on
21	Payr AS	Norway	Hudya Group AS	Norway	July	Trade Buyer
22	A/S ScanCommerce	Denmark	Fiftytwo A/S	Denmark	July	Trade Buyer
23	Strusoft AB (78% Stake)	Sweden	Vind AS	Norway	July	PE - Platform
24	Idfy Norge AS	Norway	Signicat AS	Norway	July	PE - Add-on

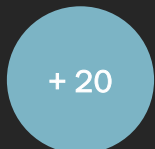
NORDHAVEN IS THE LEADING INDEPENDENT M&A SPECIALIST IN THE NORDIC



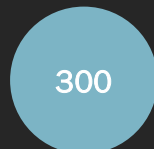
NORDHAVEN IN SHORT



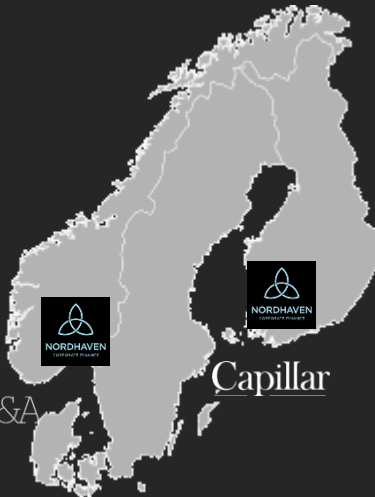
Professionals



Years of experience



Transactions advised



NORDIC M&A

Capillar

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
- DEBT & CAPITAL ADVISORY
- INCENTIVE ADVISORY

Partnership with **Capillar Advisory** (former UB Capital) and **Nordic M&A** through Clairfield International.

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

CORE SECTOR EXPERTISE

















CONSISTENTLY STRONG RATINGS

TOP NORDIC-BASED FINANCIAL ADVISORS BY VOLUME

	20
	17
	17
	15
	11
	9
	7
	7
	6

RECENT NORDHAVEN TMT DEALS

 Sold to  Advisor to Asolvi 2019	Advisor to Confirma Software  on the acquisition of  2019	Advisor to  On the acquisition of DL Software and Cash-in Consulting in Vaasa as well as Computer Program Unit (CPU) in Joensuu. 2019
 Sold to  Advisor to Tuxera 2019	ONE VOICE Sold to  Advisor to One Voice 2019	Advisor to  In connection with its private placement. 2019
 Call center BPO sold to  Advisor to Elisa 2018	 Sold to  Advisor to Triangel AS 2018	 Shareholding sold to Holte Group AS Advisor to Treschow-Fritzøe AS 2017

PARTNER OF CLAIRFIELD INTERNATIONAL

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

130

Transactions closed in 2018

300

Professionals

€3.3bn

Cumulative value of transactions closed in 2018



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

The Americas

Brazil
Canada
Chile
Mexico
USA

Middle East

Israel
Turkey

Asia-Pacific

Australia
China

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

Through the Clairfield 250+ professionals we have global connectivity, and local access to counterparts.

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

APPENDIX 1: SELECTED NORDIC AND INTERNATIONAL LISTED SOFTWARE COMPANIES



#	TICKER FACTSET	COMPANY NAME	EV/SALES 2019E	EV/EBITDA2019E
1	WDAY	Workday	11.3x	56.9x
2	ADBE	Adobe Systems	11.9x	26.9x
3	ADSK	Autodesk	10.1x	36.6x
4	NOW	ServiceNow	14.3x	51.8x
5	CRM	Salesforce	7.6x	29.3x
6	DSY-FR	Dassault Systems	8.9x	25.8x
7	INTU	Intuit Inc	9.0x	24.2x
8	ULTI	Ultimate Software	Delisted	Delisted
9	DATA	Tableau Software	Acquired by Salesforce	Acquired by Salesforce
10	CHKP	Check Point Software	7.7x	14.9x
11	RHT	Red Hat	Acquired by IBM	Acquired by IBM
12	MSFT	Microsoft	7.1x	16.1x
13	VMW	Vmware	6.6x	17.1x
14	EGAN-US	eGain Corporation	3.0x	103.2x
15	CSOD-US	Cornerstone Ondemand	6.4x	29.3x
16	ENGH-CA	Enghouse Systems	4.8x	16.3x
17	CTXS-US	Citrix	4.5x	12.8x
18	CSU-CA	Constellation Software	6.0x	22.4x
19	SAP-DE	SAP	4.8x	15.7x
20	ORCL	Oracle	5.1x	10.7x
21	CERN-US	Cerner	3.8x	13.2x
22	SGB-GB	Sage Group	3.6x	14.3x
23	NUAN-US	Nuance Communications	2.8x	9.4x
24	SYMC	Symantec Corporation	3.8x	9.8x
25	PRGS	Progress Software	4.3x	11.0x
26	FNOX.MTF-SE	Fortnox	18.3x	48.3x
27	HEXA.B-SE	Hexagon	4.4x	13.5x
28	VIT.B-SE	Vitec	4.3x	14.9x



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NORDHAVEN

CORPORATE FINANCE

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