

IMAP

Software and ICT services

Nordic Sector Report

Q1-2025

We are sector focused M&A Experts, who provide outstanding results to our clients

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- Overview
- Transaction volumes
- Notable transactions
- Trading multiples

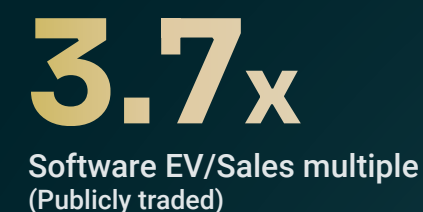
ICT SERVICES

- Overview
- Transaction volumes
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IMAP

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SNAPSHOT OF Q1



The volatile global economic landscape and the ongoing geopolitical tensions have introduced some uncertainty into the M&A landscape, impacting deal volumes across both the software and ICT services sectors in the Nordics.

In the software sector, deal volumes declined in Q1 2025, with 45 transactions recorded compared to 75 during the same period in 2024. However, it's worth noting that Q1 2024 was an exceptionally strong quarter. When comparing to Q1 2023, the current figures actually show an increase in deal activity.

The ICT services sector has also experienced subdued activity, with 16 deals recorded compared to 25 deals made last year. This slowdown has been largely driven by reserved domestic strategic buyers, whose deal activity has fallen below their historical quarterly averages.

Looking ahead, it remains to be seen whether the decline in deal activity during the first quarter is temporary or an early signal of a more sustained slowdown. However, IMAP maintains its positive outlook for M&A activity in 2025 and believes the first quarter is just a bump in the road. This optimism is supported by the many notable transactions completed during Q1. While overall volumes were down, the deals that did occur were of considerable size and significance.

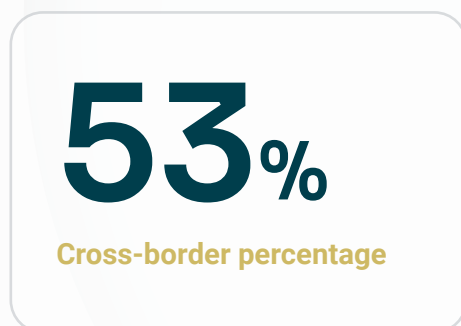
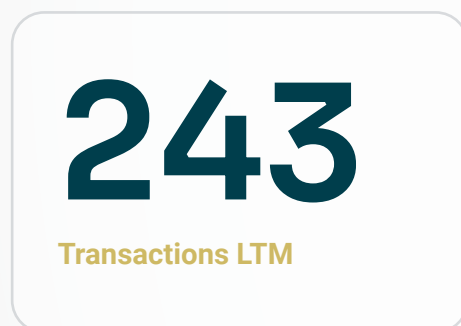
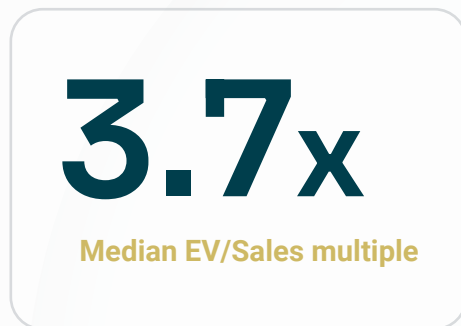
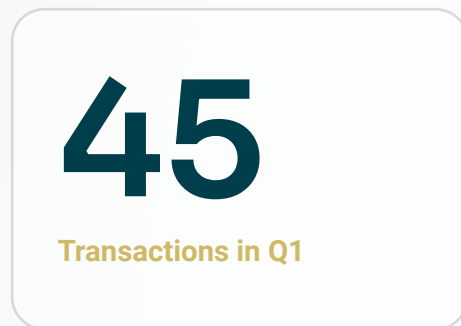
Also, the growing interest in public-to-private deals, highlighted by EQT's remarkable offer for Fortnox, valuing the company at €4.9 billion, could further stimulate investor appetite in the Nordic tech sector moving forward.

SOFTWARE

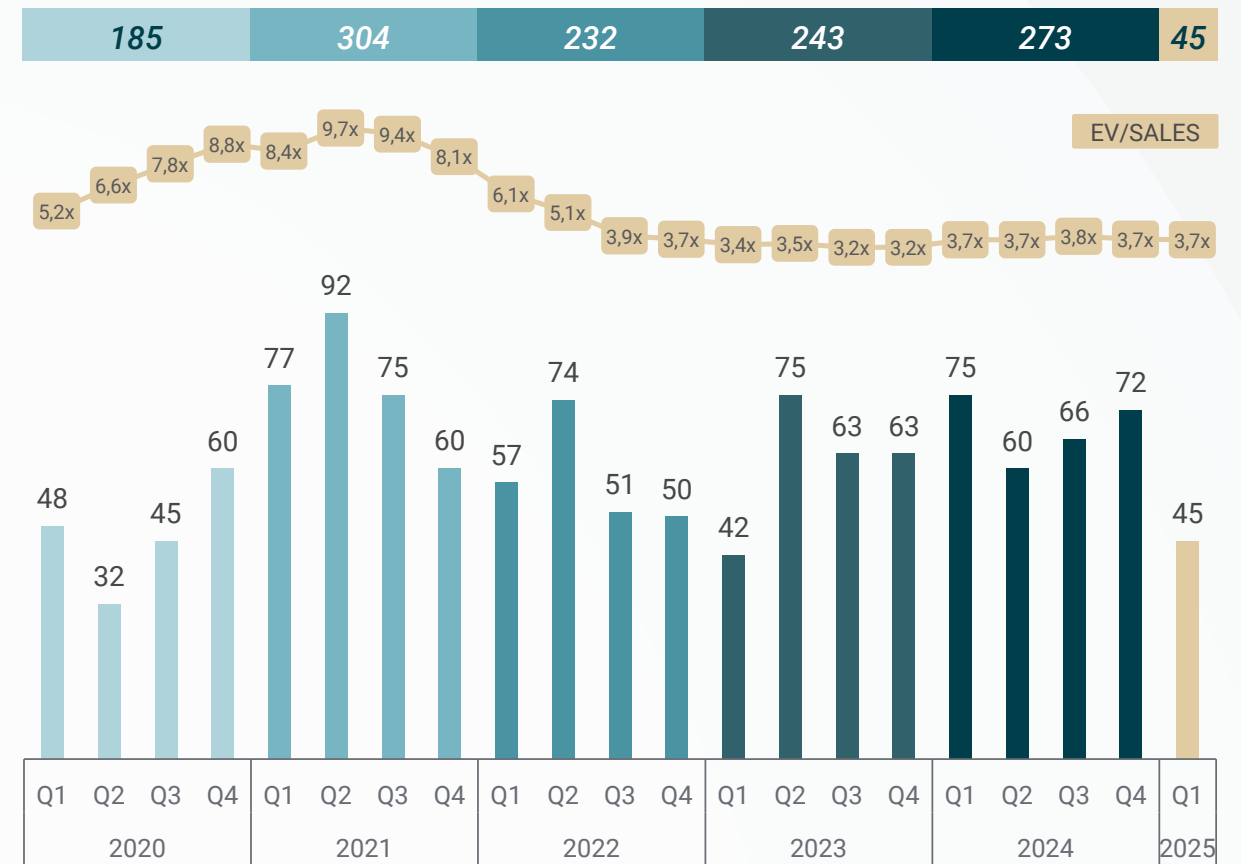
MARKET OVERVIEW

The Nordic software sector recorded 45 announced transactions in the first quarter of 2025, representing a 40% decline compared to the exceptionally high levels seen in the same period in 2024 and 2021. Cross-border activity remained a key driver, with international buyers responsible for 53% of all deals – broadly consistent with previous quarters. Private equity continued to play a significant role, also accounting for 53% of total transaction volume.

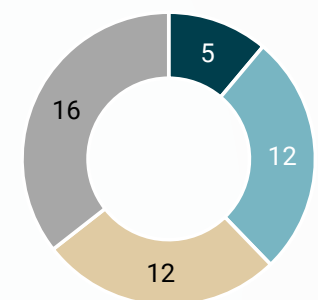
Valuation levels for listed public software companies remained stable, with a median EV/Sales multiple of 3.7x, consistent with the range observed in the sector over the past two years.



NORDIC SOFTWARE TRANSACTIONS & TRADING MULTIPLES

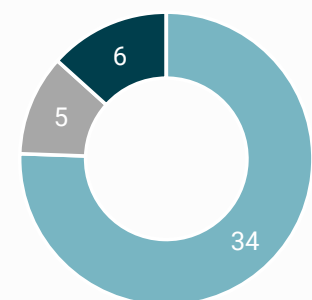


GEOGRAPHICAL LOCATION TARGET



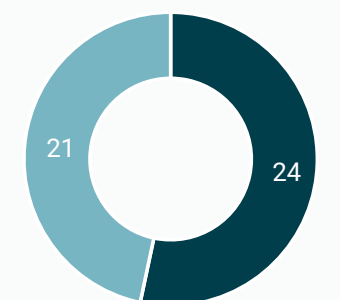
■ Finland ■ Norway
■ Sweden ■ Denmark

GEOGRAPHICAL LOCATION BUYER



■ Nordics ■ Rest of Europe
■ North America

BUYER TYPE



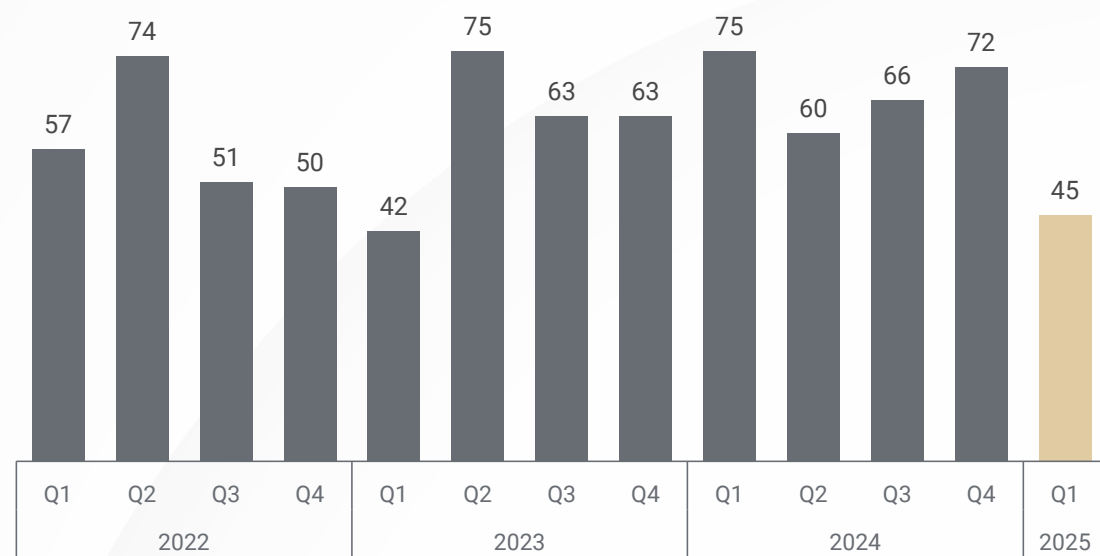
■ PE / PE-Backed ■ Strategic

Sources: Mergermarket, S&P Capital IQ and IMAP analysis.

Notes: Deal volume based on Mergermarket industry category "Computer software" excluding targets where software is non-core. Venture and capital raises have been excluded.

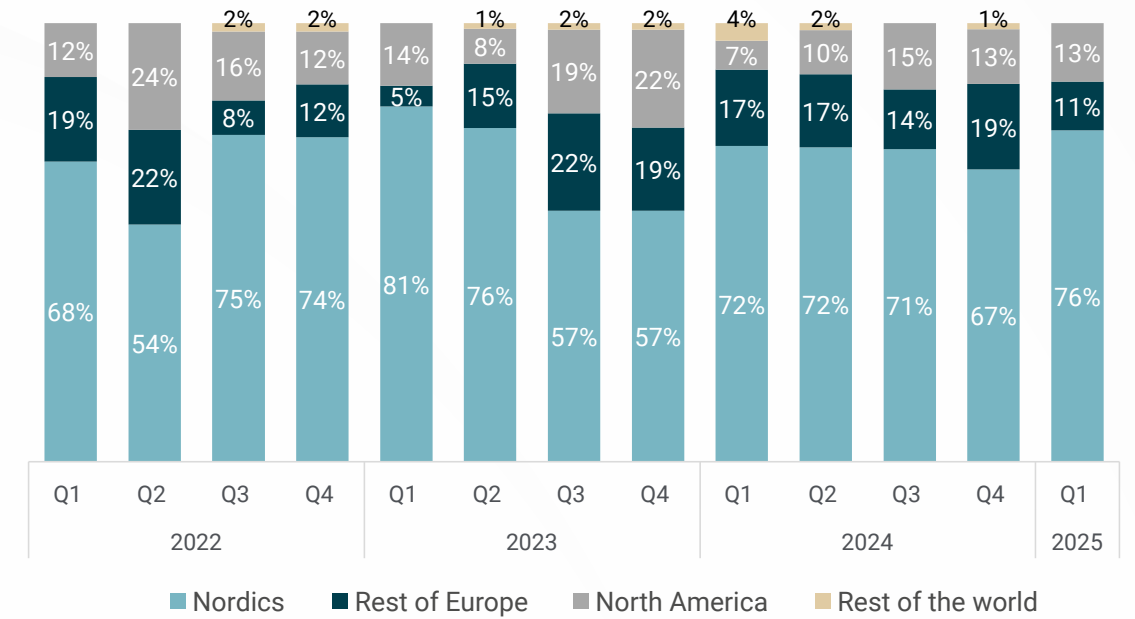
QUARTERLY DEAL VOLUME

(# of deals)



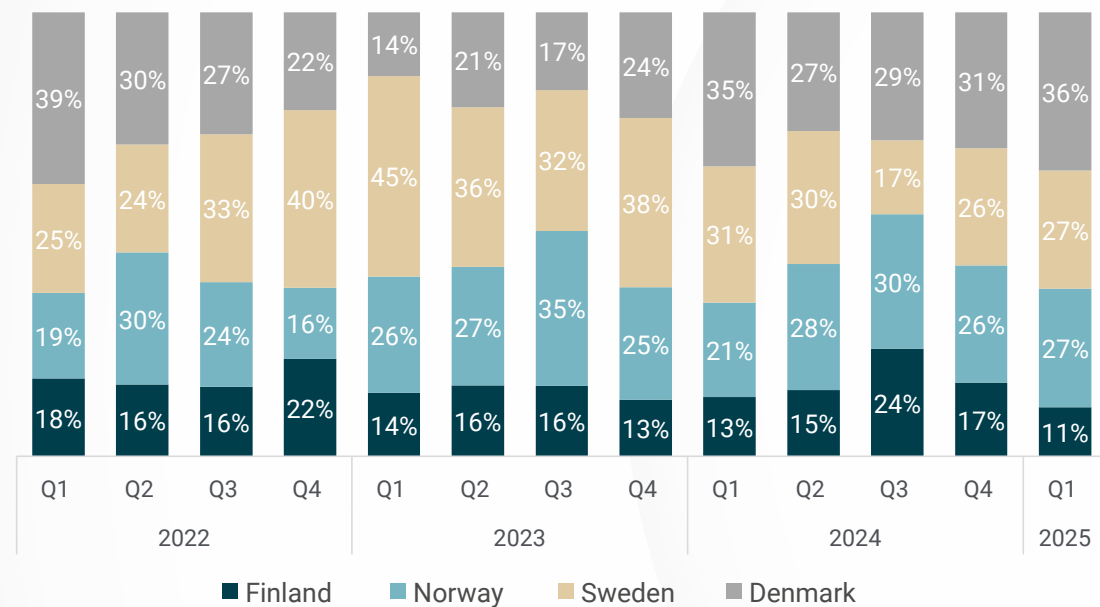
GEOGRAPHICAL LOCATION OF ACQUIROR

(% of deals)



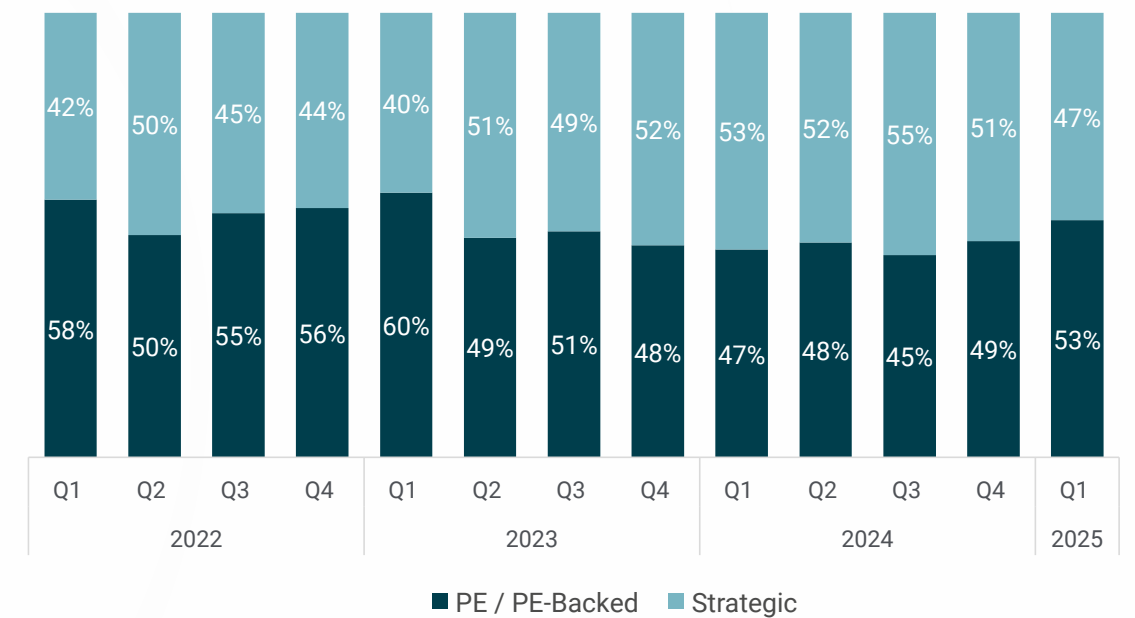
GEOGRAPHICAL LOCATION OF TARGET COMPANY

(% of deals)



TYPE OF ACQUIROR

(% of deals)


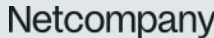
























Sources: Mergermarket and IMAP analysis.

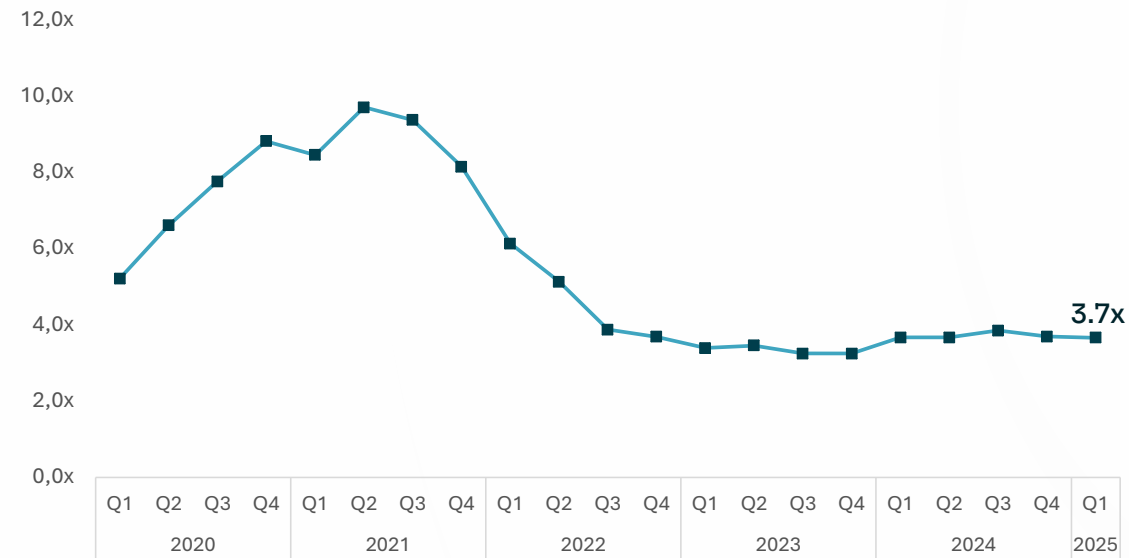
Notes: Deal volume based on Mergermarket industry category "Computer software" excluding targets where software is non-core. Venture and capital raises have been excluded.

SELECTION OF NORDIC TRANSACTIONS

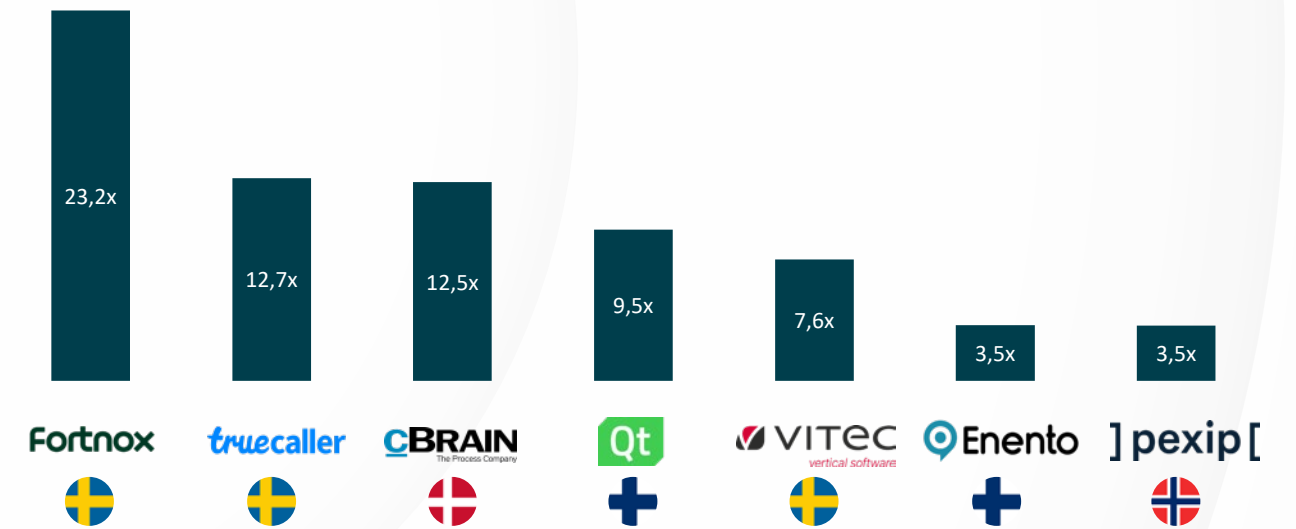
Q1

| | | | | | |
|--|--|--|--|--|--|
|  <p>Acquired by</p>  |  <p>Acquired by</p>  |  <p>Acquired by</p>  |  <p>Acquired by</p>  |  <p>Acquired by</p>  |  <p>Acquired by</p>  |
|  <p>Acquired by</p>  |  <p>Acquired by</p>  |  <p>Acquired by</p>  |  <p>Acquired by</p>  |  <p>Acquired by</p>  |  <p>Acquired by</p>  |

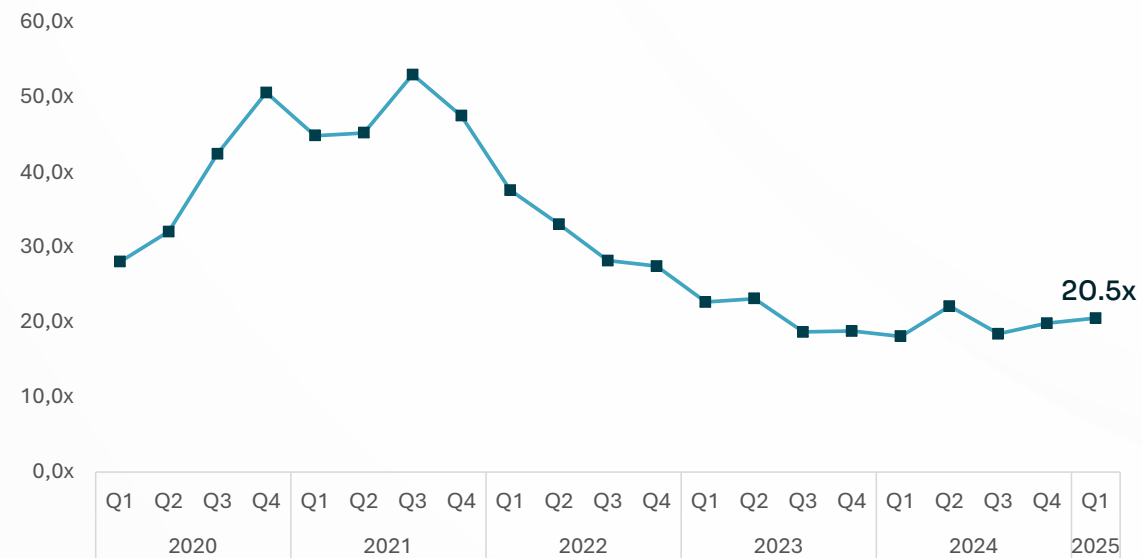
EV/SALES MULTIPLE



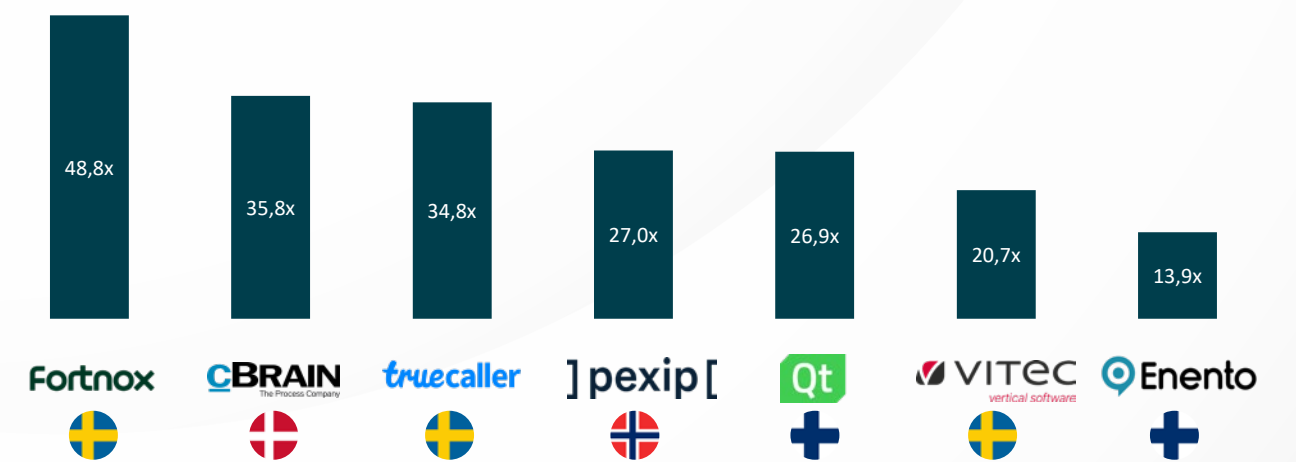
SELECTED PUBLIC LISTED EV/SALES MULTIPLES



EV/EBITDA MULTIPLE



SELECTED PUBLIC LISTED EV/EBITDA MULTIPLES



Sources: S&P Capital IQ
 Notes: Multiples based on a sample of 60 listed software companies (FI, SE, DK, NO). Month-end trading values have been converted to median quarterly multiples.

ICT SERVICES

MARKET OVERVIEW

During the first quarter of 2025, the Nordic ICT services sector saw a total of 16 announced M&A transactions. This marks a notable decline of 36% compared to the same period in the previous year, indicating a slowdown in deal activity within the sector. Despite the lower volume, private equity firms and their portfolio companies remained active, accounting for approximately 63% of all transactions—underscoring the continued interest and influence of PE-backed buyers in the ICT services space.

On the valuation front, publicly listed ICT services companies in the region maintained stable multiples. The median EV/EBITDA multiple stood at 9.7x, suggesting that investor confidence in the underlying fundamentals of service-oriented tech businesses remains intact despite broader market headwinds.

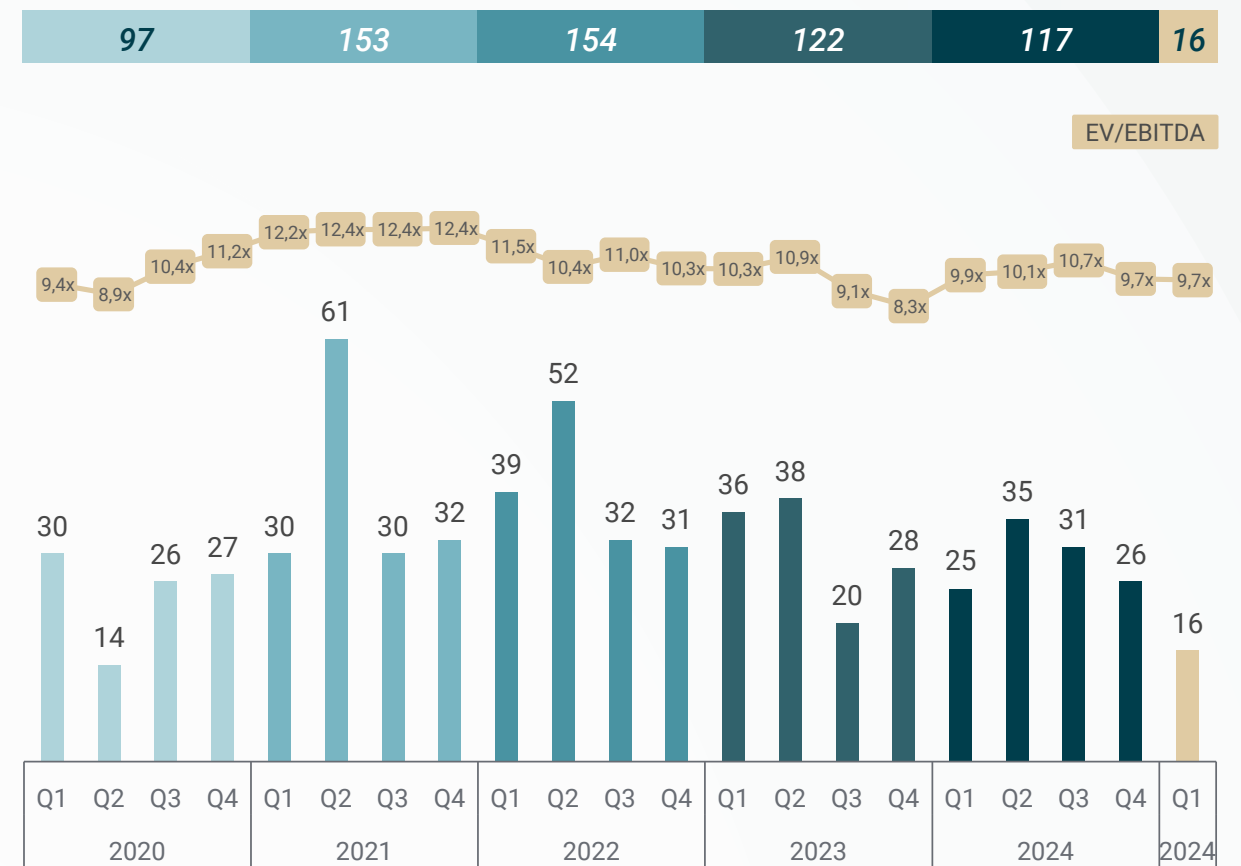
16
Transactions in Q1

9.7x
Median EV/EBITDA multiple

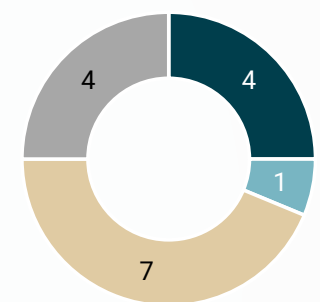
108
Transactions LTM

44%
Cross-border percentage

NORDIC ICT SERVICES TRANSACTIONS & TRADING MULTIPLES

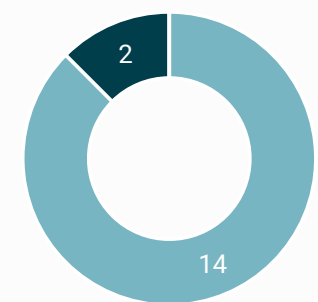


GEOGRAPHICAL LOCATION TARGET



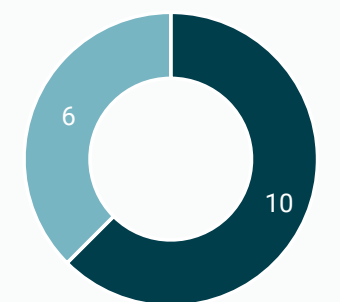
■ Finland ■ Norway
■ Sweden ■ Denmark

GEOGRAPHICAL LOCATION BUYER



■ Nordics ■ Rest of Europe

BUYER TYPE



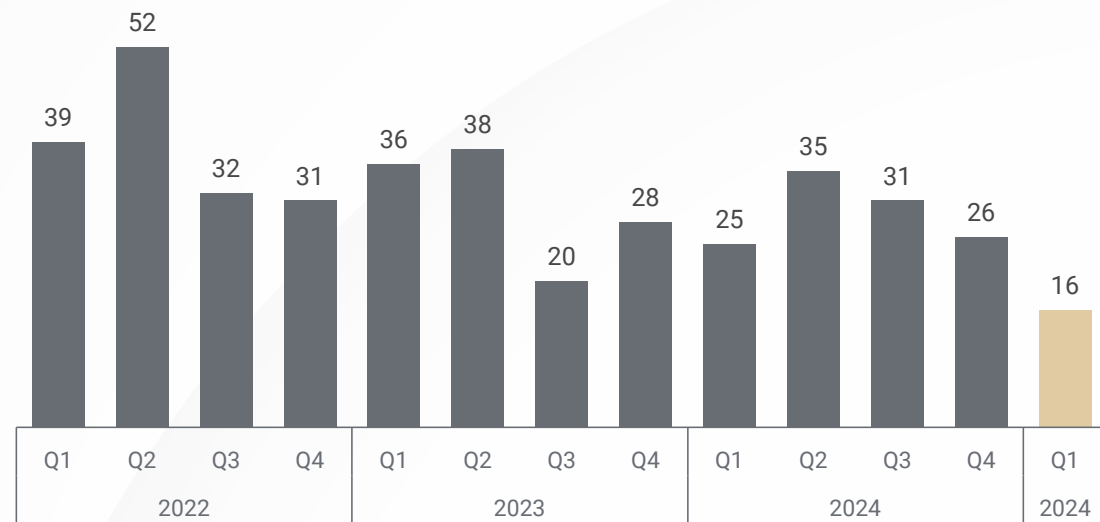
■ PE / PE-Backed ■ Strategic

Sources: Mergermarket, S&P Capital IQ and IMAP analysis.

Notes: Deal volume based on Mergermarket industry category "Computer services" excluding targets within "Hardware maintenance". Venture and capital raises have been excluded.

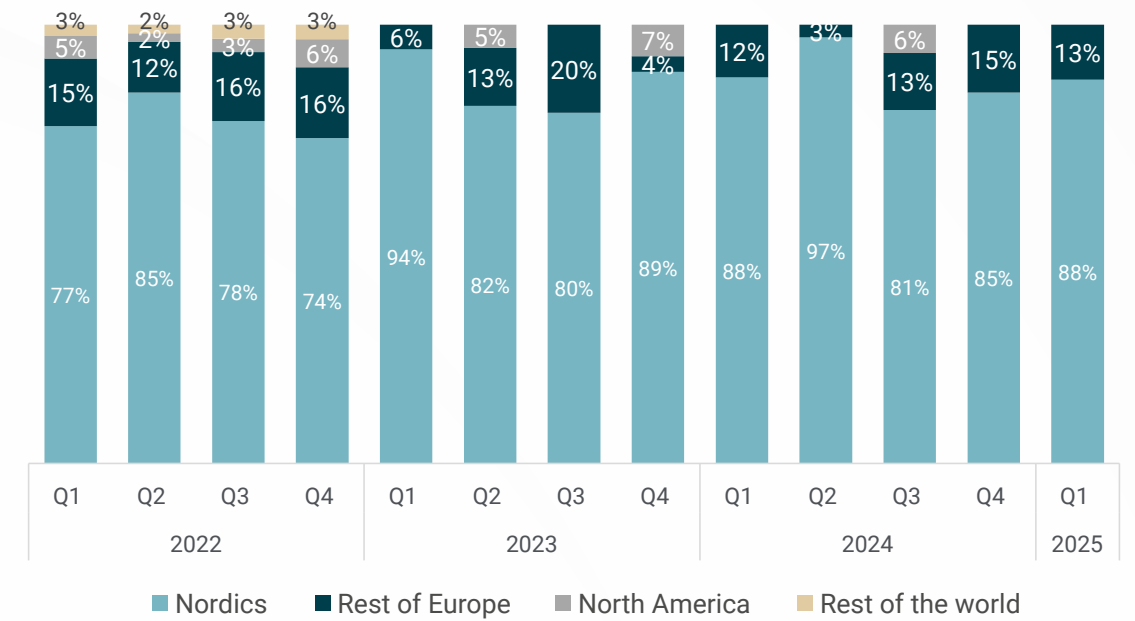
QUARTERLY DEAL VOLUME

(# of deals)



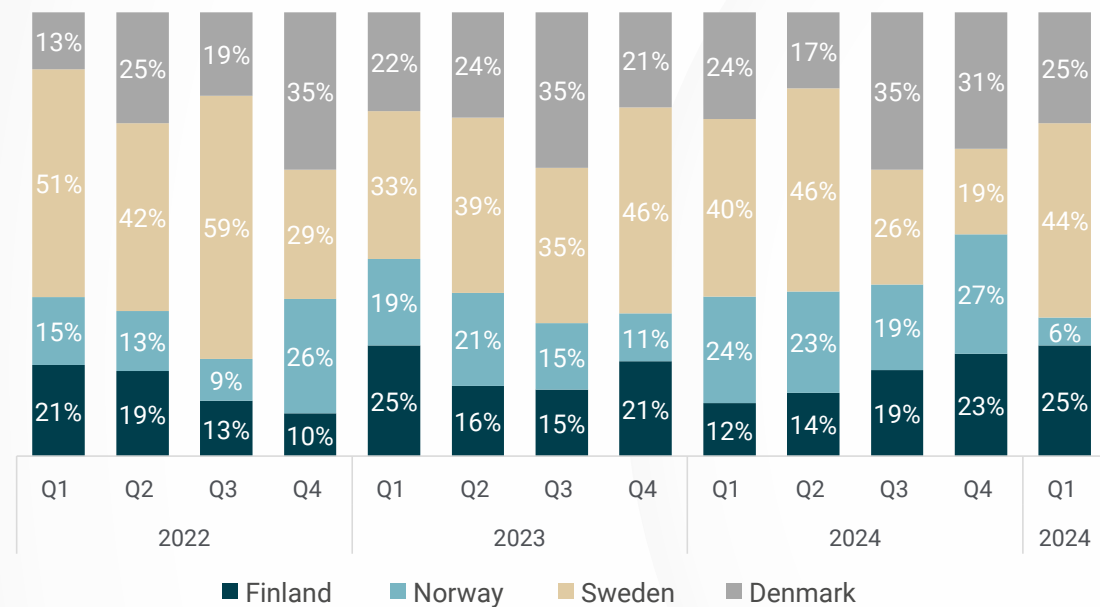
GEOGRAPHICAL LOCATION OF ACQUIROR

(% of deals)



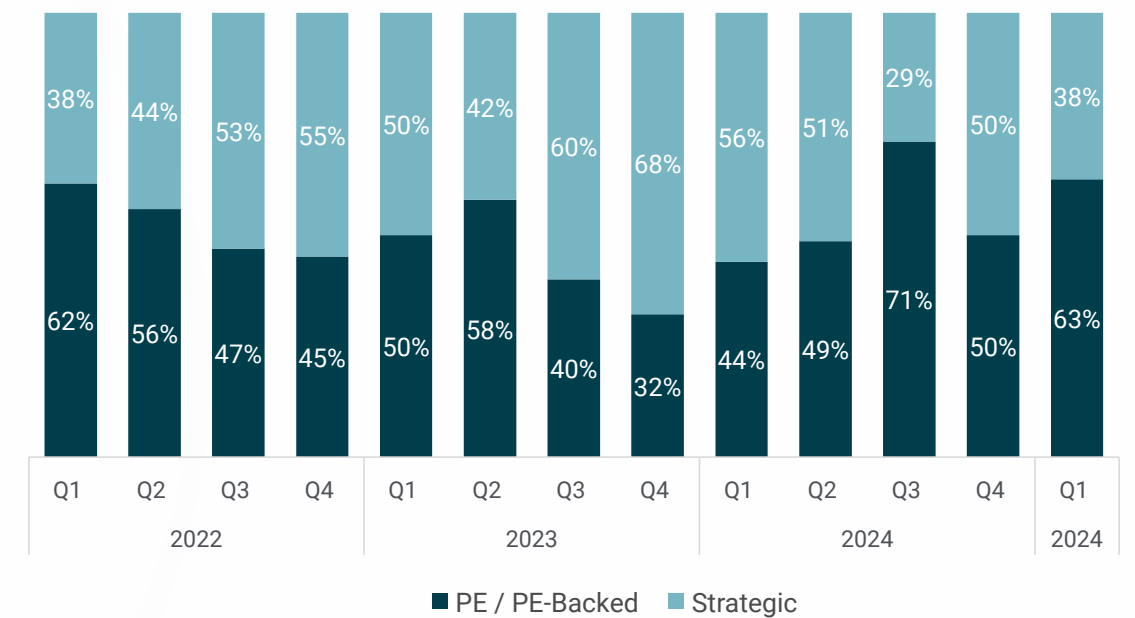
GEOGRAPHICAL LOCATION OF TARGET COMPANY

(% of deals)



TYPE OF ACQUIROR

(% of deals)



Sources: Mergermarket and IMAP analysis.

Notes: Deal volume based on Mergermarket industry category "Computer services" excluding targets within "Hardware maintenance". Venture and capital raises have been excluded.

SELECTION OF NORDIC TRANSACTIONS

Q1

“

Carner (IMAP Finland) advised Korona Invest on the successful divestment of Wunder. The transaction resulted in Wunder’s management team, together with a founding member, acquiring full ownership of the company.

CPC 

Acquired by 

PDSVISION

CCiT
Best-in-class IT solutions 

Acquired by 


pride
Capital Partners


KomplexIT 

Acquired by 

CCiT
Best-in-class IT solutions

IMAP Transaction

wunder 

Acquired by 

MBO

W / T H
secure
(Cyber security consulting business) 


Acquired by 


Neqst

efima
(RPA division) 

Acquired by 

SISUA_DIGITAL

serit 

Acquired by 

Binero IT

tietoevry 
(Tech services)

Acquired by 

AGILITAS

YELLOW ELK
DEVOTED TO DATA 

Acquired by 

INTERA
PARTNERS

FUTURE IT 

Acquired by 

UPHEADS


core change 
(SAP & BI)

Acquired by 

implema

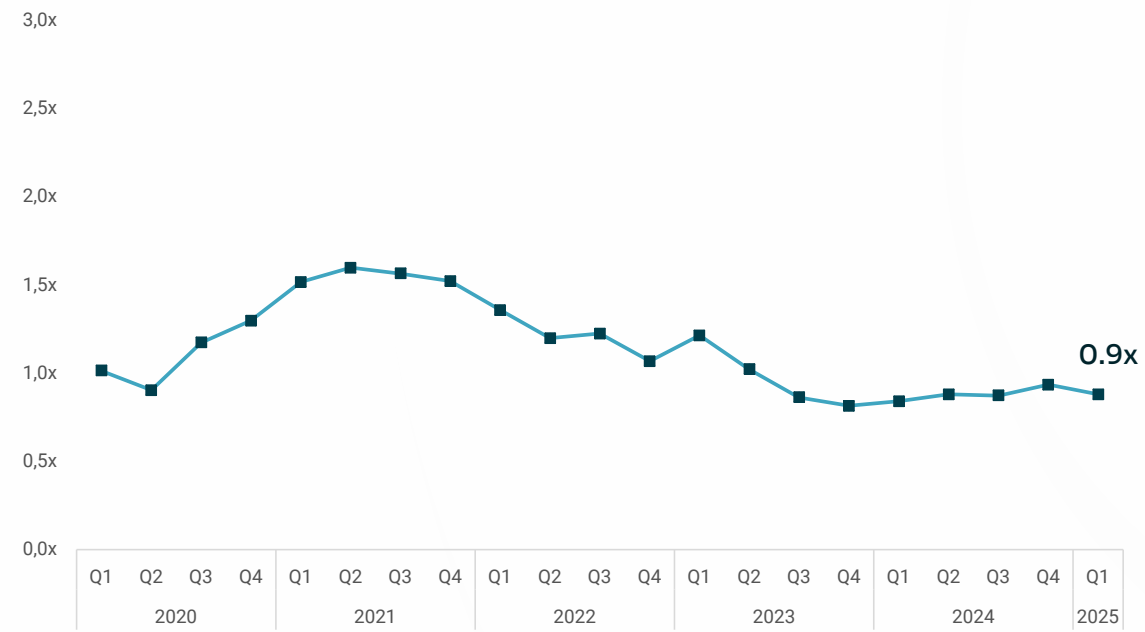
ADVITUM  **precede** 

TRIATECH

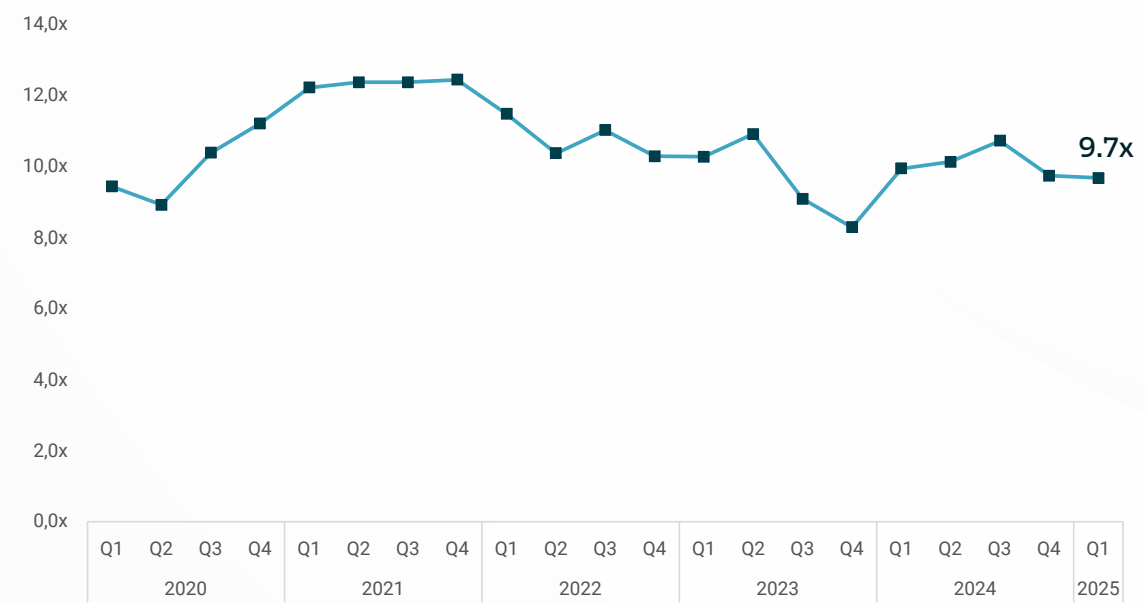
Acquired by 

Aderian

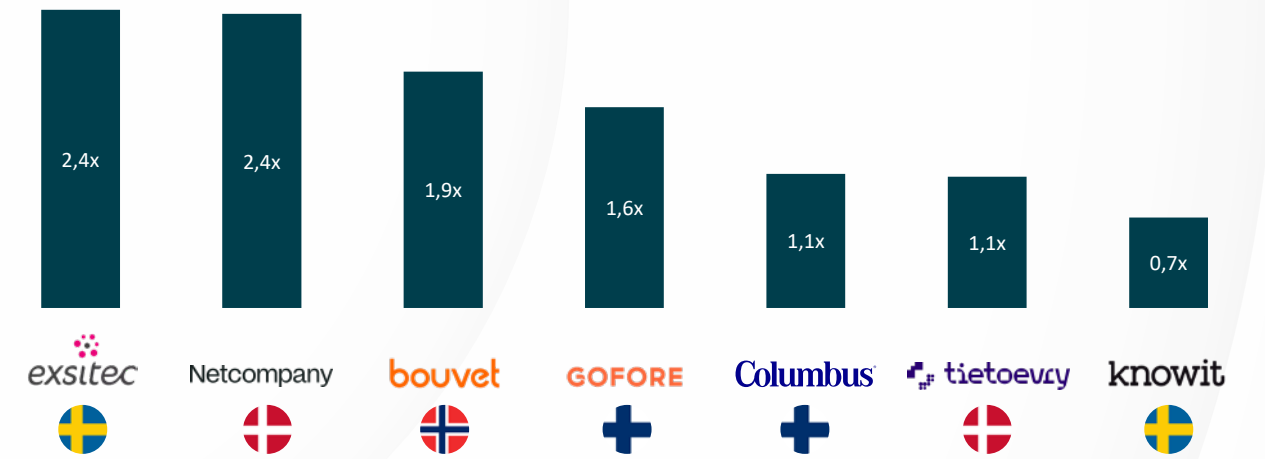
EV/SALES MULTIPLE



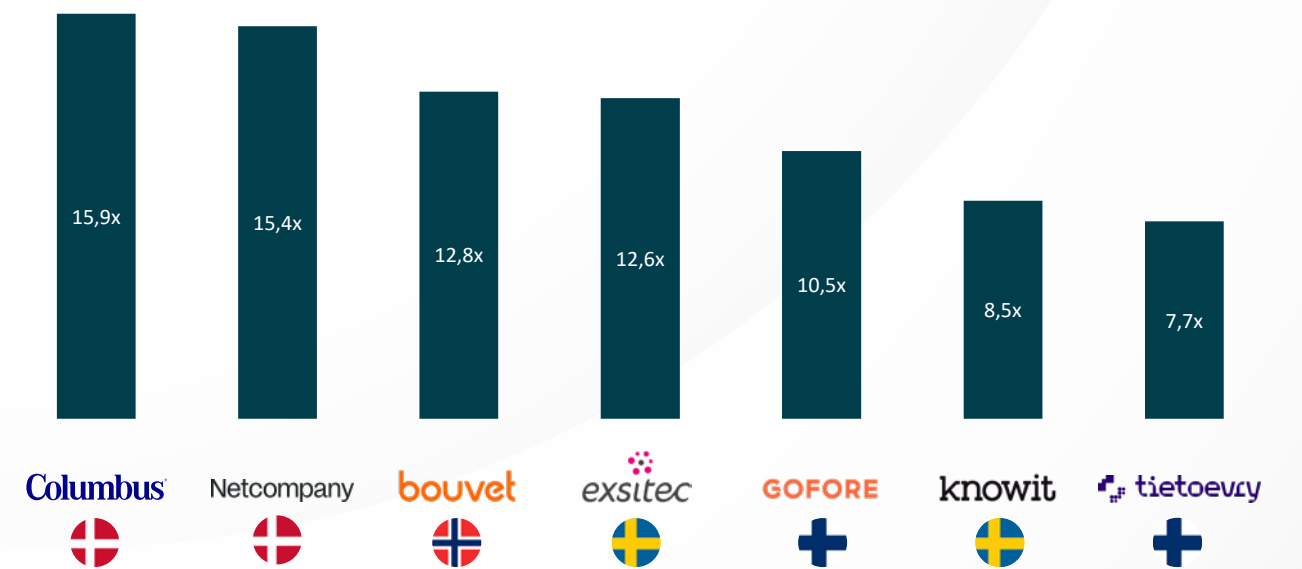
EV/EBITDA MULTIPLE



SELECTED PUBLIC LISTED EV/SALES MULTIPLES



SELECTED PUBLIC LISTED EV/EBITDA MULTIPLES



Sources: S&P Capital IQ

Notes: Multiples based on a sample of 22 listed ICT services companies (FI, SE, DK, NO). Month-end trading values have been converted to median quarterly multiples.

IMAP

INSIGHTS FROM EXPERTS



ANDREAS ANDERBERG
IMAP SWEDEN

“Time flies when you’re busy”, and I can certainly attest to that, as it’s already time to reflect on the first quarter of the year. Although activity levels have been lower, resulting in fewer transactions within both Software and ICT compared to the same period last year, many of the transactions that did occur are very noteworthy. One consistent trend is the focus on simplifying daily operations for businesses through automation. This quarter saw several acquisitions of companies in the space, e.g.: Monterro acquired Centuri, Björn Lunden acquired Aprello, and 3stepIT acquired LeaseCloud.

One vertical that we’re particularly monitoring is checkout solutions for e-commerce retailers, as we are receiving indications from industry sources that competition in this market is intensifying, with potential stakes reaching several billion SEK. Klarna has dominated this space since it pioneered Klarna Checkout in 2012, but this offering has been deprioritized over the years and was sold and rebranded to Kustom last year. During this period of neglect, challengers have emerged and begun to seize opportunities, such as Qliro, Walley, Avarda, and Svea, all competing for market share from Kustom. It wouldn’t be surprising to see a consolidation in this sector.

Speaking of Klarna, there has been talk of an IPO for several years, and just a few weeks ago it appeared to be nearly finalized. However, circumstances can change rapidly, and the listing has now been delayed again due to market turbulence.



MICK OHIRA
IMAP DENMARK (DEALHAUS)

M&A activity in the Danish software sector was subdued in Q1 with 16 announced software transactions, a decline of 38% compared to the same period the year before. Private equity investors continued to be key drivers, accounting for 69% of deals. There were several notable transactions, including the sale of Danish digital mailbox and content management company e-Boks to PE-firm Catacap, and the acquisition of the banking software and IT services company, Skandinavisk Data Center A/S (SDC) by Netcompany.

Activity in the ICT services sector was also below early 2024 levels, with four announced deals, representing a 33% decline, primarily due to limited interest from strategic buyers.

While the Danish M&A activity in the sectors appeared sluggish, we are generally seeing renewed interest from professional investors and buyers to be picking up. As a result, we anticipate deal volume for the full year to be slightly higher than or in line with 2024 levels. We also observe that the geopolitical challenges facing Europe introduce some uncertainty to the mix and brings focus on companies that could benefit in the short to mid-term from the demand for more solutions (and especially mission-critical) software of European origin.

In the first quarter of 2025, M&A activity in Finland declined on both a YoY and QoQ basis, reflecting the broader trend observed across the Nordic region.

The drop was contributed by a significant 58% decrease in software deals compared to Q4/2024.

In contrast, the ICT services transaction volume remained consistent with previous quarters. The ICT services deal count was primarily driven by service unit divestments by larger companies, such as TietoEvy announcing the sale of its Tech Services business to UK-based Agilitas Private Equity.

In the software M&A market, although top-performing companies have consistently earned high valuations and buyer interest over the past two years, the market has also seen signs of acquirers’ recovering appetite for companies outside the top tier. In the ICT services segment, firms with specialized expertise and critical service offerings have demonstrated resilience amid broader market headwinds.

Overall, despite the subdued start for the year, we expect the full year transaction volume to reach comparable figures to 2024, yet the global market environment volatility makes forecasting uncertain.



JAAKKO SALMINEN
IMAP FINLAND (CARNIER CF)

ABOUT IMAP

Since 1973, IMAP have been navigating critical business crossroads for entrepreneurs and family offices, shareholders and investors, business owners and management. We're passionate about maintaining an agile and uninfluenced position, to produce optimal results and smooth transactions for every client.

Our experience: Closing at least one transaction every working day around the globe

51 Countries

450+ IMAP professionals worldwide

252 Deals closed 2024

#6 Worldwide ranking

Our task is to create the right solution for you and your company, where price, conditions and culture come together in a higher unity. But perhaps even more importantly, our task is to advise and guide you through the entire process, so that you feel informed and comfortable with the decision you are facing at all times. We specialize in the sale of small and medium-sized companies, and we are passionate about helping owner-managers when the difficult decisions have to be made.

Let's talk software and ICT services!

IMAP Finland // Carner CF



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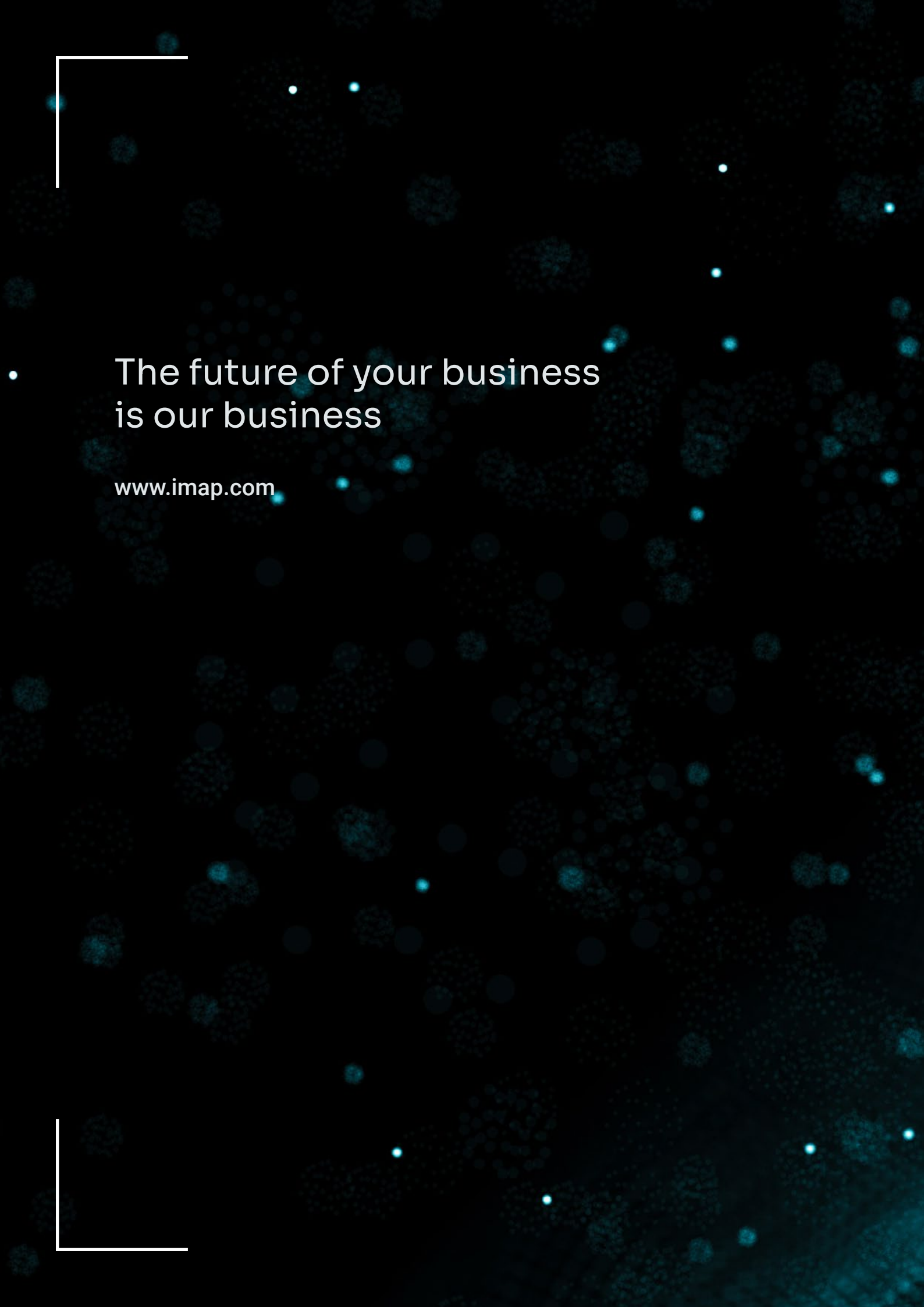


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is our business

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