



Nordic SaaS E40 report

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A study on the most effective listed B2B SaaS companies in the Nordic region.

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Disclaimer

The material in this report has been gathered from the featured companies' publicly available financial statements. We have taken reasonable care to ensure that the data is correct, but take no responsibility for errors that may have occurred.

Introduction

Welcome to the seventh edition of the Nordic SaaS E40 Report. This report will give you an understanding of the effectiveness of Nordic SaaS companies. With a specific focus on the all-important rule of 40, or the E40 metric.

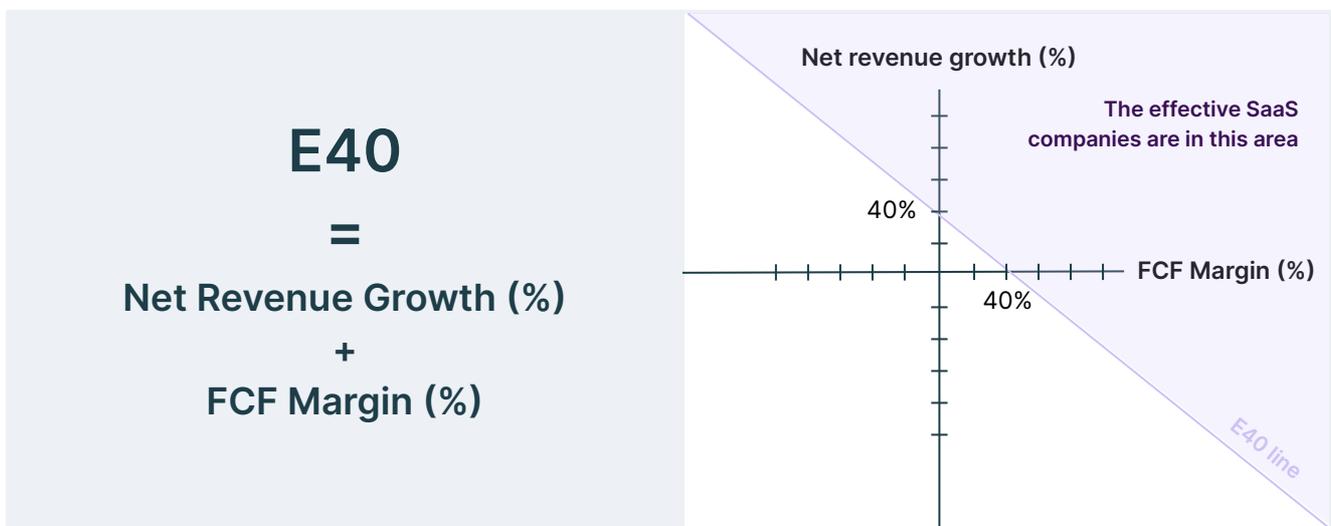
E40 - the measure for growth efficiency

SaaS is one of the most scalable business models out there. A well-functioning SaaS provider should be able to grow fast with profitability. At least, in theory. This report reveals how this works in practice, by answering the question, “How are the Nordic SaaS companies *really* growing?”

When it comes to growth efficiency, E40 tells the true story. The KPI helps show how entrepreneurs/CEOs balance revenue growth against profitability.

How to calculate E40

The rule of thumb is that effective companies have an E40 above 40. The most effective companies go above 100.



Background

E40 is a popular KPI used by SaaS investors and entrepreneurs. This KPI has been used for a long time in Silicon Valley, and the rest of the US. However, relatively few investors and entrepreneurs in the Nordics use this metric.

That's why we decided to do something about it. Within this report, you'll find out how Nordic SaaS companies are growing.

Why we calculate E40 with revenue growth and FCF margin

We looked at total net revenue growth, published in company financial reports, including organic *and* acquired growth, since far from all companies report these separately. We also looked at free cash flow margin to make sure we are comparing apples with apples, since two companies with the same EBITDA can be radically different in terms of cash efficiency. FCF also reflects the original and best practice Rule of 40 approach that originated in the US.

The importance of free cash flow

Free cash flow (FCF) shows the true effectiveness of a company's business model. You can hide inefficiencies in your income statement, but you can't fake cash flow. This is a hard truth that many companies are experiencing due to the tightening capital markets.

Scope and clarification of data

The findings include publicly listed SaaS companies in the Nordics, with revenues above €2,5M and operations within the B2B industry. The data comes from their financial reports. Calculations were made in the domestic currency. Net revenue TTM has been converted from domestic currency to euro, based on the average mid-market exchange rate on Jan 12th, 2024.

Nordic SaaS E40 Report is updated quarterly, in line with companies releasing new financial data. This report looks back at Q3 2023 and its trailing twelve months (TTM).

Market trends

Let's take a step back and look at what's happened since the last SaaS E40 Report.

The upward trend has been interrupted

In the first half of 2023, there was an increase in the number of companies reporting positive cash flow. However, this quarter has seen a slight reduction in that trend. Regarding the average E40, since the inception of the E40 report, we have seen a continuous rise. This quarter, however, marks the first instance of a decrease.



Highest E40

The highest E40 for Q3 2023 TTM belonged to Fortnox, Vertiseit and Qt Group.

1

Fortnox

E40 = 47,83%

2

Vertiseit

E40 = 44,70%

3

Qt Group

E40 = 43,10%

E40 List: Q3 2023

Company	Ticker	E40	Change in percentage points since last report	Net Revenue TTM (MEUR)	Net Revenue Growth TTM	FCF Margin TTM
1 Fortnox	FNOX	47,83%	▼ -12,49%	137,714	30,53%	17,30%
2 Vertiseit	VERT B	44,70%	▼ -7,14%	31,953	37,35%	7,36%
3 Qt Group	QTCOM	43,10%	▲ +15,37%	172,828	22,63%	20,46%
4 CodeMill	CDMIL	41,43%	▼ -1,02%	6,536	41,24%	0,19%
5 Upsales	UPSALE	40,90%	▼ -11,04%	13,002	20,45%	20,45%
6 Spir Group*	SPIR	41,07%	▼ -0,93%	96,459	27,40%	13,67%
7 Lime Technologies	LIME	36,65%	▼ -3,19%	49,667	19,23%	17,43%
8 Opter	OPTER	36,01%	▲ +2,56%	6,673	18,41%	17,60%
9 SmartCraft	SMCRT	34,97%	▼ -4,76%	34,194	20,73%	14,24%
10 checkin.com	CHECK	26,28%	▲ +13,43%	7,967	40,37%	-14,09%
11 Comintelli ^{NEW}	COMINT	24,70%	▶ + 0,00%	2,685	40,69%	-15,99%
12 Formpipe Software	FPIP	17,10%	▲ +2,30%	45,971	7,74%	9,36%
13 Vitec Software	VIT B	14,00%	▲ +28,45%	232,686	43,58%	-29,58%
14 SameSystem	SAME	11,67%	▲ +12,30%	6,388	19,59%	-7,92%
15 Mestro	MESTRO	9,39%	▲ +4,46%	2,971	37,13%	-27,74%
16 Physitrack	PTRK	7,31%	▲ +18,94%	14,854	28,70%	-21,39%
17 Medhelp Care	MEDHLP	5,77%	▲ +8,06%	7,434	6,50%	-0,73%
18 BIMobject	BIM	5,45%	▲ +9,32%	13,462	17,48%	-12,02%
19 Lemonsoft	LEMON	4,38%	▲ +12,10%	25,356	20,49%	-16,11%
20 Penneo	PENNEO	1,46%	▼ -0,97%	10,894	24,79%	-23,32%

E40 List: Q3 2023

Company	Ticker	E40	Change in percentage points since last report	Net Revenue TTM (MEUR)	Net Revenue Growth TTM	FCF Margin TTM
21 Cint Group	CINT	-0,53%	▼ -29,89%	274,582	5,77%	-6,30%
22 Safeture	SFTR	-0,72%	▲ +0,97%	3,894	29,89%	-30,61%
23 Pagero Group	PAGERO	-1,32%	▲ +3,30%	66,021	31,29%	-32,61%
24 Omda**	OMDA	-3,00%	▲ +2,22%	35,447	11,73%	-14,72%
25 Agillic	AGILC	-7,33%	▼ -11,95%	9,169	13,43%	-20,76%
26 Nordhealth	NORDH	-8,55%	▼ -1,54%	32,321	19,01%	-27,56%
27 Nepa	NEPA	-10,02%	▲ +6,03%	26,226	-6,29%	-3,73%
28 Brilliant Future	BRILL	-11,47%	▲ +12,83%	7,858	4,50%	-15,98%
29 Litium	LITI	-18,86%	▼ -2,95%	6,042	5,94%	-24,79%
30 Flowscape	FLAWS	-18,97%	▼ -6,23%	3,718	1,48%	-20,44%
31 24SevenOffice	247	-22,59%	▲ +27,66%	27,078	24,25%	-46,84%
32 Hoylu	HOYLU	-25,49%	▼ -3,06%	4,905	27,50%	-52,99%
33 Qbrick	QBRICK	-34,09%	▼ -13,97%	2,798	15,23%	-49,32%
34 Linkfire	LINKFI	-35,50%	▼ -36,43%	7,475	22,11%	-57,61%
35 Bambuser	BUSER	-53,56%	▼ -1,52%	18,115	0,91%	-54,47%
36 Oneflow	ONEF	-67,80%	▼ -3,07%	8,151	48,77%	-116,57%
37 ZignSec	ZIGN	-74,39%	▼ -6,16%	7,616	-6,75%	-67,64%
38 Artificial Solutions	ASAI	-92,55%	▲ +25,06%	5,142	36,00%	-128,55%
39 MapsPeople	MAPS	-171,47%	▲ +15,02%	5,054	22,07%	-193,54%

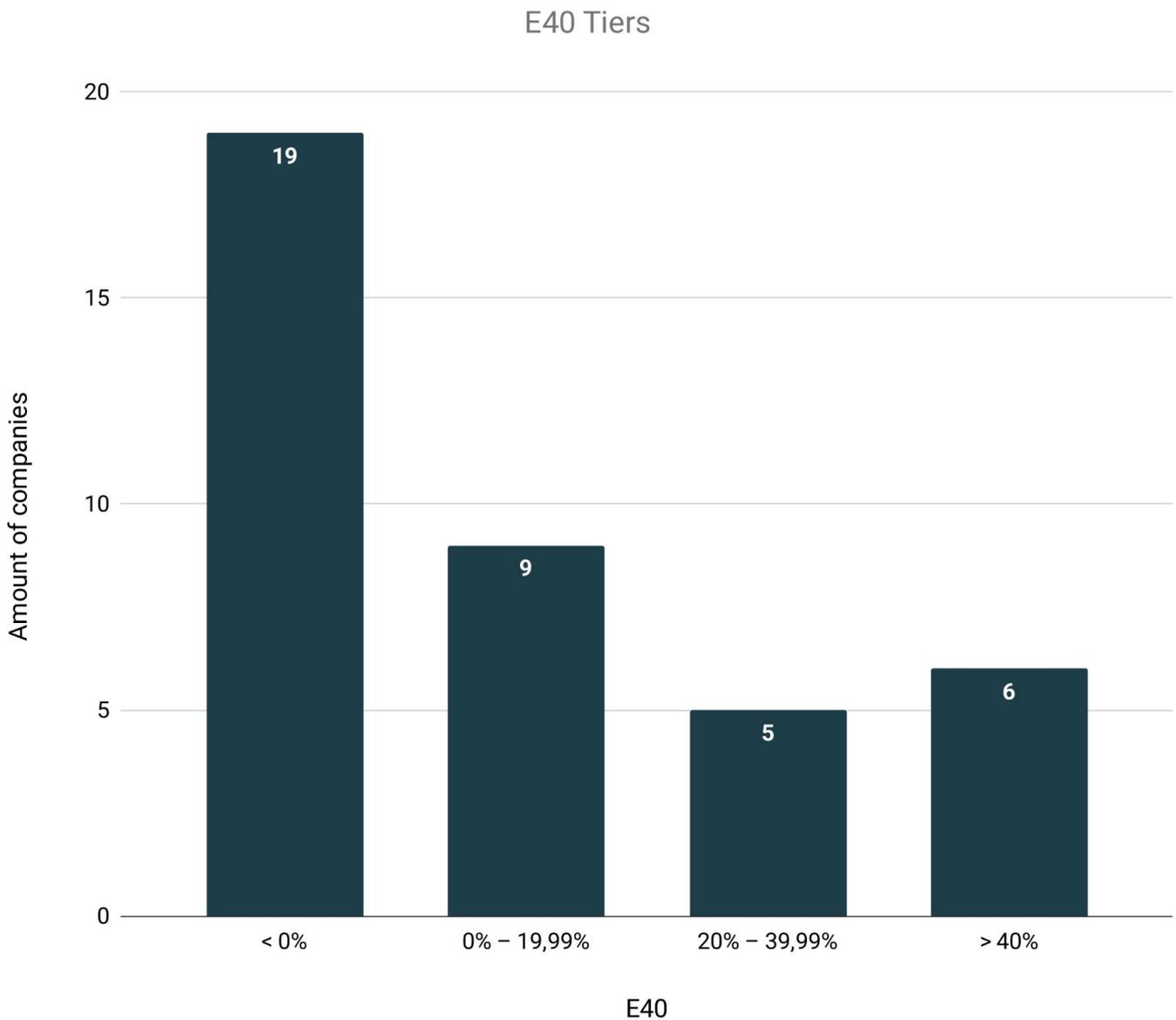
More information: E40 is calculated as *net revenue growth rate + FCF margin*.

*Spir Group was previously known as Sikri Group.

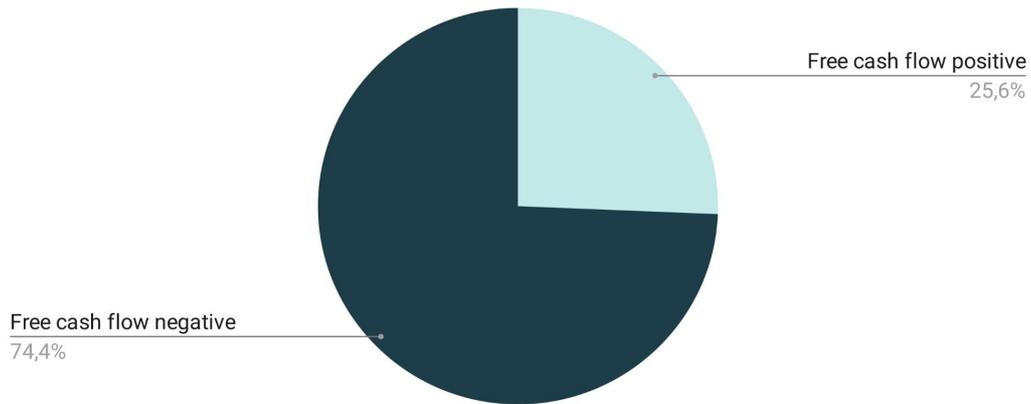
**Omda was previously known as CSAM Health.

Breaking down the data

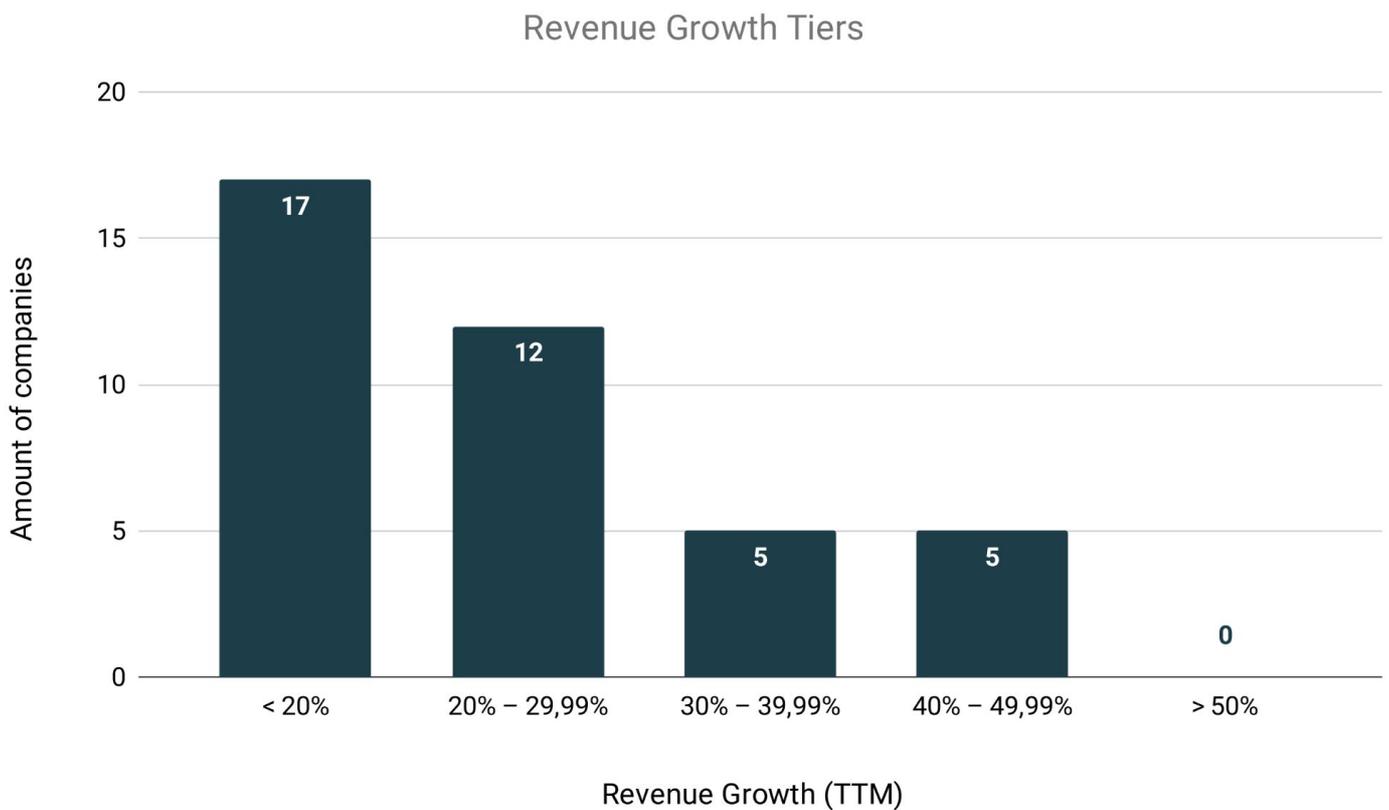
E40 tiers



Free cash flow tiers



Revenue growth tiers



More information

Nordic SaaS E40 Report is made by **Upsales Technology**.

We are passionate about SaaS and dedicate ourselves to understanding the fastest-growing SaaS companies in B2B and how they grow. Our ambition is to pinpoint what they are doing differently from others, so you can learn from the best.

For this report, we saw a lot of exciting SaaS companies that didn't get featured due to their revenue being right below 2,5 million euros. We are hoping to see them, as they grow, in our future reports.

Please reach out to us if you have any thoughts or questions.

We are always looking for successful SaaS companies that want to share their knowledge; if you are interested in being interviewed and featured in upcoming reports, let us know.

Contact us at: marketing@upsales.com

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