

Aventis Advisors

Aventis SaaS Index

June 2025 update

About Aventis Advisors

We advise founders of **technology and growth** companies on company exits and strategy.

Our focus sectors are **Software and IT Services**.

Our job is to make sure you **sell at the right time to the right people** for a fair valuation.

Technology M&A focus

Cross-border expertise

Thought leadership

Aventis Advisors



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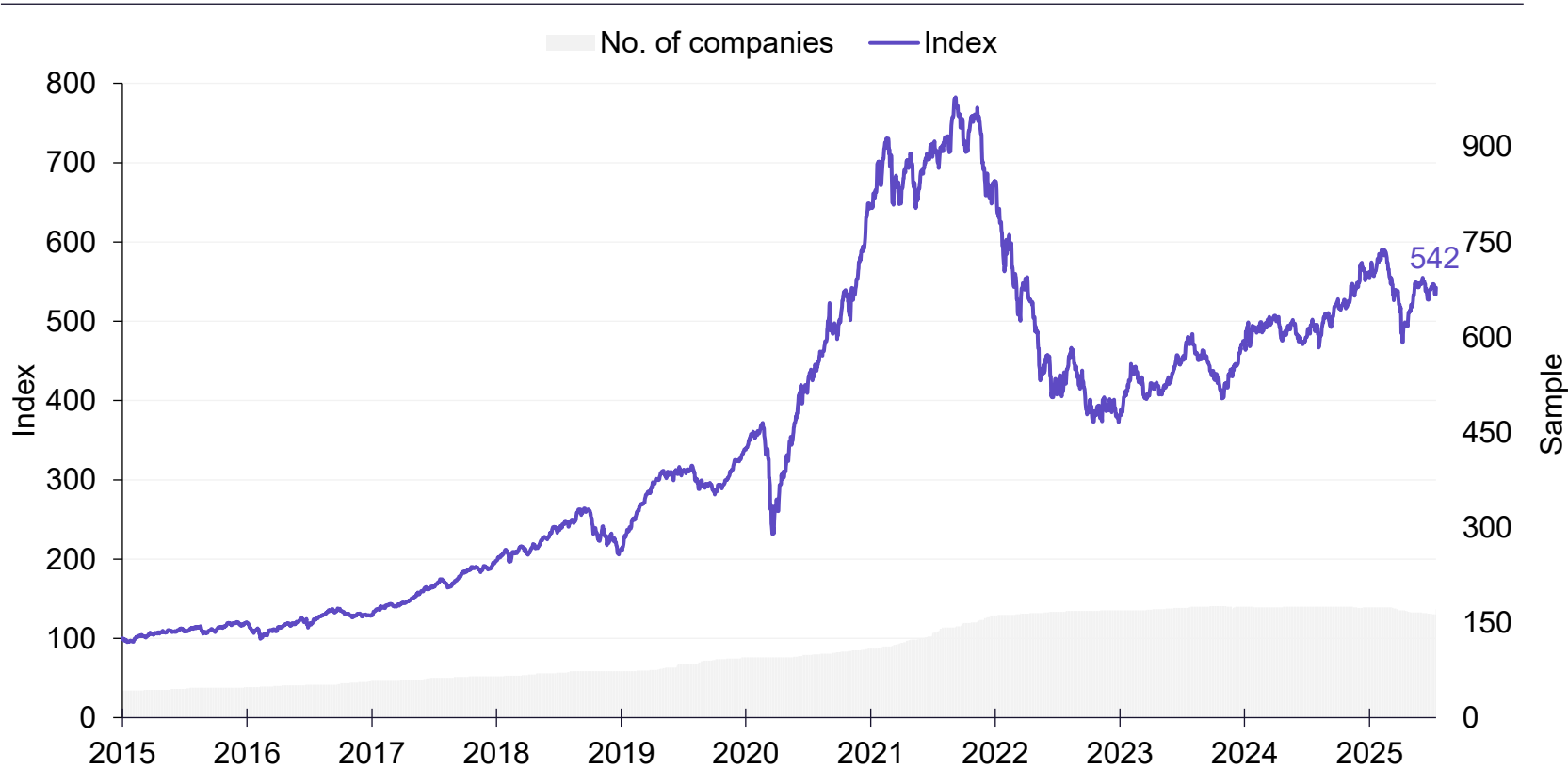
1. [Aventis SaaS Index](#)
2. Index composition



Aventis SaaS Index

The index experienced very strong growth more than tripling the index during mid 2020 to early 2021 period, followed by bust or mean reversion

Aventis SaaS Index, 2015-2025



Comments

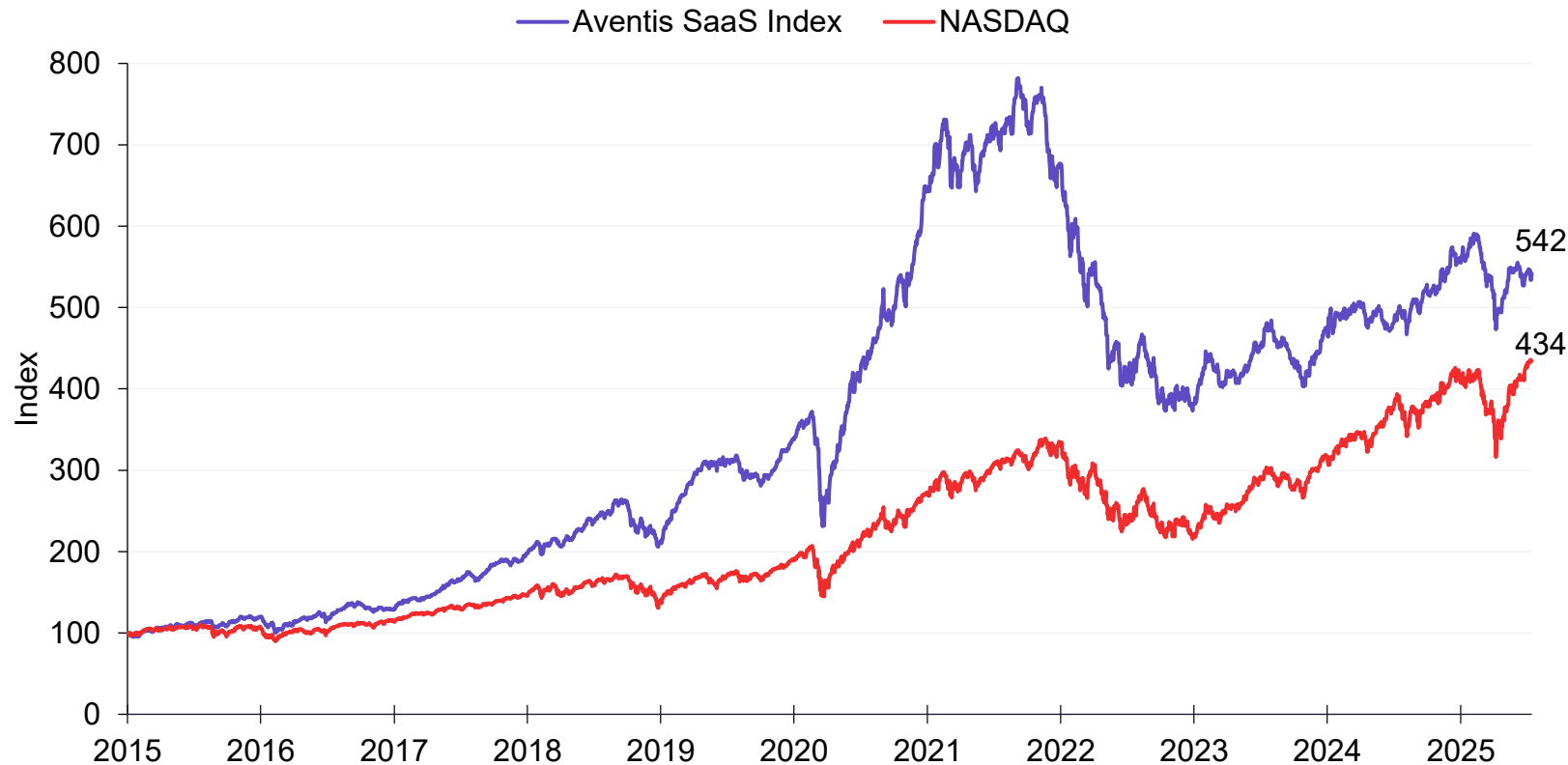
- The index boomed during the ‘SaaS bubble’ period in 2020-21 and touched a peak of 782 before declining by over 50% to 373 by May 2024
- The SaaS bubble period was characterized by loose monetary policy, high dry powder (investable capital) waiting to be allocated by institutional investors
- A combination of industry-specific and broader economic triggers uprooted the steadily growing trend of SaaS companies and pushed the valuations of SaaS companies to record highs after 2020

Note: includes 181 SaaS companies from 27 countries with a revenue of \$10M+ as of 15.05.2024
Equal-index; rebalanced monthly at the last business day of the month. Click [here](#) for the full methodology.

Aventis SaaS Index vs NASDAQ

The Aventis SaaS index has consistently performed better than NASDAQ with a strong outperformance boom seen in 2021 due to SaaS bubble

Aventis SaaS Index and NASDAQ Composite, 2015-2025



Comments

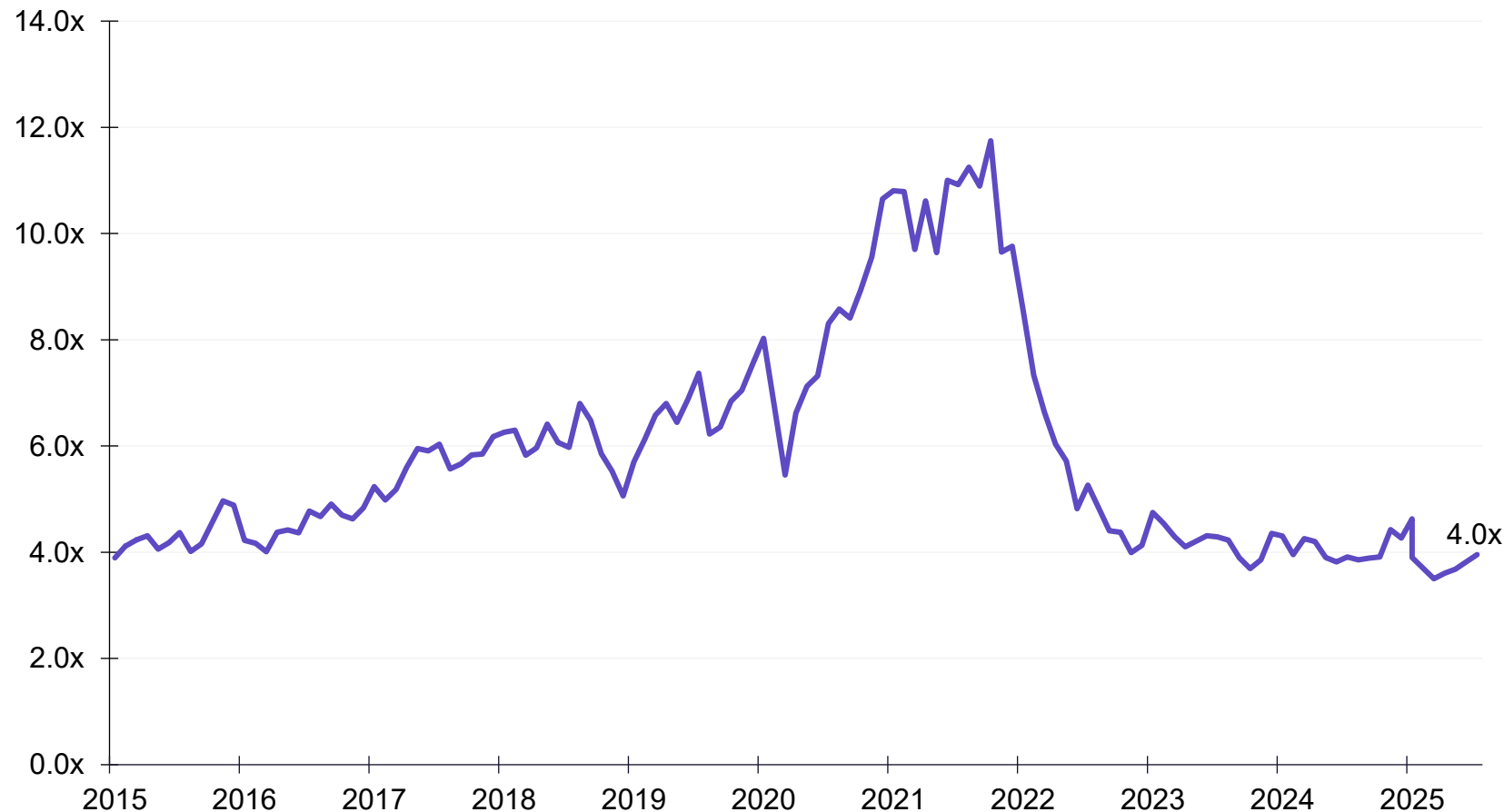
- Nasdaq is regarded as a tech-heavy stock index so the tech giants (AAPL, AMZN, MSFT, NVDA, META, etc) that are constituents of the index significantly influence its performance
- The SaaS companies included in Aventis SaaS index consistently performed better than the NASDAQ composite by a narrow margin
- However, this outperformance almost doubled during the meteoric 'SaaS bubble' phase between late 2020 to mid 2021
- Aventis SaaS index was at 782pts in the peak of 2021 while NASDAQ was at 339pts
- The gap has since narrowed down and returned to a normal long-term trend

Note: NASDAQ index value is rebased and starts from '100' from 01/01/2015

EV/Revenue multiple

In the last decade, the average EV/Revenue multiple for SaaS companies in our index was 5.8x

Median EV/Revenue multiple, 2015-2025



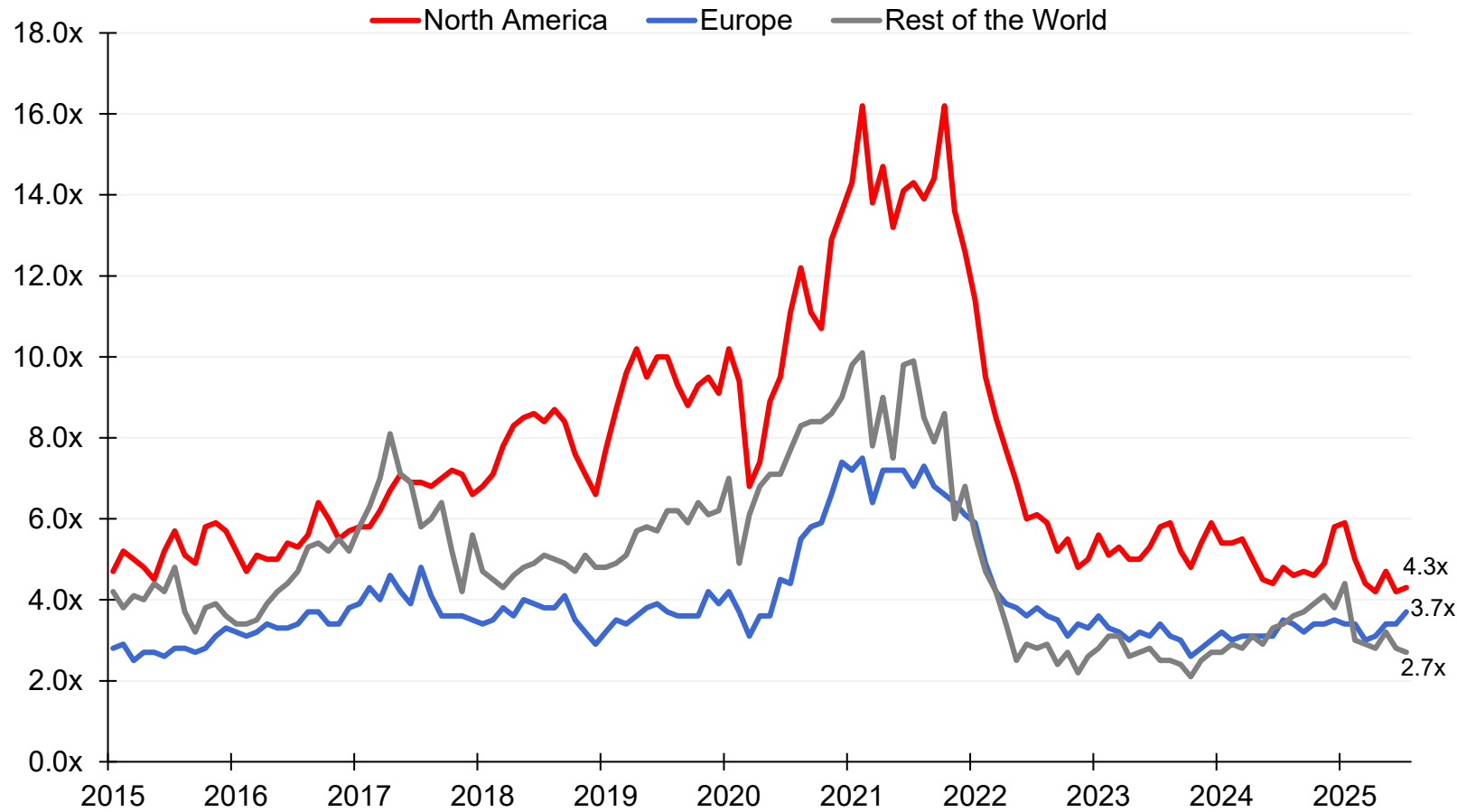
Comments

- SaaS revenue multiples peaked in mid 2021 and have been declining ever since
- During the period when the Aventis SaaS index tripled, the median EV/Revenue multiple also doubled
- As of Jul 2025, the median EV/Revenue multiple for a SaaS business stood at 4.1x
- However, there are exceptional SaaS companies trading at above median revenue multiples.
- For example:
 - Descartes (TSX:DSG) trading at 12.8x EV/revenue
 - Cerillion (AIM:CER) trading at 9.8x EV/revenue
 - Planisware (BATS-CHIXE:PLNWP) trading at 7.9x EV/revenue

EV/Revenue multiple by region

North American SaaS companies commanded higher revenue multiples historically, but revenue multiples are fast approaching a convergence

Median EV/Revenue multiple by region, 2015-2025



Comments

- SaaS companies in North America are valued at higher EV/Revenue multiple relative to their European peers
- During mid-2021 when revenue multiples were at their peak, North American companies were valued at median 16.2x while European companies were trading at 7.5x EV/Revenue
- Post-COVID there is a race to convergence of revenue multiples with North American SaaS companies dropping the most
- As of July 2025, the revenue multiples were:
 - Australia & New Zealand – 4.5x
 - North America – 4.3x
 - Europe – 3.7x
 - Rest of the world – 2.7x

EV/EBITDA multiple

The median EV/EBITDA for a SaaS business was 31.0x as of July 2025

Median EV/EBITDA multiple, 2015-2025

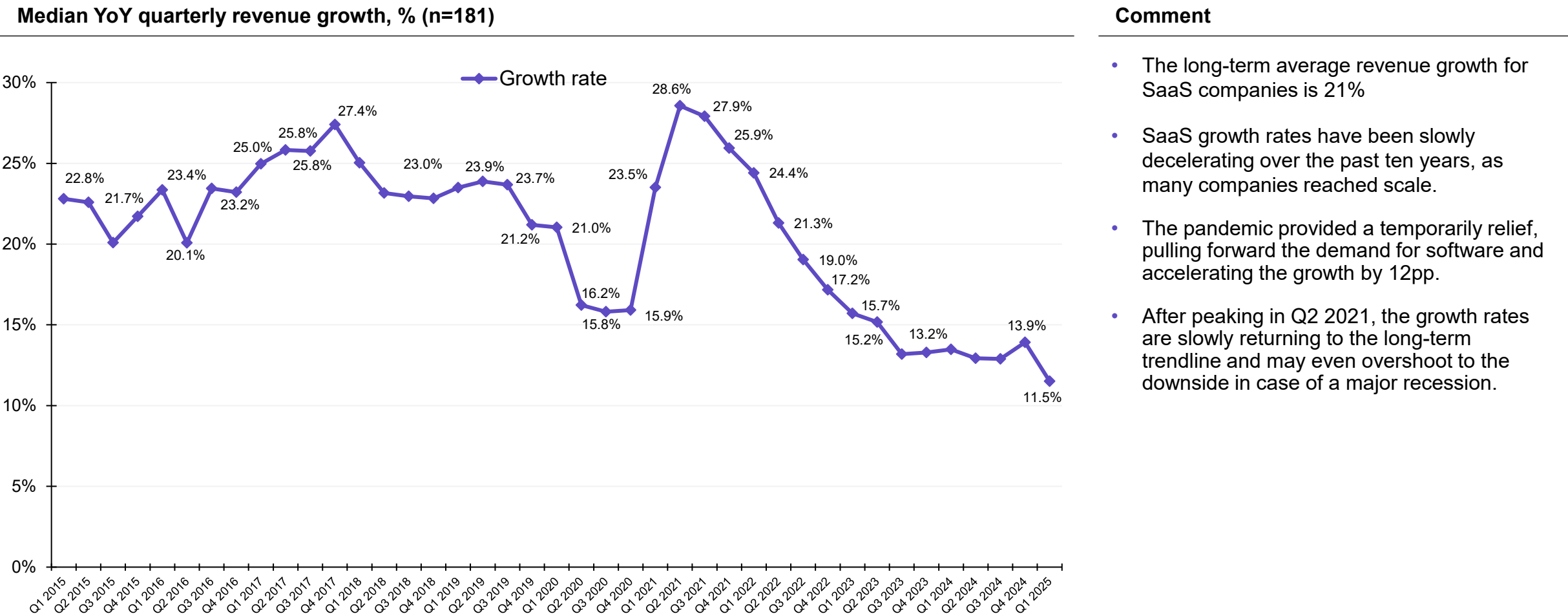


Comments

- The EV/EBITDA multiple is surprisingly not the go-to valuation multiple SaaS companies due to a major portion of emerging SaaS firms being unprofitable that render this multiple obsolete
- However, for SaaS companies that turn a profit, the EV/EBITDA multiple is a useful valuation methodology
- The EV/EBITDA multiple rose dramatically during the SaaS bubble phase between 2020-2021; at its peak the median EV/EBITDA multiple was 43.9x
- The long-term average EV/EBITDA multiple for SaaS companies is 29.4x
- As of Feb 2025, the median EV/EBITDA multiple for a SaaS company is 27.2x

Revenue growth

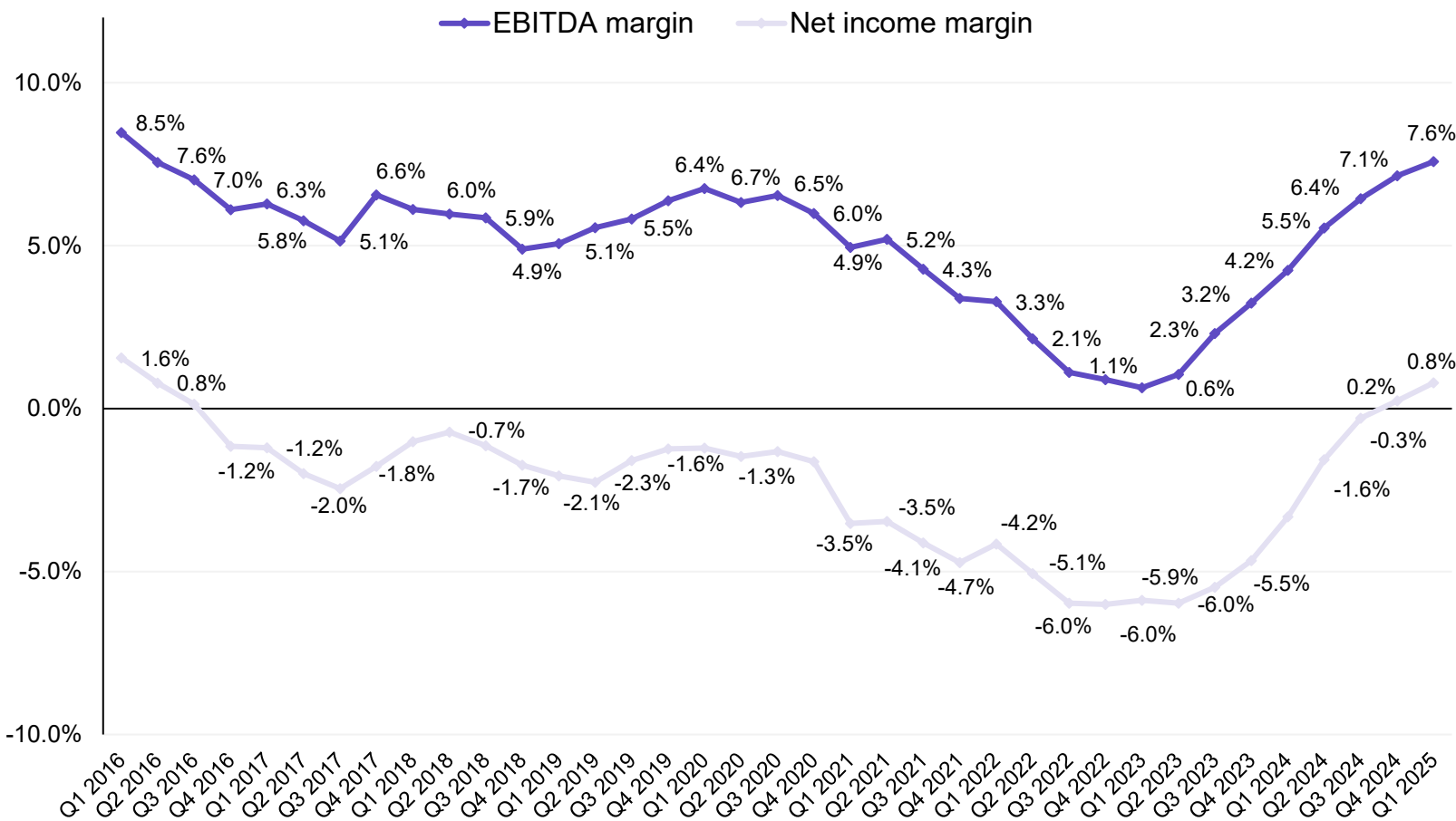
SaaS revenue growth rates continued to deteriorate reaching a median of 12% in Q1 2025



Profitability margins

As of Q1 2025, a median SaaS company is now profitable both on an EBITDA and Net Income margin level

4 quarters rolling average margin, % (n=181)



Comment

- Over the Q3 2016 to Q3 2024 period, a median SaaS company lost money on Net Income basis and remained profitable on an EBITDA margin basis.
- As growth stabilized in 2022 following the COVID-19 pandemic, a wave of layoffs began.
- After large layoffs signaling cost control and focus on efficiency, profitability margins of SaaS companies both on Net Income and EBITDA level improved significantly.

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1. Aventis SaaS Index
2. Index composition



By Revenue size and Market Capitalization

Our index is a relevant benchmark for different sizes of SaaS companies as it constitutes small, medium, and large listed companies

Index composition by revenue size, \$M	
Rev. group	No. of constituents
\$1B+	48
\$500M-1B	26
\$200-500M	35
\$100-200M	22
\$50-100M	19
\$20-50M	30
\$10-20M	16
Total	149

Index composition by market capitalization, \$M	
Market cap group	No. of constituents
\$1B+	100
\$500M-1B	20
\$200-500M	21
\$100-200M	12
\$50-100M	17
\$20-50M	15
\$10-20M	11
Total	149

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