



Nordic Deal Trend Report

First Quarter 2021



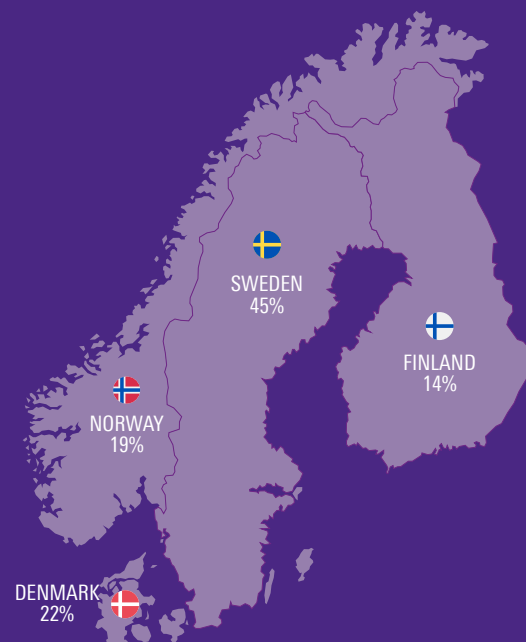
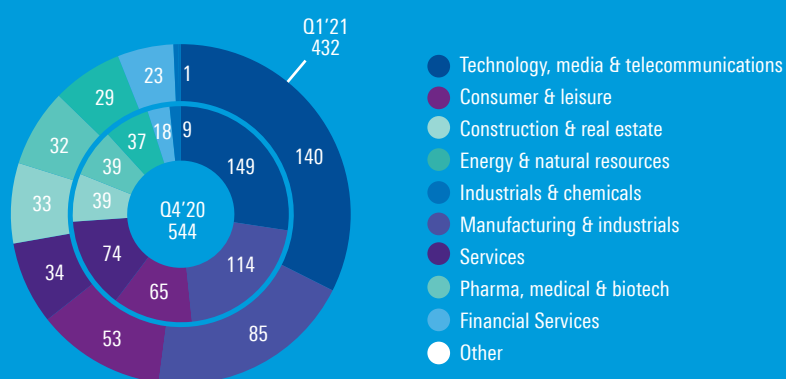
QUARTERLY DISTRIBUTION BY DEAL COUNT^(a)



NORDIC DEAL FLOWS^(b)



SECTOR BREAKDOWN BY DEAL COUNT^(a) Q1'21 VS. Q4'20



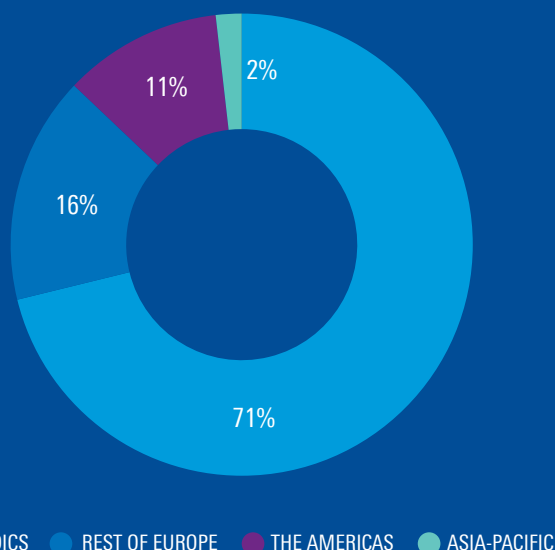
WHAT'S HOT IN THE NORDICS?^(d)

Sector	Sweden	Denmark	Norway	Finland	Total
Technology, media & telecommunications	32	31	22	19	104
Manufacturing & industrials	36	11	9	8	64
Services	17	8	7	7	39
Consumer & leisure	7	9	8	7	31
Construction & real estate	18	4	4	2	28
Energy & natural resources	6	11	2	4	23
Pharma, medical & biotech	3	5	8	7	23
Financial Services	6	6	6	2	20
Industrials & chemicals	0	0	0	1	1
Other	1	0	0	0	1
Total	75	58	54	31	334

Notes:

- (a) Includes total number of announced deals, excluding deals with lapsed or withdrawn bids, with a Nordic buyer or a target.
- (b) Percentages denote the proportion per country of the total number of Nordic deals.
- (c) Intra-Nordic deals include the deals where both the buyer and the target is Nordic.
- (d) The heat chart includes total number of deals with Nordic targets in the quarter (excl. outbound M&A from Nordic region).

NATIONALITY OF BUYERS OF NORDIC TARGETS



Source: (1) Mergermarket; (2) KPMG Analysis.

TOP 10 TRANSACTION IN DENMARK - Q1'21

Target	Buyer	EURm
Stark Group	CVC Capital Partners	2.601
Peakon	Workday	595
LEO Pharma	Nordic Capital	450
LOGSTOR	Kingspan Group	256
Planday	Xero	188
Vivino	Kinnevik, Creandum, GP Bullhound	132
IO Biotech	HBM BioVentures, ID Invest Partners	132
Hess Denmark	INEOS	128
Nordic Bioscience	Kohlberg Kravis Roberts & Co.	85
Ageras	Lugard Roard Capital	62

Note: KPMG Deal Advisory has worked on three of the top-5 Danish announced deals in Q1.

DEAL MOMENTUM POST COVID-19

Welcome to the first edition of the 2021 Nordic Deal Trend Report covering the first quarter of the year. The M&A landscape across the Nordics truly witnessed a remarkable end to 2020 which also seems to spill into 2021.

After what many perceived to be an almost total deal-making standstill in the first half of last year, the number of announced deals came roaring back in the second half. Especially the fourth quarter was out of the ordinary – [544] deals are the highest number of quarterly announced transactions recorded in the period covered by this report.

The big question is now to which extent this deal-making momentum will be sustained in the year ahead of us? In the first quarter of 2021, we still see high M&A activity in our part of the world but also note that there are some out-of-the ordinary underlying deal characteristics.

One of these is the tech segment clearly cementing its position as the hottest sector in the region. Normally a top-3 sector, tech deals have soared at the start of this year, making it a clear lead and accounting for almost one third of all announced deals. This is easily explainable, though, as we have been pushed into a new, more digital, work-life environment following the pandemic. Also, no doubt, the increased use of e-commerce has had an impact on the tech role in our lives. We clearly see tech deals having a compelling angle which, without a doubt, will attract interest going forward.

And while we are looking ahead further into 2021, in particular at the broader M&A market, we see promising signs of the upbeat activity to continue. I guess the past year has taught us that nothing is certain, and growth is not a guarantee; however, we seem to have avoided a repeat of the long, slow recovery as seen after the financial crisis a little over ten years ago.

Overall, the outlook for M&A activity across the Nordics is a positive one. The first quarter of the year has had a higher number of announced deals compared to the same period last year – before the pandemic hit our region and rest of the world.

The backlog of deals that were postponed following COVID-19, new deals coming to market, continued low interest rates, the level of private equity dry powder available to be invested and, fingers crossed, vaccine rollout will, hopefully, drive economic recovery, confidence in M&A and keep the momentum up moving into the second quarter of 2021.



Stig Meulengracht

Partner
Deal Advisory, Denmark
+45 5215 0245
stigmeulengracht@kpmg.com

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All underlying data for the Nordic Deal Trend Report is used courtesy of Mergermarket. All data is based on announced transactions over USD5m and is based on Mergermarket's M&A deals database. Deals with undisclosed deal values are included where the target's turnover exceeds USD10m. Deals where the effective stake acquired is less than 30% will only be included if the value is greater than USD100m. Deals with lapsed or withdrawn bids are excluded. Please refer to Mergermarket for full deal criteria. The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.