

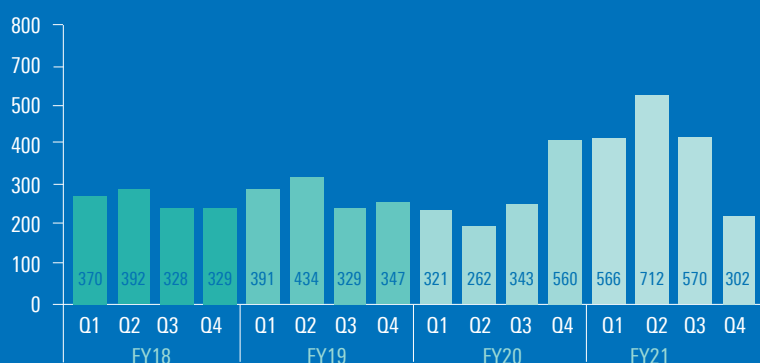


Nordic Deal Trend Report

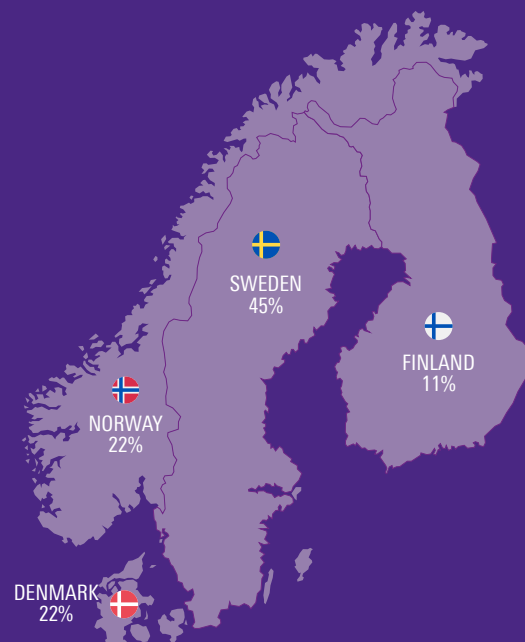
Fourth Quarter 2021



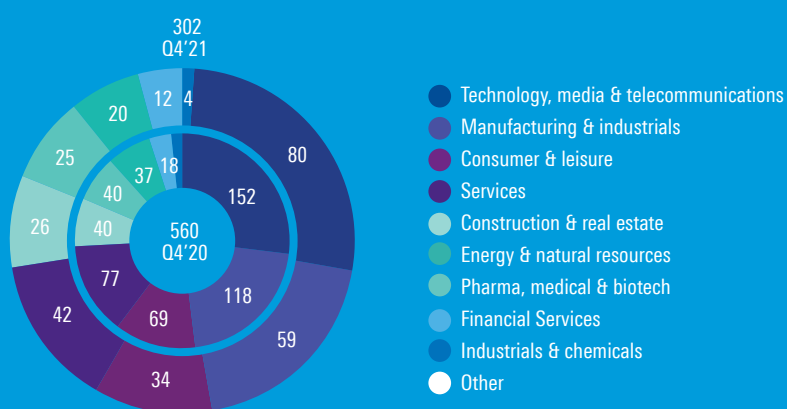
QUARTERLY DISTRIBUTION BY DEAL COUNT^(a)



NORDIC DEAL FLOWS^(b)



SECTOR BREAKDOWN BY DEAL COUNT Q4'21 VS. Q4'20



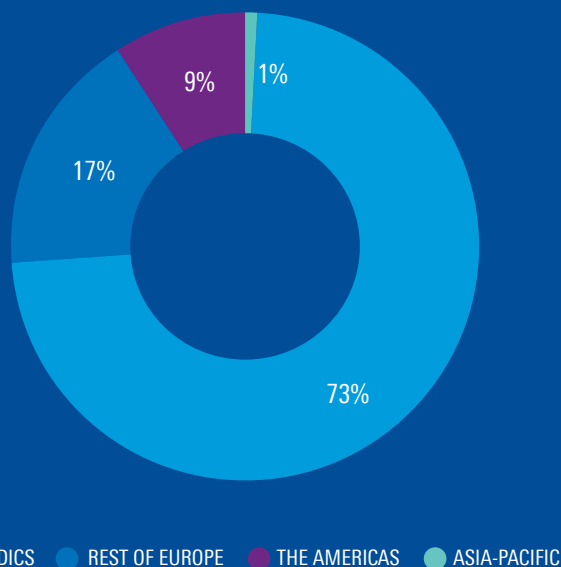
WHAT'S HOT IN THE NORDICS?^(d)

Sector	Sweden	Denmark	Norway	Finland	Total
Technology, media & telecommunications	23	16	15	9	63
Manufacturing & industrials	11	11	15	6	43
Services	14	7	5	5	31
Consumer & leisure	9	9	3	4	25
Construction & real estate	7	4	11	2	24
Energy & natural resources	8	2	3	4	17
Pharma, medical & biotech	3	5	2	3	13
Financial Services	4	4	1	0	9
Industrials & chemicals	0	2	0	0	2
Total	98	72	70	41	227

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- (a) Includes total number of announced deals, excluding deals with lapsed or withdrawn bids, with a Nordic buyer or a target.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 - Q4'21

Target	Buyer	EURm
The Drilling Company of 1972 A/S	Noble Corp.	1.624
SteelSeries ApS	GN Store Nord A/S	1.057
BoStad A/S	AP Pension Livsforsikrings A/S	450
Esvagt A/S (50% Stake)	3i Infrastructure plc	302
Chemical Tankers Inc	Hafnia Tankers Limited	179
Alm. Brand Liv & Pension	Nordic I&P Holding ApS	145
BB Electronics A/S	Kitron ASA	77
Podimo Aps	Headline; 83 North, Chr. Augustinus Fabrikker	66
Ajos A/S	Adapteo Plc	42
iMotions - Emotion Technology A/S	Smart Eye AB	39

IS M&A HERE TO STAY?

Welcome to the last edition of this year of KPMG's Nordic Deal Trend Report with figures covering deal activity in the fourth and final quarter of 2021.

As we concluded in our most recent Nordic Deal Trend Report covering Q3 2021, the first three quarters alone surpassed the entire previous year 2020 with regards to number of announced deals in our part of the world. This final quarter of 2021 has, more or less, just been additional icing on the cake with regards to Nordic M&A activity. In total for 2021 (at the time of writing this report and before all announced deals have been captured in the statistics), 2,150 deals have been announced demonstrating a 44.7% increase year on year across the Nordics.

What we do note, however, is that the figures show a slow-down of announced deals going into 2022. The number of announced deals in the fourth quarter stands at 302 which is a little less than half of the average of the first three quarters of the year.

So what does this mean – are we witnesses to the M&A market starting to hold back over worries of increasing inflation and interest rates, supply-chain issues or general growth concerns due to the new epidemic wave? Or could the explanation point in the direction of a capacity constraint to doing deals rather than a lacking appetite?

What we see and hear from the Danish market and when talking to colleagues across the rest of the Nordics, almost everyone involved in the doing M&A is still flat out. Based on our own pipeline of ongoing and upcoming deals that we ex-

pect to materialize in the first quarters of the new year, there are no major signs of a Nordic deal market coming to a halt.

As touched upon earlier in the year, the most consistent industry trend encompassing deals in the transformational digital technology is still very much present in the underlying statistics with the tech segment totalling 26% of all announced deals. Expectedly, together with consolidation trends in manufacturing, consumer, services and an active real-estate market, the M&A activity levels of today will carry over to the new year.

Also worth noting is the ESG agenda which started pre-pandemic. This may generate additional deal activity as organisations look at their ecological footprint and consider acquiring, rationalising or divestment of assets. Looking ahead, I would expect investors to perceive ESG as a critical element to building a more sustainable business that is better suited to adapt to potential shifts in the market.

I believe M&A is here to stay.

Happy New Year's!



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