



Transaction Trends

Danish M&A update - Q4 2024

The Danish M&A market increased momentum in latest quarter and broke the last 5-year deal activity record.

Quarter summary

232

of transactions announced

Highlights | [Page 3](#)

€385m

Average disclosed deal value

Key transactions | [Page 5](#)

TMT

Most active industry with 53 deals

Industry trends | [Page 6](#)

48%

Share of foreign buyers of Danish targets

Buyer / target region | [Page 7](#)

18%

Share of deals involving public companies

Transaction arena | [Page 8](#)

1

New listing in Q4 2024 on Nasdaq Copenhagen

Market update | [Page 9](#)

Transaction Trends, published by EY Strategy and Transactions, is a quarterly publication that aims to identify trends in the Danish transactions market.

Data presented in this newsletter covers all transactions announced and registered in Mergermarket where Danish companies have participated as either target, buyer or vendor.

Data was extracted on the 7th of January 2025.

All figures are in EUR, unless stated otherwise.

The Transaction Trends Editorial Team

Highest quarterly deal volume in the last five years

In Q4 2024, **232 transactions** were announced in the Danish M&A market, marking an 8% increase from the previous quarter. This growth was driven by domestic deals, while the number of cross-border deals remained stable.

Over the past four quarters, the LTM deal activity has been trending upwards, indicating a rebound in the M&A market after low activity in Q4 2023. The deal count in Q4 2024 represents an 86% increase compared to the same quarter last year.

The **TMT** sector had the highest deal count, comprising 23% of the total quarterly deals, despite a 10% decline in activity from Q3 2024 to Q4 2024.

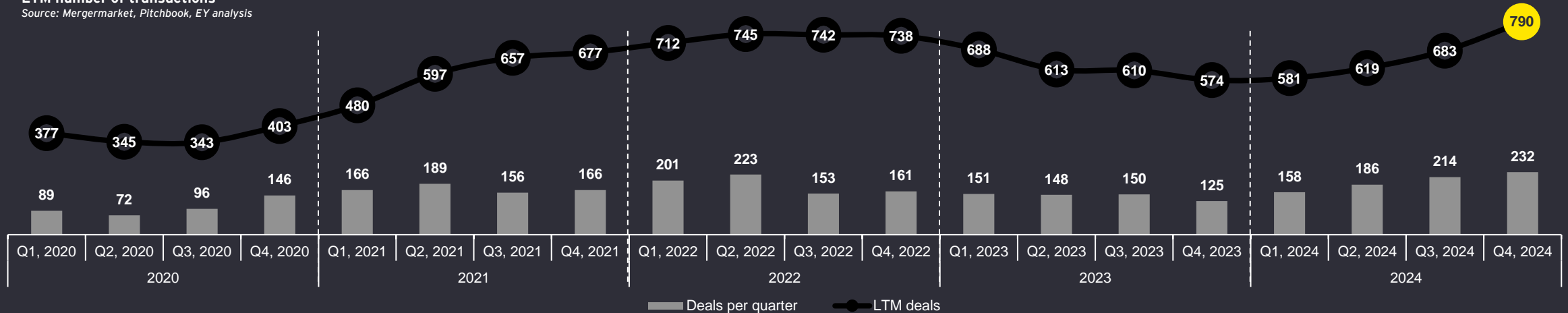
Real Estate, Hospitality & Construction activity surged in Q4 2024, reaching a five-year peak with 33 deals (19 in **Construction** and 14 in **Real Estate**), compared to 11 deals in the previous quarter. This significant growth may indicate increased activity in these sectors, as interest rates have been reduced in recent quarters.

The **Business & Professional Services** sector saw a decline in deals, from 30 in the previous quarter to 16 in Q4 2024. However, the sector has shown an upward trend in quarterly deal activity since Q4 2023.

Life Sciences deals increased by 61%, from 18 in the last quarter to 29 in the recent quarter.

The **Consumer Products** industry recorded 18 deals in the quarter, a slight drop from the 22 deals in the previous quarter. Despite this, activity in the industry remains significantly higher than the same quarter last year, which saw only 6 deals. The past three quarters indicate growing interest in M&A deals within the industry.

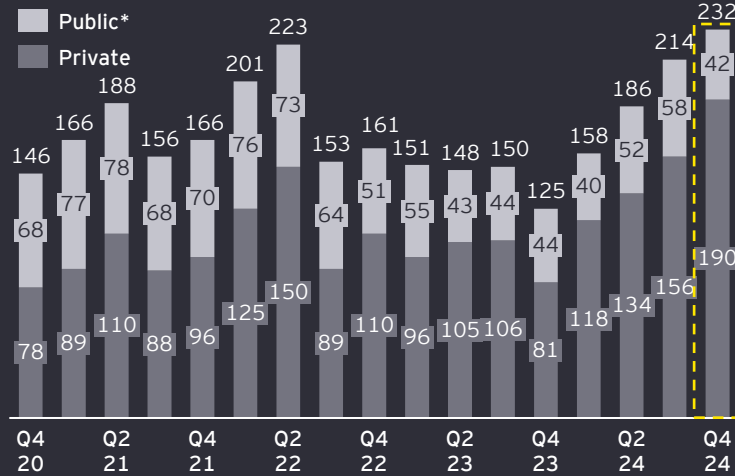
LTM number of transactions
Source: Mergermarket, Pitchbook, EY analysis



Quarter Highlights

Number of transactions

Source: Mergermarket



*Public transactions are defined as those where either the target, buyer or vendor company is a listed entity.

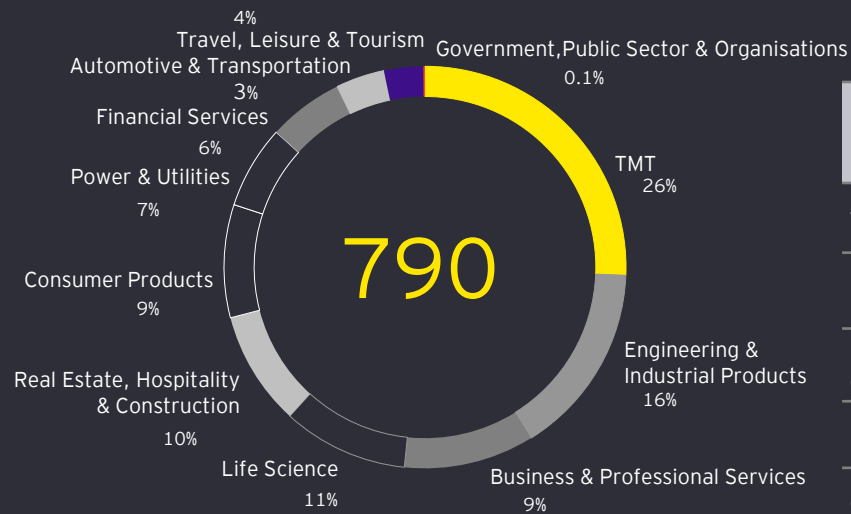
Transactions this quarter

A 22% growth in private deal activity during the quarter has been the main driver for the rising deal activity, offset by a 28% decrease in public deals.

Since Q4 2023, it is evident that both private and public deals has been upwards trending. However, the public deals lost momentum in the latest quarter.

LTM share of transactions per industry

Source: Mergermarket



Deals per industry

Despite a 10% drop in latest quarter's deal activity, the **TMT** sector continues to be the most significant contributor in LTM deal count, accounting for 26% of total deals.

The **Engineering & Industrial Products** and **Life Sciences** industries continue being the runner ups, accounting for 16% and 11%, respectively, of the LTM deal activity.

Activity by industry

Source: Capital IQ, Mergermarket

Industry	# of transactions				
	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q4 Trend
TMT	41	50	59	53	↓
Engineering & Industrial products	23	33	32	35	↑
Real Estate, Hospitality & Construction	12	17	11	33	↑
Life Sciences	19	14	18	29	↑
Consumer Products	9	23	22	18	↓
Power & Utilities	20	9	7	15	↑
Business & Professional Services	17	20	30	16	↓
Automotive & Transportation	5	4	10	12	↑
Financial Services	10	8	19	11	↓
Travel, Leisure & Tourism	2	7	6	10	↑
Government, Public Sector & Organisations	-	1	-	-	↓
Total	158	186	214	232	

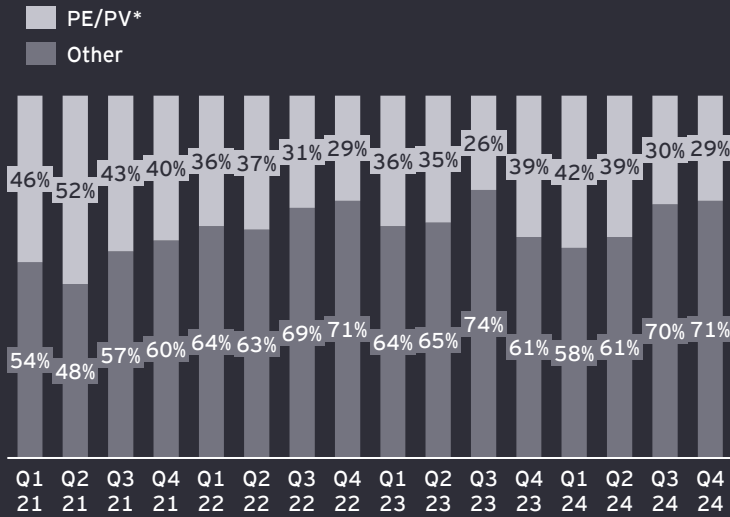
Key transactions this quarter by disclosed deal value

	1	2	3	4	5	Avg.
Deal value	4,195m	3,581m	2,671m	2,311m	2,247m	385m
Description	During Q4 2024, Ørsted A/S , the Danish operator and developer of wind farms, sold their power stations in UK, Taiwan (China), and US to Brookfield Corp , Cathay Life Insurance Co Ltd and Energy Capital Partners LL , respectively.	On the 2 nd of December 2024, the Kingdom of Denmark announced the acquisition of a 59.4% stake in Copenhagen Airport A/S from Arbejdsmarkedets Tillaegspension - ATP and Ontario Teachers Pension Plan . The completion of acquisition is subject to regulatory approvals.	On the 10 th of December 2024, it was announced that Forenet Kredit FMBA , through its subsidiary Nykredit Realkredit A/S , was to acquire an 80.4% stake in Spar Nord Bank A/S . The transaction is expected to be completed in the first half of 2025.	On the 14 th of October 2024, it was announced that the Danish pharmaceutical company, H Lundbeck A/S , was to acquire an 88.6% stake in Longboard Pharmaceuticals Inc , the US-based clinical-stage biopharmaceutical company.	On the 7 th of October 2024, it was announced that Equinor ASA , the Norway-based energy company had acquired an 10% stake in Ørsted A/S , the Denmark-based operator and developer of wind farms.	A total of 47 out of 232 deals had disclosed deal values in this quarter. The average deal value amounted to EUR 385m, versus EUR 414m last quarter. In 2024, the avg. deal value amounted to EUR 440m, versus EUR 182m last year. Top 5 deals averaged EUR 3,001m in latest quarter. Deals below EUR 10m amounted to 34%, deals between EUR 10m and 100m amounted to 32%, and 34% of deals exceeded EUR 100m in deal value.
Industry	Power and Utilities	Automotive & Transportation	Financial Services	Life Sciences	Power & Utilities	

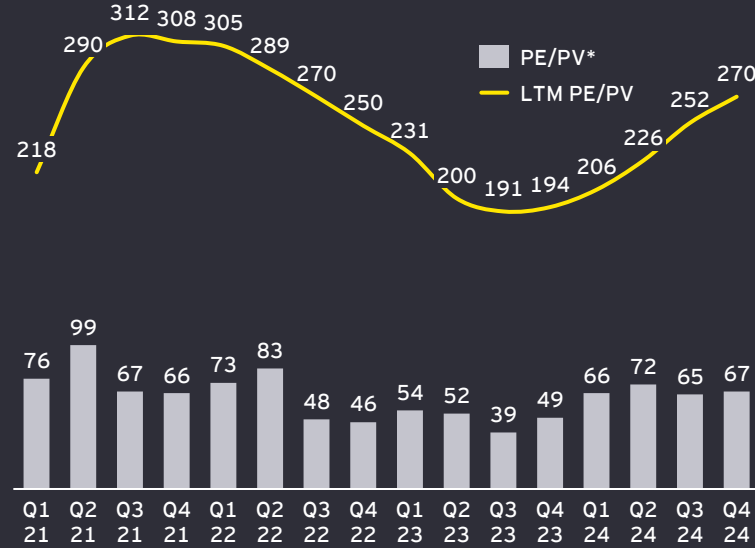
Source: Mergermarket

Private equity activity

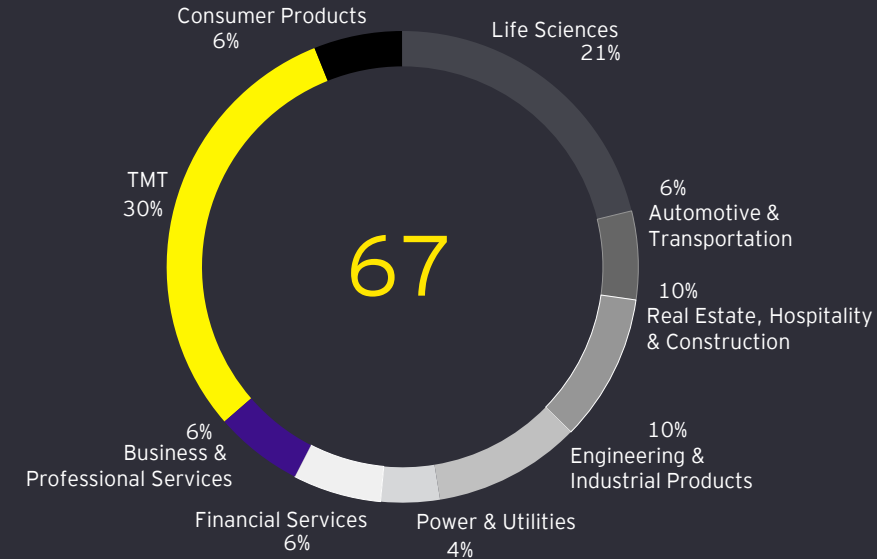
Share of transaction involving P/E



Number of transactions involving Private Equity Firms



Q4, 2024 share of transactions involving Private Equity Firms



Share of PE deals development

A declining share of PE deals are observed in the last four quarters, dropping from 42% in Q1 2024 to 29% in Q4 2024.

The number of PE-related deals, however, remained relatively stable in the last four quarters. This implies an increasing share of non-PE-related activity on the M&A market.

Source: Mergermarket, S&P Capital IQ, Spotlight on Global M&A

Quarterly development of PE deals

In 2024, the PE funds have been significantly more active on the M&A market compared to 2023, which is supporting the upwards trend in overall deal activity in the last four quarters.

The year 2021 continues to be the year with highest PE-related deals, with a 4-year high of 99 deals being observed in Q2 2021.

The 270 PE deals in Q4 2024 LTM trendline indicates the current momentum of PE deals approaching the peak of 312 deals observed in LTM Q3 2021.

PE activity in different industries

In Q4 2024, it is apparent that the most active industries for private equity funds entail **TMT** and **Life Sciences**, constituting 30% and 21%, respectively, of the total 67 PE deals.

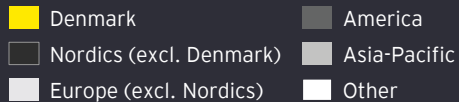
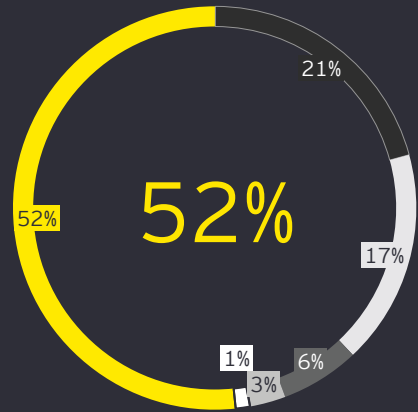
The **TMT** share has dropped by 7 pp in latest quarter compared to the last quarter, while **Life Sciences** has progressed forward by 7 pp.

Within the **Real Estate, Hospitality & Construction** industry, 0 deals were observed in Q3 2024. However, in Q4 2024, 7 PE deals were announced, split into 4 Real Estate and 3 Construction deals.

Buyer and target region

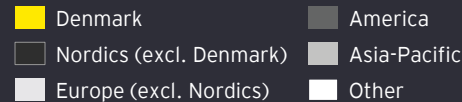
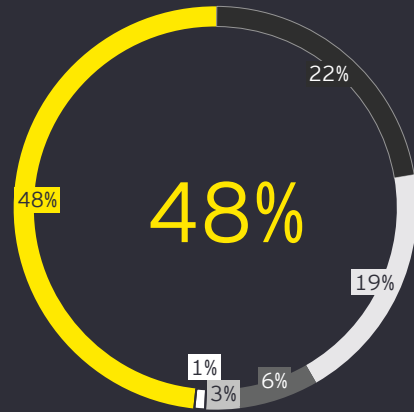
Buyer region - Danish Targets, Q4 2024

Source: Mergermarket



LTM buyer region - Danish Targets Q4 2024

Source: Mergermarket



Buyer region

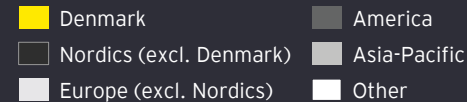
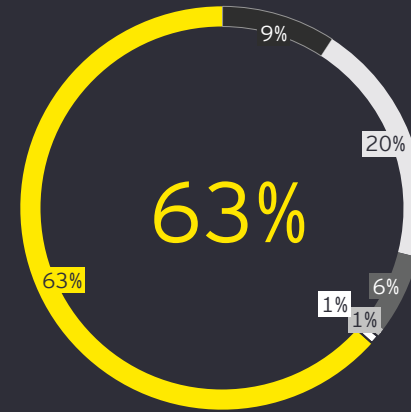
Compared to last quarter, the share of Danish buyers involved in Danish target deals during Q4 2024 increased by c. 6 pp.

Among the 90 deals with Danish buyers and targets, deals include the Kingdom of Denmark acquiring a 59.4% stake in Copenhagen Airport A/S for EUR 3,582m, Forenet Kredit FMBA acquiring 80.4% of Spar Nord Bank A/S for EUR 2,671m, and a group led by Seed Capital acquiring Flatpay ApS for EUR 58m.

Definition "Buyer region - Danish Targets": the split only include Danish Targets. Hence, what is the buyer split for all Danish Targets.

Target region - Danish Buyers, Q4 2024

Source: Mergermarket



Target region

In Q4 2024, deals involving Danish targets rose by c. 4 pp of the total deals with Danish buyers. In Q4 2024 LTM, a similar increase of c. 4 pp was observed when comparing against Q3 2024 LTM.

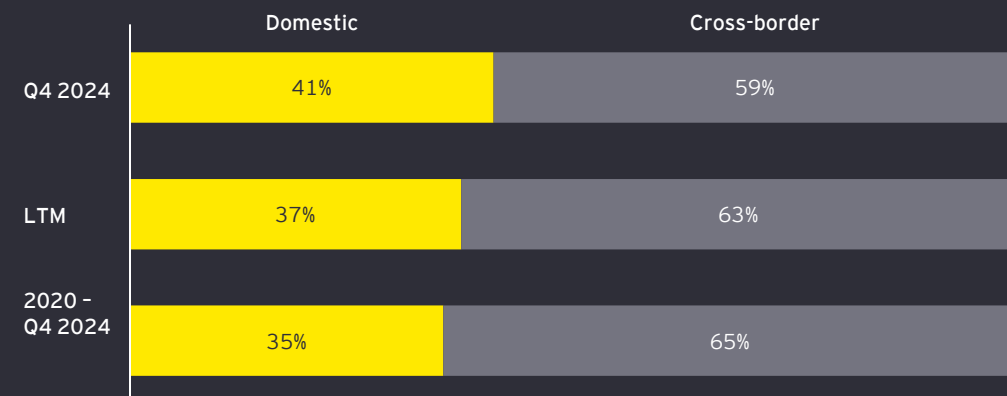
Among Danish targets were companies such as Coloplast A/S, which sold its Skin Care business, Dansk Landbrugs Grovvarereselskab AMBA, which sold its Biogas activities and Stiesdal A/S selling a minority stake.

Definition "Target region - Danish Buyers": the split only include Danish Buyers. Hence, what is the region split for all deals with a Danish buyer.

Transaction arena

Share of domestic* vs. cross-border transactions

Source: Mergermarket



*Domestic transactions are defined as those where both the target and the bidder are based in Denmark

Transaction geography

In the fourth quarter of 2024, domestic transactions constituted 41% of the total transaction volume, with the remaining 59% attributed to cross-border transactions. This represents a shift from Q3 2024, where domestic transactions accounted for 35% and cross-border transactions made up 65%.

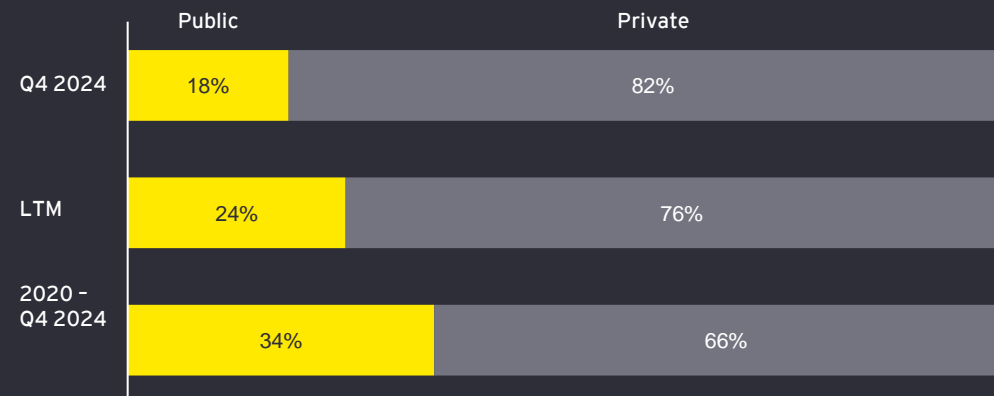
Looking at the long-term trend, cross-border transactions have shown a slight decrease by 3.5pp in respect to LTM Q3 2024, representing 63% of the total transactions in the last twelve months leading up to Q4 2024.

For domestic deals, the targets included e.g., GreenGo Energy, Formuepleje A/S, and Deas Holding A/S.

For cross-border deals, the targets included, among others, GEA Group AG, Zopa Bank Ltd, and ATP Ejendomme A/S.

Share of public* vs. private transactions

Source: Mergermarket, S&P Capital IQ



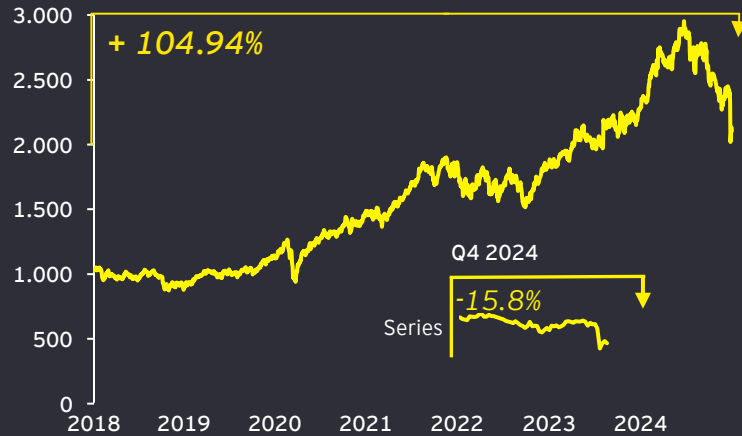
Transaction type

In the fourth quarter of 2024, public transactions constituted 18% of the total transaction volume, marking a slight decrease from the third quarter of the same year, where they made up 27%.

Among public targets were companies such as Copenhagen Airports A/S, Ørsted A/S, Spar Nord Bank A/S, Coloplast A/S and Novavax Inc. The average deal value among public transactions with disclosed deal value in Q4 2024 amounted to EUR 717.6m. Additionally, out of the top five transactions with revealed deal value, five were public transactions.

Market update

OMX Index
Source: S&P Capital IQ

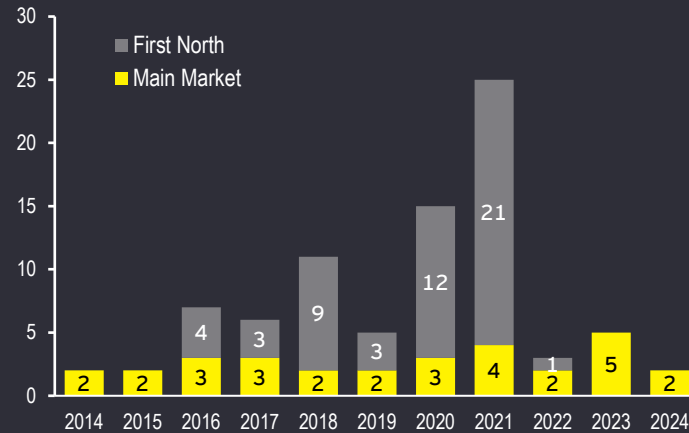


OMX Index

In the fourth quarter of 2024, major market indices exhibited significant gains, outperforming their historical averages. Despite this positive trend, the OMX C20 index bucked the upward momentum, experiencing a 16% decline in Q4 2024.

In contrast, the S&P 500 index experienced stable growth in Q4 2024, rising by 3%, while Europe's Stoxx 600 index saw a decrease of 2% during the same period.

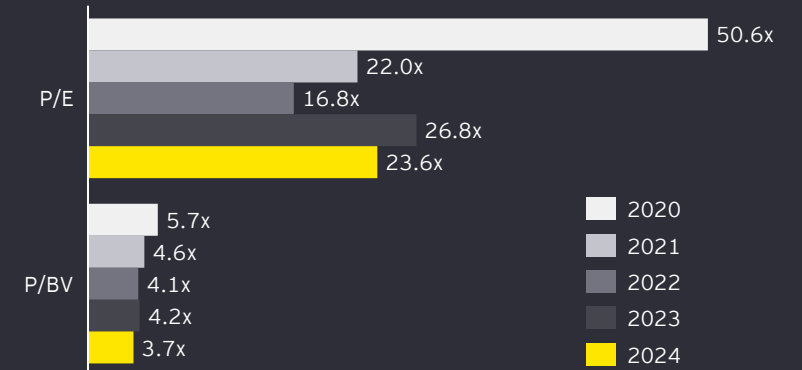
New listings
Source: Nasdaq Nordic



New Listings

During the fourth quarter of 2024, the Nasdaq Copenhagen Stock Exchange "CSE" welcomed a new addition to its main market with the listing of Strategic Partners in October. This marked a decrease from the same period in 2023, where there were two new listings on the Nasdaq Copenhagen's main market.

Multiples
Source: S&P Capital IQ



Multiples

The P/E (Price to Earnings) and P/BV (Price to Book Value) multiples have both decreased by 12% respectively when compared to their 2023 levels.

However, when we look back at the figures from 2021, there is a stark difference, with the P/E having increased by 7% and P/BV having declined by 20% compared to 2024.

Despite this, the P/E ratio has still increased by 40% compared to 2022 levels. On the other hand, the P/BV ratio has decreased by 10% since 2022.

EY supported deal of the quarter



7N A/S
Denmark

Reported EBITDA
FY23A

FTE
FY23A

80
DKKkM

305



Polaris Management A/S
Denmark

AUM per
Jun24A

Avg. FTE per
Jun24A

6,374
DKKkM

38

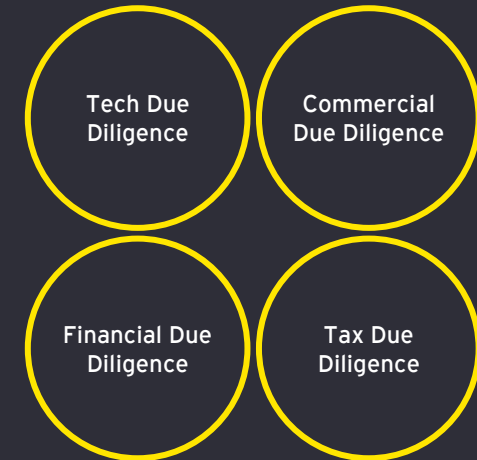
Deal description

- ▶ On the 24th of October 2024, Polaris Management A/S announced the acquisition of the Danish based company, 7N A/S.
- ▶ 7N A/S is a global IT consulting firm that operates in seven different countries. The target offers both outsourcing and IT-freelancers for its clients.
- ▶ The acquisition gave Polaris Management A/S a majority stake in 7N A/S. The deal value was undisclosed.

7N at a glance

<p>7N was founded in 1965.</p>	<p>HQs in Copenhagen, Denmark with 13 offices across seven countries.</p>	<p>Per Dec 2023, the company had 305 FTEs (excluding freelance consultants)</p>
<p>Provides IT consultancy services through outsourcing and freelance consultants.</p>	<p>Operates in seven different countries with Denmark and Poland being the core markets.</p>	<p>Focus on delivering elite IT advisory for a diverse client base.</p>

Services provided by EY



Benefits to the client

- ▶ Professionally handled acquisition process ended the best way possible for the client.
- ▶ Efficient collaboration between various EY teams and the client with coordinated and consistent approach to data handling and analysis.
- ▶ Cross-fertilisation and combination of insights

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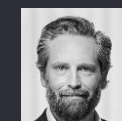
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About this publication

Transaction Trends is a quarterly publication that aims to identify trends in the Danish transactions market. Transactions covered in this publication are public and private transactions where either the buyer, target or vendor are based in Denmark. Public transactions are defined as transactions where either the buyer, target or vendor company is listed on a public stock exchange. All other transactions have been classified as private. Domestic transactions are defined as transactions conducted within a national boundary, i.e., deals involving two or more incumbent nationals, while cross-border transactions involve companies from at least two different nationalities. Deal Value is the sum of the consideration paid for the applicable equity stake in the target plus the value of target net debt. Inclusion of net debt in the deal value will depend on the stake acquired (for stakes of less than 50%, deal value is the value of the acquired stake only) or the target company type (net debt is not added where the target is a bank, insurance company or financing company). Our classification of private equity deals includes deals involving venture capital investment companies, as well as professional family offices.

Transaction Statistics are based on Mergermarket and EY data. Public market data is sourced from S&P Capital IQ and the Oslo Stock Exchange. Please note that the data presented in this newsletter is based on data sourced on a quarterly basis (extracted on the first day of the following quarter), and that the historical data points presented (for example the number of deals in Q4 2018) have not been updated to reflect changes to the underlying data set that may have been incorporated after the point in time in which the data was sourced. As a result, there may be differences between the data presented in this document and that which can be obtained from the respective data providers at the time of reading this newsletter.

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