



Transaction Trends

Swedish M&A update – Q2 2024

Slower activity in Q2 before an
anticipated uptick in coming quarters

Quarter summary

322

of transactions
announced

Highlights | [Page 3](#)

\$303m

Average disclosed deal
value

Highlights | [Page 4](#)

25%

Share of PE/VC deals

Highlights | [Page 4](#)

29%

Share of foreign buyers

Transaction geography | [Page 7](#)

**Advanced
Manufacturing &
Mobility**

Most active industry with
100 deals

Industry trends | [Page 9](#)

3

New listings on Nasdaq
Stockholm

Market update | [Page 10](#)

Transaction Trends, published by EY Strategy and Transactions, is a quarterly publication that aims to identify trends in the Swedish M&A market.

The newsletter reflects all quarterly transactions involving a Swedish target, buyer, or vendor, based on data presented by Mergermarket and Capital IQ. This makes Transaction Trends the most comprehensive transaction newsletter available for the Swedish market. We hope that you find this newsletter useful and that you will follow our coming quarterly updates.

To add your name to the mailing list for this publication, please access [EY Digital Communications](#) and select «Transactions» in the «Topics» subscription section.

The Transaction Trends Editorial Team

Decreasing M&A activity driven by global macro uncertainties

During Q2 2024, we observed **322 transactions** in the Swedish M&A market. The quarter substantially underperforms Q2 2023, with deal volumes down c. **24% YoY**.

LTM deal activity amounts to **1,300**, primarily driven by the **AM&M** (27%) and **TMT** (26%) sectors. The deal count observed from these industries in Q2 2024 decreased by c. 5% and 22%, respectively, compared to Q2 2023. In general, transactions are taking longer to close due to **increased scrutiny in due diligence**, a new approval process for Foreign Direct Investments, and general market uncertainties.

Heading into H2 2024 and H1 2025, **key drivers** for the M&A market include **declining interest rates, de-escalation of global tensions**, and the outcome of the **US presidential election**.

LTM number of transactions in the Swedish M&A market
Source: Mergermarket, EY analysis

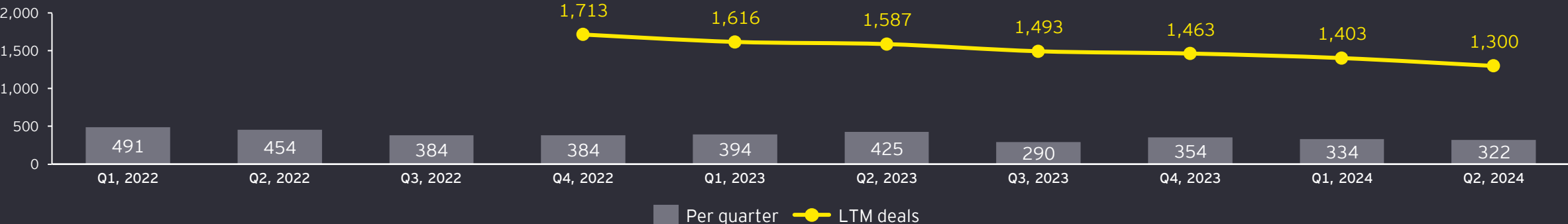
Transaction activity in Sweden showed clear signs of **decline in Q2 2024** where on-going challenging underlying market trends (e.g., financing and economic challenges, and global uncertainties) are causing slower M&A processes and delays in deal completion. Nonetheless, the market has witnessed larger deals in late Q2 2024 backed by PE and investment funds.

Transaction market remains hindered by **high interest rates, valuation gaps and a stricter financing environment**. However, there is an underlying appetite for deals in the market that could lead to increased activity in H2 2024 if the general market conditions improve. Corporates are still keen to explore divestitures driven by the need to simplify their operations, reduce cost and redeploy capital.

PE activity by Swedish PEs has significantly increased as % of total number of deals in Q2 2024, compared to Q2 2023. Whilst number of deals are down between the quarters, the amount of PE driven deals remained stable.

In the PE sector, **early screening activities and exclusivity are becoming more important**, continuation funds and intensified refinancing activities are growing in relevance, and corporate carve-outs are playing an increase role as a lead channel for assets. **PE firms had accumulated "dry powder" estimated at EUR ~80 bn** ready to be deployed across the Nordics at the end of 2023

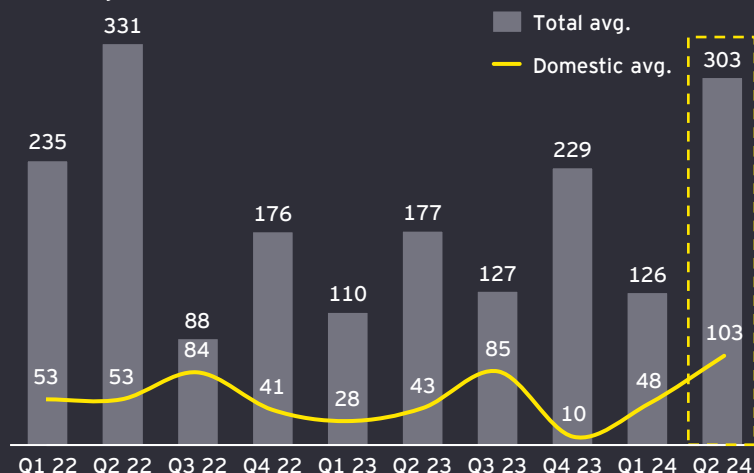
The low number of new IPOs continued in Nasdaq Stockholm. The IPO sentiment is still lagging in Sweden, but activity is picking up as corporates have been starting to consider IPO preparations which could lead to activity in 2025.



Quarter highlights

Average deal value (\$m)

Source: Mergermarket



Note: The bars represent total avg. deal value, whereas the line reflects the domestic avg. deal value. Domestic transactions refer to transactions where both the buyer and target are Swedish.

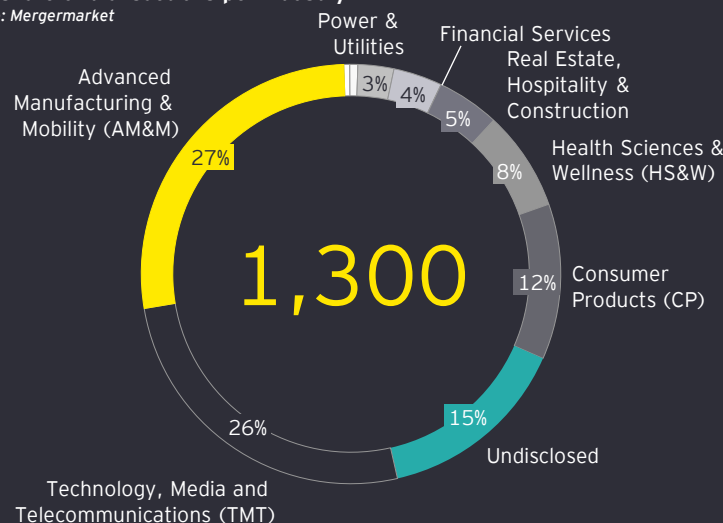
Transactions this quarter

The number of transactions observed in the quarter amounted to 322. The average deal value stands at **\$303m** based on **94** transactions with announced deal values. Five of the 94 transactions have a deal value greater than **\$2bn**, exceedingly increasing the average. In recent times.

The current market conditions have led to a **valuation gap** between buyers and sellers, ultimately slowing the transaction process down or reaching a non-closing conclusion. However, **sellers have started to adjust their expectations** to the current climate.

LTM share of transactions per industry

Source: Mergermarket



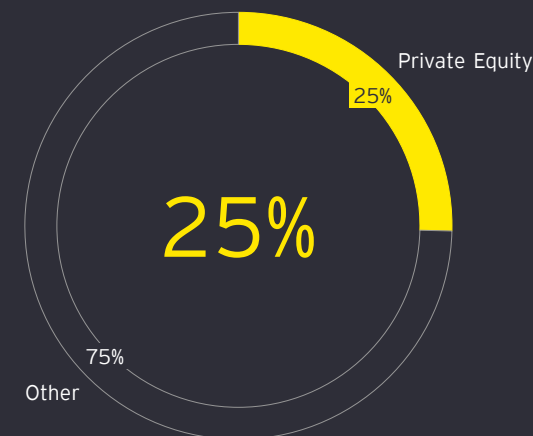
Deals per industry

Deal activity in Q2 2024 saw a notable decline across most industries compared to Q2 2023. In the LTM period, **AM&M** contributes the most to the number of deals (27%), followed by **TMT** (26%) and **CP** (12%), while for 15% of the transactions the sector was undisclosed.

Swedish industrial firms continue to be active in the M&A market, leveraging stable financials and an appetite to acquire at somewhat lower multiples compared to 2021-2022. Companies such as Sandvik, Atlas Copco, and Assa Abloy made multiple acquisitions during the quarter.

LTM share of transactions involving Private Equity firms

Source: Mergermarket



PE deal activity

During LTM, the Private Equity participation accounted for **25% share** of the total transactions, roughly one percentage point lower than during **Q2 2024 (26%)**. PE participated in **83** transactions during the last quarter.

Although PE performed relatively well in Q2 2024, a significant amount of **dry powder remains to be deployed**, sparking anticipations that activity will pick up pace in the second half of 2024 and continue gaining traction.

Key global transactions this quarter across industries

	1	2	3	4	5	Avg.
Deal value*	3 000m	2 385m	2 172m	1 631m	1 186m	303m
Description	EQT is set to acquire Avetta LLC , the creator of the world's largest cloud-based supply chain risk management platform. Avetta's platform serves over 500 clients and 130,000 suppliers across more than 130 countries , enhancing supply chain resilience globally.	EQT is set to acquire a majority stake in Universidad Europea , a top-tier private higher education network in Spain and Portugal with 12 campuses. The institution caters over 54,000 students with a focus on experiential learning and employability.	Cinven Ltd. is set to acquire a majority stake in Idealista SA , a Spain-based online real estate marketplace provider serving clients in Spain, Italy and Portugal, from EQT , Apax Partners and Oakley Capital . The deal considers a 70% stake with an equity valuation of \$3.1bn .	Platinum Equity has agreed to acquire Sunrise Medical, a leading provider of assistive mobility solutions, from Nordic Capital . The company's global distribution network extends to over 130 countries .	Asahi Kasei Corp , a Japanese international chemical company, has made an offer to acquire the publicly traded company Calliditas Therapeutics AB , a Swedish specialty pharmaceutical company.	This quarter, the average deal value (for transactions with reported deal values) was \$303m. The number of transactions with reported deal value amounted to 94 out of 322 transactions announced.
Industry	PE / TMT	PE / Consumer Products	PE / Real Estate, Hospitality & Construction	PE / Health Sciences & Wellness	Health Sciences & Wellness	

*Please note that figures are in USD, if not stated otherwise.
Source: Mergermarket, company websites

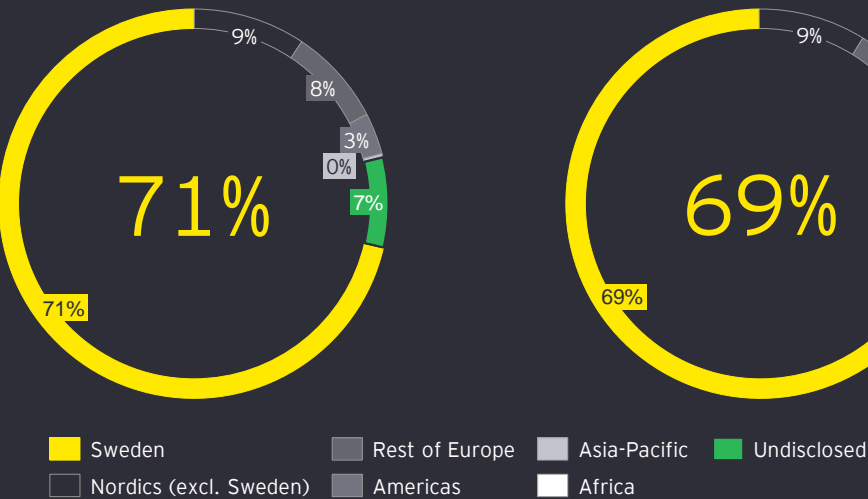
Key domestic transactions this quarter across industries

	1	2	3	4	5	Avg.
Deal value*	1 508m	515m	318m	200m	191m	103m
Description	EQT has proposed a \$1.5 billion acquisition of OX2 , a Swedish company specializing in renewable energy. OX2's expertise lies in developing and selling onshore and offshore wind and solar power parks, including grid connections and energy storage.	Klarna , a Swedish financial services provider has divested its Klarna Checkout division to an investor consortium , led by Kamjar Hajabdolahi, CEO and Founding Partner of BLQ Invest.	CVC Advisers Ltd. set to acquire a majority stake in Resurs Holding AB , the Sweden based provider of retail finance solutions including consumer loans, payment solutions and insurance products. Completion is dependent on bidder acquiring more than 90% of shares and regulatory approvals.	Alecta Fastigheter AB , a Swedish company specializing in the operation of non-residential buildings, has acquired the Property Portfolio , which includes Sundbyberg Eken 6 and Sundbyberg Eken 14, from Atrium Ljungberg AB , a local property company.	Axfood AB, a Swedish retail chain operator, is set to acquire a 90.1% stake in City Gross Sverige AB , a local supermarket operator, from Bergendahl Food AB. The transaction's completion hinges on approval from the Swedish Competition Authority and the European Commission.	This quarter, the average deal value (for domestic transactions with reported deal values) was \$103m. The number of domestic transactions with reported deal value amounted to 37.
Industry	PE / Advanced Manufacturing & Mobility	Financial Services	Financial Services	Real Estate, Hospitality & Construction	Consumer Products	

*Please note that figures are in USD, if not stated otherwise.
Source: Mergermarket, company websites.

Transaction geography

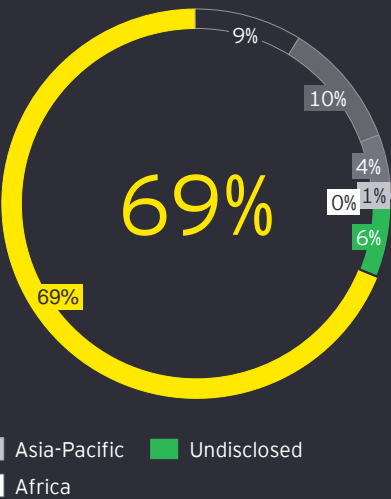
Buyer region, Q2 2024
Source: Mergermarket, S&P Capital IQ



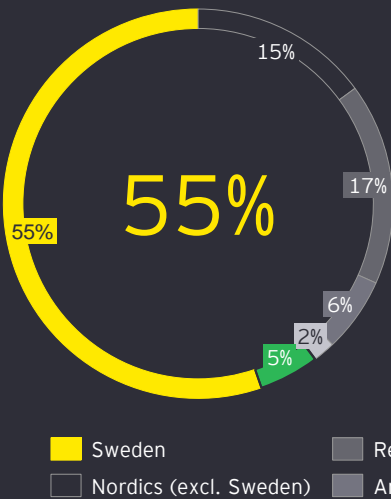
Buyer region

Swedish buyers were involved in 71% of the transactions made in Q2 2024, a slight uptick compared to LTM (69%). Dealmaking thus far in 2024 has seen higher share of Swedish buyers, compared to the second half of 2023, where the share of Swedish buyers were roughly 66%.

LTM buyer region per Q2 2024
Source: Mergermarket, S&P Capital IQ



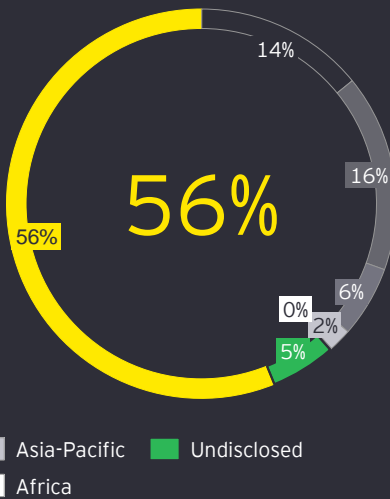
Target region, Q2 2024
Source: Mergermarket, S&P Capital IQ



Target region

Share of Swedish targets in 2Q 2024 has remained stable at around 55%, compared to previous quarter and the LTM period. Relatively low share of the local targets correspond to both increased international investments from PE firms, as well as corporates entering and expanding in other markets. Sweden also has the lowest share of local targets in the Nordics. In total, there were 178 transactions in Q2 2024 where the target was based in Sweden.

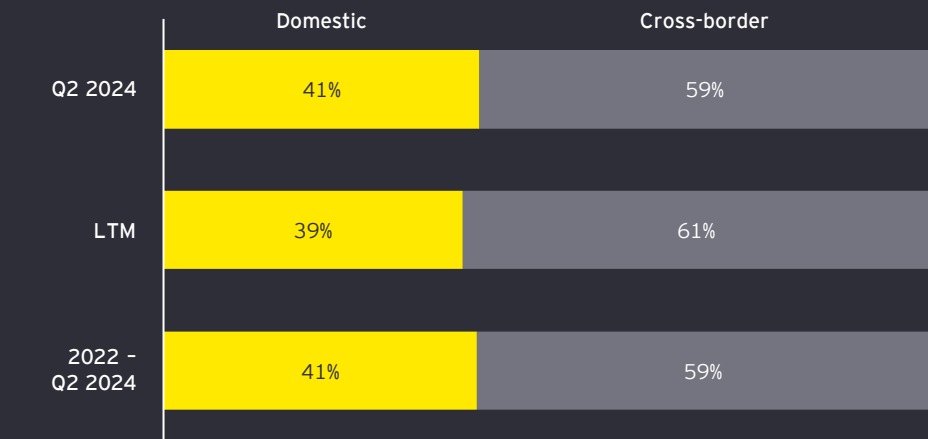
LTM target region per Q2 2024
Source: Mergermarket, S&P Capital IQ



Transaction arena

Share of domestic vs. cross-border transactions

Source: Mergermarket, S&P Capital IQ



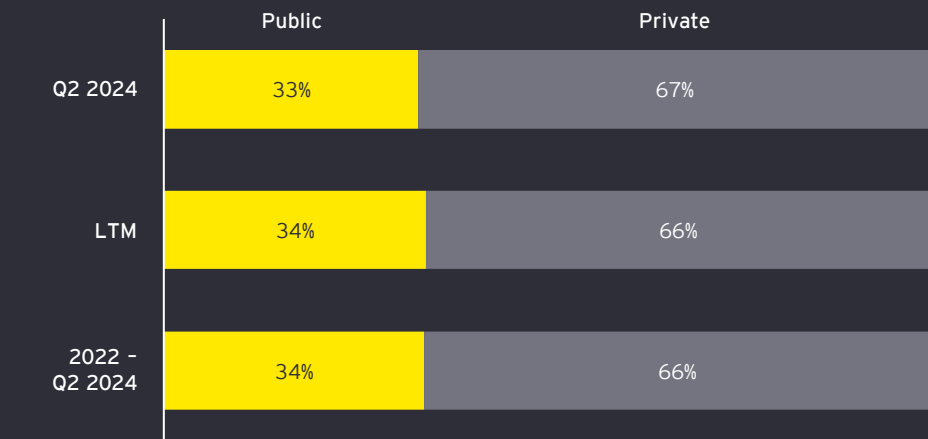
Transaction geography

The share of domestic transactions in Q2 2024 (41%) was slightly above the LTM period (39%), and in line with the historical average from Q1 2022 to Q2 2024 (41%). Average deal value for cross-border transactions was substantially higher in Q2 2024 (432m) compared to both Q2 2023 (263) and the LTM period (278).

In Q2 2024, the **Real Estate, Hospitality & Construction, and Power & Utilities** sectors experienced a **notable uptick in domestic transaction** activity compared to 2022 and 2023, while the Consumer Products sector saw a slight decline (see more on p.9).

Share of public* vs. private transactions

Source: Mergermarket, S&P Capital IQ



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

Transaction type

The share of public transactions in Q2 2024 (33%) was roughly in line with Q1 2024 (34%) and four percentage points lower than Q2 2023. The balance between public and private transactions has since Q1 2022 remained intact, with a c. 70/30 ratio.

Activity by industry

Activity by Industry

Industry	# of transactions						Domestic transactions as % of total deals			PE / VC as % of total deals		
	2022	2023	Qtr.. Avg. 22-24	Q2 2023	Q2 2024	Q2 Trend	2022	2023	Q2 2024	2022	2023	Q2 2024
Advanced Manufacturing & Mobility	464	357	110	105	100	→	44%	46%	45%	13%	11%	12%
Consumer Products	217	160	52	53	42	↓	44%	46%	40%	20%	26%	12%
Financial Services	58	53	17	15	16	↑	45%	47%	50%	33%	36%	38%
Government, Public Sector & Organisations	17	12	3	4	1	↓	53%	58%	100%	18%	25%	0%
Health Sciences & Wellness	147	120	34	37	28	↓	35%	38%	36%	27%	34%	57%
Oil & Gas	9	7	1	1	1	→	11%	14%	0%	0%	14%	0%
Power & Utilities	35	37	9	6	7	↑	29%	24%	43%	31%	30%	0%
Real Estate, Hospitality & Construction	65	79	15	21	13	↓	42%	35%	54%	29%	28%	38%
TMT	409	354	106	114	89	↓	34%	35%	33%	30%	27%	42%
Undisclosed	292	284	55	69	25	↓	46%	46%	52%	18%	19%	8%
Total	1,713	1,463	401	425	322		41%	42%	41%	22%	22%	26%

Source: Mergermarket, S&P Capital IQ

Note: A domestic transaction requires both the target and bidder to be Swedish.

Industry activity

Deal activity in Q2 2024 saw a considerable decline across most industries. However, the proportion of **domestic transactions remained consistent** with the full-year figures for previous years.

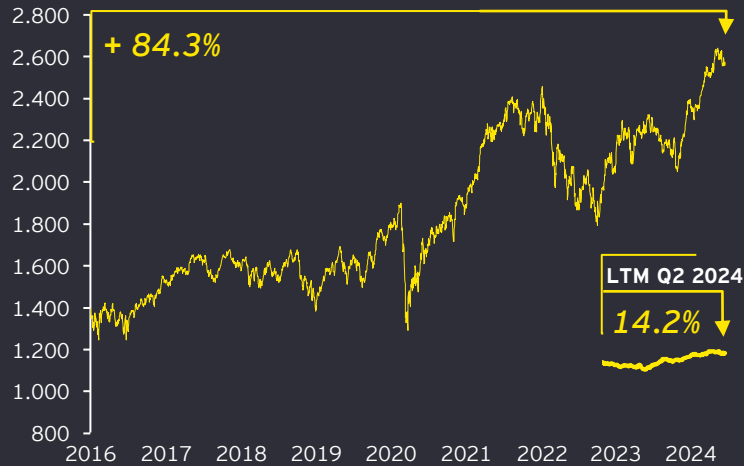
The TMT industry registered a decrease of nearly 22% in deal volume in Q2 2024 in relation to the same quarter the previous year, yet **private equity engagement within TMT surged from 23% to 42%** in the respective quarters. Concurrently, the **Health Sciences and Wellness industry experienced a significant uptick** in private equity transactions, climbing from 24% of total deals in Q2 2023 (34% full-year) to 57% in Q2 2024.

Financial Services and Power & Utilities has been the only industries to increase the deal count in Q2 2024. Within the two industries, notable transactions includes (i) **Carnegie's acquisition of Didner & Gerge**, (ii) CVC Advisers and SIBA Invest pending offer to acquire **71% of Resurs Holding**, (iii) **Klarna's divestment** of Klarna Checkout, and (iv) EQT's public offer to acquire **OX2**.

Market update

Nasdaq OMXS30 Index

Source: Nasdaq

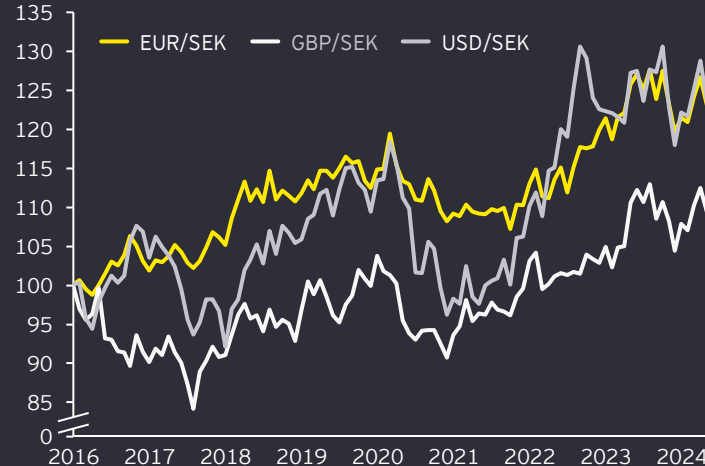


Over the LTM, the Swedish stock market has experienced increased volatility, with global uncertainties and concerns about tensions in the Eastern Europe and Middle East. Despite these headwinds, the market has demonstrated resilience, with the OMXS30 index achieving a robust year-to-date **increase of approximately 7%, of which 2% in Q2 2024.**

The underperformance of the Swedish krona over the last years has continued in 2024, increasing the interest for Swedish goods, thus bolstering Swedish export figures.

Foreign exchange rates (indexed)

Source: Riksbanken



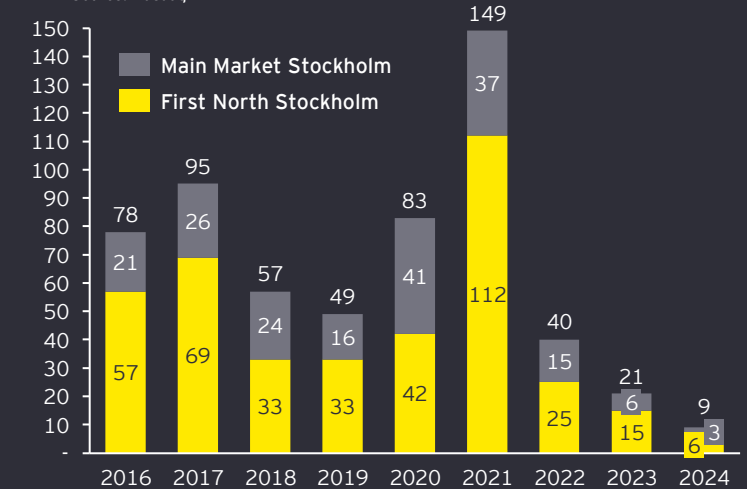
Riksbanken has decided to cut the policy rate by 0.25 percentage points to 3.75 per cent during the May meeting while has **kept rates on hold after its June meeting.** Decision to keep rates at hold mainly stems from **favourable inflation developments** and relatively **weak economic activity.**

Following the rate cut in May, the **krona depreciated** against the main currencies. Moreover, the krona has been **one of the worst performing currencies** this year of the G10 group of most traded currencies.

Riksbanken is now signalling “two or three” further rate cuts in 2024. Given the potential further rate cuts, market sentiment for SEK remains bearish.

New listings

Source: Nasdaq

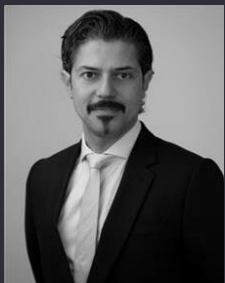


During H1 2024, nine listings took place, of which three were listed on Nasdaq Stockholm Main market. In June, **Prisma Properties**, a retail property company went public. With a first day trading market cap of **SEK 4,524 million**, the company achieved H1 **largest IPO in Sweden.**

EMEIA, along with certain Nordic countries have observed a modest uptick in IPO activity. Looking ahead to 2025, the trend is anticipated to persist as several firms are contemplating the initiation of IPO preparations in the latter half of 2024, including Marshall Group, a developer, designer, and manufacturer of speakers and headphones.

Strategy and Transactions contacts

Transaction Diligence (Financial Due Diligence)



Brian Gonourie
brian.gonourie@se.ey.com
+46 70 3189873

EY-Parthenon (Strategy)



Henrik Eriksson
henrik.eriksson@parthenon.ey.com
+46 70 3188715



Gunnar Albemark
gunnar.albemark@parthenon.ey.com
+46 72 1518099

Corporate Finance (M&A)



Staffan Folin
staffan.folin@se.ey.com
+46 70 3189359

Valuation, Modelling and Economics



Johan Schult
johan.schult@se.ey.com
+46 70 3189964

Tax and Law



Einar Stigård
einar.stigard@se.ey.com
+46 8 52058261

About EY

EY exists to build a better working world, helping to create long-term value for clients, people and society and build trust in the capital markets.

Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via [ey.com/privacy](https://www.ey.com/privacy). EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit <https://www.ey.com>.

About EY Strategy and Transactions

EY Strategy and Transactions teams work with clients to navigate complexity by helping them to reimagine their eco-systems, reshape their portfolios and reinvent themselves for a better future. With global connectivity and scale, EY Strategy and Transactions teams help clients drive corporate, capital, transaction and turnaround strategies through to execution, supporting fast-track value creation in all types of market environments. EY Strategy and Transactions teams help support the flow of capital across borders and help bring new products and innovation to market. In doing so, EY Strategy and Transactions teams help clients to build a better working world by fostering long-term value. For more information, please visit https://www.ey.com/en_se/strategy-transactions.

About this publication

Transaction Trends is a quarterly publication that aims to identify trends in the Swedish transactions market. Transactions covered in this publication are public and private transactions where either the buyer, target or vendor are based in Sweden. 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 (if available). 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 Nasdaq Stockholm. Please note that the data presented in this newsletter is based on data sourced on a quarterly basis (extracted on the first week of the following quarter), and that the historical data points presented (for example the number of deals in Q4 2023) 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. During Q2 2024 we have gone through the historical dataset and reclassified some of the deal industries.

Transaction Trends is published by EY Strategy and Transactions.

© 2024 Ernst & Young AB

All Rights Reserved

[ey.com](https://www.ey.com)



EY

Building a better
working world