



Nordic-Baltic PE/VC Momentum 2023 – The Market

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November 2023

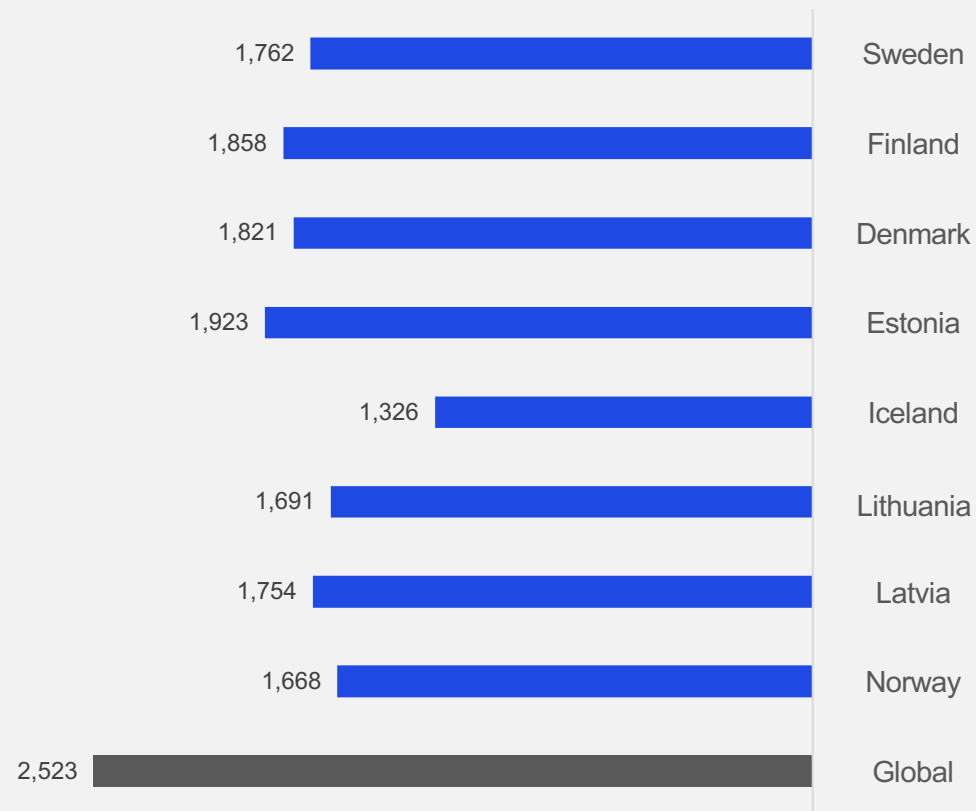


01

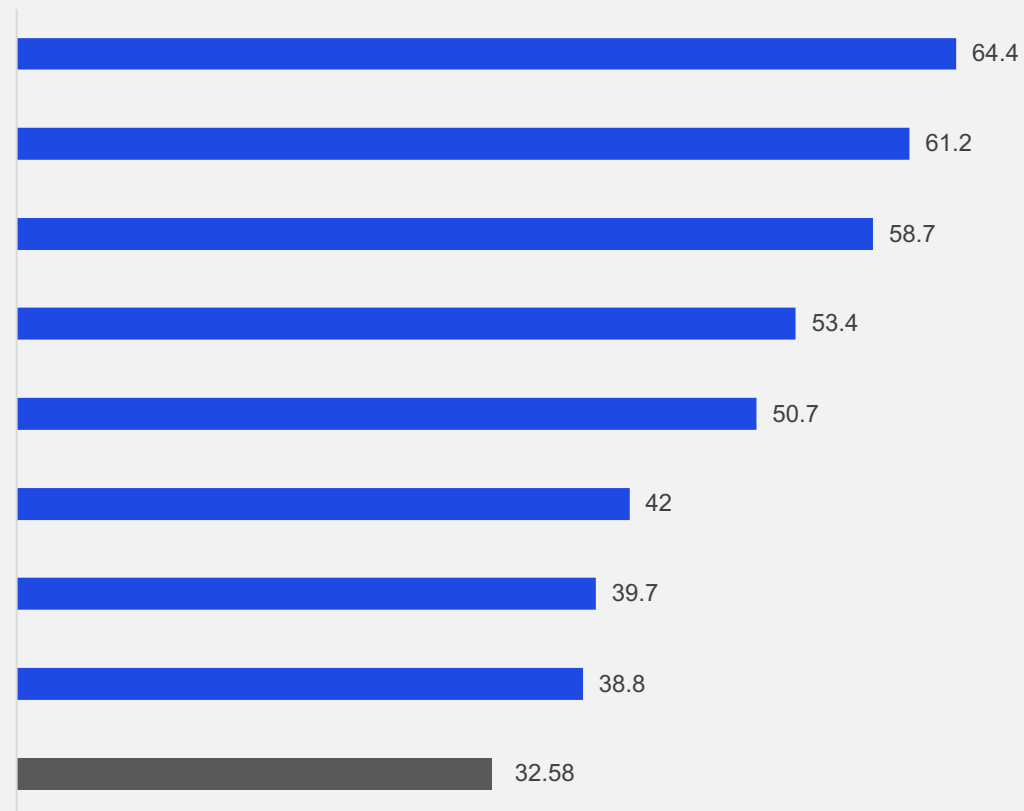
Macro Overview

Is less sunshine always a bad thing?

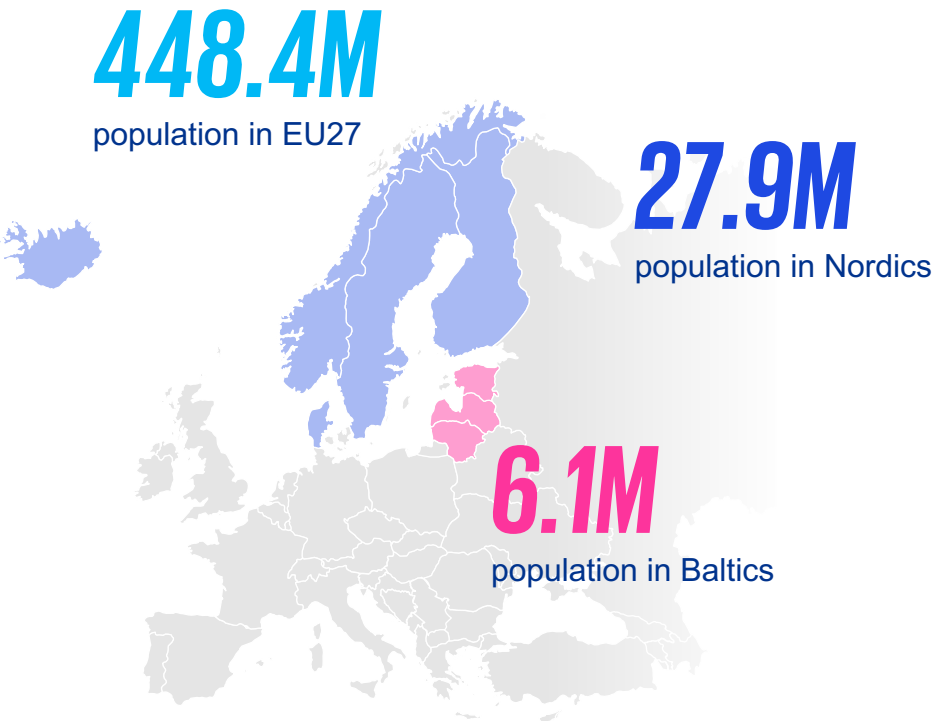
Sunlight hours per country – annual average



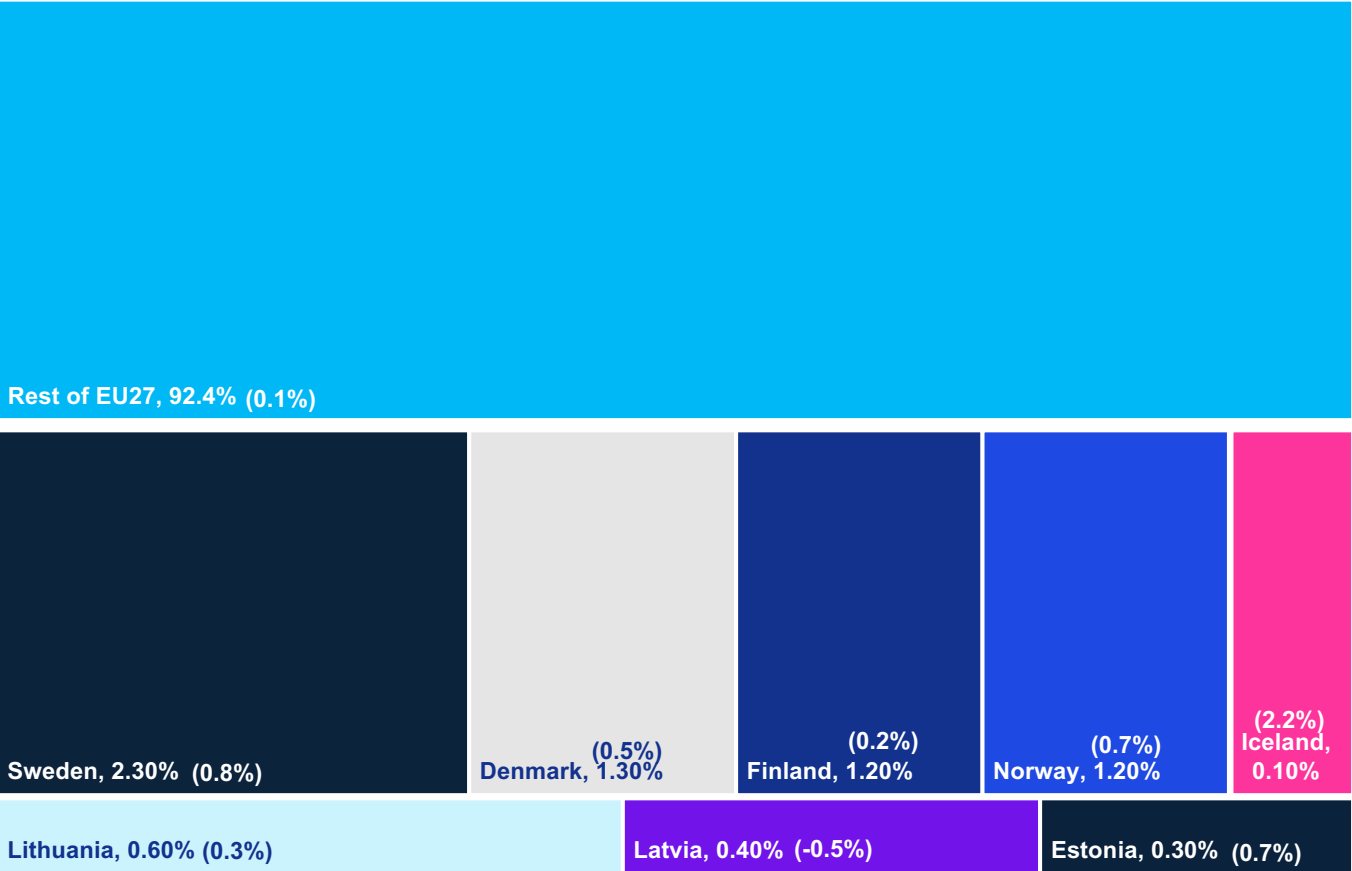
Global Innovation Score Index



Growing population across the cluster mostly as a result of migration

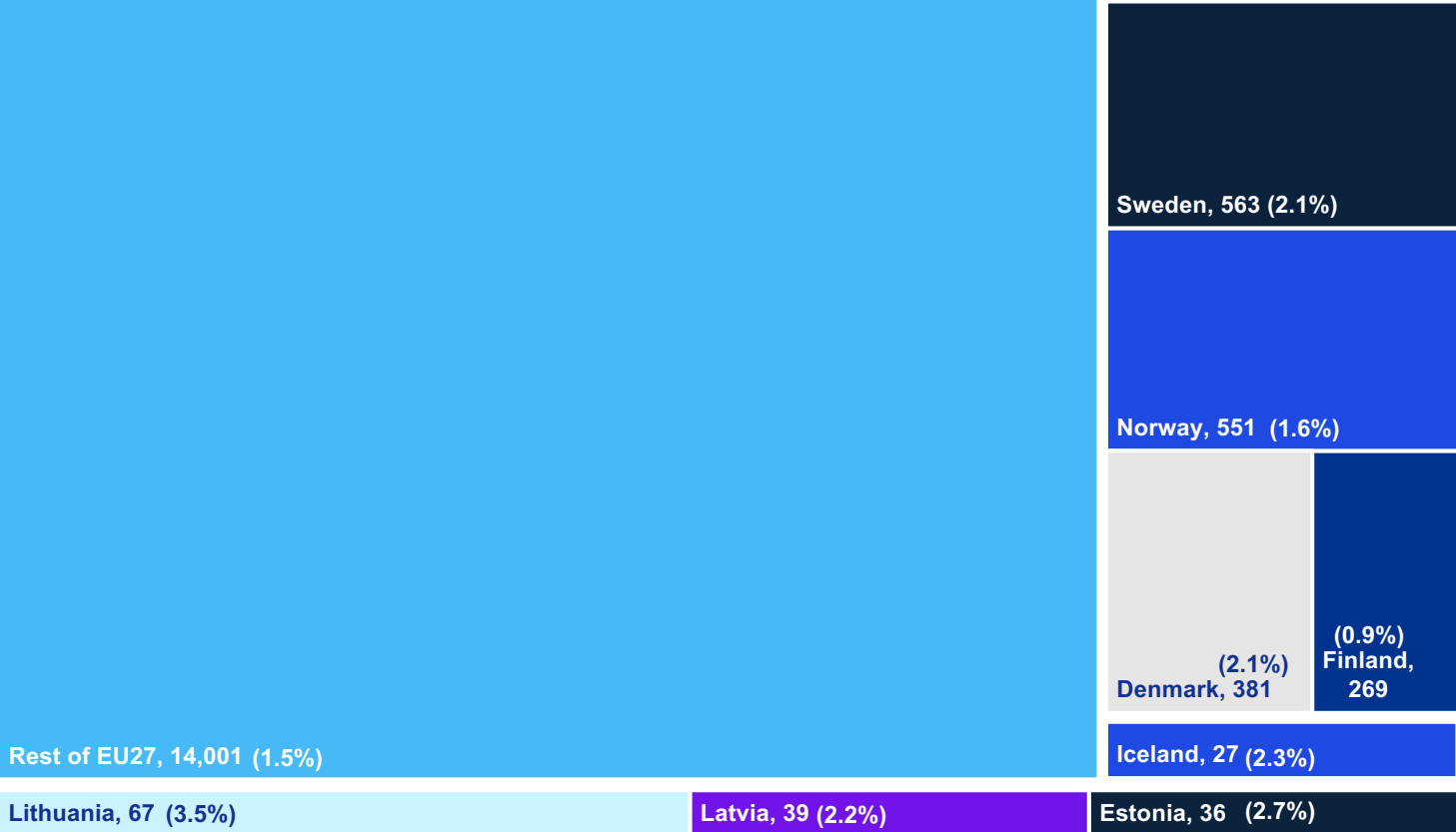


Nordic-Baltic cluster % share of EU27 (5 year CAGR)



The cluster shows strong historic real GDP growth, but mixed signals for 2023

GDP 2022 in €B (Real GDP growth avg. 2018-2022)



Nordics

- 2018-2022 outperform EU growth by 0.3%
- Iceland strongest in 2023

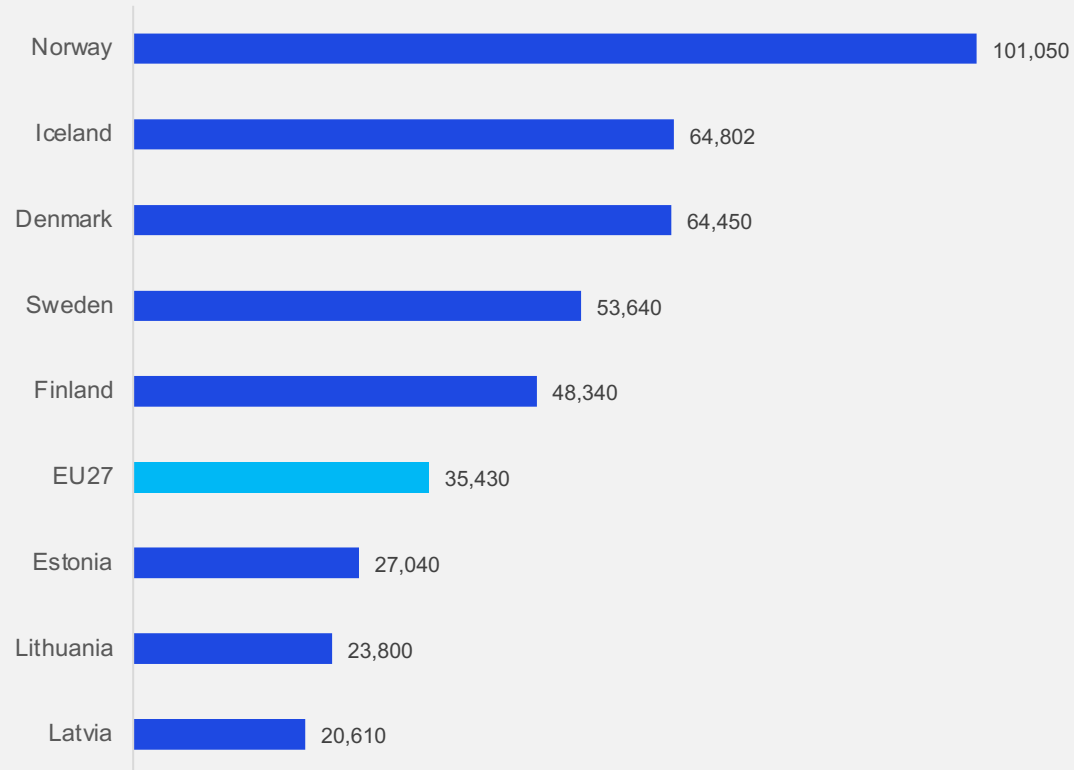
Baltics

- 2018-2022 strongly outperform EU growth by 1.3%
- All countries contracting in 2023

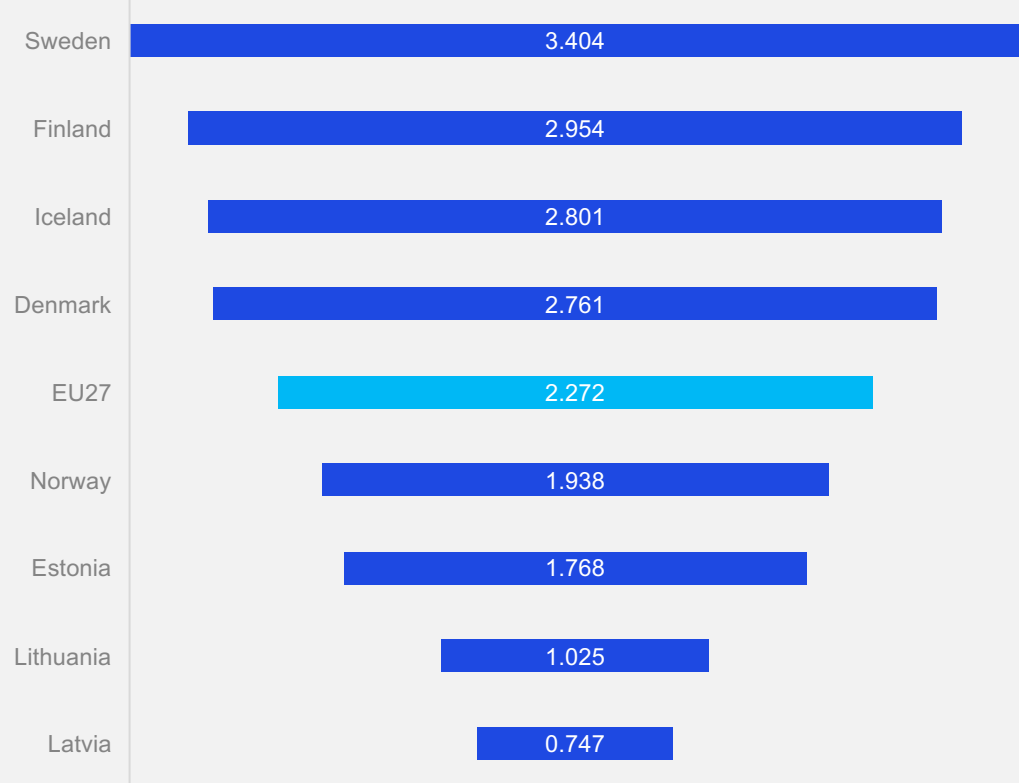
Notes: Iceland GDP is EUR 27B at 0.0065 ISK:EUR

Is there a link between R&D expenditure & GDP per capita?

GDP per capita 2022 (€) and comparison to EU27



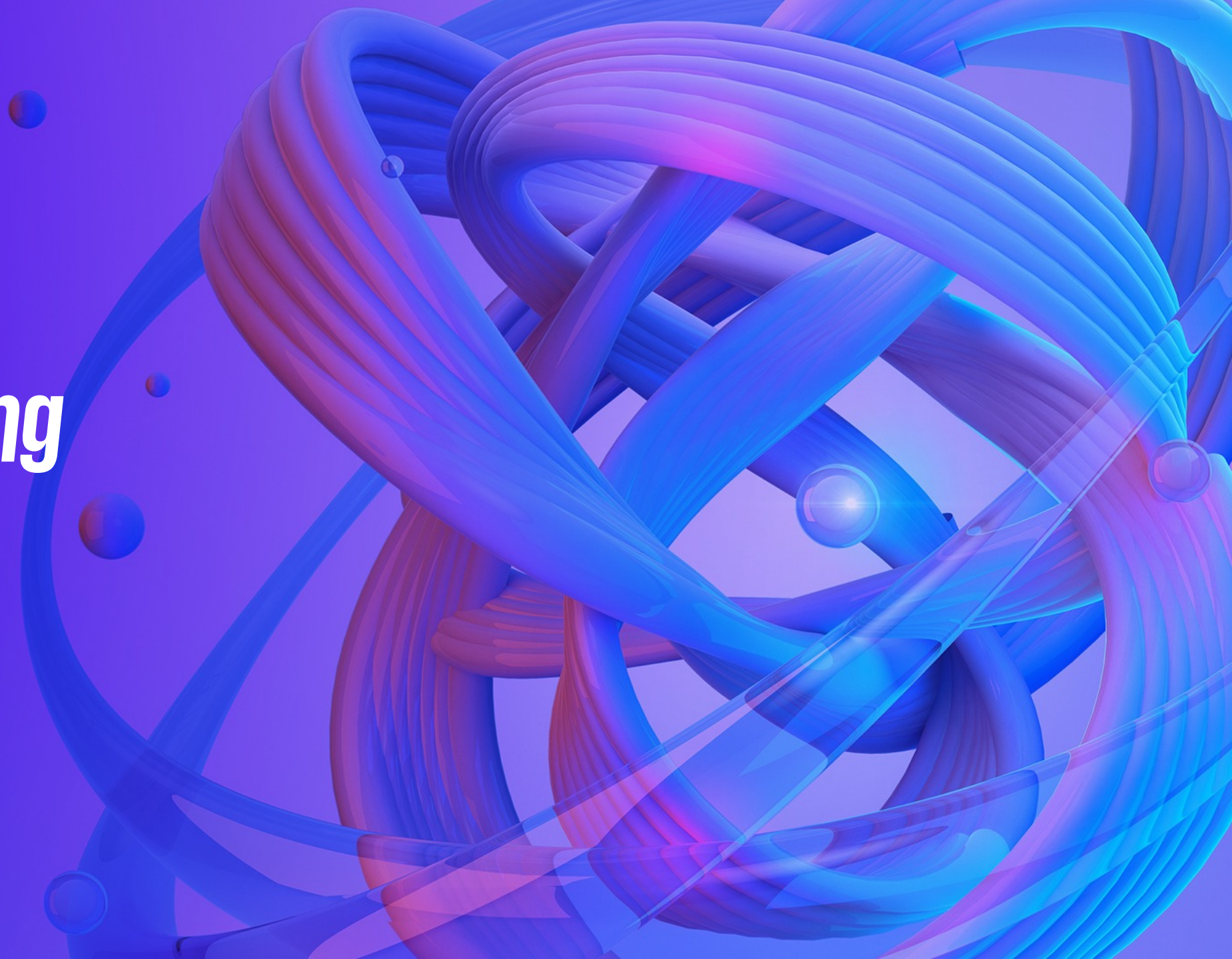
R&D expenditure as a % of GDP (2022)



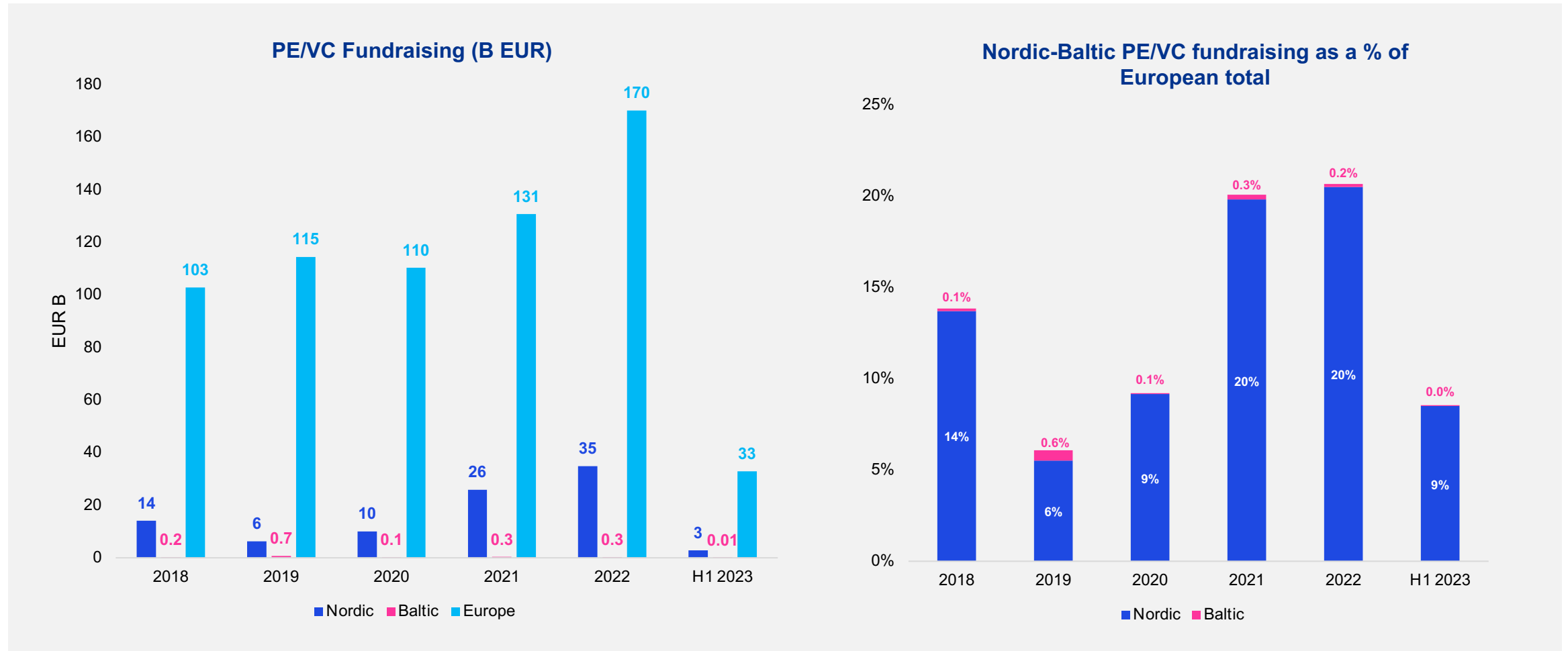


02

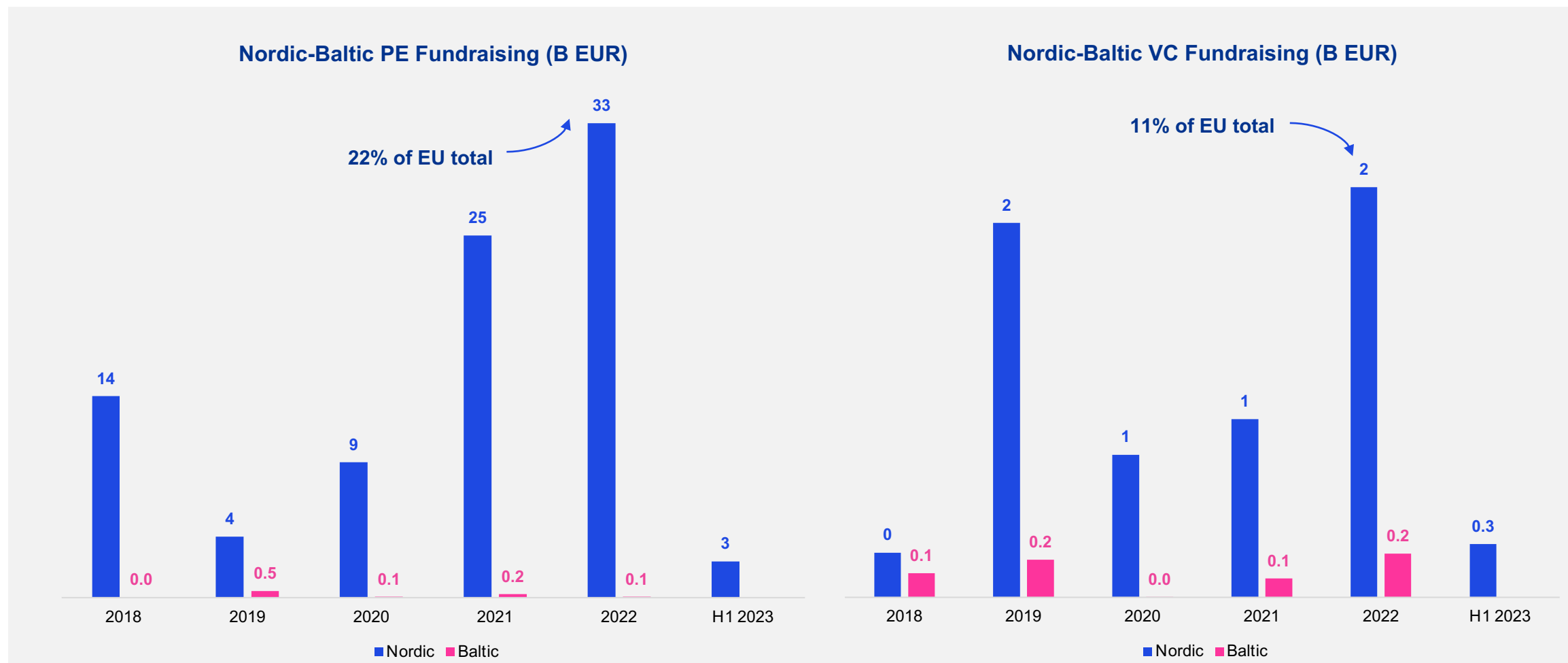
Fundraising



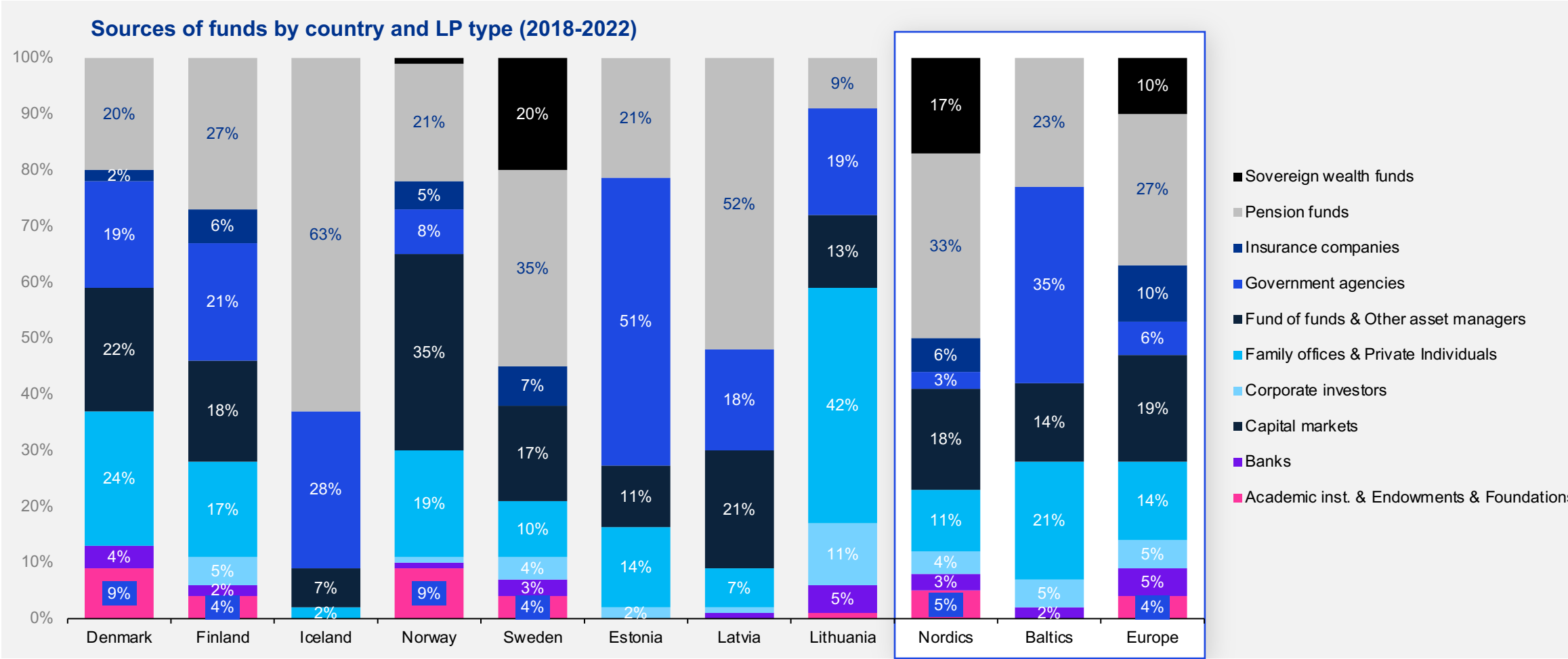
Strong historic fundraising growth – slowdown in H1-2023



PE drives decrease in fundraising for the cluster



Sources of funds differ strongly across the regions



New fund creation for the cluster driven by follow-on and venture capital

Number of new funds raised during 2022 – Europe, Nordics, & Baltics



Nordics

- Stockholm-based VC funds dominate
- Follow-on funds lead

Baltics

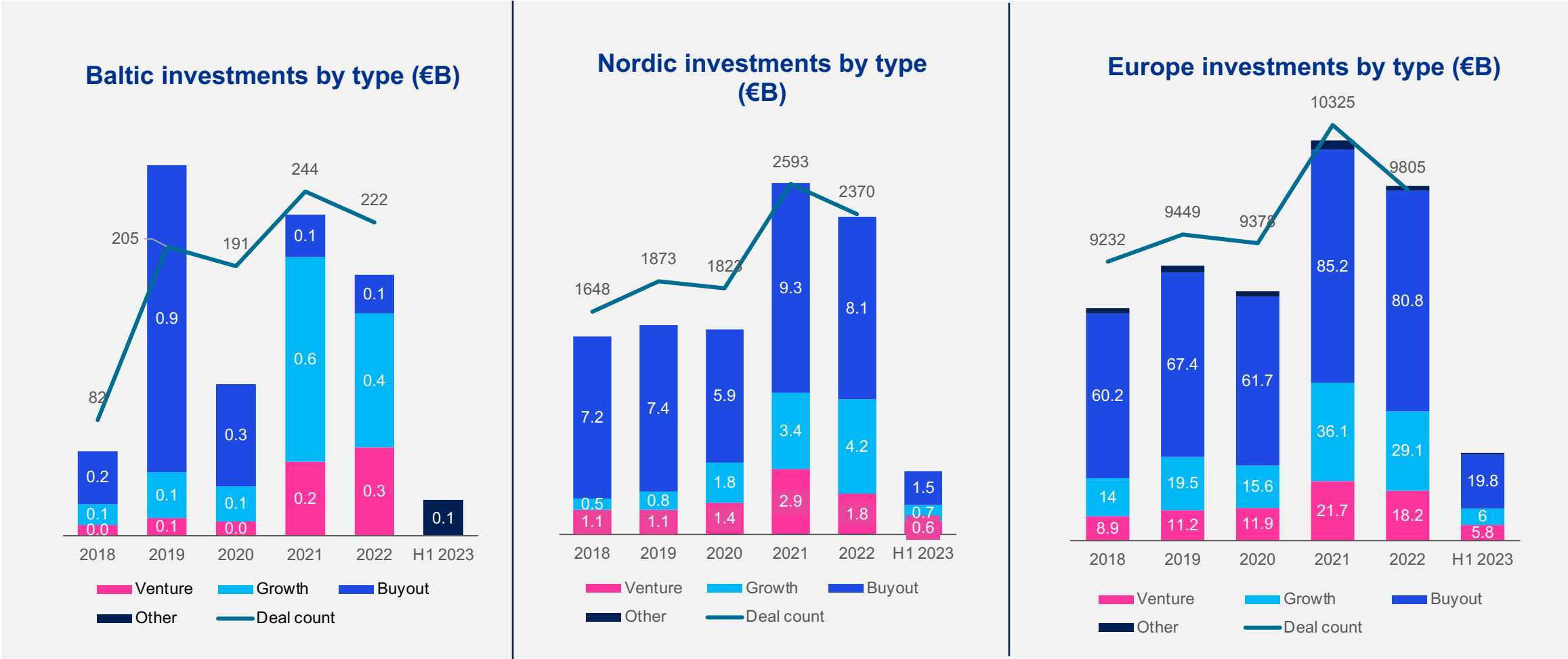
- VCs driving fund count
- Coverage shift

02

Investments



2023 investment activity is forecast to drop to levels last seen in 2016/17



H1 Data split not available for Baltics

Domestic investments dominate, but more funds expand their geographic focus

Investment flows

2018-2022 – Amount in €



€3.4B

Invested **in the Baltics** from where?

€1.4B from UK
€0.9B from outside Europe
€443M from the **Baltics**
€241M from the Nordics
€154M from Switzerland

€564M

Invested **from the Baltics** in where?

€443M within the **Baltics**
€43M in the Nordics
€20M outside Europe
€17M in Germany
€10M in Poland

€60B

Invested **in the Nordics** from where?

€35B from the Nordics
€18B from UK
€3.5B from outside Europe
€1B from Germany
€1B from France
€43M from the **Baltics**

€44B

Invested **from the Nordics** in where?

€35B within the Nordics
€4B outside Europe
€2B in the UK
€1B in Germany
€241M in the **Baltics**



ICT, Energy & lifesciences are at the top of GP search lists

Europe

↑ Energy & renewables

↑ Lifesciences & healthcare

↑ ICT & deep tech

↓ Real estate

↓ Automotive

↓ Consumer goods & services

Nordics

↑ Business services

↑ Finance & fintech

↑ Energy & renewables

↓ Consumer goods & services

↓ Construction

↓ Materials & resources

Baltics

↑ ICT

↑ Energy & renewables

↑ Consumer goods & services

↓ Construction

↓ Automotive

↓ Materials & resources

Notable PE/VC Investments In the Nordics (2023)

Private Equity

Envirotainer°

Consortium including EQT led the €2.9B buyout of Swedish medical freight company Envirotainer AB.

itm8®

Axcel completed the €700+M buyout of Danish IT business services provider itm8.

Venture Capital

NORSEPOWER

Power Fund III, Tesi, Nefco, Ilmastorahasto & others participate in the Series C round of Finnish marine tech company Norsepower OY.

LUNAR°

Kinnevik, IDC Ventures, Kinnevik & others participate in the €35M funding round of Danish neobank Lunar.

Strise®

Atomico, Maki.vc, Sondo Capital & others participated in the €10M Series A of Norwegian KYC intelligence company Strise.

Notable PE/VC Investments In the Baltics (2023)

Private Equity

delamode
International Logistics

Baltcap completed the take private of LSE listed logistic company Xpediator

bagfactory

Livonia Partners completed its investment in fast growing paper bag manufacturer Bagfactory.

Venture Capital

heavyfinance

Practica capital completed the investment into Lithuanian climate tech investment marketplace HeavyFinance.

VOK

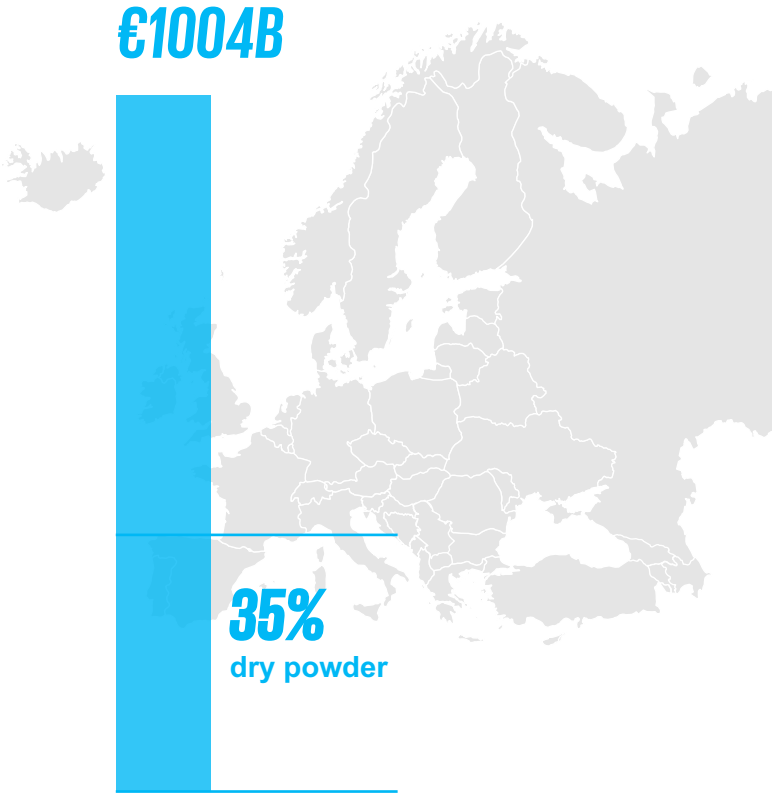
Smartcap, Specialist VC, Sunly & others participate in the €3.8M funding round of Estonian cargo bike manufacturer Vok Bikes.

tapbox
Self Service Terminals

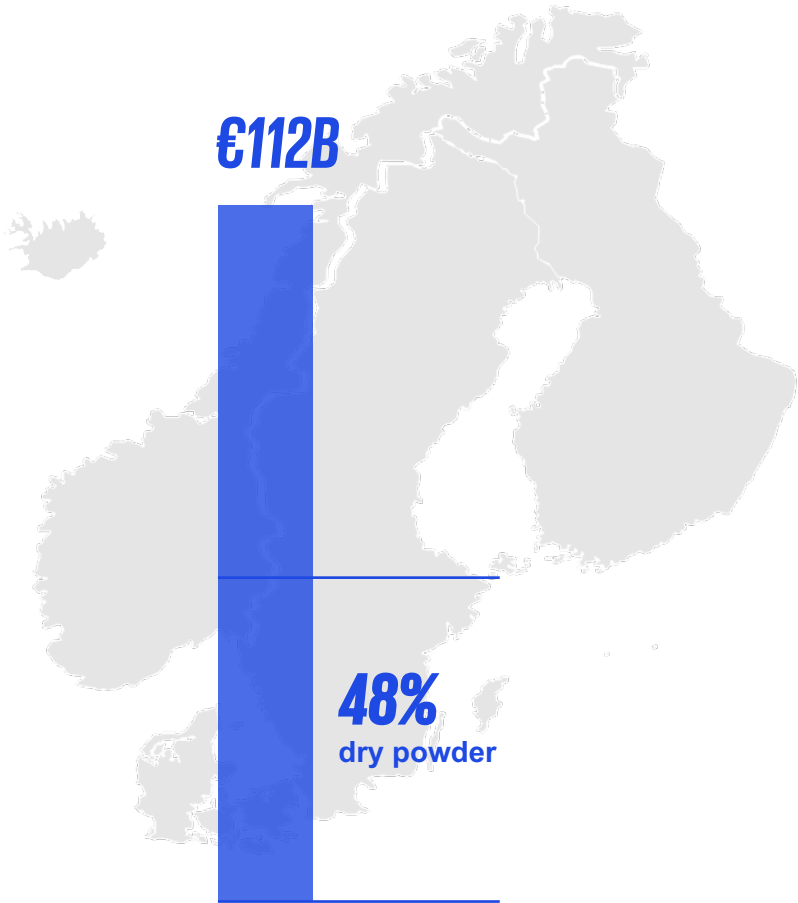
Merito Partners completed the investment into Latvian self-service solution company TapBox.

There is a significant amount of dry powder still to be invested

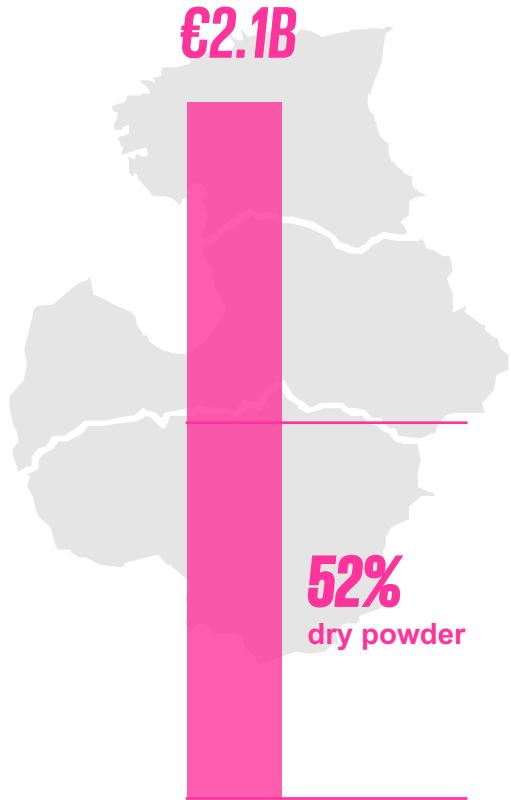
Europe



Nordics



Baltics



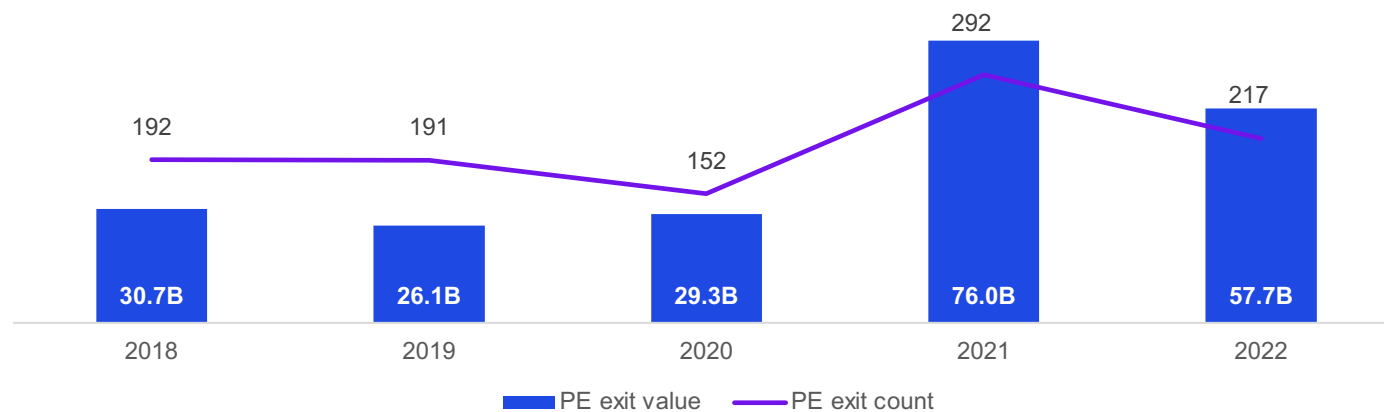
03

Exits

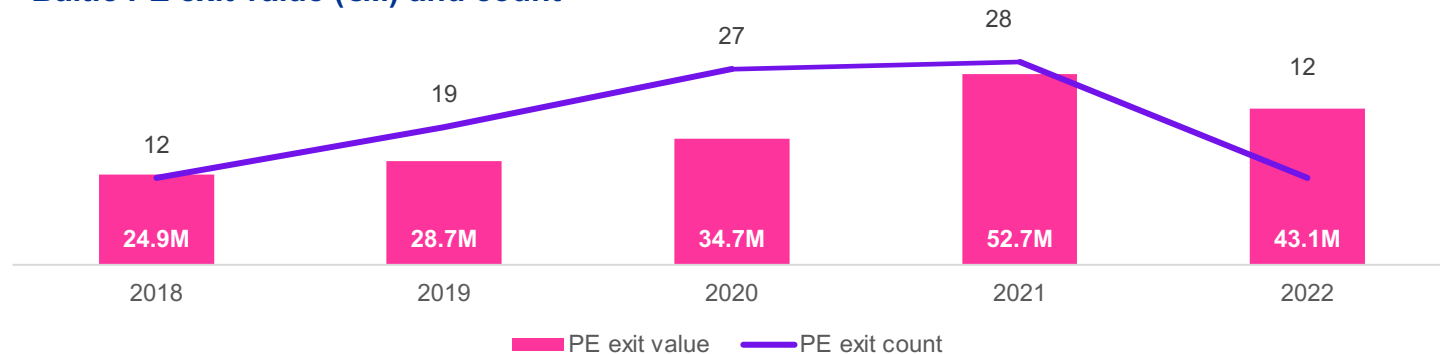


Slight decrease in exits for 2022 – M&A and MBO driving exit activity

Nordic PE exit value (€B) and count



Baltic PE exit value (€M) and count



Nordics

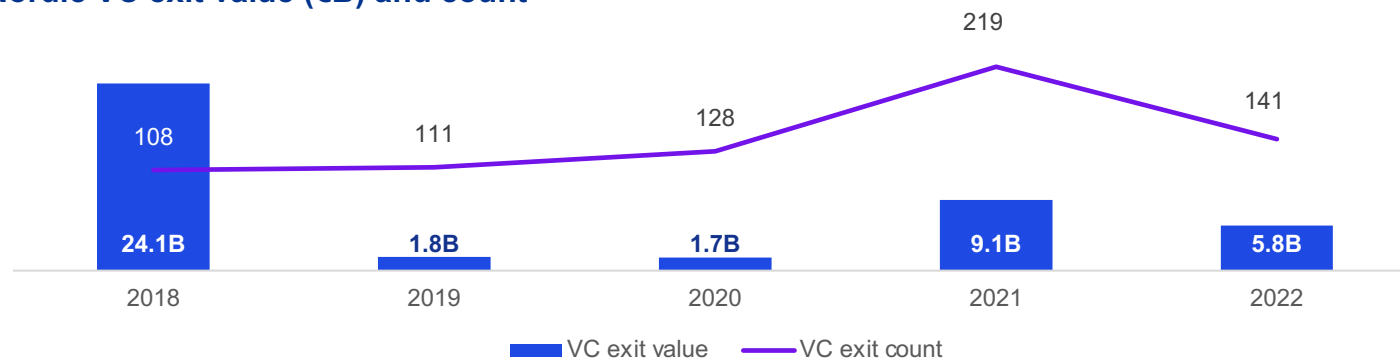
- Resilient exit values YoY
- Acquisitions dominate

Baltics

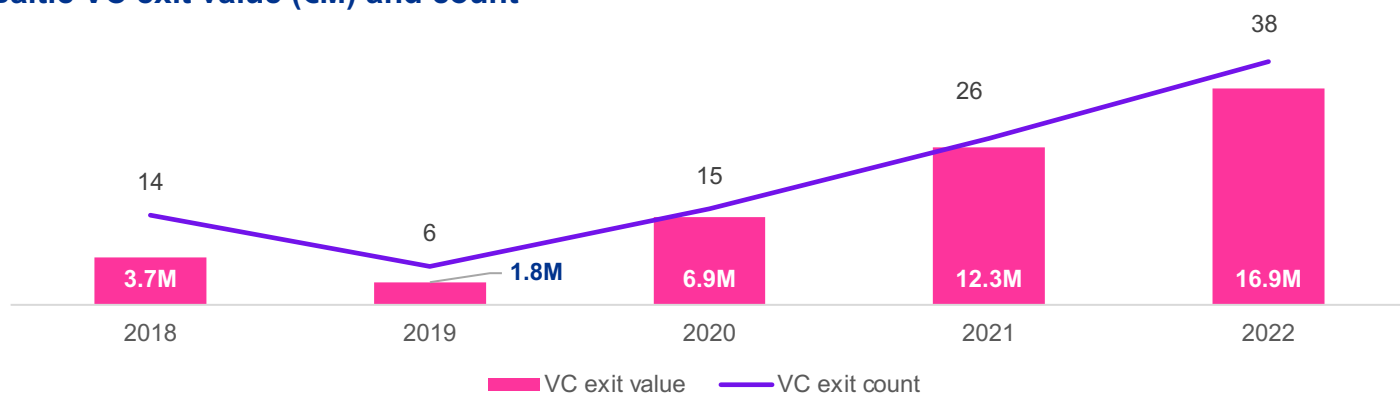
- Trade buyers & MBOs dominate
- 4 key sectors among exits

Downturn in Nordic VC exits – Baltics show continued growth

Nordic VC exit value (€B) and count



Baltic VC exit value (€M) and count



Nordics

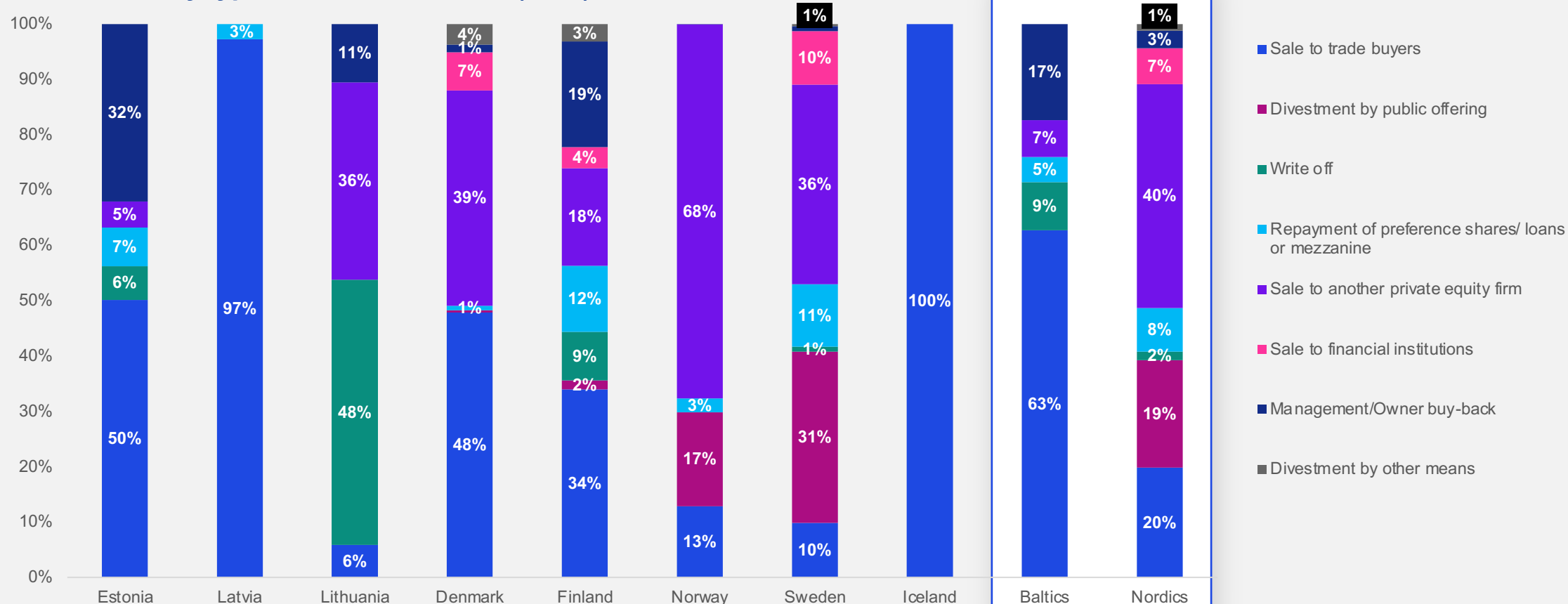
- IPO downfall
- Software dominates

Baltics

- Trade buyers, and MBOs main exit strategies
- Early venture fund exits dominate

Exits in the Baltics driven by trade buyers – Nordics driven by secondaries

Divestments by type – Baltics & Nordics (2022)



Top PE divestments by exit valuation In the Nordics (2023)



Bridgepoint Advisors, & ATP PE Partners divested Diaverum to UAE-based M42 (healthcare).



Davidson Kempner Capital Managemetns divested biogas company Nature Energy in Denmark to Shell.



Novo Holdings partially divested their holding in Ellab to Lundbeckfonden in Denmark (Pending).

Top PE divestments by value at cost In the Baltics (2022)



BaltCap sold its stake in Energia Verde, a biomass-fired power plant in Latvia to Gren.



BaltCap divested its shareholding in Uprent, a pumping system rental provider in Latvia to Renta Group.



BaltCap partially divested its shareholding in BPT Real Estate, a commercial property management company in Estonia to Newsec.

Top VC divestments by exit valuation in the Nordics (2023)

The logo for Kerecis, featuring the word "kerecis" in a lowercase, sans-serif font. The letter "c" is stylized with a small orange dot above it.

KIRKBI, EHF, and 12 other investors divested Kerecis, a wound care company in Iceland, to Coloplast.

The logo for Wolt, featuring the word "Wolt" in a stylized, rounded, blue font.

EQT Ventures, and 28 others divested Wolt, Finnish leading delivery service to Doordash.

The logo for Fyndiq, featuring the word "FYNDIQ" in a white, uppercase, sans-serif font inside a red hexagonal shape.

Industrifonden, Phillian Invest, & 4 others divested Fyndiq (marketplace) to CDON AB in Sweden

Top VC divestments by value at cost in the Baltics (2022)

The logo for UAB Upa MCT, featuring the letters "UPA" in a stylized, teal, sans-serif font.

Practica Capital divested its shareholding in UAB Upa MCT, an operator of a wellness & rehabilitation centre in Lithuania to Orion.

The logo for Nordigen, featuring the word "Nordigen" in a bold, black, sans-serif font, with "a GoCardless company" in a smaller font below it.

Change Ventures & Superangel divested their shareholdings in Nordigen, an open banking data platform in Latvia to GoCardless.

The logo for BlueBridge Technologies, featuring a blue square icon with a white cross-like shape inside, followed by the text "BlueBridge Technologies" in a sans-serif font.

Imprimatur & BaltCap divested their shareholdings in Blue Bridge Technologies, a digital health technology provider in Latvia to Everfield.



Dmitri Ševoldajev

Senior Manager,
Head of M&A in Estonia

+372 580 92 680
dsevoldajev@kpmg.com



Samuel J. Pierce

Senior Advisor,
Corporate Finance / M&A

+372 5300 5791

Thank you!