

ARGENTUM

Nordic venture has seen a high level of activity in 2019, which continued in Q3. Klarna's emission is worth pointing out because it made the company the largest fintech startup in Europa. The activity in the buyout segment declined, following high activity in the previous quarter. More than half of the buyout transactions involved Norwegian companies in Q3.

VENTURE DEALS

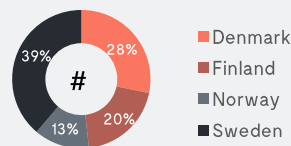
The activity in the venture segment was high in Q3 2019, continuing a trend we have seen the whole year. Investments amounted to €438 million with a total of 84 new investments. Q3 had the highest amount in a single quarter in over three years, both measured in investment volume and number of transactions.

Out of the 84 transactions, two-thirds were made in Swedish and Danish companies. Most investments were made in Swedish companies (33) and fewest were made in Norwegian companies (10). The Swedish company Klarna carried out a large equity funding round with Dragoneer as the leading investor, and HMI Capital and Blackrock participating in the round. Following the emission, Klarna was valued at \$5.5 billion, making the company Europe's largest fintech startup. Further on, Bregal Milestone and First Fellow Partners invested €41.5 million in the Finnish fintech company ePassi. 55 of the 84 investments were made in the ICT sector, followed by ten in the industry sector and nine in health and life science.

In the Nordics, 2018 Q1–2019 Q3

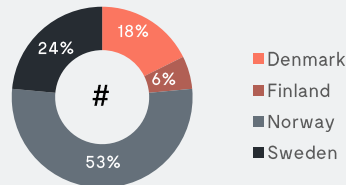


By country, 2019 Q3



BUYOUT DEALS

By country, 2019 Q3



A total of €899 million were invested in the Nordic buyout segment in Q3 2019, a decrease compared to the previous quarter, when the amount was €4.3 billion. All in all, 17 buyout investments were made during the quarter, and over half of them were Norwegian portfolio companies, followed by 24 percent in Swedish companies.

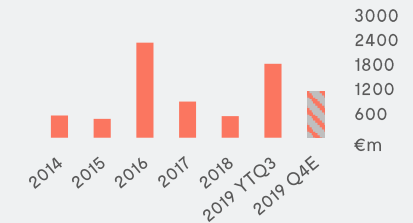
Some large transactions were Nordic Capital's investment in Norwegian Finans Holding, Triton's investment in the Scandinavian private health care company Aleris, and Castik Capital's investment in the Swedish ICT company AddSecure. Compared to last year, the activity level in the buyout segment has varied so far this year and will be moderate overall.

In the Nordics, 2018 Q1–2019 Q3



FUNDRAISING

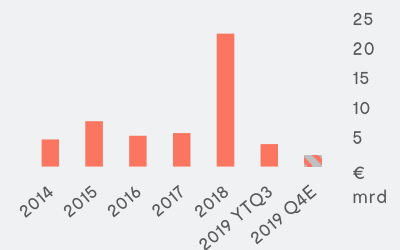
Venture funds, 2014–2019



Venture funds have raised €1.8 billion so far in 2019, of which € 247 million were raised in Q3. It is estimated that Nordic venture funds will raise an additional 1.15 billion in Q4. Compared to previous years, 2019 can only be matched by 2016 when it comes to fundraising in the venture segment.

Buyout funds on their side have raised €3.8 billion in 2019. It is expected that many fund managers will close funds in Q4, and that they will raise an additional €1.8 billion. The fundraising in the buyout segment in 2019 will be comparable to the years before 2018, since last year saw an exceptional amount of capital being raised.

Buyout funds, 2014–2019



PE-BACKED EXITS

In Q3, a total of 39 PE-backed exits were carried out, which is higher than in previous quarters. 18 of 39 exits were in the buyout segment, while 21 were in venture. Among the buyout exits, twelve were trade sales and four were secondary exits. When looking at sectors, eight were in the industry sector, three within ICT, and six within consumer staples and consumer discretionary combined. Most buyout exits found place in Denmark (7), followed by Sweden (6).

Among the PE-backed exits in the Nordic venture segment, 17 were trade sales, and three were secondary deals. Out of the five exits in the energy sector, it is worth pointing out Fjord Invest's (and others) sale of the Norwegian oil service company Quality Intervention to Expro. Further on, eleven sales were within the ICT sector, and four in health and life science. Eight of 21 PE-backed venture exits were transactions involving Norwegian companies, and eight involved Finnish companies. The remaining five were Swedish. There were no exits in the Danish venture-segment in Q3 2019.

In the Nordics, 2018 Q1–2019 Q3

