



20  
23

Annual Update

# M&A and IPO trends and insights in Norway



## Challenging and complex M&A and IPO markets

The year 2023 was characterised by macroeconomic volatility, primarily due to escalating interest rates and inflation, coupled with heightened global geopolitical tension resulting in increased protectionism. These macroeconomic trends have impacted the Norwegian M&A and IPO markets, which continued in the trend from 2022, with lower levels of M&A and IPO activity after the record activity levels in the pandemic years of 2020 and 2021.

Transaction volumes in the Norwegian M&A and IPO markets have seen a slight decrease from 2022, while deal values have experienced a marginal increase. Nonetheless, the projected interest rates and inflation for 2024 and 2025 present a positive outlook. This forecast provides both encouraging signs of and reasons for cautious optimism regarding a potential resurgence in market activity in 2024.

# Key take-aways

- The sectors with the largest representation in Norwegian deals in 2023 were Technology (127) followed by Industries & Chemicals (90), with the highest deal values being in Technology (EUR 20.5bn) and Energy (EUR 6.65bn).
- Public takeover activity saw a significant surge in 2023, with an 80% increase in bids compared to 2022.
- Private Equity/Venture Capital maintains a strong presence in Norway, with a robust deal count in 2023.
- Cross-border deal activity in Norway remained stable in 2023, with Sweden, the US and the UK retaining their positions as Norway's strongest investment partners.
- New legislative changes in Norway and the EU, such as taxes on natural resources and Foreign Direct Investment (FDI) regulations, have introduced new considerations for market participants.
- The number of IPOs completed on Oslo Børs in 2023 remained consistent with 2022 levels, with two IPOs completed. Additionally, one IPO was completed on Euronext Expand in 2023. However, there was a significant decline in listings on Euronext Growth Oslo, with only four listings in 2023, compared to 15 listings in 2022.
- Capital raises in connection with listings on Oslo Børs' marketplaces were carried out by five companies which largely operate in established sectors in Norway, such as oil and gas, energy and industrials.
- Looking forward to 2024, the potential easing of inflation and prospective interest rate cuts could attract investors back to IPOs, thereby enhancing liquidity and improving return outlooks. However, the current geopolitical instability could undermine confidence. The activity level in 2024 will largely depend on improvements in the macroeconomic landscape, as companies are eagerly anticipating more favourable market conditions to expand IPO opportunities.





# Deal activity continues to be down due to market conditions

Uncertainty continues to impact the M&A market in Norway, resulting in a 6.7% decline in the number of deals in 2023 compared to 2022. Macroeconomic conditions and market dynamics remain volatile, with interest rates escalating throughout the year and the level of inflation continuing at high levels. Consequently, securing debt financing remained challenging, particularly for large transactions.

In addition to market and macroeconomic risks, we are also experiencing a political landscape in Norway that has prompted certain new considerations. New taxes on income from natural resources such as salmon farmed in the coastal waters (the “salmon tax”), wind power and hydro power, have reduced and/or postponed investments in the relevant sectors.

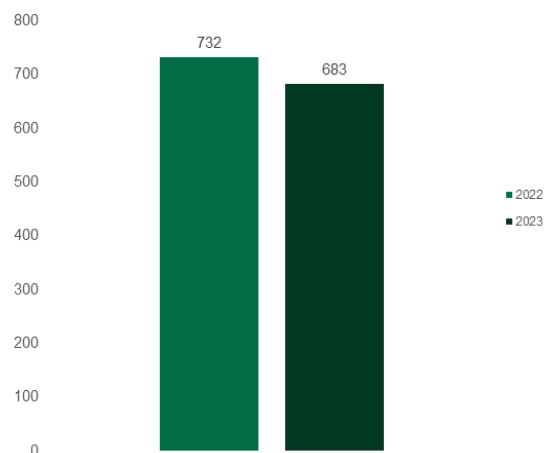
In addition to the Norwegian legislative changes, other legislative initiatives and focus areas, such as the Foreign Subsidies Regulation (FSR) and Foreign Direct Investment (FDI), are also expected to affect the M&A markets going forward. For more information on the effects of FSR and FDI we refer to our separate newsletters covering these topics at [www.wiersholm.no](http://www.wiersholm.no)

Although both sellers and buyers remain cautious, good deals are still being completed, particularly in sectors such as oil, oil service and financial services. Technology is still the dominating industry in terms of deal volume and deal value, even though the numbers are significantly down from the pandemic years of 2020 and 2021. As detailed further below, public takeover activity experienced a substantial surge in 2023, with 18 bids for listed companies announced, marking an 80% increase compared to 2022.

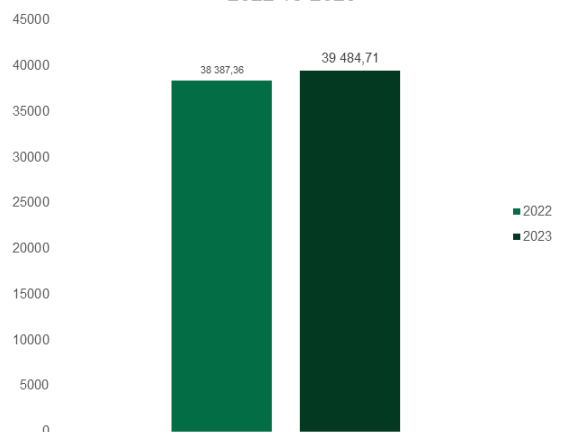


Demanding market conditions have also led to a new boost in creativity in respect of deal structures and risk mitigation. Joint ventures, co-investments, minority investments and club deals are often used as tools for market participants wanting (or needing) to close a deal but are reluctant to do so on more traditional terms. Moreover, despite the challenging markets, 2023 witnessed several high-value and high-profile transactions. This led to a modest increase of 2.9% in the total reported deal value compared to 2022, underscoring the resilience and adaptability of market players amidst adversity.

Total number of deals  
2022 vs 2023



Total deal value (MEUR)  
2022 vs 2023





*Although uncertainty in terms of macroeconomics seems to continue in 2024, we see a growing deal pipeline waiting for the conditions to improve, investors and funds with equity waiting to be invested and well-prepared IPO processes. Some expect a repeat 2020, when the IPO markets opened before the M&A market, leading to a spike in IPOs, and also multiple dual-track deals. While it might be overly optimistic to anticipate a return to the deal activity levels of 2021, the forecast from leading central banks and economists that we have reached the “interest rate peak” provides a positive outlook. This could potentially stimulate the M&A market and foster increased activity in 2024.*

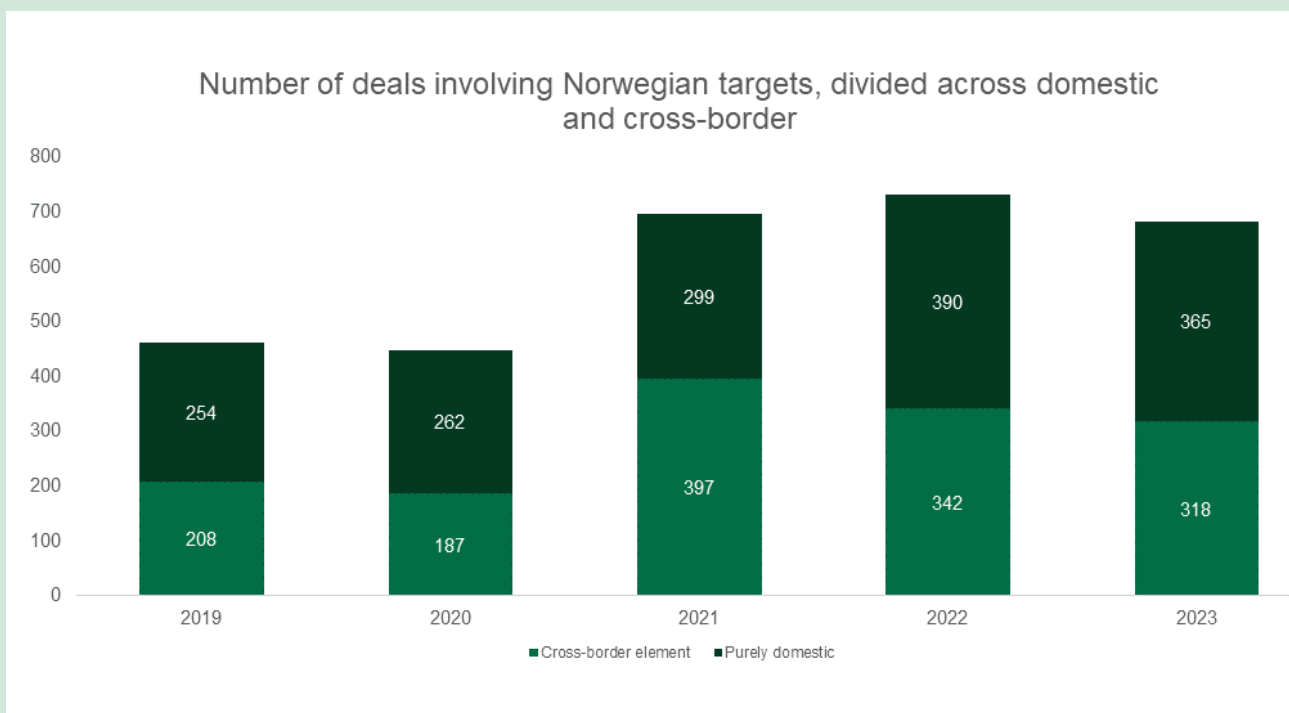
Partner and Head of Corporate  
Anne Lise E. Gryte

Below is an overview of the largest deals in the Norwegian market in 2023.

Target Company	Consolidated industry	Bidder Company	Deal Value (MEUR)
Adevinta ASA (100% Stake)	Technology	Blackstone Inc; Permira Ltd; General Atlantic LLC; TCMI Inc	14,092
Visma AS (21.05% Stake)	Technology	HgCapital LLP; TPG Capital LP; Intermediate Capital Group Plc; Jane Street Group LLC; New York City Employees Retirement System; Amboise Partners SAS	4,000
Neptune Energy Group Midco Ltd (Norway business) (100% Stake)	Energy, mining & utilities	Vår Energi AS	2,084
PGS ASA (100% Stake)	Business Services	TGS ASA	1,714
Kahoot! ASA (100% Stake)	Technology	General Atlantic LLC; Goldman Sachs Capital Partners; Kirkbi Invest A/S; Glitrafjord AS	1,639
Danske Bank A/S (Norwegian personal customer business) (100% Stake)	Financial Services	Nordea Bank Oyj	1,546
Fjord1 AS (100% Stake)	Transport	Electricite de France SA-EDF; DIF Management BV	1,196
Frøy ASA (100% Stake)	Transport	Goldman Sachs Asset Management LP; Falcon Bidco AS	900
Sparebank 1 Sørøst-Norge (100% Stake)	Financial Services	Sparebank 1 SR-Bank ASA	755
BW Energy Ltd (60% Stake)	Energy, mining & utilities	BW Group Ltd	673

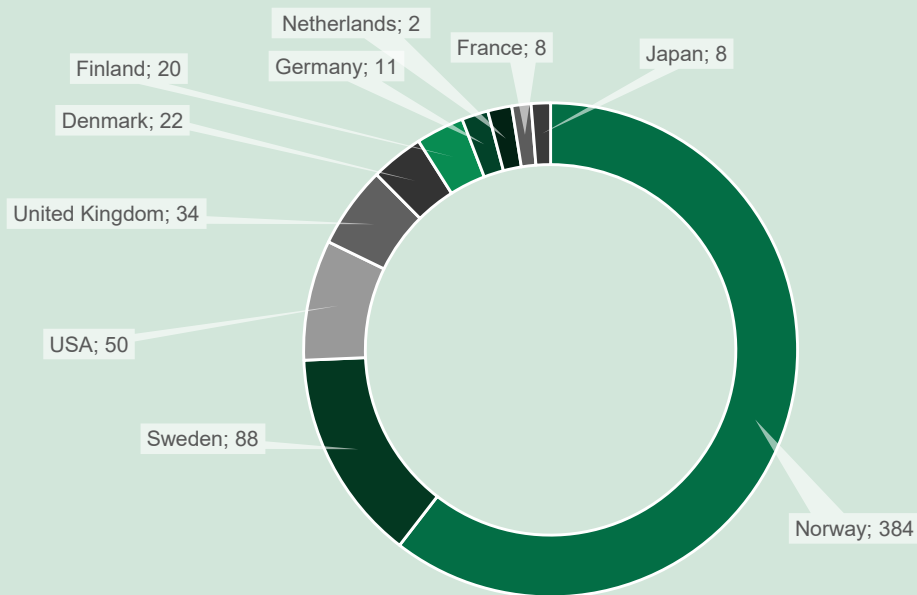
# Cross border activity

Cross-border deal activity in Norway is stable. For overseas investments into Norway, the 'big three' – Sweden, the US and the UK – retain their positions in the top three, reflecting their positions as Norway's strongest investment partners. This is particularly evident in terms of deal values and especially the case for the UK, which exceeds the deal value from Norwegian buyers.

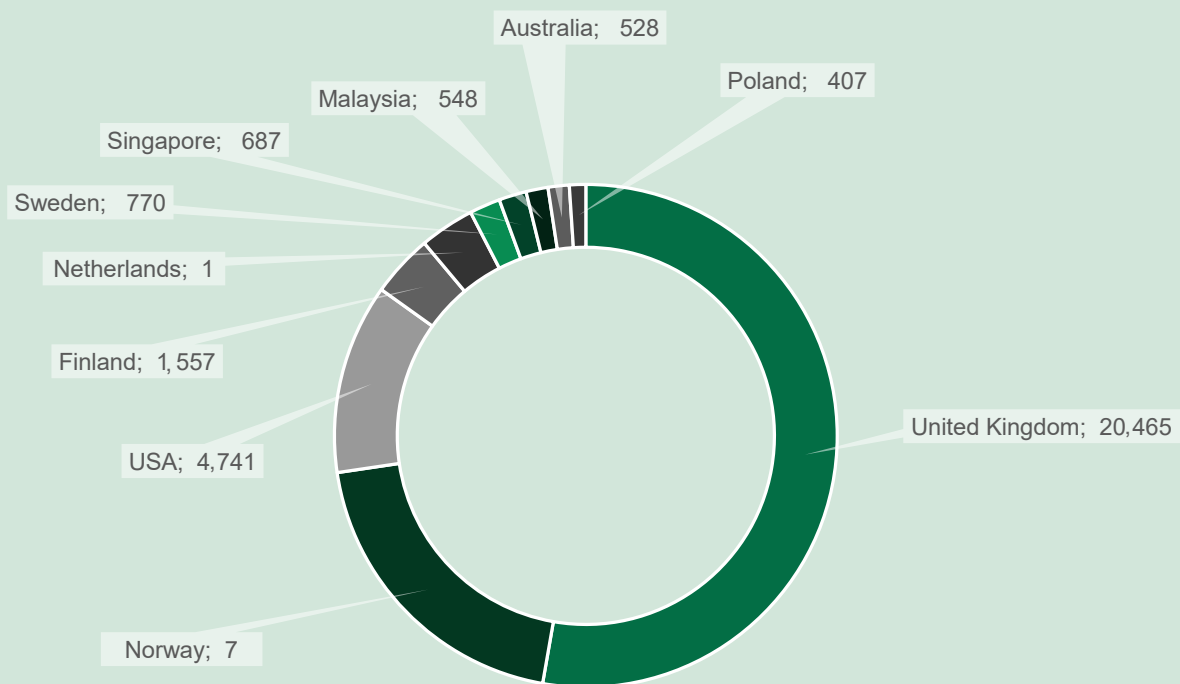


# Buyer geography top 10

## Buyer geography number of deals 2023



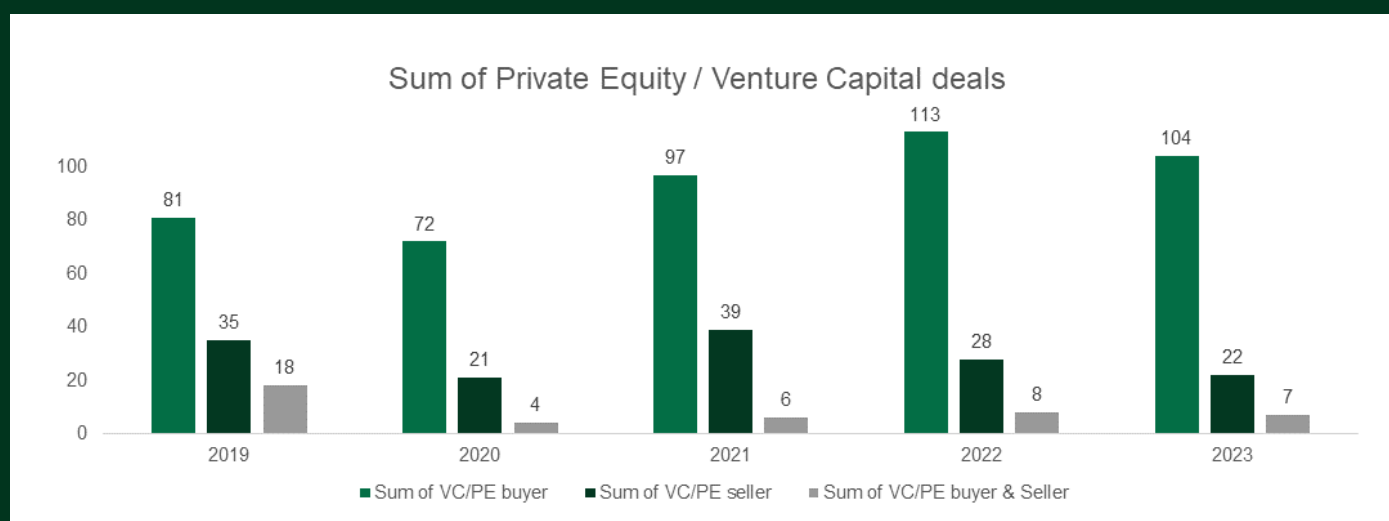
## Buyer geography deal value (MEUR) 2023





# Private Equity / Venture Capital

Private equity maintains a robust presence in Norway. While the number of deals with Private Equity/Venture Capital (PE/VC) buyers in 2023 slightly dipped from the record set in 2022, it remains impressively high compared to previous years. PE/VC sales experienced a sluggish start in 2023, plunging by more than 80% year-over-year in H1 2023. However, as illustrated by the graph below, PE/VC sales regained momentum in the second half of 2023, concluding the year only 21% lower compared to 2022. Despite this recovery, PE/VC sales remain significantly below the record set in 2021.



Our impression is that PE/VC owners are retaining their investments, awaiting more stable market conditions before initiating exit processes. They are primarily selling assets that maintain their attractiveness irrespective of market conditions. Some are also considering continuation vehicles for their investments, where a new fund under the same management in whole or in part take over the position of the previous fund. Norwegian PE/VC players still possess a substantial amount of "dry powder," that is, committed but uninvested funds, following successful funding rounds during the peak years of 2021 and 2022.

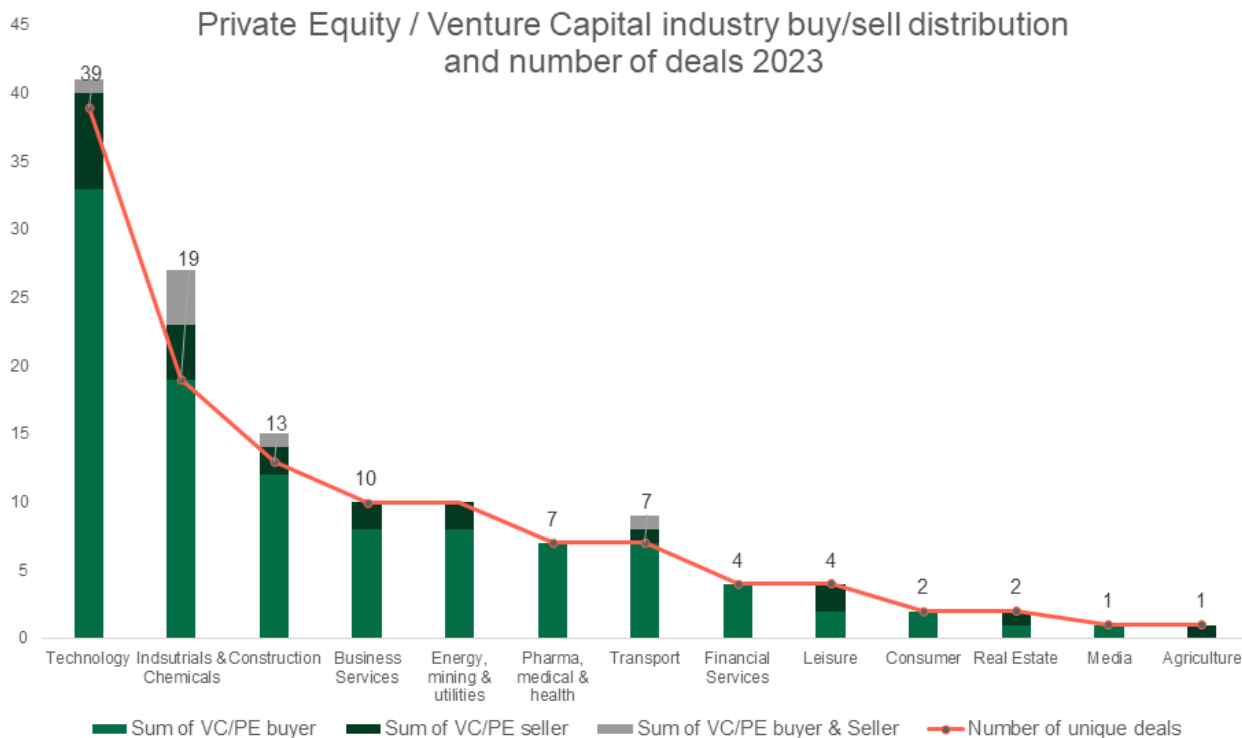
These factors should pave the way for an expanded PE/VC presence and heightened market activity in Norway once market conditions stabilise.



*Assuming cuts in interest rates and easing of inflation combined with significant investment power among PE firms, we expect to see an increase in transactions involving PE firms in the Norwegian market in 2024.*

Partner and Head of Private Equity  
Harald Hellebust

Private Equity / Venture Capital industry buy/sell distribution and number of deals 2023





# Sectors 2023: Technology lead, followed by Energy and Financial Services

The Technology sector emerged as the most dynamic in 2023, leading both in terms of deal value (EUR 20.5bn) and volume (127). This represents a continuation from 2022, which also witnessed a high number of technology transactions (94). Moreover, 2023 was marked by several high-profile and high-value technology transactions, with the year's two largest deals (Adevinta and Visma) both originating from this sector.

While the Energy sector experienced a significant decrease in total deal value compared to 2022 (EUR 13.1bn vs. EUR 6.65bn), it continues to maintain its strength in terms of both deal value and volume, bolstered by sustained high oil and gas prices.

The Financial Services sector saw a remarkable upswing, registering a substantial increase in the number of deals, aggregate deal value and high-profile transactions. Two of the top 10 deals of 2023 (Danske Bank and SpareBank 1 Sørøst-Norge) were in this sector (see the table on page 6). The primary catalyst for these transactions appears to be consolidation in the banking sector, which traditionally has been characterised by numerous small players in the Norwegian market. Additionally, higher interest rates have enhanced the profitability of banks, rendering them more attractive M&A targets. We expect the Financial Services sector to remain an attractive sector in 2024.



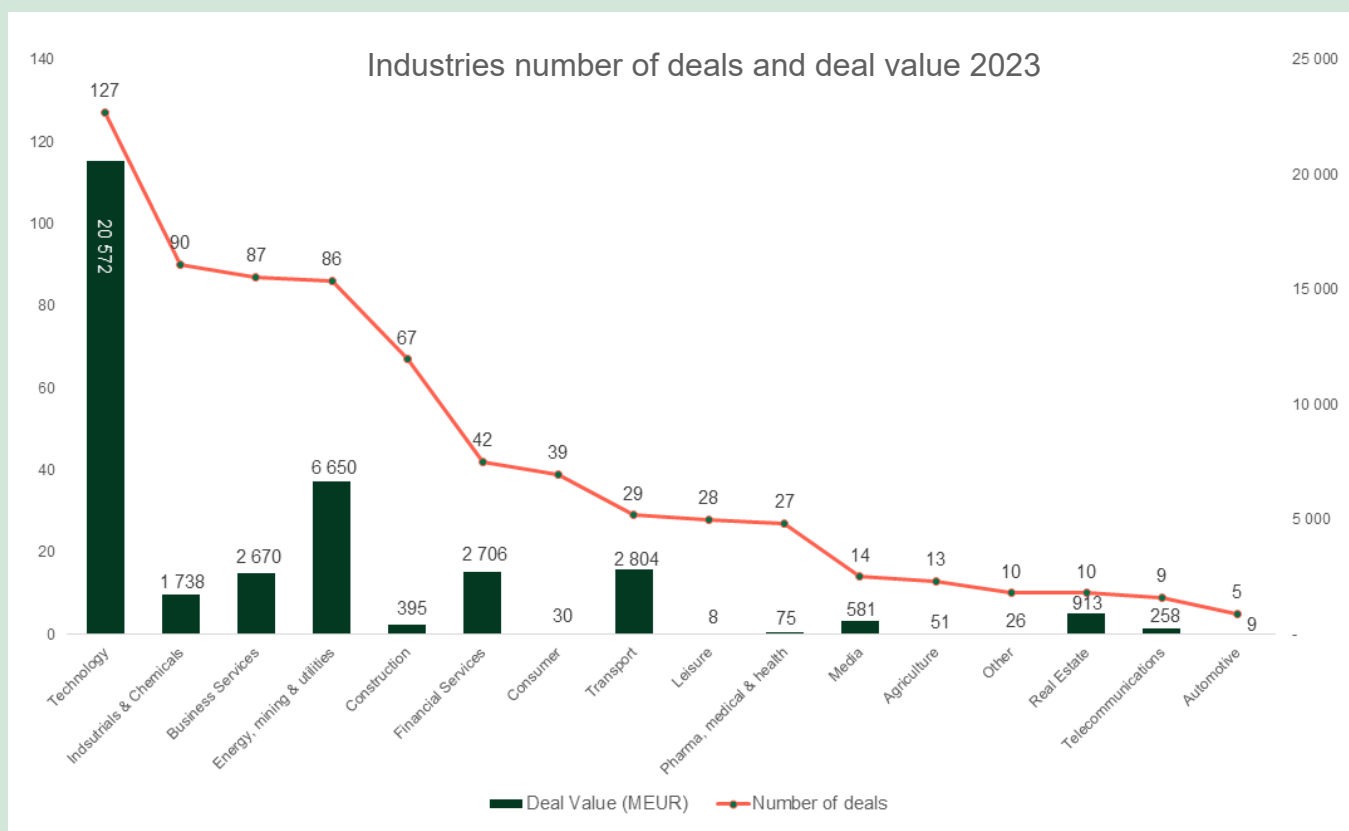
*The increased deal flow in the technology sector in 2023 was a continuation of the high transaction level in 2022. This trend is expected to continue as we anticipate that the demand and quest for the best technology companies and assets will continue in 2024.*

Partner and Head of Technology M&A  
Kai Thøgersen

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*We expect the Financial Services sector to remain an attractive sector in 2024 and that the number of transactions in this sector will continue to rise, primarily led by a continued consolidation in the banking sector. As a consequence of the landscape with many smaller banks, we anticipate to see both transactions where larger banks acquire smaller banks, as well as consolidations between the smaller players.*

Partner and Head of Financial Services M&A  
Gunhild Dugstad



# Increased public takeover activity

We have long forecasted a public takeover “boom” in the Norwegian marketplaces, following the numerous listings in 2020 and 2021. The year 2023 appears to have fulfilled this prediction with a total of 18 bids announced (compared to 10 bids announced in 2022). Public takeovers saw an uptick compared to 2022, buoyed by a robust H2 of 2023, which alone saw the announcement of 13 bids, which in turn is more than the total number of public takeover bids in the whole of 2022. The aggregate deal value of the deals announced in 2023 also significantly outpaced that of 2022, with NOK 176bn in 2023 compared to NOK 28bn in 2022.

Although various sectors were represented in the 2023 statistics, the most notable bids were in the technology sector, e.g. the bids for Adevinta and Kahoot. The surge in public takeover activity appears mainly to be driven by depressed valuation and lower market capitalisation, especially for technology companies, compared to their peak years of 2020 and 2021.

The year 2023 concluded on a high note, with seven bids announced in the final two months alone. We anticipate this heightened activity to continue into 2024, particularly if the forecasts regarding lower interest rates and inflation materialise.



*2023 was an exciting year for P2Ps in the Norwegian market, marked by significant deal activity and some truly spectacular transactions. We expect to see this trend continue into 2024 as there continues to be a number of listed companies which have not been able to fully realize their potential within the public space. With the significant dry powder available to financial sponsors and many industrial players seeing M&A as a path to growth there is potential for another very active year for P2P transactions.*

Capital Markets and M&A Partner  
Sverre Sandvik

Target	Offeror	Sector	Marketplace	Transaction value mNOK
<b>2023</b>				
Quantafuel ASA	Viridor	Renewables	Euronext Growth Oslo	1,050
Seaway 7 ASA	Subsea 7 S.A.	Shipping / Renewables	Euronext Growth Oslo	350
Meltwater N.V.	MW Investment B.V.	Technology	Oslo Børs	5,650
Lumi Gruppen AS	Lola Bidco AS	Education	Euronext Growth Oslo	850
Treasure ASA	Wilh. Wilhelmsen Holding ASA	Shipping	Oslo Børs	4,100
Frøy ASA	Goldman Sachs Asset Management	Shipping / Seafood	Oslo Børs	6,600
Nortel AS	Unifon Holding AS	Telecom	Euronext Growth Oslo	517
Kahoot ASA	Kangaroo BidCo AS	Technology	Oslo Børs	1,725
Self Storage Group ASA	T-C Storage HoldCo AB	Real Estate	Oslo Børs	3,787
Q-Free ASA	Juniper HoldCo AS	Technology	Oslo Børs	1,300
BW Epic Kosan Ltd.	Web Holding Limited	Shipping	Euronext Growth Oslo	3,831
BW Ideol AS	BW Sirocco Holdings AS / BW Offshore Holdings Pte. Ltd	Shipping	Euronext Growth Oslo	378
GC Riber Shipping ASA	GC Rieber AS	Shipping	Oslo Børs	175
First Mover Group Holding AS	Pamica 3 AB and Pamica 4 AB	Business services	Euronext Growth Oslo	85
Adevinta ASA	Aurelia Bidco Norway AS (Permira, Blackstone)	Technology	Oslo Børs	141,000
Mintra Holding AS	Minerva TopCo AS	Technology	Euronext Growth Oslo	195
Northern Drilling Ltd	Hemen Holding Limited	Shipping	Oslo Børs	4,6
BW Energy Limited	BW Group Limited	Energy	Oslo Børs	4,179
<b>Total no. of bids:</b>		<b>18</b>		<b>175,777</b>

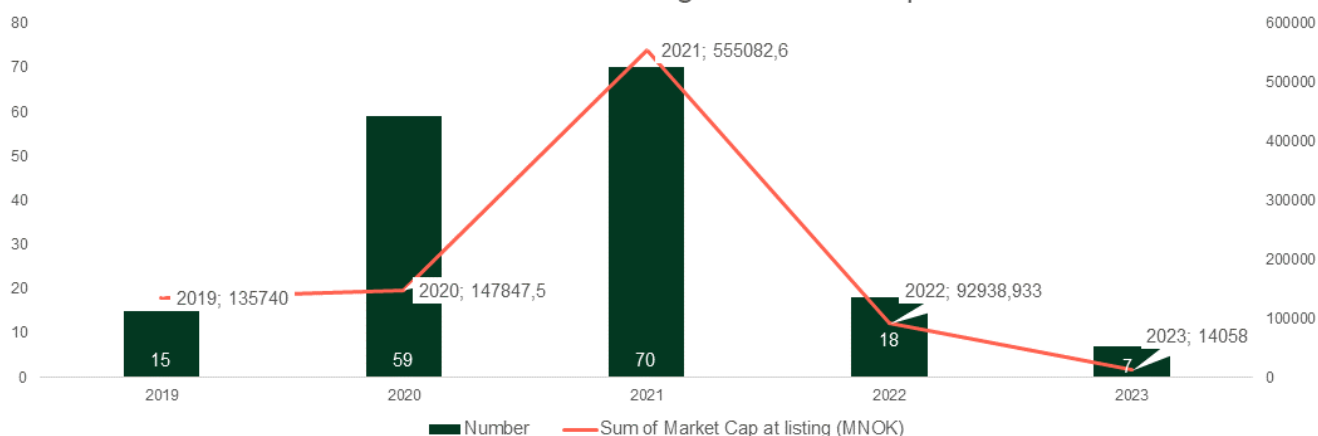
# IPO market remains on hold

In 2023, the Norwegian IPO market continued its subdued trend from 2022, a stark contrast to the record highs of 2020 and 2021. This was largely attributed to the geopolitical and economic uncertainties that began in 2022, which led to a drought in corner and anchor IPO investors, thus significantly reducing the number of listings that came to market in Oslo.

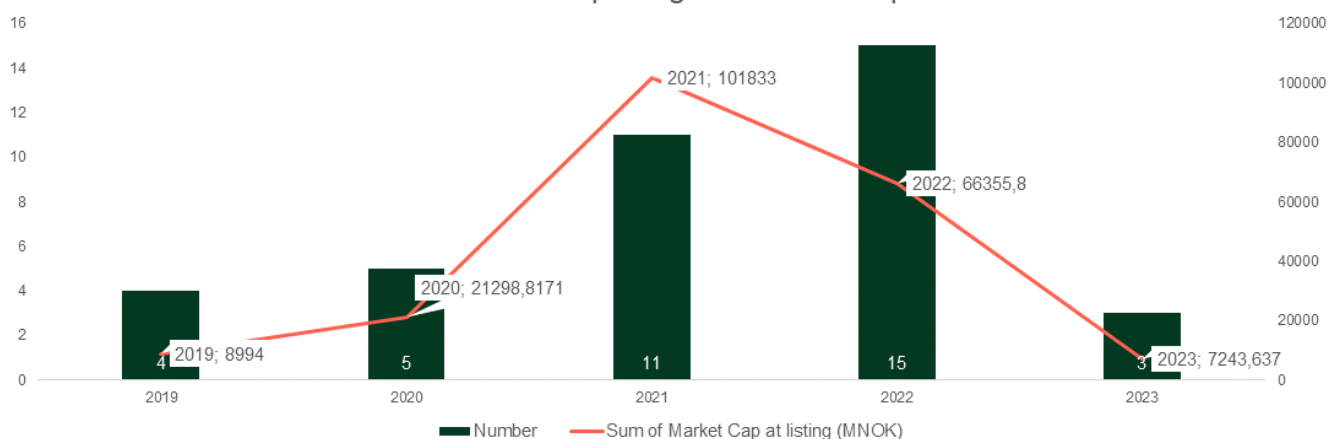
Looking at the numbers, IPO deal numbers in 2023 remained consistent with 2022 levels, with only two IPOs completed. Additionally, one IPO was completed on Euronext Expand in 2023. However, the total number of listings on Oslo Børs' marketplaces saw a significant decline in 2023. Oslo Børs recorded only four listings in 2023, a substantial drop from 16 listings in 2022. Similarly, Euronext Growth Oslo, aimed at small and medium-sized companies, also saw a decrease in listings, with only four listings in 2023 compared to 15 listings in 2022.

The number of listings on Oslo Børs in 2022 was largely driven by companies uplisting from Euronext Growth to Oslo Børs with a total of 15 uplistings to Oslo Børs in 2022, a trend that slowed down in 2023 with only three uplistings to Oslo Børs. It appears that many of the companies that listed on Euronext Growth in 2020 and 2021, and intended to uplist to Oslo Børs, have already completed their uplisting. However, based on the current pipeline for 2024 we anticipate to see an increase in the number of uplistings to Oslo Børs in 2024.

### Number of new listings and market cap



### Number of uplistings and market cap



Initial public offerings totalling approximately NOK 5.5 bn were completed in 2023, a decrease from the approximately NOK 13 bn raised in 2022. The most notable listing on Oslo Børs in 2023 was the IPO of the Norwegian consulting firm Norconsult in November, which consisted of a secondary offering of existing shares with a total transaction size of NOK 2.1 bn.

The market shift away from “growth” companies to companies with sustainable profits and free cash flows, which began in 2022, continued into 2023. The focus in 2023 remained on traditional industries, such as oil & gas, energy and industrials. This was evidenced by the fact that all three companies that completed IPOs on Oslo Børs or Euronext Expand in 2023; Norconsult (Industrials), DOF Group (Oil and Gas) and Seacrest Petroleo (Oil and Gas) operate in these traditional sectors. However, there is strong potential for a resurgence of interest in growth companies in 2024, especially if interest rates are cut in Norway, Europe or globally.

Despite the challenging market conditions, the Oslo Børs main index managed to increase by approximately 10% in 2023, largely driven by the strong performance of the oil and gas and shipping sectors.

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*Despite the optimism and strong pipeline of larger IPOs at the start of 2023, geopolitical and economic factors largely influenced the year, leading to a decline in the number of listings on Oslo Børs' market-places in 2023.*

Head of Corporate and Capital Markets Partner  
Anne Lise E. Gryte

Looking ahead to 2024, the market outlook remains uncertain. However, the pipeline for 2024 looks healthy taking paused IPOs from 2022 and 2023 into consideration, but several of the companies that never got to realize their IPO plans have left the IPO track and pursued other financing options. The activity in 2024 will further depend on the improvement of the macroeconomic landscape generally, as companies eagerly anticipate more favourable market conditions to expand the opportunities for IPOs, particularly in the second half of 2024. Nonetheless, making predictions remains extremely challenging due to the global market volatility and uncertainty.





# Outlook for 2024

Looking ahead to 2024, the Norwegian M&A market could be poised for potential growth, particularly if the anticipated reversal in interest rates materialises. Such a shift could stimulate the market, both in terms of providing more possibilities for deal financing and more favourable valuations, making both new investments and exits more attractive. The robust presence of PE/VC players, coupled with the industry's substantial "dry powder" (according to the Norwegian Venture Capital Association there is NOK 10 bn in dry powder amongst Norwegian players), suggests a readiness for PE/VC to capitalise on improved market conditions. Furthermore, the surge in public takeover activity witnessed in 2023 could extend into 2024. Therefore, despite the market's current uncertainties and challenges, the Norwegian M&A market exhibits promising signs of resilience and adaptability, fostering a cautious optimism for 2024.

In the capital markets, the market outlook remains uncertain. However, the pipeline for 2024 looks healthy due to continued postponements from previous years, but the activity in 2024 will depend heavily on the improvement of the macroeconomic landscape and a successful showcasing of IPOs to bring back confidence in the IPO market.

## Sources:

Except for the public to private overview, and the IPO statistics (which are based on publicly available deal information compiled by Wiersholm), the main source for statistics used in this report is [Mergermarket.com](https://www.mergermarket.com)



# Corporate Team

Wiersholm boasts one of the largest corporate teams in Norway and the Nordics, with over 90 lawyers who hold a reputation for delivering high-quality advice.

Our full service interdisciplinary team, combined with our high partner to associate ratio, ensure that we continue to deliver tier 1 quality advice in all areas of expertise.

For years, our corporate lawyers have assisted in high-profile and complex transactions in both the Norwegian and Nordic markets, with a large proportion of these transactions involving foreign players.

As a result, the team is highly ranked by all major international law firm surveys, including Band 1 by Chambers Europe, Tier 1 by The Legal 500, Tier 1 by IFLR1000. Team Wiersholm also stands out in Mergermarket's annual M&A report for legal advisors, with rankings such as:



*#1 Norwegian M&A legal adviser measured by deal value in the Mergermarket 2023 global rankings report*



*#3 Norwegian M&A legal adviser measured by deal count in the Mergermarket 2023 global rankings report, with over 110 deals reported*



*The only Norwegian firm on the Europe-wide top 20-ranking in the Mergermarket 2023 global rankings report*



**Anne Lise Gryte**  
Partner  
aleg@wiersholm.no



**Harald Hellebust**  
Partner  
hh@wiersholm.no



**Kai Thøgersen**  
Partner  
kai@wiersholm.no



**Sverre Sandvik**  
Partner  
ss@wiersholm.no



**Ingjerd Røynås**  
Partner  
inro@wiersholm.no



**Jarle Kvam**  
Partner  
jkv@wiersholm.no



**Gunhild Dugstad**  
Partner  
gdu@wiersholm.no



**Nicolay Vold**  
Partner  
niv@wiersholm.no



**Inge Ekker Bartnes**  
Partner  
ieb@wiersholm.no



**Kristian Martin Lind**  
Partner  
kml@wiersholm.no



**Ståle Gjengset**  
Partner  
sgj@wiersholm.no



**Kristian Elvestad Ottesen**  
Partner  
keo@wiersholm.no



**Karsten Kreiling**  
Partner  
kakr@wiersholm.no



**Jon Martin Atkinson**  
Partner  
jma@wiersholm.no



**Tor Bechmann**  
Partner  
tbe@wiersholm.no



**Jon Rabben**  
Partner  
jora@wiersholm.no



**Simen Mejlænder**  
Partner  
sme@wiersholm.no



**Tone Østensen**  
Partner  
too@wiersholm.no



**Svein-Helge Hanken**  
Partner  
shh@wiersholm.no



**Andreas Mellbye**  
Senior Counsel  
am@wiersholm.no



**Henrik Braavold Johansen**  
Specialist Counsel  
hejo@wiersholm.no

# Nordic Buy Out Forum 2023

On December 7, Wiersholm hosted the 13th edition of the Nordic Buy Out Forum, one of the most important conferences for M&A practitioners in the Nordics. Together with a record number of participants and a great line-up of speakers, we deep dived into the four main topics; M&A trends and outlook, AI, Private Equity and Challenges in Value Creation Strategy Execution, and Grow the pie – focusing on investments driving both purpose and profit.

Our great line up of speakers consisted of Ellen Amalie Vold (*NVCA*), Klas Eklund (*Mannheimer Swartling*), Henrik Bjerregaard (*Deutsche Bank*), Andrew Ang (*BlackRock*), Alexandra Lutz (*EQT*), Hugo Maurstad (*Monte Rosa Capital*), Rolf Torsøe (*Nordic Capital*), Martin Schütt (*Askeladden & Co*), Alex Edmans (*London Business School*), Kai Jordahl (*Longship*), Karsten Kreiling and Elisabeth Lian Haugsdal (*Wiersholm*), and Reidun Tysse and Johan Nord (*Cubera*), and Nordic Buy-Out founder host Jarle Kvam (*Wiersholm*).

One of the key take-away's from the 2023-edition was perfectly summarized by our speaker and Senior Economist Klaus Eklund, in Mannheimer Swartling; "It is a new world – meaning you will have great challenges, but also great opportunities." In other words, the last couple of years have had a smaller amount of activity compared to historical events, however the arrows are now pointing in the right direction.

The conference is one of the highlights of the year for us in Wiersholm, and we greatly appreciate the sharing of knowledge and networking taking place every year.



# Nordic Buy Out Forum

2024

SAVE THE DATE

We hope to see you all again  
for the 14th Nordic Buy Out Forum  
on **December 5, 2024!**

Sign up today at [NBOF.no](https://NBOF.no)

*Wiersholm*

## Contact:



**Anne Lise Gryte**

Partner

[aleg@wiersholm.no](mailto:aleg@wiersholm.no)

M: +47 92 45 21 41



**Svein-Helge Hanken**

Partner

[shh@wiersholm.no](mailto:shh@wiersholm.no)

M: +47 97 51 13 19



**Sverre Sandvik**

Partner

[ss@wiersholm.no](mailto:ss@wiersholm.no)

M: +47 91 62 69 58



**Harald Hellebust**

Partner

[hh@wiersholm.no](mailto:hh@wiersholm.no)

M: +47 96 62 16 00