

Finnish M&A market update Q2 2025

July 2025



Finnish M&A market activity continued upward momentum in Q2 2025 amid global uncertainty, driven largely by smaller deals

Finnish M&A market overview

Following the strong activity in Q1 2025, the Finnish M&A market continued to grow in the second quarter of 2025. In this report, we present the development of the Finnish M&A market during Q2 2025, exploring its connection to global trends, with insights from PwC Finland professionals.

Key observations from our report:

- Despite the tariff uncertainty, the S&P 500 outperformed European indices during the second quarter of 2025. The S&P 500 delivered returns of 10.57%, while the EURO STOXX 50 delivered 8.83% and OMXHPI delivered 5.52%.
- Deal activity is expected to continue its growth in H2 2025 as there is a clear upward momentum in the Finnish M&A market, supported by an improvement in the economic outlook, a continued reduction in interest rates, reduction of valuation gap between the buyers and sellers, and the improvement in tariff visibility. We can see a lot of preparation ongoing for the latter part of the year. However, we see the geopolitics as the biggest risk to this upward momentum.
- In the Finnish PE market, we observed the use of continuation vehicles. Most notably, DevCo closed €521m single-asset continuation vehicle for Vexve at the end of June 2025. Similarly, Devco closed a single-asset investment vehicle for Medix Biochemica at the end of September 2024.
- For insights on the Finnish IPO market, please refer to the Nordic IPO Watch H1 2025 report, which will be published on 9 July 2025.

Local key figure comparison

■ Q2/2025 ■ Q2/2024

2.1%

12m Euribor
on average

3.7%

12m Euribor
on average

120

Number of deals

83

Number of deals

1.9%

Average inflation
in Finland¹

0.5%

Average inflation
in Finland¹

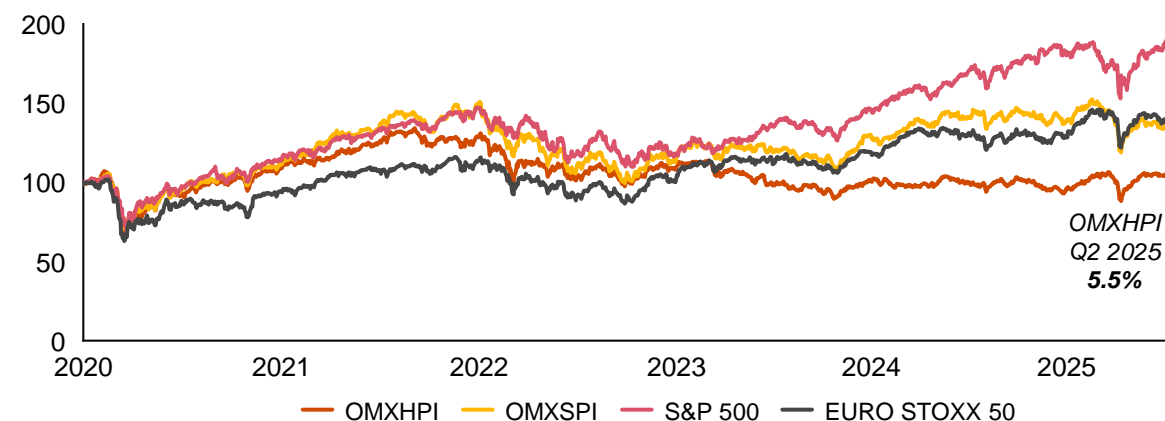
41%

Cross-border deals

43%

Cross-border deals

Stock indices during 2020 – Q2/2025



Note(s): (1) The Harmonised Index of Consumer Prices is calculated using figures from April and May, as data for June have not been made public by the time of this report's publication.

Source(s): Bank of Finland, Capital IQ, Statistics Finland, Talouselämä, PwC analysis
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Finnish M&A LTM volume has grown now for three consecutive quarters, and there are clear signals that this trend will continue for H2 2025

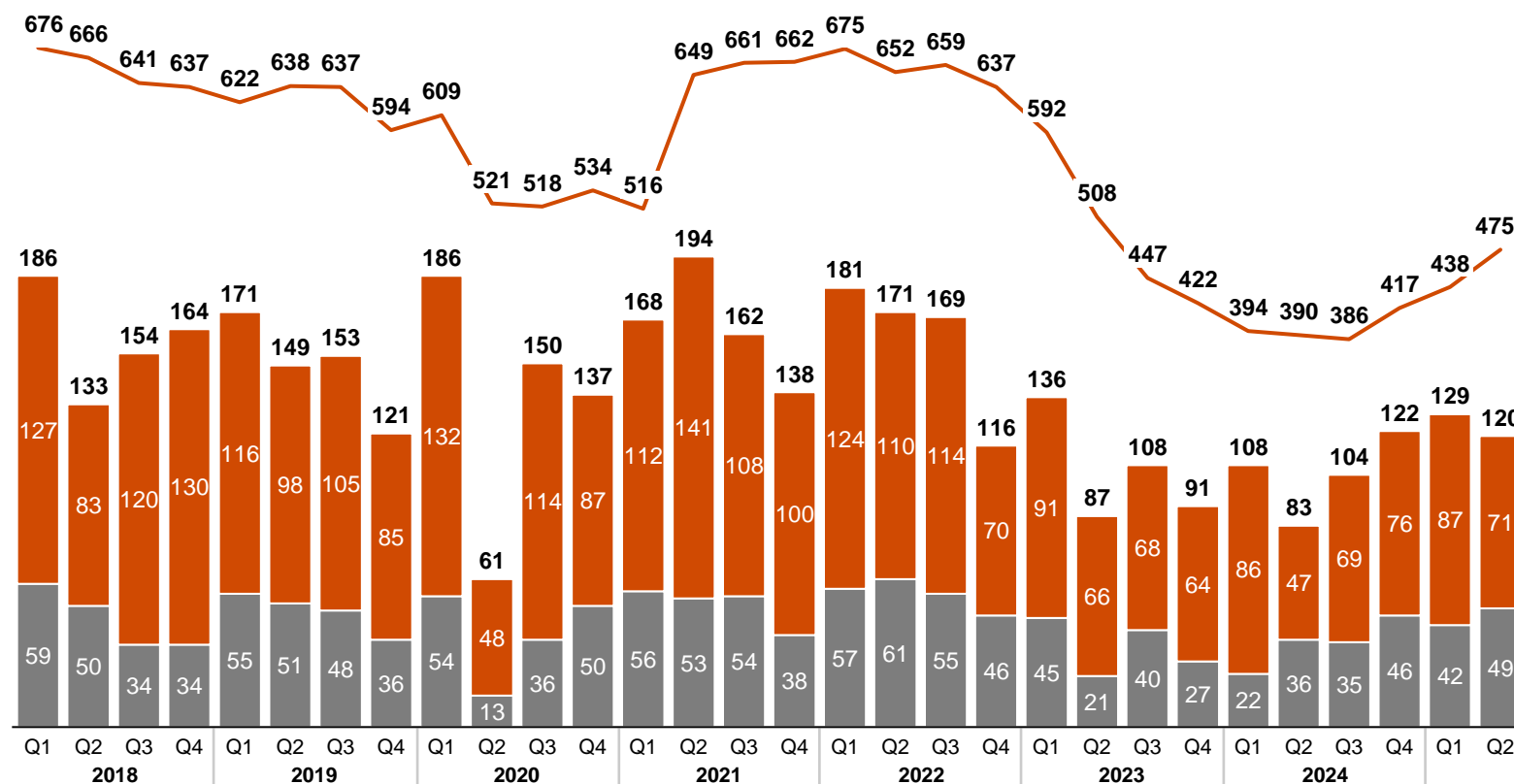
“ Finnish M&A volumes should still improve in H2 2025

Key takeaways

- In Q2 2025, the Finnish M&A market upward momentum continued despite the uncertainty generated by the global macroeconomic environment.
- The number of transactions grew by 45% year over year (YoY) in Q2 2025. Cross-border transactions also reached their highest level since the fourth quarter of 2022, with figures from the past 12 months continuing to trend upwards, marking a c. 17% growth from the previous quarter.
- Notable deals during Q2 2025 included Mehiläinen's acquisition of Regina Maria and MediGroup and Ahlsell's acquisition of Rexel's Finnish operations.

Finland quarterly transaction volumes¹

Domestic deals (FI) Cross-border deals (FI) Total deals, LTM FI



Note(s): (1) Finnish transaction data, does not include targets with revenues of under EUR 0.5m. Also, 18 missing transactions added to Talouselämä data based on Mergermarket for the Q2 2025 figures.

Source(s): European Central Bank, Talouselämä, Mergermarket, PwC analysis

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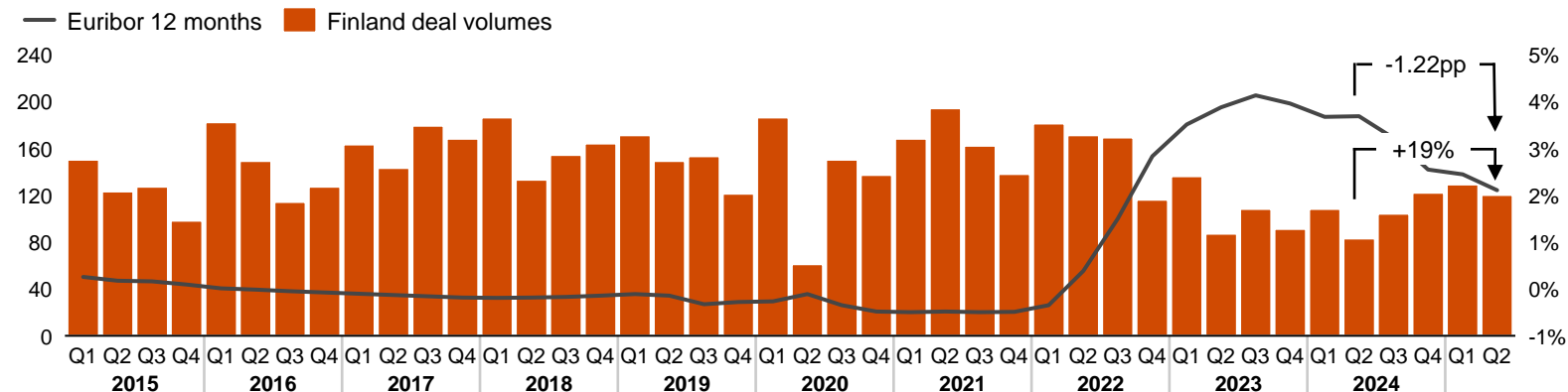
Easing interest rates, combined with projected economic growth, are sustaining the momentum in transaction volumes

“Easing financing conditions are driving deal activity

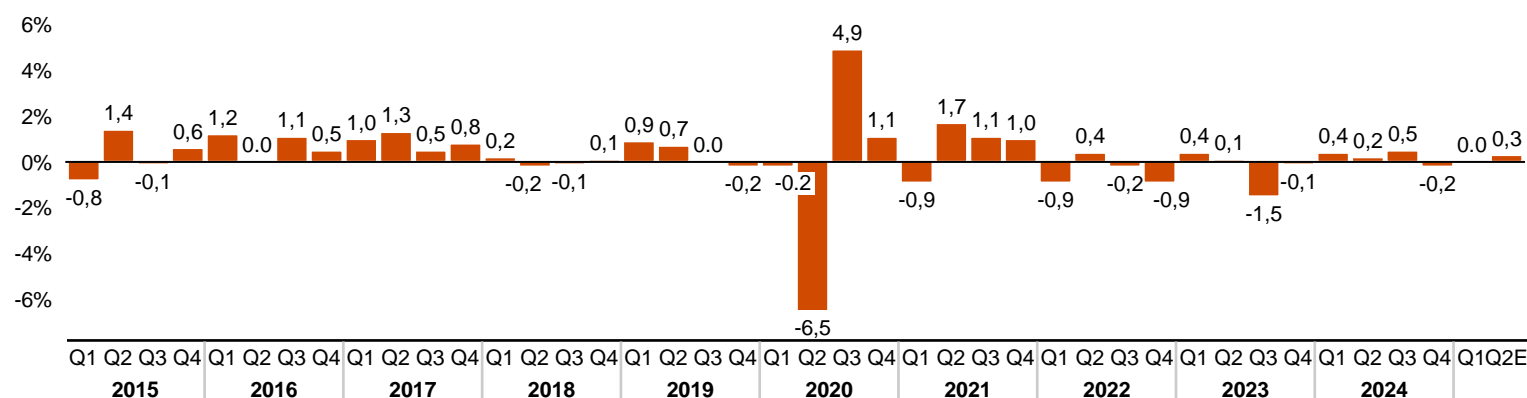
Key takeaways

- The macroeconomic growth environment in Finland remained flat in Q1 2025 but shows signs of acceleration, supported by easing financial conditions and improving business sentiment
- This development reflects the continuation of the ECB's rate cuts and the expected growth in the Finnish economy during Q2 2025
- The uncertainty created by tariffs has contributed to a slow down in larger deals, but other factors, including the decrease in the cost of capital, have supported growth in overall deals volumes
- While geopolitical uncertainty has held back transactions as dealmakers seek certainty to set valuation levels, we see price expectations and activity improving heading into H2 2025

Finland quarterly transaction volumes¹ vs. Euribor 12-month



Finland's GDP growth rate²



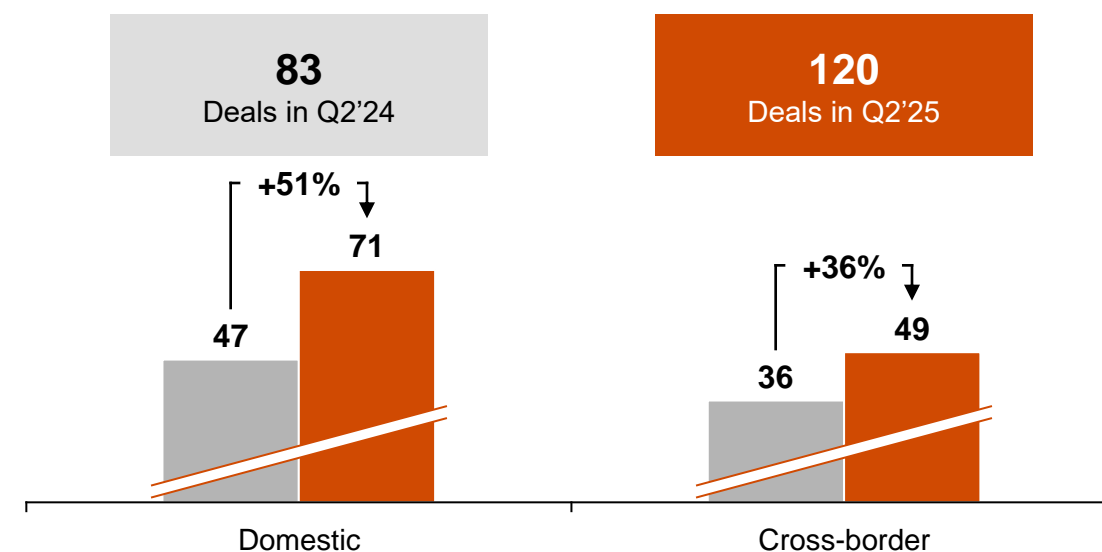
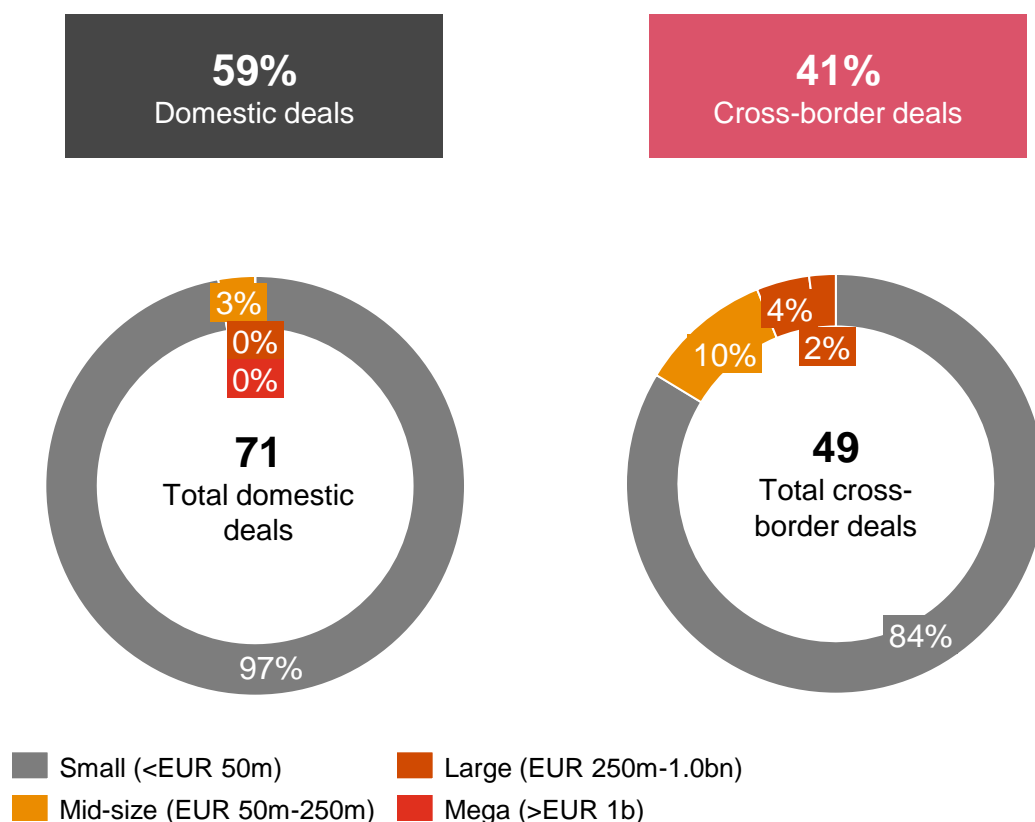
Note(s): (1) Finnish transaction data, does not include targets with revenues of under EUR 0.5m. Also, 18 missing transactions added to Talouselämä data based on Mergermarket for the Q2 2025 figures.

(2) The GDP growth rate for Q2 2025 is based on the Bank of Finland's estimates Source(s): European Central Bank, Talouselämä, Bank of Finland, Mergermarket, PwC analysis

The total quarterly transaction volume shows year-on-year growth, fuelled by increases in both domestic and cross-border deals

Finnish transactions by geography, Q2 2025¹

Quarter-on-quarter change in deals by geography, Q2 2024 vs. Q2 2025



Key takeaways

- Total deals in Finland have increased by 45% year-over-year – YoY change is driven by growth in both domestic and cross-border deals.
- The prevalence of smaller deals highlights how tariff uncertainty is weighing on larger transactions.

Note(s): (1) Finnish transaction data, does not include targets with revenues of under EUR 0.5m. Also, 18 missing transactions added to Talouselämä data based on Mergermarket for the Q2 2025 figures.

Source(s): Talouselämä, Mergermarket, PwC analysis

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PwC has a strong track record of acting as an advisor in major deals in Finland

PwC involvement in major deals

Talouselämä announced majority deals in Finland, PwC involvement (Jan 2020 – March 2025)



Selected recent major deals where PwC has acted as an advisor



EUR200m

Combined revenue

- Triton Smaller Mid Cap has created Lohkare Infra through the acquisition and merger of three established Finnish infrastructure companies: VM Suomalainen Oy, Lännen Alituspalvelu Oy, and Oteran Oy.
- The combined group operates across Finland, generates annual revenues of nearly EUR 200 million, and employs approximately 200 professionals.
- Strategy& and PwC Finland provided commercial, financial and tax due diligence services to Triton.

TAKOMO

EUR20m

Investment round

- PwC Corporate Finance acted as exclusive financial advisor to the shareholders of Takomo Manufacturing Company Oy, a Finland-based online provider of golf clubs and equipment, on its sale to Mandatum Asset Management's Growth Equity II fund and Rite Ventures.

Supporting you in deals, transactions, and related value creation



CEO



Kauko Storbacka
Partner
+358 50 331 2336
kauko.storbacka@pwc.com

Deals & Private Equity Lead



Ilkka Simula
Partner
+358 50 395 1806
ilkka.simula@pwc.com

Strategy&



Juuso Laatikainen
Partner
+358 50 311 2230
juuso.laatikainen@pwc.com



Jussi Lehtinen
Partner
+358 50 300 1174
jussi.lehtinen@pwc.com



Hannu Suonio
Senior Advisor
+358 40 511 9324
hannu.suonio@pwc.com

PwC Finland's Advisory Lead



Kimmo Nieminen
Partner
+358 40 578 0377
kimmo.nieminen@pwc.com

Deals Value Creation Lead



Aitor de la Torre
Partner
+358 40 830 7503
aitor.de.la.torre@pwc.com

Capital Markets & Accounting Advisory Services



Sari Elonheimo
Partner
+358 50 090 0484
sari.elonheimo@pwc.com



Maija Luoranen
Partner
+358 40 596 9891
maija.luoranen@pwc.com



Rasmus Alopaeus
Partner
+358 40 848 6772
rasmus.alopaeus@pwc.com

Corporate Finance



Mika Kouhi
Partner
+358 40 643 0226
mika.kouhi@pwc.com



Kimmo Vilske
Partner
+358 40 732 0850
kimmo.vilske@pwc.com



Ahti Koskilahti
Partner
+358 40 822 3125
ahti.koskilahti@pwc.com



Hannu Keränen
Partner
+358 50 67947
hannu.keranen@pwc.com



Pasi Mäenpää
Partner
+358 40 057 9427
pasi.maenpaa@pwc.com

Transaction Services



Eveliina Paavilainen
Partner
+358 40 587 8421
eveliina.paavilainen@pwc.com



Miika Liisanantti
Partner
+358 40 7785 550
miika.liisanantti@pwc.com

M&A Integration & Separation



Marko Koski
Partner
+358 40 077 3894
marko.koski@pwc.com

Valuation, Debt & Capital Advisory



Antti Palkén
Partner
+358 50 578 0565
antti.palken@pwc.com



Joni Painilainen
Partner
+358 40 086 6070
joni.painilainen@pwc.com

Real Estate



Jeroen Bus
Partner
+358 40 082 4932
jeroen.bus@pwc.com

ESG



Jussi Nokkala
Partner
+358 50 354 8381
jussi.nokkala@pwc.com

Tax



Markku Hakkarainen
Partner
+358 50 403 2909
markku.hakkarainen@pwc.com



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