



Finnish M&A market update Q3 2025

The IPO window is cautiously reopening in Finland



Summary

The positive momentum from the Q1 2025 in the Finnish M&A market reversed with deal volumes decreasing in Q3 2025 partly due to prolonged and postponed processes.

This report provides an overview of the Finnish M&A market's trajectory during Q3 2025, contextualizing it within global market developments, with insights from PwC Finland professionals.

86



transactions announced Q3 2025
(Q3 2024: 104)

439



transactions announced LTM Q3 2025
(10-year LTM average: 546)

6



listing transactions, YTD Q3 2025
(YTD Q3 2024: 4)

€123m



proceeds raised in IPOs, YTD Q3 2025
(YTD Q3 2024: €0m)

2.1%

12-month Euribor on average Q3 2025
(Q2 2025: 2.1%)

0.7%

average inflation in Finland Q3 2025
(Q2 2025: 1.9%)

+0.2x

average EBITDA multiple expansion
across sectors in the Helsinki Stock
Exchange Q3 2025 vs. YTD 2025

86

Number of deals (Q3 2024: 104)

37%

Cross-border deals (Q3 2024: 34%)

2

Number of IPOs, YTD Q3 2025

6

Number of listing transactions, YTD Q3 2025

Key findings

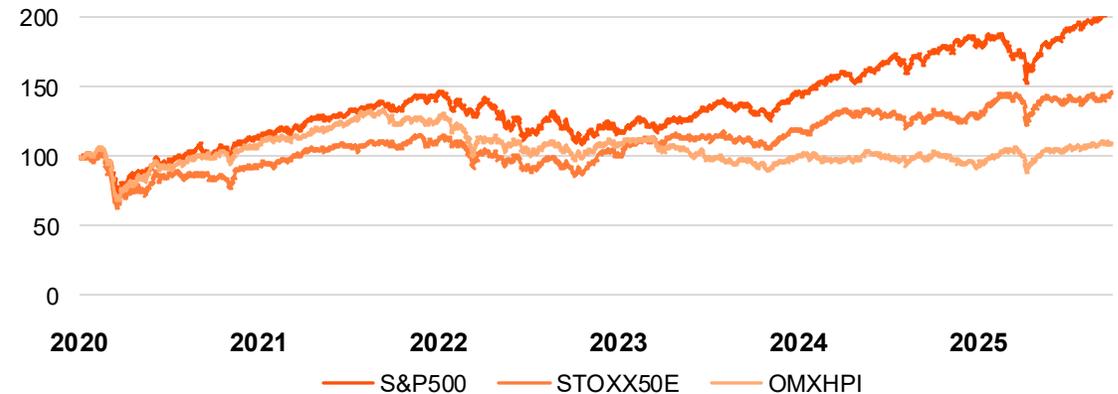
Despite the tariff uncertainty, the S&P 500 outperformed European indices during the Q3 2025. The S&P 500 delivered returns of 7.8%, while the EURO STOXX 50 delivered 4.3% and OMXHPI 4.5%, respectively.

Finland's inflation averaged just 0.7% in Q3 2025, well below the euro area's 2.1%. With 12m Euribor declining to 2.1% average in Q3 2025, the M&A deal volumes dropped even though the financial conditions are easing. Especially, smaller domestic deals declined by 18 year-on-year. However, YTD volume is still 7% above last year driven by increase in smaller cross-border deals. With 86 deals in Q3 2025, the volumes are clearly below the 10-year quarterly average of 136 deals per quarter.

The Finnish IPO market saw two IPOs right after Q3, as trading of Posti and Cityvarasto shares began in the beginning of October. As stated, the market environment has improved due to stabilising interest rates and inflation, and the volatility of the Helsinki Stock Exchange has decreased. However, market participants await clearer signals from equity markets to regain full confidence.

In the Q3 2025, we observed that the interest to private takeovers has not waned, illustrated by the public cash tender offer for WithSecure from Diana BidCo Oy. This offer was led by a consortium including CVC Capital Partners, a private equity firm, and Risto Siilasmaa. Market sources suggest more private takeovers may still be on the horizon. However, it is important to note that many of these initiatives remain mere speculations without any formal bids being submitted.

Stock indices during 2020 – 30 September 2025



Sources: Bank of Finland, Capital IQ, Statistics Finland, Talouselämä, PwC analysis

2.1%

12-month Euribor on average (Q3 2024: 3.2%)

37%

Average inflation in Finland¹ (Q3 2024: 1.5%)

Economic indicators

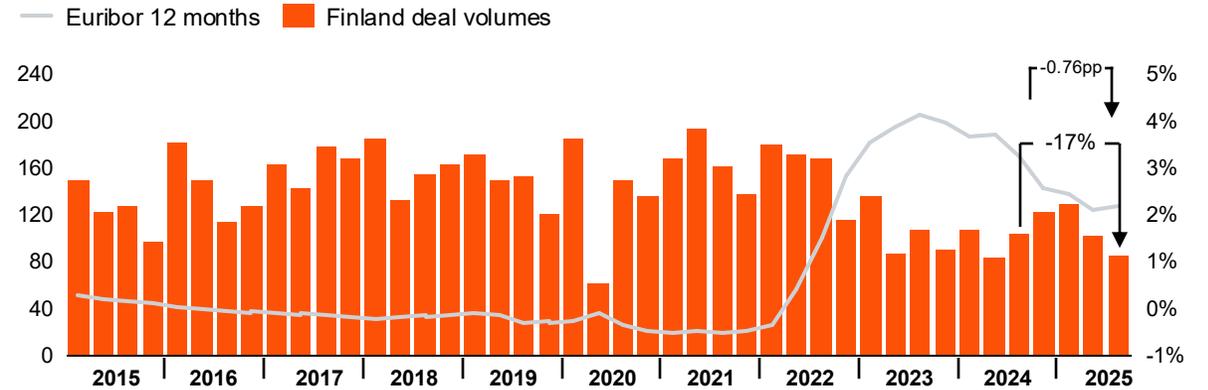
The expected recovery in Finland's economy should lift domestic deal activity.

The market environment has improved for deal activity due to stabilizing interest rates and inflation.

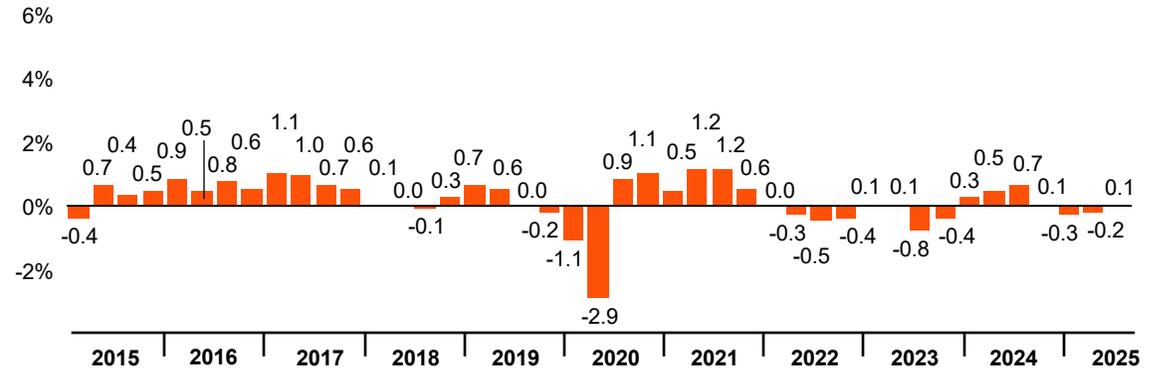
Economic growth in Finland remained flat during the first half of the year, with forecasts suggesting a more meaningful recovery may not materialize until 2026.

While inflation across the euro area hovers near the ECB's target, limiting the scope for further monetary stimulus, the recent decline in interest rate volatility is providing a more stable backdrop for a gradual rebound in economic activity.

Finland quarterly transaction volumes² vs. Euribor 12-month



Finland's GDP growth rate (%)³



Notes: (1) Harmonised index of consumer prices
 (2) Finnish transaction data by Talouselämä, does not include targets with revenues of under €0.5m.
 (3) The GDP growth rate for Q3 2025 is based on the Bank of Finland's (disaggregated) estimate for 2025
 Sources: Statistics Finland, Bank of Finland, Talouselämä, PwC analysis

86

transactions recorded Q3 2025, with a decline of

~17%

Year-over-Year (YoY), and

~16%

Quarter-over-Quarter (QoQ).

Overall M&A activity

For 10 consecutive quarters, Finnish M&A activity has fallen short of the LTM 10-year average of 546 deals.

With YoY GDP growth slowing, small-size domestic M&A fell ~27% YoY – the primary driver of the year-on-year decline in total deal volume.

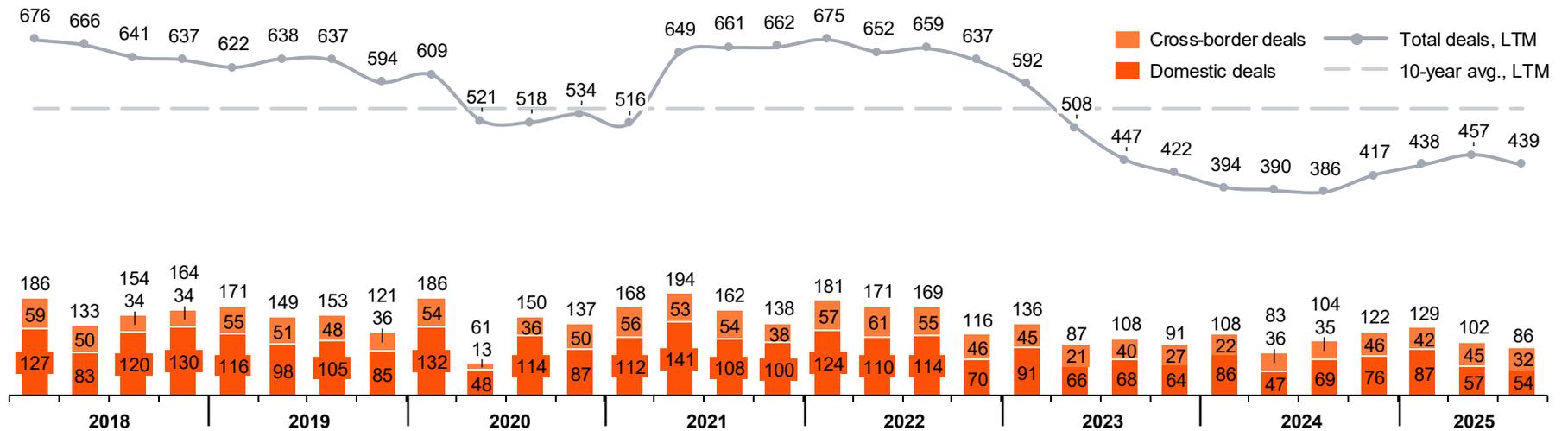
During Q3 2025, cross-border deals experienced a decline of 13 deals from the Q2 2025 levels, while domestic M&A activity remained on the similar level compared to last quarter. This is contrast to YTD volume which is up ~7% vs. last year driven by increase in smaller cross-border deals.

In the Q3 2025, we observed that the interest to private takeovers has not waned, illustrated by the public cash tender offer for WithSecure from Diana

BidCo Oy. This offer was led by a consortium including CVC Capital Partners, a private equity firm, and Risto Siilasmaa. Market rumors sources suggest more private takeovers may still be on the horizon. However, it's important to note that many of these initiatives remain mere speculations without any formal bids being submitted.

Other notable deals during Q3 2025 included Norvestor's transfer of PHM Group to continuation fund and the merger of Oomi and Lumme Energia and both of which were supported by PwC.

Finland quarterly M&A activity development¹



Notes: (1) Finnish transaction data, does not include targets with revenues of under €0.5m
Sources: Talouselämä, PwC analysis

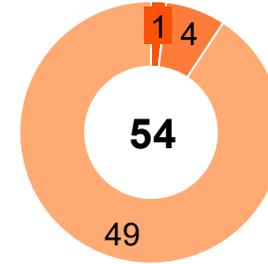
M&A activity by geography

Year-on-year decline in total quarterly transaction volume is largely due to the decrease in domestic deals – cross-border deals have remained flat.

Finnish M&A activity by geography, Q3 2025¹

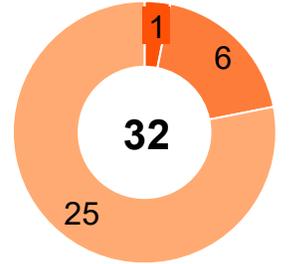
Domestic deals

63%
of total
deals in Finland



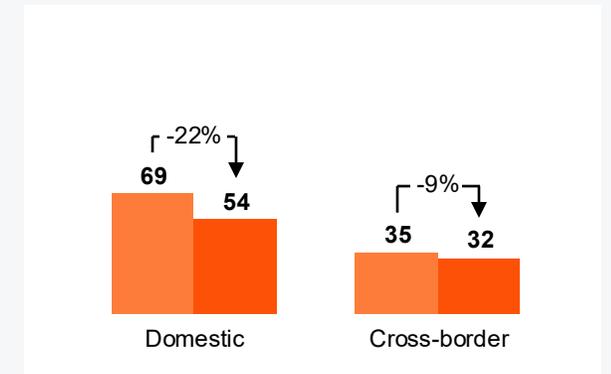
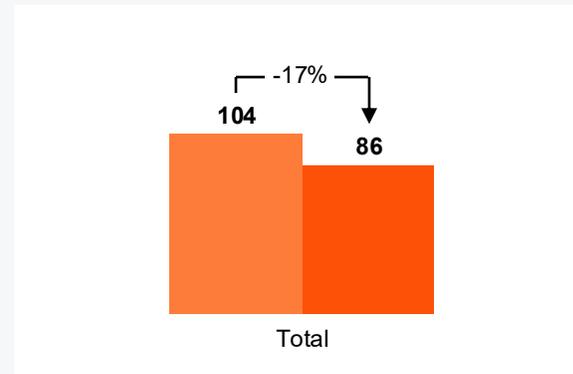
Cross-border deals

37%
of total
deals in Finland



Small (<EUR 50m) Mid-size (EUR 50m-250m) Large (EUR 250m-1.0bn)

Quarter-on-quarter change in M&A activity, Q3 2024 vs. Q3 2025¹



Q3/2024 Q3/2025

Notes: (1) Finnish transaction data, does not include targets with revenues of under €0.5m, size measured by aggregate target revenue
Sources: Talouselämä, PwC analysis

M&A activity by industry

Industrials and professional services have picked up during Q3 2025 compared to previous year, while consumer goods and technology lagged.

Overview of M&A volumes by industry

Volume growers Stagnant and shrinkers

Industry	% share	vs. Q3 2024	Deal size ¹ m€	vs. Q3 2024	Commentary
Industrial	27%	+8 p.p. ▲	~1300	-57% ▼	Largely small-cap transactions except Valmet and Ioncor
Professional services	28%	+4 p.p. ▲	~300	-57% ▼	The single most notable sub-segment is the consolidation of small accounting firms
Other	7%	+3 p.p. ▲	~100	-85% ▼	Small miscellaneous cases except Kemira's acquisition of Water Engineering Inc
Energy	2%	0 p.p. ►	~300	-21% ▼	Most prominent deal being the merger of Oomi and Lumme Energia
Real estate	6%	0 p.p. ►	~100	27% ▲	Most prominent transaction being the founding of Lohkare Infra by M&A
Transportation	2%	-1 p.p. ▼	~5	-60% ▼	Minor deals like Azfalte & Vapaus Bikes and Mail Service Finland & Velox Logistiikka
Financial	2%	-1 p.p. ▼	~100	-94% ▼	Q3 24 was an exceptional active quarter due to Sampo's acquisition of Topdanmark
Healthcare	5%	-3 p.p. ▼	~50	141% ▲	Consolidations by Esperi and Mehiläinen and Verso acquiring Suomen Avustajapalvelut
Technology	10%	-3 p.p. ▼	~50	-69% ▼	The take-private of Innofactor drove a higher deal size in Q3 2024
Consumer goods	10%	-8 p.p. ▼	~250	51% ▲	Subsegment featured relatively larger deals, largest being Aspo's divestment of Leipurin

Notes: (1) Size measured by aggregate target revenue
Sources: Talouselämä, PwC analysis

Valuation multiples

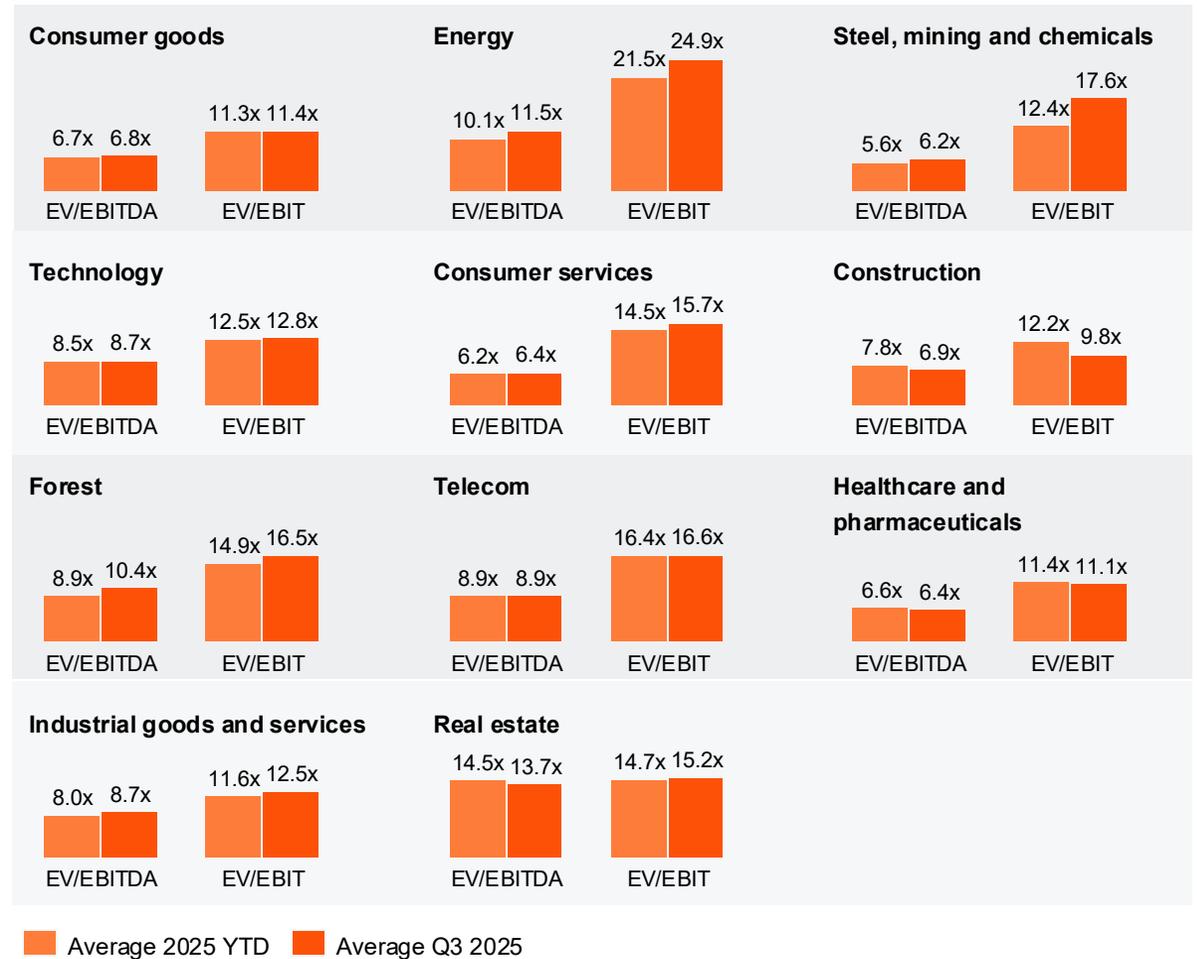
Increase in valuation multiples drives the reduction of valuation gap between the buyers and sellers.

Valuation multiples have increased in the Helsinki Stock Exchange during Q3 2025 across sectors. The increase in EBITDA and EBIT multiples during the year 2025 coincides with the good performance of the Helsinki Stock Exchange.

Compared to the Year-to-Date average, multiples have increased across most sectors during Q3.

The exceptions are the construction and healthcare sectors. In the construction sector, the multiples have clearly decreased, but in the healthcare sector, there is only a slight decrease. In the real estate and telecom sectors, the results are mixed, and no clear change in multiples can be observed.

Valuation multiples per industry during 2025 and Q3 2025



Sources: S&P Capital IQ, PwC analysis

2

Number of IPOs, YTD Q3 2025

6

Number of listing transactions, YTD Q3 2025

€123m

Proceeds raised, YTD Q3 2025

10,825

OMXH index, points, average Q3 2025

Finnish IPO market activity

The IPO window is cautiously reopening in Finland. During this year, the Finnish listing market has seen as much activity as it did in the previous two years combined.

In the first three quarters of 2025, in Finland there have been two initial public offerings (IPOs), two reverse listings, and two list transfers from First North to Main List. Additionally, towards the end of Q3 2025, two companies announced their intention to float (ITF) in the beginning of Q4 2025. With the ongoing listings of Posti and Cityvarasto, the total number of listing transactions increases to 8 in 2025.

Trading of Cityvarasto shares began on 3 October, and trading of Posti shares is expected to start on 10 October. If the IPOs of Cityvarasto and Posti are fully subscribed, a total proceeds of €149 million will be raised.

The IPO window is reopening in Finland after a quiet period of about six months that began at the start of April following Trump's Liberation Day. The stock

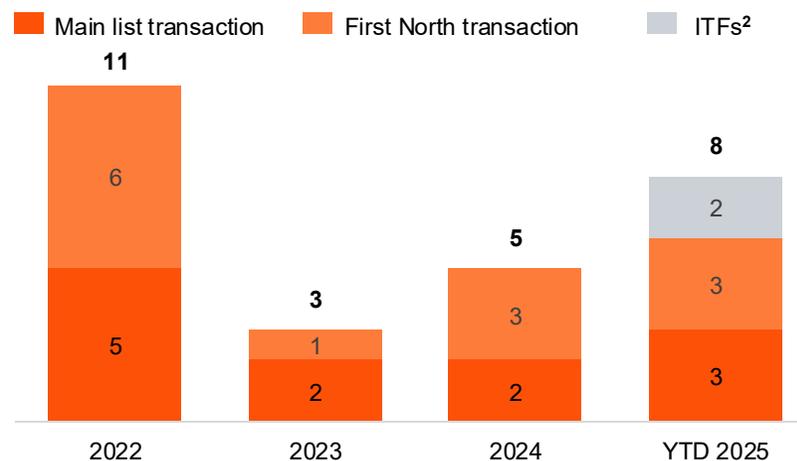
market volatility has stabilized compared to the beginning of the year, and the Helsinki Stock Exchange index (OMXH) has remained above 10,000 points throughout the third quarter, which is generally considered a positive indicator for a revival in IPO activity. The revival in IPO activity is a broader global phenomenon, and for instance, Sweden has seen many significant IPOs in recent months, including the IPO of Verisure with €3 billion proceeds raised.

Uncertainty in the markets continues despite some reduction. However, in Europe, interest rates and

inflation have stabilized, so uncertainties related to these factors have diminished. Nevertheless, geopolitical risks persist.

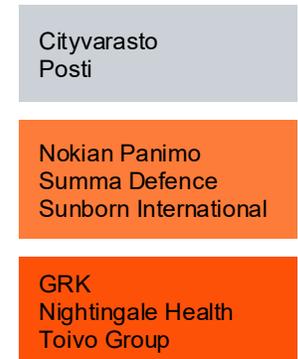
In Finland, there are several candidates in the pipeline that are currently preparing to get listed. If volatility remains at its current level and there are no new negative surprises in the market, we can expect some listing transactions in Finland by the end of the year. However, attention is already shifting to 2026, when the listing market is expected to become even more active.

Number of listing transactions in Finland¹



Companies

YTD Q3 2025



Notes: (1) Data includes special transactions such as list transfers and reverse listings. Data should be treated as non-exhaustive
 (2) Cityvarasto and Posti announced their intention to float during Q3, and IPOs are expected to take place at the beginning of Q4
 Sources: Nasdaq Helsinki, Nasdaq, PwC analysis, Capital IQ

Global IPO market activity

After a cautious first half of 2025, the US IPO market has sprung to life.

Year-to-date global IPO proceeds were \$106.8bn, up nearly 50% compared to the first 9 months of 2024 (\$72.2bn global IPO proceeds raised by Q3 2024). Global IPOs were driven by stronger IPOs issuance in the US as well as an increase in IPO proceeds raised in Hong Kong.

Year-to-date IPO activity in the US in 2025 has already surpassed total proceeds raised in each of the previous two years. The \$1.4bn IPO of Klarna, a buy-now, pay-later lender, was the largest IPO in the US this quarter, paving the way for other potential fintech IPOs.

Through the third quarter of 2025, traditional IPOs have raised more than \$29.3 billion year-to-date in the US — a 31% increase from last year. In September alone, 13 US IPOs raised more than \$8 billion, making it the busiest month for new listings since November 2021 and providing a clear sign of building momentum.

The US government shutdown has introduced a new element of uncertainty for companies looking to launch IPOs. But it's too early to tell if the shutdown will last long enough to significantly alter the IPO market's trajectory.

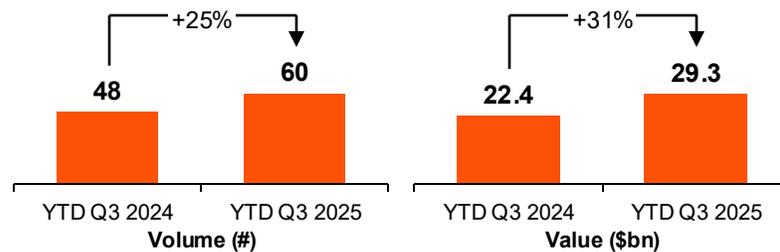
Recent IPOs have included quite a few solid pricing results. Many deals were highly oversubscribed and priced above their initial ranges. Many also delivered solid first-day gains. Activity has been broad-based, spanning sectors including technology, aerospace and defense, medtech, insurance and even food and retail.

The general trend for recent European IPOs has been a strong oversubscription early in the bookbuilding process and significant cornerstone support, which has allowed them to build deal momentum quickly.

In Europe, the €967m IPO of SMG (Swiss Marketplace Group) on the SIX Swiss Exchange was the largest IPO in Europe in Q3 2025. Stockholm also saw a standout debut from Noba Bank Group, which raised €691m and surged 30% above the offer price on the first day of trading. Cirsa Enterprises, a Spanish gaming and leisure operator, raised €453m on the BME, reinforcing investor appetite for consumer facing businesses despite macroeconomic headwinds.

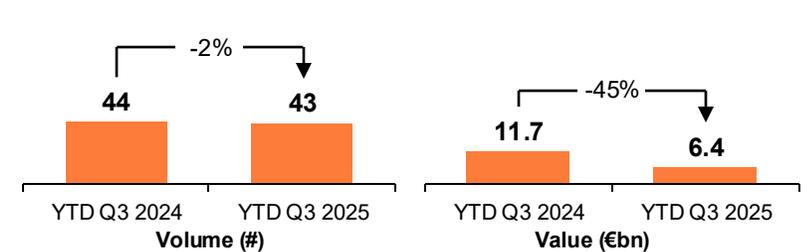
From a sector perspective, the recovery in the European equity issuance has been led by the consumer and the financials sectors. However, the healthcare and IT sectors are closely behind, reflecting investor support for the breadth of sectors.

US IPO market activity



Sources: PwC analysis

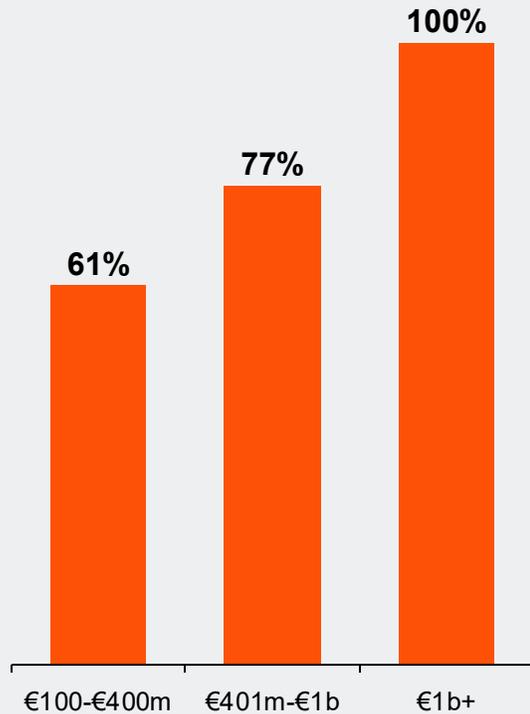
Europe's IPO market activity



Selected deals

Selected major deals where PwC has acted as an advisor

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

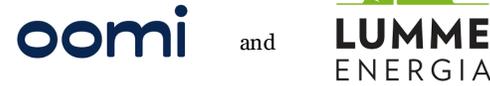


Norvestor has transferred PHM Group to a continuation fund. The continuation fund was raised so that Norvestor can extend its partnership with PHM and thus continue to support the company's significant growth potential as it enters the next phase of its journey.

Our team provided financial and tax due diligence services to Norvestor.

> €1.1bn revenue

Merger between



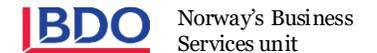
We served as a joint-lead advisor to both parties in the merger between Oomi and Lumme Energia, leading Finnish electricity retailer with 13% and 9% market share, respectively.

Our team provided corporate finance lead advisory and other services including valuation, legal, financial due diligence. Follow-up work includes advising on strategy and operating model, synergy assessment, and operational and IT integration support.

€690m revenue



acquires



RAN Group Oy ("Rantalainen"), backed by Norvestor, took a transformative step through joining forces with Business Services part of BDO in Norway. The combined group will serve a broad spectrum of clients across the Nordics, with more than 2,700 professionals in over 100 locations and pro forma revenues above EUR 310 million.

Our team supported Rantalainen and Norvestor with commercial, financial, tax, cyber and tech due diligence as well as in carve out assessment and business planning.

~€90m revenue

Supporting you in deals, transactions, and related value creation

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Real Estate

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