

Investing in Sweden: Transaction Value Analysis

Statistics on Swedish Private Equity 2007-2022

SVCA

Swedish Private Equity &
Venture Capital Association

Transaction value statistics explained

Transaction value: Captures all capital that is allocated to a company via a private equity investment. The transaction value is defined as the sum of the total amount invested by the fund, including the total amount invested by co-investors and leverage provided by banks or other sources, if applicable.

Equity value: The amount of capital invested to acquire shares in a company. The equity value includes equity, quasi-equity, mezzanine, unsecured debt and secured debt provided by the private equity firm.

Co-investments and external leverage: The total amount invested by co-investors and leverage provided by banks or other sources.

The following funds are included in the statistics: Private equity funds making direct private equity investments, mezzanine private equity funds, co-investment funds and rescue/turnaround funds.

The following funds are excluded from the statistics: Infrastructure funds, real estate funds, private debt funds, distressed debt funds, primary funds of funds, secondary funds of funds, accelerator/incubator funds, business angel activity.

Investment stages (1/2)

Seed: Funding provided before the investee company has started mass production/distribution with the aim to complete research, product definition or product design, also including market tests and creating prototypes. This funding will not be used to start mass production/distribution.

Start-up: Funding provided to companies, once the product or service is fully developed, to start mass production/distribution and to cover initial marketing. Companies may be in the process of being set up or may have been in business for a shorter time, but have not sold their product commercially yet. The use of the capital would be mostly to cover capital expenditures and initial working capital. This stage also contains the investments reported as “Other early stage” which represents funding provided to companies that have initiated commercial manufacturing but require further funds to cover additional capital expenditures and working capital before they reach the break-even point. Such companies will not be generating a profit yet.

Later-stage venture: Financing provided for an operating company, which may or may not be profitable. Later-stage venture tends to involve financing into companies already backed by VCs, typically in C or D rounds.

Investment stages (2/2)

Growth: A type of private equity investment (often a minority investment) in relatively mature companies that are looking for primary capital to expand and improve operations or enter new markets to accelerate the growth of the business.

Buyout: Financing provided to acquire a company. It may use a significant amount of borrowed capital to meet the cost of acquisition. Typically involves purchasing majority or controlling stakes.

Rescue / Turnaround: Financing made available to an existing business, which has experienced financial distress, with a view to re-establishing prosperity.

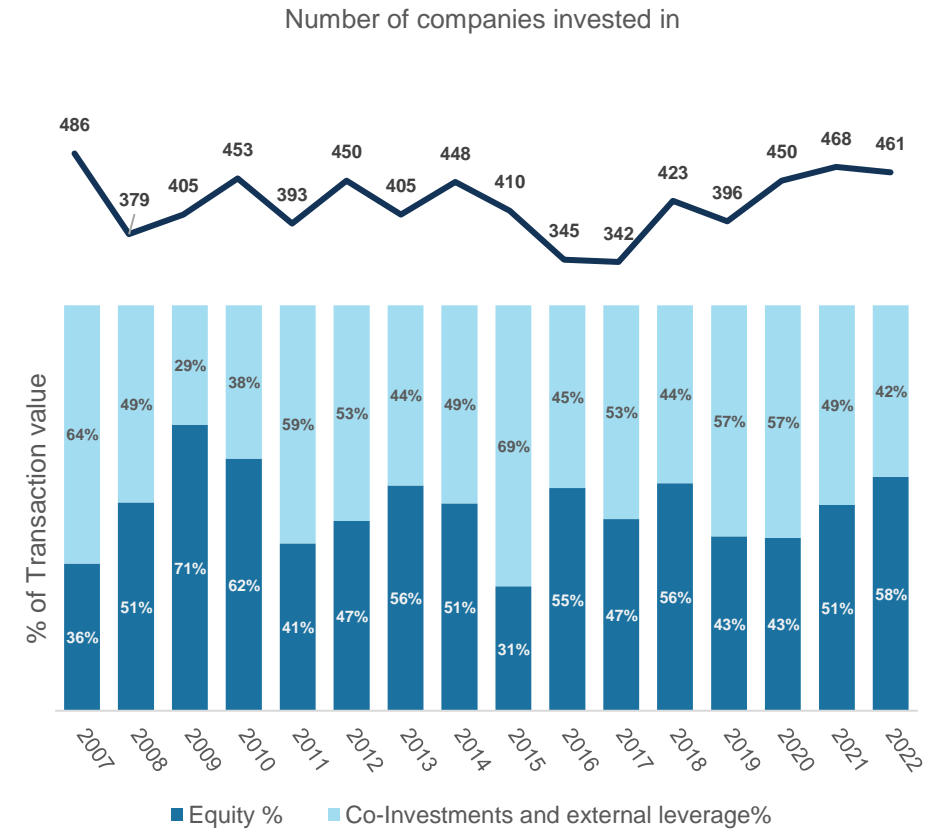
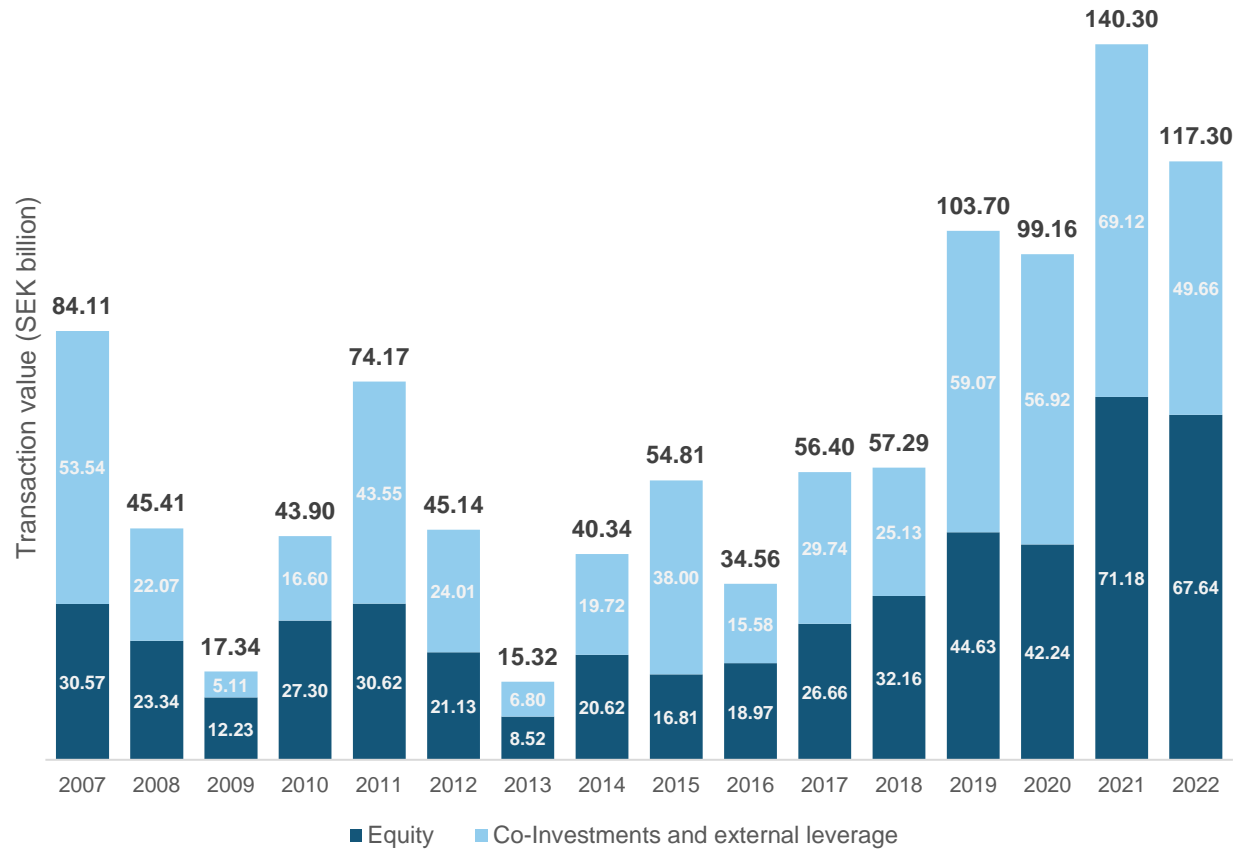
Replacement Capital: Minority stake purchase from another private equity investment organization or from another shareholder or shareholders.

Investments Summary

- The total transaction value between 2007-2022 amounted to SEK 1.03 trillion. The number of companies invested in during this period amounted to 3,976.
- The total transaction value 2022 amounted to SEK 117.30 billion, a 16.4% decrease from 2021. The number of companies invested in slightly decreased from 468 in 2021 to 461 in 2022.
- Venture capital transaction value increased 7.6% year-on-year to SEK 24.07 billion. The number of companies invested in decreased from 369 in 2021 to 343 in 2022.
- Growth capital transaction value decreased 21.8% year-on-year to SEK 32.6 billion. The number of companies invested in increased from 46 in 2021 to 60 in 2022.
- Buyout transaction value decreased 20.5% year-on-year to SEK 60.64 billion. The number of companies invested in increased from 60 in 2021 to 65 in 2022.

All Private Equity

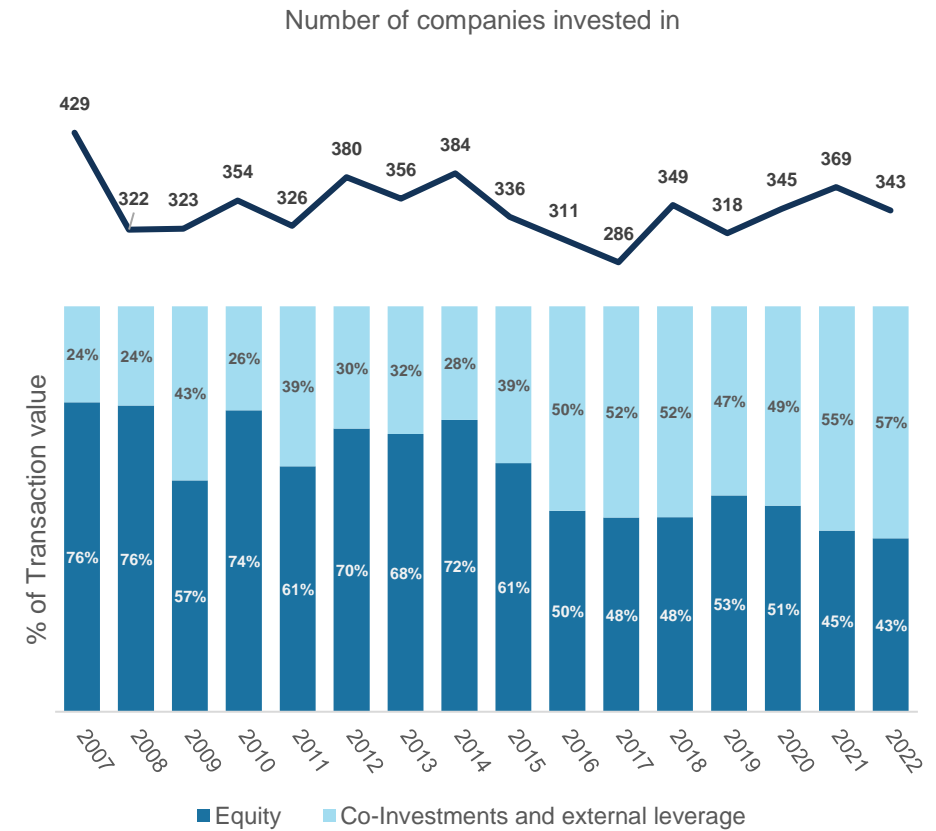
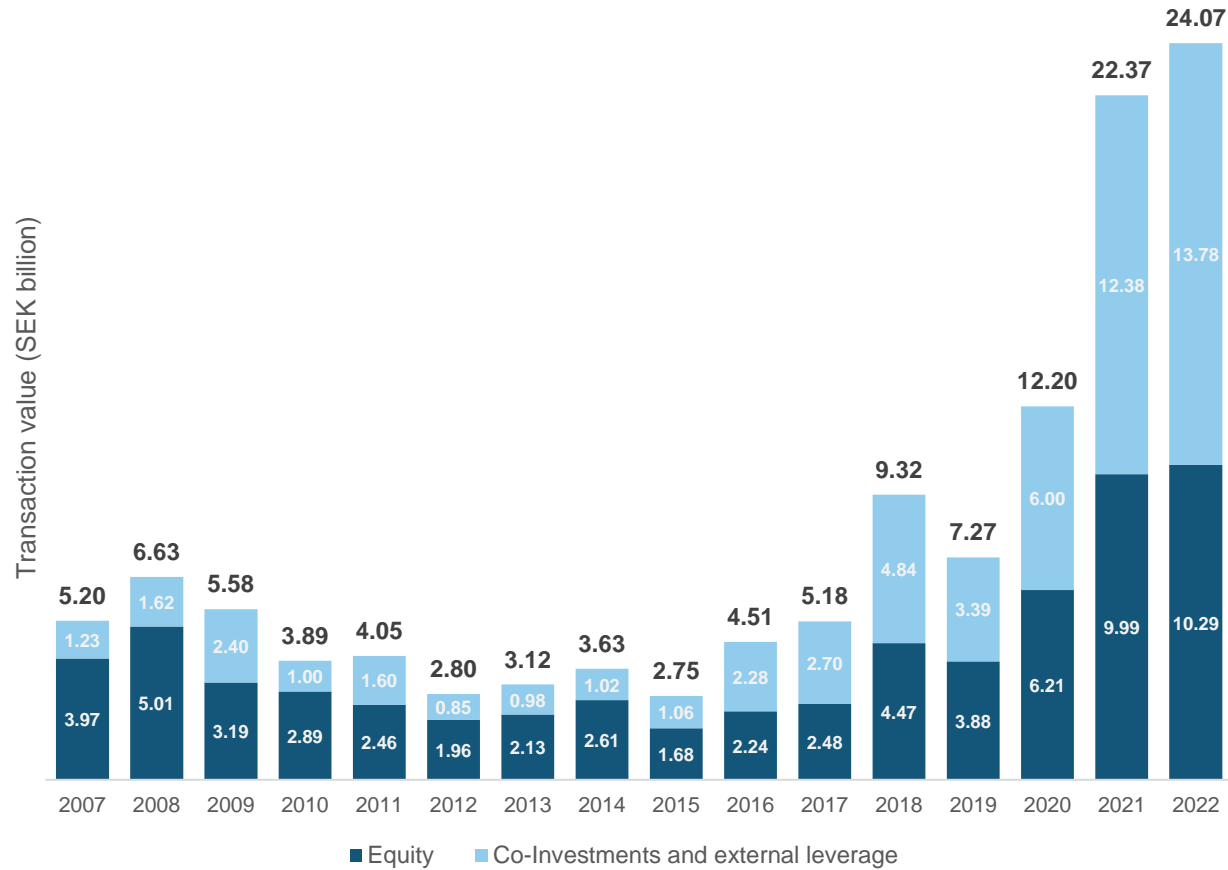
Transaction value and number of companies invested in



All private equity includes seed, start-up, later-stage venture, growth, rescue/turnaround capital, replacement capital and buyout

Venture Capital

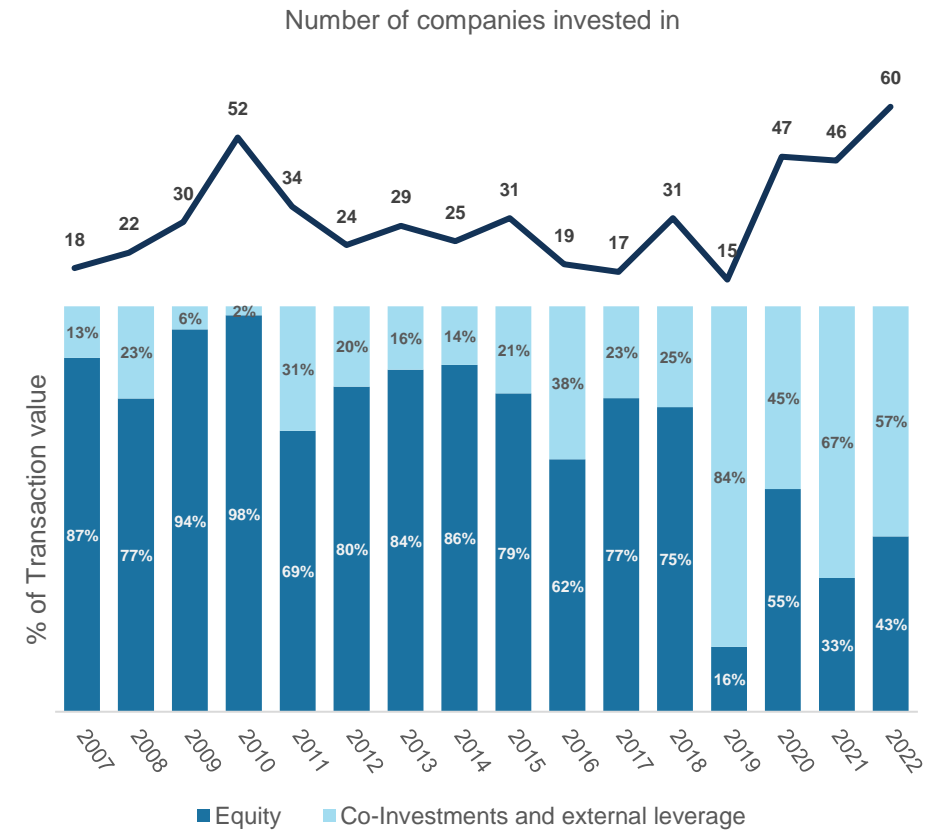
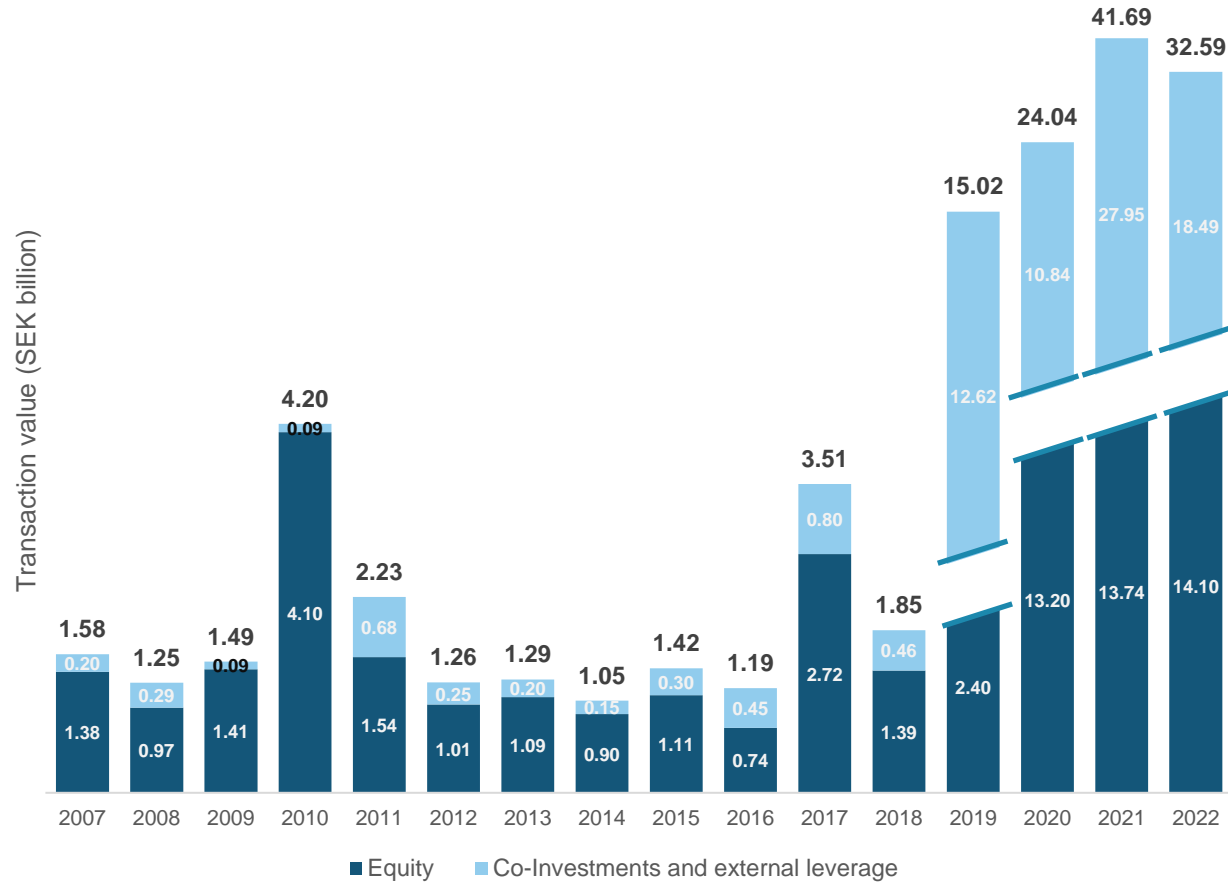
Transaction value and number of companies invested in



Venture capital includes seed, start-up and later-stage venture capital

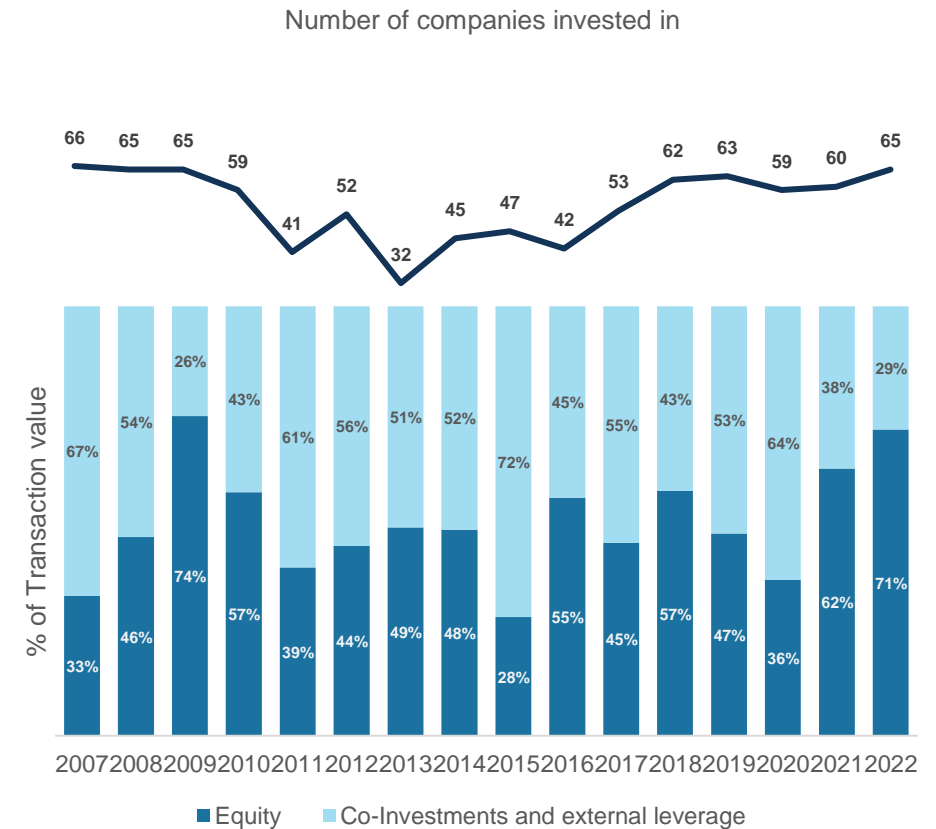
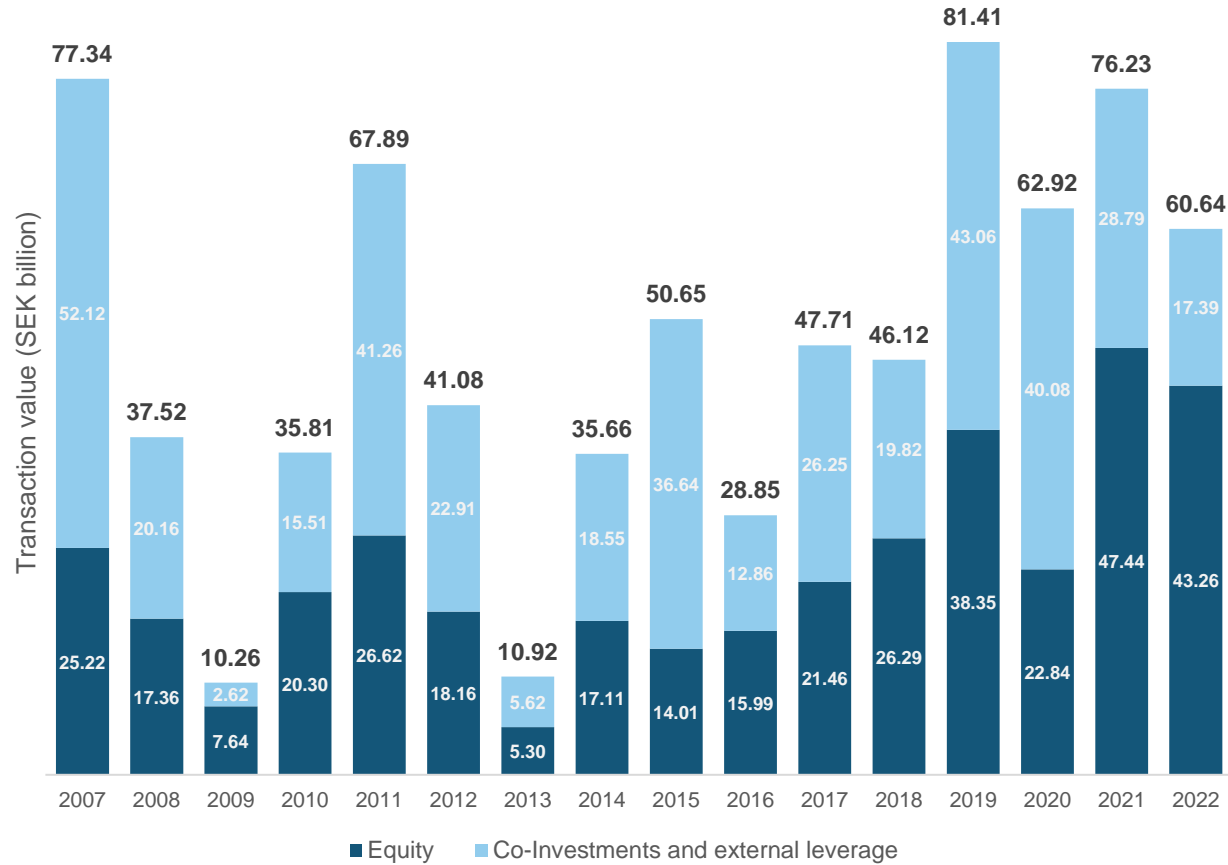
Growth Capital

Transaction value and number of companies invested in



Buyout

Transaction value and number of companies invested in



Buyout includes rescue/turnaround and replacement capital

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