



Pääomasijoittajat
Finnish Venture Capital Association

Buyout in Finland H1/2021

Statistics on fundraising, investments, and divestments



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Private Equity

Startup

A young and innovative company that typically strives for rapid international growth with a scalable business model.

Venture Capital (VC)

Venture capital investors invest in startups at different growth stages, becoming **minority owners** in their portfolio companies.

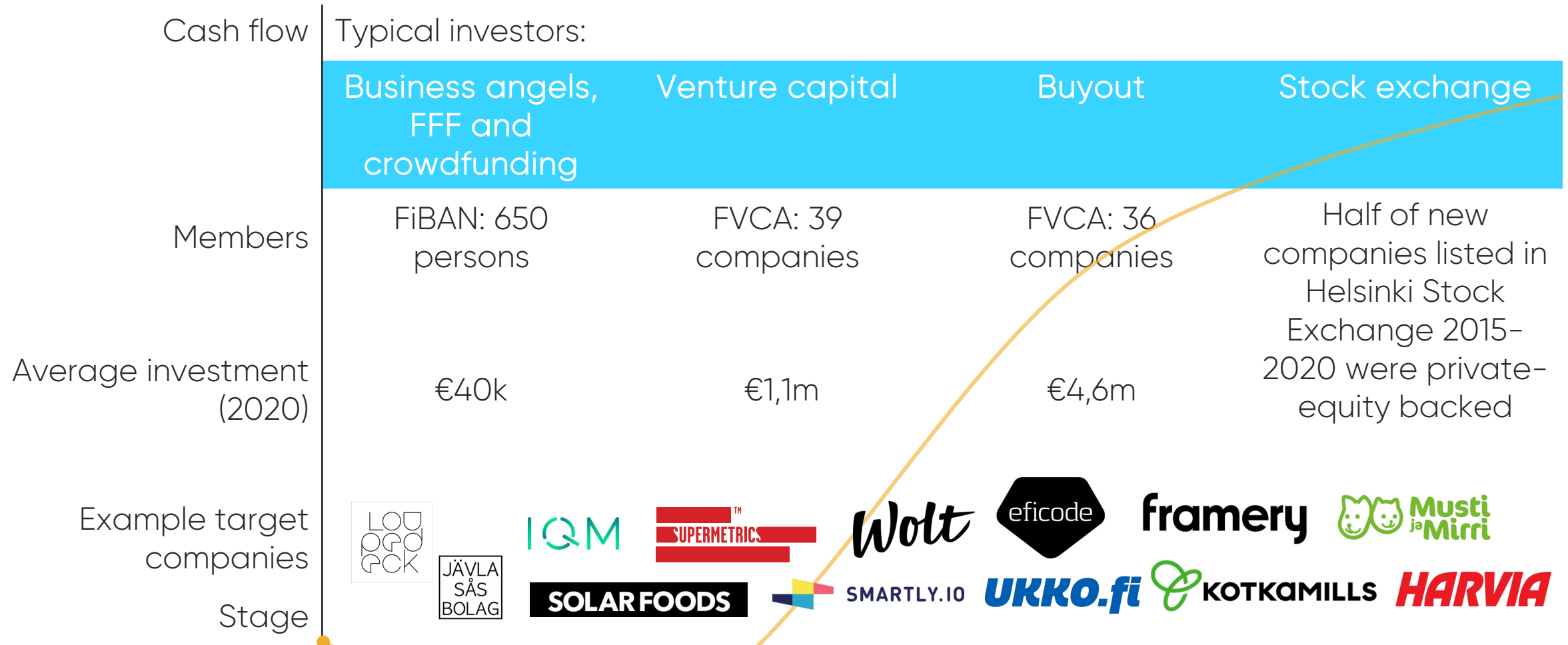
Growth Company

A company with established business operations, revenue, & potential for continued growth. Revenue can range from a few million to hundreds of millions.

Buyout (BO)

Buyout investors target more established growth companies. The investments can be **majority or minority investments**. The minority investments are often called **growth** investments.

Private Equity Investors by Stage



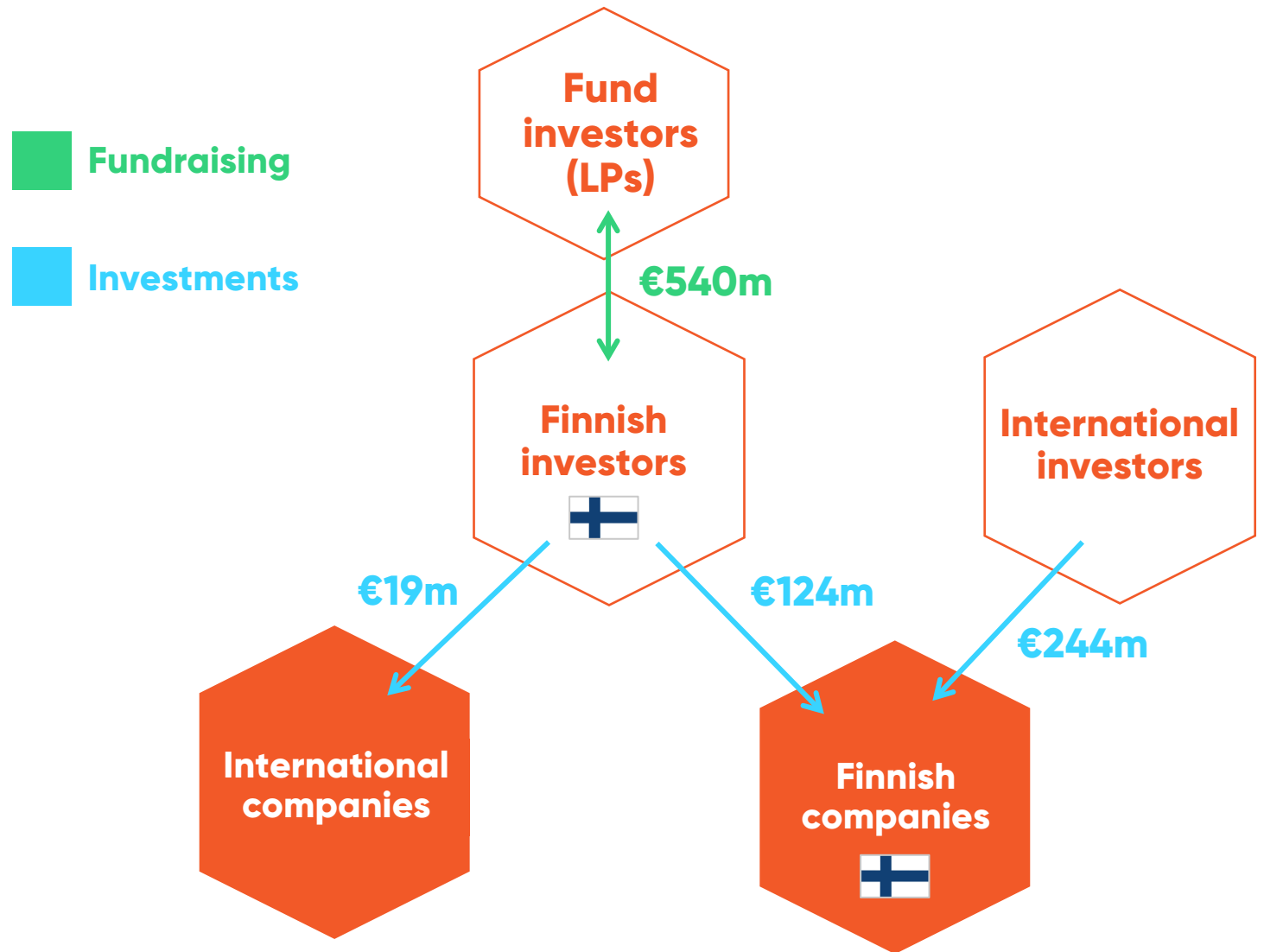
Buyout H1/2021

€540m

Fundraising in total.

€369m

Investments in Finnish
companies.



Buyout H1/2021

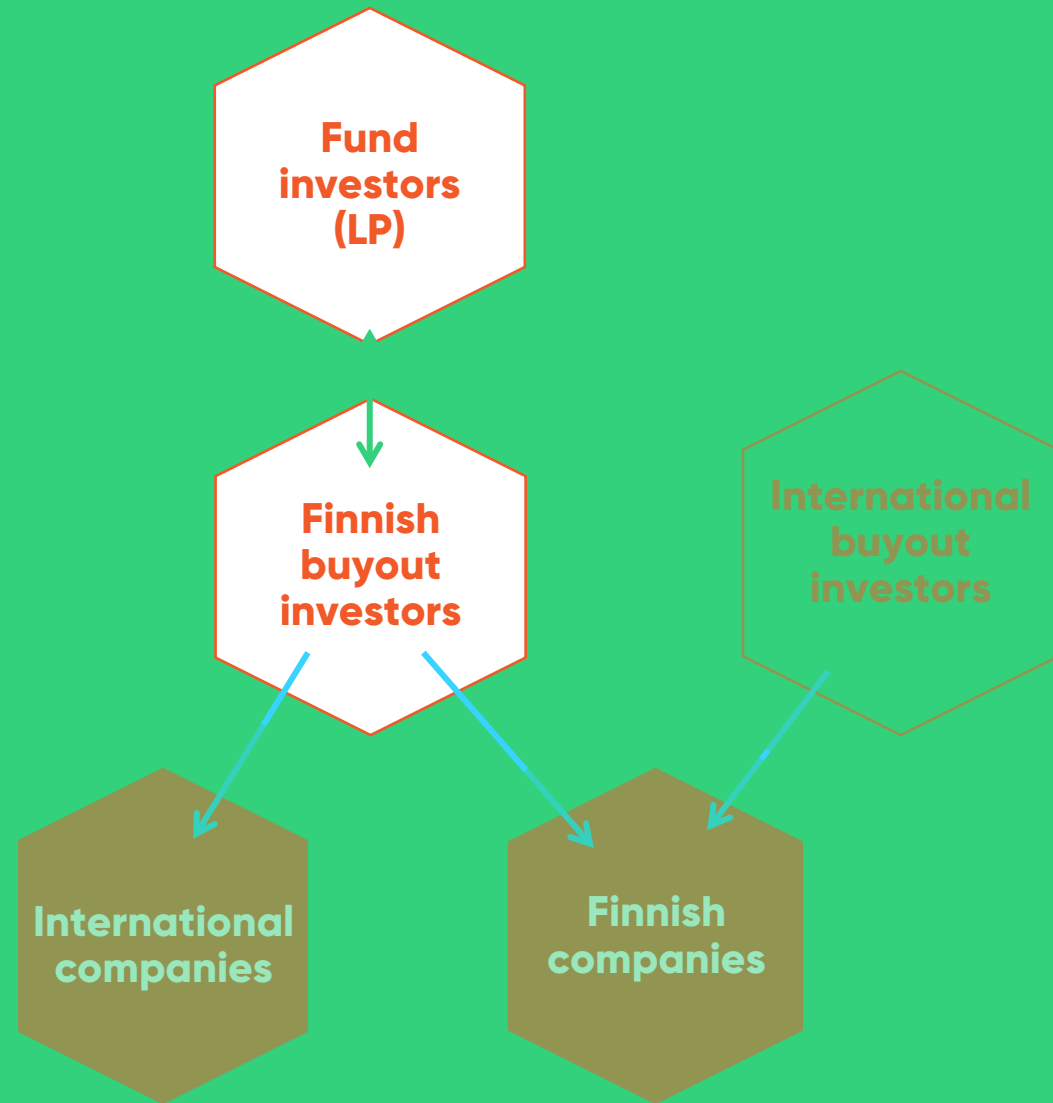
Statistics in brief

- A total of **€540m** of new funds were raised in buyout funds for future investments.
- Finnish buyout investors invested a total of **€143m** in **41** growth companies.
- Of the total sum invested by Finnish buyout investors, **87 %** was directed at Finnish companies.
- Finnish buyout investors exited from **25** portfolio companies.
- **44** Finnish growth companies received a total of **€369m** in investments from Finnish and foreign buyout investors.
- Of this amount, **€244m** came from foreign investors and was invested in **10** Finnish companies.
- Finnish and foreign buyout investors exited from **26** Finnish companies.

Industry Statistics

Finnish buyout investors' activity
in Finland and abroad

Fundraising

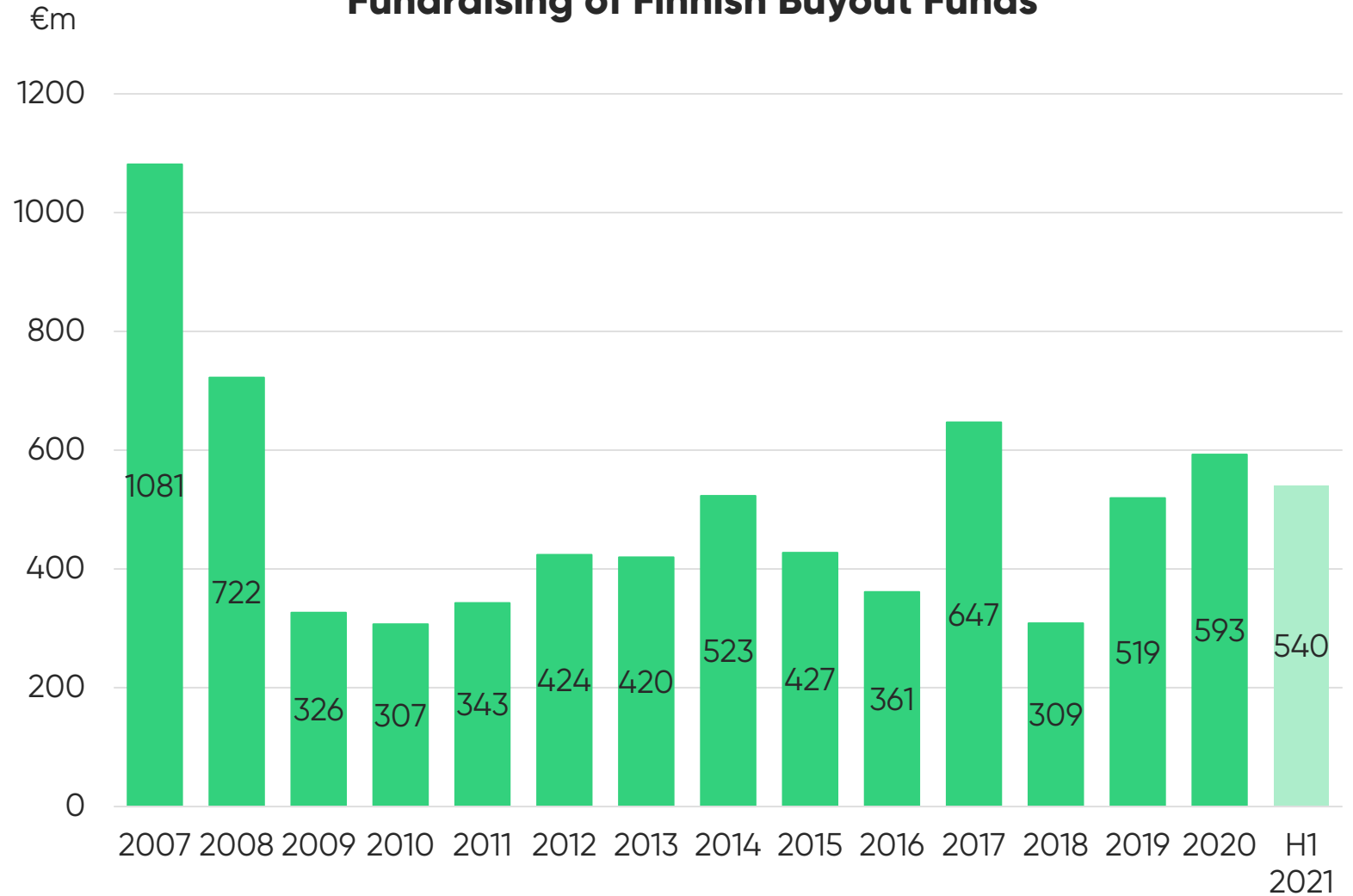


Buyout Funds Attractive for Institutional Investors

€540m

During the first half of 2021, Finnish buyout funds raised almost as much funds as in 2020 altogether.

Fundraising of Finnish Buyout Funds



New Finnish Buyout Funds 2017-H1/2021

2017

VAAKA
PARTNERS

€225m, 3rd fund

CapMan

€97m, 1st growth fund

sentica

€192,7m, 5th fund

FOLMER

€62m, 2nd fund

2018

SAARI
PARTNERS

€42m, 1st fund



ARMADA

€210m, 5th fund

2019

CapMan

€190m, 11th buyout fund

JUURI
PARTNERS

€125m, 2nd fund

EVOLVER

€50m, 1st fund

DevCo

€180m, 3rd fund

2020

Verso

€100m, 3rd fund

Bocap
Investments by invitation

€70m, 3rd fund



**SPONSOR
CAPITAL**

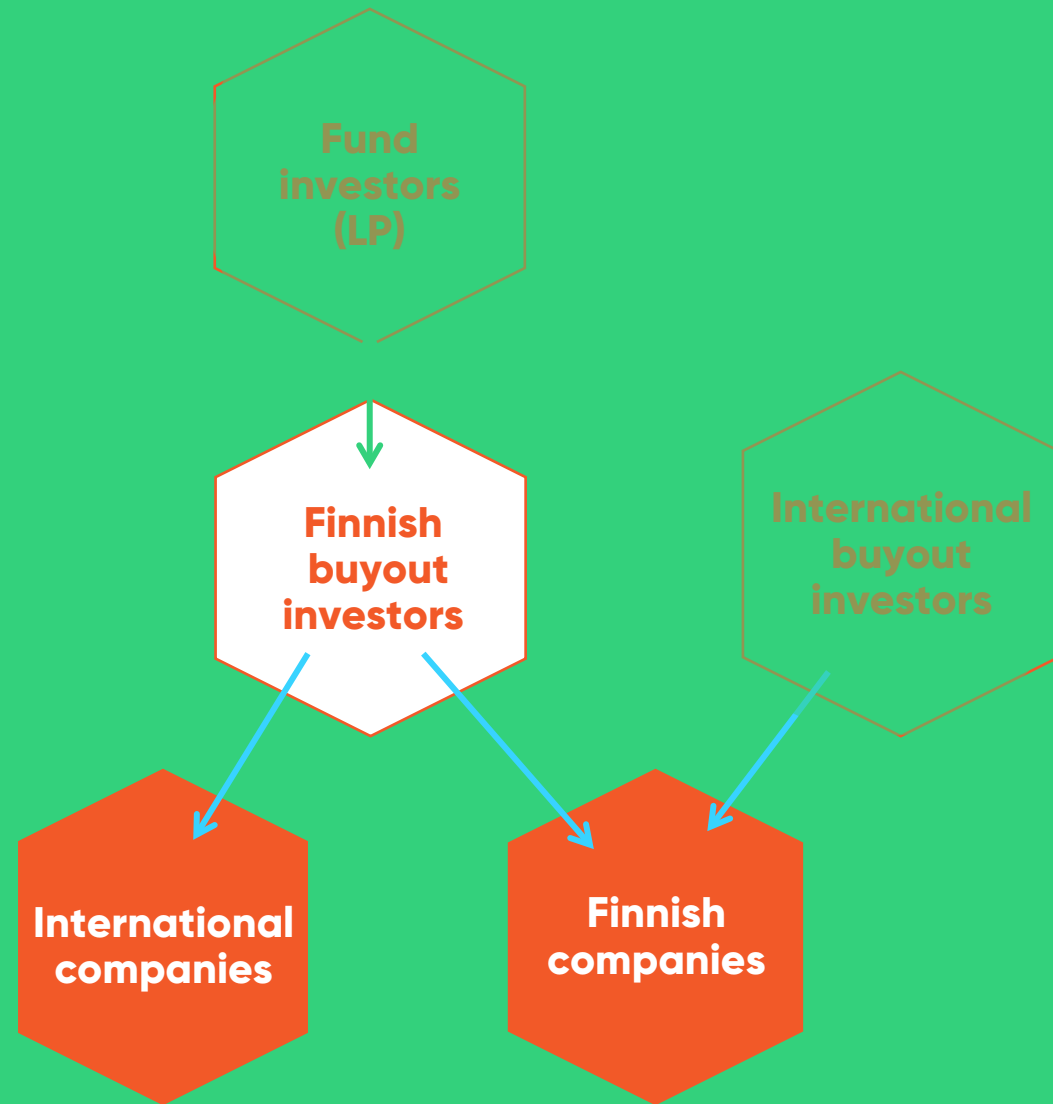
€202m, 5th fund

H1/2021

INTERA
PARTNERS

€335m, 4th fund

Investments

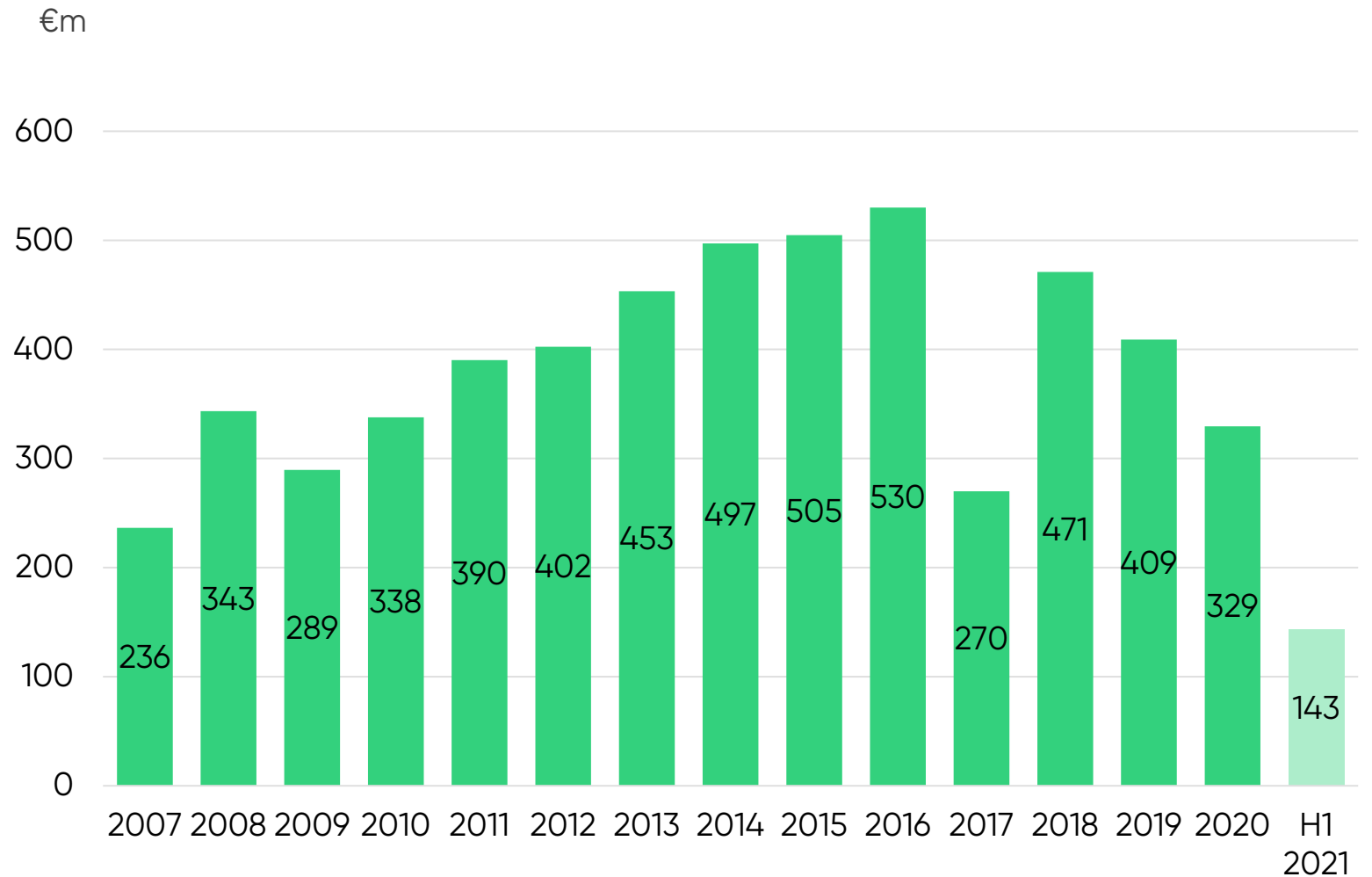


Investment Activity Levelling off After a Long Period of Growth

€143m

The total amount invested by Finnish buyout investors in the first half of 2021.

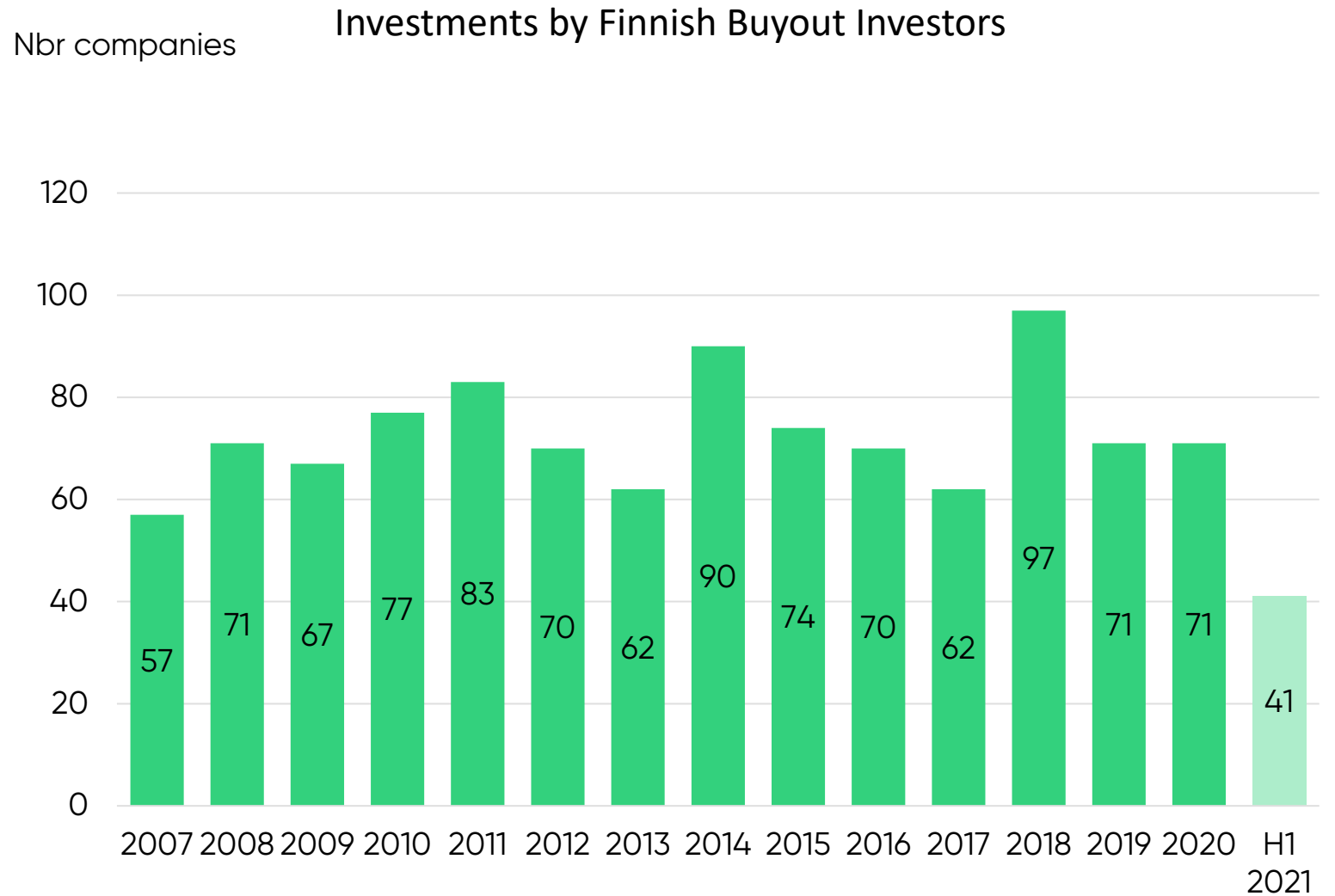
Investments by Finnish Buyout Investors



Numerous Companies Receive a Buyout Investment Each Year

41 companies

received an investment from a Finnish buyout investor in the first half of 2021.

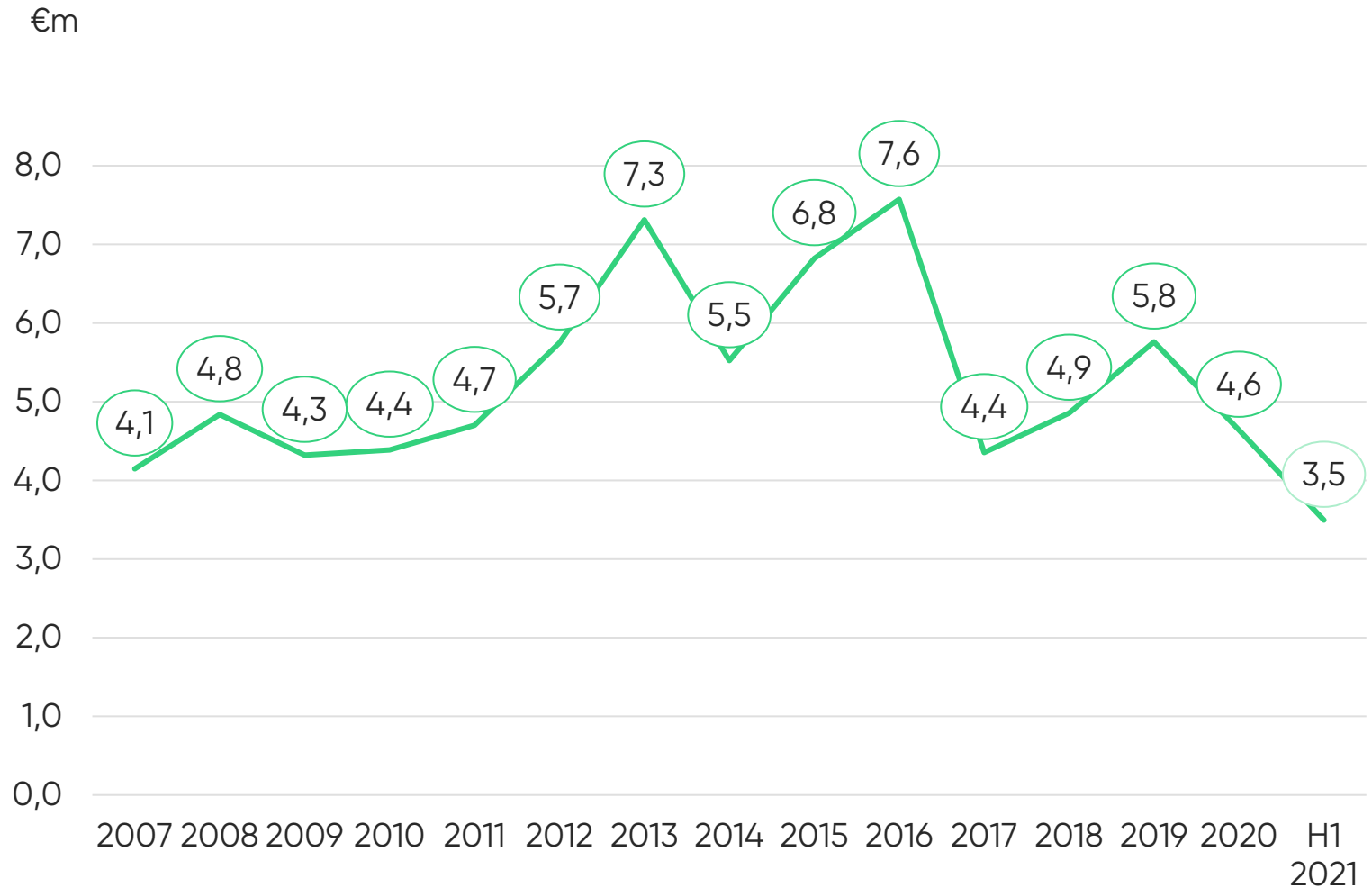


Average Size of Investments Slightly Decreased

€3,5m

Average buyout investment size in the first half of 2021.

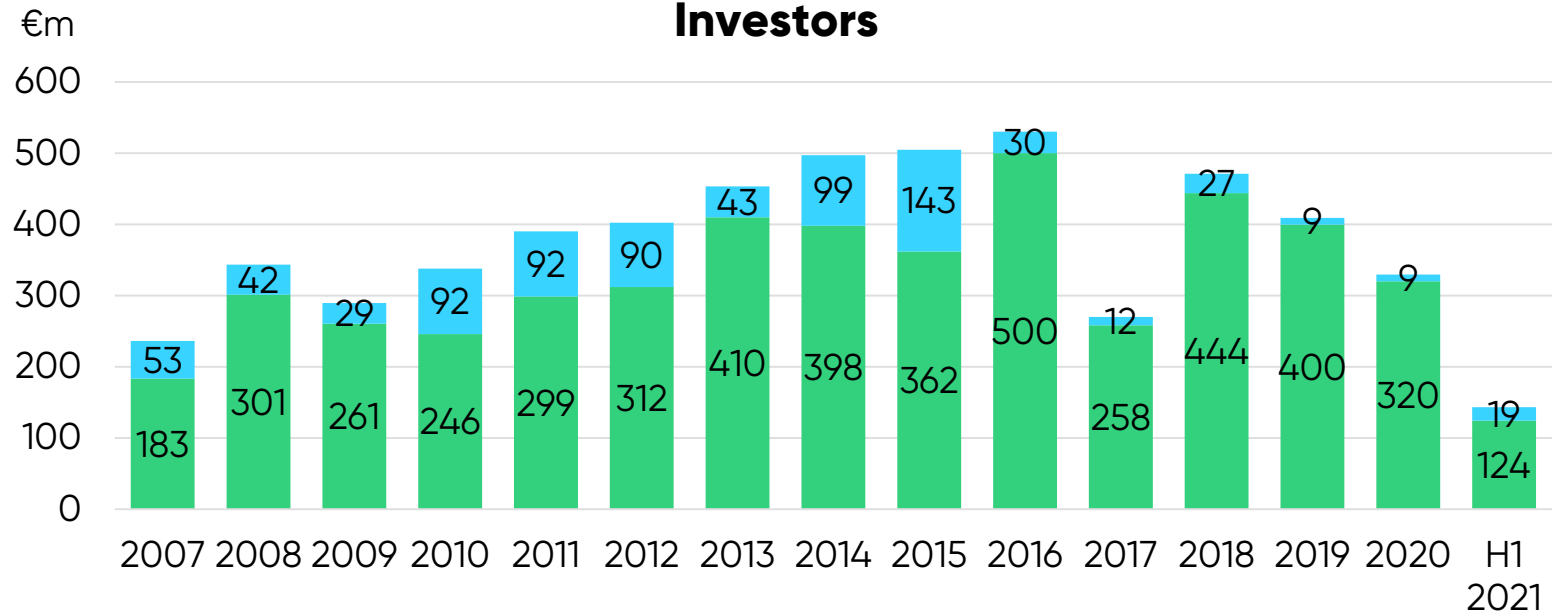
Finnish Buyout Investors' Average Investment Size



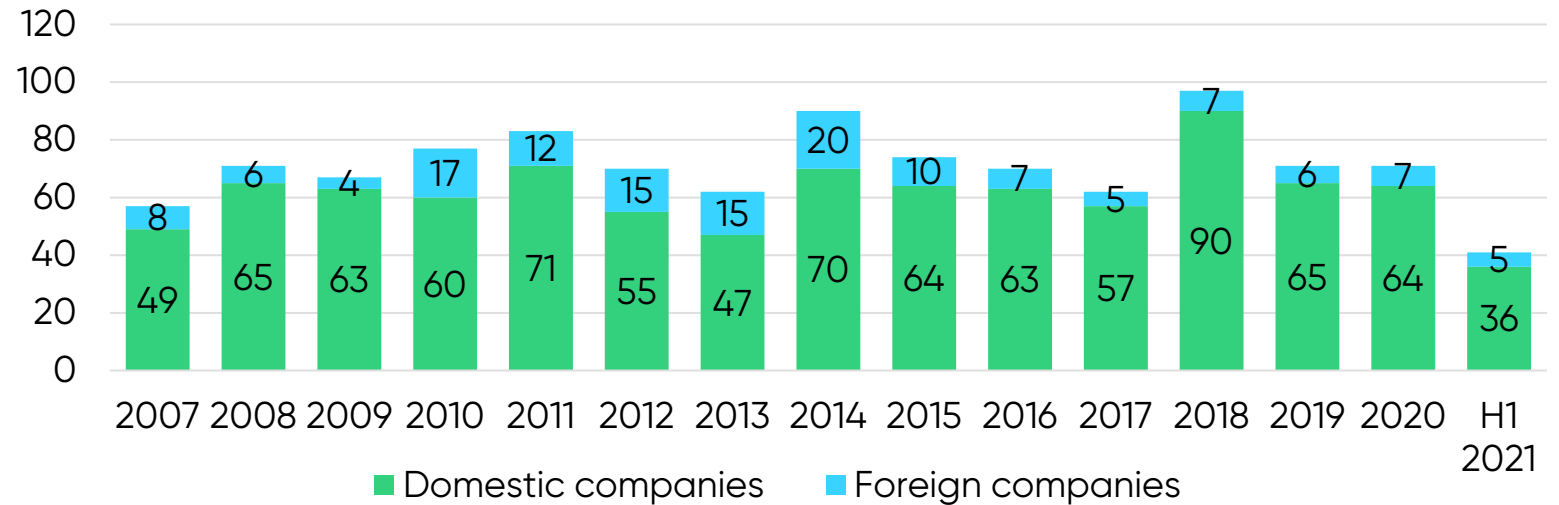
Finnish Buyout Investors Invest Mainly in Finnish Companies

87 % of buyout investments by Finnish investors in H1/2021 were made in Finnish companies.

Domestic and Foreign Investments of Finnish Buyout Investors



Nbr companies



Divestments

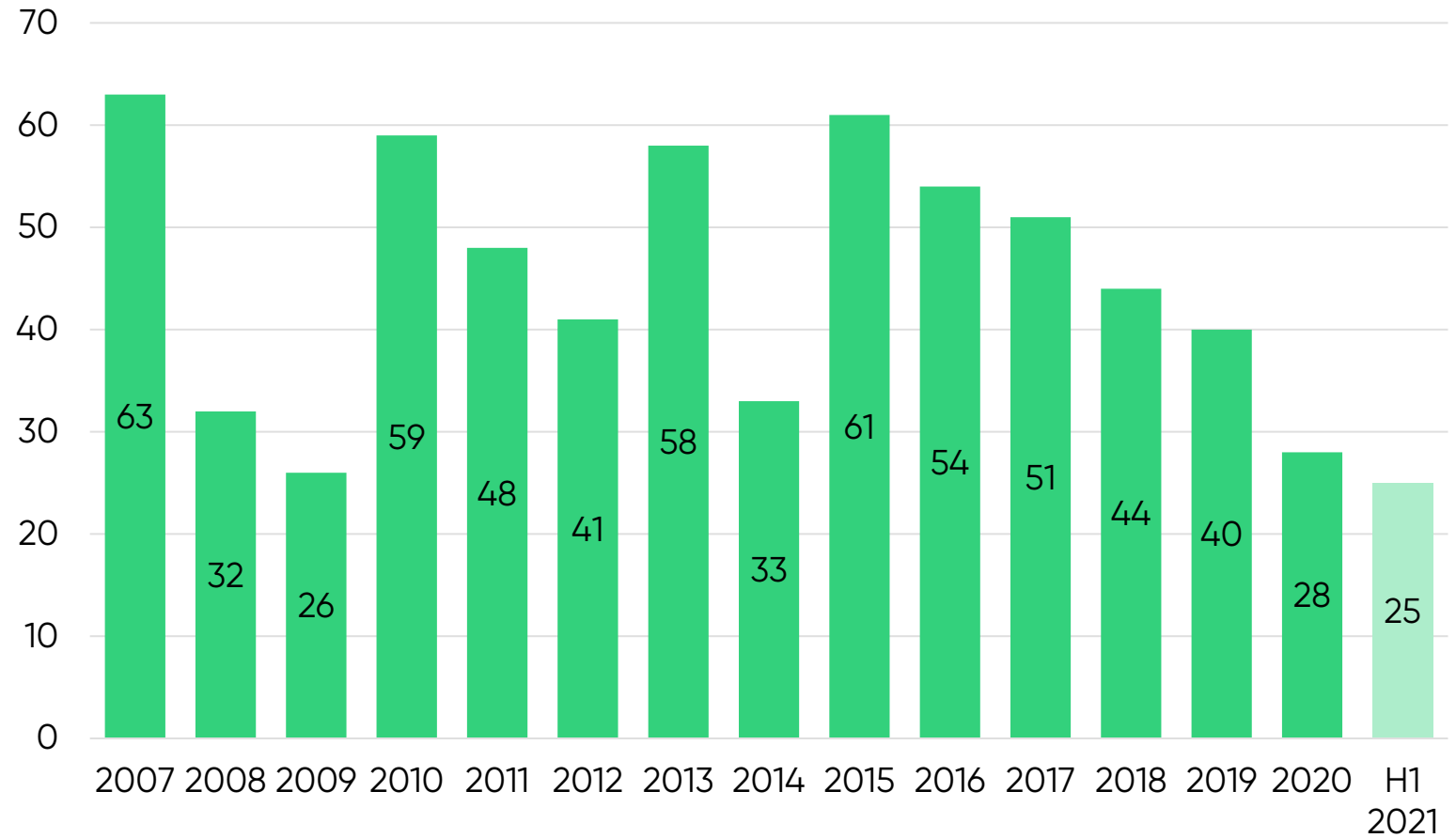
In the Exit, Investors Sell Their Stake in the Portfolio Company

25 companies exited in H1/2021.

The proceeds from the exits are distributed to fund investors, such as Finnish pension funds.

Divestments by Finnish Buyout Investors

Nbr companies



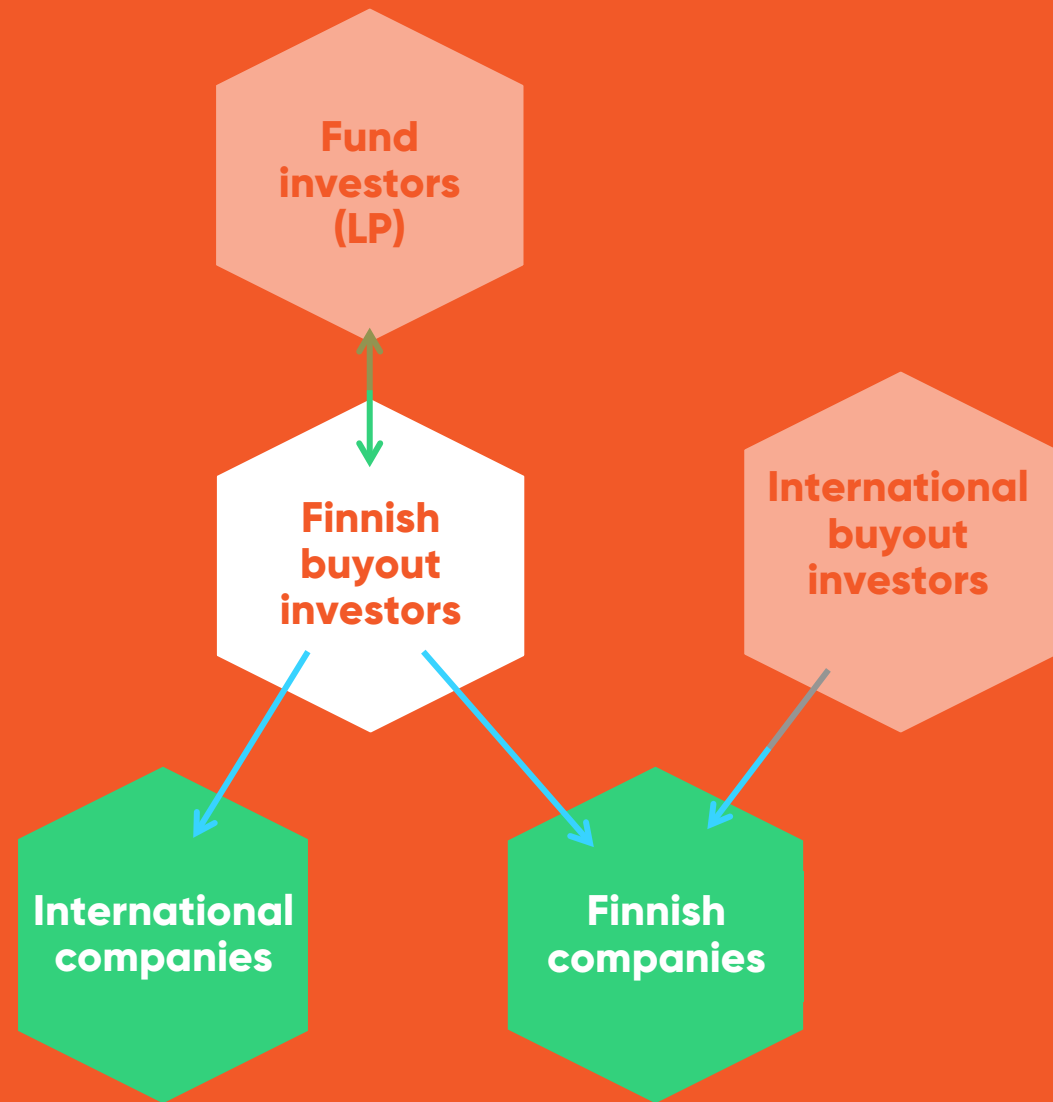
Market Statistics

Finnish and foreign buyout investors' activity in Finnish companies

Examples of Buyout Investments in Finnish Companies in H1/2021



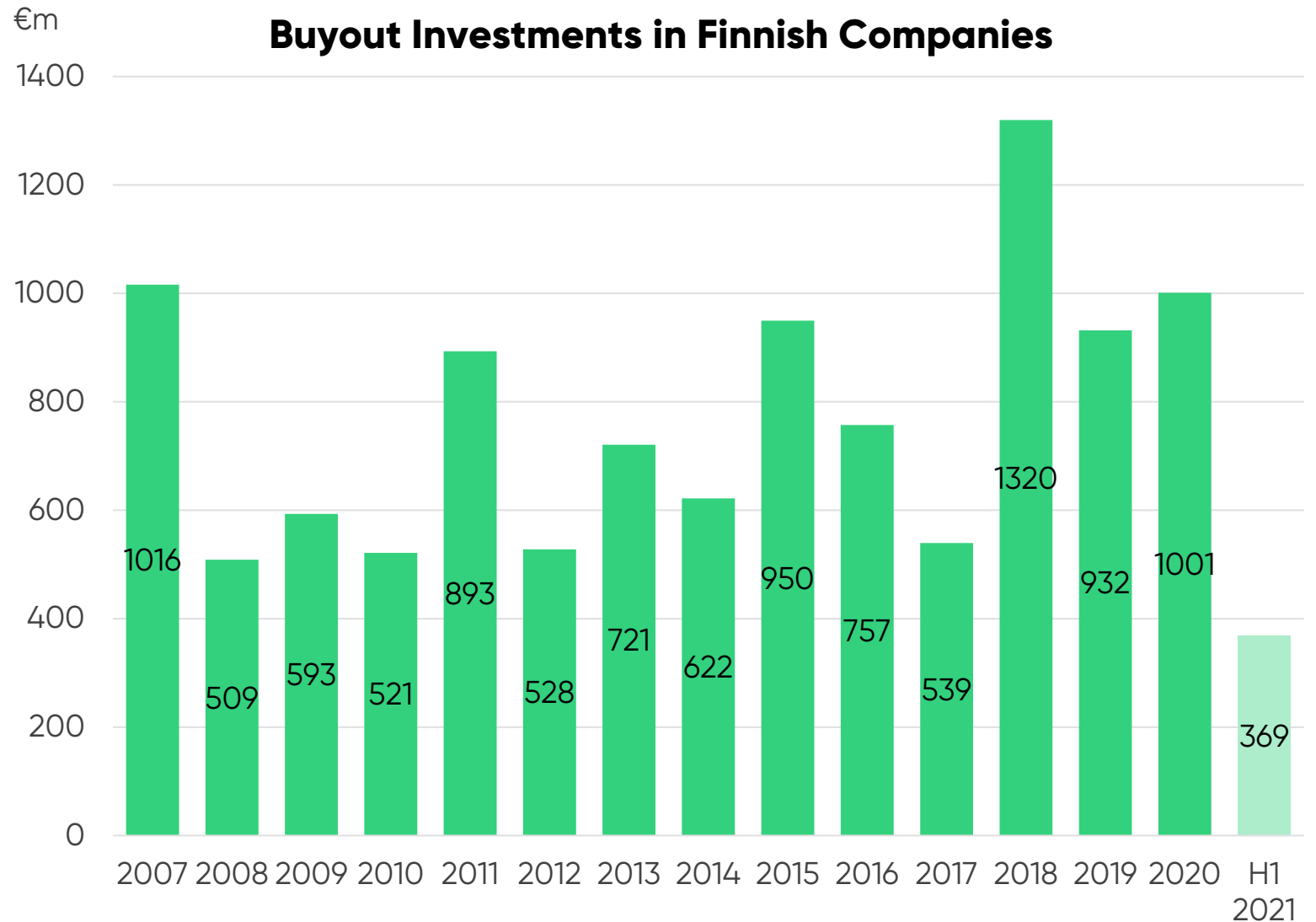
Investments



Significant Amount Invested in Finnish Companies

€369m

The total sum of investments received by Finnish growth companies from domestic and foreign buyout investors in H1/2021.



Sources: FVCA, EDC

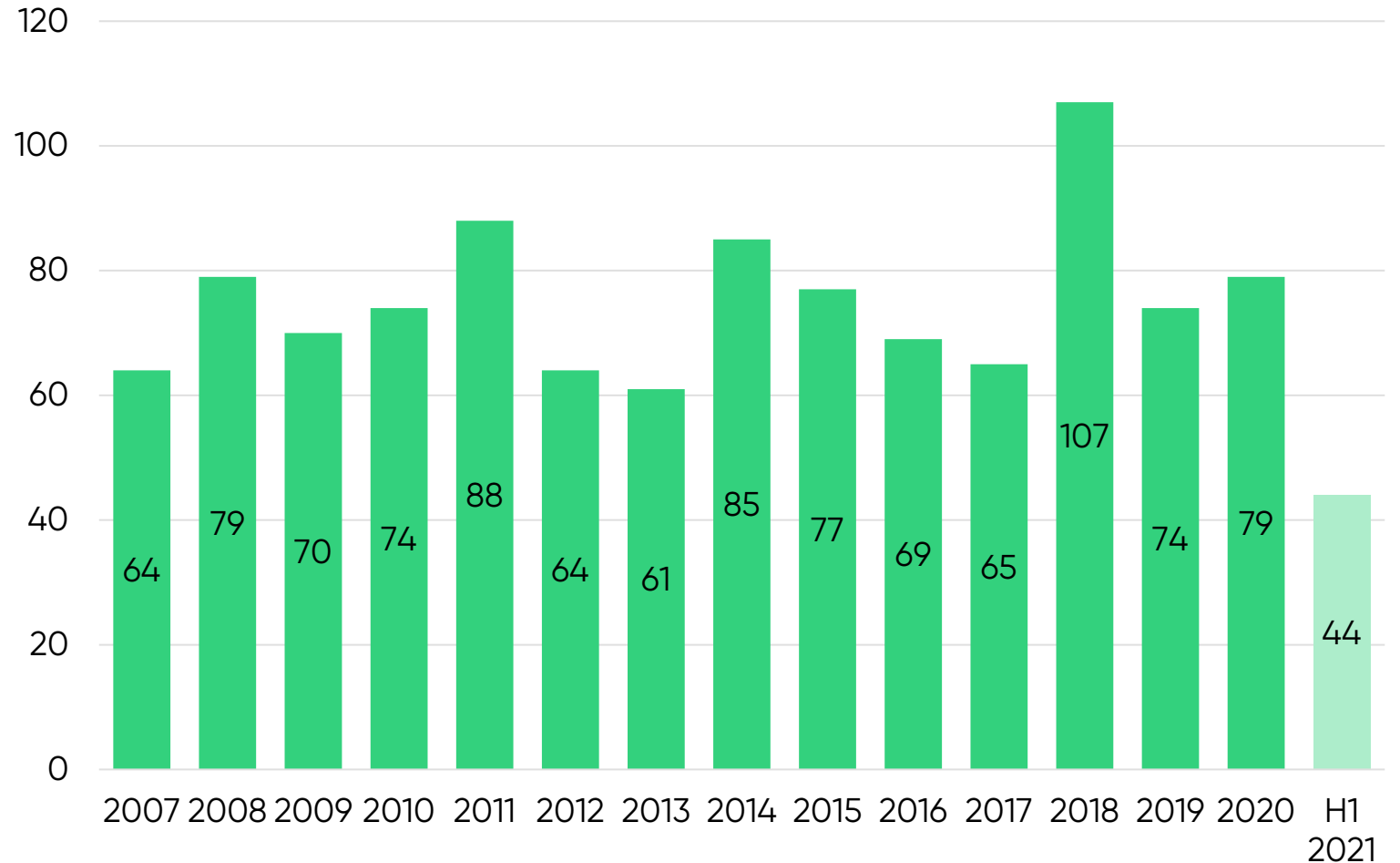
The Number of Finnish Companies That Received Buyout Investments Was in Line With Previous Years

44 companies

received a buyout investment in the first half of 2021.

Buyout Investments in Finnish Companies

Nbr companies



Sources: FVCA, EDC

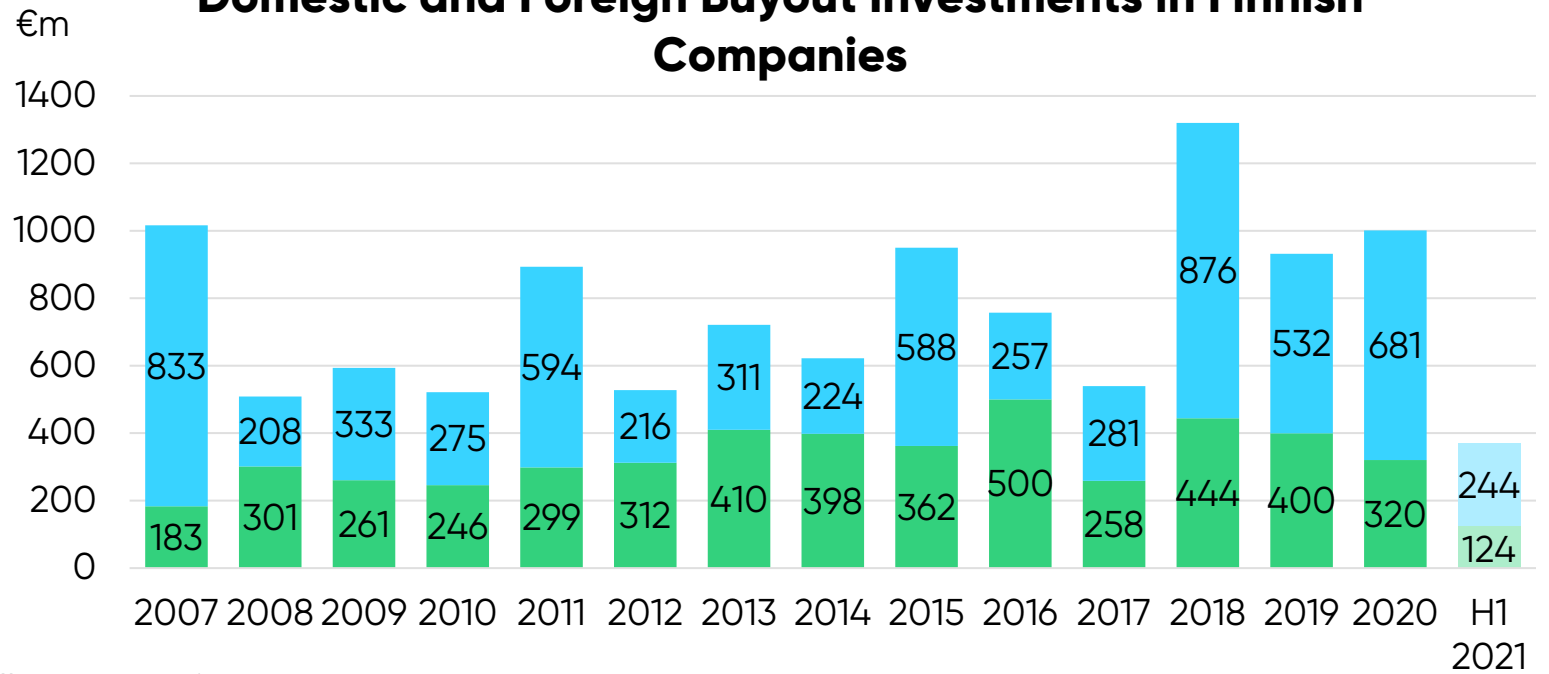
Majority of Buyout Capital Invested in Finnish Companies Comes from Foreign Investors

€244m, 10 companies

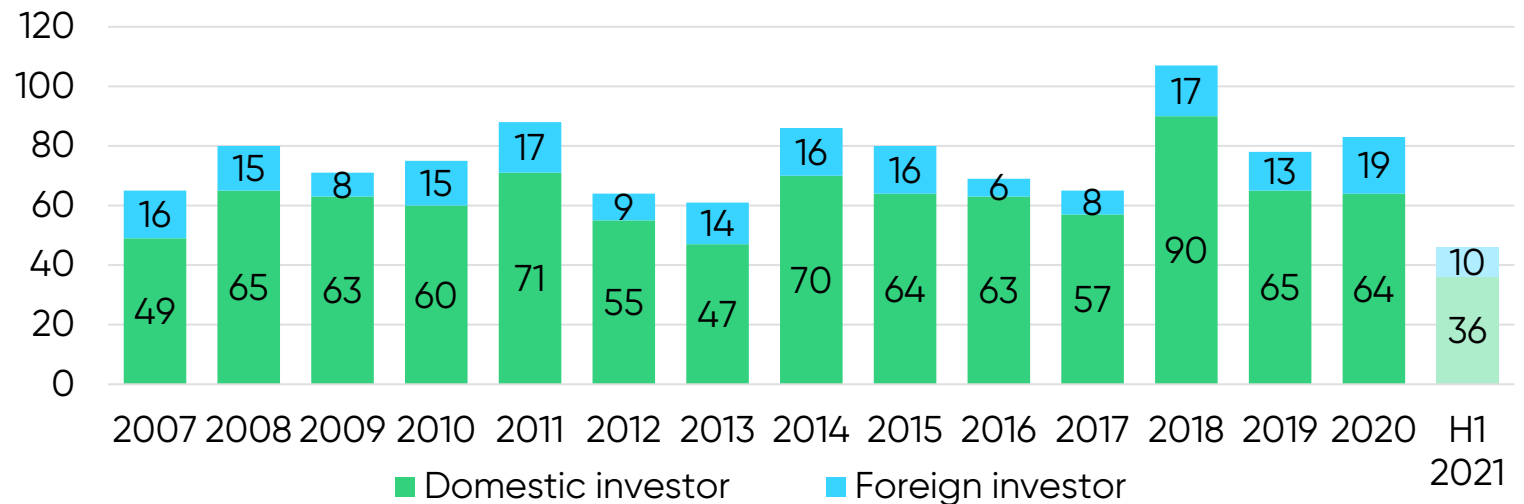
Finnish companies continue to attract international investments.

International investors are active especially in the largest buyout deals.

Domestic and Foreign Buyout Investments in Finnish Companies



Nbr companies

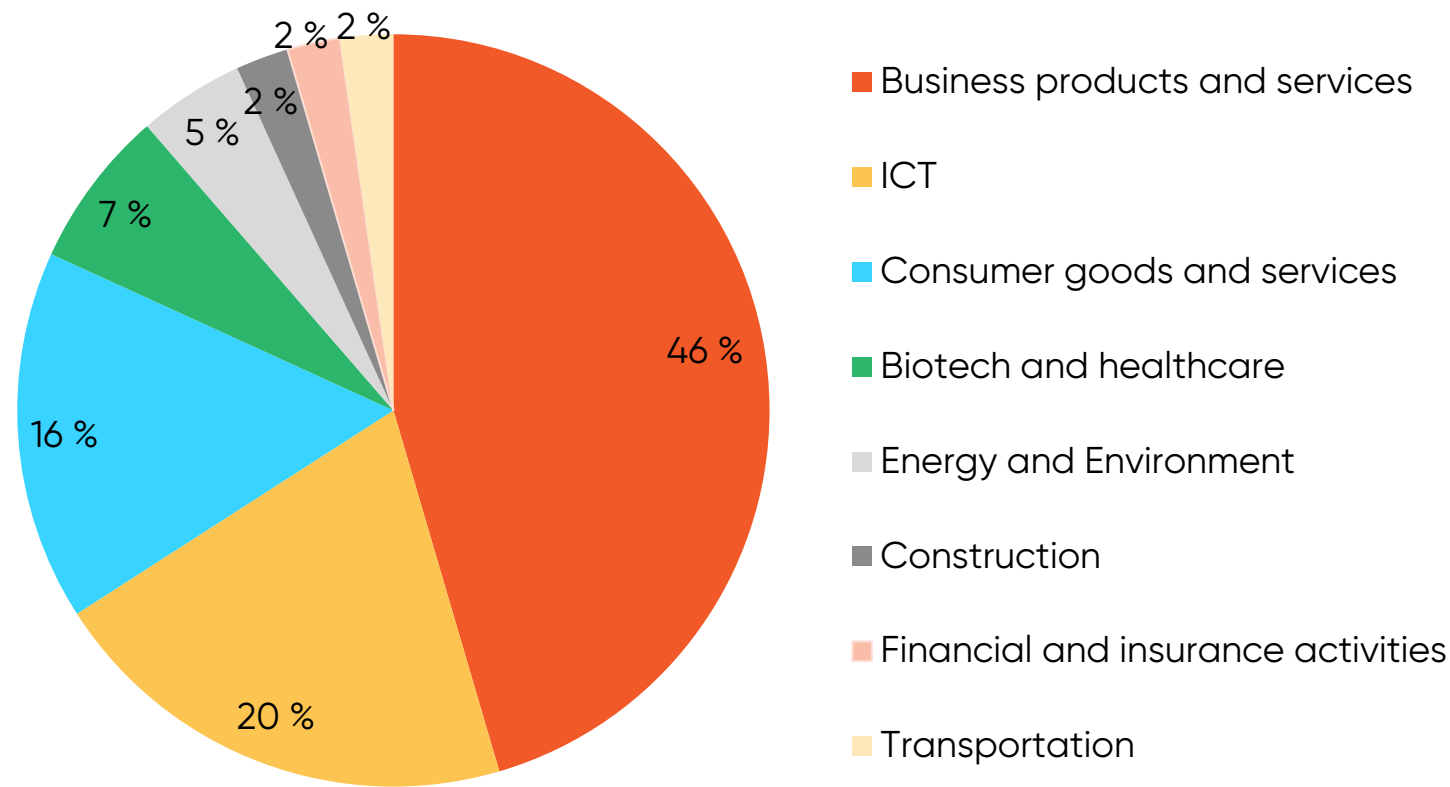


Nearly Half of the Buyout Investments Go to B2B-companies

Companies that provide B2B products and services received the most buyout investments, measured by number of companies.

Buyout Investments in Finnish Companies by Industry in H1/2021

Nbr companies



Divestments

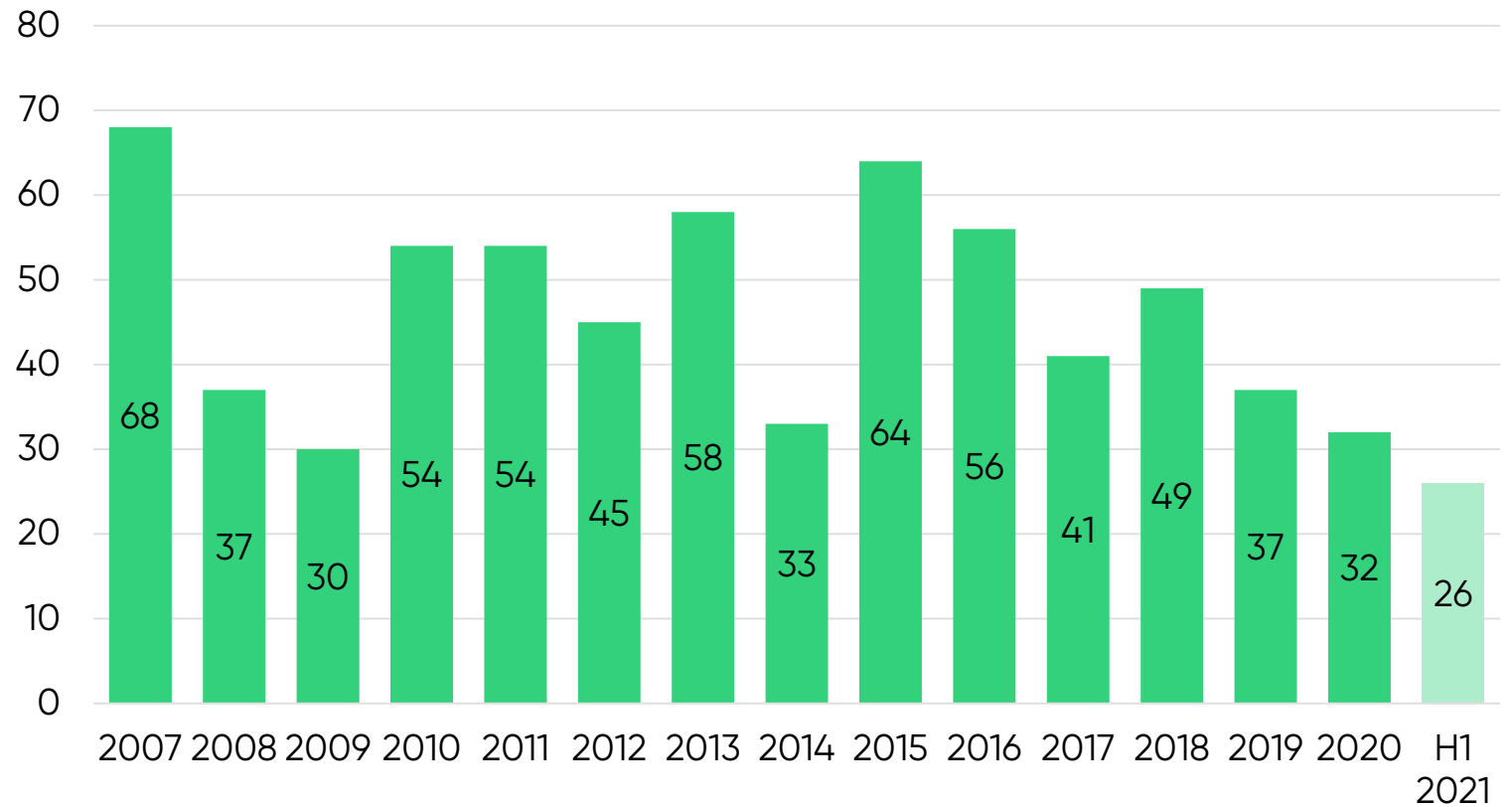
More Divestments Than in the First Half of Previous Year

26

divestments of Finnish companies by buyout investors during the first half of 2021.

Buyout Divestments from Finnish Companies

Nbr companies



Sources: FVCA, EDC

Summary of Finnish Private Equity Statistics

Venture capital & buyout H1/2021

Private Equity in Finland H1/2021

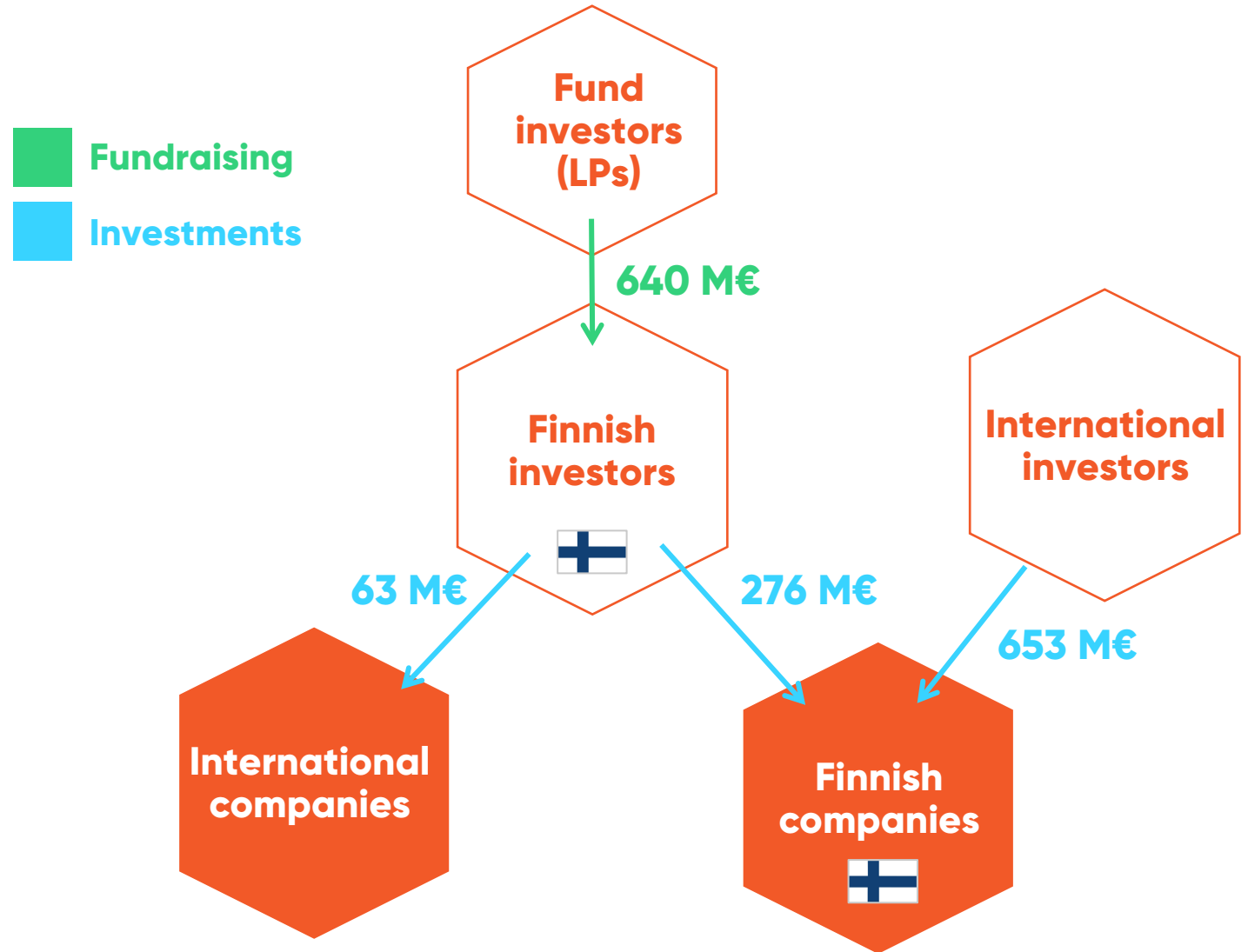
€640m

Funds raised to Finnish venture capital and buyout funds for future investments.

€929m

Investments in Finnish companies.

Venture capital & buyout H1/2021



Private Equity H1/2021

Highlights from the venture capital and buyout statistics.

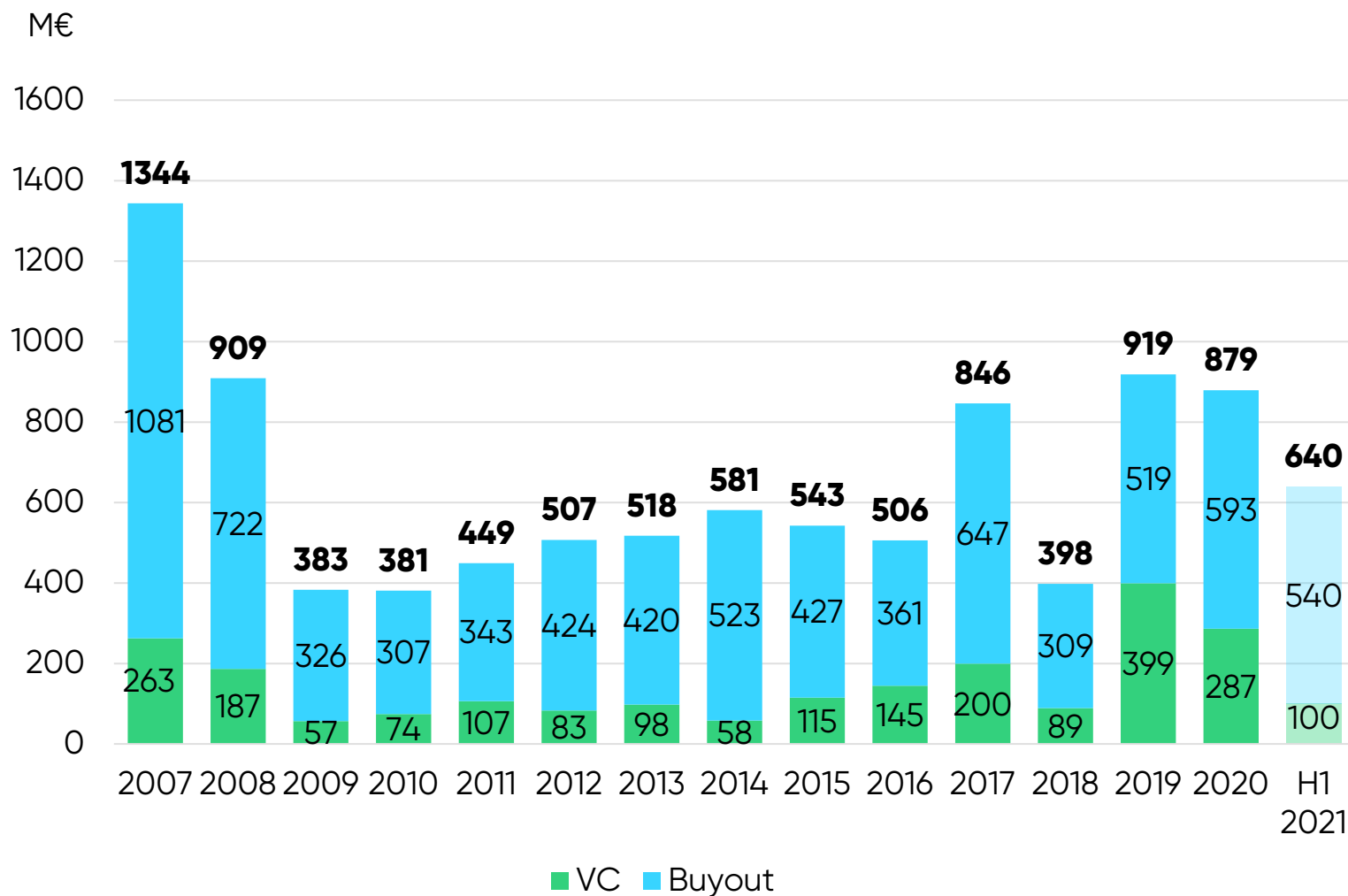
- Finnish private equity investors invested a total of **€339m** in **176** Finnish and international startups and growth companies.
- **149** Finnish startups and growth companies received a total of **€929m** in investments from venture capital and buyout investors.
- International private equity investors invested a total of **€653m** in **35** Finnish companies.
- Finnish private equity investors exited from **43** portfolio companies.
- The new funds raised by Finnish private equity investors, a total of **€640m**, will be invested in startups and growth companies in the coming years.

Successful Fundraising for Private Equity Investors

€640m

Funds raised to Finnish buyout & venture capital funds.

Suomalaisten rahastojen varainkeruu

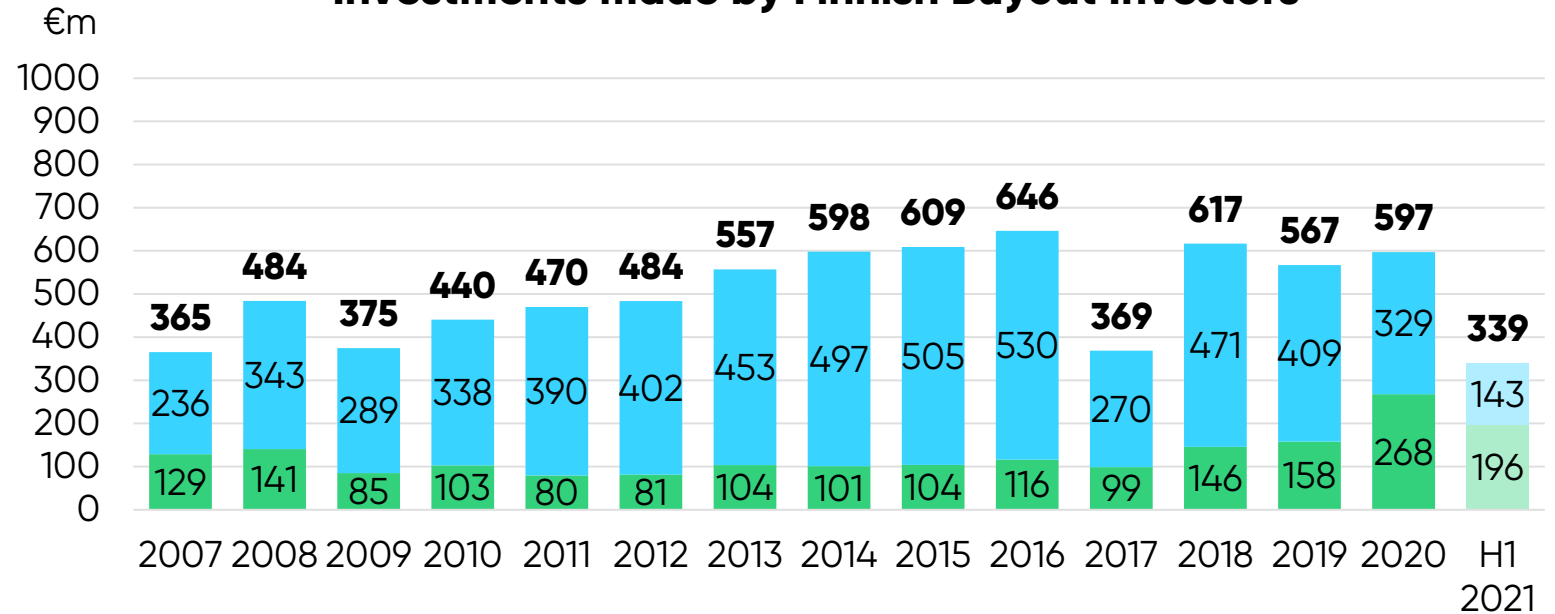


An Active First Half of the Year for Finnish Private Equity Investors

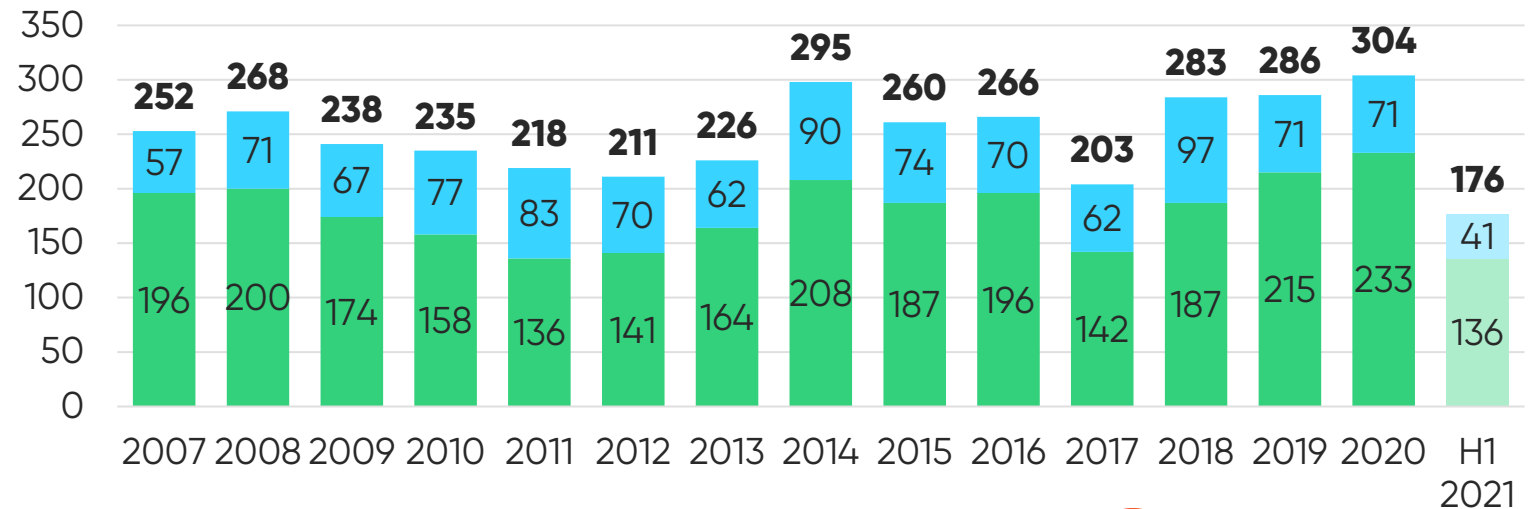
€339m, 176 companies

The investment activity of Finnish venture capital and buyout investors in H1/2021 is clearly above the historical average.

Investments made by Finnish Buyout Investors

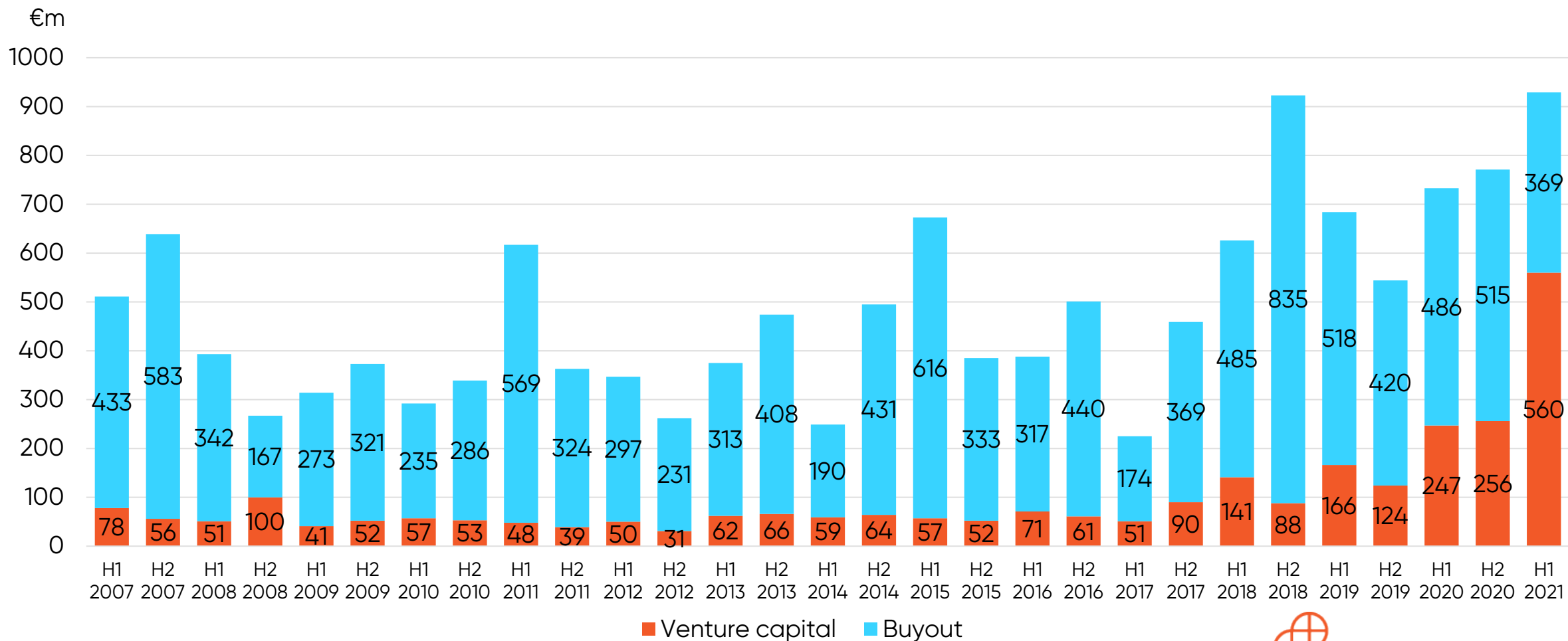


Nbr companies



■ VC ■ Buyout

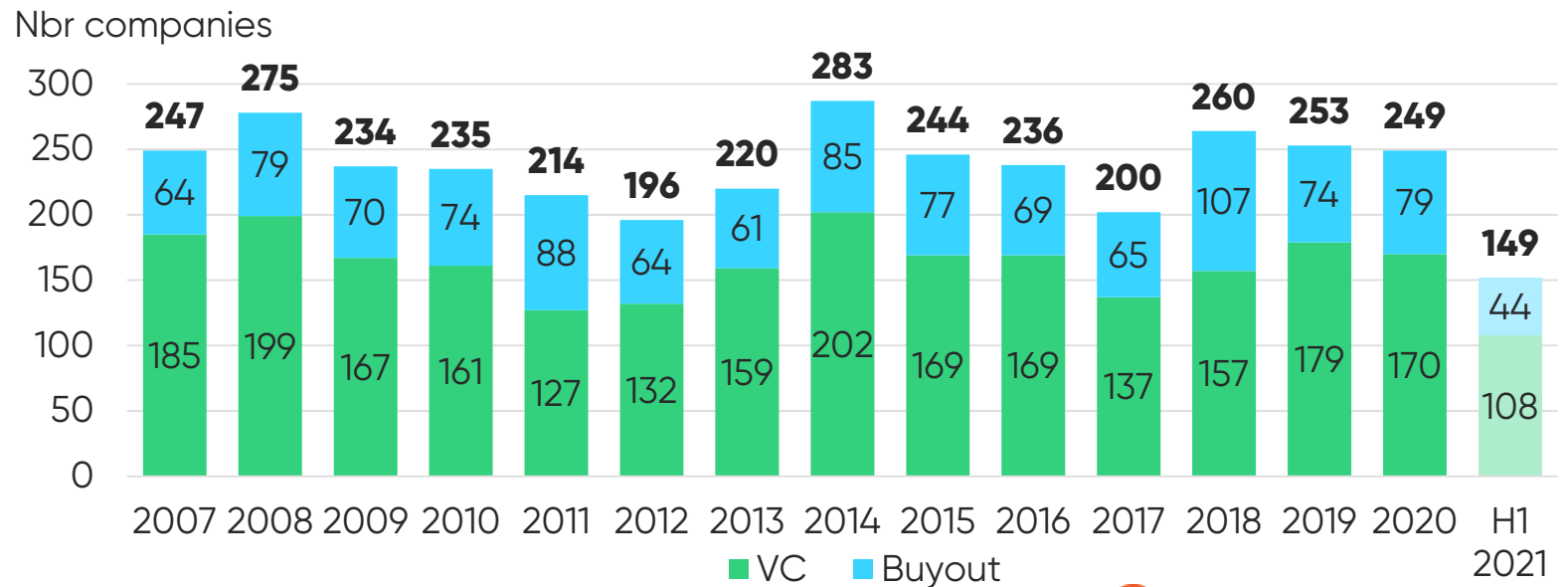
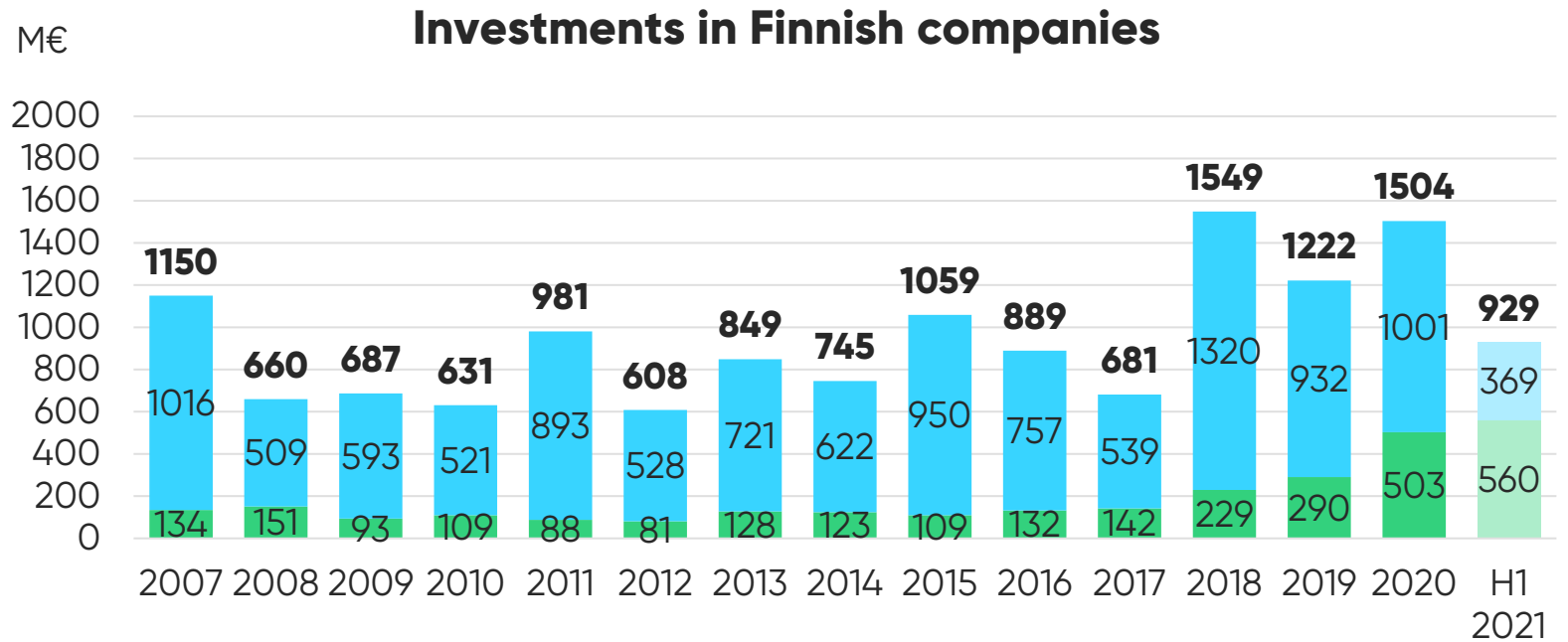
€929 Million of Private Equity Investments in Finnish Companies January-June 2021



A Significant Amount of Investments Made in Finnish Companies

€929m, 149 companies

Investments in Finnish startups and established growth companies.



Methodology



The Following National Private Equity Associations Take Part in the EDC Database

AIFI, Italy
ASCRI, Spain
BVA, Belgium
BVCA, United Kingdom
BVK, Germany
CVCA, Czech Republic
DVCA, Denmark
France Invest, France
FVCA, Finland
LPEA, Luxembourg
NVCA, Norway
NVP, Netherlands
PSIK, Poland
SECA, Switzerland
SEEPEA, Romania and Bulgaria
SVCA, Sweden
Invest Europe, Europe

The statistics describing the Finnish private equity industry are based on information received from European Data Cooperative (EDC) private equity database

- A fully functional, centralised non-commercial pan-European private equity database
- With its own staff, internal resources and webportal
- Information is collected via an online survey and complemented with public sources of information
- Figures are updated continuously and are therefore subject to change

Note: The statistics include only PE firms' (including evergreens and captives) investments. Syndicate and direct investments made by several other investors, e.g. LP co-investors, individuals, entrepreneurs, business angels, management, corporates, funds-of-funds, other asset managers and/or financial institutions, are not included in FVCA's statistics. However, they may form a notable part of the venture market especially. Additionally, growth investments' classification to buyout investments affects the venture statistics.

Methodology

Investment and divestment statistics are aggregated via two methods
– industry statistics and market statistics

Industry statistics

- By country of private equity firm's office
- Here: Domestic and foreign investments/divestments made by the Finnish offices of private equity firms

Market statistics

- By the location of the portfolio company
- Here: Investments/divestments in/from Finnish portfolio companies made by domestic and foreign private equity firms

Note: The aggregated figures may not always sum up to totals due to rounding. Some graphs exclude variables labelled as 'unspecified'.

For more information about the methodology, please contact the Finnish Venture Capital Association (FVCA).

Stage Definitions

VENTURE Investments in companies in their early development stage	Seed	Seed
	Start-up	Start-up, Other early stage
	Later stage venture	Early growth, Transition stage
BUYOUT A transaction financed by a mix of debt and equity, in which a business, a business unit or a company is acquired	Growth	Later growth
	Rescue/Turnaround	Rescue/Turnaround
	Replacement capital	Secondary purchase/Replacement capital, Refinancing bank debt
	Buyout	Management buyout (MBO), Management buy-in (MBI), Public to private, Other PIPE, Other leverage buyout