



**Pääomasijoittajat**

Finnish Venture Capital Association

# Venture Capital in Finland

## H1/2021 Summary for media

Statistics on fundraising and investments

Published November 11th 2021



# Contents

## **Introduction**

General information and statistics in brief

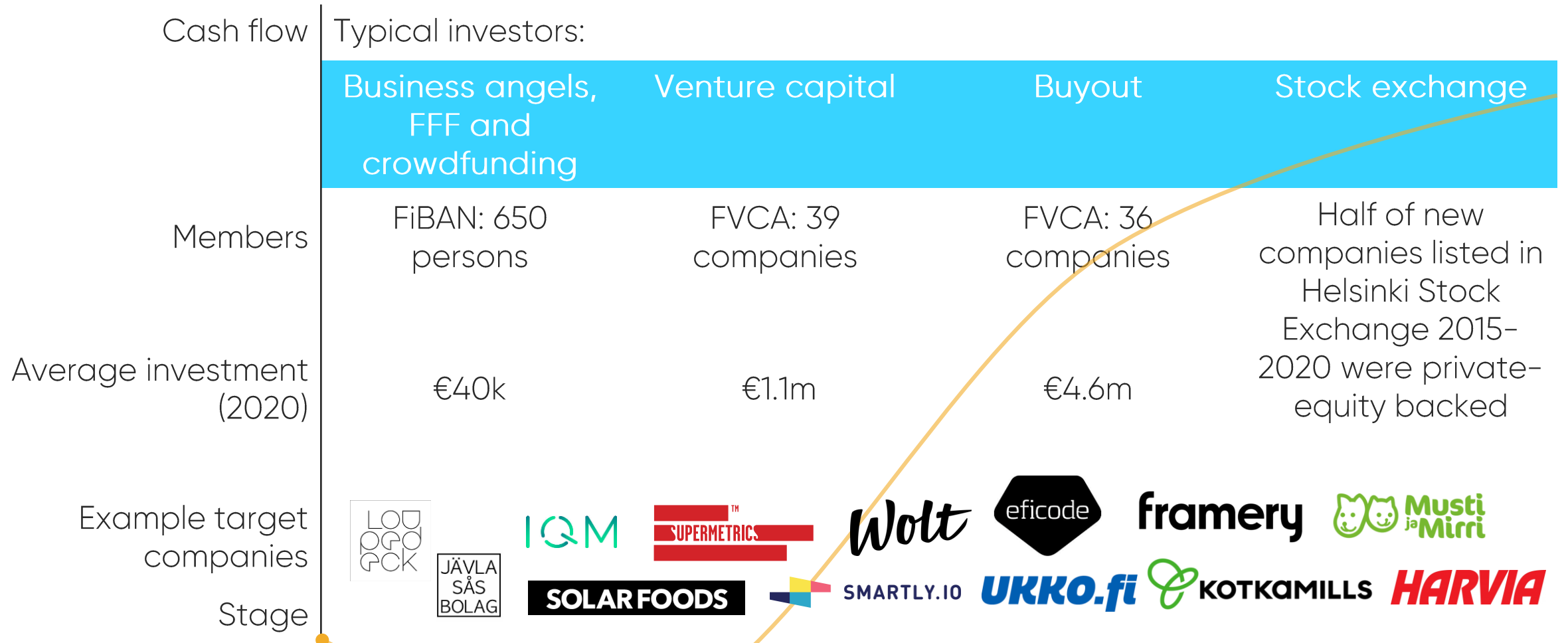
## **Venture Capital Funding Raised by Finnish Startups**

The activity of Finnish and foreign venture capital investors in Finland

## **Finnish Venture Capital Investors**

Finnish venture capital investors' activity in Finland and abroad and the fundraising of Finnish venture capital funds

# Private Equity Investors by Stage



# 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 and Venture Capital Investors in Finland

**FUNDRAISING**  
2016-2020  
**€3.4b**, of which 25% from pension funds



- Pension funds
- Insurance companies
- Family offices, foundations

**PROFITS**

Private equity and venture capital are among the most profitable asset classes for limited partners

**INVESTMENTS**  
2016-2020  
**€5.7b**

- BO
- Growth
- VC

Finnish companies

**GROWTH**

Faster growth in turnover and number of employees, when compared to peer companies\*

Growth with VC/PE investor 3-7 years

- 9x
- 5x

**DIVESTMENTS**

Companies move to the next growth stage

Profits for the fund investors

Exit

\* FVCA and KPMG's Economic Impact Study 2020

# Venture Capital (VC) H1/2021

Statistics in brief

- Finnish companies received a record-total of **€560m** of VC investments.
- A total of **108** Finnish companies received a domestic or foreign VC investment.
- The majority of investments in Finnish companies, **€409m**, came from foreign investors, and **€151m** from Finnish investors.
- Finnish VCs raised a total of **€100m** of new funds to be invested in startups in the future.
- Finnish VCs invested a record total of **€196m** in **136** domestic and foreign companies.
- The internationalisation of the Finnish VC industry continued, with a record sum of **€45m** being invested in **41** companies abroad.

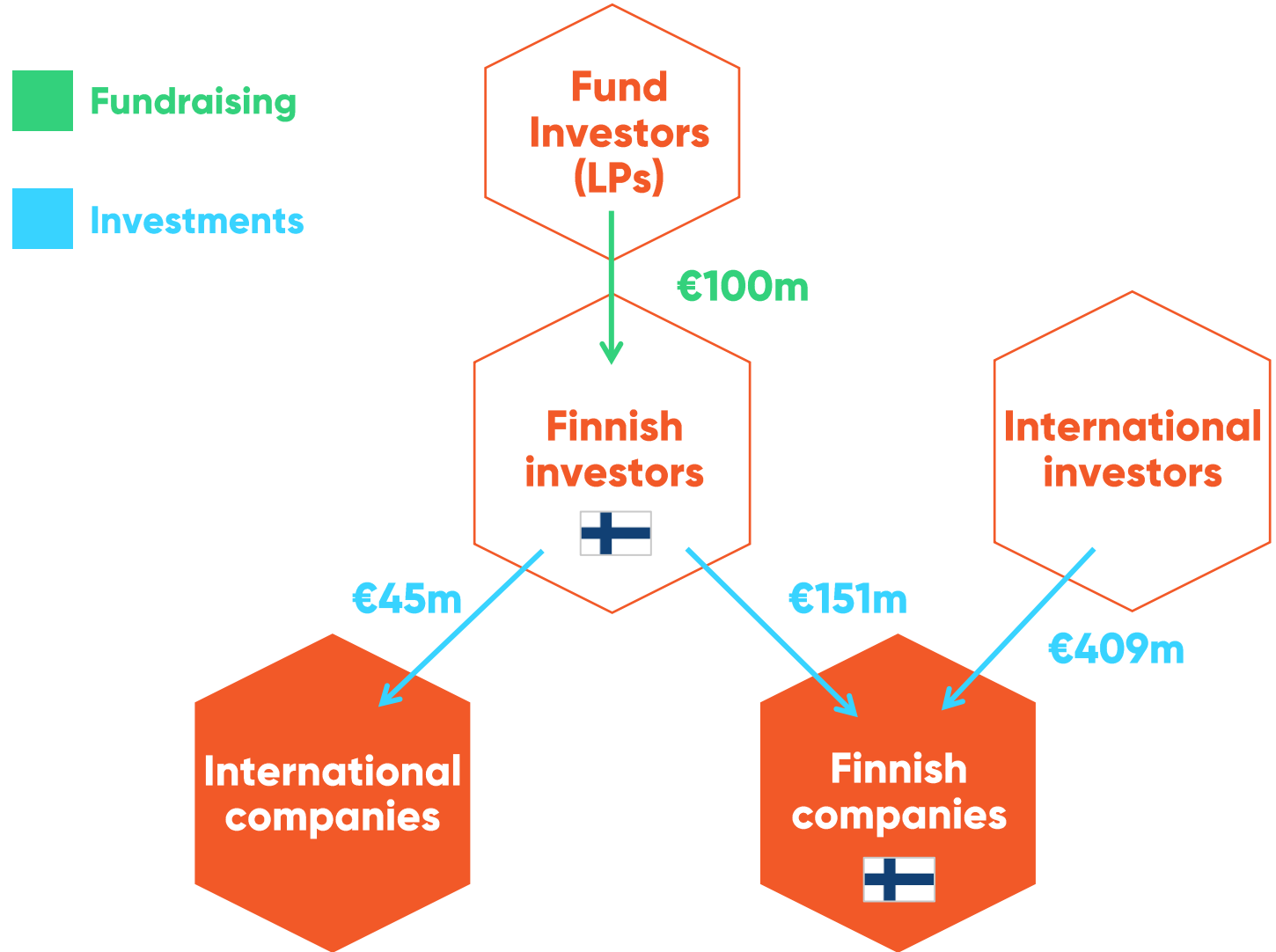
# Venture Capital (VC) H1/2021

**€560m**

VC investments in Finnish startups

**€196m**

Investments made by Finnish VC investors.



Note: The statistics include VC investments only.  
Sources: FVCA, EDC

# Venture Capital Investments Made in Finnish Startups

by Finnish and foreign venture capital investors

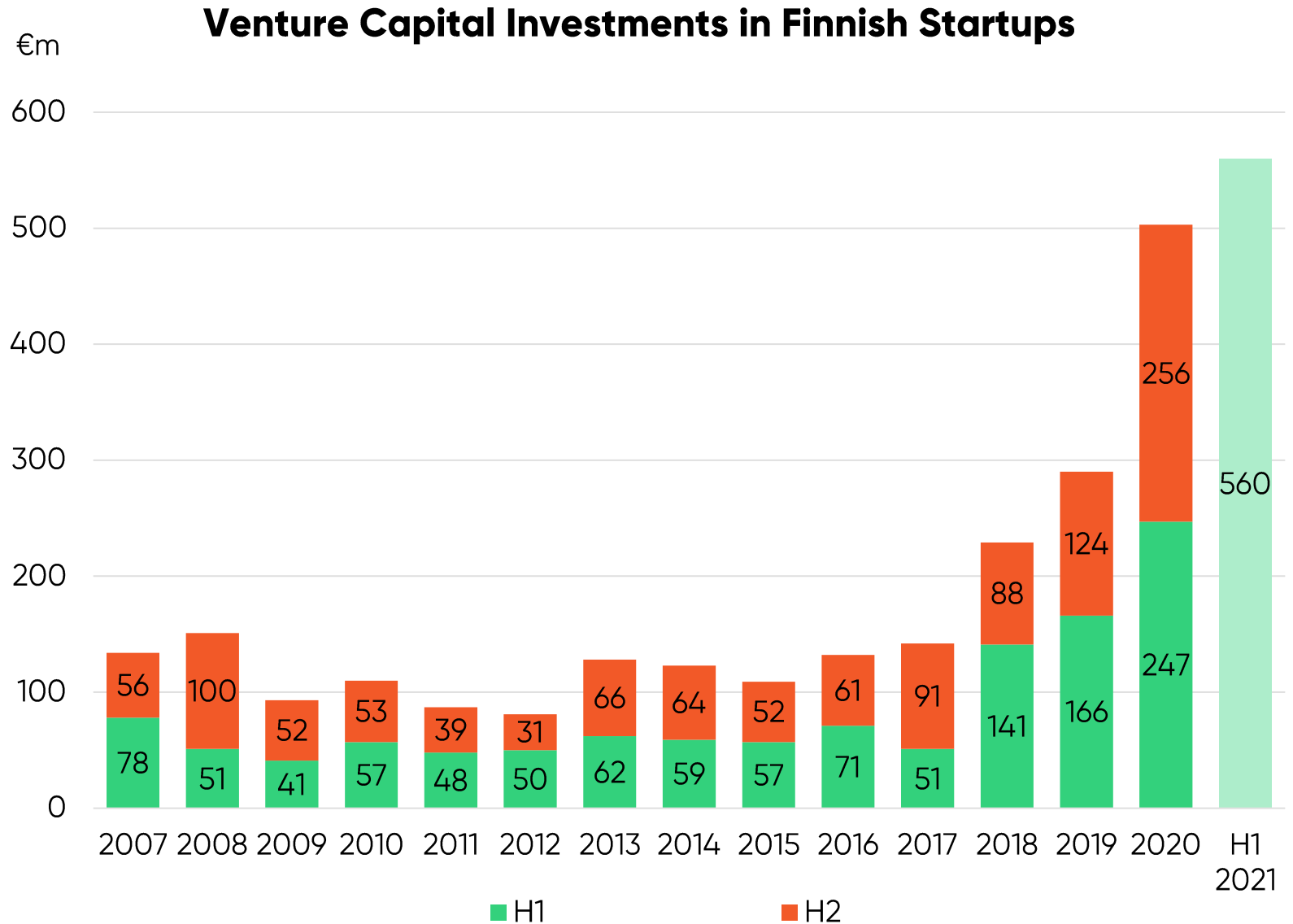


# Record Amount of Funding for Finnish Startups

**€560m**

The sum of investments received by Finnish startups rose to the highest level in history in the first half of 2021.

Most of the €440m funding round raised by Wolt in the beginning of the year came from VC investors, and that part is included in the statistics.

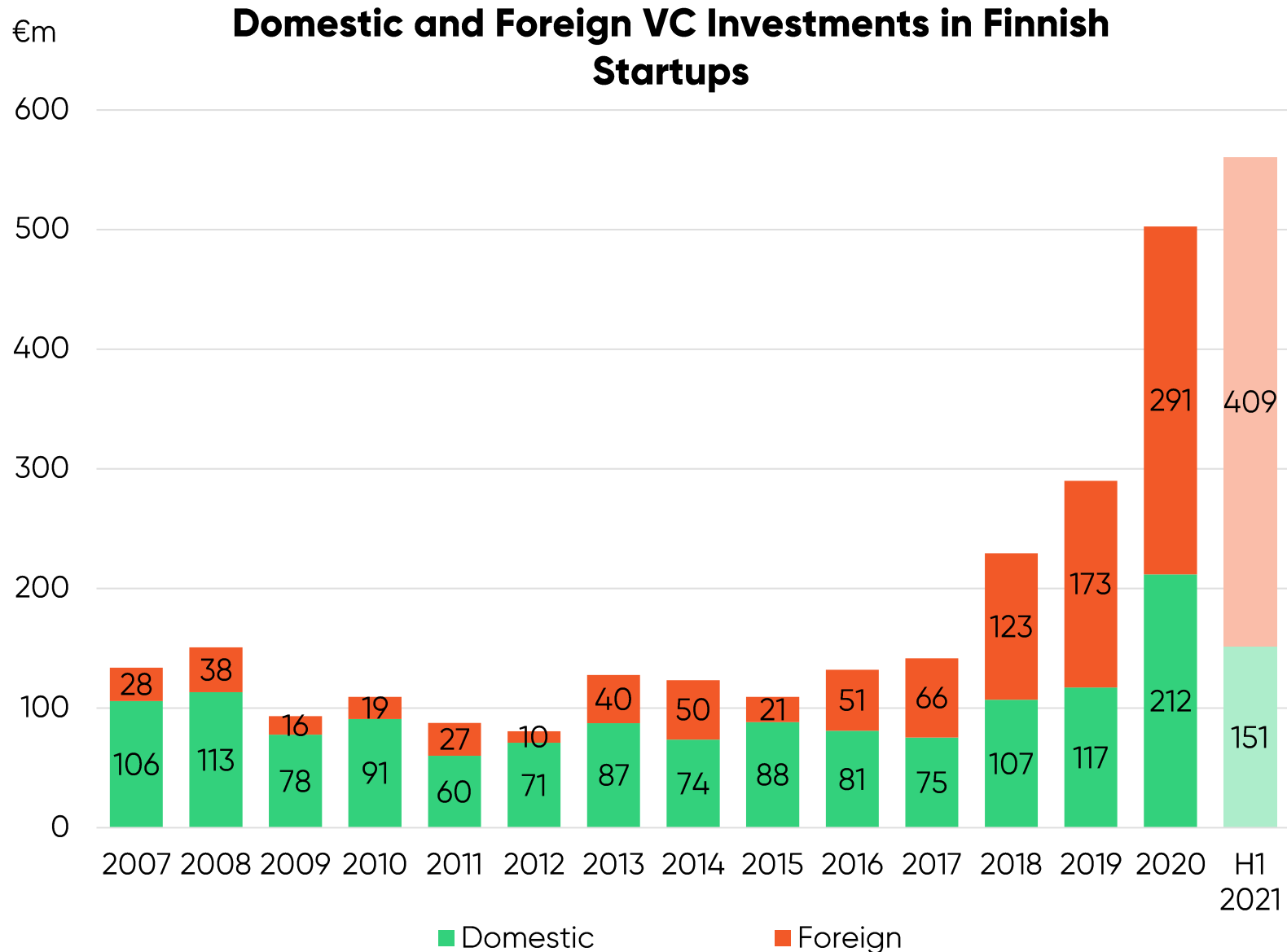


# The Interest of Foreign Investors Continues to Grow

**€409m**

Capital invested in Finnish companies by foreign VC investors in H1/2021.

The quality of Finnish startups is attracting ever larger foreign investments.



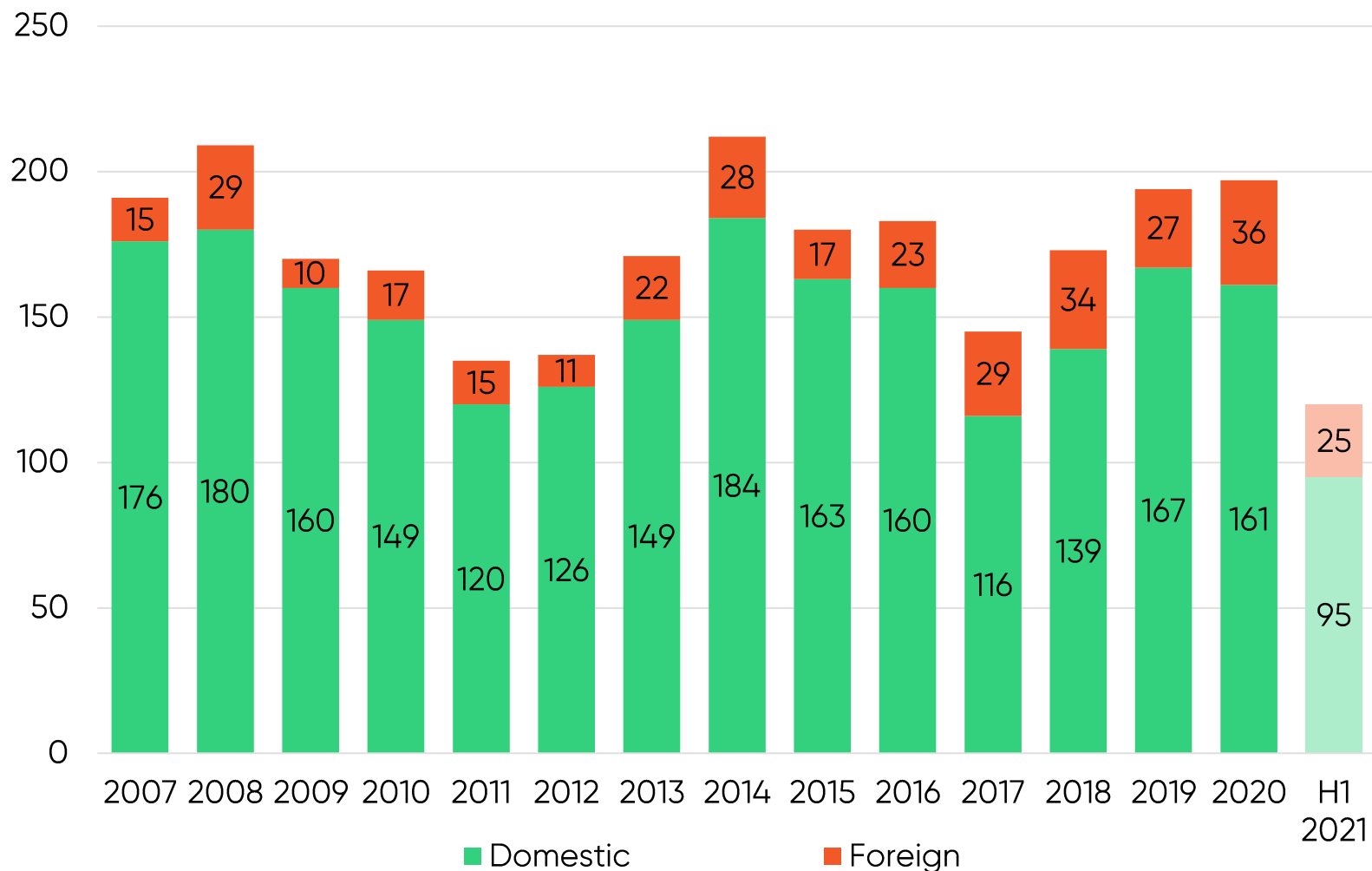
# The Number of Companies Attracting Foreign Capital is Growing

**25**

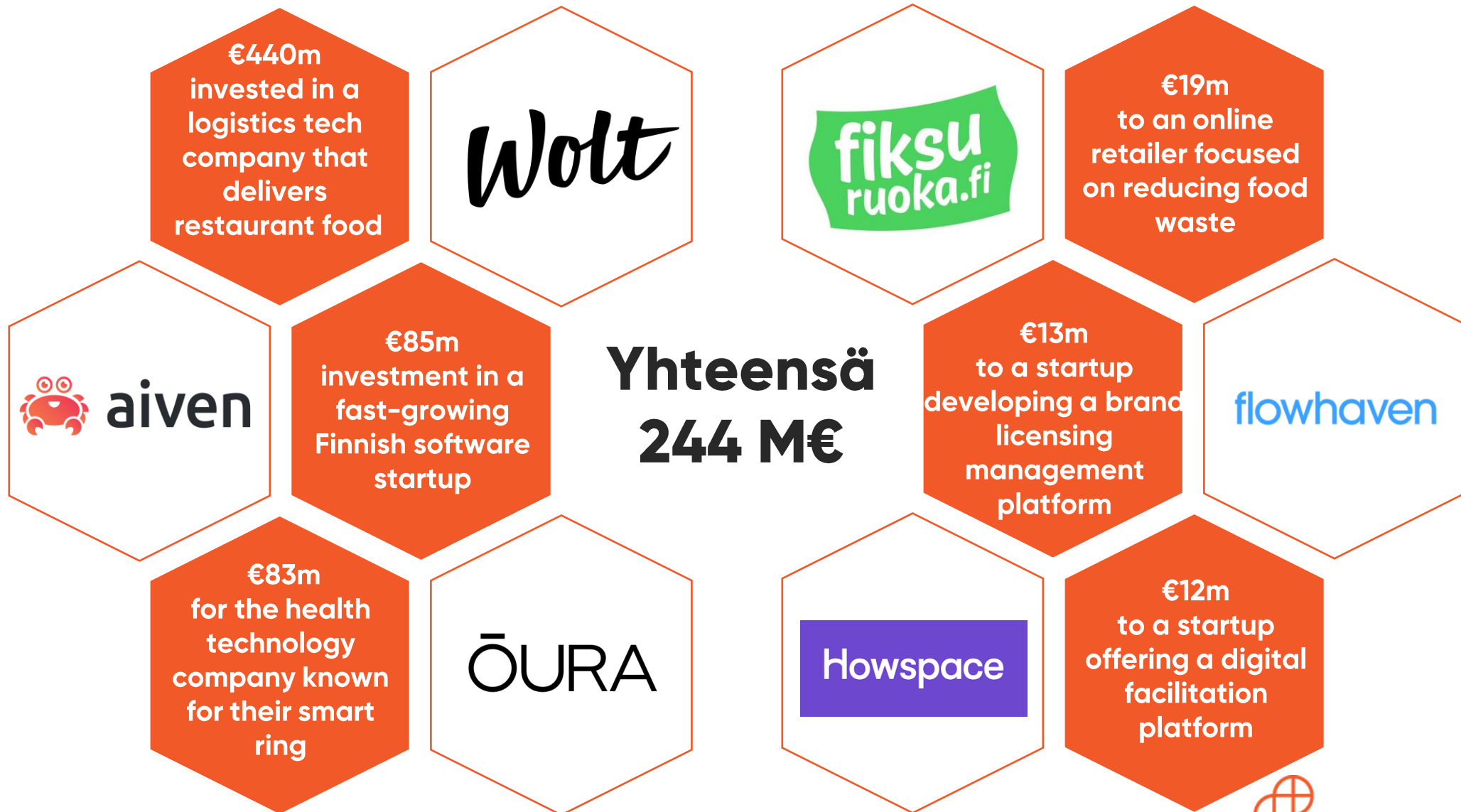
Finnish companies received an investment from a foreign VC investor in H1/2021.

The number is higher than ever in a six-month time period.

Nbr companies **Domestic and Foreign VC Investments in Finnish Startups**



# Examples of H1/2021 Startup Investments





# Finnish Venture Capital Investors

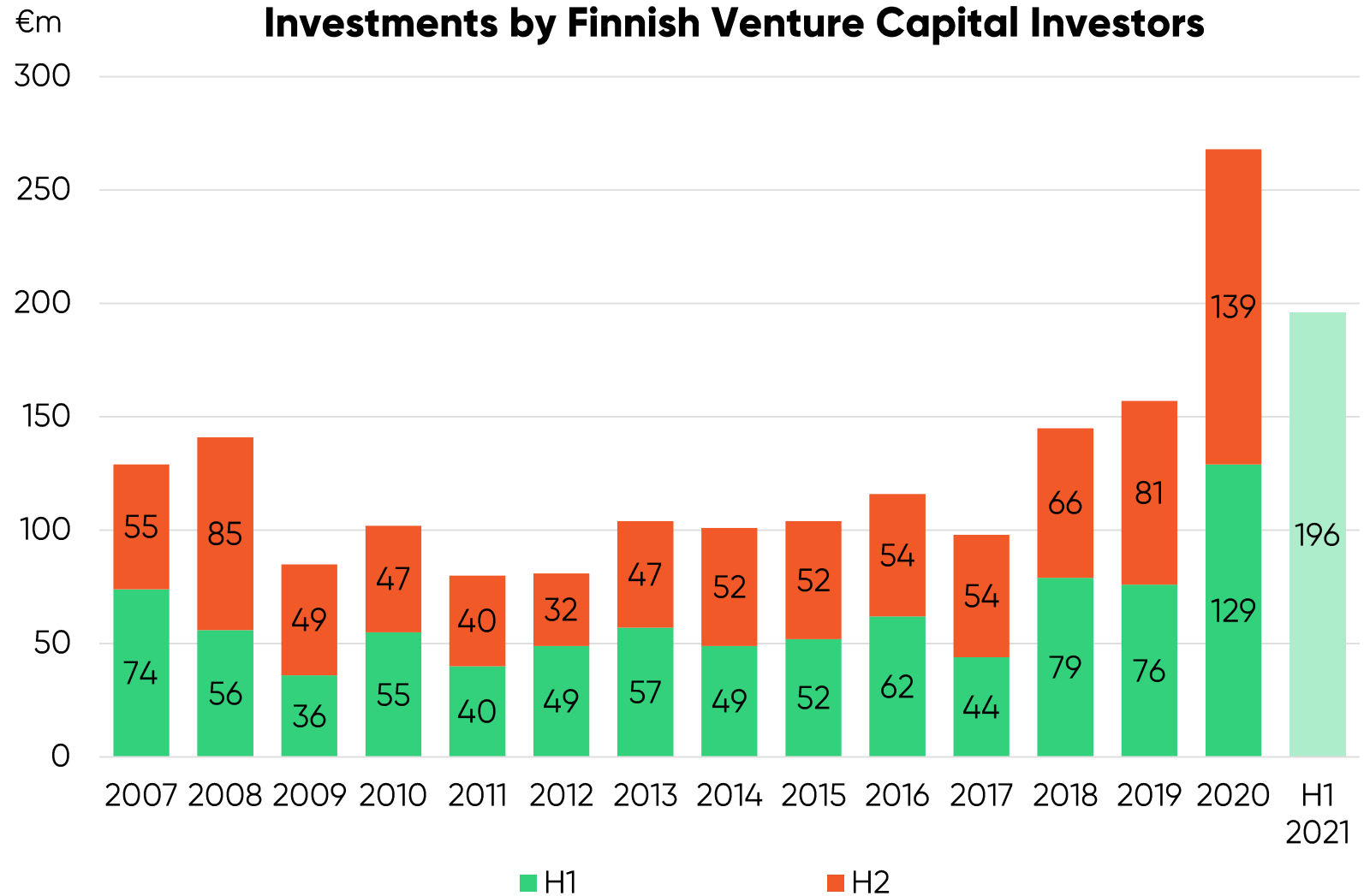
Finnish venture capital investors' activity in Finland and abroad  
and the fundraising of Finnish venture capital funds

# A Record Sum Invested by Finnish VCs Over a Six-Month Period

**€196m**

The sum invested by Finnish VCs in domestic and foreign startups in the first half of 2021 reached an all-time high.

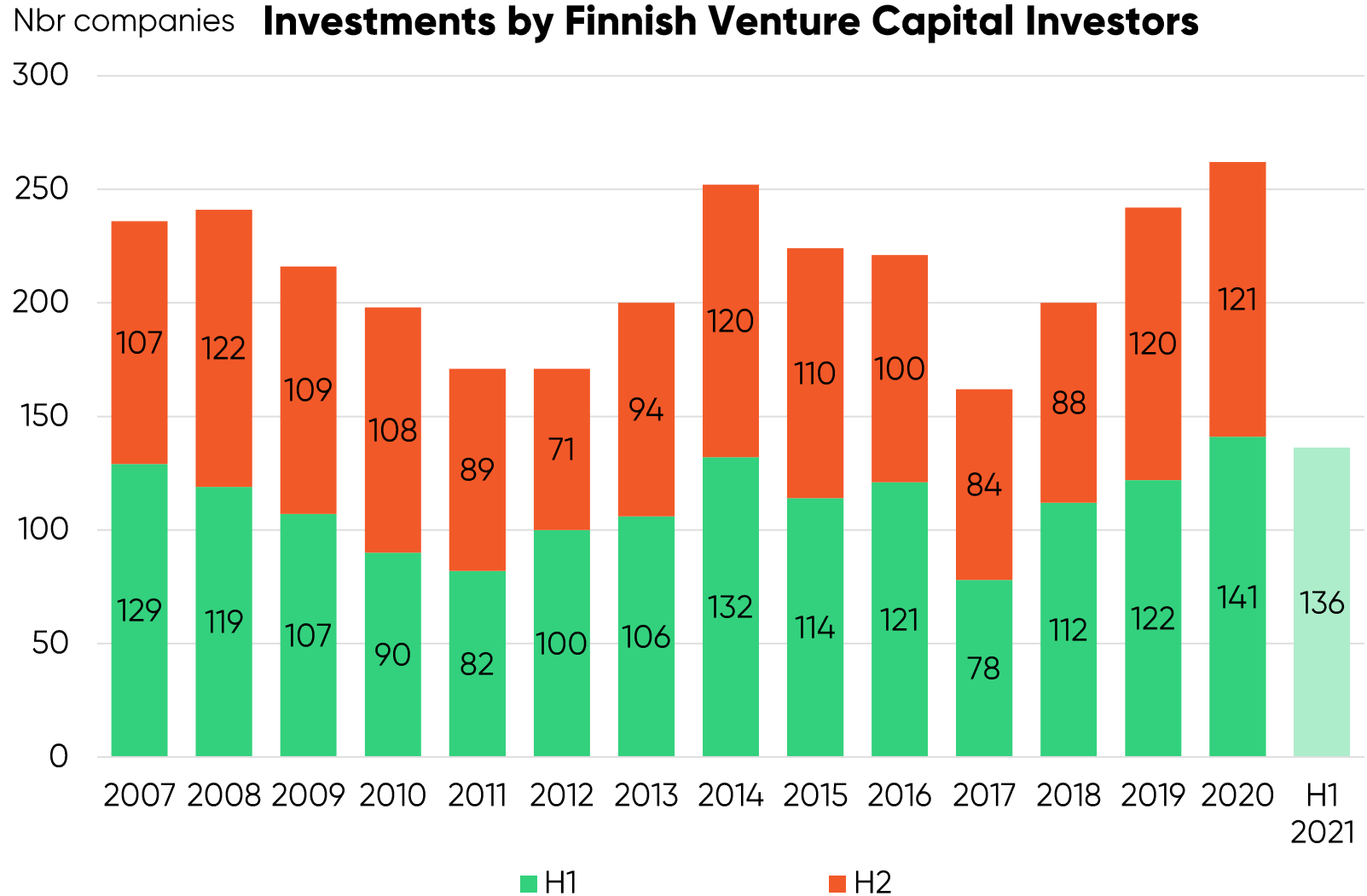
This was the third consecutive half-a-year period that the record was broken.



# The Number of Companies that Received an Investment in H1/2021 Near Record Levels

**136 companies** received an investment from a Finnish VC investor in the first half of 2021.

The number of companies that received investments was near the previous year's record level.

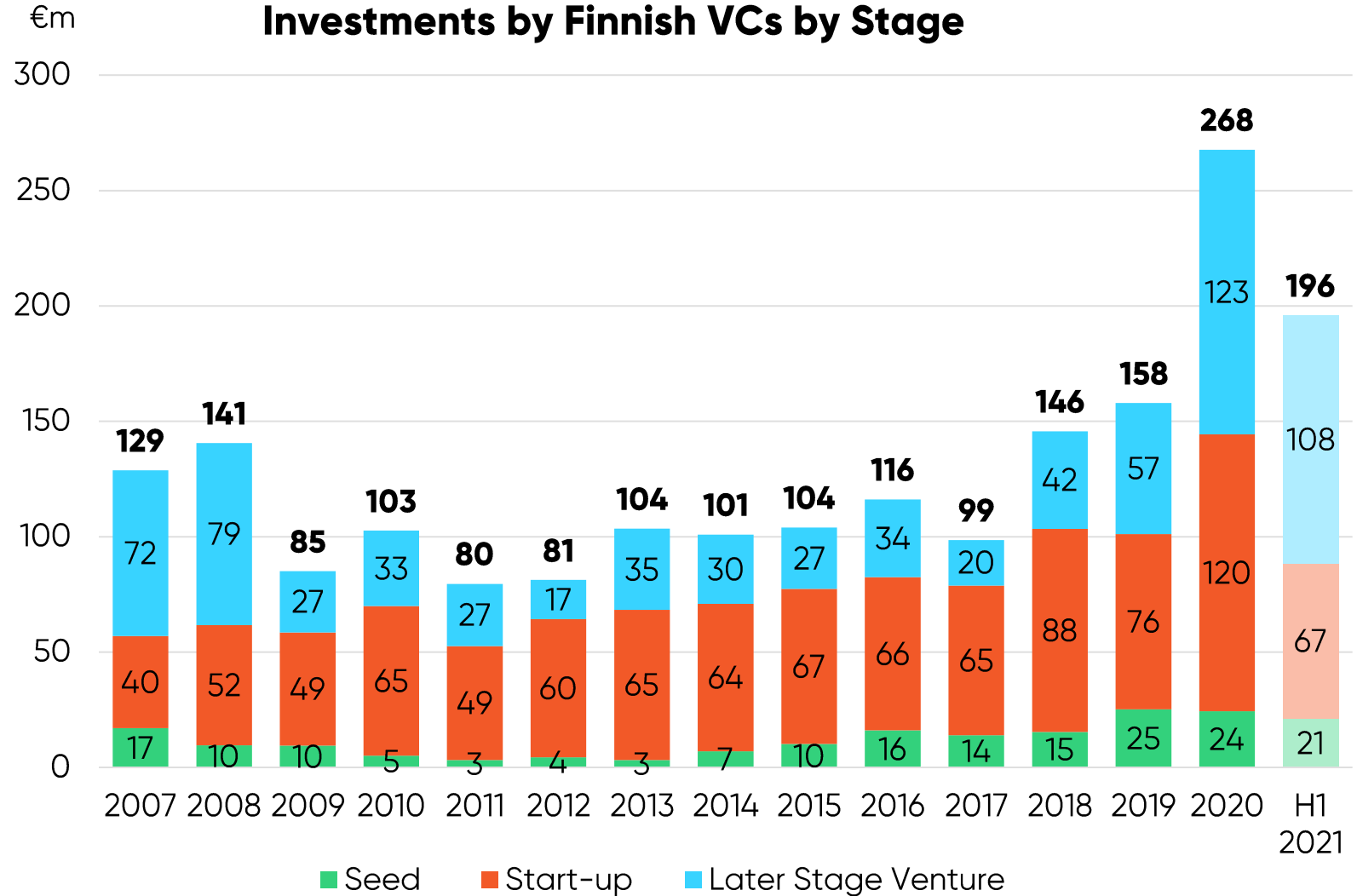


# Records Broken in All Investment Stages

**€108m**

Later-stage venture investments made in H1/2021 almost at the level of the full previous year.

The first half of 2021 saw record amounts invested in all investment stages.





# The Number of Companies Receiving Funding is Growing

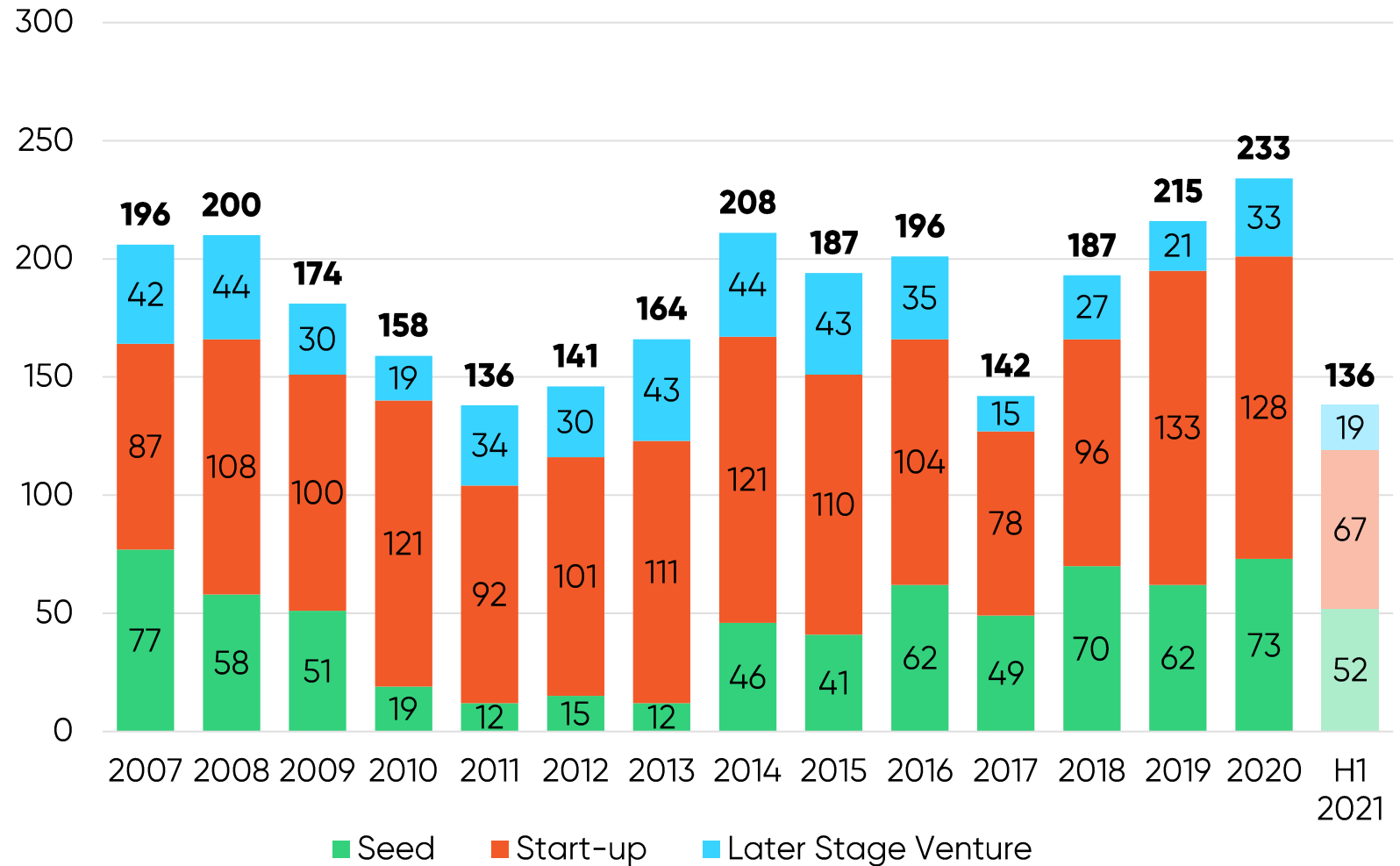
**136 companies**

received funding from Finnish VC investors in H1/2021.

**52 companies**

at the beginning of their operations received a seed-stage investment.

Nbr companies **Investments by Finnish VCs by Stage**



Note: The company may have received an investment at different stages during the period, which is why the total amount may be lower than the sum of the parts.

Sources: FVCA, EDC

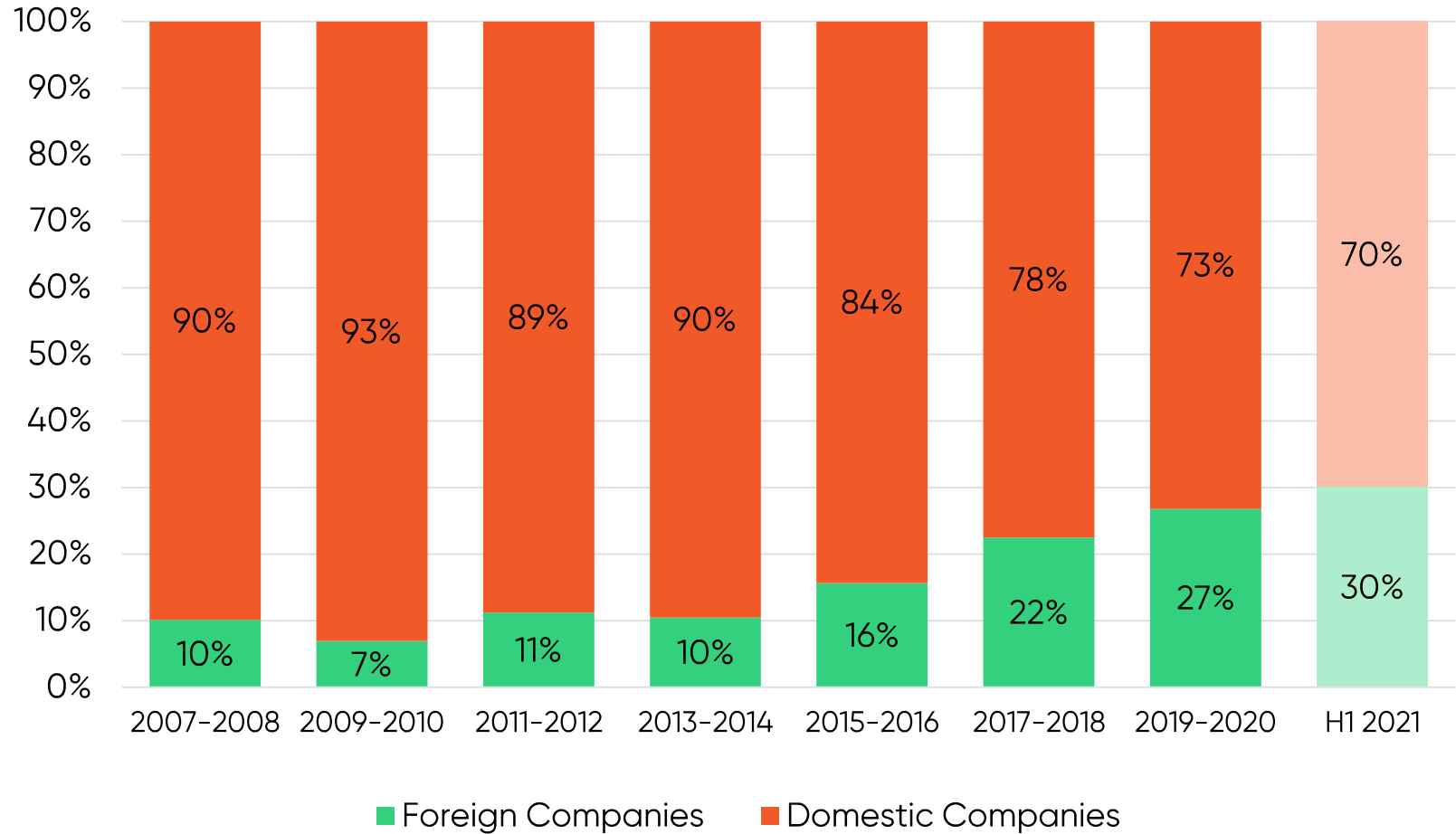
# The Share of International Investments Growing

Foreign companies are choosing Finnish VCs as their growth partners more and more often.

Through international investments, new know-how is accumulated for both investors and portfolio companies, and networks with international investors are strengthened.

## Investments in Foreign Companies by Finnish VC Investors

Nbr companies



# Finnish VC Funds Have Raised A Record Amount of Funds in Two and Half Years

**€786m**

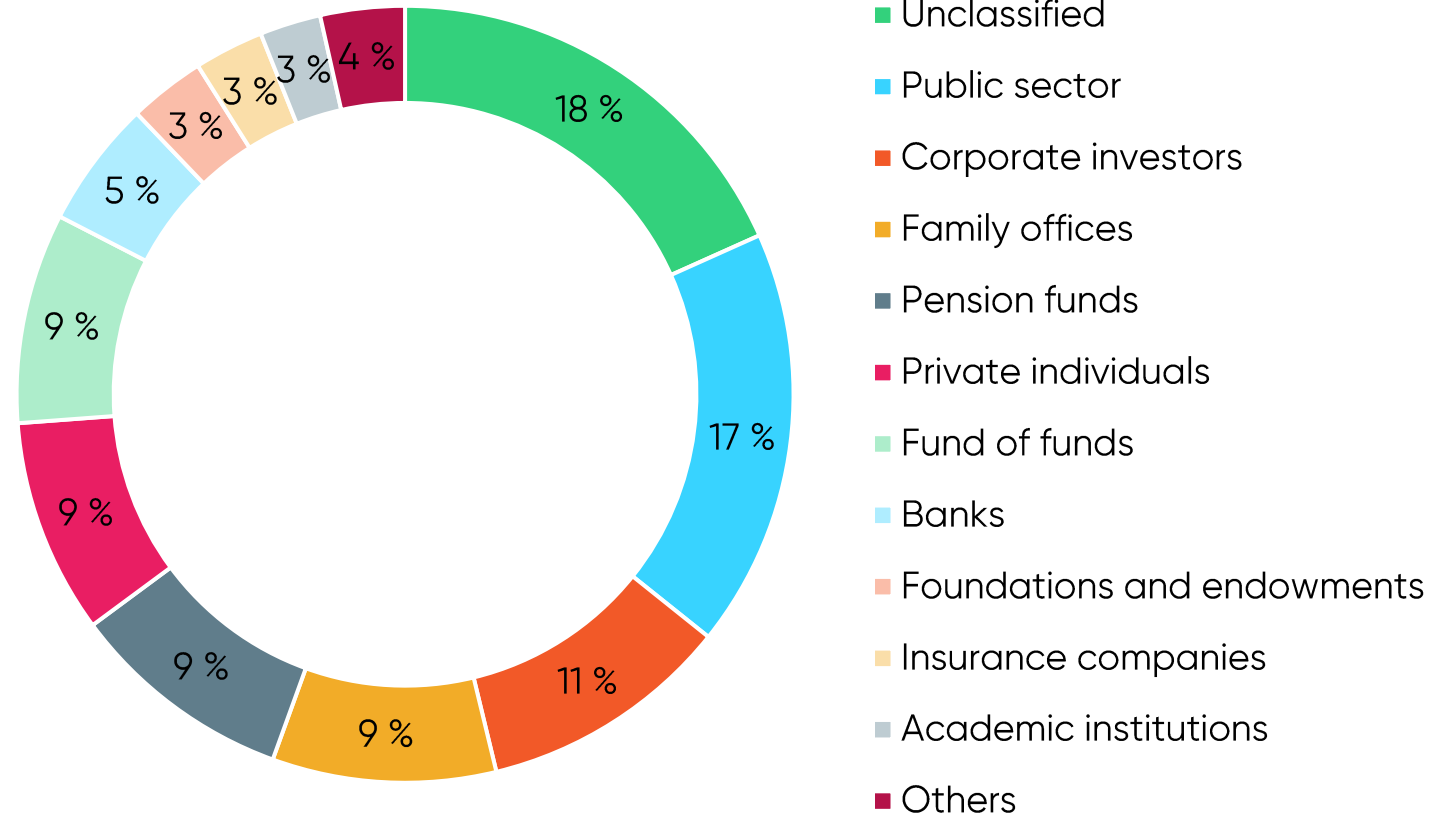
The fundraising of VC funds between 2019-H1/2021.

**17 %**

The single biggest investor group in venture capital funds is the public sector.

After the public sector, the sources of fundraising are fairly evenly distributed.

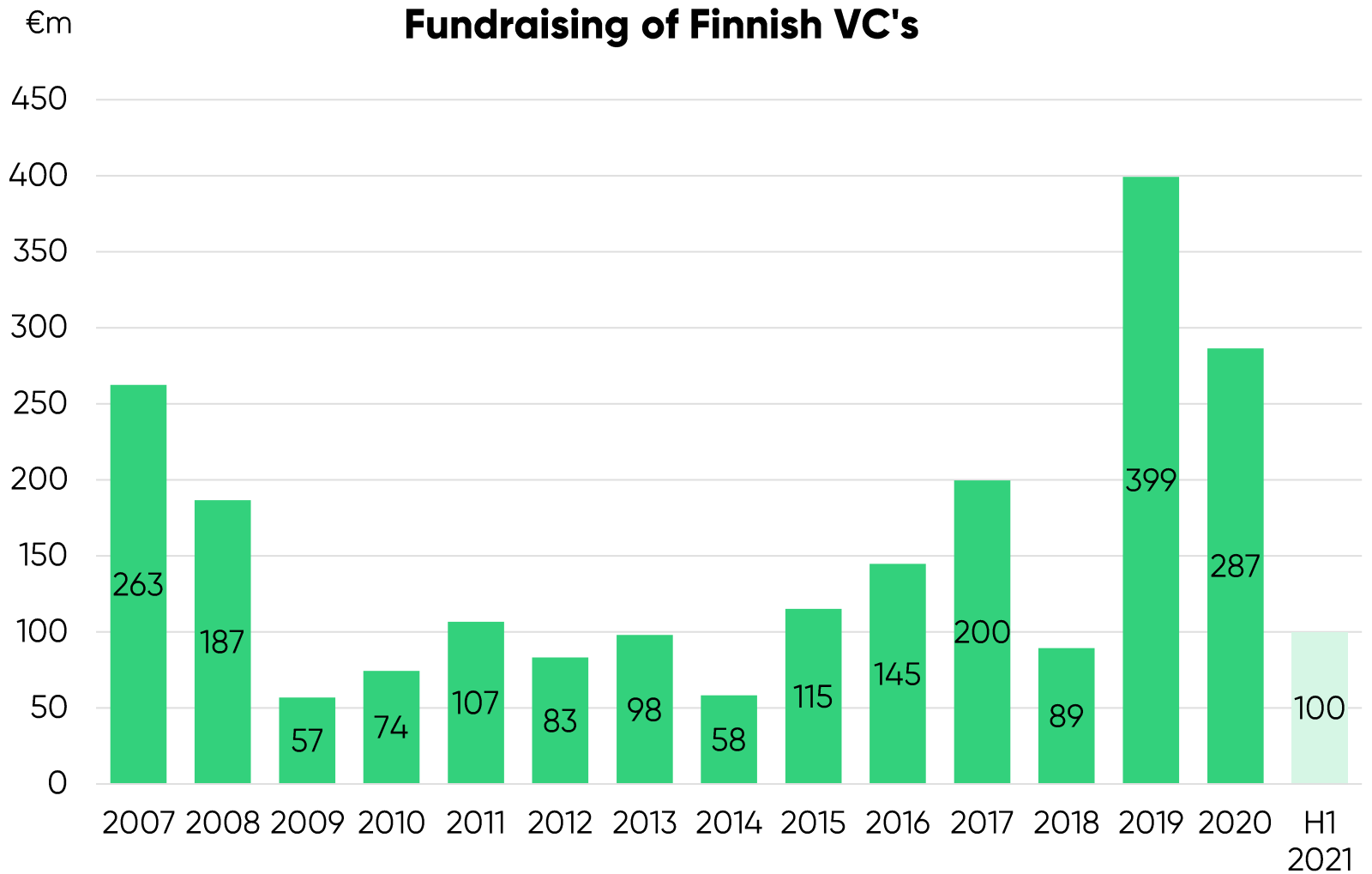
## Fundraising Sources of Finnish VC Funds 2019-H1/2021



# New Funds Raised for Future Investments

**€100m**

Funds raised to Finnish VC funds in the first half of 2021.



Sources: FVCA, EDC

# Some Examples of the Most Recent Venture Capital Fund News



# Finnish Venture Capital Association

## **Pia Santavirta**

FVCA, Managing Director

+358 40 546 7749

[pia.santavirta@fvca.fi](mailto:pia.santavirta@fvca.fi)

## **Jonne Kuittinen**

FVCA, Operations Manager

+358 44 333 3267

[jonne.kuittinen@fvca.fi](mailto:jonne.kuittinen@fvca.fi)

## **Saara Vettenranta**

FVCA, Head of Communications

+358 40 7233 516

[saara.vettenranta@fvca.fi](mailto:saara.vettenranta@fvca.fi)

