



Pääomasijoittajat

Buyout in Finland 2021

Statistics on fundraising, investments, and divestments of Finnish growth and buyout funds

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General information and statistical key figures

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Record amount of new investments in Finnish buyout funds

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Methodology

Private Equity (PE)

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.

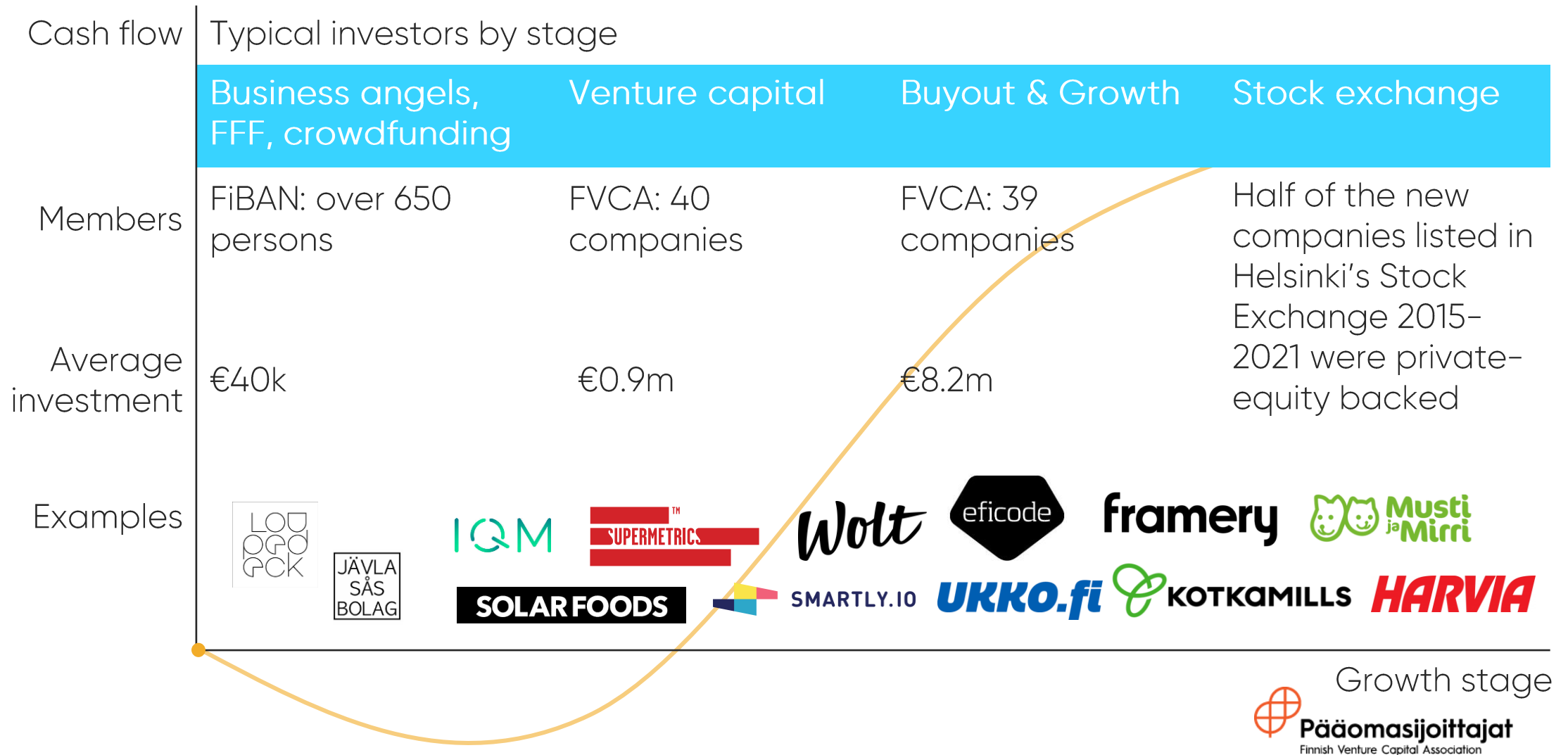
Growth Company

A company with an established business, revenue, and potential to continue to grow. 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



Investment type:
Minority/Majority

Finnish private equity investors

Membership also includes a growing number of family offices and CVC investors

Buyout
Growth
Venture Capital & startups



Development stage

Seed stage

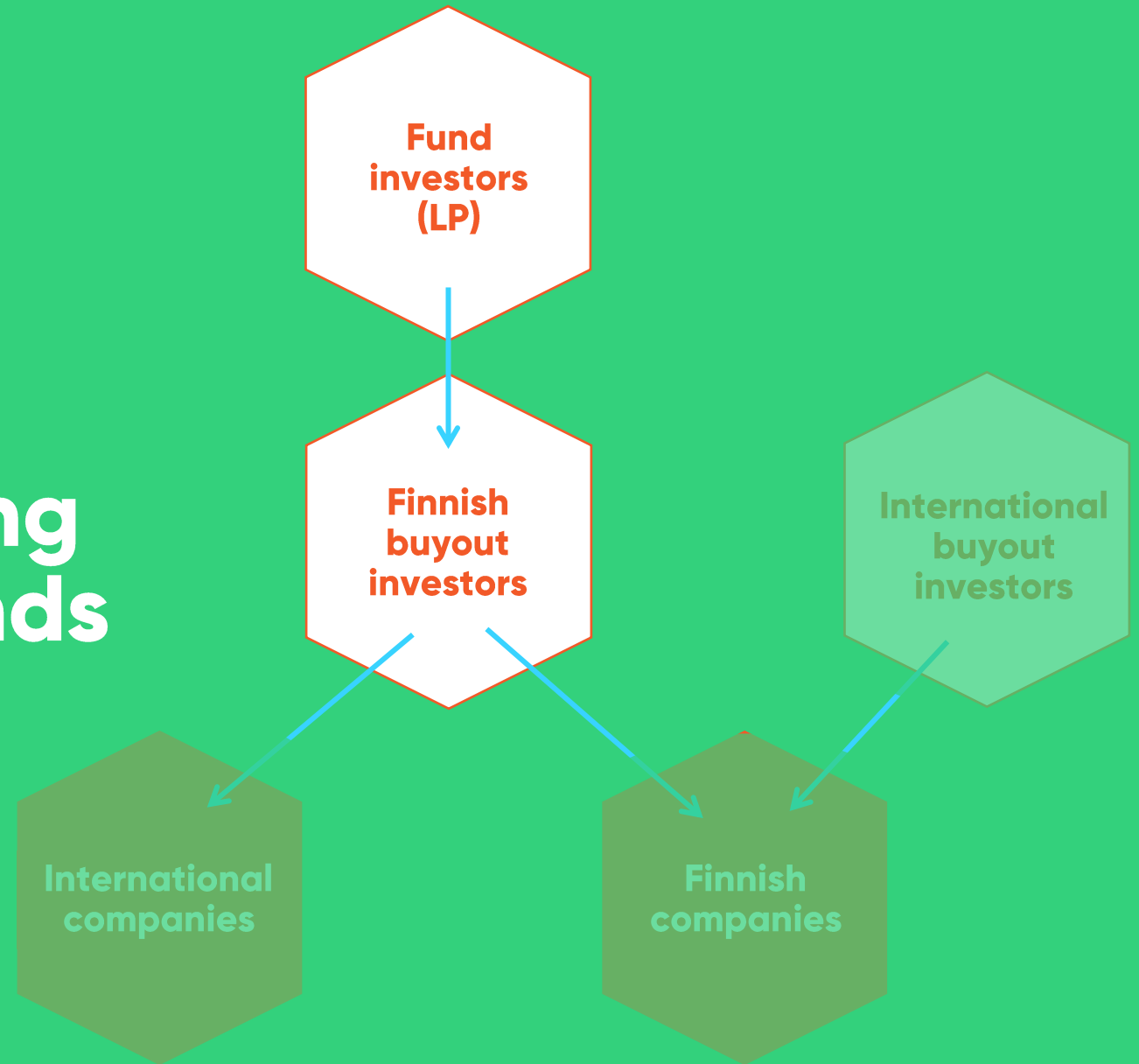
Startup

Later stage venture

Growth

 **Pääomasijoittajat**
Finnish Venture Capital Association

A Record Fundraising Year for Buyout Funds



A Record-Smashing Year in Fundraising

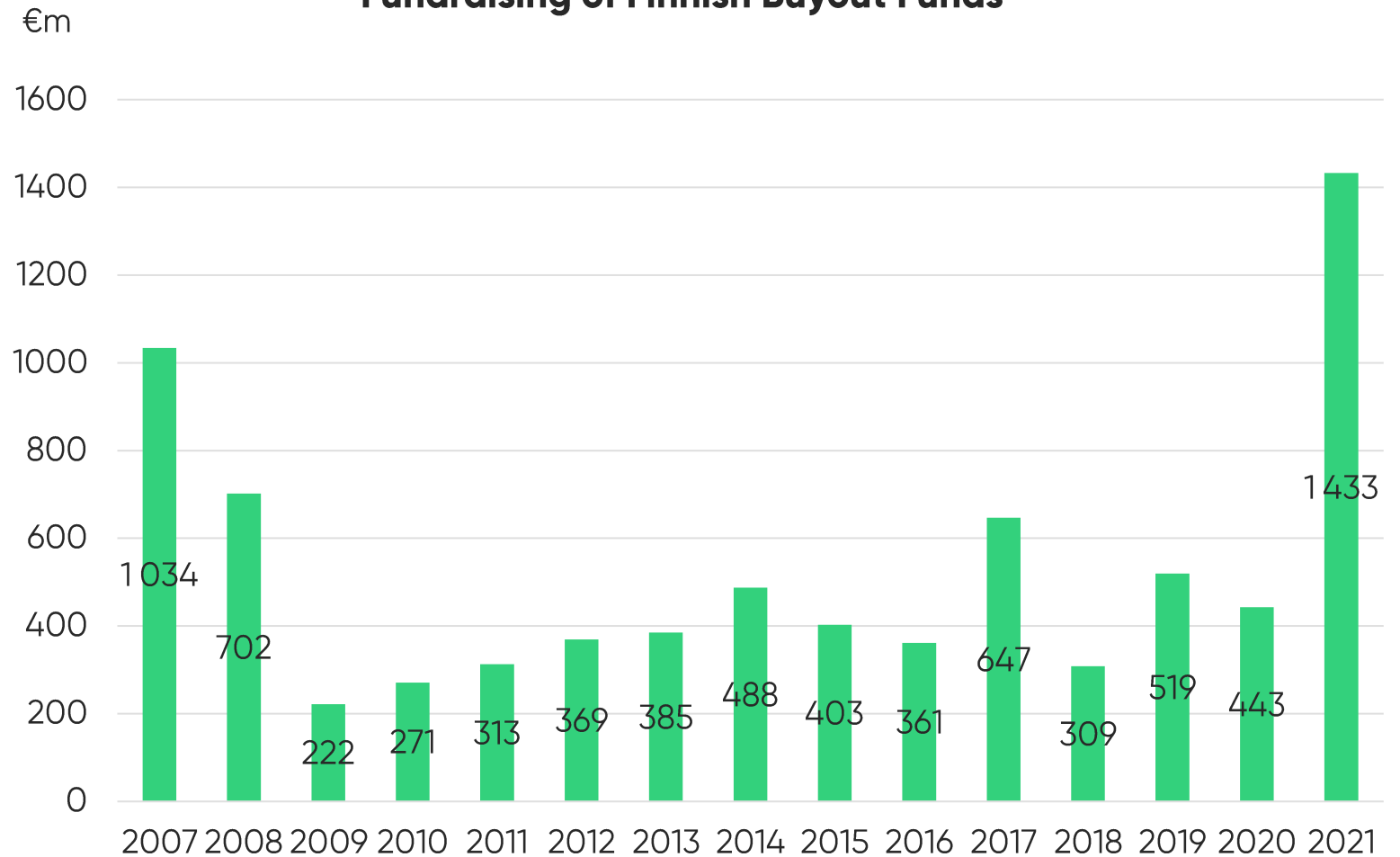
€1 443m (+224 %)

fundraising by Finnish buyout and growth investors in 2021

many of the biggest Finnish buyout firms were raising funds in 2021

raised funds will be invested in Finnish small and medium sized companies in the upcoming years to boost the companies' growth

Fundraising of Finnish Buyout Funds



Sources: FVCA, EDC

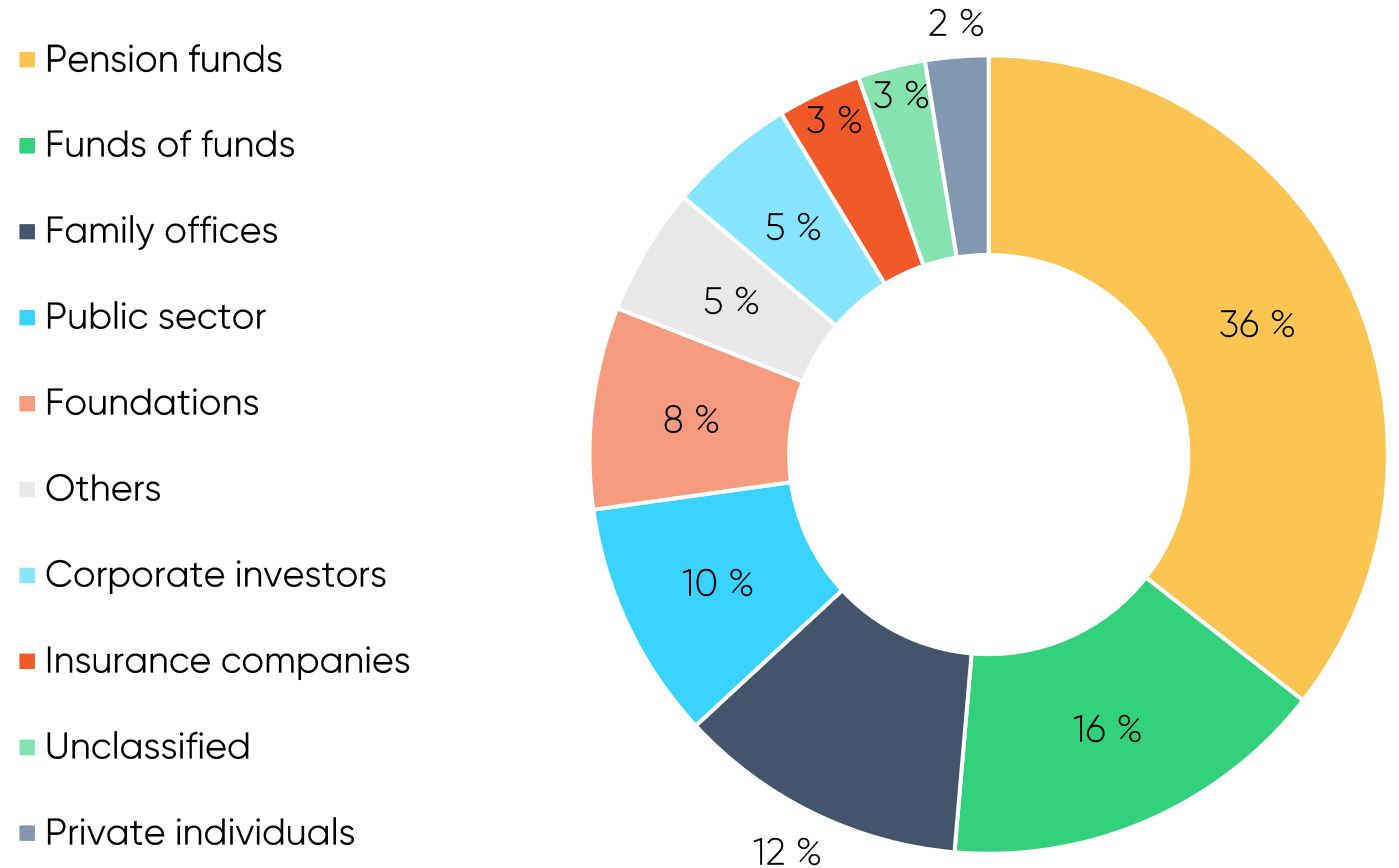
Finnish Buyout Funds' Investors in 2021

36 %

of raised funds in 2021 came from pension funds

second and third most capital was raised from funds of funds and family offices respectively

Finnish Buyout Funds' Investors in 2021



New Finnish Buyout Funds 2016-2021

2017

VAAKA
PARTNERS

225 M€, 3. fund

CapMan

97 M€, 1. growth fund

sentica

192,7 M€, 5. fund

FOLMER

62 M€, 2. fund

2018

SÄÄRI
PARTNERS

42 M€, 1. fund



ARMADA

210 M€, 5. fund

2019

CapMan

190 M€, 11. buyout fund

JUURI
PARTNERS

125 M€, 2. fund

EVOLVER

50 M€, 1. fund

DevCo

180 M€, 3. fund

2020

Verso

100 M€, 3. fund

Bocap

Investments by invitation

70 M€, 3. fund



**SPONSOR
CAPITAL**

202 M€, 5. fund

2021

INTERA
PARTNERS

335 M€, 4. fund

DevCo

260 M€, 4. fund

VAAKA
PARTNERS

250 M€, 4. fund

KORONA INVEST

80 M€, 4. fund

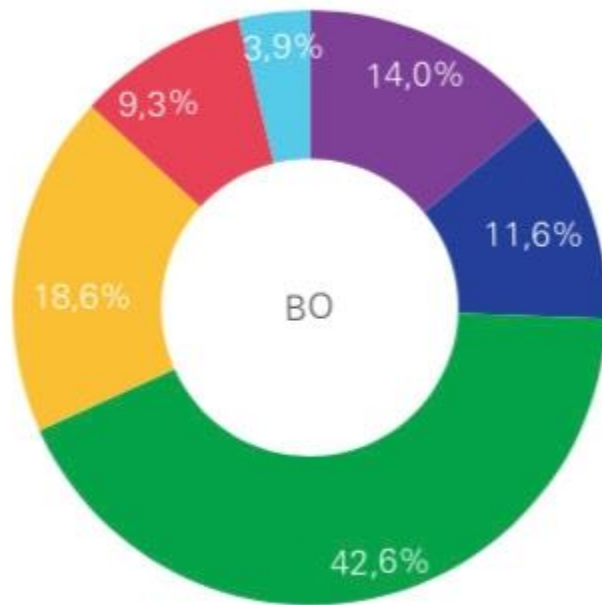
CapMan

53 M€, 1. special
situations fund

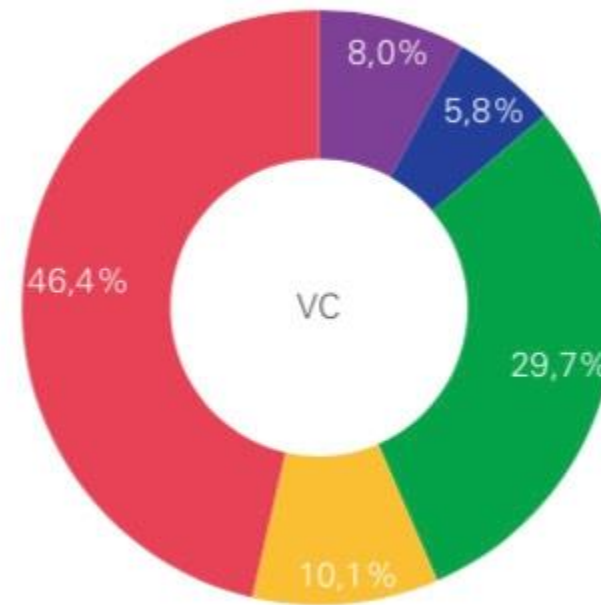
Buyout funds invest in profitable, non-listed companies with a revenue of at least a few million euros and potential for growth.

Buyout investors' ideal target companies are looking for a partner to, for example, rejuvenate operations, boost international growth, ease generational change or prepare for an IPO.

Revenue Split of Private equity investors' portfolio companies in 2020



- over 100M€
- 50-100M€
- 10-50M€
- 5-10M€
- 1-5M€
- under 1M€



- over 10M€
- 5-10M€
- 1-5M€
- 500k-1M€
- under 500k

Buyout Funds Have Increasing Amount of Capital for Investments

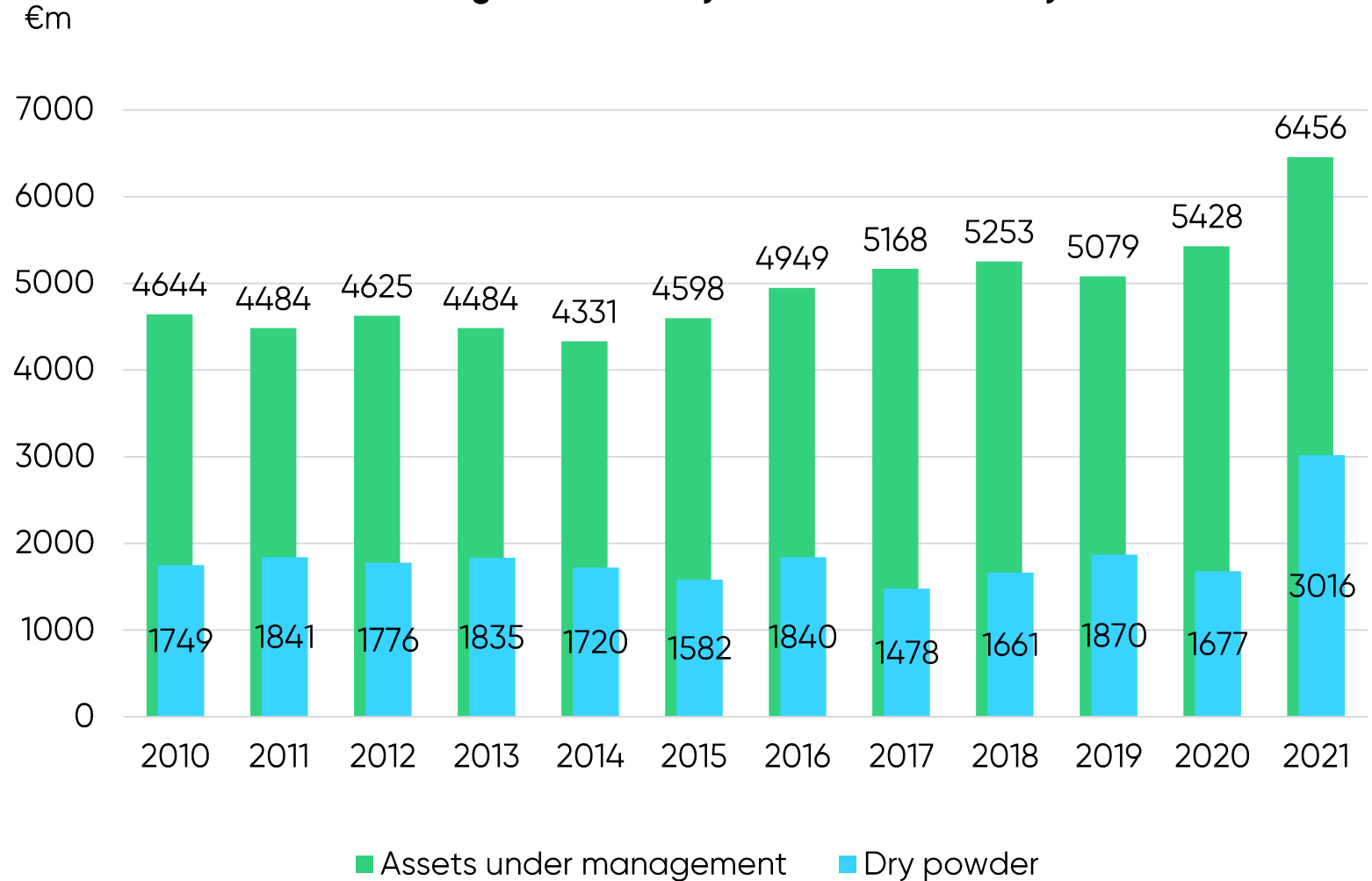
6.5 B€ (+19 %)

the amount of capital managed by Finnish buyout investors have risen to a new record

3.0 B€ (+80 %)

the amount of dry powder available for investment in promising growth companies reached new record

Assets Under Management and Dry Powder of Finnish Buyout Funds





“

2021 was an excellent fundraising year for Finnish buyout firms. The funds available for investments have risen to 3 billion euros. This is great news for companies that are seeking funding and an experienced partner for growth.

**Pia Santavirta, Managing Director of the
Finnish Venture Capital Association (FVCA)**

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Pääomasijoittajat
Finnish Venture Capital Association

Over Half a Billion Invested in Finnish Companies

Domestic and foreign buyout investors' activity in Finnish companies



Over Half a Billion Invested in Finnish Companies

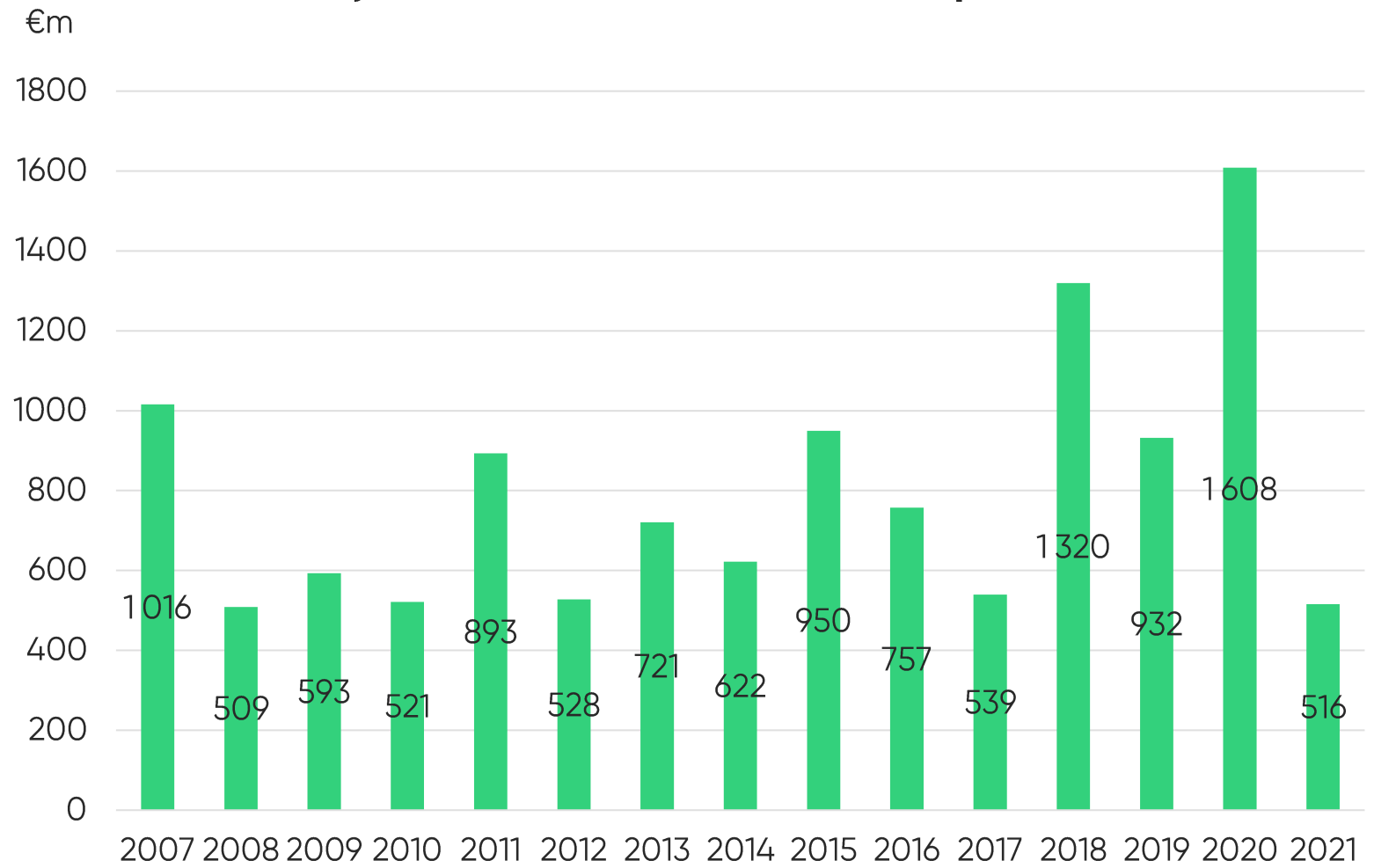
€516m (-68 %)

total amount of buyout investments received by Finnish growth companies in 2021

€2.1 bn

total of buyout investments made in 2020 and 2021

Buyout Investments into Finnish Companies



Sources: FVCA, EDC

Over 80 Companies Receive a Buyout Investment Each Year

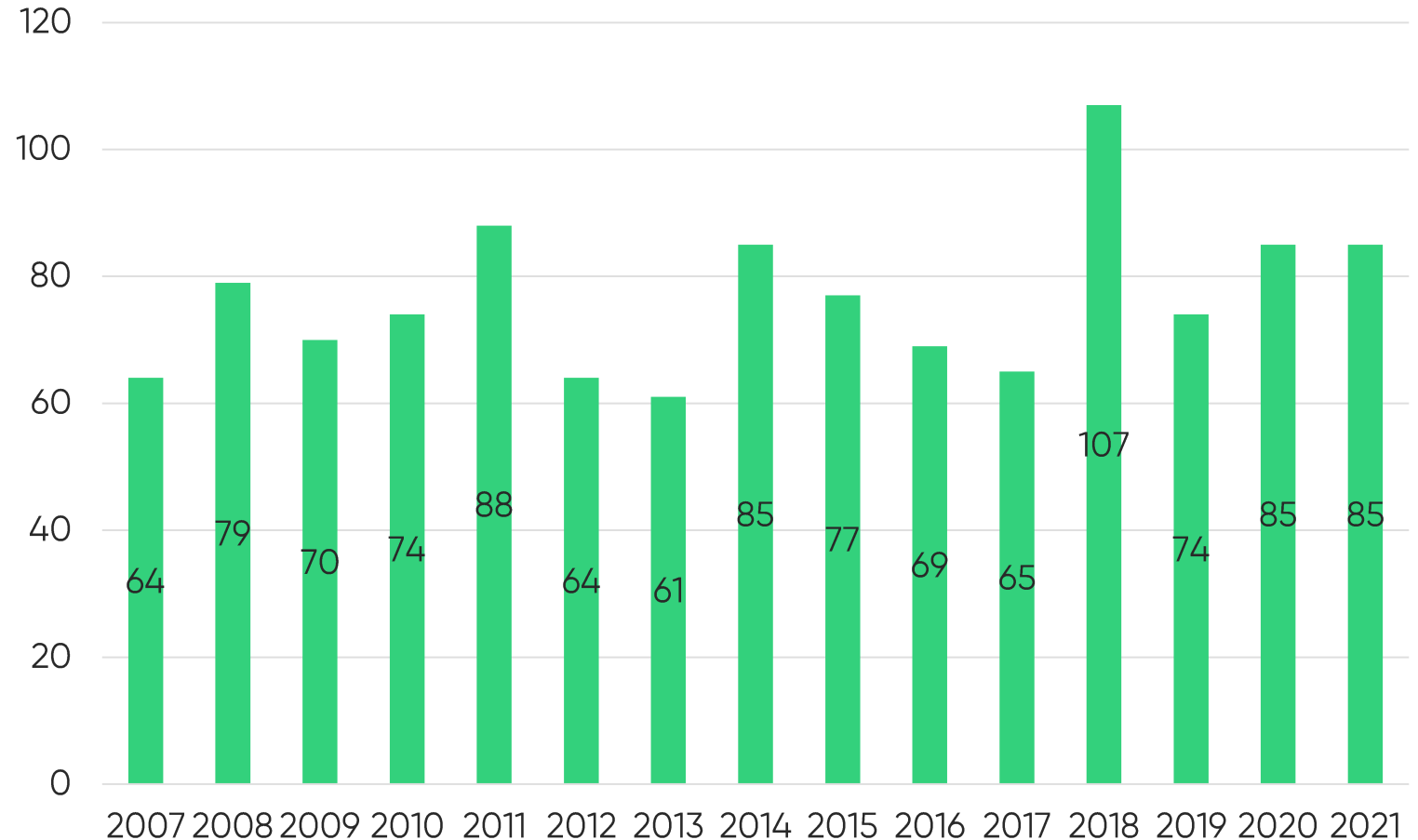
85 (+0 %)

Finnish growth companies received an investment in 2021

investment activity remained stable

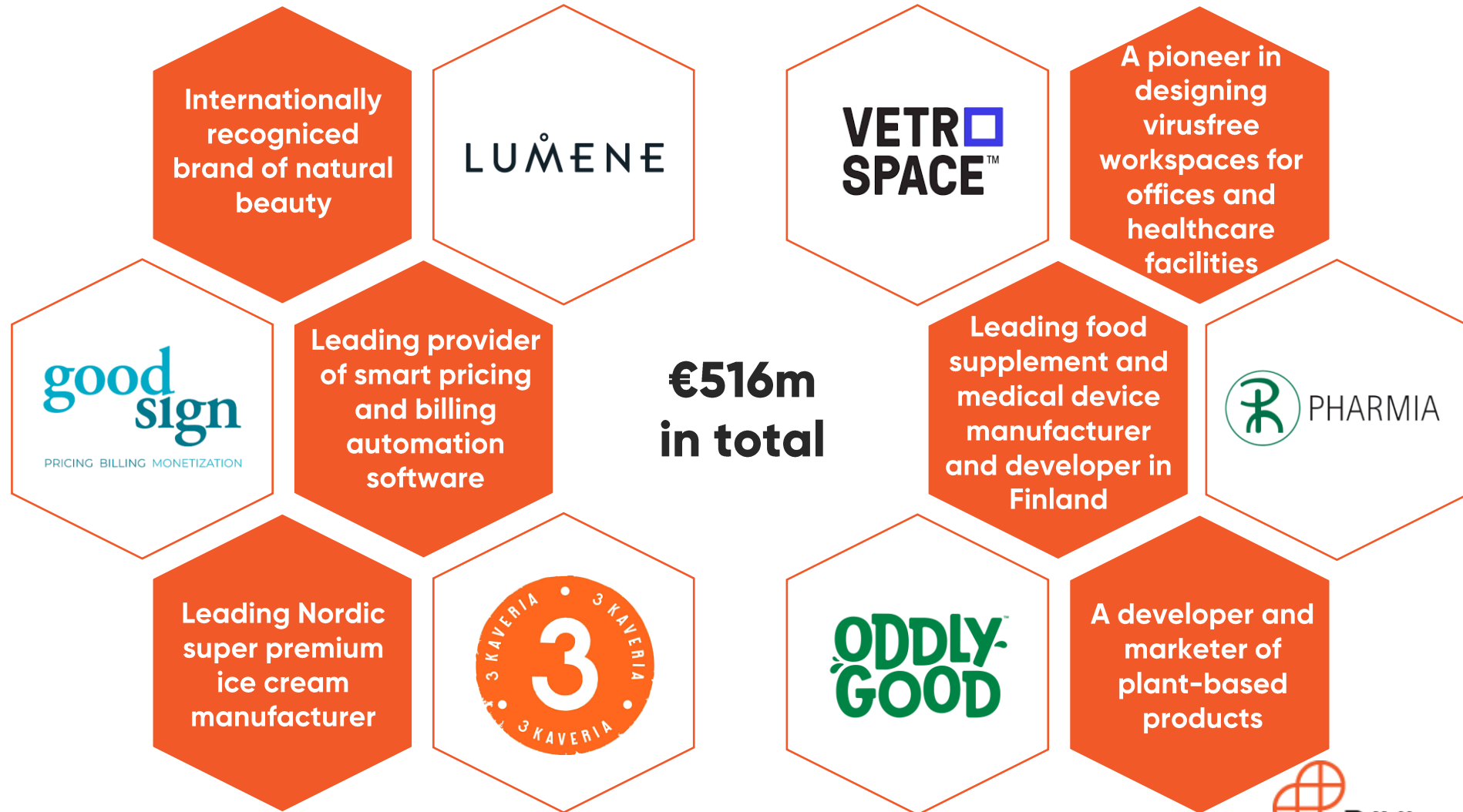
Buyout Investments into Finnish Companies

Nbr companies



Sources: FVCA, EDC

Examples of 2021 Buyout Investments



Steady Flow of Investments from Finnish Investors

€348m, 74 companies

(-28 %, +6 %)

Finnish small and medium sized companies continue to attract domestic investments

€168m, 13 companies

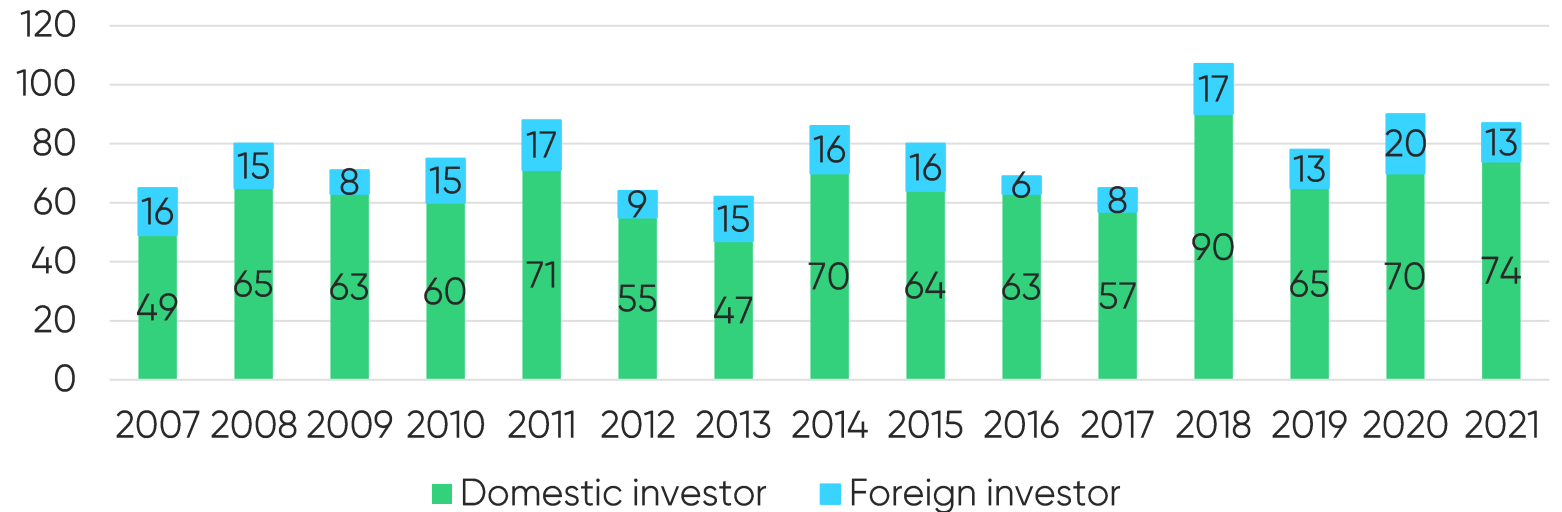
(-85 %, -35 %)

international investors are often involved especially in the largest buyout investments which causes big variation in invested amount year by year

Domestic and Foreign Buyout Investments into Finnish Companies



Nbr companies

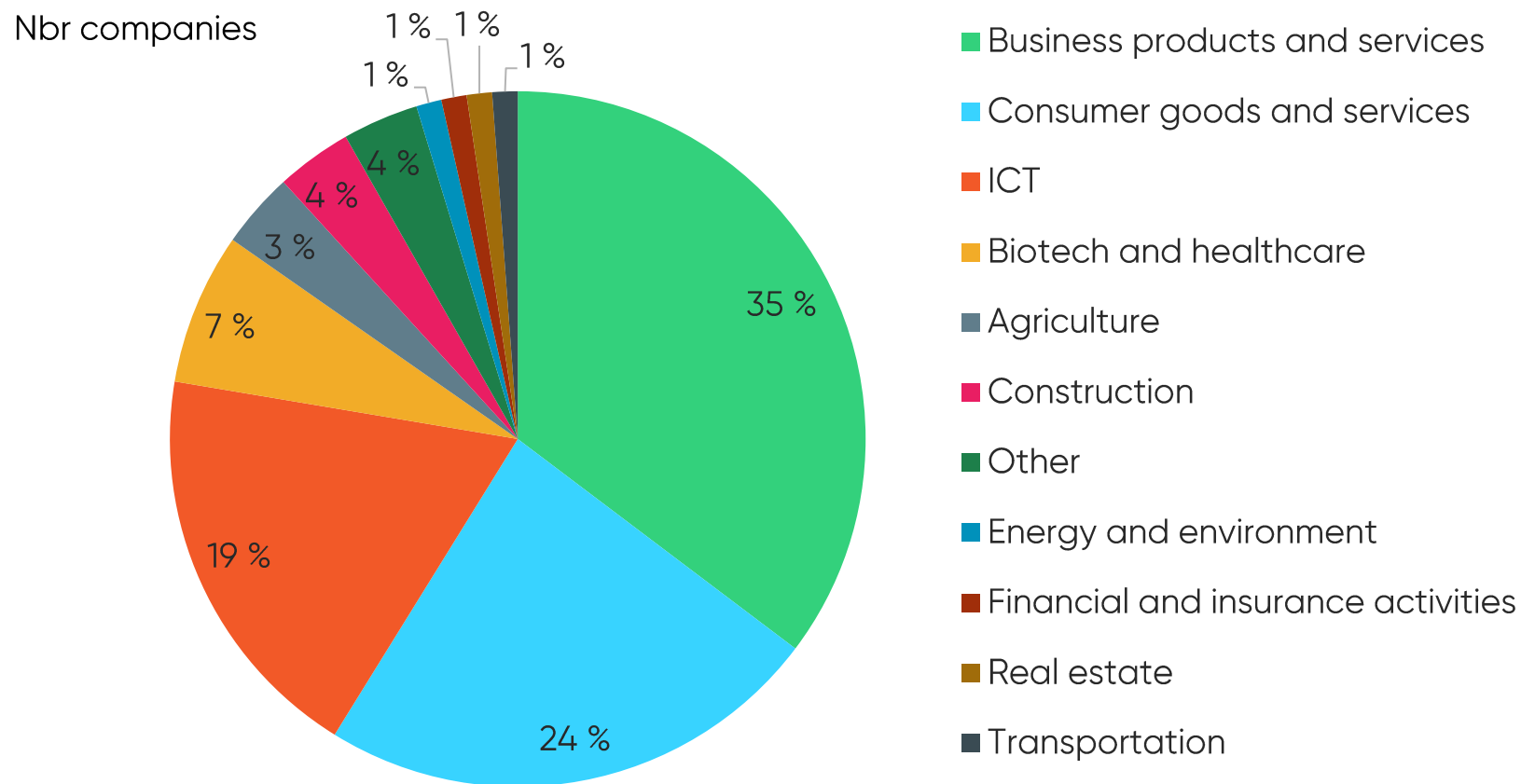


Investments Made in a Wide Range of Industries

35% of the companies that received buyout investments were B2B product/service providers

consumer goods and services attracts the second most buyout investments

Buyout Investments into Finnish Companies by Industry in 2021

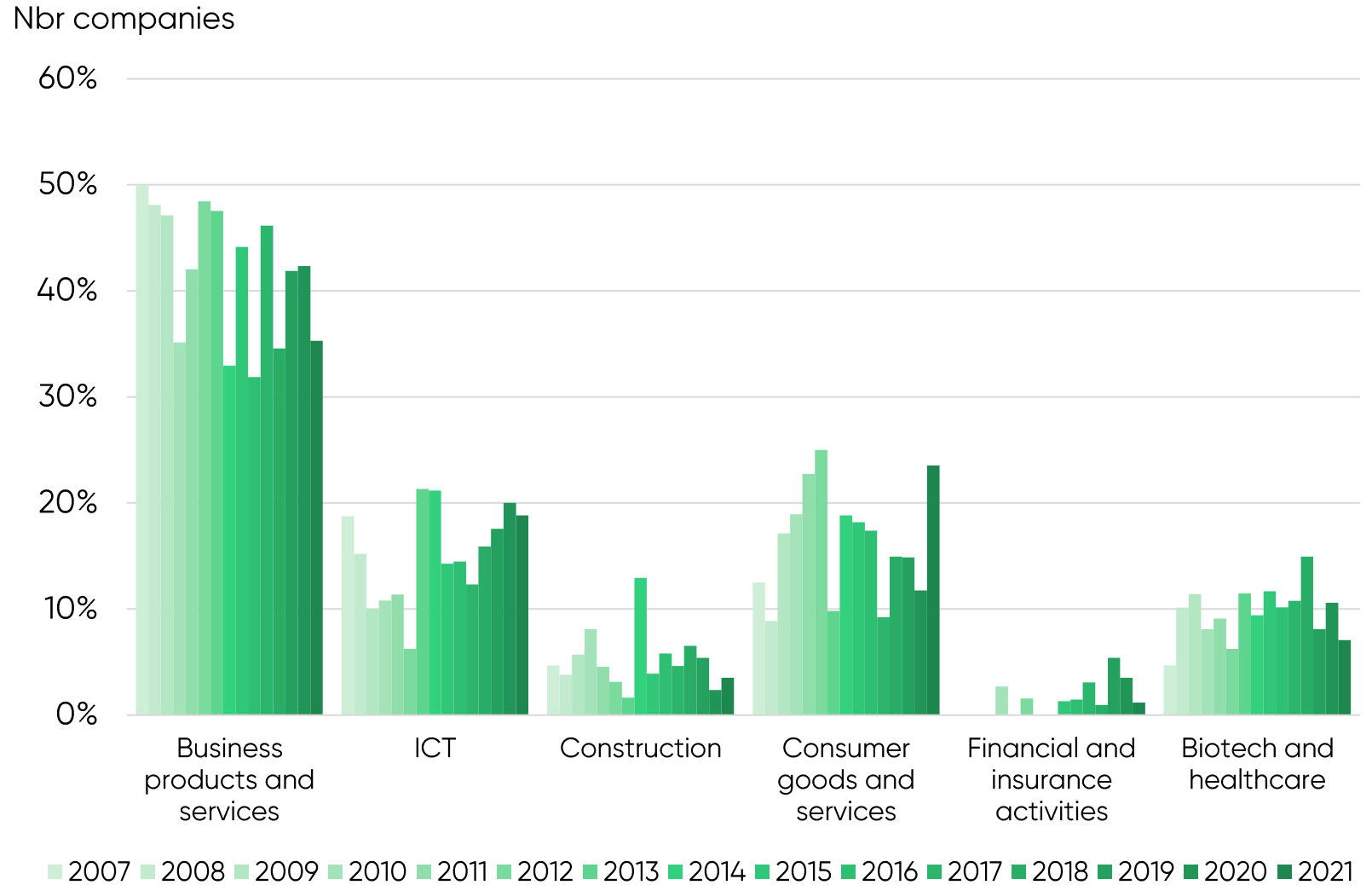


Sources: FVCA, EDC

ICT and Consumer Services are Picking Up More Investments

investments in tech companies and companies providing consumer goods and services have increased during the past years

Buyout Investments into Finnish Companies by Industry



Sources: FVCA, EDC

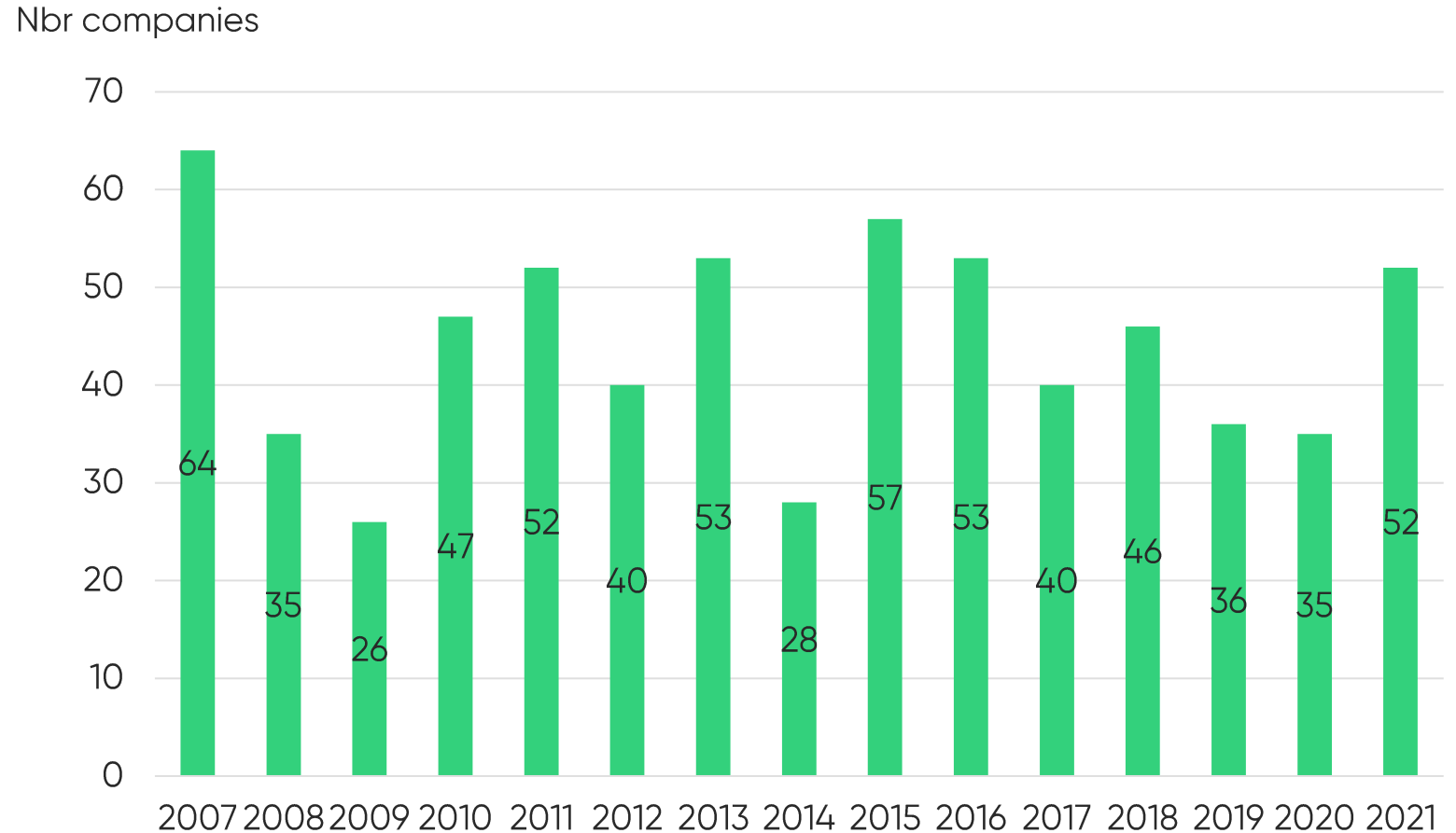
Divestments

Buyout Investors Made an Exit from Over 50 Companies

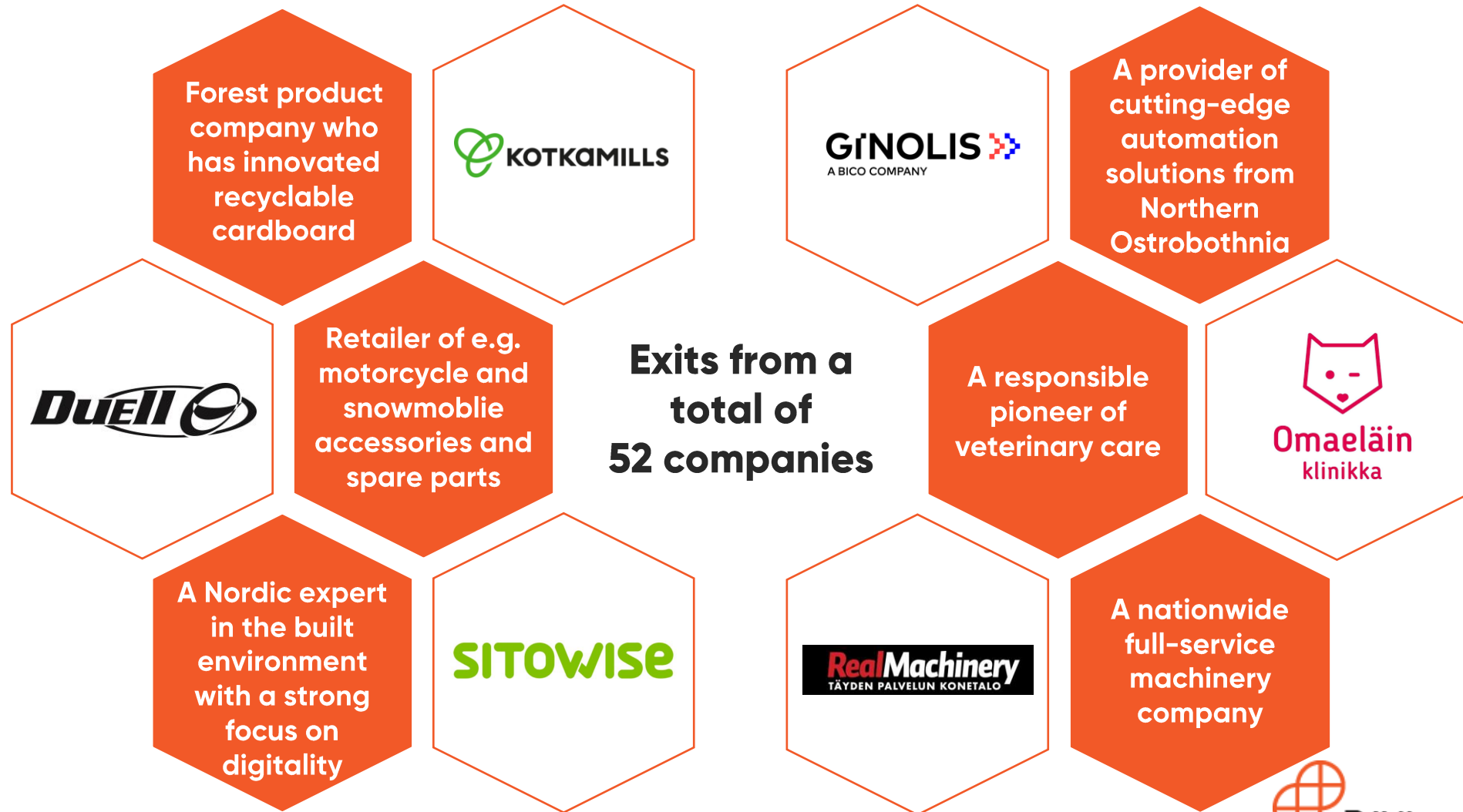
52 companies (+49 %) were exited in 2021, with the number increasing clearly from the previous year

when the growth plan for the company is completed the buyout investor sells their shares to a new owner and the company moves to the next growth phase

Successful Buyout Divestments of Finnish Companies



Examples of 2021 Buyout Divestments



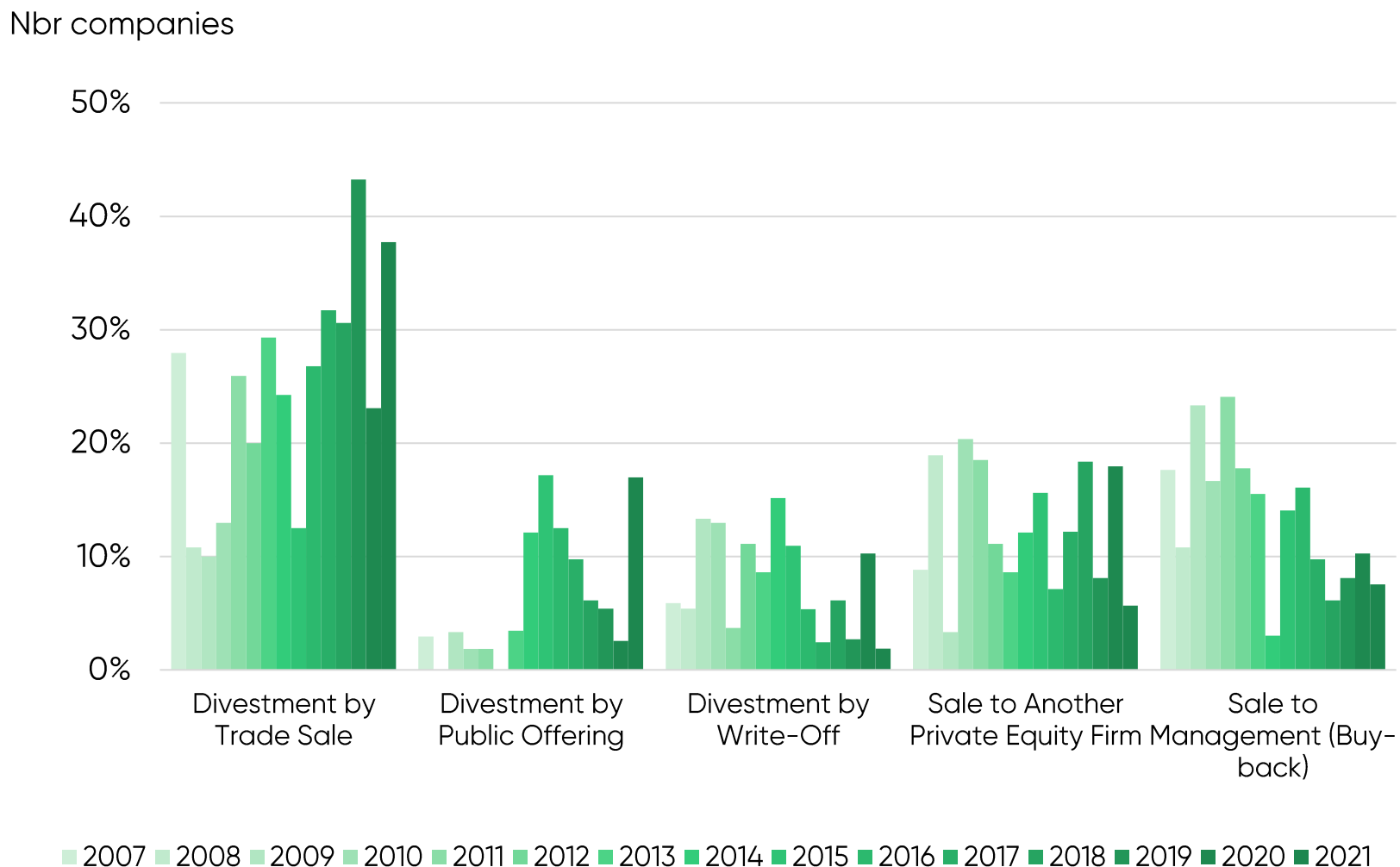
Divestment by Trade Sale was the Most Common Exit Route

measured by the number of companies, the most popular exit method was a trade sale with 20 exits in 2021

2021 saw a lot of public offerings, which can also be seen in the buyout exits

the number of write-offs remained on a low level despite the pandemic

Buyout Exits from Finnish Companies



Around 50 % of newly-listed companies on the Helsinki Stock Exchange have a private equity background



SITOWISE

KREATE
THE FUTURE IS BUILT TODAY



CONSTI

TOKMANNI



orthex
GROUP



SILMÄASEMA

SPINNOVA®



BETOLAR



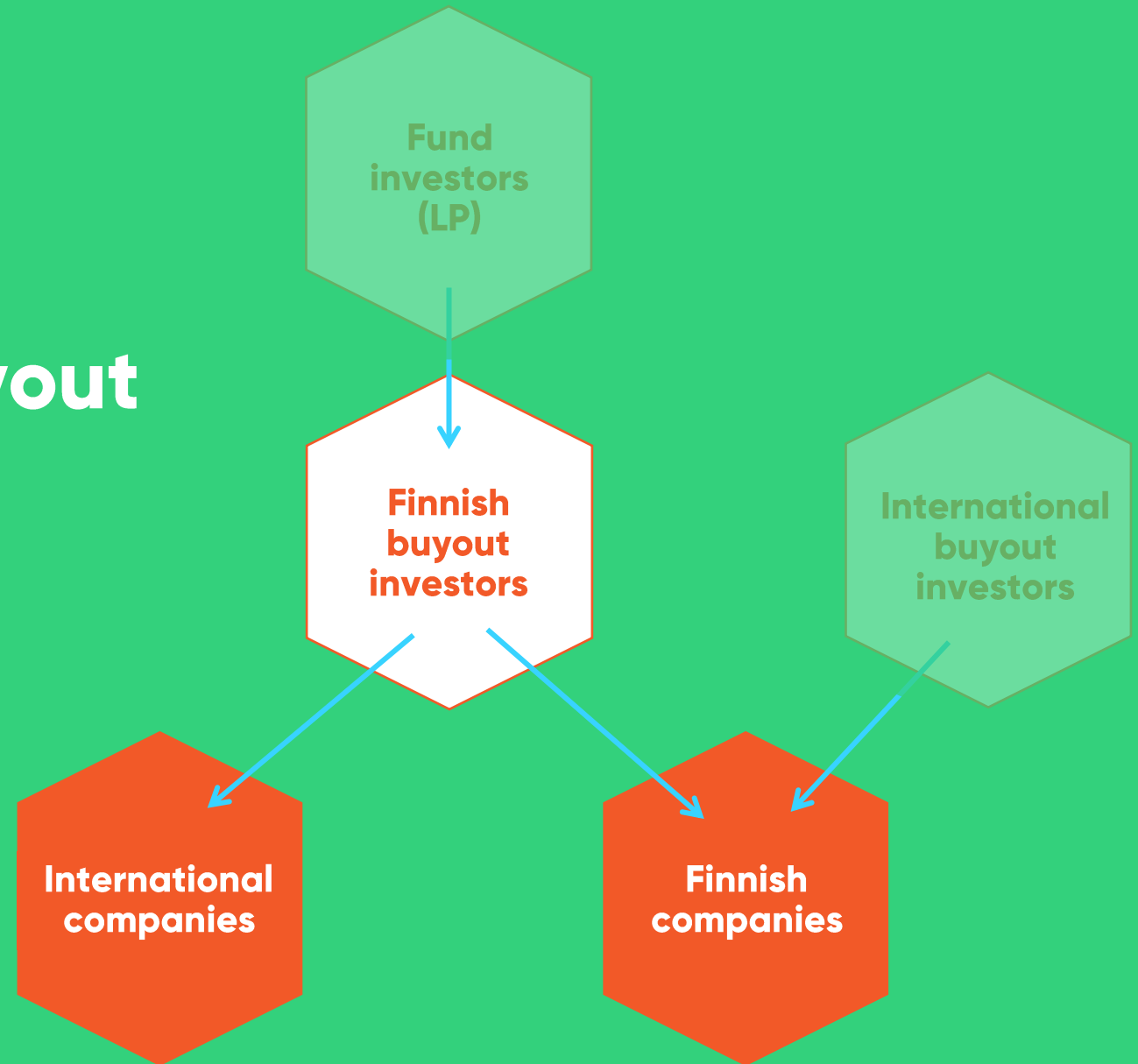
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ADMINISTER



Over 90 % Finnish Buyout Investments Go to Domestic Companies

Investments of Finnish buyout investors

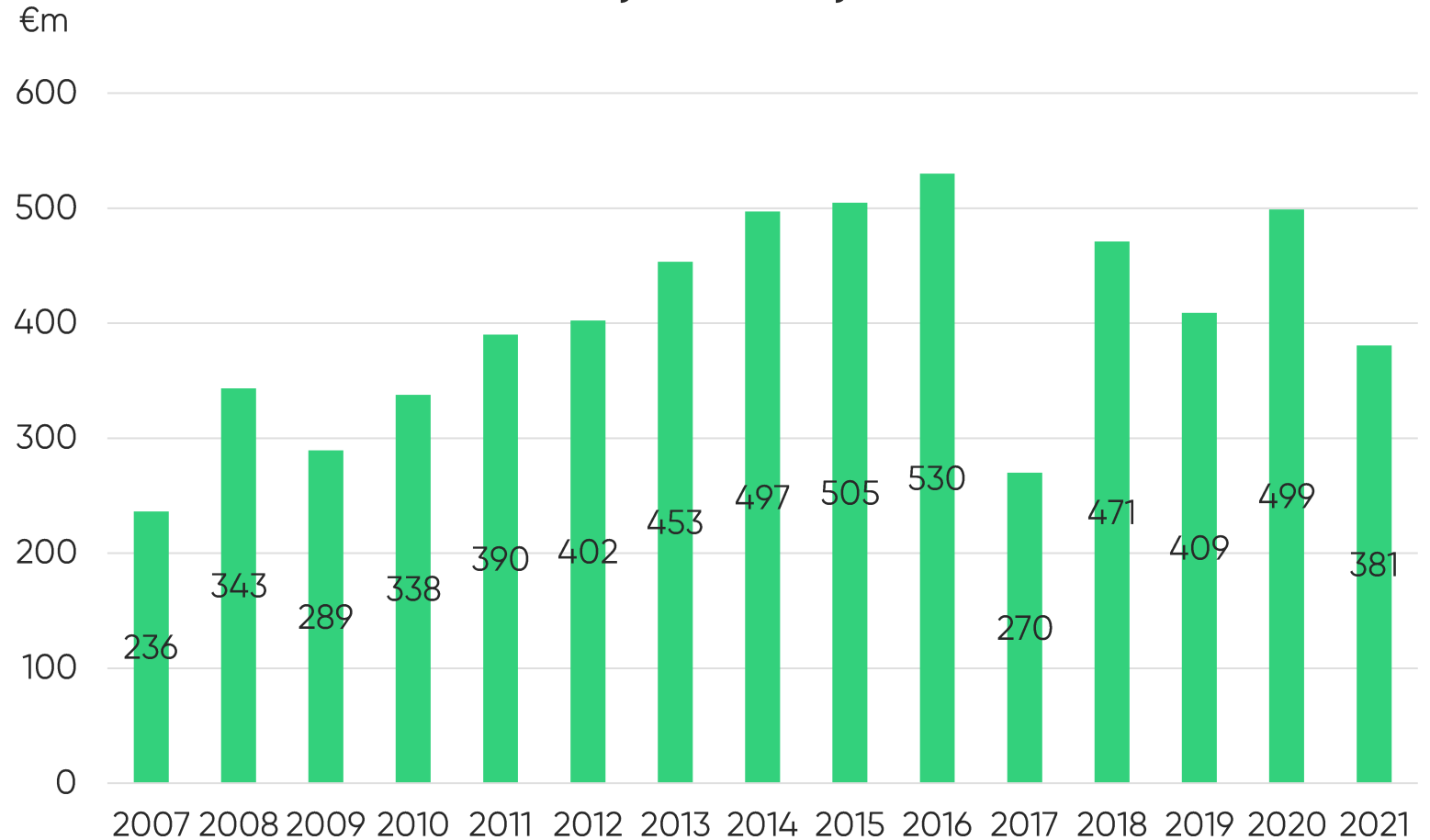


Finnish Buyout Investors Invested almost €400m

€381m (-24 %)

the total amount invested by Finnish buyout investors in domestic and foreign companies in 2021

Investments by Finnish Buyout Investors

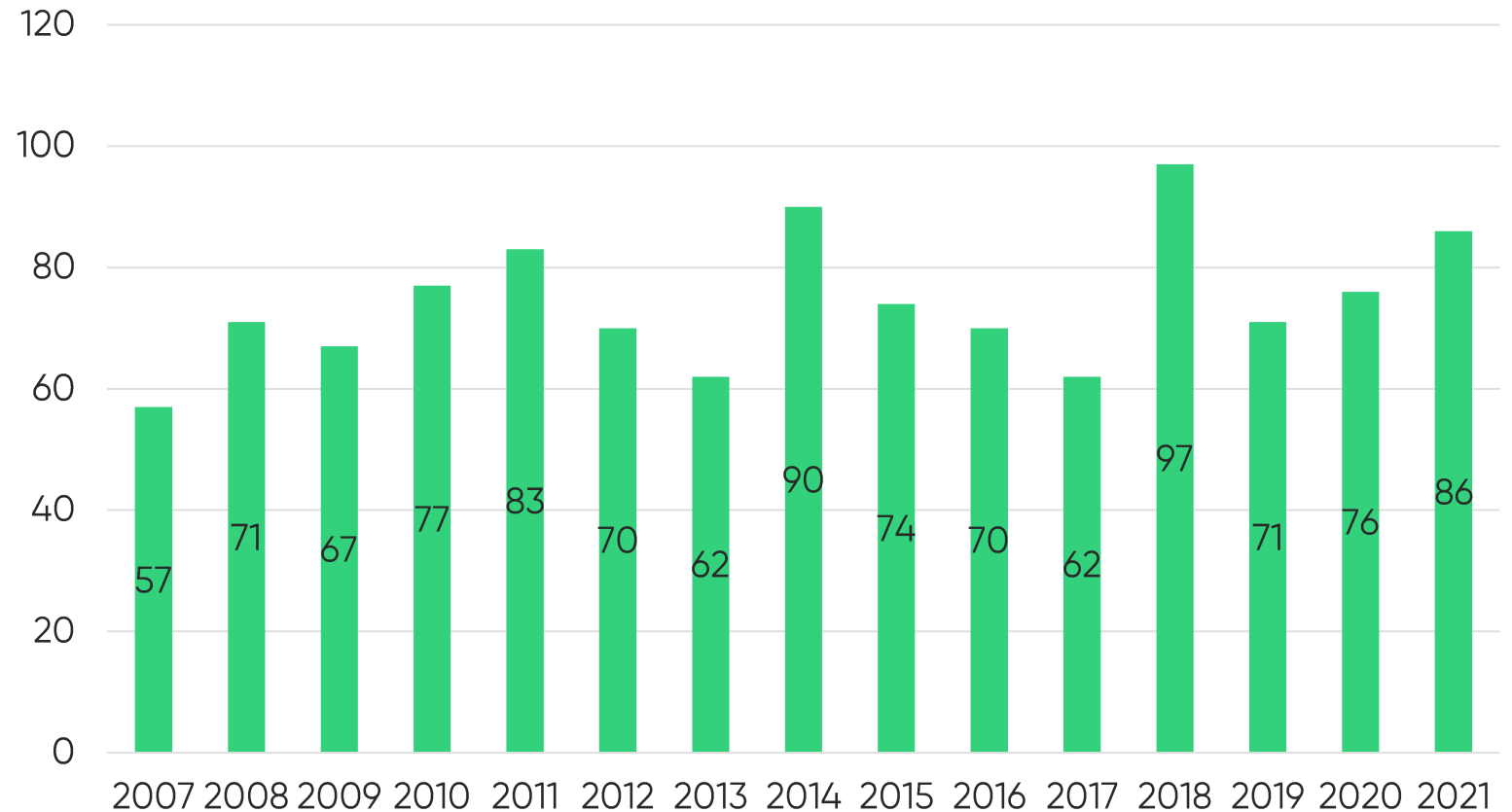


Around 80 Companies Receive an Investment Each Year

86 companies (+13 %) received an investment from a Finnish buyout investor in 2021

Investments by Finnish Buyout Investors

Nbr companies



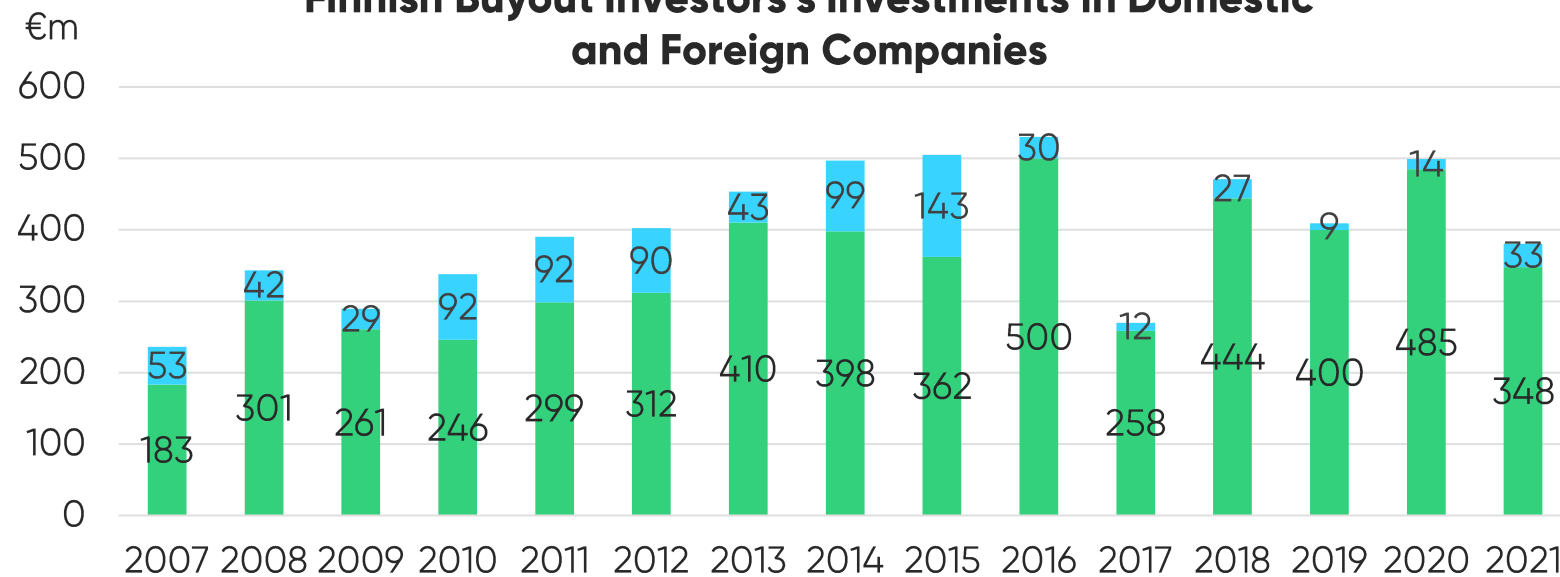
Sources: FVCA, EDC

Finnish Buyout Investors Invest Mainly in Finnish Companies

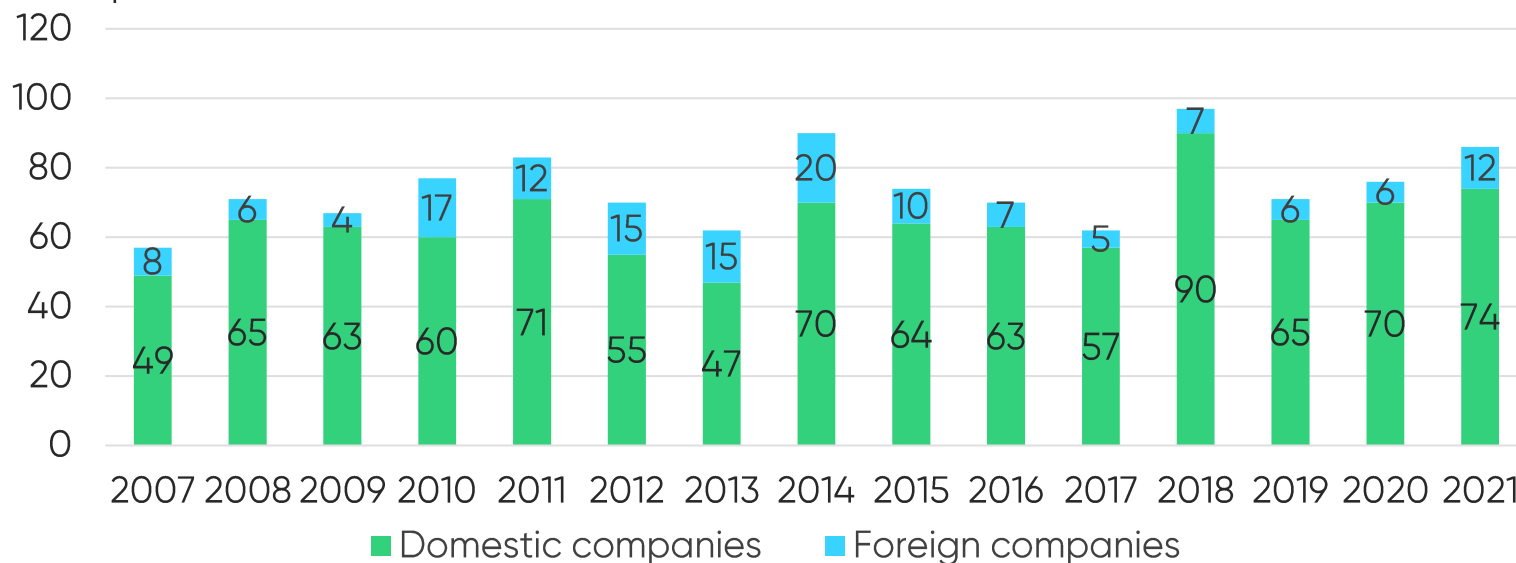
Nearly 90 %

of Finnish buyout investors' investments were made into Finnish companies in 2021

Finnish Buyout Investors' Investments in Domestic and Foreign Companies



Nbr companies

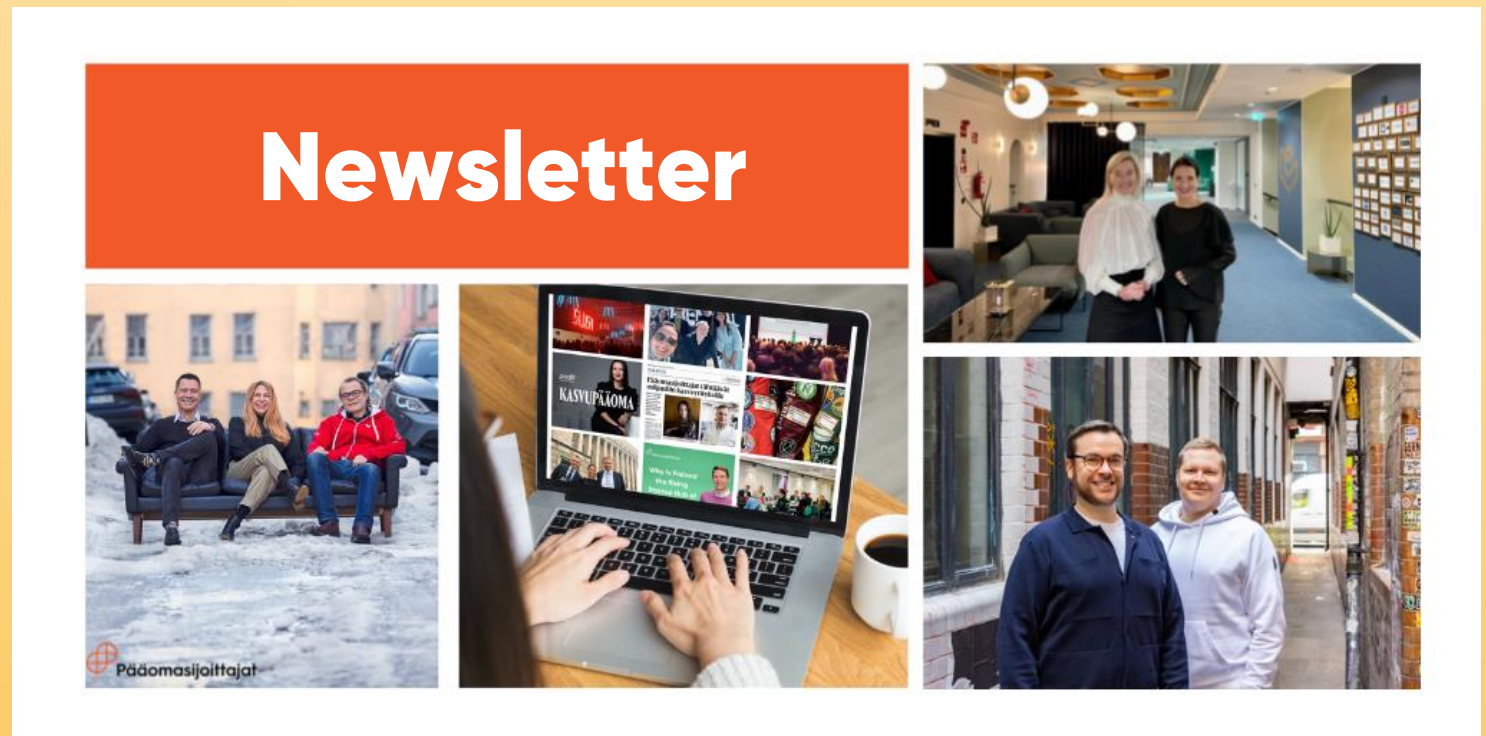


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