



**Pääomasijoittajat**

# Buyout in Finland 2021

Statistics on fundraising, investments, and divestments



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# Contents

## **Buyout in Finland 2021**

General information and statistical key figures

## **Market Statistics**

Investments into Finnish companies by Finnish and international buyout investors

## **Industry Statistics**

Finnish buyout investors' activity in Finland and abroad

## **Methodology**

# EDC – European Data Cooperative

The most comprehensive PE-database in Europe

**97 Investors  
in Finland**

3 700 in Europe

**280 Funds  
in Finland**

10 200 in Europe

**2 203 Portfolio companies  
in Finland**

83 000 in Europe

**9 265 Transactions  
in Finland**

308 000 in Europe

# 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.

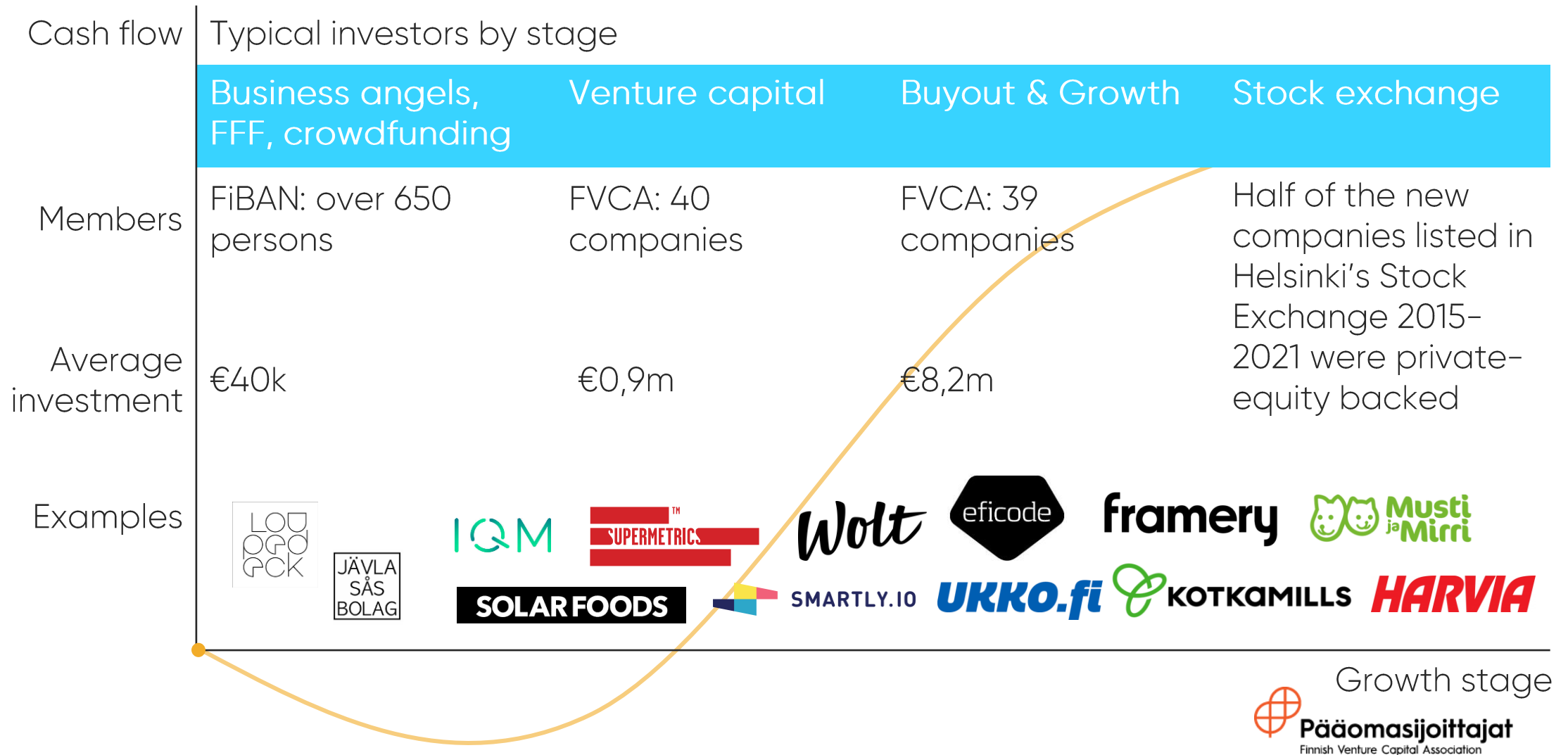
## Growth Company

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



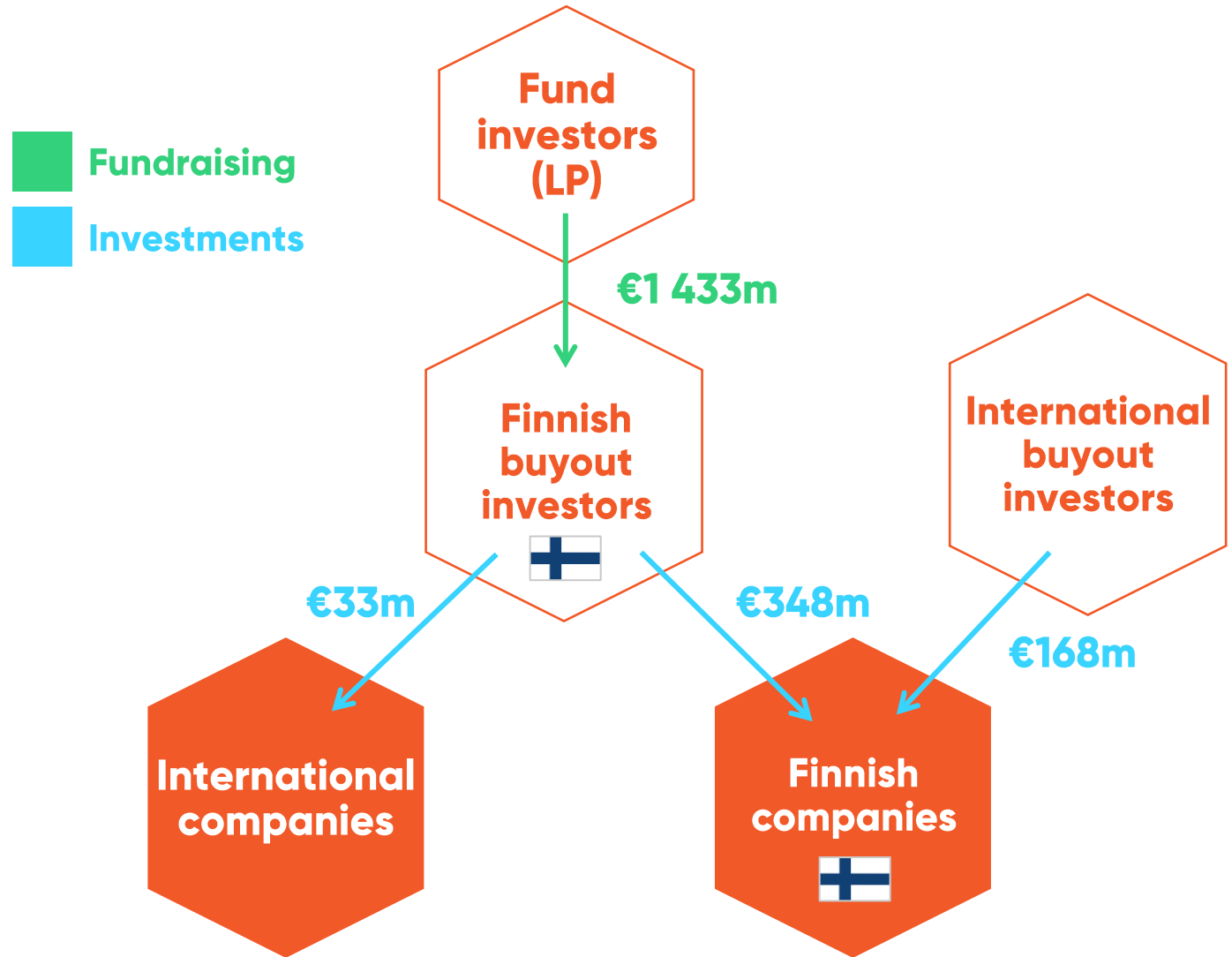
# Buyout 2021

**€1,4bn**

Funds raised for future investments

**€516m**

Total of buyout investments into Finnish companies



# Buyout 2021

Statistics in brief

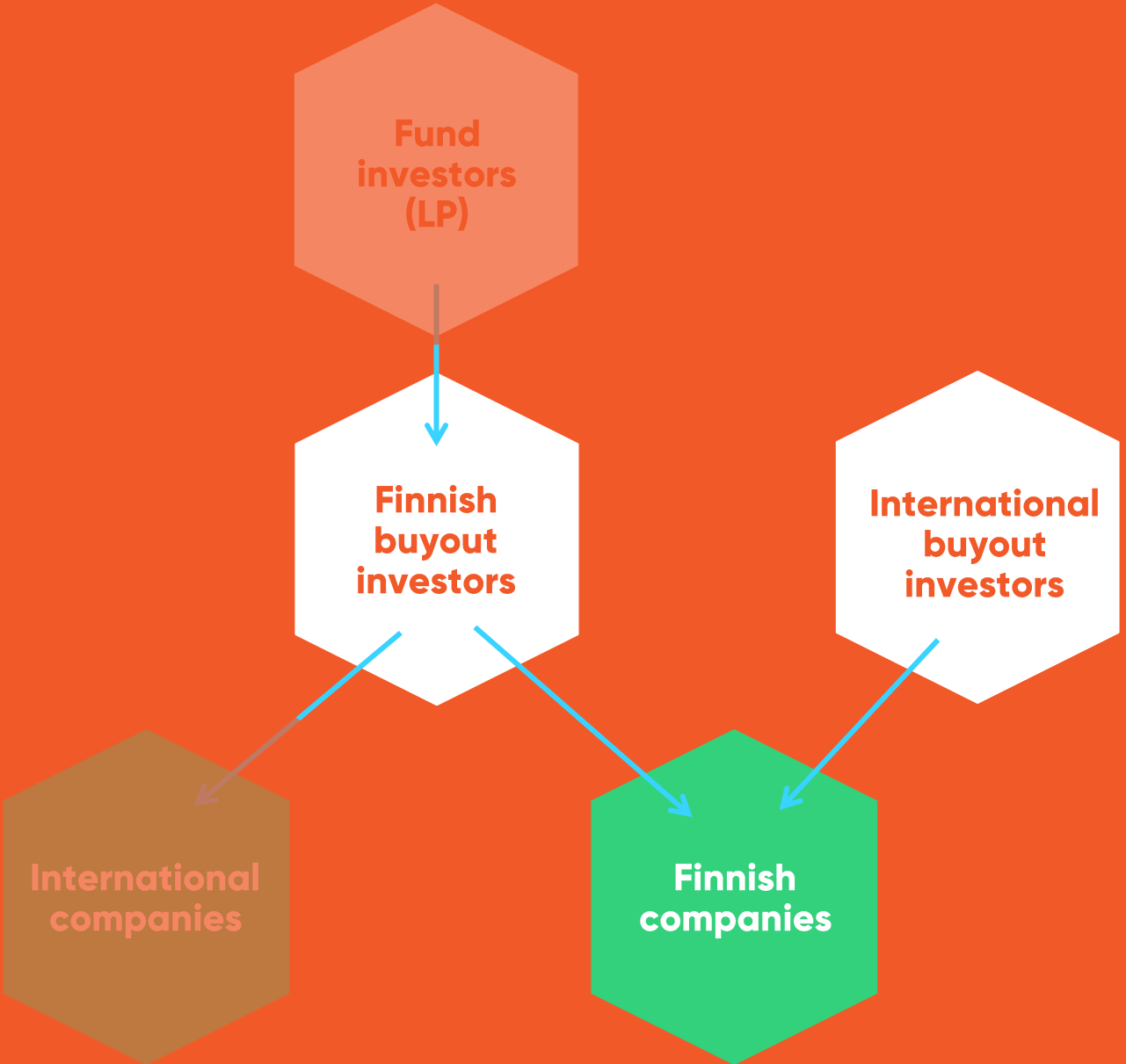
- Finnish buyout investors invested a total of **€381m** (-24 %) into **86** (+13 %) Finnish and foreign growth companies.
- A total of **€1 433m** (+244 %) of new funds were raised for future investments.
- Finnish buyout investors exited **52** (+68 %) companies. Trade sale was the most common exit method.
- **85** (+0 %) Finnish growth companies received a total of **€516m** (-68 %) in investments from Finnish and foreign buyout investors.
- Of this amount, **€168m** (-85 %) came from foreign investors and was invested into **13** Finnish companies (-35 %).
- Finnish and foreign buyout investors exited from **52** (+49 %) Finnish companies.

# Market Statistics

Domestic and foreign buyout investors' activity in Finnish companies



# Investments



# Over Half a Billion Invested in Finnish Companies

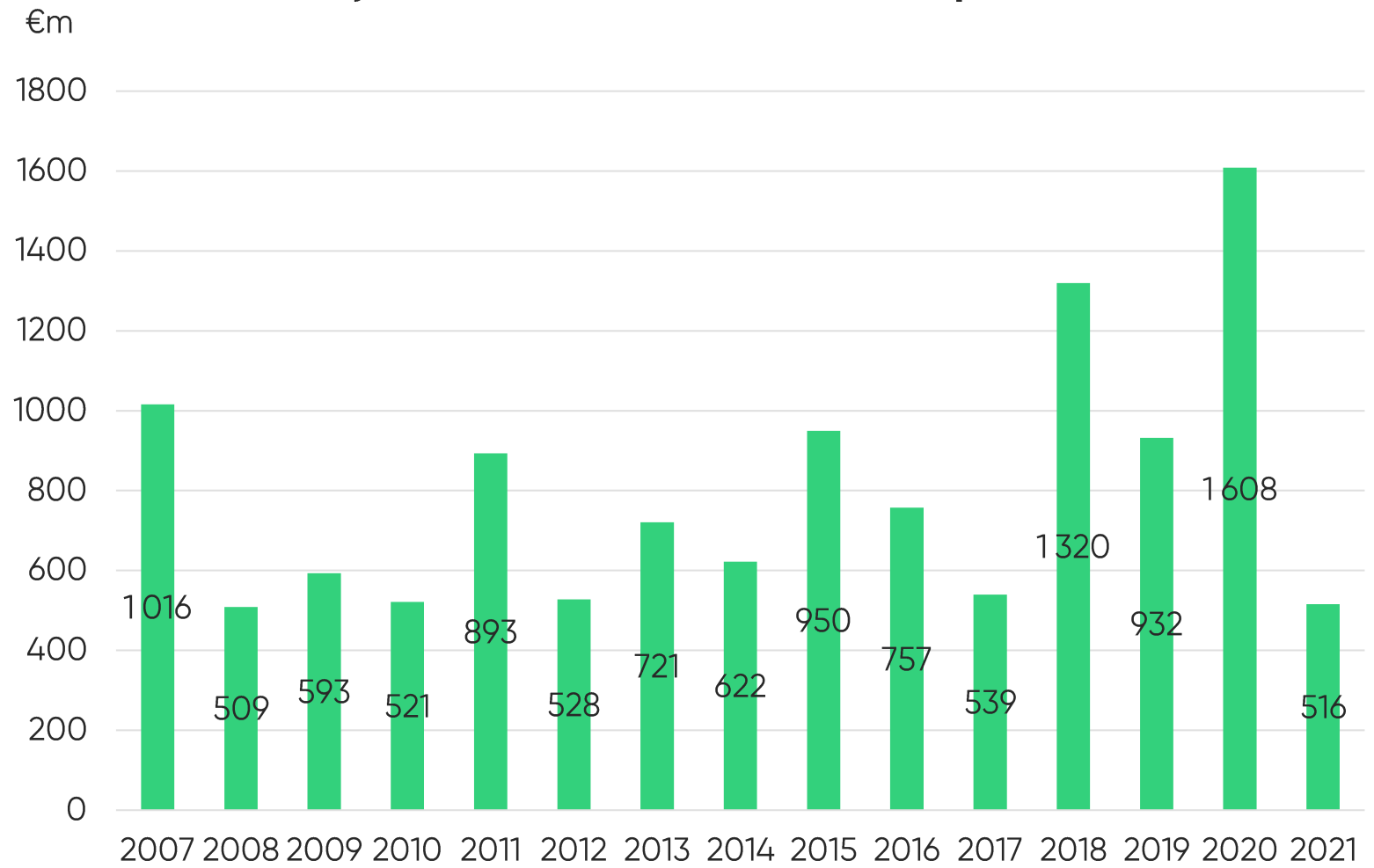
**€516m** (-68 %)

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

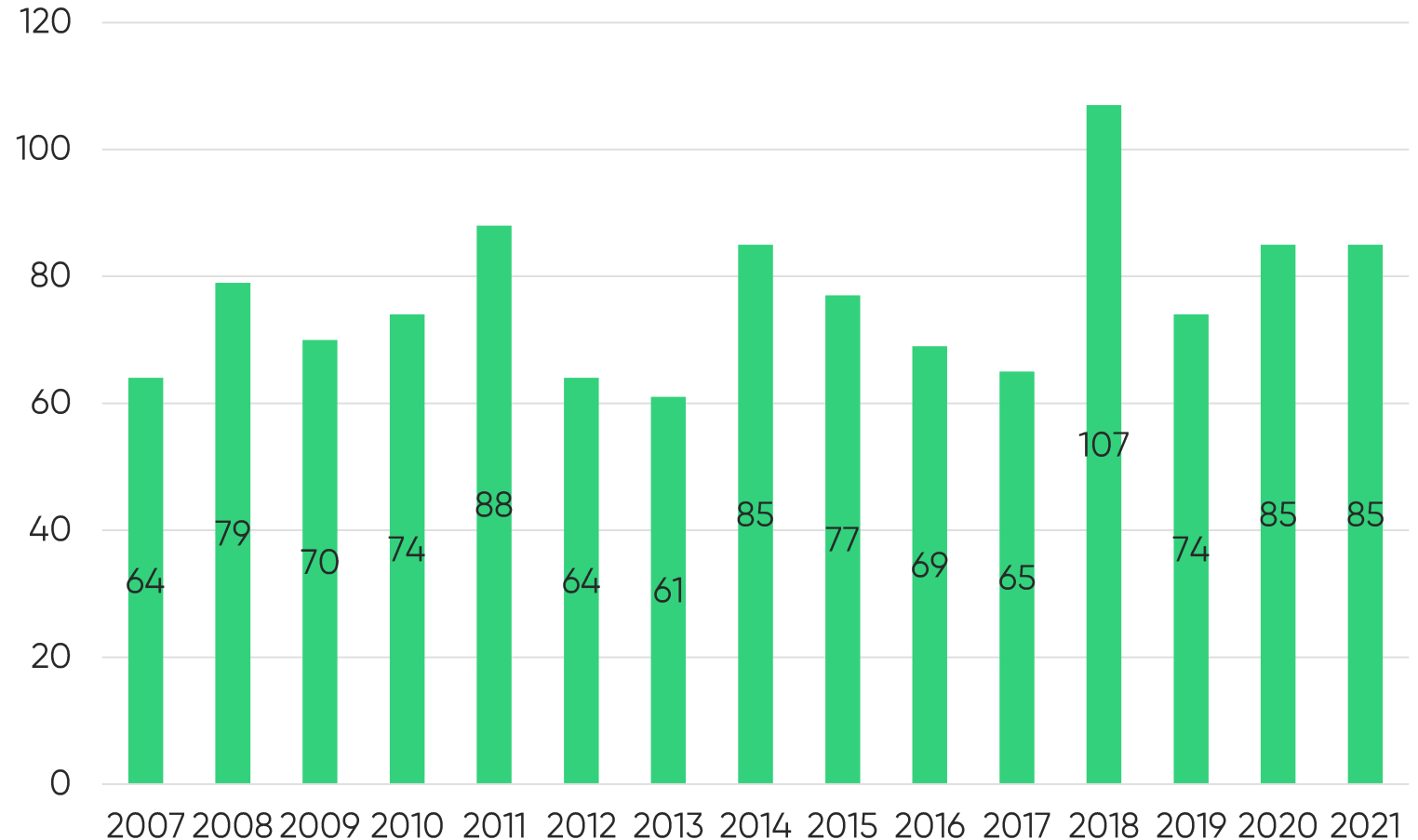
**85 (+0 %)**

Finnish growth companies received an investment in 2021

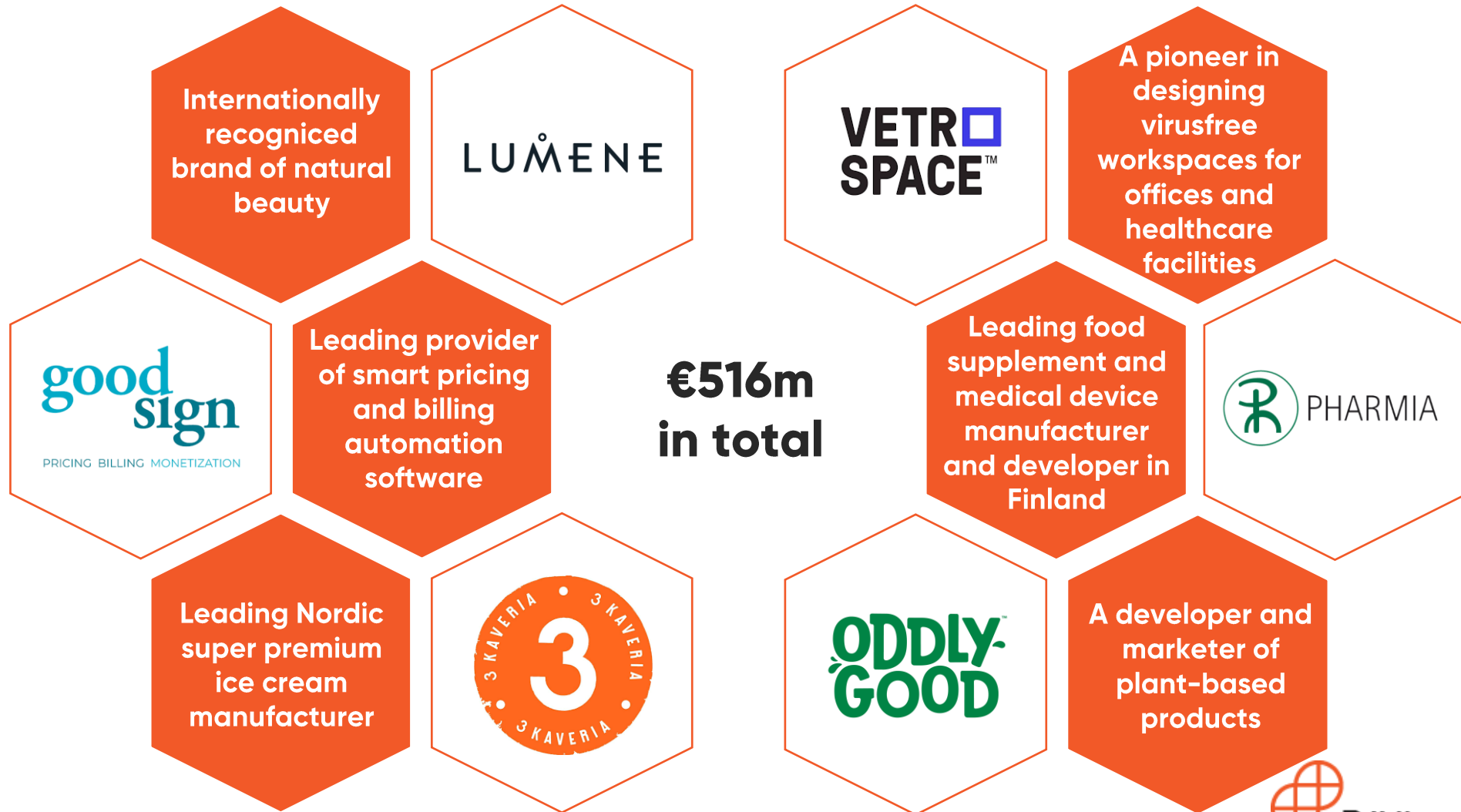
investment activity remained stable

## Buyout Investments into Finnish Companies

Nbr companies



# 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**

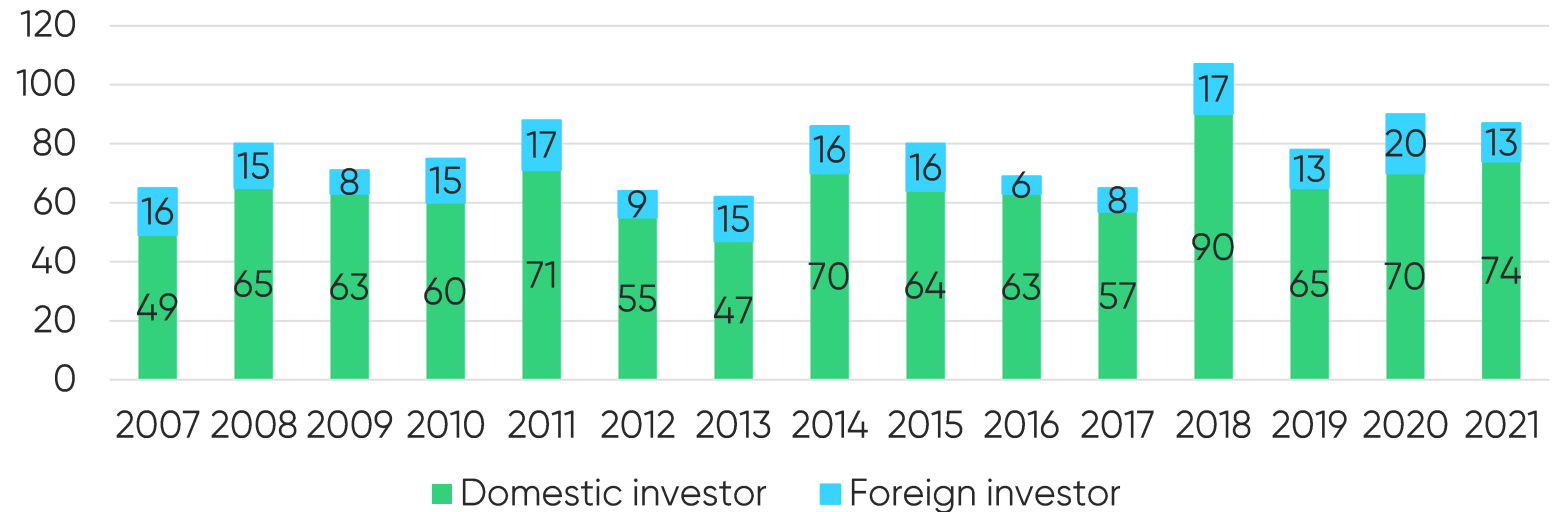
(-85 %, -35 %)

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

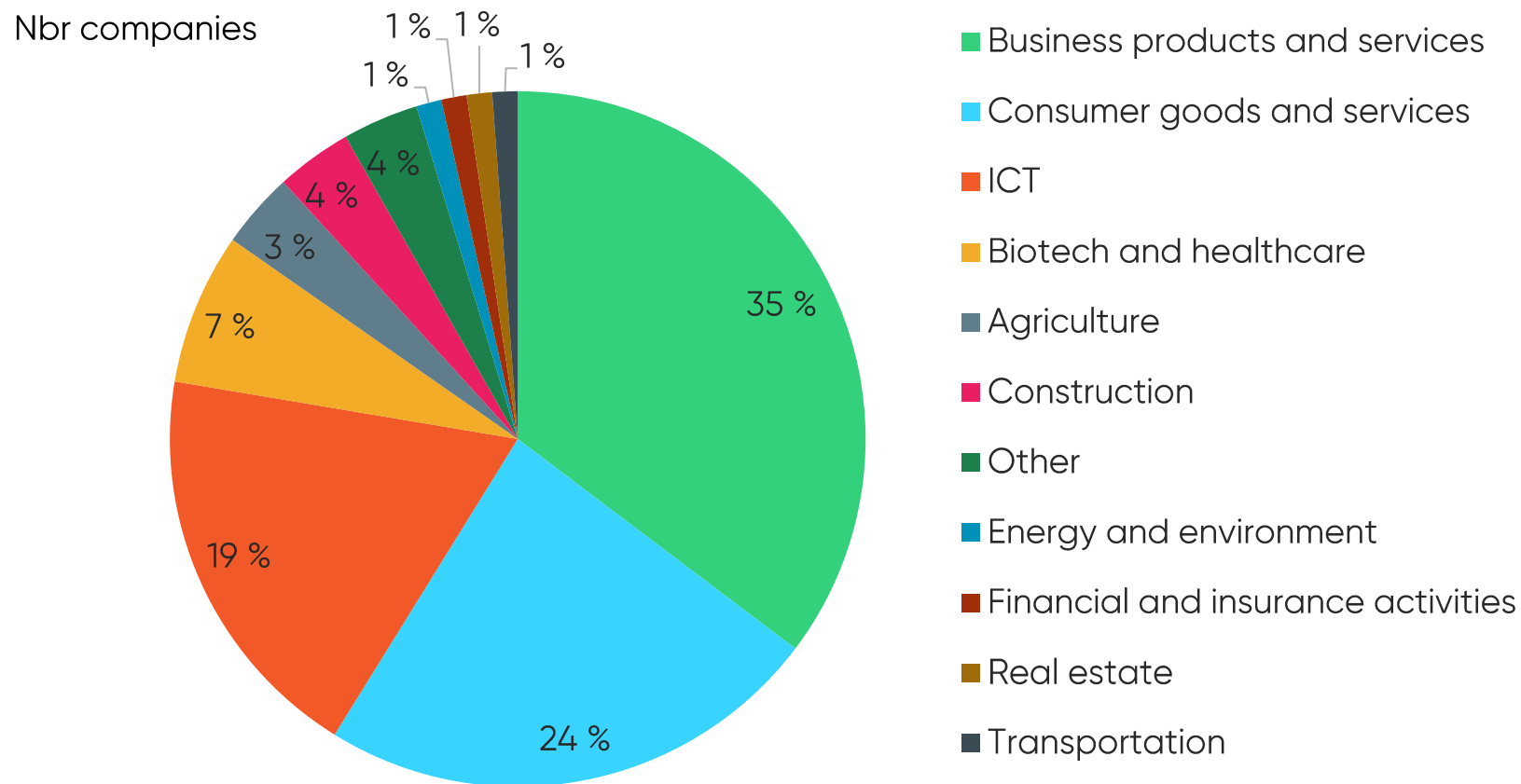


# Investments Made in a Wide Range of Industries

**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

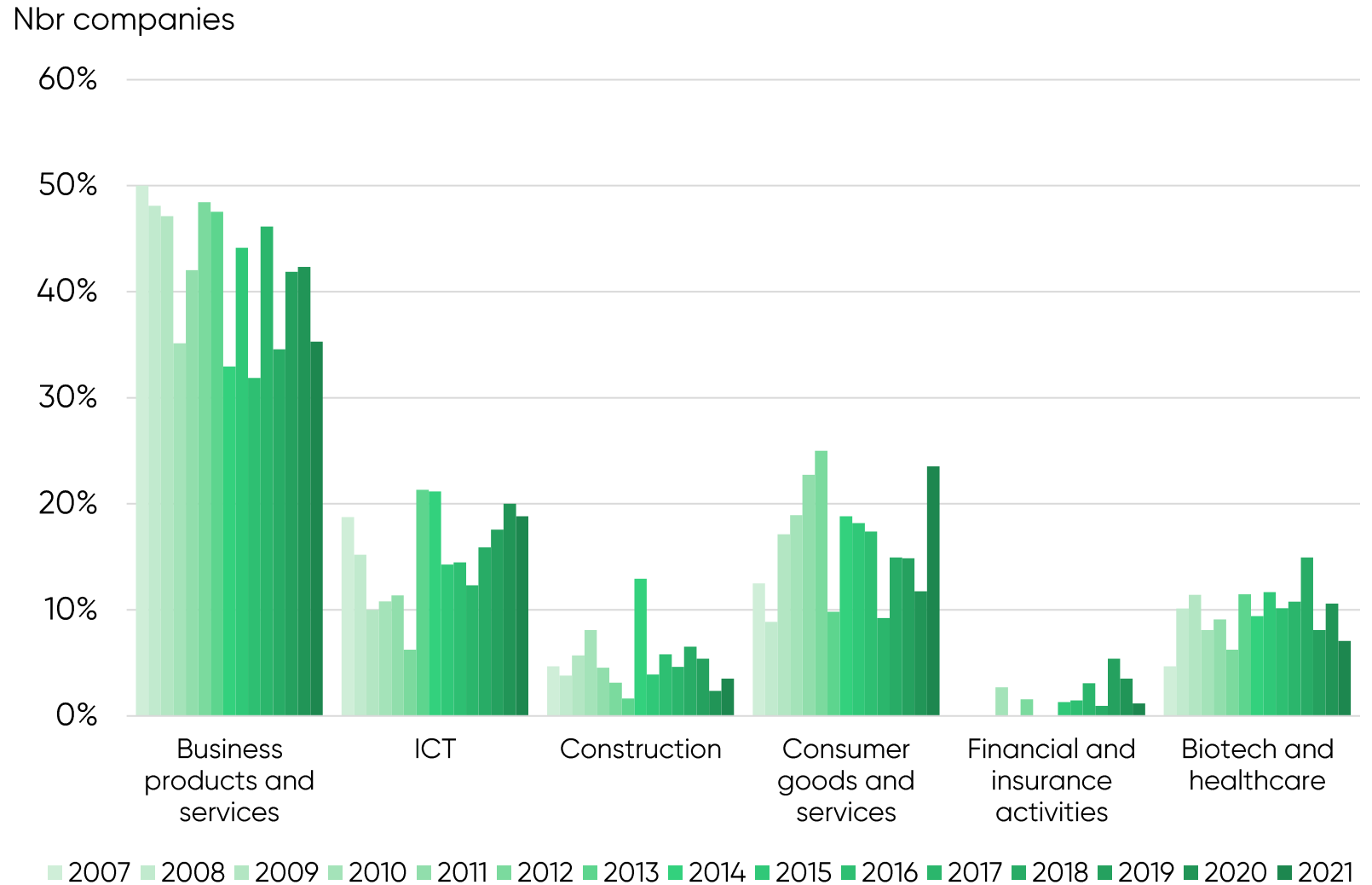


Sources: FVCA, EDC

# 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

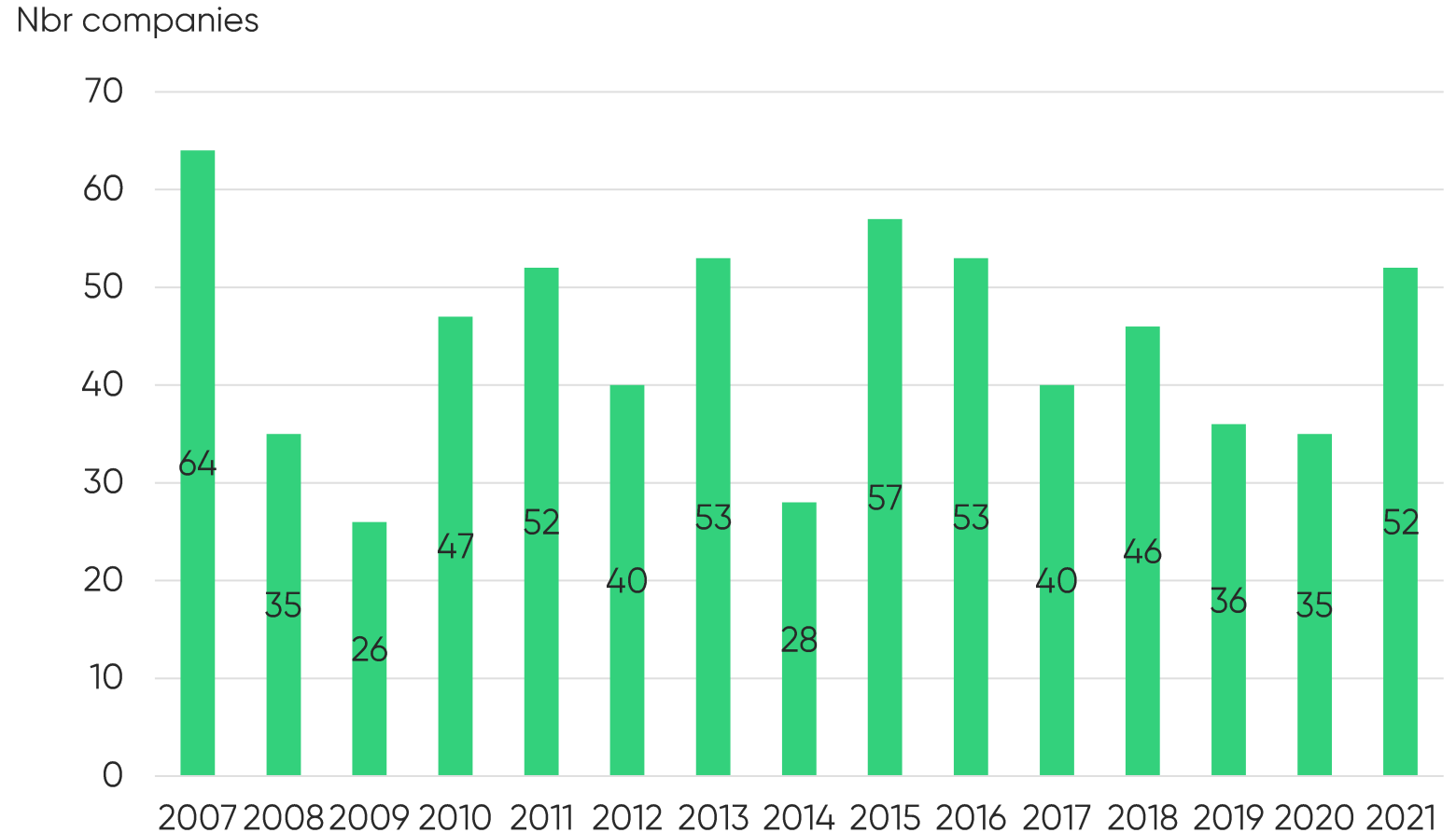


# Buyout Investors Made an Exit from Over 50 Companies

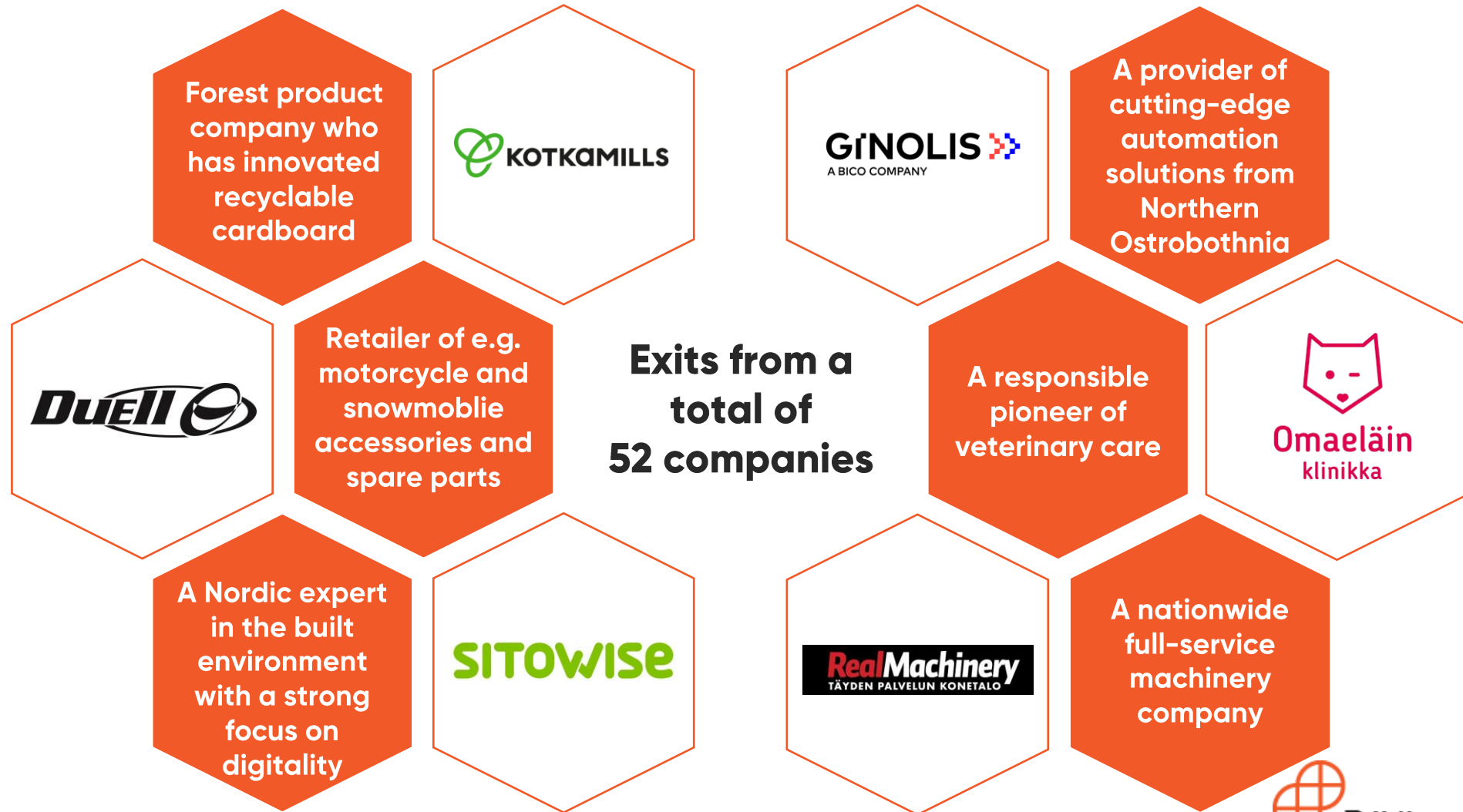
**52 companies** (+49 %) were exited in 2021, with the number increasing clearly from the previous year

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



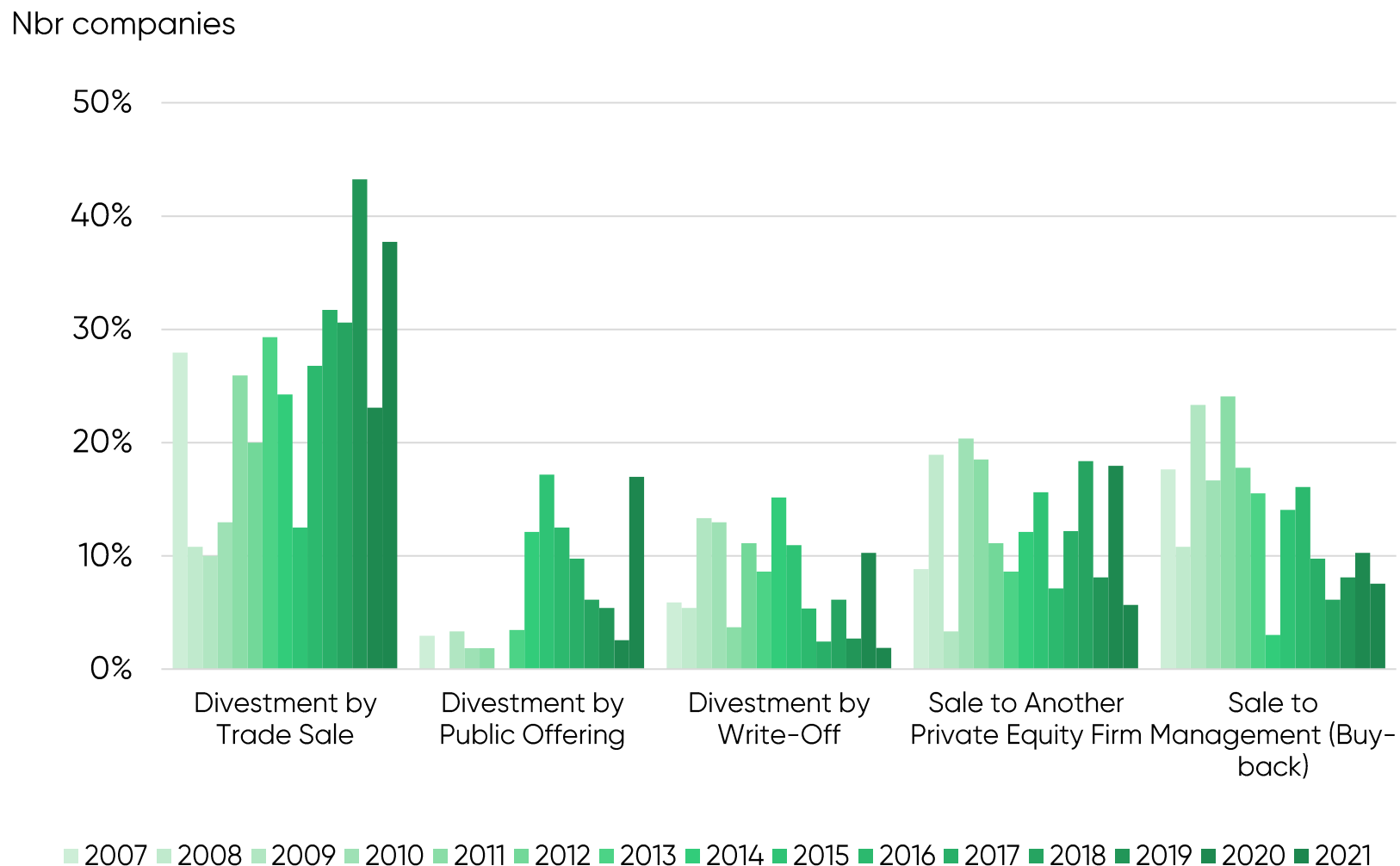
# Divestment by Trade Sale was the Most Common Exit Route

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

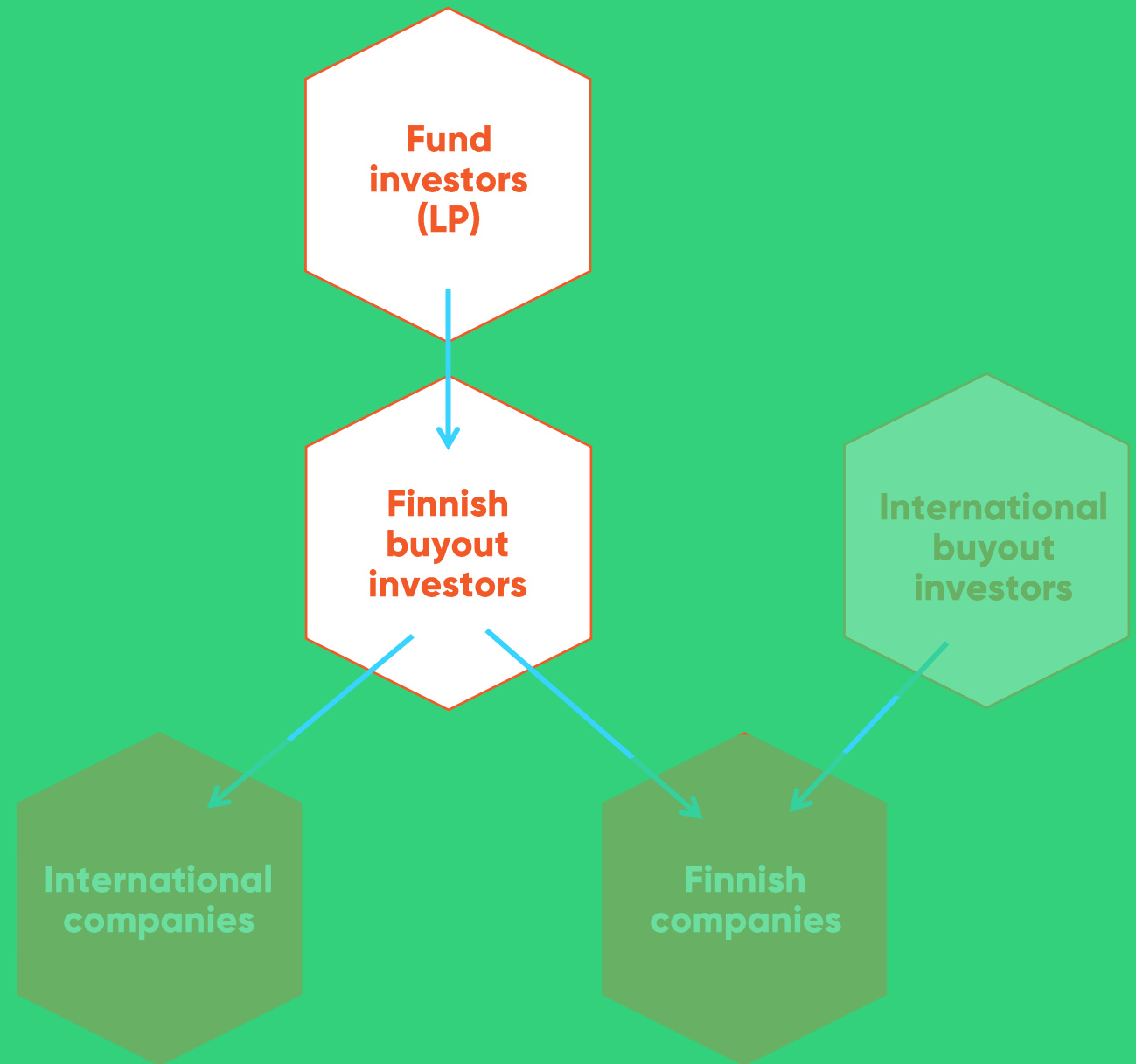
## Buyout Exits from Finnish Companies



# Industry Statistics

Finnish buyout investors' activity in Finland and abroad

# Fundraising



# A Record-Smashing Year in Fundraising

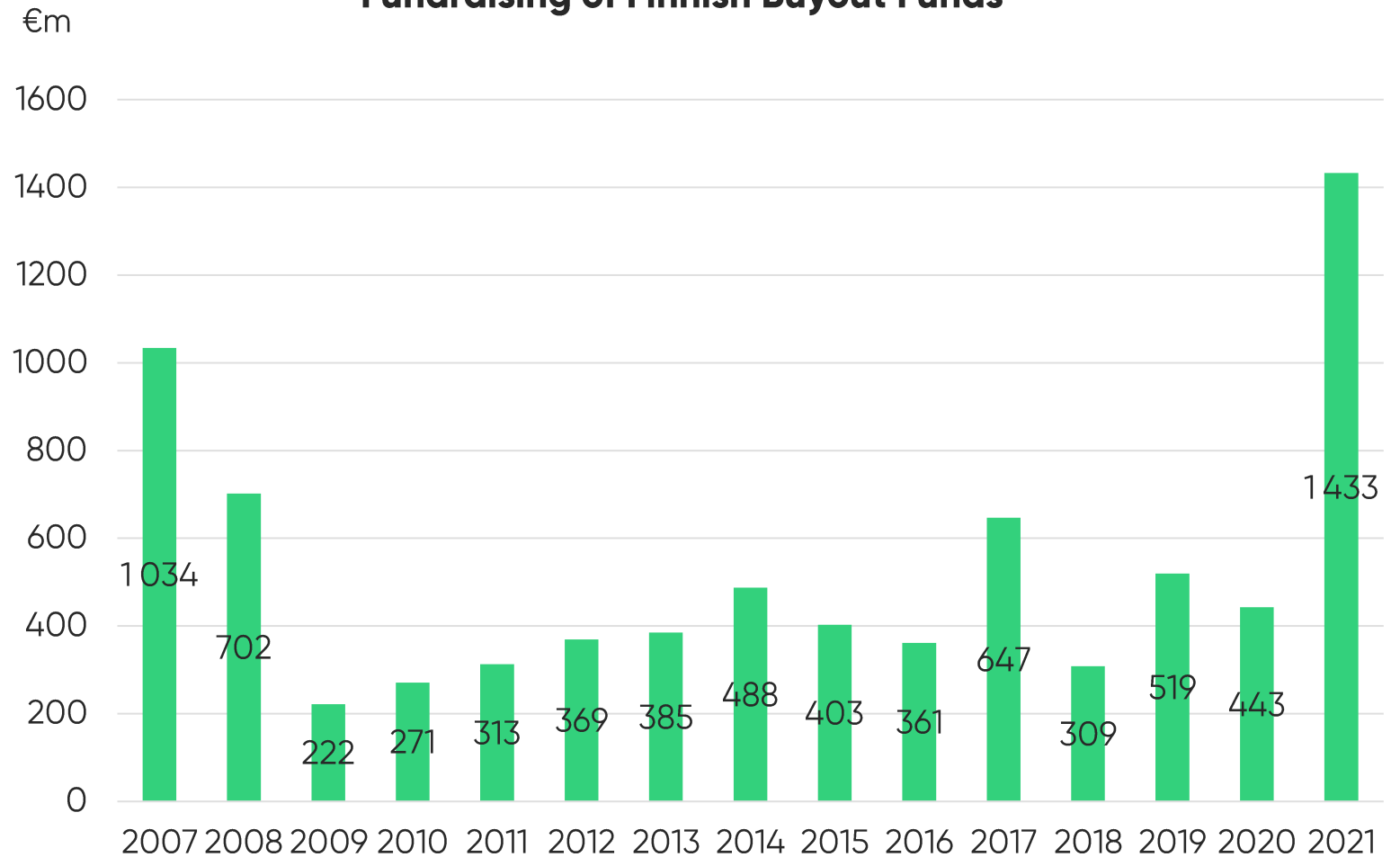
**€1 443m** (+224 %)

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

# Buyout Funds Have Increasing Amount of Capital for Investments

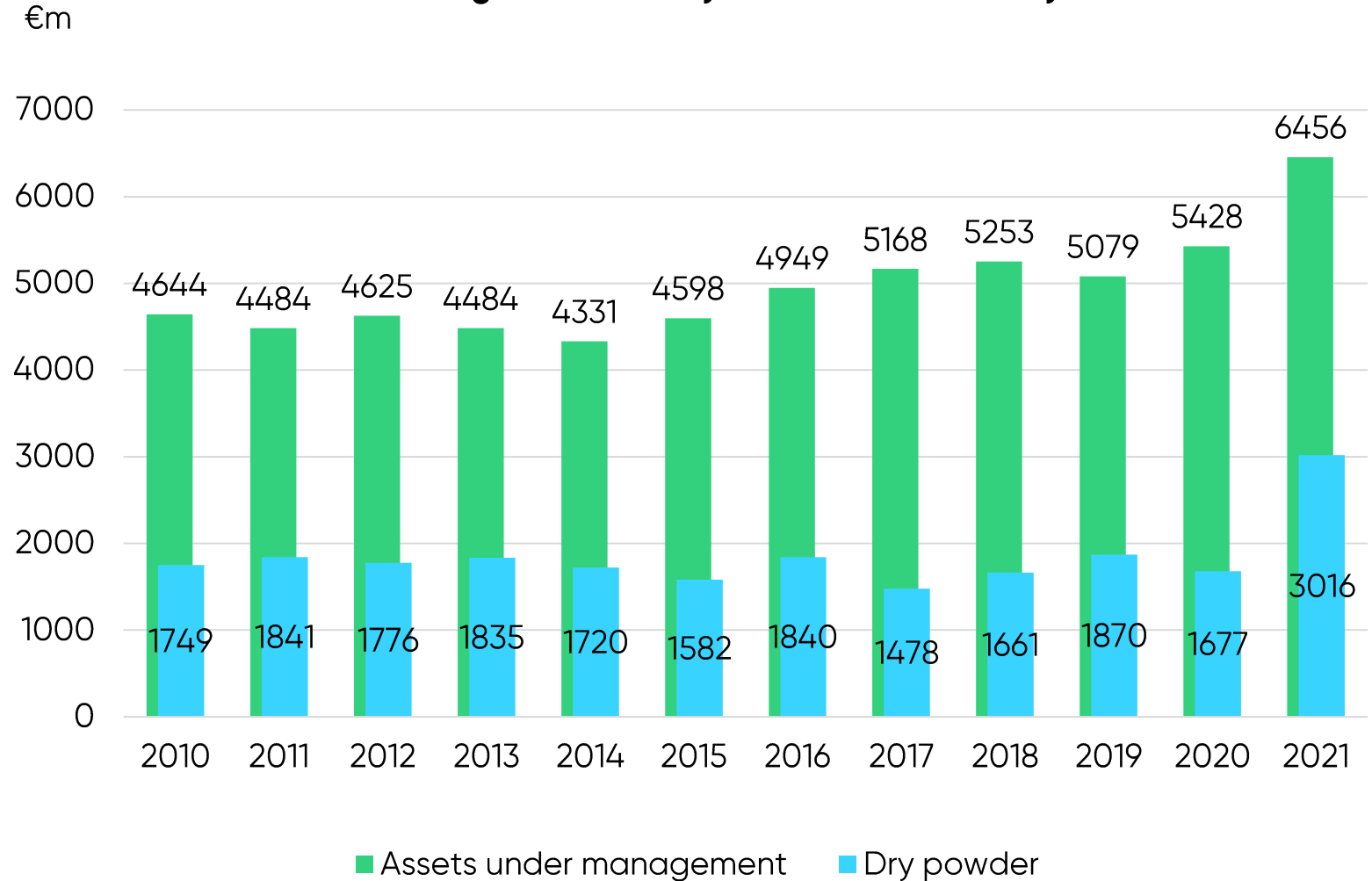
**6.5 B€ (+19 %)**

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



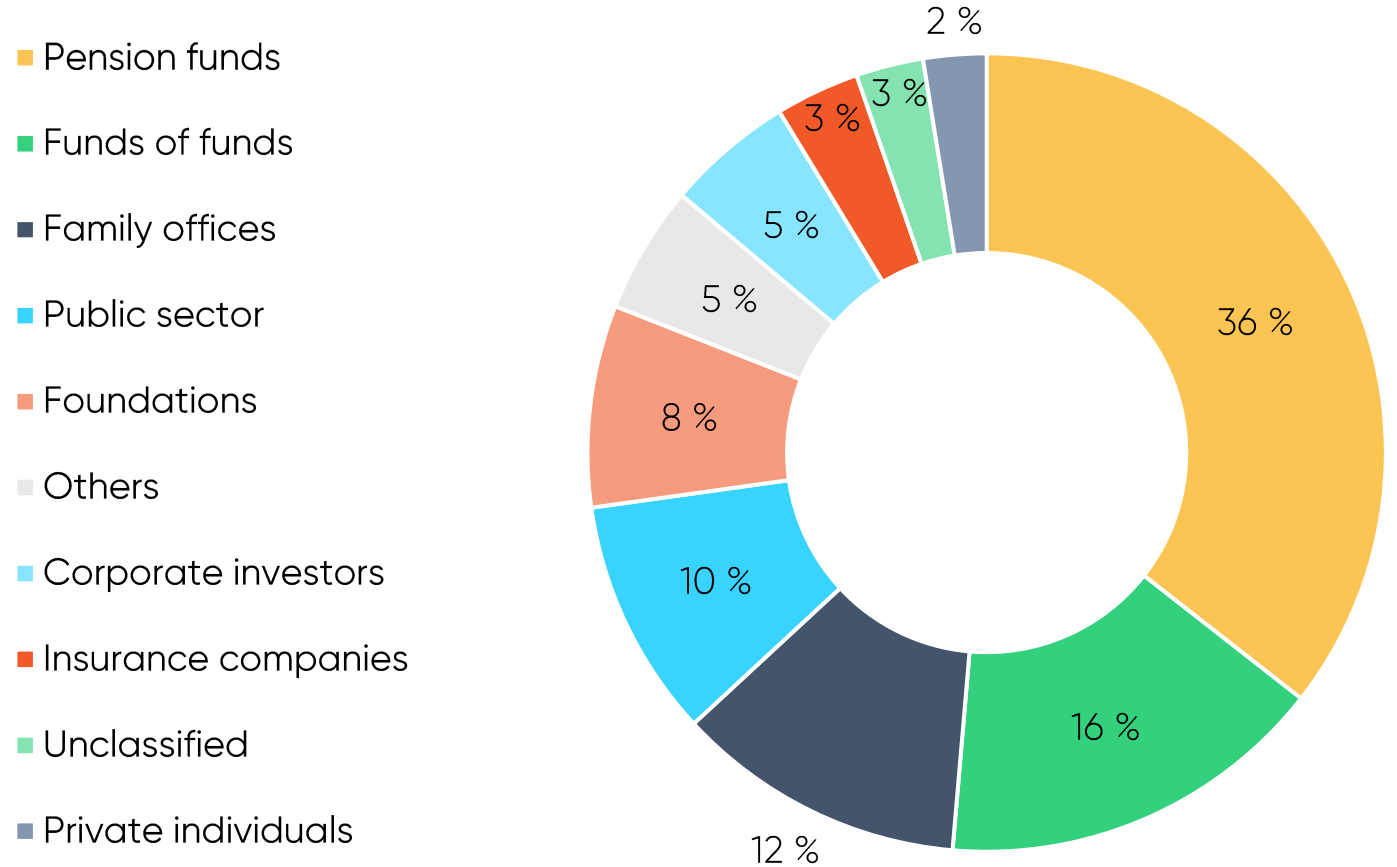
# Finnish Buyout Funds' Investors in 2021

**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

€225m, 3rd fund

*CapMan*

€97m, 1st growth fund

**sentica**

€192,7m, 5th fund

**FOLMER**

€62m, 2nd fund

2018

**SAMRI**  
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

2021

**INTERA**  
PARTNERS

€335m, 4th fund

**DevCo**

€260m, 4th fund

**VAAKA**  
PARTNERS

€250m, 4th fund

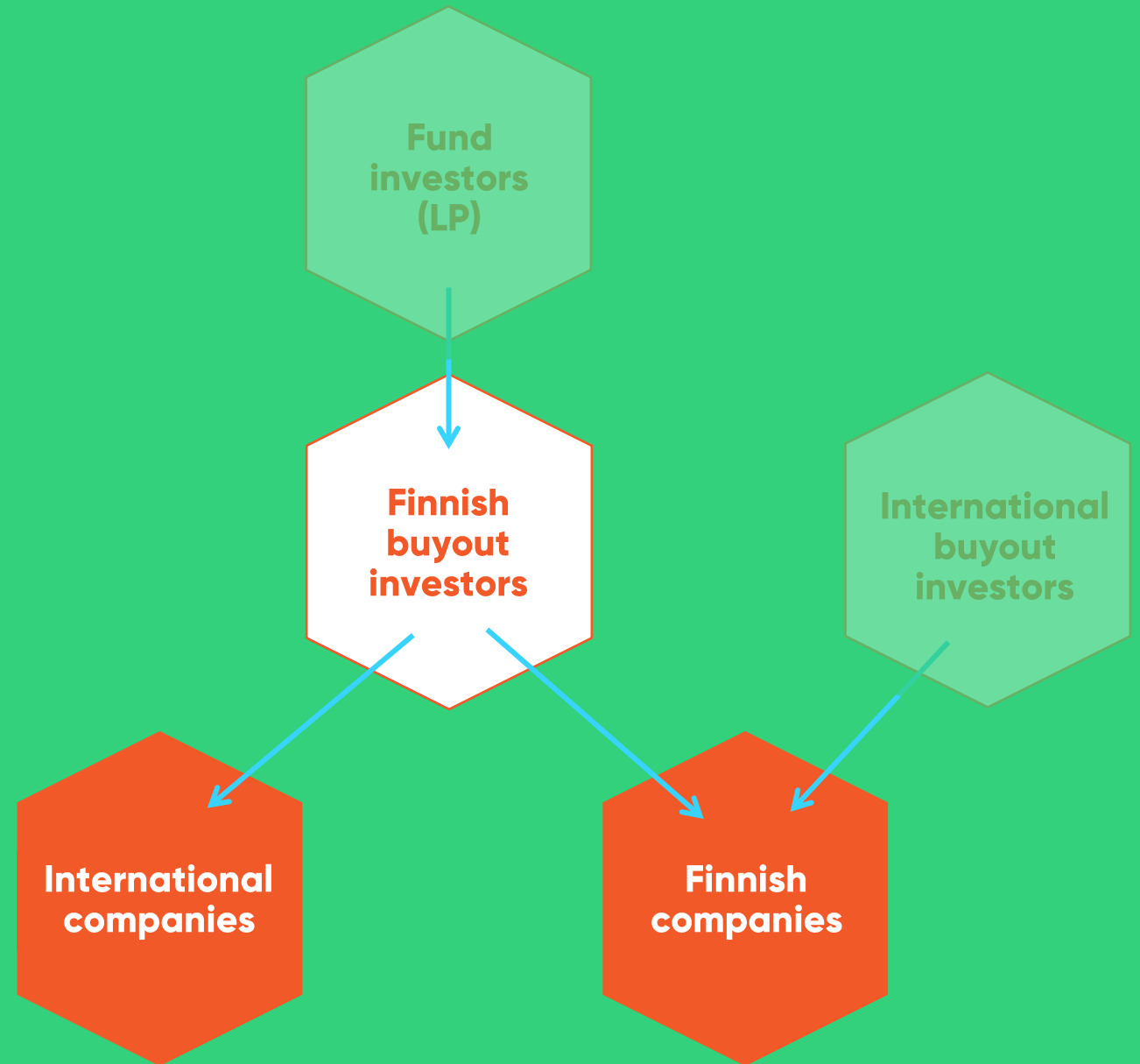
**KORONA INVEST**

€80m, 4th fund

*CapMan*

€53m, 1st special situations fund

# Investments

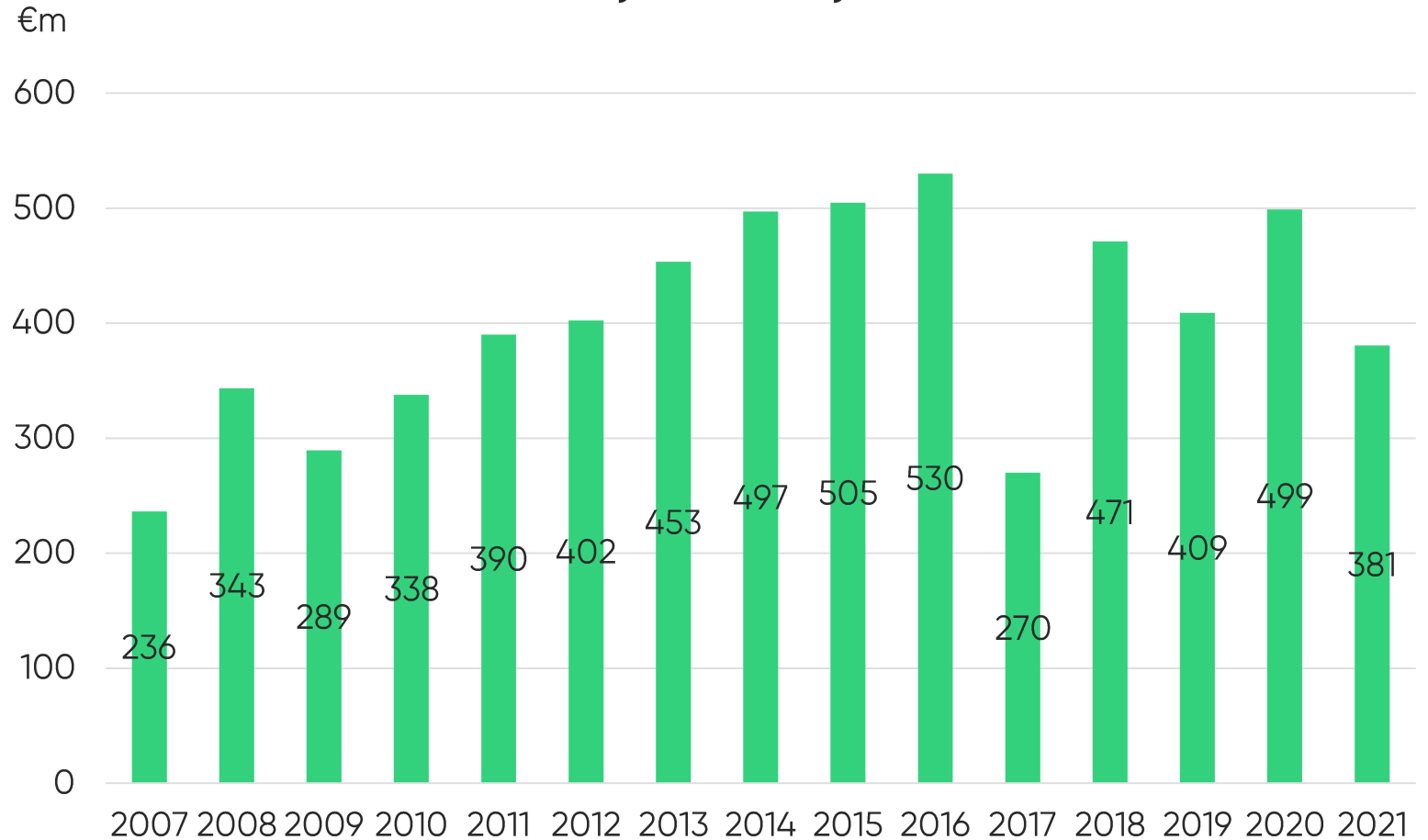


# Finnish Buyout Investors Invested almost €400m

**€381m** (-24 %)

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

### Investments by Finnish Buyout Investors



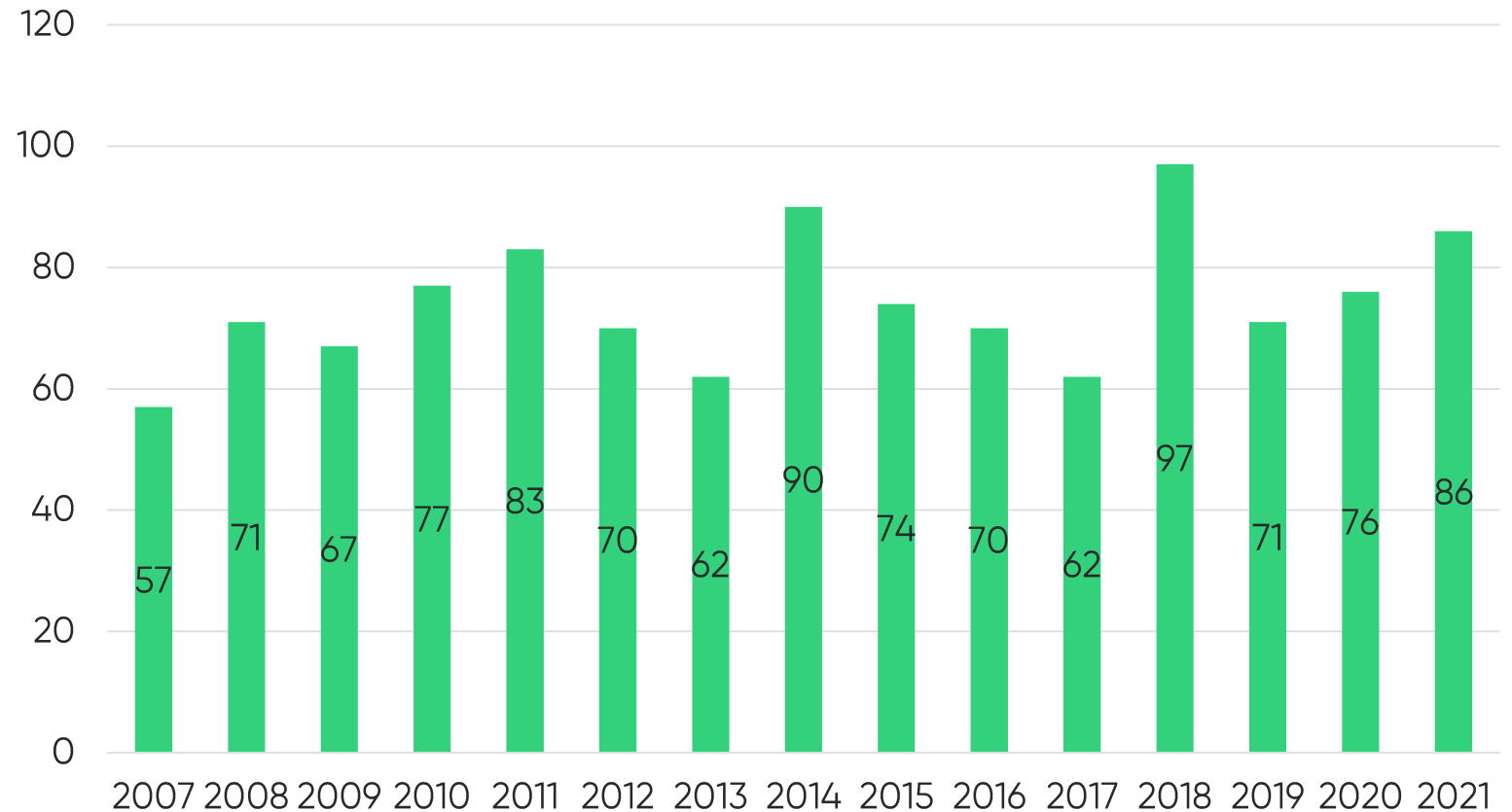
Sources: FVCA, EDC

# 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



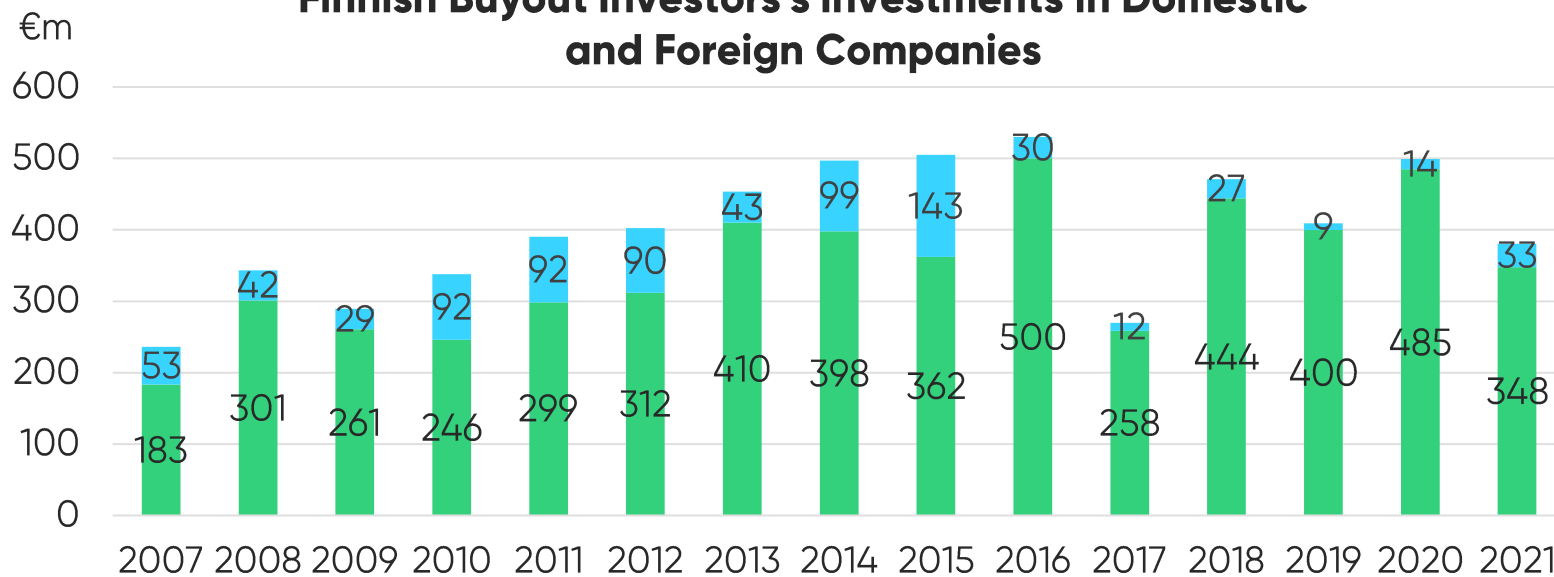
Sources: FVCA, EDC

# Finnish Buyout Investors Invest Mainly in Finnish Companies

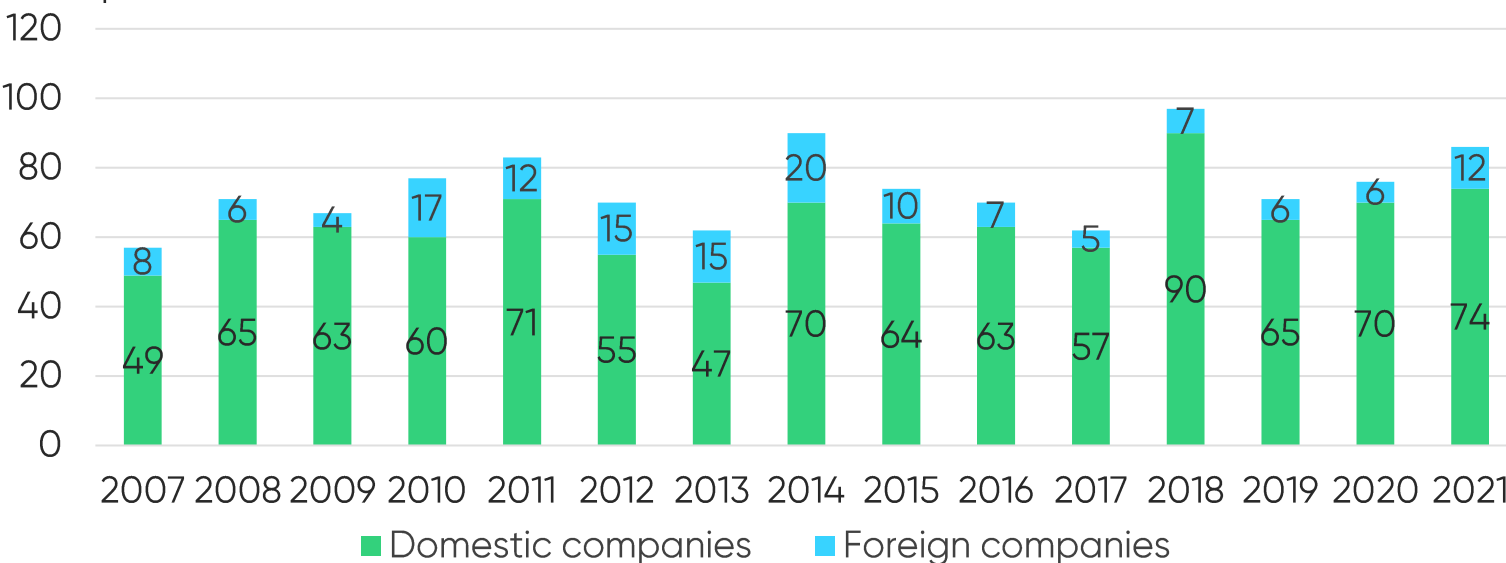
**Nearly 90 %**

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

## Finnish Buyout Investors' Investments in Domestic and Foreign Companies



Nbr companies



# Divestments

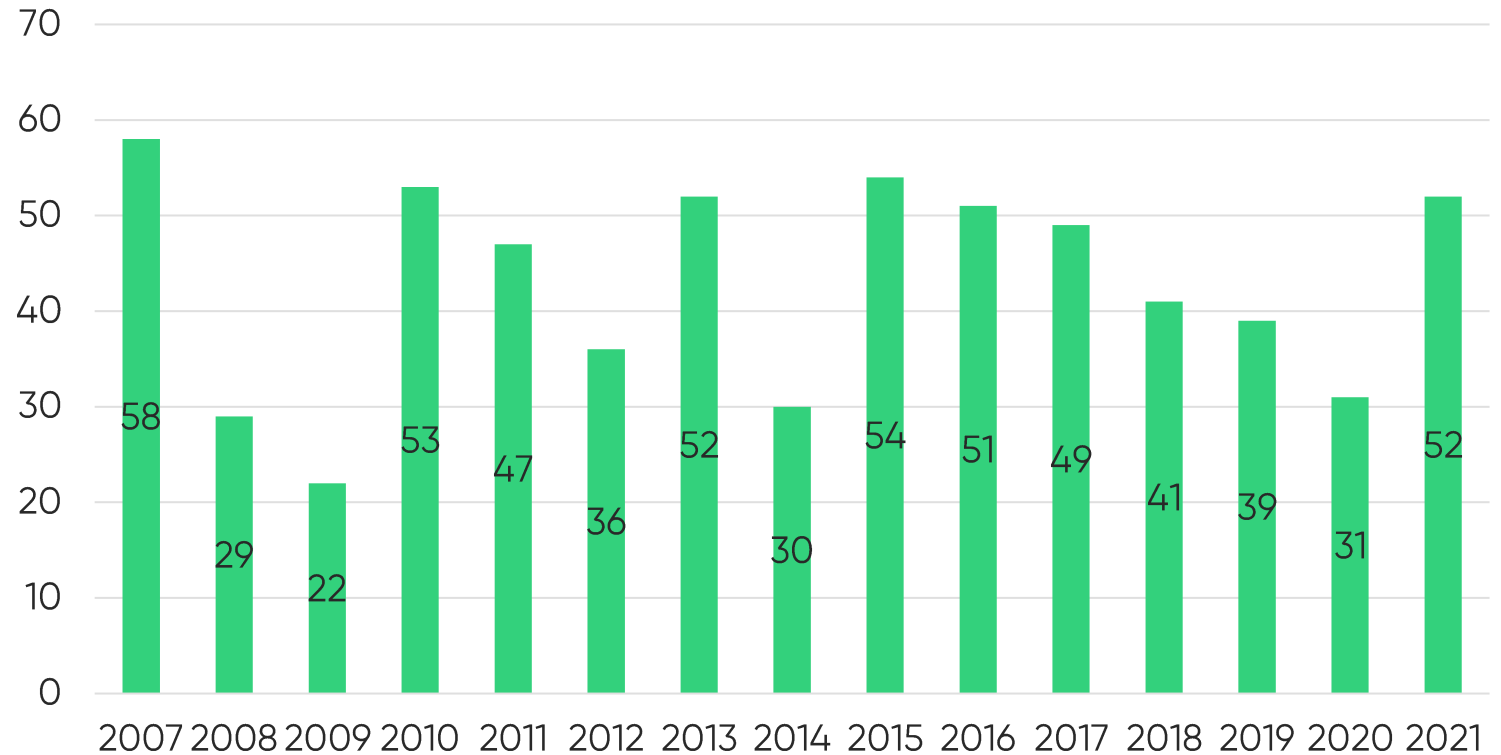
# Successful Divestments by Finnish Buyout Investors

**52 companies** (+68 %) were divested in 2021 by Finnish buyout investors

the profits from the exits are distributed to fund investors, such as Finnish pension funds

## Successful Exits of Finnish Buyout Investors

Nbr companies

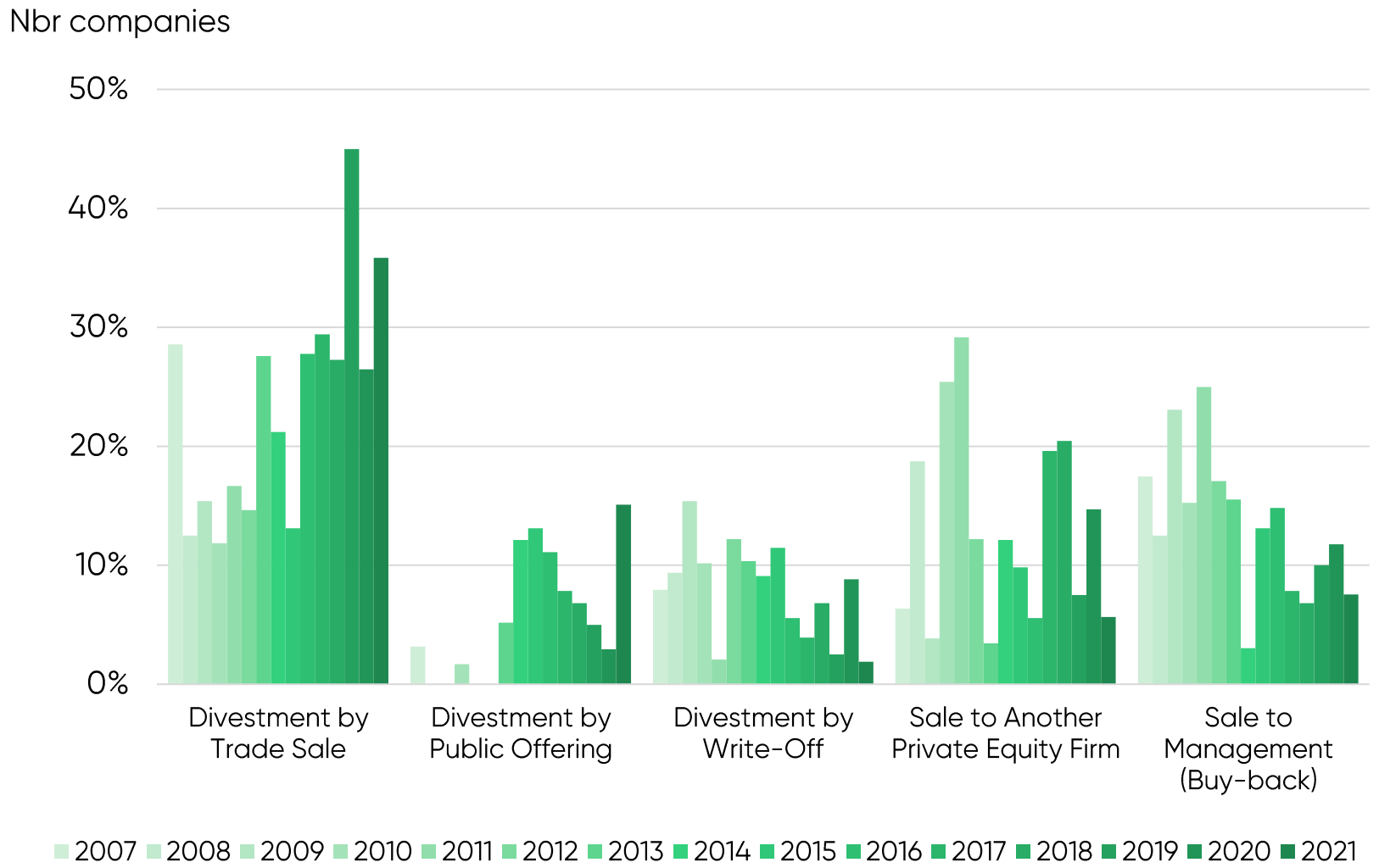


# Trade Sale Was the Most Common Exit Route

the most prominent exit methods in 2021 were trade sale (19 companies) and divestment by public offering (8 companies)

the amount of write-offs has remained at a low level despite the COVID pandemic

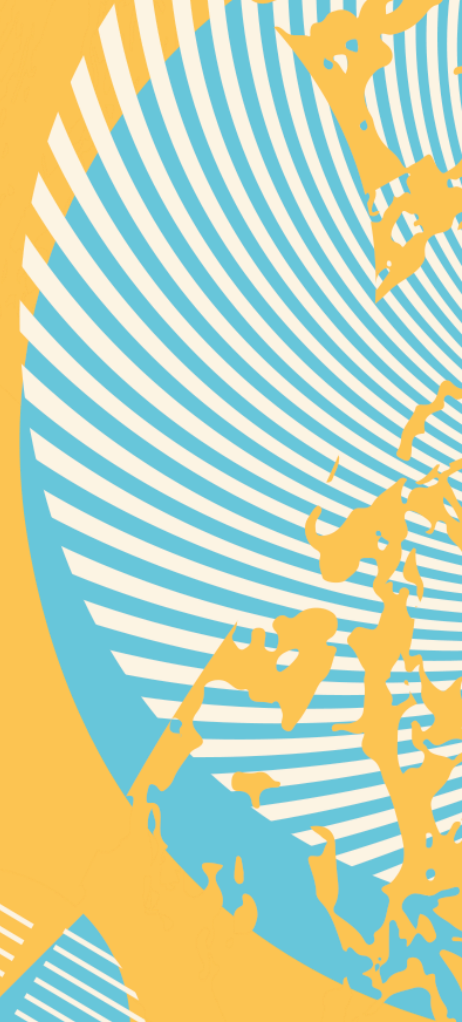
Buyout Exits by Type



Sources: FVCA, EDC



# Methodology



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

AFIC, France

AIFI, Italy

ASCRI, Spain

BVA, Belgium

BVCA, United Kingdom

BVK, Germany

CVCA, Czech Republic

DVCA, Denmark

FVCA, Finland

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

In this report, successful divestments have been defined as total divestments minus write-offs. Divestments by write-offs can be found from the slides showing the different exit routes.

**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	Seed	Seed
Investments in companies in their early development stage	Start-up	Start-up, Other early stage
	Later stage venture	Early growth, Transition stage
BUYOUT	Growth	Later growth
A transaction financed by a mix of debt and equity, in which a business, a business unit or a company is acquired	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