



**Pääomasijoittajat**

# Buyout & Growth in Finland H1/2022

Statistics on fundraising, investments, and divestments

Published  
November 2<sup>nd</sup>, 2022



# Contents

## **Buyout & Growth in Finland H1/2022**

General information and statistics in brief

## **Industry Statistics**

Finnish buyout and growth investors' activity in Finland and abroad

## **Market Statistics**

Finnish and foreign buyout & growth investors' activity in Finnish companies

## **Methodology**

# 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.

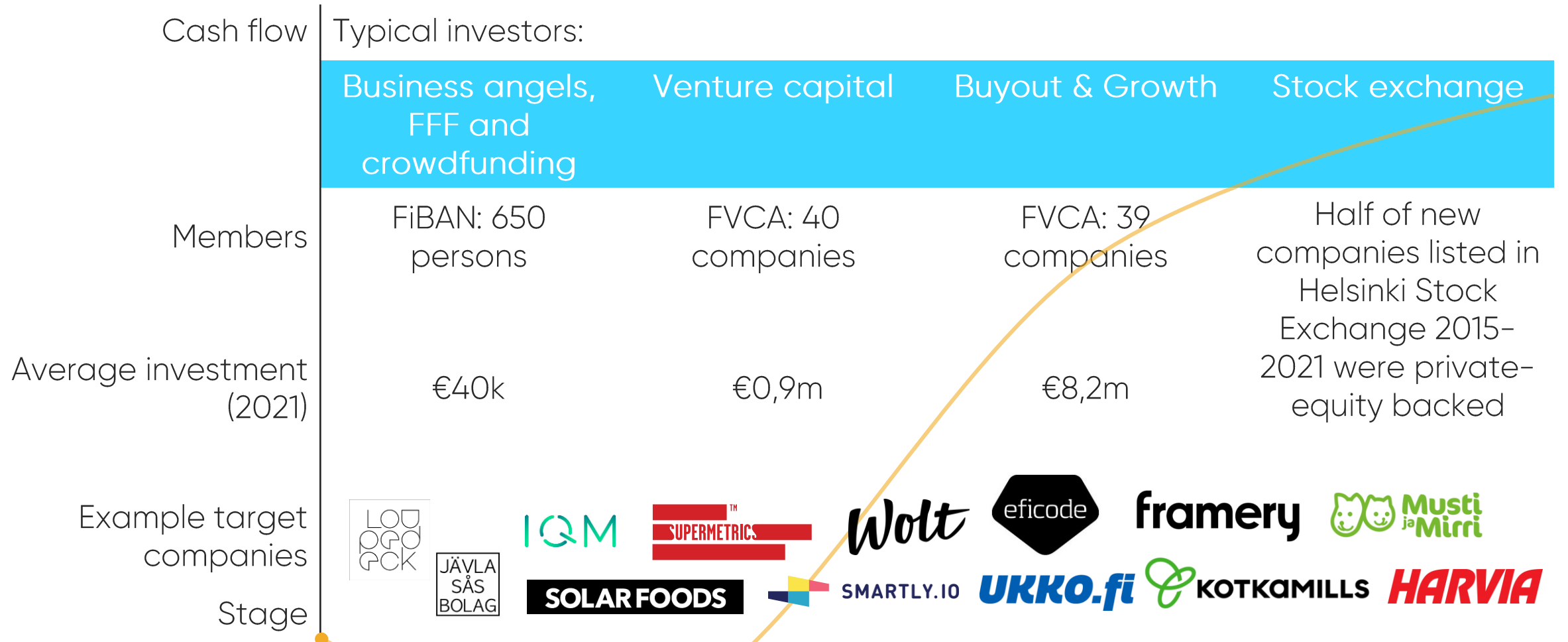
## Growth Company

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

## Buyout & Growth

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

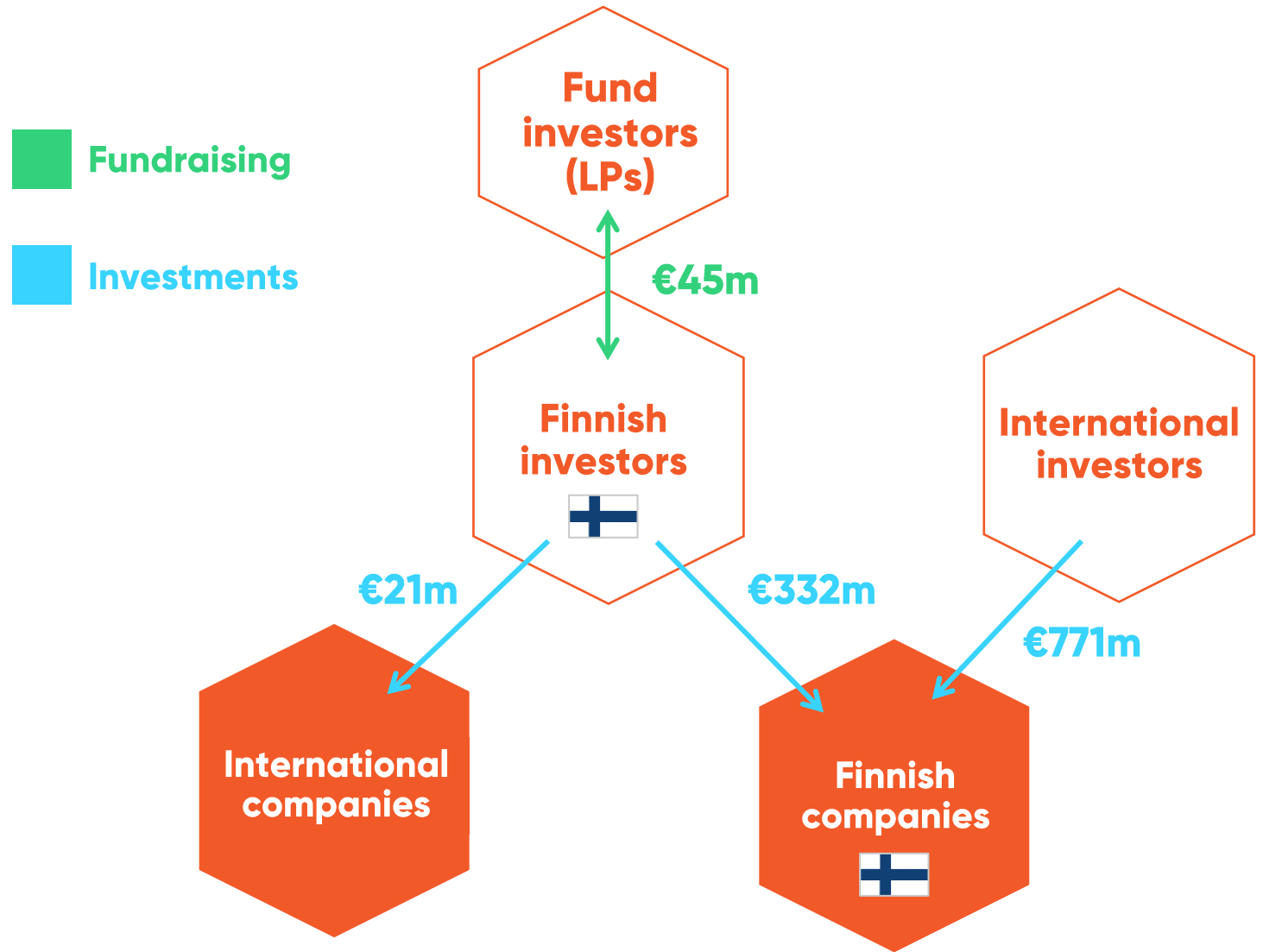
# Private Equity Investors by Stage



# Buyout & Growth H1/2022

**€45m**  
Fundraising in total

**€1,1bn**  
Investments in Finnish  
companies



# Buyout & Growth H1/2022

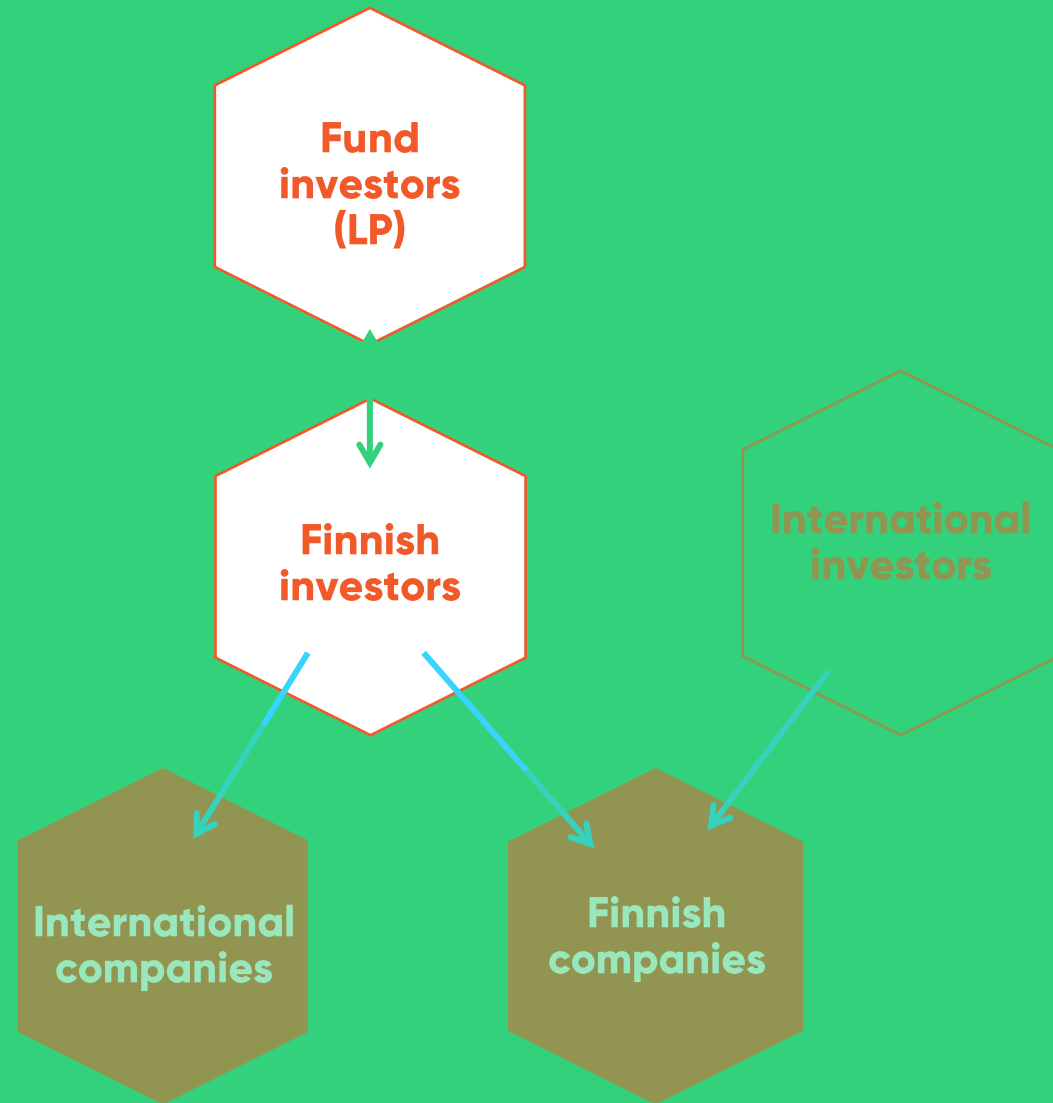
Statistics in brief

- A total of **€45m** of new funds were raised in buyout and growth funds for future investments.
- Finnish buyout and growth investors invested a total of **€352m** in **40** growth companies.
- Of the total sum invested by Finnish buyout and growth investors, **95 %** was directed at Finnish companies.
- Finnish buyout and growth investors exited from **16** portfolio companies.
- **44** Finnish growth companies received a total of **€1.1bn** in investments from Finnish and foreign investors.
- Of this amount, **€771m** came from foreign investors and was invested in **8** Finnish companies.
- Finnish and foreign buyout and growth investors exited from **16** Finnish companies.

# Industry Statistics

Finnish buyout and growth investors' activity  
in Finland and abroad

# Fundraising





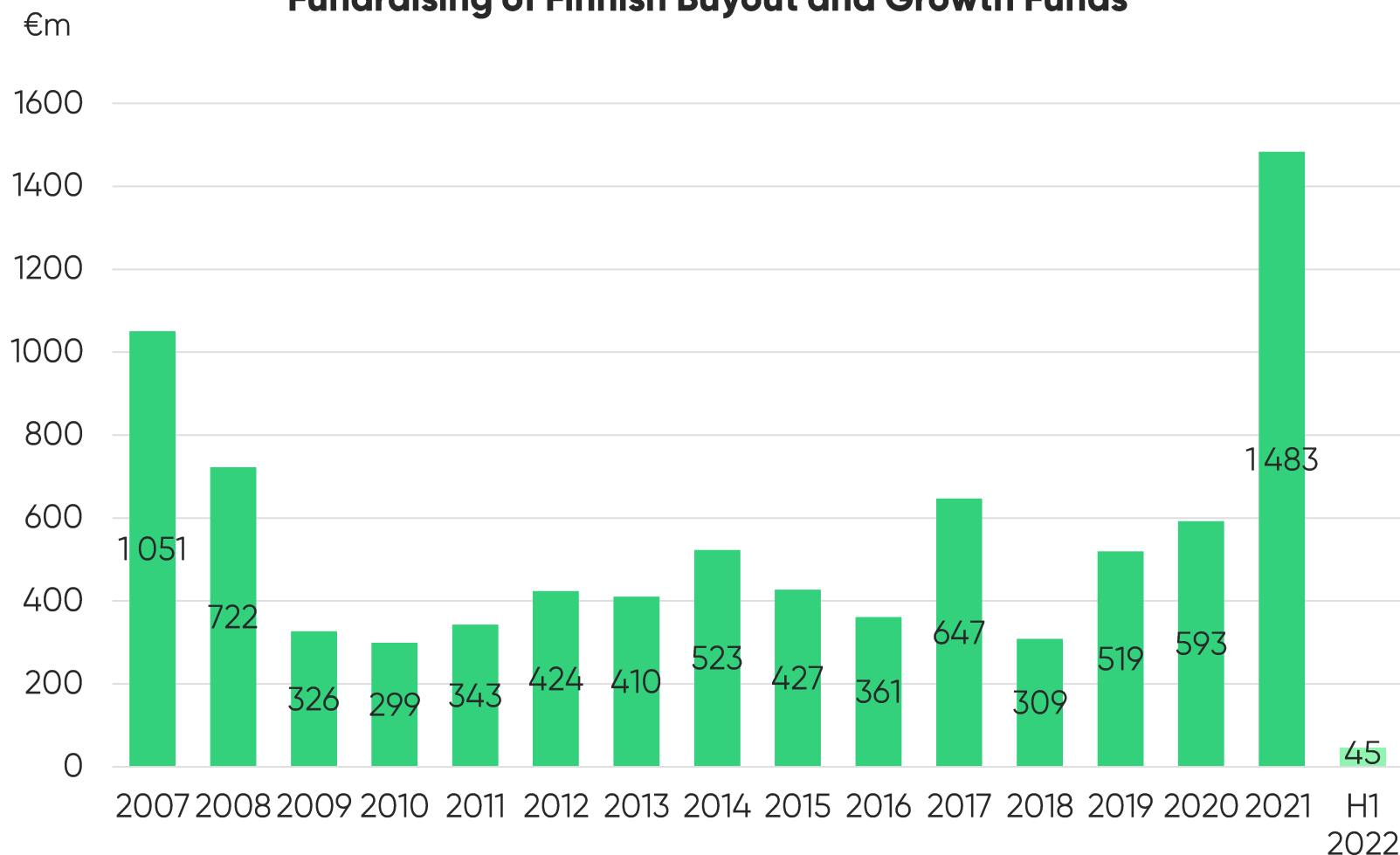
# Buyout and Growth Fundraising Was Slow During the First Half of 2022

**€45m**

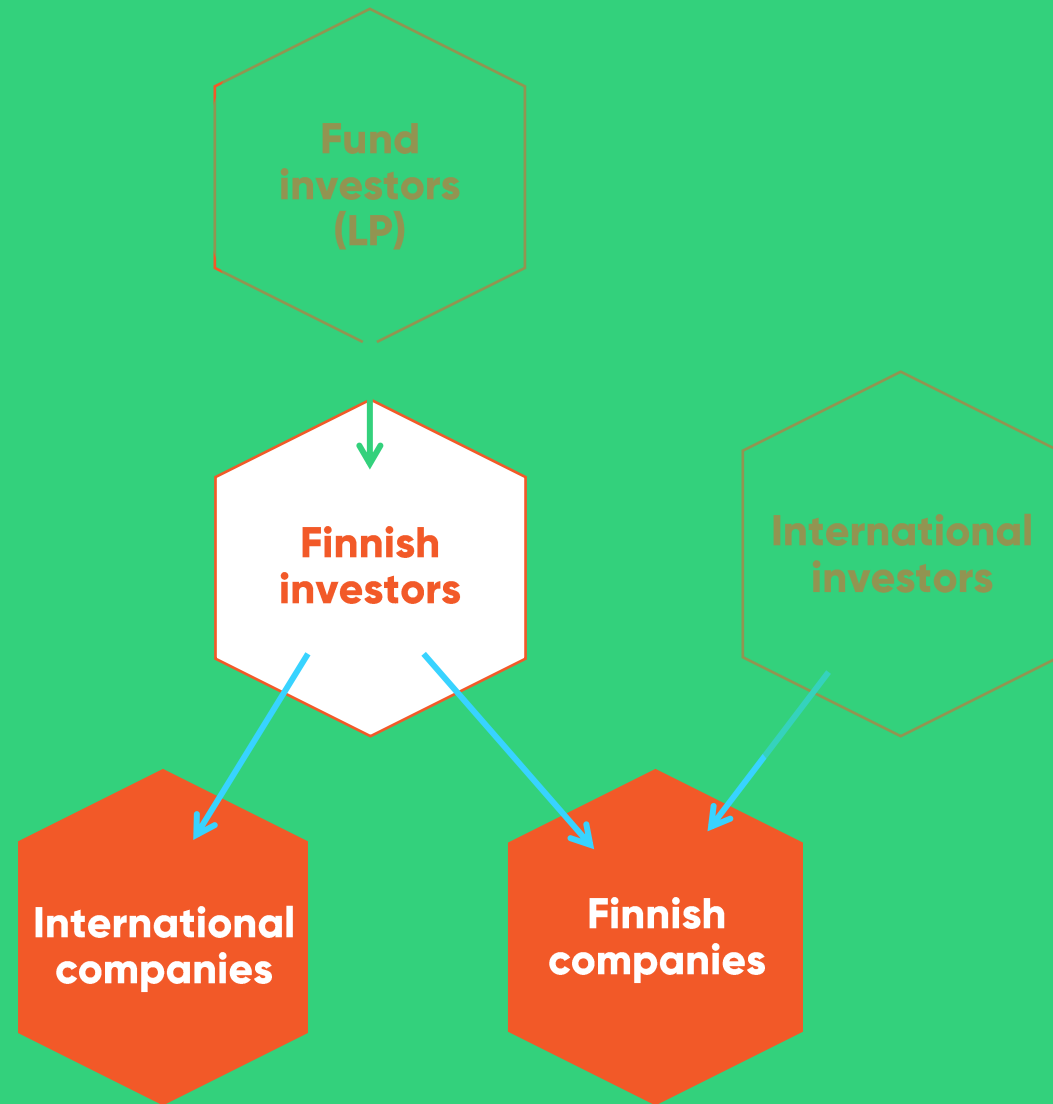
Finnish buyout and growth funds raised only small amount of funds during the first half of 2022, partly due to the previous year's record-breaking fundraising

Only previously published funds raised additional capital during H1/2022

## Fundraising of Finnish Buyout and Growth Funds

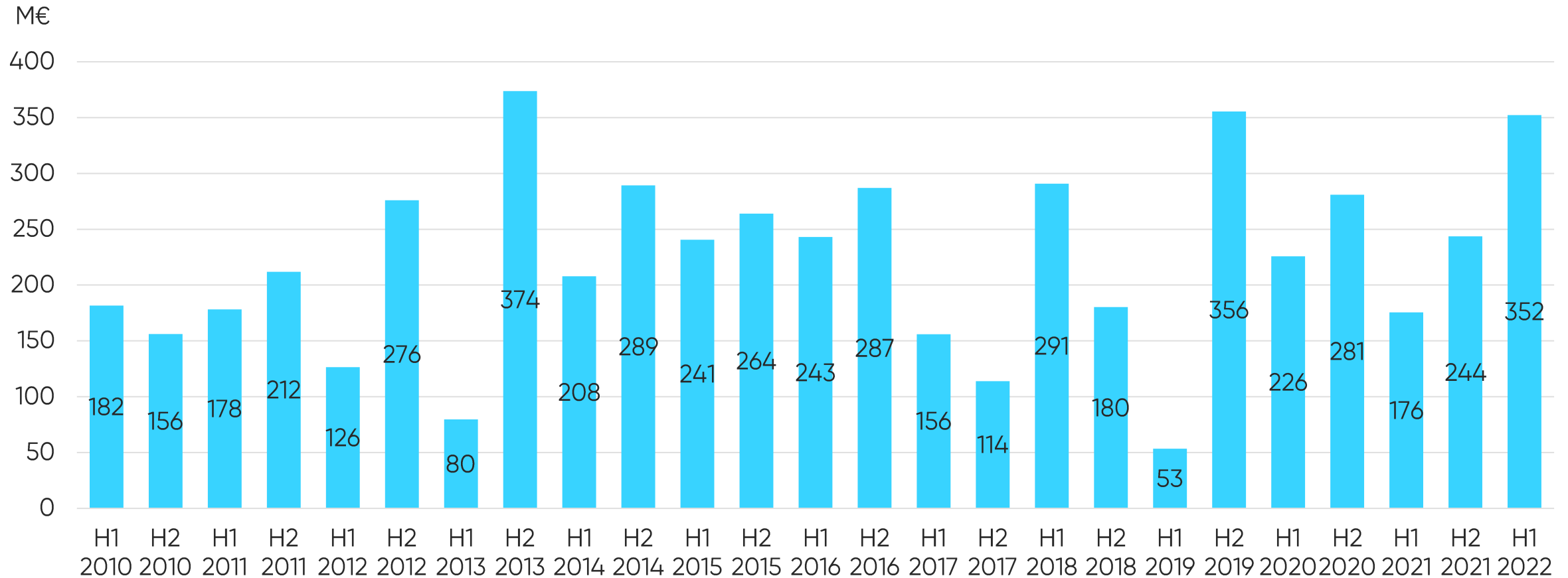


# Investments



# Finnish Buyout and Growth Investors Invested €352m in the First Half of 2022

Investments by Finnish Buyout and growth Investors

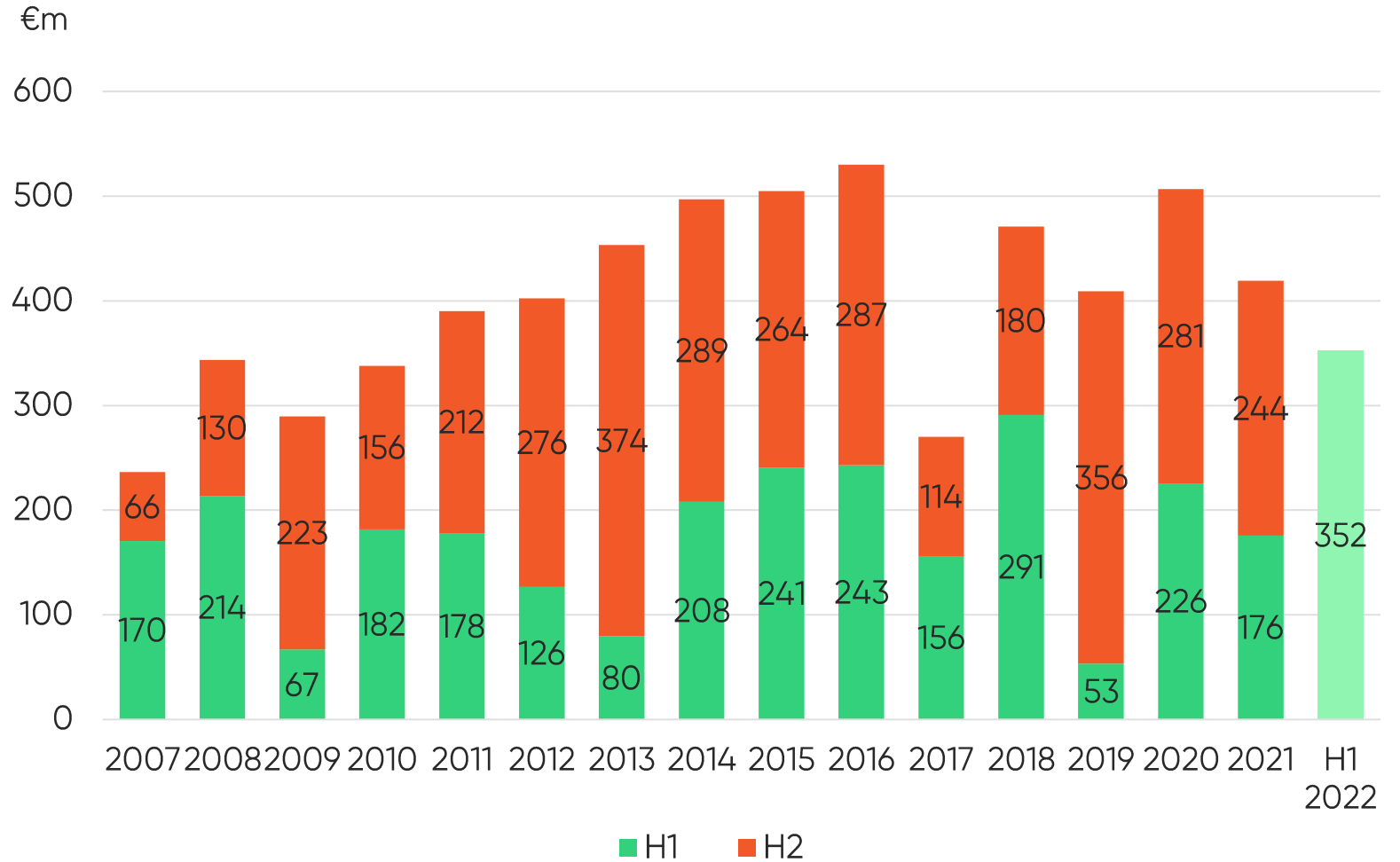


# Investments by Finnish Buyout and Growth Investors at a Record High Level in H1/2022

**€352m**

Investments by Finnish buyout and growth investors in domestic and foreign growth companies during the first half of 2022

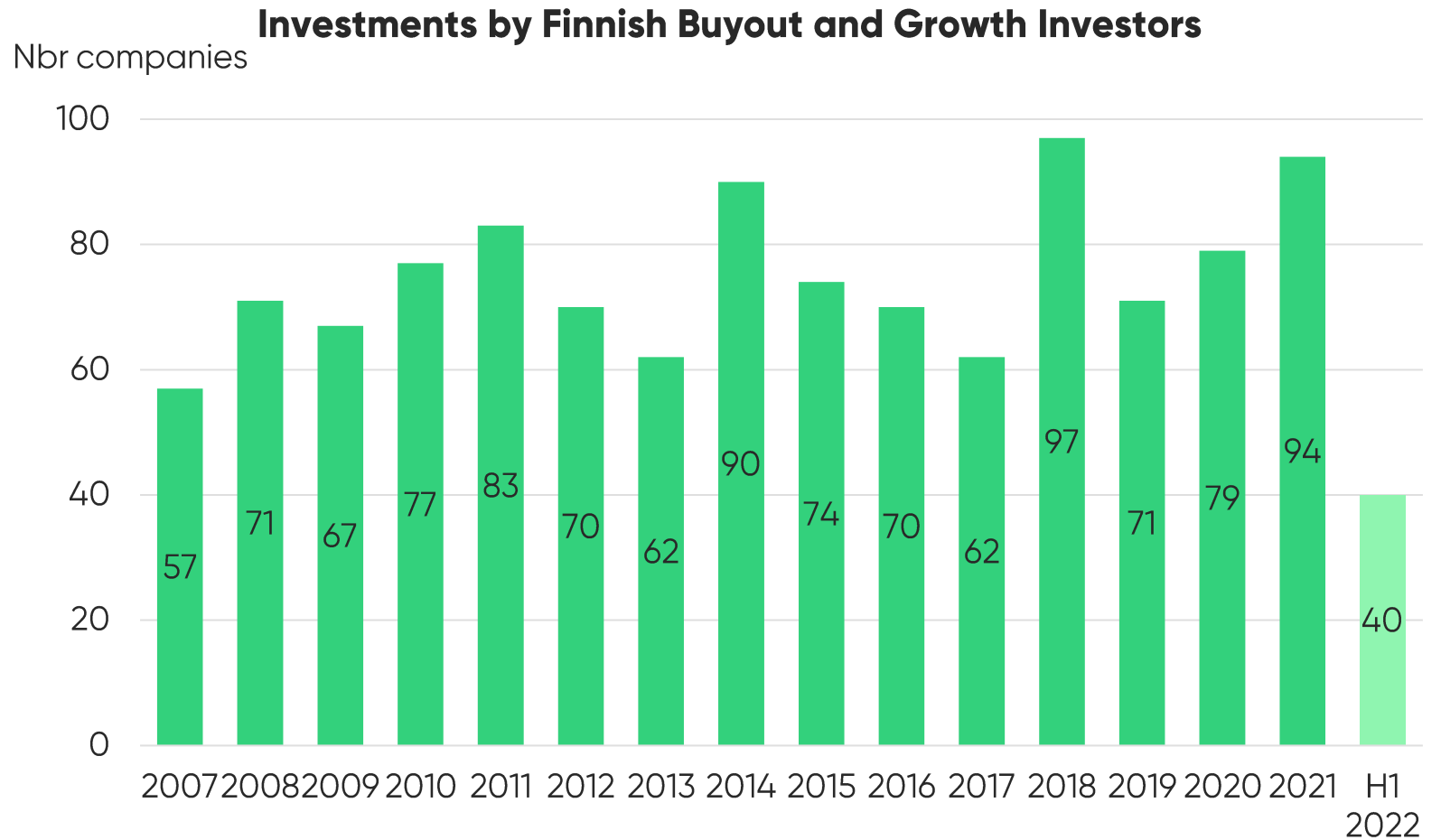
## Investments by Finnish Buyout and Growth Investors



# Numerous Companies Receive an Investment Each Year

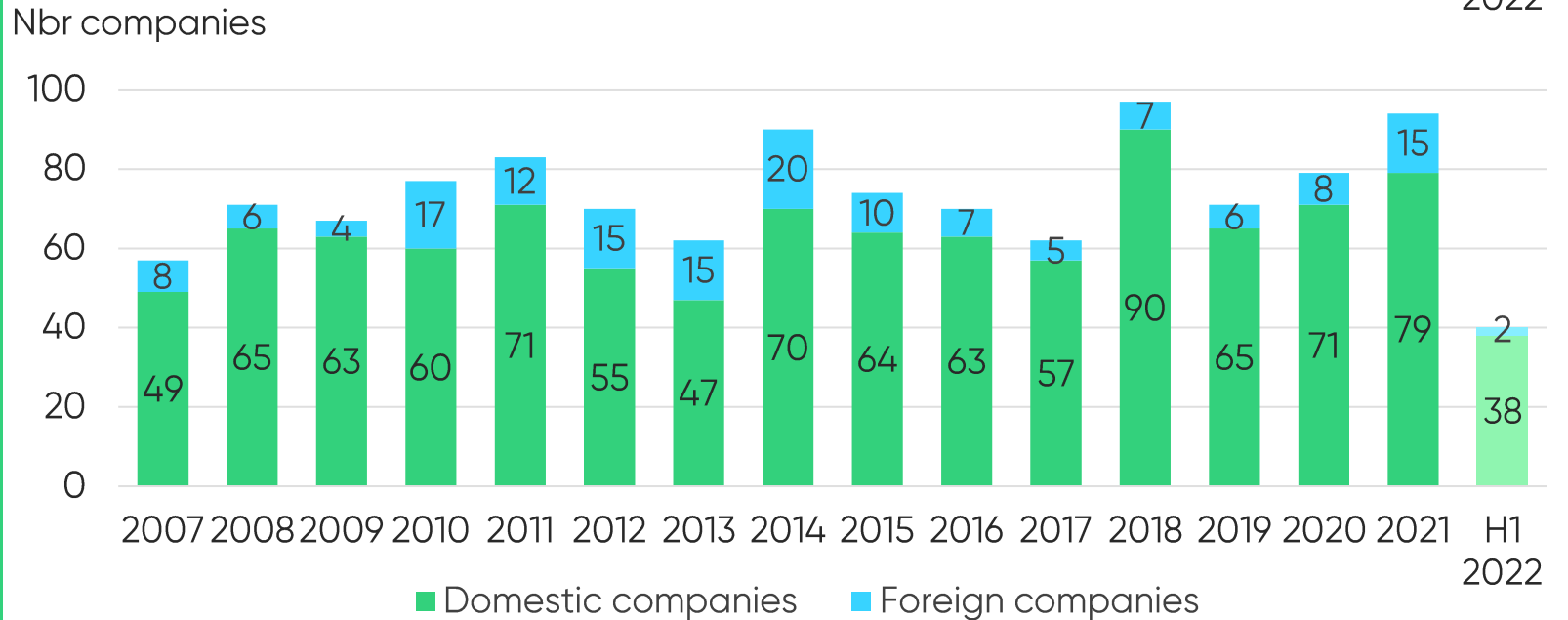
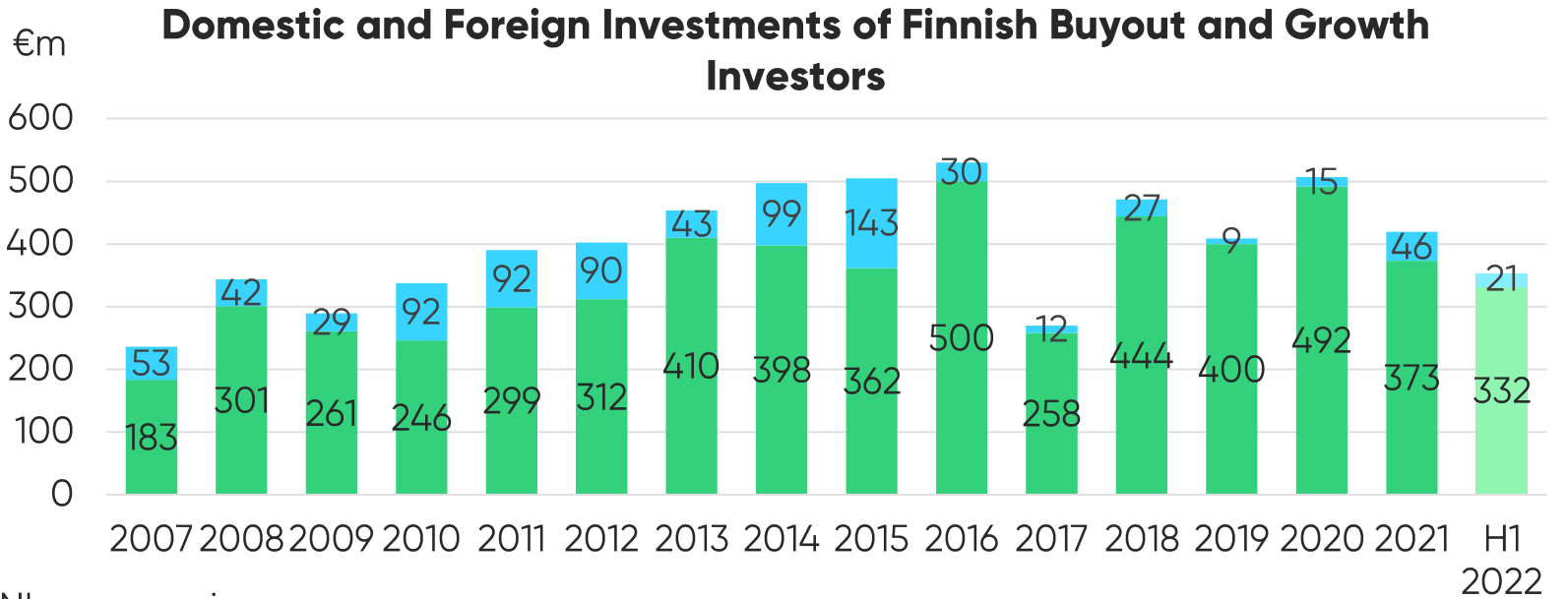
## 40 companies

received an investment from a Finnish investor in the first half of 2022



# Finnish Buyout and Growth Investors Invest Mainly in Finnish Companies

**95 %** of buyout and growth investments by Finnish investors were made in domestic companies in H1/2022



# Finnish Buyout and Growth Investments Distributed in Various Finnish Provinces in the First Half of 2022

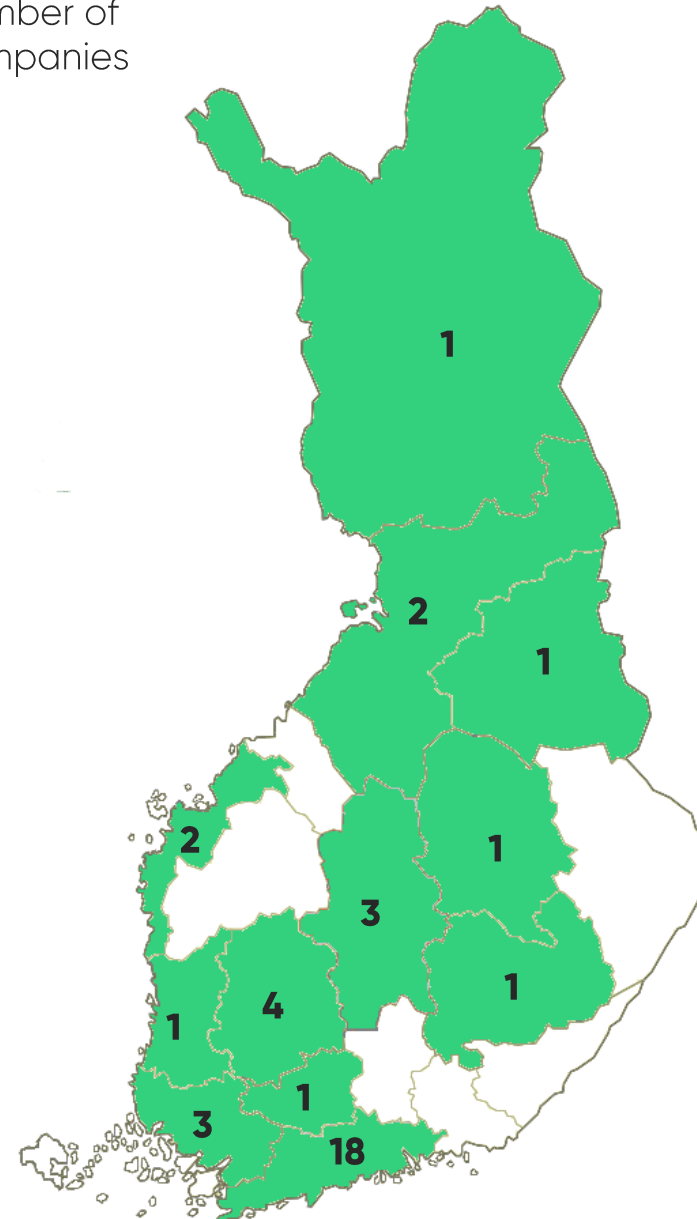
**11**

Growth companies from 11 different provinces received an investment

**18** (45 %)

By number of companies Uusimaa was the most active Province of Finland

Number of companies



In addition, **2** foreign growth companies received investment from Finnish investors

# Divestments



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

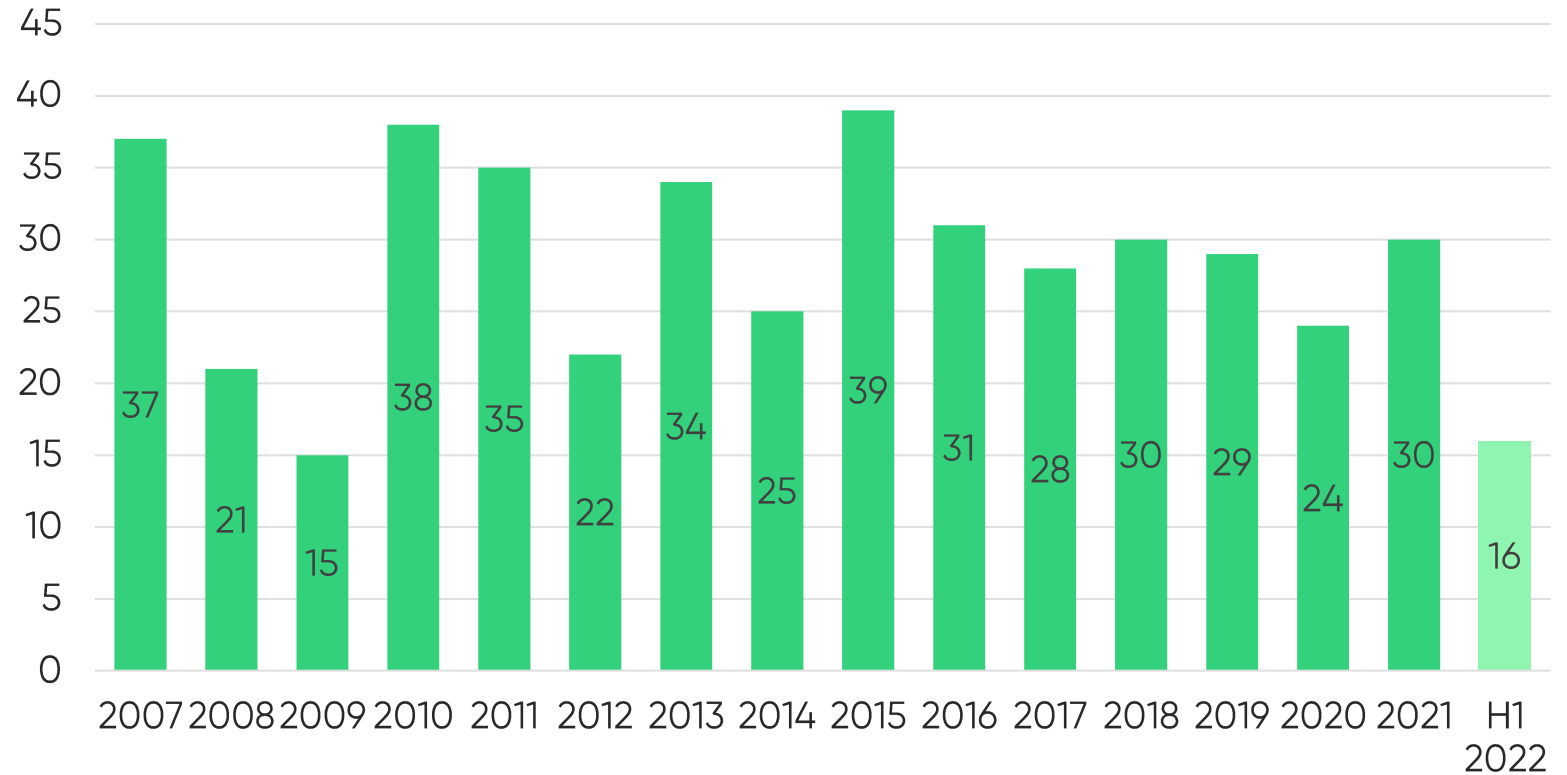
**16**

companies were exited  
H1/2022

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

## Divestments by Finnish Buyout and Growth Investors

Nbr companies



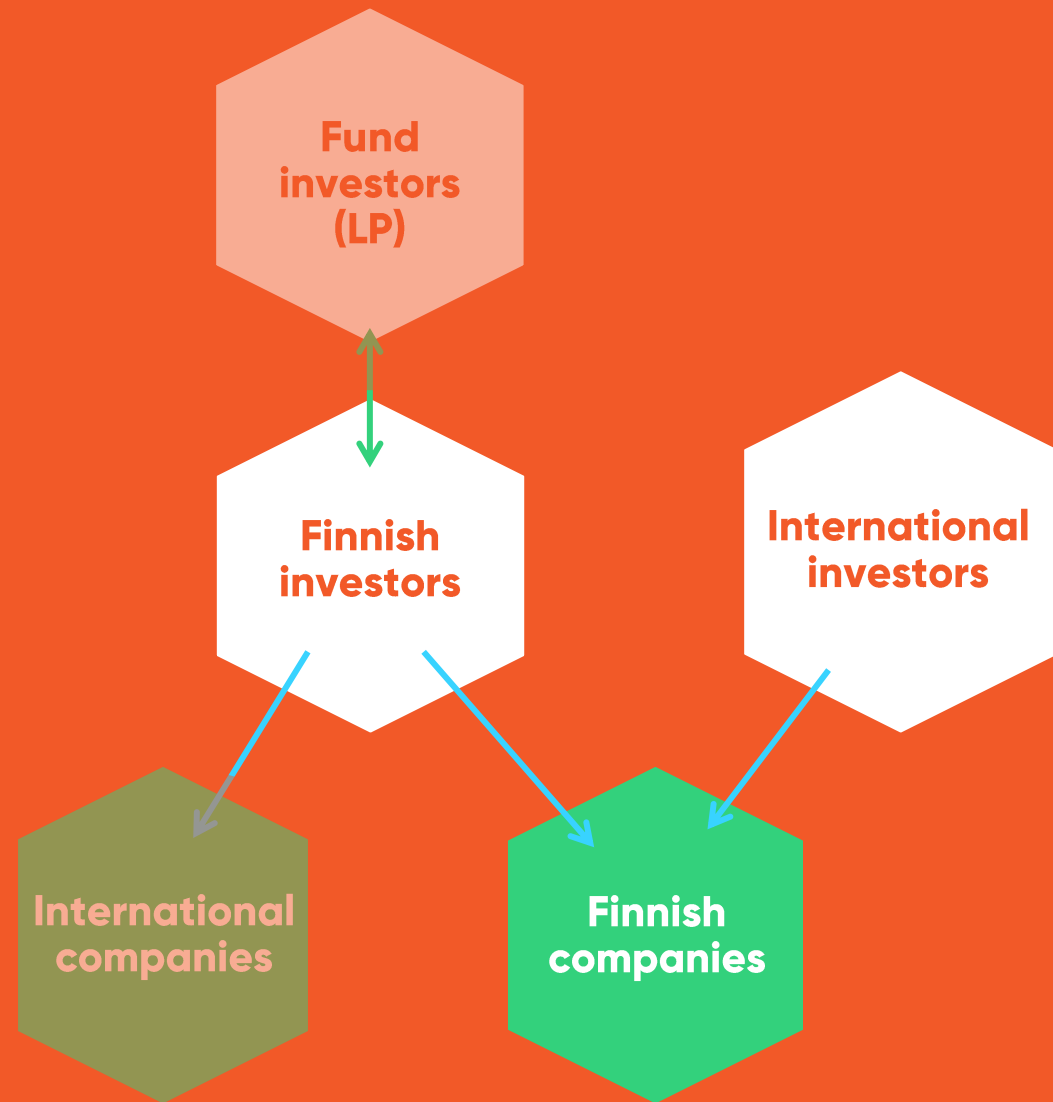
# Market Statistics

Finnish and foreign buyout & Growth investors' activity  
in Finnish companies

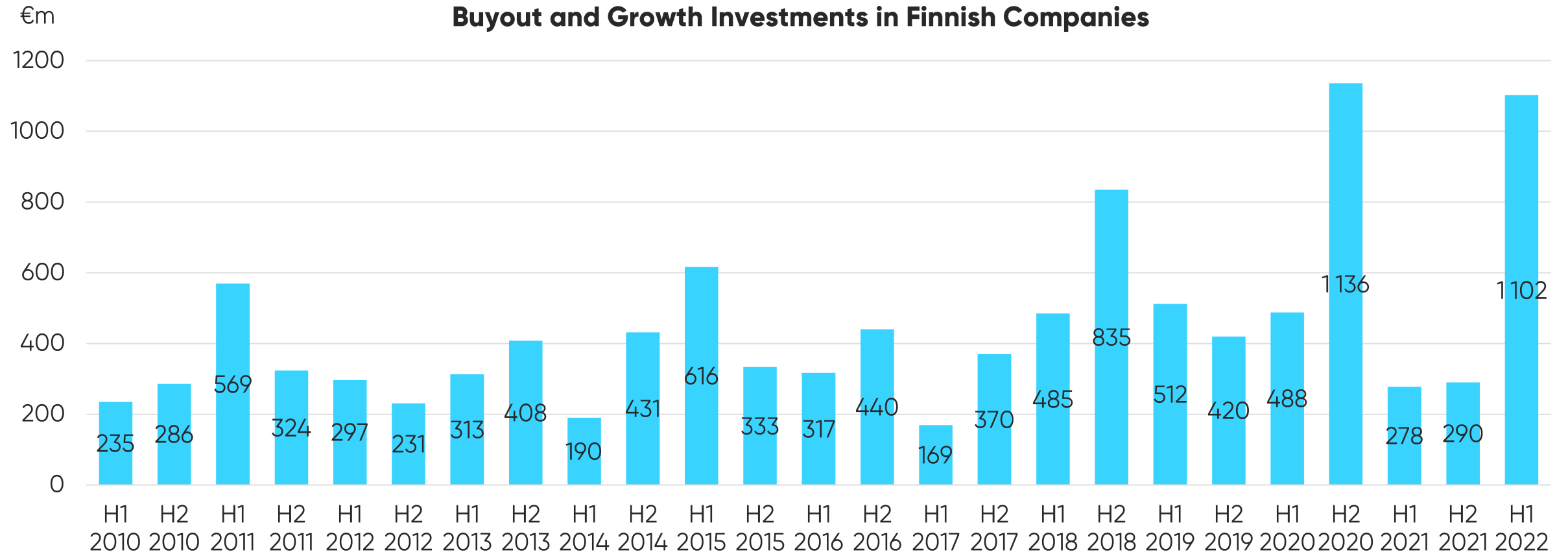
# Examples of Buyout and Growth Investments in Finnish Companies in H1/2021



# Investments



# €1.1 billion of Buyout and Growth Investments in Finnish Companies January-June 2022



# The Second Largest Amount of Investments in Finnish Growth Companies during Half a Year

**€1.1bn**

The total amount of funding received by Finnish growth companies in H1/2022

The growth funding raised by Relex at the beginning of the year is included in the statistics for the part of private equity investment

## Buyout and Growth Investments in Finnish Companies

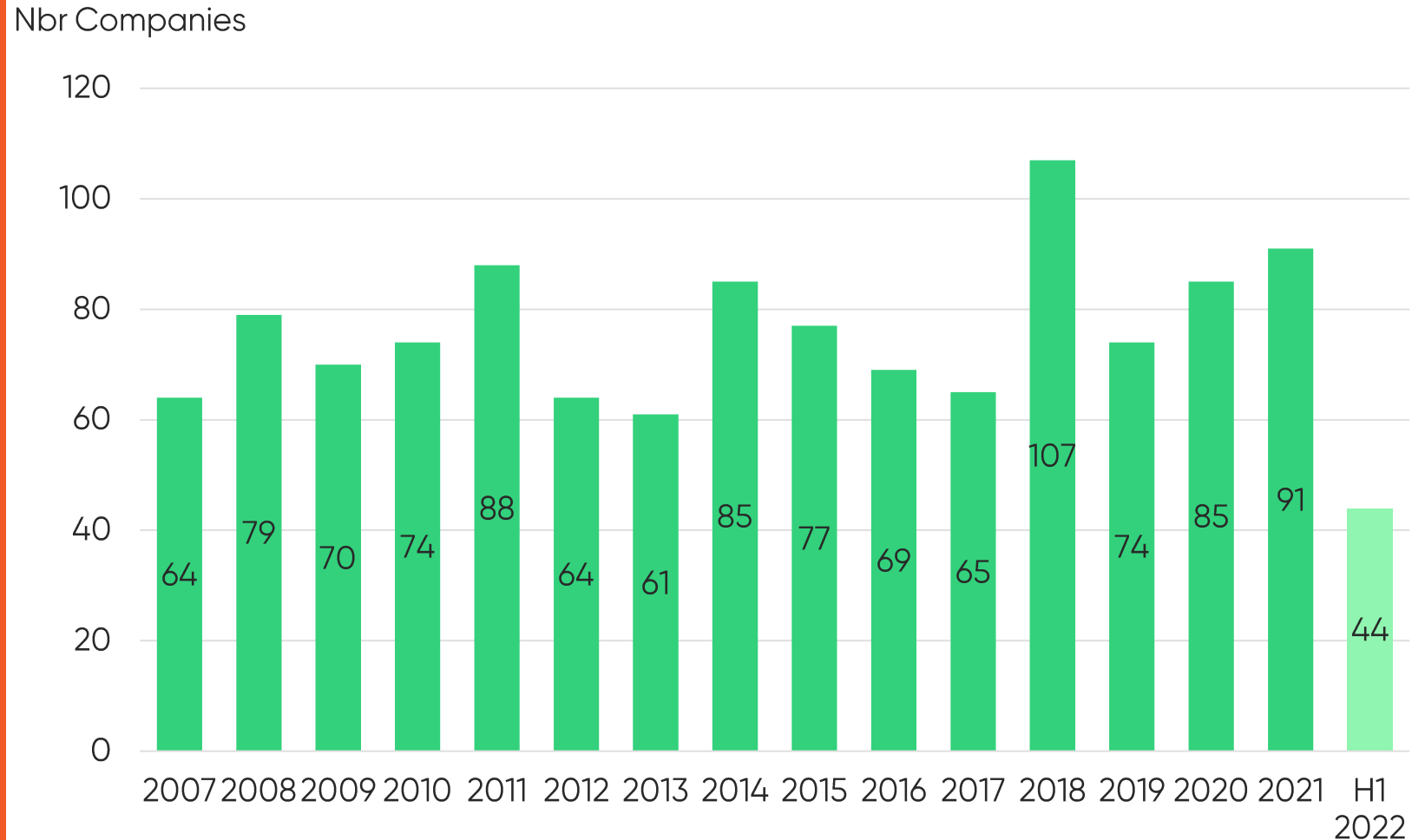


# The Number of Finnish Companies That Received Buyout or Growth Investments Was in Line With Previous Years

**44 companies**

received a buyout or growth investment in the first half of 2022

## Buyout and Growth Investments in Finnish Companies

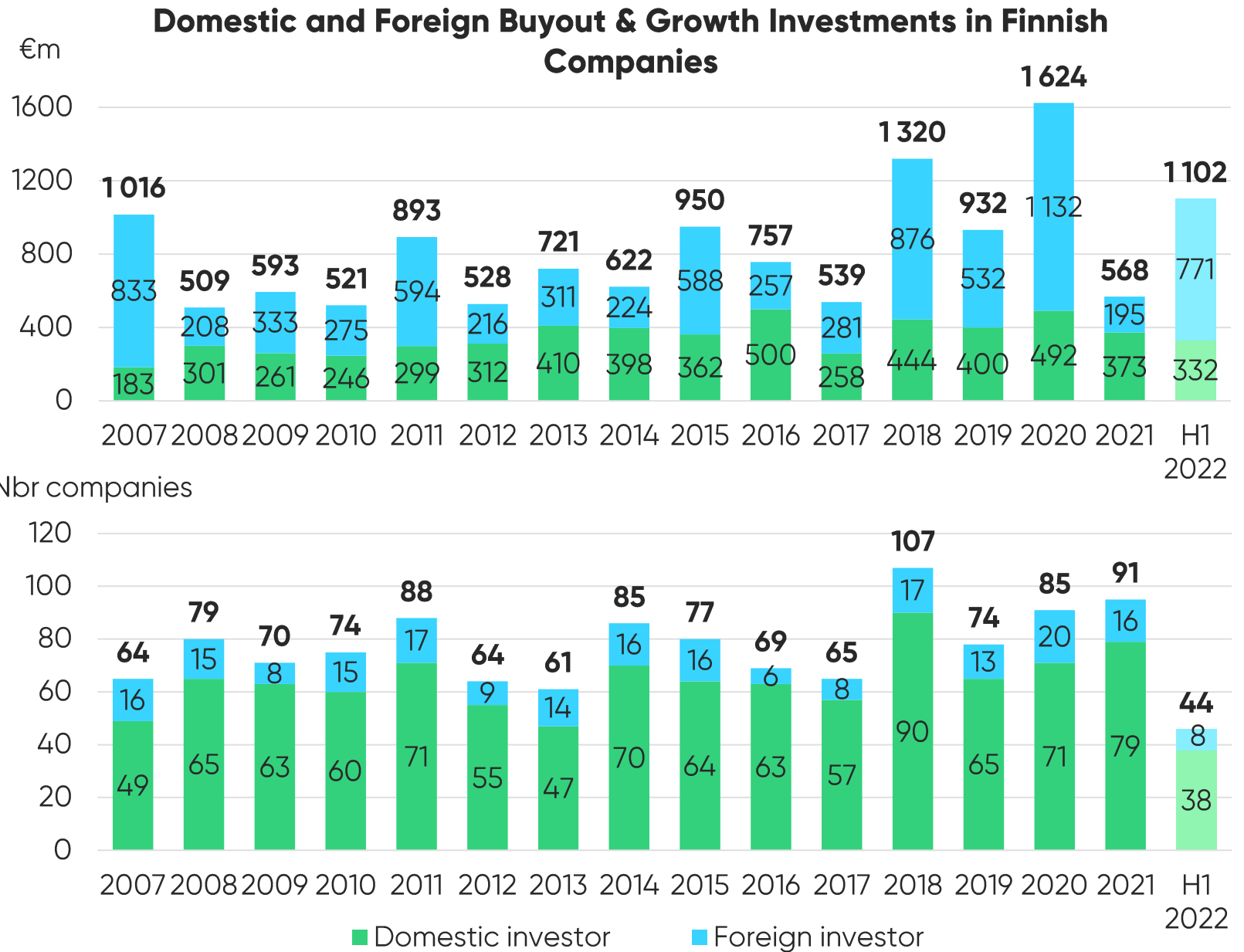


# Foreign Buyout and Growth Investments in Finnish Companies

**€771m (70 %), 8 companies (18 %)**

Finnish companies continue to attract international investments

International investors are active especially in the largest buyout and growth deals



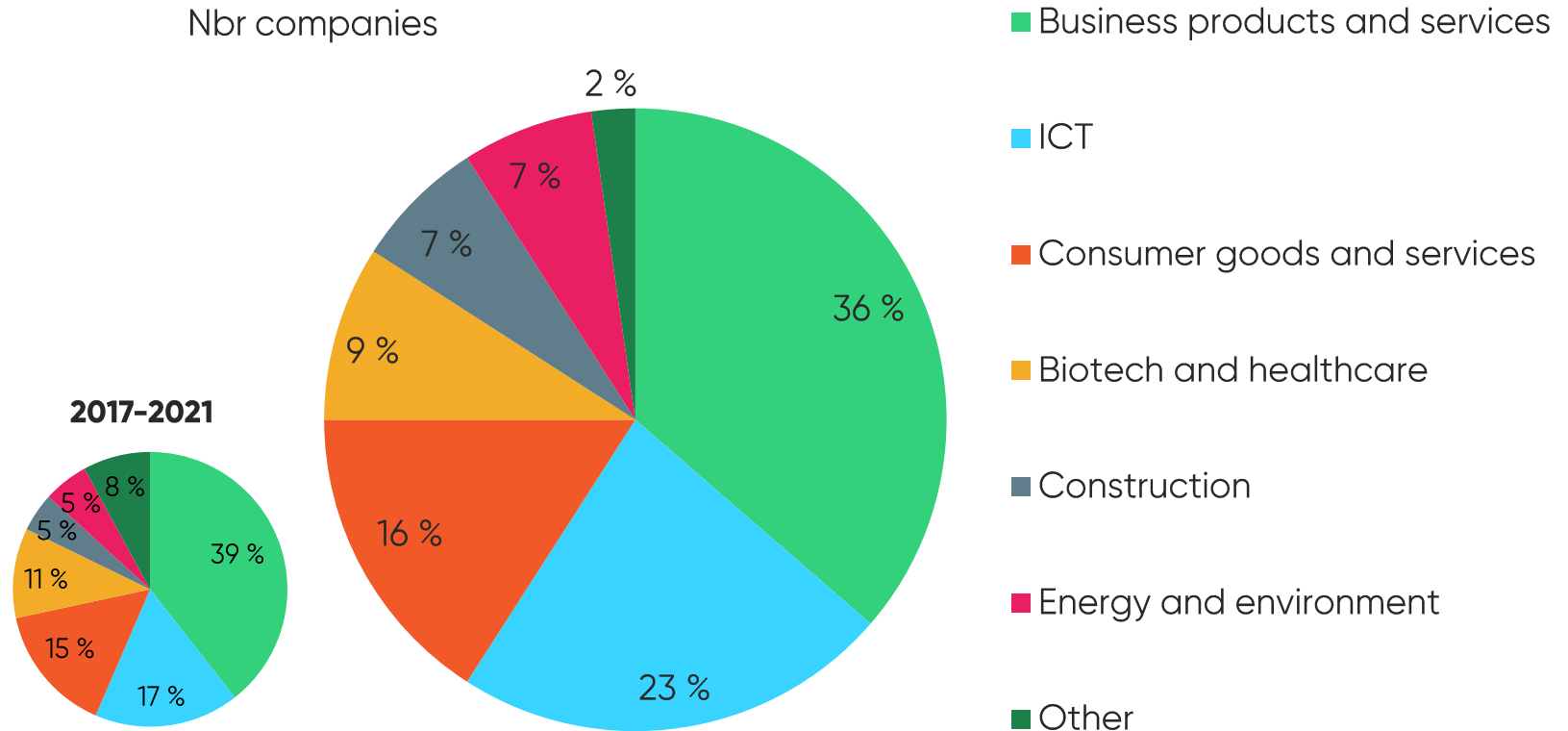


# Majority of the Buyout and Growth Investments go to B2B Companies

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

## Buyout and Growth Investments in Finnish Companies by Industry in H1/2022

Nbr companies



# Divestments

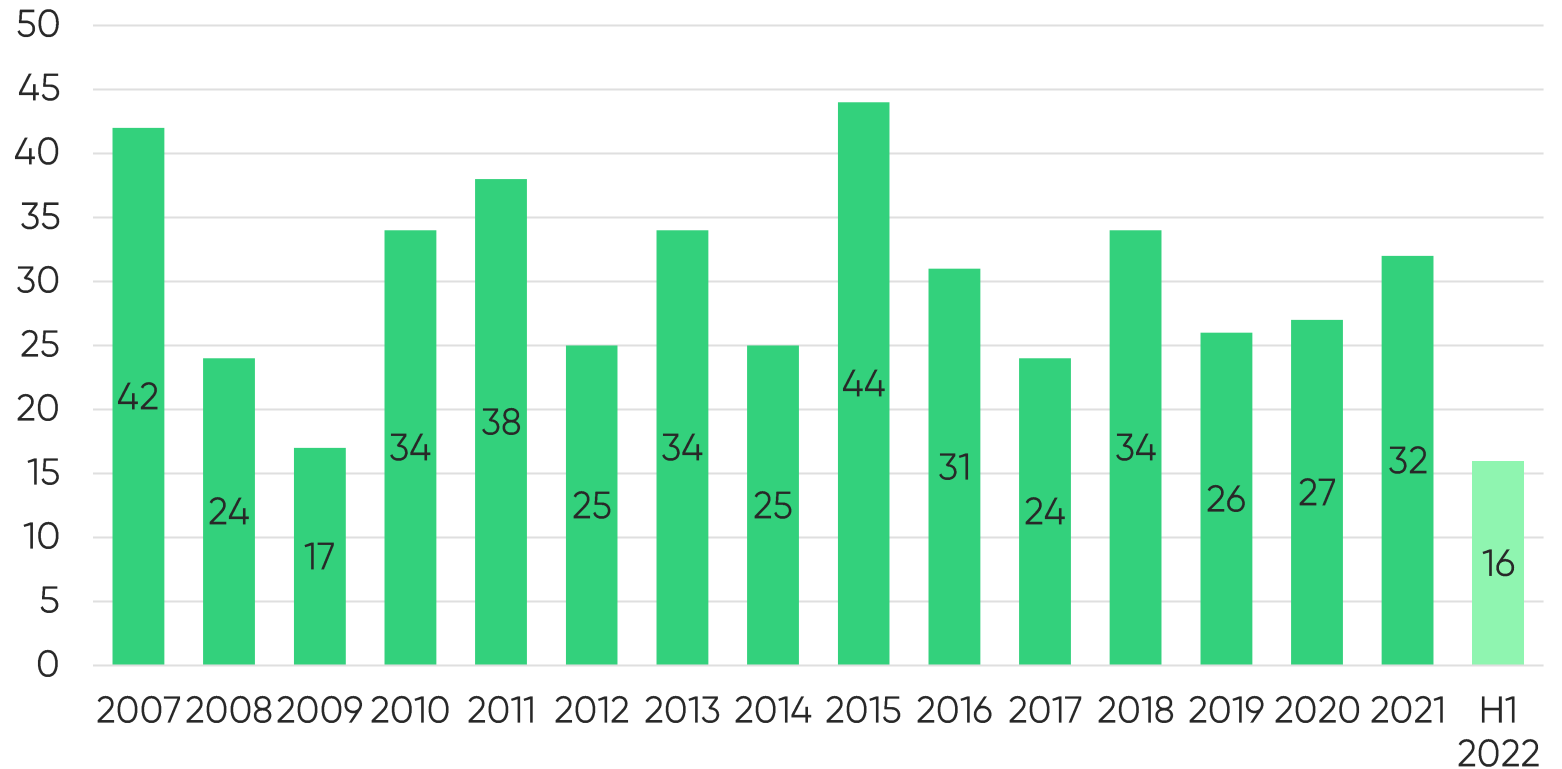
# Divestment Activity Remains at a Similar Level Compared to H1/2021

## 16 companies

exited by buyout and growth investors between January-June 2022

### Buyout and Growth Divestments from Finnish Companies

Nbr companies



Sources: FVCA, EDC

# 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	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