



Pääomasijoittajat

Finnish Venture Capital Association

Venture Capital in Finland H1/2022

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.

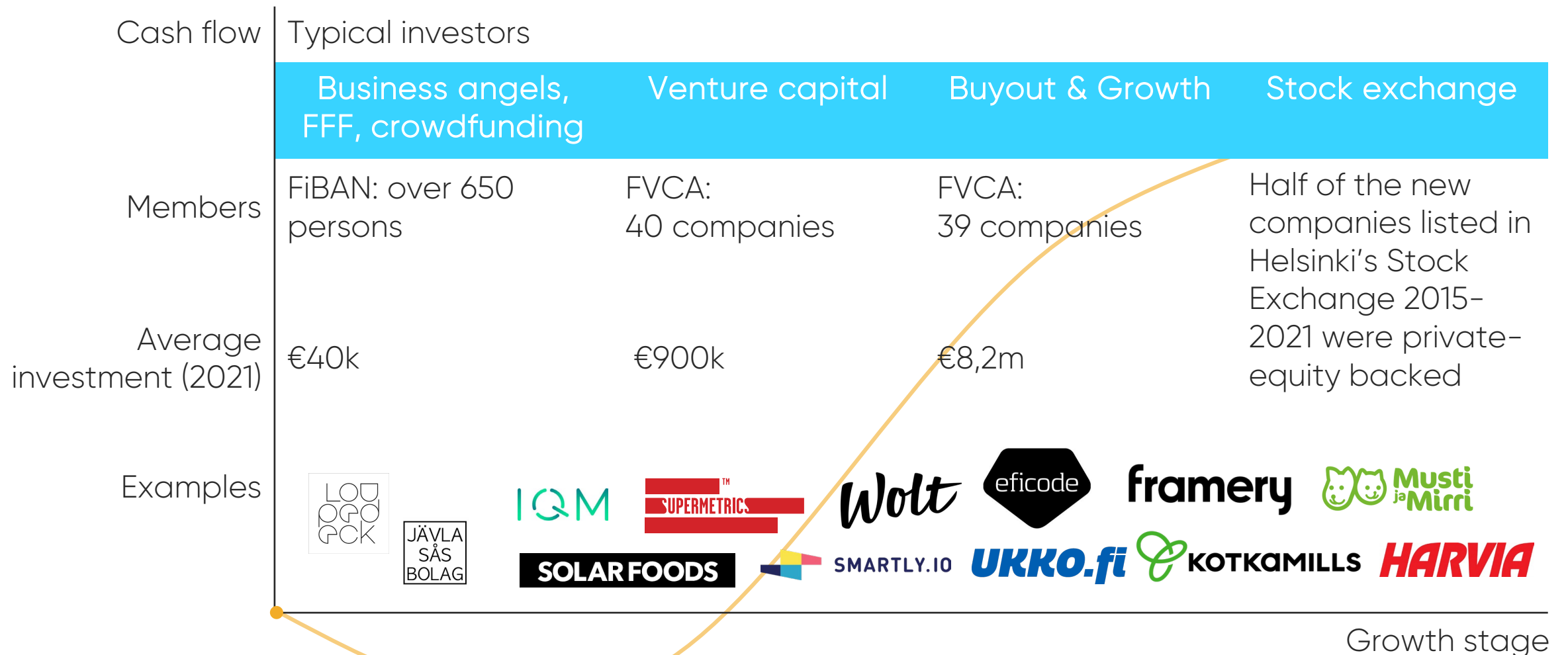
Growth Company

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

Buyout & 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



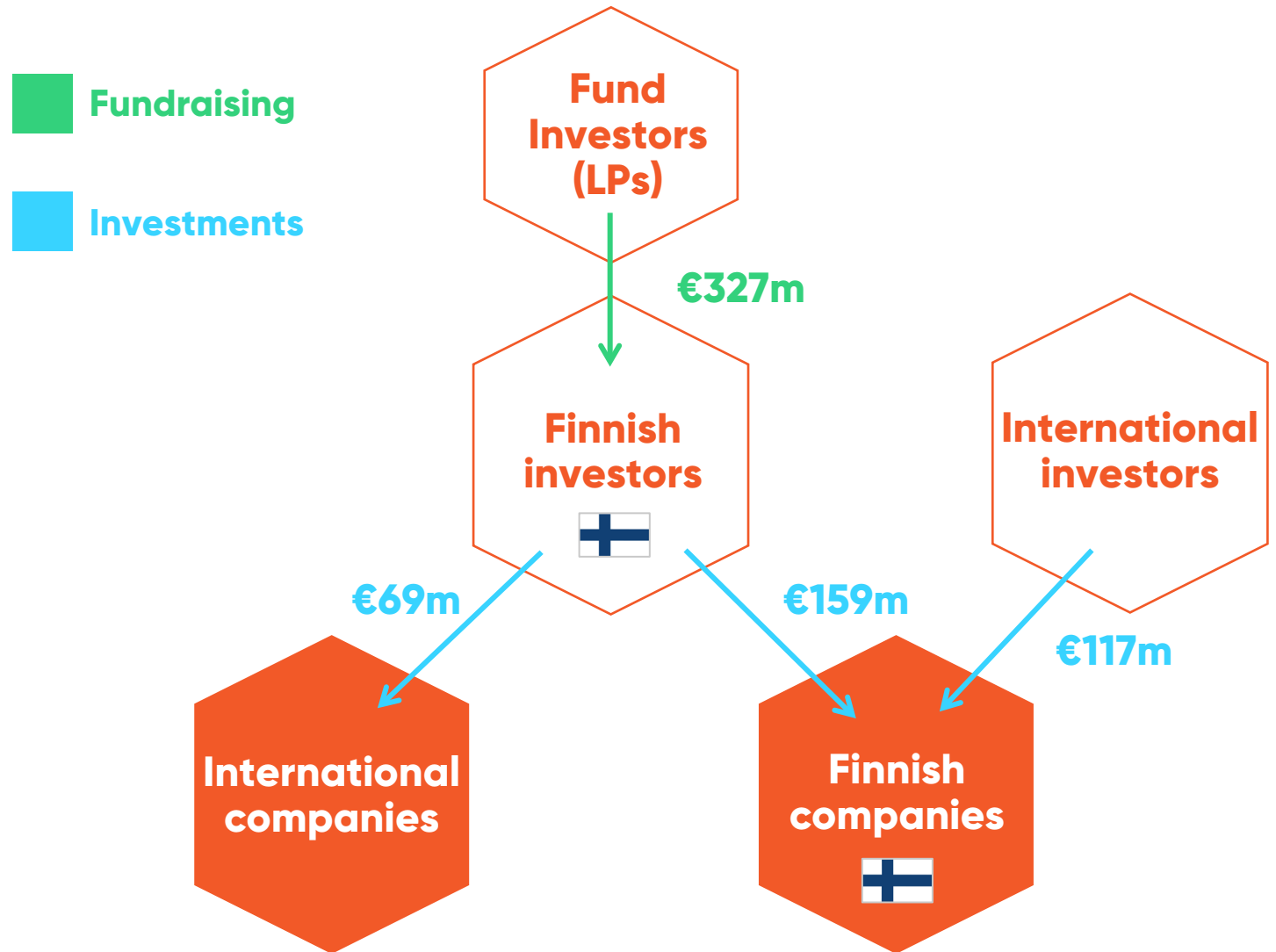
Venture Capital (VC) H1/2022

€276m

VC investments in Finnish startup companies

€228m

Investments made by Finnish VC investors



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

Venture Capital (VC) H1/2022

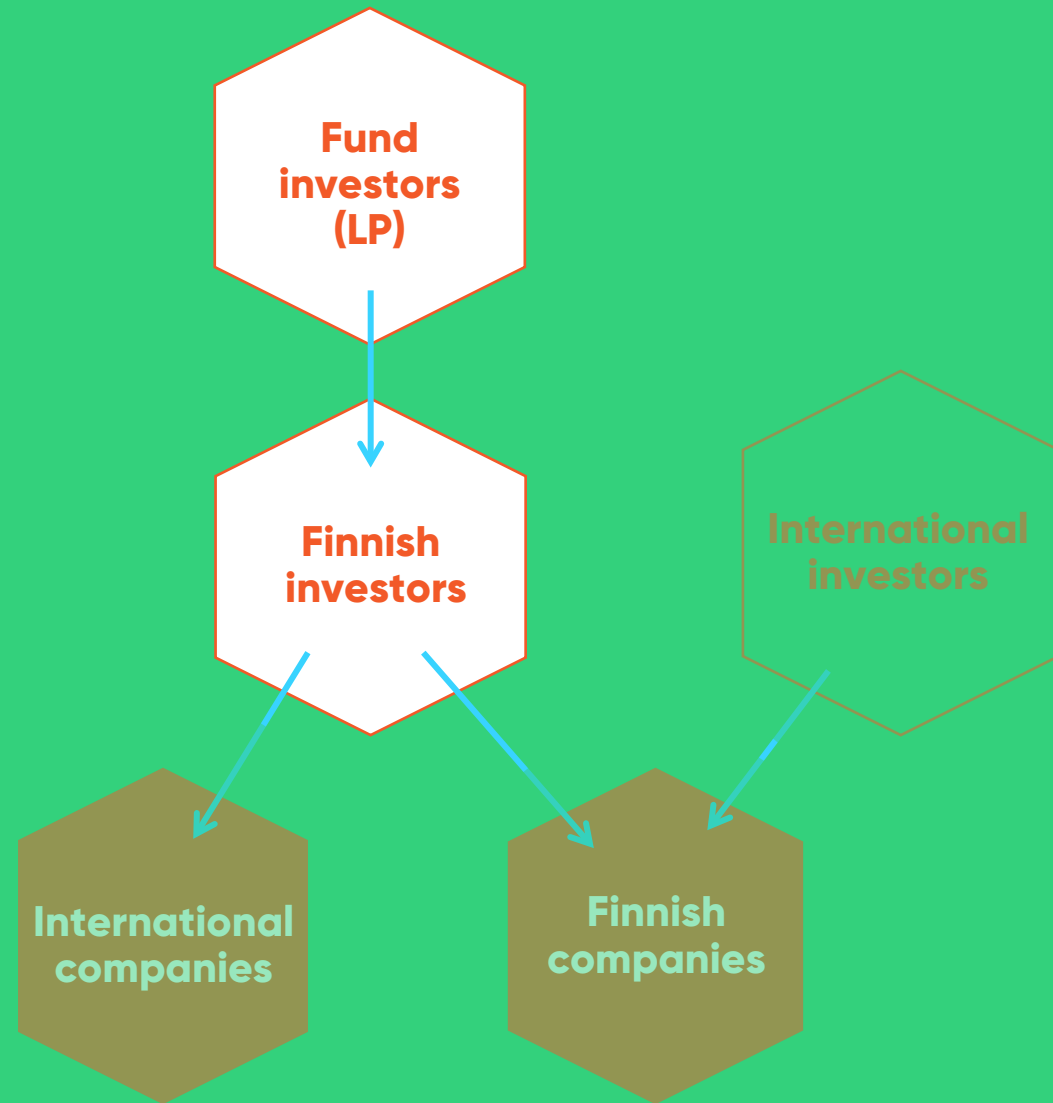
Highlights from the statistics

- The total sum of VC funding collected by Finnish startups is **€276m** which is the second largest sum collected in half a year in history
- In total **108** Finnish startups received VC funding
- **€159m** of the VC investments came from Finland and **€117m** came from abroad
- Finnish VC investors invested a record amount of **€228m**, in **163** domestic and foreign startups
- Already **39 %** of Finnish VC investors' investments are made in foreign startups as the industry is getting more international
- Finnish VC funds collected a total of **€327m** new funds for future investments.

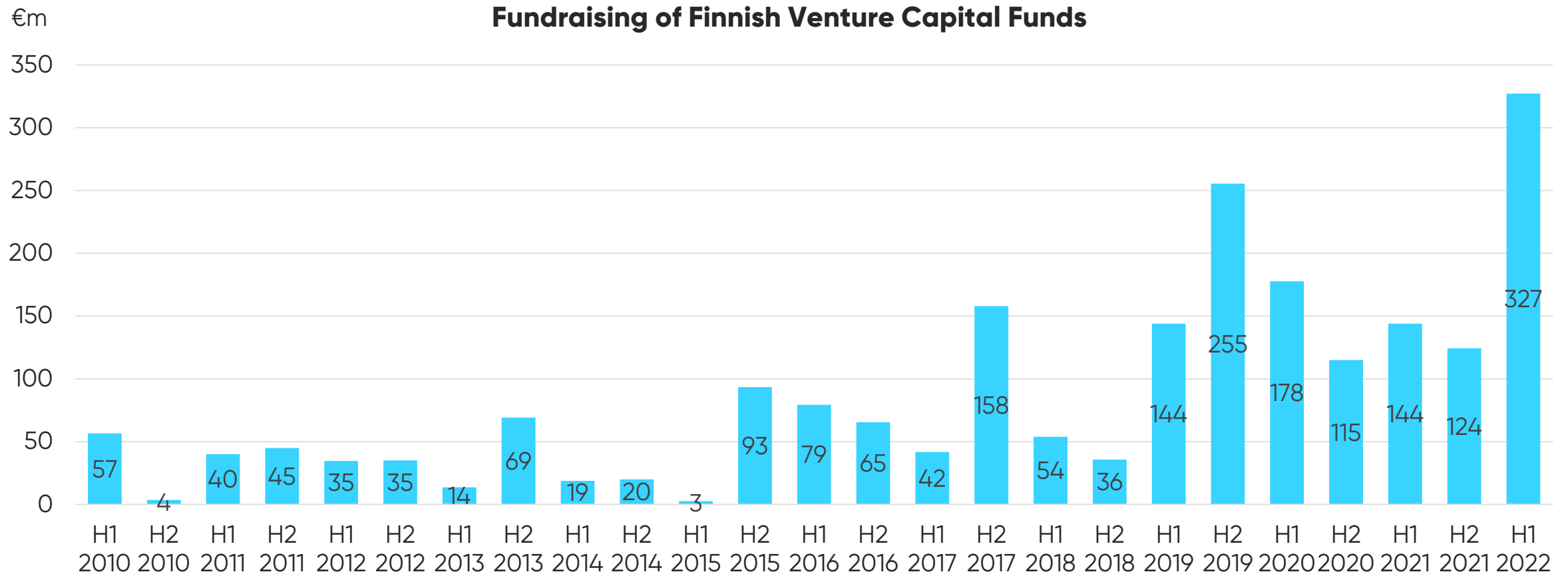
Industry Statistics

Finnish venture capital investors' activity
in Finland and abroad

Fundraising



€327 Million to Finnish VC-Funds Between January-June 2022



A Record Amount Raised for Future Investments

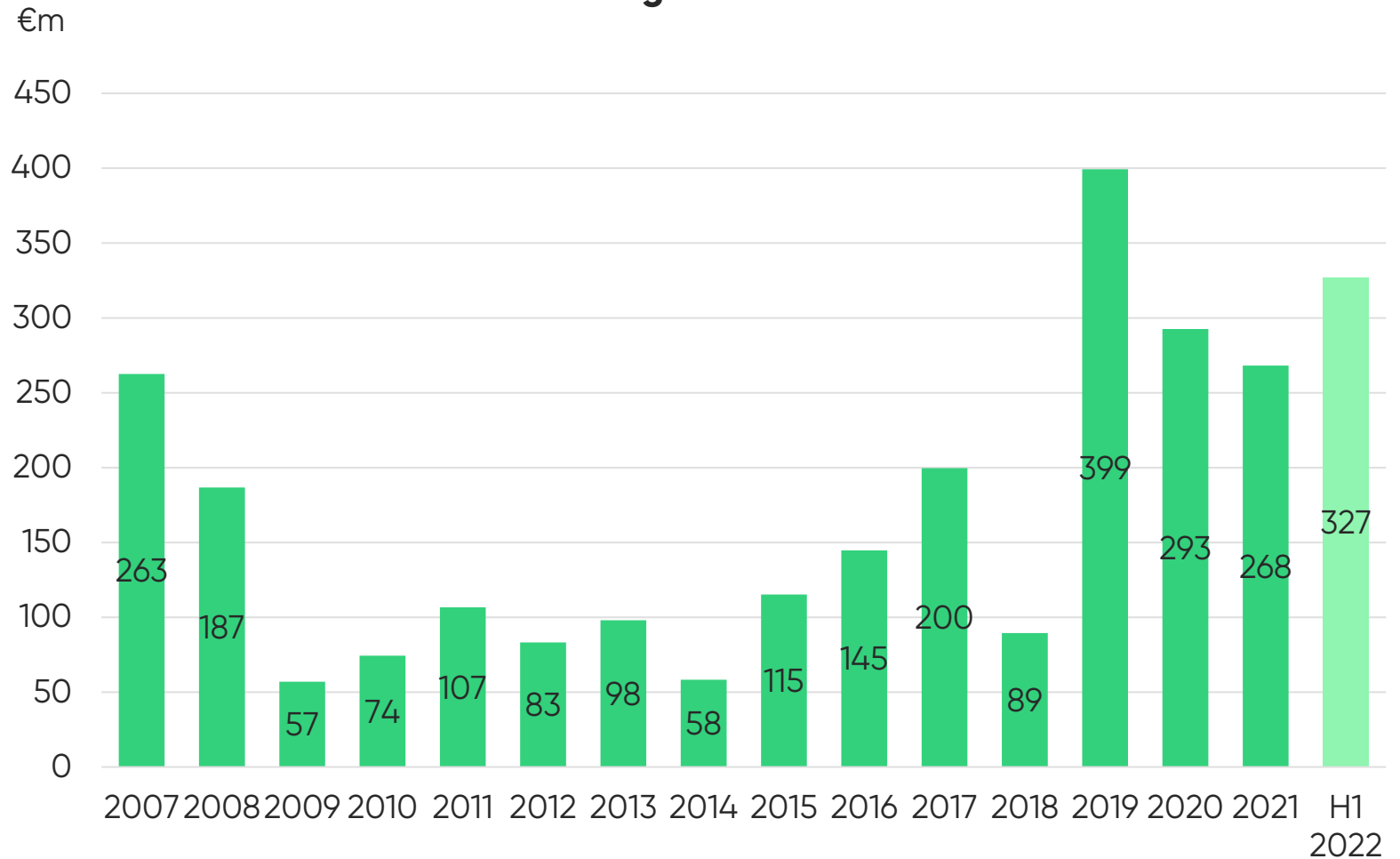
€327m

Funds raised to Finnish VC funds in the first half of 2022.

€1.3bn

During the last 3½ years Finnish VC's have raised over a billion euros for future investments.

Fundraising of Finnish VC's

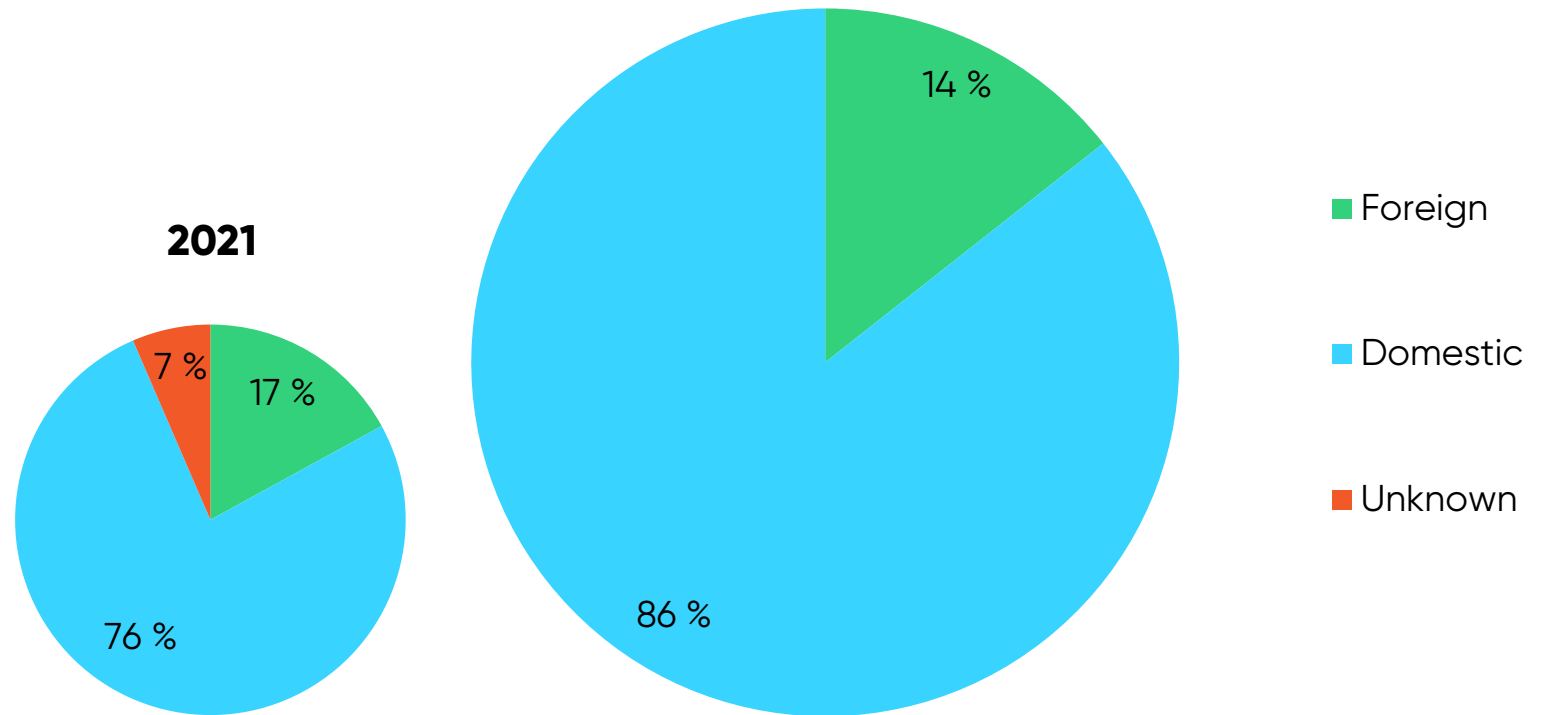


The Importance of Foreign LPs in Fundraising Is Increasing

14 %
of the raised amount came from foreign sources in the first half of 2022

Most foreign capital was raised from France & Benelux and second most came from the Nordics

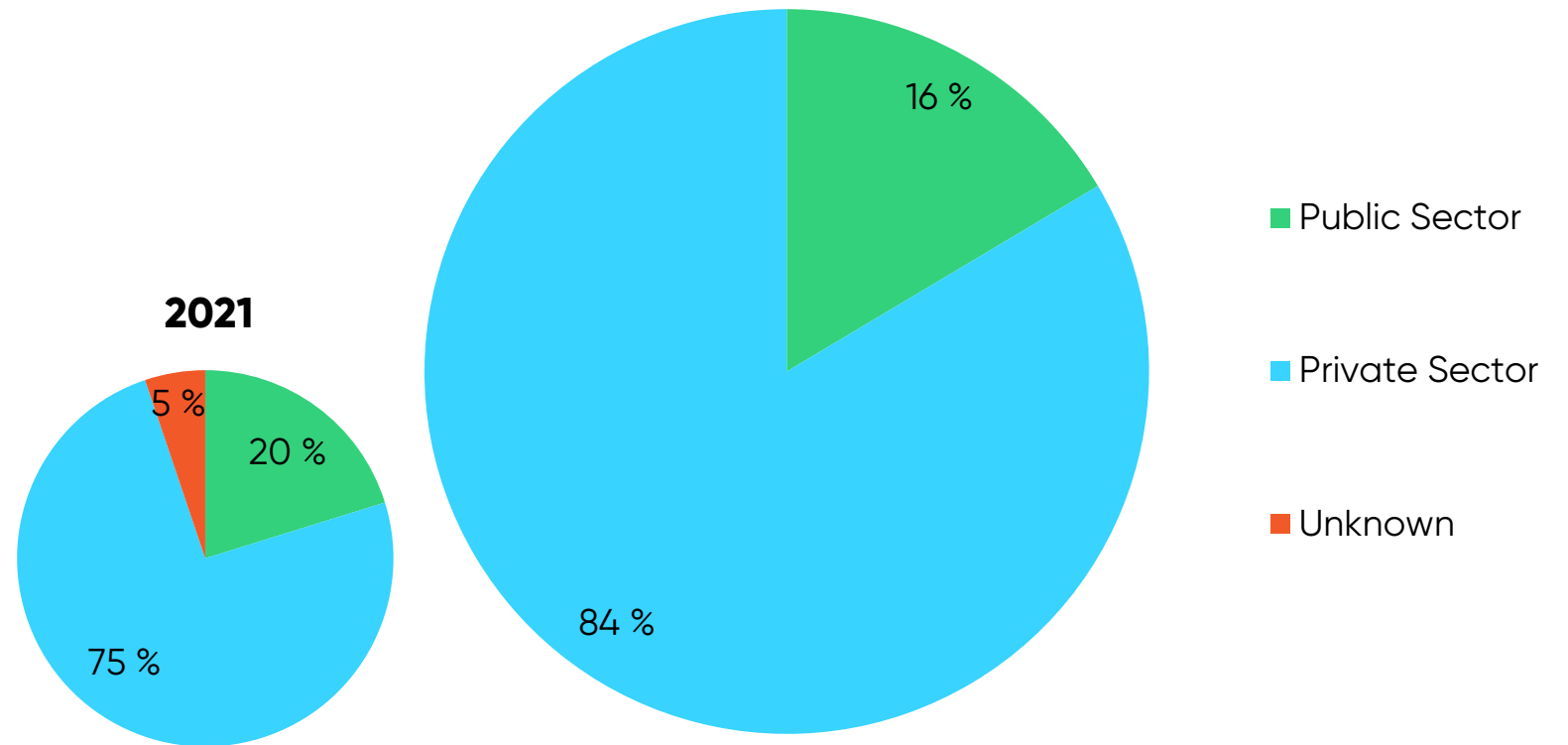
Fundraising From Domestic and Foreign Sources in H1/2022



Public Sector's Share of Fundraising

16 %
of raised funds came from public sources

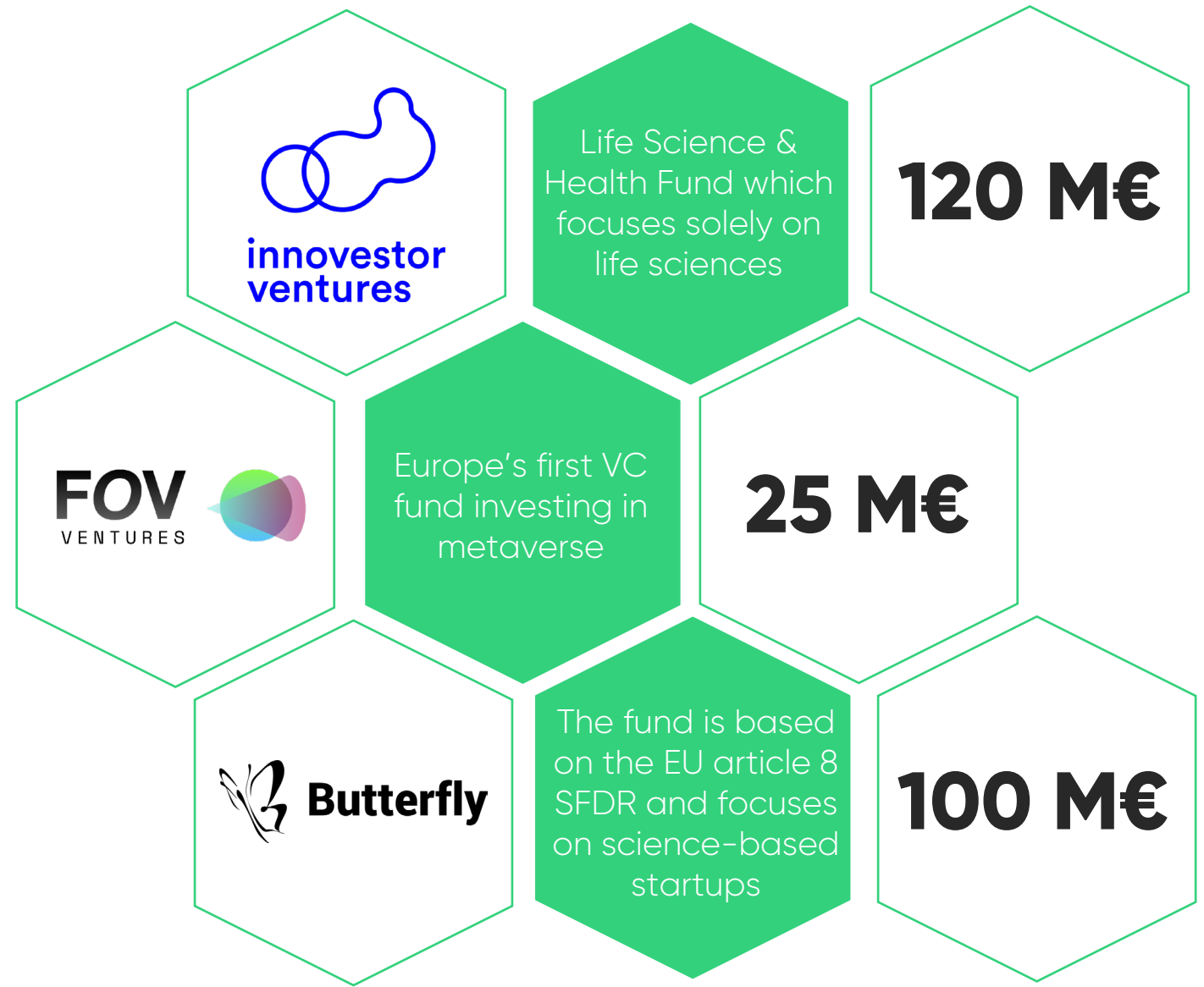
Fundraising From Private and Public Sector in H1/2022



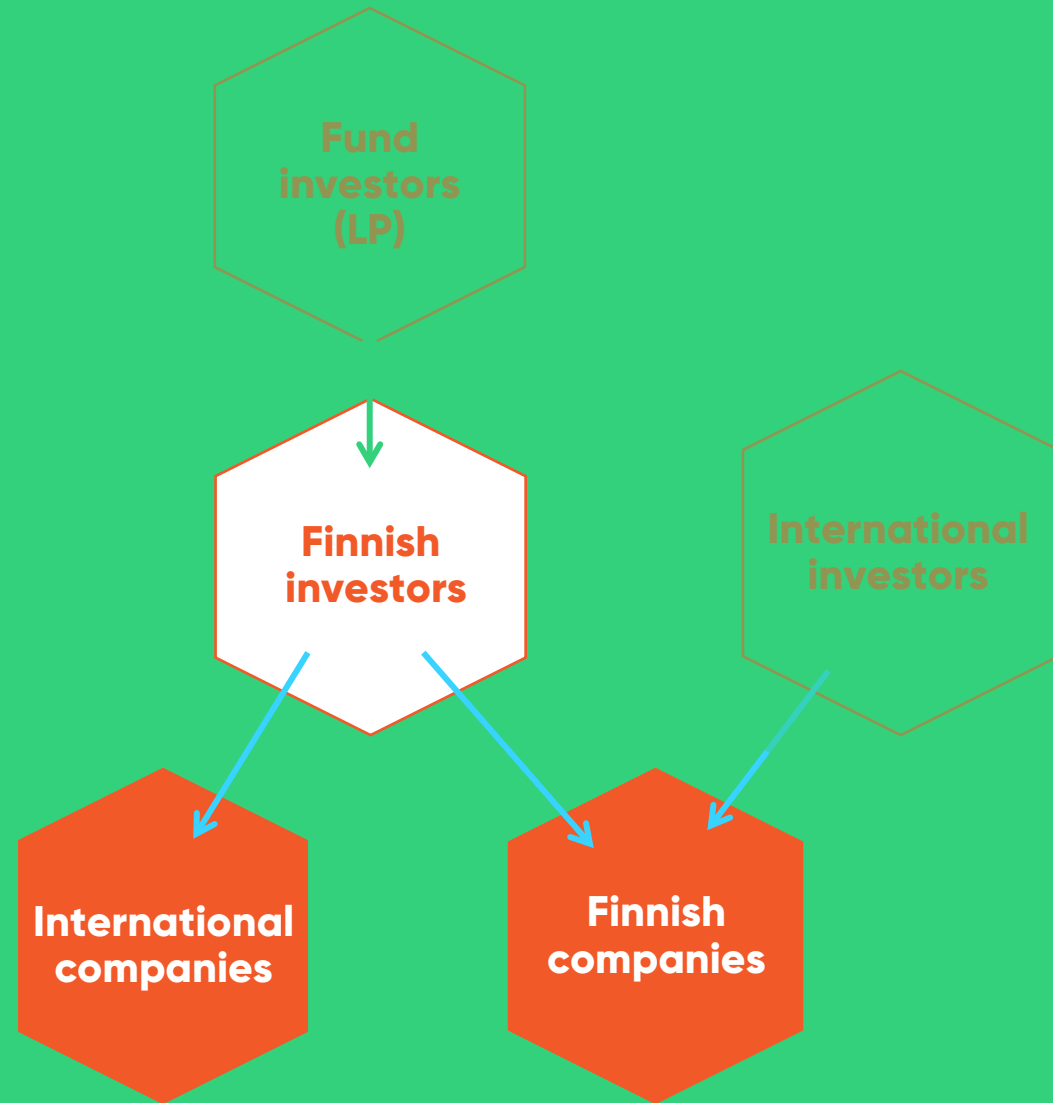
Sources: FVCA, EDC

Examples of VC-fundraising in H1/2022

The amounts show the target sizes of the funds.

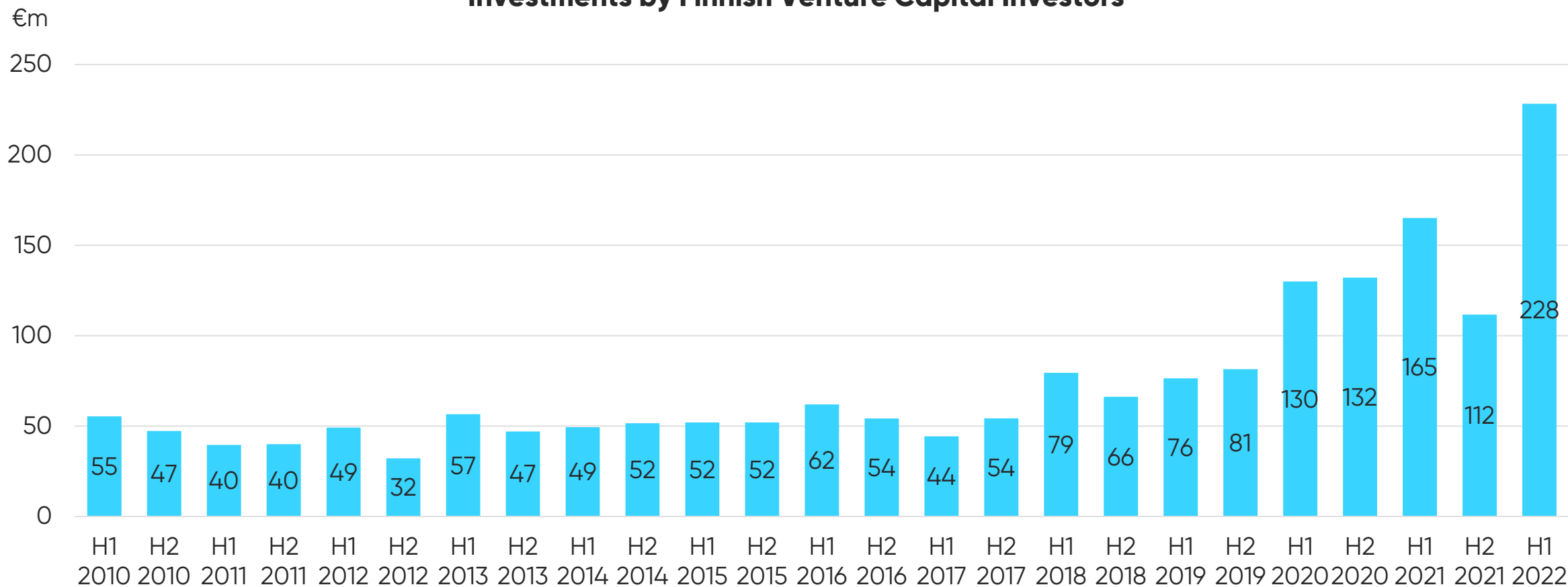


Investments



Finnish VC's Invested €228 Million Between January-June 2022

Investments by Finnish Venture Capital Investors



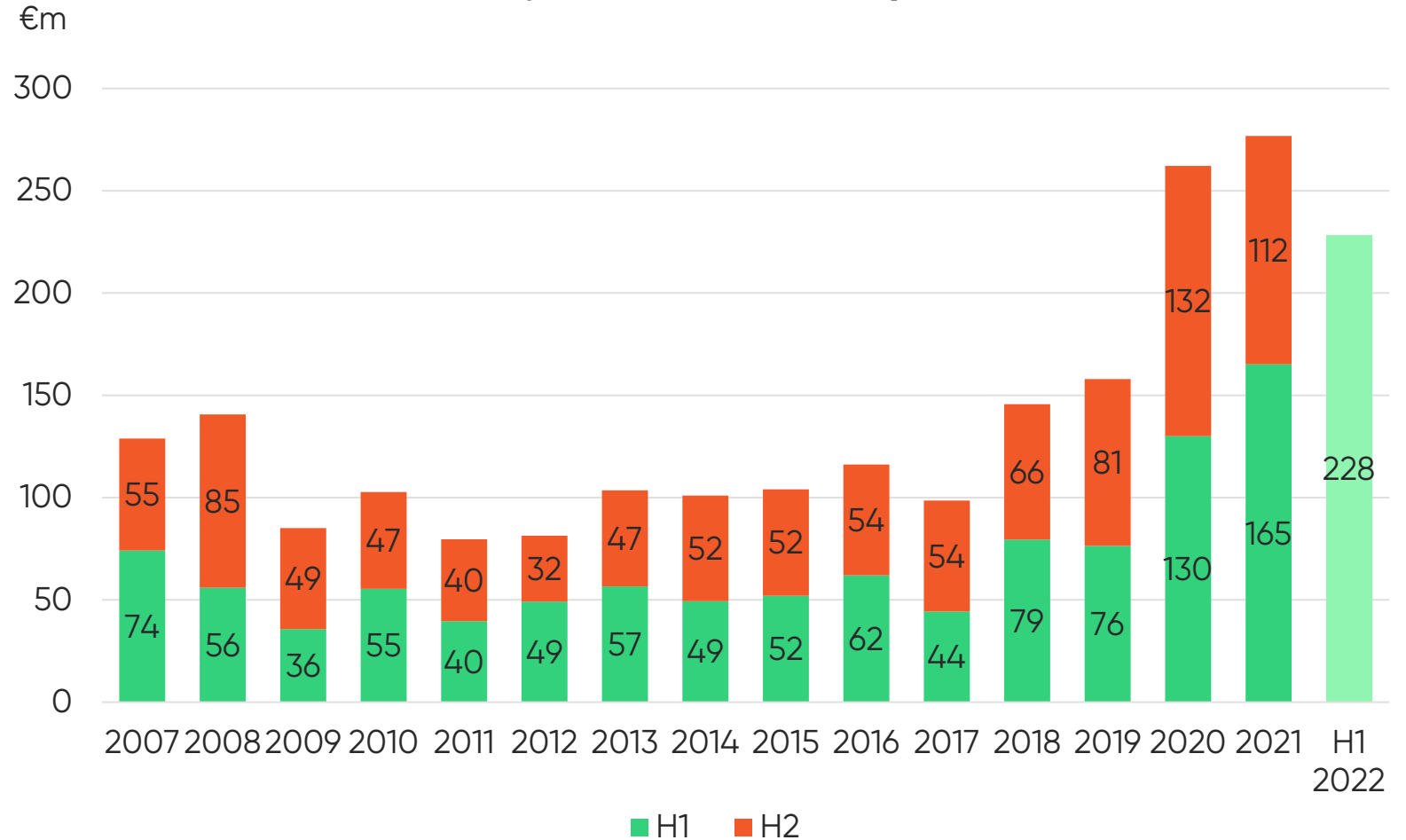
A Record Sum Invested by Finnish VCs Over a Six-Month Period

228 M€

The sum of investments in domestic and foreign companies by Finnish investors in the first half of 2022

The amount invested increased by 104 % compared to H2/2021

Investments by Finnish Venture Capital Investors



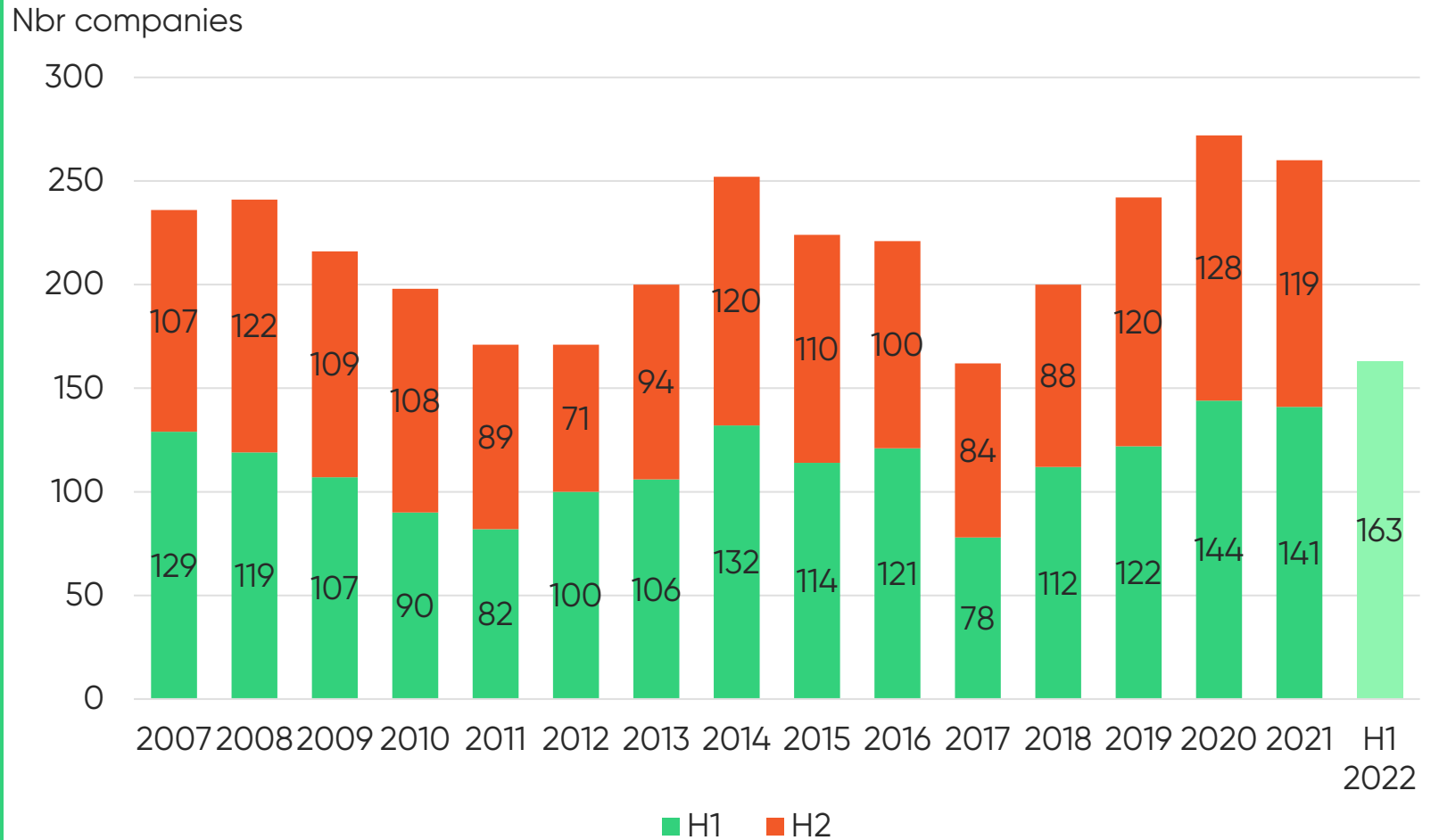
A Record Number of Companies Received an Investment in H1/2022

163 companies

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

This number is a new record and increased by 37 % compared to H2/2021

Investments by Finnish Venture Capital Investors

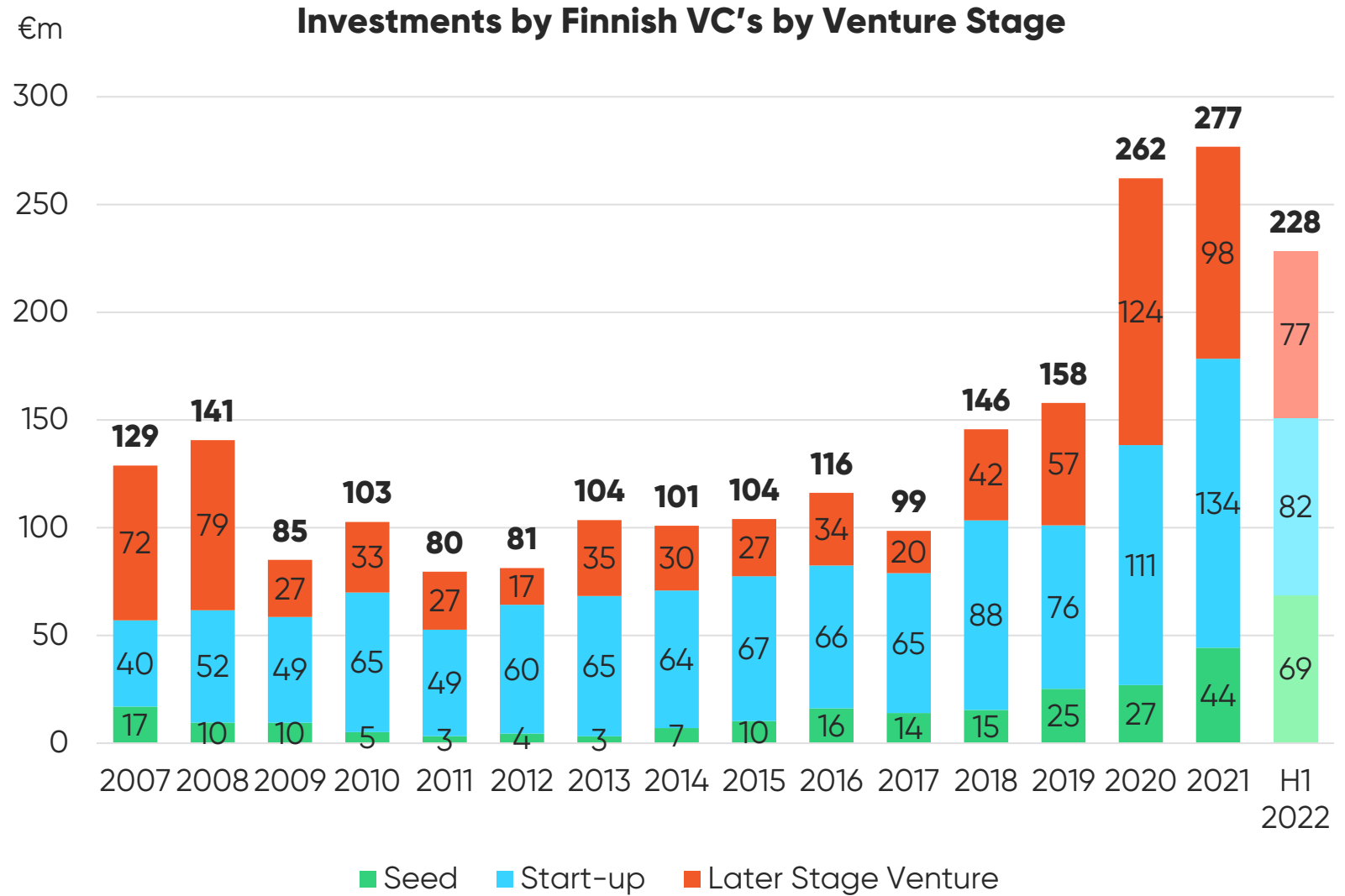


Record Investments in All Stages

€69m

Seed-stage investments were at an all-time record only after half a year

In a half year period, investments at a record level in all investment stages

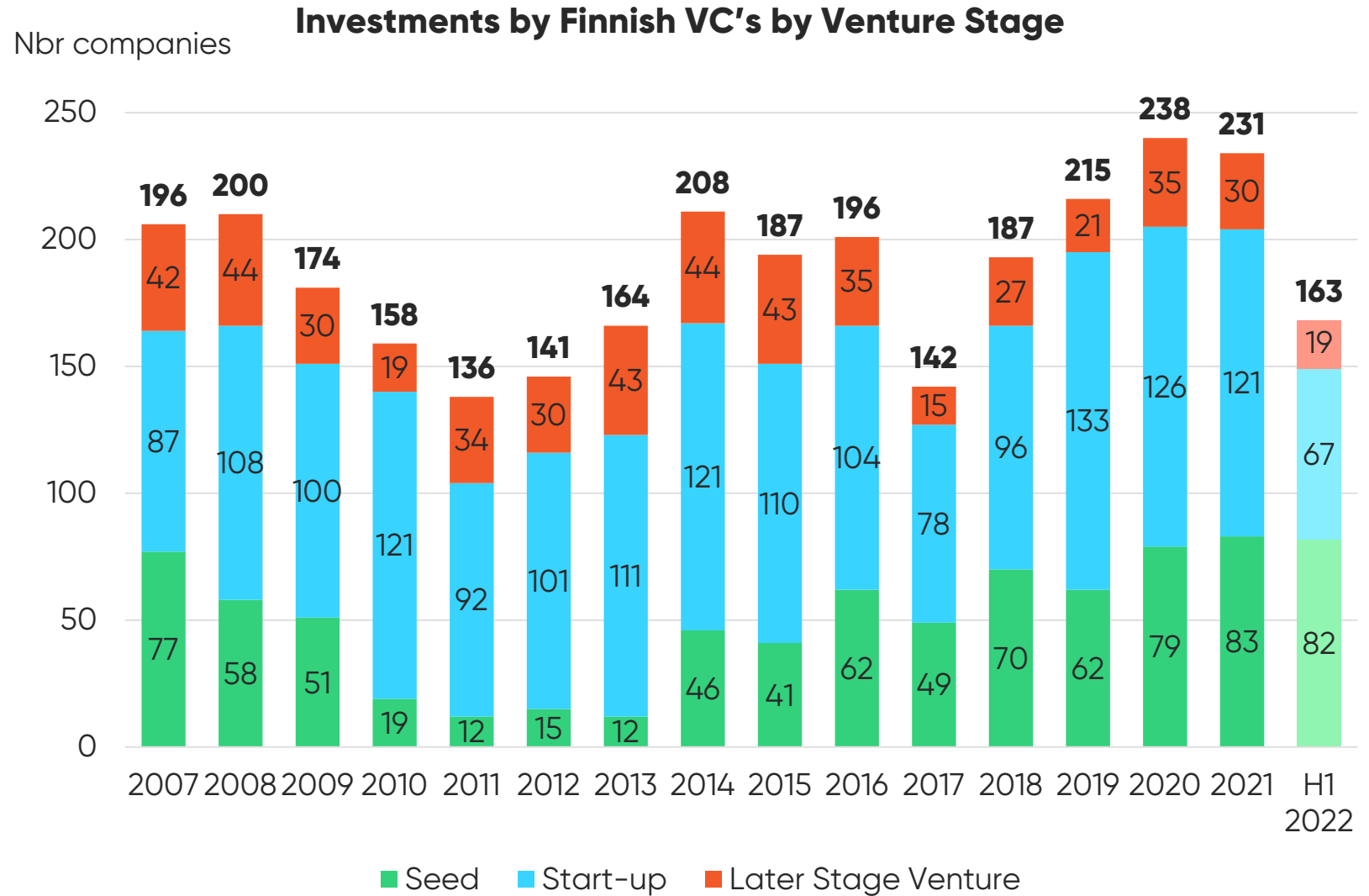


The Number of Companies Receiving Funding is Growing

163 companies

received funding from Finnish VC investors in H1/2022

82 companies that are only starting their operations received a seed-stage investment



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

Seed-Stage Investments Are Increasing Rapidly

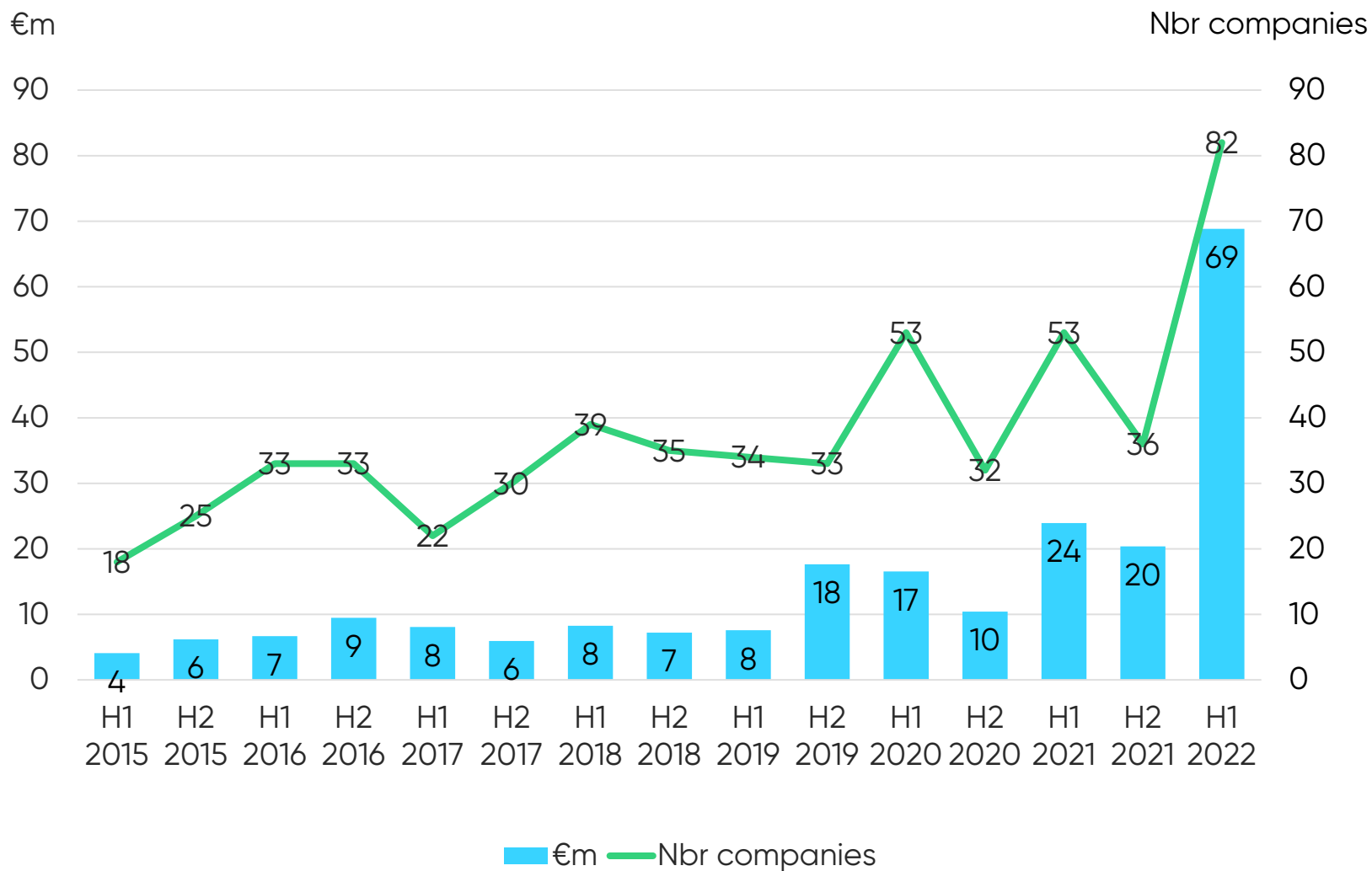
€69m (+245 %)

An increase of 245 % compared to the previous six months.

82 companies (+128 %)

In H2/2021 36 companies received seed investment

Seed Investments by Finnish VC's



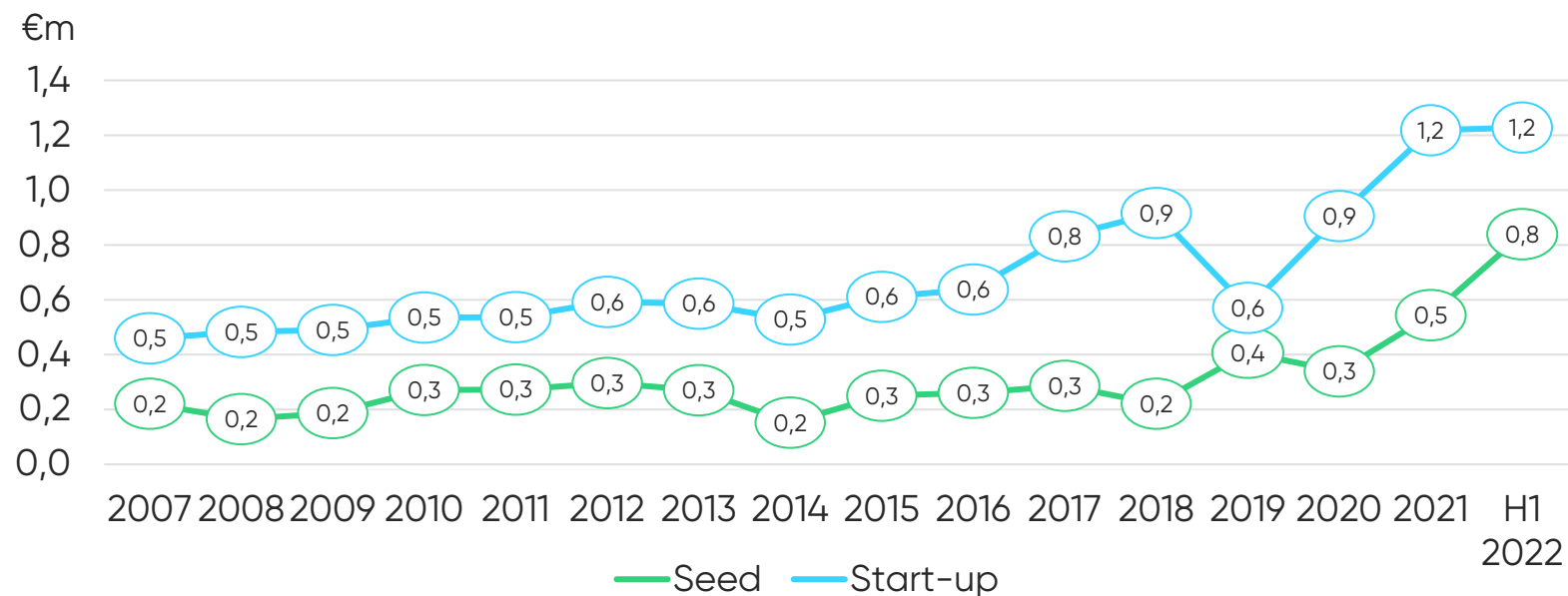
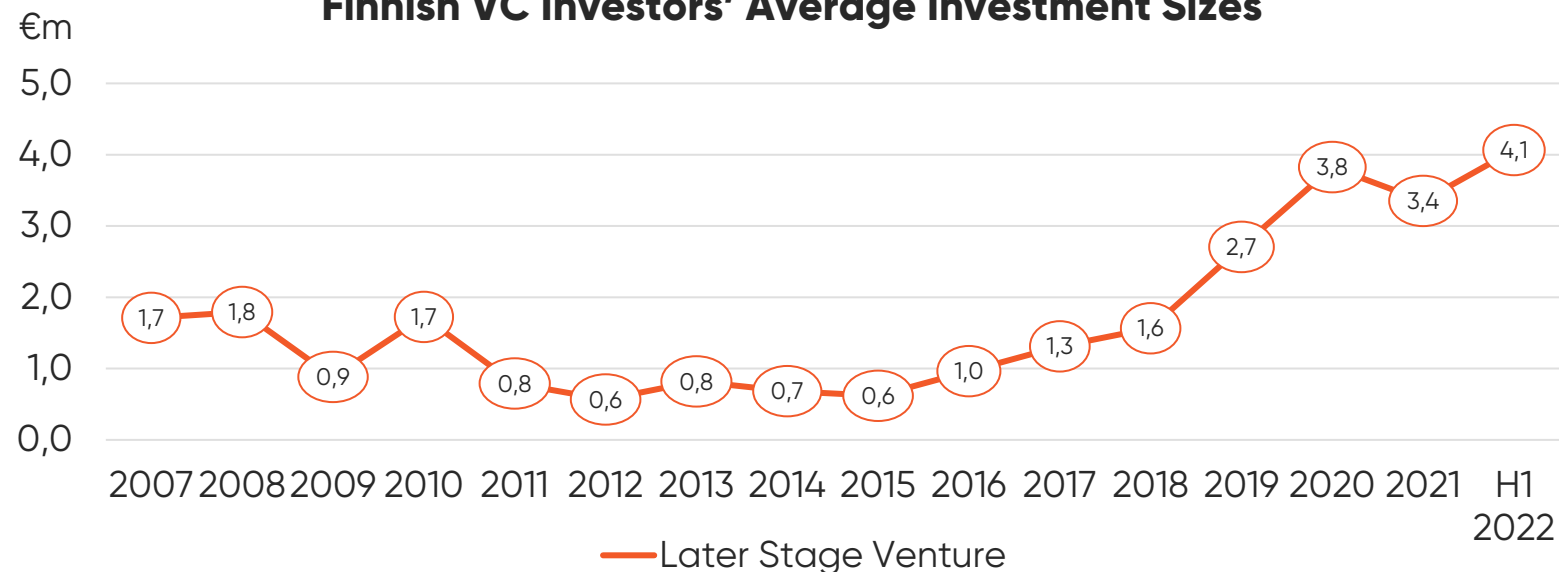
VC Investments Increasing in Size

€1,4m (+13 %)

The average size of VC-investments in H1/2022.

The average investment size has increased in all stages, especially in seed-stage investments.

Finnish VC Investors' Average Investment Sizes



A New Record in VC Investments Made in Foreign Companies

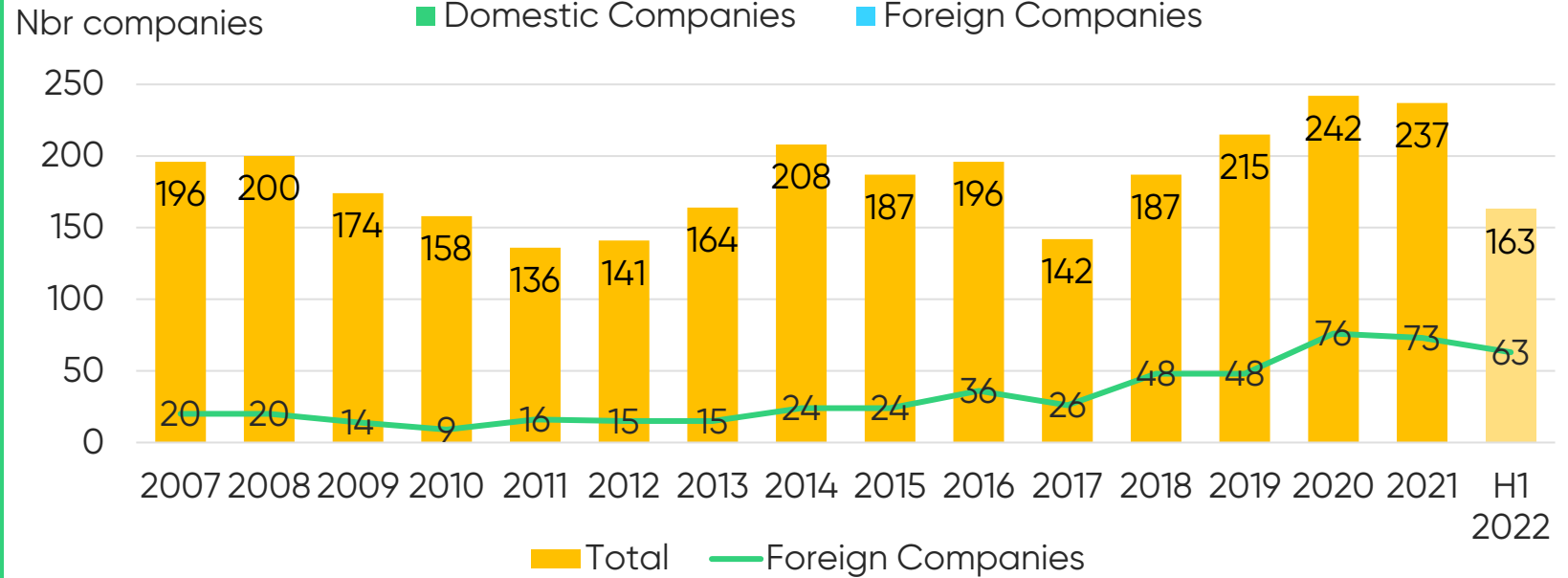
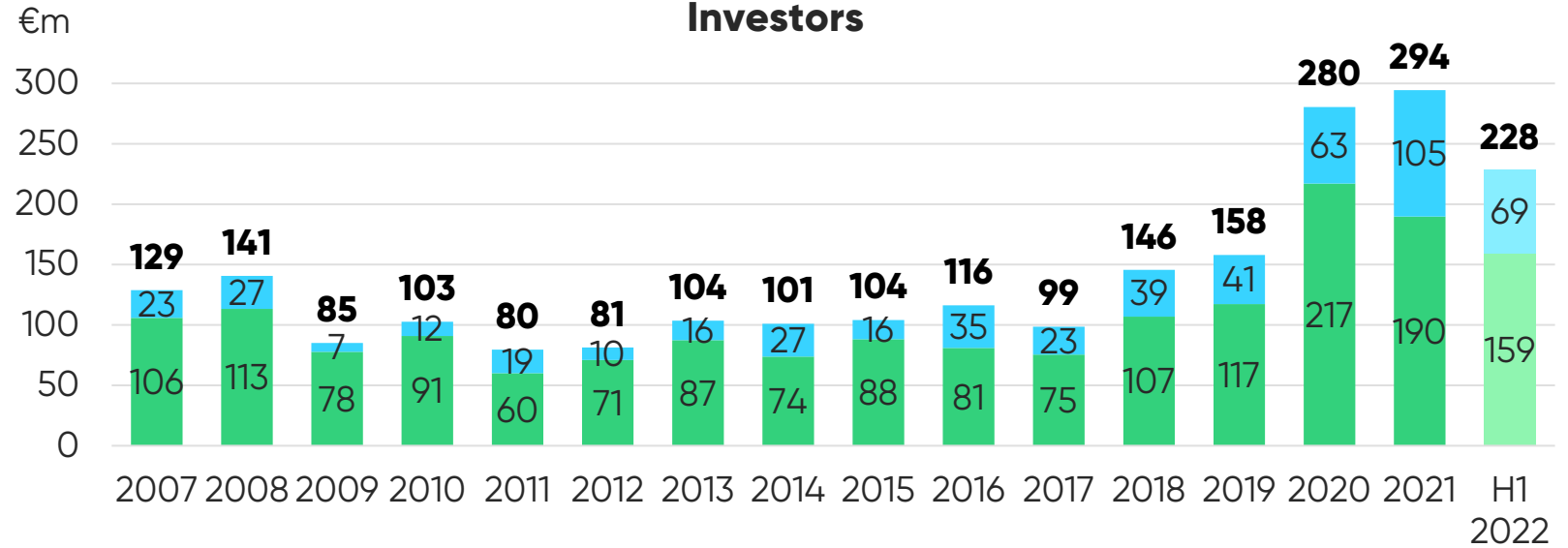
€69m

Finnish VC investors' investments in foreign startup companies reached a new high in H1/2022

63 companies

from abroad received an investment in the first half in 2022

Investments in Domestic and Foreign Companies by Finnish VC Investors



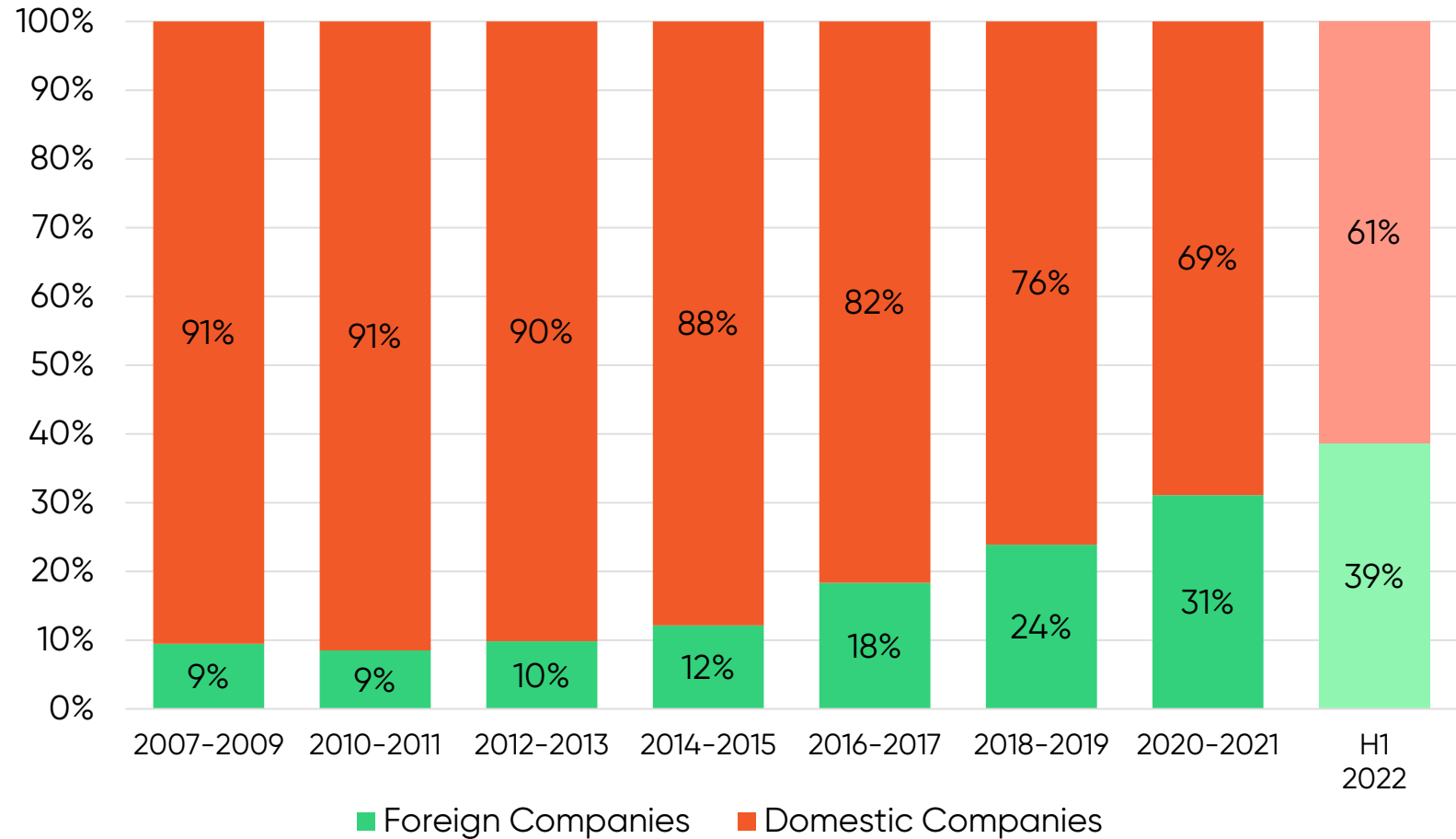
The Share of International Investments Growing

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

With 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



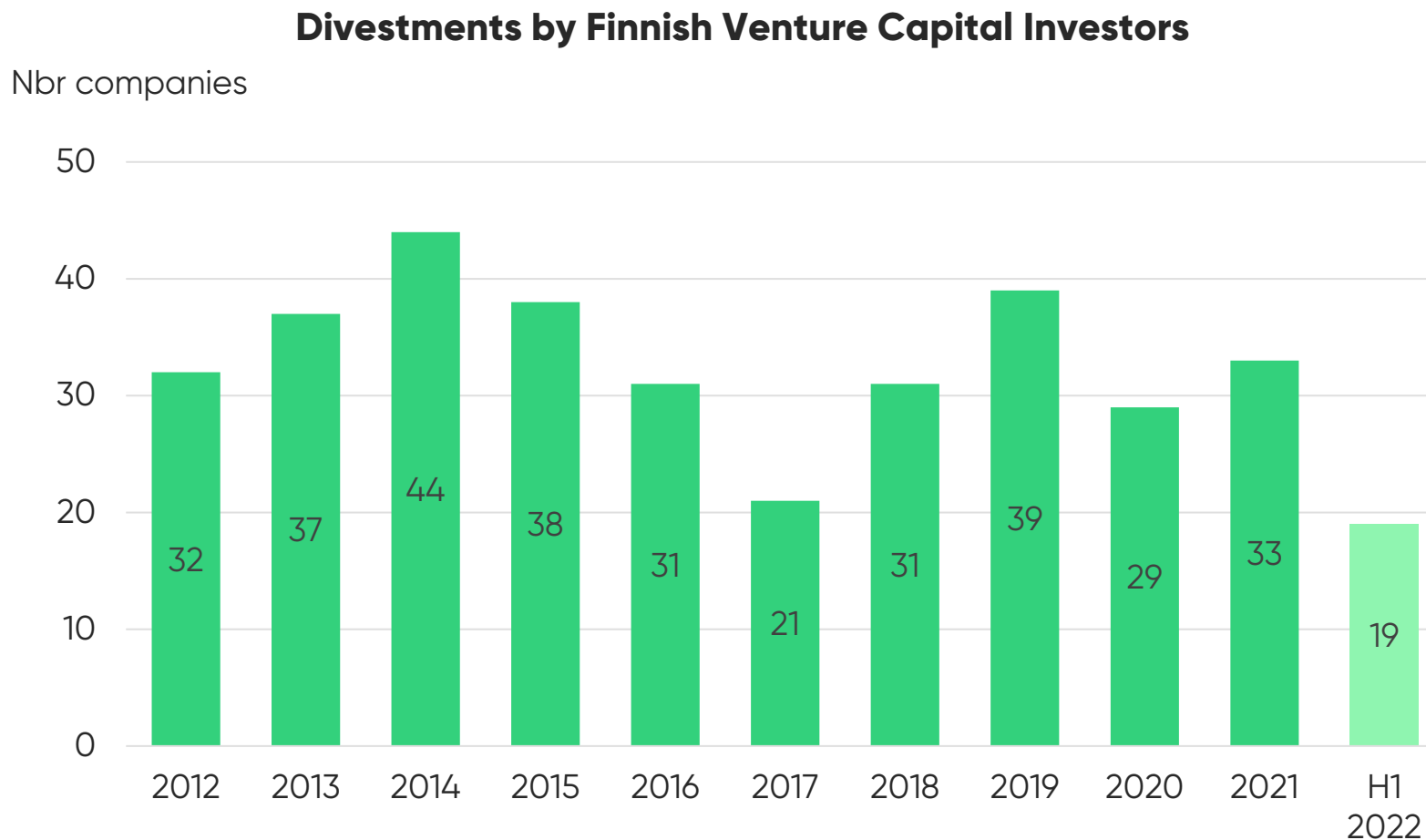
Divestments

Divestments by Finnish VC Investors

19 companies

exited between January-June 2022.

The development of VC portfolio companies has positive indications for future exits.

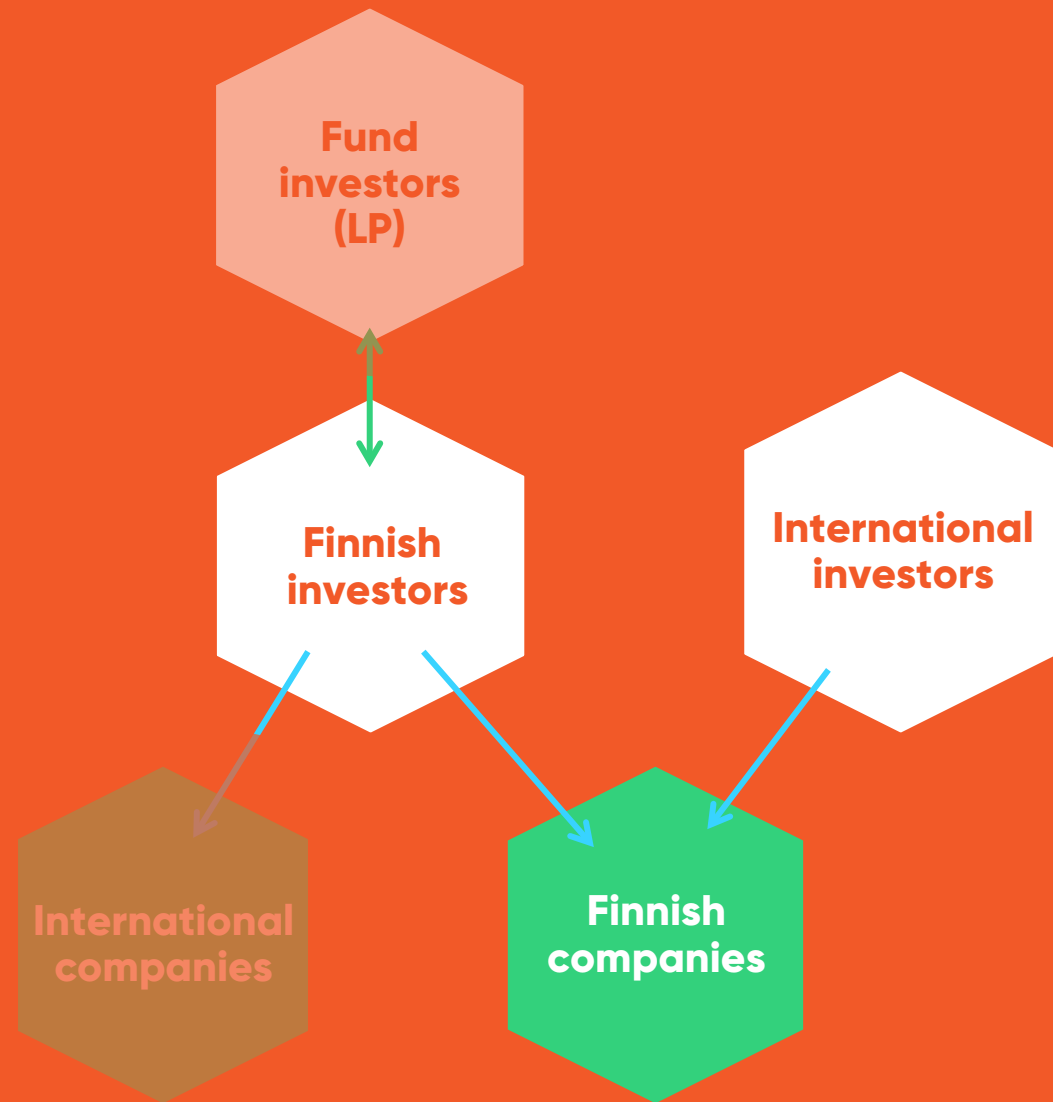


Sources: FVCA, EDC

Market Statistics

Finnish and foreign venture capital investors'
activity in Finnish companies

Investments

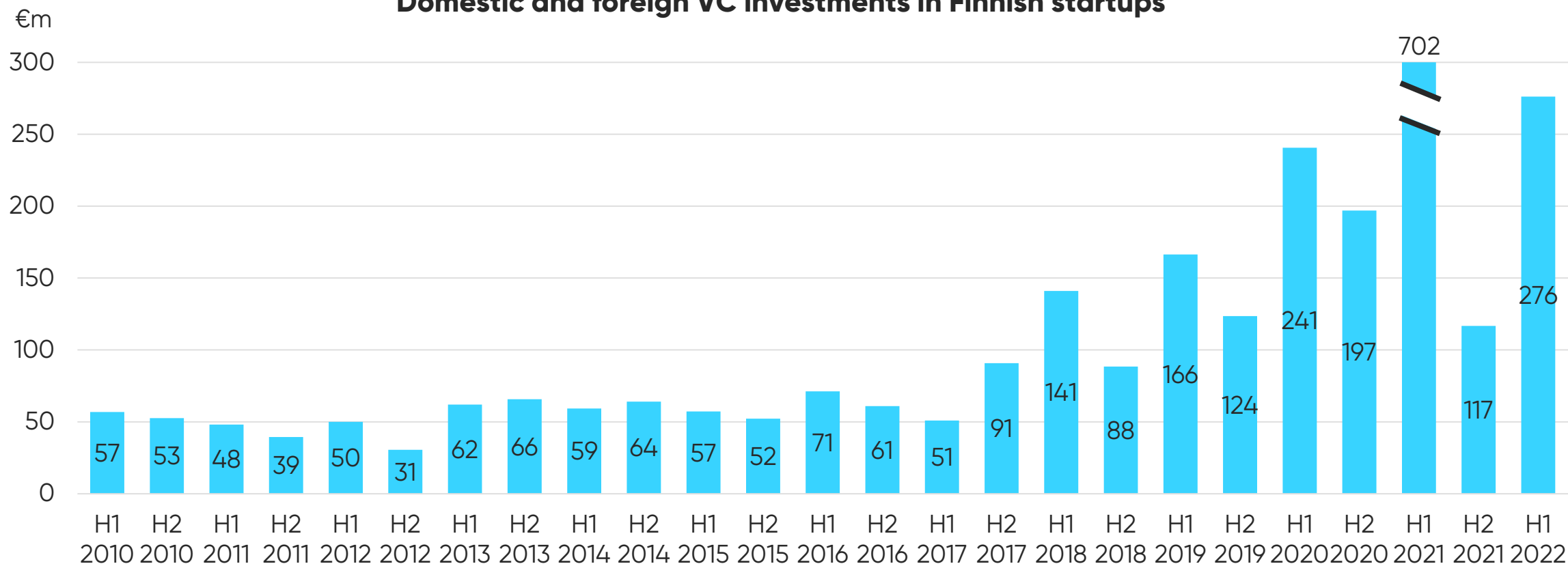


Examples of H1/2022 Startup Investments



276 M€ of VC investments in Finnish startups between January-June 2022

Domestic and foreign VC investments in Finnish startups



Additionally, in H1/2022 "startups" Relax and Aiven received €500m and €200m investments respectively, which are included in the buyout & growth statistics for the PE-investment part.

Sources: FVCA, EDC

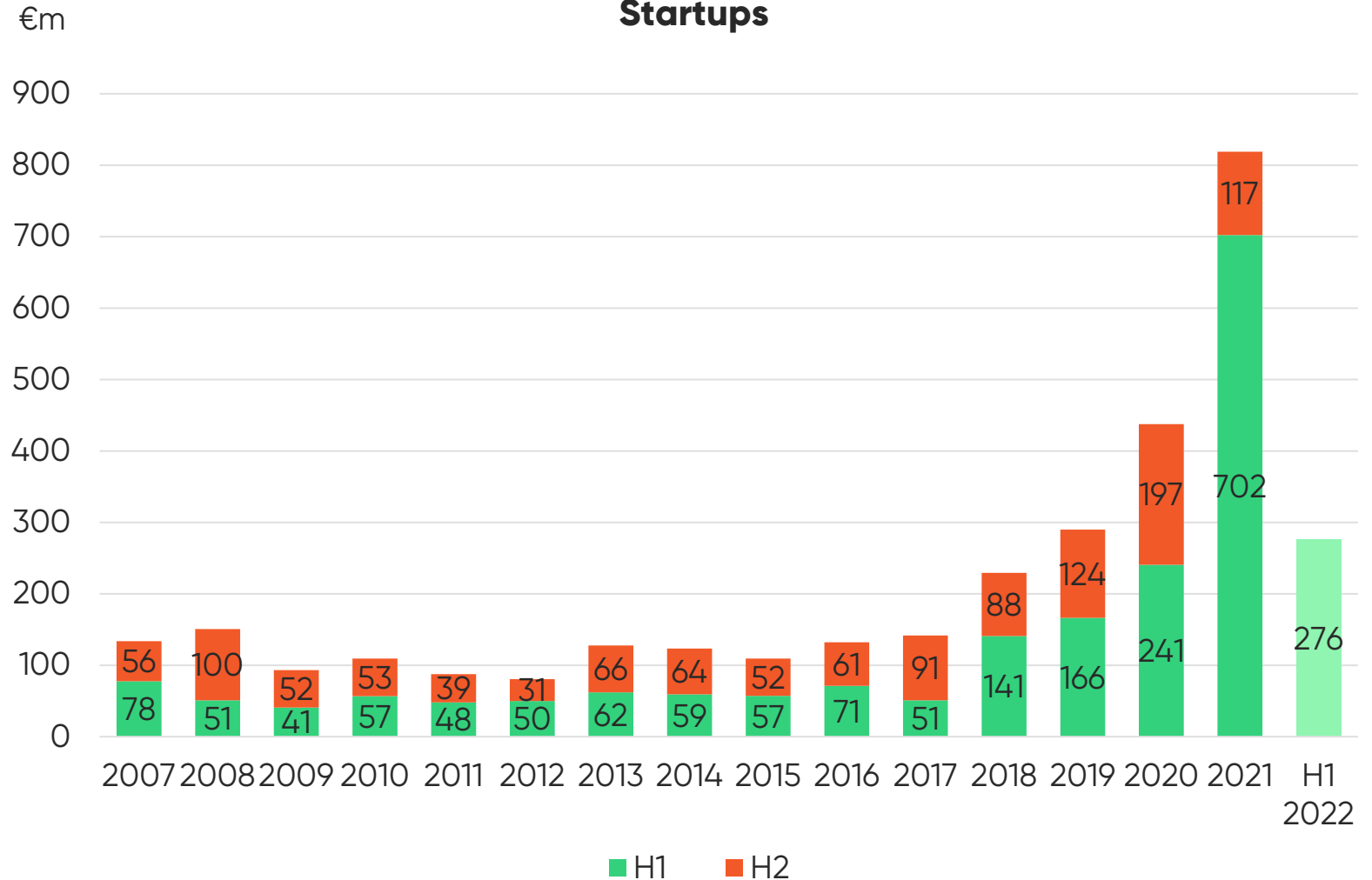
A Significant Amount of Funding for Finnish startups

€276 M

Finnish startups collected the second highest amount of funding in history in the first half of 2022.

Additionally, in H1/2022 "startups" Relex and Aiven received €500m and €200m investments respectively, which are included in the buyout & growth statistics for the PE-investment part.

Domestic and Foreign Venture Capital Investments in Finnish Startups



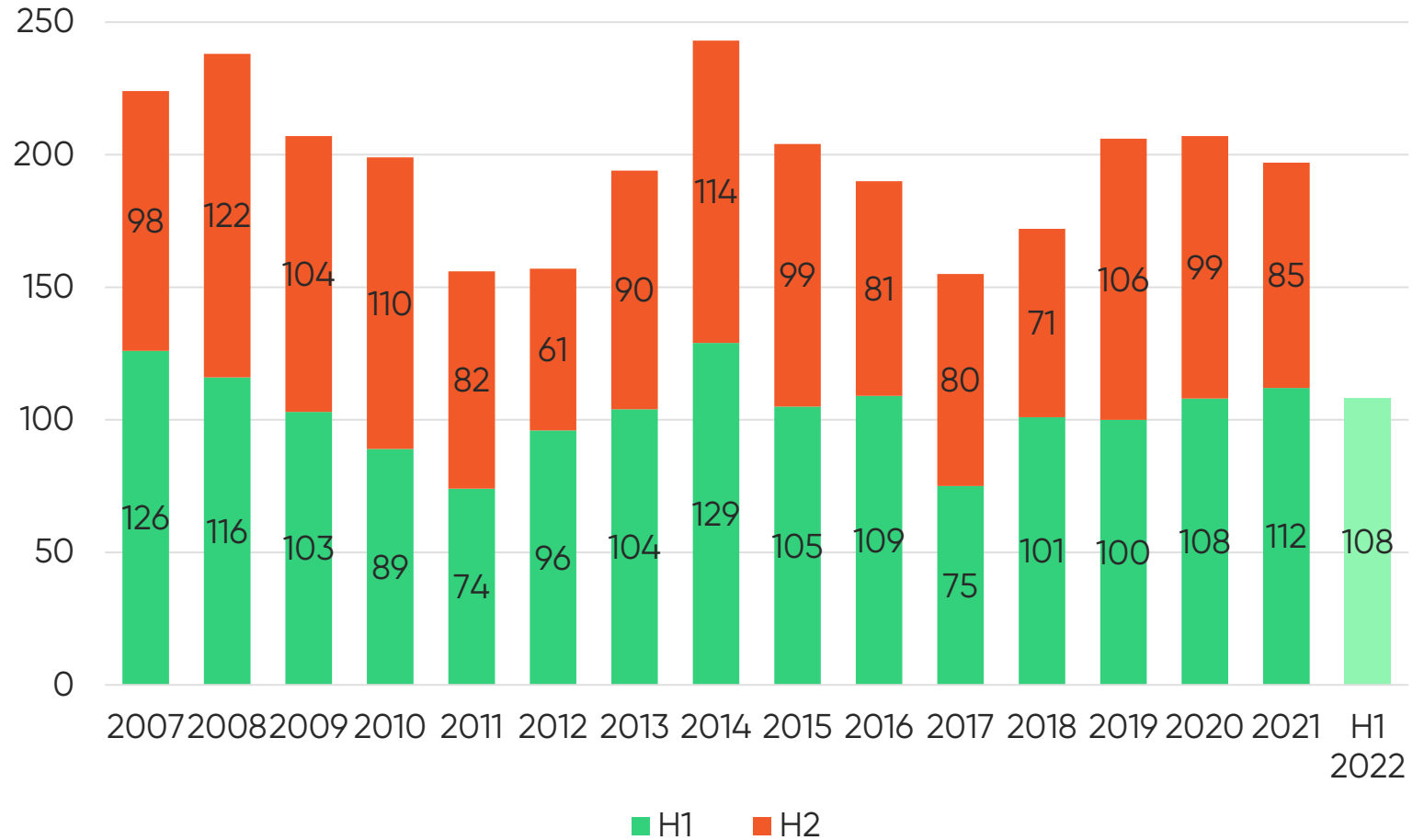
Over 100 Finnish Companies Received Venture Capital Investments between January and June

108 companies

received an investment from domestic or foreign VC investor in the first half of 2022

Domestic and Foreign Venture Capital Investments in Finnish Startups

Nbr companies



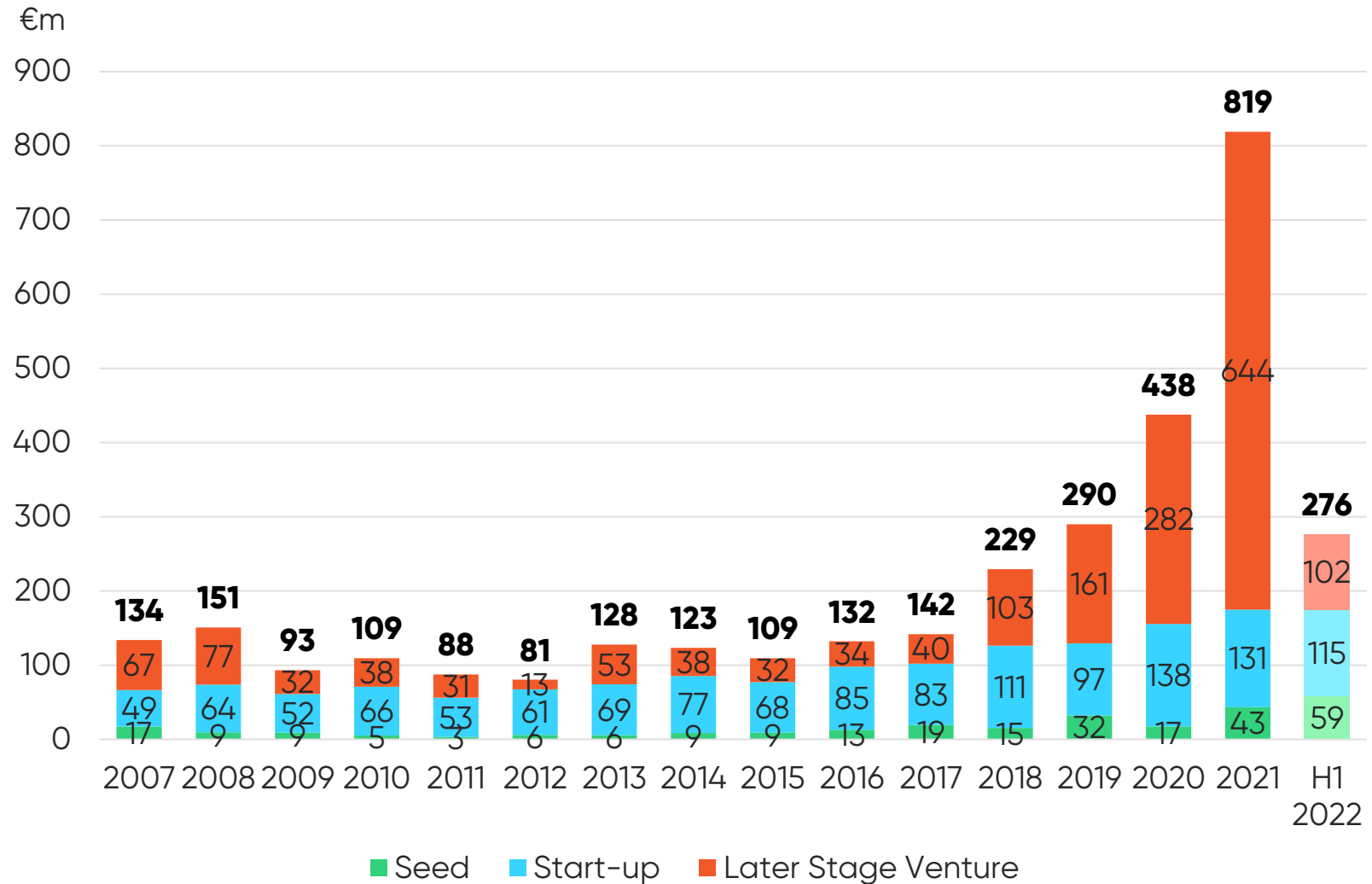
Sources: FVCA, EDC

Early Stage Startups Attract More and More Investments

€59m

Finnish startups have received a record sum of seed-funding already in half a year

Venture capital Investments in Finnish Startups by Stage



Companies in Different Stages Have Received More Investments

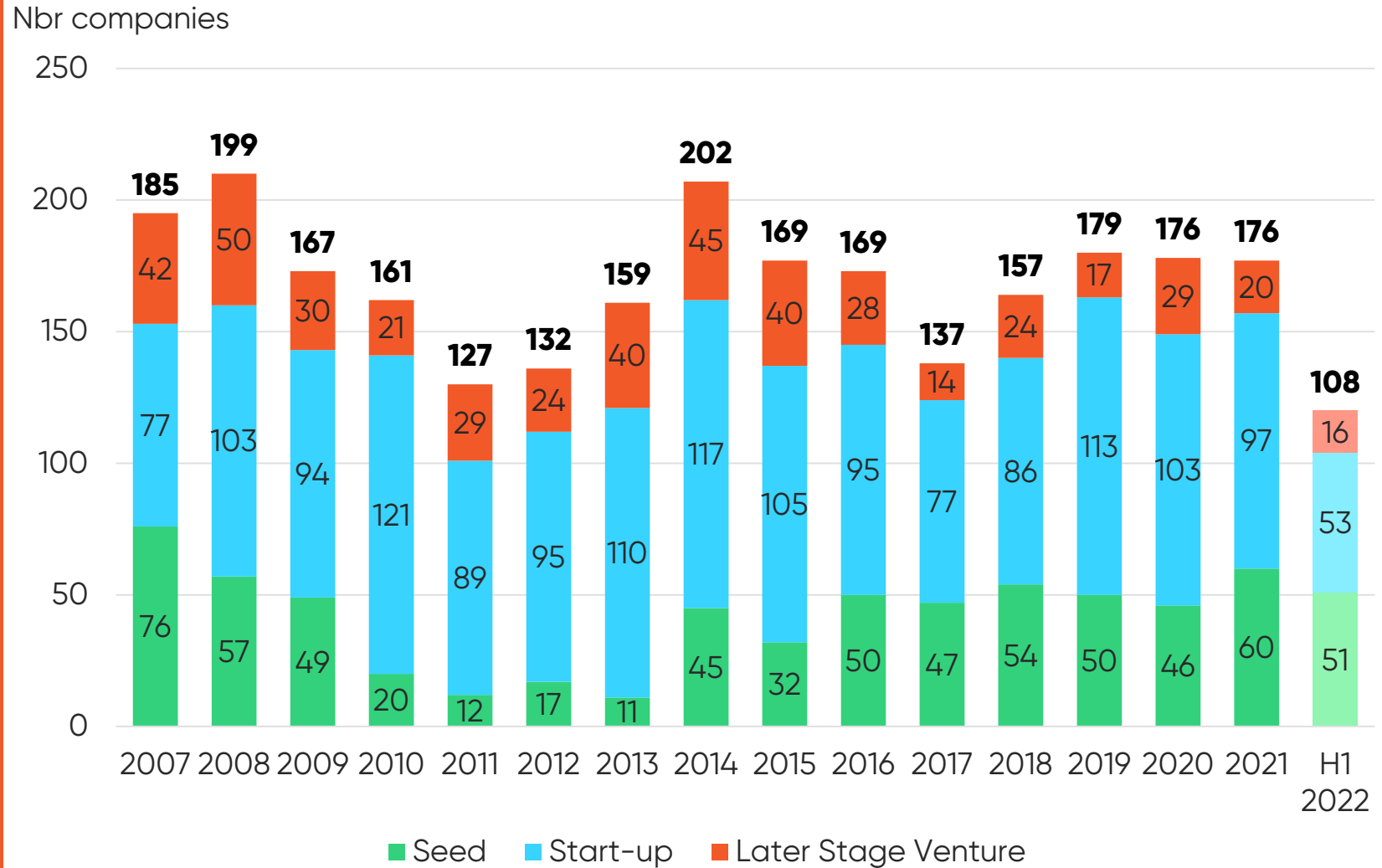
108 companies

in Finland received a VC investment in the first half of 2021

51 companies

Especially the numbers of seed-stage investments has increased

Venture Capital Investments in Finnish Companies 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

Seed Investments in Finnish Companies Are Increasing

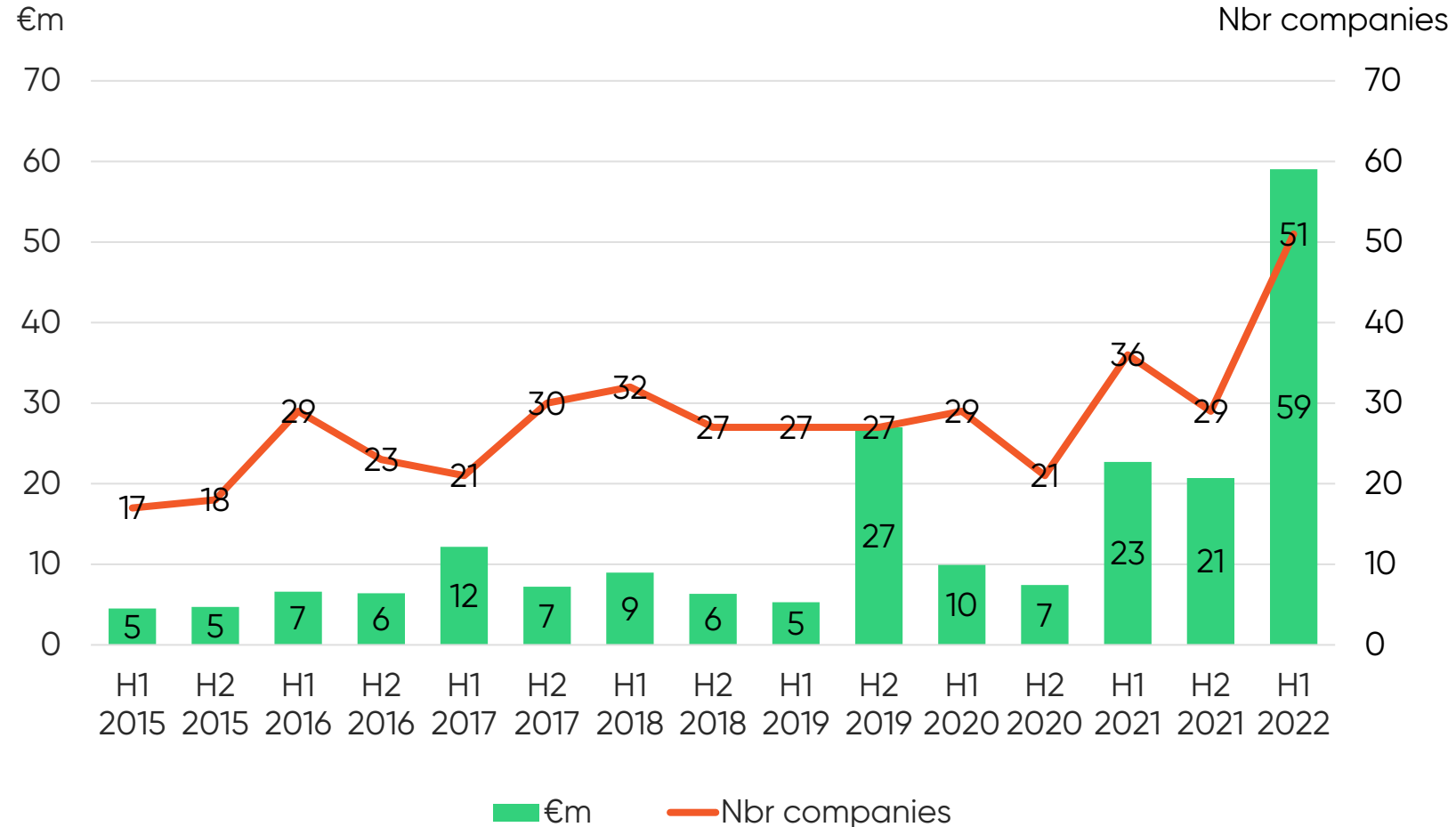
€59m

The sum of seed investments has more than doubled compared to previous six month record

51 companies

Also the number of startups receiving seed stage investments has increased

Seed-stage Investments in Finnish Startups

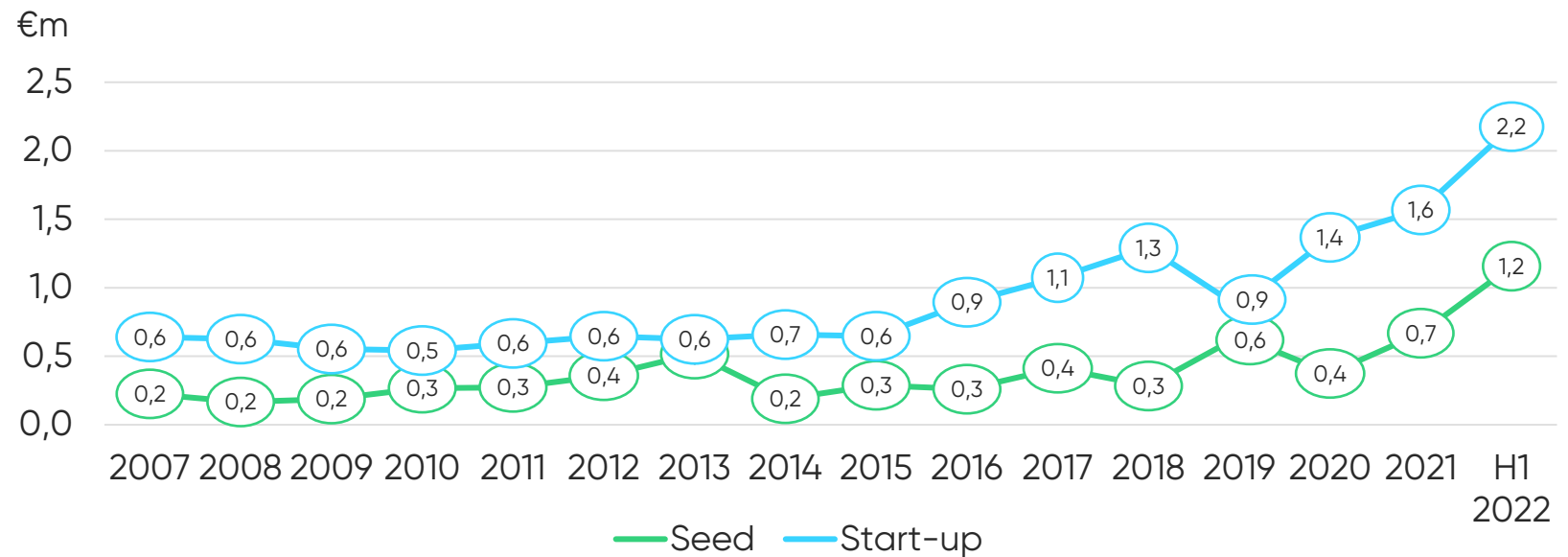
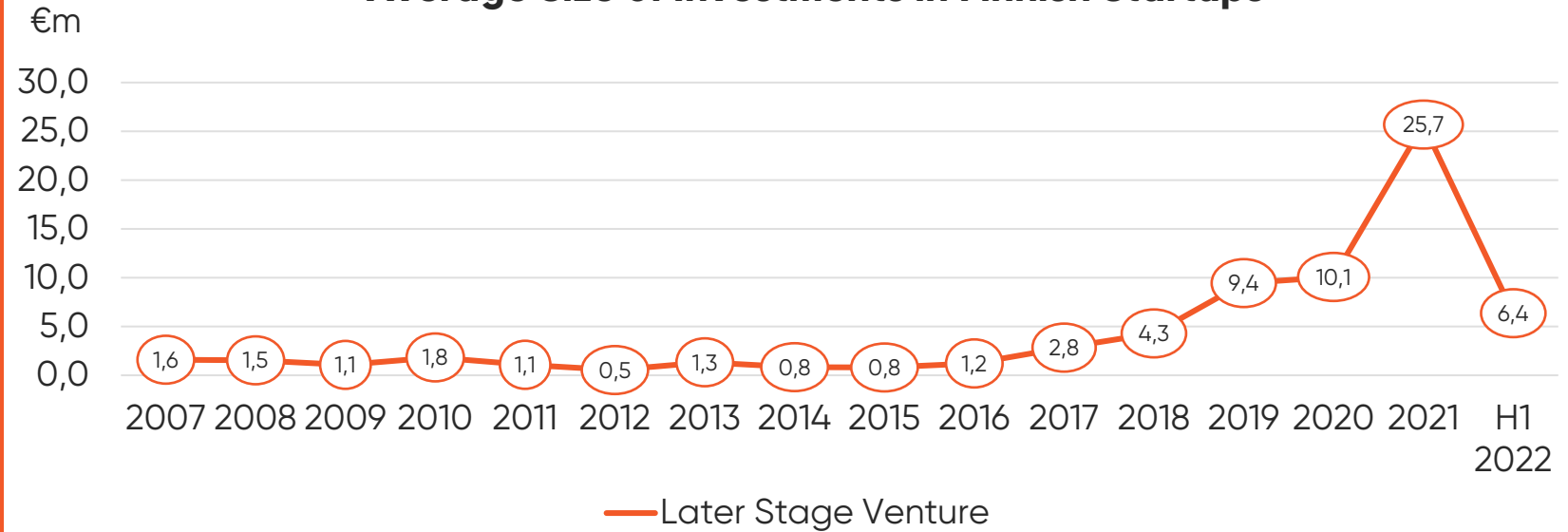


The Average Size of Seed- and Start-up - Investments Continues to Rise

In addition to the increasing number of investments, the average size of early-stage investments continues to rise

Large funding rounds, such as the historically large round raised by Wolt in H1/2021, has a huge impact on the average of later stage VC investments

Average Size of Investments in Finnish Startups



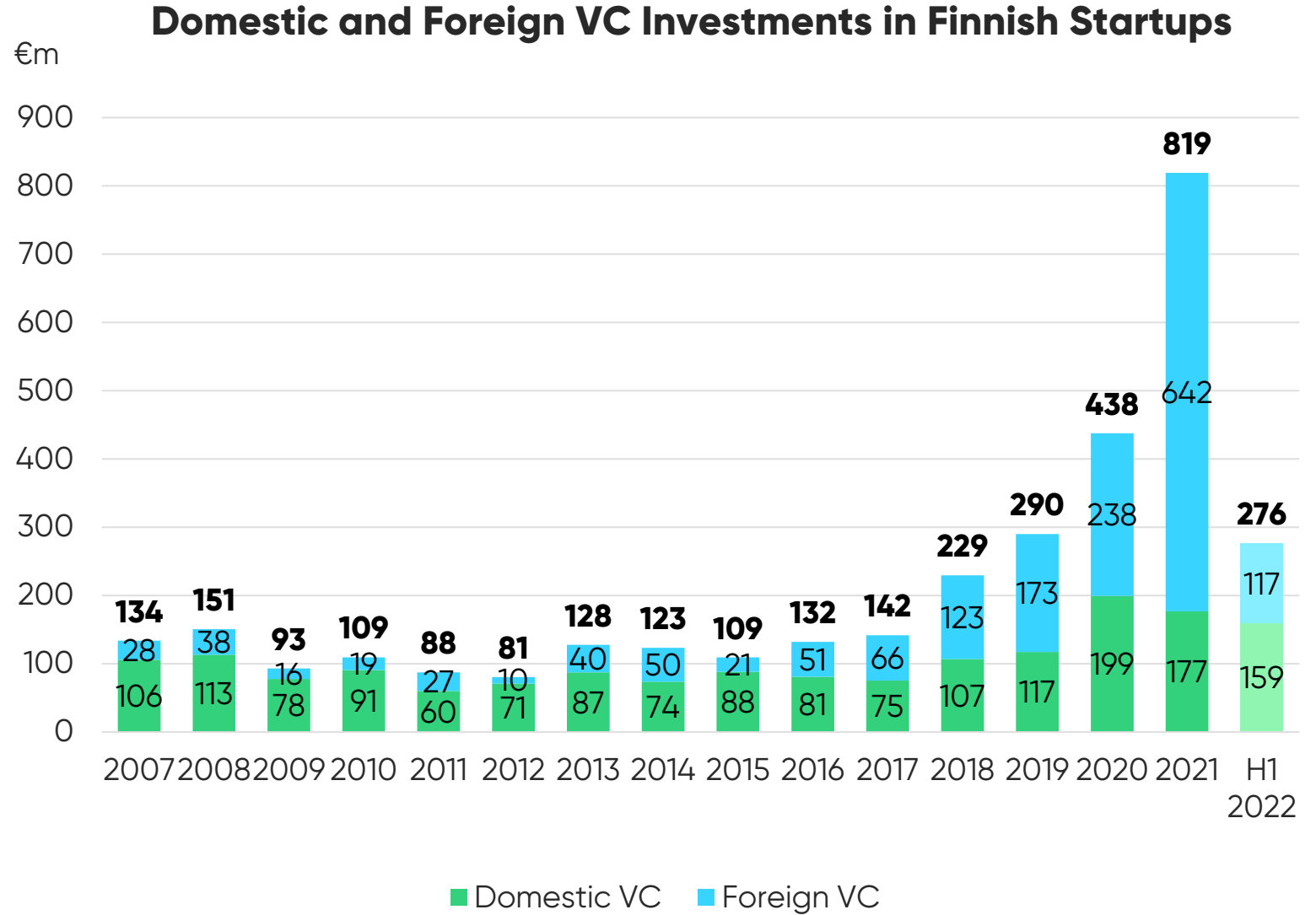
The Amount of Foreign Investments in Finnish Startups Decreased Compared to the Previous Year

€117m

The amount of foreign VC investments in Finnish startups in H1/2022

22 companies

The number of companies receiving foreign VC investments has remained at the level of previous years

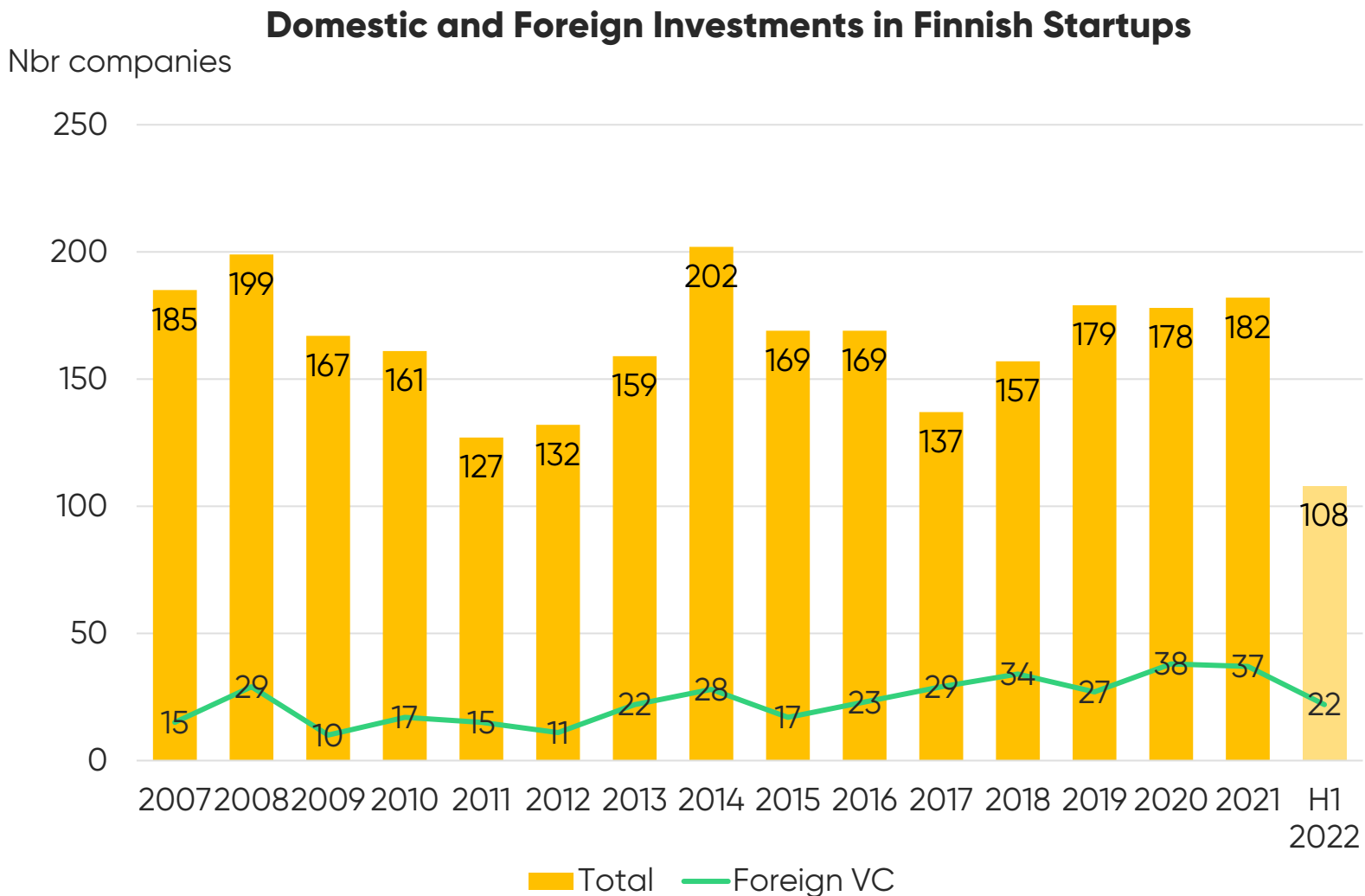


Foreign VC Investments in 22 Finnish Startups

22

Finnish startups received funding from foreign venture capital investor in H1/2022

The number of companies receiving VC investments is at the level of best half-years.



ICT Attracts Investments

50 %

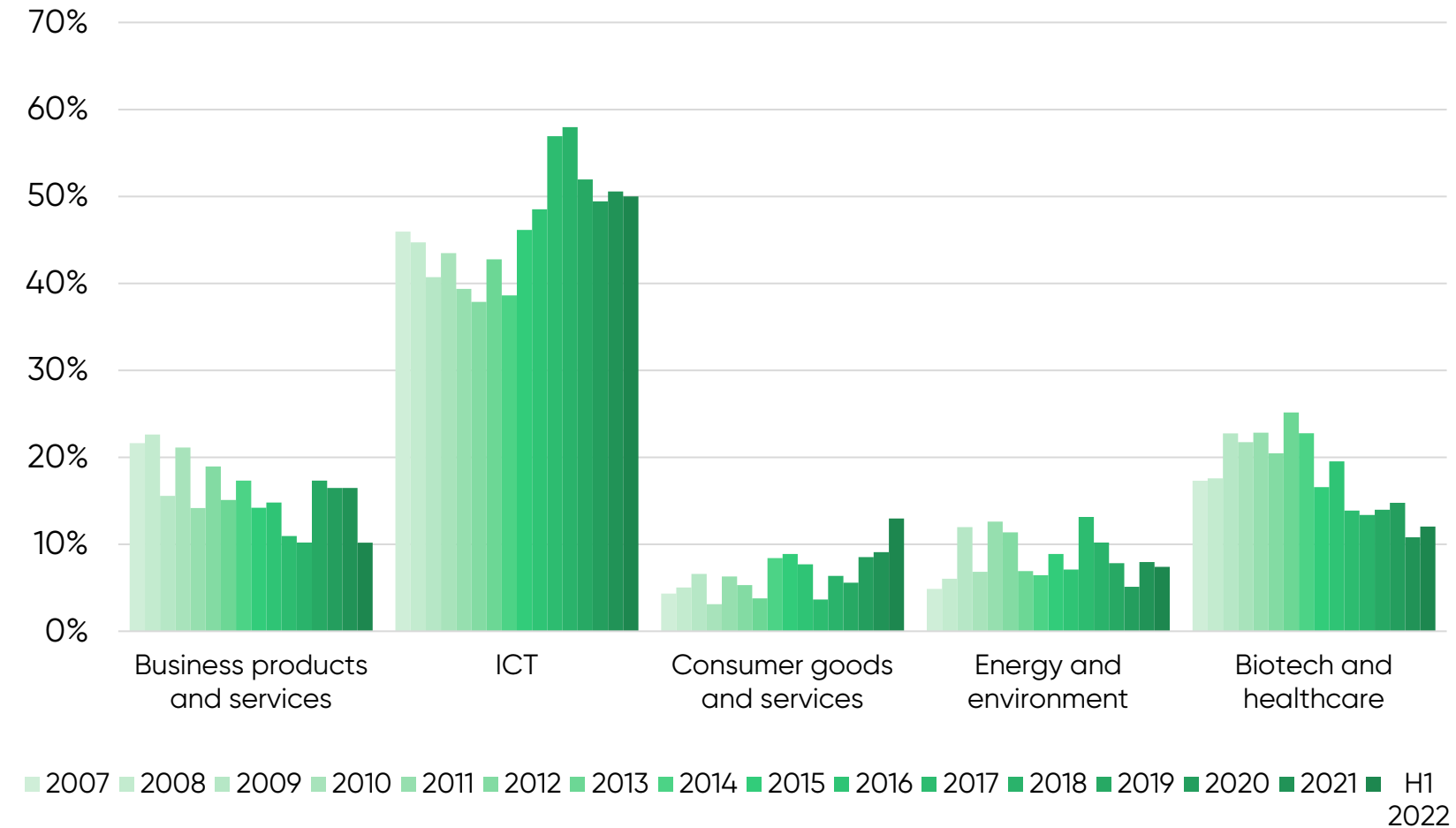
of the VC investments made in H1/2022 were directed at ICT companies

The ICT sector includes e.g. software, applications, communications and computer technology and electronics

A record number of startups in consumer goods and services sector raised funding in a period of six months.

VC Investments in Finnish Startups by Industry

Nbr companies



Sources: FVCA, EDC

Divestments

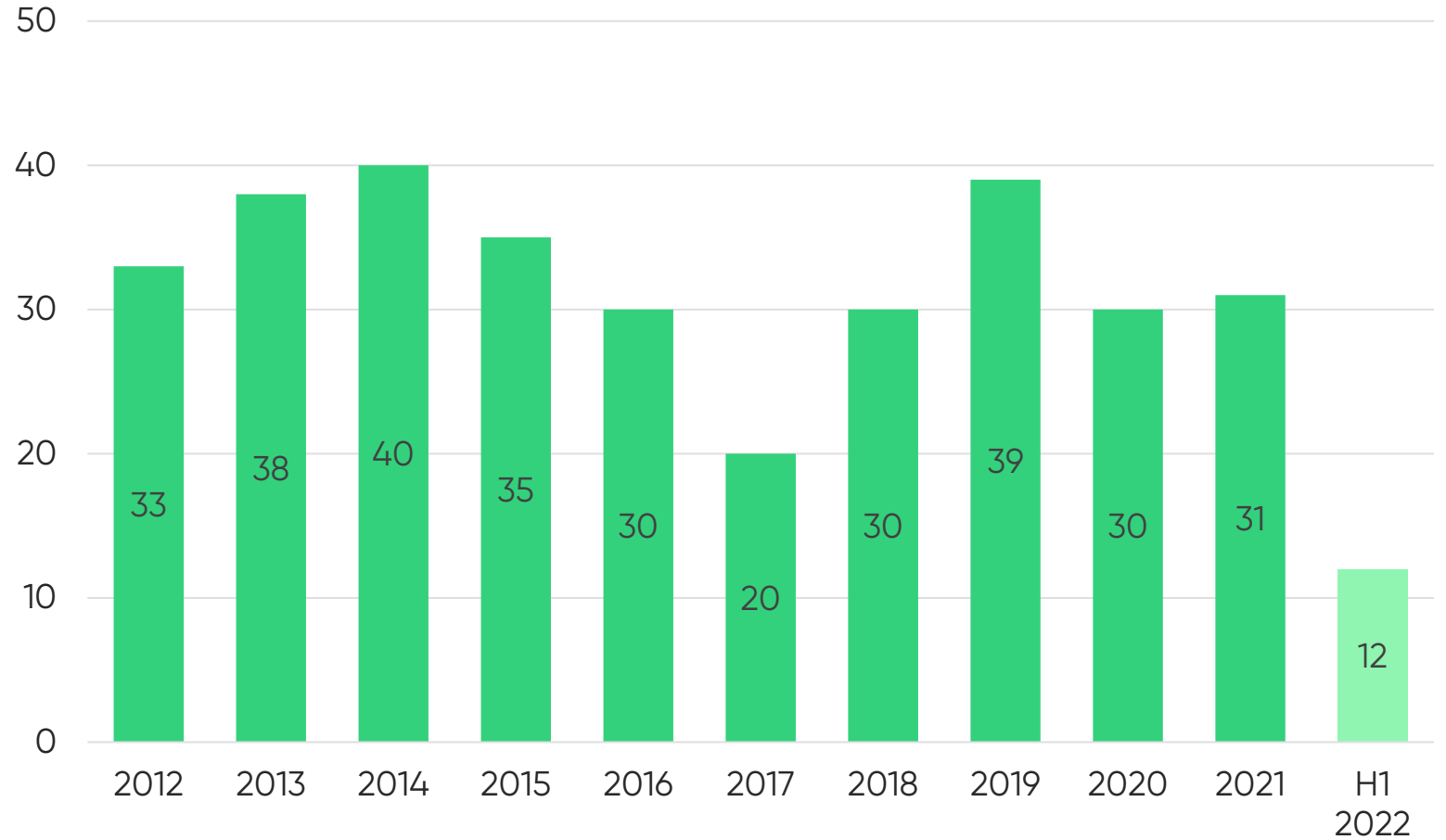
Divestment Activity Remains at a Stable Level

12 companies

exited by VC investors between January-June 2022.

VC Exits from Finnish Startups

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 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