

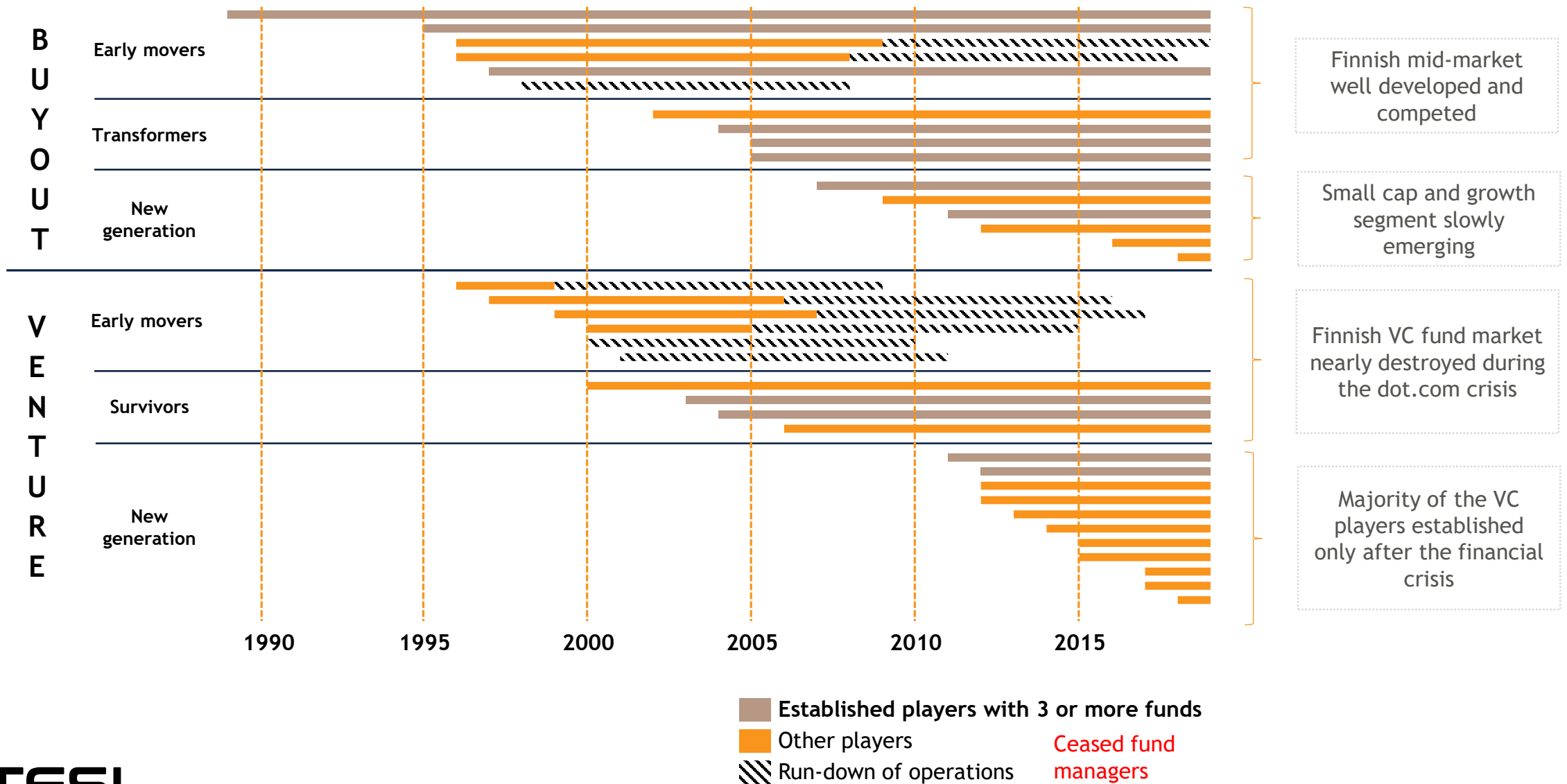
Public approach on developing VC industry in Finland

Matias Kaila | Tesi

**Baltic VCA Summit
21 August, 2019**

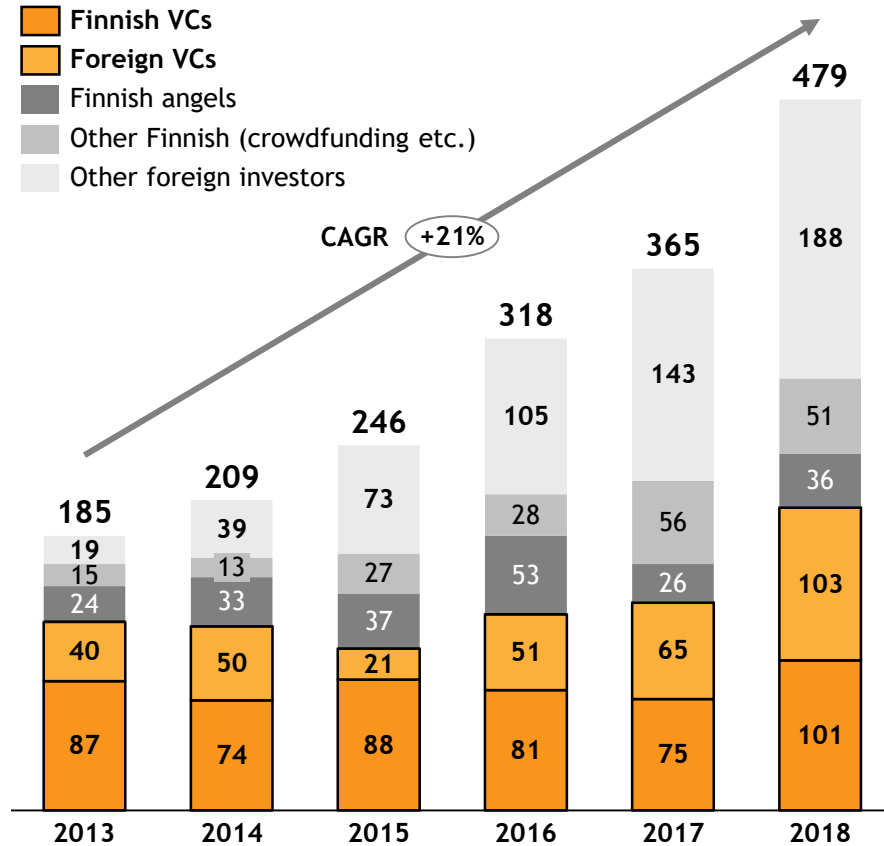
Market backdrop

Evolution of the Finnish PE & VC ecosystem

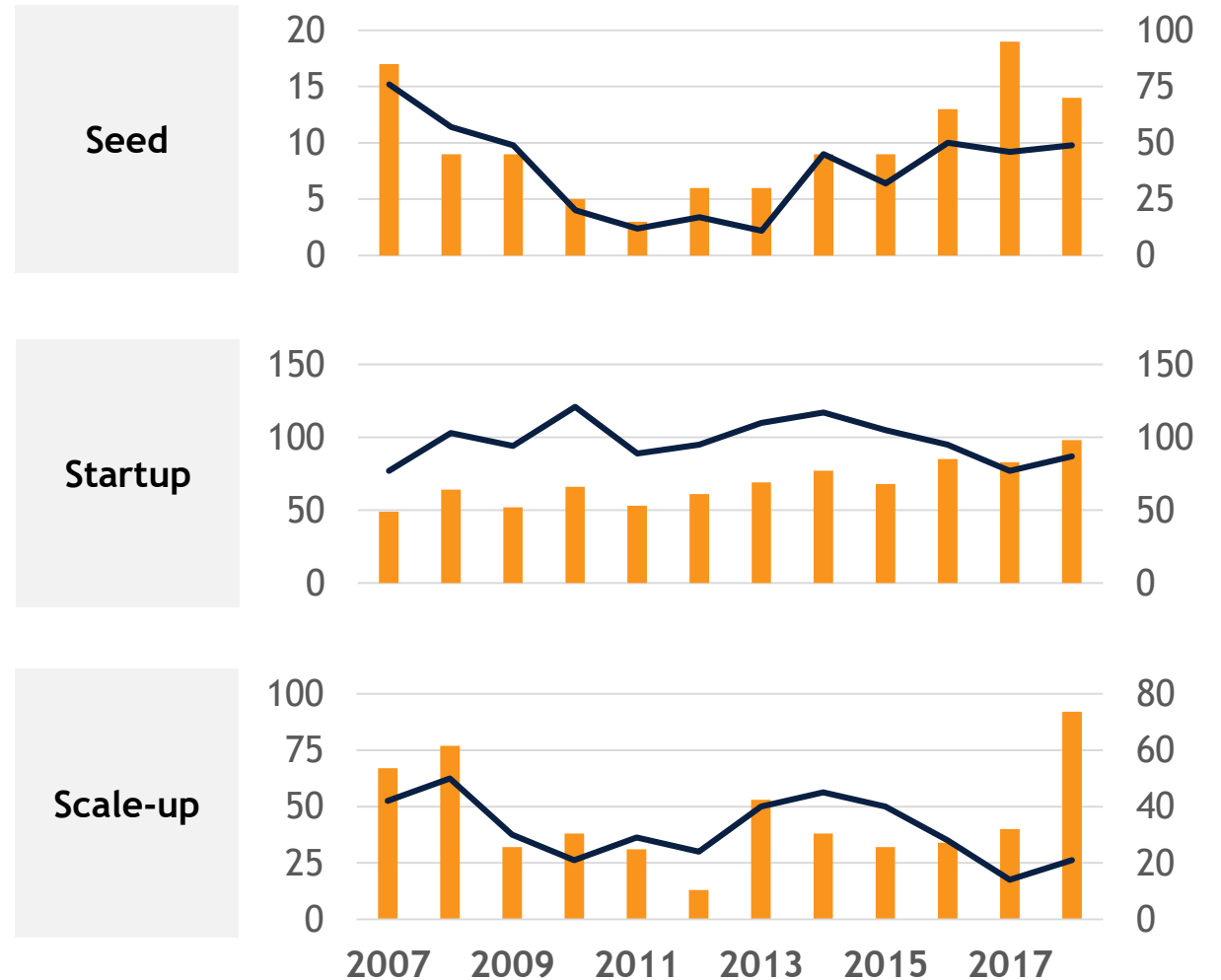


Capital soaring for Finnish startups, yet, for only small number of companies

Capital sources of Finnish startups, €m | Source: FVCA, EDC

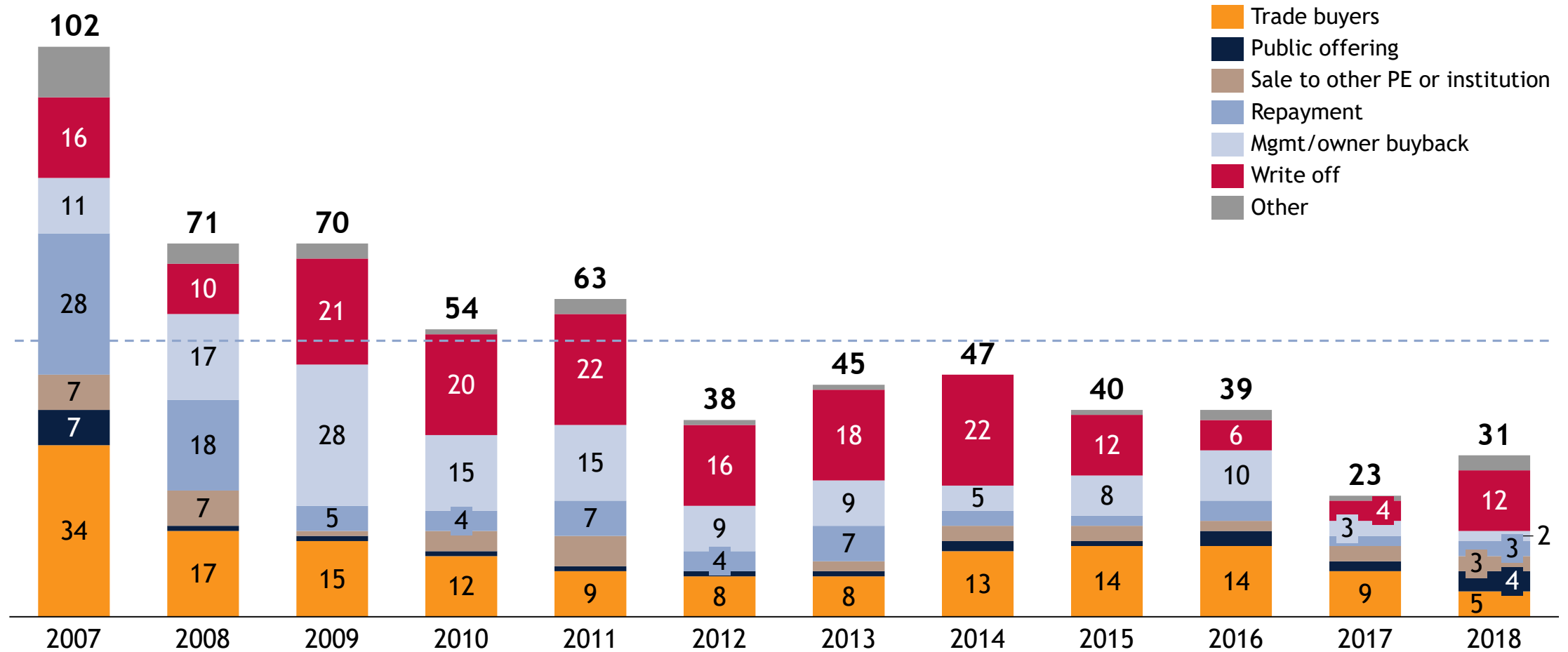


VC funding by development phase (lhs: €m ; rhs: count) | Source: FVCA, EDC



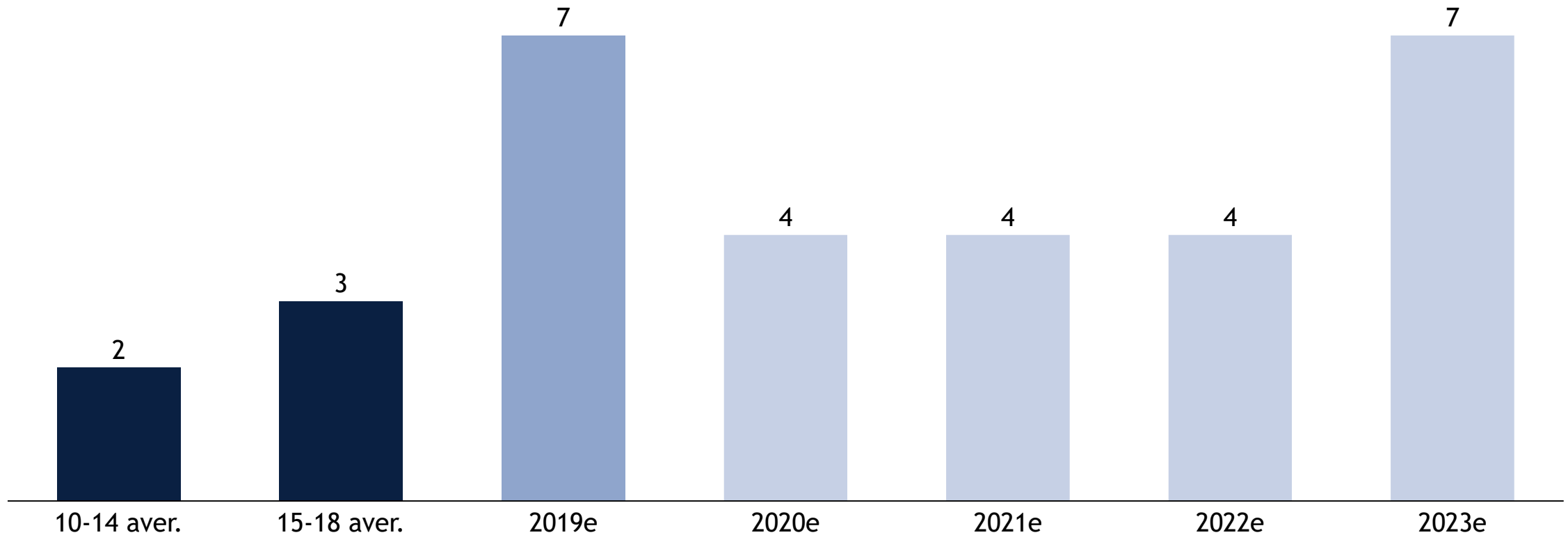
VC exits

of companies exited | Source: FVCA, EDC



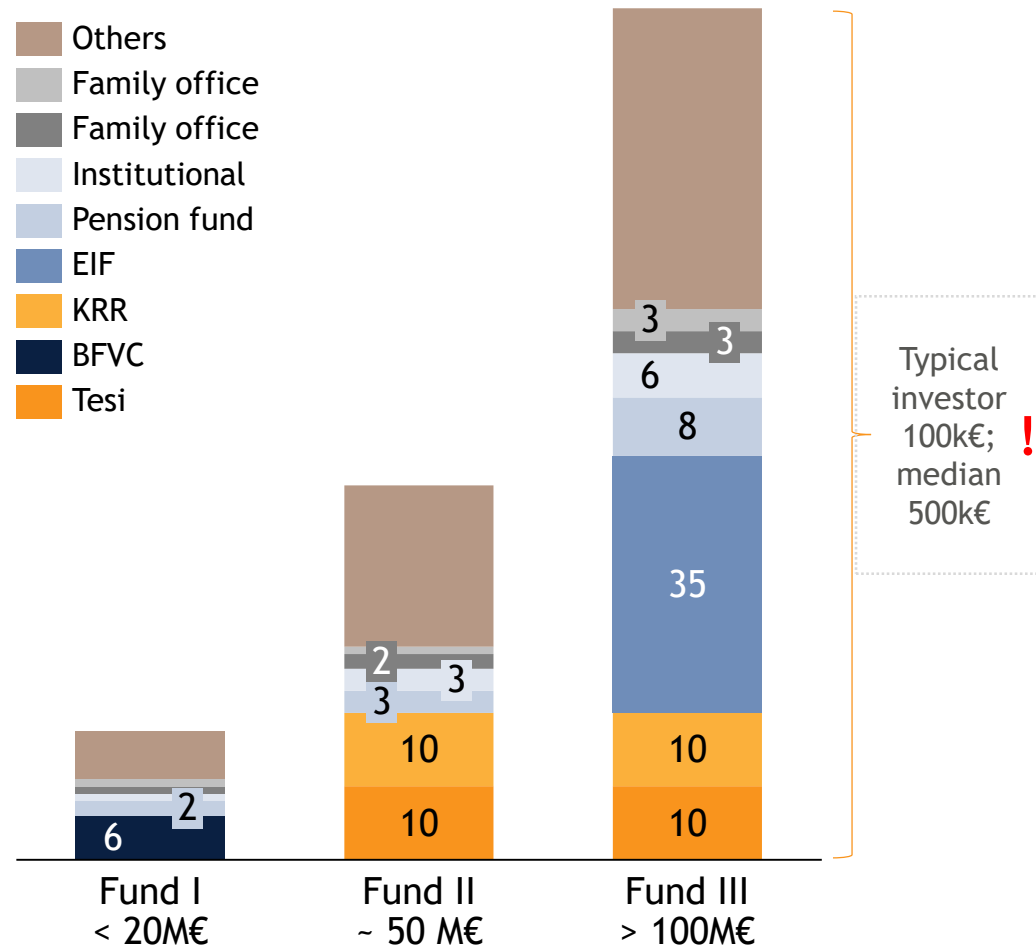
VC fundraising market gradually improving

Fundraising outlook, # of funds | Source: TESI

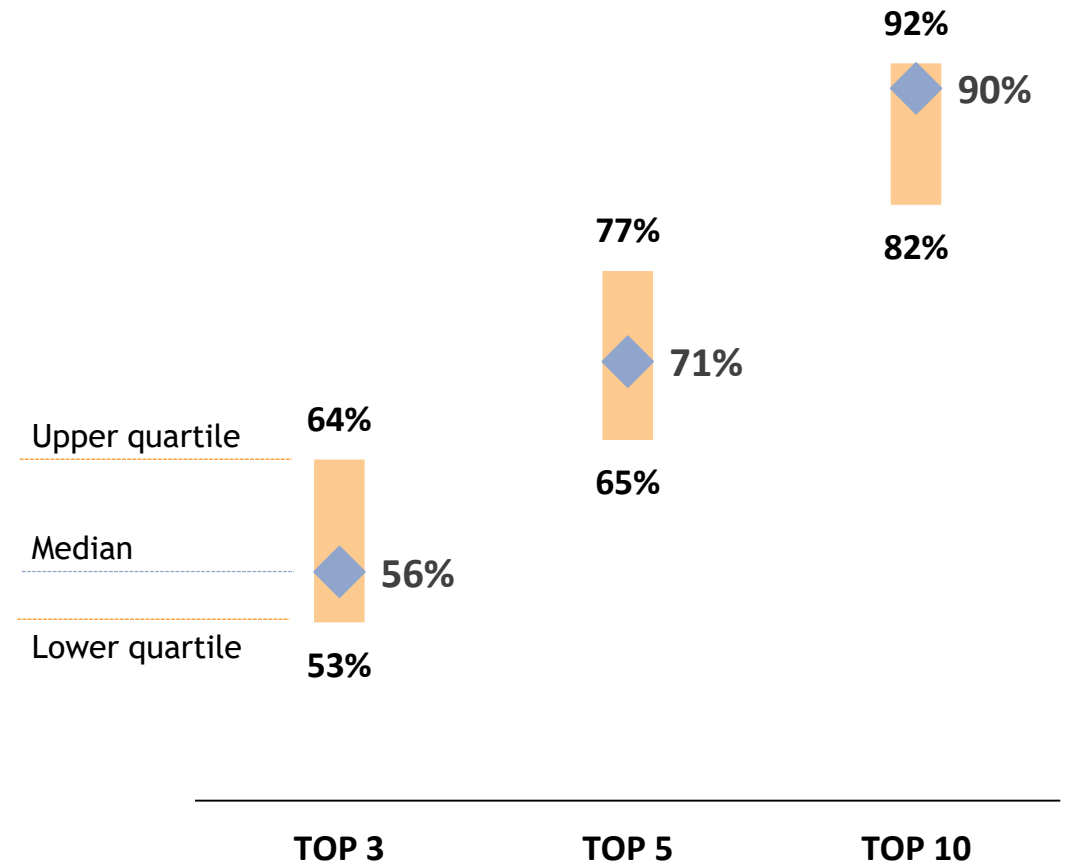


Market is short of meaningful LPs

Typical investor structure in a Finnish VC fund



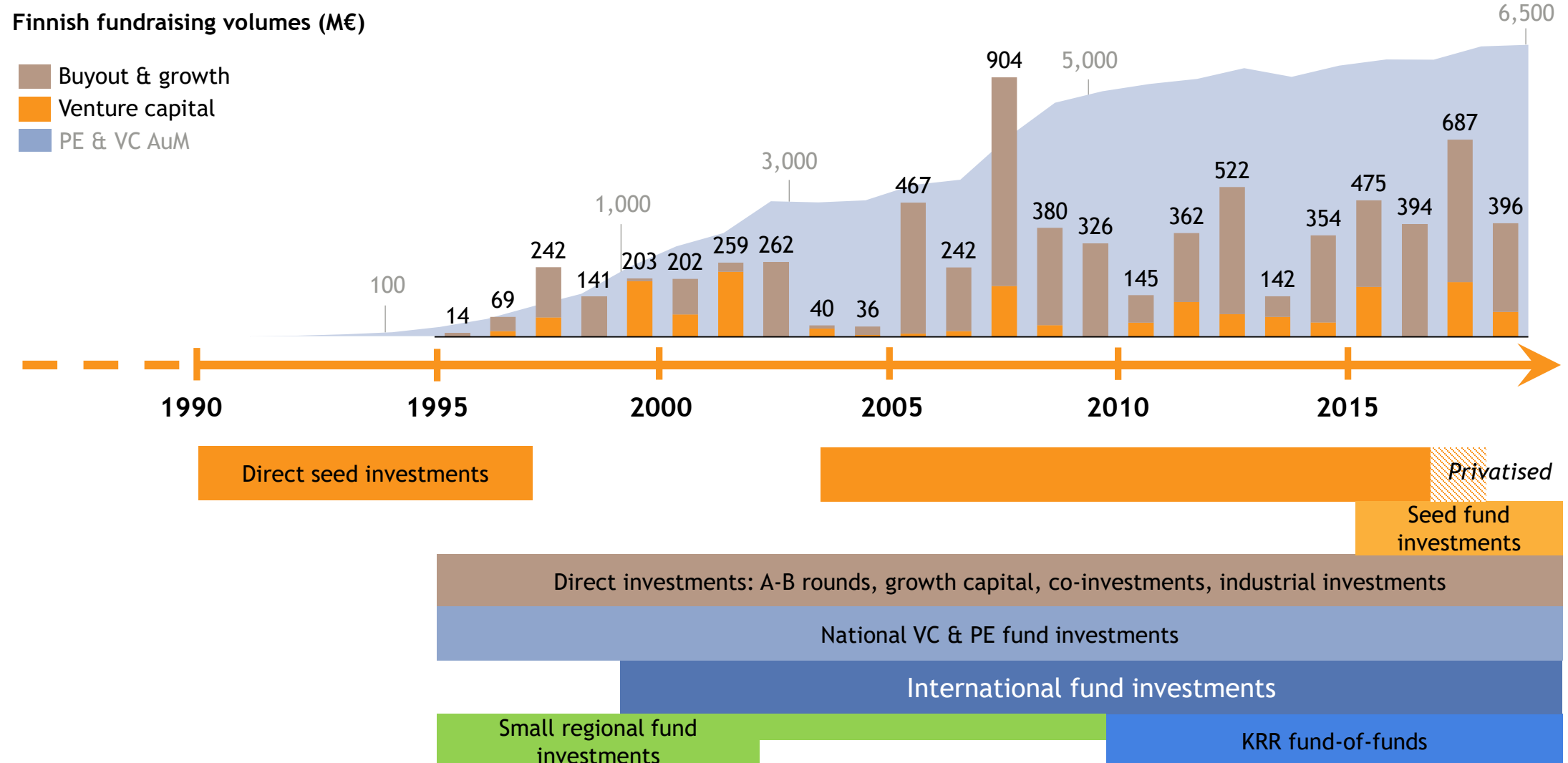
Investor concentration in Finnish VC funds 2008-2018



Source: Finnish Trade Registry

Public actions

Finnish public risk capital operations in the market context



Tesi in a nutshell

WHO WE ARE?

We are a government owned private equity and venture capital investor in Finland with direct and fund-of-funds investments.

WHAT WE DO?

We accelerate companies' growth stories by investing in them, directly or via funds

HOW WE DO IT?

We invest together with private investors on the same terms as them and with the same expectations for returns.

OUR VISION

We help Finland to the next level of growth and internationalization

3 fund-of-funds

90 fund investments

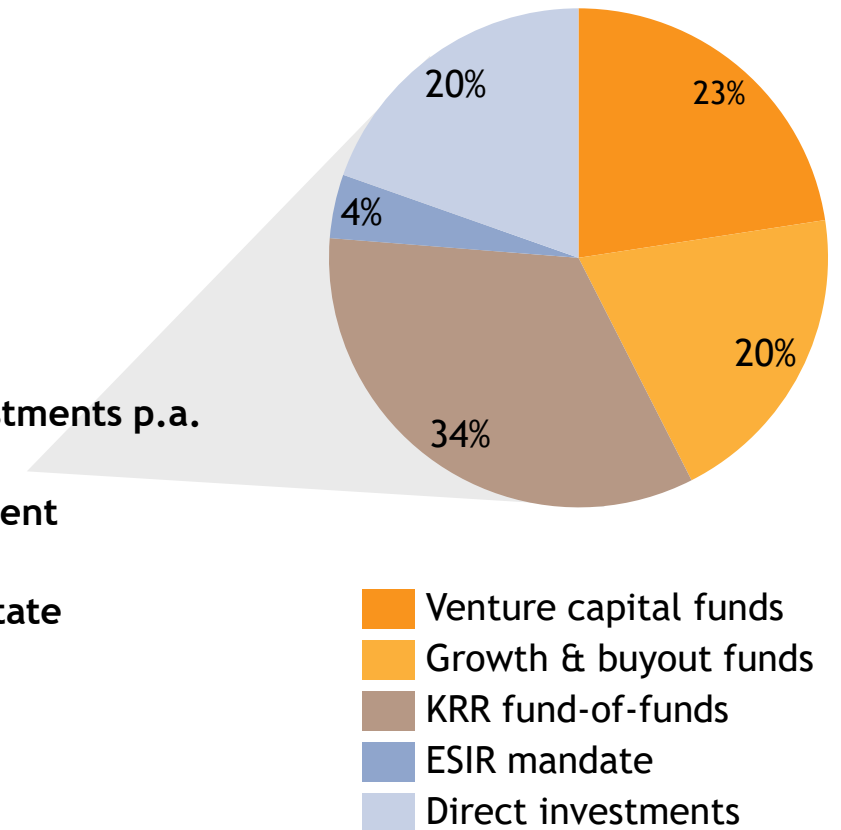
50 direct portfolio companies

100-150 €m new investments p.a.

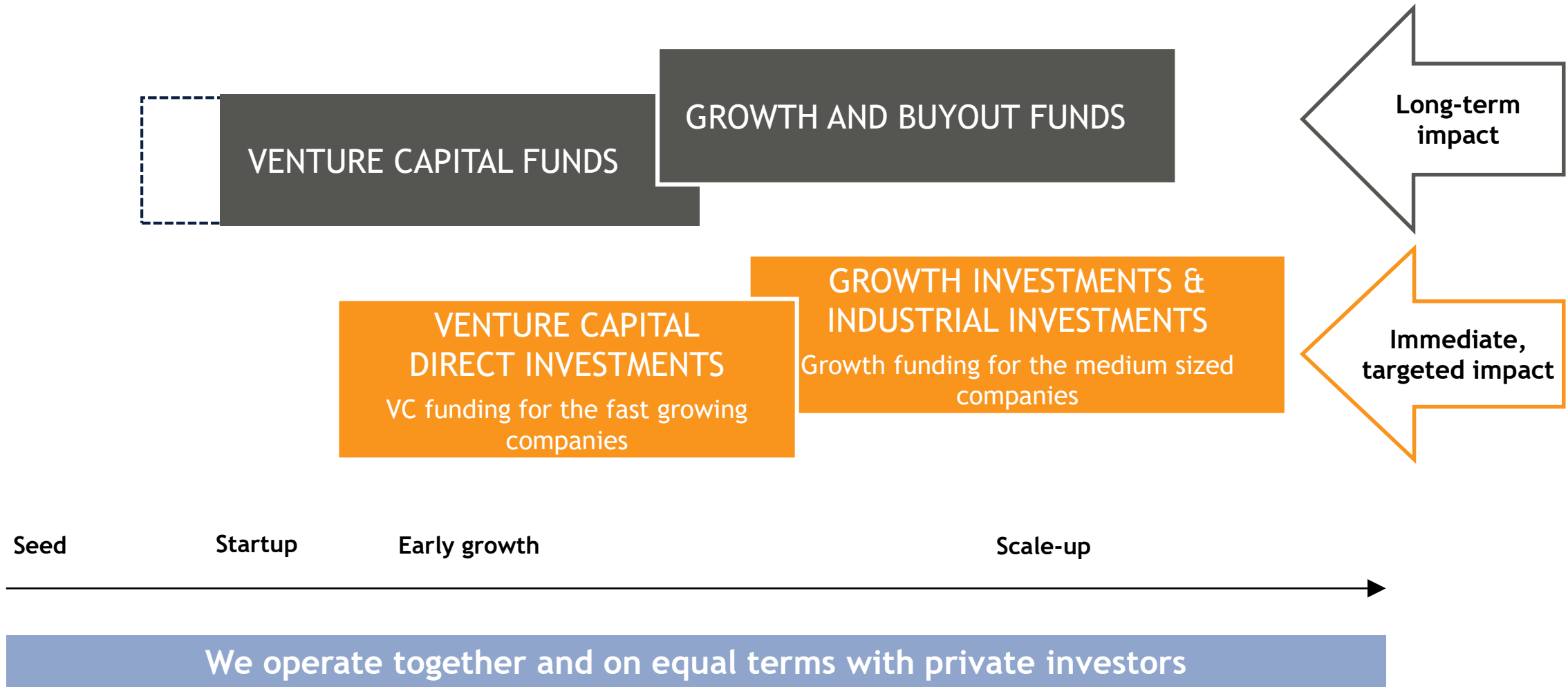
1,25 €bn under management

100% owned by the Finnish state

37 staff in Helsinki

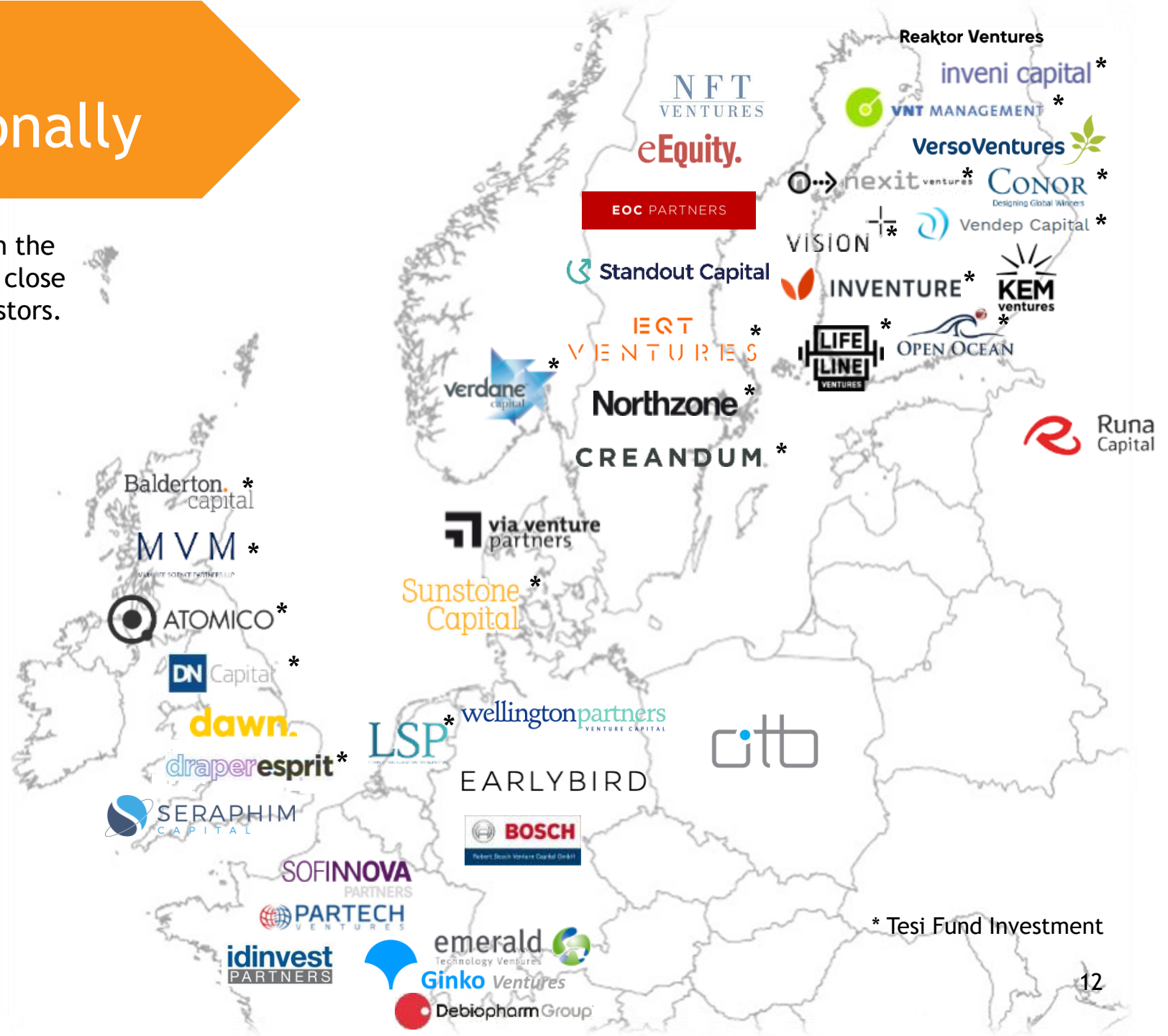


Investment focus



Strong network of partners internationally

Tesi has a co-investor or LP-relationship with the VC firms on this map. In addition, Tesi has a close relationship with a number of other VC investors.



The core of Tesi's mission

MISSION OF TESI

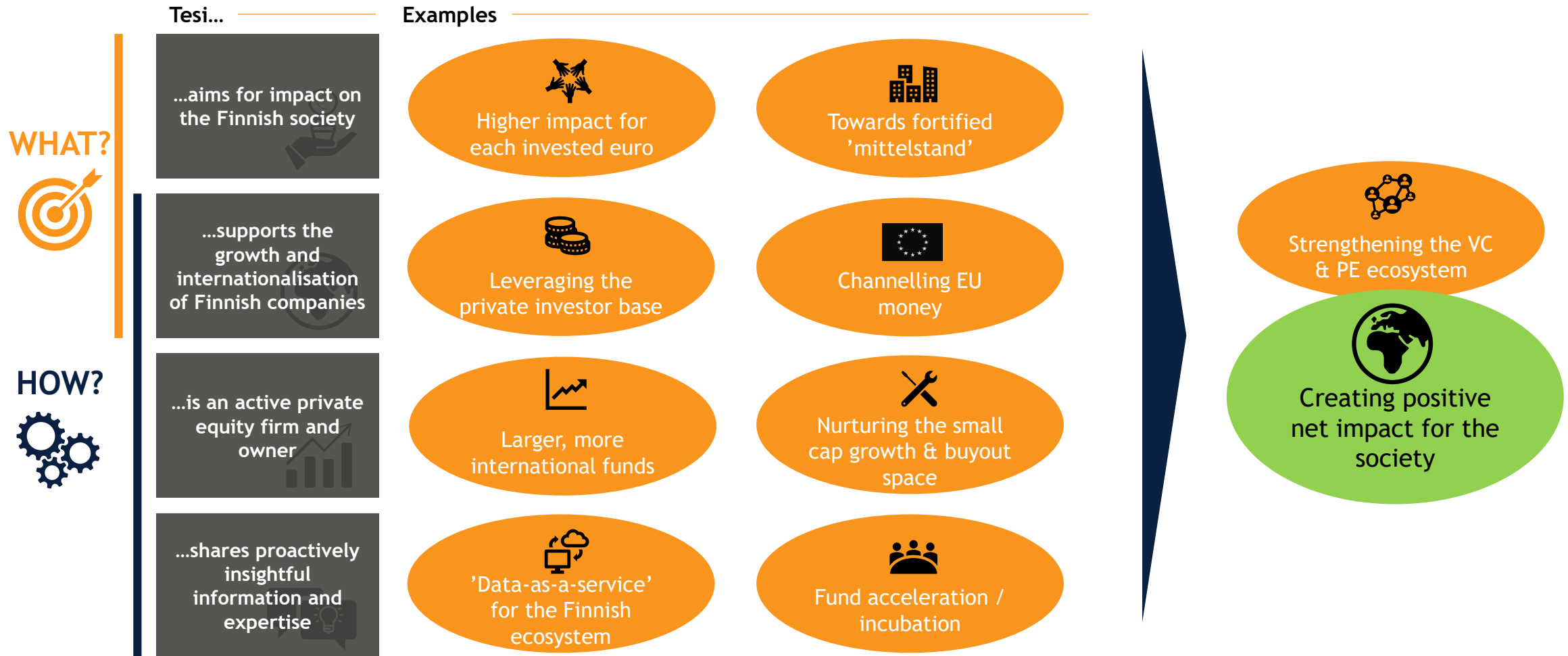
- 1 Developing the Finnish venture capital and private equity market and increasing the supply of private capital in Finland
- 2 Promoting the growth and internationalisation of Finnish companies
- 3 Financially profitable operations delivering significant impact to the society

KEY TOOLS OF TESI

- A VC & PE investments into funds and companies
- B Provision of services and insightful information to support the VC & PE market development
- C Development of networks relevant for the Finnish VC & PE ecosystem together with the private market

IMPACT OF THE OPERATIONS

In current operating environment Tesi focuses on four strategic themes





TESI

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