

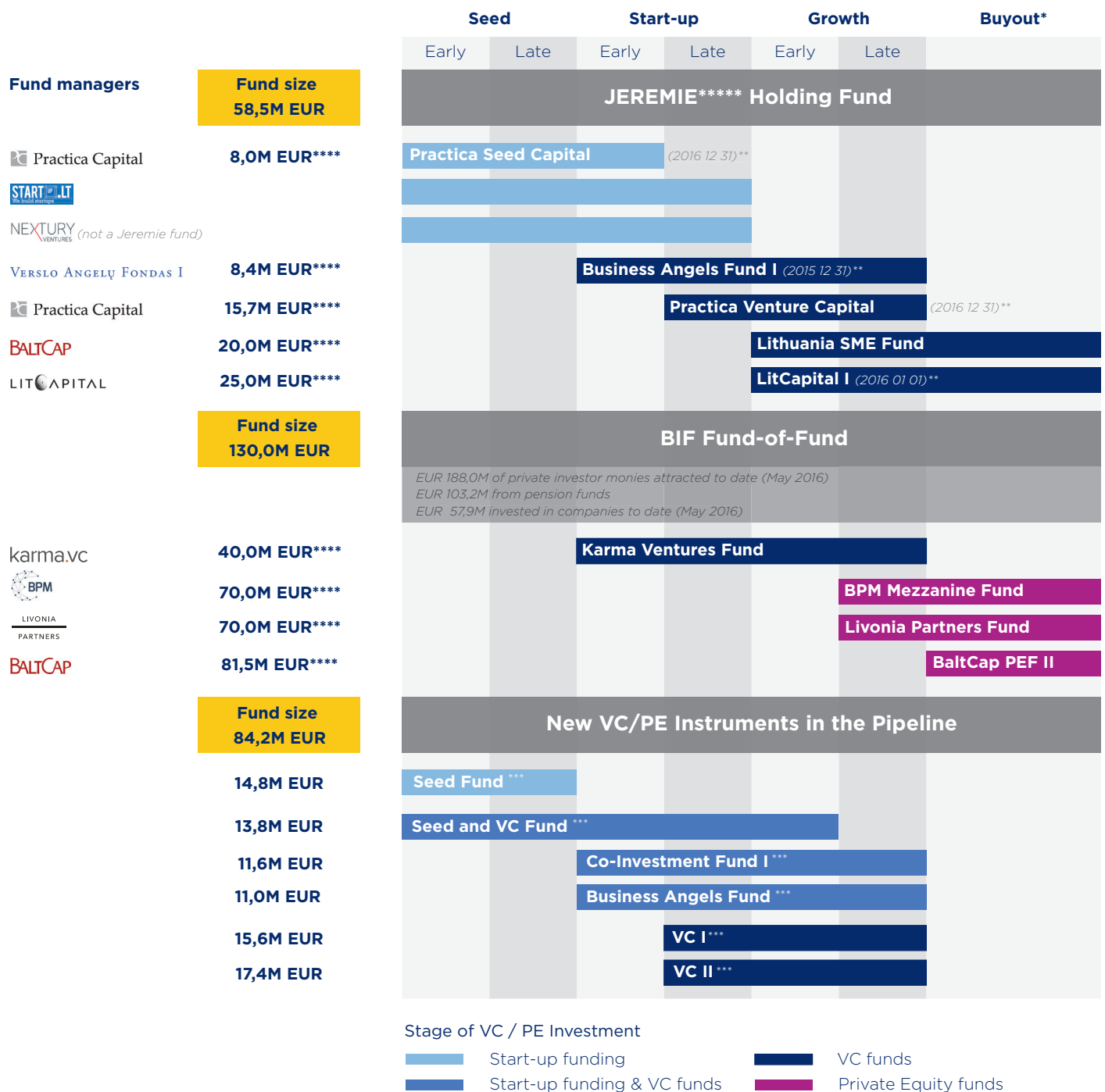
Lithuanian Private Equity and Venture Capital Market

Market Overview: 2016

LT VCA represents virtually every major player of the private equity and venture capital industry in Lithuania and is dedicated to promoting the private equity and venture capital industry for the benefit of funds, entrepreneurs, private equity and venture capital professionals and the economy as a whole.

VC/PE market players in Lithuania **create jobs, increases economic growth, set the standards for more transparent business environment & creates liquidity!**

Lithuanian private equity and venture capital landscape & BIF



*Turnaround, Maturity, MBO, LBO, Sale, etc.

**End of Investment period

***Note: the amounts indicated are targeted and can differ in the final process

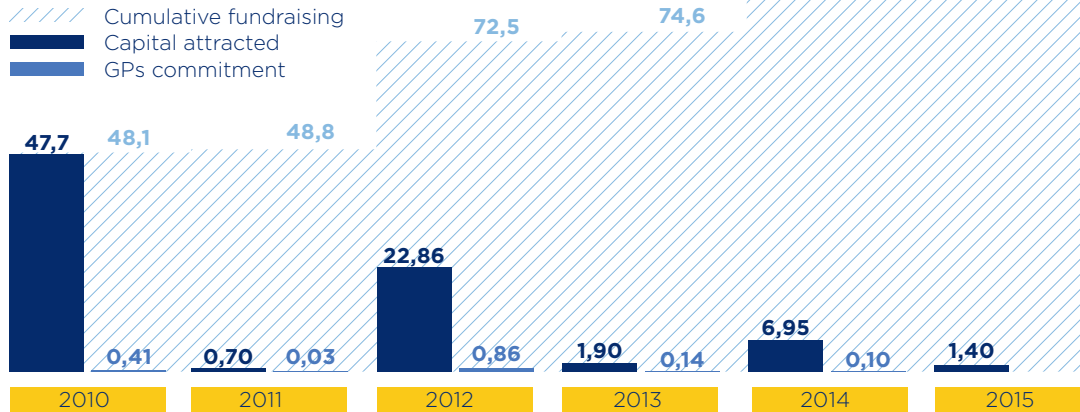
****Including private investor monies attracted

*****JEREMIE (Joint European Resources for Micro to Medium Enterprises) is a joint initiative launched by the European Commission (DG Regional Policy) and the European Investment Bank group to improve access to finance for SMEs in the EU within the Structural Funds framework for the period 2007-2013. Hence, private equity and venture capital funds which carry out the activities under the JEREMIE initiative in Lithuania is financed from the EU Structural Funds under 2007-2013 Economic Growth Operational Programme of Lithuania.

VC/PE funds performance of Jeremie Holding Fund

Fundraising

Fundraising of VCA members, EUR M



Lithuanian VC fundraising activity commenced in **2010**, fuelled by EU structural funds and steered by EIF.

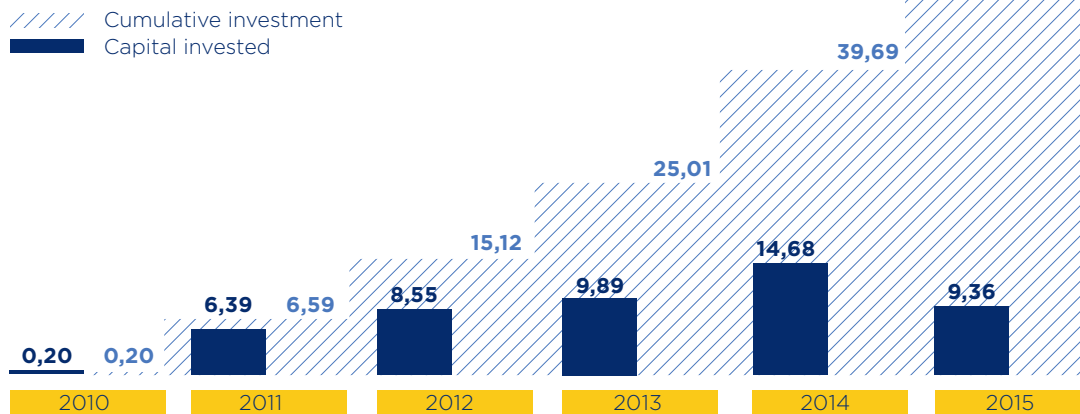
The funds have completed general fundraising rounds, with **most capital raised** in **2010** and **2012**.

VCA member funds included in this report and main year

BaltCap	(2010)
LitCapital	(2010)
Business Angels Fund I	(2010)
Practica Capital	(2012)

Investment

Funds invested, EUR M



Accounts for almost **60%** of **total committed capital**.

As funds are nearing the end of their investment cycles, investment activity is declining, after reaching **peak of 14.7M EUR** in **2014**.

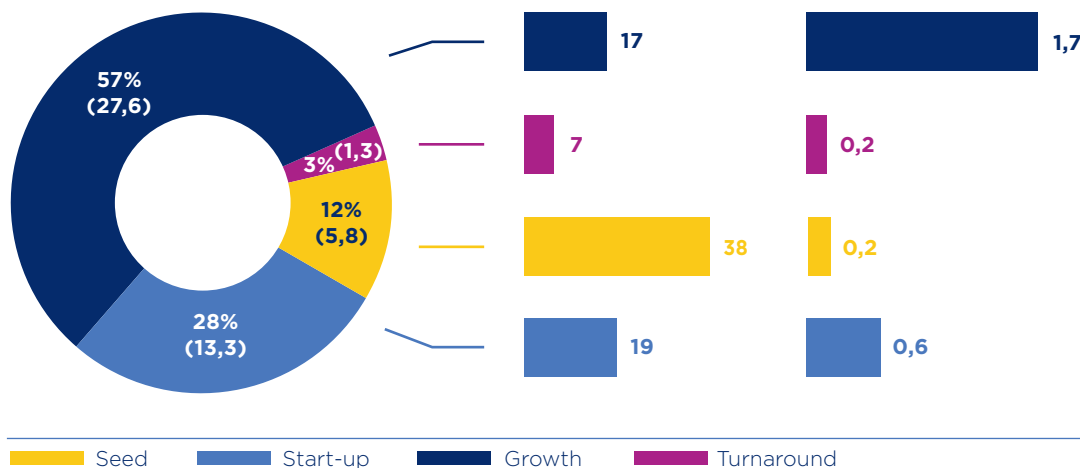
34M EUR (40%) is still to be invested, subject to funds allocated to cover operational expenses

Investment

Value of investments (EUR m and % of total)

Of investment

Average investment (EUR M)



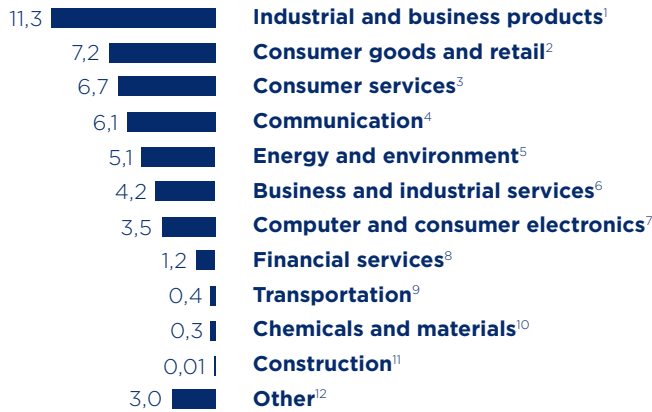
The **average investment value** for all stages is at **0.9M EUR**. Lithuanian funds are limiting their **maximum investment into one company at 3M EUR**, as is imperative by structural funding requirements by EU.

Lithuanian funds are allocating most of its funds into companies that already have an established revenue and client bases. Investments in **seed stage companies** are frequent, yet significantly smaller (**average investment of 0.2M EUR**).

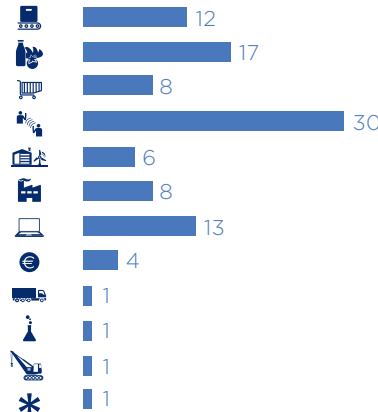
High number of investments into seed stage companies can be explained by the recent **boom** in **start-up culture** in Lithuania.

Investment

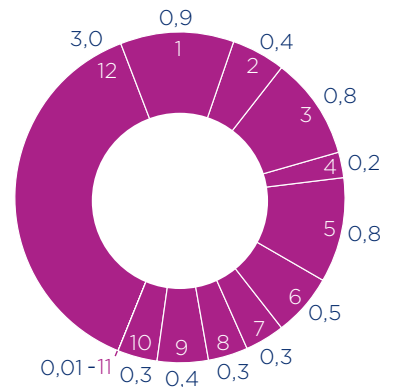
investments
(EUR M, 2010-2015)



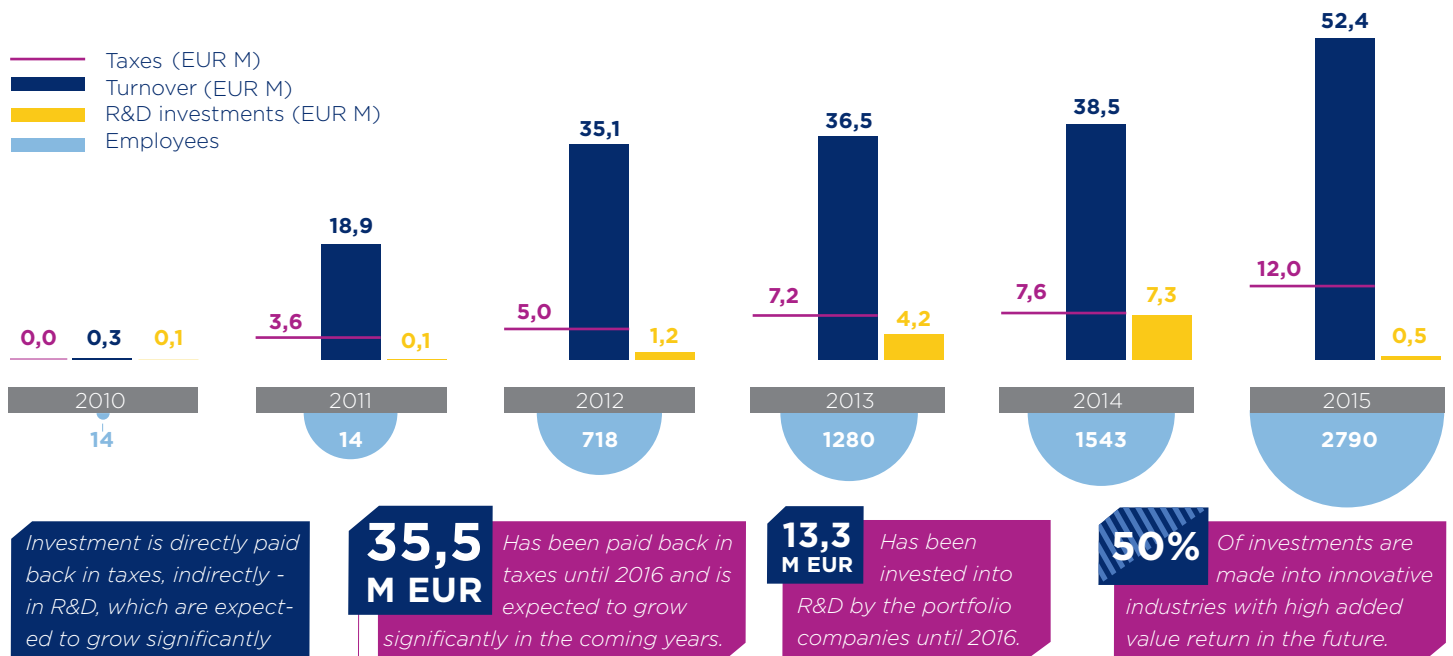
investments
(# of companies, 2010-2015)



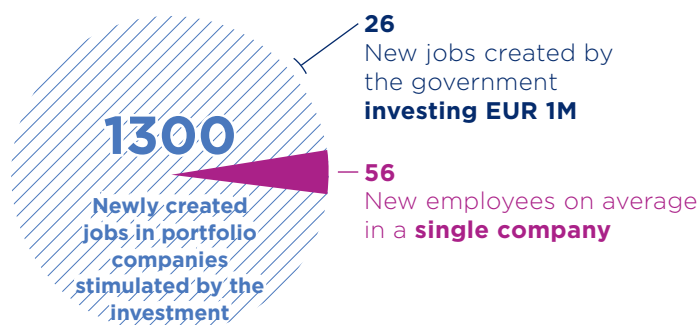
Average investment
(EUR M)



Performance indicators of portfolio companies



Employees in portfolio companies



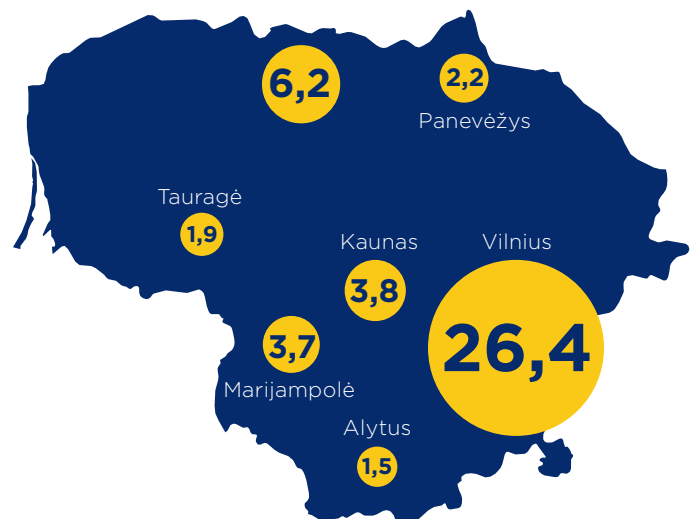
Average new job cost for government (EUR)

As firms continue to pay taxes, government investment in 2010-2012 is fully repaid in 5 to 7 years



Capital invested by county

(EUR M, 2010-2015)

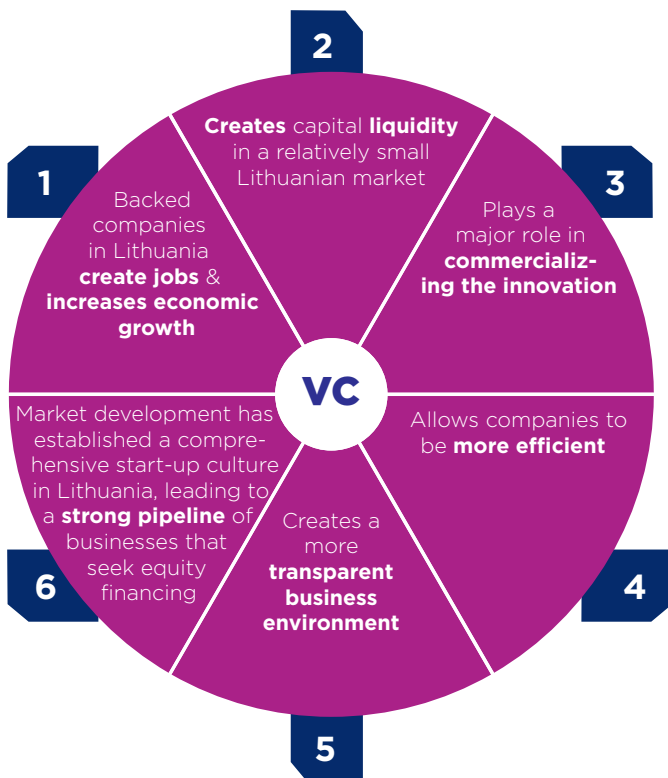


Selected success stories of Lithuanian firms backed by local and foreign VC and PE funds & investors

Case	Investment	Business case	Investment (EUR M)	Invested by
Start-up	Vinted	An innovative peer-to-peer marketplace to trade clothing	<p>56</p>	
Start-up	YPlan	A last-minute mobile event booking mobile application	<p>33,3</p>	+ 13 other
Start-up	cgtrader	CGTrader is an online 3D models marketplace	<p>0,2 + undisclosed amount</p>	
Start-up	TRAFI	Route planning mobile and desktop application	<p>6,2</p>	
Growth	coffee inn	Coffee shop chain	<p>1,5</p>	
Growth	LaboChema	Distribution of laboratory equipment and chemical consumables	<p>1</p>	

Seed Series A Series B Series C Undisclosed

Key Highlights



Lithuanian legal, tax and business areas have improved and are on par with the best international practices

Lithuania has a low cost base to establish a fund

Local pension funds are becoming more active in dedicating the part of their portfolios for investment in venture capital and private equity market in Lithuania

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