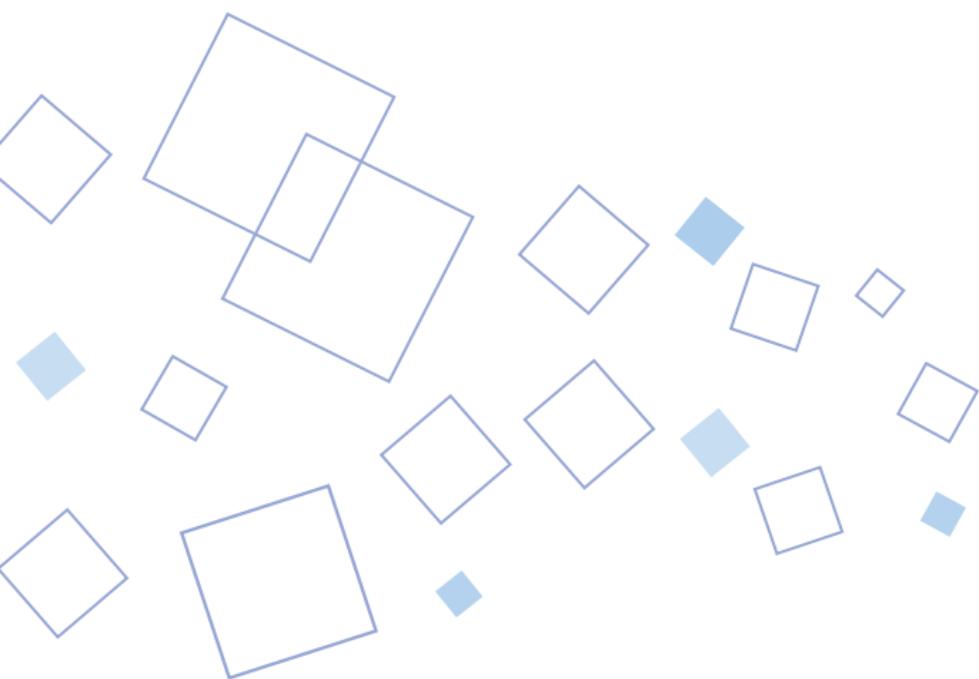


InnovFin
EU Finance for Innovators



InnovFin

Venture Capital



What is InnovFin Equity?

- InnovFin Equity - managed by EIF - is part of "InnovFin - EU Finance for Innovators", an initiative launched by the European Commission and the EIB Group in the framework of Horizon 2020.
- Under InnovFin Equity, EIF provides equity investments and co-investments to or alongside funds focusing on the early stage financing of enterprises. That operate in innovative sectors covered by Horizon 2020, and that are located or active in the EU or Horizon 2020 Associated Countries (Participating Countries).

In this way, InnovFin Equity supports micro, small or medium-sized enterprises (SMEs) and social enterprises which play a crucial role in promoting innovation and the creation of growth and employment, but which face difficulties in accessing finance.

What is InnovFin Venture Capital?

- InnovFin Venture Capital (VC) is part of the InnovFin Equity umbrella managed by EIF, targeting equity investments into venture capital funds or co-investments with these funds.
- Under InnovFin VC, EIF seeks to invest primarily in the first closing of funds. InnovFin VC can invest in other closings too, especially if its intervention is catalytic to further fundraising.
- Under InnovFin VC, EIF is also open to consider first-time or emerging investment teams seeking institutional fundraising for the first time.

What are the main features of InnovFin Venture Capital?

- Under InnovFin VC, EIF invests on a *pari-passu* basis with other investors in the funds.
- The maximum investment under InnovFin VC is limited to EUR 50m, and shall usually not represent more than 25% of the total commitments of the fund. However, EIF may invest more than 25% and not more than 50% of the fund's total commitment, if an EIF investment is made at any other closing than the final closing, and the policy fit of EIF's investment in a fund is high as per EIF's assessment.
- The fund manager will need to commit to invest at least two times the InnovFin VC investment into enterprises in the early stage, established or operating in one or more Participating Country (or in any case up to at least 2/3 of the fund's invested amounts). The remaining amounts may be invested in companies in other geographies or stages.
- The fund's lifetime may not exceed 15 years.
- The fund shall have at least 30% of its total commitments coming from private investors at the time of EIF's closing.
- The fund's manager must be established or operating in one of the Participating Countries.
- The fund's activities should not breach ethical principles or contravene EIF restricted sectors.

Additional terms and conditions can be found in the Call for Expression of Interest, which is published on EIF's website. EIF selects applicants after a full assessment and due diligence process.

What kind of final beneficiaries does InnovFin Venture Capital target?

- Through selected venture capital funds, EIF provides risk capital financing to enterprises in their seed, start-up and other early stages (broadly corresponding to Invest Europe definitions), investing predominantly in their seed and series A rounds. Potential target companies must be established or operating in at least one of the Participating Countries and shall not be active in any of the EIF restricted sectors.

How to apply?

- Since InnovFin Venture Capital is part of InnovFin Equity, applicants are encouraged to visit EIF's website for further details on investments under this instrument. InnovFin Equity is deployed as part of the Single EU Equity Instrument and as part of the EFSI Equity Instrument, for which respective Calls for Expression of Interest are published on EIF's website:

www.eif.org/innovfinequity

- An application can be made by 30 September 2020 at the latest, or an earlier date as notified by EIF on its website. EIF will select funds following a commercial and legal due diligence process.
- Applicants should submit the details of the investment proposal / Private Placement Memorandum, including at least the information set out under the Call documentation, according to the instructions found on our website:

www.eif.org/EIF_for/venture_capital_equity_funds/index.htm

Information for businesses - How to access EU financing

Businesses can contact selected financial institutions in their country to get access to finance supported by the EU:

www.access2finance.eu

Interested funds can find information on how to work with the European Investment Fund on its website:

www.eif.org

European Investment Fund

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