EIF Business Angels Survey 2020
Results for Business Angels Netzwerk Deutschland (BAND) respondents

Market sentiment – COVID-19 impact – Policy measures

EIF Research & Market Analysis in cooperation with Business Angels Europe (BAE)
(BAND is the German member organisation of BAE)
Helmut Kraemer-Eis heads the EIF’s Research & Market Analysis division and is the EIF’s Chief Economist.

Contact:
h.kraemer-eis@eif.org
Tel.: +352 248581 394

Antonia Botsari is Research Officer in the EIF’s Research & Market Analysis division.

Contact:
a.botsari@eif.org
Tel.: +352 248581 546

Kilian Kiefer is Research Consultant in the EIF’s Research & Market Analysis division.

Contact:
k.kiefer@eif.org
Tel.: +352 248581 322

Frank Lang is Senior Manager in the EIF’s Research & Market Analysis division.

Contact:
lang@eif.org
Tel.: +352 248581 278

We would like to thank the respondents to the EIF surveys. Without their support and valuable replies, this project would not have been possible. This paper benefited from comments and inputs by many EIF colleagues, for which we are very grateful; we would like to express particular thanks to Cindy Daniel, Paola De Baldomero Zazo, Oscar Farres, Ana Gaman, Cyril Gouiffes, Silvia Manca, Maud Marcinkowski, Barry McGrath, Paula Ruiz Martín, Carolin Stüdecke, Antonino Stefanucci, Ivan Yakimov, and our Research & Market Analysis colleagues. We would also like to thank colleagues from the Trier University for their continuous support. Moreover, we would like to express our gratitude for fruitful collaboration, support and advice to James Gavigan and Giuseppina Testa from the Joint Research Centre (JRC) of the European Commission and to Prof. Tiago Botelho (University of East Anglia) and Prof. Colin Mason (University of Glasgow). All errors are attributable to the authors.

BAND coordinators:

Ute Günther is Co-President Business Angels Netzwerk Deutschland (BAND) and BAE Board member and Vice-President for Research

Contact:
guenther@business-angels.de

Roland Kirchhof is Co-President Business Angels Netzwerk Deutschland (BAND)

Contact:
kirchhof@business-angels.de
Disclaimer:
This presentation should not be referred to as representing the views of the European Investment Fund (EIF) or of the European Investment Bank Group (EIB Group). Any views expressed herein, including interpretation(s) of regulations, reflect the current views of the author(s), which do not necessarily correspond to the views of EIF or of the EIB Group. Views expressed herein may differ from views set out in other documents, including similar research papers or presentations, published by EIF or by the EIB Group. Contents of this presentation, including views expressed, are current at the date of publication set out above, and may change without notice. No representation or warranty, express or implied, is or will be made and no liability or responsibility is or will be accepted by EIF or by the EIB Group in respect of the accuracy or completeness of the information contained herein and any such liability is expressly disclaimed. Nothing in this presentation constitutes investment, legal, or tax advice, nor shall be relied upon as such advice. Specific professional advice should always be sought separately before taking any action based on this presentation. Reproduction, publication and reprint are subject to prior written authorisation.

Editor:
Helmut Kraemer-Eis,
Head of the EIF’s Research & Market Analysis, Chief Economist

Contact:
European Investment Fund
37B, avenue J.F. Kennedy, L-2968 Luxembourg
Tel.: +352 248581 394
http://www.eif.org/news_centre/research/index.htm
Luxembourg, May 2021
Preface

Dear Reader,

With three regular equity surveys, the *EIF VC Survey*, the *EIF Private Equity Mid-Market Survey*, and the *EIF Business Angels Survey*, the EIF Research & Market Analysis (RMA) team provides unique market insight, typically on an annual basis. As everyone knows, 2020 was an unprecedented and remarkable year – also a year with high uncertainty and increased information needs. Therefore, exceptionally, the EIF RMA team ran the surveys a second time during the year, to shed more light on the impact of COVID-19 on the respective markets.

This presentation is based on selected results from the EIF Business Angels Survey (EIF BA Survey). While the EIF BA Survey has already been unique in its pan-European coverage and multi-country approach, EIF RMA was able to even further increase its outreach to business angels in Europe thanks to a new cooperation with *Business Angels Europe (BAE)*. A substantial part of the sample for the EIF BA Survey 2020-autumn wave comprised BAE members. This presentation, which reflects the cooperation between EIF RMA and BAE, presents the results of the EIF BA Survey for those responses that were received from business angels represented by *Business Angels Netzwerk Deutschland (BAND)*, the German member organisation of BAE.

We would like to highlight the mutually beneficial and fruitful nature of our cooperation. We would also like to thank all colleagues at EIF’s RMA team and at BAE and BAND as well as all contributors for their support in making this project and analysis possible. Finally, we would like to thank all angels who responded to the EIF BA Survey. Their valuable replies allowed us to present you with unique insights into the recent developments in the European market for business angel financing. The results provide an interesting picture of the impact of COVID-19 on European business angels and their portfolio companies, the market sentiment, and also deliver insights into special selected topics. In order to facilitate the reading, we offer a hybrid slide document instead of a traditional Working Paper style. We hope you will enjoy it.

Kind regards,

*Helmut Kraemer-Eis*

EIF
Chief Economist
Head of Research & Market Analysis

*Ute Günther*

EIF
Chief Economist
Head of Research & Market Analysis

*Roland Kirchhof*

BAND
Co-President

BAE
Board Member, Vice-President for Research
Table of contents

1 General survey information ................................................................. p. 6
2 Executive summary ........................................................................ p. 8
3 Respondents’ profile firm characteristics ........................................ p. 16
4 Market sentiment ............................................................................... p. 24
5 Impact of COVID-19
   • Portfolio impact ....................................................................... p. 39
   • Investment impact ..................................................................... p. 46
6 Policy measures ................................................................................ p. 55
7 Concluding remarks ......................................................................... p. 60
8 Annex ............................................................................................... p. 66
General survey information

• The EIF performs three regular surveys: The EIF VC Survey, the EIF PE Mid-Market Survey, and the EIF Business Angels (BA) Survey. This presentation is based on selected results from the EIF BA Survey.

• The EIF BA Survey is an online survey of Business Angels (BAs) investing in Europe. The EIF BA Survey targets both EIF-supported as well as non-EIF supported BAs. It is unique in its pan-European coverage and multi-country approach.

• The survey benefitted from cooperations with two partner organisations: A part of the survey questions is based on exchanges with the Joint Research Center (JRC) of the European Commission. A part of the sample for the EIF BA Survey 2020-autumn comprises Business Angels Europe (BAE) members.

• The second survey wave of 2020 (2020-autumn wave) includes (anonymised) responses from 324 BAs, of which 96 are represented by the BAE member organisation in Germany, Business Angels Netzwerk Deutschland (BAND). This presentation covers only those 96 responses that were received from BAs represented by BAND.

• Responses were received between 30 September and 05 November.

• The topics covered in the second survey wave of 2020 are market sentiment as well as the impact of COVID-19 and the related policy measures.
EIF Surveys 2020

Key EIF survey topics 2020

Market sentiment

Human capital

Impact of COVID-19 and policy responses

ESG and impact investing

Executive summary

General survey information

• The EIF performs three regular surveys: The EIF VC Survey, the EIF Private Equity Mid-Market Survey, and the EIF Business Angels Survey. These three surveys provide the opportunity to retrieve unique market insight. To the best of our knowledge, the combined EIF PE MM Survey and EIF VC Survey currently represent the largest regular survey exercise among GPs in Europe. The EIF BA Survey is unique in its pan-European coverage and multi-country approach.

• The already large outreach of the EIF surveys, which are coordinated by EIF’s Research & Market Analysis (RMA), and the high relevance of the questionnaire topics for both market participants and policy makers have further increased through new cooperations with Business Angels Europe (BAE) and the Joint Research Center (JRC) of the European Commission.

• This presentation covers only those responses that were received from business angels represented by the BAE member organisation in Germany, “Business Angels Netzwerk Deutschland” (BAND).

• In addition to the sections on market sentiment, the impact of COVID-19 and market participants’ perception of policy responses, the latest 2020 EIF Survey wave allowed us to look into recent changes with respect to respondents’ human capital and their considerations related to ESG & impact investing.

• 2020 was an exceptional year. Therefore, EIF’s RMA performed, on an exceptional basis, two survey waves. Moreover, the responses of the first survey wave were split into two sets, based on the time of their submission. Our new and exceptional approach allows us to analyse and compare the situation in the European private equity/venture capital & BA markets at three points in time: (i) Before the COVID-19 crisis, (ii) when the crisis started to spread across Europe in the first quarter of the year, and (iii) during a later phase in autumn.

• Looking ahead, the next wave of the EIF VC Survey, the EIF Private Equity Mid-Market Survey, and the EIF Business Angels Survey is already in preparation for mid-2021.

• As usual, the survey results are published in the EIF Working Paper series which is available here: https://www.eif.org/news_centre/research/index.htm

Executive summary

- Over half of the respondents find the current access to finance of their portfolio companies average, while one-quarter rate it as (very) good. However, almost one-third expect a deterioration over the next 12 months.

- Respondents are relatively optimistic regarding both the current business environment for BA activities and expectations for the next 12 months.

- The number of investment proposals received slightly increased, on average, while the number of new investments made slightly decreased between March and October 2020. Expectations for the next 12 months are positive, with around 4 in 10 respondents expecting an increase.

- The COVID-19 crisis had quite a substantial impact on the investment strategy of the respondents. Between March and October 2020, 36% of the respondents made no new investments.

- Less than one-third of the respondents provided additional investment to portfolio companies due to the COVID-19 crisis, where such investment was not foreseen at the start of 2020.

- The COVID-19 crisis had a significantly negative impact on the portfolio development of the respondents, with around half of them experiencing a development below expectations between March and October 2020. Over the next 12 months, around half of the surveyed BAs expect an improvement, while only 20% expect a further deterioration.

- Respondents find it easiest to find co-investors to syndicate among other BAs, while they find it more challenging to find co-investors among VCs and Corporates. Over the next 12 months, respondents expect this to remain unchanged for other BAs, while they expect it to become even more difficult to find co-investors among VCs and Corporates.

Executive summary

• 39% of exits between March and October 2020 were insolvencies/liquidations. Other frequent exit routes included strategic sales, MBOs and sales to financial investors.

• The majority of respondents experienced a deterioration in the exit environment between March and October 2020. While over one-third of respondents expect an improvement over the next 12 months, 3 in 10 respondents expect a further deterioration.

• Over half of the respondents experienced a decline in the valuation of portfolio companies between March and October 2020. Valuations are expected, on average, to increase again over the next 12 months with over 4 in 10 respondents expecting an increase and one-quarter expecting a further decrease.

• Over half of the respondents experienced a decline in entry prices between March and October 2020. 34% of respondents expect a further decline over the next 12 months, while 29% expect an increase.

• 64% of respondents experienced a decline in exit prices between March and October 2020. Over one-third of respondents expect a further decline in exit prices over the next 12 months while 3 in 10 respondents expect an increase.

• 41% of respondents experienced a decline in competition among investors between March and October 2020; for a similar share of the respondents competition remained unchanged. 48% of the respondents expect competition to remain unchanged over the next 12 months, while 34% expect an increase.

• Regarding the most promising sectors/industries in the near future, we find that the pandemic increased the perceived investment potential in the healthcare sector. This is coupled with a pattern towards the use of technology applications to enable greater digitisation of businesses and processes.

Executive summary

COVID-19: Portfolio impact

• Respondents are, **on average, negatively impacted** by the COVID-19 crisis.

• The impact on the **final performance** of their portfolio is **more positive** than the impact on the **current performance**, although, **on average, still negative**.

• Respondents are relatively optimistic regarding the impact on their **portfolio value in the short-term**; 49% expect a positive NAV between Q4 2019 and Q4 2020, while only 43% expect a negative NAV.

• On average, 43% of the respondents’ portfolio companies were negatively impacted by COVID-19, while 24% were positively impacted. Among those portfolio companies that were positively impacted, digitisation was by far the most frequently mentioned factor; respondents mentioned COVID-19 as accelerating the adoption of new technological solutions and business models, which benefitted portfolio companies across a number of industries offering such solutions.

• When it comes to the **biggest challenges facing the respondents’ portfolio companies**, securing financing/liquidity is considered the first most important challenge by 34% of respondents, followed by customer acquisition & retention and disruption due to COVID-19 related restrictions.

• 6 in 10 respondents do not expect any **insolvencies** resulting from the impact of COVID-19 and only 4% of the respondents expect that 50% or more of their active portfolio companies might file for insolvency due to the impact of COVID-19.

• “Exit environment” and “Availability of own funding” are seen as the **biggest challenges in BA activity** during the current COVID-19 crisis, followed by “Identifying good investment opportunities”.

• On average, 20% of the respondents’ portfolio companies **develop/provide solutions addressing the COVID-19 challenge**; these portfolio companies predominantly operate in Artificial Intelligence, E-commerce, Digital health, Healthcare and Biotech.

Executive summary

COVID-19: Investment impact

- Since the onset of COVID-19, BAs tend to focus more on companies with an experienced management team, revenue generating capability, recurring revenue business models and a longer financial runway.

- The highest percentage of respondents has not made any change in investment strategy as a result of COVID-19. Among those that have made changes, the most frequently mentioned change was an increased focus on existing portfolio companies.

- Most respondents have not changed their portfolio construction approach. If at all, the most frequent change was an increase in diversification.

- 64% of BAs have slowed down the pace of investments due to COVID-19.

- Regarding structural changes to how BA activities are conducted, 24% of the respondents reported not having made any changes. Among those that did make changes, the most frequently reported ones include changes to the due diligence process and changes to how portfolio companies are supported/monitored.

Executive summary

COVID-19: Investment impact - ESG

• The crisis has not shifted attention away from ESG considerations. 7 in 10 BAs have at least maintained their focus on companies that have a positive environmental and/or social footprint.

• In the short-term aftermath of the COVID-19 crisis, the majority of BAs will be retaining their focus and portfolio allocation to environment and climate. Looking forward in the long-run, an one third of respondents indicate their intention to further increase their portfolio allocation in this area.

• The COVID-19 crisis seems to have heightened equity investors’ sensitivity to the S component of ESG. Indeed, both in the short-term and in the long-run, the percentage of respondents who indicate their intention to increase their portfolio allocation in the area of social innovation is greater than the respective percentages for the environment and climate area.

Executive summary

COVID-19: Policy measures

• Respondents consider **regional and national government programs** to be relevant, but their effectiveness is rated less positive. In particular, the implementation speed could be improved.

• The majority of respondents rate **European-level programs** as average (55%); 35% rate them as bad or very bad, while only 9% rate them as good or very good.

• A majority of respondents **applied for government support measures**, for at least some of their portfolio companies.

• Easing the financing burden of the company was the most frequently stated **reason for applying for government support measures**.

• Unsuitable requirements or no business need were the most frequently stated **reasons for not applying for government support measures**.

• The two most frequently mentioned **suggestions for policy responses** targeting BAs are more co-investment opportunities for BAs and greater tax-relief and tax-related advantages for BA investments during crises.

Executive summary

- **BAs** showed a particularly pessimistic view in several of the survey questions. Despite the negative impact of COVID-19 on these investors, BAs are the respondent group (compared to our VC and PE mid-market fund managers surveys) that is the least satisfied with the implementation of the COVID-19-related policy programs (both on a European and on a national/regional level) and the least prone to apply for support measures, mainly because of unsuitable requirements for target investments. A stronger fine-tuning of policy programs for the needs of this investor group and their portfolio companies could address these issues.

- **A crisis is also an opportunity, which needs appropriate policy instruments.** The acceleration of digitisation resulting from the crisis is seen as a substantial opportunity among BA respondents. This creates a need for policy measures that appropriately ensure that companies which are implementing new opportunities will have **sufficient access to finance**.

EIF Business Angels Survey 2020

Results for Business Angels Netzwerk Deutschland (BAND) respondents

Respondents’ profile and characteristics

EIF Research & Market Analysis
Survey wave 2020
Respondents’ profile and characteristics

Respondents’ profile

EIF BA Survey question: “What is your gender?”

- Male: 91%
- Female: 9%

EIF BA Survey question: “What is your highest degree of education?”

- Master degree or postgraduate qualification: 33%
- MBA: 25%
- PhD/doctoral degree: 9%
- High school degree or equivalent: 8%
- Bachelor Degree: 3%
- Other: 1%

EIF BA Survey question: “What is the main focus/field in your education?”

- Business/Economics: 61%
- STEM: 28%
- Law: 5%
- Humanities: 2%
- Social Sciences: 2%
- Other: 1%

EIF BA Survey question: “What was the main focus/field in your education?”

Respondents’ business experience

8 in 10 respondents have created their own venture

EIF BA Survey question: “Have you ever created your own venture?”

Technology/Engineering/Industrials, Consulting & Financial services are most frequent work experience

Work experience aside from BA investing

EIF BA Survey question: “Which of the following would best describe your type of work experience aside from BA investing?”

Respondents’ business know-how

**Besides investing as BAs, many respondents are active as entrepreneurs**

<table>
<thead>
<tr>
<th>Current occupation besides BA investing</th>
<th>% of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Most of my time is focused on BA investments</td>
<td>25%</td>
</tr>
<tr>
<td>Entrepreneur/owner in established company</td>
<td>17%</td>
</tr>
<tr>
<td>Entrepreneur/owner in start-up</td>
<td>17%</td>
</tr>
<tr>
<td>Investment firm (excl. BA investments)</td>
<td>14%</td>
</tr>
<tr>
<td>Management role in established company</td>
<td>10%</td>
</tr>
<tr>
<td>Management role in start-up</td>
<td>2%</td>
</tr>
<tr>
<td>Prefer not to say</td>
<td>1%</td>
</tr>
<tr>
<td>Other</td>
<td>15%</td>
</tr>
</tbody>
</table>

EIF BA Survey question: “What is your current occupation besides BA investing?”

**Most respondents have up to 10 years experience as a BA**

<table>
<thead>
<tr>
<th>Years of experience</th>
<th>% of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-5 yrs</td>
<td>38%</td>
</tr>
<tr>
<td>6-10 yrs</td>
<td>29%</td>
</tr>
<tr>
<td>11-15 yrs</td>
<td>15%</td>
</tr>
<tr>
<td>16-20 yrs</td>
<td>17%</td>
</tr>
<tr>
<td>&gt;20 yrs</td>
<td>2%</td>
</tr>
</tbody>
</table>

EIF BA Survey question: “In total, how many years of experience as a BA do you have?”

Respondents' profile and characteristics

**BA investment experience**

*Approximately one-third of BAs have invested in over 10 companies*

**Approximately two-thirds are not part of a stable BA syndicate**

Number of companies invested in as a BA

![Bar chart showing the distribution of the number of companies invested in as a BA, with approximately one-third investing in over 10 companies.](chart.jpg)

Part of stable syndicate

- I am part of a syndicate of BAs that are contractually bound to one another in order to regularly invest together
- I regularly invest together with the same (group of) BA(s), but we are not contractually bound to one another
- No

**EIF BA Survey question:** “In total, in how many companies have you invested as a BA?”

**EIF BA Survey question:** “Are you part of a stable BA syndicate?”

Investment stage & country focus

Approximately 9 in 10 invest in the pre-seed (44%) or seed (44%) stage

Respondents mostly invest in their home country, i.e. Germany

EIF BA Survey question: “What is (are) the most important stage(s) in which you invest as a BA?” Note: the graph shows the first most important stage.

First most important investment stage

- Pre-seed stage: 44%
- Seed stage: 44%
- Early stage: 10%
- Later stage/Growth stage: 2%

EIF BA Survey question: “Please select the most important countries in which you invest.” Note: the graph shows the three most important countries/regions.

Three most important countries in which respondents invest

- Germany: Most important
- USA: Second most important
- Switzerland: Third most important
- Other/World region: Third most important
- Netherlands: Other/World region
- Austria: Other/World region
- France: Other/World region
- India: Other/World region
- Spain: Other/World region

Volume of BA activity

Almost one-quarter of surveyed BAs invest between 500K and 999K

EIF BA Survey question: “What is the total volume of your BA activity (including commitments from other parties), in Euro?”

**Most important target industries**

_BAs target companies mainly in the ICT sector_}

EIF Business Angels Survey 2020
Results for Business Angels Netzwerk Deutschland (BAND) respondents

Market sentiment
EIF Research & Market Analysis
Survey wave 2020
Access to external finance of portfolio companies

**Majority rate access to external finance for portfolio companies as average**

Access to external finance

- 27% Bad/Very bad
- 54% Average
- 19% Good/Very good

Almost one-third expect a deterioration over next 12 months, while another one-third expect an improvement

Access to external finance over the next 12 months

- 34% Slightly/Strongly improve
- 31% Slightly/Strongly deteriorate
- 34% Stay the same

**EIF BA Survey question:** “How would you rate the access to external finance of your portfolio companies?”

**Source:** EIF Business Angels Survey 2020, selected results of BAND members; overall results are published by EIF’s Research & Market Analysis in the EIF Working Paper series, available at https://www.eif.org/news_centre/research/index.htm
Business environment for BA activities

Current business environment for BA activities in target country, on average, positive

- 30% Good/Very good
- 50% Average
- 20% Bad/Very bad

Business environment for BA activities in target country, on average, expected to improve over next 12 months

- 33% Slightly/Strongly improve
- 45% Stay the same
- 22% Slightly/Strongly deteriorate

EIF BA Survey question: “How would you assess the current business environment for BA activities in your main target country?”

EIF BA Survey question: “Over the next 12 months, how do you expect the business environment for BA activities in your main target country to develop?”

**Number of investment proposals received**

**Number of investment proposals increased, on average, between March & October 2020**

- **Investment proposals since March 2020**
  - Slightly/Strongly decreased: 21%
  - Stayed the same: 52%
  - Slightly/Strongly increased: 27%

**Over 4 in 10 respondents expect a further increase over the next 12 months**

- **Investment proposals over next 12 months**
  - Slightly/Strongly decrease: 16%
  - Stay the same: 43%
  - Slightly/Strongly increase: 42%

**EIF BA Survey question: “How has the number of investment proposals to you developed since March 2020?”**

**EIF BA Survey question: “Over the next 12 months, how do you expect the number of investment proposals to you/your firm to develop?”**

Number of new investments

**Number of new investments decreased, on average, between March & October 2020**

New investments since March 2020

- **50%** stayed the same
- **22%** slightly/strongly increased
- **28%** slightly/strongly decreased

**Almost 4 in 10 respondents expect an increase over the next 12 months**

New investments over next 12 months

- **21%** slightly/strongly decrease
- **41%** stay the same
- **39%** slightly/strongly increase

EIF BA Survey question: “How has the number of your new investments developed since March 2020?”

(EIF BA Survey question: “Over the next 12 months, how do you expect the number of your new investments to develop?”

Since March 2020, over one-third of respondents made no investments.

One-quarter of respondents invested in both new deals and follow-ons in portfolio.

Other respondents invested either in new deals only or in follow-ons only.

One-third of respondents provided additional investment to portfolio companies due to the COVID-19 crisis, where such investment was not foreseen at the start of 2020.
**Portfolio development**

**Portfolio companies developed below expectations for almost 5 in 10 respondents**

Development of portfolio companies since March 2020

- 20% Slightly/Significantly below expectations
- 31% As expected
- 49% Slightly/Significantly above expectations

**Over half of respondents expect an improvement over the next 12 months**

Development of overall portfolio over next 12 months

- 51% Slightly/Significantly improve
- 29% Stay the same
- 20% Slightly/Significantly deteriorate

EIF BA Survey question: “How did your portfolio companies develop since March 2020?”

EIF BA Survey question: “Over the next 12 months, how do you expect your overall portfolio to develop?”

**Ease of finding co-investors**

**Respondents find it easiest to find co-investors among other BAs; finding co-investors among VCs and Corporates is considered challenging**

*EIF BA Survey question: “How easy/difficult is it currently to find co-investors to syndicate? Please specify separately for each type of co-investor.”*

**Ease of finding co-investors to syndicate**

<table>
<thead>
<tr>
<th>Type of Co-Investor</th>
<th>% of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other BAs</td>
<td>44%</td>
</tr>
<tr>
<td>VCs</td>
<td>25%</td>
</tr>
<tr>
<td>Corporates</td>
<td>16%</td>
</tr>
<tr>
<td>Crowd-sourced</td>
<td>18%</td>
</tr>
<tr>
<td>Public investors</td>
<td>21%</td>
</tr>
</tbody>
</table>

**Respondents are most likely to look for co-investors among other BAs and VCs; finding co-investors expected to become more difficult**

*EIF BA Survey question: “Over the next 12 months, how do you expect finding co-investors to become? Please specify separately for each type of co-investor.”*

**Ease of finding co-investors to syndicate over next 12 months**

<table>
<thead>
<tr>
<th>Type of Co-Investor</th>
<th>% of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other BAs</td>
<td>15%</td>
</tr>
<tr>
<td>VCs</td>
<td>15%</td>
</tr>
<tr>
<td>Corporates</td>
<td>2%</td>
</tr>
<tr>
<td>Crowd-sourced</td>
<td>11%</td>
</tr>
<tr>
<td>Public investors</td>
<td>17%</td>
</tr>
</tbody>
</table>

% of respondents who find it (Very) difficult, (Very) easy, I did not look for, Slightly/Much more difficult, Stay the same, Slightly/Much easier.
Exit routes

39% of all exits between March and October 2020 were insolvencies/liquidations

Percentage of portfolio company exits as a percentage of total exits

- Insolvency / liquidation: 39%
- Trade sale to strategic buyer: 22%
- Sale to PE/VC/financial investor: 12%
- Management/owner buyback: 12%
- Secondary sale to 3rd party (non-strategic): 10%
- Other/s: 5%

EIF BA Survey question: “Since March 2020, how many of your portfolio companies exited via the following routes?” Note: The graph reports the sum of exits for each exit route as a percentage of the sum of all exits, excluding the “no exit” option.

Exit environment for portfolio companies

**The majority of respondents experienced a deterioration in the exit environment for portfolio companies**

Exit environment for portfolio companies since March 2020

<table>
<thead>
<tr>
<th>% of respondents</th>
<th>Slightly/Significantly deteriorated</th>
<th>Stayed the same</th>
<th>Slightly/Significantly improved</th>
</tr>
</thead>
<tbody>
<tr>
<td>58%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>39%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**While over one-third of respondents expect an improvement over the next 12 months, 3 in 10 respondents expect a further deterioration**

Exit opportunities for portfolio companies over next 12 months

<table>
<thead>
<tr>
<th>% of portfolio companies</th>
<th>Slightly/Significantly deteriorate</th>
<th>Stay the same</th>
<th>Slightly/Significantly improve</th>
</tr>
</thead>
<tbody>
<tr>
<td>29%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>36%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>34%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

EIF BA Survey question: “Since March 2020, how has the exit environment for your portfolio companies developed?”

EIF BA Survey question: “Over the next 12 months, how do you expect the exit opportunities of your portfolio companies to develop?”

Valuations of portfolio companies

Over half of respondents experienced a decrease in the valuation of portfolio companies since March 2020

Current valuations of portfolio companies

- Slightly/Strongly decreased: 17%
- Stayed the same: 30%
- Slightly/Strongly increased: 53%

Valuations of portfolio companies over next 12 months

- Slightly/Strongly decrease: 42%
- Stay the same: 32%
- Slightly/Strongly increase: 26%

**Entry prices**

**A majority of respondents experienced a decline in entry prices since March 2020**

**Entry prices since March 2020**

- **51%** Slightly/Strongly decreased
- **38%** Stayed the same
- **10%** Slightly/Strongly increased

**One-third of respondents expect a further decline in entry prices over the next 12 months**

**Entry prices over next 12 months**

- **29%** Slightly/Strongly decrease
- **34%** Stay the same
- **37%** Slightly/Strongly increase

**EIF BA Survey question:** “When you consider your market since March 2020, how have the following items developed? (in this graph) Entry prices”

**EIF BA Survey question:** “When you consider your market over the next 12 months, how do you expect the following items to develop? (in this graph) Entry prices”

**Source:** EIF Business Angels Survey 2020, selected results of BAND members; overall results are published by EIF’s Research & Market Analysis in the EIF Working Paper series, available at [https://www.eif.org/news_centre/research/index.htm](https://www.eif.org/news_centre/research/index.htm)
Exit prices

Two-thirds of respondents experienced a decrease in exit prices since March 2020

Exit prices since March 2020

- 64% Slightly/Strongly decreased
- 25% Stayed the same
- 11% Slightly/Strongly increased

Over one-third of respondents expect a further decline in exit prices over the next 12 months while 3 in 10 respondents expect an increase

Exit prices over next 12 months

- 30% Slightly/Strongly decrease
- 35% Stay the same
- 35% Slightly/Strongly increase

EIF BA Survey question: “When you consider your market since March 2020, how have the following items developed? (in this graph) Exit prices”

EIF BA Survey question: “When you consider your market over the next 12 months, how do you expect the following items to develop? (in this graph) Exit prices”

Competition among investors

41% of respondents experienced a decline in competition since March 2020; for a similar share of respondents competition remained unchanged.

48% of respondents expect competition to remain unchanged over the next 12 months while over one-third expect an increase.

EIF BA Survey question: “When you consider your market since March 2020, how have the following items developed? (in this graph) Competition among investors for potential investee companies”

EIF BA Survey question: “When you consider your market over the next 12 months, how do you expect the following items to develop? (in this graph) Competition among investors for potential investee companies”

The pandemic increased the perceived investment potential in the healthcare sector.

This is coupled with a pattern towards the use of technology applications to enable greater digitisation of businesses and processes.

<table>
<thead>
<tr>
<th>BA</th>
<th>AI: Artificial Intelligence; B2B: Business-to-Business; IoT: Internet of Things; SaaS: Software as a Service.</th>
</tr>
</thead>
</table>

Market sentiment

**Most promising sector in the near future**

EIF BA Survey question: “What sector/industry would you consider as the most promising for BA investments in the near future?” Note: The graph was generated using Wordcloud whereby the bigger the font size the more frequently the respective answer was mentioned in the free-text field. Responses from all BA respondents, rather than only BAE members, are used.

EIF Business Angels Survey 2020

Results for Business Angels Netzwerk Deutschland (BAND) respondents

Impact of COVID-19: Portfolio impact

EIF Research & Market Analysis
Survey wave 2020
Impact of COVID-19 on portfolio performance

A majority of respondents view the impact of COVID-19 on the current performance of their portfolio as negative.

The expected impact on the final performance of their portfolio is slightly more positive, although on average still negative.

Respondents are relatively optimistic regarding the impact on their portfolio value in the short-term; 49% expect a positive NAV between Q4 2019 and Q4 2020 while only 43% expect a negative NAV.

Impact of COVID-19 on portfolio companies

On average, 43% of respondent’s portfolio companies were negatively impacted by COVID-19 while 24% were positively impacted.

Average percentage of portfolio companies currently...

- Positively impacted by COVID-19: 43%
- Not impacted by COVID-19: 33%
- Negatively impacted by COVID-19: 24%

Positive impact frequently mentioned factors:

- Digitisation
- Health
- E-commerce

Digitisation was by far the most frequently mentioned factor; respondents mentioned COVID-19 as accelerating the adoption of new technological solutions and business models, which benefitted portfolio companies across a number of industries offering such solutions.

Respondents also mentioned that portfolio companies operating in e-health and healthcare in general were positively impacted.

Portfolio companies in E-commerce were also mentioned frequently as being positively impacted.

EIF BA Survey question: “Please explain briefly in what way your portfolio companies are positively impacted by COVID-19.”

Portfolio companies developing COVID-19 solutions

On average, 20% of respondents’ portfolio companies develop/provide solutions addressing the COVID-19 challenge; these portfolio companies predominantly operate in Artificial Intelligence, E-commerce, Digital health, Healthcare and Biotech.

Sectors in which companies developing/providing solutions addressing the COVID-19 challenge operate

- Artificial intelligence / machine learning: 18%
- E-commerce: 17%
- Healthcare: 14%
- Digital health: 11%
- Biotech and pharmaceuticals: 8%
- Cultural and Creative Sectors ("CCS"): 7%
- Deep technology: 6%
- Fintech: 6%
- Energy efficiency / renewable energy: 4%
- Cybersecurity: 3%
- Blockchain technology: 3%
- Agriculture / bioeconomy: 3%

EIF BA Survey question: “What is the approximate share of companies in your portfolio which develop / provide solutions addressing the COVID-19 challenge directly (e.g., pharma development) or indirectly (e.g., digital services)?”

EIF BA Survey question: “Please select the sectors in which the aforementioned companies that develop / provide solutions addressing the COVID-19 challenge operate.” Note: This question was only asked to respondents that do have portfolio companies which develop / provide solutions addressing the COVID-19 challenge.

Impact of COVID-19: Portfolio impact

Biggest challenges for portfolio companies

Securing financing/liquidity is considered the first most important challenge by 34% of respondents, followed by customer acquisition & retention and disruption due to COVID-19 related restrictions.

First most important challenge currently facing portfolio companies

- Securing financing / liquidity: 34%
- Customer acquisition and retention: 22%
- Disruption of business activity or changes to how the business operates due to COVID-19-related restrictions: 17%
- Recruiting high-quality professionals: 9%
- Internationalisation: 5%
- Supply chain: 3%
- Costs of production and labour: 2%
- Strong competition: 2%
- Regulation: 2%
- Accessing public funding measures: 1%
- Other/s: 2%

Insolvencies due to impact of COVID-19

Percentage of portfolio companies which might file for insolvency due to COVID-19, by percentage of respondents

6 in 10 respondents do not expect any insolvencies resulting from the impact of COVID-19

Only 4% expect that 50% or more of their active portfolio companies might file for insolvency due to the impact of COVID-19

EIF BA Survey question: “Please indicate the expected % of your active portfolio companies that might file for insolvency due to the impact of COVID-19.”

Biggest challenges in BA activity

“Exit environment” and “Availability of own funding” are seen as the biggest challenges in BA activity, followed by “Identifying good investment opportunities”


Items selected as first most important challenges in BA activity in the current COVID-19 crisis

- Exit environment: 14% of respondents
- Availability of own funding: 14% of respondents
- Identifying good investment opportunities: 13% of respondents
- Market volatility: 11% of respondents
- Number of high quality entrepreneurs: 10% of respondents
- Finding the time to perform my BA activities: 9% of respondents
- Regulation: 8% of respondents
- Investee company performance: 7% of respondents
- Other political uncertainty: 6% of respondents
- High investee company valuations: 4% of respondents
- Competition from other investors: 1% of respondents
- Other/s: 2% of respondents

EIF BA Survey question: “Please select the biggest challenges you see in your BA activity in the current COVID-19 crisis, in order of importance”
EIF Business Angels Survey 2020

Results for Business Angels Netzwerk Deutschland (BAND) respondents

Impact of COVID-19:
Investment impact

EIF Research & Market Analysis
Survey waves 2020
Impact of COVID-19: Investment impact

Investment criteria

Impact of COVID-19 on investment criteria

Since the onset of COVID-19, BAs tend to focus more on companies with:

- Experienced management team (39% of respondents)
- Revenue generating capability (31%)
- Recurring revenue business models (31%)
- Longer financial runway (31%)

Approximately 7 in 10 BAs have at least maintained their focus on companies that have a positive environmental and/or social footprint.

Impact of COVID-19: Investment impact

Investment strategy

COVID-19 impact on investment strategy

- No change: 17%
- Increased focus on existing portfolio companies: 13%
- Investing via smaller tickets: 10%
- Decreased the total amount available for my BA investing: 9%
- Co-investing more frequently with other business angels: 8%
- Increasingly challenging entry valuations: 8%
- I have put on hold my BA investment activity: 7%
- Increased the total amount available for my BA investing: 6%
- Investing into new sectors: 5%
- Diversifying into new types of investments: 4%
- Investing closer to home: 3%
- Investing via larger tickets: 2%
- Increased focus on new portfolio companies: 1%
- Co-investing more frequently with venture capital funds: 1%

The highest percentage of respondents has not made any change in investment strategy as a result of COVID-19 (17%)

Among those that have made changes, the most frequently mentioned change was an increased focus on existing portfolio companies (13%)

Most respondents have not changed their portfolio construction approach. If at all, the most frequent change was an increase in diversification.

EIF BA Survey question: “Have you changed your portfolio construction approach as a result of COVID-19?”

Impact of COVID-19: Investment impact

Investment pace

Almost two-thirds of BAs have slowed down the pace of investments

Impact of COVID-19 on pace of investments

Structural changes

**Highest percentage of respondents have not made structural changes to how they conduct BA investments activities**

Impact of COVID-19 on structural changes in BA investment activity

- No change, business as usual: 24%
- Change to how you support and/or monitor portfolio companies: 16%
- Change to how investment due diligence is conducted (e.g., through virtual meetings): 14%
- Increase of telework for staff: 11%
- Focus on building a more digital workplace: 11%
- Make investments remotely: 11%
- Decreased employment: 9%
- Increased employment: 3%

**Source:** EIF Business Angels Survey 2020, selected results of BAND members; overall results are published by EIF’s Research & Market Analysis in the EIF Working Paper series, available at [https://www.eif.org/news_centre/research/index.htm](https://www.eif.org/news_centre/research/index.htm)
Impact of COVID-19: Investment impact

ESG considerations

35% of respondents were already considering ESG issues in their investment decisions and the crisis demonstrated the need to consider them even more; 44% are not considering ESG issues

Impact of COVID-19 crisis on ESG considerations

- Already considering ESG issues before, and the crisis demonstrated the need to consider non-financial indicators even more: 35%
- Considering ESG issues before, but the focus on ESG considerations had to be temporarily diverted as a result of the crisis and the focus on recovery: 14%
- NOT considering ESG issues before, but the crisis demonstrated the need to consider non-financial indicators too: 7%
- NOT considering ESG issues: 44%

EIF BA Survey question: “How has the COVID-19 crisis affected ESG considerations in your investment decisions?”

Impact of COVID-19: Investment impact

ESG considerations: looking forward (i/ii)

COVID-19 impact on portfolio allocation to environment and climate

In the short-term aftermath of the COVID-19 crisis, the majority of Business Angels will be retaining their focus and portfolio allocation to environment and climate;

Looking forward in the long-run, one third of respondents indicate their intention to further increase their portfolio allocation in this area.

EIF BA Survey question: “Looking forward, how do you expect the COVID-19 crisis to affect your portfolio allocation in the area of environment and climate ... in the short-run (6 to 12 months) / ... in the long-run (1 to 5 years)?”

Impact of COVID-19: Investment impact

ESG considerations: looking forward (ii/ii)

COVID-19 impact on portfolio allocation to social innovation (healthcare, education, …)

The COVID-19 crisis seems to have heightened equity investors’ sensitivity to the S component of ESG;
Indeed, both in the short-term and in the long-run, the percentage of respondents who indicate their intention to increase their portfolio allocation in the area of social innovation is slightly greater than the respective percentages for the environment and climate area (see previous question).


**Short-term impact (6-12 months)**

- Less focus on: 6%
- Same focus on: 42%
- Stronger focus on: 35%
- Not relevant: 17%

**Long-term impact (1-5 years)**

- Less focus on: 42%
- Same focus on: 17%
- Stronger focus on: 35%
- Not relevant: 0%

EIF BA Survey question: “Looking forward, how do you expect the COVID-19 crisis to affect your portfolio allocation in the area of social innovation (e.g., healthcare, education, etc.) … in the short-run (6 to 12 months) / … in the long-run (1 to 5 years)?”
EIF Business Angels Survey 2020

Results for Business Angels Netzwerk Deutschland (BAND) respondents

Policy measures

EIF Research & Market Analysis
Survey waves 2020
Implementation of government programs

Regional and national government programs are relevant but less effective; implementation speed in particular could be improved.

The majority of respondents rate European-level programs as average.

Government support measures

A majority of respondents applied for government support measures, for at least some of their portfolio companies

Application for government support measures related to COVID-19

EIF BA Survey question: “Have you/Has one of your portfolio companies applied or considered applying for a government support measure related to COVID-19?”

Government support measures

Easing the financing burden of the company was the most frequently stated reason for applying for government support measures

Unsuitable requirements or no business need were the most frequently stated reasons for not applying for government support measures

EIF BA Survey question: “Please indicate the extent to which the following factors influenced your decision to apply for government support measures for any / some of your portfolio companies.” The graph shows the share of respondents indicating either “significantly” or “somewhat”. The remaining share of respondents (not shown here) indicated “not at all”.

EIF BA Survey question: “Please indicate the extent to which the following factors influenced your decision not to apply for government support measures for any / some of your portfolio companies.” The graph shows the share of respondents indicating either “significantly” or “somewhat”. The remaining share of respondents (not shown here) indicated “not at all”.

Suggestions for policy responses targeting BAs

The two most frequently mentioned suggestions for policy responses targeting BAs are as follows:

- More co-investment opportunities for Business Angels
- Greater tax-relief and tax-related advantages for BA investments during crises

Other respondents mention the following factors:

- Increase speed of implementation of government support programs
- Similar support programs to German BAFA INVEST for European BA investments
- Matching funds for BAs from governments
- Increased direct financial support for BAs
- Quicker implementation of programs

EIF BA Survey question: “Would you suggest any particular policy response targeting business angels (incl. changes to existing programs) to address the COVID-19 crisis?”

EIF Business Angels Survey 2020

Results for Business Angels Netzwerk Deutschland (BAND) respondents

Concluding remarks

EIF Research & Market Analysis
Survey waves 2020
Due to COVID-19, market sentiment slumped ...

- In the course of 2020, the market situation has substantially worsened. New investments have declined, on balance, and the exit environment has become particularly bad. Portfolio development was, on average, below expectations. Valuations, entry and exit prices decreased. Since March 2020, over one-third of the respondents made no investments.

... but expectations have become optimistic again.

- After a slump of the current situation since March, expectations have at least partially recovered across most areas.

- Respondents reported, on average, a positive business environment for BA activities with further improvement expected over the next 12 months. Access to finance for portfolio companies is also expected, on average, to improve.

- And COVID-19 does not seem to have diverted BAs’ attention away from ESG considerations.

However, several concerns remain.

- Despite the prevailing optimism with regard to future expectations, the current situation is considered to be worse than before the crisis.

- The deterioration in the exit environment are still a major concern. The exit environment is also rated as one of the biggest challenges in BA activity in the current COVID-19 crisis.

- While access to external finance for portfolio companies is rated average by a majority of respondents, financing remains a challenge for BAs: “Availability of own funding” is considered among the biggest challenges in BA activity during the current crisis and “Securing financing/liquidity” is considered the most important challenge currently faced by their portfolio companies.

COVID-19 has negatively impacted portfolio …

• Respondents are, on average, negatively impacted by the COVID-19 crisis.

• The impact on the final performance of their portfolio is more positive than the impact on the current performance, although, on average, still negative.

• Respondents are relatively optimistic regarding the impact on their portfolio value in the short-term; 49% expect a positive NAV between Q4 2019 and Q4 2020, while only 43% expect a negative NAV.

• On average, 43% of the respondents’ portfolio companies were negatively impacted by COVID-19, while 24% were positively impacted.

• When it comes to the biggest challenges facing the respondents’ portfolio companies, Securing financing/liquidity is considered the first most important challenge by 34% of respondents, followed by customer acquisition & retention and disruption due to COVID-19 related restrictions.

• “Exit environment” and “Availability of own funding” are seen as the biggest challenges in BA activity during the current COVID-19 crisis, followed by “Identifying good investment opportunities”.

… but opportunities exist.

• On average, 24% of the respondents’ portfolio companies were positively impacted by COVID-19. Among those portfolio companies that were positively impacted, digitisation was by far the most frequently mentioned factor; respondents mentioned COVID-19 as accelerating the adoption of new technological solutions and business models, which benefitted portfolio companies across a number of industries offering such solutions.

• On average, 20% of the respondents’ portfolio companies develop/provide solutions addressing the COVID-19 challenge; these portfolio companies predominantly operate in Artificial Intelligence, E-commerce, Digital health, Healthcare and Biotech.

Concluding remarks

Support is relevant, but could be more efficient

• Respondents consider regional and national government programs to be relevant but less effective. The implementation speed could also be improved.

• The majority of respondents rate European-level programs as average (55%); 35% rate them as bad or very bad, while only 9% rate them as good or very good.

• A majority of respondents applied for government support measures, for at least some of their portfolio companies.

• Easing the financing burden of the company was the most frequently stated reason for applying for government support measures.

• Unsuitable requirements or no business need were the most frequently stated reasons for not applying for government support measures.

• The two most frequently mentioned suggestions for policy responses targeting BAs are more co-investment opportunities for BAs and greater tax-relief and tax-related advantages for BA investments during crises.

A crisis is also an opportunity ...

- The **acceleration of digitisation** resulting from the crisis is seen as a **substantial opportunity** among many respondents. Respondents mention COVID-19 as accelerating the adoption of new technological solutions and business models, which benefitted portfolio companies across a wide range of industries offering such solutions.

- A number of **specific areas benefitting from this trend** are mentioned:
  - Increased adoption of **B2B software solutions (SaaS) and cloud-based platforms** due to expansion of home-office;
  - **E-commerce and related IT tools** due to shift towards online sales;
  - Accelerated digitisation in **financial services and fintech** and increased electronic spending;
  - **Education tech and digital health** benefitting from digitisation across education and health sectors;
  - Increased demand in **specific consumer services** incl. home food products, gaming and media content, with further digitisation potential.

... that needs appropriate policy instruments.

- Our survey supports the notion that there exists an unprecedented opportunity to benefit from some of the strong tailwinds created by the crisis, for example in digital transformation across sectors.

- These opportunities might not always be supported by the sufficient **availability of financing sources**. Our survey results suggest that this is particularly relevant in the very **initial stages** (e.g., as BAs show a comparatively negative perception of the market situation and policy measures). This creates a need for policy measures that appropriately ensure that companies which are implementing new opportunities will have **sufficient access to finance**.

Exceptional times require unique market insight

- The *EIF Business Angels Survey* provides the opportunity to retrieve unique market insight. The *EIF BA Survey* is unique in its pan-European coverage and multi-country approach.

- The already large outreach of the EIF surveys, which are coordinated by EIF’s Research & Market Analysis (RMA), and the high relevance of the questionnaire topics for both market participants and policy makers have further increased through new cooperations with Business Angels Europe (BAE) and the Joint Research Center (JRC) of the European Commission.

- In addition to the sections on market sentiment, the impact of COVID-19 and market participants’ perception of policy responses, the latest 2020 EIF Survey wave allowed us to look into recent changes with respect to respondents’ human capital and their considerations related to ESG & impact investing.

- 2020 was an exceptional year. Therefore, EIF’s RMA performed, on an exceptional basis, two survey waves. Moreover, the responses of the first survey wave were split into two sets, based on the time of their submission. Our new and exceptional approach allows us to analyse and compare the situation in the European private equity/venture capital & BA markets at three points in time: (i) Before the COVID-19 crisis, (ii) when the crisis started to spread across Europe in the first quarter of the year, and (iii) during a later phase in autumn.

- **Looking ahead**, the next wave of the *EIF Business Angels Survey* is already in preparation for mid-2021.

- As usual, the survey results are published in the *EIF Working Paper series* which is available here: [https://www.eif.org/news_centre/research/index.htm](https://www.eif.org/news_centre/research/index.htm)

EIF Business Angels Survey 2020

Results for Business Angels Netzwerk Deutschland (BAND) respondents

Annex

EIF Research & Market Analysis
Survey waves 2020
EIIF Business Angels Survey publications

Business Angels
Public programmes for BAs also foster VC ecosystem; European Angels Fund procedures are appropriate and help increase BA reputation

EAF angel investments
Angel investors enhance financing supply to a particularly useful but vulnerable segment of the SME population

ESG
First ever testimony on the integration of ESG considerations and impact investing in VC & BA

Market sentiment
Unique insights into the impact of the COVID-19 crisis on the European PE and VC ecosystem

Scale-up financing & IPOs
Low scale-up focus of funds in Europe is one of the biggest challenges for VC/PE fund managers & BAs

COVID-19 impact
Focus on VC/PE fund managers’ and BAs’ market sentiment and the impact of COVID-19 on investors, their portfolio, fund-raising and investments

List of acronyms

- AUM: Assets Under Management
- BA(s): Business Angel(s)
- BAE: Business Angels Europe
- BAND: Business Angels Netzwerk Deutschland
- bn: billion
- CEO: Chief Executive Officer
- EIB: European Investment Bank
- EIF: European Investment Fund
- ESG: Environmental, Social, Governance
- EU: European Union
- EUR: Euro
- GP(s): General Partner(s)
- ICT: Information and Communications Technologies
- IPO: Initial Public Offering
- LP(s): Limited Partner(s)
- m: million
- MBO: Management Buy-Out
- PE MM: Private Equity Mid-Market
- RMA: Research & Market Analysis
- SME: Small and Medium-sized Enterprise
- UK: United Kingdom
- USA: United States of America
- VC: Venture Capital
This page is intentionally left blank.
About …

… the European Investment Fund

The European Investment Fund (EIF) is Europe’s leading risk finance provider for small and medium sized enterprises (SMEs) and mid-caps, with a central mission to facilitate their access to finance. As part of the European Investment Bank (EIB) Group, EIF designs, promotes and implements equity and debt financial instruments which specifically target the needs of these market segments.

In this role, EIF fosters EU objectives in support of innovation, research and development, entrepreneurship, growth, and employment. EIF manages resources on behalf of the EIB, the European Commission, national and regional authorities and other third parties. EIF support to enterprises is provided through a wide range of selected financial intermediaries across Europe. EIF is a public-private partnership whose tripartite shareholding structure includes the EIB, the European Union represented by the European Commission and various public and private financial institutions from European Union Member States, the United Kingdom and Turkey. For further information, please visit www.eif.org.

… EIF’s Research & Market Analysis

Research & Market Analysis (RMA) supports EIF’s strategic decision-making, product development and mandate management processes through applied research and market analyses. RMA works as internal advisor, participates in international fora and maintains liaison with many organisations and institutions.

… the EIF Working Paper series

The EIF Working Papers, upon which this presentation is based, are designed to make available to a wider readership selected topics and studies in relation to EIF’s business. The Working Papers are edited by EIF’s Research & Market Analysis and are typically authored or co-authored by EIF staff, or written in cooperation with EIF. The Working Papers are usually available only in English and distributed in electronic form (pdf). The EIF Working Paper series is available at https://www.eif.org/news_centre/research/index.htm

Would you like to be informed by email when a new EIF Working Paper is available?

Subscribe to our mailing list here: https://www.eif.org/news_centre/research/EIF_working_paper_alert.htm