FINANCIAL INCENTIVES
OF THE SLOVENE ENTERPRISE FUND
(CENTRAL EUROPE FUND of FUNDS)

Joint Investment Conference – Unlocking the investment potential
16. November 2017
PURPOSE OF THE OPERATION

- improve access to favourable financial sources for SMEs
1. CLASSIC LINE = 98 %

2. EQUITY LINE = 2 %

THE FORM OF FINANCIAL INCENTIVES 2010 - 2017

4,800 enterprises
1,75 bn EUR

1. DEVELOPMENT PHASE
Product development

START UP INCENTIVES
Grants

2. DEVELOPMENT PHASE
Market entry

SEED CAPITAL
Seed capital fund

3. DEVELOPMENT PHASE
Rapid global growth

VENTURE CAPITAL
Crossborder for venture capital

4. DEVELOPMENT PHASE
Further growth

PROGRAMME YOUNG
Products for enterprises younger than 5 years

PROGRAMME SMES+ and YOUNG
Products for enterprises younger and older than 5 years

MICROCREDITS
Credit fund

GUARANTEES
Guarantees fund with interest rate subsidy
1. CLASSIC LINE

2. EQUITY LINE

RESULTS OF EQUITY LINE

100 supported enterprises
35.7 mio EUR

PROGRAMME YOUNG
/products for enterprises younger than 5 years/

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PROGRAMME SME5+ and YOUNG
/products for enterprises younger and older than 5 years/

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www.podjetniskisklad.si
## CASE STUDY

### COMPANY
**VIAR Ltd.**

Develops **WEB PLATFORM FOR VR**

**Established:** 17.3.2015

<table>
<thead>
<tr>
<th>Financial sources:</th>
</tr>
</thead>
<tbody>
<tr>
<td>SK75 2015 (SPS)</td>
</tr>
<tr>
<td>Private investors</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Important milestones:</th>
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<tbody>
<tr>
<td>June 2016: admission into US accelerator 9MileLabs in Seattle</td>
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<tr>
<td>June 2017: Investment Kolektor Ventures Ltd.</td>
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<tr>
<td>Start up of the year 2017</td>
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**Compound Annual Growth Rate 256 %**

<table>
<thead>
<tr>
<th>Year</th>
<th>Income</th>
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<tbody>
<tr>
<td>2015</td>
<td>22,148 €</td>
</tr>
<tr>
<td>2016</td>
<td>178,336 €</td>
</tr>
<tr>
<td>2017</td>
<td>(assessment)</td>
</tr>
</tbody>
</table>

**10 employees**

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**CASE STUDY**

**FEELIF INC.**  

**Social innovator**

Feelif device for blind and visually impaired enables them to feel shapes on a standardised display.

<table>
<thead>
<tr>
<th>Established:</th>
<th>12.8.2015</th>
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</table>
| **Financial sources:** | P2 incentive  
SK75 2016 |

**Winner of Social Innovator award of European Commission**
RESULTS OF EQUITY LINE

1. CLASSIC LINE

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- 100 supported enterprises
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Invested in 29 companies in the amount of 29.04 mio EUR. 291 new jobs, development of high-tech companies like Celtra or Visionect.
CASE STUDY

COMPANY CELTRA INC.

Most successful and promising slovene technology startup company in America

Mobilie marketing and advertising app

(PLATFORM AdCreator)

Established: ▪ 2009

Financial sources:
▪ 2010: Entry of RS through VC Prvi sklad Ltd. in the amount of 900,000 EUR

Important milestones:
▪ 2011: Fairhaven Capital Partners (5 m USD)
▪ 2013: SoftBank Capital (4 m USD)
▪ 2017: WPP Ventures and Unilever Ventures (15 m USD)
▪ 2017: partial sale of the share of VC Prvi Sklad Ltd. – with ROI of 630%

Compound Annual Growth Rate 228 %

CELTRA INCOME 2009-2016

2.324,99
11.687.702,00
17.479.708,00
25.389.189,00
31.429.512,00


160 employees
New opportunities for growth financing will be offered to ambitious Slovenian small and medium-sized enterprises and small mid-caps:

CENTRAL EUROPE FUND OF FUNDS (CEFoF)
The private equity market activity in the target countries remains uneven and below the level of the most developed EU areas.

Vir: Invest Europe – Central Eastern Europe Statistics 2016 – August 2017
What is CEFoF?

1. New investment fund-of-funds initiative

2. Included countries: Slovenia, Austria, Czech Republic, Slovakia and Hungary

3. Created by European Investment Fund (EIF) following carefully conducted market research, in close cooperation with the governments and national agencies and based on the best practice of already existing fund-of-funds managed by EIF for Baltic States – Baltic Innovation Fund
THE MAIN OBJECTIVES OF CEFOF

- Increase the level of equity investments made into growth focussed SMEs and small mid-caps in the Central European region
- Establishing a sound market-based infrastructure (appropriate number of competing private fund management teams);
- Creating the best entry conditions to attract institutional investors and fund managers to Central Europe
- Implementing and introducing the best market standards for equity investments in enterprises
MARKET DEVELOPMENT PLAN

SME Cash Flows / Investment Rounds

CEFoF is focused on this stage

Growth Capital & Mezzanine Funds

VC & Early Stage

Business Angels, Seed

PRE-SEED PHASE SEED PHASE START-UP PHASE EMERGING GROWTH DEVELOPMENT

SME Development Stages

SFs may be used to stimulate early stage market
STRUCTURE OF CEFOF-A

PUBLIC INVESTORS

IIB

European Investment Fund

80-100 m EUR

PI1 PI2 PI3 PRIVATE EQUITY/ VENTURE CAPITAL FUNDS PI4 PI5 PI6

160 – 200 m EUR EQUITY INVESTMENTS

Companies with high growth potential

„CE Region“

Legend:

PI1

Private investor 1
CEFOF – OVERVIEW AND KEY PARAMETERS

10-25 m EUR
Indicative range for individual CEFoF investment commitments to a single fund

20%
Concentration limit for any single fund manager commitment

5-8 funds
venture capital or private equity funds will be sourced and selected by EIF based on their proven VC /PE experience and insight on the CE region market

4 years
Investment period

Indicative equity tickets of up to 8m EUR

CEFoF launch is expected
At the end of November 2017
CONTRIBUTION, ACTIVE ROLE OF SLOVENIA AND EXPECTED RESULTS

<table>
<thead>
<tr>
<th><strong>SEF</strong></th>
<th><strong>8 m EUR</strong></th>
<th><strong>Expected results</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Will actively participate with a seat in the Advisory Board</td>
<td>Is the commitment of Slovenia in the CEFoF and the funds are provided by SEF</td>
<td>Supported approx. 10 globally oriented companies with high growth potential in Slovenia</td>
</tr>
</tbody>
</table>

**Management Agreement**

Was signed by SEF in August 2017

**Expected leverage ratio**

4x on the participating countries’ commitments (2x on the level of CEFoF, another min. 2x on the level of underlying funds)

The Government of the Republic of Slovenia and the Ministry of Economic Development and Technology gave the Government approval and the support to the project

Expected results

Supported approx. 10 globally oriented companies with high growth potential in Slovenia
CONTACT AND LOCATION

Information is available through:

- the website: www.podjetnikisklad.si
- info mail: info@podjetnikisklad.si
- telephone: +386 (0)2234-12-60
- E-news.

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THANK YOU FOR YOUR ATTENTION!