

Global Tech & VC

Q3 2023

















1 What's the vibe? – Tech in 2023

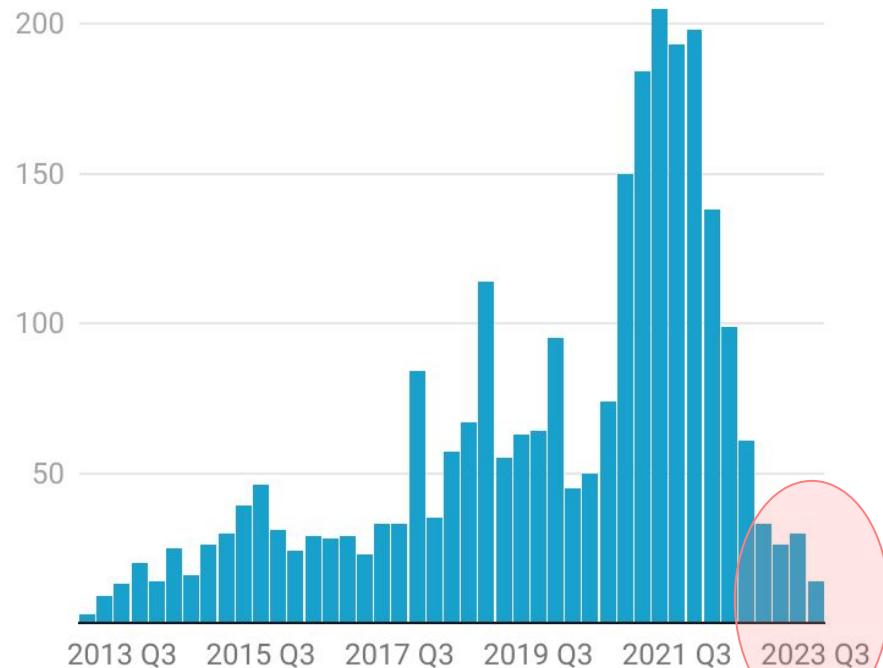
2 The state of venture capital

3 Thematic & geographic trends

14 new unicorns bucked the trend in Q3 2023.

<p>Defense AI Germany</p> 	<p>Cloud Communications India</p> 	<p>SaaS management Germany</p> 
<p>SME Finance Hong Kong</p> 	<p>Layer 1 blockchain United States</p> 	<p>Carbon capture Canada</p> 
<p>Wound healing Iceland</p> 	<p>Enterprise performance management United States</p> 	<p>Web3 & AI Cyber UK</p> 
<p>Crypto custodian United States</p> 	<p>Diabetes biotech Canada</p> 	<p>Ethereum infrastructure Cayman Islands</p> 
<p>Autonomous trucking United States</p> 	<p>Space launch vehicles China</p> 	<p>77 unicorns in 2023 so far »</p>

Global new unicorns by quarter



There are about 200–400 dehorned unicorns, according to Dealroom estimates.

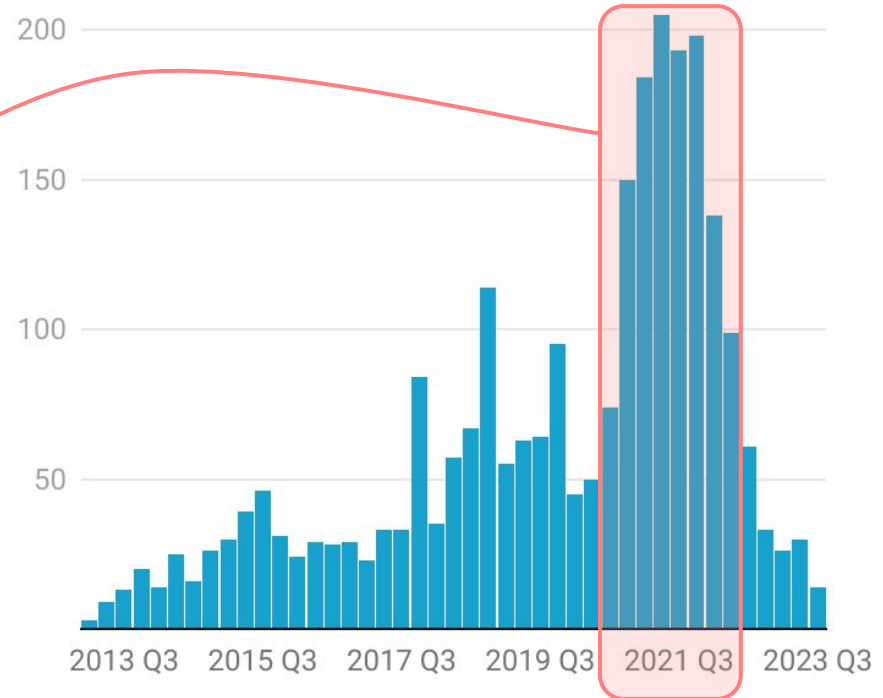
[805](#) companies achieved unicorn status between 2019 and 2021.

[411](#) of those have not had a round or exit since then.

[41](#) of the 411 have reached centaur status, with revenues of over \$100M.

The remaining [370](#) have revenues under \$100M and have not been re-marked to the current market via a funding round. The last private median valuation of these companies was \$2 billion.

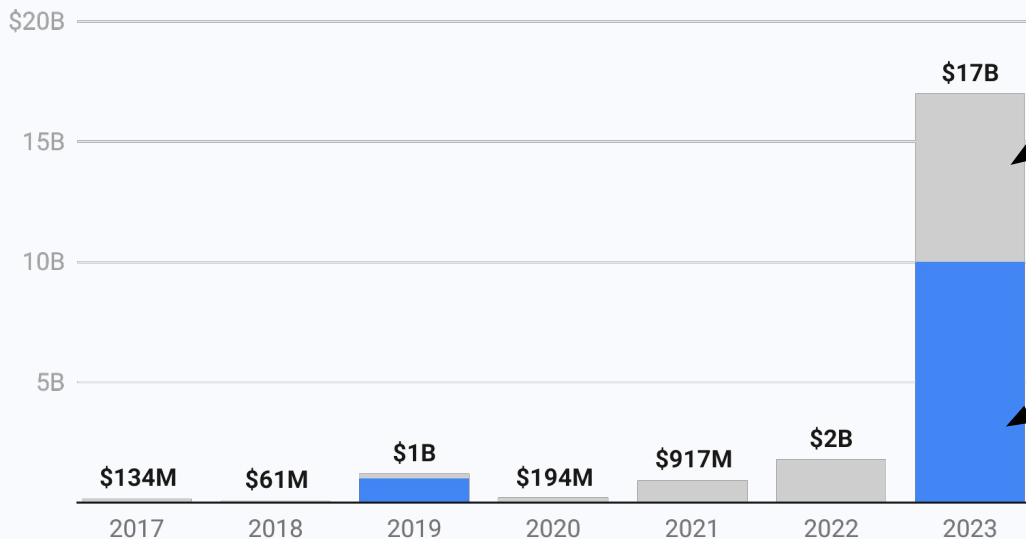
Global new unicorns by quarter




\$17 billion has been invested into a handful of Generative AI model makers.

VC investment into AI models

■ OpenAI ■ Other AI model builders



Inflection  MISTRAL AI_
ANTHROPIC  cohere
ADEPT  imbue
AI21labs  ALEPH ALPHA
+ 30 other rounds

 OpenAI

[All rounds »](#)

Global exits

Q3 saw the IPO window opening ...

IPOs »

... several strategic M&A deals ...

M&A »

... and (semi) distressed asset sales.

Semiconductors
United Kingdom

arm

\$55B IPO

Grocery delivery
United States

instacart

\$9.9B IPO

eCommerce SaaS
United States

klaviyo

\$10B IPO

Precision neuroscience
United States

Neumora

\$2.2B IPO

Cyber/Enterprise SaaS
United States

splunk

\$28B Acquisition
By [CISCO](#)

SaaS management
Germany

LeanIX

\$1.2B Acquisition
By [SAP](#)

Collaboration
United States

loom

\$950M Acquisition
By [Atlassian](#)

Diabetes biotech
Canada

inversago
PHARMA

\$1.1B Acquisition
By [Novo Nordisk](#)

Meal kits
United States

Blue Apron

From \$3B IPO to \$100M
acquisition by [Wonder Distribution](#)

Insurtech
United States

Better

Once valued \$7.7B, now back
to \$100M after SPAC deal

E-bikes
Netherlands

VANMOOF

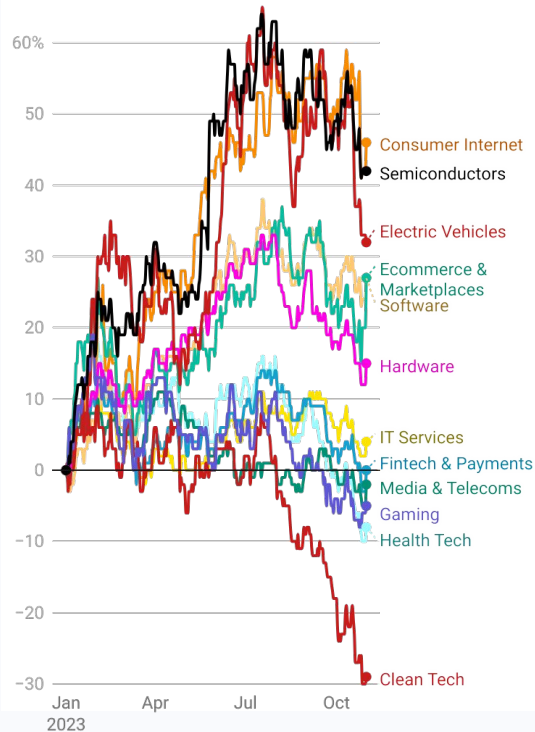
Distressed sale
to [LAVOLIE](#) (owned by
McLaren)

Telemedicine
United Kingdom

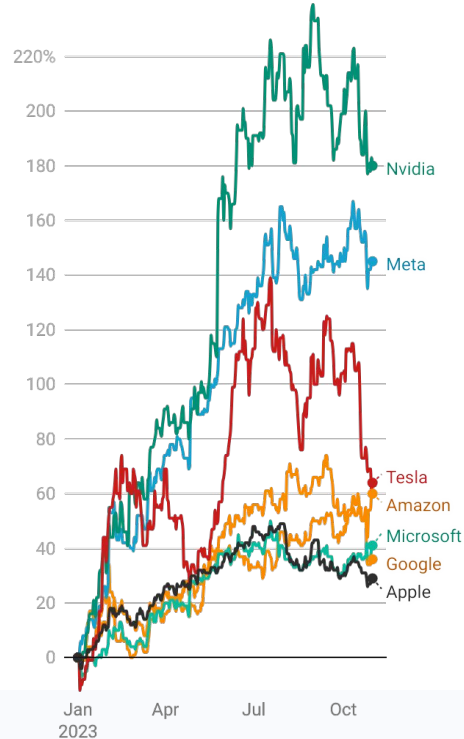
babylon

From \$4.2 billion valuation to
\$620K asset sale

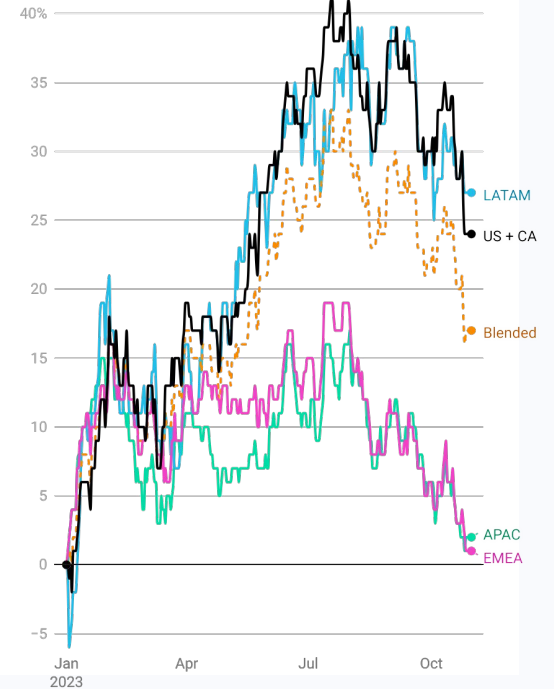
Major rebound for many internet & tech stocks in 2023.



Nvidia and Meta have been top performing hyperscalers in 2023.

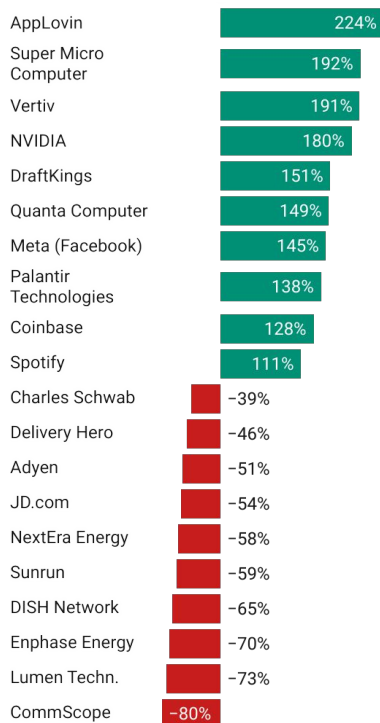


US and LatAm stocks outperformed EMEA and APAC.

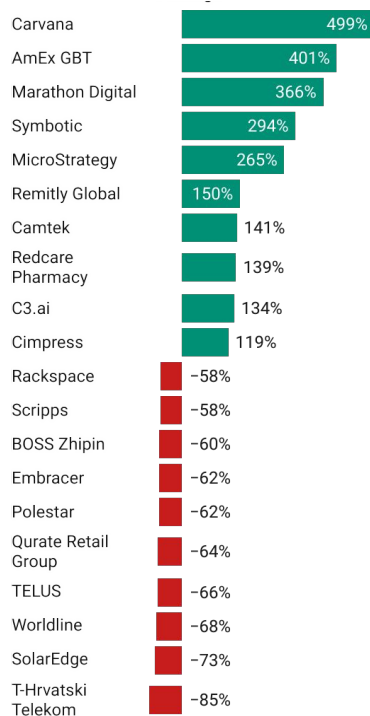


Top gainers & losers in 2023 YTD.

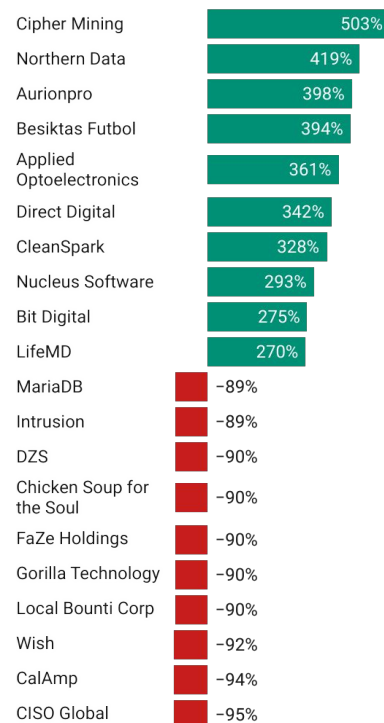
Large cap (above \$10B)



Mid cap (\$2B-\$10B)

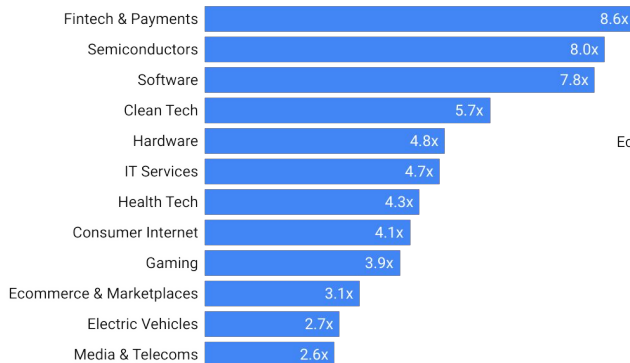


Small + micro cap (below \$2B)

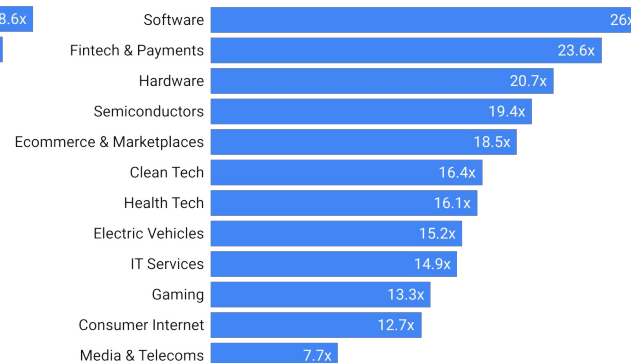


Valuation multiples and fundamentals by vertical.

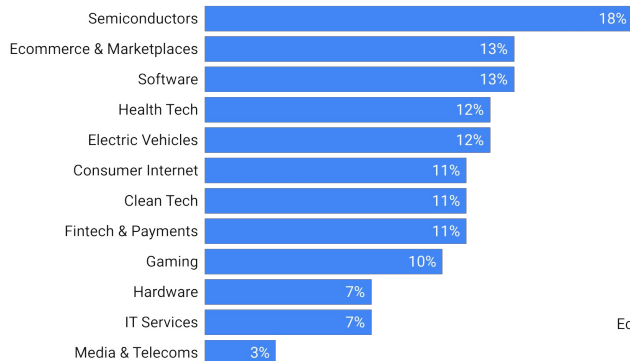
Revenue multiples of global tech stocks



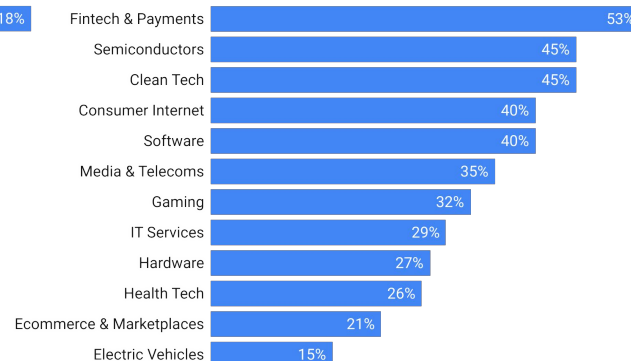
EBITDA multiples of global tech stocks



Revenue growth rates between 2023–2025E



EBITDA margins for 2024E



Real-time data »

[Multiples by Flow Partners](#) Includes basket of 1943 public tech companies.

Source: EV / Next Twelve Months EBITDA (value weighted average)
Weighted average based on enterprise value

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Global

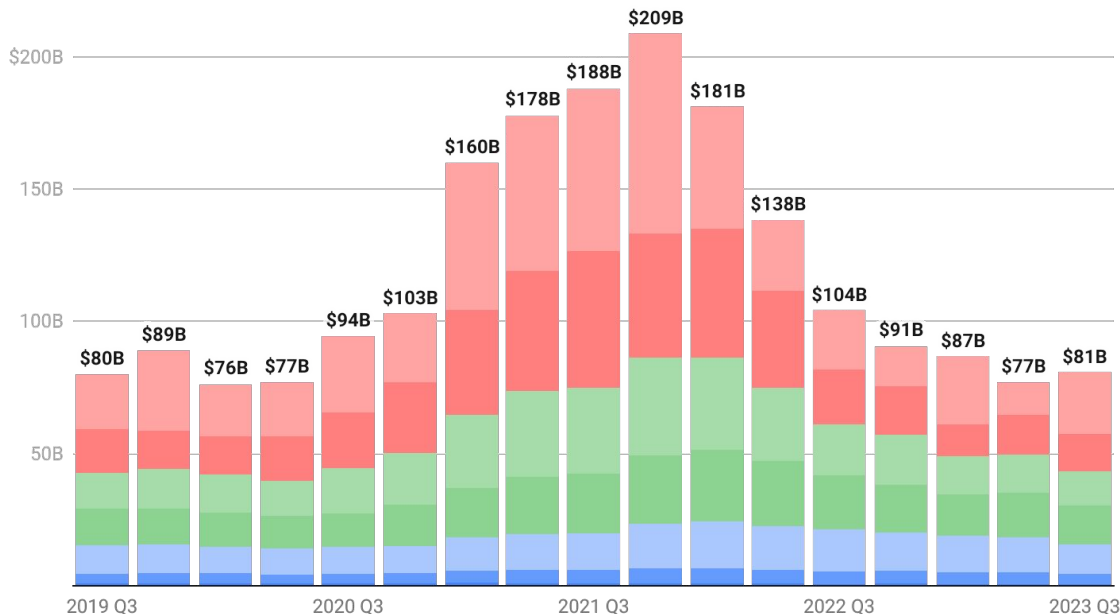
VC is growing for the first time in 2 years.

Over \$81 billion was invested in startups in Q3 2023, up 5% on previous quarter.

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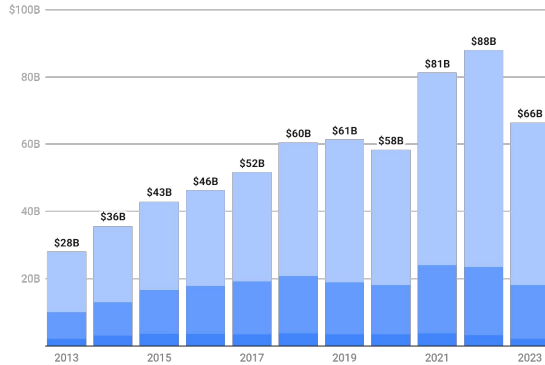
Global VC investment by stage

■ \$0-1m (pre seed) ■ \$1-4m (seed) ■ \$4-15m (series A) ■ \$15-40m (Series B) ■ \$40-100m (Series C)
■ \$100-250m (Mega rounds) ■ \$250m+ (Mega+)



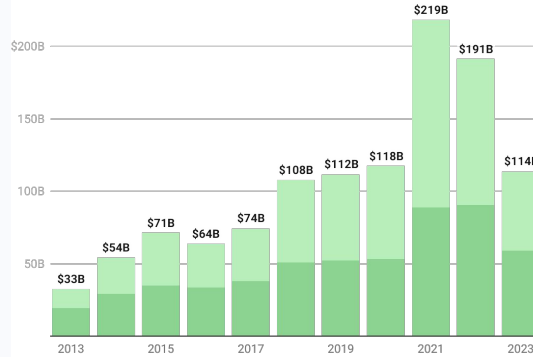
Early-stage investing has remained relatively consistent

- \$4–15m (series A)
- \$1–4m (seed)
- \$0–1m (pre-seed)



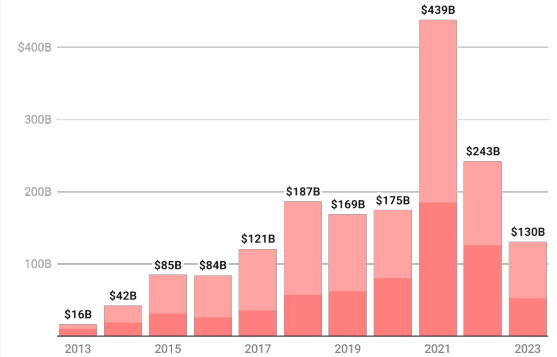
Breakout stage is back to pre-pandemic levels of activity

- \$40–100m (series C)
- \$15–40m (series B)

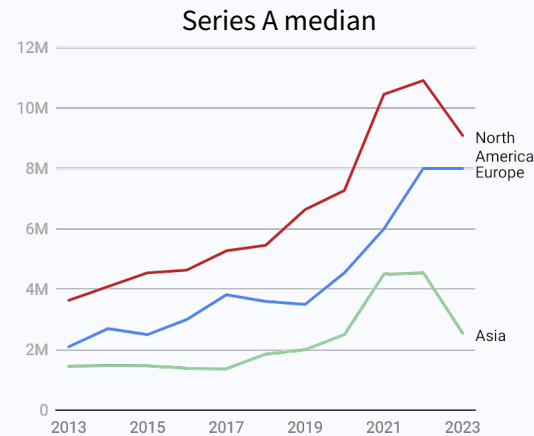
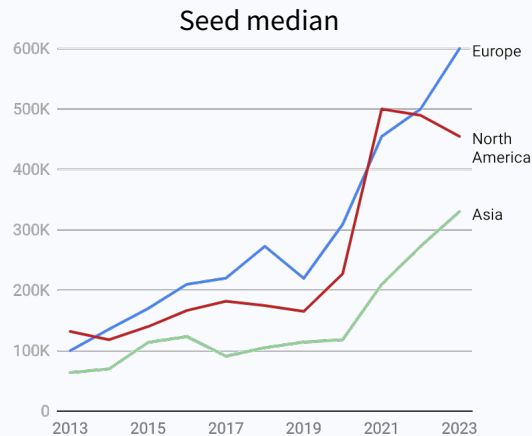


Late-stage investment has fallen furthest, back to 2017 levels

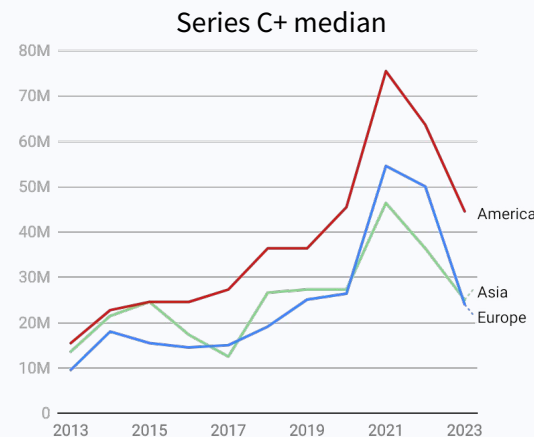
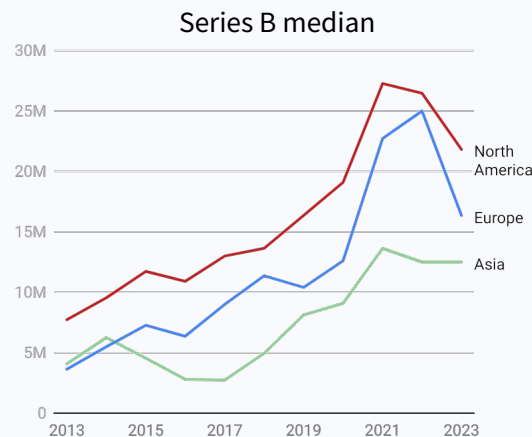
- \$100–250m
- \$250m+



Median early-stage round sizes have remained largely on upward trendline.



Late-stage rounds sizes have come down significantly from peak, particularly at Series C+

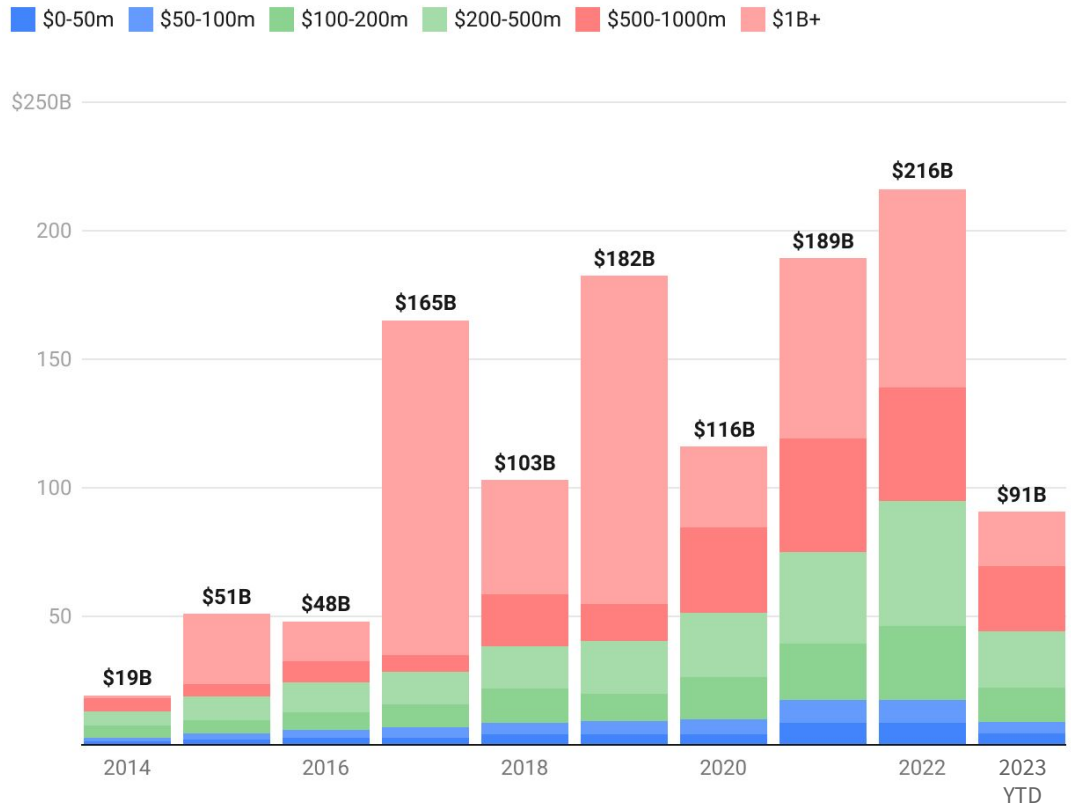


In 2023, VC firms have raised \$91 billion in new funds.

Dry powder levels are high, following record new funds raised in 2021 and 2022 coupled with lower levels of deployment.

Live data »

Global fundraising by VC firms, by size of the new fund



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Global

The latest megarounds show trends towards Climate Tech and Artificial Intelligence in 2023 continue through Q3.

See every round »

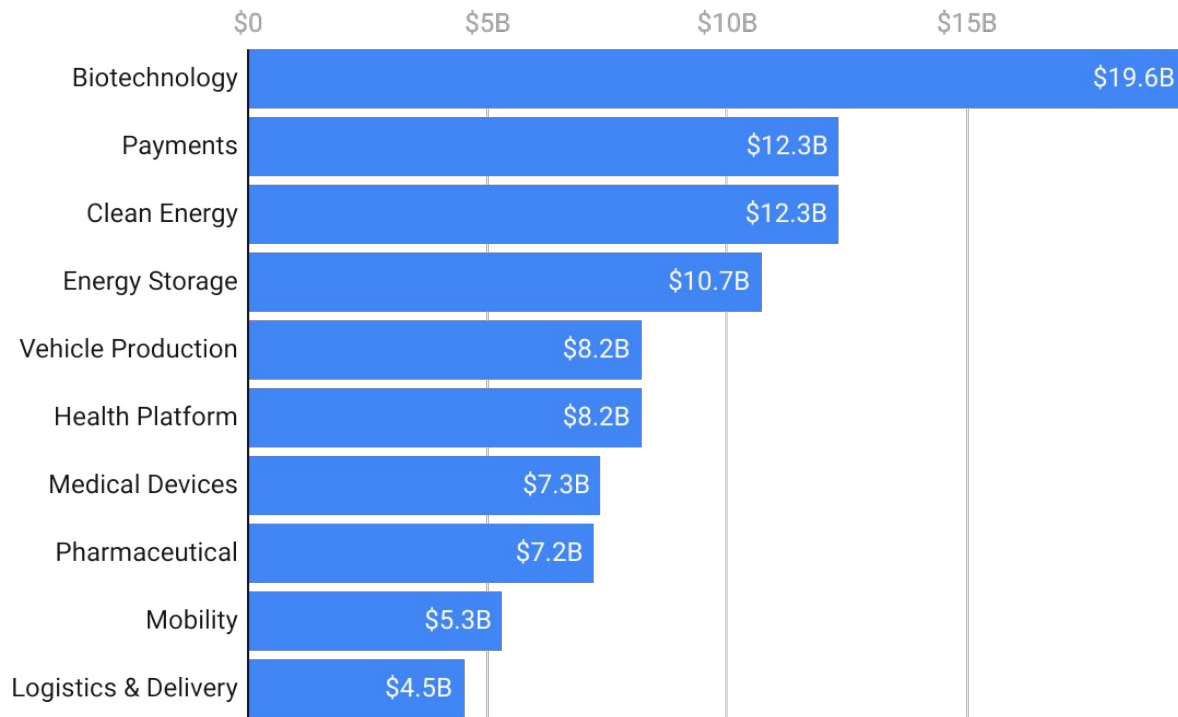
<p>Industrial tech Sweden</p> <p>H2green steel</p> <p>Growth Equity VC \$1.5B</p>	<p>AI United States</p> <p>ANTHROPIC</p> <p>Series D \$1.3B</p>	<p>Battery tech Sweden</p> <p>northvolt®</p> <p>Convertible \$1.2B</p>
<p>Battery tech United Kingdom</p> <p>ZENOBE</p> <p>Growth Equity VC £870M</p>	<p>Waste solution United States</p> <p>REDWOOD MATERIALS</p> <p>Series D \$1B</p>	<p>Autonomous trucking United States</p> <p>STACK</p> <p>Series A \$1B</p>
<p>Electric vehicles China</p> <p>HOZON</p> <p>Late VC \$15M</p>	<p>Battery tech France</p> <p>VERKOR</p> <p>Series C \$850m</p>	<p>Autonomous vehicles United Kingdom</p> <p>CONIGITAL CONNECTED DIGITAL</p> <p>Series A \$400M</p>

Global

**In 2023,
frontier tech &
physical tech
are ranking
highly.**

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Global VC investment by sub-industry in 2023



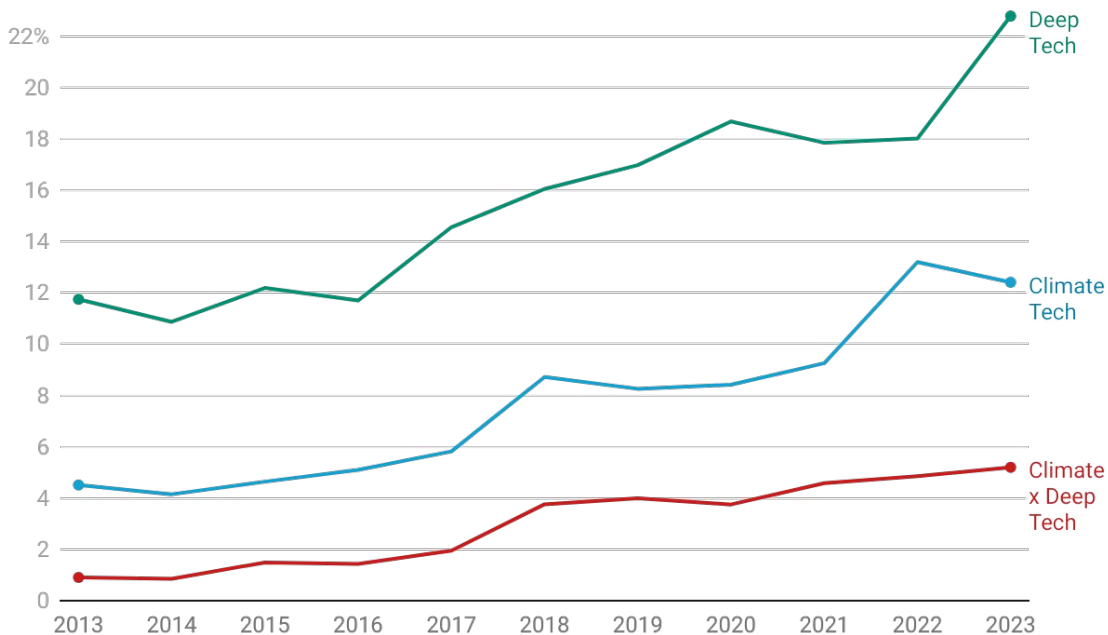
A record 22% of VC goes to Deep Tech companies, a chunky 12% to Climate Tech, and nearly 6% in companies playing at the intersection of Climate x Deep Tech..

Deep Tech data »

Climate Tech data »

Climate x Deep Tech »

Global Climate tech and Deep Tech as % of total VC

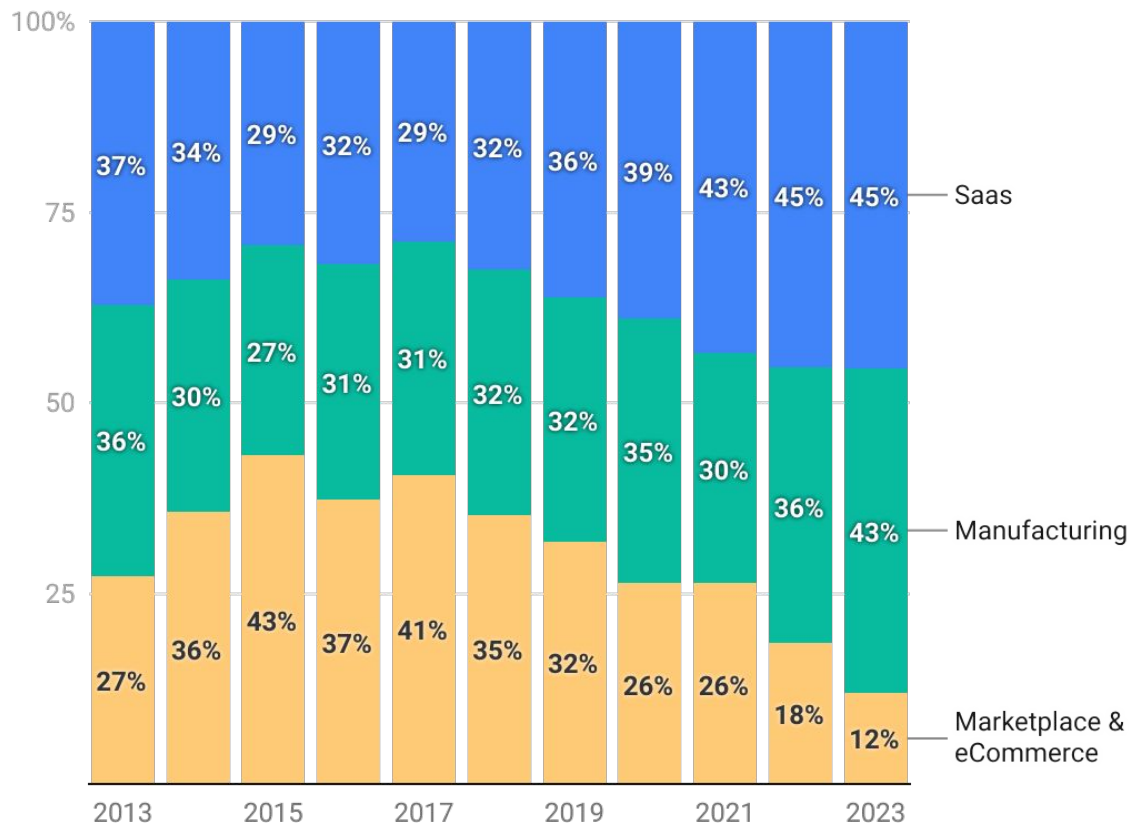


Global

VC into physical tech up by 19% globally compared to last year.

Marketplace & eCommerce investment, once dominant, now trails by a distance.

Global Venture capital investment by startup type



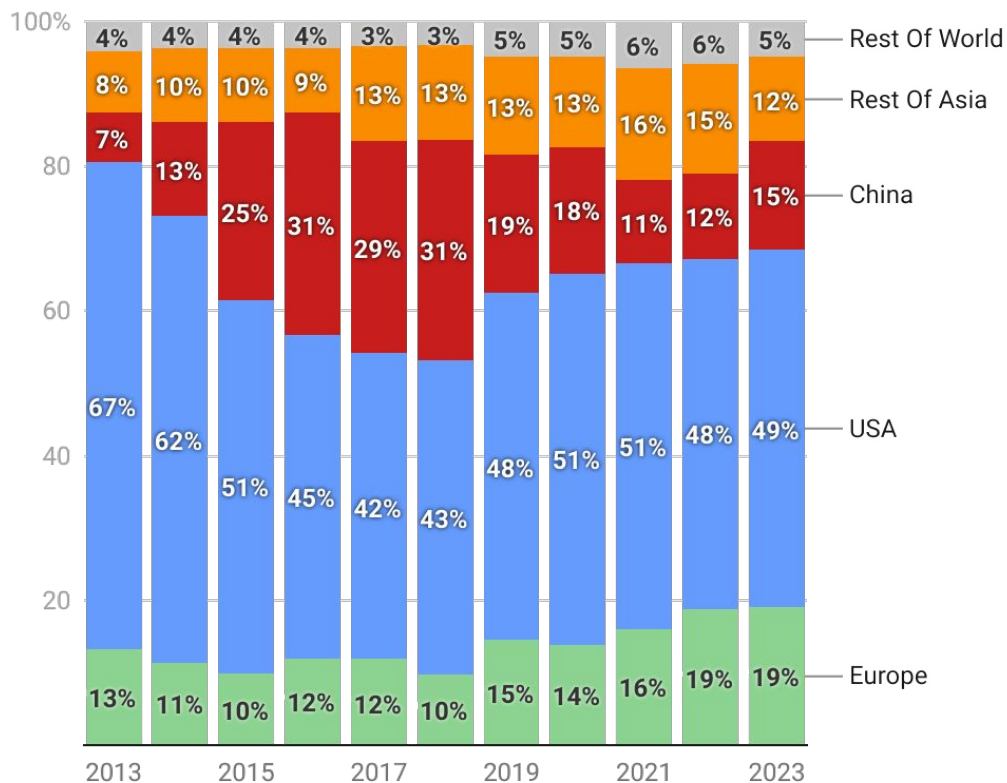
Global

China's share of global venture capital investment is growing once again.

Europe is at an all-time high.

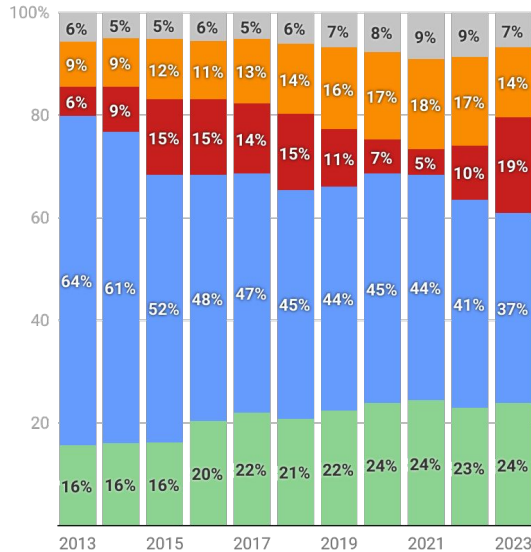
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All VC investment by destination



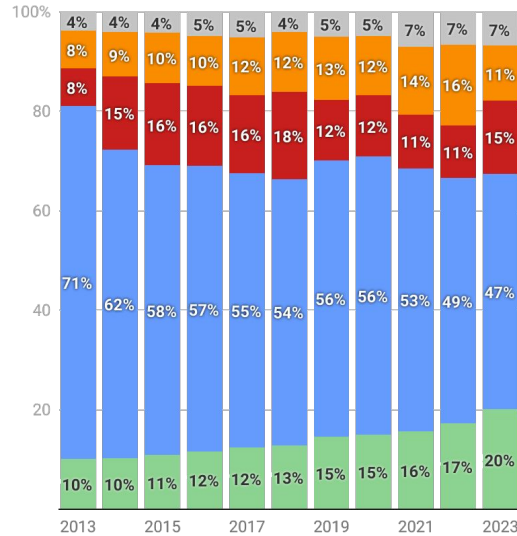
China's share of global **early-stage** venture capital has almost doubled inside a year.

\$0-15m rounds, global share



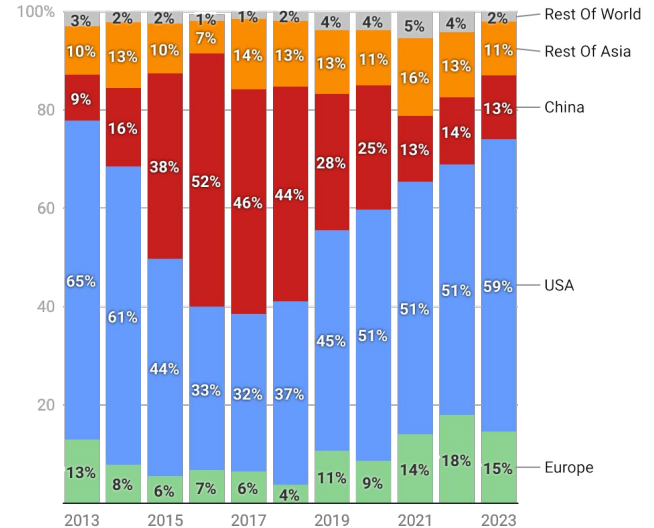
Europe's share of **breakout** stage funding is at an all-time high.

\$15m-\$100m rounds, global share



The US's domination of **late-stage** VC rounds is near peak of a decade ago.

\$100m+ rounds, global share



Global

Of the biggest three regions, Europe is the only one that's above 2019 levels in 2023.

Of the emerging regions, MENA is the fastest growing.

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Leading global regions by VC investment

Region	2023 Jan-Sept	Change since 2019
North America	\$124B	-3%
Asia	\$67B	-8%
Europe	\$47B	23%
Latin America	\$3B	-41%
Oceania	\$3B	64%
MENA	\$3B	210%
Africa	\$1B	91%

7 of the 10 top ecosystems are above 2019 levels of venture capital in 2023.

[View live »](#)

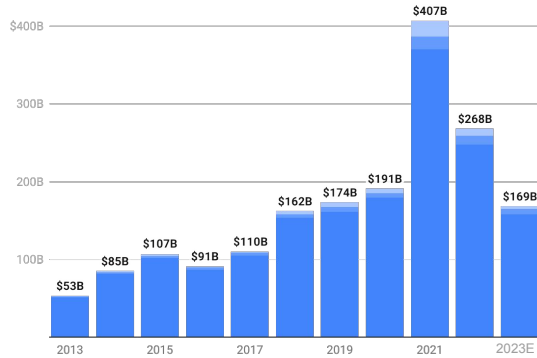
Top 10 countries by VC investment and year over year growth (Q1-3 2023 vs. Q1-3 2019)

Country	2023 Jan-Sept	Change since 2019
USA	\$119B	-4%
China	\$38B	-9%
UK	\$15B	6%
India	\$8B	-27%
Germany	\$7B	1%
France	\$7B	49%
South Korea	\$5B	70%
Canada	\$5B	3%
Sweden	\$5B	67%
Israel	\$4B	9%

Global increase: +22%

Americas venture capital in 2023 projected to close 12% below 2019 total.

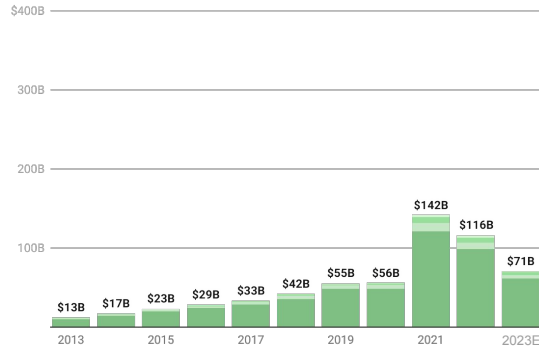
USA Canada Latam



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EMEA expected to end the year 25% higher than 2019 levels.

Europe Israel MENA Sub-Saharan Africa

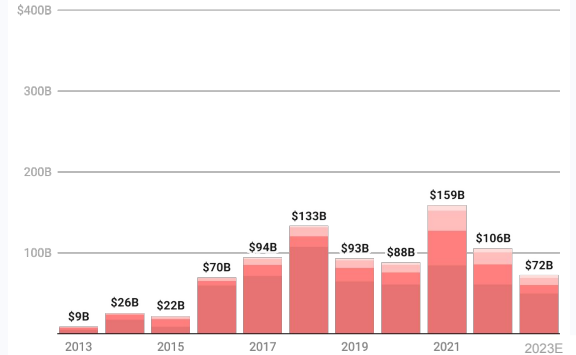


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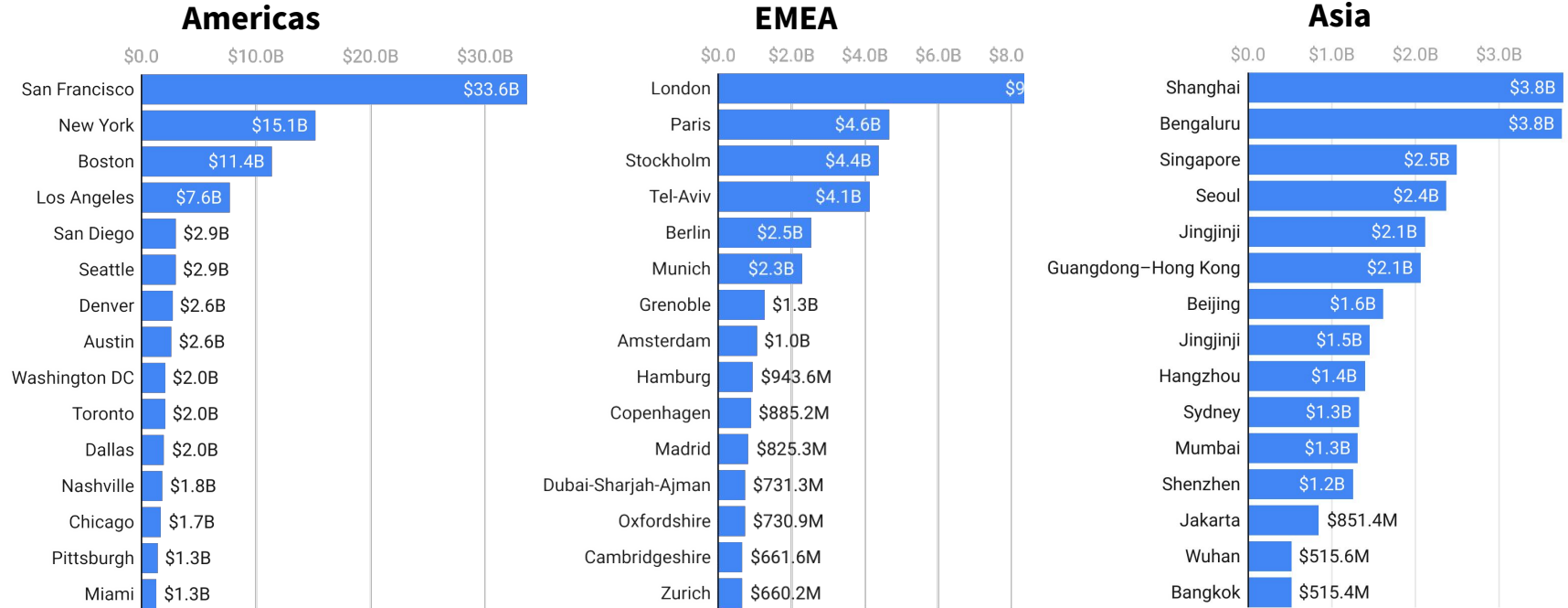
Asia & Oceania projected to reach 19% below 2019 levels.

China India Southeast Asia Oceania



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The top global cities by VC investment in 2023 are San Francisco, New York, Boston, London, and Los Angeles.



Eight countries have raised more than \$5B in venture capital in 2023.

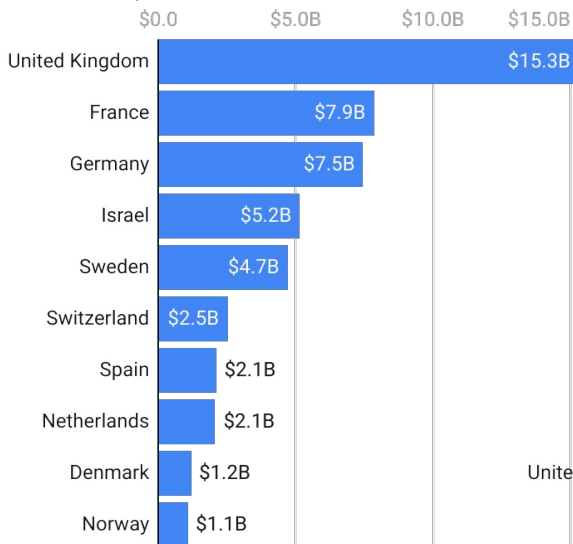
Americas

Top Countries Amount Invested in 2023



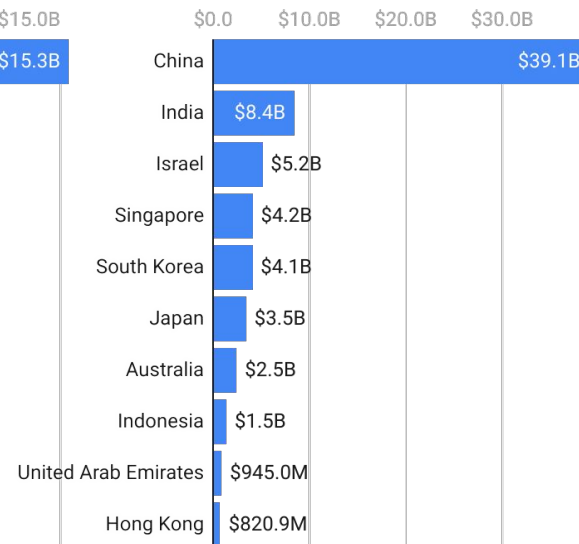
EMEA

Top Countries Amount Invested in 2023



Asia & Oceania

Top Countries Amount Invested in 2023





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We support founders, helping them navigate the full cycle of the M&A process and make sure they raise growth capital on optimal terms.

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Selected track record



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- Europe Guide
- Global Guide

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- VC Investor Ranking**: Ranking global venture capital investors - 6th edition (2023)
- Global**: Global venture capital trends: region, industry vertical and more.
- Job openings**: How to look for jobs on Dealroom.co like a pro
- USA**: Venture capital in the USA: trends by city, state, industry vertical and more.
- EMEA**: Venture capital in EMEA: trends by city, state, industry vertical and more.
- Europe**: Venture capital in Europe: trends by city, state, industry vertical and more.
- Unicorns**: What are tech unicorns? How many are there? Where are they located?
- Top tech ecosystems**: 201 tech ecosystems ranked by their readiness for the next ten years of frontier tech
- Climate tech**: Global Climate Tech capital trends: main segments, geographies, comparison with other venture capital sectors and much more.
- Generative AI**: Global Generative AI startup trends and data: main segments, geographies, top investors.
- Proprietary tech taxonomy**: Mapping the startup landscape with Dealrom's tech taxonomy.
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- Nordics**: Venture capital in the Nordics: trends by city, state, industry vertical and more.
- Israel**: Venture capital in Israel: trends by stage, industry vertical and more.
- Miami**: Venture capital in Miami: trends by city, industry vertical and more.
- United Kingdom**: Venture capital in the United Kingdom: trends by city, state, industry vertical and more.
- Healthtech**: Global Healthtech startup trends and data: main segments, geographies
- Fintech**: Global Fintech startup trends: main segments, geographies, comparison with other venture capital sectors and much more.
- SaaS**: Software-as-a-Service startups, trends, data. Mainly B2B, but also a bit of B2C.
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