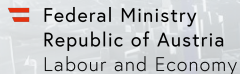




The State of Innovation in the Danube Valley.

Partners



December 2023

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Acknowledgments

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“

In a period marked by multiple crises and challenges, cooperation between neighboring countries is more crucial than ever. The CEE (Central and Eastern Europe) region holds immense potential for even closer collaboration. Strong industrial capacities across the participating nations enable strategic value chain development. This must also encompass the entrepreneurial potential of technology-oriented startups and scaleups. In this regard, a strong focus of the DTVI (Danube Tech Valley Initiative) on both "Research and Innovation" and "Startups/Scaleups" is highly appropriate.

In the mid-term, and beyond the strategic collaboration between Austria and its neighboring »

countries, the potential of a - hopefully soon - post-war Ukraine can be a driving force for prosperity in the CEE region, by assisting in the reshoring of strategically critical production back to Europe and benefiting Ukraine economically.

To address and better address these issues, Globsec has launched the DTVI, which has swiftly emerged as a visionary forerunner of the European Innovation Agenda. Now Globsec and dealroom.co present their findings on the state of startups in the Danube Valley and how to leverage our successes and further our efforts for mutual benefit. I hope that you will find the report to be an engaging read.

Martin Kocher
Minister of Labour and Economy,
Federal Republic of Austria

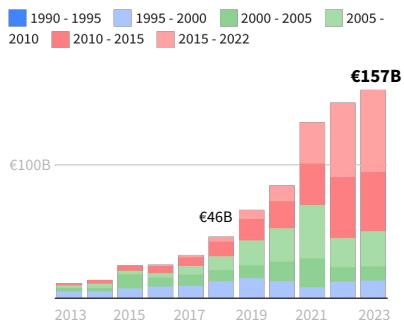


Key Takeaways

Startups in the Danube Tech Valley are worth a combined €157B.

The combined enterprise value of startups in the Danube Tech Valley has grown by 3.4x in the past 5 years, from €46B in 2018 to €157B in 2023. Western and Central regions of the Valley account for nearly 90% of this total. Entrepreneurship across the Valley is accelerating, younger cohorts of companies are worth more than their predecessors, in less time.

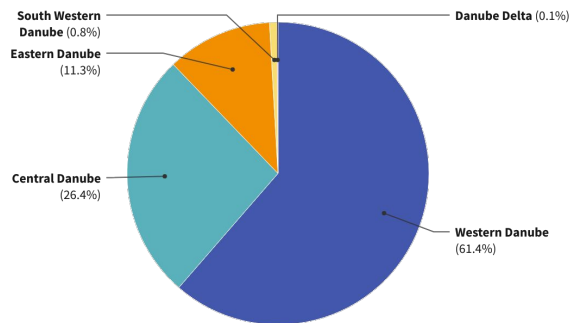
Combined Enterprise Value of the Danube Tech Valley by cohort size



In 2023, Danube Valley startups raised €4.5B investment, across 800+ startups in 60 cities.

There are over 14K startups in the Danube Valley, 5.6K of which are currently VC backed. However, access to capital remains a challenge for many. 88% of VC investment has gone into startups in the Western and Central Danube regions. Seed funding is increasingly available everywhere, but only a handful of companies outside of the Top 10 cities have raising significant rounds.

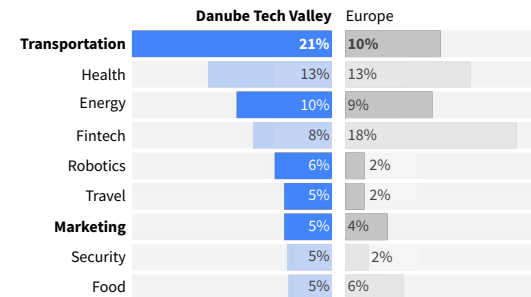
VC investment by Danube region, 2023



Danube Valley startups specialize in Transportation & Robotics

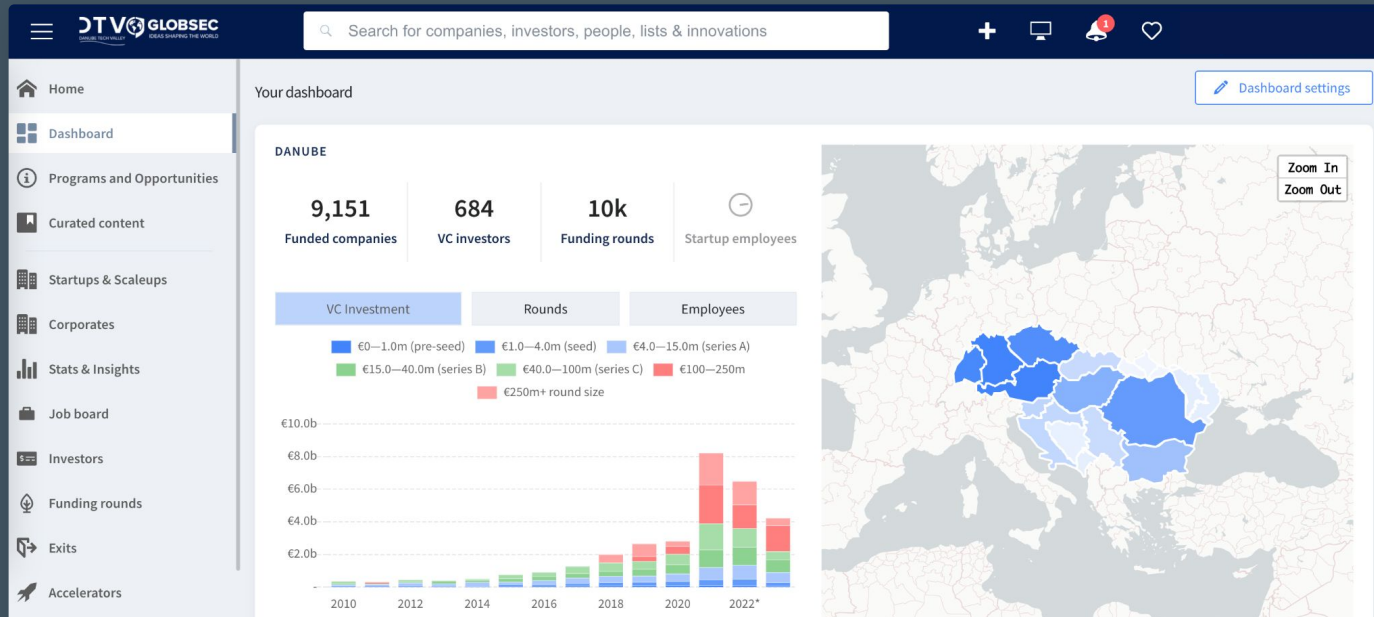
Since 2018, transportations startups have raised more than 20% of all startup investment in the Danube Valley, more than double the European average. €5.6B has been invested into transportation startups in the last five years - a new generation of companies in the rich transportation engineering heritage of a region.

Proportion of VC investment by industry (Danube and Europe in 2023)



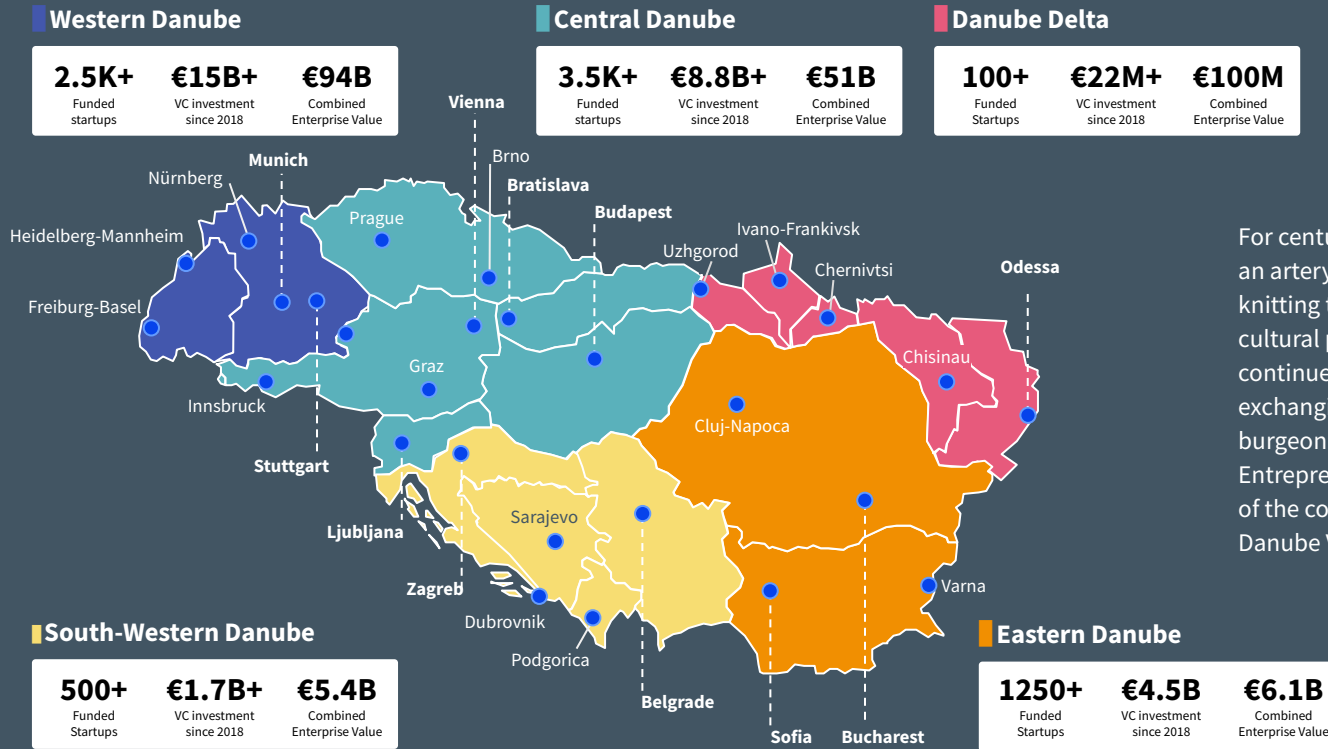
Discover the most promising startups and innovation on: danubetechvalley.dealroom.co/intro

Powered by



1. Danube Tech Valley: Ecosystem overview.

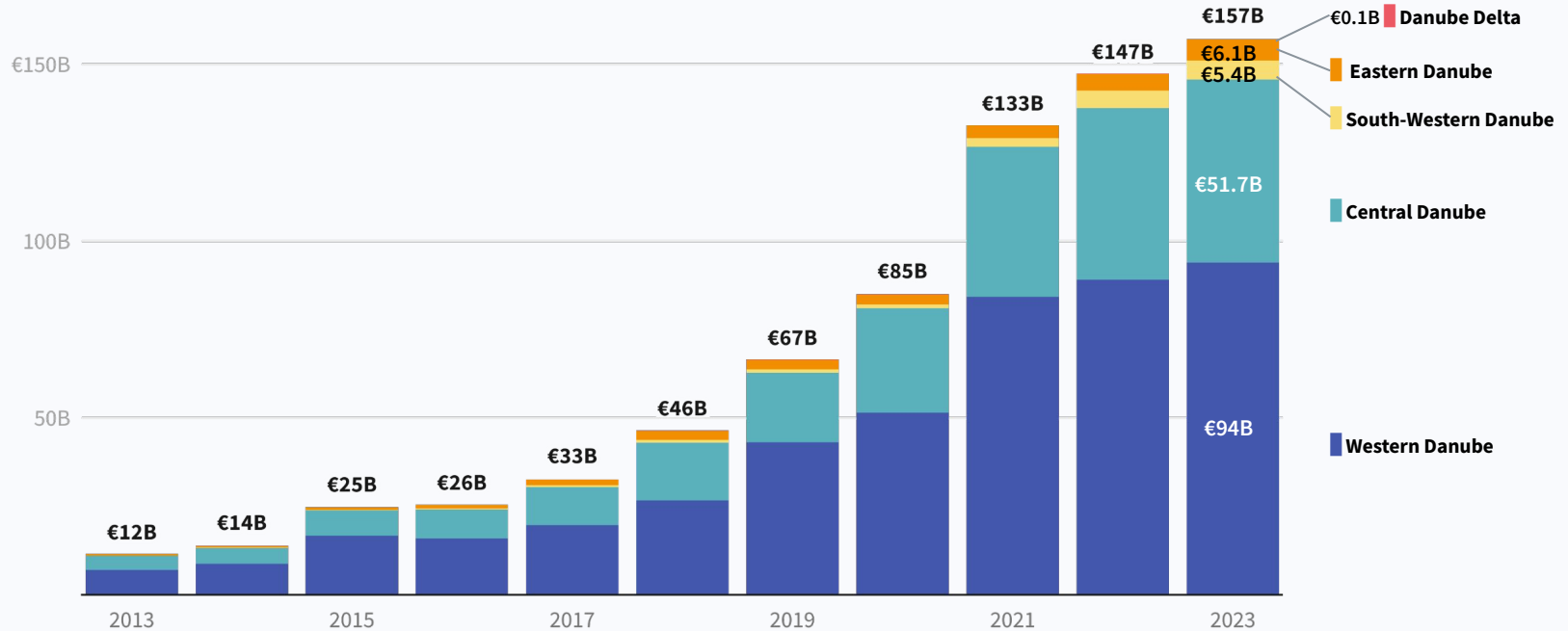
Welcome to the Danube Tech Valley ecosystem.



For centuries, Europe's greatest river has been an artery of information, migration and trade, knitting together 10 countries in common cultural proximity. Today the Danube valley continues to be fertile ground for growth and the exchanging of ideas, manifesting in a burgeoning startup and innovation ecosystem. Entrepreneurship in Europe is not the monopoly of the continent's North West. Welcome to the Danube Valley startup ecosystem.

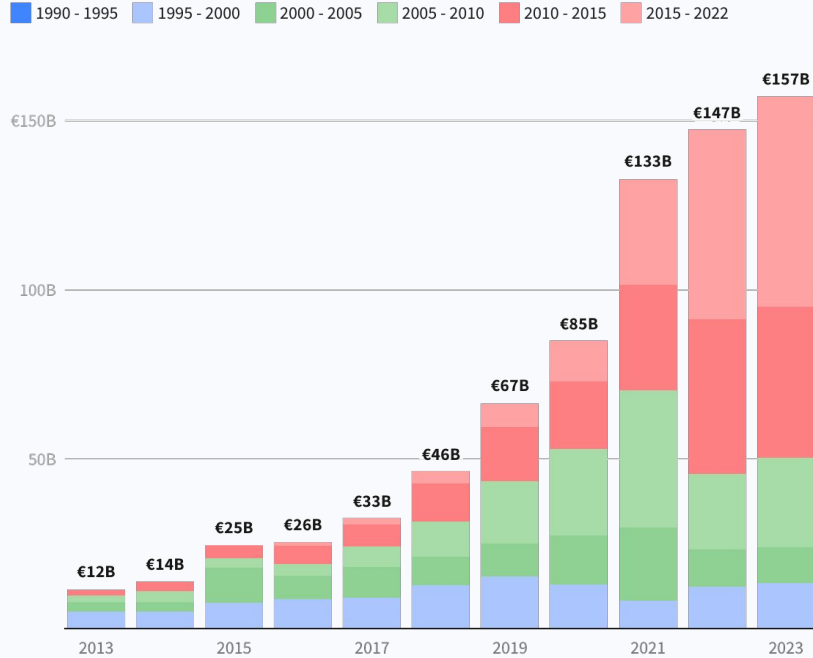
Value creation is widely unequal across the Danube Tech Valley, with Western and Central Danube accounting for 90% of the combined enterprise value of all startups in the region.

Combined enterprise value of Danube-based startups founded since 1990 [» view online](#)



The Danube Region startup ecosystem is worth a combined €157B in 2023.

Combined enterprise value of Danube-based startups founded since 1990



Cohorts

Share in 2023

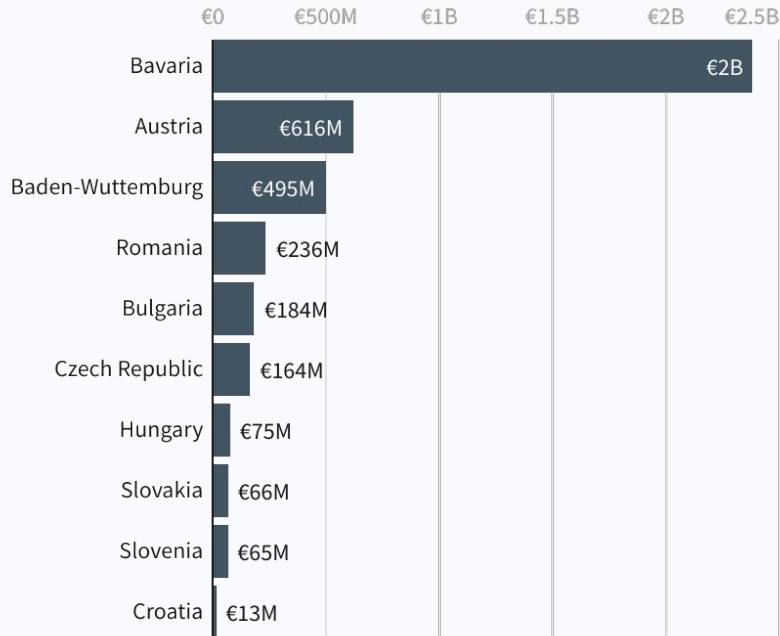
Growth 2018 to 2023

Selected startups

2015-now	40%	x10	GoStudent, IONITY, Helsing
2010-2014	28%	x2.3	celonis, bitpanda, scalable CAPITAL
2005-2009	17%	x.07	TeamViewer, RIMAC, commercetools
2000-2004	7%	x0.3	NET BRAINS, ZENTIVA, chrono24
1990-1999	8%	x0.06	SUSE, AVG, EUROWAG

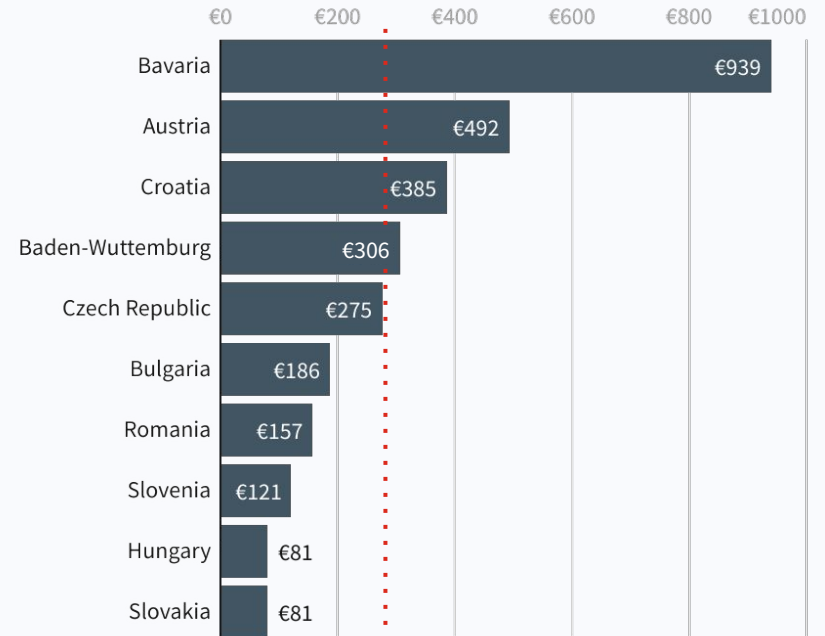
VC investment in the Danube Tech Valley remains concentrated in the West.

VC investment in 2023



Density of VC activity by top 10 regions in Danube Tech Valley

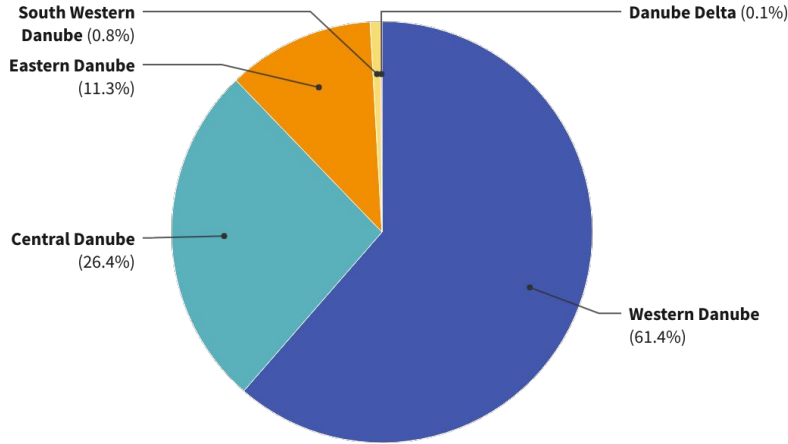
VC investment deployed in country since 2018, per capita



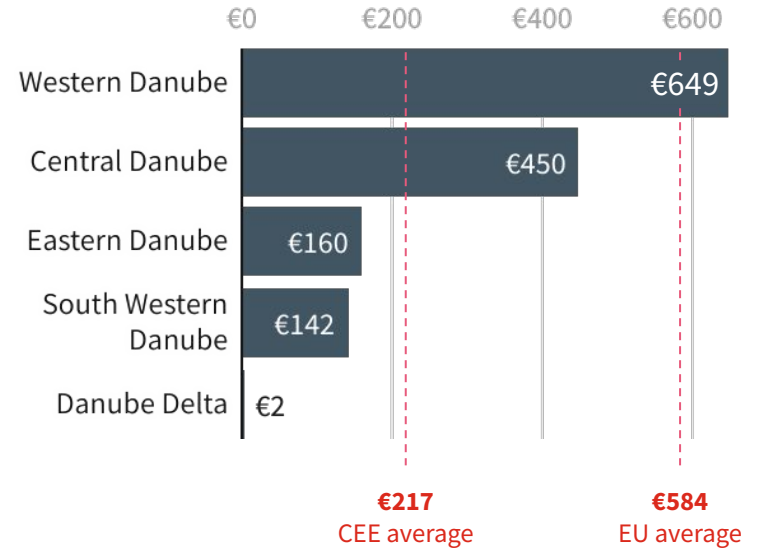
Danube average:
€277

88% of VC investment has gone into startups in the Western and Central Danube regions.















































VC investment in Danube Tech Valley regions by % in 2023



VC investment deployed in Danube Tech Valley regions since 2018, per capita



The Danube Tech Valley has already produced global successes, including 18 unicorns.

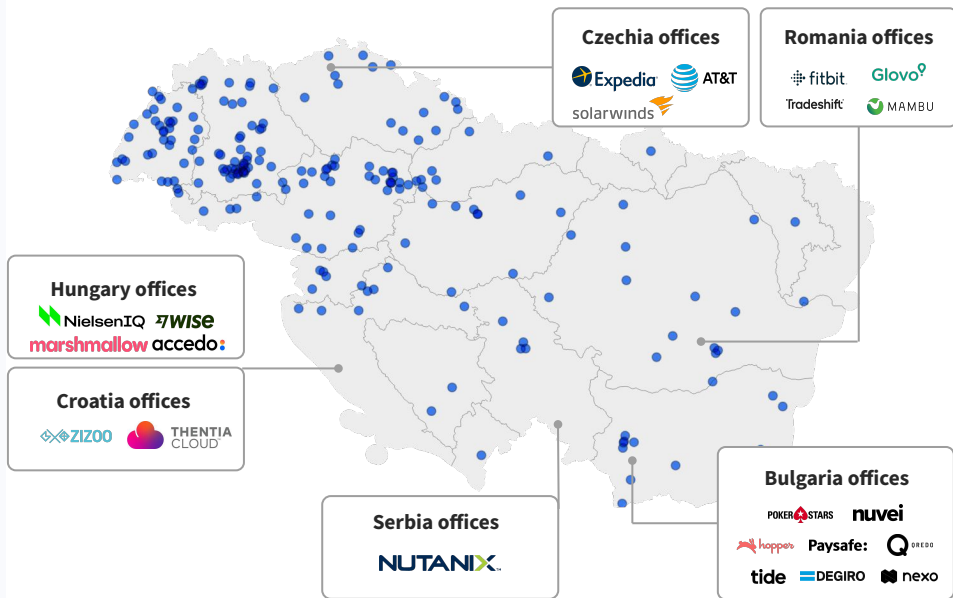
	Baden-Württemberg	Bavaria	Austria	Czechia	Slovenia	Croatia
Unicorns & 1B+ Exits	  	  	   	 		 
Future Unicorns	  	  	  	  	 	
Rising Stars	  	  	 	  	  	  
	<p>+1.3K startups</p> <p>»view more</p>	<p>+2.3K startups</p> <p>»view more</p>	<p>+2.2K startups</p> <p>»view more</p>	<p>+1.3K startups</p> <p>»view more</p>	<p>400+ startups</p> <p>»view more</p>	<p>300+ startups</p> <p>»view more</p>

There is also a rich pipeline of promising startups right across the region.

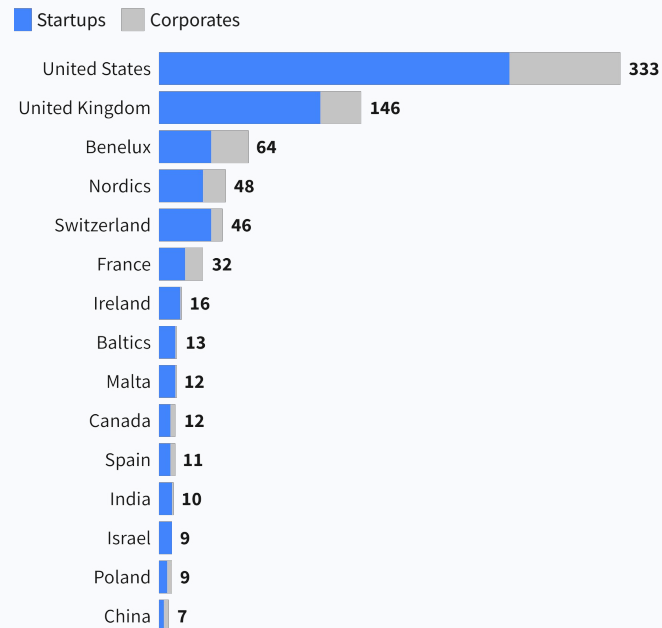
	Hungary	Slovakia	Romania	Bulgaria	Serbia	Ukraine <i>Danube Regions</i>	BiH	Moldova	Montenegro
Unicorns & 1B+ Exits				Payhawk					
Future Unicorns	 		 Bitdefender 	 LucidLink 					
Rising Stars	 	 	 RAYSCAPE	 TOK wise 	 				
New startups	 	 moneyhoon™ 	 DRESSINGZ 	 	 Homaticn 	 		 Doctor Chat	 Knowledge.Dev
	+1.1K startups >> view more	300+ startups >> view more	+1.2K startups >> view more	700+ startups >> view more	200+ startups >> view more	90+ startups >> view more	50+ startups >> view more	100+ startups >> view more	10+ startups >> view more

The Danube Tech Valley attracts foreign startups & tech companies: there are over 1,000 secondary offices of global startups across 60+ cities in the region.

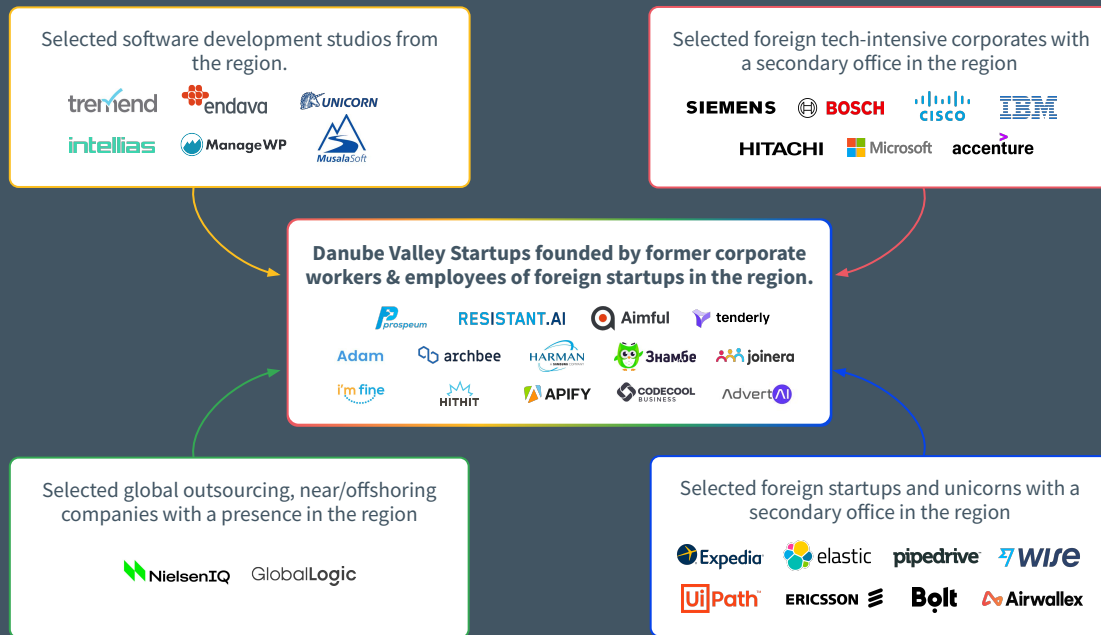
66 cities with 1+ office of a foreign startup and tech company.



Top 15 countries of origin, foreign startups & corporates with a secondary office in the Danube Tech Valley



Founders of promising startups in the Danube Valley often gained experience working with foreign startups & tech companies in the region.



Dealroom identified 500+ startups across the Danube valley founded by individuals who had first gained professional experiences at foreign tech-intensive companies in the region, including foreign startups, unicorns and tech corporates, as well as outsourcing companies from the region.

“

What the region needs is a stronger pipeline of entrepreneurs, unlocking the potential of experienced corporate workers, researchers or the non-traditional founders, with seed funding and targeted support.

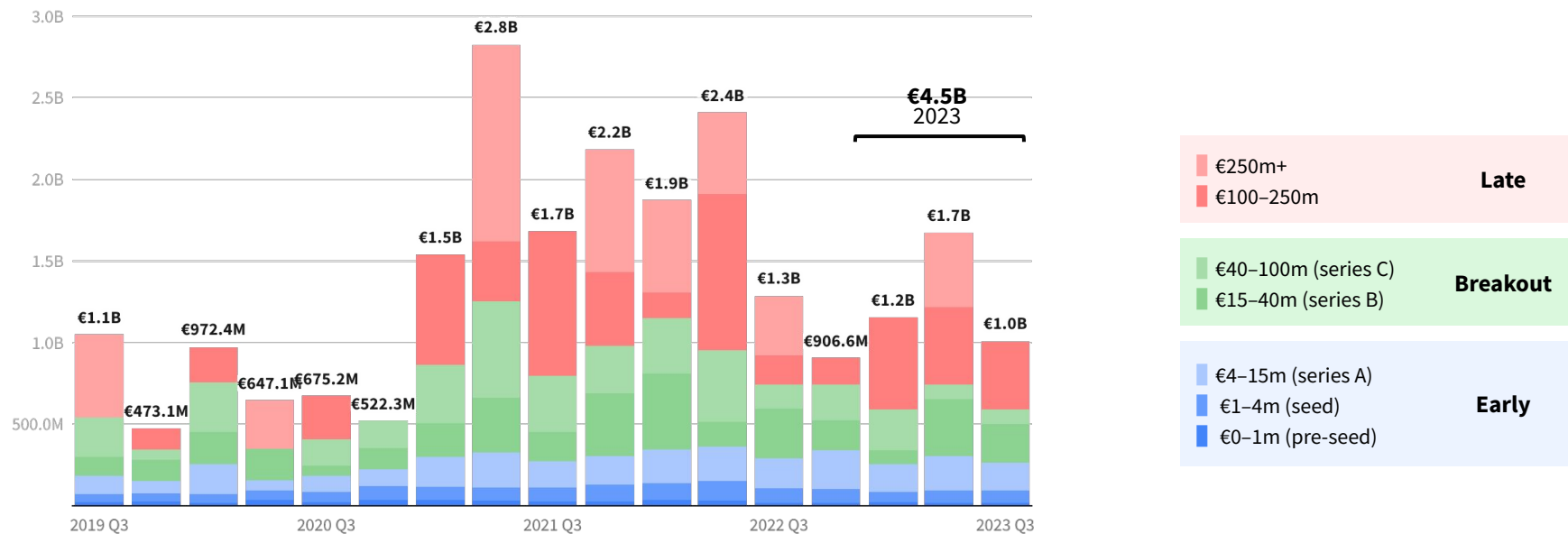
Petra Dzuruvčinová
Chief Innovation Officer
City of Bratislava, Slovakia



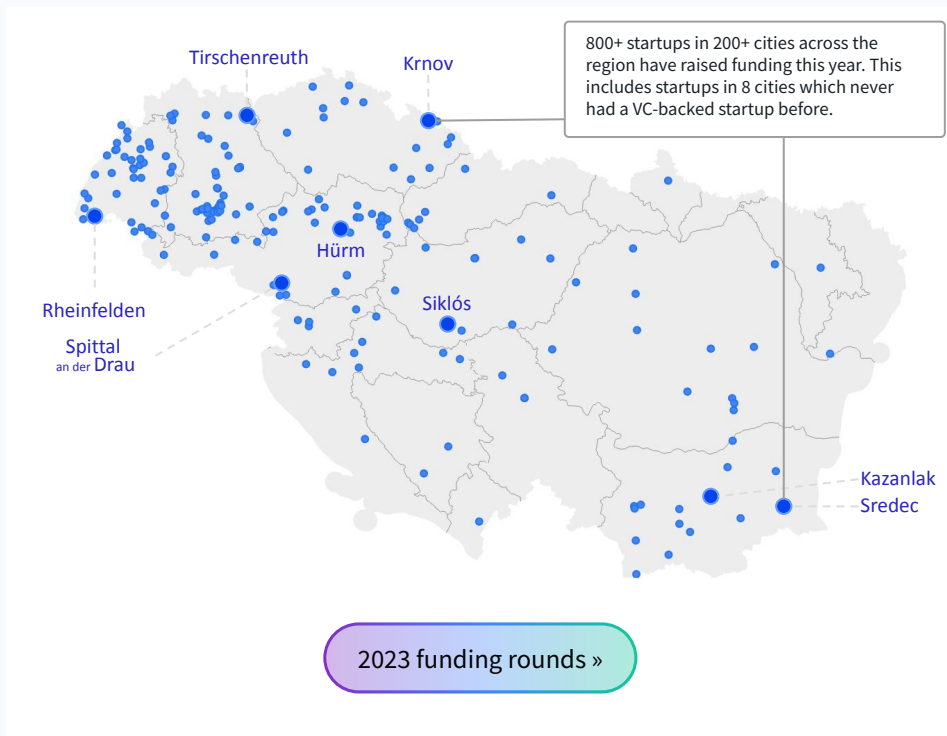
2. The Danube Tech Valley as a destination for investments.

€4.5B has been raised by startups in the Danube Tech Valley in 2023 so far.

VC investment in Danube Valley startups » [view online](#)



Startups in 200+ cities across the region have attracted VC funding in 2022 & 2023.



Top 10 Hubs in Danube Tech Valley by combined VC investment since 2022.

City	Combined VC funding since 2022
Munich	€5B
Vienna	€2B
Prague	€1B
Zagreb	€773M
Stuttgart	€555M
Heidelberg-Mannheim-Karlsruhe	€356M
Sofia	€349M
Budapest	€278M
Bratislava	€177M
Ljubljana	€133M

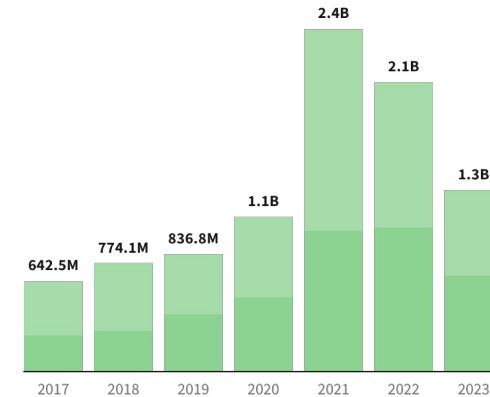
Early-stage investing is steadily on the rise

- €4-15m (series A)
- €1-4m (seed)
- €0-1m (pre-seed)



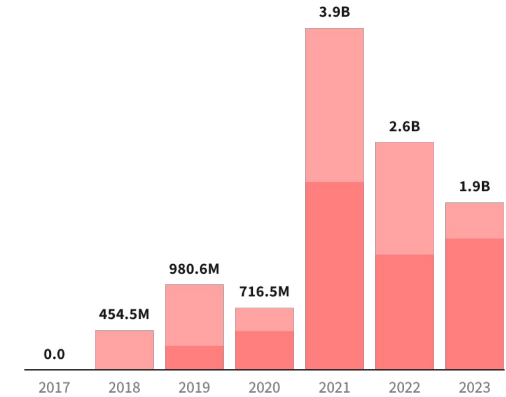
Breakout stage is above pre-pandemic levels

- €40-100m (series C)
- €15-40m (series B)



Late-stage investment has fallen in line with wider European trend

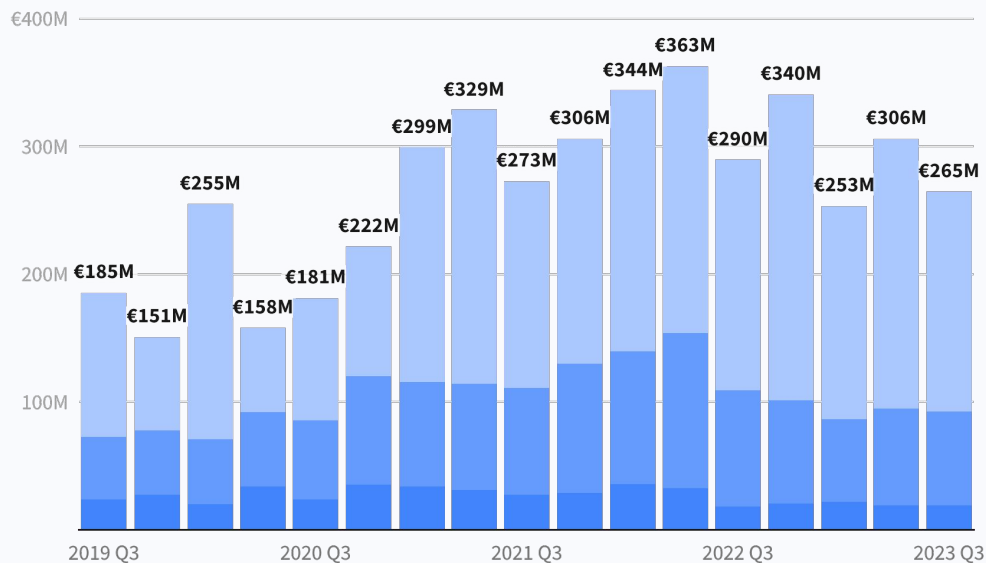
- \$100-250m
- \$250m+



Startups in 270+ cities in the region raised an early-stage funding round since 2022.

Early stage VC Investment in startups based in the Danube Region [» view online](#)

■ €0-1M (pre-seed)
 ■ €1-4M (seed)
 ■ €4-15M (series A)

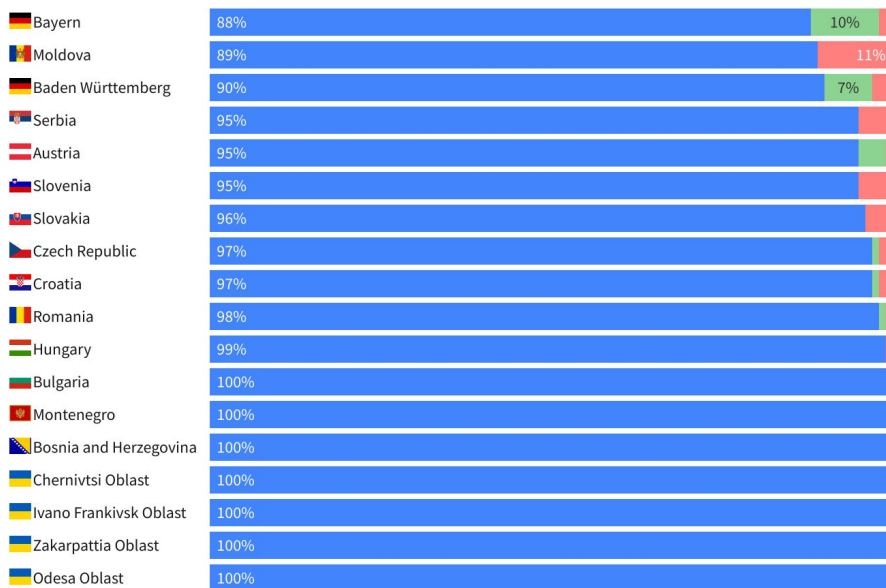


Explore Seed to Series A rounds [» view online](#)

NAME	INVESTORS	MARKET	LOCATION
KEYOU KEYOU develops hydrogen techno...	-	energy transportation vehicle production clean energy	Munich, Germany
StudySmarter EdTech company that develops an...	Goodwater Capital	education learning tools and resources	Munich, Germany
Neura Robotics A German high-tech company ma...	InterOpen Partners	robotics	Metzingen, Germany
Ethris GmbH Ethris is a technical innovator in th...	Cipla	health biotechnology	Planegg, Germany
Curetis Molecular diagnostics company w...	BioMed Partners EQT Life Sciences HBM Partners Forbion Capital Partners CD-Venture	health biotechnology pharmaceutical	Holzgerlingen, Germany
U3 Pharma	Atlas Venture Edmond de Rothschild Group	health biotechnology	Planegg, Germany
HMNC Brain Health	Carsten Maschmeyer Josef Ackermann Gurtefard Gutmann Toni Kroos Wilhelm Boer	-	Munich, Germany
Affimed Therapeutics NASDAQ-listed clinical-stage biop...	BioMed Partners EQT Life Sciences Calibrium	health biotechnology	Heidelberg, Germany
Platomics Provides a regulatory compliant di...	GreyBird Ventures	health biotechnology	Vienna, Austria
Twisto Payments Provides online simple financing s...	Firch Capital ING Ventures UNQA Ventures Velocity Capital / FinTech Ventures	fintech financial management solutions payments	Czech Republic

Distribution of funding rounds by size in the Danube Tech Valley (stacked percentage)

■ Early funding rounds (€0M-€15M) ■ Breakout funding rounds (€40M-€100M) ■ Funding rounds over €100M



“

Our region demonstrates strong capabilities in investing in early-stage ventures, yet there is a notable gap in financing for scaling up.”

Werner Wutscher
Founder and CEO
New Venture Scouting



Top funding rounds in 2023 in the Danube Tech Valley.

[View online »](#)

€255m
Growth Equity VC



Garching, Bavaria
Jun 2023

€215m
Late VC



Munich, Bavaria
Feb 2023

€209m
Series B



Munich, Bavaria
Sep 2023

€207m
Series F



Munich, Bavaria
Jul 2023

€165m
Series C



Ottobrunn, Bavaria
Mar 2023

€110m
Series B



Munich, Bavaria
May 2023

€110m
Series B



Heidelberg, Baden-Württemberg
Nov 2023

€100m
Growth Equity VC



Alzenau Bavaria
Oct 2023

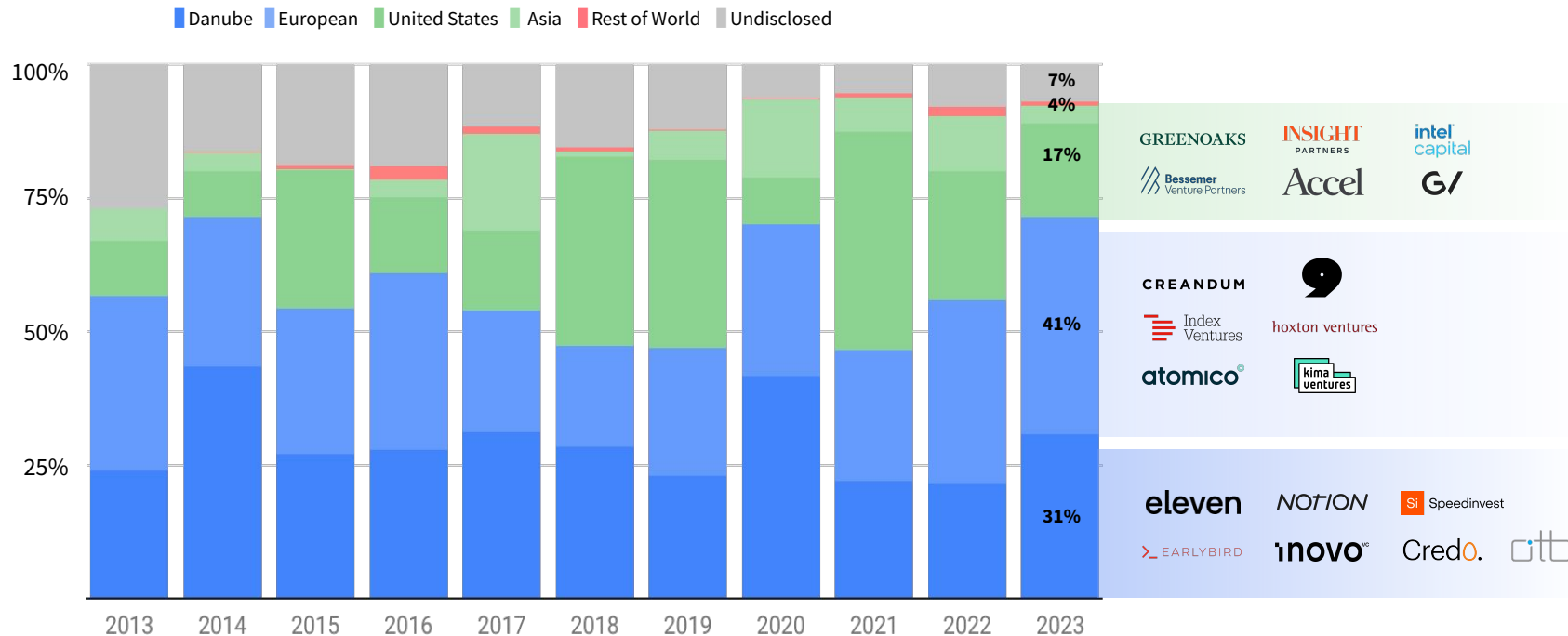
€75m
Late VC



Salzburg, Austria
Feb 2023

70% of disclosed investors invested into Danube startups are from Europe whilst investors outside the continent make up less than 20% of total participation.

VC Investment in Danube-based startups by location of investors [» view online](#)















Investors & Enablers in the Danube Tech Valley.

Investors and Enablers active in the past 18 months in the Danube Tech Valley

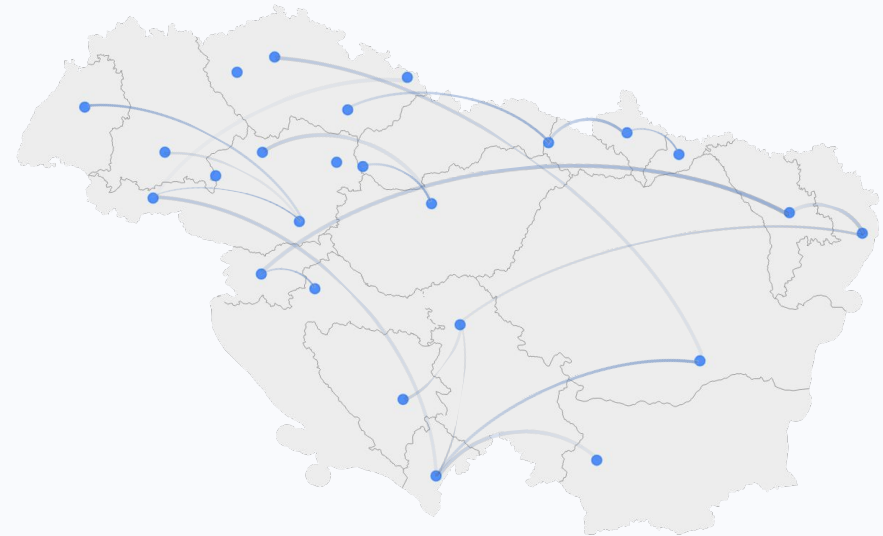
Venture Capital based in Danube Tech Valley	Foreign Investors active in Danube Tech Valley	Corporate Investors & CVCs based in Danube Tech Valley	Public & Institutional Investors active in Danube Tech Valley
Series C+ (Growth)  	 	         	Cross-border mandate   
Series A/B (Early)    	    	Private Equity based in Danube Tech Valley         	International public investors  
(Pre) Seed        	        	(Venture) Debt based in Danube Tech Valley    	Domestic Investors     

Danube Valley investors go beyond their hometurfs and support the growth of the entire ecosystem in the region.

Selected Investments by Danube Valley-based investors in startups based in the region

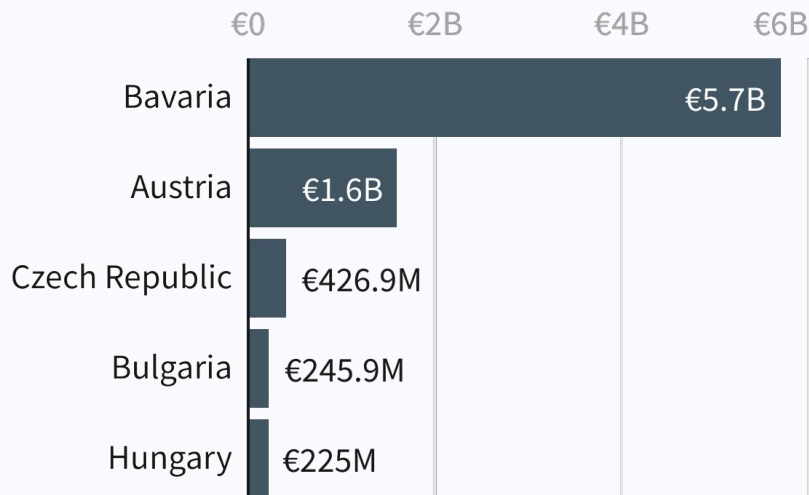
Investor	Round	Company
 ZAKA VC Czech Republic	€1M July 2023	 Tripmarkery Austria
 Fortech Investments Romania	€880k October 2023	 Collabwriting Serbia
 Speedinvest Austria	\$14.5M October 2022	 Shapr3D Hungary
 DEPO Ventures Czech	€1.5M September 2023	 Blockmate Slovakia
 SHS Capital Baden-Württemberg	\$18M June 2023	 MESI Slovenia
 South Central Ventures Serbia	\$5M October 2022	 Adscanner Croatia

Flow of VC capital across the Danube Tech Valley








Investors in the Danube Tech Valley raised over €3.7B in 2023, with noticeable concentration in Munich and Vienna.

Top 5 regions in Danube Tech Valley for total new funds amount since 2018



Selected top funds raised by Danube Tech Valley-based VCs since 2022

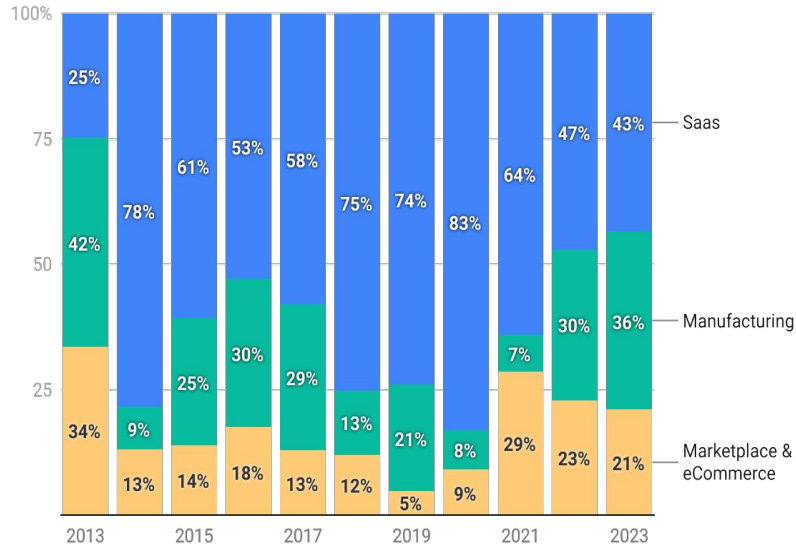
Fund	Investor	Amount	Date
HV Capital Fund IX		€710M	May 2023
Speedinvest IV		€500M	Dec 2022
HV Capital Continuation Fund		€430M	Feb 2022
Digital Growth Fund II		€403M	Jun 2023
Acton Fund VI		€225M	Nov 2023

3. Strengths and weaknesses of the Danube Tech Valley.

In Danube Tech Valley SaaS startups receive more investment in comparison with the global VC investment.

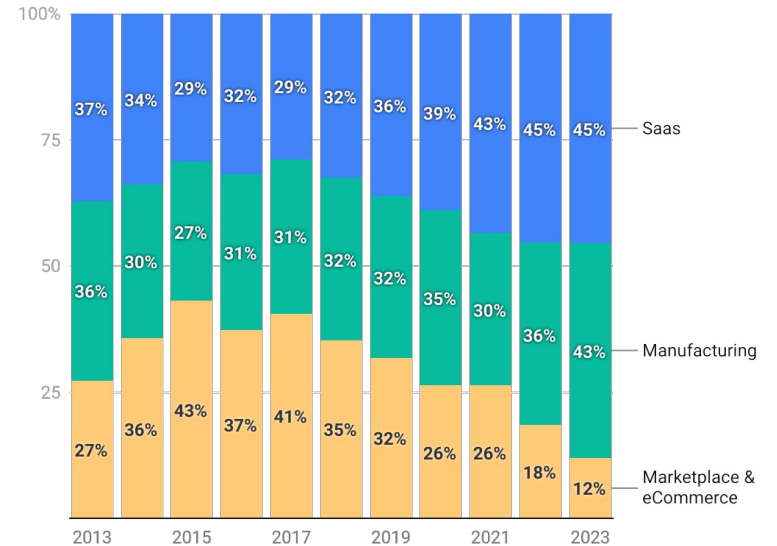
Danube Tech Valley VC investment by business type

[» view more](#)



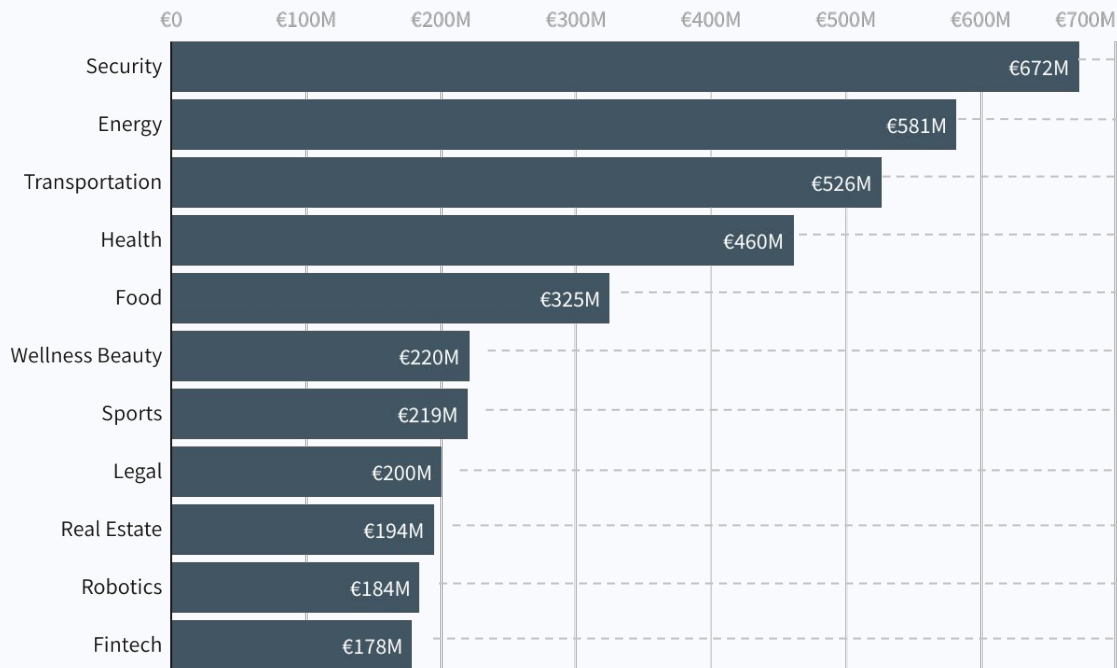
Global VC investment by business type

[» view more](#)



Security, Energy and Transportation startups raise the most VC investment in 2023.

VC investment by industry, 2023 » [view online](#)

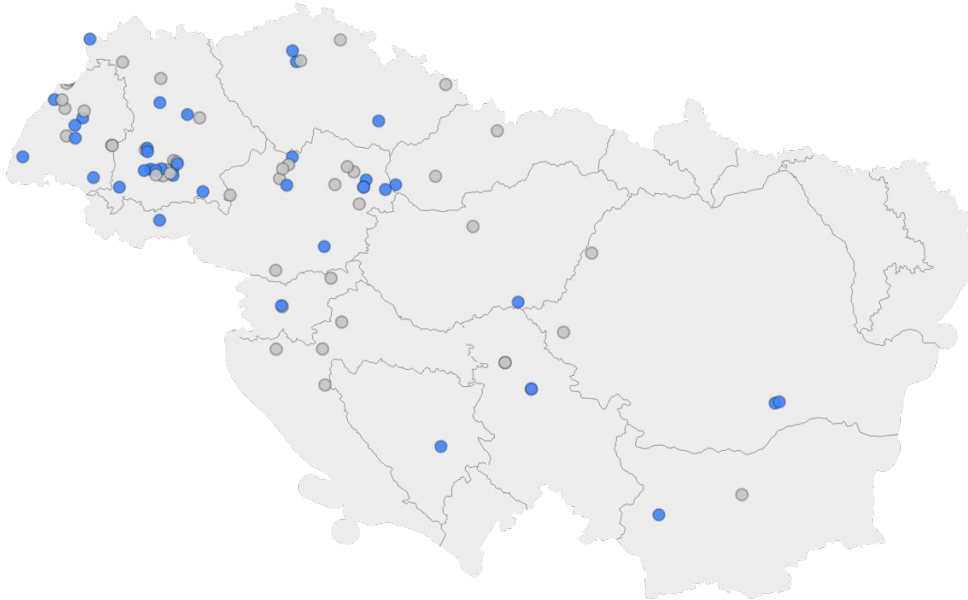


Selected companies by sector that have raised in 2023*

Energy is a major and fast growing segment in the region. In 2023 80+ startups across 10 countries raised fresh funding to scale their solutions in the region and beyond.

Startups in the energy sector, Danube Tech Valley 2023

■ Cities with an existing energy startup ■ Cities with an energy startup that raised funding in 2023



“

Without innovation, the green energy transformation will not be possible.”

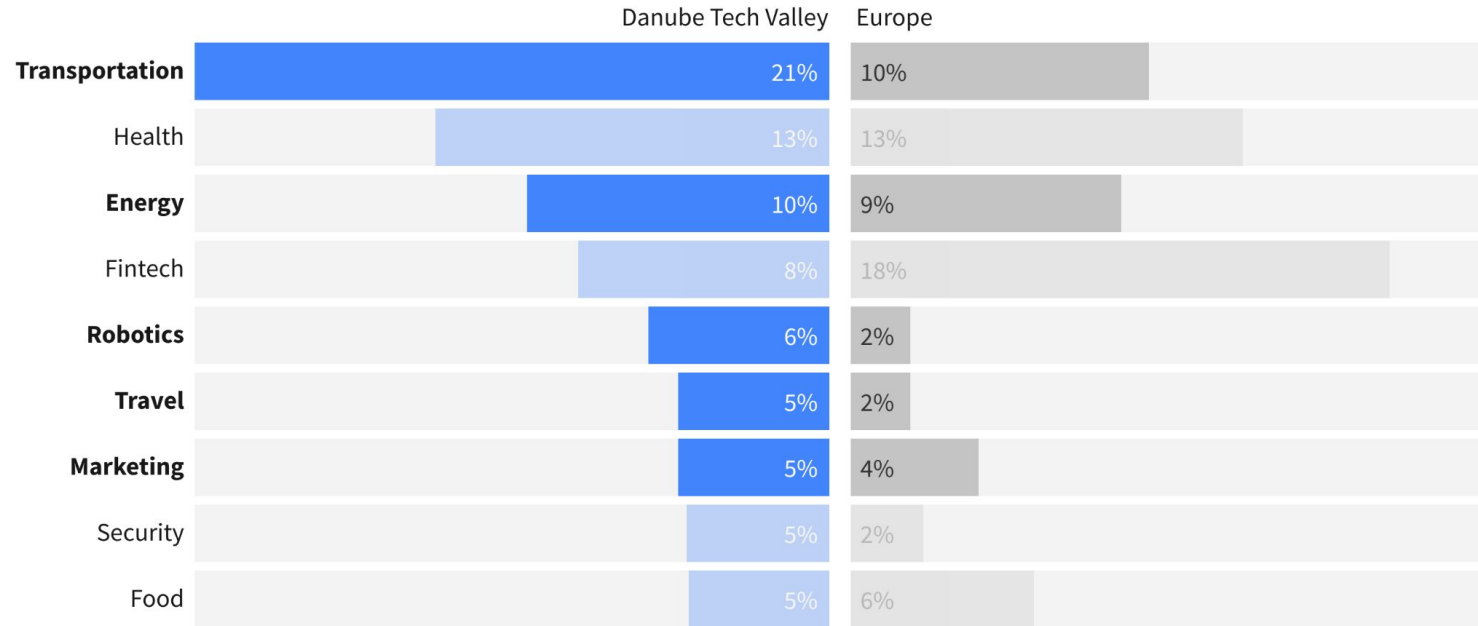
It is therefore a very strong signal that startups in the energy sector rank among the top three industries for investments in the Danube Tech Valley. Among our initiatives in this area are [VERBUND X Accelerator](#) and [VERBUND X Ventures](#). These programs and investments are contributing to the acceleration of the Danube Tech Valley as a startup ecosystem and, ultimately, towards a faster and more sustainable energy future.

Michael Strugl
CEO
Verbund



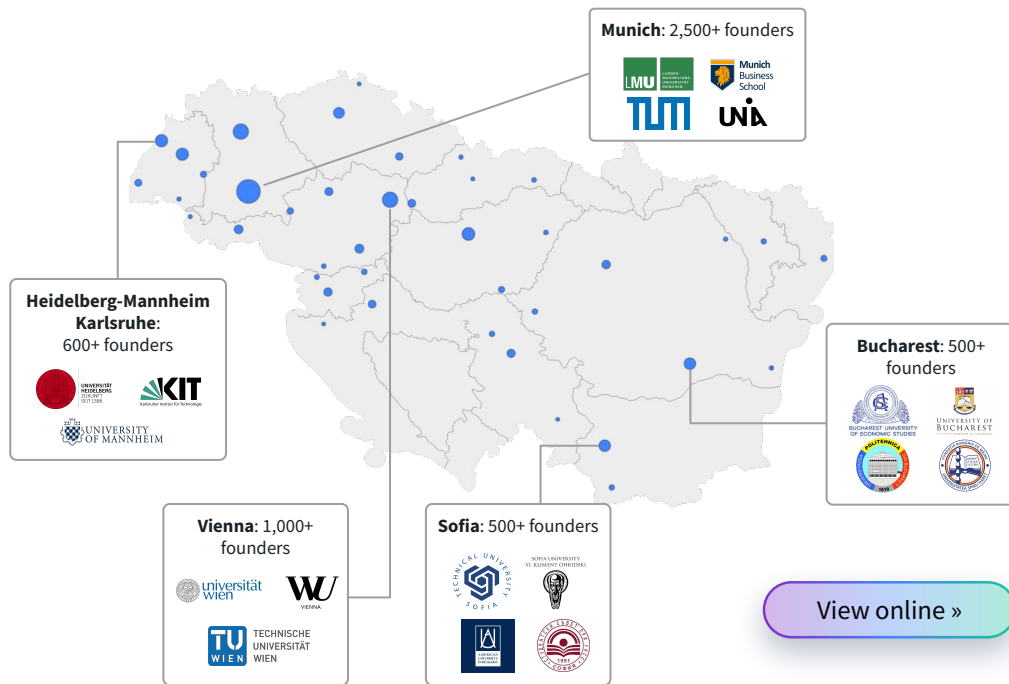
VC investment into Transportation, Robotics, Travel and Security startups in the Danube Tech Valley are well above European average.

% of VC investment by industry since 2018, Danube vs Europe



Over 10,000 founders were once students in one of 120+ Universities in the region.

Universities in the Danube Tech Valley by number of startup founders



[View online »](#)

“

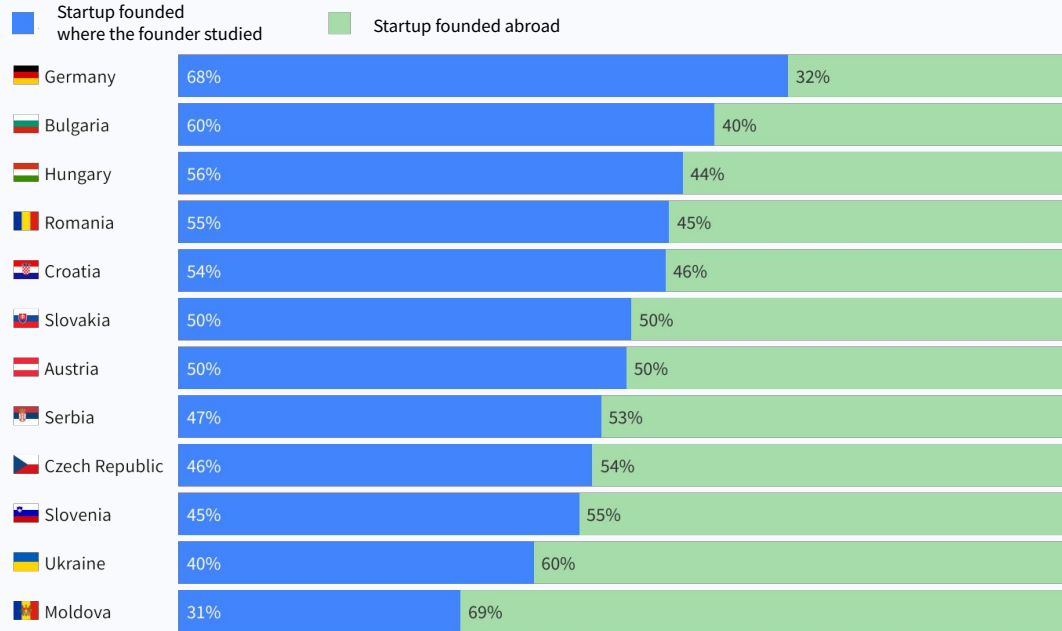
The Danube Region has a highly educated and skilled workforce, particularly in STEM fields. This talent pool is crucial for creating, developing and implementing innovative solutions.

Olivia Blanchard
Managing Director
Health Venture Lab

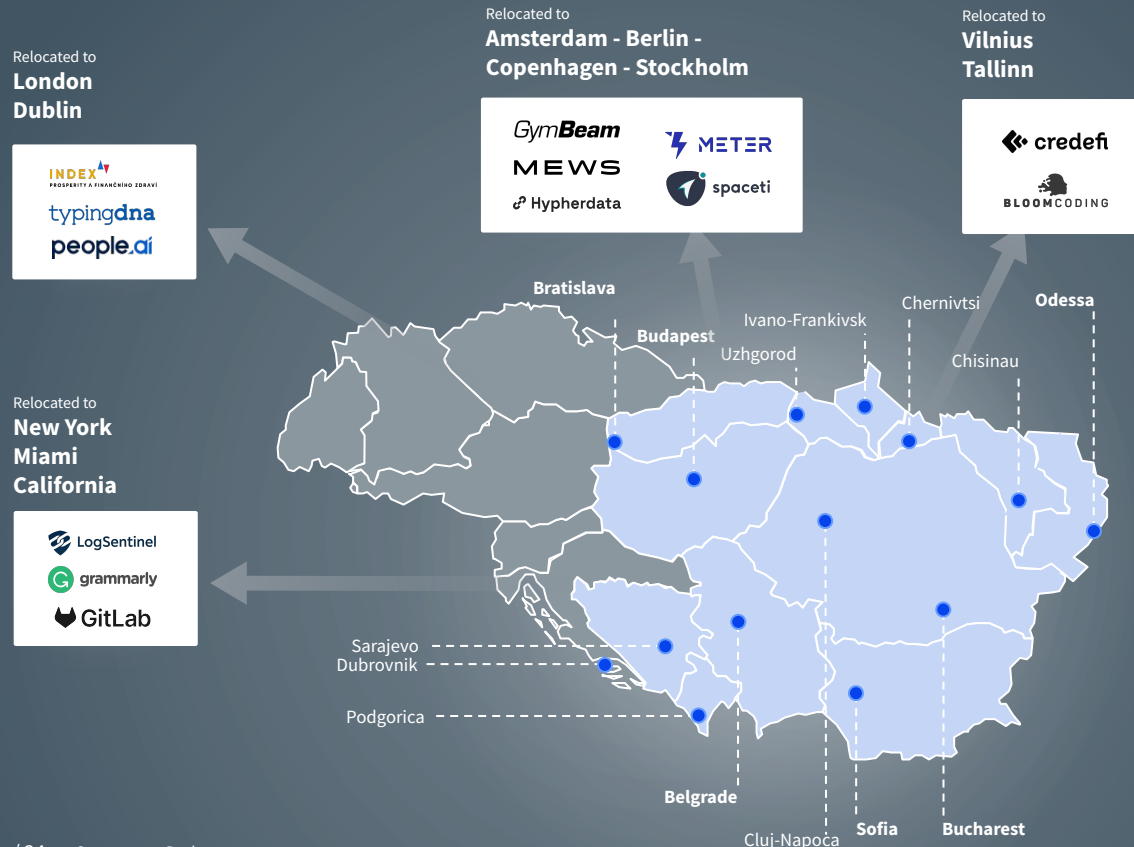


40% of founders who studied in Danube Tech Valley do not stay in the same country to found their startup.

Relocation status of startups founded by alumni from universities in the Danube Tech Valley



Startups from the region often find it difficult to scale locally.
Some of the region's biggest successes have relocated abroad as a result.



“

Talented entrepreneurs would be better retained in the region if we can provide them access to more smart capital and later stage funding.

More efforts need to be done on the integration of the seed stage investment community across borders in the Danube region.”

Jacopo Losso
Director General
European Business
Angels Network



Methodology

What is a startup?

“A startup is a company designed to grow fast” wrote [Paul Graham](#), the legendary startup builder, investor and co-founder of Y Combinator. At Dealroom, we’ve found this the most useful explanation of the term startup.

What is a startup?

By Dealroom.co

What about tech?

Indeed, most startups are tech enabled. But so are lots of companies. Many traditional companies work more deeply on technology than the majority of startups. The real common denominator is not tech, but the intention to scale very rapidly.

Startups & venture capital

This report focuses on companies in the internet age, i.e. after 2000. Most but not all unicorns are VC backed.

Companies included in the analysis are tech-driven. Industries include software, ecommerce, online marketplaces, hardware, ICT infrastructure. The full [industry & business model taxonomy](#) can be found online

Investment numbers refer to venture capital investment rounds such as seed, series A, B, C, ... late stage, and growth equity rounds. It excludes debt or other non-equity funding, lending capital, grants and ICOs. Buyouts, M&A, secondary rounds, and IPOs are treated as exits: excluded from funding data, but included in exit data.

Scope of the report

In this report, the regions and countries that run along the Danube river in the scope of this report include: Bayern, Baden Württemberg, Austria, Czech Republic, Hungary, Slovakia, Slovenia, Croatia, Serbia, Montenegro, Bosnia and Herzegovina, Bulgaria, Romania, Moldova, Odessa Oblast, Chernivtsi Oblast, Ivano Frankivsk Oblast, Zakarpattia Oblast.

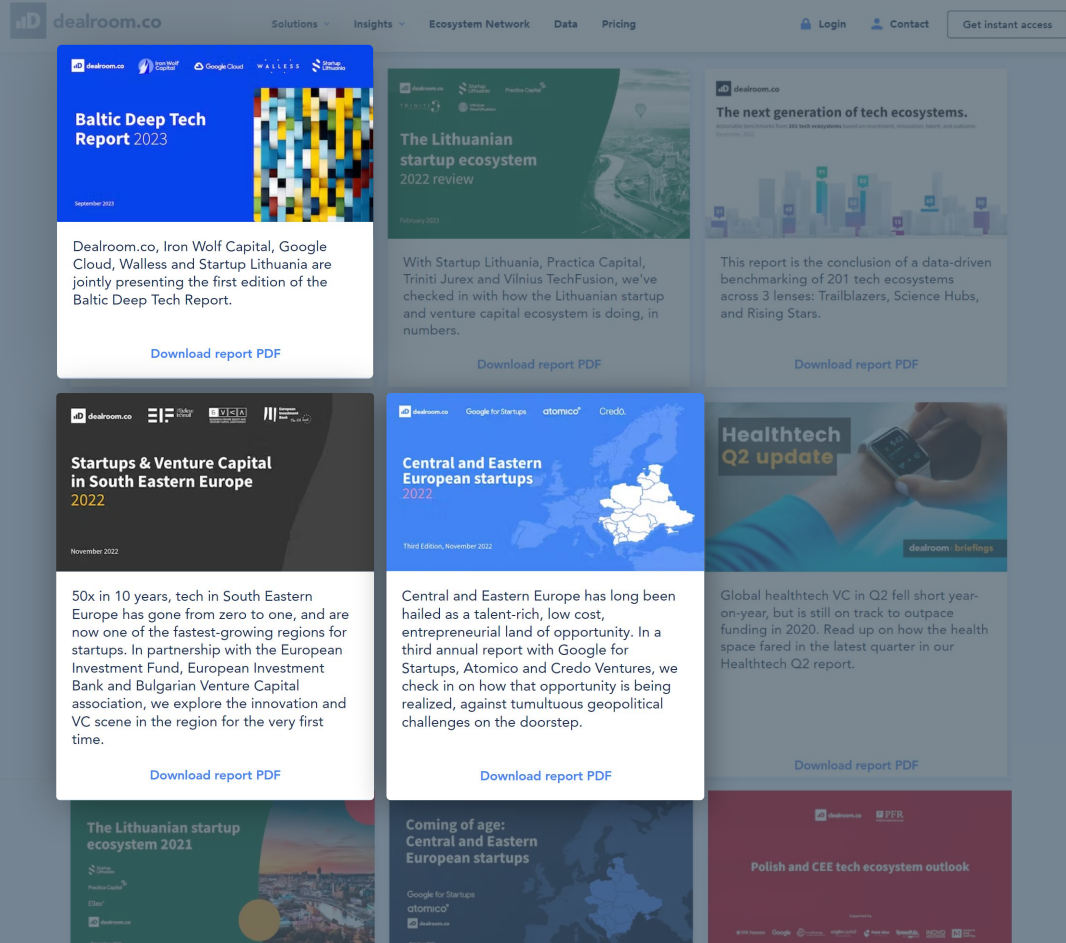
While many startups founded in the Danube Region relocate beyond its borders, most maintain business-critical ties to their homelands. In order to take this reality into account, this report includes both Danube-based startups, which maintain their main center of business (HQ) in their country of origin, and Danube-founded startups, which relocated their HQ outside of Danube.

Dive Deeper in Central Eastern Europe Tech with Dealroom:

Baltics Deep Tech Report 2023

CEE Startups Report 2022

South East Europe Report 2022





Vision

The Danube Tech Valley Initiative (DTVI) aspires to create in the Danube Region, a leading innovation hotspot in Europe. Region aims to excel in various aspects, including the number of unicorns, available funding, citation and patents, the value of the ecosystem, and a highly-ranked university environment that fosters an innovation culture.

Objective

DTVI will be a leading open, voluntary, and inclusive platform, idea hub, “clearing-house type” facilitator, and partnering coordinator in accelerating innovation potential and competitiveness through cross border cooperation.

Proactively bridging, and connecting the existing national best practices, cross border initiatives, structures, and programmes of diverse stakeholders in Danube Region, from local and regional governments, research institutes, UNIs, start-ups, and corporations. Its main goal is to support and accelerate the innovation potential of the region through cross-border cooperation.

Danube Tech Valley Initiative has been recognized by EU strategy for the Danube region as one of its flagship projects: Danube Strategy Flagships are projects or processes that contribute to the implementation of the EU Strategy for the Danube Region (EUSDR), have a clear macroregional dimension and a multi-level governance approach. They are of high importance for the Danube Region’s economic, social and territorial cohesion and for improving the quality of life in the Danube Region.”

Source: <https://danube-region.eu/projects-and-funding/eusdr-strategic-projects/>

[Learn more](#)



Supported by



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