

Venture Wrapped 2023

Global tech in 13 charts

31 December 2023



2023: the great reset in venture capital.

Startups raised \$319B in investment in 2023, a return to pre-pandemic investment levels.

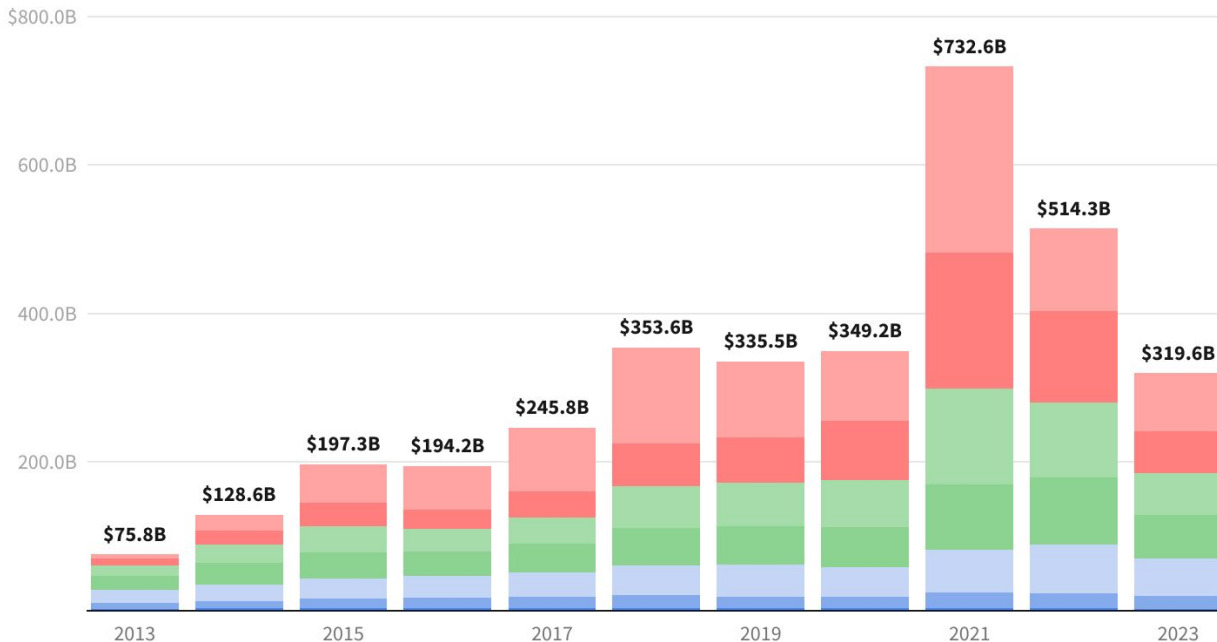
2023 was the year venture capital investment reset. Following 18 months of mania in 2021/22.

2023 saw the lowest total for global venture capital invested since 2017.

[See every round »](#)

Global VC investment by stage

Legend: \$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+)



The startup pipeline keeps being fed.

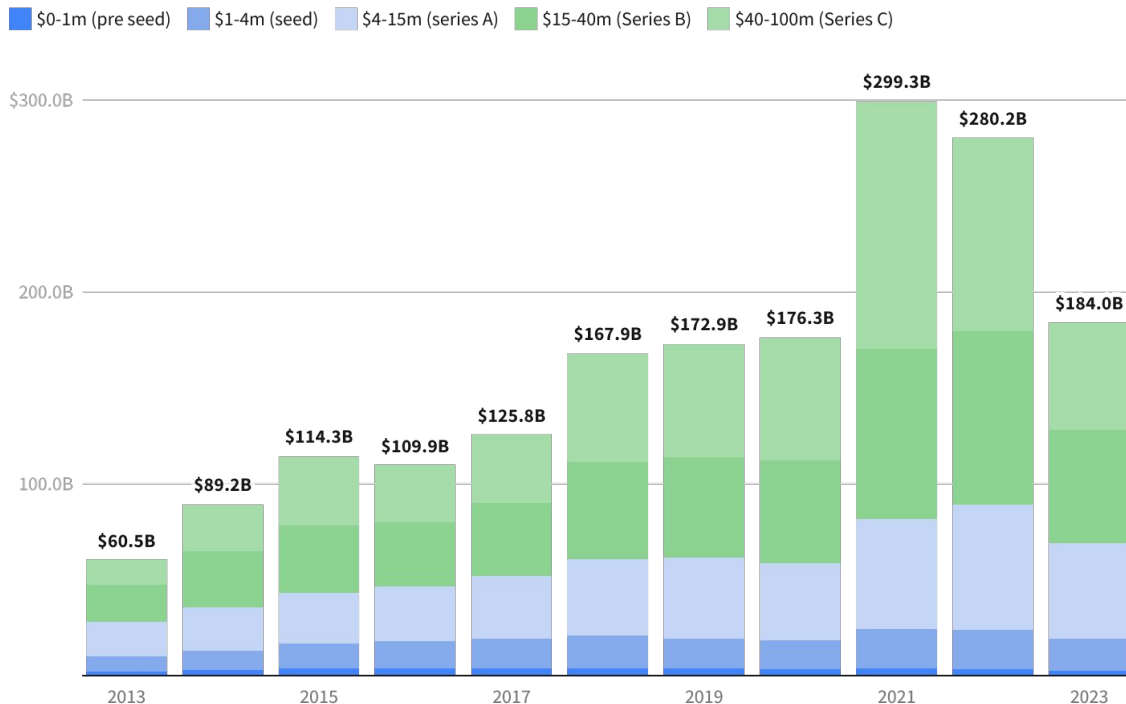
Excluding megarounds of over \$100m, however, investment into startups at early and mid-stage closed above 2020 levels in 2023.

The funding crunch is most acute at late-stage. The early-stage funnel continues to be filled.

~35k Pre/Seed rounds were completed in 2023. And over 6k Series As.

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Global VC investment by stage (\$0-\$100M)



Crossover funds hit the breaks.

The flight of Crossover funds from the venture playing field is the biggest driver of the late-stage funding crunch.

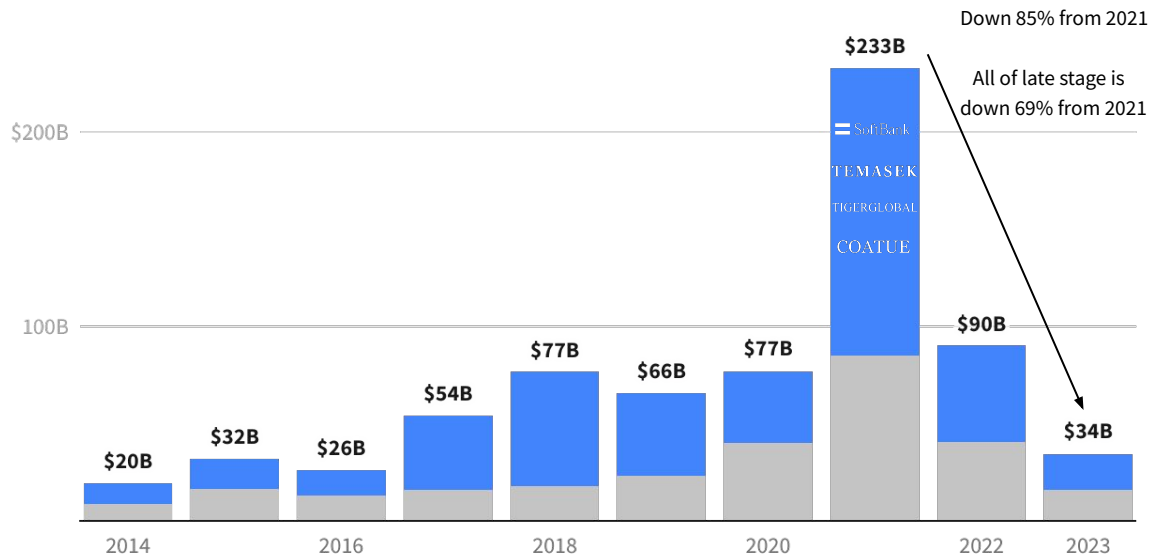
Between them Tiger Global, Temasek Coatue and Softbank participated in \$148B worth of VC deals in 2021. In 2023 all crossover funds were part of just \$34B of VC rounds.

Corporate capital has been much more steadfast.

Crossover rounds »

Crossover fund, total value of VC rounds participated

Other crossover Tiger, Coatue, Softbank, Temasek



And yet, investment from non-venture capital sources is at an all time high.

Major Corporate Giant and Sovereign Wealth Fund investors in 2023

Corporates

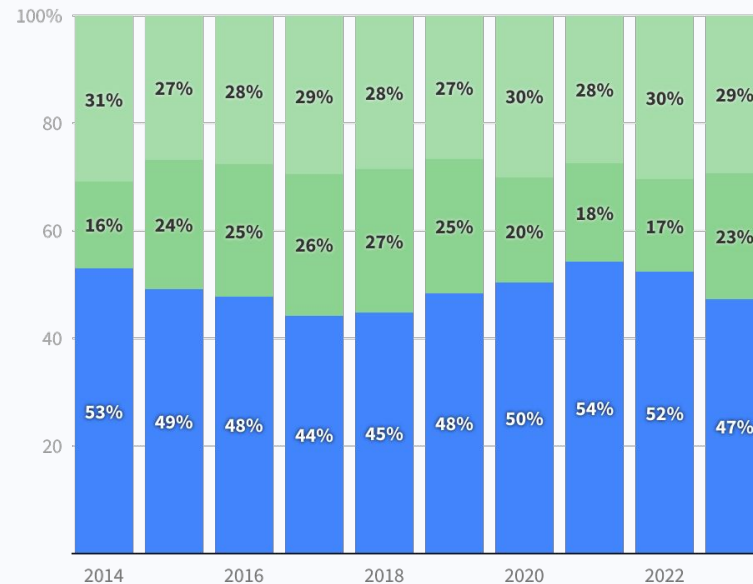
 <p>Led a \$10B VC round into OpenAI in Jan 2023</p>	 <p>Participated in deals into Anthropic, Hugging Face and Sandbox AQ</p>	 <p>Participated in deals into Anthropic, Hugging Face and FreshtoHome.</p>
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Sovereign Wealth Funds

 <p>Participated in deals into Lenskart, Forward and Outrider</p>	 <p>Participated in deals into Builder, Ascend Elements and Ensoma</p>	 <p>Participated in deals into Devoted Health, Euler Motors and Databricks</p>
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VC investment by investor types

Venture Capital Corporate Other



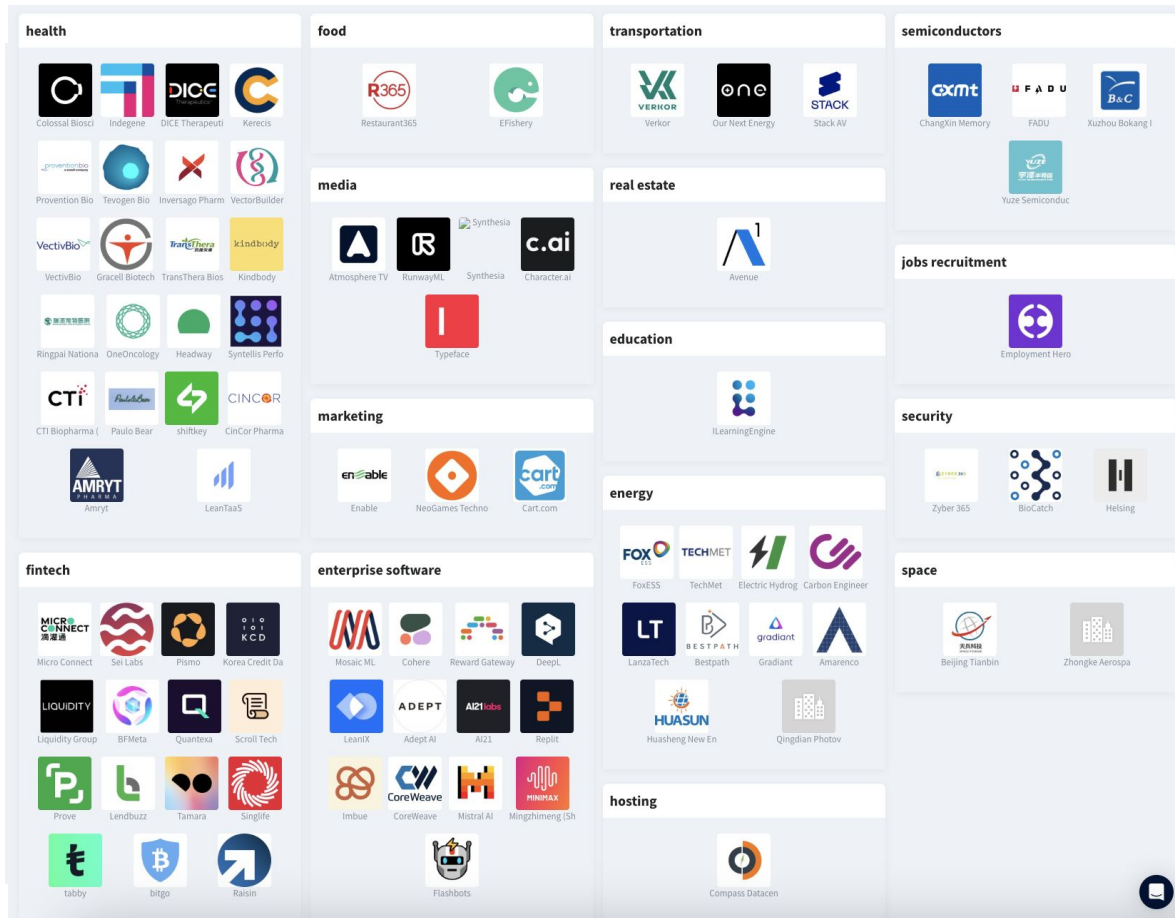
The unicorns class of 2023.

Swimming against the tide, **87** startups achieved a \$1B exit or private unicorn valuation for the first time in 2023.

It's the lowest new unicorn total since 2014, and down 89% from 2021's high water mark of 782.

But these are the ones that beat the odds.

[View unicorns »](#)



Hopinheimer: the 2023 startup fallout.

2023 also saw a number of high profile startups enter varying grades of distress.

After raising huge sums in 2021, with late-stage capital dried up and public markets closed, brand name companies approached the end of their runway or saw their market disappear in 2023.

Explore exits data »

Crypto exchange platform
Bahamas



From \$32 valuation to ceasing operations in November 2022

Workspaces
United States



Once valued at \$47B, filed for Chapter 11 bankruptcy in 2023

Event Tech
United States



From \$12.5B to \$250M in 18 months

Mobility
United States



Once valued at \$2.3B. Filed for bankruptcy Dec 2023

Online Luxury Fashion Retailer
Bahamas

FARFETCH

\$5.8B IPO 2018 to \$500M acquisition by [Coupang](#)

Battery Tech
United Kingdom

BRITISHVOLT

Unicorn valuation, to £8.6M acquisition by [Recharge Industries](#)

Agritech
Germany

infarm

Unicorn at 2021 Series D. Declared bankruptcy for European operations

Micro processors
United Kingdom

GRAPHCORE

From \$2.8B valuation to Sequoia write-off in 2023.

Meal kits
United States



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



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

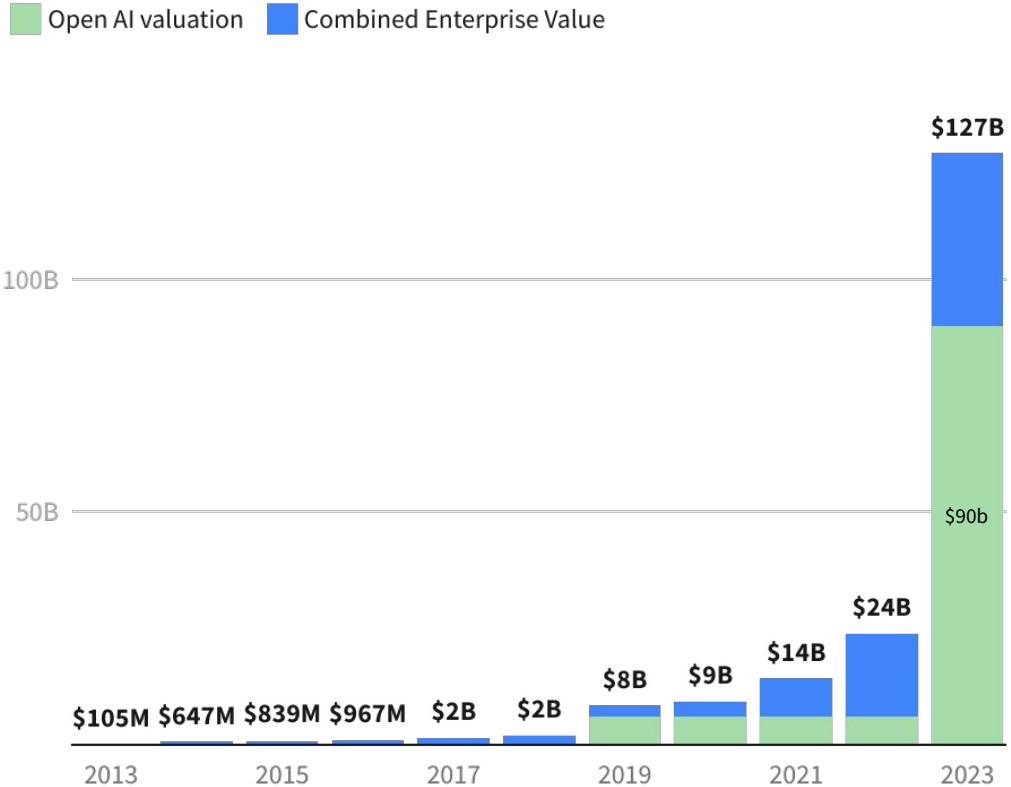
The dawn of the age of AI.

2023 was an epochal moment for advances and deployments in Artificial Intelligence.

In a time when not much in tech was growing, investment into and value of GenAI model makers increased by more than 5x year on year in 2023.

Beyond the tech bubble, AI hit the mainstream. From Senate hearings to Bletchley Summits, AI even entered the dictionary. Collins named “AI” the word of year for 2023, while Cambridge Dictionary chose “hallucinate”.

Combined enterprise value of Gen AI model makers



Atoms > bits.

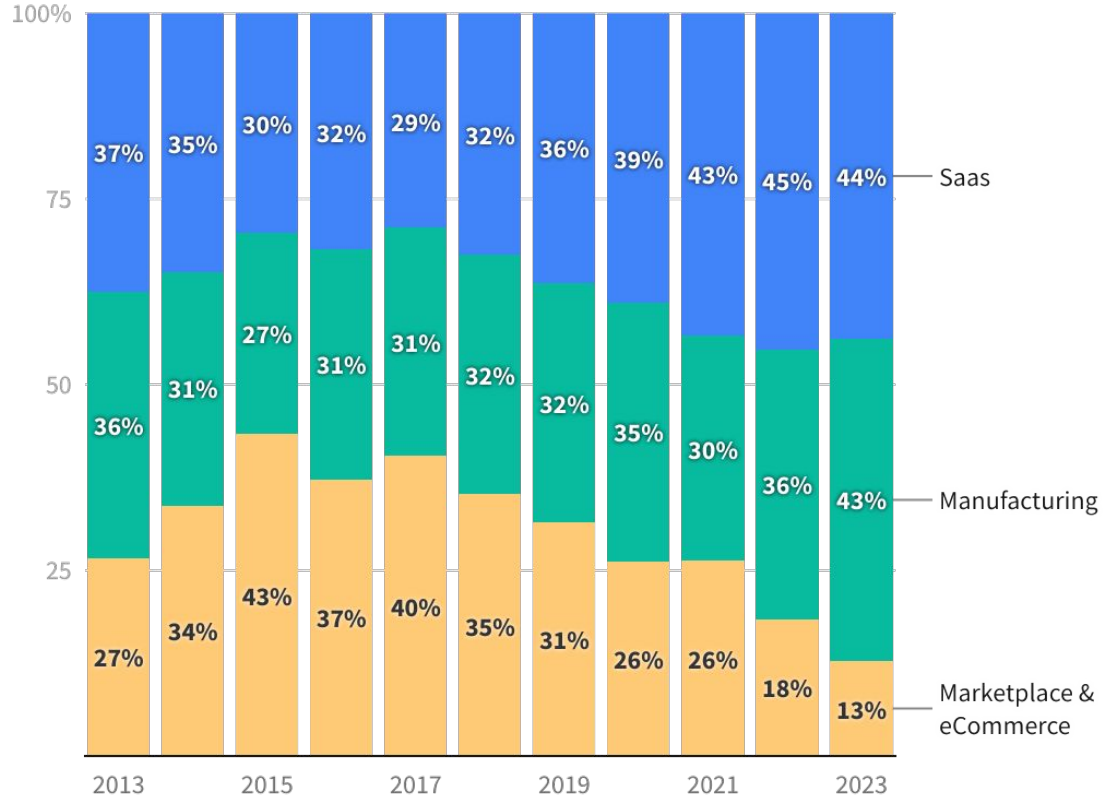
Physical tech is in.

Investment into manufacturing startups lagged Ecommerce investment five years ago. Now it's more than 3x Ecommerce.

Entrepreneurial innovation effort is increasingly being directed at tackling the world biggest problems, which require hardware solutions: novel energy, computing, biotech, spacetechn.

Tech is coming of age.

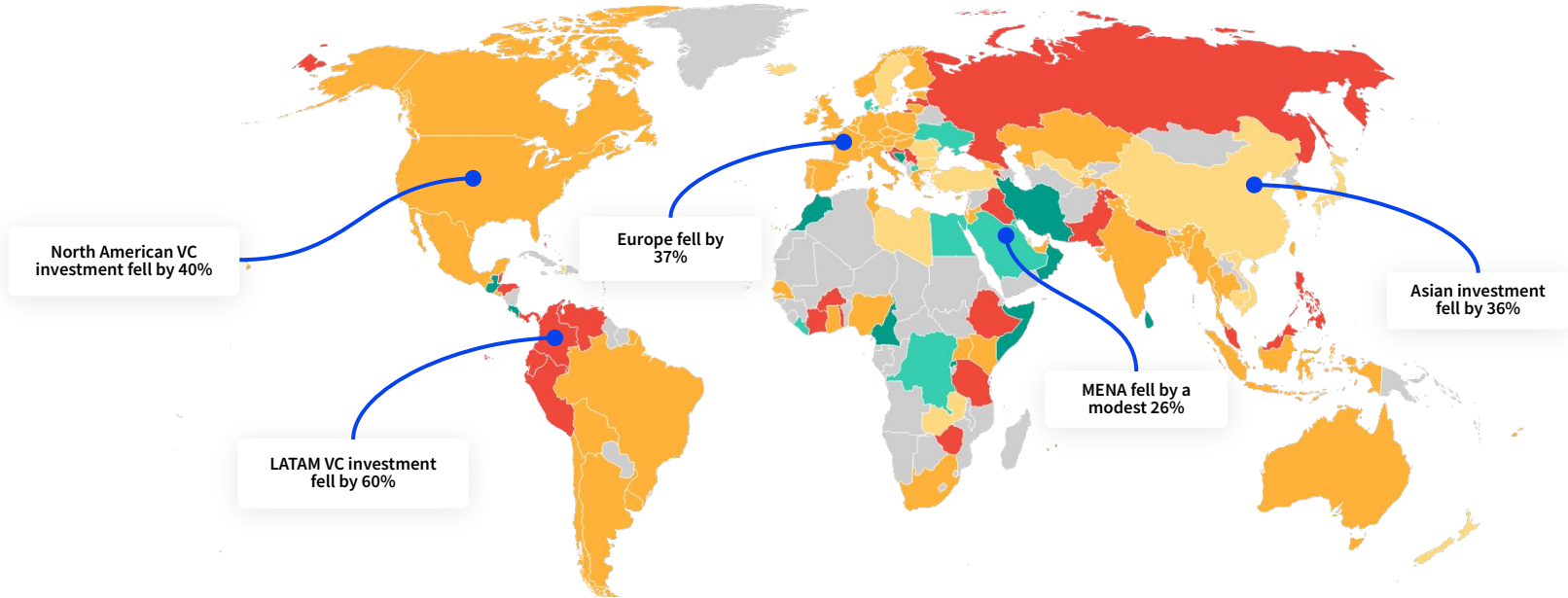
Global Venture capital investment by startup type



VC investment fell globally in 2023, but some MENA and Sub-Saharan startup ecosystems bucked the trend.

VC investment year on year change (2022-2023)

■ Rapid Growth (100%+) ■ Growth (0-100%) ■ Decline(0-40%) ■ Large Decline (-40%-80%) ■ Rapid Decline (-80%) ■ Low VC data



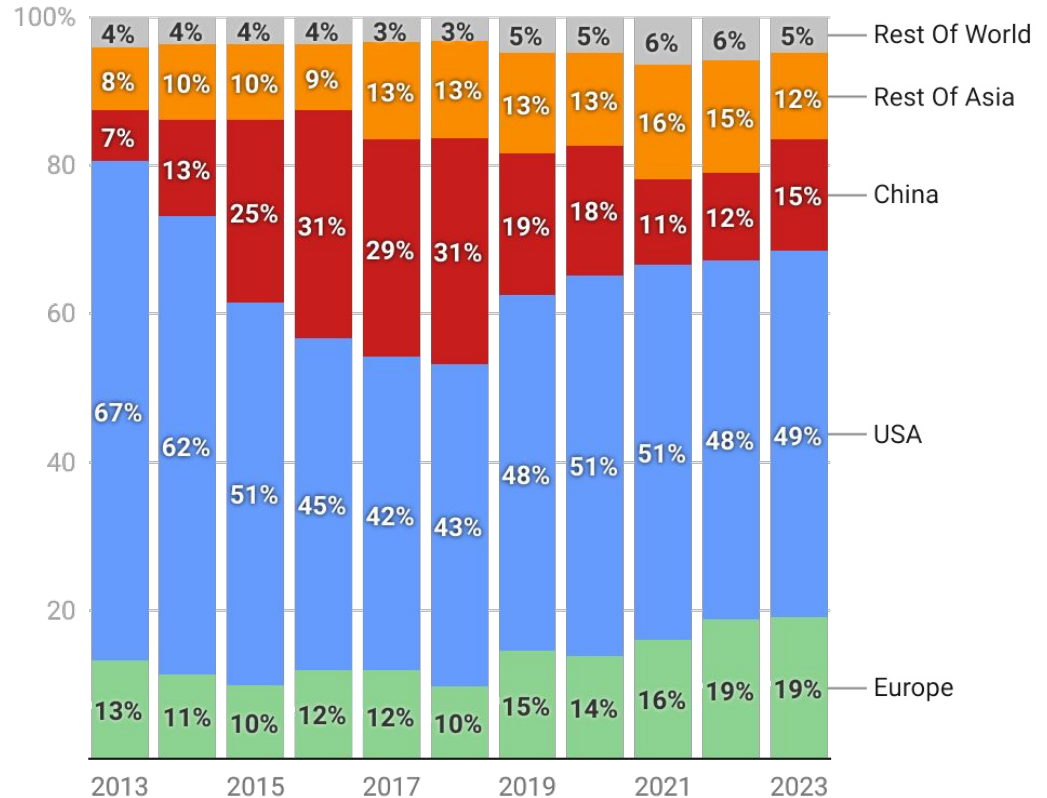
China: the sleeping dragon awakens.

The share of global venture capital being raised by Chinese startups is well and truly on the rise again, with a huge proportion going to manufacturing startups - EVs, batteries, chips, solar and robotics.

Europe's share of global VC is at an all time high.

In general venture capital is increasingly distributed. The US's share of VC is now under 50%, down from two thirds a decade ago.

All VC investment by destination

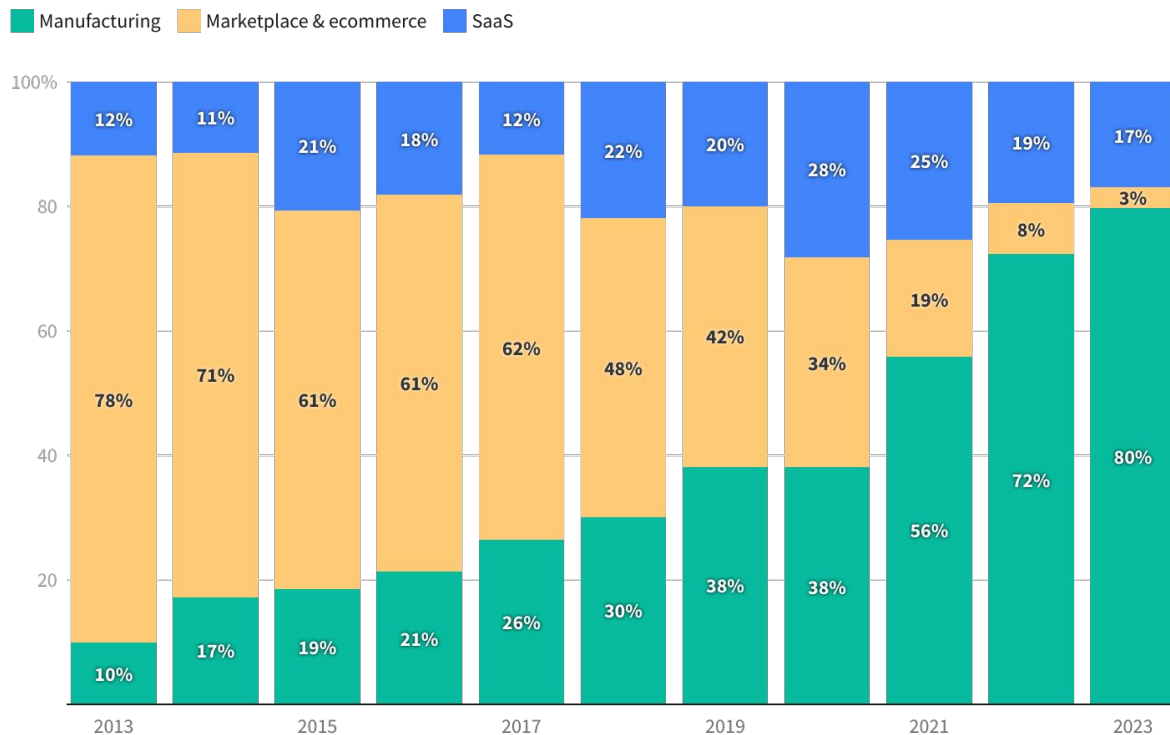


China

Physical tech investment has doubled in China in the past three years.

Chinese VC rounds »

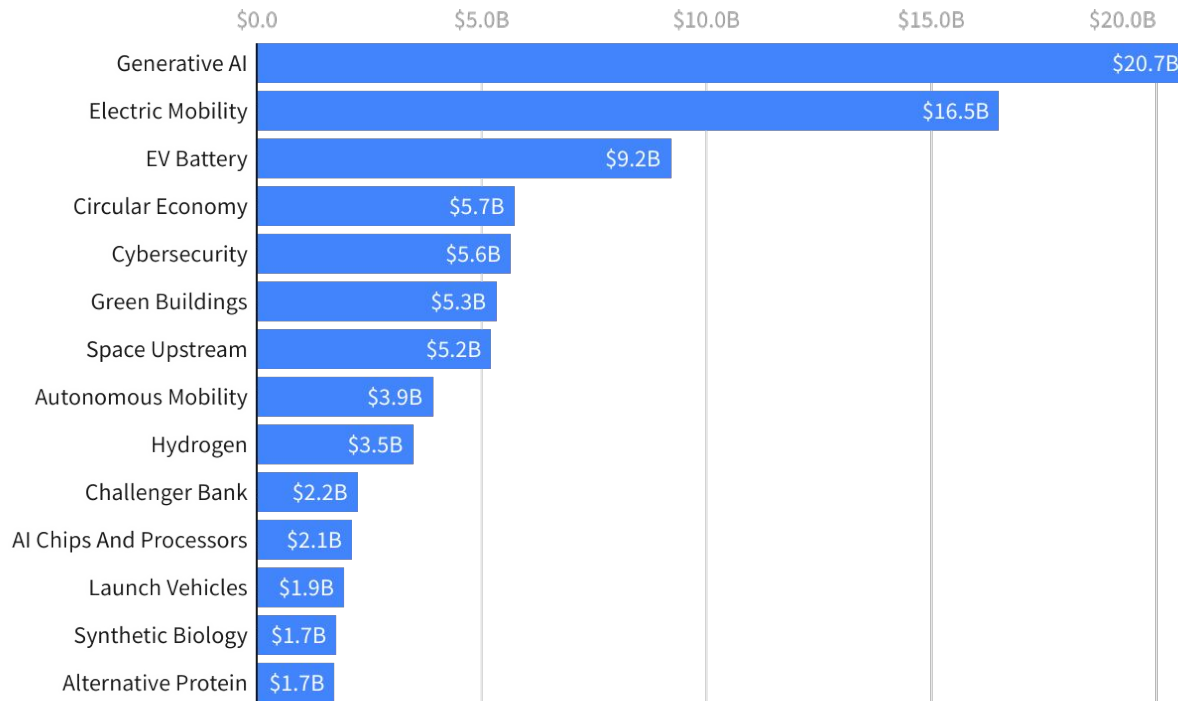
China venture capital investment by business model



In 2023, Generative AI, Electric Mobility and EV battery tech were the leading segments.

Customize data »





Leading segments by VC investment, 2023



Global

Selected funding rounds from 2023 from leading segments.

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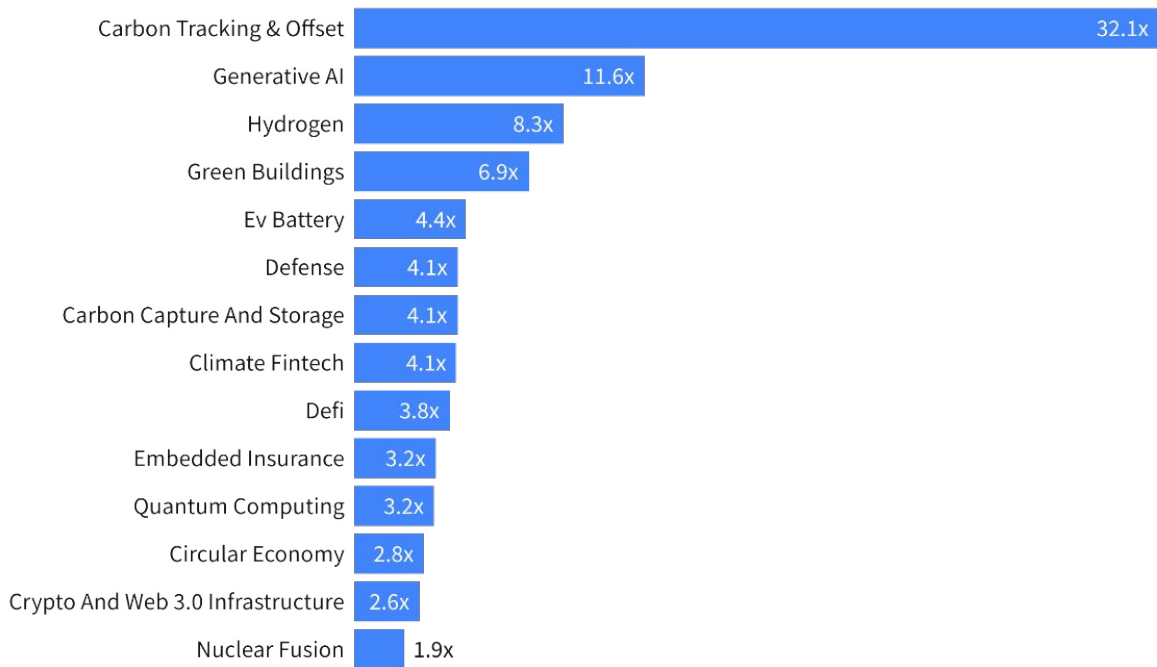
<p>Gen AI United States</p> <p> OpenAI</p> <p>Late VC \$10B</p>	<p>Payment Processing United States</p> <p> stripe</p> <p>Growth Equity VC \$6.5B</p>	<p>Industrial tech Sweden</p> <p>H2 green steel</p> <p>Growth Equity VC \$1.5B</p>
<p>Gen AI United States</p> <p>Inflection</p> <p>Growth Equity VC £1.3B</p>	<p>Gen 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>Autonomous trucking United States</p> <p> STACK</p> <p>Series A \$1B</p>	<p>Electric vehicles China</p> <p> HOZON</p> <p>Late VC \$962M</p>	<p>Battery tech United Kingdom</p> <p>ZENOBE</p> <p>Growth Equity VC £870M</p>

Carbon tracking, Gen AI and Hydrogen are amongst the fastest-growing segments.

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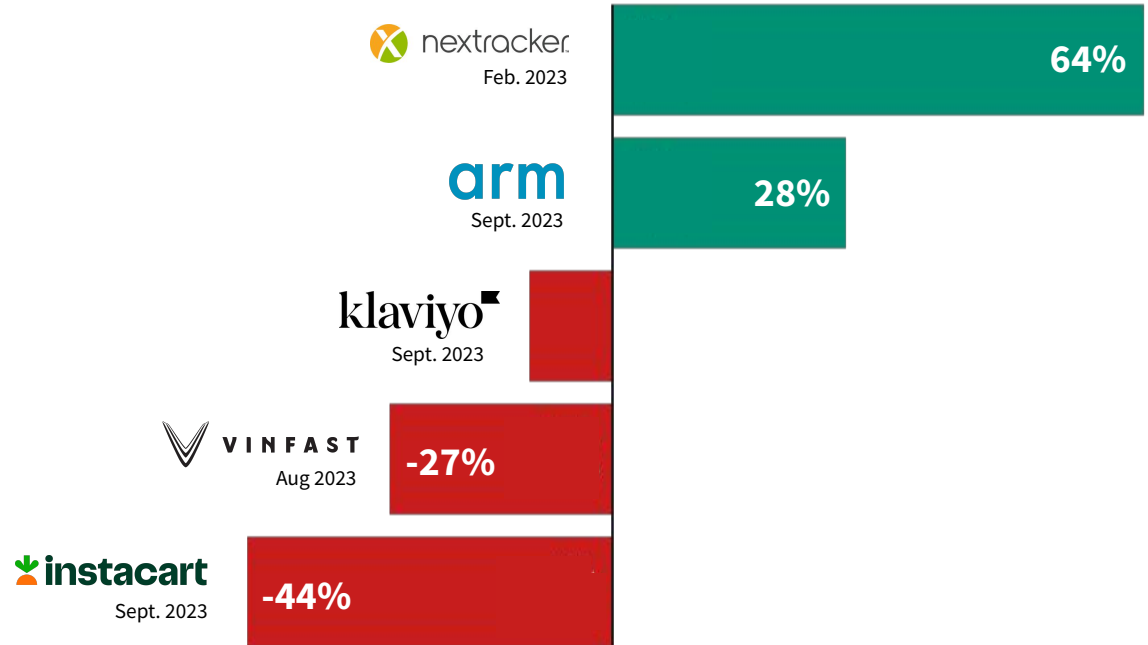
Fastest growing segments in tech (2023 vs. 2019)

Increase in Venture Capital invested globally in \$



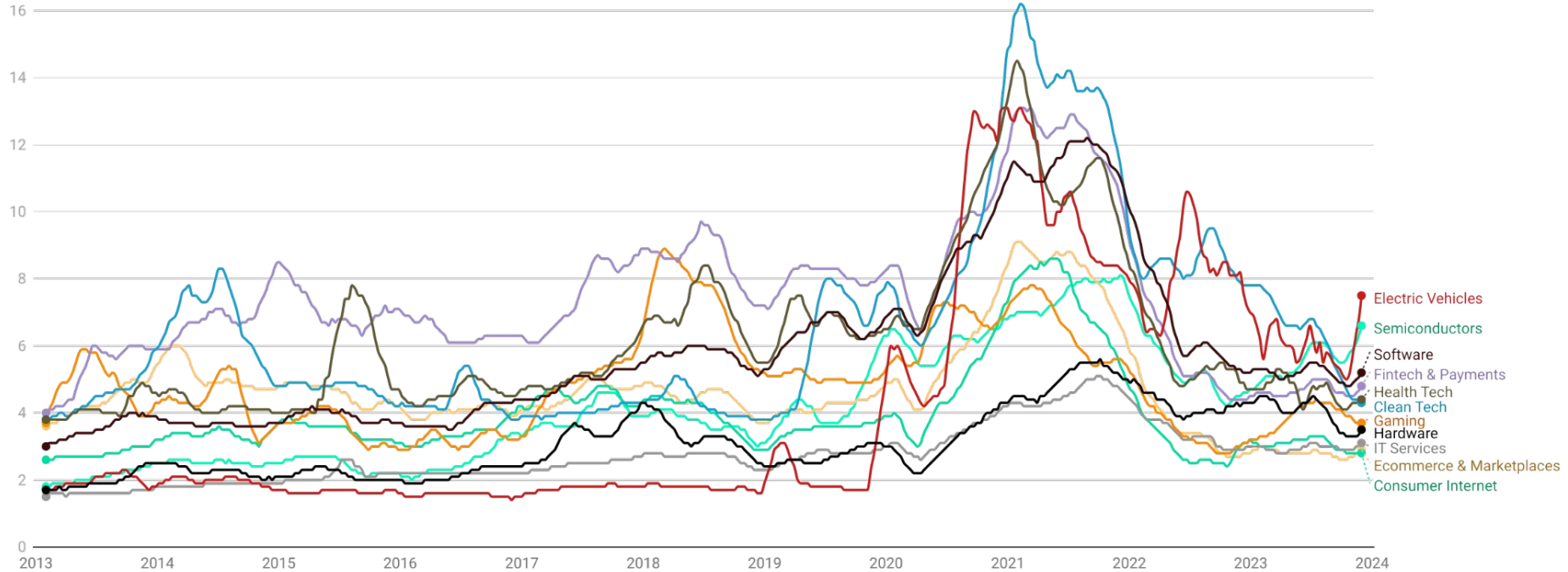
All eyes were on the few tests of the IPO window in 2023, Arm and NextTracker gaining market cap.

Share price performance since IPO



After a modest recovery in 2023, multiples are back to pre-2017 levels.

EV / LTM Revenue multiples evolution 2013-2023



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EMEA Guide

Europe Guide

Global Guide

The screenshot displays the Dealroom.co guides interface. At the top, there are three filter dropdowns: 'Sector' (set to 'All Sectors'), 'Region' (set to 'All Regions'), and 'Topic' (set to 'All Topics'). Below the filters is a grid of 20 guide cards, each with a title, a brief description, and a downward arrow icon. The cards are arranged in a 5x4 grid:

- 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.
- Switzerland**: Venture capital in Switzerland: trends by venture capital stage, city, industries and more.
- 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.
- Femtech**: Global Femtech startup trends and data: the health sector: main segments, geographies, main investors, comparison femtech and mentech.

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