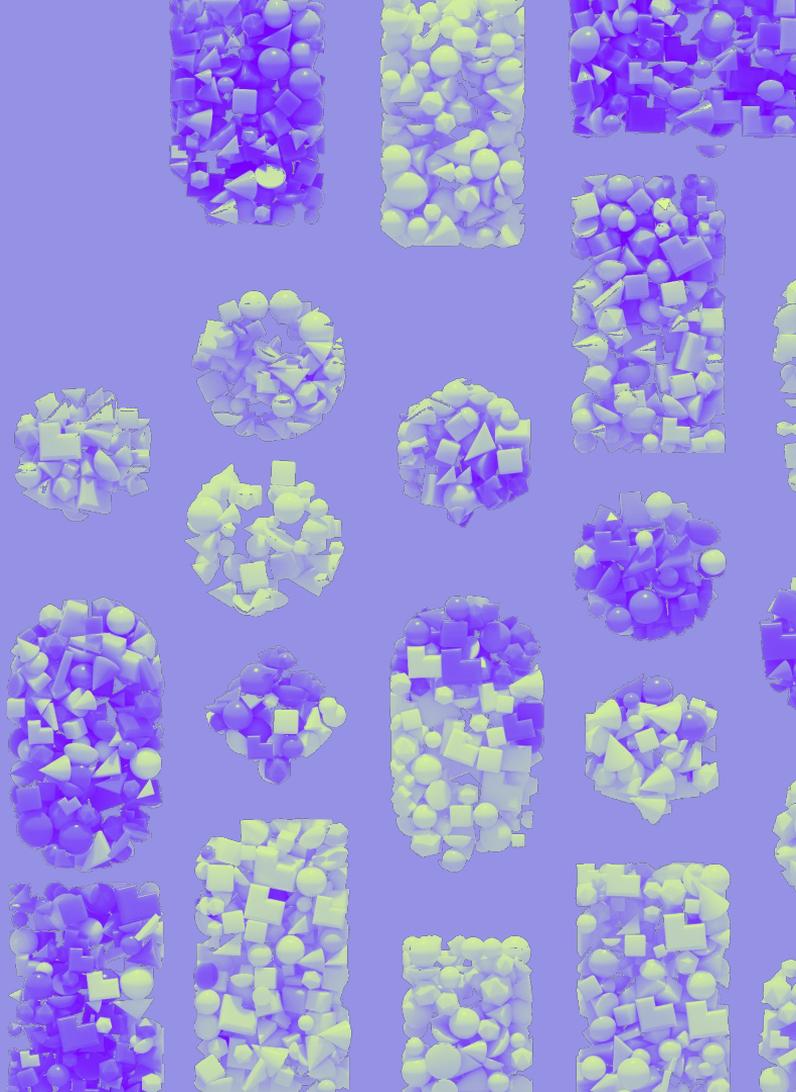




The State of European Foodtech 2024

March 2024





The first VC in Europe focused on innovative consumer-facing food companies.

Investing in tomorrow's leading food brands, today.



Global startup & venture capital intelligence platform.

Dealroom.co is the foremost data provider on startup, early-stage and growth company ecosystems in Europe and around the globe.

Founded in Amsterdam in 2013, we now work with many of the world's most prominent investors, entrepreneurs and government organizations to provide transparency. Dealroom.co is a global intelligence platform for discovering and tracking the most promising companies, technologies and ecosystems. Clients include many of the world's foremost organizations such as Accel, Index Ventures, McKinsey, BCG, Deloitte, Google, AWS, Microsoft, Stripe.

Dealroom partners closely with local tech ecosystem development agencies and enablers, to create a comprehensive multi-dimensional blueprint of the tech ecosystem, including capital, talent, innovation, entrepreneurship and overall economic dynamism.

Key takeaways

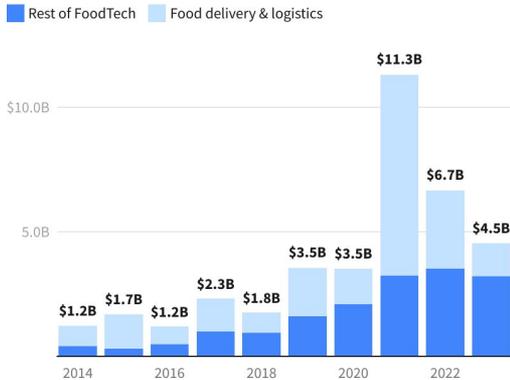
Investment in European Foodtech.

FoodTech ranked 6th in top funded European industry in 2023 with \$4.5B.

Foodtech held slightly better than the average European VC market drop of 37%.

When excluding food logistics & delivery, Foodtech funding is actually on par with 2021 levels.

European foodtech VC investment by year



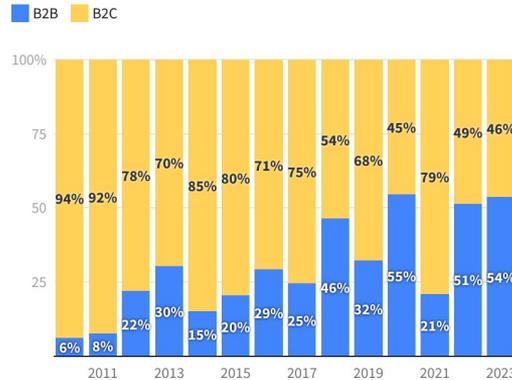
B2B's share has grown, but B2C still offers huge opportunities.

B2B solutions now account for over 50% of Foodtech funding, up from less than 20% a decade ago.

But exits are mainly seen in the B2C sector with corporates more willing to acquire at premium valuations in exchange for high quality assets.

B2C Foodtech startups have proven they can grow as fast, or even faster than top SaaS or Fintech startups.

B2B share of Foodtech funding in Europe



Planetary and human health emerge as key topics for foodtech.

Human health: Food as medicine, functional beverages and breakfast & healthy alternatives.

Planetary & human health: Alternative proteins & Pet foods.

Planetary health: Sustainable packaging and Food waste.

Top segments in FoodTech 2023



“ ***Instead of a cool-down, we should rather speak of a normalization of the food tech market. Multiples have come down since the Covid-19 pandemic when they were highly inflated, but are still on-par with pre-pandemic multiples.*** ”



Ivan Farneti
Managing Partner
at **Five Seasons Ventures**

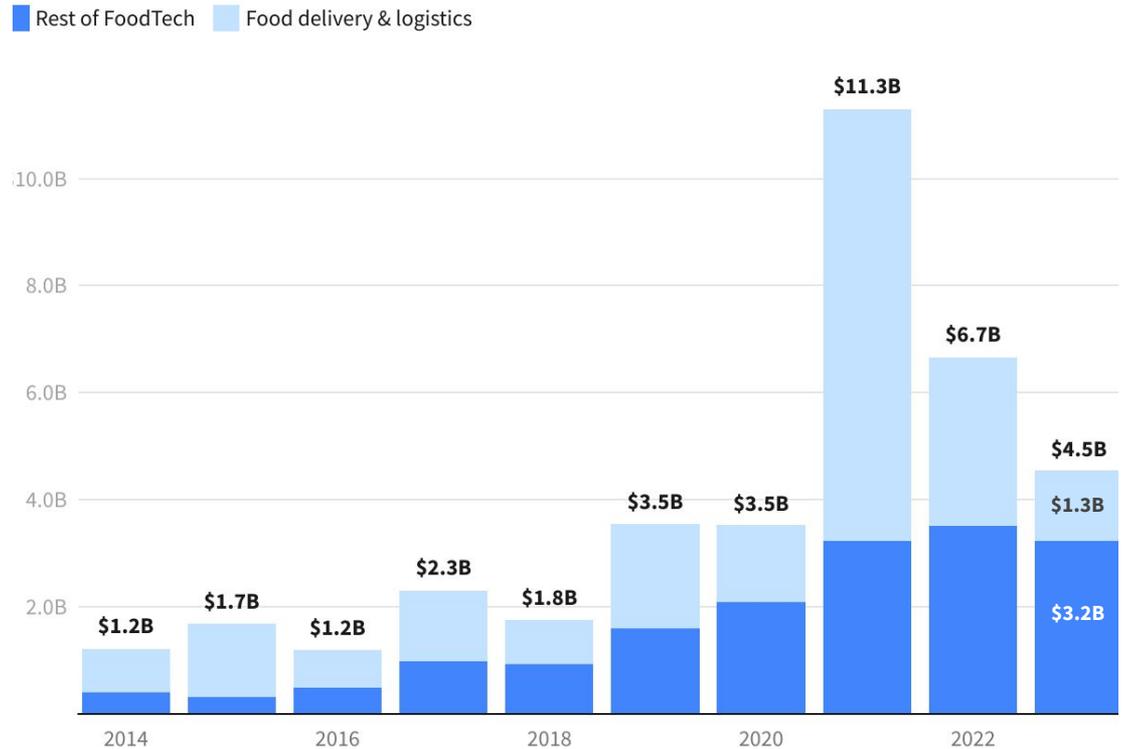
Deals are still being closed and we see a capital flight to quality assets, towards companies with healthy fundamentals, short to near term paths to profitability, and strong consumer demand regardless of the macroeconomic environment. At Five Seasons we invested in 3 companies last year: [DASH Waters](#), [Untamed](#) and [Spacegoods](#), all of which operate in resilient categories where consumer demand is holding up strong."

1. The State of Foodtech in Europe

In 2023, FoodTech VC Funding totaled \$4.5B, marking a 32% decrease from the previous year.

The decline can be largely attributed to challenges in Food delivery and logistics, while other segments within FoodTech have demonstrated resilience.

European VC Funding in FoodTech startups



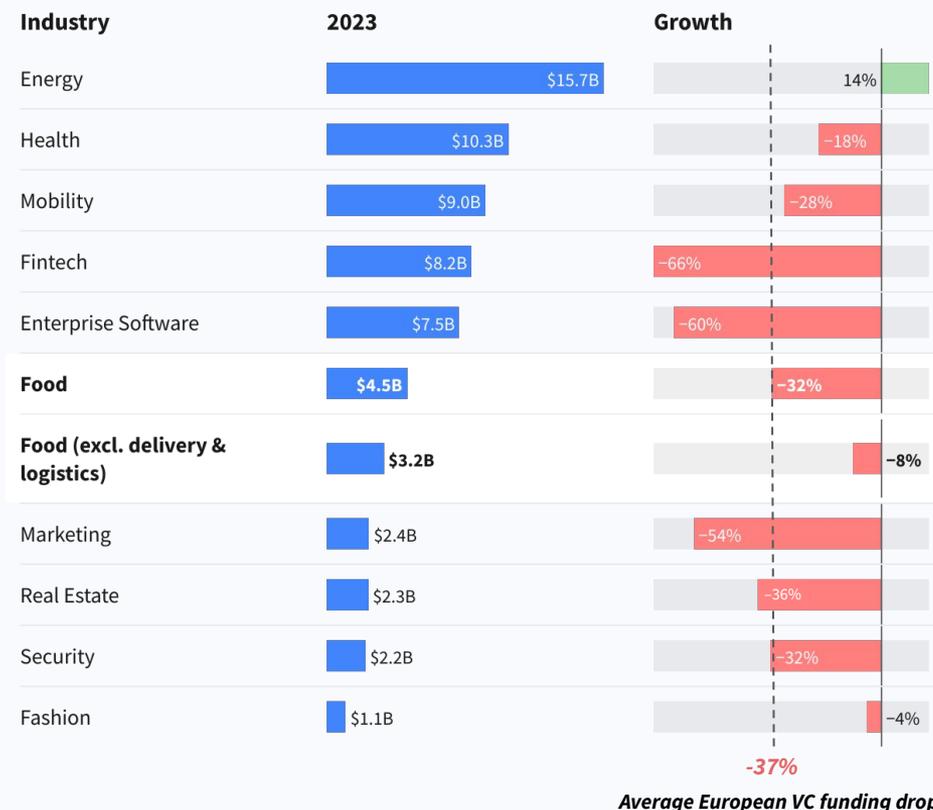
FoodTech ranked 6th in top funded European industry in 2023.

Foodtech held slightly better than the average European VC market.

When looking beyond food delivery and logistics, Foodtech was almost on par with 2022.

Other consumer packaged goods industries such as Fashion rank lower but showed less decline than Food.

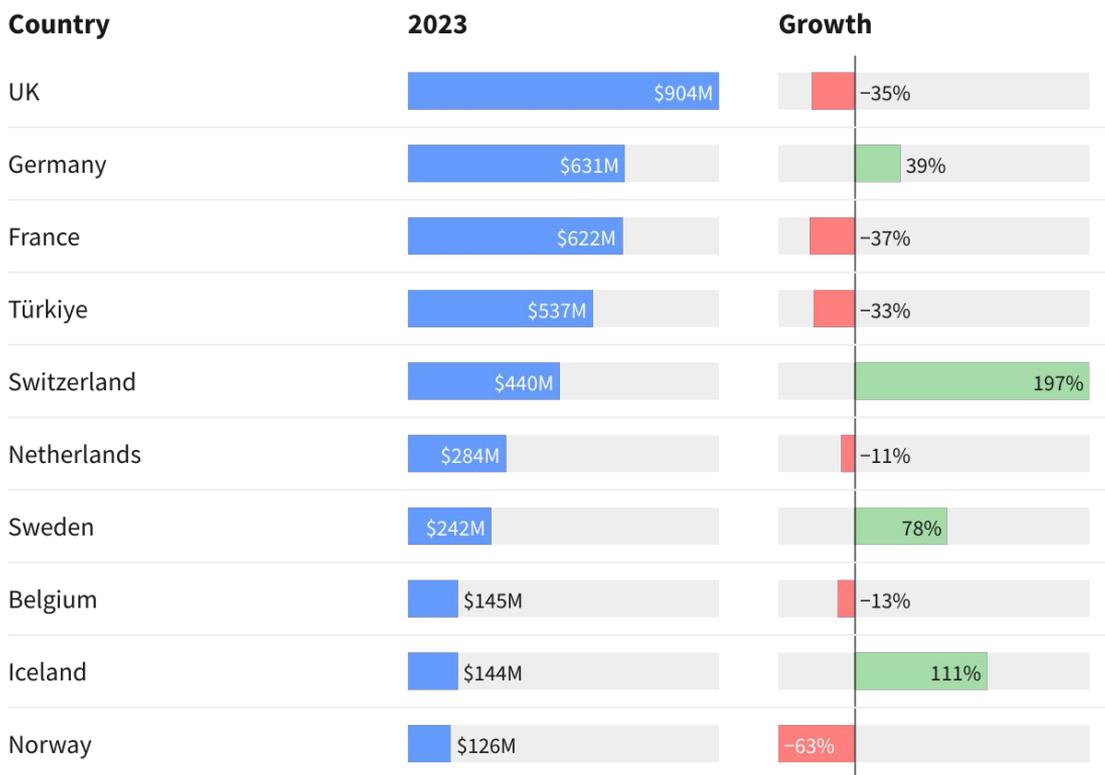
European VC investment by industry in 2023 (and growth 2023 vs. 2022)



The UK trumps European FoodTech VC Funding by a long margin, while Germany & France fight for the 2nd spot.

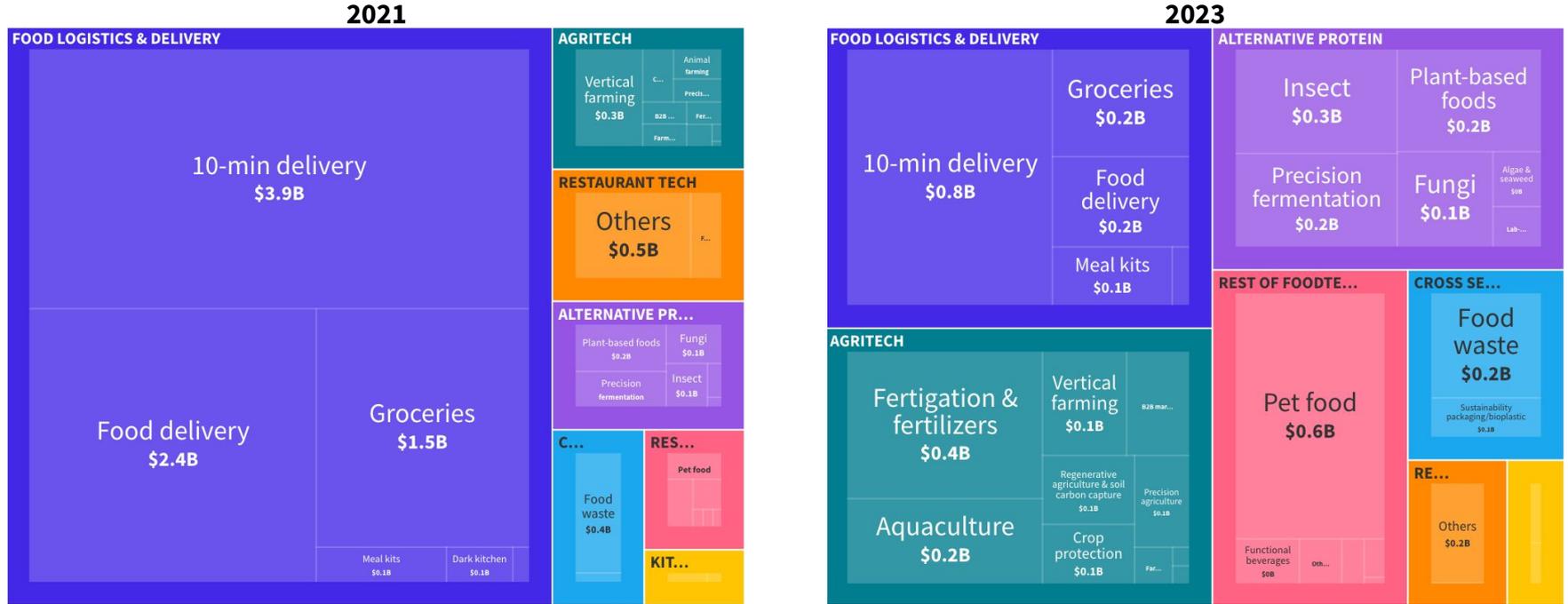
Notably Switzerland and Iceland have experienced considerable growth, explicable due to few but large rounds.

Top FoodTech European countries by VC Funding (2023)



The Food & Agritech landscape has changed dramatically in the last two years.

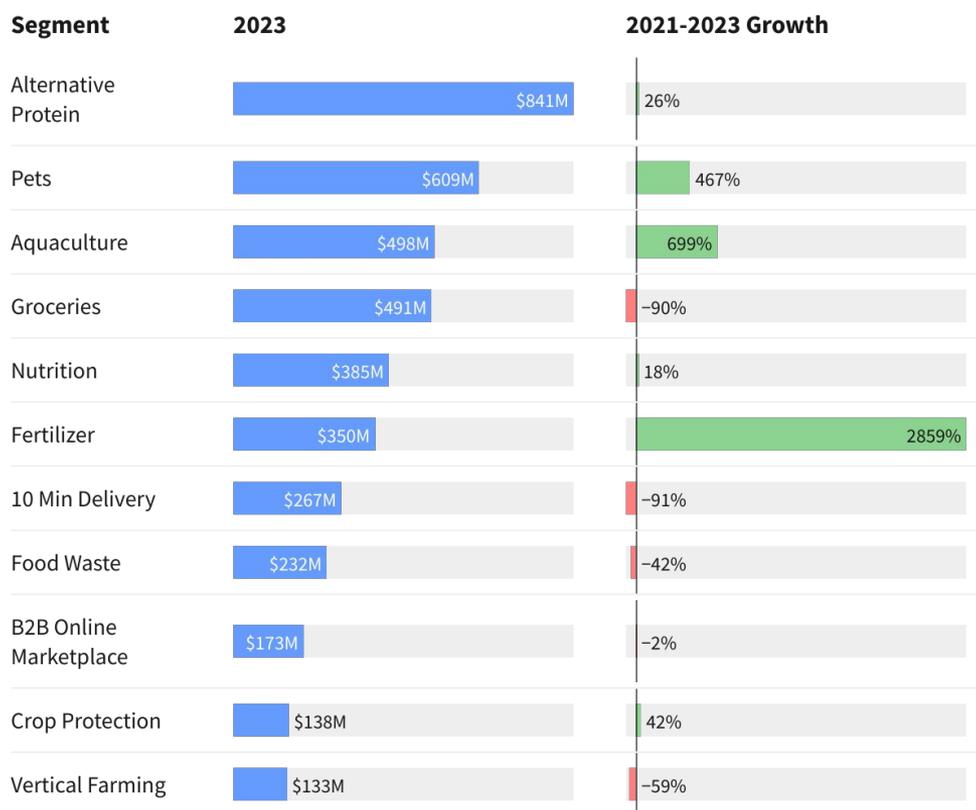
European Foodtech funding by segment 2021 vs 2023 » [see interactive version](#)



Alternative proteins, Pet food and Aquaculture have attracted the most funding in European Foodtech in 2023.

Fertilizers have experienced the biggest surge in growth while Groceries and 10 min deliveries have dramatically fallen in the past two years.

Top European Foodtech segments by funding in 2023 and growth since 2021



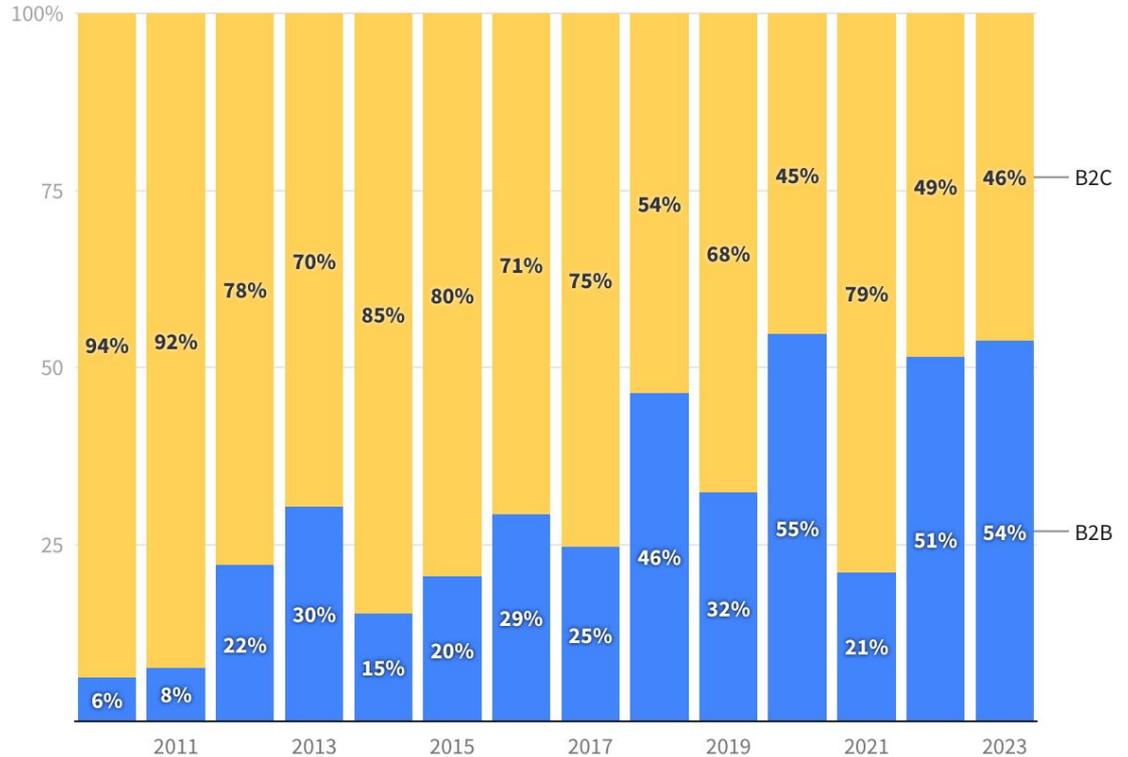
There can be some (limited) overlap between segments, such as pet food made with alternative proteins (plant-based, insect), or sustainable packaging that extends shelf-life and reduce food waste.

B2B now account for over 50% of Foodtech funding, up from less than 20% a decade ago.

B2C's huge 71% share in 2021 can largely be attributed to the surge in food delivery and logistics services, driven by emerging trends like 10-minute delivery and grocery delivery and accelerated by the pandemic.

[Explore the Top B2B rounds of 2023 »](#)

B2B as share of food tech funding in Europe



B2C has seen the largest exits

Company	Amount	Valuation	Type of exit
 THE ORIGINAL OATLY!	\$1.4b	\$13b	IPO
 Butternut Box	£280M	£500M	Growth equity VC
 yfood®	€215m	€430m	Secondary by Nestlé
 JUST SPICES	Undisclosed amount	Undisclosed amount	Acquisition by The Kraft Heinz Company

B2B exits:

Company	Amount	Valuation	Type of exit
 Moolec	\$138m	\$504m	SPAC IPO by LightJump Acquisition Corp
 BioPhero	\$200M	\$200M	Acquisition by FMC Corporation
 orderbird.	\$145M	\$145M	Acquisition by Nexi

“In a difficult market, high quality assets (brand, growth, business model, customer base) attract high quality investors/acquirers, willing to pay premium valuations.”

Brands that create value perception are the best moat for companies to navigate through different economic times, and certain sectors with high emotional engagement are resilient proof, think pet food, snacking and coffee."

Saskia Hoebée

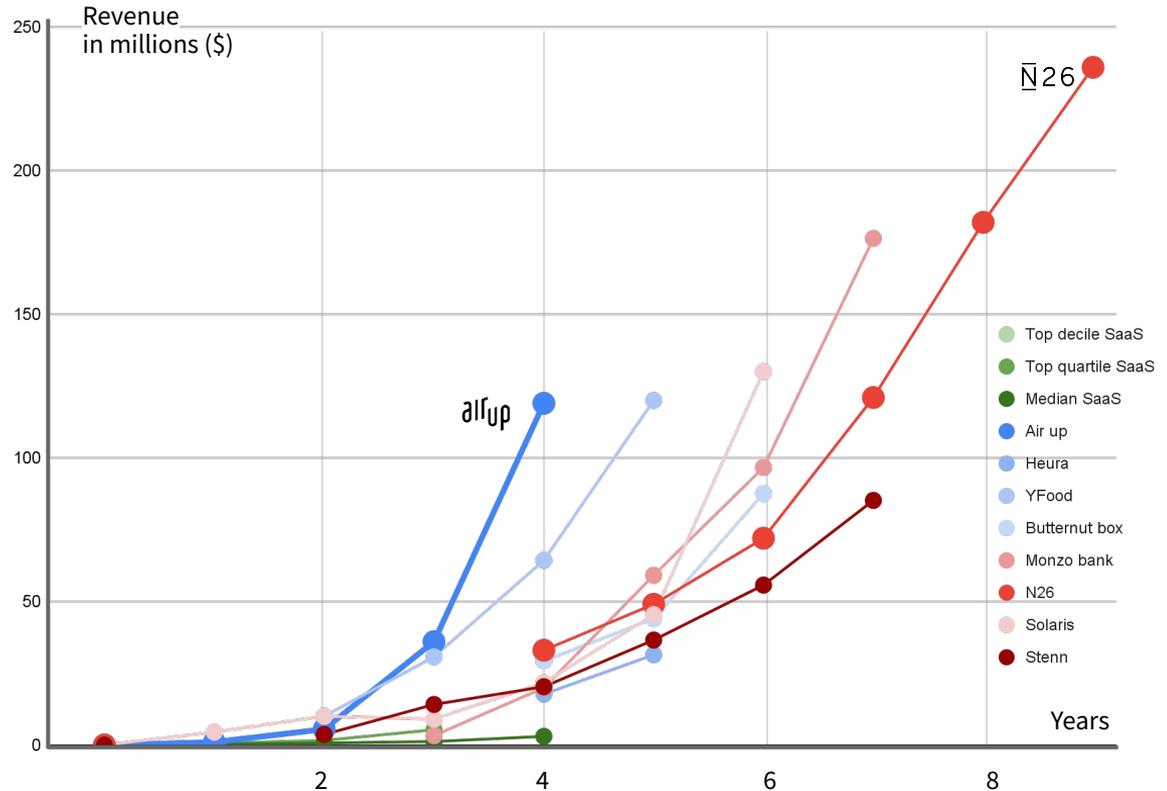
Principal

at **Five Seasons Ventures**



B2C Foodtech brands have the potential to experience rapid growth, often comparable to, or even surpassing, those of "pure" tech startups.

Revenue growth of selected fast-growing B2C Foodtech startups benchmarked with SaaS and fintech.



Rank of top European FoodTech investors in 2023

Seed Investors

Investor name	Investor country	Preferred round	Food rounds participated in 2023	Food rounds participated in 2018-2023	% Food investments over total (2018-2023)
SFC Capital	United Kingdom	SEED	15	40	<25%
EIC Fund	Belgium	SEED	13	45	<25%
Antler	Singapore	SEED	9	25	<25%
FoodLabs	Germany	SEED	8	38	+50%
Bpifrance	France	SEED	7	60	<25%
Banque des Territoires	France	SEED	6	10	<25%
Agfunder	United States	SEED	4	17	50-75%
Nordic FoodTech VC	Finland	SEED	4	15	+50%
CDP Venture Capital	Italy	SEED	4	12	<25%
Oost NL	Netherlands	SEED	4	11	<25%
Simon Capital	Germany	SEED	4	11	25-50%
Mudcake	Sweden	SEED	4	10	+50%
Übermorgen Ventures	Switzerland	SEED	4	9	25-50%
AFI Ventures	France	SEED	4	6	25-50%
Denmark's Export and Investment Fund	Denmark	SEED	4	4	<25%

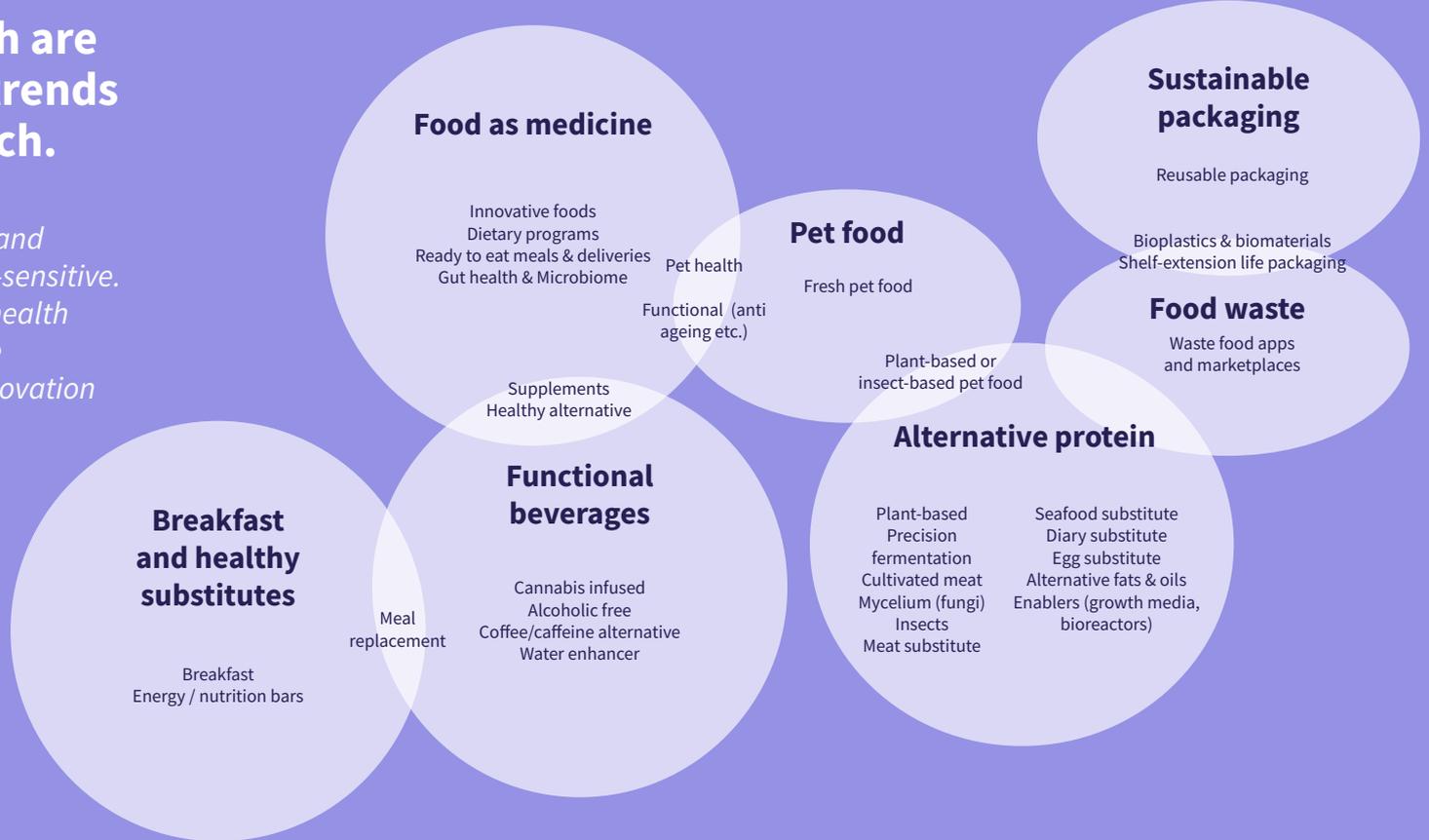
Series A+ Investors

Investor name	Investor country	Preferred round	Food rounds participated in 2023	Food rounds participated in 2018-2023	% Food investments over total (2018-2023)
Five Seasons Ventures	France	SERIES A	6	31	>75%
Demeter Partners	France	SERIES A	6	27	<25%
HV Capital	Germany	SERIES A	5	12	<25%
Business Growth Fund	United Kingdom	GROWTH EQUITY	4	21	<25%
Astanor Ventures	United States	SERIES A	4	19	>75%
DSM Venturing	Netherlands	SERIES A	4	7	25-50%
ENISA	Spain	DEBT	4	6	<25%
Balderton Capital	United Kingdom	SERIES A	3	15	<25%
PeakBridge Partners	Malta	SERIES A	3	9	+50%
Swen Capital Partners	France	EARLY VC	3	7	<25%
Invest-NL	Netherlands	SERIES B	3	7	<25%
A Plus Finance	France	EARLY VC	3	5	25-50%
Edaphon	Belgium	SERIES A	3	4	+50%
Kinnevik	Sweden	SERIES B	2	16	<25%
Pymwymic	Netherlands	SERIES A	2	14	+50%

2. Foodtech trends

Human and planetary health are the key macro-trends shaping Foodtech.

Taste is king in Foodtech and consumers are very price-sensitive. But beyond that human health and sustainability are the macro-factors driving innovation in the Foodtech space.

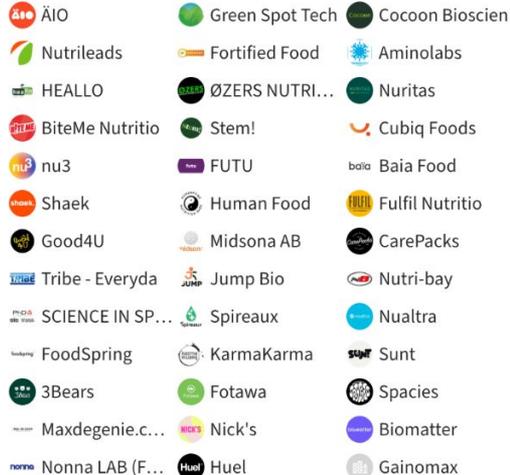


Food as medicine

Explore the landscape »

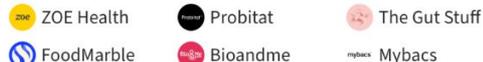
Innovative foods

Combined funding \$ 324M



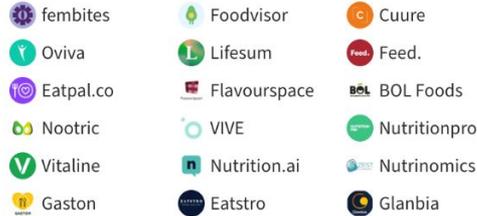
Gut health & microbiome

Combined funding \$ 84M



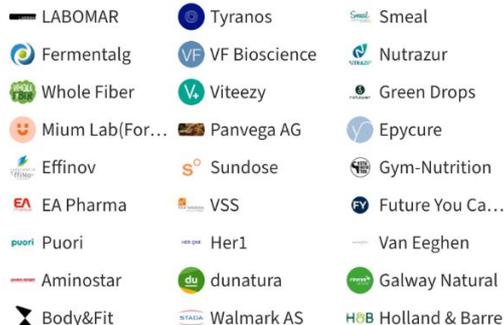
Dietary programs

Combined funding \$ 170M



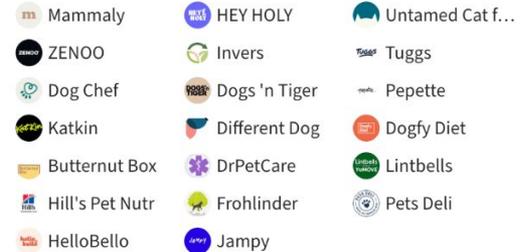
Supplements

Combined funding \$ 652M



Pet health

Combined funding \$ 523M



Longevity

Combined funding \$ 84M



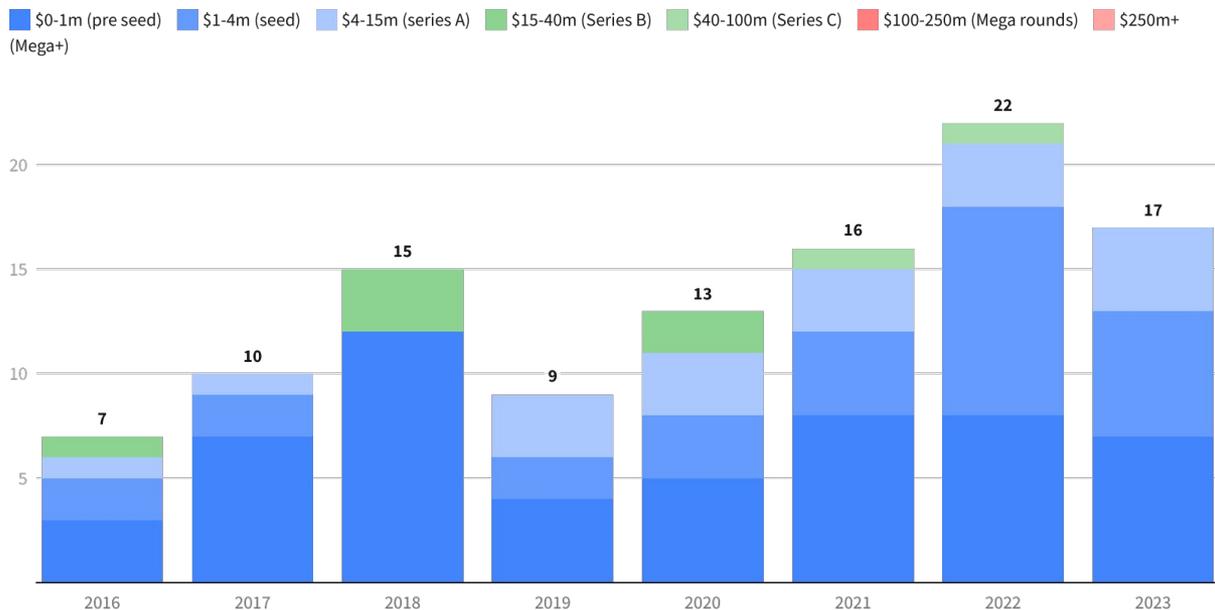
Diabetes (regulating blood sugar, monitoring glucose)

Combined funding \$ 28M



Still no megaround for European functional beverages startups, but early-stage activity is at all time high in 2022-2023, signaling sustained investor interest.

Number of rounds in European functional beverages companies [» view online](#)



“The soda industry is massive (>\$170bn in 2024) and ripe for disruption, because consumers are demanding better products but are not willing to give up on taste and convenience.”

Brands like our portfolio company [DASH](#) are leading the way on the healthy, no sugar, no sweetener promise. On top of the healthier alternatives I expect to see more functional beverages (think gut health, collagen, clean energy) popping up in Europe, following the success of US category leaders like [Olipop](#). There is increased willingness to pay for beverages in Europe, and functionality justifies fetching a premium prize.”

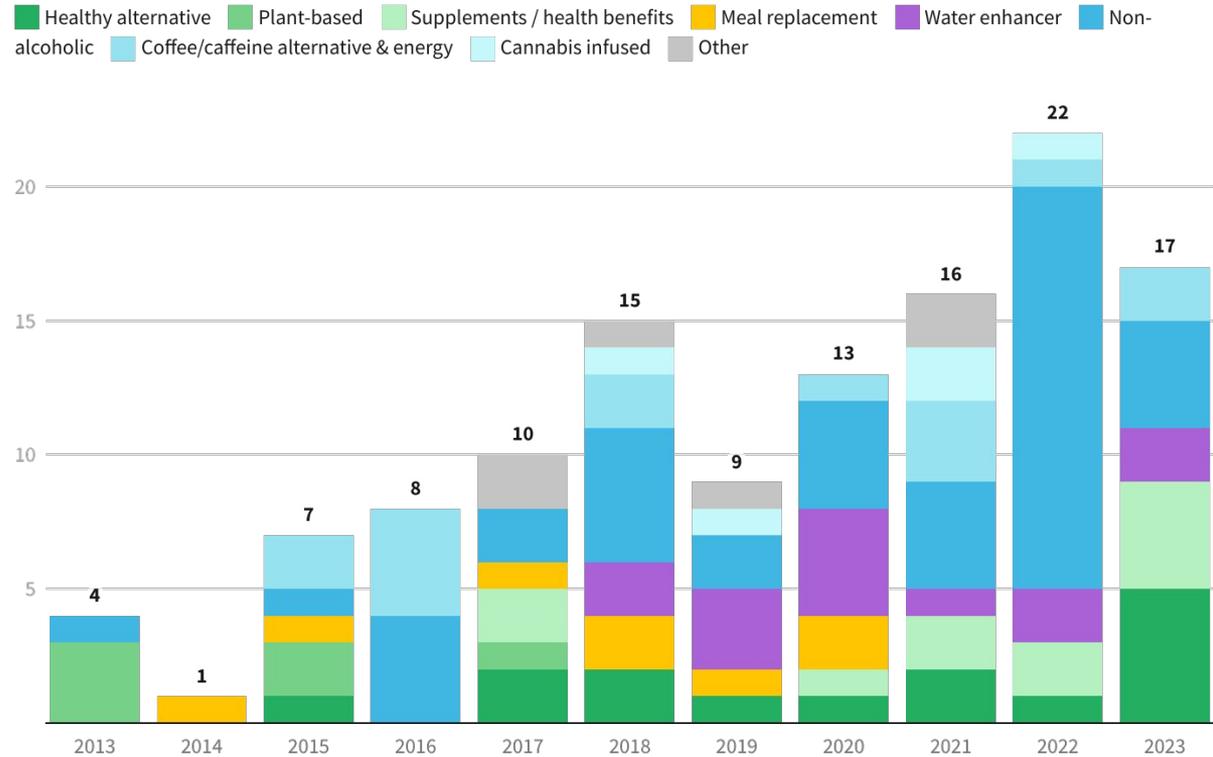
Lucie Paté
Senior Analyst
at **Five Seasons Ventures**



Non-alcoholic and water enhancing startups dominate the functional beverage market.

In the past year health focused beverages have been high growth segments.

Functional beverages by number of rounds



air up disrupted the flavoured drinks market with well executed beverage innovation, such as great marketing backed by proprietary technology.

Revenues in 2022

\$150M

Crossed \$100M revenues in less than

3 years

Number of customers worldwide

6M

“Water, but way more fun.

Drink more water but with scent-based flavour.”

Air Up is reshaping the industry by offering an innovative alternative to traditional flavored drinks that is **healthier and more sustainable**.

Driven by high customer demand, Air Up has achieved **substantial growth**, blending responsible consumption with an attractive and **differentiated product experience**.

While remaining a **technology-driven business** with deep [intellectual property](#), including patents for its retronasal device, Air Up's consumer messaging remains simple, focusing on the delightful experience rather than technical details.

“ Air up is a BevTech company with a focus on scent-based flavour, that provides consumers an opportunity to enjoy healthy hydration. Their unique product that doesn't compromise on health (think 0 sugar and 0 additives) or the environment (the bottle is reusable) has taken Europe by storm and the company is well under way to make 'the air up way' the new habit for hydration.”

Niccolò Manzoni

Managing Partner
at **Five Seasons Ventures**



Functional beverages

Explore the landscape »

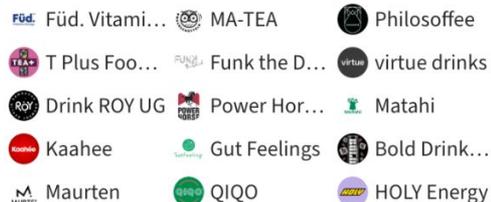
Non-alcoholic

Combined funding \$ 238M



Coffee/caffeine alternative & energy

Combined funding \$ 6.9M



Cannabis infused

Combined funding \$ 15M



Supplements / health benefits

Combined funding \$ 7.5M



Meal replacement

Combined funding \$ 20M



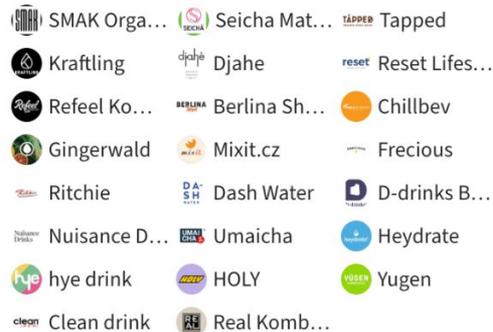
Other

Combined funding \$ 38M



Healthy alternative

Combined funding \$ 26M



Water enhancer

Combined funding \$ 138M

Consumer trends and habits in breakfast are changing in a post-pandemic world.

Breakfast foods

Consumers consuming
“breakfast foods”

12%

Market value
in 2024

€20B

2029 market value
projection

€30B

The breakfast foods market is experiencing a dynamic transformation driven by **evolving consumer habits and preferences**, many of which have been instigated by the pandemic. Notably, **12% of consumers are now consuming more "breakfast foods" compared to pre-2020**. Today, it is worth €20B and is expected to reach €30B by 2029.

Major trends includes:

Quick and convenient →
back to work after covid
e.g. frozen foods,
breakfast mixes,
beverages, snacks.

**At home or on the go
food** →
vs. purchasing daily due
to increasing price
sensitivity.

**Intentionality in
breakfast** →
gut health, protein
packed e.g. bars,
cereals/porridge,
beverages as well.

Notable startups in breakfast & healthy snack
» [view all online](#)

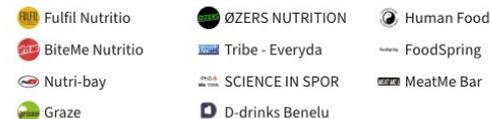
Breakfast

Combined funding \$ 78M



Energy/Nutrition bars

Combined funding \$ 36M



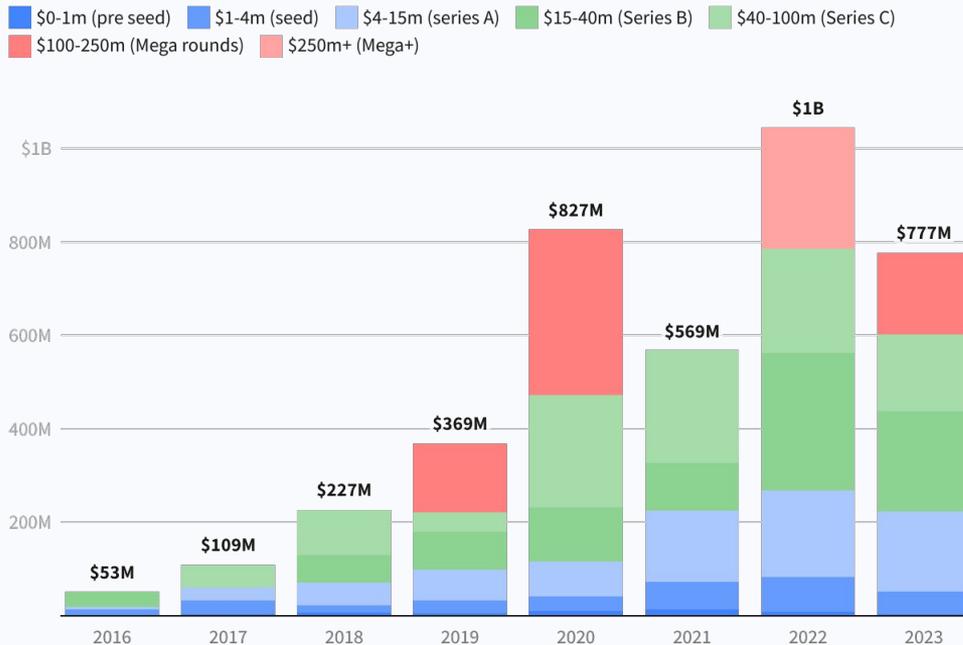
Beverage

Combined funding \$ 22M



In 2023, European alternative protein startups raised \$777M in funding. Despite a 22% y-o-y decline and the scarcity of mega rounds, it remains the third-best year for the industry overall.

VC funding of alternative proteins in Europe

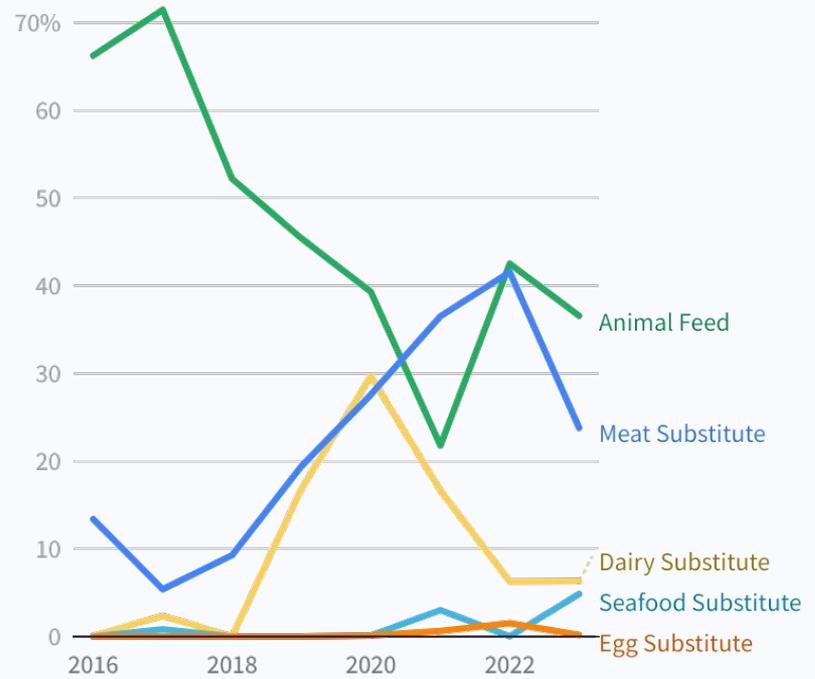
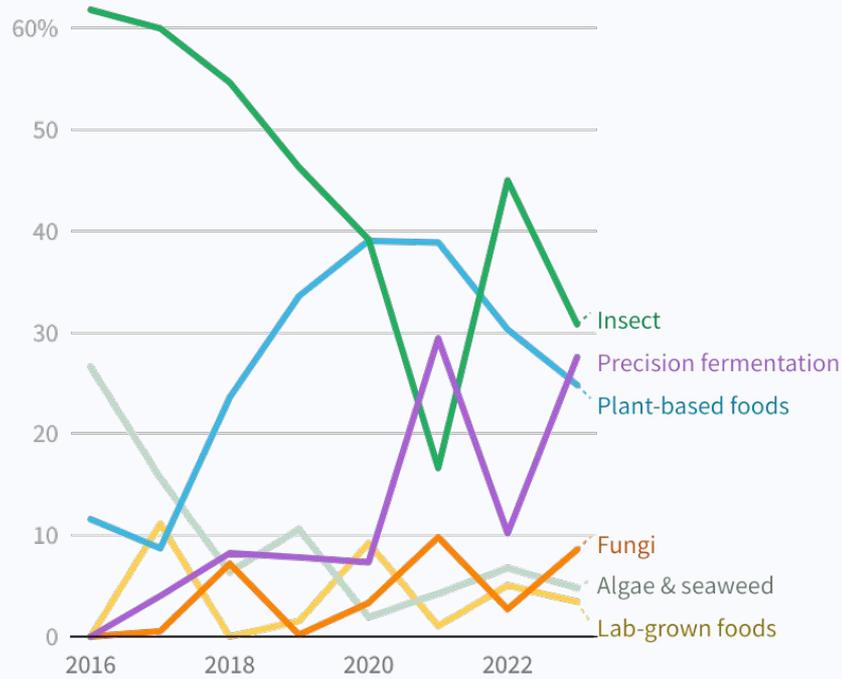


Selected rounds of 2023 » [view online](#)

Company	Sector	Last Round
 Ynsect	Insect-based animal feed	\$175m Late VC
 PROTIX	Insect-based animal feed	\$55m Late VC
 INTACT REGENERATIVE	Plant-based proteins and fermentation	\$55m Early VC
 ENOUGH	Mycoprotein meat	\$40m Series C
 umiami	Plant-based meat	\$32.5m Series A
 THIS	Plant-based meat	\$10m Series B

Precision fermentation & Insect, are gaining importance in respect to plant-based. Beyond animal feed, most startups still target meat substitutes.

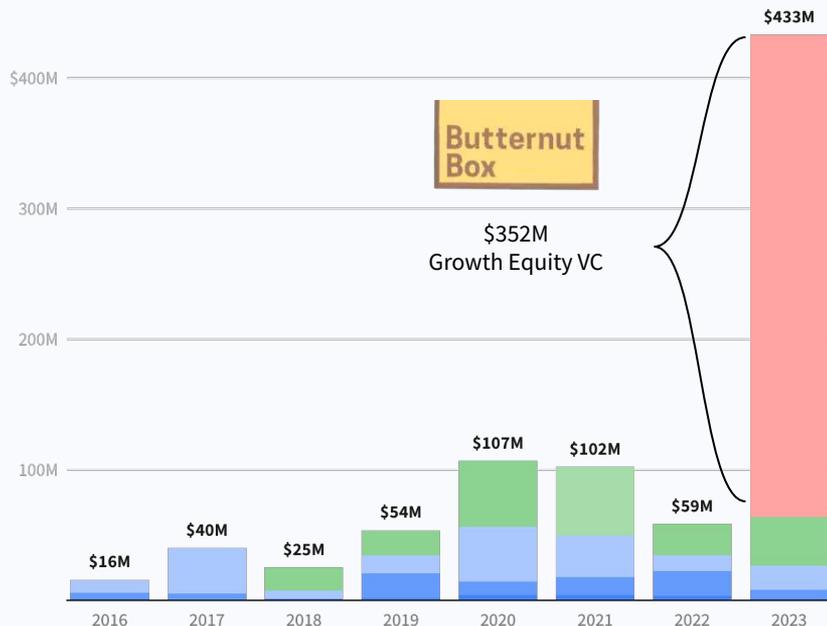
Europe Alternative protein VC funding by subsegments



Pet food attracted a record-high \$433M in funding in 2023, most of which driven by Butternut Box's mega round.

VC funding in European pet food startups [» view online](#)

■ \$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+)



Notable pet food startups in Europe [» view all online](#)

Fresh and healthy pet food



Fresh dog food subscription.



Fresh, natural, and tailor-made dog food delivered at home.



Natural cooked dog food personalised by nutritionists.



Pet food helping reduce the severity of aging issues.

More sustainable pet food (alternative proteins)



Making insect based pet food.



Sustainable dog and cat food with eco-friendly ingredients.



Ethical, sustainable pet food with optimal nutrition from cultured meat.



Healthy and eco-friendly pet food from insect protein.

Sustainable packaging raised \$117M in 2023, over 2x more than in 2022.

Sustainable packaging

Global governments are tackling food packaging waste through bans, incentives, and recycling targets. Corporate responses, fueled by ethical concerns and consumer demand, include **a willingness among 66% of US consumers to pay extra for sustainable packaging.**

VC funding in European sustainable packaging startups

[» view online](#)

■ \$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+)



Notable sustainable packaging in Europe [» view all online](#)

Biomaterials & bioplastics

traceless



Xampla

one•five

Creating biodegradable, plastic-free materials from plant residues for a new generation.

Growing strong natural packaging to replace polystyrene, helping sustain a better world.

A natural plastic alternative that creates plant protein material for commercial use.

Offers individualised, cleaner, and circular packaging solutions in a brisk amount of time.

Shelf life extension & smart packaging

Freshinset



Reducing food waste and boosting profits with post-harvest solutions for fruits and vegetables.

Mimica is radically reducing unnecessary food waste with dynamic expiry labels.

Reusable packaging

RECUP



Revolutionizing the coffee-to-go industry to eliminate disposable cups.

Zero Waste supermarket that offers and sells groceries in reusable packaging.

A few words on our methodology.

What is a startup?

Companies designed to grow fast. Generally, such companies are VC-investable businesses. Sometimes they can become very big (e.g. \$1B+ valuation). When startups are successful, they develop into scaleups (>50 people), grownups (>500 people) and result in big companies. Only companies founded since 1990 are included in this report.

What is a startup?

What is a unicorn?

Unicorns are (former) startups that reached US\$ 1B valuation or exit at one point in time.

What is a Unicorn?

What is Foodtech in Dealroom

FoodTech is an ecosystem made of all the agrifood entrepreneurs and startups (from production to distribution) innovating on the products, distribution, marketing or business model.

The Food industry includes agritech, food logistics & delivery, in-store retail & restaurant tech, innovative foods and kitchen & cooking tech.

Some foodtech startups blur the line between technology and traditional food brands. As demonstrated in this report certain food companies exhibit growth comparable to sectors like SaaS or Fintech. We consider startups as all companies designed to grow fast (either developing tech or using tech to operate its business).

Dealroom Taxonomy

Underlying Data

Dealroom's proprietary database and software aggregate data from multiple sources: harvesting public information, user-submitted data verified by Dealroom, data engineering. Data is verified and curated with an extensive manual process.

The data on which this report builds is available via app.dealroom.co. For more info please visit dealroom.co or contact support@dealroom.co.

Venture Capital, Investors

Investment are referred to by their round labels such as Seed, Series A, B, C, ... late stage, and growth equity. VC investments 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.



FSV