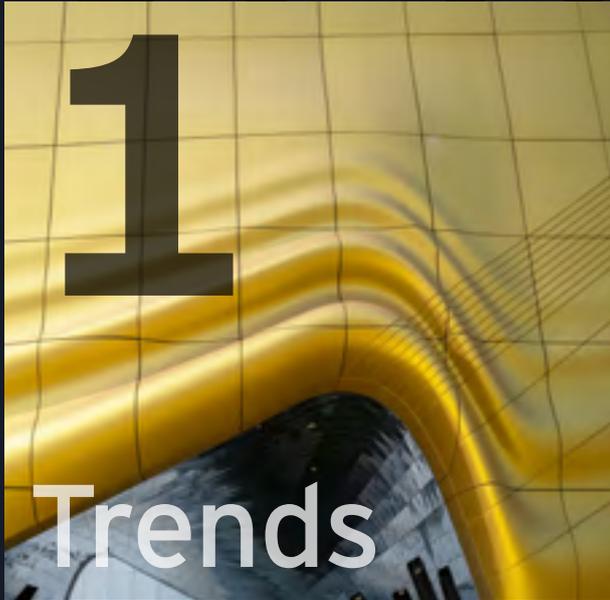


Growth by diversity: German Tech start-ups defy the pandemic

Venture capital and start-ups
in Germany 2020

Content



B2B software solutions

and environmentally-focused technologies are prevailing topics in the German VC ecosystem in 2020. Driven by the pandemic, new innovative business models emerged in 2020. The visibility of female players in the VC market is slowly but steadily on the rise.

Page **8**



Top 100 German start-ups

account for an accumulated funding of USD13.7b in 2020, exceeding the prior-year level by USD3.7b (on a like-for-like basis). Berlin and Munich are the leading German start-up hubs.

Page **16**



Corporate investors

still represent the most relevant exit channel for German start-ups. While some M&A activity was delayed due to the pandemic, prominent exits of Flaschenpost, Circ, Auxmoney, or Instana made headlines in the market.

Page 30



Early stage funding

continues to develop with well balanced liquidity supplies in seed and series A rounds driven by domestic investors. International investors remain the key driver in later-stage investments.

Page 36

Appendix.....	50
Contacts.....	53

Introduction

Venture capital

Growth by diversity: German Tech start-ups defy the pandemic



Dr. Thomas Prüver
Partner, EY
Strategy and Transactions



Karolina Yalamova
Project Lead VC Study, EY
Strategy and Transactions

After years of unbridled growth, the German Tech ecosystem was confronted with a global pandemic in 2020. Like the entire economy, the local ecosystem had to deal with a lot of uncertainty. This was demonstrated by a decreased number of financing rounds and less financing volume in the first half of 2020 compared to prior year. In particular, grown-ups operating in the travel sector, consumer retail or the hospitality industry faced significant issues to secure their business going forward.

However, 2020 did also demonstrate the robustness and resilience of the German ecosystem. The number of financing rounds and financing volumes came back in the second half, which partly showed even higher numbers than ever seen before. Large international financial and corporate investors show continuous interest to invest into the German market thanks to zero interest rates and the strong substance of the local Tech ventures and founder teams. While online B2C businesses gained unexpected momentum from the lockdowns, B2B is currently the place to be for start-ups and investors.

Founder teams get increasingly more tech-focused, backed by solid German universities and international talent. Diversity evolves as a differentiating factor to build a successful and sustainable business, driven by more advanced investment criteria of VC funds where diversity is not a nice-to-have anymore and rather a necessity. However, female founder teams and female managers of investors still represent a minority in the German ecosystem, as underpinned by our interviews with market participants. There is still further work to be done with increased focus on gender diversity in science, technology, engineering and mathematics at school and university levels.

German Tech start-ups have adapted very quickly to the pandemic and will evolve as winners in the mid- and long-term. The pandemic revealed Germany's weaknesses in terms of digitalization and will accelerate the growth primarily in the B2B Tech sector. We expect huge funding rounds and large exits, respectively, IPOs in 2021, which will boost the German Tech ecosystem up to levels never seen before.

capital and

Gender equality is key to unlock success



Julie Linn Teigland
EY EMEA Area Managing
Partner and EY Global Leader –
Women. Fast forward

Technology is changing our world for the better in many ways. The unprecedented challenges we faced during the pandemic acted as the latest catalyst for change. Digital technology enabled flexible working models, connected companies to remote talent, and created exceptional opportunities in the German start-up and venture capital ecosystem.

While technology allows for a high variety in our workplace, the level of diversity in the workforce is still lacking behind. Today, less than 10% of top positions in venture capital firms are covered by women. Female-led ventures receive funding less often than men, and in addition, they attract lower funding volumes and valuations.

A strong female participation in the digital economy and venture capital ecosystem is critical, not only to play an equal part in driving our global economy, but also to prevent the negative impact of unintentional gender bias in the sector. Studies show that people naturally desire to partner with people from similar backgrounds. Entrepreneurship and deal sourcing, for example, highly depend on personal networks and, thus, can be susceptible to bias if the majority of the investors' network is male.

Attracting more women to the world of technology calls for championship from a wide range of stakeholders. We know there is no silver bullet to resolve this issue and require collective action to make progress. This means that we need to find ways to boost our entrepreneurial ecosystems with more robust and diverse investor networks.

Furthermore, we need to encourage a higher visibility of female investors and Tech entrepreneurs as role models in the VC community to fuel ambition and inspiration of the possible. This also should include mentorship programs for female entrepreneurs to provide valuable insights and support in resourcing and networking. Finally, to build a strong pool of female talents, we recognize that we should start at a much earlier age and nurture talents leveraging education in digital skills early onwards.

At EY, we commit to support gender equality through our worldwide engagement with start-ups, women entrepreneurs, corporates, and other global initiatives. We are aiming for an inclusive culture that enables women to unleash their full potential and together build a better working world.

Now is the time to act together and create a world that is equitable for all.

-ups many 2020

Breakdown of key terms

Venture capital Investments

Investments

With investments we refer to (i) fundings and (ii) exits (IPOs and M&A deals), which relate to German start-ups operating a digital business model. Investments in life science, BioTech or start-ups without a digital business model are not considered in this study. Debt, lending capital, and grants are also excluded, unless mentioned otherwise. For this reason, deal numbers and analyses presented in the 2020 EY Startup Barometer (743) and in this study (730) differ.



Funding

We define funding as equity provided to a German-based start-up (with a change in ownership below 50%) that operates a digital business model.



M&A

M&A activity comprises transactions with a change in ownership of more than 50%.



IPO

We define an initial public offering (IPO) as a public offering in which a German start-up sells shares for the first time.



Exit

Capital and

Key players



Investors (Corporate and Financial)

We define investors as market participants acquiring shares in a German-based start-up (>50% = M&A deal). A company is considered a corporate when its primary business is non-finance related, e.g. industry or service provision. We define an investor as a financial investor when its primary activities are investing or financing related.

Start-up

Start-ups are companies generally younger than 10 years operating a digital business model. Exceptions might apply for older companies showing very strong growth potential, or which have digitally transformed their business model during the last 10 years.

The digital sector comprises companies mainly focused on consumer products and services, software and analytics, financial technology, mobility, advertising technology/ media, digital health, and property technology.



Corporate

Financial

-ups

many 2020

Trends

“

The digitalization push driven by the Corona-crisis has a positive impact on start-ups with digital business models. HealthTech is now finally on the map – not only with sector specific investors, but on a broad investor level.

Nina Wöss, Female Founders

1

New digital models emerged during the pandemic, primarily related to HealthTech and software solutions for remote working

B2B Software

The evolution of large scale technological solutions has paved the way for new business models that can leverage the available technologies for creating sector specific B2B applications and services. Combined with strong academic substance in engineering, Germany shows great potential and opportunities for B2B Tech ventures.

43% of the top funding rounds by volume in 2020 are invested in start-ups offering B2B solutions, such as LeanIX, Contentful, Personio, and Spryker, confirming the investors' confidence in German B2B software.

Sustainability

The awareness for sustainability and climate change has been changing the consumer behavior for the last few years. This resulted in a noticeable shift in venturing and raising investors' attention.

New environmentally and socially sustainable business models are already established in the German start-up ecosystem and have begun to receive positive resonance from investors. The number of new financing rounds in CleanTech, sustainable mobility solutions and AgTech ventures increased. The invested volume has reached new levels in 2020, as shown by Lilium Aviation, Sono Motors and Infarm.

The European Commission's Green Deal has been a key policy-maker focus in 2020 and has the potential to further incentivize investments in this area.

Digital Health

While the digitization of the healthcare system in Germany has been a persistent topic in politics and media in the last years, the pandemic has made it more ubiquitous than ever. Founders had set their eyes on digital health ventures in the last year, and investors caught-on in particular in 2020. 12% of the funding rounds were invested in digital health start-ups, with five companies, such as PlusDental, Kaia Health and Temedica, receiving tickets larger than USD20m. Recently passed legislation allowing health insurance companies to invest up to two percent of their financial reserves in start-ups will create further opportunities for digital health ventures and will contribute to the venture capital environment.

Corona Business Models

In light of changing consumer needs during the pandemic, German start-ups developed innovative business models to gain better access to customers.

Demand for fast direct-to-customer delivery boosted during the lockdown and last mile delivery businesses for groceries, such as Gorillas, were trending in 2020. Amazon's success during the pandemic revealed a new buy-and-build business model for small retailers selling their products on the e-commerce platform, as displayed by SellerX and Razor Group.

The lockdown accelerated not only the need for remote working solutions, resulting in unprecedented success of virtual meeting solutions, such as Zoom in the US and Wonder in Germany. With all recreational activities being shut down, fitness providers and cultural institutions pivoted their offerings to online solutions, such as Freetetics, Gymondo, Urban Sports and Artnight. School closures prompted children to spend more time at home, paving the way for EdTech and gaming companies like Blinkist, Masterplan, Sdui and Huuuge Games to gain momentum.

The high demand for some of these business models may certainly change after the pandemic. Nevertheless, B2B software solutions for remote work and EdTech businesses show promising long-term potential.

Female leaders are on the rise in the German start-up ecosystem, but still represent a minority

The global share of start-ups with a female founder doubled in the last decade, up from 10% in 2009 to 20% in 2019¹. In Germany, the share of female founders grew from 13% in 2015 to 15.7% in 2019². This is a promising development as the German start-up and VC community recognizes the benefits of a diverse and inclusive ecosystem. However, there is still room and necessity for improvement.

In *The State of European Tech 2020* report, 87% of female survey respondents from the European start-ups and VC landscape feel more challenged in the ecosystem due to their gender. Out of the 22% of female survey respondents, only 16% have successfully raised external capital for their venture. Men also outperform their female colleagues when it comes to the volume of early-stage investments. The median size of a seed funding for male founders is globally at USD600k, exceeding the amount for female founders (USD460k) by 30%.

There is a similar picture in the German market. Although German female founders would prefer raising funds from venture capital investors and business angels, only 9% of their funding sources are from these investors, the remainder is coming from founders' own savings, government subsidies, bootstrapping or crowdfunding. In contrast, male teams receive 43% of their funding from VC and business angels².

Diversity in a team is deemed to be key a driver in improving financial performance. According to recent analyses, women in leadership roles can achieve better results when compared to entirely male-led roles³. Female founders also show a particular interest in ventures related to social entrepreneurship, CleanTech, health and SDG⁴ oriented ventures, which are currently trending markets for investors, promising large growth opportunities.

Increasing the share of female investors is one step towards resolving underrepresentation in the VC ecosystem. Investors like to be familiar with the product they invest in, which is more difficult for products and services marketed to women. Such biases can prevent investors from making the best investment decision. Including women on the investors' decision board can close this knowledge gap and result in more objective funding decisions. A more diverse investor team setup can attract a broader target group of, not only female led, start-ups and result in new investment opportunities. On the other hand, female VC partners can set an example and act as role models for young women.

In the start-up industry, having a strong network and access to the relevant contacts is crucial for deal sourcing and to meet the right investors. Therefore, it is important for women in the start-up ecosystem to increase their visibility and act as role models and mentors for young female entrepreneurs, who will feel more informed and empowered to take action. Events organized by accelerators and entrepreneurial communities are great opportunities to meet experts across the industry, build a strong network and get coaching on specific features of the VC market.

By raising awareness for entrepreneurship and inspiring young women to start a business, the traditional image of investing and entrepreneurship as a male domain can be shifted. Including more women in every part of the ecosystem will also imminently lead to changes in the compatibility between family and leading a business. The dual responsibility is still considered a major hurdle for any family caretaker in the process of founding their own company and should not be a threat to the growing female founder share in the start-up market.

The German VC ecosystem is heading in the right direction with prominent start-ups such as Infarm, Penta, Circ, wandelbots, Clue and usercentrics, having female founders.

1 Funding To Female Founders, Crunchbase, 2020.

2 Female Founders Monitor, German Startups Association, 2020.

3 Diversity in Innovation, Gompers & Wang, 2017; Why Women-Owned Startups Are A Better Bet, The Boston Consulting Group, 2018.

4 United Nations Sustainable Development Goals.

Sources: Female Founders Monitor, 2020; The State of European Tech Study, 2020; Crunchbase, Dealroom, press releases and secondary desktop research.

10 out of our Top 100 start-ups by accumulated funding are (co-)founded by women, and 14 are (co-)led by women. Due to the growing demand for digitalization and innovative ventures with a sustainable, society-oriented business model, now is the time for female-led start-ups to pick up momentum. For example, 17% of the female-founded start-ups are active in the healthcare sector, which has duly gained more attention in light of the pandemic.

The market has also realized the untapped potential from female target groups as well. FinTech start-ups like Fina, Madame Money Penny, Finmarie, Financery target specifically women with their business model.

The growing number of market players aiming to address female underrepresentation, such as female-led venture capital funds like Eurazeo and La Famiglia, initiatives like Global Digital Women, Female Founders, Startup Teens, as well as new diversity-focused funds like Ada Venture Fund or Tijen Onaran's planned fund for female founders, is a powerful reason to be optimistic about creating an inclusive start-up ecosystem.

Chart 1
Breakdown of founding teams in Germany

Source: Female Founders Monitor, 2020.

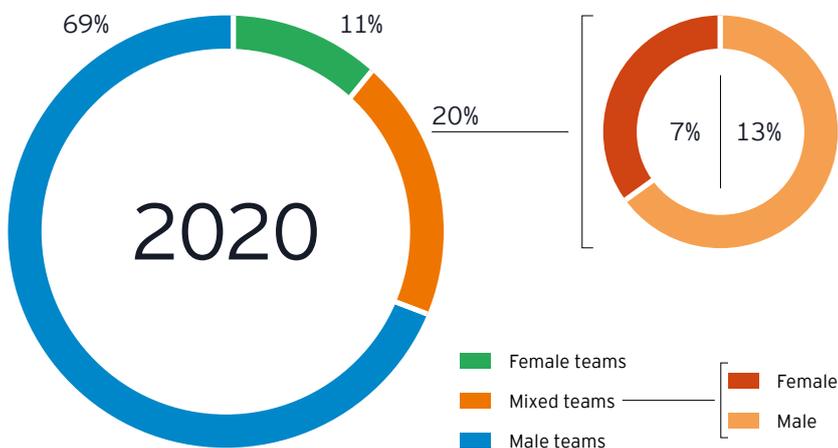
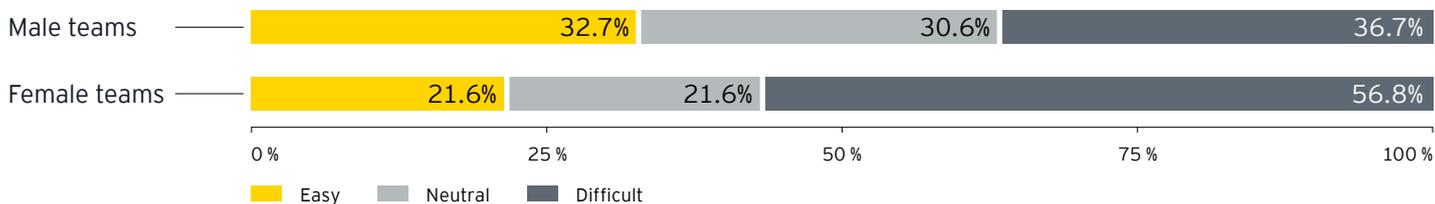


Chart 2
Access to investors and their network, perceived as:

Source: Female Founders Monitor, 2020.





Market quotes on Female Leadership in the German VC landscape



Nina Wöss

Co-Founder & COO
Female Founders

Female Founders is the fastest growing community for women in Tech in Europe. It offers different programs and events, among them a start-up accelerator for female-led ventures and a female leadership program. In a world facing more challenges than ever – today's economy and society are forced to change. Female Founders believes that entrepreneurial mindsets and women-led change will both have a crucial role in this transformation.

“

Female under-representation is not a specific phenomenon for Tech start-ups. Even in large corporates the management level is still quite homogeneous and few women make it to executive positions.

“

Especially in financing and early-stage company evaluations, a selfconfident appearance plays a major role. If you don't have that self-assured image, you're at a disadvantage.

“

“Female Founders” has an accelerator program to help female founders become “investment ready”. It is important to help female founders to present their vision, establish first contact with investors and set a different dynamic to the money raising process, also from the investors' point of view.

Market quotes on Female Leadership in the German VC landscape



Zoé Fabian

Managing Director
Eurazeo Growth

Eurazeo Growth is the Growth Equity arm of Eurazeo, a leading global investment company, with a diversified portfolio of EUR18.8b in assets under management, including EUR13.3b from third parties, invested in over 430 companies. Eurazeo Growth backs promising entrepreneurs with the purpose to drive the European innovation ecosystem forward. Portfolio firms include amongst others Adjust, BackMarket, ContentSquare, Doctolib, ManoMano, Tink, ThoughtMachine, Vestiaire Collective and Wefox.

“

I believe we are finally starting to see a shift in mindset allowing also women in Germany to successfully combine their career and family.

My observation is that despite all the family challenges like homeschooling, the COVID pandemic has also significantly accelerated this trend through a massively increased acceptance of remote working and more flexible working hours. I hope this development continues in the future.

“

I am happy that female representation and diversity are increasing at both – the entrepreneurs’ and the investors’ – sides of the table. Young leader and mentoring events are important levers to further drive gender diversity in the start-up scene. At Eurazeo we are witnessing first-hand what a positive pull effect a female CEO can have: our investment team is truly gender-balanced.



Funding

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The German start-up ecosystem is characterized by an unstoppable energy. Many digital business models have underpinned their relevance in times of Corona and have received fresh capital.

Marie-Luise Klose, Deutsche Bahn Digital Ventures

2

Top 100 German start-ups account for an accumulated funding of USD13.7b as per Dec20, up from USD10.0b⁵ in prior year

Top 100 start-ups by company age, 2020

Variable	Company Age				Total
	0-3 years	4-6 years	7-9 years	10+ years	
#Firms	19	45	32	4	100
Acc. Funding	1,456	4,848	6,309	1,107	13,720
New Funding	918	1,617	1,044	156	3,735
Acc. Average	77	108	197	277	137

Top 100 start-ups by business sector, 2020

Variable	Business sector						Total
	Mobility	e-com.	FinTech	Software & Analytics	Health	Other	
#Firms	13	12	24	20	6	25	100
Acc. Funding	3,287	3,024	2,898	2,185	301	2,025	13,720
New Funding	1,013	744	509	619	121	729	3,735
Acc. Average	253	252	121	109	50	81	137

Top 100 start-ups by area, 2020

Variable	Area						Total
	Berlin	Munich	Hamburg	NRW	Saxony	Other	
#Firms	64	21	6	2	3	4	100
Acc. Funding	9,492	2,852	808	159	132	277	13,720
New Funding	2,634	852	28	84	43	94	3,735
Acc. Average	148	136	135	80	44	69	137

In the last 5 years, the German start-up scene was characterized by steadily increasing investment activities, setting up a well-balanced and diversified ecosystem. This overall trend continues despite the coronavirus pandemic. Innovative young companies took advantage of the unprecedented demand for digital business models and mobile solutions, which was met with a positive response from investors. As a result, in the second half of 2020, funding activities were almost on 2019 level.

55 of the Top 100 start-ups received new funding in 2020, mainly as series B or series C financing. Large funding rounds of more than USD100m were closed mostly by mature start-ups such as N26, Tier Mobility and Omio. At the

same time, investors' attention to early-stage ventures increased, as evidenced by an increased number of smaller funding rounds and new funds specialized on early-stage funding.

The high financing activity in 2020, accelerated by the government aids for young companies, increased the liquidity in the German start-up market. Start-ups have plenty of opportunities to gain capital from VC funds, instead of feeling the necessity of an early exit.

We analyzed the largest new funding rounds in 2020 and present the top 100 German start-ups in terms of total accumulated funding by the end of 2020. These have been classified by company age, business sector, funding round and area. For comparison purposes, we adjusted the 2019 accumulated funding numbers for companies which are not included in the 2020 ranking (e.g. exited the market, or do not meet the definition of a start-up in 2020, etc. – like-for-like analysis). On this basis, we observed a significant increase of accumulated funding from USD10.0b in 2019 to USD13.7b in 2020.

Top 100 start-ups range from established market players like Auto1, GetYourGuide and N26, to new digital health ventures such as Amboss and PlusDental. Start-ups operating a sustainable and environmentally conscious business model, such as Lilium Aviation, Infarm or Sono Motors, gained further momentum on the investment landscape. The list is rounded off by B2B process optimization software and analytics solutions like Adjust, Price f(x) and NavVis.

Munich has established itself as the second start-up hub in Germany next to Berlin. Accumulated funding of both, Berlin and Munich-based start-ups increased by 30% compared to last year. 80 of the 100 largest deals in 2020 related to Berlin or Munich-based ventures, receiving 90% of the invested capital.

⁵ Like-for-like adjusted; Remark: Outlined funding volumes and averages are in USDm | Sources: Startup Insider, Mergermarket, Crunchbase, Gründerszene, Press releases.

Mobility and e-commerce ventures received special attention from investors in 2020

German start-ups operate a wide variety of innovative business models. Although a strong focus of venture capital investors in the market still lies on mature FinTech and Mobility start-ups, other business models increasingly gain investors' attention, particularly with regard to new B2B business models. 40 out of the top 100 start-ups by accumulated funding in 2020 are B2B service providers, having secured a total funding of USD4.1b since their foundation. Process optimization solutions and B2B professional services continued to gain momentum in 2020, partly fueled by the pandemic and the necessity to adapt to digital ways of working. Start-ups such as Price f(x), Personio, LeanIX, Contentful and Scoutbee managed to raise capital rounds exceeding USD50m in 2020.

Whereas the top financing deals in 2019 focused mainly on FinTech, Mobility and Software & Analytics companies, the investing activity in 2020 is more diverse. The amount of fresh capital for the above mentioned sectors in 2020 did not reach 2019 levels.

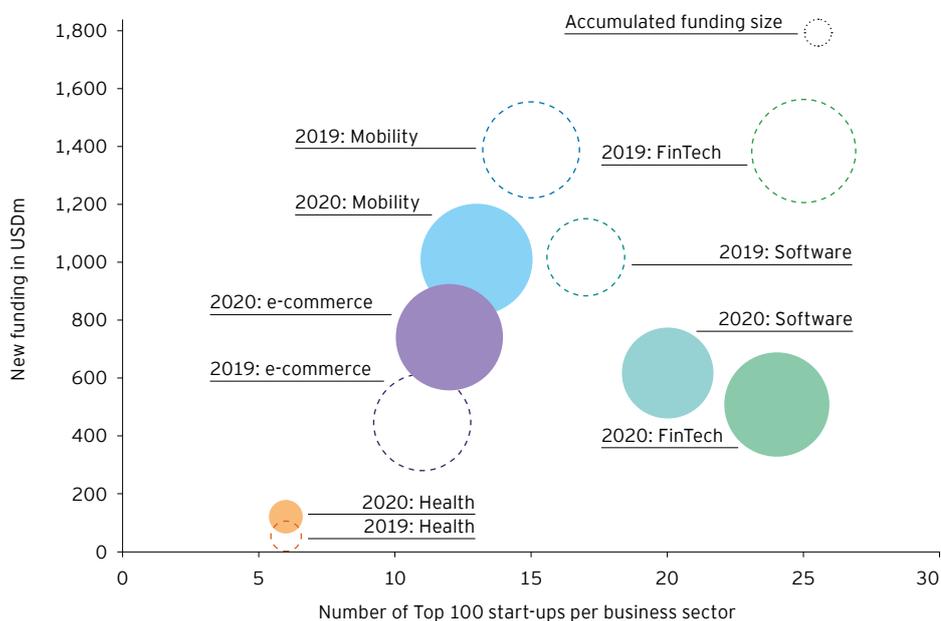
In contrast, start-ups from different sectors managed to secure significant financing, with e-commerce and HealthTech stepping into the spotlight.

Mainly driven by the global lockdown situation, a next wave of attractive e-commerce business models has evolved. While food delivery was the e-commerce topline in prior years, quick grocery and beverage deliveries are trending during the lockdown. For example, Berlin-based start-up Gorillas received a seed funding of USD45m. Further, building on Amazon's recent success during the pandemic, young ventures like SellerX and Razor Group are launching a buy-and-build business model for retailers selling their products on Amazon (FBA – "Fulfillment by Amazon").

The pandemic revealed the lack of digitalization in the healthcare system and a necessity for innovative digital health solutions, inciting VC funds' interest for HealthTech ventures.

Chart 3
Top 100 start-ups per top business sector: number of start-ups, new funding, accumulated funding, 2020 vs. 2019⁶

Source: Startup Insider, Mergermarket, Crunchbase, Press releases.



2020 vs. 2019 accumulated funding by top sector		
Top sector	Year	
	2020	2019 ⁶
Mobility	3,287	2,417
e-commerce	3,024	2,448
FinTech	2,898	2,832
Software & Analytics	2,185	1,584
Health	301	235
Other	2,026	1,559
Total	13,720	11,075

⁶ Not adjusted.

Largest funding rounds in 2020 were still led by foreign investors

The 100 largest new funding rounds of the German start-up market reached a volume of USD4.5b in 2020, a decrease of USD1b compared to 2019. In contrast, the total number of funding rounds increased from 671 in 2019, to 730 in 2020.

While the decline in funding volume is due to the absence of large rounds above USD400m, which were a crucial factor in the financing scene in 2019, the rise in smaller tickets demonstrates the investors' confidence in the German start-up ecosystem, despite economic uncertainty during the pandemic.

Investment activity slowed down in the first half of 2020 and stabilized in the second half of the year with 58% of the top 100 rounds' deal volume in 2020 being closed in H2. Investors acknowledged that asset-light start-ups with digital business models were less affected by the measures against the coronavirus, and managed to swiftly pivot their business model to fully digital operations, if necessary.

Generally, investors opted for seed and early-stage financing in 2020, with 48 seed, series A or series B deals out of the 79 tickets with disclosed series.

While the total top 10 funding volume of USD1.8b in 2020 is lower than in 2019 (USD 3.1b), it still remained above the 2018 level (USD1.7b).

Top financing rounds larger than USD100m were invested mostly in mature start-ups such as Liliium, N26, and Omio, and are characterized by late-stage international investors (e.g. Softbank, Tencent Holdings, TCV).

The only early-stage investment among the top 10 rounds is SellerX, raising a seed funding of USD118m backed by Cherry Ventures, Felix Capital and TriplePoint Capital. The e-commerce venture takes over smaller Amazon retailers (FBA) and accelerates the brand, betting on Amazon's



“

The number of growth equity funds active in the German market is increasing, but nevertheless Germany is still lagging behind the development in the US or UK.

Zoé Fabian, Eurazeo Growth

2. Funding

continuous growth, from which the acquired brands are expected to benefit too. This business model, inspired by the success of the US venture Therasio, is currently trending in the German market, putting mostly Berlin-based e-commerce start-ups back on the map for investors. Further, newly founded start-ups such as Brands United, Orange Brands, Branded and Razor Group operate the same business model, with Razor Group having raised more than USD50m⁷ in 2020.

Prominent market players like Auto1 and GetYourGuide raised convertible notes financing in the second half of 2020.

With four out of the top five fundings being raised by ventures with a focus on sustainability (Tier Moblity, Liliium Aviation, Grover, Infarm), investors' confidence in environmentally friendly businesses is noticeably increasing.

7 Including debt financing.

Chart 4

Top 10 new fundings in 2020 (USDm)

Source: Startup Insider, Mergermarket, Crunchbase, Gründerszene, Press releases.



8 Convertible note financing.

9 Comprises two funding rounds.

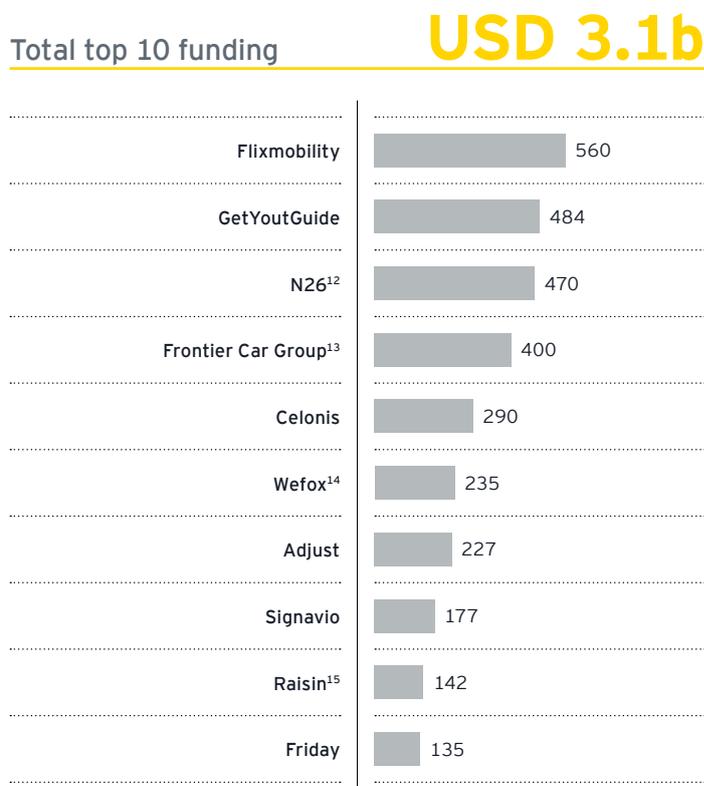
10 Debt financing.

11 Convertible note financing.

Chart 5

Top 10 new fundings in 2019 (USDm)

Sources: Startup Insider, Mergermarket, Crunchbase, Gründerszene, Press releases.



12 Comprise two funding rounds.

13 Including debt financing.

14 Comprise two funding rounds.

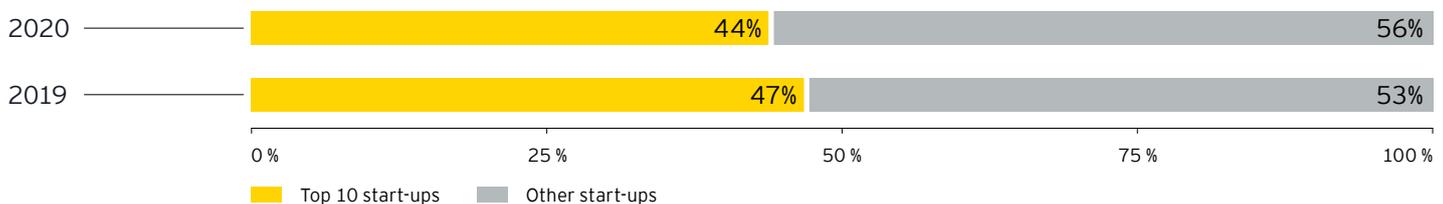
15 Comprise two funding rounds.

Top 10 accumulated funding is less concentrated in 2020 than in prior years

Chart 6

Accumulated funding Top 10 vs. other start-ups, 2020 vs. 2019

Sources: Startup Insider, Mergermarket, Crunchbase, Gründerszene, Press releases.



In comparison to prior years' top 10 lists, funding in 2020 is less concentrated. This is attributable to the lower number of large deals exceeding USD100m, and investors' appetite for smaller early-stage tickets in 2020.

The mobility sector continues to remain in the investors' spotlight, accounting for 5 of the top 10 start-ups and 24% of total top 100 accumulated funding volume, with an increase of USD990m compared to 2019. Although the travel industry, as a subcategory of mobility, has been negatively

impacted by the coronavirus crisis, new fundings for Omio and GetYourGuide demonstrate the investors' confidence in the travel industry and its capability to recover. The asset-light business model of digital travel ventures should be capable to adapt to post-pandemic new standards and align the service offering to customers' latest preferences.

With Tier Mobility, Lilium Aviation and Infarm, sustainable, climate-conscious ventures enter the top 10 for the first time.



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Start-ups are less impacted by Corona than the old economy. They mostly operate digital business models, which benefit from Corona in the long-run and are used to act agile and adapt their business to changing environments.

Céline Flores Willers, The People Branding Company

2. Funding

Auto1 Group

Established in 2012, Auto1 operates a leading marketplace for pre-owned vehicles. After significant funding rounds in recent years (USD128m in 2015, USD467m in 2017 and USD560m in 2018), the company received a convertible loan of USD301m in July 2020 from Farallon Capital Management and The Baupost Group. In February 2021, Auto1 went public at the Frankfurt Stock Exchange.

GetYourGuide

Established in 2009, the tourism and online travel booking platform offers a variety of travel experiences through its global supplier network. GetYourGuide increased its funding of USD665m by a convertible note financing of USD135m led by Searchlight Capital in October 2020. The financing will be used for strategic investments and product development, to prepare for post-pandemic travel demand and customer preferences.

N26

The Berlin-based online banking provider extended its series D funding round by USD100m, obtaining a total funding of USD783m. With the new funds, N26 aims to drive product development and strategically respond to high demand for mobile banking in its core markets.

FlixBus

The Munich based venture operates as a long-distance mobility provider. Since its foundation in 2011, the company has raised a funding of USD648m. In 2016, FlixBus collected an undisclosed amount between USD75m and USD100m in series E from Silver Lake Partners and General Atlantic, followed by a series F round of USD560m in 2019. Permira and TCV led the last funding round to further grow the business.

Frontier Car Group

Founded in 2016, the Berlin-based company received a funding of USD130m and USD400m in 2018 and 2019, respectively. The venture develops, launches and operates marketplaces for pre-owned vehicles in emerging markets such as Nigeria, Mexico, Pakistan and Indonesia. Amongst others, investors are Balderton Capital, Naspers and TPG Growth. In 2020, the company partnered with its investor OLX Group to form the new platform OLX Autos for the South American market.

Omio

Founded in 2012, the Berlin-based venture acts as a meta search tool to compare and book travels by train, bus, plane and car in Europe. In 2018, the company raised USD150m supported by Temasek, Kinnevik and Hillhouse. A funding of USD100m followed in August 2020 led by the existing investors. Omio aims to focus on continued organic growth as well as opportunistic M&A activities to strengthen the company's offering. With a total funding of about USD396m, Omio is currently one of the highest funded travel start-ups in Europe.

Lilium Aviation, Tier Mobility and Infarm listed in the Top 10 for the first time

Tier Mobility

Tier Mobility is a Berlin-based provider of electric scooter and sustainable ride-sharing solutions. Founded in 2018, the venture raised a series B funding of USD100m in 2019 and 2020 from Goodwater Capital and Mubadala Capital. In November 2020, Softbank Vision Fund invested USD250m in the company (series C). With a total accumulated funding of USD341m, the e-scooter start-up is considered as a potential unicorn candidate in the near future.

Lilium Aviation

Founded in 2016, the Bavaria-based company develops an all-electric, emissions-free regional air mobility service, with a prototype of a fully-electric aircraft that can take off and land vertically. The CleanTech mobility start-up raised USD275m in two rounds in 2020 (financing of USD240m led by existing investors Tencent and Atomico, and of USD35m from Baillie Gifford). With a total accumulated capital of USD376m, the venture plans to finance flight tests and continue preparations for a series production of its e-jet.

Celonis

Founded in 2011, the venture has collected a total amount of USD368m. Lead investor of Celonis is Arena Holdings, a New York-based investment firm, which invested USD290m in 2019. Today, the firm is a global leader in process-mining and execution management systems. By entering new strategic partnerships with Siemens and BearingPoint, and acquiring the Czech venture Integromat, Celonis focused on further growth in 2020.

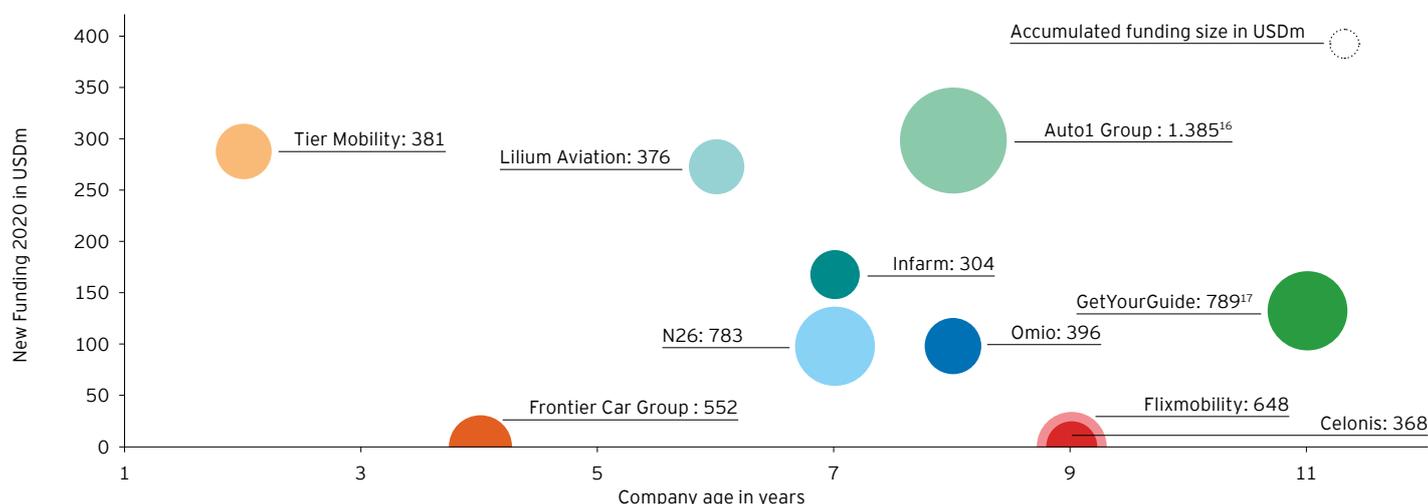
Infarm

Founded in 2013, the Berlin-based company develops intelligent automated farms (glass boxes, in which plants can grow under natural conditions), to enable urban vertical farming in cities. Infarm received USD100m series B funding from Atomico in 2019 and raised another USD170m series C investment in 2020 led by LGT Lightstone. Infarm cooperates with supermarket chains and restaurants in Germany, as well as with retailers in the US, Denmark, the Netherlands and France. With an accumulated funding volume of USD304m, Infarm is the largest AgTech start-up in Germany.

Chart 7

Top 10 start-ups in Germany by accumulated funding: accumulated funding, new funding in 2020, company age

Sources: Startup Insider, Gründerszene, Mergermarket, Crunchbase, Press releases.



16 Includes a convertible note financing of USD301m in 2020.

17 Includes a convertible note financing of USD135m in 2020.

Market quotes on Female Leadership in the German VC landscape



Ida Tin

Co-founder & CEO
Clue

Clue is the science-backed female health app and leader in FemTech. Clue helps everyone who menstruates to understand their bodies – and to be empowered by that knowledge. Clue's vision is to enable women and people with cycles to live in tune with their biology, not in spite of it. Led by co-founder and CEO, Ida Tin, Clue gives 13 million people each month insights into their reproductive health. Clue collaborates with leading universities to advance female health research, and deliver essential education about health, periods, and sex via helloclue.com.

“

Investors want to invest in something they understand and they can use. This leads to a narrow focus which can minimize the funding chances for products innovated by female founders.

“

Diversity requires a change in the way of communication. It requires higher relational skills, commitment to competence hierarchies instead of power hierarchies, transparency instead of politics etc.

“

The lack of diversity in the German start-up ecosystem is still related to cultural norms which seem hard to break.

“

Governmentally required female quota is a symptom treatment, but it is a start worth experimenting with. In Norway it is a successful tool, for example.



Total accumulated funding as at December 2020 increased by USD3.7b to USD13.7b compared to prior year¹⁸

Top 100 start-ups located in Germany (based on total accumulated funding volume until December 2020)

#	Target name	Area	Target profile	Founding year	Total accumulated funding volume, USDm ¹⁹
1	AUTO1 Group	Berlin	Car retailing platform	2012	1.385 ²⁰
2	GetYourGuide	Berlin	Platform for travel booking and tourist services	2009	789 ²⁰
3	N26	Berlin	Banking technology	2013	783
4	FlixBus	Munich	Long-distance mobility provider	2011	648
5	Frontier Car Group	Berlin	Used-automotive marketplace	2016	552
6	Omio	Berlin	Travel search engine	2012	396
7	Tier Mobility	Berlin	E-scooter sharing platform	2018	381
8	Lilium Aviation	Munich	Electric vertical take-off and landing jet	2014	376
9	Celonis	Munich	Process-mining software	2011	368
10	Infarm	Berlin	Automated vertical farms supplier	2013	304
11	About You	Hamburg	e-commerce (fashion)	2014	300
12	Grover	Berlin	Consumer electronics rental	2015	289 ²¹
13	Wefox	Berlin	Insurance brokerage	2014	269
14	Adjust	Berlin	Analytics and BI platform	2012	256
15	Signavio	Berlin	Business process management software	2009	230
16	Raisin	Berlin	Deposit brokerage platform	2012	210
17	Deposit Solutions	Hamburg	Open banking platform	2011	203
18	Solarisbank	Berlin	Banking platform	2016	194
19	Contentful	Berlin	Content publishing technology	2013	158
20	Spryker	Berlin	Commerce technology platform	2014	152
21	Volocopter	BW	Manned electric & air taxis	2012	140
22	McMakler	Berlin	Real estate agency	2015	138
23	Friday	Berlin	Insurance platform for cars	2017	135
24	Scalable Capital	Munich	Digital investment service	2014	134
25	Price f(x)	Munich	Price management and optimization	2011	131
26	Personio	Munich	HR management solutions for SMEs	2015	129 ²²
27	Sono Motors	Munich	Mobility and energy service provider	2016	129
28	Forto	Berlin	Digital logistics and freight	2016	127
29	Dreamlines	Hamburg	Platform for ship cruises	2012	126
30	LeanIX	NRW	SaaS for IT Portfolio Management	2012	124
31	SellerX	Berlin	Buy-and-build services for small businesses	2020	118
32	Taxfix	Berlin	Digital tax declaration assistant	2016	110
33	Tado	Munich	Heating application	2011	109

¹⁸ Like-for-like adjusted.

¹⁹ Based on publicly available information as at December 31, 2020; could include secondary market transactions and venture debt.

²⁰ Includes convertible note financing.

²¹ Includes debt financing.

²² Series D financing of USD125m announced in Jan 2021 is not included.

Business models linked to CleanTech and B2B software are gaining momentum

Top 100 start-ups located in Germany (based on total accumulated funding volume until December 2020)

#	Target name	Area	Target profile	Founding year	Total accumulated funding volume, USDm ²³
34	Isar Aerospace	Munich	Launch solutions for satellite constellations	2018	109
35	Movinga	Berlin	Moving services	2015	105
36	Tourlane	Berlin	Personalized travel provider	2016	101
37	Lesara	Berlin	Online retailer	2013	100
38	ottonova	Munich	Private health insurance	2015	100
39	Sennder	Berlin	European shipping logistics company	2015	100 ²⁴
40	Helping	Berlin	Household services	2014	95
41	Simplesurance	Berlin	Insurance platform	2012	86
42	Trade Republic	Berlin	Mobile-only and commission-free broker	2015	85
43	zeotap	Berlin	Private data management	2014	84
44	Global Savings Group	Munich	Commerce platform	2012	76
45	Scoutbee	Berlin	AI for procurement & supply chain experts	2015	76
46	Homeday	Berlin	Online real estate agent	2014	70
47	Freeletics	Munich	Digital fitness company	2013	70
48	Wunder Mobility	Hamburg	Mobility services	2014	70
49	Ada Health	Berlin	Personalized health technology	2011	69
50	NavVis	Munich	Visualization software	2013	69
51	Exporo	Hamburg	Crowdfunded real estate investments	2014	69
52	Holidu	Munich	Metasearch for vacation rentals	2014	64
53	Cargo.one	Berlin	Air cargo booking	2017	64
54	Choco	Berlin	Messenger app for restaurants and suppliers	2018	64
55	Outfittery	Berlin	Personal shopping service	2012	60
56	Zenjob	Berlin	Full-service staffing platform	2016	59
57	CrossLend	Berlin	Digital debt marketplace	2014	58
58	Huuuge Games	Berlin	Mobile games	2014	57
59	WeQ	Berlin	Mobile AdTech	2018	56
60	Uberall	Berlin	Marketing cloud services	2012	55
61	CoachHub	Berlin	Digital coaching provider	2018	54
62	XOLUTION	Munich	Reclosable beverage container solution	2011	53
63	Pitch	Berlin	Presentation software	2018	53
64	KONUX	Munich	Sensor solutions	2014	52
65	IDnow	Munich	Online video identification	2014	52
66	Goggo Network	Berlin	Autonomous mobility	2018	52

²³ Based on publicly available information as at December 31, 2020; could include secondary market transactions and venture debt.

²⁴ Series D financing of USD160m announced in Jan 2021 is not included.

Top funded ventures are concentrated in the two major hubs, Berlin and Munich

Top 100 start-ups located in Germany (based on total accumulated funding volume until December 2020)

#	Target name	Area	Target profile	Founding year	Total accumulated funding volume, USDm ²⁵
67	Billie	Berlin	Factoring FinTech	2016	51
68	Cluno	Munich	Car subscription provider	2016	51
69	Brillen.de	Berlin	e-commerce (glasses)	2012	50
70	Mambu ²⁶	Berlin	Cloud banking platform	2011	49
71	PlusDental	Berlin	Digital dentistry	2017	49
72	ProGlove	Munich	Smart gloves producer	2014	49
73	everphone	Berlin	B2B smartphone and tablet rental	2016	49
74	Staffbase	Saxony	Workforce app	2014	48
75	Bullfinch	Munich	FinTech platform specialized on sustainable building and plant infrastructure projects	2019	47
76	Sunfire	Saxony	Renewable industrial gas and fuel optimization	2010	47
77	Getsafe	BW	Mobile-first insurance company	2015	47
78	Gorillas	Berlin	Grocery delivery provider	2020	45
79	Comtravo	Berlin	Travel booking platform	2015	45
80	Carmudi	Berlin	Car classifieds platform	2013	45
81	Element Insurance	Berlin	Insurance products	2017	45
82	LIQID Investments	Berlin	Digital wealth management	2015	44
83	Clark	Berlin	Insurance platform	2015	44 ²⁷
84	Razor Group	Berlin	e-commerce holding	2020	44
85	Amboss	Berlin	Universally accessible medical knowledge	2012	41
86	Treasury Intelligence Solutions	BW	Cloud solutions	2010	41
87	quantilope	Hamburg	Insights software for customer needs in real time	2014	40
88	Coya	Berlin	Digital insurances	2016	40
89	Omni:us	Berlin	AI-powered insurance technology	2015	40
90	Orderbird	Berlin	iPad POS system	2011	37
91	Wandelbots	Saxony	Programming industrial robots with smart clothing	2017	37
92	Sanity Group	Berlin	Medical cannabis	2018	37
93	EyeEm	Berlin	Photography community	2011	36
94	Klang Games	Berlin	Game development	2013	36
95	Horizn Studios	Berlin	Smart luggage	2015	36
96	AEVI	NRW	Cross-border payments	2015	35
97	Blinkist	Berlin	E-books technology	2012	35
98	Medwing	Berlin	Online job fair for healthcare jobs	2017	34
99	finn.auto	Munich	Platform for monthly car subscriptions	2019	34
100	ZOLAR	Berlin	Provider of solar systems	2016	34

²⁵ Based on publicly available information as at December 31, 2020; could include secondary market transactions and venture debt.

²⁶ Series D funding of EUR110m announced in Jan 2021 is not included.

²⁷ Series C financing of USD81m announced in Jan 2021 is not included.

Market quotes on Female Leadership in the German VC landscape



Céline Flores Willers

Tech Influencer, Founder & CEO, The People Branding Company

Céline is one of the best-known German faces on LinkedIn. She was awarded LinkedIn TopVoice in 2018 and 2019 for her contributions on the topics of innovation, entrepreneurship and future trends. Stimulating ideas, thinking outside the box, and promoting entrepreneurship are her primary goals. With this in mind, she is also actively involved as advisory board member for Startup Teens – a non-profit initiative that promotes coding and entrepreneurship in schools. In the meantime, Céline has also started her own company: The People Branding Company. In various training formats, she shares her expertise in personal branding and corporate influencing. Among her clients are renowned companies, such as Fujitsu and Accenture.

“

Investors choose scalable business ideas regardless of gender diversity. Whether these businesses are founded or led by women or men is irrelevant. Most investments are made in software & analytics start-ups, which are primarily founded by men.

“

It is very important to show students all career options from an early age on. Schools and parents play an important mentoring role here. Every experienced founder should support initiatives such as Startup Teens to foster entrepreneurial spirit among the youngsters.

“

In Germany, women can be managing directors, or chancellor, and achieve whatever they want. A woman's quota for management positions doesn't feel right to me.

Exits

“

German start-ups are sold too quickly to large market players. As a result, there are fewer large IPOs and less companies with the potential of becoming a global market leader.

Céline Flores Willers, The People Branding Company

3

M&A activity continues to level off relative to new financing rounds in 2020

Chart 8
Number of investment activities (German-based start-ups, based on disclosed data)

Source: Crunchbase, Deutsche Start-ups, Gründerszene, Press releases.

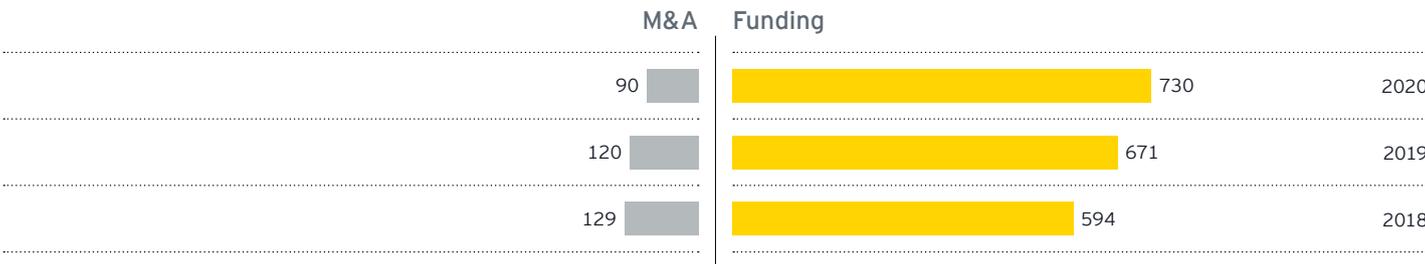
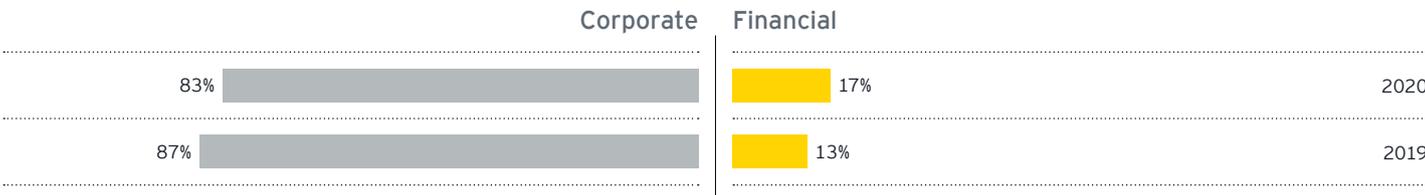


Chart 9
Proportion of investor types (corporate vs. financial)

Source: Crunchbase, Deutsche Start-ups, Gründerszene, Press releases.



Overall investment activity in terms of funding and M&A deal count once again surpassed the previous year, reaching 820 deals in total²⁸. Even though the uncertainty arising from COVID-19 has led to deal postponements in Q2, the M&A deal activity in the fourth quarter of 2020 was stronger than in previous years, and a further uptick can also be expected in the following years. At the same time, the trend of declining M&A exits in favor of funding rounds has accelerated in 2020.

There is sufficient liquidity in the German start-up market, as venture capital and private equity firms have accumulated a lot of dry powder in the previous years.

However, certain negative economic impacts of the pandemic in 2020 are likely deferred. Once governmental aid and the extended insolvency filing period expire, consolidations and a rebound in exit activity can be expected in the next year.

Corporate investors remain the driving force in the M&A market and represent the most relevant exit channel for innovative German businesses in 2020. Financial investor activity slightly increased in 2020, revealing a strong preference for the e-commerce sector, accounting for 40% of the deals closed. Prominent examples were the acquisitions of Emma, WOW Tech and Bitterliebe.

While Snowflake, DoorDash, AirBnB and Palantir made IPO headlines in the US market in the second half of 2020, there were no IPOs in the Tech start-up scene in Germany.

²⁸ Based on publicly available disclosed data; excluding investments in life science, BioTech or non-digital start-ups.

North American investors noticeably increased their deal activity in the German start-up market

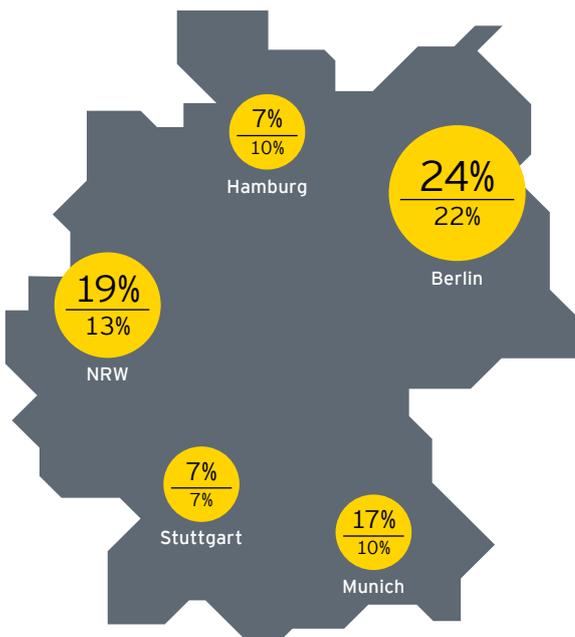
Chart 10
Percentage of exits by origin of investor
(Germany and rest of the world; based on the number of disclosed deals)

Sources: Crunchbase, Deutsche Start-ups, Gründerszene, Press releases.



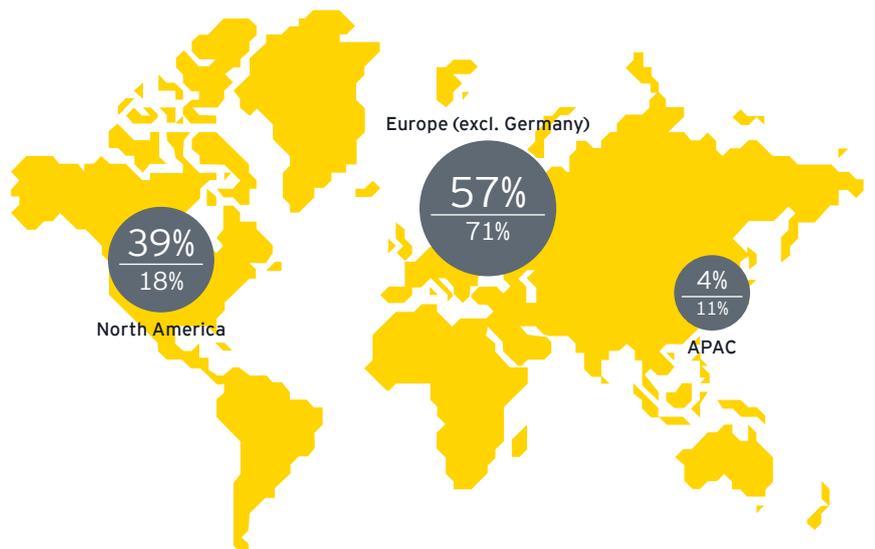
German investors by area

Remaining 26% comprise further various German cities in 2020 (38% in 2019)



International investors by region

Europe excl. German investors



German investors (yellow), International investors (grey)

The investors' landscape in Germany is geographically scattered. Berlin remains the largest hotspot with almost a quarter of domestic investors. After subpar activity in 2019, Munich-based investors regained a stronger position. Investment activity in North Rhine-Westphalia is concentrated around the metropolises Cologne and Düsseldorf.

Domestic investors closed slightly fewer M&A deals compared to the previous year, both in absolute terms as well as relative to foreign investors. At the same time, the largest disclosed deal was closed by German food products company Dr. Oetker. In general, domestic investors preferred consumer-focused, e-commerce business models, while more mature, technologically advanced software companies managed to garner the attention of foreign, particularly transatlantic, investors.

The most active European investors acquiring German start-ups are from the United Kingdom and Switzerland, with a share of 13% each. Investments from Asia declined in 2020, indicating a shift of their focus to their domestic markets during the pandemic.

In turn, the share of North American investors more than doubled, from 18% in 2019 to 38% in 2020. They mostly invested in growth-stage, technologically sophisticated companies. 9% of the investors originated from New York and the Bay Area, each. The largest investment was the acquisition of Instana by New York-based IBM. Other notable North American acquisitions of German ventures included Circ, Brickchain, Semknox and Auxmoney.

“

As for CVCs, the “Silicon Valley hype” observed 10 years ago has slowed down. Corporates are now more focused on integrating new venture ideas into their core business and achieving operational excellence for the corporate as well as the venture.

Marie-Luise Klose, Deutsche Bahn Digital Ventures

E-commerce and software & analytics start-ups were favored as strategic investments and growth opportunities

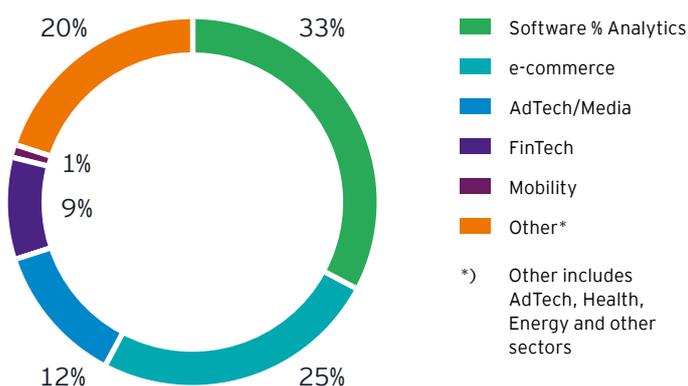
Selected M&A Deals

Target name	Target location	Sector	Target description	Buyer name	Buyer location
Flaschenpost	Münster	Beverage delivery (e-commerce)	Beverage delivery service operating in the fast last-mile segment	Dr. Oetker	Germany
Instana	Solingen	Software & Analytics	Developer of application performance management software	IBM	USA
Invincible Brands	Berlin	D2C (e-commerce)	D2C brand portfolio comprising lifestyle brands HelloBody, Banana Beauty, and Mermaid + Me	Henkel	Germany
Emma	Frankfurt am Main	e-commerce	Retailer focusing on mattresses and sleeping systems	Haniel	Germany
Kolibri Games	Berlin	Gaming (AdTech/Media)	Mobile game developer	Ubisoft	France
Ubimax	Bremen	Software & Analytics	Augmented reality solutions provider	Teamviewer	Germany
Circ	Berlin	Mobility	E-scooter rental provider	Bird	USA
TeleClinic	Munich	Digital Health (Other)	Online doctor platform for remote consultation and prescription	DocMorris	Germany
Auxmoney	Düsseldorf	FinTech	Peer-to-peer lending platform	Centerbridge	USA

Sources: Crunchbase, Deutsche Start-ups, Gründerszene, Press releases.

Chart 11
Target sector distribution

Sources: Crunchbase, Deutsche Start-ups, Gründerszene, Press releases.



Software & analytics start-ups remained the favored targets, followed by e-commerce and AdTech/Media companies. In light of the changing consumer behavior during the pandemic and lockdown, e-commerce and AdTech companies gained momentum as favorable acquisition opportunities. On the other hand, existing and established corporates are looking for innovative business models to drive their own digital transformation, in particular with regard to changing distribution channels and better access to customers.

Dr. Oetker's acquisition of **Flaschenpost** was the largest deal with a disclosed volume in 2020. **Flaschenpost's** last-mile beverage delivery model likely benefited from the pandemic, as these circumstances highlighted the company's rapid growth and proximity to consumers, in turn attracting investors. The size of the deal signifies the anticipated shift from e-commerce to q-commerce.

Adapting to the booming D2C market in the age of Instagram, and the rapid change in consumer behavior, traditional FMCG corporate **Henkel** acquired 75% of the brand portfolio for beauty products HelloBody, Banana Beauty, and Mermaid + Me.

Kolibri Games is a mobile-games developer known for Idle Miner Tycoon. The acquisition through **Ubisoft** was driven by their desire to diversify their portfolio into the mobile segment. Another Berlin gaming company, **Sandbox Interactive**, has been acquired by **Stillfront Group** making this the strongest year ever for the Berlin game developer scene in terms of transaction volume.

DocMorris' acquisition of **Teleclinic** and **Marcol's**, acquisition of **Fernarzt** are two deals that promise to push the digitalization in the healthcare sector, which traditionally lagged behind. During a pandemic, this is more necessary than ever.

Market quotes on Female Leadership in the German VC landscape



Marie-Luise Klose

Senior Manager Venture Development
Deutsche Bahn Digital Ventures

Deutsche Bahn Digital Ventures is the CVC of the national railway corporation of Germany, looking for cutting-edge technology with disruptive potential and scalability. With funds of EUR100m, DB DV invests in start-ups in the areas of Mobility, Logistics, Industrials, Internet of Things, Artificial Intelligence and CleanTech, all within and beyond Deutsche Bahn's core rail businesses. Investments are sourced on a global basis, with emphasis on Europe, the United States and Israel. Funding is provided from the series A to series B stage.

“

The awareness for gender diversity in the German start-up ecosystem is slowly there but still with a lot of room for improvement. Founder teams are often comprised of men only and so are many investors, but we observe increasing attention to diversity in the recruiting process of mature companies for C-level positions.

“

Many founders use the networks from their universities and the characteristics of those networks are well observable later in business, not only in terms of gender, but also with regard to origins, social environment, ethics.

“

Tech start-ups and leadership positions generally lack diversity and companies need to be more active to create diversity in these positions. Role models and inspiration are very important to establish a new mindset and create momentum.

Investors

“

In Growth Equity, US investors did not withdraw from the German market in 2020, nor were there any downward valuation impacts. Tech investors were well prepared for sourcing and securing investments remotely.

Zoé Fabian, Eurazeo Growth

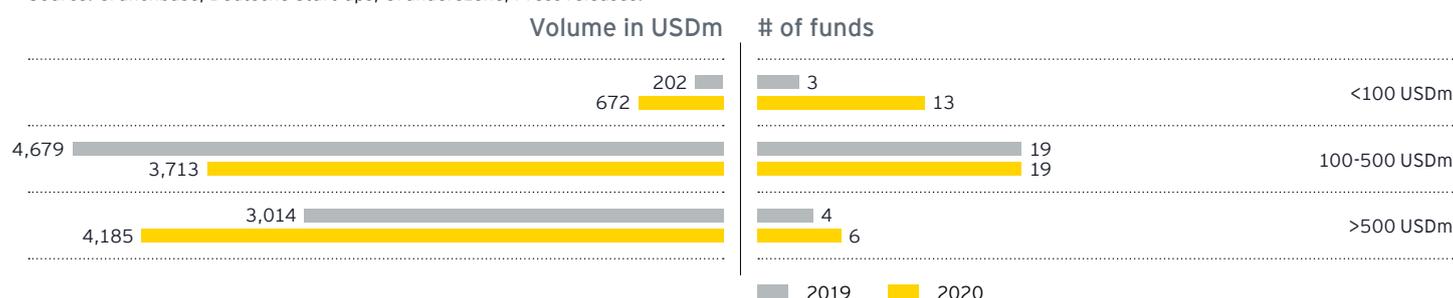
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Funds focused on seed stage financing were trending in the investor landscape in 2020

Chart 12

New funds volume (left) and number (right) by fund size

Source: Crunchbase, Deutsche Start-ups, Gründerszene, Press releases.



The announcements and volume of new funds in 2020 surpassed the strong year 2019.

The beginning of the year 2020 was still characterized by enthusiasm and driven by 2019 momentum. In late February, within a few days, **Lakestar** (USD735m), **Speedinvest** (USD224m) and a collaborative fund of **Munich Venture Partners** and **Demeter** to combat climate change (USD295m) collectively closed USD1.2b in funding in the DACH region. In London, during the same week, UK-based **Atomico** announced their fifth fund and pledged USD820m to invest into European start-ups. One month later, **RTP Global**, which previously invested in German heavyweights like Delivery Hero, CoachHub, Tier Mobility and Homefully, raised USD650m.

The first quarter fundraising rally was abruptly halted by COVID-19. A moderate recovery followed in the summer months. The recuperation in the second half of 2020, with a particularly strong Q4, reflected investors' sentiment also observed in the stock markets. In October, the start-up scene witnessed **HV Capital's** (former Holtzbrinck Ventures) close of their 8th fund (USD631m) with a broadened multi-stage investment focus, as well as the launch of **Future Energy Ventures** (USD295m) – an investment vehicle of German energy provider E.ON that aims at supporting disruptive business models in the energy sector. **Highland Europe**, which invested in the travel platform GetYourGuide and the mobile marketing platform Adjust in the past, concluded the year by closing their 4th fund at a hard cap of USD826m.

In comparison to prior years, the investor landscape in 2020 became increasingly populated with domestic early stage funds, aiming at pre-seed, seed and series A ventures. Regional public financial institutions, such as VR Ventures and Gründerfonds Rheinland, also demonstrated increased interest in start-up initiatives by establishing new VC-funds targeting FinTech, PropTech and B2B ventures.

Later stage investments remain a playfield for funds, mainly raised again by international venture capital players. Later stage funds closed higher volumes in 2020 as compared to 2019.

The attractiveness of German start-ups for international investors is evident from their attempts to get physically closer to the potential targets. Samsung came to Berlin with its **Catalyst Fund** in early 2020 and has already provided financing to the InsurTech venture Wefox and the Banking-as-a-Service platform Solarisbank. The number of international investors opening offices in Europe is likely to grow further in the upcoming years.

The industry focus of newly closed funds shows the increasing attention to the B2B, HealthTech and CleanTech solutions, while also reaching out to niche business models such as gaming and e-sports.

In addition to the established investors, a few new VC players entered the German start-up ecosystem in 2020

Selected established VC players

LGT Lightstone is committed to impact investing, and participated in Germany's 2020 high-profile funding rounds for sustainable businesses. They were the lead investor of Infarm's USD170m series C funding and co-invested in Liliium Aviation.

London-based **Atomico's** fifth instalment fund of USD820m is one of the currently largest investment commitments to the European start-up scene. Atomico led Scoutbee's USD60m series B funding, and participated in Liliium's and Infarm's funding rounds, suggesting their increased appetite for German ventures.

Index Ventures are internationally known for their investments in Adyen, Deliveroo, Dropbox and Slack. In 2019, they led Raisin's series D funding round. In 2020, they partook in three of the top 100 funding rounds: Personio, Taxfix, Cargo.one.

Berlin-based **Earlybird** made more than 30 investments in 2020. Notable investments in German start-ups included Isar Aerospace, Getsafe and Simscale.

China-based **Tencent Holdings** led N26 USD100m series D funding in May 2020. In March they co-invested in Liliium Aviation. Similarly to other Asian investors they remained rather reclusive in the second half of 2020. However, their reinvigorated interest in German FinTech grown-ups is shown by their lead investment in Clark's USD81m series C funding in January 2021.

Redalpine, a European investment fund from Switzerland conducted several 8-digit investments in innovative German companies in 2020. These included, among others, tax filing app Taxfix and staffing platform Zenjob.

Selected new VC players

468 Capital, a newly established fund with a DeepTech focus from two former Rocket Internet investors and a business angel, has managed to raise USD170m and participated in a number of funding rounds of German start-ups including an 8-digit investment in Razor Group.

VR Ventures has been recently founded by Berliner Volksbank in cooperation with a number of regional German banks and a life insurance provider to support FinTech and PropTech start-ups in the late seed stages. The vehicle has already secured USD38m and aims at topping it up with another USD50-80m.

Neoteq ventures, another newly established venture capital firm backed by regional German banks with an office in Cologne, has raised USD35m for its first fund. The fund intends to target primarily B2B start-ups and maintains a regional focus in Rhineland.

Revent was initiated by Benjamin Otto and founded by Dr. Lauren Lentz and Otto Birnbaum in 2020. The fund invests tickets between USD0.6m – 1.8m in early-stage technology companies that drive systemic change in climate, healthcare, education and finance. Revent had its first close in 2020 and targets a total fund size of USD60m.

In late November, entrepreneur and diversity specialist Tijen Onaran announced the establishment of a **venture capital fund for female founders** with an intention to attract more women to the start-up scene. The fund will support start-ups founded by female entrepreneurs. The first private investment in Onaran's track record includes organic baby food start-up Pumpkin Organics from Munich.

Total volume and number of newly closed funds in 2020 exceeded 2019 level

New institutional funds identified from January 2020 to December 2020^{29,30}

#	Investor	Fund name	Location	Volume (mUSD)	Announced
1	Atomico	Atomico V	London	820	Feb 2020
2	RTP Global	RTP Global Fund III	Moscow	650	Mar 2020
3	Target Global	Target Global Early Stage Fund II	Berlin	354	Dec 2020
4	Felix Capital	Felix Capital III	London	300	Jan 2020
5	Speedinvest	Speedinvest III	Vienna	224	Feb 2020
6	468 Capital	468 Capital Fund I	Berlin / San Francisco	201	Jun 2020
7	Blossom Capital	Blossom Capital II	London	185	Jan 2020
8	UVC Partners	UVC Partners Fund III	Garching (Bavaria)	177	Oct 2020
9	Bitkraft Ventures	Bitkraft Ventures Fund I	Berlin / San Francisco	165	Aug 2020
10	Point Nine Capital	Point Nine V	Berlin	118	Sep 2020
11	seedcamp	seedcamp V	London	104	Nov 2020
12	Cavalry Ventures	Cavalry Ventures II	Berlin	94	Jul 2020
13	VSquared Ventures	VSquared Ventures Fund	Munich	77	May 2020
14	DvH Ventures	Digital Health Funds	Cologne	71	Aug 2020
15	Fly Ventures	Fly Ventures II	Berlin	63	Jun 2020
16	Revent	Revent Ventures I	Berlin	60	Dec 2020
17	Apollo Health Ventures	Apollo Fund II	Berlin	53	Aug 2020
18	Speedinvest	Network Effects Funds	Vienna	39	Nov 2020
19	VR Ventures	VR Ventures Fund I	Berlin	38	Feb 2020
20	neoteq ventures	Gründerfonds Rheinland	Cologne	35	Oct 2020
21	White Star Capital	Digital Asset Fund	New York	30	Oct 2020
22	Visionaries Club ³¹	n/a	Berlin	24	Dec 2020
23	BitStone Capital	Real Estate & Construction Tech Funds	Cologne	n/a	Feb 2020
24	Flash Ventures	Flash Ventures I	Berlin	n/a	Feb 2020
25	Greenfield One	Greenfield One Fund II	Berlin	n/a	Dec 2020
26	Highland Europe	Highland Europe FUND IV	Geneva	826	Dec 2020
27	Lakestar	Lakestar III	Zurich	735	Feb 2020
28	HV Capital	HV Holtzbrinck Ventures Fund VIII	Berlin/ Munich	631	Oct 2020
29	One Peak Partners	One Peak Growth II	London	523	Jul 2020
30	Astanor Ventures	Impact Fund	Brussels	325	Nov 2020
31	Munich Venture Partners/Demeter	Green European Tech Fund	Paris / Munich	295	Feb 2020
32	Redstone Digital	Future Industry Ventures	Berlin	217	May 2020
33	Bayern Kapital	Wachstumsfonds Bayern 2	Munich	136	Jun 2020
34	Elevat3 Capital	Elevat3 Fund I	Malta	118	Aug 2020
35	La Famiglia	La Famiglia II	Berlin	59	Aug 2020
36	Merantix	n/a	Berlin	30	Jan 2020
37	Samsung	Catalyst Fund	Menlo Park (California)	500	Feb 2020
38	E.ON	Future Energy Ventures	Essen	295	Oct 2020

²⁹ Foreign funds were included only if they participated in funding rounds of German start-ups totaling >USD100m in 2020 or in >5 smaller funding rounds (Crunchbase).

³⁰ TCV's new fund "TCV XI" (USD4b) announced in January 2021 is not included.

³¹ Visionaries Club have not closed a new fund but increased the volume of the existing two up to USD114m.

Sources: Crunchbase, Deutsche Start-ups, Gründerszene, Press releases.

Market quotes on Female Leadership in the German VC landscape



Dr. Lauren Harrison Lentz

Founding Partner
Revent

Revent is a European venture capital firm investing in early-stage technology companies that drive systemic change in climate, healthcare, education, and finance. Founded in 2020, the fund's core thesis is that companies driven by a clear purpose to solve a large environmental or societal problem will be particularly economically successful.

“

By now there is a large body of evidence demonstrating that diverse teams perform better – and this is something we observe every day when speaking to early-stage companies. Diverse teams tend to think more critically about problems and come up with more innovative solutions, making them disproportionately likely to succeed.

“

While slowly improving, the lack of senior female investors in the German VC ecosystem is surely one reason why capital still goes overwhelmingly to all-male teams.

“

At Revent, we have made a formal commitment to investing in diverse teams. We have a hard quota for investments in female-led or co-led teams that is 3x higher than the industry average in our field – and we believe that we will outperform this.



Key players active in the German start-up scene

Corporate Ventures

▶ Allianz X	▶ International Finance Corporation	▶ Slack Fund
▶ American Family Ventures	▶ Johnson & Johnson Innovation	▶ SoftBank Vision Fund
▶ Archimedes New Ventures		▶ Sonae IM
▶ AXA Innovation Campus	▶ Kärcher New Venture	▶ start-up Intelligence – Daimler
▶ AXA Venture Partners	▶ Katjesgreenfood	▶ Stroer Digital
▶ Axel Springer Digital Ventures	▶ K-Invest	
		▶ The Macquarie VC Studio
▶ BASF Venture Capital	▶ LBBW Venture Capital	▶ Total Ventures
▶ Bauwens Digital	▶ LG Technology Ventures	▶ TRUMPF Venture
▶ Bertelsmann Investments	▶ Lidl Stiftung & Co. KG	
▶ Bilfinger Venture Capital	▶ Lufthansa Digital Fund	▶ Unilever Ventures
▶ BMW i Ventures		
▶ Boehringer Ingelheim Venture Fund	▶ M12	▶ VNG Innovation
▶ Bonnier Ventures	▶ Maersk Growth	▶ Vodafone Uplift
	▶ MairDuMont Ventures	▶ Vorwerk Direct Selling Ventures
▶ CME Ventures	▶ Media + more venture	
▶ CommerzVentures	▶ Mediengruppe Klambt	▶ W&W brandpool
▶ Conde Nast Digital Germany	▶ Merck Ventures	▶ Wincubator
▶ Co-pace Continental	▶ Mobile Ventures	
	▶ MOMENI Digital Ventures	
▶ Danone Manifesto Venture	▶ MS Ventures	
▶ DB1 Ventures – Deutsche Börse	▶ Mubadala Ventures	
▶ Deutsche Bahn Digital Ventures	▶ Müller Medien	
▶ Deutsche Invest Venture Capital (DIVC)		
▶ Deutsche Telekom Capital Partners	▶ Naspers	
▶ Deutsche Telekom Strategic Investments	▶ Next 47 (Siemens)	
▶ Diehl Ventures	▶ NJF Capital	
	▶ NWZ Digital	
▶ EnBW New Ventures		
▶ Engel & Völkers Capital AG	▶ Oetker Digital	
▶ EOS VC (Block.one)		
▶ Equinor Technology Ventures	▶ Peppermint Venture Partners	
▶ Evonik VC	▶ Phoenix Conact Innovation Ventures	
	▶ PostFinance	
▶ Fielmann Ventures		
▶ FLUXUNIT – Osram Ventures	▶ R/GA Ventures	
▶ Fosun Group	▶ Rakuten Capital	
▶ Freudenberg Venture	▶ Randstad Innovation Fund	
▶ Funke Digital	▶ REV	
▶ Future Energy Ventures	▶ Robert Bosch Venture Capital	
▶ G+J Digital Venture	▶ Salesforce Ventures	
▶ German Investment and Development Corporation (DEG)	▶ SamsungNext Ventures	
▶ Google Ventures	▶ SAP.IO	
	▶ Scania Growth Capital	
▶ Haas New Media	▶ Scouting & Coinvestments – E.ON	
▶ Henkel Ventures	▶ Semantic Ventures	
▶ HR Ventures	▶ SevenVentures (ProSiebenSat.1)	
▶ Hydra ventures – Adidas	▶ Shell Tech Ventures	
	▶ Siemens Venture Capital	
▶ ING Ventures	▶ Signa Innovations	
▶ Innogy Ventures	▶ Signals VC	
	▶ signals Venture Capital	



Incubators and Accelerators

- ▶ ABC Accelerator
- ▶ Accelerator Frankfurt
- ▶ APX
- ▶ Arkley
- ▶ Aromex Ventures
- ▶ Axel Springer Plug and Play
- ▶ BASF New Business
- ▶ Berlin Hardware.Co Accelerator
- ▶ Betafabrik
- ▶ Black Forest Accelerator
- ▶ BlueChilli
- ▶ BMW start-up Garage Incubator
- ▶ Breakthrough-Accelerator
- ▶ CoLaborator (Bayer)
- ▶ Co-pace Incubator – Continental
- ▶ DB Mindbox
- ▶ Deutsche Bank Innovation Lab
- ▶ Digitalfabrik – Deutsche Bank
- ▶ EIT Digital Accelerator
- ▶ European Pioneers Accelerator
- ▶ Fantastic Mr. Fox Ventures
- ▶ Finconomy
- ▶ FinLeap
- ▶ FinTech Hub – Deutsche Börse
- ▶ Founders
- ▶ Fraunhofer Venture
- ▶ Grants4Apps – Bayer
- ▶ Hangar 51
- ▶ Hanse Ventures
- ▶ Heartbeat labs
- ▶ helios.hub
- ▶ hub:raum Incubator – Telekom
- ▶ Ideation Hub – Volkswagen
- ▶ Impact Plus Ventures
- ▶ Incubator Investments GmbH
- ▶ InnoWerft
- ▶ leAD Int. Sports Acc.
- ▶ leAD Sports Accelerator – Adidas
- ▶ LemonBlood
- ▶ Life Science Inkubator
- ▶ LiquidLabs
- ▶ Lufthansa Innovation Hub
- ▶ Magmatic Ventures

- ▶ Main Incubator
- ▶ Merck Accelerator
- ▶ METRO Accelerator
- ▶ Microsoft ScaleUp
- ▶ MundiLAB Accelerator – Munich RE
- ▶ Next Big Thing
- ▶ Next Commerce Accelerator
- ▶ Next Logistics
- ▶ Next Media Accelerator
- ▶ Pando Ventures (Taunusstein)
- ▶ PMatX Incubator – Merck
- ▶ ProSiebenSat.1 Accelerator
- ▶ Prototron
- ▶ RainMaking
- ▶ Rocket Internet
- ▶ Samsung for Impact
- ▶ SAP.IO Foundry
- ▶ ScaleUp (Microsoft)
- ▶ Siemens Technology Accelerator
- ▶ SpinLab – The HHL Accelerator
- ▶ Startplatz
- ▶ start-up Autobahn Accelerator
- ▶ start-upbootcamp
- ▶ start-upDock
- ▶ TechFounders
- ▶ Universal Home
- ▶ Unlock Accelerator
- ▶ Venture Stars
- ▶ VentureVilla Accelerator
- ▶ Vision Lab
- ▶ Wattx
- ▶ Wayra
- ▶ Werk1

Investors

- ▶ 10x Group
- ▶ 2 Welten Investment
- ▶ 20 Scoops Venture Capital
- ▶ 32nd Floor
- ▶ 360 Capital Partners
- ▶ 3i Group
- ▶ 3M New Ventures
- ▶ 42CAP
- ▶ 468 Capital
- ▶ 500 start-ups
- ▶ 7 Industries
- ▶ 7percent Ventures
- ▶ 83North
- ▶ About:seed GmbH
- ▶ Abulssa Holding
- ▶ ACCEL
- ▶ Activate Venture Partners
- ▶ ACTIVE Venture Partners
- ▶ Acton Capital Partners
- ▶ Ad4Ventures
- ▶ Advancit Capital
- ▶ Advent Venture Partners
- ▶ A-Grade Investment
- ▶ Allen & Company
- ▶ Alma Mundi Ventures
- ▶ Alstin
- ▶ Altos Ventures
- ▶ Altpoint Capital
- ▶ Alven Capital
- ▶ AM Ventures
- ▶ Amadeus Capital Partners
- ▶ AME Cloud Ventures
- ▶ Ananda Impact Ventures
- ▶ Angel Capital Management
- ▶ Anthemis Group
- ▶ Antheria Holding
- ▶ AP Ventures
- ▶ Apax Partners
- ▶ Apex Group
- ▶ Aqton
- ▶ Armada Investment
- ▶ Armira
- ▶ Art-Invest Real Estate
- ▶ Asabys Partners
- ▶ Asgard Capital
- ▶ Asia Pacific internet Group
- ▶ Astanor Ventures
- ▶ Astutia Ventures
- ▶ Atlantic Bridge
- ▶ Atlantic Food Labs
- ▶ Atlantic Labs
- ▶ Atlantic Ventures

Key players active in the German start-up scene

Investors (continued)

▶ Atlas Venture	▶ Cascara Ventures	▶ DWS Group
▶ Atomico	▶ Catagonia Capital	▶ e.ventures
▶ Aurelius AG	▶ Causeway Media Partners	▶ Earlybird Venture Capital
▶ Avala Capital	▶ Cavalry Ventures	▶ eCAPITAL entrepreneurial Partners
▶ aws Gründerfonds	▶ CBC Investment Group	▶ EchoVC Partners
▶ Axivate Capital	▶ CD-Venture	▶ ECM Equity Capital Mgmt.
	▶ CFH Beteiligungsgesellschaft mbH	▶ Ecomobility Ventures
▶ b10 Venture Capital	▶ Chernin Group	▶ Egora Holding
▶ Baillie Gifford	▶ Cherry Ventures	▶ Eiffel Investment Group
▶ Balderton Capital	▶ Chromo Invest	▶ Eight Roads Ventures
▶ Bamboo Ventures	▶ Cipio Partners	▶ Elite start-ups
▶ Banco Bilbao Vizcaya Argentaria	▶ Circularity Capital	▶ Elysian Park Ventures
▶ Band of Angels	▶ Clever Leaves	▶ EMBL Ventures
▶ Base10 Partners	▶ Clover Venture	▶ Emerald Technology Ventures
▶ Battery Ventures	▶ Coller Capital	▶ Emeram Private Equity
▶ Bayerische Beteiligungsgesellschaft (BayBG)	▶ CologneInvest	▶ Emerge Education
▶ Bellevue Investments	▶ Colonia Private Equity	▶ enchant.vc
▶ Benchmark Ventures	▶ Columbia Lake Partners	▶ Endeit Capital
▶ Beringea	▶ Connect Capital	▶ ENERN Investments
▶ Berlin Metropolitan Ventures	▶ Connext Ventures	▶ Engage Ventures
▶ Berlin Technology Holding	▶ Coparion	▶ Engelhardt Kaupp Kiefer
▶ Berlin Venture Partners	▶ Corviglia Capital Fund	▶ ENIAC Ventures
▶ Berlin Ventures	▶ Courtside Ventures	▶ EnjoyVenture
▶ Bessemer Venture Partners	▶ Cowboy Ventures	▶ Entrée Capital
▶ better ventures	▶ Creandum	▶ Enxium
▶ BFJ Invest	▶ Creathor Venture	▶ EQT Ventures
▶ BIP Investment Partners	▶ Creative Edge Ventures	▶ Equistone Partners
▶ Bitkraft eSports Ventures	▶ Credo Ventures	▶ Equity Seven
▶ BitStone Capital	▶ Crew Ventures	▶ ESO Capital Group
▶ Black Sheep Capital	▶ Crosslantic Capital	▶ ETF Partners
▶ BlackRock	▶ Crossventures	▶ Eurazeo
▶ BlueYard Capital	▶ Cumberland VC	▶ eVentures Capital Partners
▶ Blumberg Capital	▶ Curious Capital	▶ Everpreneur Capital
▶ bmp ventures	▶ CVG Capital	▶ Evoco AG
▶ BonVenture Management		▶ Evolution Media
▶ Boost Heroes	▶ Dawn Capital	▶ Extorel GmbH
▶ Born2grow	▶ Demeter Partners	
▶ Boundary Holding	▶ Deutsche Balaton	▶ Farallon Capital Management
▶ BPO Capital	▶ Deutsche Beteiligungs AG	▶ Felicis Ventures
▶ Brandlab Holding	▶ Deutsche Invest Capital Partners	▶ Felix Capital
▶ Breed Reply	▶ Digital Currency Group	▶ Finlab
▶ Bridgepoint	▶ Digital Health Ventures	▶ Finparx
▶ Bright Capital Digital	▶ Digital Pioneers Germany	▶ Finstar Financial Group
▶ Brockhaus Private Equity	▶ Digital+ Partners	▶ First Momentum Ventures
▶ b-to-v Partners	▶ Dima Ventures	▶ FITLAB
▶ building10 Servicegesellschaft	▶ DN Capital	▶ Five Seasons Ventures
▶ Burgey Business Group	▶ Döhler Ventures	▶ FJ Labs
	▶ Don Ventures	▶ Flash Ventures
▶ Caesar Business Angels	▶ Dragoneer Investment Group	▶ FLOODGATE
▶ Capacura	▶ Draper Esprit	▶ Fly Ventures
▶ capiton	▶ DSA Invest	
▶ Capnamic Ventures	▶ DST Global	
▶ CareVentures	▶ DvH Ventures	



Investors (continued)

▶ FMI Investment Partners	▶ Hercules Capital	▶ Kiwoom Investment
▶ FO Holding	▶ Hevella Capital	▶ KIZOO (Karlsruhe)
▶ Foresight Group	▶ High Rise Ventures	▶ KKR & Co. (Kohlberg Kravis Roberts & Co.)
▶ Found Fair Ventures	▶ Highland Capital Partners	▶ Klaus Eckstein KG
▶ Foundation Capital	▶ Highland Europe	▶ Kleiner Perk. Caufield & Byers
▶ Founders Fund	▶ High-Tech Gründerfonds	▶ KPN Ventures
▶ Four Rivers Group	▶ Hillhouse Capital Group	▶ Kraut Capital
▶ Freigeist Capital	▶ Hiventures Investment Fund	▶ KSD Advisory
▶ Frog Capital	▶ Holistic Capital GmbH	▶ Kurma Partners
▶ Frontline Ventures	▶ Horizon 2020	
▶ FTR Ventures	▶ HOWZAT Partners	▶ La Famiglia
▶ FundersClub	▶ Hoxton Venture	▶ LAFAM Holding
▶ Futury Ventures	▶ HPE Growth Capital	▶ Lakestar
	▶ HR Alpha Venture Partners	▶ Larix
▶ G+J Digital Ventures	▶ Hummingbird Ventures	▶ Larnabel Ventures
▶ GE Ventures	▶ Hüttenes hoch drei	▶ LEA Partners
▶ Gecoin GmbH	▶ HV Capital	▶ Lead Edge Capital
▶ General Atlantic	▶ HW Capital	▶ LeadX Capital Partners
▶ General Catalyst		▶ Leonardo Venture
▶ Generis Capital Partners	▶ Ideenschaft Invest	▶ LGT Lightstone
▶ GENUI Partners	▶ Idinvest Partners	▶ Life.SREDA
▶ German Ventures	▶ iEurope Capital	▶ Lightspeed Venture Partners
▶ Gettylab	▶ Illuminate Financial	▶ Lilly Ventures
▶ GGV Capital	▶ Ilmenau Business Angels	▶ Linden Capital
▶ Gimv	▶ Index Ventures	▶ Littlerock
▶ GLG Green Lifestyle	▶ Innova Memphis	▶ LocalGlobe
▶ Global Founders Capital	▶ Insight Partners	▶ London Venture Partners
▶ Global Growth Capital	▶ Institutional Venture Partners	▶ Loric Ventures
▶ GMPVC German Media Pool	▶ InsurTech.vc	▶ LOWERCASE Ventures
▶ GMT Capital	▶ Intermedia Venture	
▶ GoBeyond	▶ Inven Capital	▶ Mangrove Capital Partners
▶ Goldman Sachs	▶ Inventure Partners	▶ March Capital Partners
▶ Golzern Holding	▶ IONIQ	▶ Marlin Equity Partners
▶ GPS Ventures GmbH	▶ Iris Capital	▶ Martin Global
▶ Grazia Equity	▶ Ithaca Investments	▶ Massa Investment
▶ Green Bay Ventures	▶ iVentureCapital	▶ MassChallenge
▶ Greybird Ventures		▶ Maxburg Capital Partners
▶ Greycroft	▶ J.C.M.B. Beteiligungs GmbH	▶ MCI Capital SA
▶ Greyhound Capital	▶ J.F. Müller & Sohn AG	▶ Media and Games Invest
▶ Greylock Partners	▶ J.P. Morgan Digital Growth	▶ Media Ventures
▶ Groupe Arnault	▶ Jadeberg Partners	▶ Menden Ventures
▶ Guano	▶ Jaja Investment	▶ Menlo Ventures
	▶ JAM Capital Partners	▶ Mercura Capital
▶ Hartford Steam Boiler	▶ Jazz Venture Partners	▶ Mercury Capital Partners
▶ Hasso Plattner Ventures	▶ JME Ventures	▶ Meritech Capital Partners
▶ HCS Beteiligungsgesellschaft	▶ June Fund	▶ Merus Capital
▶ Headway Capital Partners		▶ Metacrew Ventures
▶ Heartcore	▶ K5 Ventures	▶ Mey Capital Matrix
▶ Heartland Bank	▶ Kamran Capital	▶ MFV Partners
▶ HeidelbergCapital	▶ Kennet Partners	▶ MGO Digital Ventures
▶ Heilemann Ventures	▶ Kima Ventures	▶ Michael Grabner Media GmbH
▶ Heliad Equity Partners	▶ Kinnevik	▶ MIG AG
▶ Helvetia Venture Fund	▶ Kite Ventures	▶ Milano Investment Partners

Key players active in the German start-up scene

Investors (continued)

▶ MK Venture Capital GmbH	▶ Permira	▶ Schlegel & Friends
▶ MMC Ventures	▶ Perpetual Ventures	▶ Schneider-Gölling-Gruppe
▶ Moacon Ventures	▶ PHS Capital	▶ Schroder AdvEq
▶ MobilityFund	▶ Picus Capital	▶ Scottish Equity Partners
▶ Modern Times Group (MTG)	▶ Pine Hill Capital	▶ Seal Rock Partners
▶ Möller Ventures	▶ PINOVA Capital	▶ Searchlight Capital Partners
▶ Monkfish Equity	▶ Piton Capital	▶ Seaya Ventures
▶ Monk's Hill Ventures	▶ Plug and Play	▶ seed + Speed Ventures
▶ Morgan Stanley Expansion Capital	▶ Plutos Group	▶ seed Funds Aachen
▶ Mosaic Ventures	▶ Point Nine Capital	▶ seedcamp
▶ MoTu Ventures	▶ Polar Light Ventures	▶ Segnalita Ventures
▶ Mountain Partners AG	▶ Ponooc	▶ SEK Ventures
▶ Mountain Alliance	▶ Powerplant Ventures	▶ Senovo
▶ Move capital	▶ Prime Venture	▶ Sequoia Capital
▶ MPGI	▶ Princeville Global	▶ SET Ventures
▶ Mulcan International Investments	▶ PROfounders Capital	▶ Seven Miles
▶ Munich Venture Partners	▶ Project A Ventures	▶ Seventure Partners
▶ Mutschler Ventures AG	▶ Project Flying Elephant	▶ Shenzhen Capital Group
▶ Muzungu Capital	▶ Promus Ventures	▶ Sherpa Capital
▶ M-VC Europe Ltd.	▶ PropTech1 Ventures	▶ Shortcut Ventures
	▶ Proxy Ventures	▶ Silicon Valley Bank
▶ NABRU Ventures		▶ Silver Lake Kraftwerk
▶ Nauta Capital	▶ Q Capital Ventures	▶ Sirius Venture Partners
▶ neoteq ventures		▶ S-Kap Beteiligungen (Sparkasse)
▶ Neuhaus Partners	▶ Radical Ventures	▶ Smac partners
▶ New Enterprise Associates	▶ Raine Ventures	▶ Sound Ventures
▶ New Ground Ventures	▶ Recruit Strategic Partners	▶ Spark Capital
▶ New Science Ventures	▶ Redalpine	▶ SPDG
▶ Newton Ventures	▶ Redpoint Ventures	▶ Spectrum Equity
▶ Nextfatbusiness	▶ Redstone	▶ Speedinvest
▶ NFQ Capital	▶ Reflex Capital	▶ Square One Foods
▶ Nordwind Capital	▶ Reimann Investors	▶ S-REFIT
▶ Northcap	▶ Revo Capital	▶ St.Galler Swiss Founders Fund
▶ North-East Venture	▶ Revent	▶ Star Ventures Management
▶ Northzone	▶ Rheingau Founders	▶ Starstrike Ventures
▶ Noshaq	▶ RI Digital Ventures	▶ Start 2 Ventures
▶ Notion	▶ Ribbit Capital	▶ start-up300
	▶ Richmond View Ventures	▶ Statkraft Ventures
▶ Obvious Ventures	▶ rocketship.vc	▶ Steadfast Capital
▶ Octopus Ventures	▶ Route 66 Ventures	▶ Stripes
▶ OHB Venture Capital	▶ RTAventures VC	▶ STS Ventures
▶ Omnes Capital	▶ RTP Group	▶ S-UBG
▶ Omnis Mundi	▶ Runa Capital	▶ Summit Partners
▶ One Peak Partners	▶ ru-Net	▶ Surplus Invest GmbH
▶ OpenOcean		▶ S-Venture Capital Dortmund
▶ Orkila Capital	▶ Saarbruecker21	▶ Swiss Life
▶ Otium Venture	▶ Saban Ventures	▶ Sycamore Partners
	▶ SABIC Ventures	▶ Synapse Partners
▶ P101	▶ Santander InnoVentures	▶ System.One
▶ Partech	▶ Santo Venture Capital	
▶ Passion Capital	▶ Sapinda Group	▶ TA Associates
▶ Pava Ventures	▶ Saxovent	▶ TA Capital
▶ pd ventures	▶ SBG Sachsen-Anhalt	▶ TA Ventures



Investors (continued)

- ▶ TAKKT AG
- ▶ Talis Capital
- ▶ Target Global
- ▶ TCV
- ▶ Team Europe
- ▶ Tech. Crossover Ventures
- ▶ TechnologieContor
- ▶ Technologiefunds OWL
- ▶ TecPier
- ▶ Temasek Holdings
- ▶ Tenaya Capital
- ▶ Tencent Holdings
- ▶ Tenderloin Ventures
- ▶ Tengelmann Ventures
- ▶ Texas Atlantic Capital
- ▶ The Baupost Group
- ▶ The Westly Group
- ▶ THI Investments
- ▶ Think.Health
- ▶ Thrive Capital
- ▶ Tiburon Unternehmensaufbau
- ▶ Tiger Global Management
- ▶ TIHA Holding
- ▶ Tiller Partners
- ▶ Time for Growth
- ▶ Toba Capital
- ▶ Tomahawk.VC
- ▶ Toscafund Asset Management
- ▶ TPG
- ▶ Transamerica Ventures
- ▶ Triangle Venture Capital Group
- ▶ Triginta Capital
- ▶ Trinity Ventures
- ▶ TriplePoint Capital
- ▶ Troy Capital Partners
- ▶ TruVenturo
- ▶ TVM Capital
- ▶ Twitter Ventures
- ▶ Uncork Capital
- ▶ Union Square Ventures
- ▶ UNIQA Ventures
- ▶ Unternehmertum Venture Capital Partners
- ▶ Up to Eleven
- ▶ Upheaval Investments
- ▶ Urban Us
- ▶ U-Start
- ▶ UVC Partners
- ▶ Valar Ventures
- ▶ Vantage Investment Management
- ▶ Värde Partners VBW Beteiligungskapital
- ▶ VCDE Venture Partners

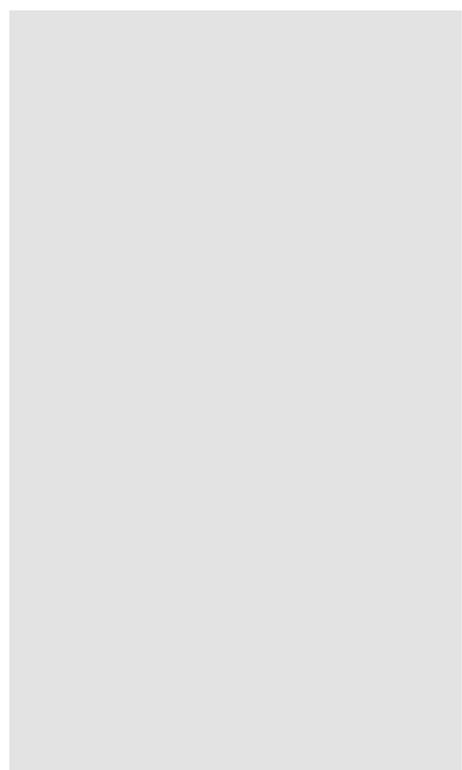
- ▶ Venista Ventures
- ▶ Ventech
- ▶ Verdane
- ▶ Version One Ventures
- ▶ VI Partners AG
- ▶ Victory Park Capital
- ▶ Visionaries Club
- ▶ VisVires New Protein
- ▶ Vitamina K Venture Capital
- ▶ Vito One
- ▶ Vito Ventures
- ▶ Vitruvian Partners
- ▶ Vogel Ventures
- ▶ Volta Ventures
- ▶ VM Capital
- ▶ Vostok New Ventures
- ▶ VP Capital
- ▶ VR Equitypartner
- ▶ VR Ventures
- ▶ Vsquared Ventures
- ▶ Warburg Pincus
- ▶ Warsaw Equity Group
- ▶ WeFund
- ▶ Weller Venture Capital
- ▶ Wellington Partners
- ▶ Wessel Management
- ▶ Westcott LLC
- ▶ WestTech Ventures
- ▶ White Star Capital
- ▶ Whitestone Comm. Networks
- ▶ Wirth Energie Beteiligungs GmbH
- ▶ XAnge
- ▶ Xploration Capital
- ▶ Xpress Ventures
- ▶ Y Combinator
- ▶ yabeo capital
- ▶ Yesss CAPITAL
- ▶ Yuan Capital
- ▶ ZFHN
- ▶ ZKB Start-up Finance
- ▶ Zobito

Public institutions, Platforms and Others

- ▶ Bayern Kapital
- ▶ Baystart-up
- ▶ Berlin Partner für Wirtschaft & Tech.
- ▶ Berlin start-up Academy
- ▶ BetaHaus
- ▶ Beteiligungsmanagement Thüringen
- ▶ BridgeMaker
- ▶ BTG Hamburg
- ▶ Bundesministerium für Verkehr und digitale Infrastruktur (BMVI) mFund
- ▶ Business Angels Agentur Ruhr
- ▶ Business Angels Club Berlin
- ▶ Companisto
- ▶ EASME – EU Executive Agency for SMEs
- ▶ Enpact
- ▶ European Investment Fund
- ▶ Eurostars
- ▶ Factor10
- ▶ FIB Funds
- ▶ Fundsters
- ▶ Genius Venture Capital
- ▶ German start-ups Group
- ▶ Green Alley Investment
- ▶ Grow – Bosch
- ▶ GTEC
- ▶ Humboldt Innovation
- ▶ IBB Beteiligungsgesellschaft
- ▶ IBG Beteiligungsgesellschaft Sachsen-Anhalt
- ▶ IFB Innovationsstarter
- ▶ IFJ AG
- ▶ Initiativekreis Ruhr
- ▶ InnoEnergy (EIT)
- ▶ Investitions- und Förderbank Niedersachsen (NBank)
- ▶ Investitions- und Strukturbank Rheinland-Pfalz (ISB)
- ▶ Investitionsbank Berlin
- ▶ Investitionsbank des Landes Brandenburg (ILB)
- ▶ ISB Rheinland-Pfalz
- ▶ K Fund
- ▶ Kapilendo
- ▶ KfW Bankengruppe
- ▶ Kickstarter
- ▶ Kreos Capital
- ▶ L-Bank (Landeskreditbank Baden-Württemberg)

Key players active in the German start-up scene

- ▶ Makers
- ▶ Mantra
- ▶ Mittelständische Beteiligungsgesellschaft Baden-Württemberg
- ▶ Mittelständische Beteiligungsgesellschaft Berlin-Brandenburg
- ▶ Mittelständische Beteiligungsgesellschaft Mecklenburg-Vorpommern
- ▶ Neufund
- ▶ Numa
- ▶ seedmatch
- ▶ SHS Gesellschaft für Beteiligungsmanagement
- ▶ SIB Innovations- und Beteiligungsgesellschaft mbH
- ▶ TakeOff VC Management
- ▶ Techstars
- ▶ TGFS – Technologiegründerfonds Sachsen
- ▶ The Angel Club
- ▶ VC Funds BW
- ▶ VC Funds Technologie Berlin
- ▶ VentureEU
- ▶ Wirtschaftsbank Hessen





“

Corona has changed the perception of work, team communication and leadership. New tools such as helping employees create meaning and embodiment around their work is needed. Old fashion tools for driving a high performance culture, money, career status, and power won't do anymore.

Ida Tin, Clue

Appendix



5

Methodology and Disclaimer

This study has been prepared by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft (EY) with the purpose of providing the public with information about developments in the venture capital and start-up sector.

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Specifically, values and volumes used throughout this report are based on completion dates for transactions with a disclosed deal value and supplemented by additional independent research – sometimes based on rumors stated in public sources. We have used a standard exchange rate for EUR to USD of 1:1.18 for all conversions in this document if performed.

Information related to previous periods is updated periodically, based on new data collected for deals closed during previous periods but not reflected in previous data sets. Information for start-ups, financing, funds and M&A activity includes information for companies belonging to one of the digital sectors. Certain adjustments have been made to the information to exclude transactions that are not specific to digital.

Accordingly, the digital sector comprises companies mainly focused on consumer products and services, software, financial technology, mobility, advertising technology/media, digital health, professional services, and property technology.

The activities according to which we sector-clustered the start-ups and investors are as follows:

- ▶ Mobility: smart logistics, ride sharing, travel & leisure
- ▶ FinTech: mobile banking and insurance solutions
- ▶ e-commerce: online B2C retailers, food and beverages (delivery)
- ▶ Software & Analytics: (mobile) applications, new digital technologies for industries or services, digitized professional services
- ▶ Health: digital solutions for healthcare system
- ▶ AdTech/Media: digital solutions focusing on marketing, communications, advertising
- ▶ PropTech: digital solutions in the real estate sector
- ▶ Other: any tech-related business activity not covered in the above classifications

Insights and events



INSIGHT 2020

EY Startup-Barometer

EY and a market research institute ran a survey with a large number of start-up companies to gain representative insights into the current state of the German founders' scene. The publication includes insights on funding volumes as well as regional distribution and focus areas of investments.

EVENT | GLOBAL

EY Entrepreneur of the Year™

The EY Entrepreneur Of The Year™ awards are a global competition that encourages entrepreneurship, and brings together EY EOY country winners, game changers and government leaders. The program helps and supports entrepreneurs in building successful and sustainable businesses in over 60 countries.



INSIGHT 2020

Global IPO trends: Q1-Q4

EY Global IPO trends report is released every quarter and looks at the IPO markets, trends and outlook for the Americas, Asia-Pacific, Japan and EMEA regions. The report provides insights, facts and figures on the 2020 IPO market year-to-date and analyzes the implications for companies planning to go public in the short and medium term.



EVENT | GLOBAL

EY Entrepreneurial Winning Women™

The EY Entrepreneurial Winning Women™ program identifies ambitious women entrepreneurs and provides them with the advice, resources and access they need to unlock their full potential. EY provides program participants evergreen access to our vast resources, rich networks and know-how, helping to strengthen their abilities to become market leaders. At the same time, the program creates a vibrant global community of successful women entrepreneurs and inspiring peer role models who, in 2020, numbered more than 750 across 48 countries.



INSIGHT 2020

Germany FinTech Landscape

The EY Germany FinTech study (Germany FinTech Landscape) is a flagship annual publication that gives insights into the key developments, trends and perspectives in the German FinTech market. The report covers such topics as investment flows, largest FinTech deals, banks' response to FinTech activity, inter-FinTech cooperations and development of FinTech based ecosystems. The 2020 edition of the study will be published in early 2021.

Contacts

EVENT | GERMANY

EY Start-up Academy

The EY Start-up Academy is a 6-week program in which selected start-ups are given the unique opportunity to improve their business model and its main components through structured help and advice from EY experts.

The program is aimed at Tech start-ups that have already completed the alpha phase, already have a Minimum Viable Product or a Proof of Concept and are looking for financing within the next 12 months.

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