

# Startup-Barometer Germany

July 2021



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# Design of the Study



## Dr. Thomas Prüver

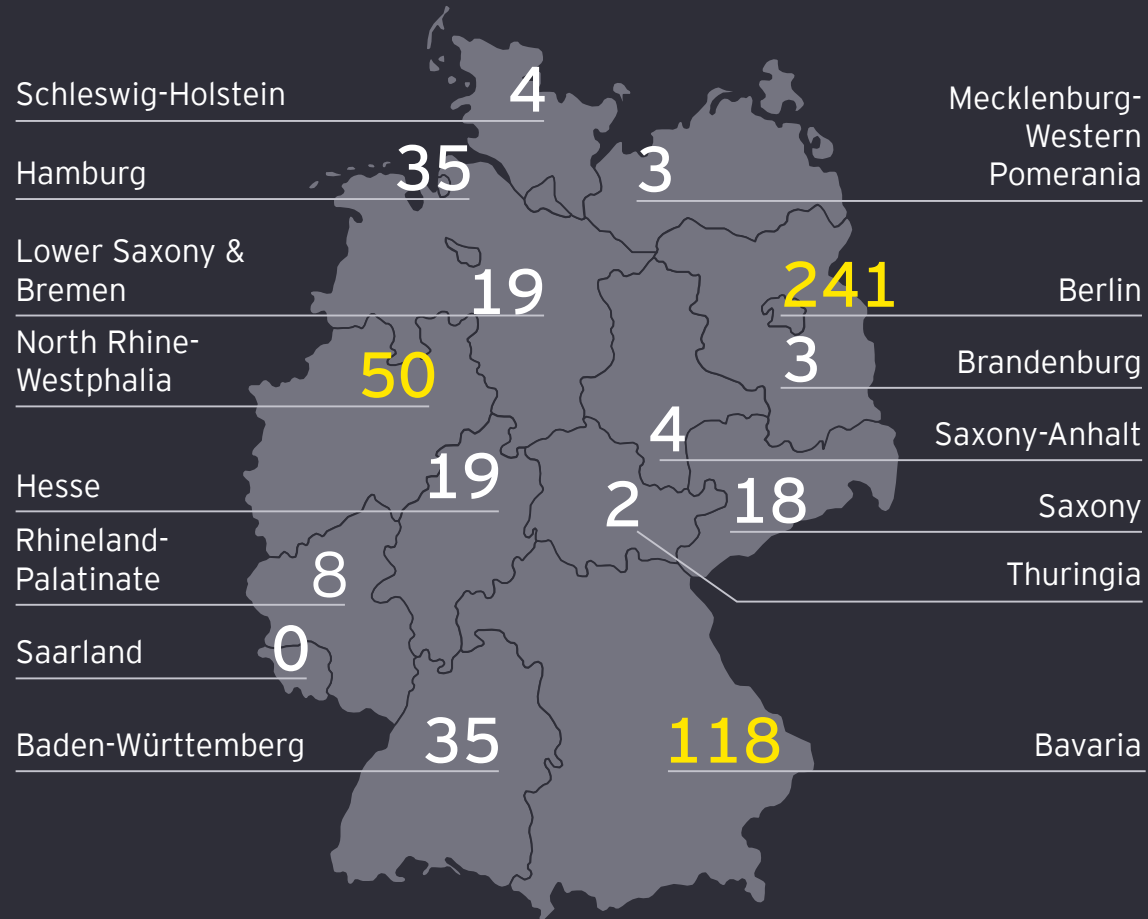
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Sources: Press releases of startups or investors, press coverage, Crunchbase

## Number of startups that received financing in the first half of 2021, by federal state (not number of financing rounds)



# Startup financing rounds in 2021 over the course of the year: June volume of EUR 3.2 billion higher than half-year volumes in previous years

## Startup financing in Germany

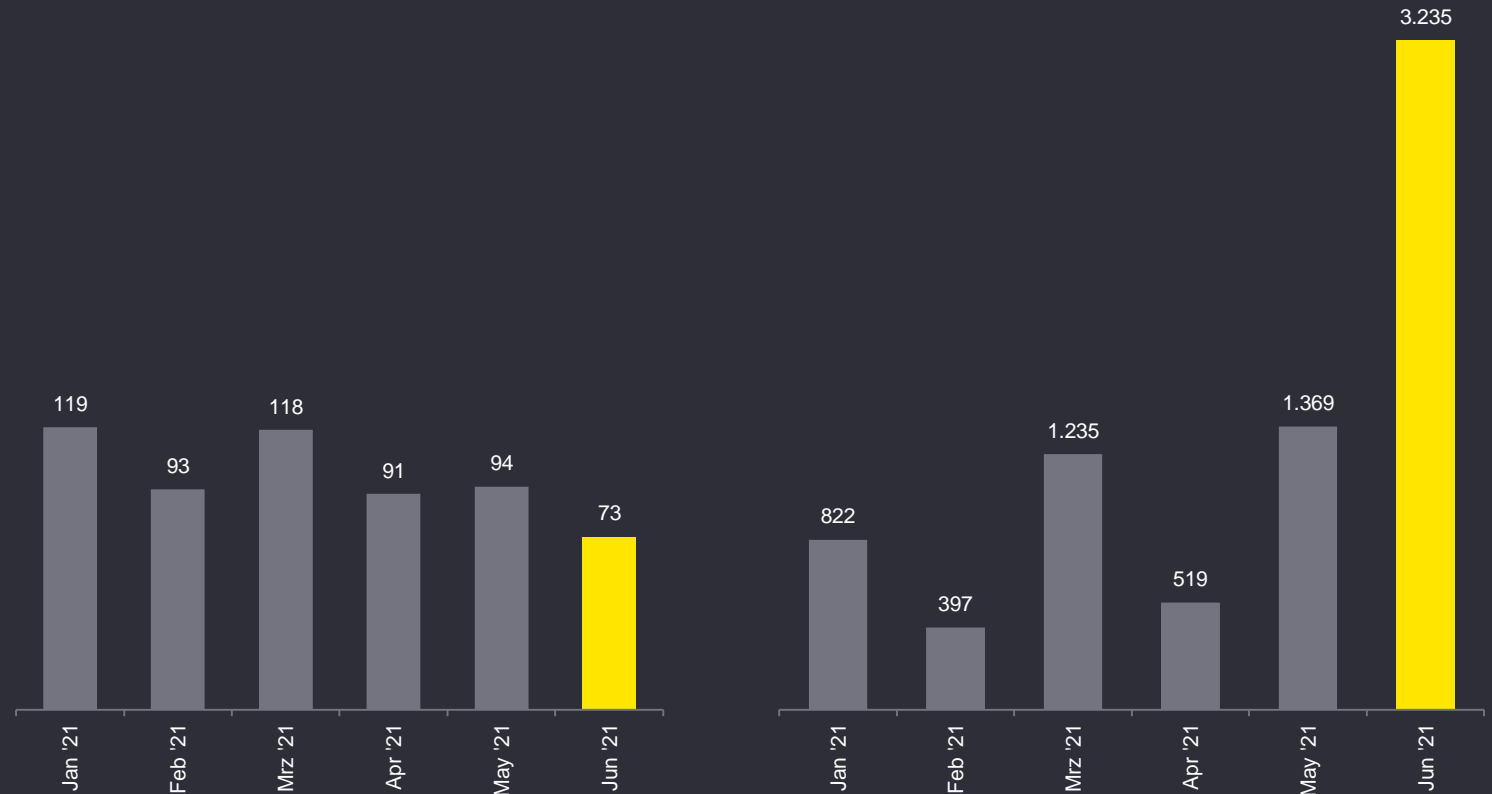
Number and value of financing rounds in Germany in the first six months of 2021

The number of deal closings reveal a slight downward trend over the course of the first six months of 2021, falling from 119 financing rounds in January to 73 closings most recently.

The situation is also quite different in terms of monthly volumes: The volumes rose from EUR 822 million in January to around EUR 1.2 billion in March and EUR 3.2 billion in June.

Number

Value  
in EUR million



# Deal volume in first half of 2021 higher than previous annual high of 2019

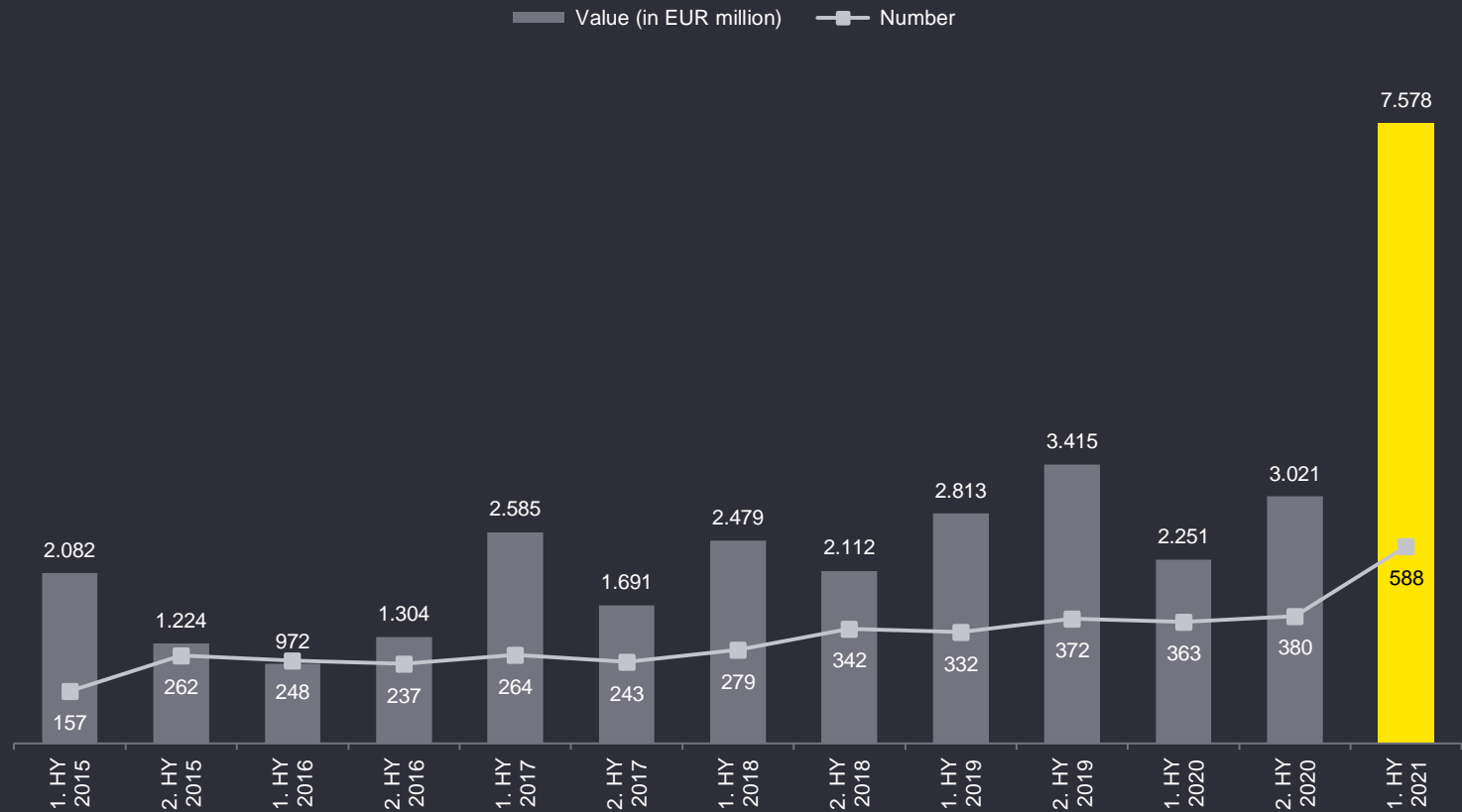
## Startup financing in Germany 2015 to H1 2021

Number and value of financing rounds in Germany illustrated semi-annually

We can identify a clear upward trend. In the periods up to and including the first half of 2018, an average of 241 deals were concluded per six months; in the periods starting from the second half of 2018 up to and including the second half of 2020, an average of 358 deals were concluded per half-year.

Analogously, the deal volume also reveals a clear upward trend. Most recently, the six month volumes exceeded the two billion euro mark for seven half-years in a row.

Number and Value (in EUR million)



# Berlin undisputed leader in number of deals

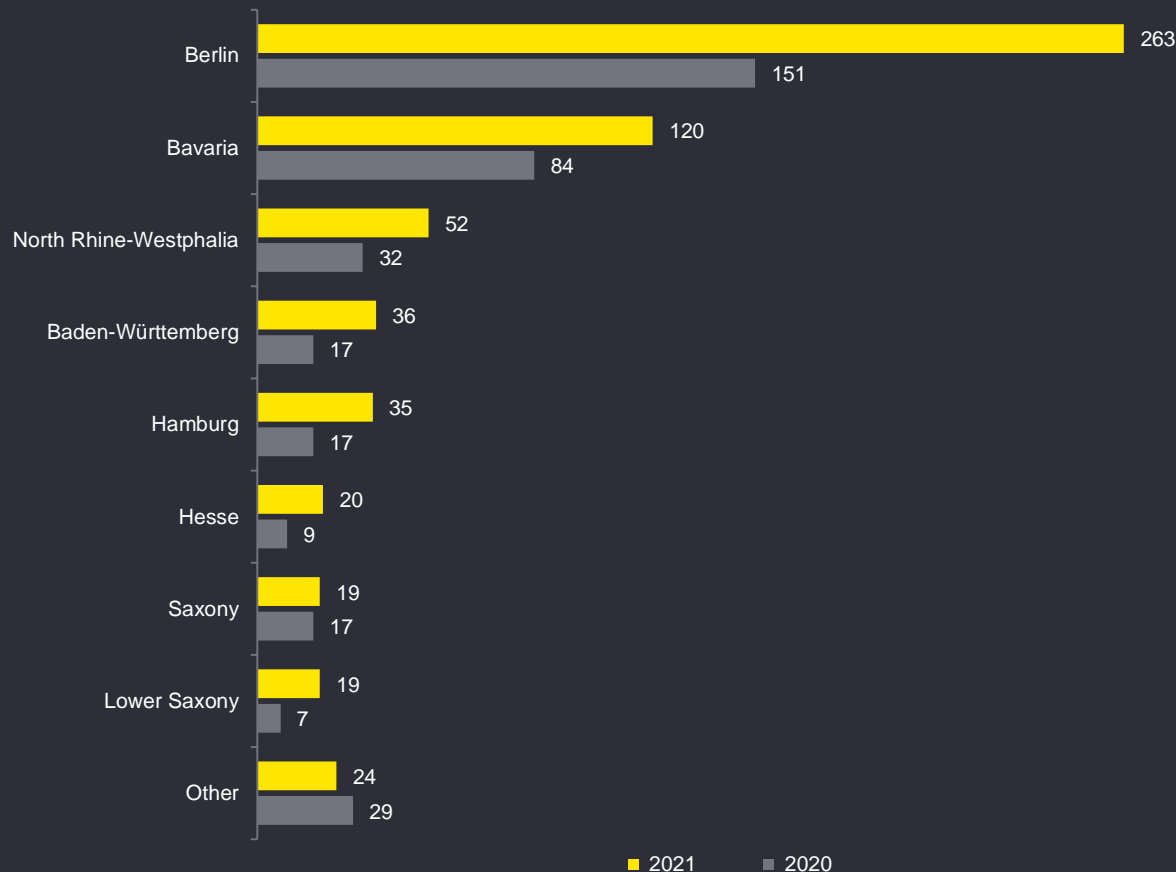
## Startup financing in Germany in 2021 and 2020

Number of financing rounds introduced by federal states, 1st half of each year

Once again, Berlin is the main hotspot for the German startup scene in the first half of 2021: With about 263 financing rounds, the startups in the German capital accounted for 47% of all financing rounds registered in Germany - this number is higher than the five following German states combined.

Second is the state Bavaria, where 120 financing rounds are counted, followed by North Rhine-Westphalia, whose startups brought in 52 financing rounds.

All of the German states, being in the top 7 group, recorded more deals than in the same period last year.



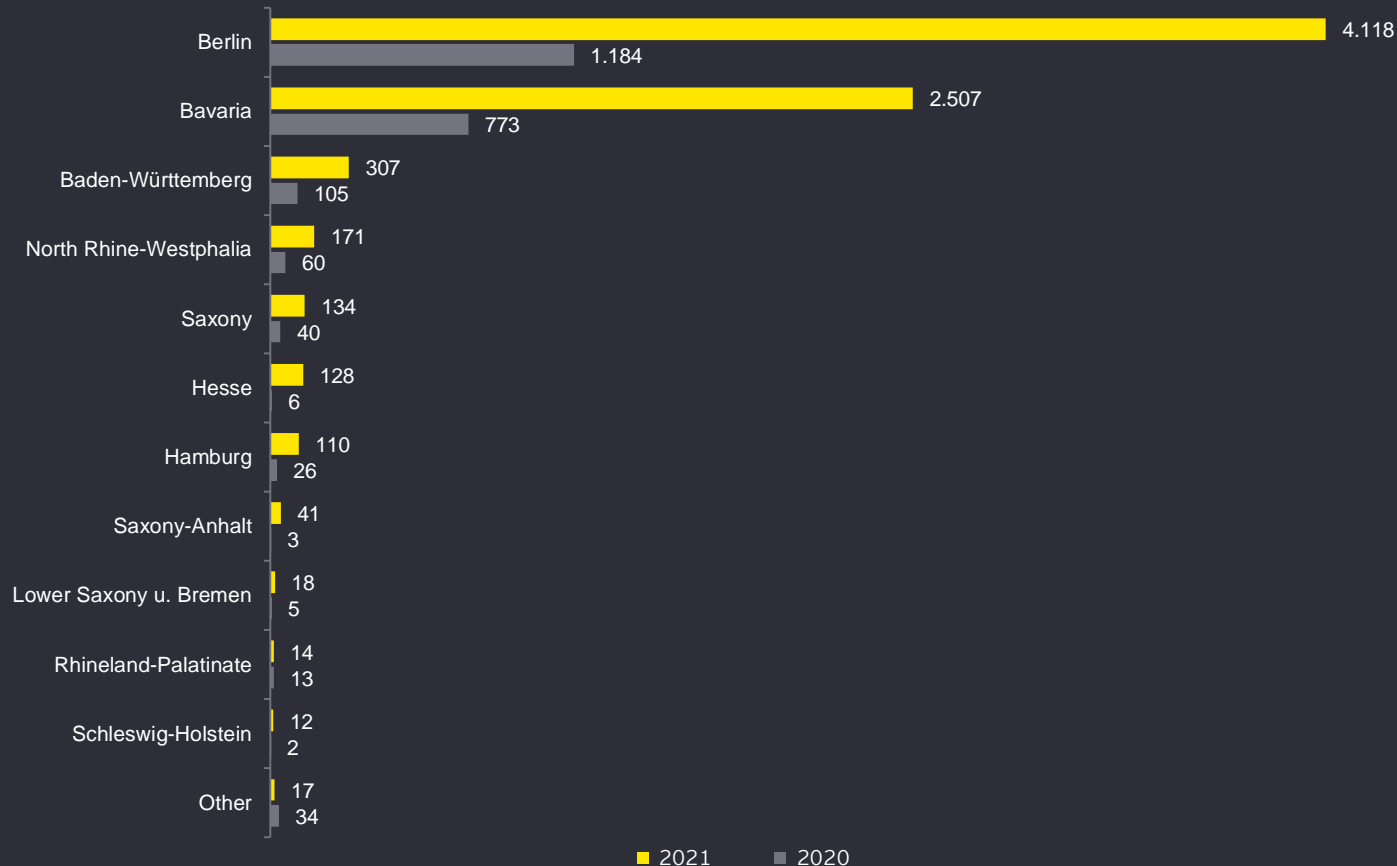
# Berlin startups receive 54 percent of total funding - Bavarian startups unchallenged in second place with market share of 33 percent

## Startup financing in Germany in 2021 and 2020

Financing amounts per federal state (in EUR million), 1st half of each year

Berlin startups were able to attract the most investments: More than every second German (54%) euro invested in startups is invested in Berlin startups in the first half of 2021.

With a market share of 33%, Bavaria ranks second ahead of Baden-Württemberg followed by North-Rhine-Westphalia, which have market shares of around 4% and 2% respectively.



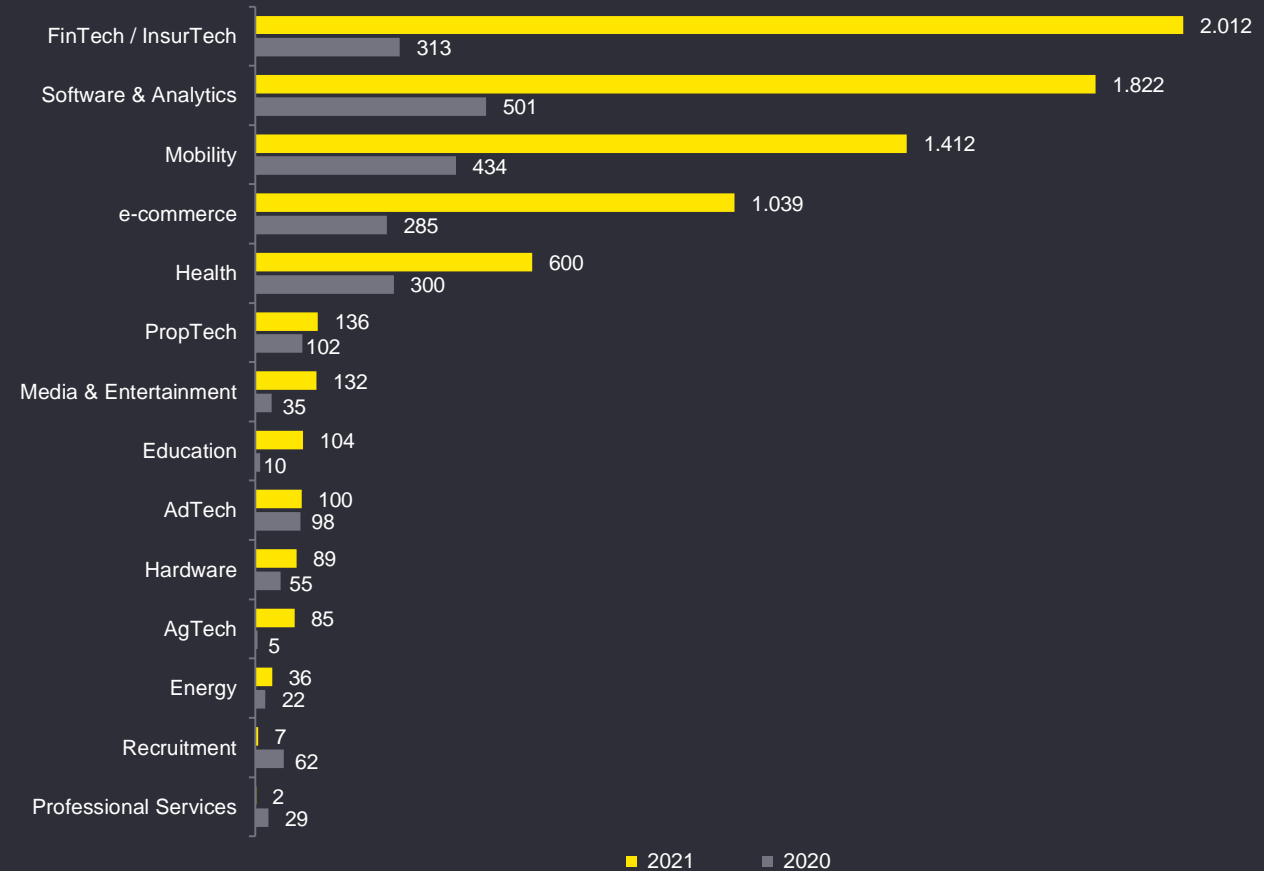
# Four sectors with billion-dollar inflows: FinTech/InsurTec ahead of Software & Analytics, Mobility and e-commerce

## Startup financing in Germany in 2021 and 2020

Financing amounts per sector (in EUR million), 1st half of each year

For the first time in German startup history, more than one billion euro were invested in one sector within a six-month period: In 2021, this mark was surpassed by four sectors at the same time.

The largest influx of invested capital was recorded by the FinTech or InsurTech sector with about EUR 2 billion, followed by the Software & Analytics sector, which collected investments of about EUR 1.8 billion. The sectors Mobility (about EUR 1.4 billion) and e-commerce (about EUR 1 billion) also recorded new records for invested amounts.



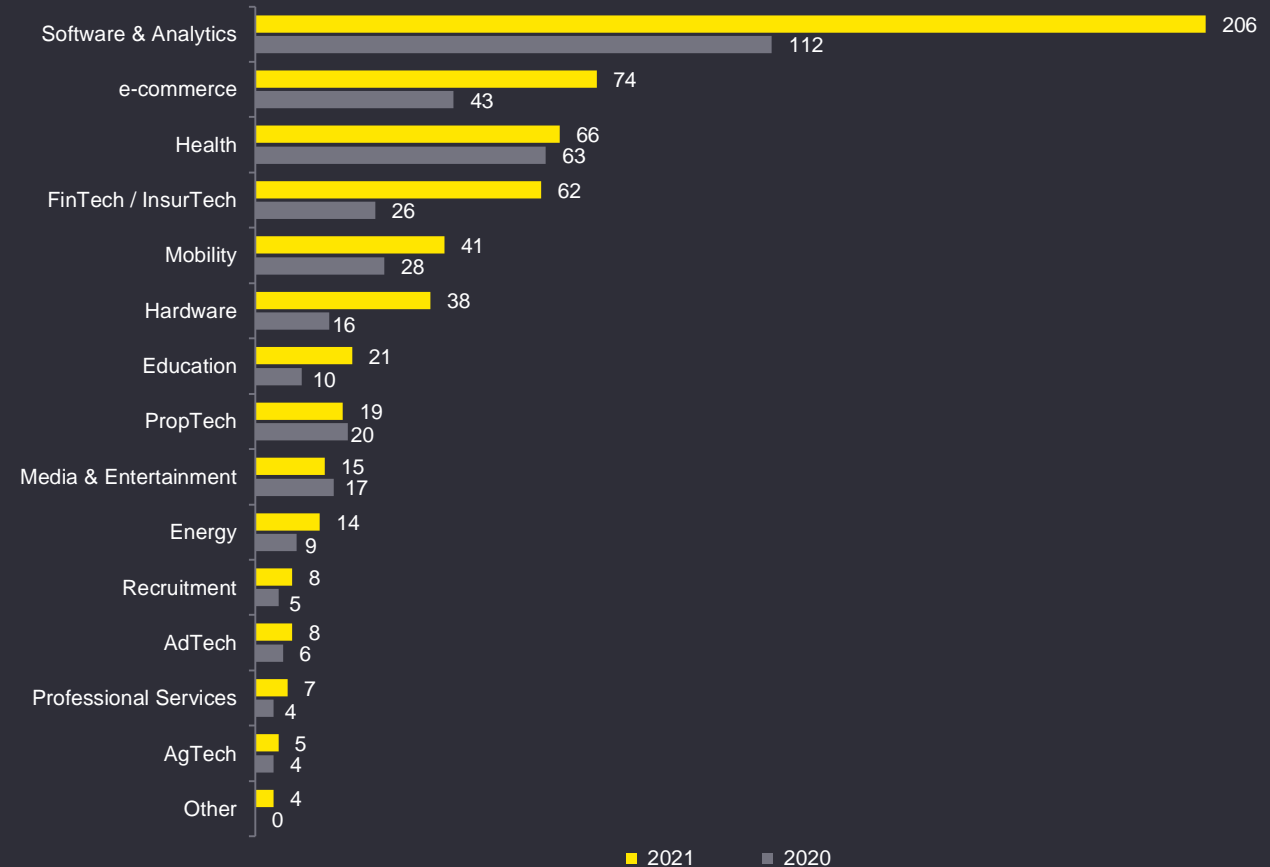
# Software & Analytics with most financing rounds - ahead of e-commerce, Health and FinTech/InsurTech

## Startup financing in Germany in 2021 and 2020

### Number of financing rounds per sector in Germany, 1st half of each year

In the first half of 2021, as in the same period in the previous year, the software & analytics sector counted for the most financing rounds: A total number of 206 deals were concluded in this sector, which is an increase of about 84% compared to the first half of 2020. With SaaS, artificial intelligence, virtual reality, blockchain, cloud, cyber security and data analytics, this sector comprises startups with new technologies.

Second place is e-commerce, where 74 deals were counted, third is Health and FinTech or InsurTech. In 13 of the 15 sectors, the number of deals increased compared to the same business period last year.





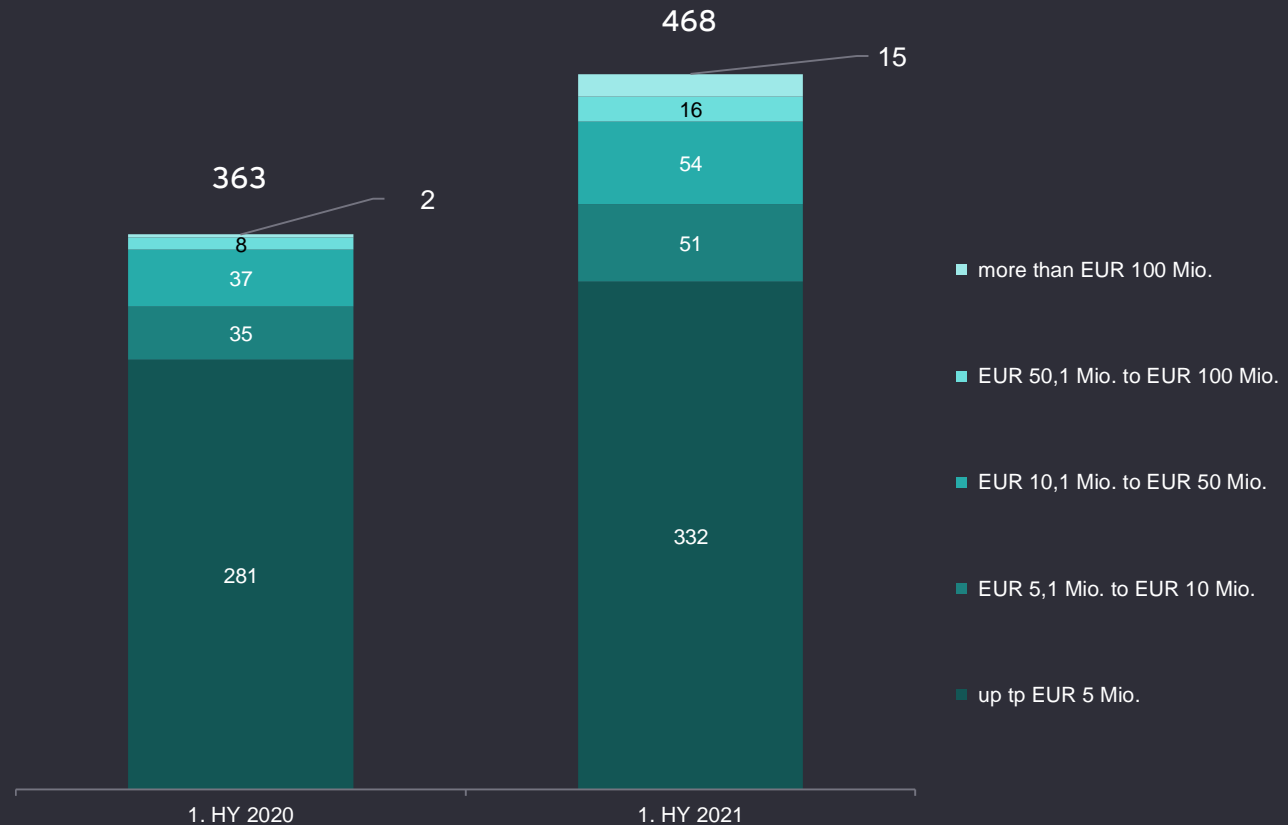
# 2021 Number of large deals of more than 100 million euros jumps

## Startup financing in Germany in 2021 and 2020

By size class, number of financing rounds in the specified size class, 1st half of each year

2021, 15 major deals overall worth more than EUR 100 million were already recorded in the course of the first half of the year. That is 13 times more than in the same period of the previous year and already 7 times more than in 2020 as a whole.

The number of deals has increased significantly in all relevant categories compared to the same period of the previous year.



A total of 588 (363) financings were counted in the first half of 2021 (2020), but financing volume data is available for only 468 (363) transactions.

# Celonis ahead of Trade Republic with largest financing round

## Top 5 financings in Germany in the first half of 2021

Company	Month	Financing amount in EUR million	State
Celonis	June	830	Bavaria
Trade Republic	May	747	Berlin
wefox	June	539	Berlin
FlixBus	June	539	Bavaria
Gorillas	March	241	Berlin



Focus on sectors and federal states

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# Detailed analysis FinTech/InsurTec: Trading ahead of Insurance and Banking with the most investment capital

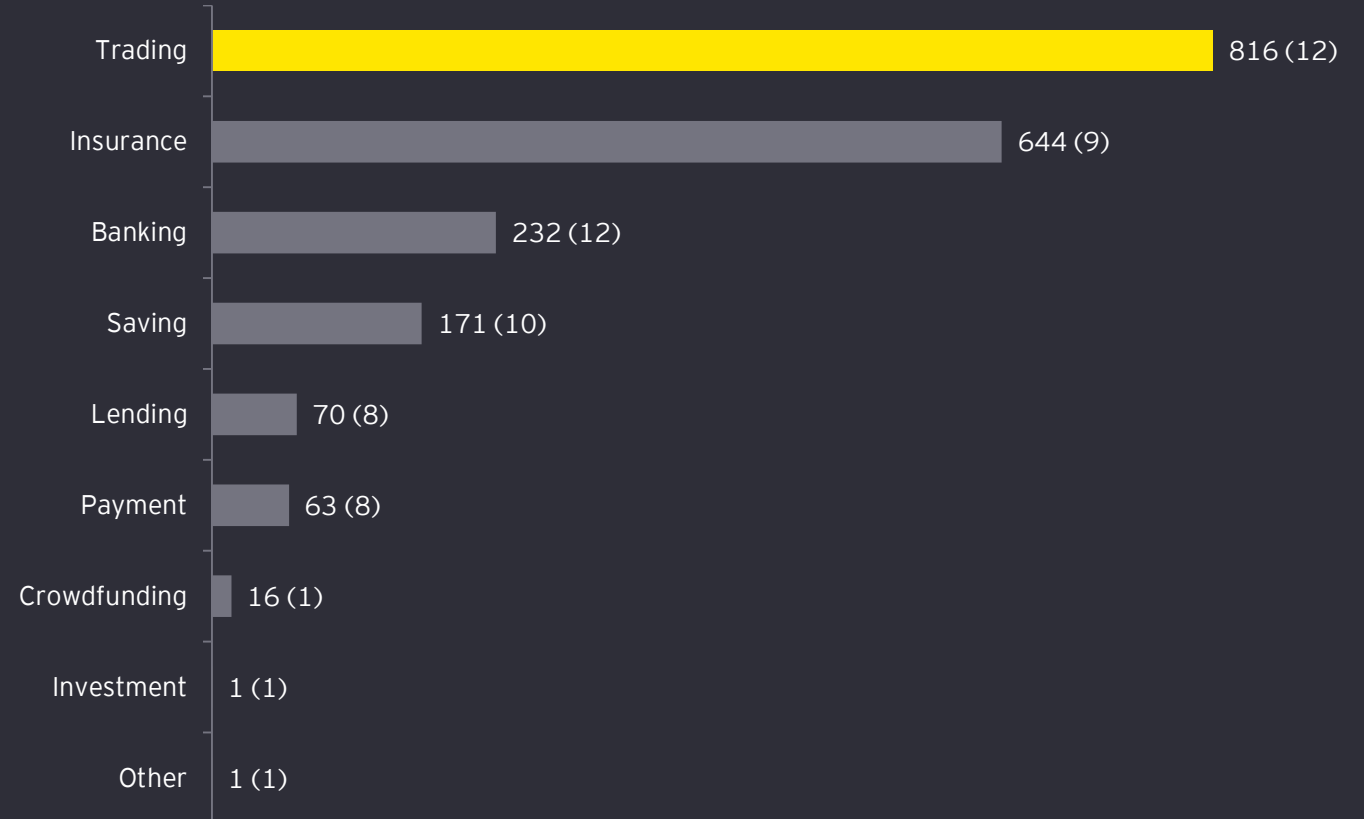
## Financing in the FinTech/InsurTech area 2021

**Financing amounts** per sub-sector (in EUR million); in parentheses: Number of financing rounds, 1st half-year in each case

Within the FinTech or InsurTec sector, the subsector Trading attracted the investments of about EUR 816 million, which is mainly related to one significant top deal (Trade Republic).

The subsectors Insurance and Banking came in second (EUR 644 million) while the third place, attracted invested capital of EUR 232 million in the first half of 2021.

Startup	Month	Financing amount in € million
Trade Republic	May	747
wefox	June	539
Scalable Capital	June	150



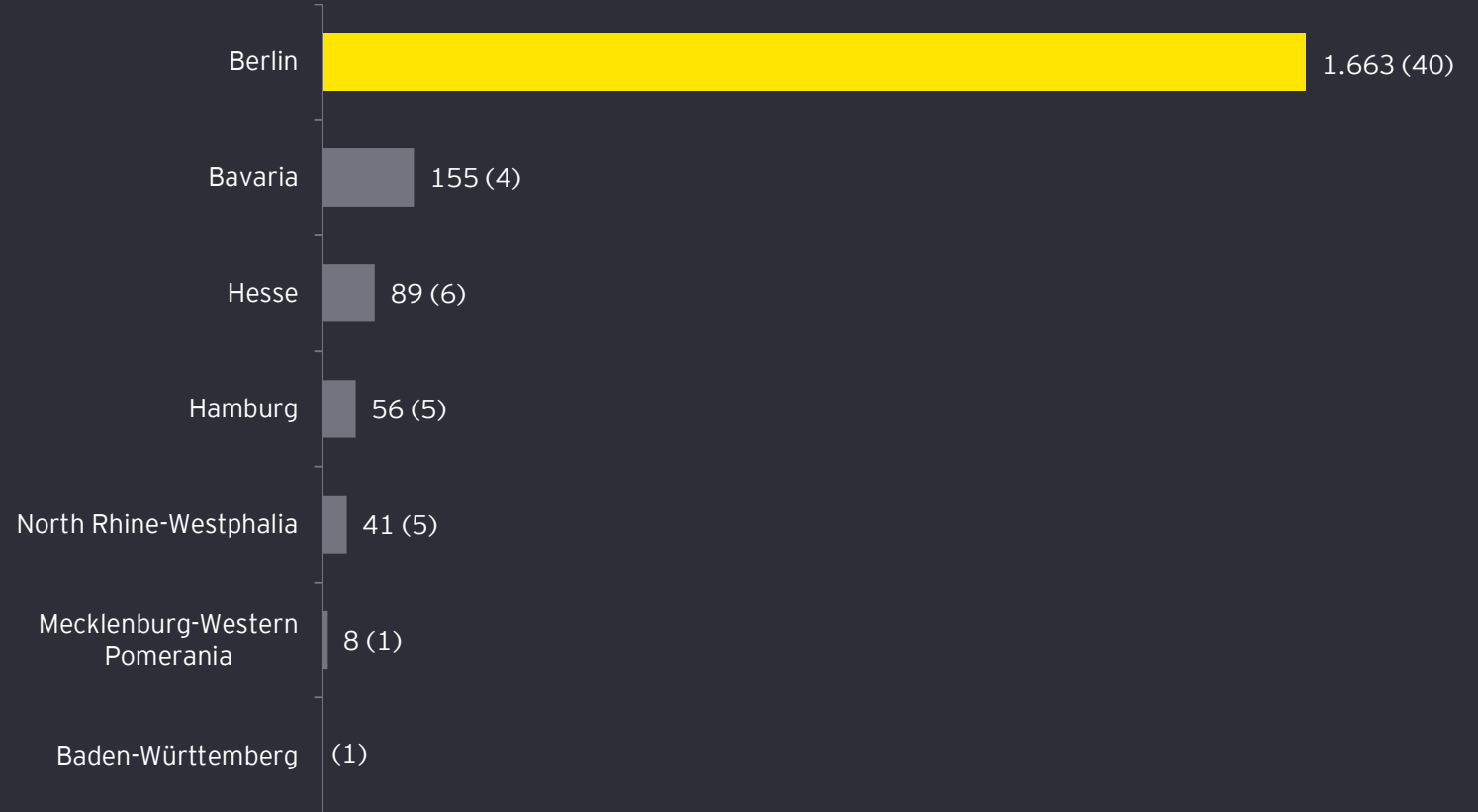
# FinTech/InsurTech: Berlin startups with a market share of over 80 percent

## Financing in the FinTech/InsurTech area 2021

Financing amounts per federal state (in EUR million); in parentheses: Number of financing rounds, 1st half-year in each case

Within the first half of 2021, Berlin startups received about 83 percent of the total capital invested in the FinTech or InsurTec sector in Germany, amounting to EUR 2 billion.

In addition, FinTech or InsurTech startups in the German capital raised by far the most rounds of financing.



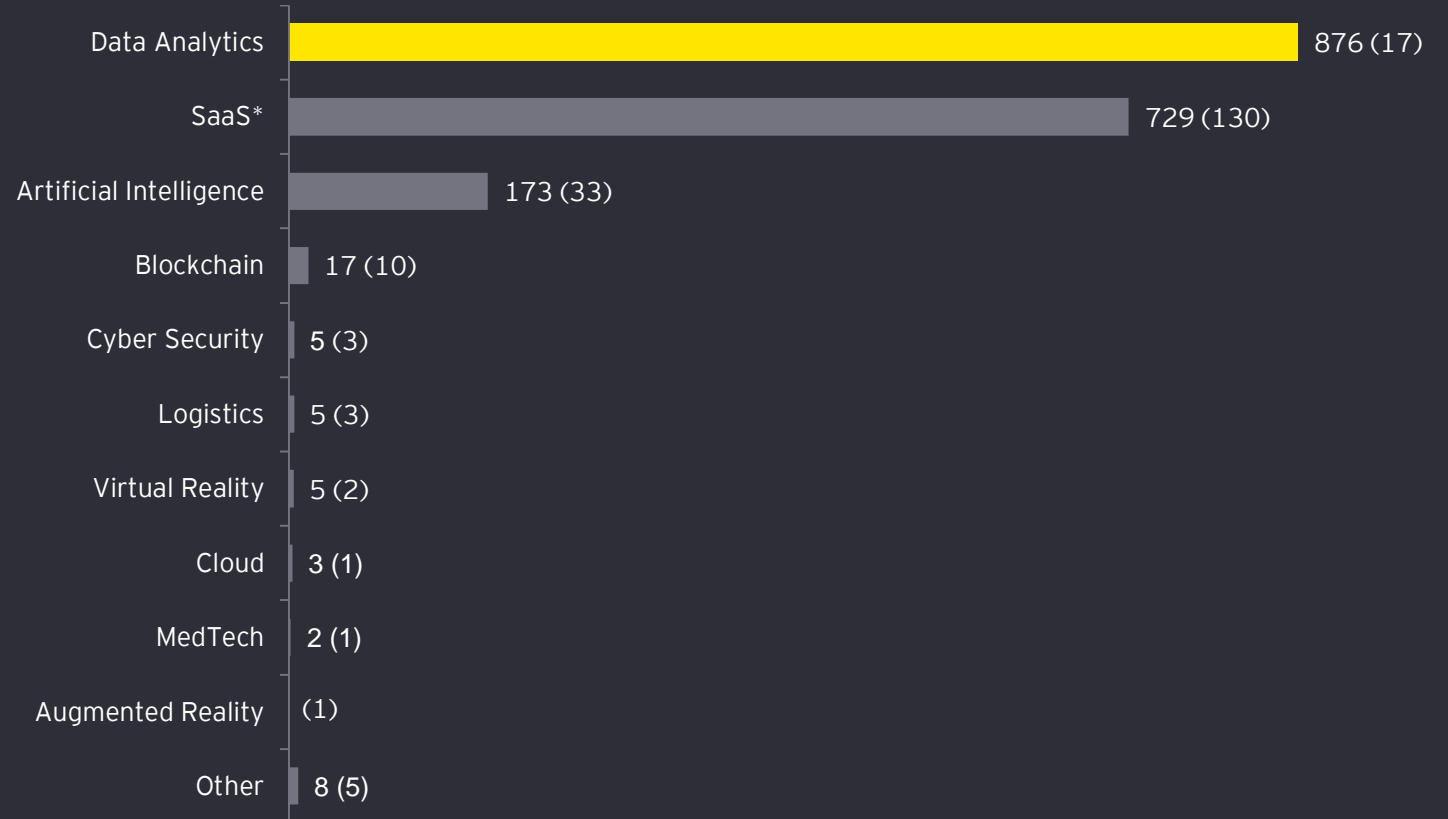
# Detailed analysis Software & Analytics: Data Analytics receives most thanks to Top Deal - Software as a Service with most deals

## Financing in Software & Analytics 2021

Financing amounts per sub-sector (in EUR million); in parentheses: Number of financing rounds, 1st half-year in each case

Within Software & Analytics, the segment Data Analytics recorded the highest volume of investments of about EUR 876 million in the first half of 2021 related to one top deal (Celonis), followed by the segments, Software as a Service (EUR 729 million) and Artificial Intelligence (EUR 173 million). Most deals were registered in the Software as a Service segment: This segment accounted for 63 percent of all deals in the Software & Analytics sector. In terms of the number of deals, Artificial Intelligence still has market share of around 16 percent.

Startup	Month	Financing amount in € million
Celonis	June	830
Mambu	January	110
Personio	January	104



\*SAAS = Software as a Service

# Software & Analytics: Bavarian startups receive the most - Berlin startups with the most investment rounds

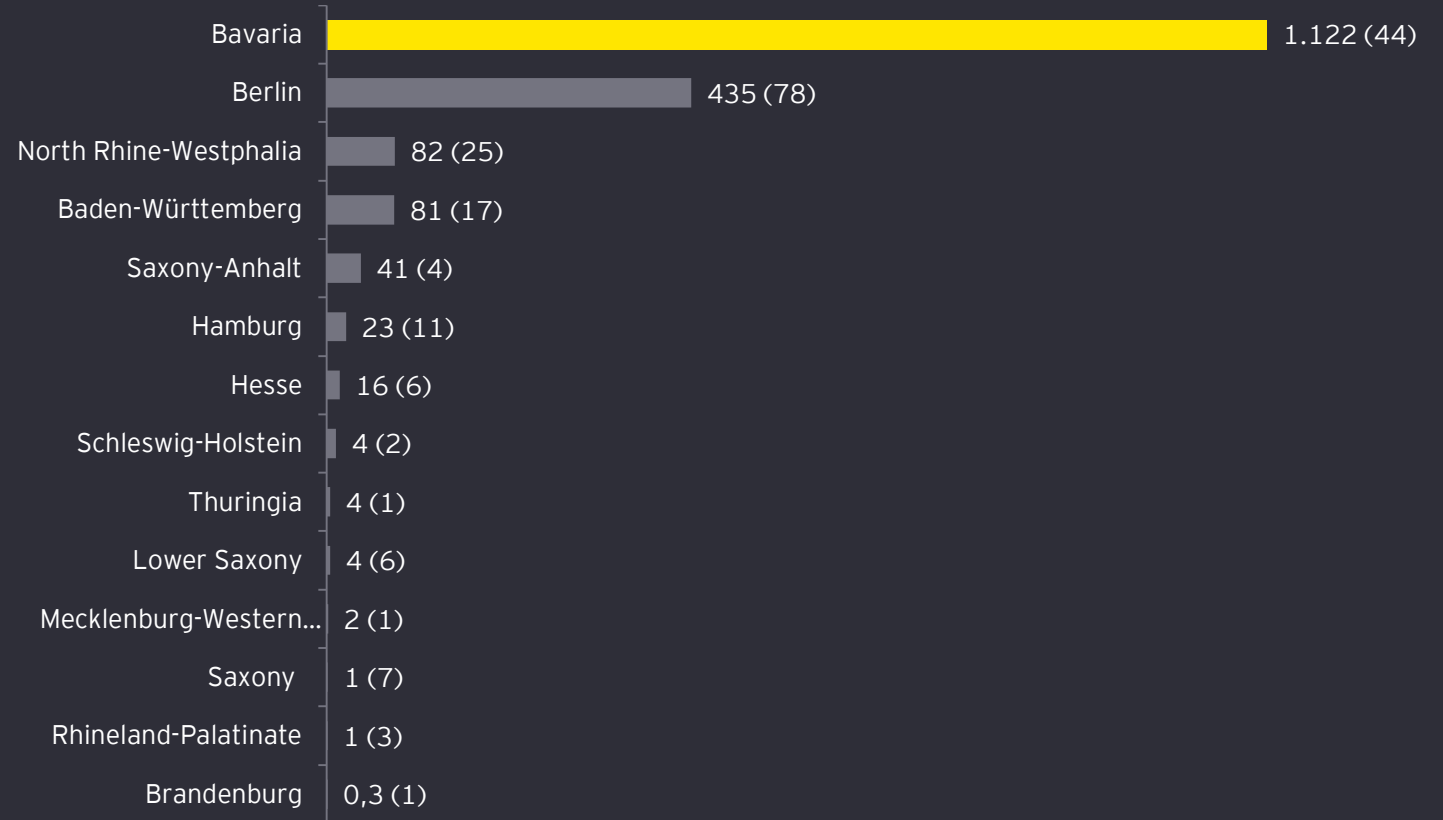
## Financing in Software & Analytics 2021

Financing amounts per federal state (in EUR million); in parentheses: Number of financing rounds, 1st half-year in each case

Bavarian startups recorded the strongest inflow of investment capital in the segment Software & Analytics in the first half of 2021 with about EUR 1.1 billion and the second highest number of deals with 44 rounds of financing.

Berlin-based startups recorded the most deals with 78 and the second-largest inflow of investment capital with EUR 435 million.

Overall, Bavarian and Berlin startups have a market share of around 86 percent in the software & analytics sector.



# Detailed analysis Mobility: Travel & Leisure thanks to top deal with largest investment sum

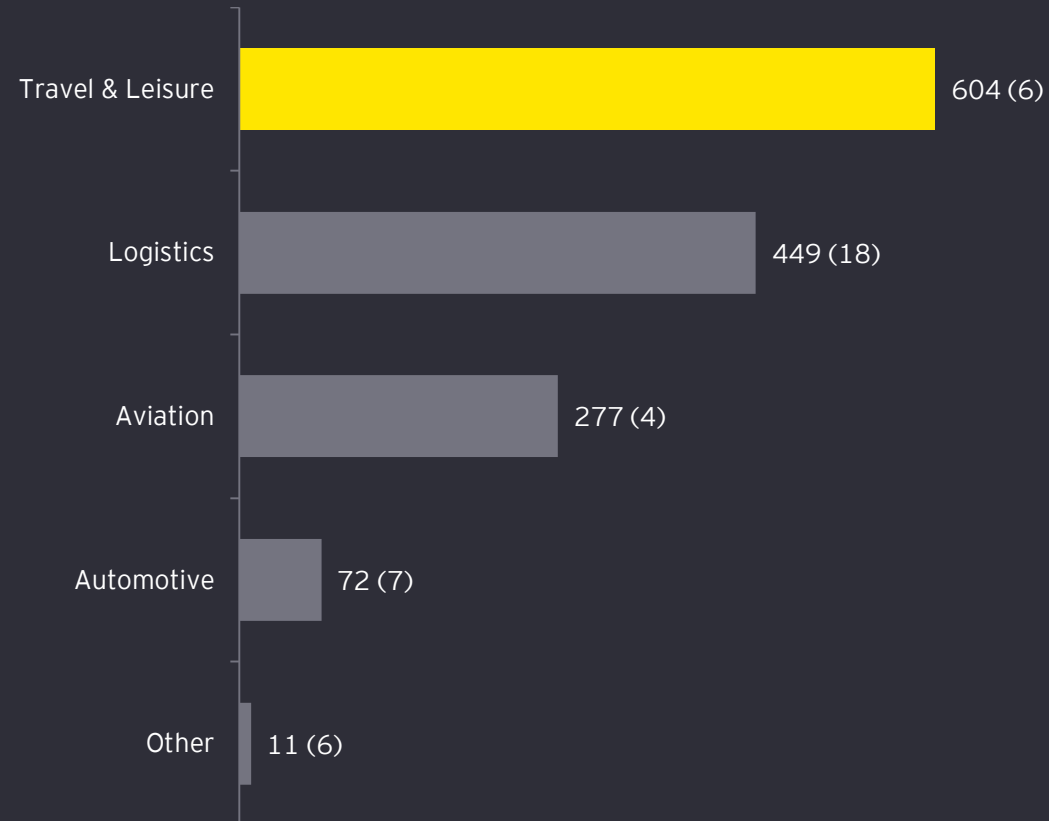
## Financing in the Mobility 2021 segment

Financing amounts per sub-sector (in EUR million); in parentheses: Number of financing rounds, 1st half-year in each case

In the subsector Mobility, 43% of the total capital of EUR 1,410 million were invested within the first six months of 2021. Most of the investments are related to the Travel & Leisure subsector, which also recorded a top deal with FlixBus.

The subsectors Logistics and Aviation received financing totals exceeding the mark of EUR 100 million. The subsector Logistics recorded the highest number of deals, accounting for 42 percent of all deals.

Startup	Month	Financing amount in € million
FlixBus	June	539
Forto	June	202
Volocopter	March	201





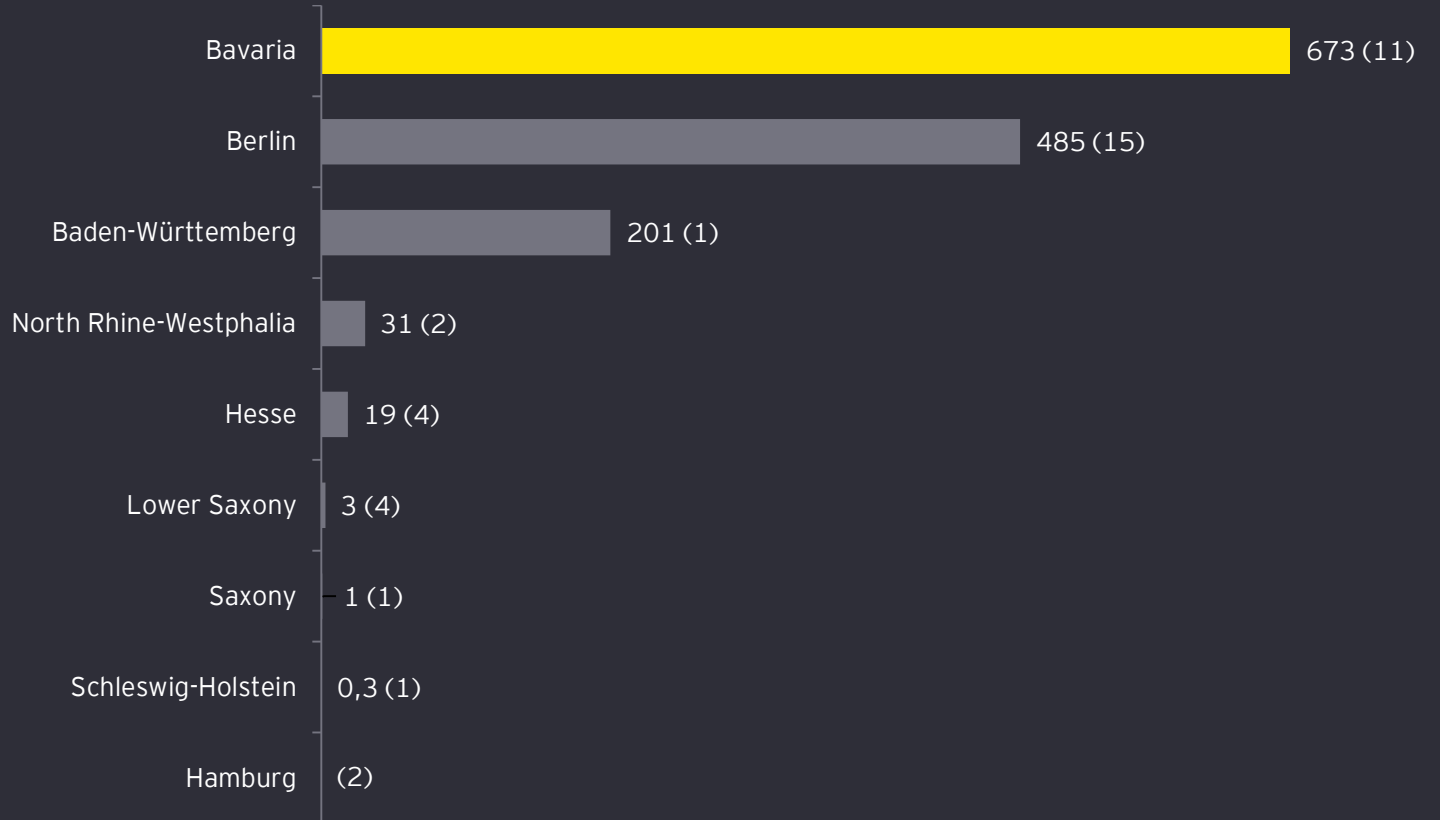
# Mobility: Berlin start-ups with most financing rounds, but Bavaria location receives most capital

## Financing in the Mobility 2021 segment

Financing amounts per federal state (in EUR million); in parentheses: Number of financing rounds, 1st half-year in each case

Berlin startups accounted for 37 percent of all deals registered in the sector mobility in Germany in the first half of 2021, followed by startups in Bavaria, that achieved a market share of 27 percent.

Thanks to the top deal (FlixBus), Bavaria received the highest amount of invested capital, followed by startups in Berlin and Baden-Württemberg, that also received inflows exceeding the EUR 100 million mark.



# Detailed analysis of e-commerce: Almost every second euro invested goes into food - food also with the most financing rounds

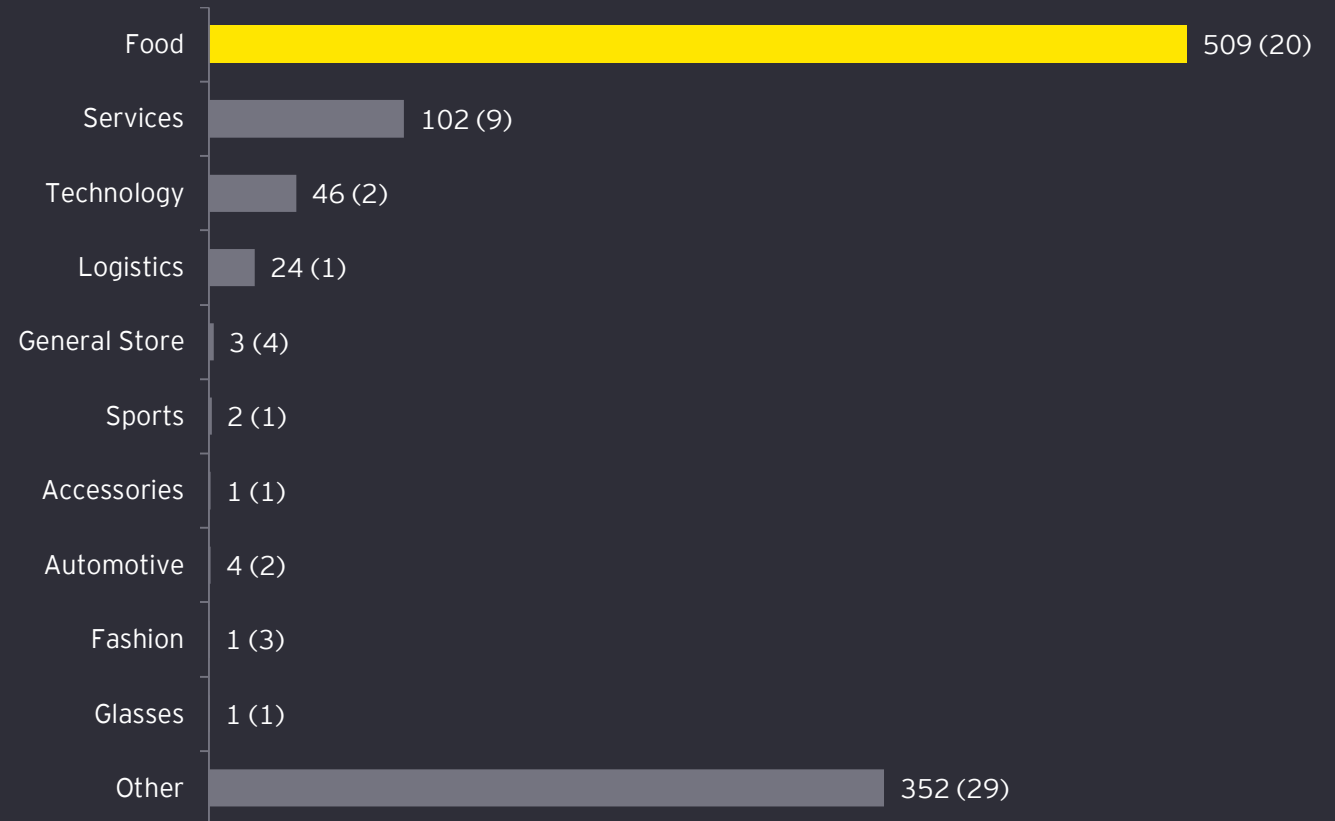
## Financing in the area of e-commerce 2021

**Financing amounts** per sub-sector (in EUR million); in parentheses: Number of financing rounds, 1st half-year in each case

In the e-commerce sector, the sub-sector food recorded the most financing rounds, the largest inflow of investment capital and a top deal (Flink Food, EUR 199 million), all within the first half of 2021.

Almost every second euro invested in the e-commerce sector was invested in the food sub-sector within the first six months of the year.

Startup	Month	Financing amount in € million
Flink Food	June	199
Branded	February	150
parcelLab	May	93



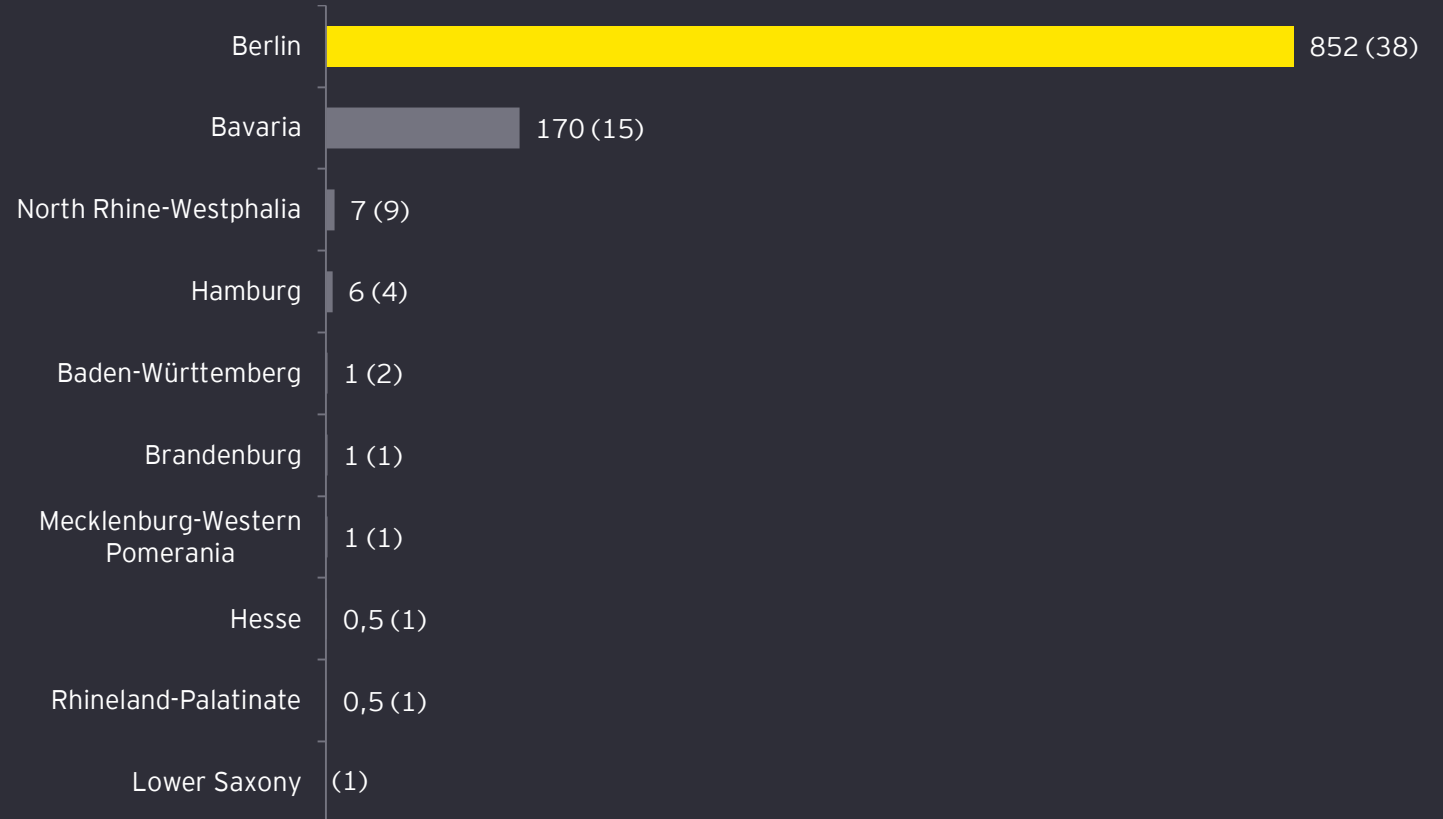
# E-commerce: More than four out of five invested euros go to Berlin startups - Capital city startups also with the most deals

## Financing in the area of e-commerce 2021

Financing amounts per federal state (in EUR million); in parentheses: Number of financing rounds, 1st half-year in each case

Berlin-based startups recorded the most deals and by far the highest financing volume in the sector e-commerce within the first half of 2021: With about EUR 852 million, 82% of €1,039 million invested in the e-commerce sector were invested in startups in the capital.

In addition to Berlin startups, startups in Bavaria (15) also recorded for a double-digit number of financing rounds.



# Detailed Analysis Health: Every Second Top 10 Deal in Digital Health -Cannabis Receives 42 Million Euros

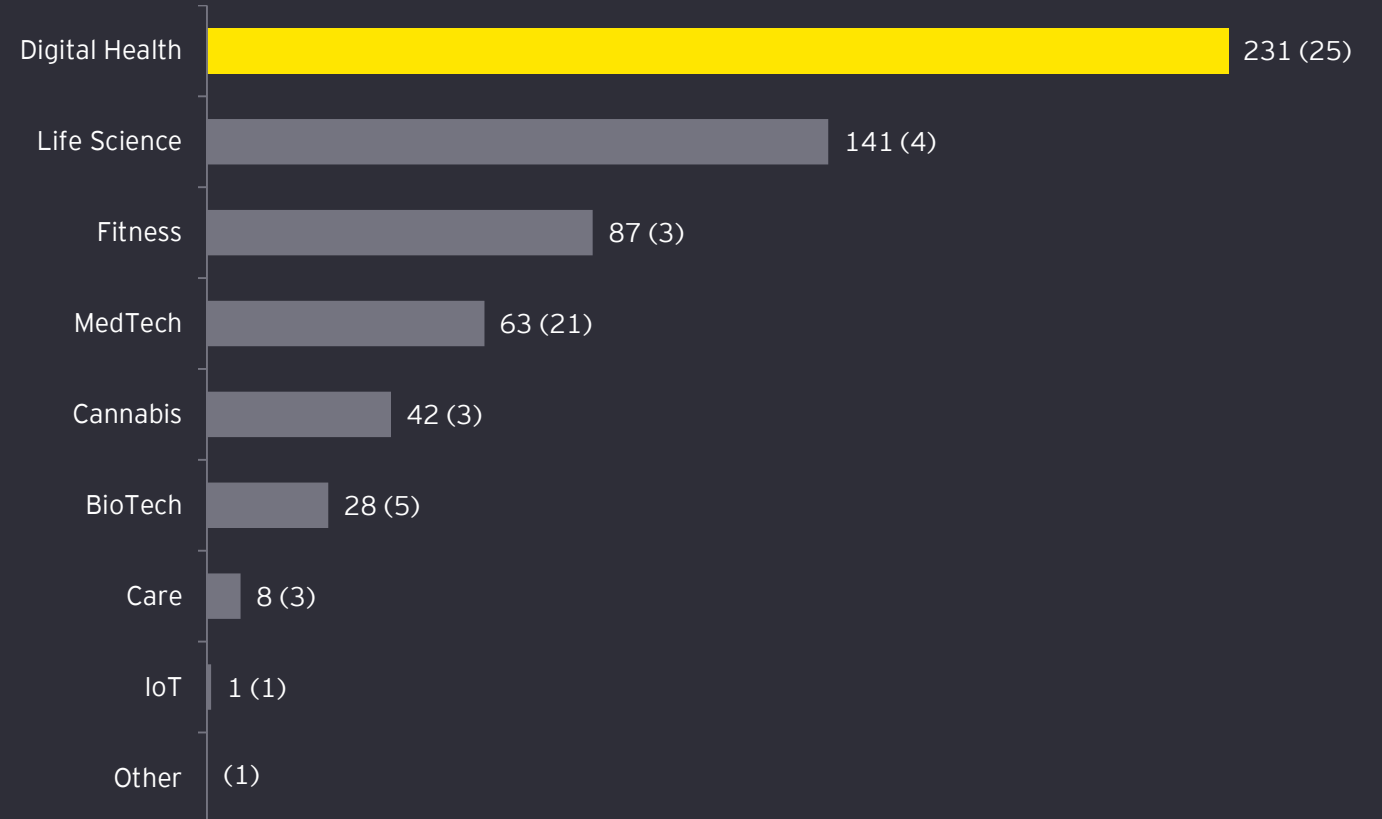
## Financing in the area of Health 2021

**Financing amounts** per sub-sector (in EUR million); in parentheses: Number of financing rounds, 1st half-year in each case

Within Health, the subsector Digital Health recorded the largest inflow of investment capital and the most financing rounds: A total of EUR 231 million flowed into this subsector distributed within 25 rounds.

The subsector Life Science received a financing volume of about EUR 141 million in just four deals, while in the same period, the MedTech subsector raised EUR 63 million in 21 rounds.

Startup	Month	Financing amount in € million
ATAI Life Sciences	March	130
Urban Sports Club	June	80
Ada Health	May	74



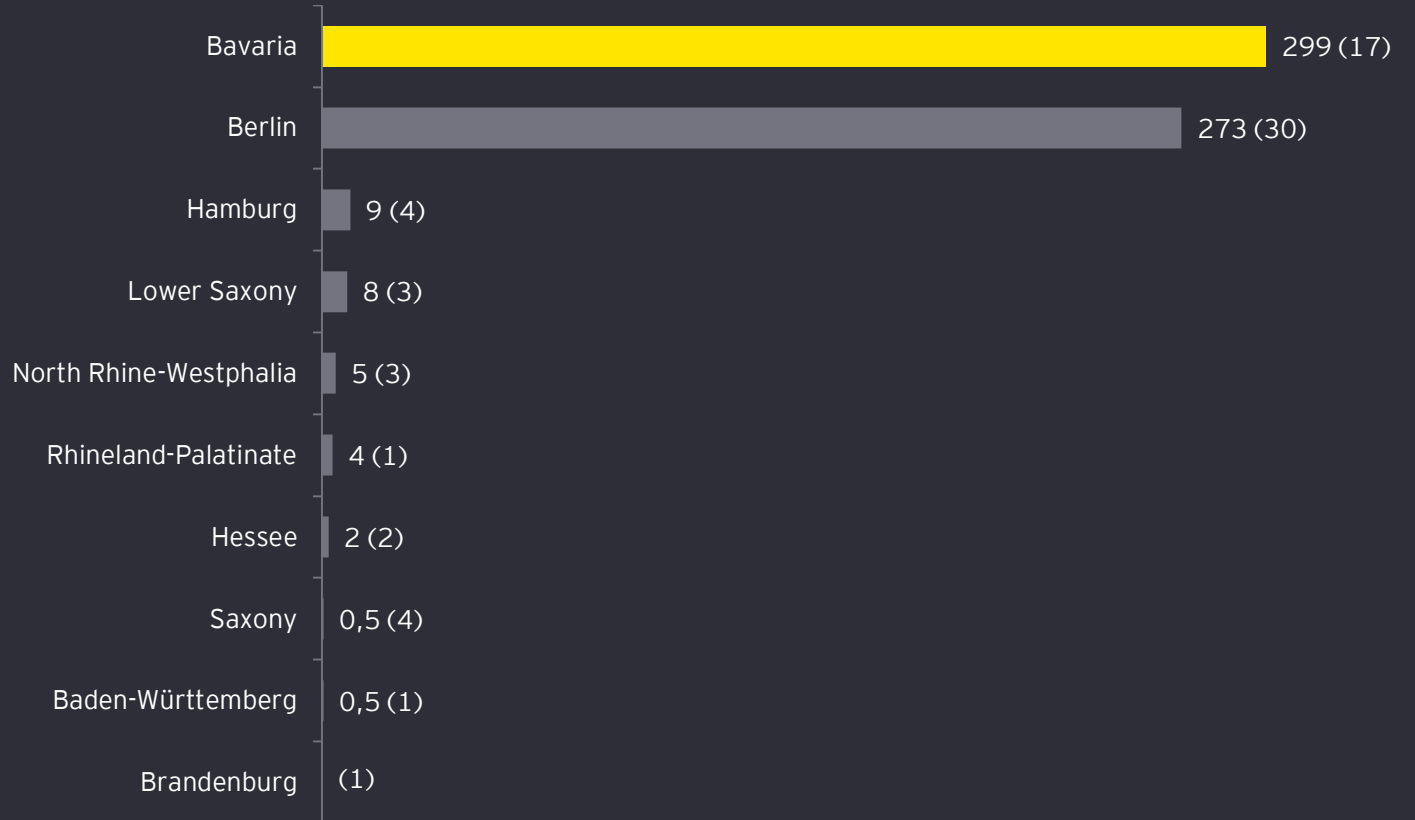
# Health: 95 percent of total investment goes to startups in Bavaria and Berlin -Bavarian startups get most, Berlin startups with most deals

## Financing in the area of Health 2021

Financing amounts per federal state (in EUR million); in parentheses: Number of financing rounds, 1st half-year in each case

Bavarian startups received the highest invested capital within the sector health in the first half of 2021: In 17 financing rounds, a total number of EUR 299 million were received - EUR 26 million more than Berlin startups, which, however, received a significantly higher number of financing rounds (30).

In total, Bavarian and Berlin startups received EUR 572 million in the health sector in the first half of the year - 95 percent of the EUR 600 million invested in this sector in Germany.



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