



# Global and Japan Venture Capital Market Update 2024H1



September 2024  
Japan Investment Corporation

# Acknowledgments

- Japan Investment Corporation (JIC) conducts research on domestic and international capital market trends for its own investment activities. This document discloses a portion of our research result and serves the public with available market information and reference.
- Unless otherwise noted, the following material is based on information available as of August 2024.

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	Japan 	US 
Startups	<ul style="list-style-type: none"> <li>• Total funding amount has peaked at ¥ 978.2 B in 2022, before declining by 18% to ¥ 803.9 B in 2023. Progress in the first half of 2024 is almost in line with the same period last year.</li> <li>• Funding for AI-related startups remains prominent.</li> <li>• Median valuation in Series D and beyond has risen slightly, but this increase is attributed to a reduction in the number of fundings at low valuations in the ¥ 2-6 B range, rather than an overall improvement in startup valuations.</li> <li>• Number of IPOs have remained at the same level as the previous quarters, while M&amp;A activity has increased compared to the previous quarters. Majority of these acquisitions are done by listed emerging companies.</li> </ul>	<ul style="list-style-type: none"> <li>• The total amount of funds raised in 2023 was \$160 billion, a 53% decrease from the peak fundraising amount of \$350 billion in 2021. It remains low and flat in the first half of 2024.</li> <li>• In an unfavorable funding environment, AI startups are thriving. Not only VCs but also business investors, including major tech companies, are providing support.</li> <li>• Valuations of startups in later stages have increased slightly in recent periods, but the overall market has been weighed down by the slump in valuation multiples of listed SaaS companies, preventing a broader recovery in startup valuations.</li> <li>• The number of IPOs and M&amp;As remains sluggish.</li> </ul>
Venture Capital	<ul style="list-style-type: none"> <li>• The amount raised by domestic VC funds that began formation in the first half of 2024 reached ¥232.1 billion, which is nearly the same level as the total at the same time last year</li> <li>• The top fundraisers among domestic VC funds that began formation in the first half of the year were, as in the previous year, largely dominated by CVCs and financial institution-affiliated VCs, with only a few independent VCs.</li> </ul>	<ul style="list-style-type: none"> <li>• The amount raised by U.S. VC funds has significantly decreased compared to its peak(-57%) and remains flat in the first half of 2024. While emerging managers are struggling to raise funds, established VCs continue to raise funds smoothly.</li> <li>• Distributions from VC funds are slow due to the poor exit environment, causing LP investors to refrain from making commitments in VC funds.</li> <li>• The dry powder for VC funds has reached \$300 billion but has decreased slightly recently due to the sluggishness in new fundraising.</li> </ul>

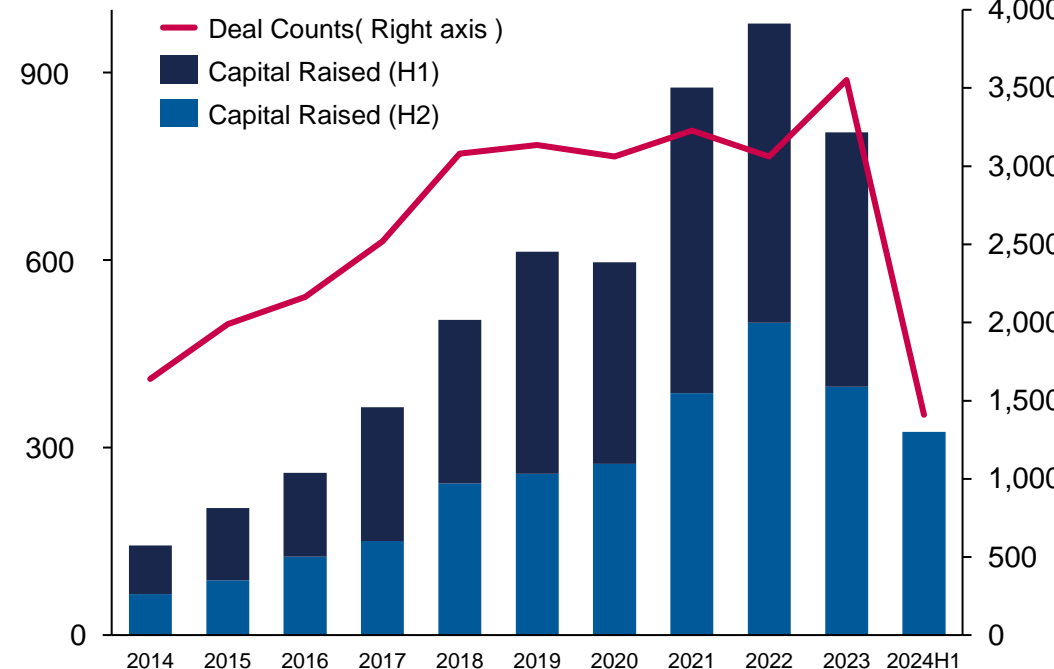
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# Japan: Deal Activity | Overview

- Startups raised a total amount of ¥325.3 B in the first half of 2024. <sup>1</sup>
- The 2024H1 progress is almost in line with the progress of 2023H1 at the same time in the first half of the previous year.

## Deal Activity<sup>1</sup>

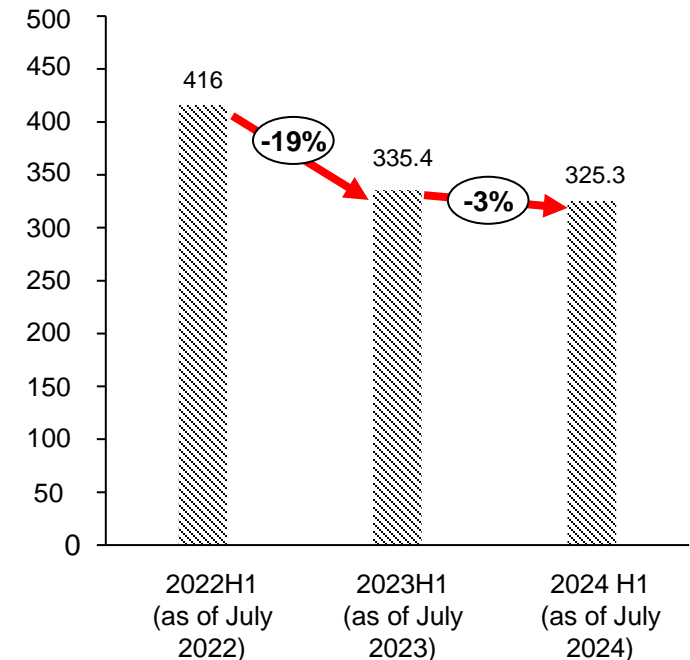
Deal Value (¥B)



## Half on Half Comparison

Deal Value (¥B)

Preliminary H1 results

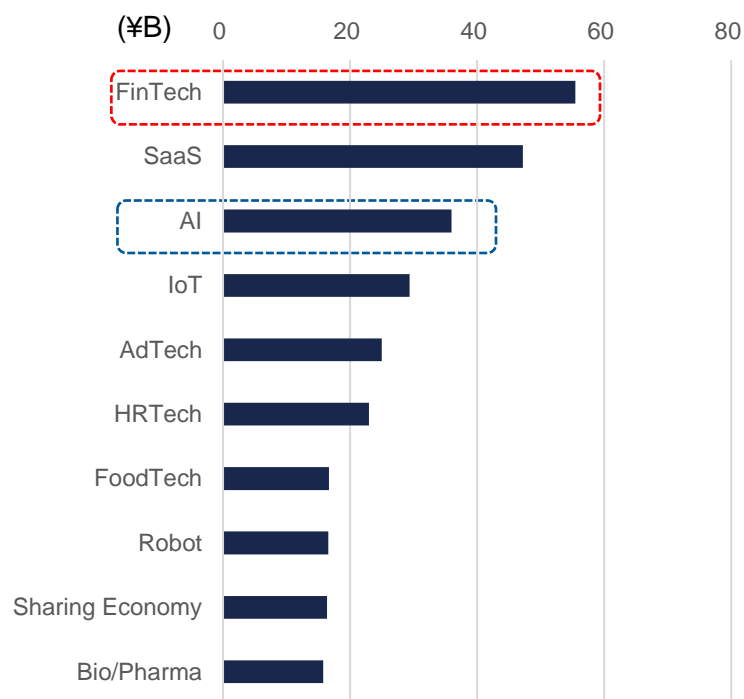


Note 1: The figure above is a preliminary result, which is subject to revision as deals in the past are identified retrospectively.  
Source : Speeda Startup Information Research (as of July 19th, 2024)

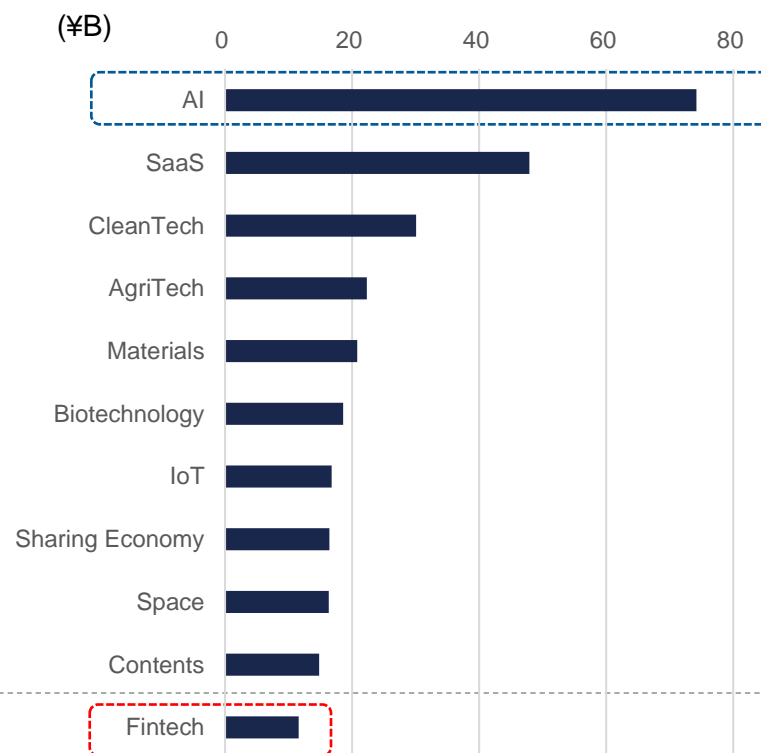
# Japan: Deal Activity | Sectors

- Funding by AI-related startups led the overall trend (Total amount raised: ¥74.2 billion).
- Funding amount by Fintech, which led fundraising during the past boom period, has declined significantly (¥57B → ¥11 B) .

2021H1



2024H1



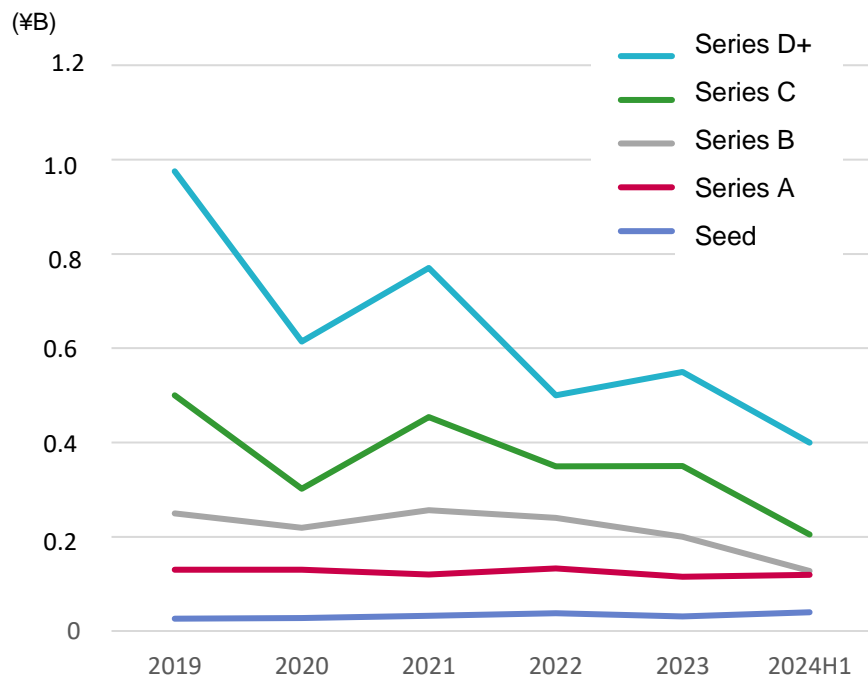
Note: Due to the overlap of companies across sectors, the total for each sector does not equal the total amount of capital raised or the total number of companies. The top 10 sectors for each period are shown.

Source: Speeda Startup Information Research

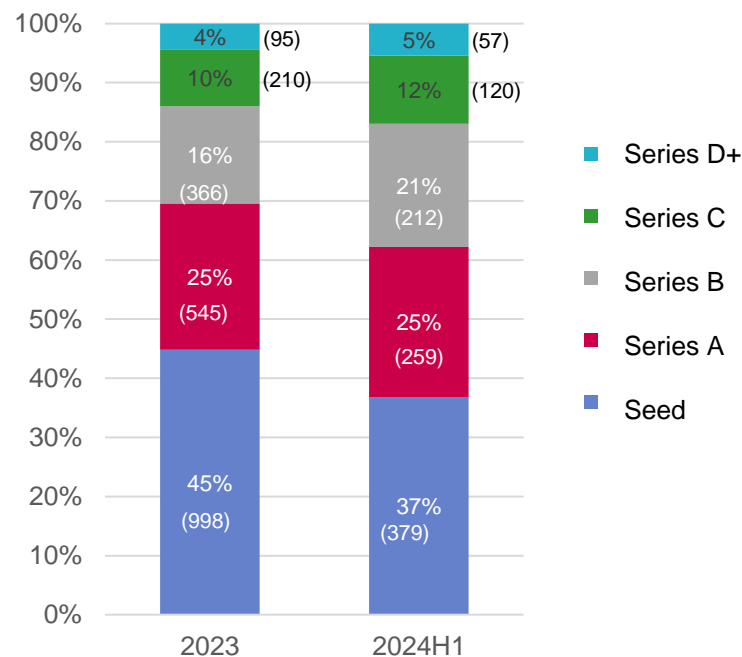
# Japan: Deal Activity | Deal Size

- The median amount raised per company from Series B onwards continues to decline <sup>1</sup>, indicating a trend toward smaller deals. In contrast, for both the Seed and Series A stages, the median amount raised per company have remained stable.

Deal Size by Series (median)



Deal Counts by series: Composition Ratio



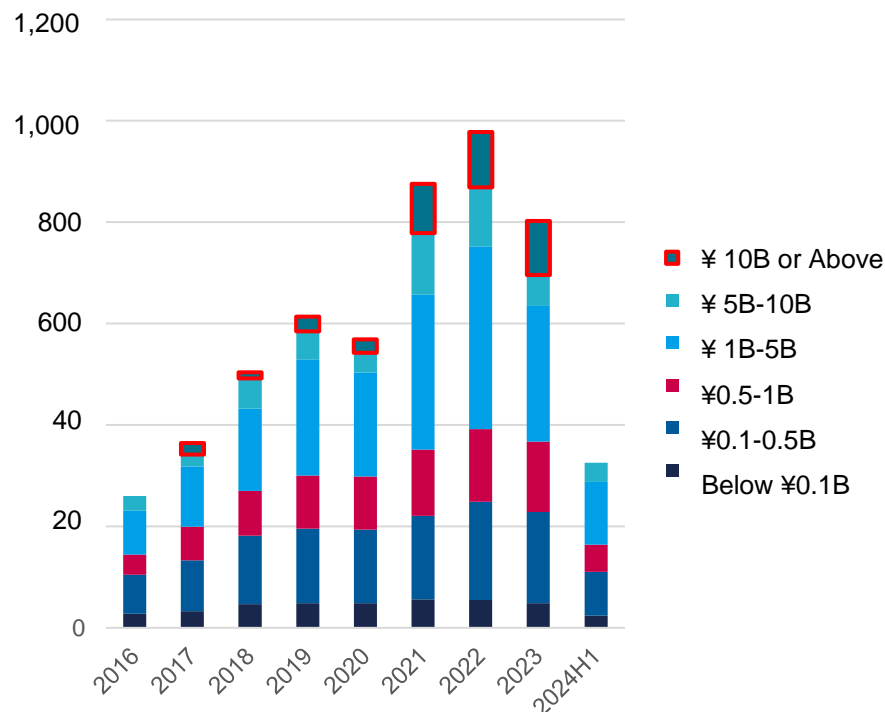
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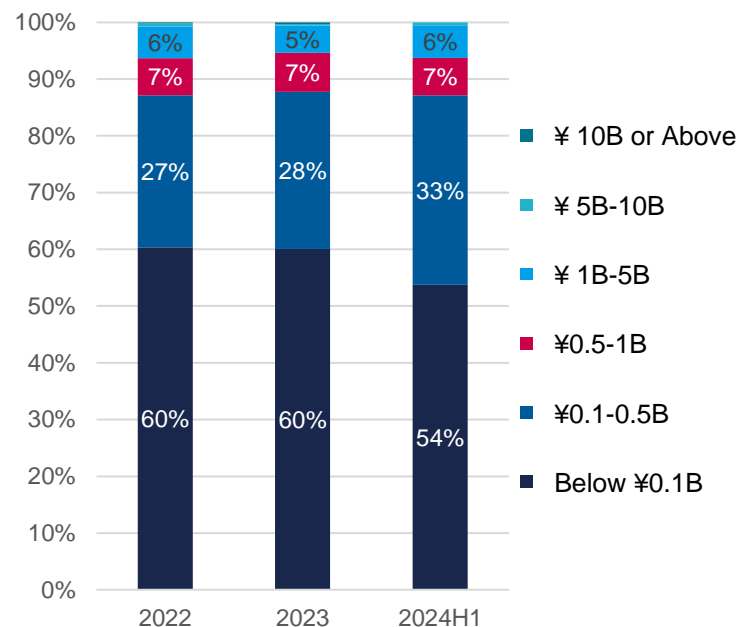
# Japan: Deal Activity | Deal Size

- In 2024H1, there were no deals exceeding ¥10B.
- At this moment, the composition of deals by size shows a decrease in the proportion of deals “less than ¥0.1 B” while the proportion of deals “¥0.1B to less than ¥0.5B” has increased. However, as data continues to be compiled, this distribution is expected to change as relatively small-scale deals from the past are revealed.

(¥B) Amount raised (by Deal Size bucket)



Composition of deal size bucket (by deal count)



Source : Speeda Startup Information Research

# Japan: Deal Activity | Deal Size

- In 2024H1, there was no deal exceeding ¥10 B.<sup>1</sup>
- In the second half of the year, larger deals, such as SmartHR (¥21.4B in deal size including secondary transaction), were observed.

## 2023 Large Deals

Company Name		Amount raised (¥ B)
1	Shizen Energy	24.4
2	Andpad	10.6
3	Spiber	10.5
4	Gojo & Company	8.0
5	Rapyuta Robotics	6.4
6	Spread	5.6
7	Kyash	5.2
8	SUPER STUDIO	5.0
9	ELIY Power Co., Ltd.	5.0
10	Saika Co., Ltd.	4.5
Average		8.5

## 2024H1 Large Deals

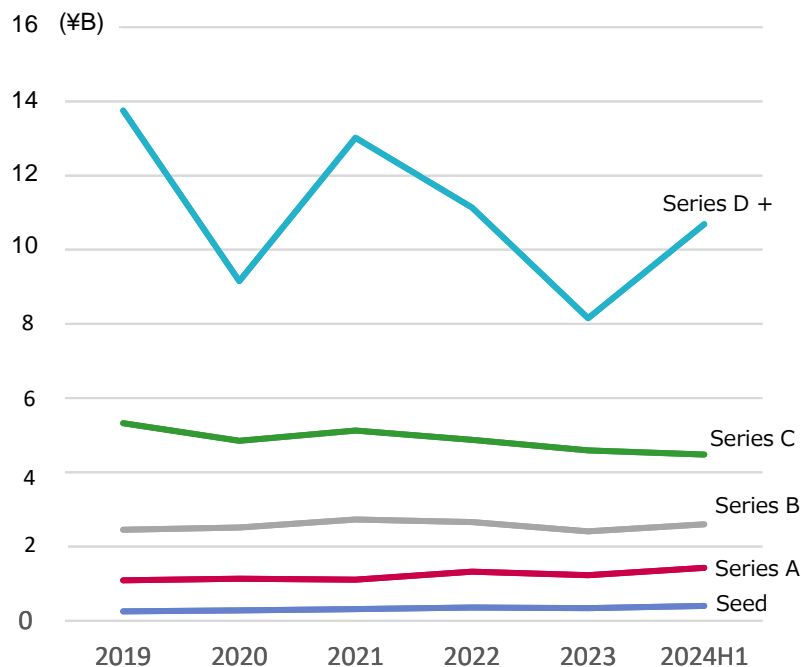
Company Name		Amount raised (¥ B)
1	Tier IV	7.5
2	Spiber	7.1
3	Gojo & Company	6.1
4	Synspective	5.7
5	MOON/X	5.7
6	Enecoat Technologies	5.6
7	CBcloud	4.9
8	Culture Entertainment	4.8
9	Renalis Pharma	4.6
10	Binance Japan	4.6
Average		5.7

Note 1: Large-scale funding for Sakana.ai (\$125 million, approximately ¥18.8 billion) and Oishii Farm (¥20 billion) has been reported. However, as of August 30, these deals have not yet been officially recognized or announced through press releases, and therefore, they are not included in Speeda's data.

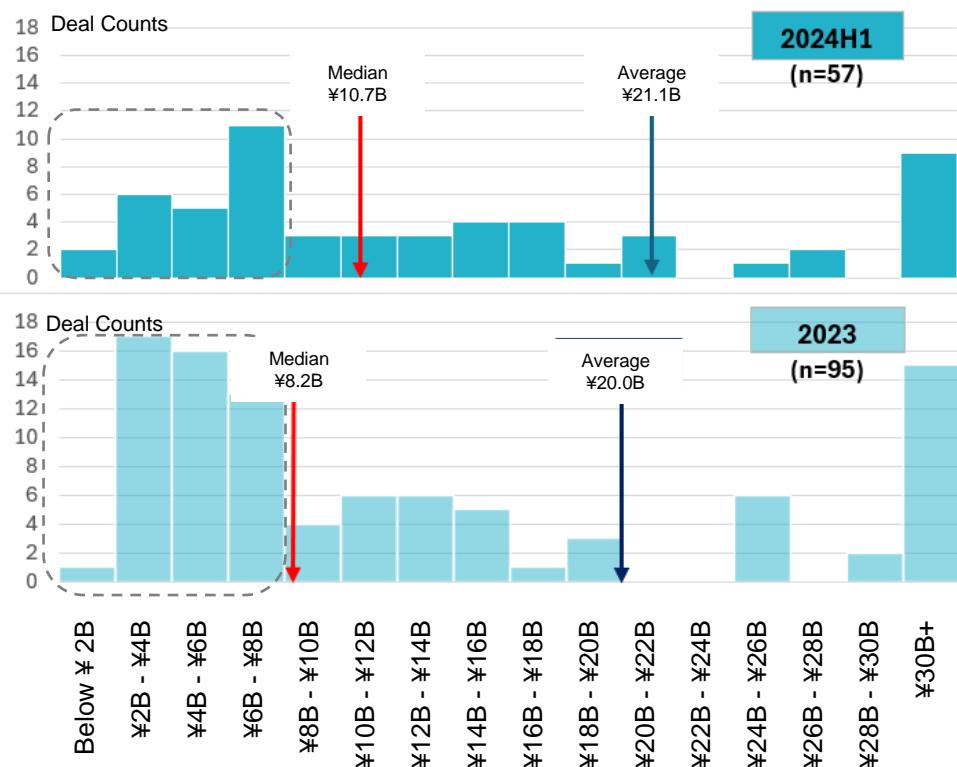
# Japan: Deal Activity | Valuation (1)

- Median post-money valuation across stages generally remained flat except for Series D and beyond.
- For Series D and beyond, the median valuation has increased not due to a rise in highly valued transactions, but because of a reduction in lower-valued transactions. This does not indicate an improvement in overall startup valuation.

Post-money valuation by Series (median)



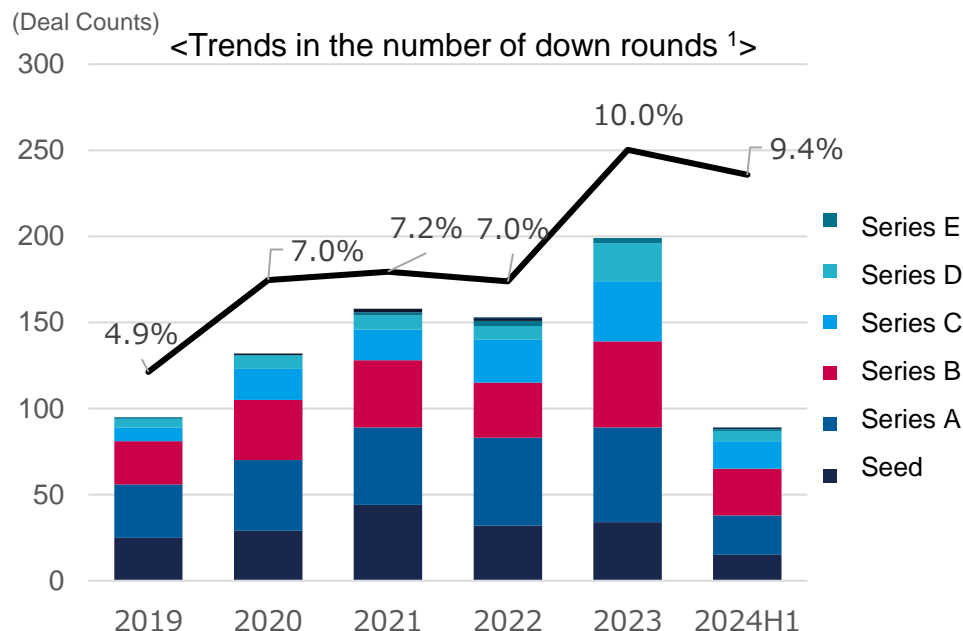
(Ref.) Distribution of Series D+ Deals by Valuation  
(2024H1 and 2023)



Source : Speeda Startup Information Research

# Japan: Deal Activity | Valuation (2)

- Most of the startups that raised funds in 2024H1 are repeating previous rounds of fundraising at valuations set approximately two years ago. In the current low-multiple environment, startups that can raise funds at the same valuation as two years ago are considered to be performing relatively well.
- Other startups are extending their runway by cutting costs and adjusting their business plans, while many are surviving by securing funds through means other than issuing shares. Some startups are being forced to raise funds at lower valuations (down rounds), and the proportion of such cases is increasing.



Note 1: The number of down rounds above was calculated by comparing the valuation at the time of the previous round (post) with the valuation at the time of the current round (pre), and counting the cases where the latter was lower. Separately, there are also cases where the share price of newly issued shares is kept at the same level as the previous round, but existing shareholders who wish to sell their shares offer their shares at a lower price, making the price per share paid by new investors participating in the new round lower than in the previous round, which is essentially a down round. This case has benefits for existing shareholders, investors, and issuers. In other words, existing shareholders who wish to exit are provided with liquidity, investors participating in the new round can invest more cheaply, and issuers can raise funds without dilution.

The valuation multiple for publicly listed SaaS companies<sup>2</sup> is sluggish, at less than half of its previous peak, and shows no signs of improvement.



Note 2: Average PSR multiples of 29 representative listed SaaS companies in Japan. Ticker of these listed companies are JT Equity 2477, 2492, 3923, 3983, 3984, 3991, 3993, 3994, 4060, 4071, 4165, 4168, 4180, 4192, 4375, 4379, 4397, 4397, 4431, 4435, 4443, 4448, 4475, 4478, 4488, 4493, 4776, 5038, 5621, 6027.

Source : Speeda Startup Information Research ( as of August 23 , 2024 ) , Bloomberg

# Japan: Deal Activity | Large Deals (2024H1 )

- Among the top 20 deals, three deals, namely Asuene, enechain, and Lean Mobility, involved international investors. This represents a slight decrease from the previous year(four deals). (Unit: ¥ B)

Company Name	Business Contents	Amount raised	series	Valuation	Deal Date	Investors   Overseas investors ( blue ) , VGI ( red )
1 Tier IV	Research and development of open source software for autonomous driving	7.5	C	101.2	5/31	Isuzu Motors , Mitsubishi Corporation, Suzuki
2 Spiber	Development of structural protein materials	7.1	D	168.8	4/01	Kansai Paint , Kanematsu
3 Gojo & Company	Microfinance services for small and medium-sized businesses in developing countries	6.1	-	116.8	3/22	-
4 Synspective	Development, manufacturing and operation of small SAR satellites and related systems	5.7	B	49.2	6/10	Japan Growth Capital Investment Corporation , JAFco Group , Mizuho Capital , Astart , Daiwa House Ventures , Resona Capital , Toyoda Gosei , Toyota Boshoku
5 MOON/X	Launching and nurturing our own brand, supporting	5.7	C	24.0	6/14	Japan Growth Capital Investment Corporation , Japan M&A Center , SMBC Venture Capital , JAFco Group , Samurai Incubate Co., Ltd. , Hachijuni Investment, Sparx Asset Management
6 Enecoat Technologies	Research and development of perovskite solar cells	5.6	F	14.3	5/30	-
7 Cb cloud	Transportation Industry Solutions	4.9	D	49.9	1/19	Ecohai Co., Ltd.
8 Culture Entertainment	Planning and production of entertainment content	4.8	A	-	3/28	SMBC Capital Partners
9 Renalis Pharma	Therapeutic drugs that could improve kidney disease management	4.6	seed	11.2	5/27	Japan Venture Capital
10 Binance Japan	Binance Japan, a blockchain and cryptocurrency infrastructure company	4.6	-	7	4/26	-
11 Asuene	CO2 emissions	4.2	B	-	6/14	Sumitomo Mitsui Banking Corporation , SBI Investment , Sparx Asset Management , Murata Manufacturing , SBI Investment , Ignition Point Venture Partners , SBI Investment , <b>MPNYC MANAGEMENT LLC</b> , Environmental Energy Investment , Sony Ventures , GMO VenturePartners , <b>Salesforce Ventures</b> , STRIVE, GLIN Impact Capital Limited Liability Partnership
12 enechain	Energy Wholesale Marketplace	3.1	B	33.0	4/23	DCM Ventures, Minerva Growth Partners , JP Investment, <b>Soros Capital Management</b> , JERA , Kansai Electric Power (K4 Ventures) , Chugoku Electric Power, Chubu Electric Power Miraizu, Hokkaido Electric Power, Osaka Gas, Tokyo Gas, Sumitomo Corporation, Mitsubishi Corporation, SMBC Venture Capital, Mizuho Capital, Sumitomo Mitsui Trust Bank, Mitsubishi UFJ Capital
13 Turing	Autonomous Driving AI	3.0	seed	-	7/01	ANRI, Digital Hearts Holdings , DIMENSION, Mizuho Capital , Mirai Sozo Capital , NTT Docomo Ventures , Yanmar Ventures , Z Venture Capital
14 Elephantech	Printed circuit board manufacturing	3.0	D	20.0	3/27	-
15 IVRy	Telephone auto-answering service	3.0	B	16.7	5/21	BEENEXT Capital Management Pte. Ltd., Femto Growth Three LLC , SMBC Venture Capital , Prime Partners , Boost Capital
16 ELYZA	Large-scale language model specialized for Japanese	3.0	seed	-	4/01	KDDI, KDDI Digital Divergence Holdings
17 Lean Mobility	urban compact EVs and mobility solutions	2.8	-	-	2/22	<b>Kanwa Investment</b> , <b>Hongyu Investment Development</b> , <b>Toritsu Logistics Co., Ltd.</b>
18 Orange	A manga-specific mass translation and localization support tool	2.7	seed	6.8	4/26	Globis Capital Partners, ANRI, SBI Investment , <b>JIC Venture Growth Investments</b> , Miyako Capital , Chiba Dojo , Mizuho Capital , Mitsubishi UFJ Capital , GREE Capital Partners, LLC, Shogakukan
19 Gene Therapy Research Institute, Inc.	Research and development of gene therapy	2.7	D	10.7	1/24	-
20 e-dash Co., Ltd.	Emissions visualization, reporting and reduction service	2.5	A	10.0	2/22	Mitsui & Co. , Mizuho Innovation Frontier

# Japan: Deal Activity | Large Deals (2023H1)

- Back in 2023H1, four startups, namely GO , TEG , STORES, and Telexistence, had been invested by international investors.

(Unit: ¥ B)

Company Name	Business Contents	Amount raised	series	Valuation	Deal Date	Investors   International investors ( blue ) , VGI ( red )
1 Kyoto Fusioneering	Nuclear Fusion Research and Development	10.5	C	54.5	5/17	<b>JIC Venture Growth Investments</b> ;INPEX;SMB Capital ;MOL PLUS; K4 Ventures LLC ; Coral Capital; Sumitomo Mitsui Trust Investment ; JAFCO Group ;DBJ Capital ; Electric Power Development ; Global Brain ; Mitsui & Co. ; Mitsubishi Corporation ; Mitsubishi UFJ Capital ; Mitsubishi UFJ Bank
2 Astroscale HD	Space / Space Debris Removal	10.0	E	126.1	2/27	Mitsubishi Electric ; Mitsubishi UFJ Bank ; Mitsubishi Corporation ; Development Bank of Japan ; FEL Corporation
3 GO	Taxi dispatch system for taxi companies	9.9	B	136.5	5/19	<b>The Goldman Sachs Group, Inc.</b>
4 Caddy	Manufacturing order placement and receipt platform	8.8	C	63.1	3/10	
5 LayerX	Corporate expenditure management service "Bakraku" etc.	8.1	B	36.4	5/31	Mitsui & Co.; ANRI; BEENEXT Capital Management; GMO Venture Partners; JAFCO Group ; Spiral Capital; Z Venture Capital; Dawn Capital; Mitsubishi Estate ; Mitsubishi UFJ Capital ; <b>JIC Venture Growth Investments</b> ; Mitsubishi UFJ Innovation Partners ;DIMENSION;UB Ventures; SBI Investment ; Mizuho Capital
6 cluster	Metaverse platform ( live music / conferences, etc. )	5.2	D	29.2	5/31	Sparx Asset Management ; SBI Investment ; Orix ; Global Brain ; Skyland Ventures ; Sumitomo Mitsui Trust Bank ; NOBUNAGA Capital Village ; Hakuhold DY Holdings
7 Enit Group	Matching app management	4.6	-	80.5	4/6	
8 Terra Motors	Building charging infrastructure for	4.0	-	10.7	6/26	Osaka Gas Co. , Ltd.; Tokyo Century Corporation; Sumitomo Mitsui Auto Service Co. , Ltd.; Pegasus Tech Ventures; KSK Angel Fund LLC
9 TEG	eSports /Entertainment ( theme park development, platform business)	3.6	C	6.9	4/28	IMAGICA GROUP; Saif ; <b>GCI Ventures Pte. Ltd.</b> ; Japan Tobacco ; Property Agent ; Media Create Communications ;Robot Home; Maruichi
10 CureApp	Medical treatment app for medical institutions	3.5	E	49.7	5/10	
11 Frontier Field	Smartphone services for medical institutions	3.4	D	12.4	5/29	Suzuken ; Otsuka Pharmaceutical Factory
12 Gojo & Company	Microfinance in developing countries	3.3	-	73.9	2/3	Overseas Demand Development Support Organization
13 Hacomono	Membership management and reservation platform	2.9	C	11.9	2/3	Coral Capital; Rakuten Group ; Cygames Capital; GMO Venture Partners; Signifiant ; BEENEXT Capital Management Pte. Ltd.
14 Looop	Electric Micromobility	3.0	C	16.2	5/12	
15 Cellujon	Development of cell therapy using	2.8	B	5.8	5/31	<b>JIC Venture Growth Investments</b> ; Nissay Capital ; Sparx Asset Management ; Axil Capital Partners No. 2 Limited Liability Partnership ; SBI Investment ; AIS CAPITAL; University of Tokyo Edge Capital Partners ; DBJ Capital ; SMB Capital ; Gemseki
16 STORES	Business /DX Platform	2.8	E	-	1/16	<b>Google LLC</b>
17 Toku Inc	Tax Compliance in the Cryptocurrency Ecosystem	2.7	-	-	5/9	Next Web Capital; gmjp ; Orange DAO
18 WOTA	Small-scale distributed water circulation system	2.7	-	23.6	4/28	Mitsubishi UFJ Trust and Banking Corporation ; Sumitomo Mitsui Trust Bank ; Metawater ; Takasago Thermal Engineering ; Sanai Oburi Co. , Ltd.; Sekisui Chemical ; Dentsu Innovation Partners ; Maezawa Industries Co., Ltd.; Iyogin Capital ;NCB Venture Capital ; Himegin Lease ; Ocean Lease Co. , Ltd.; Future Venture Capital ; Yamanashi Chuo Bank Management Consulting ; Iwagin Business Creation Capital ;KOBASHI HOLDINGS Co., Ltd.;quantum Inc.
19 Flywheel	Digital Business Platform	2.5	-	19.0	4/3	KDDI Co., Ltd.; KDDI Digital Divergence Holdings Co., Ltd.
20 Telexistence	Robots / AR/VR	2.5	C	46.0	5/31	Monoful Venture Partners LLC ; Global Brain ; <b>Airbus Ventures</b> ; SoftBank Group ; <b>Foxconn Technology Co., Ltd.</b> ; Globis Capital Partners Inc.

Source : Speeda Startup Information Research

- In recent years, international investors have been showing increasing interest in Japanese startups.
- Although there were not many international investors participating in large-scale fundraising by Japanese startups in 2024H1, there have been an increasing number of such cases in 2024H2, for example, Loglass (Sequoia) and SmarHR (KKR, OTTP/TVG). There will be more deals participated by International investors going forward.

## Trends of International Investors

- Notable startups' financing involve investments by major overseas VCs

Company Name	Deal Date <sup>1</sup>	Series / Amount raised ( ¥ B ) <sup>1</sup>	International Investors
SmarHR	7/31	D ¥ 21.4 B <sup>2</sup>	KKR, Light Street Capital, OTTP/Teachers' Venture Growth
Oishii Farm	2/28	B ¥ 20 B	Bloom8, McWin Capital Partners, New Hope - Coalescence Global Opportunities Holdings, LLC, Nymph Investments
Sakana.ai	6/14	seed ¥18.8 B (\$125 M)	New Enterprise Associates, Khosla Ventures, Lux Capital
Loglass	7/31	Series Unknown ¥7 B	Sequoia Heritage, MIT Investment Management Company, Moore Strategic Ventures

Note 1: Based on news reports.

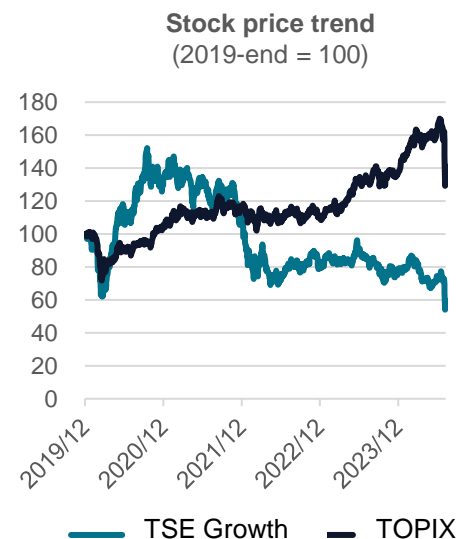
Note 2: Total amount including secondary transactions.

Source : Speeda Startup Information Research, press releases

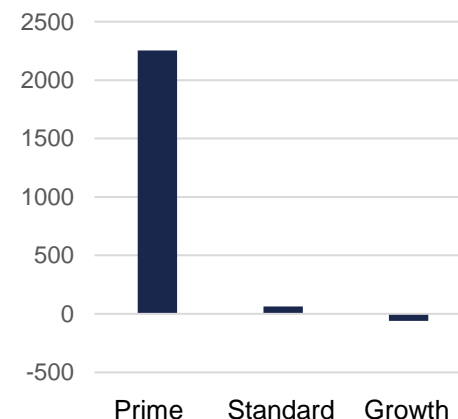
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## (Ref.) Tokyo Stock Exchange: Growth Market

- Since 2023, international investors are paying more attention to Japanese stocks due to geopolitical shifts resulting from the US-China relationship, Japan's potential to overcome deflation, and expectations for governance reforms at Japanese companies. This surge in cross border investment inflow has driven the Japanese stock price index to a record high in March.
- However, the TSE Growth Market has not seen significant inflows of funds from international investors, and there has been little inflow from domestic institutional investors as well.



2024H1 : Trading trends by investment sector : Overseas investors (¥B)



Source: Bloomberg, Japan Exchange Group

# Japan: Deal Activity | Investor (2024H1)

- VCs affiliated with financial institutions are frequently participating in funding across stages.
- For Series C and later rounds, government-affiliated VCs, such as JIC VGI and the Japan Decarbonization Support Corporation, also appear among the top investors.

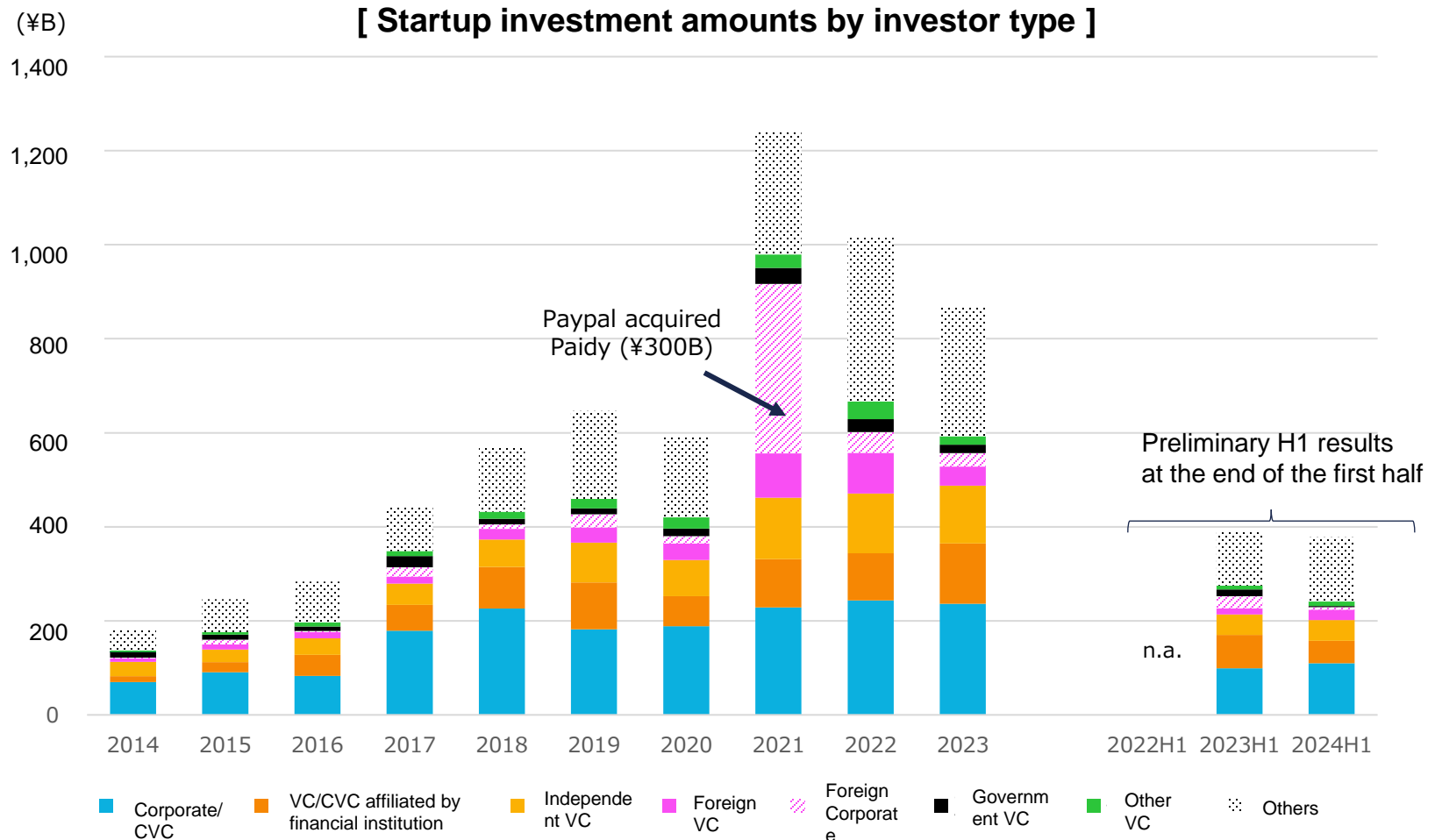
Seed (Total number of investors : 259)			Series A to B ( Total number of investors : 406)			Series C and later ( Total number of investors : 181)		
No.	Investor	Count	No.	Investor	Count	No.	Investor	Count
①	East Ventures	13	①	Mitsubishi UFJ Capital	21	①	SBI Investment	8
②	ANRI	12	②	Mizuho Capital	17	①	Global Brain	8
③	Mitsubishi UFJ Capital	10	③	SMBC Venture Capital	14	③	SMBC Venture Capital	5
④	ANOBACA	9	④	Global Brain	13	④	JIC VGI	3
⑤	Incubate Fund	8	⑤	SBI Investment	10	④	UNITED	3
⑤	Global Brain	8	⑥	Nissay Capital	9	④	NTT Docomo Ventures	3
⑦	FUNDINNO	7	⑦	Future Venture Capital	8	④	Decarbonization Support Org.	3
⑦	SMBC Venture Capital	7	⑧	Mitsui Sumitomo Insurance Capital	7	④	Mitsubishi UFJ Capital	3
⑨	KUSABI	6	⑧	Nippon Venture Capital	7	④	Mitsubishi Corporation	3
⑨	SBI Investment	6	⑨	Incubate Fund	6	④	Shizuoka Capital	3
⑨	Future Venture Capital	6	⑨	JAFECO Group	6			
⑫	Skyland Ventures	5	⑨	Delight Ventures	6			
⑫	United	5	⑨	United	6			
⑫	DeepCore	5	⑨	FFG Venture Business Partners	6			

Note: Investors who have participated in funding rounds for Japanese startups are tallied and those with the highest frequency of participation are shown.



# Japan: Deal Activity | Investor Type

- Corporates (including CVCs), financial institutions (including FI-affiliated VCs), independent VCs, and international VCs are the key types of investors making significant investments in startups<sup>1</sup>.
- International VCs, Foreign Corporates, and “Others” are the investors with most significant fluctuations in investment amounts over time.



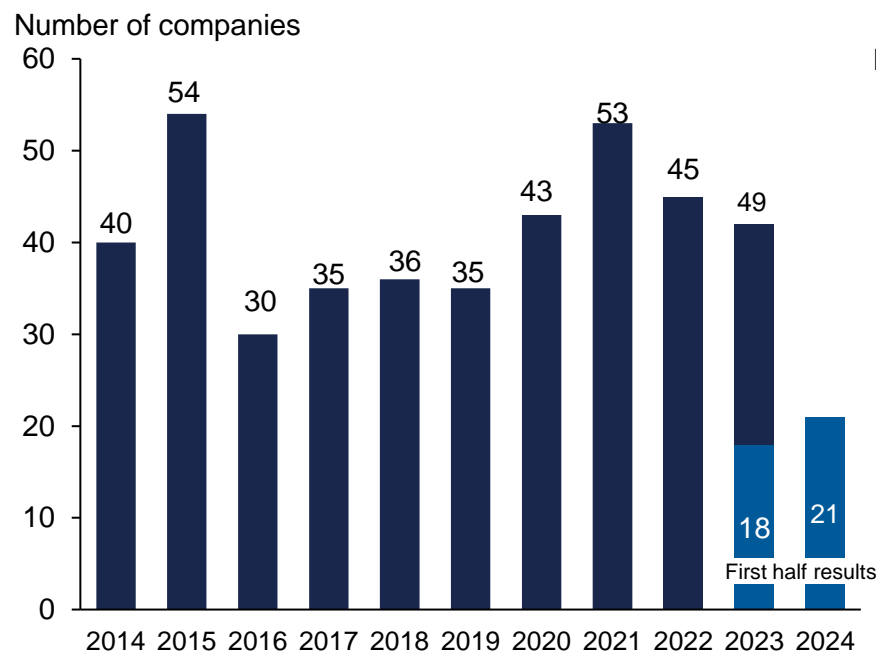
Note 1: The investment amount includes the amount of funds raised by the startup as well as the amount of shares transferred between investors.

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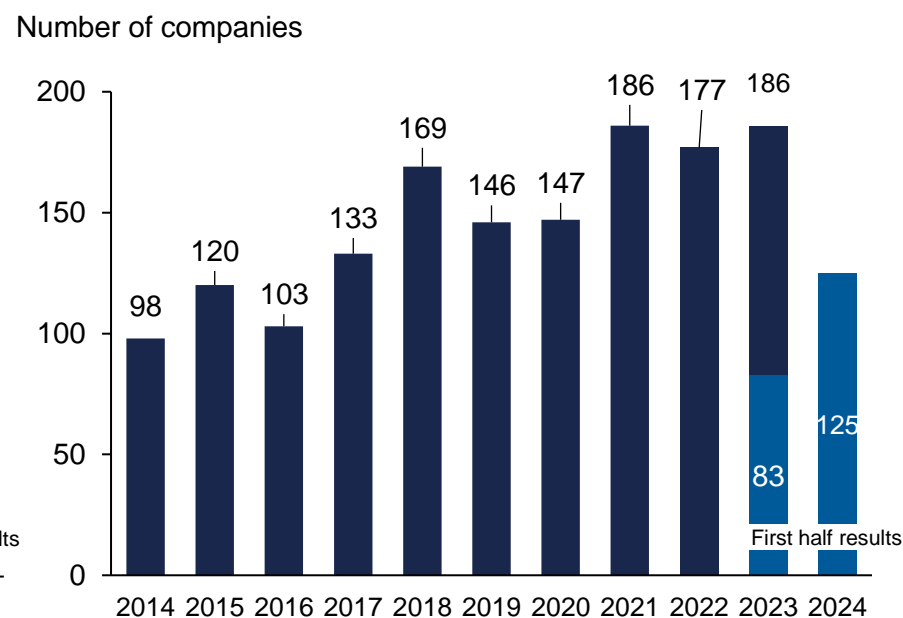
# Japan: Exit | Overview

- The IPO counts in 2024H1 was 21, an increase of 3 compared to the same period last year. Large IPOs included Astroscale (Initial Market Cap: ¥144.8 B), Soracom (¥67.6 B), and VRAIN SOLUTION (¥52.5 B).
- The M&A counts was 125, representing an increase of 43 cases from the same period last year. Many of the acquisitions were made by listed emerging companies.

## Number of startup IPOs



## Number of startup M&As



Source : Speeda Startup Information Research

# Japan: Exit | Major startup IPO deals

- The major IPOs in the first half of 2024 are as follows:

			New listing status			Latest Funding Round			
			(A)			(B)			(A)÷(B)
Company Name	Business Description	IPO Date	Offer Price ( ¥ )	Market capitalization ( ¥ B ) <sup>1</sup>	Current Stock Price ( ¥ ) <sup>2</sup>	Date / Series <sup>3</sup>	Valuation ( ¥ B )		x
Astroscale HD	Space debris removal, satellite life extension, and on-orbit service business such as inspection and observation	6/5	850	94.9	652	2023/2/27 E	126.3		0.8 x
Soracom	Development and provision of the IoT platform " SORACOM "	3/26	870	37.6	1,117	2016/6/1 B	18.0		2.1 x
VRAIN Solution	Providing AI solutions for the manufacturing industry	2/22	2,990	30.2	2,280	2022/2/28	-		-
Chordia Therapeutics	Development of cancer drugs targeting RNA-regulated stress	6/14	153	10.0	590	2022/5/13	15.0		0.7 x
Kohjin Bio	Development, manufacturing, and sales of culture media (the growth environment used for culturing microorganisms and cells) and contract manufacturing of cell-processed products	4/25	1,900	9.5	1,684	2014/4/8	-		-
Caulis	Provision of cloud-based unauthorized access detection services for corporations, etc.	3/28	1,530	9.3	1,387	2020/2/28 B	3.9		2.4 x
Veritas In Silico	Platform business for small molecule drug discovery targeting mRNA and nucleic acid drug discovery	2/8	1,000	6.3	712	2021/12/24 C	7.6		0.8 x
L is B	Development and provision of on-site DX services centered on the business chat " direct " for field workers	3/26	1,188	5.9	737	2021/5/21 C	6.7		0.9 x
Cocolive	KASIKA " , a marketing automation tool for the real estate industry , provision to customers and other related tasks	2/28	1,780	5.2	1,045	2023/5/11 B	2.1		2.5 x

Note 1: Calculated by multiplying Offer Price and Shares Outstanding right before the IPO.

Note 2: Share price as of August 7, 2024.

Note 3: Series is based on Speeda's definition.

Source : JPX, EDINET, Speeda Startup Information Research, Company disclosures

# Japan: Exit | Major startup M&A deals

- The main acquisition deals in the first half of 2024 are as follows:

Company Name	Business Description	Acquisition Date	Acquisition Info.		Latest Funding Round			(A)÷(B)
			(A) Deal Value ( ¥B)	Acquirer	(B)		(A)÷(B)	
					Date / Series	Valuation (¥B)		x
Cancer Scan	Supporting the promotion of preventive medicine	1/31	14.2	JMDC	-	-	-	-
Satis Pharmaceuticals	R&D and manufacturing of skin care cosmetics	1/10	9.3	Euglena	-	-	-	-
Club Nets	SNS operation and data management platform	2/1	5.8	SHIFT	-	-	-	-
Fymex	Development of " RaPPIDS " , a platform specializing in the discovery of targeted protein degradation inducers	3/26	4.5	Raqualia Pharmaceuticals	2022/01/20	A	3.3	1.3 x
BINKS	Marketing business based on data science using machine learning	1/17	2.5	F Code	-			
Housmart	Development of SaaS " PropoCloud " for real estate agents	1/4	2.4	Itanji	2021/10/14	D	3.4	0.7 x
Renzoku Biologics	Contract development and manufacturing of biopharmaceuticals	3/11	2.3	Seeks	-	-	-	-

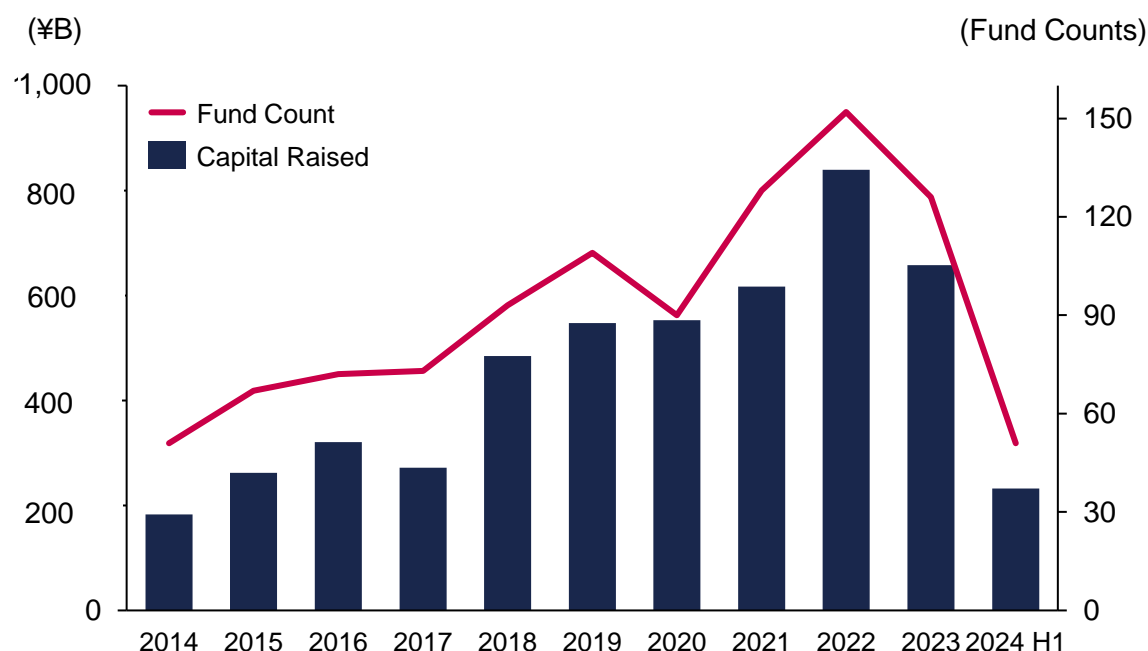
Source : Speeda Startup Information Research ( as of August 13 , 2024 ) , Nikkei, Timely Disclosure

1	Summary	P4	4	Supplementary Materials	P42
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2.1	Startups   Funding		4.2	Indian Market Overview	
2.2	Startups   Exits				
2.3	VC   Fundraising				
3	US	P25			
3.1	Startups   Funding				
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3.3	VC   Fundraising				

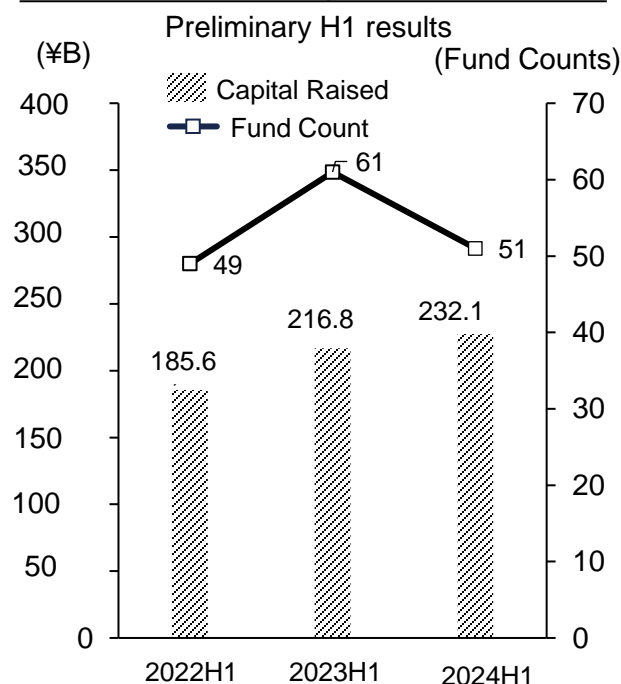
# Japan: Fundraising | Overview

- The amount raised by domestic VC funds that began formation in 2024H1 is ¥232.1 billion.
- Compared to the same period in 2023, this amount represents roughly the same level of progress.
- The fundraising amount for VC funds formed in 2024H1 is expected to be revised upward as fundraising activities progress going forward.

## Fundraising Trends <sup>1</sup>



## Half on Half Comparison



Note 1: The figures above are current aggregates based on the year of fund establishment. These aggregate figures will be updated each time a fund established in the past is solicited. The figures pertain to funds that primarily invest in domestic startups.

Source : Speeda Startup Information Research ( as of July 19 , 2024 )

# Japan: Fundraising | 2024H1

- 2024H1 vintage roster is dominated by CVCs or VCs/CVCs affiliated with financial institutions.

## Top 10 Funds Launched in 2023

★ VCs managed by independent manager (not affiliated with any parent organization)

Fund ( Management company name )	Fund Amount (¥B ) <sup>1</sup>	Launch Date
SBI Venture Fund 2023 ( SBI Investment Co., Ltd. )	100.0	2023/9
JIC VGI Opportunity Fund No. ( JIC Venture Growth Investments Co., Ltd. )	40.0	2023/9
Mitsubishi UFJ Capital No.9 ( Mitsubishi UFJ Capital Co., Ltd. )	30.0	2023/3
SMBC-GB Growth No. ( Global Brain Corporation )	30.0	2023/7
SMBC Asia Rising ( Incubate Fund Management Pte. Ltd. )	27.0	2023/4
NTT Investment Partners Fund No. 4 ( NTT Docomo Ventures, Inc. )	20.0	2023/4
Mitsubishi UFJ Life Sciences No. 4 ( Mitsubishi UFJ Capital Co., Ltd. )	20.0	2023/4
QR2 ( QR Investment Co., Ltd. )	20.0	2023/7
ALL STAR SAAS FUND THREE ★ ( BEENEXT Capital Management Pte. Ltd. )	15.7	2023/8
Delight Ventures No. ( Delight Capital Co., Ltd. )	15.1	2023/4

## Top 10 Funds Launched in 2024H1

Fund Name ( Management company name )	Fund Amount (¥B ) <sup>1</sup>	Launch Date
Daiwa House Group ( Daiwa House Ventures )	30.0	2024/1
Coral Capital IV, LP ★ ( Coral Capital Co., Ltd. )	25.0	2024/4
Japan Post Capital No. ( Japan Post Capital Co., Ltd. )	20.0	2024/3
DG Resona Ventures No. 1 ( Resona Innovation Partners Co., Ltd. )	13.0	2024/3
Space Frontier 2 ★ ( Sparx Asset Management Co., Ltd. )	11.0	2024/4
KX Renewable Energy No. ( KX Renewable Energy LLC )	10.0	2024/5
Nissay Capital No. ( Nissay Capital Co., Ltd. )	10.0	2024/6
Brand New Retail Initiative Fund ( Inno Associates Co., Ltd. )	10.0	2024/5
Canon Marketing Japan Future ( Global Brain Corporation )	10.0	2024/1
Japan Post Spiral Region Innovation No. 1 ( Spiral Sigma Limited Liability Partnership )	10.0	2024/3
Vertex Ventures Japan No. 1 ★ ( Vertex Ventures Japan )	10.0	2024/5

Note 1: Includes CVCs.

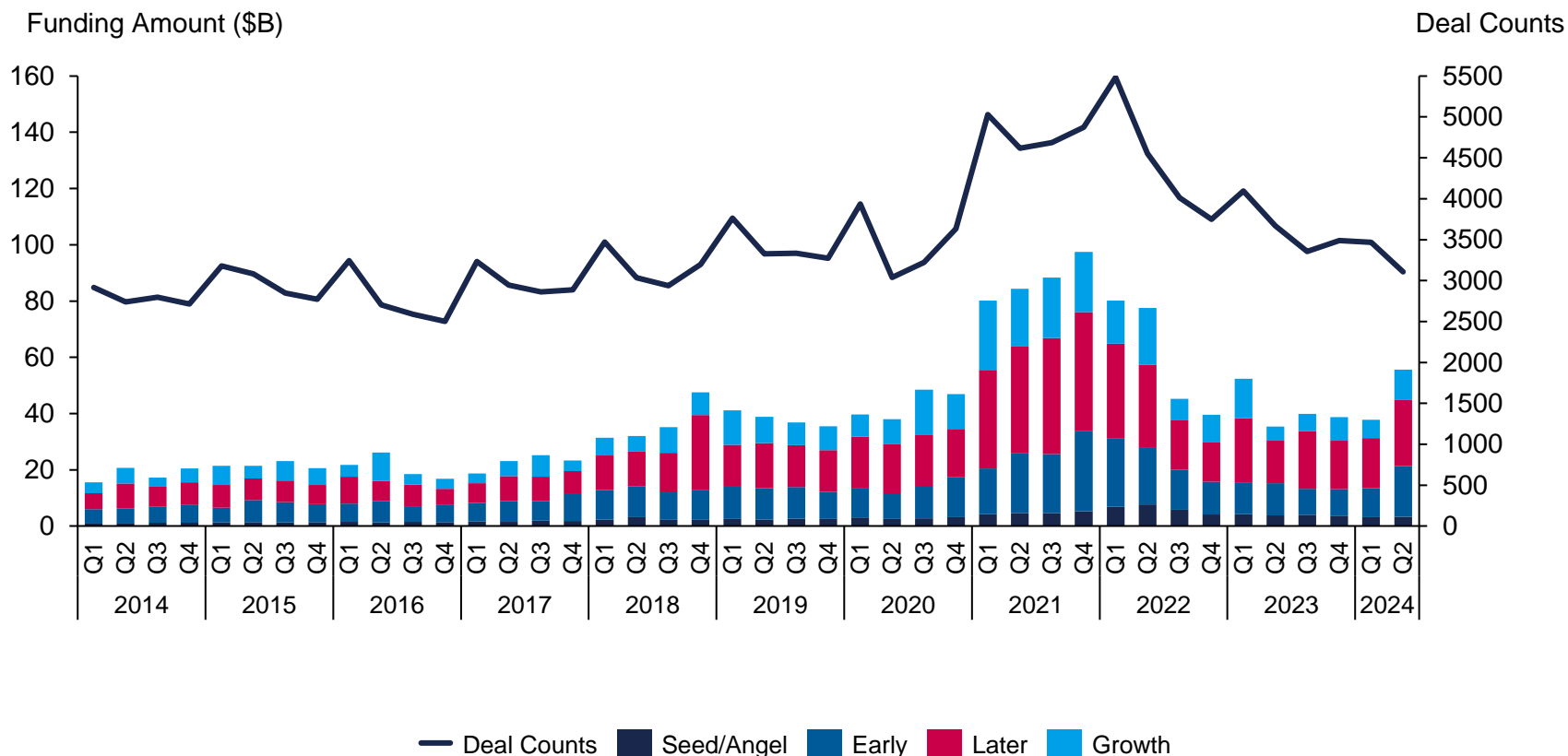
Source : Speedy Startup Information Research (Data as of August 16 , 2024)



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# US: Deal Activity | Overview

- Funding by startups peaked in Q4 2021 and then declined significantly, remains at a low level.
- However, in Q2 2024, funding increased substantially compared to the previous quarter, driven by large funding by generative AI startups, such as xAI, which raised \$6.0 billion.



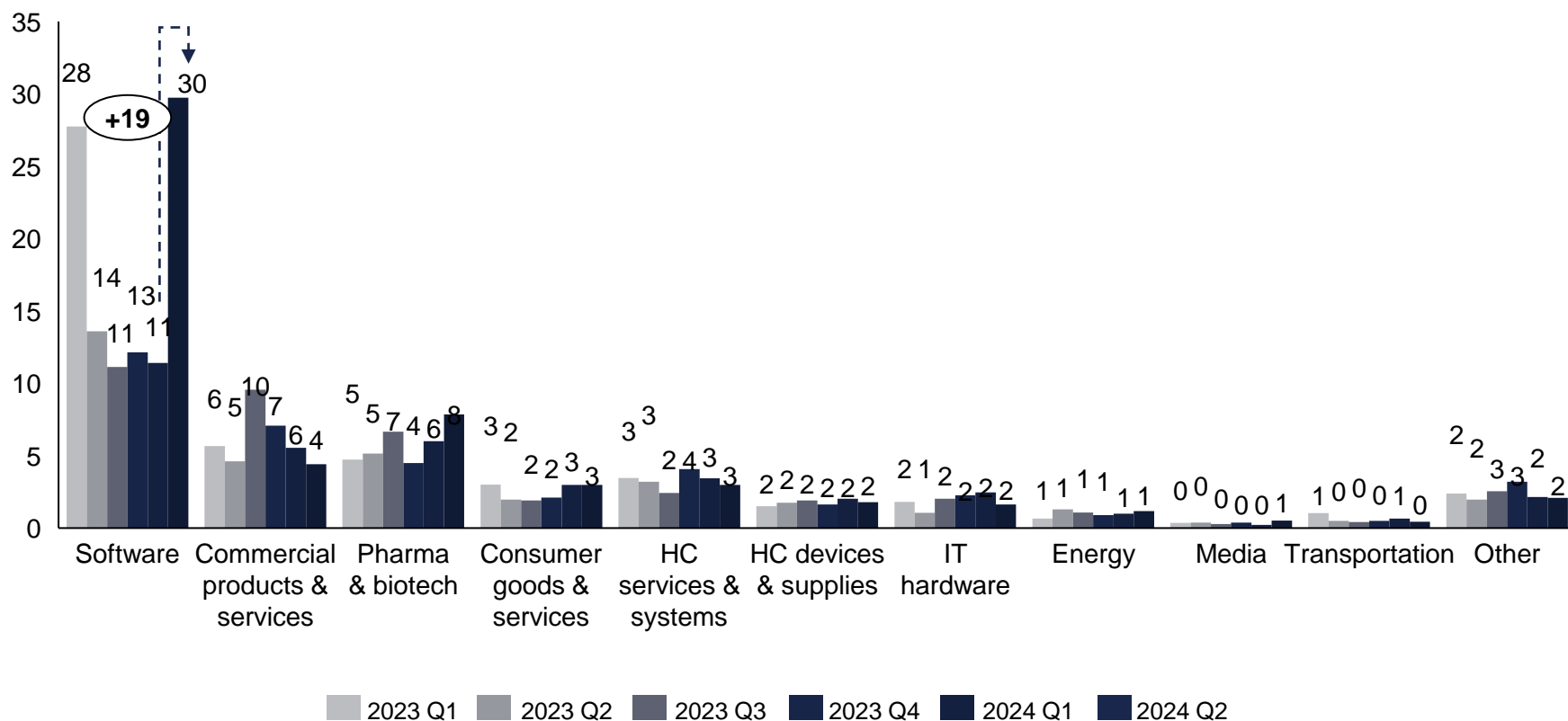
Note 1: Pitchbook defined venture growth stage as rounds after Series E.

Source: PitchBook

# US: Deal Activity | Trends by sector

- Funding by the software sector increased significantly due to major deals by AI-related startups, while funding in other sectors remained relatively stable.

Quarterly Funding Trends by Sector (\$B)

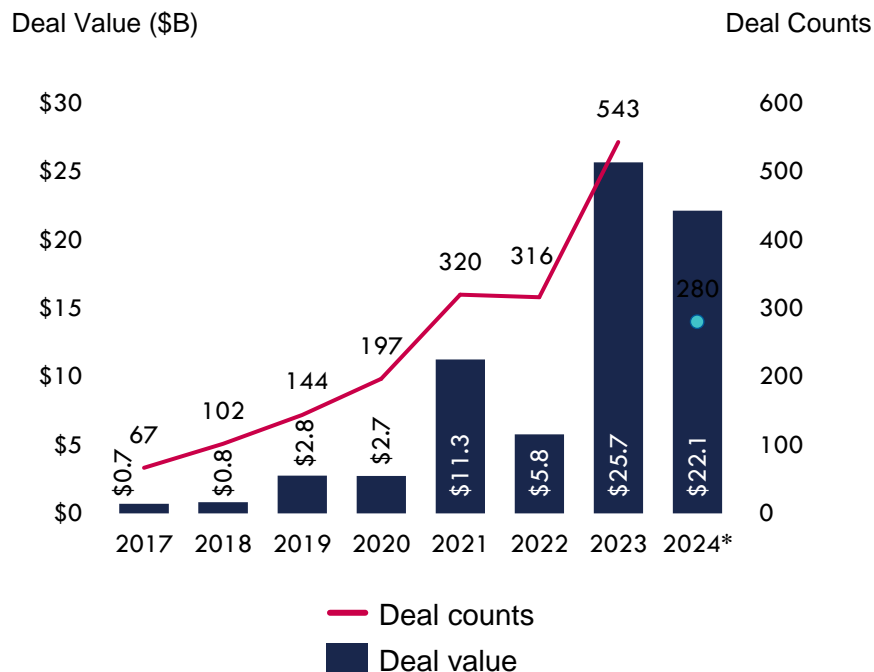


Source : Pitchbook

# US: Deal Activity | Generative AI

- Generative AI continues to be a hot topic. Investment in AI-related startups in 2024 is expected to surpass that of 2023.
- Investments by major tech companies are driving fundraising for generative AI. Up until now, major tech companies have been proactive in investing huge amounts of money in AI startups for the purpose of creating business synergies and acquiring technologies and human resources. Now, the investment appetite of major tech companies is changing in that they invest in or acquire later stage AI startups rather than seed-stage AI startups (according to CB Insights, 58% of the investments are allocated to later-stage AI startups). In a fierce competition, some AI startups have failed to commercialize their businesses and have chosen to liquidate (for example, Ghost Autonomy, a company related to autonomous driving that OpenAI has invested in) .

## US: Generative AI deals



\*2024 is as of June-end.

## Key deals by large tech companies

### <Acquisition>

Startups	Purchase price	Announcement date	Investors
Run:AI	\$700M	3/17	NVIDIA
Deci AI	\$300M	5/2	NVIDIA
Xethub	NA	8/8	Hugging Face

### <Investment>

Startups	Investment Amount	Round /Announcement Date	Major Investors
Scale	\$1.0B	Series F 5/21	Intel, AMD, Cisco
Wiz	\$1.0B	Series E 5/7	Salesforce Ventures
AlphaSense	\$650M	Series F 6/11	Capital G (Google)
Vercel	\$250M	Series E 5/18	Google Ventures

# US: Deal Activity | Large Deals (2024H1)

- In 2024H1, many artificial intelligence-related startups raised substantial amounts of capital, with major VCs and corporates actively participating.

Startups	Industry	Overview	Round	Valuation (\$ M)	Deal Size (\$ M)	Deal Date	Investors
xAI	artificial intelligence	Artificial Intelligence Development and Research	B	24,000	6,000	June 2024	Led by lead investor a 16z and a total of 46 investors participated , including
Anthropic	artificial intelligence	Artificial Intelligence Development and Research	Later	na	4,000	March 2024	3 Comma Capital, Amazon, Bessemer, Elevation Capital, Hermitage Capital, IronArc Ventures
JUUL	E- commerce	Manufacture and sale of electronic cigarettes	Later	na	1,277	May 2024	na
Anthropic	artificial intelligence	Artificial Intelligence Development and Research	D	19,350	1,200	January 2024	Led by Menlo Ventures and a total of 31 investors participated.
CoreWeave	artificial intelligence	Cloud Computing Services	C	19,000	1,100	May 2024	Altimeter Capital, Assured Asset Management, Claridge Venture Partners, Coatue , Fidelity, IronArc Ventures, Lykos Global Management, Magnetar Capital, Millennium Technology Value Partners, Nvidia
Scale AI	artificial intelligence	A platform for preparing AI/ML training data	F	14,000	1,000	May 2024	Led by lead investor Accel , other investors include Amazon, AMD Ventures, Cisco Systems, Coatue , DFJ Growth, 28 investors participated,
Wiz	cyber-	Cloud-focused cybersecurity	Early	12,000	1,000	May 2024	a16z, Blackstone, CyberStarts , Greenoaks Capital, Greylock, Howard Schultz, Index Ventures , Inflection Ventures, Lightspeed, Salesforce Ventures, Sequoia, Thrive Capital, Wellington Management
Xaira Therapeutics	Life Sciences	Treatment of respiratory diseases	A	2,700	1,000	April 2024	ARCH, Byers Capital, F-Prime Capital, Foresite Labs, Lightspeed, Lux Capital, Menlo Ventures, NEA, Parker Institute for Cancer Immunotherapy, Rsquared , Sequoia, SV Angel, Two Sigma, WRF Capital
Wonder	FoodTech	Mobile Restaurant Service	C	na	700	March 2024	Accel, Alpine Group, American Express Ventures, Aramex Ventures, Bain Capital Ventures, Blue Investment Group, CAZ Investments, Dragoneer Investment Group, Forerunner Ventures, Fubon Financial, GV, Harmony Partners, Jefferies Financial, Kuvare Insurance Services, Nestlé, NEA, Red & Blue Ventures, Watar Partners
Clear Street	Fintech	Brokerage Services	B	2,100	685	April 2024	Alastair Trueger , Belvedere Capital, Illia Polosukhin , IMC Trading, McLaren Strategic Ventures, Moses Lo, NEAR Foundation, NextGen Ventures, Prysm Capital, Validus Global Investing, Walleye Capital

# US: Deal Activity | Large Deals (2023H1)

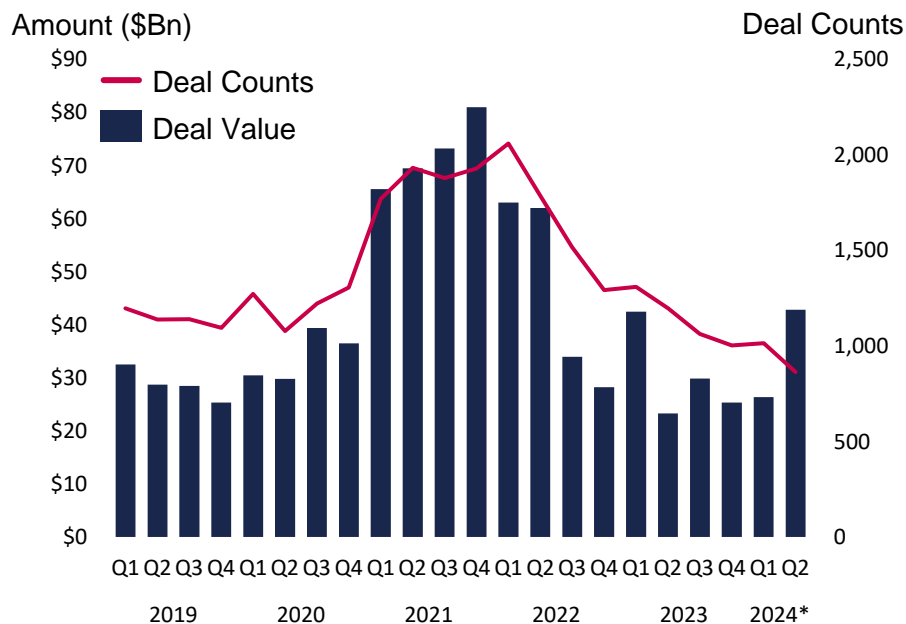
- Back in 2023H1, the largest deal was Microsoft's investment in Open AI (\$10B) .

Startups	Industry	Overview	Round	Valuation (\$ M)	Deal Size (\$ M)	Deal Date	Investors
OpenAI	Artificial Intelligence	Artificial Intelligence Development and Research	Later	na	10,000	January 2023	Microsoft
Stripe	Fintech	Online payment service	I	50,000	6,500	March 2023	Led by lead investor a16z , a total of 40 investors participated including aillie Gifford, Founders Fund, General Catalyst, GIC, Goldman Sachs, Lightspeed, Sequoia, Setcoin Group, Silver Lake, Temasek, Thrive Capital, etc.
Inflection AI	Artificial Intelligence	Development of artificial intelligence	B	4,000	1,300	June 2023	Bill Gates, Cascade Investment, Eric Schmidt, Metaplanet Holdings, Microsoft, Mosaic Ventures, Nvidia, Reid Hoffman, RockawayX
SpaceX	universe	Space development (space transportation)	Later	137,000	750	January 2023	43 investors participated including Brookfield Growth, Calm Ventures, Intesa Sanpaolo, Kleiner Perkins etc.
Zwift	Fitness	Online Fitness Platform	Later	na	620	February 2023	Amazon Alexa Fund, KKR, Permira Holdings
Xpansiv	Climate Tech	Environmental data trading and Market Creation	Later	na	525	January 2023	Led by lead investor Blackstone , 16 other investors participated including Bank of America, bp Ventures, S&P Global, Goldman Sachs etc.
Curie.Bio	Life Sciences	Biopharmaceutical Development	Early	na	520	February 2023	5AM Ventures, a16z, ARCH, BoxGroup , GV, Leaps by Bayer, Shine Capital, Wormhole Capital
Lesson	Real Estate Tech	A platform for streamlining property management and service operations	Early	na	500	January 2023	Fifth Wall, Monroe Capital
Outpost	logistics	Storage services for truck towing vehicles, semi-trucks, etc.	Early	na	500	March 2023	GreenPoint Partners
Rippling	HR Tech	HR business platform	E	11,750	500	March 2023	Edgewood Ventures, Greenoaks Capital Partners, Lightspeed, S2 Capital, Ventureeers

Source : PitchBook, corporate websites

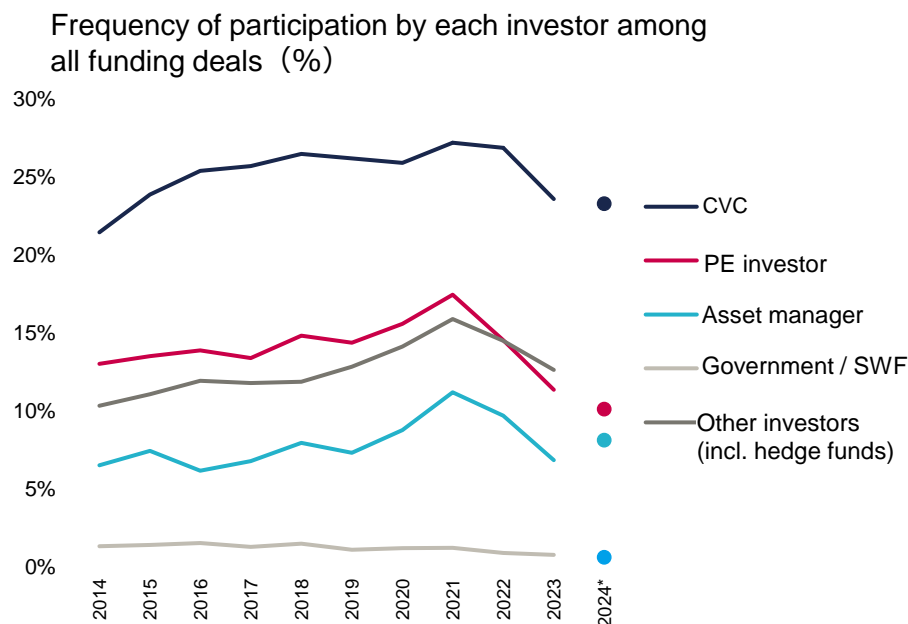
- Non-traditional investors, or NTI, such as CVCs, SWFs, asset management companies, PE firms, and hedge funds, were actively investing in startups in 2021. However, the proportion of deals involving these investors has been declining since then.
- In 2024Q2, the scale of fundraising involving NTIs has risen as firms like Fidelity Investments and Coatue participated in Coreweave and xAI deal.

## Funding with non-traditional investors - Quarter



\*2024 is as of June-end

## Deal activity by NTI investor type



Source : Pitchbook

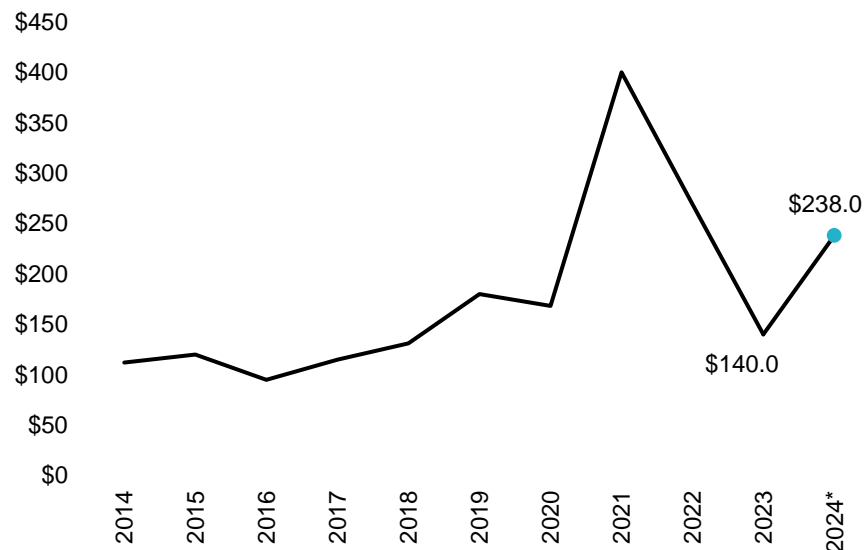
# US: Valuation | Overview

- The median valuation of later-stage and growth-stage deals had been declining since 2021 but reversed course and increased in 2024H1. However, it is premature to conclude that this rise in valuation indicates a general market recovery.
- Valuations are determined by a). multiples and b). fundamental performance. Given that the multiples of similar listed companies remain low, it is likely that the recent increase in valuation was driven by startups with exceptional fundamental performance. Therefore, other potential fundraisers may not necessarily achieve similarly high valuations in their funding in the near future..

\* The interval between fundraising rounds is getting longer (from Series D onwards, it was 1.2 years in 2021Q3 to more than 2 years in 2024Q2 ).

## Valuation and growth stage <sup>1</sup>

Pre-money valuation median (\$Mn)



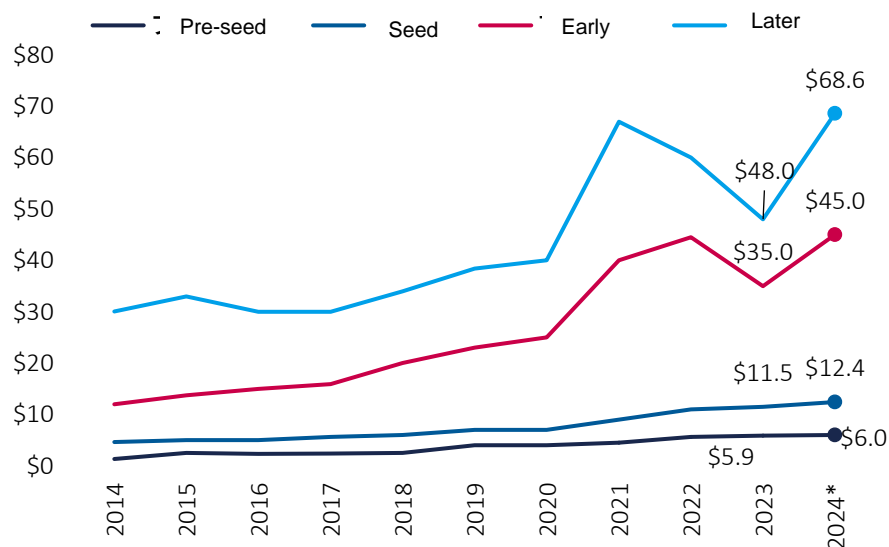
\*2024 is as of June-end.

Note 1: Pitchbook defined venture growth stage as rounds after Series E.

Source : Pitchbook

## Valuation and other stages

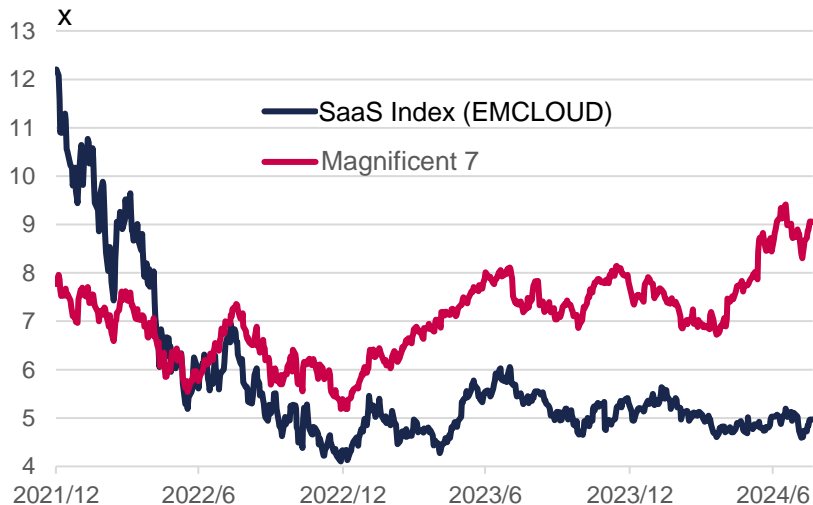
Pre-money valuation median (\$Mn)





- There has been no overall improvement in valuation multiples for listed stocks.
- While valuation multiples for some blue-chip tech stocks, such as the Magnificent Seven, have increased, the multiples for publicly traded SaaS companies remain below half of 2021 levels and show no signs of improvement.
- Two years have passed since valuation adjustments began, and the recent increase in the median valuation of later-stage and growth-stage startups is likely driven by a few blue-chip companies that have successfully improved their business performance during this period.

## PSR multiples of listed companies

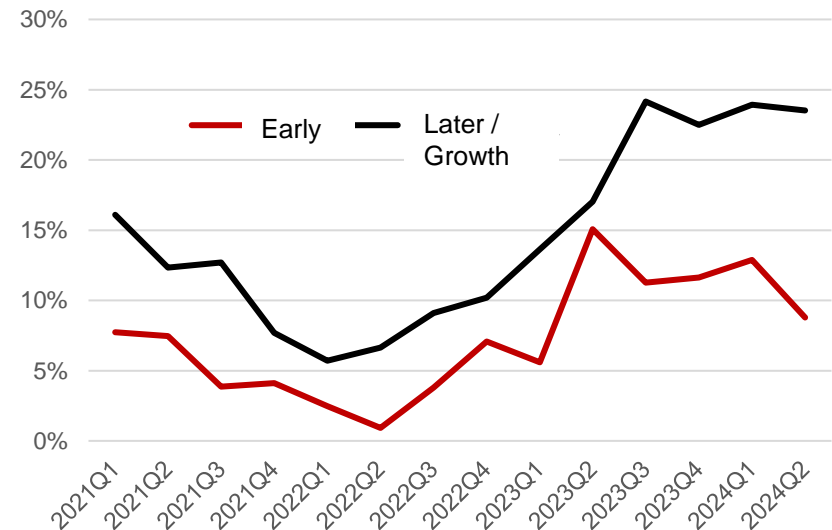


Note 1: Average PSR multiple

Note 2: EMCLOUD (The BVP Nasdaq Emerging Cloud Index): An index composed of 65 SaaS/Cloud based companies.

Source : Bloomberg

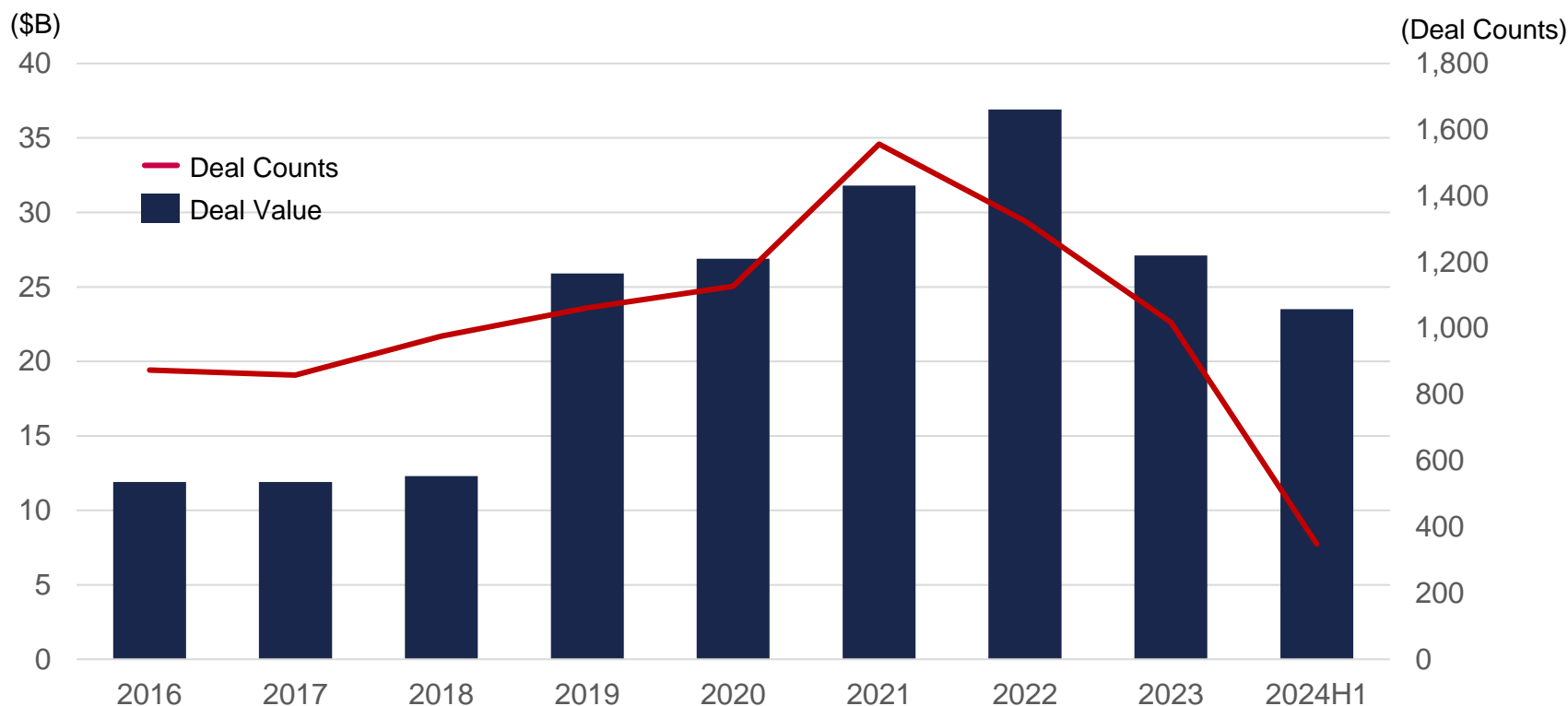
## Down Round Ratio by Stage



Source: Pitchbook

# US: Venture Debt

- In 2024H1, CoreWeave raised \$7.5 billion through a credit facility for data center investment, led by Blackstone and other major investors, with participation from numerous private debt funds. Even excluding this outlier, the market as a whole is progressing at a pace that surpasses the previous year, with the amount per deal also increasing.
- In recent years, the number of private debt funds, those providing loans directly to companies bypassing traditional bank arrangements, has been growing. Venture debt has also become a focus for them.
- Notably, Blackstone has established a \$2 billion fund for venture debt while BlackRock has acquired Kreos Capital, a prominent venture debt firm. Major investment companies are increasingly active in the venture debt space.

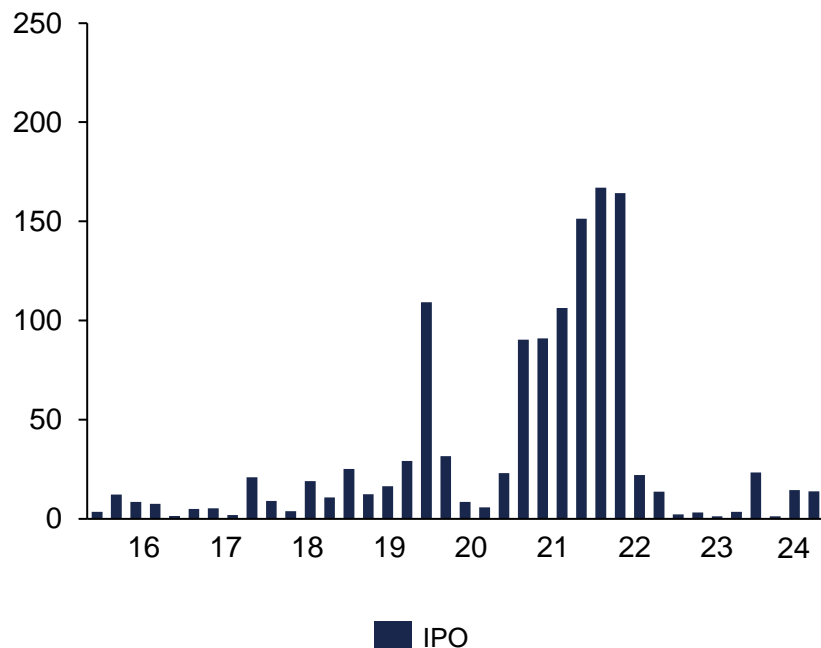


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- Both IPO and M&A activity levels remain low.

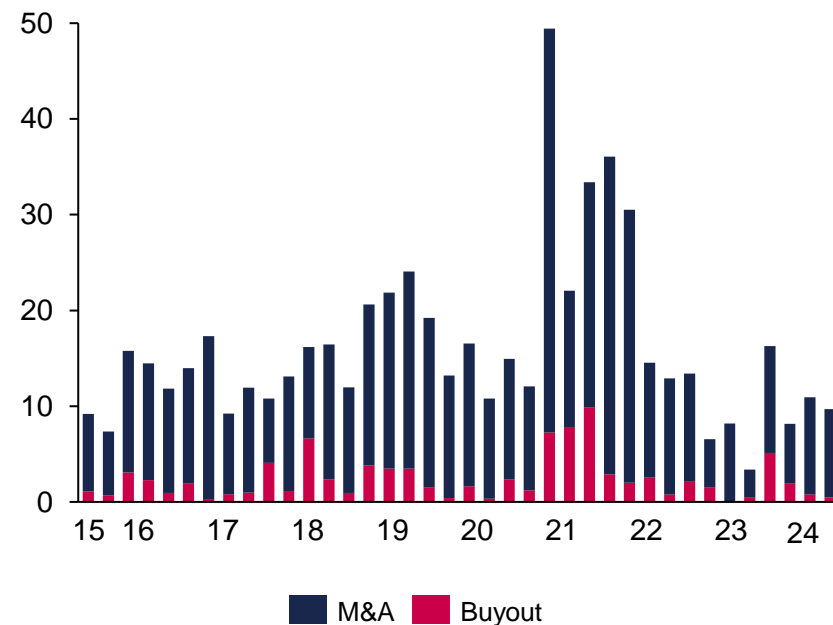
## IPO Trends by Quarter

Amount (\$B)



## M&A /Buyout Trends by Quarter

Amount (\$B)



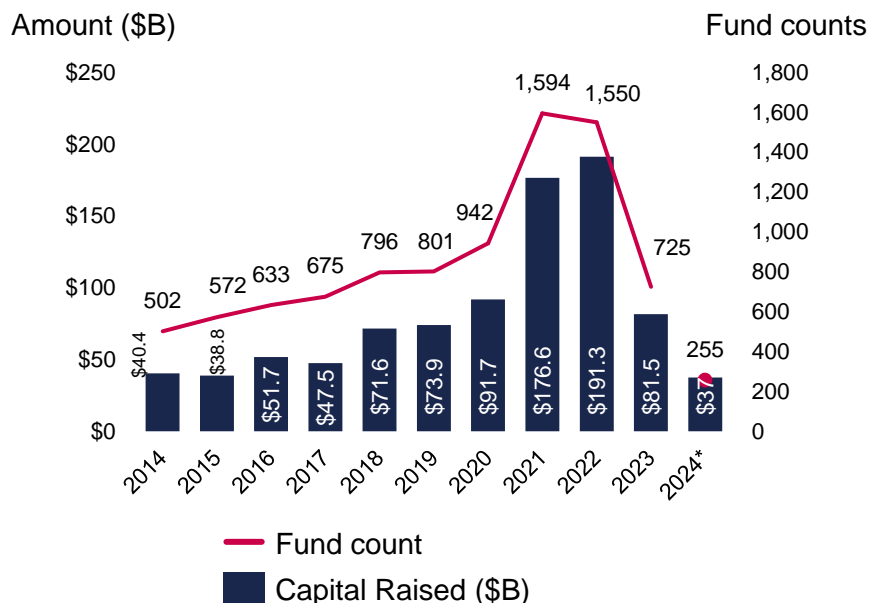
Source : Pitchbook

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3.3	VC   Fundraising				

# US: Fundraising | Overview

- VC fundraising activity in 2024 remains sluggish, with emerging fund managers particularly affected. In contrast, some established funds, such as Andreessen Horowitz, have successfully closed new funds.
- Due to sluggish investment activity at funds, VCs are also delaying new fundraising efforts. The median fundraising interval has increased to 2.5 years in Q2 2024, compared to 1.5 years in 2022.
- Distributions from VC funds are slow due to the poor exit environment, causing LP investors to refrain from making commitments in VC funds.

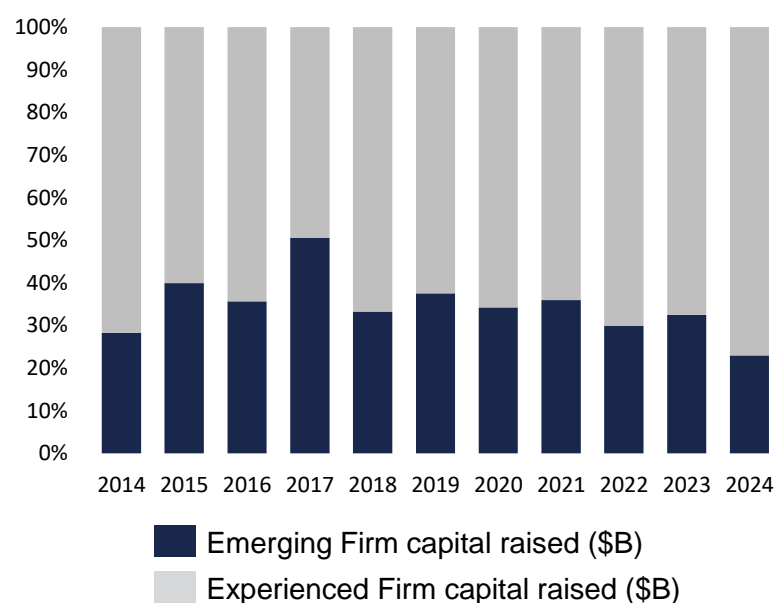
## VC fundraising activity by vintage year



\*2024 is as of June-end

Note 1: "Emerging" is defined as firms that have launched fewer than 4 funds. "Experienced" firms are defined as those that have raised 4 or more funds.  
Source: Pitchbook

## Fundraising by emerging and experienced<sup>1</sup>



# US: Fundraising | Major New Funds

- All of the top-ranked funds are VC funds with a long history and strong support from LPs.
- Notably, Andreessen Horowitz has successfully closed several large funds.

#	Fund Name <sup>1</sup>	Fund size <sup>2</sup> (\$M)	Investment Strategy	Investment Areas
1	a16z Growth Fund (Andreessen Horowitz)	3,750	Later	• Bio, Healthcare, IT
2	Norwest Venture Partners XVII	3,000	General	• Healthcare
3	Institutional Venture Partners XVIII	1,600	General	• IT
4	Kleiner Perkins Select Fund III	1,200	Early	• Consumer goods, IT
5	Apps Fund (Andreessen Horowitz)	1,000	General	• Aerospace, Education, Logistics, IT
6	Paradigm Crypto Fund Three	850	General	• IT, Finance
7	Kleiner Perkins Caufield & Byers XXI	825	Early	• IT, Consumer services, healthcare
8	B Capital Opportunities Fund II	754	General	• IT, bio
9	Redpoint Omega V	740	General	• IT, Healthcare, Infrastructure
10	Venrock Associates X	650	Early	• Healthcare, IT

Note 1: US focused closed funds only, exclude evergreen funds, hedge funds, etc.

Note 2: Closed

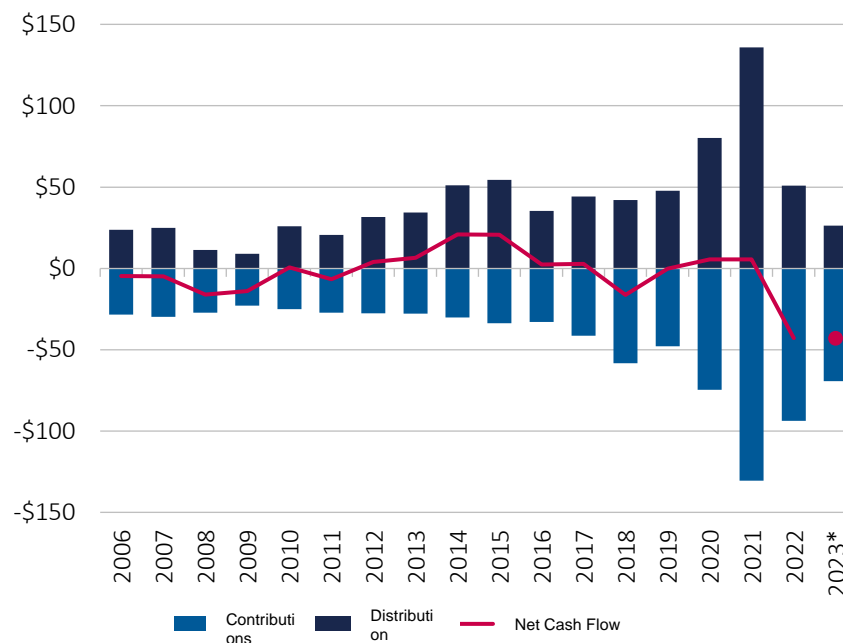
Source : Preqin, PitchBook .

- LPs typically commit to new funds with the expectation of receiving distributions from their previous investments. However, since exits through IPOs and M&A have yet to fully recover, distributions from funds to LP investors have also been sluggish. Currently, the size of distributions from VCs relative to NAV is at its lowest level since 2009.
- Given that the amount paid into the funds remains large compared to the distributions, the net cash flow of VC funds has been significantly negative for LP investors since 2022. As a result, LP investors have become more cautious about making new commitments and are narrowing their selection of potential investment funds.

## VC Dividend /NAV Ratio



## US VC funds : Cash flow



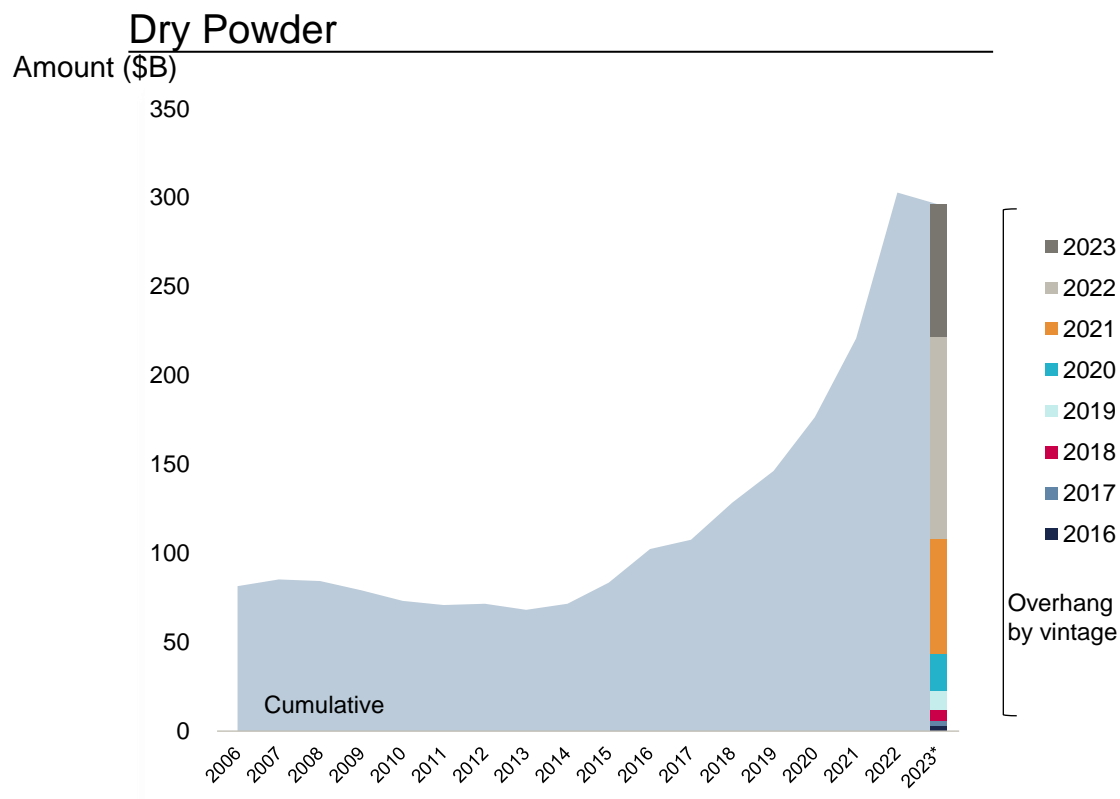
Source : PitchBook

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# US: Dry Powder | Overview

- VC funds' unspent commitments, or “dry powder” reached around \$300 billion by the end of 2022 but have declined slightly since then.
- VC fundraising has slowed significantly while existing funds have continued their investment activities. As a result, the balance between the two has led to a reduction in dry powder.



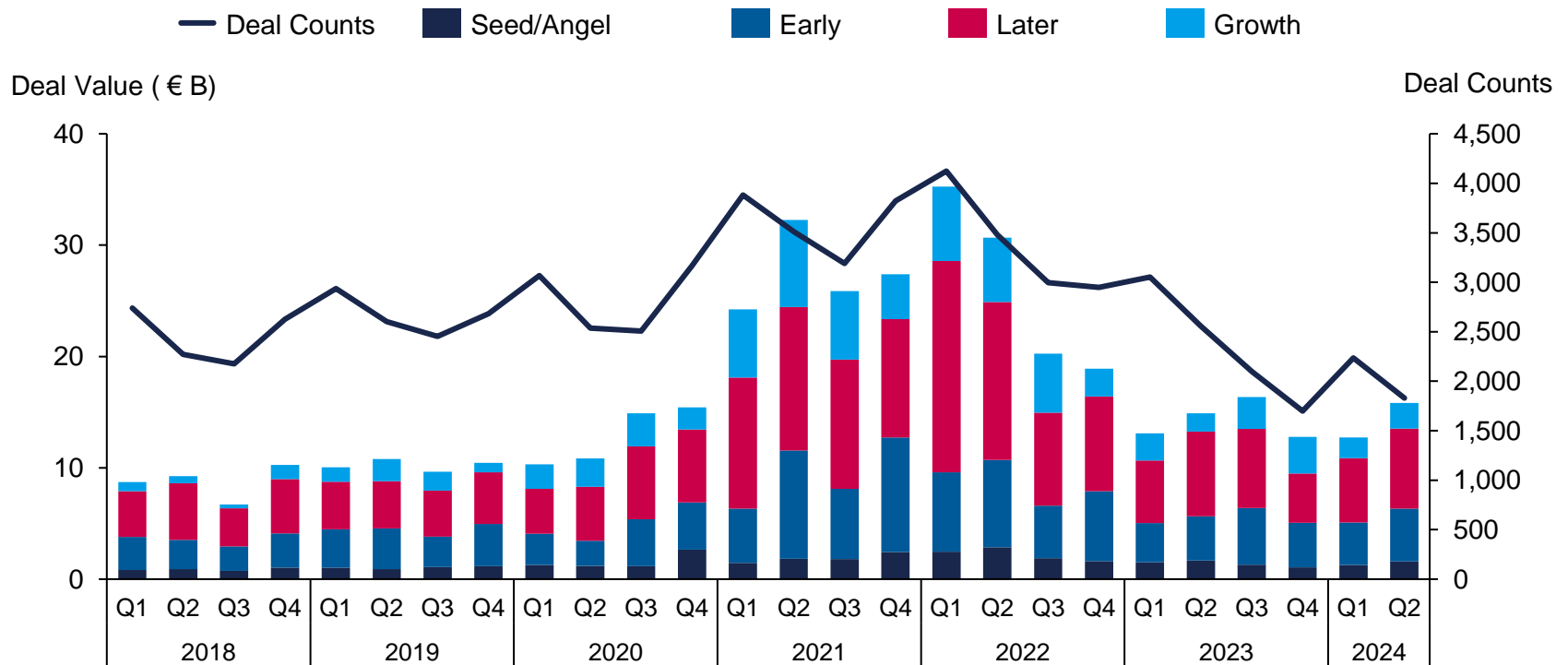
Note 1: At the end of each year, until the end of December in 2023 .

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# Europe: Deal Activity | Overview

- Since 2022, the deal activity has been on a downward trend and is now remaining flat at a low level.
- Compared to the peak period, the amount of funding raised by growth and later-stage startups is notably lower.

## Quarterly deal activity trends <sup>1</sup>



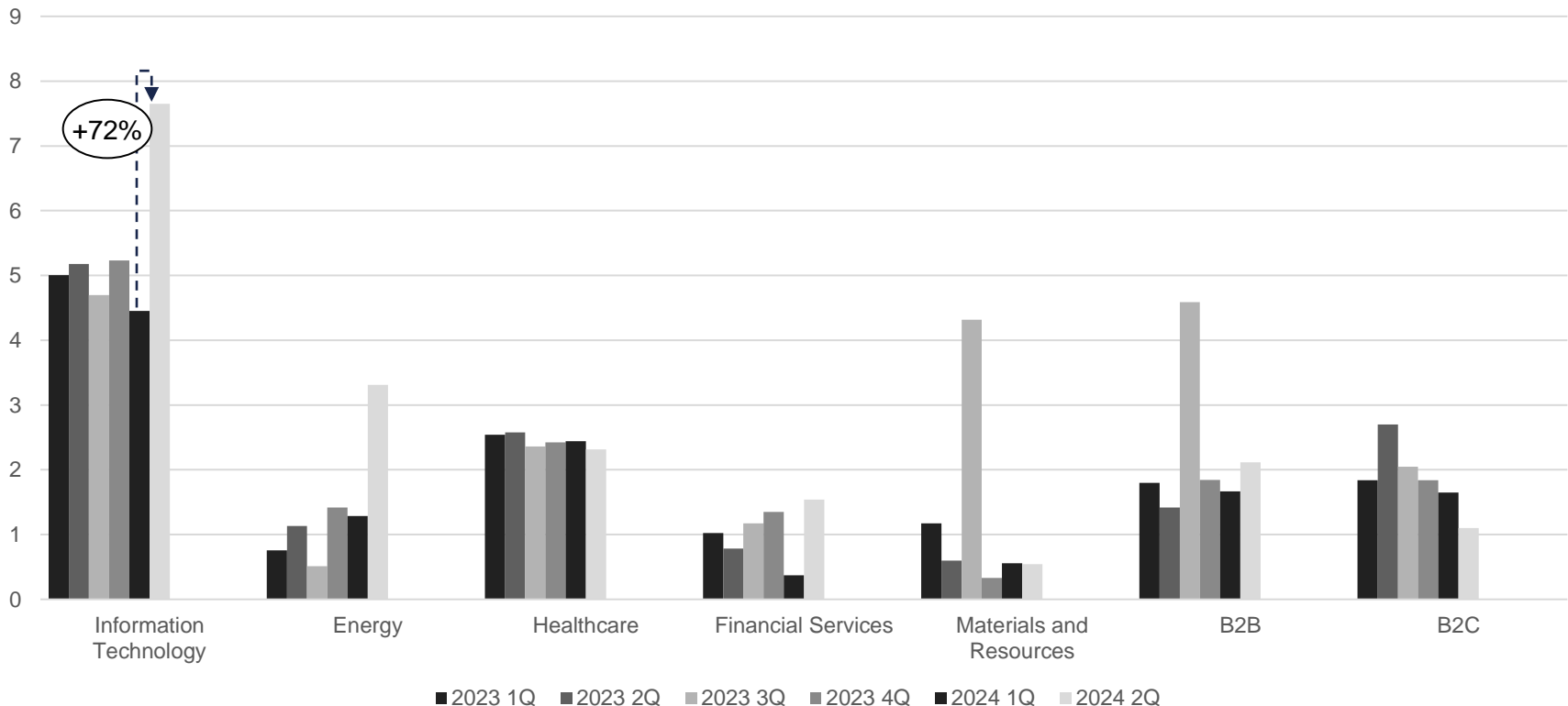
Note 1: Stage definitions are based on PitchBook 's classification. Growth stage refers to fundraising from Series

Source : Pitchbook

# Europe: Deal Activity | Sectors

- Compared to the US, large AI (IT) deals have not been prominent enough to drive the overall market. However, in Q2 2024, large funding by companies such as Wayve (\$980M), Mistral AI (\$600M), and Monzo (\$580M) stood out and showed notable growth.

Quarterly fundraising by sector ( € B)

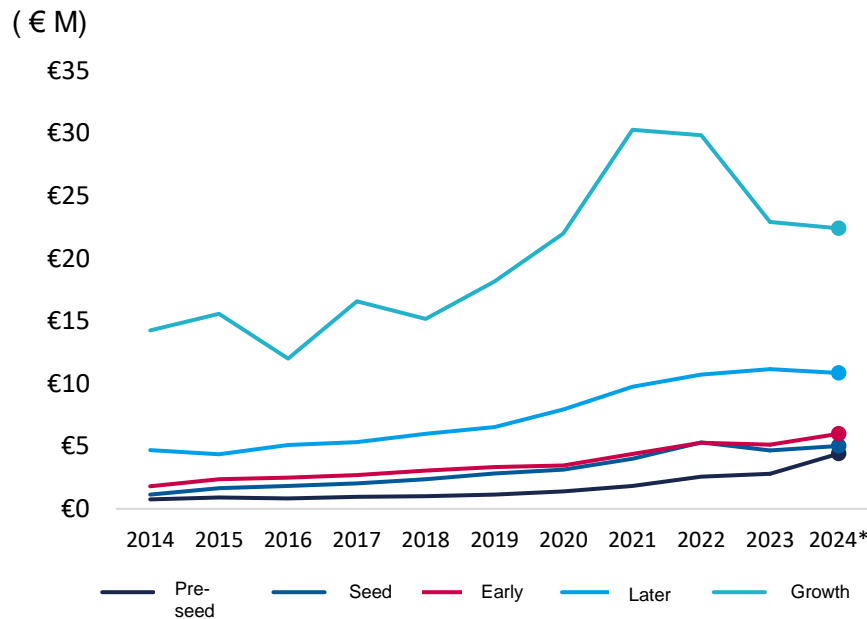


Source : Pitchbook

# Europe: Valuation | Overview

- Valuations for early-stage startups have increased while valuations for growth and later-stage startups have decreased slightly.
- The proportion of down rounds among growth and later-stage startups remains around 30%.

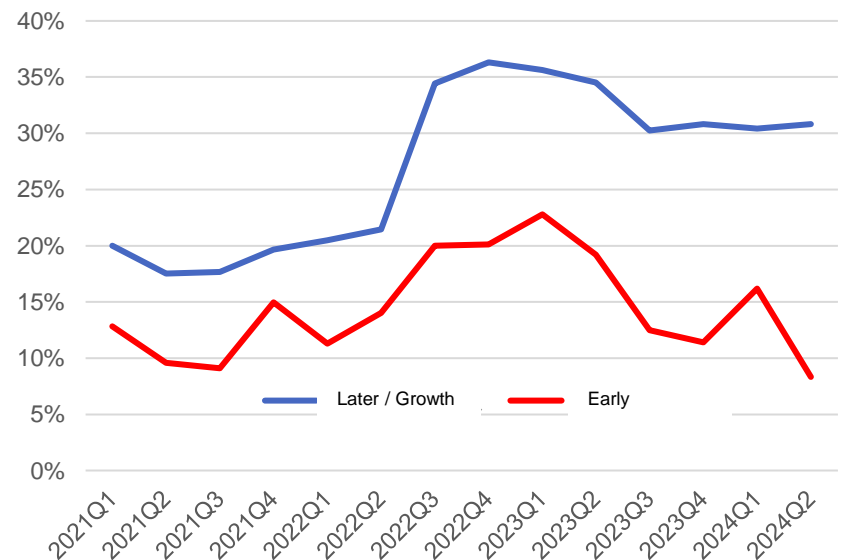
## Valuation Changes by Stage <sup>1</sup>



\*2024 is as of June-end

Note 1: Pitchbook defined venture growth stage as rounds after Series E.  
Source: Pitchbook

## Down Round Ratio by Stage



# Europe: Deal Activity: Large Deals ( 2024H1 )



株式会社産業革新投資機構

- As was the case at the same time last year, many investors from outside Europe participated in large fundraising rounds for European startups in AI and cleantech sectors.

Startups	Location	Industry	Business Description	Round	Valuation ( M€ )	Deal Size ( M€ )	Date	Investors (non-European investors are listed in blue)
Wayve	London	transportation	Developing software for self-driving cars using machine learning technology	C	€3.2B	955	May-24	Microsoft; Nvidia ; SoftBank
Boom	Paris	Fintech	Providing an e- commerce platform for individuals and businesses	Growth	na	500	Apr-24	na
Abound	London	Fintech	Using open banking and AI to make loans more affordable	B	na	480	May-24	GSR Ventures
Mistral AI	Paris	SaaS	Generative AI	B	€5.8B	468	Jun-24	Lightspeed ; General Catalyst ; Sofina; Bpifrance; a16z ; DST Global ; Samsung ; IBM ; Nvidia ; Salesforce ; Belfius
Monzo Bank	London	Fintech	Digital Bank	Later	€4.7B	408	Mar-24	Passion Capital; GV ; Tencent ; CapitalG ; HongShan
Highview Power	London	Energy	Developing large-scale renewable energy storage solutions	Growth	na	360	Jun-24	Centrica; Goldman Sachs ; Rio Tinto; KIRKBI; Mosaic Capital ; UK Infrastructure Bank
Picnic	Amsterdam	Food	Online food delivery	Later	€3.0B	355	Jan-24	Bill & Melinda Gates Foundation ; EDEKA
Electra	Paris	Energy	Network of fast charging stations	B	na	304	Jan-24	Bpifrance ; Eurazeo ; Serena; Rive Private Investment; PGGM Investments; 574 Invest
H2 Green Steel	Stockholm	Energy	A large steel manufacturer based on a fossil fuel-free manufacturing process	Growth	€3.8B	300	Jan-24	Siemens Financial Services; Mubea; IMAS Foundation; Microsoft Climate Innovation Fund ; Just Climate
DeepL	Cologne	SaaS	Developing a real-time AI translation system	Later	€1.8B	273	May-24	Atomico ; Index Ventures; IVP ; Wil ; Ontario Teachers' Pension Plan ; ICONIQ Growth
Quantinuum	Cambridge	semiconductor	Quantum Computing	Later	€4.8B	273	Jan-24	Mitsui Global Investment ; Honeywell ; Amgen ; JPMorgan Chase
Deep Green	London	Energy	Optimizing agricultural processes using AI and IoT technology	Growth	na	240	Jan-24	Octopus Energy
EraCal Therapeutics	Schlieren	Healthcare	Developing innovative treatments for obesity and related diseases	Growth	na	235	Jan-24	Novo Nordisk
Sunfire	Dresden	Energy	Providing renewable hydrogen and syngas using industrial electrolyzers	E	na	215	Mar-24	GIC; Blue Earth Capital; Lightrock ; Ahren Innovation Capital; Climate Pledge Fund ; Planet First Partners; LGT Group; Carbon Equity; Carbon Direct Capital
Hysetco	Saint-Denis	Energy	Hydrogen Station Network	Later	na	200	Apr-24	Air Liquide; Total Energies; RAISE; Eiffel Investment Group; Kouros SA; Hy24; Toyota France
ITM Radiopharma	Munich	Healthcare	Providing radiopharmaceuticals specialized for cancer diagnosis and treatment	Growth	na	188	Jun-24	BlackRock ; Temasek ; QIA ; ATHOS Venture; Carbyne Partners
ENVIRIA	Frankfurt	Energy	Solar Power Solutions for Businesses	B	na	182	Feb-24	BlackRock

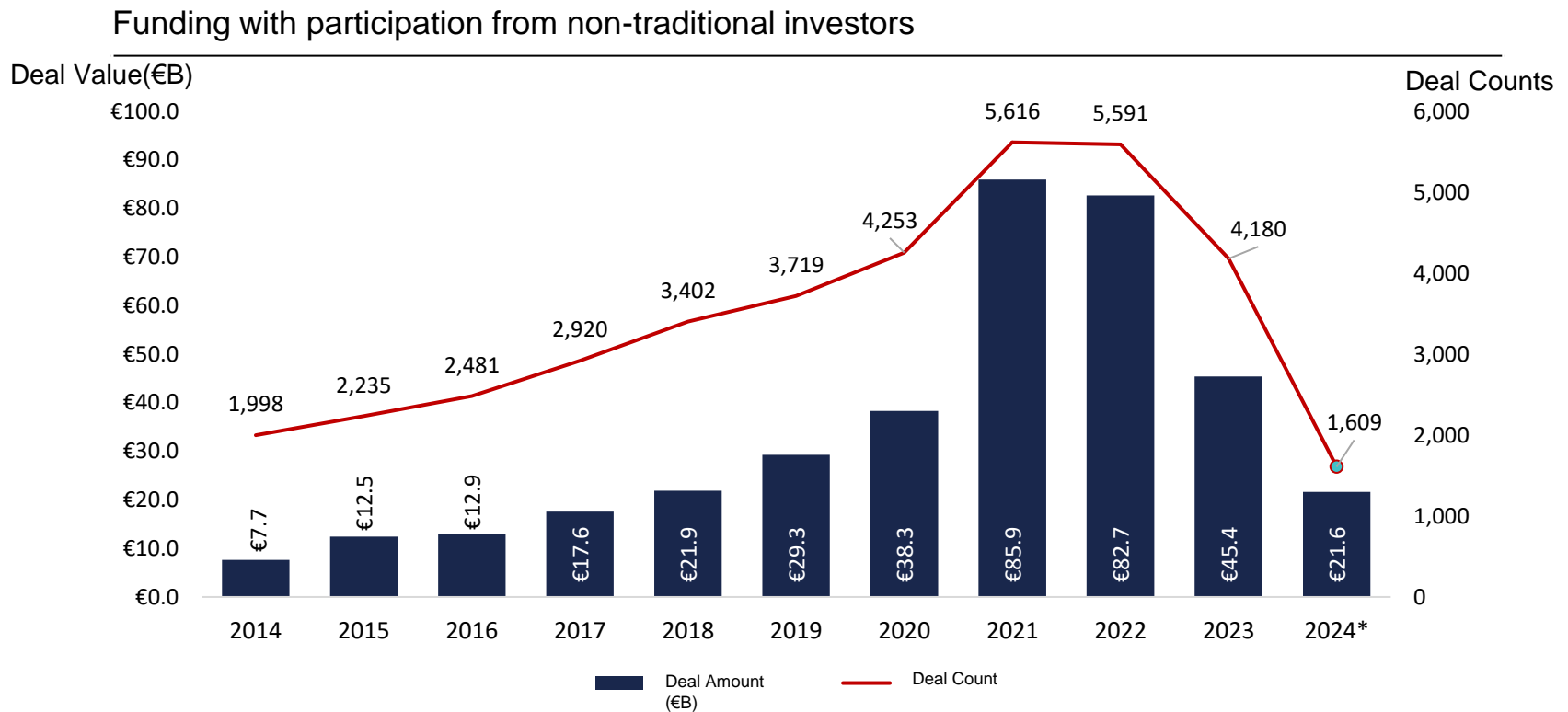
# Europe: Deal Activity | Large Deals (H1 2023)

- Back in 2023H1, a significant number of investors from outside Europe are participating in large-funding by startups in AI and alternative energy sectors.

Startups	Location	Industry	Business Description	Round	Valuation (M€)	Deal Size (M€)	Date	Investors (non-European investors are listed in blue)
1KOMMA5°	Hamburg	Energy	Photovoltaic systems, electric vehicle charging infrastructure, heat pumps, energy management software	B	1.0B	430	Jun-23	Eurazeo ; ECAPITAL; b2venture; <a href="#">G2 Venture Partners (G2VP)</a> ; Haniel ; Schürfeld Group;Porsche Ventures; <a href="#">Blue Elephant Capital</a> ; Norrskén Foundation
Abound	London	Fintech	AI -based lending platform	Rater	na	300	Mar-23	<a href="#">GSR Ventures</a> ; <a href="#">Salica</a> ; <a href="#">K3 ventures</a>
ITM Radiopharma	Munich	Healthcare	Radiopharmaceuticals	Growth	na	255	Jun-23	<a href="#">BlackRock</a> ; <a href="#">Temasek</a> ; <a href="#">QIA</a> ; Nextech Invest; ATHOS Venture; Carbyne Partners
Builder	London	SaaS	AI -based software development platform	D	na	227	May-23	<a href="#">Insight Partners</a> ; <a href="#">ICONIQ Capital</a> ; <a href="#">Jungle Ventures</a> ; <a href="#">QIA</a>
Enpal	Berlin	Energy	Solar power system rental	D	2.3B	215	Jan-23	HV Capital; <a href="#">SoftBank</a> ; <a href="#">The Westly Group</a> ; <a href="#">The Rise Fund (TPG)</a> ; <a href="#">Activate Capital</a> ; <a href="#">Princeville Capital</a>
EVC	Horsham, UK	Energy	Electric vehicle ( EV ) charging infrastructure	Growth	na	198	Feb-23	<a href="#">Denham Capital</a>
Islamic Coin	Baar , Switzerland	Fintech	Shariah-compliant digital currency	Growth	na	182	Jun-23	<a href="#">ABO Digital</a>
Octopus Electric Vehicles	London	transportation	EV leasing and charging infrastructure installation	Growth	na	180	Jun-23	Pollen Street Capital
Ynsect	Paris	Food	Using insects to produce proteins	Rater	na	160	Apr-23	na
Isar Aerospace	Ottobrunn , Germany	universe	Launch of small and medium-sized satellites	C	na	150	Mar-23	Earlybird Venture Capital; HV Capital; Lakestar ; Lombard Odier; Bayern Kapital; UVC Partners; Porsche SE; 7 Industries; Vsquared Ventures
Flink	Berlin	Food	On-demand food delivery service	Rater	1.0B	150	May-23	REWE Group; <a href="#">DoorDash</a>
Odoo	Chaumont-Gistoux , Belgium	SaaS	Open Source ERP Software	Growth	3.8B	150	Jun-23	<a href="#">General Atlantic</a>
Jolt Energy	Munich	Energy	EV charging infrastructure	Growth	2.4B	150	May-23	InfraRed Capital Partners
Accelerator	London	Fintech	Insurance intermediation infrastructure for small and medium-sized enterprises	Growth	na	136	Jun-23	<a href="#">Baring Asset Management</a>
DistalMotion	Epalinges , Switzerland	Healthcare	Laparoscopic surgery robot	Growth	2.2B	136	Apr-23	<a href="#">Revival Healthcare Capital</a>
APK	Merseburg, Germany	Energy	Plastic Recycling Solutions	Rater	na	130	Feb-23	<a href="#">LyondellBasell Industries</a>

# Europe: Deal Activity | NTI

- Similar to the United States, non-traditional investors, or NTIs, such as CVCs, SWFs, asset management companies, PE firms, and hedge funds, were actively investing in startups in 2021.
- However, the value of deals participated by NTIs has been decreasing since 2022.



\*2024 is as of June-end

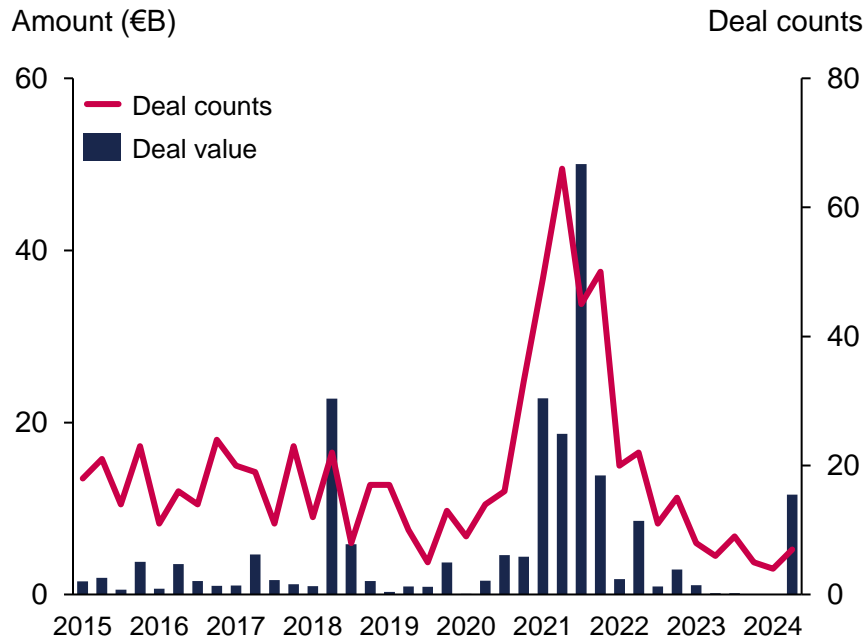
Source : Pitchbook



# Europe: Exit | Overview

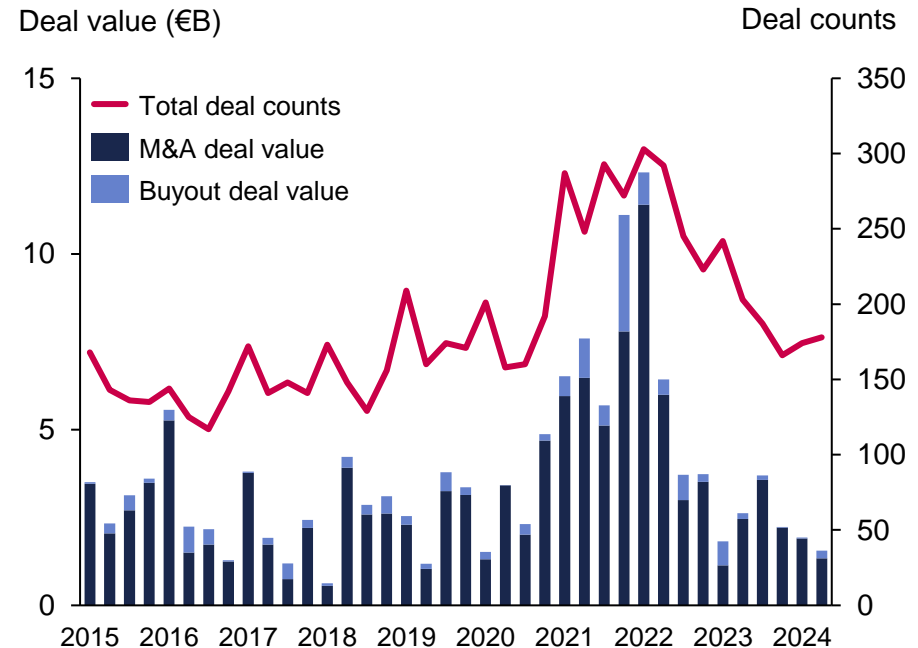
- European startup IPOs and M&A activity were sluggish in 2024H1.
- Among startups that IPOed, the Spanish luxury fashion and fragrance company Puig (€11.3B) was notable, but there were no other significant deals.
- Similarly, M&A activity was lackluster. Aside from BeReal, a social media company acquired by gaming giant Voodoo for €500M in Q2, there were no particularly large transactions.

## IPO Activity by quarter



Note: 2024Q2 includes Puig.  
Source : Pitchbook

## M&A Activity by quarter

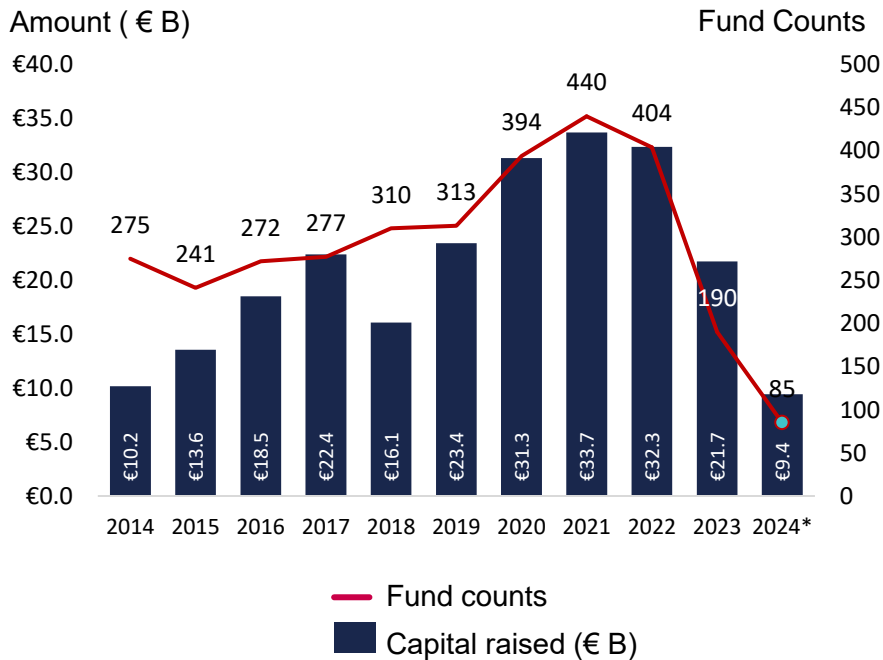


Source : Pitchbook

# Europe: Fundraising | Overview

- Since 2022, VC fundraising activity has also slowed in Europe.
- In 2024H1, the proportion of funds raised by emerging managers increased relatively with emerging managers accounting for 52% of funds raised in this period, compared to 42% in 2023.
- This increase is partly due to active investments from governments and public investment institutions, such as the European Investment Fund and the British Business Bank, in emerging managers.

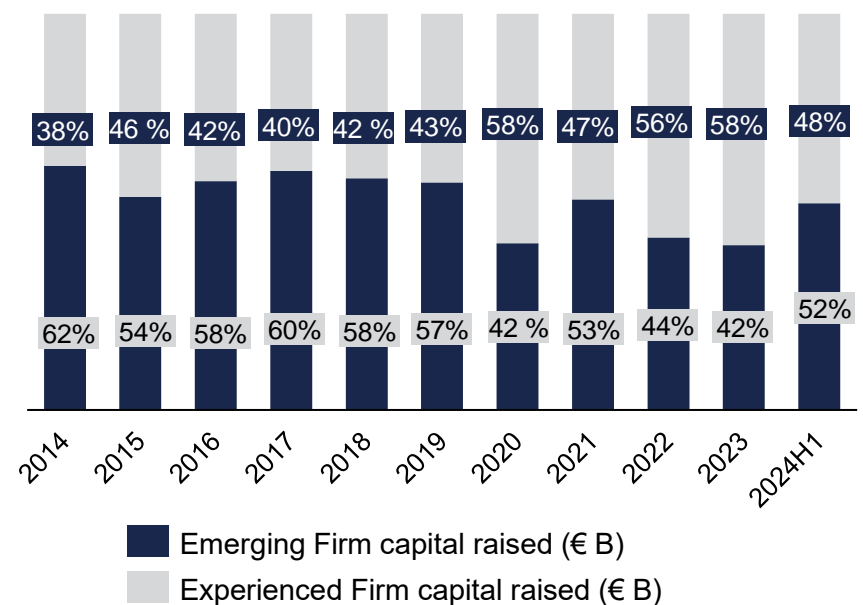
## VC fundraising activity by vintage year



\*2024 is as of June-end.

Note 1: "Emerging" is defined as firms that have launched fewer than 4 funds. "Experienced" firms are defined as those that have raised 4 or more funds.  
Source: Pitchbook

## Fundraising by emerging<sup>1</sup> and experienced

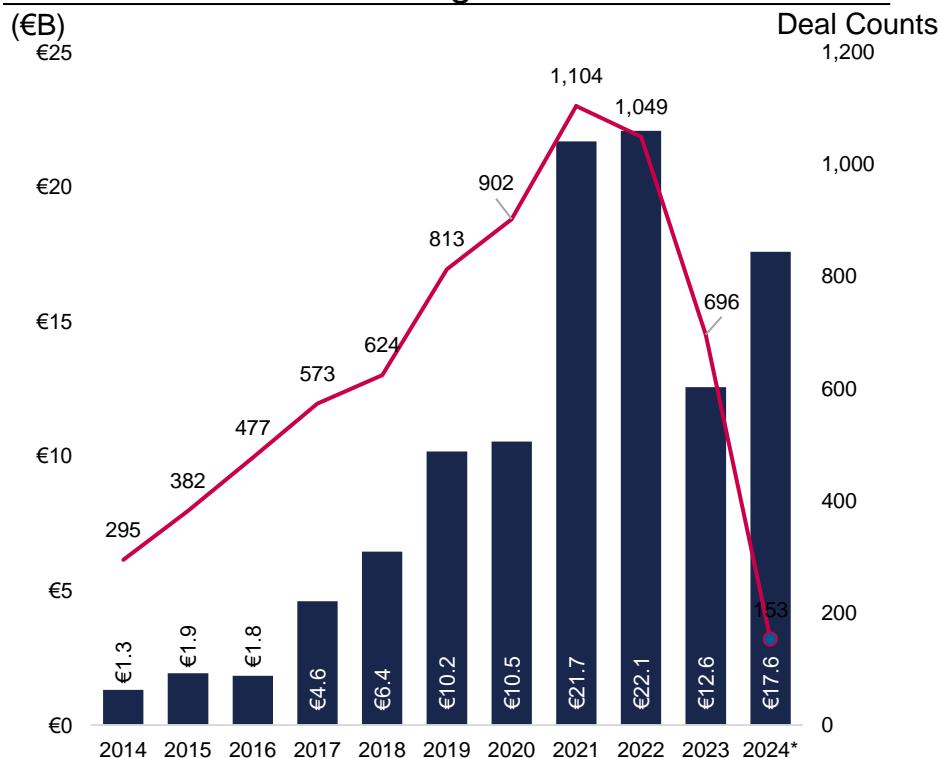


Source : Pitchbook

# Europe: Venture Debt

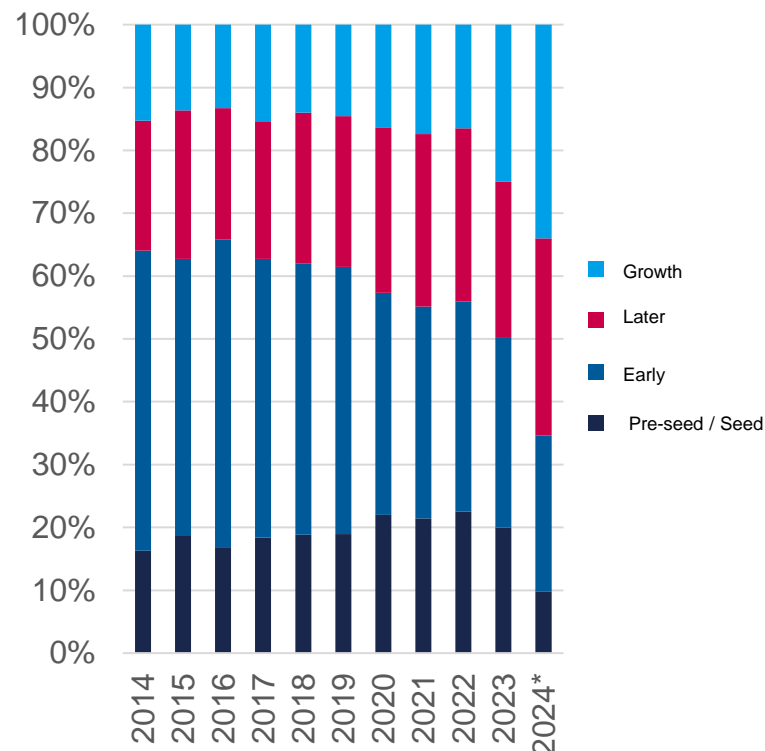
- In 2024H1, venture debt financing exceeded the amount raised in 2023, driven by large deals such as Northvolt (€4.6B) and H2 Green Steel (€4.1B).
- Even excluding these significant deals, the amount raised in 2024H1 reached €8.9B, reflecting an overall increase in funding sizes across other deals as well.
- Institutional investors' investment in private debt funds is increasing and these funds actively supply funds to venture debt deals.

## Venture Debt and Funding Trends



\*2024 is for half a year.  
Source : PitchBook

## Venture Debt by stage (Deal Count)

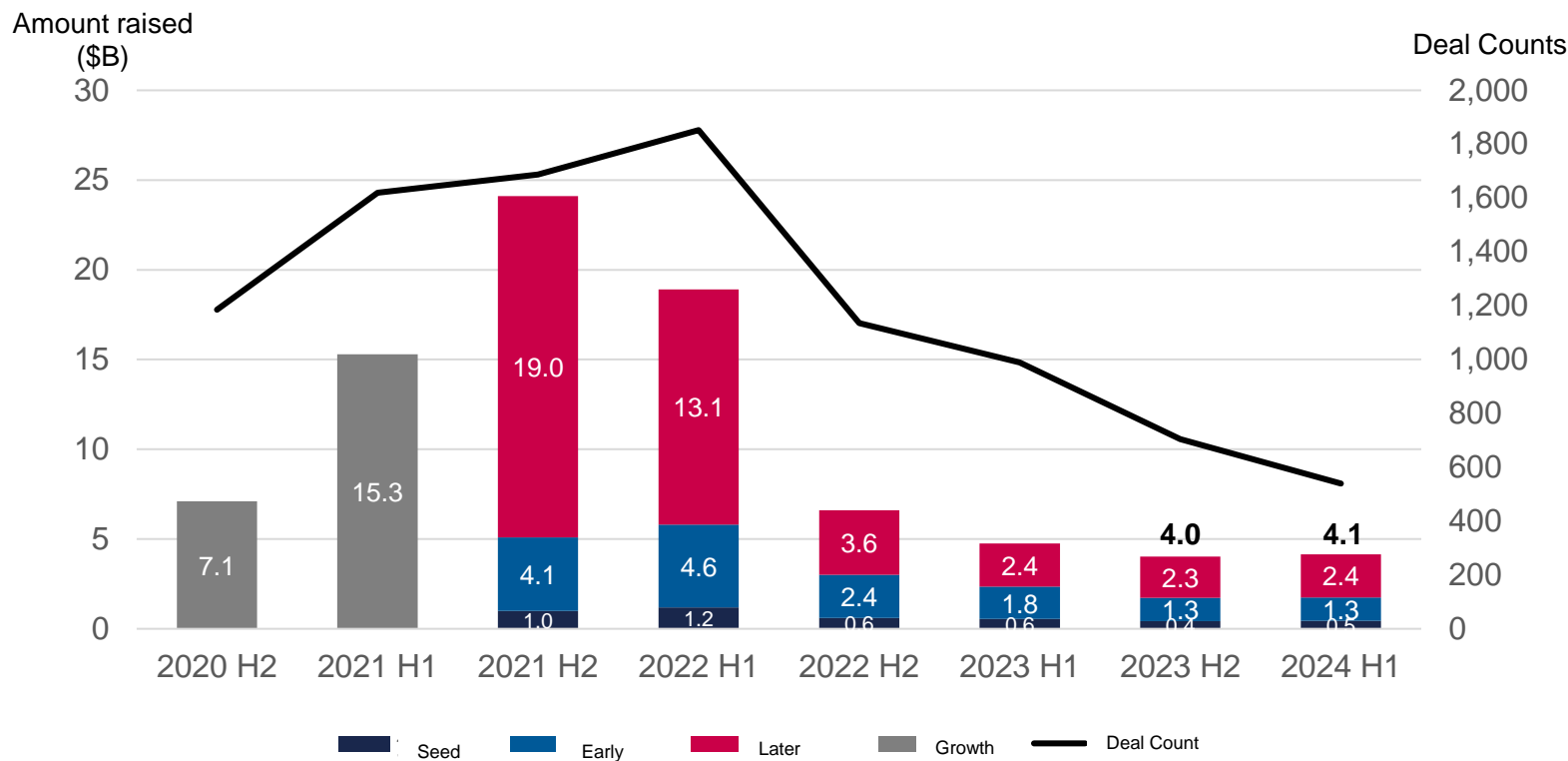


1	Summary	P4	4	Supplementary Materials	P42
2	Japan	P5	4.1	European Market Overview	
2.1	Startups   Funding		4.2	Indian Market Overview	
2.2	Startups   Exits				
2.3	VC   Fundraising				
3	US	P25			
3.1	Startups   Funding				
3.2	Startups   Exits				
3.3	VC   Fundraising				

# India: Deal Activity | Overview

- Deal activity remains sluggish.
- Total funding amounts remain flat in the first half of 2024.

## Deal Activity <sup>1</sup> (Amount (\$B) /Deal Counts )

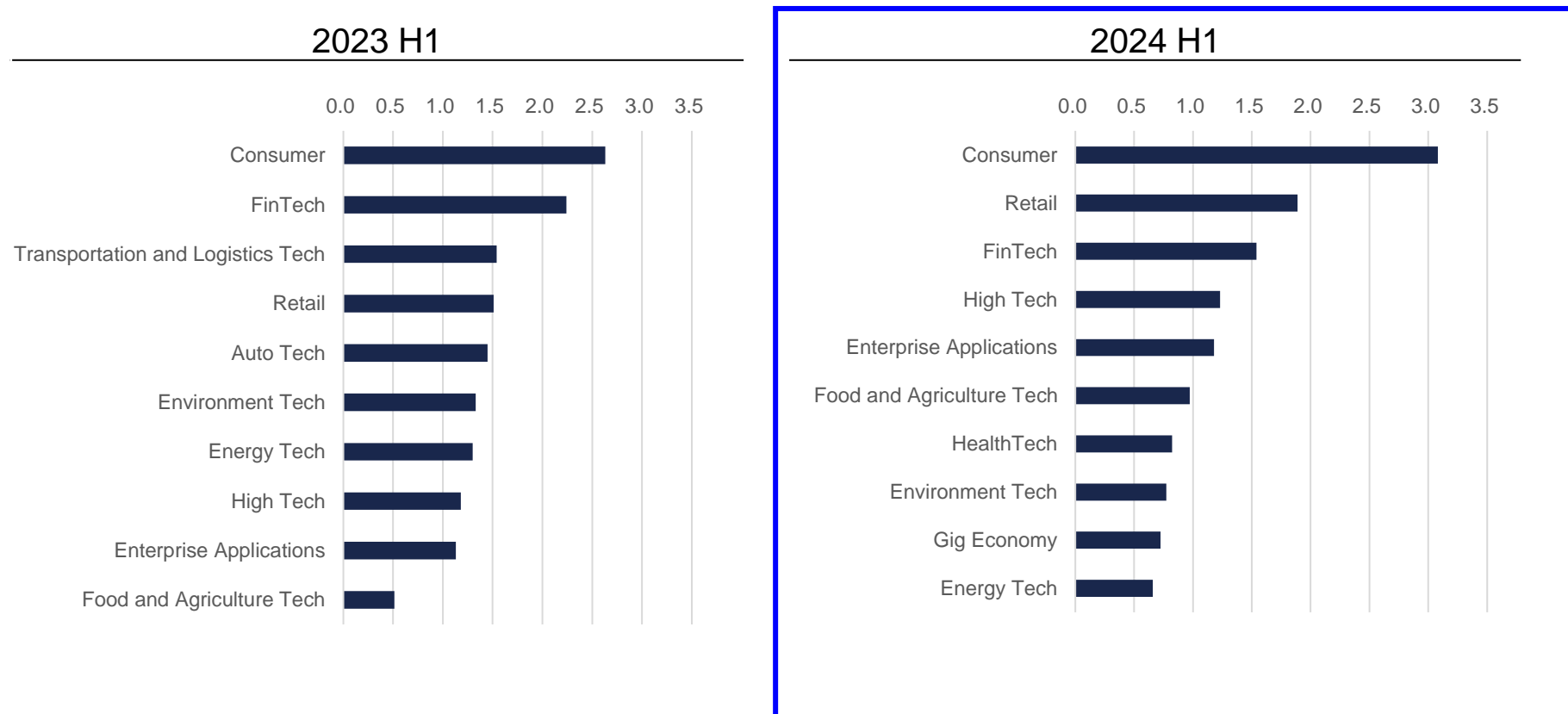


Note 1: Series A and B are shown as Early, and Series C+ are shown as Later, according to Tracxn's classification.

# India: Deal Activity | Sectors

- Reflecting India's unique position as a huge consumer market, most of the funding has gone to startups in sectors such as Consumer, Fintech and Retail.

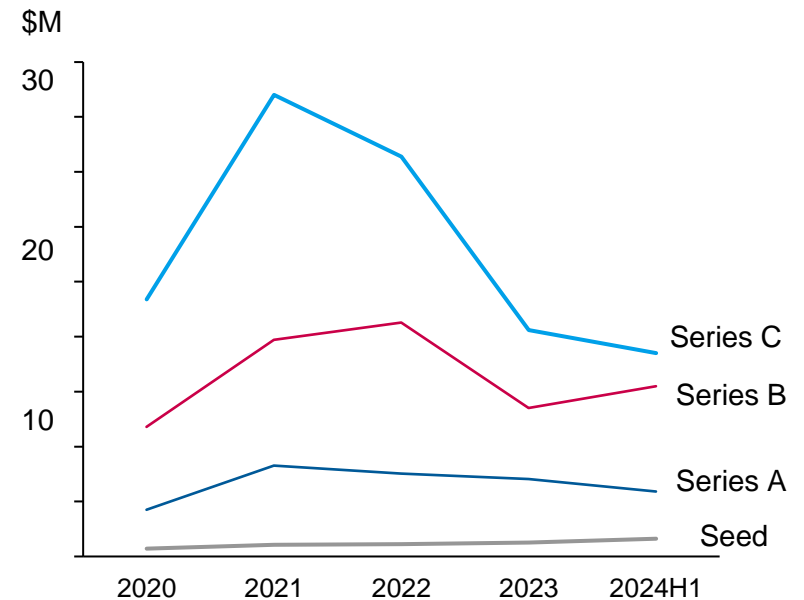
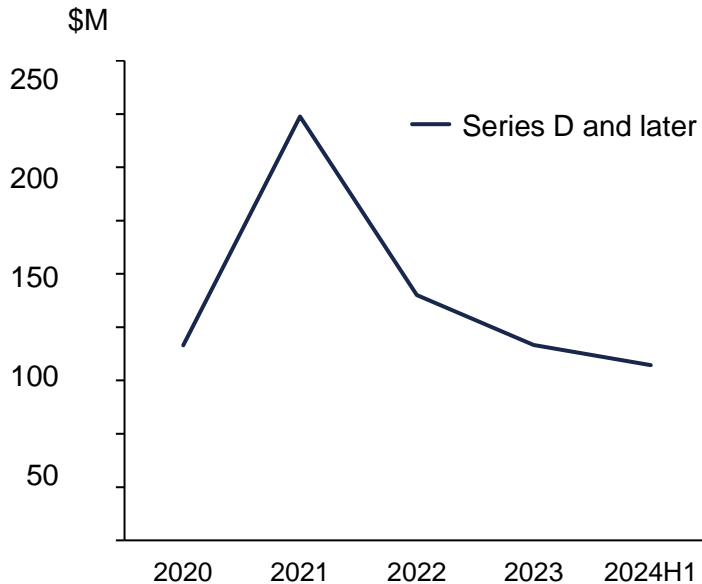
## Startups funding amount (by sector) (in \$B )



Note : Sector totals do not equal total funding or number of companies due to overlapping of companies across sectors.

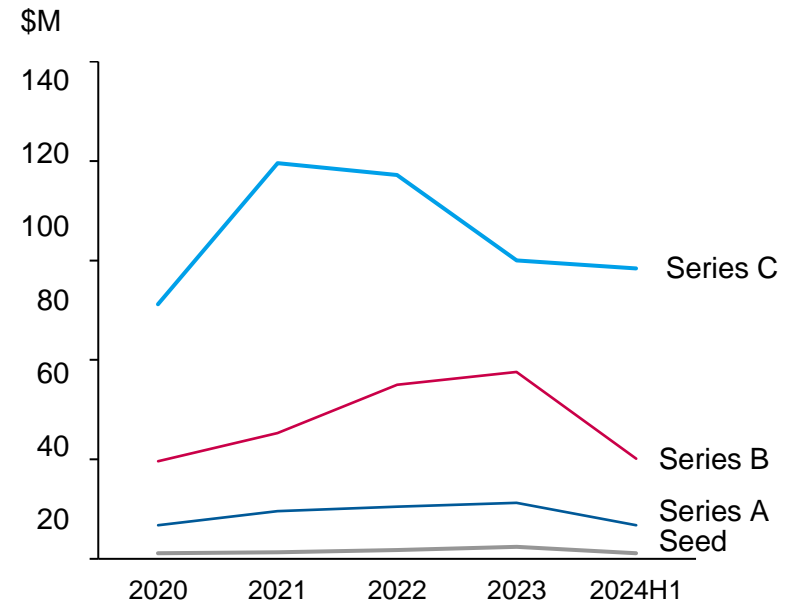
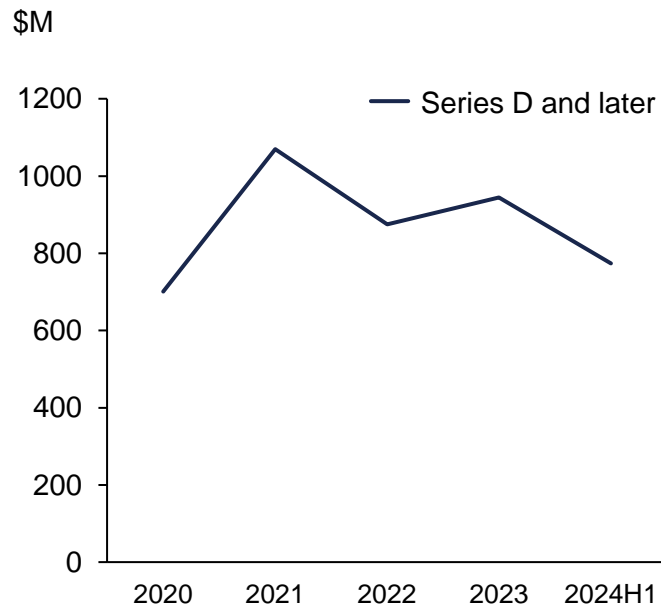
- In stages of Series C and Series D and later, the amount of funding per startup has been declining.

## Average Deal Size



- Valuations have generally been sluggish. In particular, valuations for Series C and Series D rounds have not recovered from the downward trend that began in 2021.<sup>1</sup>

## Valuation Changes (Post-money valuation / average)

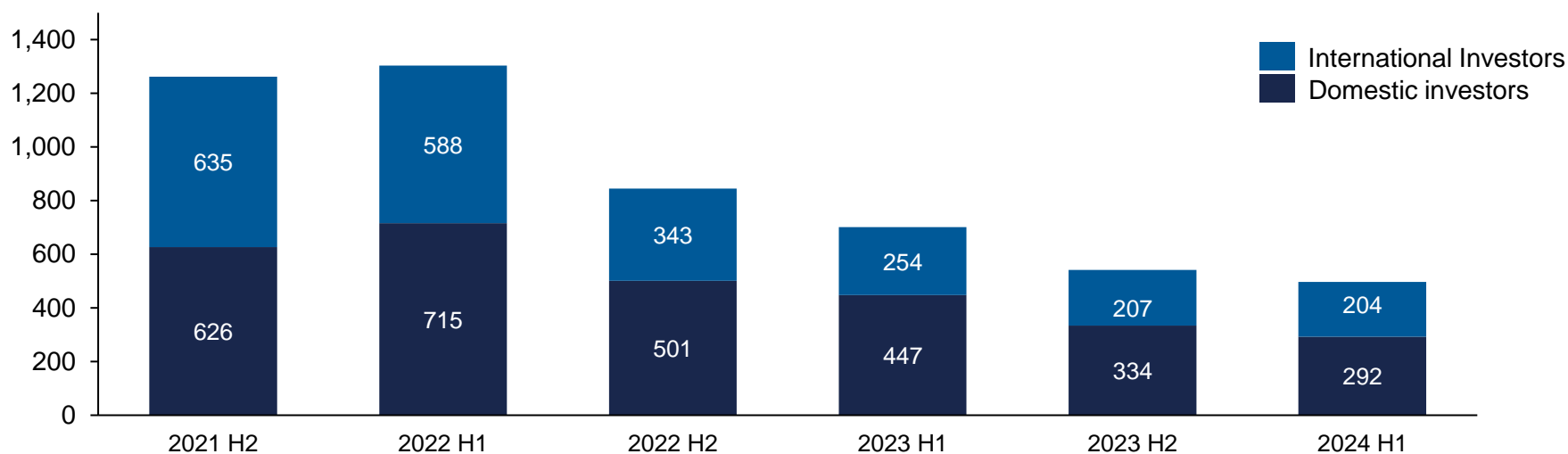


Note 1: As of September 2024, the number of sample data points for corporate valuations for the first half of 2024 is small, so the figures shown in the graph may change depending on the data collected later.



- Approximately 40% of investors participating in funding by Indian startups are international investors.
- As shown in the next page, many international investors are involved in large funding, primarily at the later stages.

## Trends in international investors investing in Indian SU ( number of investors )



\* The number of institutional investors

Source : Tracxn

# India: Deal Activity | Large Deals (2024H1)

- In large funding deals, the majority of investors are international investors, primarily U.S.-based investors.

(Unit: \$M)

Company Name	Industry	Business Contents	Amount raised <sup>1</sup>	Series	Valuation	Deal Date	Investor   Foreign investor ( blue )
1 Zepto	Food	An app-based platform that provides on-demand grocery delivery services	665	F	3,600	6/21	Lightspeed Venture Partners , avra, Glade Brook Capital, Nexus Venture Partners, StepStone Group, Goodwater Capital, Avenir Growth Capital
2 Flipkart	Retail	An online marketplace for consumer products	350	J	36,000	5/25	Google
3 Meesho	Retail	An online marketplace and resale platform for consumer products	275	F	NA	4/16	Tiger Global Management, Peak XV Partners, SoftBank Group, WestBridge Capital, Mars Growth Capital
4 API Holdings	Healthcare	Digital Healthcare Management Tools	216	F	NA	4/29	Manipal Group, Temasek, Prosus , Caisse de depot et placement du Quebec, Goldman Sachs, EvolutionX , WSSS Investments
5 Purple	Retail	An online marketplace platform offering multi-category beauty products and accessories	120	F	NA	3/11	Abu Dhabi Investment Authority, BlackSoil
6 Avanse	Fintech	An online lending platform offering educational loans	120	C	1,084	3/22	Mubadala , Avendus , Alpha Investment
7 Pocket FM	media	An online platform offering podcast and audiobook streaming services	103	D	750	3/16	Lightspeed India, StepStone Group
8 Capillary Technologies	Enterprise	Cloud-based omnichannel loyalty management software solution for businesses	95	D	NA	2/27	Avataar Ventures, 57 Stars , Unigestion , Filter Capital, Pantheon , Innoven Capital
9 Vikram Solar	Energy	PV module manufacturing	86	B	NA	6/10	Viney Equity Market
10 Perfios	Fintech	Real-time credit decisioning platform and data aggregation API	80	D	1,000	3/13	Ontario Teachers' Pension Plan
11 Vivifi India Finance	Fintech	Digital Financial Services	75	B	NA	1/24	BP IN VPF
12 Fibe	Fintech	Lending Platform	66	E	NA	5/30	The Rise Fund, Eight Roads Ventures , Norwest Venture Partners, Trifecta Capital, Chiratae Ventures, Amara Partners, TR Capital , Kariba Holdings Mauritius
13 Battery Smart	Energy	Battery Swap Solutions for Electric Vehicles	65	B	NA	5/15	MUFG , Blume Ventures, Ecosystem Integrity Fund, British International Investment , Acacia Inclusion, LeapFrog Investments , Panasonic, SBI Investment
14 APAC Group	Fintech	Lending / Non-banking business	51	C	NA	3/15	Norwest Venture Partners , Rajamahendra Chola
15 Shadowfax	Retail	On-Demand Hyperlocal Delivery Solutions for E-Commerce Businesses	50	E	NA	2/27	TPG , Mirae Asset Venture Investments, Flipkart, IFC, NGP Capital, Qualcomm , Trifecta Capital
16 Infrastructure. Market	Retail	Online marketplace platform for procurement of construction materials	50	D	NA	5/28	Mars Growth Capital
17 Krutrim	AI	A platform for building generative AI applications	50	B	NA	1/26	Z47
18 Avail	Web3	Web3 Infrastructure Layer Platform	50	A	NA	6/4	Founders Fund, DRAGONFLY, CyberFund , SevenX , Figment, Nomad Capital, LocalGlobe , Chapter One, Superscript , Foresight Ventures, Mirana , RW3 Ventures, KR1, HashKey , Altos Ventures Management, Spark Digital Capital, Alliance DAO, HTX
19 River	transportation	Electric two-wheeler	40	B	NA	2/5	Yamaha Motor, Al-Futtaim , Lowercarbon Capital, Toyota Ventures, Maniv Mobility
20 S3V Vascular Technologies	Healthcare	Development of cardiovascular surgery and emergency medical equipment	40	B	NA	3/14	-

Note 1: Excluding Debt financing, Post-IPO startups' financing.

Source : Tracxn, corporate websites

# India: Deal Activity | Large Deals (2023H1)

- All of the top 20 large funding in 2023H1 involved international investors.
- Notably, fintech and retail-related startups dominate the top spots.

(Unit: \$M)

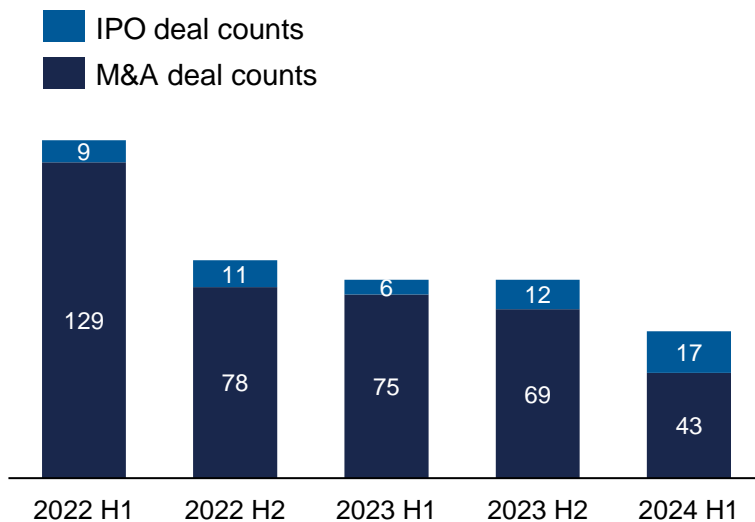
Company Name	Industry	Business Contents	Amount raised <sup>1</sup>	Series	most recent valuation	Deal Date	Investor   Foreign investor ( blue )
1 PhonePe	Fintech	Card-linked wallets for consumers and businesses	658	D	12,314	1/19	General Atlantic , Ribbit Capital, Tiger Global Management , TVS Capital Funds
2 Tata Passenger Electric Mobility	Energy	Electric vehicle manufacturer	460	D	NA	1/31	The Rise Fund
3 DMI Finance	Fintech	Providing consumer and small business loans	400	E	NA	4/3	MUFG, Sumitomo Mitsui Trust Bank
4 InsuranceDekho	Fintech	Online insurance comparison platform for individuals	150	A	217	2/9	TVS Capital Funds, Investcorp , Avataar Ventures, West Street Global, Alstroemeria Investments, Goldman Sachs Asset Management, LeapFrog Investments
5 TI Clean Mobility	transportation	Electric tricycle manufacturer	145	D	NA	2/25	Multiples Alternate Asset Management, SBI
6 ACKO	Fintech	Multi-category digital insurance and claims management solutions for individuals and businesses	137	E	NA	5/25	Multiples Alternate Asset Management, CPP Investments, Lightspeed Venture Partners, General Atlantic
7 Zetwerk	Retail	An online B2B marketplace offering manufacturing services	124	F	2,809	3/31	Avenir Growth Capital, Steadview , Footpath Ventures , Greenoaks , D1 Capital Partners, Lightspeed Venture Partners
8 CreditBee	Fintech	Online Lending Marketplace for Personal Loans	120	D	700	1/6	Advent International, MUFG , Premji Invest, Mirae Asset Venture Investments, Motilal Oswal , TPG
9 Mintifi	Fintech	Online business loan marketplace	110	D	414	3/8	Norwest Venture Partners , Elevation Capital, IFC , Premji Invest
10 FreshToHome Foods	Food	Online app-based retail of meat and poultry products	104	D	NA	2/7	Investcorp , ACG, Iron Pillar, Al Nasser Holdings , E20 Investment, Al Tawfeek , Zen Holdings Private Limited , Massar , Qatar Insurance Company, One Technology, Investment Corporation of Dubai , Ascent Capital, Mount Judi Ventures, Dallah Albaraka , ASVF , Tikehau Capital, TLV Partners, Fresh Holdings, Amazon
11 Lenskart	Retail	Eyewear Brands	100	I	NA	6/15	ChrysCapital
12 Avanse	Fintech	An online lending platform offering educational loans	97	C	666	1/6	Kedaara
13 Atomberg	Retail / Manufacturing	Smart Fan	86	C	324	3/2	Temasek, Steadview , Trifecta Capital, Jungle Ventures , Inflexor , V-Sciences Investments
14 Dunzo	Food	On-demand hyperlocal delivery app for food and groceries	75	F	NA	4/6	Reliance Retail, Alphabet, Google
15 The Good Glamm Group	Retail	An online retail platform offering beauty products	71	E	1,297	6/2	Warburg Pincus, Prosus , Bessemer Venture Partners, Accel, Naspers , Ascent Capital, Trifecta Capital, L'Occitane , Orios Venture Partners, New Enterprise Associates , Dharma Productions, Virtuous Circle Counselling , Matrix
16 Girnar Finserv	Fintech	financial services and solutions	61	A	249	2/9	Goldman Sachs , TVS Capital Funds, Avataar Ventures, Investcorp , Alstroemeria Investments
17 NODWIN Gaming	game	Esports gaming organizations offering sports tournaments and events across multiple games	56	C	349	5/18	Krafton , JetSynthesys , Sony , Innopark , Good Game Investments, Pratithi Investments
18 Agilitas	Retail	Manufacturing of sports, casual and athletic shoes	52	C	156	3/21	Convergent, Infinity Holdings , Transaction Square
19 Kabira Mobility	transportation	Electric scooter manufacturing	50	A	NA	3/17	Al-Abdullah Group
20 Charge Zone	Energy	Providing charging station management solutions	46	A	56	3/20	Blue Orchard

Note 1: Excluding Debt financing, Post-IPO startups' financing.

Source : Tracxn, corporate websites

- IPOs in 2024H1 increased compared to the previous year. Several unicorns, such as Go Digit General Insurance (fintech), have had successful IPOs with strong stock performance post-listing.
- In the second half of the year, large IPOs like Ola Electric (EV) and FirstCry (marketplace) have continued, with other notable companies are also expected to go public.
- On the other hand, the number of M&A deals has further decreased, with no large-scale M&A transactions exceeding \$100 million. Considering recent successful large IPOs, it appears that an increasing number of startups are opting for public listings instead of pursuing M&A.

## Indian SU EXITs ( IPO , M&A )



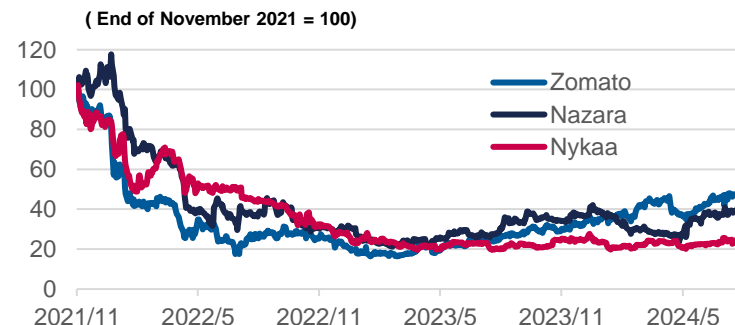
Source : Tracxn TRACXN GEO SEMI ANNUAL REPORT "India Tech 2024H1"

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## Top 5 IPOs : Market Capitalization

Company name	at the time of IPO	Current (August 30)
Go Digit General Insurance (Fintech)	\$3.0B	\$4.2B
Indegene (biopharmaceuticals)	\$1.3B	\$1.7B
TBO TEK (Travel Platform)	\$1.2B	\$2.3B
Ixigo (travel platform)	\$432M	\$761M
Awfis (Co-working space operator)	\$318M	\$627M

## EV/Sales multiple trends ( Startups IPOed in 2021 )



Source : Tracxn, Capital IQ, PitchBook