



SILVERPEAK

M&A + FINANCING ADVICE

**The state of the market for Series B&C rounds
in European tech companies**

H1 2023

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1. European tech: Venture environment recent trends

European tech Series B&C rounds on par with pre-2021 'record' levels

- > Total Series B&C activity **normalised in this half**, after the dramatic drop in late 2022. Although the H1 investment numbers are similar to those of H2 2022, a strong start to the year was offset more recently by weaker deal numbers
- > **Median deal values for Series C dropped significantly**, falling 33% to €32.6m, driven by many more, much smaller Series C rounds (of €5-15m)
- > France and Germany saw significant capital increases, reaching €2.1bn, while the **UK sharply declined to €1.1bn, being surpassed by France in investment for the first time since 2016**
- > In H1, there were **three Series C mega-deals above €100m**, representing 13% of total deals; however, all three of these deals occurred in Q1
- > **Fintech and healthtech have showed resilience in H1**, remaining the largest verticals and accounting for 10% and 9% of all deal count respectively



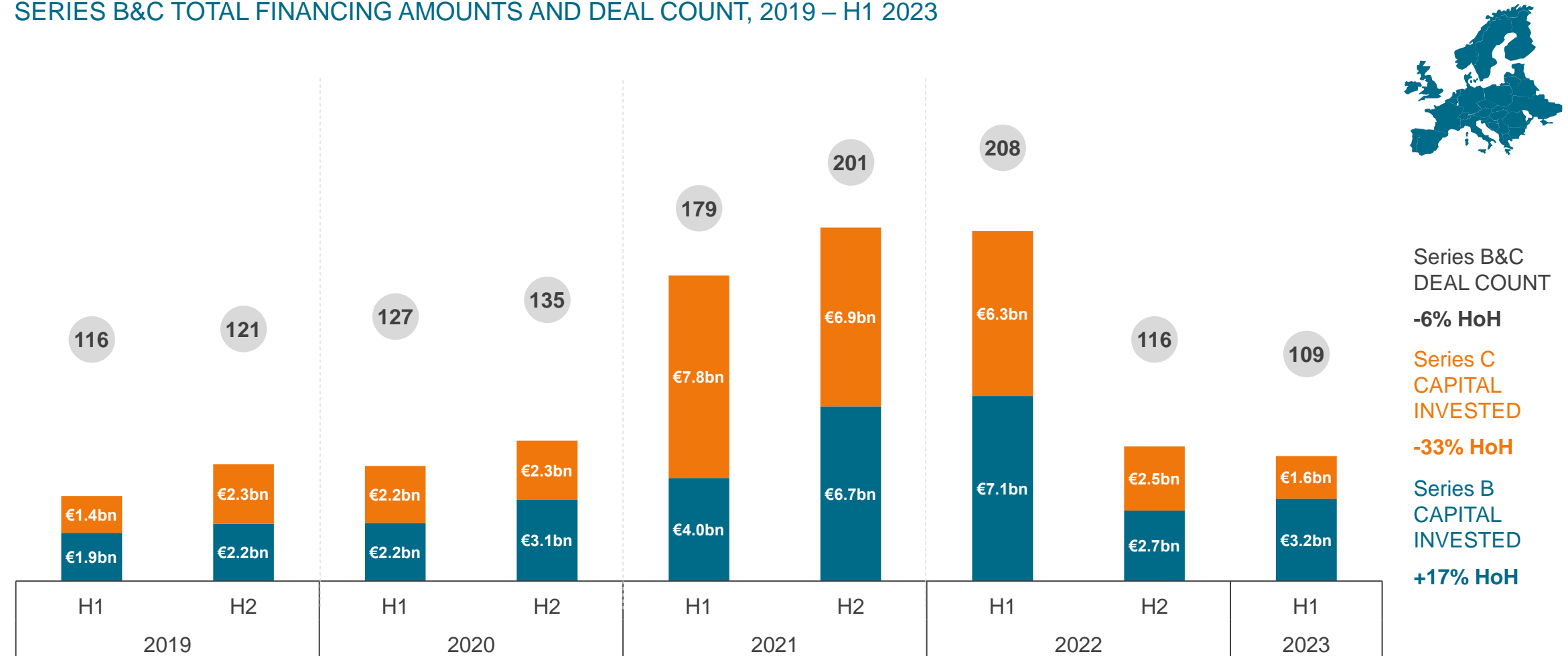
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In H1 2023 there has been a stabilisation in the market following the sharp market correction in H2 2022. Whilst 2023 has begun on this 'new normal' level, we do sense some increased caution from funds in recent months.

David Ford
PARTNER

Total B&C investments are now back to pre-pandemic levels and numbers, but less value in later stage deals

SERIES B&C TOTAL FINANCING AMOUNTS AND DEAL COUNT, 2019 – H1 2023

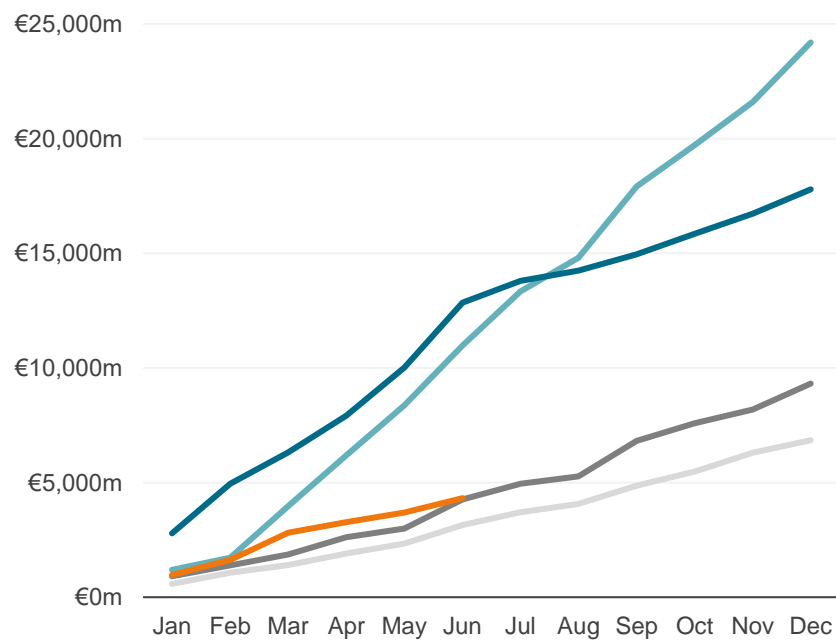


Source: Pitchbook. Deals below €5m have been excluded. Data as of 30/06/2023

Capital invested slows in Q2 2023 converging towards 2020 levels

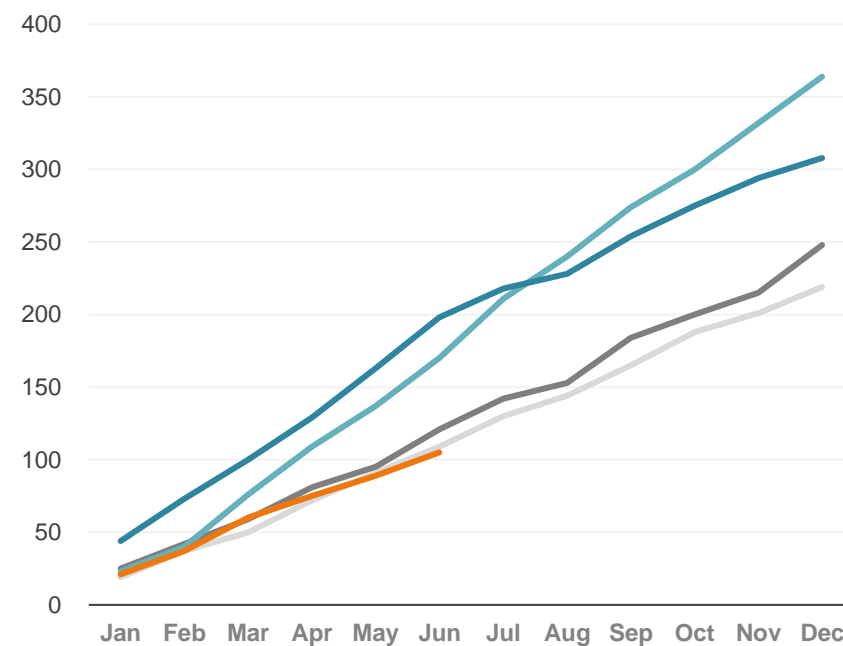
Back to 2020 levels in terms of amount raised...

Cumulated Series B&C deal value (€m)



...and deal count fell to the lowest levels in the last 5 years

Cumulated Series B&C deal count (#)



Cohort

2023

2022

2021

2020

2019

2023 Deal value % change

-

-66%

-61%

1%

37%

2023 Deal count % change

-

-47%

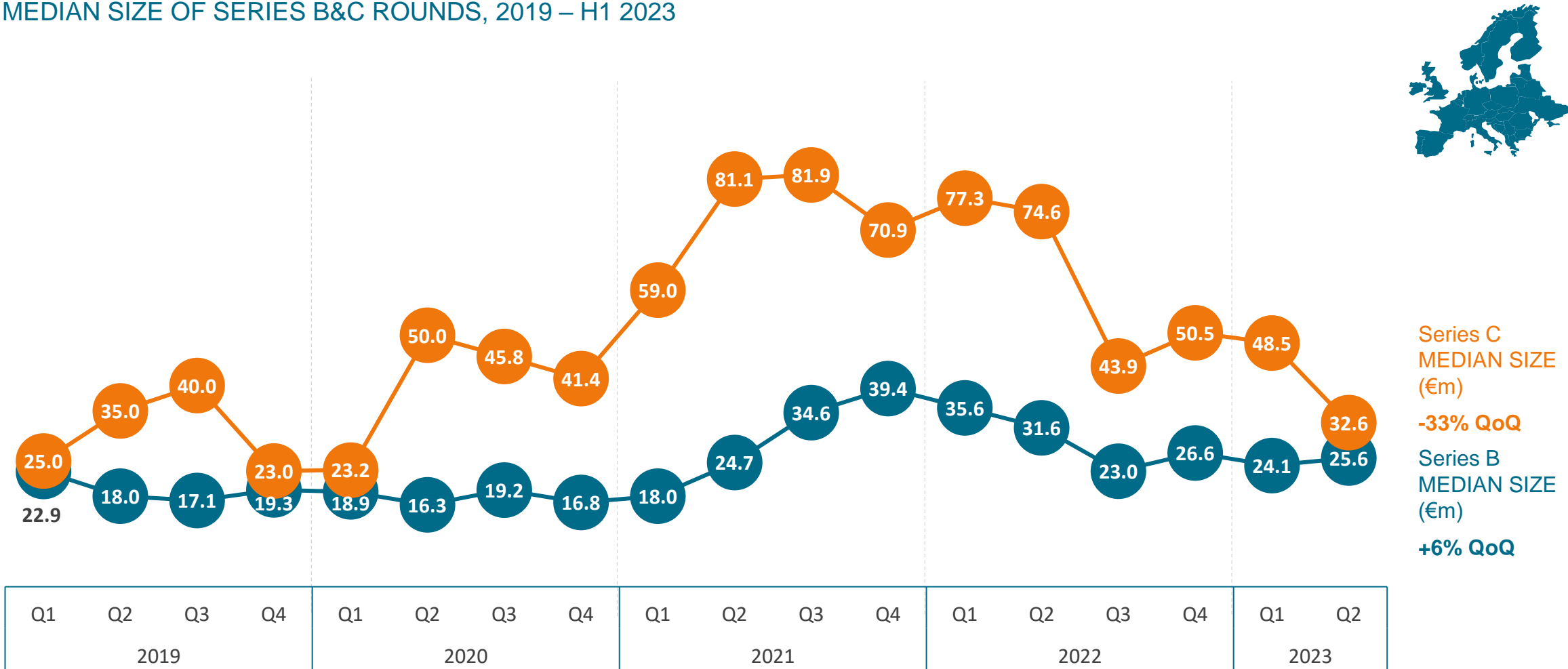
-38%

-13%

-4%

Series B median deal size remains buoyant, but sharp reduction in Series C ticket sizes

MEDIAN SIZE OF SERIES B&C ROUNDS, 2019 – H1 2023

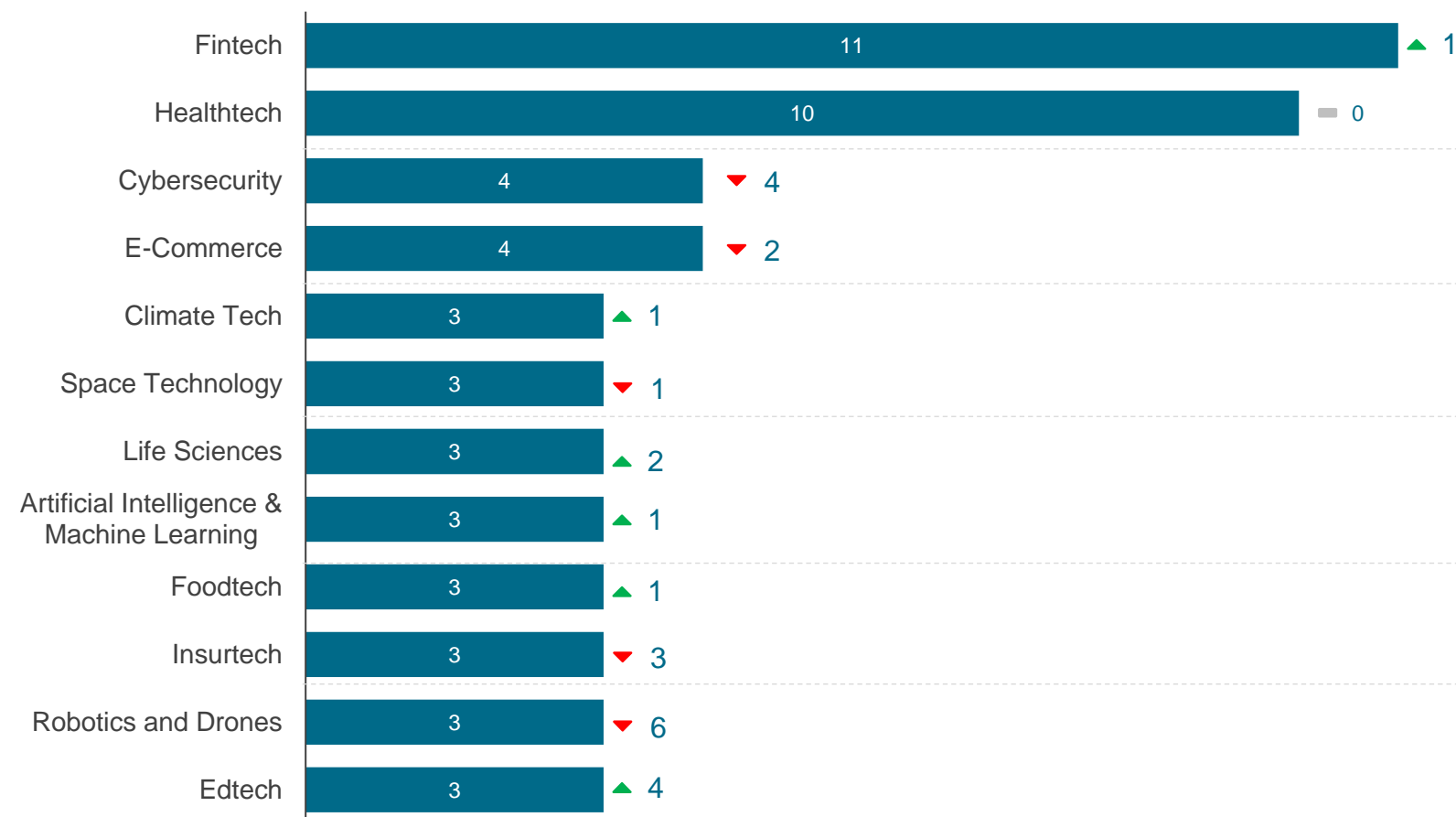


Source: Pitchbook. Deals below €5m have been excluded. Data as of 30/06/2023

Fintech and healthtech continue to attract the most activity

COUNT OF B&C ROUNDS BY VERTICAL, H1 2023

▲ change from H2 2022
▼ change from H2 2022



Selected companies

bud  **Moonfare**

 **GLEAMER** **patient::21**

 **Authentic Vision**

CADO

 **Creative Fabrica**

CAC SHOP.COM

1KOMMA5°

H2green steel

 **SATREVOLUTION**

exotrail

HEM.B

IntraBio

 **synthesia**

 **DeepL**

 **winnow**

TASTER

 **TONI Digital**

superscript

verity

 **wingtra**

 **HACKTHEBOX**

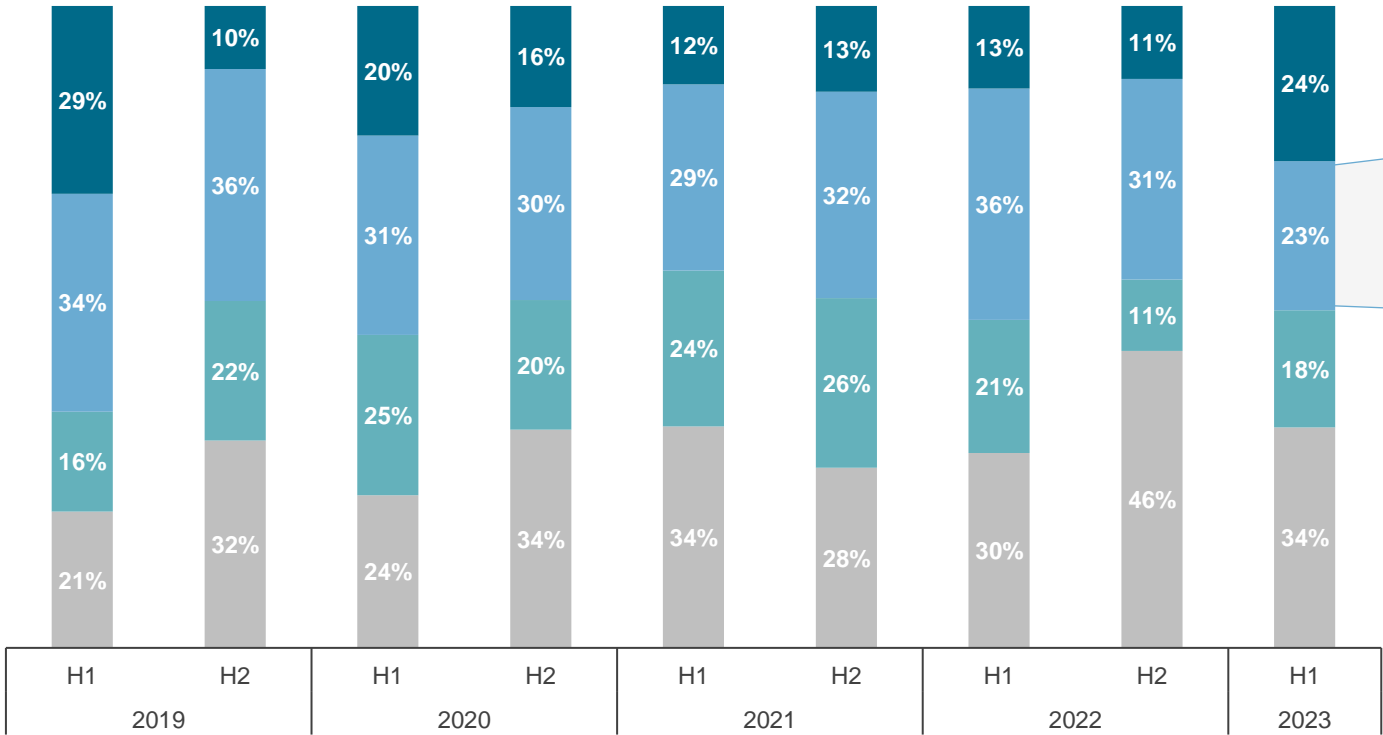
edflex



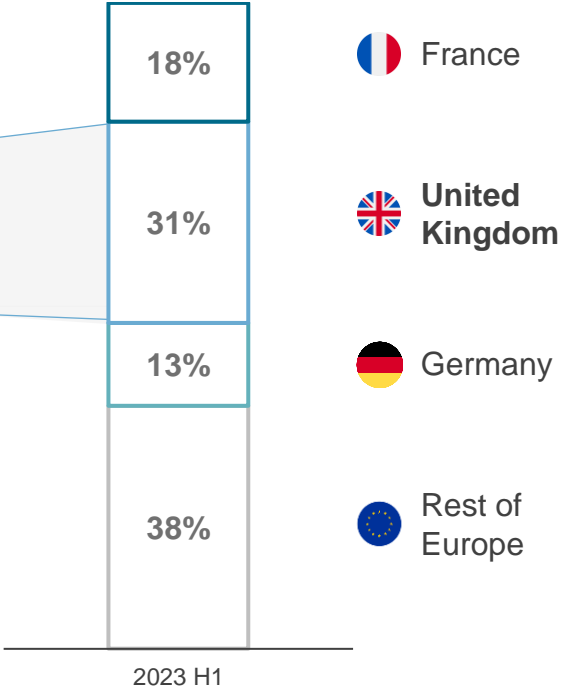
For the first time the UK is not the top recipient of investment, although deal numbers remain the highest

SERIES B&C DEAL COUNT AND DEAL VALUE BY GEOGRAPHY, 2019 – H1 2023

DEAL **VALUE** BY GEOGRAPHY



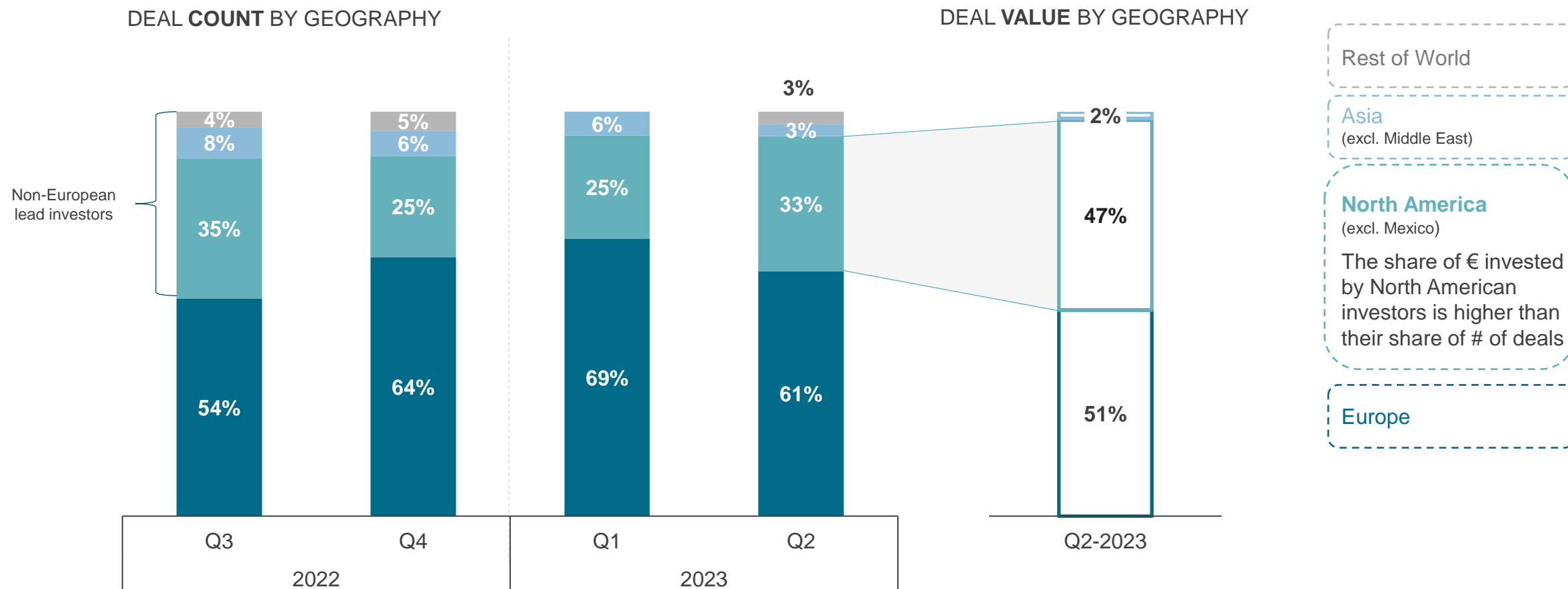
DEAL **COUNT** BY GEOGRAPHY



Source: Pitchbook. Deals below €5m have been excluded. Data as of 30/06/2023

North American investors led 33% of rounds and invested 47% of capital

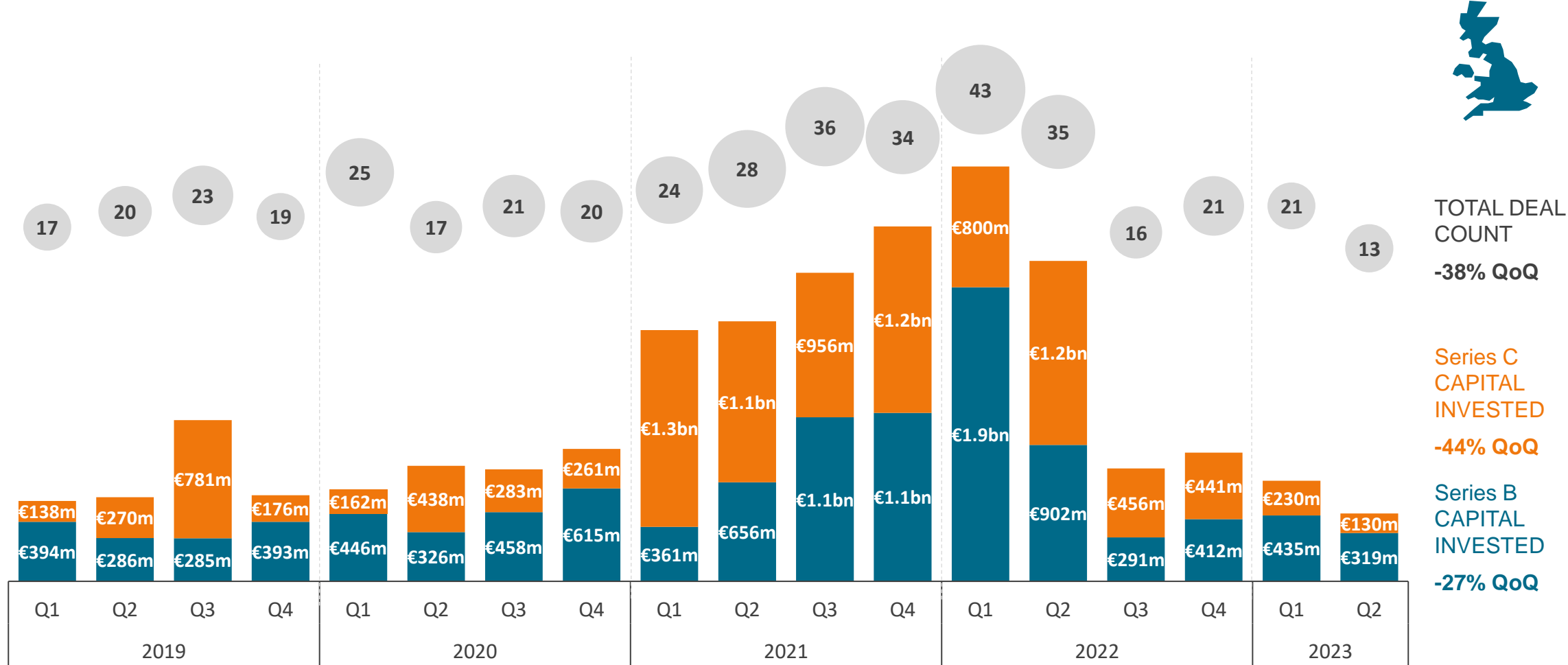
GEOGRAPHIC DISTRIBUTION OF LEAD INVESTORS FOR SERIES B&C ROUNDS, Q3 2022 – Q2 2023



Source: Pitchbook, Note: Only includes rounds with a lead investor. Excludes seed rounds. Data as of 30/06/2023

UK deal numbers and capital invested fell significantly faster than the rest of the continent

SERIES B&C TOTAL FINANCING AMOUNTS AND DEAL COUNT IN THE UK, 2019 – H1 2023



Source: Pitchbook. Deals below €5m have been excluded. Data as of 30/06/2023

2. European tech: Series B rounds

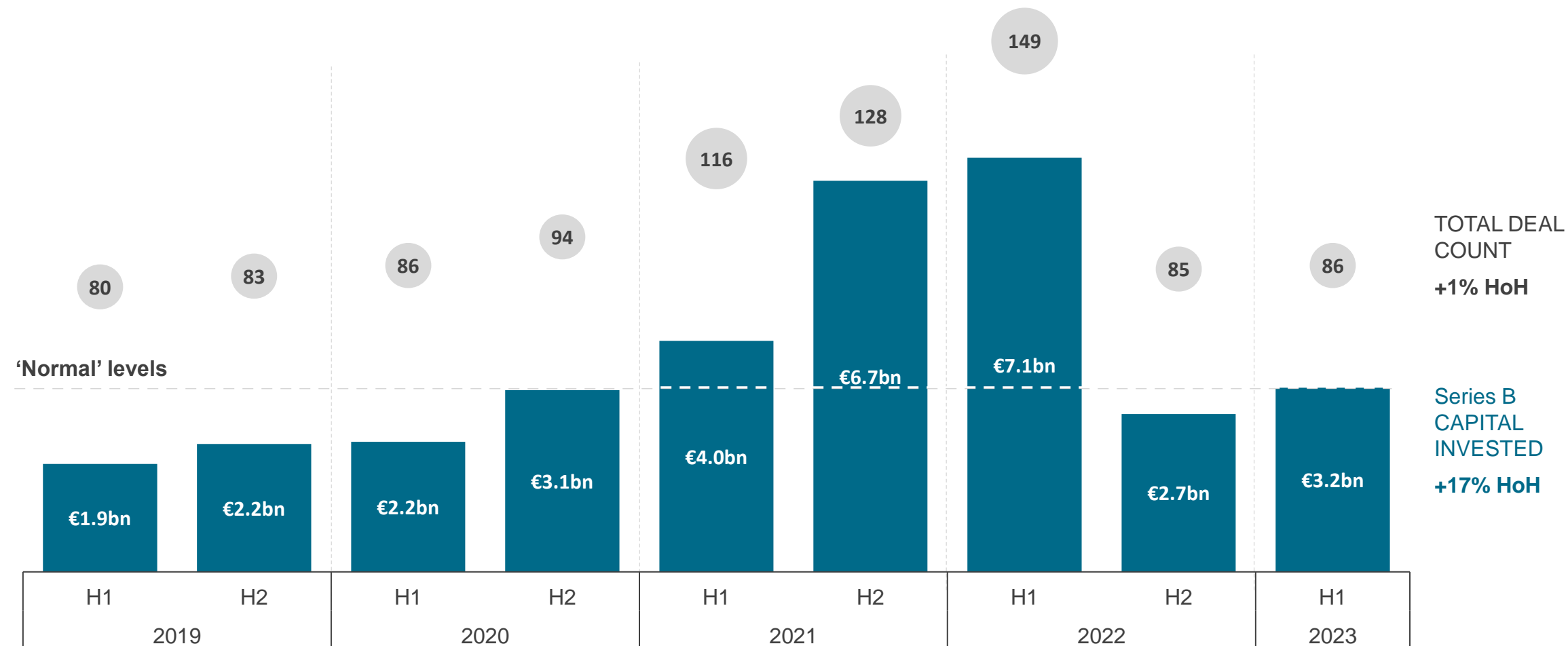
Series B rounds take businesses past the development stage. They provide acceleration money to fuel growth and to fully exploit market opportunities.

Typically, companies have established their team, product and go-to-market strategy following a Series A round and completed significant milestones.

For our report, we have included Series B rounds above €5m for European-headquartered businesses using Silverpeak's proprietary technology sector filters.

Series B investments have returned to pre-pandemic levels

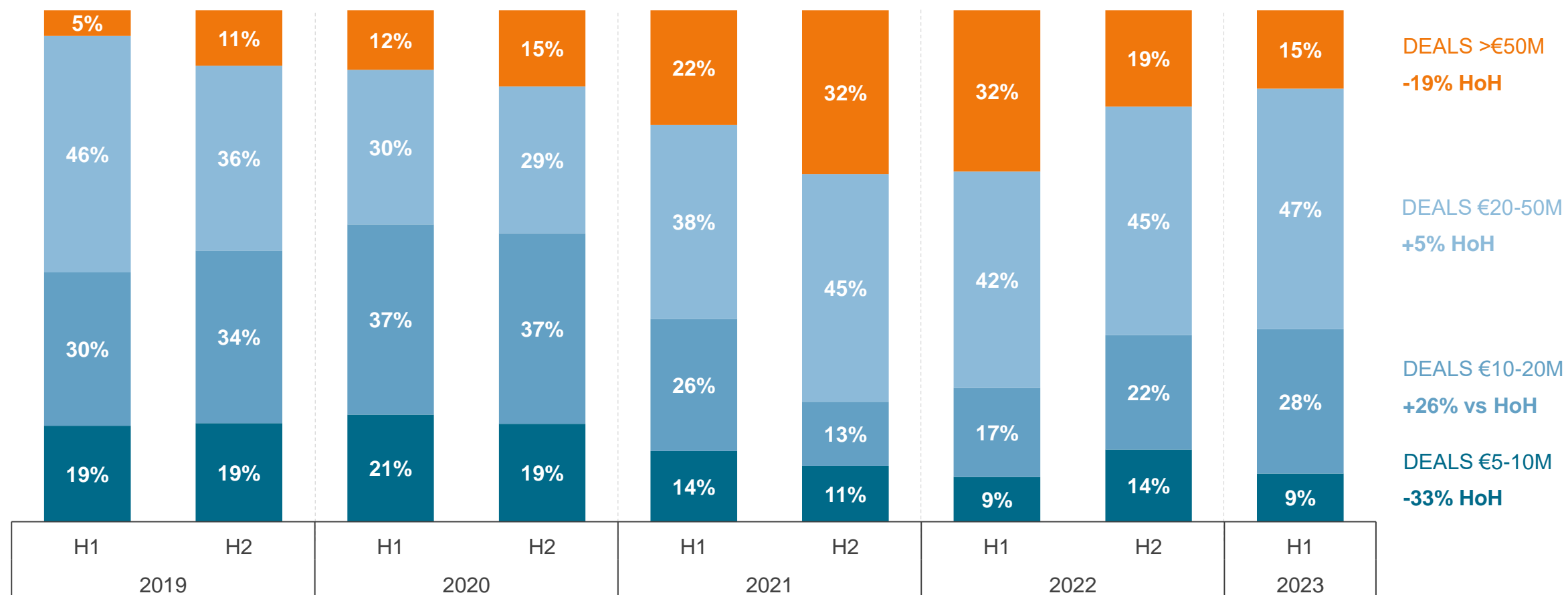
SERIES B TOTAL FINANCING AMOUNTS AND DEAL COUNT, 2019 – H1 2023



Source: Pitchbook. Deals below €5m have been excluded. Data as of 30/06/2023

Fewer larger deals (€50m+), in a return to pre-pandemic levels

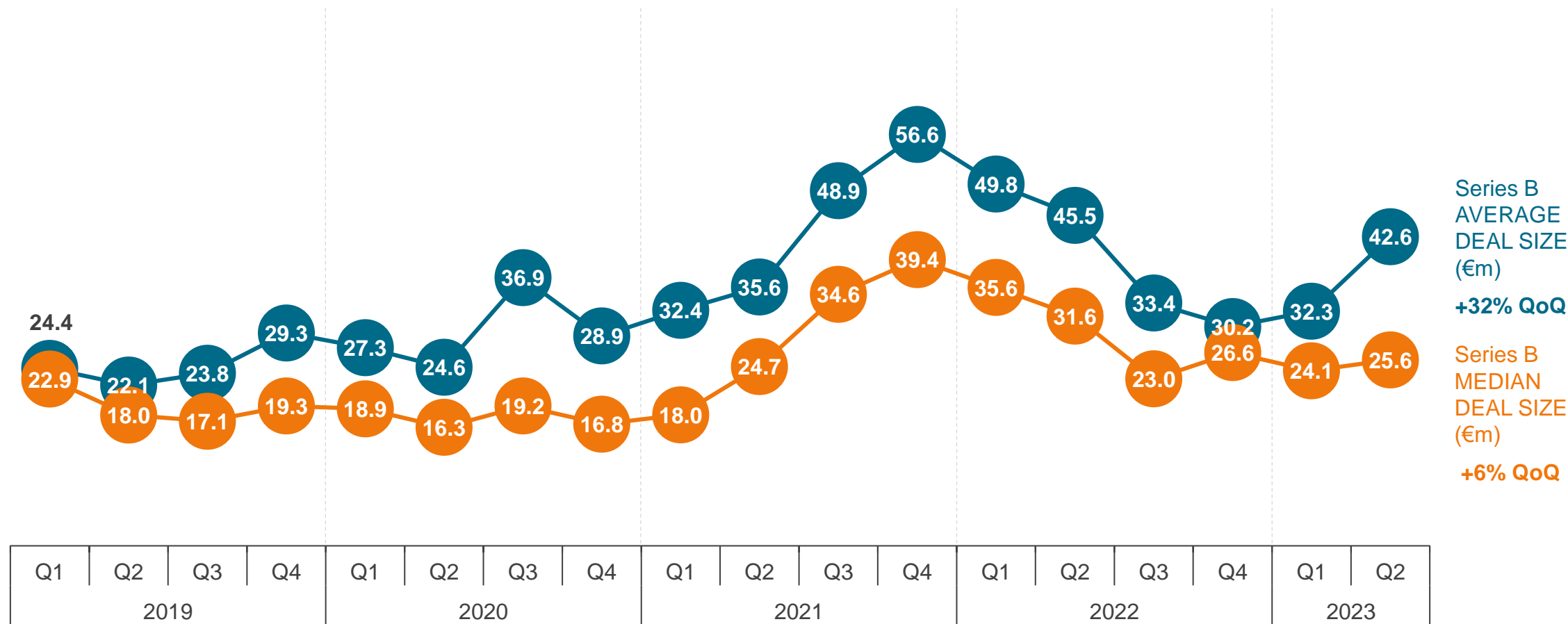
BREAKDOWN OF SERIES B ROUNDS BY VALUE, 2019 – H1 2023



Source: Pitchbook. Deals below €5m have been excluded. Data as of 30/06/2023

Median Series B deal size remains stable while the spread increases

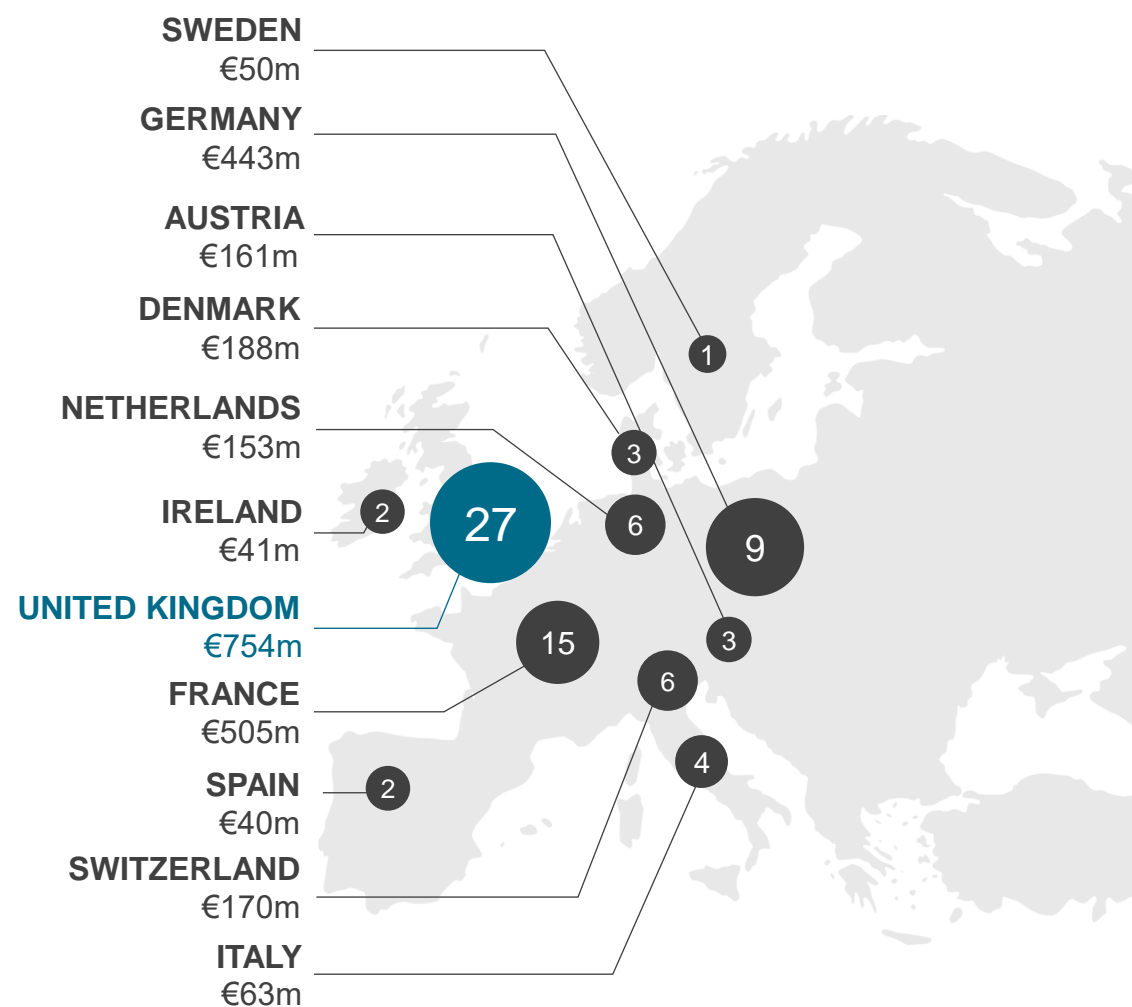
MEDIAN AND AVERAGE SIZE OF SERIES B ROUNDS, 2019 – H1 2023



Source: Pitchbook. Deals below €5m have been excluded. Data as of 30/06/2023

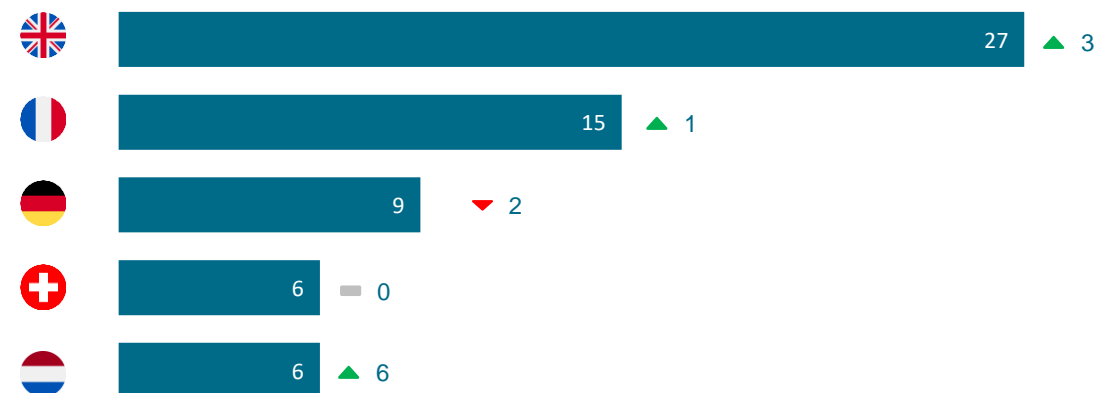
The UK continues attract the most Series B rounds and capital invested

SERIES B DEAL COUNT AND VALUE BY COUNTRY, H1 2023

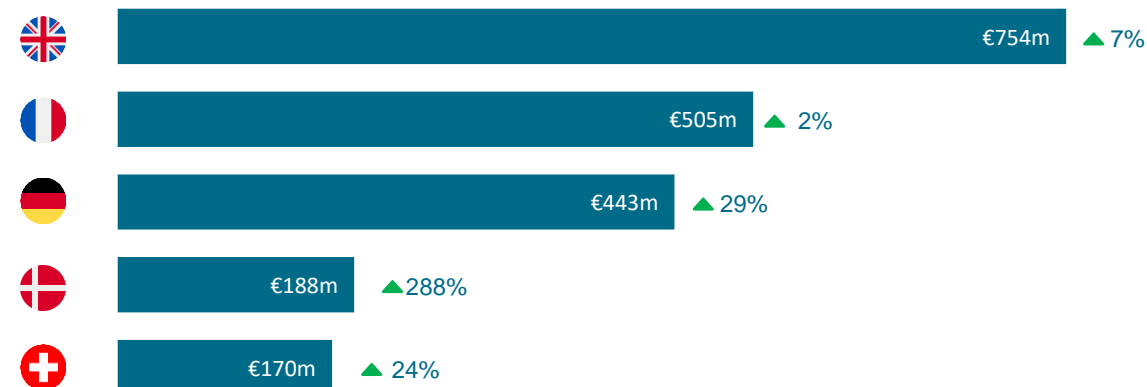


Source: Pitchbook. Deals below €5m have been excluded. Data as of 30/06/2023

of Series B rounds in H1 2023 vs H2 2022



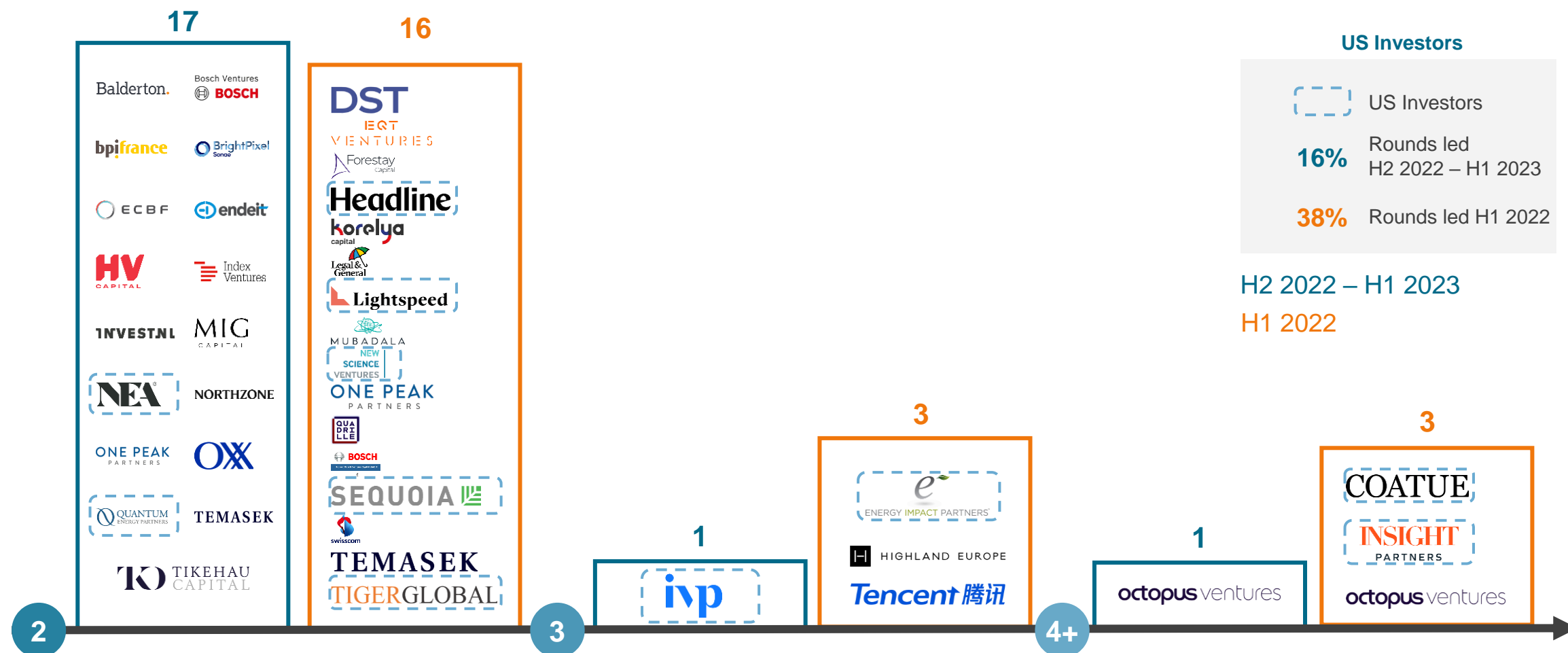
Value of Series B rounds in H1 2023 vs H2 2022



▲ change from H2 2022

In the last 12 months there has been a decline in US-led Series B rounds

19 INVESTORS LED TWO OR MORE SERIES B ROUNDS, H2 2022 – H1 2023














Source: Pitchbook. Deals below €5m have been excluded. Data as of 30/06/2023. Lead investors with 2+ deals only

H1 2023 showcased four mega-deals (€100m+)

LARGEST SERIES B ROUNDS, H2 2022 – H1 2023

TOP DEALS Q3'22

	H2green steel	€190m
		Aug-22
		
		CLEANTECH
	NOT so DARK	€80m
		Sep-22
		ONLINE DELIVERY
	MMI Microsystems	€73m
		Jul-22
		MEDICAL ROBOTICS










TOP DEALS Q4'22

	HOMA GAMES	€101m
		Oct-22
		GAMING
	tines	€82m
		Oct-22
		CYBER SECURITY
		
	bud	€81m
		Oct-22
		FINTECH

TOP DEALS Q1'23

	HEM.B	€125m
		Feb-23
		DIGITAL HEALTH
	GROPYUS	€100m
		Jan-23
		CONSTRUCTION TECH
	PASQAL	€100m
		Jan-23
		QUANTUM COMPUTING

TOP DEALS Q2'23

	1KOMMA5°	€185m
		Jun-23
		CLIMATE TECH
	INFOGRID	€98m
		Apr-23
		IOT
	KeRe	€60m
		Apr-23
		E-COMMERCE

€100m+ deals

Source: Pitchbook. Data as of 30/06/2023. Lead investors only

3. European tech: Series C rounds

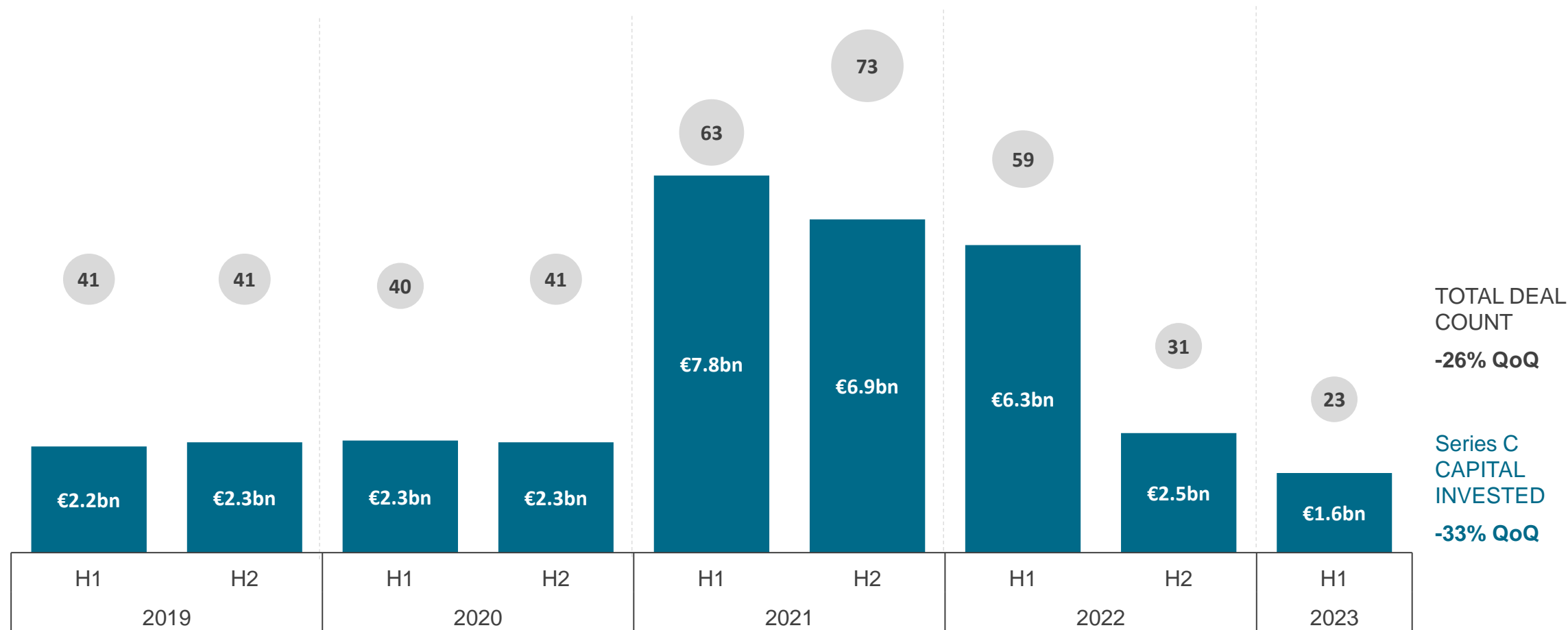
A Series C round is the fourth stage of a company's financing, and typically the last stage of venture capital financing. However, some companies opt to conduct more rounds, such as Series D, E, etc.

Companies that aim to obtain Series C funding are no longer start-ups.

They are usually established, successful companies in their late stages of development, with solid revenues. Their core products or services generate strong demand in the marketplace, attracting a substantial customer base.

Series C deal volume declines to lowest level in five years

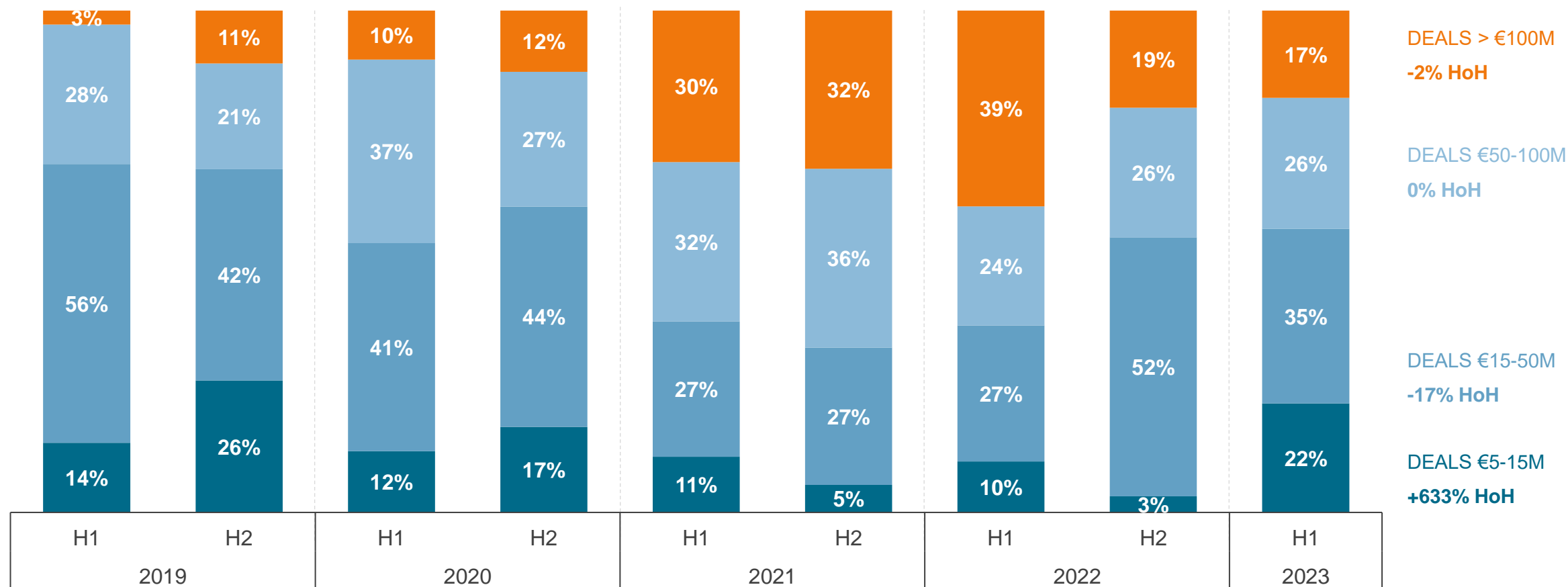
SERIES C TOTAL FINANCING AMOUNTS AND DEAL COUNT, 2019 – H1 2023



Source: Pitchbook. Deals below €5m have been excluded. Data as of 30/06/2023

Change in deal mix: Significant increase in deals below €15m

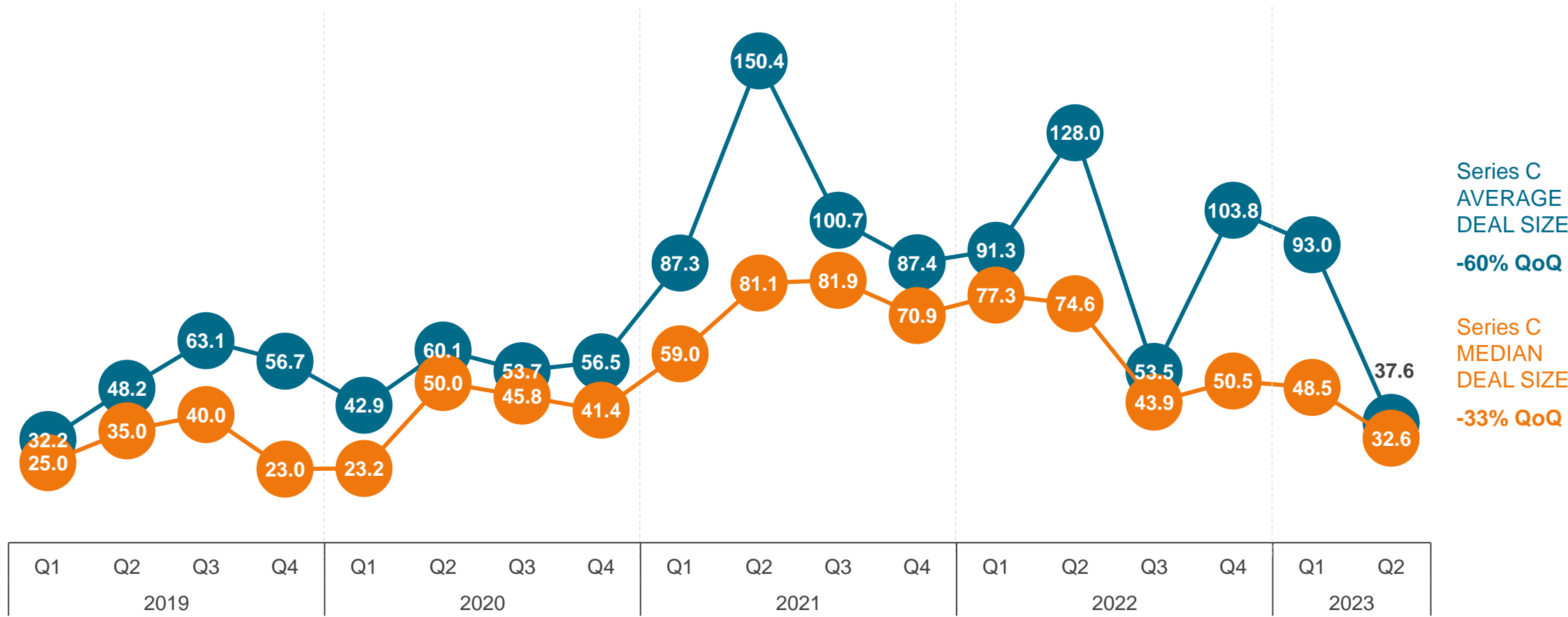
BREAKDOWN OF SERIES C ROUNDS BY VALUE, 2019 – H1 2023



Source: Pitchbook. Deals below €5m have been excluded. Data as of 30/06/2023

Series C median and average deal value both see a large decline

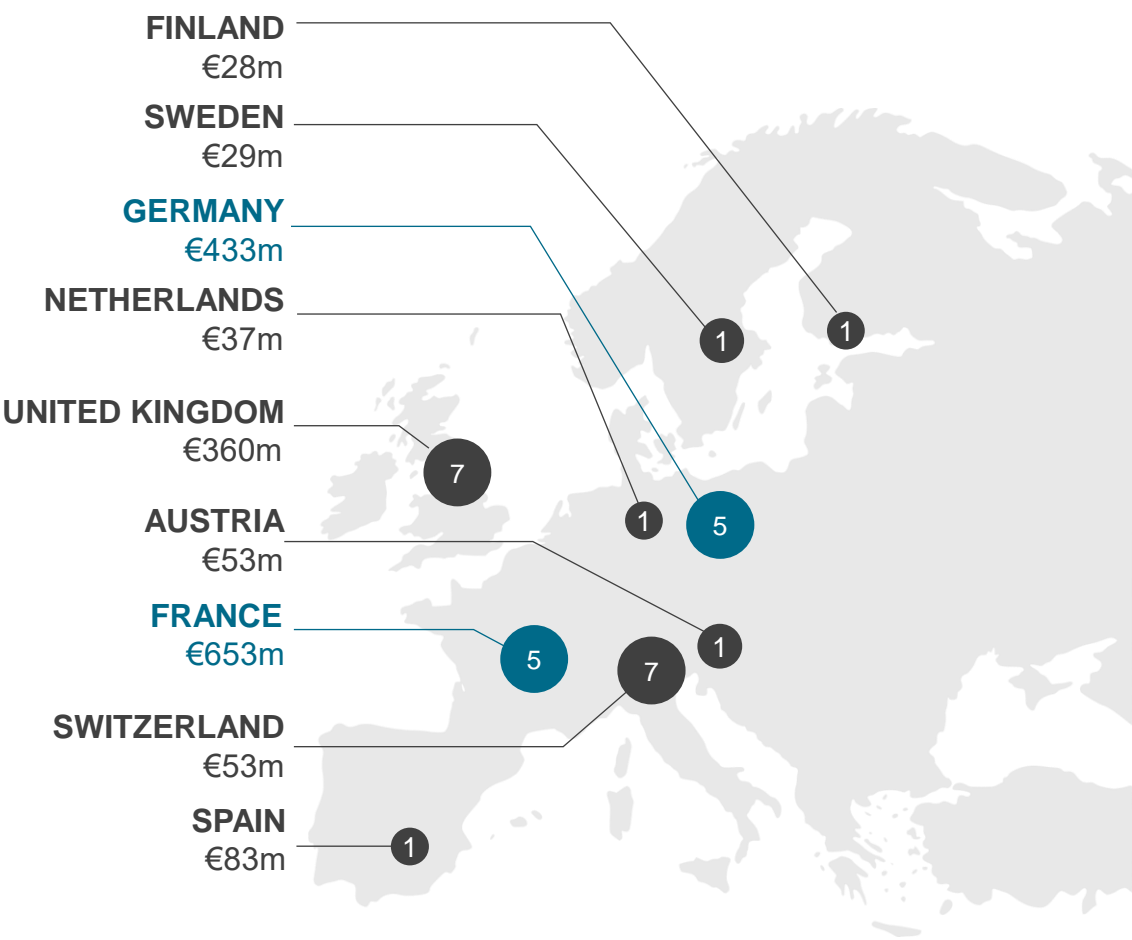
MEDIAN AND AVERAGE SIZE OF SERIES C ROUNDS, 2019 – H1 2023



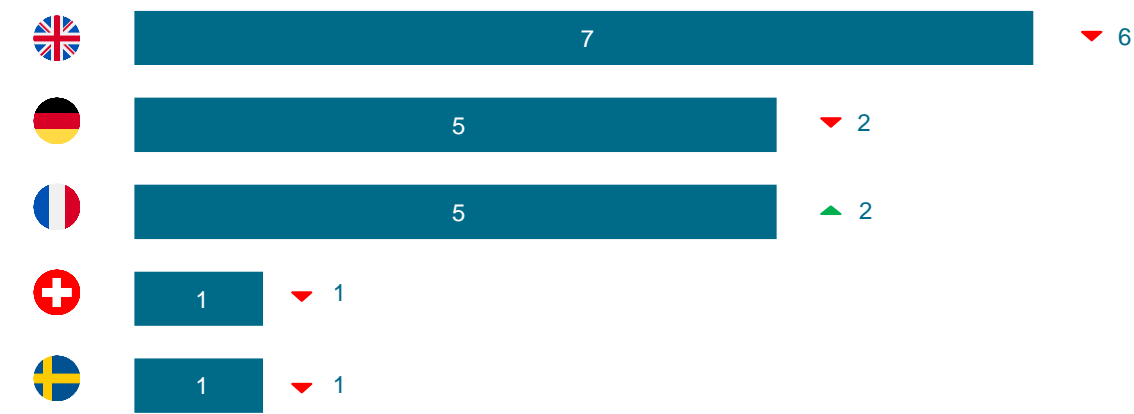
Source: Pitchbook. Deals below €5m have been excluded. Data as of 30/06/2023

For the first time, total Series C investment in both France and Germany exceeds the UK

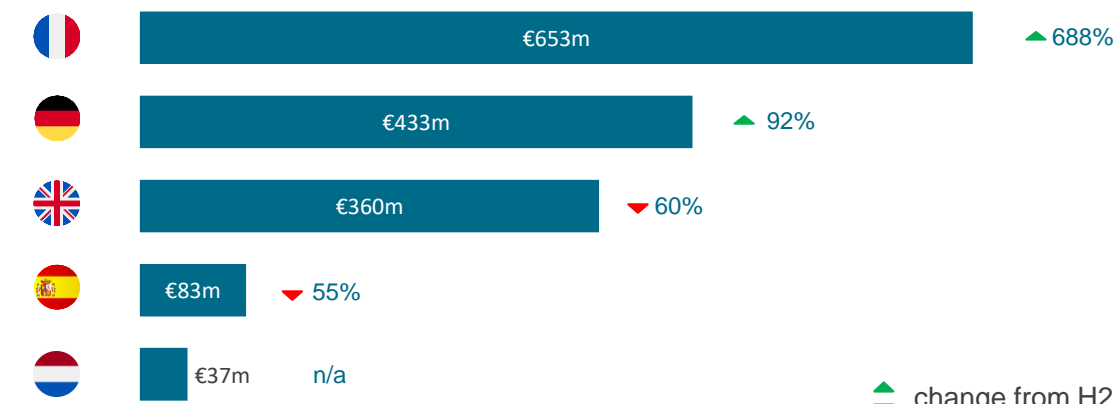
SERIES C DEAL COUNT AND VALUE BY COUNTRY, H1 2023



of Series C rounds in H1 2023 vs H2 2022



Value of Series C rounds in H1 2023 vs H2 2022















▲ change from H2 2022
▼ change from H2 2022

Source: Pitchbook. Deals below €5m have been excluded. Data as of 30/06/2023













Q1 2023 saw an influx of mega-deals, but they failed to sustain in Q2 2023

LARGEST SERIES C ROUNDS, H2 2022 AND H1 2023






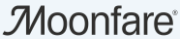






TOP DEALS Q3'22

	 Genesis	€215m
		Jul-22
	 TIGERGLOBAL	CAPITAL MARKETS
	 yu life	€87m
		Jul-22
	 DAHICHI LIFE	INSURANCE PLATFORM
	 ONTO	€76m
		Jul-22
	 Legal & General	ELECTRIC CAR RENTAL






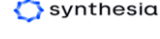






TOP DEALS Q4'22

	 einride	€484m
		Dec-22
	 EQT VENTURES  TEMASEK	AUTONOMOUS VEHICLES
	 PolarStructure	
	 VOLTA TRUCKS	€290m
		Nov-22
	 LUXOR CAPITAL	ELECTRIC TRUCKS
	 MEWS	€177m
		Dec-22
	 Goldman Sachs Asset Management	PROPERTY MANAGEMENT

TOP DEALS Q1'23

	 [LEDGER]	€461m ⁽¹⁾
		Mar-23
	 10T	CRYPTO
	 Moonfare	€140m
		Feb-23
	 INSIGHT PARTNERS	FINTECH
	 oxbotica	€132m
		Jan-23
	 bp ventures	AUTONOMOUS VEHICLES

TOP DEALS Q2'23

	 patient21	€88m
		May-23
	 pitango	HEALTH TECH
	 synthesia	€72m
		Jun-23
	 Accel	AI & ML
	 Pigment	€71m
		Jun-23
	 ICONIQ	PRODUCTIVITY SOFTWARE

€100m+ deals

Source: Pitchbook. Data as of 30/06/2023. Lead investors only
Note: (1) Series C extension of \$108m to total round size

4. Silverpeak overview



Our connections, ability and focus will deliver the best outcomes for your business

WE ARE MID-MARKET TECHNOLOGY SPECIALISTS representing European growth businesses in M&A and financing transactions involving the most relevant investors and acquirers, wherever they are.






30 team concentrated
in a single office

300+ completed
deal experience












60%+ transactions with North American
counterparties in the last 3 years

SECTOR COVERAGE






SOFTWARE

-  Application software
-  Applied AI
-  Data analytics
-  Infrastructure software
-  RPA /LowCode
-  Vertical software
 - › Construction
 - › Edtech
 - › Fintech
 - › Martech
 - › Mobility
 - › Sustainability
 - › Travel

DEEPTECH

-  Additive manufacturing
-  Algorithms/AI & ML
-  AR/VR
-  High perf. computing
-  Networking and IoT
-  NewSpace
-  Photonics
-  Quantum Computing
-  Robotics & Computer Vision
-  Security software
-  Semiconductors

DIGITAL SERVICES

-  Data services
-  IT consulting
-  Managed services
-  Marketplaces
-  Telecom services

Silverpeak's three pillars for success

PASSION FOR TECHNOLOGY

A high energy team of technology enthusiasts with the creativity and courage to overcome any challenges

ABILITY TO ARTICULATE YOUR FULL VALUE

Deep business and product understanding focused on discovering the full strategic value and demonstrating this to the right acquirers and investors

EXCEPTIONAL GLOBAL EXECUTION

The experience and connections to execute your transaction flawlessly, with global reach, within a process built just for you



Selected recent transactions

M&A

AU | DE
December 2022



Travel P2P marketplace

€30m acquisition of



UK | US
November 2022



Hotel technology platform
driving direct bookings

Sale to



UK | UK
March 2022



RegTech SaaS solution

Sale to



UK | UK
October 2021



Data extraction &
document automation
SaaS ML platform

Sale to



NO | CA
September 2021



Project management and
risk analysis software

Sale to



NL | US
September 2021



Application testing
software

Majority sale to



UK | SE
April 2021



Construction workforce
management platform & SaaS

Sale to



FINANCING

UK | JP | WW
April 2023



Institutional digital asset
infrastructure provider

\$36m Series A financing



AND UNDISCLOSED
INVESTORS

EU | UK | FR
March 2023

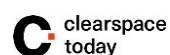


High-end CPU for HPC and
data centres

€90m Series A financing



CH | PL | LU | US
December 2022



In orbit servicing
and space debris removal

\$29m Series A
investment by



UK | UAE
October 2022



Autonomous subsea
robotics technology

Series B extension to \$26m+



IT | US
May 2022



Additive manufacturing
services and proprietary
composite materials

Investment by



UK | UK | NO | US
March 2022



Autonomous subsea
robotics technology

\$20m+ Series B
investment by



IT | WW
January 2022



In-space services and
satellite transport

€51.5m pre-SPAC
convertible bond by





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