

# Growth with purpose: German Tech start-ups changing society

Venture capital and start-ups in  
Germany 2019

# Welcome

# Introduction

## **Growth with purpose: German Tech start-ups changing society**

Digital transformation of traditional industry sectors is unstoppable. German Tech start-ups are disrupting incumbents and rising to become new market leaders.

2019 has reached new dimensions in terms of start-up funding with top funding rounds well above prior years. Whereas three-digit million USD fundings were rarely seen historically, this now becomes the new normal in the German Tech ecosystem albeit still being led by foreign investors. We see a clear trend towards B2B business models driven by a new generation of founders with a strong engineering background.

We observe an increasing awareness of founders and investors for climate and sustainability discussions. Founders, who have successfully built their first businesses, re-invest the exit proceeds and seek “purpose” along with traditional business metrics. „Doing the right thing” is the overarching goal, balancing out the key investment criteria such as IRR with Environmental, Social and Governance considerations.

Berlin is accommodating the vast majority of German top funded start-ups. There is a huge opportunity for Germany to close the gap to other global Tech hubs if governmental support is accelerated and digital infrastructure is brought to the level it needs. Getting the German pension insurers as investors for venture capital would push the ecosystem going forward and help the local investors to catch up to their foreign competitors.

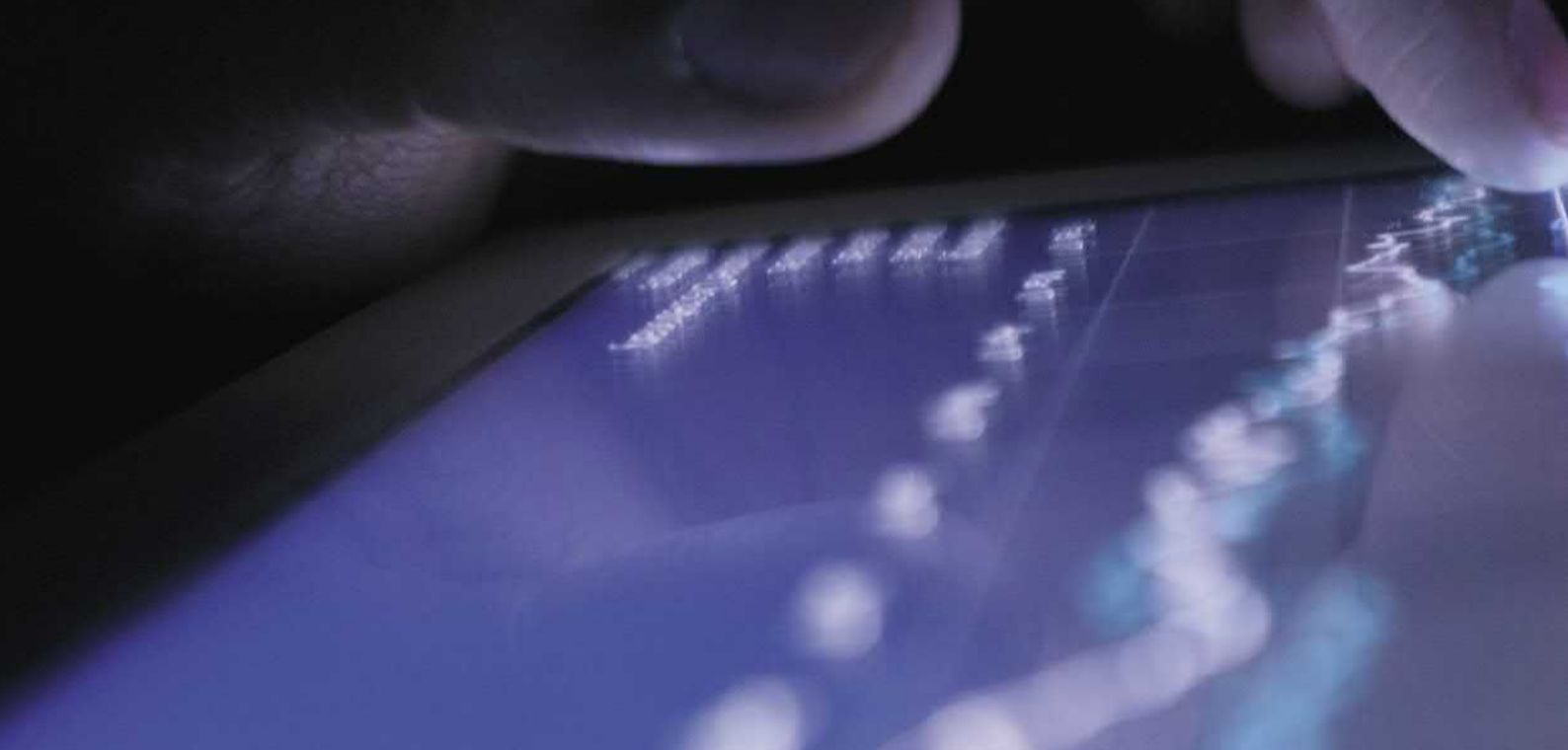
The German market is ready to scale and well positioned to compete with other regions.



**Dr. Thomas Prüver**  
Partner | EY  
Transaction Advisory Services



**Max Turner**  
Manager | EY  
Transaction Advisory Services



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German entrepreneurs focus on B2B businesses, though paying higher attention to social and environmental impact of their activities. Climate and sustainability are becoming prevailing aspects in the German VC ecosystem.

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Funding

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Top 100 German start-ups account for an accumulated funding of USD11.1b in 2019, significantly exceeding the prior-year level by USD4.8b (on a like-for-like basis). Berlin remains the leading German start-up hub.

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Corporate investors remain the driving force in the M&A market and represent the most relevant exit channel for innovative German businesses in 2019. M&A activities of domestic investors account for 52% of exits in the German start-up market.

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Investors

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The total volume of closed funds grew notably when compared to 2018. Increasing activities from domestic investors further strengthen the seed and early stage markets in Germany, albeit foreign investors remain the key force in late stage funding rounds.



# Dashboard

Trending  
business  
models

Mobility, B2B Tech  
(Software & Analytics),  
FinTech, PropTech

Outlook for  
future trends

Purpose driven venturing due  
to an increased awareness  
of social and environmental  
aspects

Top 100  
start-ups'  
accumulated  
funding until  
2019

**USD11.1b**

Top 10  
start-ups' new  
funding volume  
2019

**USD3.1b**

Exits 2019

German investors are  
increasing M&A activities and  
catching up to their foreign  
competitors

Outlook for  
future M&A

European, Asian and Middle  
Eastern investors increasingly  
emerge from the shadow cast  
by US investors

Selected  
new funds  
in 2019  
(disclosed)

**USD7.9b**

Largest  
fund raise of  
a German VC  
fund in 2019  
(disclosed)

**USD1.0b**



# Breakdown of key terms

## Investments

With investments we refer to (i) fundings and (ii) exits (IPOs and M&A deals), which relate to German start-ups operating a digital business model. Investments in life science, BioTech or non-digital start-ups have not been considered in this study. For this reason, deal numbers presented in the 2019 EY Start-up-Barometer (704) and in this study (671) are different.

### Funding

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

### M&A

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

### IPO

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

### Exit



## Key players

### Investors (Corporate and Financial)

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

Corporate

Financial

### Start-up

Start-ups are companies younger than 10 years operating a digital business model. Exceptions might apply for older companies that have digitally transformed their business model during the last 10 years.

The digital sector comprises companies mainly focused on the sectors consumer products and services, software and IT services, financial technology, mobility, media and entertainment.

# Trends



# While AI remains the propulsive force, purpose driven ventures are gaining momentum in the start-up ecosystem

## Artificial Intelligence

Machine Learning (ML) & Artificial Intelligence (AI) remain hot topics across business segments in Germany. Several young AI ventures have flourished and become integral parts in a variety of industries, such as automotive, customer support and software development. AI and ML technologies offer disrupting solutions enabled through huge data volumes collected via collaboration with customers or partners. However, we still observe that ailing digital infrastructure and data protection concerns represent presistent obstacles to a comprehensive implementation in Germany.

## B2B Tech

During the last decade, big players such as Google, Amazon and Microsoft have developed operating systems and large scale technological solutions, such as cloud computing and AI. This evolution has raised the curtain for new business models leveraging available technologies and catering directly to countless sector specific and niche requirements for B2B applications and services.

## Mobility

Start-ups offering mobility-as-a-service, smart public and last mile transportation solutions have been trending in the recent years and still present a sweet spot for investors.

In the recent past, new types of power transmission and battery solutions have emerged, which provide further potential for start-ups and embody highly valued innovations in the near future. The large fundings for Volocopter and Lilium Aviation are strong signals underscoring the potential.

We deem autonomous driving and networked intelligent cars to be a long-term trend. It is necessary for the German government and industry to get into the driver's seat and reduce deficits in the digital infrastructure to allow start-ups to take advantage of the momentum.

## PropTech

Fueled by both the prospering property market and ongoing demand for flexible work and living places, PropTech start-ups continue to be in the spotlight of investors' attention. By combining traditional services with new web-based technology, innovative businesses strengthen their position in the conventional real estate market.

In addition to enhancing transparency in the real estate sector, smart home and building applications, space-as-a-service and digital connectivity were buzz words in 2019, which may reveal further potential.

## Purpose driven ventures

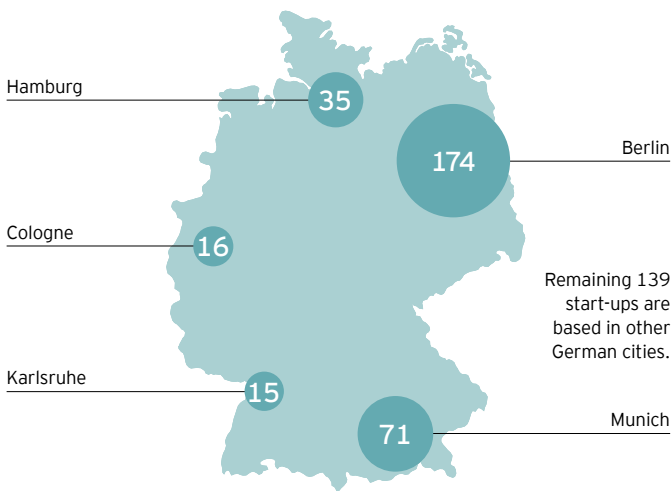
Rising awareness about climate change, environmental issues and social inequalities has brought a shift in corporate and consumer mindset. As a response, new ventures and business models have emerged that seek to cater to a growing market appetite for sustainable and socially responsible solutions. Start-ups focusing on CleanTech, sustainable mobility solutions and AgTech are eager to have a positive impact without forfeiting financial ambitions.

# AI technology serves as a backbone for new business models

Artificial intelligence is in the spotlight of the start-up ecosystem and has shown a remarkably strong growth over the last years. The overview consists of the 450 leading German AI start-ups, which almost doubled by number compared to the beginning of 2017.

Comparing different publications, the number of AI start-ups in Germany fluctuates considerably. AI is not a product but a technology that can be used in any industry and some companies claiming to work with AI do so only for marketing purposes or only use existing technology developed by other AI companies.

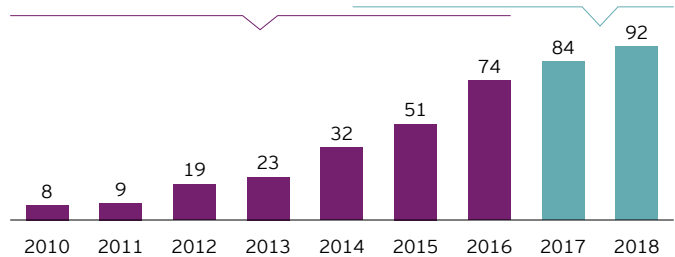
## Top AI start-up cities in Germany by end of 2019



## Newly founded AI start-ups by founding year (2010-18)

Top segments/application (in % of total share)

2010-2016	2017-2018	2017-2018	
Data Analytics	13%	Software Development	13%
Software Development	12%	Image & Video	9%
Industry 4.0/IoT	11%	Data Analytics	8%
Automotive & Localization	9%	Sales & Marketing	8%
Chatbot & Customer Interaction	8%	Industry 4.0/IoT	7%
Others	48%	Others	56%

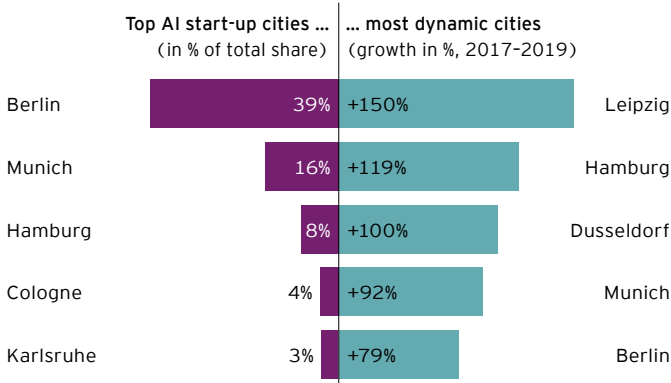


## Berlin

is the heartland of German AI

**62%**

of the 450 start-ups are located in three big cities: Berlin, Munich and Hamburg



Source: EY analysis based on 450 evaluated AI start-ups founded/headquartered in Germany

Although Germany is one of the world's industry powerhouses, there is still some lack of defined AI business models in the German market, also reflected in lower funding volume for AI, compared to the US and China.

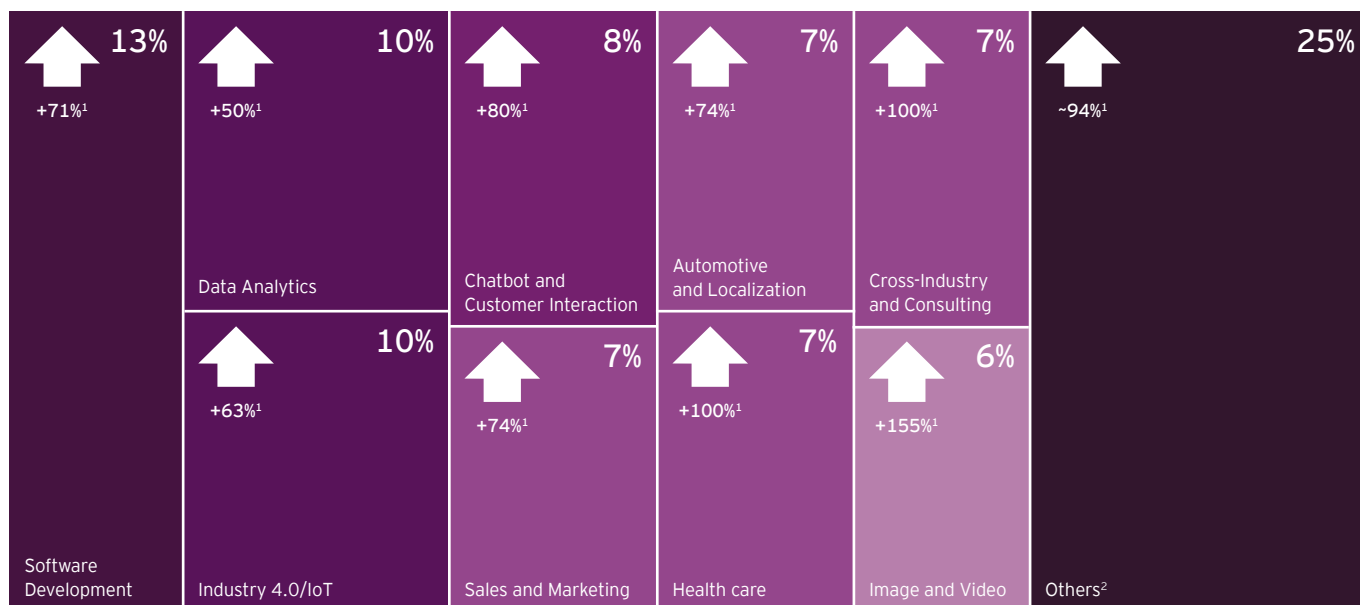
Berlin, a melting pot for innovators and visionaries, is Germany's AI capital. Munich is the second AI hub, benefiting from the infrastructure of universities and research institutions as well as large technology companies like Siemens.

The number of AI start-ups has risen significantly over the last years, following an international trend. The AI strategy of the German government is an important first step, but this has not yet resulted in a noticeable increase of newly founded AI businesses.

The industrial structure of Germany is not necessarily reflected in the AI start-up landscape. For example, only a few start-ups are active in the field of autonomous driving and robotics. Most of all available solutions in these areas still originate from the US or Israel.

# The number of start-ups developing their own AI technology is growing, opening up new potentials for future Deep Tech AI in the German market

Landscape of German AI start-ups by segments and/or application area (in percentage distribution)



<sup>1</sup> Growth in % of newly founded firms from the beginning of 2017 to the end of 2019

<sup>2</sup> Others includes: Infotainment (+100%), FinTech (+64%), Human Resources (+80%), Infrastructure & Services (+75%), Audio & Voice (+83%), Retail & E-commerce (+150%), Text & Document (+150%), Agriculture (+100%) and Robotics (+50%)

Source: EY analysis based on 450 evaluated AI start-ups founded/headquartered in Germany

With regard to the application areas of the newly founded German AI ventures, the landscape paints a highly fragmented picture (see graphic above). The majority of AI start-ups offer services/solutions in segments such as Software Development or Data Analytics and represent the largest share of application areas of German AI start-ups, roughly 23% of the total market.

However, the strongest increase of newly founded AI start-ups is in the Image and Video segment with an increase of 155%. This segment is represented by ventures such as **IDnow** (AI-based identity verification) or **Mobius Labs** (visual AI), using gesture or image recognition for their solutions.

The AI-based Sales and Marketing application segment has also seen a significant growth in recent years (+74%), with start-ups providing solutions through predictive sales analytics or AI-based ad effectiveness.

We define "AI start-ups" as companies whose activities include the development of proprietary services based on artificial intelligence, rather than using existing technology from a third party service. This definition is subjective and excludes the certainly higher number of start-ups using externally developed AI technology in their business models.

### Selected top AI start-up funding in Germany in 2019

Company name	City	Founded	Profile	Segment/application area	Funding in USDm	Round
Celonis	Munich	2011	AI-based process mining	Software Development	290	Series C
IDnow	Munich	2014	AI-based identity verification	Image and Video	40	Series C
KONUX	Munich	2014	AI-based industrial IoT solutions	Industry 4.0/IoT	13	Series B
Teraki	Berlin	2015	AI and edge data processing software	Automotive and Localization	13	Series A
scoutbee	Würzburg	2015	AI-based supply chain SaaS	Industry 4.0/IoT	12	Series A
HeyJobs	Berlin	2016	Predictable hiring	Human Resources	12	Series A
i2x	Berlin	2017	AI-based CRM tool	Sales and Marketing	12	Series A
Zeitgold	Berlin	2015	AI-based accounting software for SMEs	FinTech	12	Series A
German Autolabs	Berlin	2016	AI-based automotive voice assistance	Automotive and Localization	8	Seed
gridscale	Cologne	2012	IaaS and PaaS cloud platforms	Infrastructure and Services	8	Series A

Source: Crunchbase, Deutsche Start-ups, Gründerszene, Press releases, December 2019

The German investment landscape for AI ventures is still in its infancy, but holds a promising future outlook. In 2019 alone, total funding for selected German AI ventures (as shown above) represented 9% of total new funding of the Top 100 start-ups.

The Munich-based process mining company **Celonis** received the highest funding in 2019. The company offers AI-driven technology solutions helping businesses to rapidly understand, visualize and improve operational process flows. The company built up a second headquarter in New York.

**KONUX** received USD13.0m in its Series B round from Alibaba Inc. and its current investors. The start-up offers smart sensor systems for predictive maintenance.

In June 2019, **scoutbee**, a provider of an AI-driven supplier discovery platform, raised USD12.0m in its Series A funding led by HV Holtzbrinck Ventures, 42CAP and Toba Capital.

## Germany's AI environment

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AI engines are available to be licensed, so it is often not about rocket science but applying modern big data methodology. For example, in Real Estate, there is a huge opportunity for PropTech start-ups to build successful business models based on applying these existing technology building blocks.

Nikolas Samios | PropTech1

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Success of AI based businesses is mainly a function of access to data. The best entrepreneurs obtain access to proprietary data to facilitate product innovation and improvement. In a B2B context, this often happens in partnership with customers and therefore the more users a start-up has, the stronger its product becomes.

Mark Schmitz | BVK

# Climate and sustainability discussions gaining momentum in the start-up ecosystem

In 2015, the member states of the United Nations adopted the 2030 agenda for sustainable development. At its heart, there are 17 Sustainable Development Goals (SDG), which primarily deal with issues around energy, climate, urbanization, mobility and education. In this context, key factors for measuring the sustainability and societal impact of an investment in a company have evolved: Environmental, Social and Governance (ESG).

In the German VC ecosystem, we observe an increasing awareness for ESG related topics. We see a new wave of founders, who have successfully built their first businesses and now focus on social impact venturing. Along with the increasing relevance of climate change, the shift to e-mobility, clean energy and ethical considerations, founders try to combine social impact venturing with traditional business metrics.

In our view, this trend is also driven by shifting customer behavior, which is expected to change the prospects of traditional business models. We assume that there will be a negative selection going forward with certain business models increasingly struggling to acquire VC funding if ESG criteria are not met.

In Germany, funding of start-ups with a business model attributable to the UN SDGs has increased in recent years. Having analyzed the top 370 German start-ups by accumulated funding in 2016-2019, funding of these ventures increased by a CAGR of 111%.

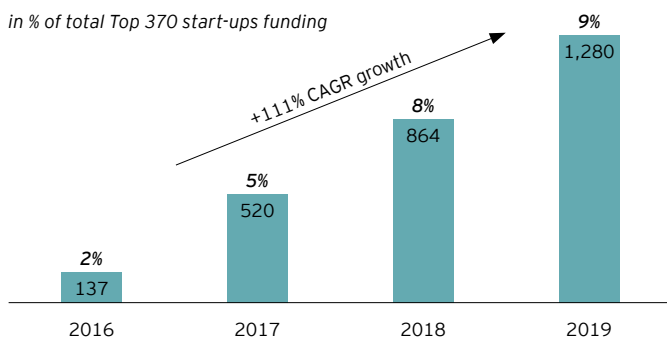
However, the analysis is necessarily subjective, suffering from the lack of a clear definition of social impact venturing and missing quantitative criteria to measure the venture's success. For this reason, traditional financial metrics such as IRR remain the key KPI for VC investments. Nevertheless, ESG will become an additional layer of investment decisions, and as such, affects the focus areas of newly founded ventures.

Politicians should support every effort in this regard, as issues around climate and sustainability cannot be solved by single governments but require the help of entrepreneurs.

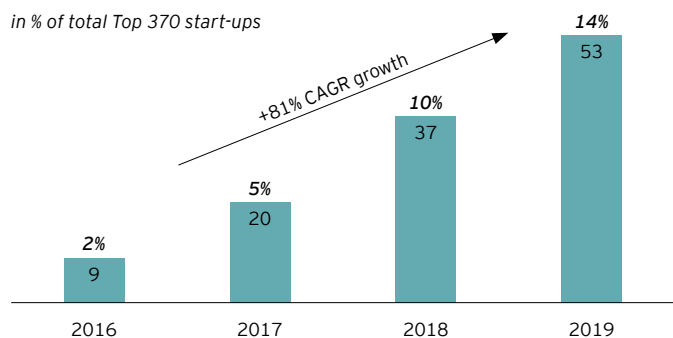
## Definition "Purpose driven ventures"

We define "Purpose driven ventures" as companies whose business purpose meets the Environmental, Social, Governance criteria and contributes to a sustainable future in line with UN Sustainable Development Goals, i.e. relates to Clean Energy and Climate Action, Good Health and Well-being, Responsible Consumption and Production, and Sustainable Cities.

Purpose driven ventures accumulated funding



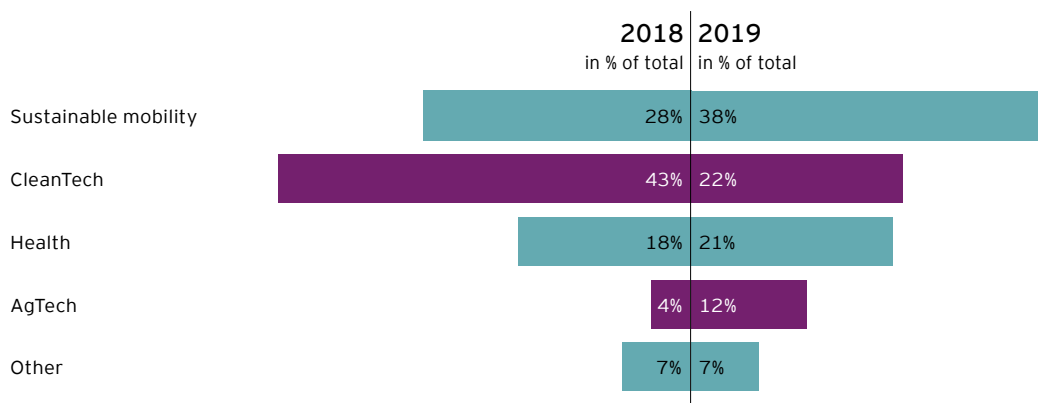
Number of Purpose driven ventures



Source: Dealroom, Crunchbase, EY Venture Capital Studies 2016-2018, EY analysis

# While the definition of Purpose driven ventures is subjective, Mobility, CleanTech and Health appear to be key trends

Accumulated funding of Purpose driven ventures by category



## Selected Purpose driven ventures in Germany, by accumulated funding in 2019

Company name	City	Founded	Profile	Funding 2019 in USDm
Infarm	Berlin	2012	Growing fresh farming products by the use of vertical farms	134
Circ	Berlin	2018	Development of custom-made light electric vehicles	65
Sunfire	Dresden	2010	Systems for renewable industrial gas and fuel production	46
Amboss	Berlin	2012	Knowledge platform making medical knowledge universally accessible	41
Clue	Berlin	2012	Female health app	30

## Selected ventures to watch out for

Company name	City	Founded	Profile
Close2real	Halle	2018	Innovative, digital advanced training in the field of medicine
Legendairy Foods	Berlin	2018	Europe's first cell-ag company producing real dairy products without animal agriculture
Vantik	Berlin	2017	Mobile retirement account, investing into social impact investments
Medbelle	Berlin	2016	Digital hospital that offers an end-to-end platform for medical procedures
Sirplus	Berlin	2016	Food saving and organization of "food rescue markets"

Source: Dealroom, Crunchbase, EY Venture Capital Studies 2016-2018, EY analysis

# Social venturing as the up-and-coming trend in the German VC ecosystem

## Interview with Partech Partners

**EY:** Can “social venturing” be seen as a new trend in the German ecosystem?

**Otto Birnbaum, Partech Partners:** There is an evident trend in the ecosystem that entrepreneurs are increasingly trying to solve pressing societal problems through technology. Data supports this clearly. At a recent Tech conference, for example, around 2/3 of thousands of participating start-ups were already addressing the UN Sustainable Development Goals. I think the rationale is obvious - the challenges of our society are very large markets and brilliant entrepreneurial opportunities.

**EY:** What do you consider as the drivers behind this trend?

**Otto Birnbaum:** Generational values have shifted together with the needs of the society we live in. The generation Y is motivated by other factors than previous generations. They want to contribute to communities and not only strive for personal wealth maximization.

Technology has amplified human potential exponentially since the start of the digital revolution. Today, we have to ask ourselves which problems do we want to solve with technology rather than simply do what the new technologies enable us to do. “Should this product exist?” has become a core question in many discussions around product innovation. The most talented entrepreneurs today ask themselves “How can I use this incredible toolset which we developed in the last 30 years to deliver good to humanity and make life more worthwhile for the wider community and society?”





Otto Birnbaum,  
Partech Partners

**EY:** How will the social venturing trend develop? Impact investing is currently still a separate investment category, will this perception change?

**Otto Birnbaum:** In the course of the past years, venture capital funds have learned how to identify and finance scalable business models. They have supported entrepreneurs in building remarkable and sizeable organizations.

We already see that traditional funds are applying these learnings to companies that pursue a positive purpose and help these founders achieve scale to have an impact. This reaches beyond philanthropy or the historic “impact” investing: We have seen that purpose-driven founders are more resilient, have an easier time recruiting top talent and build enduring businesses.

We already observe that specialized funds arise with investing in such founder profiles. In the UK, Sweden and France there are already such funds. These funds need core competencies in supporting founders in this domain and need to understand how to measure the impact they create. These funds follow a traditional VC logic and, coming back to your question, we observe that making good investments and doing good for the world are not two separate things.

**EY:** What is the investors' perception of „social venturing“? Can the social benefit of a company replace the IRR goal or will it be rather a “nice to have“?

**Otto Birnbaum:** Investors who invested in traditional VC funds will usually focus on IRR and would not appreciate an IRR trade-off for a social benefit. However, more and more LPs are actively requesting funds not to invest in specific categories, like gambling, weapons etc. Furthermore, LPs are increasingly keen to hear the “positive contribution” of the technology companies they indirectly invested in.

Finally, I believe that social impact will actually drive profits and vice-versa, which would be a win-win situation. To cut the answer short, IRR will still be one of the most important measures for an investment fund, but social responsibility will play a more and more important role in the future and can become a leading indicator for strong returns.



# Funding

# Top 100 German start-ups account for an accumulated funding of USD11.1b as per Dec19, up from USD6.3b<sup>3</sup> in prior year

Top 100 start-ups by company age, 2019

Variable	Company Age				Total
	0-3 years	4-6 years	7-10 years	10+ years	
#Firms	19	42	34	5	100
Acc. Funding	1,641	3,446	4,940	1,048	11,075
New Funding	1,073	1,468	1,596	673	4,810
Ø acc. Funding	86	82	145	210	111

Top 100 start-ups by business sector, 2019

Variable	Business sector						Total
	E-commerce	Mobility	FinTech	Software and Analytics	Prop-Tech	Other	
#Firms	11	15	25	17	3	29	100
Acc. Funding	2,448	2,418	2,832	1,584	213	1,580	11,075
New Funding	448	1,396	1,389	1,020	110	447	4,810
Ø acc. Funding	223	161	113	93	71	54	111

Top 100 start-ups by funding round, 2019

Variable	New Funding					Total
	Seed/Venture	Series A	Series B	Series C	Series D+	
#Firms	1	10	22	12	10	55 <sup>4</sup>
Acc. Funding	-	-	-	-	-	-
New Funding	12	396	1,054	918	2,430	4,810
Ø new Funding	12	40	48	77	243	87

Top 100 start-ups by area, 2019

Variable	Area					Total
	Berlin	Munich	Hamburg	Ruhr area	Other	
#Firms	63	19	7	4	7	100
Acc. Funding	7,318	2,036	1,119	162	440	11,075
New Funding	3,252	1,138	190	0	230	4,810
Ø acc. Funding	116	107	160	41	63	111

<sup>3</sup> Like-for-like adjusted; includes minor debt investments that were excluded in 2019 | <sup>4</sup> 55 of the Top 100 start-ups received new funding in 2019  
Remark: Outlined funding volumes and averages are in USDm | Source: Venture Daily, Thomson One, Mergermarket, Crunchbase, Press releases

Investment activities in the German start-up ecosystem have steadily increased in the last years. The trend of big new funding rounds continues, evidencing that young companies can gain sufficient capital by foreign VC funds instead of feeling the necessity of an early exit.

In recent years, Germany has become an increasingly mature and balanced start-up funding ecosystem. The pipeline of top funded businesses is well balanced and well diversified with a mix of innovative business models disrupting traditional market sectors.

We have analyzed the funding of the Top 100 start-ups, classified by company age, business sector, funding round and area. For comparison purposes, we adjusted the 2018 accumulated funding numbers for companies which exited the market or were older than 10 years as at December

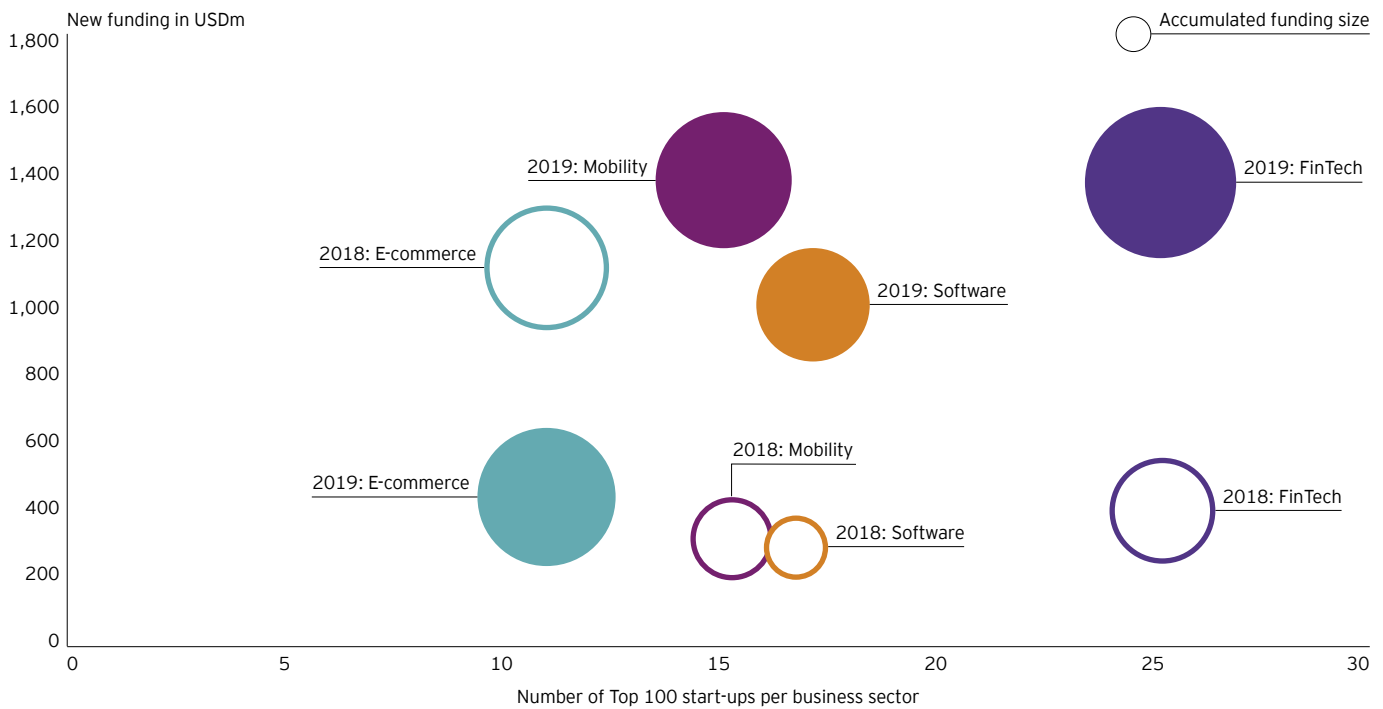
2019 (like-for-like analysis). On this basis, we observed that a large number of start-ups attracted fresh money, leading to a significant rise of accumulated funding from USD6.3b in 2018 to USD11.1b in 2019.

The Top 100 list of start-ups ranges from well known market players like GetYourGuide and About You to new rising stars, such as digital insurance company Friday, which has received USD135m two years after foundation.

Innovative German companies employ a wide variety of business models, but trend patterns become apparent. While FinTech businesses are still prominent in the funding landscape, innovative B2B business models in Mobility and CleanTech are stepping into the spotlight. Businesses, such as Infarm, Tier Mobility, Circ and Sunfire managed to raise large capital rounds, which exceeded USD250m in 2019.

# Mobility, FinTech and Software businesses show a strong rise in funding volumes in 2019

2018<sup>5</sup> vs. 2019 development of Top 100 start-ups per Top business sectors: number of start-ups, new funding, accumulated funding



## 2018 vs. 2019 accumulated funding by Top sector (sorted by accumulated funding in 2019, in USDm)

Year	E-commerce	FinTech	Mobility	Software	Other	Total
2018 <sup>5</sup>	2,000	1,443	1,022	564	1,235	6,264
2019	2,448	2,832	2,418	1,584	1,793	11,075

<sup>5</sup> Like-for-like adjusted

Source: Newsletters, Thomson One, Mergermarket, Crunchbase, Press releases

# Top 10 new fundings in 2019 received significantly higher tickets compared to prior year

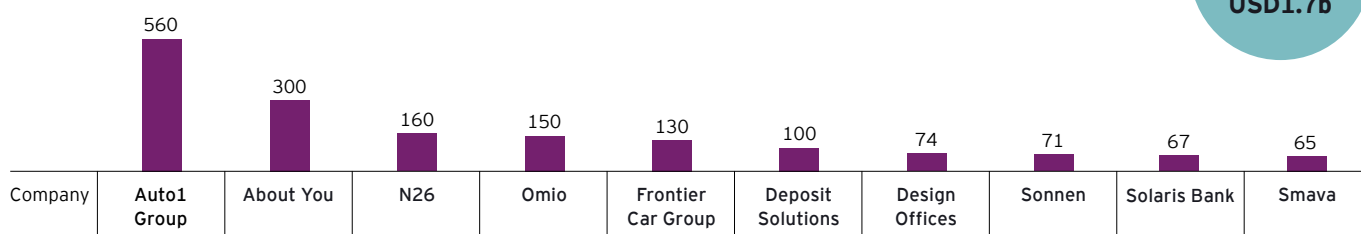
In comparison to 2018, the Top 10 new funding rounds have notably increased to USD3.1b in 2019 (USD1.7b in 2018). This evolution has been accompanied by an overall increase of ticket sizes, leading to a lot of fresh money for a variety of innovative businesses. This trend underpins the promising development of the German start-up ecosystem and strengthens the global presence of the ecosystem compared to other start-up hotspots such as London or Paris.

We see that the majority of new funding is related to late stage investments led by international investors, largely located in the US and UK (e.g. TCV, Insight Partners, Index Ventures). There is still a significant lack

of late stage funding granted by German investors. Only a hand-full of German investors participated in late stage fundings during 2019, indicating further investment potential for German players.

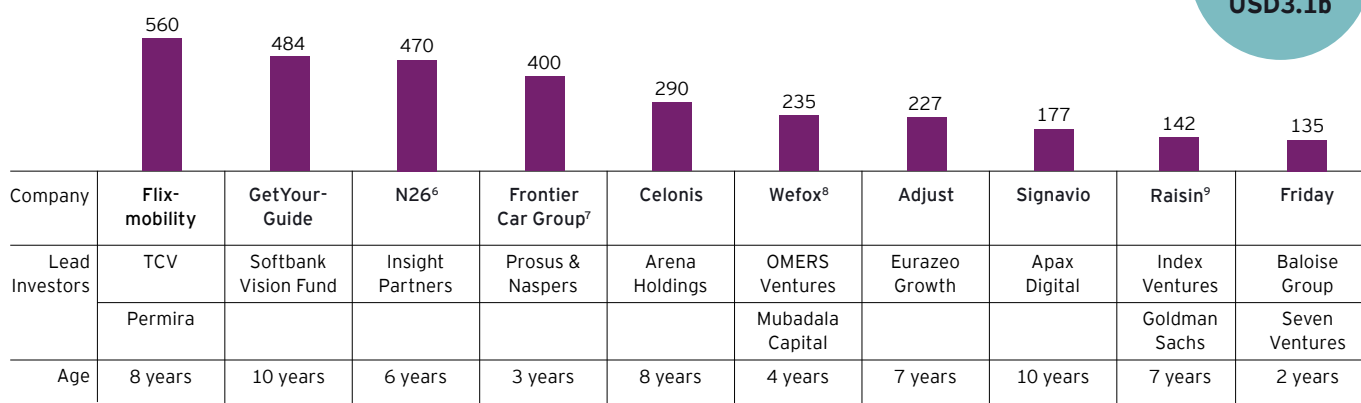
Similar to 2018, the Top 10 fundings in 2019 represent a diverse blend of companies, mainly focused on business models related to FinTech and Mobility as well as software solutions. European investors, excluding the UK and Germany, that backed those top funded ventures include among others Lakestar (CH), Heartcore Capital (DK), Eurazeo (FR) and Korelya Capital (FR).

Top 10 new fundings in 2018 (USDm)



Total top 10 funding  
**USD1.7b**

Top 10 new fundings in 2019 (USDm)



Total top 10 funding  
**USD3.1b**

<sup>6,8,9</sup> Comprise two funding rounds

<sup>7</sup> Includes a mix of equity, secondary share acquisitions and existing business shares

Source: Newsletters, Thomson One, Mergermarket, Crunchbase, Press releases

# Top 10 accumulated funding in 2019 is slightly more concentrated than in 2018

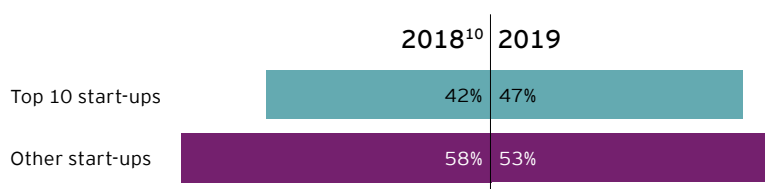
Accumulated Top 10 start-up fundings show a slightly higher concentration than in 2018. This evolution mainly results from large late stage funding rounds for Flixbility, GetYourGuide, N26 and Frontier Car Group.

The Top 10 accumulated funding list comprises innovative businesses, which either received a significant funding in the past or during 2019. Most of these companies are

considered as market leaders in their segments and represent potential IPO candidates in the near future.

A comparison of the accumulated funding 2018 and 2019 makes apparent that the e-commerce segment displays a decreasing growth. Whereas this sector represented the driving force in the German market in past years, today, investors are more focused on B2B business models.

## Accumulated funding Top 10 vs. other start-ups, 2018 vs. 2019



<sup>10</sup> Like-for-like adjusted | Source: Newsletters, Thomson One, Mergermarket, Crunchbase, Press releases

### Auto1 Group

Established in 2012, Auto1 operates one of Europe's leading marketplaces for pre-owned vehicles. With a funding round of USD128m in April 2015, Auto1 gained the attention of the start-up scene. Further investments followed in 2017 (USD467m equity and debt financing lead by Princeville Global) and 2018 (USD560m from Softbank, valuing the firm at USD3.4b). As of today, Auto1 is one of the highest valued unlisted start-ups in Europe.

### N26

The Berlin based online banking provider received an investment of USD160m from Tencent and Allianz X in 2018 and an additional funding of USD470m in 2019. N26 is aiming to drive its international expansion with focus on the UK and the US market.

### Get Your Guide

Established in 2009, the tourism and online travel booking platform offers a variety of travel experiences through its global supplier network. In 2017, the company received a funding of USD75m led by Boston-based Battery Ventures. In 2019, the company raised additional USD484m.

With a total funding of USD655m, GetYourGuide is considered as a potential IPO candidate in the near future.

### Flixbility

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

### Frontier Car Group

Founded in 2016, the Berlin based company received a funding of USD130m and USD400m in 2018 and 2019, respectively. The venture develops, launches and operates used-automotive marketplaces in emerging markets such as Nigeria, Mexico, Pakistan and Indonesia. Amongst others, investors are Balderton Capital, Naspers and TPG Growth.

# In 2019, Wefox, Celonis and Flixbmobility are listed in the Top 10 for the first time

## Celonis

Founded in 2011, the venture has collected a total amount of USD368m. Lead investor of Celonis is Arena Holdings, a New York based investment firm, which invested USD290m in 2019. Today, the firm is a worldwide leader in the area of process mining.

## Kreditech

Established in 2012, the FinTech company operates an online platform offering consumer finance products by using machine learning technologies and online data. Kreditech received a total funding of USD322m, excluding a debt injection (USD200m in 2015, led by Victory Park) and including new equity funding in 2019 (USD22m, led by Runa Capital).

## About You

The e-commerce fashion retailer is part of the German Otto Group and was founded in 2014. In 2018, the company received USD300m funding, which was led by

the strategic investor Bestseller Fashion Group. The company became the first start-up unicorn in Hamburg.

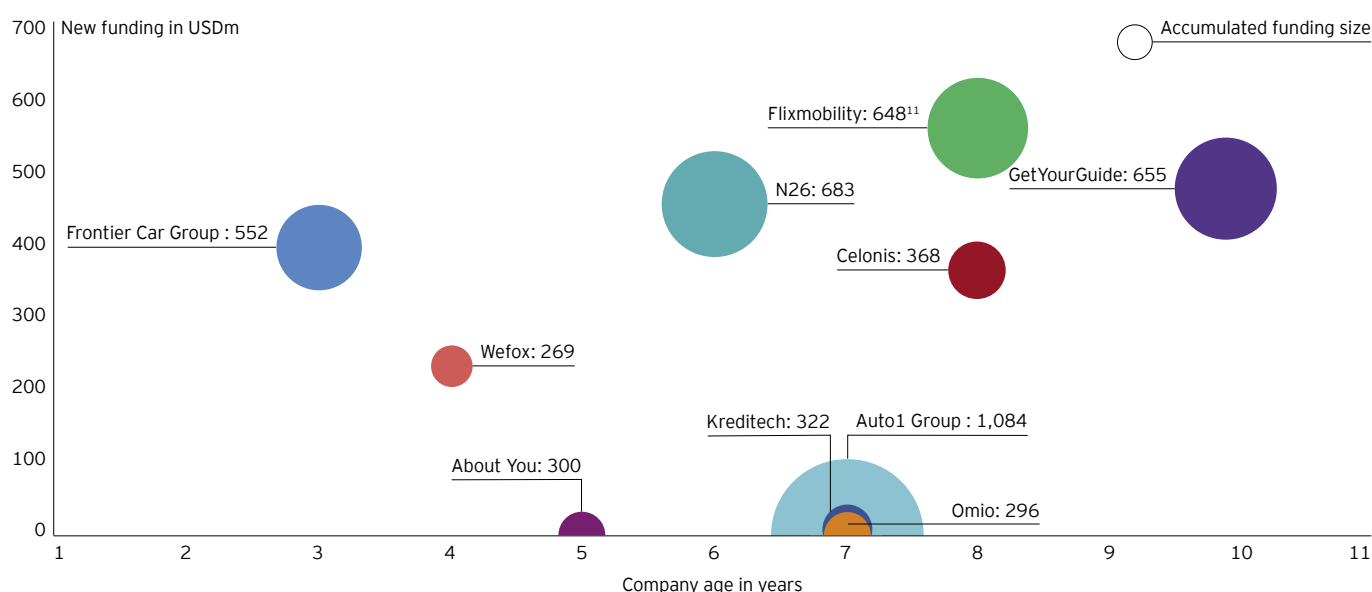
## Omio

Founded in 2012, the Berlin based venture acts as a meta search tool to compare and book travels by train, bus, plane and car in Europe. In 2018, the company raised USD150m supported by Temasek, Kinnevik and Hillhouse. With a total funding of about USD296m, Omio is currently one of the highest funded travel start-ups in Europe.

## Wefox

The Berlin based digital insurance company Wefox was founded in 2015. The start-up operates the insurance carrier One and the insurance platform Wefox. In 2019, the company raised USD235m in two financing rounds. Investors include OMERS Ventures, a Canadian investor, and Mubadala Capital, an Abu Dhabi government-owned fund, which is also a limited partner of the SoftBank's Vision Fund.

Top 10 start-ups in Germany by accumulated funding: Accumulated funding, new funding in 2019, company age



<sup>11</sup> Disclosed funding of USD560m in 2019. Prior funding in 2016 only disclosed in the range of USD75-100m: For presentation purposes the average of USD88m was used. Source: Newsletters, Thomson One, Mergermarket, Crunchbase, Press releases

# Total accumulated funding as at December 2019 increased by USD4.8b<sup>12</sup> to USD11.1b compared to prior year

## Top 100 start-ups located in Germany (based on total funding value up until December 2019, excluding IPOs)

#	Target name	Area	Target profile	Founding year	Total funding value USDm <sup>13</sup>
1	AUTO1 Group	Berlin	Car retailing platform	2012	1,084
2	N26	Berlin	Banking technology	2013	683
3	GetYourGuide	Berlin	Travel recommendations	2009	655
4	FlixBus	Munich	Long-distance mobility provider	2011	648 <sup>14</sup>
5	Frontier Car Group	Berlin	Used-automotive marketplace	2016	552
6	Celonis	Munich	Process Mining Software	2011	368
7	Kreditech	Hamburg	Big data credit scoring	2012	322
8	About You	Hamburg	E-commerce (fashion)	2014	300
9	Omio	Berlin	Travel search engine	2012	296
10	Wefox	Berlin	Insurance brokerage	2015	269
11	Adjust	Berlin	Analytics and BI platform	2012	256
12	Signavio	Berlin	Business process management	2009	230
13	Raisin	Berlin	Deposit brokerage platform	2012	210
14	Deposit Solutions	Hamburg	Open Banking platform	2011	203
15	Friday	Berlin	Insurance platform for cars	2017	135
16	Infarm	Berlin	Farm equipment supplier	2012	134
17	Dreamlines	Hamburg	Platform for ship cruises	2012	126
18	SolarisBank	Berlin	Banking platform	2016	123
19	Tado	Munich	Heating application	2011	109
20	Movinga	Berlin	Moving services	2015	105
21	Lilium Aviation	Munich	Electric vertical take-off and landing jet	2014	101
22	Lesara	Berlin	Online retailer	2013	100
23	ottonova	Munich	Private health insurance	2015	100
24	Sennder	Berlin	European shipping logistics company	2015	96
25	Volocopter	Mannheim	Manned electric & air taxis	2012	96
26	Helping	Berlin	Household services	2014	95
27	Spotcap	Berlin	Lender for SME enterprises	2014	92
28	Tier Mobility	Berlin	E-scooter sharing platform	2018	91
29	McMakler	Berlin	Real estate agency	2015	88
30	Flaschenpost	Other (Münster)	On-demand beverage delivery	2016	83
31	Tourlane	Berlin	Personalized travel	2016	81
32	eGym	Munich	Fitness products	2011	80
33	Contentful	Berlin	Content publishing technology	2013	78
34	Blacklane	Berlin	Driver services	2011	77

<sup>12</sup> Like-for-like adjusted | <sup>13</sup> Based on publicly available information; could include secondary market transactions and venture debt

<sup>14</sup> Disclosed funding of USD560m in 2019. Prior funding in 2016 only disclosed in the range of USD75-100m: For presentation purposes the average of USD88m was used.

Source: Crunchbase, Deutsche Start-ups, Gründerszene, Press releases, December 2019



# Business models linked to CleanTech and Mobility are gaining momentum

## Top 100 start-ups located in Germany (based on total funding value up until December 2019, excluding IPOs)

#	Target name	Location	Target profile	Founding year	Total funding value USDm <sup>15</sup>
35	Scalable Capital	Munich	Digital investment service	2014	75
36	Wunder Mobility	Hamburg	Mobility services	2014	70
37	Ada Health	Berlin	Personalized health technology	2011	69
38	Hoccer	Berlin	Messenger app	2009	69
39	Exporo	Hamburg	Crowdfunded real estate investment	2014	69
40	Simpleurance	Berlin	Insurance platform	2012	68
41	Price f (x)	Nuremberg	Price management and optimization	2011	66
42	Circ	Berlin	Development of custom-made light electric vehicles	2018	65
43	Thermondo	Berlin	Heat and power technology	2012	61
44	Holidu	Munich	Metasearch for vacation rentals	2014	59
45	Navabi	Other (Aachen)	E-commerce (fashion)	2009	58
46	CrossLend	Berlin	Digital debt marketplace	2014	58
47	Huuuge Games	Berlin	Mobile games	2014	57
48	Instana	Other (Ruhr area)	Performance management software	2015	57
49	Lamudi	Berlin	Real estate platform	2013	56
50	WeQ	Berlin	Mobile AdTech	2018	56
51	Uberall	Berlin	Marketing cloud services	2012	55
52	Personio	Munich	HR management solutions for SMEs	2015	54
53	XOLUTION	Munich	Reclosable beverage container solution	2011	53
54	FreightHub	Berlin	Digital freight forwarder	2016	53
55	Pitch	Berlin	Presentation software	2018	53
56	KONUX	Munich	Sensor solutions	2014	52
57	IDnow	Munich	Online video identification	2014	52
58	Goggo Network	Berlin	Autonomous mobility	2018	52
59	Billie	Berlin	Factoring FinTech	2016	51
60	Brillen.de	Other (Schönefeld)	E-commerce (glasses)	2012	50
61	Mambu	Berlin	Cloud banking platform	2011	49
62	ProGlove	Munich	Smart gloves producer	2014	49
63	Sunfire	Other (Dresden)	Renewable industrial gas and fuel optimization	2010	46
64	NavVis	Munich	Visualization software	2013	46
65	Taxfix	Berlin	Digital tax declaration assistant	2016	45
66	Carmudi	Berlin	Car classifieds platform	2013	45
67	Freeletics	Munich	Digital fitness company	2013	45

<sup>15</sup> Based on publicly available information; could include secondary market transactions and venture debt

Source: Crunchbase, Deutsche Start-ups, Gründerszene, Press releases, December 2019

# Majority of top funded ventures located in Berlin

## Top 100 start-ups located in Germany (based on total funding value up until December 2019, excluding IPOs)

#	Target name	Location	Target profile	Founding year	Total funding value USDm <sup>16</sup>
68	Global Savings Group	Munich	Content delivery platform	2012	45
69	LIQID Investments	Berlin	Digital wealth management	2015	44
70	Clark	Berlin	Insurance platform	2015	44
71	Amboss	Berlin	Medical knowledge universally accessible	2012	41
72	Coya	Berlin	Digital insurances	2016	40
73	LeanIX	Other (Ruhr area)	SaaS for IT Portfolio Management	2012	40
74	Enfore	Berlin	SaaS services	2009	38
75	Orderbird	Berlin	iPad POS system	2011	37
76	Klang Games	Berlin	Game development	2013	36
77	Cluno	Munich	Car subscription provider	2016	36
78	Grover	Berlin	Consumer electronics rental	2015	36
79	Staffbase	Other (Chemnitz)	Workforce app	2014	36
80	AEVI	Other (Ruhr area)	Cross-border payments	2015	35
81	Blinkist	Berlin	E-books technology	2012	35
82	Comtravo	Berlin	Travel booking platform	2015	34
83	EyeEm	Berlin	Photography community	2011	34
84	Choco	Berlin	Messenger app for restaurants and suppliers	2018	34
85	CupoNation	Munich	Coupons	2012	33
86	Element	Berlin	Insurance products	2017	33
87	Stocard	Mannheim	Digital wallet provider	2012	31
88	Cleverciti Systems	Munich	Intelligent parking management	2012	30
89	Horizn Studios	Berlin	Smart luggage	2015	30
90	Clue	Berlin	Female health app	2012	30
91	JobLift	Hamburg	Online aggregator of job proposals	2015	30
92	Geld-für-Flug	Other (Ruhr area)	LegalTech	2016	30
93	Moonfare	Berlin	Provides access to private equity funds through a platform	2016	30
94	Zeitgold	Berlin	Financial administration of small businesses	2014	28
95	G2 Esports	Berlin	Esports team	2014	27
96	Omni:us	Berlin	AI-powered insurance technology	2015	27
97	door2door	Berlin	On-demand mobility solutions for cities	2012	27
98	HomeToGo	Berlin	Vacation rental platform	2014	27
99	Seven Senders	Berlin	Delivery platform	2014	27
100	Zenjob	Berlin	Full-service staffing platform	2016	26

<sup>16</sup> Based on publicly available information; could include secondary market transactions and venture debt

Source: Crunchbase, Deutsche Start-ups, Gründerszene, Press releases, December 2019

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There are two prerequisites for successful ventures: ambition and capital. German entrepreneurs have increasingly demonstrated the determination to succeed in building business at scale.

Olya Klueppel | Global Growth Capital

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There is high potential for disruption in Germany's traditional industries, which is increasingly addressed by a new wave of Tech founders building digital B2B business models.

Lukas Bennemann | Alstin Capital

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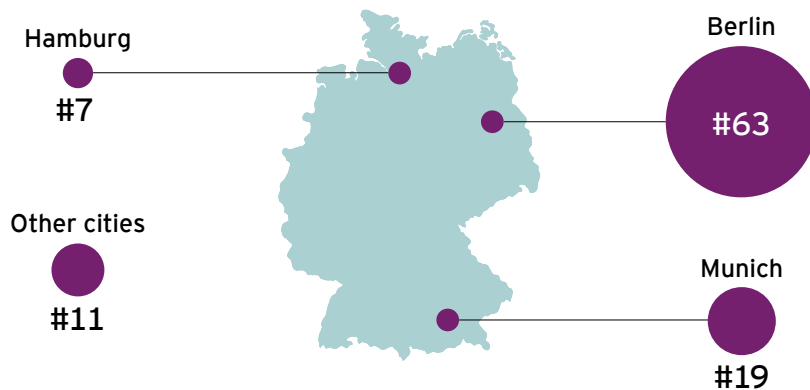
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The German VC ecosystem is still facing structural disadvantages in financing due to the governmental owned pension system as compared to private pension funds in other jurisdictions.

Jan Borgstädt | Join Capital

# Berlin remains Germany's largest start-up hub accommodating 63 of Top 100 most funded start-ups

Top 100 start-ups by city, 2019



Source: Newsletters, Thomson One, Mergermarket, Crunchbase, Press releases

+
<ul style="list-style-type: none"><li>▶ Cultural diversity</li><li>▶ Established ecosystem</li><li>▶ Entrepreneurial culture</li></ul>
-
<ul style="list-style-type: none"><li>▶ Insufficient digital infrastructure</li><li>▶ Decentralized expert knowledge in Germany</li></ul>

**Berlin** is considered as the city of freedom.

Berlin consistently ranks among the **top three European Tech** hubs.

Berlin remains the main start-up hotspot in Germany and, based on a review of 12 Global and European studies<sup>17</sup>, is constantly highly ranked among the leading start-up hubs in Europe. Nevertheless, other cities are strongly gaining attractiveness for deep-tech technologies, especially Munich.

Germany's, and therefore Berlin's, biggest weakness is its digital infrastructure and poor access to broadband internet lagging behind countries with a lower degree of overall economic development. If 5G technology is not available and functioning like in other countries going forward, Berlin will lose relevance and momentum.

At the same time, Berlin has managed to attract a healthy mix of capital and talent mainly due to its creative and open culture enriched with low cost of living.

It is now the responsibility of German legislature to act as a backbone to businesses by promoting a digital-friendly environment so that Berlin can retain its unique position, keep traction with the growth of Paris and tighten the gap to London.

<sup>17</sup> Published between 2016 and 2019 based on different sets of criteria and methodologies

## Germany's start-up market compared to the international environment

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The German ecosystem with its best technical universities spread all over the country is much more fragmented than other European ecosystems.

Robin Dechant | Point Nine Capital

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The venture capital ecosystem in Germany has become much more international, driven by cross border investments as well as the diversity of the founders' educational backgrounds and prior experiences.

Maike Haase | Project A

# B

# Exit's

# Three key developments of the German M&A start-up environment can be observed

Key characteristics of the German M&A start-up market in 2019

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# 1

More than half of the transactions in the German M&A start-up market relate to domestic investors.

# 2

The M&A market is clearly dominated by corporate investors, which represent by far the most relevant exit channel for young innovative companies.

# 3

Increasing investing activities in industry sectors such as deep-tech, e-commerce and energy.

## Overview

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Investment activities in the German Tech start-up market reached a new all time high in 2019. Accompanied by numerous exits, the German start-up landscape continues to attract the attention and capital of international and domestic investors, particularly for early stage ventures with innovative and sustainable solutions and proof of concept.

IPO activity in 2019 remained rather insignificant. Savedroid, a Frankfurt-based venture using AI algorithms for saving and spending, went public in October, however, the company opted for a reverse IPO instead of a regular listing.

Young ventures and venture capital investors do not consider an IPO as a primary exit channel. In the light of the new high fundings for late stage ventures such as FlixBus or GetYourGuide, we expect IPOs to gain more relevance in the near future.

7 out of 120 disclosed start-up M&A deals in 2019 relate to insolvency cases. Nonetheless, it can be observed that in spite of business failures, investors consider employees, trademark rights or customer bases a significant added value, which can be acquired at a relatively low price.

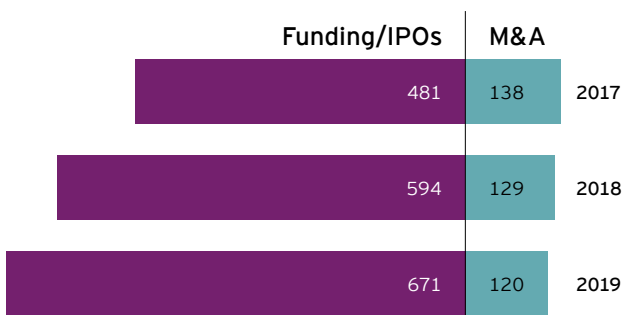
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We see an IPO as a reasonable route towards an exit providing market conditions are buoyant and for businesses which meet certain thresholds. A key threshold is scale – to attract high quality investors and good research coverage, businesses ideally need a market capitalization greater than EUR500m.

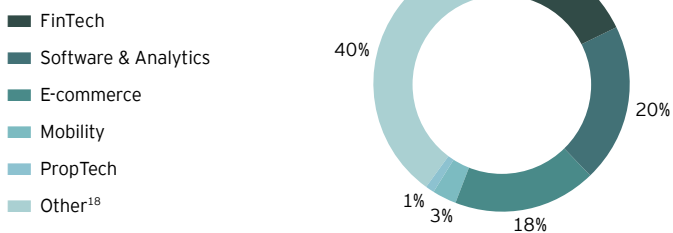
Stuart Paterson | Scottish Equity Partners

# Recent developments indicate that M&A activity keeps diminishing relative to new fundings driven by venture capital

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



Target sector distribution



<sup>18</sup> Other includes AdTech, Health, Energy and other sectors

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

Exemplary transactions of corporate investors

	Investors	Target
FinTech	Visa	Payworks
Software & Analytics	Alibaba Group	Data Artisans
E-commerce	Outfittery	Modomoto
Energy	Royal Dutch Shell	Sonnen

M&A activity has slightly leveled off relative to new fundings in 2019, accounting for 18% of investment activity. M&A is more focused with a trend towards industry consolidation in the FinTech and e-commerce sectors, while energy and health care companies take advantage of market innovations.

Whilst financial investors are the key drivers of the observed increase in funding rounds, acquisitions by corporates remain by far the most important exit channel for start-ups. Approximately, 91% of all non-IPO exits in 2019 related to corporates, remaining on a relatively steady level since 2017.

In addition, acquisitions of innovative businesses increasingly become relevant for companies advancing their digital transformation. The observed trend of corporate acquisitions targeting young companies is underpinned by the following examples:

**Payworks**, a Munich-based company providing gateway payment software for point of sales, was acquired by Visa, strengthening Visa's digital commerce payment solutions.

Berlin based large scale data processing provider **Data Artisans** was acquired by Alibaba Group. The deal received wide-spread media coverage as a significant exit for the German deep-tech start-up landscape.

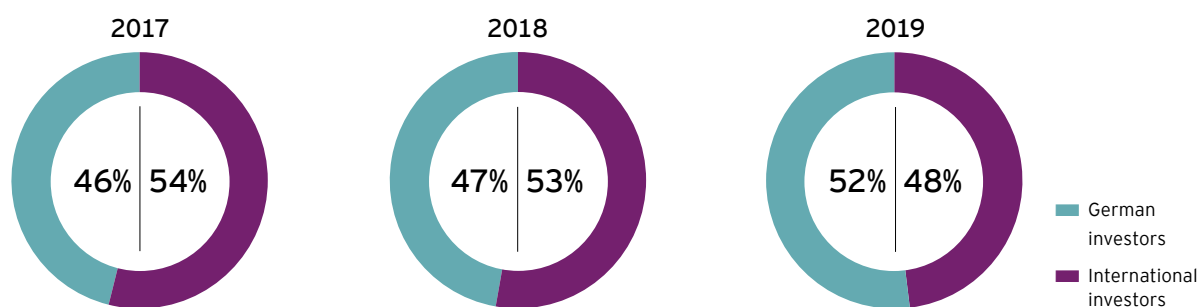
The merger of the online personal shopping services **Outfittery** and **Modomoto** illustrates the ongoing consolidation in the e-commerce sector.

**Sonnen**, a Bavaria based specialist in energy storage and home batteries was acquired by Shell. Shell intends to expand its clean energy solutions offering while supporting Sonnen to scale its production and sales.

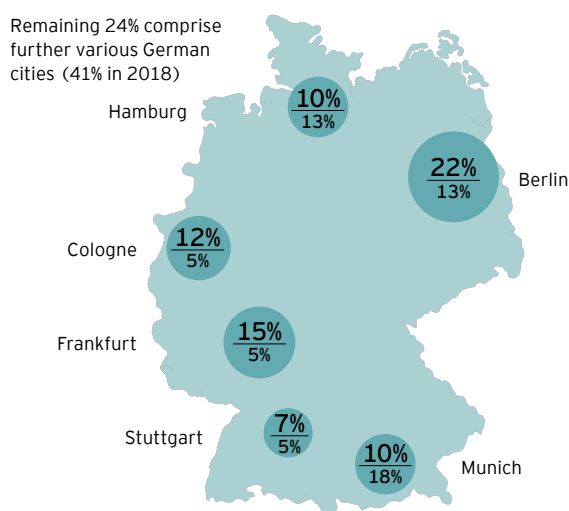


# Domestic investors increasingly strengthen their M&A activities in the German start-up market

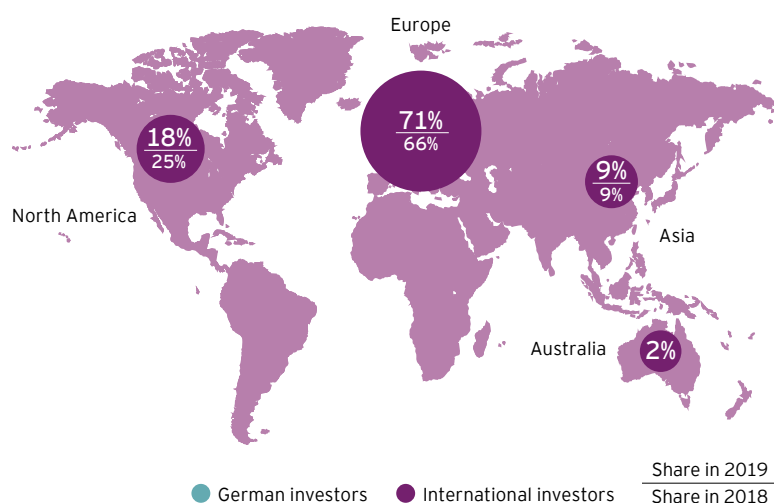
Percentage of exits by origin of investor (Germany and rest of the world; based on the number of disclosed deals)



German investors by city/area



International investors by region<sup>19</sup>



<sup>19</sup> Europe excl. German investors

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

Accounting for almost half of the disclosed M&A deals in the German start-up market, cross-border transactions still provide a significant exit route for German start-ups. However, domestic investors have forced their local M&A activities and increasingly served as a relevant exit channel in 2019.

European investors have always played a dominant role in the venture M&A landscape and gained higher presence in 2019. As a result, a shift in investors' origin from the US to Europe has been observed. This trend underpins not only the rising firepower of European investors, but the

willingness of companies to scale and reshape their businesses through acquisitions of Tech companies in order to keep pace in times of aggressive digitalization.

Investors from across the globe are keen to acquire German Tech assets as part of their global growth strategies. In particular, key players from Asia and the Middle East are expected to emerge from the shadows of other foreign investors and become major players in the German ecosystem. Domestic investors are spread all over the country, with more than one fifth of them being attributable to Berlin.

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For B2C platforms, the US and China will most likely stay ahead due to very large, homogeneous home markets. In B2B, however, German start-ups are well positioned to become global players given the country's strong industrial base. This can be promoted by the government's and larger corporation's willingness to buy from young companies.

Mark Schmitz | BVK

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We urgently need to create a well working European IPO market for fast growing Tech companies.

Alec Rauschenbusch | Grazia Equity

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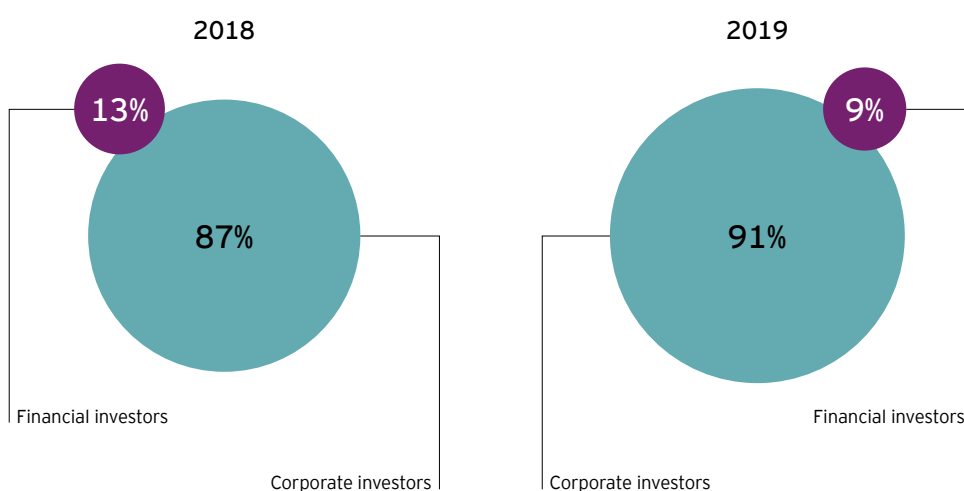
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Corporates are the most important exit channel for a start-up and the VC investors. In growth phases, however, corporate investors are not the optimal shareholders of a start-up.

Jan Borgstädt | Join Capital

# Acquisitions by corporates remain the most dominant exit channel for German start-ups

Share of corporates and financials investors 2018 vs. 2019 (based on the number of disclosed deals)



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

Ventures with disruptive solutions in respective areas are acquired by market leaders to accelerate growth, reduce competition and drive innovation, primarily in sectors such as energy and B2B software. The trend towards consolidation in the German FinTech landscape is starting to gain speed.

The following exit examples underpin the aforementioned development:

**Penta**, the Berlin based banking platform targeting SMEs and fast growing young companies was acquired by Finleap in April 2019. The FinTech company builder aims to expand its portfolio.

German energy company innogy SE took over **Greenergetic**, an integrated energy services platform from Bielefeld.

In line with its growth strategy, innogy expands its presence in the energy service market by the vertical integration of Greenergetic.

Although we observe that private equity investors generally show strong interest in young German Tech companies, the share of acquisitions by financial investors lags far behind. Exits in 2019 involved mostly national and foreign specialized mid-cap PE funds with buy and build strategies, such as Oakley Capital, Riverside, Armira or Deutsche Beteiligungs AG.

A lingering trend to sell businesses to corporate investors at an early-stage, rather than supporting growth with the financial firepower of a private equity partner, still characterizes the market.

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# Investors

# The total new fund volume reached a ten-digit figure and exceeded the level of 2018

Multiple new funds were closed by German and international investors active in the German start-up scene. We observe a notable increase in the volume of funds closed by domestic investors, which more than doubled compared to previous year. This indicates an increasing attractiveness of the venture capital market for domestic investors looking for alternative ways to spend their excess liquidity. As in previous years, German investors mainly support companies in seed and early stages, whereas growth and later stage investments are dominated by international funds.

## Selected national VC players

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**Rocket Internet** incubated multiple successful ventures in the past, in particular in the e-commerce and marketplace sectors, and has strengthened its position among the leaders in the European risk capital market in 2019. The Berlin based venture capital firm has already raised USD1b for its second fund and aims to add another USD500m.

**Project A**, a venture capital investor based in Berlin focuses on European companies in the seed and Series A stage, raised its third fund of USD200m in 2019.

**Cherry Ventures**, a Berlin based venture capital firm backs companies from a wide range of industries, predominantly in the seed stage. In 2019, the firm closed its third fund of USD196m planned to be invested in European Tech companies.

**42CAP**, a Germany-based investment firm focused mostly on AI and software start-ups, raised USD56m to invest in B2B software companies in the seed stage.

**Allianz X**, the digital investment vehicle of Allianz Group, announced the increase of its second fund to USD1.1b. Their current portfolio includes companies such as the German FinTech firm N26 and US insurance service Lemonade. With the newly collected funds, Allianz X aims at further expansion in the insurance-related sectors worldwide.

**Visionaries Club**, a newly founded venture capital firm from Berlin, closed two micro-funds to back companies across Europe. With USD45m each, the funds will invest in B2B-focused innovators at seed and Series A stages.

Other German investors that raised new nine-digit volume funds in 2019 included High-Tech Gründerfonds, Deutsche Telekom Capital Partners, Robert Bosch Venture Capital, Linus Capital, Alstin Capital, Acton Capital Partners and BlueYard.

## Selected international VC players

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**Creandum**, a European venture capital firm that targets innovative companies at early stages, raised its fifth fund of USD300m. The track record of the Swedish investor includes successful ventures such as Spotify and iZettle.

**E.ventures**, a venture capital platform operating globally, announced that it collected USD400m for its new fund, out of which USD175m are planned to be invested into European ventures. E.ventures is based in San Francisco and the investment focus is primarily on consumer-oriented software and media start-ups.

**Lakestar**, a global investment fund from Switzerland, intends to invest into European Tech disruptors. The company raised USD700m to mainly invest in growth-stage ventures and plans to increase the fund volume to USD1b in the near future.

**btov Partners**, a European venture capital investor with an office in Berlin, already has a successful track record with online platforms such as Xing and Finanzcheck. With its eighth fund of USD112m, the firm aims to invest in early-stage industrial deep-tech companies.

**Heartcore Capital**, formerly Sunstone Capital, is a European venture capital firm with offices in Copenhagen, Paris and Berlin. With a new fund of USD179m, which combines two of their earlier investment vehicles, the firm will target early-stage B2C start-ups.

**Salesforce Ventures**, a US based corporate investment vehicle, raised its second fund that specifically targets European companies. The company will invest USD125m in fast growing Tech companies with business models based on cloud service applications.

# Most new venture capital funds focused on early stage funding

Selected new institutional funds identified from Jan 2019 to Dec 2019 <sup>20</sup>					
#	Investor	Fund name	Location	Volume (USDm)	Announced
1	Accel	Accel London VI	San Francisco	575	May 2019
2	Northzone	Northzone IX	Stockholm	500	Nov 2019
3	Balderton Capital	Balderton Capital VII	London	400	Nov 2019
4	Creandum	Creandum V	Stockholm	300	Jun 2019
5	Project A	Project A Ventures III	Berlin	200	Sep 2019
6	Cherry Ventures	Cherry Ventures III	Berlin	196	Jun 2019
7	Heartcore Capital (formerly Sunstone Capital)	Heartcore 2	Berlin	179	Feb 2019
8	Valar Ventures	Valar V	New York	150	Aug 2019
9	Alstin Capital	Alstin II	Munich	130	Dec 2019
10	BlueYard	BlueYard Capital II	Berlin	120	Jan 2019
11	btoV Partners	btoV Industrial Tech I	St. Gallen	112	Oct 2019
12	42CAP	Fund II: Edge Computing and Procurement Genius	Munich	56	Jun 2019
13	Visionaries Club	Micro Growth Fund	Berlin	45	Jul 2019
14	Visionaries Club	Micro Seed Fund	Berlin	45	Jul 2019
15	EQT Ventures	EQT Ventures II	Stockholm	739	Nov 2019
16	Lakestar	European VC Fund <sup>21</sup>	Zurich	700	Sep 2019
17	E.ventures	e.ventures Europe VI/e.ventures US VI	San Francisco	400	Jul 2019
18	OMERS Ventures	OMERS Ventures European Fund	Toronto	336	Mar 2019
19	Acton Capital Partners	Acton V	Munich	215	Nov 2019
20	eCAPITAL	eCAPITAL Cybersecurity	Münster	56	Jan 2019
21	Deutsche Telekom Capital Partners (DTCP)	DTCP's Venture/Growth Fund II	Hamburg	350	Jun 2019
22	Robert Bosch Venture Capital	RBVC IV	Stuttgart	224	Feb 2019
23	Salesforce Ventures	Europe Trailblazer Fund	San Francisco	125	May 2019
24	Rocket Internet	Rocket Internet Capital Partners II	Berlin	1,000	Sep 2019
25	Linus Capital	Linus Capital	Berlin	392	Nov 2019
26	Idinvest Partners	Idinvest Digital Fund III	Berlin	350	Oct 2019

<sup>20</sup> Foreign funds were included only if they participated in funding rounds of German start-ups totaling >USD100m in 2019 (Crunchbase)

<sup>21</sup> Fund announced in 2018, closed in 2019

Sources: Deutsche Start-ups, Gründerszene, Press releases

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Public or semi-public sources of capital are an important and, in our view, positive part of the early stage German venture ecosystem.

Tim Ankers | Scottish Equity Partner

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Mobilizing funds from the German governmental pension system and insurance companies would boost the German ecosystem.

Alec Rauschenbusch | Grazia Equity

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Late stage financing is dominated by foreign investors. There is not yet sufficient confidence in the local market that young businesses can be sold at USD1b and above.

Maike Haase | Project A

# Key players active in the German start-up scene (1/4)

## Corporate Ventures

- ▶ Allianz X Ventures
- ▶ AXA Innovation Campus
- ▶ Axel Springer Digital Ventures
- ▶ Venture Capital
- ▶ Bauer Venture Partner
- ▶ Bertelsmann Investments
- ▶ Bilfinger Venture Capital
- ▶ BMW i Ventures
- ▶ Boehringer Ingelheim Venture Fund
- ▶ Burda Principal Investments
- ▶ CommerzVentures
- ▶ Conde Nast Digital Germany
- ▶ DB1 Ventures - Deutsche Börse
- ▶ Deutsche Bahn Digital Ventures
- ▶ Deutsche Invest Venture Capital (DIVC)
- ▶ Deutsche Telekom Capital Partners
- ▶ EnBW New Ventures
- ▶ Evonik VC
- ▶ Fielmann Ventures
- ▶ FLUXUNIT - Osram Ventures
- ▶ Forum Media Ventures
- ▶ Fresenius Medical Care Ventures
- ▶ Freudenberg Venture
- ▶ Funke Digital
- ▶ Gruner + Jahr Digital Ventures
- ▶ Haas New Media
- ▶ Henkel Ventures
- ▶ Holtzbrinck Digital
- ▶ HR Ventures
- ▶ HV Holtzbrinck Ventures
- ▶ Hydra ventures - Adidas
- ▶ Innogy Ventures
- ▶ Kärcher New Venture
- ▶ Katjesgreenfood
- ▶ K-Invest
- ▶ LeadX Capital Partners
- ▶ Lufthansa Digital Fund
- ▶ Media + more venture
- ▶ Mediengruppe Klambt
- ▶ Mobile Ventures
- ▶ MOMENI Digital Ventures
- ▶ MS Ventures
- ▶ Next 47 (Siemens)
- ▶ NWZ Digital
- ▶ Oetker Digital
- ▶ Peppermint Venture Partners
- ▶ Phoenix Conact Innovation Ventures
- ▶ Robert Bosch Venture Capital
- ▶ SAP Startup Focus
- ▶ SAP.IO
- ▶ Saxovent
- ▶ Scouting and Strategic Co-Investment - E.ON
- ▶ Seven Ventures (ProSiebenSat.1)
- ▶ Siemens Venture Capital
- ▶ Signals Venture Capital
- ▶ Sixt Ventures
- ▶ Stroer Digital
- ▶ TAKKT Beteiligungsgesellschaft
- ▶ TRUMPF Venture
- ▶ United Internet Ventures
- ▶ VNG Innovation
- ▶ Vodafone Uplift
- ▶ Vogel Business Media
- ▶ Vorwerk Direct Selling Ventures
- ▶ W&W brandpool

## Incubators and Accelerators

- ▶ Accelerator Frankfurt
- ▶ agile Accelerator - E.ON
- ▶ APX
- ▶ Atlantic Food Labs
- ▶ Atlantic Ventures
- ▶ Axel Springer Plug and Play
- ▶ BASF New Business
- ▶ Berlin Hardware.Co Accelerator
- ▶ Betafabrik
- ▶ Black Forest Accelerator
- ▶ BMW Startup Garage Incubator
- ▶ Breakthrough-Accelerator
- ▶ CoLaborator (Bayer)
- ▶ Co-pace Incubator - Continental
- ▶ DB Accelerator
- ▶ Deutsche Bahn Mindbox
- ▶ Deutsche Bank - Digital Factory
- ▶ Deutsche Bank Innovation Lab
- ▶ European Pioneers Accelerator
- ▶ Fantastic Mr. Fox Ventures
- ▶ Finconomy
- ▶ FinLeap
- ▶ FinTech Hub - Deutsche Börse
- ▶ Fraunhofer Venture
- ▶ German Accelerator Life Sciences
- ▶ Grants4Apps - Bayer
- ▶ Hanse Ventures
- ▶ Heartbeat labs
- ▶ helios.hub
- ▶ hub:raum Incubator - Telekom
- ▶ Ideation Hub - Volkswagen
- ▶ Incubator Investments GmbH
- ▶ InnoWerft
- ▶ leAD Sports Accelerator - Adidas
- ▶ Life Science Incubator (LSI-Pre-Seed\_Fonds)
- ▶ Liquid Labs
- ▶ Lufthansa Innovation Hub
- ▶ Magmatic Ventures
- ▶ Main Incubator
- ▶ Merck Accelerator
- ▶ METRO Accelerator
- ▶ MundiLAB Accelerator - Munich RE
- ▶ Next Big Thing
- ▶ Next Commerce Accelerator
- ▶ Next Logistics
- ▶ Next Media Accelerator
- ▶ NFQ Capital
- ▶ Pando Ventures (Taususstein)
- ▶ ProSiebenSat.1 Accelerator
- ▶ Rain Making
- ▶ Retailtech-Hub (MediaMarktSaturn)
- ▶ Rocket Internet
- ▶ SAP.IO Foundry
- ▶ ScaleUp (Microsoft)
- ▶ Siemens Technology Accelerator
- ▶ SpinLab - The HHL Accelerator
- ▶ Startplatz
- ▶ TechFounders
- ▶ Universal Home
- ▶ Venture Stars
- ▶ VentureVilla Accelerator
- ▶ W1 Forward InsurTech Accelerator
- ▶ Xantera Venture Capital

## Investors

- ▶ 10x Group
- ▶ 42CAP
- ▶ About:seed GmbH
- ▶ Acton Capital Partners
- ▶ Alstin Capital
- ▶ Ananda Impact Ventures
- ▶ Apex Group
- ▶ Arcus Capital
- ▶ Armira
- ▶ Art-Invest Real Estate
- ▶ Asgard Capital
- ▶ Atlantic Labs
- ▶ Aurelius AG
- ▶ Avala Capital
- ▶ b10 Venture Capital
- ▶ Bamboo Ventures
- ▶ Bayerische Beteiligungsgesellschaft (BayBG)
- ▶ Bellevue Investments
- ▶ Berlin Metropolitan Ventures
- ▶ Berlin Technology Holding
- ▶ Berlin Venture Partners
- ▶ Berlin Ventures
- ▶ BFJ Invest
- ▶ Bitkraft eSports Ventures
- ▶ BitStone Capital
- ▶ BlueYard Capital
- ▶ bmp ventures
- ▶ BonVenture Management
- ▶ Bridgemaker
- ▶ capiton
- ▶ Capnamic Ventures
- ▶ Catagonia Capital
- ▶ Cavalry Ventures
- ▶ CD-Venture
- ▶ Cherry Ventures
- ▶ CologneInvest
- ▶ Colonia Private Equity
- ▶ Commerzbank
- ▶ Coparion
- ▶ Creathor Venture
- ▶ Crosslantic Capital
- ▶ Crossventures
- ▶ Curious Capital
- ▶ Deutsche Invest Capital Partners
- ▶ Digital+ Partners
- ▶ Digital Health Ventures
- ▶ Digital Pioneers Germany
- ▶ Dumont Venture
- ▶ DvH Ventures
- ▶ DWS Group
- ▶ Earlybird Venture Capital
- ▶ eCAPITAL Entrepreneurial Partners
- ▶ ECM Equity Capital
- ▶ EMBL Ventures
- ▶ Engage Ventures
- ▶ Enjoyventure Management
- ▶ Enxium
- ▶ Equistone Partners
- ▶ Equity Seven
- ▶ eVentures Capital Partners
- ▶ Everpreneur Capital
- ▶ Finlab
- ▶ Finparx
- ▶ First Momentum Ventures
- ▶ Fly Ventures
- ▶ Found Fair Ventures
- ▶ Freigeist Capital



## (2/4)

- ▶ FTR Ventures
- ▶ FundersClub
- ▶ Futury Ventures
- ▶ Gecoin GmbH
- ▶ GENUI Partners
- ▶ German Ventures
- ▶ GLG Green Lifestyle
- ▶ Global Founders Capital
- ▶ GMPVC German Media Pool
- ▶ Golzern Holding
- ▶ GPS Ventures GmbH
- ▶ Grazia Equity
- ▶ GRENKE Bank
- ▶ HCS Beteiligungsgesellschaft
- ▶ HeidelbergCapital
- ▶ Heilemann Ventures
- ▶ Heliad Equity Partners
- ▶ Hevella Capital
- ▶ High Rise Ventures
- ▶ HitFox Group
- ▶ Holistic Capital GmbH
- ▶ HR Alpha Venture Partners
- ▶ HW Capital
- ▶ Ideenschaf Invest
- ▶ InsurTech.vc
- ▶ iVentureCapital
- ▶ J.C.M.B. Beteiligungs GmbH
- ▶ J.F. Müller & Sohn AG
- ▶ Jaja Investment
- ▶ Join Capital
- ▶ Kamran Capital
- ▶ KIZOO (Karlsruhe)
- ▶ LAFAM Holding
- ▶ Lakestar
- ▶ Larix
- ▶ LBBW Venture Capital
- ▶ LEA Partners
- ▶ Linus Capital
- ▶ Littlerock
- ▶ MairDuMont Ventures
- ▶ Maxburg Capital Partners
- ▶ Media Ventures
- ▶ Menden Ventures
- ▶ Mercura Capital
- ▶ Metacrew Ventures
- ▶ Mey Capital Matrix
- ▶ MGO Digital Ventures
- ▶ MIG AG
- ▶ MK Venture Capital GmbH
- ▶ Moacon Ventures
- ▶ Möller Ventures
- ▶ Monkfish Equity
- ▶ MoTu Ventures
- ▶ Moutain Alliance
- ▶ Move capital
- ▶ Mulcan International Investments
- ▶ Müller Medien
- ▶ Munich Venture Partners
- ▶ Mutschler Ventures AG
- ▶ Muzungu Capital
- ▶ NABRU Ventures
- ▶ Neuhaus Partners
- ▶ Newton Ventures
- ▶ Nextfatbusiness
- ▶ Nordwind Capital
- ▶ OHB Venture Capital
- ▶ Omnis Mundi
- ▶ Paua Ventures
- ▶ pd ventures
- ▶ Perpetual Ventures
- ▶ Picus Capital
- ▶ PINOVA Capital
- ▶ Plutos Group
- ▶ Point Nine Capital
- ▶ Priority AG
- ▶ Project A Ventures
- ▶ PropTech1 Ventures
- ▶ Redstone
- ▶ Reimann Investors
- ▶ Rheingau Founders
- ▶ RI Digital Ventures
- ▶ Richmond View Ventures
- ▶ Rocket Internet Capital Partners
- ▶ Saarbruecker21
- ▶ SABIC Ventures
- ▶ Seed + Speed Ventures
- ▶ Seed Fonds Aachen
- ▶ SEK Ventures
- ▶ Senovo
- ▶ Shortcut Ventures
- ▶ SHS Gesellschaft für Beteiligungsmanagement
- ▶ Signa Innovations
- ▶ Sirius Venture Partners
- ▶ S-Kap Beteiligungen (Sparkasse)
- ▶ Smac Partners
- ▶ S-REFIT
- ▶ Star Ventures Management
- ▶ Starstrike Ventures
- ▶ Start 2 Ventures
- ▶ Statkraft Ventures
- ▶ Steadfast Capital
- ▶ STS Ventures
- ▶ S-UBG Group
- ▶ Surplus Invest GmbH
- ▶ S-Venture Capital Dortmund
- ▶ System.One
- ▶ Target Global
- ▶ Target Partners
- ▶ Team Europe
- ▶ TechnologieContor
- ▶ Technologiefonds OWL
- ▶ TecPier
- ▶ Tengelmann Ventures
- ▶ THI Investments
- ▶ Think.Health
- ▶ Tiburon Unternehmensaufbau
- ▶ TIHA Holding
- ▶ Triangle Venture Capital Group
- ▶ Triginta Capital
- ▶ TruVenturo
- ▶ TVM Capital
- ▶ Unternehmertum Venture Capital Partners
- ▶ VBW Beteiligungskapital
- ▶ VCDE Venture Partners
- ▶ Venista Ventures
- ▶ Visionaries Club
- ▶ Vito One
- ▶ Vito Ventures
- ▶ VM Capital
- ▶ Vogel Ventures
- ▶ VR Equitypartner
- ▶ Wawayaro GmbH
- ▶ WeFund
- ▶ Weller Venture Capital
- ▶ Wellington Partners
- ▶ Wessel Management
- ▶ WestTech Ventures
- ▶ Whitestone Communication Networks
- ▶ Wirth Energie Beteiligungs GmbH
- ▶ WOLFMAN.ONE
- ▶ XAnge
- ▶ Yabeo capital
- ▶ Yesss CAPITAL
- ▶ ZFHN

## Public institutions, Platforms and Others

- ▶ Bayern Kapital
- ▶ Brandenburg Kapital
- ▶ Berlin Startup Academy
- ▶ Beteiligungsmanagement Thüringen
- ▶ bm-t Beteiligungsmanagement
- ▶ BTG Hamburg
- ▶ Business Angels Agentur Ruhr
- ▶ Business Angels Club Berlin
- ▶ Bundesverband Deutscher Kapitalbeteiligungsgesellschaften (BVK)
- ▶ Companisto
- ▶ Enpact
- ▶ ERF Schleswig-Holstein
- ▶ Factor10
- ▶ FIB Fonds
- ▶ Fundsters
- ▶ Genius Venture Capital
- ▶ German Startups Group
- ▶ Green Alley Investment
- ▶ Grow (Bosch)
- ▶ GTEC
- ▶ Hannover Beteiligungsfond
- ▶ Hessische Landesregierung
- ▶ High-Tech Gründerfonds
- ▶ Humboldt Innovation
- ▶ IBB Beteiligungsgesellschaft
- ▶ IBG Beteiligungsgesellschaft Sachsen-Anhalt
- ▶ IFB Innovationsstarter
- ▶ Initiativekreis Ruhr
- ▶ Investitionsbank Brandenburg
- ▶ Investitionsbank Rheinl.Pfalz
- ▶ Investitions- und Förderbank Niedersachsen (NBank)
- ▶ Investitionsbank Berlin
- ▶ ISB Rheinland-Pfalz
- ▶ Kapilendo
- ▶ KfW Bankengruppe
- ▶ L-Bank (Landeskreditbank Baden-Württemberg)
- ▶ LemonBlood
- ▶ mantro.net
- ▶ Mittelständische Beteiligungsgesellschaft Baden-Württemberg
- ▶ Mittelständische Beteiligungsgesellschaft Mecklenburg-Vorpommern
- ▶ Mittelständische Beteiligungs-gesellschaft Berlin-Brandenburg
- ▶ Neufund
- ▶ Saarländische Wagnisfinanz.
- ▶ Seedmatch
- ▶ SBG Sachsen-Anhalt
- ▶ SVS Capital Partners
- ▶ TakeOff VC Management
- ▶ TGFS - Technologiegruenderfonds Sachsen
- ▶ The Angel Club
- ▶ VC Fonds BW
- ▶ VC Fonds Technologie Berlin
- ▶ Wirtschaftsbank Hessen

# Key players active in the German start-up scene (3/4)

## International

- ▶ 360 Capital Partners
- ▶ 3i Group
- ▶ 3M New Ventures
- ▶ 500 Startups
- ▶ 7 Industries
- ▶ 7percent Ventures
- ▶ 83North
- ▶ ABC Accelerator
- ▶ Abulssa Holding
- ▶ Accel
- ▶ Access Industries
- ▶ Activate Venture Partners
- ▶ Ad4Ventures
- ▶ Advancit Capital
- ▶ Advent Venture Partners
- ▶ Agate Medical Investments
- ▶ Agile Capital Partners
- ▶ A-Grade Investment
- ▶ Alma Mundi Ventures
- ▶ Altos Ventures
- ▶ Altpoint Capital
- ▶ Alven Capital
- ▶ Amadeus Capital Partners
- ▶ AME Cloud Ventures
- ▶ American Family Ventures
- ▶ Angel Capital Management
- ▶ Anthemis Group
- ▶ Antheria Holding
- ▶ AP Ventures
- ▶ Apax Growth Fund
- ▶ Arkley
- ▶ Armada Investment
- ▶ Asabys Partners
- ▶ Asia Pacific Internet Group
- ▶ Astanor Ventures
- ▶ Atlantic Bridge
- ▶ Atlas Venture
- ▶ Atómico
- ▶ aws Gründerfonds
- ▶ AXA Venture Partners
- ▶ Axivate Capital
- ▶ Baillie Gifford
- ▶ Balderton Capital
- ▶ Banco Bilbao Vizcaya Argentaria
- ▶ Band of Angels
- ▶ Base10 Partners
- ▶ Battery Ventures
- ▶ Benchmark Ventures
- ▶ Beringea
- ▶ Bessemer Venture Partners
- ▶ BIP Investment Partners
- ▶ Black Sheep Capital
- ▶ BlackRock
- ▶ BlueChilli
- ▶ Blumberg Capital
- ▶ Bonnier Ventures
- ▶ Boost Heroes
- ▶ Boundary Holding
- ▶ Breed Reply
- ▶ Bridgepoint
- ▶ Bright Capital Digital
- ▶ btov Partners
- ▶ Careventures
- ▶ Cascara Ventures
- ▶ Causeway Media Partners
- ▶ CBC Investment Group
- ▶ Chernin Group
- ▶ Chromo Invest
- ▶ Cipio Partners
- ▶ Circularity Capital
- ▶ Citigroup
- ▶ Clever Leaves
- ▶ CME Ventures
- ▶ Collier Capital
- ▶ Columbia Lake Partners
- ▶ Connect Capital
- ▶ Connect Ventures
- ▶ Corviglia Capital Fund
- ▶ Courtside Ventures
- ▶ Cowboy Ventures
- ▶ Creandum
- ▶ Creative Edge Ventures
- ▶ Credo Ventures
- ▶ CVG Capital
- ▶ Danone Manifesto Venture
- ▶ Dawn Capital
- ▶ Demeter Partners
- ▶ DeNA
- ▶ Digital Currency Group
- ▶ Dima Ventures
- ▶ DN Capital
- ▶ Dragonair Investment Group
- ▶ Draper Esprit
- ▶ DST Global
- ▶ E.ventures
- ▶ EASME - EU Executive Agency for SMEs
- ▶ EchoVC Partners
- ▶ Ecomobility Ventures
- ▶ Eight Roads Ventures
- ▶ EIT Digital Accelerator
- ▶ Electranova Capital
- ▶ Elysian Park Ventures
- ▶ Emerald Technology Ventures
- ▶ Emerge Education
- ▶ enchant.vc
- ▶ Endeit Capital
- ▶ ENERN Investments
- ▶ ENIAC Ventures
- ▶ Entrée Capital
- ▶ EOS VC (Block.one)
- ▶ EQT Ventures
- ▶ Equinor Technology Ventures
- ▶ ESO Capital Group
- ▶ ETF Partners
- ▶ European Investment Bank (EIB)
- ▶ European Investment Fund
- ▶ Eurostars
- ▶ Evoco AG
- ▶ Evolution Media
- ▶ Felicitas Ventures
- ▶ Felix Capital
- ▶ Finstar Financial Group
- ▶ Five Seasons Ventures
- ▶ FJ Labs
- ▶ FLOODGATE
- ▶ FMI Investment Partners
- ▶ Foresight Group
- ▶ Fosun Group
- ▶ Foundation Capital
- ▶ Four Rivers Group
- ▶ Frog Capital
- ▶ Frontline Ventures
- ▶ GE Ventures
- ▶ General Atlantic
- ▶ General Catalyst
- ▶ Generis Capital Partners
- ▶ German Accelerator Tech
- ▶ GGV Capital
- ▶ Gimv
- ▶ Global Growth Capital
- ▶ GMT Capital
- ▶ GoBeyond
- ▶ Goldman Sachs
- ▶ Google Ventures
- ▶ Green Bay Ventures
- ▶ Greybird Ventures
- ▶ Greycroft
- ▶ Greyhound Capital
- ▶ Greylock Partners
- ▶ Groupe Arnault
- ▶ Hangar 51
- ▶ Headway Capital Partners
- ▶ Heartcore Capital
- ▶ Heartland Bank
- ▶ Helvetia Venture Fund
- ▶ Hercules Capital
- ▶ Highland Capital Partners
- ▶ Highland Europe
- ▶ Hillhouse Capital Group
- ▶ Hiventures Investment Fund
- ▶ Horizon 2020
- ▶ HOWZAT Partners
- ▶ Hoxton Venture
- ▶ HPE Growth Capital
- ▶ Hummingbird Ventures
- ▶ Idivest Partners
- ▶ iEurope Capital
- ▶ IFJ AG
- ▶ Illuminate Financial
- ▶ Index Ventures
- ▶ ING Ventures
- ▶ InnoEnergy (EIT)
- ▶ Innova Memphis
- ▶ Insight Partners
- ▶ Institutional Venture Partners
- ▶ Intel Capital
- ▶ International Finance Corporation
- ▶ Inven Capital
- ▶ Inventure Partners
- ▶ Iris Capital
- ▶ Ithaca Investments
- ▶ J.P. Morgan Digital Growth
- ▶ Jadeberg Partners
- ▶ JAM Capital Partners
- ▶ Jazz Venture Partners
- ▶ JME Ventures
- ▶ Johnson & Johnson Innovation
- ▶ K Fund
- ▶ K5 Ventures
- ▶ Kennet Partners
- ▶ Kickstarter
- ▶ Kima Ventures
- ▶ Kinnevik
- ▶ Kite Ventures
- ▶ Kiwoom Investment
- ▶ KKR
- ▶ Kleiner Perkins
- ▶ Korea Investment Partners
- ▶ KPN Ventures
- ▶ Kreos Capital
- ▶ Kurma Partners
- ▶ Larnabel Ventures
- ▶ Lead Edge Capital
- ▶ leAD Sports Accelerator
- ▶ LG Technology Ventures

## (4/4)

- ▶ LGT Capital Partners
- ▶ Life.SREDA
- ▶ LifeScience iHUB - Bayer
- ▶ Lightspeed Venture Partners
- ▶ Lilly Ventures
- ▶ LocalGlobe
- ▶ London Venture Partners
- ▶ Loric Ventures
- ▶ Lower Case Ventures
- ▶ M12
- ▶ Macquarie Capital
- ▶ Maersk Growth
- ▶ March Capital Partners
- ▶ Marlin Equity Partners
- ▶ Martin Global
- ▶ Massa Investment
- ▶ MassChallenge
- ▶ MCI Capital SA
- ▶ Media and Games Invest
- ▶ Menlo Ventures
- ▶ Merck Ventures
- ▶ Mercury Capital Partners
- ▶ Meritech Capital Partners
- ▶ Merus Capital
- ▶ Meusinvest (Noshaq)
- ▶ MFV Partners
- ▶ Michael Grabner Media GmbH
- ▶ Microsoft Accelerator
- ▶ Milano Investment Partners
- ▶ MMC Ventures
- ▶ Modern Times Group (MTG)
- ▶ Monk's Hill Ventures
- ▶ Morgan Stanley Expansion Capital
- ▶ Mosaic Ventures
- ▶ Mountain Partners AG
- ▶ MPGI
- ▶ Mubadala Capital
- ▶ M-VC Europe Ltd.
- ▶ Naspers
- ▶ Nauta Capital
- ▶ New Enterprise Associates
- ▶ New Ground Ventures
- ▶ New Science Ventures
- ▶ NGP Capital
- ▶ NJF Capital
- ▶ Northcap
- ▶ North-East Venture
- ▶ Northzone
- ▶ Notion
- ▶ Numa
- ▶ Obvious Ventures
- ▶ Octopus Ventures
- ▶ ODDO BHF
- ▶ OMERS Ventures
- ▶ Omnes Capital
- ▶ One Peak Partners
- ▶ OpenOcean
- ▶ Orkila Capital
- ▶ Otium Venture
- ▶ P101
- ▶ Partech Partners
- ▶ Passion Capital
- ▶ Permira
- ▶ PHS Capital
- ▶ Pine Hill Capital
- ▶ Piton Capital
- ▶ Plug and Play
- ▶ PMatX Incubator - Merck
- ▶ Polar Light Ventures
- ▶ Ponooc
- ▶ PostFinance
- ▶ Powerplant Ventures
- ▶ Prime Ventures
- ▶ Princeville Global
- ▶ PROfounders Capital
- ▶ Promus Ventures
- ▶ Prototron
- ▶ Proxy Ventures
- ▶ Q Capital Ventures
- ▶ R/GA Ventures
- ▶ Radical Ventures
- ▶ Raine Ventures
- ▶ Rakuten Capital
- ▶ Randstad Innovation Fund
- ▶ Recruit Strategic Partners
- ▶ Red Stars
- ▶ Redalpine
- ▶ Redpoint Ventures
- ▶ Reflex Capital
- ▶ REV
- ▶ Revo Capital
- ▶ Ribbit Capital
- ▶ Ringier Digital Ventures
- ▶ rocketship.vc
- ▶ Route 66 Ventures
- ▶ RTAventures VC
- ▶ Runa Capital
- ▶ ru-Net
- ▶ Russmedia Group
- ▶ Saban Ventures
- ▶ Salesforce Ventures
- ▶ Samsung Next Ventures
- ▶ Santander InnoVentures
- ▶ Scania Growth Capital
- ▶ Schroder Adveq
- ▶ Scottish Equity Partners
- ▶ Seal Rock Partners
- ▶ Seaya Ventures
- ▶ Seedcamp
- ▶ Sequoia Capital
- ▶ SET Ventures
- ▶ Seventure Partners
- ▶ Shell Tech Ventures
- ▶ Shenzhen Capital Group
- ▶ Sherpa Capital
- ▶ Silicon Valley Bank
- ▶ Silver Lake Partners
- ▶ Slack Fund
- ▶ Softbank
- ▶ Sonae IM
- ▶ Sound Ventures
- ▶ Spark Capital
- ▶ SPDG
- ▶ Spectrum Equity
- ▶ Speedinvest
- ▶ startup300
- ▶ Startupbootcamp
- ▶ Summit Partners
- ▶ Swiss Founders Fund
- ▶ Sycamore Partners
- ▶ Synapse Partners
- ▶ TA Associates
- ▶ TA Capital
- ▶ TA Ventures
- ▶ Talis Capital
- ▶ TCV
- ▶ Techstars
- ▶ Temasek Holdings
- ▶ Tenaya Capital
- ▶ Tencent Holdings
- ▶ Tenderloin Ventures
- ▶ Texas Atlantic Capital
- ▶ The Macquarie VC Studio
- ▶ The Westly Group
- ▶ Thrive Capital
- ▶ Tiger Global Management
- ▶ Tiller Partners
- ▶ Time for Growth
- ▶ Toba Capital
- ▶ Toscafund Asset Management
- ▶ Total Ventures
- ▶ TPG
- ▶ Transamerica Ventures
- ▶ Trinity Ventures
- ▶ Troy Capital Partners
- ▶ Twitter Ventures
- ▶ Uncork Capital
- ▶ Unilever Ventures
- ▶ Union Square Ventures
- ▶ UNIQA Ventures
- ▶ Up to Eleven
- ▶ Upheaval Investments
- ▶ Urban Us
- ▶ U-Start
- ▶ Valar Ventures
- ▶ Vantage Investment Management
- ▶ Värde Partners
- ▶ Ventech
- ▶ VentureEU
- ▶ Verdane Capital
- ▶ Version One Ventures
- ▶ VI Partners AG
- ▶ Victory Park Capital
- ▶ VisVires New Protein
- ▶ Vitamina K Venture Capital
- ▶ Vitruvian Partners
- ▶ Volta Ventures
- ▶ Vostok New Ventures
- ▶ VP Capital
- ▶ Warburg Pincus
- ▶ Warsaw Equity Group
- ▶ Westcott LLC
- ▶ White Star Capital
- ▶ Woori Technology Investment
- ▶ Xploration Capital
- ▶ Y Combinator
- ▶ Yuan Capital
- ▶ ZKB Start-up Finance
- ▶ Zobito

# CS

# Appendix

# Methodology and Disclaimer

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

EY points out that the study does not represent an adequate basis for a final decision about the information shown in the study. The study is not comprehensive or complete in the sense of containing all the facts which might be of interest in connection with the information described.

The study has been prepared with the usual care required for such studies. Unless referring to EY itself, the information presented has not been reviewed by EY with regard to its accuracy or completeness. The information has been gathered by desktop research (incl. public sources, disclosed information and acknowledged databases) and complemented by our own market knowledge (but includes no confidential information in any sense), as well as qualitative and quantitative research.

EY is not responsible for incomplete or false information. Thus, readers are recommended to examine all information prior to making any decision. EY is not liable for any missing or false information and statements in this study or other oral or written remarks made in connection with the study.

The information in the study has been prepared for a certain target date, prior to the presentation. The main cut-off point for the research is 31 December 2019, with some exceptions relating to research and deals mentioned. Thus, the accuracy at the date of the presentation cannot be guaranteed. Any statement regarding future developments is not binding and merely represents an expectation. Stating a value does not constitute a valuation as defined by the Institute of Public Auditors in Germany ("IDW") in the generally accepted standards for valuation engagements.

We define fundings as equity or debt financing provided to a German-based start-up (with a change in ownership below 50%) that operates in one of the digital sectors (e.g. consumer products and services, software and IT services, financial technology, mobility, media and entertainment). Investments (including M&A deals and IPOs) in start-ups falling into the life science sector or non-digital business models have been excluded. This explains the difference

between the number of deals presented in the EY start-up Barometer in 2019 (704) compared to the number of investments presented in this study (671).

M&A activity comprises transactions with a change in ownership of more than 50%. Specifically, values and volumes used throughout this report are based on completion dates for transactions with a disclosed deal value and supplemented by additional independent research - sometimes based on rumors stated in public sources. We have used a standard exchange rate for EUR to USD of 1:1.18 for all conversions in this document if performed. We define initial public offering (IPO) as a public offering in which a German start-up sells stocks for the first time.

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

Start-ups are companies generally younger than 10 years old. Exceptions might apply for older companies that have digitally transformed their business model during the last 10 years. Information related to previous periods is updated periodically, based on new data collected for deals closed during previous periods but not reflected in previous data sets.

Information for start-ups, financing, funds and M&A activity includes information for companies belonging to one of the digital sectors. Certain adjustments have been made to the information to exclude transactions that are not specific to digital.

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

- ▶ Software & Analytics: (mobile) applications, new digital technologies for industries or services
- ▶ FinTech: (mobile) banking and insurance solutions
- ▶ Mobility: Smart logistics, ride sharing, travel & leisure
- ▶ E-commerce: (online) B2C retailers, food (delivery) and beverage
- ▶ Other: any (Tech-related) business activity not covered by the above classifications.

# Insights and events



## EY Start-up Barometer (2019)

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



## Global IPO trends: Q1-Q4 (2019)

EY Global IPO trends report is released every quarter and looks at the IPO markets, trends and outlook for the Americas, Asia-Pacific, Japan and EMEA regions. The report provides insights, facts and figures on the 2019 IPO market year-to-date and analyzes the implications for companies planning to go public in the short and medium term.



## Germany FinTech Landscape

The EY Germany FinTech study (Germany FinTech Landscape) is a flagship annual publication that gives insights into the key developments, trends and perspectives in the German FinTech market. The report covers such topics as investment flows, largest FinTech deals, banks' response to FinTech activity, inter-FinTech cooperations and development of FinTech based ecosystems. The 2019 edition of the study will be published in early 2020.



## EY Start-up Academy (Germany)

The EY Start-up Academy is a 6-week program in which selected start-ups are given the unique opportunity to improve their business model and its main components through structured help and advice from EY experts. The program is aimed at Tech or FinTech start-ups that have already completed the alpha phase, already have a Minimum Viable Product or a Proof of Concept and are looking for financing within the next 12 months.



## EY Entrepreneur of the Year (Global)

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



## EY Start-Up-Initiative/ EYnovation™ (Germany)

Meet EYnovation™ is a partnership program to guide founders from the foundation of a business to market leadership. EYnovation™ is a tailor-made subscription, with all EY services a founder needs to grow its business. And it offers direct access to EY's worldwide network.

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