\sifted/Reports

H2 2024 review

The cooldown has another twist in the tale

Introduction

Closing out 2024, the mood around European tech isn't as optimistic as it was earlier in the year. In H1, €49.9bn was injected — including debt and grants — into the continent's startups, signalling that the 2023 cooldown was behind us. Six months on, the comparable figure is a mere €22.4bn — a 55% drop — and the number of deals completed is the lowest reported since 2012.

The second half of the year — H2, as we refer to it across this report — has been full of distractions. There was an Olympic Games and plenty of political turmoil in France; while in Germany, the economy is set to decline for a second consecutive year. Northvolt, Europe's most-funded startup which has carried the weight of Europe's domestic battery hopes on its shoulders, filed for Chapter 11 bankruptcy in November.

It's without doubt a bad story for Europe and its ability to produce world-class tech companies worthy of competing on the global stage. Debt financing — from both European and international banks — has dried up ever since; as has late-stage capital (both detailed in the pages ahead). Climate and deeptech are the worst affected.

It's not all bad news. The breakout of secondaries, particularly noticeable in fintech, has meant some of Europe's brightest have released some liquidity to employees and investors who have done their best to remain patient with IPO markets frozen. There's lots of excitement in AI, data and dev tools, and other sectors like hospitality, travel and insurtech have also stuck their heads above the sand — minting 13 unicorns along the way, 3 more than last year. And who knows, being more selective and backing fewer companies may actually turn out to be a positive move: median round sizes are up nearly across the board.

2024 was supposed to be the year of consolidation (news flash: it wasn't!), but 2025 needs to be the year of momentum. Maybe it's time to reset our expectations, stop comparing ourselves to the US and re-focus on building great tech companies in areas where we have competitive advantage.

***Jonathan Sinclair**, head of research*

December 2024

H2 highlights

H2 INVESTMENT:
Equity, debt and grant investment in H2 totalled €22.4bn from 2,221 rounds. A drop from H1's €49.9bn investment across 3,118 deals.

EQUITY:
Dilutive financing in H2 added up to €18.4bn, slightly down on H1's €28.6bn.

DEBT:
Debt in H2 dropped (or, returned to normal levels) to €4bn across 119 deals, compared to the strong first half of the year (€21.2bn).

EARLY-STAGE:
Pre-seed, seed and Series A deals accounted for 84% (1,838) of the total deal count but only 33% (€7.3bn) of the funding.

VERTICALS:
Climate tech attracted the highest investment by far (€5.4bn), driven by a few massive debt rounds, though it fell short of the €22.3bn raised in H1. B2B followed closely, securing €5.3bn.

MEGAROUNDS:
48 rounds of $100m+ were announced in H2 vs 94 in H1. 32 of those were equity.

BIGGEST DEALS (EQUITY):
French Poolside AI had the sixth biggest series B round ever in Europe (€460m). Turkish Insider (€459m) secured the most capital in H2, followed by German defence tech startup Helsing (€450m).

BIGGEST DEALS (DEBT):
Estonian Sunny's €300m was the largest debt deal, trailed by Iwoca's €236m in digital lending and French retail Knave's €225m.

M&A:
H2's total M&A value came in €15bn less than H1.

CITIES:
London led the pack with €4.6bn in funding, followed by Paris with €2bn. Munich, Berlin and Stockholm rounded out the top cities.

ROUND SIZES:
Average deal size in H2 (€10.6m) remains similar to H1 (€11.9m), excluding debt.

SECTORS:
Drug discovery, data & analytics and payments took center stage in funding, while medtech, foodtech, and biotech led the way in deal counts.

SECONDARIES:
Deals for the likes of Team. blue (€550m), Odoo (€500m) and Vinted (€340m) far surpassed H1's highest deal of €108m, setting a new benchmark for the market.

COUNTRIES:
The UK (€6.6bn) edged out Germany (€3.6bn) for the most funding, fueled by a busy October, while France secured third place with €2.9bn.

Equity funding

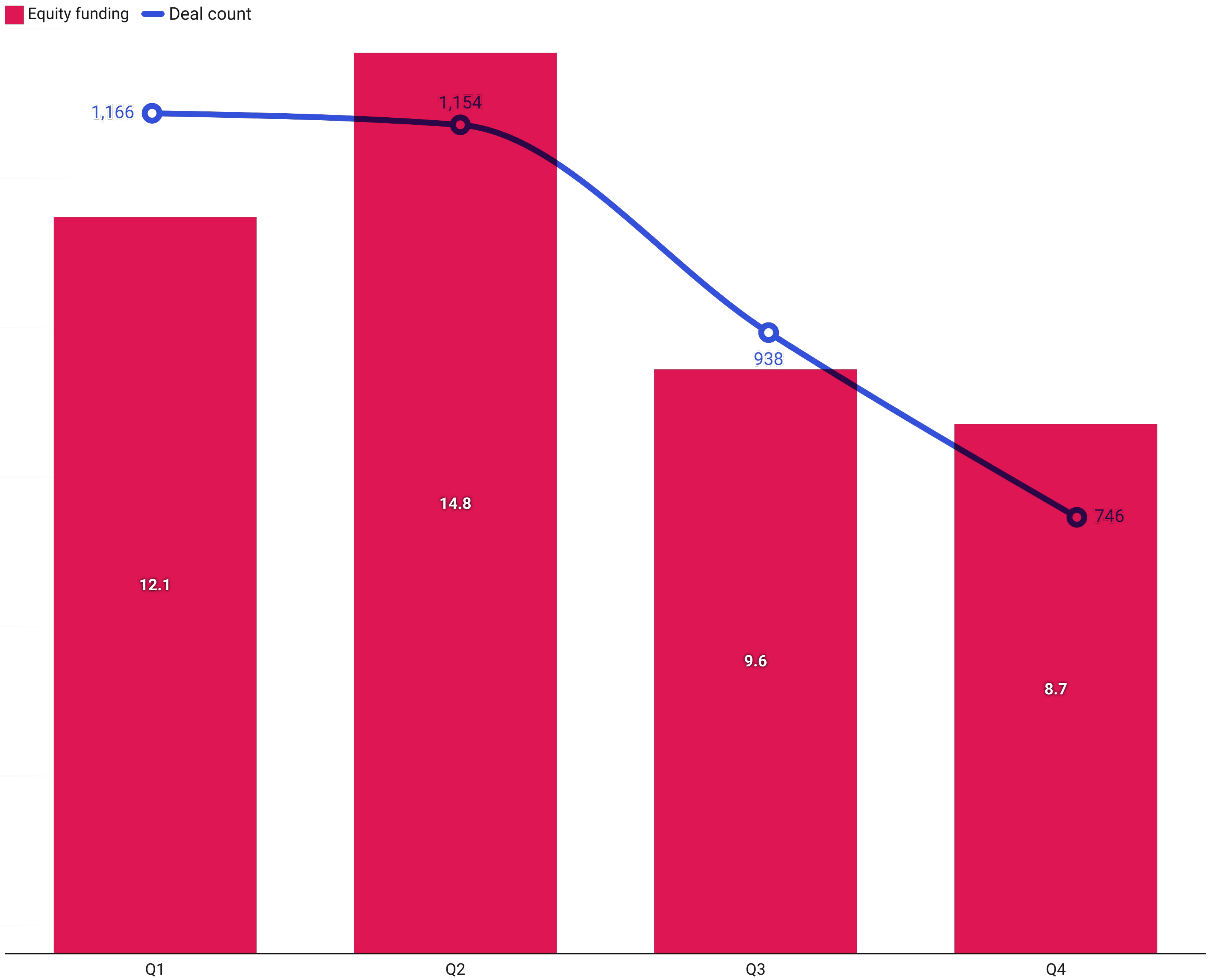
H2 saw the lowest number of deals announced since H2 2012

Q4 will, in all likelihood, surpass the previous quarter's funding figure once the dust settles on deals finalised at the bitter end of the year. Still, it's a bleak picture: deal activity as low as 2012 levels and investment down by 32% on H1.

"Two consecutive sub-€10bn quarters don't inspire much confidence going into 2025. It's a disappointing end to a year that started so brightly."

***Jonathan Sinclair**, head of research*

European VC equity funding by quarter, 2024 (€bn)



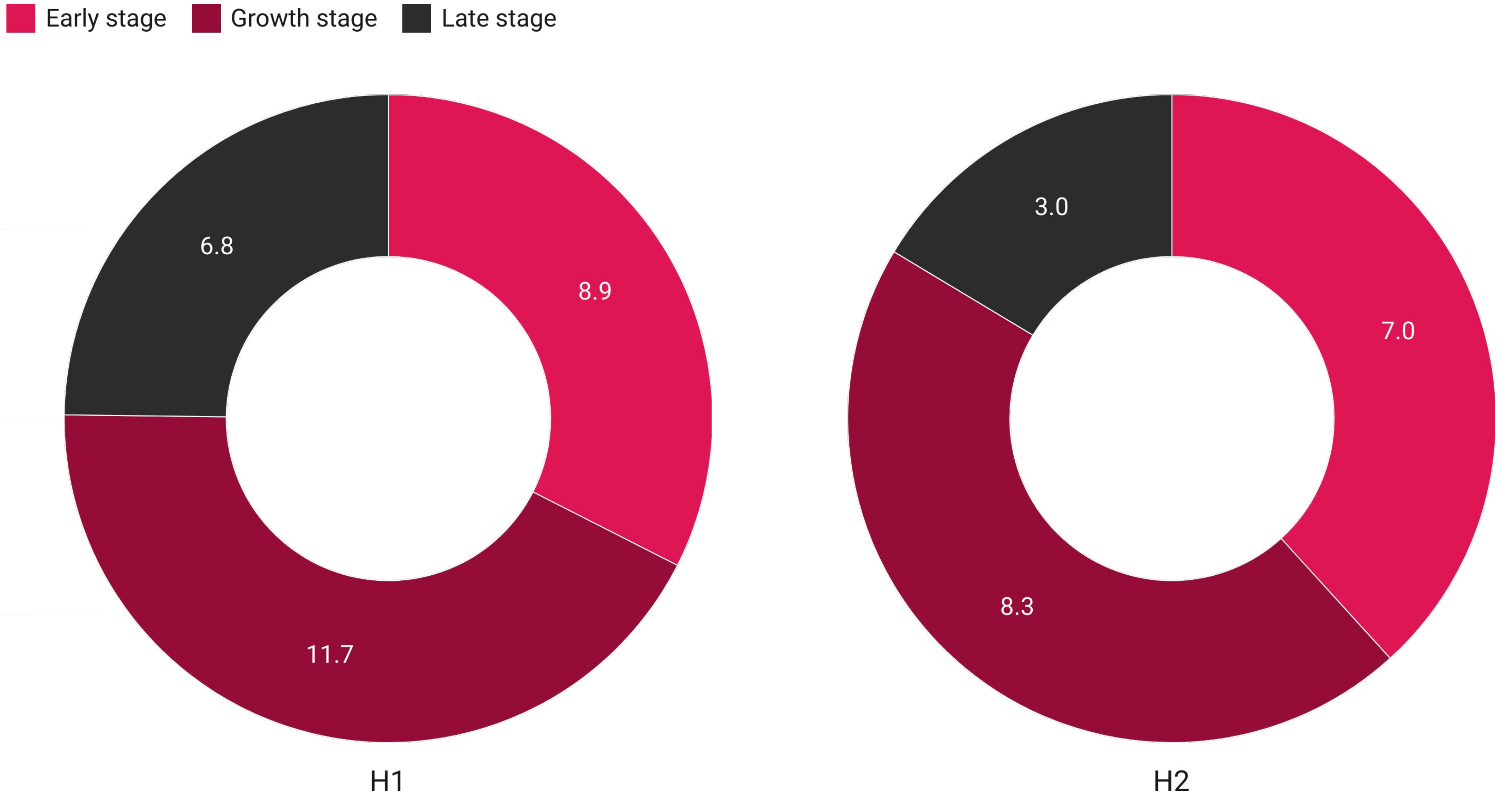
Source: Sifted
Data accurate up to Dec 3, 2024

Late-stage capital dropped by 56%

Europe's late-stage startups — Series D+ — have felt the pinch this year, particularly since July. Capital has continued to flow from pre-seed to Series A, accounting for as much as 38% of the investment in H2, up from 32% in H1.

> "Early-stage funding has been consistent all year long, as it has been for some time. Late-stage companies (Series D+) are increasingly looking to the debt and secondary markets instead for liquidity."
>
> ***Éanna Kelly**, contributing editor*

European VC equity funding by stage, H1-H2 2024 (€bn)



Source: Sifted
Data accurate up to Dec 3, 2024
Sifted defines early stage as up to an including Series A, growth stage as Series B and C and late stage as Series D up to but excluding IPO.

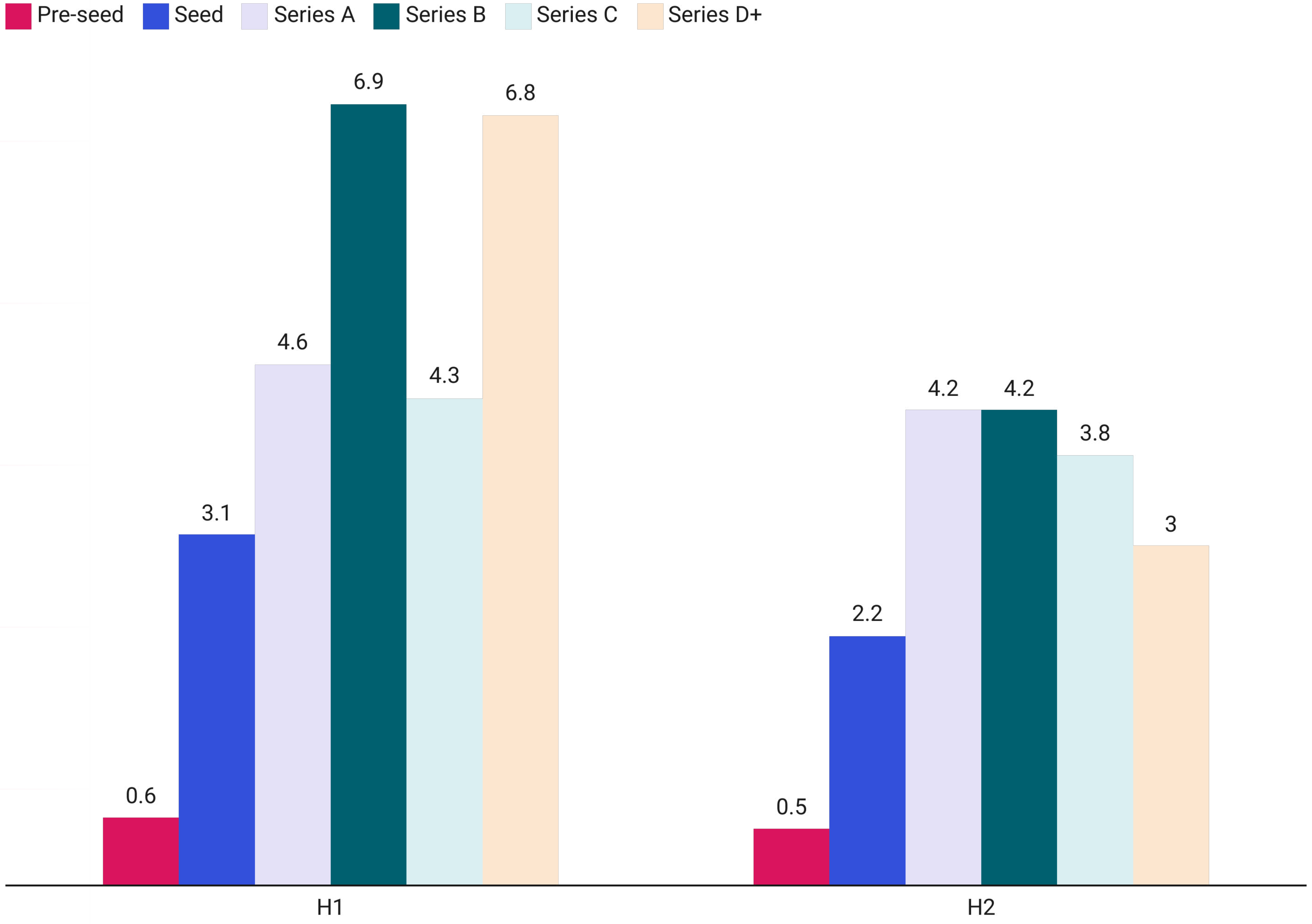
Contrasting stories for Europe's engine room, Series A-C

Series A and C rounds weathered the H2 comedown better than most. Series A funding only fell by 8.7% between H1 and H2, while Series C wasn't far behind with -11.6%. Series B-stage, however, is where companies found it tough to raise in H2: funding for that particular round fell by 39.1% to €4.2bn.

"The data suggests that Series B has become the hardest round to raise in Europe. Using H2 deal count as a rough proxy for graduation rates, the ratio of Series A to seed rounds announced was 1:2; Series A to B was 1:3 and B to C was 1:2."

***Jonathan Sinclair**, head of research*

Total funding per equity round type when disclosed, H1-H2 2024 (€bn)



Source: Sifted
Each round type includes named extensions of that round

Flight to quality

The headline: deal count across all round types fell in H2 — most noticeably at pre-seed (-38.4%) and Series D+ (-50%). Yet, the median pre-seed grew 15.7% to €870k, while seed (+0.9%), Series A (+1.5%) and C (+4.3%) saw modest increases.

"Less is more? That seemed to be the VC strategy in H2. Whether that's deliberate — putting their eggs in fewer baskets — or simply a lack of capital, we'll have a better idea in the new year. It could be a positive change for Europe in focusing its attention on market leaders with bigger addressable markets."

***Federico Scolari**, senior analyst & data lead*

Median equity round sizes, H1-H2 2024

Round (or equivalent)	H2 deal count	Change from H1 (+/-%)	H1 median (€m)	H2 median (€m)	Change (+/-%)
Pre-seed	449	-38.4	0.75	0.87	15.7
Seed	636	-20.4	2.77	2.8	0.9
Series A	335	-17.3	9.24	9.38	1.5
Series B	128	-28.5	25	25	0
Series C	57	-16.2	46.1	48.0	4.3
Series D+	24	-52	103.58	100	-3.5

Funding distribution per round or equivalent, 2024 (%)

	€0-5m	€5-10m	€10-25m	€25-50m	€50-75m	€75-100m	€100m+	Typical interval
Pre-seed	99.1	0.8	0.1	0	0	0	0	€0m - €1.5m
Seed	87	9.6	2.6	0.6	0	0.1	0.1	€1.5m - €5.5m
Series A	8.8	49.7	35.7	3.9	1.1	0.6	0.3	€5.5m - €15.5m
Series B	0.3	3.6	47.9	35.6	6.3	2.6	3.6	€15.5m - €38m
Series C	1.6	1.6	9.8	47.2	22.8	8.1	8.9	€38m - €67m
Series D+	0	0	0	0	6.4	42.6	51.1	€67m+

Source: Sifted
Where rounds do not have a specified round type e.g. Series A, rounds are modelled on typical quintile analysis.
Excludes funding rounds where the deal value is undisclosed.

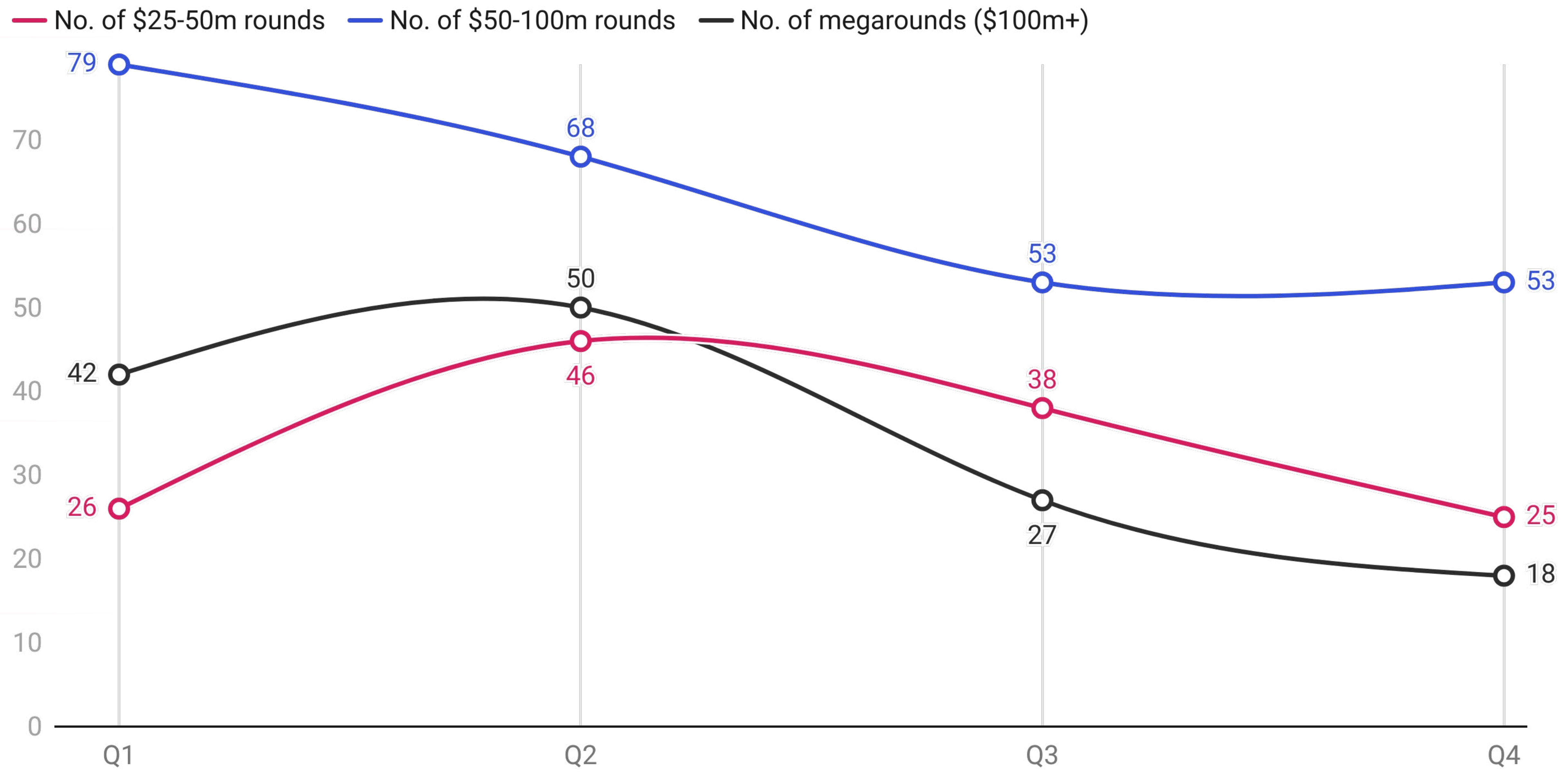
Fun while it lasted — megarounds down 51% in H2

H2 saw a drop in megaround activity with only 45 rounds — a 51% decline from H1's pace. Just five megarounds and three deals in the $50-100m bracket — the lowest of the year — in August, before a slight recovery in September with 40 deals between $25-100m and 13 megarounds. Of the verticals, healthtech led with 13 megarounds.

"Investors have been more cautious in the second half of 2024 and bigger cheques have dried up. Activity significantly cooled off from August — are some of the growth and late stage investors still on holiday?"

***Hessa Alabbas**, data analyst*

Deal count by disclosed round size, Q1-Q4 2024



Source: Sifted
Data accurate up to Dec 3, 2024
Intervals in USD as Sifted defines a megaround as any round above $100m.

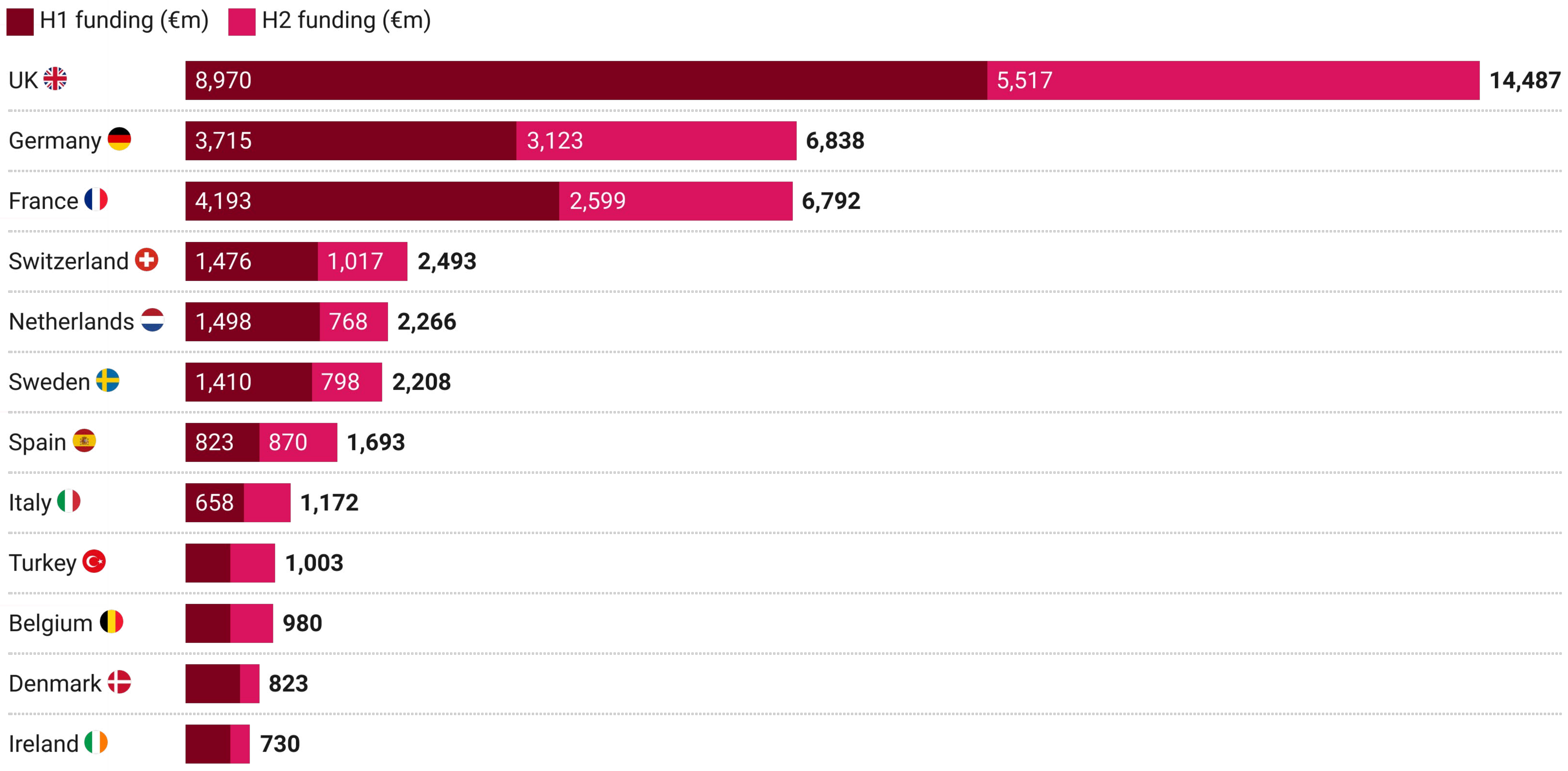
The fierce(r) battle for tech supremacy

As ever, the UK closed the year on top: €14.5bn was secured by British startups, more than the combined investment in Germany and France — narrowly separated as things stand by €46m (equivalent to a rounding error). Spain stayed the course in H2, finishing above the Dutch and Swedes since July, and Belgium had a stronger year than last.

"Can anyone really challenge the UK's supremacy? France is thinking about it — more so in strategic areas like AI. Germany's still holding strong, as ecosystems in Southern Europe begin to close the gap. Competition may just be what European tech needs."

***Federico Scolari**, senior analyst & data lead*

Top 12 countries by VC equity funding, H1-H2 2024



Source: Sifted
Data accurate up to Dec 3, 2024
Countries are sorted by total funding

Iberia stays strong; while, the Netherlands and Denmark suffer

After a few sizeable rounds in H1 and two unicorns minted — its first since 2022 — the Dutch experienced the sharpest fall in equity funding of the larger ecosystems in H2 (-49%). Three of the Nordics countries feature on the biggest fallers list, with Denmark (-66%) and Norway (-45%) struggling in particular.

> "Most countries saw investment drop in H2. For the smaller countries, there's too much fluctuation to really say whether a country is moving one way or the other. The bigger the ecosystem, however, the bigger the cracks."

***Éanna Kelly**, contributing editor*

Countries with the biggest increase and decrease (%) in VC equity funding, H1-H2 2024

Country	H1 funding (€m)	H2 funding (€m)	biggest increase/decrease %
Spain	823	870	6
Turkey	495	508	3
Belgium	503	477	-5
Germany	3,715	3,123	-16
Italy	658	514	-22
Switzerland	1,476	1,017	-31
France	4,194	2,599	-38
United Kingdom	8,970	5,518	-39
Sweden	1,411	798	-43
Netherlands	1,499	768	-49

Source: Sifted
Data accurate up to Dec 3, 2024; funding figures are rounded to the nearest million
Includes countries with funding above the H2 average

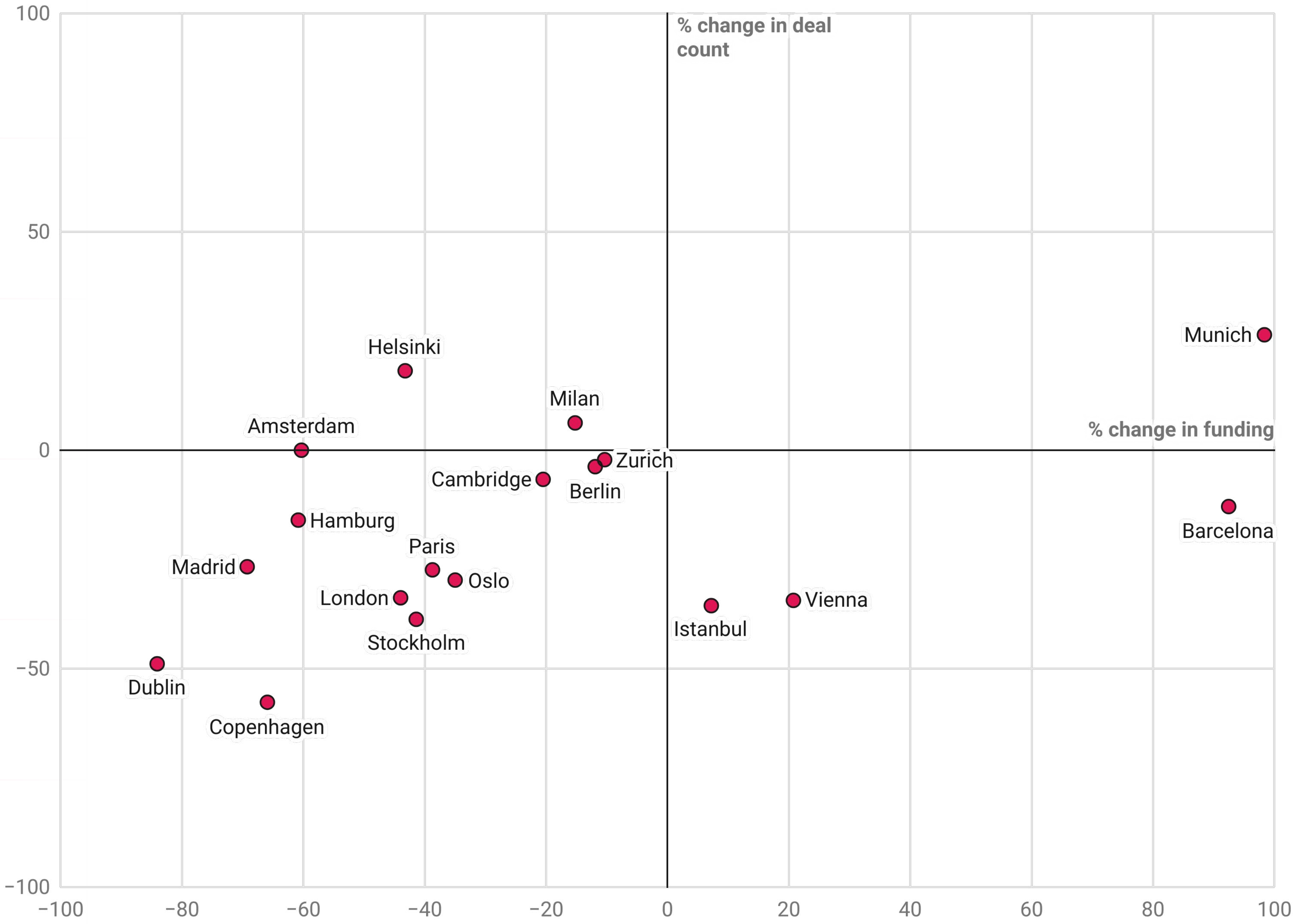
Munich and Barcelona take the lead

The Bavarian capital, Munich, where deal activity climbed by 26%, had some heavy hitters to thank in H2: Helsing (€450m), EGYM (€184m) and The Exploration Company (€147m). Milan and Helsinki were the only other two big tech hubs to see an uptick. Despite fewer rounds, Barcelona (+92% funding growth) was just behind Munich (+98%) with SeQura (€205m) and Impress (€108m) impressing.

"It's a similar story in Germany and Spain: Munich and Barcelona are now the hotspots for innovation, rather than the capitals Berlin and Madrid. Barcelona (€983m), in particular, has left Madrid (€377m) in its wake in 2024."

***Hessa Alabbas**, data analyst*

% change in VC equity funding and deal count for Europe's top tech hubs, H1-H2 2024



Source: Sifted
Data accurate up to Dec 3, 2024
Only includes tech hubs with at least 40 funding rounds tracked by Sifted in 2024

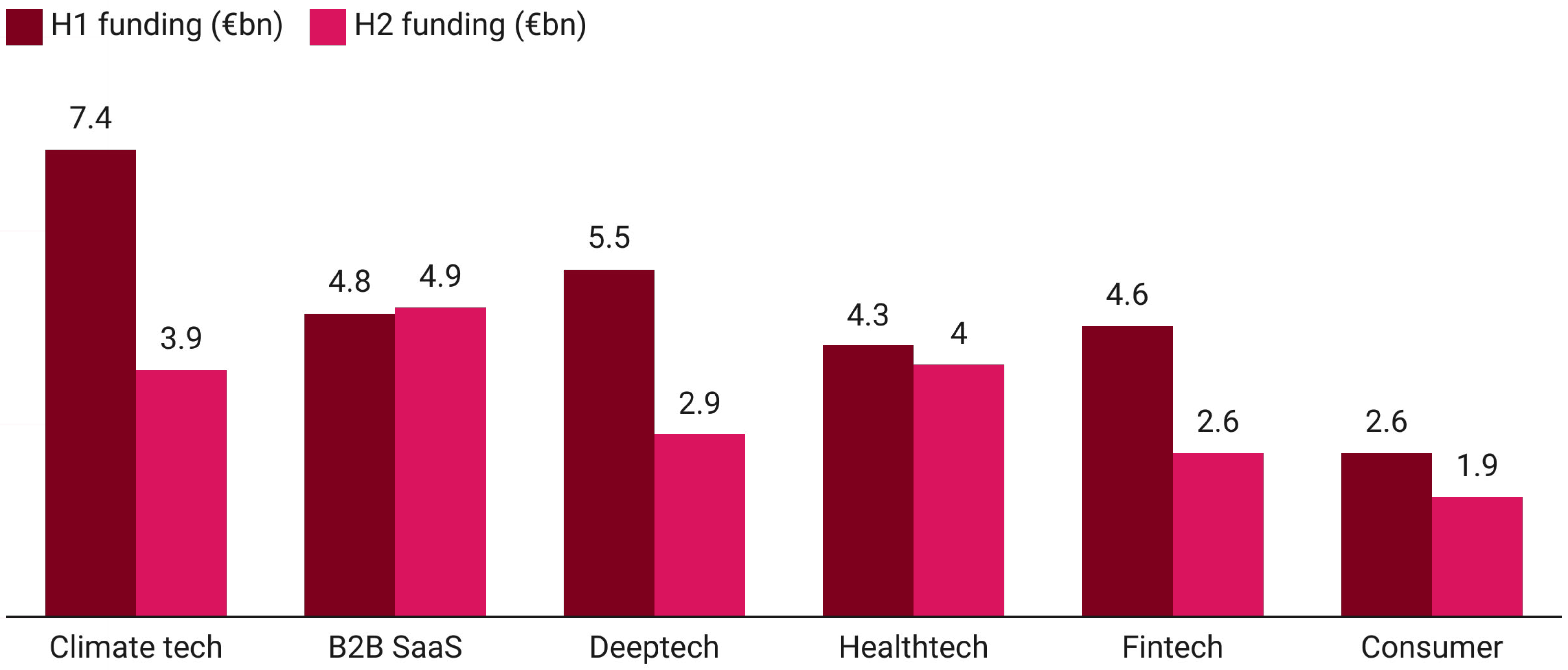
Verticals H1vH2

It's been a year of two halves for most verticals — quite literally. After a hopeful start to the year, equity funding for both climate tech and deeptech dropped 47% between H1 and H2, followed by fintech (-43%) and consumer (-27%). B2B SaaS was the only vertical to close in the green (+2%), while healthtech reported the smallest dip (-7%).

"H2 is to H1 what 2024 is to 2021: a reality check for VCs and startups alike. Earlier this year it seemed that Europe's keystone verticals were making a comeback — especially fintech — or at least stabilising, but only B2B SaaS upheld its H1 promise."

***Federico Scolari**, senior analyst & data lead*

VC equity funding by vertical, H1-H2 2024



Source: Sifted

Median round sizes soar

Despite a drop in deal count across every vertical — ranging from -21% (B2B SaaS) to -44% (fintech) — there's a silver lining: median round sizes were on the up, except for deeptech. Consumer was the surprise star, with close to 100% growth in its median round size. It remains the lowest of the tracked verticals, however, at €2.3m, as B2B SaaS jumped 60% to €2.7m.

> "Deeptech's median deal size fell slightly in H2 with only 6 megarounds. Traditionally its needs are more capital intensive than most of the other verticals, so it's important it attracts bigger sums in order to keep driving breakthroughs."

Hessa Alabbas, data analyst

Median equity round sizes by vertical, H1-H2 2024

Vertical	H2 deal count	Change from H1	H1 median (€m)	H2 median (€m)	Change
B2B SaaS	623	-21.4	1.69	2.7	60.2
Climate tech	406	-32.9	3	4.71	56.9
Healthtech	362	-27	3.23	3.5	8.2
Consumer	287	-28.6	1.17	2.3	96.8
Deeptech	264	-33.3	3.0	3	-1.2
Fintech	222	-43.7	3.0	4.54	49.2

Funding distribution per vertical, 2024 (%)

	B2B SaaS	Climate tech	Consumer	Deeptech	Fintech	Healthtech
€0-5m	72.6	58.7	77.4	62.3	58.2	60.8
€5-10m	11.4	15.8	8.2	14.2	13.9	13.2
€10-25m	9.2	13.4	8	13.1	14.3	14.7
€25-50m	3.8	6.7	3.4	5.4	8.6	5.2
€50-75m	1	1.9	1.2	1.6	1.4	2.8
€75-100m	0.9	1.4	0.5	1.1	1.4	1.6
€100m+	1.1	2	1.2	2.3	2.2	1.7

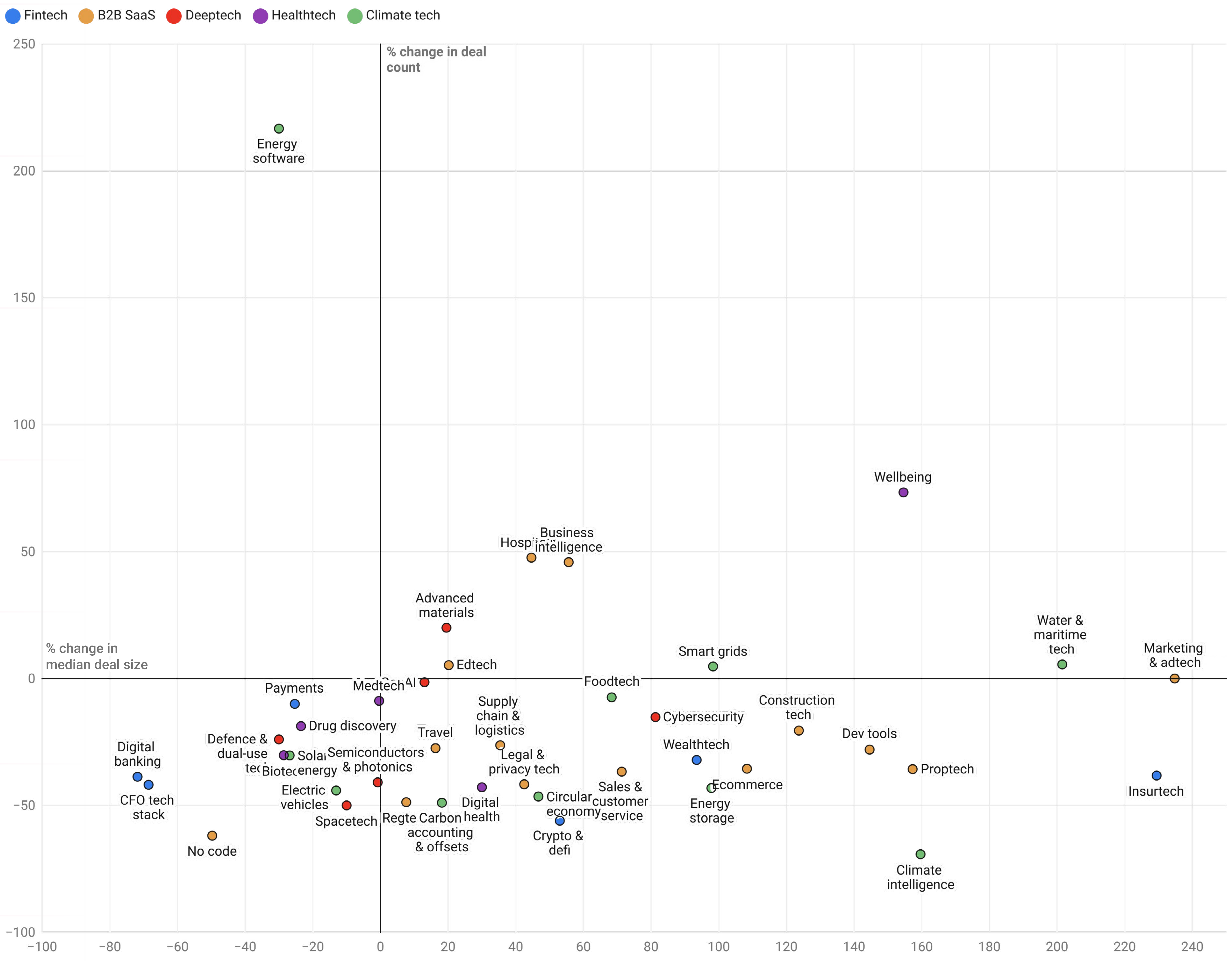
Source: Sifted

Linear growth stories are few and far between

Only a handful of the 98 sectors tracked by Sifted landed more deals this half. Energy software — SaaS tools used by companies providing or facilitating energy — topped the list by a wide margin (+217%) over wellbeing (73%) and hospitality (+48%). Marketing & advertising tech maintained a neutral pace but saw a bump in median deal size, partly due to Turkey's Insider $500m megaround.

> "There's quite a lot of volatility right now, making it hard to spot which sectors are hotter than others. Deal count's a useful metric as it signals both a cluster of tech-building in a specific space and investors backing it."
>
> ***Becca Lipman**, intelligence editor*

% change in median equity deal size and deal count for selected sectors tracked by Sifted, H1-H2 2024



Source: Sifted
Data accurate up to Dec 3, 2024
Only includes sectors with 10+ deals and €100m+ in funding in at least one of H1 or H2

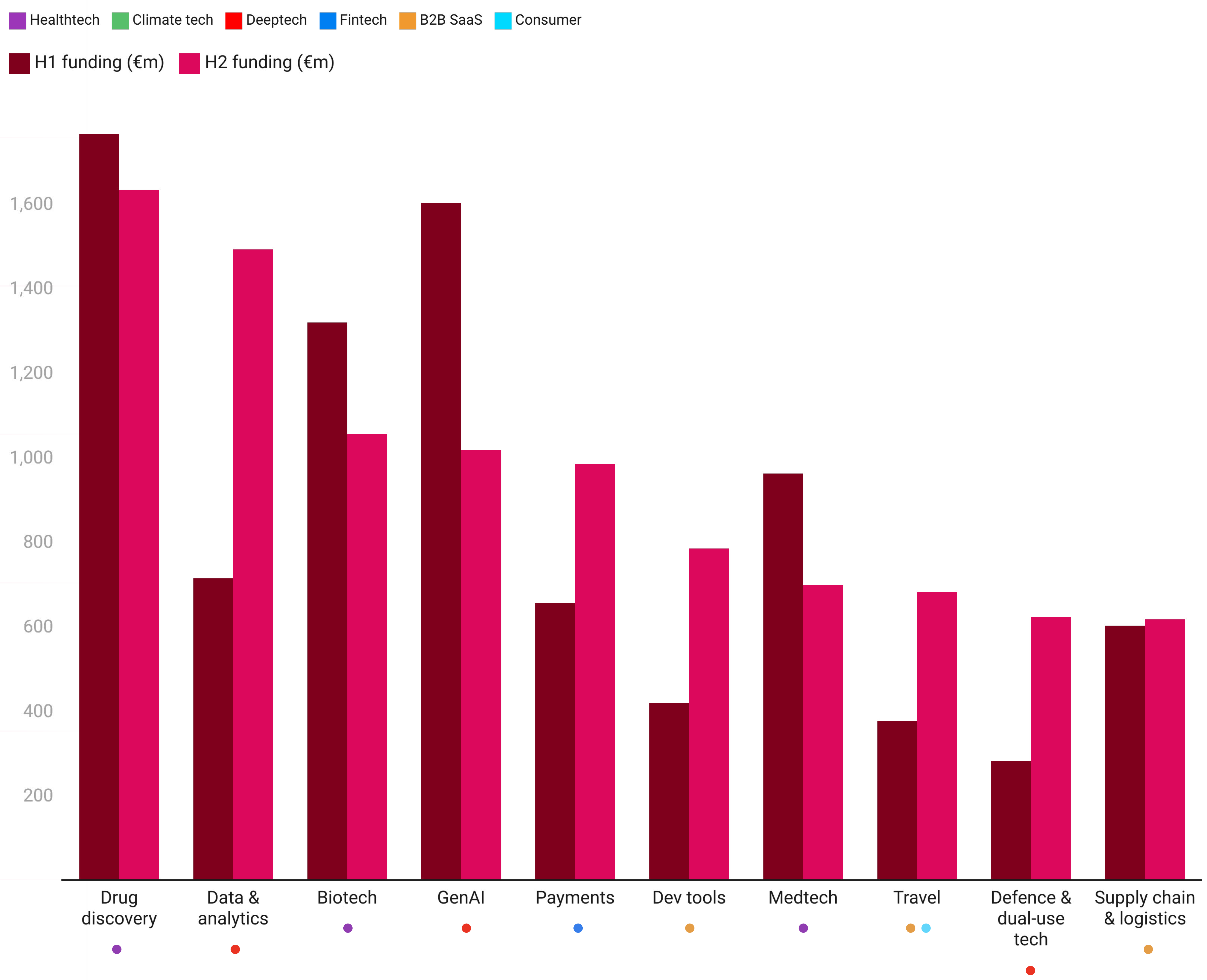
What's hot: data, GenAI and dev tools

Data & analytics, GenAI and dev tools were some of the most funded sectors in H2. It's both very young businesses raising their first rounds — Sifted reported in October that one in every two euros invested in young startups is going to AI — and growth-stage companies securing megarounds in order to scale up against global competition.

"It's a giant wave and it's not about to crash: all things data and AI have kept our newsroom busy all year, dominating discussions of where European tech is heading towards. 2025 will tell us who'll be able to survive it — and why."

***Federico Scolari**, senior analyst & data lead*

The top 10 sectors that received the most VC equity funding in H2, H1-H2 2024



Source: Sifted. Data accurate up to Dec 3, 2024. Some funding rounds have multiple sector tags, resulting in overcounting.

What's hot: insurtech

Insurtech topped the median deal size ranks of all the sectors with at least 10 funding rounds in H2. The French took centre stage with 2 megarounds — Alan's €173m Series F, cementing its unicorn status with a €4bn valuation and Akur8's €107.8m Series C. The sector raised nearly €1bn in 2024, with 61% raised in the second half. Hydrogen wasn't far behind: ZeroAvia's €138m Series C and Green Genius' €100m fundraise were the big hitters.

"Insurtech's revival was a surprise to us too. The industry is harnessing AI to better analyse large datasets for risk assessment and price modelling. It's also streamlining claim processing and fraud detection. Extreme weather is one of the main challenges right now and the industry's looking to tech for answers."

***Hessa Alabbas**, data analyst*

Top 10 sectors ranked by median equity deal size in H2

Healthtech Climate tech Deeptech Fintech B2B SaaS Consumer

Sector	H2 median deal size (€m)	H2 deal count	H2 funding (€m)	Largest round
Insurtech	13	21	503	Alan: €173m Series F
Hydrogen	11	18	506	ZeroAvia: €138m Series C
Biodiversity & conservation	9	17	145	Nattergal: €47m seed
Energy storage	8	25	419	Terralayr: €62m growth-stage
Drug discovery	7	78	2	CatalYm: €139m Series D
Aviation	7	19	264	ZeroAvia: €138m Series C
Carbon tech	7	30	265	Again: €40m Series A
Digital banking	7	19	221	The Bank of London: €49m late-stage
Climate intelligence	7	12	107	OroraTech: €25m Series B
Payments	6	45	984	Zepz: €245m Series F

Source: Sifted
Data accurate up to Dec 3, 2024
Some funding rounds have multiple sector tags, resulting in overcounting. Only sectors with 10+ deals in H2 were included.

What's hot: hospitality & travel tech

Not one but two hospitality tech companies grew a horn this year — the first unicorns in the sector. Amsterdam-based Mews, a property management platform is now valued at $1.2bn, and London-based Lighthouse (formerly OTA Insight), an hotel tech stack company, reached a valuation of $2.4bn. More generally, the sector's seen a 48% boost in deal count and a 198.8% increase in funding between H1 and H2.

"Hospitality and travel tech has finally turned the corner: demand for experiences has never been higher, and startups are taking advantage. From transportation providers to trip organisers to booking infrastructure, they're taking care of travellers on the move."

***Federico Scolari**, senior analyst & data lead*

Sectors with the highest absolute increase in equity funding, H1-H2

Healthtech · Climate tech · Deeptech · Fintech · B2B SaaS · Consumer

Sector	Increase in funding (€m)	H2 deal count	Change in deal count (+/-%)	Change in funding (+%)
Data & analytics	505	84	-30	108.87
Dev tools	358	36	-28	87.63
Marketing & adtech	305	40	0	456.68
Defence & dual-use tech	273	19	-24	121.34
Insurtech	234	21	-38.24	43.61
Hospitality	220	31	47.62	198.77
Supply chain & logistics	204	56	-26.32	2.44
Travel	191	37	-27.45	80.99
Payments	157	45	-10	49.99
Digital health	138	44	-42.86	94.99

Source: Sifted
Data accurate up to Dec 3, 2024
Some funding rounds have multiple sector tags, resulting in overcounting. Only sectors with 10+ deals in H2 were included.

The not-so-hot sectors

After a monstrous $1.05bn Series C for London-based Wayve in May and a €100m Series B for Croatian company Project 3 Mobility in February, autonomous mobility startups only raised €12.9m H2, marking the sharpest funding drop of any sector (-99%) alongside publishing (-98%) and app development (-95%).

> “A sector’s ‘hotness’ is an outlier story: some niches with only a small number of players get warm after sudden megarounds, only for their temperature to drop shortly after. Data on more mature sectors like digital banking (-82%) and lending (-80%) is more meaningful.”
>
> ***Federico Scolari**, senior analyst & data lead*

The worst performing sectors by % change in funding, H1-H2 2024

Healthtech · Climate tech · Deeptech · Fintech · B2B SaaS · Consumer

Sector	H1 funding (€m)	H2 funding (€m)	Fall in deal count	% change in funding
Autonomous mobility	1.0	12.9	11 → 6	-98.8
Publishing	215	3.4	11 → 4	-98.4
App development	196	9	12 → 4	-95.4
Creative tools	116	12.1	28 → 9	-89.5
Media & entertainment	290	31	28 → 19	-89.3
No code	172	19.5	21 → 8	-88.7
Beauty tech	118	18	21 → 12	-84.8
Digital banking	1.23	221	31 → 19	-82.1
Digital lending	890	175	33 → 16	-80.4
CFO tech stack	682	137	43 → 25	-79.8

Source: Sifted
Data accurate up to Dec 3, 2024
Only includes sectors with 10+ deals and €100m+ in funding in H1

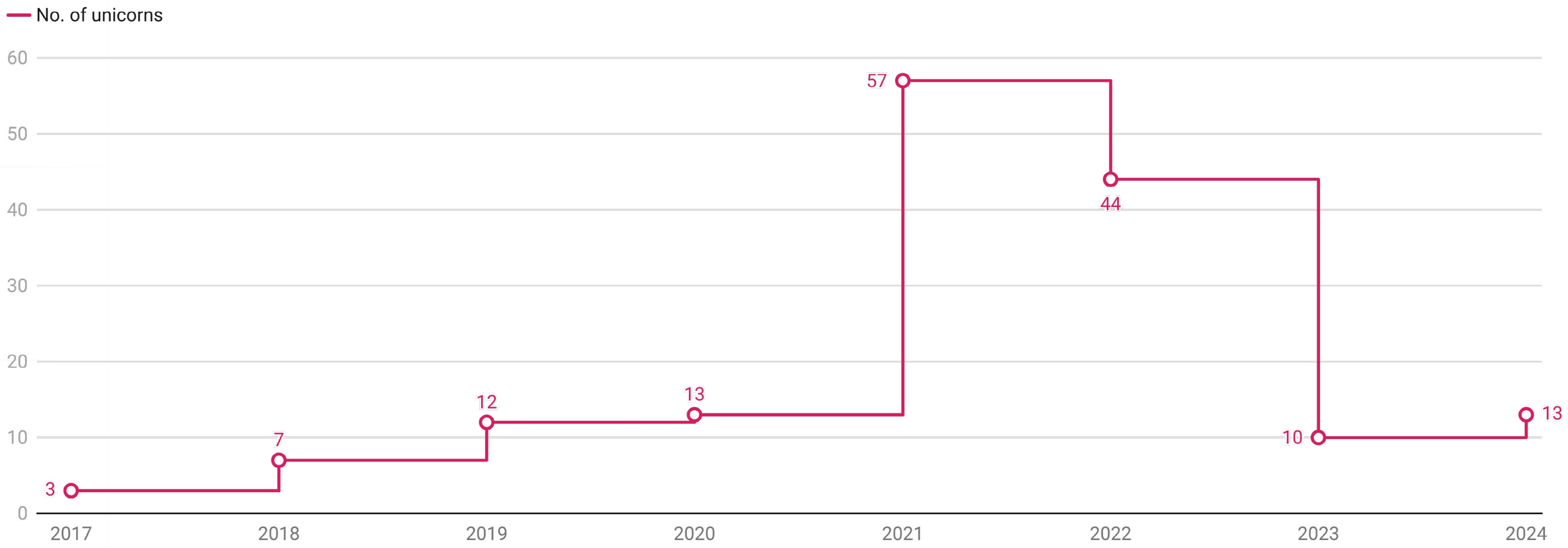
2024's unicorn tally exceeds last year — on-par with pre-2021 levels

Europe minted 13 unicorns in 2024, the same number as in 2020. Six of them landed in the second half of the year, which is a respectable showing given the analysis we've detailed on the slump of late-stage funding and megarounds.

"The UK should be looking over its shoulder. This is the second time that France has matched its neighbours on the other side of the Channel. The threat to the UK's tech dominance is far greater than 2018."

***Ruggero di Spigna**, startup analyst*

No. of new European publicly announced unicorns minted by year, 2017-24



No. of publicly announced unicorns minted by country, 2024

Source: Sifted
Data accurate up to Dec 3, 2024
Sifted defines Unicorns private tech companies launched after 2005

Poolside AI is Europe's youngest unicorn

All four of the French unicorns minted this year were founded since 2020, which speaks to the speed at which French startups are scaling. Sifted analysis in October found that France is Europe's leading hub for young startups, thanks to Paris' strength in AI. There's still by far more capital available in the UK, but the most exciting startups are increasingly French (and investors know it too), which bodes well for their unicorn creation prospects.

"The CFO tech stack and hospitality sectors caught a rare piece of the limelight this year. Although not hugely exciting, these companies have stable revenue, and defensible, must-have tools for certain businesses."

***Ruggero di Spigna**, senior analyst*

New unicorns in Europe, H1-H2 2024

Healthtech | Climate tech | Deeptech | Fintech | B2B SaaS | Consumer

Became Unicorn	Name	HQ city	HQ country	Founded	Sector	Last funding (€)
H1	**Minute Media**	London	🇬🇧	2011	Creator economy	Undisclosed
H1	**Pennylane**	Paris	🇫🇷	2020	CFO tech stack	40m
H1	**DataSnipper**	Amsterdam	🇳🇱	2017	CFO tech stack	91m
H1	**Bending Spoons**	Milan	🇮🇹	2013	App development	143m
H1	**Mews**	Amsterdam	🇳🇱	2012	Hospitality	101m
H1	**Pigment**	Paris	🇫🇷	2019	CFO tech stack	134m
H1	**Wayve**	London	🇬🇧	2017	Autonomous mobility	970m
H2	**Team.blue**	Ghent	🇧🇪	2019	Software development	550m*
H2	**Flo Health**	London	🇬🇧	2015	Femtech	185m
H2	**Newcleo**	Paris	🇫🇷	2021	Nuclear energy	135m
H2	**EGYM**	Munich	🇩🇪	2010	Sports	184m
H2	**Poolside AI**	Paris	🇫🇷	2023	GenAI / Dev tools	460m
H2	**Lighthouse**	London	🇬🇧	2012	Hospitality	370m

Source: Sifted
Data accurate up to Dec 3, 2024
Sifted defines unicorns as private and independent tech companies launched after 2005 that are publicly disclosed to be valued at €1bn+.
**Part-secondary transaction that valued the company at €4.8bn.*

H2's biggest deals stack up poorly beside H1's

Two of the three biggest rounds in H2 were raised by young companies — founded in 2023 (Poolside) and 2021 (Helsing) respectively. With enough early traction and VC FOMO, age is just a number. UK autonomous vehicle unicorn Wayve was the only company to raise an equity round excess of €500m in 2024.

"8 of 10 companies on here were a unicorn already or became one this year. That's not that surprising — generally, the higher the valuation, the bigger the sums. What is interesting is who's backing them: large crossover funds like KKR, General Atlantic and Bain are getting in the door earlier at Series B and C to take these growth-stage startups to the next level."

***Jonathan Sinclair**, head of research*

Top 10 biggest disclosed equity funding rounds, H2 2024

Healthtech | Climate tech | Deeptech | Fintech | B2B SaaS | Consumer

2024 rank	Company	HQ	Country	Founded	Sector	Deal size (€m)	Round type	Month	Lead investor
6	**Poolside** 🦄	Paris		2023	GenAI / Dev tools	460	Series B	July	Bain Capital Ventures
7	**Insider** 🦄	Istanbul		2012	Marketing & adtech	460	Series E	October	General Electric
8	**Helsing** 🦄	Munich		2021	Defence & dual-use tech	450	Series C	November	General Catalyst
10	**Lighthouse** 🦄	London		2012	Hospitality	370	Series C	July	KKR
18	**Zepz** 🦄	London		2010	Payments	245	Series F	October	Accel
22	**SeQura**	Barcelona		2013	Payments	205	Undisclosed	November	Undisclosed
26	**Flo Health** 🦄	London		2015	Femtech	185	Series C	July	General Atlantic
27	**EGYM** 🦄	Munich		2010	Sports	184	Series G	September	Undisclosed
29	**Alan** 🦄	Paris		2016	Insurtech / Digital health	173	Series F	September	Belfius
30	**Alentis Therapeutics**	Basel		2019	Biotech	167	Series D	November	OrbiMed

Source: Sifted
Data accurate up to Dec 3, 2024
🦄 Denotes official unicorn status

Healthtech dominated early-stage's biggest deals

The healthtech sector has captured the lion's share of early-stage funding, with six out of the top 10 deals going to biotech and drug discovery ventures. Myricx Bio, a Crick and Imperial spinout, secured €105m in Series A — second only to 'H' in 2024's biggest rounds.

"Investors are increasingly willing to back nascent players in healthtech. Similarly, Tessl turned heads in the deeptech world, raising €92m in November — just nine months after its launch, another indicator of the rapid rise of GenAI and dev tools."

***Hessa Alabbas**, data analyst*

Top 10 biggest disclosed early-stage equity funding rounds, H2 2024

Healthtech | Climate tech | Deeptech | Fintech | B2B SaaS | Consumer

2024 early-stage rank	Company	HQ	Country	Founded	Sector	Deal size (€m)	Round type	Month	Lead investor
2	**Myricx Bio**	London		2019	Biotech	105	Series A	July	Novo Holdings, Abingworth
4	**Pantera**	Mol		2022	Drug discovery	93	Series A	September	EQT
9	**Tessl**	London		2024	Dev tools / GenAI	92	Series A	November	Index Ventures
11	**Blue Earth Therapeutics**	Oxford		2021	Drug discovery	70	Series A	October	Soleus Capital, Sands Capital Management
14	**SciRhom**	Munich		2016	Biotech	63	Series A	July	Andera Partners, Kurma Partners, Hadean Ventures, MIG Capital, Wellington Partners
18	**Reverion**	Munich		2015	Biogas / Hydrogen	56	Series A	September	Energy Impact Partners
19	**Gcore**	Luxembourg		2014	Data & analytics	55	Series A	July	Wargaming
21	**ATB Therapeutics**	Marche-en-Famenne		2020	Drug discovery	54	Series A	November	EQT Life Sciences, MRL Ventures
22	**Constructive Bio**	London		2021	Biotech	53	Series A	September	Ahren, OMX Ventures, Paladin Capital Group
23	**planqc**	Munich		2022	Quantum tech	50	Series A	July	CATRON Holding, DeepTech & Climate Fonds

Source: Sifted
Data accurate up to Dec 3, 2024

Debt & secondaries

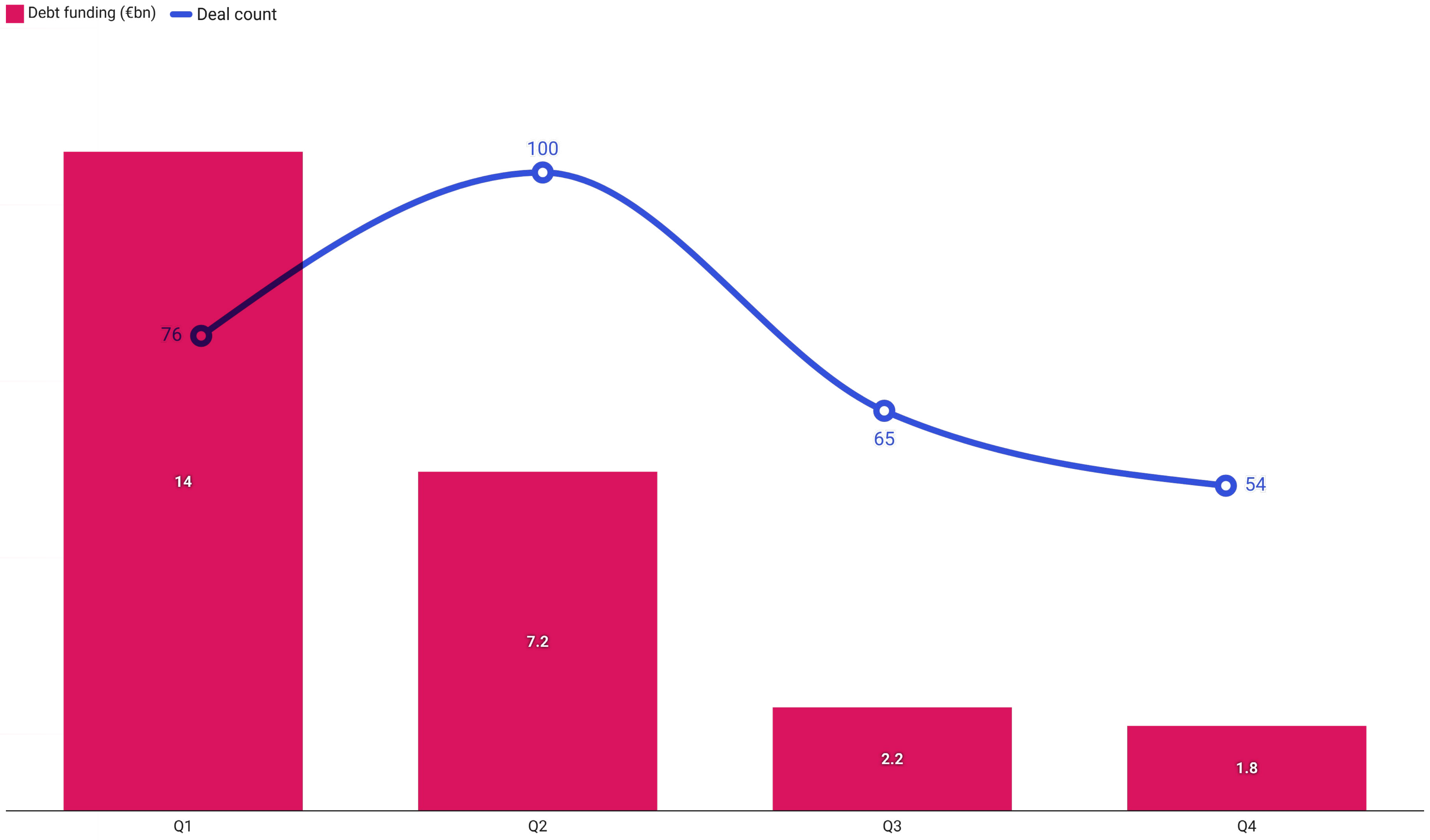
H2 slowdown means venture debt falls short of record year

European startups raised €4bn in venture debt in H2, a significant drop from the €21.2bn raised in H1. Debt financing accounted for 36% of the total €72.3bn in European funding this year — a notable increase in its share of the funding mix.

"At the midpoint of the year, it looked inevitable that venture debt would reach a record higher this year, but an H2 stumble left it short of the €28.1bn raised in 2022. The performance of Northvolt has likely spooked the banks that were so bullish about European tech at the start of the year."

***Ruggero di Spigna**, senior analyst*

European startup debt funding by quarter, 2024



Source: Sifted
Data accurate up to Dec 3, 2024
Sifted's definition of debt financing includes lending capital and convertibles.

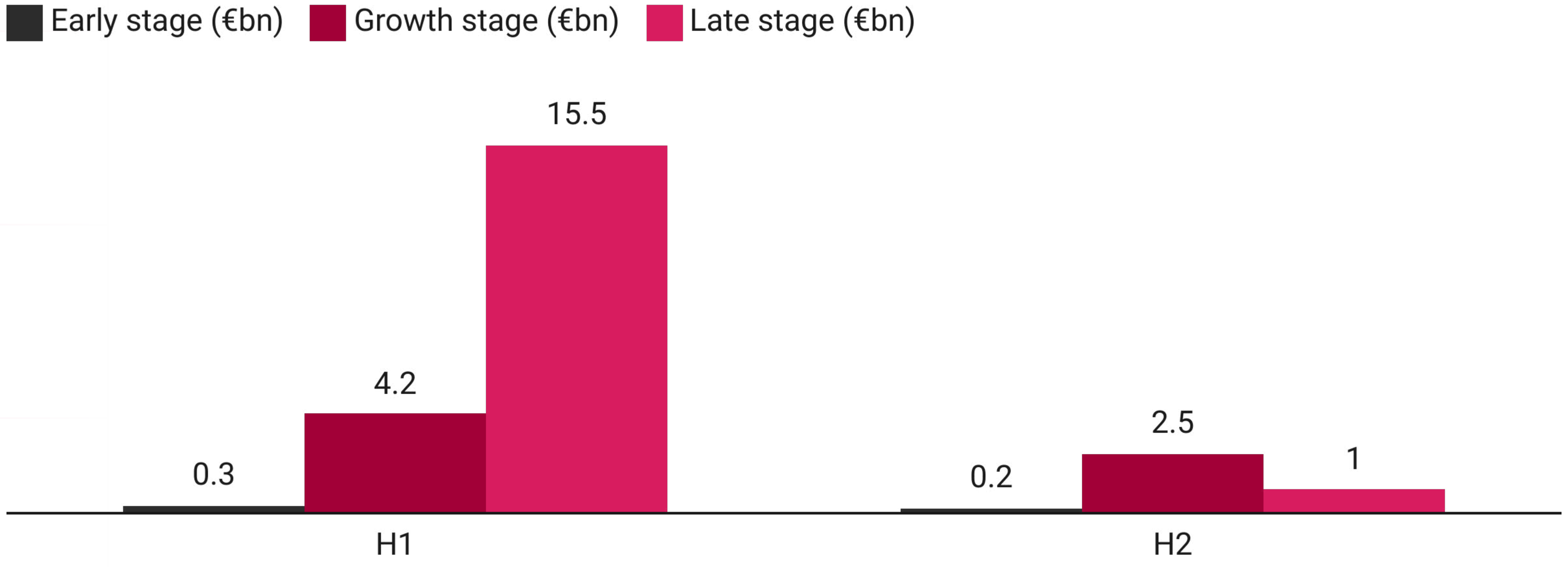
Venture debt remains top-heavy

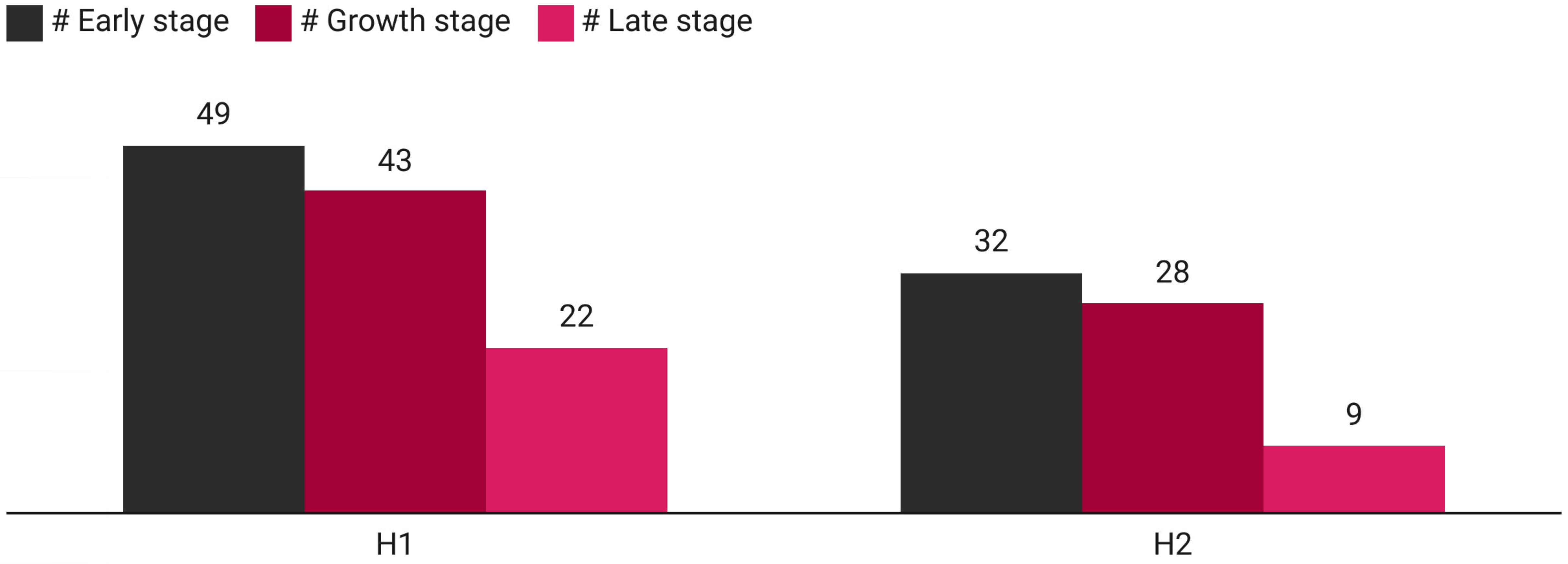
In H1, venture debt was predominantly utilised by late-stage startups, which accounted for 77% of the total debt funding. The trend shifted in H2, with growth-stage startups taking the lead, representing 69% of the total venture debt raised.

"Venture debt has become a critical financing tool for more mature companies, as reflected in deal-count trends. But the decline of debt deals (114 recorded in H1 vs 69 in H2) could point to several factors, including macroeconomic challenges, shifting investor priorities, or startups delaying fundraising in anticipation of lower interest rates."

***Ruggero di Spigna**, senior analyst*

European startup debt funding by stage, H1-H2 2024





Source: Sifted
Data accurate up to Dec 3, 2024
Sifted defines early stage as up to an including Series A, growth stage as Series B and C and late stage as Series D up to but excluding IPO.
Sifted's definition of debt financing includes lending capital and convertibles.

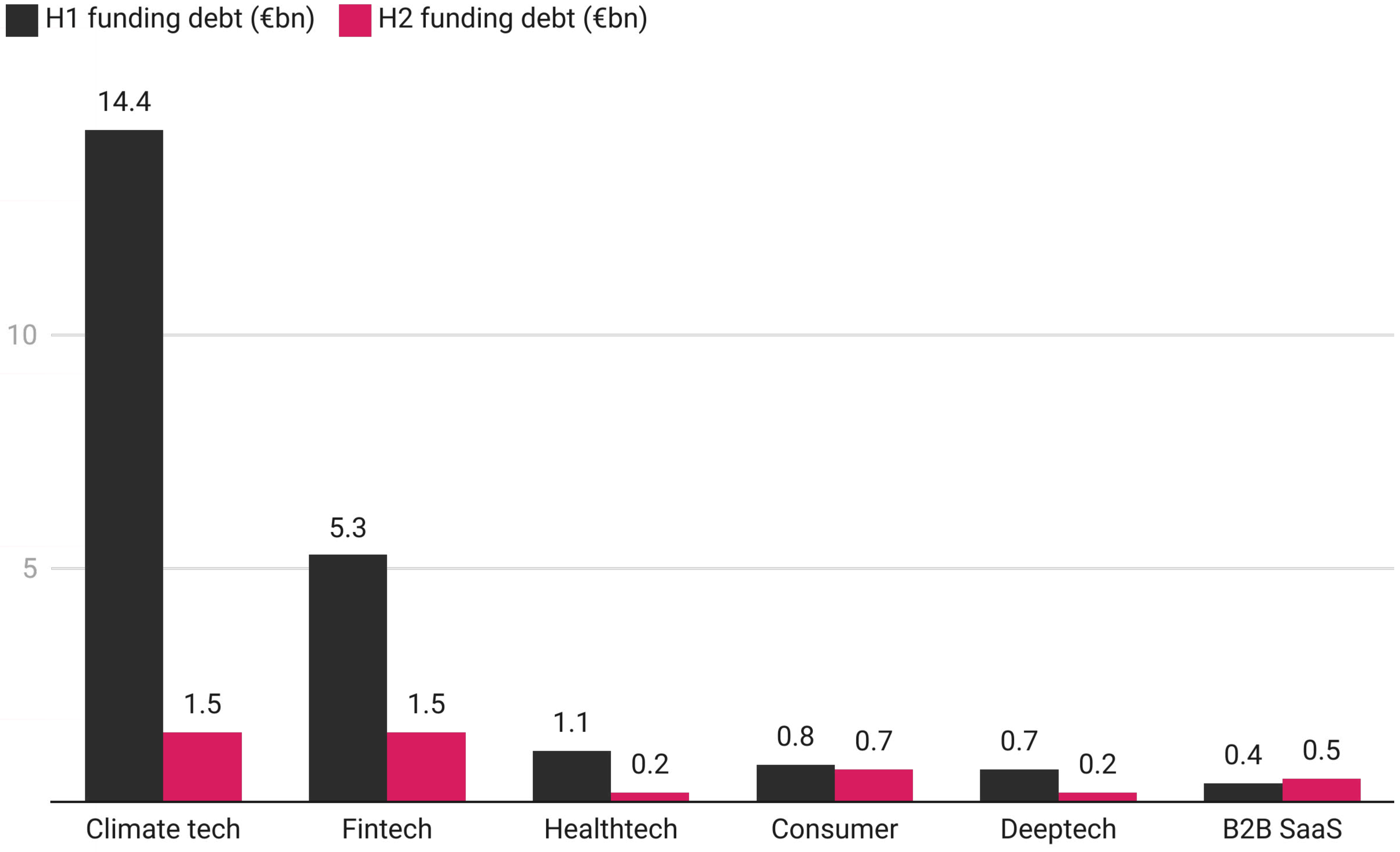
Climate and fintech have seen debt funding dry up

Both climate tech and fintech amassed €1.5bn each in debt financing in H2 — significantly lower than the €14.4bn and €5.3bn raised respectively in the previous half. For the time being, it hasn't hit the mainstream in any of the other verticals.

"Climate tech's strong reliance on debt financing is understandable, as many of these companies deploy capital-intensive physical hardware that generate insufficient cash flow to self-finance. Debt offers a viable funding solution, even though it may not always align with the risk-return profiles sought by more traditional venture capital."

***Ruggero di Spigna**, senior analyst*

European startup debt funding by vertical, H1-H2 2024



Source: Sifted
Data accurate up to Dec 3, 2024
Some rounds have multiple vertical tags, resulting in overcounting.
Sifted's definition of debt financing includes lending capital and convertibles.

H2's biggest debt deals: small sums compared to H1

H2's largest debt rounds — Sunly (€300m), iwoca (€235m) and Knawe (€225m) — pale in comparison to the top three debt deals in H1: Northvolt (€5bn), H2 Green Steel (€4.2bn), and SumUp (€1.5bn). Nine of the ten deals occurred in climate or fintech, underlining where debt activity has so far been concentrated.

"The bigger equity rounds tend to go to the more mature ecosystems, but based on this, debt financing doesn't seem to discriminate. Spanish startups featured on this list three times, as well as unlikely players Estonia and Finland."

***Becca Lipman**, intelligence editor*

Top 10 biggest disclosed debt funding rounds, H2 2024

Healthtech Climate tech Deeptech Fintech B2B SaaS Consumer

2024 debt rank	Company	HQ	Country	Founded	Sector	Facility size (€m)	Month	Investors
12	**Sunly**	Tallinn		2019	Green energy	300	August	Rivage Investment, Copenhagen Infrastructure Partners
15	**iwoca**	London		2011	Digital lending	236	November	Citi, Waterfall Asset Management
16	**Knave**	Paris		2019	Retail	225	October	Pollen Street Capital
17	**Zunder**	Palencia		2017	Electric vehicles	225	July	Santander
20	**SeQura**	Barcelona		2013	Payments	205	November	Citi
23	**Fundu**	Kurikka		2014	Digital lending	200	September	Pollen Street Capital
24	**BNZ**	Barcelona		2020	Solar energy	166	September	European Investment Bank
26	**Powerdot**	Lisbon		2018	Electric vehicles	165	August	ABN AMRO, BNP Paribas, ING, MUFG Bank, Santander, Societe Generale
27	**OnPath Energy**	Durham		2006	Green energy	144	October	Barclays, Canadian Imperial Bank of Commerce, DNB, NatWest
30	**Fibabanka**	Istanbul		2012	Digital banking	138	October	Citi, Standard Chartered, Emirates NDB

Source: Sifted
Data accurate up to Dec 3, 2024
Sifted considers debt everything defined as Debt, Lending capital, Convertibles

Secondaries are the flavour of the half

Startup secondaries have picked up in H2 this year. From small and scattered deals in H1, some of Europe's largest companies — including Vinted, Odoo, Monzo and Revolut — have rewritten the playbook by offloading some shares for the benefit of employees and investors.

"Secondaries hit the headlines for many reasons. Firstly, they can provide liquidity to longstanding employees — an attractive message for hesitant talent looking to join fast-growing companies. They also give pointers on who's doing what and why by cleaning up cap tables: heads turn when big investors sell shares in popular companies, as much as when they buy new ones."

Federico Scolari*, senior analyst & data lead*

Top 5 biggest disclosed secondaries, H1 vs H2 2024

Healthtech · Climate tech · Deeptech · Fintech · B2B SaaS · Consumer

H1

Company	HQ	Country	Launch year	Sector	secondary size
Etix Everywhere	Hesperange		2011	Aviation	€108m
Deliveroo	London		2012	Foodtech	£82m
NatPower	Milan		2019	Energy (other)	€50m
RevolutionRace	Boras		2013	Sports	€39m
Haferkater	Berlin		2011	Foodtech	€2.5m

H2

Company	HQ	Country	Launch year	Sector	secondary size
team.blue*	Ghent		2019	App development	€550m
Odoo	Ramillies		2005	Business intelligence	€500m
Vinted	Vilnius		2008	Circular economy	€340m
GoCardless	London		2011	Payments	$200m
Moneybox	London		2015	Wealthtech	£70m

Data accurate up to Dec 3, 2024. Excludes rumoured €500m for Revolut in August.
**includes an undisclosed amount of equity funding*

Fintech's feeding frenzy

Big challenger banks and fintechs kickstarted the secondaries wave in H2, as companies like Monzo, Revolut, GoCardless and Tide announced large share sales within a few weeks of each other. UK-based buy now, pay later fintech Zilch also told Sifted that it's preparing for a secondary round ahead of a planned IPO.

"Whenever giants like Revolut or Monzo do something, the ecosystem pays close attention. Being generally more mature (and profitable), large fintech companies are well positioned to move on the secondary market, particularly ahead of large exit events like IPOs."

***Federico Scolari**, senior analyst & data lead*

List of fintech secondaries in 2024

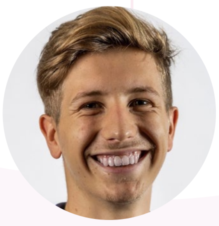
Company	Launch year	Company HQ	Country	Sector	Month	Offloaders	Buyers
Moneybox	2015	London		Wealthtech	Oct, 2024	Existing shareholders	Apis Partners LLP, Amundi
GoCardless	2011	London		Payments	Oct, 2024	GoCardless	Employees
Monzo	2015	London		Digital banking, Payments	Oct, 2024	Employees	Existing investors
Revolut	2014	London		Digital banking, Payments	Aug, 2024	Employees	Coatue, D1 Capital Partners, Tiger Global
Tide	2015	London		Digital banking	Aug, 2024	Tencent	Undisclosed
Smart Bill	2006	Bucharest		Payments, CFO tech stack	May, 2024	Catalyst Romania	Visma
IPaidThat	2017	Paris		CFO tech stack	Feb, 2024	Truffle Capital, Bpifrance, Adélie Capital	BPCE

Data accurate up to Dec 3, 2024.

M&A

A Q4 spike wasn't enough to turn around M&A's fortunes

Despite a slight recovery between the end of Q3 and Q4, H2 was a disappointment. It left a €15bn gap compared to H1 — no deal was priced above €1bn (against five for H1), and a stagnant summer didn't help. Some good deals still happened: AMD's $665m cash deal for Silo AI was Europe's largest AI acquisition to date.



"With European public markets virtually frozen, there were high expectations this year of the M&A landscape to deliver the exits that some shareholders badly need. But the market didn't deliver, especially in H2. Some good startups are getting sold at adequate prices, but exits are still too few and far between."

***Federico Scolari**, senior analyst & data lead*

Number of M&A deals by month, 2024

Month	Acquisitions
Jan, 2024	80
Feb, 2024	81
Mar, 2024	81
Apr, 2024	80
May, 2024	56
Jun, 2024	87
Jul, 2024	54
Aug, 2024	56
Sep, 2024	79
Oct, 2024	98
Nov, 2024	84
Dec, 2024	29

Data accurate up to Dec 3, 2024.

M&A value tanked nearly as much as debt

The main trend is unchanged: almost no one likes to say how much a company went for. Regardless of disclosed deal sizes, H2 lacked those mammoth M&A deals that typically push up total acquisition value, particularly in healthtech and deeptech, which explains the wide gap between halves.

"Secrecy around company valuations is not a new thing — and it mostly applies to smaller deals. The same way a newly minted unicorn brags about its valuation in press releases, prices for large M&As usually make it to the newsroom: there just weren't that many in H2."

***Federico Scolari**, senior analyst & data lead*

Top 10 disclosed M&A deals, H1 vs H2 2024

H1

Company	Amount	Acquiror(s)	Month	Vertical	Total disclosed
Neoen	$6.1bn	Brookfield Corporation, Temasek	May, 2024	Climate tech	€19.34bn
Darktrace	$5.3bn	Thoma Bravo	Apr, 2024	Deeptech	
EyeBio	$3bn	Merck	May, 2024	Healthtech	
Jagex	£910m	CVC Capital Partners, Haveli Investments	Feb, 2024	Consumer	
Cardior Pharmaceuticals	€1bn	Novo Nordisk	Mar, 2024	Healthtech	
Amolyt Pharma	$800m	AstraZeneca	Mar, 2024	Healthtech	
LumApps	€599m	Bridgepoint	May, 2024	B2B SaaS	
BeReal	€500m	Voodoo	Jun, 2024	Consumer	
Cluepoints	€500m	EQT Group	Jun, 2024	Deeptech	
Aker Carbon Capture	$381m	SLB	Mar, 2024	Climate tech	

H2

Company	Amount	Acquiror(s)	Month	Vertical	Total disclosed
FairJourney Biologics	€900m	Partners Group	Jul, 2024	Healthtech	€4.28bn
Exscientia	$688m	Recursion Pharma	Aug, 2024	Healthtech	
Silo.AI	$665m	AMD	Jul, 2024	Deeptech	
LandVault	$450m	Infinite Reality	Jul, 2024	B2B SaaS	
NIL Technology	€250m	Radiant Opto-Electronics	Sep, 2024	Deeptech	
Aquis Exchange	$267m	SIX FinTech Ventures	Nov, 2024	Fintech	
FullCircl	$135m	nCino	Oct, 2024	B2B SaaS	
Convion	€72m	HDKSO	Aug, 2024	Climate tech	
Atech	£57m	Iomart	Oct, 2024	B2B SaaS	

Data accurate up to Dec 3, 2024. Only includes acquired companies launched after 2005. Excludes the sale of Philip Morris' subsidiary Vectura Group in October.

Europe's unicorns are hungry for more

Unicorns have been on the hunt in 2024. Deel, Zendesk and Doctolib acquired at least two startups, while many others — particularly from Paris and San Francisco — have targeted one company to build on. Milan-based Bending Spoons took a different approach, preferring to shop abroad. Of its six acquisitions, only one of them is European: Amsterdam-based WeTransfer.

"Funding announcements for unicorns usually come with some insight into their M&A strategy. We tracked 28 acquisitions from global unicorns in 2024; 57% were Europe-to-Europe, mostly in London, Paris or Berlin. And they don't come cheap: Paris-based social app BeReal — the most expensive of them — cost Voodoo €500m."

***Federico Scolari**, senior analyst & data lead*

List of acquisitions by private unicorns in 2024

H1

Company	Acquisition date	Company location	Unicorn	Unicorn location
Klaus	Feb 12	Berlin	Zendesk	San Francisco *
Pento	Feb 13	London	HiBob	New York
ClipDrop	Feb 22	Paris	Jasper AI	Austin
Zavvy	Feb 28	Munich	Deel	San Francisco
Regate	Mar 6	Paris	Qonto	Paris
Ultimate.ai	Mar 13	Tallin	Zendesk	San Francisco *
Okko	Apr 9	Paris	Spendesk	Paris
Aaron	May 22	Lausanne	Doctolib	Paris
Typeless	Jun 21	Berlin	Doctolib	Paris
Bitstamp	Jun 6	London	Robinhood	Menlo Park
BeReal	Jun 11	Paris	Voodoo	Paris
Ulzard	Jun 12	Copenhagen	Miro	Amsterdam & San Francisco
Argilla	Jun 13	Madrid	Hugging Face	New York *

H2

Company	Acquisition date	Company location	Unicorn	Unicorn location
TaxScouts	Jul 2	London	Taxfix	Berlin
Hofy	Jul 18	London	Deel	San Francisco
Spoke Technologies	Jul 17	Berlin	Salesforce	San Francisco
WeTransfer	Jul 31	Amsterdam	Bending Spoons	Milan
Nintailed	Aug 20	Berlin	Contentful	Berlin
Bird Eats Bug	Aug 27	Berlin	BrowserStack	Dublin **
Veri	Sep 11	Helsinki	ŌURA	Oulu
Metricool	Sep 17	Madrid	Team.blue	Ghent
PipeBio	Oct 21	Aarhus	Benchling	San Francisco
Obilet	Oct 25	Istanbul	BlaBlaCar	Paris
Quotelo	Nov 4	Lyon	Mews	Amsterdam
Tabesto	Dec 3	Paris	Deliverect	Ghent
Numeral	Dec 5	Paris	Mambu	Amsterdam
Atlantic Money	Dec 2	London	Deel	San Francisco
Adspert	Dec 12	Berlin	Mirakl	Paris

**founded in Europe or by European founders.*
***founded elsewhere but headquartered in Europe. Excludes Forterro's acquisition of Prodaso due to prior buyout.*

Q4's talking points

Is Northvolt's fate a signal of a wider issue for climate tech?

2024 saw the leading light of European climate tech, Swedish gigafactory Northvolt, file for Chapter 11 bankruptcy. The question now is whether similar ventures can avoid the same fate. Northvolt was the best-funded of a cohort of infrastructure startups: it had raised $13bn in debt and equity from the likes of Volkswagen and Goldman Sachs.

"Were the problems particular to Northvolt, or is building infrastructure simply too capital intensive for startups? We're likely to find out some of the answers in 2025, when companies like Sweden's Stegra, which is building a green steel plant, get further along their production milestones"

***Freya Pratty**, senior reporter*

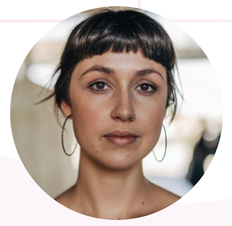
Total funding by climate tech sector, H1-H2 2024 (€bn)

Sector	2024 funding (€bn)	Deal count
Energy storage	8.5	84
Electric vehicles	5.3	121
Advanced materials	5.2	82
Solar energy	3.7	75
Hydrogen	1.7	53
Circular economy	1	96
Wind energy	0.9	32
Smart grids	0.7	42
Agritech	0.6	121
Aviation	0.6	22

Source: Sifted
Data accurate up to Dec 3, 2024

VC dealmaking in DACH is up — not so in the rest of Europe

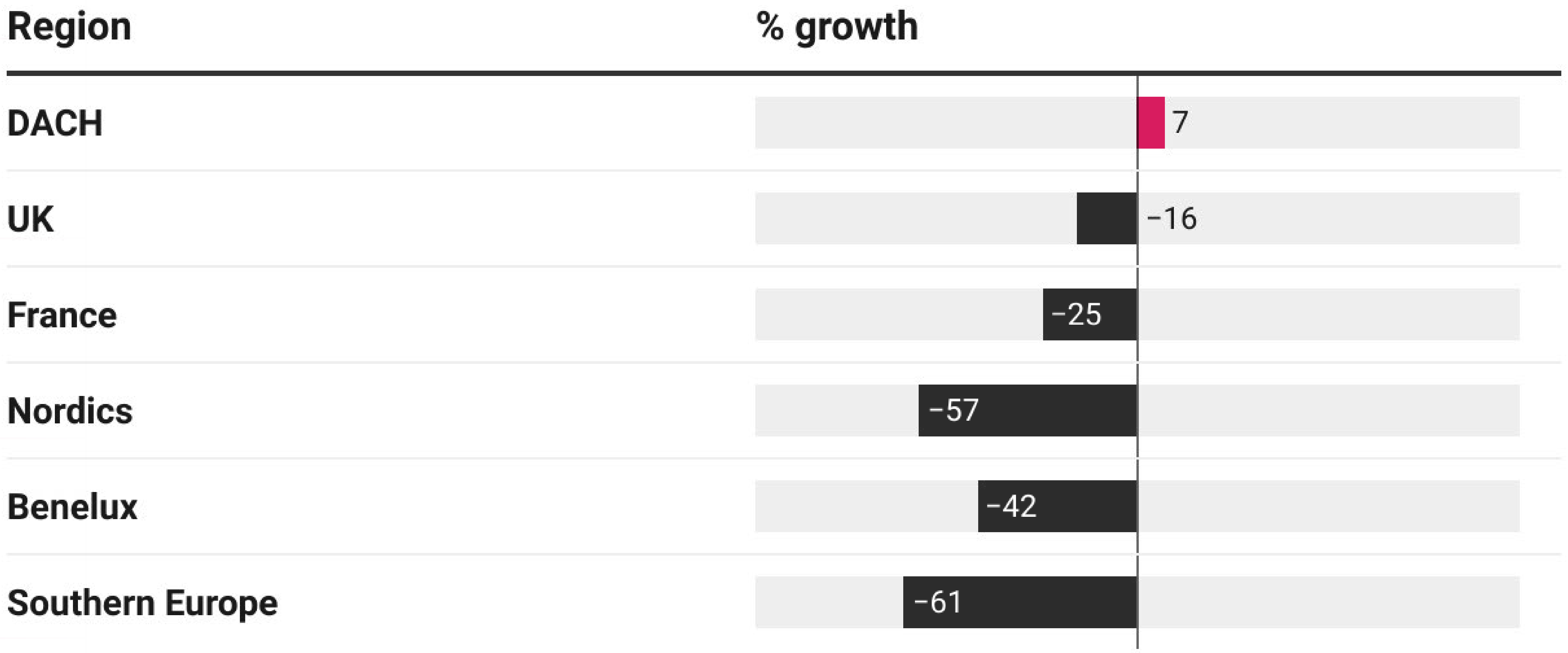
The DACH region (Germany, Austria, and Switzerland) has faced political uncertainty this year. And in Germany, the economy is set to decline for a second consecutive year. Despite this, VC equity fundraising in DACH has risen by 7% between Q1 and Q3, bucking Europe's overall downward trend, according to Sifted data.



"Chunky raises in Germany from AI companies such as Helsing and DeepL as well as climate companies like Everphone and Sunfire have driven up DACH's funding totals for Q1-Q3. But it's hard to predict if this upward trend will continue in 2025. As Europe's largest economy, Germany typically accounts for the lion's share of deal activity in DACH, but with elections looming and the political uncertainty, funding could decelerate."

***Miriam Partington**, senior reporter*

DACH vs others



Source: Sifted
Data accurate up to Dec 3, 2024
Some funding rounds have multiple vertical tags, resulting in overcounting.

The next chapter for fintech IPOs

Swedish fintech Klarna rounded out 2024 by confirming its plans to go public — and the buy now pay later giant is choosing the US over Europe. The long-anticipated listing is set to be a litmus test for the fintech sector's readiness as the public market exits after a grueling few years.

"What valuation will Klarna exit at? That's the question on every fintech industry watcher's lips and one we'll find out the answer to next year. If Klarna can list at a higher valuation than its $14.3bn price tag on the private markets, it could open up the pipeline for future fintech IPOs. But if it falters, fellow fintechs will be discouraged from making the same move"

***Tom Matsuda**, fintech reporter*

LLMs hit the ground running

Large-language models (LLMs) have rapidly transitioned from "cutting-edge innovations" to tools poised to become a basic infrastructure component. As the technology commoditises, the real value of GenAI is shifting to the application layer, where startups are leveraging LLMs for practical, high-impact use cases — and catching the eye of VCs.

"LLMs are still sexy, but now it's all about real-world implementation. Enterprise customers, in particular, need help integrating the technology into their workflows, from fine-tuning models to safeguarding sensitive data. Startups are perfectly positioned to bridge that gap."

***Daphné Leprince-Ringuet**, French tech reporter*

Piling on the pounds

VCs are pouring funds into GLP-1 startups, driven by the rapid rise of weight loss drugs like Ozempic and Wegovy. Recent milestones include UK-based Manual's £29.2m raise and Sweden's Yazen securing €19.5m. With sales projected to hit $150bn by 2030, Europe's GLP-1 startups are seeing their largest funding rounds yet.

"It remains to be seen whether there's a unicorn case for startups distributing GLP-1s in Europe — where the majority of people have their healthcare paid for by the state. Hitting that kind of scale will likely come down to whether or not companies can get their services reimbursed by national healthcare providers — no easy feat."

***Kai Nicol-Schwarz**, UK tech and healthtech reporter*

Taxonomy

Sifted tracks funding rounds raised by European startups and scaleups operating in the technology sector founded in or after 2005. Reasonable exceptions apply.

Stages
- Early-stage: Pre-seed, seed and Series A
- Growth stage: Series B and C
- Late-stage: Series D+

Verticals
- Climate tech
- Fintech
- Healthtech
- Deeptech
- B2B SaaS
- Consumer

Sifted currently tracks 98 different sectors e.g. electric vehicles within these six verticals.

The funding data compiled by Sifted does not claim to be exhaustive as some deals are kept confidential.

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