Sky is the limit!

Last year, through 784 transactions, French innovative companies raised 11.6 billion euros from investors. This represents an increase of 26% in volume and 115% in value. All records have been broken. France is now a stronghold of the European ecosystem in which more than 100 billion euros have been invested by 2021.

Stimulated by attractive borrowing conditions, due to low interest rates, there are several explanations for this unprecedented performance in our country.

Let’s start with the extraordinary vitality of growth equity. This segment, which concerns fundraising in excess of 100 million euros, is becoming increasingly important in the French Tech.

The figures speak for themselves. In 2021, 12 new unicorns were born, with 22 rounds over €100m having been closed for a total value of €5bn, up 194% on 2020. In our Top 5 fundraising, we find Sorare (€586m), Mirakl (€473m), Contentsquare (€408m), Manomano (€323m) and Ledger (€312m).

This dynamism is also due to the acceleration of the French Fintech sector, whose companies have raised €2.5 billion (+310% over one year). It should be noted that the internet services sector is still the one that investors target first.

France’s image has improved internationally

Finally, thanks to technological and industrial successes and the efforts of the executive to promote innovation, French start-ups and scale-ups are benefiting from their visibility and reputation internationally. Indeed, in recent years, France has clearly succeeded in changing its image among foreign investors, as shown by the results of the latest EY attractiveness barometers, which place France in first place in Europe. In fact, the number of international funds that consider France as a priority investment zone is now countless. This attractiveness is reflected in the massive presence of these funds in the significant towers, but also in the presence of Paris in the Top 10 of the world’s most attractive cities.

Will this momentum continue in 2022?

The year is off to an auspicious start. Indeed, the first two weeks of January have seen a string of records, both on the new unicorn front and in terms of massive fundraising. Can the trees reach the sky? The French Tech will have to demonstrate its ability to carry out exit operations (industrial transfer, IPO, etc.) to maintain a high growth rate. European Special Purpose Acquisition Companies (SPAC) could be the big winners of 2022...
Amounts raised by start-ups in France

€11.57 billion for 784 deals with an average deal size of €14.76 million.

2016:
- €1.01 billion for 297 deals
- €1.21 billion for 305 deals

2017:
- €1.35 billion for 304 deals
- €1.22 billion for 301 deals

2018:
- €1.67 billion for 312 deals
- €1.95 billion for 333 deals

2019:
- €2.24 billion for 349 deals
- €2.79 billion for 387 deals

2020:
- €2.69 billion for 260 deals
- €5.39 billion for 620 deals

2021:
- €6.43 billion for 368 deals
- €11.57 billion for 784 deals

Year-over-year growth:
- 2016 to 2017: +12%
- 2017 to 2018: +43%
- 2018 to 2019: +41%
- 2019 to 2020: +20%
- 2020 to 2021: +139%
### INVESTMENTS BY SECTOR

<table>
<thead>
<tr>
<th>Sector</th>
<th>Investment</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet Services</td>
<td>€3,925 million</td>
<td>128 deals</td>
<td>400 deals</td>
</tr>
<tr>
<td>Fintech</td>
<td>€2,548 million</td>
<td>52 deals</td>
<td>1,294 deals</td>
</tr>
<tr>
<td>Software and IT Services</td>
<td>€2,161 million</td>
<td>140 deals</td>
<td>1,941 deals</td>
</tr>
<tr>
<td>Life Sciences</td>
<td>€1,581 million</td>
<td>126 deals</td>
<td>1,075 deals</td>
</tr>
<tr>
<td>Cleantech</td>
<td>€764 million</td>
<td>77 deals</td>
<td>1,549 deals</td>
</tr>
</tbody>
</table>

### INVESTMENTS BY MATURITY STAGE

<table>
<thead>
<tr>
<th>Maturity Stage</th>
<th>Investment</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>More than €300 M</td>
<td>2,402</td>
<td>6 deals</td>
<td>1 deal</td>
</tr>
<tr>
<td>From €100 M to €300 M</td>
<td>2,572</td>
<td>16 deals</td>
<td>8 deals</td>
</tr>
<tr>
<td>From €50 M to €100 M</td>
<td>1,294</td>
<td>30 deals</td>
<td>12 deals</td>
</tr>
<tr>
<td>From €20 M to €50 M</td>
<td>2,067</td>
<td>66 deals</td>
<td>12 deals</td>
</tr>
<tr>
<td>From €10 M to €20 M</td>
<td>1,045</td>
<td>51 deals</td>
<td>82 deals</td>
</tr>
<tr>
<td>From 0 to €10 M</td>
<td>1,549</td>
<td>584 deals</td>
<td>652 deals</td>
</tr>
</tbody>
</table>

### TOP 5 INVESTMENTS (and list of main investors)

<table>
<thead>
<tr>
<th>Investment</th>
<th>Sector</th>
<th>Investment Amount</th>
<th>Main Investors</th>
</tr>
</thead>
<tbody>
<tr>
<td>SORARE</td>
<td>Fintech</td>
<td>€586 million</td>
<td>Softbank Capital, Atomico</td>
</tr>
<tr>
<td>MIRAKL</td>
<td>Internet Services</td>
<td>€473 million</td>
<td>Silver Lake, B3North, Elia Partners, Felix Capital, Permira</td>
</tr>
<tr>
<td>CONTENTSQ</td>
<td>Internet Services</td>
<td>€408 million</td>
<td>Softbank Group, Eurazeo Growth, Bpifrance Investissement, KKR, Blackrock, Canaan Partners, Highland Europe</td>
</tr>
<tr>
<td>MANOMANO</td>
<td>Internet Services</td>
<td>€323 million</td>
<td>General Atlantic, Partech, Bpifrance, Eurazeo Growth, Temasek Holdings, Dr agoneer Investment Group, Aglaé Ventures, Armat Group, Kismet Holdings</td>
</tr>
<tr>
<td>LEDGER</td>
<td>Fintech</td>
<td>€312 million</td>
<td>10T, Cathay Innovation, DCG, Draper Associates, Draper Dragon, Draper Esprit, Felix Capital, Financière Agache, iAngels Technologies, Inherent, Tekne Capital, Uphold Ventures, Wicklow Capital</td>
</tr>
</tbody>
</table>
INVESTMENTS BY REGION

Top 3 French regions

The Ile-de-France region accounts for 80% of investments in value over the year 2021. The Auvergne-Rhône-Alpes region retains its 2nd place with 5.8% of investments in value, closely followed by the Occitanie region which comes in 3rd place with 4.6% of investments in value.

THE 12 NEW FRENCH UNICORNS OF 2021

Fintech
- Alan
- Ledger
- Lydia
- Sorare
- Swile

Internet Services
- Back Market
- IAD
- Manomano
- Vestiaire Collective

Life Sciences
- Dental Monitoring

Software and IT Services
- Contentsquare
- Shift Technology
In 2021, the three most significant countries in total accounted for €73.6 billion of investments, i.e. 64% of all investments made in Europe in terms of value.
### TOP 10 INVESTMENTS IN EUROPE

<table>
<thead>
<tr>
<th>Company</th>
<th>Country</th>
<th>Sector</th>
<th>Amount (€M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northvolt</td>
<td>Sweden</td>
<td>Cleantech</td>
<td>2,326</td>
</tr>
<tr>
<td>OneWeb</td>
<td>United Kingdom</td>
<td>Telecommunication</td>
<td>1,620*</td>
</tr>
<tr>
<td>Cinch</td>
<td>United Kingdom</td>
<td>Transport</td>
<td>1,160</td>
</tr>
<tr>
<td>Gorillas</td>
<td>Germany</td>
<td>Foodtech</td>
<td>1,091*</td>
</tr>
<tr>
<td>Flink</td>
<td>Germany</td>
<td>Foodtech</td>
<td>891*</td>
</tr>
<tr>
<td>Celonis</td>
<td>Germany</td>
<td>Internet Services</td>
<td>846</td>
</tr>
<tr>
<td>Klarna</td>
<td>Sweden</td>
<td>Fintech</td>
<td>846</td>
</tr>
<tr>
<td>MessageBird</td>
<td>Netherlands</td>
<td>Telecommunication</td>
<td>846</td>
</tr>
<tr>
<td>N26 Group</td>
<td>Germany</td>
<td>Fintech</td>
<td>761*</td>
</tr>
<tr>
<td>Snyk</td>
<td>United Kingdom</td>
<td>Software and IT Services</td>
<td>765*</td>
</tr>
</tbody>
</table>

* cumulative amount of the multiple rounds concluded in 2021.

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### Methodology

The EY Barometer of Venture Capital for France includes the equity financing transactions of businesses at the set-up stage or during the first years of existence, with transaction dates between 1 January and 31 December 2021 and published prior to 30 December 2021. Those French companies raised funds from French and/or foreign VCs. The French data presented in this barometer is based on data from Dow Jones VentureSource, CFNEWS, Capital Finance, Dealroom.co. The data for Germany, the UK, Sweden and the Netherlands are based on Dealroom.co. The processing and analysis of this data was based on EY methodology and carried out by EY & Associés. All transactions in excess of €100m have been restated as Growth Equity. Venture Capital includes all transactions below €100m. In this study, we only take into consideration transactions with publicly disclosed amounts. The Internet services sector encompasses activities such as e-commerce, marketing and performance (lead, listing), geomarketing and mobile applications. The Life Sciences sector includes the biotech, medtech and e-health sectors. The Fintech sector includes start-ups using technology to reshape financial and banking services (online banking, crowdfunding, new payment methods, blockchain and crypto-assets and insurtech, etc.). The Software and IT services sector includes activities such as hardware, SAAS, semiconductors, etc.
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