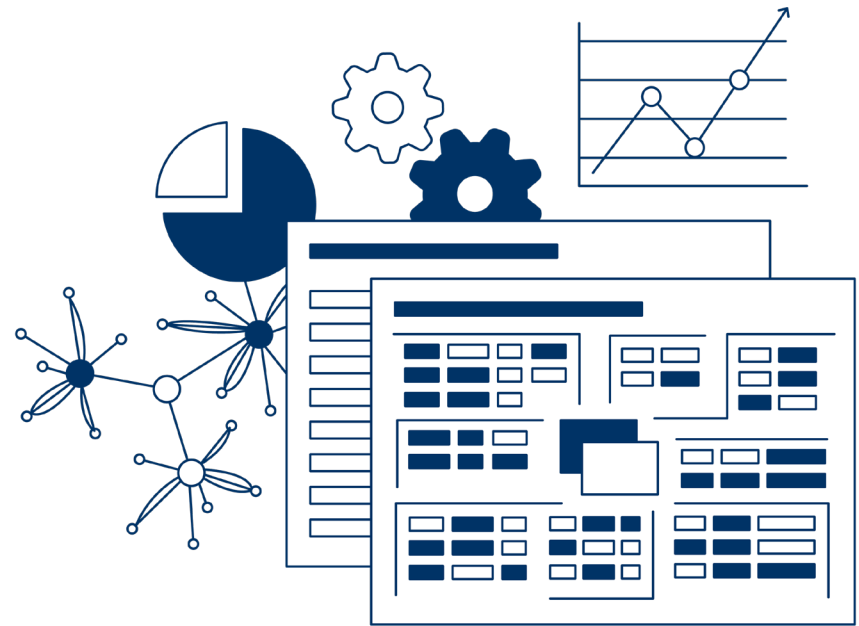
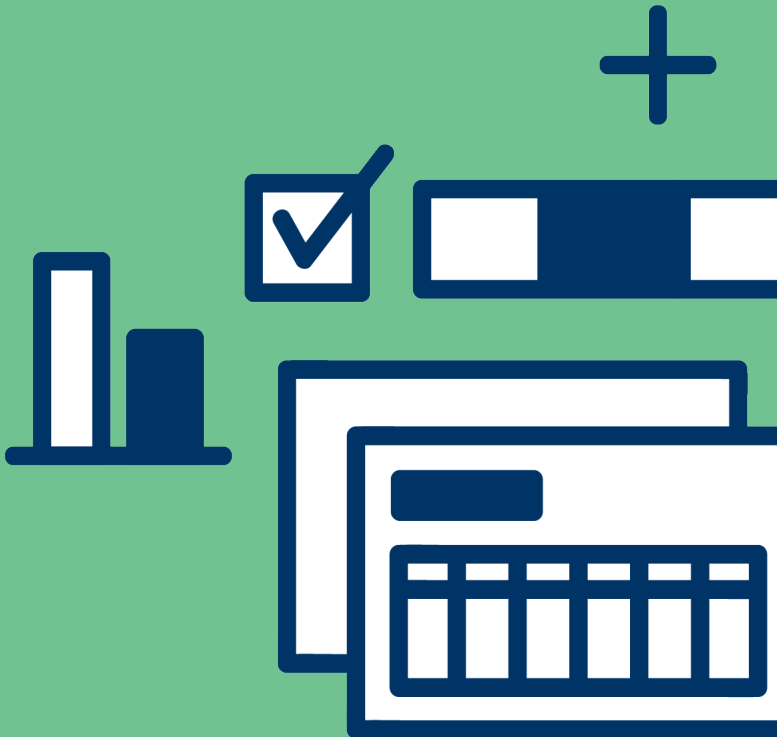


# The 2021 Mid-Year Global CVC Report

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A comprehensive, data-driven look at global corporate venture capital activity in the first half of 2021.





## WHAT IS CB INSIGHTS?

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“CB Insights helps us compress our time-to-decision when gathering and analyzing data and getting an external view on what's happening in the market so we can quickly take action.”

**Meraj Mohammad**

Vice President, Ventures Group, ADP



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# TL;DR – What you need to know about corporate venture in H1'21

## \$79B

Record financing.

Global CVC-backed funding hit \$79B in just the first 6 months of 2021, soaring past the annual record of \$74B set in 2020.

Global CVC-backed deal activity is expected to rebound in 2021 from a slight annual decline in 2020.

## 179%

Growth in mega-rounds.

\$100M+ mega-rounds exploded in H1'21, representing 10% of all CVC deals vs. just 5% in H1'20.

Mega-rounds nearly tripled from 78 in H1'20 to 218 in H1'21.

## 438

CVC-backed exits.

Exits of CVC-backed companies were up 95% YoY in H1'21, reaching a half-year record of 438.

H1'21 saw sustained momentum for IPOs, with 120 CVC-backed companies going public – a nearly 3X increase from H1'20.

## 2x

Increase in Coinbase's deals.

Founded in 2018, Coinbase's venture arm has quickly climbed the ranks of most active CVC investors.

In H1'21, it doubled its 2020 deal total (20) and became the 3<sup>rd</sup> most active CVC.

## 51¢

Of every dollar heads to the US.

US-based startups attracted just over half of every CVC-backed dollar in H1'21.

In just the first 6 months of the year, the US nearly surpassed its annual CVC-backed funding record of \$40.8B.

GLOBAL CORPORATE VENTURE CAPITAL IN H1'21

# Global CVC Activity



GLOBALLY, CORPORATE VENTURE CAPITAL GROUPS PARTICIPATED IN

\$78.7B

OF FUNDING ACROSS

2,099 deals

IN THE FIRST HALF OF 2021

# CVC-backed funding surpassed 2020's annual record

CVC-backed funding reached \$78.7B– a 133% year-over-year (YoY) increase and more than the \$74B raised in all of 2020.

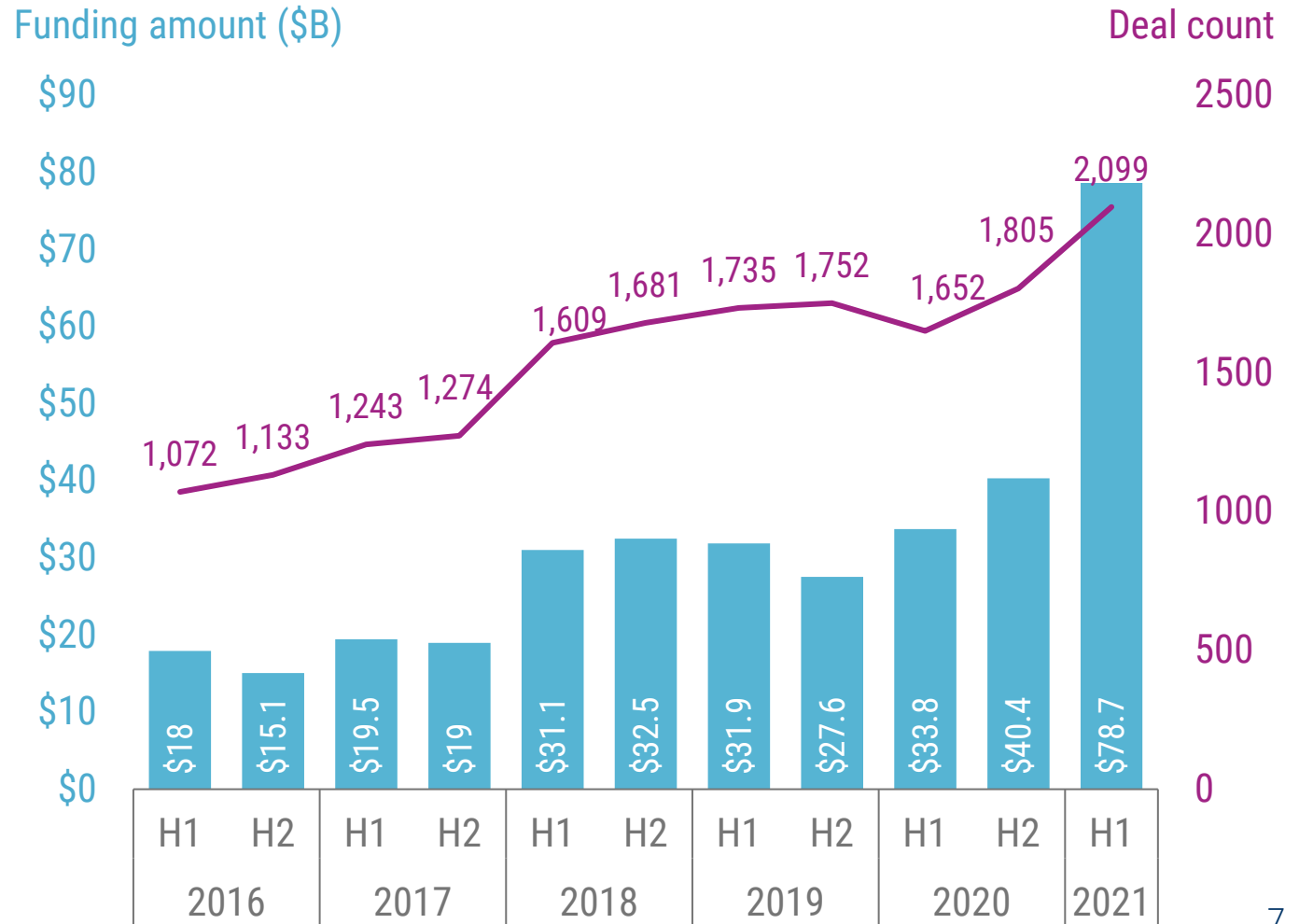
CVC-backed deals were up 27% compared to the first half of 2020, reaching a half-year record of 2,099.

Later-stage deals and mega-rounds contributed to the rapid rise in CVC-backed funding.



## CVC-backed deals reached new half-year record

Disclosed CVC-backed deals & equity funding (\$B), 2016 – H1'21





## Five consecutive quarters of deal and funding increases

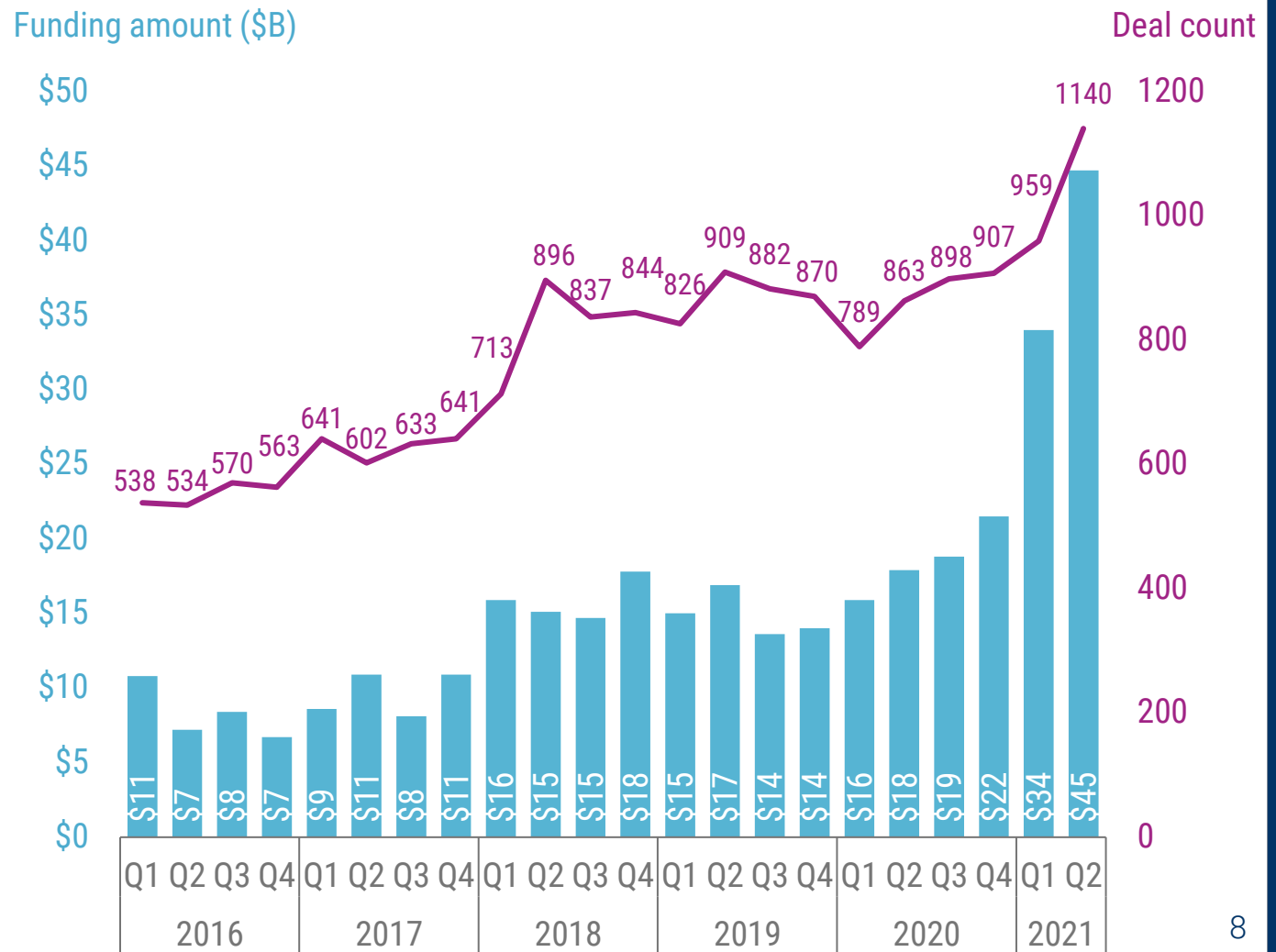
The \$45B in CVC-backed funding across 1,140 deals in Q2'21 set new quarterly records.

In Q2'21, CVC-backed deal count grew by 32% YoY – the largest increase since Q2'18 when deals surged by 49%.

Contributing to Q2's funding high were 41 CVC-backed Series E+ deals – the most in a quarter in more than 5 years.

### Back-to-back quarterly deal and funding records in 2021

Disclosed CVC-backed deals & equity funding (\$B), Q1'16 – Q2'21



## CVC-backed exits jumped 95% YoY

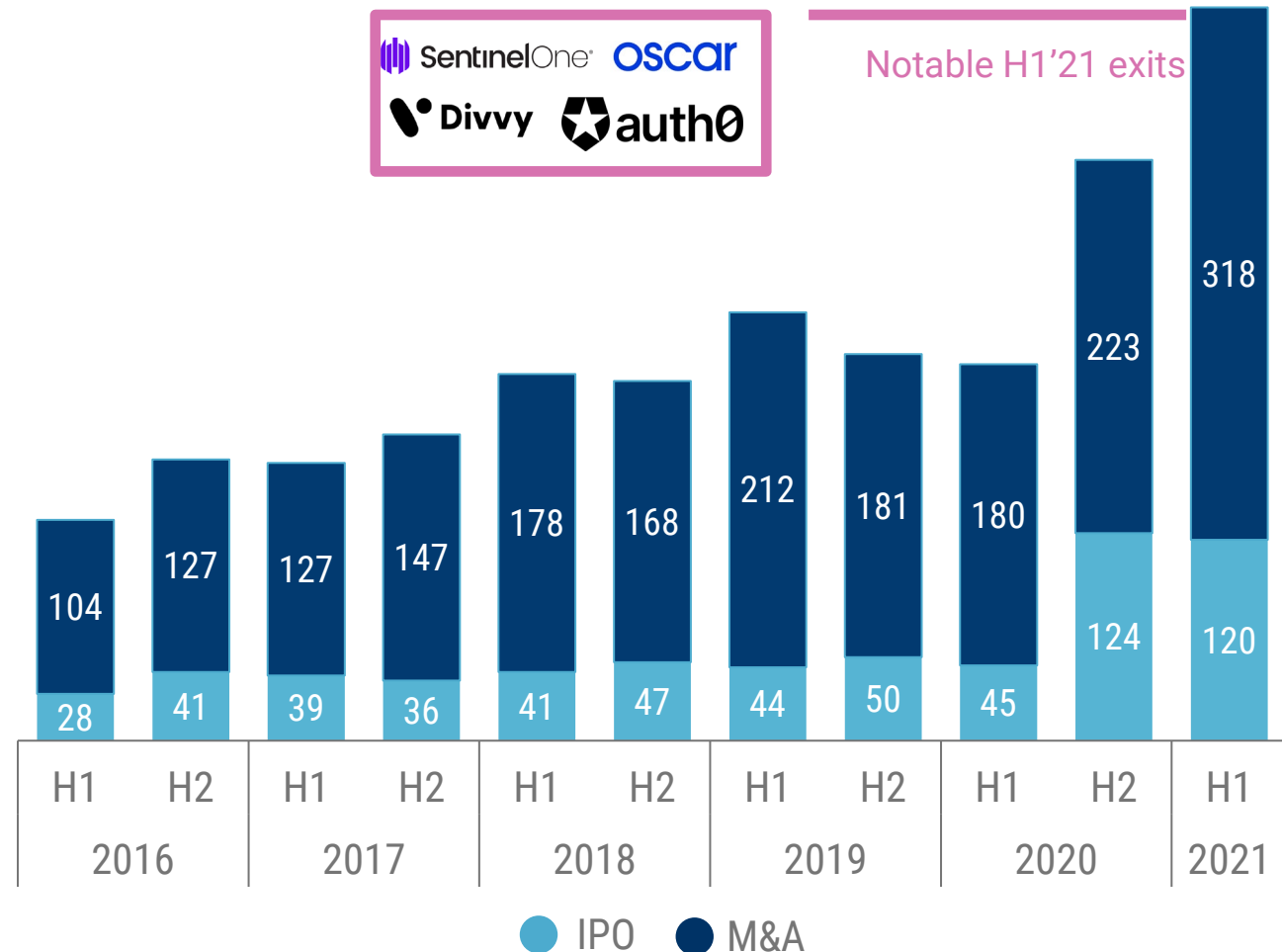
IPOs of CVC-backed companies maintained momentum from H2'20, with 120 IPOs in H1'21 – a nearly 3X increase from H1'20.

Acquisitions of CVC-backed companies were also up in H1'21, hitting a half-year record of 318.

CVC-backed companies represented about 3% of all exits in H1'21, a figure relatively unchanged over the past 5 years.

### CVC-backed exits trending for an all-time high in 2021

Exits (IPO or M&A) of CVC-backed companies by year, 2016 – H1'21



## Average CVC deal size jumped in H1'21

The average CVC-backed deal size grew by 75% YoY to an all-time high of \$46.9M in H1'21.

The average VC-only-backed deal size grew by a more modest 68% YoY to \$30.1M in H1'21.

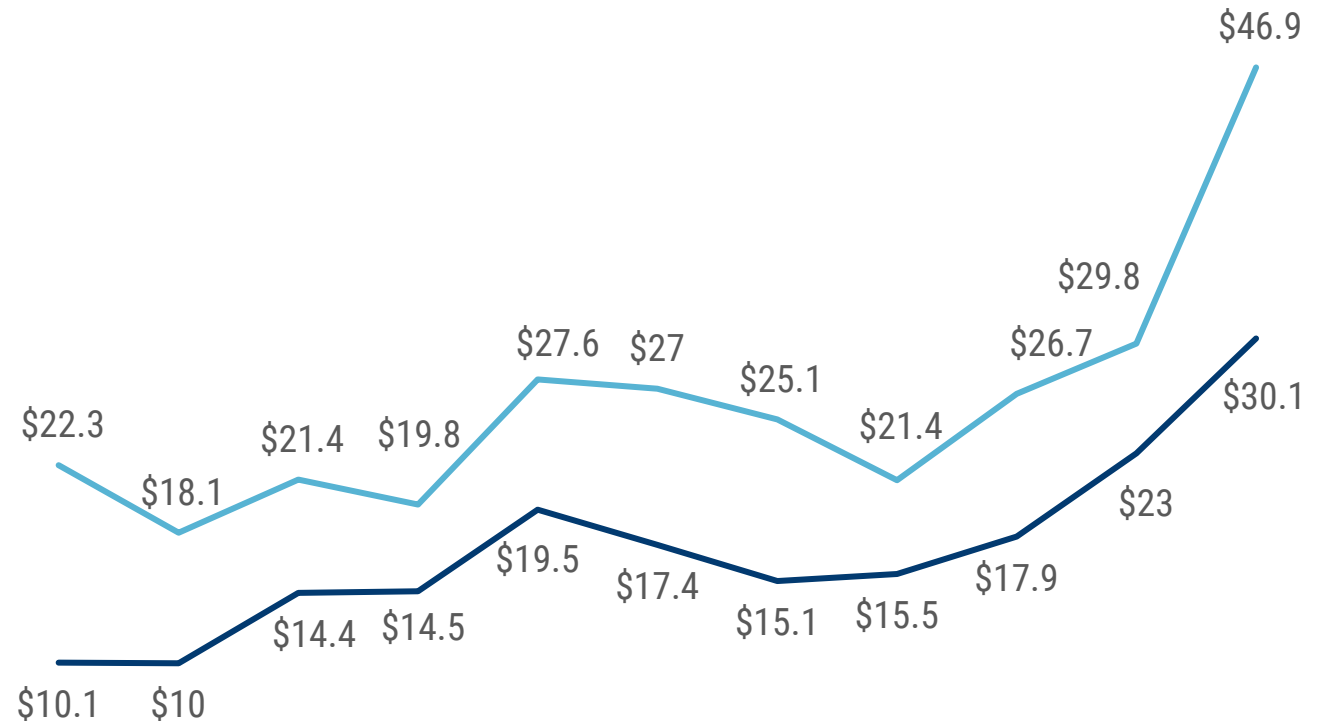
In H1'21, the gap between the average CVC-backed and VC-only deal sizes increased after shrinking in 2020.

Average deal sizes were up across all deal stages in H1'21.



### CVC-backed deal sizes doubled in just 3.5 years

Average CVC-backed and VC-only deal sizes, 2016 – H1'21



H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1
2016		2017		2018		2019		2020		2021

● Average CVC deal size (\$M)

● Average VC deal size (\$M)

## Mega-rounds continued their rapid ascent

Mega-rounds in 2021 have already surpassed 2020's record 184, jumping 180% from 78 in H1'20 to 218 in H1'21.

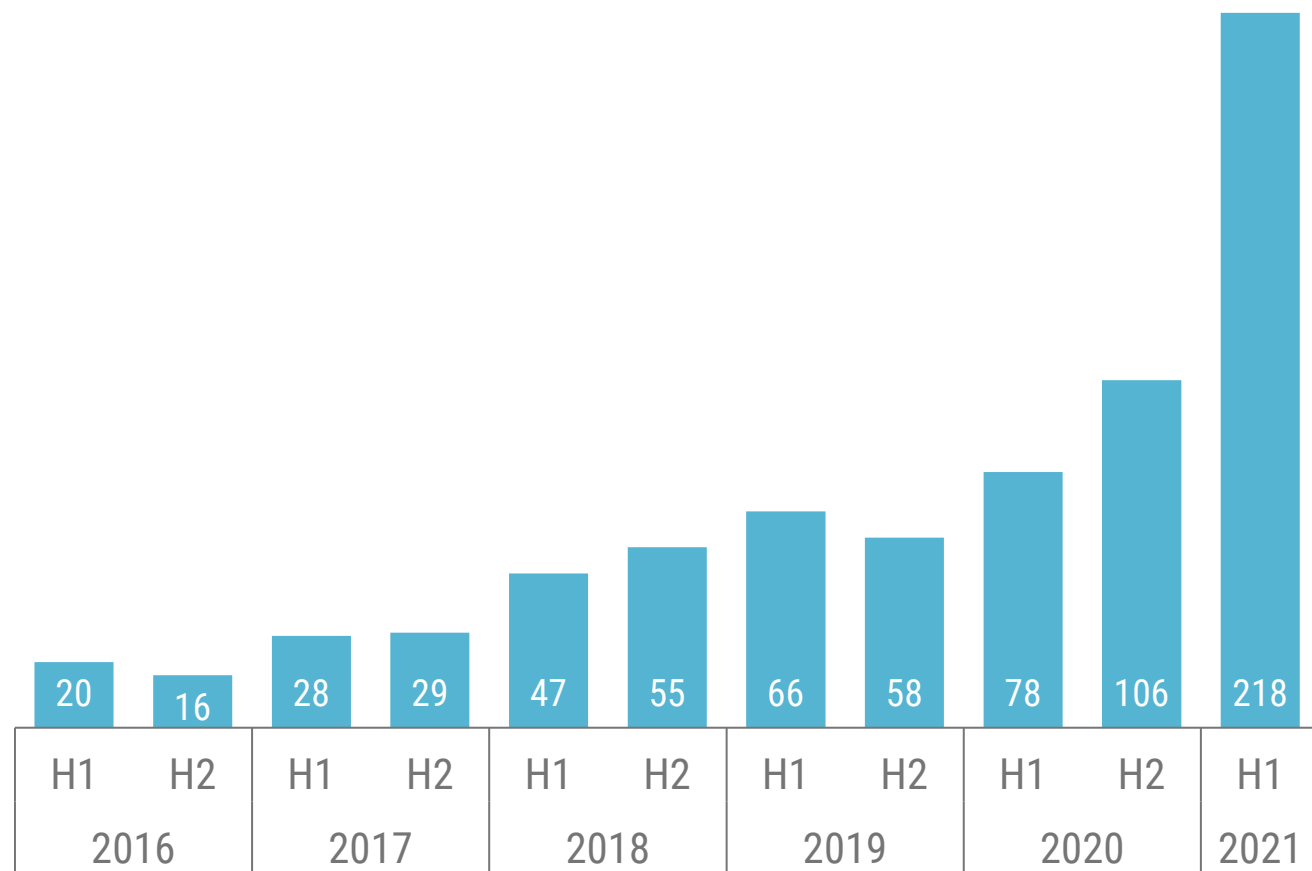
Accounting for roughly 10% of all CVC deals in H1'21, mega-rounds occurred across industries.

For example, in fintech, Stripe raised \$600M in a Series H round. In healthcare, Fractyl Health raised \$100M in a Series F round.













### H1'21 saw nearly 3x more mega-rounds vs. H1'20

Number of CVC-backed mega-rounds, 2016 – H1'21



# GV was the most active CVC investor in H1'21






Rank	CVC Investor	Deal Count	Select H1'21 Investments
1		64	Dyno Therapeutics, Flatfile, nPlan, SpyBiotech
2		59	BlocPower, Circulor, Databook, FutureFuel.io
3		37	Casa, Fractal, TaxBit, Vega Protocol
4		28	Augtera Networks, Katana Graph, MetaLenz
5		25	Artificial, Authomize, Memgraph, PARABOL
6		25	BlackCart, Ensemble, HQLAx, Solidatus
7		23	Alchemedicine, Canly, Ugo, Willbox
8		22	Identiq, Oishii, Plunk, SiLC
9		22	FutureGen, Rgenta Therapeutics, Scivita Medical
10		18	Design Order, HOUMO.AI, Zhuizhi Technology

Google Ventures (GV) is on track to exceed its 2020 investment activity (82 deals), participating in deals with 64 unique companies in H1'21.

Salesforce Ventures invested in 59 unique companies in H1'21 – a roughly 50% increase from H1'20.

New to the list, Coinbase Ventures in H1'21 has nearly doubled the number of investments it made in 2020.

# Salesforce Ventures maintained its unicorn prowess in H1'21

Rank	CVC Investor	Unicorn Count	Select H1'21 Unicorn Investments
1		18	BetterUp, Flutterwave, Forter, Melio, Starburst
2		11	Bowery Farming, Cameo, JoyTunes, KeepTruckin
3		8	Feedzai, HoneyBook, Trulioo, Socure
4		7	ID.me, Orca Security, Thumbtack
5		4	Bringg, Pipe, Skydio, Sysdig

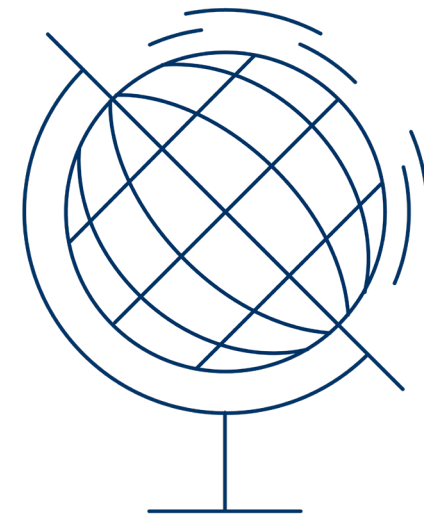
Salesforce Ventures' 18 unicorn deals in H1'21 already surpassed its 2020 total of 10.

GV and CapitalG also already surpassed their 2020 unicorn investment totals: 7 and 2, respectively.

Citi Ventures and Siemens AG's venture arm, Next47, joined the list, with 8 and 4 unicorn investments, respectively.

REGIONAL CORPORATE VENTURE CAPITAL IN H1'21

# US CVC Activity



# CVC-backed deals and dollars to US-based companies grew YoY

In H1'21, CVC-backed funding to US-based companies increased 111% YoY to nearly \$40B – just shy of 2020's \$40.8B annual total.

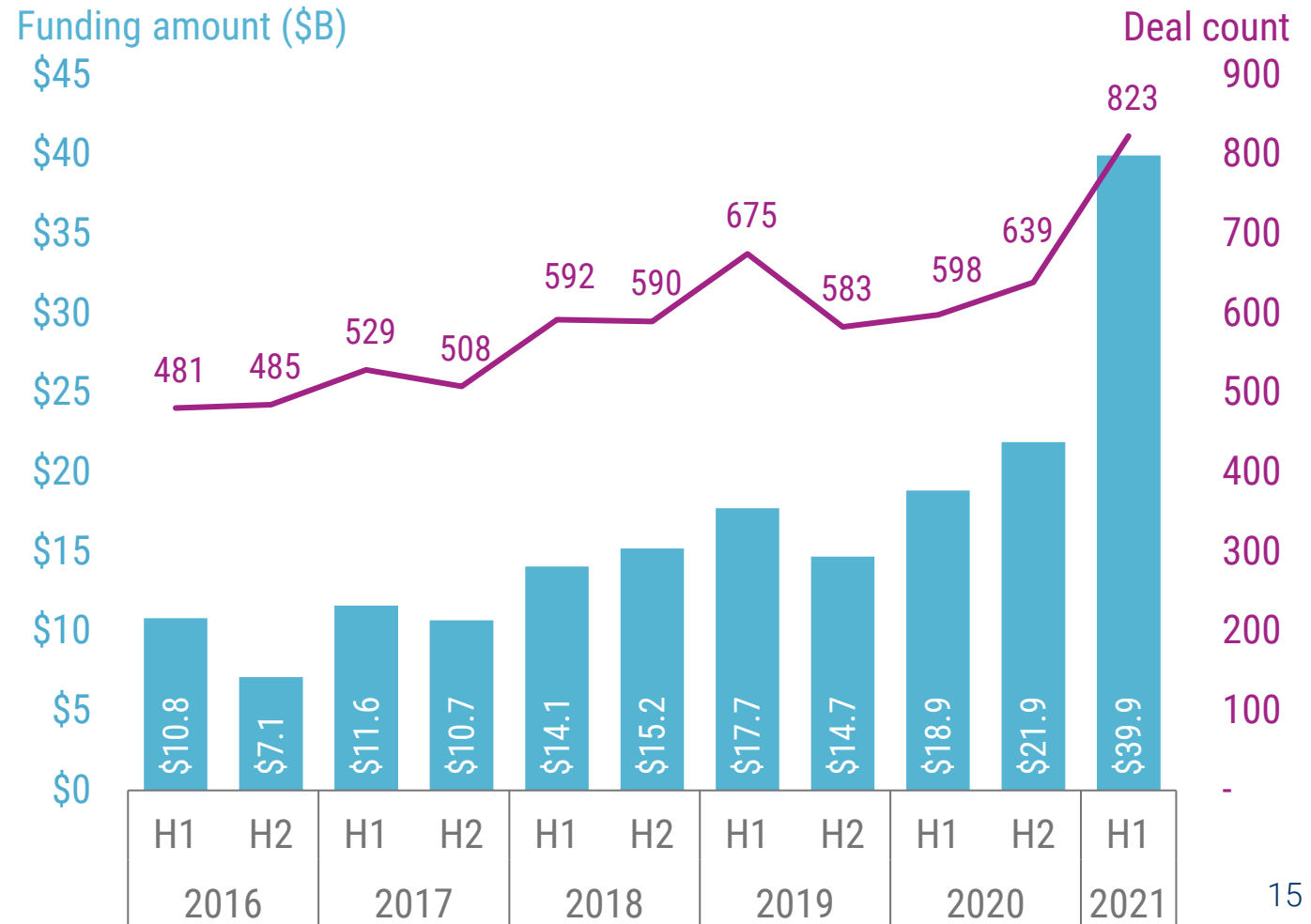
The number of CVC-backed deals to US-based companies grew 38% YoY to 823 in H1'21.

Mega-rounds drove the surge in total funding, with CVC-backed mega-rounds in the US reaching 136 in H1'21, up 172% YoY.



## US CVC-backed funding set to smash previous record

Disclosed CVC-backed deals & equity funding (\$B) to the US, 2016 – H1'21





# CVC-backed deals hit new half-year record in Silicon Valley

CVC-backed deals to Silicon Valley-based companies continued their rise and reached a record 279 in H1'21 — a 34% YoY increase.

CVC-backed funding to Silicon Valley-based companies grew 97% YoY to \$16B in H1'21.

Supporting the rise in CVC-backed funding was the jump in mega-rounds, which increased 132% in H1'21 to 51.

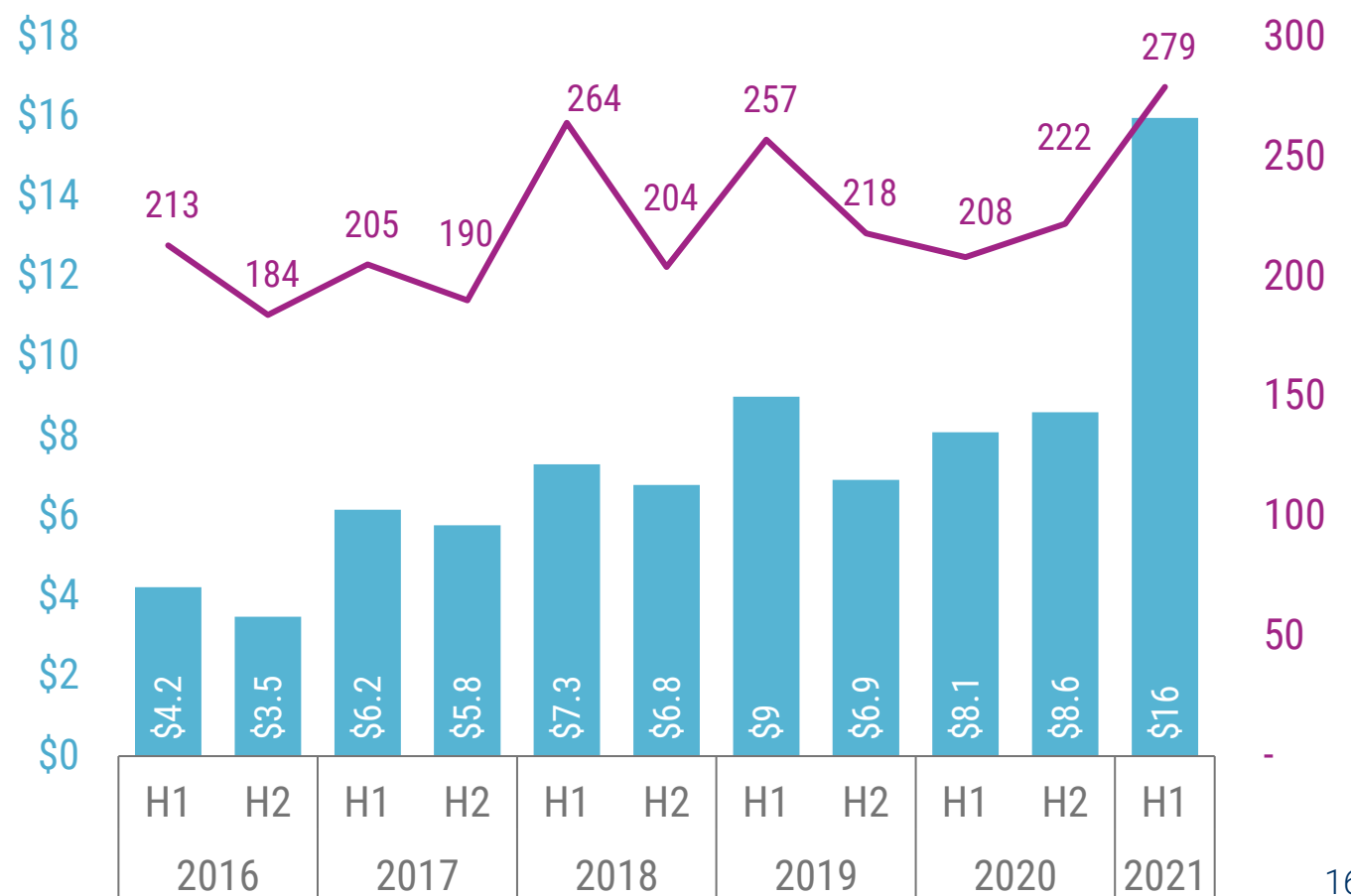


## CVC-backed funding to SV in H1'21 nearly exceeded 2020 total

Disclosed CVC-backed deals & equity funding (\$B) to Silicon Valley (SV), 2016 – H1'21

Funding amount (\$B)

Deal count



# NYC funding exceeded 2020 total in H1'21

New York City-based companies received record CVC-backed funding in H1'21—the fourth consecutive funding high.

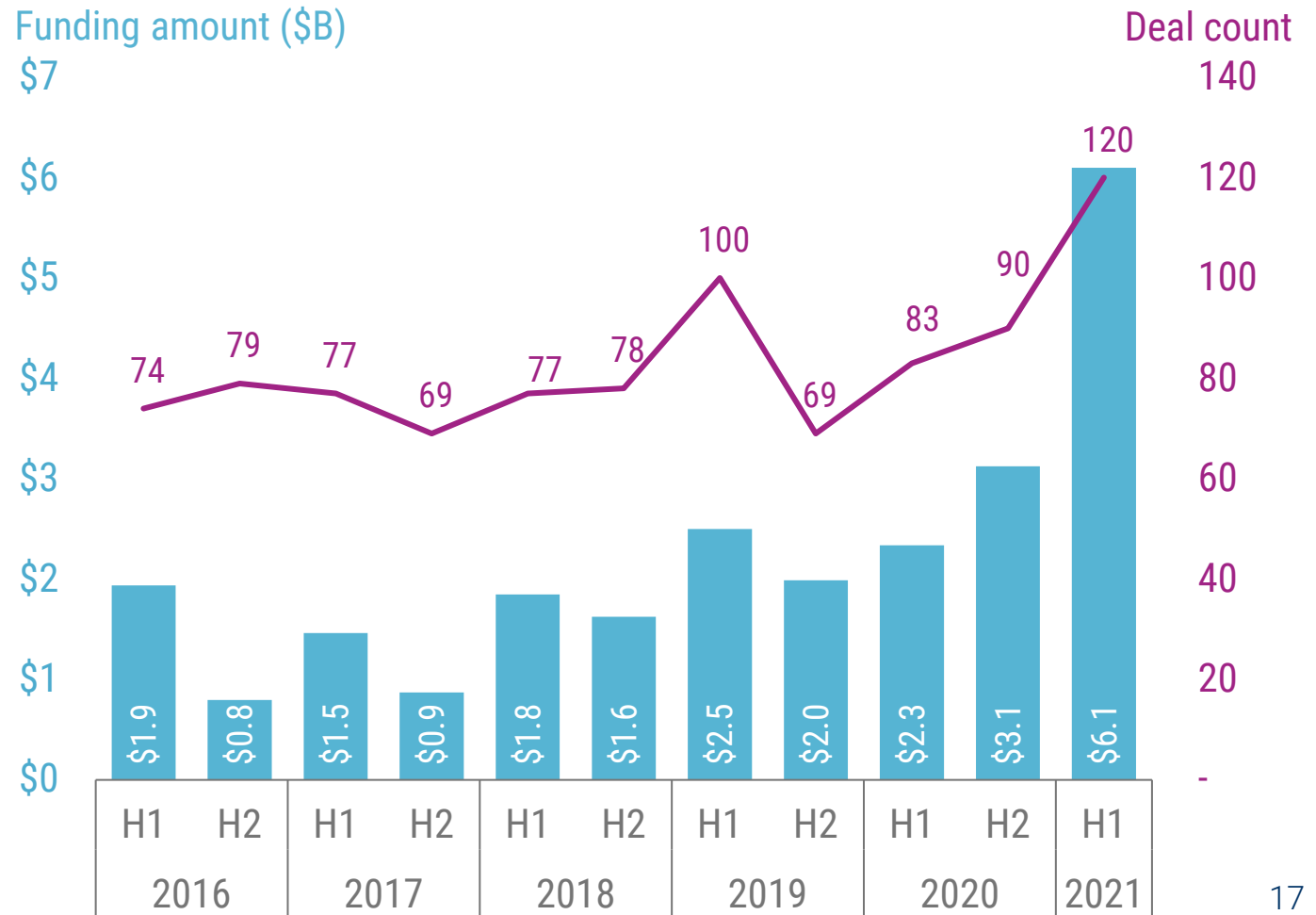
CVC-backed deals to companies in the tech hub jumped 45% YoY, putting it on pace to reach a new all-time high by year's end.

Wellness company Noom's \$540M Series F round was the largest in H1'21.



## CVC activity in NYC reached record heights

Disclosed CVC-backed deals & equity funding (\$B) to New York City, 2016 – H1'21



# CVC-backed funding to Boston hit new record

In the first 6 months of 2021, CVC-backed funding to Boston-based companies reached \$5.4B, surpassing 2020's annual record of \$5.1B.

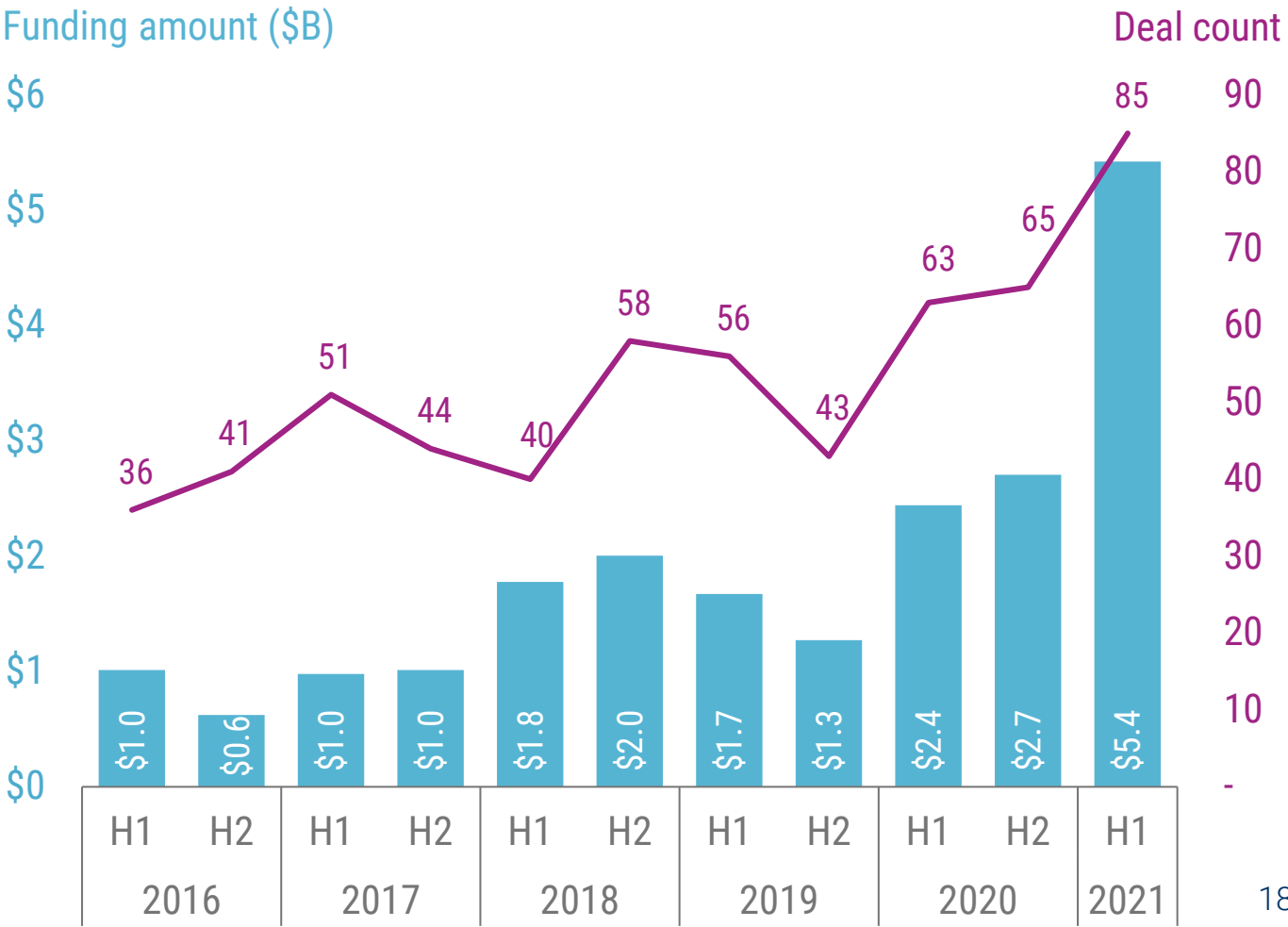
H1'21 saw 22 mega-rounds – more than triple the number in H1'20.

Biotech companies EQRx, Adagio, and Inari had the largest rounds in H1'21, attracting a combined \$1.04B in CVC-backed funding.



## CVC activity in Boston took off in H1'21

Disclosed CVC-backed deals & equity funding (\$B) to Boston, 2016 – H1'21



# CVC-backed funding matched the H2'20 record high in LA

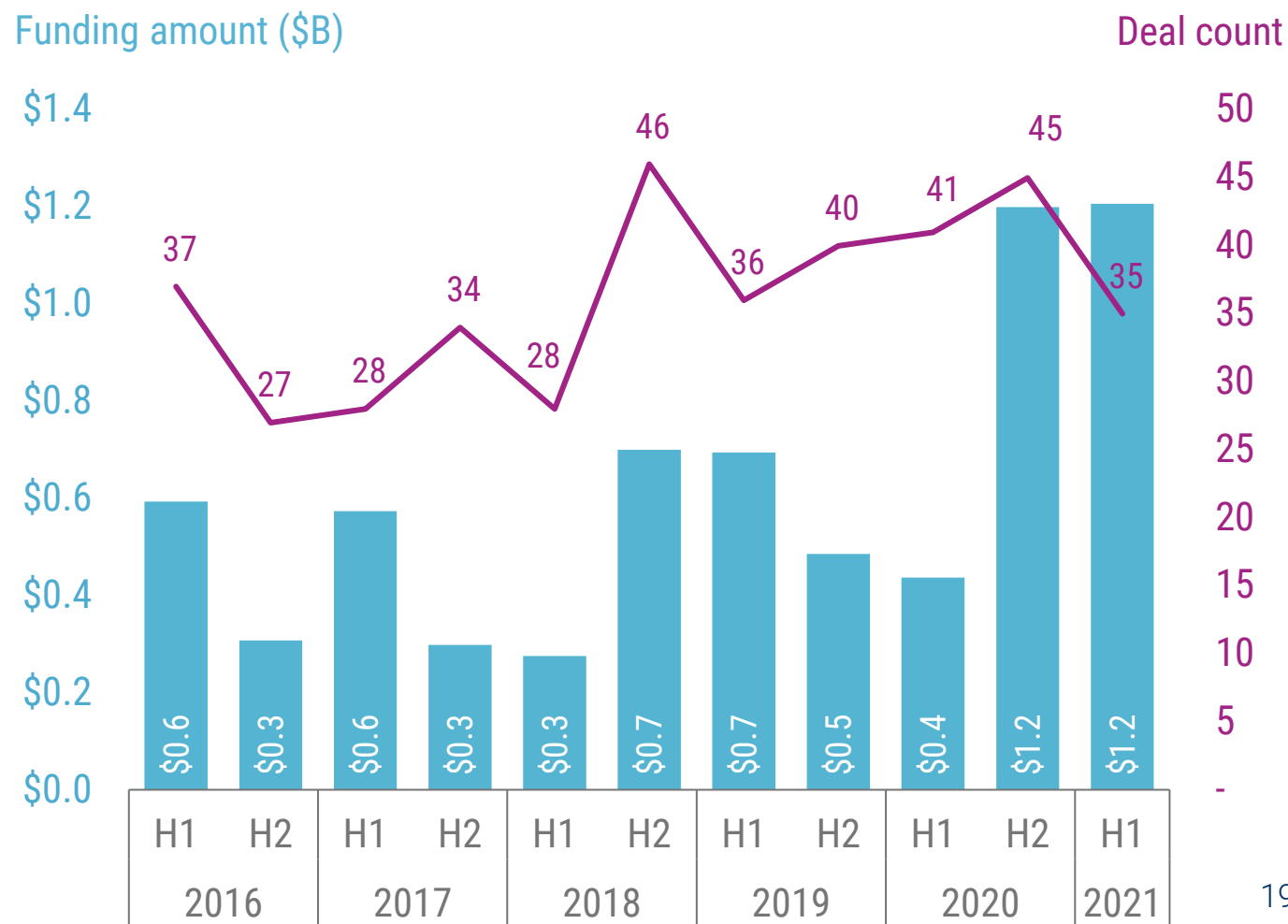
Up 176% from H1'20, CVC-backed funding in H1'21 matched the \$1.2B record high set in the second half of 2020.

CVC-backed deals declined 15% from H1'20 to 35 in H1'21 – the lowest level since H1'18.

LA-based companies saw a 5+ year high with 3 mega-rounds. Cybersecurity company Orca Security's \$210M Series C round was among the largest in H1'21.

## CVC-backed deals fell to lowest level since H1'18

Disclosed CVC-backed deals & equity funding (\$B) to Los Angeles, 2016 – H1'21



REGIONAL CORPORATE VENTURE CAPITAL IN H1'21

# Asia CVC Activity



# CVC-backed deals hit new half-year all-time high

CVC-backed deals to Asia-based companies increased 17% YoY for H1'21, hitting an all-time high of 767.

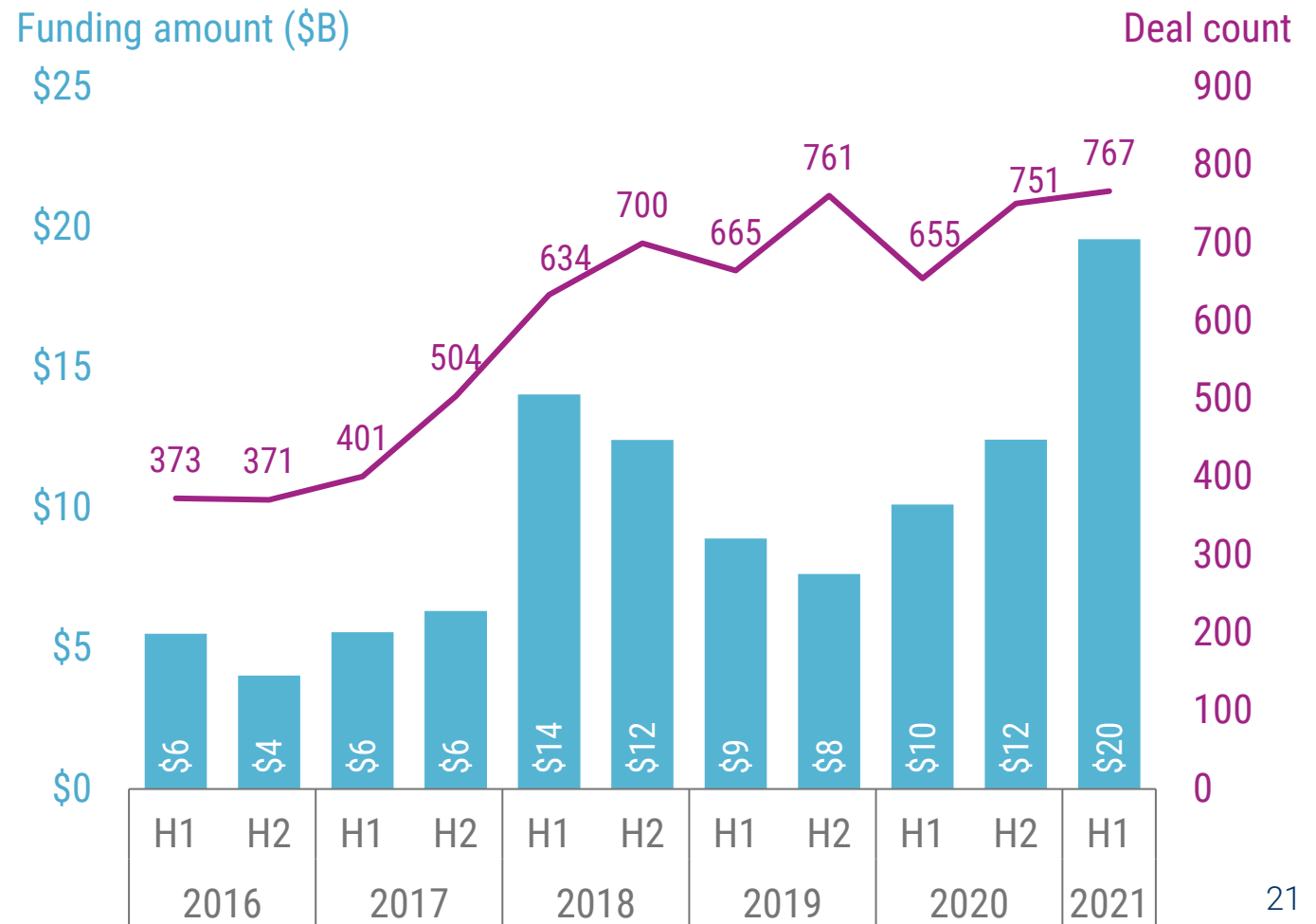
CVC-backed funding for H1'21 is up nearly 100% YoY and on track for a new annual record.

Deals to China-based companies spurred growth on the continent, while Japan saw a slowdown, with H1'21 deals down nearly 20% compared to H1'20.



## CVC-backed funding to Asia on track for new record

Disclosed CVC-backed deals & equity funding (\$B) to Asia, 2016 – H1'21



## CVC-backed funding in China doubled in H1'21

CVC-backed deals to China-based companies jumped 54% YoY in H1'21, while CVC-backed funding doubled.

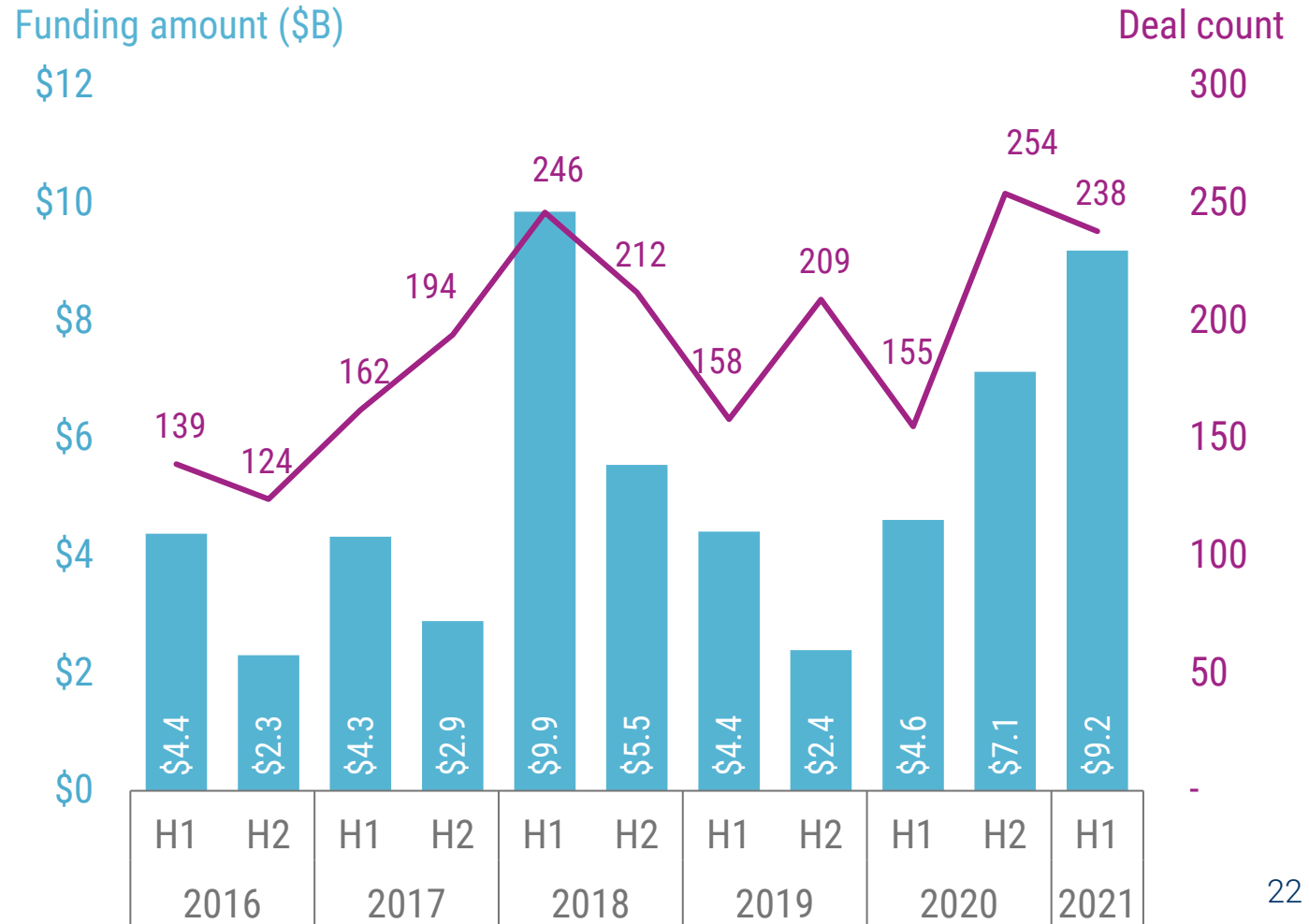
If H1'21 CVC activity levels continue through H2'21, then funding and deals should surpass the all-time highs set in 2018.

The number of mega-rounds to China-based companies increased 47% YoY in H1'21 to a record 19 deals.



### CVC-backed activity in China on pace for a record year

Disclosed CVC-backed deals & equity funding (\$B) to China, 2016 – H1'21



## CVC-backed funding to Japan fell flat YoY

CVC-backed deals to Japan-based companies were down 18% YoY in H1'21, setting it up for another annual decline in deals.

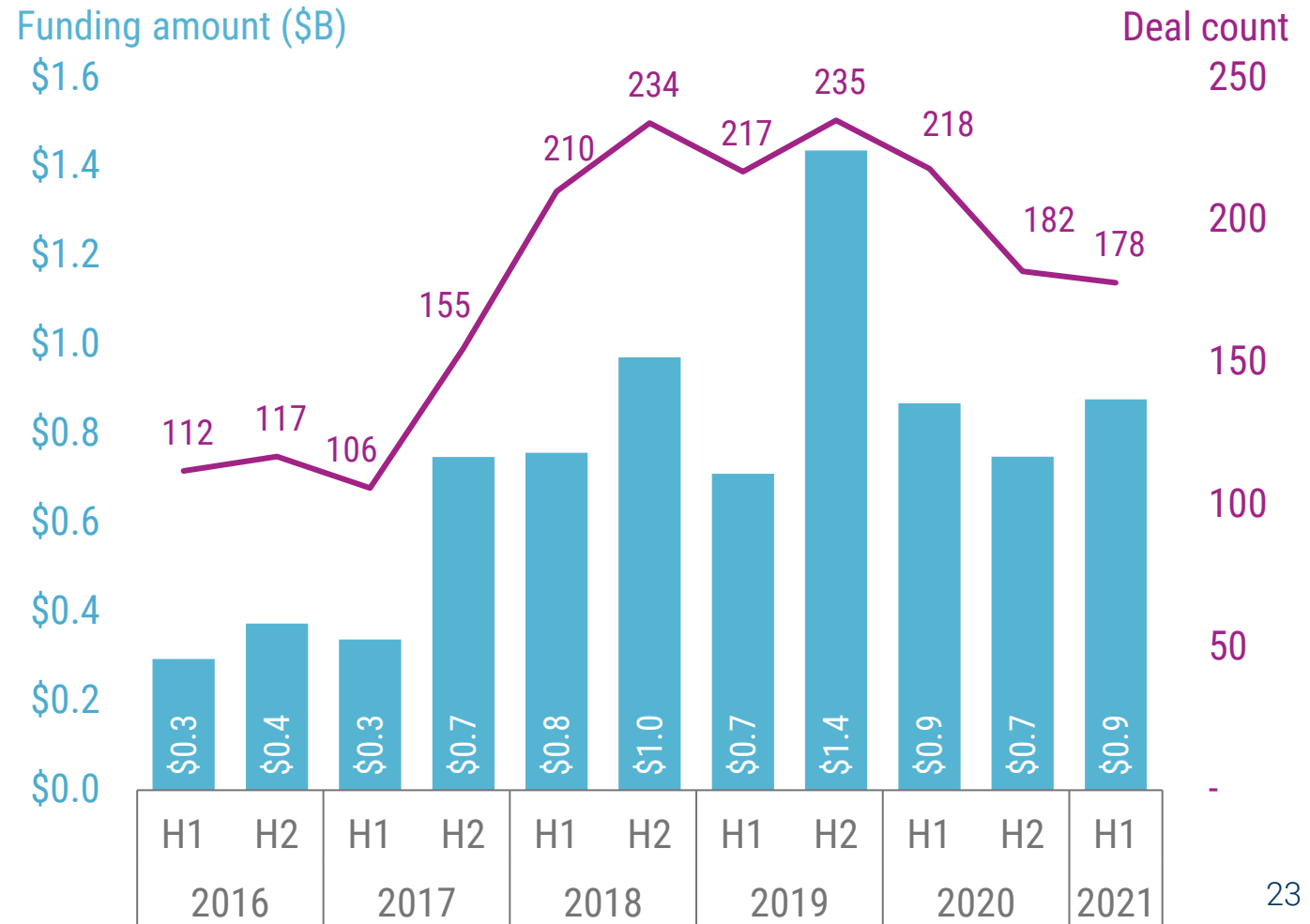
CVC-backed funding to Japan-based companies was largely unchanged in H1'21 from H1'20.

Japan saw 0 mega-rounds in H1'21, continuing a 5+ year trend.



### CVC-backed deals headed for consecutive annual decline

Disclosed CVC-backed deals & equity funding (\$B) to Japan, 2016 – H1'21





# CVC-backed funding to India on track for a new annual record

CVC-backed deals to India-based companies were flat YoY in H1'21, but CVC-backed funding grew by 22% to \$2.8B.

Mega-rounds supported the increase in CVC-backed funding to India-based companies, doubling to 6 in H1'21 from 3 in H1'20.

Food delivery company Swiggy notched India's largest deal in H1'21 – an \$800M Series J round.



## CVC-backed funding to India-based companies rose

Disclosed CVC-backed deals & equity funding (\$B) to India, 2016 – H1'21

Funding amount (\$B)

\$3.0

Deal count

70

\$2.5

\$2.0

\$1.5

\$1.0

\$0.5

\$0.0

60

50

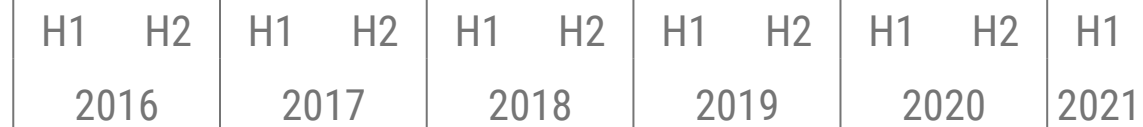
40

30

20

10

-



REGIONAL CORPORATE VENTURE CAPITAL IN H1'21

# Europe CVC Activity



# CVC-backed funding to Europe surged in H1'21

CVC-backed funding quadrupled YoY and exceeded 2020's annual funding record of \$9.1B in less than 6 months.

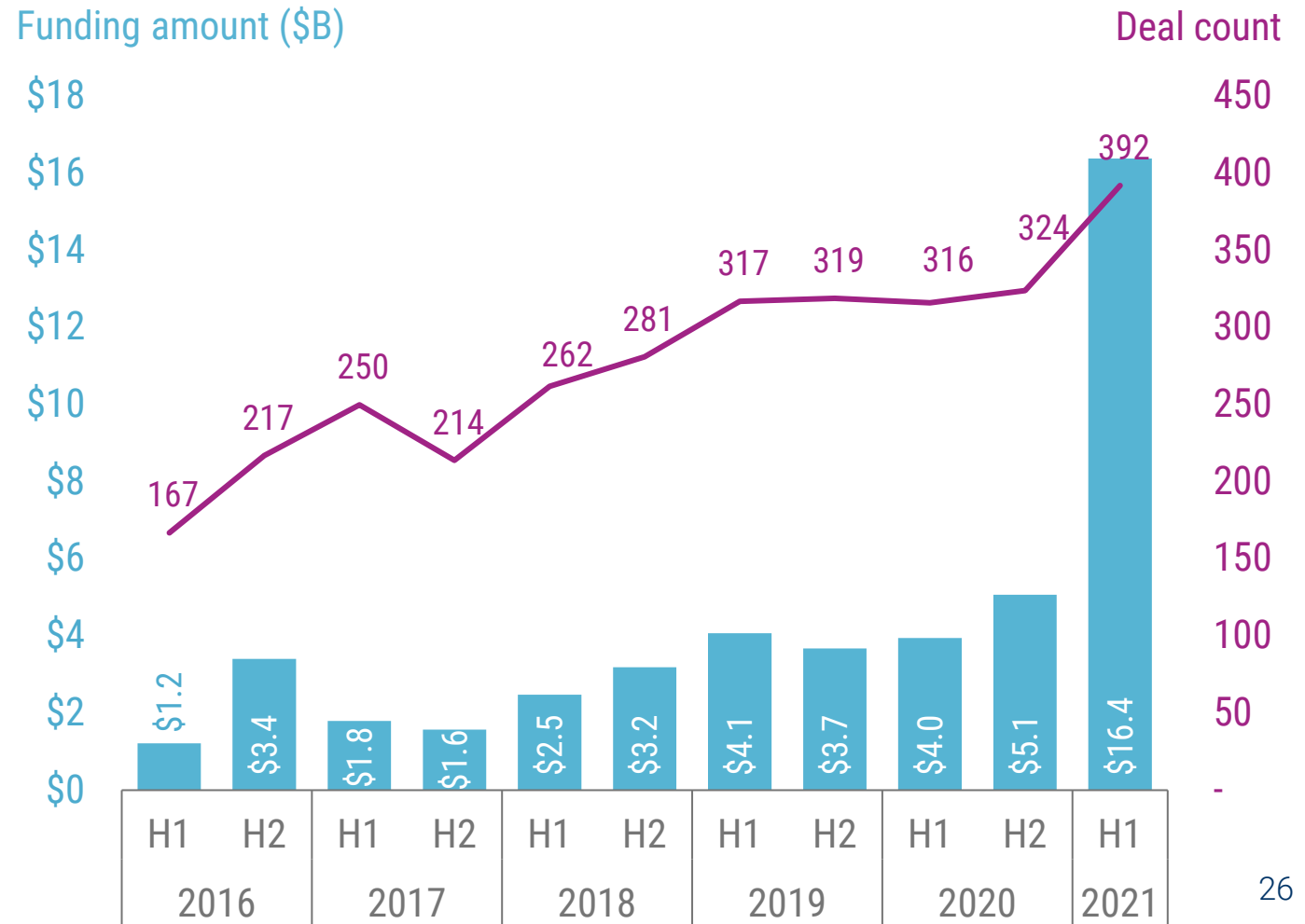
CVC-backed deals to Europe-based companies also increased, but by a comparatively modest 24% YoY.

Behind the surge in funding were mega-rounds, which grew 313% YoY to 33.



## CVC-backed deals rose to half-year record high

Disclosed CVC-backed deals & equity funding (\$B) to Europe, 2016 – H1'21



# UK CVC-backed funding climbed to a record high

CVC-backed funding to UK-based companies grew 178% YoY and has already surpassed 2019's annual record of \$3.4B.

CVC-backed deals blew past the prior half-year record and are on track to reach an all-time annual high – up 53% in H1'21 vs. H1'20.

Mega-rounds in the UK increased by 233% YoY to 10 in H1'21.

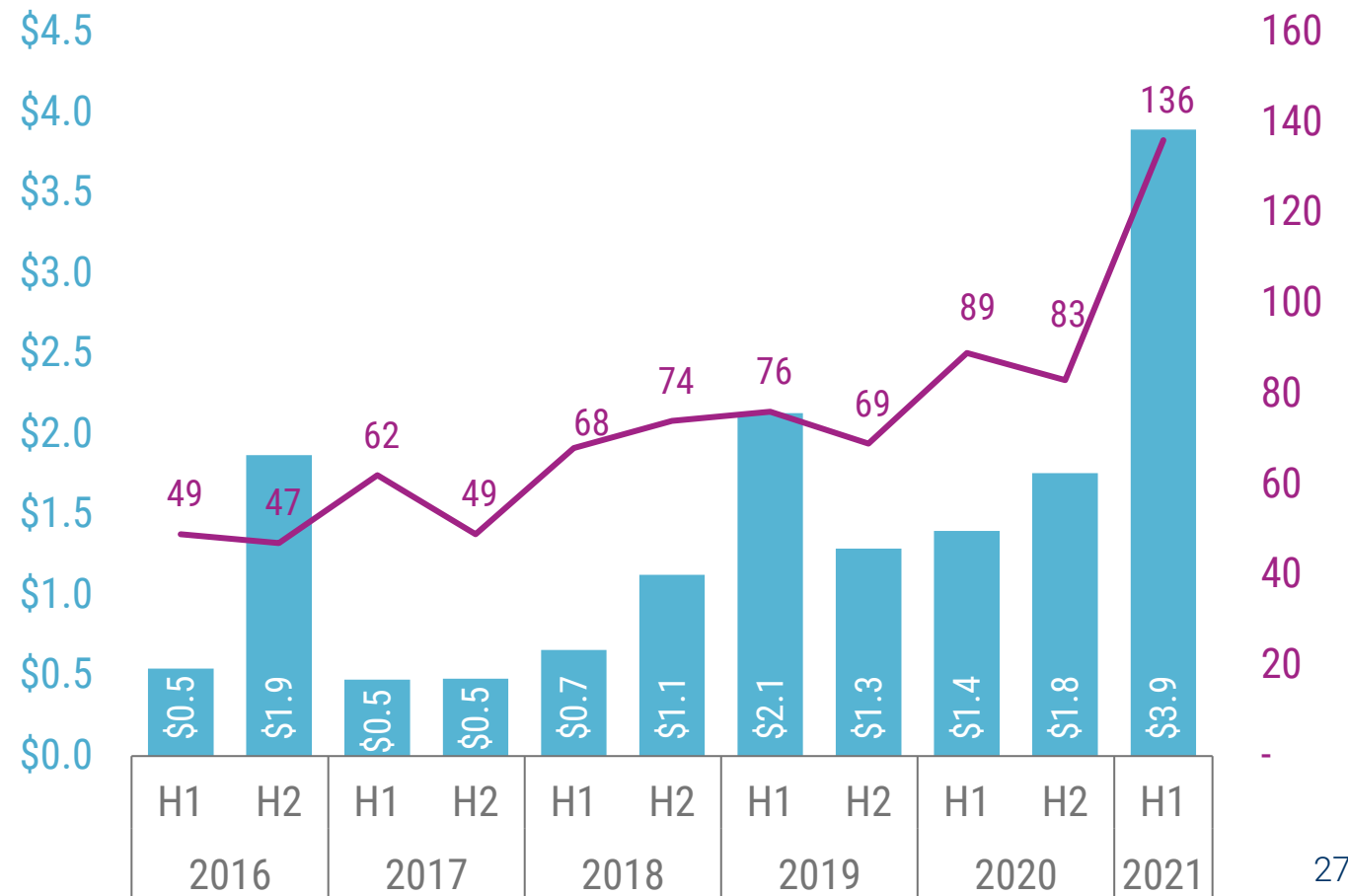


## UK CVC activity expected to reach an all-time high

Disclosed CVC-backed deals & equity funding (\$B) to the UK, 2016 – H1'21

Funding amount (\$B)

Deal count



# CVC-backed mega-rounds drove funding growth in Germany

In just 6 months, CVC-backed funding to Germany-based companies has more than doubled 2020's annual total.

An increase in mega-rounds drove the rapid rise in funding, jumping from 0 in H1'20 to 7 in H1'21.

CVC-backed deals grew by comparatively modest 17% YoY to 54.

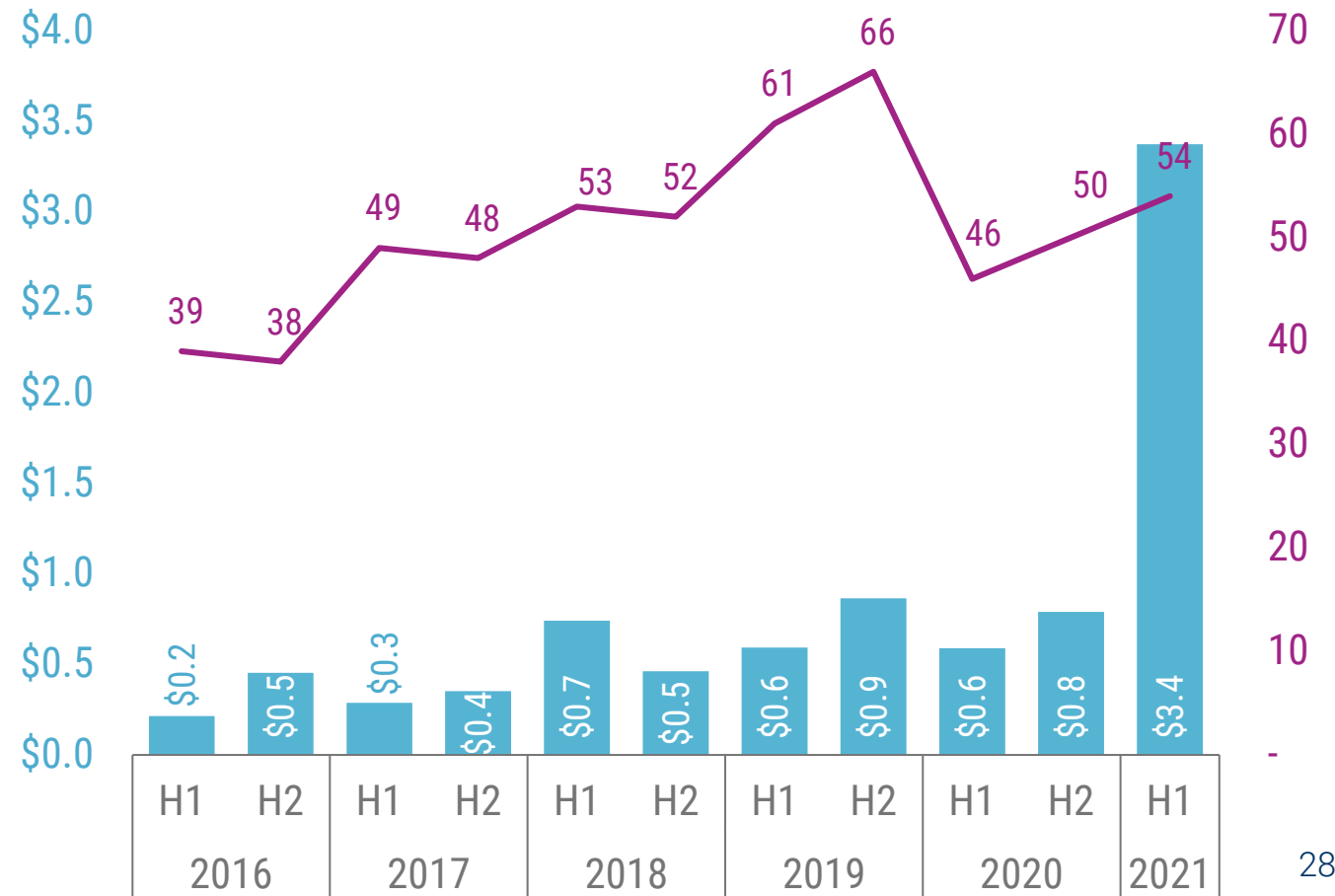


## CVC-backed funding to Germany soared in H1'21

Disclosed CVC-backed deals & equity funding (\$B) to Germany, 2016 – H1'21

Funding amount (\$B)

Deal count



# Mega-rounds lifted CVC-backed funding to new high across France

CVC-backed funding to France-based companies nearly tripled from H1'20, reaching \$1.6B in H1'21.

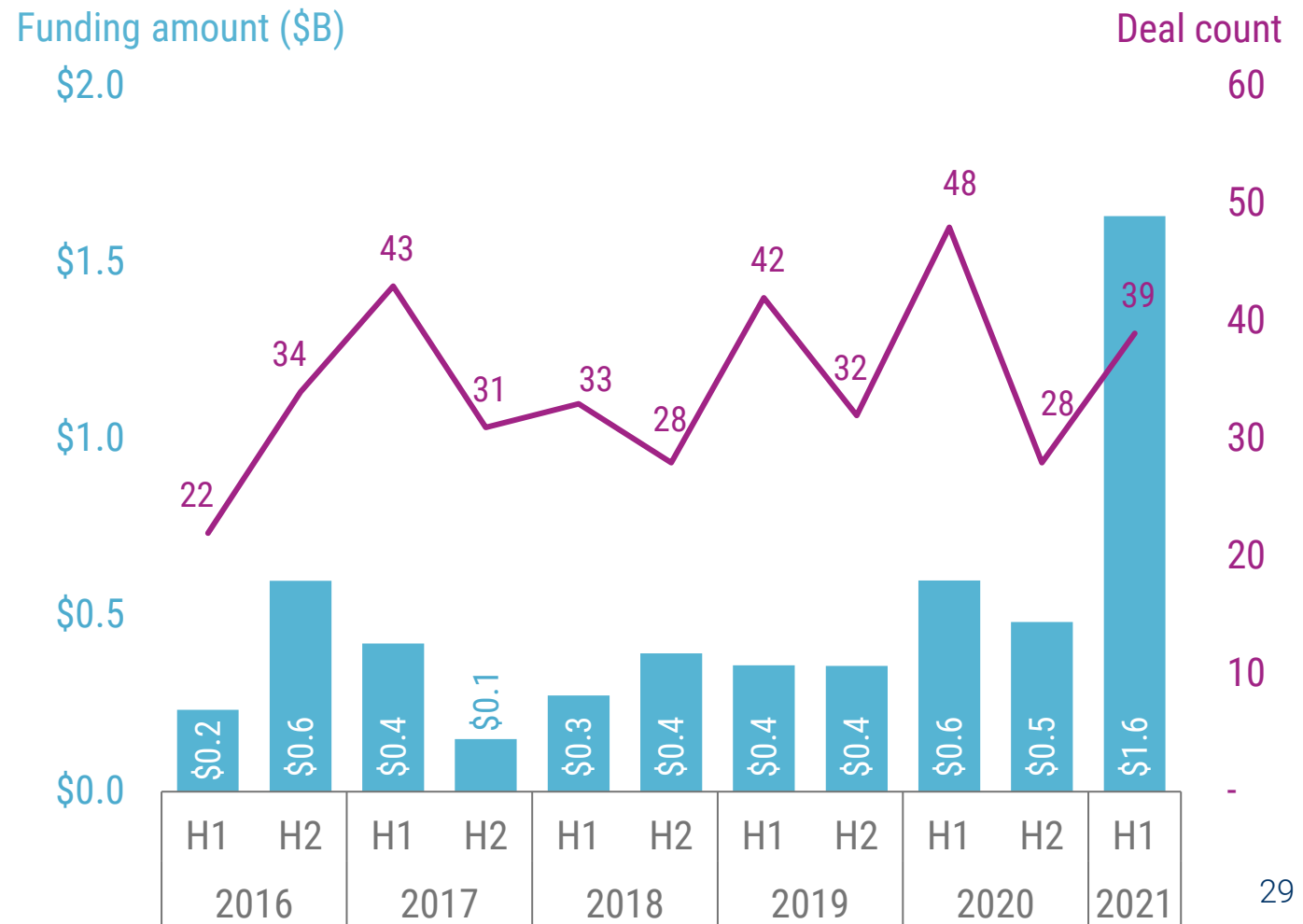
However, deal count dropped by 19% YoY in H1'21.

Cryptocurrency wallet company Ledger and electronics marketplace Back Market picked up \$300M+ funding rounds – accounting for more than a third of CVC-backed funding in H1'21.



## CVC-backed funding to France in H1'21 topped 2020 total

Disclosed CVC-backed deals & equity funding (\$B) to France, 2016 – H1'21



# Methodology

CB Insights encourages you to review the methodology and definitions employed to better understand the numbers presented in this report. If you have any questions about the definitions or methodological principles used, we encourage you to reach out to CB Insights directly. Additionally, if you feel your firm has been under-represented, please send an email to [info@cbinsights.com](mailto:info@cbinsights.com) and we can work together to ensure your firm's investment data is up to date.

## What is included:

- Equity financings into emerging companies. Fundings must be put into CVC-backed companies, which are defined as companies that have received funding at any point from corporate venture groups.
- Fundings of only private companies. Funding rounds raised by public companies of any kind on any exchange (including Pink Sheets) are excluded from our numbers, even if they received investment from a corporate venture group.
- Only includes the investment made in the quarter for tranching investments. If a company does a second closing of its Series B round for \$5M and previously had closed \$2M in a prior quarter, only the \$5M is reflected in our results.
- Round numbers reflect what has closed – not what is intended. If a company indicates the closing of \$5M out of a desired raise of \$15M, our numbers reflect only the amount which has closed.
- Only verifiable fundings are included. Fundings are verified via various federal and state regulatory filings, direct confirmation with firm or investor, or press release.
- Historical funding data is subject to change as our technology & data operations explore data sets globally and refine company and investor classifications.

## What is excluded:

- No contingent funding. If a company receives a commitment for \$20M subject to hitting certain milestones but first gets \$8M, only the \$8M is included in our data.
- No business development/R&D arrangements, whether transferable into equity now, later, or never. If a company signs a \$300M R&D partnership with a larger corporation, this is not equity financing, nor is it from a venture capital firm. As a result, it is not included.
- No buyouts, consolidations, and/or recapitalizations. All three of these transaction types are commonly employed by private equity firms and are tracked by CB Insights. However, they are excluded for the purposes of this report.
- No private placements. These investments, also known as PIPEs (Private Investment in Public Equities), are excluded even if made by a venture capital firm.
- No debt/loans of any kind (except convertible notes). Venture debt or any kind of debt/loan issued to emerging startup companies, even if included as an additional part of an equity financing, is not included. If a company receives \$3M with \$2M from venture investors and \$1M in debt, only the \$2M is included.
- No government funding. Grants, loans, or equity financings by the federal government, state agencies, or public-private partnerships to emerging startup companies are not included.