



# CEUROPEAN

## VC Valuations Report





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### Introduction

Two of the three pillars of European valuations showed continued trends in Q2 2024, but rationalisation in the market appears less clear. Following our outlook at the end of 2023, we have been writing about "three R's" that will be pivotal in shaping valuations in 2024: rates, recovery, and rationalisation. Through the year, we have seen the data and metrics point towards each pillar. Trends in recovery and rates seem to have continued, with the Bank of England following the European Central Bank (ECB) by cutting rates at the beginning of the month, and the market pricing in more to come across Europe. Recovery in valuations has therefore continued to ensue; however, the extent to which valuations have rationalized is less clear, with lofty price tags being found in areas such as AI. In H1, the proportion of down rounds in Europe moved higher—it has shown signs of plateauing since 2023—raising the question of whether more down rounds could be on the table. Regionally, 83.7% of down rounds in Europe in H1 occurred in the UK, with the next highest proportion in the Nordics.

Pre-seed continues to be the most resilient part of the market regarding valuations. Median valuations for preseed increased the most versus full-year 2023 whilst late stage exhibited the largest decrease. Early-stage median deal sizes saw the biggest gains across stages versus full-year 2023. Seed stages also exhibited the lowest median time between rounds across venture; most of the other stages lengthened the gap between financing compared with historical levels. By sector, fintech deal sizes and valuations still lead other verticals. Anecdotally, this ties in with players such as Revolut, Monzo, and Starling, which have all seen increases in their implied valuations this year. Regionally, early-stage median deal sizes in H1 were the largest in Israel. UK and Ireland early-stage median deal sizes continued to lag other key ecosystems.

For deals with nontraditional participation, median deal values and valuations exceeded the market. We have seen this is the case across all stages, as nontraditional investors (NTIs) may likely want to be part of larger, more significant rounds in higher-valued companies, given that involvement in venture is outside their conventional strategy and business model. The share of NTI deal count increased to 39.4% of European deals in H1 2024; the previous peak participation was 40.2% in 2022. Nearly 10% of NTI deals in 2024 so far have had more than four NTI participants on board, demonstrating the key role than a wide variety of financial firms play in the venture ecosystem. Corporate venture capital (CVC) participation continues to be a resilient part of the NTI base.

Unicorn deal value continues to show signs of recovery, pacing higher QoQ and YoY. The H1 run rate of deal value implies a 12.3% increase YoY. Deal count is also pacing above last year, with 28 unicorn deals in H1 compared to 39 for the whole of 2023. Overall, for unicorns, there has clearly been a pickup in financing rounds and valuation momentum, with some large rounds attached to an increase in minted names. Median deal size decreased as of H1, although post-money valuations have seen an uptick. However, we note that 44 of the 141 currently active unicorns were minted in 2021. Such players are likely to come back to the cap table this year, which could see valuations revised downwards compared to the heights of 2021.



### **Overview**

Two of the three pillars of valuations showed continued trends, although rationalisation in the market appears less clear. Following our outlook at the end of 2023, we have been writing about "three R's" that will be pivotal in shaping valuations in 2024: rates, recovery, and rationalisation. Earlier in the year, we saw the data and metrics point towards each pillar, with the first ECB rate cut in Europe underway in June, valuations recovering, and the rationalization in the market seeming to have abated. Trends in recovery and interest rates seem to have continued, with the Bank of England following the ECB by cutting rates at the beginning of August, and the market is pricing in more to come in Europe, despite higher-thanexpected Eurozone inflation. There also has been some signaling that the US Federal Reserve could undertake its first rate cut in September.2

Recovery in valuations has therefore also continued to ensue, with all earlier stages increasing median premoney valuations whilst late-stage and venture-growth ecosystems showed small declines. Median deal sizes continued to tick higher across all stages in H1. Al in particular is buoying the dispersions in early and late stages, leaving the question of how much other areas of the market are recovering without the Al effect. More broadly, we have also seen the proportion of down rounds in Europe move higher, raising the question of whether more down rounds could be on the table. We therefore are less clear to what extent a full rationalization has taken place in the market, given 23.3% of European deals in Q2 were down rounds. We would caveat, however, that this is based on a

smaller sample size of 536 companies, compared to 920 companies our valuation data used for H1. Anecdotally, we believe sentiment around down rounds is improving, meaning companies are less averse to disclosing they had one, which could also impact data collection.

Despite the various nuances, a recovery is taking place. Given further rate cuts through the year, we would expect it to continue. It is a hard balance, however, between lower rates improving discount factors for assets and weaker growth expectations, which could lead to a dovish environment and cause a sell-off in public equities, as seen recently. This in the same vein, does not bode well for exits and benchmark multiples. Median exit valuations have improved versus full-year 2023 and QoQ, which we see as a crucial trend to improve liquidity in venture as companies pass through the VC funnel.

The outlook for later stages of the market is less clear. Despite the uncertainty and the flattish trend for venture-growth valuations overall, there seems to be more optimism in the unicorn segment of the market, where deal value is up QoQ and YoY, with unicorn deals pacing above 2023 levels. However, recent volatility in the market makes the outlook for such late-stage players unclear. Whilst eight new unicorns have been minted in 2024 so far, 44 of the 141 active unicorns we track were minted in 2021, raising the question of whether valuation haircuts are still to come for such players. In H1, the median time from founding to the venture-growth stage sat at 11 years, increasing by six months, with the median time between rounds at 1.5 years.<sup>3</sup>

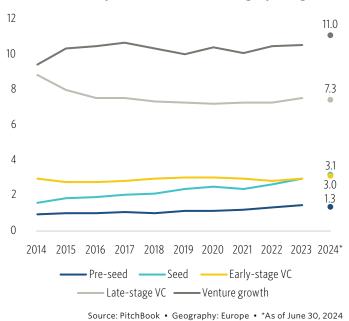
<sup>2: &</sup>quot;US Interest Rate Futures Price in Inter-Meeting Fed Cut," Reuters, Gertrude Chavez-Dreyfuss, 5 August 2024.

<sup>3:</sup> For a more in-depth view, see Evaluating the Europe VC Dealmaking Funnel



### Valuation trends by stage

### Median time (years) from founding by stage



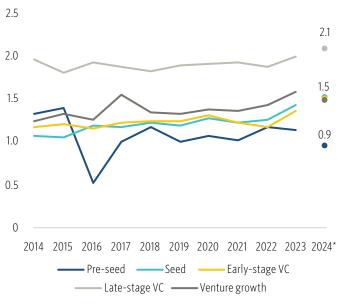
Pre-seed continues to lead as the most resilient part of the market when it comes to valuations. We noted strength in the stage at Q1, which continued to hold true in Q2 2024. The median pre-money valuation continued to lead the recovery across stages, sitting at €4.4 million at the end of

### Pre-seed pre-money valuation (€M) dispersion



Source: PitchBook • Geography: Europe • \*As of June 30, 2024

### Median time (years) between rounds by stage



Source: PitchBook • Geography: Europe • \*As of June 30, 2024

the quarter compared to €2.8 million in 2023. Median deal sizes increased slightly, staying broadly at €0.6 million for H1. The median time from founding to seed decreased to 1.3 years versus 1.5 years in 2023.

#### Pre-seed deal value (€M) dispersion





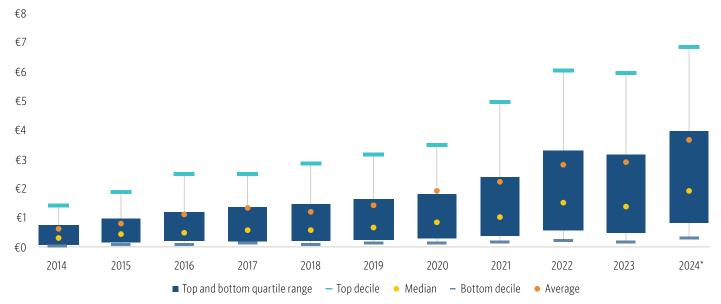
€25

#### Seed pre-money valuation (€M) dispersion



Source: PitchBook • Geography: Europe • \*As of June 30, 2024

### Seed deal value (€M) dispersion



Source: PitchBook • Geography: Europe • \*As of June 30, 2024

Median seed valuations and deal size increases sat in the middle of the pack compared to 2023. Seed median valuations continued trends seen in Q1, increasing by the lowest proportion in H1 versus last year but defying a decline that occurred in later stages. Median deal sizes showed more signs of recovery than last year, increasing 36.0% in H1 2024 to €1.9 million. Median valuations sat at €5.0 million in the half, 7.8% higher than the full-year 2023, where Q2 also sequentially increased. Unlike pre-seed, time since founding and between rounds increased.

4: We measure time between rounds as the years from a company's prior round (regardless of in which stage this occurred) to the current round being tracked.

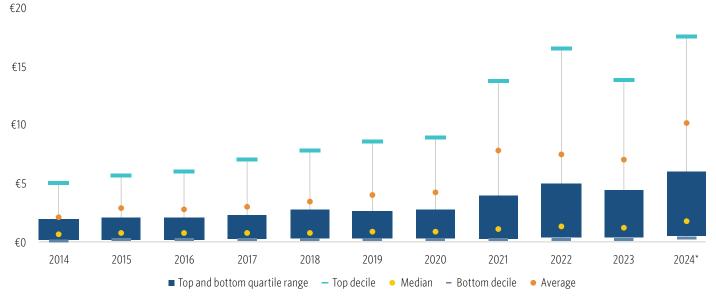


#### Early-stage VC pre-money valuation (€M) dispersion



Source: PitchBook • Geography: Europe • \*As of June 30, 2024

### Early-stage VC deal value (€M) dispersion



Source: PitchBook • Geography: Europe • \*As of June 30, 2024

Early-stage median deal sizes saw the biggest gains across stages, up 43.9% to €1.8 million at H1 2024. Median valuations were also 17.3% higher versus 2023 at €17.3 million. The dispersion of deal values was lifted by large

deals in AI. The largest deal, however, came from consumer fintech startup Abound at €933.2 million. Time since founding and between rounds increased slightly to 3.1 and 1.5 years, respectively, in H1 2024.

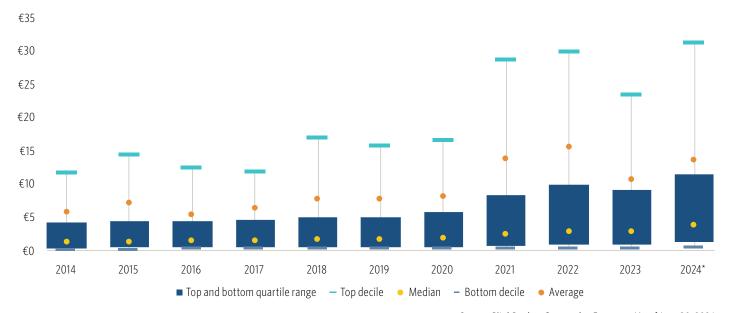


#### Late-stage VC pre-money valuation (€M) dispersion



Source: PitchBook • Geography: Europe • \*As of June 30, 2024

#### Late-stage VC deal value (€M) dispersion



Source: PitchBook  $\, \bullet \,$  Geography: Europe  $\, \bullet \,$  \*As of June 30, 2024

Late-stage valuations declined, but deal values increased, similar to Q1 trends. Median deal size in Q1 2024 sat at €4.0 million, 33.3% higher compared to full-year 2023. There was less resilience seen in valuations, where medians decreased 2.8% to €10.8 million. We see this as less of a concern given the small decrease and the fact that the other areas of the

valuation dispersion in the stage all increased in Q1 2024 versus full-year 2023. As with pre-seed, late-stage median time since founding saw a decline in H1 to 7.3 years, with time between rounds for late-stage deals increasing to 2.1 years.

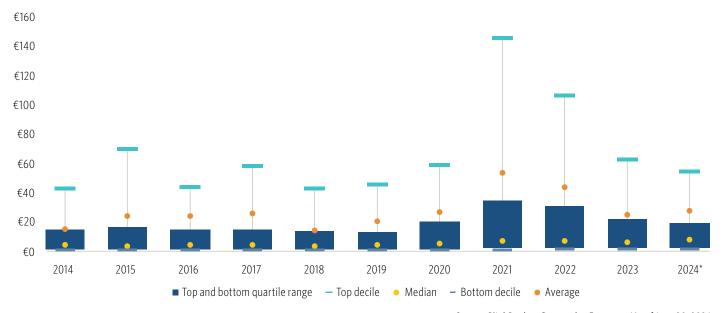


#### Venture-growth VC pre-money valuation (€M) dispersion



Source: PitchBook • Geography: Europe • \*As of June 30, 2024

#### Venture-growth VC deal value (€M) dispersion



Source: PitchBook • Geography: Europe • \*As of June 30, 2024

Recovery in venture growth was muted but median deal sizes increased. Median valuations ended H1 at €22.4 million, slightly down from €22.9 million. The quarterly trends within the stage, however, show signs of recovery since the beginning of the year, as Q2 ended at €25.9 million. Some of the largest valuation step-ups in the stage came from life sciences player DelSiTech, Israeli cybersecurity firm Aqua Security, and UK cleantech

company Reactive Technologies, which provides energy optimisation tools. The median deal size in the stage, however, increased significantly to €8.2 million in H1 2024, compared to €6.0 million last year. Time since founding for venture growth sat at 11.0 years in H1 2024, increasing by six months versus full-year 2023. Time between rounds for venture-growth deals slightly decreased to 1.5 years.

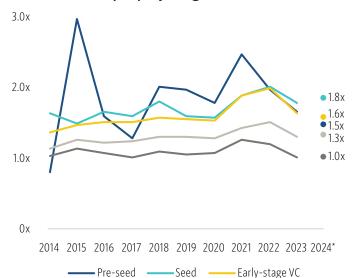


Despite the recovery in valuations, the proportion of down rounds continued to increase in H1. Sequentially, the proportion increased; in Q2 2024, down rounds ticked higher to 23.3% versus 22.6% in Q1. The H1 proportion of 22.9% sits about three percentage points above full-year 2023 levels, where down rounds have taken share from both up and flat rounds. The proportion now sits above the historical 10-year average of 18.8% but lower than the peak of 25.3% in 2014. This makes it less clear whether the proportion could continue to increase or is likely to plateau going forward given the wider recovery in valuations. Figures may be also skewed by a smaller sample size if fewer companies are inclined to disclose down rounds.

123 down rounds have occurred in H1 2024. Of the companies that have had a down round in 2024, the average step-down has been 0.7x. The highest-valued players that underwent down rounds in H1 have been The Sand Box (a step-down of 0.42x since last valuation), Blueground (0.98x lower) and Biosceptre (0.81x lower). Regionally, 83.7% of down rounds across Europe in H1 occurred in the UK, with the next highest proportion in the Nordics. Within the UK, of the up, down, and flat rounds we track, 25.2% of deals involved a down round, the highest out of all the regions. The smallest proportion sat in France/Benelux.

Despite the increase in the overall proportion of down rounds, step-up ratios across all stages sit at similar levels to last year. We calculate step-up ratios as the pre-money valuation of the current round over the post-money valuation of the previous round to track how much companies have organically increased their valuation between rounds. Valuation increases between rounds

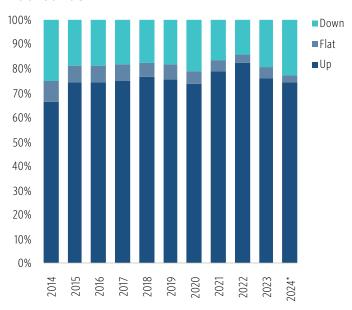
#### Median VC step-up by stage



Source: PitchBook • Geography: Europe • \*As of June 30, 2024

— Late-stage VC ——Venture growth

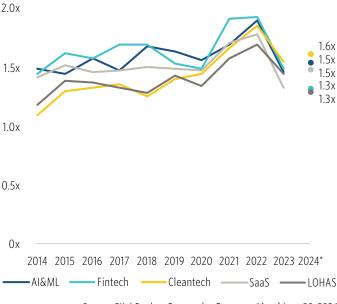
### Share of VC deal count by up, down, or flat rounds



Source: PitchBook • Geography: Europe • \*As of June 30, 2024

can be lumpy given the time lapse between disclosed valuations, so looking at medians for broader categories can smooth outliers. By stage, seed-stage companies in H1 saw the highest step-up ratio of 1.8x. Regionally, France & Benelux saw the highest ratio versus other regions (where counts were significant). The largest number of companies with step-ups occurred in the UK, where half of the top-10 companies for step-up ratios in H1 are headquartered. Amongst the key verticals, cleantech had the highest ratio of 1.6x in H1.

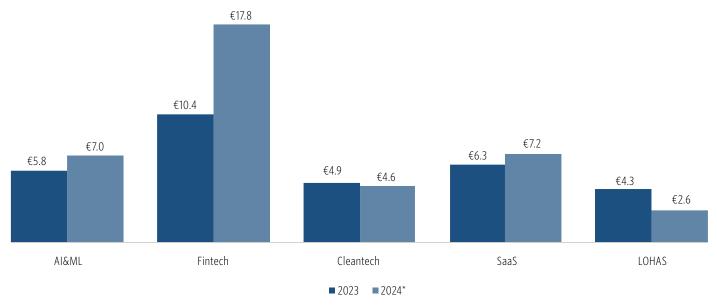
#### Median VC step-up by vertical





### **Verticals**

### Median early-stage VC pre-money valuation (€M) by vertical

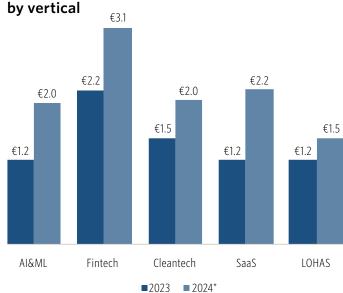


Source: PitchBook • Geography: Europe • \*As of June 30, 2024

Fintech deal sizes and valuations still lead other verticals. The early-stage fintech median deal size ended H1 at €17.8 million, a significant step up from €10.4 million in full-year 2023. Companies within this deal ecosystem cross section included edtech player Bcas, car lending platform Carmoola, and payments processing software firm Mimo. The median deal size for these fintech players sat ahead of the next-largest category, software as a service (SaaS) at €2.2 million, followed closely by artificial intelligence & machine learning (AI & ML). Fintech also leads in the late stage.

Early-stage fintech valuations have seen large increases, with the median up 70.7% in H1 from 2023's full -year figure. This was followed by AI & ML which increased 20.1%, and then SaaS. Within the late stage, cleantech valuations saw the largest increase, up 28.6% to €15.4 million in H1, but still sat behind fintech which also increased. Of the fintech players that closed deals in Q2 alone, the highest-valued players were Monzo; The Sand Box, which sits close to the unicorn mark at a €922.8 million valuation; and Wagestream. More broadly, four of the top-10-highest-valued firms that raised finances in H1 2024 are in the crypto/blockchain space, led by crypto platform unicorn Glue.

### Median early-stage VC deal value (€M) by vertical





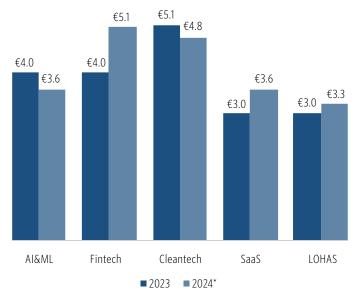
### Median late-stage VC pre-money valuation (€M) by vertical



Source: PitchBook • Geography: Europe • \*As of June 30, 2024

Anecdotally, this resilience ties in with fintech players such as Revolut,<sup>5</sup> Monzo,<sup>6</sup> and Starling,<sup>7</sup> which all saw increases in their implied valuations this year. Whilst such private bellwethers signal positivity for venture valuations more broadly, we will monitor the development of business fundamentals in the industry and the impact they could have on valuations. We question the impact that a lower rate environment will have on some of the businesses, with

### Median late-stage VC deal value (€M) by vertical



Source: PitchBook • Geography: Europe • \*As of June 30, 2024

players such as Monzo experiencing a tailwind from their lending activity and, therefore, interest income. Lower rates could see an unwinding of this effect. The growth that such players are also pursuing is likely to require more capital, and in a more volatile stock market, the opportunity for exits and further financing may be difficult. Whilst some companies that have recently raised could weather volatility in H2 2024, prudence and operational efficiency will be key.

<sup>5: &</sup>quot;Revolut Tells Staff It Is Launching Share Sale at \$45bn Valuation," Financial Times, Akila Quinio, 2 August 2024.

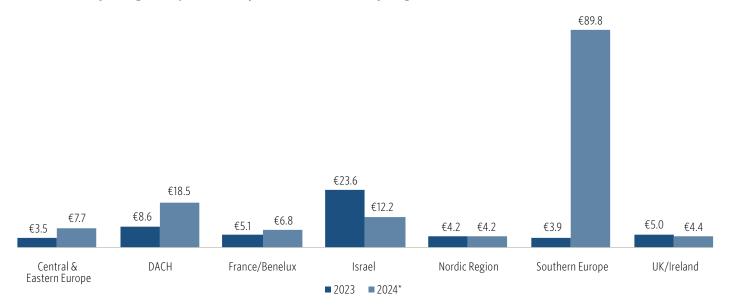
<sup>6: &</sup>quot;Monzo Nabs a \$5.2 Billion Valuation After Raising More Money," Bloomberg, Aisha S Gani, 8 May 2024.

<sup>7: &</sup>quot;Starling Investor Targets £10bn Valuation for Digital Lender," Financial Times, Emma Dunkley and Akila Quinio, 26 May 2024.



### Regions

#### Median early-stage VC pre-money valuation (€M) by region

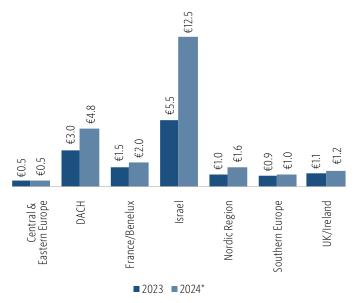


Source: PitchBook • Geography: Europe • \*As of June 30, 2024
Note: 2023 data counts are under 20 for Central & Eastern Europe and 2024 data counts are under 20 for Central & Eastern Europe, DACH, Israel, and Southern Europe.

Median early-stage deal sizes in H1 2024 were the largest in Israel, at €12.5 million, up from €5.5 million last year. This was driven by large deals in a variety of verticals including cybersecurity, AI, and healthtech. Israel's lead was followed by DACH and France & Benelux. We should caveat, however, that the sample size for Israel is small; we excluded Israel in Q1 because it accounted for fewer than 30 deals. Whilst this was not the case in Q2, if Israel was excluded, the ranking would be similar to Q1. At the other end, UK & Ireland early-stage median deal sizes continued to lag other key ecosystems, at €1.2 million, a step-down from Q1. This sits behind the Nordics but ahead of the lowest region, Southern Europe, which came in at €1.0 million. The more prominent prevalence of AI in countries such as France have meant that median deal values for the France & Benelux region have widened compared to other areas of Europe.

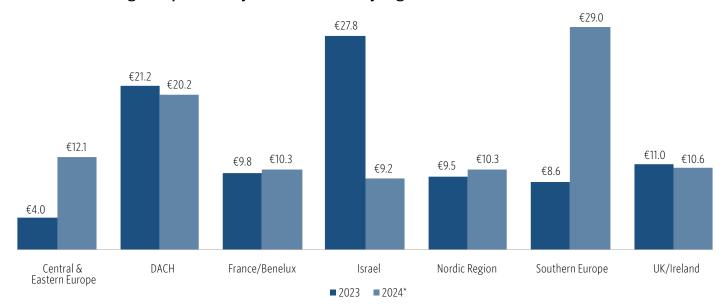
Within late stage, the picture is similar. Unlike Q1, where France & Benelux median deal size was the highest, DACH now leads at €10.0 million at the end of H1. This is followed by France, which sits at half the value of DACH medians. The strength in the DACH region is derived by rounds across a variety of industries, with Q2 having some large rounds from AI language tool DeepL, space tech firm Isar Aerospace, and AI-related semiconductor manufacturer Black Semiconductor. Central & Eastern Europe continues to have both the smallest cheque sizes and median valuations of all the regions.

### Median early-stage VC deal value (€M) by vertical



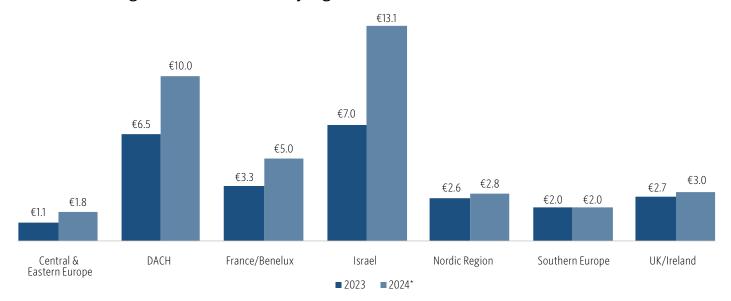


### Median late-stage VC pre-money valuation (€M) by region



Source: PitchBook • Geography: Europe • \*As of June 30, 2024
Note: 2023 data counts are under 20 for Central & Eastern Europe and 2024 data counts are under 20 for Central & Eastern Europe, DACH, Israel, and Southern Europe.

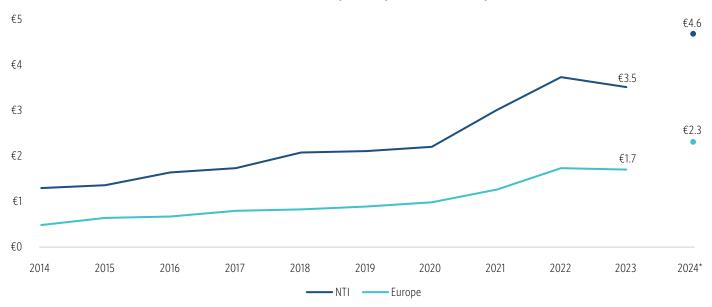
### Median late-stage VC deal value (€M) by region





### Nontraditional investors

### Median deal value with nontraditional investor participation vs Europe

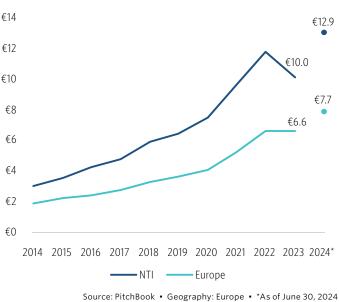


Source: PitchBook • Geography: Europe • \*As of June 30, 2024

For deals with nontraditional participation, median deal values and valuations exceeded the market. Looking at the recovery in H1 versus full-year 2023, median deal sizes increased in line with the market, but valuations saw a greater uptick. Median deal sizes with nontraditional investor (NTI) participation increased across all stages, with the greatest uptick in the pre-seed stage, which sat at €1.4 million in H1. This is more than twice the level of median pre-seed deal size in the overall market, which sat at €0.6 million.

Generally, across all stages, the gap between NTI median deal sizes and the market is significantly higher. The same is the case for median valuations, where deals with NTI participation are significantly higher. This will clearly be nuanced by the type of deal and NTI, where when looking at the same split for CVC deals versus those without a CVC, there is also marked increase. The difference is also likely to be a function of the deals such participants want to be involved in and the level of capital at their disposal. NTIs are likely to want to be part of larger, more significant rounds in higher-valued companies, given that involvement in venture is outside of their conventional strategy and business model. Higher-valued companies and larger rounds at more established firms may pose greater potential of outsize returns. Whilst there are several nuances to this, we think broadly, NTIs are likely to want to back companies that have more momentum. Another factor is that the NTIs we track— CVCs, PE firms, and hedge funds—may have more capital

### Median valuation with nontraditional investor participation vs Europe

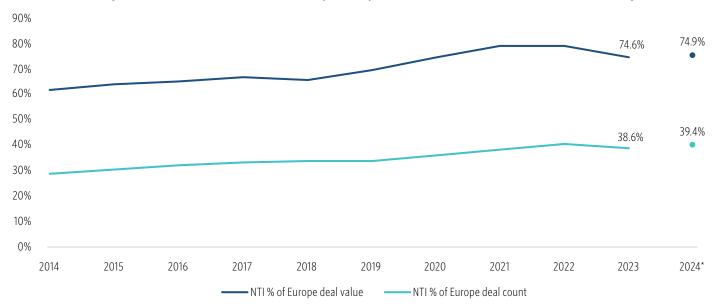


availability than traditional VC, where fundraising has come under pressure. Such players, therefore, may have more capital to participate in larger rounds than smaller VC firms.

The share of NTI deal count continues to tick higher, nearing 2022 peaks. In H1 2024, the number of deals with such participation increased to 39.4% of European deals;



#### VC deal activity with nontraditional investor participation as a share of all VC deal activity

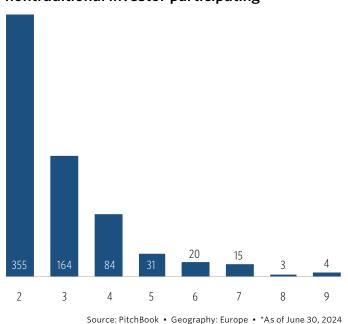


Source: PitchBook • Geography: Europe • \*As of June 30, 2024

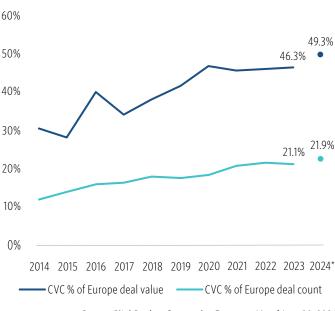
peak participation sat at 40.2% in 2022. The NTI share in Q2 increased to 40.7% of deals and 76.3% of value. H1 2024 deals with the highest amount of NTIs included several cleantech and crypto businesses such as Sunfire, Electra, Syre, Usual Labs, OrdinalsBot, and Obscuro. Sunfire, for instance, had the highest amount with nine NTIs on its €315.0 million financing round in March, including PE, corporates, and a family office coming directly onto the cap table for the first time. Nearly 10% of NTI deals in 2024 so far have had more than four NTI participants on board, also demonstrating the key role than a wide variety of financial firms play in the venture ecosystem.

CVC participation is proving to be a more resilient part of the NTI space. As noted above, the step-up in median deal size and valuations between deals with CVC participation versus those without were 2x to 3x times higher. CVC participation overall is also at an all-time high in terms of value and volume, sitting at 49.3% of deal value and 21.9% of deal count. Deals with CVC participation at the seed stage grew to €10.2 billion in H1 2024, up from €5.4 in 2023, as all levels of the dispersion increased. The early-stage median valuation was flat from 2023 at €9.9 million in H1 2024.

### Quantity of 2024 deals with more than one nontraditional investor participating



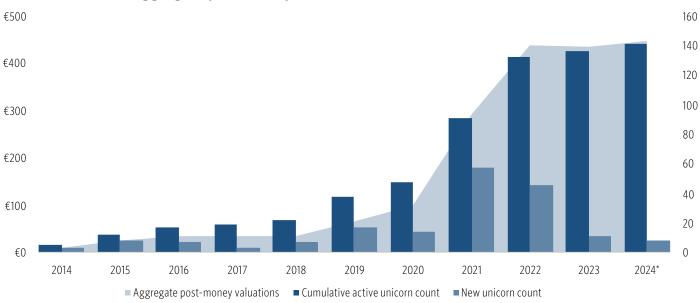
#### CVC % of Europe deal activity





### Unicorns

#### Unicorn count and aggregate post-money valuation (€B)

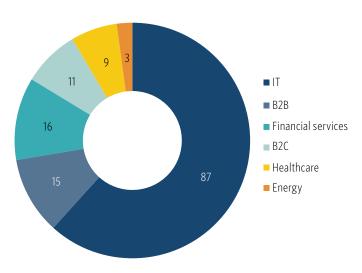


Source: PitchBook • Geography: Europe • \*As of June 30, 2024

Unicorn deal value continues to show signs of recovery. Unicorn deal value in Q2 sat at €2.4 billion, up from €1.0 billion in Q1, and higher YoY. As we stated in Q1, a continued sequential recovery will lead to a YoY recovery, which seems to be taking place as deal value is pacing above 2023. The H1 run rate of deal value implies a 12.3% increase for the full year, YoY. Deal count is also pacing above last year, with 28 unicorn deals compared to 39 for the whole of 2023. Relating to Q2, the largest deals that supported the uptick were those noted in the Q2 European Venture Report, with Al dominating rounds with deals from the likes of Hailo, DeepL, Stability AI, and Lunar. The median deal size for unicorns sits at €98.7 million but only over 20 companies. This is lower than last year's median of €120.1 million but has upside as valuations recover and more data points are added throughout the year.

As of Q2 2024, there were 141 active unicorns in Europe, with three being added since Q1. The three new entrants were Poolside, DeepL, and Hailo, leading to a total of eight newly minted unicorns so far in 2024. Cumulative active unicorn value in Europe now sits at €447.4 billion, 3.0% higher versus full-year 2023. The role that AI is having in the unicorn landscape is notable, with 10.9% of the cumulative value in Europe from companies in the vertical. More broadly, 61.7% of active unicorns sit in the IT sector, followed by financial services (11.3%), and B2C (10.6%).

### Active unicorn count by industry

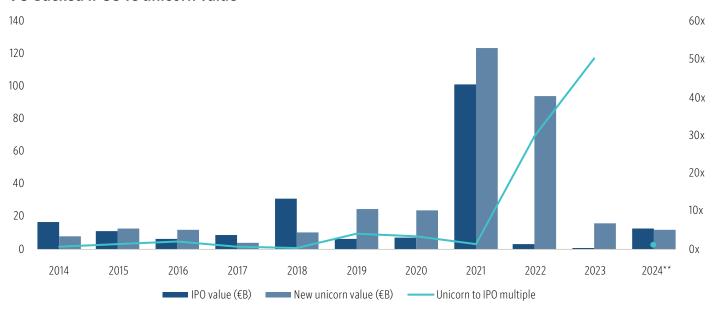


Source: PitchBook  $\, \bullet \,$  Geography: Europe  $\, \bullet \,$  \*As of June 30, 2024

Al as a vertical has shown more resilience in exit activity. More broadly, there has been some increase in public listing activity in Europe. However, for unicorns, exits via the public route have not occurred since 2021, with exits skewed to more companies falling out of unicorn status, followed by acquisitions. Despite this, the valuation spread between

### **#**PitchBook

#### VC-backed IPOs vs unicorn value



Source: PitchBook • Geography: Europe • \*As of June 30, 2024

Note: IPO value was only  $\leq$  3.2 billion in 2022 and  $\leq$  0.3 billion in 2023, hence the sharp uptick in the multiple.

public and private markets does seem to be compressing. New unicorn value as a ratio of IPO value decreased in H1 compared with full-year 2023, further supported by the listing of Puig, which makes up the bulk of VC-backed IPO value this year. Excluding Puig, however, the disparity between private and public valuations is still narrower compared to levels seen in 2022 and 2023. As noted, we have seen some recovery in listing markets in Europe; however, spikes in volatility in Q2 led to the postponing of the IPO of Golden Goose and Tendam. The cumulative aggregate unicorn value poses significant potential exit value because only a fraction of the cumulative database would need to exit to significantly add to exit value. The decision by cybersecurity firm Wiz to reject a \$23.0 billion takeover bid by Alphabet in July demonstrates the autonomy founders with leading market share and

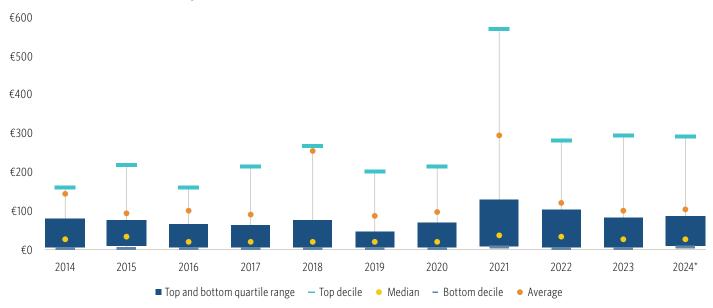
valuations may choose to pursue by choosing to list over being acquired.8

Overall for unicorns, there has clearly been a pickup in financing rounds and, therefore, valuation momentum in the space, with some large rounds attached to an increase in minted names. However, as stated, median deal size has decreased as of H1, although post-money valuations have seen an uptick. Furthermore, we note that 44 of the 141 unicorns composing the active unicorn base were minted in 2021. Aggregate value of this vintage of companies amounts to 19.6% of the overall base, meaning that there could be downside to our aggregate value number above. Such players are likely to come back to the cap table this year, which could see valuations revised downwards compared to the heights of 2021.



### Liquidity

### VC exit valuation (€M) dispersion

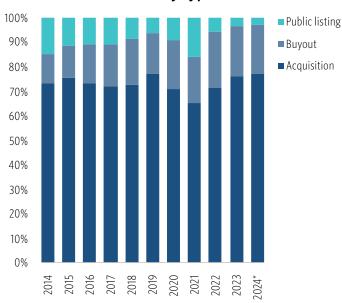


Source: PitchBook • Geography: Europe • \*As of June 30, 2024

Exit valuations continued to step up but were nuanced by strategy. The H1 2024 median exit valuation sat at €27.2 million, higher than full-year 2023, as Q2 increased QoQ. The majority of exits taking place in Q1 continued to be acquisitions, followed by buyouts. Median exit sizes for public listings declined 29.1% compared with full-year 2023, to €11.3 million. We caveat this is over a smaller number of exits, which may be skewed. Median valuations for acquisition, however, increased 35.5% in H1 to €33.9 million following declines in Q1. Sequentially, median acquisition value has been on the rise since the end of H1 2023, as the strategy has remained the most resilient and common means to exit for investors.

There could be further upside to exit valuations as levels recover in the second half of the year. However, as noted in the unicorn section above, for IPOs specifically, there also seems to be a gap between private and public markets as well as a time lag. Private market valuations, however, seem to be broadly following the recovery seen in public equities. Although they have somewhat tailed off in recent months, YTD valuations are still higher. We believe this will continue to provide more favourable benchmarks for exits over the next few months alongside a more constructive macro environment from future rate cuts. It is a hard balance, however, between lower rates improving discount

### Share of VC exit count by type



Source: PitchBook • Geography: Europe • \*As of June 30, 2024

factors for assets and weaker growth expectations, which could lead to a dovish environment and cause a sell-off in public equities, which will not bode well for exits and benchmark multiples.

### Additional research

### European private capital



Q2 2024 Analyst Note: Year of the IPO Window or Vent?

Download the report here



Q2 2024 European Venture Report

Download the report **here** 



2024 European Private Captial Outlook Midyear Update

Download the report **here** 



Q3 2024 Global Fund Performance Report (with preliminary Q4 2023 data)

Download the report <u>here</u>



Q1 2024 UK Market Snapshot

Download the report <u>here</u>



Q2 2024 PitchBook-NVCA Venture Monitor

Download the report **here** 

More research available at <a href="mailto:pitchbook.com/news/reports">pitchbook.com/news/reports</a>

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