

Emerging Companies and Venture Capital Wrap 2022

fieldfisher



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US\$1.3 billion+ of venture capital & growth equity financing deals in 2022 (€1.25 billion)

120+
venture financing
deals across our
European offices

US\$735m
Tech investment

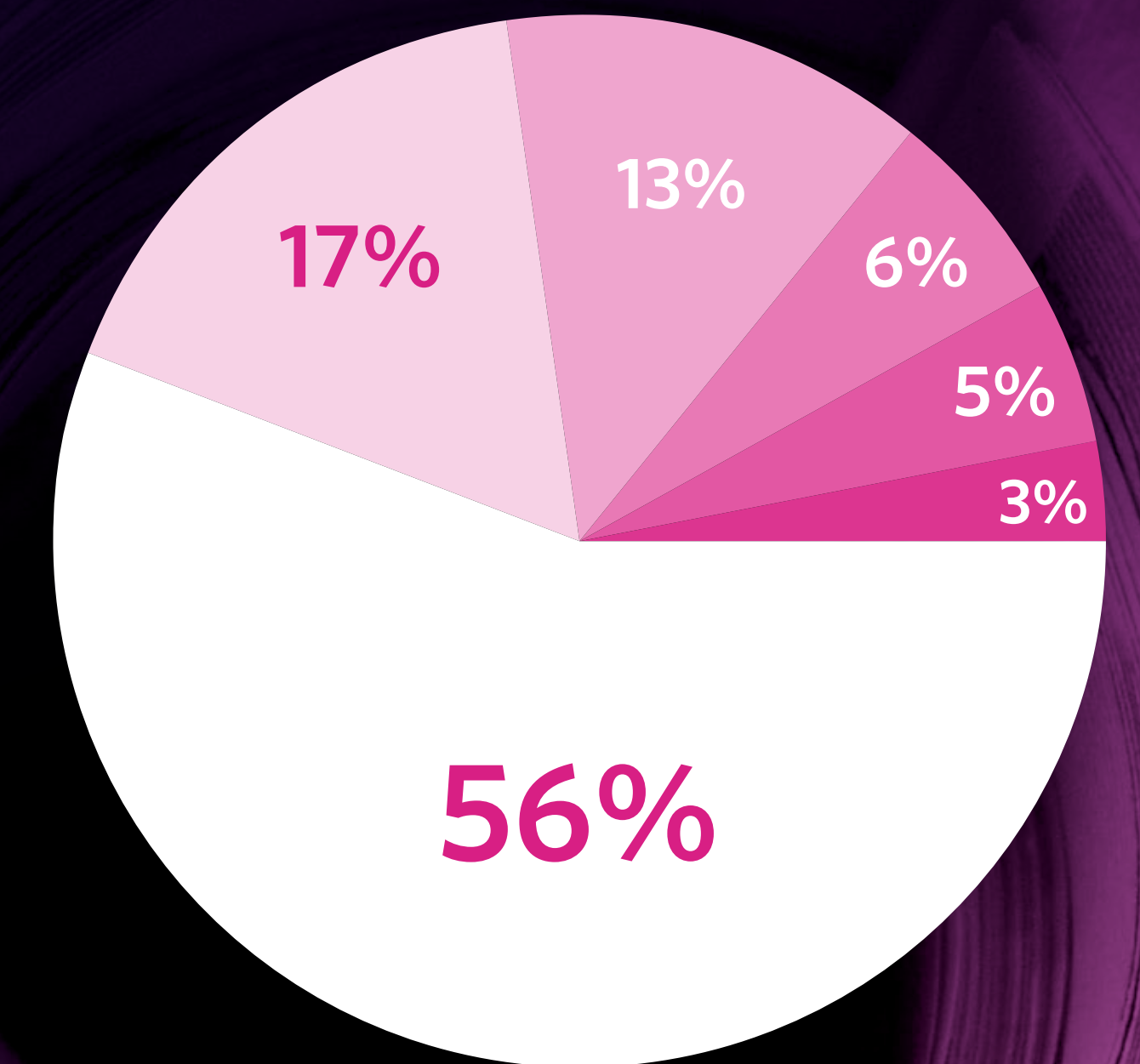
20+
VC fund clients

US\$141m
in seed financing

US\$322m
in Series A + B
financing

US\$830m
in Series C+ and
Growth financing

Venture financing deals by sector (deal value)



- 56%** Tech
- 17%** Business/Professional Services
- 13%** Industrial and Manufacturing
- 6%** Other
- 5%** Life Sciences and Medtech
- 3%** Leisure

Headline deals



Software

Our London team advised DIFC-registered Phides Holding Limited on a significant minority growth equity investment in its subsidiary Marcura Holding Limited by Marlin Equity Partners, a Los Angeles-based global investment firm. Marcura is a leading vertical software, data intelligence and payments platform for the maritime industry.



Renewable energy

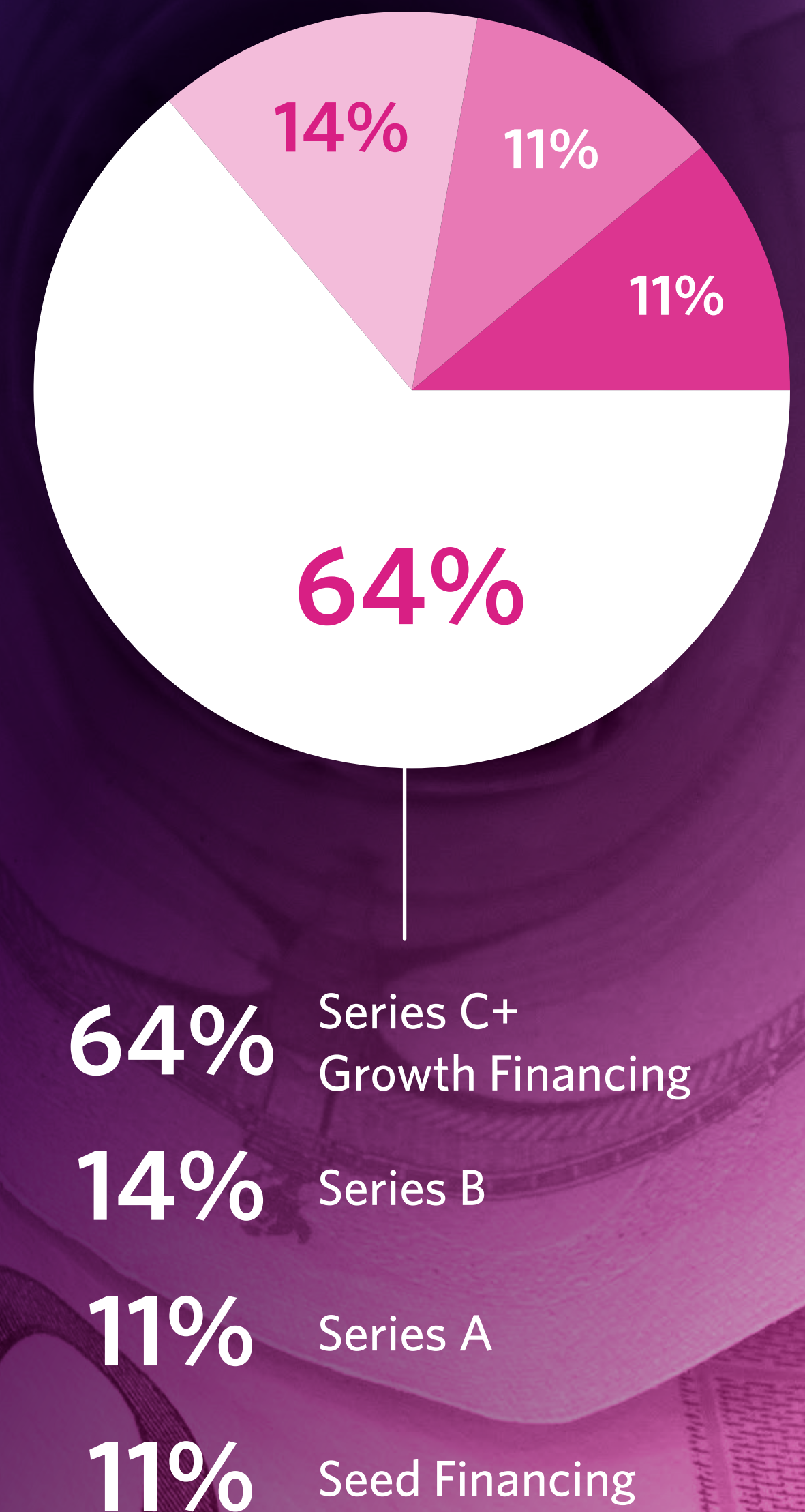
Our Dublin team advised Irish blue economy project developer Simply Blue on a €25 million Series B investment from Octopus Renewables Infrastructure Trust and the Sky fund. Simply Blue is a pioneering developer of floating offshore wind projects focused on replacing fossil fuels with clean ocean energy.



Recycling

Our Manchester team advised Worn Again Technologies on a Series C round, raising £27.6 million to support the construction of an innovative textile recycling demonstration plant in Switzerland. Worn Again Technologies develops unique polymer recycling processes that will enable textiles and polyester packaging to be kept in constant circulation.

Venture financing deals by funding stage (deal value)



Summary

Fieldfisher's international Emerging Companies and Venture Capital team recorded another stellar year for venture capital & growth equity financing transactions in 2022, advising on venture financing deals with an aggregate value in excess of US\$1.3 billion (€1.2 billion).

Fieldfisher continued to build its roster of fund clients last year, as well as acting for a range of corporate clients pursuing growth objectives.

As in previous years, the firm's venture capital & growth equity financing deal portfolio was dominated by technology deals, which accounted for US\$735 million (around 56%) of total deals by value in 2022.

Other areas of notably active venture capital and growth equity investment included professional services and the industrial/manufacturing sector.

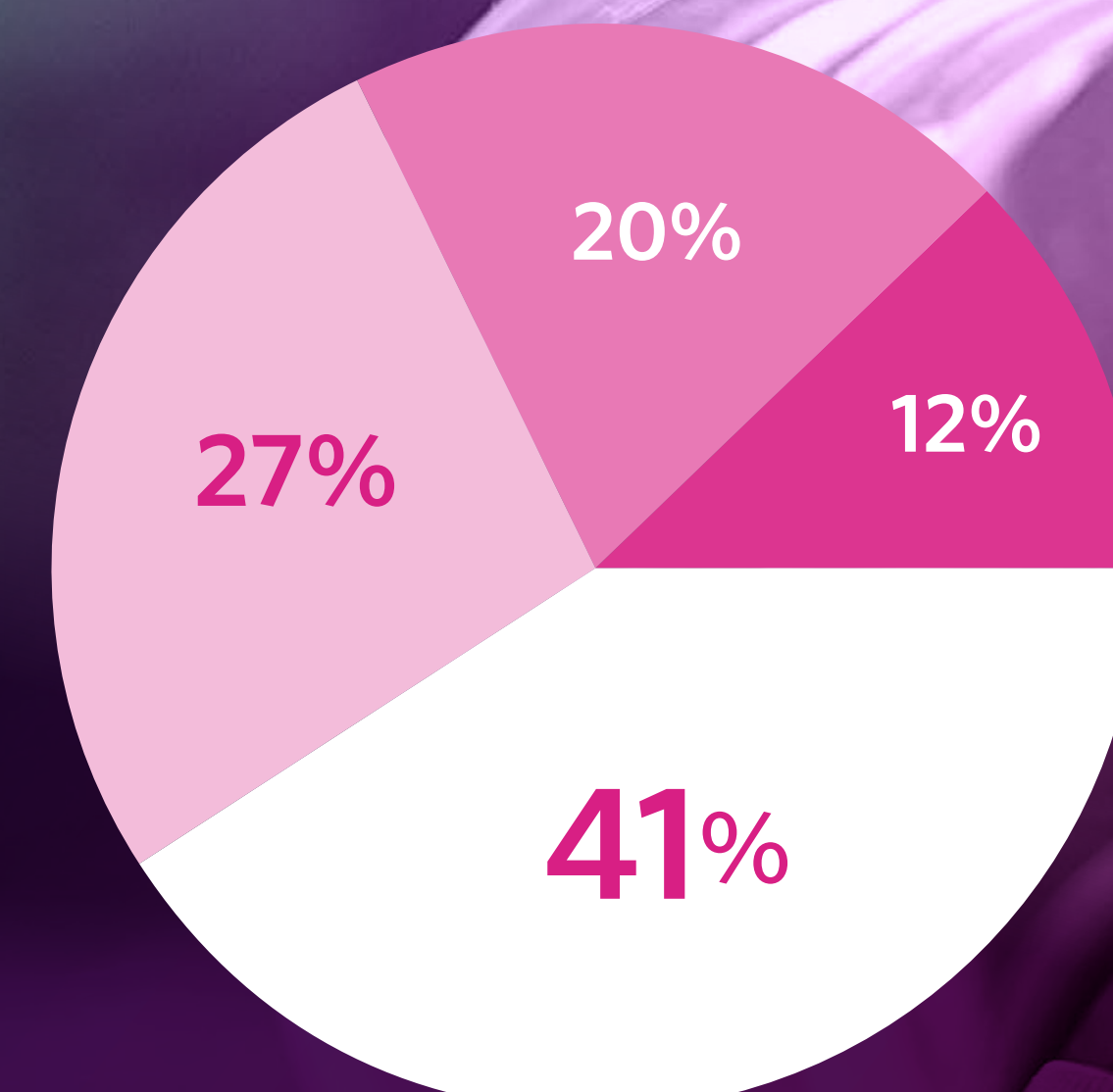
Fieldfisher continued to service its strong base of clients at Seed Financing stage, which accounted for around 41% of transactions by volume (number of deals) last year, but also made further inroads into Series C+ and Growth Equity territory for increasingly large clients.

Series C+ and Growth Equity deals accounted for 27% of deals by volume and by far the largest share of deal value at US\$830 million.

Despite a reported slowdown in global venture financing activity (recording a c.35% decline year-on-year according to data analysed by transaction aggregator Crunchbase) in 2022, Fieldfisher maintained its activity on a par with 2021 levels, thanks to the firm's growing reputation for venture capital & growth equity financing expertise.

Activity was spread across the firm's UK, Belgian, French, German, Dutch and Italian offices.

Deals by funding stage (volume)



- 41% Seed
- 27% Series C+ growth
- 20% Series A
- 12% Series B

Tech deals

Appetite for technology investment by VC funds remained strong in 2022, with FinTech leading the way as the most popular subsector among Fieldfisher's tech transactions, accounting for more than US\$350 million (47%) of last year's tech transactions by value.

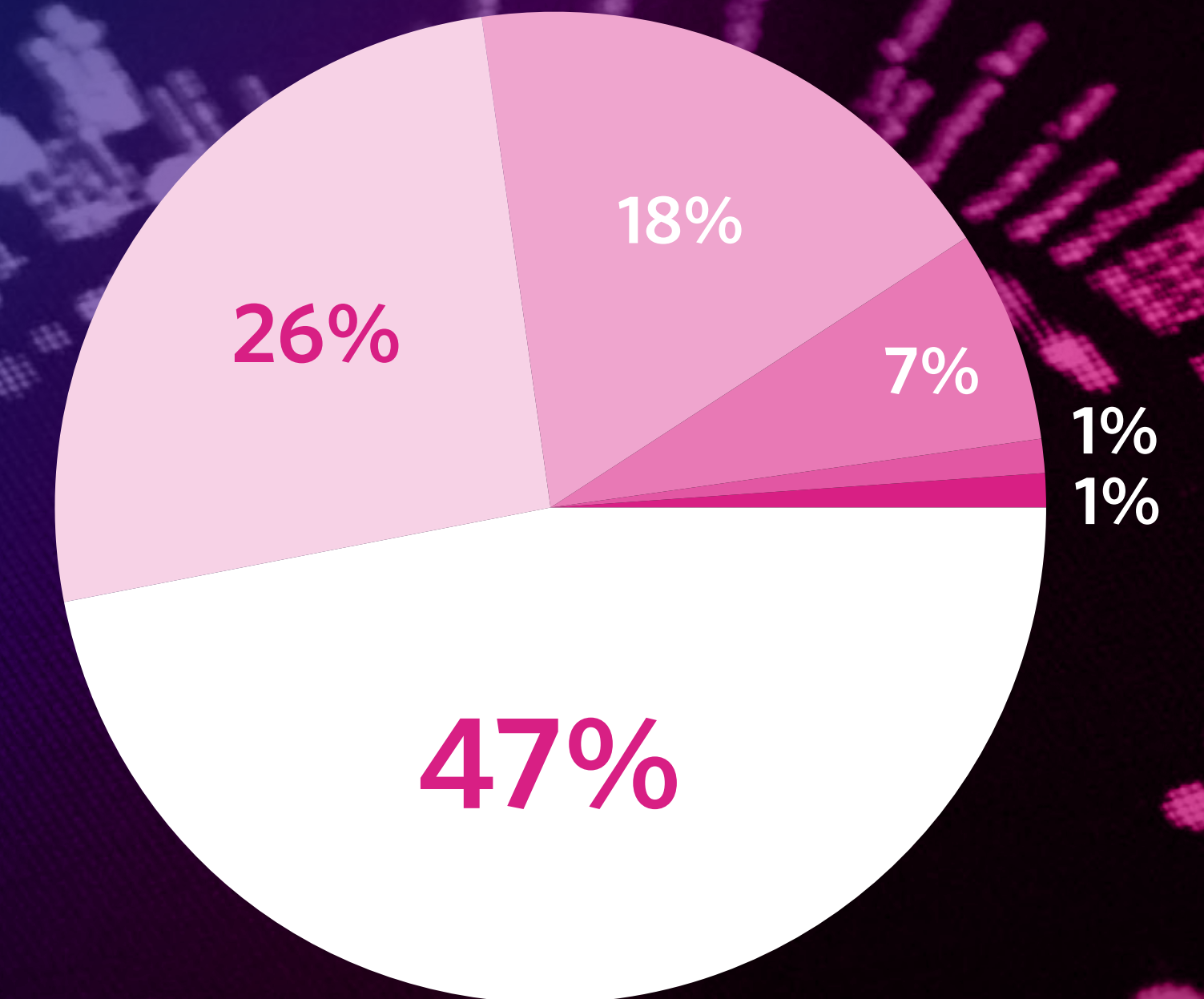
This marked a continuation of the high levels of activity in the FinTech subsector seen in 2021, when Fieldfisher advised Genesis Global Technology Limited, a London and Miami-based global low code/no code FinTech business, on a US\$200 million Series C equity fundraising led by Tiger Global. When the transaction finally closed in 2022, it was one of the biggest FinTech deals of the year.

Logistics-related tech was also a particularly active area for investment among Fieldfisher's clients in 2022, evidencing a wider observable trend of investment into shipping and logistics tech in an attempt to counter the major supply chain disruptions that characterised much of last year. With more tools now available to give businesses greater control over supply chains, venture capital is being deployed to fund the development of these solutions.

Other venture financing transactions were scattered across sub-sectors including software, artificial intelligence (AI), virtual reality (VR), e-commerce and sustainability-related technologies, among others.



Tech deals by sub-sector (by deal value)



47%	Fintech
26%	Other
18%	Logistics
7%	Software
1%	Ecommerce
1%	AI

Venture capital & growth equity financing deal highlights (Tech sector)



Security

Worldr
US\$11m
Seed

Our London team advised Worldr on a US\$11 million seed funding round led by Molten Ventures for its messaging data sovereignty software. Worldr has developed software that helps businesses conform to regulations from organisations such as the Financial Conduct Authority.



PropTech/Fintech

Goodlord
£27m
Series B+

Our Manchester team advised online lettings service Goodlord on a £27 million fundraising in a funding round led by specialist scale-up VC fund Highland Europe with support from Columbia Lake Partners, Finch Capital, Latitude and Oxx. Goodlord's lettings platform allows landlords to manage the entire tenancy process in one place.



Wireless technology

Eggtronic
US\$12m
Series B

Our Milan team advised international wireless technology company Eggtronic on a US\$12 million Series B investment round. The investment comprised US\$5 million from Rinkelberg Capital; US\$5 million from CDP Venture Capital Sgr through its Evolution Fund; and US\$2 million from Italian VC Doorway Srl Società Benefit.



AI

Basinghall
Tech Fund
€2.5m
Series A

Our Düsseldorf team advised Basinghall Tech Fund as lead investor in a €2.5 million Series A funding round for Munich-based startup Delicious Data with participation from Seed + Speed Ventures (Maschmeyer Group), Bayern Kapital and other business angels.



Ecommerce

OrderCast
£multi-million
Seed

Our Brussels team advised OrderCast on a seed financing with Hoxton Ventures as lead investor. OrderCast's technology allows users to develop e-commerce features from excel sheet stock reporting.



Digital media

Tortoise
Media
£10m
Series A

Our Manchester team advised leading digital media and news platform Tortoise Media on its £10 million Series A financing led by Lansdowne Partners. Tortoise Media is a 'slow news' service providing a more comprehensive alternative to breaking news.

Industrial and manufacturing deals

Venture financing deals for industrial and manufacturing companies made up around US\$173 million (13%) of Fieldfisher's client transaction portfolio by value in 2022.

In an extension of the logistics tech trend, VC investors moved in to capitalise on opportunities represented by surging demand for physical goods, tight supply chains and rising prices.

Venture capital & growth equity financing deal highlights



Renewable energy services

Our Dublin team advised TFI Marine, a leading mooring innovator, which has developed patent-protected load reduction devices for floating offshore wind and offshore fish farm mooring systems, on an equity investment from Bridon-Bekaert Ropes Group.



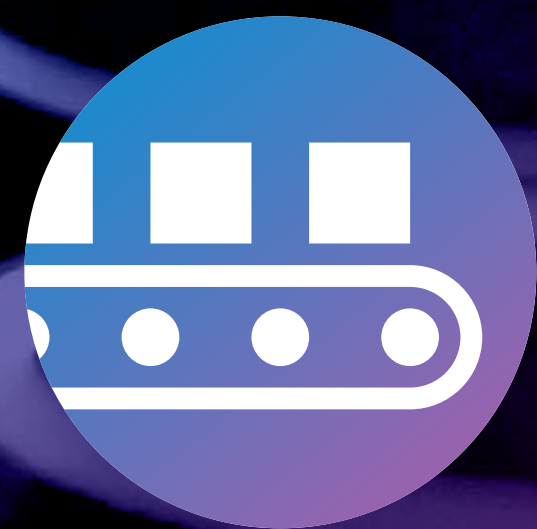
Detergents

Our Amsterdam team advised natural detergents and soaps manufacturer Seepje Holding on a series A investment round involving share subscription by ABN AMRO Sustainable Impact Fund VC B.V.



Mining services

Our London team advised mineral processing company Cycladex on a Series A equity financing led by Cyanco International LLC, comprising a combination of convertible loan notes and new cash investment.



Life sciences, healthcare and MedTech deals

Following a bumper 2021 for life sciences, healthcare and MedTech venture capital & growth equity financing, activity in this sector slowed slightly in 2022 but still accounted for over US\$62 million (5%) of venture financing deal value by Fieldfisher clients last year.

Appetite for investment in early stage therapeutics companies and MedTech developers remained healthy, however there was a noticeable shift towards healthcare & Digital Health as areas of interest for VC funds, at the expense of drug development.



Venture capital & growth equity financing deal highlights



Complement driven diseases

Our Manchester team advised Complement Therapeutics, a preclinical stage University of Manchester spinout, on a €5 million seed financing round from BioGeneration Ventures (BGV) and Forbion



Health and social care

Our London team advised Forward Clinical, a health and social care service provider, on a venture financing transaction with B&Y Ventures, Stride Capital and Skip Enterprise.



MedTech (3D printing)

Our Brussels team advised Spentys, a software editor for 3D orthopaedic medical printing, on a Series A bridge fundraising with existing investors.

Business/Professional Services and other deals

Other deals in Fieldfisher's ECVC portfolio in 2022 were largely concentrated in the business/professional services sector, covering a range of business activities and accounting for around US\$224 million (17%) of the firm's total transactions by value. Fieldfisher also advised corporate clients and funds active in the leisure sector, sustainability and property industries.

Dronamics Global
€40m
Pre-Series A Bridge



Drones

Our Manchester team advised cargo drone developer Dronamics on its €40 million pre-Series A funding including a €17.5 million equity investment (via advanced subscription) from UAE-based investor Tawazun Strategic Development Fund LLC.

Carmoola
£8.5m
Series A



FinTech

Our Manchester team advised car finance FinTech Carmoola on an £8.5 million Series A funding round led by US VC firm QED with participation from existing investors VentureFriends and InMotion Ventures. The funding round was complemented by a £95 million debt facility from Natwest and BCI.

Shippr
€15m
Series A



Logistics

Our Brussels team advised Shippr, a B2B delivery logistics platform, on a €15 million Series A funding round with participation from Fomcap iV, Simplicity and SFPI (the Belgian sovereign national fund)

Emperia
US\$10m
Series A



VR

Our Manchester team advised immersive virtual reality retail/ecommerce platform Emperia on a US\$10 million Series A equity financing led by US venture capital fund Base10 Partners.

Green Safaris Fund I B.V.
€5m
Series B



Hotels and leisure

Our Amsterdam team advised sustainable luxury travel company Green Safaris on an investment round involving participation by existing and new investors.

Magnetar Capital
€multi-million
Seed



Venture financing

Our London team advised Magnetar Capital on its Series A investment into Anton Capital, a specialist provider of film financing.

Outlook for 2023

Notwithstanding global political and economic uncertainty, continuing challenges around rising interest rates and the cost of living crisis, our experience of Q1 2023 is that there should be robust venture capital deal flow win 2023.

A higher proportion of funding may be channelled towards supporting existing portfolio companies, while new investment is likely to be directed towards companies that can show the most robust and resilient business model and metrics.

We also anticipate increasing interest in strategic investments, particularly in FinTech.

We expect to see term sheets becoming more investor-friendly and valuations are likely to continue to tighten this year, along with tougher scrutiny and due diligence from investment funds. However the most promising companies that

raised funds in H2 2021/H1 2022 will likely be in fundraising mode again towards Q3 and Q4 of 2023, which we expect will drive healthy deal activity towards the second half of the year.

In the UK, the modest expansion in the Seed Enterprise Investment Scheme (SEIS) headroom (i.e. the amount of money SEIS investors can deploy in a venture while benefitting from 50% tax relief) from 5 April this year should result in some increased deal-making at the very early stage of the market, and along with EIS continue to help promising early-stage companies scale towards their Series A and create a continued pipeline for future rounds.

In terms of sector trends, we expect 2023 to continue to see more venture financing go towards certain sectors, including FinTech, immersive technologies and Metaverse-related eCommerce platforms (as indicated by our Emperia deal highlight above) and businesses that can help reduce consumer costs, logistics and supply chain disruptors, and an increased investment in ClimateTech and sustainability/ESG.



About Fieldfisher

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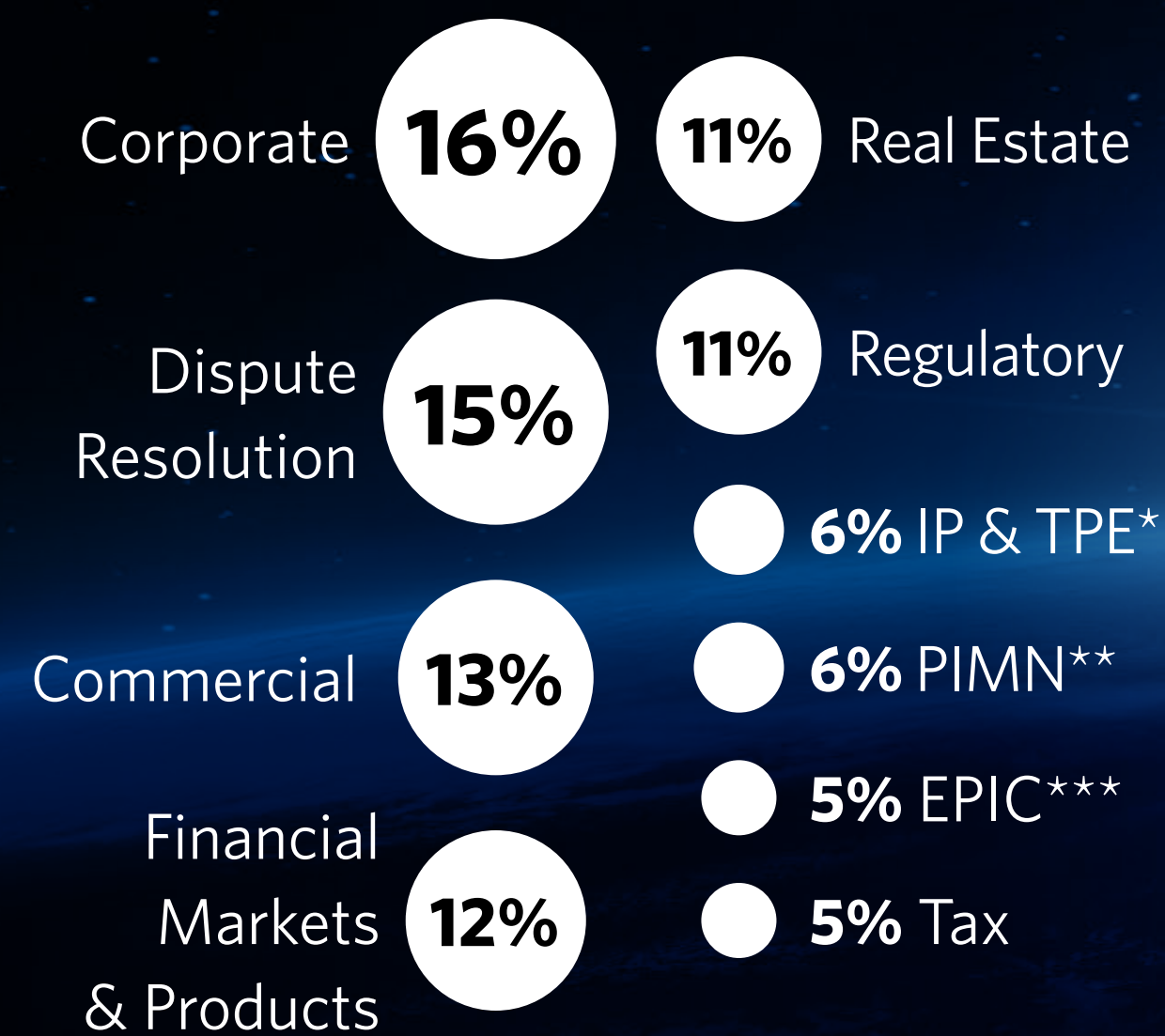
Fieldfisher is a European law firm with market-leading practices in many of the world's most dynamic sectors.

Our legal specialists service some of the world's largest international corporations including major technology firms, pharmaceutical and life sciences companies, energy suppliers, infrastructure companies, global banks and financial institutions.

We also work with small businesses, charities and governments and provide pro bono support to not-for-profit organisations. As an entrepreneurial, pragmatic and socially conscious firm, we embrace our purpose as a trusted, client-focused corporate citizen.

Key practice areas by size

(% of FY22 integrated office billings)



Alternative Legal Services

Condor is a unique platform, offering clients a range of customisable and process-efficient services beyond the traditional law firm offering.

DLC provides bespoke and cost-efficient support with the drafting, review, negotiation and execution of legal documents.

r|r **Roscoe Reid** is a specialist law firm that helps individuals make claims against large companies and organisations.

_X **Fieldfisher X** delivers precise, cost-effective and time-efficient management of mass litigation and other legal services.



Key industry sectors

Technology

We operate at the forefront of international tech law with a deep understanding of how it impacts business from a regulatory, legal or commercial standpoint.

Financial Services

With expertise in asset management, banking, FinTech, market infrastructure and service provision, we offer solutions to global investment and commercial banks, institutional asset managers, hedge funds and non-bank lenders.

Energy & Natural Resources

We work with clients across the energy and natural resources spectrum, with a particular focus on power, renewables and the energy transition.

Life Sciences

We advise clients throughout the life sciences industry on a range of matters as this sector grows and evolves to meet the changing medical and healthcare needs of global society.

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