SILVERPEAK

DEEPTECH M&A AND FINANCING REPORT 2025

Stable financing environment and subdued M&A give way to rising unicorns

MAY 2025

SILVERPEAK LLP©2025

Welcome to the latest edition of Silverpeak's Deeptech M&A and Financing Report, providing an in-depth review of European fundraising and deal activity in the deeptech sector.

EDITORIAL TEAM


Pietro Strada
ps@silverpeakib.com


James Wilson
jgw@silverpeakib.com


Kashif Beig
kb@silverpeakib.com


Kaleb Root
kr@silverpeakib.com

KEY FINDINGS

- European deeptech financing transaction value remains stable, with a quarterly average of $1bn, 2.5x higher than pre-covid
- Series B activity shows particular strength, with deal value increasing 13% QoQ to $426m and a median deal value of $37m
- The UK continues to lead financing deal activity by volume, although Germany leads in series A and B value thanks to few large deals
- New unicorns have emerged across a diverse set of industries, including Tekever and Quantum Systems
- Deeptech represents 28% of total financing value
- M&A transactions totalling $1.1bn in Q1, together with record holding periods, suggest a deepening pool of exit candidates capable of achieving strategic valuations

DEAL METRICS

DEAL METRICS	Q1 2025
Financing transaction value	$695m
Median Series B	$37m
Median Series A	$12m
M&A transaction value	$1,089m

Contents

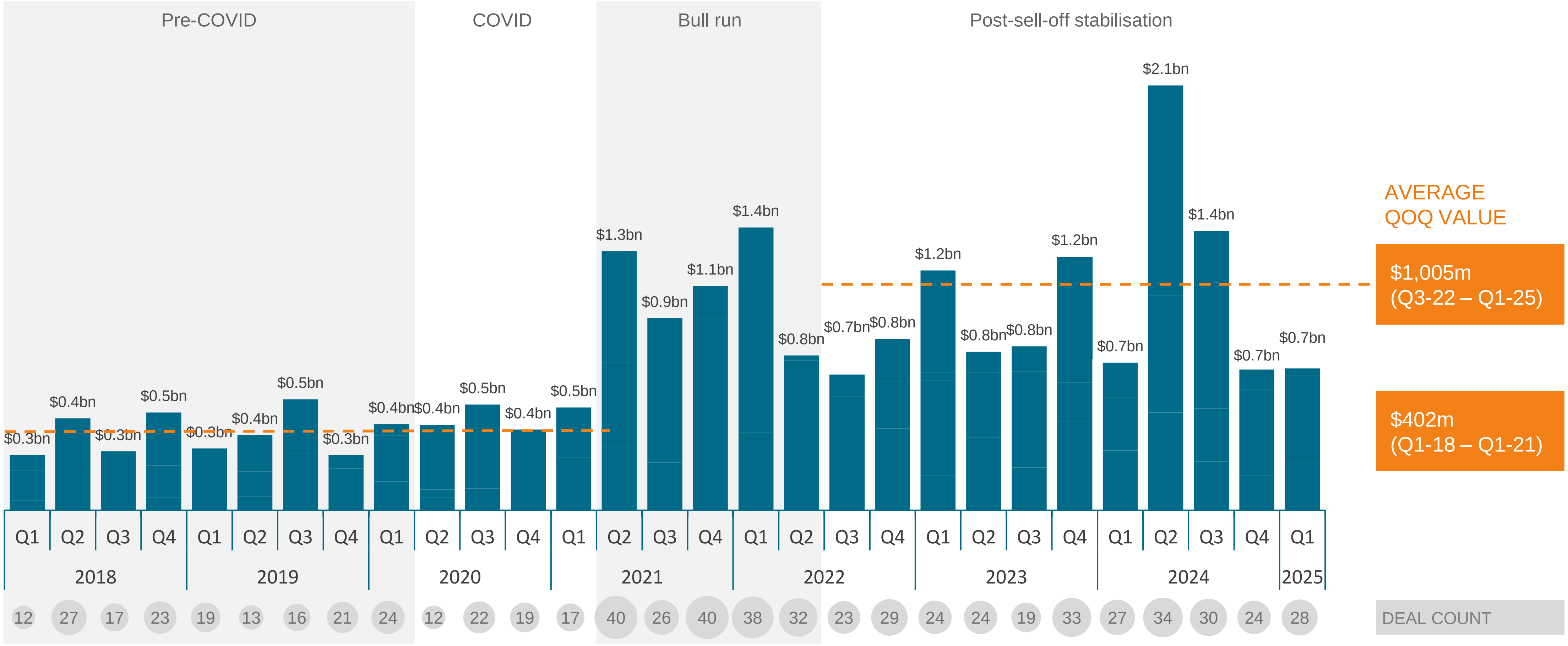
SECTION 1

Financing environment

SILVERPEAK

Financing deals in Europe have stabilised at 30 deals and c.$1bn per quarter on average, a 2.5x increase from pre-Covid levels

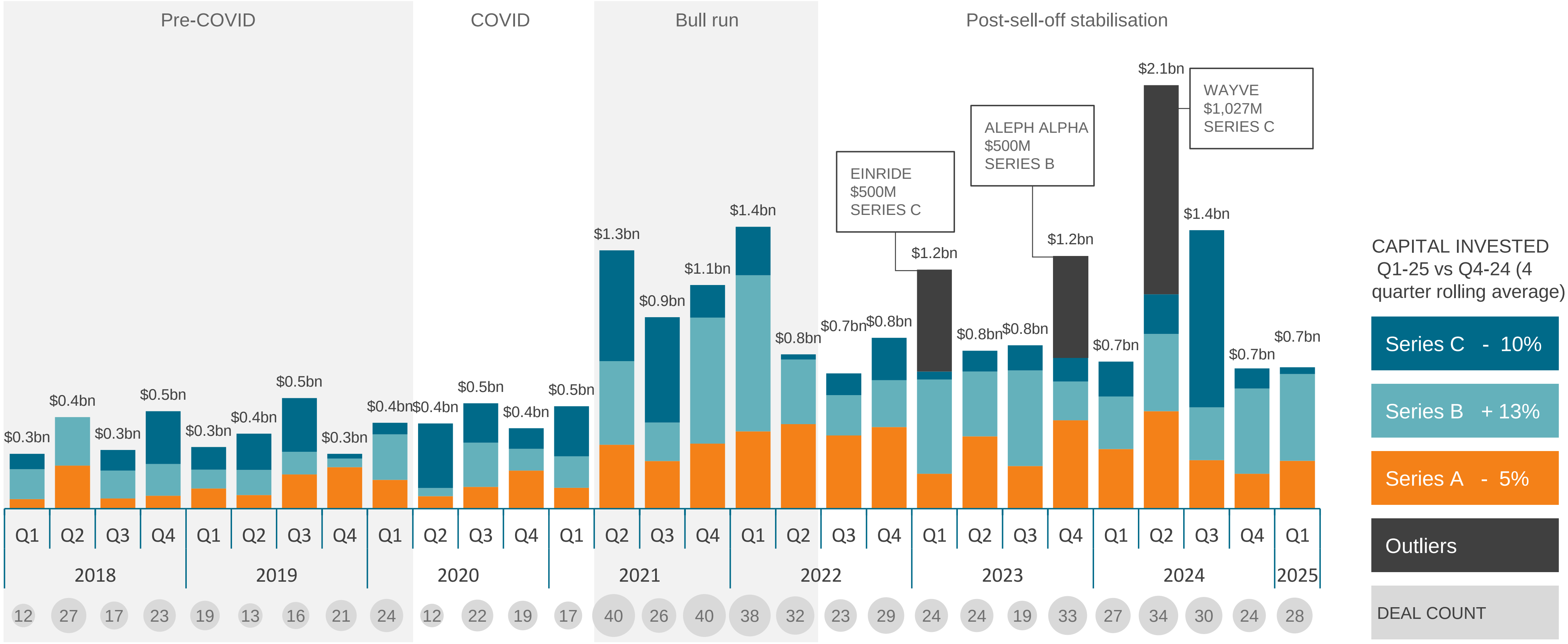
TOTAL FINANCING AMOUNTS AND DEAL COUNT, 2018 – Q1 2025



Source: Pitchbook | S&P Capital IQ | Deals below $5m have been excluded | Data as of 31/03/2025

Series B rounds have increased, series A rounds are stable, whilst large Series C rounds decreased

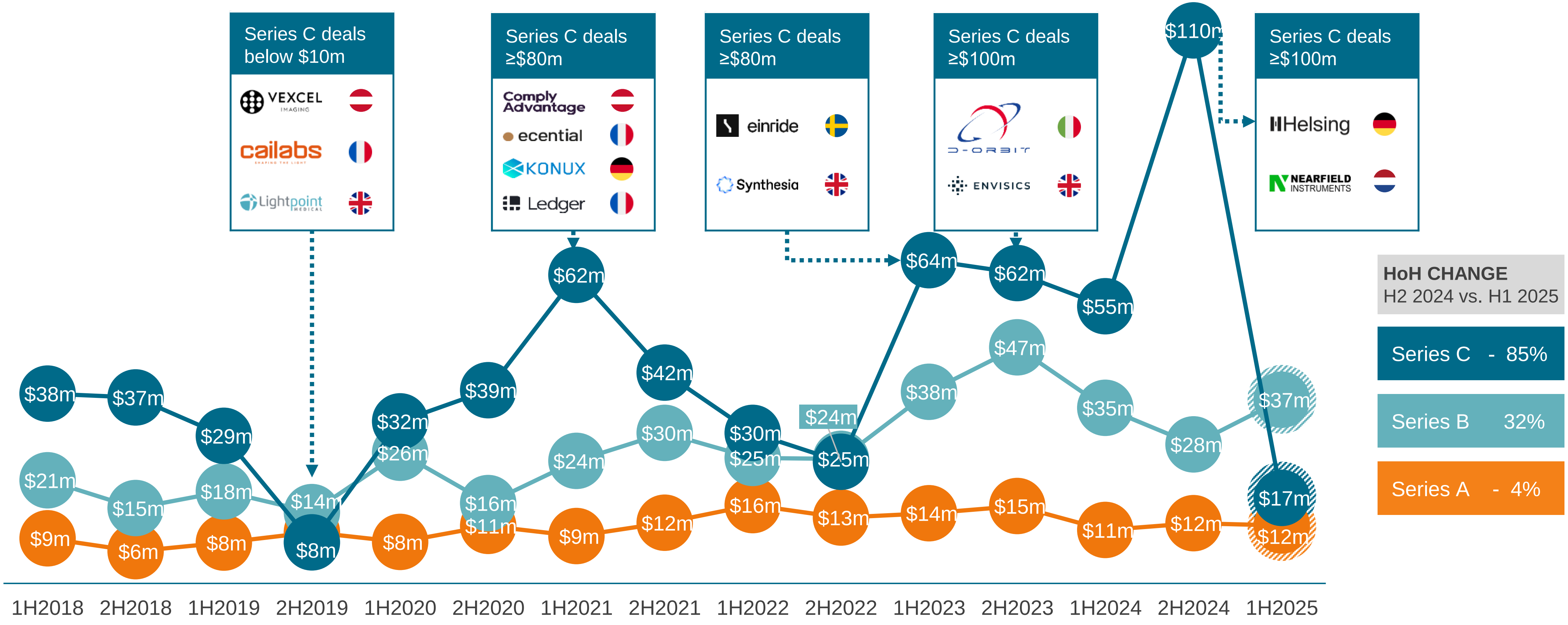
SERIES A, B & C TOTAL FINANCING AMOUNTS AND DEAL COUNT, 2018 – Q1 2025



Source: Pitchbook | S&P Capital IQ | Deals below $5m have been excluded | Data as of 31/03/2025

A typical deeptech Series B round size is $30-40m, on the rise, and a Series A round is $10-15m

MEDIAN SIZE OF SERIES A, B & C ROUNDS, 2018 – Q1 2025



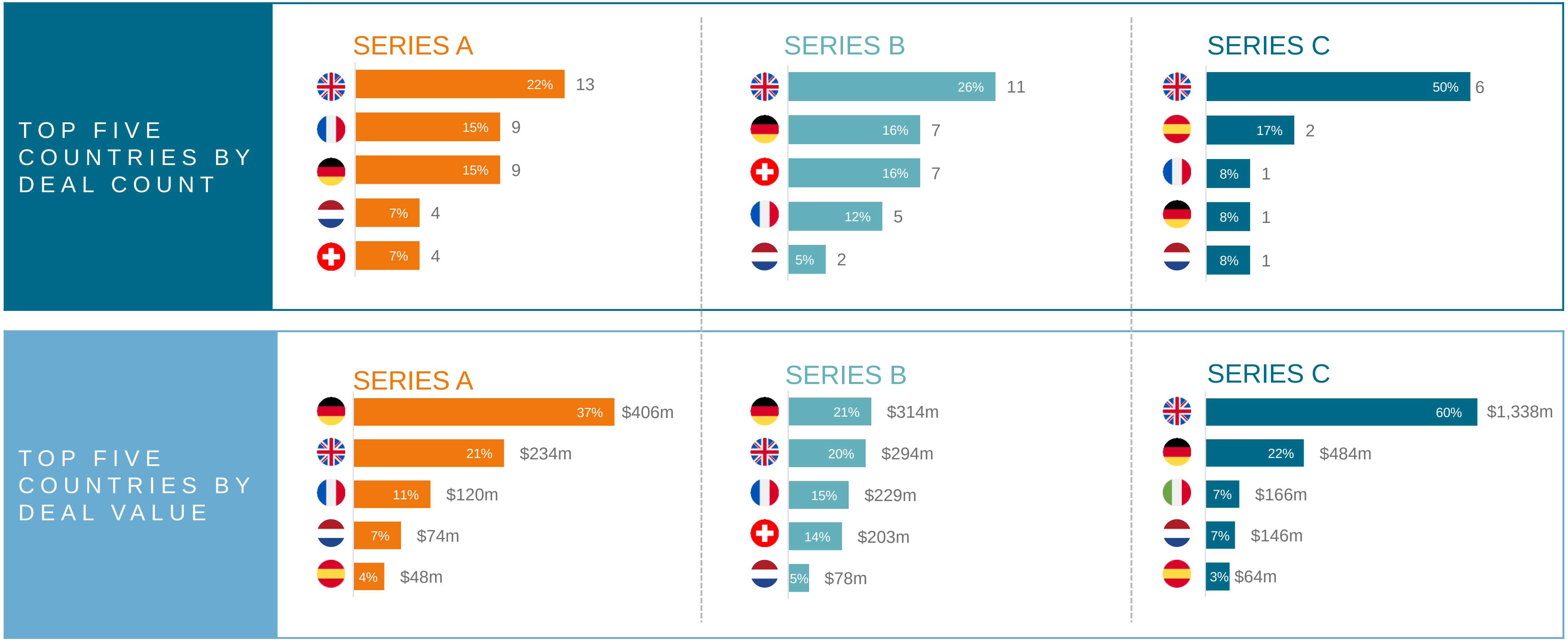
SILVERPEAK

Source: Pitchbook | S&P Capital IQ | Deals below $5m have been excluded | Data as of 31/03/2025

Denotes only one quarter of data is used

UK is the most active market by deal count, followed by Germany, France, Switzerland and The Netherlands

SERIES A, B & C DEAL COUNT AND VALUE BY COUNTRY, 2024 – Q1 2025



Source: Pitchbook | S&P Capital IQ | Deals below $5m have been excluded | Data as of 31/03/2025

Robotics (often AI/ML enabled), semiconductor, space, defence are the main deeptech sectors of interest for investors

SELECTED FUNDING ROUNDS IN UK & EUROPE, Q2 2024 – Q1 2025

	DEAL SIZE	DATE	HQ	COMPANY	STAGE	SECTOR	SELECTED INVESTORS
SELECTED EUROPEAN ROUNDS	$484m	Jul-24	Germany	Helsing	Series C	Aerospace & Defence	General Catalyst, Greenoaks Capital Partners
	$276m	Jun-24	Germany	black semiconductor	Series A	Semiconductor	Federal Ministry for Economic Affairs and Climate Action, Porsche Ventures
	$167m	Sep-24	Italy	D-Orbit	Series C	Space	Marubeni
	$146m	Jul-24	Netherlands	Nearfield Instruments	Series C	Semiconductor	Temasek, Walden Catalyst
	$100m	Jan-25	Germany	Neura Robotics	Series B	Cognitive Automation (robotics)	C4Ventures, HV Capital
	$88m	Dec-24	Switzerland	ANYbotics	Series B	Robotics	Bessemer Venture Partners, NGP Capital
	$70m	Sep-24	Germany	Marvel Fusion	Series B	Fusion	b2venture, HV Capital

	DEAL SIZE	DATE	HQ	COMPANY	STAGE	SECTOR	SELECTED INVESTORS
SELECTED UK ROUNDS	$1.0bn	May-24	UK	Wayve	Series C	Autonomous Driving (Software)	Microsoft, NVIDIA, SoftBank Group
	$111m	Apr-24	UK	Skyports Infrastructure	Series C	Aerospace & Defence	ACS
	$80m	Oct-24	UK	Dexory	Series B	Robotics	DTCP
	$75m	Aug-24	UK	Riverlane	Series C	Quantum	edbi, PlanetFirst Partners
	$47m	Mar-25	UK	Alloyed	Series B	Additive Manufacturing	DBJ, SPARX
	$44m	Oct-24	UK	ALL.SPACE	Series C	Space	BOKA | GROUP
	$26m	Mar-25	UK	2D Photonics	Series A	Semiconductor	cdp, JOIN. CAPITAL

SILVERPEAK

Source: Pitchbook | S&P Capital IQ | Data as of 31/03/2025

A pool of 71 repeat deeptech investors participated in 3 or more rounds in the last 2 years

ROUND PARTICIPATION – Q1 2023 - Q1 2025

Lead and followers

NO. OF DEEPTECH INVESTORS (SERIES A, B & C) 1,101

Source: Pitchbook | Deals below $5m have been excluded | Data as of 31/03/2025
Note: set includes 303 deals

Europe is home to a group of growth-stage deeptech unicorns

EUROPEAN DEEPTECH UNICORNS WITNESSED SINCE 2018

$5.3bn	Helsing	2024
$2.8bn	WAYVE	2024
$1.8bn	NEKO	2025
$1.7bn	EXOTEC SOLUTIONS	2022
$1.5bn	LEDGER	2021
$1.5bn	veriff	2022
$1.5bn	newcleo	2025
$1.4bn	CMR SURGICAL	2019
$1.3bn	OWKIN	2021
$1.1bn	QUANTUM SYSTEMS	2025
$1.1bn	TEKEVER	2025
$1.0bn	AGILE ROBOTS	2021
$1.0bn	stability.ai	2022
$1.0bn	DeepL	2023

RISING STARS

1X, ADVERTIMA, AMOTIVE, Aledia, ALL.SPACE, ANYbotics, Automata, Blickfeld, clearspace today, COMPLY ADVANTAGE, DELAIR, ENVISICS,
GARRISON, GATEWATCHER, GitGuardian, ICEYE, IQM, MAGAZINO, MULTIVERSE, NEURA ROBOTICS, nexthink, nym, onfido, OXA,
oxford ionics, PARAGRAF, PASQAL, Pragmatic, PRELIGENS, PRIVITAR, PROGLOVE, PROPHESEE, QUANTUM MOTION, QUANTUM SYSTEMS, Ravelin, RED POINTS,
RED SIFT, RIPJAR, river lane, SATELLITEVU, SCANDIT, SIPEARL, Skyports, sosafe, submer, Synthesia, TEHTRIS, TERABEE,
Terra Quantum, TESSIAN, tines, TRACTABLE, TWINNER, VARJO, vay, verity, wandelbots, WAYRAY, wingtra, XYZ

April and May featured diverse sector funding, but deal volume remained low

SELECTED FUNDING ROUNDS IN EUROPE, APRIL – MAY 8TH 2025

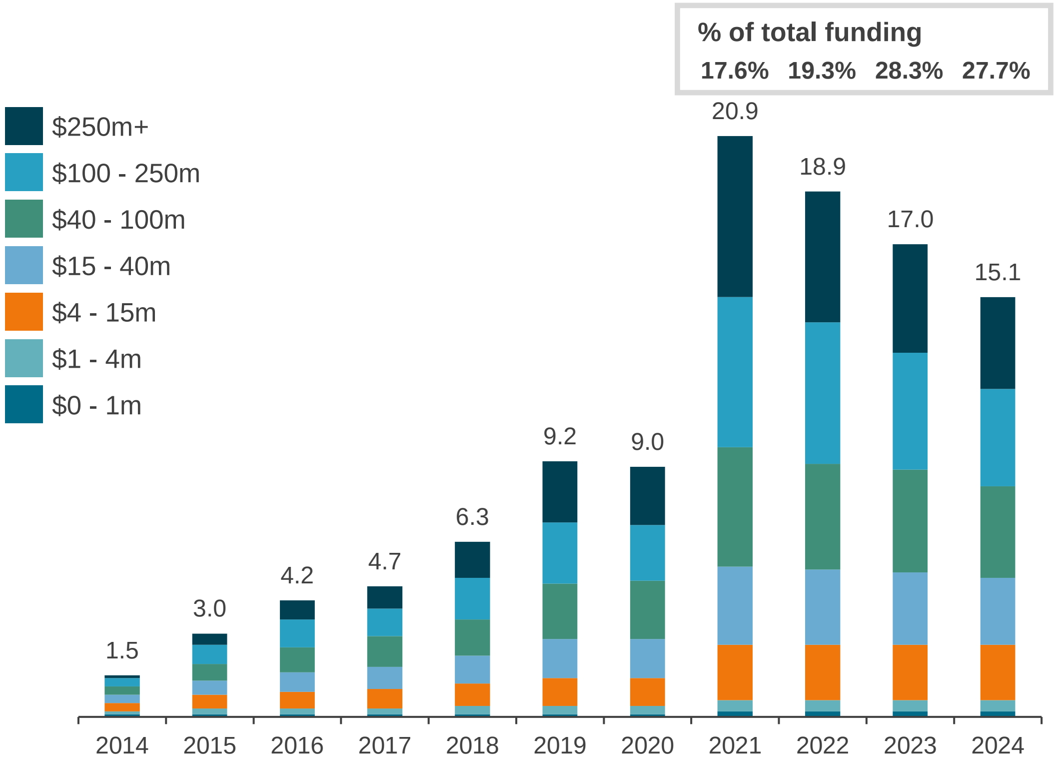
DEAL SIZE	DATE	ROUND	HQ	TARGET	SECTOR	INVESTOR
$180m	May-25	C		QUANTUM SYSTEMS	Drone Technology	HV CAPITAL
$73m	May-25	B		ORCA AI	Maritime Autonomy	ANKONA, HYPERLINK VENTURES
$42m	May-25	B		hilo	Remote Patient Monitoring	Molten, khosla ventures
$34m	Apr-25	A		ARX ROBOTICS	Aerospace Defense Systems	NIF, Project A
$28m	Apr-25	B		sekoia	Cybersecurity Platform	BrightPixel Sonae, bpifrance
$23m	Apr-25	A		SPARROW QUANTUM	Quantum Photonics	European Innovation Council
$19m	Apr-25	B		skin analytics	AI Dermatology Diagnostics	INTREPID GROWTH PARTNERS
$17m	Apr-25	A		chipiron	Quantum MRI Technology	European Innovation Council, bpifrance

Source: Pitchbook | Data as of 08/05/2025

Since 2021 deeptech held up better than the overall tech investment market, and is attracting now a 28% share of total private investments in EU tech

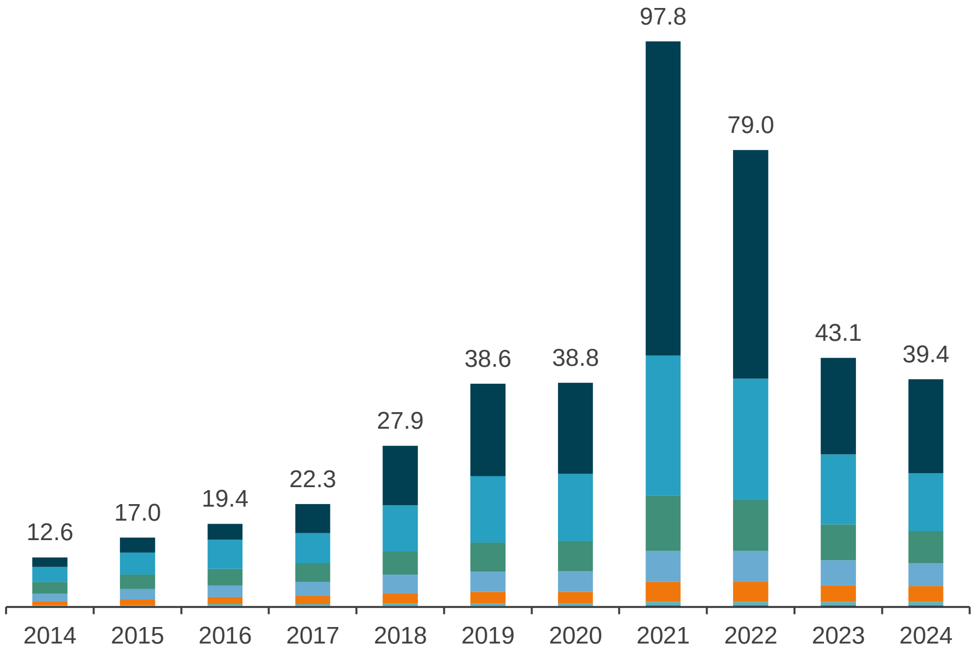
DEEPTECH

VC FUNDING IN EUROPEAN DEEPTECH STARTUPS BY STAGE



REGULAR TECH

VC FUNDING IN EUROPEAN REGULAR TECH STARTUPS BY STAGE



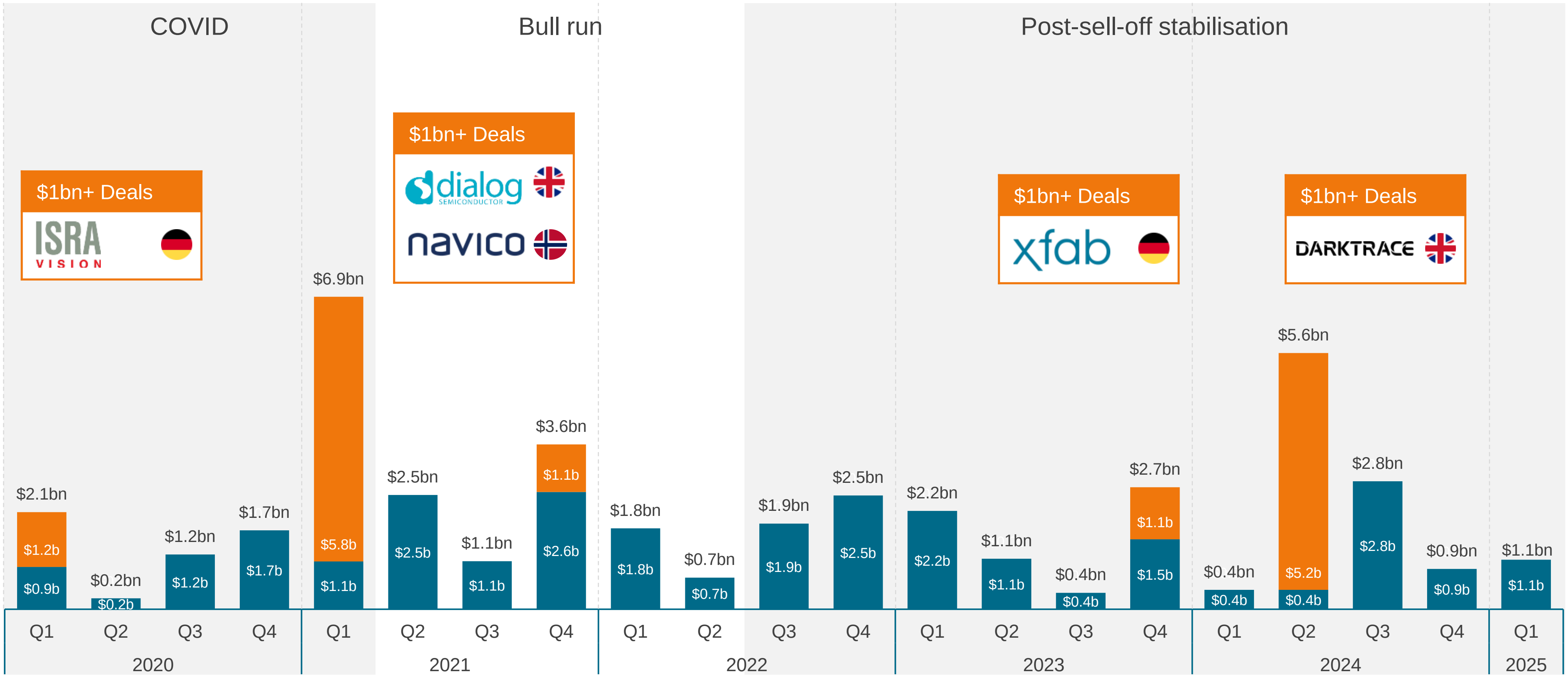
Source: “The 2025 European Deep Tech Report”, Lakestar, Walden Catalyst and Dealroom

SECTION 2

M&A environment

Deeptech M&A deal value is volatile ranging from $4.0bn to $7.3bn per year, excl. outliers The cumulative value including outliers is $43.4bn in the period 2020-25YTD

EUROPEAN DEEPTECH TOTAL M&A DEAL VALUE AND COUNT 2018 – Q1 2025

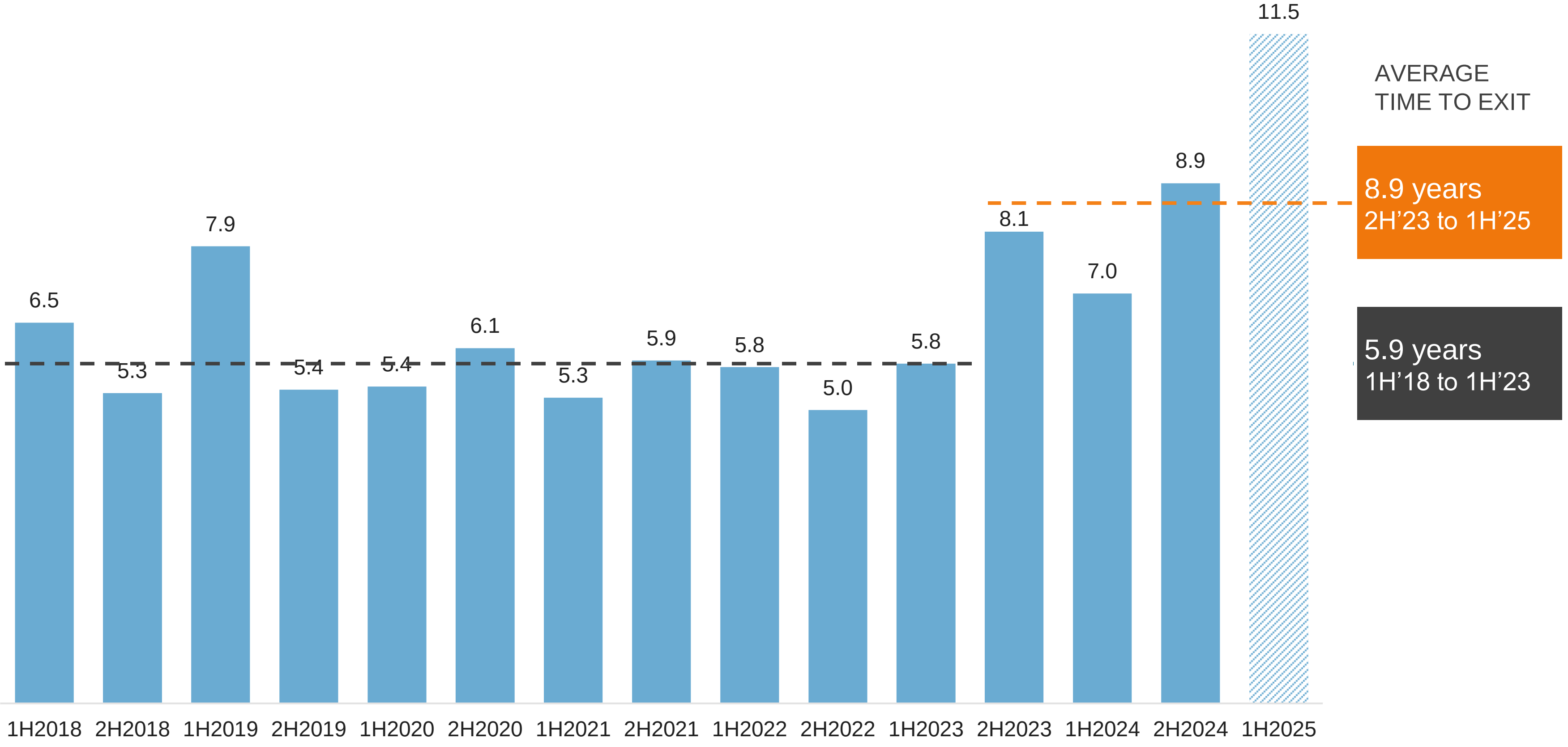


Deals <$1bn
Q4 24 vs Q1 25
(4 quarter rolling average)
+ 15%

Source: Pitchbook | Capital IQ | Deals below $5m have been excluded | Data as of 31/03/2025

Holding times from first institutional investment to exit are now at 8-9 years

MEDIAN TIME BETWEEN FIRST INSTITUTIONAL INVESTMENT AND EXIT (# YEARS)



- Despite investor perception that deeptech investments will require a relatively long hold period, our analysis shows hold periods to be at the lower end of what is typical for VCs
- Deeptech investments are often funding significant upfront capex before commercialisation and come with more technology risk than, for example, software companies
- Although investors tend to invest at an earlier stage, deeptech companies can exit early at strategic valuations once product-market-fit is proven

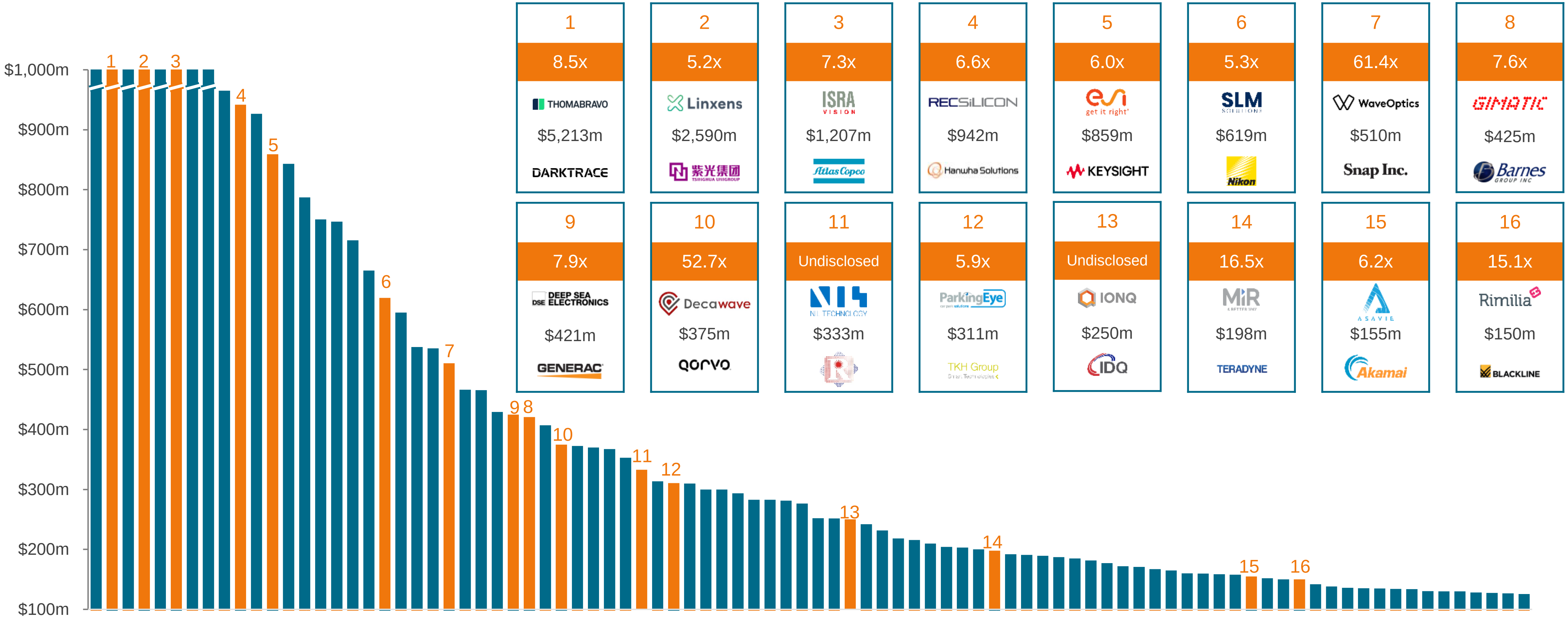
SILVERPEAK

Source: Pitchbook | Capital IQ | Deals below $5m have been excluded | Data as of 31/03/2025

Denotes only one quarter of data is used

In deeptech there is a wide range of EV/revenue multiples because the value is often “strategic” and only a minor portion of the deals reports valuation metrics

M&A ENTERPRISE VALUE >$100M AND SELECTED EV/REVENUE MULTIPLES > 5X 2018 – Q1 2025

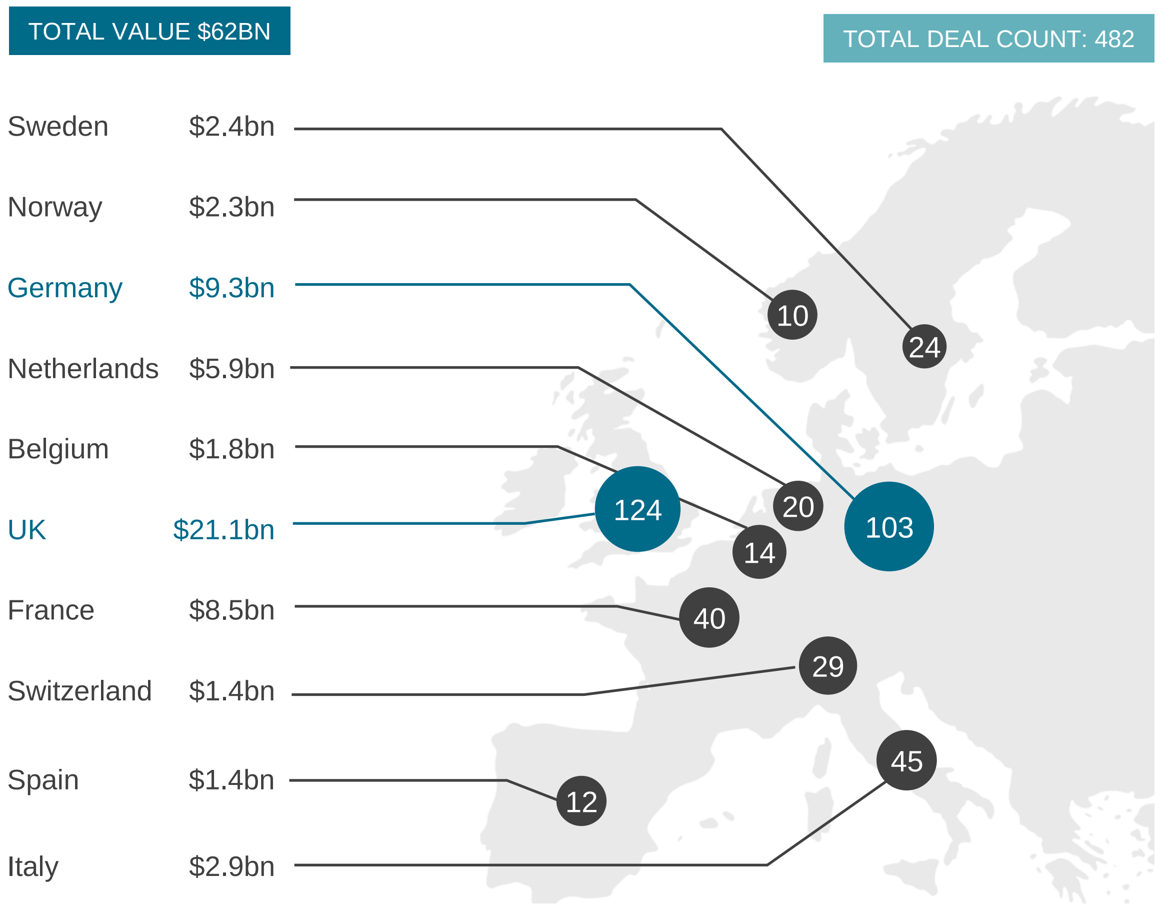


SILVERPEAK

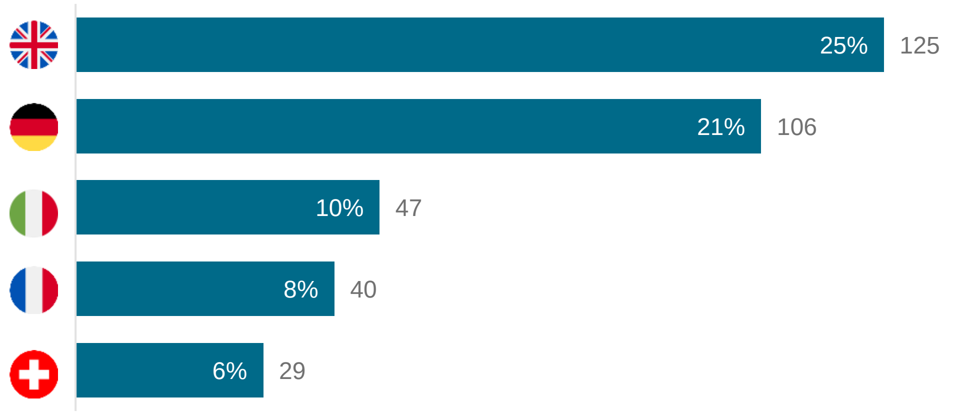
Source: Pitchbook | Capital IQ | Data as of 31/03/2025
Note: Values represent implied EVs.

UK is most active for deeptech M&A activity, followed by Germany

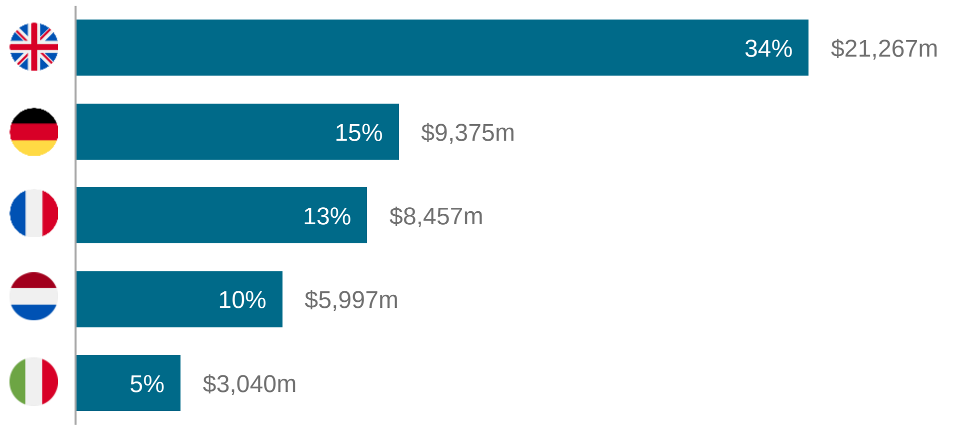
TOP 10 COUNTRIES BY M&A DEAL VALUE IN EUROPE, 2018 - Q1 2025



DEAL COUNT



ENTERPRISE VALUE



Source: Pitchbook | Capital IQ | Deals below $5m have been excluded | Data as of 31/03/2025

2024 and the first quarter of 2025 saw a variety of sectors covered in deeptech European M&A

SELECTED M&A IN EUROPE, Q1 2024 – Q1 2025

EV	DATE	HQ	TARGET	SECTOR	BUYERS
$5.2bn	Oct-24		DARKTRACE	Cyber Security	THOMABRAVO
$595m	Feb-25		QIOPTIQ	Precision Optics	TELEDYNE NYSE
$313m	Jul-24		endomag	Medical Equipment	HOLOGIC Nasdaq
$250m	Feb-25		IDQ	Quantum Networking	IONQ NYSE
$85m	Jan-25		JAI	Precision Optics	LUSTER SSE
$61m	Feb-25		Magneto Special Anodes	Electrodes	PERMASCAND ALTOR
$49m	Feb-25		sentronics METROLOGY	Semiconductors	NOVA Nasdaq
$45m	Oct-24		zappar	AR / VR (Software)	INFINITE REALITY
$36m	Jan-25		burster	Test & Measurement Equipment	discoverIE LSEG
$20m	Jul-24		AIR CONTROL ENTECH	Robotics	SRJ Technologies ASX

Source: Pitchbook | Capital IQ | Data as of 31/03/2025
Note: Values represent implied EVs.

SECTION 3

About Silverpeak

25+
team concentrated in a single office

400+
completed deal experience

60%+
transactions with North American counterparties in the last 3 years

We are mid-market technology specialists representing European growth businesses in M&A and financing transactions involving the most relevant investors and acquirers, wherever they are

Sector coverage

Software

- Application software
- Applied AI
- Data analytics
- Infrastructure software
- RPA /LowCode
- Vertical software
  - Construction
  - Edtech
  - Fintech
  - Healthcare
  - Maritime
  - Martech
  - Mobility
  - Sustainability
  - Travel

Deeptech

- Advanced manufacturing
- Algorithms/AI & ML
- AR/VR
- High performance computing
- Medical devices
- Networking and IoT
- NewSpace
- Photonics
- Quantum computing
- Robotics & computer vision
- Security software
- Semiconductors

Digital services

- Data services
- IT consulting
- Managed services
- Marketplaces
- Telecom services
- Cloud Services

Strong track record in later stage deeptech transactions

US | US — Apr 2025
mPower TECHNOLOGY
Satellite silicon solar cell technology
$21.5m Financing
RAZOR'S EDGE
SHIELD CAPITAL

UK | JP — Mar 2025
Alloyed
Digital additive manufacturing and alloy development platform
$47m Financing
DBJ
SPARX
OSF
REDSTONE
JX
AngloAmerican
AVIVA

IT I UK I DE I ROW — Mar 2025
2D PHOTONICS
Graphene-based photonic technology
€25m Financing
Frontier IP Group plc
NIF
cdp
JOIN. CAPITAL
INDACO
Sony Innovation Fund
Bosch Ventures
BOSCH

CH | US — Feb 2025
IDQ
Quantum secure networking
Sale to
IONQ

AUT | AUT — Oct 2024
Sico Technology GmbH
Quartz, silicon, and ceramic for semiconductors
Majority sale to
Wietersdorfer

UK — Mar 2024
ARQIT
Quantum networking
Board advisory
Undisclosed investors

CA | US | UK | ROW — Aug 2023
photonic
Photonically networked silicon spin quantum computers
$105m Financing
Microsoft
BCI
Amadeus Capital Partners
National Security Strategic Investment Fund
inovia

UK | JP | WW — Apr 2023
zodia CUSTODY
Institutional digital asset infrastructure provider
$36m Financing
SBI
scventures by Standard Chartered
AND UNDISCLOSED INVESTORS

EU | UK | FR — Mar 2023
SIPEARL
High-end CPU for HPC and data centres
€115m Financing
European Investment Bank
European Innovation Council Fund
EVIDEN an atos business
arm

CH | PL | LU | US — Dec 2022
clearspace today
In-orbit servicing and space debris removal
$29m Financing
swisscom Ventures
Luxembourg Future Fund
iqt

UK | NO | US | AE — Oct 2022
Beam
Autonomous subsea robotics technology
$26m+ Financing
Legal & General
equinor
iqt
Martlet
Foresight

IT | US — May 2022
CRP TECHNOLOGY
CRP USA
Additive manufacturing services and proprietary composite materials
Investment by
ITT

IT | WW — Jan 2022
D-ORBIT
In-space services and satellite transport
€51.5m pre-SPAC convertible bond by
COBHAM
iqt IN-Q-TEL
& OTHER INVESTORS

UK | LU, US — Feb 2021
ALL.SPACE
Satellite antenna technology
$40m investment by
SES
BOEING HORIZONX

SILVERPEAK

SILVERPEAK


Pietro Strada
Managing Partner
ps@silverpeakib.com


James Wilson
Vice President
jgw@silverpeakib.com


Kashif Beig
Senior Analyst
kb@silverpeakib.com


Kaleb Root
Analyst
kr@silverpeakib.com

This presentation has been prepared exclusively by Silverpeak LLP (“Silverpeak”) and does not carry any right of publication. Neither this presentation nor any of its contents may be used without the prior written consent of Silverpeak.

The information in this presentation reflects prevailing conditions and our views as of this date, all of which are subject to change. In preparing this presentation, Silverpeak has relied upon and assumed, without independent verification, the accuracy and completeness of all information available to us or from public sources or which was otherwise reviewed by us.

Silverpeak LLP is authorised and regulated by the Financial Conduct Authority.

SILVERPEAK LLP, 123 VICTORIA STREET, LONDON, SW1E 6DE, UK