FOODTECH UNICORNS

GLOBAL REPORT 2022

DigitalFoodLab

HELLO,

55 FoodTech unicorns, half of them reached the $1B valuation in 2021.

First of all, we thank you for reading this report. This is the fourth year that we map FoodTech unicorns. As this year breaks all the records in terms of the number of startups going over the symbolic valuation of $1B, we decided to dedicate a full report to this very specific set of startups.

Indeed, if most entrepreneurs want to create “billion-dollar companies”, how many reach that goal in FoodTech? At least, we can provide a quick answer to this: **there are currently 55 FoodTech unicorns**. For DigitalFoodLab, a unicorn is a startup that has reached a $1B valuation while still being private (then, all the startups that have been either acquired or went to the public markets are excluded).

58% of all the FoodTech unicorns are working around food delivery. This is 9% less than last year. After years of hype, **we observe the emergence of a handful of alternative proteins and urban farming unicorns**. However, the most impressive set of new food unicorns is made of quick-commerce startups. These companies went from idea to unicorn at breathtaking speed. Even with these new players, the average « **speed** » **at which a startup becomes a unicorn has not changed and remains at 6 years**.

23 new unicorns in 2021, probably twice as many in a few years.

The consistency of speed at which startups become unicorns, combined with the acceleration of the number of new FoodTech startups and the amounts invested in the ecosystem, let us think that we can expect many more unicorns in the years to come.

Indeed, investments in the ecosystem more than doubled globally in 2021. **We can then expect that from 23 new FoodTech unicorns in 2021, we will have at least 50 or more new unicorns per year in three to five years**.

These skyrocketing valuations are a double-edged sword:

- On the positive side, **startups have the means** (through investments and the debt they can raise) **to achieve their vision** and to challenge the status quo. They can help the transition toward a newer, greener, more sustainable and healthier food system.
- Less favourably, this kind of valuation makes their **acquisition by current agrifood businesses harder**. This creates a tension where **FoodTech unicorns have a narrow exit path**: either the **intransigent public markets** (which have demonstrated with Beyond Meat and Oatly that they won't accept anything less than stellar growth for companies with high valuations) **or acquisitions by other deep-pocketed unicorns** (Glovo, Wolt).

HELLO,

We are DigitalFoodLab's founders, Jérémie & Matthieu. We are:

- **Food entrepreneurs**, founders of one of the first French FoodTech startups (2010-16), and successfully exited

- **FoodTech experts**, co-founders of DigitalFoodLab

- **Angels**, **coach** and **board members** of FoodTech startups

But first, we want to accelerate the emergence of the future of food.

DIGITALFOODLAB

WE HELP YOU NAVIGATE THE FUTURE OF FOOD

UNDERSTAND - What is happening with FoodTech?

Understand what are the short, medium and long term trends

IDENTIFY - What are the key opportunities for your company?

Identify the best areas of innovation and build a shared strategy

ACT - How to work with and benefit from the innovation ecosystem?

Build step by step the best Innovation strategy to leverage innovation all over the world

Louis Delhaize
Bien vivre, les pieds sur terre

Les Mousquetaires

Cargill

Coca-Cola
EUROPEAN PARTNERS

bel

Nestlé

MSCI

FOODTECH UNICORNS IN 2022

WHAT IS FOODTECH?

DigitalFoodLab's definition is:

"FoodTech is the ecosystem made up of all the agrifood entrepreneurs and startups (from production to distribution) innovating on products, distribution, marketing or business model."

DigitalFoodLab has identified six categories that made FoodTech, themselves divided in sub-categories (<u>all definitions are available here</u>)

FOODTECH UNICORNS IN 2022

SCOPE OF THE REPORT

WHAT IS A UNICORN?

A startup starts to be considered as a unicorn when it is still a private company and it publicly announces a new round of financing that makes its valuation go over « one billion » (we choose for convenience reasons to use dollars in this report).

A company can stop being a unicorn:

- following an acquisition (such as Wolt acquired by DoorDash);
- if it becomes a public company following an IPO (Initial Public Offering) and is then traded. Some companies have their valuation moving beyond the $1B mark on this occasion, but they are excluded from our scope as we focus on private companies;
- if it publicly announces a new round of financing with a valuation lower than $1B (which has never occurred, as some in this list may have raised money at valuations lower than $1B but never talked about it).

WHY FOCUSING ON UNICORNS?

Unicorns have lost some of their mythical status as more and more of them emerge. However, they are still a symbol of success for entrepreneurs, investors and the country or area that was their birthplace. Their limited number make them a good tool to observe the most massive trends shaping the FoodTech ecosystem and hence the future of our food system.

WHERE DOES THE DATA COME FROM?

This report is based on DigitalFoodLab's proprietary database. It contains the most comprehensive data about FoodTech startups and investors. We gather data all year long with machine learning tools and with our network of partners all over the world.

MAPPING

55 FOODTECH UNICORNS IN 2022

MAPPING
12 CATEGORIES

Startups developing grocery e-commerce platforms, including farm-to-home solutions and delivery from stores.

Startups operating dark stores (a small warehouse that is used exclusively for online deliveries) to bring groceries to consumers almost instantly.
Restaurant delivery: Startups enabling their customers to order meals and get delivered from nearby restaurants.

Micro-fulfillment and warehouse automation startups dedicated to the food supply chain.

Startups inventing the store of the future (notably the autonomous store).

Startups reinventing the hospitality industry, notably through payments.

Startups enabling their customers to order meals and get delivered from nearby restaurants.

Startups delivering regularly to their customers ingredients to make meals or ready-to-eat meals.

Startups operating and renting cooking space or managing virtual restaurants.

Startups developing new ingredients and food products.

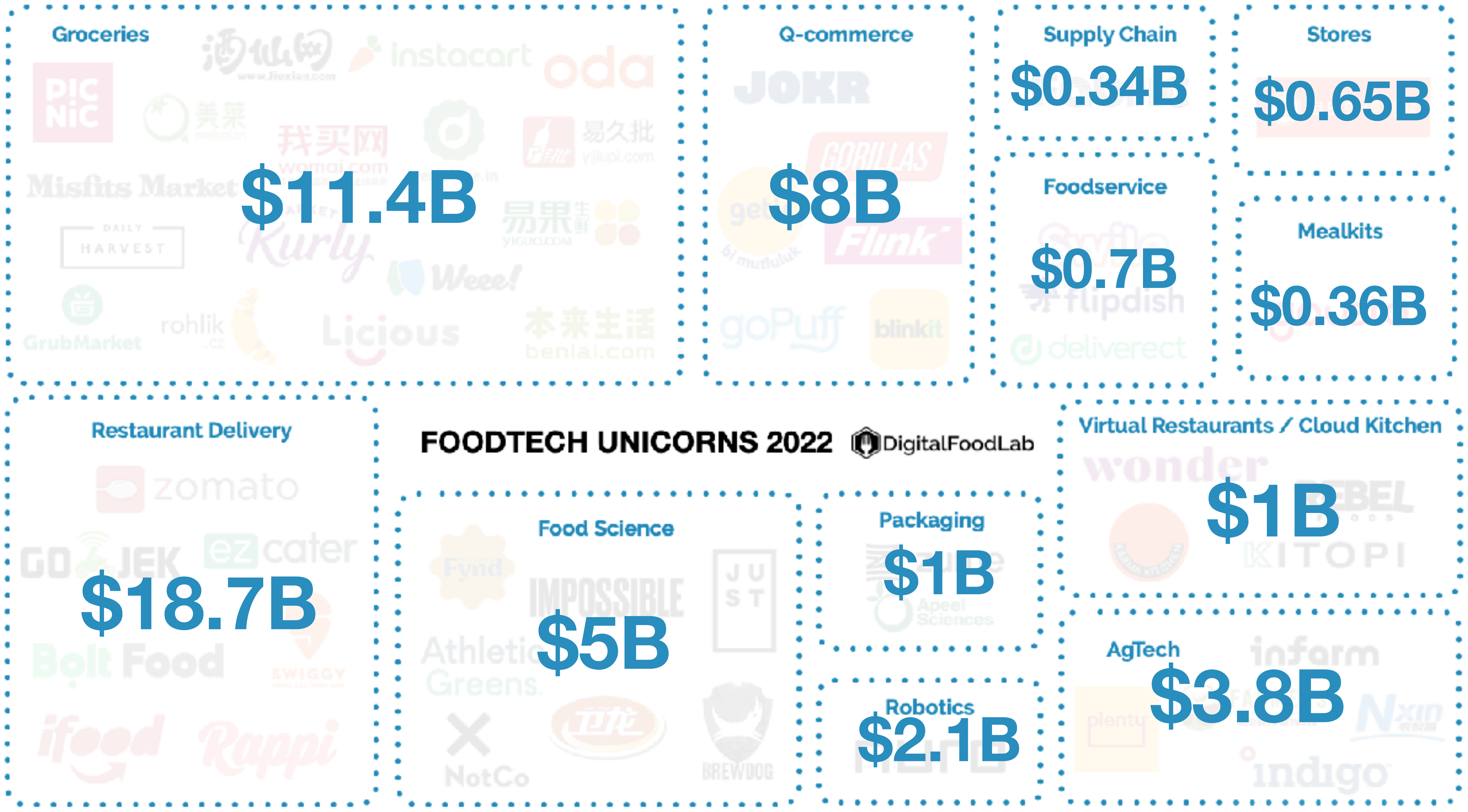
Startups developing smarter and more sustainable food and beverage packaging.

Startups developing drones, robots and autonomous cars for food deliveries.

Startups disrupting agriculture. Mostly urban farms and farmer networks.

MAPPING

$54B RAISED - ALMOST $1B / UNICORN

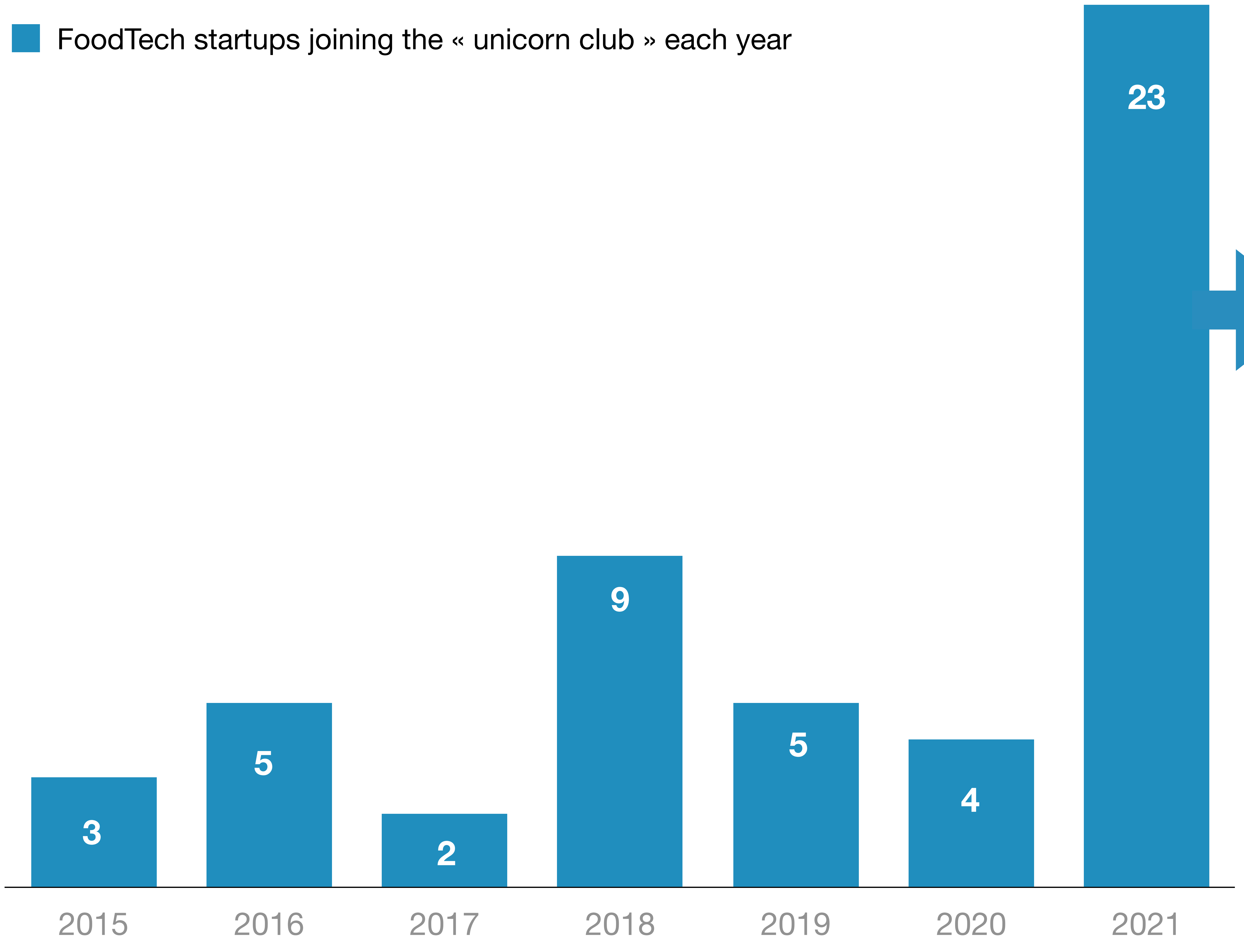


- The amounts raised by this very limited number is very significant: each unicorn has almost raised $1B.
- Compared, the investments in the whole FoodTech ecosystem reached $25-30B in 2020 and $50-60B in 2021.
- As for the FoodTech ecosystem itself, it is delivery startups that are raising the most money. It is also impressive to see that the young grocery delivery ecosystem (with q-commerce startups) has raised more than restaurant delivery startups.

UNICORN CREATION

23 NEW UNICORNS IN 2021

FoodTech startups joining the « unicorn club » each year

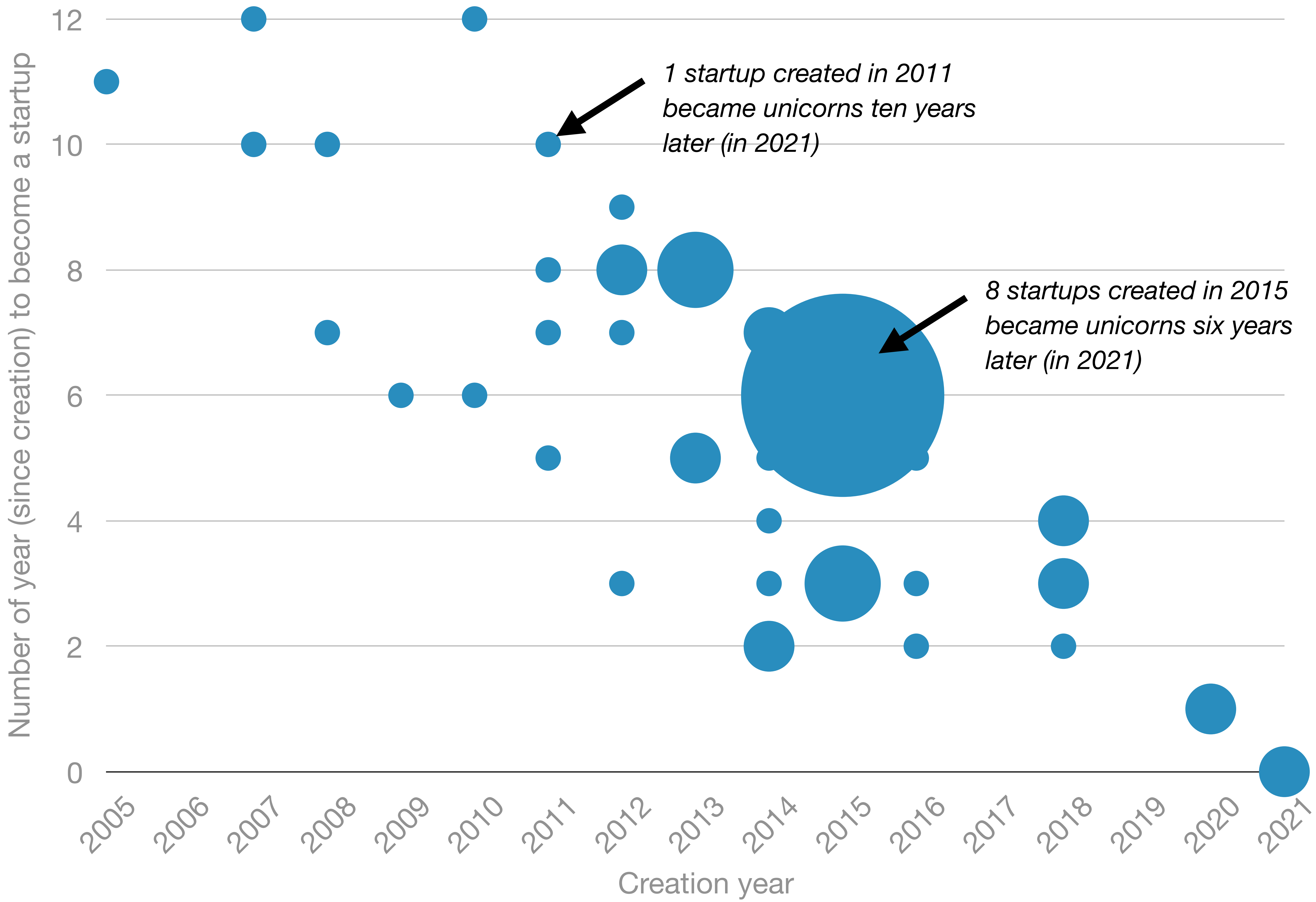


New unicorns

DAILY HARVEST
Misfits Market
GrubMarket
oda
PICNIC
JOKR
Swile
Licious
Flink
rohlik .cz
getir bi mutluluk
REBEL FOODS
KITOPI
Nature's Fynd
NotCo
wonder
infarm
GORILLAS
Fabric
blinkit
Market Kurly
Weee!

HOW LONG TO BECOME A UNICORN?

IT GETS FASTER



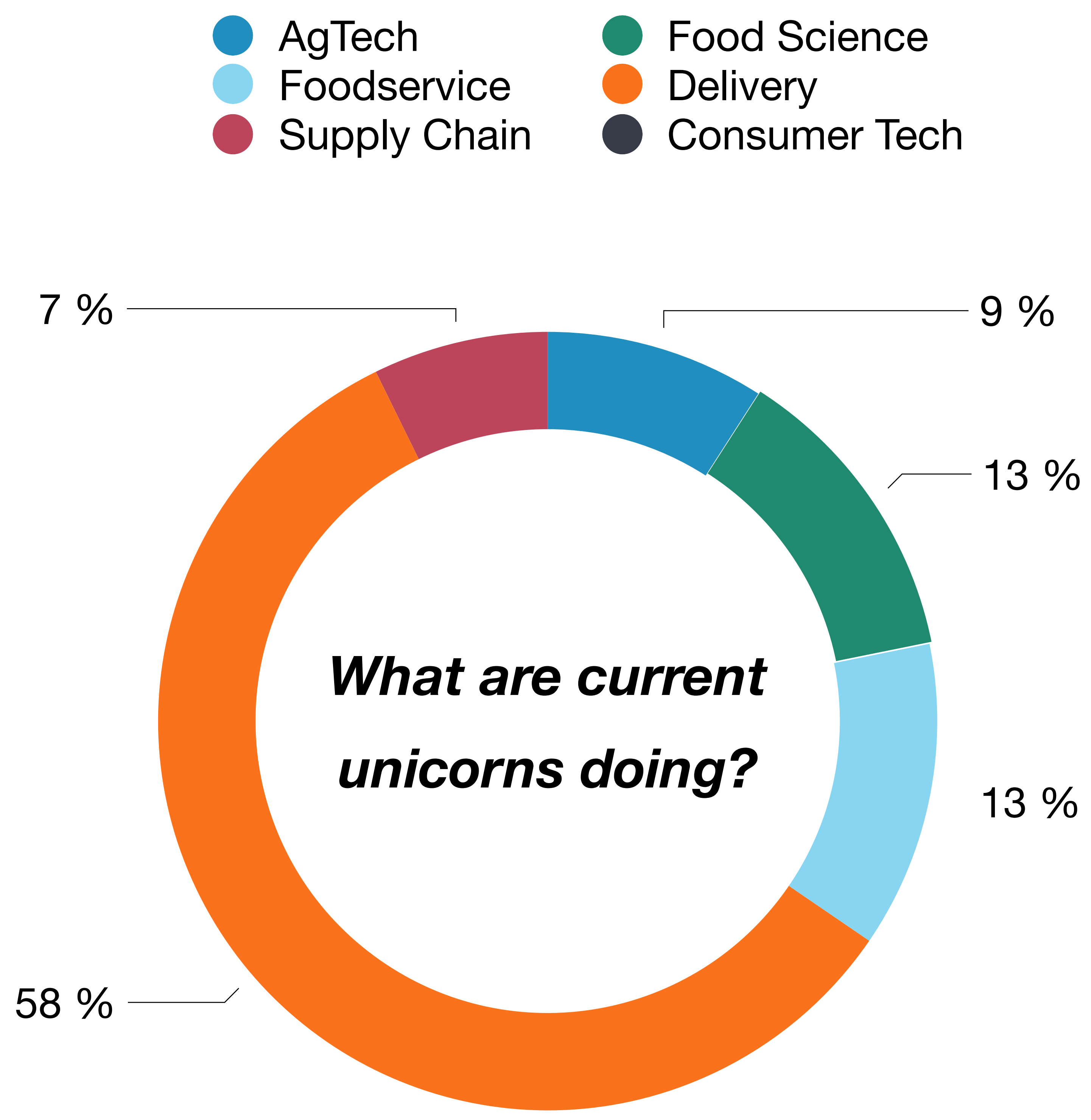
- On the opposite graph we can see how long it has taken to unicorns to reach this status.

- The main conclusions from this graph and DigitalFoodLab's data are:
  - Now, **we have startups becoming unicorns in their « early years », a phenomenon that was absent a decade ago**.
  - **The average number of years to become a unicorn is around 6 years and has been constant for quite some time**.
  - Most of today's unicorns were created between 2011 and 2016

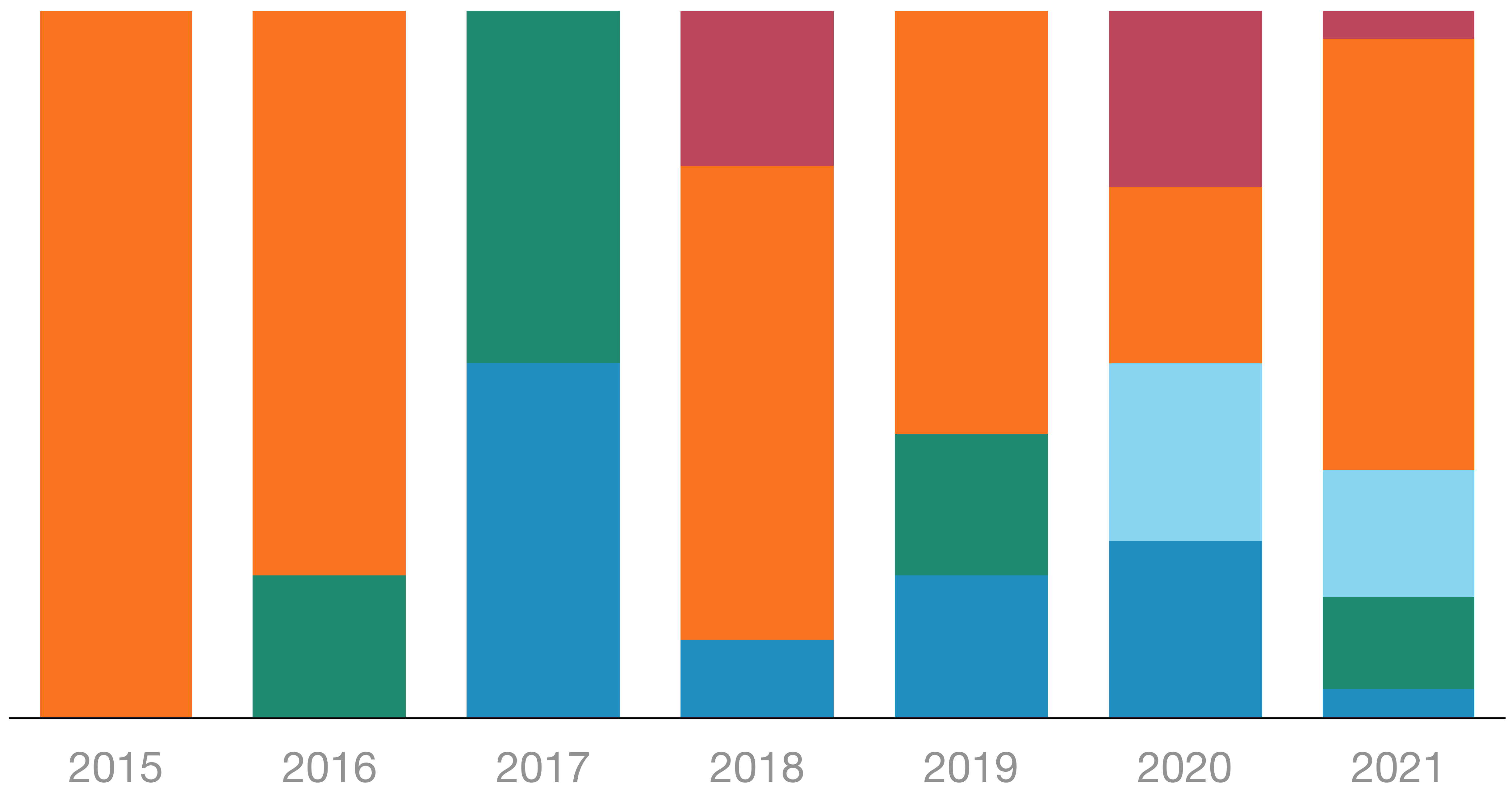
WHAT ARE UNICORNS DOING?

DISTRIBUTION OF UNICORNS BY CATEGORY

Without surprise, if we use DigitalFoodLab's six FoodTech categories (see here for the definitions), we see that most unicorns are working around food delivery. And, even if we have more and more food unicorns working in other areas, new delivery unicorns outweigh them.



Distribution by category of new unicorns (year when reaching unicorn status)

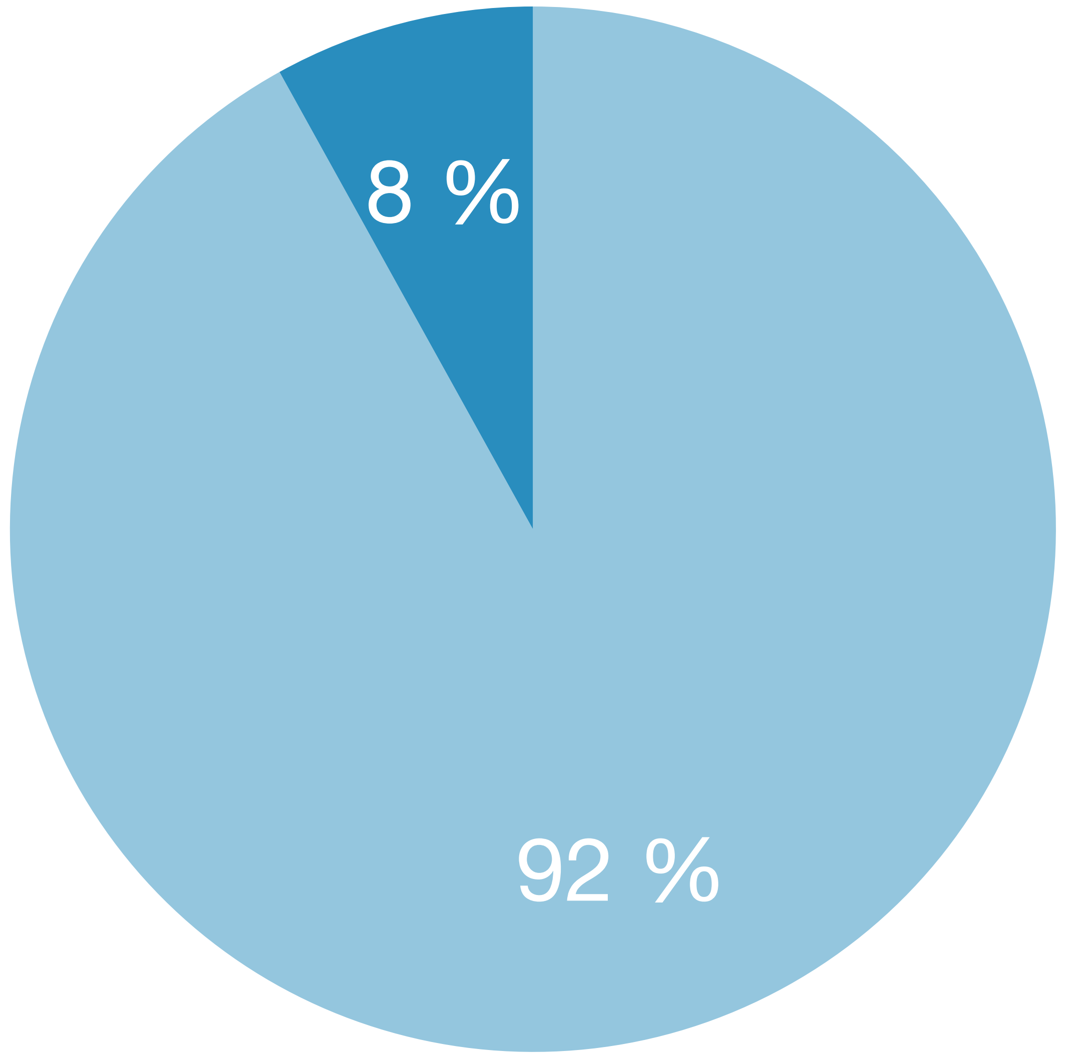


FOODTECH IN THE GLOBAL TECH ECOSYSTEM

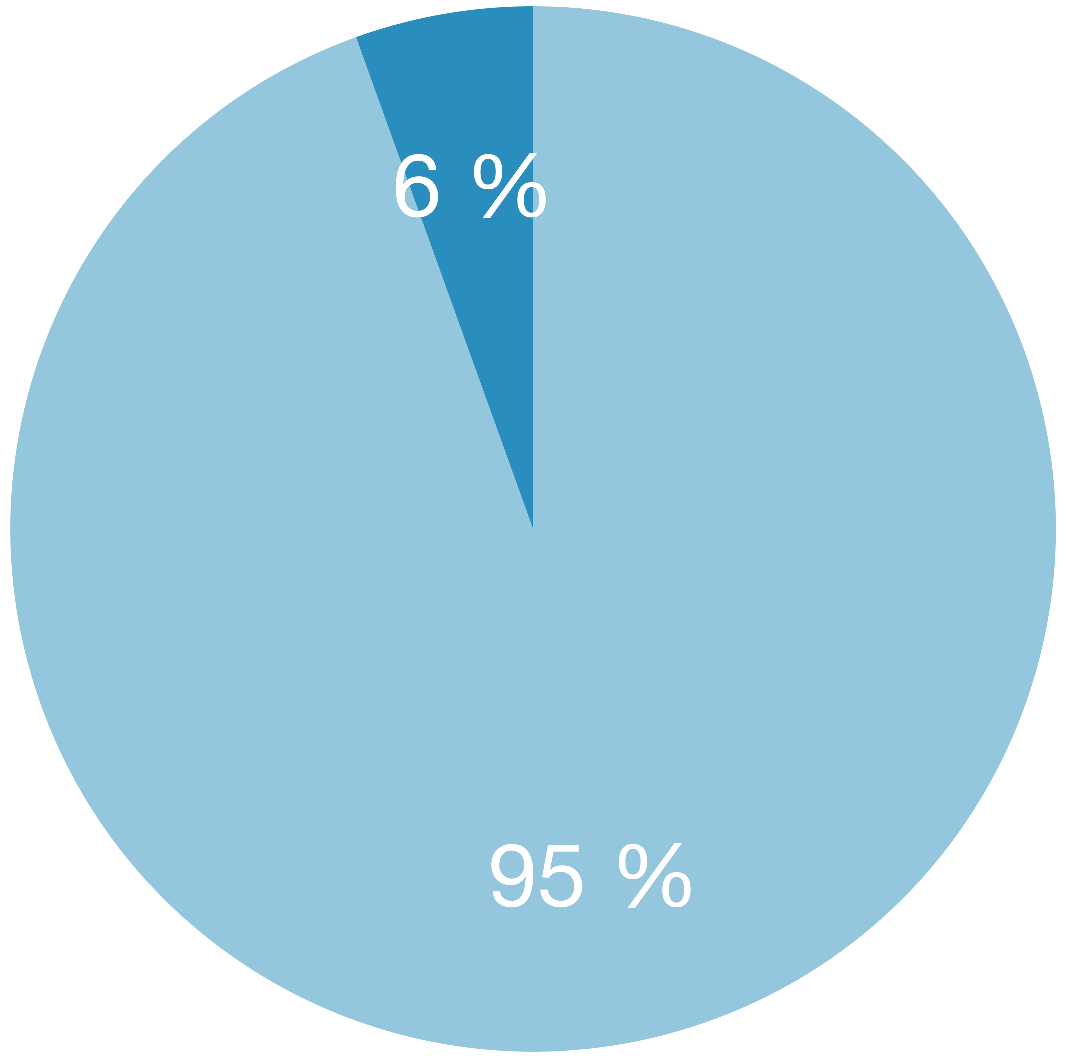
UNICORNS VS. THE GLOBAL ECOSYSTEM

FoodTech accounts for around 8% of the global investments into startups. Comparatively, only 6% of all the unicorns (around 1,000) are FoodTech startups. This difference can be linked to the comparatively recent growth of the investments in the FoodTech ecosystem.

Share of the investments going into FoodTech vs. the overall global tech ecosystem in 2021

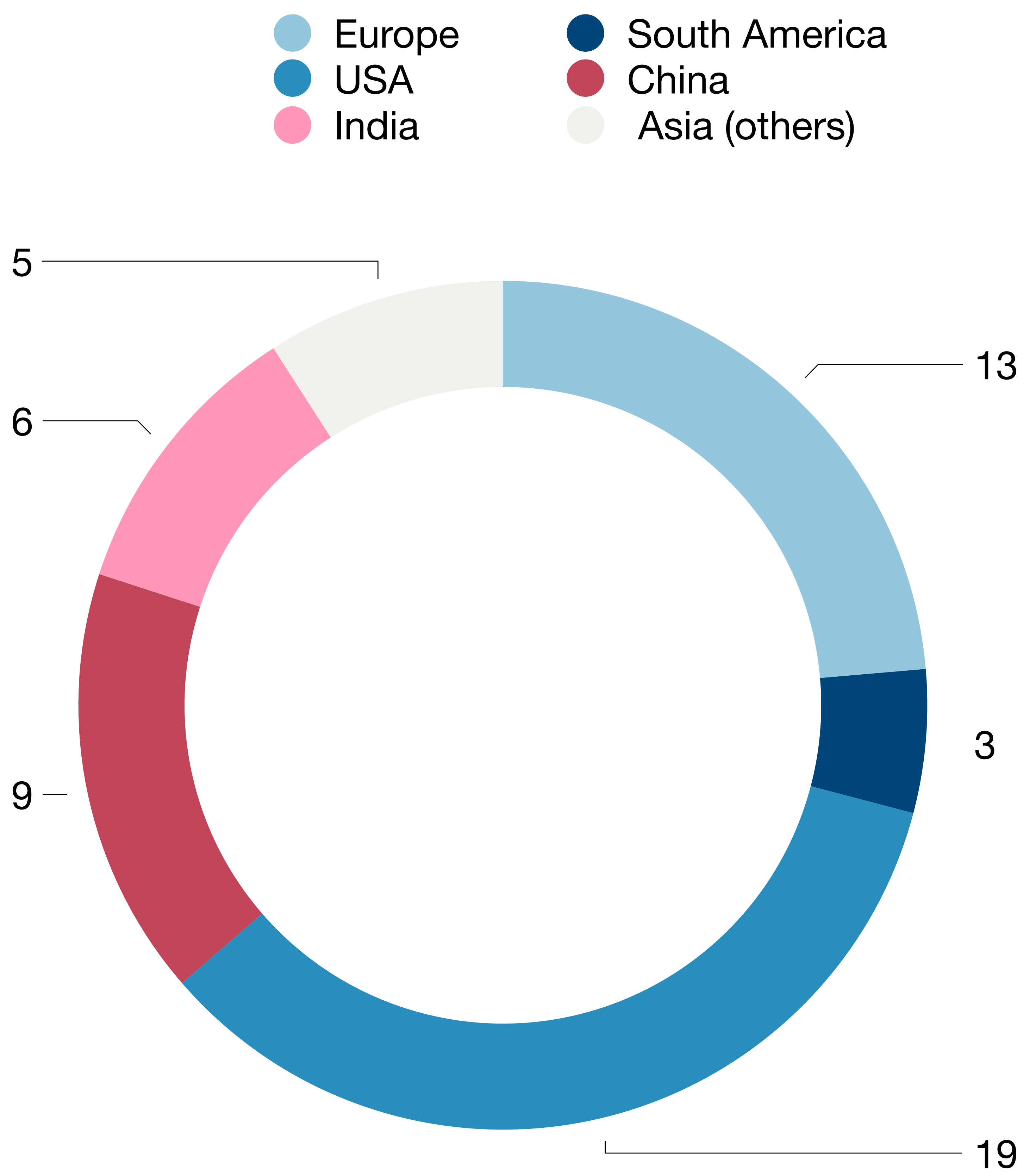


Share of the FoodTech unicorns vs. all the unicorns (number of companies)



FOODTECH UNICORNS IN THE WORLD

WHERE ARE THEY LOCATED?



- The largest number of FoodTech unicorns is located in North America.
- Compared to its ecosystem's size (less than 12% of the investments in 2020), Europe has a very large number of unicorns.
- The number of FoodTech unicorns in Asia (and especially in China and India) is increasing fast (and similarly to Europe, faster than the overall FoodTech ecosystem).

EXITING THE UNICORN STATUS

ACQUISITIONS AND IPOS IN 2021 - 1/2

Unicorns IPO in 2021

The number of IPO in the FoodTech sector is significantly increasing. Moreover, the attention these startups gather is also more important than it was previously. But not only for the best, as some startups such as Oatly have experienced a brief « hype moment » at the time of the IPO only to see their stocks plummet in the months afterwards.

deliveroo · 每日优鲜 MISS FRESH · DOORDASH · THE ORIGINAL OATLY! · 奈雪の茶 NAYUKI · sweetgreen · toast · Grab

Startups which valuations overpassed $1B at the time of their IPO

Many more startups became public in 2021. Among them, 5 have seen their valuation overpass the $1B mark just at the time of the IPO.

BENSON HILL · local bounti · MeaTech · BOXED · AppHarvest

EXITING THE UNICORN STATUS

ACQUISITIONS AND IPOS IN 2021 - 2/2

Unicorns exits

3 unicorns were acquired in 2021, two by another startup, one by a « legacy » corporation.

bigbasket → TATA

Glovo → Delivery Hero

Wolt → DOORDASH

FOODTECH UNICORNS

LIST OF UNICORNS - 1/5

STARTUP	CATEGORY	ACTIVITY	COUNTRY	CREATION YEAR	WHEN IT BECAME A UNICORN
DELIVERY					
Benlai	Delivery	Groceries	China	2012	2019
Blinkit (Grofers)	Delivery	Q-Commerce	India	2013	2021
Bolt Food	Delivery	Restaurant Delivery	Estonia	2013	2018
Daily Harvest	Delivery	Groceries	USA	2015	2021
DealShare	Delivery	Groceries	India	2018	2022
Ezcater	Delivery	Restaurant Delivery	USA	2007	2019
Flink	Delivery	Q-Commerce	Germany	2020	2021
Getir	Delivery	Q-Commerce	Turkey	2015	2021
Gojek	Delivery	Restaurant Delivery	Indonesia	2010	2016
goPuff	Delivery	Q-Commerce	USA	2013	2018
Gorillas	Delivery	Q-Commerce	Germany	2020	2021
Gousto	Delivery	Mealkits	UK	2012	2020

FOODTECH UNICORNS

LIST OF UNICORNS - 2/5

STARTUP	CATEGORY	ACTIVITY	COUNTRY	CREATION YEAR	WHEN IT BECAME A UNICORN
GrubMarket	Delivery	Groceries	USA	2014	2021
iFood	Delivery	Restaurant Delivery	Brazil	2011	2018
Instacart	Delivery	Groceries	USA	2012	2015
Jokr	Delivery	Q-Commerce	USA	2021	2021
Juixian	Delivery	Groceries	China	2009	2015
Licious	Delivery	Groceries	India	2015	2021
Market Kurly	Delivery	Groceries	South Korea	2015	2021
Meicai	Delivery	Groceries	China	2014	2016
Misfits Market	Delivery	Groceries	USA	2018	2021
Nuro	Delivery	Robotics	USA	2016	2019
Oda (Kolonial)	Delivery	Groceries	Norway	2013	2021
Picnic	Delivery	Groceries	Netherlands	2015	2021
Rappi	Delivery	Restaurant Delivery	Colombia	2015	2018

FOODTECH UNICORNS

LIST OF UNICORNS - 3/5

STARTUP	CATEGORY	ACTIVITY	COUNTRY	CREATION YEAR	WHEN IT BECAME A UNICORN
Rohlik	Delivery	Groceries	Czech Republic	2014	2021
Swiggy	Delivery	Restaurant Delivery	India	2014	2018
Weee!	Delivery	Groceries	USA	2015	2021
Womai	Delivery	Groceries	China	2008	2015
Yiguo	Delivery	Groceries	China	2005	2016
Yijiupi	Delivery	Groceries	China	2014	2016
Zomato	Delivery	Restaurant Delivery	India	2008	2018
AGTECH					
Farmers Business Network	AgTech	AgTech	USA	2014	2020
Indigo	AgTech	AgTech	USA	2014	2017
Infarm	AgTech	AgTech	Germany	2013	2021
Nxin	AgTech	AgTech	China	2015	2018
Plenty	AgTech	AgTech	USA	2014	2019

FOODTECH UNICORNS

LIST OF UNICORNS - 4/5

STARTUP	CATEGORY	ACTIVITY	COUNTRY	CREATION YEAR	WHEN IT BECAME A UNICORN
SUPPPLY CHAIN					
Apeel Sciences	Supply Chain	Packaging	USA	2012	2020
Bianlifeng	Supply Chain	Smart Stores	China	2016	2018
Fabric	Supply Chain	Supply Chain	Israël	2015	2021
Zume	Supply Chain	Packaging	USA	2015	2018
FOODSERVICE					
Deliverect	Foodservice	Foodservice	Belgium	2018	2022
Flipdish	Foodservice	Foodservice	Ireland	2015	2022
Karma Kitchen	Foodservice	Cloud Kitchen	UK	2018	2020
Kitopi	Foodservice	Cloud Kitchen	Dubaï	2018	2021
Rebel Foods	Foodservice	Virtual Restaurants	India	2011	2021
Swile	Foodservice	Foodservice	France	2016	2021
Wonder	Foodservice	Virtual Restaurants	USA	2021	2021

FOODTECH UNICORNS

LIST OF UNICORNS - 5/5

STARTUP	CATEGORY	ACTIVITY	COUNTRY	CREATION YEAR	WHEN IT BECAME A UNICORN
FOOD SCIENCE					
Athletic Greens	Food Science	Food supplements	USA	2010	2022
Brewdog	Food Science	Drinks & beverages	UK	2007	2007
Impossible Foods	Food Science	Alternative proteins	USA	2011	2019
Just	Food Science	Alternative proteins	USA	2011	2016
Nature's Fynd	Food Science	Alternative proteins	USA	2012	2021
NotCo	Food Science	Alternative proteins	Chili	2015	2021
Weilong	Food Science	Snacking	China	1999	2021

GOT A QUESTION?

CONTACT US!

contact@digitalfoodlab.com

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