

Press release

Start-up investments on course for a record

Lucerne / Zug 20 July 2021 – In the first half of 2021, CHF 1.7 billion was invested in Swiss start-ups, with 124 financing rounds completed. The total is more than twice as high as in the first half of the previous year, with the number of investments increasing by a quarter. In addition, six start-ups went public, as shown by a study from the online news portal startupticker.ch and the investor association SECA. A survey-based analysis of the start-up investment activities of Swiss companies has also been published in conjunction with these updated figures.

The economic upswing and rising share prices have led to a boom in start-up investment in Switzerland, with companies generating more than CHF 1.7 billion in 124 financing rounds. The amount invested is almost CHF 1 billion higher than in the same period last year and the growth rate is more than 130%. Even compared with the previous record – achieved in the first half of 2019 – this equals growth of almost 50%. In terms of the number of financing rounds, growth is more even, but the long-term trend is no less impressive: the number has practically doubled in only four years.

Fintech companies are among the drivers of growth. The largest round of almost CHF 600 million was concluded by wefox, a digital insurance company. The number of financing rounds in this sector rose by more than 130% from 11 to 26 compared with 2020. Young biotech companies also increased their invested capital significantly – from almost CHF 230 million to more than CHF 414 million.

One reason for the boom is the lucrative exit opportunities due to the wide open stock market window. Six Swiss start-ups went public in the first half of the year, with five biotech companies alone listing on the US technology exchange Nasdaq.

Large Swiss companies are increasingly investing in start-ups

In recent years, more and more Swiss companies have set up their own venture capital units. An analysis based on the survey developed and conducted with the Institute for Financial Services Zug IFZ at Lucerne University of Applied Sciences and Arts provides an overview of the activities of these corporate venture capitalists (CVCs) for the first time. The analysis is based on responses from 24 well-known large Swiss companies.

In Switzerland, CVCs are a young phenomenon: 70% invested for the first time only in 2016 or later. The latest wave of growth has been driven by financial services companies. Despite the young age, the CVCs take a professional approach, with 70% having a dedicated team or experienced consultants.

When selecting start-ups, strategic goals, in particular access to technology that is of interest to the parent company, are more important than purely the prospect of financial gain. Start-ups with groundbreaking technology and which can expand the company's product portfolio are more likely to be sought than those with products already on the market.

Some of the older CVCs are among the most active Swiss start-up investors: they have 20 companies or more in their portfolio and have invested more than CHF 100 million over the past five years. A good half of CVCs have invested up to CHF 20 million in up to 10 start-ups in the past five years. As many CVCs are less than five years old, these numbers will increase in the future.

An international comparison shows that the proportion of capital invested by CVCs in Swiss start-ups has risen sharply in the past five years and has been at the level of other European countries and the US since 2020. However, as with investment by pure VCs, more money comes from abroad than from within the country.

Start-up investment is also a challenge for CVCs. According to the respondents, the success rate is less than 50% on average. Nevertheless, about half of CVCs want their activities to continue at the current level and more than 40% want to expand them.

The figures in detail

Financing rounds and invested capital in Swiss start-ups in the first half of each year

First half year	Invested capital (CHF m)	Number of financing rounds
2017	275.3	64
2018	456.1	82
2019	1,183.0	85
2020	763.4	105
2021	1,755.9	124

Swiss CVCs by year of first investment

Year	Number of CVCs
2005	1
2006	0
2007	1
2008/2009	0
2010	2
2011	1
2012/2013	0
2014	1
2015	0
2016	5
2017	3
2018	1
2019	4
2020	3
2021	1



About startupticker.ch

The national news portal startupticker.ch provides daily and weekly newsletters about current events from the Swiss start-up scene. Startupticker.ch has established itself as the leading medium of the Swiss start-up scene. *Swiss Venture Capital Report*, published annually together with SECA, is the reference publication on investments in Swiss start-ups. The client is Innosuisse, the federal innovation agency. In addition, startupticker.ch is supported by about 50 organisations and companies.

About SECA

The Swiss Private Equity & Corporate Finance Association (SECA) represents the private equity and corporate finance industry in public and in relation to the relevant target groups. In addition, the exchange of ideas and collaboration between the members and their customers are encouraged. The promotion of professional training and the development of ethical rules of conduct and their implementation are further areas of responsibility.

All the results can be found at <https://www.startupticker.ch/en/swiss-venture-capital-report>.

For further information:

Stefan Kyora
Editor-in-Chief, Startupticker.ch
Tel: 076 325 99 41

Thomas Heimann
Deputy general secretary, head of statistics, SECA
Tel: 079 709 02 96