

VeM: Venture Capital industry in 2024 totals 406 deals with 2 billion invested

- *300 deals between initial and follow-on (excluding business angels)*
- *Technology Transfer, 223 million invested in 119 deals*
- *ICT remains the leading sector with 38% of investments, Lombardy the first region by number of targets, 70*

Milan, 18 February 2025 - The **Venture Capital Monitor - VeM Research Report 2024** on venture capital deals in the Italian market was presented today. The study was carried out by the **Venture Capital Monitor - VeM** active at LIUC University and AIFI and realised thanks to the contribution of Intesa Sanpaolo Innovation Center and KPMG and the institutional support of CDP Venture Capital SGR and IBAN, with aim of developing a permanent monitoring of the early stage institutional activity carried out in Italy.

Deals

2024 closed with 300 deals (**initial and follow-on**); there were 330 last year (-9%). Looking only at new investments, **initial**, these were 223 compared to 273 in 2023. As regards the amount invested by both domestic and foreign operators in **Italian start-ups**, the figure stands at 1.2 billion euro distributed over 270 rounds: an increase compared to 1.1 billion euro last year, with a decrease in the number of deals (they were 302 in 2023). The amount invested in **foreign realities** founded by **Italian entrepreneurs** is on the rise, amounting to over 700 million euro distributed over 30 deals (over 300 million euro in 28 rounds in 2023). Adding up these two components, the overall total stands at 1.9 billion euro (it was 1.4 billion euro in 2023).

"Innovation largely passes through universities, which is why at LIUC we are working on an open innovation environment where students, researchers, and alumni work together with companies to contaminate each other and find creative solutions and new approaches to complex problems," says **Anna Gervasoni, Rector of LIUC University**. "We want to design new technology transfer models to be networked with other universities based on the privileged relationship we have with companies thanks to Confindustria Varese".

"Venture capital in Italy has by now consolidated the phase that began in the second half of 2020 and is ready to enter the next one," says **Giovanni Fusaro, Director of the VeM Observatory**. "The next few years will therefore be crucial to make investment in innovation a cornerstone of our country's development and to close the gap with the most virtuous European markets."

"The growth in invested capital in 2024 (+39%), brings the venture capital market measured by VeM back to the 2 billion euro mark in total. The decrease in the number of funding rounds confirms a greater selection on deals; trend confirmed by the record number of follow-on investments on companies already invested in other rounds" - explains **Luca Pagetti, Head of**

Intesa Sanpaolo Innovation Center's Startup Growth Financing. "The growing interest of investors in the Energy & Environment, Biotech and Healthcare sectors is confirmed, a positive sign technology transfer in our country in key sectors for future development. Through Intesa Sanpaolo Innovation Center, our Group supports the growth of spin-offs and start-ups with ecosystem initiatives and in support of the territories. The investments of the SEI fund (Sviluppo Ecosistemi di Innovazione) managed by Neva SGR, a wholly-owned subsidiary of Intesa Sanpaolo Innovation Center, are a further confirmation of our commitment".

"In 2024, business angels independently invested over 74 million euro, almost double the resources of 2023, and target companies also increased by 41%. After the slowdown of 2023, we have therefore returned to growth and the entire Italian venture capital market is once again stabilising on the numbers that have characterised it in recent years, well above the 1 billion euro mark," commented **Paolo Anselmo, IBAN President**. "Recent structural legislative measures, such as the DI Centemero, have also confirmed the tax breaks and incentives for investments in start-ups and innovative SMEs, a further signal that leads us to be confident for 2025 as well."

"Venture capital investments in Italy saw some signs of recovery during 2024, in line with what has been observed internationally. A positive trend is also expected in 2025, mainly supported by investments sectors such as artificial intelligence, biotechnology and alternative energies," comments **Alessandro Soprano, Partner KPMG**.

Focus on Technology Transfer, Corporate Venture Capital and the Venture Capital Industry

Total investments in TT (Technology Transfer) 2024 amounted to 223 million euro out of 119 deals, a result that combines, on the one hand, the physiological slowdown due to the end of the investment period for funds financed by the ITAtech platform and, on the other hand, the boost given by the full operability of funds supported by CDP Venture Capital SGR's Tech Transfer FoF and national hubs. With regard to **corporate venture capital** activity, in 2024 the recent evidence of a significant presence of companies in venture capital rounds was confirmed. In particular, corporate participation in investments supporting fledgling businesses or those in the early development stage was recorded in about 26% of all rounds, up from 2023.

With regard to start-ups based in Italy alone, **venture capital and corporate venture capital** invested 592 million euro in 182 rounds, **syndication** activities between venture capital, corporate venture capital and business angels invested 610 million euro in 88 deals, and business angels alone invested 47 million euro in 102 rounds. **The total** of these activities brings **the venture capital industry** in Italy to have invested over

1.2 billion euro in 372 rounds. If we also add investments in foreign start-ups with Italian founders, **the overall total** stands at **2 billion euro on 406 rounds**.

Geographical and sectoral distribution

As in previous years, in terms of initial investments, **Lombardy** is the region with the largest number of target companies, 70, covering 36% of the market (it was 46% in 2023, with 113 companies). This is followed by Piedmont (15%) and Lazio (9%).

From a sectoral perspective, **ICT** monopolises the interest of venture capitalists, with 38% of target companies. The ICT sector is made up of 28% of deals on start-ups in the digital consumer services sector, and 72% on companies with a focus on enterprise technologies. Next 9% of initial investment targets were directed towards Biotechnology, 8% towards Fintech; Energy and Environment and Healthcare, on the other hand, attract 7% of investments.

*The **Venture Capital Monitor - VeM** is an Observatory born in 2008 and active at the Carlo Cattaneo University - LIUC and AIFI and realised thanks to the contribution of Intesa Sanpaolo Innovation Center and KPMG and the institutional support of CDP Venture Capital SGR and IBAN, with the aim of developing a permanent monitoring of the institutional early-stage activity carried out in Italy.*

***LIUC University** is a young, dynamic, and internationally-oriented university, founded in 1991 by companies, for companies. Its academic programs (Business Economics and Management Engineering) have been carefully designed to align with the real needs of businesses. The teaching follows an experiential approach, emphasising the development of soft skills, and is enriched by the synergies between its 4 schools, or rather Economics and Management, Management Engineering, the Business School, and the PhD in Management. LIUC boasts a global network of over 6,500 companies, and offers students international opportunities through exchange agreements with universities in both EU and non-EU countries. Supported by a network of institutional centres, the academic research combines scientific rigour with practical relevance, contributing to numerous projects, even in collaboration with universities and institutions. For further information: www.liuc.it*

***AIFI, Italian Association Private Equity, Venture Capital and Private Debt** was founded in May 1986 and is internationally recognised for its activity of institutionally representing and promoting the private equity, venture capital and private debt activity in Italy. Full membership is open to private equity and venture capital GPs, whose main task is to take equity participations in enterprises, as well as to private debt managers, whose main activity consists in subscribing different types of financial instruments. Full members' matrix is quite heterogeneous, including closed-end investment funds managed by an Italian management company (i.e. SGR), alternative investment funds established as joint stock company (i.e. SICAF), international closed-end funds as well as public players. In particular, with reference to the role on AIFI in financing innovation, Venture Capital Committee, including also Corporate Venture Capital and Technology Transfer players, is active to carry out lobbying and dissemination initiatives. For further information: www.aifi.it*

Intesa Sanpaolo Innovation Center is the Gruppo Intesa Sanpaolo company dedicated to frontier innovation. It explores future trends and scenarios, develops multidisciplinary applied research projects, supports startups, accelerates business transformation for companies according to the criteria of Open Innovation and the Circular Economy, facilitates the development of innovative ecosystems and disseminates innovation culture, in order to make Intesa Sanpaolo the driving force behind a better informed, inclusive and sustainable economy. The Innovation Center, with its headquarters on the 31st floor of the Intesa Sanpaolo skyscraper and its national and international network of hubs and research laboratories, is a relationship facilitator for the other stakeholders of the innovation ecosystem – such as businesses, startups, incubators, research centers, universities, national and international institutions – and a promoter of new forms of entrepreneurship and their access to risk capital, with the support of venture capital funds, thanks also to the Neva SGR subsidiary. For further information: www.intesasampaoloinnovationcenter.com

KPMG is a global organization of independent services firms providing Audit, Tax and Advisory services. The KPMG network operates in 142 countries and employs some 275.000 people across the globe. KPMG in Italy dates back more than 60 years and its approximately 6.000 people work from 25 offices covering the entire country. With more than 6.000 clients and a comprehensive portfolio of services that caters to the needs of both the domestic and international market, the Italian KPMG network is acknowledged to be the most important provider of professional services to businesses in Italy. KPMG's main strategic drivers are: Digital Transformation, Attracting and Retaining Talent, and ESG. For more information: www.kpmg.com/it

IBAN - Italian Business Angels Network, is a no-profit organization, officially recognized and endowed with legal personality, founded on March the 15th 1999 as a result of the "DG Enterprise" initiative promoted by the European Commission. In Italy, IBAN Association supports and coordinates the equity investment activity of informal private investors ("Business Angels" - BA) towards start-ups and SMEs. The association acts as main interface for any Business Angel, Business Angel Network (BAN) or Club deal in the Italian market; whilst at European level it is among the founding members of BAE - Business Angel Europe, the union of European business angels' associations founded in 2014, thanks also to the support of IBAN, to represent the European business angels' investors. At national level, IBAN aims at providing managerial and financial support to entrepreneurs in order to build successful and longstanding businesses. Small companies, particularly startups, face growing difficulties in the access to finance. In this context, the business angels network intercepts the desire of several professionals, experienced company managers, executives and entrepreneurs who sold their company or simply want to contribute in the creation of new enterprises and jobs, and directs them to the common goal of supporting start-ups and SMEs. For further information: www.iban.it

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