

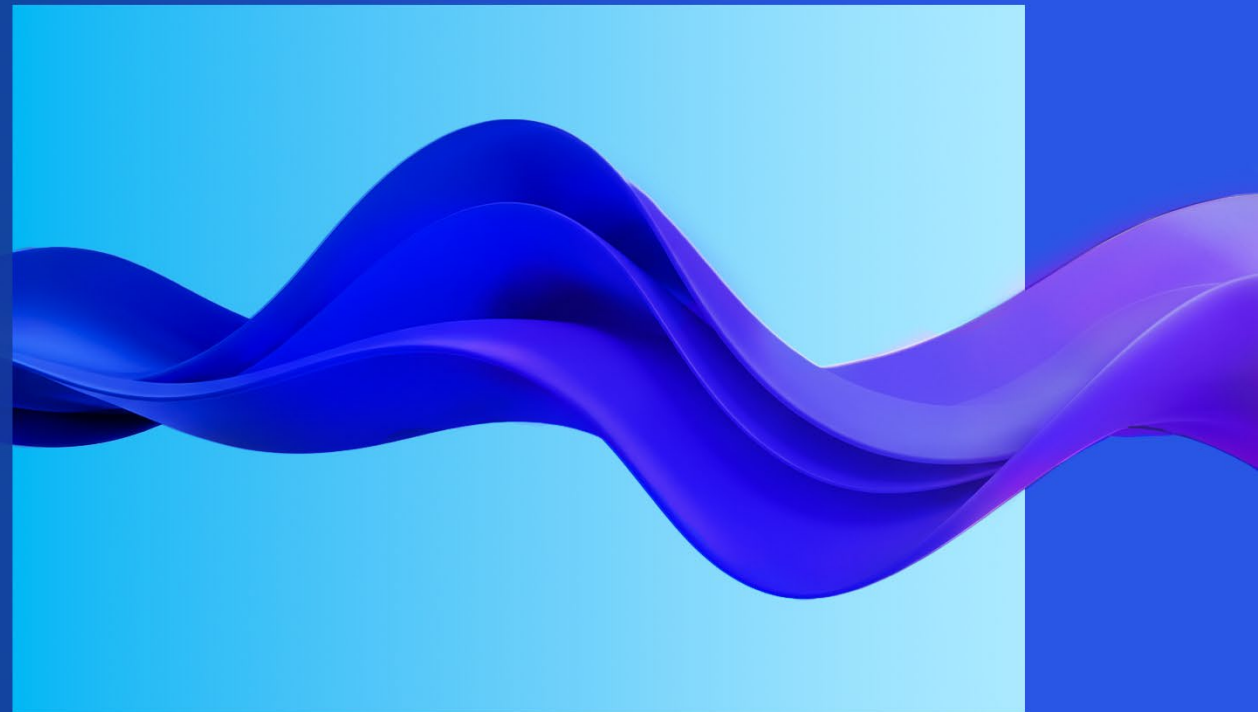


# Venture Pulse

## Q3 2026

Global analysis of venture funding

KPMG. Make the Difference.



AI-generated image

October 14, 2026

# Welcome message

Welcome to the Q3'26 edition of KPMG's *Venture Pulse*, a quarterly report showcasing the major trends, opportunities, and challenges within the venture capital market globally and in major jurisdictions around the world.

Global VC investment returned to a more normalized level in Q3'26 following an exceptionally strong first half of the year, which included the two largest VC funding rounds on record: OpenAI's \$122 billion raise in Q1'26 and Anthropic's \$65 billion raise in Q2'26, alongside several other rounds exceeding \$10 billion.

Despite the quarter-over-quarter decline, global VC activity remained well above historical norms, reaching \$170.9 billion across 8,341 deals in Q3'26. The largest funding round of the quarter was secured by US-based Databricks at \$5 billion, followed by AI infrastructure company Crusoe in the US at \$3.9 billion, Beijing Moonshot Technology in China at \$3.5 billion, and France-based Mistral AI at \$3.5 billion.

AI remained the dominant theme for VC investors globally in Q3'26, with interest ranging from AI models, infrastructure and autonomous systems to physical AI and industry-focused applications. Defensetech and alternative energy also continued to attract significant levels of VC investment.

On a regional level, the Americas continued to capture the largest share of global VC investment in Q3'26, attracting \$101.2 billion. The US accounted for nearly all of that total, with \$98.4 billion invested during the quarter and a record 23 funding rounds valued at \$1 billion or more.

Asia remained robust in Q3'26, attracting \$39.8 billion in VC investment, supported by a continued resurgence in funding activity in China. Major rounds included Beijing Moonshot Technology, as well as

a \$3.0 billion raise by Kling AI. Europe attracted \$28.4 billion in VC investment — a 16-quarter high — led by a \$3.5 billion raise by Mistral AI in France, \$1.8 billion for Helsing in Germany, and \$1.2 billion each for Wayve in the UK and Quantum Systems in Germany.

Following the record-shattering IPO of SpaceX in Q2'26, the IPO market in the US remained relatively stable during Q3'26. IPO activity in Europe remained subdued, with smart ring company Oura delaying its planned IPO in September, while the IPO market in Hong Kong continued to show strength.

Heading into Q4'26, global VC investment is expected to remain strong but highly concentrated in AI verticals and infrastructure, defensetech and alternative energy. Exit activity may continue at a solid pace, although the US elections in November could prompt some VC investors and IPO-ready companies to pause as they assess potential market uncertainty.

In this quarter's edition of *Venture Pulse*, we examine these and a number of other global and regional trends, including:

- The surging interest in physical AI and robotics
- The continued strength of defensetech
- The improvement in VC fundraising, at least at the largest fund sizes
- The growing focus on AI ecosystems and infrastructure

We hope you find this edition of *Venture Pulse* insightful. If you would like to discuss any of the results in more detail, please contact a KPMG advisor in your area.

“ You know KPMG. You might not know KPMG Private Enterprise.

KPMG Private Enterprise advisers in KPMG firms around the world are dedicated to working with you and your business, no matter where you are in your growth journey — whether you're looking to reach new heights, embrace technology, plan for an exit, or manage the transition of wealth of your business to the next generation. ”



**Carolina Oliveira**  
Global Lead of  
Emerging Giants,  
KPMG International and  
Partner and Private  
Enterprise Leader  
KPMG Brazil and  
South America Cluster

Unless otherwise noted, all currencies reflected throughout this document are in US dollars.  
Data correct as of October 5, 2026, and is subject to change.

# Contents



## Global

- Global VC investment reaches \$170.9B in Q3'26
- AI and infrastructure dominate large funding rounds
- Physical AI and robotics attract growing interest
- Fundraising improves, led by very large funds
- AI, defense and energy remain Q4 priorities



## US

- US VC investment reaches \$98.4B in Q3'26
- Record 23 rounds of \$1B+ reflect AI demand
- Secondaries become a core liquidity option
- Public listings exceed 2024 and 2025 totals
- Fundraising rebounds, led by established managers



## Americas

- Americas attract \$101.2B, led by US megadeals
- Canada investment falls to its lowest since Q3'18
- Investment rises in Mexico and Brazil
- Fintech remains a focus across Latin America



## Europe

- Europe attracts \$28.4B, a 16-quarter high
- Six \$1B+ rounds support investment
- AI and defense attract major funding rounds
- Exits remain muted despite strong investment



## Asia

- Asia attracts \$39.8B, supported by China's rebound
- AI megadeals drive large funding rounds
- Japan's investors remain highly selective
- Hong Kong IPO activity remains strong



## Africa

- Investment grows, concentrated in larger deals
- Early-stage startups face funding shortages
- Fintech leads, with Moove raising \$250M
- More African startups target global markets

Globally, **in Q3'26**  
VC-backed companies  
raised \$170.9 billion  
across 8,341 deals

# Global VC investment remains strong

**Global VC investment remained strong in Q3'26, reaching \$170.9 billion across 8,341 deals. Activity returned to a more typical trajectory after the significant outlier funding rounds seen in Q1'26 (OpenAI, \$122 billion; Anthropic, \$30 billion) and Q2'26 (Anthropic, \$65 billion).**

However, Q3 still had more than its share of large deals, with 35 funding rounds of \$1 billion or more globally, including a record 23 in the US. These mega-rounds were heavily concentrated in AI and the infrastructure supporting it, from models, software and semiconductors to data centers, energy, defense and advanced manufacturing, highlighting where investors continue to place their largest bets.

The largest deals in Q3'26 included a \$5.0 billion raise by US-based AI platform Databricks, a \$3.9 billion raise by US-based AI infrastructure company Crusoe, and a \$3.5 billion raise by China-based Beijing Moonshot Technology (Moonshot AI).

## **Americas attracts the highest level of VC funding in Q3'26, while all three core regions record \$1 billion-plus deals**

The Americas attracted the largest share of global VC funding in Q3'26, with \$101.2 billion invested across 3,947 deals, of which the US accounted for \$98.4 billion across 3,626 deals. Asia followed with \$39.8 billion across 2,698 deals, while Europe attracted \$28.4 billion across 1,497 deals.

While the US continued to dominate mega-deal activity, large funding rounds were by no means confined to the US. Several other markets attracted billion-dollar-plus investments, including China with Moonshot AI (\$3.5 billion) and Kling AI (\$3.0 billion), France with Mistral AI (\$3.5 billion), Australia with Firmus Technologies (\$2.0 billion), Germany with Helsing (\$1.8 billion) and Quantum Systems (\$1.2 billion), the UK with Wayve (\$1.2 billion), Singapore with Ant International (\$1.2 billion), Italy with Domyn (\$1.1 billion), and Israel with Cyera (\$1.0 billion).

Across regions, the composition of these large rounds was notably consistent. AI companies and the broader infrastructure supporting AI, including compute, data centers, semiconductors and alternative energy, as well as defenstetech accounted for a substantial share of \$1 billion-plus financings, indicating the increasingly global nature of investment in strategically important, capital-intensive technologies.

## **AI drives VC market globally in Q3'26, but capacity viewed as key bottleneck**

While AI continued to attract an enormous amount of VC investment globally during Q3'26, VC investors shifted away from consumer AI and toward enterprise solutions. Physical AI and robotics in particular saw robust interest, given their high perceived value within the industrial manufacturing sector.

One critical challenge gaining increasing attention globally in the AI space, however, is capacity: the ability to meet skyrocketing demand for required AI infrastructure. Investors across the market globally, from VCs and corporates to real estate companies, PE firms and governments, are making big plays to secure or build capacity. This is driving significant investment in the end-to-end AI value chain, from real estate and data centers to energy generation, semiconductors and all the assets required to support data center operations and compute capacity.

# Global VC investment remains strong (Cont.)

## IPO environment remains solid

Following SpaceX's record IPO in Q2'26, the IPO environment in the US remained solid during Q3'26. Meanwhile, the IPO market in Hong Kong remained active. IPO activity in mainland China remained selective.

India was another bright spot in Asia during Q3'26, with a particularly strong quarter for IPO activity that helped reinforce momentum across the region's public markets. Europe, by contrast, remained relatively muted, with IPO activity continuing to lag the stronger market reopening seen in the US and parts of Asia.

## Fundraising activity on positive trajectory, driven by very large funds

After a very soft 2025, global VC fundraising activity improved considerably in 2026, reaching \$157.9 billion across 1,204 funds as of the end of Q3'26. The rebound has been driven primarily by stronger fundraising in the US, where \$108.5 billion was raised across 699 funds, and Europe, where \$14.9 billion was raised across 111 funds. European fundraising through Q3 is approaching the 2025 full-year total. The year-end outcome will depend on fourth-quarter fund closings.



## Trends to watch for in Q4'26

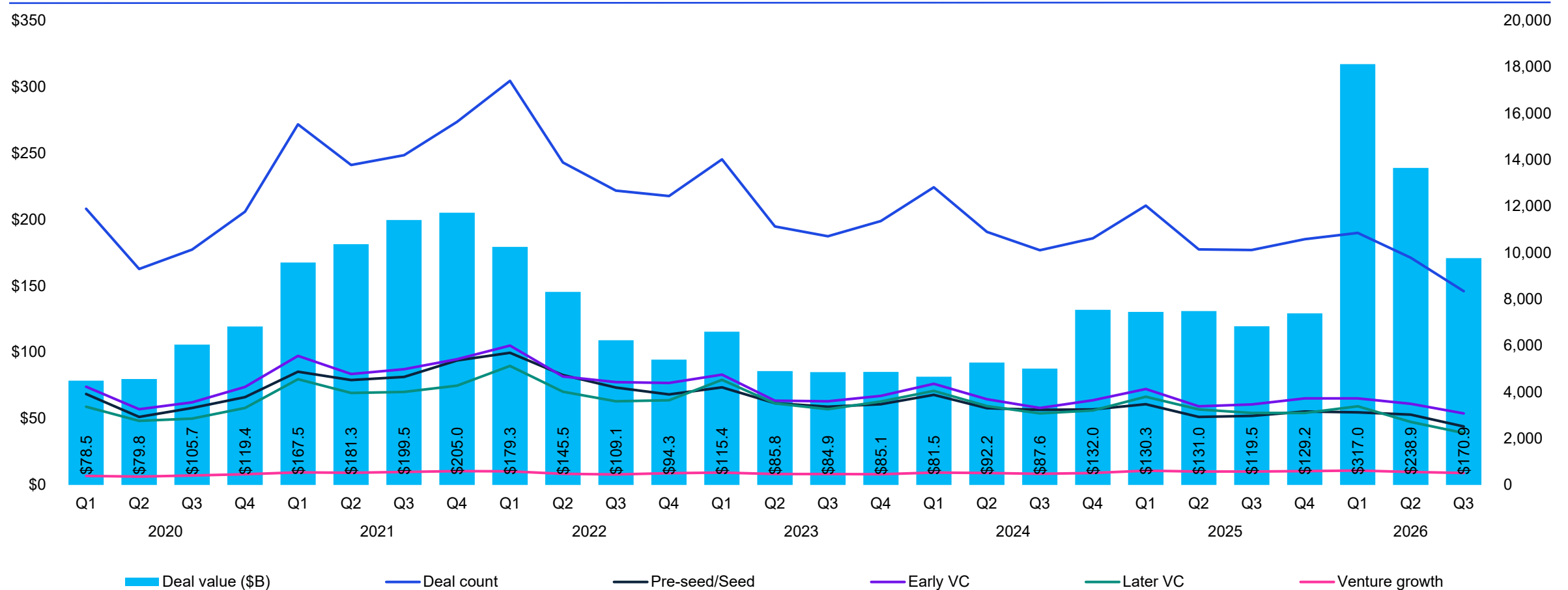
Looking ahead to Q4'26, global VC investment is expected to remain buoyant, with continued funding directed toward the AI ecosystem. Investment in AI infrastructure is expected to increase, alongside investment in physical AI, industrial AI and robotics. Given concerns about the rising costs of enterprise AI, corporate investors may increasingly prioritize AI companies that can demonstrate quantifiable value from implementation, while VC investors may focus more broadly on defensibility. From a regulatory perspective, AI governance is also expected to receive greater attention globally.

Given geopolitical uncertainties and the drive of many governments globally to build up sovereign defense capabilities, defensetech is also expected to continue to see strong funding over the next quarter and into 2027. Alternative energy is also expected to remain a key priority for VC investors, in part to help address the increasing energy demands associated with AI.

# Quarterly VC retreats from Q1's record peak

## Global venture financing

2020–Q3'26



Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Median deal sizes climb at every stage beyond seed

## Global median deal size (\$M) by stage

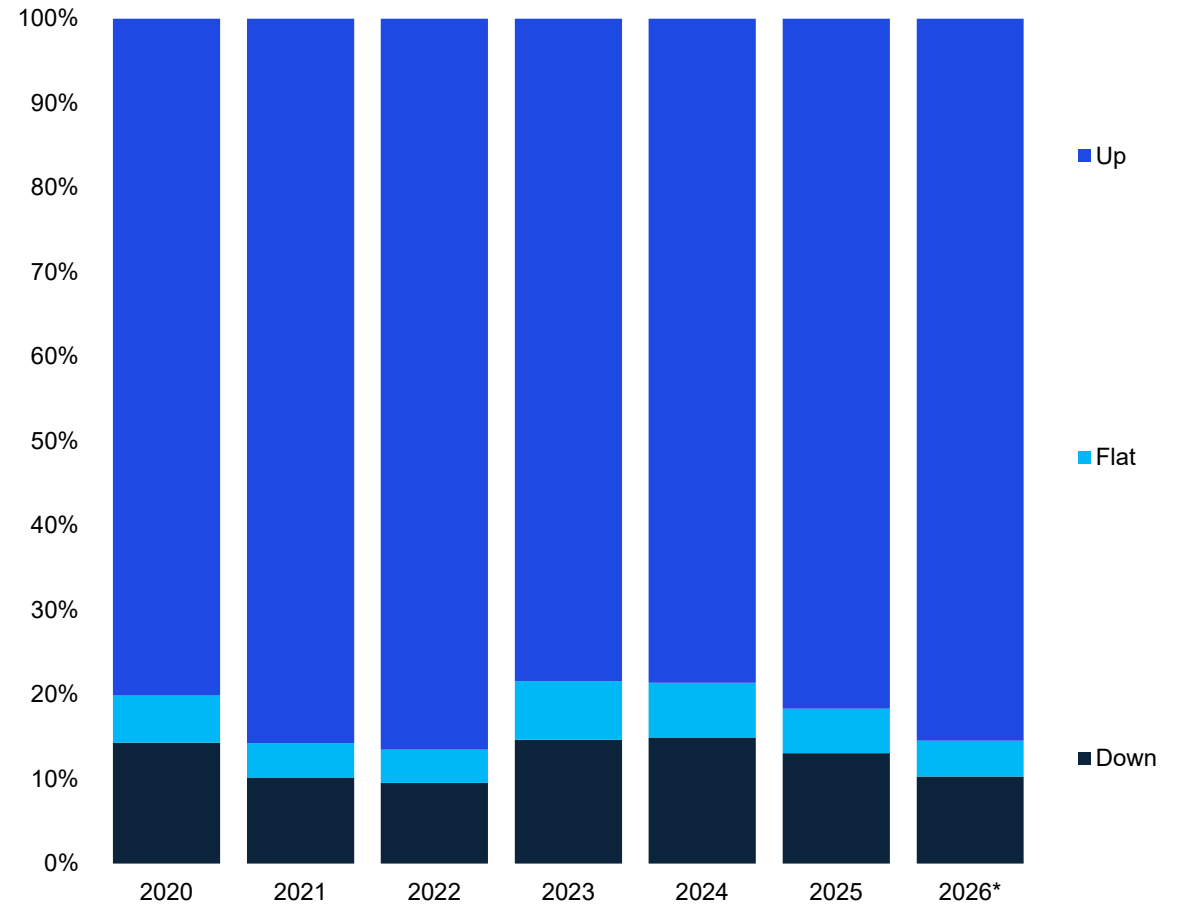
2020–2026\*



Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

## Global up, flat or down rounds

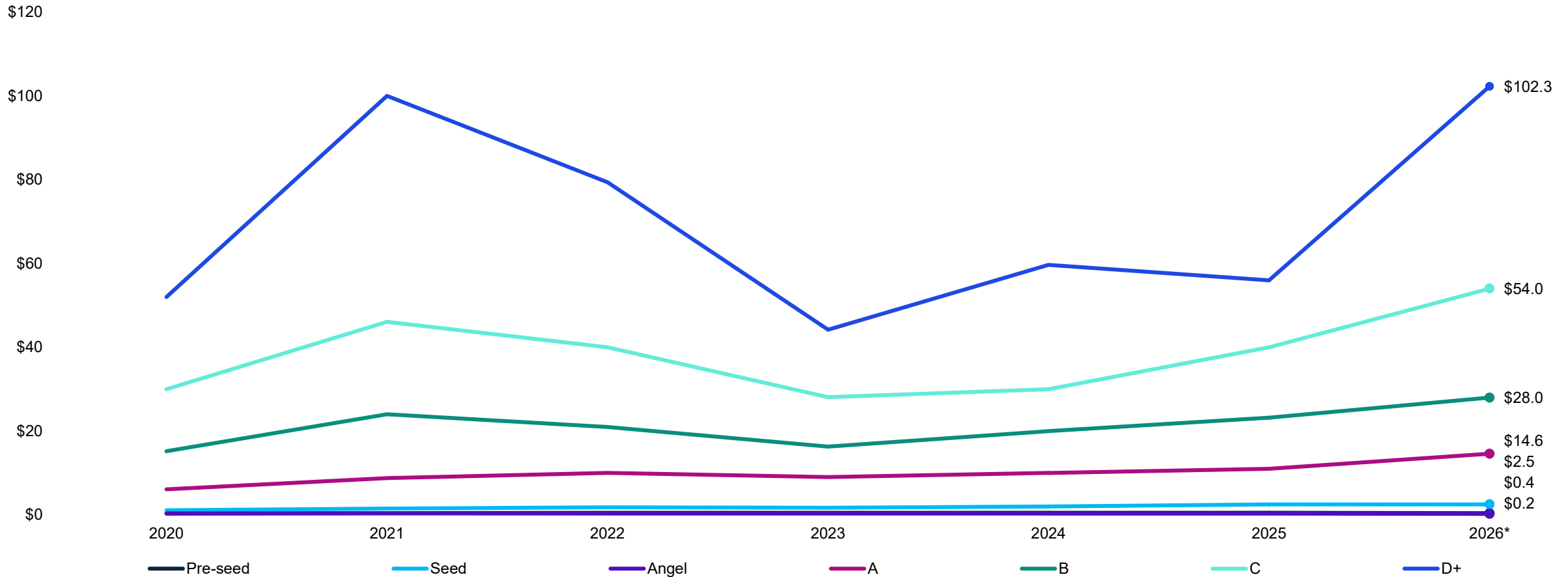
2020–2026\*



# Financing sizes keep climbing

## Global median deal size (\$M) by series

2020–2026\*

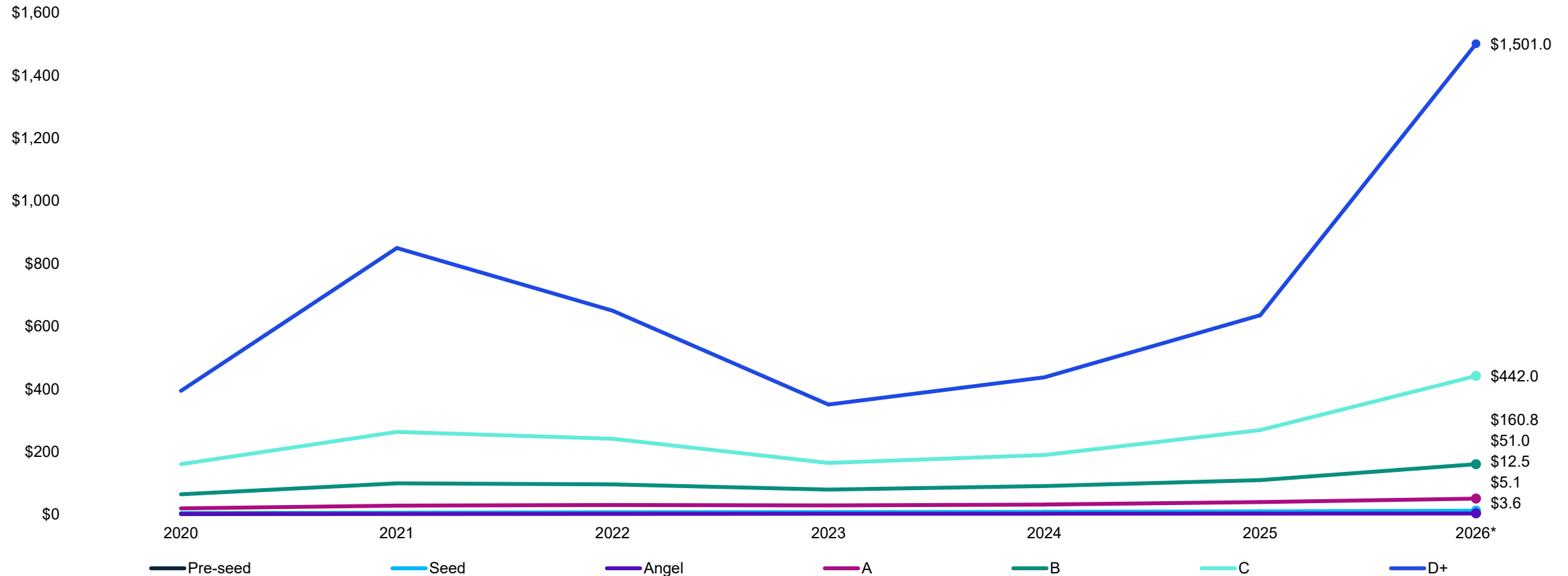


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Late-stage valuations push past 2021 highs

## Global median pre-money valuation (\$M) by series

2020–2026\*

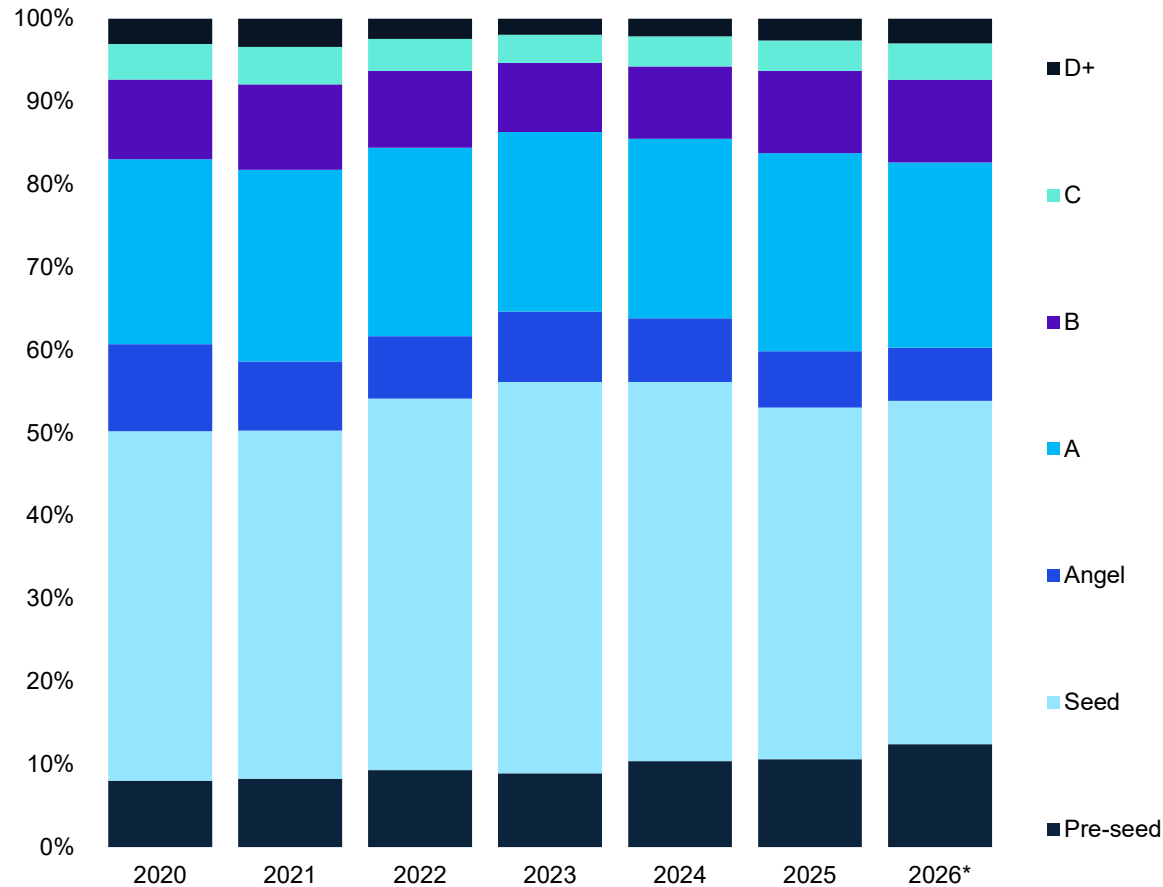


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Capital concentrates further in later-stage rounds

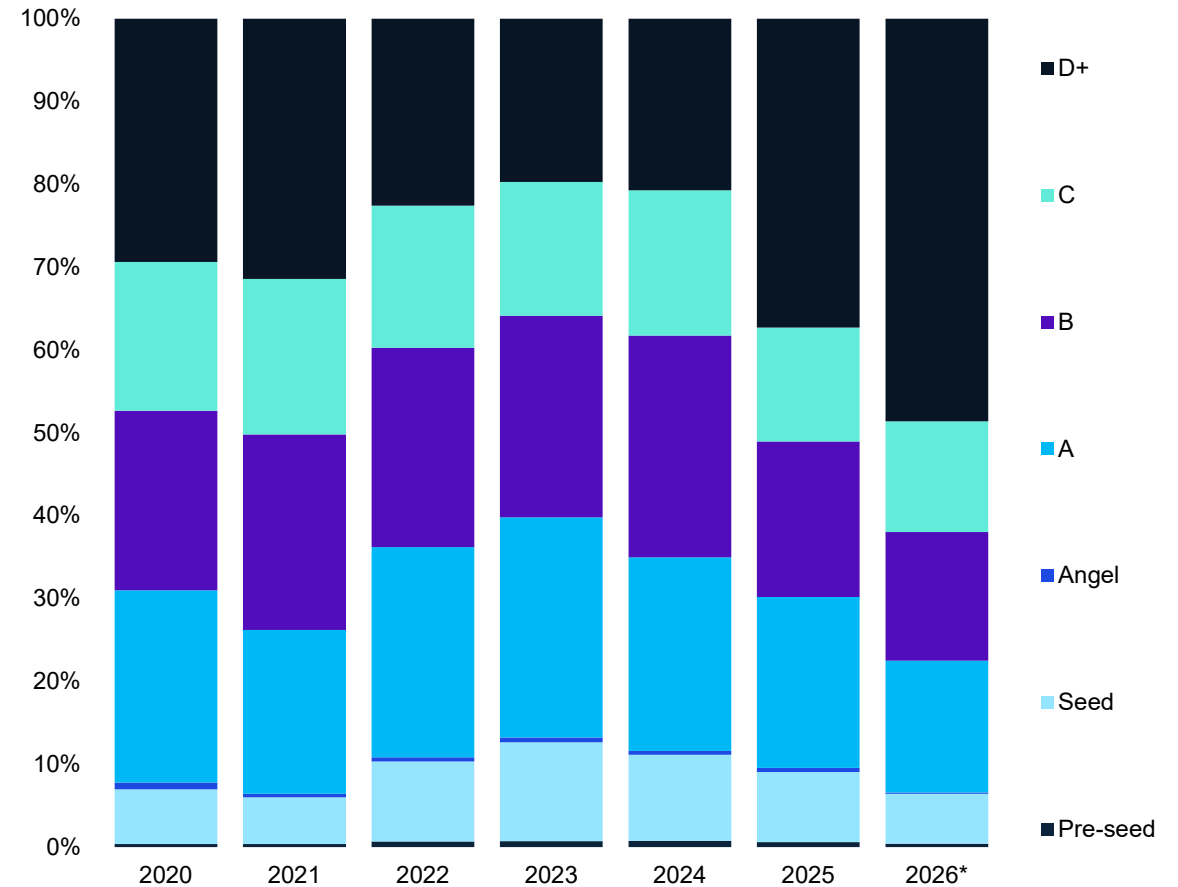
## Global deal share by series

2020–2026\*, number of closed deals



## Global deal share by series

2020–2026\*, VC invested (\$B)

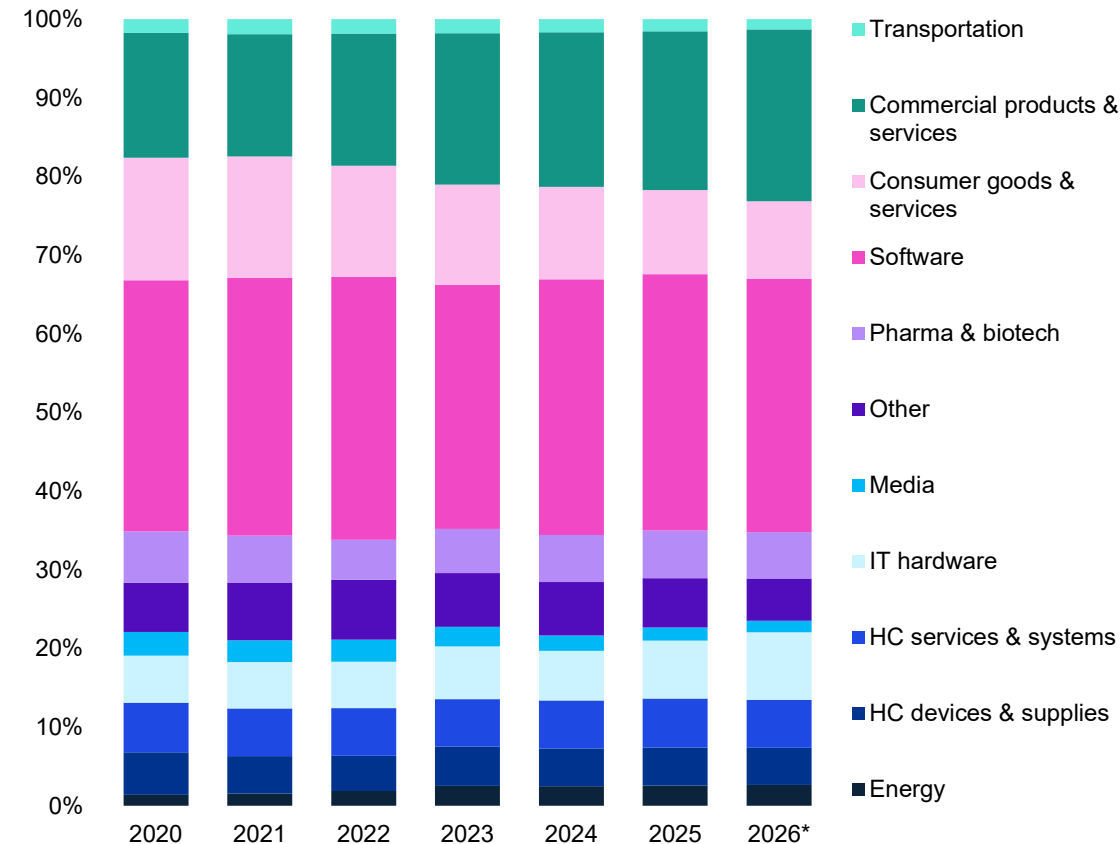


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Global venture investment by sector

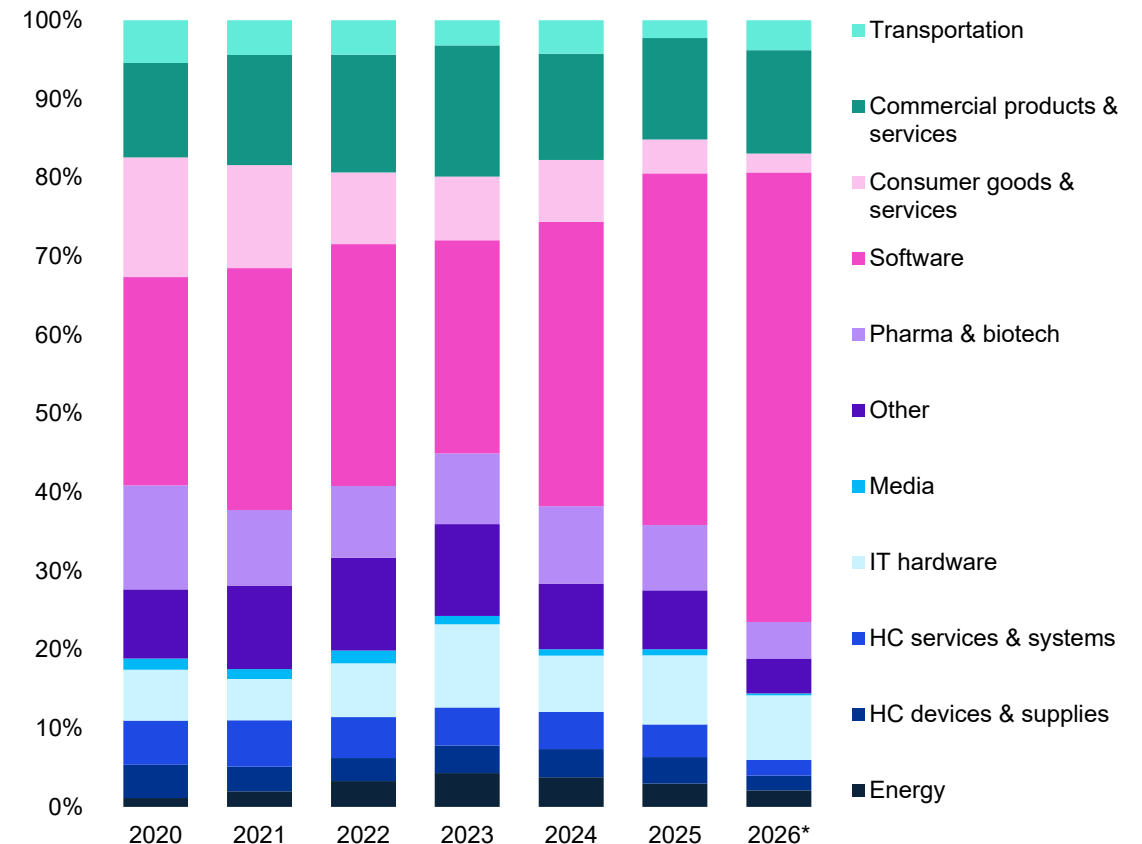
## Global financing trends to VC-backed companies by sector

2020–2026\*, number of closed deals



## Global financing trends to VC-backed companies by sector

2020–2026\*, VC invested (\$B)

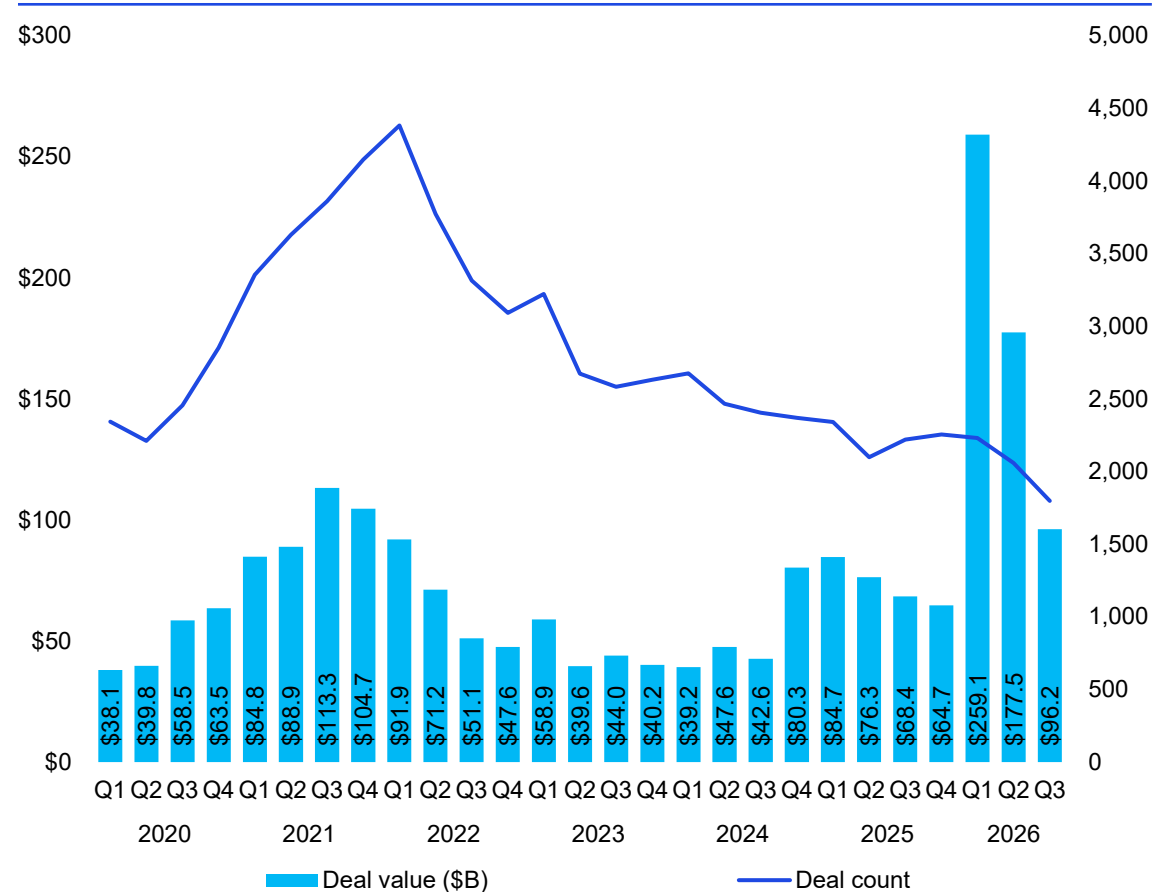


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# First-time financings stay resilient

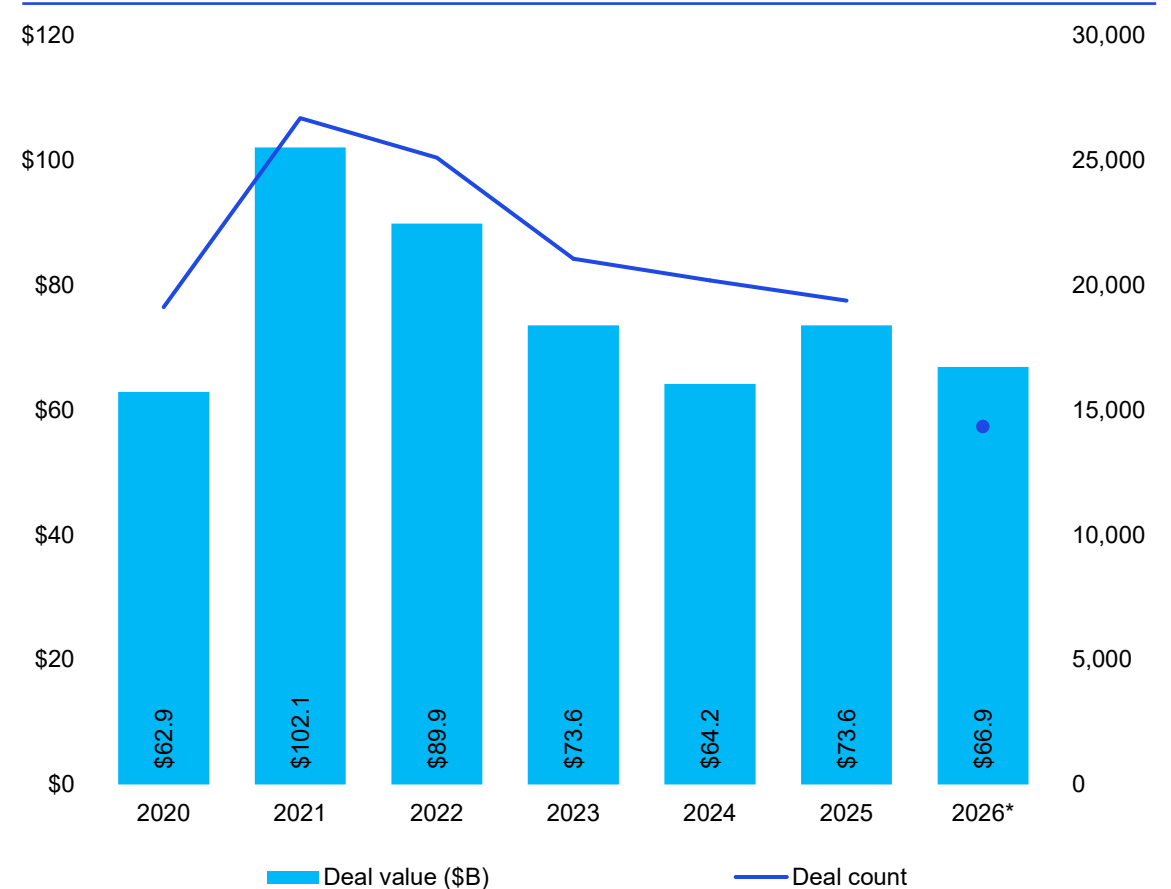
## Corporate VC participation in global venture deals

2020–Q3'26



## Global first-time venture financings of companies

2020–2026\*



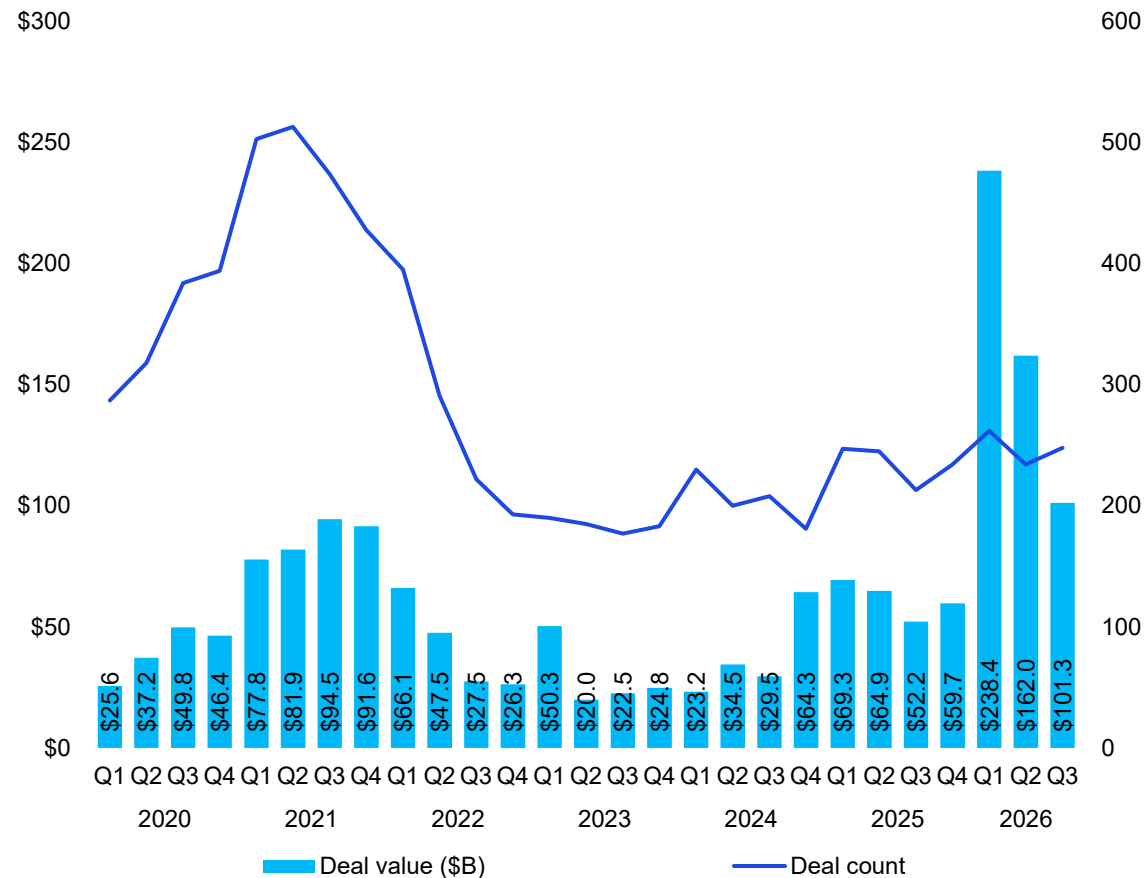
Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

Note: The capital invested is the sum of all the round values in which corporate venture capital investors participated, not the amount that corporate venture capital arms invested themselves. Likewise, deal count is the number of rounds in which corporate venture firms participated. This applies to all subsequent datasets that are similar.

# Outsized AI rounds skew the unicorn tally

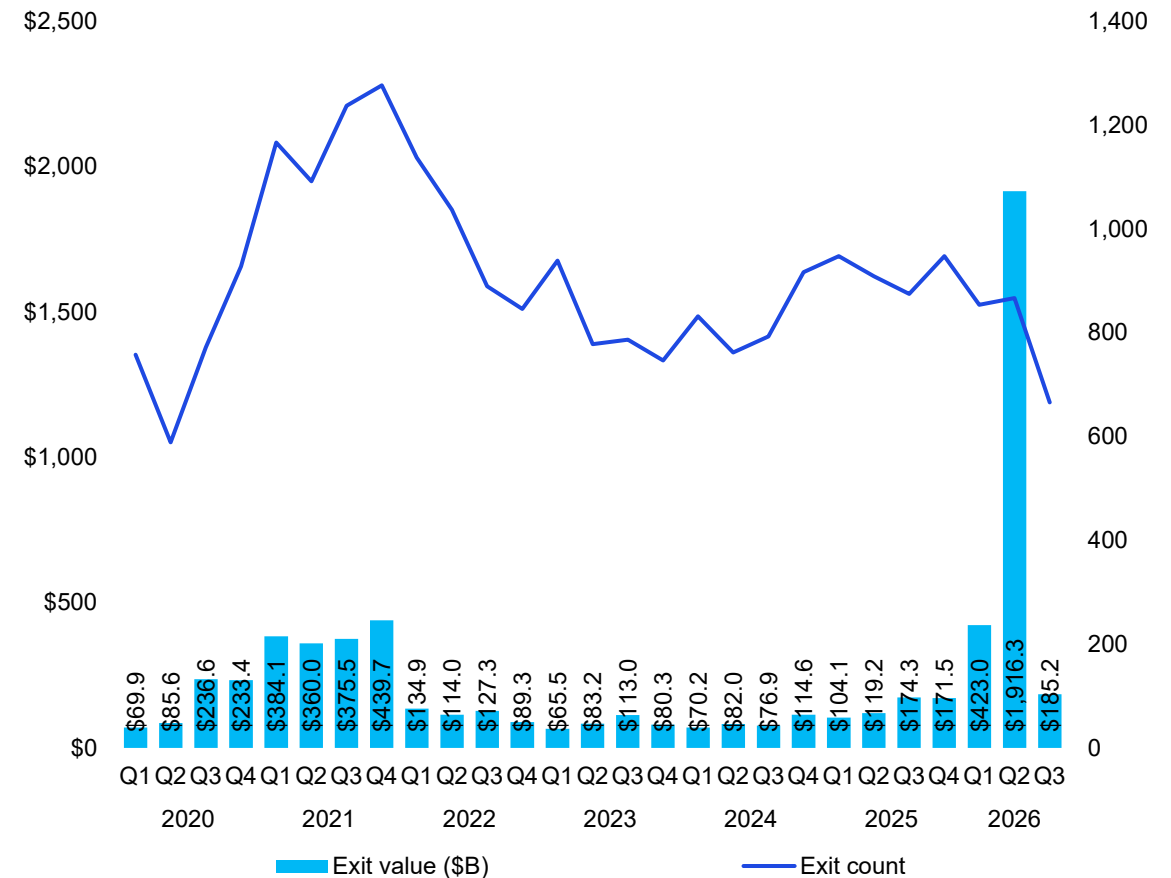
## Global unicorn rounds

2020–Q3'26



## Global venture-backed exit activity

2020–Q3'26



Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

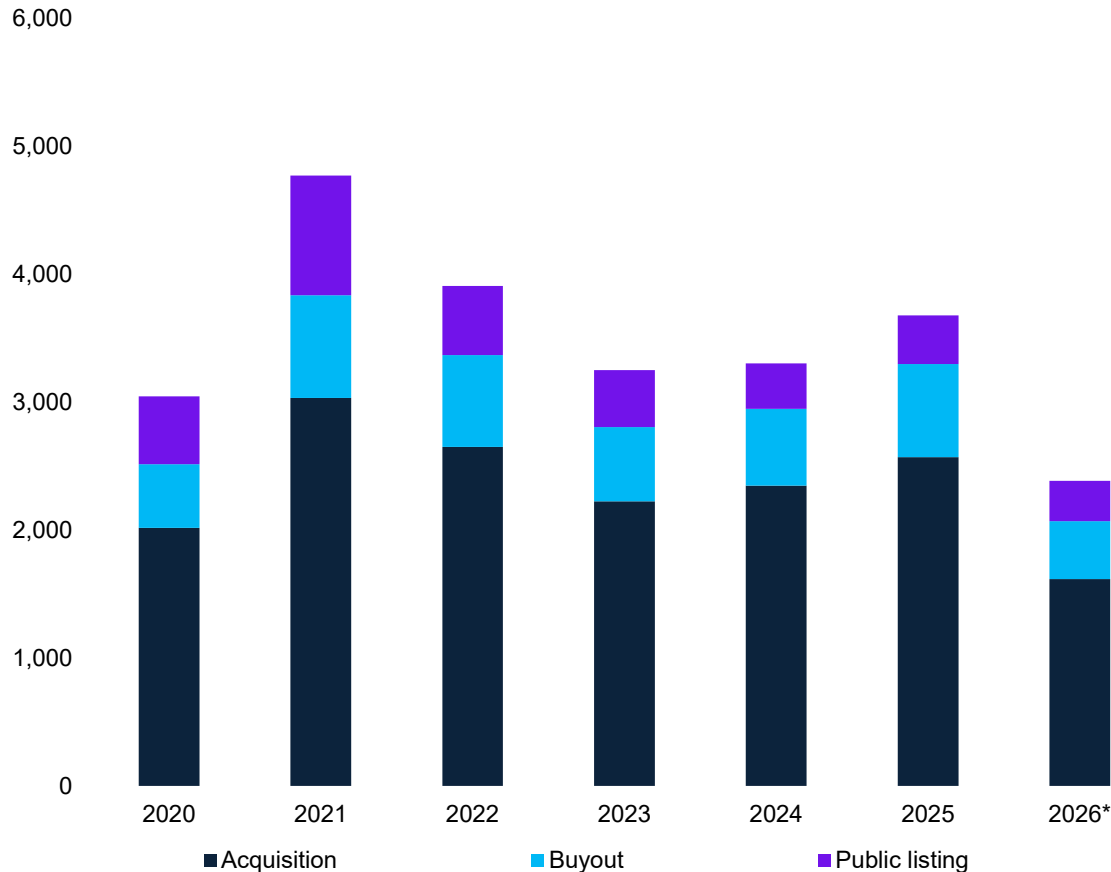
Note: PitchBook defines a unicorn venture financing as a VC round that generates a post-money valuation of \$1 billion or more. These are not necessarily first-time unicorn financing rounds, but also include further rounds raised by existing unicorns that maintain at least that valuation of \$1 billion or more.

Note: Exit value for initial public offerings is based on pre-IPO valuation, not the size of the offering itself. In January 2025, a new extrapolation for M&A exit values was also applied.

# Mega-deals, especially listings, prop up exit value

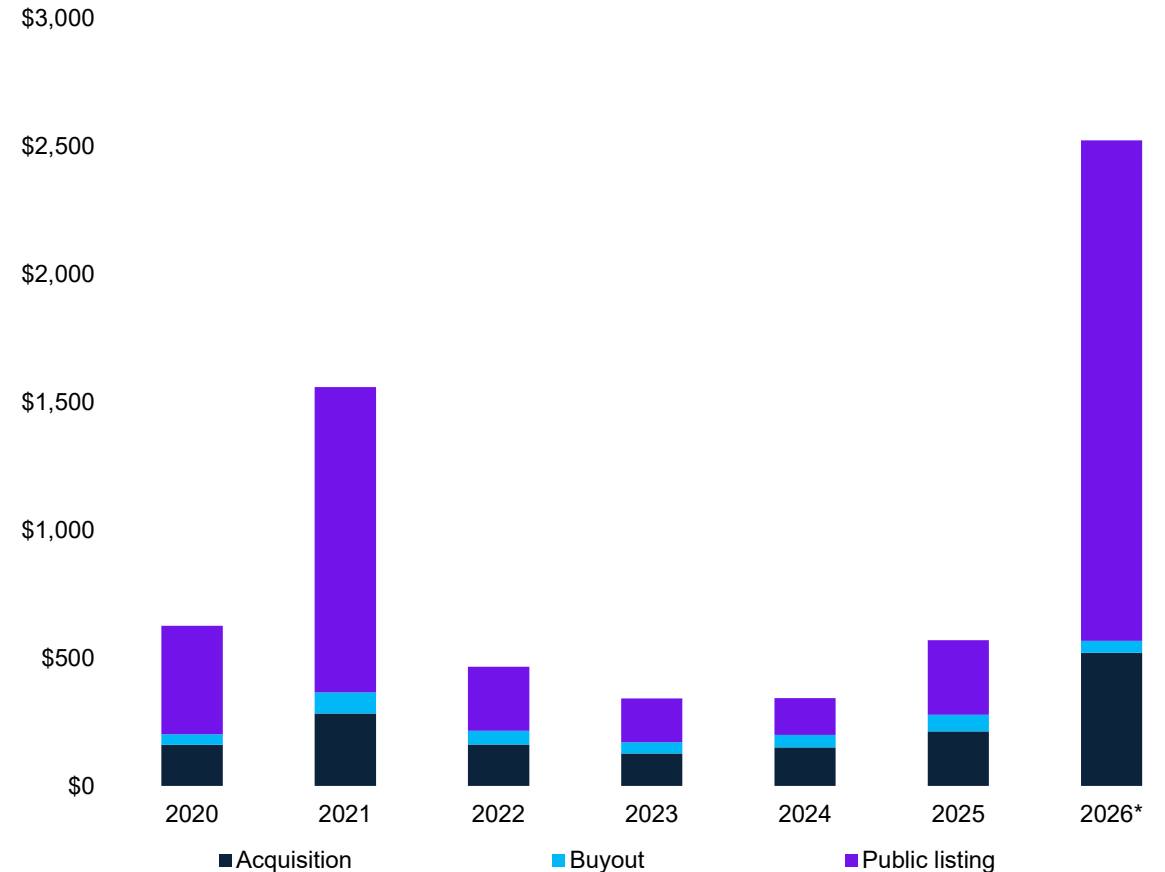
## Global venture-backed exit activity (#) by type

2020–2026\*



## Global venture-backed exit activity (\$B) by type

2020–2026\*

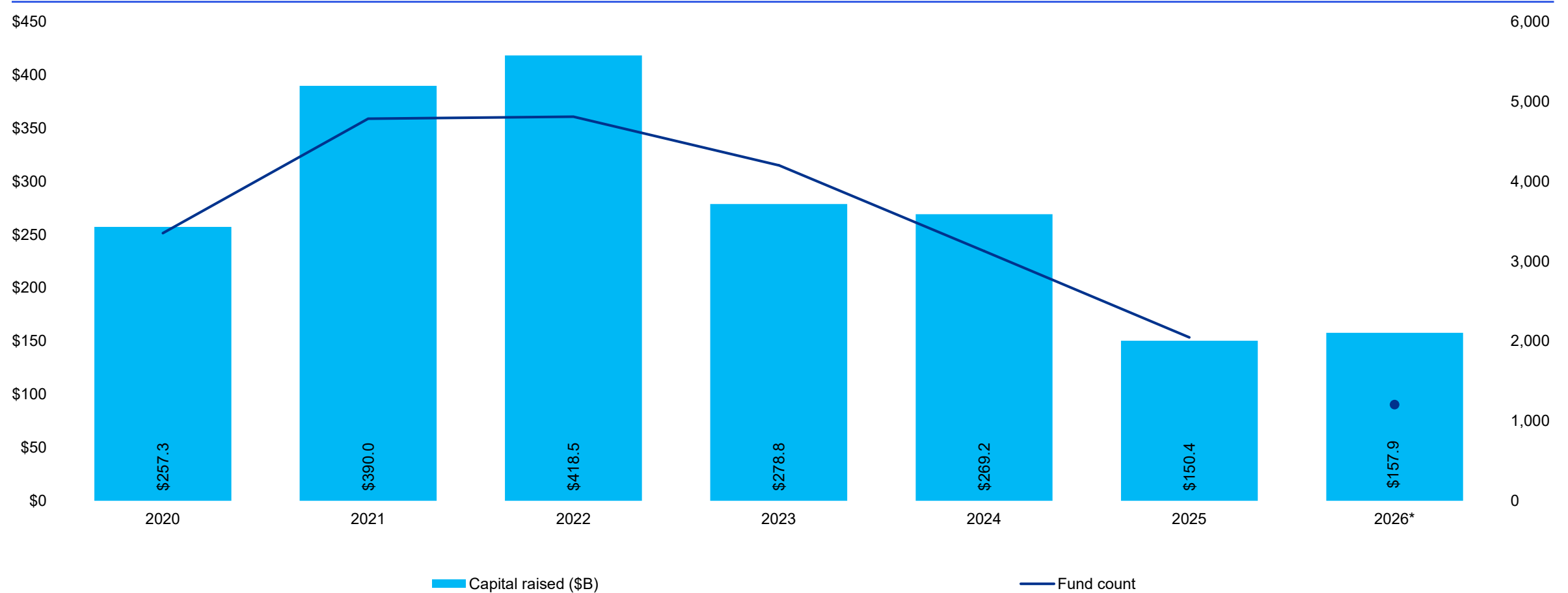


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Fundraising stays concentrated as the bar rises

## Global venture fundraising

2020–2026\*

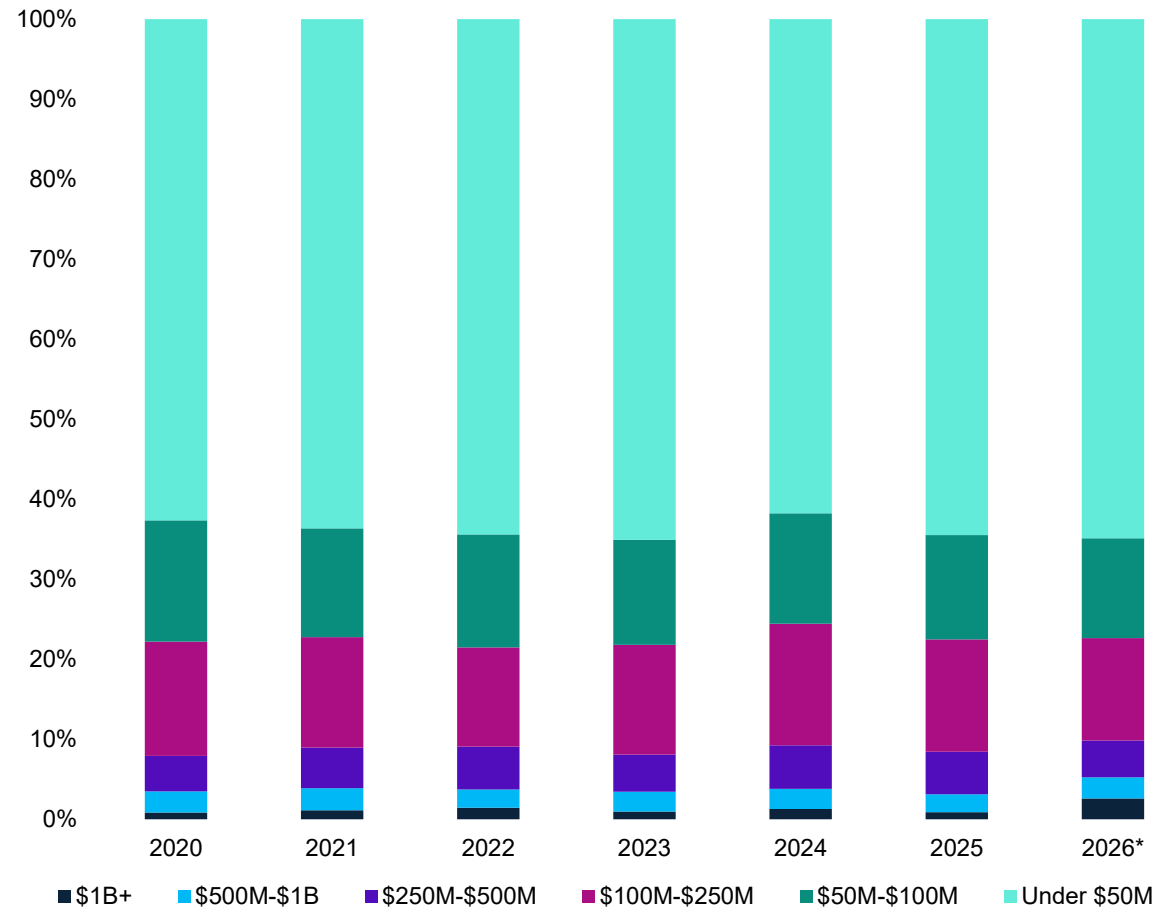


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# LPs keep favoring large, experienced managers

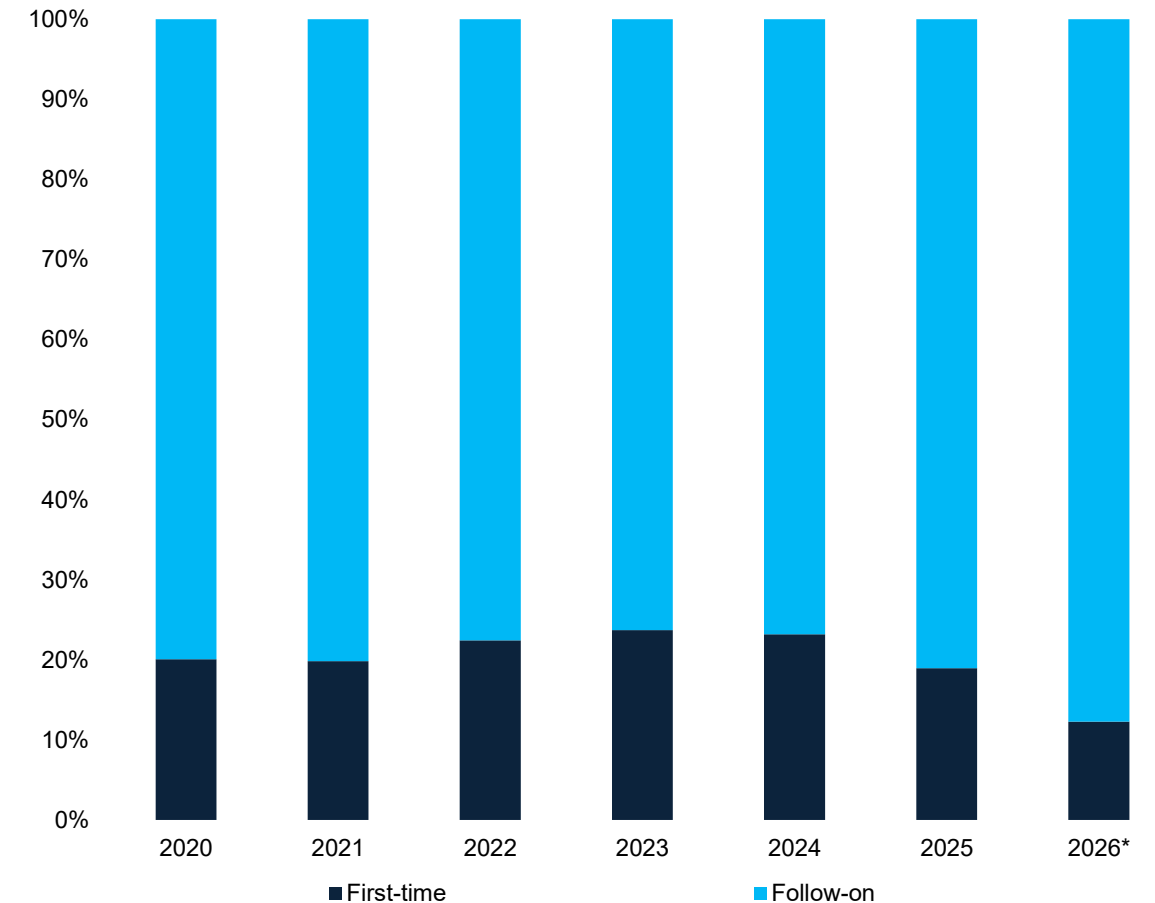
## Global venture fundraising (#) by size

2020–2026\*



## Global first-time vs. follow-on venture funds (#)

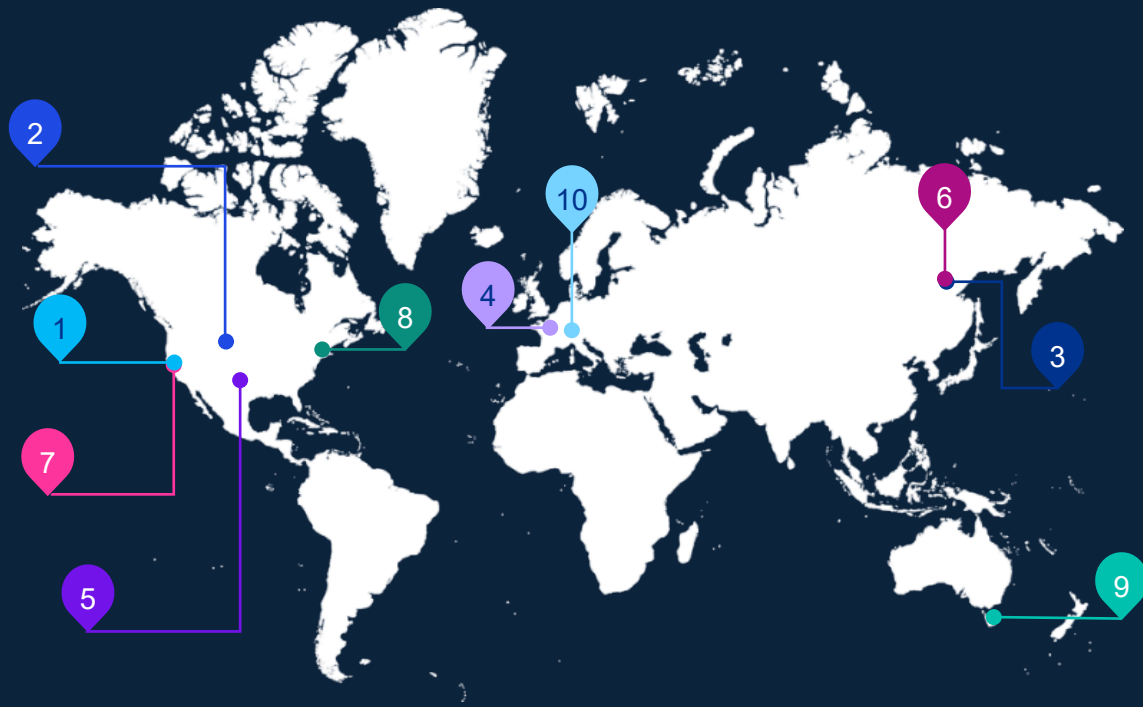
2020–2026\*



Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# AI continues to dominate in record-setting fashion

## Top global financings in Q3'26



1. **Databricks** — \$5B, San Francisco, US — Database software — *Late-stage VC*
2. **Crusoe** — \$3.9B, Denver, US — Cloudtech — *Series F*
3. **Moonshot AI** — \$3.5B, Beijing, China — AI & ML — *Series F*
4. **Mistral AI** — \$3.5B, Paris, France — AI & ML — *Series D*
5. **The Boring Company** — \$3.2B, Bastrop, US — Infrastructure — *Series D*
6. **Kling AI** — \$3B, Beijing, China — AI & ML — *Late-stage VC*
7. **Cognition** — \$2B, San Francisco, US — AI & ML — *Series E*
8. **Thrive Holdings** — \$2B, New York, US — AI & ML — *Early-stage VC*
9. **Firmus Technologies** — \$2B, Launceston, Australia — Cloudtech — *Late-stage VC*
10. **Helsing** — \$1.8B, Munich, Germany — Defense tech — *Series E*

Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

**In Q3'26, US VC-backed  
companies raised  
\$98.4 billion across  
3,626 deals**

# VC investment in US still strong, if well below outlier Q1'26 and Q2'26 totals

Following a first half of the year that included extraordinary raises by AI foundation model giants OpenAI and Anthropic, VC investment in the US returned to a level more in line with historical trends: \$98.4 billion across 3,626 deals.

## US attracts numerous large rounds, but none approaching the size of the ones seen in Q1'26 or Q2'26

The US continued to see VC investors pour significant capital into large AI deals, even though the biggest transactions in Q3'26 were substantially smaller than the outlier rounds seen in Q1'26 and Q2'26. During the quarter, the AI sector accounted for 20 US funding rounds of \$1 billion or more, including data and AI platform Databricks (\$5 billion), AI infrastructure company Crusoe (\$3.9 billion), AI coding company Cognition (\$2 billion), AI-focused holding company Thrive Holdings (\$2 billion), AI-driven defense manufacturing company Hadrian (\$1.7 billion), and robotics company Atoms (\$1.7 billion).

The ever-expanding breadth of AI solutions has helped keep investment in AI high in the US, in addition to the increasing focus of investors on AI ecosystem plays, including areas like hardware, manufacturing, compute power, and energy generation. The immense heat in the AI space has also driven a surge in new unicorn births in the US, partly powered by the growing belief that the revenue scale rates of emerging AI companies are unprecedented.

## VC investors remain positive, but bifurcation of market very clear

While there was clearly positivity, strength, and dollars in the US VC market during Q3'26, the market remained highly bifurcated. A very large proportion of VC investment during the quarter was concentrated on the AI space, from AI model and platform companies to infrastructure-focused firms. Outside of the AI space, VC investors remained much more selective, focusing their investments on mature companies with strong differentiation and defensibility in the age of AI. Investors also continued to prioritize startups with strong revenue traction and clear paths to scale.

## Secondaries becoming increasingly core to the VC market

The US secondaries market has matured significantly over the past few quarters. Five years ago, secondaries were primarily viewed as a second-tier exit option; now, they are increasingly being viewed as a core liquidity option within the VC market. The discounts that historically characterized transactions within the secondary market have also compressed as investors have looked to the secondary market as a means to obtain larger stakes in companies they have strong conviction in, particularly given the tendency of companies to stay private longer.

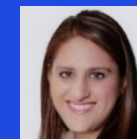
## Defensetech attracting increasing investment in the US

Interest in defensetech has risen considerably in the US over the last few quarters, driven by the geopolitical situation globally, an increasing focus on cybersecurity, and a growing focus on government contracting; during Q3'26, a number of US defensetechs raised significant funding rounds, led by AI-powered defensetech factory company Hadrian (\$1.7 billion) and hypersonic weapons and systems company Castalion (\$1 billion).

## Number of public listings surpasses 2024 and 2025 results with one quarter left in 2026

The exit environment slowed somewhat in Q3'26. Even so, by the end of the quarter, the number of public listings had already surpassed the totals recorded in both 2024 and 2025 and remained on track to potentially reach a five-year high. Exit value was also more than double the previous record, although this result was heavily influenced by SpaceX's record-breaking IPO in Q2'26.

“While we aren't like where we were back in 2021 times, we are seeing a pretty stable VC boom market — which is good. Money-wise, a lot is still trending toward the AI space, but we're starting to see that investment diversify well beyond AI models. In particular, we're starting to see a bit of a slowdown in money going to AI applications, and a much larger focus now going to physical AI, energy infrastructure, compute, and all of the things that sit below the application. That's definitely a positive trend as it can help build a more robust ecosystem.”



**Shivani Sopory**  
Audit Partner  
KPMG in the US

# VC investment in US still strong, if well below outlier Q1'26 and Q2'26 totals (Cont.)

Annual exit value from acquisitions had already reached a record high by the end of Q3'26, despite a somewhat slower pace of transactions compared with 2025. In the US, the “buy versus build” decision has become an increasingly important consideration for corporates, with many opting to acquire capabilities rather than develop them internally given the rapid pace of technological change and intense competition for specialized talent.

## VC fundraising bouncing back, but continues to be concentrated

Fundraising by VC funds in the US continued to increase, with total funds raised in 2026 reaching \$108.5 billion at the end of Q3'26 — already above the level seen in 2025 and approaching a four-year high. Investors have increasingly been able to return capital through public or private exits and secondary markets, which may support the recycling of capital into new funds. That said, capital remained concentrated among established fund managers. At the end of Q3'26, first-time fundraising was at a more than 10-year low, while follow-on fundraising activity accounted for a substantial share of fundraising dollars. Fundraising also remained concentrated in higher-value funds, particularly those above \$1 billion, likely reflecting the size and scale of the perceived AI opportunity.



## Trends to watch for in Q4'26

Looking ahead to Q4'26, AI is expected to continue to attract the largest share of VC investment in the US, with investors increasingly focused on companies able to address existing bottlenecks to the growth of the AI ecosystem — whether those involve semiconductors, compute capacity, energy or manufacturing. Physical AI is also well positioned to see increasing investment, particularly in areas such as robotics, autonomous systems, logistics and defense.

“The robust volume of new unicorns and decacorns we’re seeing is a sign of how the VC market has changed in the US. Venture as an asset class has moved to a different size and scale. The large VC funds have moved to a different size and scale. We’re also seeing a concentration in dollars in growth equity versus traditional early-stage venture capital. There’s revenue growth rates being achieved by some of the companies being built today that are unprecedented within venture.”

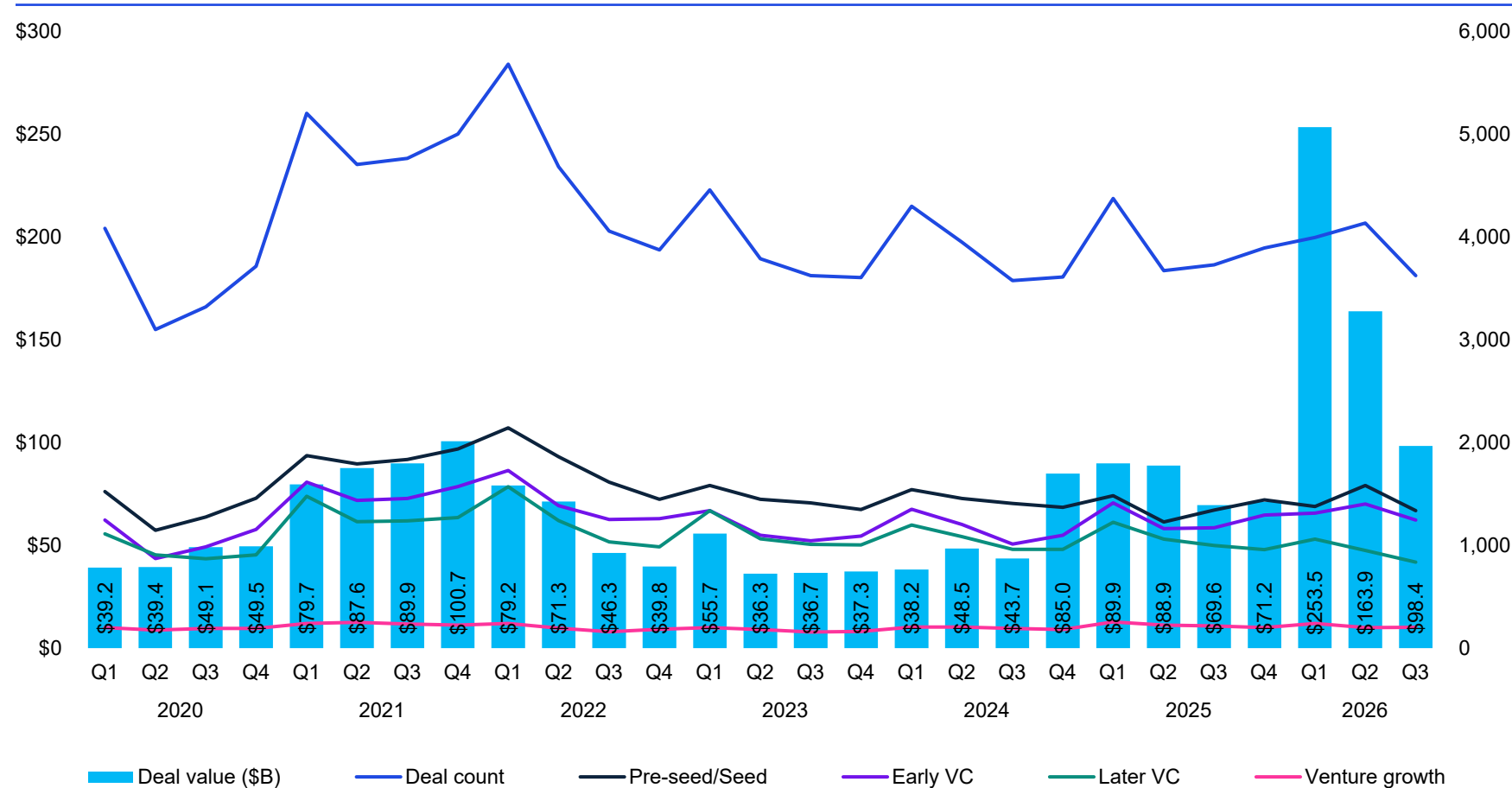


**Scott Burger**  
Partner  
KPMG in the US

# AI capital keeps flowing to US startups

## Venture financing in the US

2020–Q3'26



Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

“The big play at the moment is data centers. There’s just such a grab for capacity right now. You’re seeing investment across the board. It’s corporates. It’s tech companies. It’s social companies. It’s real estate companies and PE firms. And there’s this kind of meeting in the middle about where the value is, because it’s a rush, and that’s really hard for investors to wrap their heads around. No one wants to be burned at the top, and everyone wants to get in at the bottom.”



**Samuel Lush**  
Managing Director  
Private Equity Group  
KPMG in the US

# US venture deal sizes and valuation trends

## Median deal size (\$M) by stage in the US

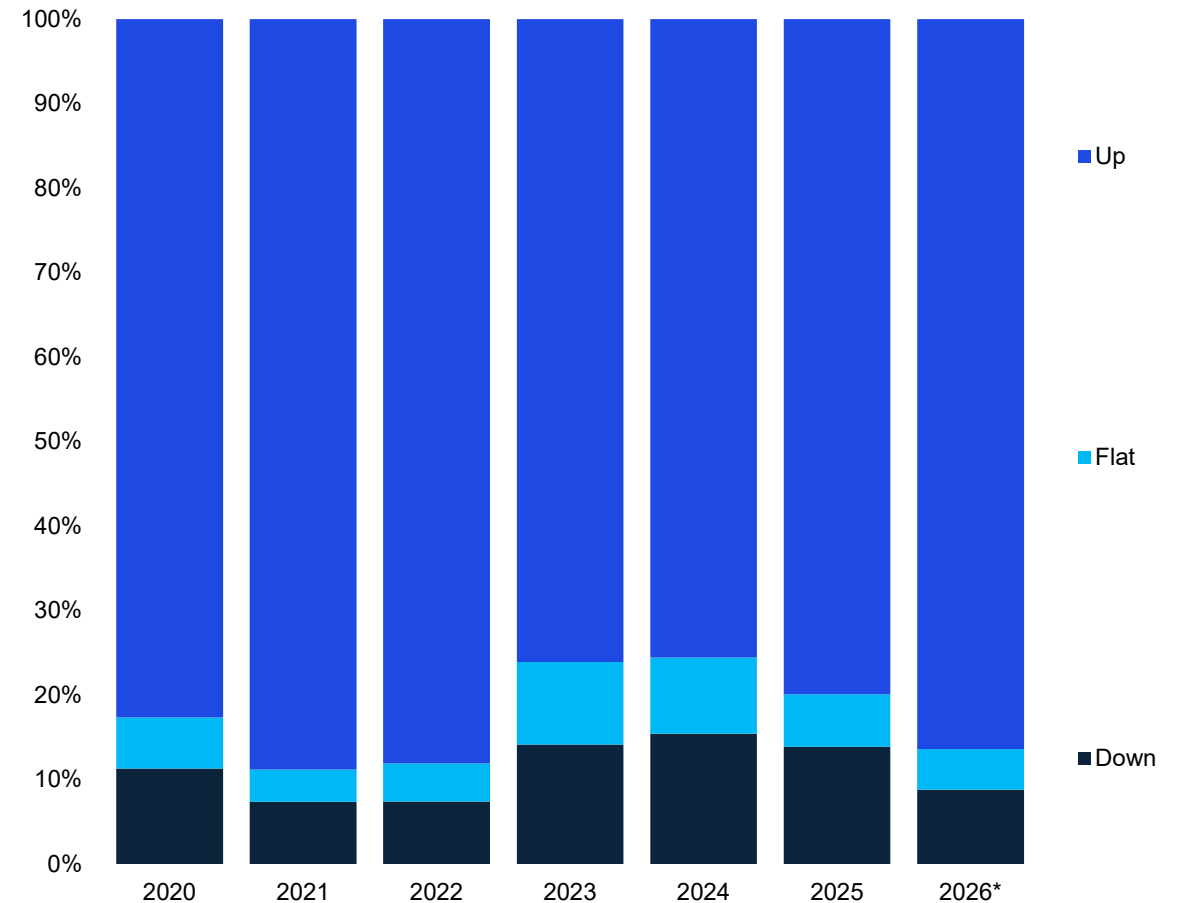
2020–2026\*



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## Up, flat or down rounds in the US

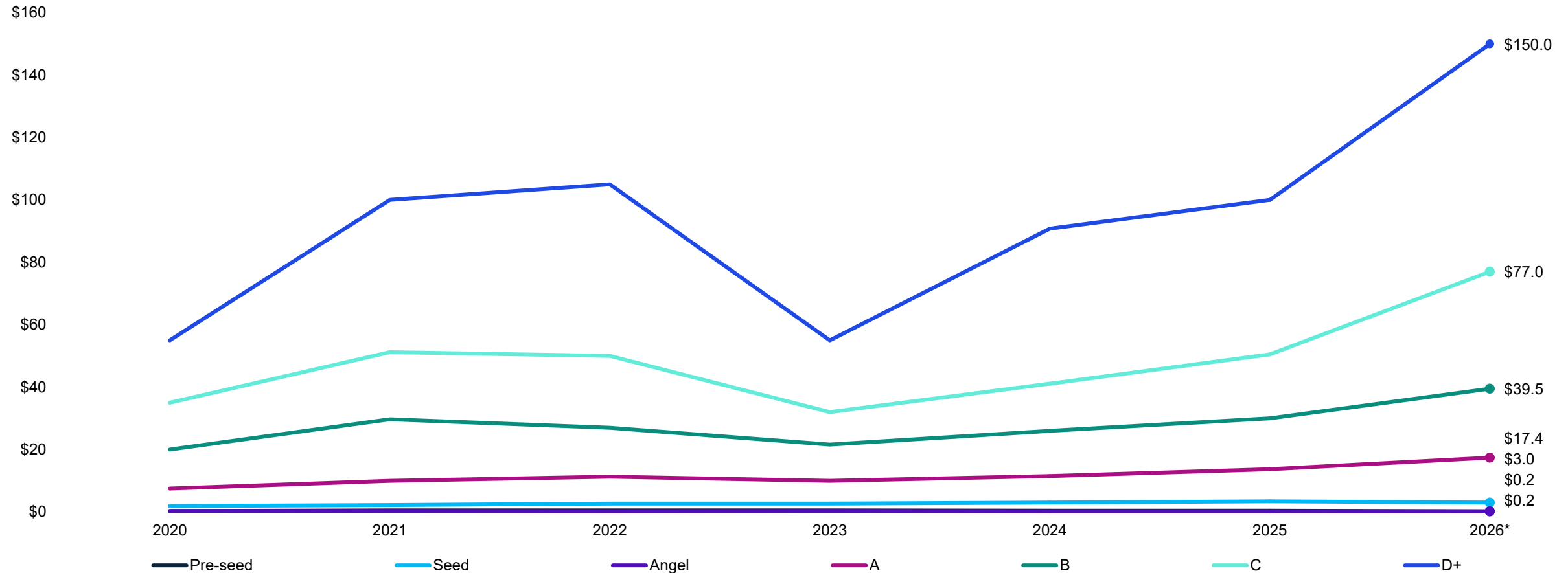
2020–2026\*



# US deal sizes grind higher from Series A onward

## Median deal size (\$M) by series in the US

2020–2026\*



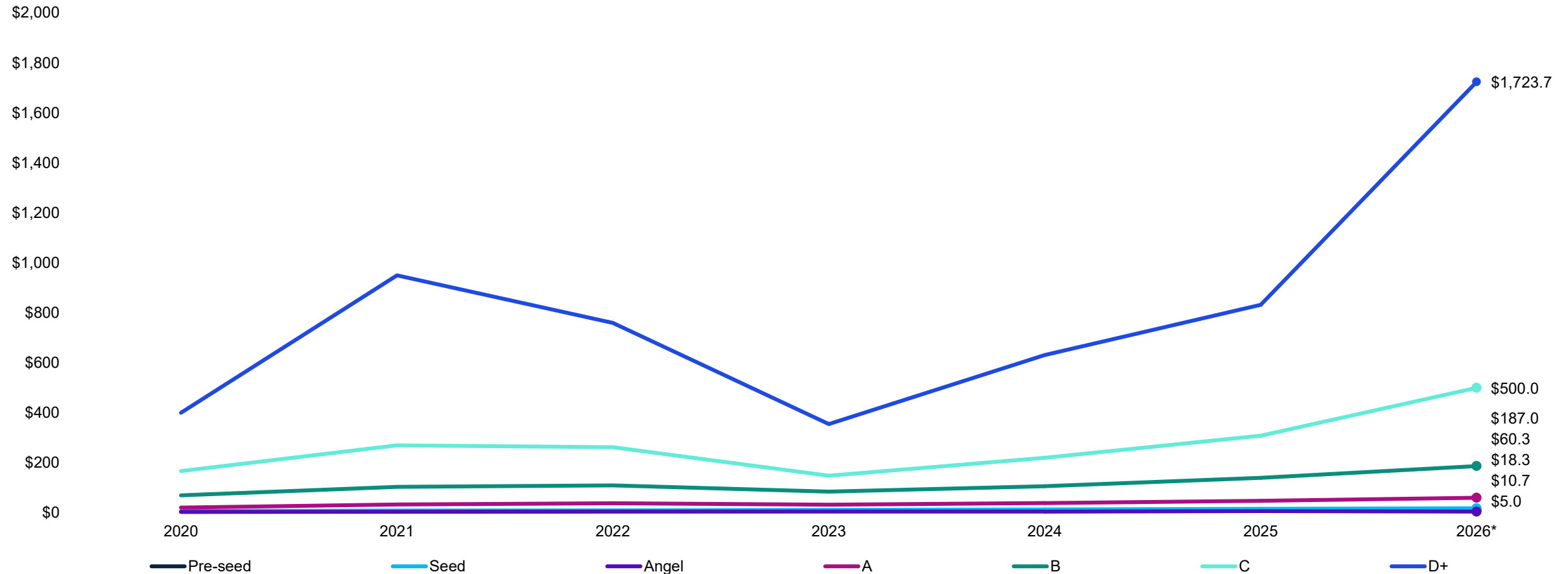
Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

Note: Figures rounded in some cases for legibility.

# US late-stage valuations stay atop 2021's previous highs

## Median pre-money valuation (\$M) by series in the US

2020–2026\*



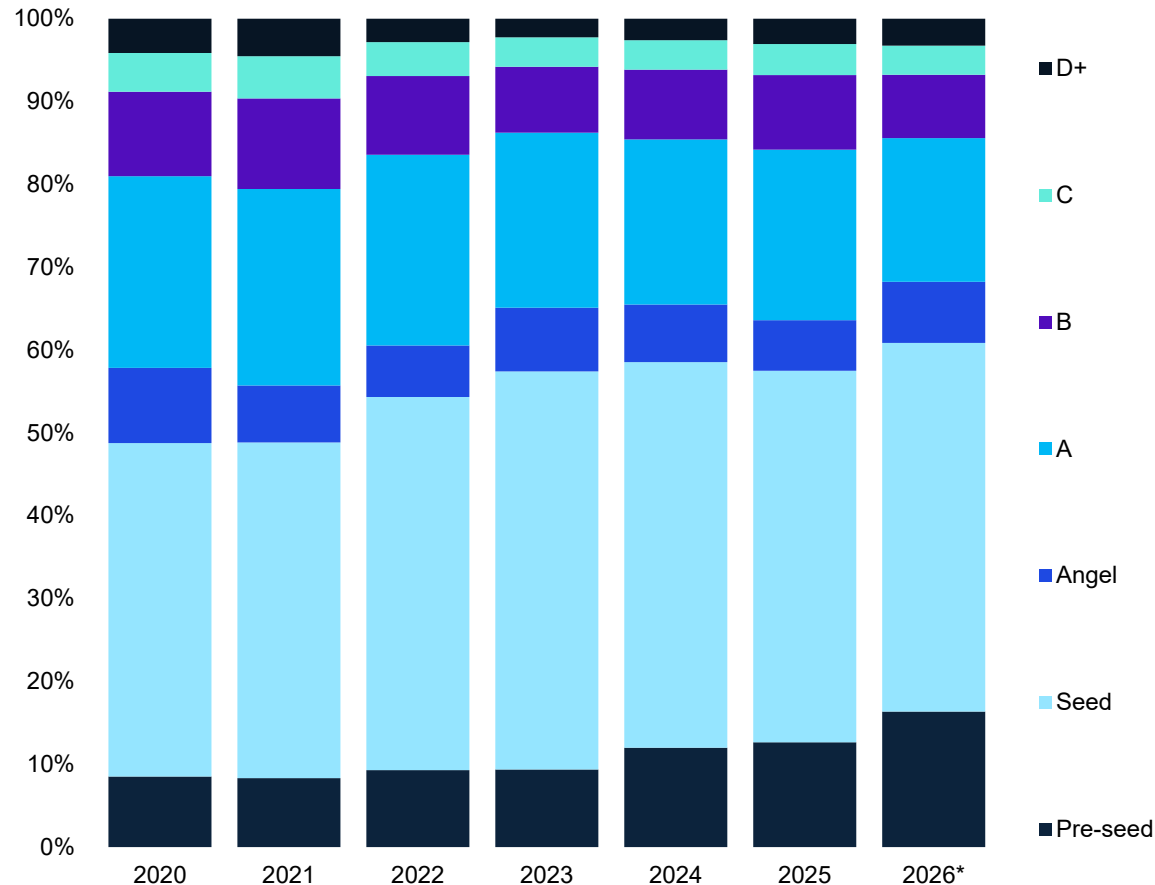
Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

Note: The 2026 data point for angel is based on a non-normative population.

# Mega-rounds skew the mix as pre-seed holds

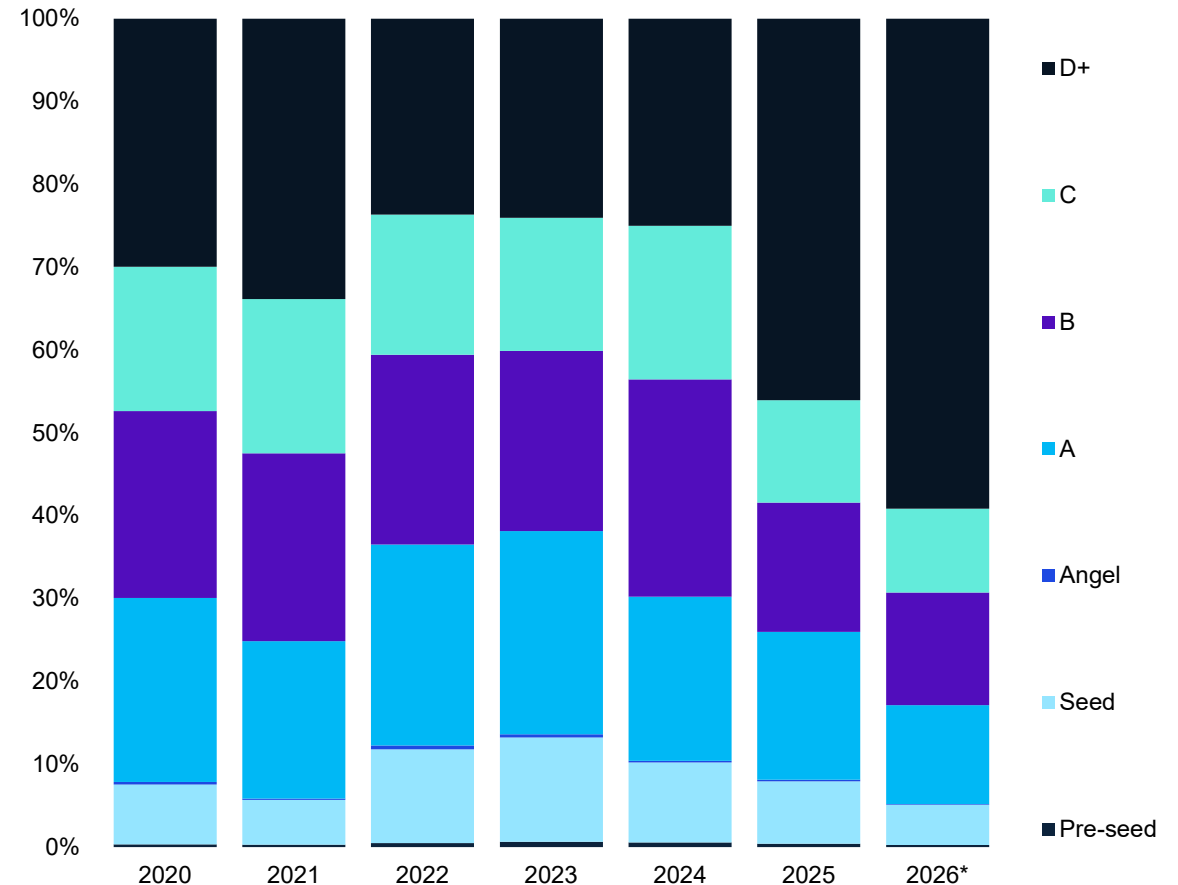
## Deal share by series in the US

2020–2026\*, number of closed deals



## Deal share by series in the US

2020–2026\*, VC invested (\$B)

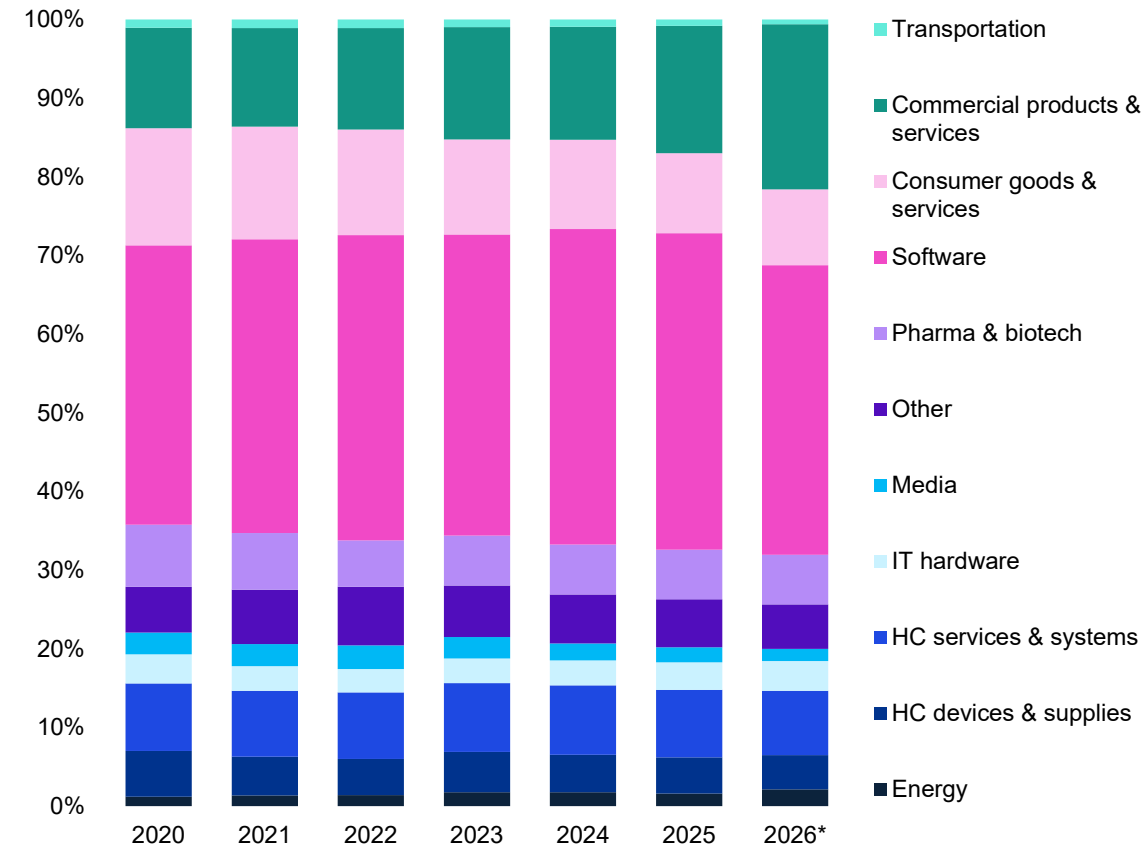


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# A broadening AI ecosystem pulls in more software dollars

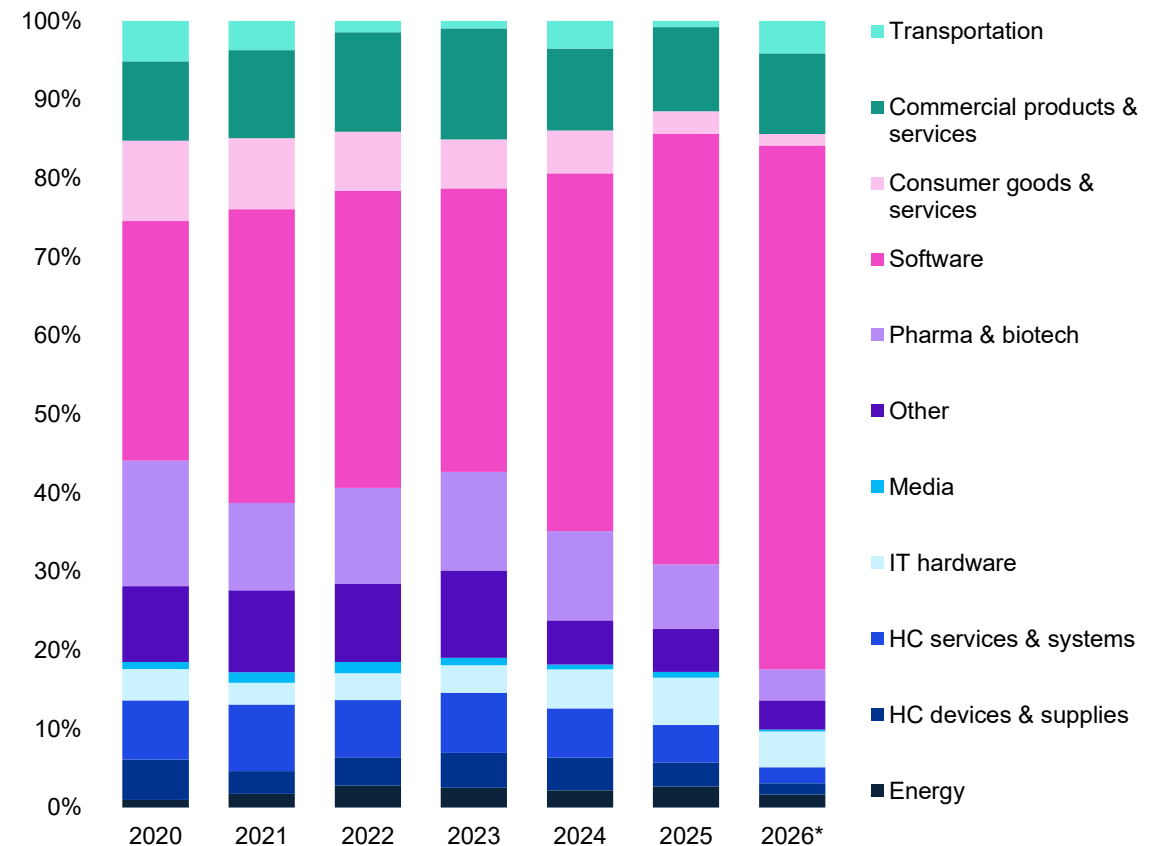
## Venture financing by sector in the US

2020–2026\*, number of closed deals



## Venture financing by sector in the US

2020–2026\*, VC invested (\$B)

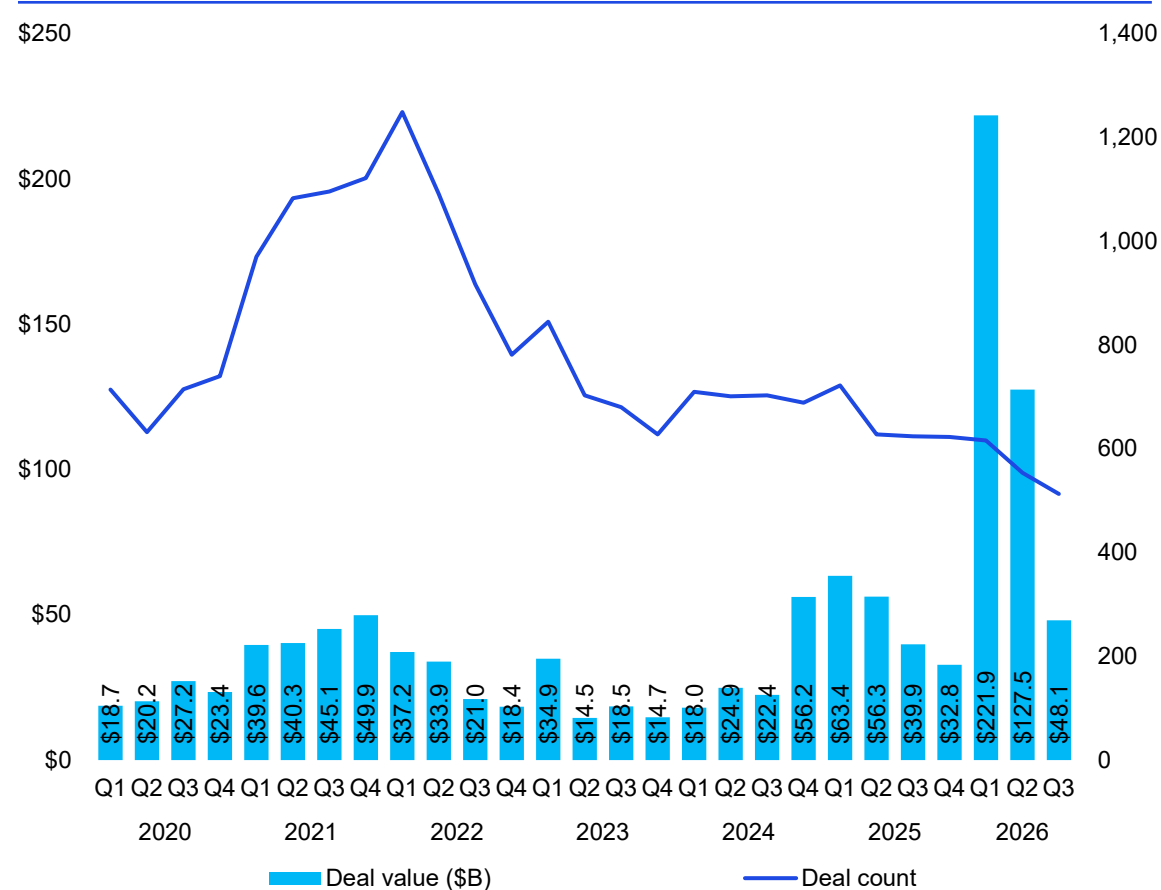


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# US first-time financings stay resilient

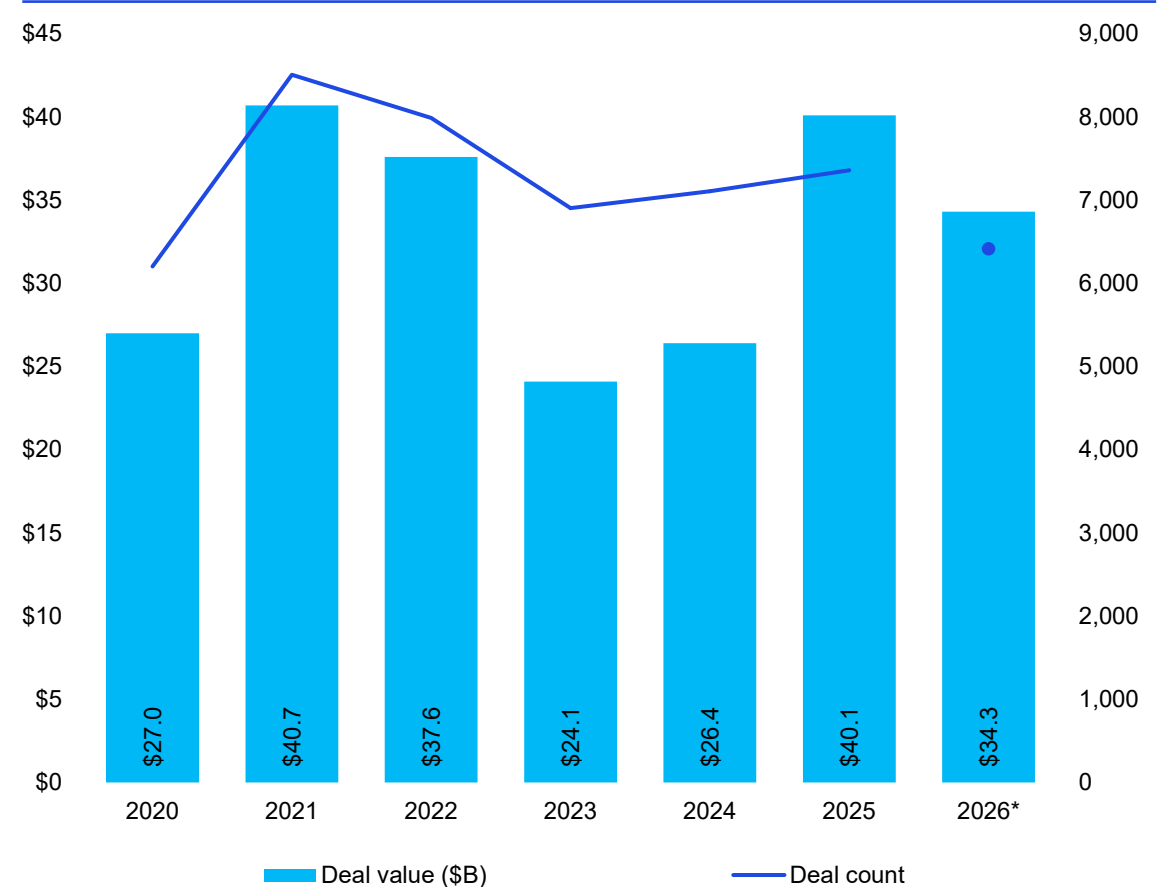
## Corporate participation in venture deals in the US

2020–Q3'26



## First-time venture financings of companies in the US

2020–2026\*

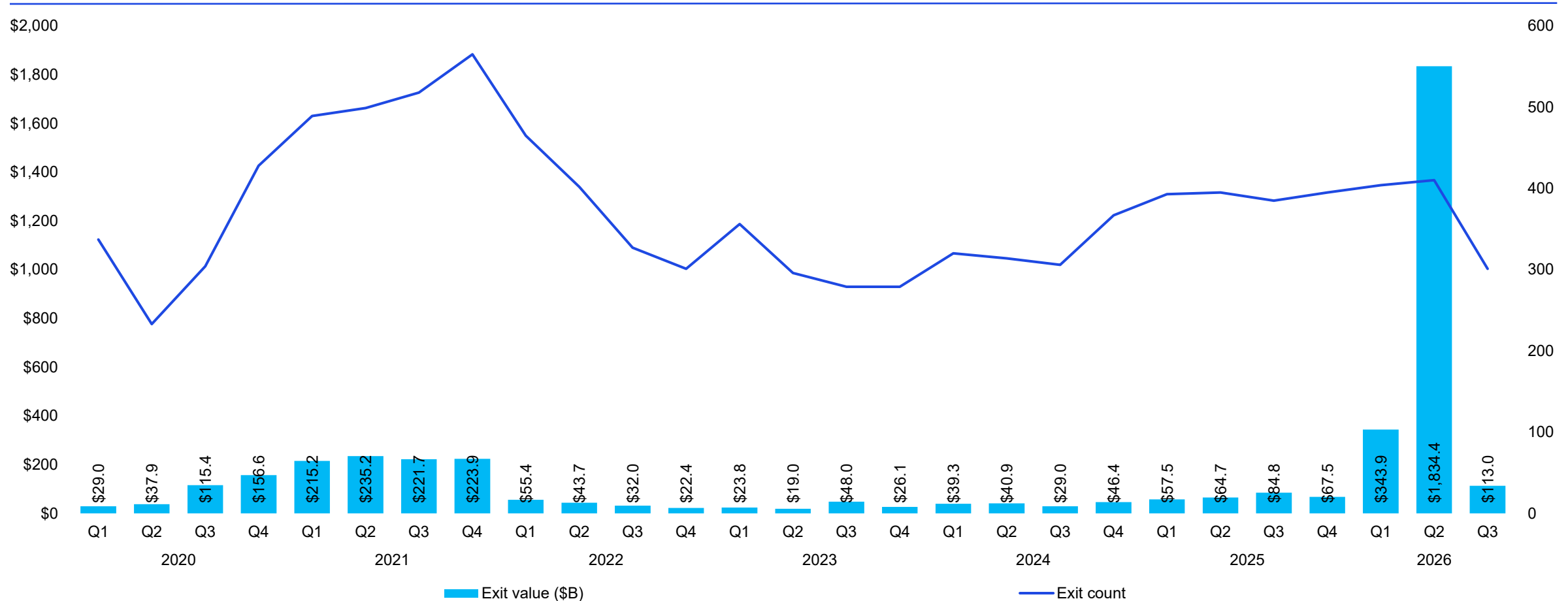


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# SpaceX-xAI merger, then listing, inflate US exit tallies

## Venture-backed exit activity in the US

2020–Q3'26

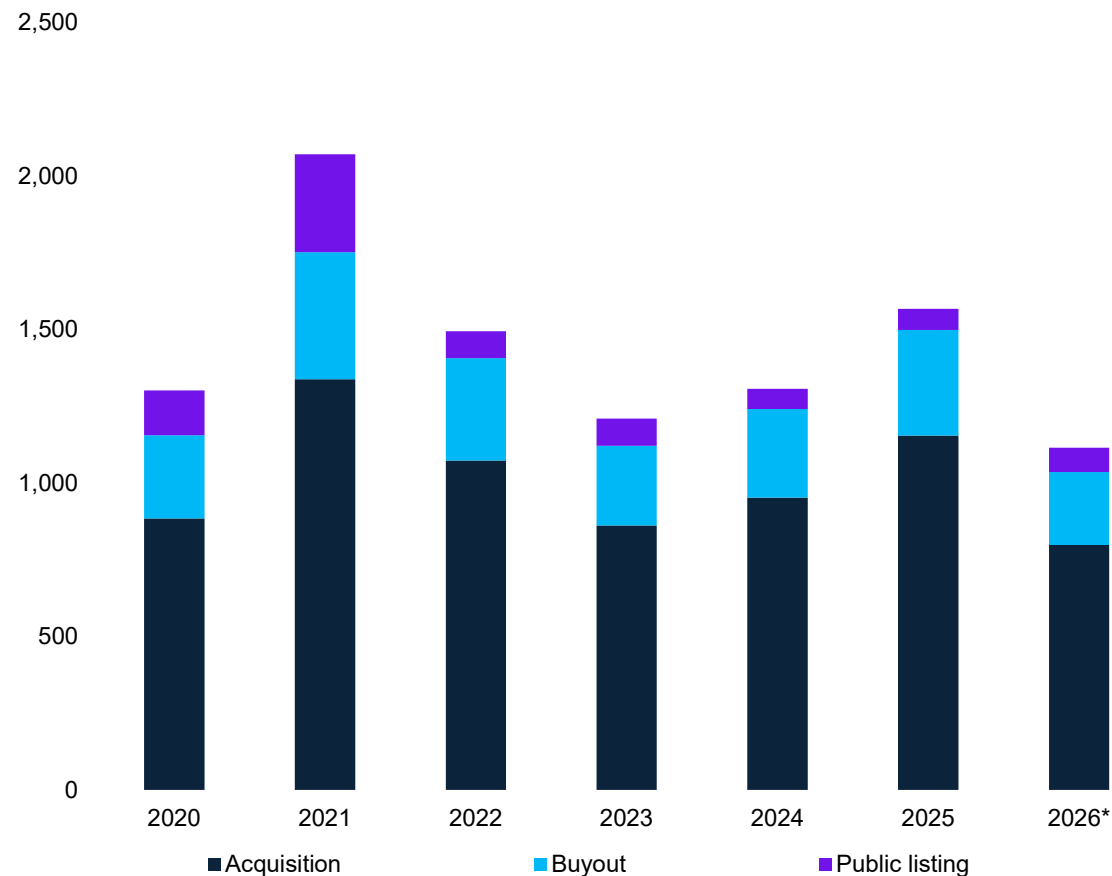


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Mega-debuts skew all exit tallies

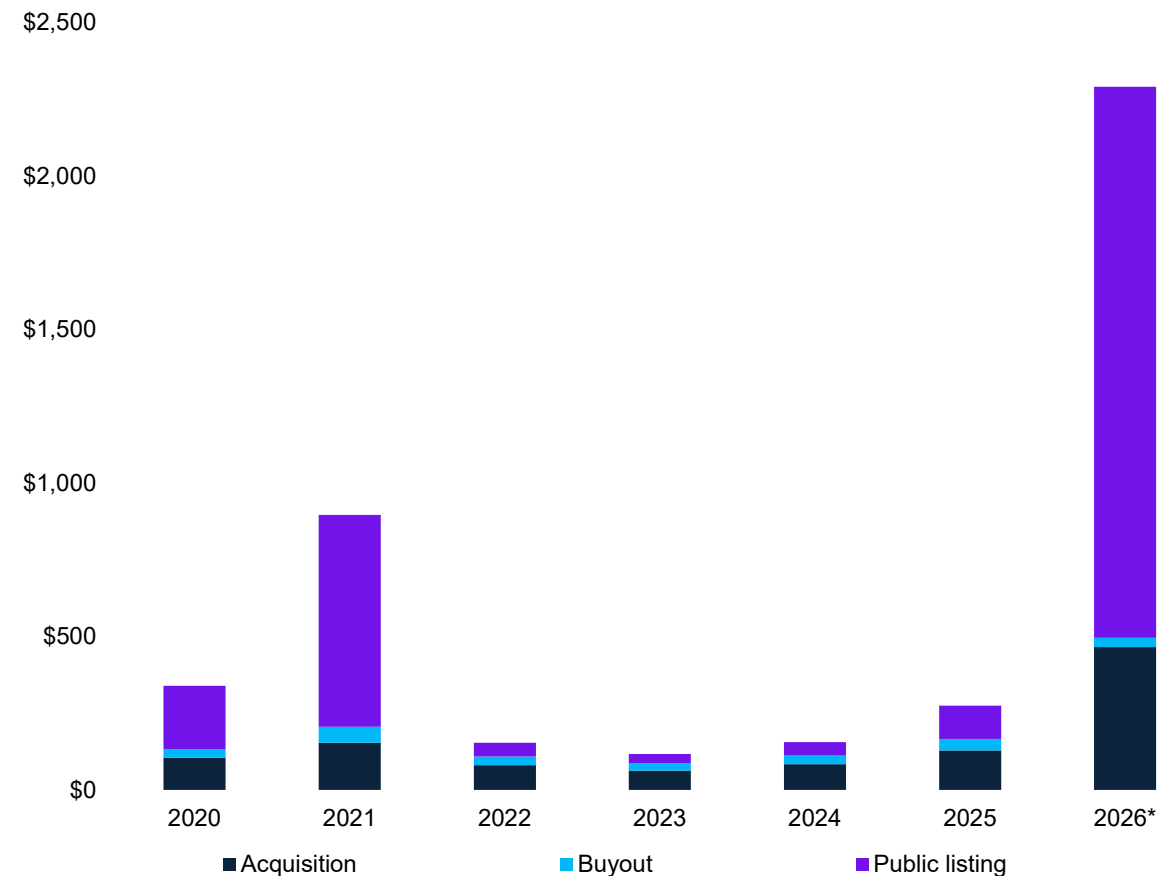
## Venture-backed exit activity (#) by type in the US

2020–2026\*



## Venture-backed exit activity (\$B) by type in the US

2020–2026\*

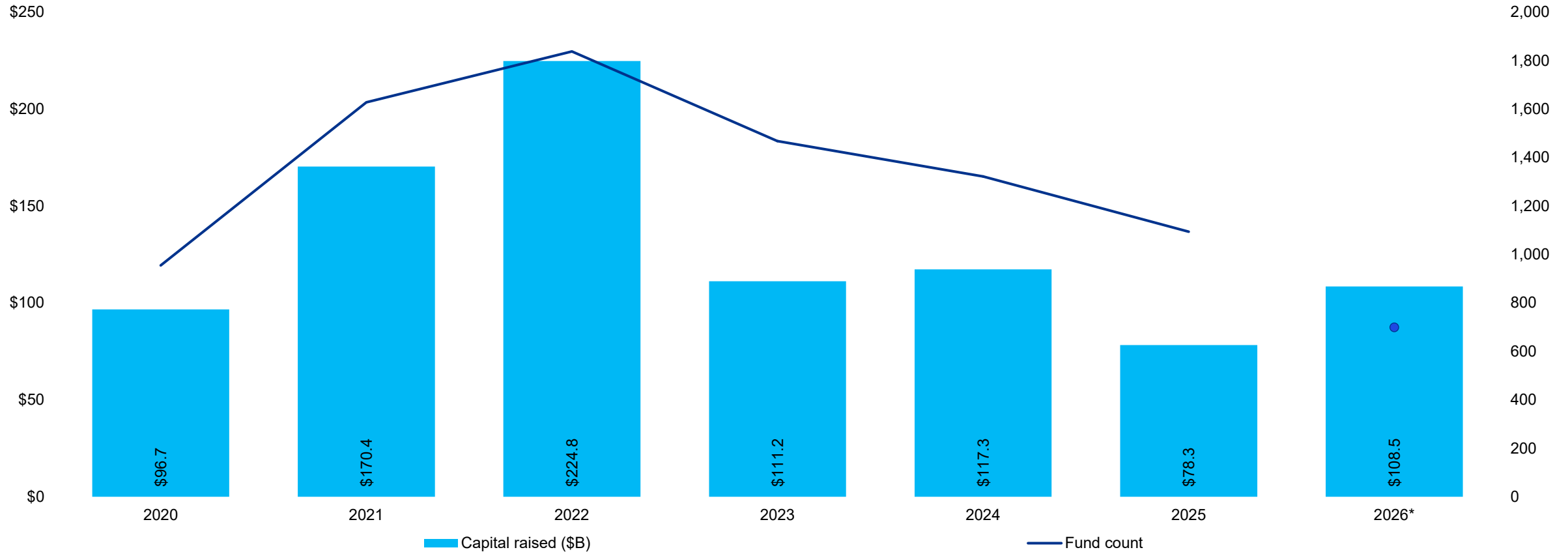


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Flagship fund closes carry US fundraising

## US venture fundraising

2020–2026\*

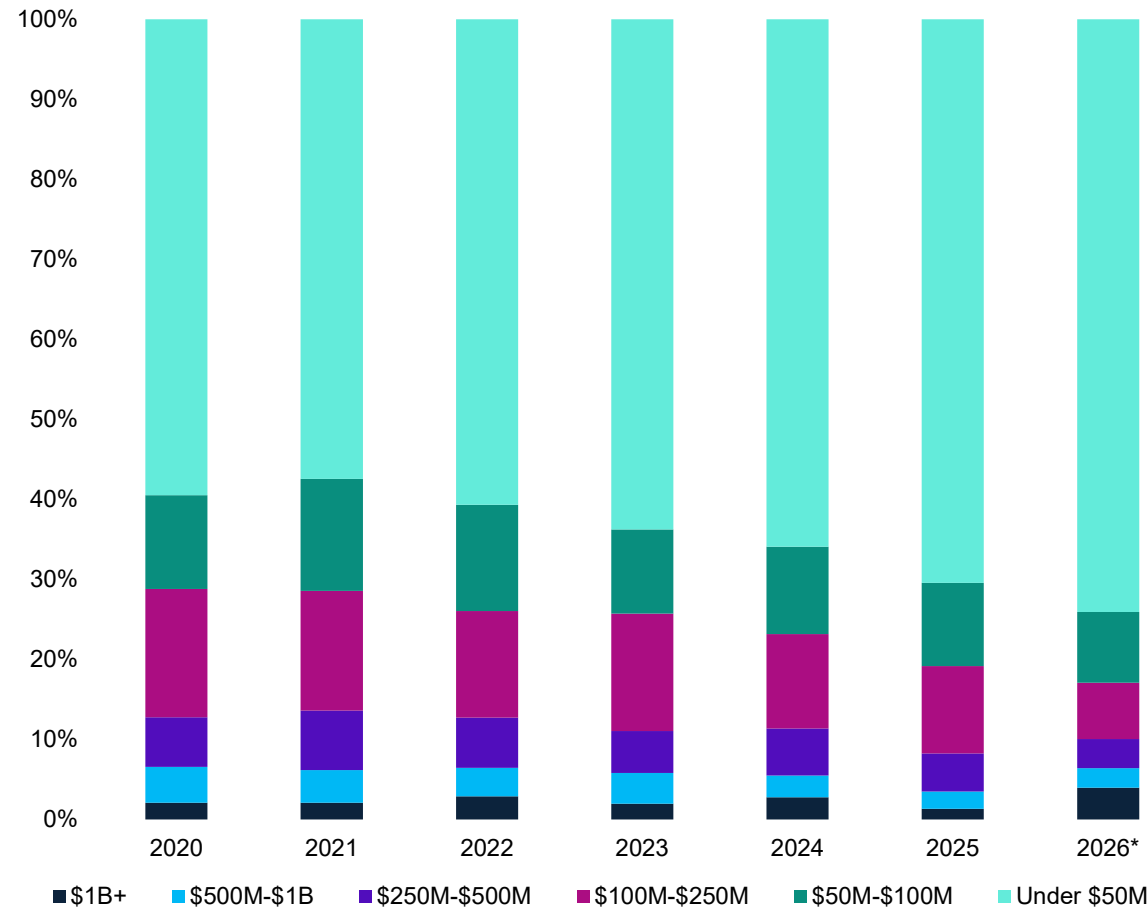


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# LPs crowd into flagship funds

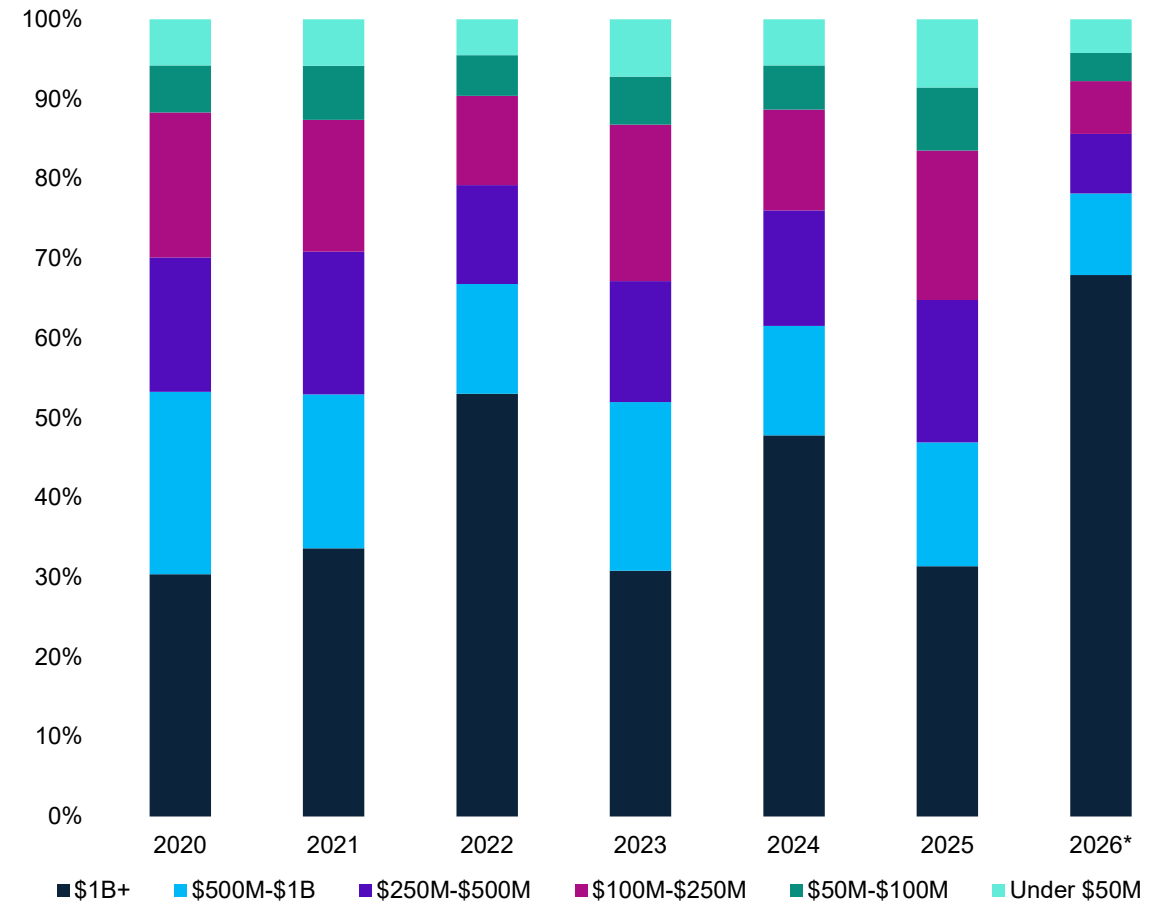
## Venture fundraising (#) by size in the US

2020–2026\*



## Venture fundraising (\$B) by size in the US

2020–2026\*

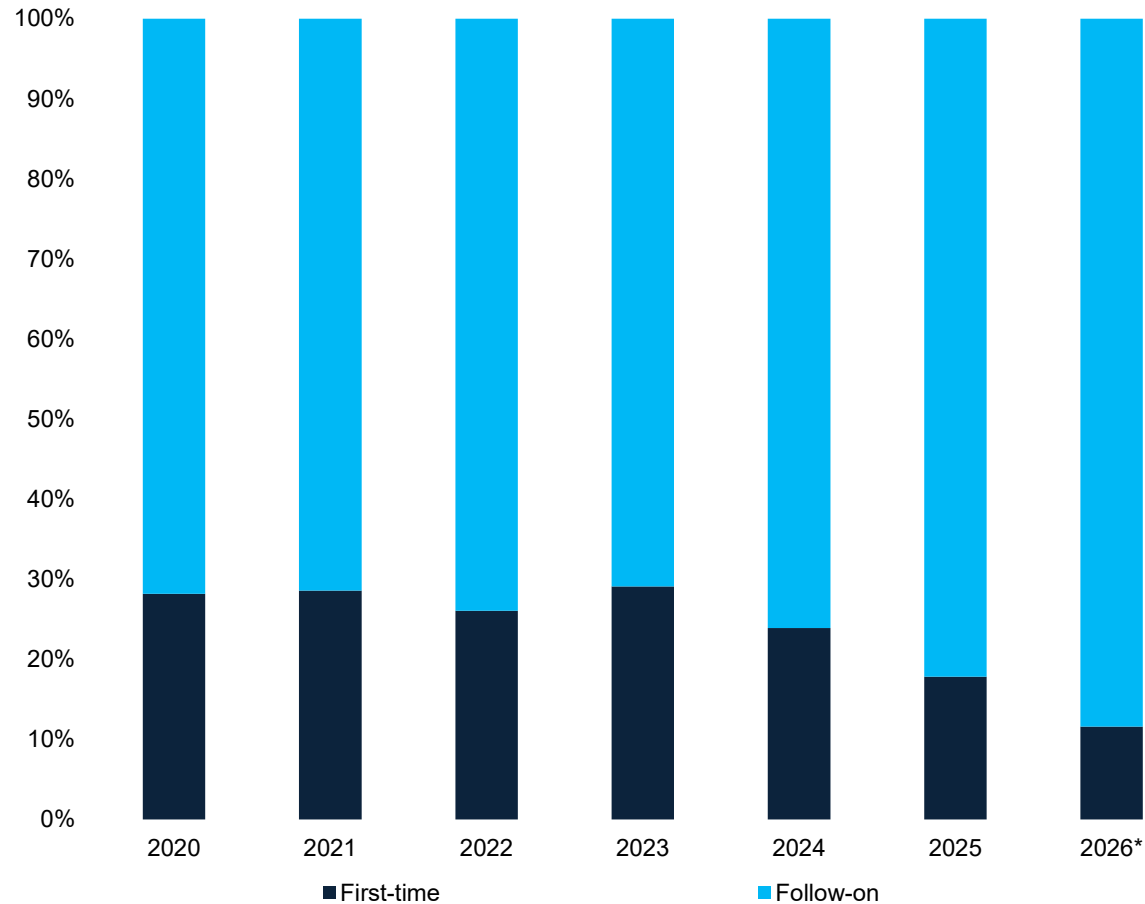


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Capital tilts toward established managers

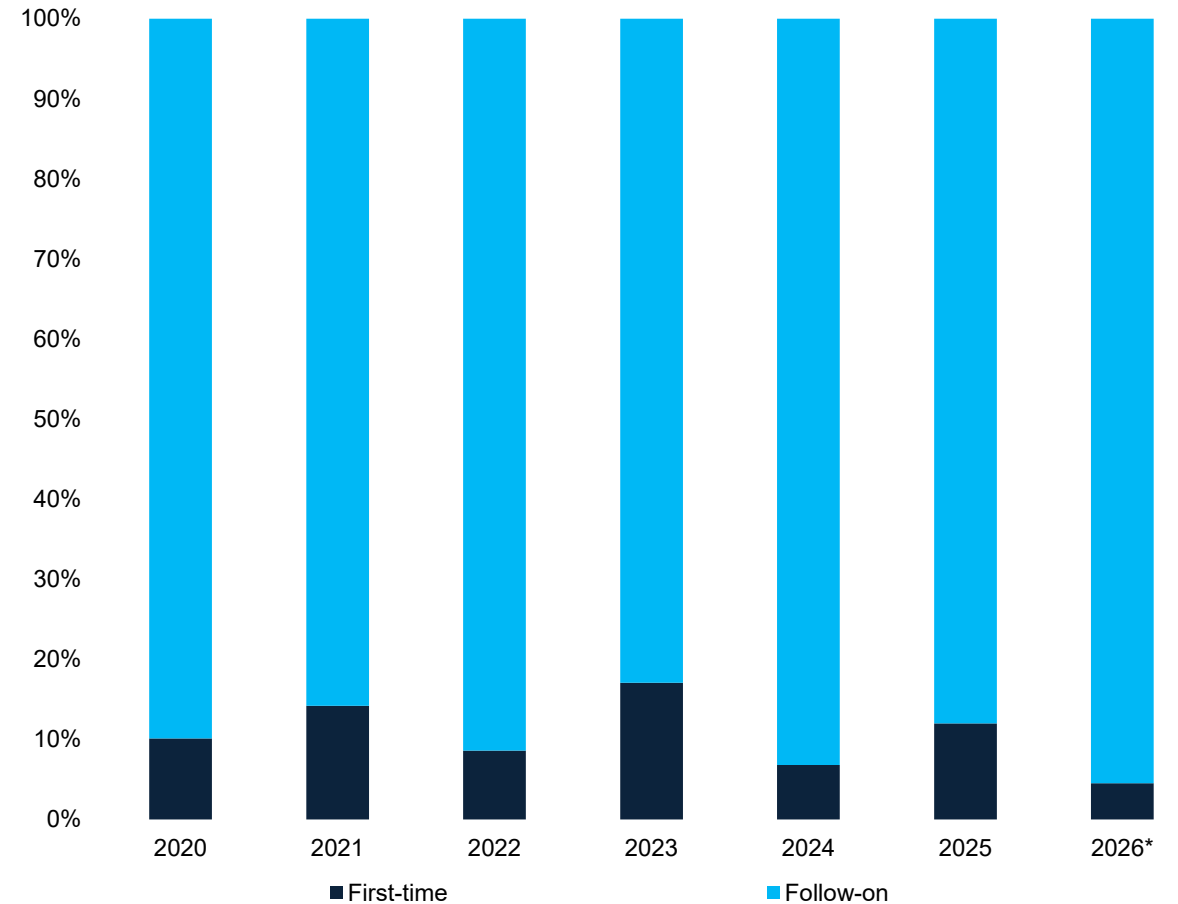
## First-time vs. follow-on funds (#) in the US

2020–2026\*



## First-time vs. follow-on funds (\$B) in the US

2020–2026\*



Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

**In Q3'26, VC-backed  
companies in the  
Americas raised  
\$101.2 billion across  
3,947 deals**

# Americas VC activity remains resilient, led by US mega-deals

**VC investment remained strong across the Americas in Q3'26, reaching \$101.2 billion across 3,947 deals, despite a sharp quarter-over-quarter decline driven largely by the absence of the outlier deals seen earlier in the year.**

## **US accounts for many of the largest rounds in the Americas in Q3'26**

The US continued to account for the vast majority of VC investment in the Americas during Q3'26, supported by a growing number of \$1 billion-plus funding rounds. During the quarter, the US attracted \$98.4 billion in total VC investment, with \$1 billion-plus deals alone accounting for \$37.8 billion.

Canada was a distant second, attracting \$866.3 million across 155 deals — the country's lowest quarterly investment total since Q3'18.

VC investment increased in both Mexico and Brazil in Q3'26. Mexico saw investment rise from \$441 million in Q2'26 to \$693 million in Q3'26, while Brazil moved in a similar direction, with investment rising from \$390 million to \$609 million quarter over quarter.

## **Uncertainty causes some VC investors in Canada to pull back**

The number of VC deals in Canada remained subdued relative to historical norms in Q3'26. Ongoing uncertainty surrounding Canada-US trade relations, including the announcement of new tariffs by both countries during the quarter, prompted some Canadian VC investors to take a more cautious approach. This hesitation extended beyond new investments to M&A and IPO activity, as investors weighed the potential impact of trade tensions on business performance and valuations.

## **While fintech attracts the largest VC funding rounds, AI and data centers gain attention in Mexico**

Fintech continued to attract a significant share of VC investment in Mexico during Q3'26, led by a \$125 million financing for Kapital, an AI-powered business banking platform serving SMEs in Mexico and across Latin America. The round highlighted the continued strength of fintech in the Mexican market, particularly where financial services and AI capabilities increasingly intersect.

Beyond fintech, investors also showed growing interest in AI-related businesses, although deal sizes generally remained much smaller. While fintech remains one of Mexico's most established areas for venture investment, AI is beginning to emerge as an additional area of investor focus.

One emerging trend in Mexico over the last few quarters has been the rapidly increasing focus on data centers and the manufacturing components related to them. The country has experienced significant growth in the space, particularly in the export of related components. This shift toward data center components highlights the adaptability of Mexico's manufacturing sector and could attract further interest and investment over the coming quarters.

# Americas VC activity remains resilient, led by US mega-deals (Cont.)

## Canada Investment Summit in Q3'26 sees announcement of Canada's largest-ever VC fund

The increasingly tense trade relationship with the US has prompted the Canadian government to make a major push to diversify and grow the Canadian economy. During Q3'26, the federal government, in partnership with the Canada Pension Plan Investment Board, hosted the Canada Investment Summit to showcase Canada's investment potential and catalyze investment in areas such as infrastructure, energy, critical minerals and AI.<sup>1</sup>

The Summit generated numerous fund and investment announcements, including the launch of a \$50 billion Maple Fund by CPP Investments and Brookfield Asset Management<sup>2</sup> focused on investing in critical infrastructure and strategic industries. The key news on the VC front was the announcement of Canada's largest-ever VC fund: the AI-focused, \$1 billion-plus Radical Breakouts Fund from Radical Ventures.<sup>3</sup>

## Neobanks seen as attractive VC investment across Latin America

Fintech investment in Latin America has remained quite robust in recent quarters, although a deeper dive into investment trends highlights how many of the investments have been highly concentrated on a small number of fintech players, particularly neobanks. This demonstrates how VC investors in Mexico and Latin America see an opportunity for neobanks in the region to continue to grow and attract customers.



## Trends to watch for in Q4'26

Heading into Q4'26, VC investment in the Americas is expected to remain robust, particularly in areas such as AI and AI-related infrastructure.

In Canada, attention will focus on the potential impact of the Canada Investment Summit. Given the size and scope of the announcements, including the Radical Breakouts Fund, these initiatives may support increased VC investment over the coming quarters.

In Mexico and Latin America, VC investment over the next quarter is expected to remain deeply focused on fintech, with interest in AI focused more on enabling existing businesses than on truly AI-native businesses.

<sup>1</sup> Press release "[The first Canada Investment Summit unleashes nearly \\$500 billion of new investment in Canada](#)" 15 September. Prime Minister of Canada. Accessed 30 September 2026.

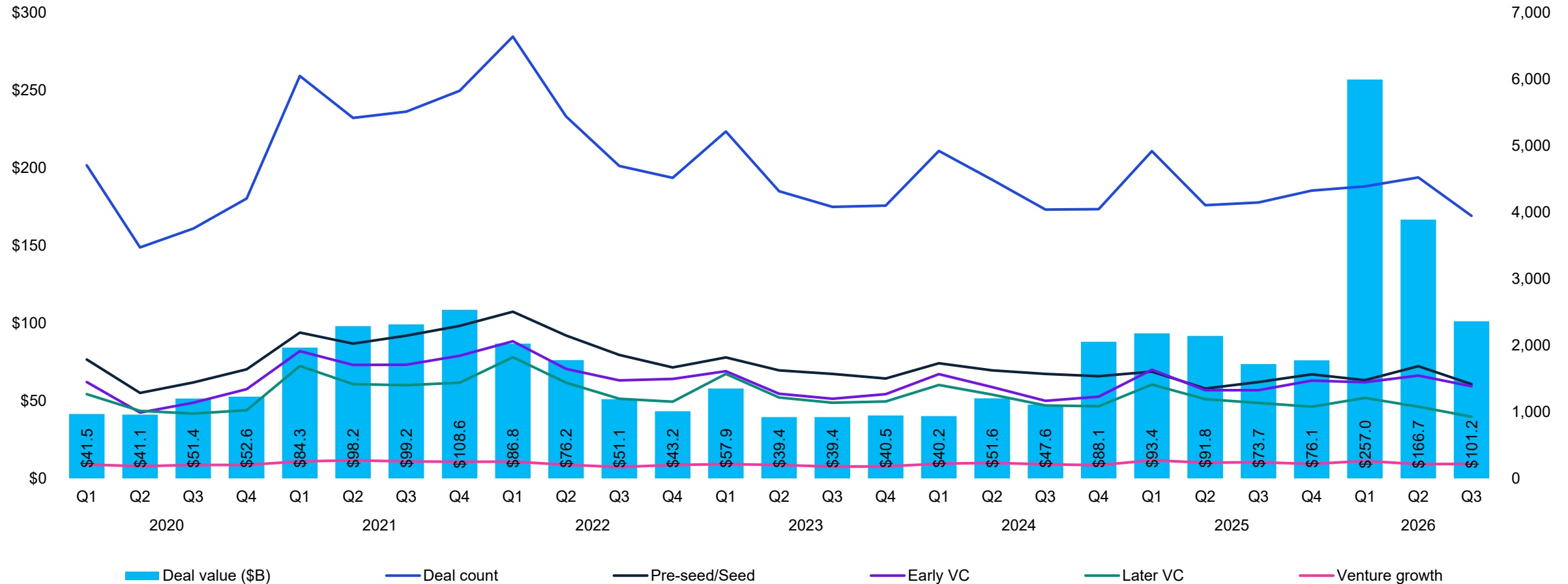
<sup>2</sup> Press release "[CPP Investments and Brookfield launch \\$50 billion Maple Fund to pursue large-scale investments across Canada](#)" 15 September 2026. CPP Investments. Accessed 30 September 2026.

<sup>3</sup> Press release "[Radical Ventures announces the largest venture capital fund in Canadian history](#)" 15 September 2026. Radical Ventures. Accessed 30 September 2026.

# Quarterly totals ease but remain near historic highs

## Venture financing in the Americas

2020–Q3'26

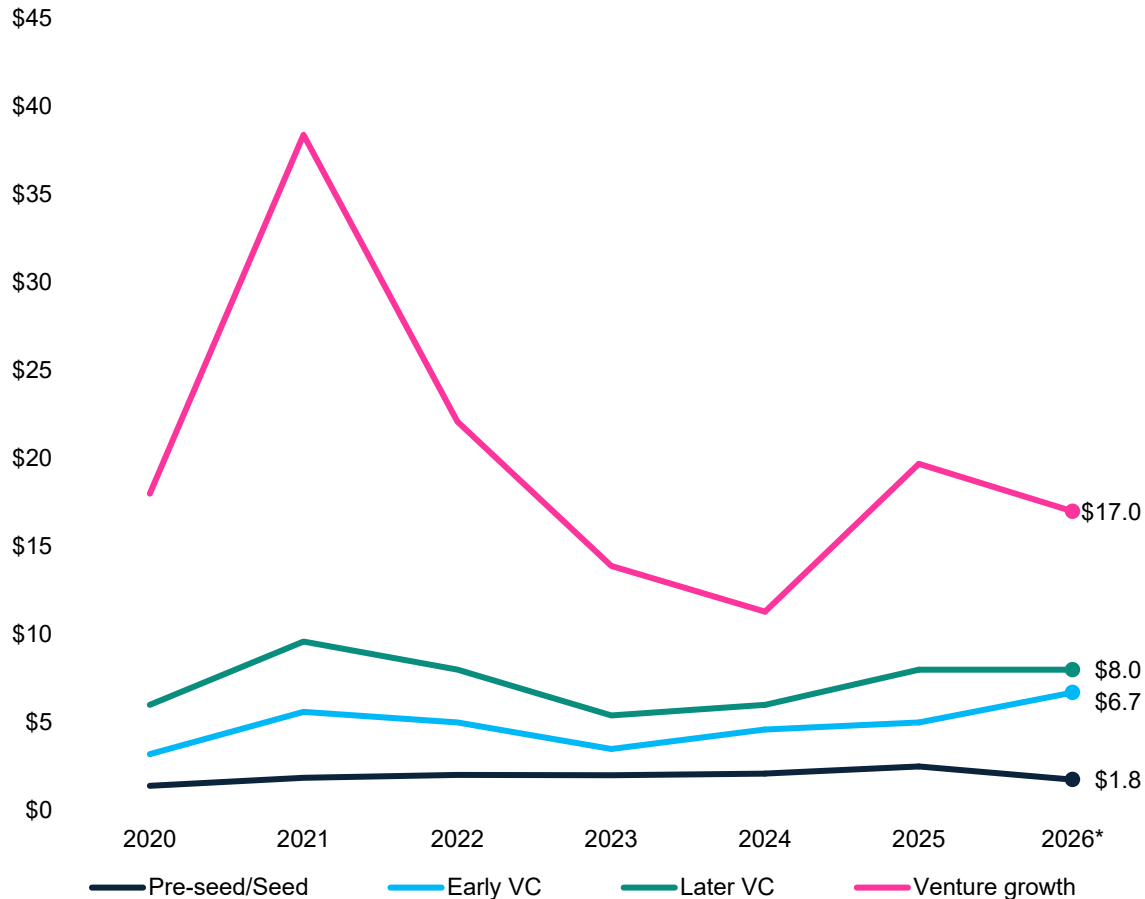


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Medians plateau once AI megadeals are taken into account

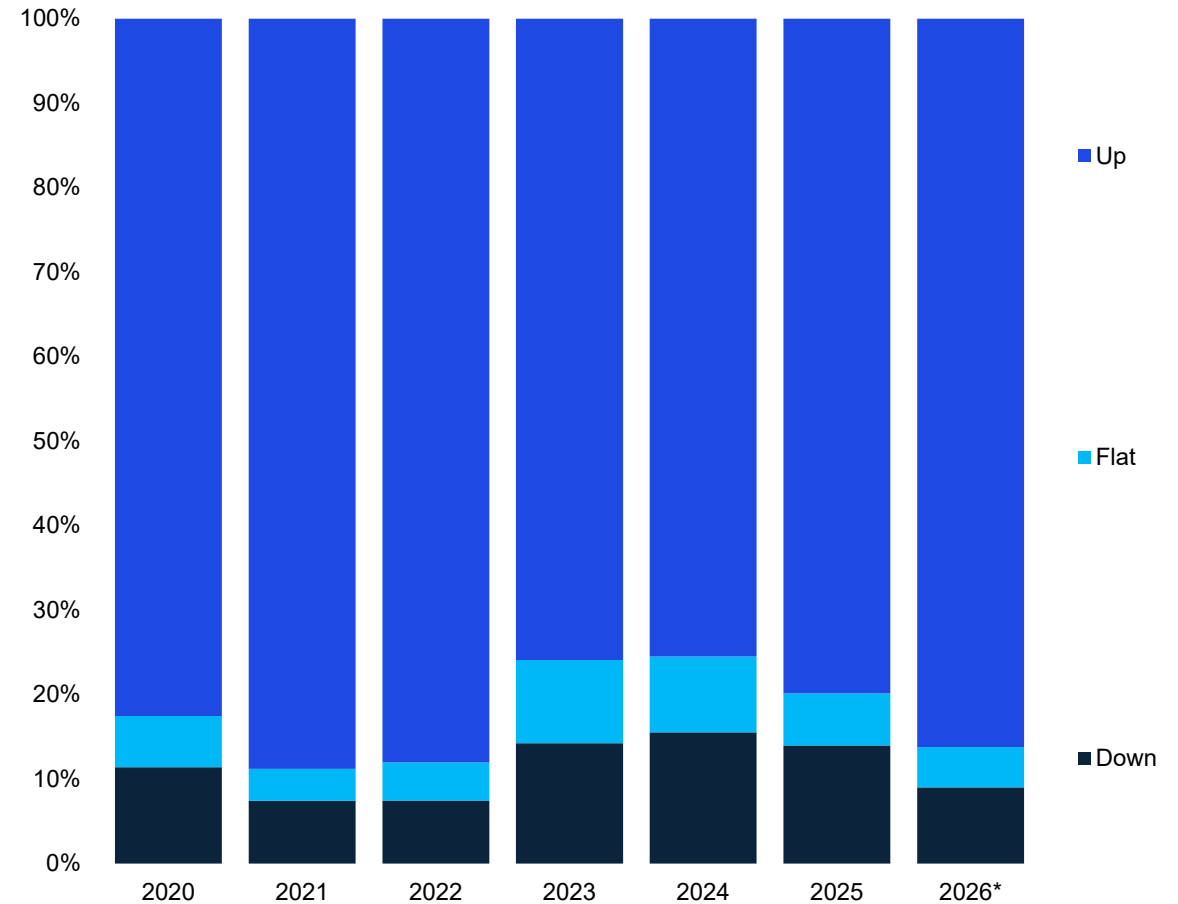
## Median deal size (\$M) by stage in the Americas

2020–2026\*



## Up, flat or down rounds in the Americas

2020–2026\*

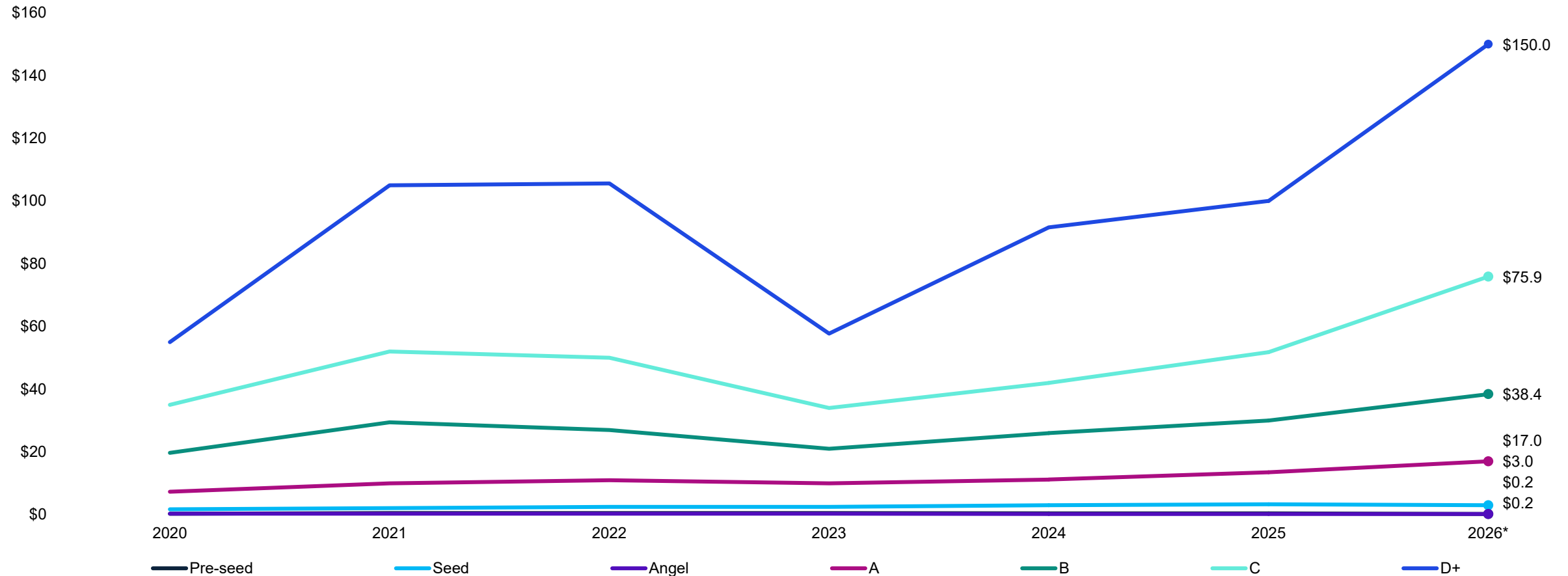


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Deal sizes climb from Series A onward

## Median deal size (\$M) by series in the Americas

2020–2026\*



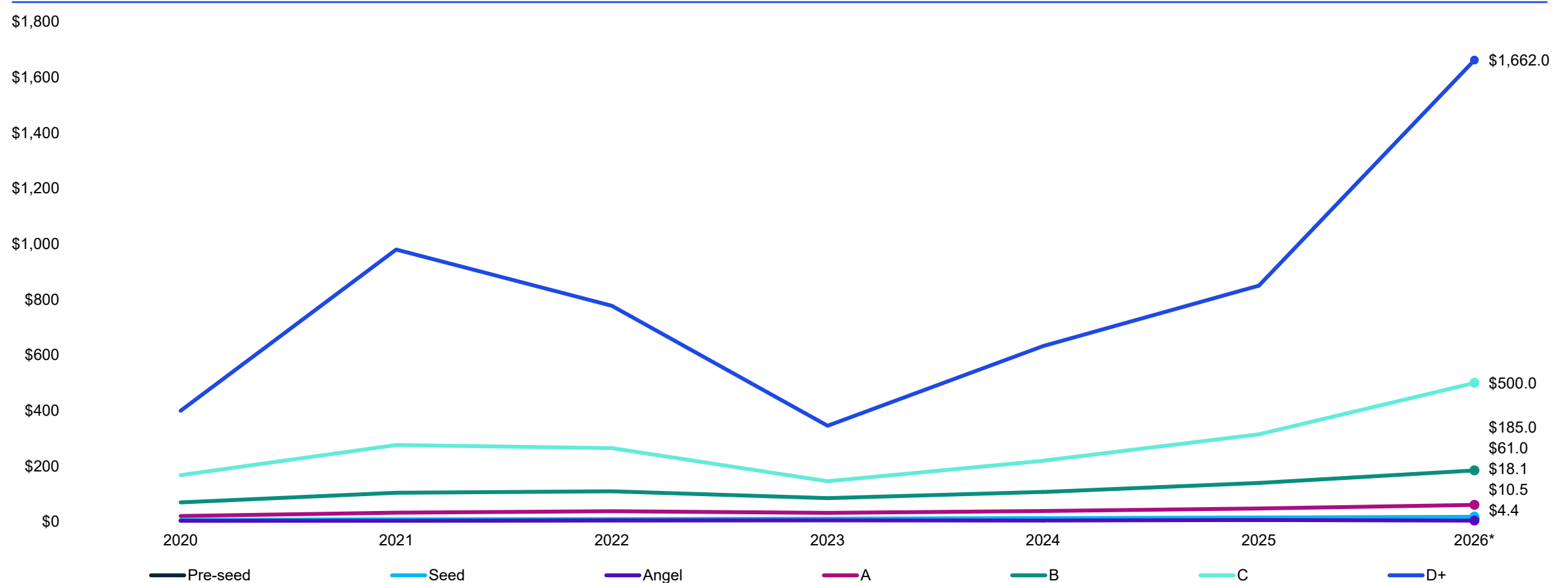
Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

Note: The 2026 data point for angel is based on a non-normative population.

# Latest-stage valuations explode across the Americas

## Median pre-money valuation (\$M) by series in the Americas

2020–2026\*

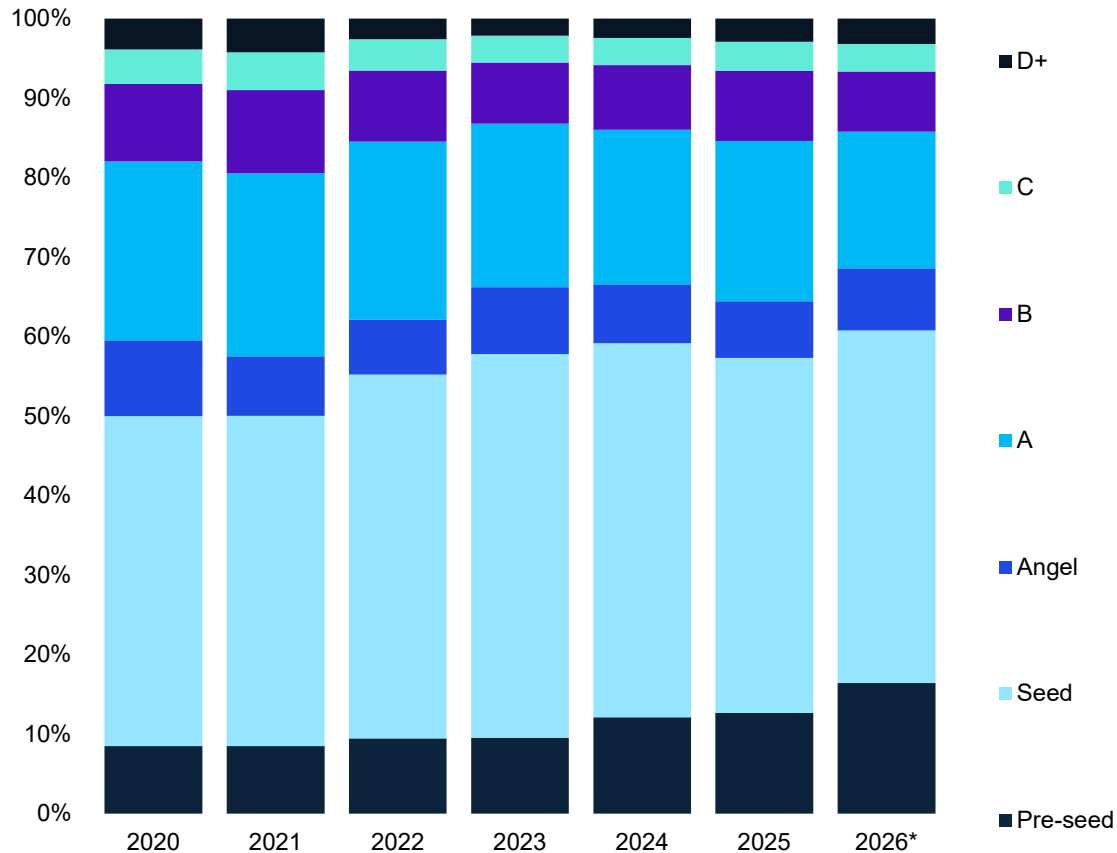


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Mega-rounds claim an even larger share

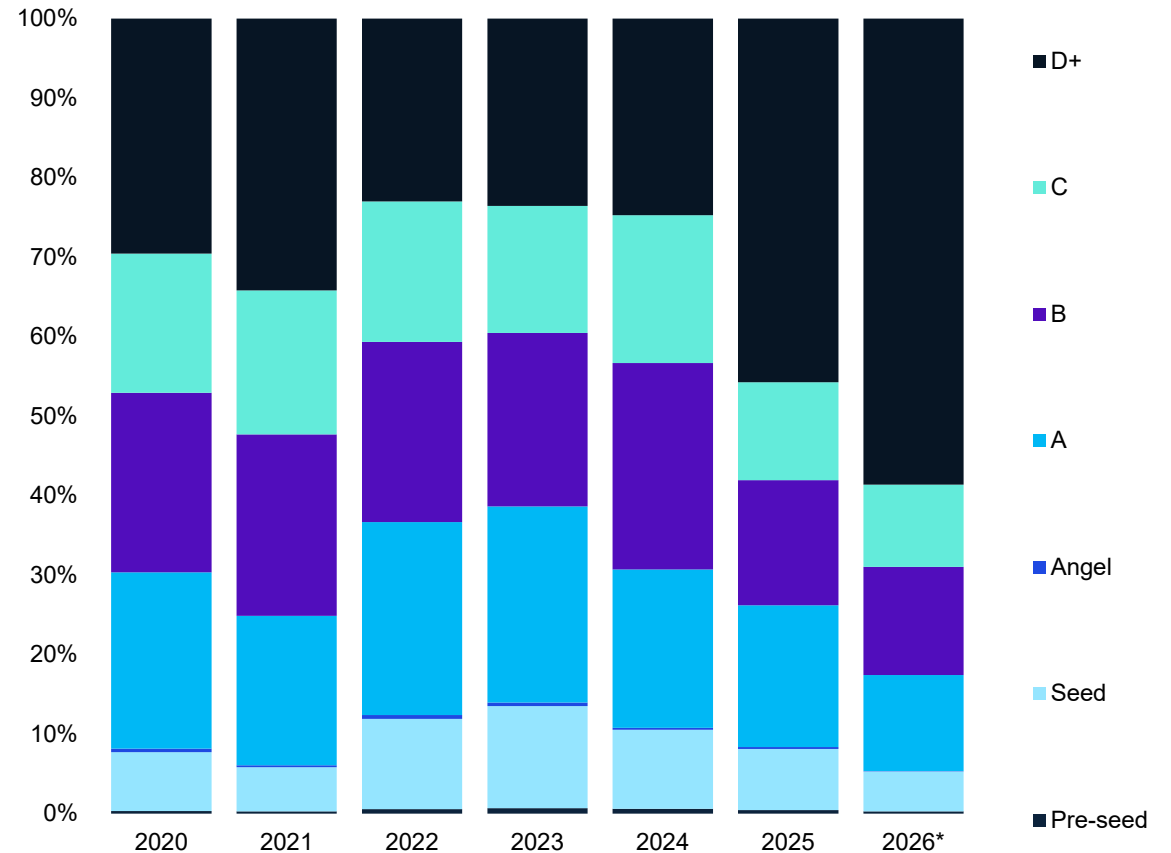
## Deal share by series in the Americas

2020–2026\*, number of closed deals



## Deal share by series in the Americas

2020–2026\*, VC invested (\$B)

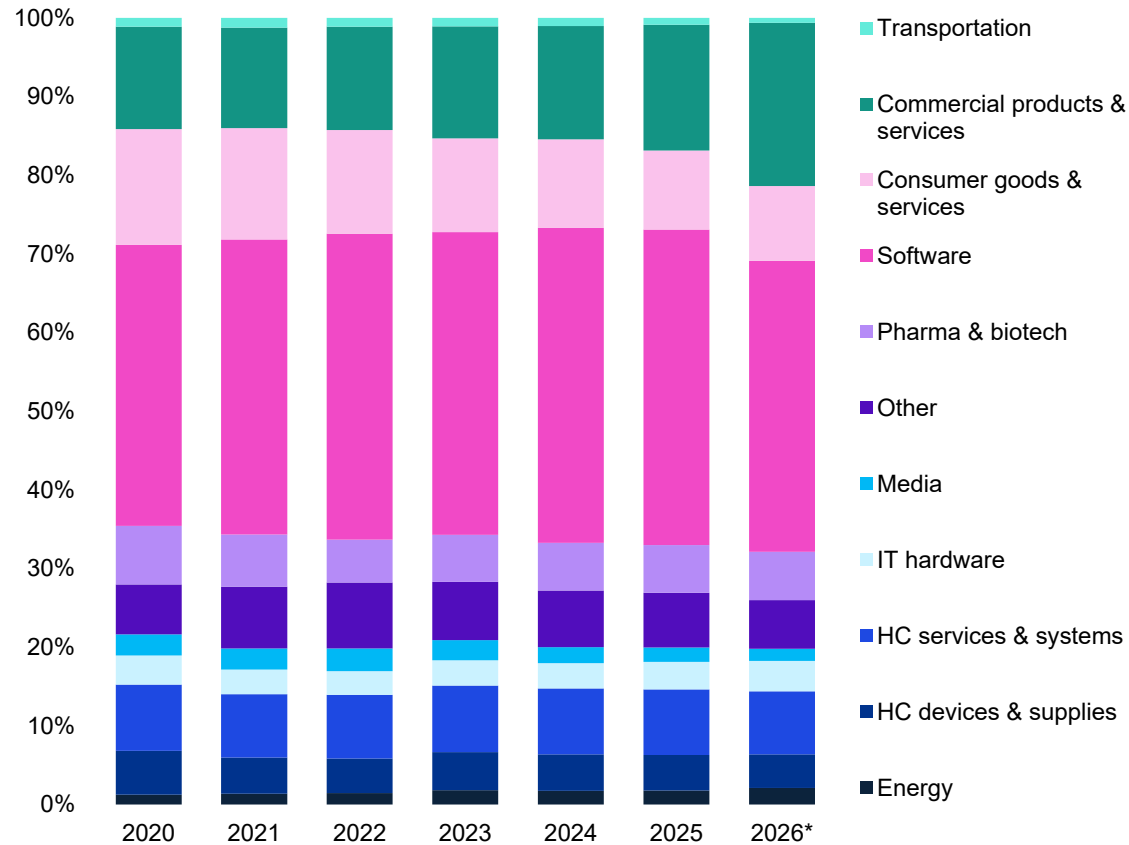


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# AI expansion drives software's share higher

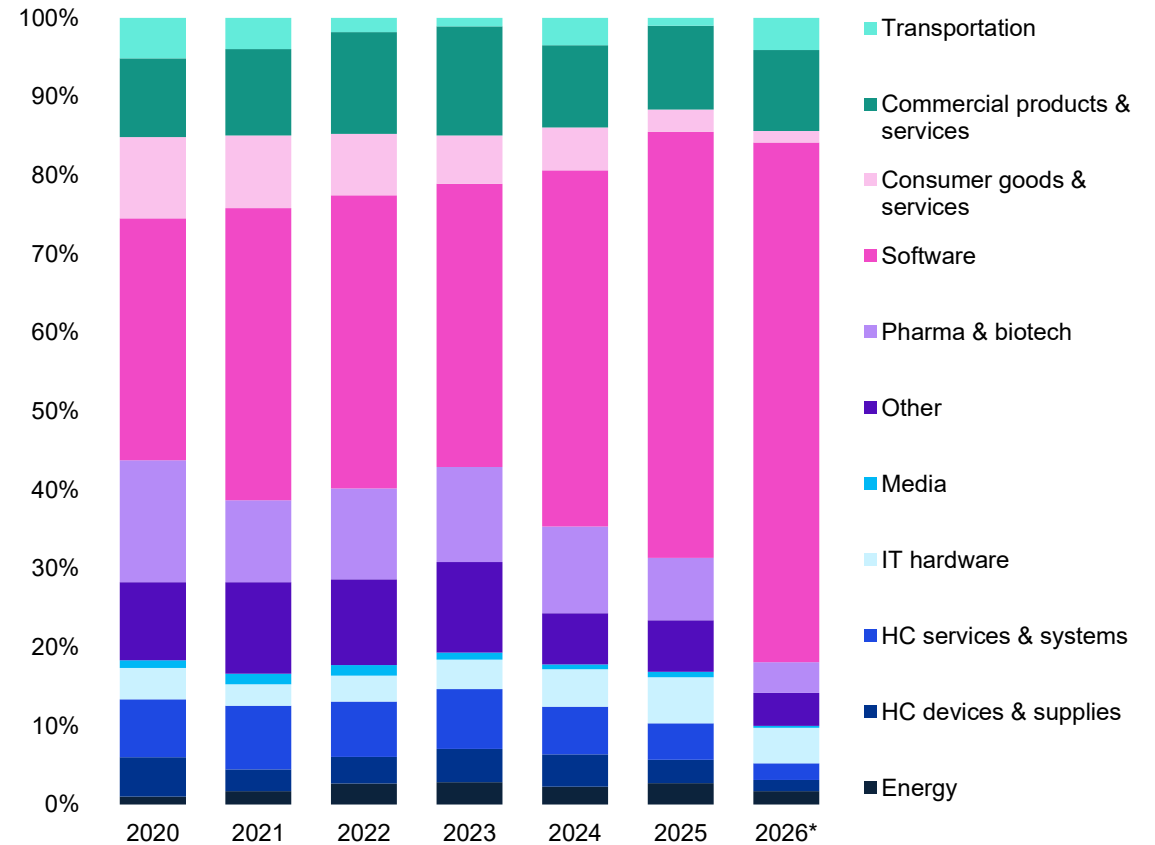
## Venture financing by sector in the Americas

2020–2026\*, # of closed deals



## Venture financing by sector in the Americas

2020–2026\*, VC invested (\$B)

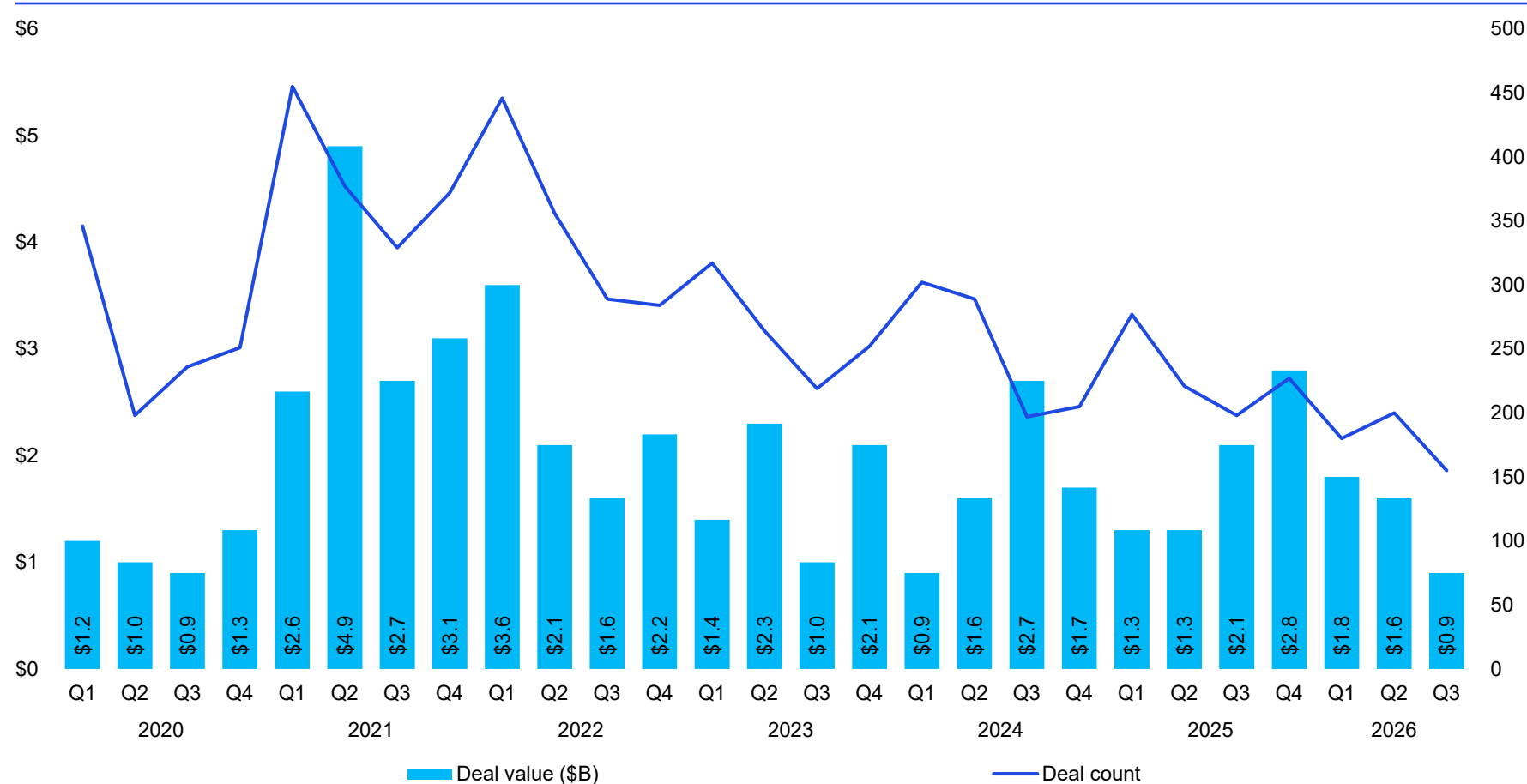


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Canadian VC slides to its lowest level since 2018

## Venture financing in Canada

2020–Q3'26



Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

“ The Canada Investment Summit was the big news here in Canada during Q3'26. The question now will be how quickly can some of the funds that were announced get put to work. While it may take time for investments to materialize, it looks like 2027 could be a very good year for VC investment in Canada — even with the continued uncertainty we're seeing with US-Canada trade relations. ”

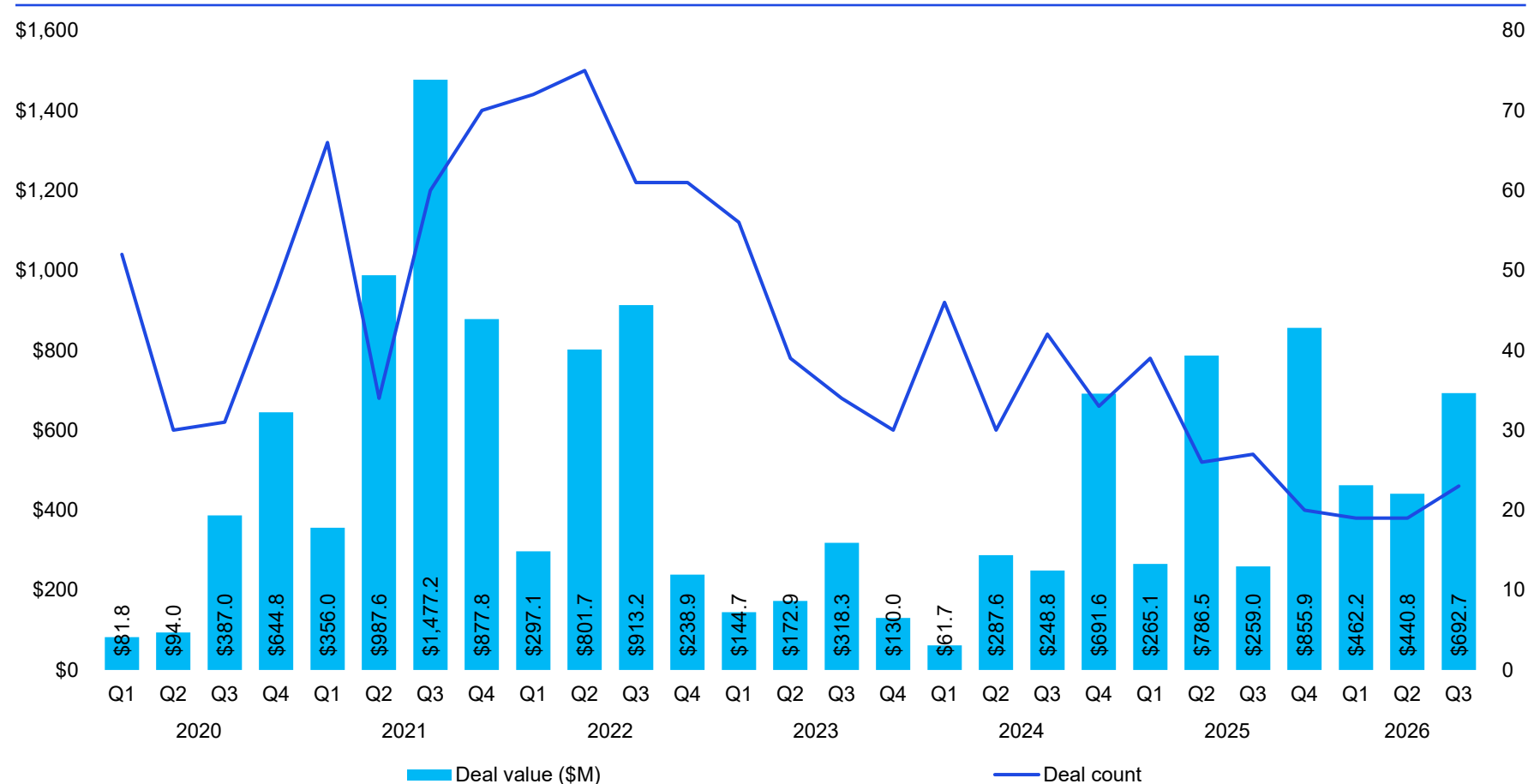


**Ryan Forster**  
Partner  
KPMG in Canada

# Mexico rebounds to its best quarter of 2026

## Venture financing in Mexico

2020–Q3'26



Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

“ We’re seeing a real transformation of manufacturing here in Mexico — a shift from what was previously produced here, which was basically auto parts, electrical appliances and so on, toward the components that go into data centers. We’re seeing a real boom. That’s exciting because it demonstrates that manufacturing capabilities in Mexico are very deep and very nimble, so we can move into these new sectors very quickly. ”

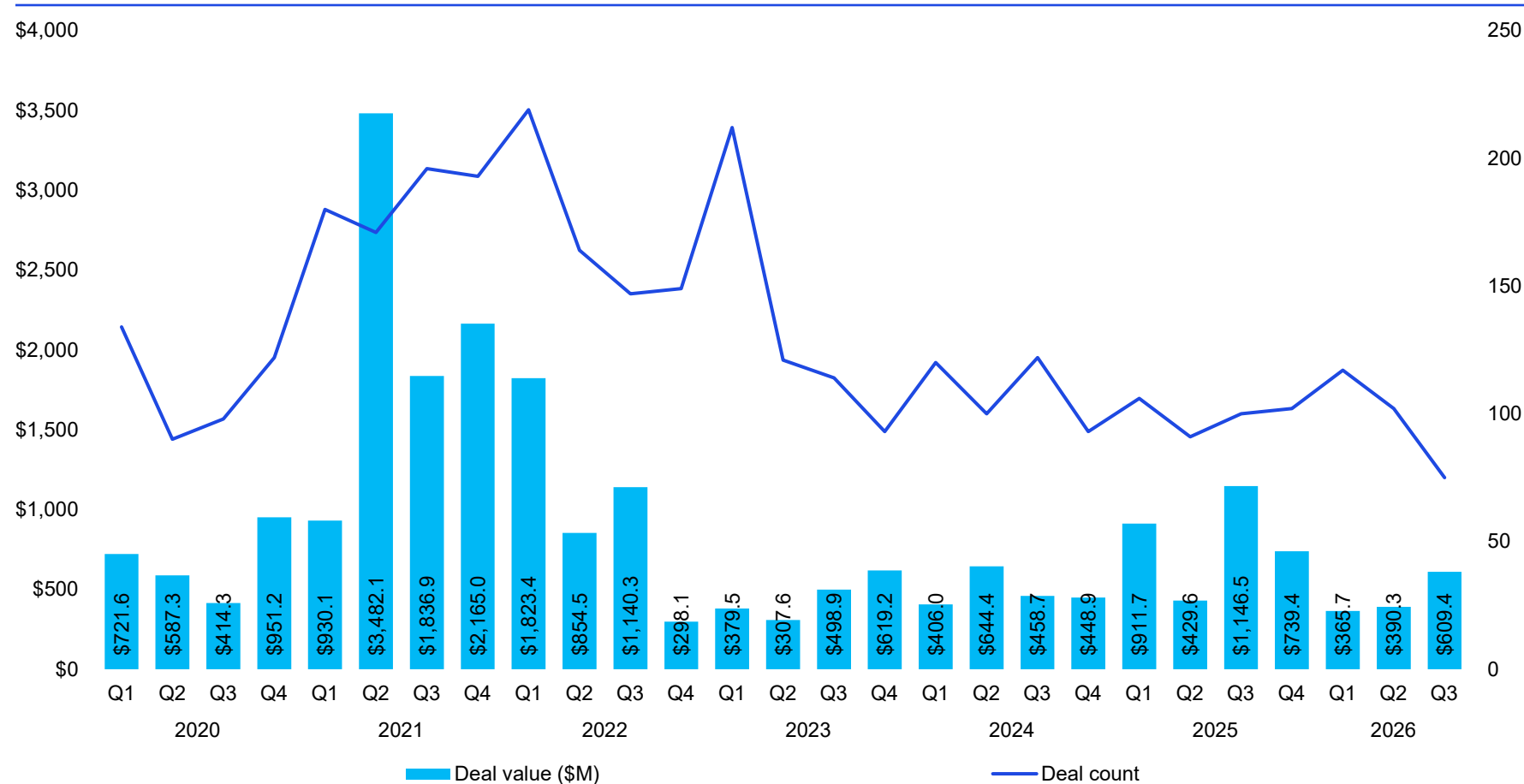


**Guillermo Goñi**  
Partner  
KPMG in Mexico

# Brazil extends its healthy VC run

## Venture financing in Brazil

2020–Q3'26



Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

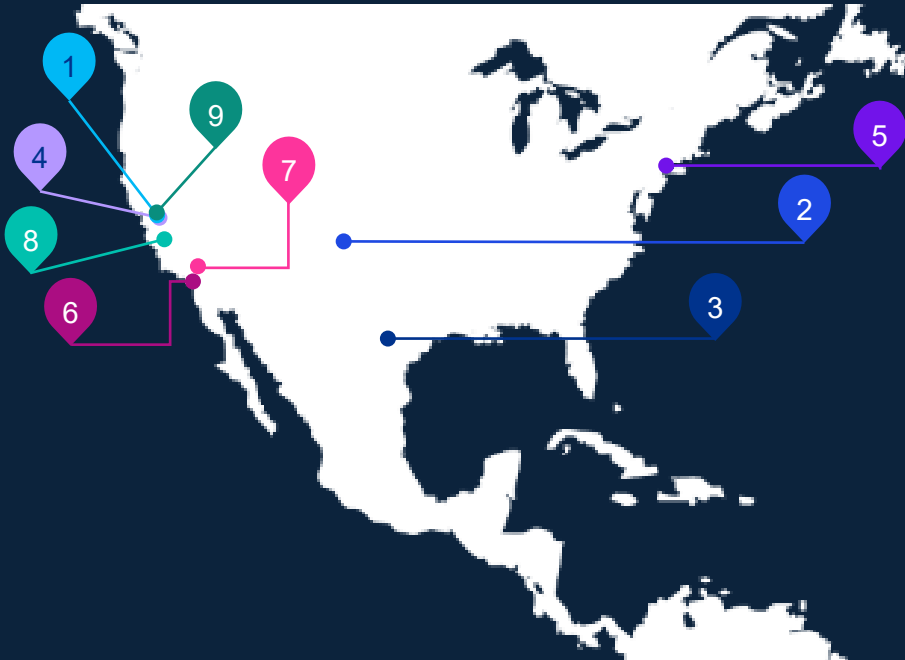
“Brazil had a relatively strong quarter despite some headwinds. We continue to see the venture market mature, with less emphasis on broad consumer disruption and more interest in B2B technology, including increasingly large deals in areas such as legaltech, HR tech and financial management. What’s especially interesting is how AI is showing up across all of these areas — not as a standalone sector, but as a capability being embedded into the next generation of business software.”



**Carolina Oliveira**  
Global Lead of  
Emerging Giants,  
KPMG International and  
Partner and Private  
Enterprise Leader  
**KPMG Brazil and  
South America Cluster**

# The AI concentration intensifies

## Top financings in Q3'26 in the Americas



1. **Databricks** — \$5B, San Francisco, US — Database software — *Late-stage VC*
2. **Crusoe** — \$3.9B, Denver, US — Cloudtech — *Series F*
3. **The Boring Company** — \$3.2B, Bastrop, US — Infrastructure — *Series D*
4. **Cognition** — \$2B, San Francisco, US — AI & ML — *Series E*
5. **Thrive Holdings** — \$2B, New York, US — AI & ML — *Early-stage VC*
6. **Hadrian** — \$1.7B, Torrance, US — Aerospace & defense — *Series D*
7. **Atoms** — \$1.7B, Los Angeles, US — Advanced manufacturing — *Late-stage VC*
8. **Fireworks AI** — \$1.5B, Redwood City, US — AI & ML — *Series D*
9. **Superhuman** — \$1.3B, San Francisco, US — AI & ML — *Late-stage VC*

Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

**In Q3'26, European  
VC-backed companies  
raised \$28.4 billion  
across 1,497 deals**

# Large VC rounds help keep VC investment in Europe solid

Following a strong first half of the year, VC investment in Europe increased slightly to \$28.4 billion in Q3'26 — a 16-quarter high. VC investment remained strong compared with historical norms, helped by six \$1 billion-plus megadeals: France-based Mistral AI (\$3.5 billion); Germany-based Helsing (\$1.8 billion) and Quantum Systems (\$1.2 billion); UK-based Wayve (\$1.2 billion); Italy-based Domyn (\$1.1 billion); and Israel-based Cyera (\$1 billion).

## AI remains a clear priority for VC investors as a diverse range of companies attract large sums

VC investment in Europe was highly concentrated in AI and AI-adjacent areas such as alternative energy and deeptech during Q3'26. The expansive breadth of AI investment was clear even among the largest deals of the quarter. In addition to defenstechs Helsing and Quantum Systems and critical industry-focused LLM company Domyn (\$1.1 billion), AI-driven materials development company CuspAI raised \$450 million, AI-powered app and website development platform Lovable raised \$400 million, and AI chip company Olix raised \$317 million. The broad array of AI investment highlights how the space has evolved far beyond software and AI discovery; both investors and startups are increasingly focusing on how to practically embed AI into different subsectors to do things that have never been done before.

## Government priorities and commitments support frothy valuation environment

Across Europe, startups have attracted increasingly large funding rounds and perceptibly frothy valuations. The strength of the investment climate can be attributed in part to the uncertain geopolitical and trade environment; there has been a major drive by governments, including the EU, individual EU member states and the UK, to unlock and open up procurement for defense technologies, sovereign AI technologies and related infrastructure. VC investors, many of whom remain laser-focused on profitability and the defensibility of solutions, have embraced these sectors, making big bets on quality companies at high valuations because of their potential to attract government funding, win long-term contracts and use current geopolitical tensions and uncertainty to drive innovation forward.

## Germany sees VC investment climb for fourth straight quarter

VC investment in Germany reached \$5.3 billion in Q3'26, marking a fourth straight quarter of increasing investment and a level not seen since Q2'22. AI-driven defenstechs Helsing and Quantum Systems powered this total, accounting for a combined \$3 billion. These two megadeals highlight how quickly investment in the defenstech sector has evolved over the last few years in Germany and in Europe more broadly. Historically, most VC investors took a hands-off approach to the sector; now, VC funds are pouring money into the space.

Alternative energy also attracted significant funding in Germany during the quarter. Meanwhile, spacetechnology continued to gain traction with VC investors, if at somewhat smaller deal sizes.

## After four strong quarters, VC investment in the UK slows

Following four incredibly strong quarters, the UK saw VC investment soften to \$6.8 billion during Q3'26 — not surprising, given that Q3 often brings a summer slowdown in VC dealmaking. AI and AI infrastructure continued to be a major focus for VC investors in the UK, evidenced by a \$450 million raise by AI-driven materials development company CuspAI and a \$317 million raise by AI chip company Olix.

While UK-based VC investment has been quite strong and there is a good sense of positivity in the market, the exit environment remains a significant question mark. To date, the UK has not seen a broad reopening of the exit market, particularly in terms of IPOs. While there is a good pipeline of IPO-ready companies and considerable discussion of possible exits, activity has not yet materialized.

# Large VC rounds help keep VC investment in Europe solid (Cont.)

## VC investors in Austria continue to be cautious

Austria saw a very quiet quarter for VC investment in Q3'26, as VC investors continued to show caution. Outside sectors such as AI, defense, energy and cybersecurity within those verticals, VC investment was quite limited. Some startups in Austria have found it difficult to obtain growth funding, while a number of VC funds have struggled to convince their LPs to commit to further investments. Despite these challenges, Austria continues to have a strong startup ecosystem, with growth expected in areas such as industrial AI and robotics.

## Nordics region sees solid VC investment following robust Q2'26

After a robust Q2'26, VC investment in the Nordic region fell quarter over quarter but remained relatively strong compared with historical norms. Despite a traditional summer lull in dealmaking activity, the region saw several large funding rounds, including a \$700 million raise by preventive healthcare company Neko Health and a \$400 million raise by AI-powered website and app development platform Lovable, both in Sweden.

The strength of the Nordic VC ecosystem was also on display in Q3'26, with Sweden-based private equity firm EQT given clearance to begin making investments for the EU's €5 billion Scale-up Europe Fund — a VC fund focused on helping European startups scale in strategic sectors such as AI, robotics, spacetechnology, semiconductors, medtech and biotech.<sup>4</sup> EQT was selected as the fund's manager in Q2'26.<sup>5</sup>

## Soft quarter for VC investment in Ireland

Q3'26 was a relatively soft quarter for VC investment in Ireland, driven primarily by smaller deal sizes and a greater proportion of early-stage deals than had been seen over the previous 12 to 18 months. While the limited later stage activity and greater focus on early-stage deals is likely a matter of timing, the trend will be something to watch heading into Q4'26. While Ireland has a strong startup ecosystem and a strong founder community, particularly in fintech and life sciences, there is some commentary about its reliance on global capital to scale businesses given the increasingly disrupted world. This is driving discussion about how to broaden the domestic VC capital base, particularly for follow-on funding and later-stage fundraising. This will also be a key area to watch heading into Q4'26 and 2027.

## Exits remain muted in Europe

Within Europe, exits remained a challenge in Q3'26. Finland-based smart-ring company Oura was a notable example: despite strong investor interest, the company postponed its planned US IPO at the end of September, citing uncertainty in the IPO market. The delay reflects the cautious exit environment facing even high-growth European companies.

The protracted softness in Europe's exit environment, combined with increasingly large VC deal sizes, has raised questions about where and how Europe-based companies will be able to exit and provide desired investor returns. Given the level of interest and the number of companies undertaking readiness exercises, particularly in the Nordic region, there is some hope that the IPO environment will improve over the coming quarters.

<sup>4</sup> Press release "[Scaleup Europe Fund to start making investments](#)" 3 August 2026, European Commission. Accessed 27 September 2026.

<sup>5</sup> Press release "[European Innovation Council selects EQT to lead €5 Billion Scaleup Europe Fund](#)" 17 May 2026. European Commission. Accessed 27 September 2026.

# Large VC rounds help keep VC investment in Europe solid (Cont.)



## Trends to watch for in Q4'26

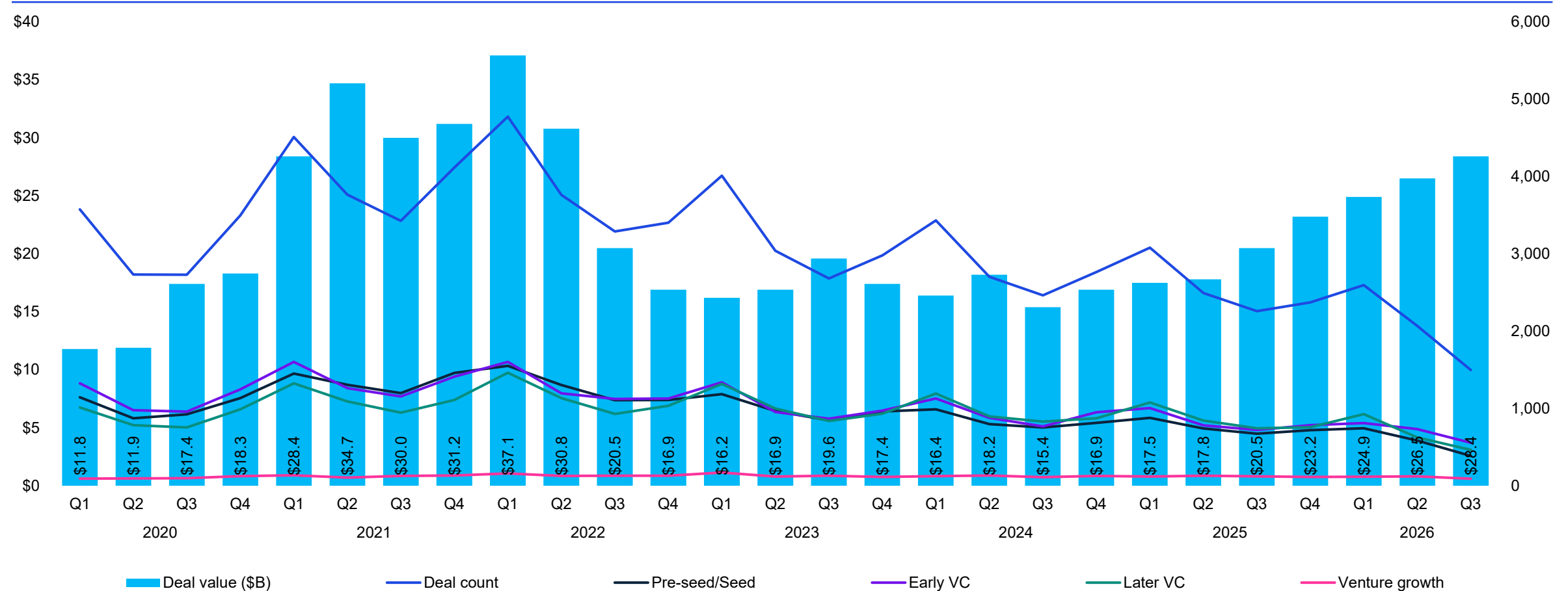
VC investment in Europe is expected to remain quite robust, driven by a continued focus on AI, defensetech, alternative energy and deeptech. Spacetech is also expected to gain ground among investors, particularly in Germany. On the AI front, industry-specific solutions, physical AI and the infrastructure supporting the delivery of AI, including energy generation and semiconductors, are expected to remain core areas of VC investment.

Given ongoing geopolitical uncertainties, governments across Europe are expected to continue supporting the development and scale-up of domestic and regional companies in critical sectors through initiatives such as the UK's Sovereign AI Fund and the EU's Scale-up Europe Fund. As these funds increasingly make investments, they could help spur additional investment.

# AI lifts European VC to another quarterly gain

## Venture financing in Europe

2020–Q3'26



Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Down rounds stay rare across Europe

## Median deal size (\$M) by stage in Europe

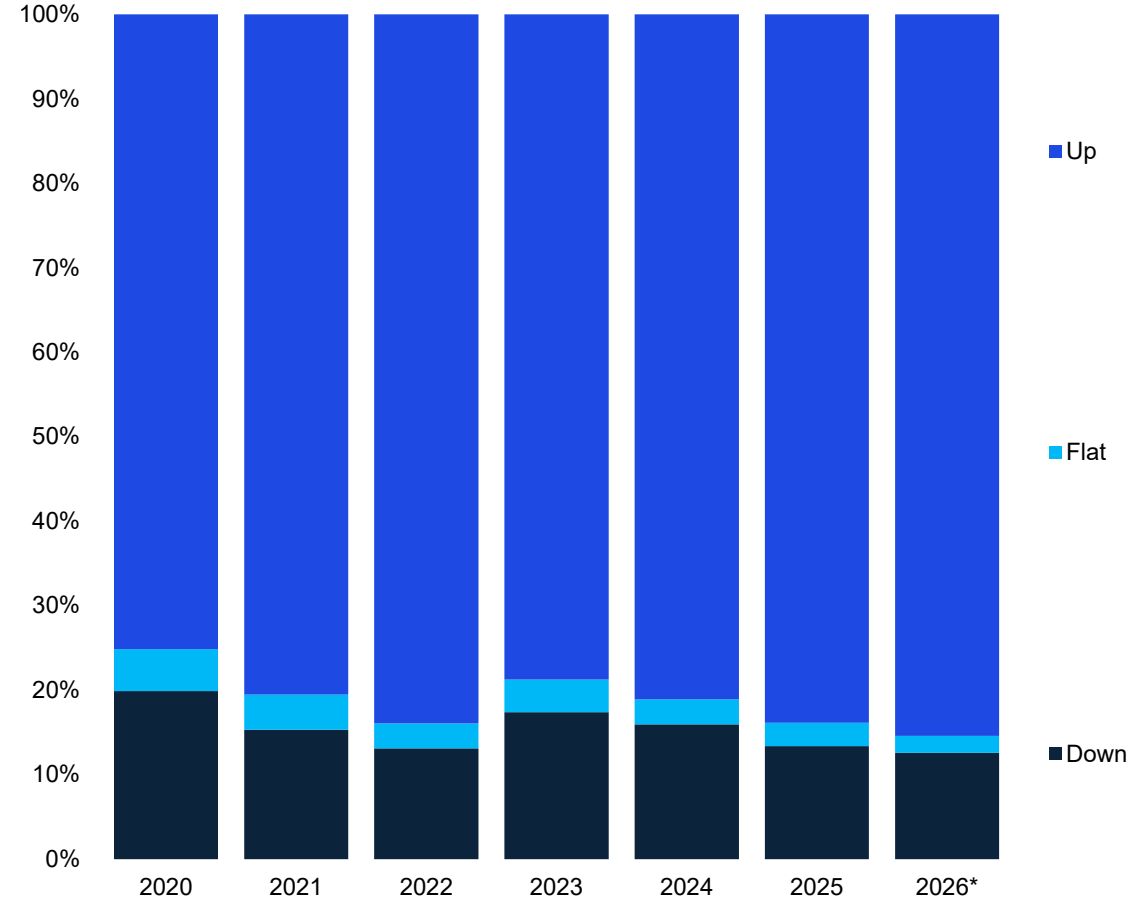
2020–2026\*



Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

## Up, flat or down rounds in Europe

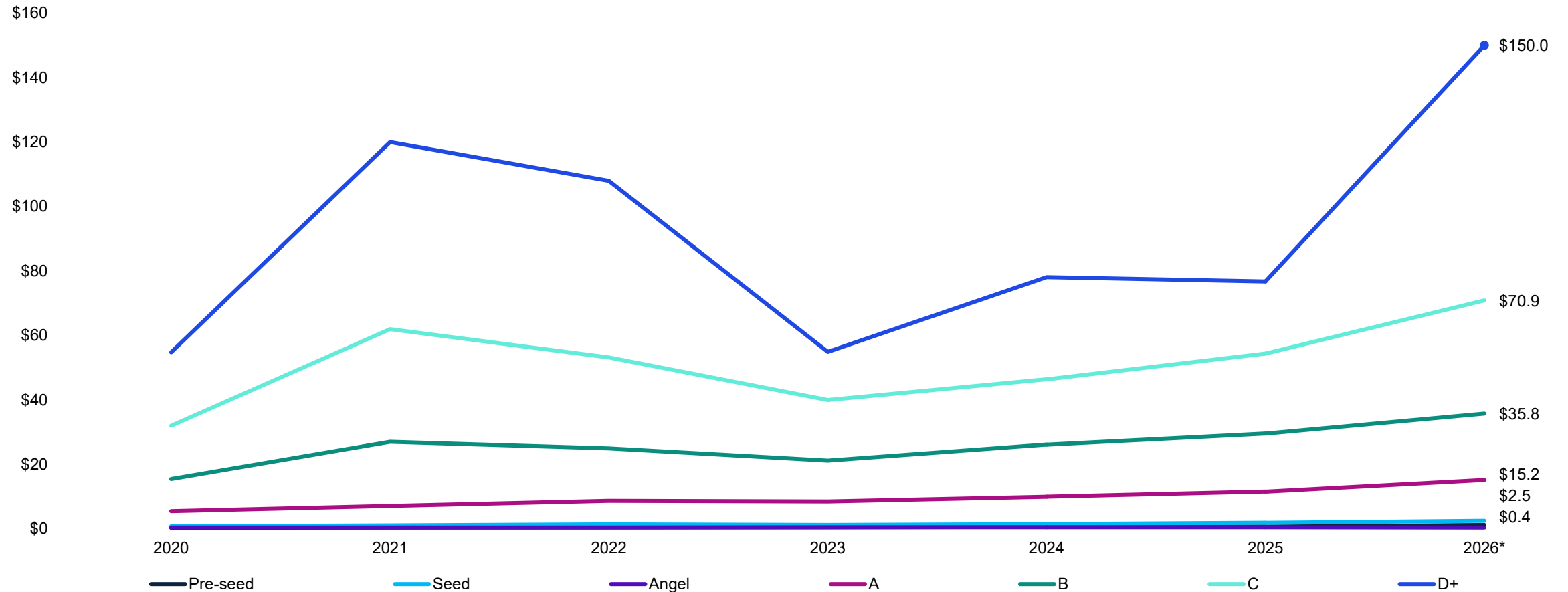
2020–2026\*



# Financing sizes stay robust across series

## Median deal size (\$M) by series in Europe

2020–2026\*

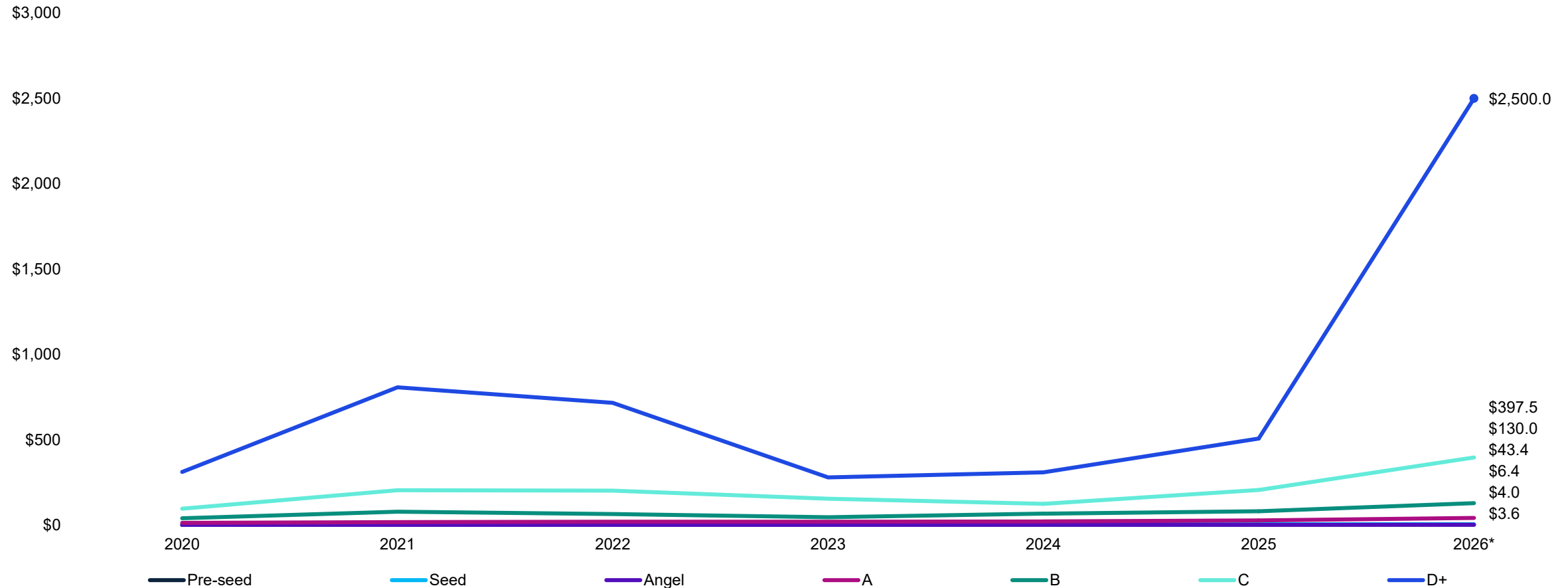


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# European venture valuations rise across funding stages in 2026

## Median pre-money valuation (\$M) by series in Europe

2020–2026\*



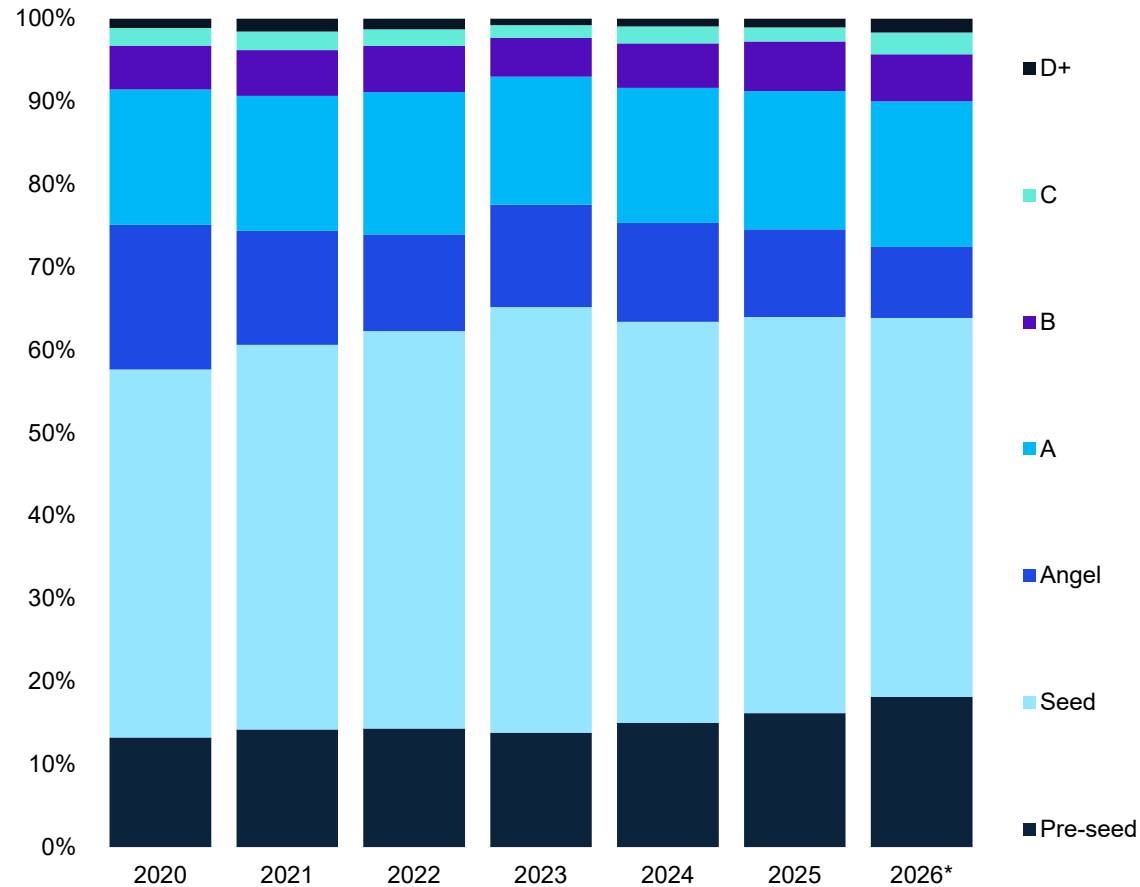
Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

Note: 2026 Series D+ data point is based a population sized n = 28.

# Deals tilt to the earliest stages, capital to the latest

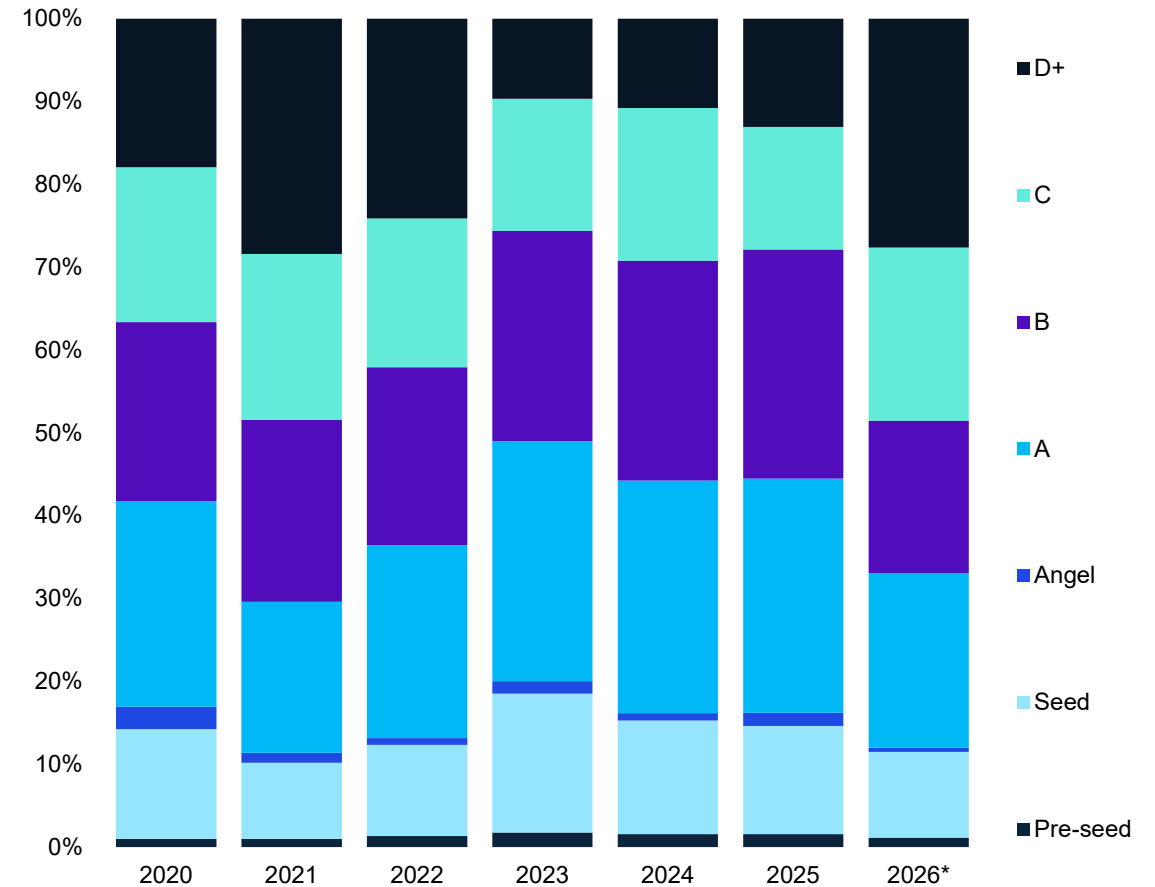
## Deal share by series in Europe

2020–2026\*, number of closed deals



## Deal share by series in Europe

2020–2026\*, VC invested (\$B)

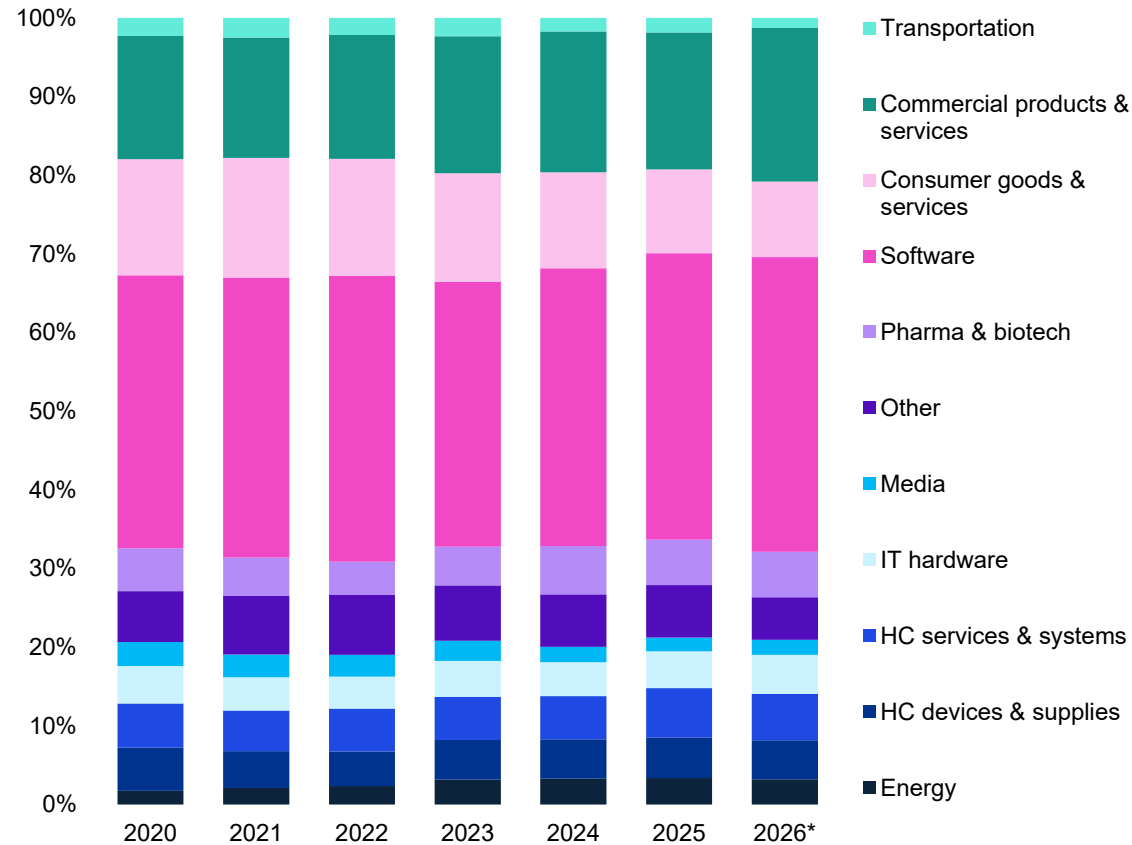


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# AI keeps software near a record European share

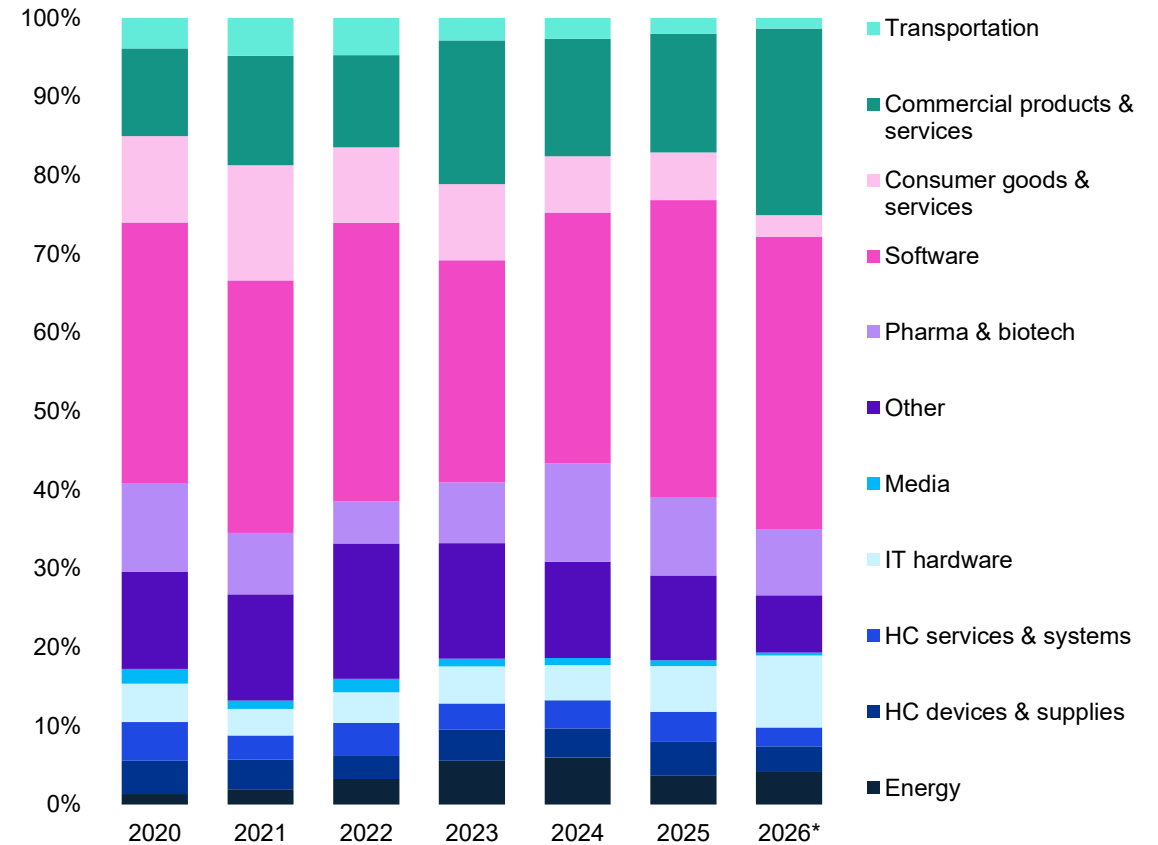
## Venture financings by sector in Europe

2020–2026\*, number of closed deals



## Venture financings by sector in Europe

2020–2026\*, VC invested (\$B)

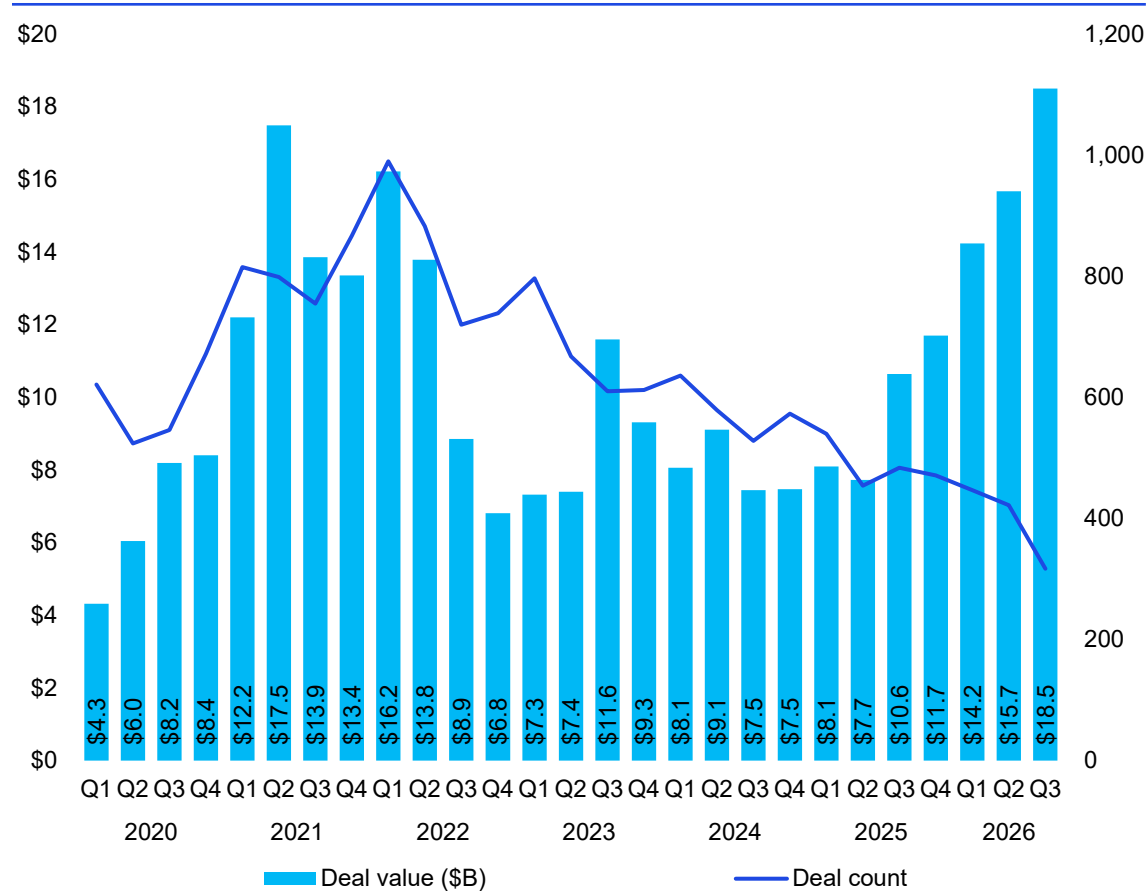


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Corporate investors pile into Europe's largest rounds

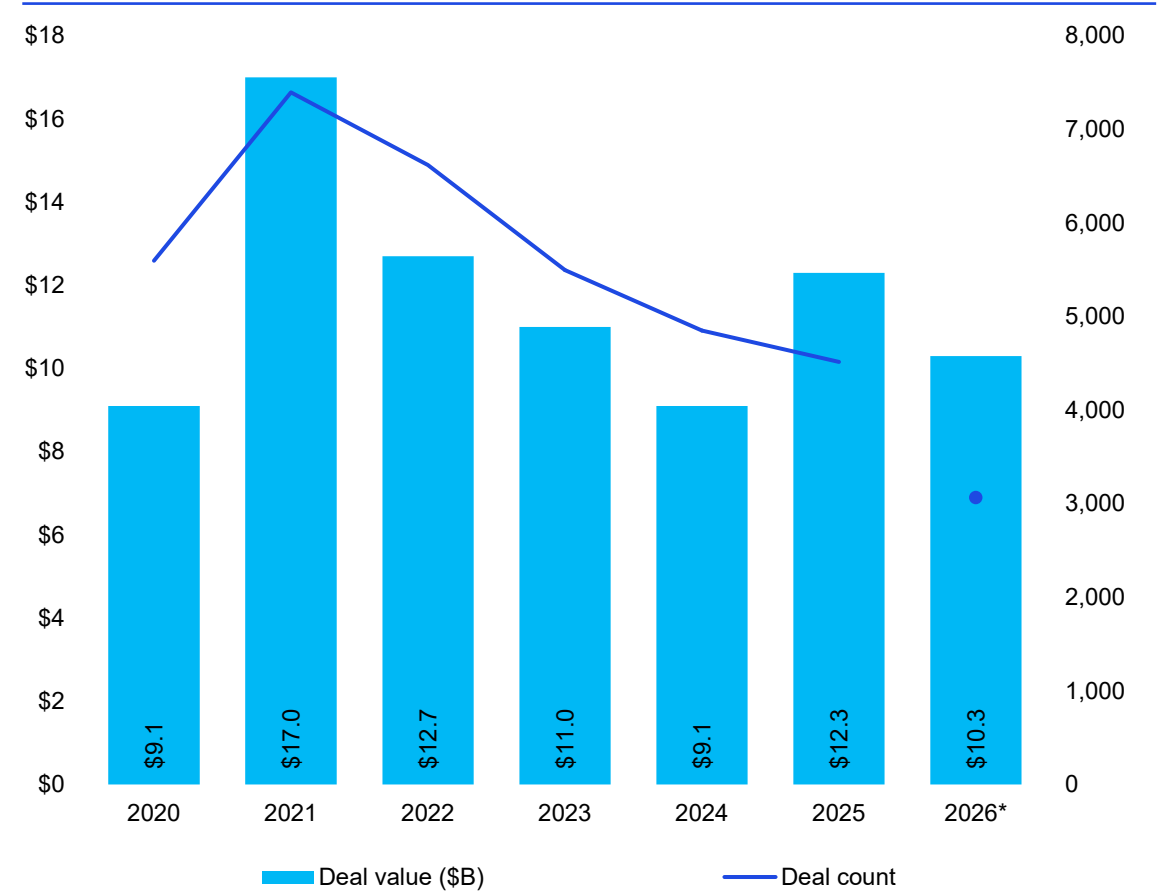
## Corporate VC participation in venture deals in Europe

2020–Q3'26



## First-time venture financings of companies in Europe

2020–2026\*

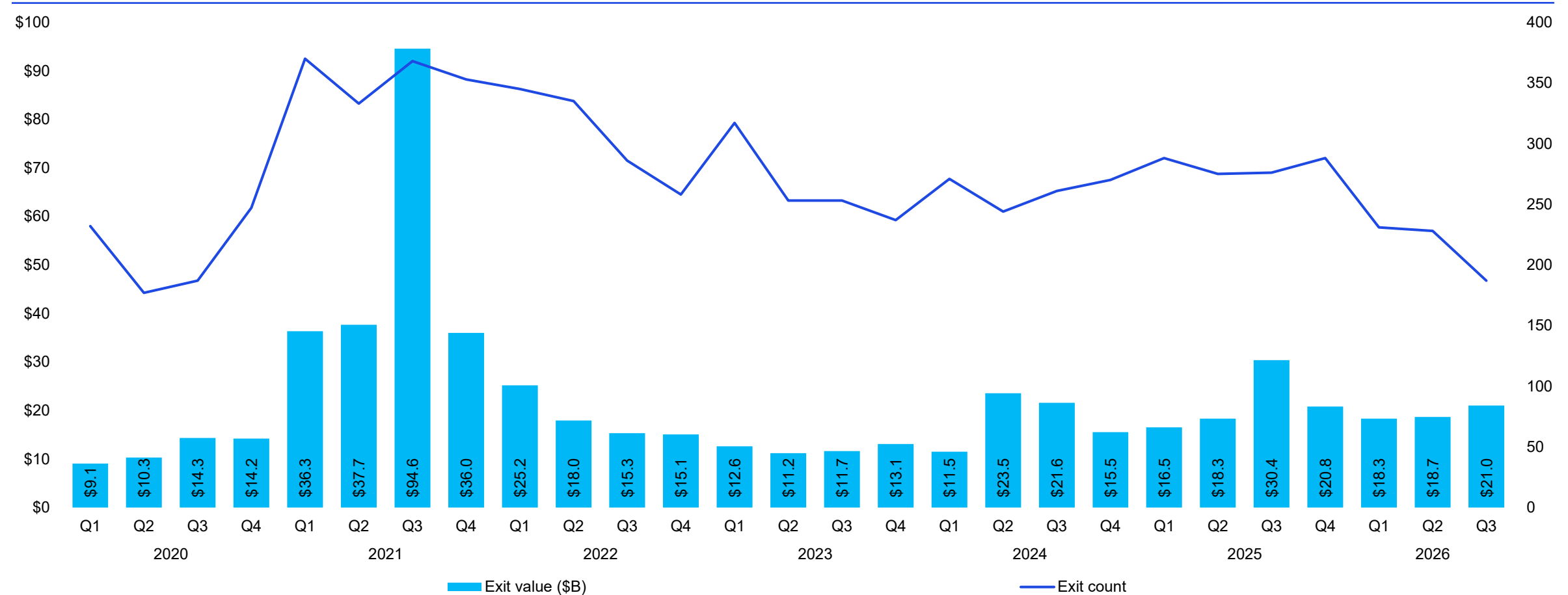


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# European exit value remains steady

## Venture-backed exit activity in Europe

2020–Q3'26

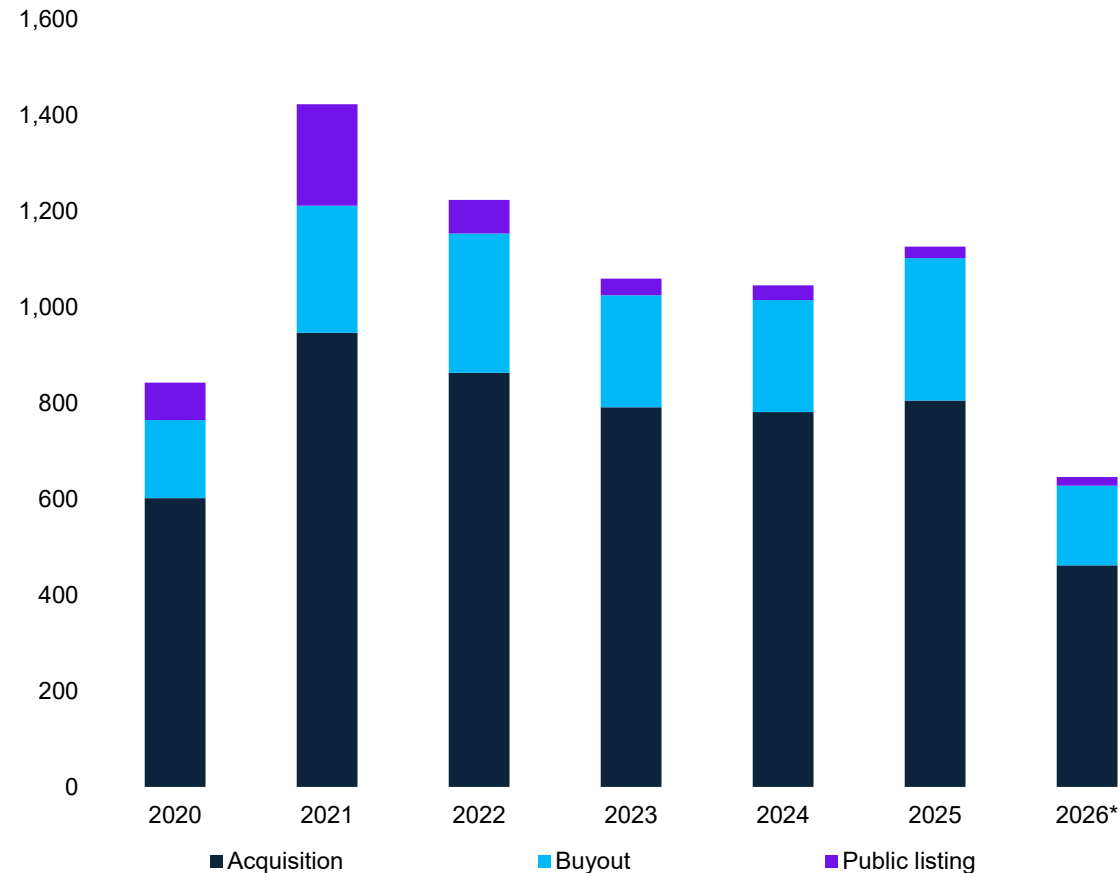


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# M&A keeps propelling European exit value

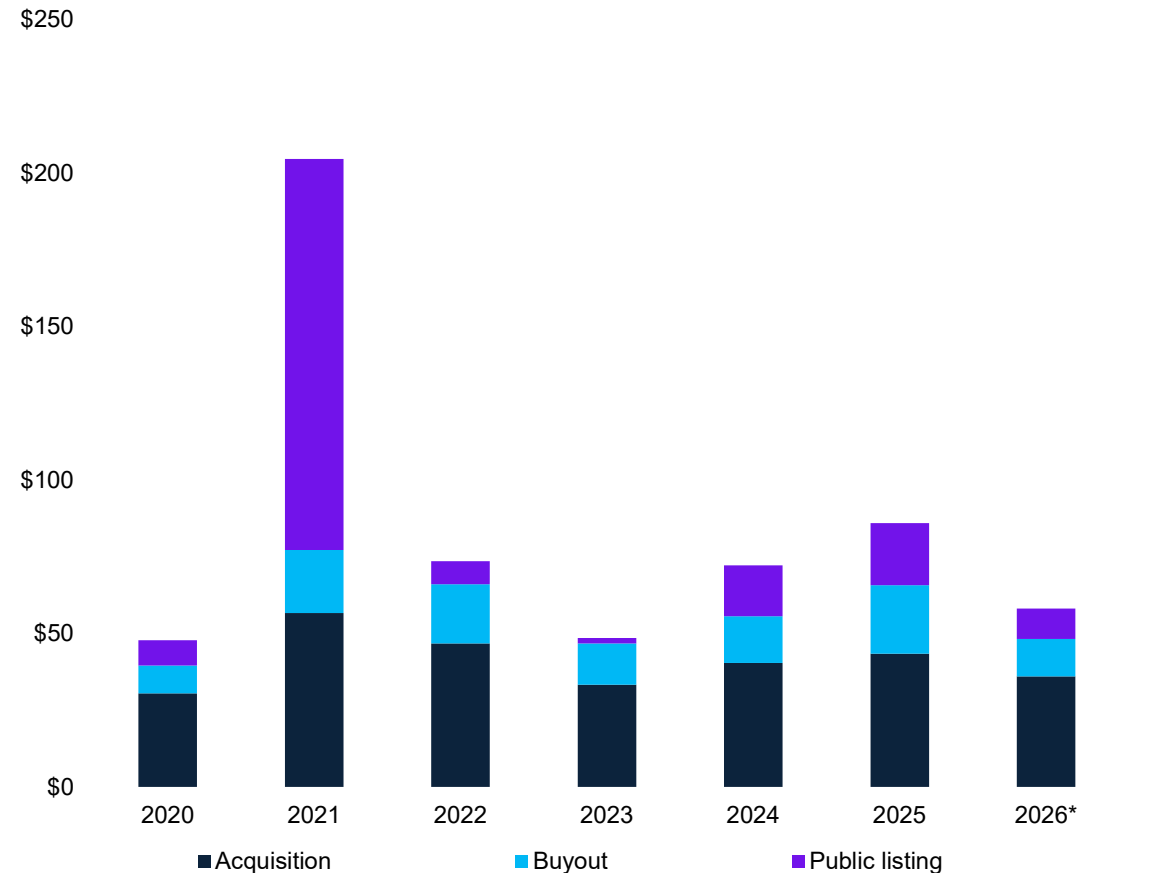
## Venture-backed exit activity (#) by type in Europe

2020–2026\*



## Venture-backed exit activity (\$B) by type in Europe

2020–2026\*

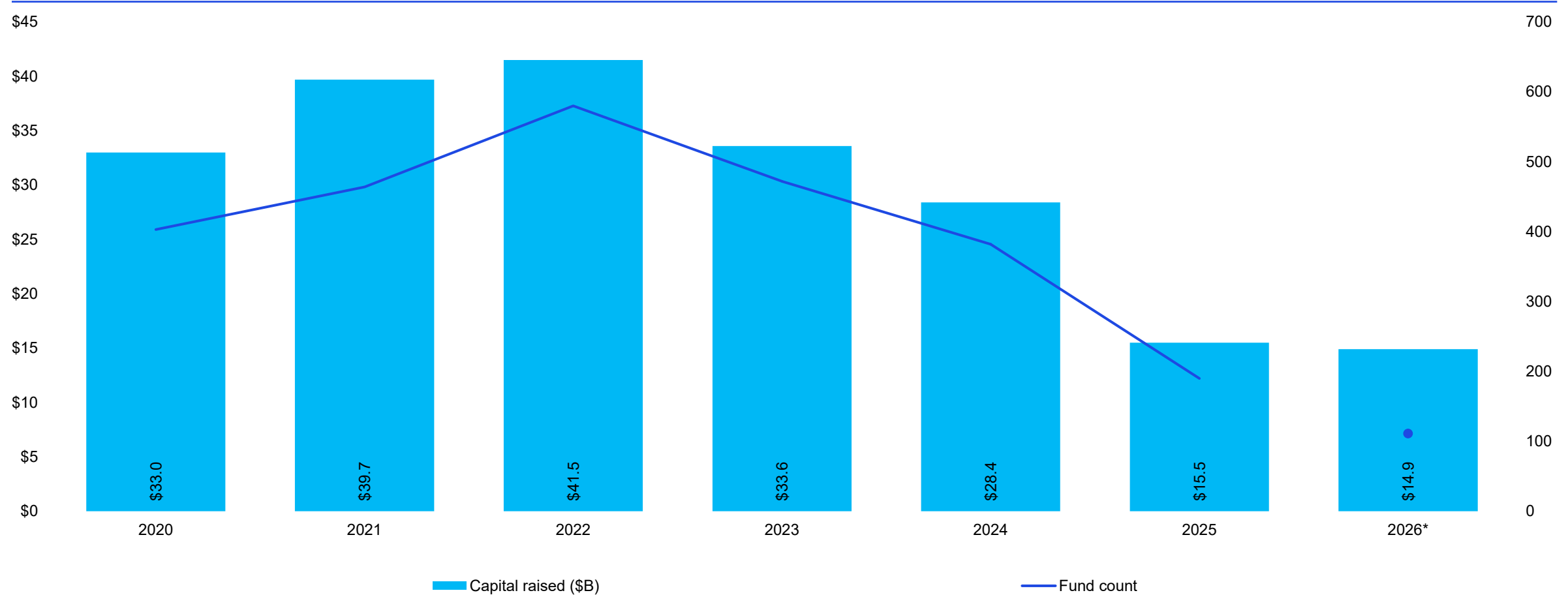


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# European fundraising has yet to recover, though may end up higher than last year

## European venture fundraising

2020–2026\*

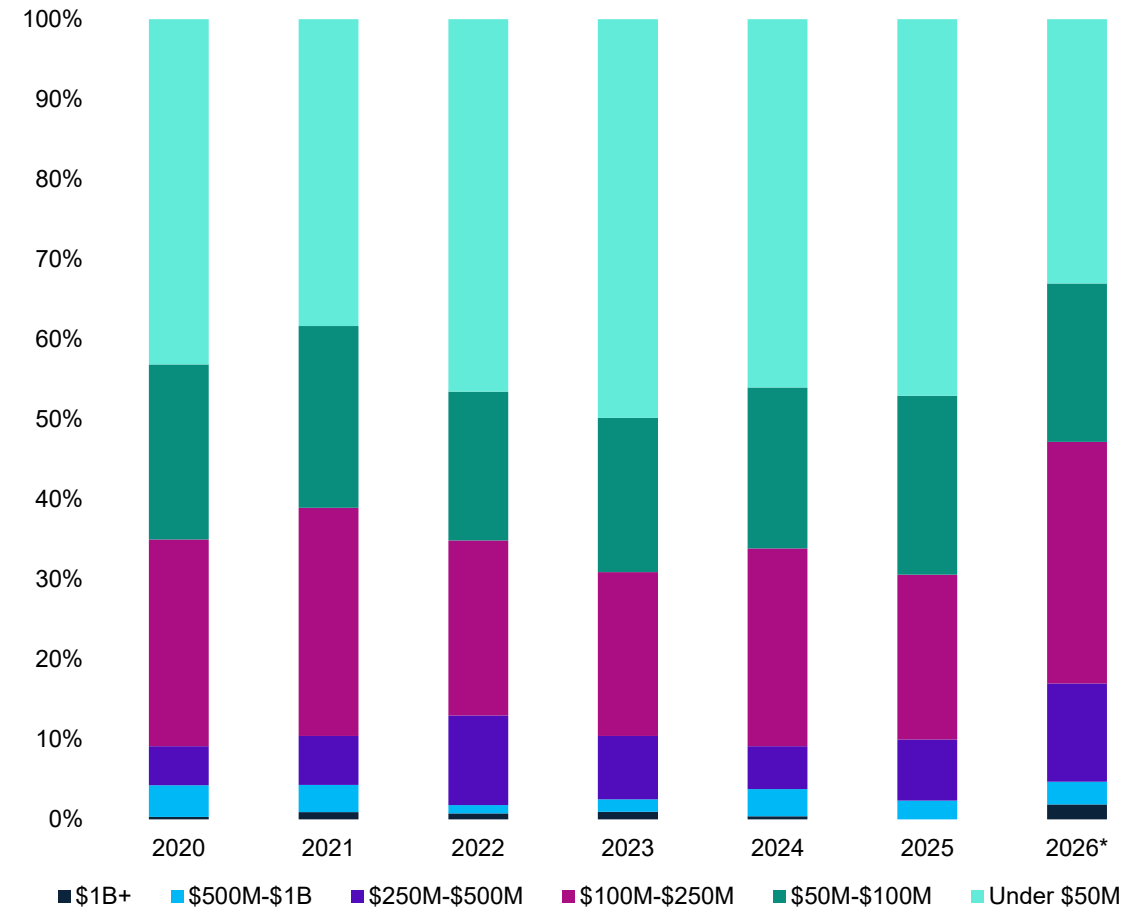


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Large LPs stay on the sidelines, except for the most established firms

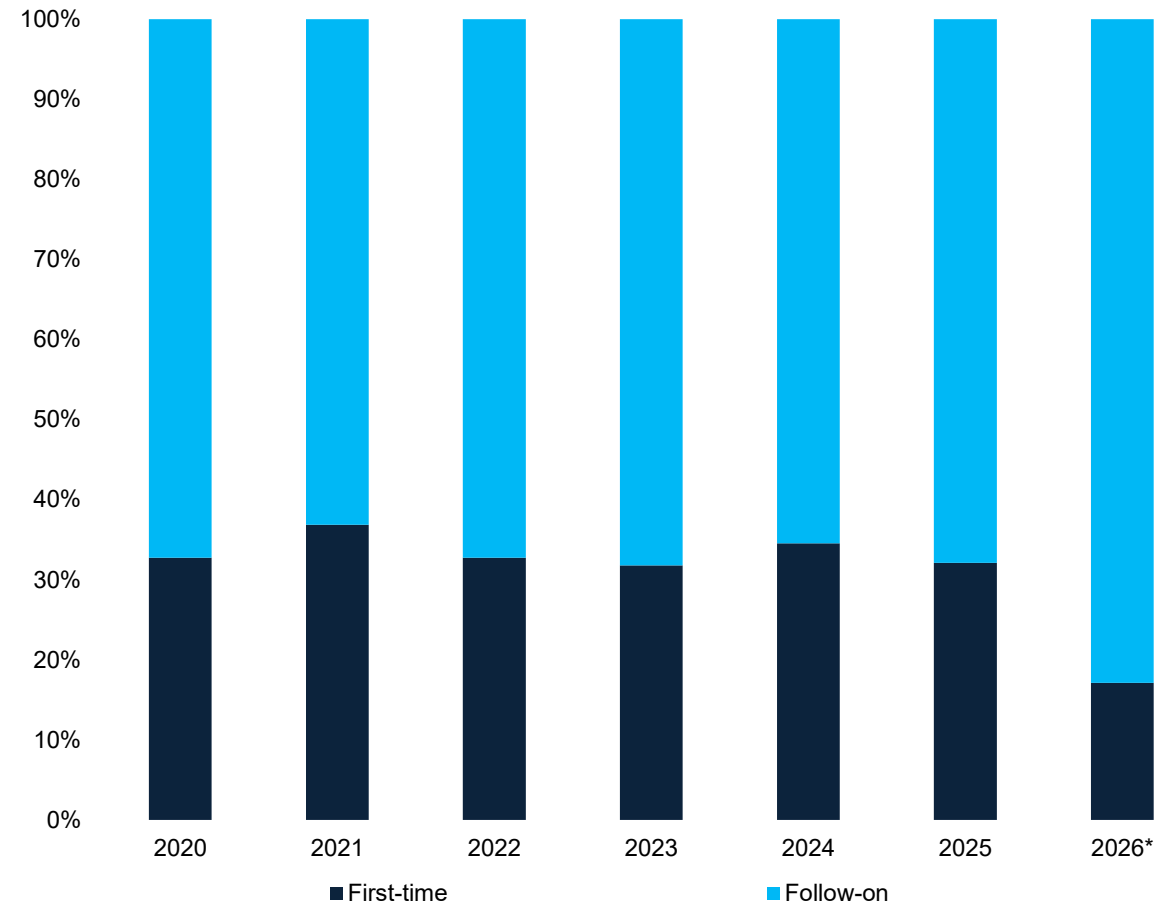
## Venture fundraising (#) by size in Europe

2020–2026\*



## First-time vs. follow-on venture funds (#) in Europe

2020–2026\*

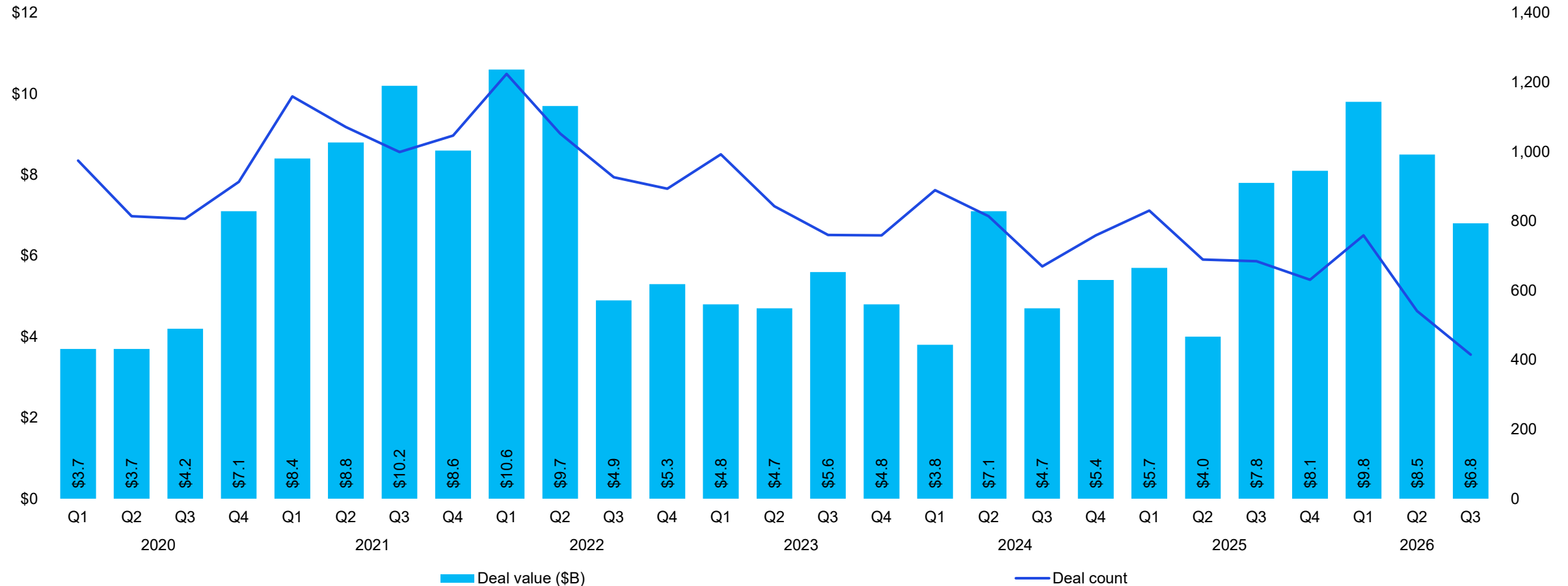


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# UK dealmaking slows from megadeal highs

## Venture financing in the United Kingdom

2020–Q3'26

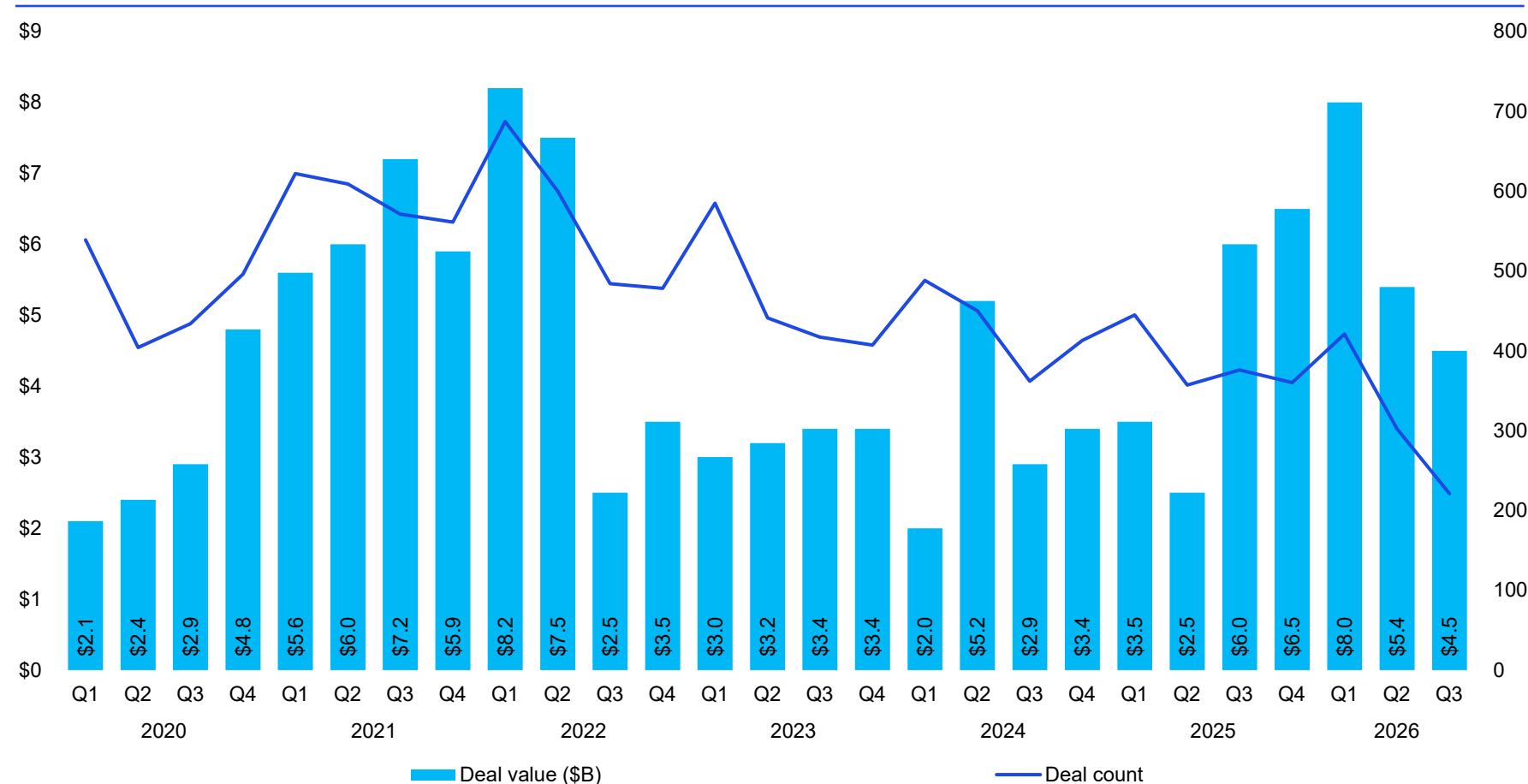


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# London stays strong as total deal count eases

## Venture financing in London

2020–Q3'26



Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

“As VCs apply greater rigor ahead of term sheets and reassess risk, companies coming to market are better prepared, backed by more sustainable unit economics, clearer narratives, and larger, defensible markets. Those that aren't quite ready are choosing to wait and resolve any meaningful issues ahead of market approach. After a prolonged downturn, the market appears to be moving through correction and towards a new normal, where fewer but higher quality and larger deals are getting done.”

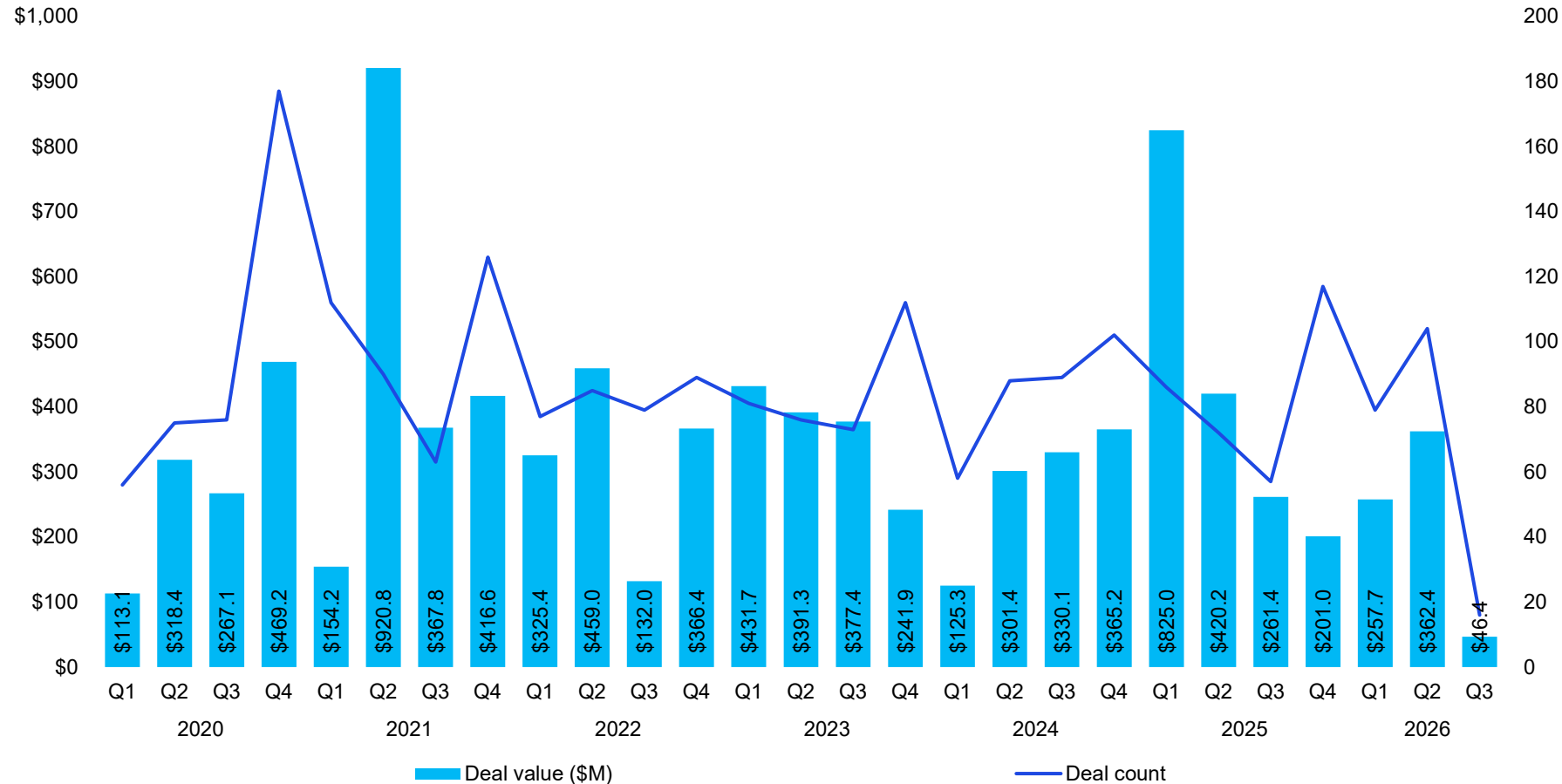


**Patrick Molyneux**  
Partner  
KPMG in the UK

# Irish VC invested drops off in Q3

## Venture financing in Ireland

2020–Q3'26



Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

“While investment into Irish start-ups has been strong over the past number of years, one question that is getting asked in the Irish market at the moment is whether we have a sufficiently broad capital base to propel Irish businesses forward in a world where maybe there’s more international competition — particularly for later stage VC funding. There is loads of capital, but also more competition for that capital given how certain sectors have such a high demand for it.”

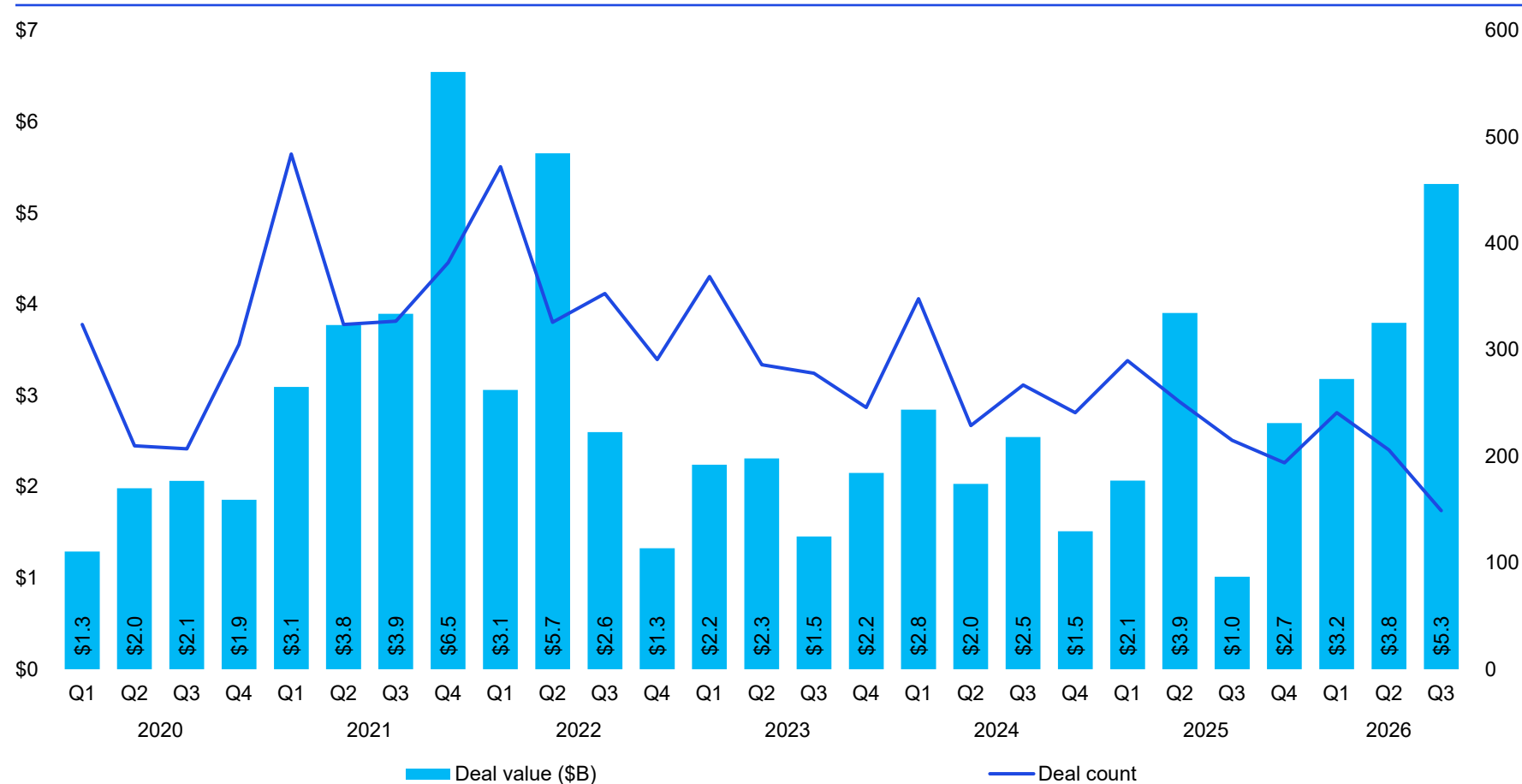


**Gavin Sheehan**  
Partner  
Deal Advisory  
KPMG in Ireland

# Megadeals drive German VC to a multi-quarter high

## Venture financing in Germany

2020–Q3'26



Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

“It’s remarkable how much VC funding is going into deeptech. Investors are showing a strong willingness to back highly capital-intensive technologies. Fusion is a prime example: it remains uncertain whether we’ll see commercially viable fusion power within the next ten years, yet we’re seeing some exceptional financing rounds in the space. Deeptech is increasingly becoming an institutional investment case.”

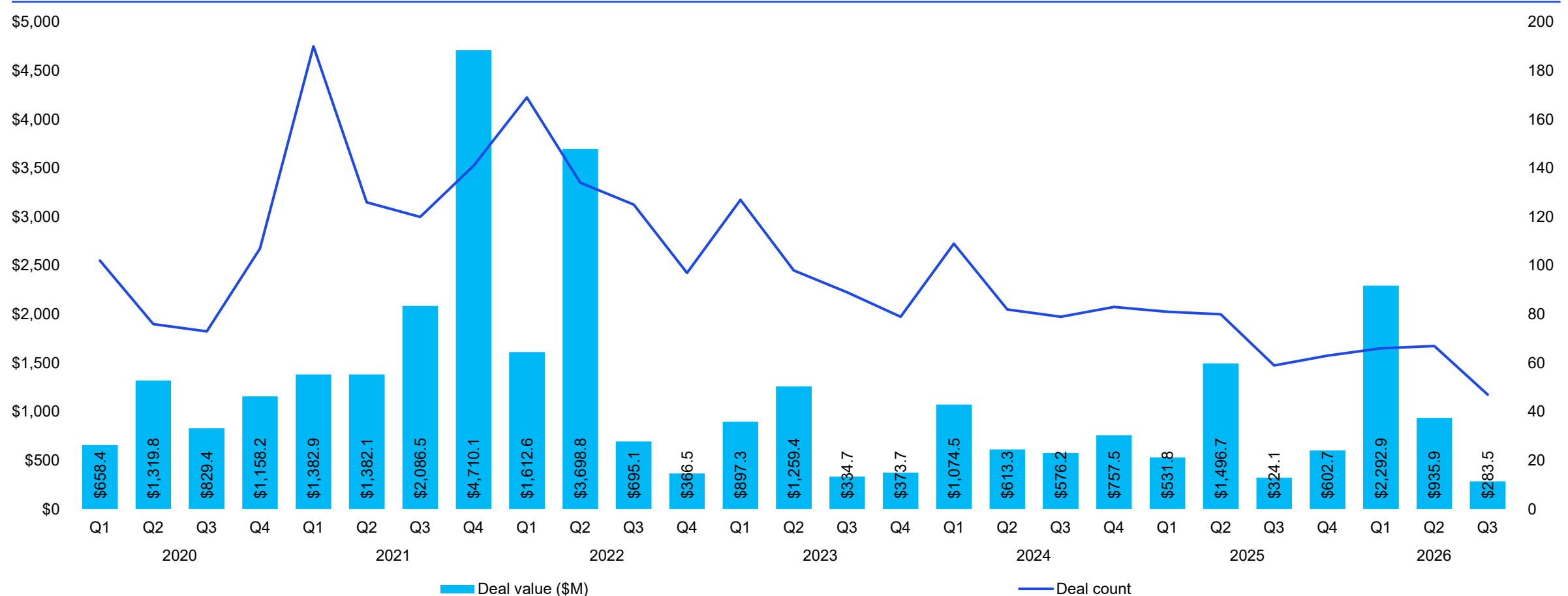


**Florian Merkel**  
Director of Tax,  
Head of Venture  
Services  
KPMG in Germany

# Berlin's pace slows

## Venture financing in Berlin

2020–Q3'26

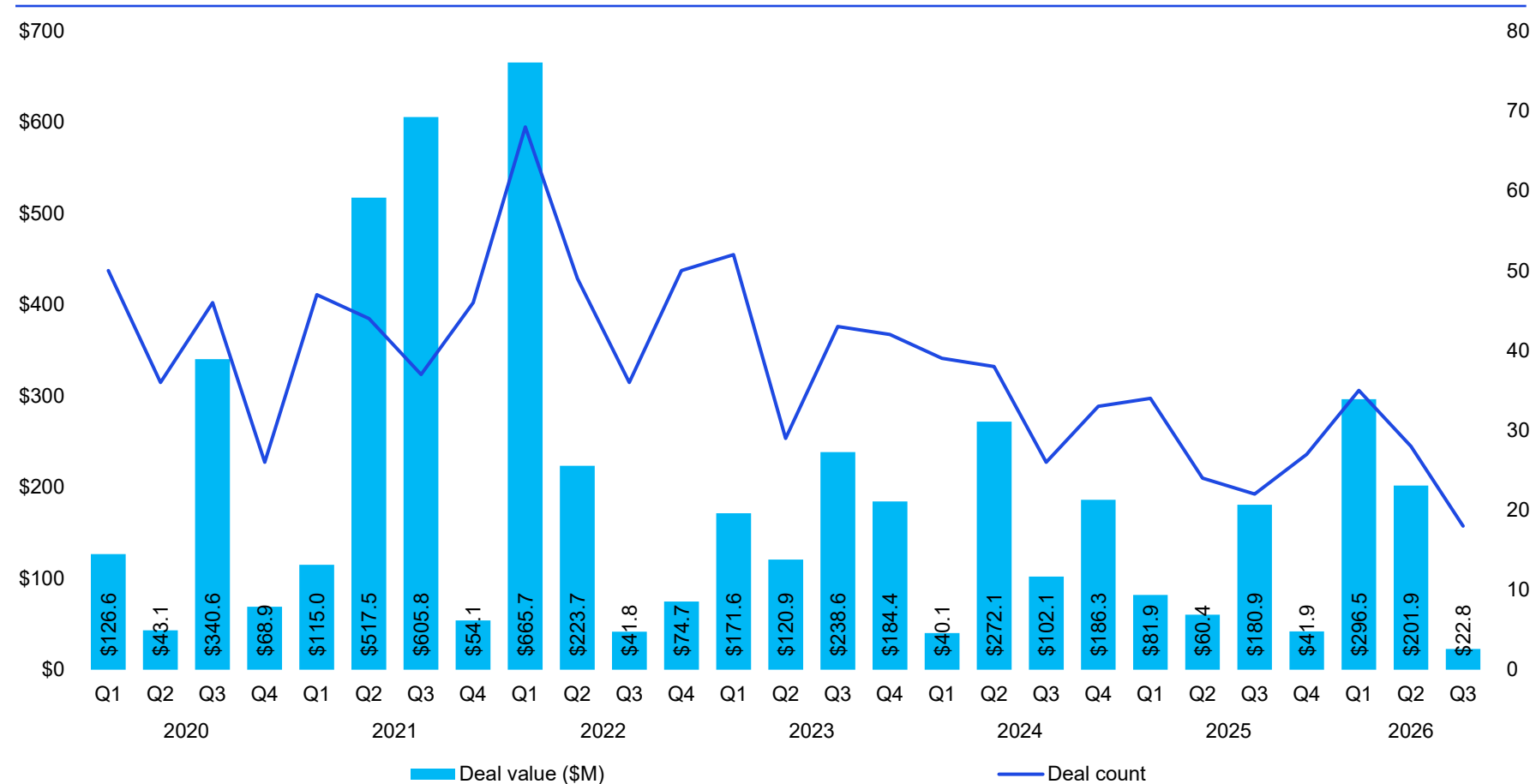


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Austrian VC fades after a strong start

## Venture financing in Austria

2020–Q3'26



Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

“The Austrian market is clearly polarizing. VC money is flowing into AI, in fewer but much larger tickets, which has created standout successes. Meanwhile, classic SaaS businesses that lack a credible AI story are facing tough funding conversations. For these companies, repositioning around AI is no longer optional. It is a question of survival.”



**Leonardo Peikoff**  
Head of Startups  
Manager  
KPMG in Austria

# Spain holds a healthy tally

## Venture financing in Spain

2020–Q3'26

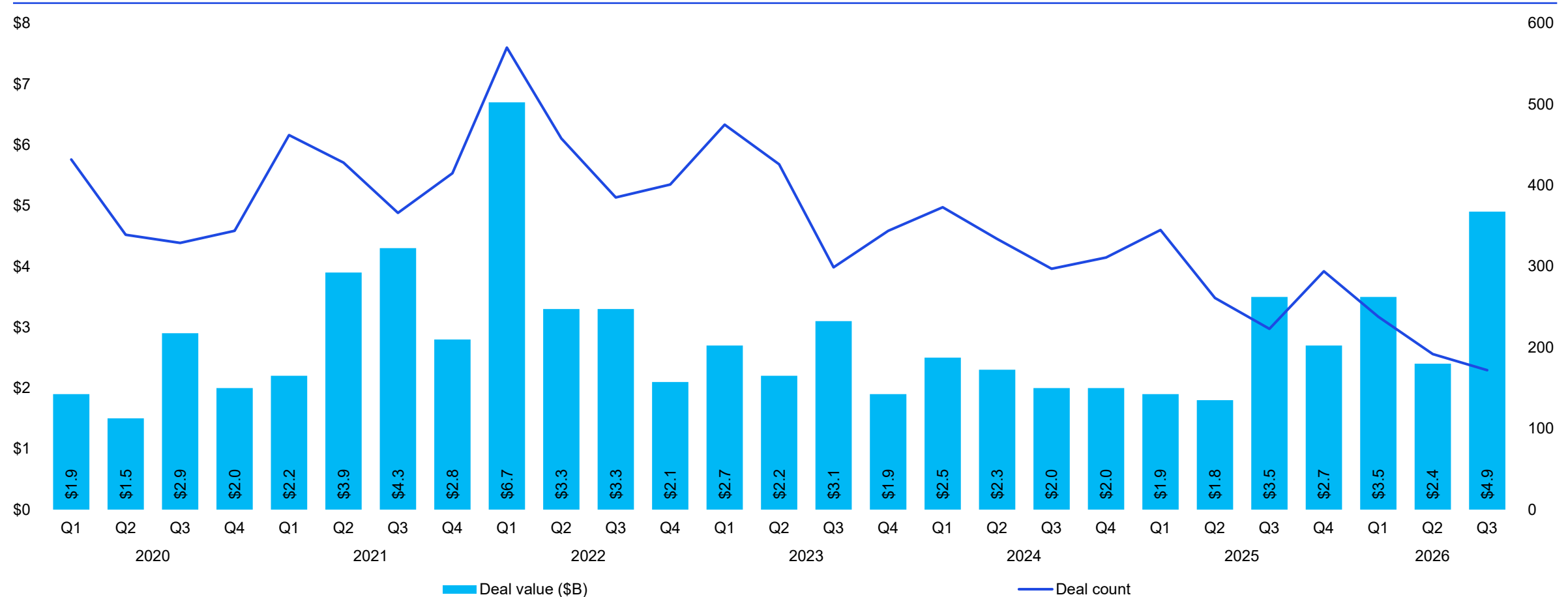


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# France surges to a multi-quarter high

## Venture financing in France

2020–Q3'26

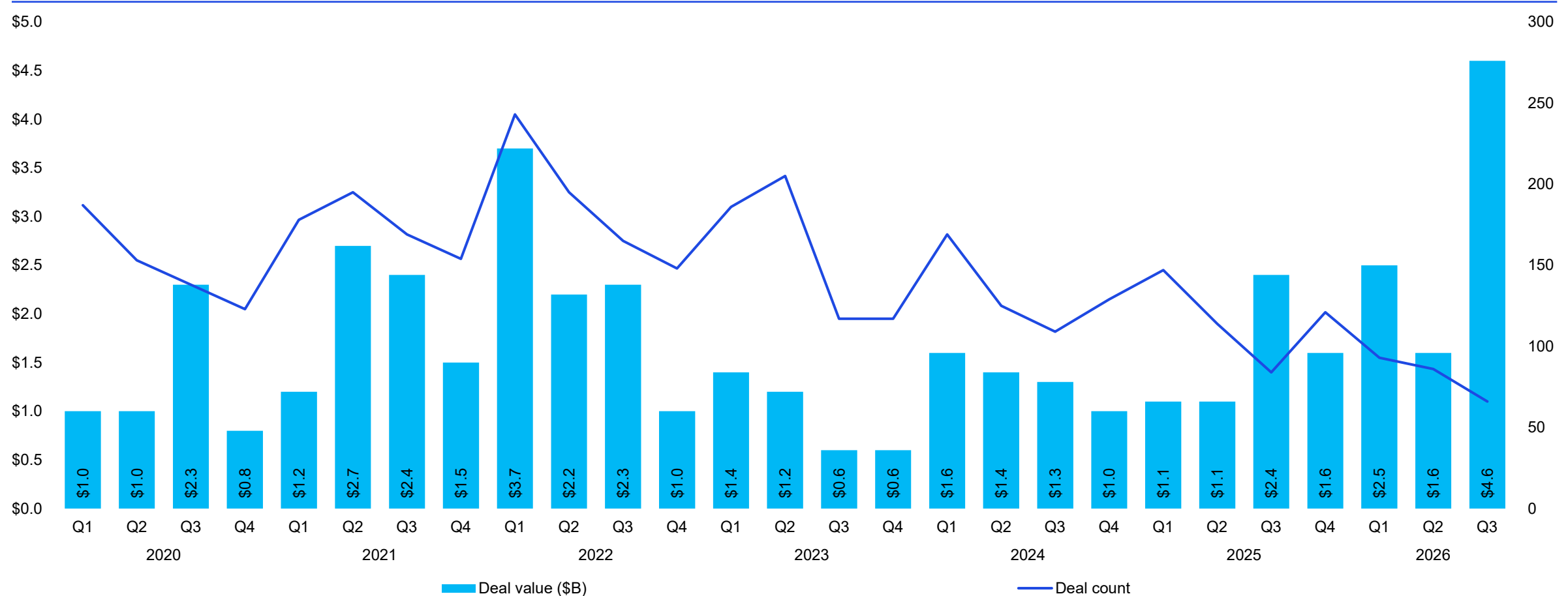


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Mistral's megaround vaults Paris to a high

## Venture financing in Paris

2020–Q3'26

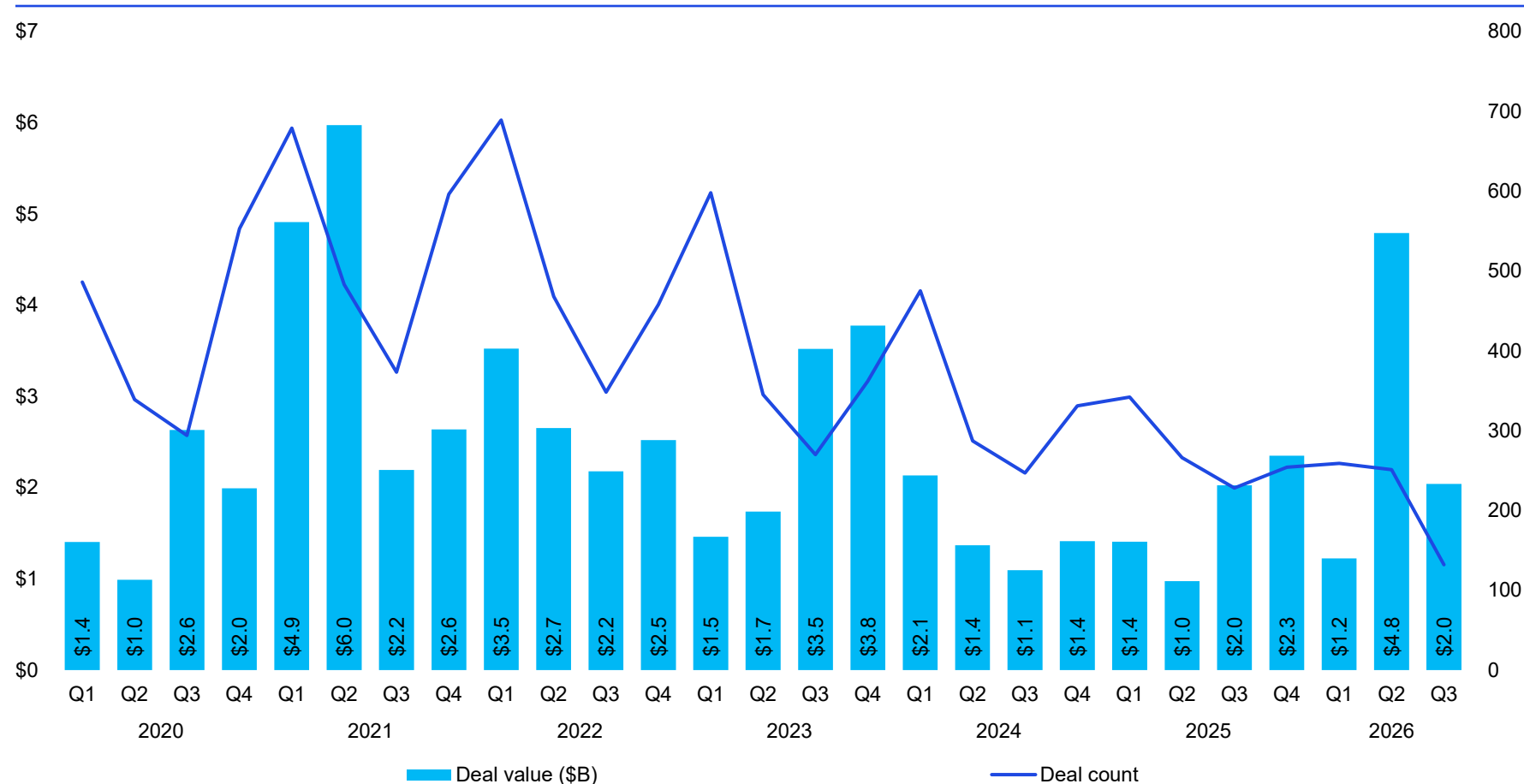


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Nordic funding stays healthy, albeit off its peak

## Venture financing in the Nordics

2020–Q3'26



Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

“The Nordic growth ecosystem continues to demonstrate real depth. Strong venture funding is increasingly complemented by functioning public markets, giving ambitious technology companies different routes to finance their next phase of growth. The recent momentum in Finland, including Steady Energy and Sensofusion, is particularly encouraging and shows that the path from private growth capital to the public markets is opening again.”

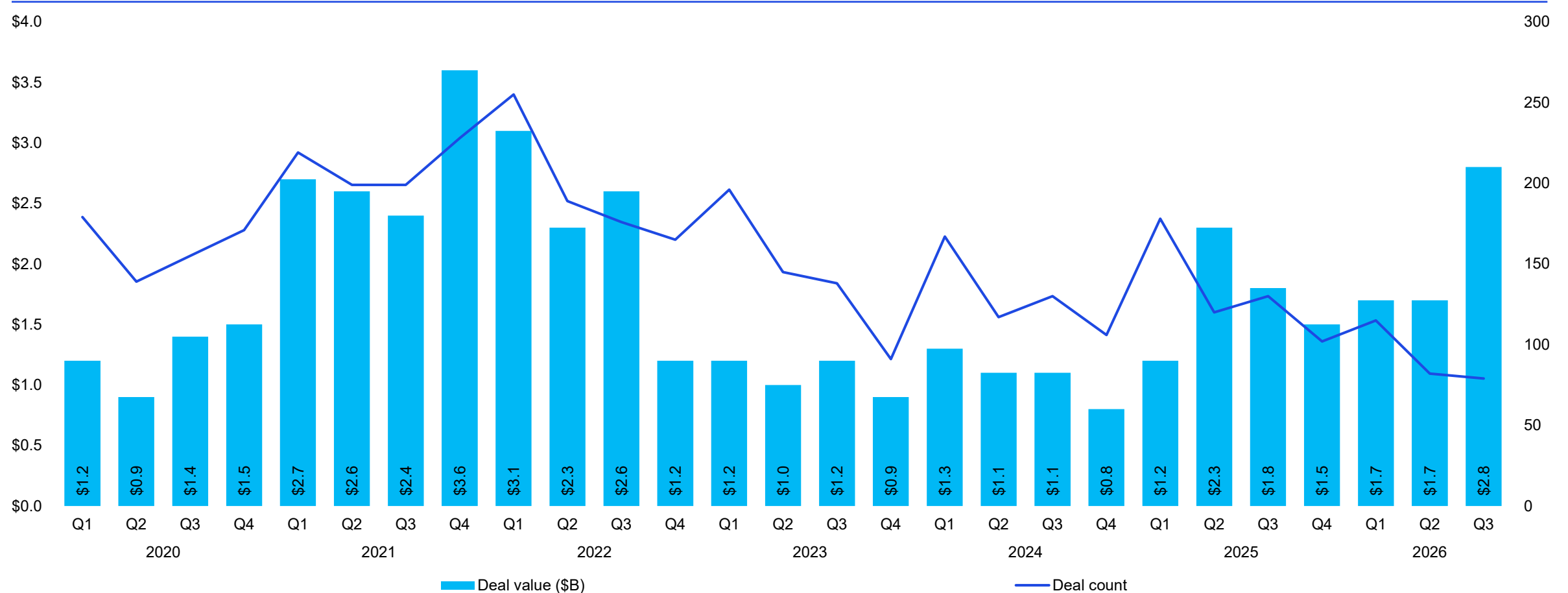


**Jussi Paski**  
Partner, Head of  
Private Enterprise  
KPMG in Finland

# Israel extends its robust run to a high

## Venture financing in Israel

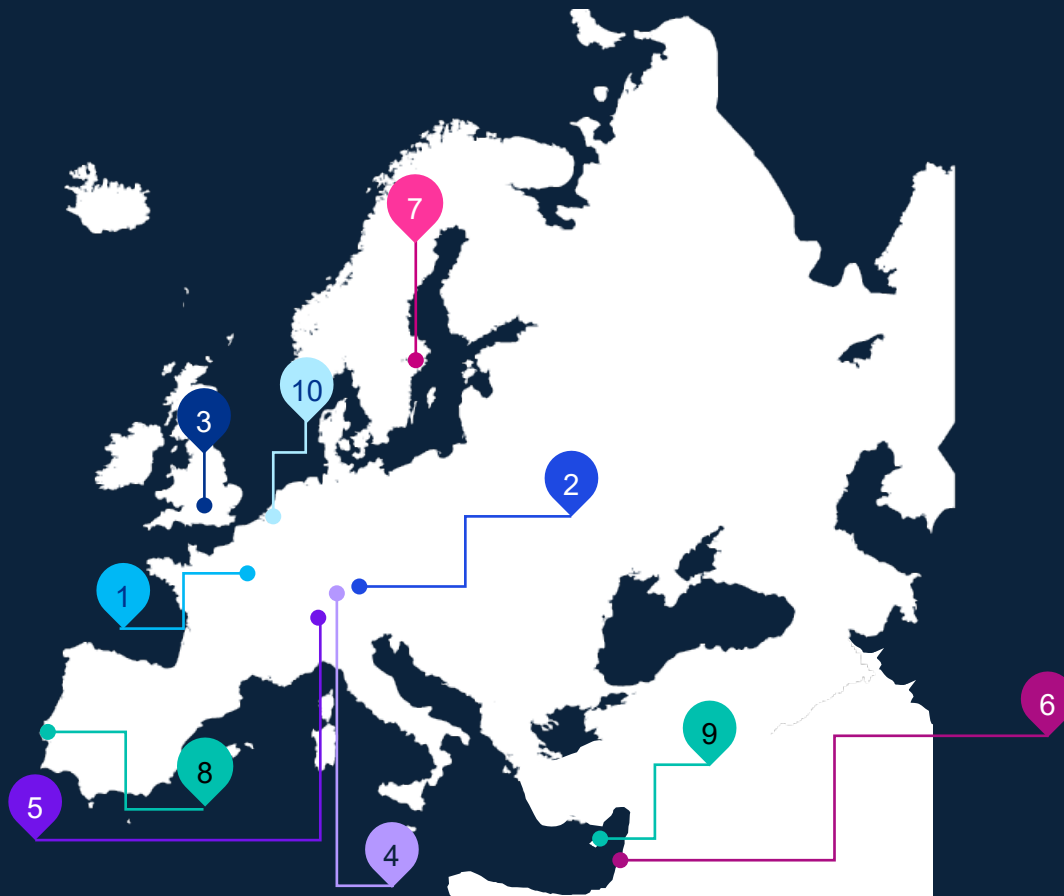
2020–Q3'26



Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Thematic-driven sectors dominate Q3 rankings

## Top financings in Q3'26 in Europe



1. **Mistral AI** — \$3.5B, Paris, France — AI & ML — *Series D*
2. **Helsing** — \$1.8B, Munich, Germany — Defensetech — *Series E*
3. **Wayve** — \$1.2B, London, UK — Automotive — *Series D*
4. **Quantum Systems** — \$1.2B, Gilching, Germany — Aerospace & defense — *Series D*
5. **Domyn** — \$1.1B, Milan, Italy — AI & ML — *Series B*
6. **Cyera** — \$1B, Tel Aviv, Israel — Cybersecurity — *Series G*
7. **Neko Health** — \$700M, Stockholm, Sweden — Healthtech — *Series C*
8. **TEKEVER** — \$580M, Lisbon, Portugal — Aerospace & defense — *Series D*
9. **International Wealth Group** — \$550M, Limassol, Cyprus — Fintech — *Late-stage VC*
10. **Wonderful** — \$550M, Amsterdam, Netherlands — AI & ML — *Series C*

Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

**In Q3'26, VC-backed  
companies in the  
Asia region raised  
\$39.8 billion across  
2,698 deals**

# VC investment in Asia maintains strength as China continues to see resurgence

Despite a dip from \$44.6 billion to \$39.8 billion quarter over quarter, VC investment in Asia continued to show strength compared with the levels seen since 2022. The resurgence of VC investment in China helped buoy regional investment, even as VC investment in India fell to its lowest level in six quarters. In Japan, VC investment held relatively steady quarter over quarter.

## Large megadeals drive significant VC investment in Asia

Four \$1 billion-plus megadeals accounted for approximately one-quarter of all VC investment in Asia during Q3'26. The AI space accounted for the three largest deals: a \$3.5 billion raise by China-based AI model company Beijing Moonshot Technology (Moonshot AI), a \$3 billion raise by China-based video-generation firm Kling AI, and a \$2 billion raise by Australia-based AI infrastructure company Firmus Technologies.

## Investment momentum picking up in China

The VC market in China continued to gain momentum in Q3'26, driven by an improving macroeconomic environment, strong IPO activity — particularly in Hong Kong — an increasingly active late-stage deal environment and robust secondary market activity. Capital deployment improved considerably as the success of startups, including those that have gone public, boosted the confidence of VC investors. Institutional investors and family offices also showed increasing willingness to make secondary investments in companies with proven fundamentals and strong cash flow capabilities. China also saw the emergence of a significant number of new unicorn companies in Q3'26, driven in part by growing demand for alternatives to US market players in critical areas such as semiconductors.

## VC investors in Japan show pronounced selectivity

The VC market in Japan showed clear signs of selectivity in Q3'26 rather than a broad-based market recovery. While investment capital remained available, VC investors increased their scrutiny of target companies, including their growth stages and intended use of funds, and made larger investments in a smaller number of companies. During the quarter, Japan attracted several large funding rounds, including Kyoto Fusioneering (\$105 million in equity),<sup>6</sup> sustainability management company Asuene (\$43.8 million in equity)<sup>7</sup> and autonomous-driving company Turing (\$43 million in equity).<sup>8</sup> Industrial transformation remained a focus for VC investors during the quarter.

While Japan continues to evolve as a significant VC market, there is some concern about VC fundraising, given the weakness in the capital cycle driven by sluggish IPO activity, rising interest rates, and greater LP caution and focus on liquidity management. In particular, there is growing concern about the availability of growth capital, the potential for strong exits, and the ability of funds to return capital to investors.

## IPO activity remains strong in Hong Kong

IPO activity in Hong Kong continued to show strength in Q3'26, a trend expected to continue into Q4'26 given the robust pipeline of companies preparing to list.

“We are seeing a lot of IPOs in Hong Kong. Activity is still booming. Part of that is that Hong Kong is focused on attracting companies from many different sectors. Yes, we're seeing semiconductor companies, AI model companies and robotics firms, but we're also seeing large consumer companies. That diversity and openness are part of what gives Hong Kong's IPO market its strength.”



**Zoe Shi**  
Partner  
KPMG China

<sup>6</sup> Press release, “[Kyoto Fusioneering Secures JPY 25.72 Billion to Build the Systems Every Fusion Power Plant Will Need](#)” 24 August 2026. Kyoto Fusioneering. Accessed 29 September 2026.

<sup>7</sup> Press release, “[ASUENE secures \\$87 Million in Series D funding led by BlackRock-Temasek Decarbonization Fund, Decarbonization Partners](#)” 23 July 2026. Asuene. Accessed 29 September 2026.

<sup>8</sup> Press release, “[Turing Completes \\$174MM Series A Round, \\$79MM raised in the extension round](#)” 6 July 2026. Turing. Accessed 29 September 2026.

# VC investment in Asia maintains strength as China continues to see resurgence (Cont.)

In comparison, IPO activity was weaker in mainland China, partly because of greater selectivity. The central government's preference for companies developing protected or sensitive technologies to list in Shanghai rather than Hong Kong nevertheless led to some notable activity in Q3'26.

## Nature of AI investments evolving in China and Japan

The AI space in China is maturing rapidly, with investors increasingly directing their capital toward enterprise AI solutions, including those focused on healthcare, insurance, legal services, and other industries. Physical AI has also remained a major priority; a number of regions within China, including Shenzhen, Shanghai, and Beijing, have mandates to encourage industrial upgrades, which has helped spur investment in robotics and other physical and industrial AI solutions. Meanwhile, interest in consumer AI has declined, driven in part by the market share held by China's large tech firms. While some startups in the space have attracted investment, particularly those focused on more complex and high-value workflows, others have found themselves targets of consolidation.

AI, including AI infrastructure, also continued to be a major focus for VC investors in Japan. Interest shifted toward companies that could demonstrate access to required proprietary data, show that their solutions provided quantifiable benefits from technology implementation, and offer solutions that could not be easily replicated by competitors.

## Collaboration between corporates and VCs driving corporate participation in Japan

Corporate VC investment in Japan has remained quite high, driven in part by innovation imperatives. In recent quarters, corporates and independent VCs have increasingly participated jointly in medium- and large-scale funding rounds, particularly those focused on R&D and industrial implementation, where corporates provide proof-of-concept environments and other contributions beyond capital.



## Trends to watch for in Q4'26

Heading into Q4'26 and 2027, VC investment in Asia is expected to grow steadily. AI and AI infrastructure are expected to dominate VC investment, while deeptech is also expected to gain traction with investors. Consumer AI companies, however, particularly those focused on general software tools, will likely struggle to obtain additional funding, driving further consolidation.

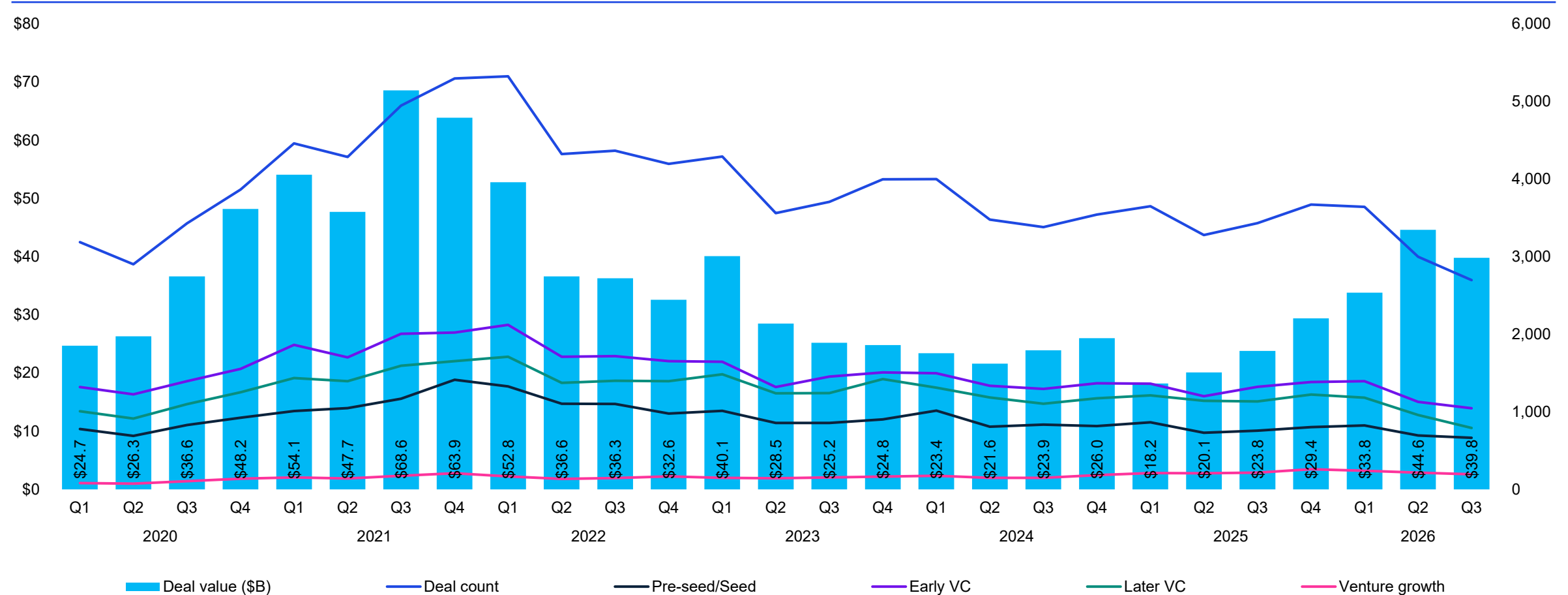
China's improving macroeconomic environment, combined with its focus on the development of priority sectors and the patience of government capital, is expected to help spur continued investment momentum. In Hong Kong, IPO activity is expected to remain robust; many eyes will likely be on Moonshot AI as it moves closer to listing.

In Japan, VC investors are expected to remain highly selective, with a significant focus on AI and the broader AI infrastructure value chain, including semiconductors, photonics, advanced packaging, materials and components. Healthcare, alternative energy, quantum technologies and space technology are also expected to attract attention.

# Asian quarterly VC steps back from Q2

## Venture financing in Asia

2020–Q3'26

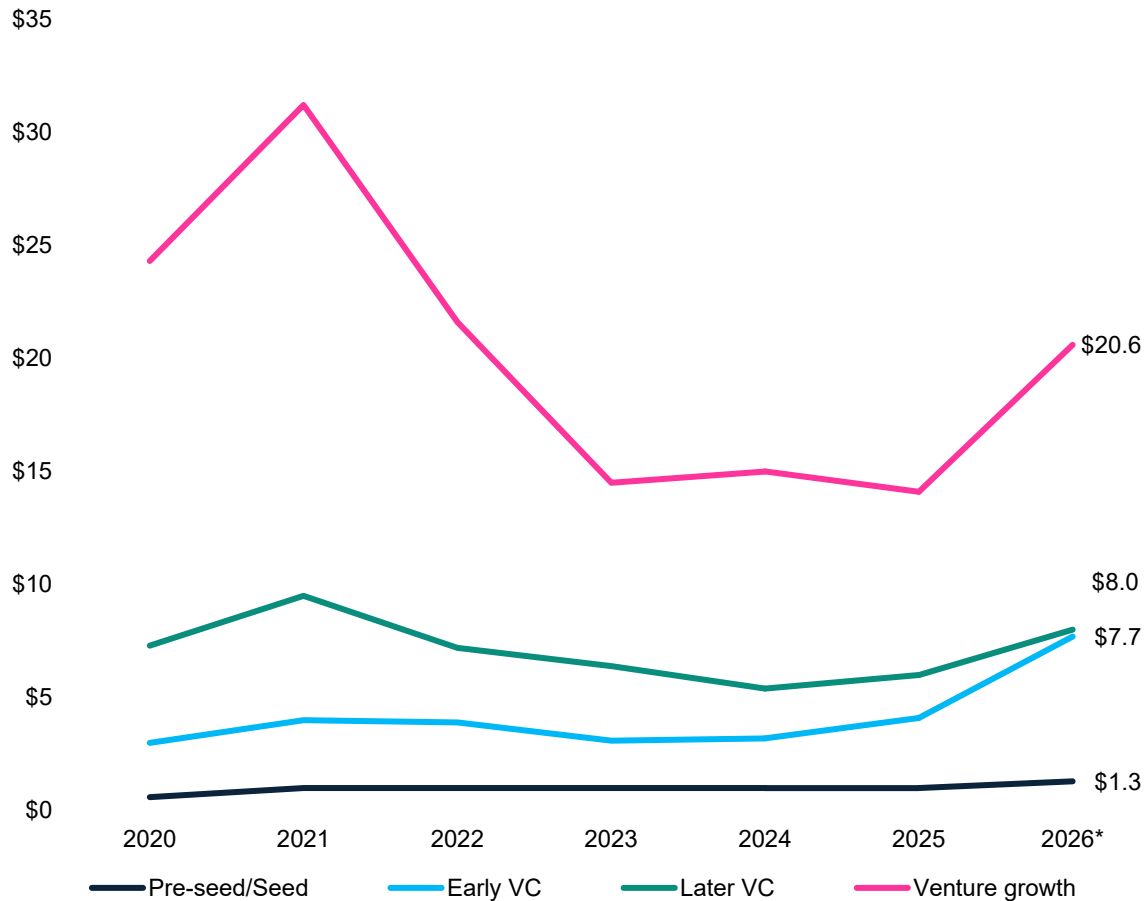


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Down rounds tick up modestly

## Median deal size (\$M) by stage in Asia

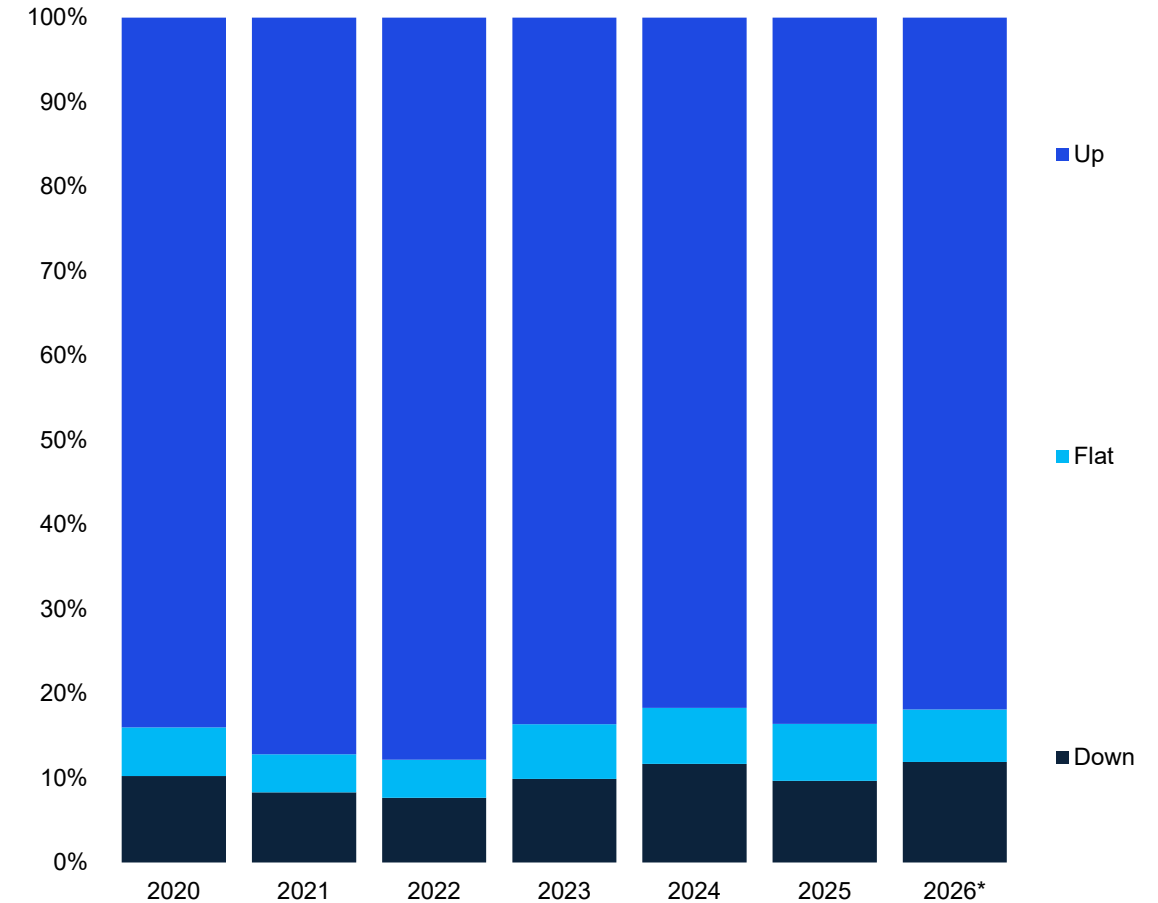
2020–2026\*



Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

## Up, flat or down rounds in Asia

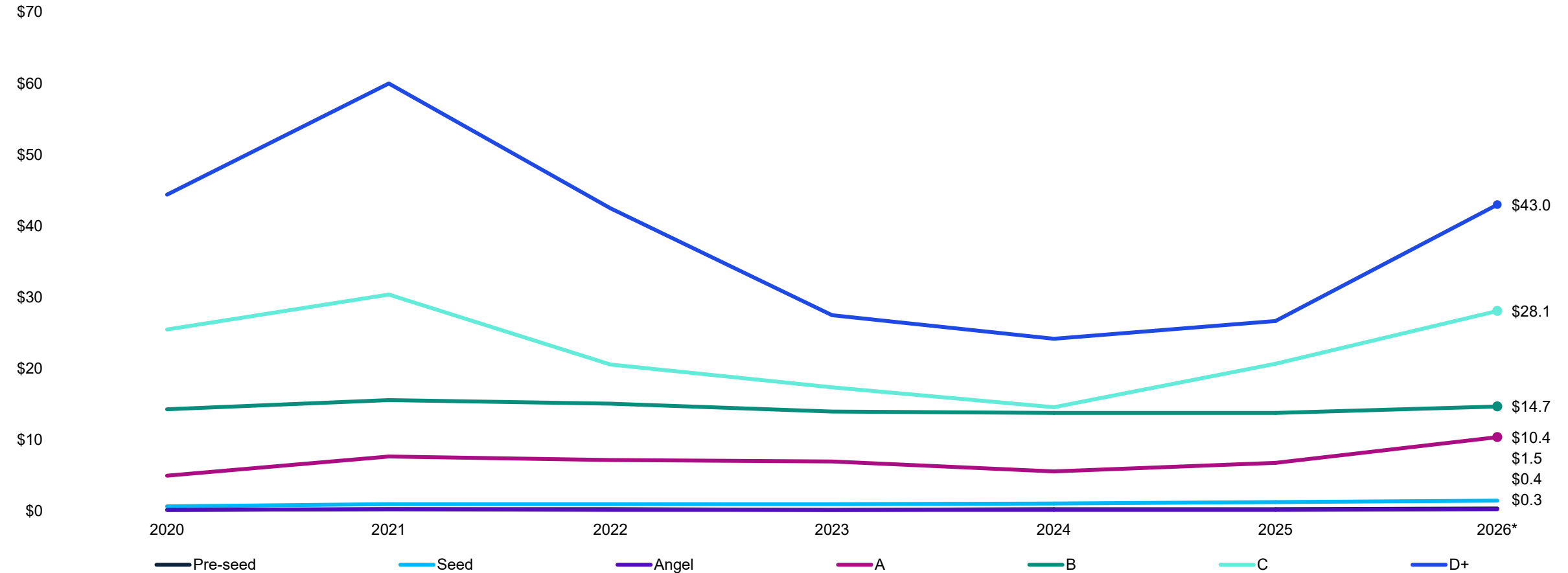
2020–2026\*



# Financing metrics strengthen across all series

## Median deal size (\$M) by series in Asia

2020–2026\*

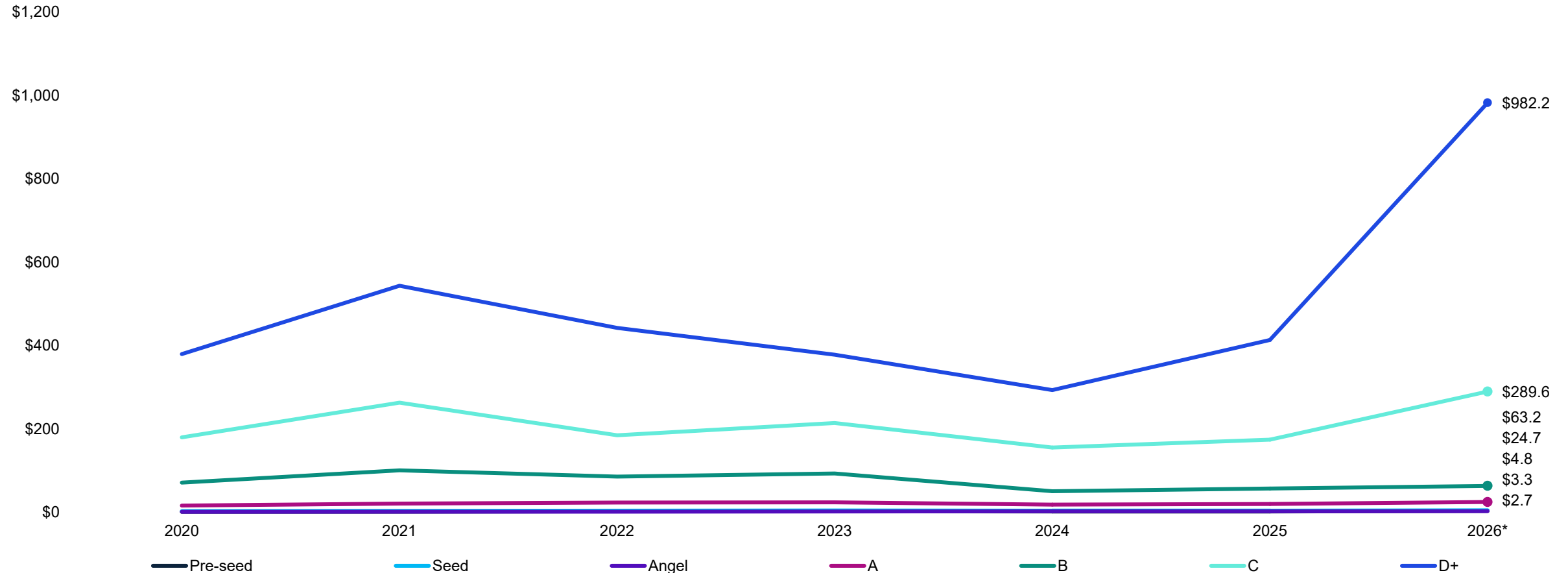


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Valuations climb as capital concentrates

## Median pre-money valuation (\$M) by series in Asia

2020–2026\*



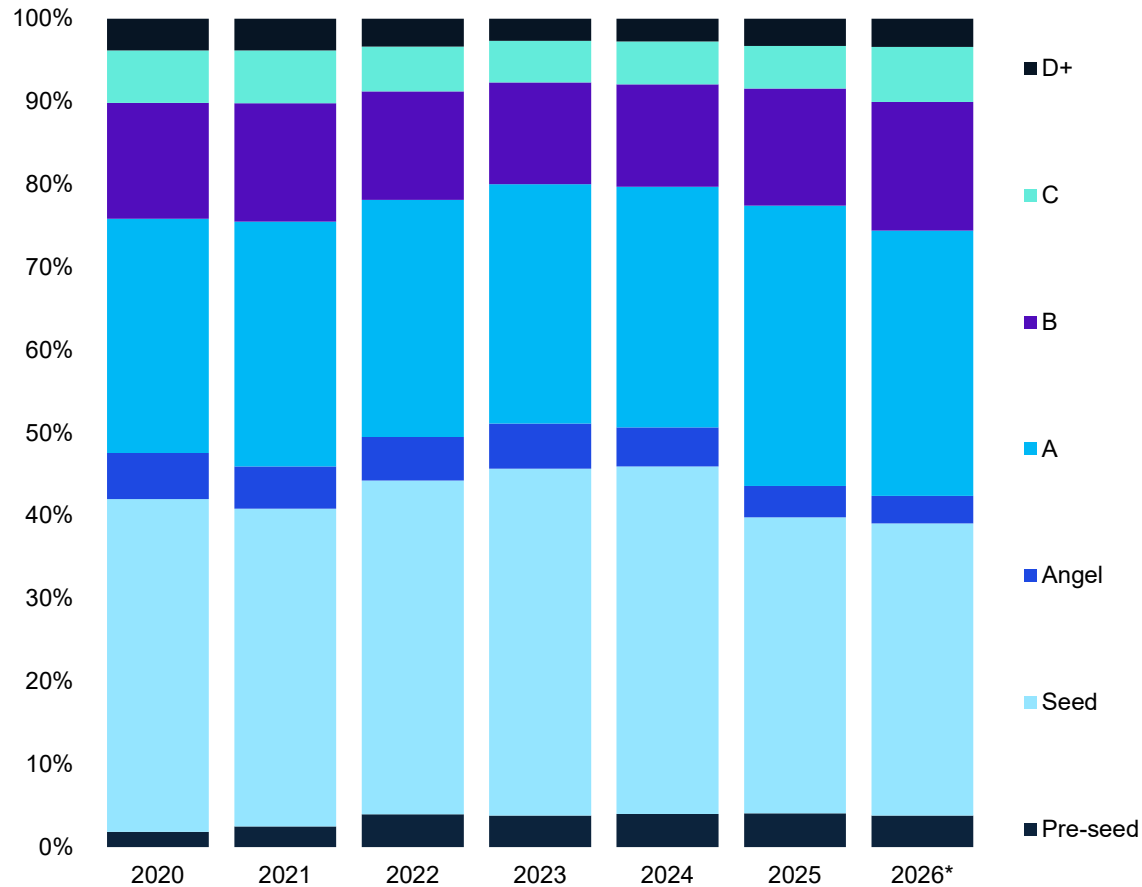
Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

Note: The pre-seed 2026 data point is based on population sized n = 22.

# Later-stage rounds command a growing share

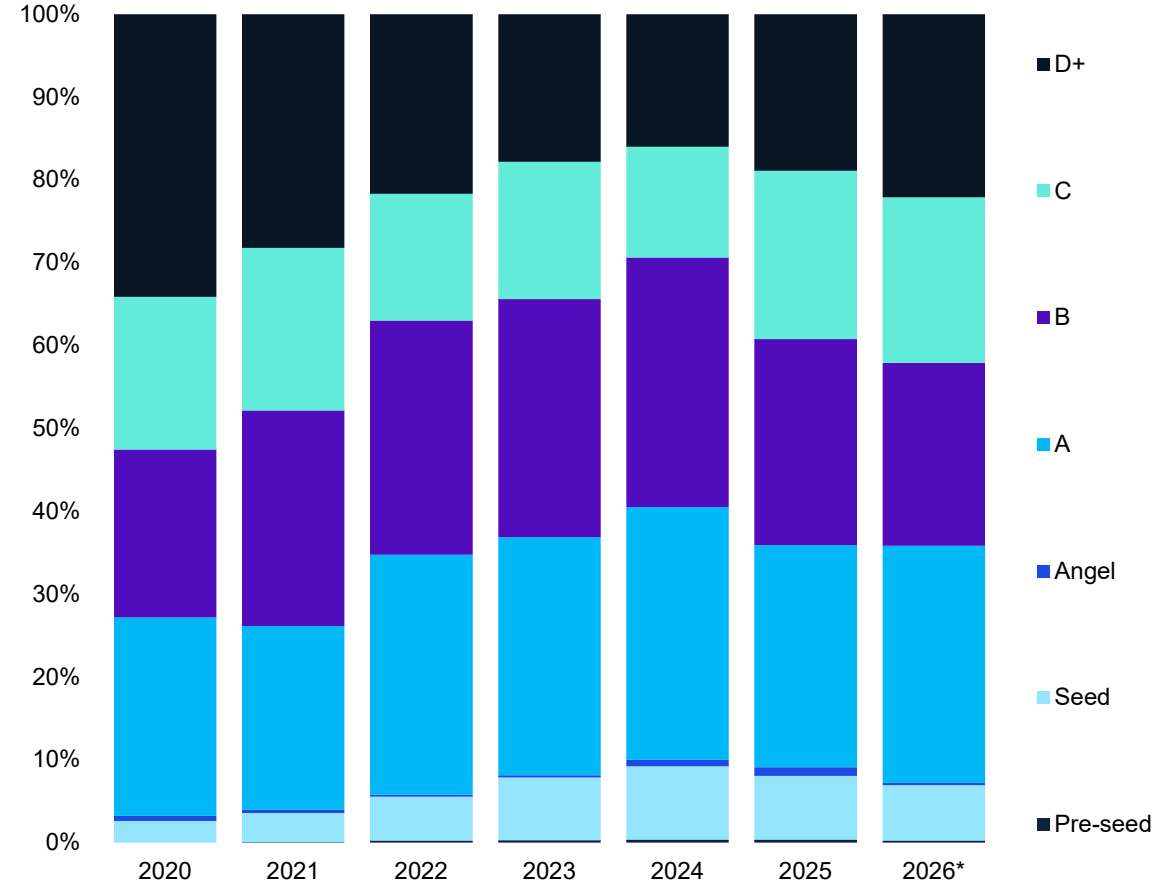
## Deal share by series in Asia

2020–2026\*, number of closed deals



## Deal share by series in Asia

2020–2026\*, VC invested (\$B)

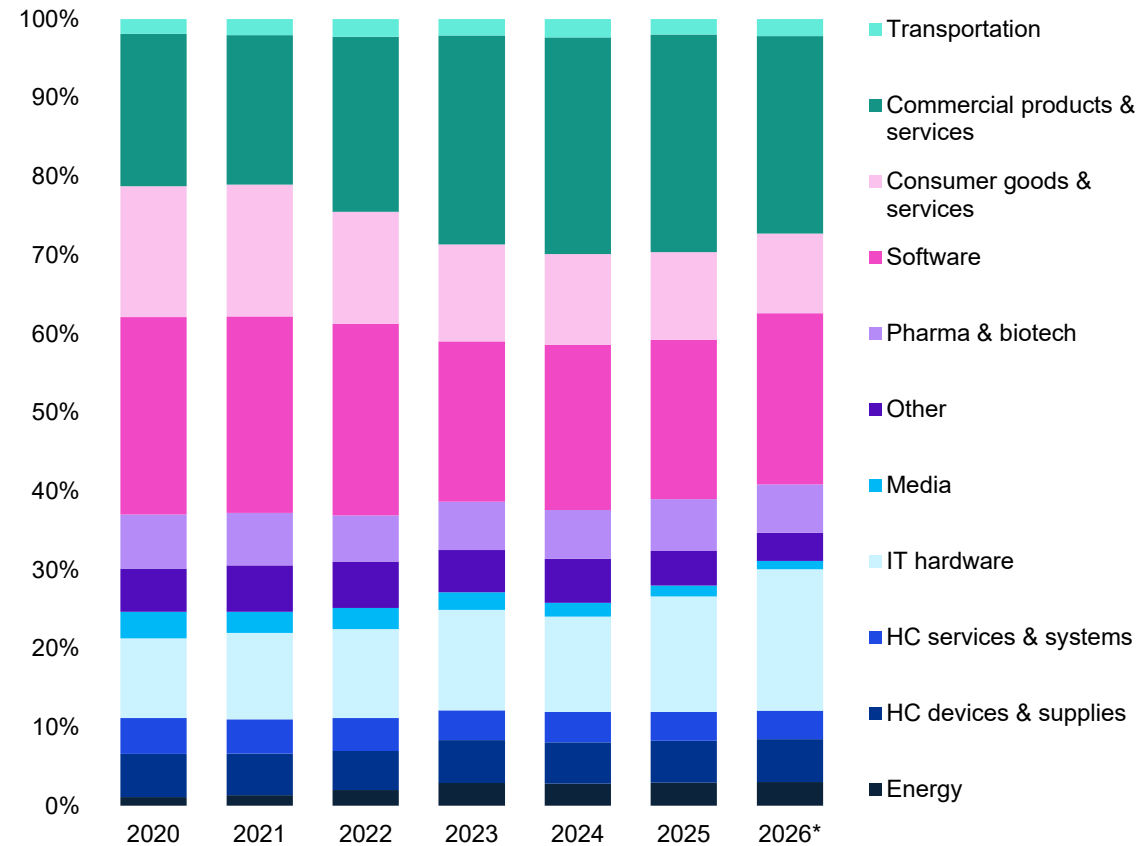


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Chip ambitions drive Asian IT-hardware deals

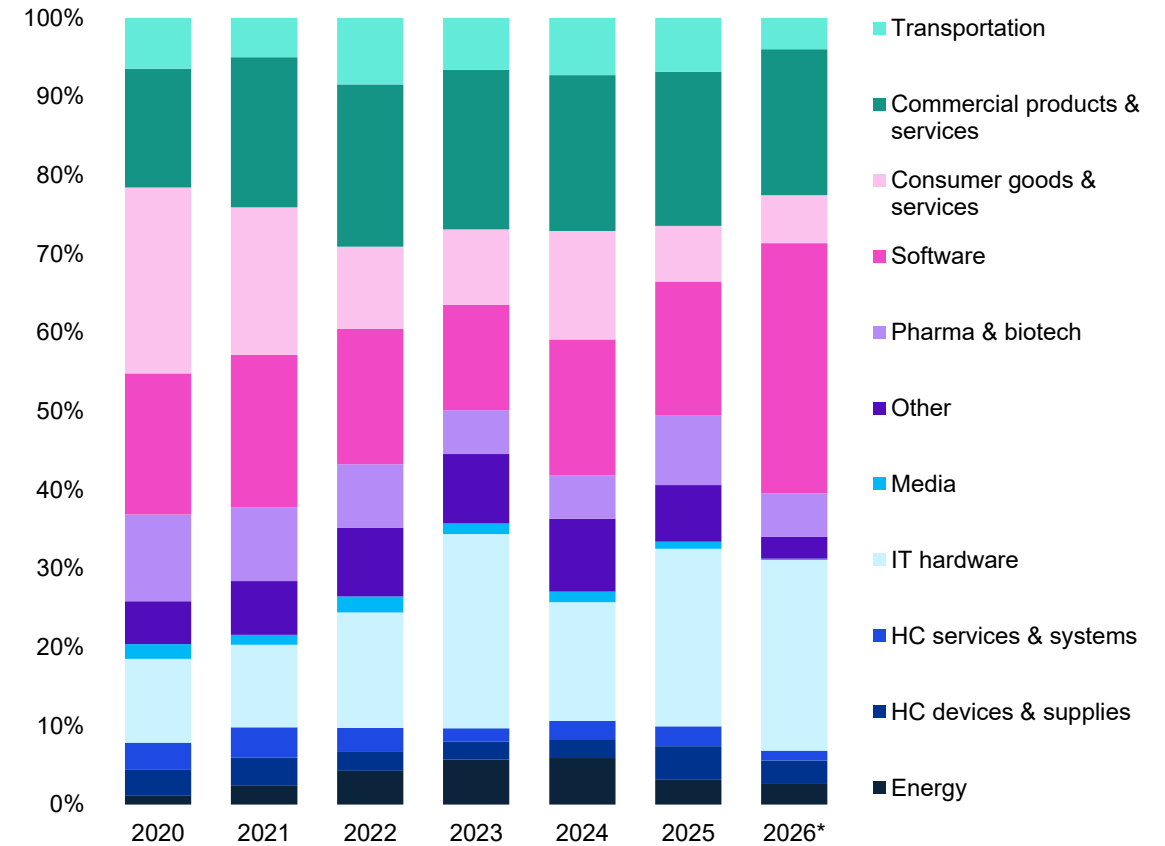
## Venture financings by sector in Asia

2020–2026\*, number of closed deals



## Venture financings by sector in Asia

2020–2026\*, VC invested (\$B)

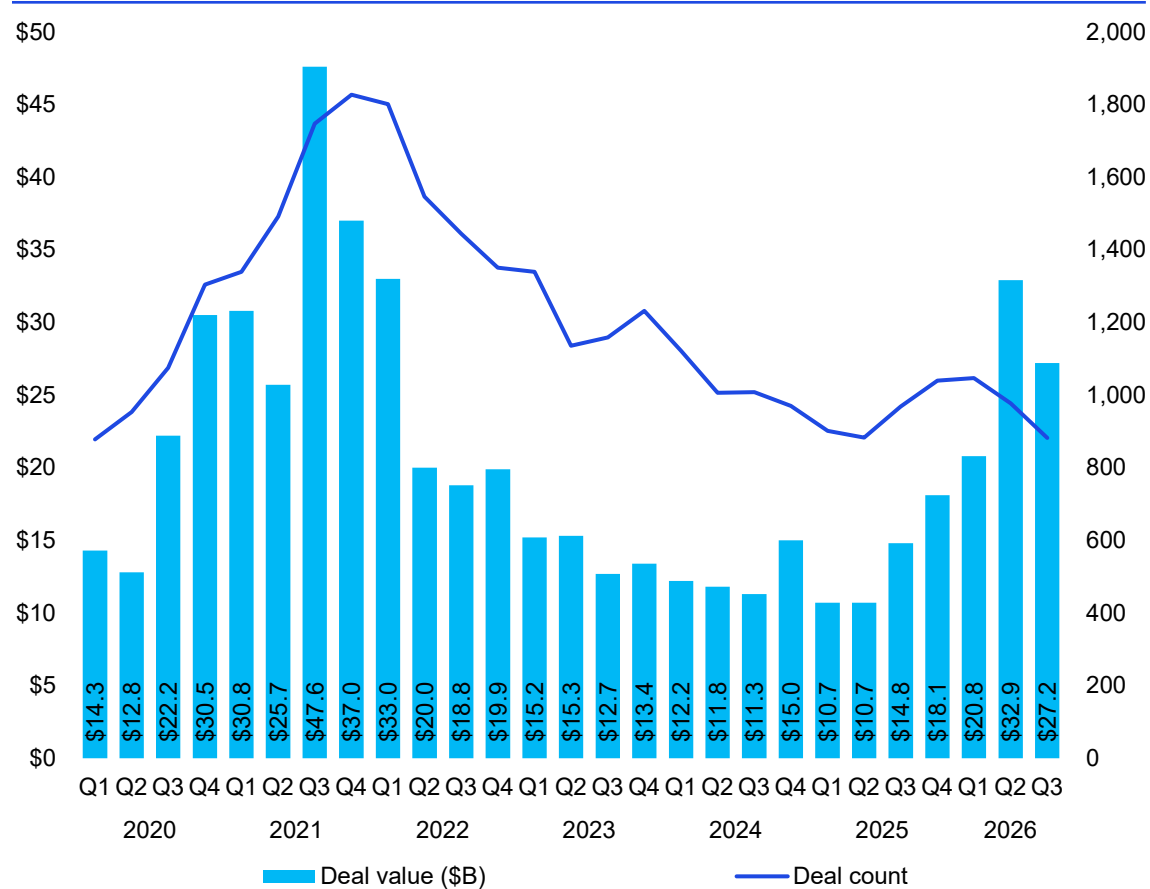


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Corporate investors join Asia's larger rounds

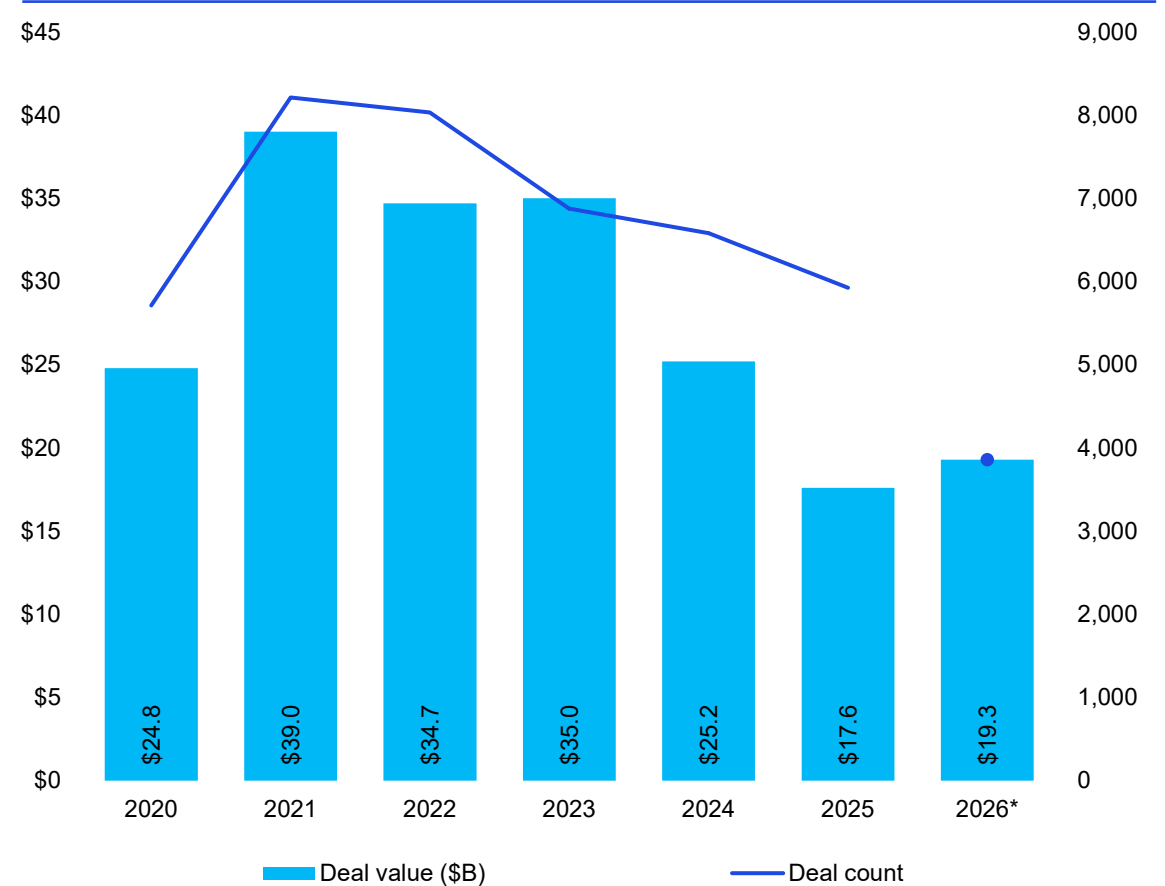
## Corporate participation in venture deals in Asia

2020–Q3'26



## First-time venture financings of companies in Asia

2020–2026\*

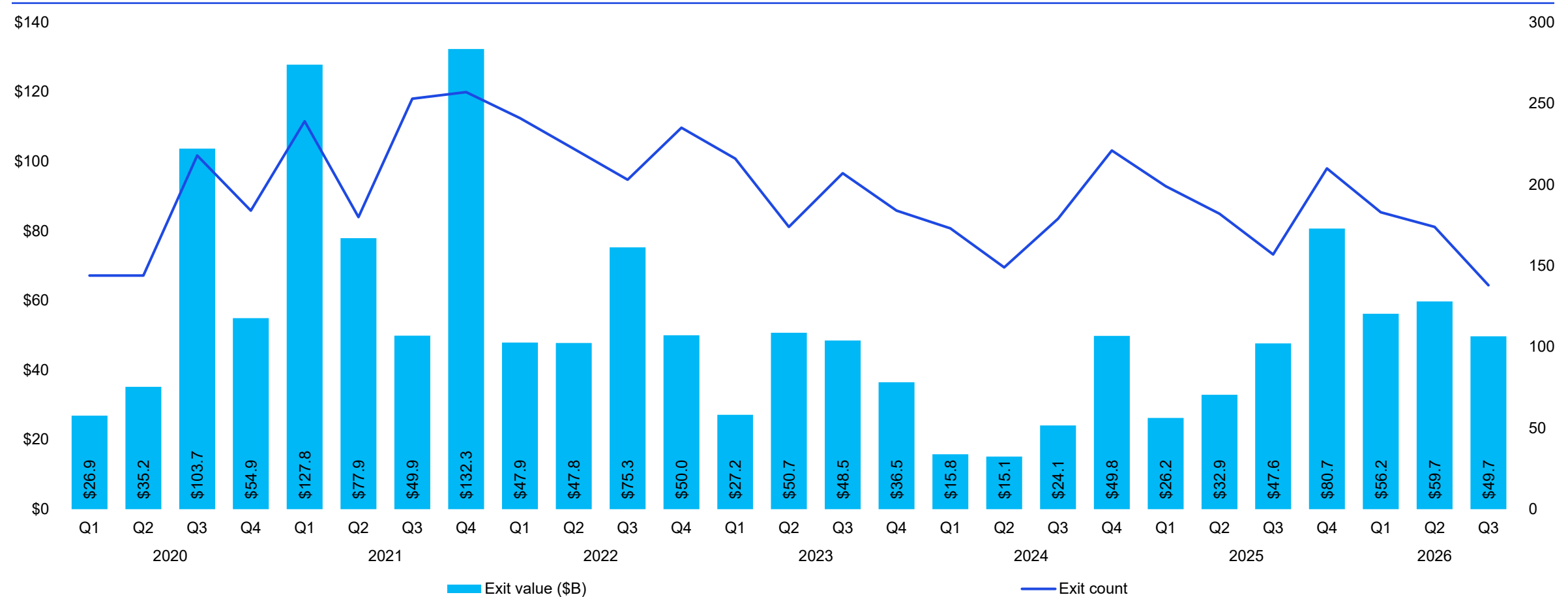


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Asian exits moderate slightly, but remain healthy

## Venture-backed exit activity in Asia

2020–Q3'26

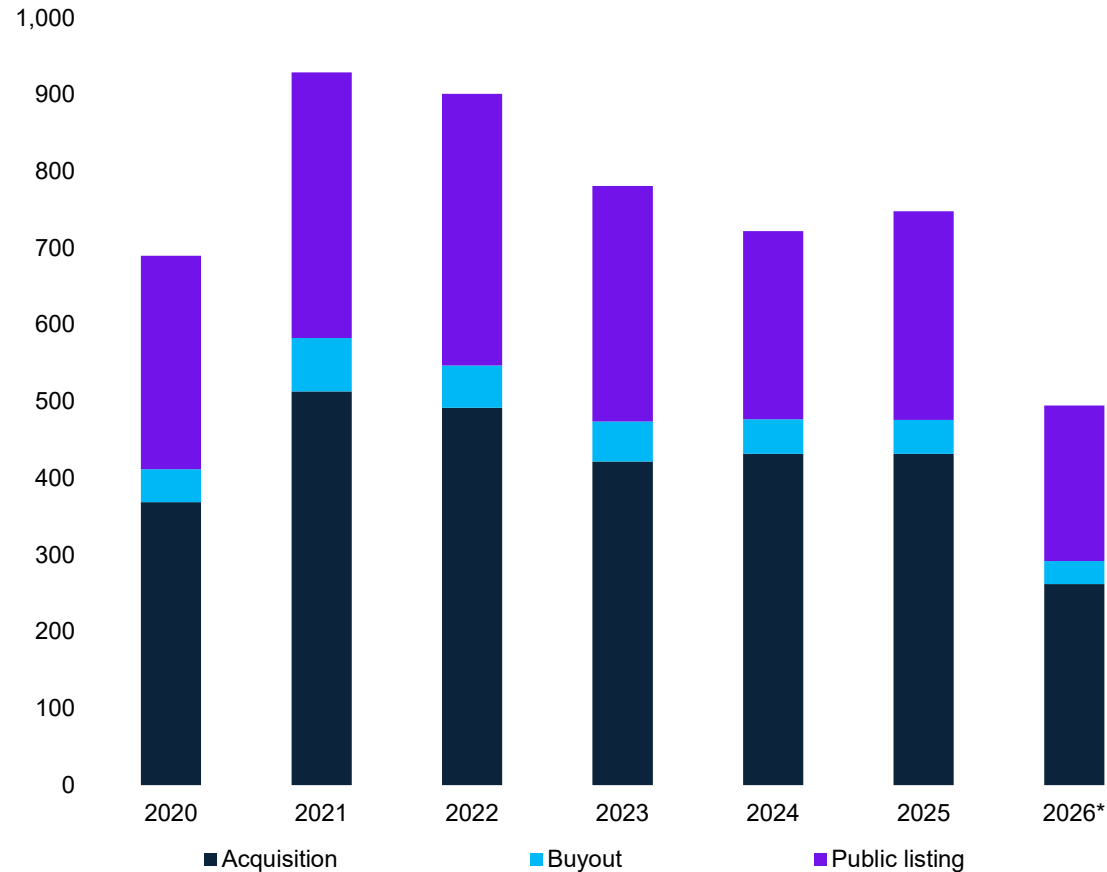


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Listings keep Asian exit avenues diversified

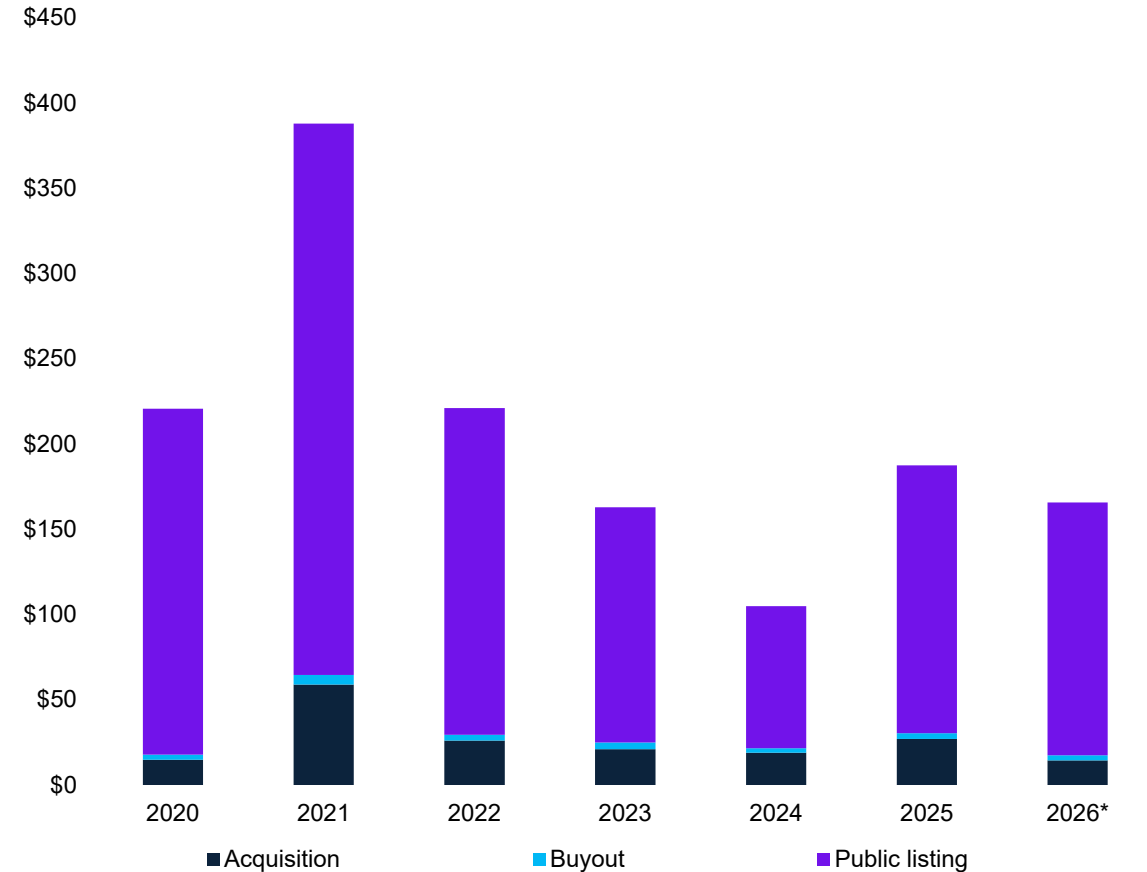
## Venture-backed exit activity (#) by type in Asia

2020–2026\*



## Venture-backed exit activity (\$B) by type in Asia

2020–2026\*

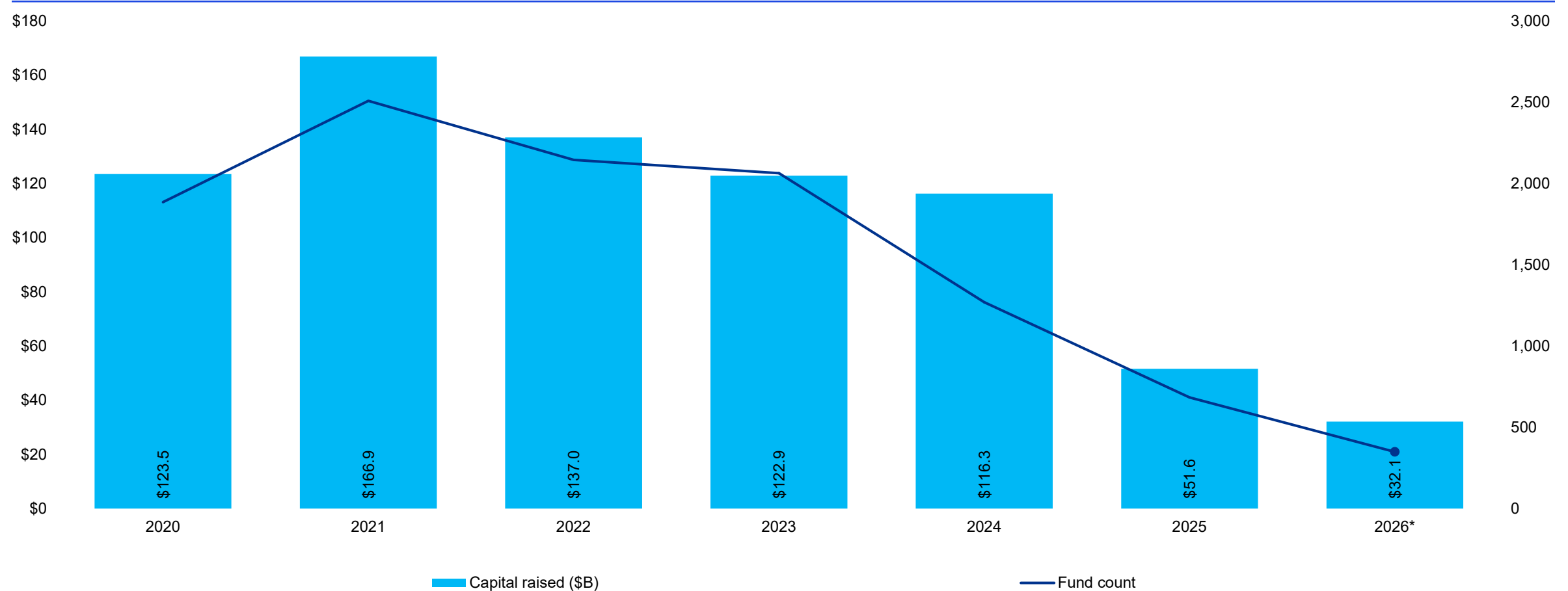


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Asian fundraising stays sluggish

## Venture fundraising in Asia

2020–2026\*

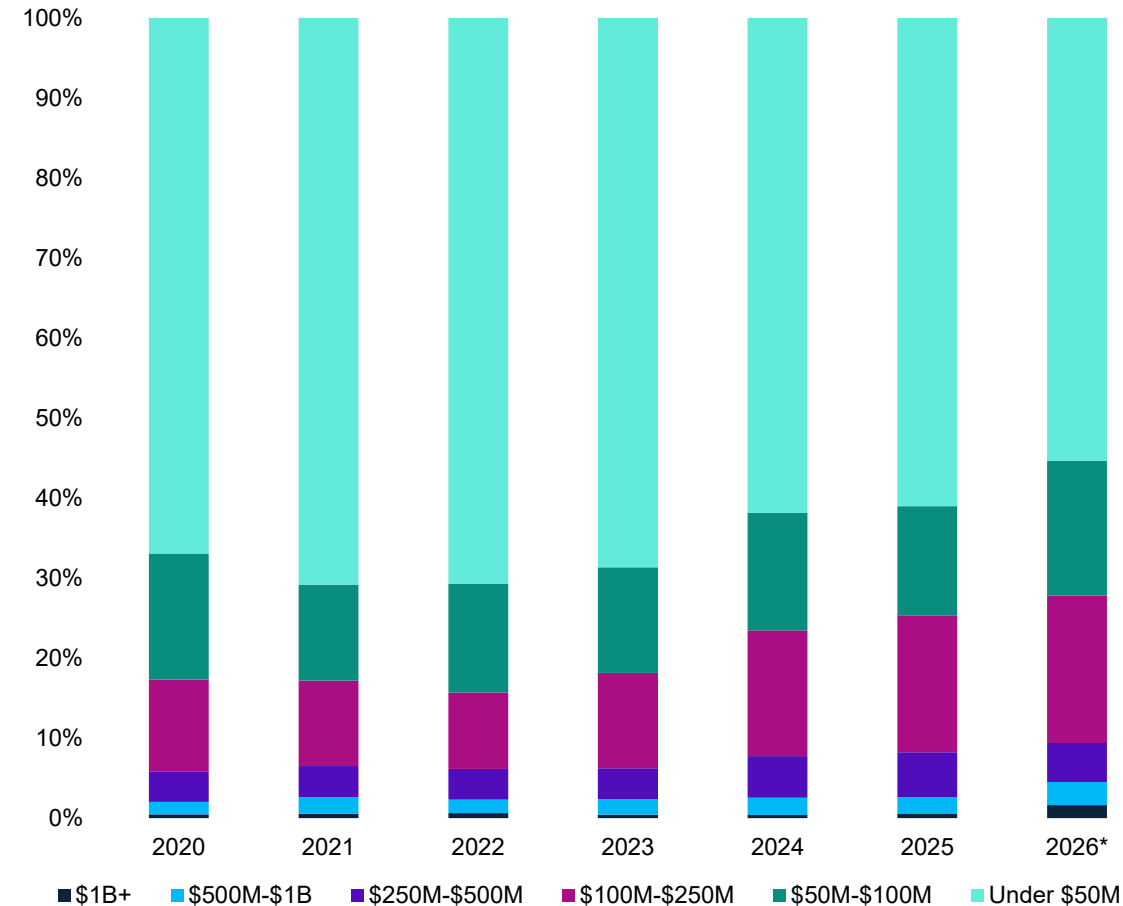


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# LPs stay cautious, favoring mid-sized managers

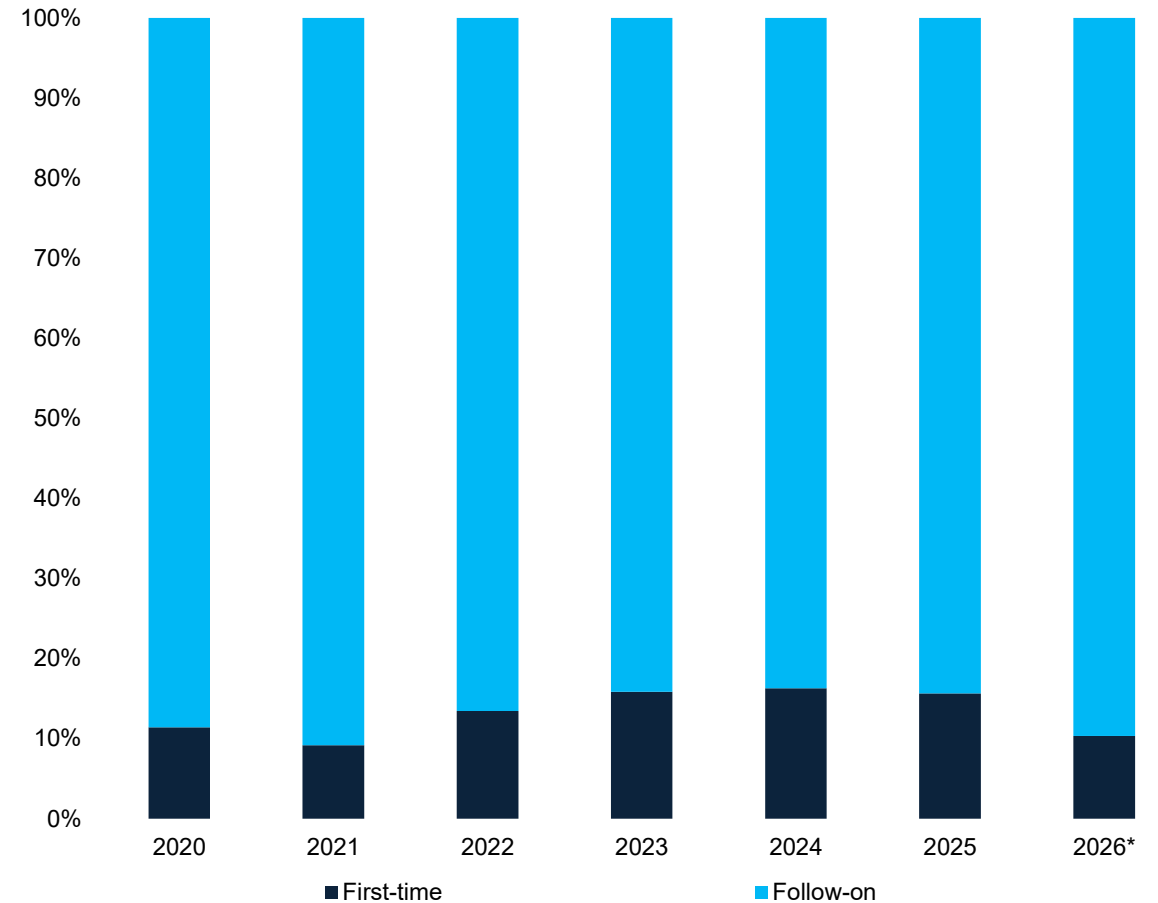
## Venture fundraising (#) by size in Asia

2020–2026\*



## First-time vs. follow-on venture funds (#) in Asia

2020–2026\*

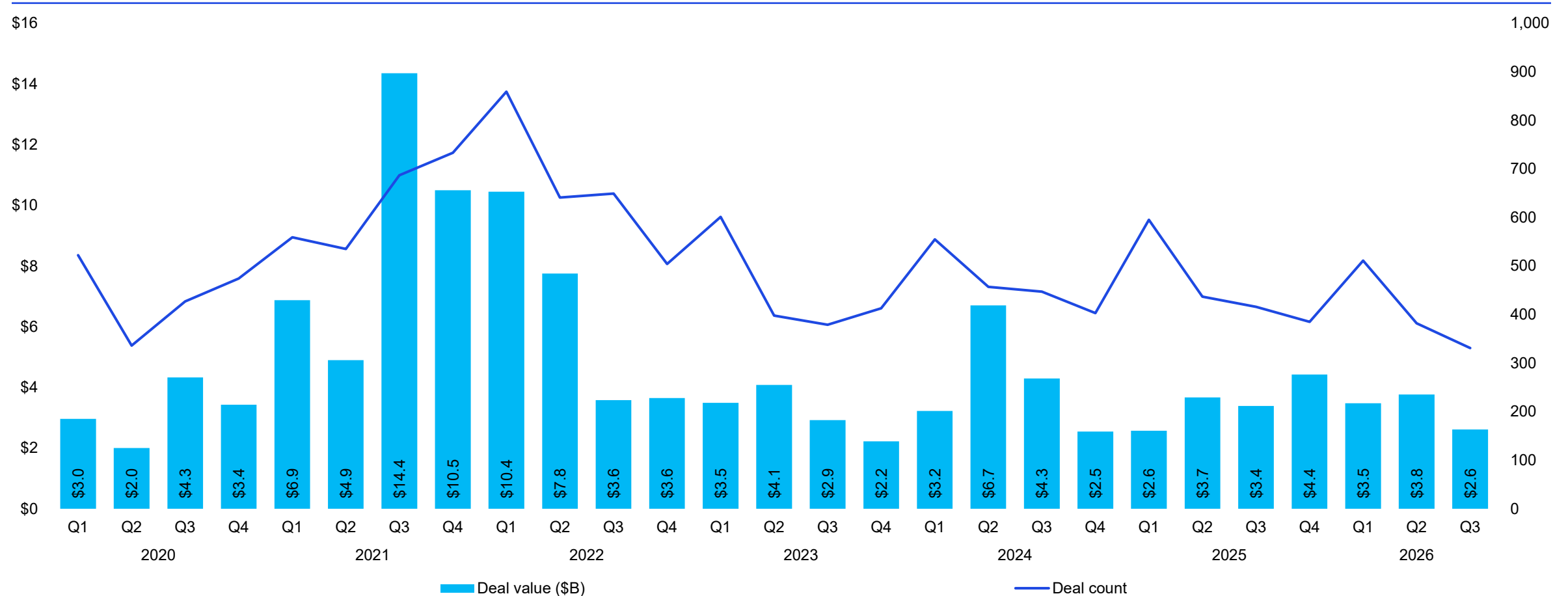


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# India's VC flow eases after a steady run

## Venture financing in India

2020–Q3'26

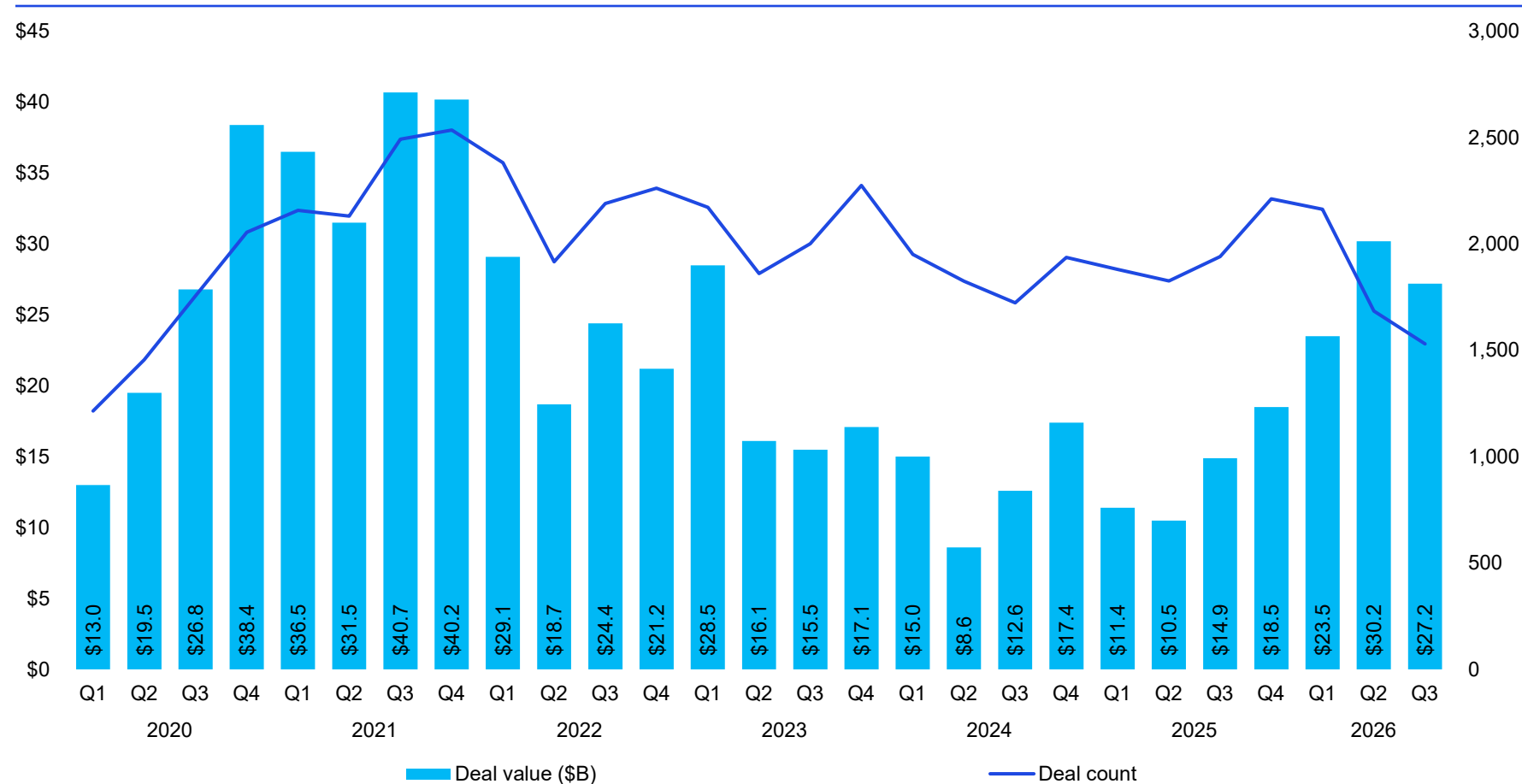


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Large rounds keep Chinese VC elevated

## Venture financing in China

2020–Q3'26



Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

“The robotics space is a big area for VC investment in China because robotic functions can often be deployed immediately — for example, in factories for manufacturing and assembly, and even in logistics hubs. Technologies can often be deployed quickly, so companies can get real-world validation and data. On top of this, we’re seeing robotics startups focus more on general-purpose robotics — human-aid solutions and the like. It’s exciting and is driving a great deal of momentum.”

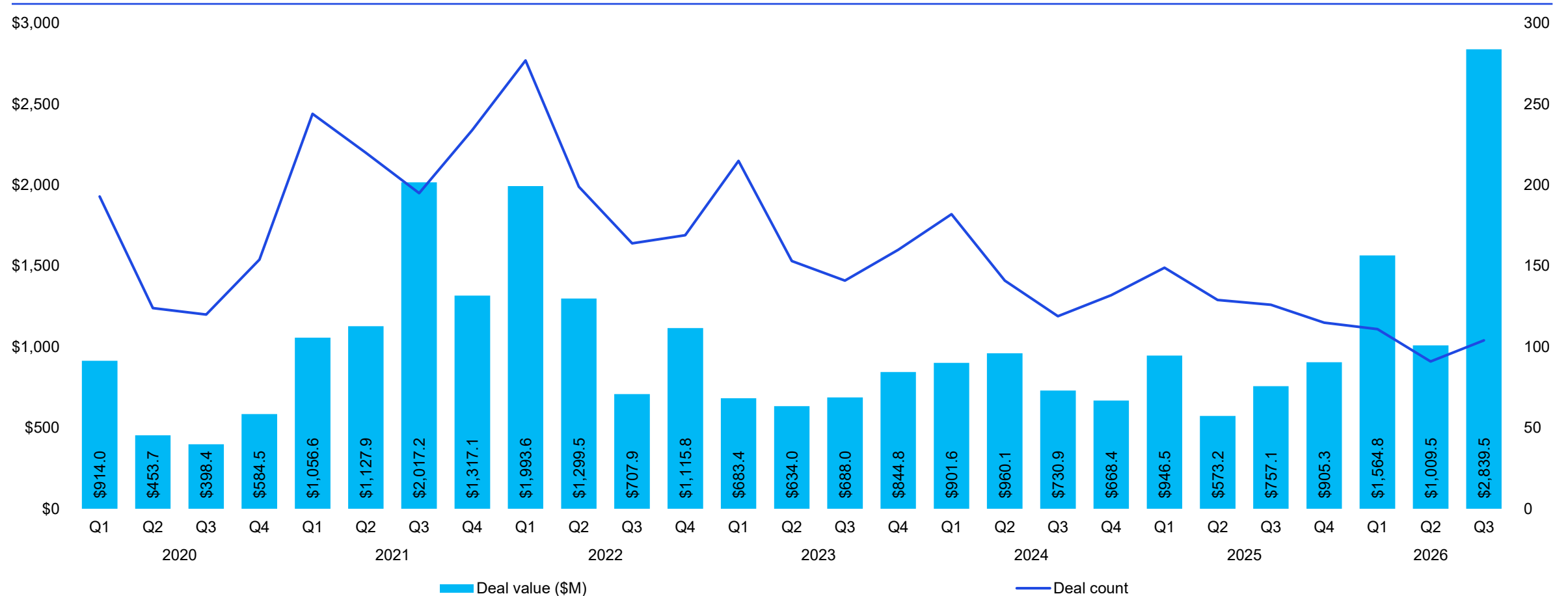


**Angela Chiu**  
Director  
KPMG China

# Australia surges to a multi-quarter high

## Venture financing in Australia

2020–Q3'26

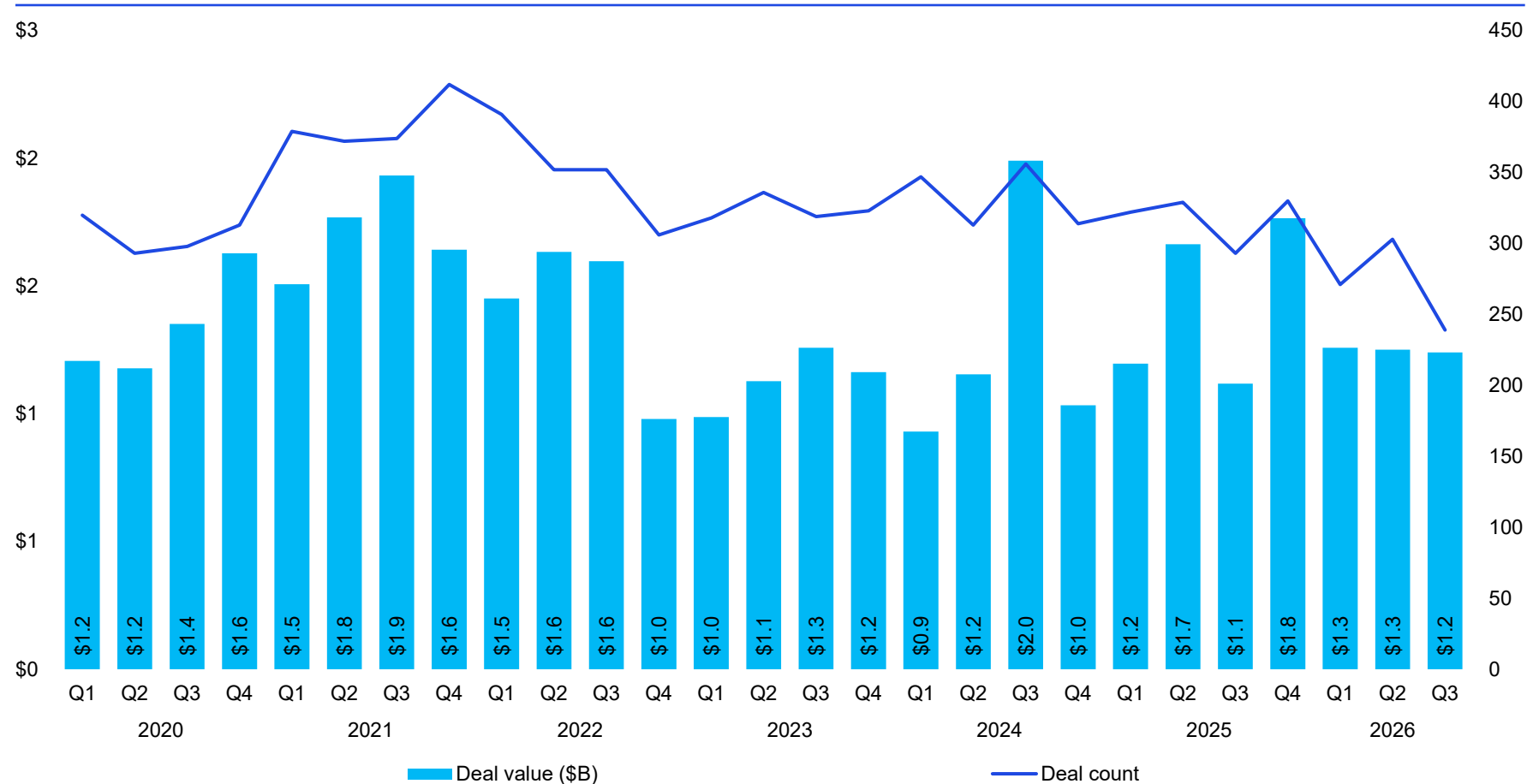


Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

# Japanese VC holds steady quarter over quarter

## Venture financing in Japan

2020–Q3'26



Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

“Collaboration between corporates and VCs is increasing as the proportion of sectors where commercialization cannot be achieved through funding alone grows. Fields like industrial AI, autonomous driving, energy, and quantum often require access to proof-of-concept sites, manufacturing facilities, quality controls, and other essentials, in addition to specialized skills. Since large Japanese corporates possess these, their participation is increasingly being assessed not only for capital but for their ability to connect portfolio companies to the real market.”



**Hiroshi Abe**  
Executive Board  
Member,  
Partner  
KPMG in Japan

# AI-empowered businesses, infrastructure and chips surge in top deals

## Top financings in Q3'26 in Asia-Pacific



1. **Moonshot AI** — \$3.5B, Beijing, China — AI & ML — *Series F*
2. **Kling AI** — \$3B, Beijing, China — AI & ML — *Late-stage VC*
3. **Firmus Technologies** — \$2B, Launceston, Australia — Cloudtech — *Late-stage VC*
4. **Ant International** — \$1.2B, Singapore — Fintech — *Series A*
5. **XPeng Robotics** — \$900M, Shenzhen, China — Robotics — *Series A*
6. **Cornerstone Robotics** — \$700M, Shenzhen, China — Robotics — *Late-stage VC*
7. **Sharpa** — \$667.6M, Shanghai, China — Robotics — *Early-stage VC*
8. **Supabase** — \$650M, Singapore — Database software — *Series F*
9. **Shengshu Technology** — \$500M, Beijing, China — AI & ML — *Series B1*
10. **Tripo** — \$445.2M, Seongnam, South Korea — SaaS — *Series B*

Source: Venture Pulse, Q3'26, Global Analysis of Venture Funding, KPMG Private Enterprise. \*As of September 30, 2026. Data provided by PitchBook, October 14, 2026

**In Q3'26, VC-backed  
companies in the  
Africa region raised  
\$494 million across  
131 deals**

# VC investment in Africa becoming more concentrated

VC investment in Africa grew noticeably in Q3'26, although deal volume remained relatively soft. This likely reflects how VC investors in the region have concentrated their investments on a small number of larger deals rather than spreading investment across multiple deals and industries.

## Deal sizes grow in Africa, but lack of capital depth makes funding difficult for early-stage startups

Across the core VC markets in Africa, a growing number of mature and scale-up companies have successfully raised additional capital, whether debt or equity. The challenge is that VC investors' focus on these more mature companies — and on profitability and business model resilience — has led to a tighter funding environment for companies earlier in the deal cycle, specifically those at the pre-seed and seed stages. The current VC market ecosystem in the region does not yet have the capital depth to fully cover the end-to-end life cycle capital needs of promising startups.

## Fintech continues to attract the majority of VC investment, including a \$250 million megadeal in Q3'26

Fintech continued to attract the largest share of VC investment in Africa during Q3'26, led by a \$250 million Series C funding round by Nigeria-based Moove, a company that provides vehicle financing for the mobility sector. VC investors also showed increasing interest in other verticals, such as energy (including off-grid solutions), climate-smart agriculture and healthcare, although much of this interest focused on companies operating at the intersection of these verticals and fintech rather than on standalone sector investments.

## Core VC hubs attract the bulk of investor attention, but emerging jurisdictions offer growth potential

VC capital in Africa remains highly concentrated within a small number of jurisdictions, including Nigeria, Egypt, Kenya, and South Africa. But a number of emerging markets across the region are viewed as having strong growth potential, including Rwanda, Tanzania, Francophone West Africa, and Ghana. The key challenge associated with realizing this untapped growth potential, however, lies in the need for regional fund mandates along with local market presence and partnerships.

## More African-founded startups targeting global markets

Moove's \$250 million funding round highlights how the startup ecosystem across the region is maturing. While many investors once thought that startups in the region were primarily focused on addressing local needs or solving local problems, that is no longer the case. These days, a growing number of startups across Africa are creating globally relevant products and services that can scale across jurisdictions. This shift in focus is opening the door to larger pools of capital and helping startups create stronger exit pathways.

“

Across the core VC markets in Africa, we're seeing startups with proven market fit and scalable business models attracting larger investment rounds. While this is a good sign that the VC ecosystem in the region is maturing, the lack of pipeline depth in the funding environment has left earlier stage companies struggling. The reality is that VC investors are becoming much more selective than we've seen in the past. There's a greater focus on profitability and resilience rather than on pure growth.”



**Sandeep Main**  
Partner, Tax &  
Regulatory Services  
and Africa Head of  
Private Enterprise  
KPMG One Africa



## Trends to watch for in Q4'26

Heading into Q4'26, VC investors in Africa are expected to place less emphasis on growth alone and to give greater weight to business fundamentals, capital efficiency, profitability, return on investment and exit visibility. Investors are also expected to show increasing interest in startups' governance, compliance and risk management processes as they assess potential investments.

# KPMG Private Enterprise Emerging Giants network

From seed to speed, we're here throughout your journey



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# About us

## About KPMG Private Enterprise

**You know KPMG. You might not know KPMG Private Enterprise.** KPMG Private Enterprise advisers in KPMG firms around the world are dedicated to working with you and your business, no matter where you are in your growth journey — whether you're looking to reach new heights, embrace technology, plan for an exit, or manage the transition of wealth or your business to the next generation. You gain access to KPMG firms' global resources through a single point of contact — a professional adviser to your company. It is a local touch with a global reach.

KPMG Private Enterprise's global network of professionals for emerging giants has extensive knowledge and experience working with the startup ecosystem. Whether you are looking to establish your operations, raise capital, expand abroad, or simply comply with regulatory requirements — we can help. From seed to speed, we're here throughout your journey.

# About the report

## Acknowledgements

We acknowledge the contribution of the following individuals who assisted in the development of this publication:

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# About the report

## Methodology

### KPMG uses PitchBook as the provider of venture data for the Venture Pulse report

This Q3 2026 edition includes commentary on Africa. The Americas, Asia-Pacific and Europe regional totals do not sum to the global total, which also includes other regions. MESA is not presented as a separate region in this report.

In addition, particularly within the European region, the Venture Pulse does not contain any transactions that are tracked as private equity growth by PitchBook. As such rounds are often conflated with late-stage venture capital in media coverage, there can be confusion regarding specific rounds of financing. The key difference is that PitchBook defines a PE growth round as a financial investment occurring when a PE investor acquires a minority stake in a privately held corporation. Thus, if the investor is classified as PE by PitchBook, and it is the sole participant in the recipient company's financing, then such a round will usually be classified as PE growth, and not included in the Venture Pulse datasets. However, as of the Q4 2022 edition, a new stage for venture that was invented by PitchBook to account for growth at late-stage VC will be included, defined as venture growth. That same edition saw some minor updates to the wording of the methodology on this page.

Also, if a company is tagged with any PitchBook vertical, excepting manufacturing and infrastructure, it is kept. Otherwise, the following industries are excluded from growth equity financing calculations: buildings and property, thrifts and mortgage finance, real estate investment trusts, and oil & gas equipment, utilities, exploration, production and refining. Lastly, the company in question must not have had an M&A event, buyout, or IPO completed prior to the round in question. Where estimated deal counts are presented, PitchBook's methodology accounts for delays in confirming deals. It compares figures for the same period across successive quarterly data pulls, calculates the percentage revision, and applies that adjustment to the reporting quarter's count to allow for potential reporting lag in private markets.

### Fundraising

PitchBook defines VC funds as pools of capital raised for the purpose of investing in the equity of startup companies. In addition to funds raised by traditional VC firms, PitchBook also includes funds raised by any institution with the primary intent stated above. Funds identifying as growth stage vehicles are classified as PE funds and are not included in this report. A fund's location is determined by the country in which the fund's investment team is based; if that information is not explicitly known, the HQ country of the fund's general partner is used. For US fundraising data, only funds based in the United States that have held their final close are included. The entirety of a fund's committed capital is attributed to the year of the final close of the fund. Interim close amounts are not recorded in the year of the interim close.

### Deals

PitchBook includes equity investments into startup companies from an outside source. Investment does not necessarily have to be taken from an institutional investor. This can include investment from individual angel investors, angel groups, seed funds, VC firms, corporate venture firms, corporate investors, and institutions, among others. Investments received as part of an accelerator program are not included; however, if the accelerator continues to invest in follow-on rounds, those further financings are included. For US ecosystem analysis, financings cover US-headquartered companies, with "ecosystem" defined as the combined statistical area (CSA). PitchBook includes deals that include partial debt and equity.

**Pre-seed/seed:** The pre-seed stage encompasses a collection of emergent startups receiving the first check from at least one institutional investor to fuel their development growth. For global startups, we reclassify angel deals depending on institutional investors' prior deal participation. Deals that have been tagged as "angel" due to the company's investor base consisting solely of individual investors will now be recategorized into the early-stage or late-stage VC deal category based on stage methodologies in place. For startups headquartered in the US and Europe, we define pre-seed as a round of financing for a company founded less than two years ago that has not yet received institutional investor support. This update was made in the Q4 2023 edition of Venture Pulse and all subsequent editions.

- **Early-stage:** Rounds are generally classified as Series A or B (which we typically aggregate together as early-stage) either by the series of stock issued in the financing or, if that information is unavailable, by a series of factors including: the age of the company, prior financing history, company status, participating investors, and more.
- **Late-stage:** Rounds are generally classified as Series C or D or later (which we typically aggregate together as late-stage) either by the series of stock issued in the financing or, if that information is unavailable, by a series of factors including: the age of the company, prior financing history, company status, participating investors, and more.
- **Growth:** Financings tagged as Series E or later or deals involving companies that are at least seven years old and have raised at least six VC rounds will be included in this category, as of the Q4 2022 edition of Venture Pulse released in January 2023.
- **Corporate:** Corporate rounds of funding for currently venture-backed startups that meet the criteria for other PitchBook venture financings are included in the Venture Pulse as of March 2020.
- **Corporate venture capital:** Financings classified as corporate venture capital include rounds that saw both firms investing via established CVC arms or corporations making equity investments off balance sheets or whatever other non-CVC method is employed.

### Exits

PitchBook includes the first majority liquidity event for holders of equity securities of venture-backed companies. This includes events where there is a public market for the shares (IPO) or the acquisition of majority of the equity by another entity (corporate or financial acquisition). This does not include secondary sales, further sales after the initial liquidity event, or bankruptcies. M&A value is based on reported or disclosed figures, with no estimation used to assess the value of transactions for which the actual deal size is unknown. IPO value is based on the premoney valuation of the company at its IPO price. One slight methodology update is the categorical change from "IPO" to "public listings" to accommodate the different ways we track VC-backed companies' transitions to the public markets. To give readers a fuller picture of the companies that go public, this updated grouping includes IPOs, direct listings, and reverse mergers via special purpose acquisition companies (SPACs).

In the edition of the KPMG Venture Pulse covering Q1 2020 and all ensuing, PitchBook's methodology regarding aggregate exit values changed. Instead of utilizing the size of an IPO as the exit value, the prevaluation of an IPO, based upon ordinary shares outstanding, was utilized. This has led to a significant change in aggregate exit values in all subsequent editions yet is more reflective of how the industry views the true size of an exit via public markets. In the edition of the KPMG Venture Pulse covering Q1 2021 and all ensuing, the IPO exit type was updated to include all types of public listings, including SPACs and other reverse mergers. In January 2025, a new extrapolation for M&A exit values was also applied.



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