

EMERGING TECH RESEARCH

2021 Annual Foodtech Report

VC trends and industry overview

Published Q1 2022

Report preview

The full report is available through the PitchBook Platform.





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Published February 10, 2022



2021 timeline

March 23, 2021 Eat Just raises a \$200.0 million Series F following regulatory approval to commercialize cultivated meat in Singapore.

June 29, 2021

Online grocery provider

Dingdong Maicai (NYSE:

DDL) goes public on the

New York Stock Exchange,
raising \$94.4 million. The
company is China's largest
quick commerce (30-minute
delivery) provider.

July 19, 2021

Microbial protein provider

Nature's FYND raises a

\$350.0 million Series C to
accelerate growth, increase
production capacity, and
extend its product portfolio.

December 16, 2021

Ultrafast grocery provider **Gopuff** raises \$1.5 billion of venture funding in the form of a convertible note with a maximum post-money valuation of \$40.0 billion, hinting at a potential IPO in 2022.

Q4 VC DEAL COUNT SUMMARY

318

total deals

-6.2%

QoQ growth

12.8%

YoY growth

32.6%

YTD YoY growth

March 31, 2021

Food delivery provider

Deliveroo raises \$2.1 billion in its IPO on the London Stock

Exchange. The company is one of the largest restaurant delivery providers in Europe and has been expanding grocery delivery to new markets.

May 3, 2021

announces a partnership with Drone Express to provide grocery delivery via autonomous drone. Kroger has been quick to incorporate tech, partnering with other providers including Nuro for autonomous delivery vehicles and Ocado to operate automated fulfilment centers.

July 23, 2021

Indian food delivery provider **Zomato** (BOM: ZOMATO) goes public on the National Stock Exchange of India, raising \$1.3 billion. The Indian food delivery market is expanding rapidly due, in part, to a growing middle class and a shift to digital channels.

October 6, 2021

USDA and Tufts University announce a \$10.0 million grant to develop an Institute for Cellular Agriculture, which will be a US organization focused on cultivated protein research.

Q4 VC DEAL VALUE SUMMARY

\$10.1B

total deal value

-13.1%

QoQ growth

107.3%

YoY growth

149.7%

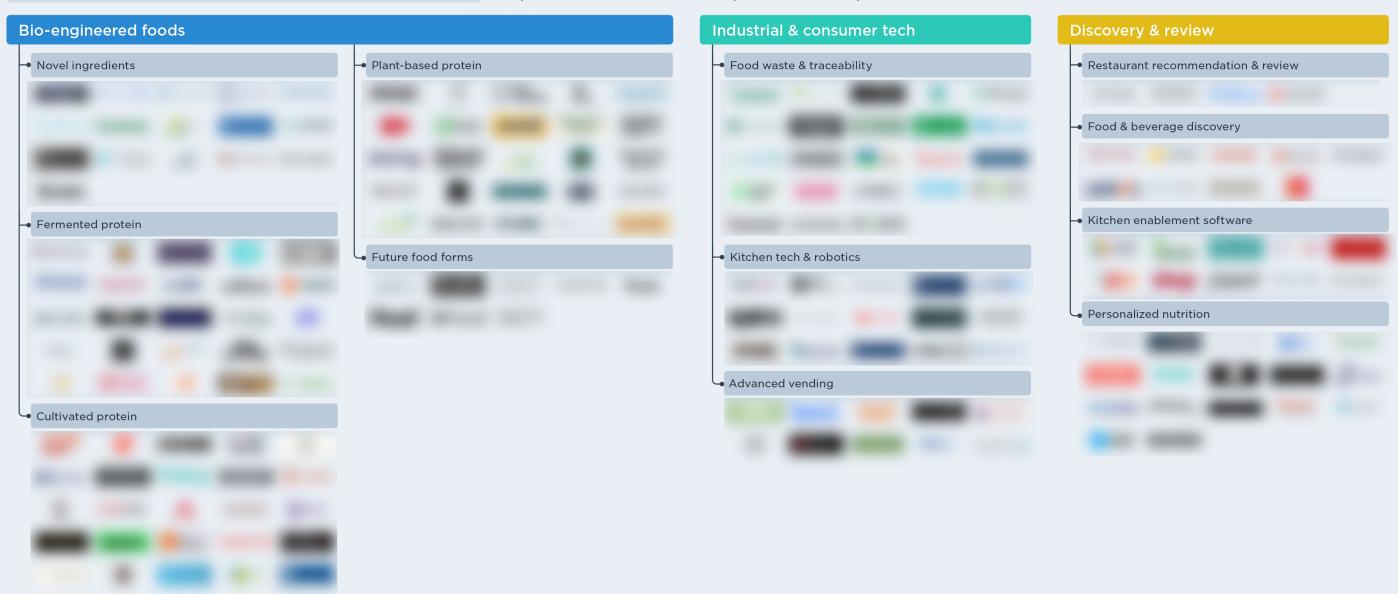
YTD YoY growth



Foodtech VC ecosystem market map

Click to view interactive market map on the PitchBook Platform.

Market map is a representative overview of venture-backed or growth-stage providers in each segment. Companies listed have received venture capital or other notable private investments.

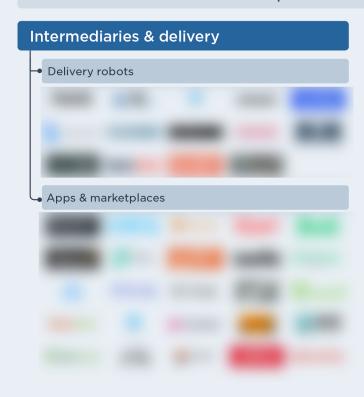


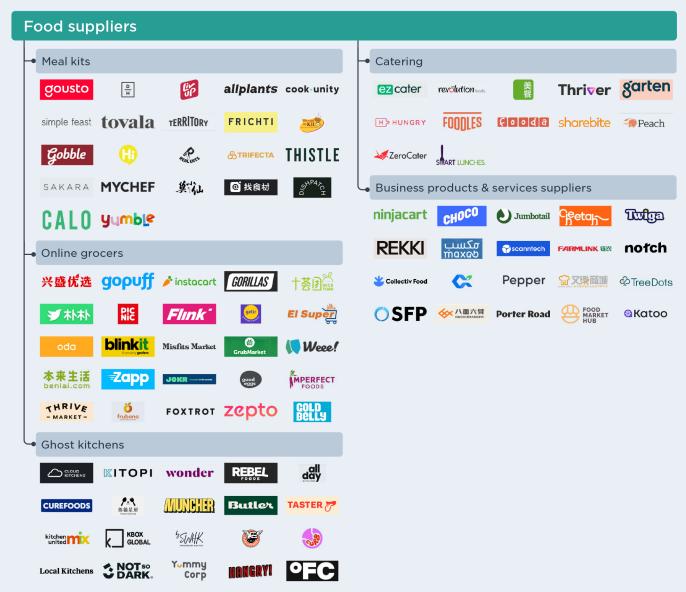


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VC activity

Deal activity

2021 was a banner year for foodtech funding. Venture capital (VC) investment activity reached \$39.3 billion across 1,358 deals, doubling deal values YoY. On a quarterly basis, funding totaled \$10.1 billion across 318 deals, down 16.2% from Q3. However, deal data is a lagging indicator, and we expect that deal values will tick up 5% to 10% as new rounds are captured.

More than half of the VC invested into foodtech companies in 2021 was directed into two categories: online grocers and apps & marketplaces. Investment into food e-commerce has been rising over the past decade, and the trend accelerated significantly after the onset of COVID-19 required companies to build out infrastructure to meet consumer demand. The top 12 deals by value in 2021 were all from one of these two categories.

The largest deal of 2021 was a \$3.0 billion late-stage VC round by online grocer **Xingsheng Selected** (also known as Furong Xingsheng) led by Sequoia Capital China. The company provides a community group-buying platform focused on fresh produce and grocery goods. Ultrafast was a major theme in 2021, and we logged 34 venture deals in companies such as **Gopuff, Gorillas**, and **Flink**. Deal count in ultrafast peaked in Q1 2021, with 12 deals logged. However, velocity declined by Q4, with only two deals logged. It remains to be seen whether this trend can maintain momentum and deliver on its value proposition in 2022.

\$18,428.7M 2021 VC deal value 102 2021 VC deal count (Restaurants & other food delivery)

\$6,798.2M
2021 VC deal value

61
2021 VC deal count

Source: PitchBook | Geography: Global | *As of December 31, 2021



Source: PitchBook | Geography: Global | *As of December 31, 2021

Segment overview

Bio-engineered foods

Alt-proteins log triple-digit growth propelled by healthy and environmentally conscious eating trends.

Food suppliers

Online grocery and other digital-first food providers ramp up fundraising to improve infrastructure and race to dominate new markets.

Intermediaries & delivery

Delivery robots record massive funding gains to improve food delivery profitability through automation.

Industrial & consumer tech

Companies addressing food waste see a doubling of investment activity as sustainability becomes an increasingly important value proposition.

Discovery & review

The personalized food trend leads to major funding gains.