



EMERGING TECH RESEARCH

# Foodtech

Q2 2021 VC update





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This report serves as a quarterly snapshot of the foodtech industry as a whole in Q2 2021. For a higher-level, detailed analysis of the foodtech industry and its various subsectors, please see our **latest annual edition**.



# Vertical overview

## Description of space

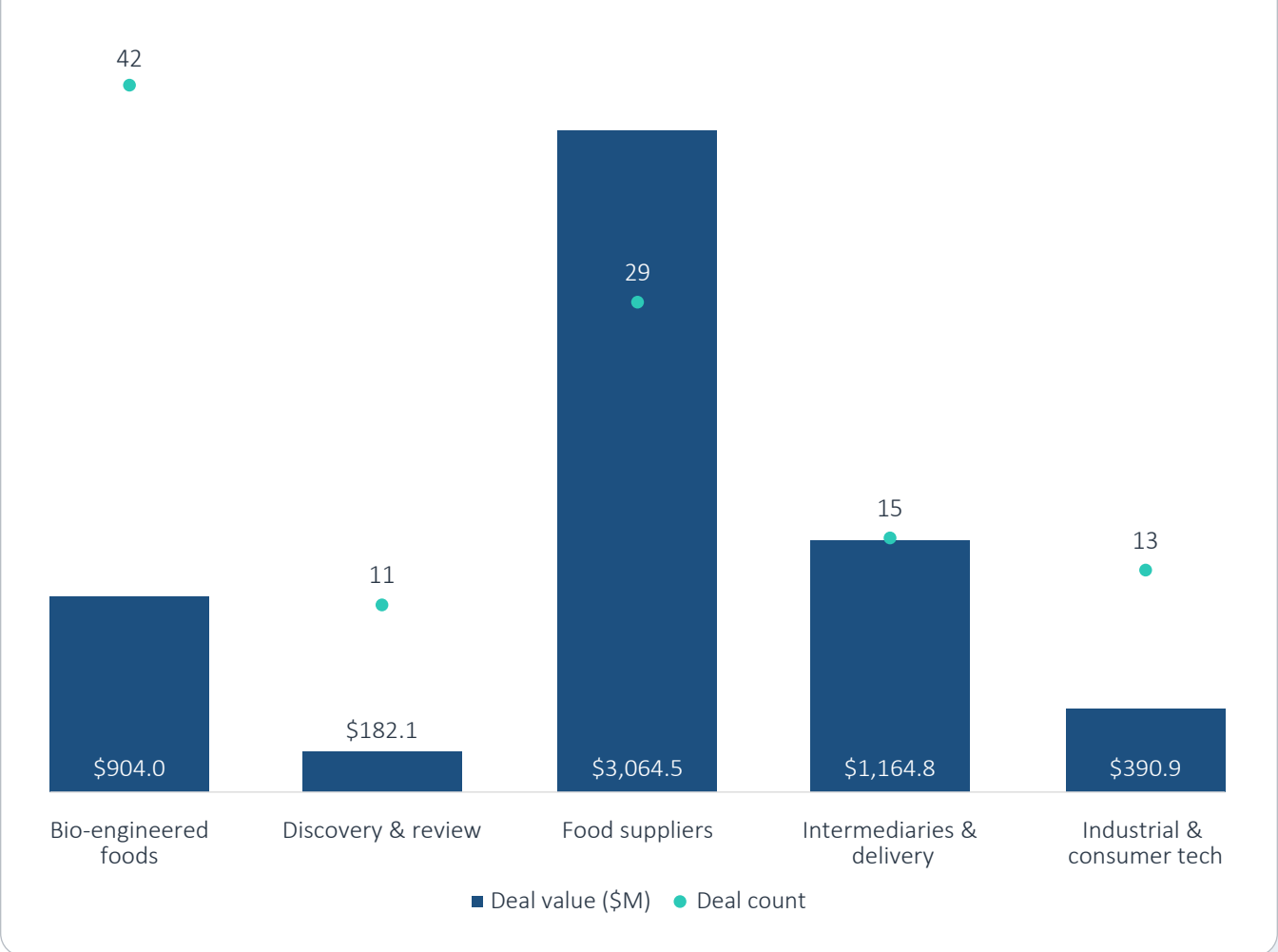
The foodtech sector includes technology-driven startups developing products and services that are changing how food has traditionally been discovered, purchased, delivered, prepared, and consumed. Examples of food technologies range from bioengineered foods such as **Eat Just**’s cultivated chicken to emerging e-commerce solutions such as **Gorillas**’ ultrafast grocery services.

Within the industry, food e-commerce continued to be the leading driver of investment activity in Q2 2021. Rapid consumer adoption of restaurant and grocery delivery services has prompted the formation of new startups and has attracted considerable VC funding. We have tracked significant expansion of international online food delivery startups including **Swiggy** of India, **Dingdong Maicai** of China, and Market **Kurly** of South Korea. These startups have received some of the largest VC rounds to expand in large and underpenetrated Asian markets. Ultrafast grocery delivery catering to on-demand shoppers is also emerging as a nascent subcategory within online grocery and has received outsized investor attention in Q2.

The December approval of **Eat Just**’s cultivated meat product in Singapore has served as a catalyst for VC funding of alt-protein startups. In addition to the startup’s \$170.0 million funding round, the largest of the quarter, other early-stage cultivated meat startups such as **Artemys Foods** and **Missions Barns** raised sizeable rounds to launch their own cultivated products as hopes rise that more cultivated meat sales will gain approval in other markets.

1: We have excluded multi-vertical super apps from our analysis and all charts. These companies include Gojek, Rappi, Uber, Amazon, and Grab.

Figure 1. FOODTECH Q2 VC DEAL ACTIVITY\* BY SEGMENT¹



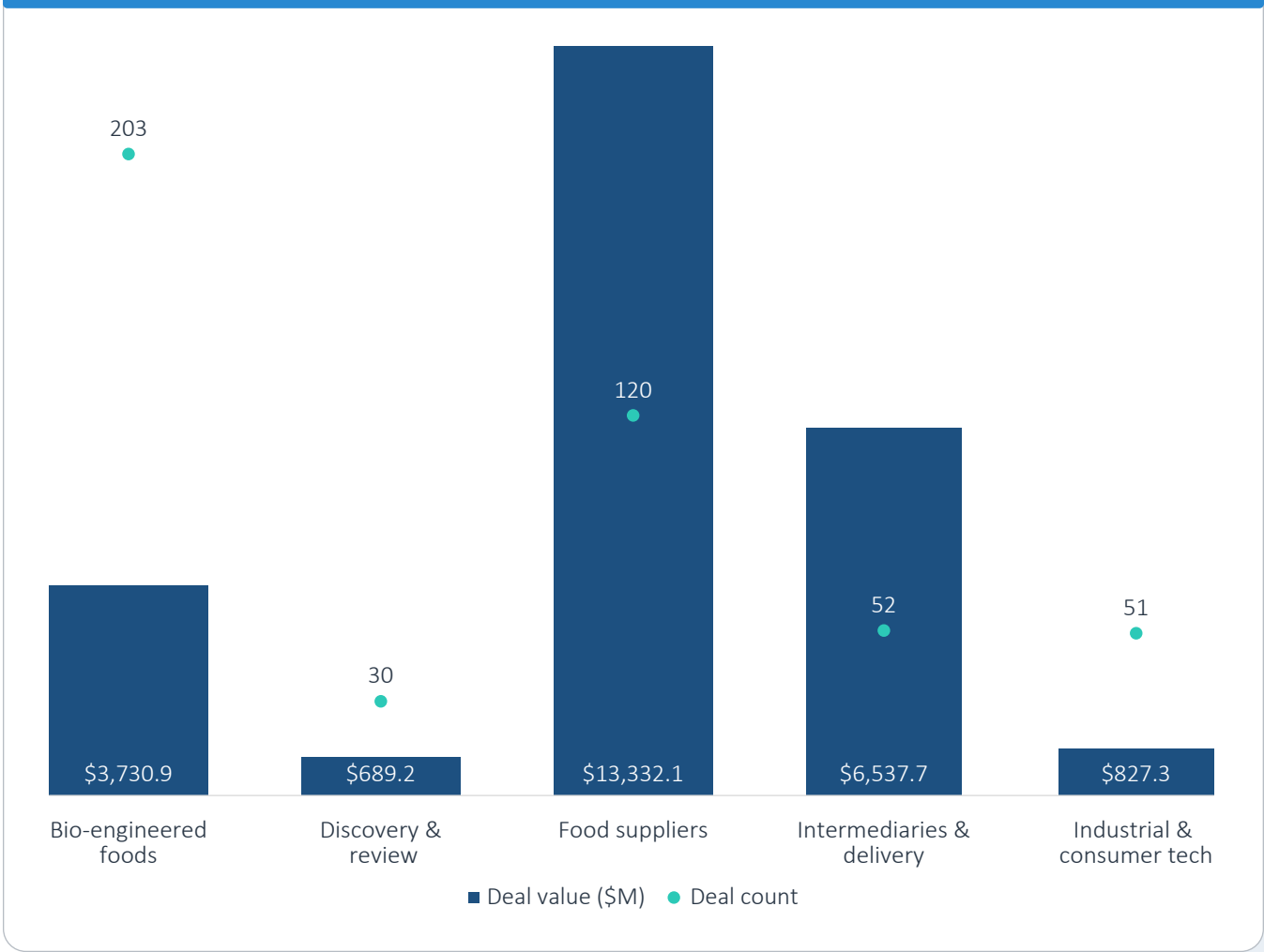
Source: PitchBook | Geography: Global | \*As of June 30, 2021



# VERTICAL OVERVIEW

While burgers have been the main driver of sales among providers in the plant-based foods category, the industry now appears to be coalescing around its next major product: chicken nuggets. Industry leaders **Beyond Meat** and **Impossible Foods** are both preparing large product launches. **SIMULATE**, **Daring Foods**, and **THIS** are a few of the startups that raised VC funding in Q2 to launch plant-based chicken nuggets. Developing plant-based foods that successfully mimic animal meat products is a formidable enough challenge; however, success will also be determined by how well startups can forge relationships with food distributors while building brand recognition with consumers.

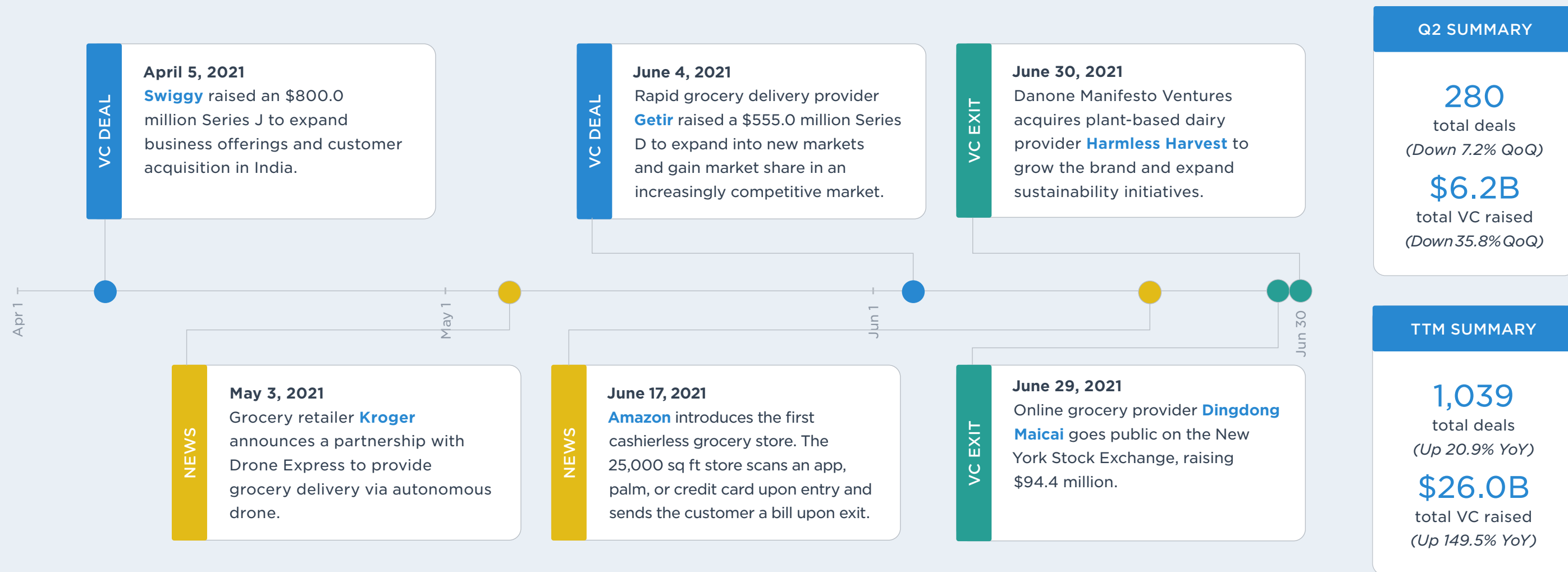
Figure 2. FOODTECH TRAILING 12-MONTH (TTM) VC DEAL ACTIVITY\* BY SEGMENT



Source: PitchBook | Geography: Global | \*As of June 30, 2021



# Q2 2021 timeline





# 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.

## Bio-engineered foods

### Meal replacements



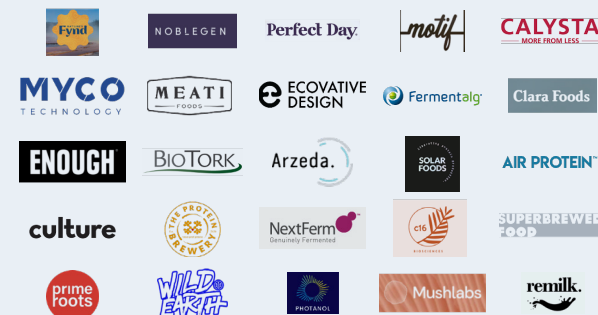
### Novel ingredients



### Plant-based protein



### Fermented protein

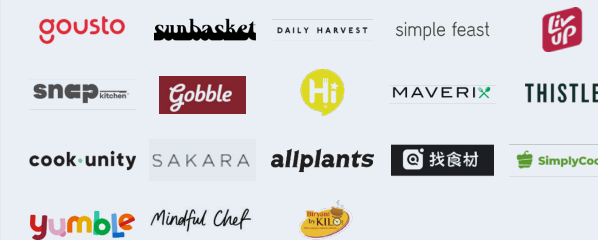


### Cultivated protein



## Food suppliers

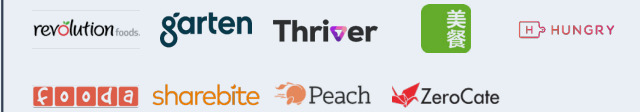
### Meal kits



### Online grocers



### Catering



### B2B suppliers



### Ghost kitchens

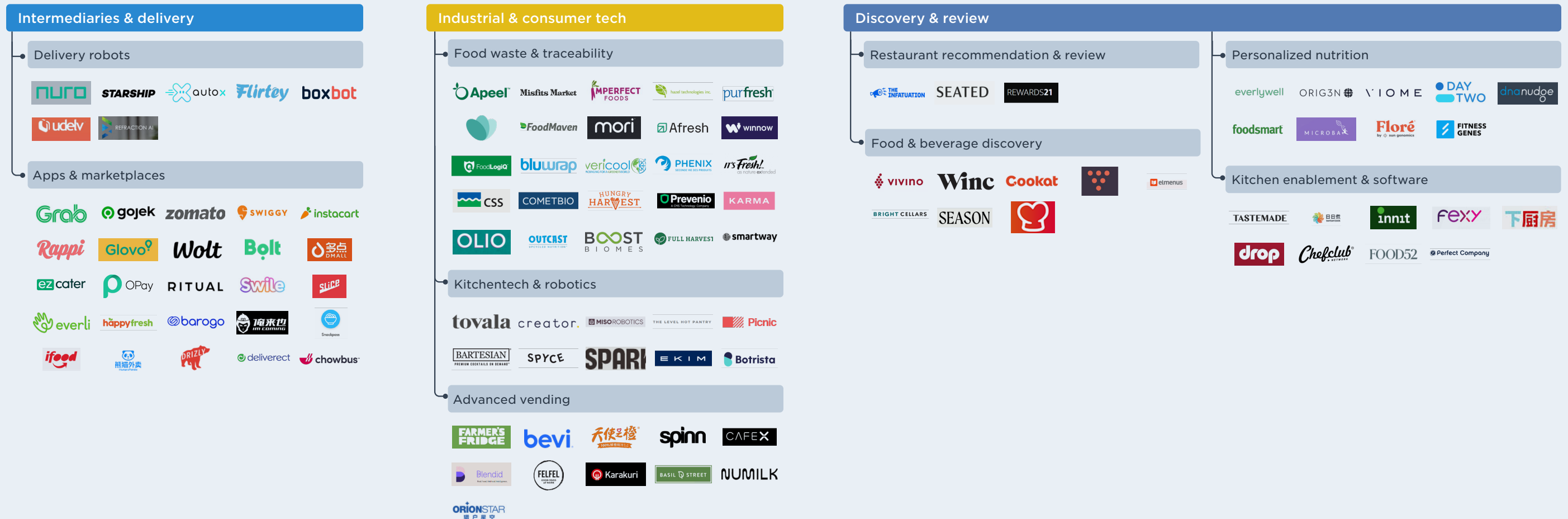




# Foodtech VC ecosystem market map

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.



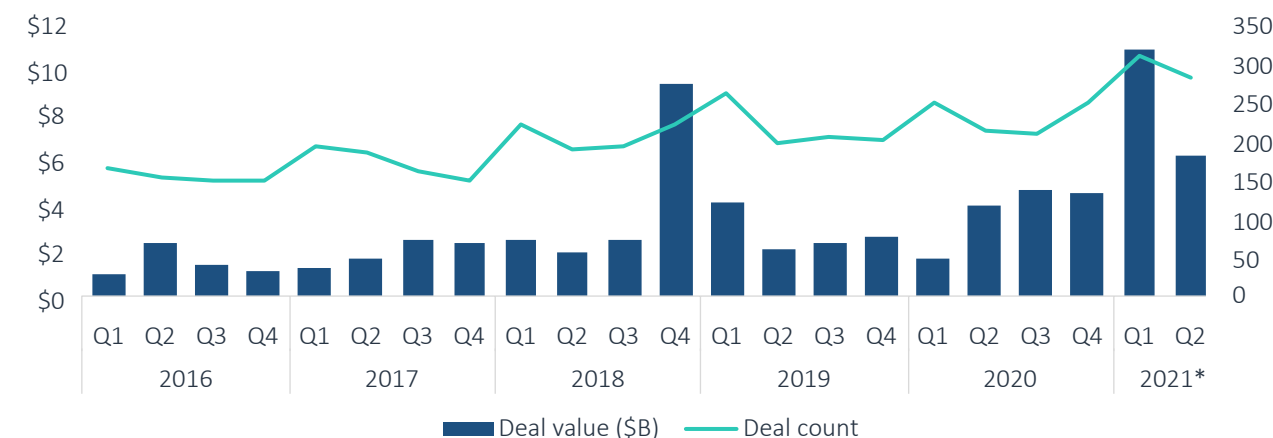


# VC activity

Foodtech VC deal values delivered another strong quarter in Q2 2021 with \$6.2 billion invested across 280 deals. E-commerce-focused food suppliers led Q2 funding with \$3.1 billion invested across 29 deals. Indian restaurant delivery and ghost kitchen provider **Swiggy** raised the largest VC round, an \$800.0 million Series J at a \$4.2 billion pre-money valuation. Despite a summer slowdown in online grocery orders, we logged a total of 13 mega-deals (\$100 million+) this quarter including online grocers **Dingdong Maicai**, **Getir**, **Oda**, and **Flink**. We believe investors will expect adoptions of online grocery delivery to expand even after COVID-19 subsidies. In Q2, VCs made significant investment in ultrafast grocery delivery, betting that consumers have an appetite for 10-minute delivery of corner-shop grocery goods. Key ultrafast grocer deals include a \$555.0 million Series D in **Getir**, a \$243.3 million Series A in **Flink**, and a \$118.6 million seed round in JOKR. Leading incumbent online grocery providers Walmart and Amazon offer delivery in as little as two hours but have not yet pursued the ultrafast delivery model.

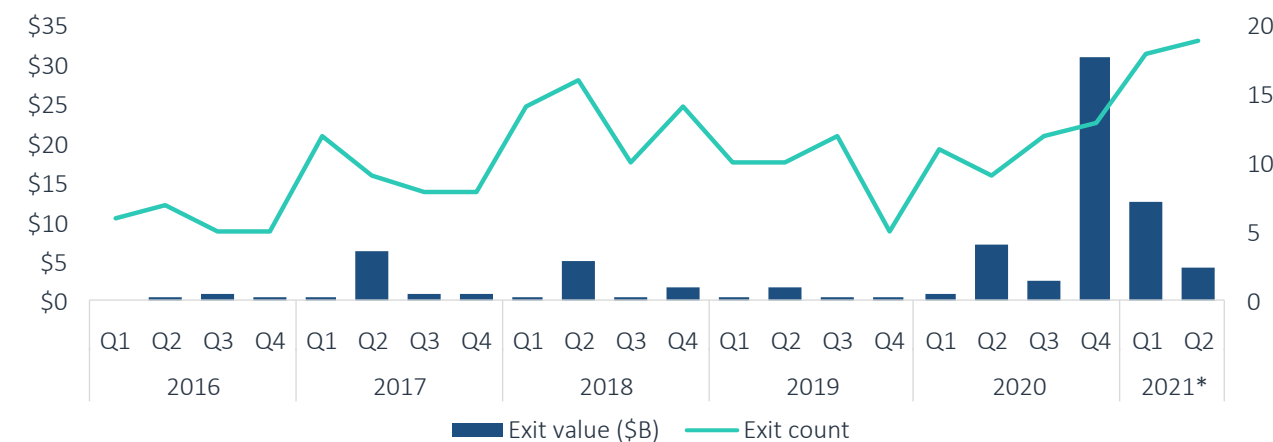
In a signal of increased industry maturation, VC exit value reached \$4.3 billion across 19 deals in Q2 2021, climbing steadily over the past four quarters. Notable exits include a \$45.0 million buyout of food discovery platform **Fave** by online payment provider Pine Labs and the buyout of plant-based dairy provider **Harmless Harvest** by Danone Manifesto Ventures, the CVC arm of Danone. Although exit activity tends to be unpredictable quarter to quarter, anticipated IPOs of foodtech leaders including **Eat Just**, **Instacart**, and **Zomato** (NSE: ZOMATO), which IPO'd at the end of July, are likely to propel exit activity to record highs in 2021.

Figure 3. FOODTECH VC DEAL ACTIVITY



Source: PitchBook | Geography: Global | \*As of June 30, 2021

Figure 4. FOODTECH VC EXIT ACTIVITY



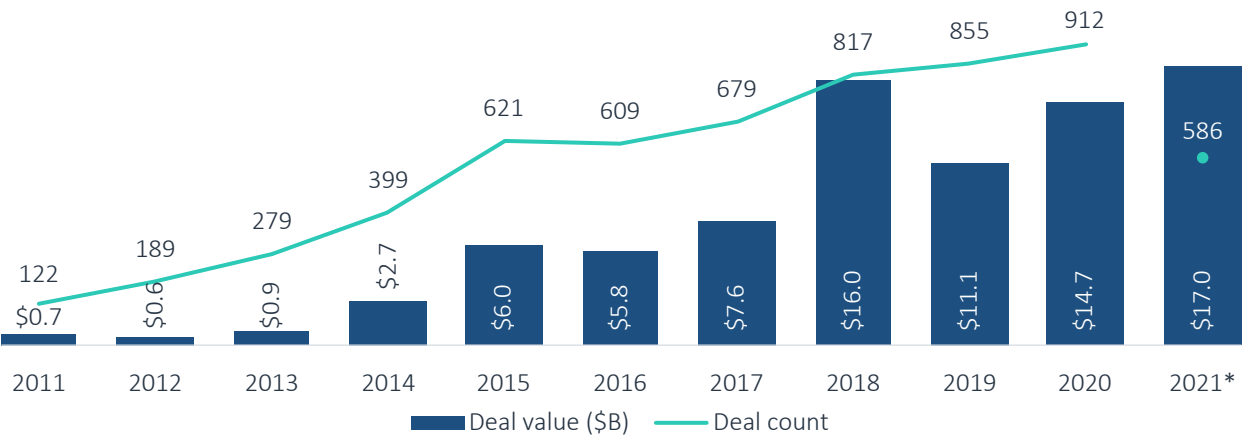
Source: PitchBook | Geography: Global | \*As of June 30, 2021





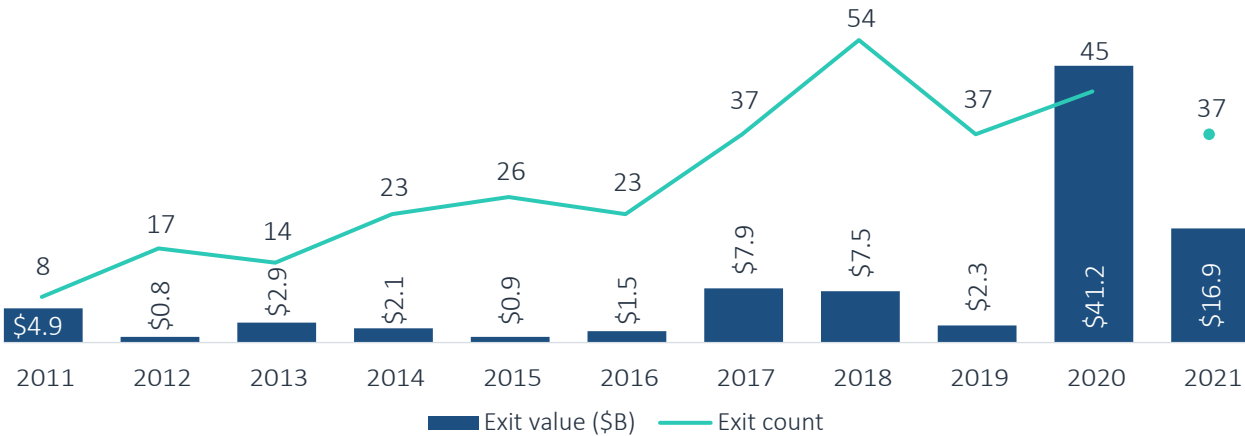
# VC ACTIVITY

Figure 5. FOODTECH VC DEAL ACTIVITY



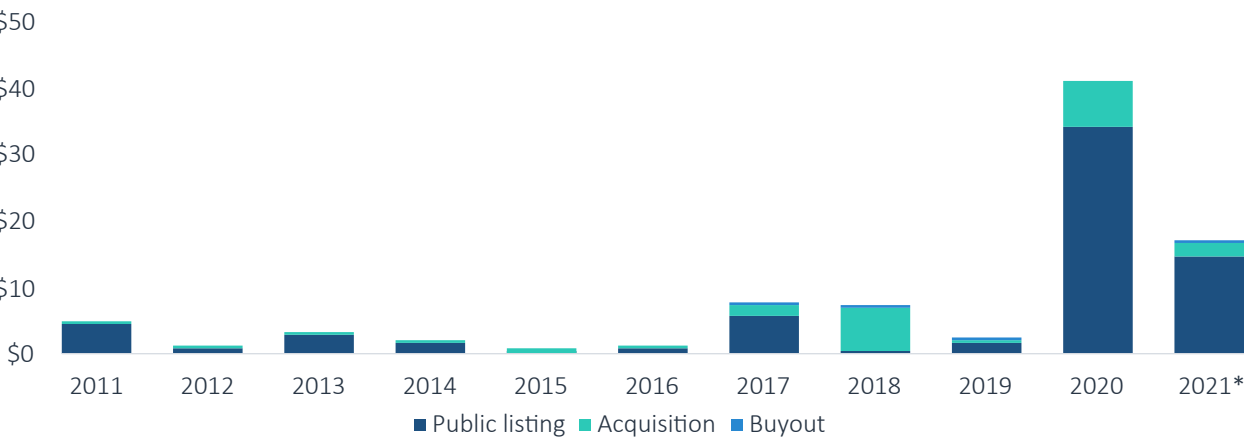
Source: PitchBook | Geography: Global | \*As of June 30, 2021

Figure 6. FOODTECH VC EXIT ACTIVITY



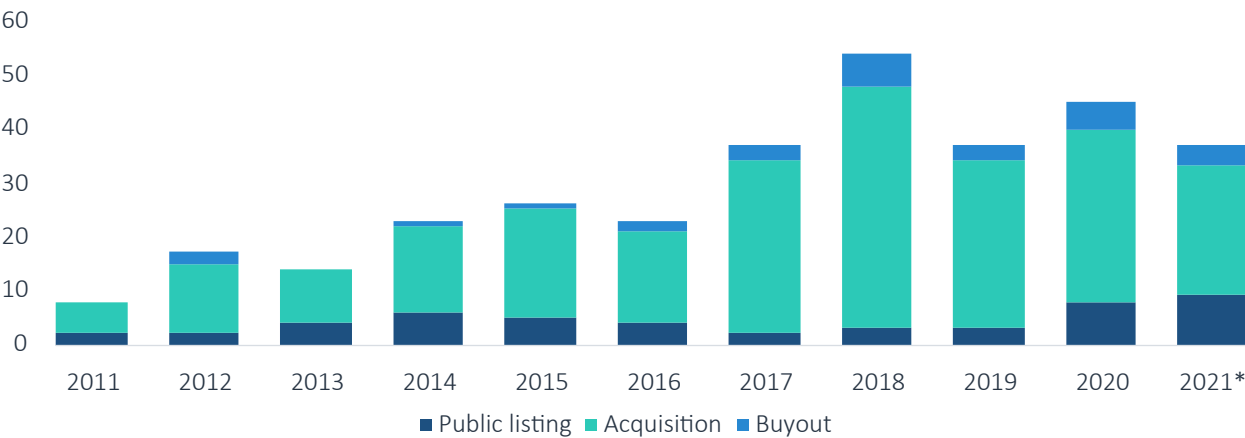
Source: PitchBook | Geography: Global | \*As of June 30, 2021

Figure 7. FOODTECH VC EXIT VALUE (\$B) BY TYPE



Source: PitchBook | Geography: Global | \*As of June 30, 2021

Figure 8. FOODTECH VC EXIT COUNT BY TYPE

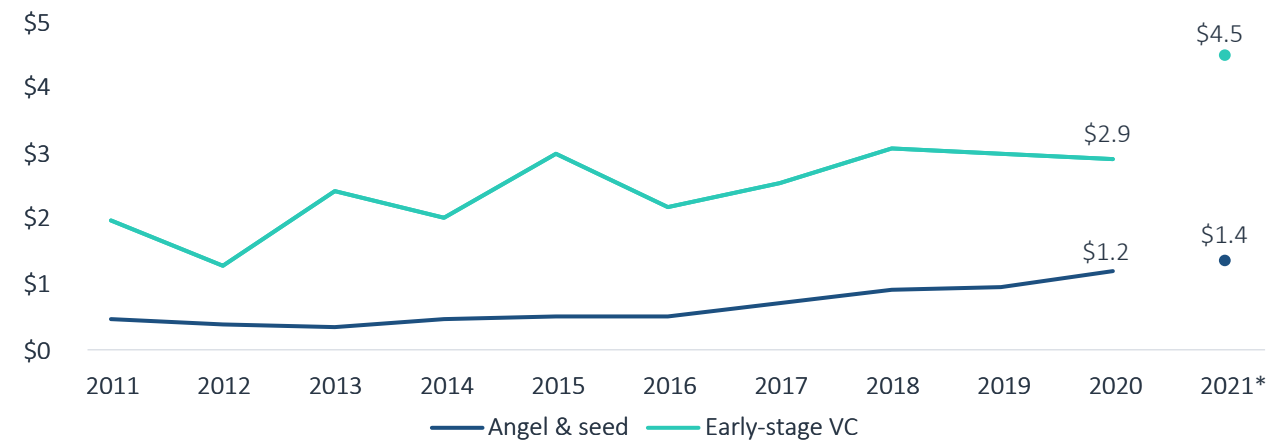


Source: PitchBook | Geography: Global | \*As of June 30, 2021



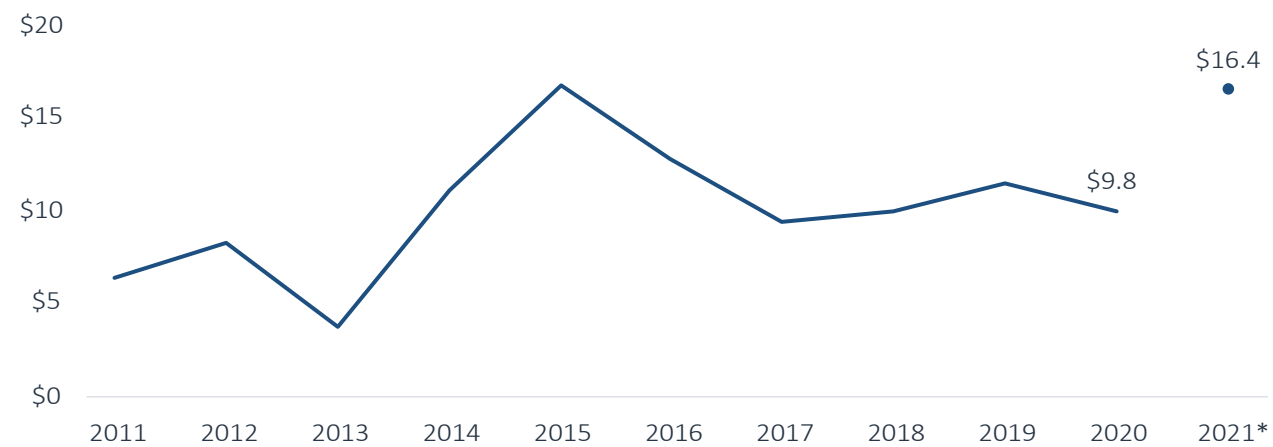
# VC ACTIVITY

Figure 9. MEDIAN FOODTECH ANGEL & SEED AND EARLY-STAGE VC DEAL SIZE (\$M)



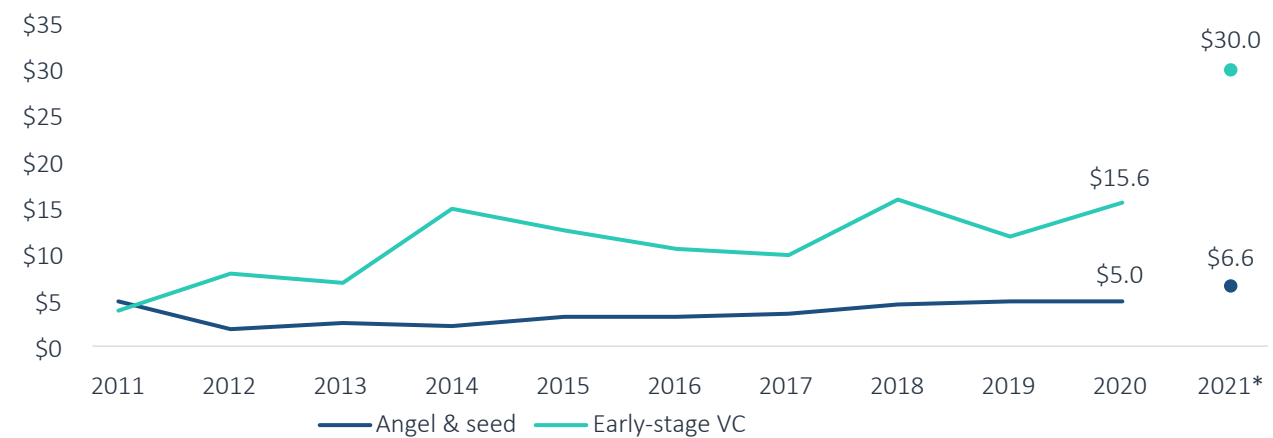
Source: PitchBook | Geography: Global | \*As of June 30, 2021

Figure 10. MEDIAN FOODTECH LATE-STAGE VC DEAL SIZE (\$M)



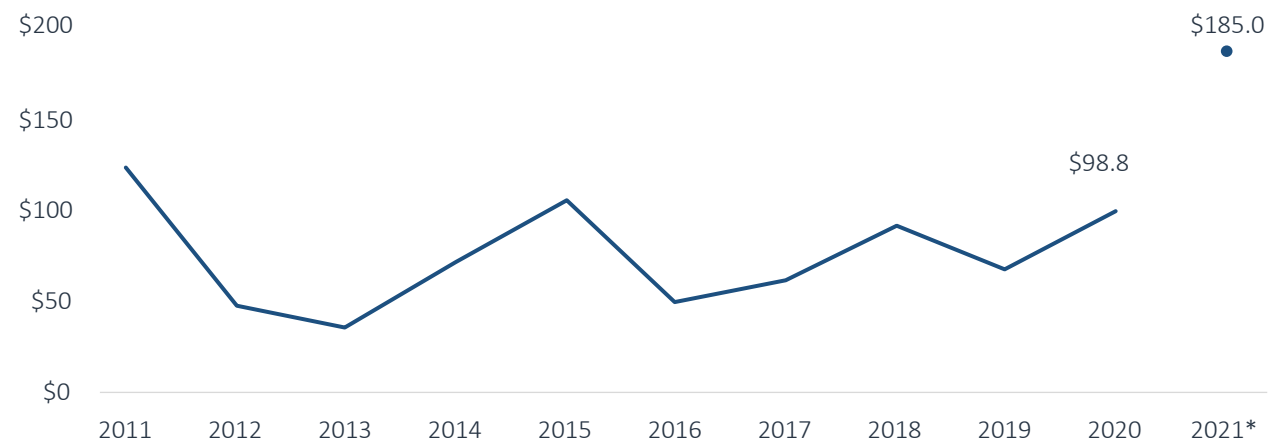
Source: PitchBook | Geography: Global | \*As of June 30, 2021

Figure 11. MEDIAN FOODTECH ANGEL & SEED AND EARLY-STAGE VC PRE-MONEY VALUATION (\$M)



Source: PitchBook | Geography: Global | \*As of June 30, 2021

Figure 12. MEDIAN FOODTECH LATE-STAGE VC PRE-MONEY VALUATION (\$M)



Source: PitchBook | Geography: Global | \*As of June 30, 2021



# VC ACTIVITY

Figure 13.  
Key foodtech angel & seed VC deals

COMPANY	CLOSE DATE	SEGMENT	STAGE	DEAL SIZE (\$M)*	LEAD INVESTOR(S)
JOKR	April 15, 2021	Food suppliers	Seed	\$118.6	N/A
Club Feast	May 4, 2021	Intermediaries & delivery	Seed	\$10.3	N/A
Salted	May 12, 2021	Discovery & review	Seed	\$9.0	Kamine Development Corporation
Tortoise	April 21, 2021	Intermediaries & delivery	Seed	\$7.8	N/A
Minnow	April 27, 2021	Intermediaries & delivery	Seed	\$6.6	Branded Strategic Hospitality
NovoNutrients	April 19, 2021	Bio-engineered foods	Seed	\$6.3	N/A
Forager	May 14, 2021	Food suppliers	Seed	\$4.3	Coastal Enterprises, ICM Investment Management (UK)
Ready, Set, Food!	June 4, 2021	Discovery & review	Seed	\$3.5	Mark Cuban, AF Ventures, Edward-Elmhurst Health, Danone Manifesto Ventures
Home Delivery Service	April 19, 2021	Food suppliers	Angel (individual)	\$3.0	N/A
Change Foods	June 16, 2021	Bio-engineered foods	Seed	\$2.1	N/A

Source: PitchBook | Geography: Global | \*As of June 30, 2021



# VC ACTIVITY

Figure 14.  
Key foodtech early-stage VC deals

COMPANY	CLOSE DATE	SEGMENT	STAGE	DEAL SIZE (\$M)*	LEAD INVESTOR(S)	VALUATION STEP-UP
Flink	June 4, 2021	Food suppliers	Series A	\$243.3	Bond Capital, Prosus, Mubadala Capital-Ventures	N/A
Snackpass	June 11, 2021	Intermediaries & delivery	Series B	\$70.1	Craft Ventures	4.56x
Frubana	June 1, 2021	Food suppliers	Series B	\$65.0	GGV Capital	N/A
SIMULATE	June 8, 2021	Bio-engineered foods	Series B	\$50.0	Seven Seven Six	4.65x
Buyk	June 26, 2021	Food suppliers	Early-stage VC	\$46.0	N/A	N/A
Daring Foods	May 18, 2021	Bio-engineered foods	Series B	\$40.0	D1 Capital Partners	4.64x
Taster	April 28, 2021	Food suppliers	Series B	\$37.0	Octopus Ventures	N/A
Artemys Foods	April 20, 2021	Bio-engineered foods	Series A	\$26.4	N/A	N/A
Gathered Foods	April 7, 2021	Bio-engineered foods	Series B2	\$26.4	LDC Innovations	N/A
Local Kitchens	June 28, 2021	Food suppliers	Series A	\$25.0	General Catalyst	N/A

Source: PitchBook | Geography: Global | \*As of June 30, 2021



## VC ACTIVITY

Figure 15.  
Key foodtech late-stage deals

COMPANY	CLOSE DATE	SEGMENT	STAGE	DEAL SIZE (\$M)*	LEAD INVESTOR(S)	VALUATION STEP-UP
Swiggy	April 5, 2021	Intermediaries & delivery	Series J	\$800.0	MIH India Food Holdings	1.15x
Dingdong Maicai	April 6, 2021	Food suppliers	Series D	\$700.0	DST Global, Coatue Management	N/A
Getir	June 4, 2021	Food suppliers	Series D	\$555.0	Sequoia Capital, Tiger Global Management	2.67x
Dingdong Maicai	May 12, 2021	Food suppliers	Series D1	\$330.0	SoftBank Group	N/A
Oda	April 8, 2021	Food suppliers	Late-stage VC	\$264.5	SoftBank Investment Advisers, Prosus Ventures	N/A
Motif	June 16, 2021	Bio-engineered foods	Series B	\$226.0	Ontario Teachers' Pension Plan, BlackRock	3.05x
Market Kurly	June 1, 2021	Food suppliers	Late-stage VC	\$200.3	N/A	N/A
Misfits Market	April 21, 2021	Food suppliers, industrial & consumer tech	Series C	\$200.0	D1 Capital Partners, Accel	3.40x
Eat Just	May 18, 2021	Bio-engineered foods, bio-engineered foods	Late-stage VC	\$170.0	N/A	N/A
Grofers	June 29, 2021	Food suppliers	Late-stage VC	\$120.0	Zomato	1.48x

Source: PitchBook | Geography: Global | \*As of June 30, 2021



VC ACTIVITY

Figure 16.  
Key foodtech VC exits

COMPANY	CLOSE DATE	SEGMENT	EXIT SIZE	EXIT TYPE	ACQUIRER(S)/INDEX
Fave	April 13, 2021	Discovery & review	\$45.0	Buyout	Actis, Madison India Capital, Altimeter Capital Management, Advent Capital Management, Pine Labs, Lone Pine Capital, Sofina, Temasek Holdings
Plant Veda	June 21, 2021	Bio-engineered foods	Undisclosed	Public listing	CNQ:MILK
Easilys	June 3, 2021	Food suppliers	Undisclosed	Buyout	Providence Strategic Growth, MAPAL Software, Pantheon International
Plenish	May 4, 2021	Bio-engineered foods	Undisclosed	Acquisition	Britvic
Harmless Harvest	June 30, 2021	Bio-engineered foods	Undisclosed	Buyout	Danone Manifesto Ventures
Dingdong Maicai	June 29, 2021	Food suppliers	Undisclosed	Public listing	NYSE:DDL
Protifarm	April 13, 2021	Bio-engineered foods	Undisclosed	Acquisition	Ynsect
New Barn Organics	June 3, 2021	Bio-engineered foods	Undisclosed	Acquisition	Nestfresh Eggs
Sol Cuisine	May 19, 2021	Bio-engineered foods	Undisclosed	Public listing	TSX:VEG

Source: PitchBook | Geography: Global | \*As of June 30, 2021



VC ACTIVITY

Figure 17.  
Key foodtech incumbents

COMPANY	SUBSEGMENT	HOLDING STATUS	KEY PRODUCTS	EV/NTM REVENUE*	EV/NTM EBITDA*
DoorDash	Apps & marketplaces	PUBLIC (NYSE:DASH)	Online grocery, e-commerce	12.0x	254.5x
Amazon.com	Online grocers	PUBLIC (NASDAQ:AMZN)	Online grocery, e-commerce	3.8x	24.6x
Nestlé	Plant-based protein	PUBLIC (SWX:NESN)	Alt-proteins, CPG	4.2x	19.1x
De’Longhi	Kitchentech & robotics	PUBLIC (MIL:DLG)	Restaurant delivery, rideshare	2.0x	13.0x
Yelp	Restaurant recommendation & review	PUBLIC (NYSE:YELP)	Restaurant delivery, ultrafast grocery	2.4x	12.7x

Source: PitchBook | Geography: Global | \*As of June 30, 2021



# VC ACTIVITY

Figure 18.  
Key VC-backed foodtech companies

COMPANY	SUBSEGMENT	VC RAISED (\$M)*	POST-MONEY VALUATION (\$M)	MOST RECENT VC STAGE
Motif	Fermented protein	\$343.5	\$1,226.0	Series B
Flink	Online grocers	\$307.4	\$1,094.9	Series A
Upside Foods	Cultivated protein	\$208.2	\$550.0	Series B1
Slice	Apps & marketplaces	\$119.9	\$1,060.0	Series D
DayTwo	Personalized nutrition	\$102.0	N/A	Series C
Winc	Food & beverage discovery	\$65.8	\$195.0	Series F
Simple Feast	Meal kits	\$63.5	N/A	Late-stage VC
Mori	Food Waste & traceability	\$33.3	\$86.0	Series B
Creator	KitchenTech & robotics	\$24.4	\$65.0	Series B
Tortoise	Delivery robots	\$7.8	N/A	Seed

Source: PitchBook | Geography: Global | \*As of June 30, 2021





# League tables

Figure 19.  
Most active foodtech VC investors in 2021

INVESTOR NAME	DEAL COUNT*	ANGEL & SEED	EARLY STAGE	LATE STAGE
SOSV	20	8	3	9
Gaingels	15	5	5	5
Tiger Global Management	12	1	1	10
10X Capital	9	4	2	3
Siddhi Capital	9	4	4	1
Sustainable Food Ventures	8	6	2	0
CPT Capital	8	2	4	2
Global Founders Capital	7	1	6	0
Big Idea Ventures	6	2	3	1
DST Global	6	0	1	5

Source: PitchBook | Geography: Global | \*As of June 30, 2021



LEAGUE TABLES

Figure 20.  
Most active foodtech PE investors 2019–2021

INVESTOR NAME	DEAL COUNT*	PRIMARY INVESTOR TYPE
InvestEco Capital	2	Growth/expansion
PAI Partners	2	PE/buyout
Virgo Investment Group	2	PE/buyout
Warburg Pincus	2	PE/buyout
Butterfly Equity	2	PE/buyout
Verdane	2	PE/buyout
Gala Capital Partners	2	PE/buyout
The CapStreet Group	2	PE/buyout
Providence Strategic Growth	2	Growth/expansion

Source: PitchBook | Geography: Global | \*As of June 30, 2021

# Emerging opportunities

## Alt-proteins: Microalgae

New protein sources provide health and environmental benefits

## Ultrafast grocery delivery

Ultrafast grocery startups deliver convenience goods on demand

## India's burgeoning food delivery market

Investors pour billions into India's rapidly growing online food delivery sector



# Alt-proteins: microalgae

## Overview

The alt-protein market is increasing in breadth and diversity. Recognizing the growing demand for alt-proteins and the need to provide sustainable food sources for a growing population, startups and food scientists continue to make progress exploring the potential of new ingredients and technologies.

The latest protein to garner VC attention is microalgae, a unicellular category of proteins comprising more than 200,000 species of algae with numerous health and environmental benefits. Microalgae has been shown to be high in protein, fiber, and nutrients including vitamins, minerals, antioxidants, and essential fatty acids. Microalgae production is also carbon-negative, meaning more CO2 is consumed than created.

## Market Direction

While microalgae is still a very nascent food category, a growing number of food companies are exploring potential applications, and the global algae protein market is expected to reach a value of \$1 billion by 2026.<sup>2</sup> Corporate food companies have shown great interest in this ingredient for its supply chain, health, and environmental benefits. Many large food companies have made bold pledges to move toward carbon neutrality, and microalgae’s carbon-negative production process could help them meet their goals.

2: “Algae Protein Market Size to Exceed \$1bn by 2026,” Global Market Insights, Kunal Ahuja and Sonal Singh, February 19, 2020.

Figure 21.  
Key microalgae companies by VC raised to date

COMPANY	VC RAISED TO DATE (\$M)*	LAST KNOWN POST VALUATION (\$M)	LAST VC DEAL TYPE
Microphyt	\$34.9	\$4.3	Late-stage VC
Iwi	\$18.5	\$73.0	Series A
Algama	\$8.2	\$8.8	Series A
Energae	\$7.6	N/A	Series A
KeyNatura	\$6.6	N/A	Early-stage VC
Algisys	\$6.2	N/A	Series A
Algal Bio	\$4.1	N/A	Series A
Yemoja	\$4.0	N/A	Seed
Kyanos Biotechnologies	\$3.8	\$3.6	Early-stage VC
MiAlgae	\$1.9	\$5.9	Seed

Source: PitchBook | Geography: Global | \*As of June 30, 2021



## ALT-PROTEINS-MICROALGAE

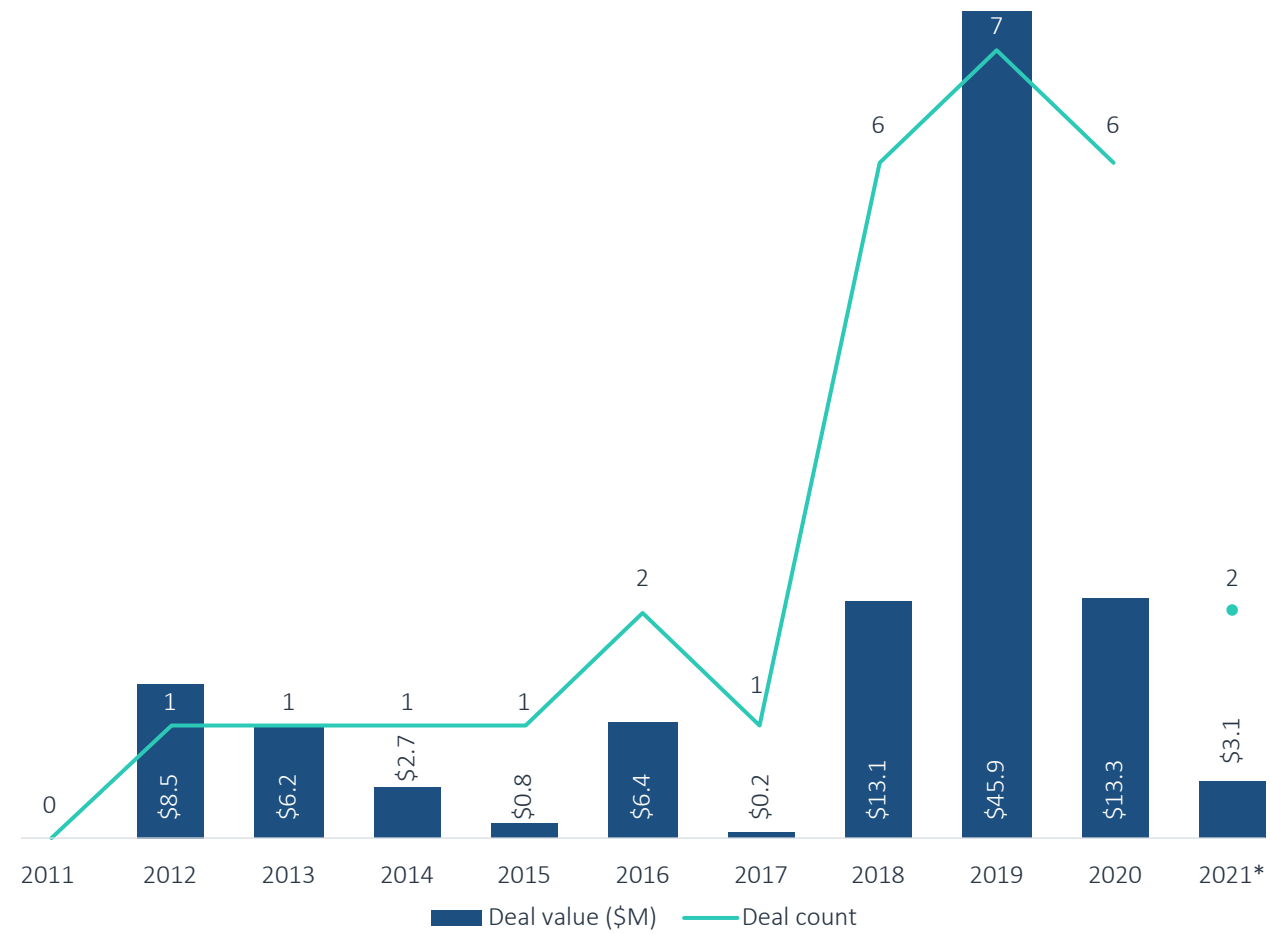
Existing plant-based proteins have faced supply chain constraints as well as environmental challenges. For example, strong demand for pea protein, which is used by **Beyond Meat**, **Meatless Farm** Co, and other plant-based providers, has led to increased prices and supply chain shortages. In addition, soy protein, which is used by **Impossible Foods**, **THIS**, and others, has been linked with deforestation in Brazil. While production of microalgae is currently expensive, the industry does not face the same kind of supply chain challenges, and we expect prices could decline as production scales.

Several corporate food companies have formed partnerships with microalgae providers to develop new plant-based products and reduce their carbon footprint. Unilever partnered with biotech startup Algenuity to explore the use of microalgae in consumer food and beverage products, while **Nestlé** (SWX: NESN) partnered with Corbion for similar purposes. Startup microalgae providers are also developing microalgae-based products including a microalgae burger by **Sophie's Bionutrients** and microalgae mayonnaise by **Algama**.

### Trending startups

Several early-stage startups are developing microalgae products, brands, and ingredients. **Qualitas Health** has raised \$18.5 million in VC funding to develop microalgae-based health supplements. Startup **Algama** has raised \$8.3 million to develop microalgae-based ingredients and foods for corporate clients and develops its own products such as mayonnaise under the brand The Good Spoon. Other VC-backed providers include **Microphyt**, **Sophie's Bionutrients**, and **Naka Foods**.

Figure 22. MICROALGAE VC DEAL ACTIVITY



Source: PitchBook | Geography: Global | \*As of June 30, 2021



# Ultrafast grocery delivery

## Overview

Ultrafast grocery represents the latest online food delivery trend and is characterized by startups offering 20-minute-or-less delivery of goods from “dark” convenience stores or local merchants. Similar to conventional convenience stores, corner shops, and bodegas, dark stores carry a few thousand high-demand convenience items, much fewer than grocery stores, which can stock 10 times this amount. Dark convenience stores are generally located in dense urban markets that might include 50,000+ households in a delivery radius of 1–2 miles. This model allows providers to fulfill and deliver orders within minutes. Providers generally hire couriers as employees to minimize response time and operate dark stores themselves instead of turning to a third-party.

## Market Direction

The pandemic catalyzed the market for grocery store delivery, with 49% of consumers in the US having tried ordering from a delivery app.<sup>3</sup> On the heels of this growth, VCs invested \$9.7 billion in food delivery startups in the first half of 2021, nearly double 2020 annual deal values. While grocery delivery still mostly consists of large orders that may take a day to schedule, ultrafast grocery startups are betting there’s a market for consumers who prefer spontaneous, small on-demand food orders to help them avoid last minute trips to the store.

3: “Which Company Is Winning the Restaurant Food Delivery War?” Bloomberg Second Measure, Liyin Yeo, July 14, 2021.

Figure 23.  
Key ultrafast grocery companies by VC raised

COMPANY	VC RAISED TO DATE (\$M)*	LAST KNOWN POST VALUATION (\$M)	LAST VC DEAL TYPE
Gopuff	\$2,434.7	\$15,000.0	Series G
Getir	\$1,026.0	\$7,500.0	Series D
Gorillas	\$339.8	\$1,630.5	Series B
Flink	\$307.4	\$1,094.9	Series A
JOKR	\$170.0	N/A	Series A
Zapp (Other Services)	\$43.5	\$108.5	Series A
Weezy	\$21.3	\$4.7	Series A
Dija	\$19.2	\$83.7	Seed
Fridge No More	\$16.9	\$69.4	Series A
Jiffy Grocery	\$3.6	N/A	Late-stage VC

Source: PitchBook | Geography: Global | \*As of June 30, 2021



# ULTRAFAST GROCERY DELIVERY

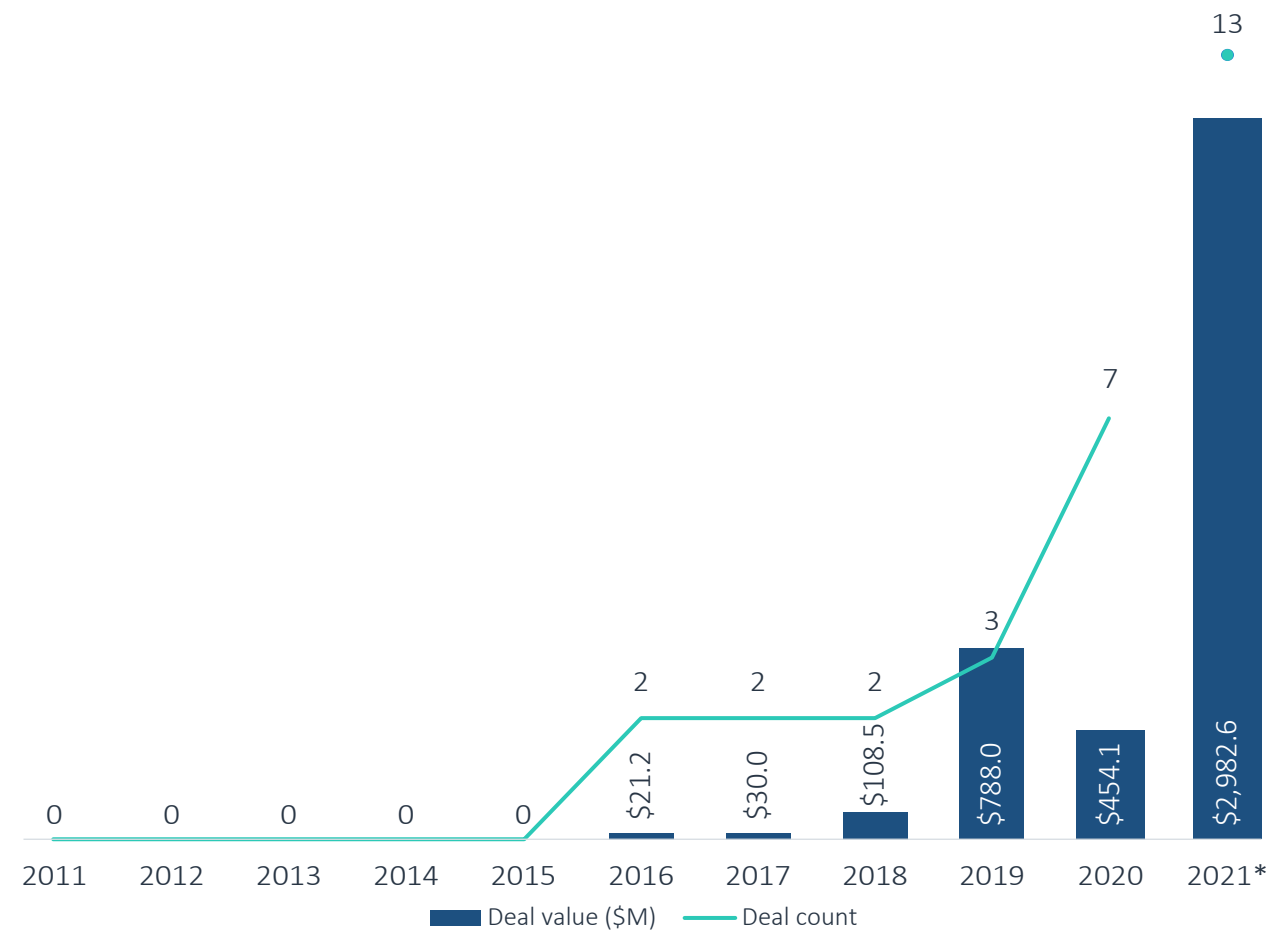
More than half of leading ultrafast grocery startups are based in Europe, where cities typically have a dense urban core ideal for this model. Large funding rounds and new entrants have led to fierce competition in cities such as London, where several startups, including **Gorillas**, **Weezy**, **Getir**, **Dija**, and others compete. Given the relative commoditization of the offering, VC funding is often used to rapidly expand to new markets, including cities in the US and Latin America.

Providers are also expanding into new categories and business models. **GoPuff** and **Food Rocket** have indicated plans to launch ghost kitchens to offer meals, while **DoorDash** (NYSE: DASH) recently acquired salad robot company **Chowbotics** and has developed several lines of private label products for its Dashmart stores including meals and meal kits.

## Trending startups

Istanbul-based **Getir** is the highest-valued ultrafast grocery startup, with a \$7.5 billion post-money valuation and \$1.1 billion in VC funding raised to date. The startup was founded in 2015 and has expanded to new delivery categories over time including groceries, restaurants, and local businesses. In the US, Philadelphia-based **GoPuff** leads the pack in VC funding, with \$2.4 billion raised to date. The startup began as a hookah delivery service (hence the name) before pivoting to convenience goods, and has since made acquisitions of alcohol delivery providers. Other key VC-backed providers include **JOKR**, **Flink**, and **Zapp**.

Figure 24. ULTRAFAST GROCERY VC DEAL ACTIVITY



Source: PitchBook | Geography: Global | \*As of June 30, 2021



# India's burgeoning food delivery market

## Overview

The Indian food delivery market is estimated to have reached \$4.6 billion in 2020 and is forecast to exceed \$21 billion by 2026.<sup>4</sup> The opportunity is attracting significant VC growth funding, with **Swiggy** and **Zomato** (NSE: ZOMATO) each having raised over \$2 billion. At the end of July, **Zomato** (NSE: ZOMATO) completed an IPO on the National Stock Exchange of India under the ticker symbol of ZOMATO. A key growth driver of the Indian market includes a growing middle class willing to spend more on food delivery. Additionally, unlike in the US, India does not have a robust network of large grocery store chains, so consumers have limited physical retail options, which drives more demand to digital channels.

## Market Direction

The Indian food delivery market is large and underpenetrated. Relative to the US, we believe ghost kitchens may play a greater role in the development of India's food delivery market. Both **Zomato** (NSE: ZOMATO) and **Swiggy** (along with others) launched ghost kitchens in recent years. While COVID-19 slowed their development, sales appear to be improving, and ghost kitchens will likely be critical in helping restaurant brands reach new markets and delivery providers optimize service. Leading platforms are rapidly expanding their product offerings. **Zomato** (NSE: ZOMATO) recently launched Zomato Marketplace to connect restaurants with suppliers of non-food items, and **Swiggy** extended into fast grocery &

<sup>4</sup>: India Online Food Delivery Market by Delivery Type (Aggregator, Cloud Kitchen), City, Ordering Platform, Cuisine, Ordering Frequency & Companies,” Renub Research, April 2021.

Figure 25.  
Key India food delivery companies by VC raised

COMPANY	VC RAISED TO DATE (\$M)*	LAST KNOWN POST VALUATION (\$M)	LAST VC DEAL TYPE
Swiggy	\$2,871.5	\$3,643.0	Series J
Zomato	\$2,378.3	\$5,400.0	Late-stage VC
BigBasket	\$757.8	\$1,919.4	Late-stage VC
Grofers	\$571.3	\$1,075.0	Late-stage VC
Rebel Foods	\$268.2	\$846.5	Series E2
Ninjacart	\$173.1	\$502.6	Late-stage VC
Live Fish	\$134.2	N/A	Seed
Jumbotail	\$50.3	N/A	Series B2
Box8	\$39.9	N/A	Series C3
Milkbasket	\$34.9	\$35.1	Series B1

Source: PitchBook | Geography: Global | \*As of June 30, 2021





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convenience delivery with its Instamart brand. While several providers are working to develop fast grocery services (**Amazon Fresh**, **Flipkart** Quick, JioMart, and startup **KiranaKart**), these offerings are unlikely to be as quick as the ultrafast grocery model provided by startups in Europe and the US.

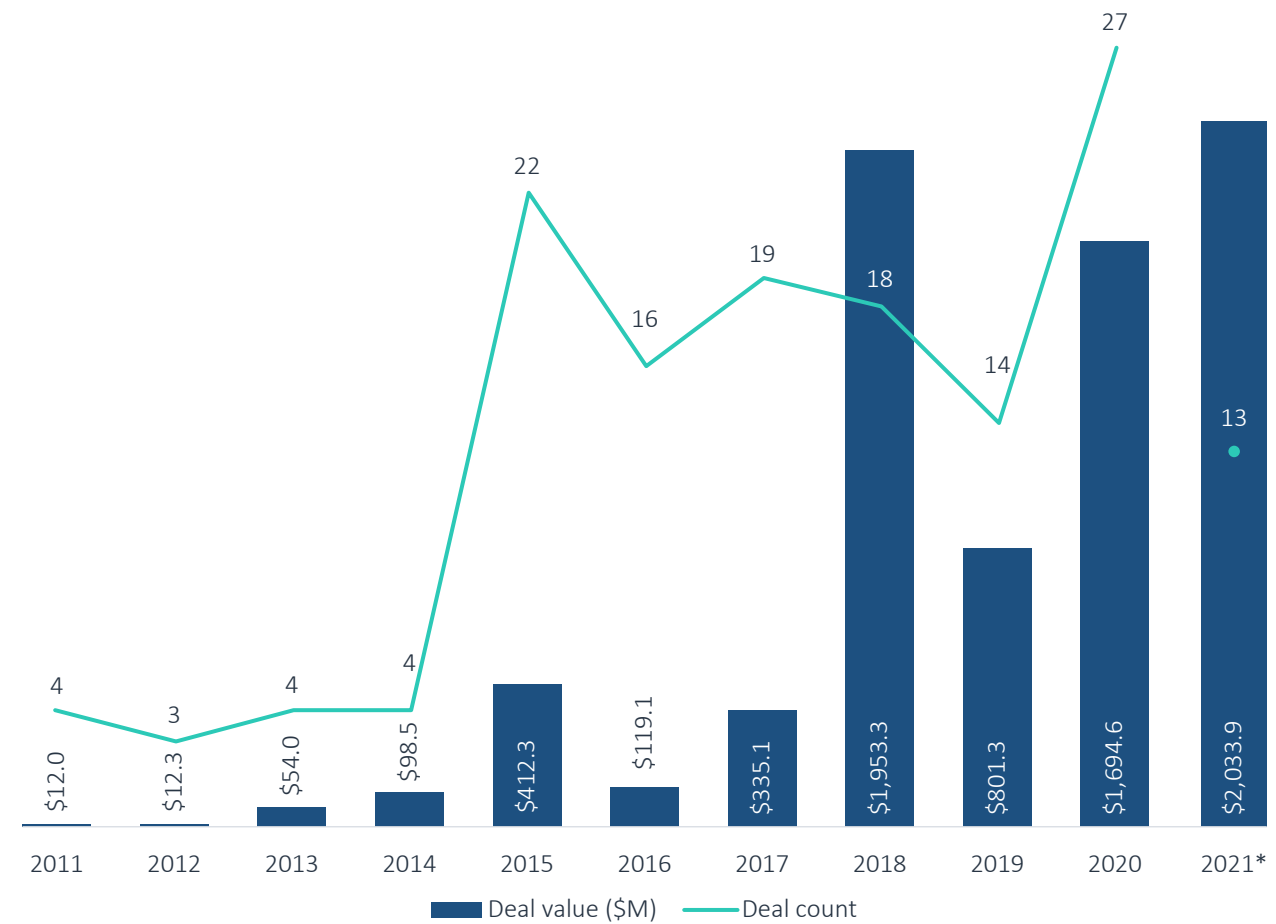
## Trending startups

Leading VC-backed food delivery companies in India include **Zomato** (NSE: ZOMATO) and **Swiggy**. Startup **Rebel Foods** has expanded rapidly across India and beyond, with more than 350 ghost kitchens across 52 cities. The startup has raised \$276.3 million in VC funding and developed at least nine virtual brands and numerous partnerships with restaurant brands to offer ghost kitchen facilities and services. Other emerging ghost kitchen brands include Samosa Party and Yumlane.

The nascent online grocery category is dominated by large incumbents, although a growing cohort of competitors are battling for market share. **BigBasket** dominates the category with 37% of online grocery market share, while **Amazon** (NASDAQ: AMZN) is a distant second with 15%.<sup>5</sup> **Grofers** leads the startup pack, fueled by \$641.3 million in VC funding from investors including Tiger Global Management, Softbank, and food delivery app **Zomato** (NSE: ZOMATO). The startup recently raised a \$120.0 million late-stage VC round to compete against rivals **BigBasket**, **Amazon** (NASDAQ: AMZN) and **Flipkart**.

5: "Grofers, Zomato and the Big Online Grocery Battle," The Economic Times, June 29,

Figure 26. INDIA FOOD DELIVERY VC DEAL ACTIVITY



Source: PitchBook | Geography: Global | \*As of June 30, 2021

**Select company highlights**



SELECT COMPANY HIGHLIGHT | GORILLAS



Founded  
2020

6,000  
Employees

Total VC raised:  
\$339.8M

Last financing valuation:  
\$1.6B post money

Last financing:  
Raised \$249.9M in a Series B

Lead investors:  
Coatue Management, DST  
Global, Tencent Holdings,  
Atlantic Food Labs

Overview

Berlin-based **Gorillas** provides ultrafast grocery delivery services in 10 minutes or less. It operates dark convenience stores in dense urban environments. Dark stores contain 1,000 to 3,000 items personalized to the neighborhood to allow for quick fulfilment and high turnover. Orders are mostly fulfilled by human labor, which is less expensive to procure and allows for rapid expansion; however, some competitors are investing in automation technology, which may offer efficiency benefits in the long term. The company has more than 100 dark stores in major cities in Germany, the Netherlands, Great Britain, and the US. There is no minimum order size, but there is a \$1.80 delivery fee.

Leadership

**Gorillas** was co-founded by Kagan Sümer, Ronny Shibley, Ronny Gottschlich, and Ugur Samut. Sumar holds the role of CEO and is a former Bain consultant and serial entrepreneur. The board is composed of Sumer, Samut, and partners at investor Coatue Management.



# SELECT COMPANY HIGHLIGHT | GORILLAS

## Competitors

Competition in ultrafast grocery is growing quickly, fueled by an influx of VC funding. The company competes against pure-play ultrafast grocery providers as well as online and offline grocery incumbents. Leading pure-play ultrafast grocery providers include **Gopuff**, Getir, and **Flink**. Online grocery providers such as **Instacart**, as well as food delivery providers such as **DoorDash** (NYSE: DASH) and **Delivery Hero**, are also launching ultrafast services that pose a competitive threat to **Gorillas**.

## Outlook

**Gorillas** is a leader in ultrafast grocery and is expanding rapidly in Europe and the US. Moving first into new markets may provide a competitive advantage. However, the company’s lack of investment in automation may become a weakness as new providers come online. The ultrafast grocery model relies on scale and high-order throughput. Growing competition may eat into order volume and create pricing threats, challenging profitability.

Figure 27.  
Financing history

SEED	SERIES A	SERIES B
<p><b>July 13, 2020</b></p> <p><b>Total raised (\$M):</b> \$1.4</p> <p><b>Pre-money valuation (\$M):</b> \$8.1</p> <p><b>Investors:</b> Atlantic Food Labs, Tet Ventures</p>	<p><b>November 16, 2020</b></p> <p><b>Total raised (\$M):</b> \$43.58</p> <p><b>Pre-money valuation (\$M):</b> \$86.79</p> <p><b>Investors:</b> Coatue Management, Gemini Investments (Holdings), Atlantic Food Labs and DST Global</p>	<p><b>March 25, 2021</b></p> <p><b>Total raised (\$M):</b> \$298.47</p> <p><b>Pre-money valuation (\$M):</b> \$1,340</p> <p><b>Investors:</b> Tencent Holdings, DST Global and Coatue Management, Dragoneer Investment Group, Atlantic Food Labs, Greenoaks Capital Partners, and Fifth Wall</p>



SELECT COMPANY HIGHLIGHT | NATURE’S FYND



Founded  
**2012**  
  
**101**  
Employees

Total VC raised:  
**\$508.0M**

Last financing valuation:  
**\$1.8B post money**  
  
Last financing:  
Raised **\$350.0M** in a Series B

Lead investors:  
SoftBank Investment  
Advisors, Breakthrough  
Energy Ventures, Generation  
Investment Management, 1955

Overview

Nature’s Fynd is an alt-protein provider developing consumer meat and dairy products made from a fungi-derived protein. It is easier to digest than animal and plant-based proteins, and is high in vitamins, fiber, and calcium. The company does not currently sell any products but has already reached unicorn status with a \$1.8 billion post-money valuation. It plans to launch branded consumer foods including cream cheese and breakfast sausages in 2022, starting in the US and expanding to Asia. Similar to other alt-protein providers, Nature’s Fynd advertises a highly sustainable and nutritious alternative to animal meat and dairy products.

Leadership

The company was cofounded by Thomas Jonas, Mark Kozubal, and Matthew Strongin. Kozubal, now Chief Science Officer, discovered the microbe that became the basis for the alt-protein in a hot spring at Yellowstone National Park in 2009 while pursuing his doctorate. The company is led by CEO Jones, who was previously a president at packaging provider MeadWestvaco.



# SELECT COMPANY HIGHLIGHT | NATURE’S FYND

## Competitors

Other fermented protein providers include **Perfect Day**, which produces animal-free dairy ingredients, and Motif, which develops meat and dairy alternatives. Both competitors design solutions for food clients and do not develop their own consumer packaged goods. **Nature’s Fynd** also competes against plant-based protein providers who offer meat and dairy goods with a similar value proposition of improved health and sustainability performance over animal products. Key plant-based providers include **Impossible Foods**, **Ripple Foods**, and **Thought Machine**.

## Outlook

**Nature’s Fynd** has not yet commercialized its fermented products but is well funded for an aggressive launch and expansion in 2022. The company recently opened a commercial-scale production facility to meet demand. We believe that **Nature’s Fynd** will benefit from the growing demand for alt-proteins that offer health and environmental benefits over animal products. Consumers prefer alt-protein products that are effective in mimicking the sensory experience of meat and dairy products such as Beyond Meat and Impossible Foods. The success of Nature’s Fynd likely hinges on its own success at meat mimicry.

Figure 28.  
Financing history

SERIES A	SERIES B	SERIES C
<b>February 4, 2019</b>  <b>Total raised (\$M):</b> \$33.0 <b>Pre-money valuation (\$M):</b> \$67.0 <b>Investors:</b> 1955 Capital, Danone Manifesto Ventures, Lauder Partners, ADM Ventures, Breakthrough Energy Ventures and Liebelson family office	<b>March 11, 2020</b>  <b>Total raised (\$M):</b> \$80.0 <b>Pre-money valuation (\$M):</b> \$300.0 <b>Investors:</b> Breakthrough Energy Ventures and Generation Investment Management, ADM Ventures, Danone Manifesto Ventures, 1955 Capital, and Mousse Partners	<b>July 19, 2021</b>  <b>Total raised (\$M):</b> \$350.0 <b>Pre-money valuation (\$M):</b> \$1,400 <b>Investors:</b> Hillhouse Capital Group, EDBI, Hongkou Ventures, SK Inc., Strategic Partners Fund Solutions, Balyasny Asset Management and other investors



SELECT COMPANY HIGHLIGHT | KITOPI



Founded  
**2018**  
  
**2,000**  
Employees

Total VC raised:  
**\$535.0M**

Last financing:  
Raised **\$415.0M** in a Series C

Lead investors:  
SoftBank Investment Advisors,  
Knollwood Investment  
Advisory, Lumia Capital  
Capital

Overview

Dubai-based **Kitopi** operates a network of ghost kitchen facilities in the UAE and is expanding rapidly to new geographies. Compared with other ghost kitchens that provide facilities and business services to restaurant brands, **Kitopi** operates kitchens on behalf of food brands, providing infrastructure and technology and performing the cooking and delivery. This model has allowed food brands to quickly scale in new markets with minimal upfront costs.

Leadership

**Kitopi** was cofounded by Mohamad Ballout, Saman Darkan, Andres Arenas, and Bader Ataya. CEO Ballout previously founded confectionary business BMB, which he successfully exited in 2016. Darkan and Ataya also have prior entrepreneurial experience that may aid in the company’s success.



## SELECT COMPANY HIGHLIGHT | KITOPi

### Competitors

Ghost kitchen models are nascent and diverse. **Reef Technology** uses mobile virtual restaurant pods, and **Kitchen United** houses kitchens facilities in commercial cores. Food delivery services including **DoorDash** (NYSE: DASH), **Deliveroo**, and **Swiggy** have all piloted ghost kitchen services, and online grocery services such as **GoPuff** are exploring adding ghost kitchen capabilities to offer ready-to-eat meals alongside grocery and convenience goods.

### Outlook

**Kitopi** is strongly positioned to offer large restaurant groups a quick and easy solution to expand to new markets. The full-service kitchens provide a competitive model that differentiates **Kitopi** from other providers. However, the ghost kitchen may struggle to retain tenants in the long-term if they leave **Kitopi** to launch their own facilities once their market potential has been validated.

Figure 29.  
Financing history

SERIES A	SERIES AA	LATE-STAGE VC	SERIES B	SERIES CC
<b>April 24, 2018</b> <b>Total raised (\$M):</b> \$1.8 <b>Investors:</b> CE-Ventures, BECO Capital and Global Ventures (Dubai), Reshape (Investor)	<b>November 15, 2018</b> <b>Total raised (\$M):</b> \$27.2 <b>Investors:</b> Endeavor Catalyst, Wilshire Lane Partners, MSA Capital, Rise Capital, David Rowan and Gulf Investment Corporation	<b>Undisclosed</b> <b>Total raised (\$M):</b> \$31.0 <b>Investors:</b> Undisclosed	<b>October 22, 2020</b> <b>Total raised (\$M):</b> \$60.0 <b>Investors:</b> Knollwood Investment Advisory, Lumia Capital, VentureSouq and 9 other investors also participated in the round.	<b>July 1, 2021</b> <b>Total raised (\$M):</b> \$415.0 <b>Investors:</b> SoftBank Investment Advisers, HB Investments, Parkave Capital Group and 6 other investors also participated in the round.





# About PitchBook Emerging Tech Research

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Our Emerging Tech Research provides detailed analysis of nascent tech sectors so you can better navigate the changing markets you operate in—and pursue new opportunities with confidence.

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