

Global Top 100 Unicorns

November 2022



Foreword and outlook



Foreword

In 2021 and into early 2022, supportive monetary policy, turbocharged during and after peak COVID, resulted in surging public and private company valuations. Major public markets indices saw record highs and private company funding rounds hit the headlines with companies such as ByteDance, SpaceX, Klarna and Revolut securing sky high valuations. There were also a number of high profile Unicorn IPOs, some via Special Purpose Acquisition Companies (SPACs) including Didi Chuxing (\$67bn), UiPath (\$35bn) and Rivian (\$28bn).

With the onset of the Russian invasion of Ukraine, in February 2022 the global macroeconomic outlook deteriorated. Public markets indices began to retreat and the willingness of investors to participate in Unicorn fundraises and IPOs significantly diminished - growth companies across the board fell out of favour.

Our analysis shows that the aggregate value of the Top 100 Unicorns as at September 2022 has increased by 36% (\$440m) since March 2021. However, we note that the data on which the list has been compiled will not fully reflect the declining valuations as it is based on a “point in time” snapshot from the latest funding round completed by each Unicorn in the list over the period to September 2022.

Outlook

The background of rising inflation and monetary policy tightening continues to lead to volatile valuation conditions and weigh heavily on investor sentiment - particularly for growth stocks. This will clearly present significant challenges for the Unicorns and we expect to see a reversal of the valuation surge as funding rounds complete at lower valuation levels.

These conditions will likely lead to Unicorns without robust business models falling by the wayside. All will need to consider whether their organisations are “right sized” operationally for the new landscape and their strategic aspirations e.g. for an IPO. There will need to be renewed focus on maximising the effectiveness of cash investments and spending from funds raised in the last funding round.

The path to profitability and cash generation will continue to gain increasing weight in investment decisions into Unicorns - levelling up with the more “traditional” factors such as rapid revenue growth and size of potential market which have arguably been given too high a multiple over the past few years.

We remain optimistic in the potential growth in number and scale of Unicorns given their alignment with “megatrends”, such as climate change and digitalisation, underpinning their ongoing attractiveness to public and private investors. However, the near term headwinds cannot be underestimated.

Michael Wisson

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Highlights



This publication analyses global Unicorns (privately held start-up companies with a valuation greater than \$1bn), including the Top 100 Unicorns, and highlights the changes in the composition of the list, comparing the data as at September 2022, March 2021 and March 2020. As at September 2022, there were 1,191 Unicorns globally (March 2021: 628).

- A Unicorn is a privately held startup company valued at over \$1bn.
- A Decacorn is a privately held start-up company valued at over \$10bn and a Hectocorn is valued at over \$100bn.

Rapid and significant growth in the value of the Top 100 Unicorns and the emergence of Deca and Hectocorns

- The aggregate value of the Top 100 Unicorns as at September 2022 stands at \$1,668bn compared to \$1,228bn as at March 2021 – a 36% increase.
- The valuation to enter the Top 100 Unicorns list stands at \$7bn as at September 2022, up from \$4bn as at March 2021.
- There are now 44 Decacorns, compared with 26 as at 31 March 2021, and two Hectocorns.
- The trend reflects buoyant valuations from recent funding rounds, fuelled by supportive monetary policy and plentiful capital supply over the period.



US extends its leading position whilst Europe and Rest of World see rapid growth

- US Unicorns continue to dominate, now accounting for 54% of the total Top 100 Unicorns value.
- The value of Unicorns based in Europe and Rest of World grew rapidly, 85% (\$79bn) and 58% (\$77bn) respectively.
- China and its regions loses nine companies from the list due to lower valuations, resulting in just a 3% increase of Unicorns in this region from March 2021 to September 2022.



Growth in number of Unicorns executing an IPO - via both traditional structures and SPACs

- Since 31 March 2021, 26 Unicorns completed an IPO, of which four were via a SPAC.
- Two Asian E-commerce Unicorns merged in May 2021, prior to undertaking an IPO in March 2022.
- The US was the leading destination for Unicorns undertaking an IPO - 20 Unicorns listed on NASDAQ and NYSE, including four cross border IPOs.



Regional trends



Global

- In the 18 months to Sep-2022, the total number of Unicorns increased by 563 to 1,191 (90%) with a combined value of \$3,854bn, a \$1,768bn (85%) increase from Mar-2021.
- At Sep-2022 the value of the Top 100 Unicorns was \$1,668bn, a \$440bn (36%) increase.
- The Unicorns occupying 100th position was valued as \$7bn as at Sep-2022 versus \$4bn as at March 2021.

US

- The US dominates the Top 100 Unicorns list, accounting for over half of the constituents representing 54% of total Top 100 Unicorns value.
- The value of US Unicorns in the Top 100 increased by \$272bn (43%) in the 18 months to Sep-2022.

China and its regions

- In contrast to US companies in the Top 100 Unicorns list, Unicorns located in China and its regions saw a moderate 3% increase in value, in part due to the departure of 9 companies from the list with the biggest being the IPO of the vehicle hire company Didi Chuxing (\$62bn).
- Chinese internet company (and parent company of TikTok) ByteDance retained its position as the most valuable Unicorns with a valuation of \$140bn as at Sep-2022, no change since March 2021.

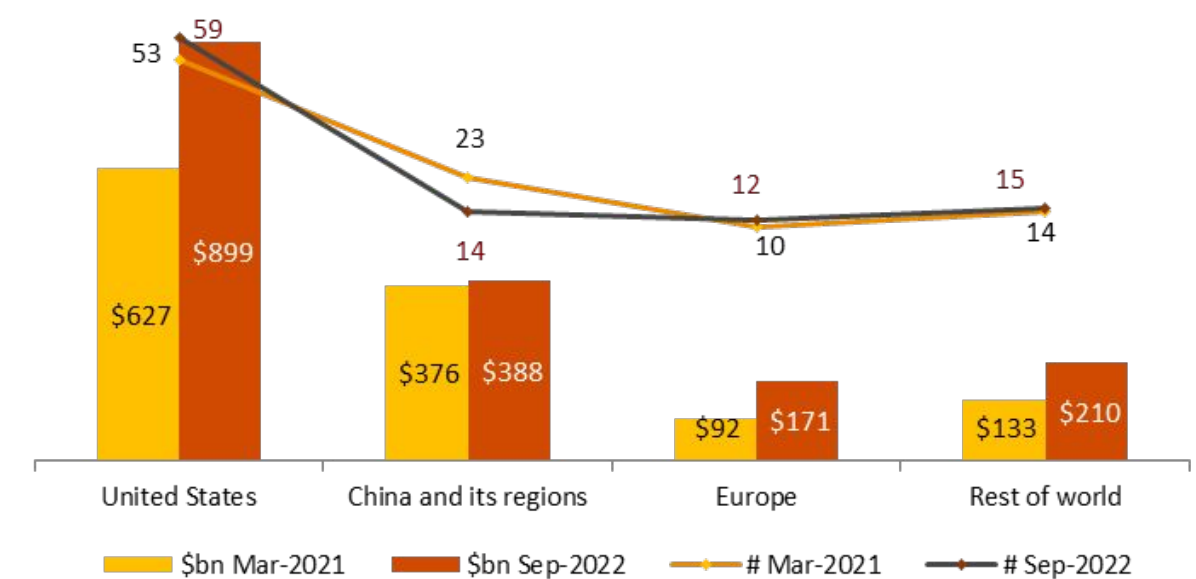
Europe

- The value of European companies included in the Top 100 Unicorns list almost doubled in the 18 months to Sep-2022 with a combined value of \$171bn.
- Klarna, a Swedish company, suffered a massive valuation drop of 78% since March 2021 and dropped out from Top 100 Unicorns list. Klarna's valuation declined from \$31bn in Mar-2021 to \$6.7bn in Sep-2022 reflecting heat coming out of the Unicorns market as monetary policy tightened and investors re-appraised valuations.

Rest of the world

- Elsewhere, the value of companies in the Top 100 Unicorns list increased by \$77bn (58%) in the 18 months to Sep-2022.

Top 100 Unicorns



Source: CB Insights with PwC analysis

All Unicorns



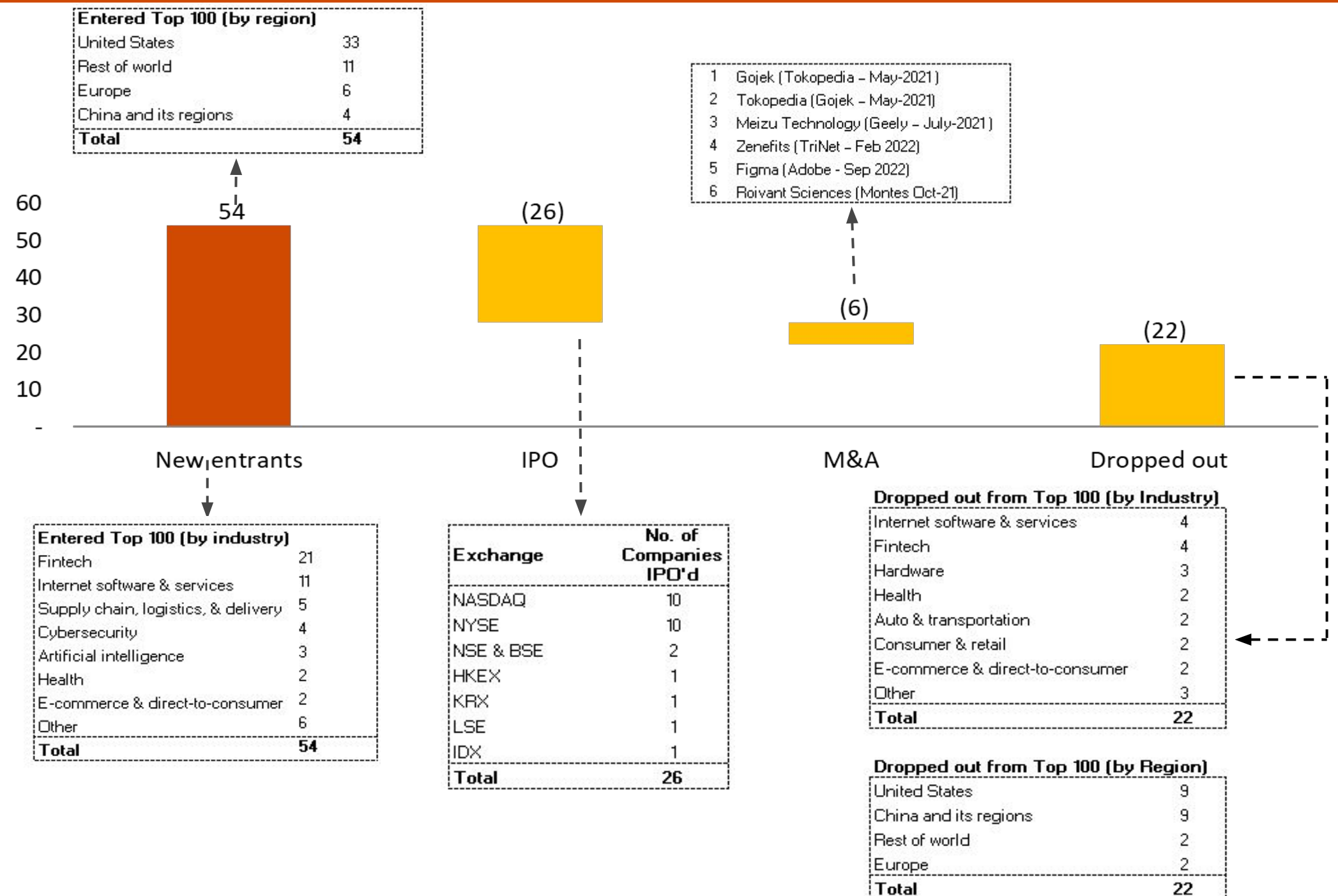
Source: CB Insights with PwC analysis

Changes from Mar-2021 to Sep-2022



- Of the 54 new entrants into the Top 100, 33 were US companies representing 61%.
- Over half of all new entrants were fintech and Internet software and services companies. Unicorns departing the list were evenly distributed across all sectors.
- Unicorns continued to take advantage of the buoyant IPO market in 2021 and early Sep-2022 with 26 companies included in the Mar-2021 Top 100 list successfully executing an IPO in the 18 months to Sep-2022 (12m to March 21: 17). The largest of these was Didi Chuxing on the NYSE exchange with an IPO value of \$67bn.
- E-commerce businesses, Gojek, acquired Tokopedia in May 2021 to form GoTo Group. Both were included in the Top 100 Unicorns as at Mar-2021 merged in May 2021. In March 2022, GoTo Group successfully executed an IPO on the Indonesia Stock Exchange.
- The US (NYSE and NASDAQ) was the leading destination for Unicorns undertaking an IPO, including cross border listings from companies domiciled in China (2), Brazil (1) and Singapore (1).

Movement in Top 100 Unicorns



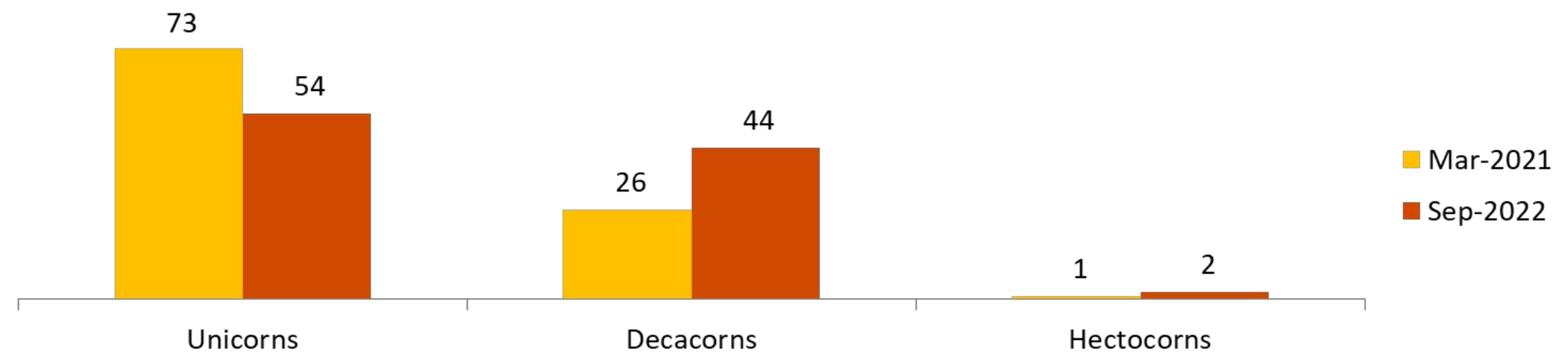
Composition by value



- The number of Decacorns has increased by 18 in the 18 months to Sep-2022, reflective of elevated company valuations achieved in 2021 and Sep-2022 funding rounds. The 44 Decacorns as at Sep-2022 includes:
 - 14 Decacorns included in the Mar-2021 list, which had a combined \$168bn increase in value in the 18 months to Sep-2022, and
 - 30 new Decacorns (total value - \$464bn), all previously recognised as Unicorns as at Mar-2021 with 10 appearing in the Top 100 at that time.
- There were two Hectocorns as at Sep-2022:
 - ByteDance – \$140bn valuation remains unchanged since Mar-2021, and
 - SpaceX – \$53bn (72%) increase in valuation to \$127bn as at Sep-2022 resulting in a reclassification from a Decacorn to a Hectocorn.
- SHEIN (the clothing brand) experienced the highest significant increase in valuation of \$85bn (567%) since Mar-21 to \$100bn.

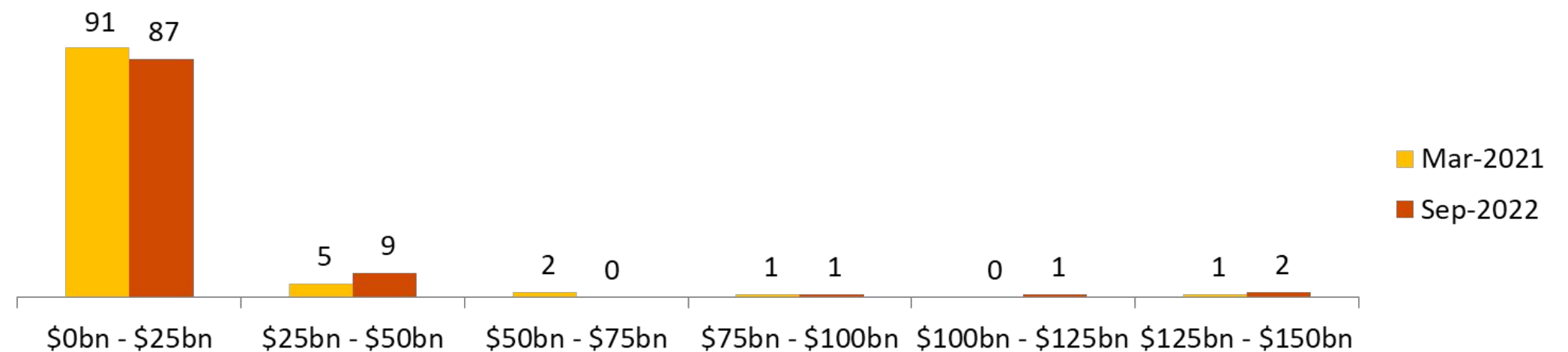
A Decacorn is a privately held start-up company valued at over \$10bn, a Hectocorn is valued at over \$100bn.

Top 100 Unicorns composition by value



Source: CB Insights with PwC analysis

Distribution of Top 100 Unicorns by value



Source: CB Insights with PwC analysis

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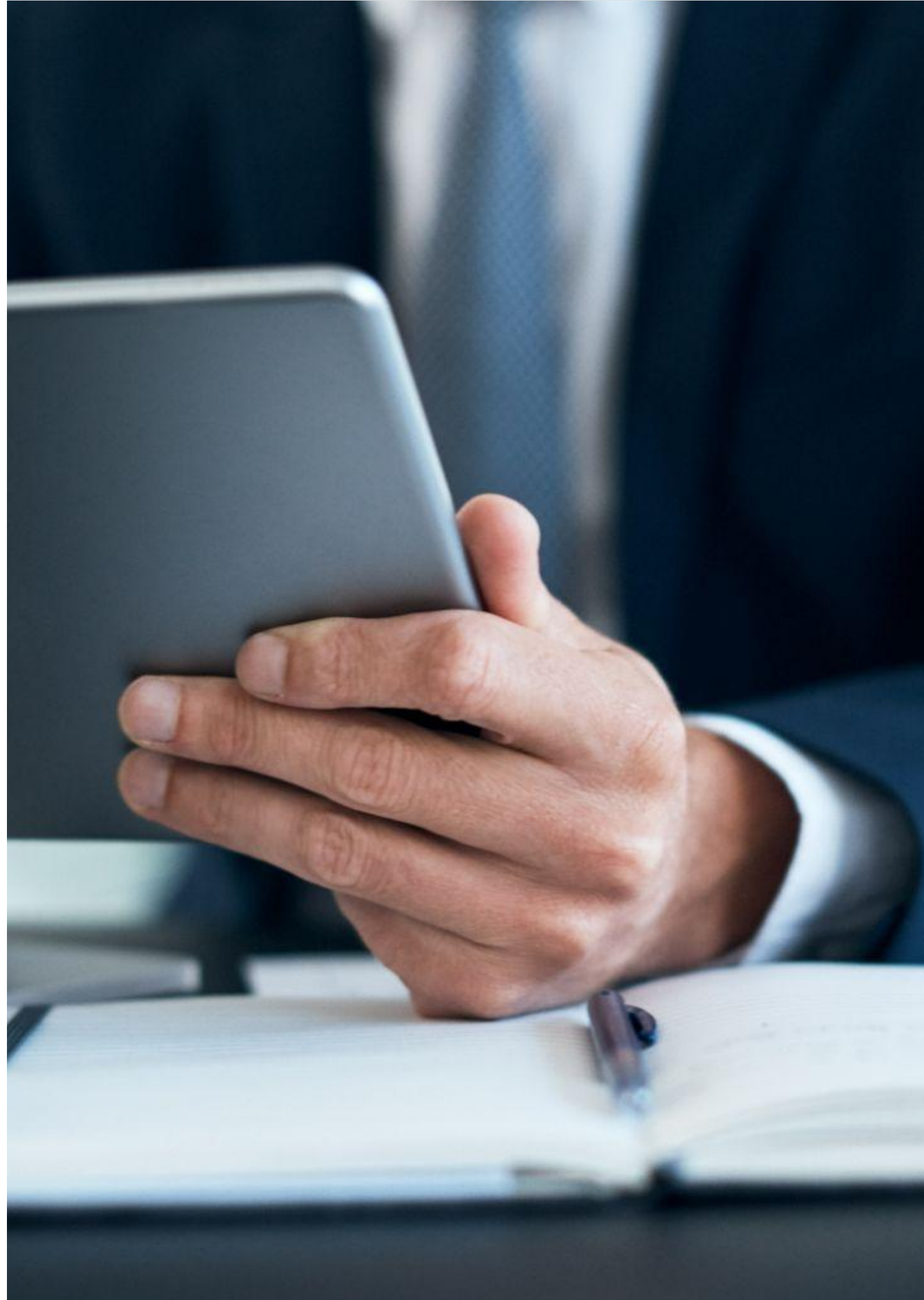
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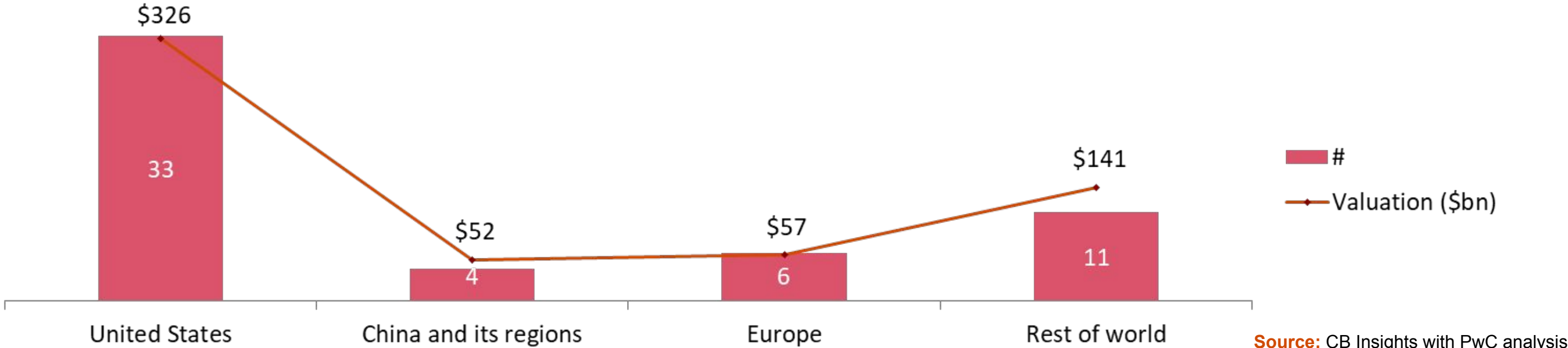
Supplementary analysis



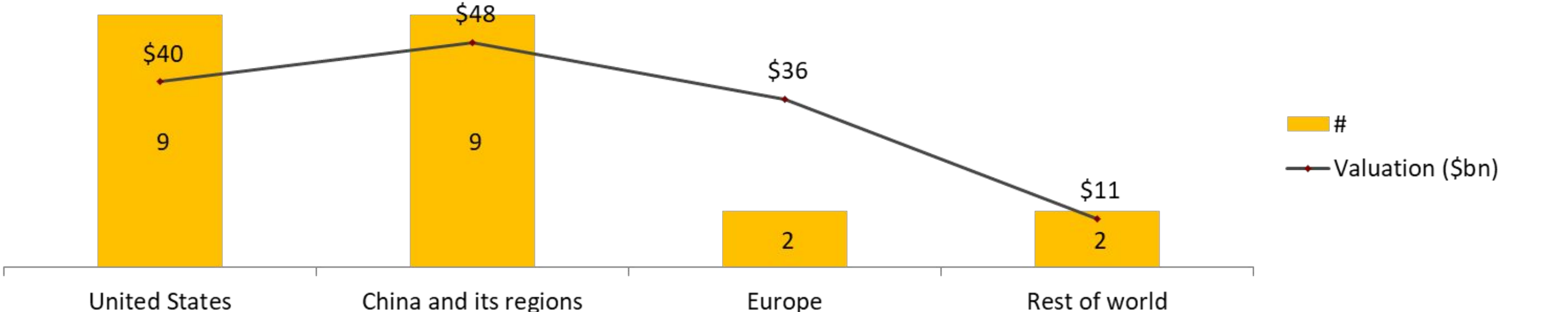
New entrants and drop outs



Top 100 Unicorns - 2022 new entrants



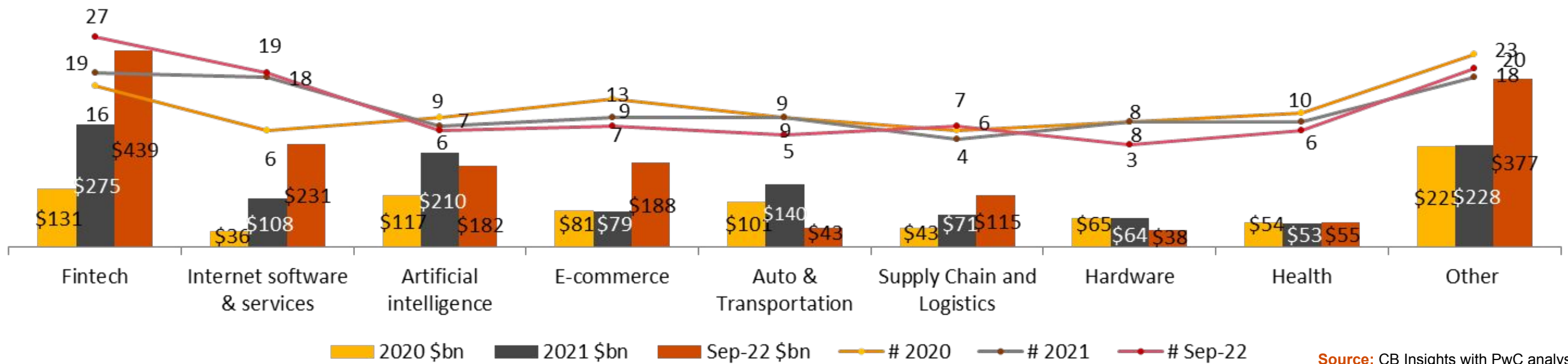
Top 100 Unicorns - 2022 dropped out



Sector analysis



Global Top 100 Unicorns by industry



Source: CB Insights with PwC analysis

Fintech		Internet softwares and services		Artificial intelligence		E-commerce			
1.Stripe	\$95bn	1.Canva	\$40bn	1.ByteDance	\$140bn	1.SHEIN	\$100bn		
2.Checkout.com	\$40bn	2.Miro	\$18bn	2.Faire	\$13bn	2.Fanatics	\$27bn		
3.Revolut	\$33bn	3.Discord	\$15bn	3.Pony.ai	\$9bn	3.Xiaohongshu	\$20bn		
4.Redacted	\$32bn	4.OpenSea	\$13bn	4.Scale AI	\$7bn	4.Xingsheng Selected	\$12bn		
5.Chime	\$25bn	5.Grammarly	\$13bn	5.Gong	\$7bn	5.Thrasio	\$10bn		
Auto and transportation		Supply chain and logistics		Health		Hardware		Other	
1.ZongMu Technology	\$11bn	1.Redacted	\$39bn	1.Devoted Health	\$13bn	1.DJI Innovations	\$15bn	1.SpaceX	\$127bn
2.Nuro	\$9bn	2.J&T Express	\$20bn	2.Biosplice Therapeutics	\$12bn	2.Bitmain Technologies	\$12bn	2.Databricks	\$38bn
3.Bolt	\$8bn	3.goPuff	\$15bn	3.Tempus	\$8bn	3.Global Switch	\$11bn	3.Epic Games	\$32bn
4.Ola Cabs	\$8bn	4.Getir	\$12bn	4.Caris Life Sciences	\$8bn			4.BYJU's	\$22bn
5.Redacted	\$7bn	5.Swiggy	\$11bn	5.Ro	\$7bn			5.Yuanfudao	\$16bn

Source: CB Insights with PwC analysis

Methodology



- A Unicorn is a privately held startup company valued at over \$1bn. A Decacorn is a privately held start-up company valued at over \$10bn, a Hectocorn is valued at over \$100bn. Global Top 100 Unicorn report ranks the largest companies by valuation in US dollars as at 7 October 2022.
- For the purposes of this report, we have referenced the data as at Sep-2022. In contrast to our Global Top 100 publication with readily available stock market prices, the Unicorn valuations reflect those based on the most recent funding round completed in the relevant period.
- A company's location is the country or region where its headquarters are located.
- China and its regions includes: mainland China, Hong Kong SAR and Taiwan.
- Data sources: CB Insights with PwC analysis, this includes industry classifications.
- For the below companies, in absence of the valuation amount being included in the CB Insights report as at Mar-2021, we have considered their valuation to be equal to the valuation as at Sep-2022.
 - Stripe \$95bn
 - Out systems \$10bn
 - OYO rooms \$9bn
 - Roivant sciences \$7bn – acquisition valuation



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