

Global Top 100 Unicorns

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Michael Wisson
Partner, Capital Markets
PwC UK

Katrina Hallpike
Partner, Valuations
PwC UK

Kat Krastov
Director, Capital Markets
PwC UK



Foreword and outlook



Foreword

After a period of significant macroeconomic headwinds in 2022 and 2023, which led to challenging market conditions and subdued deal activity, throughout 2024 we have started to see increasing macroeconomic stability in Europe and the US, particularly in Q2 and Q3. With inflation in most developed regions demonstrating a sustained trend towards central bank targets, central banks are beginning to loosen monetary policies with a series of interest rate cuts already undertaken in the UK, Europe and the US, with markets expecting further cuts to come in Q4-24 and 2025.

Leveraging an improving macroeconomic backdrop, 30% of the Top 100 Unicorns as at 30 Sep-24 have undertaken a form of a funding round during the period, which has led to an increase in valuation (compared to 12% last year). The increased activity has led to a 10% increase in the value of the Top 100 (2023: 1% decline). Perhaps surprisingly, the three largest valuation increases didn't come from companies linked to AI, with SpaceX (space travel - Other), Stripe (Fintech) and Gopuff (E-commerce) each recording increases of more than \$20bn. Whilst the headline data shows an improving picture compared to last year, the majority of the Top 100 cohort (70%) did not execute a funding round, possibly indicating that valuation aims remain hard to achieve as investors continue to be selective. We also note that where companies have successfully executed a funding round, these may have come with trade-offs, such as earlier stage investor dilution or liquidation event preferences.

IPO exit volumes are still subdued, despite IPO markets in Europe and the US showing a level of improvement as we are beginning to see renewed sponsor appetite for IPOs with several large private equity-backed IPOs pricing. Investors however remain selective and focused on valuations, requiring appropriate IPO discounts to stimulate positive post-IPO performance and whilst successful Unicorns are able to receive investment from private markets, there is no rush for Unicorns to come to public markets.



The past 12 months have seen a steady improvement in the macroeconomic environment, which has supported increased funding round activity for the global Top 100 Unicorns. The level of turnover in the Top 100 also increased, with 15 new entrants to the list, a number of which play into the AI investment boom. Sentiment towards investment in high growth companies is certainly more encouraging, but valuation challenges persist and Unicorns continue to need to demonstrate more robust business and financial models to underpin target valuations.

Michael Wisson | Partner, Capital Markets - PwC UK

Outlook

Whilst we have seen an increase in funding round activity this year, headwinds remain and a significant cohort of the current Top 100 are yet to complete a more recent funding round, making it challenging to understand the underlying valuations of many of the Top 100. As the macroeconomic landscape continues to improve, we expect a further increase in funding round and deal activity over the next 12 months as companies seek further investment to execute strategies and investors look for exit/liquidity events - whether valuations hold up remains the key question. Q4-24 has already started strong with OpenAI announcing a funding round which valued the business at \$157bn (+82%). With positive signs in the UK, European and US IPO markets, we hope to see more Unicorns coming to the public markets over the next 12 months after a sustained period of subdued IPO activity amongst the Unicorns cohort.



We expect to see more mature unicorn companies to look at alternative funding and monetisation options over the next year. Ongoing recovery of the IPO market provides an exciting opportunity for investors and founders to access a deep liquidity pool of public capital, boost brand profile, realise a return on investment and reward talent. Being IPO ready and fit for growth will be critical elements for success at IPO and in the aftermarket.

Kat Kravtsov | Director, Capital Markets - PwC UK

Highlights



This publication analyses global Unicorns, including the Top 100 Unicorns, and highlights the changes in the composition of the list, comparing the data as at September 2024 and September 2023. As at September 2024, there were 1,467 Unicorns globally (September 2023: 1,390). Valuations reflect common stock equivalent methodology to derive an implied enterprise value based on the latest external funding round and do not capture any value implications of economic rights of different share classes.



Despite challenging headwinds for fundraising, appetite remains strong for premium assets with a sustainable growth story, particularly those in sectors with strong long-term market tailwinds. Route and timing to exit remain a key challenge for many Unicorns, but there is some positive sentiment starting to come through in 2024.

**Katrina Hallpike | Partner
Valuations, PwC UK**

Marked increase in aggregate valuation of the Top 100 Unicorns and number of up rounds completed in the period

- The aggregate value of the Top 100 Unicorns as at September 2024 stands at \$2,054bn, an increase of \$187bn (10%), when compared to the same date last year.
- The valuation to enter the Top 100 Unicorns increased by \$0.4bn to \$7.7bn in line with the overall increase in the headline valuation of unicorns.
- 30% of the top 100 unicorns had an increase in valuation, with only 3% recording a decline during the year showing an encouraging trend compared to only 12% of the Top 100 recording a valuation increase last year.

The US extended their dominance as the most prominent region, buoyed by exposure to Tech and AI-themed companies

- Top 100 Unicorns from the US increased by \$200bn (21%), this was driven by a \$85bn (38%) increase in AI-themed companies, driven both by increased valuations for existing top 100 unicorns and new entrants. Despite a more challenging macroeconomic backdrop, compared to Western markets, China and its regions increased in value by 8% in 2024, aided by new entrant ChangXin Memory Technologies (\$21bn).
- Top 100 Unicorns from the RoW declined by \$45bn (21%), primarily due to Indonesian, global logistics service provider, J&T Express' IPO with a valuation of \$13.5bn, which was consistent with their most recent funding round. Additionally web-design company, Canva's valuation fall of \$14bn following a secondary sale from some early investors.

With the exception of healthcare and consumer, all sectors in the Top 100 increased in valuation, with AI-themed Unicorns leading the way, up 24%.

- The AI themed boom continued in 2024, with five new entrants into the list resulting in a \$113bn increase in the aggregate value of AI-themed unicorns. Over the next 12 months, AI-themed unicorns may start to feel some of the valuation pressures which have impacted their listed peers in recent months.
- After an aggregate fall last year of \$71bn, and being in the shadow of the AI boom, Fintech lost its top spot. Despite two drop-outs from the cohort, Fintech did record a \$16bn increase this year, largely as a result of Revolut achieving a \$12bn (36%) increase in value after it was awarded a UK banking license. Interestingly, all of the UK's top 100 cohort were within the Fintech sector.

Regional trends



Global

- The valuation of the Top 100 Unicorns increased by \$187bn (10%) compared to a \$144bn (7%) fall in valuation in the previous period.
- The overall regional split of the Top 100 Unicorns saw the US gain further dominance, increasing their number by four to 58, with the RoW falling from 14 in 2023 to 9 in 2024. The US was the only region to increase its proportionate share of the value making up the Top 100 Unicorns.
- In 2024 there was an overall increase of 77 unicorns, which is considerably higher than the 33 in 2023, as high-growth companies begin to benefit from the improving macroeconomic picture.

US

- The valuation of US Unicorns in the top 100 increased by 21% to \$1,139bn compared to last year. The increase was due to an increase in number of companies, as well as the average valuation growing by 13%.
- AI companies, Anthropic and CoreWeave, were the most significant new entrants to the top 100 in the US, recording valuation increases of 288% and 660% respectively.

China and its regions

- Despite a challenging macroeconomic backdrop in the region. China added three companies to the Top 100 list and achieved a valuation increase of \$41bn.
- The most noteworthy entry to the top 100 was new unicorn, ChangXin Memory Technologies, a Chinese semiconductor company benefitting from the AI boom. It is now ranked at number 21 following its latest funding round in March 2024, which valued the company at \$21bn.

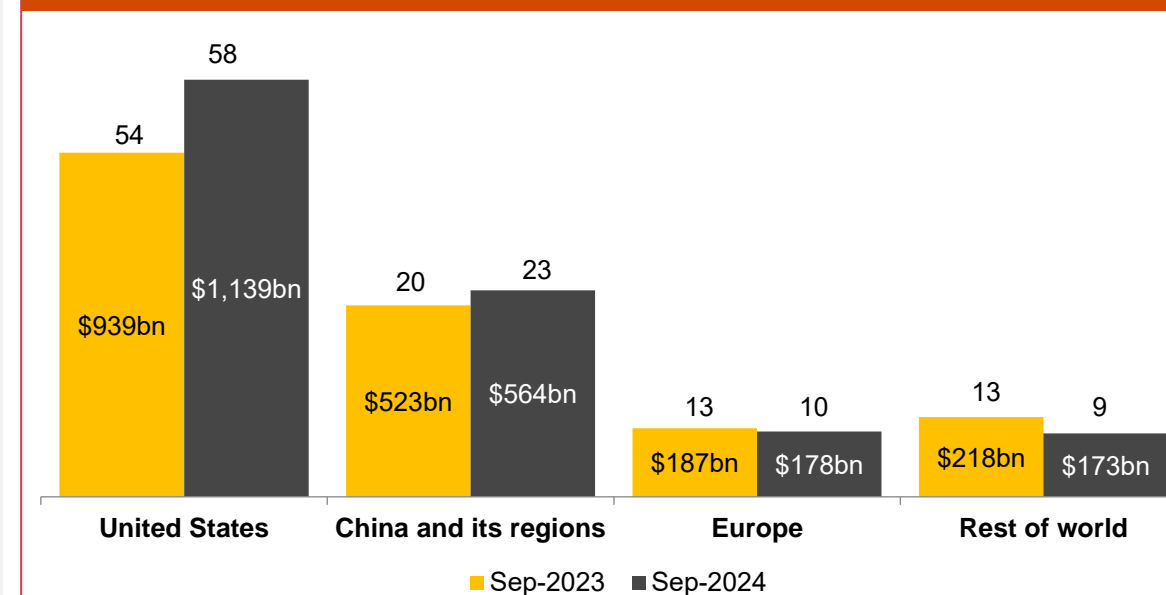
Europe

- The valuation of European Unicorns in the top 100 showed a small decline, primarily reflecting N26 and Blockchain.com dropping out of the list after falls in valuation. However, UK based Revolut achieved an impressive valuation gain, increasing by \$12bn (36%).

Rest of world

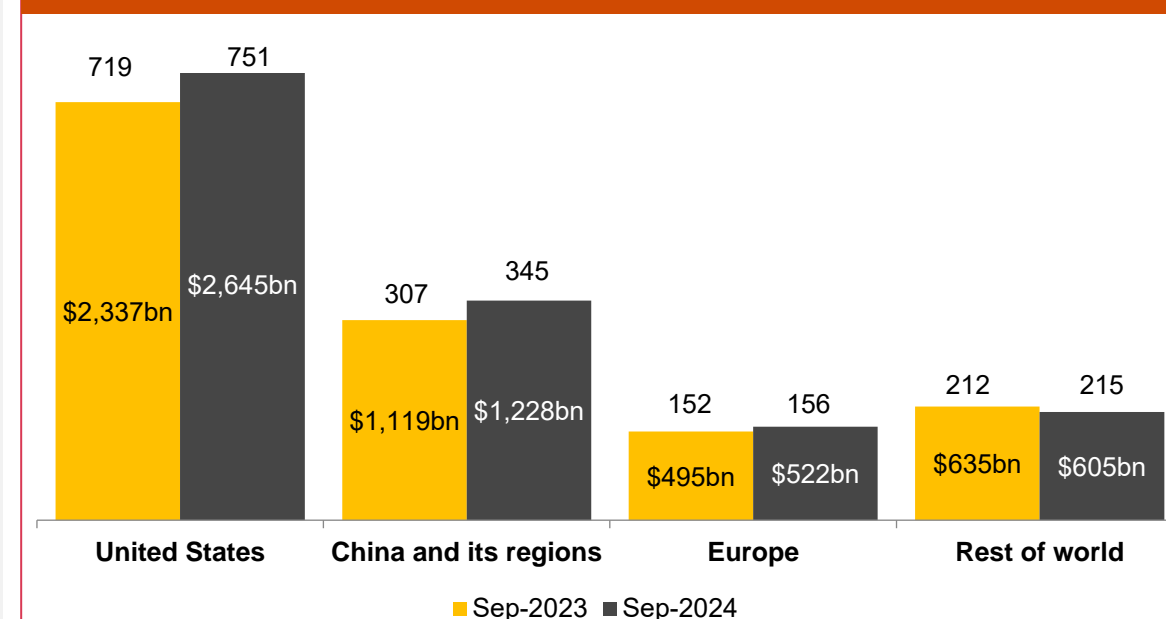
- The number of Unicorns in the Top 100 from the RoW continued to fall, yielding a 31% decline in valuation. This was largely as a result of down rounds combined with exits from the list.

Top 100 Unicorns



Source: PitchBook Data, Inc with PwC analysis

All Unicorns



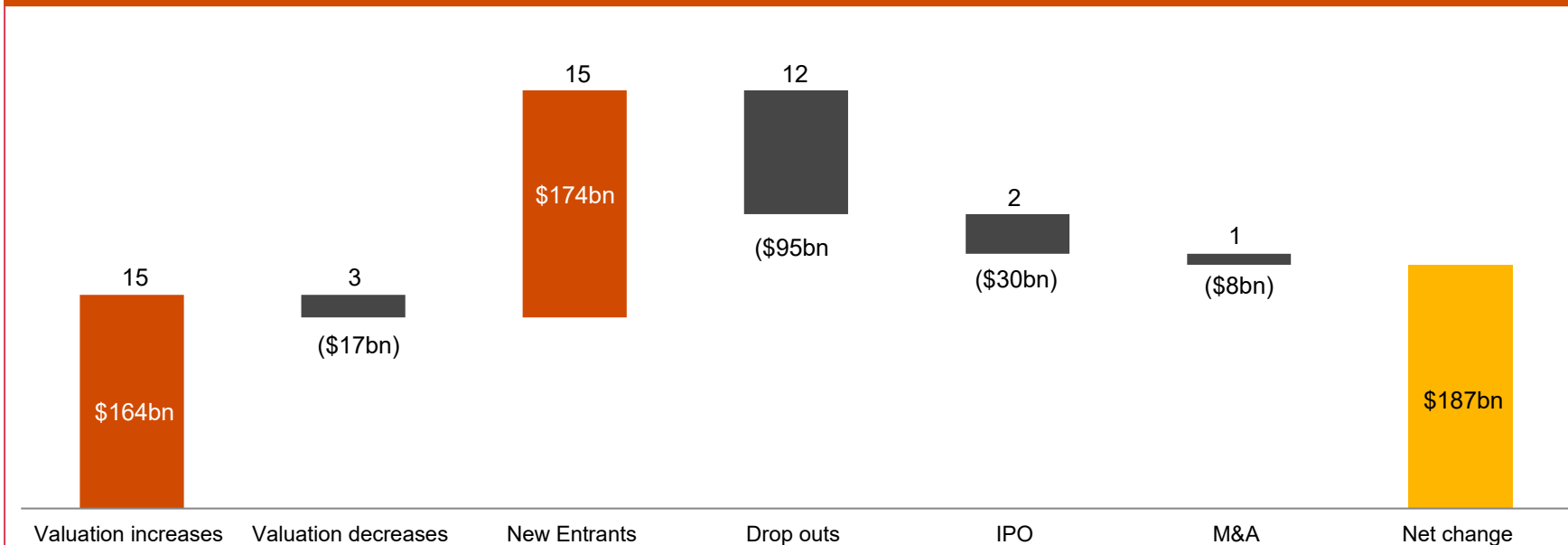
Source: PitchBook Data, Inc with PwC analysis

Changes from Sep-2023 to Sep-2024



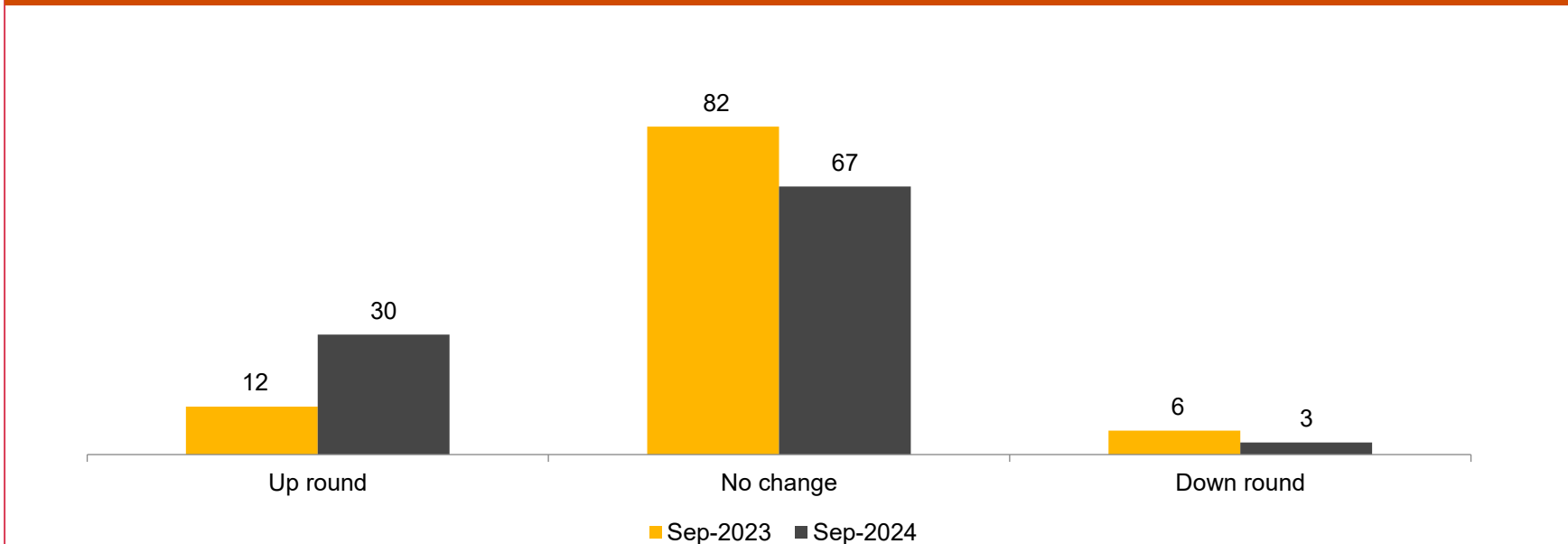
- The Top 100 Unicorns increased in value this year by \$187bn (10%), reversing the declines recorded in 2023 as the macroeconomic picture improved and the surge in AI interest continued. This presented a more attractive backdrop for companies to execute funding rounds.
- Activity increased in the year with 33 of the Top 100 this year completing a funding round, with only three of those declining in value. The largest decrease in valuation this year was Canva, an Australian web-design company, whose valuation fell 35% to \$26bn following a small secondary sale allowing some investors cash out ahead of a potential IPO.
- Whilst there was increased activity compared to last year, 67% of the Top 100 had no valuation change, suggesting a significant majority of the cohort either have sufficient liquidity to execute their growth plans or are waiting for the macroeconomic environment to further improve before testing the market on valuation.
- \$164bn of the increase (88%) was a result of valuation increases from 15 companies which were in the Top 100 last year. Space X, up \$40bn or 31%, recorded the largest increase from this cohort.
- There were 15 new entrants in the year adding \$174bn in value, more than offsetting those that exited the list. The top three entrants were all AI-related companies: xAI (\$24bn); Anthropic (\$19bn); and Coreweave (\$19bn).
- Three companies exited the list this year, with two IPOs and one exiting via an acquisition. With regards to post-IPO performance to 30-Sep-24, there have been mixed fortunes with J&T Express falling behind their offer price, whilst TempusAI have had a positive run since IPO.

Movement in Top 100 Unicorns in 2024



Source: PitchBook Data, Inc with PwC analysis

Valuation Change in the Year for the 2024 Top 100



Source: PitchBook Data, Inc with PwC analysis

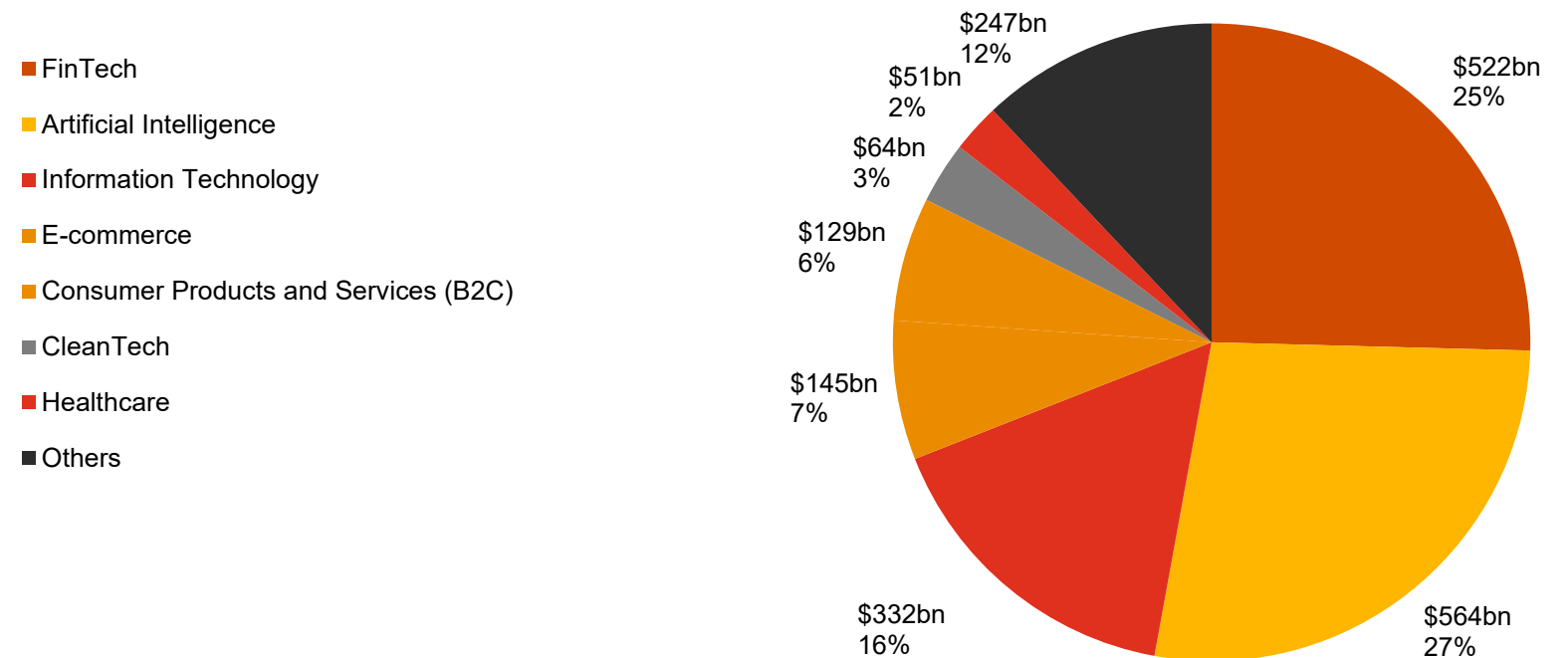
Sector and sub-sector analysis



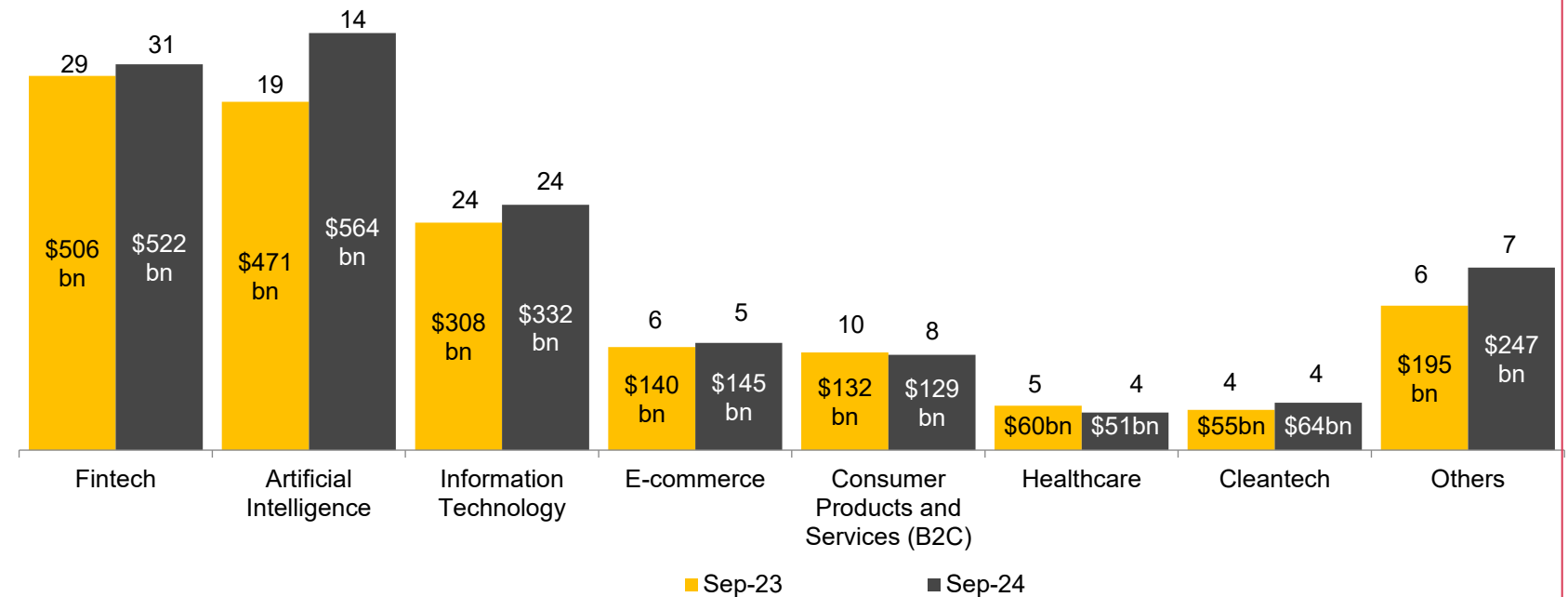
- 2024 saw a further boost for AI companies, with valuations rising from \$471bn to \$564bn, a 20% increase in the period. AI companies now make up 27% of the valuation of the top 100, making it the largest sector for the first time.
- Overall gains in the AI sector have been driven largely by US companies, which, on a regional view have overtaken Chinese AI companies. These US companies increased valuation by \$91.7bn (42%) in the year, reflecting significant gains across several companies such as Anthropic (+288%), CoreWeave (+660%), Scale AI (92%) and Anduril (65%).
- Fintech saw moderate gains in the year, increasing by \$16bn to \$522bn. This is despite the overall number in the top 100 falling from 31 to 29. The most significant gains were seen by US Internet payment processing firm, Stripe (+\$20bn or 40%) and London-based digital bank, Revolut (+\$12bn or 36%).
- The only new fintech entrant was new US unicorn, Near, which achieved a valuation of \$10bn in their funding round in the period.
- Information Technology's total valuation grew to \$332bn from \$308bn in 2023. This was in spite of the sector's most valuable company in 2023, Canva, falling in valuation by \$14bn (35%).
- The IT sector was buoyed by large increases in valuation by new unicorns, ChangXin Memory Technologies and Topia which were valued at \$21bn and \$11bn in the year, respectively. Additionally, 2024 saw a significant increases in the value of US companies Wiz (123%) and UST Global (733%).
- The others sector was boosted by another significant increase in the value of Elon Musk's SpaceX, which has gained \$43bn (31%) in the year, as several high-profile backers continued to invest.

Note: Pureplay AI and AI-themed companies have been separated from Information Technology in order to highlight particular trends.

Global Top 100 Unicorns by sector/sub-sector



Source: PitchBook with PwC analysis



Source: PitchBook with PwC analysis

Contacts



Stuart Newman

Global IPO Centre Leader – PwC UK
stuart.newman@pwc.com



Katrina Hallpike

Partner, Valuations – PwC UK
katrina.r.hallpike@pwc.com



Brian Choi

Capital Markets and Accounting Advisory
Services Leader – PwC China
brian.my.choi@cn.pwc.com



Michael Wisson

Partner, Capital Markets – PwC UK
michael.a.wisson@pwc.com



Stephan Wyrobisch

Partner, Capital Markets – PwC Germany
stephan.wyrobisch@pwc.com



Kat Kravtsov

Director, Capital Markets – PwC UK
kat.kravtsov@pwc.com



Michael Bellin

IPO Services Leader – PwC US
michael.j.bellin@pwc.com

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 30 September 2024
- Valuations are based on the latest external funding round until 30 Sep'24 as published by PitchBook Inc. These valuations do not include any effect of internal valuation updates by the companies (such as share buyback, employee stock option etc.) nor does it include any valuation updates recognised by shareholders/investors.
- 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: China, Hong Kong SAR and Taiwan.
- For the purposes of this report, we have split out Artificial Intelligence (AI) as a sub-sector to highlight the particular trend in this area. The AI sub-sector is comprised of pureplay AI companies and AI-themed companies that use AI to enable growth and efficiency.
- Data sources: PitchBook Data, Inc with PwC analysis, this includes industry classifications. Data has not been reviewed by PitchBook analysts.



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