

# **AUSTRALIAN STARTUP FUNDING IN REVIEW 2023**

**INCLUDING MARCH QUARTER 2024**

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Acceleration Venture Catalysts Pty Ltd 2024  
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# About This Report

The report has been produced using Canva and uses Visualisation Software produced by Flourish (a Canva Acquisition).

Many of the charts contained in this report are interactive, and can best be experienced by viewing the report online.

A PDF version of the report can be viewed on Techboard.

When viewing the report online, the charts may take a few seconds to load, depending on the speed of your internet connection.

All data referenced in our reports has been collected by Techboard.

# About Techboard

Techboard is the number one source for up-to-date data on the Australian startup and young technology company ecosystem.

Techboard is the longest continuously operational data company serving the Australian startup sector. We have been collecting data on Australian Startups since 2015 and have been building our national funding dataset for more than six years since 1 July 2017. Techboard has the best capture of data on funding events for Australian Startups and we continuously work to improve our data capture.

Techboard's data is trusted and used by Australian Governments, the Tech Council of Australia, Universities, investors and advisors. We also produce regular reports such as this one, occasional funding bulletins and our monthly release FUNDED. We work on a monthly data cycle releasing a monthly dataset to our subscribers before the end of the subsequent month.

Techboard has always been looking for ways to improve the quality and quantity of data it is able to present to inform and power the growth of the Australian startup ecosystem. To this end we have been developing an approach based around capturing data from companies' non-confidential filings with Australia's Corporate Regulator, The Australian Securities and Investments Commission (ASIC), to help reveal the true extent of capital flows into Australian Startups, who and what is getting investment, who is investing and at what valuation. We have been piloting this approach during 2023 in the Fintech vertical in our Fintech Funding Project. Additional information on this approach can be obtained from Techboard.

Techboard's data is accessible to commercial subscribers.

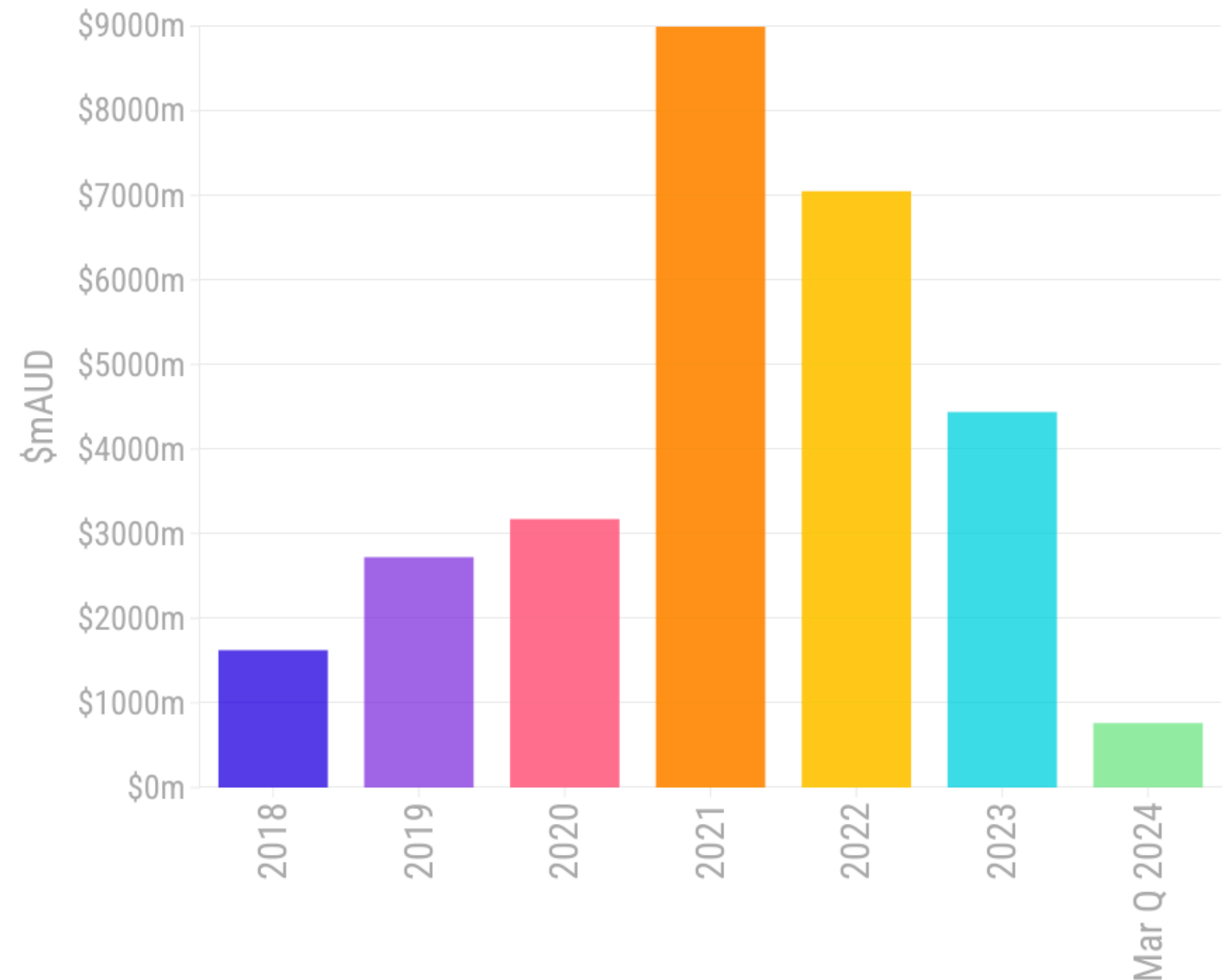
# Australian Startup Funding in 2023 - An Overview

In 2023 Techboard captured **\$4.438 billion in Investment from 621 private announced investments**. This level of investment was significantly lower than that captured in the previous two calendar years and dropped substantially from the highs of 2021 and even from 2022. 2023's result was just over 50% lower than 2021's 's \$8.991b and down 37% from the 2022 level of \$7.047b.

2023 has seen a slide from talk of “unicorn months” where >\$1b in announced investments are captured in a month (of which there was one in CY2023) to unicorn quarters, and even then, 2023 only saw three of those. Putting that into context, prior to the start of the ‘tech boom’ in June 2021, only two unicorn quarters had been seen in Australia, March Q 2021 and June Q 2020.

One of the most impactful factors on the drop in funding was the massive drop in the number of mega-deals (of over \$50m), with 2023 only seeing 18, compared to the 44 captured in 2021.

## Private/VC Investment in Australian Startups 2018-Mar Q 2024





**The Mega-Deals of 2023**

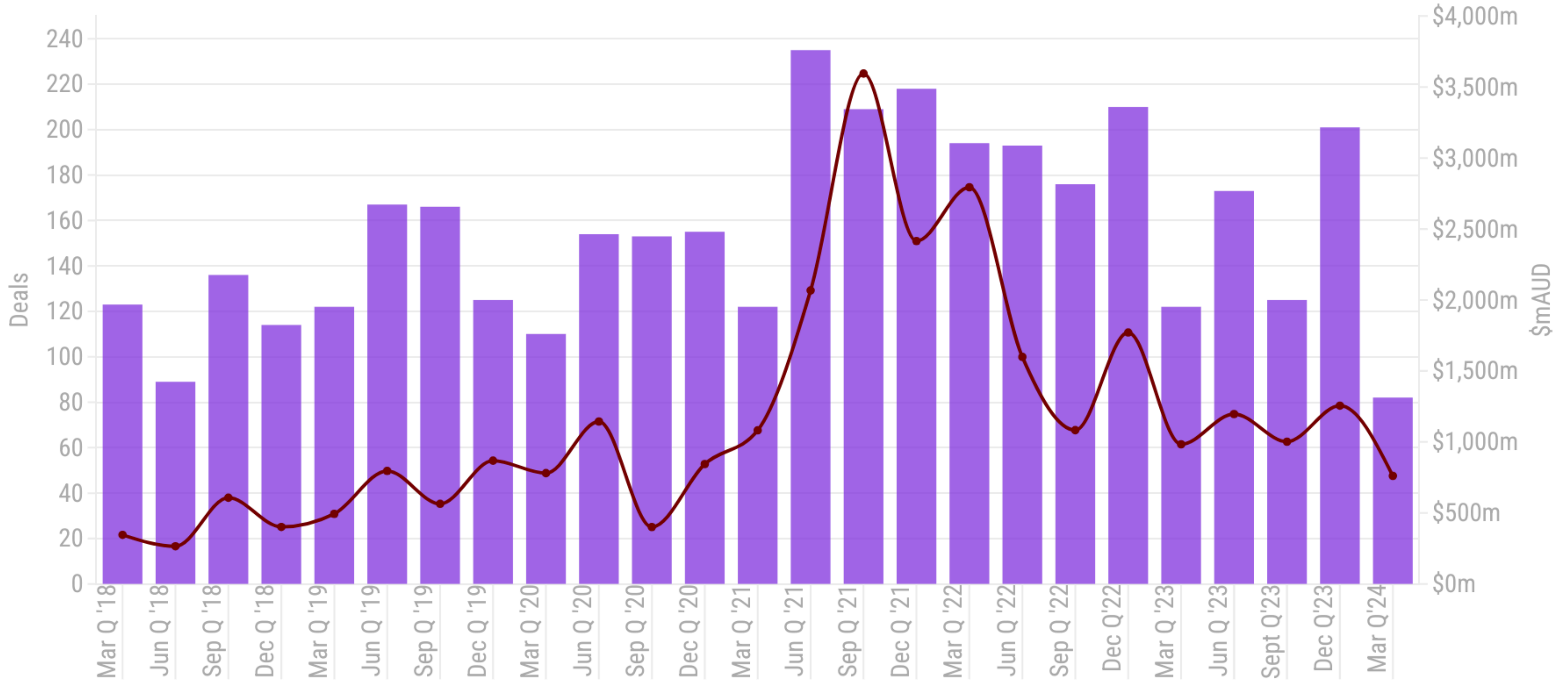






# Private Investment in Australian Startups by Quarter 2018-Mar Q'24

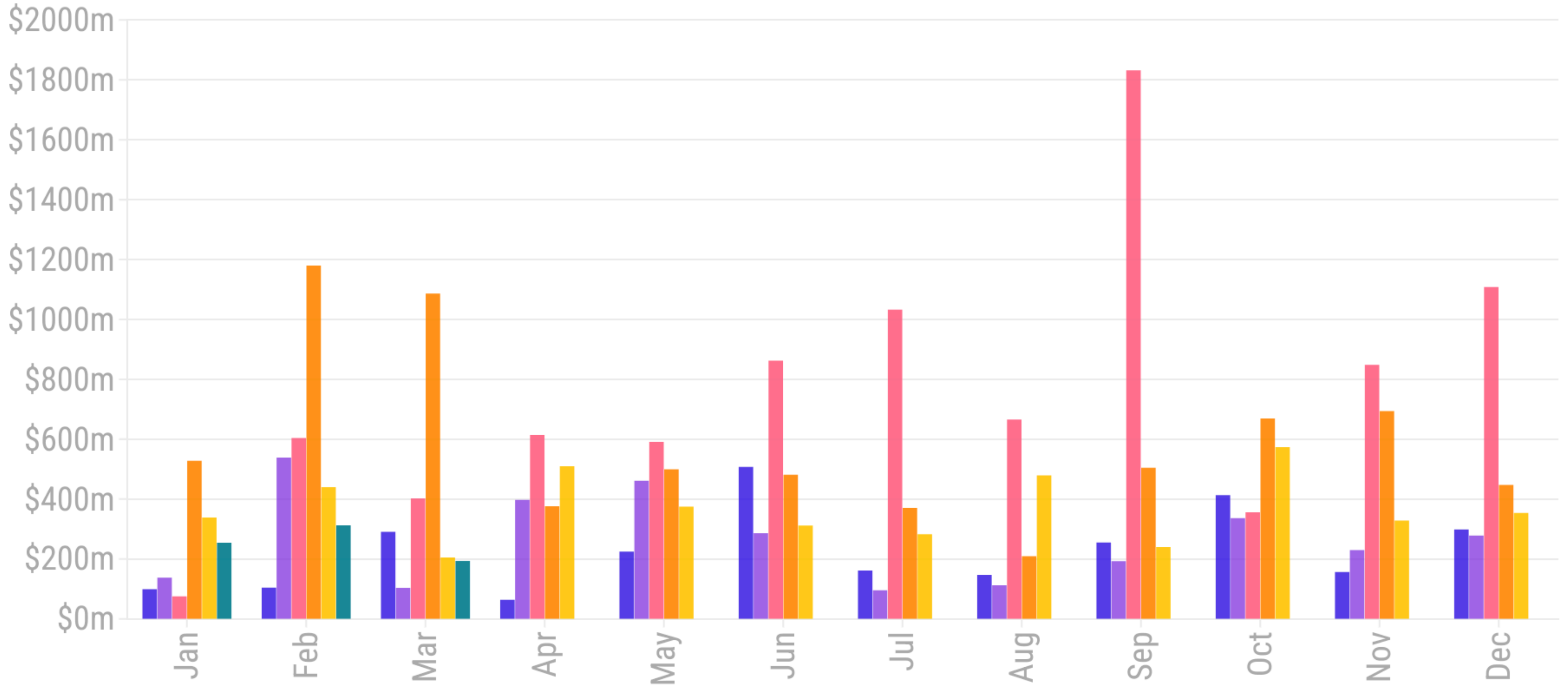
■ \$ ■ Deals





# Private/VC Investment by Month & Year 2019 - March 2024

■ 2019 ■ 2020 ■ 2021 ■ 2022 ■ 2023 ■ 2024



# Analysis by Deal Size and Deal Label

The size bands that saw the smallest drops were the up to \$1m and \$1-\$5m size bands.

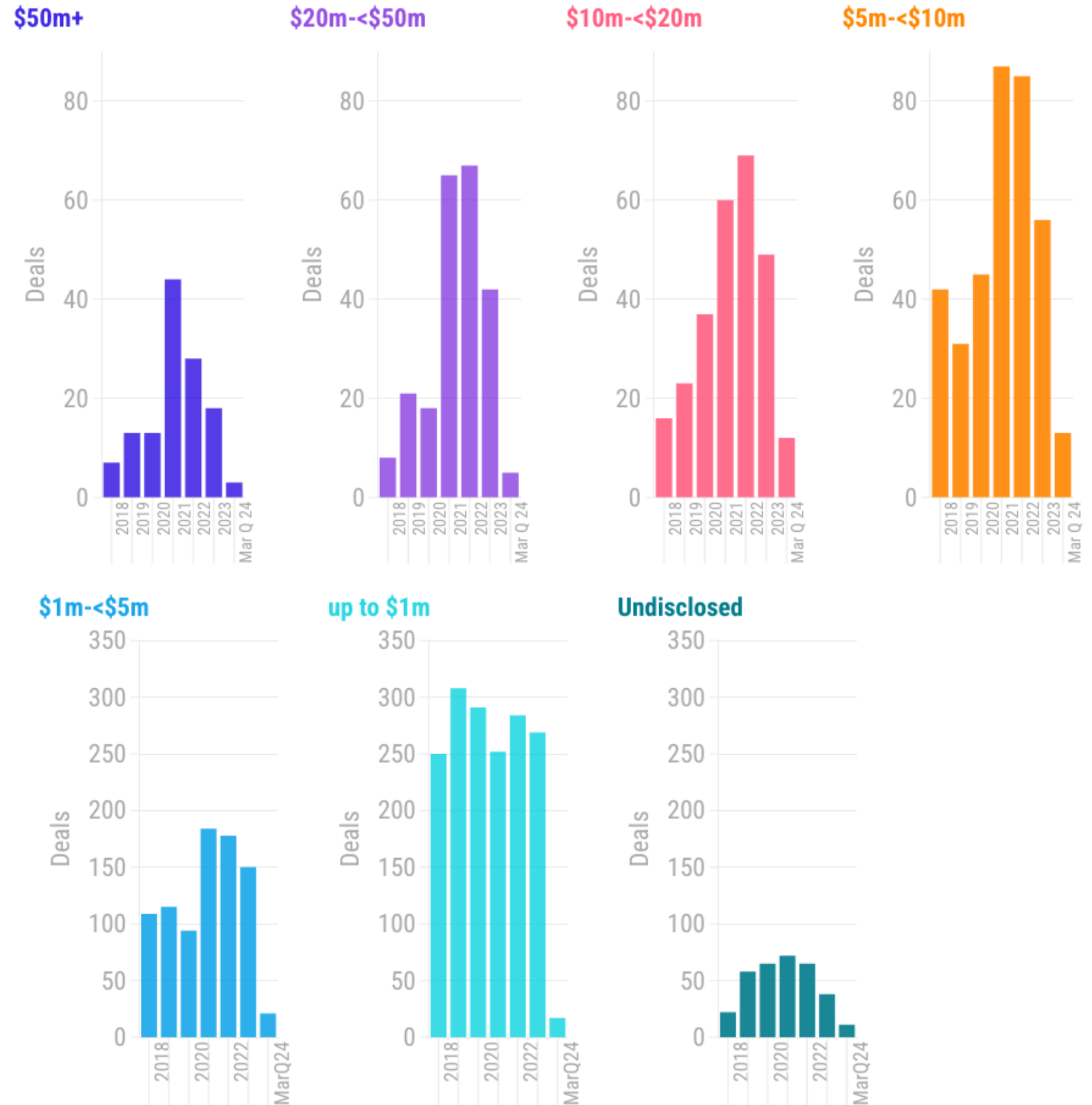
Mid 2023 saw a surge in the proportion that investments in the \$20-\$50m size band bore to total funding. Towards the end of 2023 this had reversed. March 2024 saw a significant increase in the relevance of \$10-\$20m raises.

The proportion of later stage deals was in decline over 2023, but showed some recovery in the March Q, despite the overall drop in investment levels.

Along with the overall drops in announced deals, the 2023 year saw an across the board drop in average deal sizes for all deal labels from Pre-seed to Series D. Average deal sizes however recovered somewhat in the March Quarter 2024.

Further analysis of average deal sizes is provided below in the Team gender analysis.

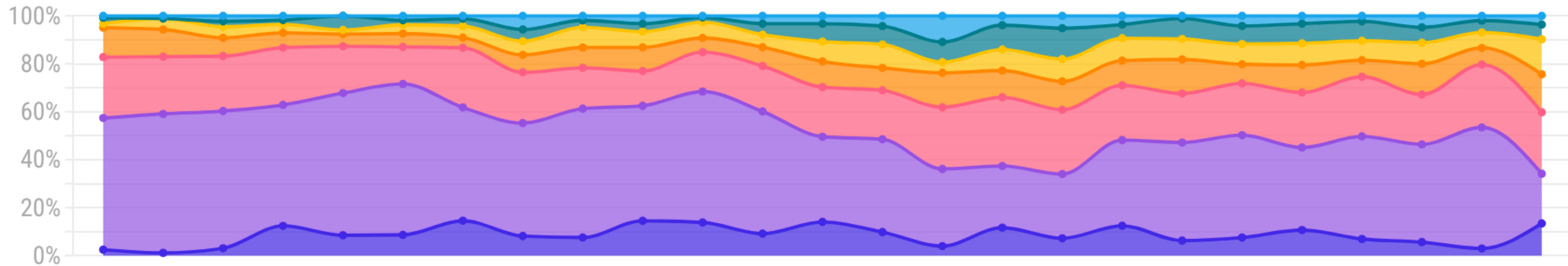
## Private Investment by Deal Size 2018 - Mar Q 2024



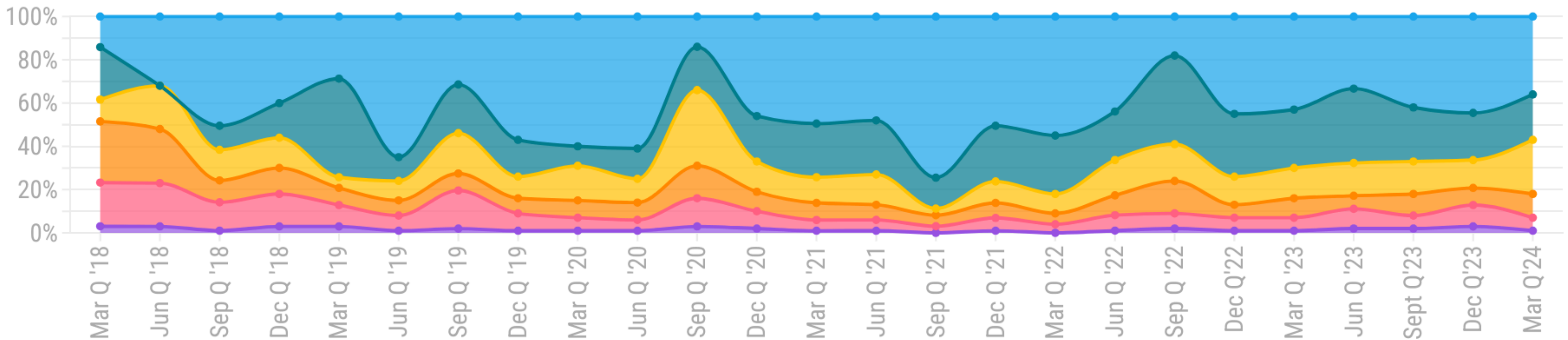
# Private/VC Investment Percentage by Deal Size per Q 2018 to Mar Q 2024

## Deals

■ Undisclosed ■ up to \$1m ■ \$1m-<\$5m ■ \$5m-<\$10m ■ \$10m-<\$20m ■ \$20m-<\$50m ■ \$50m+

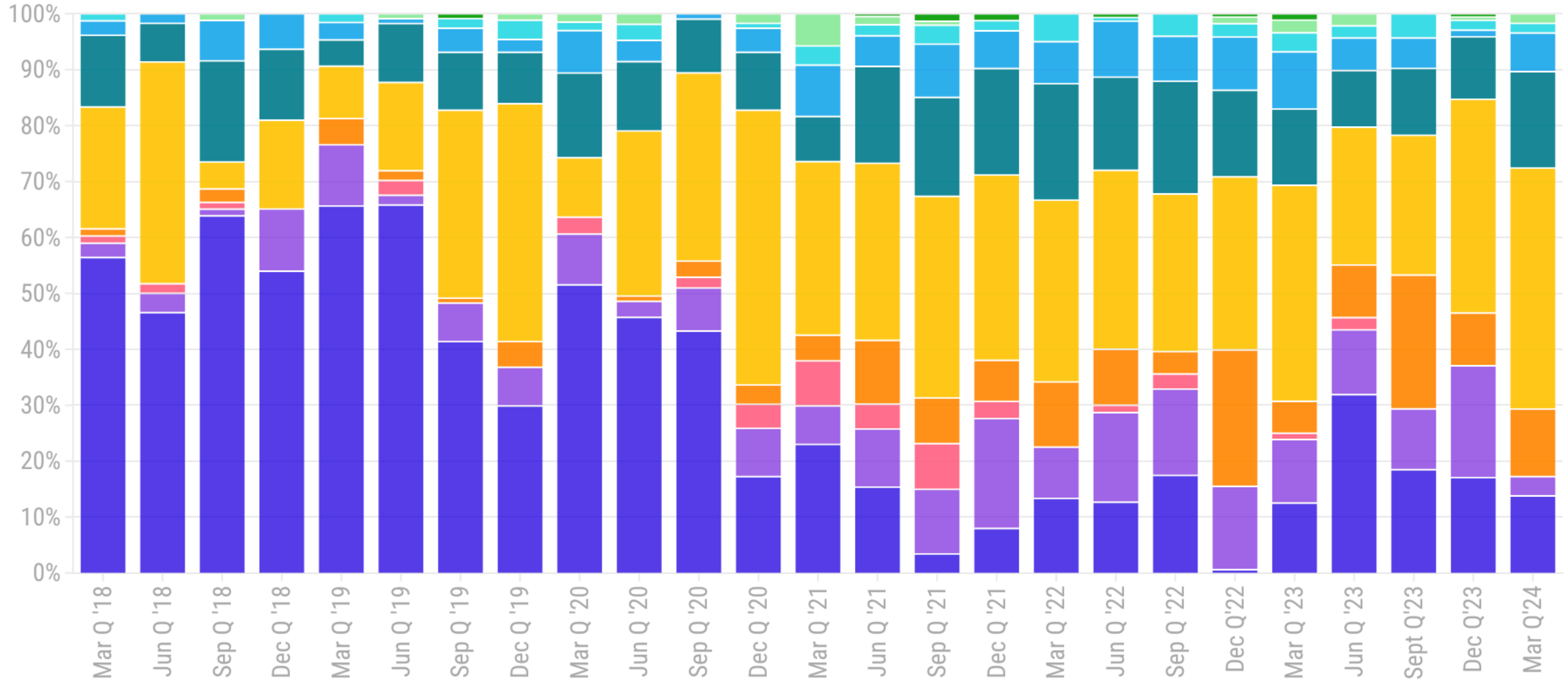


## Dollars



# Private/VC Investment % of Deals by Q Funding label 2018 to Mar Q 2024

■ Accelerator 
 ■ Equity Crowdfunding 
 ■ Pre-IPO 
 ■ Pre-Seed 
 ■ Seed 
 ■ Series A 
 ■ Series B 
 ■ Series C 
 ■ Series D 
 ■ Series E



# Average Deal Sizes

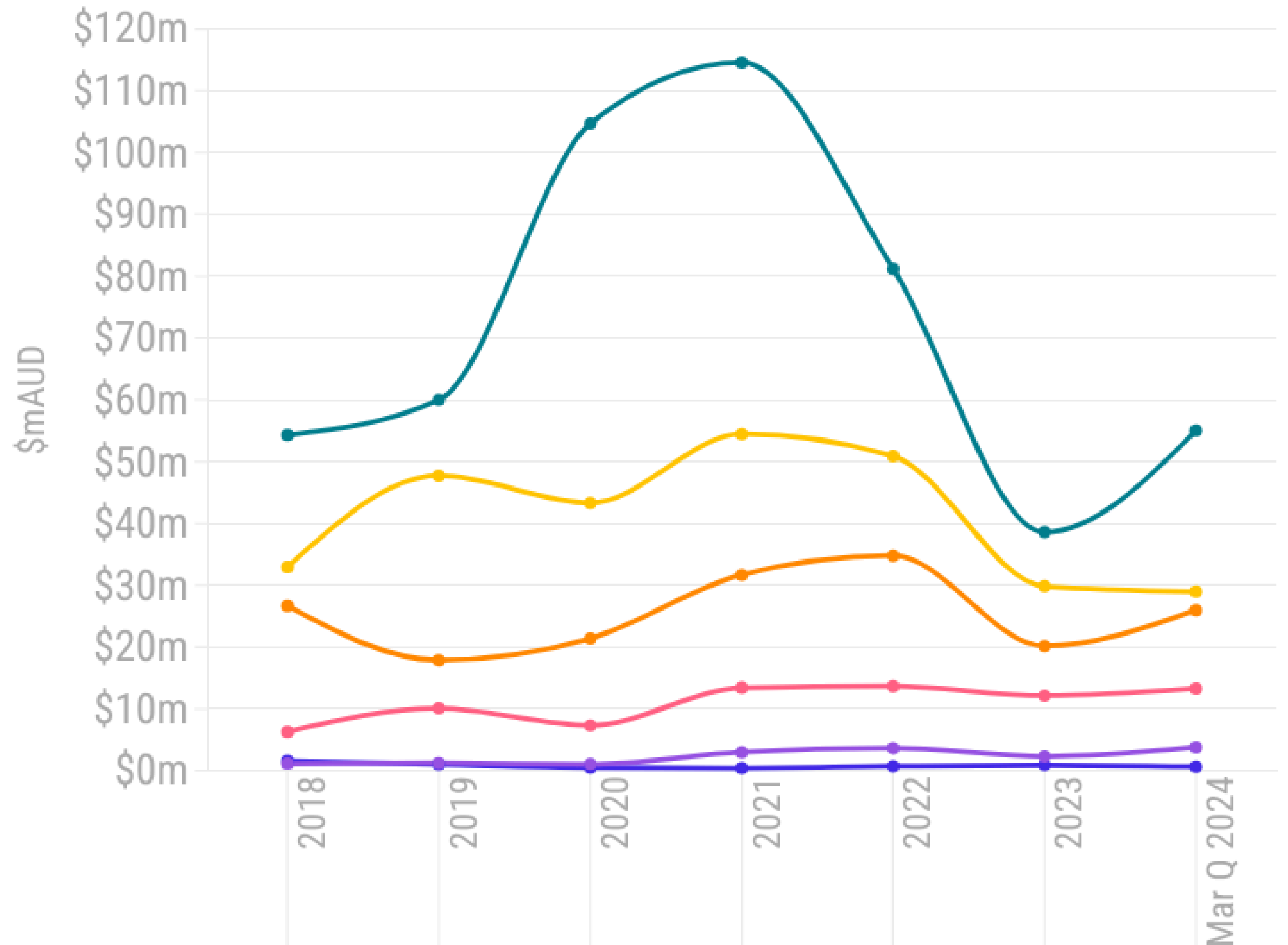
In 2023 average deal sizes took a hit almost across the board, with the largest proportional drops being experienced in the later deal stages. In later deal stages, average deal sizes in 2023 had dropped to below levels seen in 2018, with Series B and earlier sitting at closer to 2020 levels or higher.

Quite peculiarly, despite the drops in funding in the March Quarter 2024, the majority of deal labels saw a recovery increase in the average deal size. Only Series C and Pre-seed deals saw a drop in average deal size.

Deal size per label varies a great deal depending on the category the company raising is in. An interactive chart of average deal size per category and deal label is provided in the following pages.

## Average Deal Size by Deal Label 2020 - Mar Q 2024

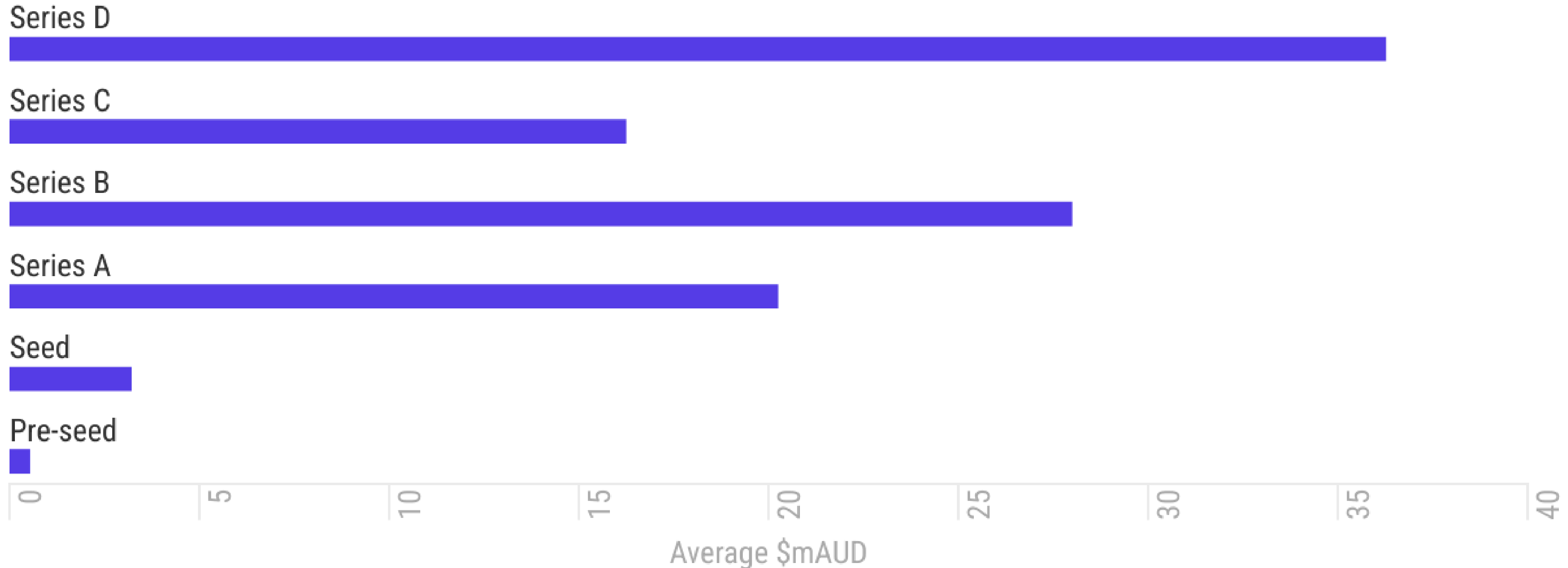
■ Pre-Seed ■ Seed ■ Series A ■ Series B ■ Series C ■ Series D



# Average Deal Size by Category in 2023

Select a category to view

**Fintech** ▾





# Private Investment by State (Dollars)

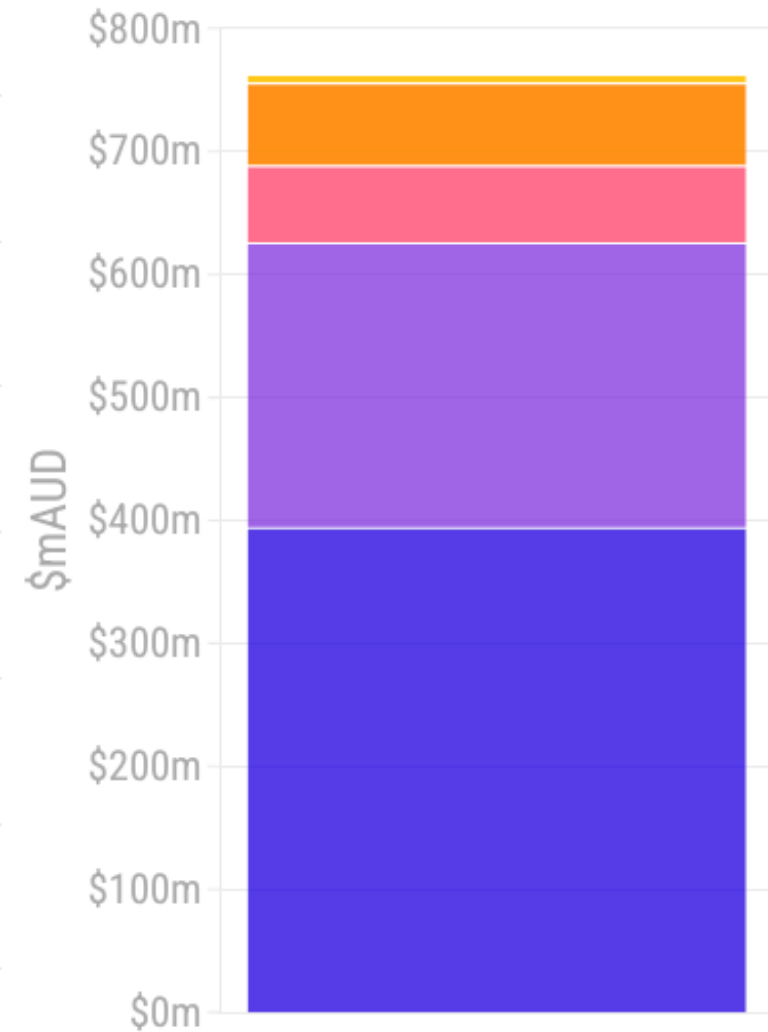
2023

Dollars



Mar Q 2024

Dollars



■ New South Wales 
 ■ Victoria 
 ■ Queensland 
 ■ Western Australia 
 ■ South Australia

■ New South Wales 
 ■ Victoria 
 ■ Queensland 
 ■ Western Australia 
 ■ South Australia 
 ■ Australian Capital Territory 
 ■ Tasmania

In 2023, New South Wales companies accounted for around two thirds of all investment. The proportion of Investment and deals in the other states followed the usual trend.

In the March Quarter 2024, the dominance of NSW on a dollar basis had dropped to closer to 50%, with Victoria starting to close the gap, moving from around 18% to closer to 30% of all funds. Western Australia was the only state seeing a significant increase in Funding over the March quarter.

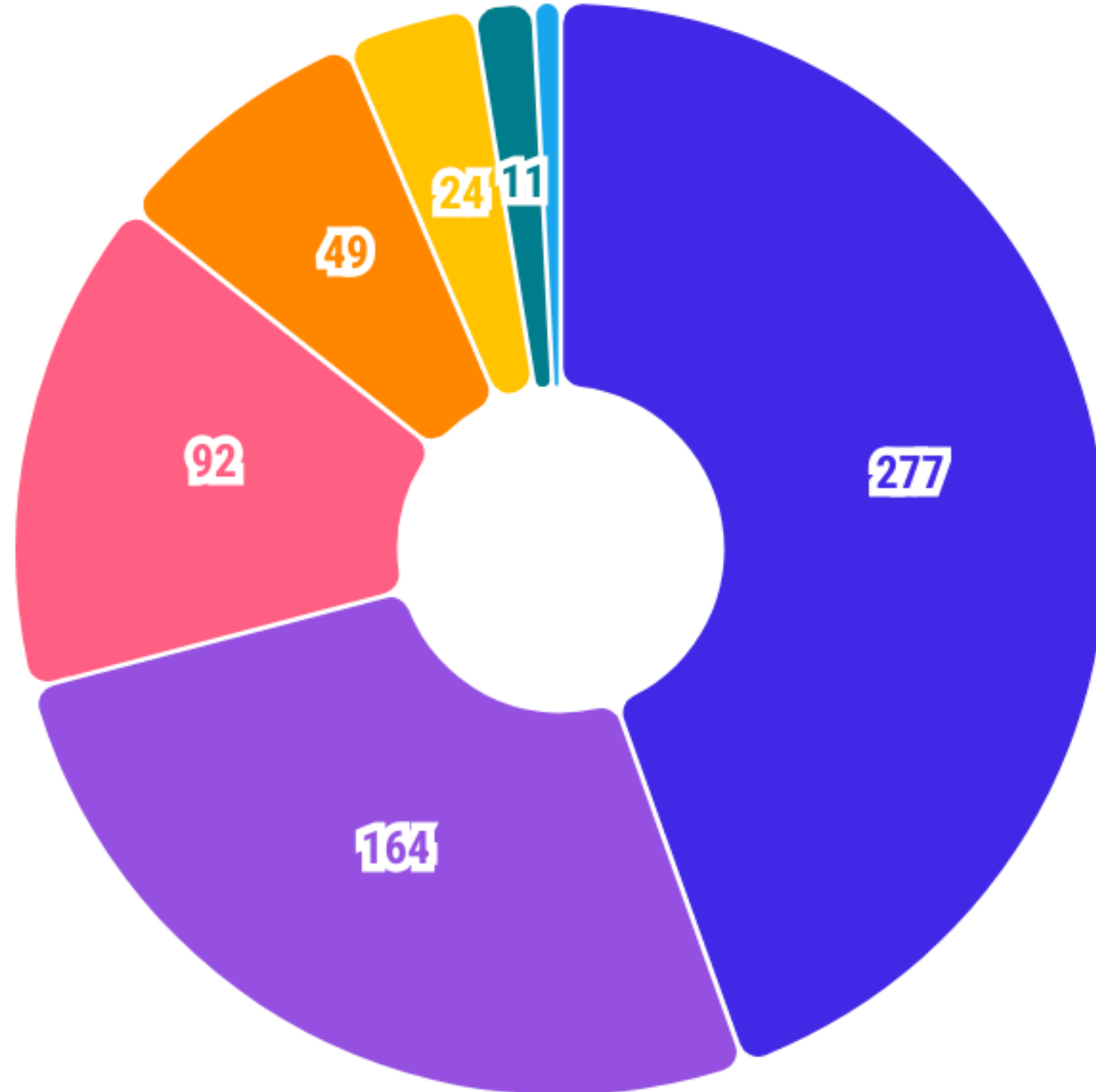
If we examine the historical funding curves for each state, we can see that New South Wales, Victoria and Queensland all share a similar trends with significant drops in funding from the highs of 2021-22. The funding curves for the less populous states of Western Australia, South Australia and the Australian Capital Territory do not show drops of a similar magnitude, with all three states showing significant spikes in funding since 2021-22.

Viewed on a per capita basis all states show a continued decline since 2021 or 2022 except the ACT who has experienced a continuing increase in funding (apart from the nil result in March Q 2024). Smaller states experienced a slower decline than larger states.

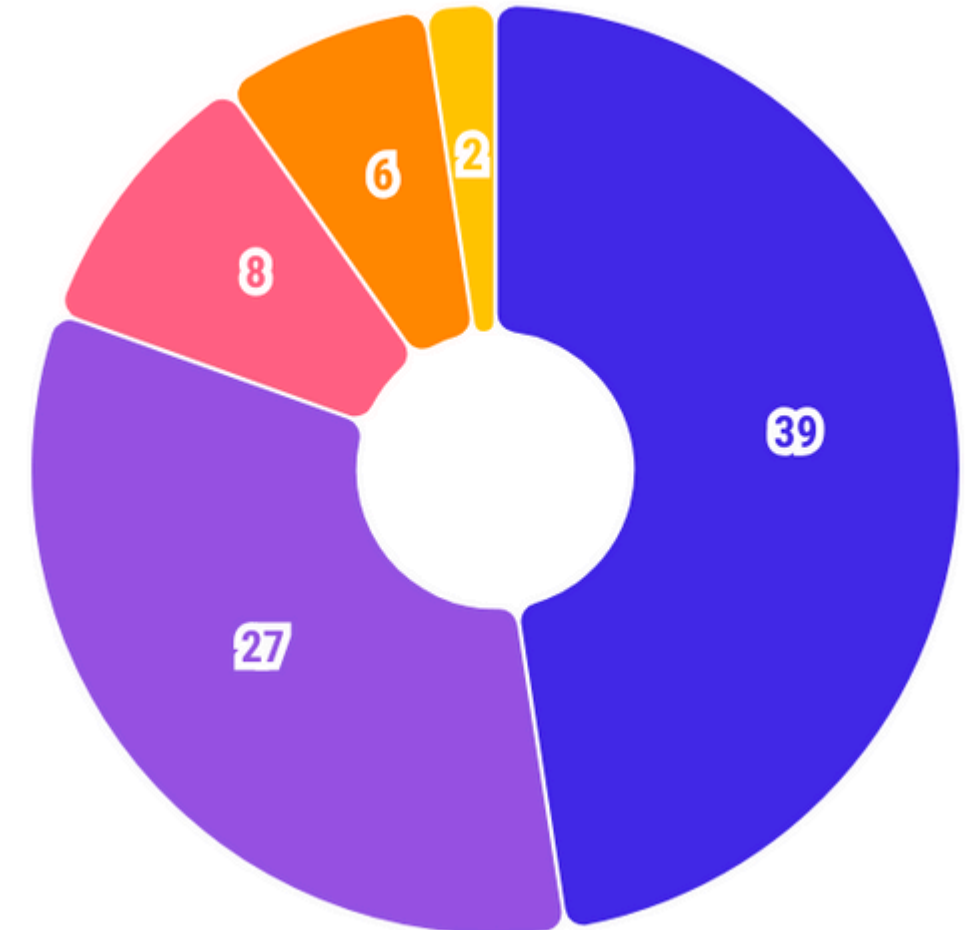


# Private Investment by State (Deals)

## No. of Deals 2023



## No. of Deals Mar Q 2024



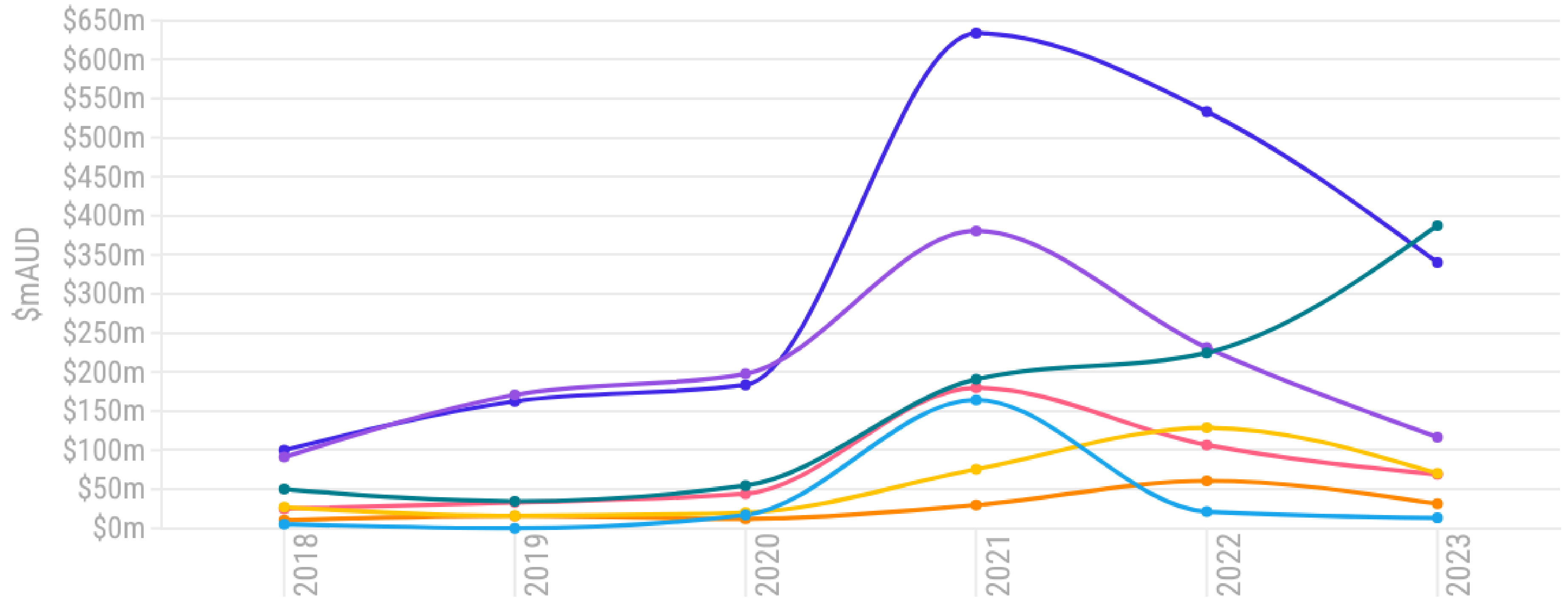
■ New South Wales ■ Victoria ■ Queensland ■ Western Australia ■ South Australia

■ New South Wales ■ Victoria ■ Queensland ■ Western Australia ■ South Australia ■ Australian Capital Territory ■ Tasmania

# Private Investment by State per Capita (Dollars)

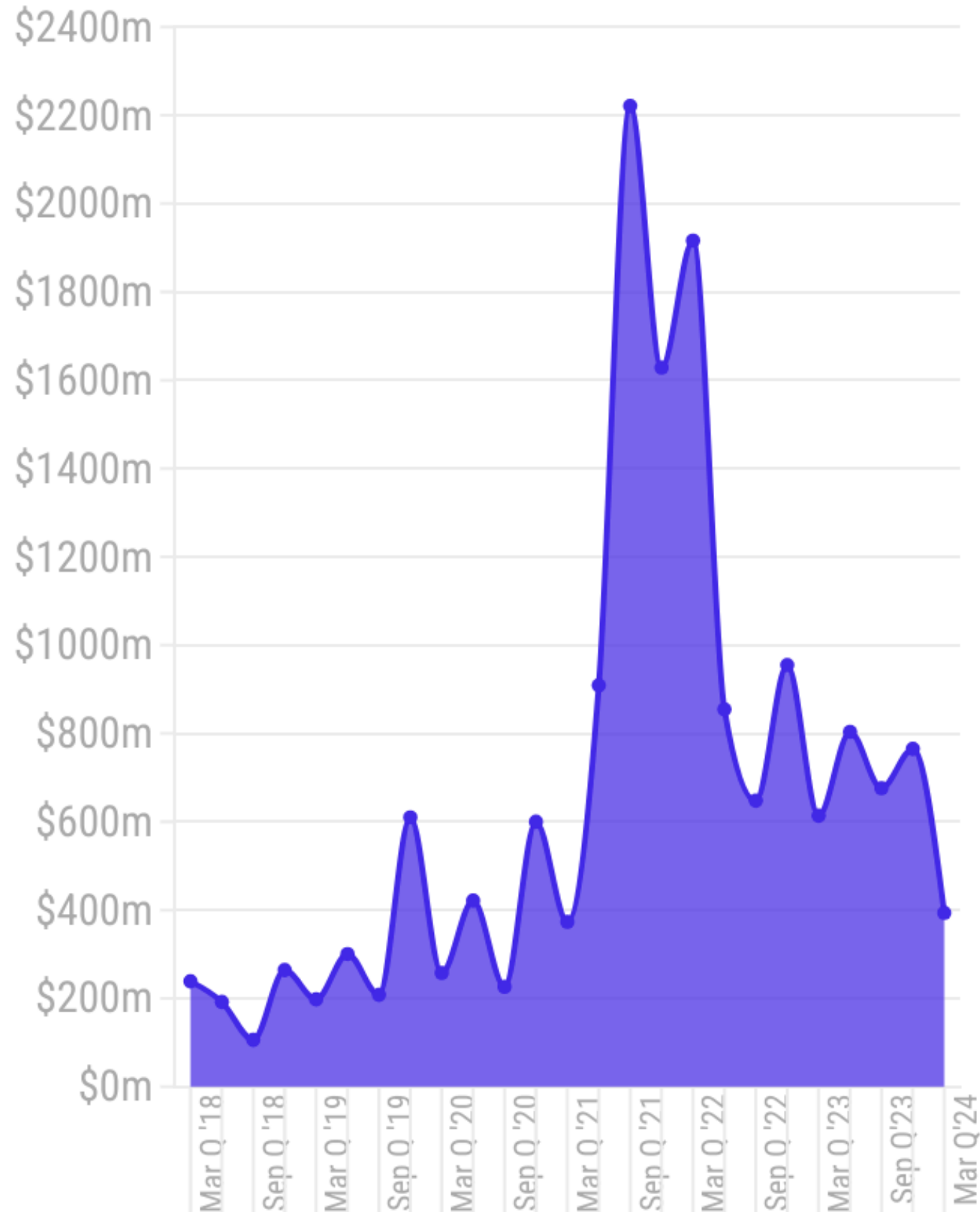
\$ per 1m pop.

■ New South Wales ■ Victoria ■ Queensland ■ Western Australia ■ South Australia ■ Australian Capital Territory ■ Tasmania

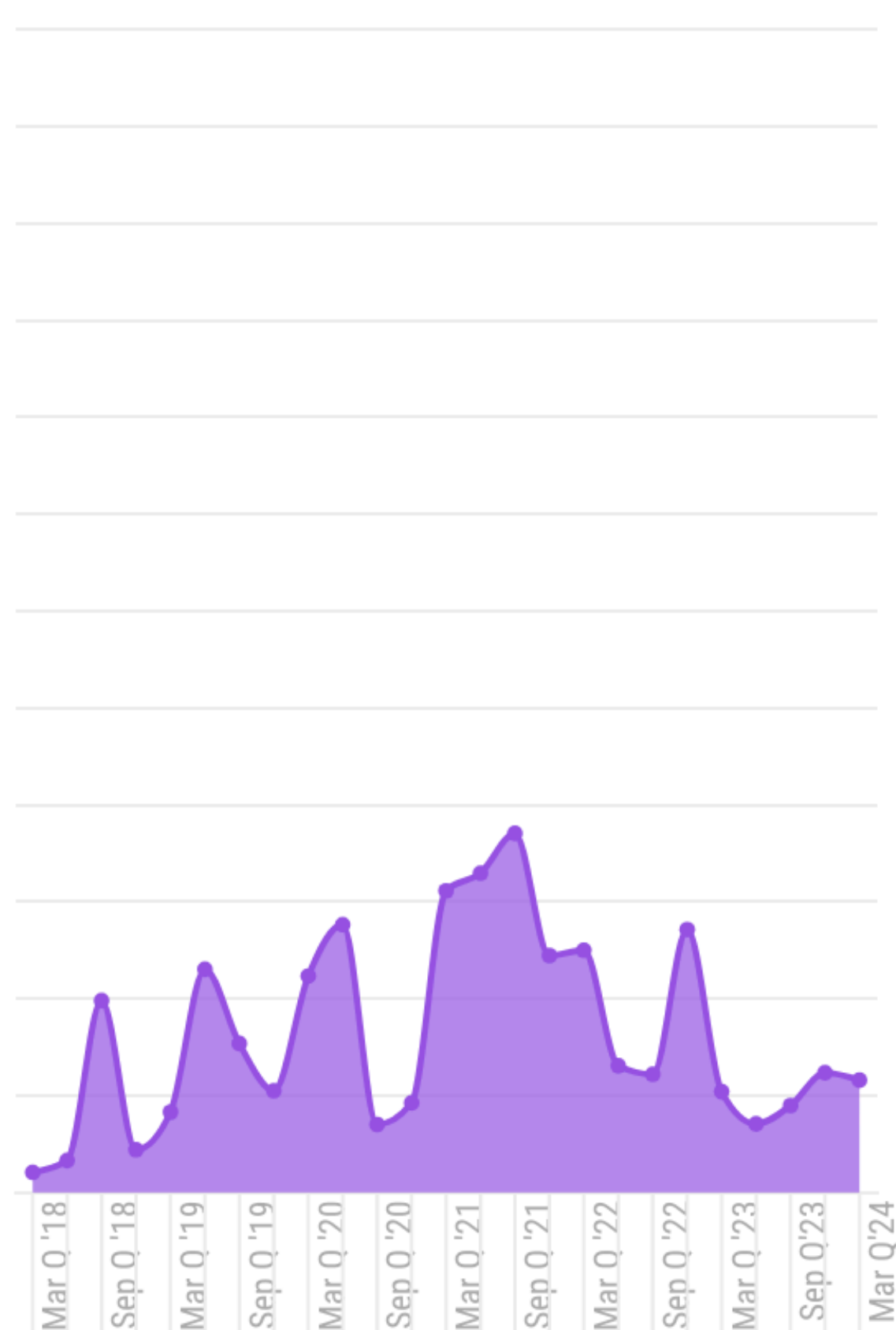


# Private Investment by State 2019 - Mar Q 2023 (Dollars)

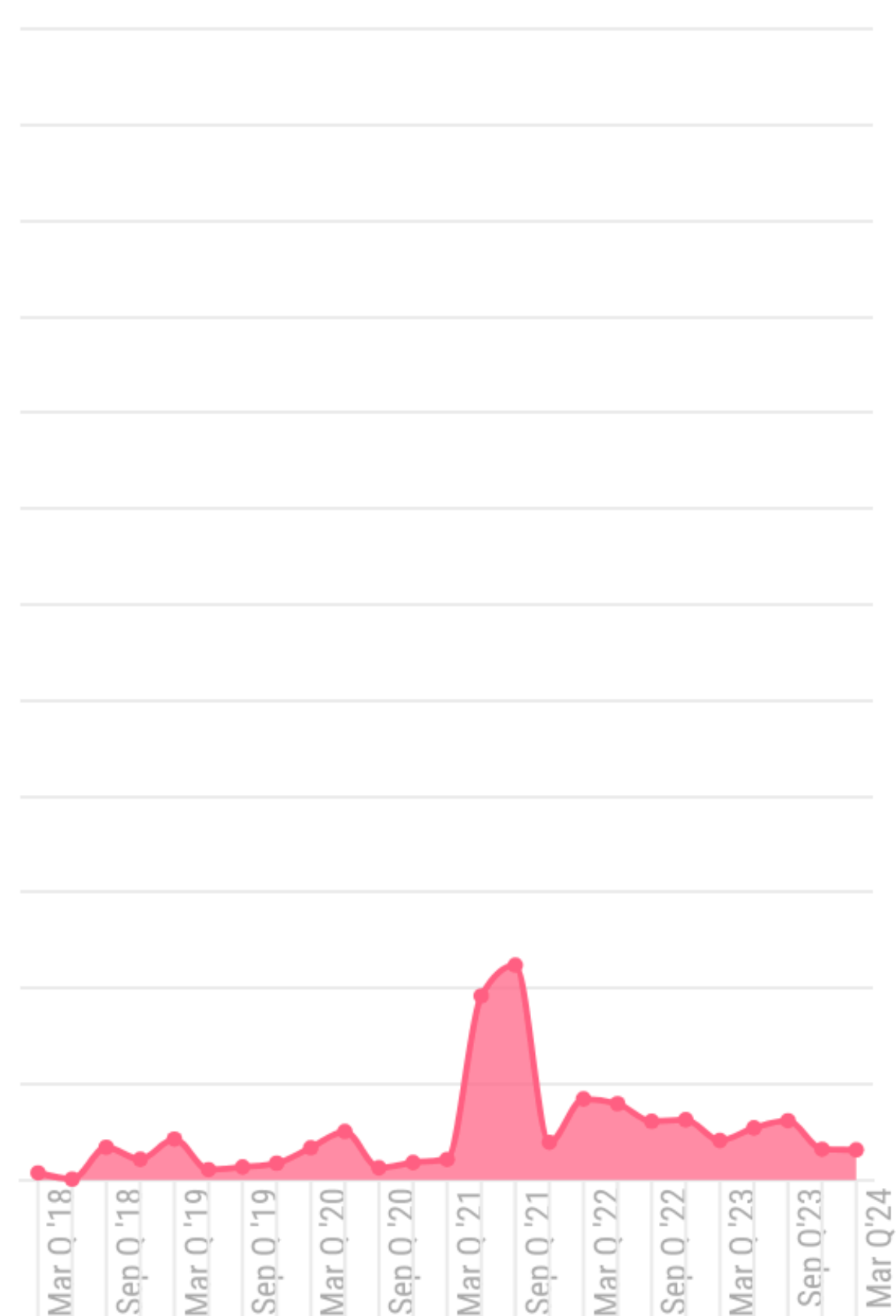
## New South Wales

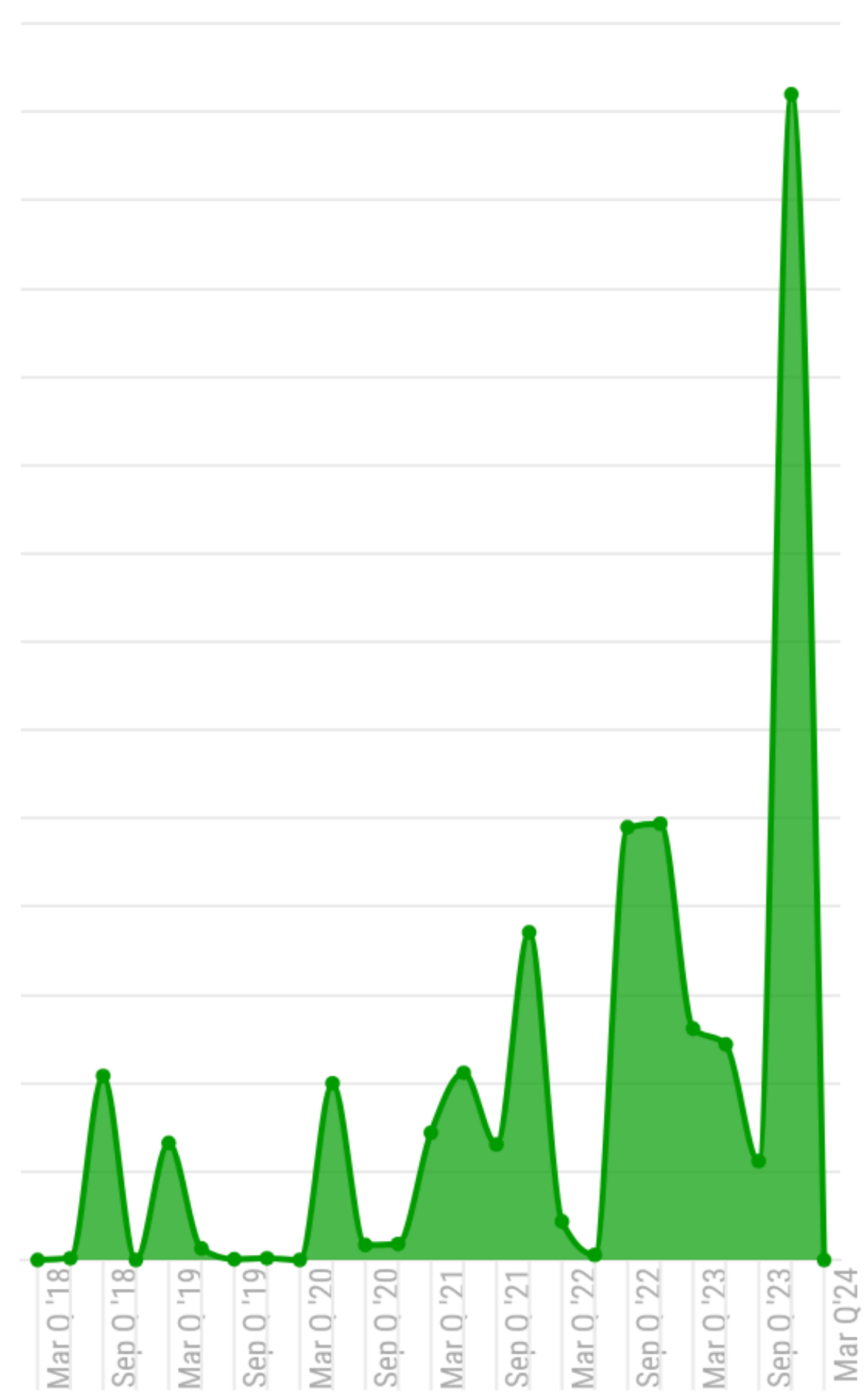
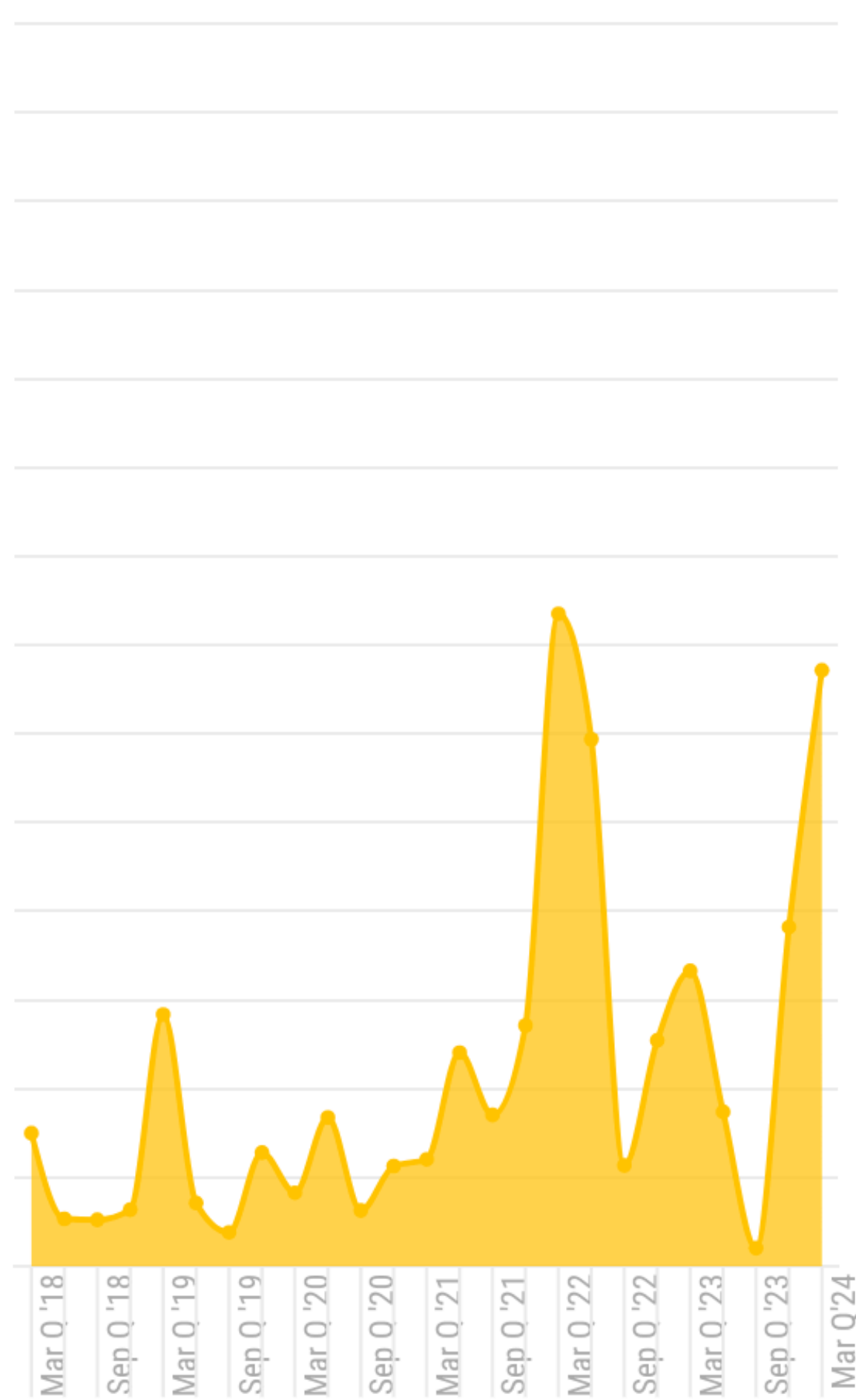
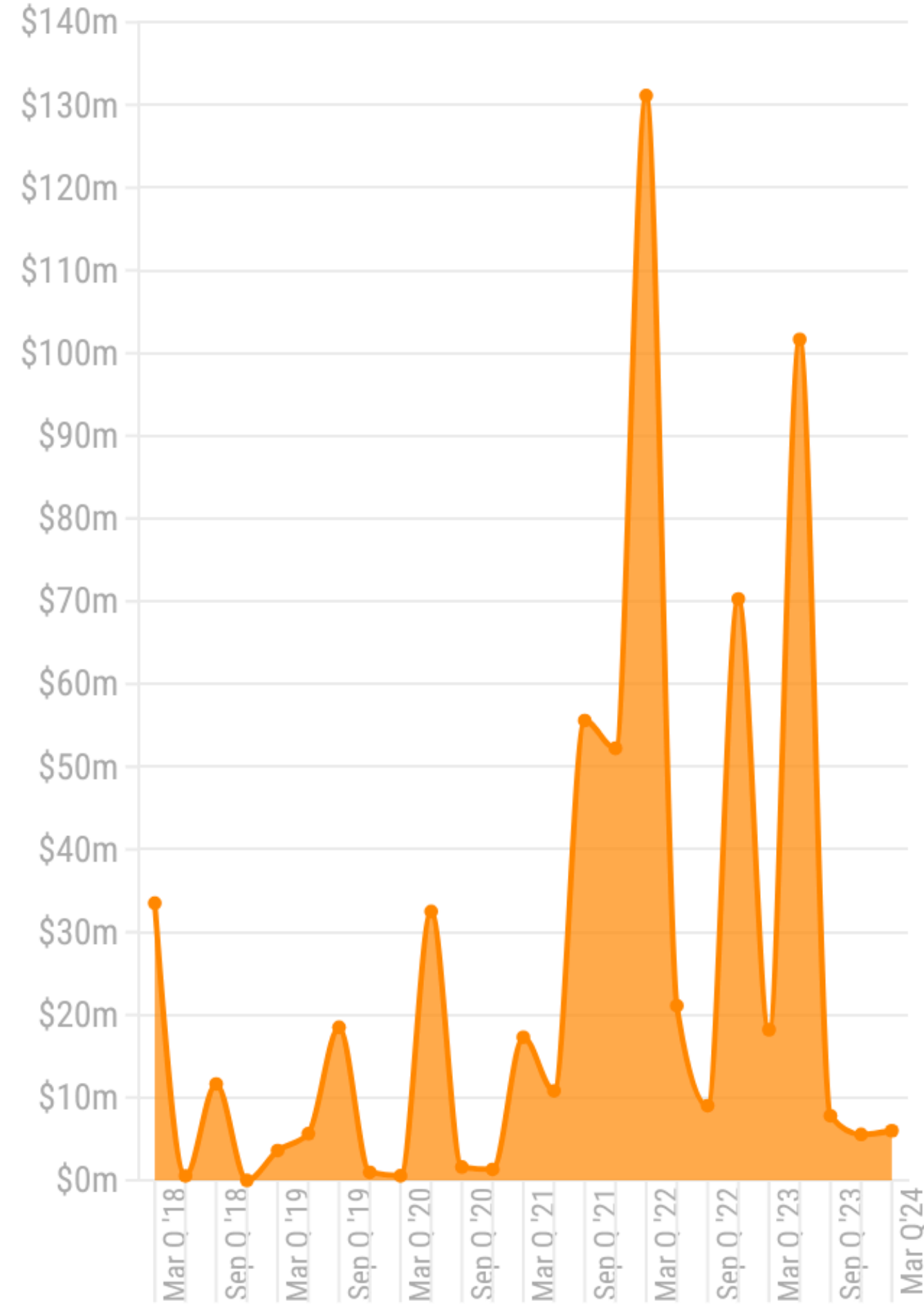


## Victoria

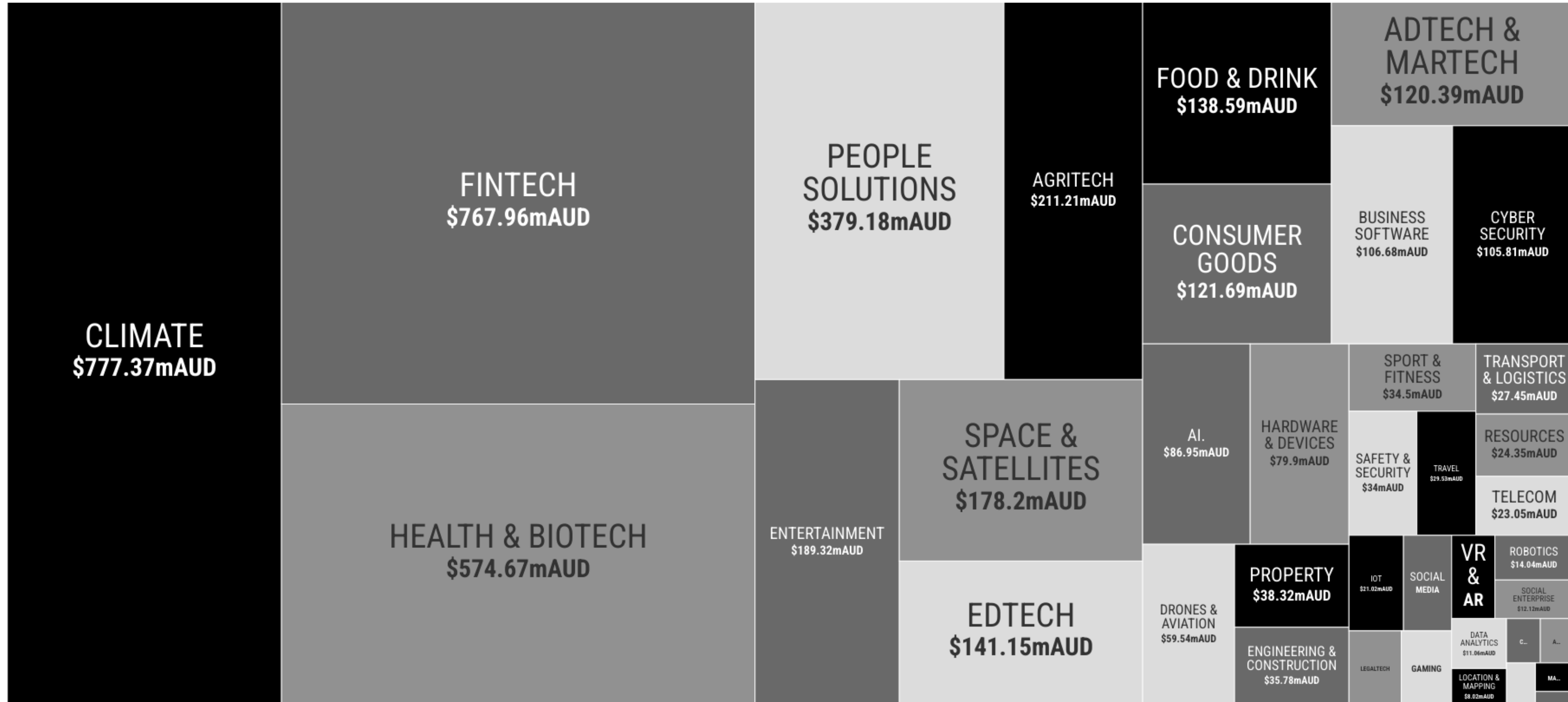


## Queensland





# Private/VC Investment by Category 2023



# Funding Analysis by Founding Team Gender

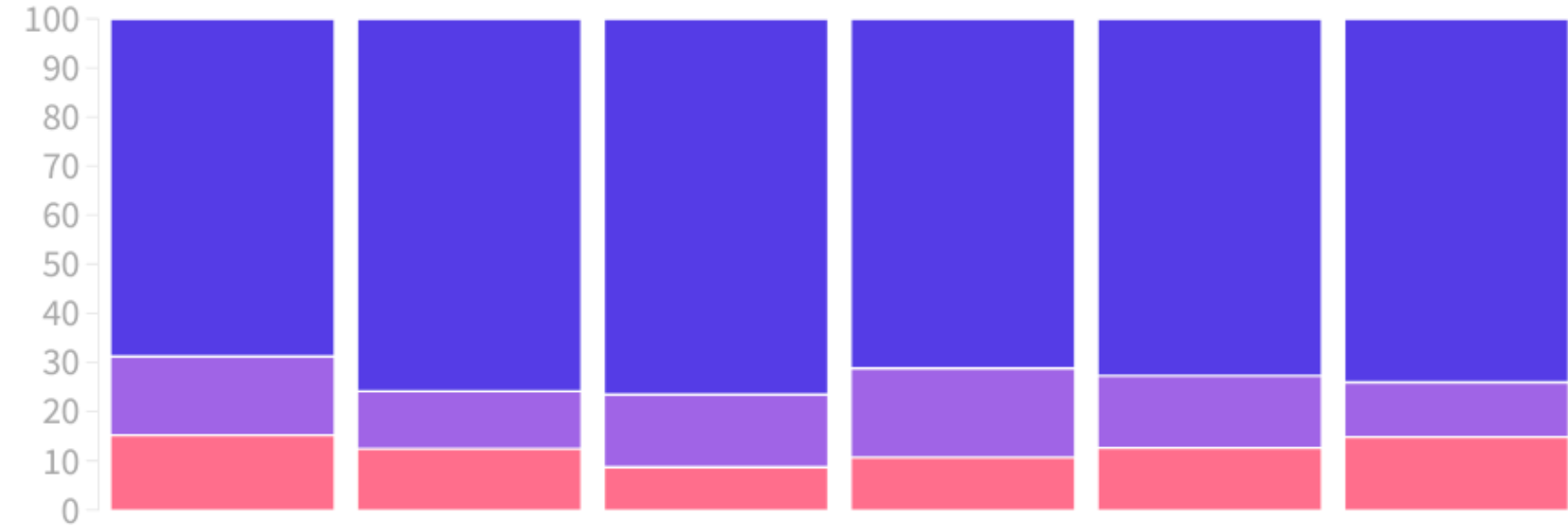
In 2023 solely women-founded ventures had their strongest year since 2020, capturing 3.88% of all private announced capital raised during the year from 12.58% of deals. Ventures with at least one women founder secured 15.42% of all funding. The story has remained relatively constant over the past several years with solely women founded teams and teams with at least one woman founder not seeing much movement, with the fluctuations in overall percentage of investment captured being very heavily influenced by a comparatively low number of high value deals. In a year where there are less of these, the proportion of overall capital going to women-led ventures is also lower.

March 2024 was the best quarterly result for solely women-founded ventures for the last six years at 16.36% of all capital raised but behind the result of Sep Q 2017 (25.68%). This result is mostly due to three large capital raises in an otherwise comparatively quiet quarter. Biotech Company Aravax \$66m Series B, Biotech company Prota Therapeutics \$32m raise and Sunscreen company Ultra Violette's \$15 million raise.

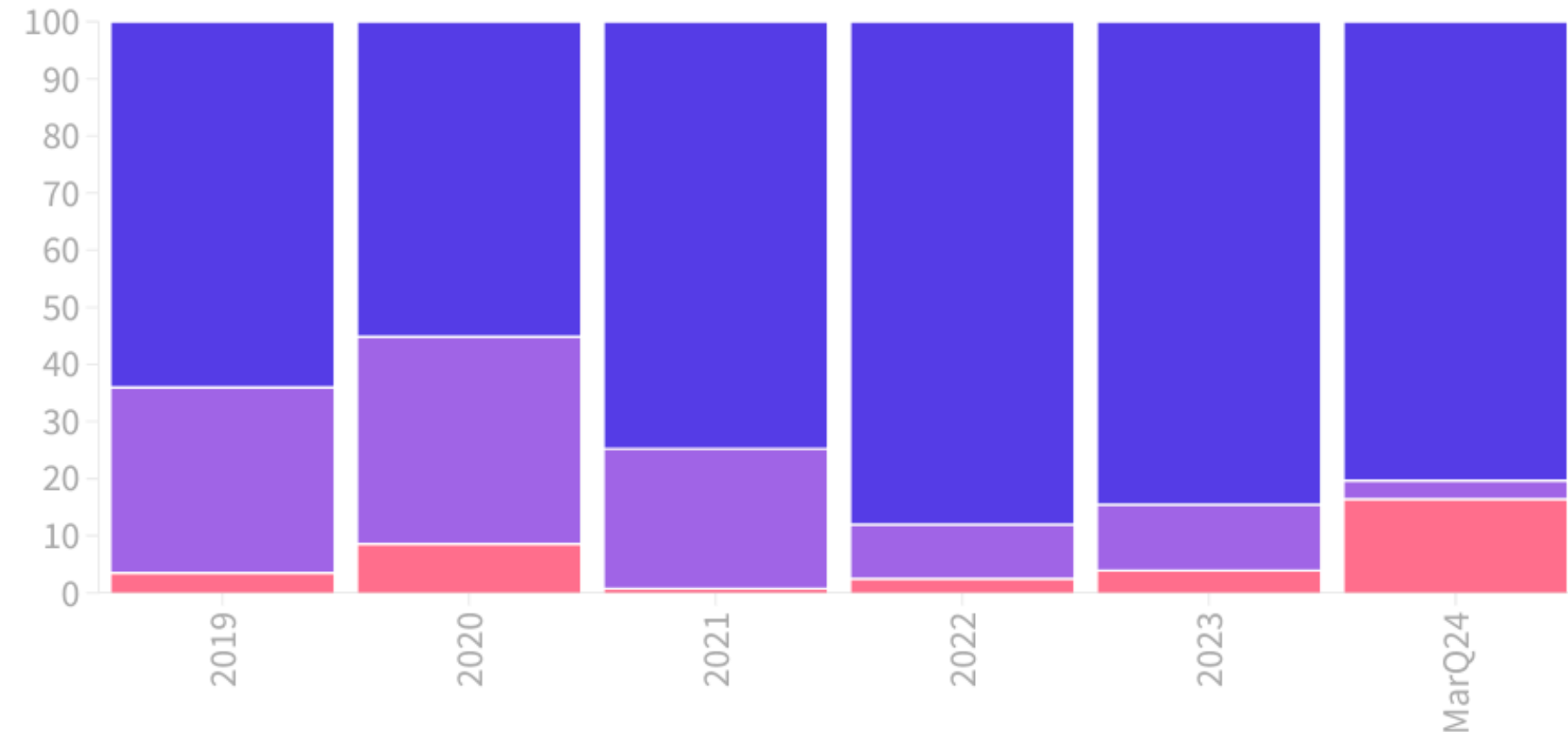
## Private/VC Investment by Founding Team Gender - Proportional - Years 2018 - Mar Q 2024

### By Deals

■ Solely Female ■ Mixed ■ All Male

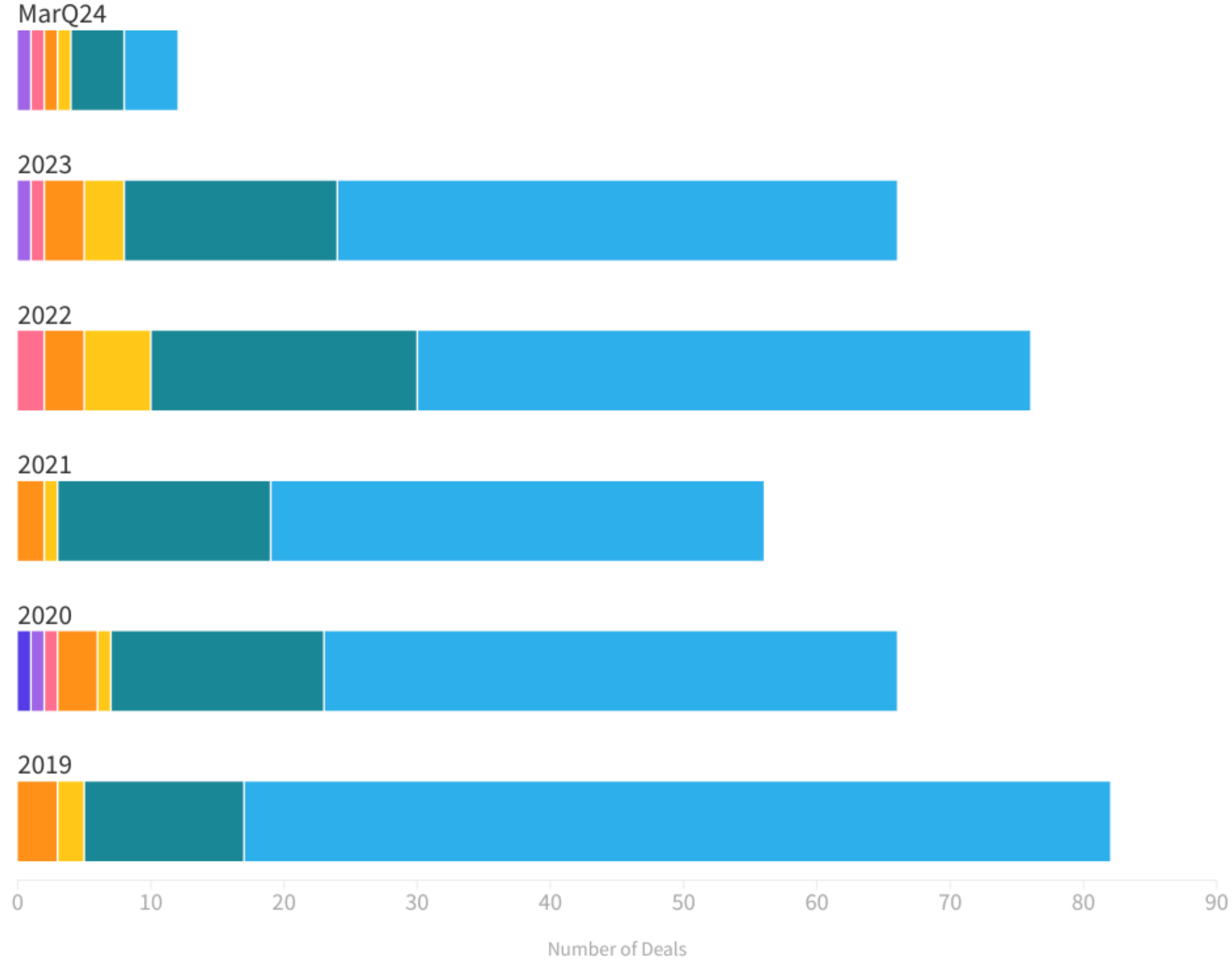


### By Dollars



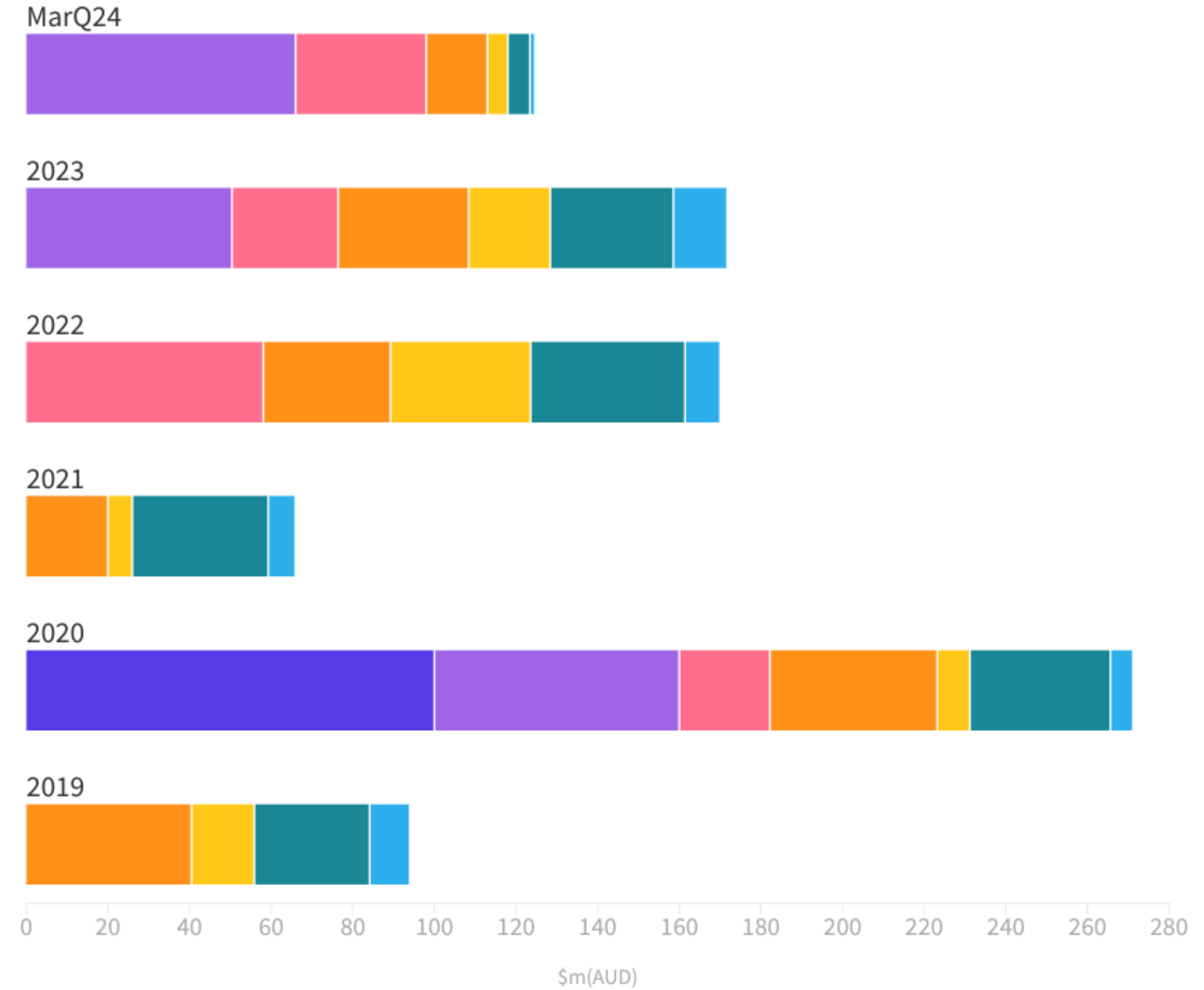
## VC/Private investments by deal size Solely Women-Founded 2019-2024 Deals

■ \$100m+ 
 ■ \$50m-<\$100m 
 ■ \$20m-<\$50m 
 ■ \$10m-<\$20m 
 ■ \$5m-<\$10m 
 ■ \$1m-<\$5m 
 ■ up to \$1m



## Dollars

■ \$100m+ 
 ■ \$50m-<\$100m 
 ■ \$20m-<\$50m 
 ■ \$10m-<\$20m 
 ■ \$5m-<\$10m 
 ■ \$1m-<\$5m 
 ■ up to \$1m

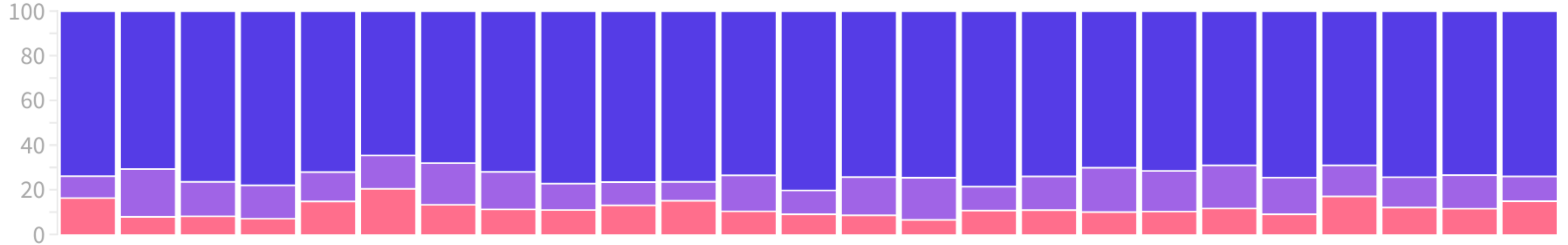




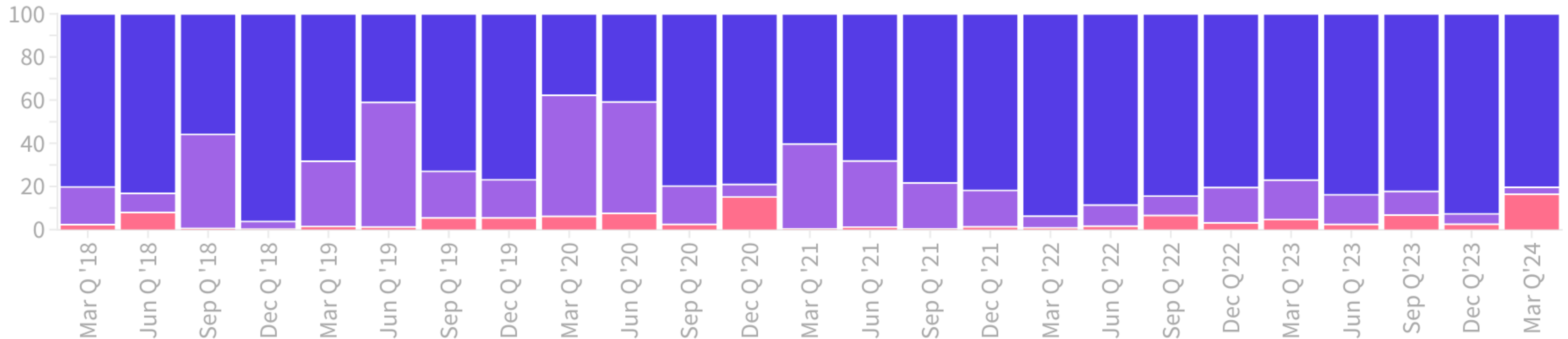
# Private/VC Investment by Founding Team Gender - Proportional 2018 - Mar Q 2024

## By Deals

■ Solely Female 
 ■ Mixed 
 ■ All Male



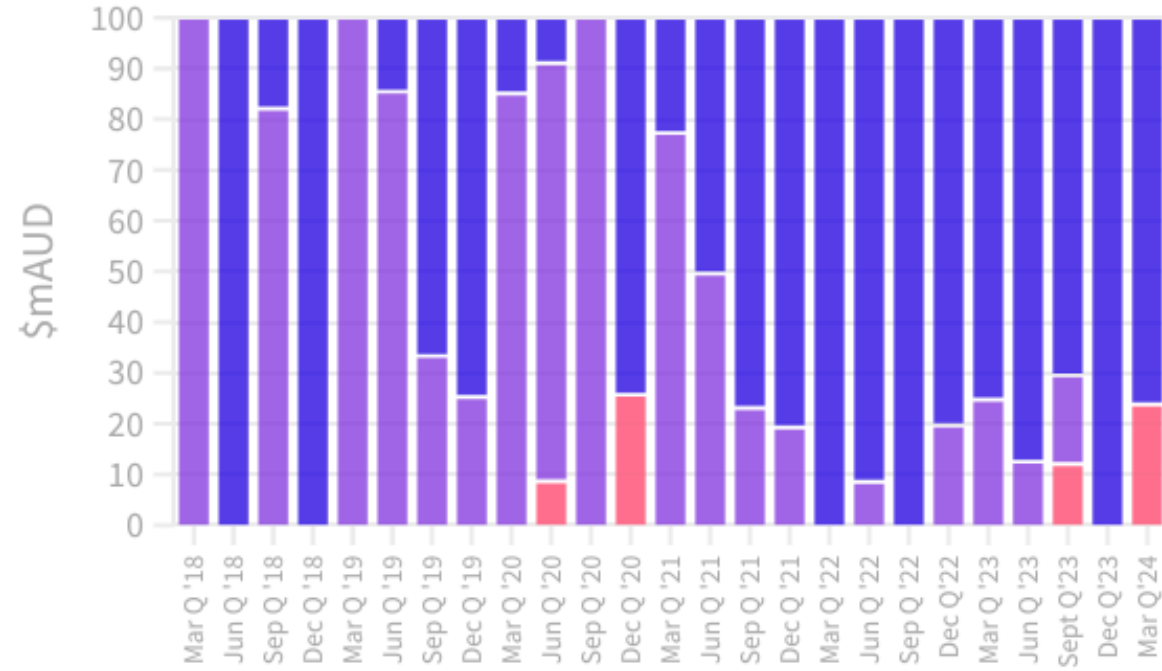
## By Dollars



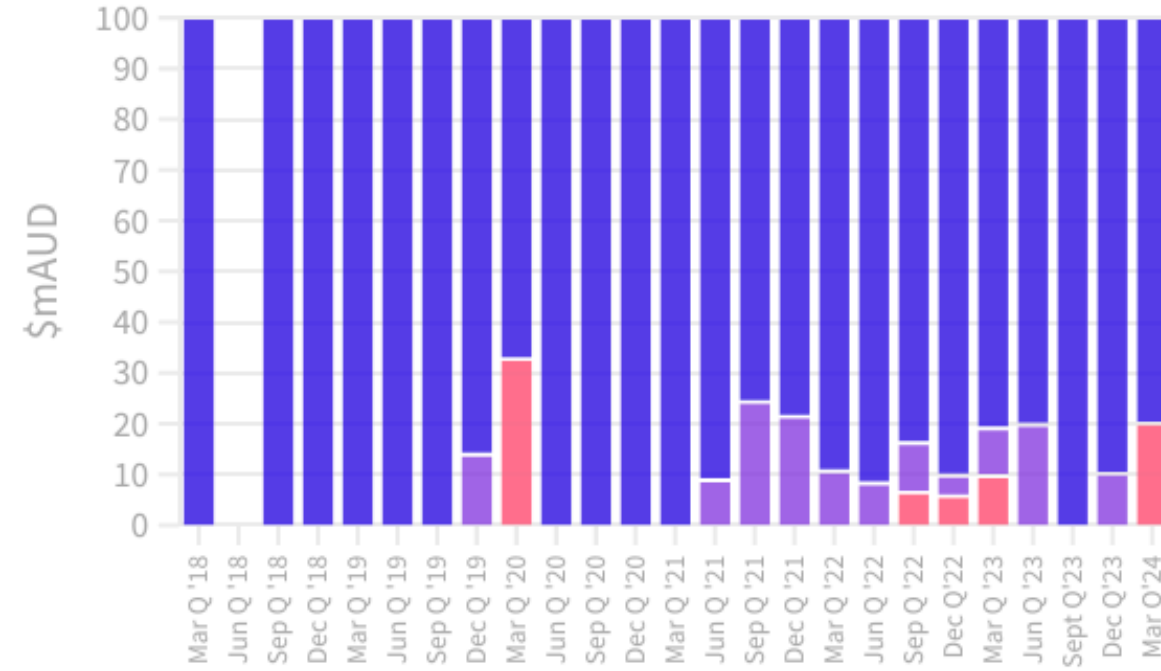
# Private by Deal Size and Gender Over Time

■ Solely Female 
 ■ Mixed 
 ■ All Male

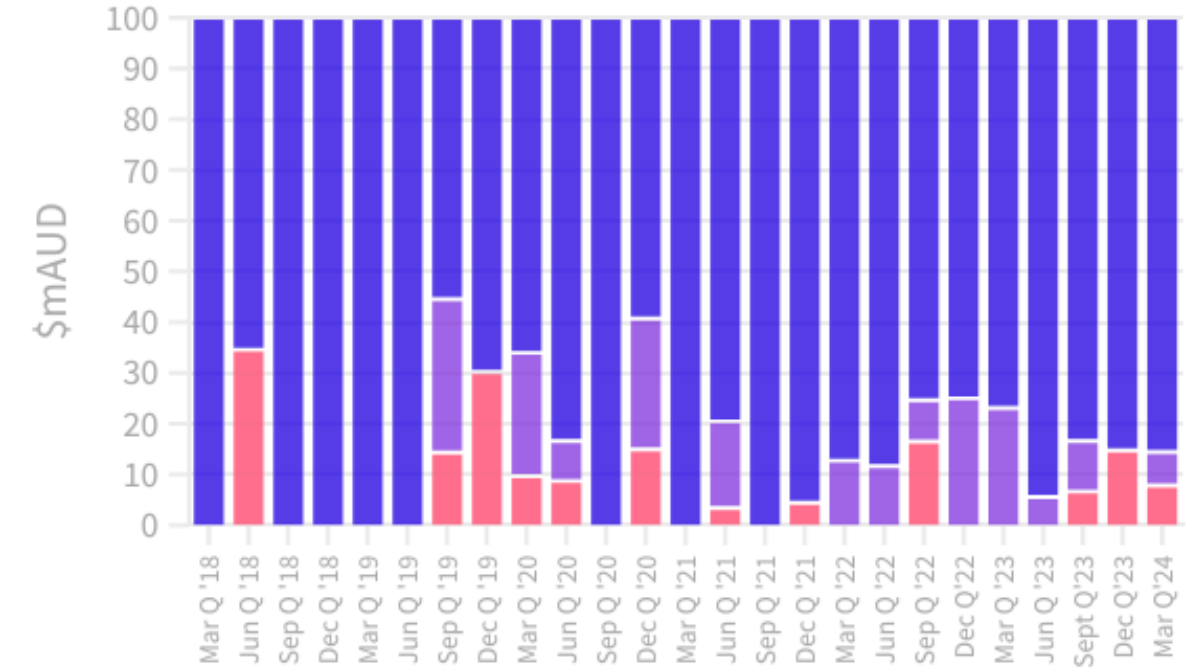
## \$50m+



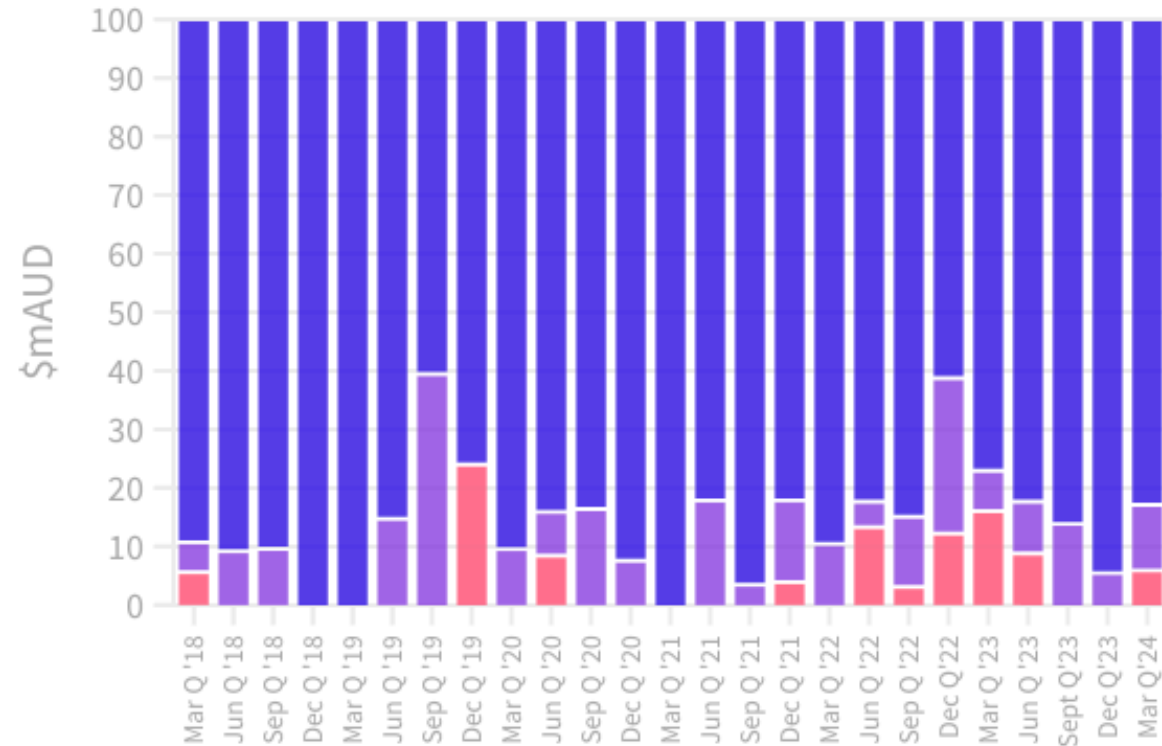
## \$20m-<\$50m



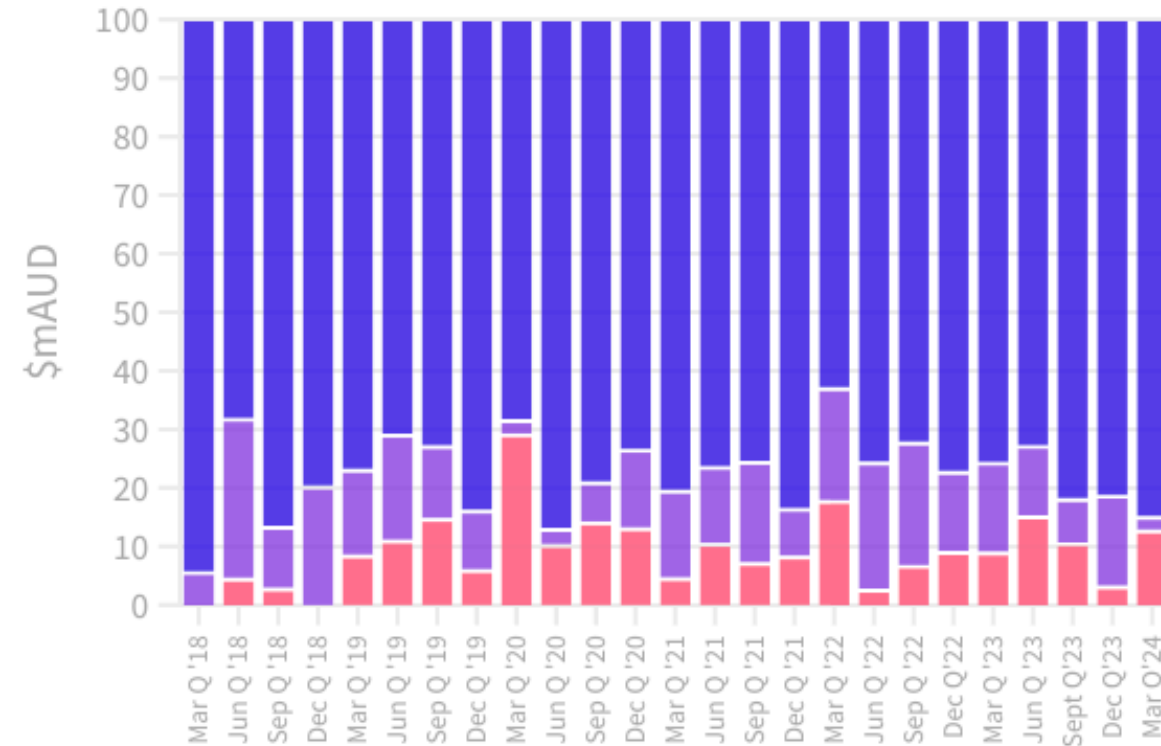
## \$10m-<\$20m



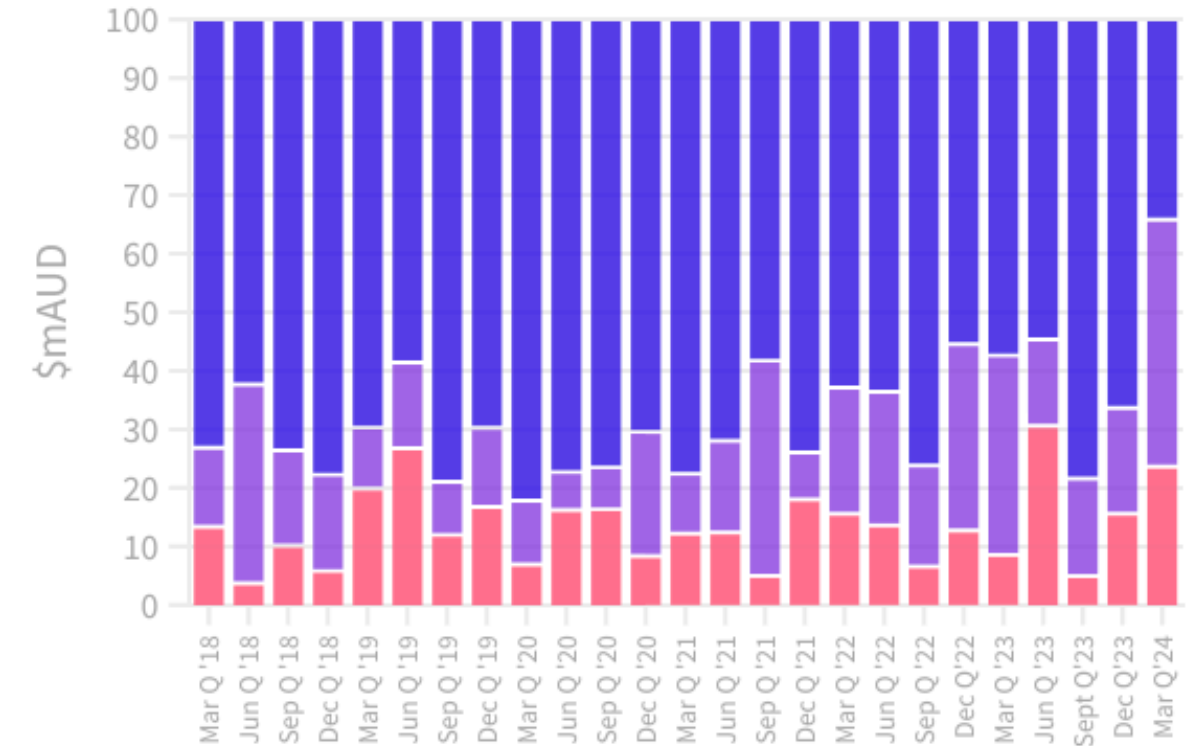
## \$5m-<\$10m



## \$1m-<\$5m



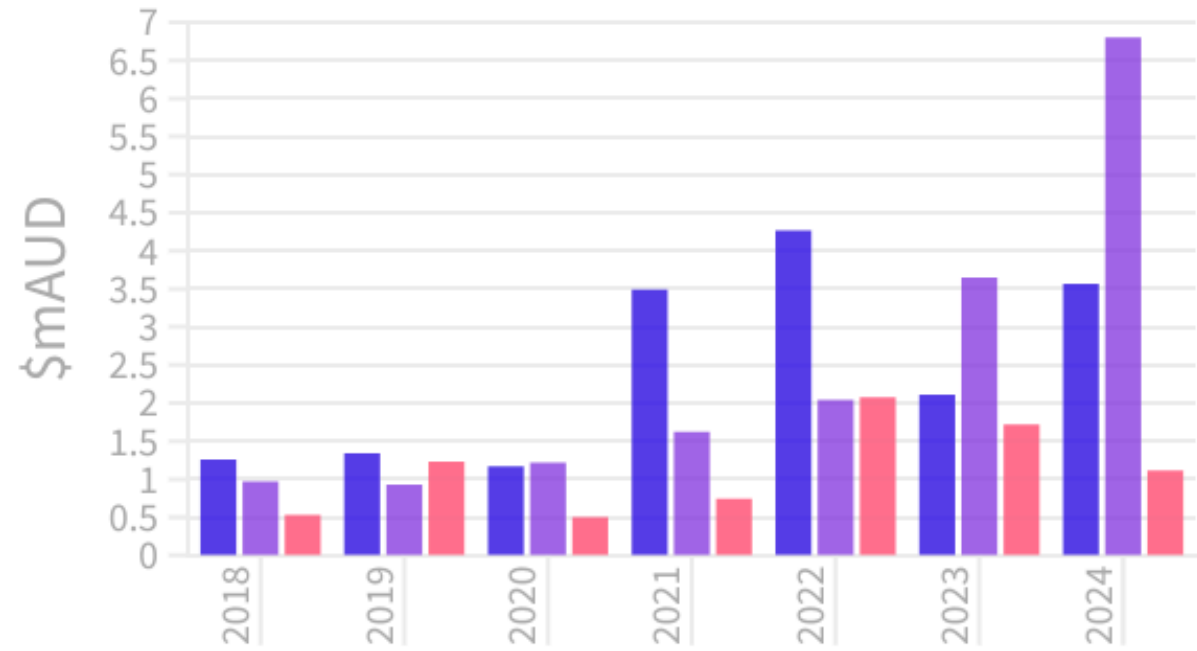
## up to \$1m



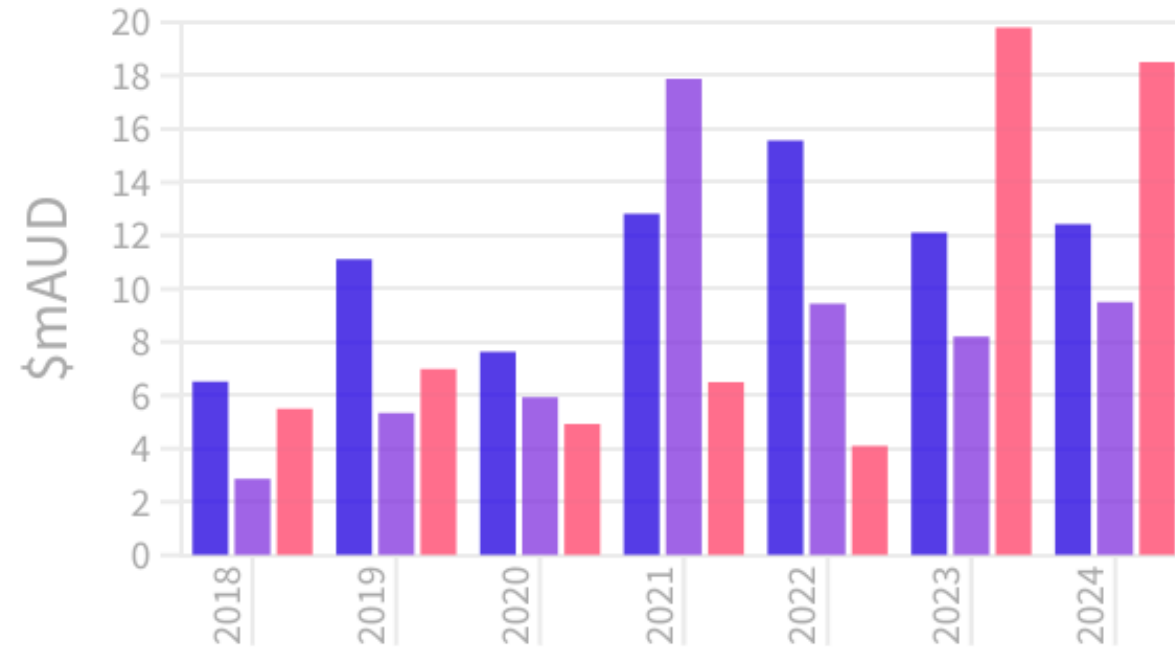
# Average Round Sizes by Founding Team Gender 2018 - Mar Q 2024

■ All Male 
 ■ Mixed 
 ■ Solely Female

### Seed



### Series A



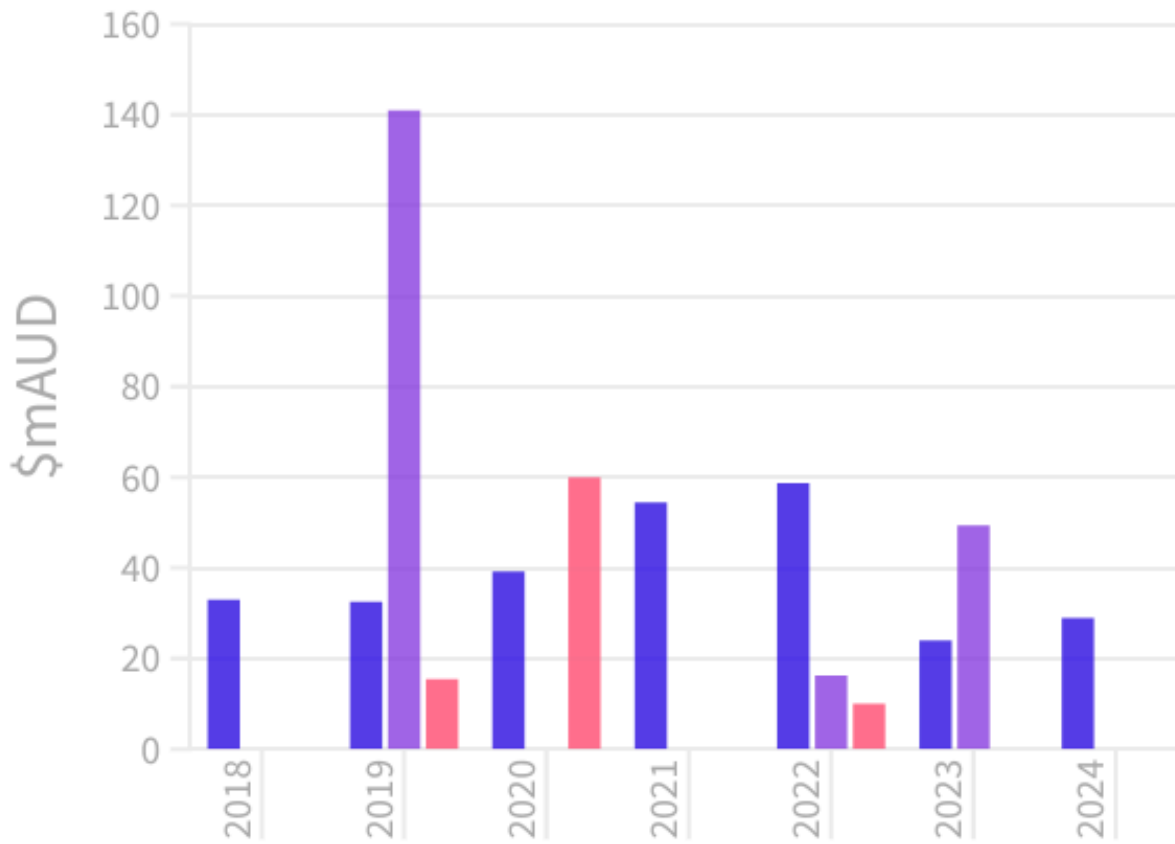
### Pre-Seed



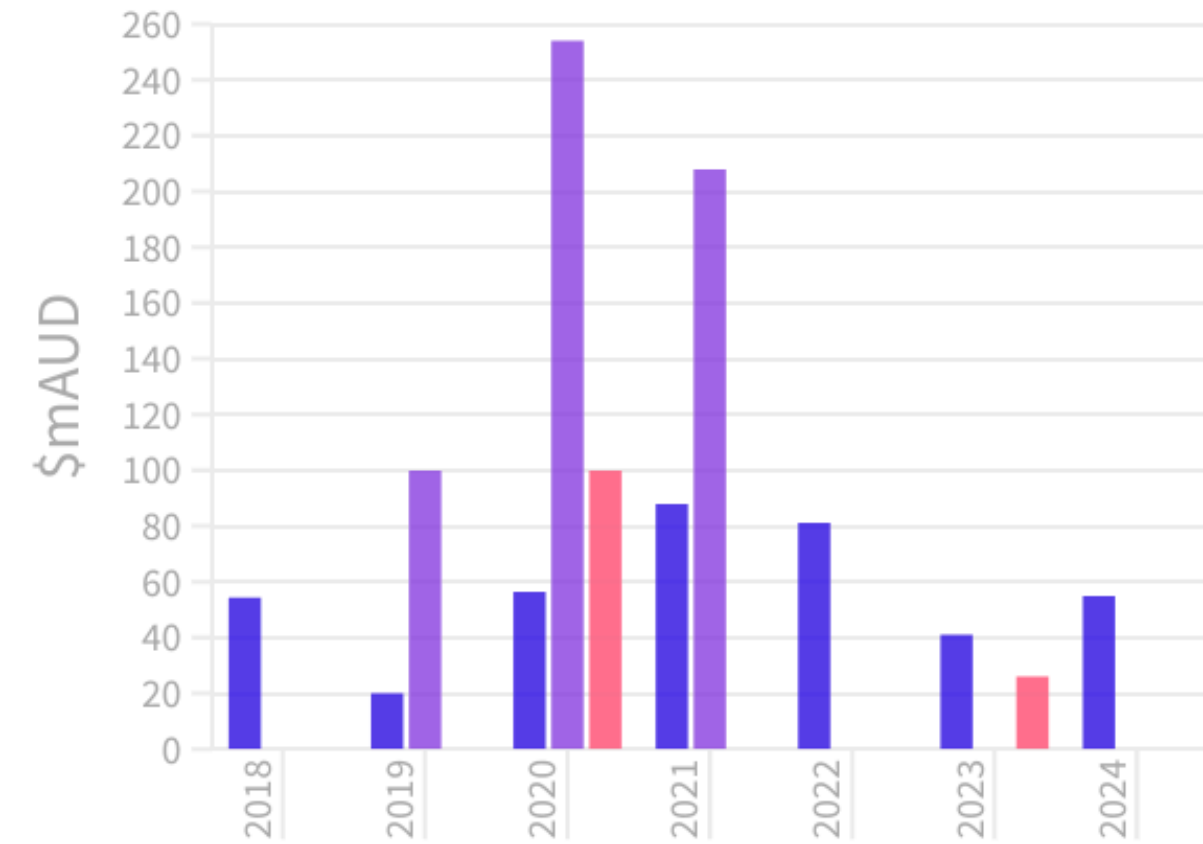
### Series B



### Series C



### Series D





**THE FINTECH  
FUNDING PROJECT**  
TRACKING UNANNOUNCED  
CAPITAL RAISES

A PREVIEW

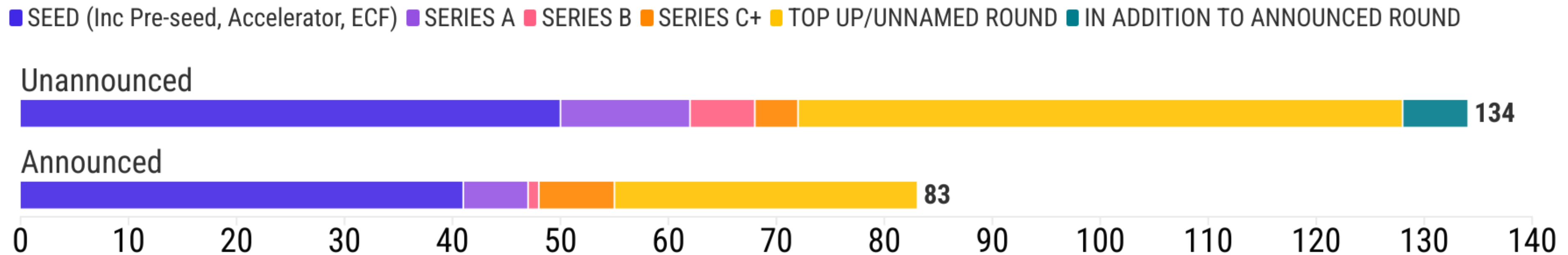
# Fintech Funding Project - A Teaser

During 2023 Techboard undertook a project to monitor investments into Australian privately-owned Fintech Companies, based on their non-confidential lodgements with the Australian Securities and Investments Commission. The purpose of this project was to see what sorts of insights we can obtain from analysing ASIC data. Insights from this work include revealing unannounced deals, shareholders/cap table, the extent of foreign ownership and details of the investor mix.

As a teaser, this chart shows the extent of unannounced deals we were able to identify. These range from sub \$100k to \$50m+.

We are currently preparing a report on this project and readying the underlying data for delivery to customers.

## Unannounced vs announced Fintech Deals by Deal Label 2023 No of Deals



NOTE: Deal Stage/Label has been estimated based upon factors such as size of investment and proportion of shares issued

Thanks for reading this report. I hope you found it useful and enlightening.

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