

\ **sifted** / Leaderboards



Sifted 50

Southern Europe

The fastest-growing startups in 2024

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Welcome to the Sifted Leaderboards, a series of regional rankings and research reports compiled annually that recognise the fastest-growing startups across Europe. Looking at Southern Europe — by which we mean Andorra, Cyprus, Greece, Italy, Malta, Portugal, San Marino and Spain — we rank 50 companies in order of revenue growth over their last three financial years. In a time where many companies have struggled or even failed to survive, our list reflects the founders who not only have demonstrated great resilience but have found a way to thrive.

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How we selected the Sifted 50

Introduction

What does expense management software and ugly fruit have in common? You can build fast-growing businesses on the back of both.

The latest Sifted Leaderboard illustrates the breadth of companies achieving rapid sales growth in southern Europe.

The ranking reveals a vast middle ground in the region — many of the tech companies that made the cut are not household names but they're all growing just fine, thanks for asking.

These companies have all rapidly increased their revenues in recent years, which is no small feat, considering the double-digit inflation and sharply rising interest rates. They're listed here in order of compound annual growth rate (CAGR as it's more commonly known) in revenue from 2021 to 2023.

Who makes the ranking? Well, the tenuous tech propositions that were attractive to investors when money was free — blockchain this, crypto that — are noticeable by their absence.

Instead, what you'll discover is a string of companies solving everyday problems — like securing health coverage for your dog or delivering vital medications to your door.

You'll find companies that are delivering burgers, helping travellers plan bucket list trips or concocting supplements to help fight hair loss. Spanish and Italian companies are particularly dominant, making up 80% of the ranking.

Not every company is hot enough — or needs to be — to slap on the cover of a business magazine. The downturn, and the economic hangover in its wake, have refocused minds on what really matters: getting money in the door. And these companies are all quietly succeeding on this score.

But who finished top? Read on to find out...



Sifted 50 highlights



Wellness brand **Olistic** tops our ranking; online pharmacy **1000farmacie** is #2 and pet insurer **Barkibu** is #3.



Italy is home to the most companies (24) in the top 50 — and 12 of these are based in Milan. **Spain** has 16 on the ranking, followed by **Portugal** with 6, **Greece** with 3 and **Cyprus** 1.



After **Milan**, the next top-performing cities are **Barcelona** with 10 and **Madrid** with 4, followed by **Athens**, **Lisbon**, **Rome** and **Turin** with 3 apiece.



B2B SaaS is the most dominant vertical (19 companies). The next most-represented industry is **consumer** (13 companies) followed by **fintech** (9), **deeptech** (4) and **healthtech** (3) and **climate tech** (2).



Olistic is way out in front for growth with a CAGR of 521%. Ten startups are in the 200%+ CAGR range; 22 notched 100-200%; the remaining 18 companies are in the below-100% zone.



Spanish HR tech company **Factorial** has raised the most capital (€300m) from investors, followed by **Novicap** who raised a €200m debt facility in 2022. Neobank **MyInvestor** has raised €85m and car lease **instacar** has €68.5m to its name.



Factorial has the most employees (938) of any company here, followed by food delivery site **VICIO** (397) and motorbikes marketplace **Mundimoto** (273).



Six companies in the top 50 have raised so far in 2024; 22 companies last raised in 2023 and 13 last raised in 2022.



The oldest companies in the top 50 are **Barkibu** and **Novicap** (both born in 2014). The youngest companies are **Olistic**, **Coverflex**, **Evo Human Performance**, **Shakers**, **Babaco Market** and **FABA** (born in 2021).



The 50 companies have raised **€20.7m** and generated revenue of **€12m** (in the latest financial year) on average.



Italian investors **CDP Venture Capital** and **Azimut Group** are the most active investors in the ranking, backing 7 companies apiece.



326 investors have backed the top 50 in total. 47 of them have at least two portfolio companies to boast about — including **P101 Ventures**, **Partech**, **United Ventures** and **Mundi Ventures**.


CHAPTER I

Meet the Sifted 50

Here are the fastest-growing
Southern European startups in 2024



Olistic 1

CONSUMER BEAUTY TECH 

Wellness brand that treats hair loss & its causes

📍 Barcelona 🗓️ 2021 👤 35

FYE: Dec 23 PROFITABLE: PND
 TOTAL FUNDING: €6.5m LATEST REVENUE: PND
 LATEST FUNDRAISE: €6m Series A (July 2022) 2-YR REVENUE CAGR: **529.01%**



1000Farmacie 2

HEALTHTECH DIGITAL HEALTH 


Online marketplace of Italian pharmacies

📍 Naples 🗓️ 2020 👤 63

FYE: Dec 23 PROFITABLE: No
 TOTAL FUNDING: €23.5m LATEST REVENUE: PND
 LATEST FUNDRAISE: €21.6m Series A (May 2023) 2-YR REVENUE CAGR: **333.10%**



Barkibu 3

FINTECH PET TECH 

Pet insurance provider

📍 Gondomar 🗓️ 2014 👤 55

FYE: Dec 23 PROFITABLE: No
 TOTAL FUNDING: €9.5m LATEST REVENUE: €12m
 LATEST FUNDRAISE: €1.5m Convertible (Jan 2023) 2-YR REVENUE CAGR: **314.04%**

coverflex 4


FINTECH HR TECH 

Employee benefits platform

📍 Braga 🗓️ 2021 👤 101

FYE: Dec 23 PROFITABLE: No
 TOTAL FUNDING: €17.5m LATEST REVENUE: PND
 LATEST FUNDRAISE: €15m Series A (Dec 2022) 2-YR REVENUE CAGR: **312.98%**

prosperity 5

B2B SAAS PROPTECH 

Online platform for buying & selling properties

📍 Athens 🗓️ 2020 👤 80

FYE: Dec 23 PROFITABLE: No
 TOTAL FUNDING: €7m LATEST REVENUE: €1.7m
 LATEST FUNDRAISE: €2m Seed (Dec 2023) 2-YR REVENUE CAGR: **309.64%**

ukio 6

CONSUMER PROPTECH 

Airbnb-esque short-term rentals

📍 Barcelona 🗓️ 2020 👤 184

FYE: Dec 23 PROFITABLE: PND
 TOTAL FUNDING: €25.2m LATEST REVENUE: PND
 LATEST FUNDRAISE: €17m Series A (Sep 2022) 2-YR REVENUE CAGR: **291.55%**



smart pricing 7

B2B SAAS **HOSPITALITY** 

Revenue management software for hoteliers

📍 Arco 🏠 2020 👤 80

FYE: **Dec 23** PROFITABLE: **No**
 TOTAL FUNDING: **€16 m** LATEST REVENUE: **PND**
 LATEST FUNDRAISE: **€13m Series A (Dec 2023)** 2-YR REVENUE CAGR: **287.30%**

VICIO 8 

CONSUMER **FOODTECH** 

Fast food home delivery chain

📍 Barcelona 🏠 2020 👤 397

FYE: **Dec 23** PROFITABLE: **PND**
 TOTAL FUNDING: **€14m** LATEST REVENUE: **PND**
 LATEST FUNDRAISE: **€1.6m Series A (Sep 2023)** 2-YR REVENUE CAGR: **235.15%**



EQUAL FOOD 9 

CONSUMER **FOODTECH** 

Connects farmers with local buyers

📍 Lisbon 🏠 2020 👤 15

FYE: **Dec 23** PROFITABLE: **Yes**
 TOTAL FUNDING: **PND** LATEST REVENUE: **€1.8m**
 LATEST FUNDRAISE: **PND** 2-YR REVENUE CAGR: **232.12%**

Fiscozen 10 

FINTECH **LEGAL TECH** 

Software for accounting, invoicing & tax returns

📍 Milan 🏠 2017 👤 120

FYE: **Dec 23** PROFITABLE: **No**
 TOTAL FUNDING: **€11.5m** LATEST REVENUE: **€7.4m**
 LATEST FUNDRAISE: **€8m Series A (Sep 2022)** 2-YR REVENUE CAGR: **225.14%**

BIZAWAY 11 

B2B SAAS **TRAVEL TECH** 

Business trip management tool

📍 Spilimbergo 🏠 2015 👤 69

FYE: **Dec 23** PROFITABLE: **PND**
 TOTAL FUNDING: **€13m** LATEST REVENUE: **PND**
 LATEST FUNDRAISE: **€10m Convertible (Apr 2022)** 2-YR REVENUE CAGR: **198.45%**



PAYFLOW 12 

FINTECH **MONEY TRANSFERS** 

Salary advance platform

📍 Barcelona 🏠 2020 👤 50

FYE: **Mar 24** PROFITABLE: **No**
 TOTAL FUNDING: **€46m** LATEST REVENUE: **PND**
 LATEST FUNDRAISE: **€6m (July 2024)** 2-YR REVENUE CAGR: **182.84%**



up2you 13

B2B SAAS CARBON TECH

Carbon accounting software

📍 Milan 🏳️ 2020 👤 45

FYE: Dec 23	PROFITABLE: No
TOTAL FUNDING: €4.3m	LATEST REVENUE: €1.6m
LATEST FUNDRAISE: €3.5m Seed (Nov 2022)	2-YR REVENUE CAGR: 182.04%

Cosmico 14

B2B SAAS HR TECH

Tech team recruiter

📍 Milan 🏳️ 2020 👤 14

FYE: Dec 23	PROFITABLE: No
TOTAL FUNDING: €5.9m	LATEST REVENUE: €4.4m
LATEST FUNDRAISE: €4m Series A (Apr 2023)	2-YR REVENUE CAGR: 179.01%

BRIDGE IN 15

B2B SAAS HR TECH

Employer of record service

📍 Lisbon 🏳️ 2020 👤 15

FYE: Dec 23	PROFITABLE: Yes
TOTAL FUNDING: €0.1m	LATEST REVENUE: €4.9m
LATEST FUNDRAISE: €0.1m Angel (Jan 2020)	2-YR REVENUE CAGR: 174.31%

MULTIVERSE 16

B2B SAAS QUANTUM COMPUTING

Develops quantum software

📍 Donostia 🏳️ 2019 👤 83

FYE: Dec 23	PROFITABLE: PND
TOTAL FUNDING: €34.8m	LATEST REVENUE: €5.1m
LATEST FUNDRAISE: €25m Series A (Feb 2024)	2-YR REVENUE CAGR: 169.40%

factorial 17

B2B SAAS HR TECH

HR software covering payroll, talent and finance

📍 Barcelona 🏳️ 2016 👤 938

FYE: Dec 23	PROFITABLE: No
TOTAL FUNDING: €300m	LATEST REVENUE: PND
LATEST FUNDRAISE: €80m debt (April 2024)	2-YR REVENUE CAGR: 163.08%

toduba 18

FINTECH HR TECH

Expense management tool

📍 Turin 🏳️ 2017 👤 20

FYE: Dec 23	PROFITABLE: No
TOTAL FUNDING: €0.7m	LATEST REVENUE: PND
LATEST FUNDRAISE: €0.3m Seed (Nov 2023)	2-YR REVENUE CAGR: 161.56%

exein 19

B2B SAAS CYBERSECURITY

IoT cybersecurity

📍 Rome 🏳️ 2018 👤 20

FYE: Dec 23	PROFITABLE: No
TOTAL FUNDING: €23m	LATEST REVENUE: €2m
LATEST FUNDRAISE: €15m Series B (Jun 2024)	2-YR REVENUE CAGR: 158.20%



doctorsa 20

HEALTHTECH DIGITAL HEALTH



Telehealth service

📍 Rome 📅 2018 👤 4

FYE: Dec 23 PROFITABLE: Yes
 TOTAL FUNDING: PND LATEST REVENUE: €1m
 LATEST FUNDRAISE: €0.03m Support Program (Sep 2020) 2-YR REVENUE CAGR: **148.51%**



WEROAD 21

CONSUMER TRAVEL TECH



Holiday booking platform

📍 Milan 📅 2017 👤 150

FYE: Sep 23 PROFITABLE: No
 TOTAL FUNDING: €36m LATEST REVENUE: €60m
 LATEST FUNDRAISE: €18m Series B (Nov 2023) 2-YR REVENUE CAGR: **144.95%**

EVO (EVO Human Performance) 22

DEEPTECH MEDTECH



Uses data to assess health/performance of athletes

📍 Athens 📅 2021 👤 25

FYE: Dec 23 PROFITABLE: PND
 TOTAL FUNDING: €1.3m LATEST REVENUE: €1.3m
 LATEST FUNDRAISE: €1.2m Seed (Jan 2024) 2-YR REVENUE CAGR: **143.09%**

Aryel 23

B2B SAAS ADTECH



Helps agencies & brands create digital ads

📍 Milan 📅 2020 👤 39

FYE: Dec 23 PROFITABLE: No
 TOTAL FUNDING: €3.7m LATEST REVENUE: PND
 LATEST FUNDRAISE: €3.7m Seed (Dec 2022) 2-YR REVENUE CAGR: **140.02%**



myinvestor 24

FINTECH DIGITAL BANKING



Neobank for savings, mortgages & investment

📍 Madrid 📅 2017 👤 90

FYE: Dec 23 PROFITABLE: Yes
 TOTAL FUNDING: €85m LATEST REVENUE: €22m
 LATEST FUNDRAISE: €45m Series C (Dec 2023) 2-YR REVENUE CAGR: **134.52%**



amenitiz 25

B2B SAAS HOSPITALITY



Bookings management tool

📍 Barcelona 📅 2017 👤 262

FYE: Dec 23 PROFITABLE: No
 TOTAL FUNDING: €34m LATEST REVENUE: PND
 LATEST FUNDRAISE: €27m Series A (Mar 2022) 2-YR REVENUE CAGR: **134.08%**

			HQ	Launch year	Employees	FYE	Profitable	Total funding (€m)	Latest revenue (€m)	2-yr revenue CAGR
1	Olistic	CONSUMER BEAUTY TECH	Barcelona	2021	35	Dec 23	PND	6.45	PND	529.01%
2	1000farmacie	CONSUMER DIGITAL HEALTH	Naples	2020	63	Dec 23	X	23.5	PND	333.10%
3	Barkibu	FINTECH PET TECH	Gondomar	2014	55	Dec 23	X	9.5	12	314.04%
4	Coverflex	FINTECH HR TECH	Braga	2021	101	Dec 23	X	17.5	PND	312.98%
5	Prosperty	B2B SAAS PROPTECH	Athens	2020	80	Dec 23	X	7	1.76	309.64%
6	Ukio	CONSUMER PROPTECH	Barcelona	2020	184	Dec 23	PND	25.2	PND	291.55%
7	Smartpricing	B2B SAAS HOSPITALITY	Arco	2020	80	Dec 23	X	16	PND	287.30%
8	VICIO	CONSUMER FOODTECH	Barcelona	2020	397	Dec 23	PND	14	PND	235.15%
9	Equalfood	CONSUMER FOODTECH	Lisbon	2020	15	Dec 23	✓	0.02	1.82	232.12%
10	Fiscozen	FINTECH LEGALTECH	Milan	2017	120	Dec 23	X	11.5	7.4	225.14%
11	BizAway	B2B SAAS TRAVEL TECH	Spilimbergo	2015	69	Dec 23	PND	13	PND	198.45%
12	Payflow	FINTECH PAYMENTS	Barcelona	2020	50	Mar 24	X	46	PND	182.84%
13	Up2You	B2B SAAS CARBON TECH	Milan	2020	45	Dec 23	X	4	1.58	182.04%
14	Cosmico	B2B SAAS HR TECH	Milan	2020	14	Dec 23	X	5.85	4.4	179.01%
15	BRIDGE IN	B2B SAAS HR TECH	Lisbon	2020	15	Dec 23	✓	0.1	4.88	174.31%
16	Multiverse Computing	B2B SAAS QUANTUM COMPUTING	Donostia	2019	83	Dec 23	PND	34.75	5.13	169.40%
17	Factorial	B2B SAAS HR TECH	Barcelona	2016	938	Dec 23	X	300	PND	163.08%
18	Toduba	FINTECH HR TECH	Turin	2017	20	Dec 23	X	0.71	PND	161.56%
19	Exein	B2B SAAS CYBERSECURITY	Rome	2018	20	Dec 23	X	23	2	158.20%
20	Doctorsa	HEALTHTECH DIGITAL HEALTH	Rome	2018	4	Dec 23	✓	0.03	1.08	148.51%
21	WeRoad	CONSUMER TRAVEL	Milan	2017	150	Sep 23	X	36	60	144.95%
22	EVO Human Performance	DEEPTTECH MEDTECH	Athens	2021	25	Dec 23	PND	1.3	1.3	143.09%
23	Aryel	B2B SAAS ADTECH	Milan	2020	39	Dec 23	X	3.7	PND	140.02%
24	MyInvestor	FINTECH DIGITAL BANKING	Madrid	2017	90	Dec 23	✓	85	22	134.52%
25	Amenitiz	B2B SAAS HOSPITALITY	Barcelona	2017	262	Dec 23	X	34.07	PND	134.08%

CAGR: Compound Annual Growth Rate; PND: Prefers Not to Disclose; FYE: Financial Year End; * annualised revenue Profitability, number of employees and latest revenue relate to each company's listed financial year

			HQ	Launch year	Employees	FYE	Profitable	Total funding (€m)	Latest revenue (€m)	2-yr revenue CAGR
26	Caracol	DEEPTECH INDUSTRIAL TECH	Milan	2017	43	Dec 23	✗	14.4	PND	132.14%
27	CyberGuru	B2B SAAS CYBERSECURITY	Rome	2017	67	Dec 23	✗	7.9	PND	132.12%
28	Mundimoto	CONSUMER MOBILITY	Barcelona	2019	273	Dec 23	PND	22.8	PND	119.55%
29	Shakers	B2B SAAS HR TECH	Madrid	2021	25	Dec 23	PND	7	PND	111.10%
30	Foorban	CONSUMER FOODTECH	Milan	2015	50	Dec 23	✗	7.5	5.30	101.91%
31	Freedome	CONSUMER TRAVEL TECH	Milan	2019	20	Dec 23	PND	3.5	PND	100.00%
32	instacar	CONSUMER MOBILITY	Athens	2019	60	Dec 23	PND	68.5	13.5	99.70%
33	knokcare	HEALTHTECH DIGITAL HEALTH	Matosinhos	2015	80	Dec 23	✓	7	4.95	99.53%
34	Babaco Market	CONSUMER FOODTECH	Milan	2021	40	Dec 23	✗	8.1	2.67	95.30%
35	Waterview	CLIMATE CLIMATE INTELLIGENCE	Turin	2015	8	Dec 23	✓	1.59	1.58	93.07%
36	Zappyrent	CONSUMER PROPTech	Milan	2019	30	Jan 23	PND	3	PND	92.35%
37	Jobtech	B2B SAAS HR TECH	Milan	2019	77	Dec 23	✓	7.5	16.1	88.83%
38	Incupto	CONSUMER FOODTECH	Barcelona	2020	92	Dec 23	✗	11.5	PND	88.71%
39	Soplaya	B2B SAAS FOODTECH	Udine	2017	43	Dec 23	PND	16	7.5	87.06%
40	CASAFARI	B2B SAAS PROPTech	Lisbon	2017	137	Dec 23	PND	30	PND	83.03%
41	FABA	CONSUMER EDTECH	Treviso	2021	24	Dec 23	✗	5.2	5.62	68.17%
42	HiJiffy	B2B SAAS HOSPITALITY	Vidigueira	2016	44	Dec 23	✗	3.7	PND	68.02%
43	Fractal	B2B SAAS INDUSTRIAL TECH	Madrid	2016	170	Dec 23	✗	17	PND	60.36%
44	Trustfull	B2B SAAS CYBERSECURITY	Milan	2016	17	Dec 23	✗	6.6	1.33	60.11%
45	Flanks	FINTECH WEALTHTECH	Barcelona	2019	70	Mar 24	PND	9.55	PND	55.99%
46	Dazetechnology	CLIMATE ELECTRIC VEHICLES	Bergamo	2016	57	Dec 23	✗	21.6	PND	52.75%
47	AIKO	DEEPTECH SPACETech	Turin	2017	34	Dec 23	✓	1.58	2.31	44.27%
48	Mercuryo	FINTECH CRYPTO & DEFI	Nicosia	2019	257	Dec 23	✓	30	PND	42.50%
49	Novicap	FINTECH CFO TECH STACK	Barcelona	2014	56	Dec 23	PND	2.5	PND	42.08%
50	Barbara	DEEPTECH CYBERSECURITY	Madrid	2016	29	May 22	PND	3.5	PND	39.25%

What does the class of 2024 reveal about tech in southern Europe? Let's take a look...

CUSTOMER IS KING

The downturn exposed the weak foundations of many of Europe's newer consumer brands — but here we find companies that are not only hanging in there, but are also thriving.

Top of the ranking is **Olistic** ¹, a Barcelona company that treats hair loss and the factors that contribute to it. The company has raised just €6.5m from investors — Iris Ventures being the lead — but has seen revenues grow a tidy 529.01% over the past two financial years.

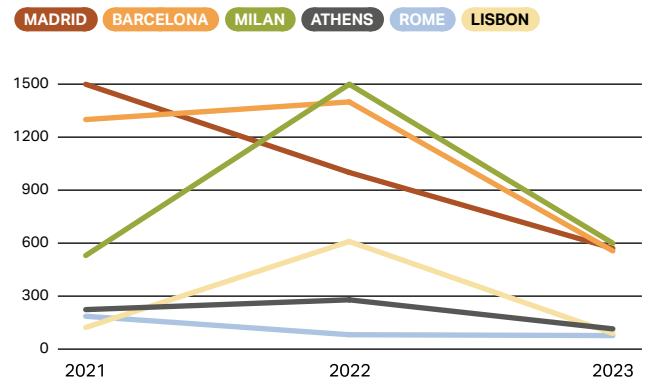
Ukio ⁶, also based in Barcelona, offers Airbnb-esque short-term rentals. Its strong revenue performance in 2023 — when the company made €25m in sales — convinced bosses to expand to Paris in 2024 (cashing in on Olympic Games rentals was another persuasive factor).

And anyone for some ugly fruit? The founders of Lisbon-based **Equalfood** ⁹ were motivated by the challenge to do something about the 50m tons of fruit and vegetables that end up in the bin every year in Europe. Their mission is to save the tart pears and green lemons of this world. Like Milan's **Babaco Market** ³⁴, Equalfood makes baskets of wonky-looking fruit and veg, which it says it can deliver to customers for up to 40% cheaper than the market price.



The 2023 dropoff

Funding for southern European capitals



Source: Dealroom

If you're hoping for something a little more adventurous than blemished avocados, then there's a different group of companies that might appeal to you. Milan's **WeRoad** ²¹ develops trips for people in their 20s, 30s and 40s, while **Freedome** ³¹ — also based in Milan — is for anyone who fancies a helicopter trip over Mont Blanc, among other outdoor pursuits. Maybe you'd settle for a spin on a motorbike? Spanish company **Mundimoto** ²⁸, an online marketplace, can help you buy one.

POWER TO THE PEOPLE

Seven companies on the ranking specialise in HR tech — the top performing sector on the Sifted 50: Southern Europe.

Portugal's **Coverflex** ⁴ allows companies to create employee compensation packages that bundle health insurance, meal allowances and discounts. The company saw a big business opportunity in Italy, a market where providers charge high commissions. "Italy for us is what the US is for most startups — it's the most profitable market in the world for incumbents," says cofounder and CEO Miguel Santo Amaro.

Also on the ranking are **Cosmico** ¹⁴, which hooks companies up with short-term hires, and Portugal's **Bridge In** ¹⁵, a so-called "Employer of Record" service that helps companies hire compliantly in Portugal and Spain.



Investors show little signs of slowing their interest in HR bets: Barcelona-based HR unicorn Factorial ¹⁷ raised \$80m from General Catalyst in April. “Clearly a lot of people are going after a similar problem,” says the company’s CEO and cofounder Jordi Romero. “And competition is the sign of a great market.”

ITALY’S STATE FUND DOMINATES

Italian state investment fund CDP Venture Capital is the joint most active investor in the top 50, backing seven companies. CDP was also a key driver of capital in Italy in the first half of 2024, participating in 12% of all domestic tech deals; since it was formed in 2015, the funder has invested in over 200 companies.

France’s frequent tech investor, Bpifrance, is probably the model for other state-backed vehicles. Asked if CDP can become as important to Italy as Bpifrance is to France, Niccolò Sanarico, general partner at Milan-based Primo Ventures, says: “It’s maybe too early to say — but Italy definitely needed a platform like this.”

“CDP is becoming a well-oiled machine,” observes Italian tech journalist Emil Abirascid, though he has some notes — like how, for example, CDP invests in companies both directly and indirectly — i.e. as a limited partner in a fund — so “conflicts of interest can happen” (this issue will be clarified in the fund’s next budget cycle, Abirascid adds). “We all hope CDP acts as a spark for Italian tech and in the long run private capital and [other] investment vehicles will take the lead,” Abirascid adds.

STAR POWER GOES A LONG WAY

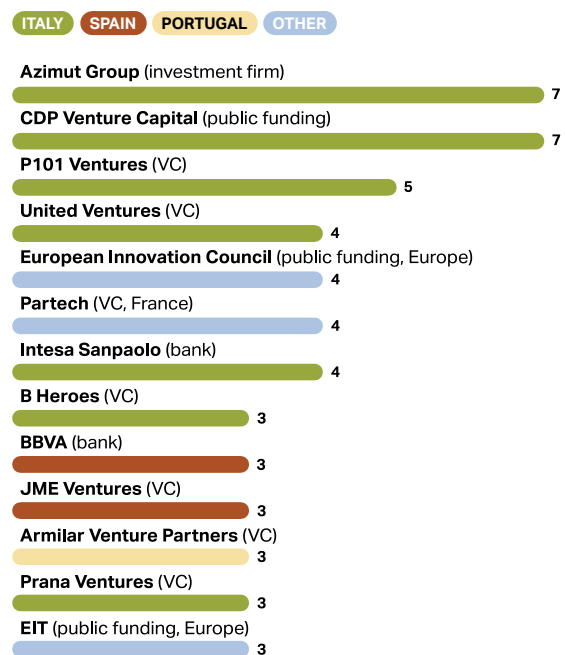
On first glance, Barcelona-based VICIO ⁸ looks like a run-of-the-mill food delivery service — cool branding, but perhaps not a company you’d expect to see place high on a tech ranking. But then you discover the really interesting thing about this company is who’s backing it.

Founded in 2020, VICIO raised €17m last year from investors including Lionel Messi, regarded by many as the best footballer of all time — Portuguese readers may disagree strongly — and French World Cup winner Antoine Griezmann.

Founders Aleix Puig — who won the Spanish version of Masterchef in 2013 — and Oriol de Pablo clearly have a few tricks up their sleeves. When the company started to deliver in Madrid, for example, it ran a marketing campaign with model and influencer Jessica Goicoechea (orders increased 40% as a result, the company says). Other slick campaigns include a billboard featuring a doppelganger for Spain’s Queen Letizia to help promote the company’s new gluten-free burger. VICIO’s recipes are clearly working.

The Italians are taking on venture

Investors with most portfolio companies/deals on the ranking



Source: Sifted data

CHAPTER II

Italy climbs the tech table

Unicorns and megarounds are more
common, as old money begins to
back new ideas



The home of Serie A football is suddenly doing quite well with Series A (and other funding stages). As recently as 2021, the country was 16th in Europe for VC investment — today it's firmly in the top 10, according to Dealroom figures.

And most good things in Italian tech start in Milan. "If you want to grow a startup, you have to be here: it's where 80% of the action is," says Emil Abirascid, editor-in-chief of Startupbusiness, an Italian tech publication.

““

If you want to grow a startup, you have to be [in Milan]: it's where 80% of the action is.”

Emil Abirascid, founder and editor-in-chief, Startupbusiness

One of the city's fast movers is 1000Farmacie, the company that placed second in our ranking. It started in 2020 with a straightforward idea: people should be able to buy pharmacy goods online. Four years later, the site has signed up more than 150 shops to sell their wares on the platform. "People in Italy see Amazon as this huge store that doesn't offer specialisation. With us, they know there are real pharmacists behind the website," explains the company's cofounder Mohamed Younes.



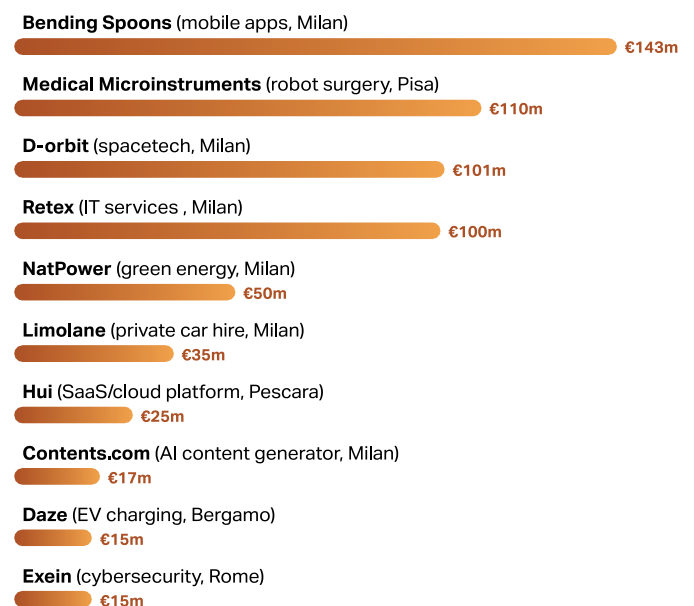
Business was a grind at first. "Customer acquisition was really hard — we started during the Covid lockdown, so we had to call everyone and convince them to work with us. It was a new idea for Italy — we didn't have marketplaces like this — but we couldn't meet people face to face to sell the concept," Younes explains.

There's a "real importance" around face-to-face interactions for anyone doing business in Italy, believes Miguel Santo Amaro, the boss of Portuguese startup Coverflex, which helps companies offer flexible salaries and allowances to their employees. Coverflex expanded into Italy recently and Amaro says he's learned that, "a digital-only play is easier in Portugal but would be harder in Italy. The willingness to buy online is visible in Milan but not so much in other parts of the country."

As for 1000Farmacie, the company now has its own warehouse and even a physical store; eventually it wants to do next-day deliveries. Younes says the Italian scene feels good at the moment. "I think the number of funding rounds we're seeing is inspiring; they give me energy."

Milanese magic

Top 10 Italian deals in 2024 — and most happened in the north



Source: Sifted data

OLD MONEY FINDS NEW TECH

Sweeping generalisations about countries are often useless, if not offensive. And most Italians are aware that they're primarily known around the world for food, fast cars and fashion. Also, lawyers: "you turn your head left or right, you find a lawyer — or worse, a notary — you don't find too many people in tech close to you," says Andrea Gennarini, managing partner of the VC firm 2100 Ventures.

Italy's been playing catch up on this score. There are three billion-dollar tech companies founded by Italians in the UK and eight in the US, versus three unicorns in Italy itself — a pair of fintechs, Satispay and Scalapay, and mobile app developer Bending Spoons, with the trio all arriving in the last two years. These companies raised from some of the world's most high-profile investors — including Tencent, Tiger Global, Greyhound Capital, Coatue and, in Bending Spoons' case, Hollywood actor Ryan Reynolds — which helped bring Italian tech under the international spotlight for the first time.

Italy's huge reserves of private wealth has started to dip a toe into tech. Take Exor, the holding company of the billionaire Agnelli family that owns Ferrari and Stellantis. In 2022, Exor Ventures set up a new seed investing vehicle, Vento, to focus on Italian-founded companies. 2100 Ventures' main backer, meanwhile, is Alessandro Benetton, the heir of the billionaire Italian family behind fashion brand United Colours of Benetton.

Another example is Silivo Berlusconi's family office, led by the late controversial media tycoon's son Luigi Berlusconi. It has two tech investing arms — Ithaca Investments, which backs seed-stage companies, and H14, which invests at growth stage and in VC firms. Ithaca, which is led by Giorgio Valaguzza, was an early backer of most of Italy's buzziest companies — including Scalapay, Everli, Young Platform and Jet HR.

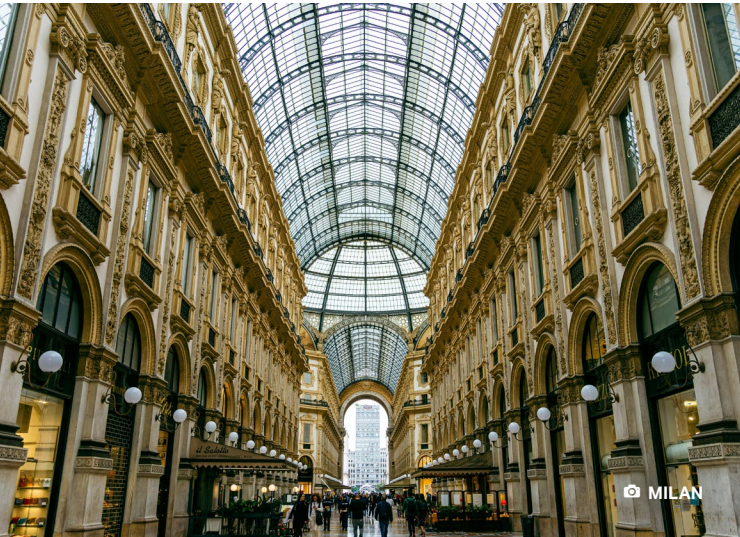
“

You turn your head left or right, you find a lawyer — or worse, a notary — you don't find too many people in tech close to you.”

Andrea Gennarini, cofounder and managing partner, 2100 Ventures

Finally, some experienced tech folk are starting to move back home, bringing their experience and deep pockets with them. Max Ciociola, the CEO and founder of MusixMatch, has invested in a number of Italian companies — including Jet HR and Young Platform — since his company was bought out by TPG in 2022. Raffaele Terrone, Scalapay's ex-CFO, has been investing and advising, too.





WHAT'S NEXT?

Italy started the year in strong fashion, with megarounds for Bending Spoons and Pisa-based robotic surgery company Medical Microinstruments. Techies would love to see this momentum continue, and for a few tech champions to emerge in government who can help blast away hurdles for companies.

"It's still quite cumbersome to create a company and hire people," says Lorenzo Franzi, founding partner of the Italian Founders Fund. "New companies need to do things like mandatory security training — so it's pretty old school. The cost of payroll is also very high. The all-in hiring cost is the same as in France or the UK. The net take home by the tech workers is smaller, of course."

In spite of these headaches, tech journalist Abirascid says we can expect to see more Italian deeptech companies emerge. "We've had pure digital, service-based startups but there are also companies performing R&D and innovation in industries like spacetechnology, climate tech and life sciences," he says. The overall quality of startups in Italy is improving, Franzi believes. "We saw 10 really good opportunities in the last year — that's a multiple of what we were seeing two or three years ago."

Any space company starting up in Turin has the advantage of doing so in the shadow of aerospace giant Leonardo, says Lisa Di Sevo, managing partner and CEO of Prima Ventures. "It means there's good prospects of an exit for any spacetechnology," she says.

Can Italy get in on the AI action? Milan-based iGenius, the company that feels likeliest to, says it has developed the first large-language model (LLM) fully trained on the Italian language. But while most companies wait until they've secured funding to talk about it, this company did something different: it announced how much it wants to raise from investors to develop its AI models — a whopping €650m.

"I think the company needs to make some noise, they're trying to play all the cards they have," says Niccolò Sanarico, a general partner at Milan-based early-stage investor Primo Ventures.

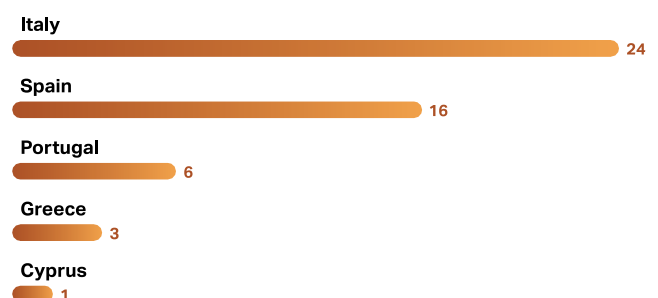
But some feel a round this size may be out of reach. "It's hard to see it happening here for now," says Franzi. "If they manage to pull it off, it will put our AI ecosystem on the map," adds Sanarico.

Investors Sifted spoke to said they expected that international funds would keep up their new enthusiasm for Italy. "I see four or five GPs coming to Milan every week for deal flow," Gennarini says.

And why wouldn't they come: "we're smaller than London and Paris, but an hour away from beautiful lakes and in a couple of hours you can get to the Med or the Alps," Gennarini says. "Drive two hours in London, meanwhile, and you're probably still in London."

Spanish, Italian companies make up 80% of ranking

Leaderboard's country breakdown



Source: Sifted data

CHAPTER III

Sun, sea, surf, software

Europe's Iberian neighbours have seen their tech scenes bloom in recent years



When it's not busy winning European championships, Spain is growing its tech scene. Early-stage Spanish companies had their best ever year in 2023, with a record number of Series A deals in the country (86) totting up to €644m — compared to the €477m raised by Series A-level companies in 2022. Not bad considering the double-digit inflation, sharply rising interest rates and recession concerns.

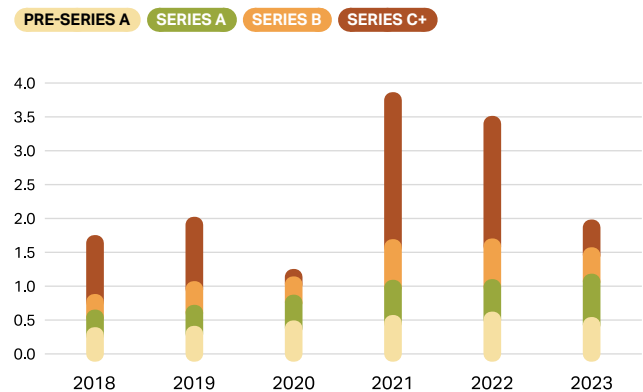
Later stage funding dipped in Spain in 2023 — but overall, the economic downturn didn't impact the country's tech scene as severely as it did others, explains Alvaro Gutierrez, cofounder and co-CEO of pet insurer Barkibu, which placed third on the ranking. "Spanish VCs were kinda conservative on pricing startups [in 2020/2021], which means they lost out at the beginning of the tech bubble — but since the starting point was less aggressive, the correction has been smaller," he says.

Barcelona boasts ludicrous levels of sunshine, a high quality of life and tech hits like Glovo, the now global food delivery company established in the city in 2015 and currently valued at \$1.2bn. The city also hosts scaleups like HR software specialist Factorial, which has raised over \$200m from investors. "TravelPerk [a unicorn] is headquartered two streets down from us. We're building a nice little ecosystem here," says Factorial's cofounder and CEO Jordi Romero.

Even lesser-known spots like Valencia are seeing a little tech activity stirring up. One of the networking events in this city is called "Sunset by the Sea" — few northern European hubs could aspire to such scenic meetups.

Series A gain and Series C+ pain in Spain

VC funding for Spanish startups (\$bn)



Source: Dealroom

ALL BARK AND ALL BITE

Online pet insurer Barkibu is one of a growing number of tech companies to find success beyond Spanish borders, launching in Germany at the end of 2022 and in France earlier this year.

"We've managed to strike a chord with young, digital-first people," says Barkibu boss Gutierrez. "We're obsessed about speed; 90% of our claims are paid less than 48 hours after you hit the button." The company also has a product called "Vet AI", which offers speedy advice to worried pet parents via WhatsApp. "It's like a triage system but we try to err on the safe side and tell people to go to the vet or hospital if they're not sure."





Pet care is a booming market. Veterinary bills have shot up over the past decade, partly because of the rising cost of drugs, vaccines and other supplies, as well as paying workers in a tight labour market.

“There’s a lot of vet inflation and more and more treatments you can get for your pets,” says Gutierrez. “In the last 10 years, the life expectancy of a dog has risen by one year. That year is not a cheap one,” Gutierrez explains. Pet insurance often excludes pre-existing conditions and costs more for older pets who are more likely to get sick.

“

Interest rates are very high right now, but equity is much more expensive in the long run if you think your company is going to multiply its value.”

Alvaro Gutierrez, cofounder and co-CEO, Barkibu

Spain is a dog country. “Our coverage is 90% dogs,” says Gutierrez. Cats don’t go to the vet as often as dogs for several reasons, he says. “They show fewer

symptoms and it’s harder to take your cat to the vet anyway — they really stress because of the smell of dogs in the waiting rooms.”

Barkibu is one of a number of startups shunning equity and turning to venture debt; the company secured a \$5m loan from Spain’s Banco Sabadell last year. “We’re very optimistic about the value of our company and wanted to minimise dilution”, meaning Barkibu didn’t want to share ownership rights with new investors. “Interest rates are very high right now, but equity is much more expensive in the long run if you think your company is going to multiply its value,” Gutierrez says.

MEET THE “LOBOTOMIZER”

Meanwhile, at Multiverse Computing, southern Europe’s 16th fastest growing company, the focus is a world away from dog insurance. The company, which raised €25m earlier this year led by Spanish VC Columbus Venture Partners along with quantum investor Quantonation, already sells software to big banks but is now also getting into the generative AI game. Its new product aims to erase knowledge contained in large language models (LLMs), without having to retrain them completely.

It is — slightly terrifyingly — called “Lobotomizer” by Multiverse and the CEO and cofounder Enrique Lizaso says it uses technology called quantum tensor networks to allow AI companies to remove copyrighted material that might have been accidentally included in training data. “This will be the Holy Grail if someone sues you for using content with copyright,” Lizaso says. At least eight newspapers are suing ChatGPT maker OpenAI, for example, claiming the tech company “purloin[s] millions” of articles without permission.

Whether or not the Lobotomizer will satisfy lawmakers and judges who are clamping down on copyright in AI will need to be tested, but it’s not hard to see why such a product could be very attractive to AI companies that are trying to argue they’re not breaching copyright. A second focus of Multiverse is to substantially cut the memory and storage space that an LLM requires. Lizaso says it has developed a tool that can even allow an LLM to run on a small device such as a smartwatch, rather than needing vast cloud access.

HAS GOVERNMENT HELPED — OR NOT?

The Spanish government last year laid tramlines that it hopes will expand the tech scene.

The new “Startup Law” — which aims to make Spain more attractive to investors and founders — is partially responsible for the increase in the number of seed, Series A and Series B rounds in 2023. The rule offers business angels up to 50% tax relief on income from their investments, with a limit of €100k.

People working for startups younger than five years (or seven in the case of businesses in strategic areas like biotech, energy and industry) can now receive up to €50k per year in stocks or shares without having to pay any tax on them until they decide to sell — up to a maximum of 10 years from the date they are received by the worker.

There are some caveats. Scaleups and older startups fall outside the scope of the legislation, and to benefit from the incentives, startups need to be certified as such by a new government agency.

Some techies doubt it’s had much impact, despite a decent funding year in Spain. “It showed good intention but unfortunately it wasn’t very effective,” says Factorial’s Romero. He’s got another suggestion for how the government can boost tech: prioritise English.

“We don’t have a lot of people who speak the language well. I just wish we’d put a lot more focus on this in high school.”

But one key thing Spain has going for it, Romero adds, is sales talent. “It’s one of our secret weapons. A lot of people want to spend a year in Barcelona and many who come here get sales opportunities — and hopefully some of the best ones stay.”

Finding experienced salespeople in Spain is more challenging. “Our pull is a lot smaller than some other places,” says Romero, who also refers to a gentleman’s agreement not to poach people from companies you’re friendly with.

Overall though, Barcelona’s tech status has changed for the better, according to Romero. “When I was with my first company, we had to go to Silicon Valley to grow. But when we started Factorial in 2016, we were able to attract international capital. More recently, I’ve seen growth stage funds — not just the Series A-level funds — coming here. So, many of us have decided to stay.”

A good year for Spanish fintechs

Top 10 Spanish deals in 2024



Source: Sifted data



FACTORIAL



LIFE'S A BEACH IN LISBON

Rubbing shoulders with Spain on Europe's southern peninsula is a country roughly one-fifth of its neighbour's size in population and land area.

Portugal is not content to be the little brother here — it's worked hard to reinvent itself as a leading tech hub. And this has been a qualified success: like Spain, the country has become a preferred base for young digital nomads. One of Europe's biggest tech conferences — aside from *cough* Sifted Summit *cough* — is the Web Summit, which the city has hosted since 2016.

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I don't think we're at the peak of things yet."

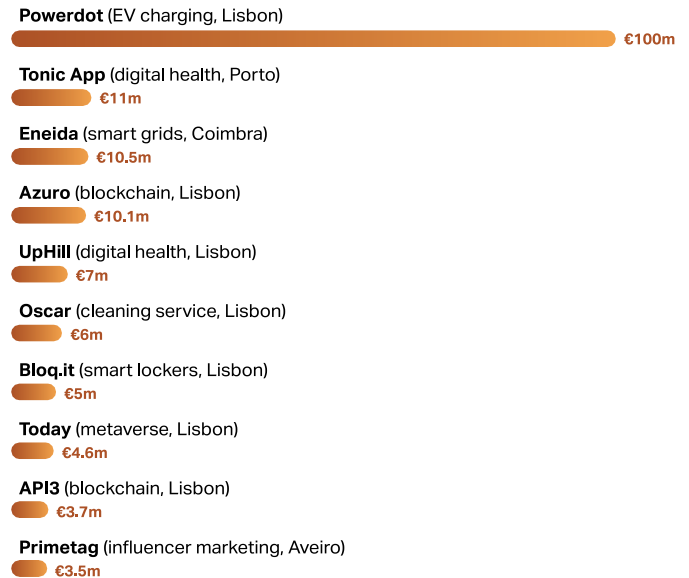
Miguel Santo Amaro, cofounder and CEO, CoverflexVentures

"We're one of the few capital cities with a beach," is a simple but effective sales pitch for Lisbon provided by Coverflex CEO and cofounder Miguel Santo Amaro.

Amaro has other reasons for why Portugal's tech scene has shone: "I don't think we're at the peak of things yet; housing is still comparatively cheaper than in Madrid and Berlin." An underrated benefit of Lisbon life? "I can be at the airport in 10 minutes," Amaro adds.

Portugal's one giant deal — and lots of mini ones

Top 10 Portuguese deals in 2024



Source: Sifted data

The city's tech growth has not been without discontent: the cost of living has risen, leading to public debate (and protests) about Lisbon's future (there has been similar rancour in Barcelona over too many tourists and digital nomads). Salaries can be on the measly side, with the average monthly take home still just around €1,300, Amaro says.

Still, funding for startups has risen steeply over the years. "Coverflex is not even in the Portuguese top 100 anymore for biggest rounds," Amaro notes (the company, which helps businesses offer flexible salaries and allowances to their employees, has raised \$22m from investors including Breega, Score Ventures and Shilling VC).

Amaro says "the benchmark" when Coverflex started in 2019 was a company with a €60m market cap. One Portuguese company this year, Powerdot, which creates charging points for electric vehicles, raised €100m in a single round. "That's just one example of how far the market has come," Amaro says.

How we selected the Sifted 50

DEFINITIONS AND METHODOLOGY

The *Sifted 50: Southern Europe* leaderboard ranks the top 50 startups that have achieved the highest percentage revenue growth over the past three financial years, calculated using a two-year compound annual growth rate (CAGR):

$$\text{CAGR (\%)} = (\text{Latest year revenue} / \text{Base year revenue})^{1/2} - 1$$

QUALIFICATION CRITERIA

To be eligible, companies had to meet the following criteria:

- Private and independent
- Headquartered in one of the following: Andorra, Cyprus, Greece, Italy, Malta, Portugal, San Marino or Spain.
- Majority of revenue must be generated by proprietary technology
- No older than 10 years old (founded in or after 2014)
- No bigger than a headcount of 999 (average number recorded in the latest financial year)

In addition, startups had to have:

- At least three years of revenue data, either between 2020 and 2022 or 2021 and 2023 depending on filing dates, across comparable accounting periods of at least 26 weeks
- Revenue (annualised if necessary) of at least €100k (or £85k) in the base year (2020 or 2021) and at least €1m (or £850k) in the latest financial year (2022 or 2023)

Companies were required to submit relevant, signed documentation to support financial information disclosed to Sifted. Some companies chose to keep some of this information private.

RESEARCH

Research was conducted by the Sifted Intelligence team using Dealroom, as well as Sifted's internal database to identify and contact relevant, high-growth startups. Applications were accepted on the Sifted site from May 20 to June 21, 2024.

DISCLAIMER

Sifted Leaderboards do not claim to be exhaustive as private company data can be difficult to acquire. Leaderboards are based on historical financial data and are no guarantee of future company performance.

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