

# 2020

SCALEUP PORTUGAL

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Enablers



Fourth Edition



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# 1 Report Curators



**EIT Digital** is a leading European open innovation organization that represents a partnership of over 200 top European corporations, SMEs, startups, universities, and research institutes. EIT Digital invests in strategic areas to accelerate the market uptake of research-based digital technologies and to bring entrepreneurial talent and leadership to Europe.

EIT Digital is a Knowledge and Innovation Community of the European Institute of Innovation and Technology (EIT). EIT Digital headquarters is in Brussels with colocation centers in Berlin, Budapest, Eindhoven, Helsinki, London, Madrid, Paris, Stockholm, Trento, Braga and a hub in Silicon Valley. For more information visit: [www.eitdigital.eu](http://www.eitdigital.eu)



**Building Global Innovators (BGI)** is a deep innovation global accelerator based in Lisbon (Portugal) with operations in Cambridge (USA). BGI was born from the MIT Portugal Innovation and Entrepreneurship Initiative (IEI) – launched to support Portugal’s goal to strengthen its capacity in business education, technological innovation, and entrepreneurship. The initiative was born out of a collaboration between ISCTE-IUL, MIT Deshpande Centre for Technological Innovation, MIT Entrepreneurship Centre, and MIT’s School of Engineering.

In 10 batches BGI has accelerated 154 ventures, with a survival rate of 60.4%. BGI alumni have created 727 high tech jobs and raised over €260 Million. These results have led Valuer.ai to identify BGI as one of the top 50 accelerators in the world (2018) and Fundacity to pick BGI as one of the top 20 accelerators in Europe (2014). More recently, BGI has been strengthening its ties with the European Institute of Innovation and Technology, in 4 Knowledge Innovation Centres (KIC’s), namely EIT Digital, EIT Climate-KIC, EIT Food, and EIT Health. Some of BGI alumni, like Feedzai and Veniam, are now valued at several hundred million euros. Exits are expected to follow soon.

To date, BGI develops not only several accelerators (for startups working in different industries and at different development stages), but also Open Innovation Programs (working closely with corporates), Education programs (including Hackathons and summer schools), and other initiatives aiming at developing innovation. For more information on BGI and its programs visit: [www.bgi.pt](http://www.bgi.pt)



# 2

## Report Enablers



**Altice Portugal** (formerly known as Portugal Telecom or PT) is the largest telecommunications service provider in Portugal. Since June 2, 2015, the company has been a wholly-owned subsidiary of Altice Group, a multinational cable and telecommunications company with a presence in France, Israel, Belgium, Luxembourg, Portugal, French West Indies/Indian Ocean Area, the Dominican Republic ("Overseas Territories"), Switzerland, and the United States.



**Informa D&B** is a specialist provider of business information. Through innovative analysis, the company provides access to relevant and up-to-date information about the activities of companies and managers, which is fundamental for the conduct of its customers' business dealings.



Over the past two years, Microsoft has pledged 500 million dollars to support startups with access to technology, community spaces, and sales opportunities. Microsoft for Startups is a global program designed to support startups as they build and scale their solutions, supporting thousands of founders with free access to our cloud technologies, marketing assistance and a streamlined path to selling alongside Microsoft. Learn more at [startups.microsoft.com](https://startups.microsoft.com)



**The Square** is a Public Relations agency for disruptive businesses, entrepreneurs, innovation and digital economy. Founded in 2017, The Square works with different fields of public relations, from media relations and digital PR to influence and content marketing, and is always looking for new ways to engage with different audiences. This agency is full of work, dedication, commitment, creativity, proximity and joy, and is made for those who are not afraid to take risks, to do, to create



**ANI** - Agência Nacional de Inovação, SA, aims to develop actions to support technological and business innovation in Portugal, contributing to the consolidation of the National Innovation System (NIS) and to strengthening the competitiveness of the national economy in global markets.



Promote competitiveness and business growth, ensure support for the design, execution and evaluation of policies aimed at industrial activity, with a view to strengthening innovation, entrepreneurship and business investment in companies that operate in the areas under the responsibility of the Ministry of Economy, namely for small and medium-sized companies, with the exception of the tourism sector and the accompanying skills in this area attributed to the Directorate-General for Economic Activities.



**Servidor de Apontadores Portugueses Online** (Online Portuguese Links Server), is a brand and subsidiary company of Altice Portugal. It is a media content and services provider that started out as a search engine when founded in 1995.



**BGI – Building Global Innovators and EIT Digital** are proud to welcome you and add your knowledge and energy to the 2021 Report and Award Gala. The startup ecosystem needs your involvement and your brand will gain momentum by associating to our event





# 3

## Executive Summary

## From Startup Outlook to Scaleup Recognition

This is the fourth edition of the Scaleup Portugal report, a micro-analysis of technology-based and technology-enabled startups originating from Portugal. This report is an attempt to identify the TOP 25 performing scaleups in Portugal and to determine what aspects of their anatomy make them successful. This is a follow-on report from our macro report - Portugal Startup Outlook 2020 - published earlier on. We select the TOP 25 by considering the total capital raised, total revenues, capital to revenue ratio, jobs created, and time-to-market of scaleups founded between 2015 and 2020. The report starts with an overview of our methodology and then proceeds to list the TOP 25 Portuguese scaleups according to the set criteria.

These Scaleups studied cut across 4 major application verticals, namely:

ICT	Consumer & Web
MedTech and Health IT	Cleantech & Industry 4.0

In addition to highlighting the TOP 25 scaleups, we also highlight Top 10 scaleups in each application vertical, as well as honourable mentions (scaleups older than 5 years but younger than 10 years). Below are some of the key highlights of the report:

- The TOP 25 have raised a total of €117,818,347 and generated €120,203,698 in revenues between 2015 and 2020;
- Scaleups in the Consumer and Web (44%) vertical were represented more in the TOP 25 compared to previous years;
- The gap between domestic and foreign sources of funding is closing, which suggests the growing maturity of the Portuguese startup ecosystem: in 2020 the difference in the total funding between foreign and domestic sources was 19.2%, 75% in 2019 and 49.26% in 2018;
- There appears to be a gap in early-stage financing, which is reinforced by low representation of pre-seed funds, Angel investors and the decline in non-dilutive financing.
- Portuguese founders are highly qualified with the majority of them holding at least a master's degree.

We conclude the report by highlighting the opportunities that corporates, accelerators and incubators can leverage on to boost the Portuguese entrepreneurial and innovation ecosystem.



# 4

## About The Report

### BACKGROUND

This is the fourth edition of the Scaleup Portugal (SP) report. This report is a micro analysis of technology-based and technology-enabled startups originating from Portugal. This report identifies and analyses the top 25 high performing startups originating from Portugal, to enable ecosystem stakeholders to understand the anatomy behind successful startups.

### PURPOSE

- To be a reference point for a variety of stakeholders at every level across the ecosystem.
- To reach out to a wider Entrepreneurial and Innovation (E&I) community in the EU and beyond, with the purpose of encouraging collaboration and partnerships.
- To showcase achievements and identify shortcomings within the Portuguese E&I ecosystem.
- To act as a guide for future entrepreneurs and other players interested in becoming actors of the E&I ecosystem, helping them run their activities more efficiently.

### DATA SOURCE

This report relies primarily on secondary data sources. Data on initial capital requirements, revenues, exports, employment, production, capital, costs, profitability, and other company indicators were provided by Informa D&B. Data on venture capital investments and other funding information was sourced from CrunchBase. We also obtained insights from interviews with stakeholders such as founders, investors, and accelerator managers.

### METHODOLOGY

This report uses descriptive analysis to explain data obtained from our data sources. The period of analysis was from 2015 to 2020 (July). We analysed a sample of 659 startups originating from Portugal (i.e. Startups headquartered in Portugal and those no longer headquartered in Portugal). Our sample was chosen and evaluated against the following criteria/variables:

- An emerging venture: Any company founded in Portugal between the 1st of January 2015 and 31st of July 2020. I.e. any company that has been operating for less than or equal to 5 years.
- Application Verticals: The study relied on 4 major verticals. The companies must fall into one of the following verticals: (i) Information and Communication Technology (ICT), (ii) CleanTech & Industry 4.0, (iii) Consumer & Web and (iv) Medical Devices & Health IT.
- It is important to note that the categorisation of our focus startups is flexible, and therefore open to various interpretations as many of the startups have characteristics that cut across these verticals. These application verticals were chosen because they appear to have the most traction with investors and are representative of the critical mass in Portugal.
- BGI Ranking Methodology - Please see annexe for more information.





# 5

## Review Of 2019

### 2019 was considered a good year, Imagine 2020

- Although there is still significant dependence on foreign investment (with a share of 87.6% in the total investment), domestic investors play a key role in launching startups.
- The United States continues to lead in foreign investment (58.6%) to Portugal.
- The ecosystem is maturing with scaleups relying less on non-dilutive funding and having access to funding rounds beyond series A.
- The ICT vertical leads in regard to attracting investment (over 100M euros), generating revenues (50% of all revenues generated) and creating jobs (47.6% of all jobs created).
- Portuguese founders are highly skilled and qualified, but the majority do not have previous experience in creating and managing startups.
- There is still significant disparity between male (90.3%) and female (9.7%) founders.

Download the Scaleup Portugal 2019 report  
[www.scaleupportugal.tech](http://www.scaleupportugal.tech)



# 6 The Rankings

Table 1: Top 25 Scaleups in Portugal (2015-2020)

RANK	NAME	LAUNCH DATE	CURRENT HQ	TOTAL FUNDING	WEBSITE
1	SWORD HEALTH	2015	New York	€ 20,551,453.00	www.swordhealth.com
2	UTRUST	2017	Lisboa	€ 17,640,000.00	www.utrust.com
3	PLATFORME	2015	Porto	€ 13,974,227.00	www.platforme.com
4	GOWITHFLOW	2019	Porto	€ 12,061,602.00	www.gowithflow.io
5	IPORTWINE	2016	Coimbra	Undisclosed	www.iportwine.com
6	FORALL PHONES	2016	Lisboa	€ 4,256,540.00	www.forallphones.com
7	UNDANDY	2015	Lisboa	€ 1,199,539.00	www.undandy.com
8	DASHDASH	2016	Berlin	€ 7,560,000.00	www.dashdash.com
9	HUUB	2015	Porto	€ 5,582,824.00	www.thehuub.co
10	BARKYN	2017	Porto	€ 7,338,258.00	www.barkyn.com
11	OPHIOMICS	2015	Lisboa	€ 69,975.00	www.ophiomics.com
12	AGROINSIDER	2015	Evora	€ 45,230.00	www.agroinsider.com
13	MYDIDIMO	2016	Porto	€ 7,374,345.00	www.mydidimo.com
14	INFRASPEAK	2015	Lisboa	€ 4,570,538.00	www.infraspeak.com
15	MAGNIFINANCE	2015	Lisboa	€ 187,874.00	www.magnifinance.com
16	HYPELABS	2016	California	€ 2,520,000.00	www.hypelabs.io
17	FINDSTER	2015	New York	€ 1,504,949.00	www.getfindster.com
18	TRIGGER SYSTEMS	2015	Cagayan	€ 109,200.00	www.trigger.systems
19	ADVERTIO	2017	Lisboa	€ 609,000.00	www.advertio.com
20	TONIC APP	2016	Lisboa	€ 3,260,605.00	www.tonicapp.com
21	VALISPACE	2016	Bremen	€ 3,088,834.00	www.valispace.com
22	EATTASTY	2015	Lisboa	€ 1,991,100.00	www.eattasty.com
23	AIRCOURTS	2016	Lisboa	€ 91,209.00	www.aircourts.com
24	LOQR	2015	Braga	€ 2,231,044.00	www.loqr.io
25	COMPARAJAPT	2015	Lisboa	Undisclosed	www.comparaja.pt

After analysing over 600 startups founded between 2015 and 2020, using the following criteria; money raised, revenues generated, number of employees, time to market, and capital to revenue ratio we arrive at the TOP 25 Portuguese scaleups for the year 2020 (Table 1). Following this ranking methodology, we suggest the startups on this list have the appropriate fundraising and market entry strategy, and make the best use of their resources to outperform other startups (i.e. 598 other startups) within the period of analysis. The 2020 cohort has 20 new entries, and for the first time ever a scaleup from the MedTech and Health IT vertical (i.e. SWORD Health) was ranked first. The TOP 25 scaleups have collectively raised €117,818,346, which represents a 38% share of all money raised (i.e. €311,061,503) by Portuguese startups founded (i.e. 623 startups) between 2015 and 2020. The money raised per scaleup in the TOP 25 is nine times (9x) larger than the average money raised (i.e. €499,296) by Portuguese startups (i.e. 623 startups), and four times (4x) larger than the average money raised by European Union startups (i.e. 36,226 startups) founded within the same period (i.e. 2015 - 2020).



Table 2: Top 10 ICT Scaleups in Portugal (2015-2020)

RANK	NAME	LAUNCH DATE	CURRENT HQ	TOTAL FUNDING	WEBSITE
1	DASHDASH	2016	Berlin	€ 7,560,000.00	www.dashdash.com
2	DIDIMO	2016	Porto	€ 7,374,345.00	www.mydidimo.com
3	INFRASPEAK	2015	Lisboa	€ 4,570,538.00	www.infraspeak.com
4	MAGNIFINANCE	2015	Lisboa	€ 187,874.00	www.magnifinance.com
5	HYPELABS	2016	California	€ 2,520,000.00	www.hypelabs.io
6	VALISPACE	2016	Bremen	€ 3,088,834.00	www.valispace.com
7	LOQR	2015	Braga	€ 2,231,044.00	www.loqr.io
8	SMARKIO	2015	Lisboa	€ 1,427,249.00	www.smark.io
9	WEEZIE	2018	Lisboa	€ 504,092.00	www.weezie.io
10	PROBE.LY	2016	Lisboa	€ 1,212,866.00	www.probely.com

Table 2 shows the TOP 10 Portuguese scaleups in the ICT vertical for 2020. Seven of the scaleups on this list are featured on the TOP 25. The TOP 10 ICT scaleups have collectively raised €30,676,842 and generated €14,318,208 in revenues between 2015 and 2020. Leading industries within this vertical include Enterprise Software, Augmented reality, 3D technology and Cybersecurity.

Table 3: Top 10 Consumer and Web Scaleups in Portugal (2015 -2020)

RANK	NAME	LAUNCH DATE	CURRENT HQ	TOTAL FUNDING	WEBSITE
1	UTRUST	2017	Lisboa	€ 17,640,000.00	www.utrust.com
2	PLATFORME	2015	Porto	€ 13,974,227.00	www.platforme.com
3	IPORTWINE	2016	Coimbra	Undisclosed	www.iportwine.com
4	FORALL PHONES	2016	Lisboa	€ 4,256,540.00	www.forallphones.com
5	UNDANDY	2015	Lisboa	€ 1,199,539.00	www.undandy.com
6	BARKYN	2017	Porto	€ 7,338,258.00	www.barkyn.com
7	ADVERTIO	2017	Lisboa	€ 609,000.00	www.advertio.com
8	COMPARAJAPT	2015	Lisboa	Undisclosed	www.comparaja.pt
9	EATTASTY	2015	Lisboa	€ 1,991,100.00	www.eattasty.com
10	AIRCOURTS	2016	Lisboa	€ 91,209.00	www.aircourts.com

Table 3 shows the TOP 10 Portuguese scaleups in the Consumer and Web vertical for 2020. All 10 of the scaleups on this list are featured on the TOP 25. The TOP 10 Consumer and Web scaleups have collectively raised €47,099,873 and generated €99,340,084 in revenues between 2015 and 2020. Leading industries within this vertical include fintech, fashion, food and marketplaces.

Table 4: Top 10 Medical Devices and Health IT Scaleups in Portugal (2015 -2020)

RANK	NAME	LAUNCH DATE	CURRENT HQ	TOTAL FUNDING	WEBSITE
1	SWORD HEALTH	2015	New York	€ 20,551,453.00	www.swordhealth.com
2	OPHIOMICS	2015	Lisboa	€ 69,975.00	www.ophiomics.com
3	TONIC APP	2016	Lisboa	€ 3,260,605.00	www.tonicapp.com
4	CELLMABS	2019	Lisboa	€ 2,688,000.00	www.cellmabs.com
5	HYDRUSTENT	2016	Braga	€ 2,090,511.00	www.hydrUStent.com
6	NUTRIUM	2015	Braga	€ 4,866,348.00	www.nutrium.io
7	CARE-ON	2015	Lisboa	Undisclosed	www.care-on.com
8	ADAPTTECH	2015	Birmingham	€ 1,572,198.00	www.adapttech.eu
9	MINDPROBER	2016	Porto	€ 492,455.00	www.mindproberlabs.com
10	PCPR	2016	Coimbra	Undisclosed	www.p-cpr.life

Table 4 shows the TOP 10 Portuguese scaleups in the MedTech and Health IT vertical for 2020. Only three of the scaleups on this list are featured on the TOP 25. The TOP 10 MedTech and Health IT scaleups have collectively raised €35,591,546 and generated €20,441,934 in revenues between 2015 and 2020. Leading industries within this vertical include telemedicine, biotechnology, and mental health.

Table 5: Top 10 CleanTech and Industry 4.0 Scaleups in Portugal (2015 -2020)

RANK	NAME	LAUNCH DATE	CURRENT HQ	TOTAL FUNDING	WEBSITE
1	GO WITH FLOW	2019	Porto	€ 12,061,602.00	www.gowithflow.io
2	HUUB	2015	Porto	€ 5,582,824.00	www.thehuub.co
3	AGROINSIDER	2015	Evora	€ 45,230.00	www.agroinsider.com
4	TRIGGER SYSTEMS	2015	Cagayan	€ 109,200.00	www.trigger.systems
5	OCEANO FRESCO	2015	Leiria	€ 2,502,692.00	www.oceano-fresco.pt
6	BLADE INSIGHTS	2015	Lisboa	€ 1,919,975.00	www.bladeinsight.com
7	MATER DYNAMICS	2016	Lisboa	€ 45,816.00	www.materdynamics.com
8	GLARTEK	2017	Lisboa	€ 1,425,500.00	www.glartek.com
9	MEIGHT	2018	Evora	€ 1,304,242.00	www.fuelsave.io
10	BEON ENERGY	2015	Lisboa	Undisclosed	www.beonenergy.com

Table 5 shows the TOP 10 Portuguese scaleups in the CleanTech and Industry 4.0 vertical for 2020. Only four of the scaleups on this list are featured on the TOP 25. The TOP 10 CleanTech and Industry 4.0 scaleups have collectively raised €24,997,081 and generated €7,893,734 in revenues between 2015 and 2020. Leading industries within this vertical include transportation & logistics, renewable energy, and food & agriculture.

Table 6: Total money raised by all TOP 10 Scaleups by Vertical (2015 - 2020)

TOP 10 BY VERTICAL	MONEY RAISED	REVENUES GENERATED	MONEY RAISED/SCALEUP	REVENUES / SCALEUP
TOP 10 ICT	€ 30,676,842	€ 14,318,208	€ 3,067,684	€ 1,431,821
TOP 10 Consumer and Web	€ 47,099,873	€ 99,340,084	€ 4,709,987	€ 9,934,008
TOP 10 MedTech and Health IT	€ 35,591,546	€ 20,441,934	€ 3,559,155	€ 2,044,193
TOP 10 CleanTech and Industry 4.0	€ 24,997,081	€ 7,893,734	€ 2,499,708	€ 789,373
<b>TOTAL</b>	<b>€ 138,365,342</b>	<b>€ 141,993,960</b>	<b>€ 3,459,134</b>	<b>€ 3,549,849</b>

The TOP 10 scaleups for all verticals have collectively raised €138,365,342 which represents 44.4% share of the total funding (i.e. €311,061,503) raised by all startups (i.e. 623 startups) founded between 2015 and 2020 (Table 6). This implies that the money raised on average (i.e. €3,459,134) by the TOP 10 scaleups in all verticals is seven times (7x) larger than the average money raised (i.e. €499,296) by Portuguese startups (i.e. 623 startups), and three times (3x) larger than the average money raised by European Union startups (i.e. 36,226 startups) founded within the same period (i.e. 2015 - 2020).

# 7 Honourable Mentions

Table 7: Top 25 Honourable Mentions (2010 - 2014)

NAME	LAUNCH DATE	CURRENT HQ	TOTAL FUNDING	WEBSITE
360IMPRIMIR	2014	Portugal	€ 21,252,000.00	www.bizay.co.uk
ABYSSAL	2011	Portugal	Undisclosed	www.abyssal.eu
APTOIDE	2011	Portugal	€ 18,228,000.00	www.en.aptoide.com
BSIM THERAPEUTICS	2011	Portugal	€ 2,500,000.00	www.bsimtx.com
CODACY	2012	Portugal	€ 12,096,000.00	www.codacy.com
DEFINED CROWD	2015	United States	€ 53,424,000.00	www.definedcrowd.com
DREAMSHAPER	2013	Portugal	€ 2,000,000.00	www.dreamshaper.com
FEEDZAI	2011	United States	€ 65,100,000.00	www.feedzai.com
HOLE19	2011	Portugal	€ 3,600,000.00	www.hole19golf.com
JSCRAMBLER	2013	Portugal	€ 1,932,000.00	www.jscrambler.com
LANDING JOBS	2013	Portugal	€ 2,800,000.00	www.landing.jobs
OMNIFLOW	2012	Portugal	€ 3,500,000.00	www.omniflow.pt
PERCEIVE3D	2013	Portugal	€ 2,500,000.00	www.perceive3d.com
PETSYS ELECTRONICS	2013	Portugal	€ 965,000.00	www.petsyselectronics.com
PICADVANCED	2014	Portugal	€ 4,000,000.00	www.picadvanced.com
PRODSMART	2012	Portugal	€ 3,780,000.00	www.prodsmart.com
SAK PROJECT	2012	Portugal	Undisclosed	www.sakproject.com
TALK DESK	2011	United States	€ 224,700,000.00	www.talkdesk.com
TTR	2011	Spain	€ 1,000,000.00	www.ttrecomen.com
UNBABEL	2013	Portugal	€ 76,608,000.00	www.unbabel.com
UNIPLACES	2011	United Kingdom	€ 24,360,000.00	www.uniplaces.com
VENIAM	2012	United States	€ 22,596,000.00	www.veniam.com
XHOCKWARE	2014	Portugal	€ 4,000,000.00	www.youbeep.com
ZAASK	2012	Portugal	€ 2,100,000.00	www.zaask.es

In the honourable mentions section, we highlight top Portuguese companies that are older than 5 years but younger than 10 years, that have contributed significantly to the Portuguese entrepreneurial and innovation ecosystem (Table 7). Many of the companies on this list have blazed the trail for younger companies to follow. For example, Talk Desk has raised over €200 Million, and Aptoid has accumulated 150 Million unique app users, and in the honourable mentions from previous editions (e.g. in 2019)<sup>1</sup>, companies such as Outsystems had a €1 billion valuation (making it the first Portuguese Unicorn). We are beginning to see some of the founders of these companies give back to the ecosystem via mentorships and funding opportunities. The scaleups on the 2020 honourable mentions list have collectively raised over €550 Million.

<sup>1</sup>- please see Scaleup Portugal 2019 report.



# 8 Overview Of The Top 25

## WHAT IS THE GENERAL PROFILE OF THE TOP 25?

The Top 25 have raised a total of €117,818,347 and generated €120,203,698 in revenues between 2015 and 2020. This represents a 39.3% decrease in money raised, and a 60.1% increase in revenues generated compared to the TOP 25 in 2019<sup>2</sup>. This is the first time since the first edition (i.e., 2017) of the Scaleup Portugal (SP) report, that we have observed revenues to be greater than money raised<sup>3</sup>

Fig 1: Scaleup Distribution by Vertical

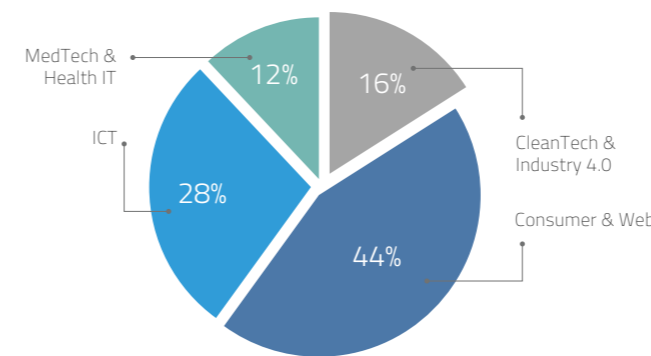
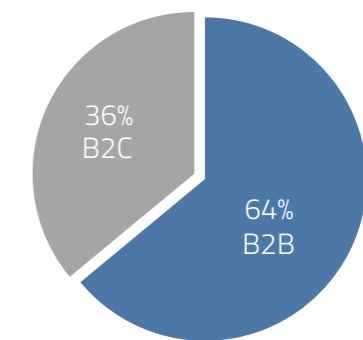


Fig 2: Scaleup Distribution by Business Model



The revenue boost observed in the TOP 25, is primarily driven by the significant (44%) representation of scaleups in the Consumer and Web vertical (Fig 1), which are easy to scale and prone to enter the market faster. The number of Consumer and Web scaleups featured on the TOP 25 in 2020 increased by 24% from the TOP 25 in 2019<sup>2</sup>. Moreover, the Covid-19 pandemic made many people shift to a remote setting, and as a result rely more on eCommerce and marketplace solutions, which helped push revenues upwards. Scaleups with B2B (64%) business models remain dominant (Fig 2) similarly to observations from previous report editions (i.e., SP 2017, 2018 and 2019) and are likely to remain so primarily because of the abundance of funding for startups operating in the B2B space.

Fig 3: Scaleup Distribution by Revenue Model

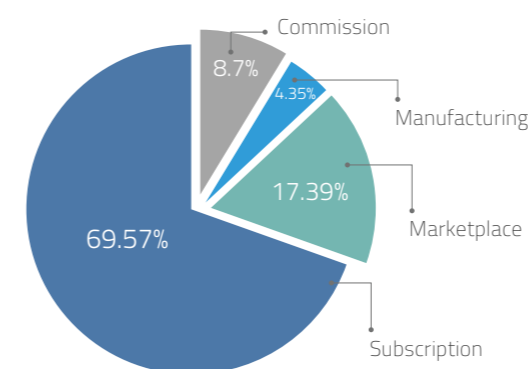
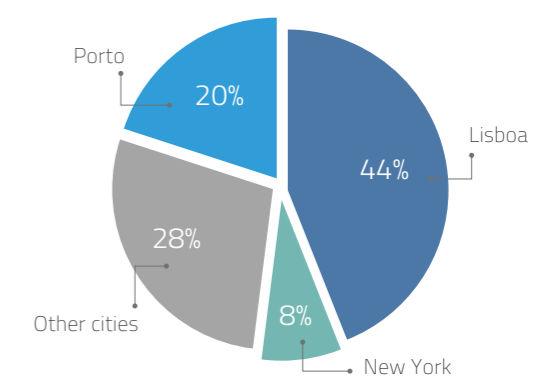


Fig 4: Scaleup Distribution by City



There is a significant number of scaleups with a subscription (69.57%) based revenue model<sup>4</sup> as captured in figure 3. This is because revenue models that allow recurring revenues are attractive to investors as they provide a steady income stream for companies. In terms of the preferred destination for scaleup establishment, Lisbon is the leader (44%) (Fig 4) and will continue to be so beyond 2020. This observation aligns with our findings in the Portugal Startup Outlook 2020 report, where 67%<sup>4</sup> of startups created between 2015 and 2020 were established in Lisbon. This is partly due to the enabling environment (e.g., entrepreneurship events, Open innovation programs, etc) created by the Lisbon municipality.

<sup>2</sup> Please see Scaleup Portugal 2019 report

<sup>3</sup> Please see Scaleup Portugal 2017 report

<sup>4</sup> Please see the Portugal Startup Outlook 2020 Report

# HOW DID THE TOP 25 RAISE MONEY, AND WHERE DID THEY GET IT FROM?

Fig 5: Origin of Money Raised

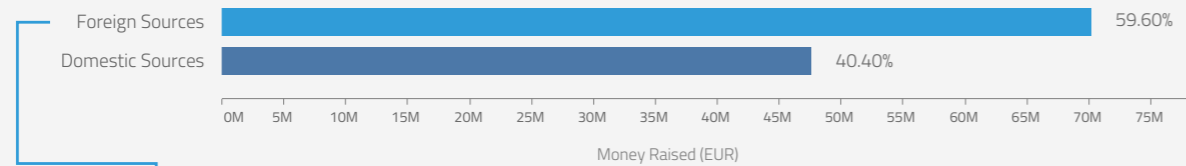
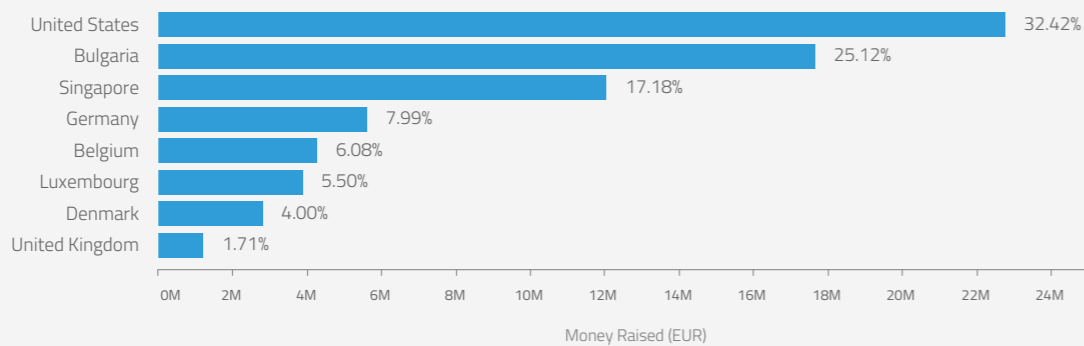
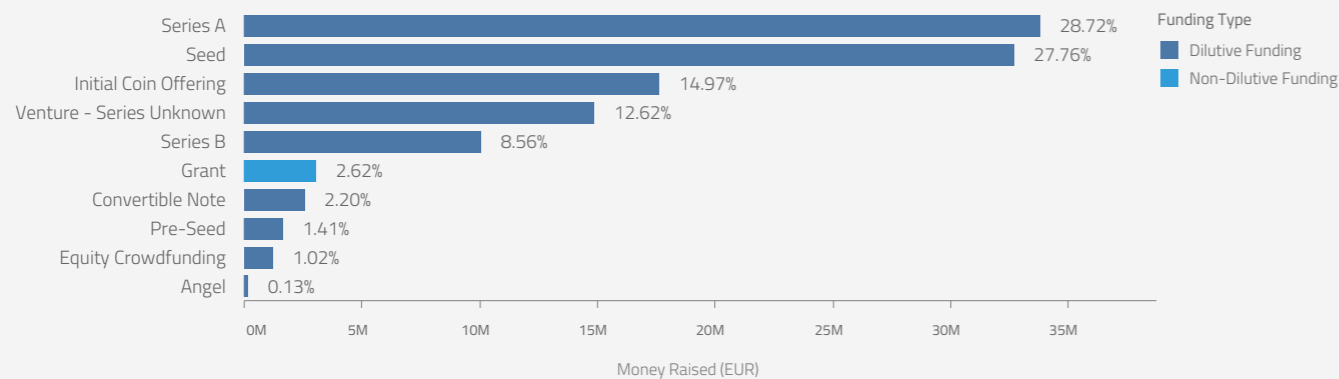


Fig 6: Origin of Money Raised by Country



This is the shortest gap (19.2%) between foreign and domestic sources of funding that we have observed in the TOP 25 (Fig 5) when compared to the TOP 25 in previous report editions (i.e., SP 2018 and 2019). For instance, there was a 75% gap in 2019<sup>3</sup> and 49.26% gap in 2018<sup>5</sup>. This indicates that the participation and contributions of domestic investors is increasing compared to previous years. A detailed look into the foreign sources of funding shows that the United States continues to be the largest contributor (Fig 6). This observation holds for the wider Portuguese startup ecosystem, where the United States contributes over 60%<sup>4</sup> of the money raised by startups originating from Portugal.

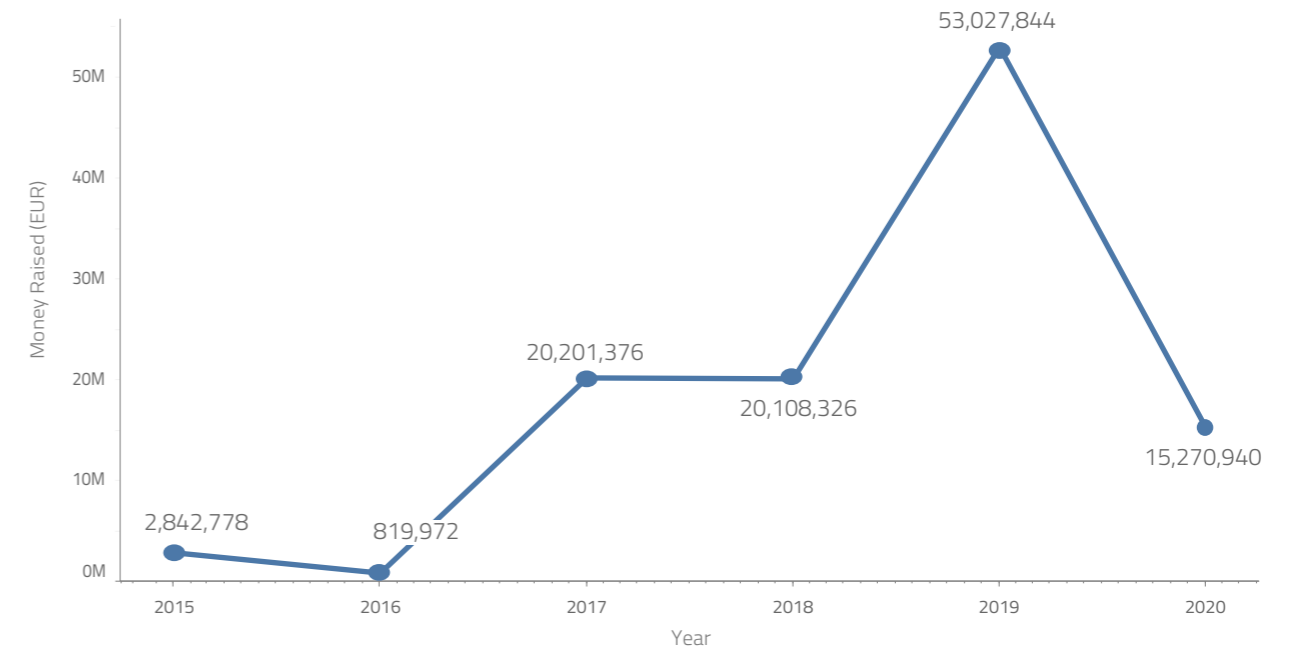
Fig 7: Money Raised by Funding Type



<sup>5</sup> Please see Scaleup Portugal 2018

There is a smaller representation of non-dilutive funding (2.62%) in the TOP 25 (Fig 7) when compared to observation in our previous report editions (i.e., SP 2018 and 2019). For example, the representation of non-dilutive funding in the TOP 25 in 2019 and 2018 was 4.96%<sup>7</sup> and 10.98% respectively, which emphasises the growing maturity of Portuguese investment landscape. With the decline in grant financing there appears to be a gap in early-stage financing, which is reinforced by low representation of pre-seed and angel investing (Fig 7). This gap presents itself as an additional barrier to entry for early-stage startups.

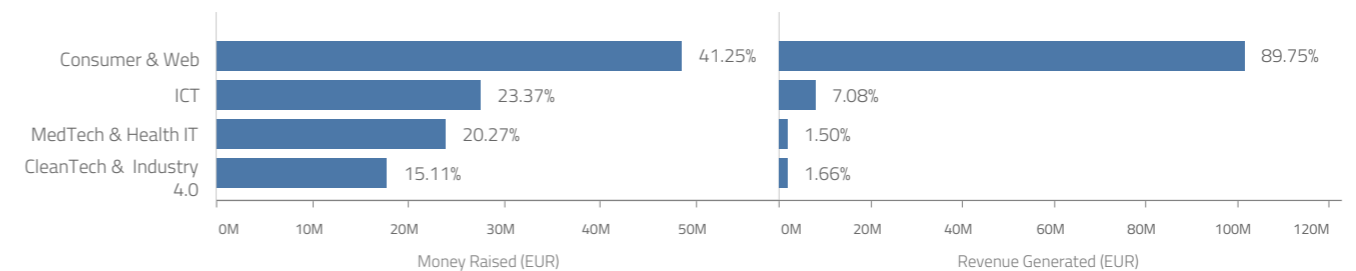
Fig 8: Money Raised Yearly



Consistent with results from previous report editions we observe an upward trend in money raised by the TOP 25 (Fig 8). This trend peaked in 2019, with a sharp drop in 2020, similar to observations in the wider ecosystem<sup>6</sup> (Fig 8). The sharp drop in 2020 can be explained by the occurrence of the Covid-19 pandemic.

# HOW ARE THE TOP 25 PERFORMING?

Fig 9: Money Raised & Revenue Generated by Vertical



<sup>6</sup> Please see the Portugal Startup Outlook 2020 Report  
<sup>7</sup> Please see the Scaleup Portugal 2019 Report



2019 and 2020 appear to be good years for scaleups within the Consumer and Web vertical as they raise the most money (41.25%) and generate the most revenues (89.75%) (Fig 9). In previous report editions the ICT vertical had consistently taken the lead in money raised (80%) and revenues generated (50%)<sup>7</sup>.

Fig 10: Money Raised & Revenue Generated by Business Model

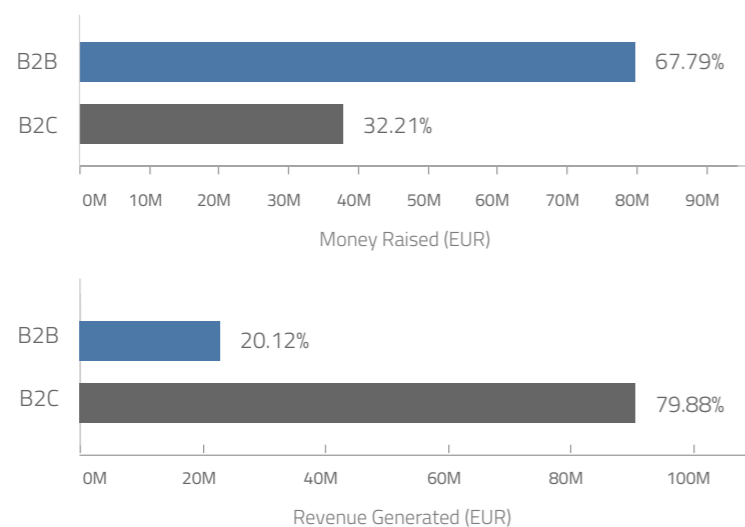
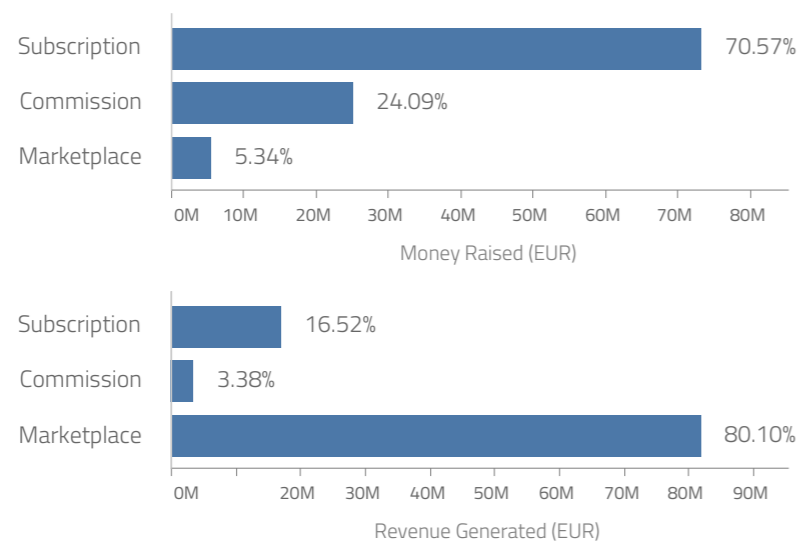


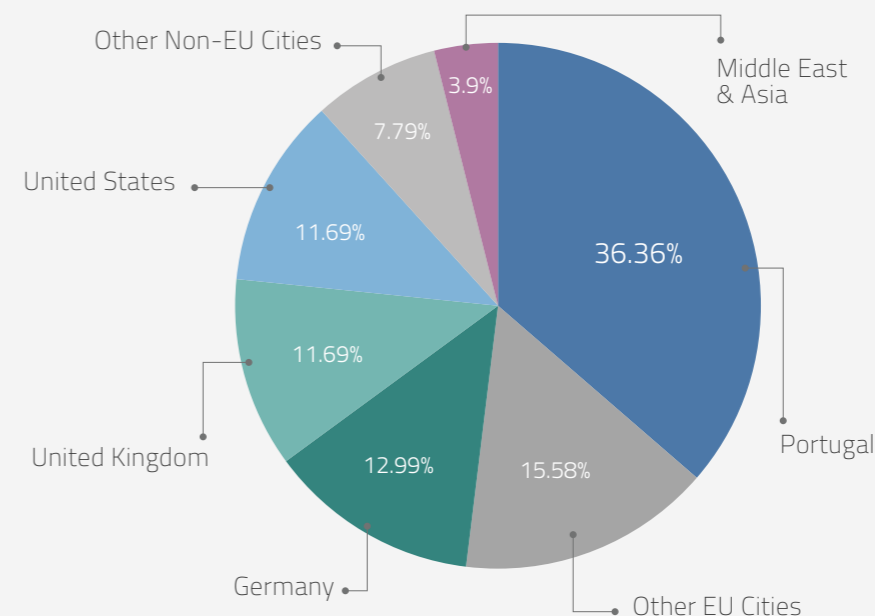
Fig 11: Money Raised & Revenue Generated by Revenue Model



Scaleups with a B2B business model lead in terms of money raised (67.79%), while B2C scaleups lead in revenues generated (79.88%) (Fig 10). This observation is driven by investors preference in investing in B2B SaaS companies due to their scalability and recurring revenue model, while the increased emphasis on e-commerce due to the pandemic is responsible for the large revenues in marketplaces (Fig 11).

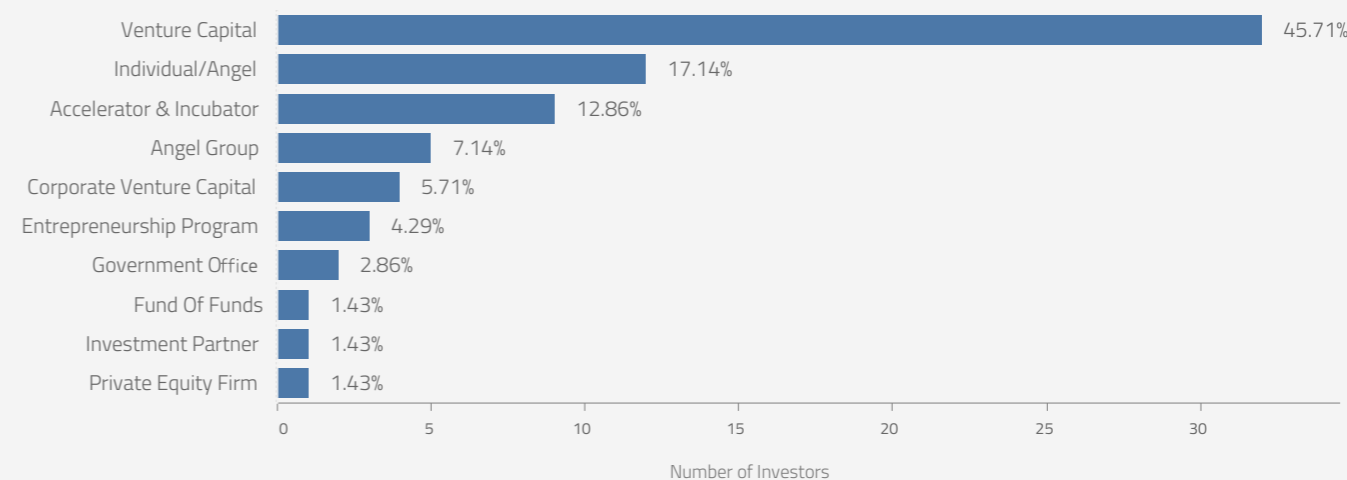
## WHO INVESTED IN THE TOP 25, AND WHERE ARE THEY FROM?

Fig 12: Investor Distribution by City



Portuguese investors (36%) represented the largest share of investors that invested in the TOP 25, followed by investors from other EU countries and Germany (Fig 12). Majority of seed-stage investments are made by Portuguese investors, however, their contributions are beginning to shift towards later stage investment, further deepening the dearth in early stage investments observed earlier in figure 7.

Fig 13: Investor Distribution by Investor Type



6 Please see the Portugal Startup Outlook 2020 Report  
7 Please see the Scaleup Portugal 2019 Report

The participation of Angel (17.1%) investors appears to be high, even though their funding contributions (0.13%) are insignificant (Fig 13). In addition, participation by Corporates and Fund of funds appear to be low, while that of Accelerators and Incubators is relatively significant (Fig 13), which indicates the importance of Accelerators and Incubators to the ecosystem and highlights the gap between corporates and the startup ecosystem.

## WHO ARE THE PEOPLE BEHIND THE TOP 25?

Fig 14: Founder Distribution by Gender

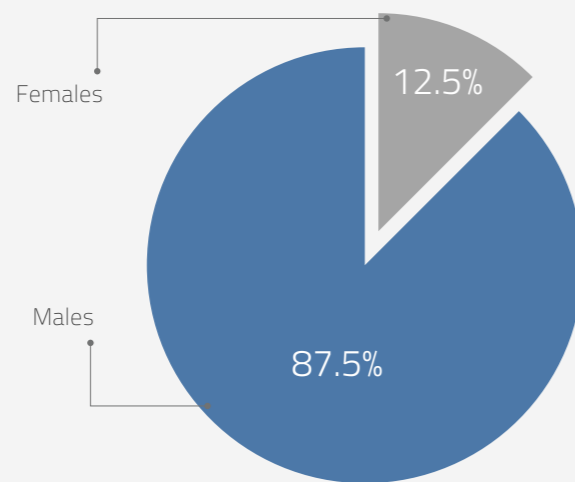
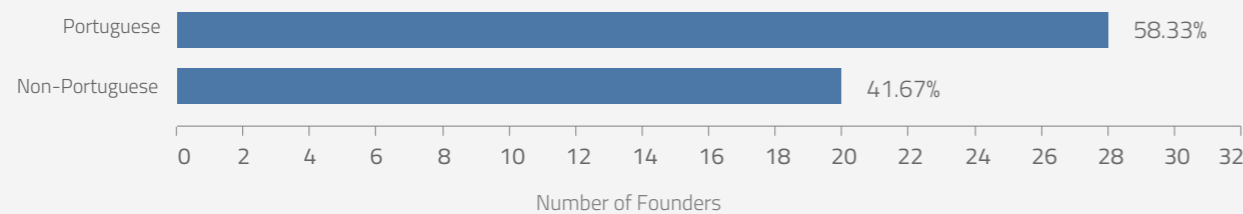


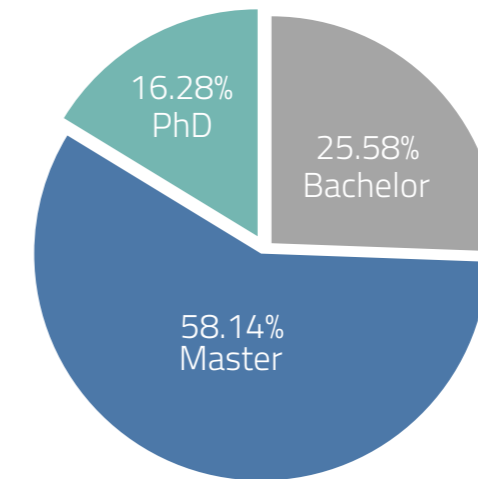
Fig 15: Founder Distribution by Nationality



Majority of the founders in the TOP 25 are male, however there was a slight increase in female founder representation in 2020 (12.50%) compared to observations in our 2019 report (9.68%)<sup>6</sup> (Fig 14). In spite of growing diversity and inclusion programs (D&I), the founder gender gap appears to be closing very slowly. There is a significant number of Non-Portuguese founders (41.67%) in the TOP 25, which is slightly higher than our observation at the wider startup ecosystem in Portugal, which shows 33.3%<sup>7</sup> of founders are non-Portuguese (Fig 15). Non-Portuguese founders have a significant representation because of the startup programs designed by the Portuguese government to attract foreign talent (e.g., Startup Visa program).

<sup>7</sup> Please see the Scaleup Portugal 2019 Report

Fig 16: Founder Distribution by Highest Qualification



All the founders in the TOP 25 have some form of formal education with a significant share (58.14%) having at least a master's degree (Fig 16). This observation emphasises the fact that Portuguese founders are well educated. Majority of the founders in the TOP 25 attended the University of Porto (32.56%), followed by University of Aveiro (11.63%) and University of Minho (9.30%) (Table 7).

Fig 17: Founder Distribution by University Attended

Universidade do Porto	32.56%
Universidade de Aveiro	11.63%
Universidade de Minho	9.30%
Universidade de Coimbra	4.65%
Harvard University	4.65%
Instituto Superior Técnico	4.65%
Escola Superior de Tecnologia e Gestão de Felgueiras	4.65%
ISCTE Business School	4.65%
KTH Royal Institute of Technology	2.33%
Technische Universiteit Delft	2.33%
Katholieke Universiteit Leuven	2.33%
Copenhagen Business School (CBS)	2.33%
Technical University of Munich	2.33%
Universitat Politècnica de Catalunya	2.33%
Universidade Católica Portuguesa	2.33%
ISLA - Instituto Politécnico de Gestão e Tecnologia	2.33%
IE Business School	2.33%
Cairo University	2.33%





## António Bob Santos

Member of the Board at ANI

The 2020 Scaleup Portugal Report presents a characterization of the entrepreneurship panorama in Portugal, namely with regard to the most promising companies and technological start-ups. In the last decade, Portugal has improved its position in the international rankings of innovation and entrepreneurship. This is the result of a great dynamism from companies and from the technological infrastructures, but also the result of the support from public policies to create favourable conditions for a vibrant entrepreneurship ecosystem.

This Report, prepared by BGI, reflects this dynamism and gives visibility to the 25 scaleup companies that stood out the most in the last 5 years. We know that entrepreneurship is not easy, so we congratulate these start-ups, but also everyone who ventures to create something new and found their companies. The National Innovation Agency will continue to support this ecosystem, working together with incubators, accelerators and other entities, so that start-ups can be increasingly successful.



9  
Expert Commentary  
By ANI

*"Supporting entrepreneurial activity is one of the most important goals of IAPMEI. We are proud to see that projects we have supported in idea stage are becoming innovative companies!"*

The Top 25 Portuguese startups brings together a wide variety of startups created in Portugal since 2015, by Portuguese entrepreneurs, but also by foreigners who have chosen our country to invest and create their business.

These are agile, flexible and technological Startups created by a qualified generation which cover sectors ranging from Health to Financial Management and Smart Agriculture. They are inspiring startups which are changing our way of living and working.

We are proud to see projects that we have supported since the idea stage becoming innovative companies!

In this batch of startups, we find entrepreneurs and startups which IAPMEI has supported through programs, such as Startup Visa and Tech Visa; others that were supported by European programs, such as Horizon 2020 and European Innovation Council and which, in this context, were, or are being followed up by the EEN-PORTUGAL's team; others that used instruments supported by IAPMEI, such as Innovation Scoring and companies that were and are supported through Incentive Systems managed by IAPMEI, such as Innovation vouchers, Productive Innovation, I&DT- Empresarial and now more recently, ADAPTAR Microempresas and ADAPTAR PME programmes, which aim to mitigate the effects of the pandemic crisis.

IAPMEI manages a set of financial and non-financial instruments, which are useful in different stages of the company's development, from the idea phase. IAPMEI wants increasingly more to be a facilitating and supporting partner during the whole growth journey of companies.

The challenges for the Portuguese economy are huge and will continue to demand companies a bold and competitive attitude. It is increasingly important to support companies like these, so that they present innovative solutions which will help to overcome the pandemic context in which we live.

The change is in the hands of the Startups. It is from them that the most innovative and disruptive ideas "are born", with the potential for growth and to become successful market offers.

Nevertheless, innovative ideas have an increased associated risk, particularly for new companies and new entrepreneurs and, therefore, these usually struggle with difficulties in obtaining the necessary financing.

Although entrepreneurs are excellent technologists and know well the market where its business operates, their projects typically present weaknesses in the management area, which is why it is essential to create a supportive, robust and effective ecosystem.

We believe that IAPMEI is a key part of this ecosystem, as well as the incubators and accelerators, such as BGI, which stands out for the quality of its initiatives and the uniqueness of its proactive dynamics.

Among these initiatives, the Scaleup Portugal report deserves to be highlighted. Selecting the Startups that have stood out the most in the last 5 years, helps to draw the attention of all ecosystem's agents, thus facilitating the access to finance and enhancing the quality of its management capacities.

IAPMEI intends to maintain its commitment with companies and the entrepreneurial tissue, by participating, creating and supporting solutions which will contribute to the paths to be taken by Portuguese startups.





# 11 Final Conclusion

Even though the Scaleup Portugal is a micro-analysis, and essentially a snapshot of the broader Portuguese entrepreneurial and innovation ecosystem (E&I), it echoes the sentiments shared by many ecosystem stakeholders. We also see some similarities in observations with our broader analysis of the ecosystem - Portugal Startup Outlook 2020 report. We observe an increase in the contributions of domestic investors in general, and a shift towards later-stage investments by the same category of investors, with apparent consequences. One of those consequences is that there is a widening gap in early-stage investment, which is further deepened by the decline in grant financing, hence creating a steeper barrier for venture creation. EIT Digital is one of the organisations trying to address this challenge by creating pre-acceleration programs targeted at early-stage entrepreneurs.

We also observe the gap that exists between corporates and startups as a result of their minimal representation and funding contributions. Referring to the growing gap at the early stage, there is an opportunity for corporates to plug in, especially because early-stage startups are looking for opportunities to pilot their innovations. This could set the stage for all - entrepreneurs, corporations and the ecosystem - to win.

Our findings further show that there is still a significant gender gap among founders despite the variety of programs and initiatives that have been set to close this gap. It is argued by several experts that the slow representation of female founders in Portugal is due to strong cultural influences. This suggests programs that address this issue should be implemented at a border cultural level. A lot of the founders appear to have technical backgrounds, and our observation further highlights that Portuguese founders and talent are highly qualified. It is often suggested that this highly skilled talent is affordable when compared to talent in other parts of Europe. Furthermore, there is a significant representation of non-Portuguese founders in Portugal, as a result of the programs the government has established to attract talent, coupled with the affordable standard of living, and positive business environment.

The importance of acceleration and incubator programs is highlighted in our observations, and we recommend that greater support to these types of organizations will be essential to addressing some of the challenges mentioned in this report. For instance, accelerators and incubators are closely linked to universities and can therefore channel resources and knowledge that could help reduce the gender gap and increase investments at the early stage.

*Today, Portugal is appearing in the mapa mundi of innovation as a place to build vibrant entrepreneurial ventures*

**-Gonçalo Amorim**  
CEO at BGI

# ACKNOWLEDGEMENTS

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We would like to thank the individuals and organizations who made it possible to complete this report. Firstly, we would like to thank EIT Digital as a whole; EIT Digital as the leading European digital innovation and entrepreneurial education organization driving Europe's digital transformation was extremely supportive of the data collection and preparation of this report. Through the ARISE outreach programme and intensified activities in Portugal, mainly their partnership with BGI, EIT Digital has put Portugal's scaleups in the focus of their attention. More specifically, we would like to thank Fabio Pianesi for his invaluable support.

We also want to thank our data partner Informa D&B for giving us access to their vast databases. Their support made it easier for us to compile data critical to our analysis, which made the report more argumentative and credible. Furthermore, we want to thank the following organizations in no particular order for enabling us to prepare the report: ANI, Altice, Microsoft for Startups, Sapo, IAPMEI and The Square.

Finally, we acknowledge the contribution of the BGI team for their tireless effort in the preparation of this report. Each person's role has been instrumental to the success of the report. Gonçalo Amorim (CEO; Editor-in-Chief), Pritesh Dineschandra (CMO; Quality Assurance), Sofia Fernandes (Head of Business Development; Editor), Nuno Serra (Head of Operations; Editor), Tomé Canas (Head of Open Innovation; Editor), Otitooluwa Dosumu (Digital & DeepTech Manager; Data Analysis & Report writing), Cláudia Carocha (Food & Sustainability Manager; Data Validation), Beatriz Riscado (Community Manager; Event Planning), Sami Haraketi (Content & Design Manager; Graphic Design & Website), Eduarda Monteiro (Communication Manager; Communication Plan and Event Manager), Reihaneh Hajishirzi (Data Analyst Intern; Dashboards & Quality Assurance), and Galina Vysotskaya (Business Development Intern; Quality Assurance).

# ANNEX

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**1.** The ventures were ranked based on 5 factors:

- a. Total funding (TF)
- b. Total revenue generated (TR)
- c. Number of Employees (TE)
- d. Capital turnover ratio (CR)
- e. Time to Market

**2.** A standardised score (z-score) was first calculated for the chosen factors (i.e., TF, TR, TE & CR) for each startup. This z-score evaluates the distance from the mean using standard deviations and allows each of the startups to be compared with each other.

**3.** Weights were then assigned to each factor for each venture. The objective of the weighting process was to indicate the importance of each factor in the ranking. The importance of each factor was determined as a matter of practical relevance. Weights were determined using the Rank Sum Method. The weights when summed are equal to one. However, before weights were assigned to each factor (i.e., TF, TR, TE & CR), we took into consideration technology intensity or time to develop technology. We have proxied the latter by the time it takes to generate revenue alongside capital intensity (cash burn).

**4.** The weighting process was based on industry research, which led to some of our assumptions; we assumed that deep technology companies usually take longer to generate revenue because they generally have larger CAPEX values, in order to develop their technology and reach the market.

**5.** Given the period of our analysis (i.e., 5 years) we assumed the average time to develop technology to be 2 years after year of foundation. We also assumed that the time to develop technology was dependent on the vertical, i.e., some ventures in a vertical were more likely to generate revenue more quickly than others. Taking these assumptions into consideration we divided our sample into 2 categories. The 1st category included ventures that have been operational for 3 years or more. While the 2nd category included ventures that have been operational for 2 years or less.

**a.** In the first category, weights were only assigned to the TR z-score of startups who started generating significant revenue (US\$30k) in their 3rd year of operation. Ventures in this category who started generating significant revenue in years exceeding the third year received lesser weights. We essentially ignore the revenues generated in the first 2 years of operation for startups in this category.

**b.** In the 2nd category, weights were assigned only to the TR z-score of startups who generated significant revenue (US\$10k) in either the 1st or 2nd years of operation. For instance, ventures in this category who generated significant revenues in the 1st year received greater weights than those which started generating revenue in the subsequent year.

**6.** By following this process, we produced a score that takes into consideration year of operation and time to market which we term the "Time Weighted Revenue Score".

**7.** We go further to assign final weights (step 3) to the "Time Weighted Revenue Score", TF z-score, TE z-score, TR z-score and CR z-score, which we sum up to produce the rank score. In general, total capital received the largest weight followed by total revenue generated and capital turnover ratio and finally the number of employees.

**8.** We then ranked the startups based on the final rank score to determine the hierarchy of the Top 25 Portuguese scaleups. Following the above steps, we have the resulting algorithm:

**a.** {EQ 1}  $WT * (z\text{-score of Total revenue}) = \text{Time Weighted Revenue Score}$

**b.** {EQ 2}  $W1 * (\text{Time Weighted Revenue Score}) + W2 * (z\text{-score of Total funding}) + W3 * (z\text{-score of Capital turnover ratio}) + W4 * (z\text{-score of Total number of Employees}) = \text{Rank Score}$

**c.** Given  $W1 + W2 + W3 + W4 = 1$

All of the financial figures are reported in euros except otherwise stated. Some data (e.g. Total revenue) was deliberately not presented individually for confidentiality reasons, however, such data was used aggregately. The data on Total revenue and Capital raised was the sum of all total revenue and capital received from the foundation of each startup (i.e. from 2015 - 2020).



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