

WAVESTONE

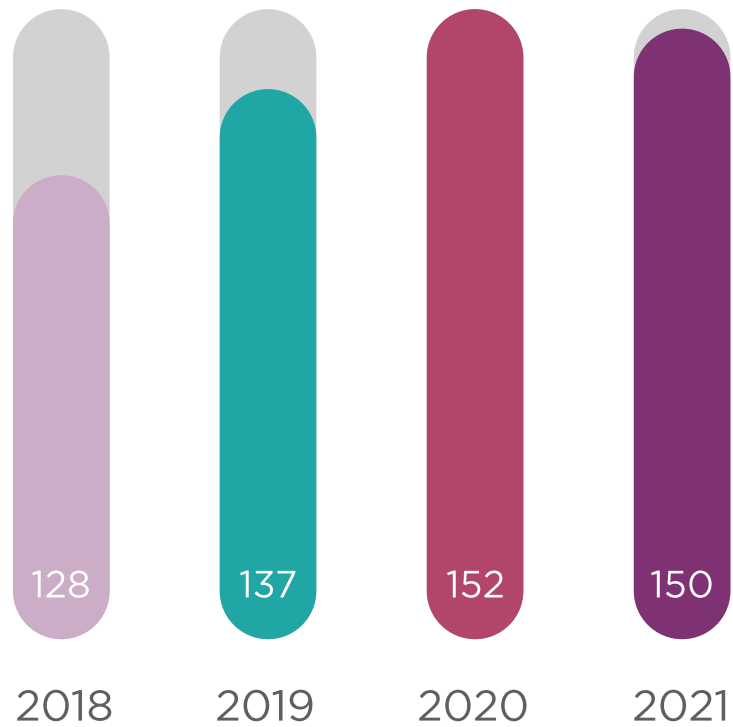
Cybersecurity startups **Radar 2021**

French cybersecurity innovation ecosystem analysis
2021 edition

June 17th, 2021

Still a booming ecosystem

NUMBER OF STARTUPS IN OUR RADAR



Cybersecurity startups radar | 2021



150

Cybersecurity startups in France

19

Startups created since January 2020

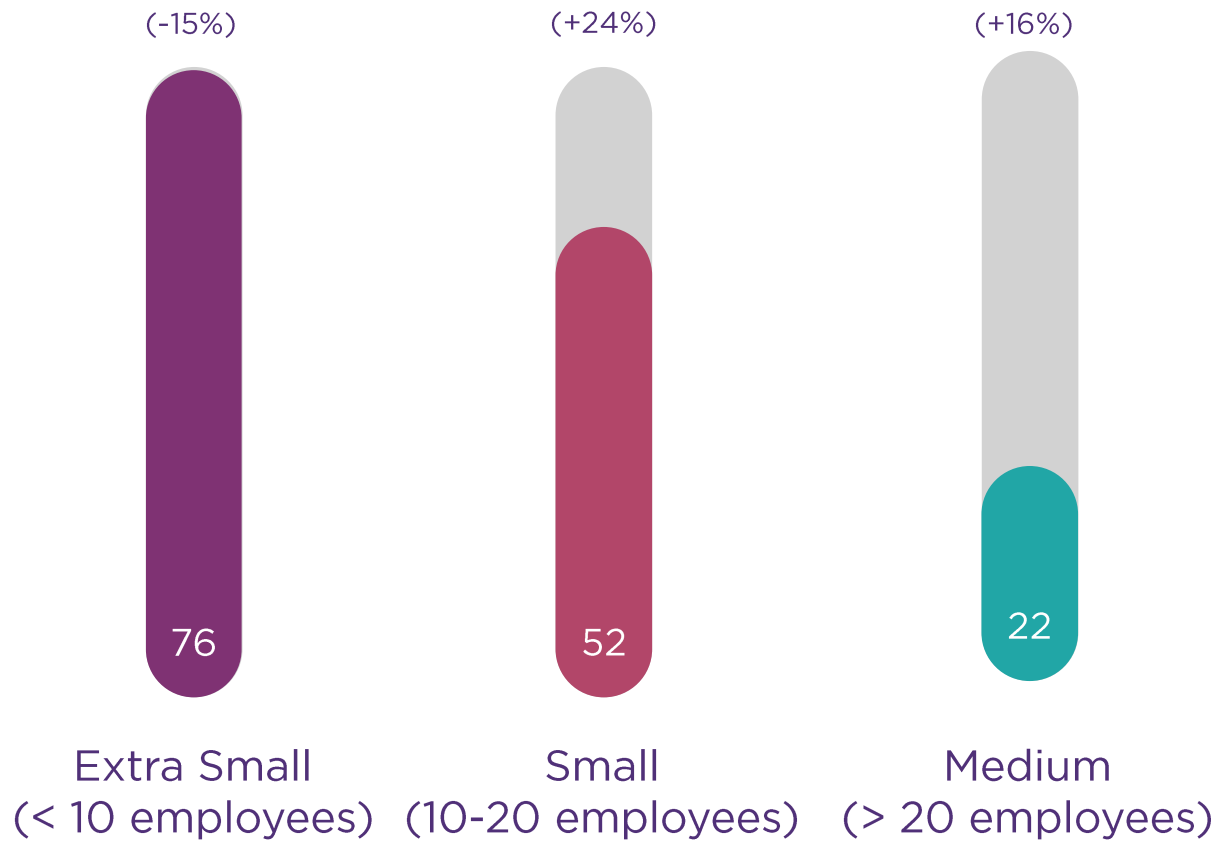
13

Cybersecurity scale-ups in France



More jobs and better-structured teams

NUMBER OF EMPLOYEES IN STARTUPS



About
1600
direct jobs

24%
increase in
Small teams
since last
year's edition

A well-spread ecosystem



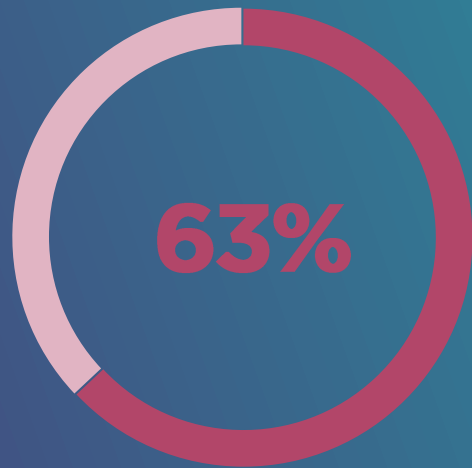
Paris prevails, hosting
63% of the startups

Relying on strong academic and industrial sectors, other strong areas emerge like

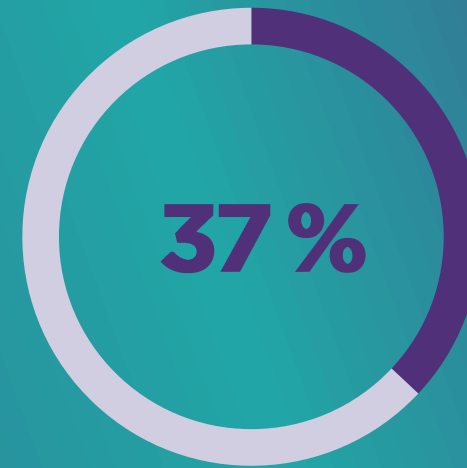
Rennes and **Lyon**



French startups are not keen on emerging topics



VS



of startups reinvent existing security solutions

of startups create new security solutions (27%) or secure new use cases (10%)

NB: The less innovative ones can be very successful if they are commercially agile

Focus on some booming sectors



THREAT
ANTICIPATION



GOVERNANCE RISK
& COMPLIANCE



AWARENESS



SEKŌIA

ANOZR WAY
cyber artificial intelligence

INCIDENT
RESPONSE

EGERIE
INTEGRATED CYBER RISK MANAGEMENT



ENDPOINT DETECTION
& RESPONSE

mantra

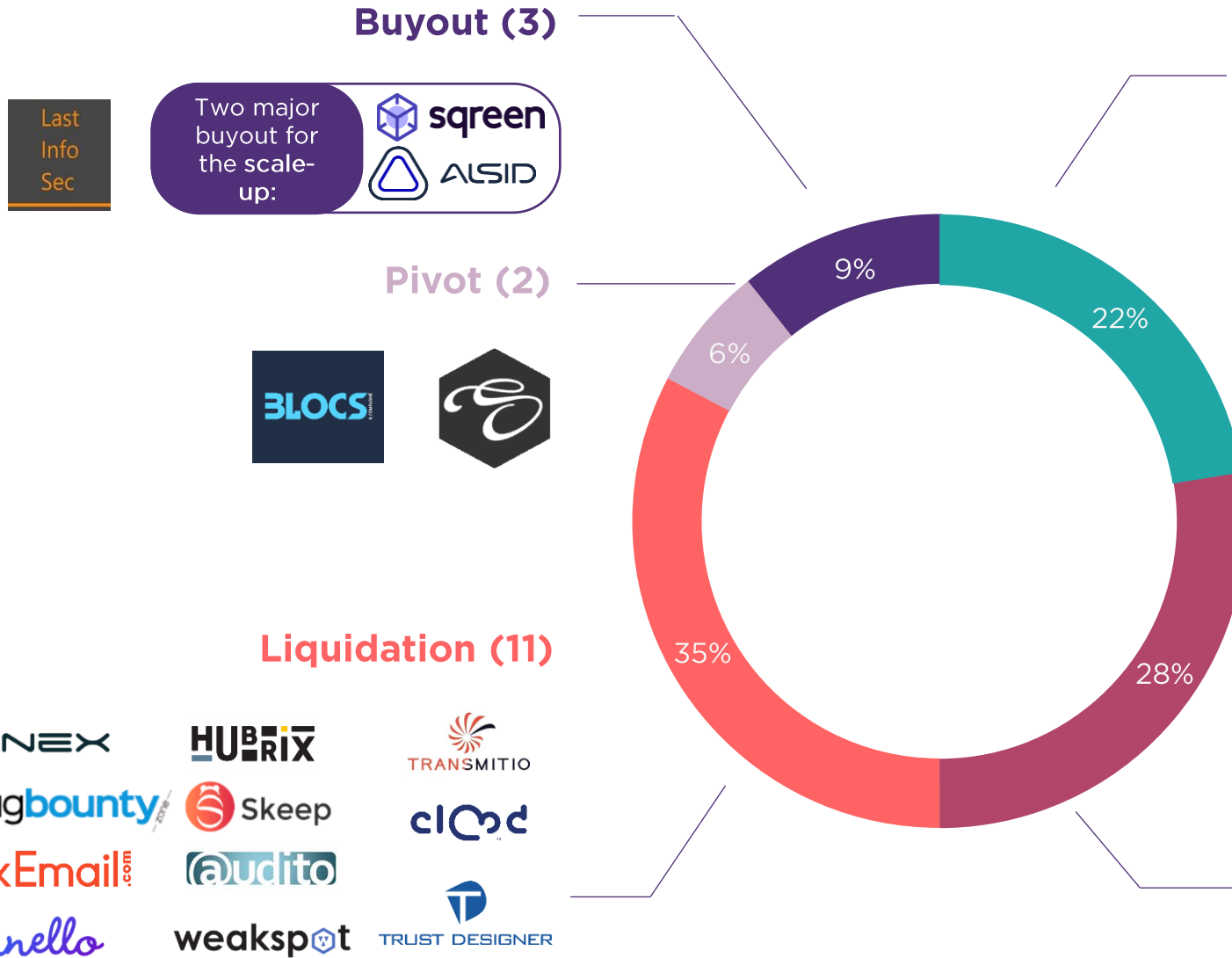
AvantdeCliquer
L'humain au cœur de la cybersécurité .com

Surprisingly, few startups are working on cloud security or ciphered flow security

A startup ecosystem that matures



MAIN REASONS FOR LEAVING THE RADAR



Last Info Sec

Two major buyout for the scale-up:

Buyout (3)

Pivot (2)



Liquidation (11)



>35 employees (7)

Still a good number of fast risers, some of these join the Scale-ups category



>7 years of existence (9)

Lack of growth on the sales, recruitment and funding



Impacts of the health crisis on the ecosystem

GLOBAL IMPACT ON FRENCH STARTUPS AFTER A YEAR OF HEALTH CRISIS



Strong

High impact compared to nominal situation

Positive

The crisis brought opportunities

Medium

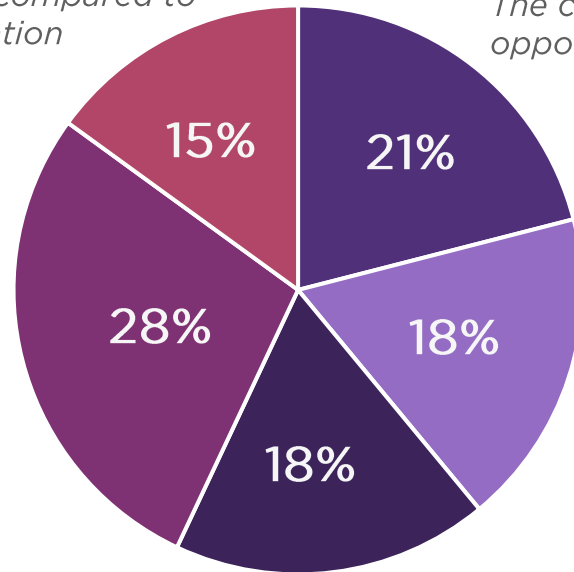
Moderate impact compared to nominal situation

Steady situation

The situation was equal to nominal one

Low

Weak impact compared to nominal situation



50% faced a slowdown of their business activities

30% had to delay their search for investments

It was still a favorable period for startups' internal projects, which will allow a better restart

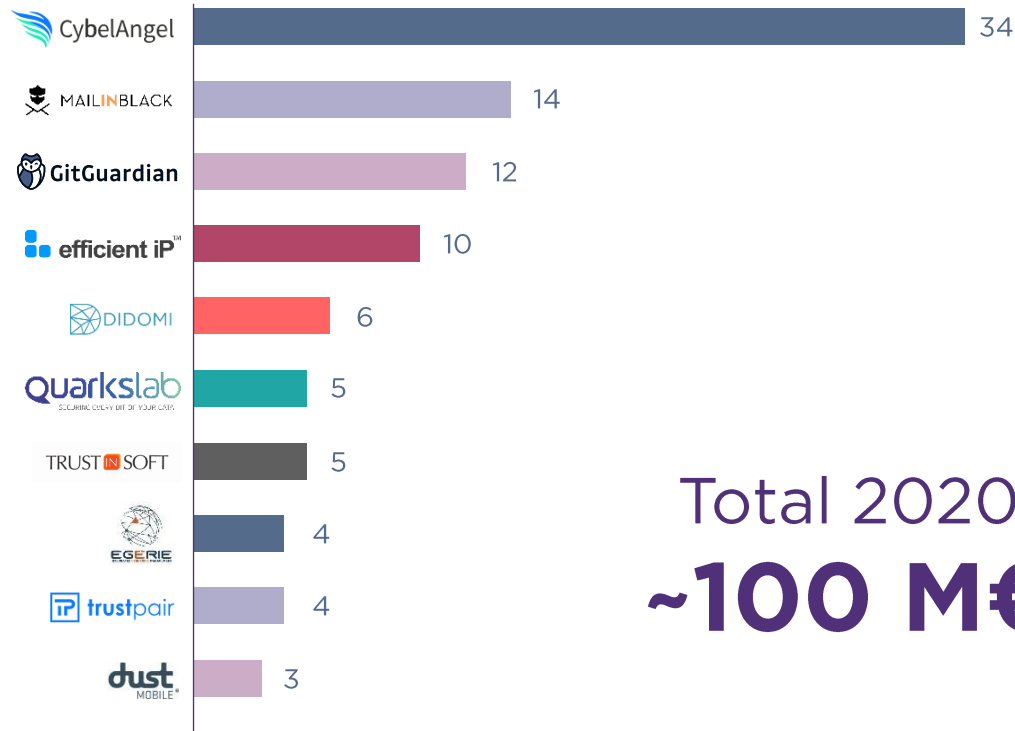
Comparison of the major fundraising events

FUND RAISED BY CYBERSECURITY PRODUCT STARTUPS & SCALE-UPS



2020 Top 10 fundraising events

in M€, from June 2019 to June 2020



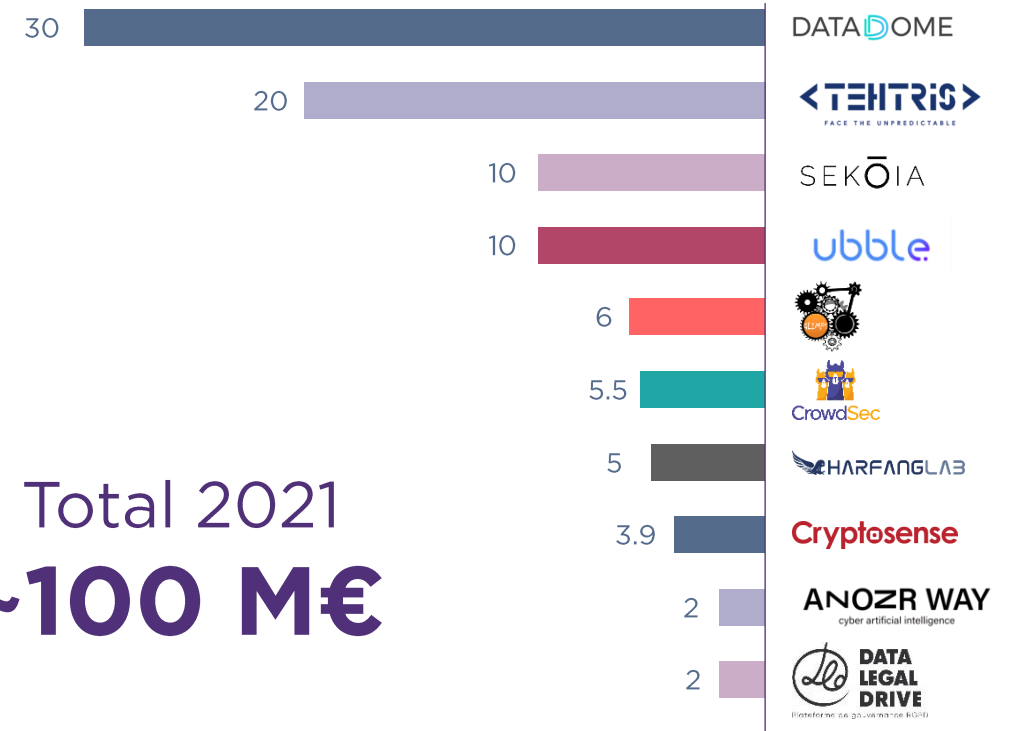
Total 2020
~100 M€

VS

Total 2021
~100 M€

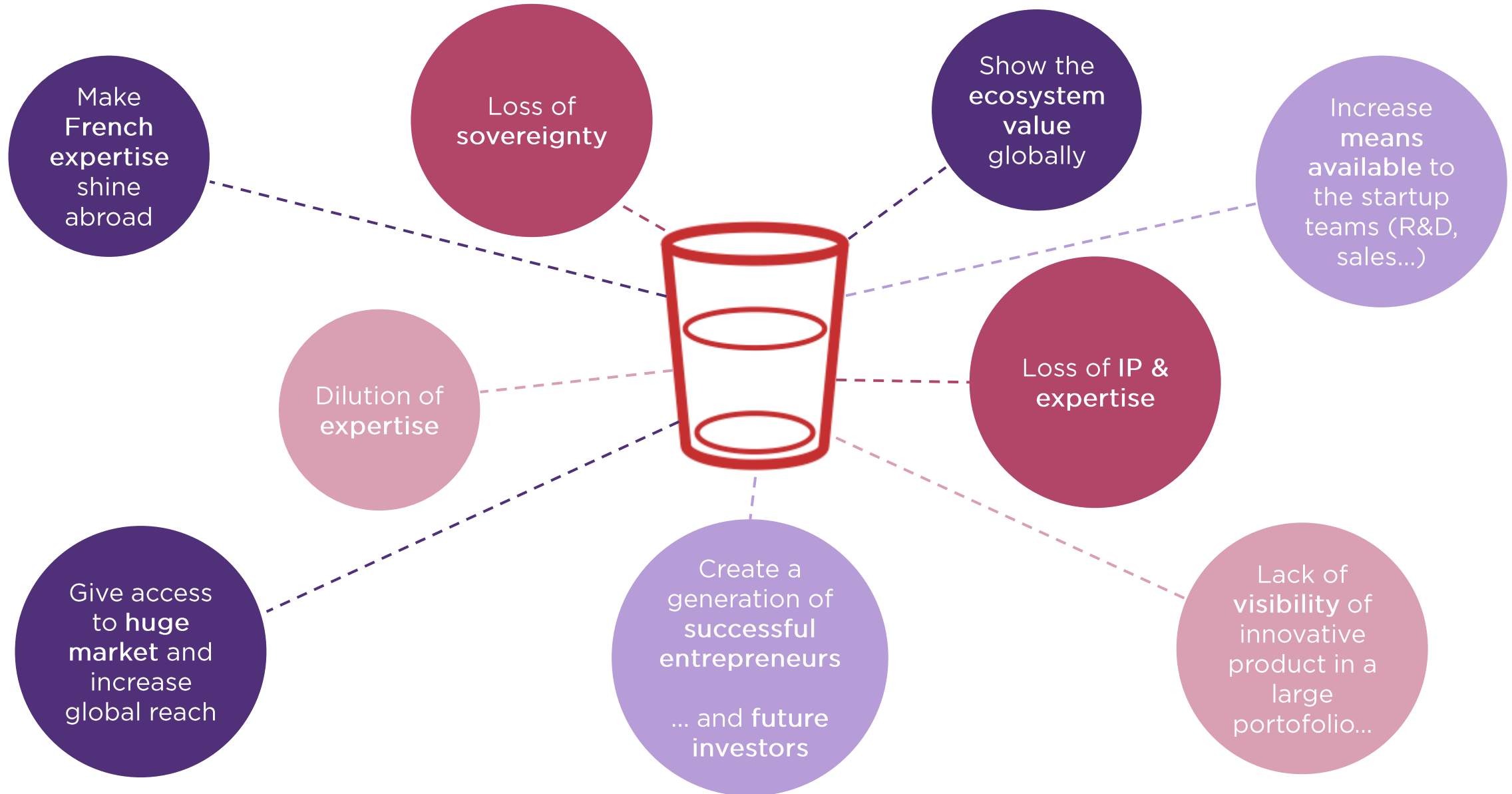
2021 Top 10 fundraising events

in M€, from June 2020 to June 2021



Exit or not, that is the question?

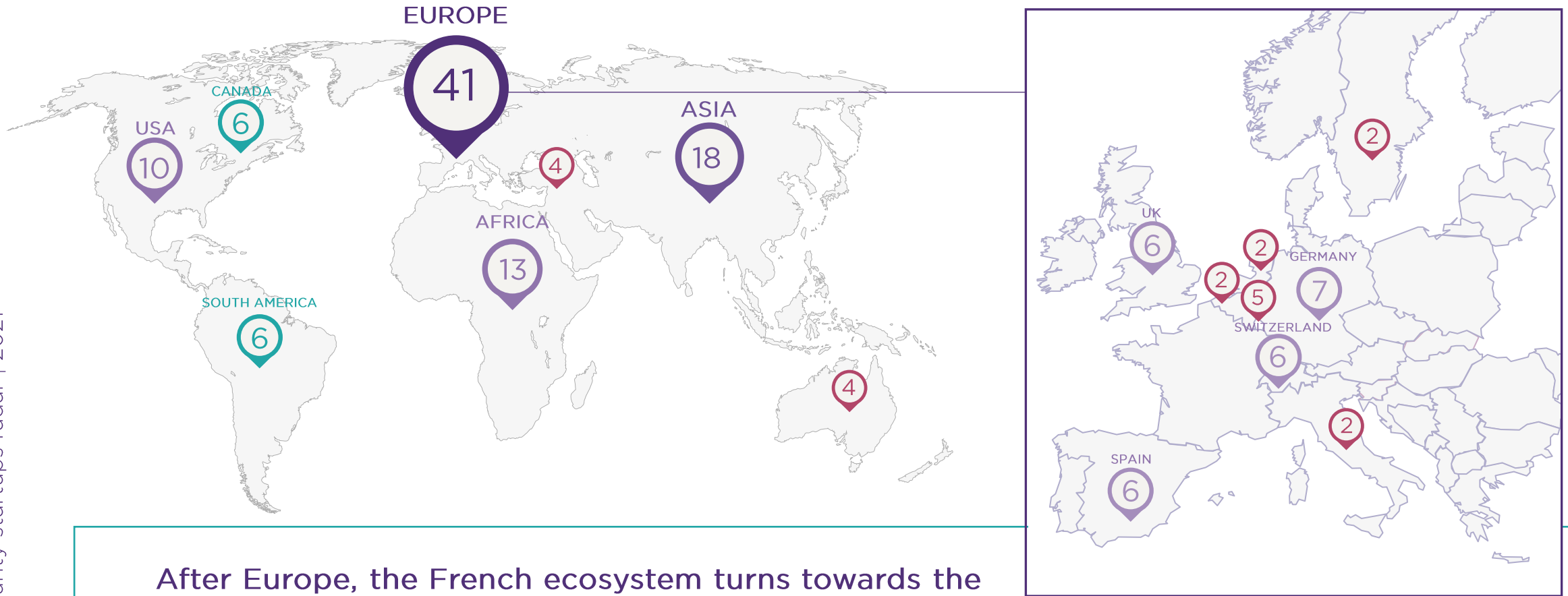
A HALF EMPTY OR HALF FULL GLASS



French startups already have clients all over the world



Cybersecurity startups radar | 2021



After Europe, the French ecosystem turns towards the Asian and American markets.

In Europe, the most targeted countries are Germany, Switzerland, Spain and the United Kingdom

2021: the year of French national investments



February

French recovery plan

- / **1 billion euros** dedicated to strengthening cybersecurity at a national scale
- / Including **500 million euros** for the economic development of the sector and R&D

February-September

Cyber “Grand Défi”

- / **11 selected winners** received funding (February)
- 
- / Call for Expressions of Interest for the cyber **startup studio** closed (March)

End of 2021

Cyber campus

- / **Opening** planned for **November**
- / Opening of the **French Cyber Booster startup studio**
- / **A future catalyst** for French innovation in cybersecurity?



What can we do?

The path to create French cybersecurity unicorns?



Succeed in launching the first French dedicated cybersecurity incubator: **startup studio?**



For the investors
Target the scale-ups and go for a significant B/C series



For the startups
Be disruptive and listen to the market needs



2021

**a key year to transform
the French cybersecurity
ecosystem**

Methodology: startups



1

Global watch on cybersecurity and digital trust startups

2

1000 cybersecurity startups in our global watch list

3

Meetup with ~3 startups / month and incubator

Criteria



Headquartered in **France**



Less than **35 employees**



Less than **7 years** of existence (except major business changes)



Less than **50% in consulting activities**

Validation through **open sources** and **direct contact*** with most of the startups in the Radar

** 90 % of the startups answered our 2021 survey*

Methodology: scale-ups, a new category



Headquartered in
France



Less than **50% in consulting activities**



Do not meet the
cybersecurity radar criteria

Significant fund raise

A **founding round** of at least **10 M€**
within the last 3 years

OR

Significant sales revenue growth

If sales revenue > 5M€, and annual growth of sales revenues > 25% (last 3 fiscal years)

OR

If 2.5M€ < sales revenue < 5M€, and annual growth of sales revenues > 50% (last 3 fiscal years)

Questions?



Find the 2021
startup radar
on our website



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