

State of the Danish Venture Capital Market 1st Quarter 2025

The quarterly status sheds light on developments on the Danish and international venture capital markets in the first quarter of 2025. Additionally, the analysis includes a spotlight on venture capital investments in defence, security and resilience technologies in Denmark and the broader European market.



Key Takeaways



The Danish venture capital market recorded more deals but lower investment volumes in Q1 2025 – contrary to trends in international markets

Total venture capital investments in Denmark reached EUR 243 million across 40 deals in Q1 2025 – a 34% decline in invested capital, but a 25% increase in deal activity compared to Q4 2024. The quarter was notably shaped by a large biotech investment in Orbis Medicines, which accounted for nearly 40% of total capital.



Venture capital investment in European Defence, Security & Resilience surges – transforming from niche segment to a notable investment space

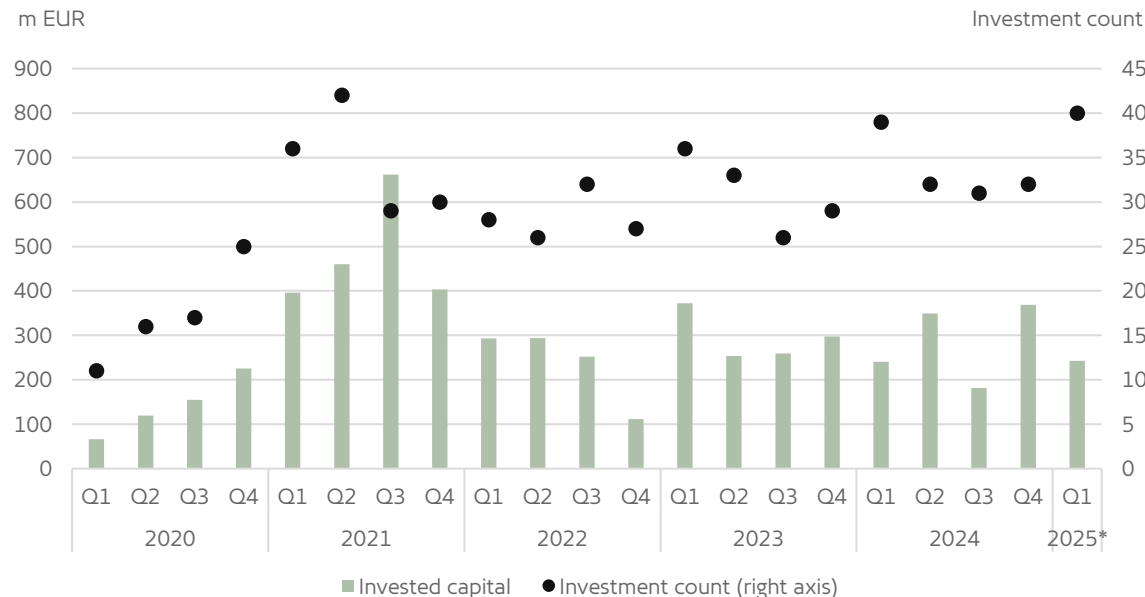
In 2024, European Defence, Security & Resilience (DSR) investments reached EUR 5 billion – making up nearly 10% of total European VC capital – marking the segment's highest share to date. Investor focus on DSR has grown rapidly in response to geopolitical tensions, with strong momentum across all three categories.







Resilience drives DSR investment growth in Denmark – but Defence-related investments remain largely absent

Danish DSR investments reached EUR 90 million in 2024 – a 128% increase from 2023 – accounting for 8% of total VC capital. The growth was driven almost entirely by the resilience segment, reflecting rising investor interest in areas like supply chain robustness and health preparedness. Defence-related VC activity remains limited in contrast to European trends.

Venture capital investments in Danish companies



International venture capital market developments

	Change Q4 2024 → Q1 2025 Invested capital	Change Q4 2024 → Q1 2025 Deal count	Change Q1 2024 → Q1 2025 Invested capital	Change Q1 2024 → Q1 2025 Deal count
	6 %	-14 %	53 %	-32 %
	18 %	-11 %	116 %	-25 %
	3 %	-19 %	15 %	-37 %
	-34 %	25 %	1 %	3 %

Danish venture capital market recorded more deals but lower investment volumes in Q1 2025 – contrary to trends in international markets

In the first quarter of 2025, the Danish venture capital market recorded investments totalling EUR 243 million across 40 deals. This represents a 34% decline in invested capital compared to Q4 2024, but a 25% increase in deal activity. The resulting drop in average deal size reflects a shift toward more smaller funding rounds taking place, with a particular increase in seed-stage investments, while late-stage activity declined.

A key driver of total capital invested in Q1 2025 was a EUR 90 million funding round in the biotech company Orbis Medicines, accounting for nearly 40% of the quarterly total. The deal highlights Biotech as the dominant vertical on the Danish venture market this quarter, aligning with trends from recent years.

The Danish market's development stands in contrast to broader international trends. While invested capital declined in

Denmark, global, US, and European markets saw increases of 6%, 18%, and 3%, respectively. However, Denmark was the only market to register a rise in deal count. In Q1 2025, global, US, and European deal activity fell by 14%, 11%, and 19%, respectively – pointing to a trend of fewer but larger deals internationally, while the Danish market moved in the opposite direction with more frequent but smaller investments.

On a year-on-year basis, Danish venture activity remained relatively stable, with a modest 1% increase in invested capital and a 3% rise in deal count compared to Q1 2024. Globally, capital volumes rose markedly by 53%, driven largely by a 116% surge in US investments, although deal counts declined across all major regions – down 25% in the US, 32% globally, and 37% in Europe.

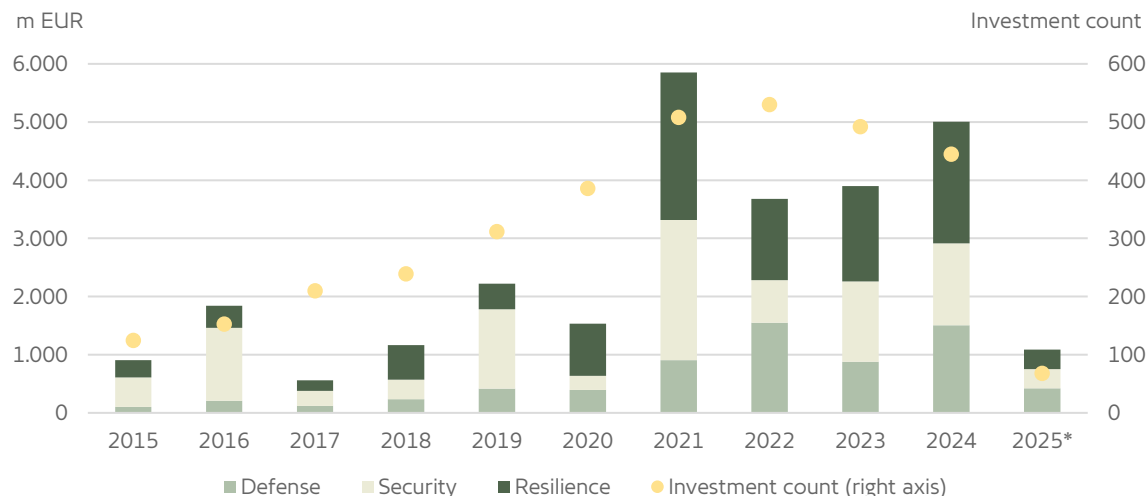
Spotlight:

Venture capital investments in Defence, Security & Resilience

The following section examines developments in venture capital investments in Defence, Security & Resilience across the wider European and Danish market.



Venture capital investments in European Defence, Security & Resilience companies



Venture capital investments in European companies in Defence, Security and Resilience as a share of the total venture capital market



Venture capital investment in European Defence, Security & Resilience surges – transforming from niche segment to a notable investment space

Amid heightened geopolitical tensions and a renewed focus on European security, venture capital investments in defence, security, and resilience (DSR) technologies have gained significant momentum. The war in Ukraine and broader concerns about critical infrastructure and national sovereignty have brought DSR from the margins to the mainstream of European VC activity.

The DSR segment spans a wide range of technologies: *Defence* includes solutions that enhance situational awareness, decision-making, and mobility in complex operational environments – such as autonomous battlefield systems, space sovereignty infrastructure, and threat detection tools. *Security* focuses on energy independence, climate adaptation, and protection of critical infrastructure – ranging from energy storage and nuclear technologies to quantum computing and AI hardware. *Resilience* targets supply chain robustness and health crisis preparedness, encompassing areas such as biotech, semiconductor materials, and critical resource management.

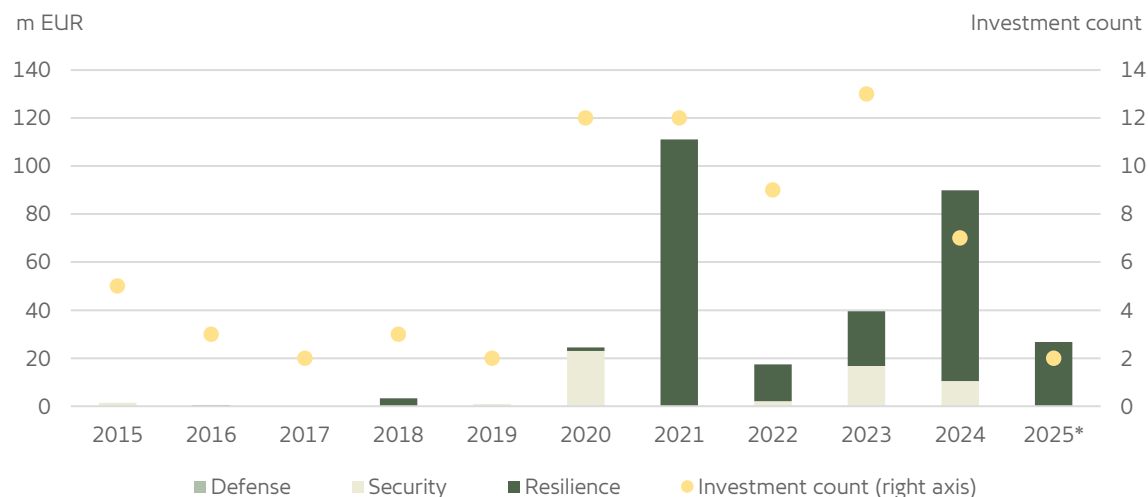
Since 2015, venture capital activity in DSR has seen steady growth across Europe. The sector peaked in 2021 with more than EUR 6 billion invested across over 500 deals –

nearly triple the volume recorded the year before – reflecting both sector-specific momentum and a broader record-setting year for the European VC market.

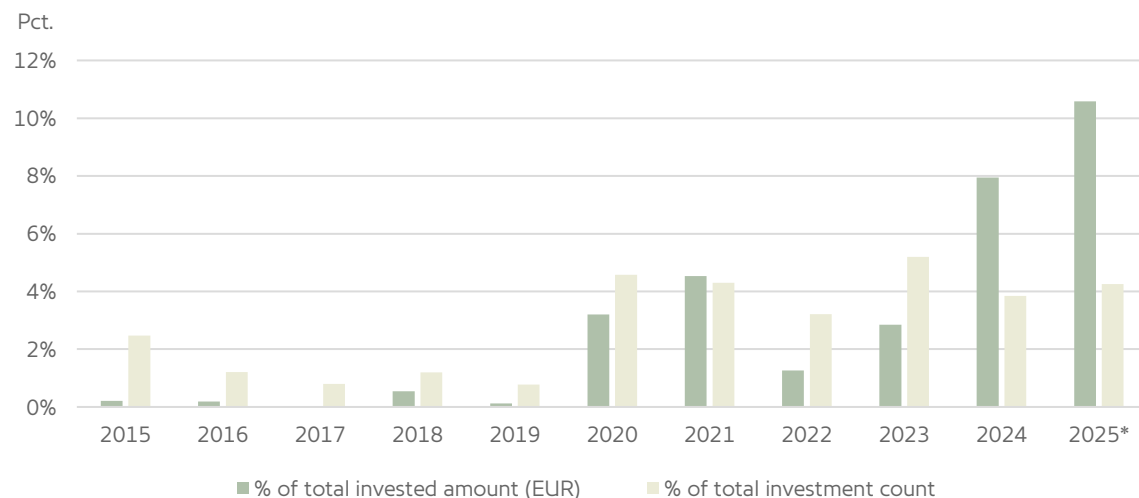
Investment levels have remained strong in the years since. In 2024, DSR investments reached EUR 5 billion across 443 deals – a 30% increase in capital volume year-on-year. The resilience segment attracted the largest share, exceeding EUR 2 billion, while defence stood out as the fastest-growing vertical with a 71% annual increase, reaching EUR 1.5 billion. These figures underline a growing investor appetite across all three segments of the DSR landscape.

When measured as a share of the broader European VC market, the rise of DSR is even more striking. In 2024, DSR accounted for nearly 10% of total invested capital and approximately 4% of all deals – its highest share to date. Once viewed as a niche area, DSR has rapidly become one of the fastest-growing segments in European venture capital, driven by structural shifts in policy, defence spending, and risk perception. Preliminary data from Q1 2025 suggests that investor focus on the sector remains high.

Venture capital investments in Danish Defence, Security and Resilience companies



Venture capital investments in Danish companies in Defence, Security and Resilience as a share of the total venture capital market



Resilience drives DSR investment growth in Denmark – but defence-related investments remain largely absent

Venture capital investments in defence, security, and resilience (DSR) have also grown in Denmark – particularly in recent years – but the market remains relatively small and more volatile compared to broader European trends. Annual fluctuations in both capital volumes and deal counts reflect a still-niche segment shaped by a limited number of transactions.

Growth has been driven almost exclusively by the resilience segment, which has consistently accounted for the majority of Danish DSR capital since 2021. That year stands out, with EUR 111 million invested across 12 deals – all within the resilience category – highlighting a peak in Danish DSR activity that mirrored broader European developments as well as a general surge in overall Danish VC market activity.

Since then, Danish DSR investment activity has remained focused on resilience-related technologies, including supply chain robustness and health crisis preparedness. In 2024, investments in the segment reached nearly EUR 90 million across 7

deals, with close to 90% of capital allocated to the resilience category. In contrast to the wider European market, defence-related investments remain virtually absent in Denmark – a notable divergence, as defence continues to expand rapidly across the continent.

When viewed as a share of the overall Danish venture market, DSR has grown significantly. Prior to 2020, it accounted for less than 1% of both invested capital and deal count. By 2024, DSR represented 8% of total capital and nearly 4% of deals, signalling a growing strategic focus among venture investors. Early data from Q1 2025 suggests this trend is continuing, with 11% of Danish venture capital directed toward DSR-related startups.

Notable DSR-related venture capital investments in Q1 2025 include a EUR 12 million funding round by the Danish biosolutions-company Enduro as well as a EUR 14 million funding round by the advanced manufacturing company Atlant 3D.

Appendix

Appendix:

Methodology for assessing companies under the Defence, Security & Resilience scope

This analysis uses Dealroom's "NIF Defence, Security & Resilience" (DSR) tag to identify European companies operating within the DSR space. The tag was developed in collaboration with the NATO Innovation Fund (NIF) to reflect NIF's investment mandate and is used to classify startups and scaleups across three categories: Defence, Security, and Resilience. Investment activity in this segment across the European and Danish markets has been assessed based on companies tagged under this classification in Dealroom.

Defence



Awareness, understanding and decision making

E.g. novel solutions to operating in complex environments, land and air situational awareness and threat detection

Freedom of operations and mobility

E.g. novel and autonomous capabilities on the battlefield, space sovereignty infrastructure, novel maritime autonomy.

Security



Energy security and climate change

E.g. energy storage solutions, nuclear energy, and water management.

Protection of critical infrastructure

E.g. quantum technologies, AI and compute hardware infrastructure

Resilience



Supply chain resilience

E.g. novel manufacturing, high-quality semiconductor materials, critical material supply

Health crisis preparedness

E.g. biotechnologies, water access and food supply

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