



UK tech 2024 forward look

January 2024

2024 in UK tech

VC investment is on the way back in 2024

UK VC investment has been growing again as of H2 2023

[AI and climate tech]

Dry powder - UK investors are armed

UK has the best crop of investors and the most dry powder its ever had.

The exit window opening?

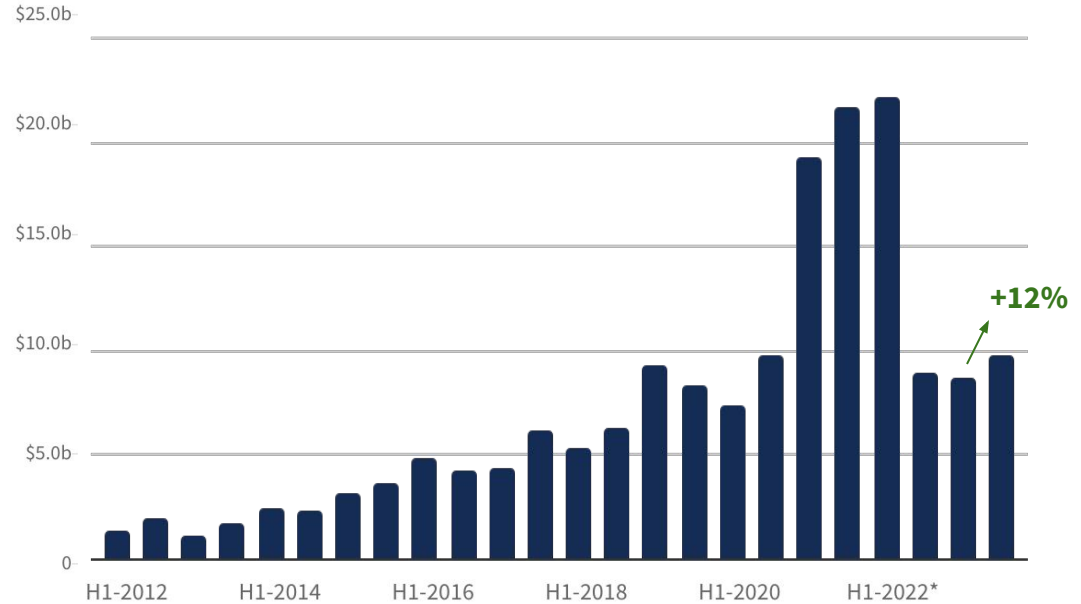
There's a big shopping list of startups getting ready for exit.

UK

UK venture capital turned a corner in H2 2023. 2024 could be the year of tentative recovery.

Live data »

VC investment into UK startups, half year overview >> view more

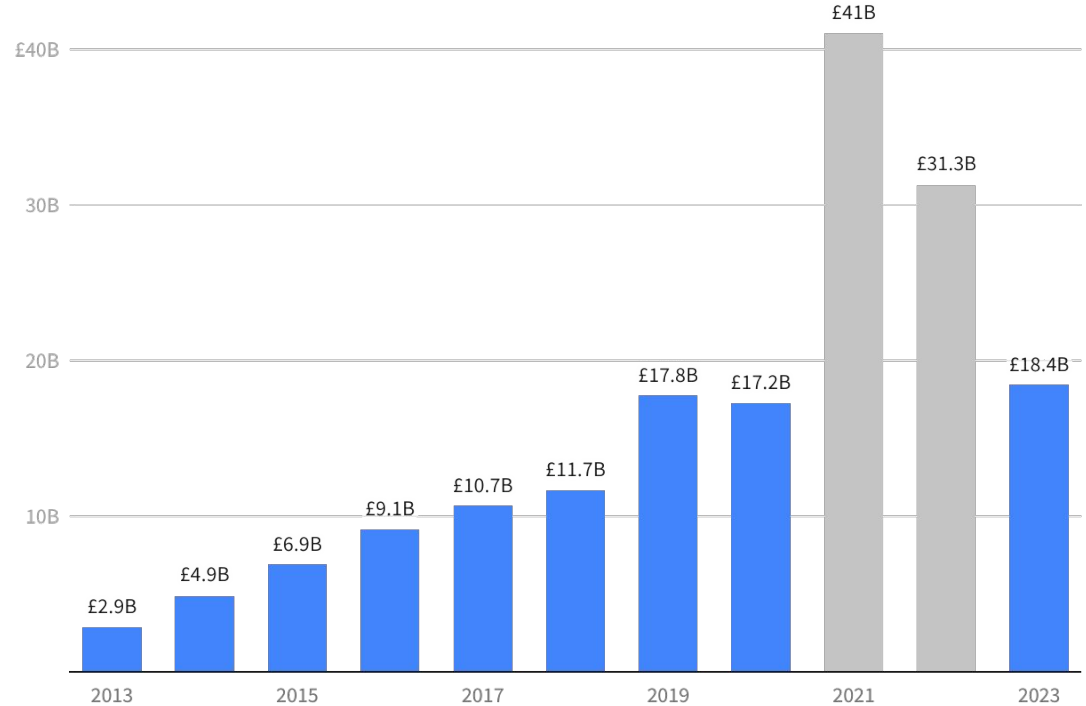


UK

Venture capital in the UK reached an all-time high in 2023 (if you exclude the outlier years of 2021 & 2022).

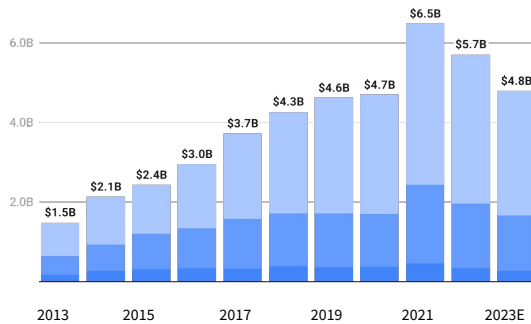
Live data »

VC investment into UK startups, annual [» view online](#)



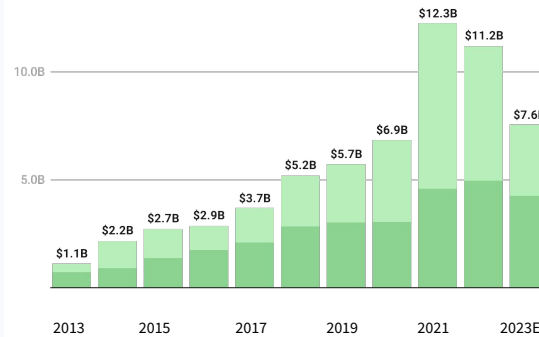
Early-stage investing has remained active, filling the startup pipeline

- \$4-15m (series A)
- \$1-4m (seed)
- \$0-1m (pre-seed)



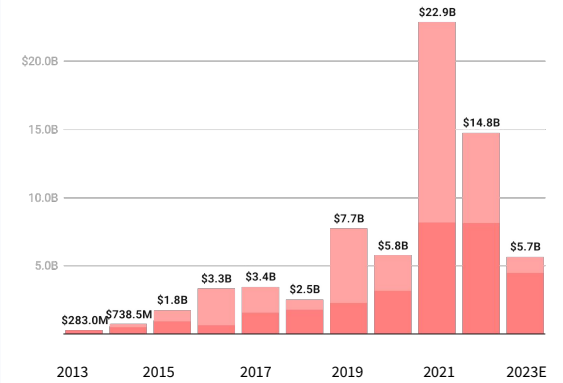
Breakout stage investment is at 110% of pre-pandemic levels

- \$40-100m (series C)
- \$15-40m (series B)



Late-stage investment has meaningfully slowed

- \$100-250m
- \$250m+












UK

UK remains the #3 tech ecosystem in the world.

Live data »

Top 10 countries by VC investment, 2023

Country	VC in 2023	Change in VC (2019-2023)
 USA	\$147.7B	-8%
 China	\$46.5B	-28%
 UK	\$18.4B	4%
 India	\$9.7B	-42%
 France	\$9.0B	50%
 Germany	\$8.0B	-9%
 Canada	\$6.7B	2%
 South Korea	\$5.6B	13%
 Sweden	\$5.3B	67%










UK

The UK is the #1 tech ecosystem in Europe.

UK raises more VC than France and Germany combined.

Live data »

Top 10 European countries by VC investment, 2023

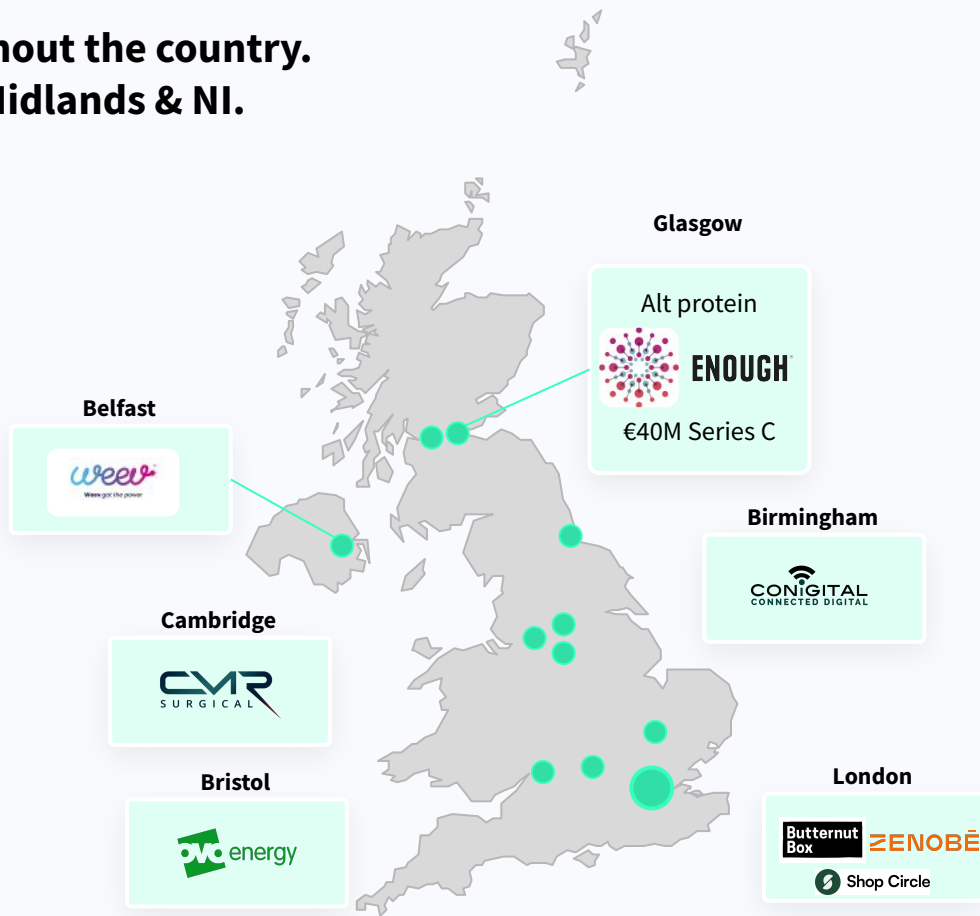
Country	VC in 2023	Change in VC (2019-2023)
 UK	\$18.4B	4%
 France	\$9.0B	50%
 Germany	\$8.0B	-9%
 Sweden	\$5.3B	67%
 Switzerland	\$2.8B	42%
 Netherlands	\$2.5B	38%
 Spain	\$2.0B	-9%
 Norway	\$1.4B	210%
 Denmark	\$1.4B	99%

Source: Dealroom.co

UK entrepreneurship is distributed throughout the country.

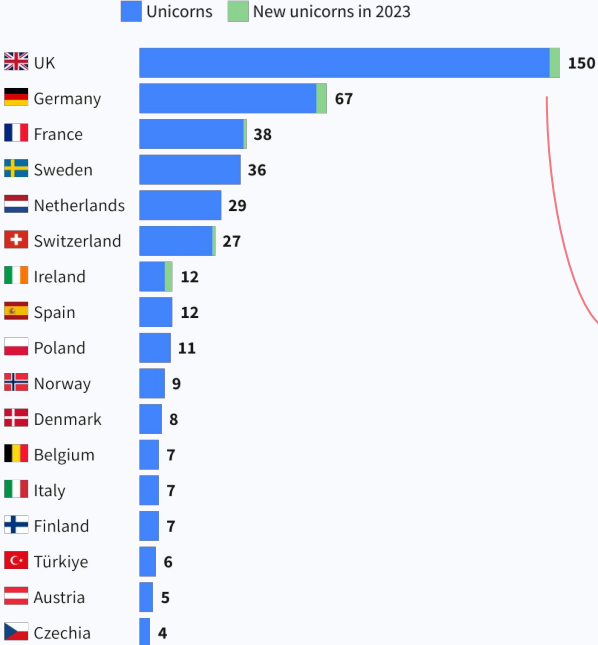
Investment is growing fastest in the West Midlands & NI.

Regions	VC in 2023	Growth in VC (2019-2023) ▾
West Midlands	\$752.7M	441%
Northern Ireland	\$126.7M	218%
Yorkshire and the Humber	\$459.4M	171%
East Midlands	\$131.3M	160%
South East England	\$1.7B	104%
Scotland	\$474.0M	69%
Wales	\$220.5M	52%
North East England	\$235.3M	37%
East of England	\$1.7B	36%
South West England	\$667.6M	1%
Greater London	\$11.2B	-16%
North West England	\$512.9M	-17%

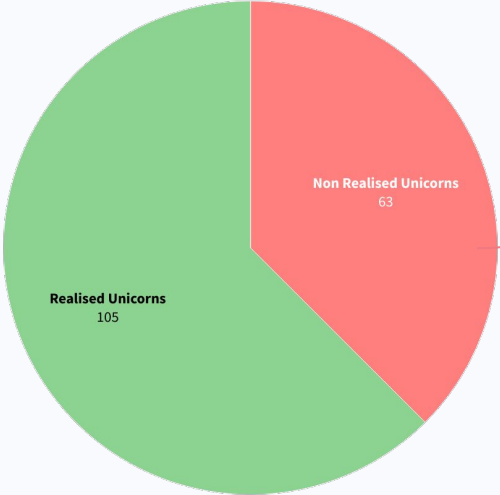


UK unicorn stable (exit pipeline)

European countries by unicorns



Unicorns and \$1B+ exists, UK



Selected non-acquired, private unicorn potential exists from the U.K

Revolut

OnlyFans

[+ 63 others](#)

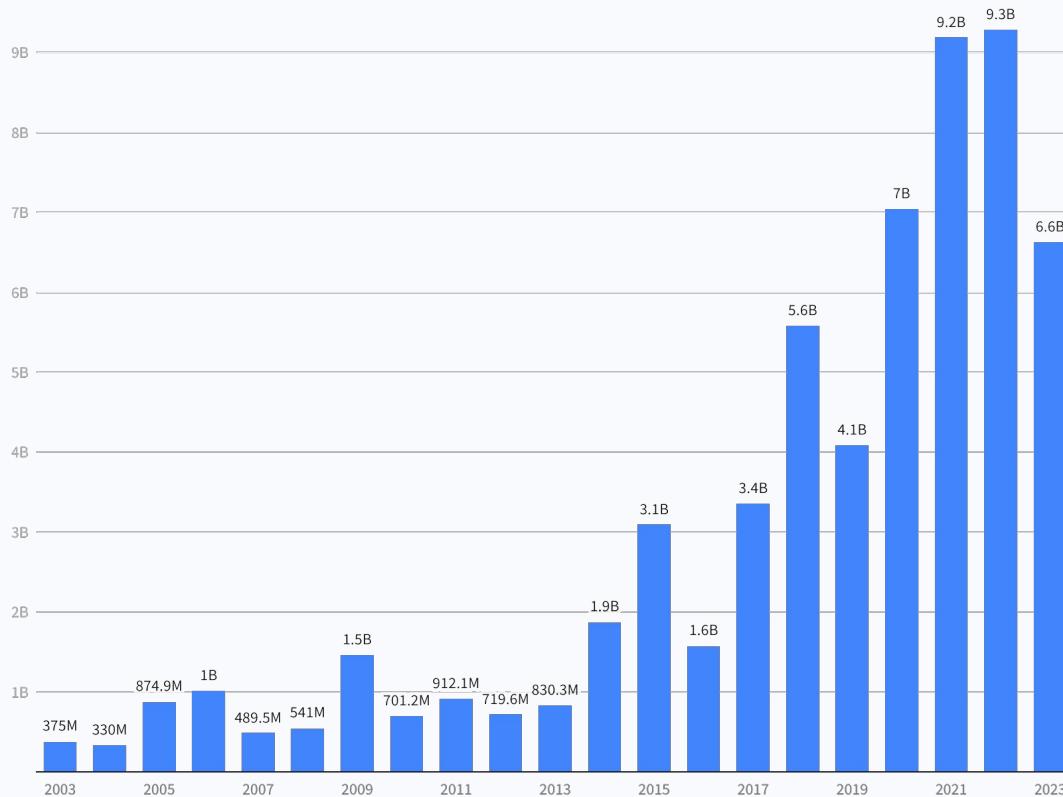
UK

UK VCs have more dry powder than ever before.

Over \$25B raised in the last three years.

[Live data »](#)

Total amount of new VC fund capital in the UK

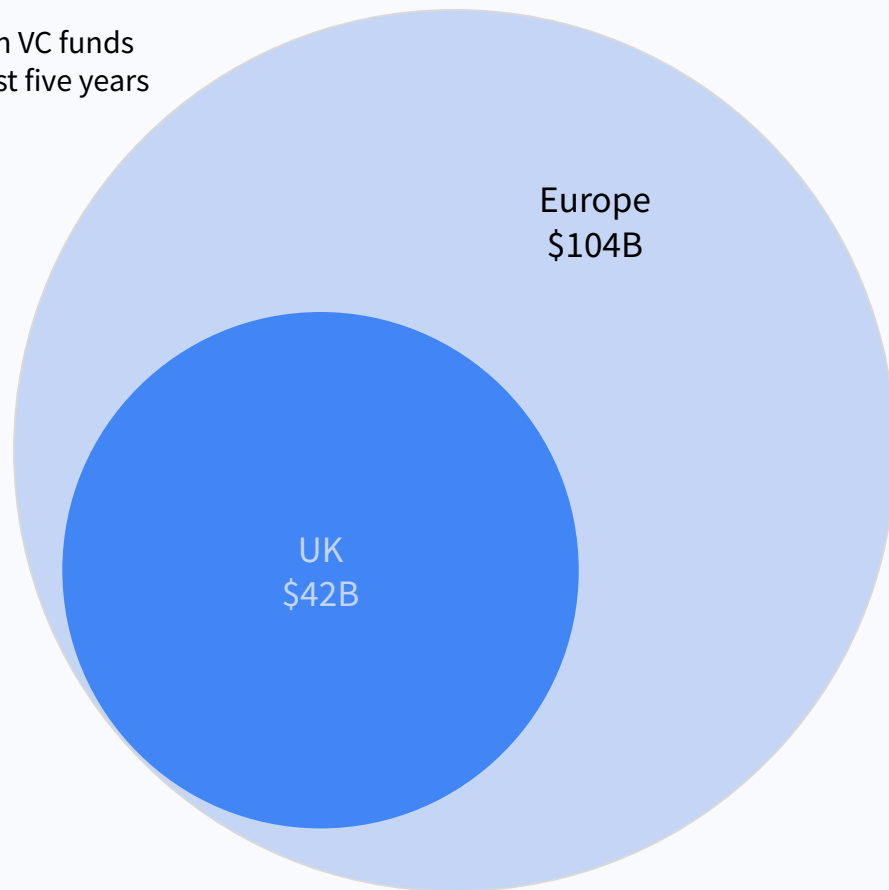


UK

The UK is the home of European venture capital.

40% of new European VC capital raised in the last five years is based in the UK.









European VC funds raised last five years



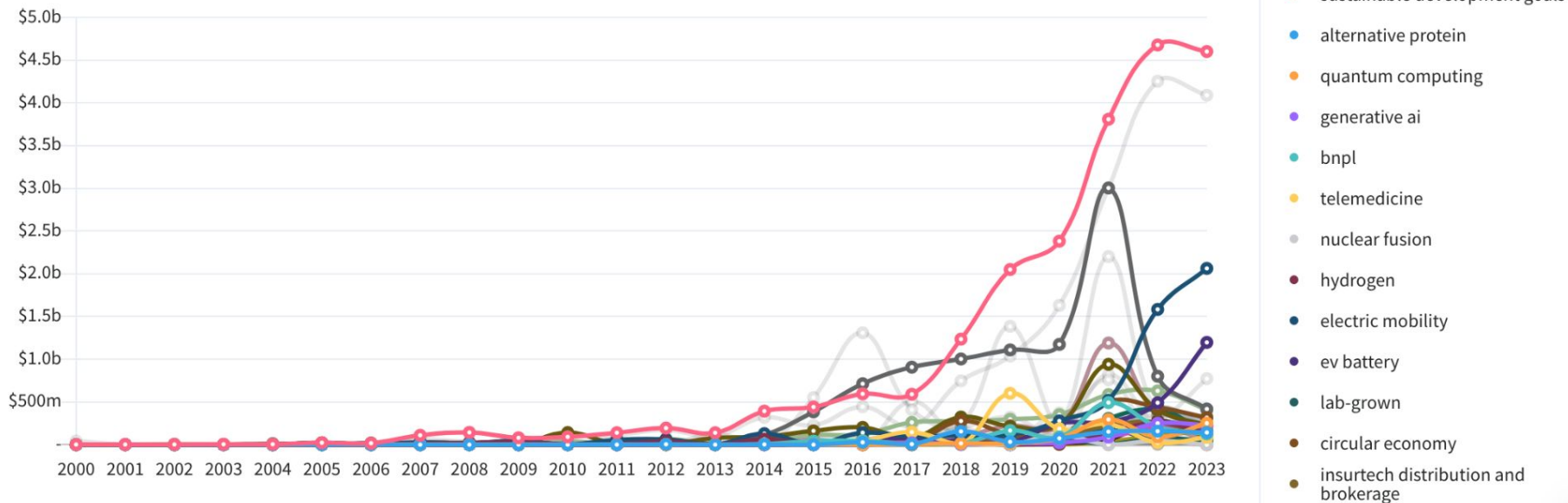
UK

Leading UK funds are freshly equipped to deploy in 2024.

[Biggest UK VC funds raised last year/18 months.]









NAME	FUND TYPE	NEW FUND	DATE
 Atomico Invests in disruptive technology co...	Venture Capital	€1.1b <small>source: thenextweb.com/news/vc-atomico/</small>	Oct 2023
 Highland Europe Growth-stage technology fund wit...	Venture Capital	€1.0b <small>source: tech.eu/2023/01/23/highland-europe/</small>	Jan 2023
 Dawn Capital Dawn is Europe's leading specialis...	Venture Capital	\$620m <small>source: techfundingnews.com/dawn-capital/</small>	Sep 2023
 Northern Gritstone Investment company founded by t...	Venture Capital	£312m <small>source: uktech.news/funding/vc-funding-northern-gritstone/</small>	Oct 2023
 Notion Capital Entrepreneur-backed venture capi...	Venture Capital	€300m <small>source: eu-startups.com/2023/07/london-notion-capital/</small>	Jul 2023
 Isomer Capital Venture capital investment platform	Venture Capital	€250m <small>source: tech.eu/2023/06/05/isomer-capital/</small>	Jun 2023
 Illuminate Financial Venture capital firm focused on en...	Venture Capital	\$235m <small>source: marketsmedia.com/illuminate-financial/</small>	Jun 2023
 IQ Capital IQ Capital is a venture capital firm,...	Venture Capital	\$200m <small>source: cityam.com/london-based-iq-capital/</small>	Jun 2023

Fastest-growing sectors and segments in UK tech.

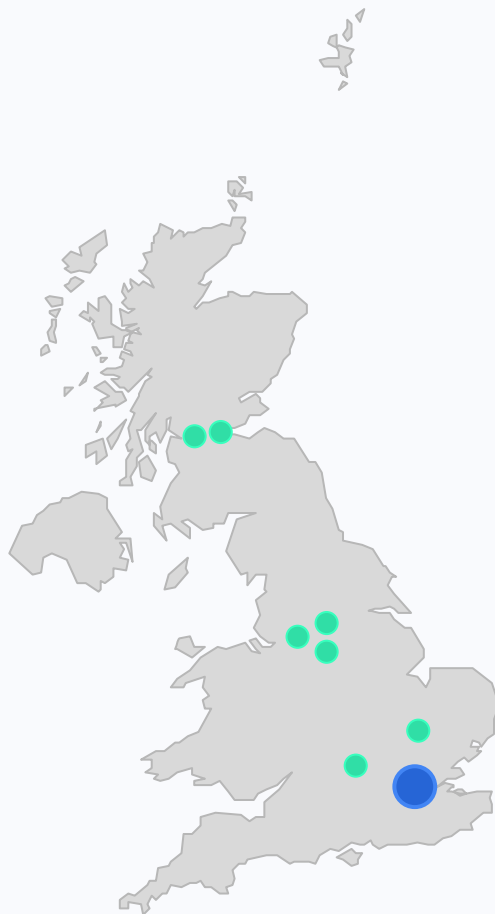


Top 10 UK investors

UK investors
Investments in UK companies

	Investor	Notable UK investment	Notable investment outside London	Notable EMEA investment (not counted here)
1	 LocalGlobe	Tide	Open Cosmos	TravelPerk
2	 Index Ventures	Revolut	END.	Adyen
3	 Passion Capital	Lendable	CultureAI	Spotahome
4	 Episode 1	Omnipresent	Huboo	Flutter
5	Accel	Monzo Bank	Ubiquisys	Celonis
6	 Seedcamp	Synthesia	Nodes & Links	Pleo
7	 Octopus Ventures	Depop	Elvie	Cobee
8	Balderton.	GoCardless	Darktrace	Sinch
9	 MMC Ventures	Copper	Interactive Investor	Lookiero
10	 Amadeus Capital Partners	Improbable	Oxford Nanopore	Igenomix

The majority of top EMEA investors are based in the UK. Therefore, for the UK ranking and look specifically at investments in the UK, made by UK investors.



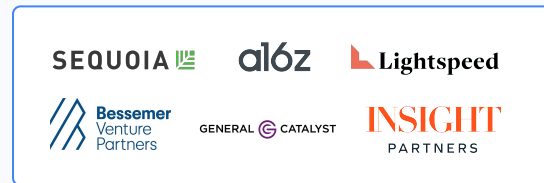
UK VCs account for 40% of all new funds raised in Europe in the last five years. The majority of funds are based in London, but a number of notable investors are also distributed across the country.

UK funds based outside London



The UK has also become a base for international capital investing across Europe. Many of the world's top funds have set up shop in London.

U.S. funds with London office



Two of the top three Next-Gen investors in EMEA are based in the UK.

Looking only at funds founded since 2019, with some VCs building impressive portfolios in a short, turbulent period.

The top 1% of funds in EMEA - 20VC, Air Street Capital and 468 Capital come out as the top next-gen funds investing in EMEA, from over 300 funds founded since 2019. The top two are based in the UK.

20VC

AIR
STREET
CAPITAL.

468 Capital

EMEA deals

Remote (Seed) 🐾
Sorare (Seed) 🐾
Tripledote Studios (Series B) 🐾

Thought Machine (Seed) 🐾
Tractable (Series A) 🐾
Synthesia (Series B+) 🐾
Exscientia (via Allcyte M&A) 🐾

Razor (Seed) 🐾
Aleph Alpha (Seed)
Zapp (Series A)

Global deals (not counted)

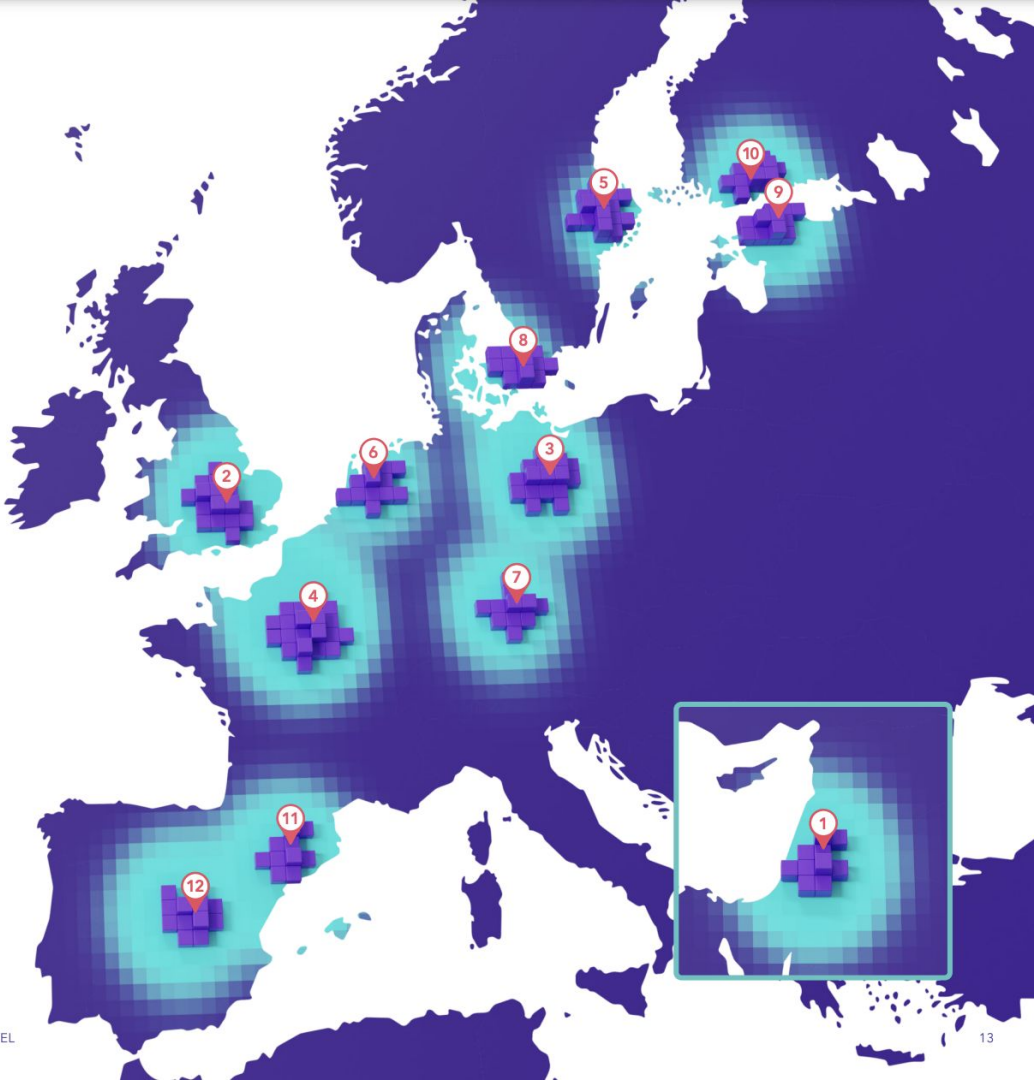
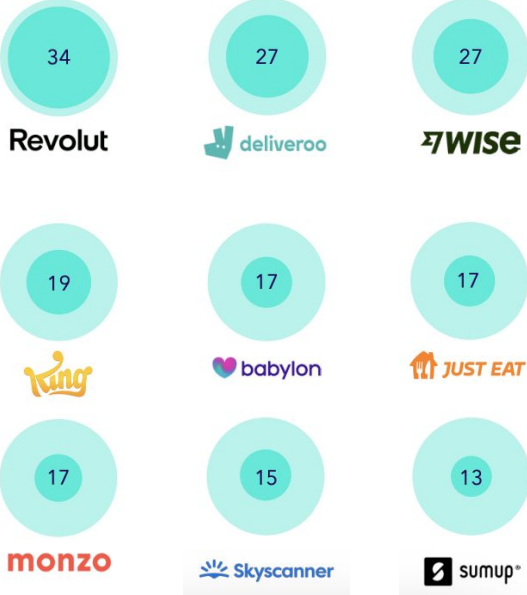
Linktree (Seed) 🐾
NexHealth (Seed) 🐾
AgentSync (Seed) 🐾

Adept AI (Seed) 🐾
Recursion Pharma (Series B+) 🐾
Crusoe Energy (Series B+) 🐾

UpScalio (Series A)
Iterative.ai (Seed)
Bardeen (Seed)

The founder flywheel is in full effect in the UK.

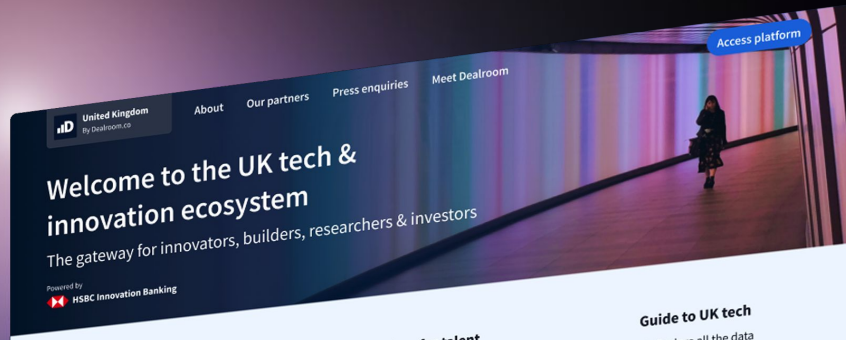
UK unicorns are spawning dozens of new startups via staff alumni turned founders.



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Services for startups

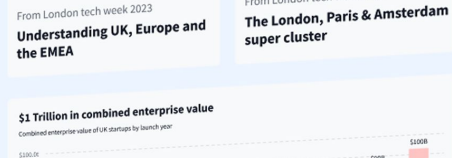
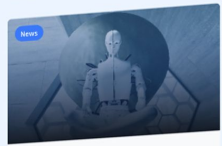
→ Fundraise, recruit, visas, grants

Services for talent

→ Jobs, visas, research

Guide to UK tech

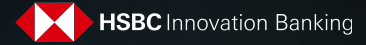
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