



# Private capital: Building a better economy for the future

BVCA Report on Investment Activity



# About this report

This report has been produced by the British Private Equity and Venture Capital Association (“BVCA”) to highlight the activities of our members in 2023. The statistics in this report are largely drawn from the BVCA’s Investment Activity Study, a detailed and comprehensive survey of private capital activity in the year, covering fundraising, business investments and business exits.

With a significant presence in the UK, developed over the past 40 years, private equity and venture capital provide companies with the finance and know-how to deliver sustainable business growth over many years.

Within the industry, venture capital firms typically support early stage and younger companies, holding minority stakes in the businesses, while private equity firms typically acquire controlling stakes in more established businesses.

In this report we look at the story of 2023: how the BVCA’s members invested in businesses of all shapes and sizes, across all parts of the economy and across all the nations and regions of the UK. A companion publication “[Report on Investment Activity 2023](#)” provides the full aggregated survey results and an excel extract of the aggregated results can also be downloaded from our website [here](#).

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*“The data gathered in this BVCA research tells the story of the industry in 2023. It paints a picture of UK focused and UK led investment and the trends we have seen over the past few years. The BVCA’s research underpins our ability to fully demonstrate the significant contribution that private equity and venture capital makes to the UK economy. Thank you to all the firms that contributed to this work.”*



**Matthew Sabben-Clare**  
BVCA Chair 2024/2025, Senior Advisor, Cinven



- 📍 High Wycombe
- 🍞 Food
- £ Endless

Founded in 1886, Hovis is one of the UK’s most iconic food brands, manufacturing bread and bakery products for the UK’s major grocery retailers and local convenience stores.

Headquartered in High Wycombe, the company employs approximately 3,000 people and operates a mill, bakeries and a distribution network spanning the UK and NI.

Endless acquired Hovis in November 2020 to revitalise the business and reposition it for ever-changing consumer trends.

Since the acquisition Endless and its management team have pursued growth and diversification, providing capital to increase existing production capacity and capability. In 2021, Hovis successfully launched a new premium range of artisan and brioche bakery products under the “Bakers Since 1886” brand.

Endless has also worked alongside management to advance Hovis’s commitment to sustainability and social responsibility, including the adoption of 100% recyclable packaging, reducing the carbon output and ensuring that no waste from the bakeries or mill ends up in landfills.



# UK Private Capital at a glance

## Employment

**Over 2m**

jobs supported by private capital backed businesses in the UK.

## Invested in the UK

**£20.1bn**

invested in UK companies by private capital firms.

## UK Economic contribution

**6%**

of UK GDP supported by private capital backed businesses.

## UK Capital at work

**60%**

of businesses receiving investment in 2023 had previous investment from their current private capital backers.

## Focus on SMEs

**9 in 10**

UK businesses receiving private capital investment in 2023 were small and medium sized businesses.

## Regional focus

**80%**

of jobs in portfolio businesses backed in 2023 were outside London.

## Holding period

**5.5 years**

average holding period for businesses backed by private capital investors and sold in 2023.

## Tech investment

**£7.9bn**

invested in UK tech focused businesses by private capital investors in 2023.

## 10 year horizon return

**15% p.a.**

vs 5.3% p.a. and 7.5% p.a. achieved by the FTSE All Share index and the MSCI Europe index.



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# Foreword

**The private equity and venture capital (private capital) industry continued to invest in businesses and people in 2023, despite another difficult year for the UK and global economy. The numbers in this report reflect that economic turbulence.**

Thus far in 2024, the UK has held a General Election, and the new Labour Government has taken office with an explicit aim of achieving the highest sustained economic growth in the G7. In their first few weeks in office, the Government has announced a Pensions Review, published a call for evidence on the tax treatment of carried interest, established a National Wealth Fund, and confirmed plans to hold a Global Investment Summit in October.

## Attracting capital and investment

The key question is how best to achieve this economic growth. Increased private capital investment, both in the short-term and sustainably over the long-term, will be key, with recent research demonstrating the uplift in productivity in firms following private equity investment<sup>1</sup>.

The UK private equity and venture capital market remained strong in 2023, with UK-managed funds raising £60bn in 2023 to be invested globally, representing over half of the total private capital raised in Europe.

As we see in this report, private capital attracts investment from across the world, deploying it as long-term investments that back British businesses of all sizes and types. This generates jobs and supports the UK as a thriving business and investment hub that helps build a better economy for the future.

However, this data also highlights areas where the economy could better harness the benefits of private capital investment. Pension funds represented 28% of total capital raised for UK-managed funds, yet only 3% of this pension capital came from UK pension funds. There remains more to do to ensure UK savers and investors can benefit from the returns that private capital can generate.

## Benefitting businesses across the country

Economic growth is a key part of the solution to the ongoing pressures on the cost of living in the UK. This means that the benefits of growth must be felt by people and businesses in every nation and region of the UK.

As the data in this report shows, 80% of jobs backed by private capital in 2023 were outside London with ICT (information and communications technology), biotech & healthcare and business products and

services sectors attracting the highest number of company investments.

The data published here also demonstrates the different types of investment that businesses across the UK's nations and regions benefit from. London and East of England attracted a high proportion of venture SME investment while other nations and regions were proportionally more attractive to investments into established businesses. This shows that, whilst private equity and venture capital are investing in the businesses of the future, they are also working with our established high street businesses and smaller firms to enable them to succeed in a changing economy.

A strategy for generating growth across the nations and regions must address these variations to ensure that entrepreneurs and those with good ideas are able to access the means to turn those ideas into successful businesses.

In this report we use the data from our Report on Investment Activity 2023, along with a range of case studies, to set out what private capital investment means for businesses and wider society, where capital is invested in the UK, and how the benefits of this investment are realised.

**Michael Moore**  
Chief Executive, BVCA



<sup>1</sup> Private equity financing & firm productivity - The Productivity Institute

# UK as a hub for private capital

The BVCA's data shows that private capital invested over £20bn in UK companies in 2023. While this was a fall from the scale of investment we saw at the heights of 2021, it demonstrates that the UK remains a hub for attracting capital and investment to the UK.

Overall there were 140,000 people employed across the UK in private capital firms and their wider ecosystem last year, the largest concentration of private capital investment expertise anywhere in the world outside North America.

Private capital investors leading their investment activity from a UK office invested £31bn in 2023, backing 1,796 companies in the UK and overseas. While this represents a 38% year-on-year drop in the level of UK-led investment, 2024 is showing signs of economic recovery that the private capital industry is well placed to support.

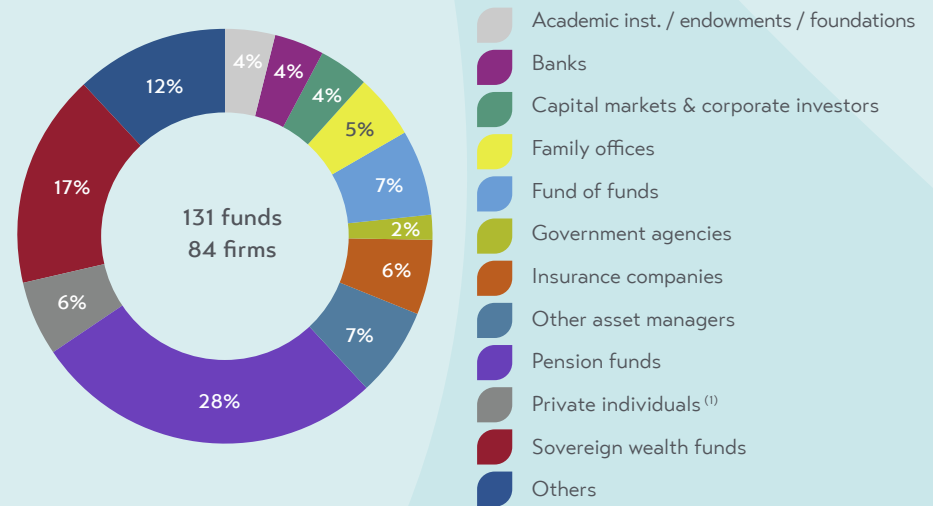
UK-managed funds raised £59.6bn to be invested globally in 2023. This accounted for 52% of the total private equity and venture capital raised in Europe, which reflects the ongoing relative strength of the UK market.

Pension funds from around the world remained a significant source of capital for UK funds, providing 28% of total fundraising. This is the highest relative proportion of pension funding in Europe by location of fund management together with the Nordics.

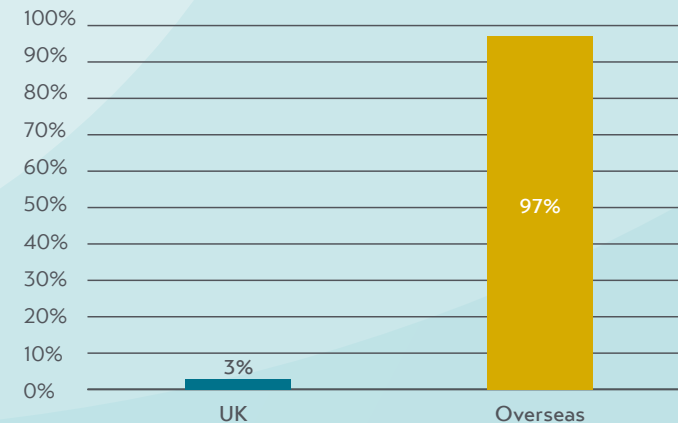
However, only 3% of the total pension funding committed to UK managed funds in 2023 came from UK pension funds, despite the industry's long track record of producing good returns for investors. As of December 2023, UK private capital funds delivered a 10-year horizon return of 15% compared to 5.3% for the FTSE All Share and 7.5% for the MSCI Europe index over the same period<sup>2</sup>. The UK market has more to do to ensure UK institutional investors are able to realise the benefits of private capital investments.

<sup>2</sup> The BVCA Performance Measurement Survey Report 2023

All PE and VC - % of total amount raised



Pension funding by location of investor - % of total amount



Note: (1) Includes GP Commitments



# Driving jobs and growth in every part of the UK

Private capital invests in growing businesses that create jobs across all nations and regions of the UK. Overall private capital accounts for over 2m jobs in the UK and contributes 6% to UK GDP.

UK businesses backed by private equity and venture capital firms in 2023 employed around 363,000 people, 80% of whom are outside London. Private capital is an integral part of national and regional economies across the UK.

The new Government has signalled its intention to devolve more powers on infrastructure, employment, and housing policy to a wider range of local authorities and refresh the way central government works with regional Mayors. Businesses backed by private capital are already major employers in areas across the country, and our industry will be a key partner for accelerating this nation- and region-led economic growth to ensure everyone can realise the benefits of economic recovery.



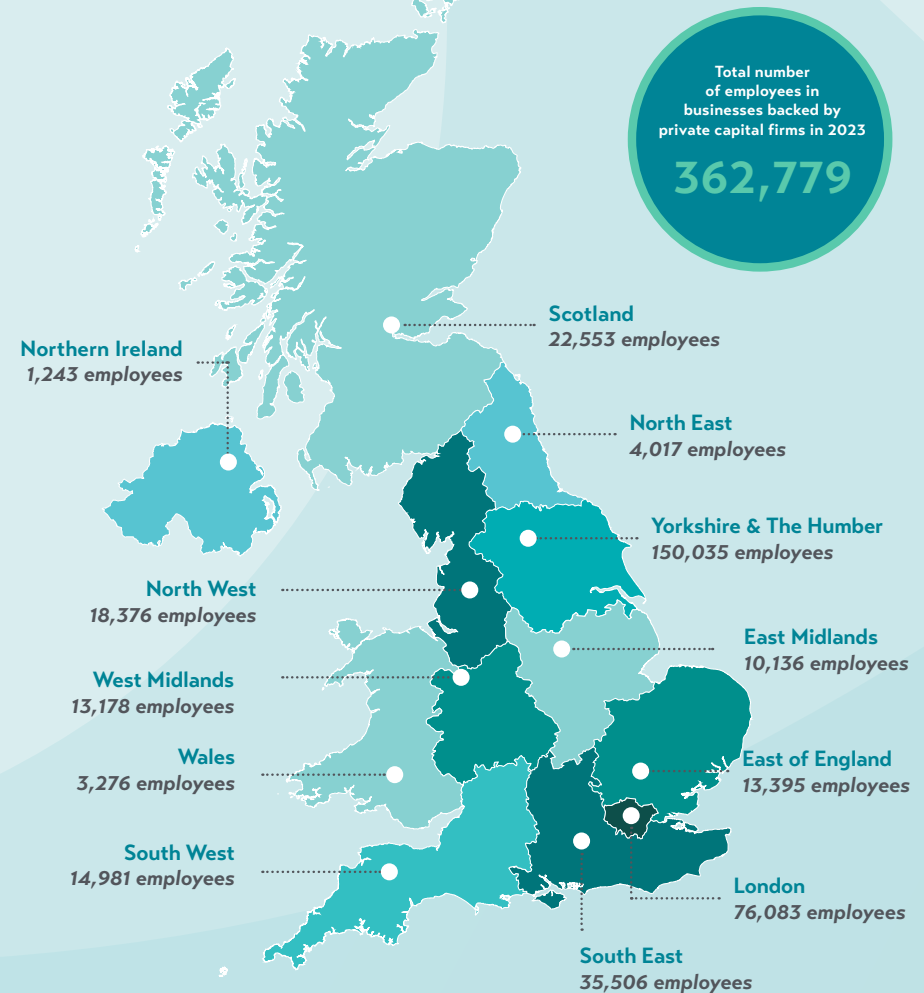
- Shoreham-by-Sea
- Technology
- Hg Capital

Founded in 2003 by Ralph Gilbert and Chris Goodman in Brighton & Hove, Focus Group are one of the UK's leading providers of digital workplace solutions to SMEs, and are currently supporting around 30,000 customers. The company offers a single point of contact for the technology needs of these clients, providing communications and software solutions, connectivity and IT services.

In April 2024, the group announced a significant investment from BVCA-member Hg Capital, a leading investor in European and transatlantic software and services businesses.

Hg's investment is supporting Focus Group's organic growth plan, M&A ambitions, and product development initiatives, enhancing its ability to deliver innovative solutions for the UK SME sector while expanding its workforce. Hg has made more than a dozen investments in SME Tech Services over two decades.

## All PE and VC – Employment across UK nations & regions by nation and region



# Investing in small and medium-sized enterprises

Small and medium-sized enterprises (SMEs) are the heartbeat of communities across the UK. Private capital investment in these businesses underpins economic development and regeneration of local economies.

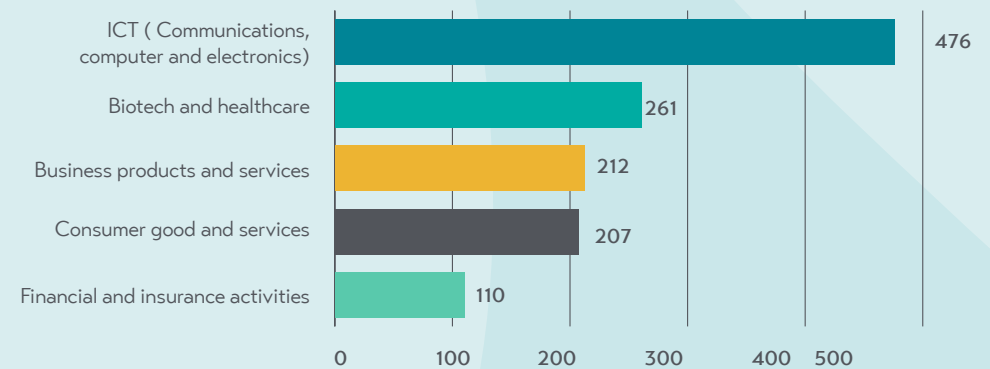
Our data shows that 9 in 10 UK businesses receiving private capital investment in 2023 were SMEs operating across the UK. This investment went into businesses in a wide range of sectors across the economy, with ICT (information and communications technology), biotech & healthcare and business products and services sectors seeing the highest number of company investments.

The 2023 data shows that different types of SMEs across nations and regions attract different types of investment. Almost 80% of SMEs backed in London and the East of England in 2023 were venture stage businesses. North West and East Midlands on the other hand attracted proportionally more investment into larger and more established businesses with 33% of companies backed at venture stage.

Our data further reveals that 43% of all SMEs backed in the UK were in London, but only 36% of all non-SMEs backed were London based. Furthermore, 37% of London based non-SMEs were backed by firms headquartered outside of the UK. This is in contrast with other nations and regions where large companies predominantly receive funding from domestic investors.

What this shows is that many UK nations and regions outside of London are well placed to attract capital from UK headquartered investors into established businesses but were less likely to attract venture funding or non-UK funding. The new Government's approach to both supporting new UK small businesses, and its focus on nation- and regional-led growth, must take account of the specific challenges local to that area.

UK investments by sector - Number of companies



**DANCECITY**   
DANCE FOR THE NORTH EAST

-  Newcastle
-  Social Enterprise
-  Northstar Ventures

Dance City is an operator of a purpose-built dance-house in Newcastle where people come to take part, enjoy, experience, and talk about dance; and where professional and aspiring dancers meet, learn and train.

Established for over 30 years, Dance City is the North East's leading development organisation for dance, leading and support a thriving dance scene in the region. It presents a varied programme of dance performances, bringing leading British and International dance to Newcastle. It also commissions original new works, which premiere in its theatre.

Every year Dance City works with more than 8,000 people of all ages in a variety of settings in the North East. The company also offers formal dance training through a Training Academy for talented young people aged 10 through to postgraduates, supporting professional dancers and choreographers.

Dance City are backed by BVCA member Northstar Ventures, who invest in innovative, high growth businesses and social enterprises across the North East. The firm looks to work with mission-based founders trying to solve societal challenges, targeting high growth markets in Healthy Ageing, the Future of Work and Learning, the Future of Place and Climate Tech.





# Improving companies through the business life cycle

Private capital investors continue to support the businesses they invest in across the entirety of their life cycle, demonstrating their commitment to supporting businesses over the long-term.

BVCA data shows that 60% of businesses that received investment in 2023 had previously received investment from their current private capital backers, up from 52% in 2022. This follow-on capital is fundamental to long-term company growth, enabling the business to build resilience and adapt to changing market conditions.

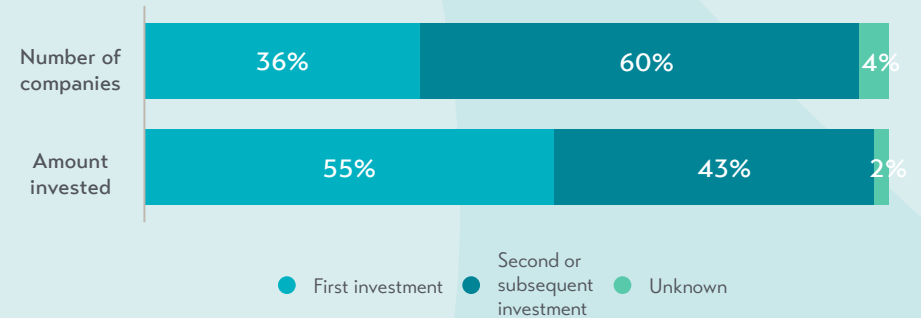
Private capital not only provides the funding needed across the business life cycle for investments in technology, infrastructure, and talent, but it also brings in expertise to boost productivity, streamline operations, broaden networks, and implement best practices.

Recent [research](#) shows that private equity-backed companies experience significant productivity boost following PE investment, with positive impact on business productivity continuing even beyond the holding period<sup>3</sup>.

<sup>3</sup>Private equity financing & firm productivity - The Productivity Institute



## Proportion of 2023 investment going to UK companies already supported by private capital



In some cases we have been unable to identify whether an investment received by a business is the first investment from a specific investor firm.

## GRAFHCORE

- Bristol
- Technology
- Mayfair Equity Partners

Based in Bristol, Graphcore has built a new type of processor for machine intelligence to accelerate machine learning and AI applications.

Graphcore technology lets innovators create breakthroughs in machine intelligence to enhance human potential. The firm received Series A funding after launch in 2016, followed by multiple rounds of VC funding. The business became a unicorn in 2018, valued at \$1.7bn.

In February 2020 the business received Series D funding including from Mayfair Equity Partners and in July that year launched its second generation IPU platform, marking a step up in performance and launching a global network of partners. It has since received secondary investment from Balderton Ventures and to date now has offices in Bristol, London, Cambridge, New York, Seattle and more, enabling innovators worldwide to achieve next generation machine intelligence breakthroughs with IPU technology. Graphcore was acquired by SoftBank in July 2024 for \$500m.



# Investment across stages

## Venture capital investment

Venture capital funding in 2023 was higher than in 2020, despite a 34% year-on-year decrease for UK-led investments and 11% for UK company investments. This implies that UK venture companies were more successful in retaining overseas funding, while domestic investors, leading their activities from within the UK, experienced a sharper decline in activity.

While the UK has a strong funding ecosystem at the early stage, many UK companies seek scale-up funding from the US and elsewhere. This reliance on foreign investment exposes the UK to geopolitical risk and fluctuations in global capital allocations. There is more to do to encourage a greater appetite for risk taking at later stages among UK investors to ensure companies can scale in the UK.

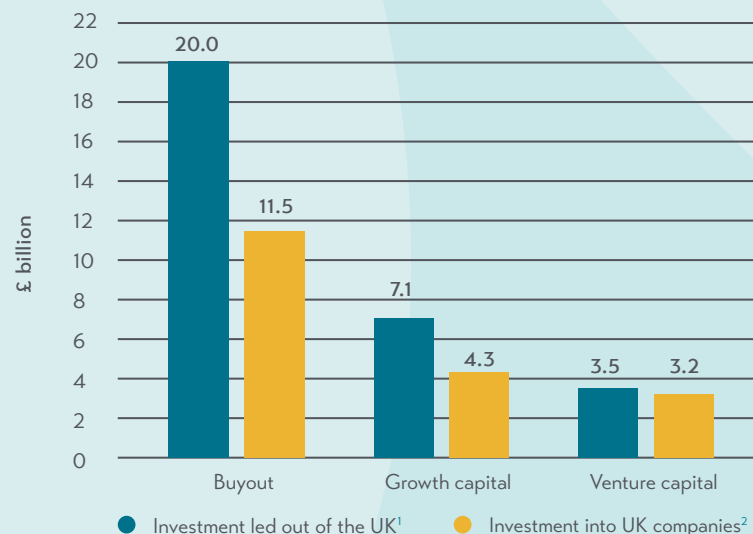
## Growth capital investment

As with venture capital funding, the level of growth capital investment was higher in 2023 compared to 2020 despite a decrease of 24% and 17% year-on-year for UK led and UK company investments, respectively. Private capital industry remains invested in thousands of growing British businesses for the long-term.

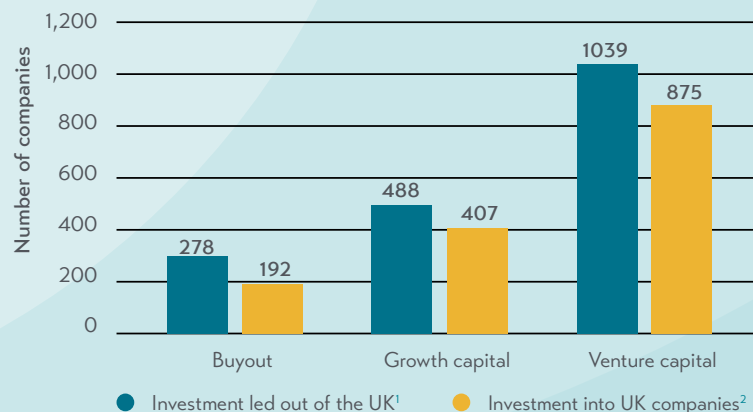
## Buyout investment

UK buyout investment decreased by 44% year-on-year, representing 57% of the total amount invested by investment stage. This is a smaller proportion when compared to previous years where buyout funding represented between 60%-70% of total amount invested. This is largely a result of macroeconomic headwinds combined with rising interest rates which caused a downturn in LBO transaction volume.

Amount invested by stage



Number of companies backed by stage



<sup>1</sup> Investment led out of the UK: relates to investments undertaken by fund managers based in the UK, and to those undertaken through an overseas office where the UK office was the lead adviser, regardless of whether the investing fund or portfolio company was UK or overseas based.

<sup>2</sup> Investment into UK companies: relates to investments into companies headquartered in the UK, regardless of whether the investing fund or fund manager is UK or overseas based.

**Note:** A business may grow during the year and require additional capital such that it receives investment at more than one stage of development. As a result, the total number of companies by type is slightly larger than total number of companies in aggregate.



# Active ownership to re-energise businesses

The long-term view taken by private capital investors provides businesses with the time to research, develop and bring to market new products and services and enter new markets. Alongside this, private capital's active management model develops the skills of management teams in the businesses they invest in and allows the business to focus on what it does best.

The average holding periods for private capital investments, based on initial investment stage, increased in 2023. The average holding period for buyout investments was 6 years (5.3 years in 2022), for growth investments was 6.1 years (5.3 in 2022) and for venture investment was 5.3 years (4.9 years in 2022).

While the holding period for buyout investments compared to venture was longer, it is worth noting that the inter-quartile range of holding periods at the venture stage was wider. This is a result of some venture investors having companies in their portfolio for a very long time while others exiting earlier in the company life cycle.

Overall, private capital investors are well positioned to provide stability and continuity to portfolio businesses, allowing them to scale operations and adapt to changing market conditions if needed.

<sup>1</sup> Calculated by comparing initial investment date to exit date, for companies which have been fully exited from a fund's portfolio by an investor.

## Average holding period<sup>1</sup> by initial investment stage

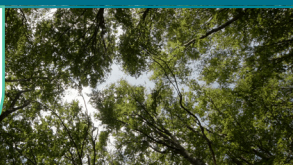


<sup>1</sup> Calculated by comparing initial investment date to exit date, for companies which have been fully exited from a fund's portfolio by an investor.



# Buying and building businesses

Private capital investors strengthen and expand businesses by integrating assets and capabilities that add value to portfolio companies. These acquisitions help business do what they do better, which is what makes them successful.



- 📍 Sheffield
- 🕒 Business Services
- £ Palatine Private Equity

Cura Terra is a leading environmental services group based in Sheffield and comprises of four market-leading businesses – Environmental Monitoring Solutions, Ecus, Enviro Technology Services and Envirocare.

Specialist services include water and air monitoring, environmental advisory and training services, and waste management consultancy to enable clients to maintain environmental compliance. It is a purpose-driven business led by experienced entrepreneur Professor Pete Skipworth.

In March 2022, Palatine's Impact Fund acquired a significant minority shareholding in the group, reflecting Palatine's long-term commitment to place purpose and responsibility at the heart of their investment strategy. At the time of investment, the group employed over 200 people, which has since grown to over 300. Cura Terra has undertaken three acquisitions to date, including the global air quality monitoring provider, Enviro Technology Services, and occupational hygiene services provider SI Environmental.

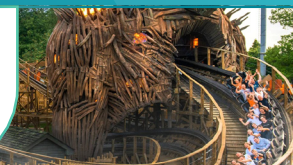


- 📍 London
- 🕒 Leisure
- £ TDR Capital

David Lloyd Clubs is Europe's largest operator of premium racquets, health and fitness clubs. It operates 132 sites across the UK and Continental Europe, with over 760,000 members and employing over 11,000 staff.

TDR acquired David Lloyd Clubs in 2013 and launched a major capital investment programme, which has allowed the business to invest £1bn over the last decade; making significant improvements in the style and range of facilities available to members across the core estate, whilst also expanding into new towns and cities.

TDR have worked with management to improve all aspects of the member experience and successfully relaunched David Lloyd Club's new site development programme in the UK and Continental Europe, through both the acquisition of small portfolios of clubs as well as standalone sites, growing the estate from 90 clubs in 2013 to 132 clubs today.



- 📍 Poole
- 🕒 Leisure
- £ Blackstone Group

Merlin Entertainments is the second largest operator of visitor attractions and theme parks globally, and the largest in Europe, with 67m annual visitors across 130 diverse attractions.

In 2005, Blackstone partnered with the management team and family founders alongside owners of the iconic LEGO brand, KIRKBI, to combine Merlin Entertainments with LEGOLAND. Merlin's core values and family orientation fitted well with the LEGO brand, and Blackstone had the vision, capital, and expertise to support management to transform the UK-only business into the second largest operator of visitor attractions and theme parks globally after Disney. In 2013 Merlin successfully completed an IPO on the London Stock Exchange.

Blackstone re-acquired Merlin in 2019, together with pension fund CPP Investments and longterm shareholder KIRKBI. It has committed to further long-term investment to drive continued growth for Merlin and its stakeholders.



# Towards Net Zero and sustainability

The private capital industry stands at the unique intersection of deploying capital, investing for the long term, and helping to shape the strategy of investee companies. SMEs account for around half of UK business greenhouse gas emissions<sup>4</sup>, and therefore play a critical role in helping the UK reaching Net Zero. Private capital investors, taking an active management approach and with long-term holding periods, can help their portfolio companies develop, launch and scale breakthrough products and technologies.

**ALLYE**



-  Ruislip, London
-  Energy Storage
-  Elbow Beach Capital

Founded in 2023, Allye Energy offers smart battery energy storage solutions designed for consumers and communities, addressing grid constraints, reducing costs, and supporting energy transition.

Their products are placed around energy meters and are self-learning, intelligently managed via the cloud to maximise cycle life and arbitrage on electricity prices. This improves resilience and lowers energy bills, alongside providing environmental benefits. Allye's hardware is cheaper than comparable systems and has a 60% lower embedded CO2 because they repurpose battery packs from prematurely written off electric vehicles.

Elbow Beach Capital who invested in 2023, has helped them navigate their growth journey; actively participating in guiding their strategic direction, refining their financial models and strengthening their commercial pipeline, which has been crucial in making Allye Energy a key player in clean energy.

**NOVAPANGAEA TECHNOLOGIES**



-  Redcar
-  Clean Technology
-  Par Equity

Nova Pangaea Technologies is a cleantech company that has created a revolutionary process, converting woody waste and agricultural residues into advanced biofuels and biocarbons for carbon removal. In combination, this creates a net carbon negative process for production of Sustainable Aviation Fuel.

Based at Wilton International, Redcar, is planning a "First of a Kind" commercial scale plant in the North East of England which will be operational by the end of 2027.

The business raised a bridge round in 2022 which included follow on investment from Par Equity and the Northern Powerhouse Investment Fund and new investment from Mercia Plc. It then went on to receive a strategic investment from British Airways' parent company, IAG.

Nova Pangaea Technologies is partnered with British Airways and LanzaJet (Project Speedbird) to deliver 100 million litres of Sustainable Aviation Fuel in the UK each year by 2030.

**ORBEX**



-  Forres, Scotland
-  Space Technology
-  BGF, Octopus Ventures

Founded in 2015, Orbex is a UK-based private, low-cost orbital launch services company, serving the needs of the small satellite industry. Orbex has developed one of the most advanced, low carbon, high performance micro-launch vehicles in the world.

In 2022, the company secured Series C funding, led by the Scottish National Investment Bank and joined by BGF and Octopus Ventures. In 2024, they received follow on funding from its active investors to complete work on its Prime microlaunch vehicle and its spaceport which began construction in Sutherland in 2023.

The Sutherland Spaceport is poised to become the UK's first vertical launch spaceport and aims to be the world's inaugural carbon-neutral launch site facility in terms of construction and operation. The spaceport, which is also backed by public investment, is anticipated to create jobs and wider economic benefits in the region. At its core is Orbex's innovative Prime rocket, powered by renewable bio-fuel, with a focus on substantially reducing carbon emissions.

<sup>4</sup>British Business Bank, Small Businesses and the Transition to Net Zero



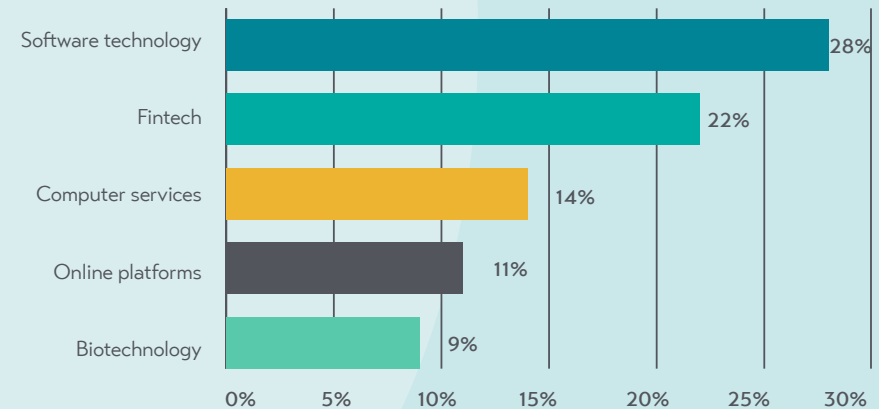
# Backing the companies of tomorrow

Private capital investment helps turn research and development in thriving businesses, creating jobs and driving economic growth. The UK is a major international hub for technological innovation, with entrepreneurs, University spin-outs and innovative start-ups creating products and services that will meet the needs of a changing economy.

Technology-focused businesses attracted £7.9bn investment last year from private capital investors, 39% of the total amount invested in UK companies. Software companies led the way, securing 28% of this tech-focused funding. Fintech businesses followed, claiming 22%, while biotech ranked among the top five sectors, receiving 9% of the total tech investment.

This highlights the sector's continued appeal to investors, even during difficult times. With substantial funding flowing into software, fintech, and other tech-related industries, the UK tech sector remains a vibrant and critical part of the economy, driving innovation and growth despite broader economic challenges.

UK tech investment by sector - % of total amount



# Invested in innovation

Private capital investors help grow UK firms that are making world-class innovative breakthroughs. The combination of private capital investment and scientific innovation acts as a catalyst for accelerating the development and availability of new technologies.



- Theale
- Pharmaceuticals
- Mercia Asset Management

Ridge Pharma Ltd is a UK pharmaceutical company, manufacturing and supplying branded prescription medicines. The business was founded by Brendon McDonagh, who is committed to improving value for healthcare providers and patients, and has a team focused on identifying solutions for unmet needs, grounded in an ethical, sustainable and value-led approach.

Their innovative approach has saved the NHS millions of pounds since launching its first medicine in 2019. Ridge's mission includes impactful ESG initiatives such as providing paid internships and organising regular volunteering days for local causes, demonstrating its commitment to social responsibility and community engagement.

Mercia Asset Management invested in the business in 2018 and has been a financial and strategic partner, helping it reach breakeven and now exploring acquisitions that can enhance growth in the UK and Europe.



- London
- Technology
- Albion Capital

Seldon was founded in 2014 to help data scientists and machine learning engineers put their AI models into production at scale. The company has an open core business model: a free version available to the open-source community as well as a commercial product for enterprise customers, especially in regulated industries.

Albion led the Series A in 2020, providing finance and support to bolster the senior leadership team as well as to build the sales and marketing capabilities. Since then, Seldon has continued to develop a highly engaged open-source community and increased commercial traction, with a customer base now spanning several sectors such as J&J, Ford, Paypal and Rakuten.

The company raised Series B funding from Portuguese VC Bright Pixel in 2023 to focus on commercial expansion along with continued development of the product.



- Exeter
- Diagnostic Equipment
- Future Planet Capital

Attomarker is an Exeter-based company focused on nanophotonic biochemical testing. Founded in 2008 and spun out from work the University of Exeter, it has won awards for innovation and secured research grants for its work in diagnostics.

The company specialises in personalised medicine, providing rapid diagnostics to enable better decisions about health and health interventions. The core technology rapidly measures multiple biomarkers in a low volume of blood or saliva to provide a personal profile. The data can be used by patients to make more informed decisions about their health, and by healthcare professionals to determine treatment plans.

It has a significant pipeline of tests and is focused on global health challenges, including Long Covid & COVID-19, Infection & Sepsis, Obesity & Diabetes, and Antimicrobial Resistance, with early onset dementia tests and diagnostics for cancer in the pipeline. The company received investment from BVCA member Future Planet Capital, via the British Innovation Fund.



# Building a better economy for the future

As the economic operating environment shows signs of improving, and the new UK Government shapes its fiscal and legislative agenda, private capital remains an essential partner for creating economic growth.

Despite the wider economic challenges of 2023, the private capital industry continued to support businesses, jobs and innovation in all nations and regions of the UK. With investment of £20.1bn in 2023 alone, from businesses like Orbex, working on the world's first carbon-neutral satellite launch site, to iconic food brand Hovis, the long-term investment of capital has been key to innumerable UK business success stories.

The UK remains a global hub for private capital investment, and a significant majority of capital came from overseas investment. This is welcome, but there remains an opportunity for increasing domestic investment, particularly from pension funds. The BVCA looks forward to working with the new Government as a partner for growth, with industry and with our members to help build a better economy for the future.





# Methodology and data sources

## Industry sector definitions

Industry sectors are based on NACE codes and remain consistent with previous years. Further detail can be found in our [“Report on Investment Activity 2023: Statistics from our member survey”](#)

## Currency conversion

Where investment information was collected in currencies other than Pounds Sterling on the EDC platform, the amounts were converted into Sterling using mid-market exchange rates on the date of transaction.

## Confidentiality

All data received is treated with the utmost confidentiality. Data is published in an aggregated form only. The BVCA is committed to transparency and making the data we collect easily accessible to the public in a usable form, subject to the confidentiality requirements previously mentioned.

A companion publication [“Report on Investment Activity 2023”](#) provides the full aggregated survey results.

In addition, we have made the numbers behind the charts available in Excel for ease of analysis, which can be downloaded from our website [here](#). No underlying data relating to individual firms or transactions is made available. We hope this will continue to be a valuable data source for other researchers with an interest in private equity and venture capital.



# Contacts & useful resources

BVCA Report on Investment Activity 2023

BVCA Performance Measurement Survey 2023



Investment Commission report – to be published August 2024

BVCA Manifesto for Growth

Economic contribution of UK private equity and venture capital in 2023

BVCA External research hub

If you would like to discuss the report on the industry's contribution more generally, please contact any of the following:



Michael Moore  
Chief Executive, BVCA



Leon de Bono  
Managing Director, BVCA



Karim Palant  
Director of External Affairs, BVCA



Suzi Gillespie CFA  
Head of Research, BVCA

Get in touch with the team at:  
[bvca@bvca.co.uk](mailto:bvca@bvca.co.uk) / [research@bvca.co.uk](mailto:research@bvca.co.uk)



# Acknowledgements

## Authors

Nicky Bason  
Public Affairs and Communications Manager

Martin Senk  
Research Manager

Hind Jbala  
Senior Research Analyst

## About the BVCA

The British Private Equity & Venture Capital Association (BVCA) voices the private equity and venture capital industry's economic and social benefits to the UK.

We represent the industry to politicians, policymakers, media, institutional investors, the business community, and the public – our external stakeholders.

Our work enables the Government to have a deeper understanding of the value we provide when shaping new policy and how our industry operates.

We have over 600 members, including private equity and venture capital firms and their investors, as well as advisers and financial institutions.

We help our members develop best practice, develop relationships, and make informed decisions by sharing the latest knowledge and expertise.

We provide training for the industry to ensure the highest standards of skills and competencies.





## British Private Equity & Venture Capital Association (BVCA)

3rd Floor, 48 Chancery Lane, London WC2A 1JF  
+44 (0)20 7492 0400 / [bvca@bvca.co.uk](mailto:bvca@bvca.co.uk) / [www.bvca.co.uk](http://www.bvca.co.uk)

