



BVCA Report on Investment Activity 2023



About this report

This report has been produced by the British Private Equity and Venture Capital Association (“BVCA”) to demonstrate the activity of the UK private equity and venture capital industry in 2023. The statistics in this report are the results of the BVCA’s Investment Activity Study, covering fundraising, business investments and business exits. Data is sourced from a detailed member survey, supplemented by data from third party sources.

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. Active ownership, over the medium to long term, delivers economic and social value to those involved in the businesses (from

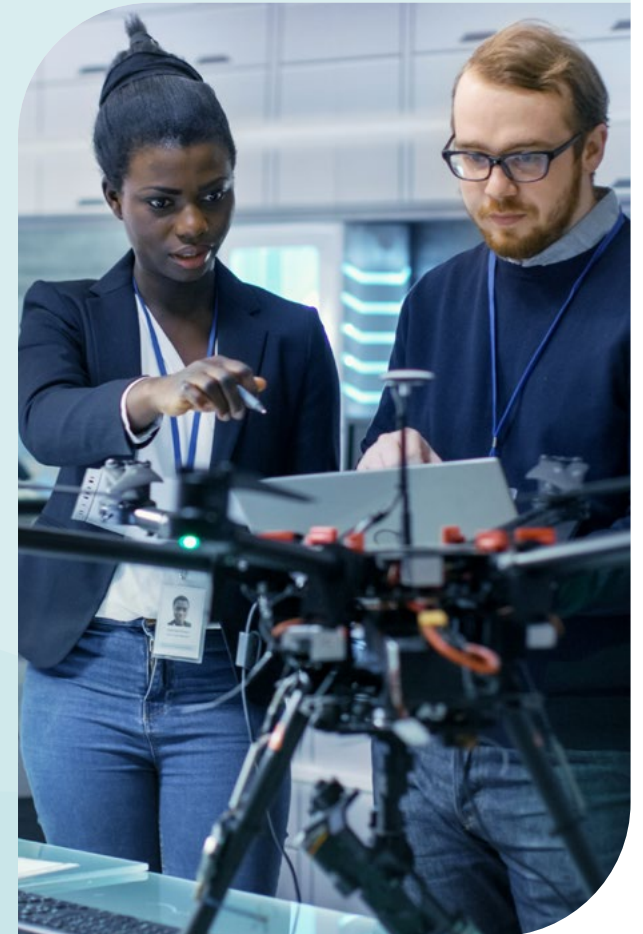
employees, management and owners on the one hand, to customers and suppliers on the other) and a wide group of stakeholders (from local communities and local and regional economies, to national policy makers focused on issues such as climate change, diversity and inclusion and social justice).

Both private equity and venture capital are focused on delivering sustainable growth for the companies in which they invest: 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.



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

“With data gathered from nearly 200 BVCA members, supplemented by information from public sources, this BVCA research demonstrates the evolution of UK focused and UK led industry activity over time. Having robust, accurate and transparent data allows us to articulate the clear economic contribution of private capital to society. I would like to thank all participating firms who provided data and contributed to this research.”



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Foreword

After a turbulent start to the decade, the British public is expected to head to the polls before the end of 2024. Whoever forms the next Government, their paramount mission must be to return the UK to economic growth, boosting incomes, and ensuring economic stability. How we grow the economy is the big question, and increasing investment both in the short-term and sustainably over the long-term, will be central to the answer.

And the private capital industry stands ready to be a partner for growth, with a 40 year track record of investing in businesses in every corner of our four nations.

This latest Report on Investment Activity shows that 2023 saw a fall from the highs of 2021 for our industry, but private capital still backed UK businesses to the tune of £20.1 billion. The majority of this investment went to companies outside the capital – businesses like Censo Biotechnologies based in Edinburgh, Scotland, which specialises in the supply of human cells and the culture systems needed to maintain them; Reacta Healthcare in Deeside, Wales, which develops and

manufactures challenge meals for use in food allergy clinical trials; and Cloudsmith, based in Belfast, Northern Ireland, which offers a cloud-native solution for software artifact management and software supply chain security.

Private capital investors support businesses like these over the long-term, helping them to create jobs, become more productive and sustainable.

Using data gathered from nearly 200 BVCA members, alongside information from public sources, this research gives us a clear picture of how both UK focused and UK led private capital investment activity has evolved over recent years. This robust, accurate and transparent data underpins our ability to articulate the economic contribution private capital makes as a partner for growth.



Michael Moore
Chief Executive, BVCA



Executive summary

Fundraising

Total fundraising in 2023 reached **£59.6bn**. The number of funds raising new capital was 131.

Buyout fundraising reached £48.5bn. Pension funds are the largest institutional investor in UK buyout funds contributing 30%, followed by sovereign wealth funds (19%) and fund of funds (8%).

Growth capital fundraising reached £7.3bn. Pension funds were the largest reported contributor at 18%.

Venture capital fundraising reached £2.2bn. Capital markets & corporate Investors contributed 11% to the total VC fundraising amount.

Investments

The total equity amount of UK led investment **decreased by 38% year-on-year to £31bn**. The number of companies receiving UK led investment **decreased 19% to 1,796**. UK company investments **decreased by 32% year-on-year to £20.1bn** while the **number of companies backed decreased by 14%**.

UK led buyout investment decreased by 42% year-on-year to £20bn. The number of companies backed decreased by 17% to 278. Buyout investments in UK companies decreased by 44% year-on-year to £11.5bn. The number of companies backed decreased by 15% to 192. Mega buyouts have accounted for around 40% of the buyout market by amount for both UK led and UK company investments.

Growth capital funding decreased by 24% (£ 7.1bn) and 17% (£4.3bn) year-on-year for UK led and UK company investments, respectively. In context of previous years, the level of growth investment is higher in 2023 compared to 2020.

Venture capital funding decreased by 34% year-on-year for UK led investments (£3.5bn) and 11% for UK company investments (£3.2bn). Number of later stage venture investments increased year-on-year by 27% and 35% for UK led and UK company investments, respectively. In context of previous years, the level of venture investment in the UK is higher in 2023 compared to 2020.

Divestments

499 UK companies were divested from in 2023 while 566 companies had a UK led divestment. By amount of former equity investments (divestments at cost), **the total value exited reached £9.29bn** for UK led divestments and **£5.94bn** for UK company divestments.

Buyout divestments that were UK led represented 78% of all exits by amount at cost and 26% by number of companies. Buyout divestments from UK companies reached 73% by amount at cost and 20% by number of companies.

Growth capital divestments that were UK led represented 13% of all exits by amount at cost and 51% by number of companies. Growth capital divestments from UK companies reached 17% by amount at cost and 56% by number of companies.

Venture capital divestments that were UK led represented 7% of all exits by amount at cost and 21% by number of companies. Venture capital divestments from UK companies reached 8% by amount at cost and 22% by number of companies.



Fundraising

Fundraising statistics explained

The fundraising dataset includes the following categories of data:

- Fundraising data provided by private equity and venture capital BVCA member firms.
- Fundraising data provided by non-member private equity and venture capital firms to other national associations that are part of the European Data Cooperative.
- Fundraising data of private equity and venture capital firms that was obtained from publicly available sources.

Funds managed by UK private equity and venture capital firms for both UK and overseas investments are included.

Funds managed by UK-based offices of international private equity and venture capital firms are included.

Funds managed by the overseas headquarters of international private equity and venture capital firms are excluded.

Statistics include first-time fundraising as well as follow-on fundraising captured in the year by BVCA members as well as non-members.

The following funds are included in the statistics: private equity and venture capital funds making direct private equity and venture capital investments; mezzanine funds; infrastructure funds; co-investment funds; replacement capital funds and turnaround/rescue funds.

The following funds are excluded from the statistics: real estate funds, distressed debt funds, primary funds of funds and secondary funds of funds.

Please refer to the methodology section for further information.



Definitions: Types of funds & investors

Fund stage focus

Buyout fund: Funds acquiring companies by purchasing majority or controlling stakes, financing the transaction through a mix of equity and debt.

Generalist fund: Funds investing in all stages of private equity.

Growth fund: Funds that make private equity investments (often minority investments) in relatively mature companies that are looking for primary capital to expand and improve operations or enter new markets to accelerate the growth of the business.

Mezzanine fund: Funds using a hybrid of debt and equity financing, comprising equity-based options (such as warrants) and lower-priority (subordinated) debt.

Turnaround/Rescue fund: Funds investing equity in companies that are in financial distress with the view to restoring the company to profitability.

Venture capital

Early-stage fund: Venture capital funds focused on investing in companies in the early stages of their lives.

Later-stage fund: Venture capital funds providing capital for an operating company, which may or may not be profitable. Typically, in C or D rounds.

Venture fund (all stages): Venture capital funds focused on both early and later stage investments.

Type of investors

Academic institutions: Universities, colleges or schools.

Endowment fund: An investment fund established by a foundation, university or cultural institution providing capital donations for specific needs or to further a company's operating process. They are generally structured so that the principal amount invested remains intact (for perpetuity, for a defined period of time or until sufficient assets have been accumulated to achieve a designated purpose).

Foundation: A non-profit organisation through which private wealth is distributed for the public good. It can either donate funds and support other organisations, or provide the sole source of funding for their own charitable activities.

Banks: Total capital committed by banks, excluding capital provided by feeder funds.

Corporate investors: Corporations manufacturing products or delivering non-financial services.

Family office: An entity that provides services to one or more affluent families, including investment management and other services (accounting, tax, financial and legal advice etc.).

Fund of funds: A private equity fund that primarily takes equity positions in other funds.

Government agencies: Country, regional, governmental and European agencies or institutions for innovation and development.

Insurance companies: Financial intermediaries which offer direct insurance or reinsurance services, providing financial protection from possible hazards in the future.

Other asset manager: A financial institution (other than a bank, endowment, family office, foundation, insurance company or pension fund) managing a pool of capital by investing it across different asset classes with the purpose of generating financial returns. It may include private equity direct funds that occasionally do indirect investments but excludes fund of funds that are a standalone option.

Pension funds: A pension fund that is regulated under private or public sector law.

Private individuals: Private individuals acquiring shares of private equity fund.

Sovereign wealth funds: State-owned investment funds investing in foreign direct private equity funds to diversify their portfolio.

Fundraising at a glance

Figure 1. 2023 – Summary fundraising statistics

- Total fundraising in 2023 reached £59.6bn. The number of funds raising new capital was 131. Pension funds provided 28% of total fundraising, followed by sovereign wealth funds (17%). Institutional investors from outside the UK contributed approximately 81% (£48.5bn) with UK investors contributing 13% (£7.6bn) £3.5bn remains with an unclassified location of investor.
- Buyout fundraising reached £48.5bn. Pension funds are the largest institutional investor in UK buyout funds contributing 30%, followed by sovereign wealth funds (19%) and fund of funds (8%).
- Growth capital fundraising reached £7.3bn. Pension funds were the largest reported contributor at 18%.
- Venture capital fundraising reached £2.2bn. Capital markets & corporate Investors contributed 11% to the total VC fundraising amount.

2023	All Private Equity ⁽²⁾	Buyout ⁽¹⁾	Growth ⁽¹⁾	Venture Capital ⁽¹⁾	Other ⁽¹⁾
Incremental – Amounts raised	£59.62bn	£48.49bn	£7.33bn	£2.22bn	£1.57bn
Incremental – No. of funds	131	51	26	44	10

Note: (1) Relates to fund focus

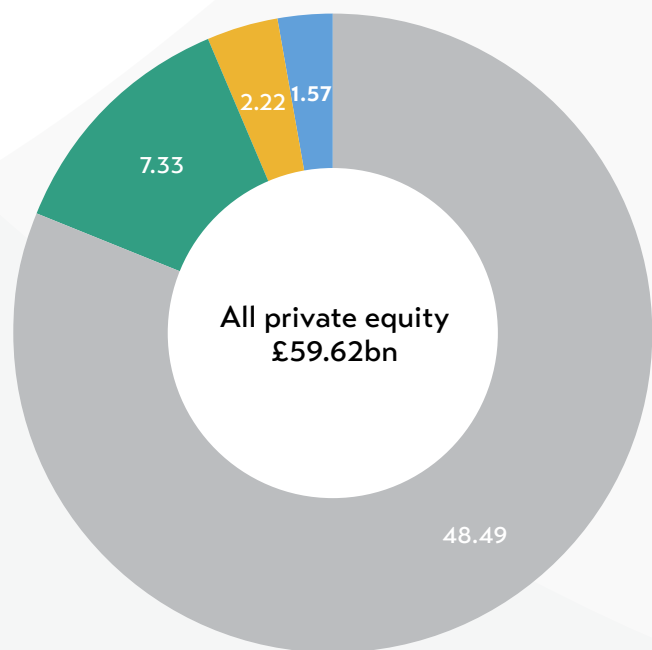
Note: (2) Refers to all private equity and venture capital



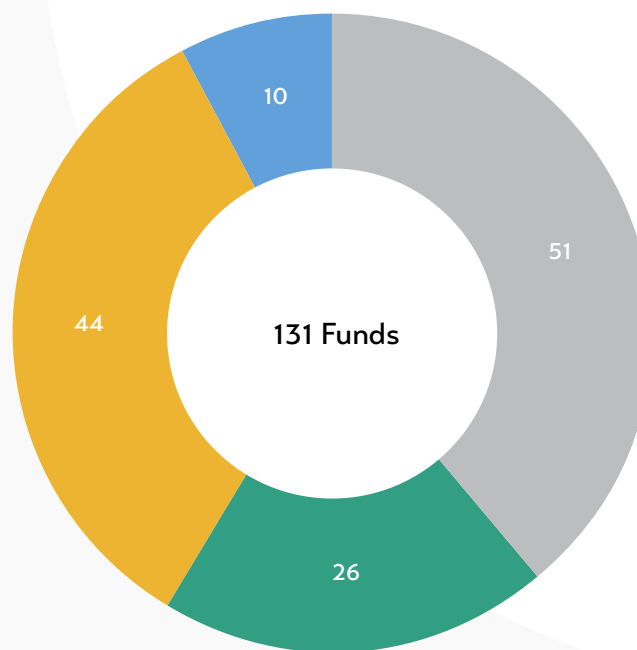
Funds raised and number of funds by fund stage focus

Figure 2. 2023 – Incremental fundraising by fund stage focus

Incremental amounts raised during the year (£ billion)



Number of funds



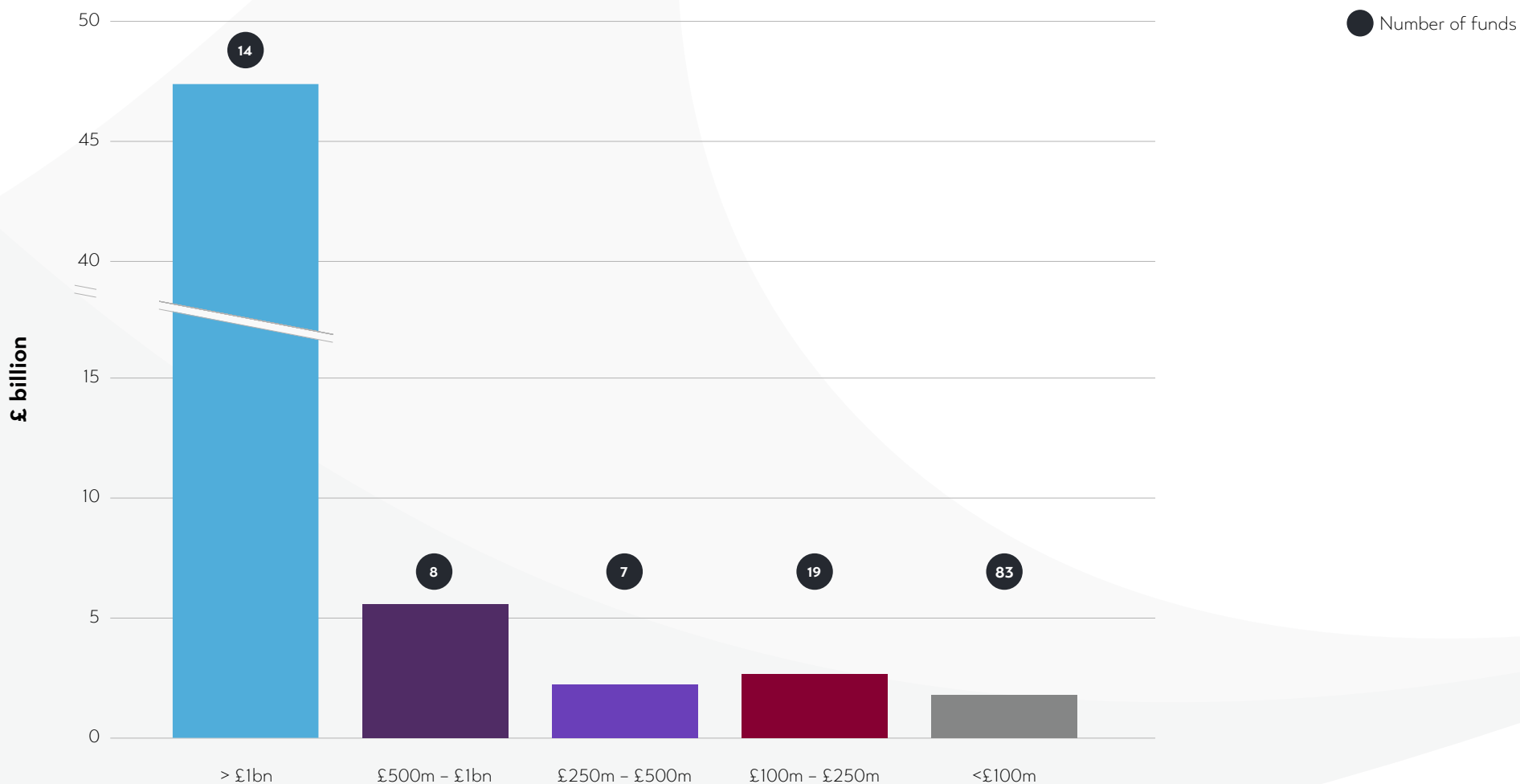
- Buyout
- Growth
- Venture Capital
- Other (1)

Note: (1) Other includes Generalist, Replacement capital, Mezzanine and Turnaround/Rescue funds



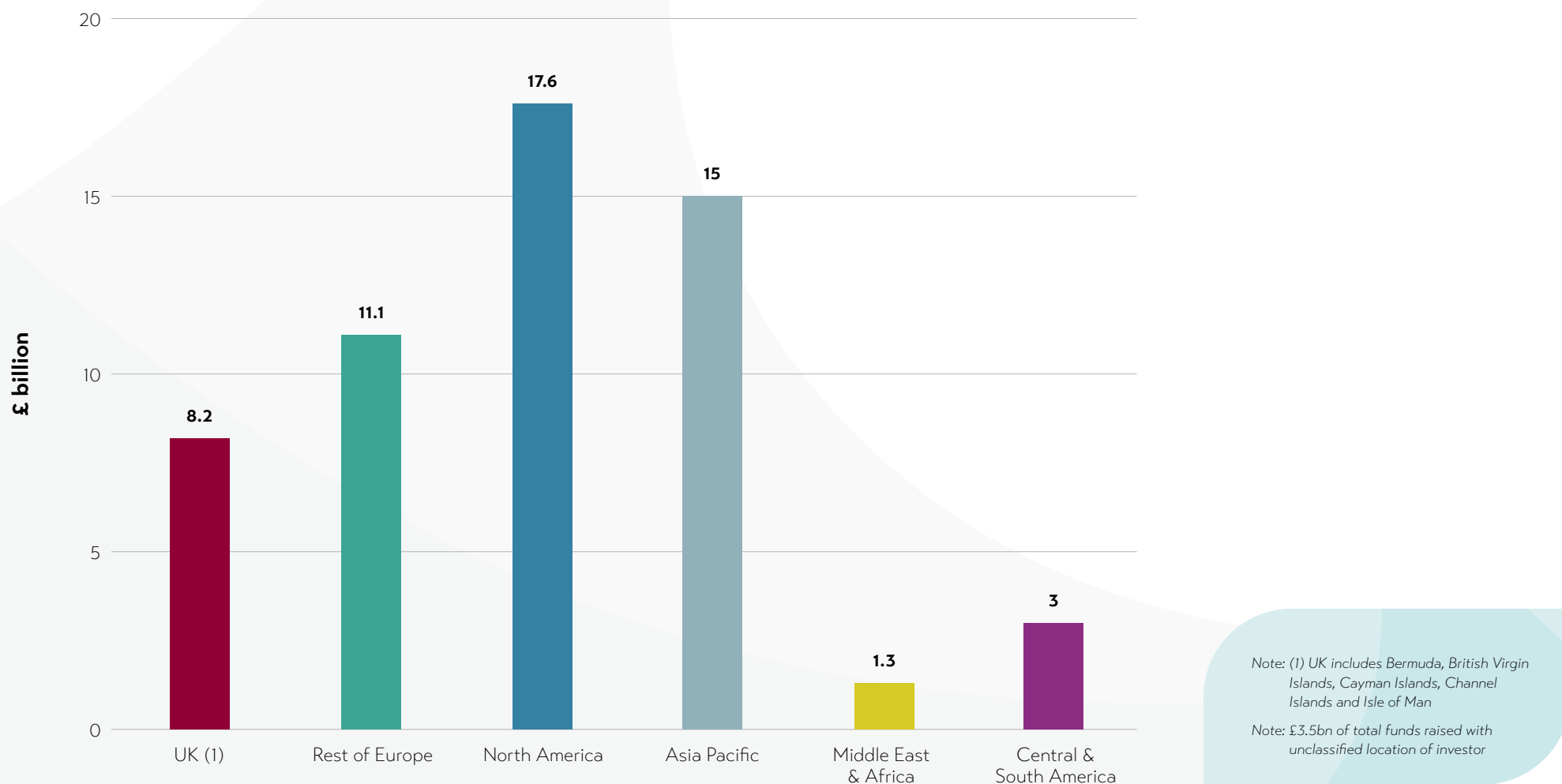
All PE and VC – Concentration of capital

Figure 3. 2023 – Incremental fundraising by amount bracket per fund during the year



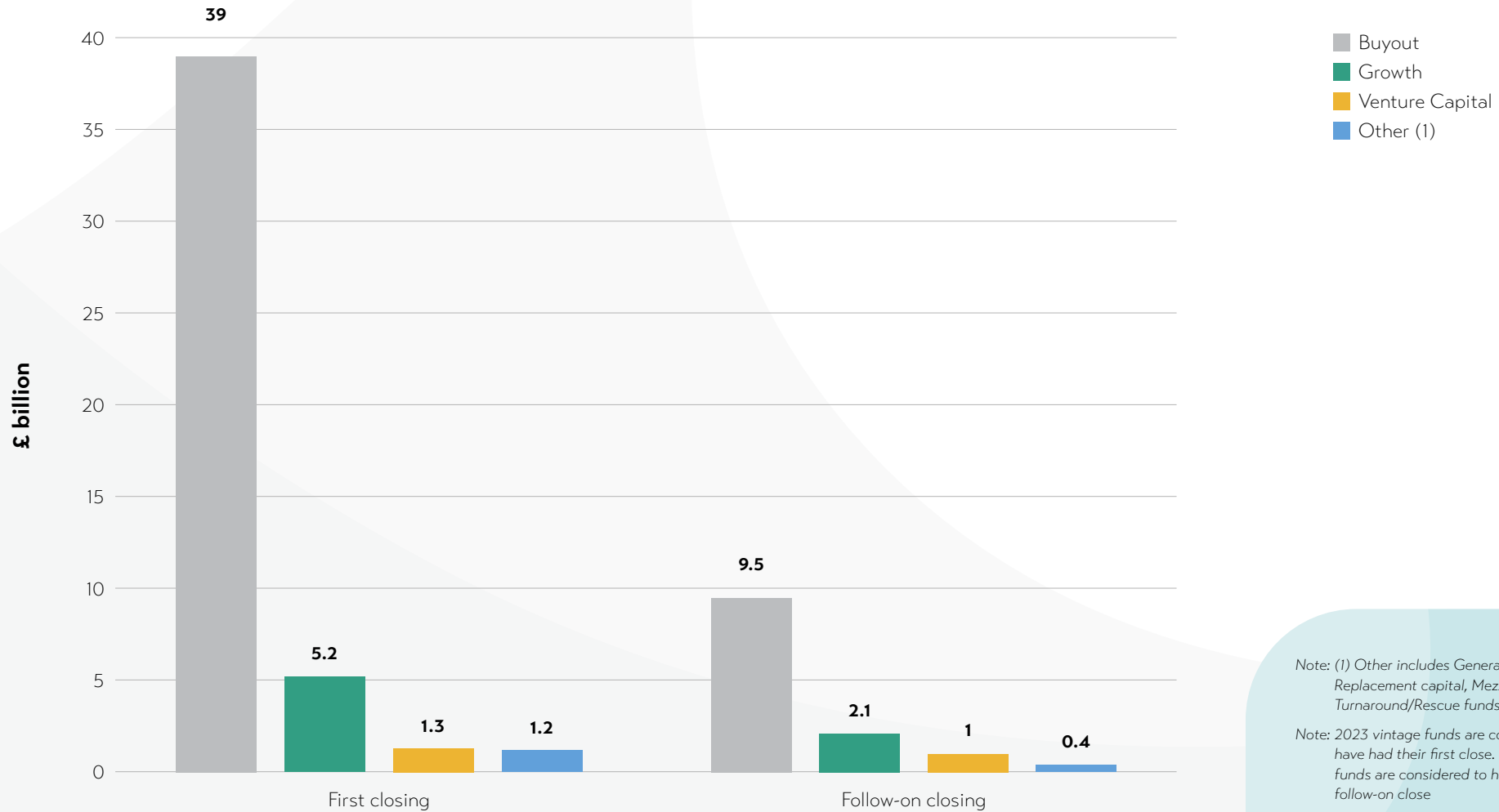
All PE and VC – Funds raised by location of investor

Figure 4. 2023 – Incremental amount raised during the year



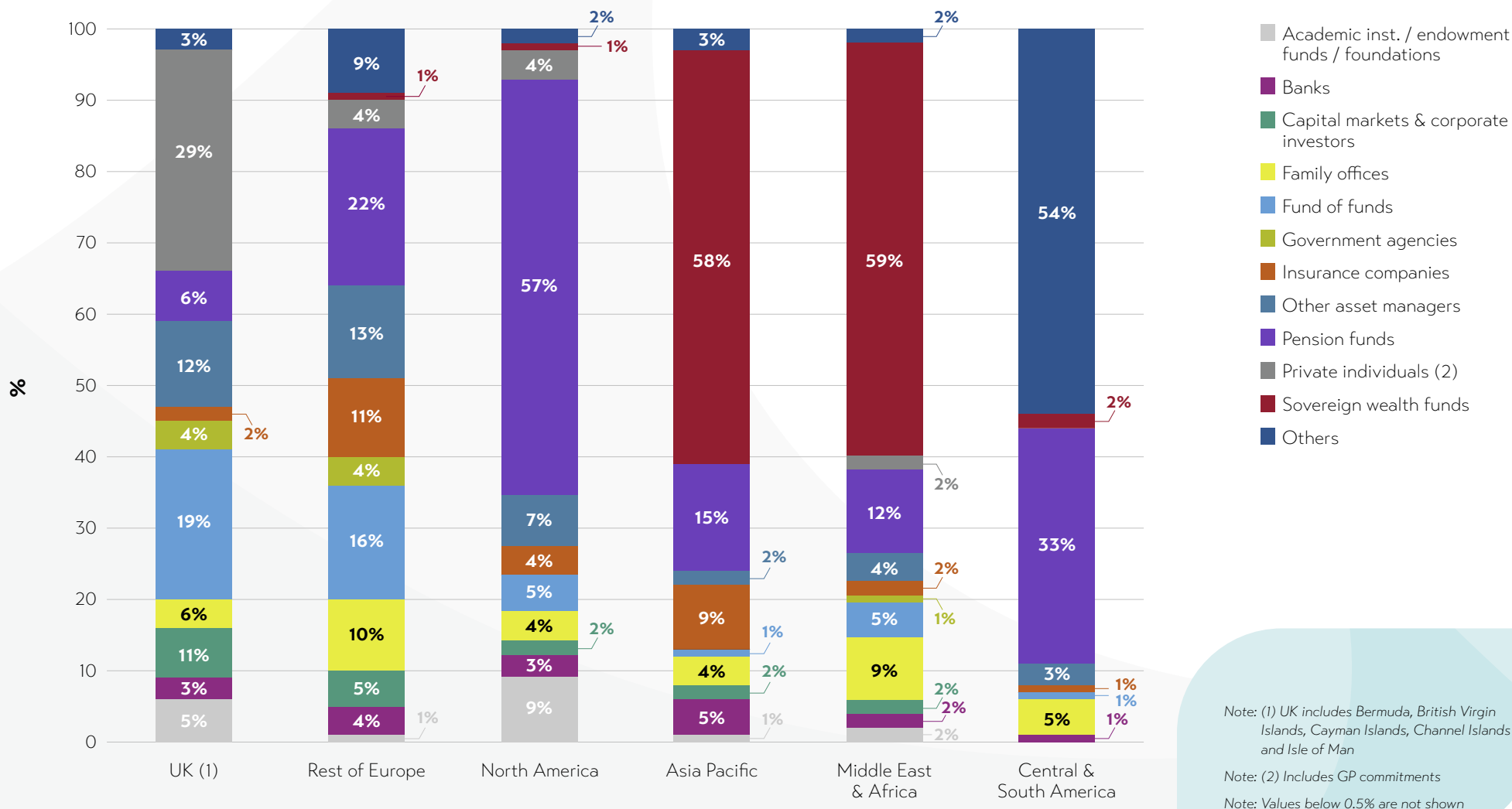
All PE and VC – Funds raised by type of closing

Figure 5. 2023 – Incremental amount raised during the year



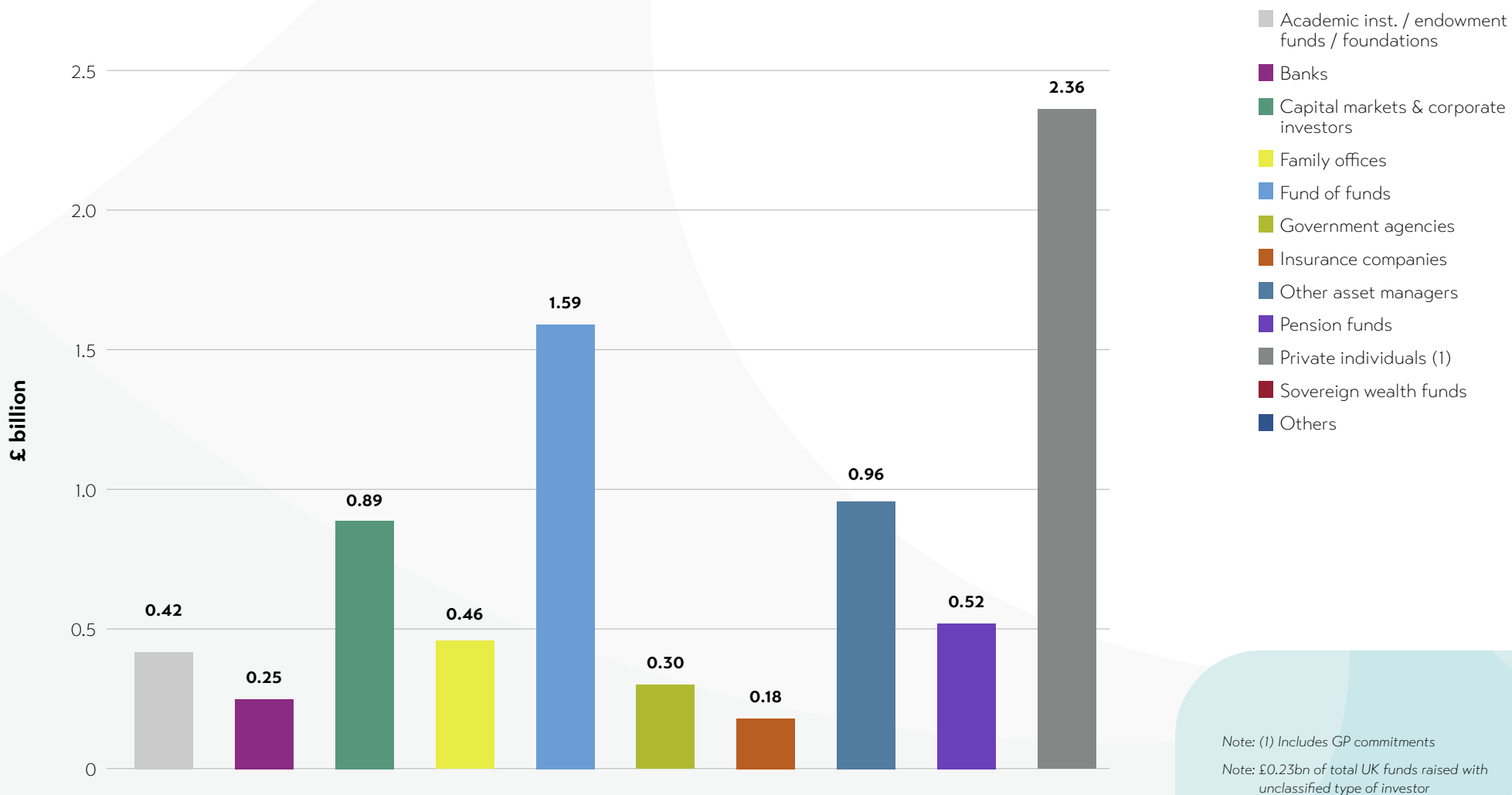
All PE and VC – Funds raised by location and type of investor

Figure 6. 2023 – Incremental amount raised during the year – % of amount



All PE and VC – Funds raised from UK investors by investor type

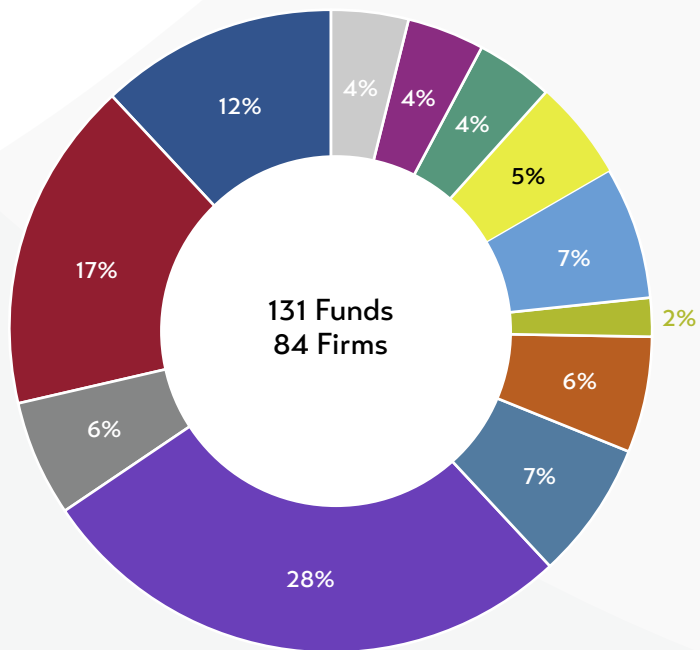
Figure 7. 2023 – Incremental amount raised during the year



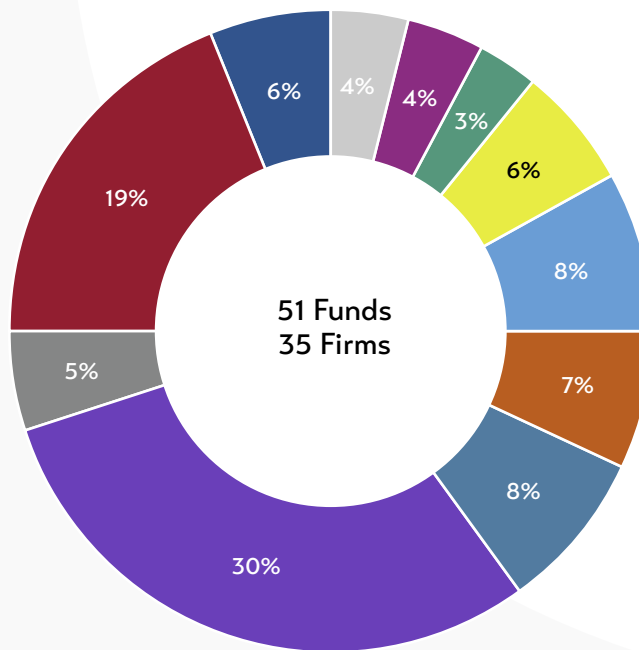
Funds raised by type of investor

Figure 8a. 2023 – Incremental amount raised during the year – % of amount

All private equity and venture capital funds



Buyout funds



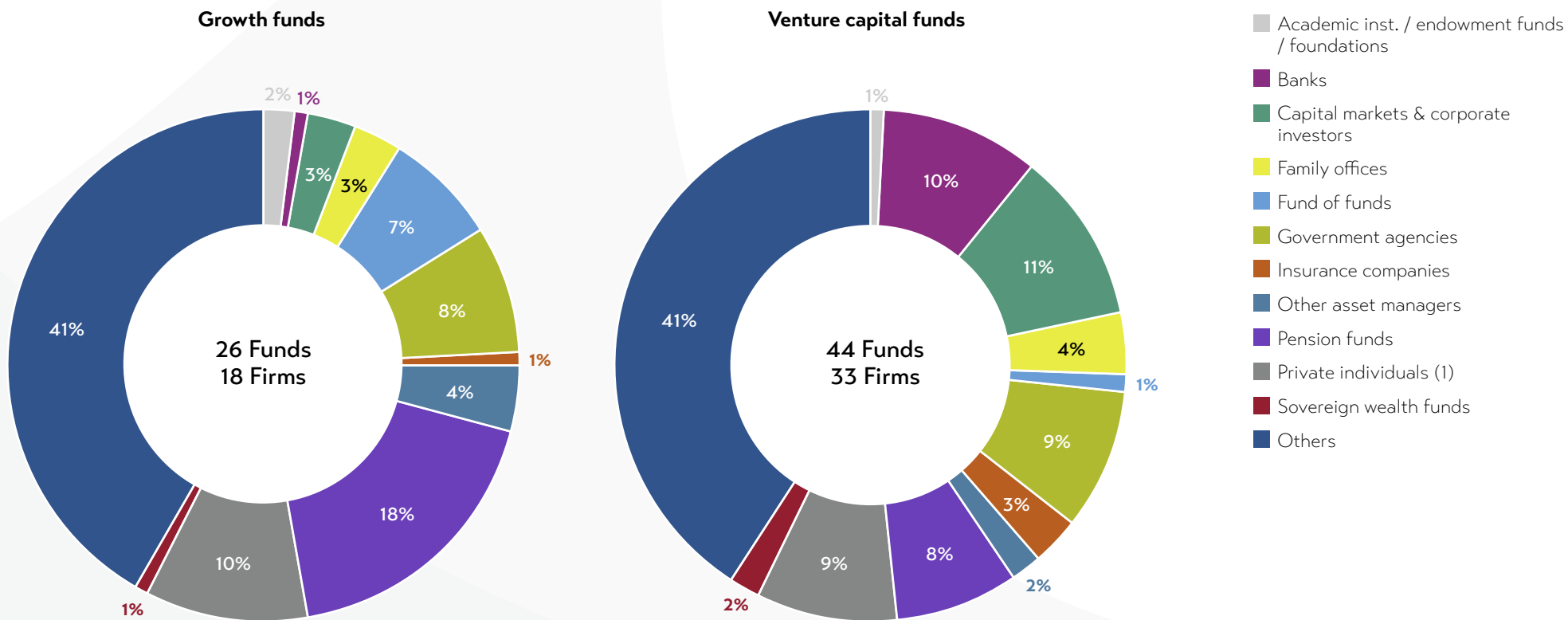
- Academic inst. / endowment funds / foundations
- Banks
- Capital markets & corporate investors
- Family offices
- Fund of funds
- Government agencies
- Insurance companies
- Other asset managers
- Pension funds
- Private individuals (1)
- Sovereign wealth funds
- Others

Note: (1) Includes GP Commitments
 Note: Values below 0.5% are not shown



Funds raised by type of investor

Figure 8b. 2023 – Incremental amount raised during the year – % of amount

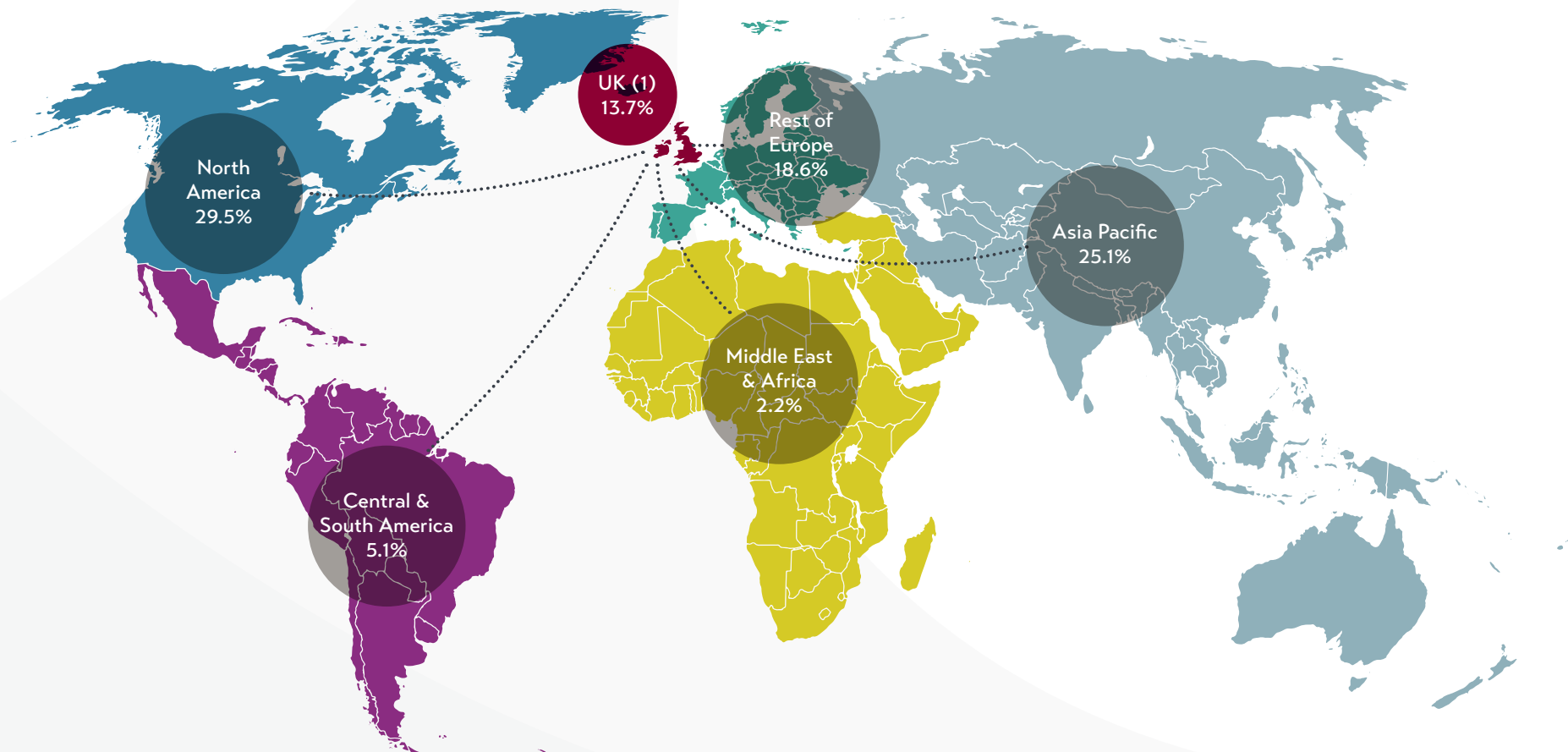


Note: (1) Includes GP Commitments
 Note: Values below 0.5% are not shown



All PE and VC – Fundraising geographic breakdown

Figure 9. 2023 – Sources of funds – % of total amount



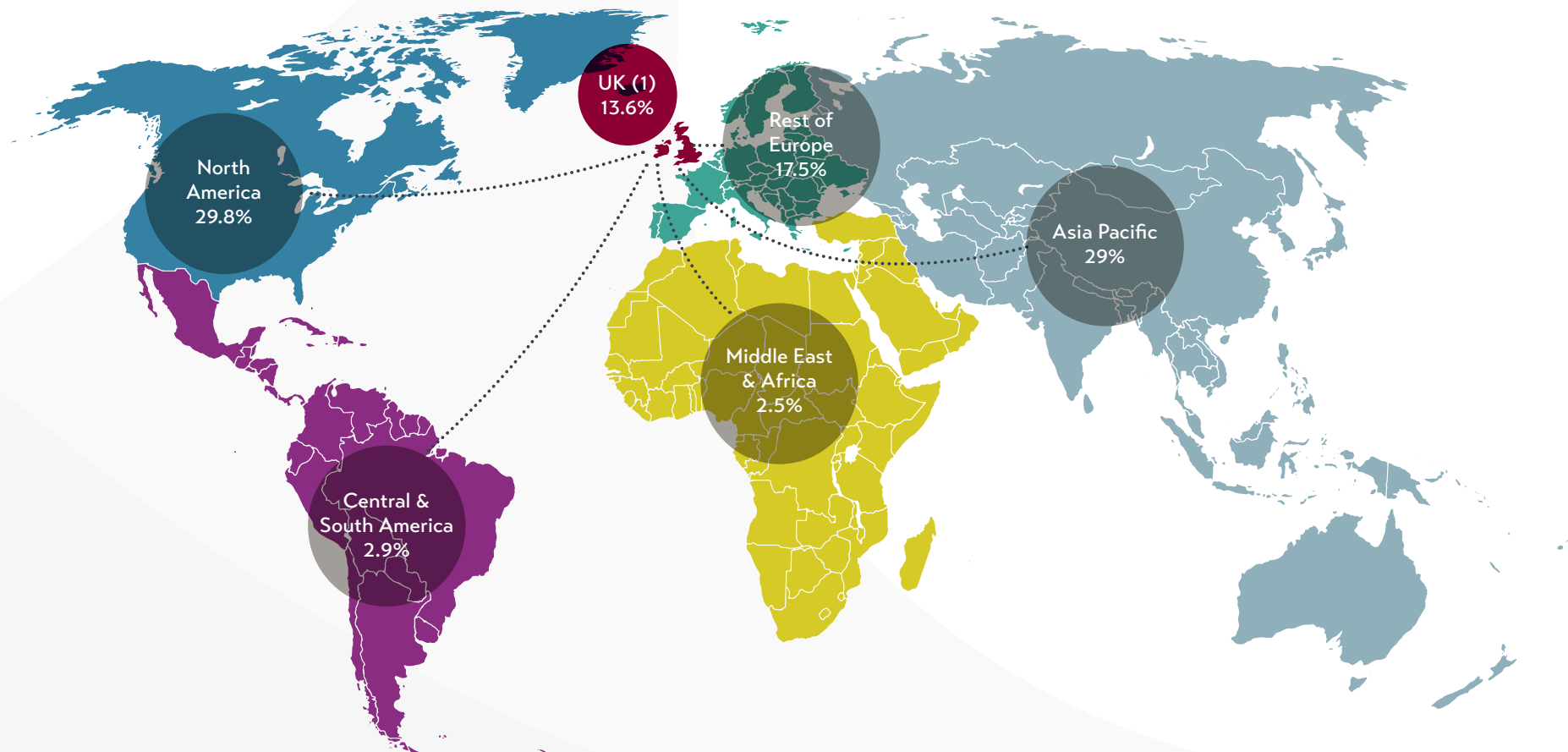
Note: (1) UK includes Bermuda, British Virgin Islands, Cayman Islands, Channel Islands and Isle of Man

Note: 5.9% of total funds raised with unclassified location of investor



Buyout – Fundraising geographic breakdown

Figure 10. 2023 – Sources of funds – % of total amount



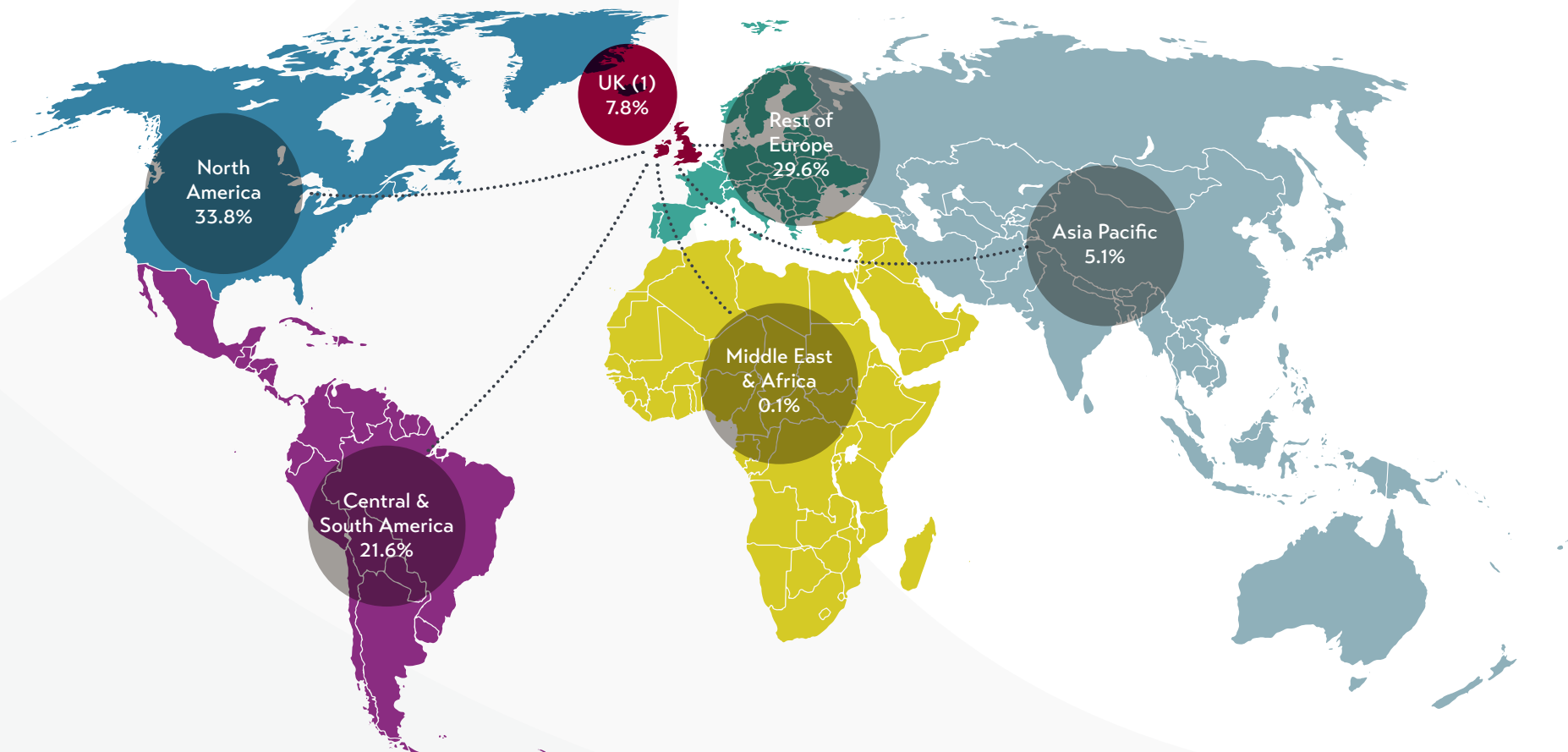
Note: (1) UK includes Bermuda, British Virgin Islands, Cayman Islands, Channel Islands and Isle of Man

Note: 4.5% of total funds raised with unclassified location of investor



Growth – Fundraising geographic breakdown

Figure 11. 2023 – Sources of funds – % of total amount



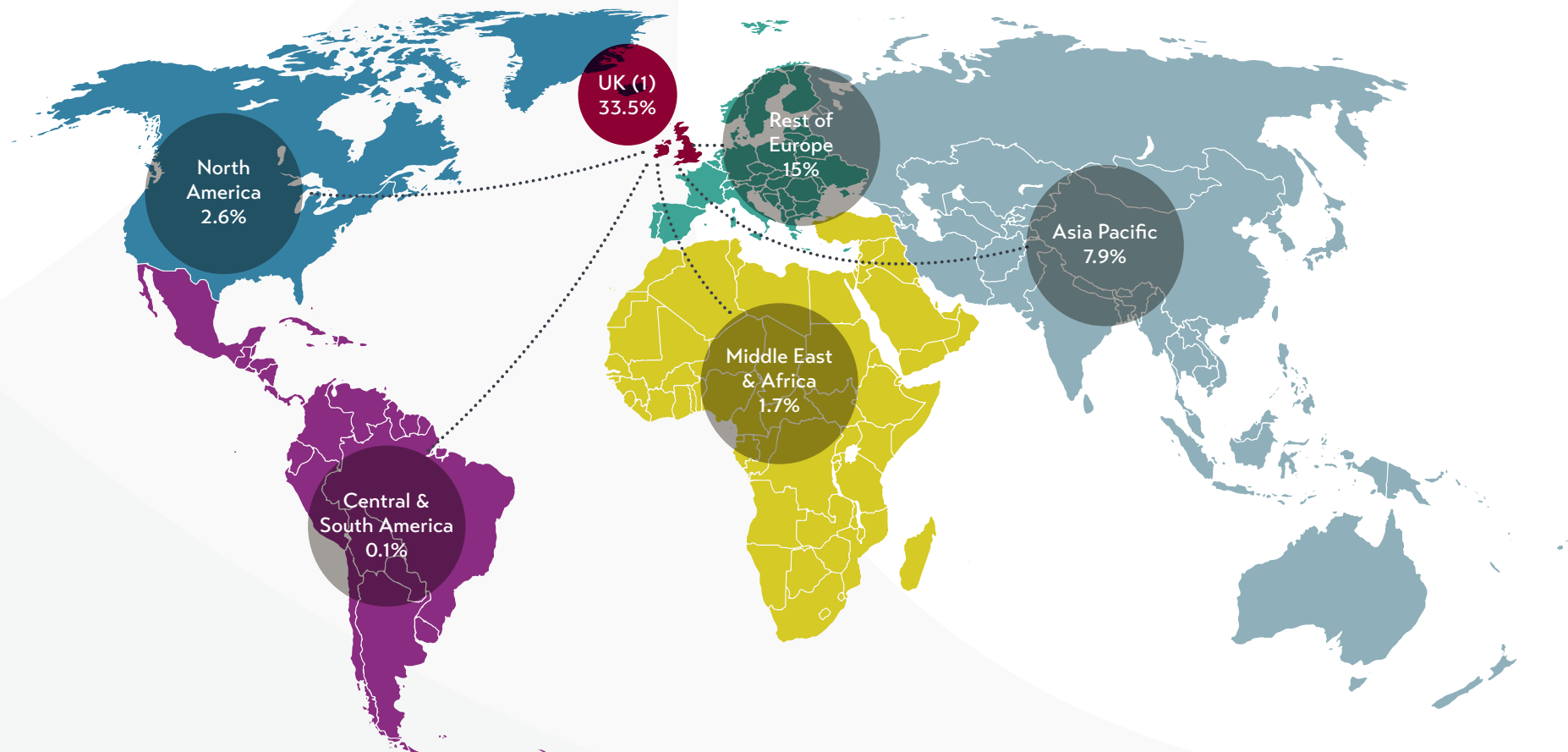
Note: (1) UK includes Bermuda, British Virgin Islands, Cayman Islands, Channel Islands and Isle of Man

Note: 1.9% of total funds raised with unclassified location of investor



Venture capital – Fundraising geographic breakdown

Figure 12. 2023 – Sources of funds – % of total amount



Note: (1) UK includes Bermuda, British Virgin Islands, Cayman Islands, Channel Islands and Isle of Man

Note: 39.2% of total funds raised with unclassified location of investor



Investments

Investments statistics explained

The investment dataset includes the following categories of data:

- Investment data provided by private equity and venture capital BVCA member firms.
- Investment data provided by non-member private equity and venture capital firms to other national associations that are part of the European Data Cooperative.
- Investment data of private equity and venture capital firms that was obtained from publicly available sources.

Industry statistics: figures relate 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. Statistics include first-time investments as well as follow-on investments captured in the year.

Market statistics: figures relate to investments into companies headquartered in the UK, regardless of whether the investing fund or fund manager is UK or overseas based. Statistics include first-time investments as well as follow-on investments captured in the year.

Equity value: The amount of capital invested to acquire shares in an enterprise. The equity value includes equity, quasi-equity, mezzanine, unsecured debt and secured debt provided by the private equity and venture capital firm.

The following funds are included in the statistics: private equity and venture capital funds making direct private equity and venture capital investments; mezzanine funds; infrastructure funds; co-investment funds and turnaround/rescue funds.

The following funds are excluded from the statistics: real estate funds, distressed debt funds, primary funds of funds and secondary funds of funds.

Please refer to the methodology section for further information.



Investment definitions

Venture capital

Seed: Funding provided before the investee company has started mass production/distribution with the aim to complete research, product definition or product design, also including market tests and creating prototypes. This funding will not be used to start mass production/distribution.

Start-up: Funding provided to companies, once the product or service is fully developed, to start mass production/distribution and to cover initial marketing. Companies may be in the process of being set up or may have been in business for a shorter time, but have not sold their product commercially yet. The destination of the capital would be mostly to cover capital expenditures and initial working capital.

Other early-stage financing: Financing provided to companies that have initiated commercial manufacturing but require further funds to cover additional capital expenditures and working capital before they reach the break-even point. They will not be generating a profit yet.

Later-stage financing: Financing provided for an operating company, which may or may not be profitable. Late-stage venture tends to be financing into companies already backed by VCs. Typically, in C or D rounds.

Buyout

Management buyout (MBO): Funds provided to enable current operating management and investors to acquire an existing product line or business. Institutional buyouts (IBOs), leveraged buyouts (LBOs) and other types of similar financing are included under MBOs for the purposes of this report.

Management buy-in (MBI): Funds provided to enable an external manager or group of managers to buy into a company.

Secondary buyout: Financing provided to acquire a company from another private equity firm. It may use a significant amount of borrowed capital to meet the cost of acquisition.

Add-on/bolt-on/build-up acquisition: The purchase of a company (Target Company) by an existing portfolio company (Platform Company) funded by a private equity fund.

PIPE: A private investment in public equity (PIPE) purchases of stock in a company at a discount to the current market value per share for the purpose of raising capital.

Public to private: Purchase of quoted shares with the purpose of de-listing the company.

Infrastructure: Purchase of controlling stakes in infrastructure businesses, often related to transportation and communications systems, water and power lines and public institutions, including schools and care homes.

Growth capital

A type of private equity investment (often a minority investment) in relatively mature companies that are looking for primary capital to expand and improve operations or enter new markets to accelerate the growth of the business.

Turnaround / rescue

Financing made available to an existing business, which has experienced financial distress, with a view to re-establishing prosperity.

Replacement capital

Minority stake purchase from another private equity investment organisation or from another shareholder or shareholders.

Refinancing bank debt

Funds provided to enable a company to repay or restructure existing bank debt.

Investments at a glance

Figure 13. 2023 – Summary investments statistics

- The total equity amount of UK led investment decreased by 38% year-on-year to £31bn. The number of companies receiving UK led investment decreased by 19% to 1796. UK company investments decreased by 32% year-on-year to £20.1bn while the number of companies backed decreased by 14%.
- UK led buyout investment decreased by 42% year-on-year to £20bn. The number of companies backed decreased by 17% to 278. Buyout investments in UK companies decreased by 44% year-on-year to £11.5bn. The number of companies backed decreased by 15% to 192. Mega buyouts have accounted for around 40% of the buyout market by amount for both UK led and UK company investments.
- Growth capital funding decreased by 24% (£7.1bn) and 17% (£4.3bn) year-on-year for UK led and UK company investments, respectively. In context of previous years, the level of growth investment is higher in 2023 compared to 2020.
- Venture capital funding decreased by 34% year-on-year for UK led investments (£3.5bn) and 11% for UK company investments (£3.2bn). Number of later stage venture investments increased year-on-year by 27% and 35% for UK led and UK company investments, respectively. In context of previous years, the level of venture investment in the UK is higher in 2023 compared to 2020.

2023 – Industry statistics	All Private Equity ⁽²⁾	Buyout ⁽¹⁾	Growth ⁽¹⁾	Venture Capital ⁽¹⁾	Other ⁽¹⁾
Amount	£30.96bn	£20.03bn	£7.07bn	£3.49bn	£0.37bn
No. of companies	1,796	278	488	1,039	34
No. of firms	334	107	125	200	16
No. of funds	734	195	247	401	23

2023 – Market statistics	All Private Equity ⁽²⁾	Buyout ⁽¹⁾	Growth ⁽¹⁾	Venture Capital ⁽¹⁾	Other ⁽¹⁾
Amount	£20.08bn	£11.45bn	£4.33bn	£3.22bn	£1.08bn
No. of companies	1,467	192	407	875	32
No. of firms	478	102	130	324	14
No. of funds	816	158	222	516	21

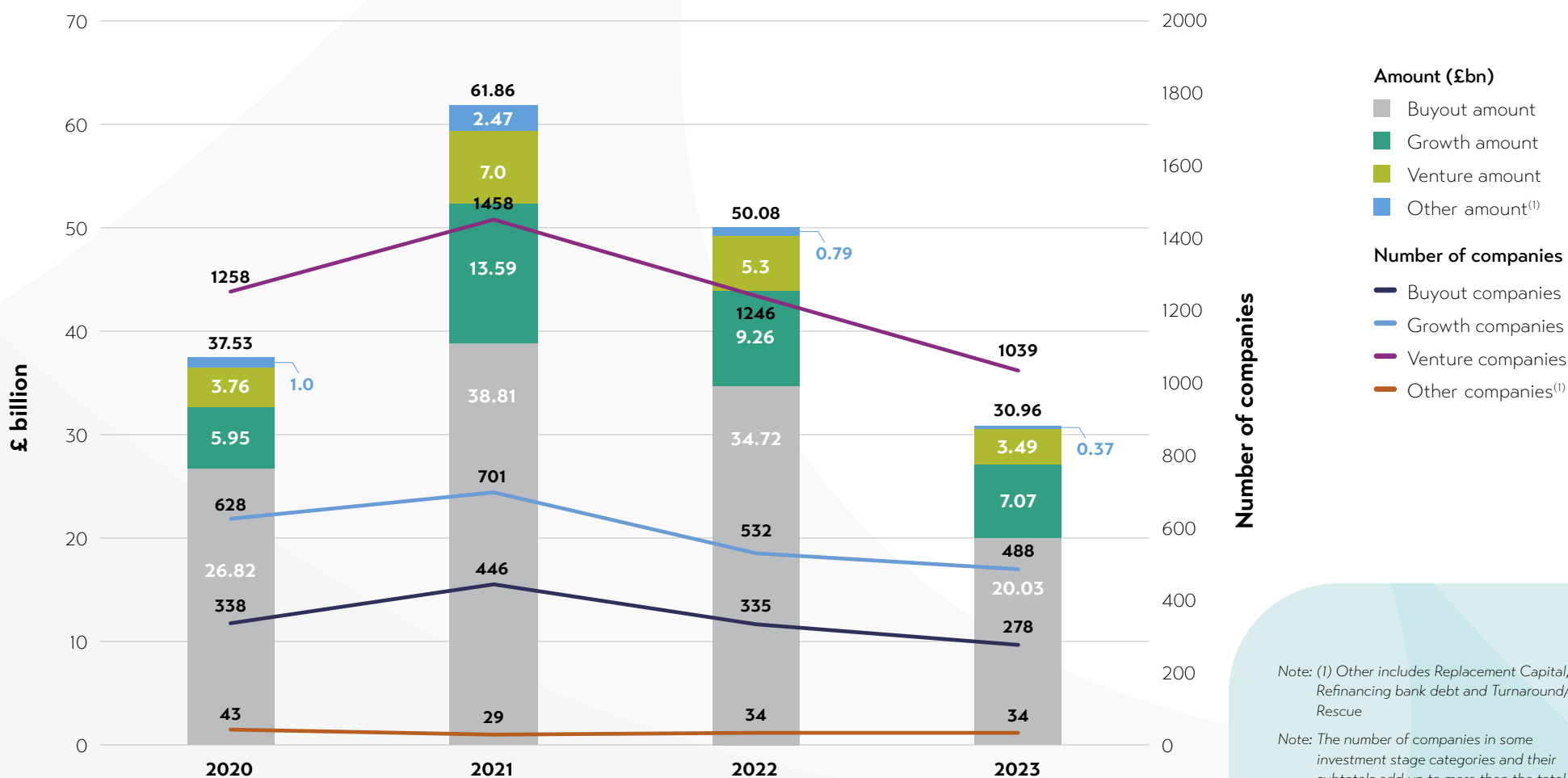
Note: (1) Relates to investment stage of portfolio company

Note: (2) Refers to all private equity and venture capital



Investments at a glance

Figure 14a. 2020–2023 – Industry statistics – Amount & number of companies



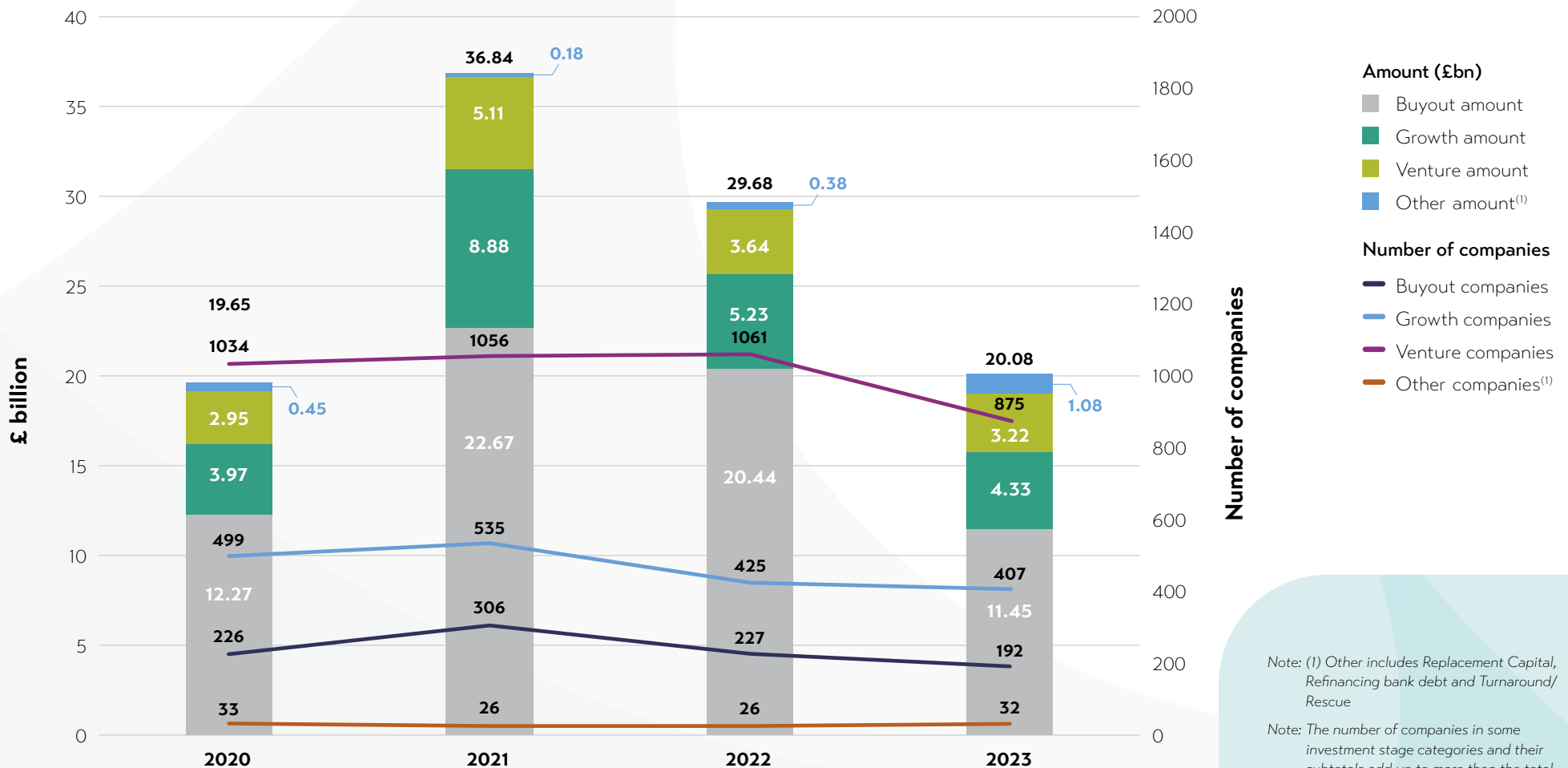
Note: (1) Other includes Replacement Capital, Refinancing bank debt and Turnaround/Rescue

Note: The number of companies in some investment stage categories and their subtotals add up to more than the total number of companies invested in. This is due to some companies receiving more than one investment within the year at different investment stages.



Investments at a glance

Figure 14b. 2020-2023 – Market statistics – Amount & number of companies



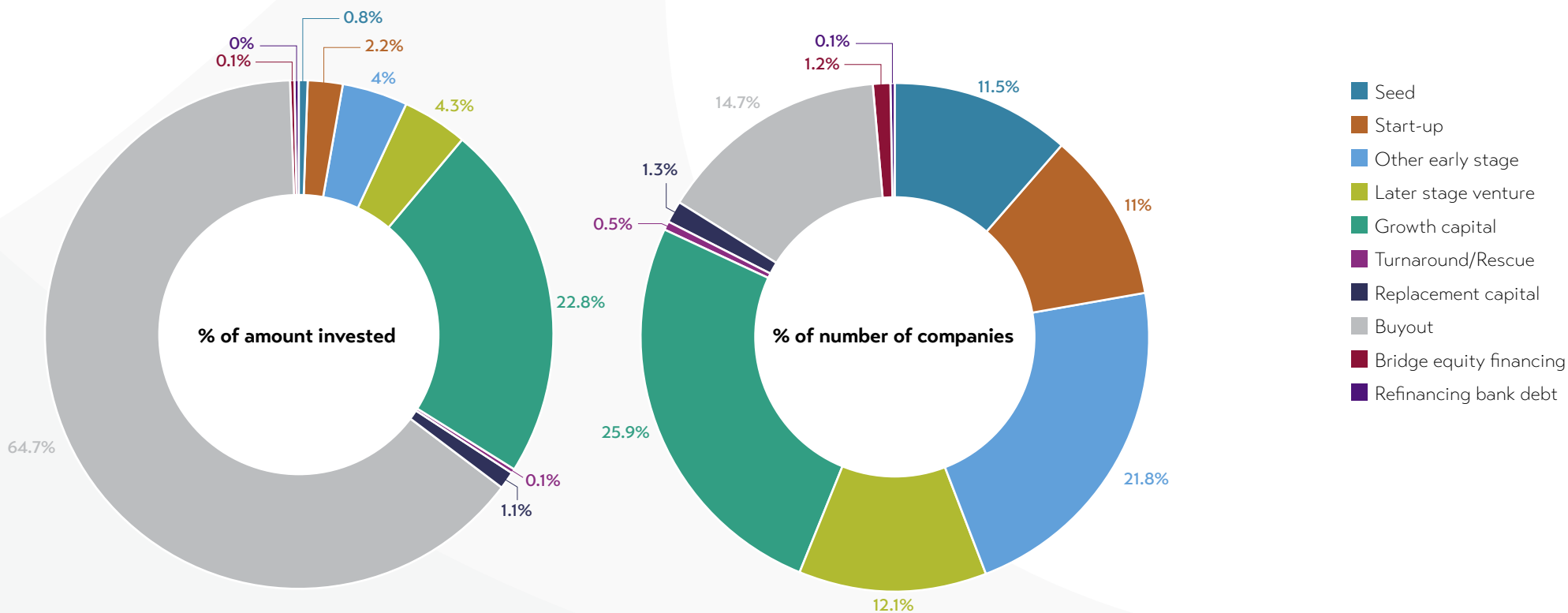
Note: (1) Other includes Replacement Capital, Refinancing bank debt and Turnaround/Rescue

Note: The number of companies in some investment stage categories and their subtotals add up to more than the total number of companies invested in. This is due to some companies receiving more than one investment within the year at different investment stages.



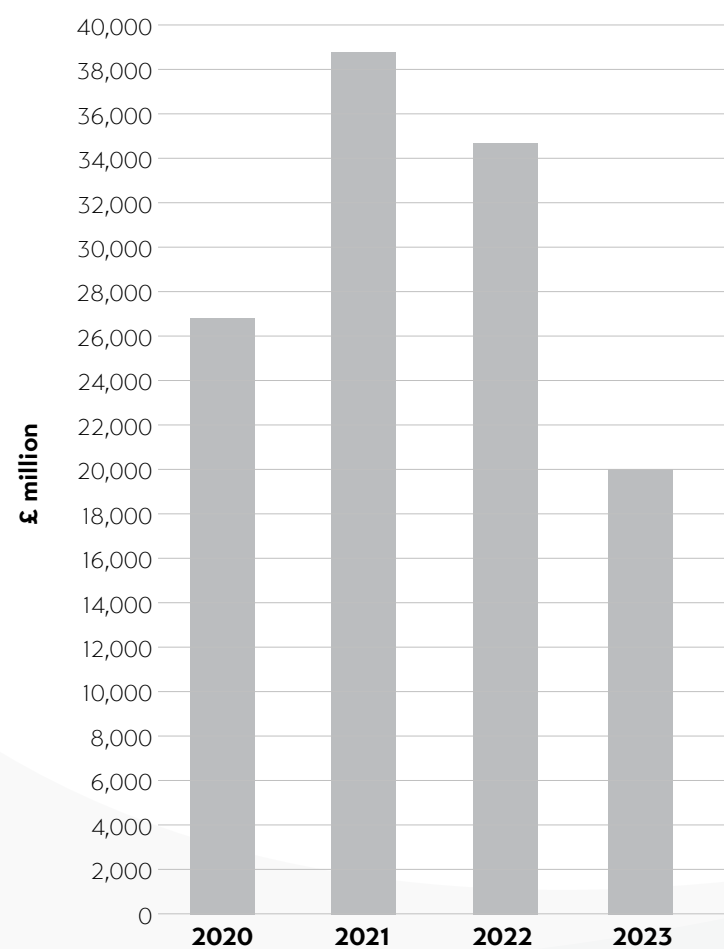
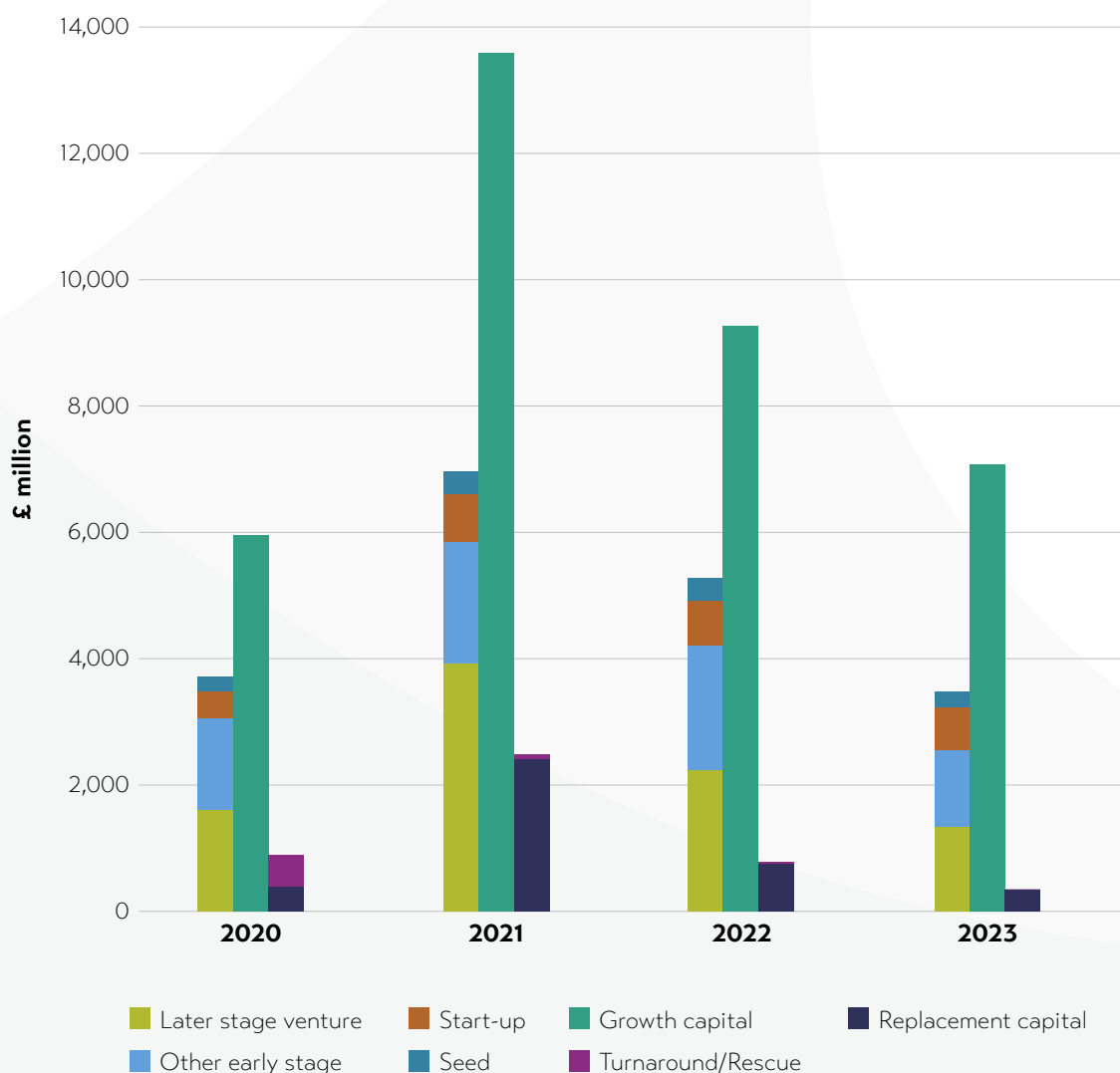
Investments by stage

Figure 15. 2023 – Industry statistics – % of amount and number of companies



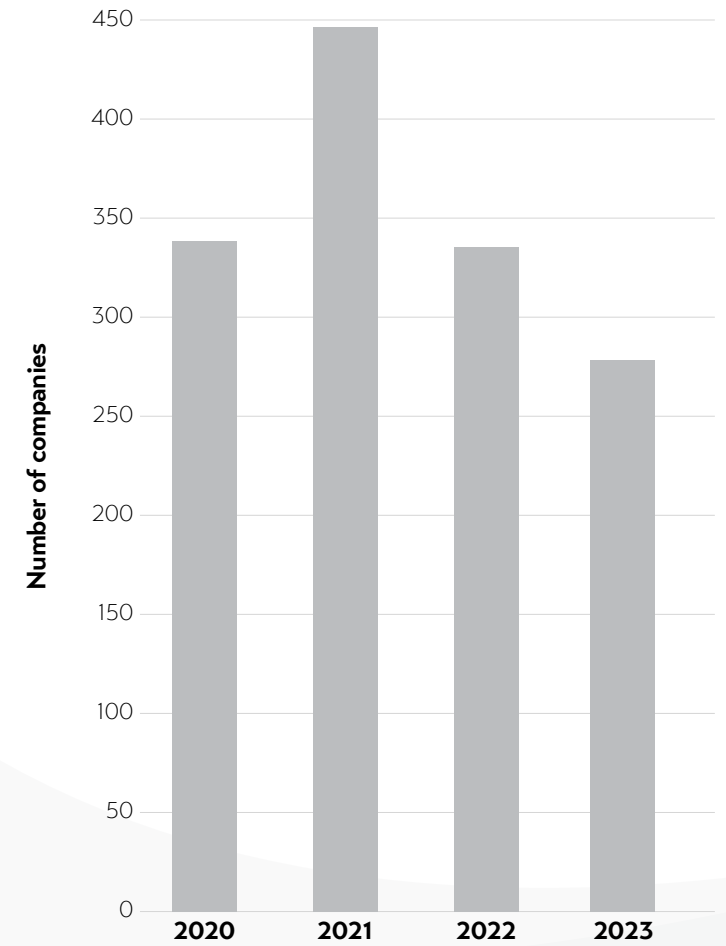
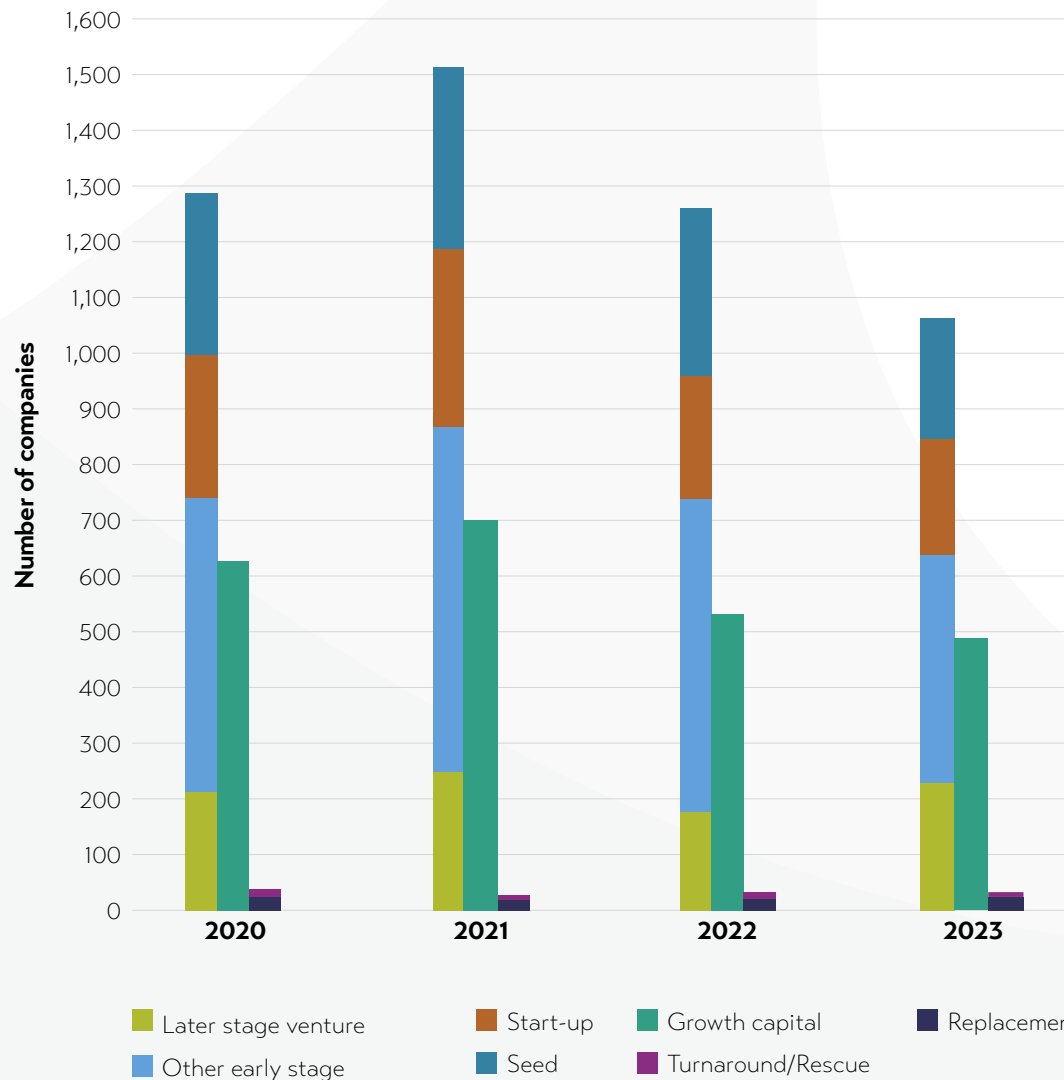
Investments by stage

Figure 16. 2020-2023 - Industry statistics - Amount



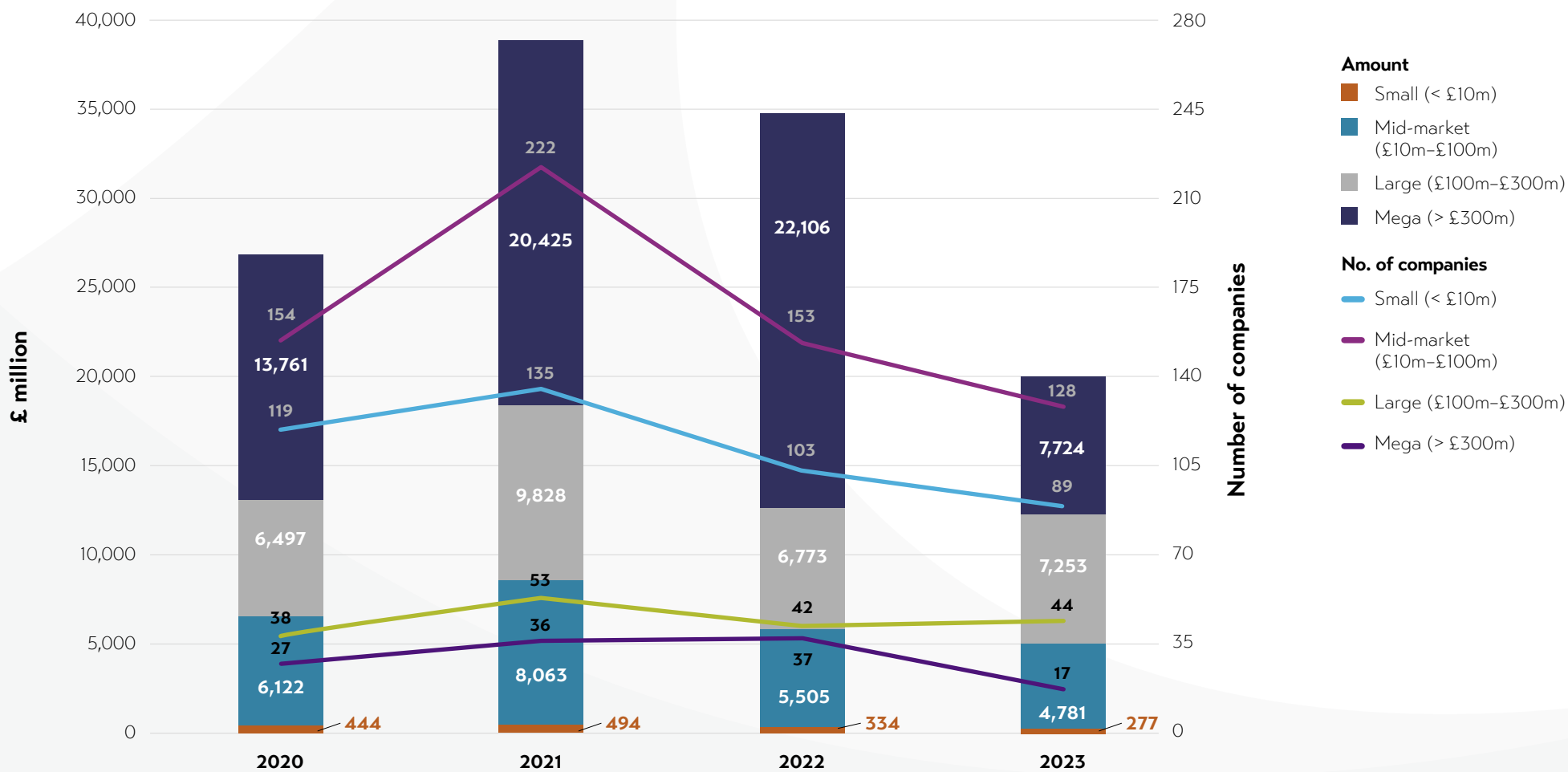
Investments by stage

Figure 17. 2020-2023 – Industry statistics – Number of companies



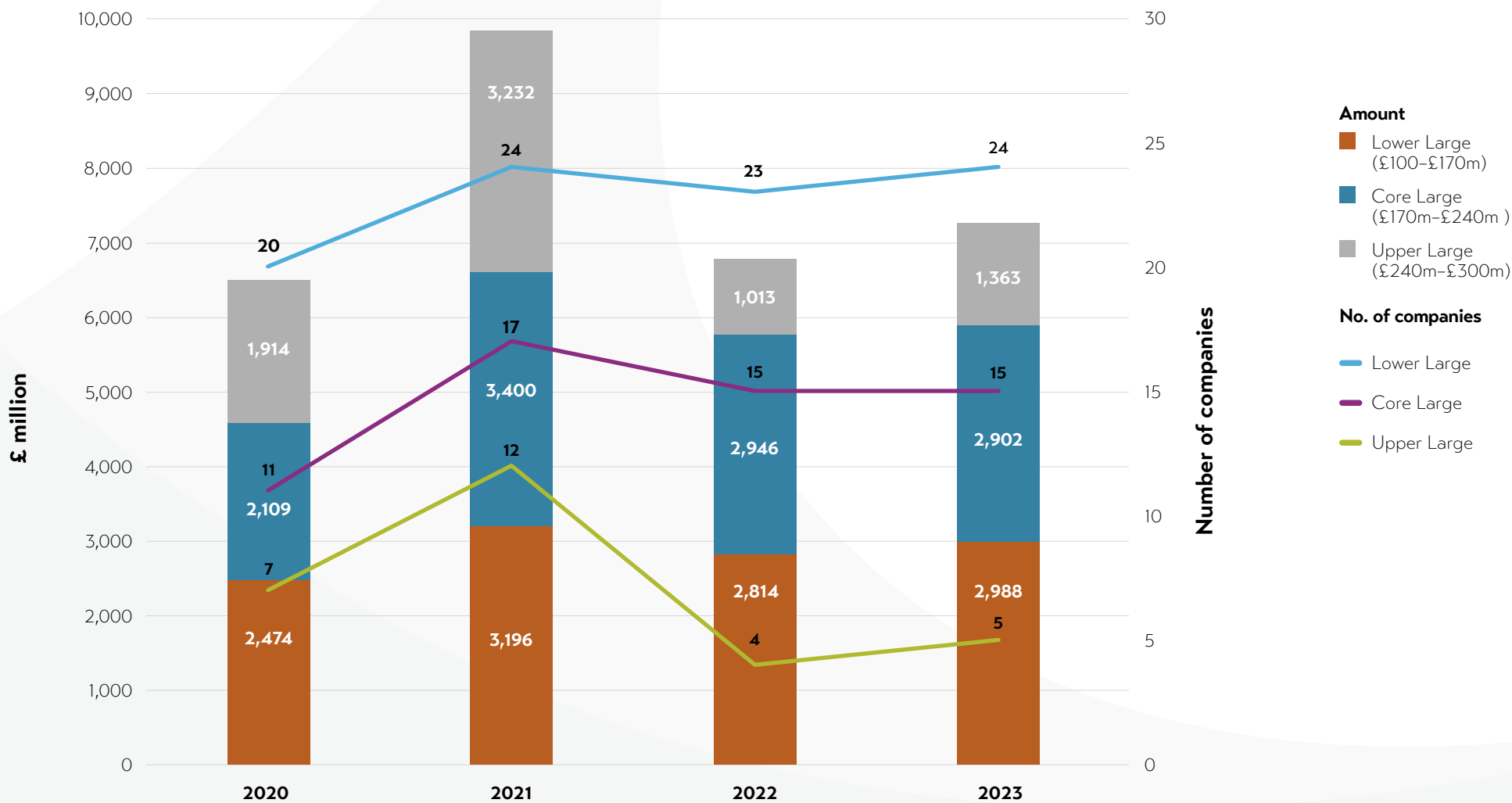
Buyout – Investments by equity bracket

Figure 18. 2020–2023 – Industry statistics – Amount and number of companies



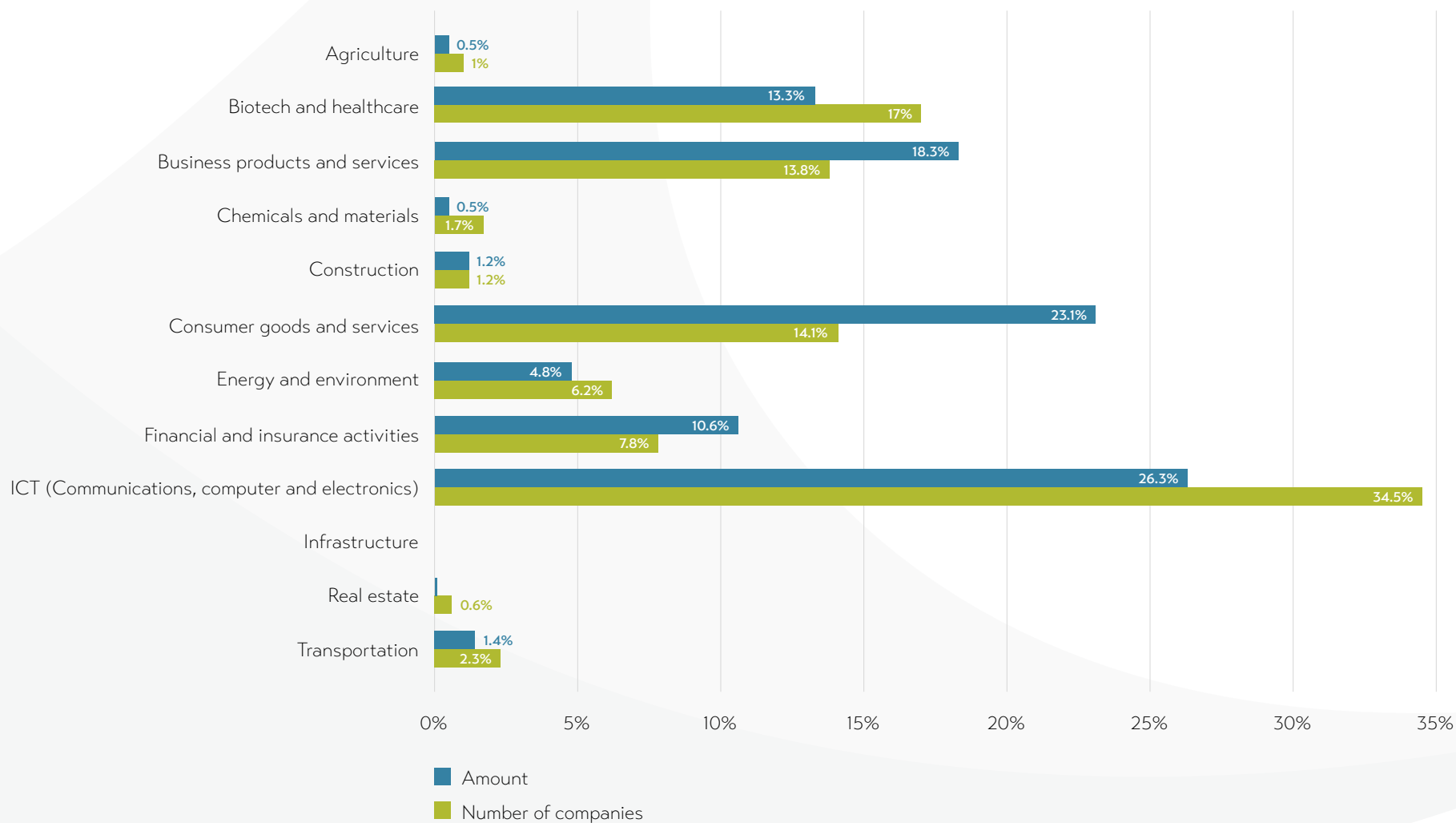
Large Buyout – Investments by equity bracket

Figure 19. 2020–2023 – Industry statistics – Amount and number of companies



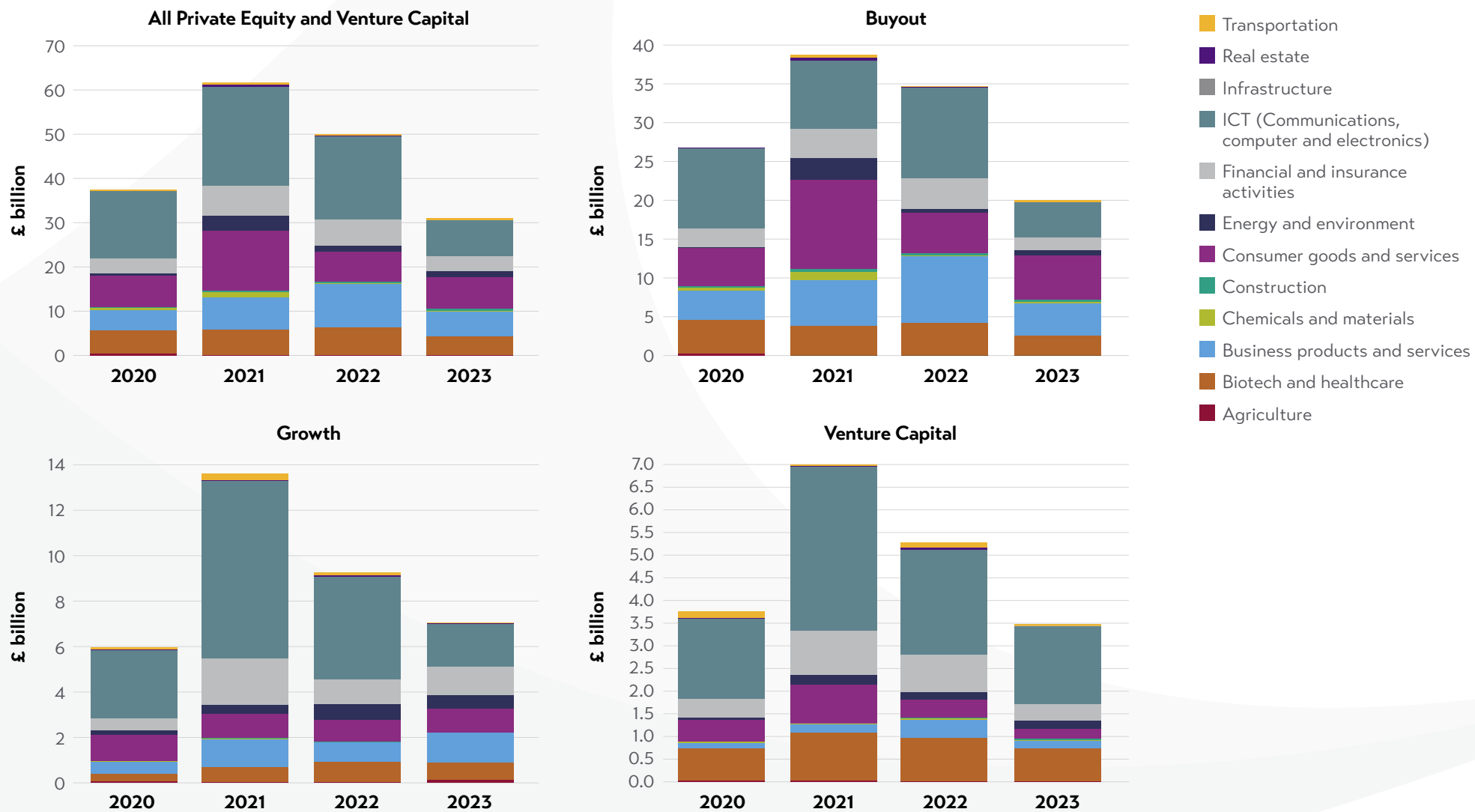
All PE and VC – Investments by sector

Figure 20. 2023 – Industry Statistics – % of amount and number of companies



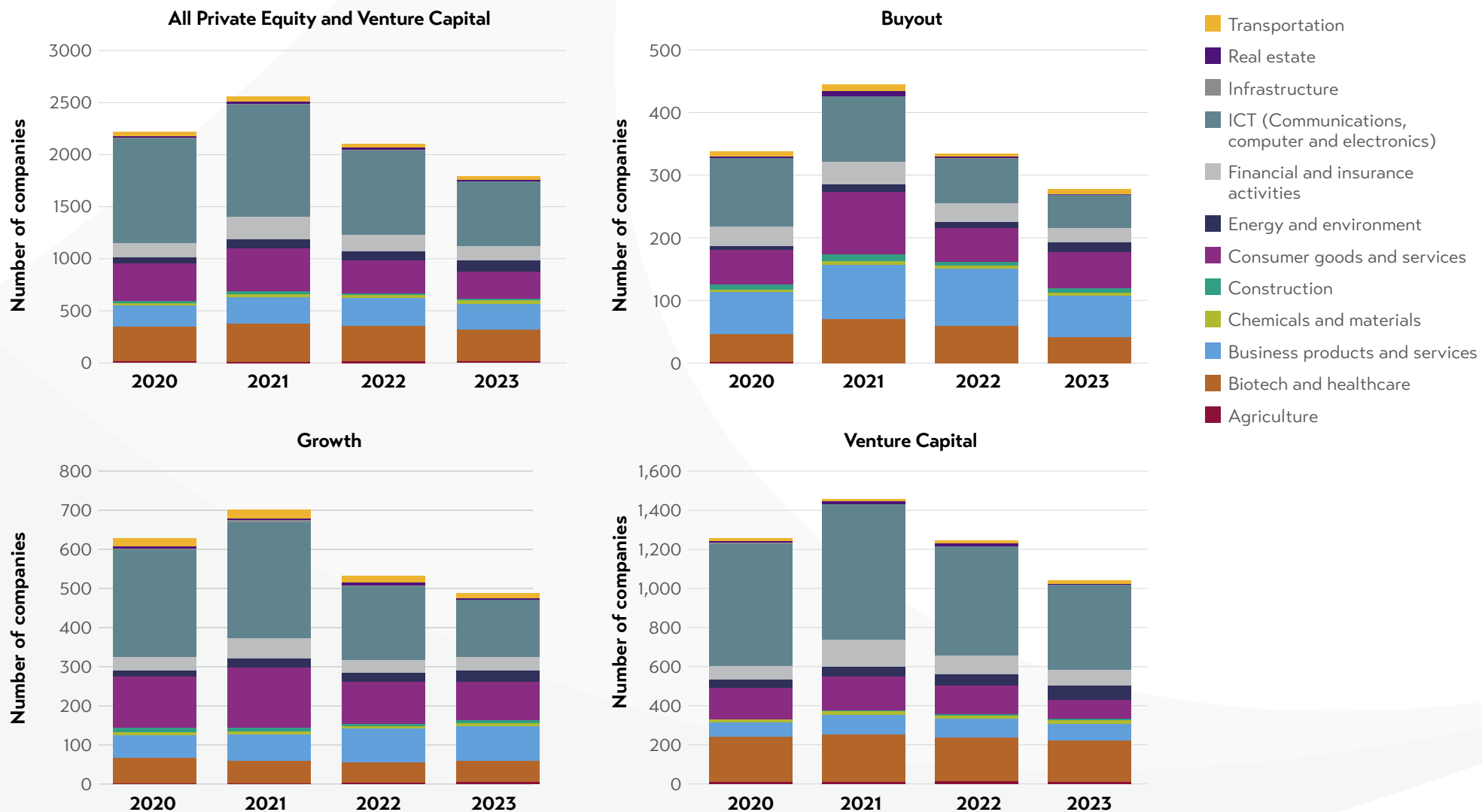
Investments by sector

Figure 21. 2020-2023 – Industry Statistics – Amount



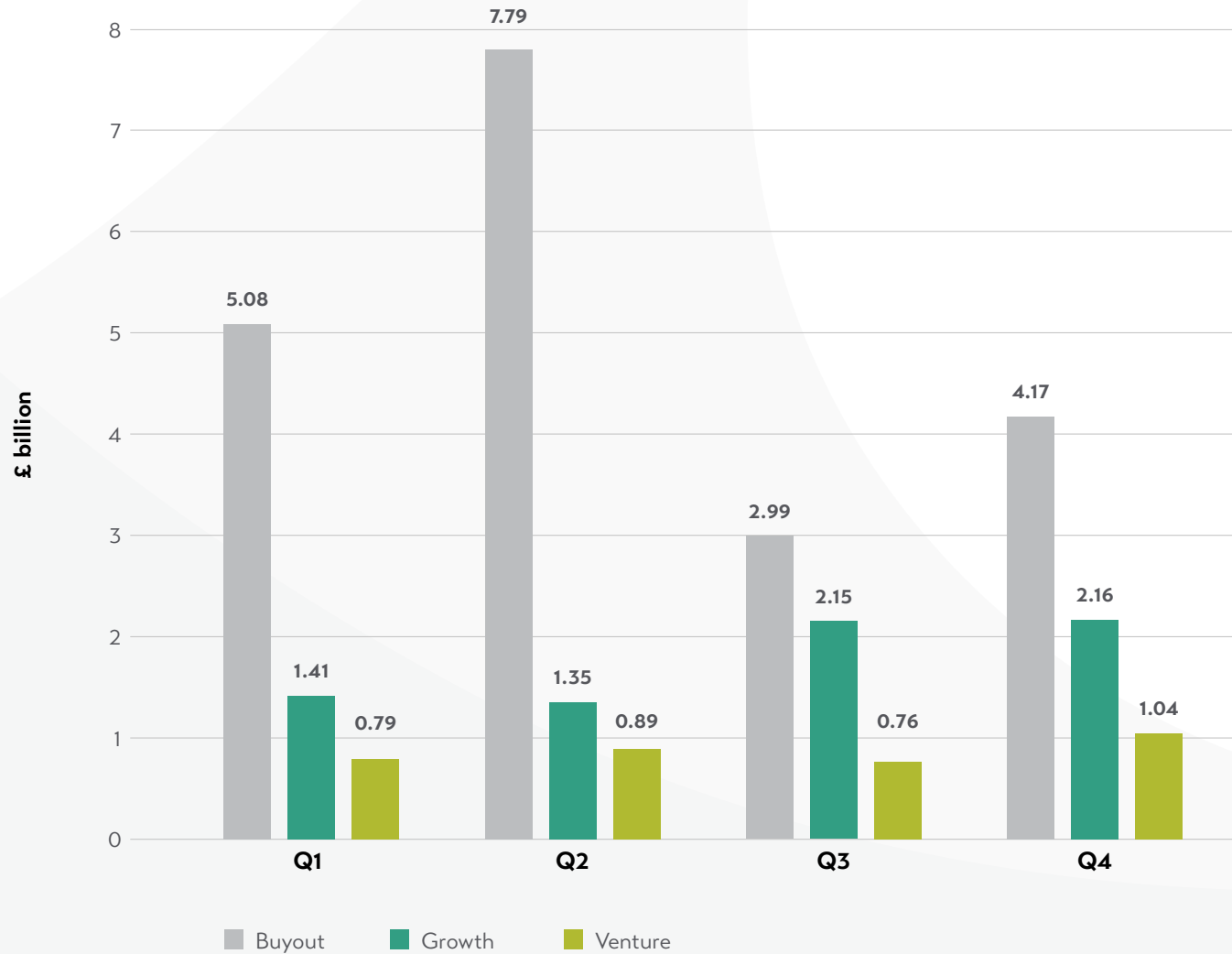
Investments by sector

Figure 22. 2020–2023 – Industry Statistics – Number of companies



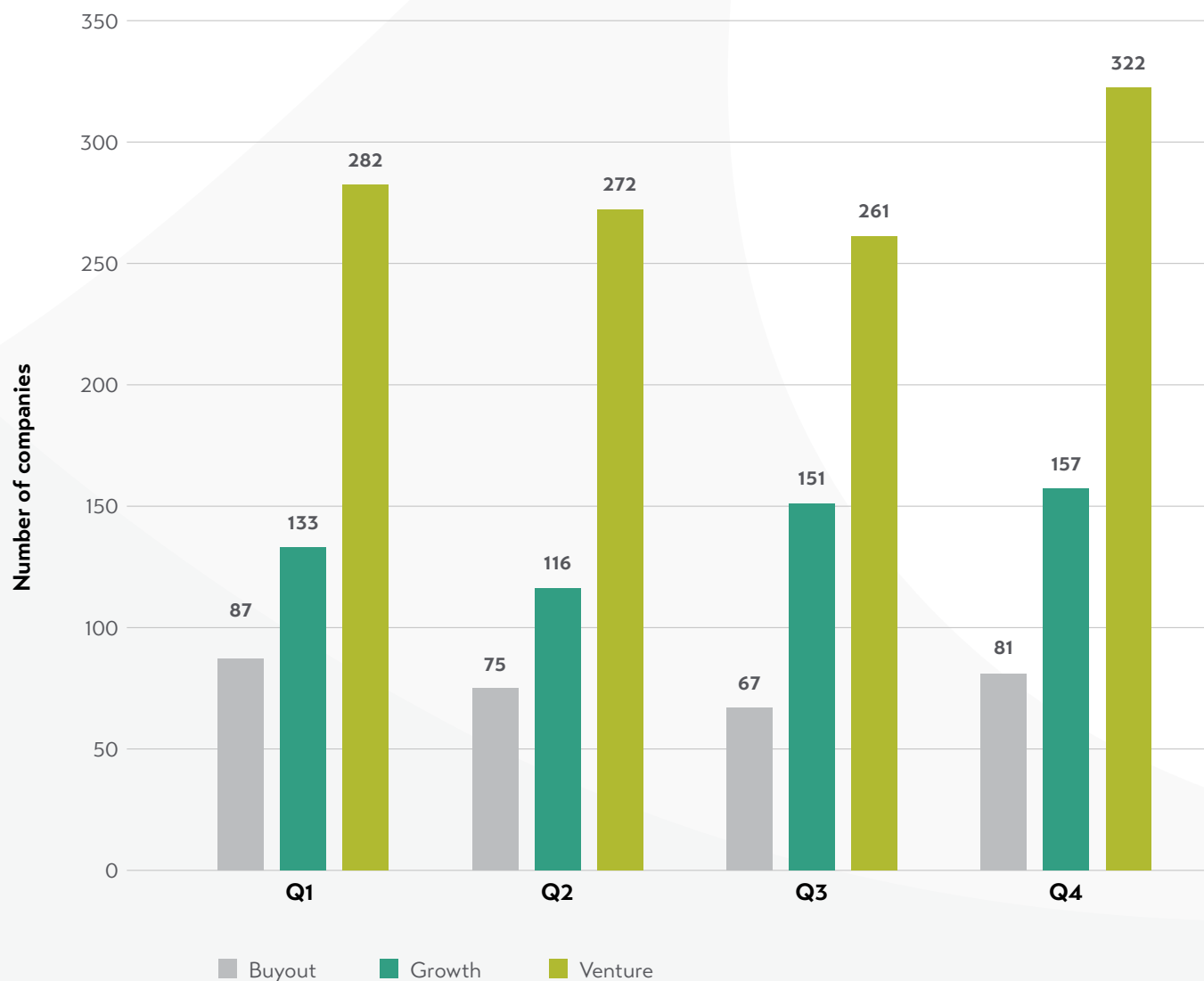
Investments by stage and quarters

Figure 23. 2023 – Industry statistics – Amount



Investments by stage and quarters

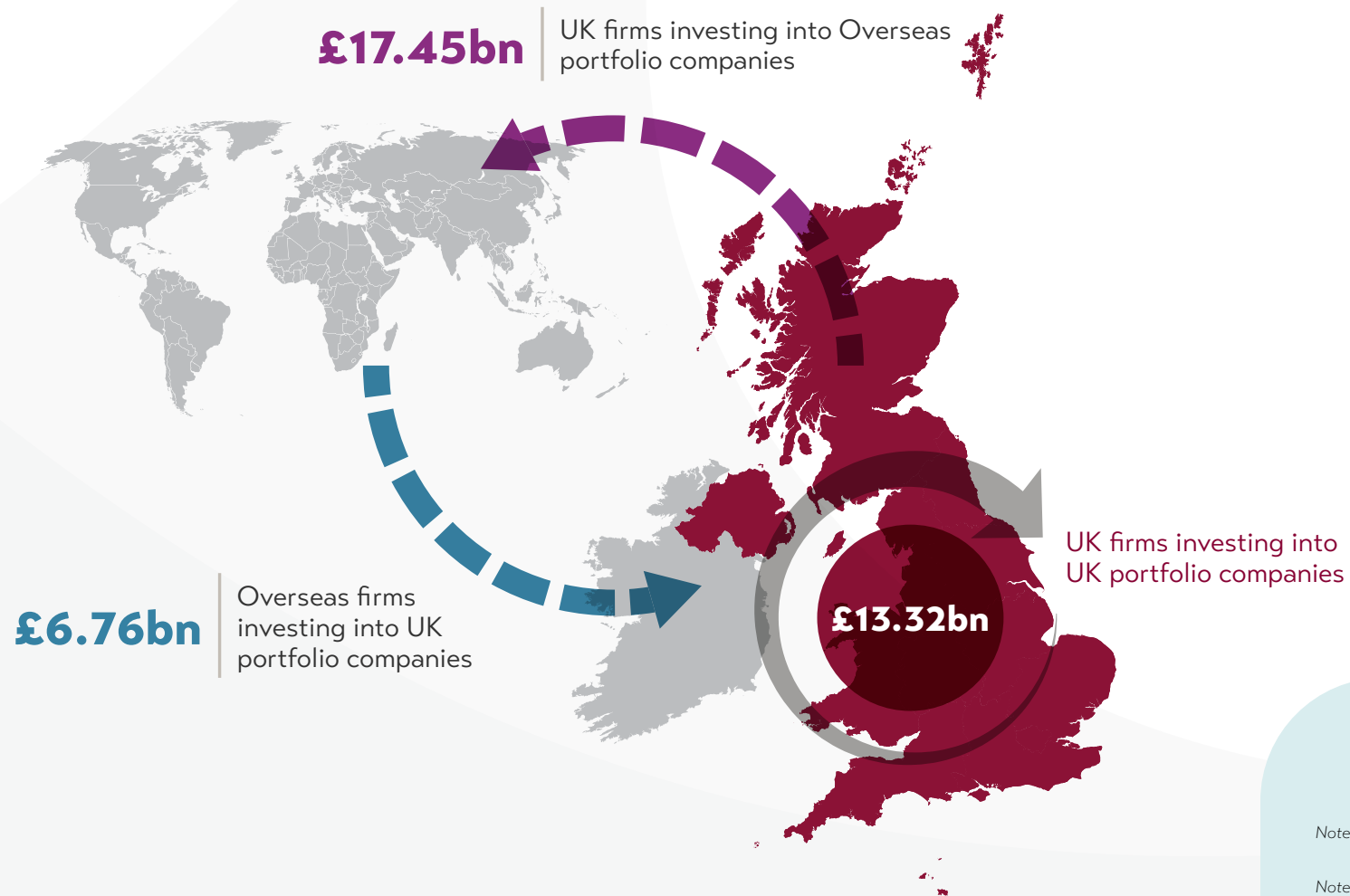
Figure 24. 2023 – Industry statistics – Number of companies



Note: Some companies receive investments in more than one quarter in each year, meaning that the total number of unique companies receiving investment in the year is less than the sum of the amounts in each quarter

All PE and VC – International investment flows

Figure 25. 2023 – Amount



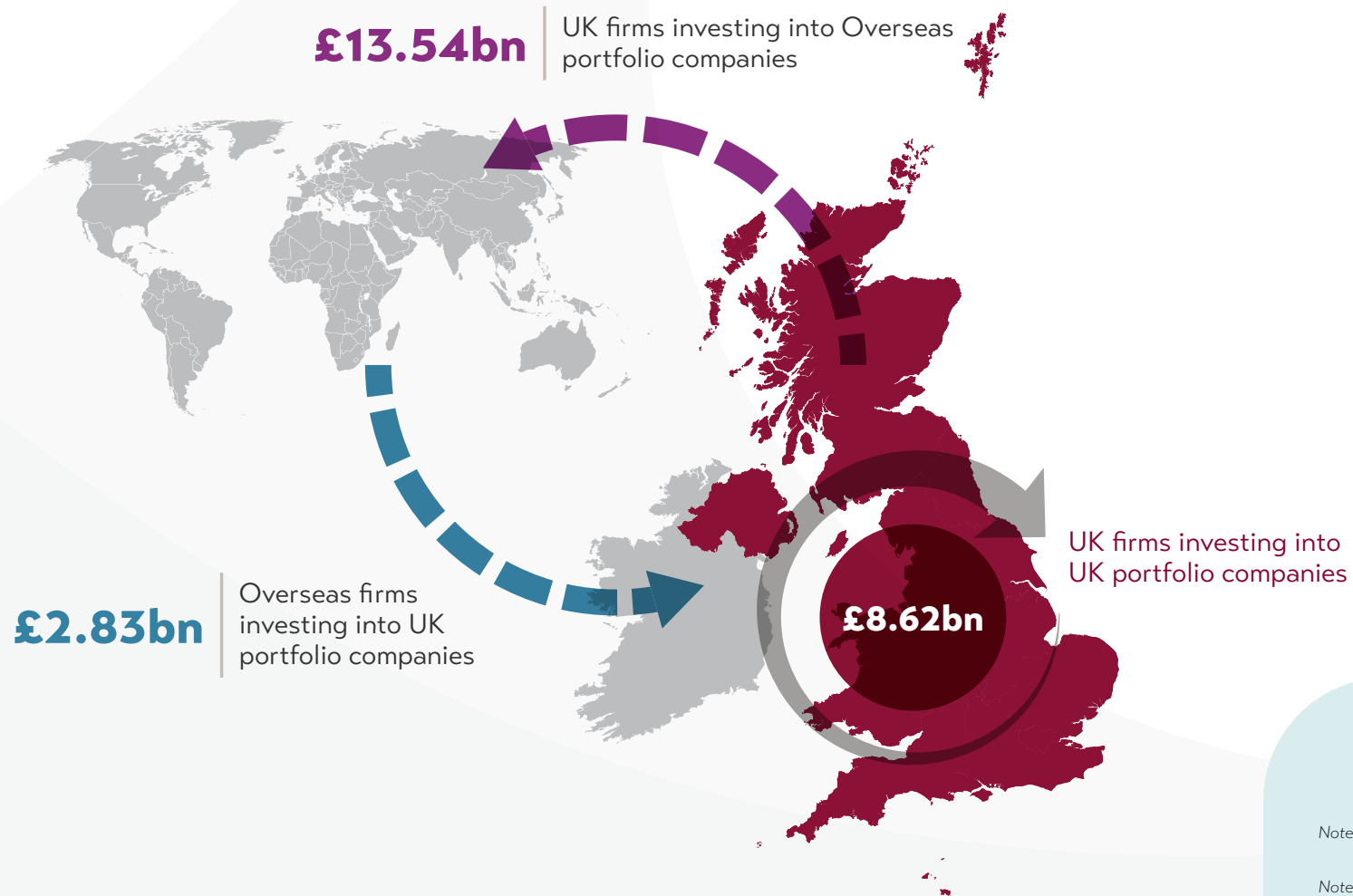
Note: Location of private equity firm relates to its global headquarters

Note: £12.18bn was invested by overseas firms into overseas portfolio companies.



Buyout – International investment flows

Figure 26. 2023 – Amount

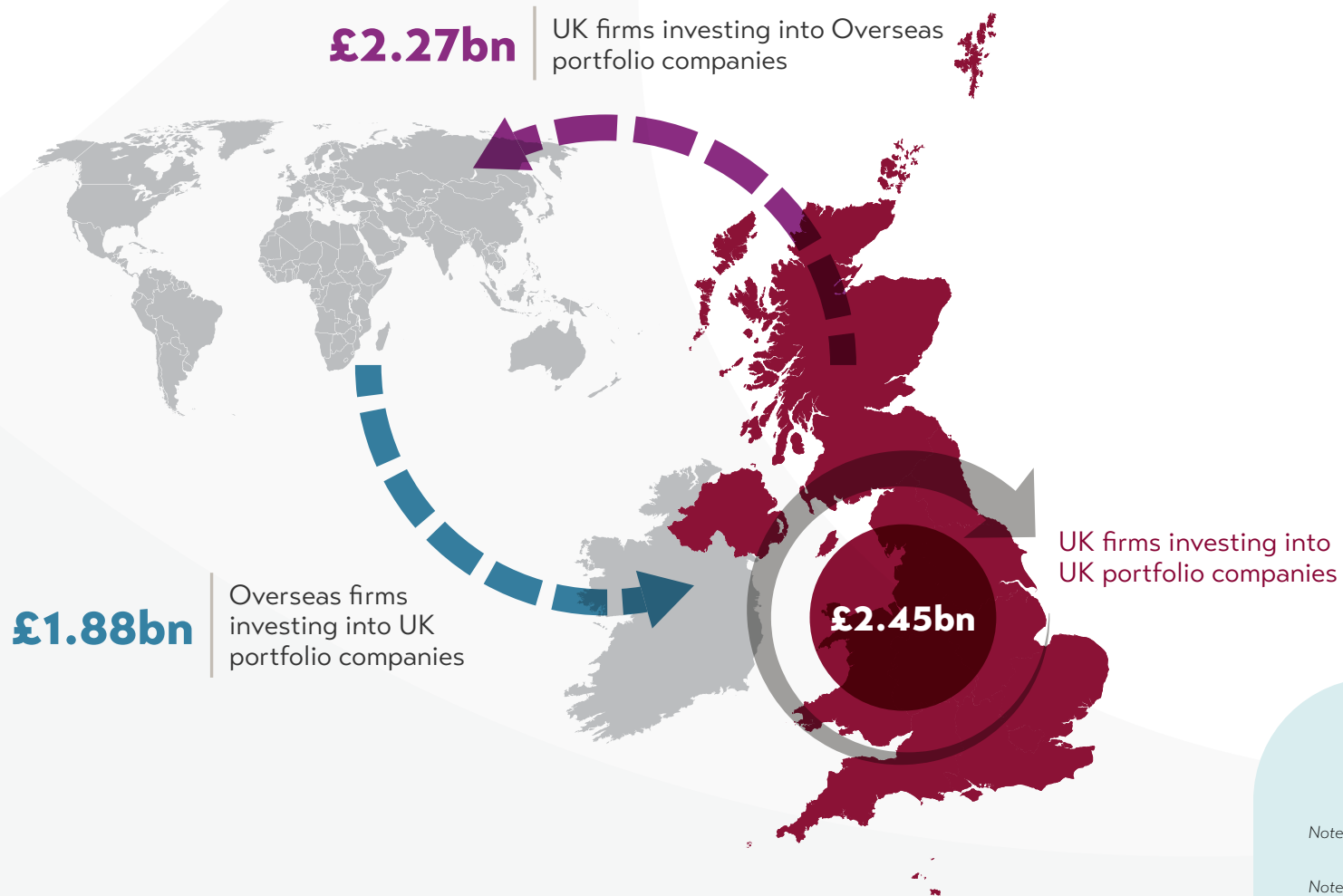


Note: Location of private equity firm relates to its global headquarters
Note: £9.43bn was invested by overseas firms into overseas portfolio companies.



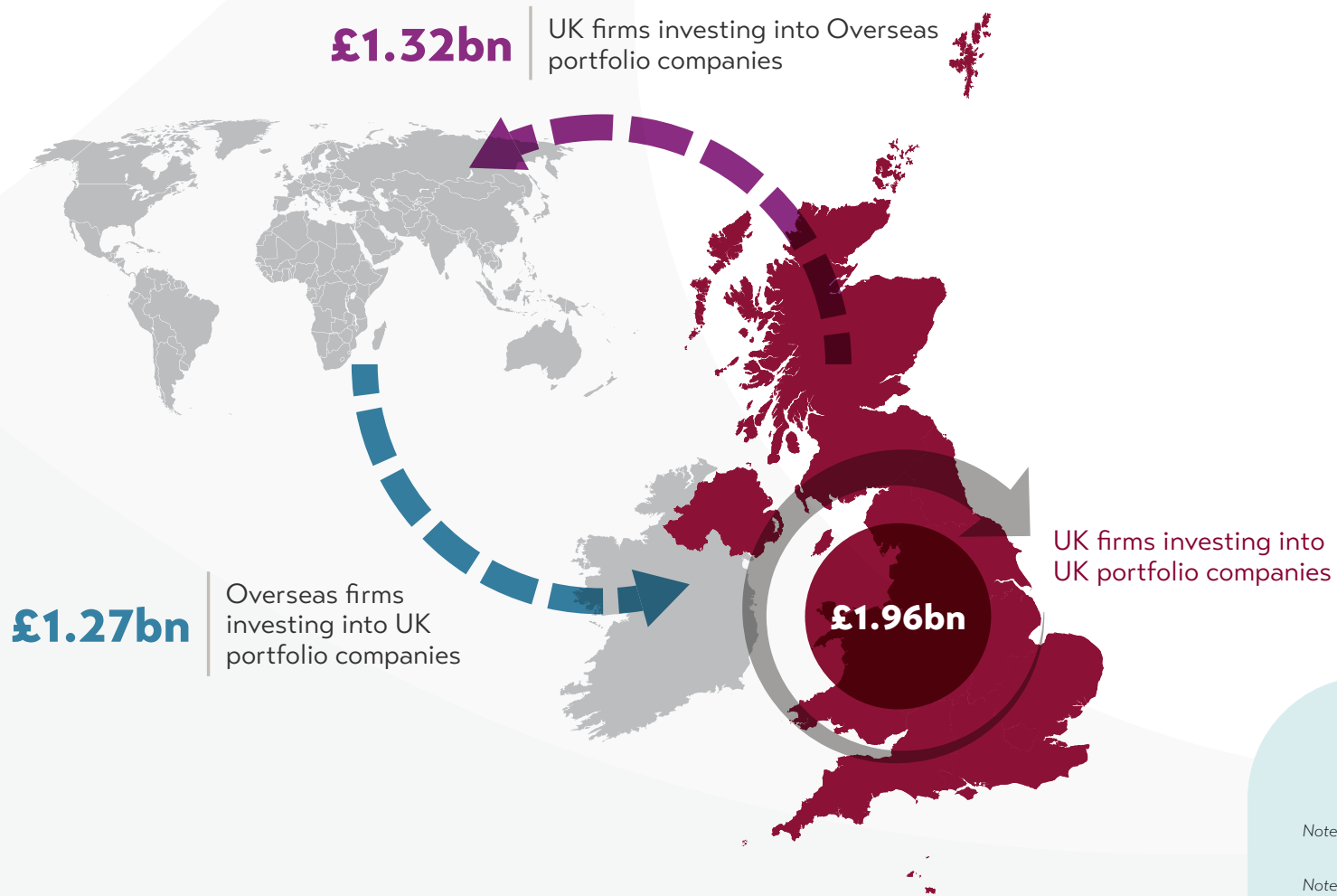
Growth – International investment flows

Figure 27. 2023 – Amount



Venture Capital – International investment flows

Figure 28. 2023 – Amount

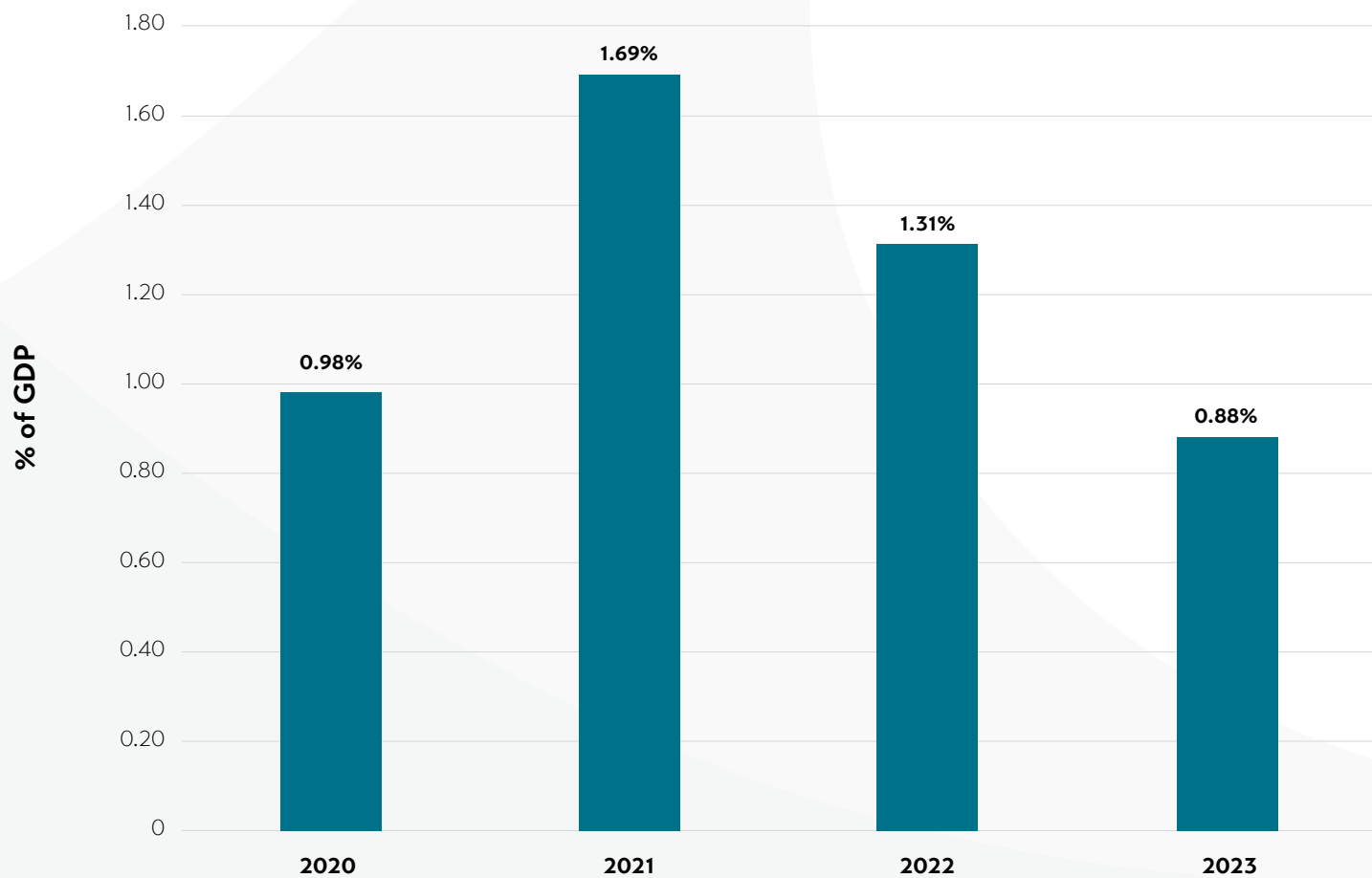


Note: Location of private equity firm relates to its global headquarters
Note: £0.97bn was invested by overseas firms into overseas portfolio companies.



All PE and VC – Investments as % of GDP

Figure 29. 2023 – Market statistics – % of amount



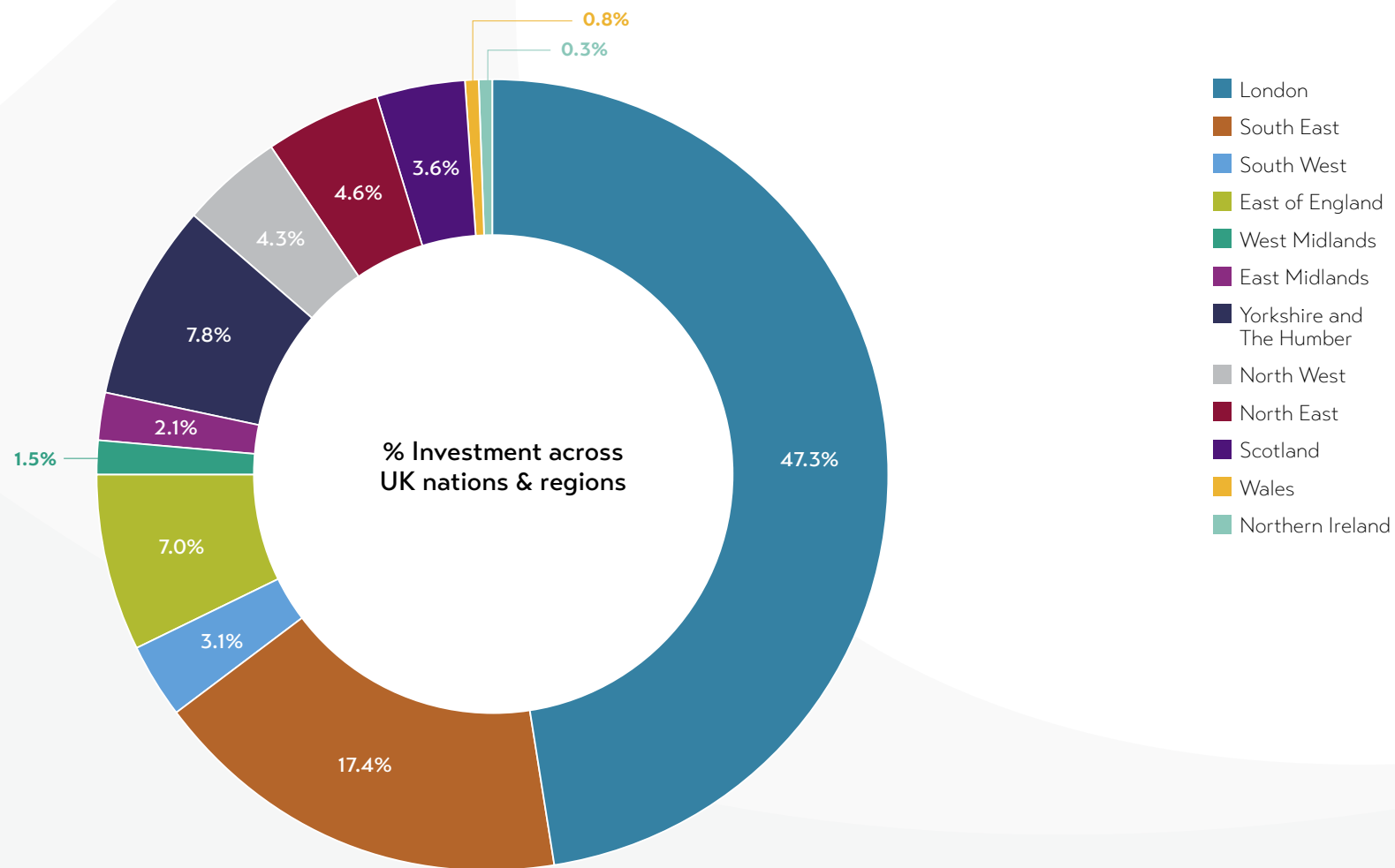
Note: GDP Source – UK Office for National Statistics

Note: The percentage values represent UK investment as a proportion of UK GDP



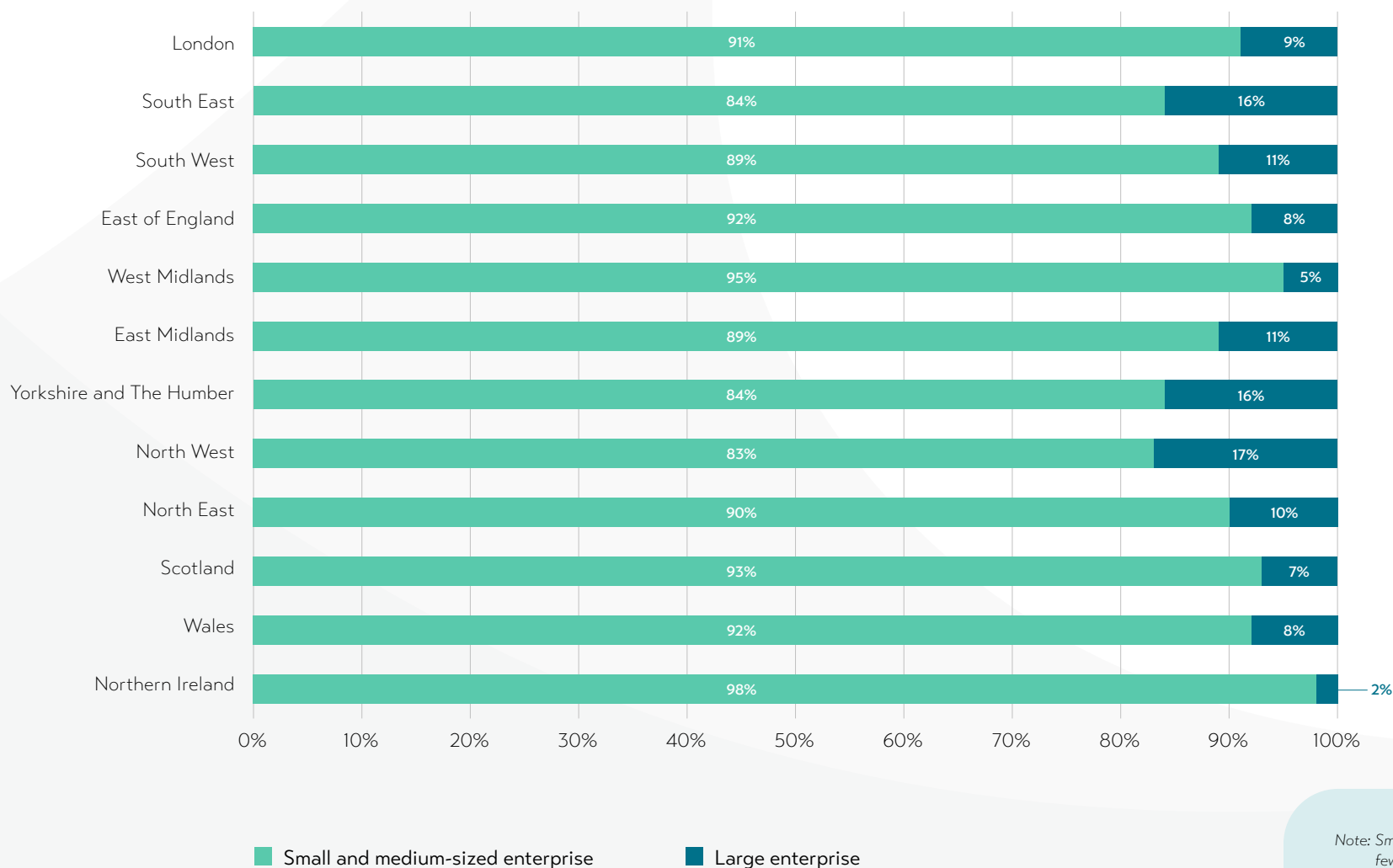
All PE and VC – Investments across UK nations & regions

Figure 30. 2023 – Market statistics – % of amount



All PE and VC – Investments by company size across UK nations & regions

Figure 31. 2023 – Market statistics – % of companies



All PE and VC – Employment across UK nations & regions

Figure 32. Number of employees in UK businesses receiving investment in 2023

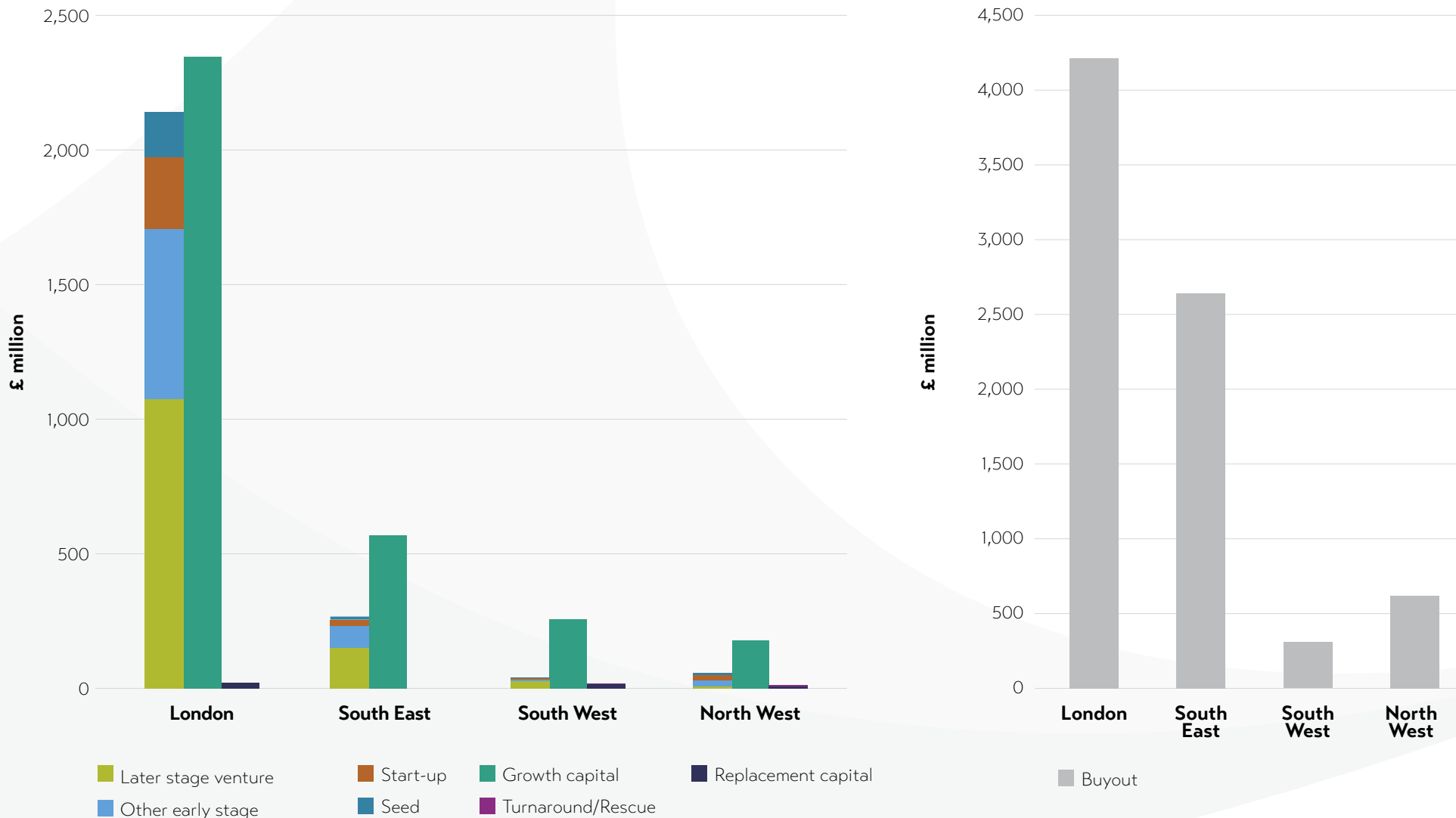


"Note: General Partners are requested to provide employee data as at the date they make an investment into a business. Where this has not been provided, the BVCA has estimated employment figures from the most recent company accounts. Businesses (and employees) are allocated to a region/nation for illustrative purposes based on the location of the company headquarters.



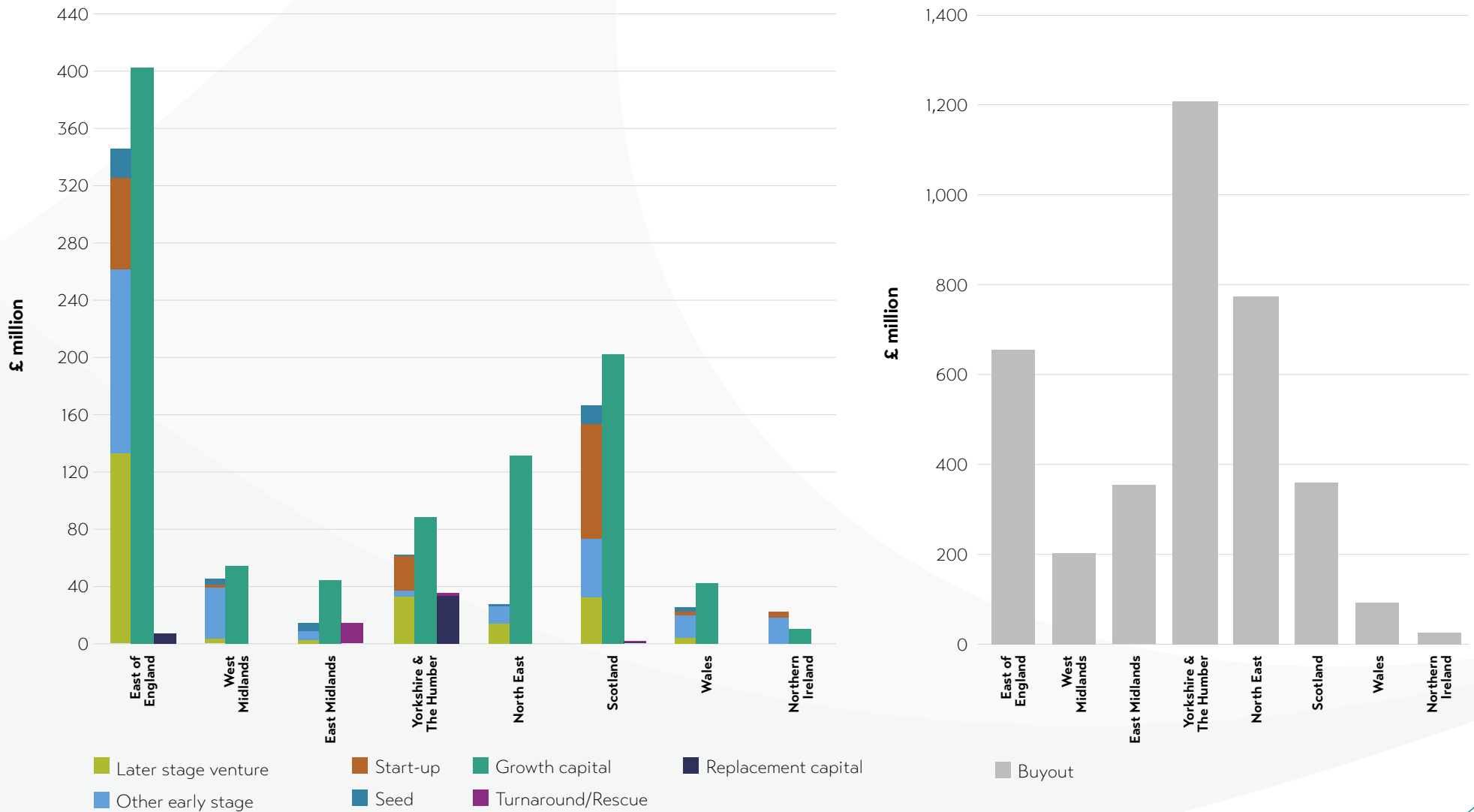
Investments by stage across UK nations & regions

Figure 33. 2023 – Market statistics – Amount



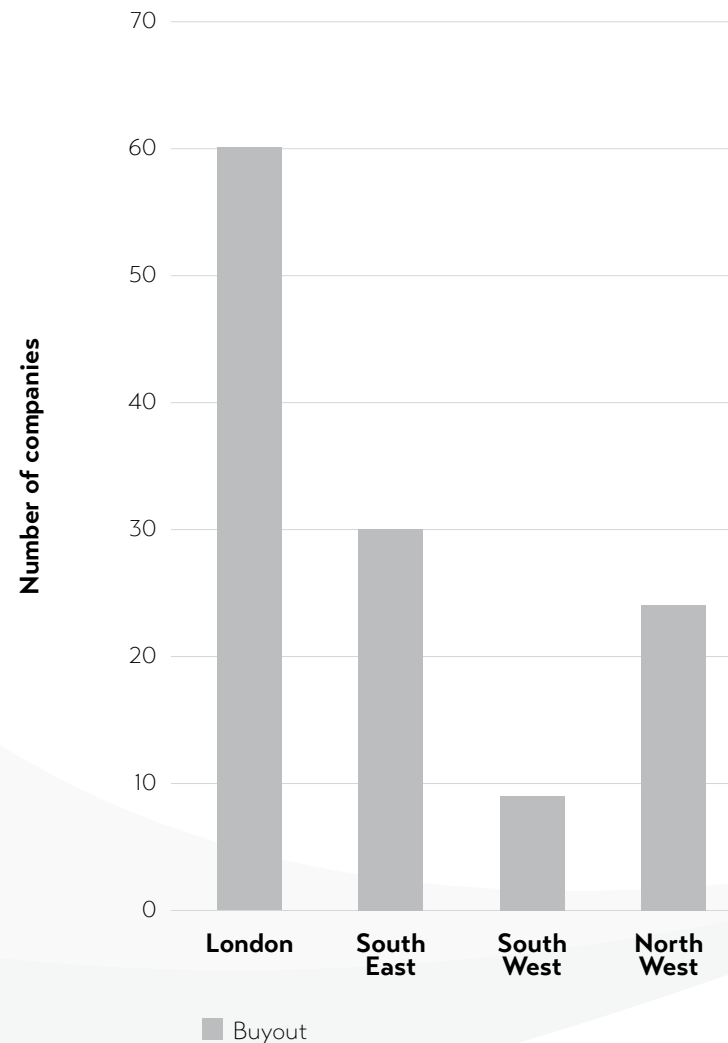
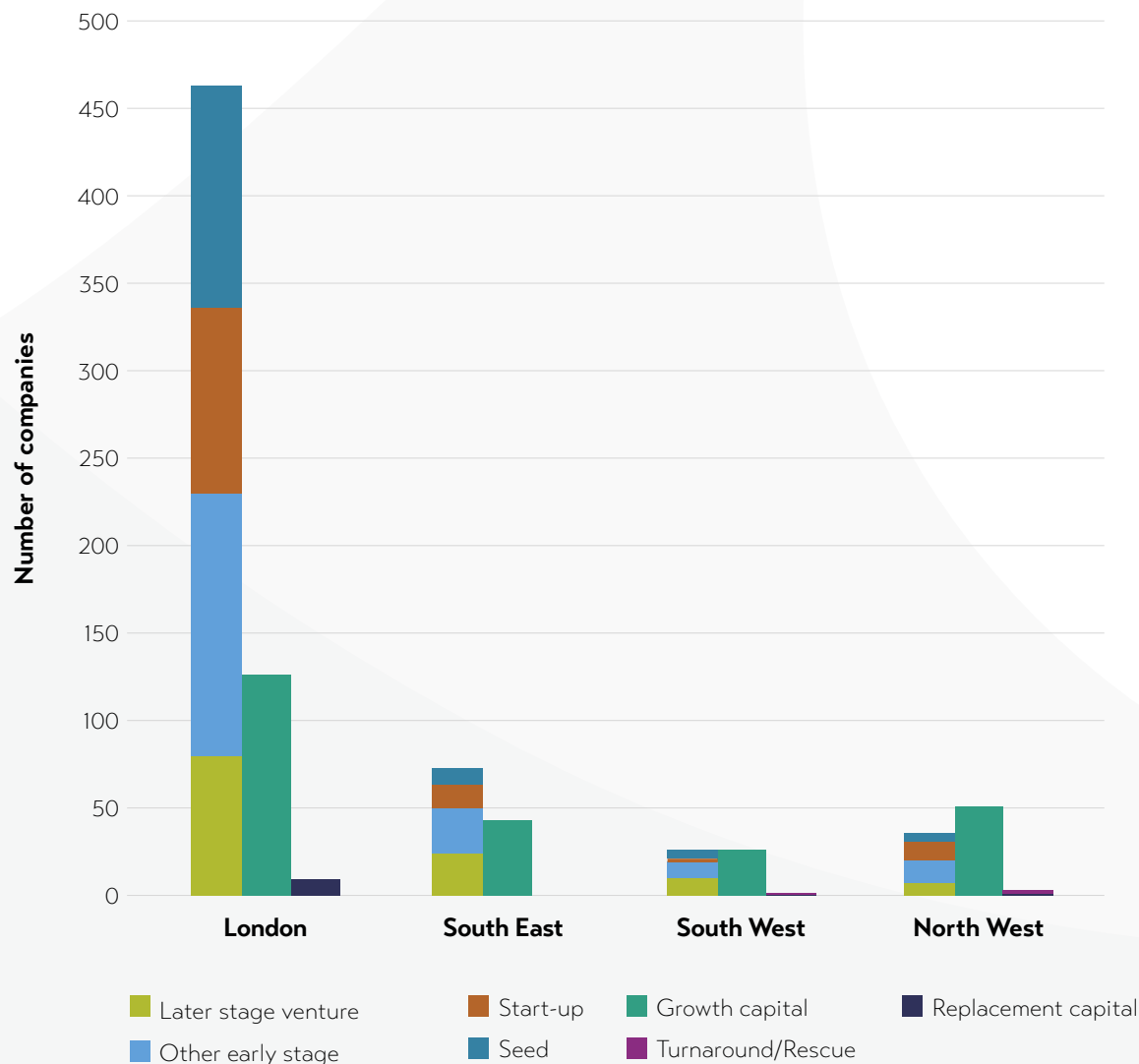
Investments by stage across UK nations & regions

Figure 34. 2023 – Market statistics – Amount



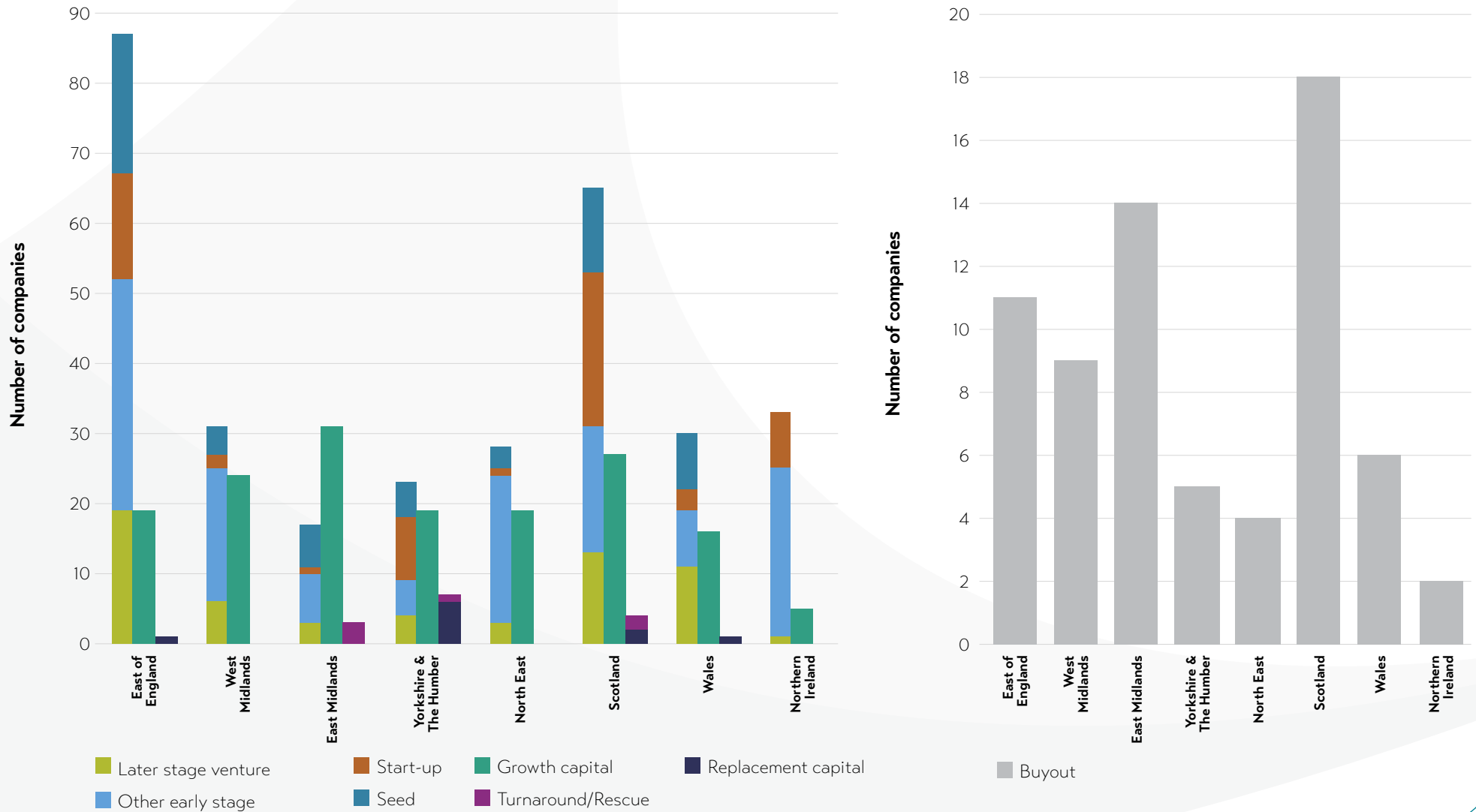
Investments by stage across UK nations & regions

Figure 35. 2023 – Market Statistics – Number of Companies



Investments by stage across UK nations & regions

Figure 36. 2023 – Market Statistics – Number of Companies



Divestments

Divestments statistics explained

The divestment dataset includes the following categories of data:

- Divestment data provided by private equity and venture capital BVCA member firms.
- Divestment data provided by non-member private equity and venture capital firms to other national associations that are part of the European Data Cooperative.
- Divestment data of private equity and venture capital firms that was obtained from publicly available sources.

Industry statistics: figures relate to divestments 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 divesting fund or portfolio company was UK or overseas based. Statistics include both partial and full divestments captured in the year.

Market statistics: figures relate to divestments from companies headquartered in the UK, regardless of whether the divesting fund or fund manager is UK or overseas based. Statistics include both partial and full divestments captured in the year.

Divestment amounts: (including write-offs) are recorded at cost (i.e. the total amount divested is equal to the total amount invested before).

The following funds are included in the statistics: private equity and venture capital funds making direct private equity and venture capital investments; mezzanine funds; infrastructure funds; co-investment funds; replacement capital funds and turnaround / rescue funds.

The following funds are excluded from the statistics: real estate funds, distressed debt funds, primary funds of funds and secondary funds of funds.

Treatment of continuation fund transactions: Transactions involving a company sale to a continuation fund managed by another private equity or venture capital firm are included. Transactions involving a company sale to a continuation fund managed by the same fund manager are excluded.

Please refer to the methodology section for further information.



Definitions: Types of divestment

Sale to management: The buyer of the company is its management team.

Public offering:

- **First divestment following flotation / initial public offering (IPO):** The sale or distribution of a private company's shares to the public for the first time by listing the company on the stock exchange.
- **Sale of quoted equity post flotation:** The sale of quoted shares only if connected to a former private equity investment, e.g. sale of quoted shares after a lockup period.

Repayment of preference shares, shareholder loans or mezzanine debt:

- Preference shares entitle the holder to a fixed dividend, whose payment takes priority over that of ordinary share dividends and return of capital.
- Shareholder loans are loans to the business from the equity holder. These would typically rank behind any third party financing but ahead of ordinary shares.
- Mezzanine debt is debt which may convert to equity under certain circumstances. This would typically rank behind any third party financing but ahead of ordinary shares.

If the private equity firm provided loans or bought preference shares in the company at the time of investment, then their repayment represents a decrease of the financial claim of the investor into the company, and hence a divestment.

Sale to another private equity firm: The buyer of the portfolio company is a different private equity or venture capital firm.

Sale to financial institution: A financial institution is an entity that provides financial services for its clients:

- **Depository Institutions:** deposit-taking institutions that accept and manage deposits and make loans, including banks, building societies, credit unions, trust companies, and mortgage loan companies.
- **Contractual Institutions:** Insurance companies and pension funds.
- Investment Institutions other than direct private equity firms.

Trade sale: The sale of a company to another company, typically one operating in similar or complementary lines of business.

Write-off: The value of the investment is eliminated and the return to investors may receive less than their initial investment.

Divestments at a glance

Figure 37. 2023 – Summary divestments statistics

- 499 UK companies were divested from in 2023 while 566 companies had a UK led divestment.
- By amount of former equity investments (divestments at cost), the total value exited reached £9.29bn for UK led divestments and £5.94bn for UK company divestments.
- The most prominent exit routes by amount at cost were sale to another private equity firm and trade sale for both UK led and UK company divestments.
- Buyout divestments that were UK led represented 78% of all exits by amount at cost and 26% by number of companies. Buyout divestments from UK companies reached 73% by amount at cost and 20% by number of companies.
- Growth capital divestments that were UK led represented 13% of all exits by amount at cost and 51% by number of companies. Growth capital divestments from UK companies reached 17% by amount at cost and 56% by number of companies.
- Venture capital divestments that were UK led represented 7% of all exits by amount at cost and 21% by number of companies. Venture capital divestments from UK companies reached 8% by amount at cost and 22% by number of companies.

2023 – Industry statistics	All Private Equity ⁽²⁾	Buyout ⁽¹⁾	Growth ⁽¹⁾	Venture Capital ⁽¹⁾	Other ⁽¹⁾
Amount	£9.29bn	£7.27bn	£1.21bn	£0.64bn	£0.17bn
No. of companies	566	148	288	119	15
No. of firms	125	63	45	48	11
No. of funds	265	118	81	92	12

2023 – Market statistics	All Private Equity ⁽²⁾	Buyout ⁽¹⁾	Growth ⁽¹⁾	Venture Capital ⁽¹⁾	Other ⁽¹⁾
Amount	£5.94bn	£4.36bn	£1.00bn	£0.49bn	£0.1bn
No. of companies	499	102	277	112	13
No. of firms	131	52	38	64	10
No. of funds	247	81	76	106	11

Note: (1) Relates to the initial investment stage of the company

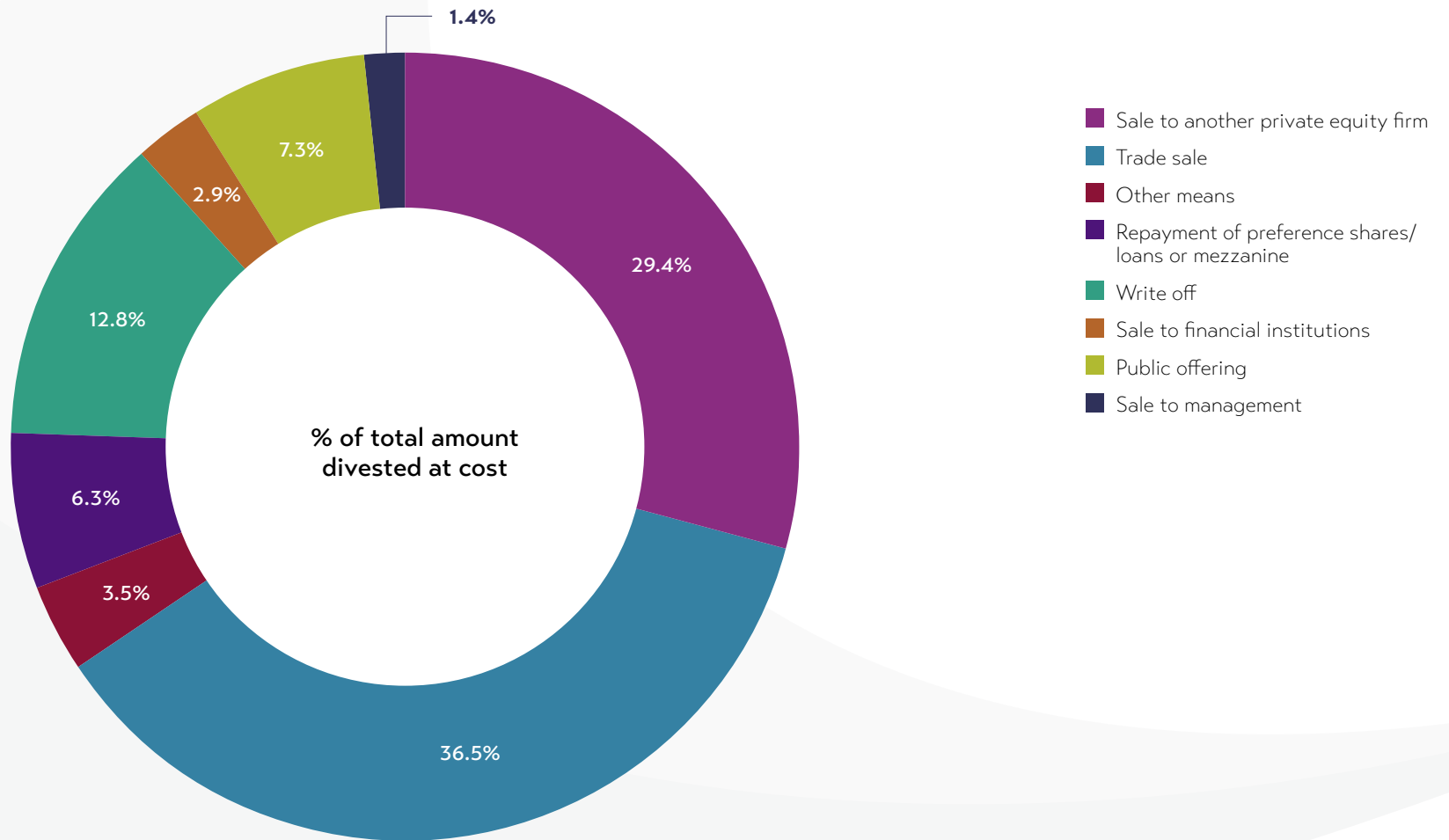
Note: (2) Refers to all private equity and venture capital

Note: Please refer to the appendix for further information



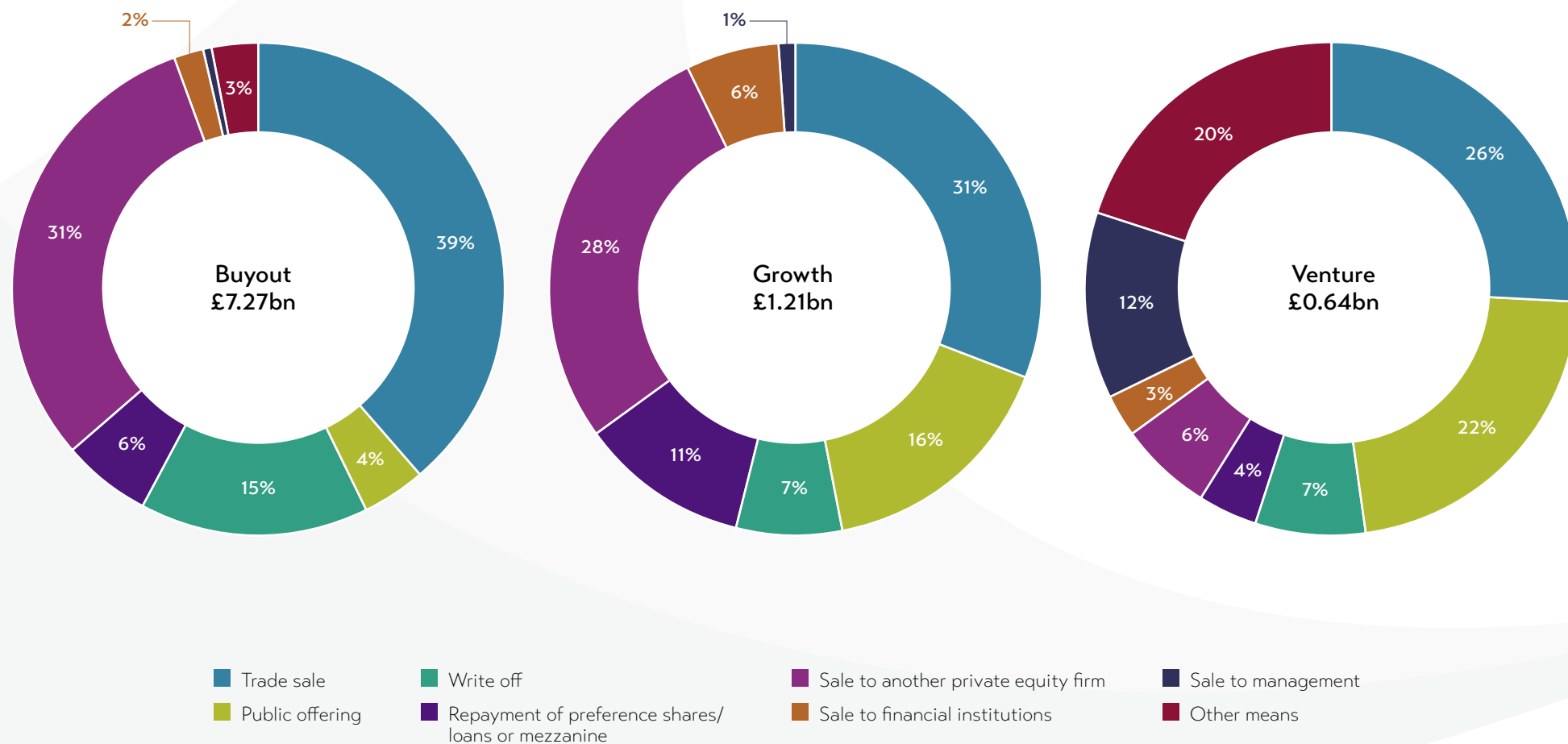
Divestments at a glance

Figure 38. 2023 – Industry statistics – % total amount divested at cost



Divestments at cost by exit route – Buyout/Growth/Venture Capital

Figure 39. 2023 – Industry statistics – % of amount

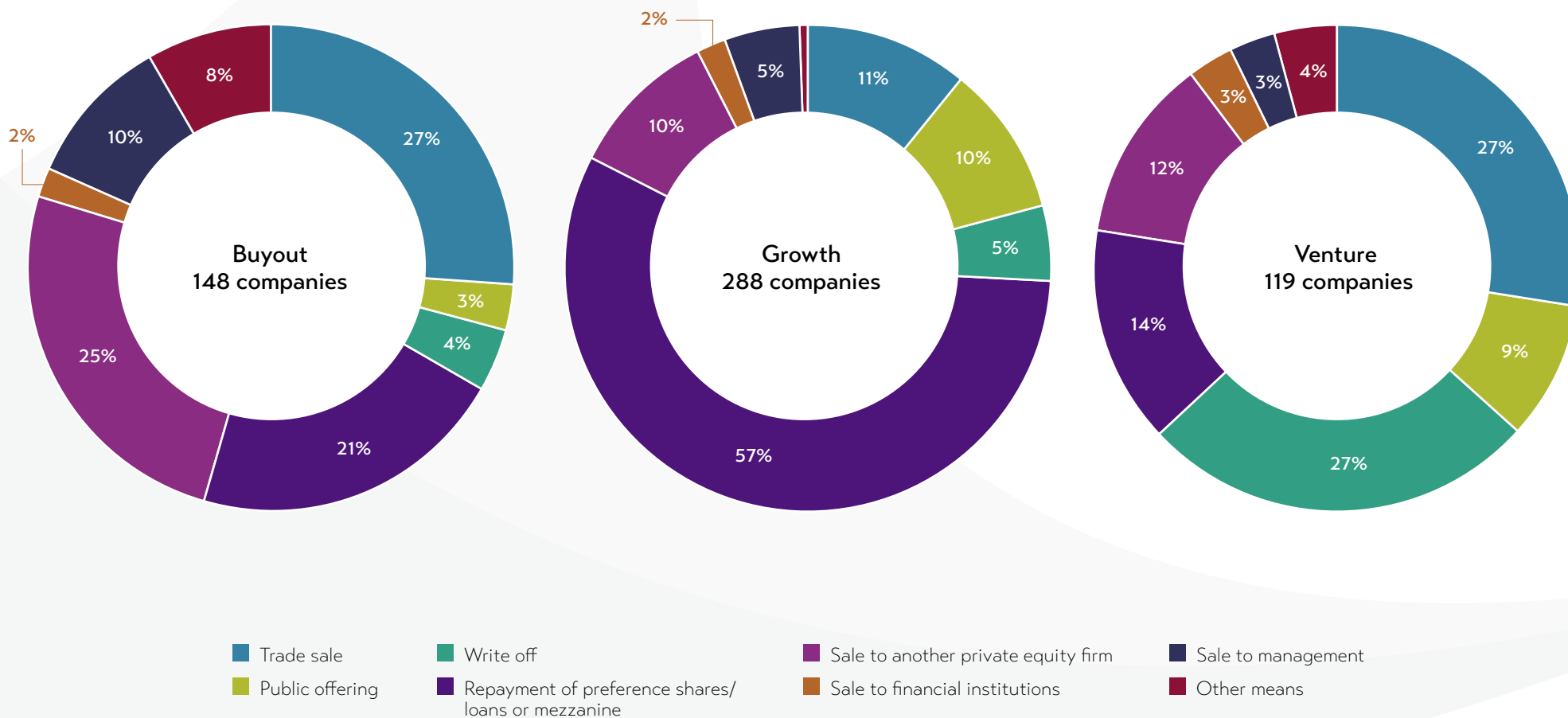


Note: Values below 0.5% are not shown



Divestments at cost by exit route – Buyout/Growth/Venture Capital

Figure 40. 2023 – Industry statistics – % of number of companies

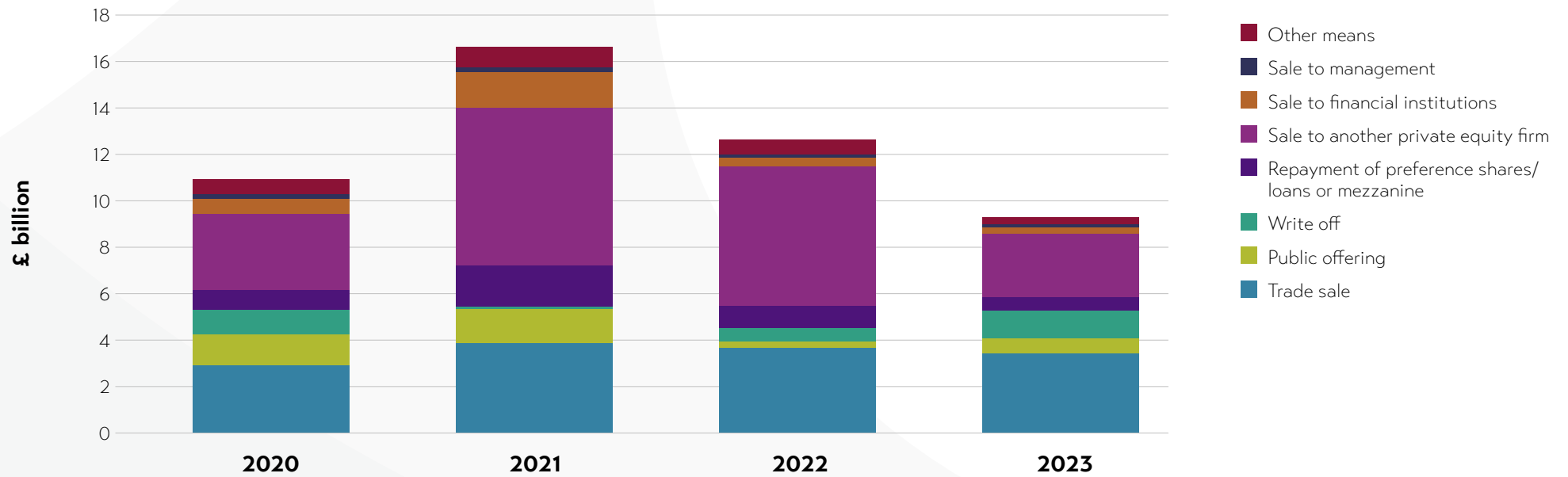


Note: Values below 0.5% are not shown



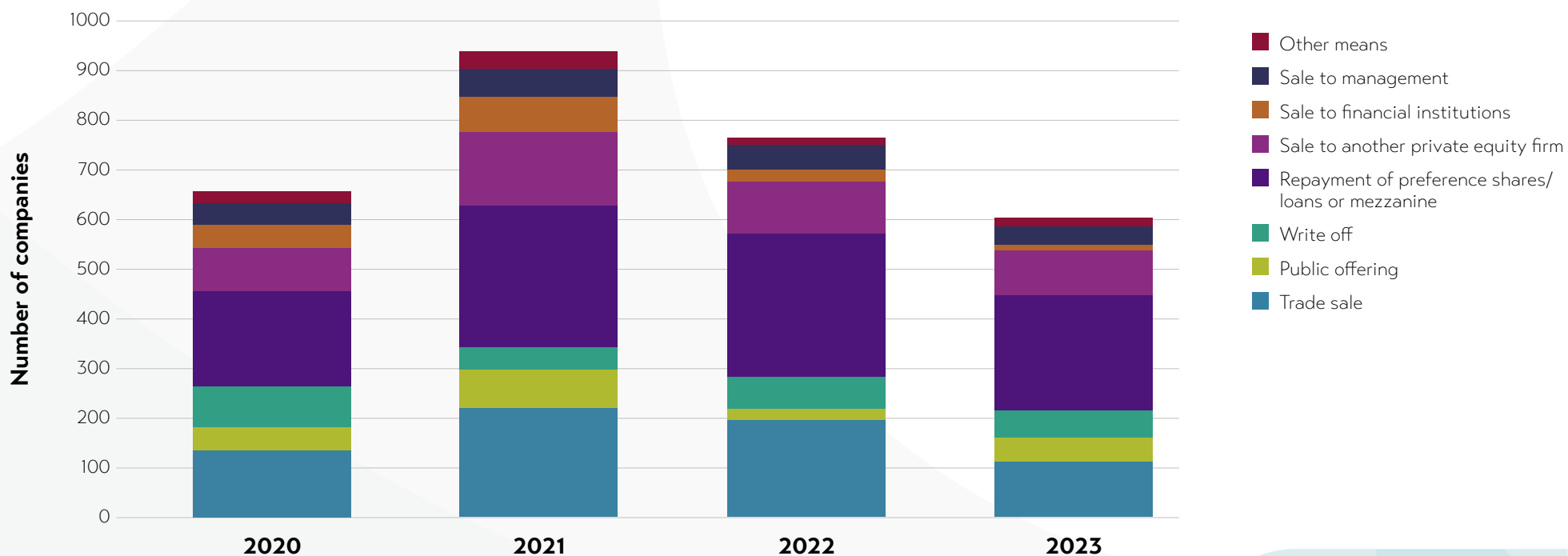
Divestments at cost by exit route

Figure 41. 2020–2023 – Industry statistics – Amount at cost



Divestments at cost by exit route

Figure 42. 2020-2023 – Industry statistics – Number of companies

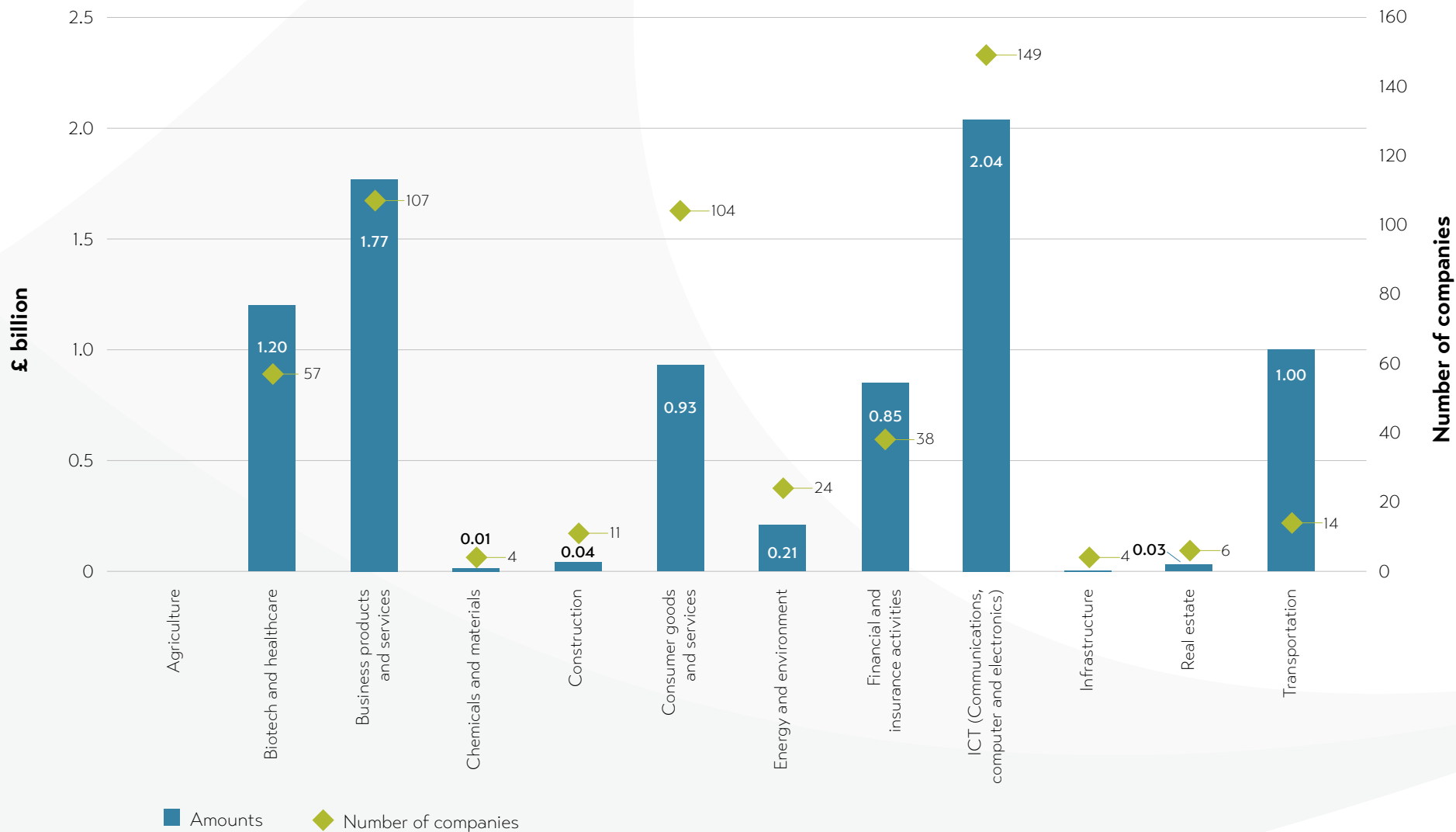


Note: The number of companies in some divestment categories and their subtotals add up to more than the total number of companies divested from. This is due to some companies being divested from by more than one method within the year.



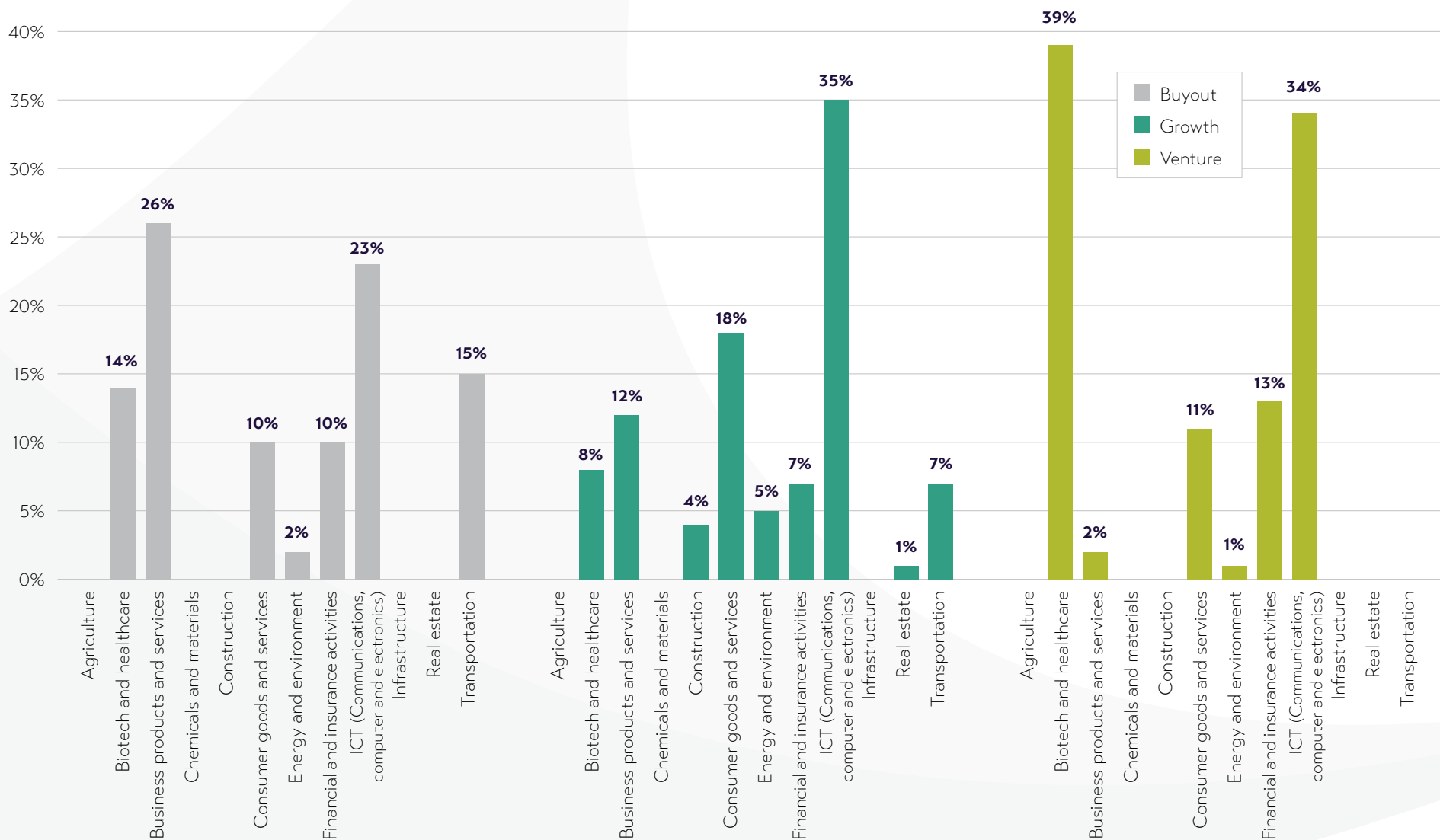
All PE and VC – Divestments at cost by sector

Figure 43. 2023 – Industry statistics – Amount and number of companies (excluding write off)



Divestments at cost by sector – Buyout/Growth/Venture Capital

Figure 44. 2023 – Industry statistics – % of amount (excluding write off)

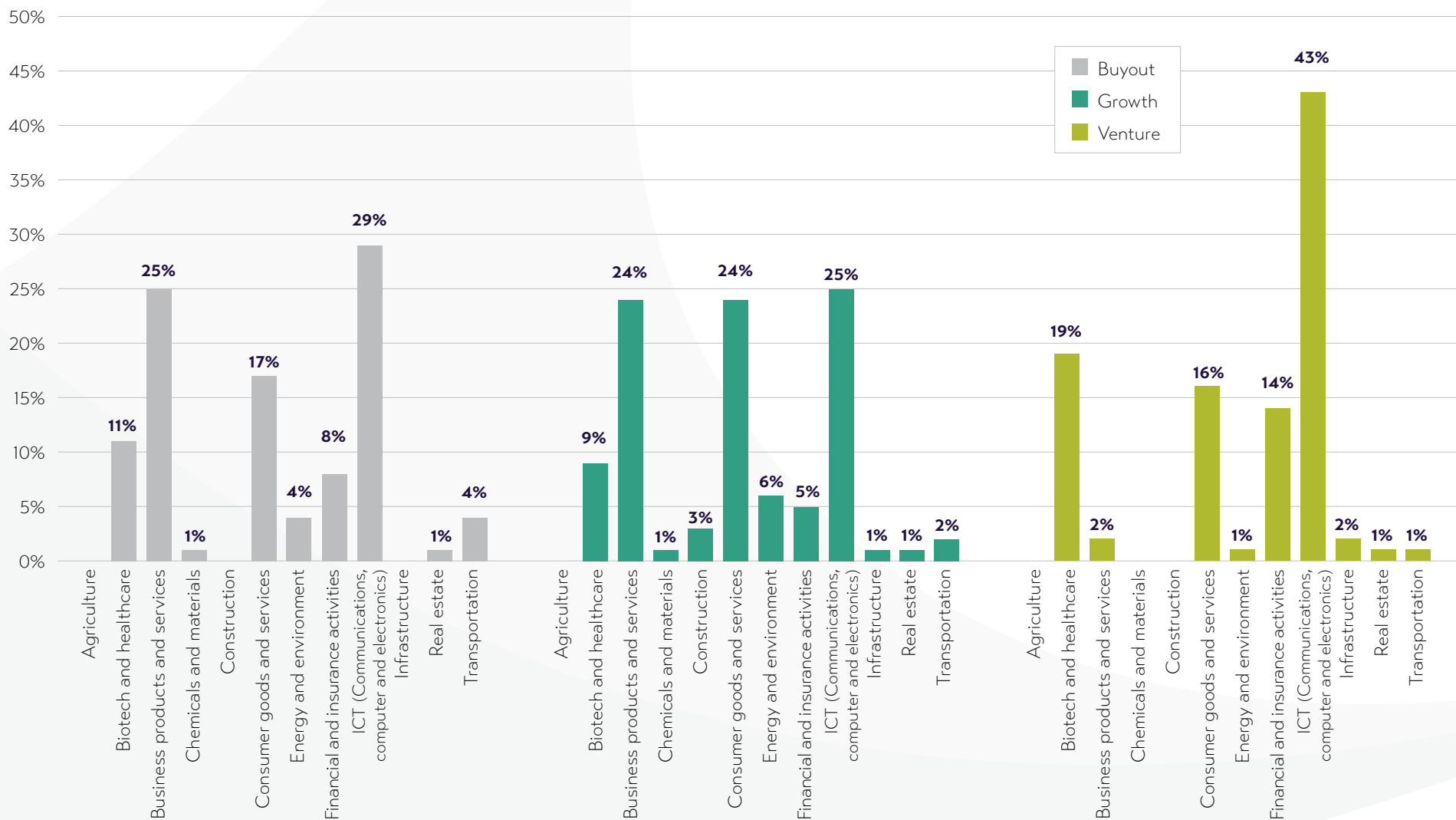


Note: Values below 0.5% are not shown



Divestments at cost by sector – Buyout/Growth/Venture Capital

Figure 45. 2023 – Industry statistics – % of companies (excluding write off)



Note: Values below 0.5% are not shown



All PE and VC – Holding period analysis

Figure 46. 2023 – Industry statistics – average holding period by initial investment stage

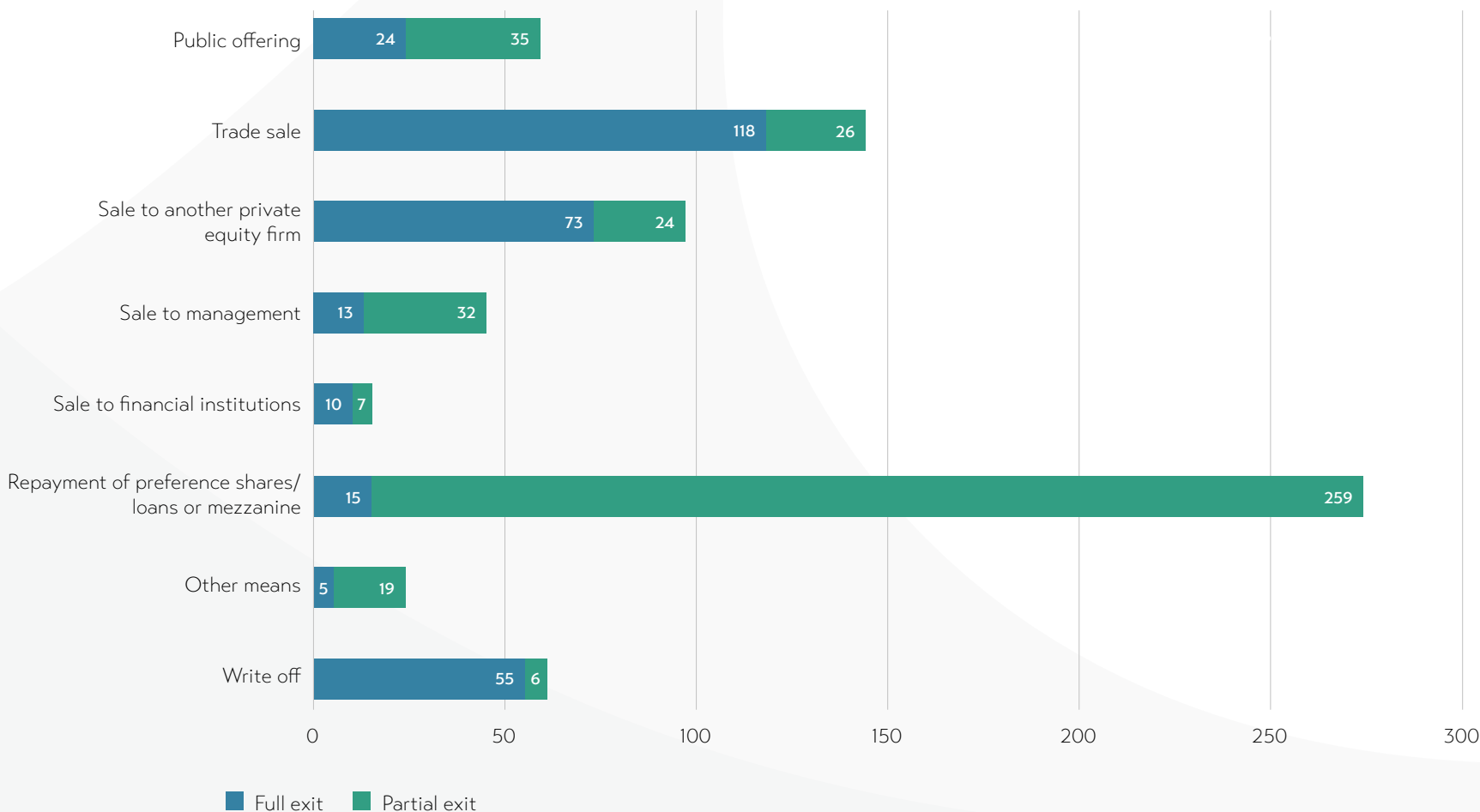


Note: Holding period is calculated by comparing the initial investment date to exit date for companies which have been fully exited from fund's portfolio by an investor



All PE and VC – Number of exits by type

Figure 47. 2023 – Industry statistics – Divestment method – by number of exit transactions

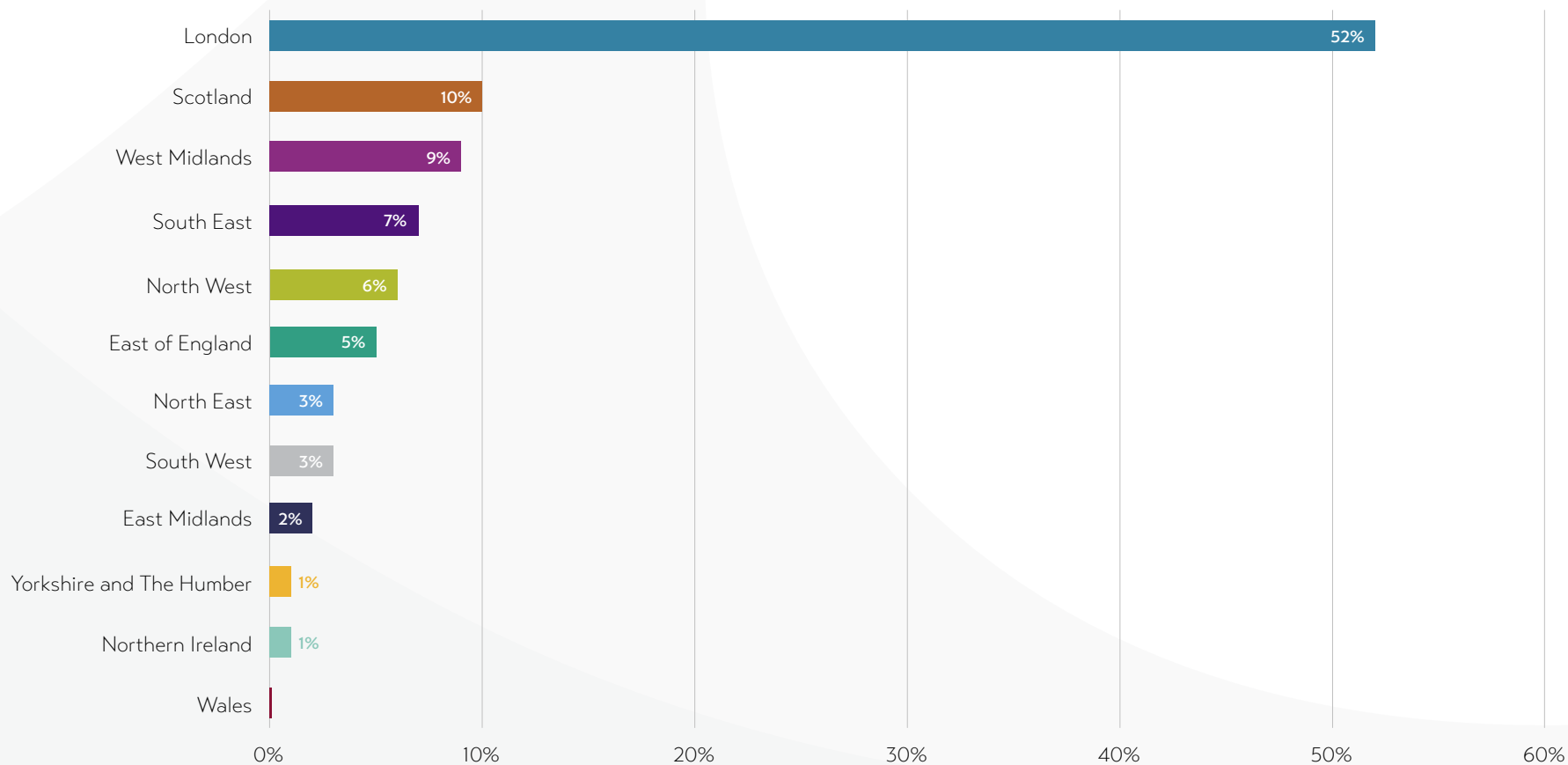


Note: A company may have been exited through more than one method in the year, hence a greater number of exit transactions than total companies divested from
 Note: The exit is related to the fund structure not to the fund manager. An exit from a portfolio company can be partial for one fund and full for another. A company that had both partial and full exit from a given fund in the year is only counted as a full exit



All PE and VC – Divestments at cost across UK nations & regions

Figure 48. 2023 – Market statistics – % of amount



Note: Values below 0.5% are not shown



Data Tables



Table 1a 2023 – Funds raised by source

Type of source	Amount raised						
	2023		2022		2021		
	£m	%	£m	%	£m	%	
Academic inst. / endowment funds / foundations	UK	423	0.7	418	0.5	138	0.3
	Overseas	1,740	2.9	2,946	3.5	1,167	2.7
	Unclassified	-	-	-	-	190	0.4
	Total	2,163	3.6	3,365	4.0	1,495	3.4
Banks	UK	245	0.4	224	0.3	191	0.4
	Overseas	1,842	3.1	2,089	2.5	776	1.8
	Unclassified	-	-	-	-	-	-
	Total	2,087	3.5	2,313	2.7	967	2.2
Capital markets & corporate investors	UK	885	1.5	153	0.2	595	1.4
	Overseas	1,295	2.2	550	0.6	985	2.2
	Unclassified	-	-	-	-	-	-
	Total	2,181	3.7	702	0.8	1,579	3.6
Family offices	UK	456	0.8	481	0.6	298	0.7
	Overseas	2,786	4.7	3,680	4.3	1,381	3.2
	Unclassified	-	-	-	-	11	0.0
	Total	3,243	5.4	4,161	4.9	1,690	3.9
Fund of funds	UK	1,592	2.7	1,188	1.4	473	1.1
	Overseas	2,848	4.8	5,074	6.0	4,227	9.7
	Unclassified	-	-	-	-	173	0.4
	Total	4,441	7.4	6,262	7.4	4,874	11.1



Table 1b 2023 – Funds raised by source

Type of source	Amount raised						
	2023		2022		2021		
	£m	%	£m	%	£m	%	
Government agencies	UK	302	0.5	223	0.3	418	1.0
	Overseas	607	1.0	3,128	3.7	2,080	4.8
	Total	908	1.5	3,351	4.0	2,497	5.7
Insurance companies	UK	177	0.3	227	0.3	38.7	0.1
	Overseas	3,338	5.6	6,533	7.7	2,420	5.5
	Unclassified	-	-	-	-	7	0.0
Total	3,515	5.9	6,760	8.0	2,466	5.6	
Other asset managers	UK	959	1.6	2,224	2.6	556	1.3
	Overseas	3,099	5.2	2,702	3.2	1,451	3.3
	Unclassified	-	-	-	-	6	0.0
Total	4,058	6.8	4,926	5.8	2,013	4.6	
Private pension funds	UK	109	0.2	1,744	2.1	110	0.3
	Overseas	2,890	4.8	3,723	4.4	2,359	5.4
	Unclassified	-	-	-	-	41	0.1
Total	2,999	5.0	5,468	6.5	2,510	5.7	
Public pension funds	UK	407	0.7	1,056	1.2	146	0.3
	Overseas	13,103	22.0	19,880	23.5	6,000	13.7
	Unclassified	-	-	-	-	-	-
Total	13,510	22.7	20,935	24.7	6,147	14.0	



Table 1c 2023 – Funds raised by source

Type of source	Amount raised						
	2023		2022		2021		
	£m	%	£m	%	£m	%	
Private individuals	UK	2,363	4.0	2,374	2.8	1,613	3.7
	Overseas	1,107	1.9	783	0.9	1,344	3.1
	Unclassified	13	0.0	-	-	112	0.3
	Total	3,483	5.8	3,157	3.7	3,070	7.0
Sovereign wealth funds	UK	17	0.0	41	0.0	-	-
	Overseas	9,865	16.5	12,930	15.3	2,093	4.8
	Unclassified	-	-	-	-	30	0.1
	Total	9,881	16.6	12,970	15.3	2,123	4.8
Others	UK	231	0.4	1,114	1.3	332	0.8
	Overseas	3,427	5.7	3,271	3.9	269	0.6
	Unclassified	3,490	5.9	5,865	6.9	11,749	26.8
	Total	7,147	12.0	10,250	12.1	12,350	28.2
Total UK		8,166	13.7	11,466	13.6	4,909	11.2
Total Overseas		47,948	80.4	67,289	79.5	26,553	60.6
Total Unclassified		3,503	5.9	5,865	6.9	12,320	28.1
Grand total		59,616	100	84,621	100	43,782	100

Note: UK includes Bermuda, British Virgin Islands, Cayman Islands, Channel Islands and Isle of Man

Note: Private individuals includes GP commitments



Table 2a 2023 – Funds raised by country

Country	Amount raised	
	2023	
	£m	%
UK*	8,166	14
Belgium	157	0
Denmark	175	0
Finland	636	1
France	302	1
Germany	1,613	3
Ireland	37	0
Italy	334	1
Luxembourg	882	1
Netherlands	816	1
Spain	171	0
Sweden	479	1
Switzerland	852	1
Rest of Europe	4,653	8
United States	15,213	26
Canada	2,347	4
Rest of North America	15	0
China	487	1
Japan	629	1
Rest of Asia Pacific	13,837	23
Middle East & Africa	1,297	2
Central & South America	3,015	5
Unclassified	3,503	6
Total	59,616	100

Note: UK includes Bermuda, British Virgin Islands, Cayman Islands, Channel Islands and Isle of Man



Table 2b 2022 – Funds raised by country

Country	Amount raised	
	2022	
	£m	%
UK*	11,466	14
Belgium	135	0
Denmark	454	1
Finland	1,107	1
France	1,358	2
Germany	2,972	4
Ireland	70	0
Italy	558	1
Luxembourg	911	1
Netherlands	2,141	3
Spain	289	0
Sweden	1,015	1
Switzerland	1,557	2
Rest of Europe	5,196	6
United States	19,129	23
Canada	5,750	7
Rest of North America	5	0
China	2,464	3
Japan	1,119	1
Rest of Asia Pacific	12,812	15
Middle East & Africa	6,709	8
Central & South America	1,537	2
Unclassified	5,865	7
Total	84,621	100

Note: UK includes Bermuda, British Virgin Islands, Cayman Islands, Channel Islands and Isle of Man



Table 2c 2021 – Funds raised by country

Country	Amount raised	
	2021	
	£m	%
UK*	4,909	11
Belgium	161	0
Denmark	225	1
Finland	170	0
France	245	1
Germany	282	1
Ireland	110	0
Italy	72	0
Luxembourg	911	2
Netherlands	690	2
Spain	191	0
Sweden	53	0
Switzerland	976	2
Rest of Europe	4,423	10
United States	7,432	17
Canada	2,057	5
Rest of North America	6	0
China	119	0
Japan	53	0
Rest of Asia Pacific	6,893	16
Middle East & Africa	1,190	3
Central & South America	294	1
Unclassified	12,320	28
Total	43,782	100

Note: UK includes Bermuda, British Virgin Islands, Cayman Islands, Channel Islands and Isle of Man



Table 3a Industry statistics – Investment by country

Country	Number of companies			% of companies			Amount invested (£m)			% amount invested		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
UK	1,267	1,454	1,636	71	69	64	14,067	25,024	27,496	45	50	44
US	99	121	238	6	6	9	1,112	2,514	5,421	4	5	9
Europe	404	477	600	22	23	23	15,300	21,634	26,955	49	43	44
Rest of the world	26	58	84	1	3	3	483	903	1,989	2	2	3
Total	1,796	2,110	2,558	100	100	100	30,962	50,075	61,862	100	100	100

Table 3b Industry statistics – 2023 Quarterly investment by country

Country	Number of companies					% of companies					Amount invested (£m)					% amount invested				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
UK	346	332	357	426	1,461	24	23	24	29	100	2,468	4,830	3,236	3,533	10,534	18	34	23	25	100
US	29	22	26	32	109	27	20	24	29	100	427	258	218	209	902	38	23	20	19	100
Europe	129	119	103	100	451	29	26	23	22	100	4,556	4,731	2,437	3,576	11,724	30	31	16	23	100
Rest of the world	7	6	4	9	26	27	23	15	35	100	58	307	39	79	404	12	63	8	16	100
Total	511	479	490	567	2,047	25	23	24	28	100	7,509	10,125	5,930	7,398	23,564	24	33	19	24%	100

Note: The number of companies in some quarters and their subtotals add up to more than the total number of companies invested in. This is due to some companies receiving more than one investment within the year at different quarters.



Table 4 Industry statistics – Overseas investment by investment stage

Investment stage	Number of companies			% of companies			Amount invested (£m)			% of amount invested		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Seed	55	70	119	12	14	15	78	92	127	1	1	1
Start-up	52	48	117	12	9	15	213	174	306	2	1	1
Other early stage	99	127	168	22	25	21	473	631	814	4	4	4
Later stage venture	51	56	95	12	11	12	356	864	1,087	3	6	5
Bridge equity financing	5	5	4	1	1	1	6	6	16	0	0	0
Total venture capital	262	306	503	59	60	64	1,127	1,766	2,349	10	11	10
Growth capital	90	92	144	20	18	18	2,155	1,883	4,347	19	12	19
Total growth capital	90	92	144	20	18	18	2,155	1,883	4,347	19	12	19
MBO/MBI	59	71	91	13	14	11	5,520	6,756	11,187	49	44	49
Secondary buyout	8	15	26	2	3	3	1,743	4,633	2,883	15	30	13
PIPE	3	2	4	1	0	1	62	47	30	1	0	0
Public to private		0	3		0	0		0	1,268		0	6
Add-on/bolt-on/build-up acquisition	19	17	18	4	3	2	637	201	369	6	1	2
Infrastructure		0			0			0			0	
Total buyout	89	105	142	20	21	18	7,962	11,636	15,737	70	75	69
Refinancing bank debt	0	5	0	0	1	0	0	182	0	0	1	0
Refinancing bank debt	2		3	0		3	58		273	1		1
Turnaround/Rescue	0	2	0	0	0	0	0	9	0	0	0	0
Total other stages	2	7	3	0	1	3	58	192	273	1	1	1
Total	432	506	766	100	100	100	11,302	15,476	22,707	100	100	100

Note: The number of companies in some investment stage categories and their subtotals add up to more than the total number of companies invested in. This is due to some companies receiving more than one investment within the year at different investment stages.

Note: Some investment stages have been amalgamated where there are instances of single deals, in order to preserve confidentiality.



Table 5 Market Statistics – UK investment by investment stage

Investment stage	Number of companies			% of companies			Amount invested (£m)			% of amount invested		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Seed	204	294	255	13	16	13	234	363	318	1	1	1
Start-up	195	225	260	12	12	13	487	774	602	2	3	2
Other early stage	335	452	458	21	25	22	1,004	1,424	1,282	5	5	3
Later stage venture	181	134	173	12	7	8	1,486	1,064	2,891	7	4	8
Bridge equity financing	20	15	17	1	1	1	13	11.0	20	0	0	0
Total venture capital	935	1,120	1,163	59	62	57	3,224	3,637	5,112	16	12	14
Growth capital	407	425	535	26	24	26	4,329	5,230	8,880	22	18	24
Total growth capital	407	425	535	26	24	26	4,329	5,230	8,880	22	18	24
MBO/MBI	127	156	194	8	9	10	6,442	11,604	14,541	32	39	39
Secondary buyout	28	29	56	2	2	3	2,222	6,327	6,214	11	21	17
PIPE	2	4	3	0	0	0	93	1,878	95	0	6	0
Public to private	5	4	5	0	0	0	1,170	1,034	1,034	6	6	3
Add-on/bolt-on/build-up acquisition	29	32	53	2	2	3	1,484	560	730	7	2	2
Infrastructure	6	9	5	0	0	0	35	67	54	0	0	0
Total buyout	197	230	316	13	13	15	11,447	20,437	22,667	57	69	62
Refinancing bank debt	3	0	17	0	0	1	794	0	107	4	0	0
Replacement capital	21	16	17	1	1	1	261	351	107	1	1	0
Turnaround/Rescue	9	10	9	1	1	0	21	29	72	0	0	0
Total other stages	33	26	26	2	1	1	1,076	380	179	5	1	0
Total	1,467	1,700	1,855	100	100	100	20,076	29,683	36,839	100	100	100

Note: The number of companies in some investment stage categories and their subtotals add up to more than the total number of companies invested in. This is due to some companies receiving more than one investment within the year at different investment stages.

Note: Some investment stages have been amalgamated where there are instances of single deals, in order to preserve confidentiality.



Table 6 2022 Market statistics – MBOs/MBIs by investment size (UK)

Size	Number of companies		Amount invested	
	Number	%	£m	%
Small (<£10m)	41	36	145	2
Mid-sized (£10m – £100m)	71	54	2,799	43
Large (£100m – £300m)	10	6	1,471	23
Mega (>£300m)	5	4	2,026	31
Total	127	100	6,442	100

Note: Size bandings are based on the amount of equity invested by private equity and venture capital firms in the database, not the total transaction size.

Table 7 Market statistics – Average amount invested by stage (UK)

Investment stage	Amount invested, £000s		
	2023	2022	2021
Seed	1,146	1,235	1,246
Start-up	2,497	3,441	2,311
Other early stage	2,998	3,151	2,799
Later stage venture	8,210	7,944	16,713
Bridge equity financing	667	736	1,169
Total venture capital	3,448	3,247	4,396
Growth capital	10,635	12,305	16,598
Total growth capital	10,635	12,305	16,598
MBO/MBI	50,725	74,674	74,954
Secondary buyout	79,354	218,168	110,966
PIPE	46,541	12,500	31,724
Public to private	234,071	621,945	206,708
Add-on/bolt-on/build-up acquisition	51,176	17,492	13,767
Infrastructure	5,895	7,500	10,728
Total buyout	58,106	88,856	71,731
Refinancing bank debt	264,772	0	7
Replacement capital	12,407	21,922	6,709
Turnaround/Rescue	2,362	2,898	7,994
Total other stages	32,610	14,605	6,896
Total	13,685	17,461	19,859

Note: Some investment stages have been amalgamated where there are instances of single deals, in order to preserve confidentiality.



Table 8 Market statistics – Investment by industry sector (UK)

Industry sector	Number of companies			% of companies			Amount invested (£m)			% of amount invested		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Agriculture	12	13	9	1	1	0	278	23	36	1	0	0
Biotech and healthcare	261	280	287	18	16	15	2,691	4,148	5,467	13	14	15
Business products and services	212	233	213	14	14	11	3,409	6,801	5,444	17	23	15
Chemicals and materials	26	25	27	2	1	1	106	142	110	1	0	0
Construction	20	18	18	1	1	1	70	171	346	0	1	1
Consumer goods and services	207	240	298	14	14	16	4,075	3,744	8,694	20	13	24
Energy and environment	95	84	74	6	5	4	1,599	454	2,153	8	2	6
Financial and insurance activities	110	125	150	7	7	8	2,812	3,924	4,837	14	13	13
ICT (Communications, computer and electronics)	476	627	721	32	37	39	4,717	9,881	9,071	23	33	25
Infrastructure	0	2	7	0	0	0	0	36	18	0	0	0
Real estate	11	18	19	1	1	1	11	48	185	0	0	1
Transportation	37	28	31	3	2	2	307	273	386	2	1	1
Unknown	0	7	1	0	0	0	0	40	93	0	0	0
Total	1,467	1,700	1,855	100	100	100	20,076	29,683	36,839	100	100	100



Table 9 Market statistics – Investment across nations & regions (UK)

Nation/Region	Number of companies			% of companies			Amount invested (£m)			% of amount invested		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
London	623	767	797	42	45	43	9,503	17,048	14,206	47	57	39
South East	141	148	207	10	9	11	3,489	3,009	5,295	17	10	14
South West	61	60	75	4	4	4	626	831	2,368	3	3	6
East of England	106	98	106	7	6	6	1,412	945	2,622	7	3	7
West Midlands	65	86	80	4	5	4	301	1,544	939	1	5	3
East Midlands	63	87	89	4	5	5	423	2,960	1,806	2	10	5
Yorkshire and The Humber	49	58	62	3	3	3	1,567	371	3,325	8	1	9
North West	109	102	154	7	6	8	870	929	2,608	4	3	7
North East	51	66	71	3	4	4	931	564	741	5	2	2
Scotland	104	107	107	7	6	6	731	625	1,573	4	2	4
Wales	53	56	45	4	3	2	161	580	856	1	2	2
Northern Ireland	40	49	42	3	3	2	59	119	268	0	0	1
Other (1)		8	8		0	0		110	217		0	1
Unknown	2	8	12	0	0	0	4	49	14	0	0	0
Total	1,467	1,700	1,855	100	100	100	20,076	29,683	36,839	100	100	100

Note: (1) Channel Islands, Isle of Man, Gibraltar, Bermuda and British Virgin Islands



Table 10 Market statistics – Investment stage analysis across nations & regions (UK) – Number of companies

Nation/Region	Venture capital						Growth capital						Buyout						Other stages					
	Number			%			Number			%			Number			%			Number			%		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
London	446	583	572	51	55	54	126	123	150	31	29	28	60	75	104	31	33	34	10	7	9	31	27	35
South East	70	71	81	8	7	8	43	41	86	11	10	16	30	36	48	16	16	16	4	6	3	13	23	12
South West	26	31	32	3	3	3	26	20	26	6	5	5	9	8	17	5	4	6						
East of England	78	68	71	9	6	7	19	16	17	5	4	3	14	13	19	7	6	6	1	2	3	3	8	12
West Midlands	32	33	42	4	3	4	24	36	26	6	8	5	9	17	12	5	7	4						
East Midlands	18	22	18	2	2	2	31	43	54	8	10	10	11	19	14	6	8	5	3	4	3	9	15	12
Yorkshire and The Humber	20	26	24	2	2	2	19	19	21	5	4	4	5	10	16	3	4	5	7	3	2	22	12	8
North West	33	36	46	4	3	4	51	47	73	13	11	14	24	17	34	13	7	11	3	3	3	9	12	12
North East	28	40	34	3	4	3	19	25	35	5	6	7	4	4	8	2	2	3	0	0	0	0	0	0
Scotland	59	65	66	7	6	6	27	30	26	7	7	5	18	15	16	9	7	5	4	0	3	13	0	12
Wales	30	36	26	3	3	2	16	15	13	4	4	2	6	8	7	3	4	2						
Northern Ireland	34	41	32	4	4	3	5	6	4	1	1	1	2	2	7	1	1	2	0	1	0	0	4	0
Other (1)	1	2	2	0	0	0	1	4	2	0	1	0	0	3	5	0	1	2	0	0	1	0	0	0
Unknown		7	10		1	1		0	2		0	0					0	0						
Total	875	1,061	1,056	100	100	100	407	425	535	100	100	100	192	227	306	100	100	100	32	26	26	100	100	100

Note: (1) Channel Islands, Isle of Man, Gibraltar, Bermuda and British Virgin Islands

Note: The number of companies in some investment stage categories and their subtotals add up to more than the total number of companies invested in. This is due to some companies receiving more than one investment within the year at different investment stages.

Note: Some regions have been amalgamated where there are instances of single deals, in order to preserve confidentiality.



Table 11 Market statistics – Investment stage analysis across nations & regions (UK) – Amount invested

Nation/Region	Venture capital						Growth capital						Buyout						Other stages					
	Amount (£m)			%			Amount (£m)			%			Amount (£m)			%			Amount (£m)			%		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
London	2,144	2,466	3,654	67	68	71	2,346	3,436	4,038	54	66	45	4,212	10,876	6,400	37	53	28	801	271	114	74	71	64
South East	270	387	385	8	11	8	568	233	796	13	4	9	2,639	2,330	4,070	23	11	18	31	77	44	3	20	25
South West	40	42	104	1	1	2	258	222	967	6	4	11	308	549	1,297	3	3	6						
East of England	347	326	336	11	9	7	402	83	449	9	2	5	655	529	1,837	6	3	8	7	6	1	1	2	0
West Midlands	45	32	247	1	1	5	54	390	308	1	7	3	202	1,122	384	2	5	2						
East Midlands	13	30	24	0	1	0	44	90	114	1	2	1	353	2,837	1,668	3	14	7	13	3	0	1	1	0
Yorkshire and The Humber	62	19	33	2	1	1	88	99	136	2	2	2	1,208	250	3,156	11	1	14	209	4	1	19	1	0
North West	62	94	111	2	3	2	179	205	835	4	4	9	617	610	1,649	5	3	7	13	19	12	1	5	7
North East	27	30	19	1	1	0	131	52	101	3	1	1	773	482	621	7	2	3	0	0	0	0	0	0
Scotland	166	141	124	5	4	2	202	162	633	5	3	7	360	322	808	3	2	4	2	0	7	0	0	4
Wales	25	27	13	1	1	0	42	185	459	1	4	5	93	367	384	1	2	2						
Northern Ireland	22	25	18	1	1	0	10	21	3	0	0	0	26	72	247	0	0	1	0	0	0	0	0	0
Other (1)	0	6	40	0	0	1	4	51	29	0	1	0	0	90	148	0	0	1	0	0	0	0	0	0
Unknown		12	6		0	0		0	10															
Total	3,224	3,637	5,112	100	100	100	4,329	5,230	8,880	100	100	100	11,447	20,437	22,667	100	100	100	1,076	380	179	100	100	100

Note: (1) Channel Islands, Isle of Man, Gibraltar, Bermuda and British Virgin Islands



Table 12 2023 Market statistics – Industry sector analysis across nations & regions (UK) – Number of companies

Nation/Region	Consumer goods and services		Business products and services		Financial and insurance activities		ICT (Communications, computer and electronics)		Biotech and healthcare	
	Number	%	Number	%	Number	%	Number	%	Number	%
London	85	41	71	33	83	75	239	50	87	33
South East	18	9	21	10	7	6	44	9	28	11
South West	14	7	14	7			10	2	6	2
East of England	11	5	18	8	2	2	17	4	36	14
West Midlands	10	5	19	9	2	2	15	3	11	4
East Midlands	12	6	12	6	3	3	19	4	8	3
Yorkshire and The Humber	7	3	10	5	5	5	19	4	7	3
North West	20	10	15	7			34	7	23	9
North East	7	3	7	3	2	2	14	3	14	5
Scotland	6	3	15	7	5	5	24	5	25	10
Wales	9	4	6	3			24	5	10	4
Northern Ireland	8	4	4	2	0	0	16	3	6	2
Other (1)	0	0	0	0	1	1	1	0	0	0
Unknown	0	0	0	0					0	0
Total	207	100	212	100	110	100	476	100	261	100

Note: (1) Channel Islands, Isle of Man, Gibraltar, Bermuda and British Virgin Islands

Note: Some regions have been amalgamated where there are instances of single deals, in order to preserve confidentiality



Table 13 2023 Market statistics – Industry sector analysis across nations & regions (UK) – Amount invested

Nation/Region	Consumer goods and services		Business products and services		Financial and insurance activities		ICT (Communications, computer and electronics)		Biotech and healthcare	
	Amount (£m)	%	Amount (£m)	%	Amount (£m)	%	Amount (£m)	%	Amount (£m)	%
London	2,036	50	1,358	40	2,276	81	2,572	55	528	20
South East	194	5	379	11	187	7	1,096	23	656	24
South West	127	3	256	8	0	0	99	2	52	2
East of England	206	5	521	15	19	1	295	6	326	12
West Midlands	69	2	32	1	15	1	17	0	115	4
East Midlands	12	0	42	1	155	6	140	3	63	2
Yorkshire and The Humber	1,180	29	132	4	0	0	164	3	25	1
North West	175	4	179	5	134	5	174	4	109	4
North East	11	0	178	5	9	0	18	0	688	26
Scotland	22	1	242	7	11	0	87	2	105	4
Wales	14	0	84	2	2	0	38	1	21	1
Northern Ireland	28	1	4	0	0	0	16	0	2	0
Other (1)	0	0	0	0	4	0	0	0	0	0
Unknown	0	0	0	0	0	0	0	0	0	0
Total	4,075	100	3,409	100	2,812	100	4,717	100	2,691	100

Note: (1) Channel Islands, Isle of Man, Gibraltar, Bermuda and British Virgin Islands



Table 14 Market statistics – Divestments at cost by exit route

Type of divestment	Amount divested			% of amount divested			Number of divestments			% of number of divestments			Number of companies			% of number of companies		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Trade sale	2,408	2,166	2,637	41	29	34	168	276	271	22	26	21	98	163	181	18	24	23
Public offering	383	143	440	6	2	6	106	53	173	14	5	14	40	16	50	7	2	6
Write off	933	383	123	16	5	2	58	102	58	8	10	5	52	63	43	10	9	5
Repayment of preference shares/ loans or mezzanine	344	973	1,335	6	13	17	280	436	439	37	41	34	225	285	269	42	42	34
Sale to another private equity firm	1,427	3,011	2,228	24	40	28	86	94	135	11	9	11	75	74	112	14	11	14
Sale to financial institutions	110	170	644	2	2	8	16	16	99	2	2	8	10	15	57	2	2	7
Sale to management	176	98	147	3	1	2	38	71	71	5	7	6	29	42	47	5	6	6
Other means	153	539	311	3	7	4	10	18	35	1	2	3	9	13	27	2	2	3
Total	5,935	7,484	7,864	100	100	100	762	1,066	1,281	100	100	100	538	671	786	100	100	100

Note: The number of companies in some divestment categories and their subtotals add up to more than the total number of companies divested from. This is due to some companies being divested from by more than one method within the year.



Table 15 Market statistics – Divestments at cost by sector

Type of divestment	Amount divested			% of amount divested			Number of companies			% of number of companies		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Agriculture			64			1			2			0
Biotech and healthcare	782	1,134	845	13	15	11	49	76	91	10	12	12
Business products and services	1,489	1,597	1,579	25	21	20	107	115	118	21	18	16
Chemicals and materials	10	49	47	0	1	1	4	13	10	1	2	1
Construction	49	214	235	1	3	3	13	21	21	3	3	3
Consumer goods and services	1,108	1,068	2,018	19	14	26	105	128	158	21	20	21
Energy and environment	171	794	258	3	11	3	24	28	32	5	4	4
Financial and insurance activities	624	934	871	11	12	11	30	40	47	6	6	6
ICT (Communications, computer and electronics)	1,462	1,494	1,793	25	20	23	141	185	219	28	29	30
Infrastructure	1	0	6	0	0	0	4	2	3	1	0	0
Real estate	34	147	82	1	2	1	7	17	18	1	3	2
Transportation	204	53	66	3	1	1	15	11	18	3	2	2
Unknown	0	0	0	0	0	0	0	0	0	0	0	0
Total	5,935	7,484	7,864	100	100	100	499	636	737	100	100	100



Methodology and data sources

Data sources

The BVCA collects data from members on an annual basis covering fundraising, investments and divestments in each calendar year. In 2022, the BVCA took the decision to widen the scope of captured activity to monitor wider market trends more accurately. The activity dataset now includes the following categories of data:

- Activity data provided by private equity and venture capital BVCA member firms.
- Activity data provided by non-member private equity and venture capital firms to other national associations that are part of the European Data Cooperative ('EDC'). Further information about the EDC can be found later in this report.
- Activity data of private equity and venture capital firms that was obtained from publicly available sources.

The BVCA alongside together with other national associations have supplemented data provided by members and used estimates where appropriate.

Survey eligibility

All BVCA members who hold General Partner membership and are primarily based in the UK are required to complete the investment activity survey. To be included in the current year survey, a firm had to be a full GP member of the BVCA as at 1 January 2023.

Number of BVCA member respondents and year on year comparability

For the 2023 survey we received responses from 194 members out of a total eligible pool of 221 members, a response rate of 88%. For comparison, in the 2022 survey we received a response from 194 members out of a total of 254 who were eligible (74% response rate).

Members that provided data in 2024 but have not formally submitted the survey on the EDC have their activity included in the dataset and are counted towards the overall number of respondents. Members that already provided 2023 activity last year but did not participate in 2024 have their activity included in the dataset but are excluded from the overall number of respondents. Members without any recorded 2023 activity are excluded.

Historical data between 2020 and 2022 has been restated in this report to reflect refinements of the activity database and cannot be directly compared to the figures published in previous reports.

Checks and quality controls

The EDC data collection system allows data providers to review information prior to submission, and our members can see their prior year submissions.

The BVCA research team will process any amendments that are required to prior year data which have been flagged by members.

The BVCA research team reviews all BVCA member submissions for completeness and query any obvious errors, however we do not independently verify the data submitted as this is frequently not in the public domain. We also include information from third party sources that cannot be independently verified. As a result, the BVCA cannot guarantee the ultimate accuracy of the data and therefore BVCA does not accept responsibility for any decision made or action taken based on the information provided in this report.



Methodology and data sources continued

Industry sector definitions

The classification of individual company investments by industry and subsector is based on statistical classification of economic activities in the European Community (NACE) code. A detailed breakdown is provided later in this report.

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 and anonymised form only.

Transparency and access to data

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.

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



Methodology: Explanatory notes

Investments

The number of companies in some investment stage categories and their subtotals add up to more than the total number of companies invested in. This is due to some companies receiving more than one investment within the year at different investment stages.

The number of firms in some investment stage categories and their subtotals add up to more than the total number of all private equity firms. This is due to some firms investing in companies at different investment stages within the year.

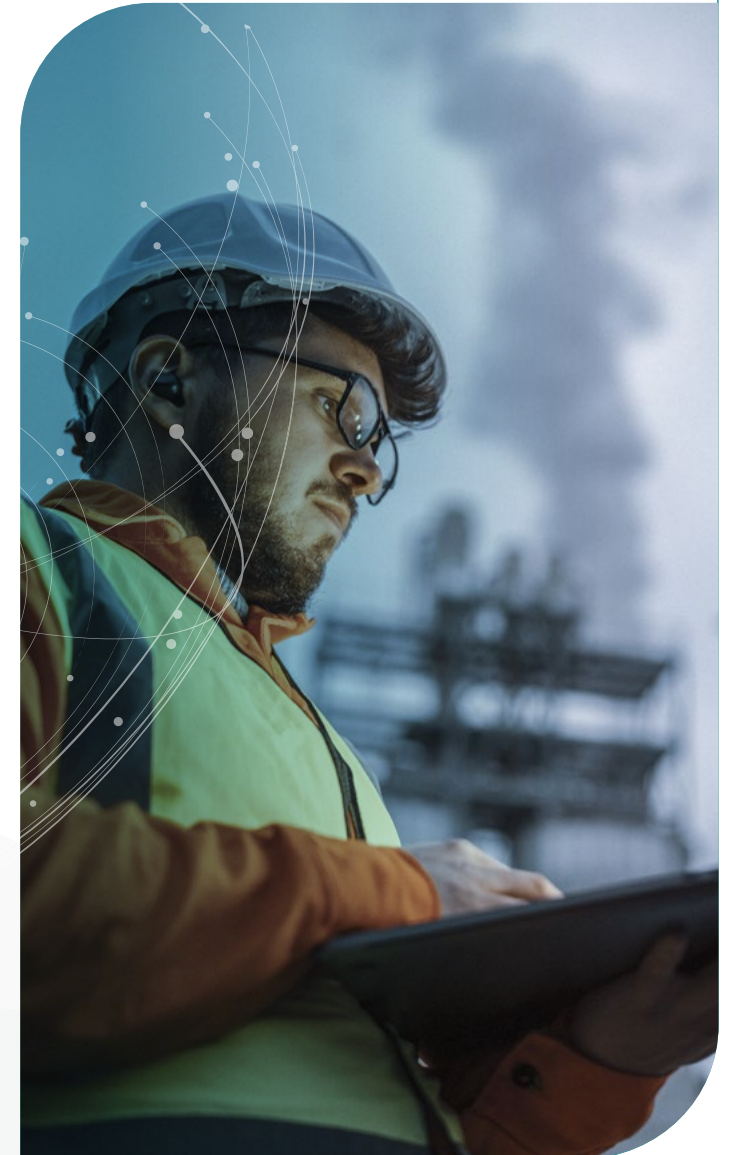
The number of funds in some investment stage categories and their subtotals add up to more than the total number of all private equity funds. This is due to some funds investing in companies at different investment stages within the year.

Divestments

The number of companies in initial investment stage categories and their subtotals add up to more than the total number of companies divested from. This is due to some companies receiving more than one investment at different investment stages.

The number of firms in initial investment stage categories and their subtotals add up to more than the total number of all private equity firms that divested from their portfolio. This is due to some firms divesting from multiple companies at different initial stages of investment.

The number of funds in initial investment stage categories and their subtotals add up to more than the total amount of all private equity funds that divested from their portfolio. This is due to some funds divesting from multiple companies at different initial stages of investment.



Data collection platform: European Data Cooperative

- Since 2011, the BVCA has supported the European Data Cooperative (EDC), working with Invest Europe, AFIC, AIFI and 20 other private equity and venture capital associations across Europe to develop a single system for collecting data.
- A standardised methodology supports the creation of pan-European statistics that are comparable across different countries and regions. This ensures that the most comprehensive insight of UK's private equity and venture capital industry is available to inform fund managers, institutional investors, policymakers, regulators and other stakeholders.
- The platform is jointly owned, operated and open to all private equity and venture capital associations across Europe. A separate legal entity (EDC GmbH) was set up in which all associations are shareholders.
- Statistics derived from the EDC platform are reported in aggregate to ensure anonymity.

The EDC database brings together:

594
Firms

1,201
Funds

2,492
Portfolio Companies



Definitions: Types of private equity firms

The term private equity is generally used in Europe to cover the industry as a whole, including both buyouts and venture capital. Private equity describes equity investments in unquoted companies, often accompanied by the provision of loans and other capital bearing an equity type risk.

Types of private equity firms

Independents: These can either be firms, funds or investment trusts, either publicly listed or private, which raise their capital from external sources. An example of an independent private equity firm is KKR.

Captives: These organisations invest their own money, and/or manage or invest funds on behalf of a parent organisation. In the latter case, the private equity firm would be a wholly owned subsidiary or division of the parent, usually a financial institution. An example of a captive private equity firm is Lloyds Development Capital (LDC).

Semi-captives: These organisations invest funds on behalf of a parent company, or their own funds, in addition to investing funds raised within the last five years from external sources.

This study captures the activity private equity and venture capital firms within all of these categories.



UK nations and regions

The UK nations & regions (formerly known as Government offices for the regions) are used throughout this report to classify the location of individual company investments by location of company head office.. The composition of nations & regions listed below:

North East

Cleveland
Durham
Northumberland
Tyne and Wear

East Midlands

Derbyshire
Leicestershire
Lincolnshire
Northamptonshire
Nottinghamshire

South East

Berkshire
Buckinghamshire
East Sussex
Hampshire
Isle of Wight
Kent
Oxfordshire
Surrey
West Sussex

North West

Cumbria
Cheshire
Greater Manchester
Lancashire
Merseyside

West Midlands

Hereford and Worcester
Shropshire
Staffordshire
Warwickshire
West Midlands
London

Yorkshire and The Humber

Humberside
North Yorkshire
South Yorkshire
West Yorkshire

East of England

Bedfordshire
Cambridgeshire
Essex
Hertfordshire
Norfolk
Suffolk

South West

Avon
Cornwall
Devon
Dorset
Gloucestershire
Somerset
Wiltshire

Wales

Northern Ireland

Scotland



Definitions: Industry classifications

Main business sector	Subsector 1	Subsector 2
Agriculture	Agriculture	Crop cultivation
		Forestry, logging and related services
		Fishing, hunting and animal husbandry
		Mixed farming
Business products and services	Business products	Industrial measurement, sensing and control equipment Business and industrial products Manufacturing: other
	Business services	Business and industrial services
Chemicals and materials	Materials	Materials
		Coal and metal ores
		Plastic Textile fibres
	Chemicals	Specialty chemicals Organic chemicals
	Chemical and materials: other	Chemical and materials: other
		Chemical and materials: services
ICT (Communications, computer and electronics)	Online platforms	Online platforms
	Software	Application software
		Systems software
		Software: other
	Computer hardware	Computer hardware
	Computer services	Data management services
		Computer: retail/ wholesale and repair activities
	Telecom hardware	Communications equipment
Telecom services	Telecom carriers	
	Broadcasting, publications and content providers	
	Communications: retail/ wholesale and repair activities	



Definitions: Industry classifications

Main business sector	Subsector 1	Subsector 2
Construction	Construction	Construction materials
		Construction: related activities
Consumer goods and services	Consumer products manufacturing	Food and beverages
		Fashion industry
		Household articles
		Household furniture
		Other consumer products manufacturing
	Consumer related services	Restaurants, food services
		Art galleries and related services
		Educational and training products/services
		Public services (excl. education)
		Hospitality, sports and entertainment facilities
	Consumer products retailing	Consumer services: other
		Retail of food and beverages
Retail of fashion products		
Retail of household articles		
Energy and environment	Energy	Other consumer products retailing
		Gas and Oil
		Hydroelectricity
		Alternative energy
		Energy related products and equipment
		Energy related services
		Energy: other
	Environment	Sorting, recycling and processing of waste
		Environmental services: other (pollution measurement, noise abatement services, nature and landscape protection services ...)



Definitions: Industry classifications

Main business sector	Subsector 1	Subsector 2
Financial and insurance activities	Financial institutions and services	Banks
		Insurance
		Financial services: other
Real estate	Real Estate	Real Estate
Healthcare and biotech	Biotechnology	Biotechnology laboratories and services
		Biotechnology products and equipment
	Healthcare	Healthcare institutions and services
		Pharmaceuticals and drug delivery
		Medical devices and supplies
Transportation	Transportation: services	Medical equipment
		Healthcare: other
		Logistics services
	Transportation: manufacturing	Courier services
		Means of transport: repair and maintenance
		Means of transport: manufacturing

Disclaimer

The data included in this report has been collected from BVCA members as well as non-members and other third party sources. BVCA has taken steps to ensure the reliability of the information presented. However, BVCA cannot guarantee the ultimate accuracy of the data and therefore BVCA does not accept responsibility for any decision made or action taken based on the information provided.



List of contributing firms

1818 Venture Capital

1991 Ventures

3i

4Bio Partners LLP

A/O Proptech

Abingworth LLP

ACF Investors

ADM Capital Europe LLP

Advent International Ltd

Agathos Management LLP

Albion Capital

Alchemy Partners LLP

Aliter Capital LLP

Alliance Fund Managers

ALSA Ventures

Amadeus Capital Partners Limited

AnaCap Financial Partners Limited

Anthemis Group

Anticus Partners Limited

Apax Partners UK Ltd

Apiary Capital LLP

Apis Partners LLP

Ardian Investment

Atomico (UK) Partners LLP

August Equity LLP

Averroes Capital Limited

B.P. Marsh & Partners Plc

Bain Capital Europe LLP

Baird Capital

Balderton Capital

Beech Tree Private Equity

Beringea LLP

Bestport Ventures LLP

BGF

Blue Earth Capital AG

Bowmark Capital LLP

BP Ventures

Bregal Capital LLP

Bridgepoint

Bridges Fund Management Limited

Brookstreet Equity Partners

BTomorrow Ventures

Calculus Capital Ltd

Caledonia Group Services Ltd

Cambridge Innovation Capital

Causeway Capital Partners

CBPE Capital

CedarBridge Capital Partners Ltd

CGE Partners LLP

Cinven Limited

Circularity Capital

Clarendon Fund Managers Limited

Clayton Dubilier & Rice (CD&R) LLP

Clean Growth Investment Management LLP

Climate VC Limited

Connection Capital LLP

Cordovan Capital Management

Cornerstone VC

CVC Advisers Limited

Development Bank of Wales

Duke Street

Dunedin LLP

Earth Capital Ltd

ECI Partners LLP

EKA Ventures

Elbow Beach Investments

Elysian Capital LLP

EMK Capital

Endless LLP

Epidarex Capital

Equinor Energy Ventures

Equistone Partners Europe Limited

ETF Partners

Exponent Private Equity LLP

Fiduciary Co-investment Partners

First Imagine! Ventures

FPE Capital LLP

Francisco Partners

Freshstream

Frog Capital Limited

Future Planet Capital

G Square Healthcare Private Equity LLP

General Atlantic

GHO Capital LLP

Graphite Capital Management LLP

Growth Capital Partners LLP (GCP)

Haatch Ventures LLP

HG Capital

IK Partners

Inflexion Private Equity

Inspirit Capital

Intermediate Capital Group PLC

IQ Capital Partners LLP

Jenson Funding Partners LLP

Just Climate LLP

Kester Capital LLP

Key Capital Partners LLP

Kings Park Capital

KKR & Co.

Lakestar VC

LDC

Levine Leichtman Capital Partners, Inc.

Livingbridge EP LLP

Love Ventures



List of contributing firms

Magenta Partners LLP

Maven Capital Partners UK LLP

Mayfair Equity Partners

MMC Ventures Ltd

Mobeus Equity Partners

Molten Ventures

Monograph Capital Advisors (UK) LLP

Mustard Seed Impact Limited

Nesta Investment Management LLP

Next Wave Partners LLP

Nordic Capital Limited

NorthEdge Capital LLP

Northstar Ventures Limited

Notion Capital

NVM Private Equity LLP

Oakley Capital Limited

Old College Capital

Omni Advisory Limited

Optum Ventures

Oxford Capital

Oxford University Innovation

Oxx

PAI Partners SAS

Palamon Capital Partners, LP

Palatine Private Equity LLP

Par Equity LLP

Parkwalk Advisors Ltd

Pembroke VCT

Penta Capital LLP

Permira Advisers (London) Ltd

Perwyn

Phoenix Equity Partners

Pi Labs

Piper PE LLP

Primary Capital Partners LLP

Puma Investments

Queen's Park Equity

QVentures

Rockpool Investments

Rutland Partners LLP

Salonica Capital Limited

Scottish National Investment Bank Plc

SEP

Shackleton Ventures Ltd

Silver Lake

Silverfleet Capital

Souter Investments Limited

Sovereign Capital

Speedinvest GmbH

Spex Capital Ltd

Stanley Capital Partners LLP

Sterling Investment Management Ltd

Sure Valley Ventures Limited

Sussex Place Ventures

Sustainable Future Ventures

SV Health Managers LLP

Symvan Capital

Synova LLP

Systemiq Capital Limited

TA Associates (UK) LLP

Target Global

TDR Capital LLP

Technology Venture Partners

Temasek International (Europe) Limited

TempoCap

Tenzing

Tern PLC

Terra Firma Capital Partners Limited

The Carlyle Group

Tikehau Capital

Top Technology Ventures Limited

TowerBrook Capital Partners (UK) LLP

Triple Point Ventures

Triton Advisers Limited

True.

Turquoise International Limited

Two Magnolias Ltd

Ufi VocTech Trust

Unilever Ventures Limited

Verb Ventures

Vespa Capital LLP

VGC Partners LLP

Vitruvian Partners LLP

Volution Ventures

Weight Partners Capital LLP

WestBridge Fund Managers Limited

White Star Capital

YFM Equity Partners

Zero Carbon Capital

Zouk Capital LLP



Contacts & useful resources

Economic contribution of UK private equity and venture capital in 2023

Annual report on the performance of portfolio companies, XVI

Performance Measurement Survey 2022

Performance and Public Market Equivalent report 2022

Creating Sustainable Growth: Private Capital at Work (2nd Edition)

Diversity & Inclusion 2023 Report

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



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Acknowledgements

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We would like to extend our thanks to all firms who responded to our Investment Activity Study.

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.

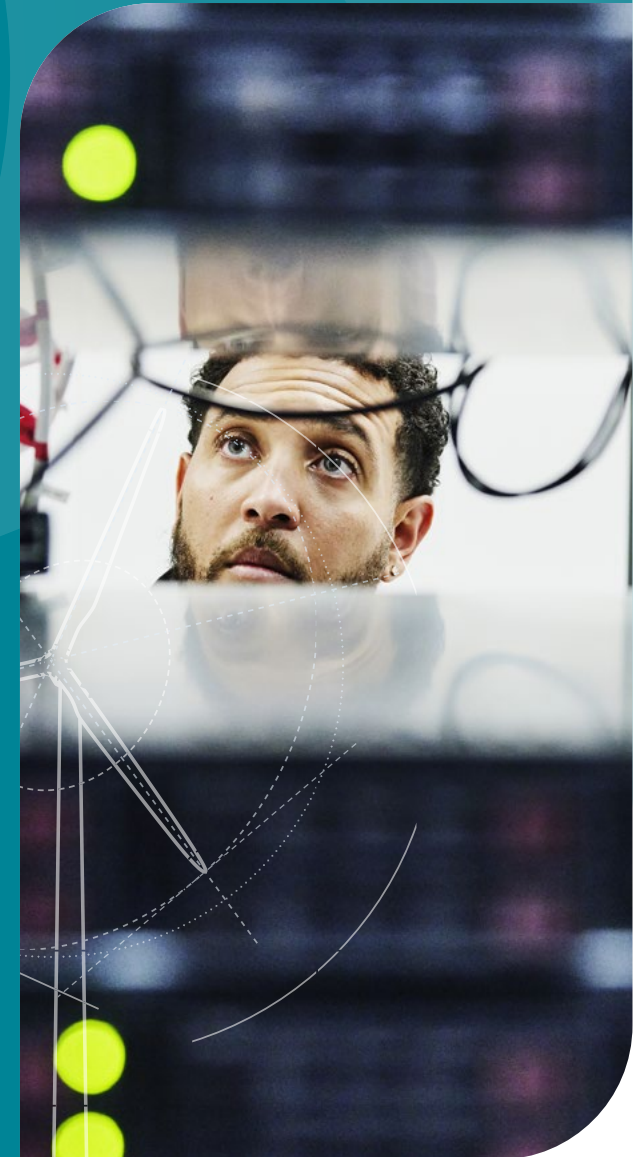
We represent the industry to politicians, policymakers, media, institutional investors, the business community, and the general public – our external stakeholders.

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 620 members, including over 270 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.





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