

Small Business Equity Tracker 2021

Record levels of equity investment in smaller UK businesses in 2020

£8.8bn

investment value despite Covid-19 pandemic



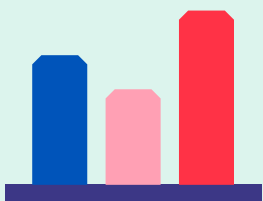
9%

increase in investment value since 2019



5%

increase in deals to 2,044



£4.5bn

value of investment in Q1 2021 – the highest amount recorded in a single quarter



UK deep tech investment soars over last 5 years

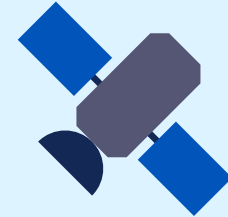
£2.3bn

investment value increased by 291%



78%

increase in deep tech deals in 2020 to 440



UK vs US deep tech

UK companies received substantially smaller rounds of funding than the US



raised after six rounds of funding

US companies received nearly twice the investment than those in the UK



investment as a proportion of GDP

The British Business Bank effect

21%

of announced equity deals in 2020 were supported by the Bank - compared to 10% in 2019



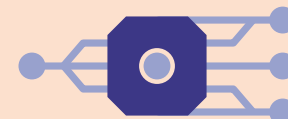
11%

Future Fund is estimated to have supported 11% of announced deals last year



49%

of Bank supported deals were in technology/IP-based businesses – compared to 40% for wider market



58%

of Bank supported deals were outside London - compared to 32% in 2016



Levels of investment varied widely by sector in 2020

46%

of total equity investment went to tech businesses



7%

investment increase in tech to £4bn



Sectors up



70% investment increase in life sciences to £631m

23% investment increase in business and professional services

75% investment increase in industrials

Sectors down



17% decrease in deals in personal services

13% decrease in deals in retail

10% decrease in deals in leisure and entertainment