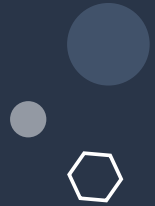


Catalyst

# NI Deal Tracker 2022

---

Analysing equity investment  
in Northern Ireland





**Northern Ireland entrepreneurs** have been able to 'buck the trend' and **secure a significant increase in equity funding** in 2022.



## Contents

Catalyst's View	02
Key Findings	03
Deal Activity	04
Deal Size	05
New (1st Investment Deals)	06
Records at all levels	07
Female led companies	08
NI v All Ireland Figures	09
The VC Challenge	10
Case Studies	12

## Catalyst's View



**Kieran Dalton**  
Head of Scaling

**In a challenging year for investment, Northern Ireland entrepreneurs have been able to 'buck the trend' and secure a significant increase in equity funding in 2022.**

Equity investment in the region in 2022 was £139m, an increase of 39% on the 2021 investment levels. In comparison Beauheurst reported UK VC investment as a whole was down 16% in the year.

The post-COVID optimism of 2021 faded early in 2022, with regional conflict; tech company redundancies; higher interest rates and growing inflation impacting investor sentiment. However, compensating for this, in Northern Ireland we have seen a maturing of the equity investment market with companies leveraging investment for growth and future exit.

A notable feature of this year's investments has been doubling of the median company valuation which has driven an increase in the number of £5m+ investments. This reflects both the success of earlier seed investments and the emerging use of equity to fuel specific growth opportunities on Northern Ireland.

## Key Findings

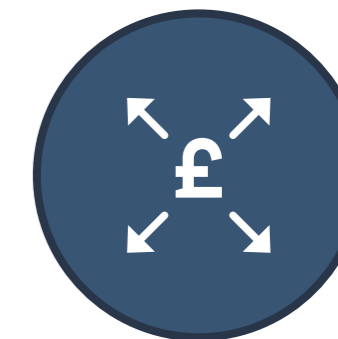
This data has been gathered using multiple data sources – utilising our strong relationships as a trusted neutral party and supplemented with data from the Beauhurst platform. Therefore, the detailed information underlying this report will remain confidential.



**89 deals**  
up from 66 deals 2021



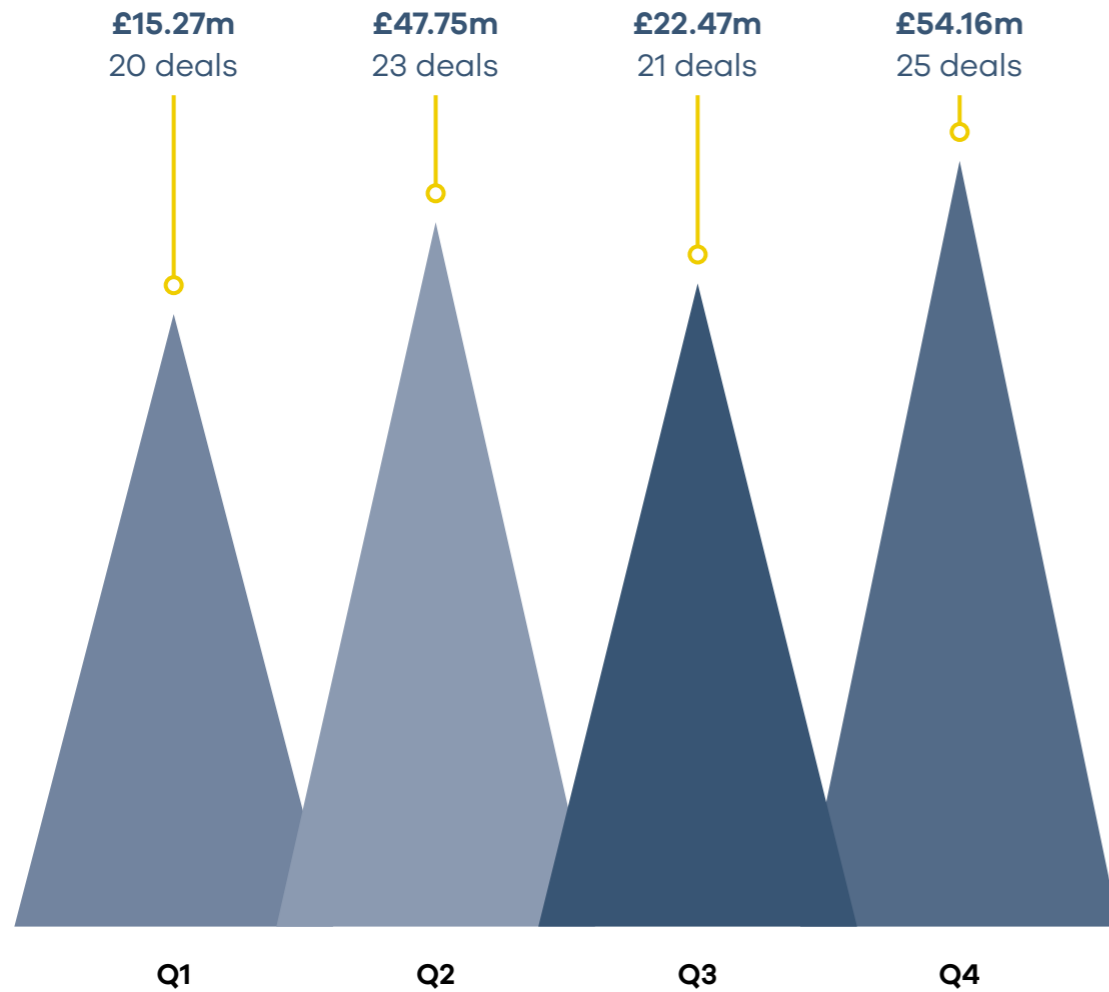
**Average deal**  
**£1.6m**  
up from £1.5m 2021



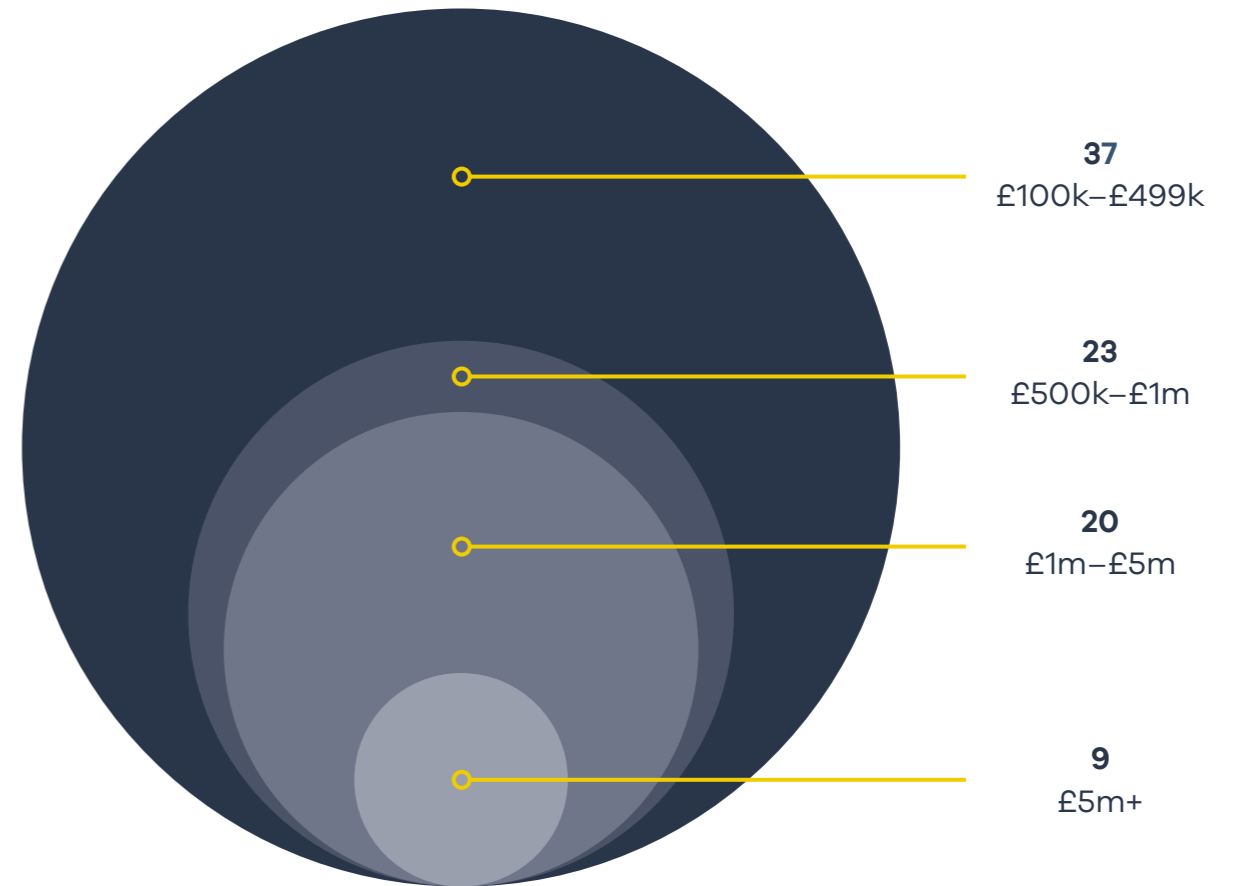
**£139.6m**  
up from £107.6m 2021

# Deal Activity

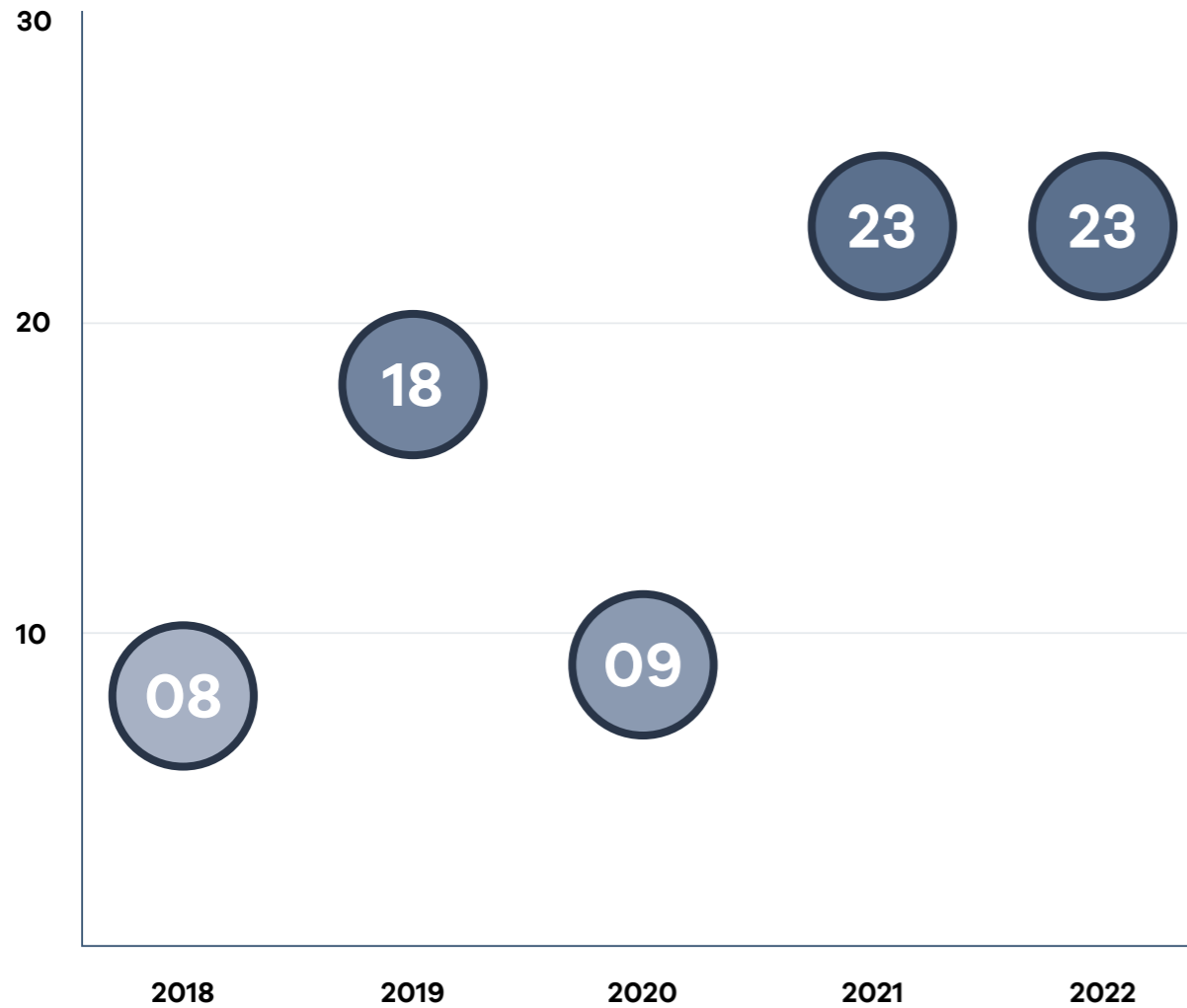
Deal Activity (deal number and amount per quarter).



# Deal Size



## New (1st Investment Deals)



## Records at All Levels

Investment reached its highest level ever by hitting over £130m, with the number of deals and average deal size hitting record peaks. Also, 2022 saw 23 companies receive 1st time investment, a similar figure to 2021.

The number of deals over £5m

more than doubled from

4 in 2021 to 9 in 2022.

# Female Led Companies

The report looked into deals where there the company is led/founded by at least one female member.

Of the 89 investments, 22 (25%) were with female led/founded. A number of those female led companies received multiple rounds in 2022, which meant that these companies raised £26.9m (19%) of the total raised in 2022. When compared with 2021, there were 15 female led/founded companies (23%) who raised £16m, equating to 16% of the total raised.

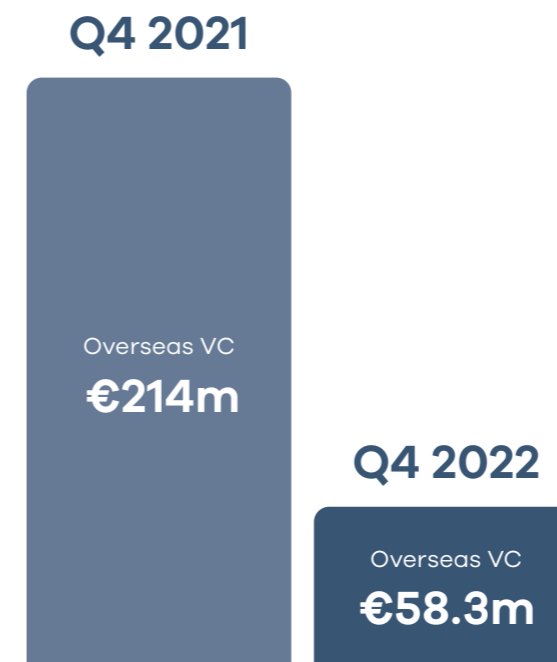
Of the 89 investments, 22 (25%)

were with female led/founded.

# NI v All Ireland Figures

There was no change on the previous year in the investment amount into Irish firms in 2022, with the overall figure totalling €1.33bn.

These figures, produced by the Irish Venture Capital Association (IVCA), highlighted that while there was parity on investments comparing year on year, there was a large drop off of overseas VC into Ireland in Q4 2022, from €214m in Q4 2021 to €58.3m in Q4 2022. These figures take into account deals that occurred in NI consequently NI companies account for approx. 12% of the deals completed in 2022 across the island of Ireland.



# The VC Challenge

**A key Catalyst role is to help innovators and entrepreneurs by providing access to investors, mentors and education.**

Catalyst first began tracking changes in the Northern Ireland Economy and the impact of VC investment in the region in 2009. The annual "Knowledge Economy Report" at that time mirrored the assessment metrics used by San Diego Connect.

Specifically: Equity Investment; R&D Activity; Innovation & Patents.

In 2013, with equity investment at £8m, our ambition was to achieve £90m sustained equity investment in Northern Ireland companies by 2030. Two successive years of investment over £100m, suggests that new targets must be set and 2023 could be the first year on a new journey towards attracting a per capita equivalent of 2% of UK equity investment annually.

During the year funds such as Google Ventures, Barclays, Clean Growth Fund, ExSight Ventures, Visionary Ventures and SignalFire made investments in NI companies for the 1st time.

**Most of these funders have invested alongside investors based in NI, who have often supported their initial rounds. The local investment firms (TechStart Ventures, Clarendon Fund Managers and Kernel) and the commercialisation arms of the universities (QUBIS and Innovation Ulster) have been important in getting a number of these companies initially funded and connected to further capital from outside the region.**

Of the companies that raised funding in 2022, **82% secured part of their overall fundraising from one of the local venture capital companies.**



## Case Studies



**Re-Vana Therapeutics Ltd, a spin-out from Queen's University, are a drug delivery company developing sustained-release therapeutics for the treatment of vision-threatening ocular diseases.**

Its drug delivery products include EyeLief, which is a preformed implant that is injected into the eye through narrow gauge needles, providing sustained drug delivery to the eye for up to six months.

Their Series A round was led by Visionary Ventures, a VC fund that focusses on the future of ophthalmology. Additional investors include ExSight Ventures, InFocus Capital Partners and existing U.K. investors, Qubis Ltd, Co-Fund NI, and TechStart Ventures.

### AXIAL3D

**Axial3D raised \$15m in an investment led by Stratasy, a company that develops 3D printing tech used by many of the world's leading hospitals for medical models.**

Founded by Daniel Crawford in 2015, Axial3D help create patient-specific anatomical models for preoperative planning, custom implants, medical device prototyping and custom prosthetics, as well as teaching and training. The company recently announced the grand opening of their new medical 3D Printing Centre of Excellence.

The company have been supported by a number of local firms including TechStart Ventures, Co-Fund NI and Innovation Ulster.



**VR start-up SideQuest has raised \$12m in a fresh funding round led by Google Ventures.**

Co-founded by Shane and Orla Harris in 2019, SideQuest is developing a platform for VR developers to upload and test content ahead of public release. They have become a popular platform with thousands of VR apps in recent years and have more than two million monthly active users (as of May 2022).

The company have raised \$15.6m to date, with notable early investors including Oculus VR founder Palmer Luckey, who backed the start-up in its \$650,000 pre-seed round in 2020.





**NI Deal Tracker 2022**  
wearecatalyst.org

