Deloitte.
Private

Emerging Growth Insights and the Fast 50

Making it to the Exit

2024/25

Contents

Introduction

The 27th edition of the Deloitte UK Technology Fast 50 awards programme recognises some of the UK's most innovative high-growth tech companies. This year's Fast 50 is split into four categories: The Technology Fast 50, Women in Leadership, CleanTech, and Regional Winners.

The theme of this year's report, "Making it to the Exit: Timing and Profitability," reflects on the unique challenges and opportunities tech companies face when approaching an exit from the private market. Liquidity lies at the heart of this year's theme, playing a critical role in determining both fundraising success and exit strategies. During the COVID-19 pandemic, tech companies benefitted from a unique combination of government stimulus measures and historically low interest rates. This environment fuelled record-breaking fundraising rounds, inflated valuations, and a surge in IPO activity. However, the post-pandemic period has seen a sharp correction. Inflationary pressures, rising interest rates, and political uncertainty have tightened liquidity, leading to a marked decline in equity investment for high-growth companies and a significantly cooler exit market.

Proudly sponsored by

Foreword

For 27 years, Deloitte's Technology Fast 50 programme has celebrated the dynamism and innovation of UK high-growth technology companies. Today's tech scaleups are as charged as ever, continuing to demonstrate resilience and ambition within a challenging economic landscape marked by tighter liquidity and a cooler exit market.

The UK Technology Fast 50 annually showcases the country's fastest growing tech companies, ranked by revenue growth over a three-year period. It is the UK's longest-running business growth awards programme, and as the high growth sector has transformed in lockstep with the meteoric rise of the UK tech scene, we have been there every step of the way, recognising some of the most successful startups of the last few decades. This year's Fast 50 boast total revenues of almost £2 billion between 2023 and 2024, with an average growth rate of 2,468% since 2021.

These impressive figures underscore the significant impact entrepreneurs have on the UK economy, a fact further reinforced by Deloitte's research conducted with Shopify, in which we compiled a global entrepreneurship index. This index places the UK second in the G7 for the contribution entrepreneurs make to the overall economy. The index also found that UK entrepreneurs generate around £30bn of business activity each year and have continued to grow their exports by high single digit percentages each year, despite headwinds from Brexit.

This year's Fast 50 cohort, with their commitment to navigating their business towards continued sustainable growth and for some, a successful exit, exemplifies this entrepreneurial spirit. While we all witnessed record-breaking valuations and a surge in IPO activity in the early COVID years, the current climate tells a different story.

Inflationary pressures, rising interest rates, and geopolitical uncertainty have led to tighter liquidity and a more cautious investment landscape. This shift requires a strategic recalibration, prompting entrepreneurs to carefully consider the complexity, timing and profitability of their exit strategies. The ambition to exit, however, remains strong – and optimism prevails amongst CEOs looking to fundraise, signifying continued confidence in the long-term potential of the UK tech sector.

This year's report examines the key trends shaping the UK technology scaleup market, with a focus on the current exit landscape.

The enduring allure of trade sales and mergers

These routes offer immediate liquidity and reduced complexity, particularly appealing in uncertain economic times.

The strategic role of investor relationships

Choosing the right investor, beyond just financial backing, is crucial for navigating difficult market conditions.

The importance of timing and profitability

Companies are increasingly focused on achieving sustainable growth and profitability to maximise their valuation at exit.

As we look ahead, the UK's attractiveness as a destination for high-growth tech companies will depend on its ability to adapt to this evolving landscape. The companies featured in this report, with their tenacity and innovative spirit, provide a dose of optimism and hope for UK tech amidst tough times. Their journeys offer valuable insights for aspiring entrepreneurs and investors alike, highlighting the importance of strategic planning, adaptability, and a commitment to building sustainable businesses.

> The ambition to exit remains strong – and optimism prevails amongst CEOs.

KIREN ASAD
Deloitte UK Technology
Fast 50 Programme Lead

Executive summary

The UK Tech Fast 50 Report brings together important data points and trends found within both the 2024 Tech Fast 50 cohort and across the wider tech ecosystem.

London remains the top hub for high-growth tech companies, hosting 40.6% of the nation's tech population and serving as the head office for 35 of this year's Fast 50 champions. Software-as-a-service (SaaS) and cloud technology, as well as FinTech, are the most popular sectors in this year's Fast 50. Prominent companies include London-based recruitment platform SourceWhale and Manchester headquartered legal software company Summize.

This year's Fast 50 cohort sees the return of 2023 winner Allica Bank and new entries such as healthtech platform ZOE. Deloitte's 2024 Fast 50 champions cohort have a combined pre-money valuation of £8.21b.*[2] Between 2019 and Q3 2024, these businesses completed 191 fundraising deals, with private equity/venture capital accounting for the majority of deals (41.8%.) Looking to exits, Beauhurst data tracked 388 UK tech exits in 2023, a 24.2% decrease from the previous year. In addition, 179 Fast 50 alumni have exited the market since the launch of this award programme. A detailed analysis shows 139 companies exited the private market through trade sales, 24 by private equity, and 16 via IPOs.

Our CEO survey reveals that expansion into the US market is on the horizon for 63.1% of respondents, while over half aim to raise growth capital within three years.

The Fast 50

London
is the top region for **Fast 50** companies

SaaS/Cloud
is the top sub-sector for **Fast 50** companies

41.8%
of funding raised by Private Equity and Venture Capital*[1]

CEO Survey findings

63.1%
of respondents aim to expand into the US in the next 1-2 years

57.2%
of respondents aim to raise growth capital in the next 1-3 years

55.4%
of respondents intend to exit their business in the future

The high-growth tech ecosystem

179
number of exits by **Fast 50** alumni

388
number of exits by tech companies (2023)

24.2%
decrease from the previous year

Wise **(£7.96b, July 2021)**
the largest exit by a high-growth tech company (2019-H1 2024)

1. Based on 191 equity deals completed between 2019 and Q3 2024
2. This finding is based on the latest pre-money valuation of companies featured in the Deloitte Fast 50

A word from ...

SARAH BRIDDON
Head of UK Digital, Tech & Comms
at Citi Commercial Bank

Building a Partnership for Growth

The UK technology landscape is dynamic, globally competitive and exciting: the country can be proud of its achievements in a sector that is crucial for future prosperity. But success does not occur in a vacuum. It requires a rich ecosystem that can nurture companies as they advance from bright ideas to startup, through successive financing rounds to – in some cases – a trade sale, acquisition by a private equity fund, or IPO.

Banks are key to this ecosystem, helping to drive the growth of UK tech companies by providing financial products and services, fostering strategic partnerships, and offering advice and expertise.

Equity funding can be vital for tech companies, especially in their early stages. Banks can leverage their networks to connect startups with investors, including venture capitalists, angel investors, and family offices. Some banks and their private market clients may also offer venture debt, a financing option tailored for high-growth, venture-backed companies.

Young tech firms' needs can change rapidly and they typically prioritise growth over immediate profits, making flexible financing indispensable. Some banks can provide options such as Annual Recurring Revenue financing, which offers capital based on predictable subscription income, or bridging loans, which cover short-term funding gaps while companies secure larger investments.

Companies also need to consider working capital finance, which helps fund day-to-day operational expenses and is often described as the 'lifeblood' of companies. Early-stage tech companies' unpredictable cash flows may make it difficult to meet upfront costs, ranging from developing their product to marketing. Working capital finance can help enable them to fulfil their short-term obligations, such as paying suppliers and employees, and ensures they can invest in growth opportunities.

While tech companies understandably focus much of their energy on securing funding for innovation and expansion, banks also provide treasury management services that can be essential for scaling or ensuring a successful exit.

Fast-growing digital companies face a range of operational and financial challenges as they grow. Managing payments, collections, and banking services across multiple markets and currencies can quickly become complex and time-consuming as firms enter new markets, especially if they work with multiple local banks.

Efficient banking services help streamline operations and ensure effective cash flow management. They can help companies improve their working capital efficiency and therefore enhance many of the financial metrics that are key in a trade or private equity sale. Prospective external investors are also typically focused on issues relating to governance, transparency and accountability (including regulatory and compliance requirements), which are usually managed within treasury.

To build a credible treasury function with sufficient agility to support rapid growth, UK tech companies need a global bank, that understands the tech sector. Working closely with a global bank can help firms to develop long-term financial strategies that address liquidity management, FX optimisation, and cost reduction through streamlined payment and collection systems.

Citi Commercial Bank can help simplify global expansion for UK tech companies by offering a single platform to manage their accounts wherever they operate, with integrated FX and risk management solutions, and a wide range of financing options, from lending to investment banking products. Citi can support UK tech firms' long-term growth by offering advice on financial management and strategic planning that helps them anticipate challenges and optimise their financial operations.

As a global bank with digital expertise and on-the-ground insights about the UK market, Citi acts as a source of knowledge for the broader UK tech ecosystem and is a strong champion for its advancement both in the UK and globally.

SCOTT BROOKMAN
UK Sales Director (Software)
at Oracle NetSuite

Four Ways Technology Can Help Maximise Business Potential

In today's global investment landscape, securing funding and attracting buyers for a growing business has become increasingly challenging. The right technology foundation can demonstrate a fundamental competitive advantage to potential investors.

A business management system – or Enterprise Resource Planning (ERP), can help ensure that departments are working from one source of information— automate manual processes, and help become AI-ready.

Here are four ways emerging businesses can leverage technology to prepare for the next step.

To be productive and do more with less

Changing economic circumstances and fluctuating interest rates continue to squeeze profit margins and create operating challenges. For many businesses, increasing efficiency and boosting the KPIs that demonstrate their productivity will be critical to success and valuable in the eyes of investors. Leaders can only manage what they can measure, and success will undoubtedly require management to know their numbers – from performance metrics to supply chain data – which will be the key to finding ways to do more with less. This relies on access to technology that gives visibility of real-time data that provides a single view of the business.

To maximise the potential of AI

As the potential gains afforded by AI evolve, growing businesses must taper their enthusiasm to adopt or 'bolt on' AI at any cost. AI is only as good as the data it is trained on, highlighting the importance of having business information that is integrated and relevant across departments.

By embedding AI in their ERP, businesses will be better placed to increase user productivity, reduce costs, harness the power of their own data, and improve overall efficiency. AI should be used to analyse and assist. By combining AI with finance and operational data, web analytics, lead-generation data, and customer satisfaction metrics, businesses could uncover unique trends to unlock new insights, develop strategies to build their audience, and impress investors.

Know your company's story and how to tell it

Effectively articulating everything from product roadmap to brand identity and growth objectives is key to investors. It's not enough to simply have a good story. It is critical that the company's leadership can tell a compelling narrative and back it up with data. That means having leaders and communicators who are adept at proactively conveying the brand. Company storytellers must be armed with financial performance, KPI information, and details about the target market. They need to tell the company narrative in a way that attracts customers and convinces investors that they are buying into something with growth potential.

Always expect and prepare for change

Staying agile – and being able to respond swiftly to market changes – should always be a top priority. Both long and short-term business plans should incorporate some element of flexibility, working with finance, inventory, and supply chain data to stress test "what-if" scenarios. For example, businesses can test scenarios such as the impact of raw material prices doubling or supply chain disruptions causing revenue delays. Then, ask questions such as how cash flow will be affected, what evasive maneuvers can be taken, and how risk can be lowered with preventative measures.

This, too, relies on real-time, reliable data that provides a single view of the business. A strong technology foundation gives business leaders the visibility they need to respond quickly to a changing market, operate efficiently, and stand out.

DARREN UPSON
Vice President (Europe)
at Tipalti

Making it to the exit: Strategic timing and profitability in 2025

As businesses look ahead to 2025, finance leaders find themselves facing a crucial challenge: achieving the perfect balance between cost efficiency and sustainable growth.

For many companies, the ultimate goal is a successful exit, whether through an acquisition, sale, or IPO. Yet, achieving this requires more than just profitability. It demands a well-crafted strategy that integrates streamlined operations, cutting-edge technology, and a solid growth plan. In an unpredictable economic climate, the path to a profitable exit depends on agility, data-driven insights, and innovative planning. Here's how finance teams can strategically time their exit while ensuring long-term profitability.

The growth vs. cost-cutting balancing act

In the wake of economic turbulence over recent years, many businesses have shifted from purely defensive cost-cutting measures to a more nuanced strategy, balancing cost control with investments that fuel growth. A recent report from Tipalti indicates that CFOs are highly focused on building more efficient financial processes while remaining open to market opportunities as they arise.

While cost-cutting remains essential, finance leaders understand that a purely lean approach can be limiting without a growth framework. For instance, automation offers finance teams a way to streamline processes by eliminating time-consuming manual tasks.

Driving agility through technology

Automation and digital solutions play an increasingly important role in making organisations both cost-effective and agile. By integrating automation tools into accounts payable and other back-office functions, finance leaders are reducing inefficiencies, minimising errors, and redirecting resources toward high-impact areas.

Cutting-edge technology such as AI and predictive analytics offers finance teams a competitive edge by enhancing data accuracy and providing actionable insights in real time. For example, AI-driven systems can flag potential anomalies in financial data that might otherwise go unnoticed. By adopting these tools, finance leaders transform from purely operational roles into strategic partners, helping guide their organisations toward a well-timed and profitable exit.

Market timing and exit strategy

Deciding when to execute an exit requires both a thorough understanding of market conditions and a stable financial base. In a volatile economy, identifying the right moment to exit can be challenging. However, with lean operations and access to real-time data, finance teams can more accurately assess market readiness. Equipped with the right tools, companies can track financial metrics, gauge market conditions, and adjust their strategies as needed.

Finance teams must also be vigilant about regulatory changes and economic indicators, which can directly impact valuations and investor interest.

A recent adjustment in the UK's capital gains tax underscores this point, prompting many businesses to shift their focus toward long-term resilience rather than short-term profit.

Building for sustainable profitability

Finance leaders who prioritise agility empower their teams to adapt quickly to changing market conditions. A lean operational structure enhances flexibility, allowing companies to scale resources as needed without sacrificing financial discipline. This approach not only sustains profitability but also ensures the business remains attractive to investors and potential acquirers.

Exit planning with agility and foresight

Ultimately, a successful exit strategy in 2025 requires finance leaders to combine cost efficiency with a robust growth vision. As the economic landscape evolves, companies positioned to respond swiftly to market changes and equipped with streamlined operations will stand out as strong investment targets.

For companies planning an exit, 2025 is likely to demand more than traditional cost-cutting tactics. It will call for a sustainable, forward-looking approach that marries operational efficiency with strategic foresight. By investing in agile processes, fostering talent, and adopting technology, finance leaders can position their organisations to seize market opportunities, ensuring a profitable exit despite the complexities of today's financial environment.

About the Fast 50

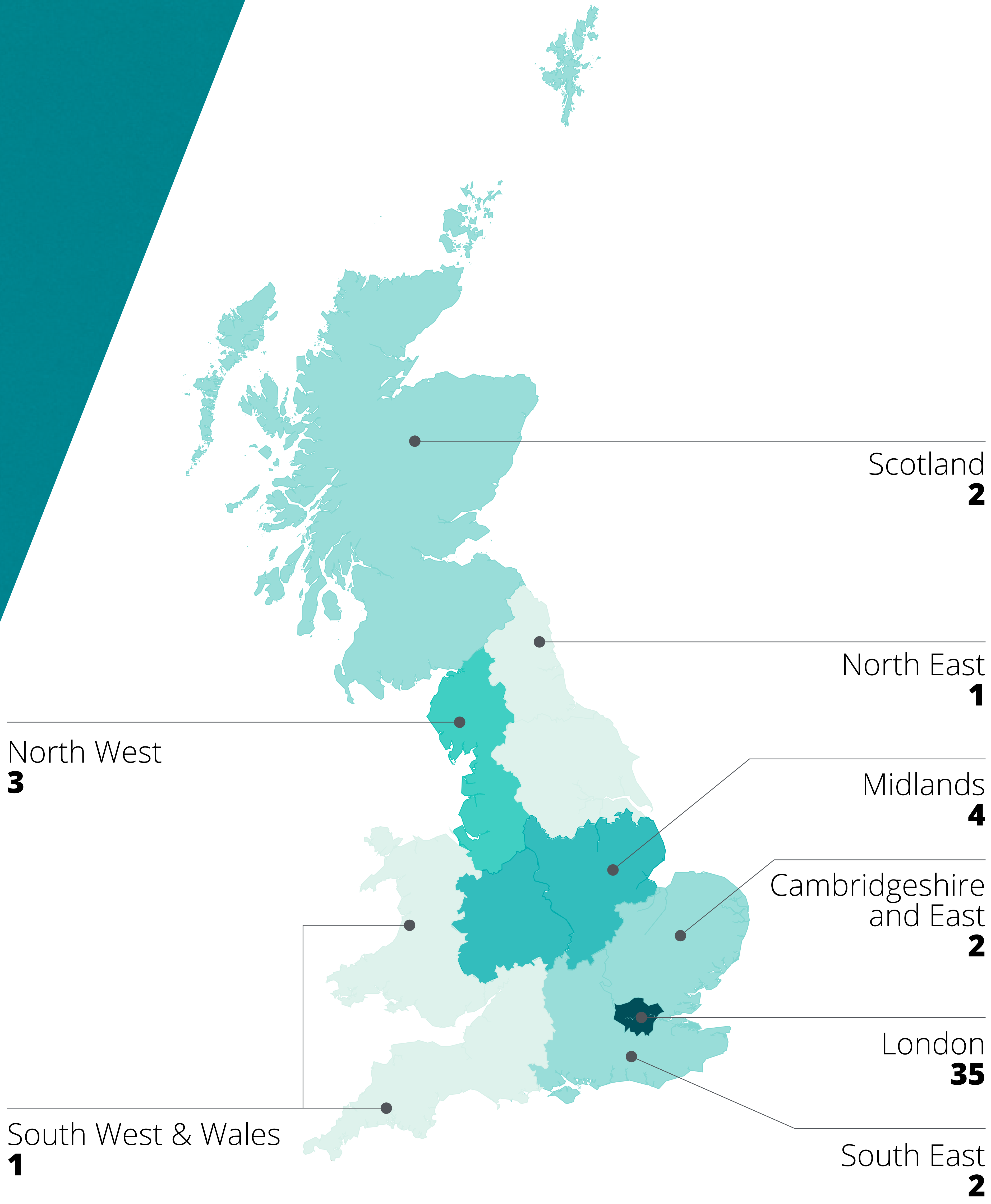
About the Fast 50

The Fast 50 represents some of the most ambitious and rapidly growing technology companies in the UK.

Companies featured in the Fast 50 are ranked according to their revenue growth over a three-year period. In addition, qualifying companies must fall into the category of being "technology-enabled." Technology-enabled companies employ technology as a tool to enhance their business model. It can range from owning intellectual property to being heavily engaged in technological research and development. The following analysis discusses the data behind this year's Fast 50, examining the top tech sub-sectors for these companies, their geographical distribution, and investment trends.

Regional distribution

This year's Fast 50 companies, similar to last year's edition, continue to be heavily concentrated in London, with 35 winners based in the capital. Despite a slight decrease in London-based companies from last year, London remains the dominant hub for high-growth technology firms, attributable to its wealth of talent and access to financial resources. Other regions, including the South East, Scotland, and Cambridgeshire and East, each host two companies, indicating a more diffuse spread of high-growth firms across the UK. The South West and Wales, and the North East, each with one company, suggest that while there is tech activity outside the main hubs, it remains dispersed.



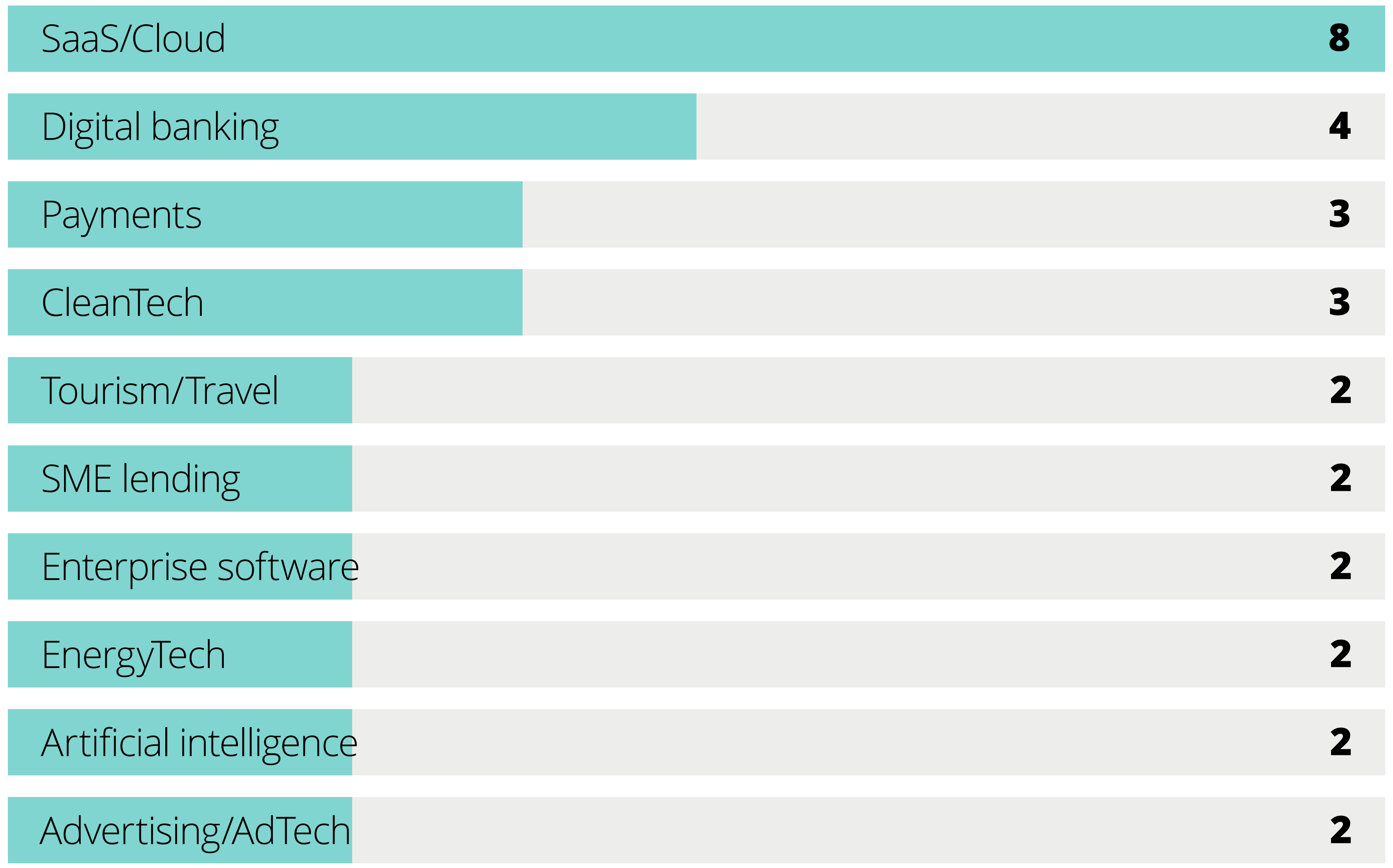
Regional ranking for the Fast 50 companies **(2024)**

Industry focus and subsectors

While the Fast 50 companies represent just a fraction of the UK's tech landscape, they provide key insight into sectors fuelling broader industry growth.

Software (20) is the most popular sector among this year's Fast 50 champions, reflecting the increased demand for tech infrastructure in both B2B and B2C markets. FinTech (15), Environmental Technology (7), and Healthcare and Life Sciences (3) also show notable representation. SaaS/Cloud ranks first as the subsector with the highest number of companies (8). Digital Banking and Payments with four and three companies point to fintech's continued prominence in the UK. Meanwhile, the presence of CleanTech and EnergyTech showcases the growing importance of sustainable innovations. Particularly noteworthy is the presence of Artificial Intelligence, which, despite being represented by just two companies, underscores the technology's increasing prominence in light of recent advancements and global attention.

Sector ranking for the Fast 50 companies **(2024)**

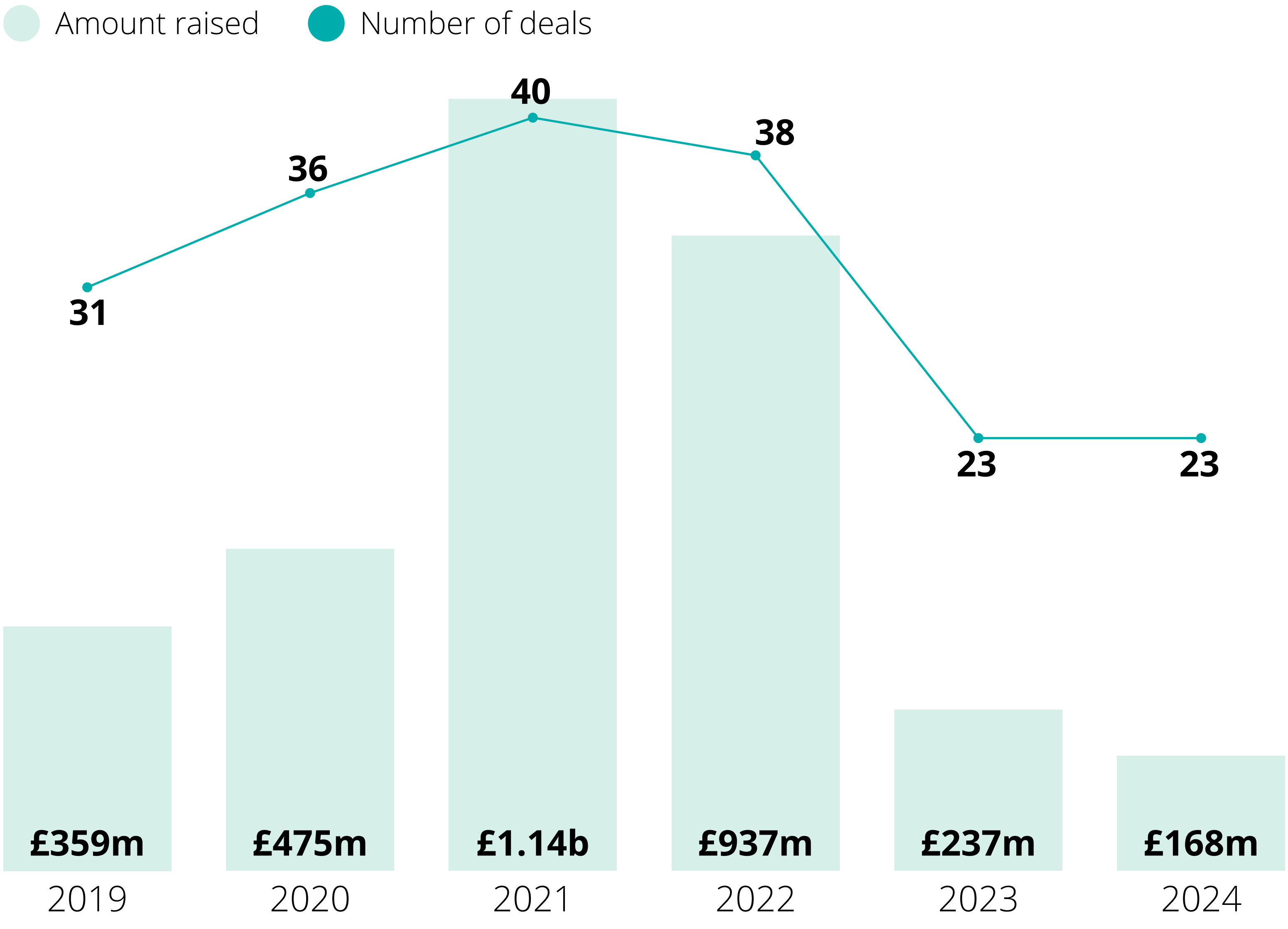


Funding and support

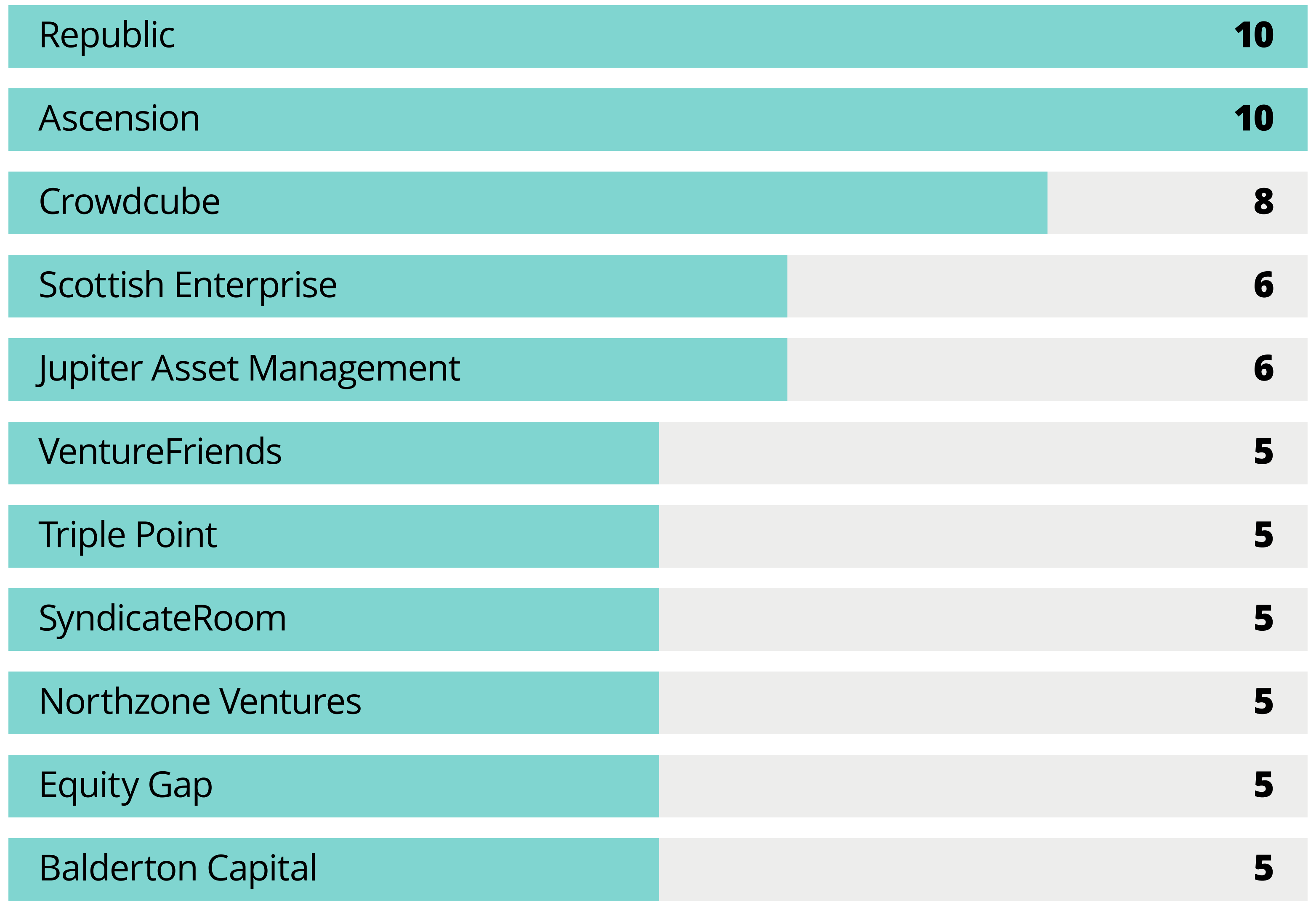
Since 2019, 43 companies from this year's Fast 50 have collectively secured £3.31b of equity investment via 191 deals.

The median deal size of the investment is £3.71m and the average is £17.6m. Notably, the average was skewed by nine gigadeals exceeding £100m. In addition to private funding, 13 of the Fast 50 have won 39 innovation grants which collectively totalled £199m. Additionally, 24 companies have leveraged accelerator programmes to drive their growth, gaining access to valuable mentorship, state-of-the-art facilities, and extensive industry networks.

Equity investment into Fast 50 companies **(2019 – Q3 2024)**



Top investors in the Fast 50 **(2019 – H1 2024)**



Gender

Gender diversity in founding teams is essential for fostering innovation in the UK's high-growth ecosystem. A mix of genders brings varied perspectives and creative solutions, which have been shown to contribute to stronger business outcomes and enhanced financial performance. A striking 88.4% of these companies have all-male founding teams, a pattern also reflected in the UK's scaleups (businesses achieving an average of 20% annual growth over three years) according to Beauhurst data.

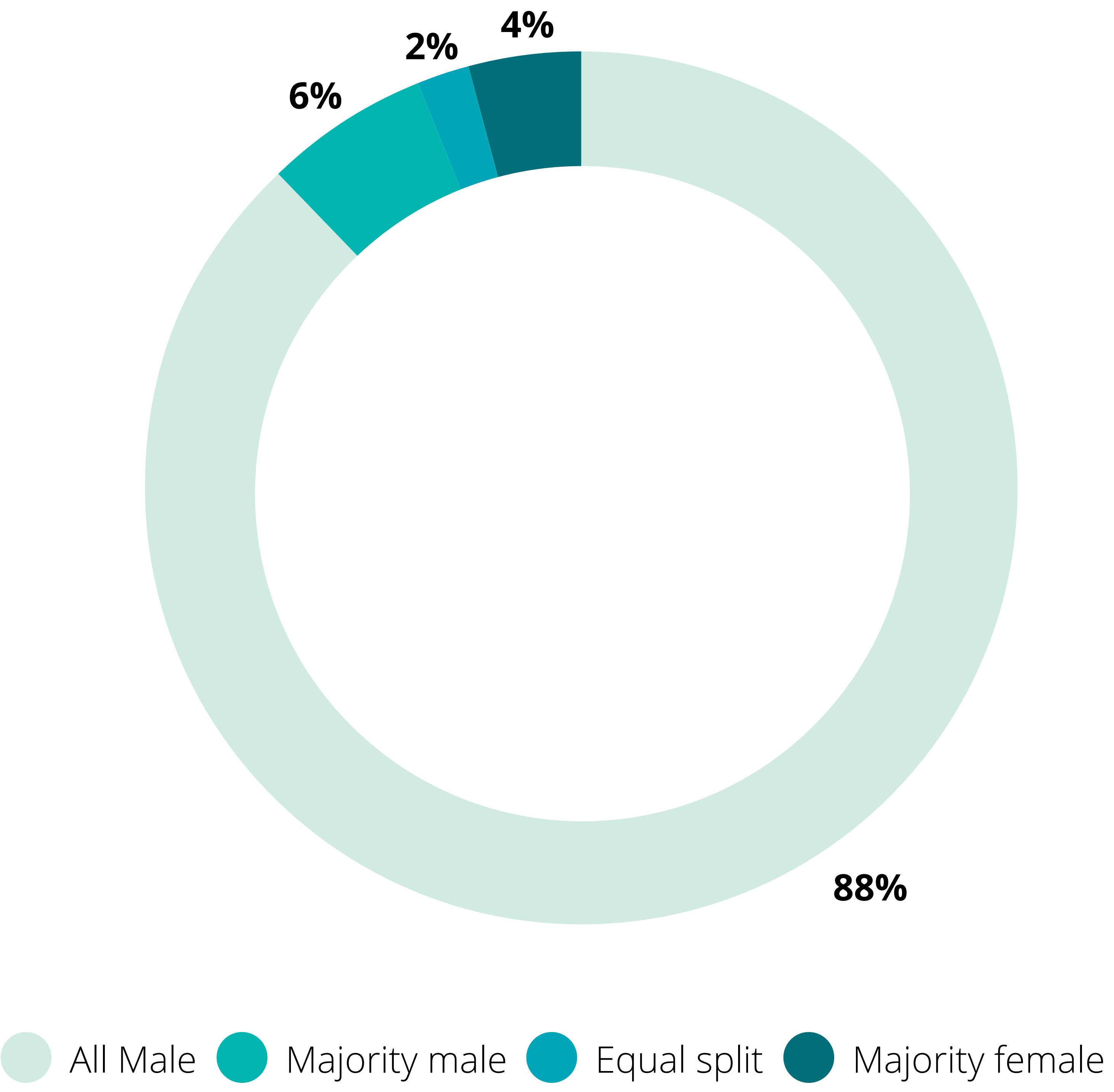
Employee and turnover metrics

This year's Fast 50 reports a total turnover of £1.93b, more than double the figure from last year.

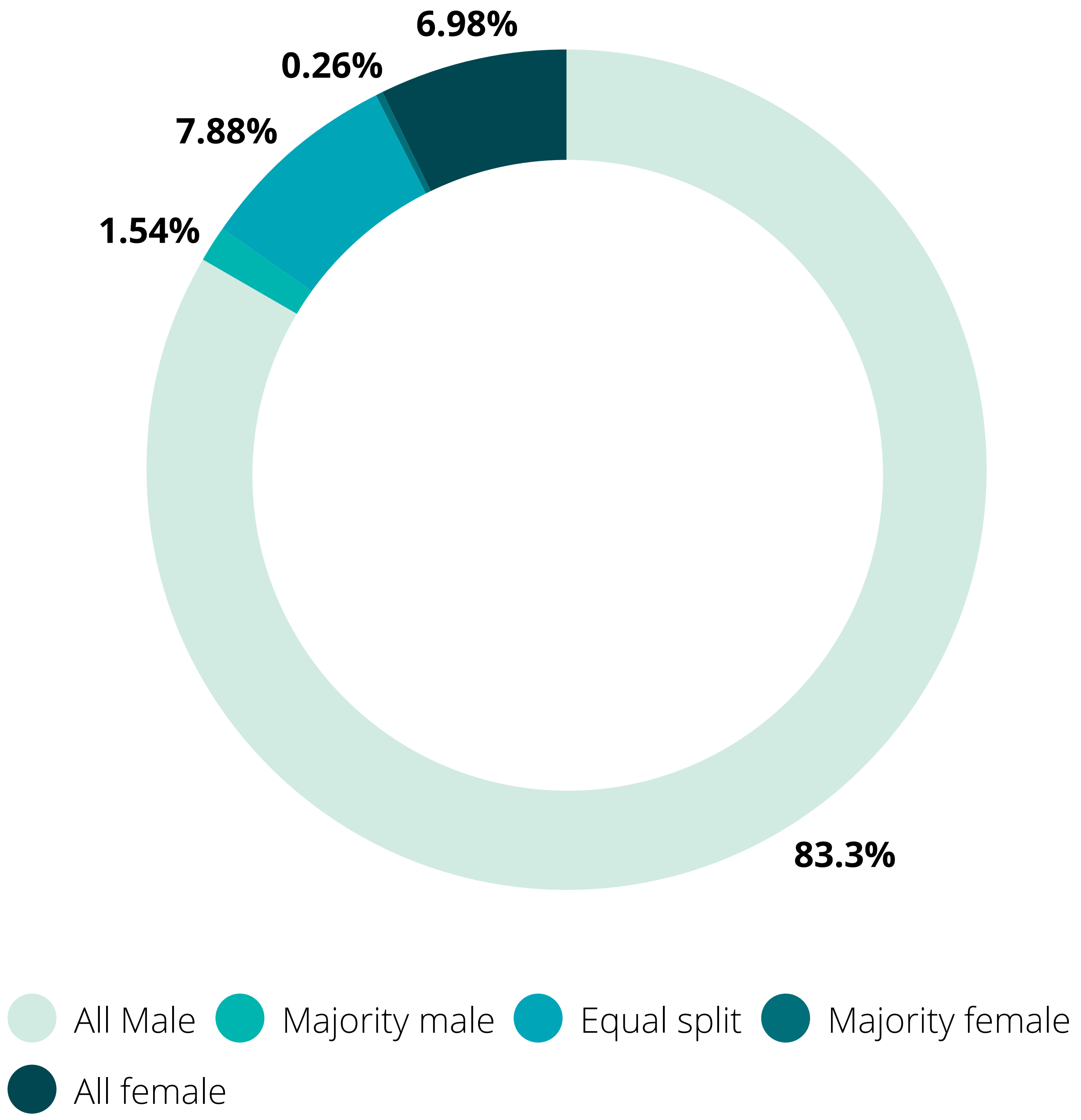
Starling Bank, Zopa, ClearBank, and Allica Bank collectively account for an impressive 90.4% of this total. However, the median turnover of £9.6m still reflects strong revenue across the broader list of companies.

In terms of headcount, the Fast 50 employs a total of 7,829 people, with Starling Bank, ranked 48th, contributing to 41.3% of the total workforce. Most Fast 50 companies, however, are considerably smaller, with a median headcount of just 36 employees.

Gender composition of Fast 50 founding teams



Gender composition of 20% scaleup founding team



The 2024 Winners

UK Technology Top 50

Rank	Company	Growth (%)	Region	Sector
1	Allica Bank	**13,411**	London	FinTech
2	ZOE	**9,533**	London	Healthcare and Life Sciences
3	UrbanChain	**8,810**	North West	Environmental Technology
4	SourceWhale	**8,209**	London	Software
5	Seat Unique	**7,921**	London	Software
6	Zilch	**7,694**	London	FinTech
7	Secret Food Tours	**6,778**	London	Software
8	Summize	**3,720**	North West	Software
9	RideTandem	**3,113**	London	Software
10	Evolution Engineers	**2,975**	South East	AdTech
11	Scan.com	**2,769**	London	Healthcare and Life Sciences
12	Hozah	**2,766**	London	FinTech
13	Veremark	**2,718**	London	Software
14	Previsico	**2,714**	Midlands	Environmental Technology
15	PolyAI	**2,583**	London	Software
16	Quorso	**2,528**	London	Software
17	Low 6	**2,208**	Midlands	Software
18	Utopi	**2,156**	Scotland	Environmental Technology
19	ion Ventures	**2,082**	London	Environmental Technology
20	Yoti	**1,858**	London	Software
21	Hypervolt	**1,854**	London	Environmental Technology
22	OnHand	**1,539**	North East	Software
23	MoneyBox	**1,399**	London	FinTech
24	Carbon Clean	**1,376**	London	Environmental Technology
25	LendingCrowd	**1,253**	Scotland	FinTech

Rank	Company	Growth (%)	Region	Sector
26	ANNA	**1,149**	South West and Wales	FinTech
27	Yoto	**1,079**	London	AdTech
28	Juice Ventures Limited	**945**	London	FinTech
29	NayaOne	**875**	London	Software
30	Zen Educate	**871**	London	Software
31	Zenzero	**860**	Midlands	Software
32	Moasure	**849**	Midlands	Hardware
33	Sprift Technologies	**823**	South East	Software
34	System Loco	**820**	North West	Hardware
35	Zopa Bank	**793**	London	FinTech
36	Halo Service Solutions	**779**	Cambridgeshire and East	Software
37	ClearBank	**779**	London	FinTech
38	Urban Jungle Insurance	**761**	London	FinTech
39	WeDiscover	**749**	London	AdTech
40	iplicit	**742**	London	Software
41	Wagestream	**741**	London	FinTech
42	Flagstone	**699**	London	FinTech
43	Duel	**666**	London	Software
44	Flow Global	**663**	London	FinTech
45	Seatfrog	**662**	London	Software
46	bit.bio	**653**	Cambridgeshire and East	Healthcare and Life Sciences
47	Switchee	**640**	London	Environmental Technology
48	Starling Bank	**637**	London	FinTech
49	Plum	**611**	London	FinTech
50	LatentBridge	**607**	London	Software

Fast 50 Women in Leadership

Rank	Company	Growth (%)	Region	Sector
1	UrbanChain	**8,810**	North West	Environmental Technology
2	Seat Unique	**7,921**	London	Software
3	Hozah	**2,766**	London	FinTech
4	Juice Ventures Limited	**945**	London	FinTech
5	LatentBridge	**607**	London	Software

CleanTech Winners

Rank	Company	Growth (%)	Region	Sector
1	UrbanChain	**8,810**	North West	Environmental Technology
2	RideTandem	**3,113**	London	Software
3	Utopi	**2,156**	Scotland	FinTech
4	ion Ventures	**2,082**	London	FinTech
5	Hypervolt	**1,854**	London	Software

Rising Stars

Company	Nominated by	Region	Sector
Flo Health	Tipalti	London	FemTech
Vertice	Citibank	London	SaaS
Wayve	Deloitte	London	AI
Weavr	Oracle NetSuite	London	FinTech

Fast 50 Regional Winners

Company	Growth (%)	Region	Sector
Allica Bank	**13,411**	London	FinTech
UrbanChain	**8,810**	North West	Environmental Technology
Evolution Engineers	**2,975**	South East	AdTech
Previsico	**2,714**	Midlands	Environmental Technology
Utopi	**2,156**	Scotland	Environmental Technology
OnHand	**1,539**	North East	Software
ANNA	**1,149**	South West and Wales	FinTech
Halo Service Solutions	**779**	Cambridgeshire and East	Software

Fast 50 Winner:
Allica Bank

First Place Overall
London Regional Winner
13,411% Growth Rate

Allica Bank

For the second consecutive year, Allica Bank has taken the top spot in Deloitte's Fast 50 Technology award programme. Allica, an online banking platform, serves established small and medium-sized enterprises (SMEs) with 10 or more employees. Allica launched in 2019 as a fully authorised bank with its first deposit product. Since then, the London-based company has grown substantially. Its employee headcount has increased from 110 in 2020 to over 600 people—recording its first full year of profit in April 2024. Davies attributes this growth to the company's ability to execute efficiently. "My mantra is always execution at pace, not focusing on what others are doing. If you can consistently execute meaningfully faster at good quality, then over time, you build a massive advantage."

The bank's ongoing growth is driven by its commitment to improving the banking experience for SMEs. In March 2024, Allica announced a partnership with accounting software platforms Sage and Xero to help simplify the accounting process for SMEs. "We see no one else really trying to build the kind of full-service replacement for the mainstream banks—offering current account and all types of lending—in a way that keeps us unique," says Davies. The bank aims to expand its market penetration from 3% to 10% by 2027. The recent acquisition of Tuscan Capital in August 2024 marks its entry into the bridging finance sector, reflecting the bank's use of organic and inorganic methods to promote growth. Yet, as CEO Davies points out, "ultimately, there is no magic secret to our growth—just a clear strategy and continuous work on executing against this from a talented team."

The bank's in-house approach to technology has been a key enabler of its growth. It has allowed Allica to build a scalable infrastructure that has supported its expansion with staff across Britain as well as an engineering team in India.

To finance its growth, it has raised a total of £387m in equity finance, which supported R&D, expansion, and the launch of its growth lending product in 2023. Although increased interest rates and inflationary pressures have created a tougher fundraising market, Davies sees this as a potential advantage for Allica. "Fortunately for us, we don't need to raise more capital. However, it may open up opportunities for well-priced acquisitions."

Looking at the broader banking industry, banks still face significant headwinds. Davies highlights the impact of financial crime and regulatory shifts, particularly the revisions to payment services regulation (PSR). Amendments to the reimbursement scheme will now require banks to reimburse victims of authorised push payment (APP) fraud starting in October 2024. Amendments to PSR will be "very important for us," Davies notes, especially as Allica continues to grow and expand its current account offerings.

Allica's focus on strategy, execution, and purpose has driven notable success, recognised in its features in Deloitte's Technology Fast 500 EMEA (2023) and The Sunday Times 100 (2024). The bank pairs its tech-forward approach with the human touch of experienced relationship managers who understand the complexities of SMEs. "We feel a strong sense of purpose as a business because established SMEs account for a third of jobs in the economy and are often at the heart of local communities in key towns around the UK," says Davies. The prospect of an exit is secondary to Allica's broader goal: "We're just focused on building an excellent business and serving our customers as best as we can. If we do that right, we'll be well positioned for whatever comes next," says Davies.

We're just focused on building an excellent business and serving our customers as best as we can. If we do that right, we'll be well positioned for whatever comes next.

Richard Davies, CEO of Allica Bank

Looking for the exit

Looking for the exit

For many entrepreneurs, a successful exit is a key milestone near the end of a race that may have taken years or even decades. This is particularly true for those backed by external investors, for whom the exit is a critical juncture to realise returns. Exits unlock liquidity, enabling investors to reinvest in new opportunities. Even in a more challenging liquidity environment, both in the exit market and the broader equity investment landscape—the drive for exits remains strong.

Business leaders continue to express optimism about securing exits or raising additional funds. **In our CEO survey, 55.4% confirmed they plan to exit their business, with 55.9% of those aiming to complete the process within the next three years**. Additionally, 56.6% of respondents seek to raise capital within the next one to three years to support further growth—some as part of a stepping stone to a larger exit than could be achieved organically.

So, why does reaching an exit often feel akin to a marathon runner summoning their final reserves to cross the finish line? The answer lies in the shifting dynamics of lending, funding, and exit markets over the last few years. During the pandemic, stimulus measures spurred a surge in exits, with 575 high-growth tech companies cashing out in 2021 alone. The rapid expansion of the digital economy, driven by new remote working norms, created a wealth of opportunities for those well-positioned to capitalise.

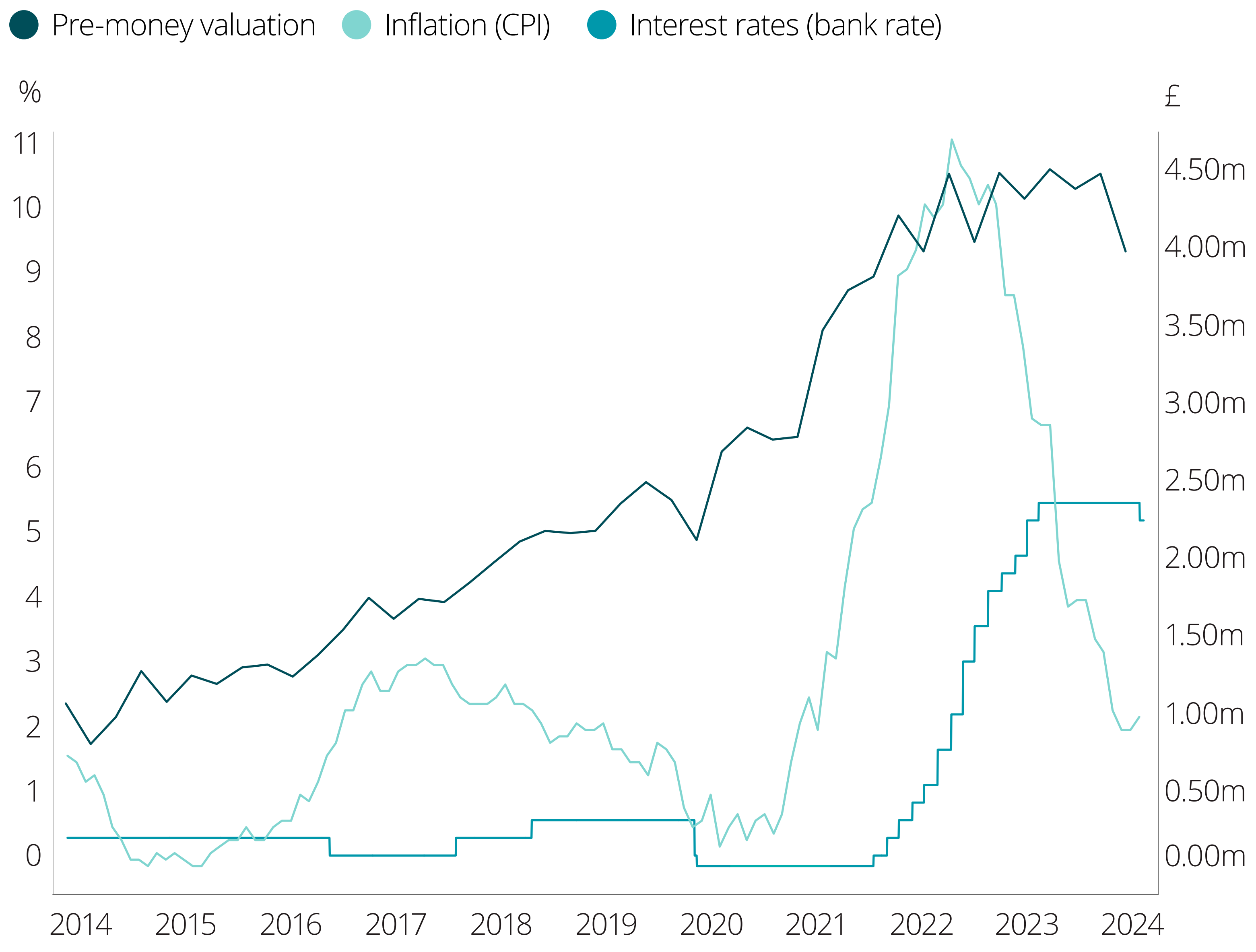
However, the post-pandemic economic landscape has had far more hurdles for leaders and business owners. Inflation, fuelled by geopolitical uncertainty and the fallout from pandemic stimulus policies, has triggered a series of interest rate hikes by the Bank of England. These higher rates, combined with the end of quantitative easing, have significantly curtailed liquidity and dampened the risk appetite of equity investors and would-be acquirers. The result is much tougher capital and exit markets in the UK, where owners must now navigate unpredictable conditions marked by elevated caution and a need to time their moves more carefully.

Why should the decline in exits concern the broader business ecosystem? Successful exits do not just reward founders and early investors; they fuel the entire entrepreneurial ecosystem. When early investors realise returns, they are more likely to reinvest that capital into new ventures, driving innovation and growth. Similarly, founders of exited companies can pursue new ventures or use their newly gained wealth to become angel investors, helping to support the next generation of entrepreneurs. In this way, exits play a critical role in recycling capital and talent, ensuring the continued dynamism of the ecosystem.

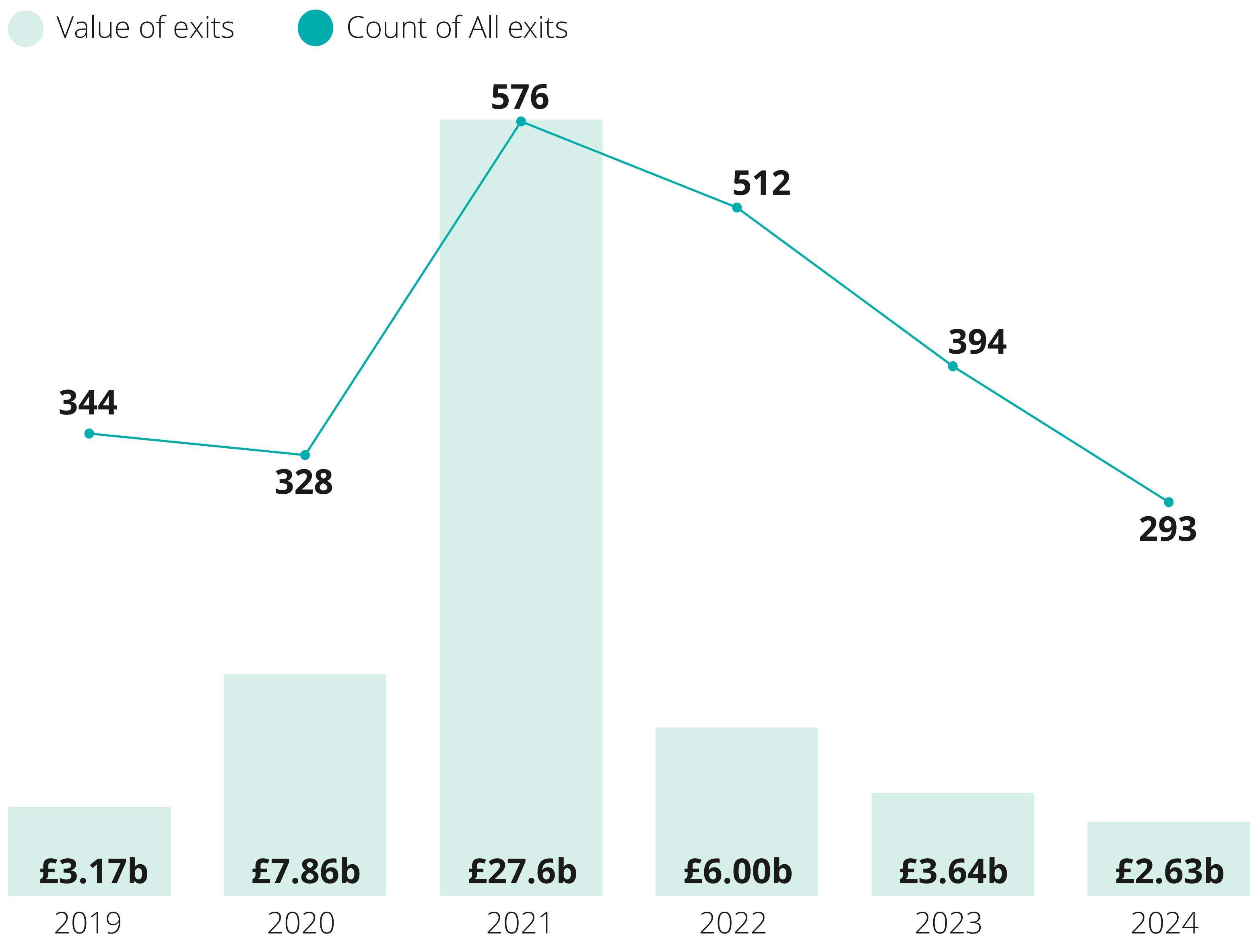
Online bank Zopa is one Fast 50 company that has made the best of these challenging conditions. Cautious underwriting during the pandemic meant that Zopa had lower credit losses, reducing its loan loss provisions and helping on its journey to profitability. The company now has a resilient book capable of withstanding future shocks which will help it maintain profitability.[3]

3. McKinsey & Company, "Baptism by fire; Talking with Zopa's Jaidev Janardana," 15 September 2022. https://www.mckinsey.com/industries/financial-services/our-insights/baptism-by-fire-talking-with-zopas-jaidev-janardana

The relationship between pre-money valuation, interest rates and inflation **(2014 – 2024)**



Exits by high-growth tech companies **(2019 – H1 2024)**



> Cautiously optimistic is the best description of the IPO market at the moment, given the backdrop of economic uncertainty, market volatility and geopolitical risks.

Fran Yearsley, Partner, Deloitte

Despite the difficult economic conditions witnessed in the past several years, there are signs that we are rounding the bend. The Bank of England lowered interest rates in August for the first time since 2020, with further interest rate drops expected as inflation moves closer to target levels. Reducing the cost of capital for investors and acquirers will help return liquidity to the UK's capital markets. Investment into high-growth tech companies in H1 2024 is 16.4% higher than the same period last year. There have already been as many high-growth company IPOs in 2024 as there were in the whole of 2023. AI platform Rezolve is the latest high-growth technology company to undergo an IPO, listing on the NASDAQ in August. There is also a strong pipeline of UK companies rumoured to IPO late this year or in early 2025. These companies include the challenger banks of Monzo, Starling, and Revolut, as well as the Scottish brewing company BrewDog.

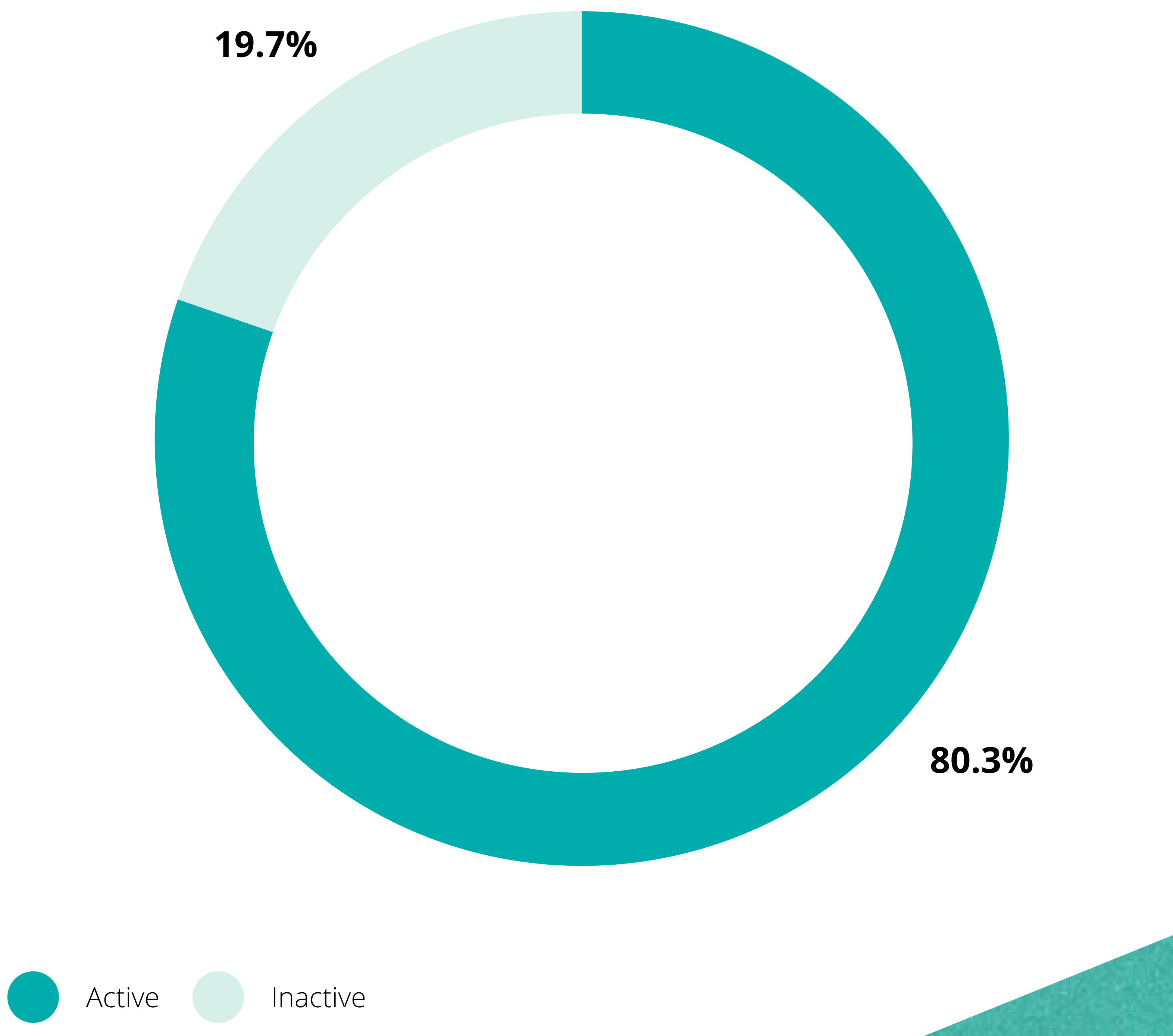
Fran Yearsley, the Deloitte Emerging Growth Companies US IPO lead, says that "cautiously optimistic" is probably the best description of the IPO market at the moment, given the backdrop of economic uncertainty, market volatility and geopolitical risks. However, she also emphasises the importance of undertaking an IPO readiness exercise well before your company is actually planning to list. "The backlog of companies keen to IPO demonstrates the value of being ready to go when the time is right."

Several acquisitions involving high-growth tech companies have already occurred this year. Among these is Fast 50 alumni Deep Casing Tools, which Drilling Tools International acquired in March 2024. In July, biotechnology company EyeBio was acquired for £1.01b by US pharmaceutical company Merck. The London-based firm develops gene therapies to tackle eye diseases.

For scaling tech companies who are considering an exit via M&A, Kiren Asad, the Deloitte Fast 50 lead partner says, "nearly a third of deals are taking longer to complete than forecast at the outset. So it is vital that sellers do all they can to keep the process moving forwards." There is only one tried and tested way to make sure this happens: good preparation and good advisers. Kiren adds, "like everything else in the deal process, diligence will work only if the seller has invested enough time – at the right time with the right adviser – in planning and preparation."

There is no denying that these high-growth companies are operating in difficult conditions, and not all will make it to exit. This can be a choice for successful companies—such as those in the Fast 50—with 44.6% of Fast 50 company CEOs saying they want their company to remain privately owned. For other companies that have not reached this level of success, it is a matter of growing enough to make an exit viable—this can take time. Of the 80.3% of high-growth tech companies that have survived between 2014 and 2024, 6.58% have exited. Fortunately, survival may be becoming more likely. There are promising signs that point towards recovery from the difficult conditions of the last few years. The Fast 50 companies celebrated throughout this report demonstrate that growth is possible even in these times of hardship. By surviving through these periods, these companies have positioned themselves to seize liquidity as it returns to the market and achieve further success, or an exit, on their terms.

Survival rate of high-growth tech companies in the UK



Largest known exits in 2024

Exit type	Company name	Exit amount
Acquisition	EyeBio	£1.01b
	Graphcore	£462m
	LandVault	£352m
	Endomag	£241m
	Synectics Solutions	£180m
	Flooid	£169m
	MirrorWeb	£47.8m
	Lumeon	£41.4m
	Fusebox Games	£21.3m
	Observe Technologies	£13.7m
IPO	IntelliAM	£15.4m
	European Green Transition	£14.4m

> There is only one tried and tested way to ensure an M&A exit process moves forward: good preparation and good advisers.

Kiren Asad, Partner, Deloitte

Fast 50 Runner-up: **ZOE**

Second Place Overall
9,533% Growth Rate

ZOE is a leading London-based science and nutrition company redefining personalised nutrition by combining scientific research and machine learning.

ZOE is transforming the health of millions through its podcast, evidence-based newsletter, and personalised nutrition programme. Backed by cutting-edge research, ZOE's membership has helped over 100,000 people improve their nutrition and well-being. Wolf, formerly the chief product officer at Criteo, where he oversaw its expansion to over 2,000 employees, $1.00b in revenue, and a NASDAQ listing, brings extensive experience to ZOE's mission to improve people's health.

The company spun out of King's College London and focuses on personalised dietary recommendations based on an individual's biological data. ZOE uses artificial intelligence, and microbiome metagenomics research to provide users with actionable insights to improve their health. Since being founded in 2017, the company has secured £89.9m in equity funding across multiple funding rounds from investors such as Balderton Capital and Ahren Innovation Capital. In July 2024, the company raised £11.7m in its latest funding round, backed by US-based Coefficient Capital, as it plans to expand into the US market. Zoe's research into the gut microbiome has given rise to a platform capable of helping users address health concerns, such as energy levels and sleep quality.

Wolf emphasises that ZOE's competition lies in changing how society views nutrition. "We're competing with an outdated worldview, where people think food is just calories, or that you shouldn't eat high-fat foods because it's bad for you," he explains. This reflects the company's larger ambition to reshape public understanding of nutrition and challenge misconceptions around diet and health.

One of ZOE's standout achievements was its role during the COVID-19 pandemic. While initially positioned to launch its personalised nutrition product, the company pivoted to create the ZOE COVID Study (now ZOE Health Study), an app which provided data and insights during the pandemic. "It was scary," admits Wolf. "We were asking the board to spend money on something completely unplanned, but this was about trying to do something good, and amazingly, they were very supportive," Wolf says that creating the COVID Study had a positive impact on ZOE in the UK, increasing the public's awareness of the company, with 4.82m people contributing to the study to date.

Wolf's leadership at ZOE builds on his previous experience at Criteo, where he helped the startup scale internationally and eventually go public. Wolf admits that leading ZOE down a similar path to an exit does not motivate him.

"I've been through the journey," he says. "Exit makes it sound like the end of a story. We want to make sure we're successful enough to deliver on our mission: to improve the health of millions around the world, while also providing liquidity to our investors and early employees."

ZOE is well-positioned to lead the shift towards more personalised, data-driven health solutions. The company now has over 100k members and has recently had the results of its randomised control trial published in Nature Medicine, which proved the program's effectiveness. Wolf remains optimistic about the future of the business and the sector: "I think we're genuinely trying to build something that can be long-term. It's a new idea, but in a decade's time, I hope there will be a lot more businesses like this, using tech and science with a mission of improving health."

> We're basically saying to people, the food you eat is the most important thing you can do for your health, but most of the things you have been told about nutrition are probably wrong.

Jonathan Wolf, co-founder and CEO of ZOE

Fast 50 Women in Leadership, CleanTech and Regional Winner: **UrbanChain**

Women in Leadership Winner
CleanTech Winner
North West Regional Winner
8,810% Growth Rate

"The vision became to make energy affordable for all—or basically to decouple everybody from the wholesale market and to create alternative markets with renewables," says Dr Somayeh Taheri, Co-founder and CEO of UrbanChain.

This vision drives the Manchester-based energy-tech company she co-founded in 2017 with Dr Mo Hajhashem and Dr Ayesha Naureen. The team are driven by the conviction that access to energy should not be expensive and opaque—dictated by existing monopolies—and instead should be stable, affordable with accessibility to renewable as the mainstream market.

Dr Taheri's journey began at the University of Manchester, where she worked as a research scientist after completing her PhD. Immersed in projects focused on fuel poverty and climate change, she noticed a significant gap between renewable energy financing and consumer costs. "I could see in the data that there is a huge mismatch between what renewable energy is costing and what people are paying for their energy," says Somayeh. This insight led her to question the monopoly of the traditional energy market, which relies heavily on volatile wholesale prices.

Determined to find a solution, Dr Taheri envisioned creating local energy markets that connect renewable energy generators directly with consumers. "How can we break down a monopoly? We create local energy markets with local renewables and then enable exchange between those local generators and local consumers and private customers," she explains. UrbanChain's local energy market systems have been developed in response to traditional wholesale markets.

By creating contracts between generators and users, the platform enables secure, transparent transactions, bypassing the traditional wholesale market and helping to stabilise energy prices.

Navigating the energy and technology sectors as a female founder presented its own set of challenges. Dr Taheri often faced biases and scepticism, with her ideas sometimes overlooked due to gender and cultural prejudices. "This happens a lot, but I don't have the time for that. I just move on. When I'm strong, mentally strong, and not wasting energy on those things, then I'm doing the job right," says Dr Taheri.

The founding team brings together a powerful blend of expertise. Dr Taheri provides experience in data science and sustainability, while Dr Hajhashem, the Chief Operating Officer, contributes commercial insight from experiences in the medical devices industry. Dr Naureen, the Chief Information Officer, specialises in blockchain, AI, and cybersecurity.

Since its inception, UrbanChain has experienced remarkable growth. The team expanded from a handful of employees to over 50, prompting a move to larger headquarters at Manchester Science Park in September 2024. Another major milestone came in June when the company secured its energy licence from UK regulator Ofgem. To fuel its expansion, UrbanChain has raised £10.75m via two funding rounds, with backers including French investment firm Eurazeo.

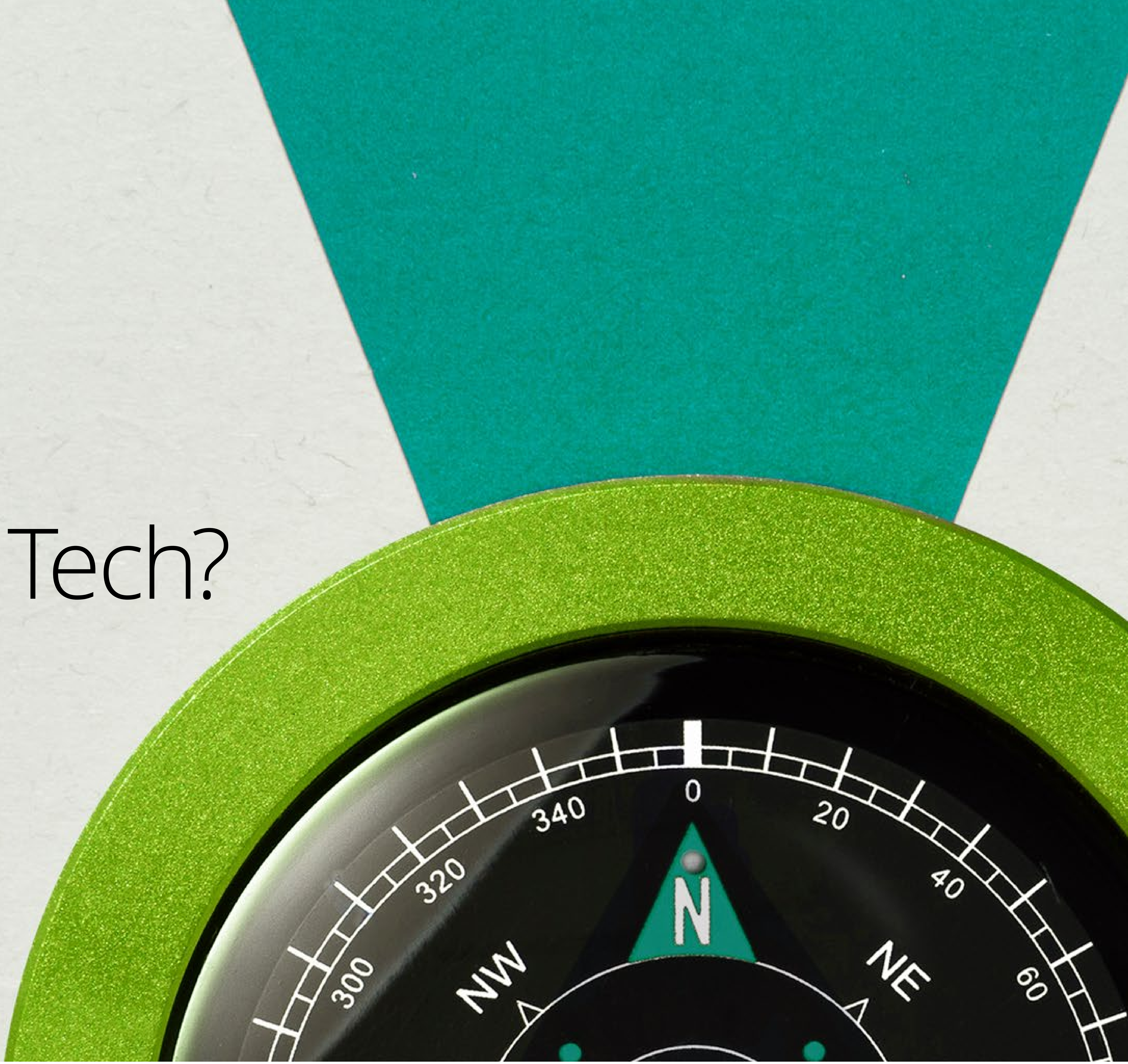
UrbanChain faces ongoing challenges around educating the market and changing long-standing perceptions. "The market has been running this way for 30 years, so it's definitely a challenge to change that space," Dr Taheri acknowledges.

However, UrbanChain's innovative approach has begun to sway sceptics and attract key partnerships with renewable energy generators and technology providers. However, there's plenty left to be done. "We want to make energy affordable for all, not just in the UK but internationally," says Dr Taheri.

> We want to make energy affordable for all, not just in the UK but internationally.

Dr Somayeh Taheri, Co-founder and CEO of UrbanChain

What's next for UK Tech?



What's next for UK Tech?

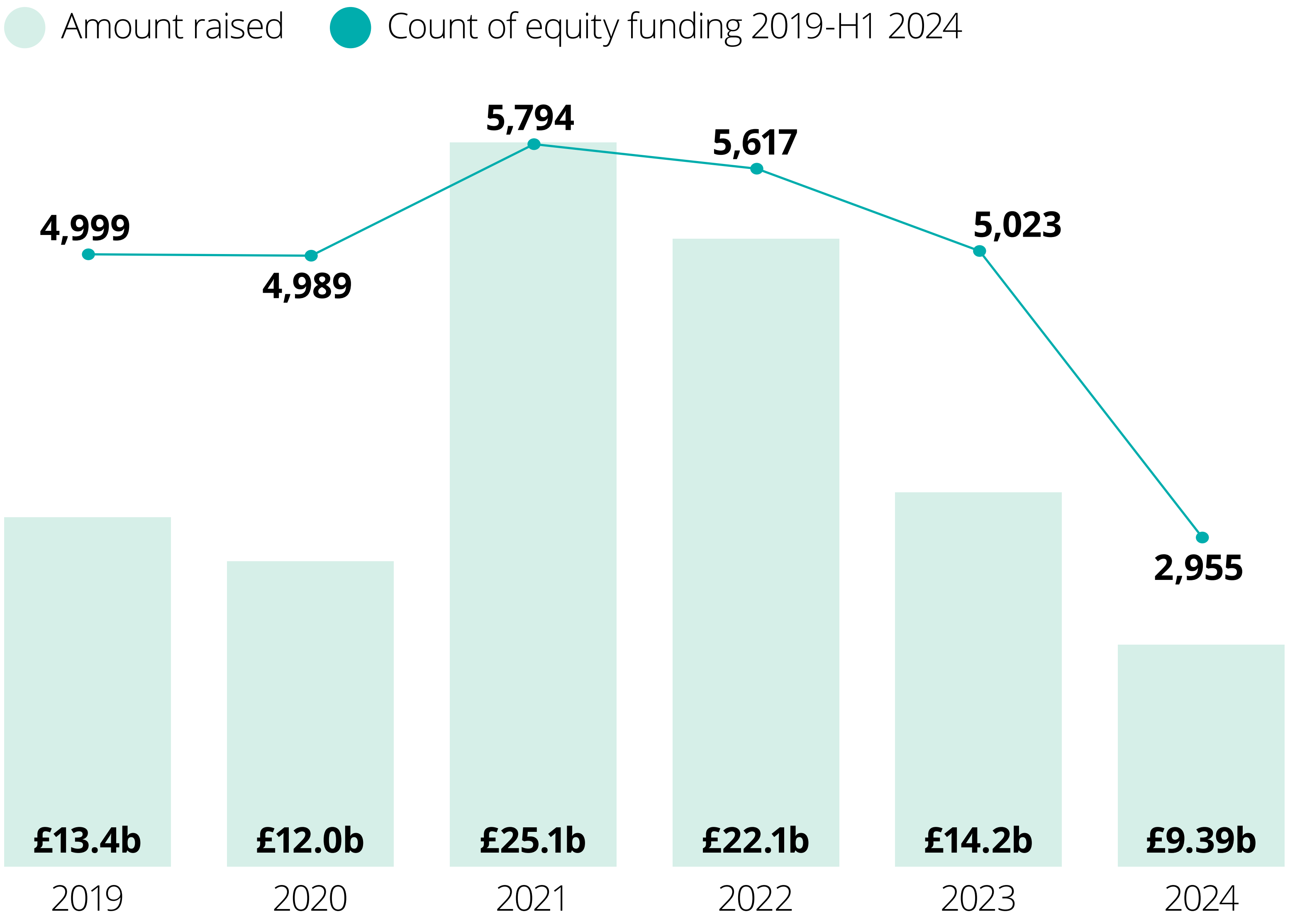
The number of high-growth tech companies in the UK has more than tripled in the last decade. Today, the UK is one of Europe's leading tech ecosystems, with over 20,000 high-growth companies. As the UK strives to cement itself as a tech superpower by 2030, it must overcome various challenges, from international competition to shifting economic conditions.

Two key areas this article will explore are the role of listings and whether the UK continues to provide a competitive landscape for initial public offerings (IPOs). Listing on a stock exchange is a momentous achievement for a company, but not without challenges. Assessing the UK's attractiveness as a listing destination is one way of measuring the overall strength and direction of the sector.

The golden triangle of London, Oxford, and Cambridge is a key focal point for the UK's tech sector. Investment in these areas accounted for 68.3% of total investment in high-growth companies in 2023. London alone attracted 132 foreign direct investment projects, reflecting its position as the leading European city for digital technology investments.[4] London's supportive cluster of academia, law, and financial services makes it a global competitor in the tech scene. This is reflected by 35 of the Fast 50 cohort having their head offices in London. Following London, Cambridge and Oxford both have world-renowned life sciences and deep tech ecosystems. Beauhurst data reveals that University of Cambridge spinouts have raised £2.44b in equity over the past decade.

As Deloitte's Emerging Growth Companies Cambridge lead partner, Julian Rae, puts it, "The Cambridge-Oxford Arc or "Supercluster" demonstrates the significance and value of clustering in the tech sector. Cambridge has long been the home of innovation and growth in UK technology with a sophisticated ecosystem built around early stage companies. This has led to the city punching well above its weight in the historic Fast 50 rankings and producing multiple generations of unicorns and high growth companies."

Equity investment in high-growth tech companies **(2019 – Q3 2024)**



> Cambridge has long punched well above its weight in the historic Fast 50 rankings, and has produced multiple generations of unicorns and high growth companies.

Julian Rae, Partner, Deloitte

4. Seattle Doole,"The UK remains Europe's leading destination for Foreign Direct Investment in Digital Technology," EY, 10 June 2024 https://www.ey.com/en_uk/newsroom/2024/06/uk-remains-europe-s-leading-destination-for-fdi-in-tech

Other regional cities are rapidly emerging as tech clusters. Birmingham's tech population has surged, growing 152% between 2014 and 2023. This year, Bruntwood SciTech announced a £4.50m project to create a major tech hub in Birmingham's city centre to drive innovation and collaboration.[5] Manchester, another rapidly growing tech hub has produced unicorns such as pharmaceutical company Orchard Therapeutics. In 2023, subsidiaries of the University of Manchester and the University of Cambridge, alongside Bruntwood SciTech, launched the Cross-UK Innovation Cluster. The Cluster will foster collaboration between academia and industry between the two cities.[6] These expanding clusters show that the UK's tech ecosystem is growing beyond London and the South East. The new government's policies will be crucial in supporting this regional development and shaping the landscape for investment in the UK's tech ecosystem.

As tech clusters expand nationwide, the landscape for investment and exits becomes increasingly critical. A promising sign is that the UK has witnessed several high-profile tech exits in 2024. Raspberry Pi's successful listing on the London Stock Exchange signals optimism, especially following microchip company Arm's decision to list in the US in 2023. Starling Bank is also rumoured to be considering an IPO. However, not all companies are satisfied with the UK as their base. Pharmaceutical company Indivior moved its shares from the LSE to the NASDAQ stock exchange in June 2024. Previous Fast 50 winner, Revolut, has also suggested ambitions to list in New York.[7]

There are several reasons why companies in the UK's tech ecosystem might list elsewhere. The US, the UK's main competitor, offers larger financial markets, greater access to capital, and a favourable regulatory environment for specific industries. That said, reforms to the UK's Financial Conduct Authority (FCA) listing regime have been seen as a positive step toward attracting more companies to list domestically. Revolut Chair Martin Gilbert praised the FCA's reformed regime for offering founder-led companies more choices, suggesting the door is still open for a London IPO.[8]

“reforms to the UK's Financial Conduct Authority (FCA) listing regime have been seen as a positive step toward attracting more companies to list domestically.

5. Emma Woollacott, "Bruntwood SciTech begins work on new Birmingham tech hub, ITPro, 3 July 2024 https://www.itpro.com/business/bruntwood-scitech-begins-work-on-new-birmingham-tech-hub
6. Cambridge Enterprise, "Cambridge and Manchester launch new cross-UK innovation cluster to boost growth,"11 October 2023 https://www.enterprise.cam.ac.uk/news/cambridge-and-manchester-launch-new-cross-uk-innovation-cluster-to-boost-growth/
7. Emma Dunkley, Anita Quinio, " UK government woos Revolut as fintech favours US for potential IPO," Financial Times, 16 August 2024 https://on.ft.com/4cswYRO
8. Ibid

In the coming years, the UK's attractiveness as a listing destination will be defined by how government policy, academia, and businesses interact to create a supportive tech ecosystem. Following Labour's victory, Prime Minister Keir Starmer has stated that the UK is "open for business." His government has announced initiatives to boost the innovation ecosystem, focusing on artificial intelligence, green technologies, and FinTech. The launch of a £7.30b National Wealth Fund, dedicated to early-stage and scaling companies in these sectors, is a significant step.[9] Labour has also relaxed planning restrictions on data centres to ensure the UK is equipped to handle the demands of artificial intelligence. Already, there are signs that these efforts are yielding results. Private equity firm Blackstone announced a £10b investment in an AI data centre in the North East of England.[10] However, concerns remain over the government's recent rollback of R&D tax credits, which has reduced funding availability to startups. There are also potential changes to capital gains tax, which may further impact scaling tech companies.

The future of the UK's IPO market is uncertain. While financial markets have been more subdued in recent years, there are signs of a recovery both in funding and exit figures. An encouraging sign is that The Bank of England (BoE) recently reduced the interest rate by 0.25% to 5%—its first reduction since 2020.[11] This modest cut acts as a signal that there could be further reductions in the future. This would provide a much-needed liquidity boost and encourage investment, allowing greater opportunities for tech companies to scale. Alongside interest rate cuts, the 2023 Mansion House reforms aim to increase funding liquidity by directing domestic pension funds into UK companies, bolstering their ability to scale domestically.

As 2024's Fast 50 champions illustrate, the UK continues to lead in tech innovation. However, the country's success will depend on addressing the structural challenges facing the sector, from fostering domestic exits to improving funding and infrastructure. The impact of new government policies on the IPO market, M&A activity, and overall investment will become clearer in the coming years. For now, the formation of new tech clusters across the UK regions, interest cuts by the BoE, and the market reforms by the FCA offer reasons for optimism.

In the coming years, the UK's attractiveness as a listing destination will be defined by how government policy, academia, and businesses interact to create a supportive tech ecosystem.

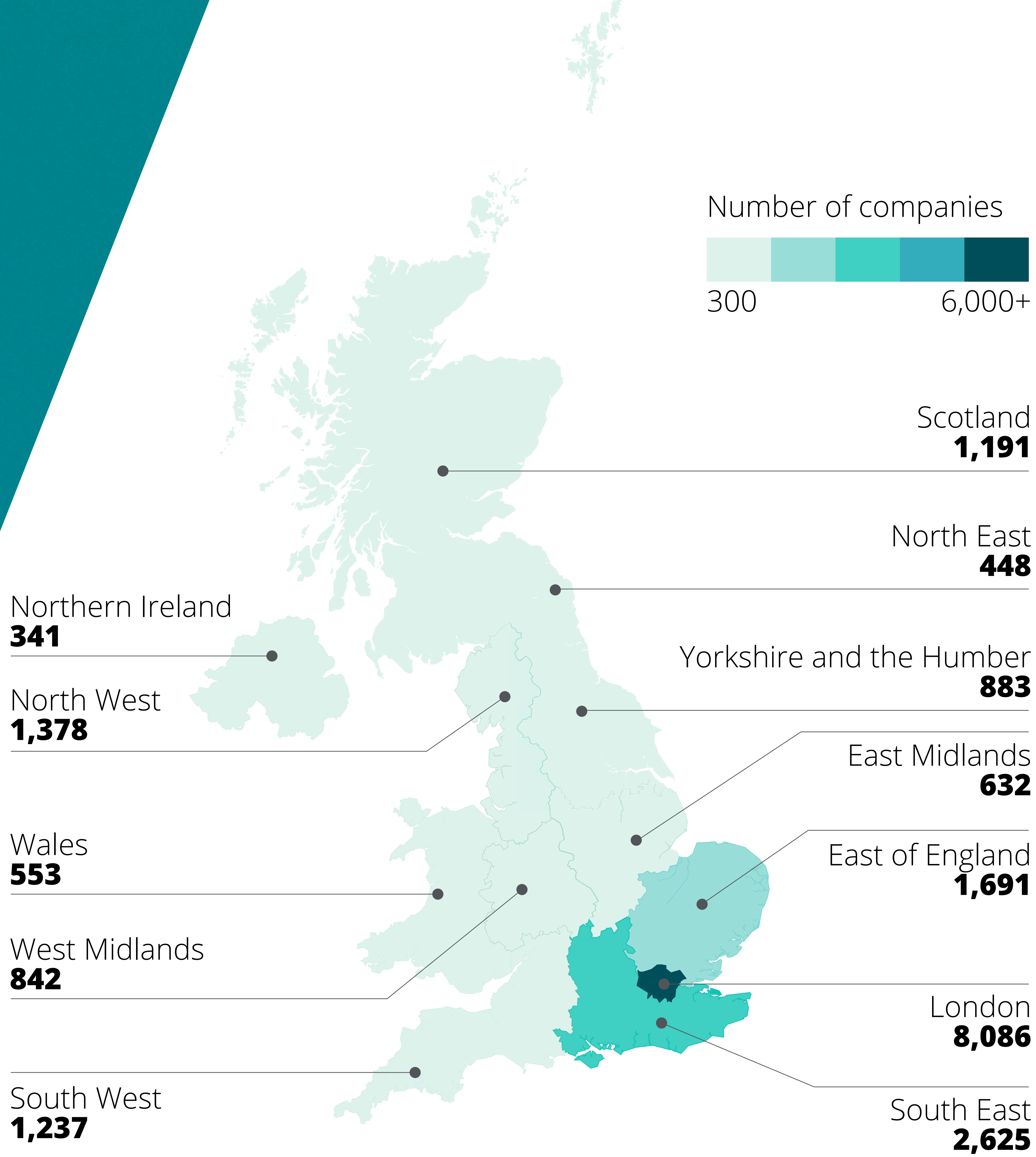
9. HM Treasury, "Boost for new National Wealth Fund to unlock private investment," GOV.UK, 9 July 2024 "https://www.gov.uk/government/news/boost-for-new-national-wealth-fund-to-unlock-private-investment
10. Reuters,"Blackstone confirms $13 billion investment in Britain for AI data centre," Reuters, 26 September 2024 https://www.reuters.com/technology/artificial-intelligence/blackstone-confirms-13-bln-investment-britain-ai-data-centre-2024-09-25/
11. Bank of England, "Bank Rate Reduced to 5% – August 2024." Bank of England, 01 August 2024 https://www.bankofengland.co.uk/monetary-policy-summary-and-minutes/2024/august-2024

Regional overview

London has the highest population of high-growth tech firms of any region in the UK, with 8,086 companies. The South East follows with 2,625 high-growth firms.

The city of Oxford is a key innovation hub in the region, with companies also benefitting from their proximity to London and Cambridge, the other cities that make up the golden triangle. The area is anchored by a world-class academic and research sector, which has produced numerous successful academic spinouts. Institutions such as the Oxford Science Park and Culham Science Centre support businesses in the South East via their state-of-the-art research and development facilities.

Another significant hub is Manchester, with 344 high-growth tech companies. The city is home to six tech unicorns and is one of the top startup hubs in the UK. With one of the largest student populations in Europe, Manchester is rich in talent, investment opportunities, and pioneering research.[12]



Regional distribution of high-growth tech companies

12. The Complete University Guide. "Universities in Manchester." The Complete University Guide, 2024, accessed from

Investment in high-growth tech companies by region

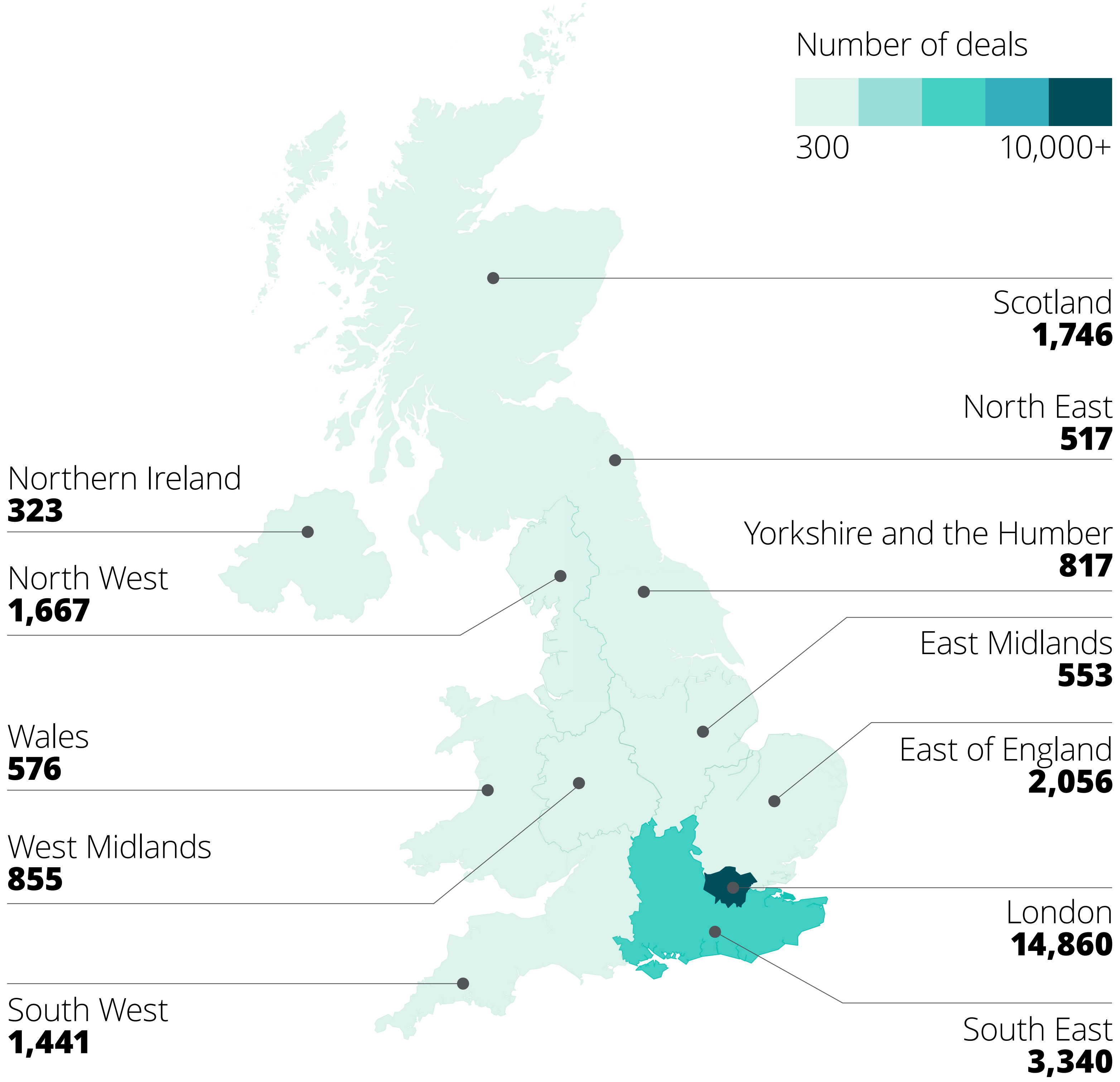
Over the last decade, the UK's technology sector has not only grown in terms of the number of deals being done but has also seen an expansion in the magnitude of individual deals, with specific regions becoming focal points for substantial equity investment. Beyond London, the East of England and the South East have the highest population of companies securing investment. Equity funding in the East of England rose from £294m in 2014 to over £2.14b in 2021—an increase of more than sevenfold. This surge is partly attributable to a rise in the number of high-growth tech companies located in the East of England as well as the general rise in equity investment into tech companies. Companies in the East of England benefit from the region's dynamic startup and spinout landscape, which brings together academia and business. Companies also gain direct access to top-tier research facilities like the Cambridge Science Park, the Babraham Research Campus and the Cambridge Biomedical Campus.

Northern Ireland has also shown notable growth, with tech companies securing £120m in 2022, up from £22.6m in 2014. The low investment amount seen in 2014 helps to explain the high growth that companies in Northern Ireland have seen in equity investment. Belfast is emerging as one of the fastest-growing tech hubs in the UK, supported by entities such as Catalyst, which provides vital business support to local companies, as well as Queen's University Belfast and Invest Northern Ireland, the region's economic development agency.

Value of equity investment raised by high-growth tech companies, by region **(2019 – H1 2024)**

London	**£55.5b**
South East	**£8.82b**
East of England	**£7.13b**
North West	**£4.19b**
South West	**£3.09b**
Scotland	**£2.88b**
West Midlands	**£1.61b**
North East	**£0.95b**
Yorkshire and The Humber	**£0.94b**
Wales	**£0.58b**
East Midlands	**£0.49b**
Northern Ireland	**£0.37b**

Number of deals completed by high-growth tech companies by region **(2019 – H1 2024)**



Fast 50 Women in Leadership Runner-up: **Seat Unique**

Women in Leadership Runner-up
7,921% Growth Rate

SEAT UNIQUE

"We've invested a lot into our technology," says Seat Unique Co-founder and Head of Product Phillipa Hicks. "It's over £5m so far. That investment comes from building trust and creating a platform that is slick, easy to use, so customers have that premium experience at the point of searching for their favourite live event, and then going through that purchasing experience."

Founded in 2018 by husband-and-wife team Phillipa Hicks and CEO Robin Sherry, Seat Unique is a London-based online marketplace transforming access to premium tickets and hospitality packages for sporting and live entertainment events. Its platform features tickets to events ranging from Bruce Springsteen and Kylie Minogue concerts to Premier League football games and Formula 1 races. By addressing the common challenges fans face in securing reliable access to high-demand events, Seat Unique has capitalised on the post-pandemic surge in demand for live experiences.

Hicks has navigated the challenges of a male-dominated field to develop the core infrastructure that supports Seat Unique with her team of 18 engineers. Their work allows thousands of users to access a premium experience while purchasing tickets. "It's been a roller coaster—that's probably the best way to describe it," says Hicks. "There were definitely challenges in the early days, especially being a woman working within the tech product space, which is still very male-dominated. The investment side also had its challenges, particularly when we were raising capital. But you persevere and just move forward, don't you?"

The founding duo combines complementary strengths: Hicks drives technology and customer experience, while Sherry focuses on connecting fans directly with rights holders. "What we want to do is help the fan buy directly from the rights holder. The rights holder gets the revenue, but the fan gets a great seat and guaranteed access to the event," Sherry explains.

Seat Unique now has over £100m of inventory from over 120 rights holders, including Wembley Stadium and the Welsh Rugby Union. Convincing rights holders of the benefits of teaming up was an early challenge for the business. "We were selling the internet, and you'd have thought it would be easy," recalls Sherry. "But people didn't believe hospitality or boxes would sell online to start with."

Backing from a range of high-profile sports people helped open doors. Seat Unique's brand ambassadors and shareholders include former rugby player and coach Sir Clive Woodward, England women's cricketer Lauren Bell, and Sam Warburton, former captain of the Welsh rugby team. To date, the company has raised £25.0m in equity investment, including a £14.5m round in April 2024 with participation from Nickleby Capital and the Players Fund.

Looking ahead, Seat Unique plans to expand its UK market share and further develop its ability to sell to overseas customers. Hicks and Sherry have the mindset to make it happen. "Overall, it's been a very enjoyable roller coaster, though with definite ups and downs," says Hicks. "We have a mentality of 'what doesn't kill you makes you stronger,' and that keeps us moving."

"

Overall, it's been a very enjoyable roller coaster, though with definite ups and downs. We have a mentality of 'what doesn't kill you makes you stronger,' and that keeps us moving.

Phillipa Hicks, Co-founder and Head of Product of Seat Unique

Fast 50 Scotland Regional Winner: **Utopi**

Scotland Regional Winner
CleanTech (3rd place)
2,156% Growth Rate

UTOPI

Utopi operates a digital ESG platform that extracts live data from multi-tenant real estate and informs residents and owners on how buildings perform to ESG standards. The Glasgow-headquartered company was founded in 2019 by CEO Jonathan Burridge alongside co-founders Ben Roberts, John Trowler and Falk Bleyl. Its platform integrates three core components: an analytics system to monitor building performance, energy control tools to reduce consumption, and a resident engagement app promoting environmentally conscious behaviour.

"We recognised early on that to make a real impact, we had to address the growing demand for sustainability in residential properties," says Burridge. This understanding prompted a strategic shift in 2021, with Utopi aligning its platform more closely with ESG standards. "The timing was right to reposition ourselves within the ESG landscape," Burridge says. By concentrating on the ESG aspects of residential accommodation—an area often overlooked by traditional PropTech—Utopi has emerged as a leader in the UK market. "We identified an opportunity in student accommodation and residential properties, went in deep, and became the default option," he says.

A key differentiator for Utopi is its leadership team and their breadth of experience in the tech sector. Burridge and CTO Bleyl have worked together for over 15 years across tech. "Coming from outside the real estate industry allowed us to see inefficiencies others had overlooked," Burridge says. "We realised that scaling up required direct engagement with investors and asset owners, which helped us build credibility in an industry often slow to innovate."

The company's growth journey has not been without its challenges. Burridge took a significant personal risk by leaving a well-paid corporate job to invest in the business. "It was a massive leap of faith, resigning from a secure position and investing in a new business with no revenue on day one," he says. Another turning point came when a potential client, during a product demo, asked, "What's the ROI?" This pushed Utopi to focus on providing return on investment as a central part of its value proposition—a focus that remains critical to its growth today. To date, Utopi has raised £6.42m across three funding rounds, including £5m from the Scottish National Investment Bank in 2023. This funding is helping to create jobs and support the company's expansion into the US market.

Key milestones include the successful installation of Utopi's platform in 12 buildings in 2021 and 2022, validating its product-market fit and demonstrating the scalability of its offering. Today, Utopi continues to acquire new clients while expanding its services within existing portfolios, enabling large-scale operators to meet their sustainability targets through its data-driven tools.

While Utopi initially aimed for commercial growth and a possible exit within five years, the company's mission has since evolved. Now, the team is driven by a broader purpose: to create a lasting impact by supporting decarbonisation and improving environmental performance on a larger scale. "We rediscovered ourselves as a business with the potential to make a genuine difference to the planet and people, shifting from a purely commercial venture to one with purpose," Burridge says. This renewed sense of mission has attracted growing interest from investors, with nearly 60 inbound inquiries since Utopi's inclusion in the 2023 Fast 50 list.

We rediscovered ourselves as a business with the potential to make a genuine difference to the planet and people, shifting from a purely commercial venture to one with purpose.

Jonathan Burridge, Co-founder and CEO of Utopi

CEO Survey Results: International expansion, economic climate, and exit pressures

The CEO's Perspective

We surveyed CEOs and other top executives from companies in the UK's high-growth technology sector about future growth plans, preferred methods of raising capital, and exit strategies.

International expansion

The US market remains top choice for UK businesses looking to go abroad. The survey reveals varied interests in global markets among businesses. The US stands out as the primary target, with 62.5% of respondents planning to expand there in the next 1-2 years.

Entering the US market can significantly enhance a company's growth and visibility. The US represents a larger pool of capital and investors, offering greater liquidity and potential for businesses looking to expand their reach and business capabilities. For businesses looking to expand their size and market opportunities, selling into the US can help them expand their market size, increase their revenue potential, and attract additional investment.

International expansion into Europe, including the Nordics, follows the US at 53.8%. Europe's appeal can be attributed to its geographical proximity to the UK. Proximity is often considered an important driver in knowledge creation and innovation. As a result of geographical closeness, UK business leaders may have better access to information and opportunities in certain European countries, contributing to its attractiveness as an area of expansion.

The Middle East and Asia-Pacific are each considered by 32.7% of respondents as attractive areas for expansion, indicating significant interest in these regions. The Middle East has attracted attention in recent years due to its growing economic diversification and significant infrastructure investments, particularly in sectors like energy and transport. According to UBS, the Middle East's digital economy is projected to grow more than four-fold to around US$780b by 2030.[13]

Markets business leaders aim to expand into in the next 1-2 years

USA	62.5%
Europe (including Nordics)	53.8%
Middle East	32.7%
Asia–Pacific	32.7%
South America	13.5%
Africa	12.5%
We do not plan to expand internationally	8.65%
Other	0.96%
Canada	0.96%

13. UBS, "Middle East: The next digital frontier market within global tech," Sundeep Gantori, Michael Bolliger (September 2023) https://www.ubs.com/qa/en/wealth-management/insights/2023/middle-east-the-next-major-digital-frontier.html#:~:text=We%20estimate%20the%20Middle%20East's,fastest%2Dgrowing%20digital%20economies%20globally.

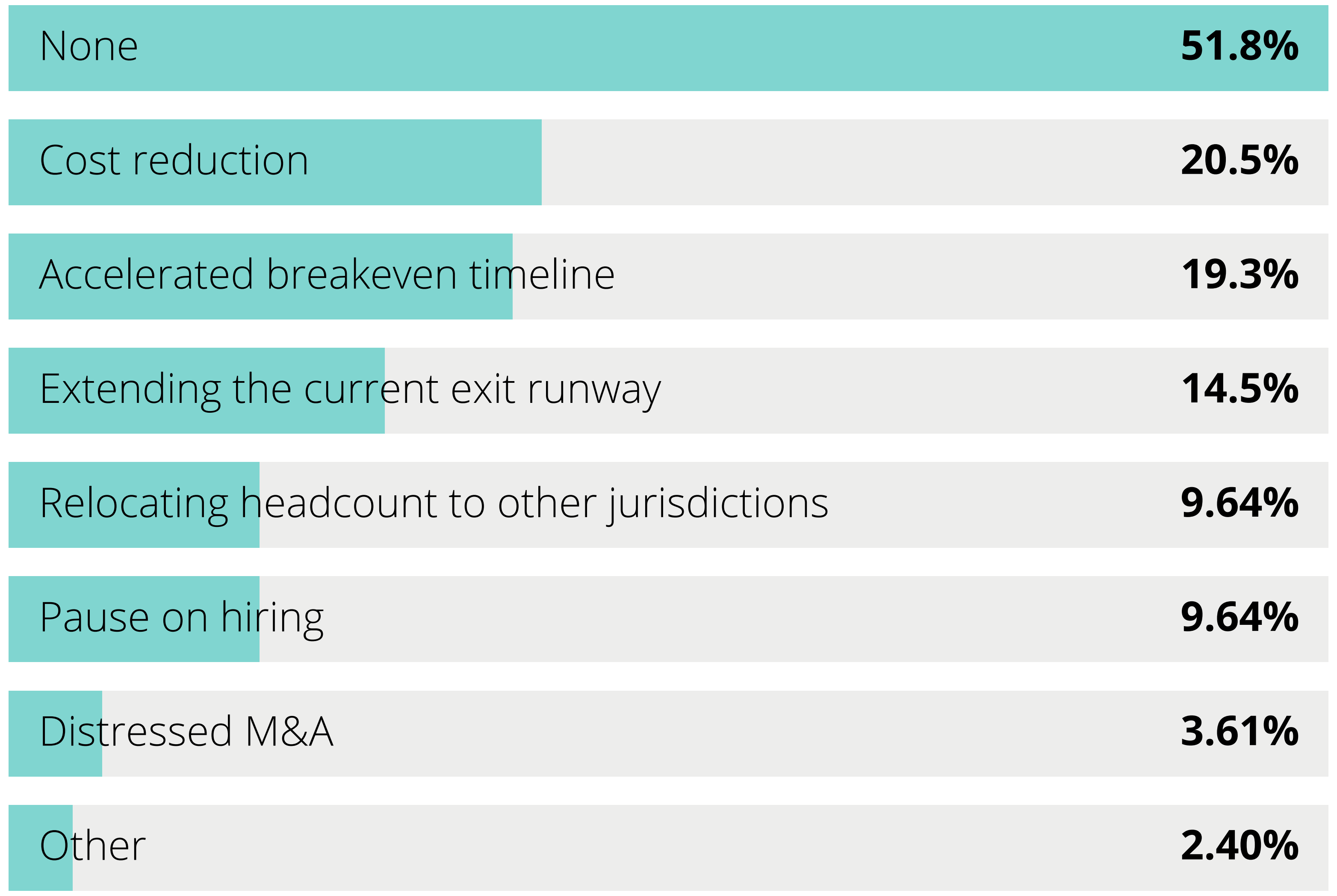
Economic climate

Difficult market conditions have led to high growth companies favouring profitability over growth at all costs, and extending their exit runways.

In response to a more challenging economic environment, businesses are adopting cost reduction strategies with 20.5% planning to implement such measures. When executed effectively, these efforts not only enhance profitability but also position the company more favourably for potential acquisitions or investments. However, the challenge lies in achieving cost reductions without compromising operational efficiency or long-term growth prospects.

Extending the current exit runway, chosen by 14.5% of respondents, allows companies more time to achieve a better valuation in improved market conditions. Some companies are pausing hiring (9.64%) to preserve capital and relocating headcount to other jurisdictions (9.64%) to leverage favourable economic or regulatory environments. A smaller segment of companies (3.61%) are exploring distressed mergers and acquisitions. Interestingly, 51.8% of respondents are not planning any changes, highlighting a mix of caution and optimism among businesses.

Measures companies are applying to deal with the changing economic environment



Interestingly, 51.8% of respondents are not planning any changes, highlighting a mix of caution and optimism among businesses.

Raising capital

High growth tech leaders remain optimistic, with ambitious growth plans, despite a challenging funding environment.

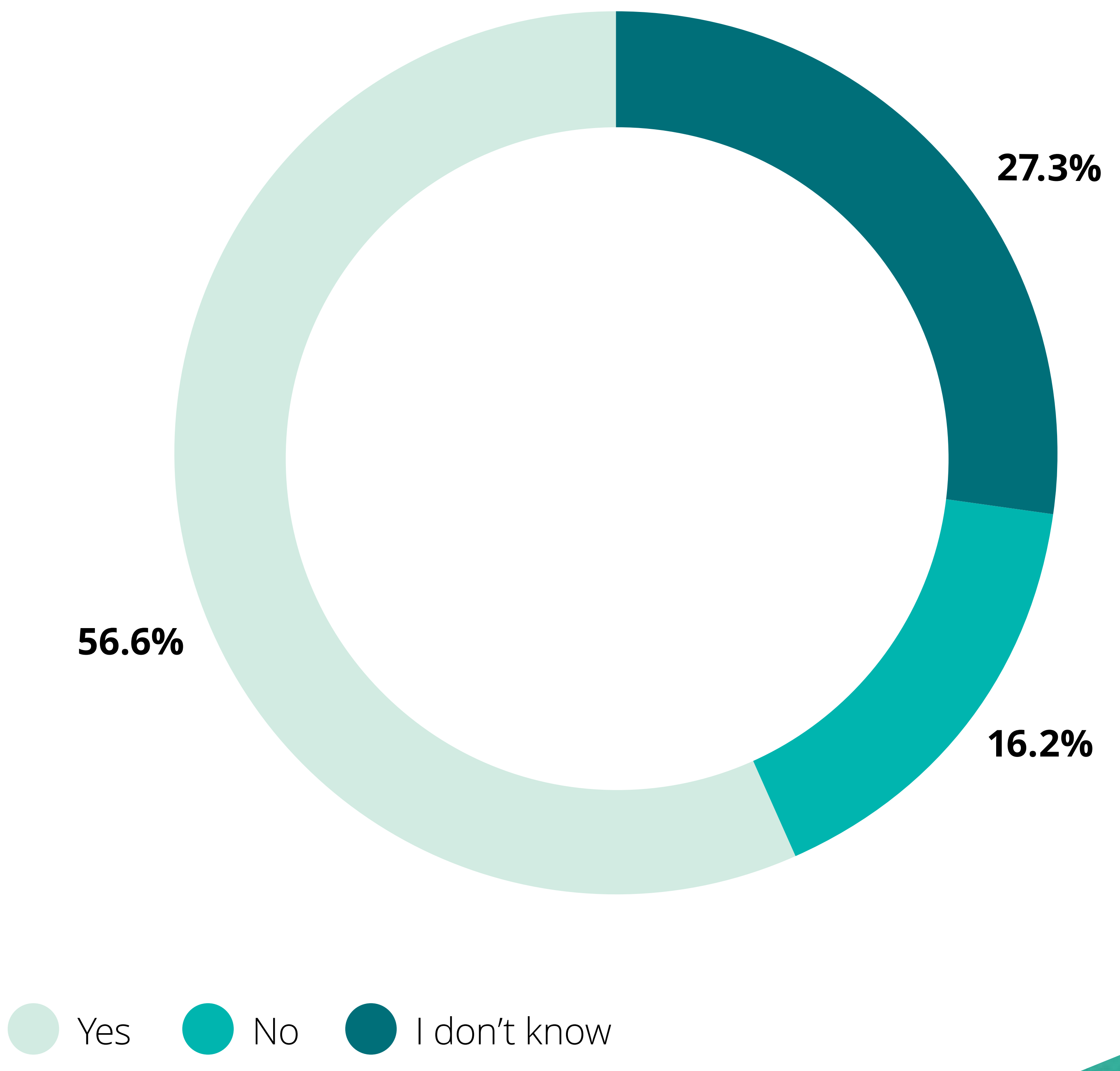
Since raising a record £25.1b in equity investment in 2021, technology companies have faced a tougher fundraising environment. The drop in investment is largely due to macroeconomic factors and a partial market correction. In 2023, high interest rates and a decline in company valuations created a risk-averse investment environment, which has been reflected in smaller deal sizes. Additionally, many new investors that entered the VC market during the pandemic exited, leading to a reversion to pre-pandemic market conditions. Despite these challenges, our survey reveals that business leaders remain optimistic, with ambitious growth plans.

More than half (56.6%) of respondents highlighted that they intend to raise growth capital in the next 1-3 years. In contrast, 16.2% of respondents stated that they have no intention of raising investment in the near future. A notable 77.8% of respondents indicated that VC investment is their preferred form of investment, with 28.9% of respondents expressing interest in both VC and debt financing.

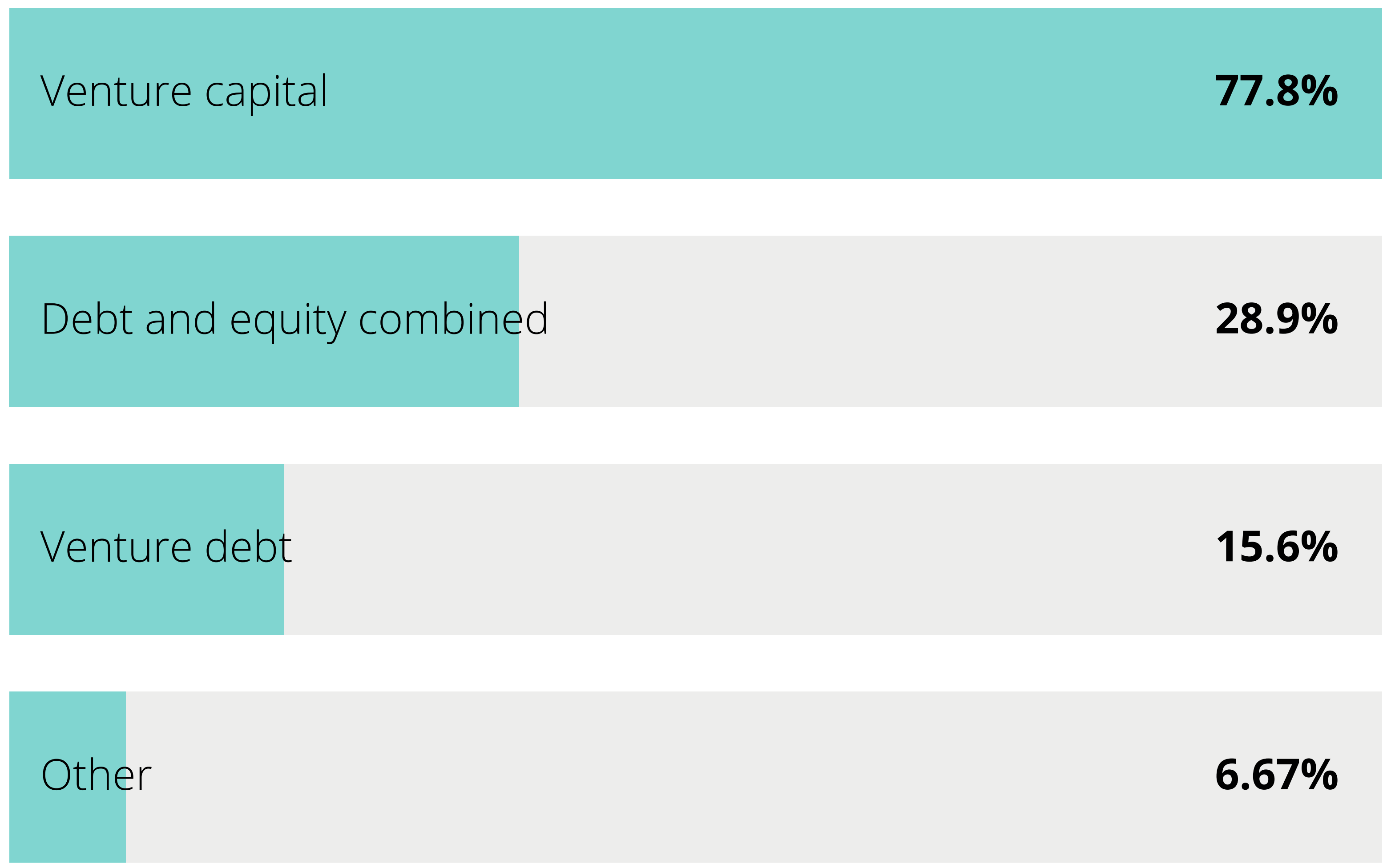
In August 2024, the Bank of England cut interest rates to 5.00%, the first rate cut since 2020. This move may create room for cautious optimism as inflationary pressures stabilise. A recovering economic backdrop, lower interest rates, and a newly appointed government pledging to boost economic growth may signal a promising fundraising environment for high-growth companies in the future.

In the first half of 2024, high-growth tech companies raised £6.98b in equity investment and completed just over 2k deals, with private equity and VC funds participating in 41.9% of deals. If fundraising activities continue at this rate, end-year figures for investment in the UK's high-growth tech companies may match last year's total of £14.1b.

Does your company intend to raise growth capital in the next 1-3 years?



Types of growth capital companies are looking to raise

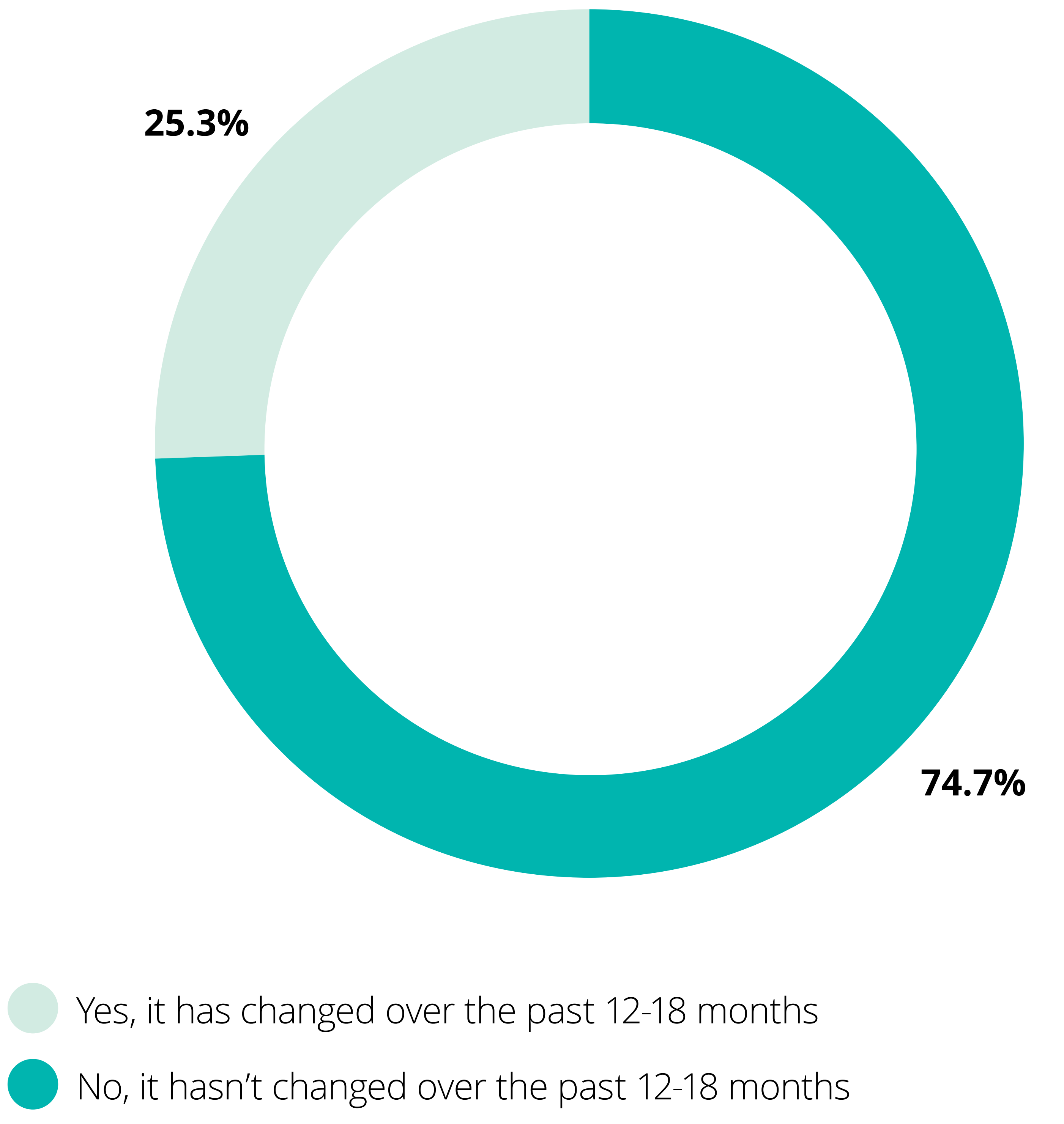


Investor relations

Despite the challenges faced by high growth tech companies in the past 2 years, many scaleups have preserved strong relationships with their investors.

Respondents revealed that 74.7% had maintained a steady relationship with their investors in the last 12-18 months. High-growth businesses have faced considerable trials in the last year with a challenging economic climate and more cautious investor sentiment. For many, the relationship between an investor and their investee(s) is a significant factor urging businesses to pick a strategic partner and not just a financial backer when looking for an investor.

Has the nature of your investor relationship(s) changed over the past 12-18 months?



> Despite the challenges faced by scaleups, most have preserved strong relationships with their investors.

Exit pressures and valuations

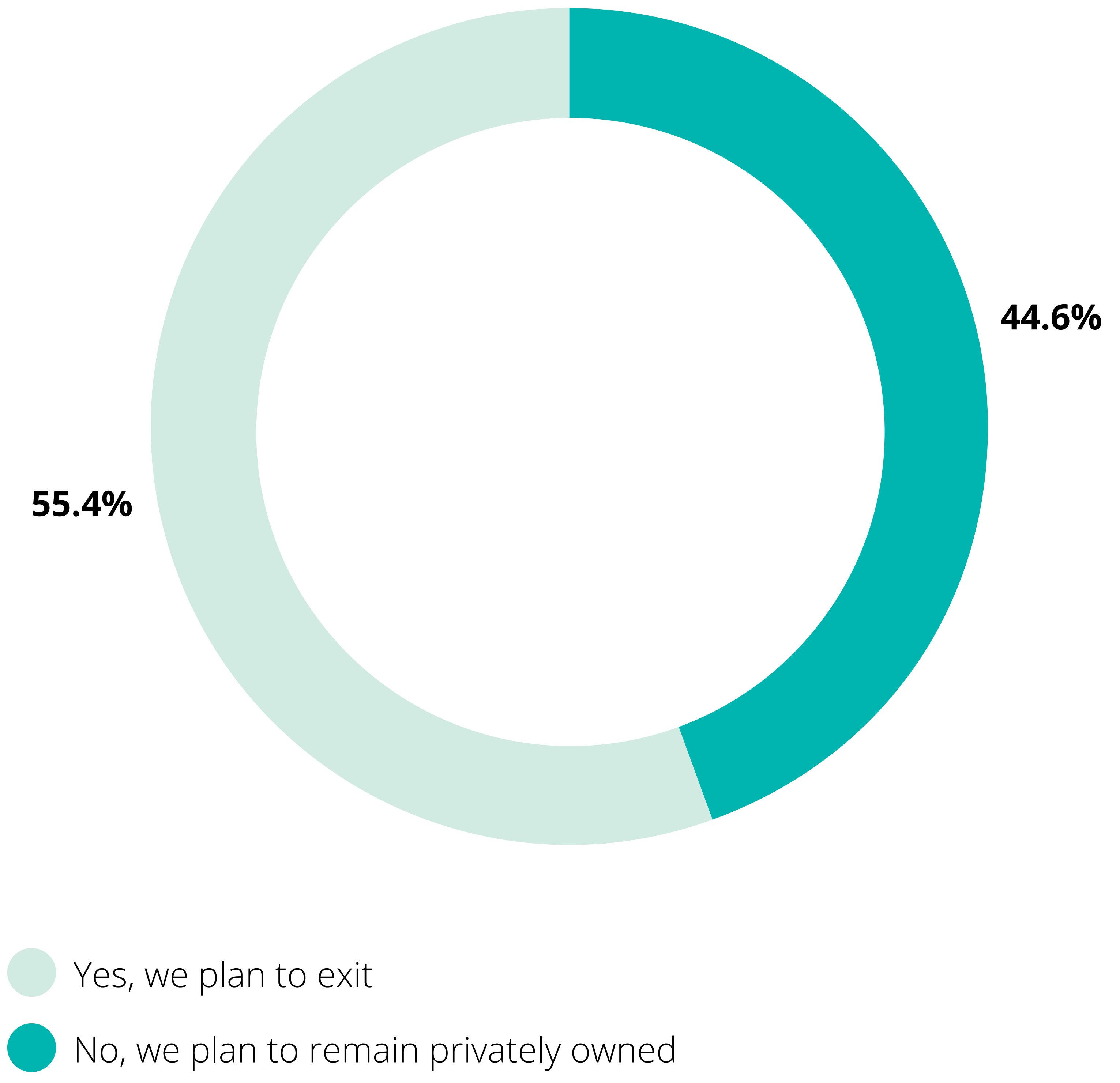
Exits are on the horizon, but IPOs may have longer to wait

Among the respondents, 55.4% indicated a plan to exit the business, while 44.6% preferred to remain privately owned. The most favoured exit strategy, chosen by 51.4% of respondents, is via a trade sale or corporate merger. This preference is likely due to the immediate liquidity and reduced complexity these routes offer compared to other methods. This is followed by private equity at 22.9%. Private equity exits typically receive less public scrutiny than IPOs as they are not subject to the same regulatory requirements as public companies. As a result, private equity exits are less complex and less expensive exit methods in comparison to IPOs, making them a more appealing option for business owners.

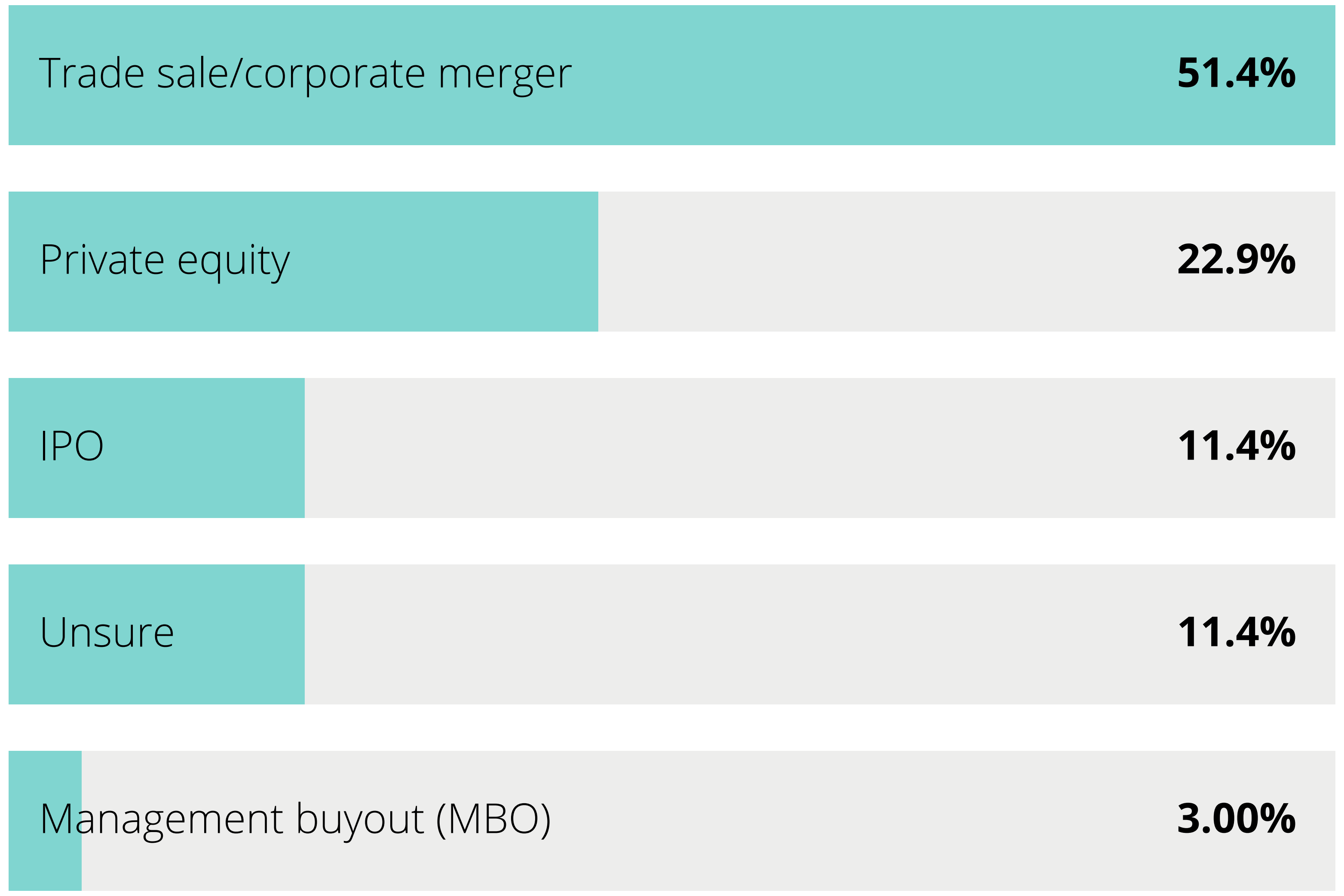
These findings can be attributed to the current economic climate in the UK, which is characterised by uncertainty and volatility. Businesses are likely seeking exit strategies that provide quicker returns and reduced risk in response to economic pressures such as inflation, fluctuating interest rates, and unpredictable market conditions. Trade sales and corporate mergers typically offer a fast and straightforward means of securing liquidity, which is particularly appealing when the future economic landscape appears uncertain.

The timeline for exits varies, with the majority of respondents (55.9%) targeting a horizon of over three years. This timeline suggests businesses are positioning themselves for optimal market conditions, waiting for a favourable economic climate. Economic factors such as interest rates, market stability, and industry trends play a significant role in determining the timing of exits.

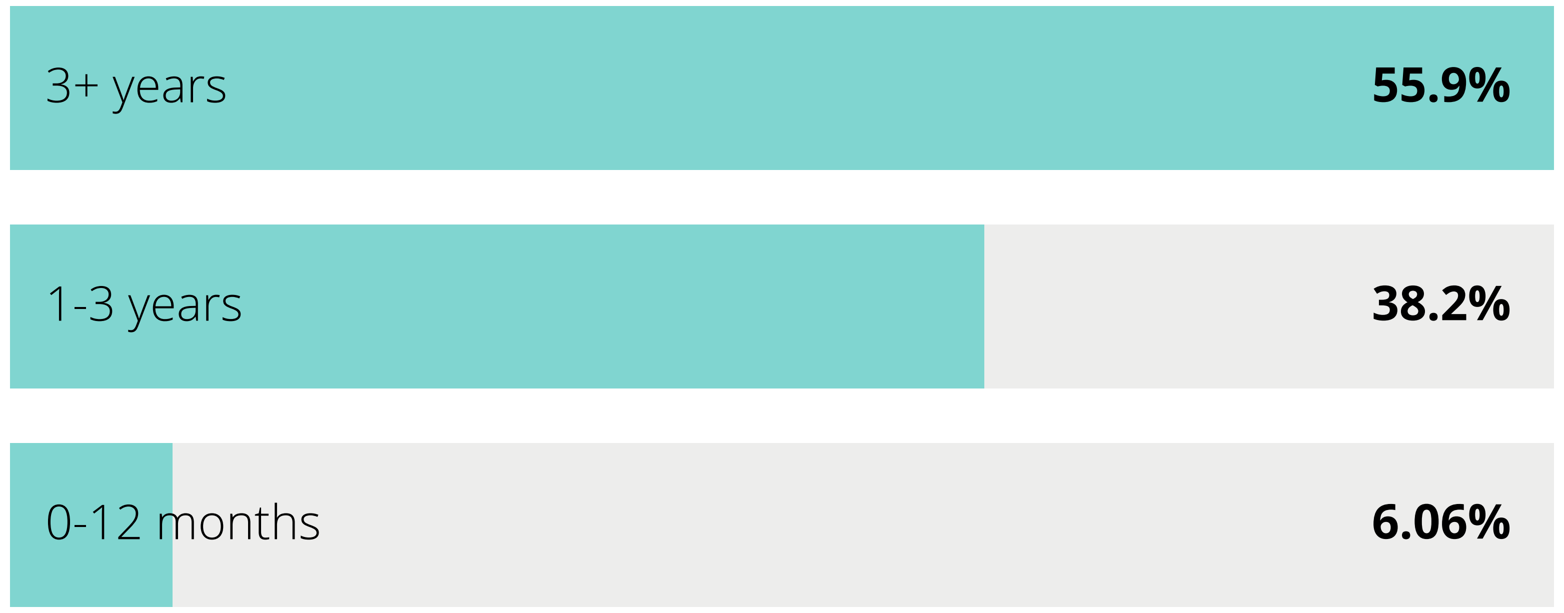
Do you plan to exit the business or remain privately owned?



What is the ideal exit type?



What is the ideal timeline to exit?



Outcomes

Navigating the Exit: **Outcomes from the Deloitte Fast 50 2024**

The Deloitte Fast 50 2024 report reveals a dynamic UK tech landscape, with companies demonstrating resilience and ambition despite a challenging economic climate. This year's theme, "Making it to the Exit," highlights the importance of strategic decision-making and patience for high-growth companies and investors alike.

Fast 50 highlights

London

remains the dominant tech hub, with **35** of the Fast 50 headquartered there

2,468%

The average three-year growth rate for the Fast 50 is an impressive **2,468%** and total revenues are an eye-watering **£1.9bn**

SaaS* & Cloud

lead the pack as the most popular sector, followed closely by FinTech

Allica Bank

takes the top spot for the second year running with a remarkable **13,411%** growth rate

* Software-as-a-Service (SaaS)

CEO insights

- Expansion is on the horizon, with 63.1% of CEOs planning to expand into the US market in the next 1-2 years.
- Fundraising remains a priority, with over half of CEOs aiming to raise growth capital in the next three years, primarily through venture capital.
- Exits are a key focus, with 55.4% of CEOs planning to exit their business, most commonly through trade sales or corporate mergers.

Challenges and Opportunities

The report highlights the impact of recent economic headwinds, including inflation and rising interest rates, on the UK tech sector. However, there are signs of recovery, with investment in high-growth tech companies in the first half of 2024 already exceeding that of the same period last year.

We hope this year's Fast 50 2024 report has provided valuable insights into the current state of the UK tech ecosystem. While challenges remain, the resilience and ambition of the Fast 50 companies, coupled with emerging signs of economic recovery, offer reasons for optimism.

About Deloitte Private's Emerging Growth Companies Practice

Deloitte Private's Emerging Growth Companies practice is dedicated to supporting entrepreneurs, founders, and management teams of high-growth companies at every stage of their journey – from seed to scale to exit and beyond.

We also work closely with the venture capital community, from supporting the back office and finance function of the firm, to advising investment teams on deals and transactions, through to helping platform and portfolio teams support their portcos on their growth journey.

We understand that scaling a company fast brings complexities and challenges. Founders and management teams need to focus on their customers and their employees, but often their attention is pulled away by essential tasks in areas like finance and compliance.

That's where we come in. Our global team of specialists provides expert guidance on a wide range of critical areas, tailored to your specific stage of growth:

Seed and Series A

We work with lots of companies at the start of their journey, and we understand the challenges in the first few years of your life cycle, including, funding and shareholder value, tax compliance and share structure & incentives.

Venture

As companies scale, the pressure is on to continually acquire new customers, expand into new markets, and improve their product or service – while also managing the complexity that comes with growth.

Growth

Mature scaleups face continuing challenges in navigating increasingly stringent regulatory requirements while maintaining innovative and agile operations in a rapidly evolving market.

Established

It's never too early to start preparing for pre – and post – exit. No matter which route to exit a business takes, there are a common set of principles and requirements needed to navigate through and maximise value of your business.

By partnering with Deloitte, you gain access to a global team of industry experts who know these areas inside and out, freeing you up for bigger-picture thinking. Whether you're an early-stage start-up or an international scale-up, or a venture capital investor seeking to maximise returns, contact our Emerging Growth team to find the right answers for your business.

Contacts

KIREN ASAD

Partner

UK Technology Fast 50 Lead &
EGC Corporate Finance Lead

kasad@deloitte.co.uk

DUNCAN DOWN

Partner

Strategy, Risk & Transactions Advisory,
UK Emerging Growth Companies Lead &
Transactions Services Lead

ddown@deloitte.co.uk

JULIAN RAE

Partner

UK Emerging Growth Companies
Audit Lead

jrae@deloitte.co.uk

KARIEL PARIAN

Senior Manager

Head of EGC GtM Strategy
and Programmes

kparian@deloitte.co.uk

HENRY WHORWOOD

Head of Research and Consultancy

Beauhurst

henry.whorwood@beauhurst.com

Deloitte.
Private

This publication has been written in general terms and we recommend that you obtain professional advice before acting or refraining from action on any of the contents of this publication. Deloitte LLP accepts no liability for any loss occasioned to any person acting or refraining from action as a result of any material in this publication.

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 1 New Street Square, London EC4A 3HQ, United Kingdom.

Deloitte LLP is the United Kingdom affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"). DTTL and each of its member firms are legally separate and independent entities. DTTL and Deloitte NSE LLP do not provide services to clients. Please see www.deloitte.com/about to learn more about our global network of member firms.

© 2024 Deloitte LLP. All rights reserved.

Designed and produced by 368 at Deloitte. J40279