VENTUREPATH

VENTURE BULLETIN

Q4 2025

Produced as part of The UK ScaleUp Investment Mission

VENTUREPATH

sifted

An analysis of the value and volume of UK Scaleup Investment focussed on Series A

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With thanks to custom data from our research partners at Sifted.

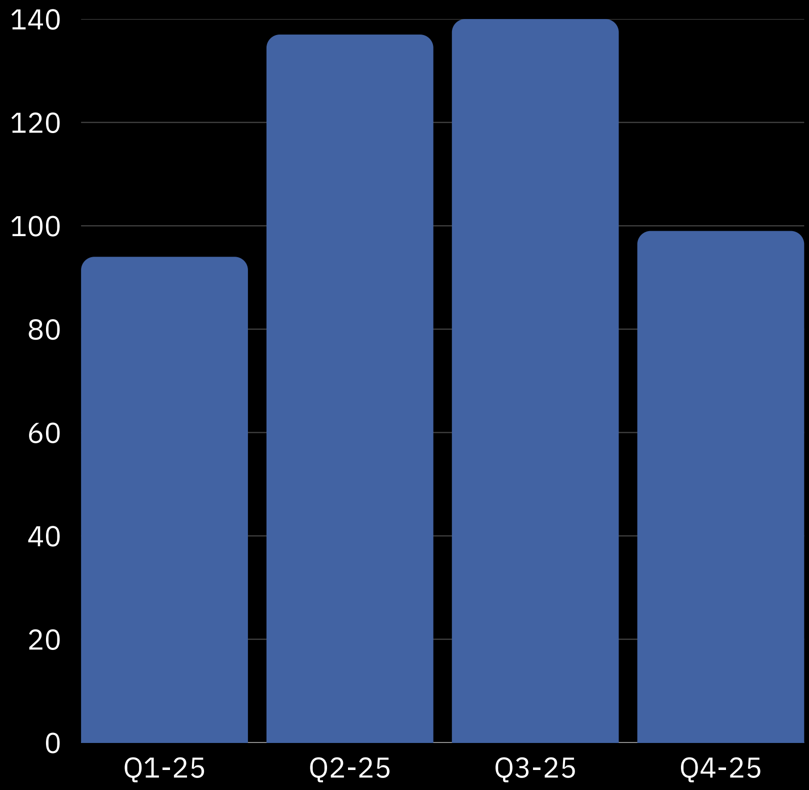
Q4-25 Bulletin: Analysis

The final quarter of 2025 saw a notable cooling in UK funding activity within the £2-10m Series A range. Following a robust mid-year performance in Q2 and Q3, both volume and value retreated as the year came to a close.

Down quarter on quarter:
→ Series A volumes: Fell sharply by 29.3% in deal volume compared to Q3, (99 deals in Q4-25 vs 140 in Q3-25)
→ Series A value: Capital invested dropped by 19.8% quarter-on-quarter
→ Market Resilience: Despite these declines, activity did not reach the yearly lows witnessed in Q1 2025.

Series A deals by Volume

There is no evidence that typical year-end seasonality played a role in this slowdown. While Q2 and Q3 were the weakest quarters in 2024, they proved to be the strongest in 2025, suggesting that current market activity is being driven more by macroeconomic sentiment than the calendar year.



YoY Quarterly Comparison

On a year-on-year (YoY) basis, investment remained largely stagnant, with a marginal 2.2% decrease compared to Q4 2024. However, the internal dynamics of these deals shifted significantly to close out the year:

→ Record Ticket Size: The average deal size reached £4.94m - the highest level recorded since Q1 2024.
→ Investor Selectivity: The data reflects a period of consolidation. Investors are deploying capital more selectively, concentrating funding into fewer, higher-conviction deals rather than broader market distribution.
→ Funding Impact: This concentration means that while the "winners" are better capitalised, fewer scaling companies are successfully bridging the gap from Seed to Series A.

Sifted Comment

“Investors are deploying capital more selectively and concentrating funding into fewer, higher-conviction deals to close out 2025.” - Jonathan Sinclair, Head of Research, Sifted

The UK Scaleup Investment Mission

While higher-conviction deals show that the UK can produce world-class scaleups, the 29.3% drop in deal volume in Q4-25 highlights the "venture funding accessibility barrier" that many founders still face. We remain committed to improving the UK-wide understanding of real Series A-B venture capital trends, and promoting opportunities to increase venture collaboration, which is needed to create more venture-backed UK scaleups successes.

Footnotes

The UK ScaleUp Investment Mission was created for the new Government, and is supported by a consortium of 100+ UK investment ecosystem organisations and leaders; scaleup founders and funders representing £13bn of venture capital and the major banks.

High profile private sector organisations and senior supporters are convening to address the scaleup funding gap, through planned interventions to improve UK wide understanding of, and access to, venture capital.

Through 70+ roundtables and meetings, the Government, British Business Bank, Innovate UK have been invited to collaborate to play an active role on this mission; to overcome the venture funding accessibility barrier and create a more equitable venture landscape for the founders of today and tomorrow and help create more venture backed UK successes.

The UK ScaleUp Mission is coordinated by VenturePath - The UK's Scaleup Investment Platform, and these Bulletins are supported by Sifted and other data partners (Beauhurst, Dealroom, Soapbox).

Interpretation

Where a company names their raise something other than "Series A", we anchor this analysis on cheques size with particular reference to tracking Series A funding (which we define generously as £2-10m round).

Each quarter will always have some lagging data that is revealed later, however our analysis within the 1st month after quarter end means this lag should be broadly consistent, enabling more like for like trend analysis.

Thank You

We appreciate you taking the time to explore this report.

To find out more about the UK ScaleUp Investment Mission and how it's helping improve access to growth funding for UK tech companies, visit our dedicated mission page. To stay updated with future insights, data and funding trends, subscribe to the Venture Bulletin.

To learn more about how VenturePath supports UK scaleups on their investment journey, visit our website.

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