

Raft of early stage Northern Ireland firms bag £15M of co-fund investment

Northern Ireland companies specialising in everything from medical technology to gin won investment of totalling nearly £15 million in the second quarter of the year under a specialist government-backed investment fund.

Co-Fund NI said more than 20 investment were closed during the period under the scheme which sees it match investment from private investors.

Overall funding rounds ranged from £150,000 to £2 million, with Co-Fund NI investing a total of £4.8 million and private investors £7.9 million.

Among those companies to have secured investment were insuretech firm Broker IQ, life sciences spinout Vascversa, e-commerce retail business Haru, bioinformatics business Sonrai Analytics, medtech firm Sapien and The Boatyard Distillery.

Stuart Gaffikin, Investment Manager at Clarendon Fund Managers, said investment interest in Northern Ireland companies has remained strong.

“Even as we are seeing a number of reports suggesting there has been a slowdown in investment across the UK and Ireland, Co-Fund NI has seen very strong demand from high-quality, fast-growing companies,” he said. “Co-Fund NI continues to play a vital role in funding Northern Ireland’s high potential businesses through co-investment alongside business angels and other private investors, which is essential to helping them to scale and accelerate growth outside of NI.

“It’s been apparent to us over the past couple of years that

an increasing number of large equity funds and private investors have recognised the calibre of companies emerging from the region and they are starting to make significant investments here.

He said the co-investment approach helps to remove risk for private investors.

“But these Series A investors won’t be attracted to invest in companies here unless local funds like Co-Fund NI and private investors put their money in first, as this earlier stage funding helps prepare the companies and de-risk them for the bigger investors. Sustaining the provision of local equity funding is therefore essential for our economy.”

The £47.3 million Co-Fund NI, managed by Clarendon Fund Managers, is an equity fund which provides growth capital to high-growth potential small and medium-sized enterprises, alongside lead private investors.

Part of Invest Northern Ireland’s Access to Finance suite of loan and equity funds and also supported by British Business Investments, the commercial arm of the British Business Bank, Co-Fund NI can provide co-investment in deals typically valued between £150,000 and £2m. To date it has invested in 95 local firms.