



Innovate  
UK

# Innovation Loans and Investor Partnerships

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# Investor Partnerships

## Innovate UK / UKRI Industrial Strategy Challenge Fund

### Bringing together:

- grant funding
- innovative R&D projects
- aligned VC and Angel equity investment
- growing SMEs

### Delivering:

- accelerated investment and growth through innovation

# Investor Partnerships

## Innovate UK

- Validate quality R&D projects
- Non-dilutive finance
- Access to UK wide companies
- Monitoring of projects

## Investor Partner

- Validates quality companies
- Equity finance
- Access to markets
- Influence on company

Independent assessment of project  
Grant funding

Maximise  
impact and  
reduce risk

Due diligence on company  
Equity finance

## Portfolio of SMEs

- Strong, commercially exploitable asset
- Good team with aptitude for growth
- Structure to support scalability

# Investor Partnerships

- 12 programmes
  - £60m grant funding
  - 125 SMEs
  - £28m grants deployed to date
  - 20 investor partners
  - £74m aligned investment
  - 55 syndicating / follow-on investors
  - £310m follow-on investment
- Infrastructure / Healthcare / Immersive tech / Clean Growth / Healthy Ageing / Quantum / Food Production / Foundation Industries / Regional Angels

Health & Life Sciences,  
Precision Medicine, Healthy Ageing

- £11m grant funding
- 42 SMEs
- £7.5m grants deployed to date
- 14 investor partners
- £20m aligned investment
- £160m follow-on investment

# Innovation Loans

- An extended pilot programme aiming to ensure that businesses can access funding at all stages of innovation.
- Innovation continuity loans to support innovation despite impacts of Covid-19 pandemic

**£155m commitment**  
**200 loans**

Competitions for  
UK SMEs wanting  
to scale up

Can be used for  
late-stage  
R&D projects

Health & life  
sciences:  
£15m commitment  
18 loans

# Innovation Loans

Funding for later stage R&D with a clear route to commercial success  
For suitable SMEs who need public support



Single SME  
Applicants

7.4%

Below-market  
Interest rate  
Partial deferral  
during project  
period

7  
years

Flexible & patient  
Up to 7 years  
- Availability  
- Extension  
- Repayment



Up to 100% of  
eligible project  
costs



Loan sizes  
£100k to £1.6m