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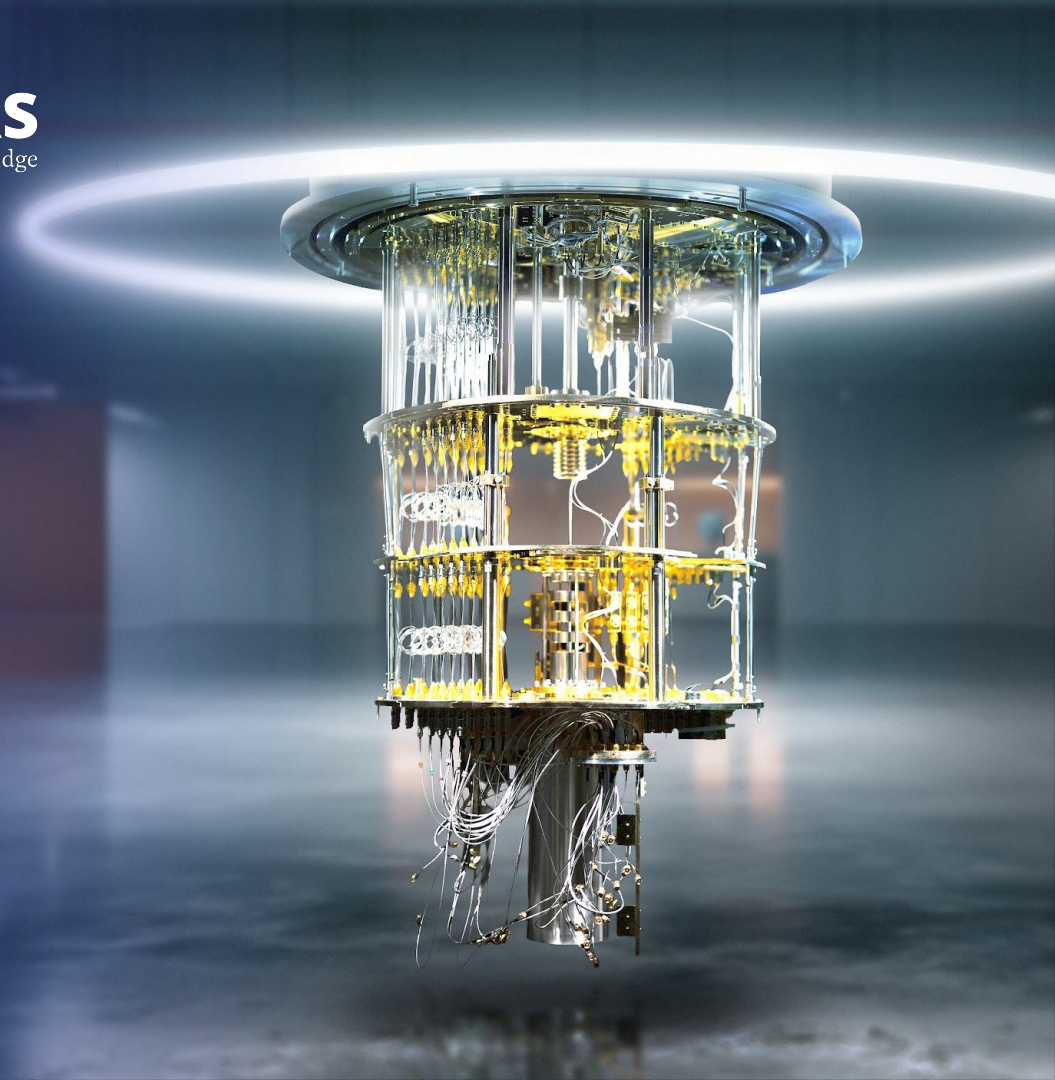
FOUNDERS
At the University of Cambridge

The rise of Cambridge tech

& its role in the future of innovation

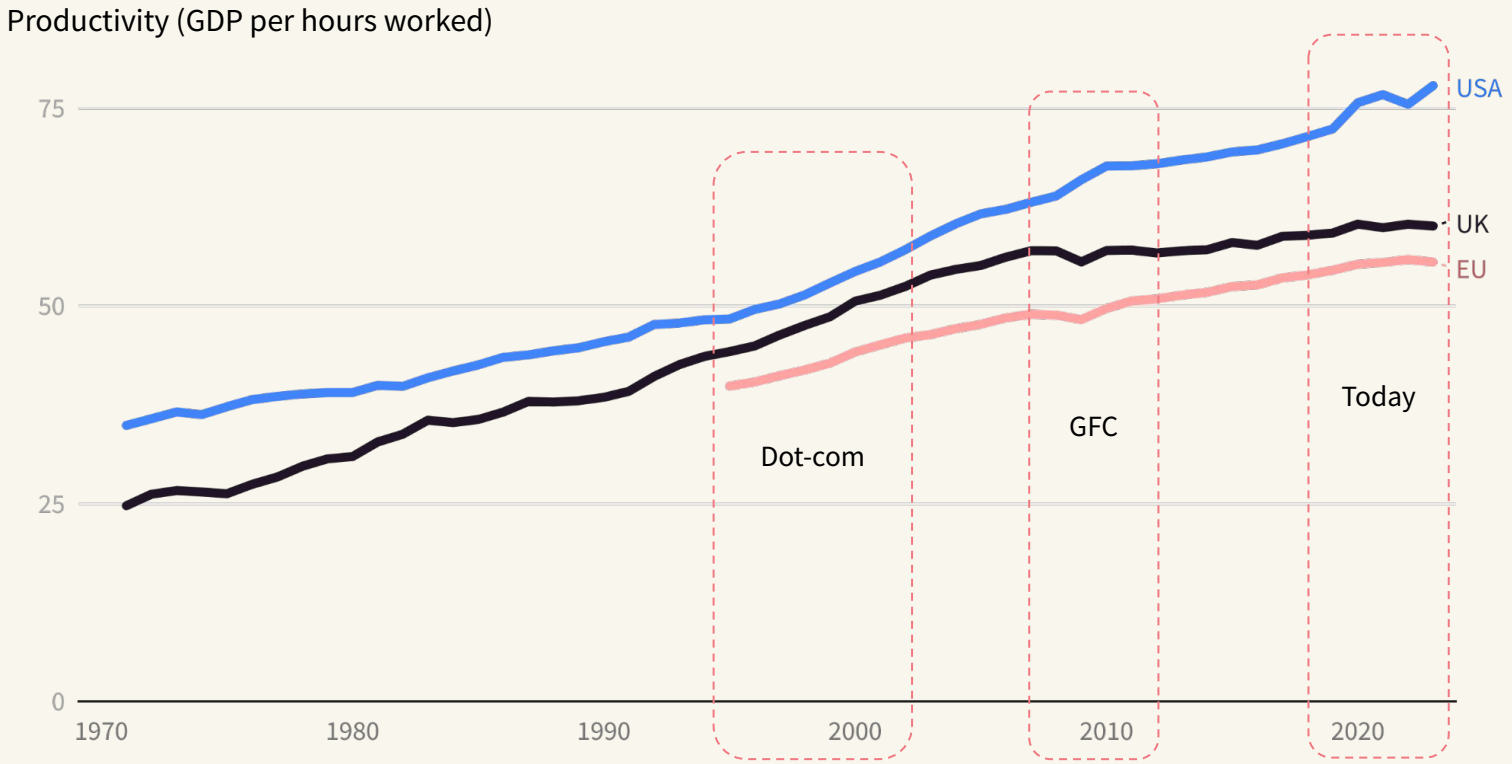


May 2025

A new breed of entrepreneurs has produced majority of value creation during last decades: engineers – who previously might have stayed in university or large engineering firms – backed by new breed of investors, making this a viable option

Source: Dealroom.co.

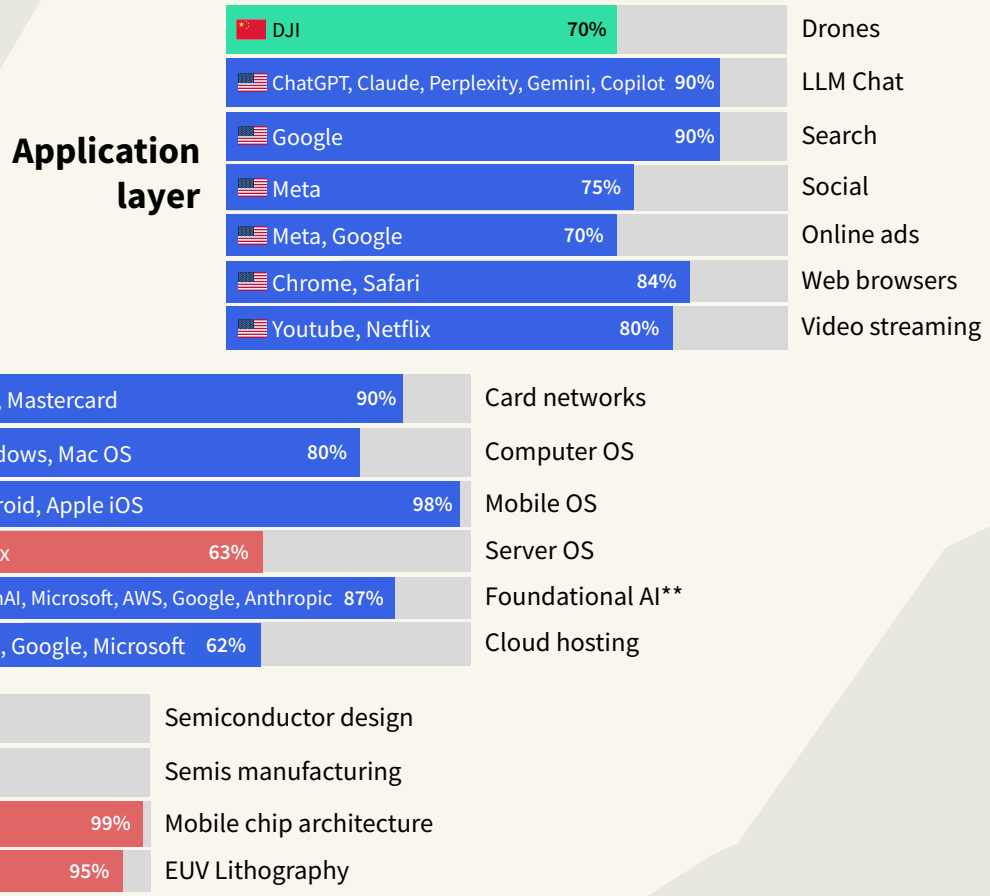
Technology drives productivity growth, which in turn fuels GDP growth—through both a strong tech sector and widespread diffusion across society



Source: Dealroom.co analysis of OECD data and estimates, data from 1971 to 2023. US dollars per hour, PPP converted. Constant prices, 2015 (from 1971 to 2023). Labor productivity measures how much output is produced for every hour worked.

Dependency on foreign tech. Deep tech has role to play here

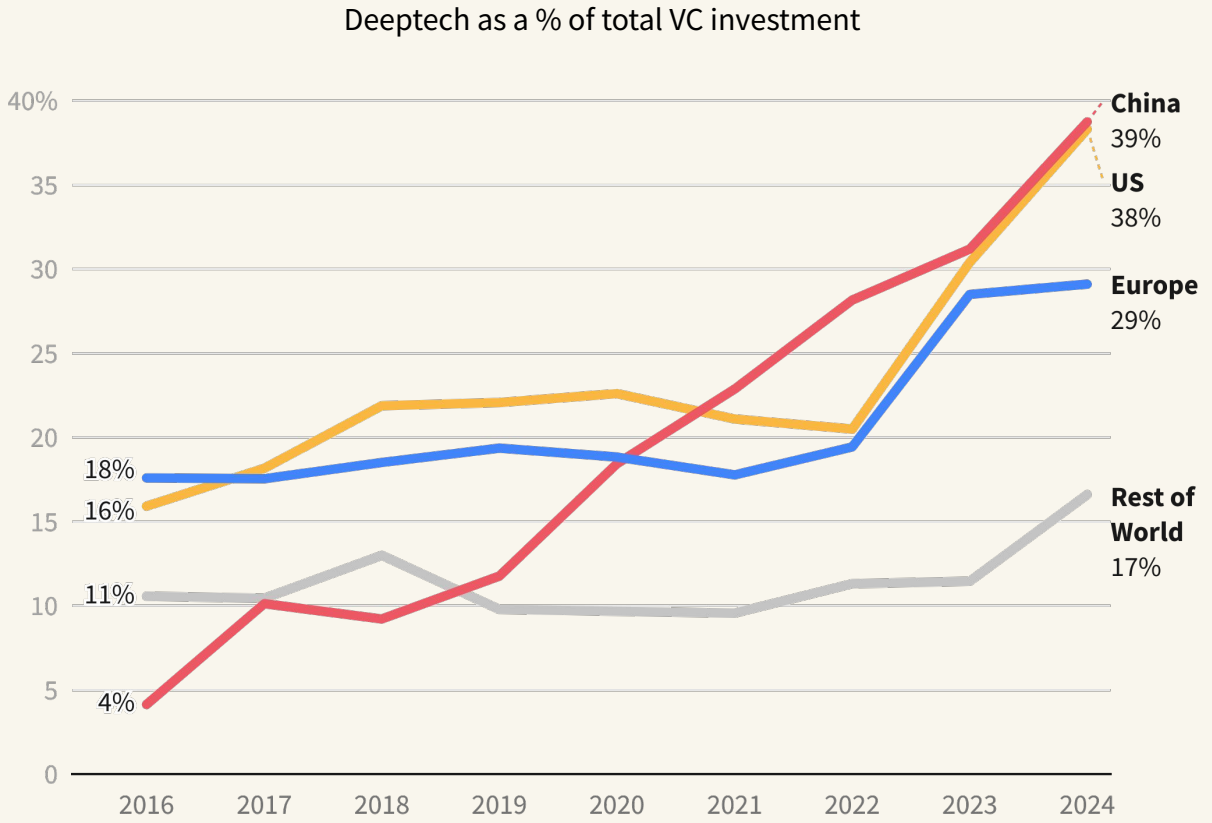
Market share in selected key layers of technology*



Source: *Dealroom indicative estimates based on desktop research.
**Based on late 2023 data, does not include xAI, DeepSeek.

Europe, US and China all have shifted more to Deep Tech.

In 2024 this trend continued, driven by frontier AI



Source: Dealroom.co.

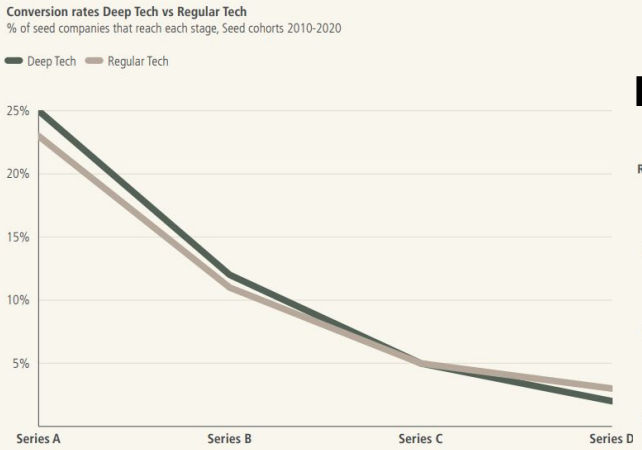
Deep Tech is defined as

novel scientific or engineering breakthroughs

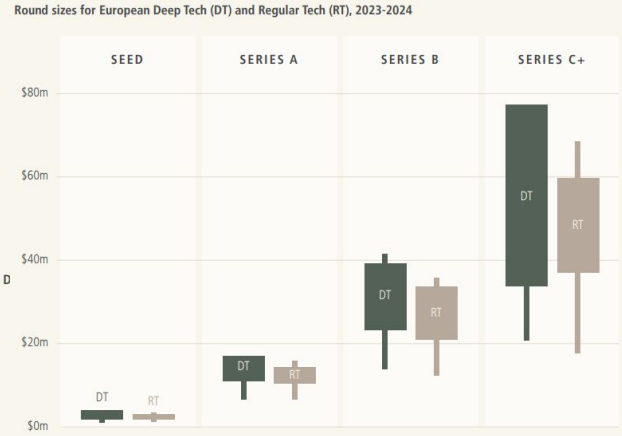
making their way into
products and companies
for the first time

Source: Dealroom.co. The European Deep Tech Report by Lakestar, Walden Catalyst and Dealroom

Similar graduation rates …



Bigger rounds (sometimes)…



1.5x more time to get to $25M+ revenues, but levels out $100M+ (less competition for Deep Tech company).

Source: Dealroom.co. The European Deep Tech Report by Lakestar, Walden Catalyst and Dealroom

Many of Europe's most valuable companies are/were Deep Tech

$300 bn market cap
Insulin

$350 bn market cap
Real-time data

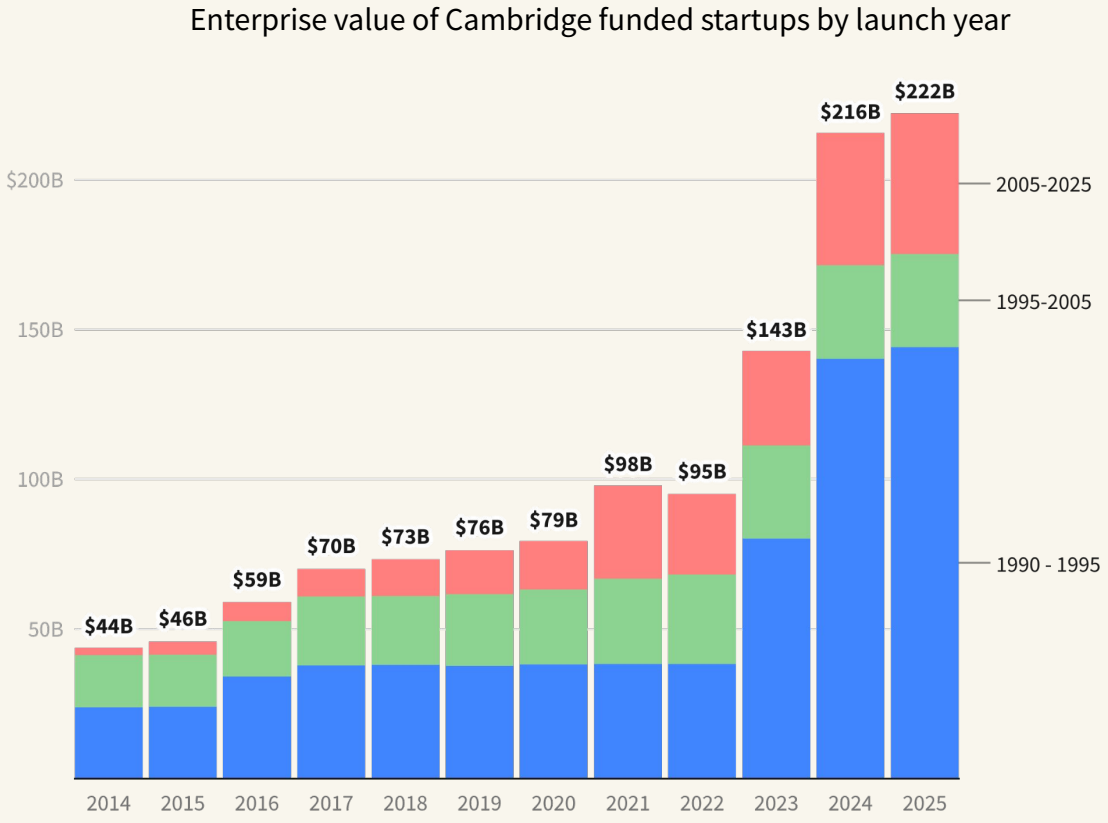
$140 bn market cap
Chip design

$290 bn market cap
Lithography

Source: Dealroom.co.

Cambridge's tech ecosystem has a combined value of $222 billion

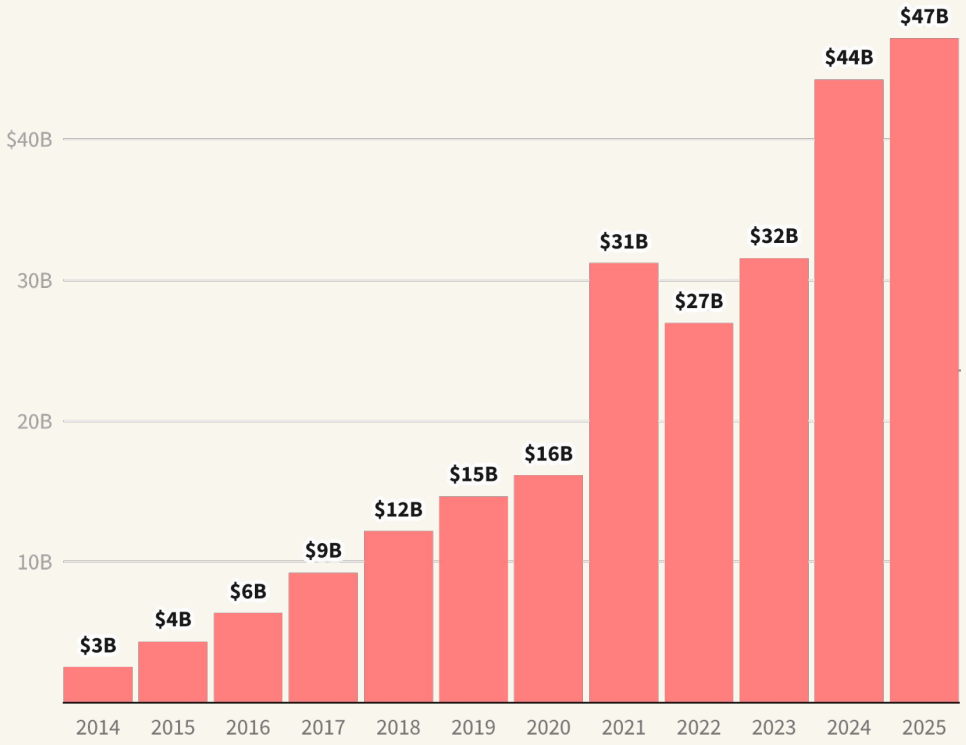
18% of the value of UK tech, 2nd after London



Source: Dealroom.co.

Not just ARM: the cohort of startups launched from 2005 has increased significantly in value too to $47B

Enterprise value of Cambridge funded startups launched since 2005



Source: Dealroom.co.

Only 3% of input leading to disproportionate outcomes – promising pipeline ahead

Flow of new startups

±20
Raise their first VC-round each year

3% of UK

Pool of VC-backed companies

300
Startups ($100K–15M funding)

3%

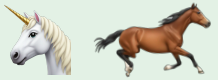
120
Breakouts ($15–100M funding)

9%

22
Scaleups ($100M+ funding)

6%

Outcomes to date
$25M+ revenues (Colts)
$100M+ revenues (Thoroughbreds)
and/or $1B+ valuation (Unicorns)



Luminance · Feature Space · sptlabtech · Gen Phoenix · bango · ABZENA · Speechmatics · CyanConnode · Gearset · amino · bicycle therapeutics · and more

33
$25-100M revenue

3%

16
$100M+ revenue and/or $1B+ valuation

5%

abcam · CMR Surgical · DARKTRACE · Wayve · Quantinuum · CSR · JAGEX · Frontier · horizon · Autonomy · astex pharmaceuticals · and more

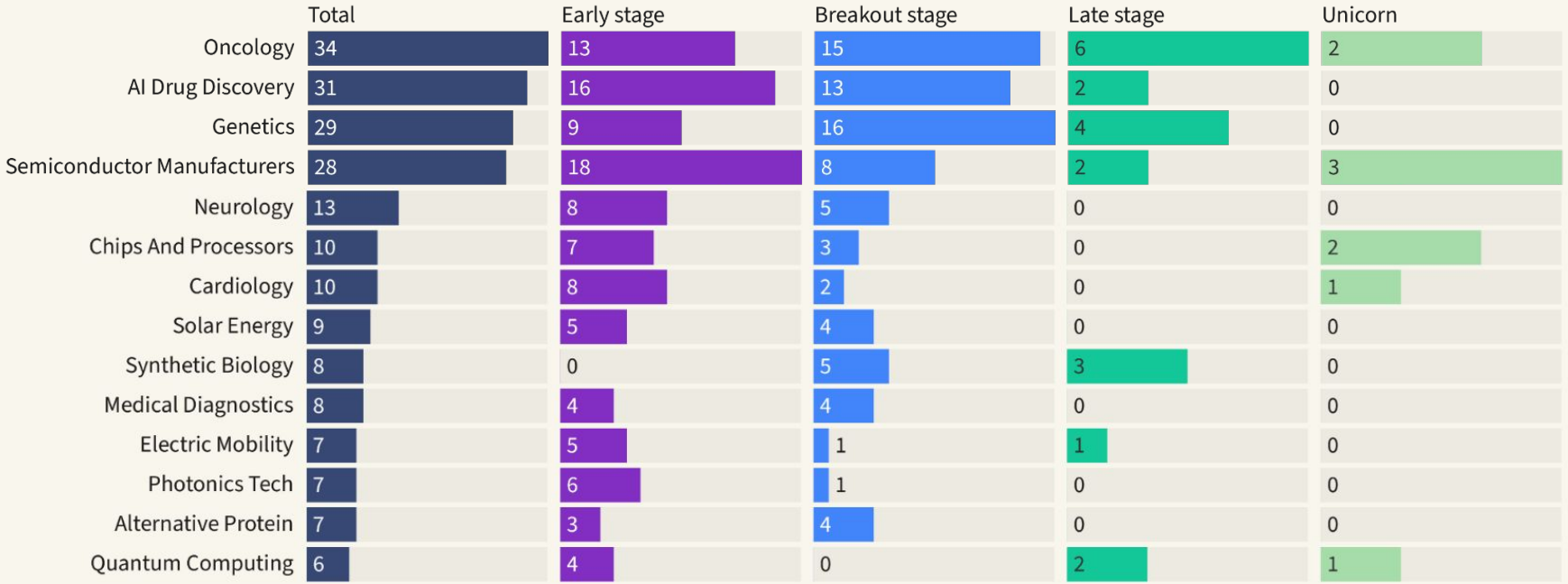
arm

100%

Source: Dealroom.co.

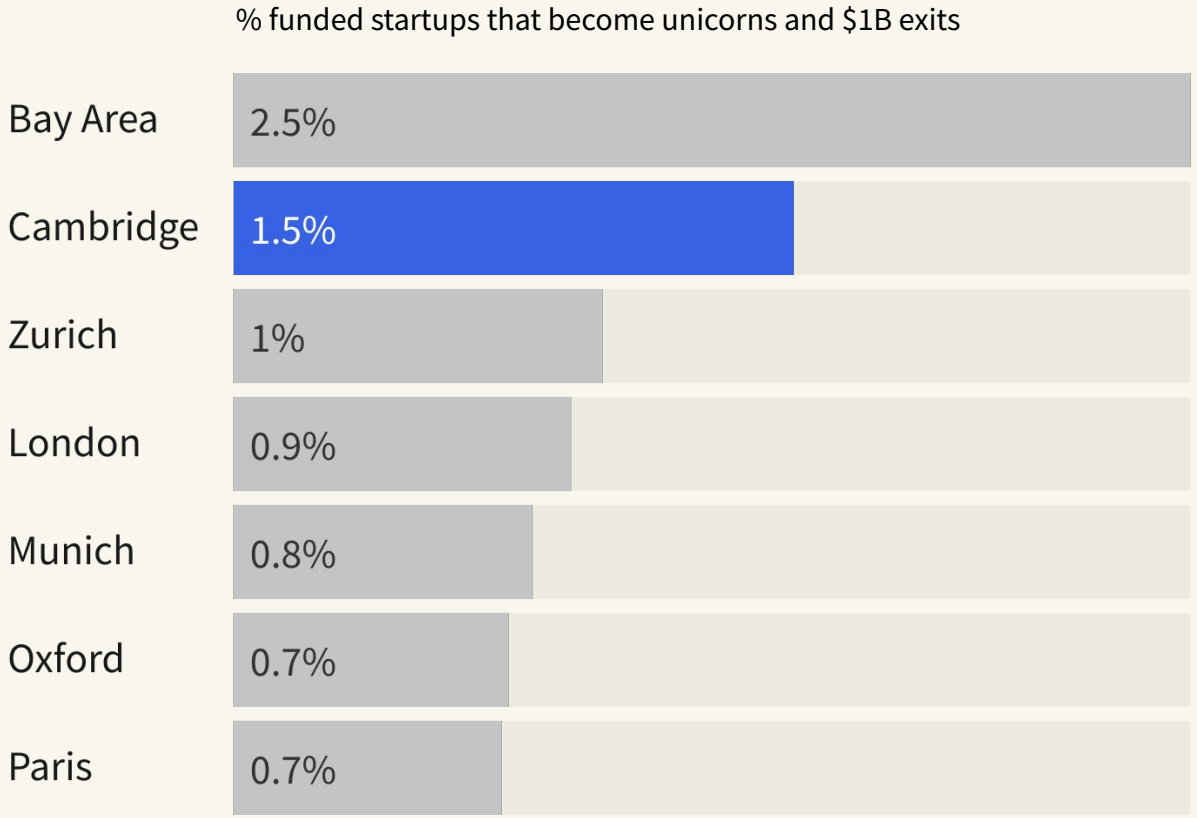
Strong pipeline of Life sciences, Deep tech, Climate tech and AI startups

Cambridge funded startups by segment/stage



Source: Dealroom.co.

More unicorns for every funded startup than other European ecosystems

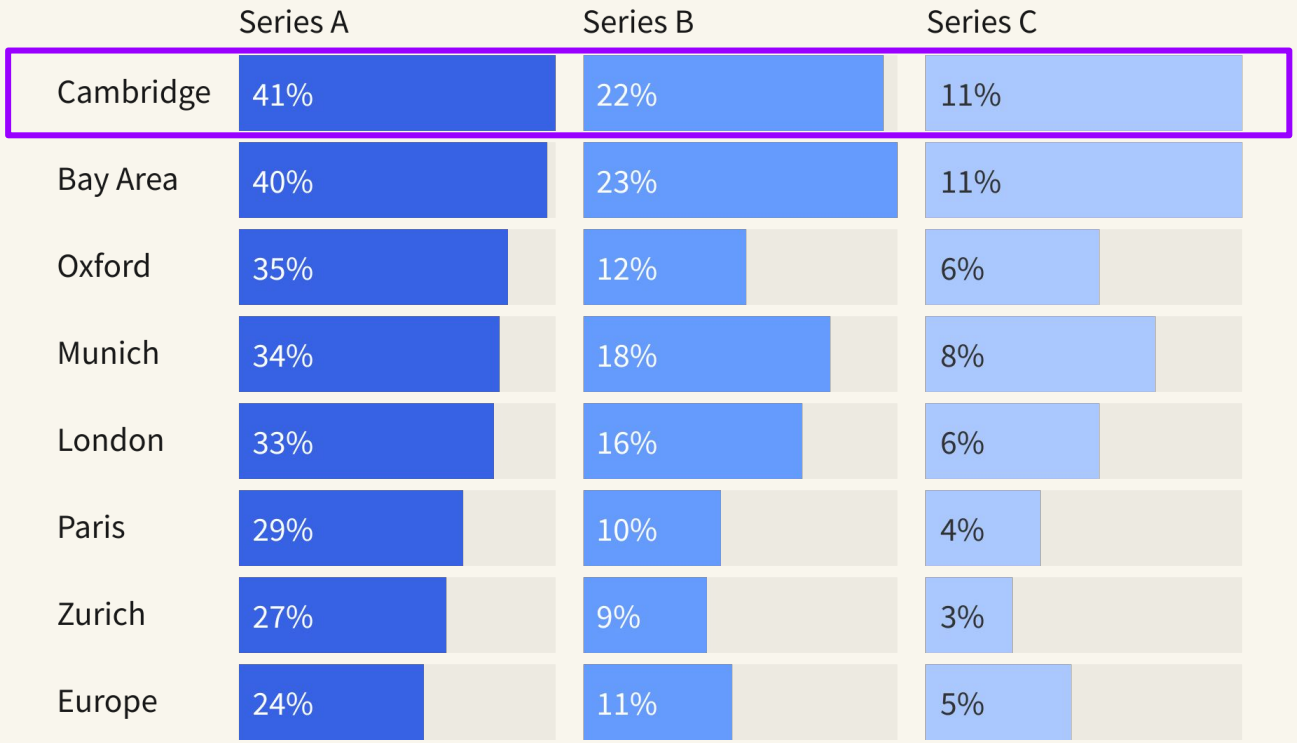


Source: Dealroom.co. Total count of unicorns and $1B exits since 1990, relative to total number of funded startups.

Cambridge leads Europe in startup progression from seed, competing with the Bay Area

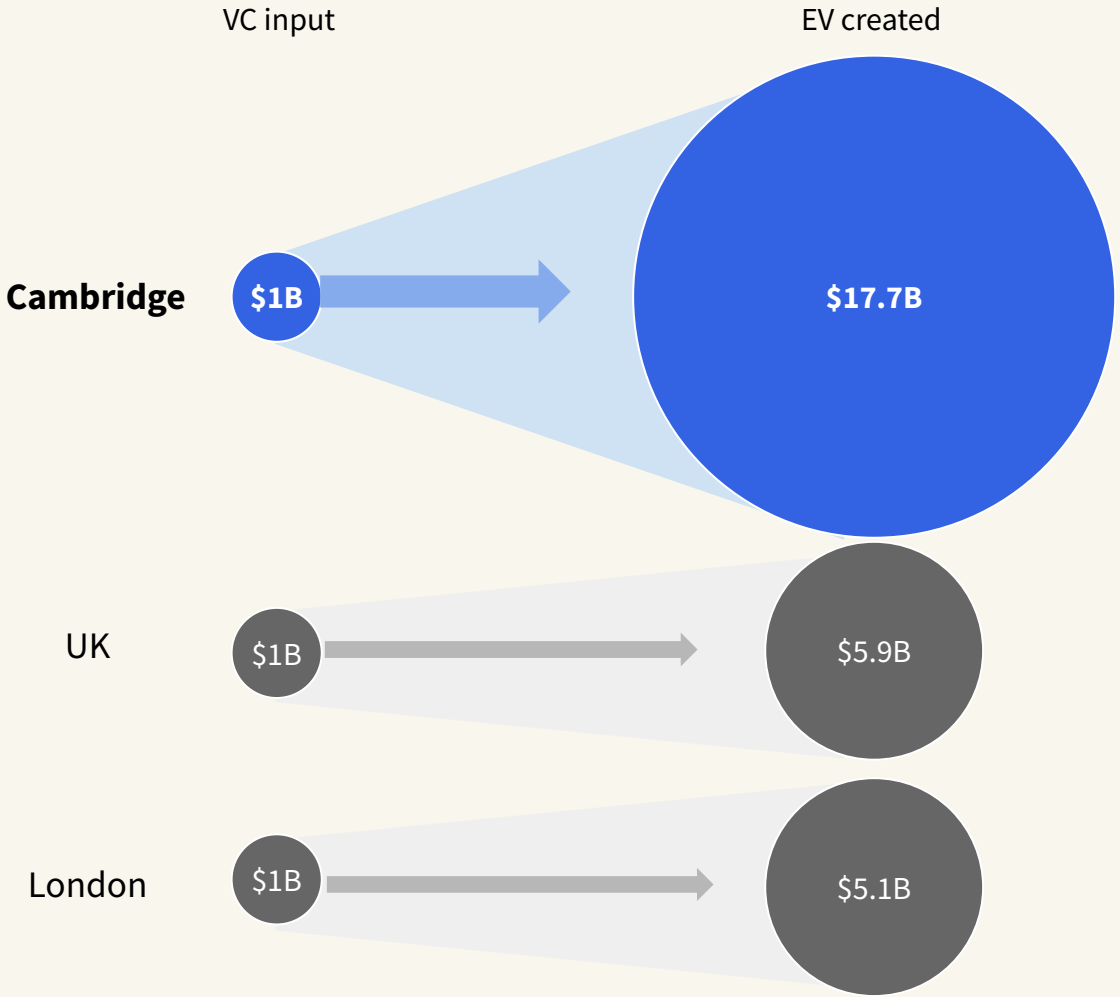
41% of Cambridge seed startups advance to Series A funding, ahead of Bay Area (40%) and Oxford (35%)

Conversion rate of startups from standardized seed rounds between 2015 and 2020



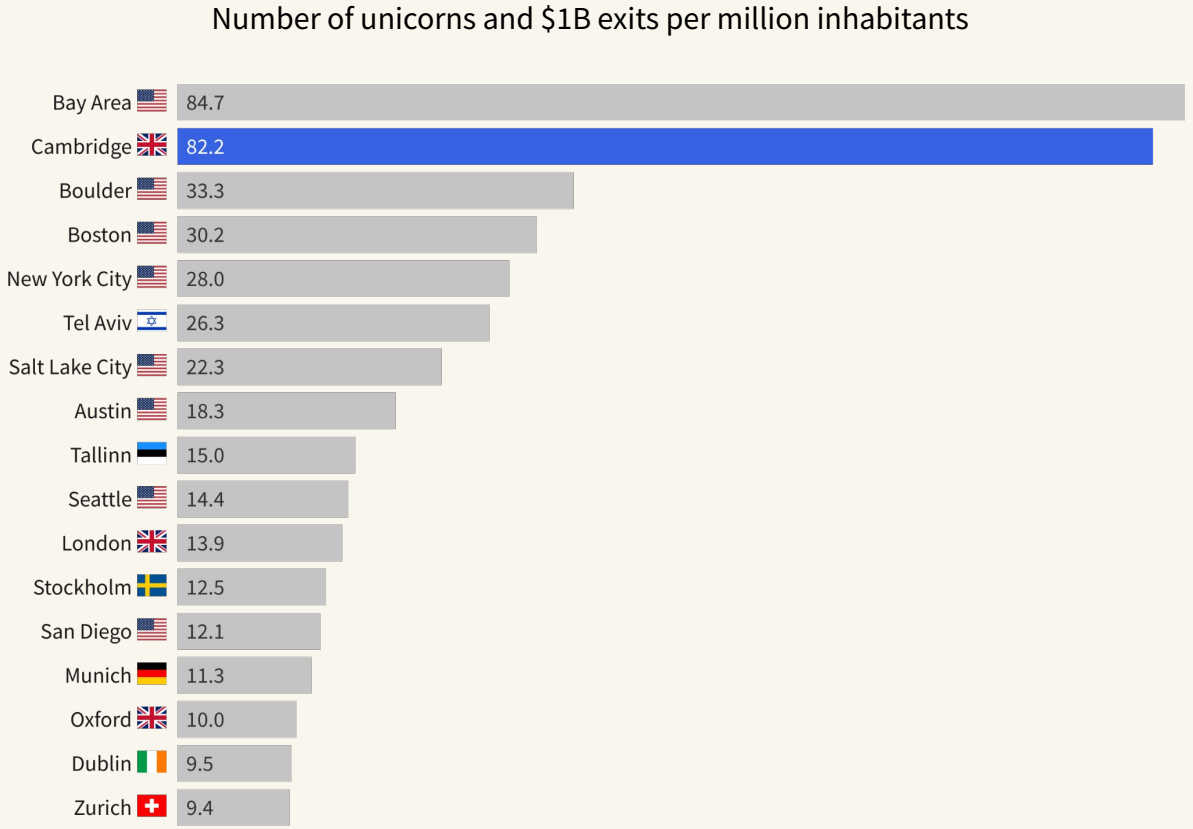
Source: Dealroom.co. *Startup graduation rates track startups that secured seed funding in a given year and measure how many raise Series A, B, or C+ within 3 to 36 months.

For every $1B of VC investment, Cambridge produced $17.7B



Source: Dealroom.co.

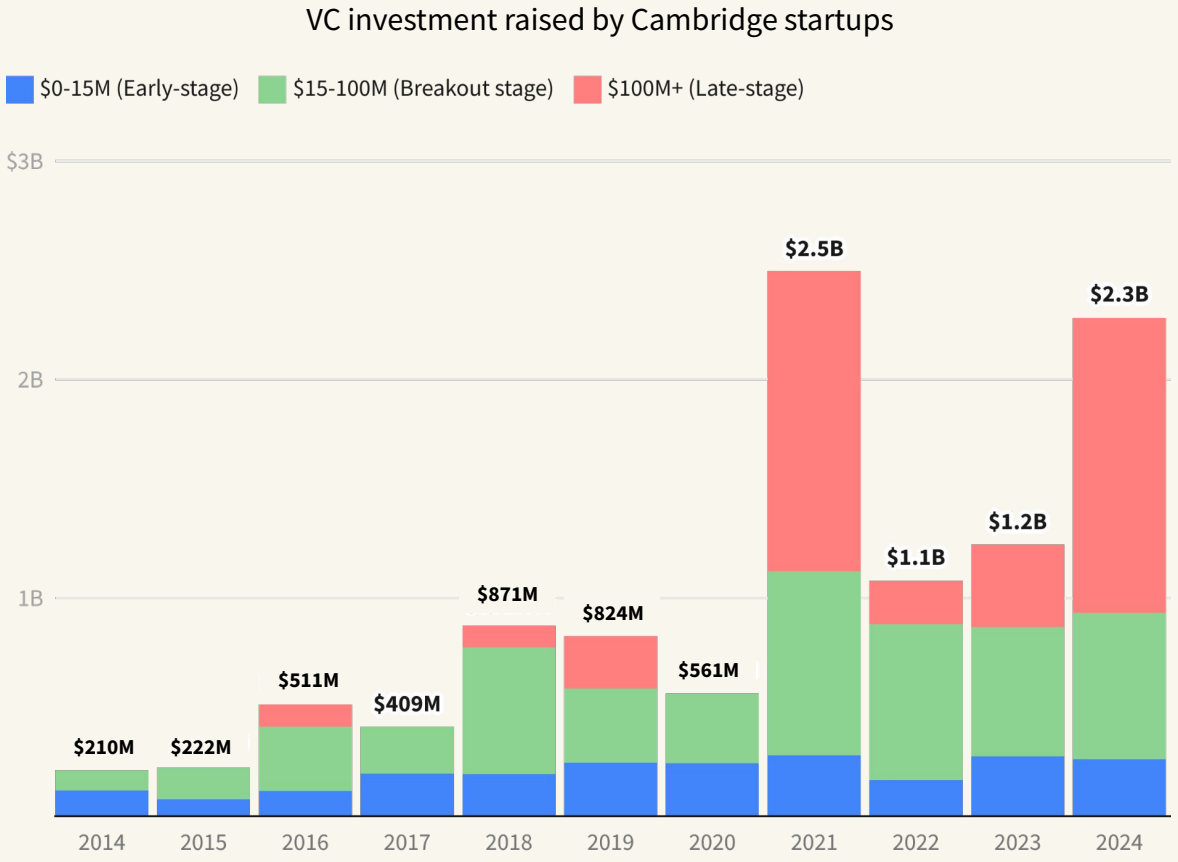
Cambridge ranks #2 globally by unicorns per capita, just behind the Bay Area



Source: Dealroom.co.

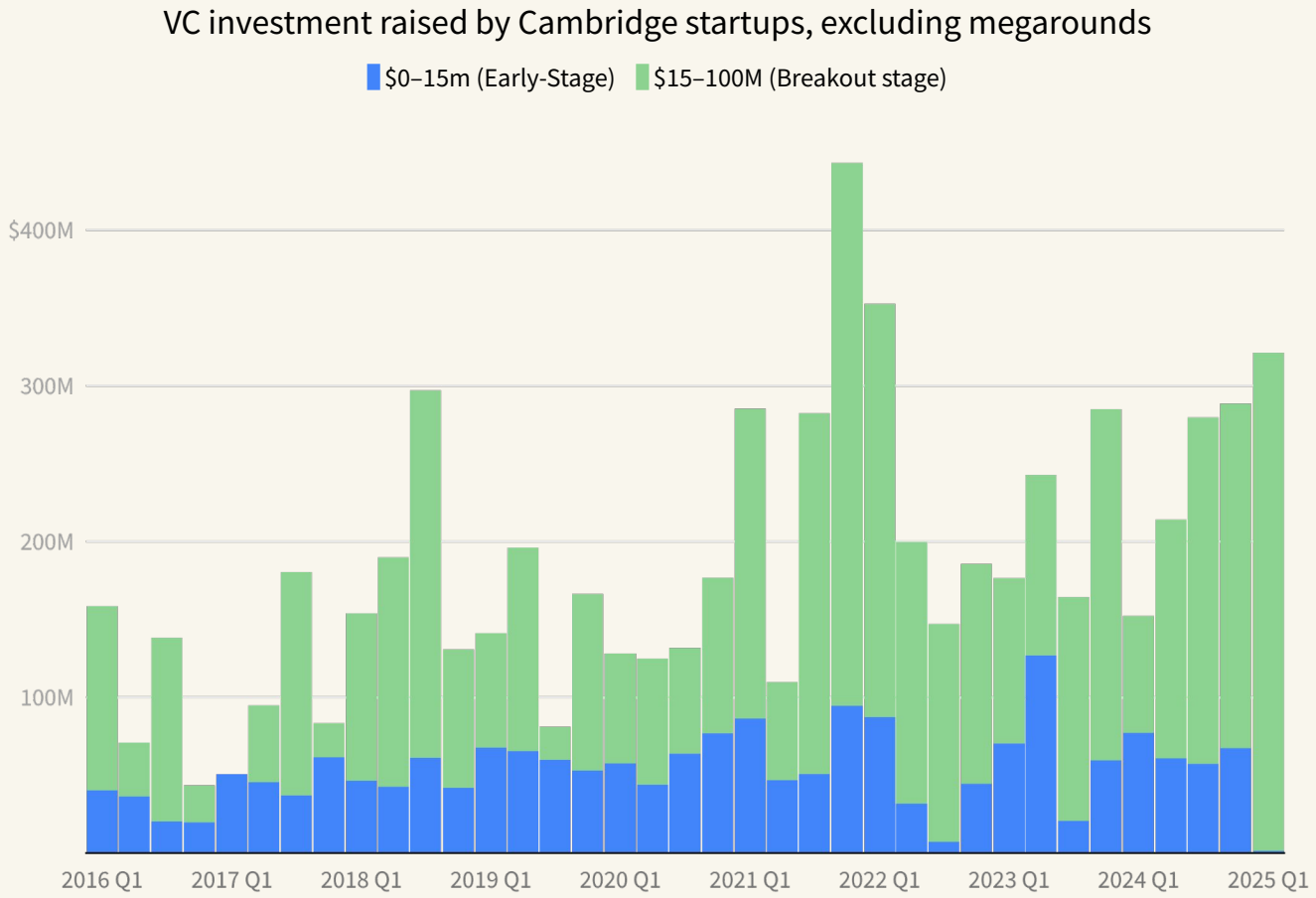
$2.3B in VC investment in 2024, almost double 2023 and second-highest ever

Two mega rounds:
Wayve ($1.1B) and
Quantinuum ($300M)



Source: Dealroom.co.

But underlying trend is also consistent and growing



Source: Dealroom.co.

Exceptional founders are driving new startup creation in Cambridge

QUANTINUM

cusp.ai

Former Quantinuum Head of strategy & products
Chad Edwards launched CuspAI in 2024

Base4

lightcast

VOTAL

Biofidelity.

Serial Founder Cameron Frayling launched
Lightcast Discovery, Base4, Pivotal and Biofidelity

arm

monumo

Former Head of Sustainability at ARM
Dominic Vergine launched Monumo in 2021

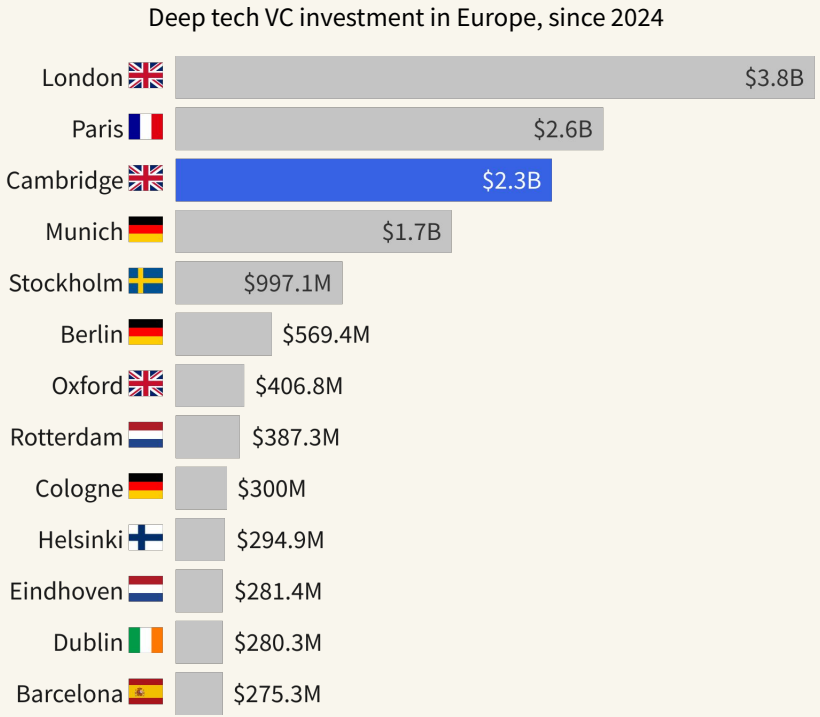
8power

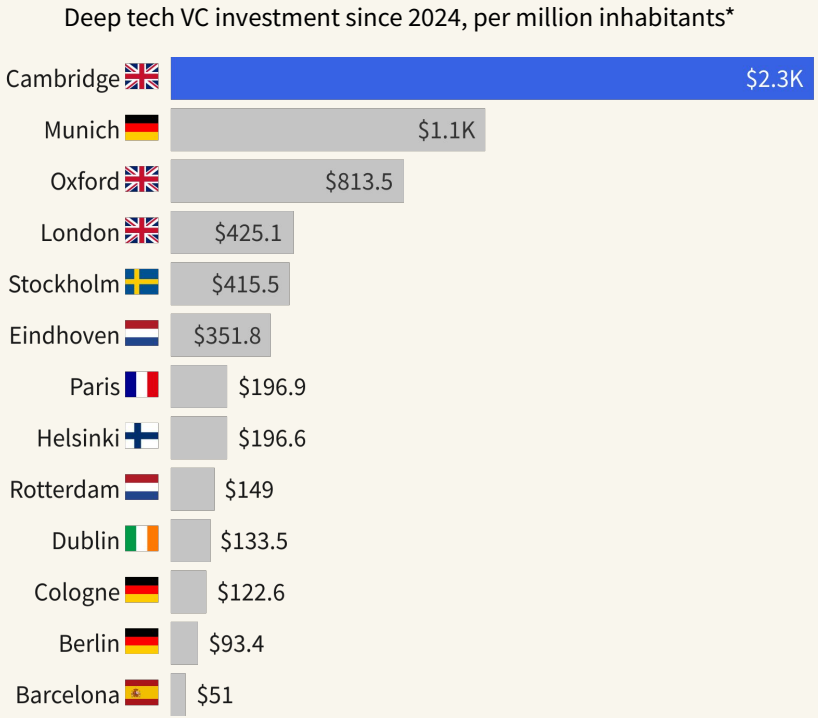
SMG SILICONMICROGRAVITY

Professor of Microsystems Technology at the University of Cambridge
Ashwin Seshia launched 8power and Silicon MicroGravity

Source: Dealroom.co.

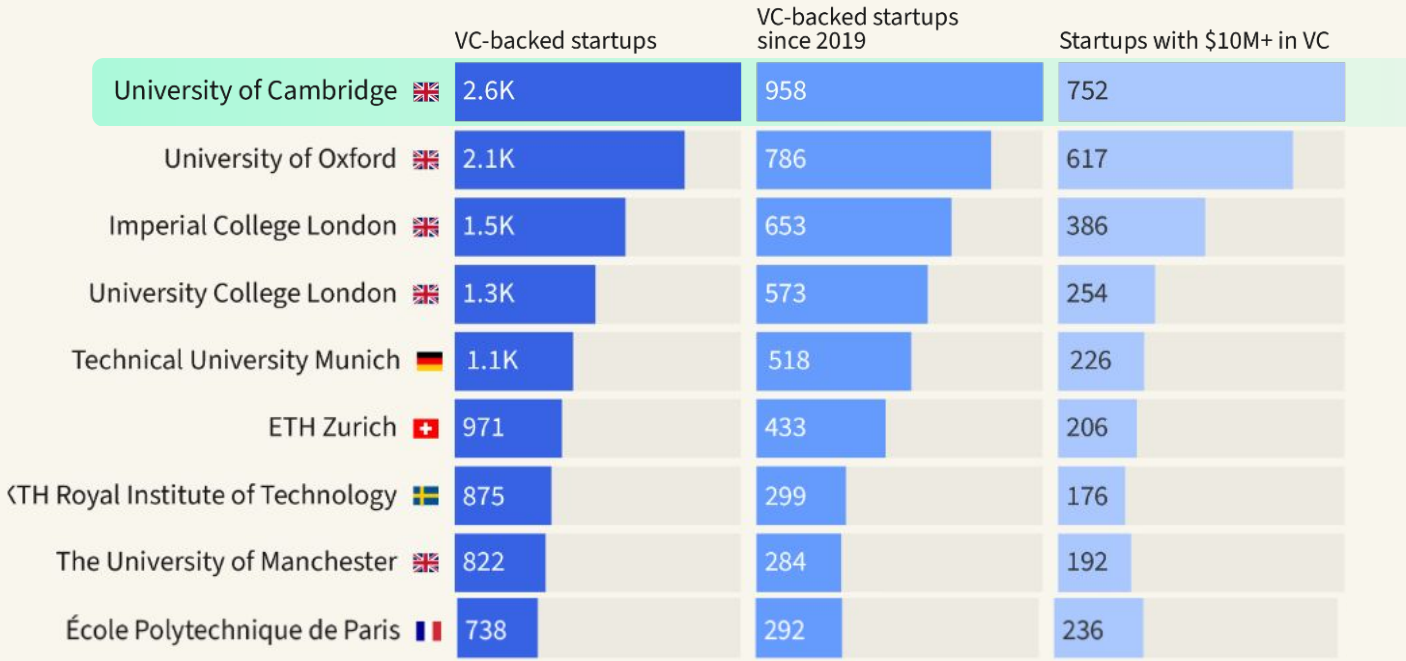
Cambridge ranks #3 in Europe for Deep Tech VC – and #1 per capita





Source: Dealroom.co. *Of top hubs by VC investment since 2024

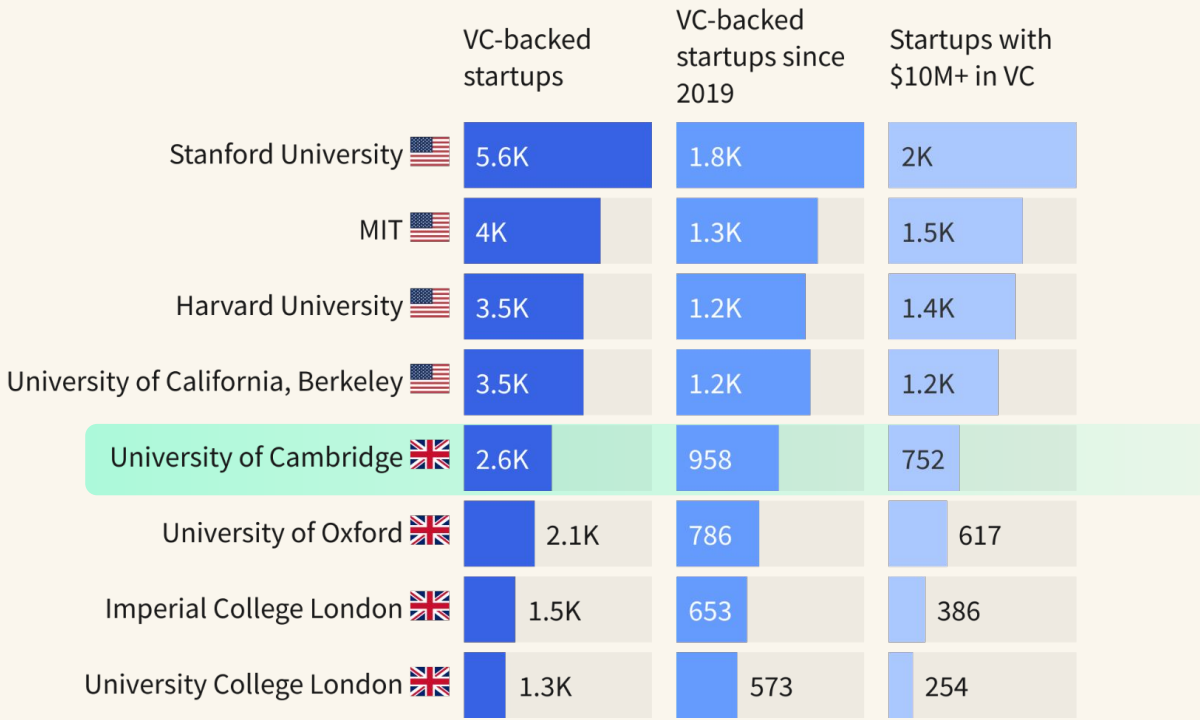
Cambridge alumnis have created more startups than any other European university



Source: Dealroom.co. Metrics are based on startups founded by university alumni globally; business schools were excluded from this analysis

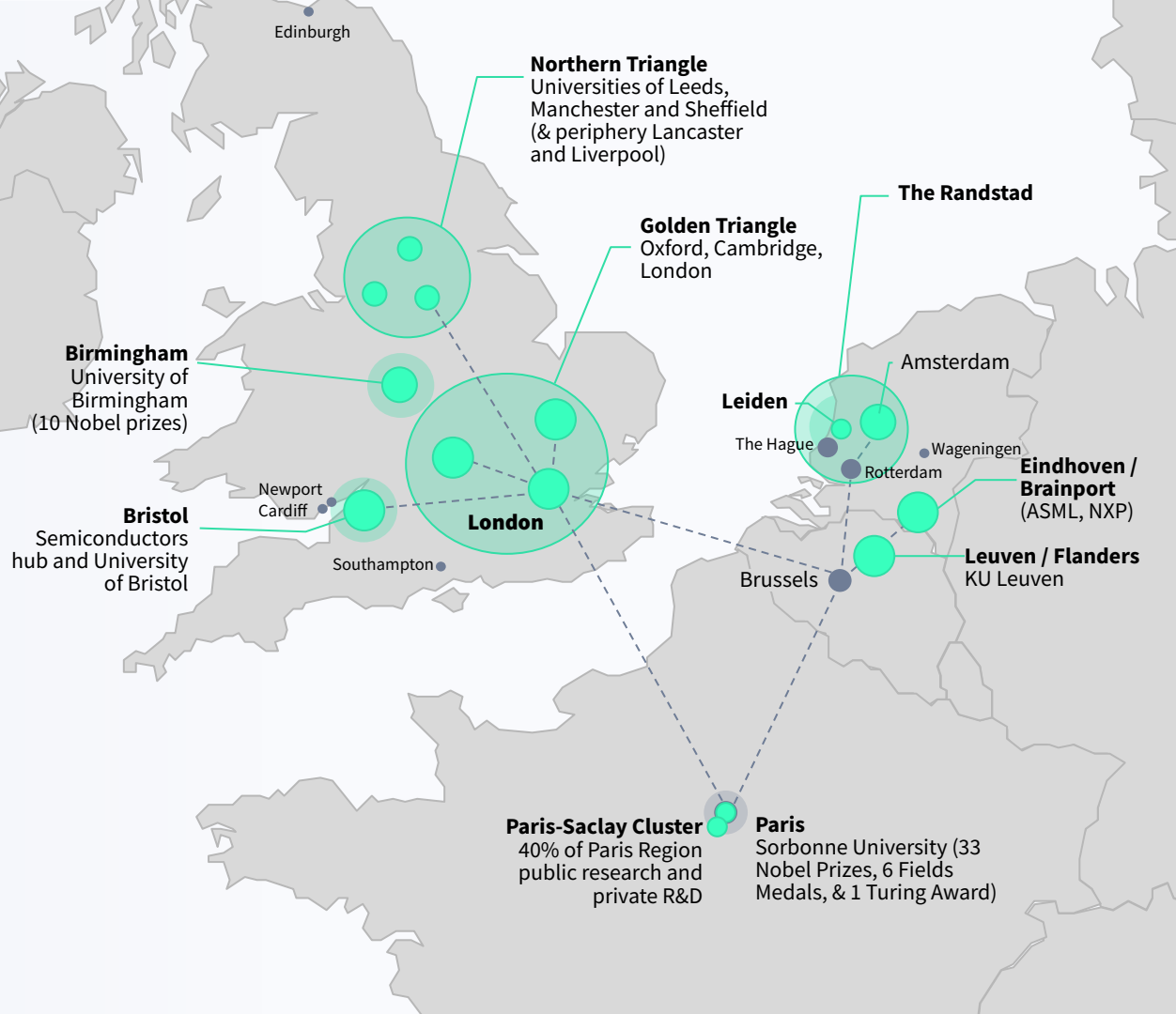
Globally, Stanford, MIT are still in another league. But 2-3x growth isn't out of range – given all initiatives underway.

Especially true when considering the geographical location of Cambridge …



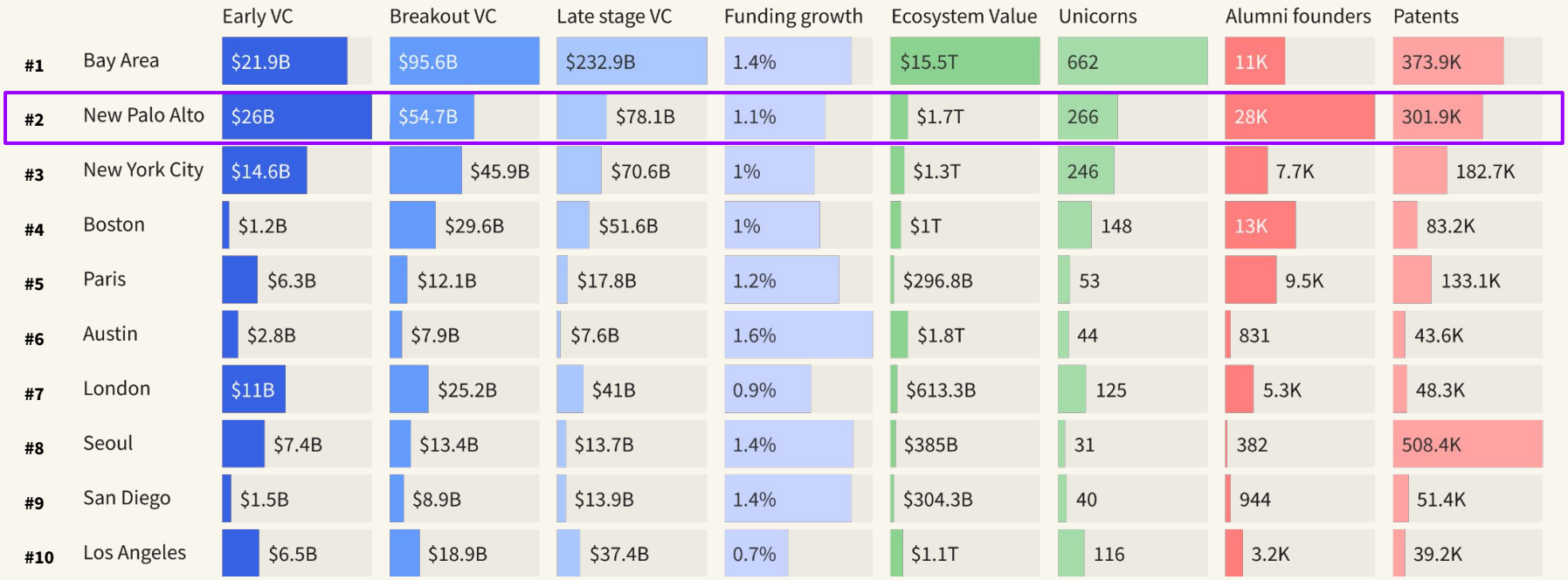
Source: Dealroom.co. Metrics are based on startups founded by university alumni globally; business schools were excluded from this analysis

Cambridge sits in the center or the world's most dense cluster of tech ecosystems including London, Paris, Amsterdam, Eindhoven, Oxford, Leuven, etc
All within a 4 hours rail trip: New Palo Alto



Source: Dealroom.co

New Palo Alto ranks as the world's #2 tech ecosystem



Source: Dealroom.co.

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