Funding Pulse

Analysis of the key trends in the Irish funding sector, prepared by Fitzgerald Power on a quarterly basis.

Q2 2026



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Colin Moran

SBCI CEO

Irish businesses continue to face a landscape shaped by changing costs, new technologies and increasing competition. In this environment, access to appropriate and affordable finance remains essential, helping businesses manage day-to-day operations while investing in their future.

This edition of the Funding Pulse reflects a dynamic funding environment. Outstanding SME debt has reached a twelve-month high, while new lending has moderated following a strong start to the year. Venture capital and investment activity remain robust, highlighting the range of funding options available to Irish businesses. With borrowing costs rising, making informed financing decisions is more important than ever.

The recent launch of an additional €500 million in funding under the government-backed Growth and Sustainability Loan Scheme further strengthens the financing options available to Irish SMEs. By supporting investment in areas such as sustainability, digitalisation and business growth, the Scheme can help businesses improve productivity, strengthen their competitiveness, and invest for the longer term.

Through our partnership with Fitzgerald Power, the Funding Pulse brings together practical insights and market data to help businesses better understand the funding landscape and make informed financing decisions. I hope this edition provides useful context as businesses consider their funding needs and plan for the future.



Jennifer Power

SME PARTNER - FITZGERALD POWER

Welcome to the latest edition of the Funding Pulse, produced in partnership with the Strategic Banking Corporation of Ireland (SBCI), providing an overview of the trends shaping Ireland's funding landscape during the second quarter of 2026.

The latest figures present a mixed picture for Irish businesses. While outstanding SME debt has increased during the quarter, new lending has eased slightly following a strong start to the year. At the same time, borrowing costs have risen, reinforcing the importance of careful financial planning and ensuring businesses have the right funding structures in place to support their ambitions.

Beyond traditional lending, investment activity continues to demonstrate the strength of the Irish market. Venture capital remains active, particularly across technology, fintech and life sciences, while continued M&A activity highlights the appetite for quality Irish businesses among domestic and international investors.

For business owners, the message is clear. Access to funding remains essential, but understanding the options available and choosing the right approach is increasingly important. Whether investing in growth, funding an acquisition or planning for succession, having a clear financial strategy can make a significant difference.

At Fitzgerald Power, we work closely with businesses at every stage of their development, helping them navigate these decisions and identify opportunities. Through the Funding Pulse, our aim is to provide practical insights that support informed decision-making and help Irish businesses plan confidently for the future.

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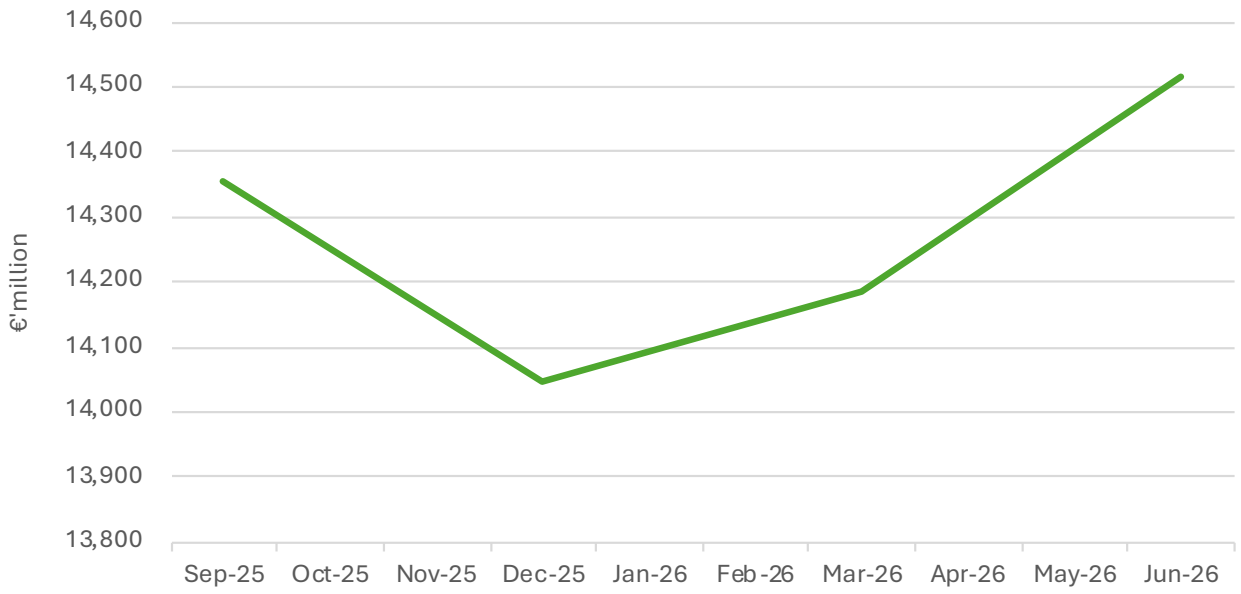
Debt Pulse

OUTSTANDING DEBT

The outstanding SME debt stood at €14.51 billion at the end of Q2 2026, remaining broadly unchanged year-on-year. Debt increased by 2.3% during the quarter from €14.19 billion in Q1 2026 and reached its highest level of the past 12 months.

Sector	Sept-25	Dec-25	Mar-26	Jun-26	Jun-25
Business & Administrative Services	1,816	1,842	1,830	1,917	1,795
Construction, Real Estate & Development Activities	3,220	3,051	3,125	3,131	3,227
Electricity, Gas, Steam & Air Conditioning Supply	154	152	152	144	159
Hotels & Restaurants	1,260	1,206	1,194	1,201	1,223
Human Health & Social Work	519	530	502	526	516
Info & Communication	163	162	167	183	177
Manufacturing	913	839	835	858	920
Other activities	896	905	937	1,073	884
Other Community, Social & Personal Services	389	378	382	403	432
Primary Industries	3,189	3,088	3,135	3,123	3,224
Wholesale/Retail Trade & Repairs	1,837	1,895	1,926	1,955	1,951
Total	**14,356**	**14,048**	**14,185**	**14,514**	**14,508**

SOURCE: CENTRAL BANK OF IRELAND



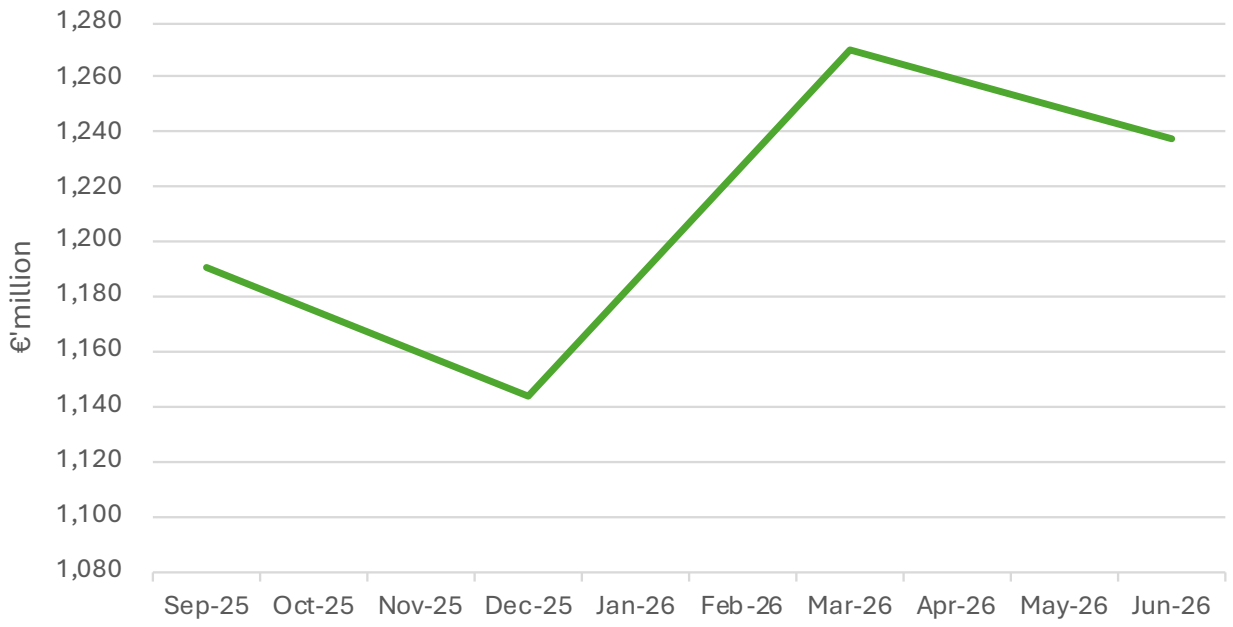
NOTE: In June 2026, the Central Bank of Ireland's Bank Lending to Irish Businesses publication replaced the SME and Large Enterprise Credit and Deposits publication. The change in data sources from SQ2 statistical returns to AnaCredit and RS3 (SBS table) returns resulted in a methodological break in the series. Accordingly, comparisons with prior periods should be interpreted with caution.

GROSS NEW LENDING

Gross new lending to SMEs totalled €1.24 billion for Q2 2026, following the strong increase in Q1. This represented a 2.5% decrease quarter-on-quarter and a 4.4% decrease compared to Q2 2025.

Sector	Sept-25	Dec-25	Mar-26	Jun-26	Jun-25
Business & Administrative Services	173	203	182	170	180
Construction, Real Estate & Development Activities	251	241	244	242	285
Electricity, Gas, Steam & Air Conditioning Supply	4	4	8	5	8
Hotels & Restaurants	111	50	117	132	65
Human Health & Social Work	36	38	20	76	31
Info & Communication	16	12	13	30	17
Manufacturing	94	94	83	79	127
Other activities	95	83	120	87	113
Other Community, Social & Personal Services	29	19	46	22	46
Primary Industries	179	205	185	198	199
Wholesale/Retail Trade & Repairs	203	195	252	197	224
Total	**1,191**	**1,144**	**1,270**	**1,238**	**1,295**

SOURCE: CENTRAL BANK OF IRELAND



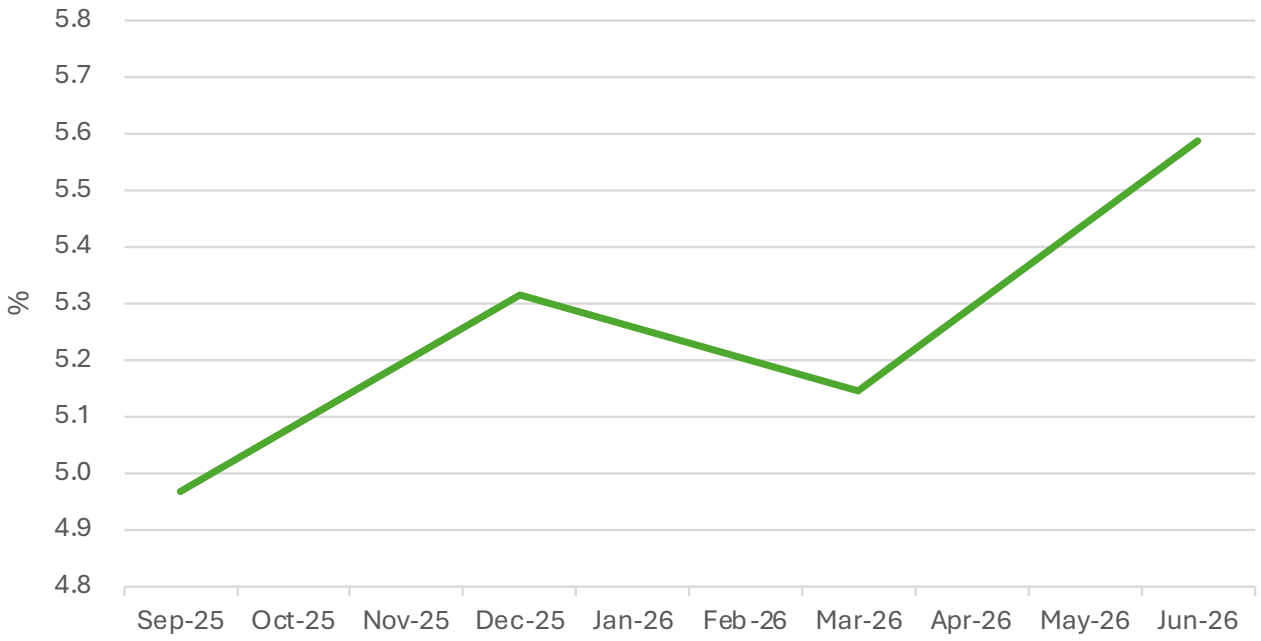
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COST OF FUNDS

Interest rates increased during Q2 2026, with the average weighted rate reaching 5.6%. This represented an increase of 60 basis points from Q2 2025. Sectoral trends were mixed, with Business & Administrative Services recording the largest year-on-year increase, rising by 131 basis points. In contrast, the Electricity, Gas, Steam & Air Conditioning Supply sector interest rates decreased by 102 basis points.

Sector	Sept-25	Dec-25	Mar-26	Jun-26	Jun-25
	%	%	%	%	%
Business & Administrative Services	4.95	5.69	5.49	5.90	4.59
Construction, Real Estate & Development Activities	4.88	5.30	5.18	5.57	4.88
Electricity, Gas, Steam & Air Conditioning Supply	5.49	5.75	4.74	6.12	7.14
Hotels & Restaurants	4.82	5.34	5.31	5.68	4.88
Human Health & Social Work	5.21	5.82	5.48	4.65	5.15
Info & Communication	5.41	5.15	5.69	5.73	5.75
Manufacturing	4.58	4.65	5.05	5.36	4.45
Other activities	5.12	5.47	4.37	5.50	5.14
Other Community, Social & Personal Services	4.78	4.75	5.18	5.62	5.23
Primary Industries	5.36	5.48	5.61	5.79	5.49
Wholesale/Retail Trade & Repairs	5.01	5.08	5.13	5.61	4.88
Weighted Average	**4.97**	**5.31**	**5.15**	**5.59**	**4.99**

SOURCE: CENTRAL BANK OF IRELAND



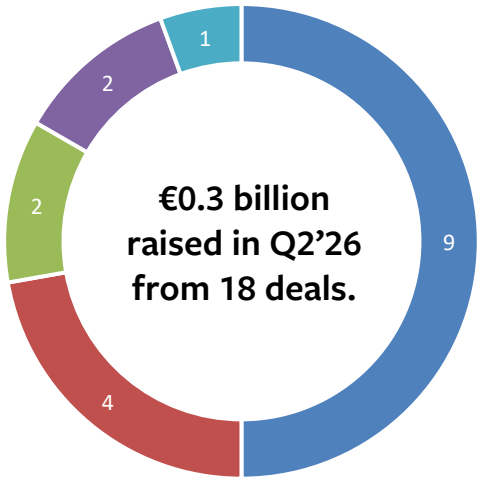
Venture Pulse

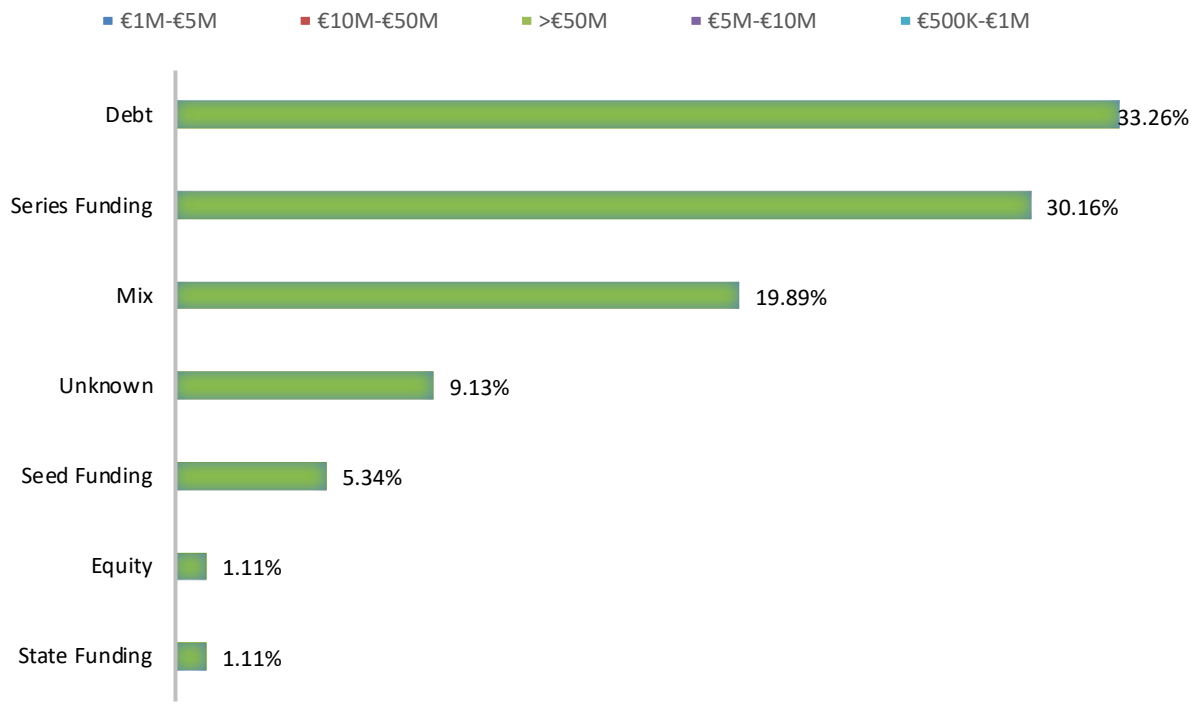
The table below presents a selection of venture capital fundraising rounds over the course of Q2.

Q2 2026 Activity	'000	Sector	Investors	Advisors
Peri	100	Health & Beauty	HBAN	
Chirp	310	Cybersecurity	HBAN	
Shinka	340	Software - SaaS	HBAN	
Better Futures	600	AI & Machine Learning	Enterprise Ireland, Private Investors	
Zellor	850	AI & Machine Learning	Enterprise Ireland	Byrne Wallace Shields LLP
Apex B2B	1,500	B2B Marketplace	Enterprise Ireland	
Nexus Inclusion	1,500	AI & Machine Learning	Private Investors	
FYCK Limited	1,500	AI & Machine Learning	Enterprise Ireland, Privates, Angels, Elkstone, Sure Valley	Byrne Wallace Shields LLP, Philip Lee LLP
Gigi Supplements	1,500	Health, Nutrition & Wellness	Enterprise Ireland, Vestra Partners, Angels	Byrne Wallace Shields LLP
Grá Chocolates Limited	1,500	Food & Drink	Enterprise Ireland, Privates	Byrne Wallace Shields LLP
Evolve Neuro	1,600	Lifesciences - Healthtech	Revival Lab	
HR Duo	1,600	Software - SaaS	Puma Growth Partners, Privates, Enterprise Ireland	
Midnight Labs	2,000	AI & Machine Learning	Sony Innovation Fund, Airbridge Equity Partners	
Otel AI	2,000	AI & Machine Learning	Playfair, Nebular, Angels	
Altratech	2,400	Lifesciences - MedTech	Bank of Ireland Kernel Capital Venture Fund	
Vertigenius	2,550	Lifesciences - MedTech	Atlantic Bridge, Enterprise Ireland, Medtech Syndicate, IRRUS Investments, Xcendra Ventures, Ascentifi	William Fry, Flynn O'Driscoll LLP
Mirai Medical	3,000	Lifesciences - MedTech	WDC, Angels, Enterprise Ireland	
Neurobell	3,279	Lifesciences - MedTech	Furthr VC, Atlantic Bridge, Medtech Syndicate, Elkstone, Corporates, Enterprise Ireland	Philip Lee LLP, Flynn O'Driscoll LLP
Signum Surgical	3,500	Lifesciences - MedTech	WDC, Angels	Flynn O'Driscoll LLP
Sorted	3,800	FinTech - Crypto	Tether, Gnosis VC	
Payslip	5,000	FinTech	Salica Investments	
Versono	5,000	Lifesciences - MedTech	WDC, Angels, Other	Byrne Wallace Shields LLP
Vcola	5,500	AI & Machine Learning	Frontline Ventures, Base10 Partners, Acadian Ventures, BOOOM	William Fry
Ubotica	6,000	AI & Machine Learning	ACT Venture Capital, Atlantic Bridge, Greencode Ventures, Amici Ventures, Privates EI	William Fry
Octostar	6,100	AI & Machine Learning	The Techshop, Privates	
LumaVision	6,800	Lifesciences - MedTech	Atlantic Bridge, LSP, Imec.xpand, Enterprise Ireland	William Fry
Seapoint	7,500	FinTech-AI	Frontline Ventures, Tapestry, 13books, Angels	
TensorX	8,000	AI & Machine Learning	Darius Cubed Ventures	
GridBeyond	8,500	Climate Tech	ACT, Samsung Ventures, Alantra Energy Transition Fund, Klima, Energy Impact Partners, Mirova, ABB, Constellation Technology Ventures	
Trustap	8,700	FinTech	Aperture Capital, TX Ventures	
Manna	43,000	Deeptech	Molten, ISIF, Enterprise Ireland, Schooner Capital, Corp, Tapestry	Flynn O'Driscoll LLP
CameraMatics	49,000	Software - SaaS	Sure Valley Ventures, Goodbody Capital Partners AIB, ISIF, Blume Equity, Puma Growth Partners, Enterprise Ireland	Maples, Byrne Wallace Shields, Wallace Corporate Counsel LLP
Cloudsmith	61,500	Cybersecurity	TCV, Insight Partners, Privates	
Fonoa	94,400	FinTech	Headline, Eurazeo, Index Ventures, Forestay Capital, OMERS, Coatue, Dawn Capital	
Undisclosed	6,261			
Total	**356,690**			

SOURCE: IVCA

Q2 2026 FUNDRAISING ACTIVITY OVERVIEW





SOURCE: RENATUS CAPITAL PARTNERS

Venture fundraising remained strong during Q2 2026, with several large funding rounds supporting overall market activity. The quarter was characterised by significant participation from international investors, which accounted for 82% of investment volume according to the IVCA.

Fonoa raised €94 million in Series C funding led by Headline. The tax technology company provides an automated platform that simplifies indirect tax compliance and reporting for businesses. The proceeds will be used to accelerate product development and support strategic growth initiatives, including the acquisition of PwC's Indirect Tax Edge platform.

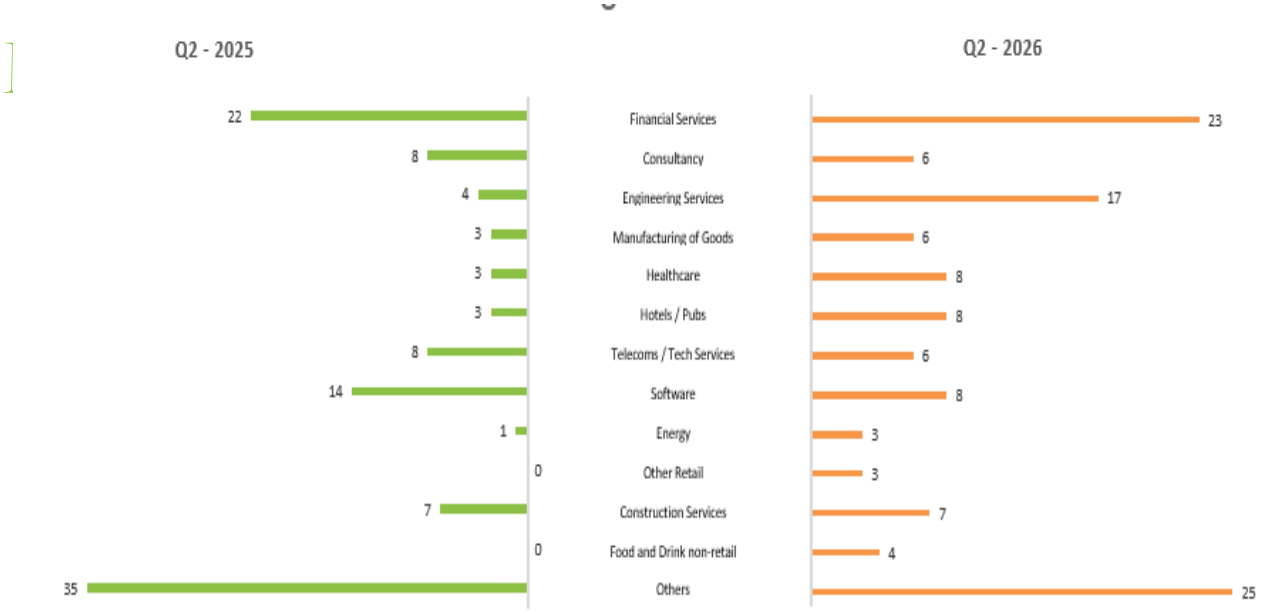
Altratech, founded in 2013 and based in Cork, is part of the Bank of Ireland Kernel Capital Growth Fund portfolio and raised a further €2.4 million through the European Innovation Council Accelerator Programme. The company develops HIV diagnostic kits, and this additional funding comes just weeks after receiving a grant of over $400k from the Gates Foundation.

Vertigenius raised €2.5 million in a round led by Atlantic Bridge. There were multiple investors involved such as Enterprise Ireland, Medtech Syndicate, IRRUS Investments, Xcendra Ventures and Ascentifi. The company has developed a wearable sensor and app that helps monitor the treatment of vertigo at home. The company launched in the US market in October 2025, where 3,000 patients have already been treated.

MySolar announced a 7-year financing agreement with Prime Capital, the alternative asset manager based in Frankfurt. This fundraise is Prime Capital's first investment in Ireland. MySolar operates a Solar-as-a-Service model which allows schools, households and businesses to install solar systems without significant upfront capital expenditure.

Munster Technological University also obtained €3 million in funding through the Grass4Value initiative through the Department of Agriculture, Food and the Marine. The initiative will focus on converting legumes and grass into high-value products like animal feed ingredients, bio energy and sustainable protein alternatives. It will connect pilot-scale bioeconomy facilities and several other institutions like University College Dublin, Teagasc and University of Galway.

The medical devices sector experienced an active quarter, with several Irish companies receiving investment through a range of sources. CroíValve develops novel transcatheter devices for the treatment of tricuspid regurgitation. They received €20 million in Series B expansion financing and another €7 million through the Disruptive Technologies Innovation Fund and the European Innovation Council. The financing round included new investment from BGF. As part of the transaction, Tim Rea joined the Board of Directors.



OTHER' CATEGORY INCLUDES: AEROSPACE, AGRIBUSINESS, BIO PHARMA ENGINEERING, HEALTH & BEAUTY PRODUCTS, HEALTH & BEAUTY SERVICES, PRECISION ENGINEERING, RECRUITMENT, PUBLIC SECTOR, SOLUTIONS, WASTE AND VENTURE CAPITAL.

SOURCE: RENATUS CAPITAL PARTNERS

Irish M&A activity remained robust during the quarter, with several significant strategic acquisitions completed both domestically and internationally.

Carbery Group acquired Prinova, a US-based global supplier of premix manufacturing solutions and functional ingredients for the food and nutrition industries. Prinova was acquired by Japan-based NAGASE Group in 2019. This comes just 6 months after Carbery's acquisition of a Brazilian-based flavor and ingredients manufacturer SoluTaste. The deal will expand their existing business in the US, which trades as Synergy Flavours.

CRH also completed a significant acquisition in the US during the quarter, with the purchase of Arcosa. The company is listed on the NYSE, and the deal was an all-cash transaction for $150 per share. This represented an acquisition multiple of 11.5x based on the 2026 estimated EBITDA. Arcosa supplies infrastructure-related materials, solutions and products with 109 quarries and yards in the US.

In the banking sector, BAWAG Group agreed to acquire PTSB in a recommended all-cash transaction valuing the bank at approximately €1.6 billion. The offer is for 100% of PTSB's issued share capital and is supported by the Irish State, which holds a 57.5% stake. Completion remains subject to shareholder, regulatory and Irish High Court approval.

Salesforce acquired Fin for €3.1 billion. Fin is an AI customer service agent founded in Dublin and is headquartered in San Francisco. Their technology is used by companies like Atlassian and Amazon to communicate with customers worldwide. Their core offering provides customer support across multiple channels. Salesforce acquired this entity to support their focus on autonomous AI agents.

BWG acquired AIL Group which consists of Abrakebabra, Bagel Factory and O'Briens Café. The deal value was not disclosed. The Group had reported turnover in 2024 of €11 million. This acquisition is driven by their strategy of working with current franchise partners and continuing to develop a pipeline of new franchisees. The AIL Group management team will remain within the group and will lead the next phase of growth.

Equity Pulse

Target Company	Target Sector	Buyer	Entry Date
Medserv	Healthcare	MML Ireland	05/04/26
EMS Pallet Management	Distribution / Logistics	Pelican Capital	12/04/26
Farra Marine	Energy	Infracapital	19/04/26
Automatic Fire	Engineering Services	Cardinal Capital	10/05/26
Around Noon	Retail Food/Drink	Whiterock	10/05/26
Spanish Point Technologies	Telecoms / Tech Services	Apiary Capital	14/06/26
Kneat Solutions	Software	Thoma Bravo	14/06/26

SOURCE: RENATUS CAPITAL PARTNERS

Exit Pulse

TES

Exit: Apr-26
Sector: Engineering Services
Exiting Fund: Foresight
Acquirer: Legrand Group

ORS

Exit: Jun-26
Sector: Engineering Services
Exiting Fund: Erisbeg
Acquirer: Goldenpeak

SOURCE: RENATUS CAPITAL PARTNERS

At Fitzgerald Power, we partner with ambitious, fast-growing businesses to help them scale with confidence. Growing a company is complex, it takes vision, agility, and the right financial guidance. That's where we step in.

We specialise in building strong financial foundations while keeping you nimble. From Finance as a Service and outsourced CFO support to our Accelerator Club, we provide clarity, insight, and practical expertise to help you move faster and smarter.

Our team thrives in dynamic environments because we've scaled businesses ourselves. We work closely with bold, forward-thinking founders to turn big ideas into tangible results.

If you're scaling fast and aiming high, Fitzgerald Power is the partner who can help you grow strategically, efficiently, and confidently.

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