

Satellites, supplements and Starling Bank – this week's investment round-up

Every week, Maddyness brings you the latest investment news from the UK startup ecosystem. Here's a recap of this week's investments.

Temps de lecture : minute

23 April 2021

Total

£347.8M

Number of deals

23

MunchFit fuels up on £1.2M crowdfund

MunchFit provides healthy food to the likes of Barry's Bootcamp and operates a premium delivery service – meeting demand for meal plans that work in line with fitness goals. People can order up to four meals a day, six days a week.

It's garnered the support of over 300 investors with this latest Crowdcube campaign, including Made In Chelsea star Spencer Matthews. Personal trainer turned founder Angus Fay commented:

“The level of interest and support has been incredible. We had ambitions to raise £1M, so to have surpassed this really feels like a real vote of confidence and widens the scope of what we can do with the business.”

“Most of us have aspirations to be healthy, but lack of time is often the biggest obstacle to achieving our goals: scratch cooking healthy meals goes out the window in favour of grabbing something on-the-go. This means that no matter how hard we work out, if our diet isn’t balanced, we won’t get the results we want to see.”

£8.7M Series A for Cado Security

The world's first cloud-native digital forensics platform has raised £8.7M in Series A funding. The round was led by Blossom Capital - and also saw participation from existing investors such as Ten Eleven Ventures.

Cado Security allows teams to respond to cyber incidents at cloud speed. This funding comes only six months after Cado closed its seed round, and will be used to speed up growth and adoption via perfecting engineering, customer support and go to market strategy.



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Relentless passion and insane customer love, a portrait of Blossom Capital

Lumio lands £1.2M seed funding

Personal finance management app *Lumio* has just crowdfunded £1.2M. Nearly 1,300 investors joined in – and there were additional contributions from notable Angels, including Matteo Berlucci (Healthily/Your.MD), William Frewen and Richard Fearn.

The money will go towards expanding Lumio's product suite and increasing adoption. The aim of the startup – which lets people connect and manage all financial accounts at once – is to accumulate 1 million users by 2024.

Cardinality secures £2.5M Series A investment

The software startup behind data analysis platform Perception has raised £2.5M in Series A funding. The cash came from Maven Capital Partners.

Luke Matthews, an investment director at the active growth capital provider, said,

“Cardinality provides a great opportunity for Maven VCT to invest in a scaling business. In this business, the growth dynamics of the data integration sector provide a positive outlook. We have made good commercial progress so far. And its revenues are backed by a strong pipeline and a growing recurring revenue base. The management team, led by CEO Steve Preston, is experienced and impressed with what they have achieved in a highly competitive market. I did. “

Ocado gets serious about self-driving delivery vans

Online grocery franchise Ocado has just invested £10M in *Oxbotica* - a pioneer in autonomous vehicle technology. The plan is for Oxbotica, which was founded in 2014 by two Oxford professors, to build vehicles including forklift trucks and delivery vans for Ocado.

Alex Harvey, Head of Advanced Technology at Ocado, commented:

"We want the entire end to end operation, ultimately, to be autonomous - from the receipt of stock to the warehouse all the way through to the customer's door."

"From a customer's perspective you open your door and outside you will see an autonomous van or another autonomous vehicle pull up outside your house, and most likely an autonomous robot will get out of that autonomous vehicle, will collect your groceries, and hand them to you at the doorstep."

Based in Dublin, TechMet counts US government as top investor

The Irish investment firm, geared around mining for the critical metals for our tech transformation, has just closed its second funding round.

TechMet, which has received the bulk of its investment to date from the United States government, has just raised an additional round of £86.5M. Other contributors included Lansdowne Partners and Mercuria.

The money will go into further investment in mines and other projects conducive to finding the metals needed for electronic vehicles. TechMet CEO Brian Menell said:

"Our industry must completely transform itself in order to supply these strategic materials in the quantities necessary."

With £32M in the bank, Fintern will roll out access to affordable loans

Around 15 million people in the UK have difficult borrowing cash. They then end up spending unnecessary cash on high-cost lenders. Fintern was set up to change this; the fintech offers loans based on more than just

credit score, with the aim of fixing consumer lending.

Fintern has just raised £32M in equity funding from an assortment of Angels. It has also cemented debt financing from Varengold Bank. Head of Varengold in London, Alison Harwood, said:

“We’re thrilled to be partnering with Fintern to provide wider access to affordable borrowing in the UK. This is another example of Varengold’s wider mission to support fintechs across Europe in providing innovative, customer-centric lending products.”

“Both Varengold and Fintern are passionate about changing the consumer lending landscape in the UK and we’re excited to be working together towards that goal.”

£14.4M for Payhawk from Klarna investors

Fintech *Payhawk* simplifies the expenses process for businesses. It has just garnered £14.4M from QED Investors, which has notably backed buy now pay later pioneer Klarna, and existing investor Earlybird Digital East.

Following tenfold growth in 2020, Payhawk will use the capital to expand its set of products, hire new talent, and grow beyond the UK and Europe. As CEO and founder Hristo Borisov outlined,

“We have huge ambitions for the year ahead. Over the next year, we are keen to provide great support to finance teams across 30 plus countries to manage company cards, invoices and payments in a unified and efficient way.”

“We plan to significantly expand our integrations to existing ERP systems, and also easily connect on top of every business bank account across Europe and beyond. To do this, we need to invest in building the right

setup and team to scale further, and the new funding round will enable us to do this.”

Beelivery left buzzing post £4.5M investment

Beelivery offers same-day and within-the-hour delivery of food and alcohol. It's just raised £4.5M in a round led by UKTV Ventures and GreenBank Capital Inc, which will go towards speeding up growth strategy.

Lee Parkinson, cofounder and CEO of Beelivery commented: “These significant investments will allow us to accelerate our leadership position, continue to increase brand awareness, as well as bring new innovations to our unique offering for our customers.”

“The confidence our consumers have shown over the past 12 months has been excellent, and the feedback around ‘reliability’ from our corporate partners during the pandemic has also been outstanding. The feedback is testament to our business model and hardworking community of drivers and support staff.”

Starling Bank raises £50M from Goldman Sachs

Leading UK digital bank *Starling* this week announced a £50M cash injection from Goldman Sachs. This Series D extension takes the total raised in the round to £322M. As host to 350,000 business accounts, Starling is the fastest growing bank for SMEs in Europe. The money will support its continued growth, and follows news of the bank reaching profitability.

Founder and CEO of Starling Anne Boden commented: “Securing the support of another global financial heavyweight demonstrates the strength of demand from investors and represents yet another vote of confidence in Starling. Goldman Sachs will bring valuable insight as we continue with the expansion of lending in the UK, as well as our European expansion and anticipated M&A.”

£2.2M for aviation risk aversion and analysis

Osprey Flight Solutions deals in aviation risk management. Integrating technology and human analysis, it paints a picture of aviation security. The resource has just raised £2.2M in a round led by 24Haymarket; it will use the money to grow in the USA (Osprey has plans to open a new office there) and beyond, and build out its product capabilities.

Andrew Nicholson, CEO and cofounder of Osprey Flight Solutions, added:

“The investment from 24Haymarket marks a major step in expanding our capabilities and accomplishing our ambitious future aspirations for Osprey. With solid foundations in place, we are very much looking forward to continuing our relationship with 24Haymarket as Osprey enters its next phase of exciting growth.”

Avail Technologies announces £300K raise

Haulage recruitment firm Avail Technologies, based in the Tees Valley, has raised £300K from NPIF - Mercia Equity Finance. The money will support Avail - which facilitates the recruitment of HGV drivers - in its expansion plan. There are plans to recruit five new staff members over the course of this year.

Founder Erin Short, a former Army logistics specialist, commented:

“The pandemic has had a major impact on supply chains and the haulage industry. By improving efficiency and enabling them to recruit drivers remotely, our platform has helped firms to keep going in these uncertain times.”

“With continued pressure on costs, it is all the more important for operators to minimise unnecessary expenses like recruitment fees to enable them to maintain profits and improve drivers’ wages.”



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The most active pre-seed investor in Europe, a profile of SFC Capital

Multiplayer gaming champion SharedPlay

raises £1.7M

Operating out of both London and Warsaw, SharedPlay has secured £1.7M in pre-seed funding – with £940K coming from Leo Ventures. It's a multiplayer entertainment platform focused on fostering the communities that make video gaming special and engaging.

"We care about our players and want to create a safe gaming experience with higher and longer-lasting entertainment value", commented founder and CEO Karolina Pelc.

"Building a diverse and inclusive team is also key, and we are excited to be working with some of the best women in the tech industry."

Zilch closes £57.8M Series B

Zilch is the UK's answer to Klarna – our first and only FCA-regulated buy now pay later operator. It has just raised £57.8M in Series B funding, led by investors including Gauss Ventures and M&F Fund. The money will be channeled into launching in the US and further growth in the UK.

As it stands, Zilch has 80 employees – but this is set to double within the next year. This matches the startup's recent user growth, which takes it to half a million users and climbing revenue.

BeautyTech Odore garners £595K

To support its aim of transforming marketing in the beauty sector, Odore

has raised £595K in a round led by SFC Capital. There was additional participation from RLC Ventures.

Odore first caught industry attention with its revolutionary approach to beauty sampling, and now works with big names including L'Oréal. Back in 2018, it took part in L'Oréal's Beauty Tech Accelerator. With this latest cash injection, the Odore team will expand to cover additional areas of beauty marketing.

Supplement superstar Feel raises £4.5M

Delivering clean, high-quality supplements, *Feel* has cemented £4.5M in funding in a round led by Fuel Ventures. TMT Investments, Sova VC and several Angels including the founder of LoveHoney participated in addition. The money will go towards international expansion and develop products for pregnancy, pets, kids and cognition.

CEO Boris Hodakel commented:

"Supplements are part of my health routine, but the 'aha' moment arrived during my visit to a health shop. The shop attendant recommended a product, and to my question, why is this the best, she promptly answered - 'well, it just has more in it'."

"And 'more' it did, but not the vitamins and minerals: just more nasty additives and ridiculous doses of low-quality ingredients. So I decided to do something about that."



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HexagonFab gets £1.9M for the biopharma Bolt

According to founder and commercial director of *HexagonFab*, Christoph von Bieberstein, "Many researchers would like to get molecular binding data more conveniently and more frequently to guide them through a drug development project. HexagonFab aims to address this need with the Bolt.

"This investment will enable us to bring our game-changing product to the market. We look forward to the months ahead working closely with our lead customers."

The investment in question is a £1.9M seed round – courtesy of leaders Cambridge Enterprise, as well as Parkwalk, NGVC, R42 Group, and a number of private investors. The Cambridge University spin-out will channel the cash into team growth and the final touches for the Bolt.



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University spin-outs and the best of UK R&D, a profile of Parkwalk Advisors

FirstMark Capital leads Series A for AI video gen platform

Synthesia has just secured the largest investment in the AI video space to date. The £9M Series A was led by FirstMark Capital, with participation from existing investors LDV Capital, MMC Ventures, Seedcamp, Mark Cuban, Taavet Hinrikus, Martin Varsavsky and TinyVC, and two new Angels.

The company, which lets users make business videos by simply entering text, will use the money to accumulate new users and develop its products.

More automation: Basis Technologies raises £18M

Once based in Melbourne, *Basis Technologies* now operates its DevOps and test platform for SAP out of London. It has just raised £18M from Scottish Equity Partners (SEP), which will feed into the acceleration of its new automation software.

CEO of Basis Technologies, Martin Metcalf, said:

“We are delighted to have SEP on board as our investment partner to help fuel the continued growth of Basis Technologies. We look forward to working together to expand our product, sales, and delivery capabilities and to bring our pioneering DevOps automation solutions to more SAP users across the globe.”

Oxford environmental startup raises just shy of £10M

Biomicrogel Group has generated a solution for cleaning water and hard surfaces - ridding them from petrochemical contamination. The biotech works in a variety of spaces, from industrial wastewater cleaning to eco-friendly home care.

It has just announced a £9.4M cash injection from Swiss investor Gregory Berenstein, who said:

"I'm sure the future of the home care and industrial markets lies in modern, biodegradable, and environmentally friendly products."

"Biomicrogel Group is just beginning to conquer large-scale industries in terms of volume. I'm convinced with the results the team has already achieved and believe in their potential to take a leadership position in the global market."

Causal raises £3M for better spreadsheets

Tackling the 'number-crunching' aspect of spreadsheets, *Causal* helps users build financial models easily. The Microsoft Excel competitor has just secured £3M in a seed round led by Accel. There were additional commitments from existing investors Coatue, Passion Capital, Naval Ravikant – amongst others.

The Causal team will use the money to increase its engineering contingent and go to market with its product. Cofounder and CEO Taimur Abdaal said:

"Business planning and forecasting should involve every team in a company, but the complexity of spreadsheets means that it's often siloed within finance. We want to democratise this process with a truly horizontal product that every knowledge worker can use, and we're excited to have Accel join us on the next phase of our journey."

An out of this world £3.6M for Satellite Vu

Satellite Vu has cemented £3.6M in funding in a seed round led by

Seraphim Capital. The cash will support the launch of the first ever satellite constellation capable of revealing the thermal footprint of any building on Earth.

It can do this multiple times a day, and will greatly contribute to the journey to net-zero. The Conservative government's Green Industrial Revolution plan, for example, focuses a lot on greening homes and public buildings.

Other contributors to the round included A/O PropTech, Ridgeline Ventures, the Earth Science Foundation, E2MC Ventures and Stellar Solutions. A/O PropTech founder Gregory Dewerpe said of the raise:

“With the built environment responsible for almost 40 percent of global carbon emissions, it is crucial that the sector harnesses new technologies if we are to rapidly reduce our carbon footprint.”

"Using accurate data is vital to making informed decisions, and Satellite Vu has found a way to measure the thermal efficiency of buildings which has never been carried out before at scale. Backing forward thinking technologies with the potential to fight climate change and creating an ecosystem of solutions is our mission as a firm, and Satellite Vu is another step forward in that direction."

£27.3M Series B for Proximie

Healthtech *Proximie* has harnessed the power of AR to create what it calls a 'borderless operating room'. The company's technology allows surgeons from around the world to advise on operations remotely.

Proximie has just closed a Series B round led by F-Prime Capital, which also saw contributions from Questa Capital, Eight Roads, Maverick Ventures, Global Ventures, BECO Capital and Cedar Mundi Ventures. To date, the startup has amassed just under \$50M.

#FOOD

MunchFit
£1.2M

#CYBERSECURITY

Cado
£7.2M

#FINTECH

Lumio
£1.1M

#DATA

Cardinality
£2.5M

#AI

Oxbotica
£10M

#INDUSTRY

TechMet
£86.4M

#FINTECH

Fintern
£32M

#FINTECH

Payhawk
£14.4M

#ECOMMERCE

Beelivery
£4.5M

#FINTECH

Starling Bank
£50M

#INSURETECH

Osprey Flight Solutions
£2.2M

#HR

Avail Technologies
£300K

#GAMING

SharedPlay
£1.65M

#FINTECH

Zilch
£57.2M

#BEAUTYTECH

Odore
£595K

#HEALTHTECH

Feel
£4.5M

#HEALTHTECH

HexagonFab
£1.9M

#AI

Synthesia

£9M

#CLOUD

Basis Technologies
£17.95M

#CLEANTECH

Biomicrogel
£9.3M

#DATA

Causal
£3M

#SPACE

Satellite Vu
£3.6M

#HEALTHTECH

Proximie
£27.3M

In other international news

- *Seed Health* has closed a \$40M Series A round, led by UK impact investor The Craftory, with participation from ARTIS Ventures, GISEV, Founders Fund and 8VC. The company deals in probiotic development.
- France's first digital insurance app *Alan* raised \$220M and reached a \$1B+ valuation. Coatue led the round, which also saw participation from Dragoneer, Exor, Index Ventures, Ribbit Capital and Temasek.

Article by Maddyne