

Ada Ventures launches second fund following £36M first close

For its second fund, Ada Ventures will zero in on 'breakthrough ideas': focusing on climate, healthcare and ageing, as well as economic empowerment. The early stage VC firm says it aims to solve society's biggest problems, and this second fund is testament to its LP's belief in its unique scout network that uncovers the hidden talent that will build the next generation of global companies.

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Ada's Fund I has invested in 28 companies, and raising an aggregate of £100M in additional investment. Portfolio companies included Huboo, Organise, MOONHUB, SideQuest and Spill. Huboo in particular has grown to scale at impressive speed, most recently raising a £60m Series B investment. Ada's Fund I also claims to be amongst the most diverse portfolio of any fund in Europe, with approximately 55% female founders and 30% ethnic minority founders.

Check Warner, Founding Partner at Ada Ventures, commented, "Reaching this milestone of a second fund, backed by some of the biggest names in global venture and now having £84M under management follows on from the success of our first fund. Investors have seen how we source deals and how we find breakthrough companies making a positive societal impact. They can see our approach works. Not only have we opened opportunities for extraordinary founders, but we have also shown that a more diverse deal flow leads to exceptional returns."

The investors in Ada Venture Fund II include: a cornerstone commitment

from the British Business Bank through its Enterprise Capital Funds programme, Plexo Capital, University of Edinburgh, and a raft of successful entrepreneurs and investors including Taavet+Sten and the Supercell co-founders. Established in 2006, the British Business Bank's Enterprise Capital Funds programme aims to increase the supply of equity capital to high-potential, early-stage UK companies by supporting new and emerging VC fund managers who target the early-stage equity gap.



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Ada Ventures often sources deals through its scout network, marking a unique approach from its peers. There are 100 Ada Scouts - most are active within under-represented communities - who are sourcing opportunities and identifying visionary founders that need access to

capital. This approach has successfully removed the need for a 'warm introduction', through previously established connections, which has been a hurdle for under-represented founders in accessing funding.

Should Ada Ventures invest in a company introduced by a scout, the scout is compensated with both an upfront fee, and a share of carried interest that the startup generates for the fund. In its first fund, nine of the 28 investments came through this scout network. In recent months, the reach of the Ada Scouts has been growing with a focus on the LGBTQ+ community, disabled entrepreneurs, and regions outside London.

Ada Ventures also launched Ada's Angels in October 2020, which was a project that sought to bring more diverse people into angel investing. The programme identified five individuals from the Ada Scout network with direct experience in under-represented communities, who were given £50,000 to make five investments of £10,000. Since launch, the cohort has made 22 angel investments, 6 of which then raised funding from Ada Ventures. All 6 of these companies are founded by entrepreneurs from backgrounds that are currently underrepresented in tech and VC. Ada will launch Ada's Angels second cohort at AdaCon. Ada's Angels second cohort will be more than double the size of the first and select angels from across the whole of the UK.

Check further commented: "For all the innovation in the industry, there is nowhere near enough innovation in VC. We are delighted to launch Fund II, as it demonstrates that our unique and original deal-sourcing system works. When we were building Fund I, we knew we needed to depart from the traditional way of sourcing-deals. So, we tore up the rulebook, and deployed Scout and Angels programmes, which revolutionised our own deal sourcing, and led to us meeting founders we would not have seen. We are constantly working to improve our deal-sourcing programmes and methodology, but we are proud to say that it is fairer, it works towards creating fairer access to VC funding, and it leads to phenomenal returns.

It works, and it's great to see the LP community recognising that."

So far, Ada Ventures has sourced nine companies through its scout network. These include SPOKE, Bubble, Sproutl, Flexa and MOONHUB. Ada Ventures' scout programme opens for applications twice a year. Check their website for more information [here](#).

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