

Musictech, RWAs and new treatments for Alzheimer in this week's MaddyMoney

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

13 October 2023

Total

£139.21M

Number of deals

14

Audoo rockets to £18M in funding with new investment led by Elton John

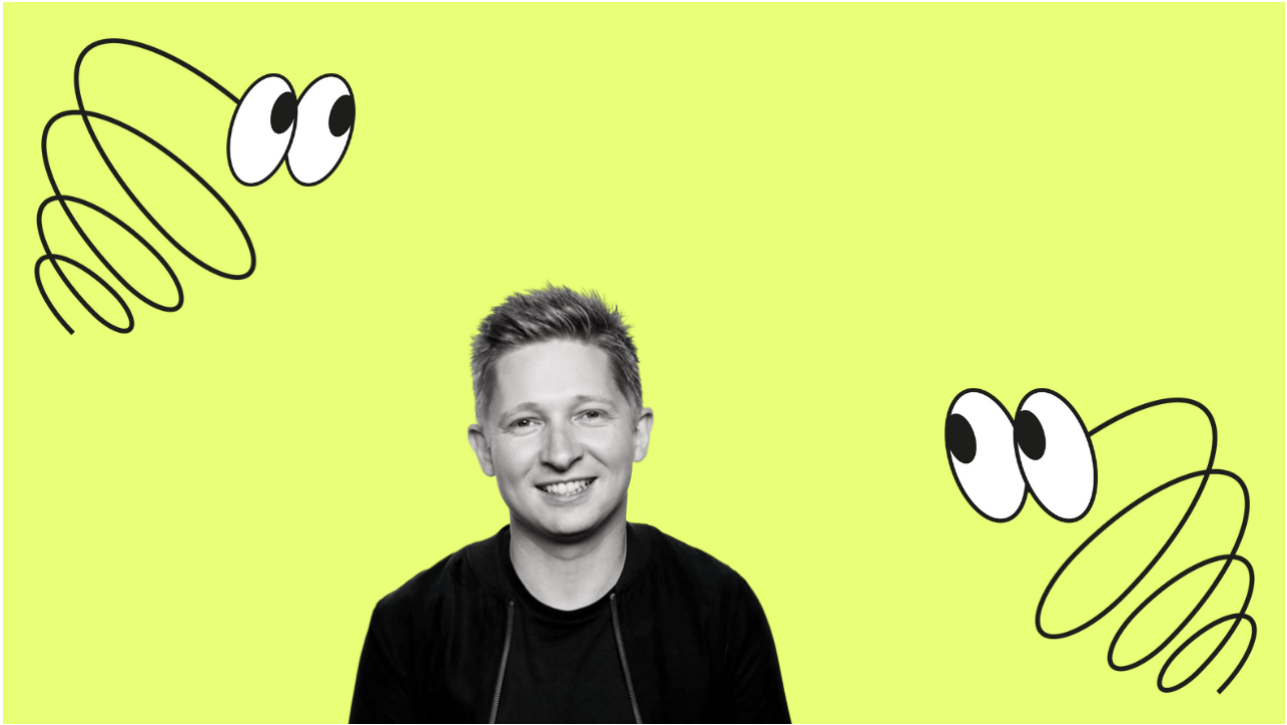
Audoo, the music technology company revolutionising public performance royalties, has secured £4.08M investment in its latest funding round, with investors including global music and business icons *Elton John* and *David Furnish*, taking its total raised to £18M. Multiple Grammy-winning superstar Elton John joins *MPL Ventures* and *ABBA's Bjorn Ulvaeus* as investors, alongside *Tileyard* and *Edinv*, in their support to improve the challenge of accurate royalty payments for musicians worldwide. Artists

globally currently lose out on up to £2.4B in unaccounted royalties.

Founded in 2018 by *Ryan Edwards*, London-based Audoo actively provides a solution to the challenges faced in public performance royalty data collection and payment distribution with its Audoo Audio Meter™ and unique insights platform.

Audoo's devices are being rolled out across Europe, Australasia & Africa through industry-first partnerships with the likes of *PRS for Music* and *PPL*, to track and report every song played in public performance locations like cafes, bars, hair salons, restaurants, gyms and retail locations with world-leading accuracy.

“Working as a musician can be seen as all glitz and glamour but for the vast majority of artists, especially new and emerging acts, this isn't the case. It's often brutally unfair and this sadly extends into being paid correctly. Right now, artists are not being paid accurately for their plays because the data simply doesn't exist. People have given up on their dreams and we've lost talent and future stars because of this disparity. That's why we've invested in Audoo and their world-class technology and data, to help create a more transparent system for everyone, and ultimately to keep the music alive.” says Elton John



Read also

Meet Audoo, the company that helps musicians get paid when their songs are played

Ostium Labs raises £2.87M from General Catalyst and LocalGlobe to build the first decentralised perpetuals exchange for Real World Assets

Ostium Labs, the team behind the Ostium Protocol, the first decentralised, non-custodial perpetuals exchange for Real World Assets, has announced a £2.87M seed round. Co-led by *General Catalyst* and *LocalGlobe*, the round saw participation from *SIG*, *DeFi Alliance*, *Balaji Srinivasan* (former *Coinbase* CTO), *Vessel Capital*, and others.

Ostium Labs is poised to disrupt the market with a platform engineered from the ground up to support *Real World Assets (RWA)*. The platform will not only provide traders with the exposure they seek but also deliver a

superior user experience tailored for trading these assets, in a seamless, permissionless trading format familiar to existing DeFi power users.

The funding will help accelerate the company's launch of its flagship Protocol, an on-chain trading hub for RWA, enabling traders to seamlessly gain price exposure to a variety of asset classes previously unavailable on-chain. The launch comes as a critical time in financial markets. Alternative asset classes have rapidly gained traction, due in large part to traditional diversification strategies waning in effectiveness following inflation- and interest rate-driven disruption to market dynamics.

"We see a pressing need for a purpose-built on-chain DEX to cater to the diversification needs of traders. Ostium aims to fill this void." says Marco Antonio, cofounder of Ostium.

Brandon Capital joins AstronauTx' £48M Series A financing to create new treatments for Alzheimer's disease

Brandon Capital, an international venture capital firm and Australasia's leading early-stage life science investor, is pleased to announce its investment into AstronauTx Ltd, a UK-based biotech company developing novel treatments for Alzheimer's disease and other neurodegenerative disorders as part of its £48M Series A financing. Brandon Capital participated alongside Novartis Venture Fund, which led the round, and a syndicate of experienced international life science investors including MPM Capital, EQT Life Sciences, Bristol Myers Squibb and founding investor the Dementia Discovery Fund.

AstronauTx was created in 2019 with the goal of developing novel drugs to correct the disrupted physiology of the brain. The Series A financing will be used to advance the company's portfolio of first-in-class, small-molecule drugs including a clinical study in patients with Alzheimer's disease for its lead programme.

AstronauTx is at the forefront of a novel approach to treating neurodegenerative diseases. The company has a unique portfolio of small-molecule therapeutics to restore dysregulated physiology to both improve symptoms and modify disease. Following the financing, *Jonathan Tobin*, UK-based Partner at Brandon Capital will join AstronauTx board of directors.

"We are pleased to join the impressive syndicate of investors backing AstronauTx in its mission to create therapies that are expected to provide not only symptomatic but also disease modifying benefit in Alzheimer's and other neurological diseases, an area of high unmet need but where recent breakthroughs are offering new hope. This is Brandon's second investment in an UK neuroscience company, having invested in NRG Therapeutics series A in 2022." says Jonathan Tobin, Partner at Brandon Capital.

IoT startup FourJaw raises £1.8M to maximise manufacturing productivity

A Sheffield IoT startup that helps manufacturers to maximise productivity and reduce energy use has raised £1.8M from *NPIF - Mercia Equity Finance*, which is managed by *Mercia* and is part of the *Northern Powerhouse Investment Fund*, *Mercia's EIS* funds and private investors. The funding will enable *FourJaw Manufacturing Analytics* to further enhance its machine monitoring platform and expand its customer base.

FourJaw was founded in 2020 by *Chris Iveson* and *Robin Hartley-Willows*, who had previously worked together at the *University of Sheffield's Advanced Manufacturing Research Centre*. Its platform is now used by over 120 manufacturers worldwide in sectors ranging from aerospace and automotive to energy and food production. FourJaw's award-winning platform acts as a fitness tracker for machines, monitoring 'vital signs' such as machine utilisation and energy usage. It then turns the data into actionable insight that enables manufacturers to remove inefficiencies from the factory floor.

Unlike traditional monitoring systems which are usually costly to set up and have to be hardwired into each machine, FourJaw's technology can be installed in minutes, connected to any machine and is accessible to manufacturers of all sizes. The latest funding brings the total raised to date to almost £4M and will enable FourJaw to accelerate product development and invest in its technology and customer success teams, creating seven new jobs.

Retail media startup Vector launches with £600K investment to supercharge brand growth by maximising the potential of Amazon first-party data and retail services

Vector *Vector*, a UK startup at the heart of a rapidly growing retail media landscape, has launched today, with £600K in investment from an independent group of investors.

Founded by serial ad-tech entrepreneur, *Rupert Staines* and *Dan Brown*, seasoned business executive & founder, Vector is designed to elevate and scale brands at pace, by harnessing the immense power of Amazon's ecosystem. The startup leverages cutting-edge advertising technologies

and AI to enhance these services, supported by partnerships with leading MarTech providers *Perpetua*, *Carpio* and *Skai*.

Vector is already empowering seven brands to embrace the full potential of the thriving retail media landscape by leveraging the Amazon ecosystem. This includes launching a prominent US brand's expansion into Amazon Germany to establish a strong presence and drive sales, as well as leveraging extensive Amazon data for a leading British fashion house to engage a targeted US audience via Connected TV (CTV). Vector also has a clear purpose to drive positive impact for both brands and the world around them; the founders Staines and Brown have partnered with *Pinwheel.earth* to allocate a share of all of Vector's revenue to fund essential ecological initiatives that remove carbon from the atmosphere and protect keystone biodiversity. Vector's clients are also invited to match fund the planet-saving projects.

Raffolux raises £1.5M in Unique Fundraiser in an industry first

For the first time in their industry, *Raffolux*, the leading digital raffle operator has secured an impressive £1.5M investment through a unique fundraising initiative with media company, *UKTV Ventures*. UKTV Ventures' £1.5M "airtime-for-equity" investment will allow Raffolux to launch a TV advertising campaign from October 23rd on the broadcaster's seven linear channels - *Dave*, *W*, *Gold*, *Alibi*, *Drama*, *Yesterday*, *Eden*. The company will benefit from access to an audience of over 26 million viewers a month and in return, UKTV will gain an equity stake in the business.

Raffolux launched in 2019 and has since solidified its position as the leading player in the UK market. Its modern take on the classic raffle has not only given thousands of people the chance to win coveted prizes but

has also enabled them to support charities close to their hearts. Raffolux has given away over £11M in prizes to over 65,000 winners and has raised over £600K for charities across the nation.

The TV advertisement features iconic British elements such as black cabs, London buses, quirky coffee shops and revolves around the concept that anyone has the potential to become a Raffolux champion. In fact, there are so many of them that you might just encounter them in your everyday life.

Untangled Finance completes £11M strategic fundraise to bring institutional grade private credit on-chain

Untangled Finance, the London-based fintech, has raised £11M in multi-year strategic funding to accelerate its mission to bring institutional-grade credit with a built-in liquidation mechanism on-chain. *Fasanara Capital*, the fintech investment platform and lending pioneer, is the lead investor in the round.

Established in 2020, Untangled was founded by professionals with a decade-long background in finance, asset origination, and emerging markets. The platform's protocol focuses on tokenising real-world private credit assets, such as invoices and SME loans, into on-chain structured credit pools. These pools, in turn, facilitate the issuance of collateralised debt notes to both DeFi and TradFi investors.

Large corporations have access to more favourable borrowing terms than many of their suppliers. While creditworthiness is a factor, information asymmetry, which is particularly pronounced for SMEs (especially those in emerging economies), contributes to the significantly higher funding costs borne by these SMEs. Furthermore, the flow of capital across international

boundaries remains inefficient: an investor in New York might face inherent challenges identifying and accessing credit investment opportunities in other regions, such as India. Harnessing machine learning, Untangled is also creating a forward-looking credit assessment model. This evaluates a borrower's future default risks, factoring in previous loan behaviours, borrower standing, and critical macroeconomic indicators. Investors will have an interactive dashboard at their fingertips, helping them to make better informed investment decisions.

"Our partnership with Fasanara is a step towards developing reliable DeFi yield mechanisms, broadening the investment possibilities in crypto but also helping to mitigate its inherent volatilities, all while striving to make finance more accessible around the world." says Manrui Tand, Untangled Finance's co-founder.

kennek raises £10.18M to revolutionise the alternative lending space

kennek, the London-based fintech that offers an operating system for lenders, today announces a £10.18M Seed raise, led by HV Capital and supported by Dutch Founders Fund, AlbionVC, FFVC, Plug & Play Ventures and Syndicate One.

kennek's mission is to eliminate the complexity and inefficiency that has for years held back the huge non-bank lending sector. Until now, lenders have had to rely on Excel and a jumble of unconnected tools and data. This is costly, time-consuming, and fails to leverage high-potential recent

innovations like Open Banking, Open Finance and Payments. kennek has turned this situation on its head with its vertical SaaS offering. The platform covers every aspect of lenders operations, from loan underwriting all the way through to monitoring & servicing, as well as investor reporting, leveraging the latest in the API technology to create a 'single point of truth' for lenders, borrowers and investors.

Having already achieved strong traction in the UK, the £10.18M raise will be used to double-down on kennek's rapid growth in its home market and further deepen the platform's functionality. kennek also plans to expand its geographic reach into continental Europe, following the recent signing of its first client there.

“kennek has developed an ambitious and genuinely unique proposition which we think can be the foundation of the entire alternative lending space.” said Barbod Namini, Partner at HV Capital.

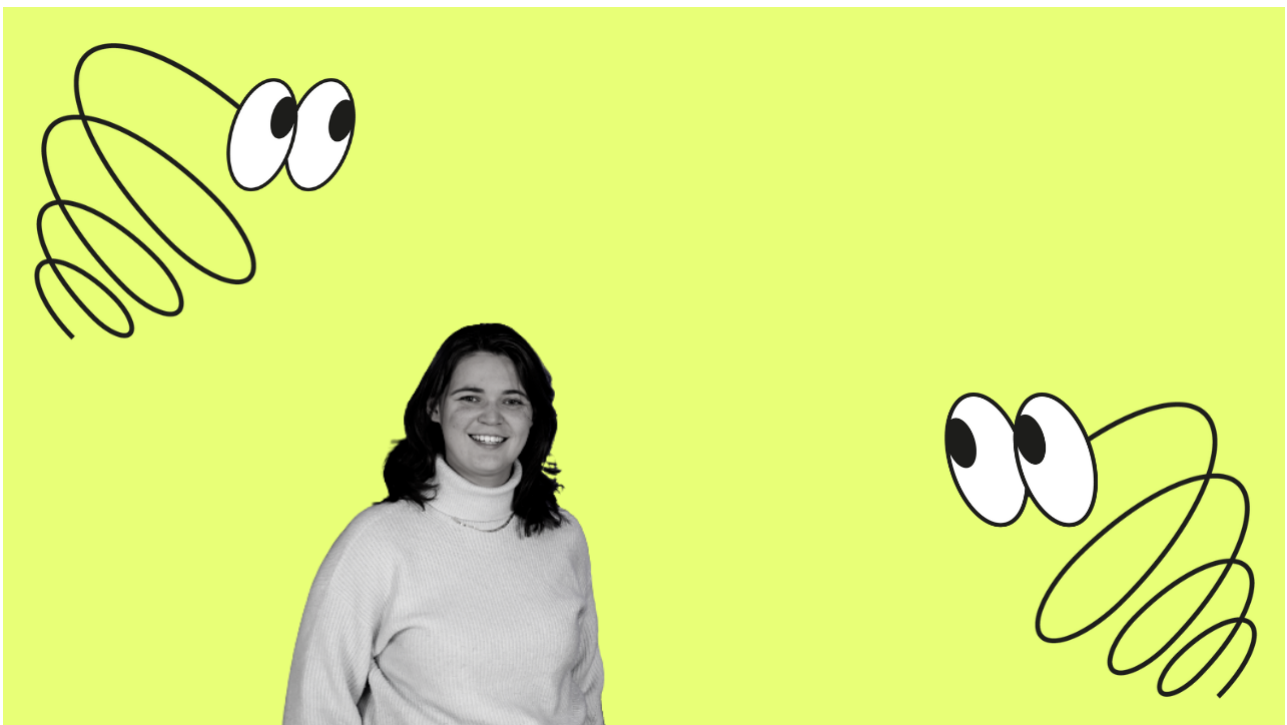
TitanML Secures £2.28M to Solve the LLM Deployment Nightmare Plaguing Machine Learning Teams

AI company, TitanML, has secured £2.28M in pre-seed funding led by Octopus Ventures alongside deep tech-focused angel investors. The round is timed as the team publicly launches Titan Takeoff, which makes large language model (LLM) deployment significantly faster, cheaper and easier for machine learning teams.

Founded in 2021, TitanML was born out of the postdoctoral research of

both Dr. James Dborin and Dr. Fergus Finn, who explored deep learning training, compression, and inference optimisation whilst at University College London (UCL). Together with Oxford alumnus, Meryem Arik, the trio transformed their expertise into enterprise-ready software which slashes the effort of both AI development and deployment.

To date, the team's achievements include the real-time deployment of state-of-the-art Falcon LLM on a commodity CPU - a feat which garnered significant industry recognition. TitanML has also secured key strategic partners including Intel and AWS, alongside a series of enterprise clients after demonstrating up to 90% reductions in compute costs and 20x latency improvements within just hours of deployment. As the adoption of AI and LLMs grows exponentially, TitanML's ambition is to build the infrastructure layer for deep learning in the enterprise. As the company creates a platform designed to become the gold standard for LLM deployment, it is fast delivering on a promise to help machine learning engineering teams realise the value of their AI investments.



Read also

myenergi lands £30M investment from Energy Impact Partners to drive growth and internationalisation

British smart home energy technology manufacturer, myenergi, has secured an investment of £30M to support significant future growth and internationalisation from Energy Impact Partners (EIP). This follows on from the £30M debt finance myenergi secured from HSBC earlier this year to further fuel its expansion.

Lee Sutton and Jordan Brompton founded UK-based myenergi in 2016 with the purpose of removing the barriers to a greener future, including the technological, behavioural and financial challenges relating to fast adoption of smart energy products, setting the company on a mission to pioneer a simple transition to renewable energy.

myenergi has been recognised as one of the country's top 30 fastest-growing private companies*, with average annual growth of more than 125% for the past three years. It manufactures a range of 'eco-smart' home energy technologies, including the market-leading solar-compatible zappi electric vehicle charge point, the eddi power diverter, and the libbi smart home battery.

"We are proud to back Lee and Jordan who have built a truly unique company in the climate sector that is both growing rapidly and is profitable." said Nazo Moosa, Managing Partner, EIP Europe

Sumup rival Lopay secures £6M seed funding after signing up 20,000 merchants in 18 months

The instant payment start-up Lopay has secured £6M in seed funding from BackedVC, Portage, The Venture Collective and a series of high-profile angel investors.

Founded in January 2022 by Richard Carter, Lopay is a payment app that enables small businesses to take card payments from their customers for a fraction of the cost charged by the corporate payment providers. Lopay users also have the option to receive cleared funds into their bank account the instant a transaction is made.

Since launch, more than 20,000 small businesses across all sectors have signed up. Together they've used Lopay to take nearly 10 million customer payments. Lopay's instant settlement and uniquely low fees - which are less than a third of those charged by PayPal and half those levied by SumUp and Zettle - have been central to its rapid growth. Lopay estimates that its competitive pricing has saved merchants more than £1M in card fees since launch. The company expects to process a further £500M in card payments in the next 12 months, saving its customers as much as £2.6M in fees.

"Strong demand for their product amongst this underserved customer set, combined with their exciting product development pipeline and an exceptional team, made us thrilled to support Lopay as they become the go-to solution for small businesses." said Caitlin Herling, Investor at The

Venture Collective.

#MUSIC

Audoo
£4.08M

#PLATFORM

Ostium Labs
£2.87M

#BIOTECH

AstronauTx
£48M

#GREENTECH

FlexSea
£3M

#HEALTHTECH

Lottie
£17.2M

#IOT

FourJaw

£1.8M

#MEDIATECH

Vector
£600K

#PLATFORM

Raffolux
£1.5M

#FINTECH

Untangled Finance
£11M

#FINTECH

Kennek
£10.18M

#DEEPTECH

TitanML
£2.28M

#ENERGY

myenergi
£30M

#FINTECH

Lopay
£6M

In other international investment news

CarJager raises £4.9M to step up its international expansion

CarJager, France's leading digital platform for buying and selling classic and GT cars, has completed a new funding round. CarJager is raising £4.9M to continue rolling out its digital offering internationally, particularly in the UK, US, Belgian and German markets, four markets where CarJager's offer has already proved successful. CarJager will also develop new digital functionalities to ease the buying/selling experience for international customers, and hire new talents to support its growth.

Founded in 2018 by entrepreneurs, experts and classic car enthusiasts, CarJager is the UFO of the sector. A 100% digital DNA that contrasts with a market where online services remain embryonic. As proof, there are more developers than salespeople in the team. CarJager stands out for its business approach based on 100% data with a transparent, secure and above all, a service-oriented customer experience. The platform brings together as much data as possible on who owns what, who is looking to sell and who is looking to buy.

CarJager aims to become the European benchmark for classic and sports cars bought or sold digitally, with a focus on two key markets, the UK and

the US. The company wants to capitalise on this fund-raising to strengthen its network of brokers and car collectors in these countries. The goal is also to develop new digital functionalities to provide greater services for buyers and sellers. CarJager is the one and only digital tool that brings together all enthusiasts, experts, buyers and sellers of classic and sports cars on a single platform. The startup has also focused on the 'off-market' offerings of exceptional vehicles, with seven brokers specialised in trading premium or legendary automobiles.

Helio, the startup pioneering a new approach to cloud computing, raises £4.2M Seed Round

Helio, the startup on a mission to revolutionise cloud computing by addressing its environmental and efficiency pitfalls, today announced a seed funding round of £4.2M. The equity and debt round was spearheaded by *QBIT Capital* and attracted a roster of notable sustainability and deep-tech investors, including *Übermorgen Ventures*, *seed+speed Ventures*, *Combination VC*, *Rockstart Energy Fund*, *ROI Ventures*, *Swisspreneur*, and Cloud Angel Investors.

Founded by *Kevin Häfeli* and *Christoph Buchli* in 2019, Helio aims to democratise computing, empowering anyone using technology to solve the world's most complex challenges. Through its platform, Helio makes the idling compute capacity of data centres available to computing-intensive applications such as Rendering, Artificial Intelligence, or Research. For more information, please visit Helio's website.

The influx of capital will bolster Helio's Zurich-based team and accelerate advancements in several critical areas of their platform. These include optimising carbon-aware workload scheduling, increasing the network of

green data centres, enriching the cloud spot market with excess capacity, and developing their 3D rendering capabilities for the VFX market. Helio employs a unique real-time algorithm that improves cloud resource allocation by rerouting computing tasks to underused or renewable-energy-powered data centres. This approach tackles the dual challenges of poor efficiency—currently below 20% in the industry—and high environmental impact. As the sector is poised to account for 6% of the world's electricity usage by 2030, Helio's model offers a greener and more cost-effective alternative. The company has set a bold target of reducing CO2 emissions by 200Mt by 2030.

Article by Maddyneess UK