

Insurtech, HR tech and construction software in this week's MaddyMoney

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

Temps de lecture : minute

3 November 2023

Total

£175.35M

Number of deals

5

Insurtech Sprout.ai raises £5.4M from global investors to transform claims processing

AI-led insurance claims automation company, [Sprout.ai](#), has raised £5.4M in a round led by venture capital investors [Amadeus Capital Partners](#) and [Praetura Ventures](#). UK investor [Capricorn Capital Partners](#), US investor [Forefront Venture Partners](#), Canadian investor [Verstra Ventures](#) and UK investor [Portfolio Ventures Angel Fund](#) join Sprout.ai's existing investors, [Octopus Ventures](#), [Playfair](#) and [Techstars](#) in the round.

Sprout.ai's purpose-built solution, which specialises in claims process automation, helps insurance carriers and third-party administrators (TPAs) increase operational efficiency and reduce claim handling costs by up to 50%, by automating parts of the claims process. The business provides services to a range of global partners, including AdvanceCare, MetLife and Generali.

Sprout.ai has patented technology that leverages Generative AI and Large Language Models (LLMs) for claims assessment and AI model training. The investment from Amadeus and Praetura will be used to build this by further leveraging Generative AI within Sprout.ai's Claim Extraction module, extending the existing self-service capabilities for model training, and process automation. The investment comes as the global claims processing software market is projected to reach £60.2B by 2030, growing at a rate of 8.3% per year from 2021 to 2030.

"This investment will enable us to grow further into international markets and continue to invest in our AI-led product to drive towards our vision to 'Make every claim better'." says Roi Amir, CEO of Sprout.ai.



Read also

How a motorcycle accident led to the creation of insurtech startup Sprout.ai

Spotted Zebra, a London, UK-based HR tech company, raised £7.7M in Series A funding.

Spotted Zebra, an award-winning HR tech company, has raised £7.7M in Series A funding led by the pan-European venture capital firm *Nauta Capital* with participation from *Act VC*, as well as existing investors *Playfair Capital* and *Entrepreneur First*.

Spotted Zebra provides a workforce management platform that allows large enterprises to identify skills gaps within their workforces and fill these gaps through hiring, succession planning or reskilling existing employees. The platform enables businesses to reduce their reliance on traditional job requirements and instead match individuals with opportunities based on the best indicator of role success - skills.

Spotted Zebra's unique blend of AI, assessment science and human

expertise allows organisations to determine the precise blend of skills required for individual roles and then identify people with those skills. This widens the available talent pool while ensuring that successful candidates deliver higher job performance than via traditional recruitment channels. The startup also helps organisations improve their reskilling programmes by matching vacant roles with employees whose jobs are being downsized. This improves talent retention, employee engagement, and dramatically cuts costs.

“Our core belief is that employees are happier and more productive when their unique skills - their superpowers - are aligned with roles that use and develop these talents,” says Ian Monk, CEO and Co-Founder of Spotted Zebra.

#HEALTHTECH

Feedback Medical
£20M

#ENERGY

Innova
£40M

#DEEPTECH

Sprout.ai

£5.4M

#HR

Spotted Zebra
£7.7M

#FINTECH

Atom Bank
£100M

In other international investment news

CIBC Innovation Banking provides £10.5M
funding package to construction software
company Payapps for first UK acquisition

CIBC Innovation Banking announced today that it has provided a £10.5M financing package to Payapps, a cloud-based construction software company founded in Melbourne, Australia. Payapps will use the funding primarily for its acquisition of WebContractor Holdings Limited, a UK-based construction software developer specialising in subcontractor applications for payment.

Payapps is an industry leader in construction payment management technology, with more than 40,000 customers worldwide. Payapps' team of experts, software innovators and construction specialists have

disrupted the industry's reliance on traditional methods of managing applications for payment. By providing a collaborative platform, Payapps improves the efficiency and transparency of payments while reducing risk.

WebContractor, launched in 2016, manages subcontractor payment applications for a number of recognisable names in UK and Irish construction. The acquisition will broaden Payapps' client base and solidify their reputation as they expand in the UK and Ireland.

"This is a significant milestone for Payapps as we join forces with WebContractor. By combining the strengths of these two existing technologies, we will optimise business processes and continue to disrupt the field of construction payment processing technology. We are excited to work with CIBC Innovation Banking as we make this exciting acquisition." says Geoff Tarrant, Chairman and Co-Founder of Payapps.

M&G's Catalyst strategy invest £47M into SkyCell

SkyCell, the Swiss-based technology company transforming the pharmaceutical supply chain, has completed a £47M financing round with Catalyst, M&G Investments' £4.94B purpose-led private assets strategy. Catalyst invests in innovative, privately-owned global businesses addressing some of the world's biggest environmental and social

challenges.

SkyCell's innovative lightweight design and greater payload efficiency reduces CO2 emissions by up to 50%. The pharmaceutical industry has a significant carbon footprint challenge, making up 4.4% of global emissions, and executives are focused on reducing the impact of their supply chains. The company's proprietary software platform enables clients to predict CO2 impact and plan routes to maximise sustainability as well as enabling real-time, end-to-end oversight of every shipment around the world. Its automated approval capability reduces quality release time from several days to just hours, enabling life-changing drugs to reach consumers faster and reducing inventory and working capital requirements for its pharma clients.

The investment will be used to expand SkyCell's global footprint following a sustained period of growth for the business, with compound growth of more than 55% over the last three years. The company is further scaling up the availability of its containers through the increase in production and expansion of its global service centre network to serve its customers within 24 hours' notice at their global manufacturing hubs. Furthermore SkyCell is helping pharma companies move away from throw away solutions, as the industry is transitioning to a CO2 neutral pharma supply chain. As of today, the company transports more than £1.2B of pharma goods per month delivering hundreds of million doses of vaccines, cancer treatments, diabetes care and diagnostic solutions to patients around the world.

FERO Payment Science raises £2.47M Seed Round to Pioneer Online Payment Solutions

FERO Payment Science (FERO) is delighted to announce the successful closure of a £2.47M seed round from Coatue, Volta Ventures, and Antler.

This capital will enable FERO to expand and enhance its unique online payment solution to tackle the £4.1T of annual revenue merchants lose at the point of checkout.

After working for Ekata, a global payments fraud solution and then Mastercard (after Ekata was acquired), co-founders Craig Savage and Maximilian van Boxel saw firsthand how complicated payments processing has become at checkout for end-merchants. FERO's solution analyses each shopper, their behaviour and activity, to predict the likelihood of purchase completion. Through the sequenced application of segmentation, multi-classification prediction and reinforcement learning, FERO learns a shopper's purchase preferences and delivers the most optimal payment experience. This includes individually customised payment methods and subsequent payment journeys like reducing the friction caused by 3D secure authentication challenges.

With the capital from this seed round, FERO will build out its team across Europe and the US, and further enhance its product offerings to serve more retailers around the world.

"We founded FERO to help retailers deliver a more seamless and customised shopping experience to their customers." explains Craig Savage, Co-Founder and CEO, FERO Payment Science.