

The North of England, the global food supply chain and more 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 December 2024

Total

£83M

Number of deals

12

Praetura Ventures and NPIF II Invest £1.4M in Northern Tech and Life Sciences Startups via PraeSeed Programme

Seven startups from the North of England have secured a share of £1.4M through PraeSeed, a six-week investment programme for early-stage businesses, launched by Praetura Ventures and the Northern Powerhouse Investment Fund II (NPIF II). The initiative aims to identify high-potential startups and provide them with funding and guidance to scale. Each

selected business will receive £200K in funding as part of PraeSeed's commitment to fostering innovation in the North of England.

The inaugural cohort of 12 businesses underwent a structured programme, including workshops on scaling, go-to-market strategies, financial modelling, and fundraising. From this group, seven businesses across various sectors were chosen for investment. These include:

- CCI Photonics (Lancaster): A spinout developing InfectiScan™, a test to help clinicians identify infections and reduce antimicrobial resistance.
- Robotiz3d (SciTech Daresbury): A University of Liverpool spinout creating autonomous vehicles and specialised cameras to detect and repair road damage.
- North AI (Manchester): Using AI to assist media and entertainment companies with commissioning and licensing decisions.
- Acquaint (Manchester): Developer of a compliance and workflow app for hospitality and food service industries.
- ScrubMarine (Whitehaven): Innovators of a submersible vehicle to clean marine vessels affected by biofouling.
- BidScript (Warrington): Machine learning-powered software to streamline the bid management process for organisations.
- WAC: A B2C app for hourly workers to track and resolve discrepancies in wages.

The cohort also highlights significant strides in diversity, with 29% led by female founders and 86% co-founded by individuals from BAME backgrounds.

Jessica Jackson, Praetura Ventures' investment manager and PraeSeed lead, praised the quality of applicants, stating:

"The North is alive with innovation. These seven businesses displayed the tenacity, talent, and willingness to learn required to scale successfully. We're also proud of the diversity across our cohort, with funding enabling

these entrepreneurs to achieve significant milestones."

The £660M NPIF II, which supports PraeSeed, aims to enhance access to early-stage finance for businesses across the North, fostering sustainable growth and breaking down barriers to investment. PraeSeed's next cohort will launch in March 2025, with details available through Praetura Ventures' social platforms.

Newcells raises further £1.2M for lab models that speed up drug development

Newcells Biotech, a Newcastle-based company specialising in 3D tissue models for drug development, has raised £1.2M in funding from existing investors Mercia Ventures, Northstar Ventures, and North East Finance. The investment will help Newcells expand its customer base, forge new partnerships, and enhance its offering, which provides pharmaceutical companies with more effective alternatives to animal testing. Newcells' 3D models, which replicate human tissues such as the retina, kidney, and lungs, allow for better predictions of how drugs will behave in the human body, speeding up the development process and reducing costs.

The company's growth is driven by increasing demand for non-animal testing solutions, particularly following changes in FDA regulations that removed animal testing requirements for new drugs. Studies showing that 90% of drugs deemed safe in animals fail in humans have highlighted the need for more accurate testing methods.

Founded in 2015 as a spinout from Newcastle University, Newcells now employs 42 staff and serves pharmaceutical clients globally. The funding will enable the company to expand its operations and capitalise on the growing shift towards more ethical and effective drug testing solutions.

Cerve secures £3.5M Seed funding to revolutionise the global food supply chain

Cerve, a provider of infrastructure and API solutions for the digitised global food system, has successfully closed a £3.5M seed funding round. The round was led by SuperSeed, a B2B SaaS-focused VC, with additional participation from Zenith, Ponderosa, and The First Thirty. Cerve's mission is to accelerate the digitisation of the global food supply chain through standardised API tools, enabling organisations to build custom applications and automations that drive profitability, reduce food waste, and improve food security.

Cerve's technology addresses significant inefficiencies in the global food system, which relies heavily on outdated, manual data-sharing methods such as emails and spreadsheets. These methods hinder efficiency, limit visibility, and create missed opportunities. Over one-third of all food produced globally is wasted, much of it due to a lack of traceability in supply chains. Cerve's infrastructure overcomes these challenges by enabling seamless data integration, fostering a more connected and sustainable food system that can scale to meet global needs.

The company's platform is already in use by over 2,000 organisations across the UK and Europe, including retailers, wholesalers, manufacturers, and producers. With the new funding, Cerve plans to expand commercially in the UK, Europe, and North America, while strengthening its R&D capabilities and building out its engineering, product, and technical support teams. Founded by Dan Mazig, a serial entrepreneur with expertise in data infrastructure, and David Walker, former senior executive at Barclays, Dyson, and Sky, Cerve aims to revolutionise the food industry by addressing the most pressing global challenges, such as food waste and security.

Netacea raises further £4M to step up battle against the bots

Netacea, a Manchester-based cybersecurity company specialising in bot attack prevention, has secured £4M in funding from Mercia Asset Management and the first Northern Powerhouse Investment Fund (NPIF). The funding will support Netacea in advancing its AI capabilities, expanding its product portfolio, and driving further growth. Established in 2022 as a spin-out from Intechnica Holdings, Netacea has gained recognition for its AI-driven platform, which not only detects and stops live attacks but also provides insights into potential future threats. Its innovative BLADE framework, which maps the lifecycle of cyberattacks, is becoming a standard for business security teams.

Bots account for over half of online fraud, and with the rise of 'offensive AI,' they are becoming increasingly sophisticated. Netacea's intent-based analytics tools enable the company to outperform traditional methods in identifying and mitigating bot threats. With a growing client base that includes leading online retailers and major brands, Netacea reported a 29% revenue increase in the financial year to March 2024 and is set for continued expansion. CEO Mick Bradley highlights the urgent need to tackle the rising costs of online fraud, projected to reach \$7.95T by 2027, and credits the company's tools for delivering industry-leading threat intelligence.

The investment reflects Mercia's commitment to cybersecurity innovation and its role in scaling impactful technologies. Angela Warner from Mercia notes that the sector's sustained growth underscores the importance of early investment in solutions addressing critical challenges like bot detection and supply chain risk management. With the launch of the £660M Northern Powerhouse Investment Fund II earlier this year, the region continues to prioritise sustainable economic growth by supporting

innovative startups and SMEs across the North of England.

Digital bank Zopa raises £68M to accelerate growth ahead of 2025 current account launch

Zopa has secured £68M in equity funding, led by A.P. Moller Holding with strong backing from existing investors. The funding will fuel Zopa's growth, particularly its planned current account launch in 2025 and a GenAI-driven financial proposition aimed at transforming customer interactions with money. Since becoming a licensed bank in 2020, Zopa has established itself as a leader in financial innovation, combining digital agility with decades of lending expertise to support customers' financial health and provide competitive credit and savings products.

Zopa's recent initiatives include partnerships with Octopus Energy to tap into the UK's £23B renewable energy market and John Lewis to offer personal loans to its 23 million customers. To date, Zopa has attracted over £5 billion in deposits, lent more than £13B, and built a £3B on-balance-sheet loan book. With nearly 850 employees and high staff satisfaction, Zopa has also maintained full FSCS deposit protection for its customers, ensuring regulatory compliance akin to traditional banks.

CEO Jaidev Janardana highlighted Zopa's vision to become "Britain's best bank" by delivering customer-centric solutions, while Chetan Mehta of A.P. Moller Holding praised Zopa's innovative and sustainable approach to creating long-term value. With its exceptional track record and recognition at the 2024 British Bank Awards as the UK's Best Personal Loan and Credit Card Provider, Zopa is well-positioned to expand its influence in the UK financial services market.

Embeddable secures £4.94M seed funding to help development teams build bespoke, fast-loading customer-facing analytics

Embeddable, a cutting-edge developer tool for embedding interactive analytics into software applications, has closed an oversubscribed £4.94M seed funding round led by OpenOcean, with participation from Four Rivers, TechStars, and investors behind MySQL, MariaDB, and Docker. Despite its lean 14-member team, Embeddable has signed contracts with 36 companies ranging from startups to billion-dollar enterprises. Its Private Beta, launched in December 2023, has attracted over 800 applications and generates over €100,000 in new contracts monthly.

The platform addresses challenges with traditional embedded analytics tools—slow performance, limited customisation, and high engineering demands—through a headless architecture. The company plans to strengthen its team and developer community, fostering collaborative innovation with a library of user-contributed templates akin to platforms like Notion.

CEO Tom Gardiner compared Embeddable's mission to Stripe's transformation of online payments: "Embedding analytics is now as essential as adding payments or chat features. We're empowering teams to deliver fast, interactive data experiences at scale while creating a collaborative community."

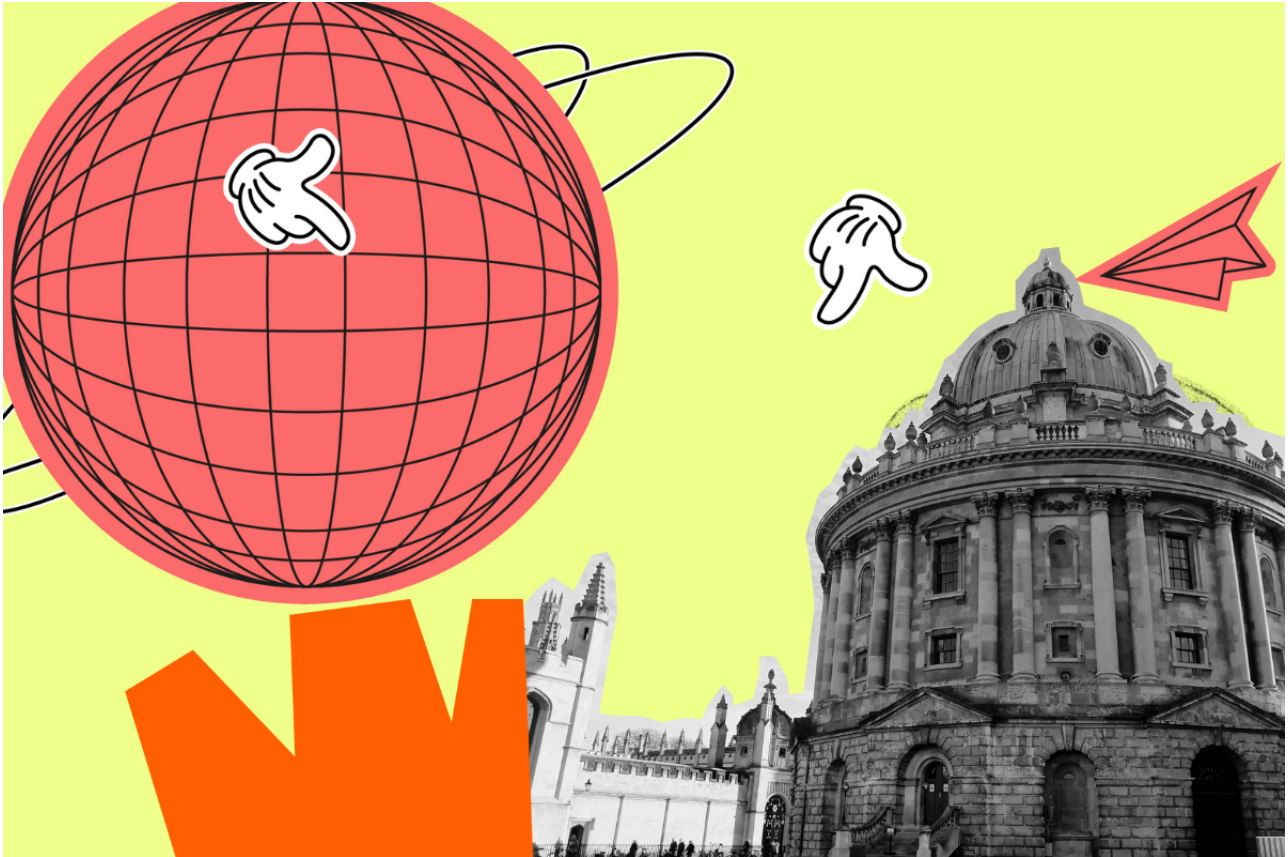
In other investment news

Oxford Capital celebrates 25 years of supporting innovative startups

Oxford Capital marks its 25th anniversary, celebrating over £500M invested in more than 100 technology companies, including Latent Logic (acquired by Waymo), Oxford Biotherapeutics, and Moneybox (valued at £550M). Based in Oxford since its founding in 1999, the firm has played a key role in fostering startups from Oxford University and local science parks.

Named Investor of the Year at the Great British Entrepreneur Investor Awards, Oxford Capital achieved a 17x return for investors this year through Moneybox. Founder partner David Mott praised Oxford's thriving startup ecosystem, while Lucia Gunn highlighted the city's vibrant entrepreneurial networks.

Looking ahead, the firm remains committed to backing ambitious founders, building on its legacy of fostering innovation and driving growth in cutting-edge sectors like fintech, health tech, and advanced computing.



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[Oxford: Cornerstone of the UK's startup golden triangle](#)

Clyde Hydrogen achieves major technical milestone in decoupled hydrogen production and launches £5M funding round

Clyde Hydrogen Systems, a Glasgow-based startup revolutionising the hydrogen energy sector, has announced a major milestone in decoupled hydrogen production, achieving high-pressure hydrogen generation at over 100 bar. This breakthrough validates the company's proprietary decoupled electrolysis process, developed as a spin-out from the University of Glasgow's School of Chemistry, a global leader in electrochemistry research. The innovation addresses the challenge of converting intermittent renewable energy into scalable, cost-effective

hydrogen, positioning Clyde Hydrogen at the forefront of renewable hydrogen production.

The company's decoupled electrolysis process combines an electrochemical reductor and a catalytic hydrogen generator, enabling efficient, high-pressure hydrogen production directly from low-quality renewable power. This milestone sets the stage for Clyde Hydrogen to deliver a fully integrated pilot system by 2025, followed by a commercial demonstrator, with the first market-ready product targeted for release in 2027.

To accelerate its journey toward commercialisation, Clyde Hydrogen has launched a £5M seed funding round. The investment will be used to refine its production process, develop a production-ready system by 2026, and expand its team. CEO James Peck emphasised the significance of this technical breakthrough, stating it validates years of R&D and underscores Clyde Hydrogen's potential to play a key role in the UK's renewable energy future. This funding builds on support from Zinc, the Scottish Government's Hydrogen Innovation Scheme, and the Net Zero Technology Centre.

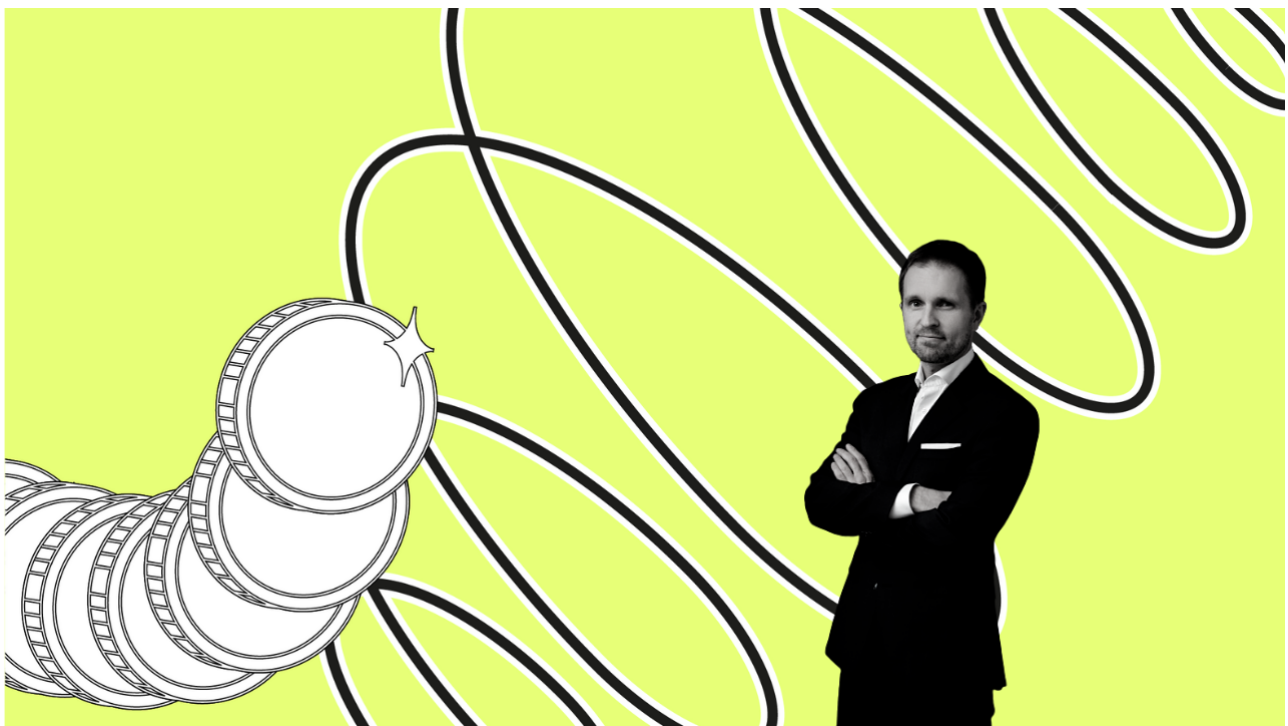
In other international investment news

FibreCoat, world leader in materials technology, secures close to €20M from NewSpace Capital and other investors in Series B raise

FibreCoat, a materials technology innovator, has raised nearly €20M in a Series B funding round co-led by NewSpace Capital and Goose Capital, with participation from several notable investors, including Nova Saint-

Gobain, 212 NexT, and Otto Krahn New Business. The funding will accelerate FibreCoat's expansion as it positions itself to become the world's largest manufacturer of coated fibers, with a focus on scaling production and advancing coatings tailored for the space and defense sectors.

Founded in Germany in 2020, FibreCoat's breakthrough technology combines metals and plastics onto fibers during the spinning process, delivering lightweight, cost-effective, and high-performance materials. These products are critical for industries requiring strength, conductivity, and recyclability, particularly in the face of extreme conditions like those encountered in space or military applications. The company's innovations address growing demand in the \$9.3B EMI shielding market and align with projections for the global space ecosystem to reach \$1.8T by 2035.



Read also

Investing in the "picks and shovels" of the space industry, a profile of NewSpace Capital

Evidently secures \$15M Series A to transform healthcare workflows

Evidently, an AI platform revolutionising healthcare, has raised \$15M in Series A funding led by *DN Capital*, with support from FRAMEWORK, Clear Ventures, Fellows Fund, and others. The funding will scale its flagship EvidentlyOne platform and develop new solutions for population health and clinical research. Evidently simplifies fragmented healthcare data by acting as an AI resident, delivering actionable insights and decision support. The platform is already making a measurable impact, reducing chart prep time by 90%, improving Case Mix Index accuracy, and helping ACOs increase their Risk Adjustment Factor.

CEO Feng Niu, a seasoned AI entrepreneur, emphasised the platform's mission to enhance care while reducing clinician burnout. "By automating repetitive cognitive tasks, we're enabling providers to focus on delivering exceptional care," he said. The company is already deployed at leading health systems, including the University of Iowa, demonstrating its scalability and value.

Investors praised Evidently's transformative potential. Gulsah Wilke of DN Capital noted its ability to solve inefficiencies and improve outcomes, while Peter Misek of FRAMEWORK highlighted its human-first AI approach. With this funding, Evidently is positioned to expand its reach and redefine how healthcare providers leverage AI.



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