

Karma Kitchen and others raise over £350M this week

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

Total

£351M

Number of deals

13

Karma Kitchen raises £252M Series A

Karma Kitchen provides rentable kitchen space has raised £252M as the pandemic reopens hospitality facilities, demonstrating a strong future for delivery options. This round was led by investors including real estate investment firm Vengrove Asset Management, as well as VC Omakase Investment Club.

Delivery apps like Deliveroo and Uber Eats create investment opportunities in startups providing such rentable kitchen space. With the investment, Karma Kitchen plans to open over 50 new sites within the next five years.

Car subscription platform Drovers raised £20.5M

Founded in 2016 by Felix Leuschner, this car retail disruptor was backed by Target Global, RTP Global and Autotech Ventures as well as Channel 4 Ventures, Rider Global, Cherry Ventures, bp ventures, Partech, Version One and Forward Partners.

Drovers will use the investment to scale its business across the UK and France, as well as investing further into its platform and marketing campaigns. Drovers allows people to get cars through a digital 'car-as-a-service' model. Customers can get a car from 1-24 months with the car, maintenance and insurance included for a monthly subscription payment without the need to take on debt for one flat monthly payment.

Read also

[Car subscription company Drovers announces £20.5M in funding](#)

Employee fintech companion Wagestream raises £20M

Wagestream allows workers to access earned income in real-time and has been backed by Northzone, QED Investors, Latitude Ventures and Balderton Capital. The company will use the funds to expand operations and its business reach globally.

Wagestream provides an app that allows employees to stream earned wages into their accounts, giving them the chance to monitor when they're paid. The company has already launched in Spain, the Netherlands, France and the US.

Fraud detector Ravelin raises £16.4M Series C

Created in 2014, Ravelin, a fraud detection company was backed by Draper Esprit, Amadeus Capital Partners, BlackFin Tech, and Passion Capital. The company will use the funds to reach more global markets and industries.

Ravelin leverages machine learning and graph network technologies to allow online businesses to accept payments with more confidence. In addition to identifying card fraud, the company works with clients to find compromised accounts (often called Account Takeover), spotting incentive abuse and tackling supplier fraud in marketplaces. It has also developed Ravelin Accept aimed at helping businesses navigate PDS2.

Alternative fintech Lanistar raised £15M

Founded in 2019 by Gurhan Kiziloz, Lanistar aims to improve how customers streamline their money, and was backed by Milaya Capital which led the round in exchange for a 10% stake in the company. This agreement values Lanistar at £150M prior to its launch planned for the end of this year. The company will use the funds to enhance its customer support and grow its teams, and scale it towards its product launch.

Lanistar plans to use polymorphic technology to provide a customer-centric alternative to the personal finance offerings provided by the incumbents in the sector.

VR fitness developer FitXR raises £5.9M Series A

FitXR's latest round was led by Hiro Capital, BoostVC, Maveron, TenOneTen Ventures, and Innovate UK. With this investment, the startup will expand its operations in Europe and North America, and accelerate the launch of several new products and services for people to keep fit in VR.

FitXR provides games and services for all popular virtual reality (VR), augmented reality (AR) and mixed reality (MR) platforms. Its first product, the boxing rhythm game BoxVR, has been a huge success across Oculus, Steam and PlayStationVR. The company is now working on a series of product developments over the next 12 months.

Cybersecurity company CyberSmart raises £5.5M Series A

Founded in 2017, CyberSmart is backed by IQ Capital and will use the funds to grow operations and business reach.

Created by a group of security experts, the company provides a cybersecurity platform that enables SMEs to combat cyber-attacks and increasing regulation in an ever-evolving technological landscape and increasingly connected digital operating space.

Bedford-based biotech MIP Diagnostics receives £5.1M

Founded in 2015, nanotech expert MIP Diagnostics received £5.1M from Downing Ventures, BGF, Mercia and Calculus VCT to accelerate its global expansion, build its in-house R&D team as well as invest in commercial resource and scaling-up of manufacturing capacity.

Initially a spin-out from the University of Leicester Chemistry Department, MIP Diagnostics has developed a proprietary process for the manufacture of synthetic polymer alternatives to antibodies, known as Molecularly Imprinted Polymers (MIPs) and nanoMIPs.

Insurtech Concirrus raised £4.75M

Concirrus was backed by CommerzVentures, AlbionVC, IQ Capital, EOS Venture Partners and several angel investors. With these funds, the company will develop its sales and operations.

Concirrus uses the latest advancements in AI and machine learning to develop a behavioural-based underwriting platform called Quest which delivers differentiated pricing, portfolio management and predictive analytics. It is used by insureds, insurers, reinsurers and brokers around the world.

Fake news detector Logically raises £2.5M to anticipate the US elections

Founded by Lyric Jain in 2017, [Logically](#), a startup that detects misinformation and provides a fact-checking service to combat fake news was backed by NPIF and XTX Ventures. Based in Brighthouse, Logically uses a team of dedicated fact-checkers alongside AI and digital forensics to analyse media stories and conspiracy theories to help the public separate facts from falsehoods.

Logically provides a free app for consumers and also works with governments, news organisations and social media platforms to help prevent misinformation. It has already been used successfully in the Indian general and regional elections last year, in which it detected over 130K pieces of problematic content. It has secured contracts in the USA with public sector and social media platforms in the country to report on the forthcoming elections.

Idea management software provider Wazoku raised £1.25M

With Simon Hill as its CEO, [Wazoku](#), idea management software provider is backed by Enterprise Investment Scheme (EIS) and Venture Capital Trust (VCT) specialist Calculus Capital, other shareholders and members of the Wazoku management team. The startup provides an idea management software platform which helps organisations gather, manage, develop, analyse and implement ideas that solve real business problems and identify new opportunities, to achieve both innovation and strategic objectives.

With this new funding, the company will continue its expansion with the acquisition of U.S. open innovation firm InnoCentive's assets, creating an innovation platform and community.

Disease monitor BrainWaveBank raises £1.1M

Based in Belfast and Dublin, [BrainWaveBank Limited](#), a provider of a neurocognitive platform that helps monitor diseases such as Alzheimer's, and psychiatric conditions such as depression and schizophrenia, has been backed by Par Equity, Techstart Ventures, Co-Fund II, Clarendon Fund Managers, Angel CoFund, and British Business Investments.

The company will use the funds to develop its technology, scale its commercial activities, and roll out the platform into the global clinical trials market.

3D printing expert TOffeeAM, an Imperial College spin-out, raised £1M seed funding

Launched in 2019, TOffeeAM, a startup that optimises product designs for 3D printing, was backed by IQ Capital, the Royal Academy of Engineering and Imperial College London's Techcelerate program. With the money, TOffeeAM plans to hire engineers and additional staff and develop its customer base, which already includes GE Aviation and a Formula 1 motor racing team.

The software provides many applications but is useful for the aeronautics and automotive industries. Its technology optimises the 3D printed parts and the entire systems by reducing the overall number of component parts and increasing the resilience of systems as a whole.

#FOODTECH

Karma Kitchen £252M

Vengrove Asset Management, Omakase Investment Club

#MOBILITY

Drover £20.5M

Target Global, RTP Global and Autotech Ventures

#FINTECH

Wagestream £20M

Northzone, QED Investors, Latitude Ventures, Balderton Capital

#FINTECH

Ravelin

£16.4M

Draper Esprit (LSE:GROW), Amadeus Capital Partners, BlackFin Tech, Passion Capital

#FINTECH

Lanistar

£15M

N/A

#HEALTHTECH

FitXR

£5.9M

Hiro Capital, BoostVC, Maveron, TenOneTen Ventures, Innovate UK

#CYBERSECURITY

CyberSmart

£5.5M

IQ Capital

#BIOTECH

MIP Diagnostics

£5.1M

Downing Ventures, BGF, Mercia, Calculus VCT

#INSURETECH

Concirrus

£4.75M

CommerzVentures, AlbionVC, IQ Capital, EOS Venture Partners, angel investors

#FAKENEWS

Logically

£2.5M

NPIF, Mercia, XTX Ventures, XTX Markets

#SOFTWARE

Wazoku

£1.25M

Enterprise Investment Scheme (EIS), Venture Capital Trust (VCT)

#HEALTHTECH

BrainWaveBank

£1.1M

Par Equity, Techstart Ventures, Co-Fund II, Clarendon Fund Managers, Angel CoFund, British Business Investments

#3D

TOffeeAM

£1M

IQ Capital, the Royal Academy of Engineering, Imperial College London's Techcelerate

News from the financial world...

ETF Partners closes its news fund ETF3 with £167M raised

The fund was backed by Limited Partners, including British Patient Capital and the European Investment Fund. Investing at series A and beyond, and with the capital to support companies as they scale through multiple funding rounds, the fund has already supported companies in diverse fields such as smart mobility, ethical cybersecurity, microbiome AI and software, and energy-efficient data centres.

Cloud system provider Insurity acquires insurtech Virtual MGA

Based in Hartford, Insurity, Inc., a provider of cloud-based core system solutions and data analytics for insurers, brokers, and MGAs, completed the acquisition of Virtual MGA a provider of a cloud-based binding authority underwriting and distribution solution. The deal, which follows the acquisition of Epic-Premier, further expands Insurity's cloud-based core systems offerings for the managing general agent (MGA) and broker markets.

Online car retailer Cazoo acquires Imperial Car Supermarkets

The deal, which combines Cazoo's digital capabilities and platform with Imperial's infrastructure and expertise, will provide Cazoo with a national network of storage, distribution, after-sales and collection hubs.

