

57 trillion squares, and other (non-April Fools) investments

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

Total

£1.37B

Number of deals

25

£1M for Zobi to counteract cybercrime

The team at London's [Zobi](#) are self-proclaimed cybersecurity experts. Zobi offers a roster of Home Intelligence solutions – created to stop cybercrime infiltrating the home, in a world where 30% of all smart home devices are hacked.

It has just raised £1M in a round led by Worth Capital with Loyal VC, which also

saw contributions from Angels and a Seedrs crowdfunding campaign. This money will be used to bring its Hedgehog, which surveys all devices in the home simultaneously and blocks attempts at criminality, to market. The hardware-enabled software company will also be releasing a suite of software options ahead of the Hedgehog launch.

PPRO raises £65.6M Series D Follow-On

Following on from a Series D round of circa £130M, announced a few weeks ago, PPRO has managed to raise some more cash. This Series D Follow-On investment comes from JPMorgan Chase and Eldridge.

Sanjay Saraf, Managing Director, Global Head Integrated Payments Group at JPMorgan Chase, said:

“Alternative payments adoption is increasing rapidly across the globe. We are proud to become a strategic investor in PPRO as they work on their next phase of growth.”

The provider of local payments infrastructure processed around £8B for customers such as PayPal and Worldpay last year.

Manchester's PixelMax announces £2M seed round

PixelMax allows its users to create and communicate within their own virtual worlds. The futuristic venture has just raised £2M in a round led by Praetura Ventures, with additional participation from ACT Capital Partners.

Having already collaborated with an NHS Trust to simulate a hospital department, it will now be able to grow its team and develop a thorough go-to-market strategy.

Cofounder Andy Sands commented: “Right now there is a huge opportunity for PixelMax, but to get to the next level we need an investment partner that can provide strategic guidance and support, as well as an injection of capital.

“The team at Praetura Ventures not only share our ambitions, they have a track record of supporting businesses just like ours and this deal represents a significant milestone in our growth journey.”

what3words snaps up investment from IKEA

Ingka Group owns the majority of IKEA outlets and has just backed a London startup with £12M. what3words has somehow managed to divide the world up into three-metre squares, and name each square with a unique three-word combination.

Apparently, this will allow people to find and share exact locations with unprecedented ease. No doubt this will come in handy for emergency and humanitarian services and – relevant to this investment – delivery drivers.

MD of Ingka Investments, Krister Mattsson, said: “With an increasing demand for home deliveries, scalable and sustainable solutions are becoming increasingly important.”

“We see value in helping to support the build-up of a universal addressing system that can lead to better customer experience, while the precise locations will allow for a reduction in overall miles travelled, reducing the carbon footprint of home deliveries.”

The money will go towards cementing partnerships and international expansion.

Sharing economy pioneer YoungPlanet raises £500K

YoungPlanet allows parents to list and request different children's items – saving money and cutting down on waste, via cashless exchange.

The sustainable parenting app has just garnered £500K through an 'Equity for Parent's' crowdfunding campaign on Crowdcube – beating its initial target of £350K within a handful of hours. The husband and wife duo behind it are now seeking to expand nationally, add gamification features, and integrate postage within the service.

Following major growth this past year, YoungPlanet is set to make waves in the sharing economy – a space predicted to be worth £9B within five years.

Read also

Have a green Christmas: Interview with Jason Ash, YoungPlanet

Creator of new bovine TB test secures £2.3M

PBD Biotech has made a rapid test that will help combat tuberculosis in livestock. To help bring the Actiphage® test to market, it's just announced a £2.3M raise from fund managers Mercia and the Foresight Group, which were both investing through the Midlands Engine Investment Fund (MEIF); the University of Nottingham; the government's Future Fund; and private investors including farmers and veterinary practices.

Mark Hammond, CEO of PBD Biotech, said:

"It has been shown on-farm that when Actiphage is used within a disease management strategy it is

possible to eliminate bovine TB from a herd and maintain a disease-free status.”

“There is a significant international unmet need for a rapid test like Actiphage; with this funding we will be able to perform the validation studies required for regulatory approval and drive commercialisation of the technology.”

Loyalty wallet Swapi secures £350K seed

Founded last year by former Harvey Nichols and Harrods loyalty leader Pete Howroyd, [Swapi](#) allows its users to swap loyalty points between brands within its curated marketplace. Set to launch in Autumn 2021, the app has just attracted £350K in seed funding from a group of Angel investors.

Pete Howroyd said of the raise:

“COVID has left the retail economy in a perilous state, and Swapi will work on several levels to make a difference. It gives people more spending power. Valuable loyalty points often don’t get used because people don’t want to shop with the brand they’re linked to and they are left to expire. Swapi turns these points into rewards and cash with brands they do want to shop with, putting extra money in their pocket in a really quick and easy way.”

“There’s also a huge upside with the Swapi process for brands. They get an injection of fresh tender and a boost to customer acquisition, as well as a positive message about their loyalty scheme and a reduction in unwanted loyalty cash on their balance sheet.”

Biotech garners £6.8M to turn CO2 into animal feed

By feeding carbon and hydrogen to a microorganism, [Deep Branch](#) makes alternative protein for livestock. The enormous amount of soy currently used to feed the animals humans eat is a major contributor to deforestation – and this is what Deep Branch hopes to counteract.

This recent Series A round was led by Novo Holdings and DSM Venturing, with participation from Total Carbon Neutrality Ventures and Barclays Sustainable

Impact Capital. Finance will be channeled into the finalising of Deep Branch's Scaleup Hub in the Netherlands, the production of pilot-scale batches of animal feed for validation, and work on the design of its first factory.

Read also

UK startup Deep Branch converts waste CO2 into animal feed

£1M investment in employee happiness via The Happiness Index

The Happiness Index gives companies real-time insights into how their employees are getting on – enabling the creation of better workplace culture, and personal and organisational growth.

It has just raised over £1M in seed funding from several angel investors.

Fiona McDonnell, director at Amazon, said she invested because “The team at The Happiness Index have the passion to succeed and I believe now is the perfect moment to get behind data as a force for good!”

Tech investor Julius Ewig said he got involved because: “I believe that we need to empower our employees and to give them a voice. It's not enough to offer free breakfast once a week or having a pool table!”

Dunad Therapeutics announces £5M raise

Dunad produces small molecule therapeutics via its proprietary protein degradation technology. The Cambridge-based life science organisation secured this initial funding from Epidarex capital.

Cofounder Patrick Gunning explained:

“To date there has not been a broadly applicable, plug-and-play, mono-valent approach to protein degradation and we believe Dunad's unique platform

provides the potential to deliver next-generation degrader therapeutics with advantages over traditional drugs against a wide range of diseases.”

Sorted sorts out £11M growth funding

Operating out of Manchester, Sorted promises a top-notch delivery experience for companies, carriers and customers alike. In 2020, the startup experienced 100% growth and grew its portfolio of retail partners by 50%.

Following on from this, Sorted has just cemented an £11M raise – of which £5M came from round leader and existing investor Chrysalis Investments. The capital will go towards product development, new hires, international expansion, and adding further retail organisations to its roster.

David Grimes, Sorted’s founder and CEO, commented:

“This investment comes at exactly the right stage of our journey, following a year which has seen more retail opportunities and challenges than any other in the history of e-commerce.”

“Digital transformation has been driven at incredible speed, and I’m proud of how our team at Sorted has stepped forward to support an industry undergoing such tremendous change.”

Cazoo goes large ahead of IPO

Cazoo lets people buy second-hand cars on the internet incredibly easily – sorting purchase, inspection, reconditioning and delivery. To date, the portal – which is one of Europe’s fastest growing digital businesses – has sold more than 20,000 cars.

It has just announced an impending listing on the New York Stock Exchange, via a £5B business combination with SPAC (special purpose acquisition company) AJAX I.

The transaction is set to give Cazoo (the newly-formed company will still be called Cazoo) an additional £1B – with which it plans to scale brand and infrastructure across the continent. It was led by AJAX I sponsors and D1 Capital Partners, and also saw participation from new and existing investors including BlackRock, Counterpoint Global (Morgan Stanley) and Fidelity.

£2.5M for vegan fried chicken company VFC

VFC Foods was only founded three months ago, but has just announced a £2.5M seed funding round from Veg Capital. The plant-based chicken company comes from vegan activists Matthew Glover and Adam Lyons and has already expanded internationally – successfully entering the Spanish market in March.

Matthew Glover commented:

“Our ultimate mission is to end factory farming, and so we are focused on driving efficiencies through our business that will allow us to compete directly with chicken on price, taste and convenience.”

“I couldn’t be more thrilled with how well the launch phase has gone. Now, with this funding, we can really scale up, and drive up that all-important Chickens Saved figure.”

As VFC takes on the chicken industry, this capital will come in handy with scaling production and growing even further beyond the UK.

Led by Fuel Ventures, Noah secures £1.4M seed

Purveyor of the UK’s highest rated starter kits, Noah sorts out the basics for students, new homeowners, wannabe bakers and more. It’s just raised £1.4M in

seed funding, led by Fuel Ventures, with additional support coming from various Angels.

“Here at noah, we’re all about first steps and over the years we’ve taken many of our own”, the brand wrote in a blog on its website.

“From launching noah in 2018, packing boxes in our storage unit whatever the weather, to growing noah into a 7 figure business through bootstrapping. We are so proud of how far we have come and we’re super excited to announce that we’ve taken some even bigger steps and have raised our first investment.”

Read also

Fueling the growth of early stage companies with Fuel Ventures #QVCS

Company fighting paedophiles and terrorists gets a £5M boost

Using Contraband Filter technology, Cyan Forensics works with law enforcement, social media and cloud organisations to block harmful content shared by paedophiles and terrorists.

It has just completed a Series A round of £5M+, which takes its total raised to date to £8M+. The Series A was led by Par Equity, with additional contributions from existing investors Mercia, Triple Point, SIS Ventures, Scottish Enterprise and the MacLeod Family Trust. Money will go towards global growth.

CEO of Cyan Ian Stevenson said:

“Our technology is already making a significant impact within counter terror and child sexual abuse investigations in the UK, and we’re excited

to build on this momentum in mainland Europe and the US.”

“We’ve built a great network of partners to support our ambitious growth plans, and our team will double in size during each of the next two years to support this growth.

Wi5 closes £4.3M in investment prior to Series A

Wi5 delivers digital menus for hospitality venues – a service that’s been in high demand due to COVID-19 lockdown and social distancing.

In the run-up to a Series A round tipped for this spring, the order and pay platform has raised £4.3M in a round led by West Hill Capital. It plans international expansion in the USA in the coming months, building on a preexisting base in Texas and Miami.

Founder and CEO Prask Sutton commented:

“For too long, so many SMEs — representing 80% of the hospitality industry — have been excluded from the benefits of modern sales technology due to the unit economics and requisite technical expertise.”

“We strongly believe there’s another way and our product offering and commercial model proves that. In a market worth \$47bn, we’re providing an advanced sales platform and card processing solution at a cost below the most popular payment-only services.”

Read also

In line with mobile ordering's rise to stardom: Interview with Prask Sutton, founder of Onvi

Scottish space firm Orbex given £6M boost to launch European space transport service

Last week we reported a raise for Skyrora, and this week there's even more good news for Scotland's spaceflight industry.

The European Space Agency has now also backed Orbex via its Boost! programme. Based in Forres on the Moray Coast, Orbex has secured £6.3M to go towards ensuring commercially viable space transportation.

CEO Chris Larmour stated: "We very much appreciate the investment in new, commercially-focused microlauncher technologies from ESA's new Boost! Programme. And we're especially grateful for the strong support we received from the UK Space Agency and the Portuguese Space Agency, PT Space."

Butter garners over £15M to help customers 'spread the cost'

Swedish brand Klarna tends to dominate the Buy Now Pay Later (BNPL) headlines, but this week we saw a hefty raise for UK fintech Butter. The BNPL travel agency has just announced it's raised £15.8M, courtesy of BCI Finance (Blenheim Chalcot's credit arm) and a number of Angels.

It already has 100,000 customers - who use the service to pay the cost of flight and hotel bookings in instalments - and will use this money to roll out a new shopping app. This sees Butter move beyond travel into the wider world of retail.

"We want to remove the stigma surrounding the buy now pay later offering and empower consumers by allowing them to budget and spend intelligently and in a manner that suits their individual financial needs," said cofounder Timothy Davis.

“We’ve set out to achieve this by building a platform focussed around transparency, responsible lending and the ability to transact on bigger ticket items compared to other providers, whilst also offering more choice to customers through our unique over-the-top solution, which enables consumers to shop any online store in existence with Butter.”

Healthtech Manual closes Series A

Offering direct-to-door treatments, Manual makes men’s healthcare a breeze. Offering products across hair loss, sexual health, skin and daily health – and minus the awkward consultations many guys would rather shun – it’s a discreet and convenient service.

This week Manual announced a £21.7M Series A, thanks to Sonoma Brands, Felix Capital, Cherry Ventures, Waldencast, GISEV and FJ Labs. Cash will be channeled into product development and global expansion, hot on the heels of a launch in Brazil.

One of the largest fintech seeds in recent months goes to Monavate

Cambridge’s Monavate calls itself ‘the global payments solution provider’ and helps customers make finance-focused ideas a reality. It’s just closed £5M in investment from an unnamed US investor, which it plans to use to make a dent in the field of card issuing and ATMs.

Leeandrajae Vaile, Monavate’s CEO, said:

“There’s no shortage of great ideas to help consumers and businesses spend, save and invest smarter. And no shortage of investment in fintech either. However, getting great ideas to market is still a major pain point.”

That’s why Monavate was formed, and why we’re already making a difference.”

£5.2M towards decentralising finance via Gro

Gro is the creation of former Revolut and Spotify heavyweights and operates in the decentralised finance (DeFi) field. Its products (or 'protocols') make user experience simpler, and have just attracted £5.2M in seed funding.

DeFi specialist VCs Galaxy Digital and Framework Ventures led the round alongside Northzone. There was also participation from several Angels. Gro says the money will go towards product scaling.

Hannes Graah, co-ounder and CEO, said:

“DeFi enables a more efficient service stack through open collaboration and competition.”

“This allows creation of more value, but instead of distributing it like a bank, we want to build for the ownership economy. Accruing more value to those who help create it and fuel a movement for fair distribution of wealth”

£5M for proptech Nested

Touted ‘the modern way to move’, Nested combines the best of estate agents and technology. It has just secured £5M from Axel Springer, Balderton Capital and Northzone.

CEO Matt Robinson commented:

“The average home-selling experience is poor, and it’s not at all clear what your agent is even doing. There are some great agents out there. However, the tools traditional agents have and the services they can offer to customers are antiquated. That’s why we’ve built a truly modern estate agent where we hire the best local agents out of traditional agency and support them with unrivalled technology and unique features like our buying agent, chain management and advance.”

#CYBERSECURITY

Zobi

£1M

Worth Capita, Loyal VC, Angels & Seedrs

#FINTECH

PPRO

£65.56M

JPMorgan Chase & Co. & Eldridge

#AR

PixelMax

£1.96

Praetura Ventures & ACT Capital Partners

#MOBILITY

what3words

£12M

Ingka group

#GREENTECH

YoungPlanet

£500K

Crowdfunding

#BIOTECH

PBD Biotech

£2.3M

MEIF, the University of Nottingham, the government's Future Fund & private investors

#ECOMMERCE

Swapi

£350K

Angels

#BIOTECH

Deep Branch

£6.84

Novo Holdings, DSM Venturing, Total Carbon Neutrality Ventures & Barclays Sustainable Impact Capital

#HR

The Happiness Index

£1.02M

Angels

#BIOTECH

Dunad

£5M

Epidarex Capital

#PLATFORM

Sorted

£11M

Chrysalis Investments & Others

#ECOMMERCE

Cazoo

£1.16B

Morgan Stanley, BlackRock, Fidelity, Altimeter Capital, Senator Investment Group, D1 Capital Partners, Pelham Capital, Mubadala Capital Ventures, Marcho Partners, Spruce House & AJAX I

#FOOD

VFC

£2.5M

Veg Capital

#FOODTECH

Noah

£1.4M

Fuel Venturers & Angels

#CYBERSECURITY

Cyan Forensics

£5M

Par Equity, Mercia, Triplepoint, SIS Ventures, Scottish Enterprise & the MacLeod Family Trust

#PLATFORM

Onvi

£4.36M

West Hill Capital

#SPACE

Orbex

£6.3M

European Space Agency (ESA)

#FINTECH

Butter

£15.8M

BCI Finance & Angels

#HEALTHTECH

Manual

£21.8M

Sonoma Brands, Felix Capital and Cherry Ventures, Waldencast, Gisev & FJ Labs

#FINTECH

Monavate

£5M

N/A

#FINTECH

Gro

£5.2M

Galaxy Digital, Framework Ventures, Northzone & Angels

#PROPTECH

Nested £5M

Aviv Group, Balderton & Northzone Capital

In other international news

Barcelona-based company Glovo got its gloves (can you tell this is the last story?) on €450M – in what was Spain’s largest ever startup funding round. The delivery service is gearing up to take on a lot of speedy competition in the field. This round, led by Lugard Road Capital and Luxor Capital Group, takes the total raised by Glovo to over \$1B.

Article by MADDYNESS