

Sustainable biomanufacturing, student finance and flight-free travel 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.

Total

£189.55M

Number of deals

22

Biomanufacturing company FabricNano raises £9M Series A

London-based cell-free biomanufacturing company, *FabricNano*, has raised £9M in a Series A round led by European VC, Atomico, alongside existing investors Backed, Hoxton Ventures, and Entrepreneur First.

Other angels joining the round included Twitter cofounder, Biz Stone as well as actor and UN Sustainability Ambassador, Emma Watson.

Founded in late 2018 through the Entrepreneur First programme, FabricNano aims to produce biologically inspired systems by synthesising enzymes sustainably.

Current methods of biochemical production are based on microbial fermentation and present challenges related to engineering and scaling. The cell-free solution seeks to remove these constraints and develop a simpler and more cost-effective means of biomanufacturing for practical uses.

Cofounder & CEO of FabricNano, Grant Aarons told *UKTN*, “FabricNano is focused on changing the material world around us, and we are particularly interested in solving biomanufacturing of commodity chemicals that fermentation struggles to manufacture.”

The latest funding will be used to advance the development of sustainably synthesised alternatives to petrochemical products and drugs, which currently account for 14% of global oil demand.

Read also

By founders, for founders; the driving force behind Atomico

VividQ announces seed extension round of £11M

Deep technology company *VividQ* has announced a seed extension round of £11M. The Cambridge-based software and IP developer aims to drive a display revolution with computer-generated holography.

VividQ has already made significant developments in 3D displays and AR devices, collaborating with key providers such as Arm, Compound Phototonics and iView Displays to bring this technology to everyday applications.

The latest investment was led by UTokyo IPC, the venture investment arm for the University of Tokyo, alongside Foresight Williams Technology, Japanese Miyako Capital, Austrian APEX Ventures, and Silicon Valley's R42 Group. The funding will be used to scale the team, expand in APAC and further product development.

The company is also seeking to make progress on core applications of Computer-Generated Holography, including automotive head-up displays (HUD), augmented reality (AR) wearables, in addition to bringing holography to consumer electronics, with holographic LCD screens.

Insurtech Bequest raises £1.7M to provide affordable life insurance

Insurtech, *Bequest* has raised £1.7M in its most recent bid to ensure everyone has accessible, affordable life insurance. The funding round comes as the company reports significant growth since the start of the pandemic, at 325%.

The company is already backed by industry experts in the tech and insurance sectors, including Berkshire Hathaway's GenRe, Covea Insurance and Founders Factor. The latest investment was led by Kuvi Capital, Clocktower Ventures and Form Ventures, who all join the Bequest board as the platform scales

With more and more people searching for clarity on end-of-life preparation for loved ones, Bequest seeks to provide time-poor millennials with reassurance and options. On top of the recent launch of their free will service, version 2.0 of their life insurance product, Bequest Life, is now live. The service has already had more than 1000 customers within the first number of weeks.

Desana closes £2.9M in oversubscribed seed funding round

On-demand workspace network, Desana has secured £2.9M in seed funding in an oversubscribed round led by Berlin-based PropTech1 Ventures and BGF, alongside existing investor Techstart Ventures, with participation from GroundBreak Ventures and the Accel Scout programme.

The Edinburgh-based network is a hybrid workspace platform allowing employers the opportunity to offer flexible working to employees. Customers purchase a certain amount of monthly “credits” that can then be redeemed by employees in workspaces across Europe. To ensure efficient flexible work, instead of paying each space for each booking separately, the organisation then receives a detailed invoice from Desana

The service is currently operational across Europe, the United States and Asia.

StepEx raises £1.1M in pre-seed funding to facilitate inaccessible postgraduate courses

StepEx has raised £1.1M in pre-seed funding to broaden access to postgraduate and technical skills education. The fintech offers outcome-based finance to facilitate affordable, “next generation” student finance based on future earnings rather than debt.

Currently, only 2% of the UK population can afford to take on the cost of pursuing a top postgraduate qualification. StepEx aims to improve access to otherwise out-of-reach courses which will allow students to enhance their confidence and economic prospects.

StepEx founder and CEO Daniel George, driven by his own experience, having only been able to take up an MBA place through a full scholarship, said, “Finance for postgraduate and technical qualifications is outdated and prohibitive. The best courses are too expensive for the vast majority of potential students, and the costs are not covered by Government loans.”

“Debt is a poor solution to this problem, with lending terms based on past income, which restricts opportunity for younger and less wealthy individuals and limits upward social mobility. Outcome-based finance fixes this and opens up enormous economic opportunities for people who would otherwise be

priced out of the kind of courses that unlock significantly higher earning potential.”

The round was led by BBVA Anthemis Venture Partnership, Triple Point Ventures, and prominent angel investors, including renowned fintech investor Chris Adelsbach. It will be used to drive further development of the company's machine learning model and user platform, as well as expansion of the senior team.

Product design firm raises £750K amidst growing demand for prototypes

A company that designs products for leading consumer brands has raised £750K amidst growing demands for its rapid prototyping service. *AME Group* is one of the UK's leading independent product development consultancies, working with established, high-profile brands such as Hornby Railways, Vax, Jaguar and Smith & Nephew medical equipment.

Services on offer range from the creation of one-off models for testing purposes to small-batch production of high-value products, including marine components and medical equipment.

AME Group is backed by *NPIF – Mercia Equity Finance*, which is managed by Mercia and part of the Northern Powerhouse Investment Fund.

The firm now plans to use the funding to expand its range of 3D print and low-volume production equipment. The 20-strong team will also create ten new jobs and invest in new equipment to support its growth

Founder and Finance Director, Ian Jones said, “Technologies such as 3D printing have opened up new possibilities in product development and testing. As a result, the rapid prototyping market is expanding year on year.”

“This funding will allow the company to benefit from the post-Covid ‘bounce’ and the longer-term growth in demand.”

Government's top innovation agency backs flight-free travel by funding Byway

Byway, the first flight-free holiday platform, has announced £1M of funding following a surge in demand for unique and environmentally friendly travel.

The platform is building a new type of holiday, centred on slowing down the journey, personalising the experience and keeping the carbon footprint to a minimum. The aim is to make sustainable leisure travel a popular choice, building a vibrant travel ecosystem away from tourist crowds and tourist hotspots, while boosting local economies.

The round was led by Innovate UK SMART grant as well as Founders Factory and angel investors including Rod Cuthbert, Founder and CEO of Viator and Rome2Rio, slow travel guru, Ed Gillespie, and former Chair of Visit Britain, Christopher Rodrigues CBE.

It will be used to accelerate Byway's growth, extending the technical, customer experience and marketing teams, in addition to expanding the flight-free dynamic packaging technology, which allows holiday makers to instantly customise their holidays.

Cat Jones, Founder and CEO of Byway, said, "The past year saw the world forced to slow right down. Emerging from lockdown, many people are now choosing slower, more sustainable holidays that take them away from the crowds and help them enjoy the journey as much as the destination."

Creators of animation software Cavalry close £600K seed round as the technology is launched to the wider motion design community

Scene Group, the creator of animation software Cavalry, has secured funding of £600K to continue international growth. The round was led by mobile games entrepreneurs and founders of Playdemic, Paul Gouge and Alex Rigby, alongside ACF Investors.

The motion design animation application is designed for creative professionals. The software offers a leap forward in 2D animation, allowing real time playback and dynamic data driven content as well as a full suite of traditional animation

tools.

Since its launch, more than 25,000 people have signed up.

Paul Gouge, angel investor and founder of Playdemic said, “Cavalry represents a significant evolutionary leap in 2D animation software. The team have created a powerful solution to problems that many animators and creative agencies have wrestled with for years.”

“We are excited to invest in this amazing product and the highly experienced team behind it.”

Read also

[Commercial consultancy without ego, a profile of ACF Investors](#)

Kuano.ai raises £1M seed to de-risk and accelerate drug discovery using artificial intelligence and quantum computing

[Kuano.ai](#), a software platform for rapid, cost effective quantum modelling of enzymes, has raised £1M in seed funding.

Kuano combines quantum physics, AI and medicinal chemistry to transforming the discovery of therapeutics focused on enzyme inhibition. This can provide improved drug potency, selectivity or reduced susceptibility to resistance.

The £1M in funding will go towards expanding the technology team and the further development of Kuano’s platform for generating better enzyme inhibitors. It will also be used to create a data bank for use in its work with academic and commercial partners.

Cofounder and CEO of Kuano, Dr. Vid Stojevic said, “With this investment, our investors have affirmed the strength of our technology and its commercial potential. Building upon years of research, this funding will drive the development of our platform, facilitate the rollout of our own range of therapeutics and expand our team.”

Coincover raises £6.7M in Series A

Coincover the platform providing protection and insurance-backed guarantees for cryptocurrency investors, has raised £6.7M in Series A funding from leading fintech and crypto investors.

Founded in 2018, Coincover is building the safety standard for cryptocurrency, offering the world's first cryptocurrency theft cover and military-grade technology to recover access to lost funds. Since as much as 20% of the world's bitcoin lost as a result of human error, the platform protects crypto users and investors from theft, user error and infrastructure failure.

The aim is to provide the safety and certainty needed to establish cryptocurrency as a global financial standard, making the industry more accessible.

The Secure Key Storage function creates offline emergency backup keys for wallets where crypto is stored, which are fully encrypted and have zero network exposure to prevent targeting by hackers, meanwhile their Deposit Protection Guarantee protects customer wallets up to the value of \$1M in case of business or systems failure.

Currently, companies using Coincover's platform include wallet providers BitGo, Curv and Fireblocks.

The round was led by Element Ventures alongside DRW Venture Capital, CMT Digital, Avon Ventures, Valor Equity Partners, FinTech Collective, "Susquehanna Private Equity Investments, LLLP", Volt Capital and finally, founding investors, Insurtech Gateway Fund and The Development Bank of Wales.

It will be used to drive awareness and expand the team so that Coincover can provide greater support to the crypto market.

#BIOTECH

FabricNano £9M

Atomico, Backed, Hoxton Ventures, Entrepreneur First & Angels

#DEEPTech

Nodes & Links

£7.9M

2150, Zigg Capital, Westerly Winds, Entrepreneur First, ADV & Seedcamp

#ECOMMERCE

Secret Sales

£8.6M

Perwyn Growth Capital & Belerion Capital

#FINTECH

Codat

£29M

Tiger Global, Index Ventures & PayPal Ventures

#DEEPTech

VividQ

£11M

UTokyo Innovation Platform, Foresight Williams Technology, Miyako Capital, APEX Ventures, R42 Group & Others

#INSURTECH

Bequest

£1.7M

GenRe, Covea Insurance, Founders Factory & Others

#PROPTECH

Desana

£2.9M

PropTech1 Ventures, BGF, Techstart Ventures, GroundBreak Ventures & Accel

#EVENTS

OnePlan

£2.75M

Pembroke VCT & Eppes Creek Ventures

#AR

Ultraleap

£36M

Image Frame Investmenty

#INSURTECH

INSHUR

£25.3M

JVP, Viola Fintech & MTech Capital

#HEALTHTECH

Perci

£1.5M

N/A

#DESIGN

AME Group

£750K

NPIF – Mercia Equity Finance

#TRAVELTECH

Byway

£1.1M

Innovate UK & Angels

#GAMING

Scene Group

£600K

ACF Investors & Angels

#BROWSER

Gener8

£2.1M

Angels

#FINTECH

Toqio

£6.9M

Seaya Ventures, Speedinvest & SIX FinTech Ventures

#PROPTECH

Hubble

£2M

Pi Labs & JLL Spark

#EDTECH

Unibuddy

£14.5M

Highland Europe & Stride.VC

#ESPORTS

Excel Esports

£17.15M

IPGL Ltd, TNF Investments & JRJ Group

#DEEPTech

Kuano

£1M

ACF Investors, o2h Ventures & Angels

#DEATHTECH

Octopus Legacy

£1.1M

Fair By Design, Ascension Ventures, GC Angels, Accelerated Digital Ventures & Angels

#CRYPTO

Coincover

£6.7M

Element Ventures, DRW Venture Capital, CMT Digital, Avon Ventures, Valor Equity Partners, FinTech Collective, Susquehanna Private Equity Investments, LLLP, Volt Capital, Insurtech Gateway Fund & The Development Bank of Wales

In international news

TestGorilla raises £7.2M Seed round to help companies hire the best talent

HR tech startup TestGorilla has raised £7.2M in seed funding. The pandemic has created a shift in how businesses hire new talent and the roles they recruit for. Talent acquisition is now harder than ever before and as a result, recruiters are increasingly focused on skills and intrinsic motivation rather than resumes and experience.

TestGorilla aims to help companies with this process, finding the best talent while removing any bias. Just nine months since its launch, the platform is already being used by more than 1,500 businesses and services, including the NHS, Sony, PepsiCo, and Bain & Company.

The funding will be used to develop TestGorilla's proprietary technology and grow the test library to cover more job skills. This means the platform will be better placed to predict job success.

The company will also focus on growth within its current core markets and international expansion.

Wouter Durville, Co-Founder of TestGorilla said, "It's unacceptable that only a quarter of the world's workforce is in their dream job. Archaic hiring practices and unconscious bias have long fed into this problem as historically companies rank candidates based on their CVs and gut instinct."

Danish B2B fintech Pleo gains Unicorn status after raising \$150M in Series C co-led by Bain Capital Ventures and Thrive Capital

Fintech scale-up Pleo, which offers a simplified expense management tool and smart company cards, has raised \$150m in Series C. This is the largest Series C raise in Danish history and one of the biggest Series C rounds in European fintech, giving the company a Unicorn valuation of approximately \$1.7B.

The investment round was led by Bain Capital Ventures and Thrive Capital, alongside existing investors; Creandum, Kinnevik, Founders, Stripes and Seedcamp.

The company is currently live in six markets across Denmark, UK, Ireland, Spain, Germany and Sweden, employing over 330 people and serving over 17,000 customers every day.

The funds will be used to expand its strong customer base as it aims to reach 1 million engaged users by the end of 2025, invest in the team and deepen market offerings.

Co-founder and CEO at Pleo, Jeppe Rindom said, “We’re confident the partnerships, new and ongoing, will help us achieve our life-long mission to transform how businesses handle their spending, all while making their people feel valued at work.”

ManoMano, the new European unicorn, raises \$355M in fundraising and confirms the UK as its fastest growing market

Leading European marketplace specialising in online home and garden improvement, ManoMano, has announced the completion of its \$355M Series F fundraising. The Unicorn has now reached \$2.6B in valuation and has confirmed that the UK has become the fastest growing market for its services.

The round was led by new investor, Dragoneer Investment Group, alongside existing investors; Temasek, General Atlantic, Eurazeo, Bpifrance, Aglaé Ventures, Kismet Holdings, and Armat Group.

The investment will be used to drive European expansion, particularly now in the UK. Funds will also be used to replicate the success of its B2B offering in Spain and Italy.

To achieve its ambitions, ManoMano plans to more than double the size of its current workforce by recruiting a further 1,000 people by the end of 2022.

Eric Jones, Partner at Dragoneer Investment Group said, “The pandemic triggered an international craze in the DIY industry, and we believe the trend

is here to stay. Consumers across the globe are investing more-and-more in their homes and are now turning to online channels for selection, price, and importantly, advice.”

“ManoMano leads the industry on all three of these dimensions, and no company in Europe is better equipped to help DIYers realize their visions.”

Article by MADDYNESS UK