

Drug design, cloud native banking, and a children's bike subscription service in this week's MaddyMoney

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

Total

£438.1M

Number of deals

14

DSW Ventures leads £1M funding for drug formulation company

Birmingham-based company *Aston Particle Technologies (APT)* – which has developed a novel dry powder coating technology that opens up new possibilities in pharmaceutical manufacturing – has completed a £1M funding round led by DSW Ventures.

The investment into APT, a spin-out from Aston University, was led by DSW Ventures alongside Aston University and an Aston alumnus.

The funding will be used to scaleup APTs' capabilities at current good manufacturing practice (cGMP) standards to accelerate partnerships with pharmaceutical groups and contract development and manufacturing organisations, as well as to expand its product development and commercial teams.

Token.io secures £32.65M to scale open banking payments in Europe

Open banking payments platform *Token.io* has raised \$40M (32,65M) in a Series C funding round co-led by Cota Capital and TempoCap, with participation by Element Ventures, MissionOG, PostFinance and existing investors Octopus Ventures, Opera Tech Ventures and SBI Investment. Torch Partners advised on the financing.

The funding comes from a group of investors with deep expertise in fintech and payments, with track records of backing disruptive payments firms on rapid growth trajectories.

Token will use the capital to continue driving the shift from traditional payment methods like cards and wallets to open banking-enabled Account-to-Account (A2A) payments. It will do this by differentiating its purpose-built platform for existing payment providers and expanding open banking connectivity across Europe. Features of the Token platform that will be further enhanced at an accelerated pace include premium Application Programming Interfaces (APIs) for Variable Recurring Payments and open finance functionality.

Oxford Drug Design receives £2.2M

Oxford Drug Design Limited (ODD), a biotechnology company with a proprietary computational and machine learning platform, has raised £2.2M in funding from existing investors ACF Investors, o2h Ventures, Meltwind Advisory, a number of returning angels and new investors and the US-based R42 Group.

A spinout of Oxford University, ODD has been at the forefront of computer-aided drug design with its dual-track AI proprietary platform for drug discovery. The company has recently entered an oncology expansion phase accelerated by its two core competencies: expertise in the versatile aminoacyl-tRNA synthetase enzymes and its AI/machine learning computational capabilities.

This growth capital will enable ODD to further its drug research and discovery starting with a proof-of-concept study to validate its pioneering, innovative approach against cancer. It will also establish a new commercial offering of its proprietary AI platform to pharmaceutical and biotechnology companies.

Read also

Commercial consultancy without ego, a profile of ACF Investors

Bike Club secures £16.75M for kid's bike and scooter subscription service

Kid's bike subscription service Bike Club gears up for national and European expansion after closing £16.75M in new investment for its circular economy model.

Already the largest bike-subscription scheme in the UK, Bike Club, which is chaired by Mike Balfour OBE – founder of Fitness First – has now received this cash injection as part of a Series B funding round. Leading the investment is Circularity Capital and existing investor Codex Capital.

Raising £13.25M to date, Bike Club is revolutionising the cycle industry by offering families the chance to subscribe to new or refurbished bikes and

scooters online and then exchange them as their child grows. The company hopes to begin operations in Germany and France in the next 12-24 months.

Kaizan raises £960K to advance AI for client success teams

Kaizan, a client intelligence platform building ‘Siri for client success teams’, has closed a £960K pre-seed funding round led by Jigsaw. This investment will advance Kaizan’s development of an innovative intelligent AI that utilises conversation intelligence and automates workflows within client success teams to increase client happiness and revenue.

Kaizan’s founding team (who are ex-Facebook, OVO Group, and Lloyds respectively) were inspired to found the company having experienced the problem of optimising teams responsible for managing clients and revenue in their previous startups. Kaizan’s emergence coincides with a growing global demand for digital solutions for client retention and growth. Gartner predicts over 80% of client interactions will occur in digital channels, whilst the customer support software industry has been valued at \$350B.

Glen Calvert, co-founder and CEO of Kaizan said: “As client management moves into a digital-first era, we’re building a world-class team of engineers, product designers and NLP experts to tackle this huge opportunity; building an AI to guide client teams on how to maximise client happiness and revenue. The time has come to accelerate product and revenue milestones by building out a great team and value add investors”.

Thought Machine raises £129M, doubling valuation

Thought Machine, the cloud native banking technology company, today announces it has closed its series D funding round, led by Temasek, the global investment company headquartered in Singapore. Thought Machine is now valued at £2.18B – a 100% increase from the company’s valuation at the close of its series C round.

Thought Machine’s core banking platform Vault Core is developed natively for the cloud – uniquely positioned to support large-scale banks undertaking core transformation, as well as smaller banks and fintechs launching new propositions to the market. No other core banking vendor has signed as many

Tier 1 banks as clients such as Intesa Sanpaolo, Lloyds Banking Group, ING, SEB, and Standard Chartered, among others around the world.

Funds from this investment round will continue the company's global expansion plans – building on the success of Thought Machine's strong performance in New York, Singapore and Australia. Lloyds Banking Group, an early investor in Thought Machine and a participant in this round, has extended its licence agreement with the business until 2029.

Serial founders raise £20.9M Series A for new B2B SaaS purchasing platform

Vertice, the company that wants to make sure that you're not overspending on your SaaS subscriptions, has emerged from stealth to help businesses around the world reduce their annual software spend and simplify their purchasing process. This announcement follows Vertice raising a £20.96M Series A round led by 83North and Bessemer Venture Partners.

Vertice was founded by serial entrepreneurs Roy and Eldar Tuvey, who have two decades of experience running enterprise SaaS companies. This background inspired the Tuveys to apply their deep market knowledge and first-hand experience to radically improve the process of purchasing SaaS products.

Vertice is designed to help businesses intelligently reduce their annual software spend by 20-30%, as well as streamlining the purchasing process. Designed for finance, IT and procurement teams, the solution addresses the continuous uptick in the cost of SaaS applications, in addition to the complexities that businesses face in monitoring and managing their software stacks.

Former students raise £800K for edtech platform that automates grading

Three University of Birmingham students have raised £800K to commercialise a software platform that cuts the time taken by teachers to mark maths and science papers. The funding has come from the MEIF Proof of Concept & Early Stage Fund, which is managed by Mercia and part of the Midlands Engine Investment Fund, Mercia's EIS funds and capital from angel investors.

Graide arose from a PhD thesis written by Robert Stanyon. He and his co-developers, Manjinder Kainth and George Bartlett, recognised the need for the system while working as teaching assistants during their post-graduate studies.

Graide is aimed at higher education institutions and can be used to mark both coursework and exam papers for 'STEM' subjects, assessing both a student's workings and their final answer. The system, which incorporates artificial

intelligence, learns an assessor's marking style so they do not have to grade the same answer twice. As the assessor works through the paper, Graide automates more and more of the feedback.

The team estimates that the system can reduce grading times by an average of 89 per cent while giving students seven times as much feedback. Graide is already being piloted at six universities in the UK; the funding will be used to build the Graide team, create two new jobs, and add new features to the platform.

Creators of 'Security Knowledge Graph™' close £2.54M funding round

Cyscale, the cloud security analysis company that helps customers keep a track of their cloud assets, has announced the successful completion of a £2.54M funding round.

Understanding risk is critical for modern infrastructures that have interconnected cyber assets. It can make the difference between a security programme that works, and alert fatigue that burdens security and development teams.

Cyscale offers a solution by building a comprehensive 'Security Knowledge Graph™' for an organisation, ingesting data from multiple sources and generating an in-depth contextual analysis for each of its cloud assets. Leaving no risk or misconfiguration uncovered, it allows security teams to prioritise the remediation of high-risk issues. In addition, Cyscale has built a powerful compliance module that helps security leaders track gaps between any policies they've defined and their technical implementations in the cloud.

Read also

[Innovation in technology and business models, a profile of Notion](#)

[#BIOTECH](#)

Aston Particle Technologies

£1M

DSW Ventures & Others

#TECH

Salience Labs

£9.4M

Cambridge Innovation Capital, Oxford Science Enterprises & Others

#ROBOTICS

SLAMcore

£13M

ROBO Global Ventures, Presidio Ventures, cAmadeus Capital Partners, Global Brain, IP Group, MMC, Octopus, Samsung Ventures, Toyota Ventures & Yamato Holdings

#FINTECH

Token

£32.65M

Cota Capital, TempoCap, Element Ventures, MissionOG, PostFinance, Octopus Ventures, Opera Tech Ventures & SBI Investment

#CRYPTO

Elwood

£57M

Goldman Sachs & Dawn Capital

#MEDTECH

Oxford Drug Design

£2.2M

ACF Investors, o2h Ventures, Meltwind Advisory, R42 & Angels

#CIRCULAR

Bike Club

£16.75M

Circularity Capital & Codex Capital

#DEEPTech

Kaizan

£960K

Jigsaw & Angels

#FINTECH

Thought Machine

£129M

Temasek, Intesa Sanpaolo, Morgan Stanley, Eurazeo, ING, JPMorgan Chase, Lloyds Banking Group & SEB

#SAAS

Vertice

£20.9M

83North & Bessemer Venture Partners

#EDTECH

Graide

£800K

MEIF Proof of Concept & Early Stage Fund & Angels

#LEGALTECH

Legl

£14.5M

Octopus Ventures

#FINTECH

Modulr

£83M

General Atlantic, Blenheim Chalcot, Frog Capital, Highland Europe & PayPal Ventures

#PLATFORM

Cyscale

£2.54M

Notion Capital, Seedcamp, GapMinder & Angels

