

Automated infrastructure projects, a new TB test and spinal implants – all 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

£267.95M

Number of deals

12

Zen Educate secures £19.3M to help substitute teaching market

Zen Educate, a platform that connects schools with temporary and full-time

teachers and teaching assistants, has secured a £19.3M Series A extension round. The investment was led by Brighteye Ventures, Adjuvo and several notable private investors and family offices, including Simon Rogerson and Chris Hulatt, the founders of Octopus Group.

Zen Educate has built what it claims is a 'fairer, more ethical alternative to traditional agencies', by removing 'the hassle of archaic processes'. Its online platform provides a secure one-stop shop to solve a school's staffing needs, giving schools and teachers an online alternative to recruitment agencies. It also provides teachers with all the useful information they need to work at each location and better ways to communicate and manage relationships with the schools. The startup claims to have already saved the UK education system approximately £10M that would have been wasted on recruitment agency fees, and connected thousands of teachers to job opportunities.

The new funding will continue to grow the platform across the UK, support further market expansion in the United States, where it has already seen explosive growth, and complete its first acquisitions to consolidate the market. The funding will also double the team headcount from 100 to 200 over the next six months. Zen Educate has tripled in size year-on-year and is approaching nearly one million hours of cover booked on its platform in the last 12 months.

OutThink raises £8.8M to tackle human error in data breaches

OutThink – the startup behind a leading cybersecurity human risk management platform – has raised £8.8M in a seed stage funding round led by AlbionVC. TriplePoint Ventures, Forward Partners, Gapminder and Innovate UK also participated.

Human behaviour is the cause of 91% of data breaches worldwide. By leveraging machine learning, natural language processing and applied psychology, OutThink is able to identify the attitudes, intentions and sentiment of individuals within an organisation. The platform combines this human intelligence with data from integrated Microsoft Defender and Sentinel to present live dashboards visually showcasing the overall human risk picture at a department, group or organisation level. From here, OutThink delivers targeted training that not only educates, but allows security teams to listen and learn from their people.

The latest funding round will allow OutThink to continue expanding its technology leadership, and accelerate international distribution.

Digital procurement startup YardLink raises £15.4M for construction industry

Yardlink, which aims to transform the construction industry by becoming a one-stop supply chain service for SMEs, completed its Series A round. It was led by Beringea, with participation from Amplifier, and existing investors Speedinvest and FJ Labs.

YardLink is trying to reinvent the future of construction procurement for SMEs across the UK, with its full-service supply chain management software. Having initially focused on heavy equipment rental, YardLink's rapid expansion and extra funding means that contractors can now gain instant access to a growing number of over 500 highly vetted suppliers of tools, equipment, bulk materials, fuel, waste management and beyond.

The fresh funds will be used to expand YardLink's product offering to become the only place customers can access the entire construction supply chain, helping to cut overheads, speed up supply and reduce costly delays. YardLink will also double its headcount, currently at 55 staff, over the next 12-18 months as it more tightly integrates with its supply chain to offer real-time availability across all products.

Biotech company raises £2.4M for 'breakthrough' TB blood test

Nottingham-based PBD Biotech – who devised a blood test that could revolutionise management of tuberculosis – has raised £2.4M to further develop the test and support clinical trials. The funding for PBD Biotech has come from a consortium led by fund managers Mercia and Foresight Group, both investing from the Midlands Engine Investment Fund, alongside the University of Nottingham and private investors.

TB is the world's most fatal infectious disease after Covid – although treatable, it is difficult to identify carriers requiring treatment. PBD Biotech, which is a spin-out from the University of Nottingham, has developed a rapid screening test that can identify infection at an early stage. Clinical trials have shown that its Actiphage® test is able to diagnose human TB before the patient develops symptoms. By enabling rapid screening of a population, it offers a breakthrough in disease prevention and treatment.

The latest funding round follows a £2.3M investment in March 2021 to help the company validate a test for bovine TB. Due to strong commercial interest the

focus has now switched to developing a test for bovine paratuberculosis or Johne's disease and the human TB test. The company is in talks with a number of potential partners around the world. The funding will help the company build further evidence of the test's effectiveness.

Sensat raises £16.7M to automate infrastructure projects

Sensat has raised £16.7M in Series B funding in a round led by National Grid Partners, the corporate venture capital and innovation arm of National Grid, with the participation of existing investors.

Sensat mission is to digitise the underserved construction industry and bring efficiencies to the development and operation of large infrastructure projects. Sensat helps infrastructure owners and their construction partners deliver on time and on budget by facilitating team collaboration, uncovering hidden risks, eliminating site visits and acting as a window into the entire project. Teams can visualize and collaborate on high resolution, multi-layered digital twins, resulting in faster project completion, fewer missteps, lower costs and superior project performance.

The funds will help Sensat to drive digital automation in infrastructure projects in the energy, rail and telecommunications sectors, which have traditionally lacked the productivity gains that have been a by-product of the rapid digital adoption that has occurred in other sectors.

New £5.25M investment in Nova Pangaea to accelerate business growth

Nova Pangaea Technologies – the Teesside-based Clean Tech business – has raised £5.25M in a funding round led by Mercia Asset Management Plc, Par Equity and NPIF – Mercia Equity Finance, which is managed by Mercia and is part of the Northern Powerhouse Investment Fund (NPIF), with private investors also participating.

Nova Pangaea's patented process converts woody and agricultural residues into high-value sustainable products that are used to manufacture sustainable aviation fuel and a range of biochemicals. The process also produces Biochar which is crucial for carbon dioxide removal and soil enhancement. Last year it entered a partnership with British Airways and LanzaJet to launch Project

Speedbird, a ground-breaking initiative to develop sustainable aviation fuel for commercial use in the UK.

The funding will allow Nova Pangaea to build its first commercial plant in 2023, at its base at Wilton. This will create a large number of local, high-quality jobs in the low-carbon sector.

Spinal implant firm raises £10.8M after successful product release

Axis Spine Technologies – a St Albans-based company developing next-generation spinal implants – has raised a further £10.8M in a funding round led by existing investor Mercia Asset Management plc, alongside US-based MedTex Ventures and private investors.

Axis is a Med Tech business delivering spinal implants. Axis has a highly differentiated platform of modular implants designed to address the increasingly recognised and unmet clinical need of cage subsidence. This technology promises to not only reduce post-operative spinal segment collapse but also improve spinal alignment in patients suffering chronic back pain and spinal deformity.

The funding will enable the company to expand to new hospitals, broaden its product portfolio and position itself as a leader in anterior lumbar surgery.

Commodity AI firm ChAI secures funding to expand into AI insurance services

Commodities AI Ltd (ChAI), the AI-driven commodity intelligence company, has completed a seed round to help expand its industry-leading services into new markets and provide real-time commodity price forecasts to new global audiences. The round was led by Serephim Space with participation from Insurtech Gateway, Passion Capital, Primo Space Fund, 2050Cap and Portfolio Ventures.

The company's market intelligence tool has the technical capabilities to price insurance premiums and simulates underwriting portfolios. ChAI is democratising the tools, techniques and data that have long given speculators a competitive edge – combining state-of-the-art AI techniques with exciting new alternative data sources to take the risk out of physical supply chains. Their innovation helps better mitigate shocks to company cash flows and P&Ls

- enabling businesses to plan better for the future and be more resilient.

This latest funding round will allow them to invest in building commodity risk insurance products to allow smaller companies that are underserved by existing risk transfer solutions, such as options or futures markets, to transfer commodity price risks and derivatives. It will also allow larger companies and material providers to transfer financial risk for many raw materials such as plastic and steel.

Feel raises £10M to continue growth in the nutritional supplement market

Feel, the health and nutrition company, have closed a £10M Series A round led by Velocity Capital Advisors alongside British American Tobacco's fund Btomorrow. The round also includes existing investors Fuel Ventures, TMT Investments and ITV's media for equity fund ITV AdVentures as well as UHNW individuals.

The nutritional supplement company, Feel, is a digital health and wellness subscription brand offering a broad range of science-led, affordable, and high-quality supplements. Feel offers consumers the convenience of a subscription service, ensuring that wellness is only ever a click away. Thanks to their fast-growing product range and smart digital features, Feel believes it is on a quick path to becoming a household name in the UK.

The company will use the funding to expand to new markets. Feel also plans to strengthen its software by using the power of customer data to better tailor and suggest more relevant health products to its customer base.

#EDTECH

Zen Educate

£19.3M

Brighteye Ventures, Adjuvo & Others

#CYBERSECURITY

OutThink

£8.8M

AlbionVC, TriplePoint Capital, Forward Partners, Gapminder & Innovate UK

#PROPTECH

Yardlink

£15.4M

Beringea, Amplifier, Speedinvest & FJ Labs

#FINTECH

gohenry

£48.9M

Edison Partners, Revaia & Nexi

#BIOTECH

PBD Biotech

£2.4M

Mercia, Foresight Group, University of Nottingham and Others

#PROPTECH

Sensat

£16.7M

National Grid Partners & Others

#CLEANTECH

Nova Pangaea Technologies

£5.25M

Mercia Asset Management Plc, Par Equity & NPIF – Mercia Equity Finance

#MEDTECH

Axis Spine Technologies

£10.8M

Mercia Asset Management plc, MedTex Ventures & Others

#DEEPTECH

ChAI

N/A

Seraphim Space, Insurtech Gateway, Passion Capital, Primo Space Fund,
2050Cap & Portfolio Ventures

#HEALTHTECH

Feel

£10M

Velocity Capital Advisors, Btomorrow, Fuel Ventures, TMT Investments, ITV AdVentures & Angels

#SPACE

Orbex

£40.4M

Scottish National Investment Bank, Jacobs, The Danish Green Future Fund, Verve Ventures, BGF, Heartcore Capital, High-Tech Gründerfonds, Octopus Ventures & Others

#DEEPTech

Stability.ai

£90M

Coatue, Lightspeed Venture Partners & O'Shaughnessy Ventures.

Article by MADDYNESS UK