

Agri-foodtech and cosmic crop resistance, a profile of Astanor Ventures

With #QVCS, Maddyness profiles different funds to give founders and entrepreneurs the information they need to choose the right investor. Today we spoke to Kanira Shah, Investment Principal at Astanor.

My journey is less straightforward than most. But I've always loved how things work and was fascinated by technology, so I decided to start off by studying a combination of Electronics, Computer Science and Information Engineering. I then decided to go down the route of creative entrepreneurship, which took me around the world and certainly helps me to now appreciate and help founders with the journey they go on.

I then pivoted back to finance where I've been for the past 10 years – first at a private equity firm focused on renewables for a few years. After this, I took two years to study, and went back to Imperial College, but this time to learn about environmental technology. I added an INSEAD MBA, and I have been in VC ever since graduating from INSEAD. What I love about investing is a variety of the job and the great inspiring entrepreneurs who you meets at every company.

What attracted me to Astanor was the deep expertise of the team, the international aspect, our impact focus and of course, again, this continuous learning as I came from deep tech.

Which industries are you working in?

Astonor started in 2017 as one of the first impact investors in the agri-food-tech space. So our mission is to find support and scale the most disruptive and impactful startups to accelerate the transition towards a regen-agri-food system; so we look to support the entire agricultural value chain. We like to call it investing from soil to gut. We can count Apeha.Bio, for example, the Belgian biologicals company to a portfolio – and also *Notpla*, a UK based sustainable packaging startup and The Gut Stuff – also UK based – who are tackling issues related to the gut microbiome.

So the team itself has decades of venture experience with Eric Archambeau and George Coelho our two co founders. Also our newest addition, venture partner Matthew – he was the ex-CEO of Kite Hill. So we invest early stage in Europe and the US and have an allocation for rest of the world as well. I personally look after the UK and a couple of our US portfolio companies.

Can you talk about your current portfolio?

We have 36 portfolio companies in total, all with a deep-tech angle, largely B2B focused. We're also not afraid of hardware. So take for example, Monarch, which is a US company manufacturing electrical autonomous and low emission tractors. These tractors are being sold at an affordable price whilst also gathering data for better farm monitoring. The team is stellar, which we were of course attracted to, but also – we were attracted to their offering to farmers. In the end it's cheaper over 10 years than a diesel tractor, as well as improving worker safety and tackling labour scarcity.

What do you look for in a founder?

So these are sharp, determined founders trying to solve the world's most pressing and complex problems. I think in any market it is key that a founder is nimble, so able to pivot as and when needed – and of course is cash savvy.

So you can have a great technology but if you cannot sell it, you really should be open to rethinking your model.

What does the future look like?

I'd say one of our pillars of investing is actually done by conducting deep dives on all the sub verticals and agri food, so – we're very interested currently in the topics of restoring biodiversity of course developing Fair Food Systems, stemming water issues, reversing spiralling health costs and crop resistance.

So that part of healthcare and food as a medicine is actually my personal favourite. You have companies like FarmboxRx in the US, which is a simple food delivery service, but they partner with Medicaid and Medicare programmes and this is where recipients can benefit to purchase healthy food through the platform that they might not have access to otherwise. So this really helped the most vulnerable in our society. Otherwise, more deep tech are our current investments in the seed programme that deliver precision nutrition solutions for personalised health, and sugar replacements.

Crop resistance is also another topic of interest to me. I also love diving into and learning more about avant garde areas. For example, there is a rice variety that was sent into space to observe any alterations in the genetic blueprints of the seeds, which could be induced by cosmic rays, microgravity or magnetic fields in space. So, when it returned to Earth and seeds were planted in greenhouses, the objective was to observe for any desirable traits such as resistance to stress or an improved quality that could maybe help going forward especially with climate change. And finally, despite any of the economic headwinds that are going on – farming is still essential, and investments in the food and farming sector will be key to continue feeding our rapidly growing population.

What makes Astanor different?

What makes us different is two things: our impact focus and sector expertise. So on impact, we approach investing through the lens of both ESG and impact as both are necessary to achieve a sustainable and resilient agri food system. We help our portfolio companies build buildings as well and support them. And then we also understand the food and agri system and we are surrounded by advisers and experts: we can help a portfolio navigate challenges like; how to scale up production, etc.

What one piece of advice would you give founders?

I'd say just choose who goes on this long journey with you carefully: from your investors to your team. Sometimes venture money is not what you need, but you might be better off getting patient capital. Sometimes that expensive hire is not the right time to bring on board. So just choose the people that will be accompanying you on this on this journey going forward very carefully.

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