

# SME lending, battery energy storage and a sustainable inhaler 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

---

£270.02M

Number of deals

---

10

Flow48 secures £19.8M in Pre-Series A funding to transform SME lending

*Flow48*, a UAE-based fintech startup, announces £19.8M in Pre- Series A

funding, marking a significant milestone in its mission to push the frontier of SME lending. The round, comprising a mix of equity and debt, includes notable investors such as Speedinvest, Daphni, 212, Blockchain Founders Fund, Unpopular Ventures, Endeavor Catalyst, and TLG, as well as angel investors among which Scott Sandell from NEA.

Flow48 is a fintech company enabling SME growth by transforming future revenues into up-front capital under flexible terms. The company provides upfront financing to companies with predictable revenues. Operating in the Middle East region (starting with the UAE), Flow48 provides the most suitable financing option, from invoice discounting to revenue-based financing.

With its eyes set on expansion, Flow48 is strategically venturing into South Africa, attracted by its robust SME lending market and advanced fintech ecosystem. This move aligns with the company's commitment to data-driven, real-time lending solutions and its ambition to empower SMEs across emerging markets globally. Going into South Africa is not just geographical but a deliberate step to integrate into thriving fintech ecosystems.

*“Flow48 exemplifies the ideal partner profile for us at 212. Their innovative approach to a significant problem (SME financing gap in target regions), combined with their remarkable team, aligns perfectly with our values.” said Numan Numan, Founding Partner at 212*

## Modo Energy secures £11.88M in Series A funding to expand its renewable energy data analytics services

Modo Energy, the innovative software-as-a-service (SaaS) platform specialising in data analytics for renewable energy assets, has raised £11.88M in Series A funding, led by MMC Ventures. Existing investors Triple Point Ventures, Fred

Olsen Limited, and Catalyst Capital also participated in the round. The business will use this new capital to fund its ambitious expansion plans, focusing on product enhancement and global market entry.

Founded in 2019 by Quentin Scrimshire and Tim Overton, Modo Energy has swiftly emerged as a trusted authority in the rapidly growing battery energy storage market in the UK. The company's integrated suite of data-backed tools empowers owners and operators of renewable energy assets, particularly grid-scale battery energy storage systems, with the insights needed to navigate the dynamic landscape of the energy market during a period of unprecedented change.

Modo Energy recently unveiled Modo 2.0, a cutting-edge update that revolutionises the approach to revenue benchmarking and forecasting in battery energy storage. This new iteration reinforces the company's position as the all-in-one platform for investors, developers, owners, and operators of battery energy storage assets. The platform now offers an array of features such as long-term, bankable price forecasts; in-depth revenue comparisons and trusted price indices; world-leading written research; educational materials; real-time market screens; and a comprehensive array of up-to-the-minute downloadable data.

## 1nhaler raises £2M to develop single-use sustainable inhaler

1nhaler, a Scotland-based drug delivery device developer, has raised £2M to develop its unique single-use dry powder inhaler (DPI). The funding round was led by Archangels with support from Dr Yusuf Hamied, British Business Investments (BBI) and seed investors. Dr Hamied, non-executive Chairman of Indian pharmaceutical giant Cipla, is globally respected in the field pioneering the manufacture of affordable drugs for developing countries to fight AIDS and other life-threatening diseases.

1nhaler has developed a way of enabling many different dry powder drugs to be readily delivered in a sustainable, low-cost delivery device. 1nhaler's revolutionary sustainable DPI is cardboard-based with the same dimensions as a credit card. The discreet platform technology includes a breathable membrane which can be tailored to deliver individual drugs to patients.

Investment will allow 1nhaler to work with innovative companies around the world, allowing them to bring new and existing drugs to patients in a more efficient and affordable way, opening up the next generation of inhaled products.

*“Securing funding from Archangels is invaluable for the next steps in the 1nhaler’s development. Their life sciences expertise and patient capital approach are exactly what we’re looking for in a funding partner.” said Lisa McMyn, founder and Chief Executive Officer at 1nhaler*

## PhysicsX raises £25.35M to give engineers AI superpowers to accelerate design of advanced technologies

PhysicsX, a startup bringing the power of generative AI to enable breakthrough engineering in advanced industries including automotive, aerospace, renewables and materials production, raised £25.35M in a Series A round led by General Catalyst, Standard Industries, NGP Energy, Radius Capital, and KKR co-founder and co-executive chairman, Henry Kravis, also participated in the round.

PhysicsX is a deep tech company of scientists and engineers, developing AIs to enable breakthrough engineering. Born out of numerical physics and Formula One, the startup is working at the edge of advanced Computer Aided Engineering, physics simulation and machine learning to solve its customers’ most difficult engineering challenges across design, manufacturing, and operational control. PhysicsX operates in sectors including Space and Aerospace, Additive Manufacturing, Electric Vehicles, Renewables, and Materials Production.

Accelerating the energy transition hinges on overcoming fundamental engineering bottlenecks to the deployment of more efficient technologies and machines at scale. From time-consuming physics simulation to the painstaking reconciliation of virtual simulation and real-world data collection to the many limitations of optimising over a large design space – these are among many bottlenecks holding back industries from developing and manufacturing advanced designs and materials that PhysicsX is working to address with its AI engineering solutions and stack.

---

#FINTECH

Flow48

£19.8M

Speedinvest, Daphni, 212, Blockchain Founders Fund, Unpopular Ventures, Endeavor Catalyst, TLG & Angels

#ENERGY

Modo Energy

£11.88M

MMC Ventures. Existing investors Triple Point Ventures, Fred Olsen Limited & Catalyst Capital

#HEALTHTECH

1nhaler

£2M

Archangels, British Business Investments (BBI) & Others

#SOFTWARE

Generative Engineering

£3.17M

EQT Ventures & Join Capital

#MOBILITY

ZeroAvia

£91.93M

Airbus, Barclays Sustainable Impact Capital, NEOM Investment Fund (NIF), Breakthrough Energy Ventures, Horizons Ventures, Alaska Airlines, Ecosystem Integrity Fund, Summa Equity, AP Ventures & Amazon Climate Pledge Fund

#DEEPTECH

PhysicsX

£25.35M

General Catalyst. Standard Industries, NGP Energy, Radius Capital \* Others

#SOFTWARE

Cloudsmith

£8.71M

MMC Ventures

#QCAAS

Oxford Quantum Circuits

£79.22

Oxford Science Enterprises (OSE), University of Tokyo Edge Capital (UTEC),  
Lansdowne Partners & OTIF

#CLIMATETECH

Safi

£15.35M

Nosara Capital, Lowercarbon Capital & Transition

#MOBILITY

Secondmind

£12.61M

Mazda, Amadeus Capital Partners, Atlantic Bridge Ventures & Cambridge  
Innovation Capital

## In other Investment news

### Oxx announces close of £149.72M second fund generation to power the growth of European SaaS scaleups

Oxx, a specialist investor in European B2B SaaS companies at the scale-up stage, has reached the final close of its second fund generation at £149.72M. The firm invests in companies that have reached Product-Market fit, and helps them unlock and navigate the Go-to-Market fit stage to achieve explosive growth. Oxx's portfolio includes such successes as Funnel, Goodlord, and Gravitee, and the fund is supported by LPs such as British Patient Capital, Saminvest, KfW Capital, Argentum, Pool Re and Coeli.

Oxx partners with the most promising European B2B software companies at the scale-up stage. As a specialist SaaS investor, Oxx provides each entrepreneur with a support system of unique specialist expertise and network, and a culture

of unfaltering partnership and absolute conviction. The firm's strategy is built around the concept of "Go-To-Market Fit", developing a structure for thinking about how to build a repeatable, sustainable growth engine that accelerates and propels the growth of SaaS companies.

The firm has deep knowledge of SaaS: co-founders Richard Anton and Mikael Johnsson have invested through every cycle of SaaS development with a great track record. In building Oxx for the long term, they have brought together a highly skilled, hand-picked team with experience from various investing and operational backgrounds, making the firm uniquely placed to identify key opportunities and shepherd them to success at the advent of a very exciting new chapter of SaaS development in Europe.

## In other International Investment news

### Yard Stick PBC closes round, bringing total Series A funding to £9.46M to reduce the cost of soil carbon measurement by 90%

Yard Stick PBC, a soil carbon measurement technology company, today announced it closed its final Series A tranche, bringing the round to £9.46M, and its overall venture capital funding to date to nearly £14.18M. The financing is the second and final tranche of Yard Stick PBC's Series A, announced in August this year. Extantia, a climate-first venture capital firm, joined the final tranche. In addition to Extantia, Series A investors include Toyota Ventures Climate Fund, Microsoft Climate Innovation Fund, The Nature Conservancy, Lowercarbon Capital, Breakthrough Energy Ventures, Pillar VC, and an extended group of climate-committed founders, angels, and family offices.

Yard Stick's mission is to enable gigaton-scale carbon sequestration via soils. Developed by the world's top soil scientists and supported by leading grant funders and venture investors, Yard Stick's integrated suite of software and hardware offerings solve key soil carbon measurement challenges at global scale with low cost and high science rigor.

Yard Stick's soil carbon measurement solution, which includes proprietary hardware and software, is solving a persistent problem: the high cost of accurately sampling, quantifying and verifying carbon sequestration in soil, a

critical part of successful offsetting projects. This has been a significant barrier to credible and scalable soil carbon projects for global corporates looking to decarbonise their agricultural supply chains and any company looking to use voluntary carbon markets to offset their emissions. Yard Stick's technologies can measure soil organic carbon up to a metre in depth, create statistically-sound sample plans and collect measurement data in real time, while at the same time reducing the cost of measurement by 70-90%.

## Biotech startup Cradle raises £18.9M Series A and signs partnerships with industry leaders

Cradle, the biotech startup that uses generative AI to help scientists design and engineer proteins, today announces it has raised £18.9M in Series A funding, led by Index Ventures with participation from Kindred Capital. Leading angel investors also participated in the round, including Chris Gibson, co-founder and CEO of Recursion and Tom Glozer, former CEO of Thomson Reuters and Lead Director, Merck. Today's funding takes the total raised by Cradle to date to £26M.

Since exiting stealth in 2022, Cradle has seen strong demand for its AI for biology technology and demonstrated the effectiveness of its platform in significantly reducing the time and cost of research and development when designing a protein-based product. Cradle's design platform uses generative AI to help biologists design improved proteins and accelerate research and development, making it easier, quicker and more cost effective to create bio-based products for human and planetary health.

Cradle's progress since its seed funding round in November 2022 demonstrates the company's ability to deliver on its founding mission: to unleash the potential of bio-based products by making it easier, quicker and more cost effective for scientists and experimentalists to engineer proteins that can be used in new therapeutics or to produce almost anything.

## The French government injects £27.7M into Jimmy as part of the France 2030



# nuclear program

Jimmy, whose ambition is to create a new industrial platform for the French nuclear industry, is to benefit from £27.7M in public subsidies. The start-up, founded in 2020 by Antoine Guyot and Mathilde Grivet, is the third winner – after Naarea and Newcleo – of the “innovative nuclear reactors” call for projects launched by the France 2030 program.

Co-founded in 2021, Jimmy is a French start-up reinventing the use of nuclear fission to decarbonise industrial heat. The company designs and operates thermal generators based on nuclear micro-reactors to supply industry with decarbonised, competitive heat.

Jimmy’s ambition is to create an industrial platform that will gradually scale up the solution, for massive deployment in line with the challenges of decarbonising the industry. This includes mastery of the technological building blocks essential to the industrialisation of Jimmy reactors and dedicated assembly sites.