

Biochemicals, back pain and Bitpanda's new fund with LeadBlock 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

£429.52M

Number of deals

13

Sonichem secures £1.2M to convert

sawdust into high-value bio-based chemicals

Sonichem, an East Midlands-based startup that converts low-value forestry by-products into high-value, renewable biochemicals, has secured £1.2M in Pre-Series A funding including a follow-on investment by ACF Investors. The investment will be used to further develop its technology and finalise plans for a biorefinery plant — the first of its kind.

The sustainable bio-based chemicals produced through Sonichem's innovative process are poised to replace toxic petrochemicals that are harmful to people and the environment, across various sectors such as materials (resins, composite plastics, films), cosmetics and pharmaceuticals. The bio-based chemicals not only protect people and the environment but also contribute to the decarbonisation of the chemical industry.

Sonichem was awarded the Royal Society of Chemistry's 'Best enabling technology' prize in 2021 and is currently leading a consortium which was awarded £600,000 from Innovate UK, to accelerate the development of its ultrasound technology to create sustainable materials for the automotive sector. This latest investment will be used to accelerate the development of its technology, continue research, and IP generation as well as finalise the design and location of a first-of-its-kind commercial biorefinery plant.

“Sonichem’s technology forms an essential part of the global transition story and we are delighted to be a part of their remarkable journey.” says Tim Mills, Managing Partner at ACF Investors

Vitru Health takes investment to £5.52M to tackle neck and back pain at

work

Vitruue Health, the digital musculoskeletal (MSK) health platform for workplaces, has raised a further £3.2M in funding, taking their total raised to £5.52M, to improve the way employers assess, prevent, and treat MSK conditions at work. MMC Ventures and Hambro Perks led the round, with Simplyhealth Ventures, Crista Galli Ventures, and Chris Bruce also involved.

Developed following co-founders Shane Lowe's PhD in advanced motion capture technology to predict future injuries and Alexandra Haslehurst's masters degree from Cambridge University in biomechanics, Vitruue Health uses computer vision and AI to analyse the posture and ergonomics of home, site and office-based workers, and provides a personalised program to improve their equipment use, behaviour, risk prevention, injury management, and even psychology.

Originally developed with inspiration from injury prevention strategies in professional athletes, 92% of users have reported a reduction of pain after using the platform. The investment will be used to further grow the team and advance its expansion across the US and new markets in Europe. The capital will also fund research into other forms of assessment and clinical use cases.

VR training platform MOONHUB takes investment to £3.57M

MOONHUB, the virtual reality interactive training platform, has today announced an investment of £1.1M led by Danish VC Unconventional Ventures, taking its total raised to £3.57M. Pi Labs and Ada Ventures both followed on their previous investments.

Launched in 2016 by CEO Dami Hastrup with co-founders Vinh Ly and Hannah Sutcliffe, MOONHUB is reshaping learning and development through its CPD-accredited immersive VR learning experiences and patented Spot and Jot technology.

MOONHUB's courses expedite training completion in 25% of the time required by conventional methods. Whilst VR technology has been found to increase learning retention to 75% compared to just 10% for more traditional classroom training programmes, and minimises skill fade by 52%. The likes of Just Eat, BNP Paribas, Amazon, Zurich, Warner Brothers, and homecare provider Anglian Care, are all working with the London-based business to support their global workforces.

“2024 is a transformational moment for MOONHUB. In the past few years, we’ve worked towards this moment, to become the recognised leader in immersive training, working with global brands that want to support their teams’ development through the use of exciting new technologies.” says Dami Hastrup, CEO and founder of MOONHUB.

Read also

Diversity and sustainability offer significant investment opportunities, a profile of Unconventional Ventures

Heat Geek secures £4.2M to fuel the heat pump revolution

Heat Geek, the sustainable energy start-up, has announced a £3.7M Seed funding round, bringing the total raised in 2023 to £4.2M to power its mission to decarbonise homes via heat pump technology on a national scale.

Founded by Adam Chapman (Heat Geek’s original founder and Chief Geek), Aadil Qureshi (ex Apple and IBM) and Matthew Gunn (ex JP Morgan), Heat Geek’s new digital platform provides heating engineers with a “business-in-a-box”, empowering them with award-winning training, innovative technology and a pipeline of paying customers that have been pre-qualified using Heat Geek’s proprietary property intelligence algorithms.

Heat Geek has already established a number of significant partnerships; a partnership with OVO Energy was launched in September and Heat Geek has now also partnered with Resi, a digital-first renovation and extension service, to provide their homeowners with heat pumps as they renovate their homes.

UK-based fintech Nuke From Orbit raises £500K pre-seed funding to deliver smarter smartphone security

Nuke From Orbit, a fintech startup based in the UK, has raised £500K in a pre-seed round to take its product to market. The startup, which aims to revolutionise mobile security, attracted leading investors with its innovative approach to protecting financial accounts and personal identifiable information (PII). The funding comes from several UK-based companies and investors, including Oliver Bridgen, Co-Founder & COO of specialist FX broker Ballinger Group, and Jordan Hallows, founder of Wey Bridging Finance.

Founded in 2023, Nuke From Orbit is a UK-based company developing a service that allows subscribers to block access to multiple services and accounts simultaneously, avoiding account compromise issues and monetary loss when their smartphone gets stolen.

The company will use the funding to prepare the technology for public beta testing in the UK market in late 2024 and expand the team to bring partners on board. Subsequently, Nuke From Orbit plans to take the service global, prioritising countries with high smartphone adoption, higher crime rates and strong traction in modern financial services such as Open Banking.

“We’re not just aiming to disrupt the mobile security market, but we’re on a journey to redefine it. A huge thank you to our investors for believing in us and supporting us as we embark on this exciting adventure,” says James O’Sullivan, CEO and founder of Nuke From Orbit.

Cogna wants to put power back in the hands of Industry, by using custom software built by AI to solve big problems

London-based Cogna has raised £3.76M to transform how traditional industries solve unique, difficult problems. The funding round was led by Hoxton Ventures, with participation from Notion Capital and Octopus First Cheque Fund, and a roster of angel investors including Stan Boland (Founder, Icera); Hermann Hauser (of Amadeus Capital Partners); Professor Neil Lawrence (DeepMind Professor of Machine Learning, Cambridge); Zayd Enam and Tim Shi (Founders of Cresta); Ping Wu (CEO of Cresta); and Aviv Nevo, Nick Elliot (Helsing).

Cogna's AI-driven SaaS platform simplifies the integration of data across different business areas and gives domain experts the ability to create their own customised software tools in collaboration with AI – to drive analysis, optimisations and decisions that deliver vast improvements. This approach involves tackling some of the hardest problems in computer science, AI, and user interaction – which is why the company has started to bring together the brightest, most product-focussed minds in these fields.

Alongside the fundraising, Professor Andy Gordon joined Cogna as Chief Science Officer in October 2023. Gordon was previously running the Calc Intelligence Group at Microsoft Research and over the years has been responsible for much of the innovation that has gone into arguably the world's most widely used 'programming' tool – Microsoft Excel. Cogna plans to grow its team further throughout 2024 and beyond, hiring the best talent to work on the world's most important problems.

Visual Generative AI startup Haiper raises £10.84M Seed, comes out of stealth building a foundation model for video creation

Haiper is coming out of stealth mode as it announces a £10.84M seed round led by Octopus Ventures. This brings Haiper's total funding to £15.1M ahead of it raising a Series A round in 2024.

Haiper is a video-generative AI platform building a powerful foundation model for visual content. Founded in late 2021 by Dr Yishu Miao (CEO) and Dr Ziyu Wang (CTO), Haiper has expanded its team to 20 people, from eight different countries. The company is headquartered in London and also has an office in Toronto.

As Haiper scales, the company's distributed infrastructure will allow its perceptual foundation model to go beyond content creation. AI that can understand, interpret, and generate complex video content will also possess a deep understanding of the world around it and have applications across other industries, from robotics to transportation.

“As the barrier between ideation and implementation lowers, Haiper’s powerful foundation model will give many in the industry the opportunity to develop stunning content and visualise their ideas in ways that were previously impossible. Our time in stealth was spent building up crucial distributed data processing and model training infrastructure, which we’re excited to use this funding to scale.” says Dr Yishu Miao, co-founder and CEO of Haiper

Fluent raises £5.9M investment for its AI-powered data analyst

Fluent, a data analytics platform transforming the way decision-makers access and use business data, has announced the close of a £5.9M seed investment round. Led by Hoxton Ventures and Tiferes Ventures, the new investment will be used to accelerate the development of Fluent’s groundbreaking technology and expand its team of AI and machine learning experts across Europe.

An AI-powered data analyst, Fluent enables non-technical team members to ask questions directly of their data in plain English, getting insights in seconds, and saving data teams from the pain of manually answering ad hoc data requests.

Since the launch of *OpenAI's ChatGPT in 2022*, organisations have been testing the technology on initiatives to see where they can improve productivity and analysing Excel files has been one of the more popular applications. However, enterprise-ready solutions that can scale with organisations are still nascent and concerns around accuracy and trust limit adoption. Fluent bridges this gap, bringing an enterprise-ready solution that data teams can curate, govern and trust with ease.

#CLEANTECH

Sonichem

£1.2M

ACF Investors

#HEALTHTECH

Vitrue Health

£3.2M

MMC Ventures, Hambro Perks, Simplyhealth Ventures, Crista Galli Ventures & Angels

#EDTECH

MOONHUB

£1.1M

Unconventional Ventures, Pi Labs & Ada Ventures

#ENERGY

Heat Geek

£3.7M

Transition, Triple Point Ventures & Angels

#FINTECH

Nuke from Orbit

£500K

Angels

#INSURTECH

Yurtle

£1.37M

Insurtech Gateway & Mustard Seed Maze

#PLATFORM

Easol

£23.65M

Tiger Global Management, Notion Capital, Y Combinator, Foundation Capital, Slow Ventures & FMZ Ventures

#HEALTHTECH

EarSwitch

£1.2M

Praetura Ventures

#DEEPTech

Cogna

£3.76M

Hoxton Ventures, Notion Capital, Octopus First Cheque Fund & Angels

#MEDTECH

Phagenesis

£33.1M

British Patient Capital Future Fund, EQT Life Sciences, Sectoral, Northern Gritstone & Aphelion

#AI

Haiper

£10.84M

Octopus Ventures

#AI

Fluent

£5.9M

Hoxton Ventures & Tiferes Ventures

#FINTECH

Monzo £340M

Passion Capital, GV, Tencent, Capital G & HongShan

In other international investment news

Silence Laboratories raises £3.22M funding to enable privacy preserving collaborative computing

Silence Laboratories is on a mission to create infrastructure to enable complex data collaborations between enterprises and entities, without any sensitive information being exposed to the other engaging parties. Silence Laboratories today announces it has raised an additional £3.22M funding round led by Pi Ventures and Kira Studio, along with several prominent angel investors.

Leveraging modern cryptography, the company already has one of the fastest distributed signature (authorisation) libraries in production (Silent Shard), which has been audited by some of the best security auditing companies like Trail of Bits. These libraries have led to the establishment of strong partnerships with leading digital asset infrastructure and protocol companies like BitGo, MetaMask, EigenLayer, Biconomy, and EasyCrypto.

With the market for privacy-enhancing technologies (PETs) growing globally at a compound annual growth rate of 26.6%, there is growing demand for Silence Laboratories offering to provide mathematical guarantees for techno-legal expectations. This would allow companies to work together on processing data, without needing to share data with the other party – allowing more sectors to benefit from new technology, with less risk.

Mews raises £86.44M to accelerate cloud technology in hospitality

Mews, the industry-leading hospitality cloud, has announced today that it is

raising fresh funding of £86.44M. The round is led by existing investor Kinnevik, alongside Revaia, Goldman Sachs Asset Management, Notion Capital and new investor LGVP. The new funding values the company at £943M.

Richard Valtr, an ex-hotelier, founded Mews in 2012 when building a hotel in Prague, Czech Republic. Having spent the summer holidays as a night receptionist, Valtr realized that the hospitality industry is built on legacy, on-premise technology. Mews aims to revolutionise hotel operations with its cloud-based system that integrates with thousands of other tech solutions. Today, over 350,000 hospitality spaces are managed via Mews across 5,000 customers worldwide, including Strawberry Hotels, The Social Hub and Airelles.

The latest investment bolsters the financial standing of Mews as it sets itself up for major growth. The funding will see Mews prioritise its global expansion, research and development, and acquisitions, enabling the world's most innovative hospitality organisations to accelerate their digital transformation.

CryoCloud secures a £427K pre-seed investment to accelerate structure-based drug design with their cloud-native cryo-EM data analysis platform

CryoCloud, has recently secured a significant milestone in its journey to revolutionise the field, closing a £427K pre-seed funding round. This financing round was led by Nina Capital, with significant contributions from Utrecht Health Seed Fund and ROM Utrecht Region, underscoring the confidence in CryoCloud's potential to disrupt the traditional cryo-EM landscape.

CryoCloud was founded in 2021 by Robert Englmeier, Ilja Gubins and Boy Persoon with the goal to make cryo-EM more accessible and eliminate current inefficiencies of data analysis, storage and management. CryoCloud's cloud-based data analysis platform is accessible via a subscription-based web application, and is used globally by scientists at universities, biotechs & cryo-EM facilities.

CryoCloud's platform addresses the critical challenges faced by the scientific community, including the high costs, complexity, and inefficiencies associated with traditional cryo-EM compute infrastructure. By offering scalable cloud storage and powerful data analysis workflows through a user-friendly web app, CryoCloud is making advanced research tools more accessible to scientists worldwide, reducing the need for extensive infrastructure and specialised knowledge.

Cellcolabs, on a mission to make stem cells available and affordable, raises £6.84M

Cellcolabs, the clinical stage biotechnology company aiming to transform healthcare by industrial scale production of high-quality stem cells, today announces that it has raised £6.84M. In an oversubscribed round, Cellcolabs adds further well-known business profiles and unicorn founders as investors, including Fredrik Österberg and Jens von Bahr.

Cellcolabs is a Swedish biotech company that specialises in large-scale production of mesenchymal stem cells. Cellcolabs' mission is to prevent and cure diseases by making high-quality stem cells available and affordable through industrial scale production and collaborations. The MSCs produced at Cellcolabs for use in research and clinical trials follow the same production protocol that has been developed by Professor Katarina Le Blanc at Karolinska Institutet for twenty-five years.

Currently, high-quality MSCs are scarce and prohibitively expensive. Cellcolabs seeks to change this by slashing prices by up to 90% within the next decade through large-scale production. MSCs used in Cellcolabs' product development and clinical research activities are produced at its laboratory in Stockholm from the bone marrow of healthy volunteer donors.

BRKZ secures £6.3M in Series A funding to revolutionise the building materials sector in MENA

BRKZ announces a £6.3M investment to empower contractors to reach their full potential. The funding round was co-led by 9900 and BECO Capital, with participation from Aramco's Wa'ed Ventures, Knollwood Investment Advisory, RZM Investment and MISY Ventures.

BRKZ was launched in 2022 and founded by Ibrahim Manna, a three-time logistics founder and former Careem executive, to address critical challenges in the construction industry such as fragmented supply chains, operational inefficiencies, and lack of access to finances. The company aims to leverage technology to ensure equitable access to the best market prices for all contractors and is on a mission to build a tech-enabled ecosystem to revolutionise the MENA construction industry.

For buyers of building materials, BRKZ offers access to the best prices across a wide pool of suppliers and materials along with multiple delivery and payment options. And importantly, a quick and easy Request for Quotes via WhatsApp or website. Suppliers engage with BRKZ to benefit from access to a wide customer base. The simplified portal for suppliers enables them to customize prices by size, location, and delivery options. To date, BRKZ has facilitated over £133.6M quotations across nearly 1,200 products from more than 350 suppliers.

In other investment news

£62M boost to help CDFIs support small businesses

A £62M investment fund has been launched to help small businesses across England and Wales access finance to support local jobs and economic activity. The Community Investment Enterprise Fund (CIEF) aims to invest in around 800 small businesses, supporting around 10,500 jobs.

The Fund will initially invest into three Community Development Finance Institutions (CDFIs) – BCRS Business Loans, Business Enterprise Fund and Finance For Enterprise. CDFIs are socially motivated lenders which already lend around £100M every year to creditworthy businesses which traditional and challenger banks, and fintechs cannot serve. They lend disproportionately more to businesses led by women, ethnic minority entrepreneurs and almost 50% of CDFI lending is to areas in the UK's most deprived regions¹.

Funded by Lloyds Bank, Big Society Capital (BSC) and with contributions from the participating CDFIs, CIEF will provide the CDFIs with the capital they need to meet growing demand from small businesses.

Bitpanda and LeadBlock Partners launch £42.73M fund to invest in early stage digital assets startups

As pioneers in the digital assets landscape, Bitpanda and LeadBlock have jointly launched a £42.73M fund, LeadBlock Bitpanda Ventures (LBV), to invest in early stage digital assets startups globally, with a focus on Europe. Both leadership teams consider that the industry is at a tipping point. The previous investment cycle was focused on building a robust, efficient and secure

decentralised infrastructure.

LBV will focus on the growth drivers underpinning the next crypto cycle: the middleware and application layers, and user-oriented interfaces contributing to Web3's mainstream adoption. Key verticals include modular technology, TradFi and CeDeFi bridges, on-chain experiences/apps, the intersection of Blockchain/AI.

In this partnership, the LeadBlock team will bring their global network and expertise on all investment and operational aspects . Bitpanda's leadership team will complement this effort by bringing their knowledge, expansive network, and deep understanding of the European crypto space.

Read also

[Questions With VCs : introducing LeadBlock Partners](#)

Article by MADDYNESS UK