

traceless materials secures €36.6 Million Series A to build first industry plant for bio-circular alternative to plastic

The financing round was led by UB FIGG and SWEN CP's Blue Ocean fund. traceless materials secures the funding to expand the production capabilities for its innovative biomaterial technology to industrial scale.

Hamburg, Germany – September 25, 2023. Bioeconomy startup traceless, which produces a natural biomaterial as an alternative to plastic, announces the completion of a €36.6 million funding round. The Series A funding round is led by private equity fund UB Forest Industry Green Growth Fund ("UB FIGG"), which invests in sustainable and resource-efficient forest and bio-based industries, and complemented by SWEN CP's Blue Ocean fund, which invests in innovations that help address the three existential threats to ocean health: overfishing, pollution, and climate change. A local banking syndicate consisting of GLS Bank, Hamburg, and Hamburger Sparkasse also participated in the financing round, as well as the company's three existing investors, green-tech investor Planet A Ventures, seed investor High-Tech Gründerfonds (HTGF), and deep tech investor b.value.

Transforming to a circular economy

Plastics not only leave behind the visible traces of global plastic pollution, but also contribute significantly to the climate crisis through their resource-intensive production from fossil raw materials. As part of a sustainable circular economy, the bioeconomy offers a solution: traceless materials has developed a holistically sustainable material to tackle the plastic crises. The natural biomaterial traceless® is certified completely bio-based, home-compostable, and plastic-free. By using agricultural residues, valuable biomass resources are conserved. The patent-pending technology is based on natural polymers, contains no potentially harmful chemicals, and has a minimal ecological footprint: compared to plastic, 91% of CO₂ emissions and 89% of fossil energy requirements are saved during production and disposal.

"Through scaling our innovative technology, we prove that a climate-friendly, circular, resilient and regenerative industry is possible. With our novel biomaterial, we can make a significant contribution to solving plastic pollution.", said Dr. Anne Lamp, CEO and co-founder of traceless. *"We are convinced that UB FIGG and SWEN's Blue Ocean fund are a great addition to our shareholders as they have relevant knowledge in our industry. The fact that both our investors and the banks fully support our mission was a decisive criterion for us."*

In order to implement the innovative technology on an industrial scale for the first time, traceless is building a demonstration plant in Hamburg. With this production plant, the company will replace several thousand tons of conventional plastic annually and at the same time save a significant amount of CO₂ emissions, fossil resources, water, and agricultural land.

“traceless’ approach to use widely available agricultural side streams to replace fossil-based plastic and the financial opportunity their solution proposes convinced us both economically and ecologically”, said Sakari Saarela, Partner at UB FIGG. “The traceless team has achieved extremely strong results in terms of material performance, development times and commercialization of the new material. We are looking forward to accompanying Anne, Johanna and the team in the scale up of this innovative technology.”

After the Federal Ministry for the Environment (BMUV) approved a grant of 5 million Euro for the construction of this demonstration plant earlier this year, the Series A financing round is now the second part of the company's financing strategy to expand its production capacities.

“Financing capital-intensive start-ups is still unfamiliar to many investors and banks. This makes it a special challenge for industrial manufacturing start-ups like us that are developing the innovative technologies of tomorrow. We are very pleased that with UB FIGG, SWEN CP, Planet A, HTGF, b.value our local bank consortium we have found partners who share our vision and have recognized and understood the challenges of financing our hardware scale-up. With their support, we are going to reach our ambitious goals to make our contribution to solve global plastic pollution!”, said Johanna Baare, COO and co-founder of traceless.

The company produces traceless® materials in the form of a granulate that can be further processed using standard technologies in the plastics and packaging industry. Thus, the material can be used in a wide range of end products – from rigid molded parts and flexible films to paper coatings or adhesives.

“The Blue Ocean fund seeks to invest in startups bringing innovative solutions to address the 3 main threats to our ocean: overfishing, ocean pollution and climate change. As plastic pollution is one of the main pollutants threatening our ocean, we were seduced by traceless, a bio-based and biodegradable material that can replace plastics in products that easily end up in the environment, and hence in our ocean, such as single-use packaging as well as hidden plastics in adhesives and paper coatings. traceless is a compelling alternative to applications where reusable solutions are not sustainable and technical recycling is not feasible.”, said Olivier Raybaud, Managing Director of SWEN Capital Partners.

Founded in 2020, the traceless team of 40 employees is aiming to replace plastics in large quantities by demonstrating for the first time that the innovative process can be implemented on an industrial scale. In parallel with the technology scale-up, the continuously growing is developing pilot products made from traceless® materials with its customers and partners. traceless' mission: to provide a solution that addresses global plastic pollution, as well as challenges related to climate change, resource scarcity, and the loss of biodiversity. traceless is a change-enabler for driving the green transformation of the industry.

ABOUT TRACELESS

The bioeconomy start-up [traceless materials](#) GmbH was founded in 2020 by Dr. Anne Lamp and Johanna Baare in Hamburg. The mission: to contribute to a regenerative, climate-friendly economy and a future free of plastic pollution. With their innovative technology, the company turns agricultural industry plant leftovers into natural biomaterials that are bio-based, home compostable, plastic-free and have a minimal ecological footprint. To realize the ecological potential, the technology is being scaled up from pilot scale to industrial scale.

ABOUT UB FOREST INDUSTRY GREEN GROWTH FUND

[UB FIGG](#) is a private equity fund investing in companies focused on plastic and other fossil fuel-based material replacements, higher value and more efficient use of wood and agricultural raw material side streams and greater use of these raw materials across a wide range of intermediate and end uses. Through its investments, the Fund will help the forest and bio-based industries to create solutions to mitigate climate change. UB FIGG is a signatory of Operating Principles for Impact Management and reports on the environmental and climate impact of its investments.

ABOUT BLUE OCEAN

SWEN Capital Partners is a leading player in responsible investment in private assets in Europe with more than 7.7 billion euros under management, offering a wide range of investment programs for institutional and private clients. Since 2012, the management company has integrated ESG criteria into all of its asset management activities and has implemented a climate strategy since 2017. In 2021, it strengthened its actions in favor of fairer and more sustainable growth by launching [Blue Ocean](#). SWEN Capital Partners is owned by the OFI Invest Groups, Crédit Mutuel Arkéa and part of its team. Since January 2022, they have been a co-shareholder of the NEC Initiative, the developer of a methodology allowing socio-economic actors to measure their contribution to the ecological transition towards a common goal: the construction of a responsible and sustainable economy.

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