



## PRESS RELEASE

# **MOGU SRL RAISES € 11 MILLION IN SERIES A FUNDING ROUND SUPPORTING FURTHER INDUSTRIALISATION OF ITS MYCELIUM-BASED TECHNOLOGIES AND OF ITS POSITIVELY DISRUPTIVE PRODUCT LINES, EPHEA™ AND MOGU™**

*The funding round represents a very important milestone for the pioneering, biotech & biomaterials company, enabling further scaling of its industrial activities (i.e., demo plant), expansion of the Company's Team, as well as boosting of the Company's R&D efforts, to allow for an effective market penetration of its high-quality, mycelium-based products, and for the multiple deriving benefits at environmental level, and beyond.*

January 9, 2024 – 8 AM CET

INARZO (VA), January 9, 2024 - Mogu Srl, the pioneering and leading EU/ITA material innovation firm, which transforms low-value materials and residues from agro-industry into functional and high-value products, has successfully secured the backing of CDP Venture Capital, European Circular Bioeconomy Fund (ECBF VC), Kering Ventures, and Progress Tech Transfer, as part of a € 11 million series A funding round, who have taken equity stakes to allow for further industrial scaling of the Company's disruptive technologies behind their key verticals and brands, EPHEA™ and MOGU.

The funding was led by CDP Venture Capital, co-led by ECBF VC, and involving key participation from Kering Ventures and from the existing shareholder Progress Tech Transfer.

The recently concluded funding round represents a key milestone for the Italian-based Company, which, since its inception, has consistently demonstrated continuous technological advancement and expansion, accruing a multitude of accolades and distinctions over time, while gaining trust among a very esteemed clientele, both domestically and internationally.

The Company, whose legally registered name is currently still Mogu Srl, is already globally known as SQIM; the latter, will now become the legally official Company name, within few weeks following the closing date.

The gathered funds will allow to further capitalize on SQIM's proprietary technological platform (i.e. biological fermentation + biochemistry) and to accelerate industrial scaling, through the deployment and launch of a new Demo production plant, characterised by multiple technological processual improvements, to incrementally impact the material innovation industry around the world and meet the burgeoning demand for quality-driven mycelium-based products, so to serve an ever-more expanded customer base with the most high-quality and high-value products, ahead of new commercial product launches and partnerships in fashion, interior, automotive, and beyond.



At the same time the funds will allow boosting overall R&D efforts, and upholding the Company's technological leadership, while further pushing the innovation frontiers in the mycelium-based sector.

Finally, the raised funds will be also dedicated to expanding the Company's Team, attracting, and retaining premier industry talents, so to strengthen the Company's present and future endeavors.

This important achievement unequivocally underscores SQIM's visionary approach and steady dedication to truly sustainable innovation; accordingly, the Company will persist striving in its assiduous efforts to deliver the most advanced and truly sustainable solutions to both its discerning customers, and to industry at large.

By combining age-old processes with modern-day science, and leveraging on its proprietary fermentation techniques, SQIM has developed and produces a range of high-performance, low-environmental impact solutions, primarily addressing the textile, leather, interior, and automotive industries.

More specifically, besides its well-known brand MOGU, dedicated to interior design and architecture, SQIM produces EPHEA™, an entirely new class of animal-free alternatives primarily dedicated to Fashion and Automotive. Thanks to its uniquely patented fermentation technique, the Company grows the most high-quality and homogenous, raw mycelium materials to date; this is achieved by interweaving the cells of selected fungal mycelia along bespoke fermentation-based processes, to form coherent panels consisting of 100% mycelium biomass. Such raw materials are then transformed and finished in partnership with companies from the tanning industry, making use of innovative, environmentally-sound, chrome-free methodologies, and resulting in the most exquisite, sophisticated, and high-quality materials dedicated today to luxury fashion at first, and increasingly to more segments and further markets.

The fresh investment will therefore allow SQIM to further capitalize on its proprietary fermentation platform, continuing to incrementally and concretely impact the material innovation industry around the world.

Stefano Babbini, CEO and Co-Founder of SQIM, commented:

*"I'm extremely proud of what we just achieved. SQIM team has been working very hard in the last years with the mission of proving that innovation, sustainability, and industrialization can not only coexist, but even offer an added value to different industries whether properly cooked. This amazing company step represents the natural outcome of such efforts, creating the conditions for delivering a real impact in next future. There is a huge excitement around our job, and we feel like we are about to start a new journey. There is no doubt we have found the best Partners supporting our ambitious plan."*

Maurizio Montalti, Chief Mycelium Officer, and Co-Founder of SQIM, also commented:

*"This successful fundraise is a validation of the potential of our breakthrough technologies and next-gen materials and products. It will be a catalyst to accelerate our growth further and faster, while significantly boosting our R&D efforts. The investment will power the competence and creativity of our incredible teams, driving our plans to allow for the most effective market penetration of positively disrupting materials and products in Fashion, Interior, Automotive, and many more industries, to create positive impact, while contributing to shaping a more ethically and ecologically responsible industry. We cannot wait to continue this incredible journey with our new partners."*



Enrico Fili, Head of IndustryTech sub-fund of Corporate Partners I fund, CDP Venture Capital commented:  
*"We believe there is a great opportunity at the intersection between industries like fashion, design, luxury, etc. where Italian companies historically are worldwide recognized as leaders and distinctive technologies and applications as SQIM's ones. With this financing round SQIM will be able to scale up the production and meet the untapped demand for sustainable and circular products that brands are eager to propose to their customers. SQIM's team together with the support of international Investors will have the chance to bring to the market a complete set of new materials and products that will contribute to the de-carbonization of our planet."*

Marie Asano, Partner at ECBF, also added:

*"We predict a notable shift in the fashion industry where consumers and brands are increasingly shying away from animal-based leathers. We are thrilled to be part of SQIM's journey as their products represents the future of sustainable fashion where luxury quality and "cruelty-free" are not mutually exclusive."*

Marie-Claire Daveu, Chief Sustainability and Institutional Affairs Officer at Kering, commented:

*"Innovation plays an essential role within our Kering sustainability strategy. Today, we are proud to be part of this fundraising, as we strongly believe alternative materials are part of the solutions to reach our environmental goals. The innovative alternative developed by SQIM can contribute to expanding our offer on high quality materials. In addition to our internal Labs, Kering teams are keen on building an external ecosystem of innovators and companies so that these innovations can be adopted on a larger scale. With our new ambitious target of 40% reduction in absolute emissions, we need now, more than ever, innovative players like SQIM to speed up the transition towards a more sustainable industry."*

Alberto Calvo, Partner of Progress Tech Transfer, also commented:

*"We are extremely satisfied with the closing of another investment round in SQIM with prominent VC players, a company in which we believed already years ago and which we continued to support as active shareholders ever since. The company's distinctive technology and products, unique in their competitive landscape, have the potential to be a game-changer in many different applications, and bring Italian creativity to the world. The closure of this investment round allows the company to pursue a significant industrial scale-up, in order to meet a growing demand for sustainable and circular products, especially in design, fashion and luxury, sectors which are constantly looking for their innovative solutions to be compatible with the strictest environmental standards."*

### **About Mogu Srl / SQIM**

Established in 2015, and based in Inarzo (VA), ITALY, SQIM is a multi-disciplinary, innovation-driven, biotech and biomaterials company composed of a group of visionaries, designers, scientists, and engineers working at the forefront of material innovation.

As a world's leading innovator of cutting-edge mycelium technologies, SQIM's mission is to shorten the gap between Humans and Nature, by consistently delivering innovative materials and products with high added value, as achieved thanks to the functionalisation of Nature-based technologies and processes, at industrial scale. Thanks to its unique know-how and expertise, SQIM unravels the potential of mycelium as key biofabrication agent and technology, to harness the natural power of fungal mycelia for creating transformative products for application and everyday use across different industries, as fully rooted in the principles of Circular Economy. Overall, SQIM's innovative approach embeds a highly meaningful demonstration about the effective possibility of truly "making things better", through the introduction of technologies and products contributing to



strongly mitigating environmental impacts and advancing sustainable practices, without compromising on performance, quality, and aesthetics.



Fondo Nazionale Innovazione  
CDP Venture Capital Sgr

### **About CDP Venture Capital**

CDP Venture Capital is an asset management company participated by CDP Equity (70%) and Invitalia (30%) with the goal of making venture capital a cornerstone of Italy's economic development and innovation, creating the conditions for the overall, sustainable growth of the entire innovation ecosystem. CDP Venture Capital manages 13 investment funds, amounting to over 3 billion euros in resources that support innovative enterprises at all stages of their life cycle, making both direct and indirect investments (funds of funds).

For more information: [www.cdpventurecapital.it](http://www.cdpventurecapital.it)



### **About ECBF**

The European Circular Bioeconomy Fund (ECBF) is a private venture capital fund dedicated exclusively to the bioeconomy and circular economy. Launched by the European Commission, it invests in visionary European entrepreneurs driving the transition from a fossil-based to a bio-based economy. The ECBF aims to catalyse the transition to a sustainable future by investing in later-stage companies with high innovation potential, favourable returns and sustainable impact. Founded in 2020 and with a total of €300 million under management, ECBF is focused on deploying capital in attractive and impactful companies based in the EU-27 or 16 HORIZON 2020 associated countries. Based in Luxembourg, the fund is managed by Hauck & Aufhäuser Funds Services S.A. as Alternative Investment Fund Manager (AIFM) and advised by the experienced investment team of ECBF Management GmbH based in Germany. For more information: [www.ecbf.vc](http://www.ecbf.vc)

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## K E R I N G

### **About Kering**

A global Luxury group, Kering manages the development of a series of renowned Houses in Fashion, Leather Goods and Jewelry: Gucci, Saint Laurent, Bottega Veneta, Balenciaga, Alexander McQueen, Brioni, Boucheron, Pomellato, DoDo, Qeelin, Ginori 1735 as well as Kering Eyewear and Kering Beauté. By placing creativity at the heart of its strategy, Kering enables its Houses to set new limits in terms of their creative expression while crafting tomorrow's Luxury in a sustainable and responsible way. We capture these beliefs in our signature: "Empowering Imagination". In 2022, Kering had over 47,000 employees and revenue of €20.4 billion.

Kering Ventures is the investment arm of the Kering Group, acquiring minority holdings in startups. Kering Ventures aims to increase Kering Digital and Innovation's impact by supporting emerging leaders at the intersection of technology, commerce and culture.





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### About Progress Tech Transfer

Progress Tech Transfer is a VC fund specialized in sustainable technologies arising out of the research of Italian universities and public research organizations, start-ups, spin-offs, and visionary entrepreneurs. For more information, visit [www.progressttfund.it](http://www.progressttfund.it)

SOURCE: SQIM (Mogu Srl)

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### REFERENCES FOR EDITORS



Web: <https://www.sqim.bio/>

Li: [@sqim-mycofoundry](https://www.linkedin.com/company/sqim-mycofoundry)



Web: <https://mogu.bio/>

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