



Key learnings from VocTech market activity

Q3 2025

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A Tyton Partners report
commissioned by Ufi Ventures.



Introduction

Ufi Ventures and Tyton Partners are collaborating on an ongoing exploration of the opportunities for investors in the Future of Workforce Development.

We are working together to both refine Ufi Ventures' focus over time and catalyse the broader field of vocational technology (VocTech) investing across the UK, drawing lessons and insights from continental Europe and North America.

In this report, Ufi Ventures and Tyton Partners offer their quarterly review of select current market developments and dynamics.



Note that we have slightly delayed the release of this edition to cover the publication of the Post-16 Education and Skills White Paper.

For more information about the methodology we use in compiling this briefing, please refer to our annual report, [The Jobs Frontier 2025](#).



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Key takeaways from Q3 2025



- The UK government published a major White Paper which provides a clear sense of direction for vocational training and workforce upskilling in England, and for university funding across the UK. Whilst there is still considerable detail and consultation to come, this offers an encouraging basis for investment decisions.
- There is much angst about why - and whether or not - there is a crisis in the graduate job market across the UK and US. AI appears only to be part of the picture, given the very high levels of uncertainty and unpredictability across the ecosystem.
- The Trump administration's policies on immigration are starting to have negative effects on some domestic labour markets and US Higher Education.
- Big Tech's commitment to learning in AI products is becoming even more apparent.
- A rare European unicorn exit, Sana Labs' sale to Workday, is only one indicator of the established enterprise-focussed HR Tech companies' desire to own the "front door" for HR applications - and automate them with a user-friendly AI interface.

Policy (UK) - White Paper



- The most substantial and important development in UK policy for a decade occurred in early October with the publication of the Post-16 Education and Skills White Paper.
- Whilst not yet finalised in law, it offers considerable detail on **how the government intends to change the skills and training system and infrastructure, especially in England**. This includes details of structures, incentives and penalties. The headline aspiration is a new target: “two-thirds of young people participating in higher-level learning – academic, technical or apprenticeships – by age 25”.
- There does seem to be new, previously unannounced, money to support the reforms, but exactly how much and where it is going remains relatively unclear.

Policy (UK) - White Paper



- Key over-arching themes of the White Paper include:
 - A **clear definition of stakeholder responsibilities**. The government sees itself as responsible for funding young people's education to the age of 18, plus highly targeted interventions to assist strategic sectors and underserved people. Employers are responsible for training adult workers, particularly by using the Growth and Skills Levy, but also when they receive money from large government projects. Workers will have the ability to upskill themselves using the Lifelong Learning Entitlement.
 - An attempt to **simplify funding streams** along these lines.

Policy (UK) - White Paper: Sector detail



- **Employers are encouraged to take additional responsibility for training UK workers as part of an effort to reduce reliance on foreign labour.**
The White Paper includes the threat that some key sectors may see a reduction in their allocated number of non-UK worker visas if they are not demonstrating a commitment to supporting domestic skills.

- **For the UK's financially stressed universities, support is matched with pointed strategic guidance.**
The fee cap payable by undergraduates will rise in line with inflation after years of being frozen. Universities are encouraged to specialise and collaborate in new ways, including sharing facilities and working with a new cohort of Technical Excellence Colleges. Further regulation around international students is also planned, notably a controversial levy to fund maintenance grants for UK students (see below).

Policy (UK) - White Paper: Sector detail



- **The Lifelong Learning Entitlement will start in January 2027.** This expands student loan funding so it can be used by any worker at any point during their working life for “stackable” courses at Level 4 and above, as well as full degrees. It is likely that universities will have to offer “break points” in undergraduate degrees to allow students to stop, start and periodically add to their academic credits.
- The Apprenticeship Levy will become the Growth and Skills Levy, as previously announced; **it will be possible to fund shorter “apprenticeship units” via this mechanism,** as well as full apprenticeships.
- Both of these are likely to be supported by a **digital skills passport,** reflecting the recommendations of the Digital Badging Commission supported by Ufi and the RSA.

Policy (UK)



- There was considerable further activity in and around Skills England, the relatively new body set up by the Starmer government. Most significantly, the government unexpectedly announced that Skills England would be moving from the Department for Education into the Department for Work and Pensions. The Education Committee was firm in the need to support FE.
- Skills England also published two reports, one reinforcing the need for greater agility and flexibility in the English system, especially in any changes to apprenticeships; and secondly an interesting modelling of demand and supply across key sectors and priority skills in the UK, unsurprisingly re-iterating important mismatches.
- At the Labour Party conference, the Prime Minister summarised upcoming reforms to Further and Higher Education, and announced the new target of “two-thirds of young people participating in higher-level learning – academic, technical or apprenticeships – by age 25”.
- Education Secretary Bridget Phillipson also announced that maintenance grants to support living expenses for poorer British students on “priority courses” (aligned with the Industrial Strategy) would be re-introduced and funded by a levy on international students; however, the measure was criticised by universities and is not yet close to being passed into law.

Policy (UK) *cont.*



- During the same event, Chancellor Rachel Reeves announced an extension to the "Youth Guarantee", "where every eligible unemployed young person on Universal Credit for 18 months without earning or learning will be provided guaranteed paid work." Details of implementation were thin, however.
- Funding packages for the maritime sector and an AI Growth Zone in the North East of England were announced, bolstering employment and skills in these areas. Further detail was released on funding flows to construction training in schools and colleges on the back of the governments' £600m commitment to a sector with acute skills shortages.

Policy (UK)



Implications and analysis

- The clarification and simplification around the UK's skills system contained in the White Paper is long overdue.
- Its package of announcements does offer new opportunities for companies and investors, particularly around the Growth and Skills Levy and the Lifelong Learning Entitlement. However, there is still a great deal of detail required – and likely horse-trading between stakeholders – before any of these proposals become reality.
- Opinions vary as to why Skills England relocated into the Department of Work and Pensions (DWP).
- One strong rationale is that upskilling and reskilling can be seen as a route to decreasing the costs of benefit payments and increasing productivity, rather than being a burden on education budgets. This reframing could give those working on new initiatives momentum and political “air cover”.
- Whilst continuing to produce valuable data and insights, Skills England is still at an early stage: what exactly it is going to change and introduce, and how much money it will be disbursing through which channels, remain uncertain.

Policy (US)



- Attacks on US Higher Education continue as the Trump administration leverages funding to steer institutional behaviour and promote favoured ideas:
 - The Trump administration sent a “compact for academic excellence” to a group of universities promising a return of federal funding in exchange for commitments to eliminate “discrimination” in faculty hiring and admissions, tuition freezes, international student caps, and (for institutions with endowments over \$2M per student) offer free tuition to students of “hard sciences”. However, it faced considerable pushback. Governor Newsom of California threatened to pull state funding for signatories within the state.
 - As a result of disruptions to institutional funding and restrictions over international study, US international student enrolments are forecasted to drop by 1/3 or more this autumn, representing a potential loss of 150K students with an estimated impact of \$7B.
- “Unpredictable” US policymaking continues to disrupt global trade and drive global market uncertainty, prompting businesses to prioritise agility, consider moving money away from the US, and hold off on long-term investments.

Policy (US) cont.



- New \$100K fees on H-1B visas are prompting multinational firms to **rebalance hiring toward local and near-shore talent** according to the FT, adding friction to global talent mobility at a moment of accelerating demand for highly skilled labour.
- The Trump Administration also published their 2025 AI Action Plan revealing AI policy recommendations to replace repealed Biden-era executive orders. The recommended plans aim to reduce regulation, accelerate AI innovation, build AI infrastructure, and promote US leadership in international AI policy.
- Mass cancellations of work programmes and deportation efforts have left critical labour shortages in industries such as the meatpacking industry, where 10-20% of the sector's 510,000 workers are estimated to have been affected.

Policy (US)



Implications and analysis

- The extent to which US trade policy will affect international investment is unclear; the US capital markets and M&A activity are still very active, illustrating general market resiliency to broader uncertainty.
- The Trump administration's immigration policies have left vacancies in key industries currently unfilled by American labour and have closed the door to global talent presenting opportunities for other countries to grow their labour forces in advanced industries.
- UK universities have seen a 14% increase in American applications resulting from turbulence in the US. Accompanied by a small increase in overall study visa applications to the UK, this clearly has potential unexpected benefits for UK universities' finances.
- Some companies remain frozen amidst turbulent trade policy and immigration policies. While companies prioritise agility over long-term investments, multinationals may increasingly invest in off- or near-shoring of talent.

Labour markets



- After years of decline, global economic profit has bounced back to an all-time high, according to McKinsey. 25% of global Economic Profit (EP) growth from 2020-2024 was driven by the “Magnificent Seven” US tech companies, demonstrating the increasing concentration of value creation and productivity leaps within a small group of technology leaders and the widening gap between digital and non-digital sectors.
- Investment in information processing equipment & software (AI) was responsible for 92% of US GDP growth in H1 of this year; global government and private spending in infrastructure supporting advanced industries (i.e., energy) has been driving growth across sectors.
- Despite rapid workforce realignments at white-collar firms such as Microsoft, PWC, and Accenture, unemployment rates have remained stable across the UK, US, and Europe (see Appendix for charts).
- But many are worried about a bubble, given concentration and geopolitical instability.

Labour markets *cont.*



- Rapid advancements in AI, paired with uncertainty, have resulted in a “tight labor market” defined by lean teams, limited hiring or firing, and a crisis in graduate recruitment:
 - In a report published by the Burning Glass Institute, the authors find that market complexity and AI automation of simple, but content-heavy tasks has resulted in high demand for expertise but not more junior “doers”, illustrated by rising demand for senior talent and declining demand for new graduates.
- Automation of repeatable tasks has resulted in a 13% decline in employment for early-career workers in AI-exposed industries and an 8% decline in demand for computer science graduates, emphasising the durable importance of the development of higher order thinking and soft skills in an increasingly technologically advanced world.

Labour markets *cont.*



- Similarly, data from Indeed indicates that job openings for UK graduates this summer were at the lowest levels since 2018, falling 33% compared to a year ago and contributing to a growing NEET population in the UK (for statistics and graphs see appendix).
- The Youth Jobs Guarantee aimed at reengaging economically inactive youth may reach only 5% of the NEET population despite potential sanctions, according to official figures examined by the FT.
- Further straining the learning ecosystem, UK universities are struggling financially:
- The Office for Students found "continued pressure on university finances". 43% of UK universities are expected to run a deficit in 2024-2025. HEPI has some detailed further analysis of university finances here.
- Lenders are tightening terms amidst continued financial struggles across UK higher education, pushing universities for turnaround plans, offering higher rates and shorter-term loans, and taking greater security over university buildings.
- Kent and Greenwich universities announced a merger to create a "super university", paving the way for others to follow suit to shore up financial positions and consolidate resources across the sector.

Labour markets *cont.*



- In an effort to attract skilled labour as the US restricts immigration, the UK is exploring a plan to drop visa fees for top talent to boost the flow of high-skill immigrants in priority industries such as advanced manufacturing.



Employment and work



- McKinsey released considerable research in the quarter in and around AI:
 - They assert that companies with leading digital and AI capabilities outperform competitors by 2-6x in shareholder returns, but transformational integration of AI requires organisational and workflow redesign which few organizations have done successfully
 - Tech leaders surveyed find that upskilling is the best way to address employees' gaps in key skills;
- In an aligned report, MIT's The GenAI Divide: State of AI in Business 2025 reveals that 95% of generative AI pilots fail to deliver measurable ROI, largely due to poor integration and misaligned priorities.
- Coursera's Global Skills Report (perhaps unsurprisingly, given the company's business) claims that rapid growth and integration of AI into the workplace has increased the need for rapid upskilling, demonstrated by 8 million enrollments in Coursera GenAI courses to date.
- However, companies like Accenture apparently view firing and rehiring as a faster way to update their workforce.

Employment and work cont.



- Some coding bootcamps have closed due to AI making novice-level coding skills irrelevant.
- AI promises personalised learning and automated learning content creation/delivery, but the L&D market is only beginning to realign with new market realities, according to Josh Bersin.
- Employers are investing in AI to help with repeatable workflows typically delegated to junior workers; some argue that this will require more structured and deliberate training for junior

staff to ensure they do not miss out on key learning experiences and are properly leveraged for more valuable work.

- Equally concerned that junior employees are missing out on the traditional learn through apprenticeship model, employers such as JP Morgan Chase continue to push towards increasingly strict in-office policies, despite employee pushback.

Labour markets, employment and work



Implications and analysis

- The underlying skills gaps that we have covered in previous reports across many industries remain, whilst the emergent crisis in entry-level graduate jobs is a further symptom of rapid technological change.
- Geopolitical, policy and economic uncertainties are compounding the problems. Governments and companies need to be purposeful about hiring, training and upskilling to preserve their long-term productivity, but the context favours caution and delay. AI may force the re-imagination of which tasks in changed workflows are done by technology, but there is a need to be brave about investing in people.
- Whilst coding skills may be less needed, the requirement for the “4Cs”, especially critical thinking, remains urgent. There is a need to invest in teaching and assessing these “power skills”.
- Deliberate, structured training will be needed to preserve learning-by-doing and learning-through-apprenticeship opportunities.
- If organisations are brave, there are real opportunities for investors of all types to back innovative solutions to these problems.

Initiatives, products and services: Big Tech¹



Summary	Detail	Commentary
"Study modes"	<ul style="list-style-type: none"> <u>Anthropic</u>, <u>Google</u> and <u>Open AI</u> have all introduced or expanded "study modes". These change the user's experience of conversation with their tool, focusing on structuring a learning dialogue rather than instantly offering an answer. This follows concerns about the negative effects of "cognitive offloading", but any <u>evidence around learning and AI</u> is very sparse. 	<p>Big Tech's scope creep in education and learning continues. Learn Your Way is a direct threat to the business models of educational content developers worldwide. OpenAI's jobs platform is currently only an interesting extension (into actual job placement) of a playbook already deployed by Microsoft, Google and other companies with proprietary qualifications in their own technologies - at least for the moment.</p>
Google's " <u>Learn Your Way</u> "	<ul style="list-style-type: none"> Google additionally launched a new initiative which allows textbooks to be re-expressed by AI in a personalised way which suits an individual's learning level and interests. 	
<u>Open AI's job platform</u>	<ul style="list-style-type: none"> OpenAI announced that it would be offering both AI skills training and certification, plus an AI job marketplace. 	
<u>Meta's refusal to sign EU AI Act code of practice</u>	<ul style="list-style-type: none"> The company's Chief Global Affairs Officer posted "over-reach will throttle the development and deployment of frontier AI models in Europe". He did not mention the concerns (including privacy and bias) inspiring the Act, in <u>education</u> or elsewhere. 	

¹Note: we now include "hyperscaler" AI companies such as ChatGPT and Anthropic in our definition of "Big Tech".

Initiatives, products and services cont.

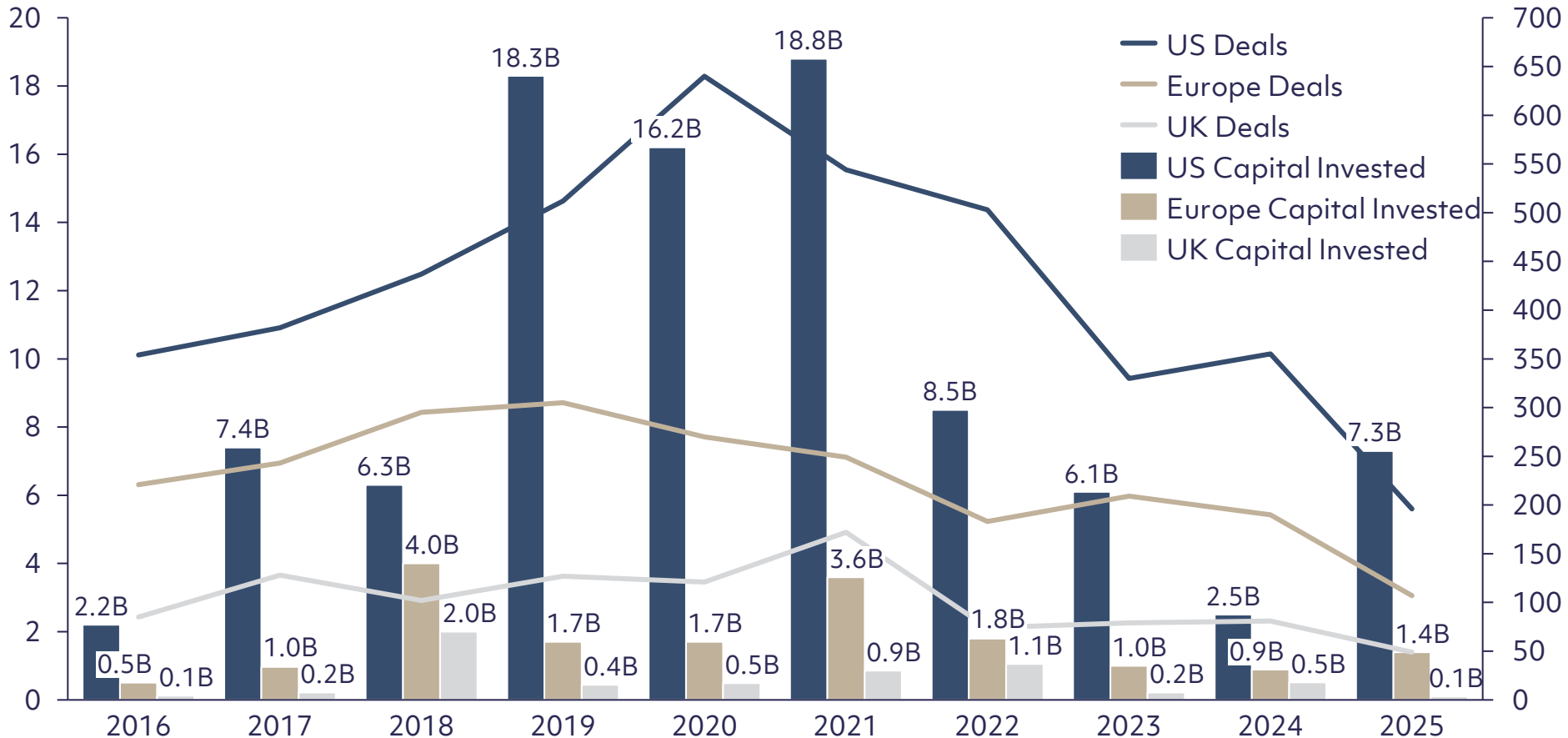


Summary	Detail	Commentary
AI features rollout in HR Tech products continues	<ul style="list-style-type: none"> • <u>ADP announcements</u> at its annual “Innovation Day” • Skillsoft launches its “<u>next-generation Skillsoft Percipio Platform</u>, the first AI-native skills intelligence platform built for the human + AI era” 	See Transactions section below for detailed discussion of big HR Tech companies
OpenClassrooms receives US accreditation	<ul style="list-style-type: none"> • The <u>announcement of WASC’s accreditation</u> of the French company’s offerings was made on July 11 	A logical next step in the company’s development. This rare scaled European company in the US workforce sector has faced challenges but seems to be committed to its transatlantic strategy, alongside competitors IU Group and Multiverse. Both Multiverse and OpenClassrooms have chosen to award degrees as part of their apprenticeship programs, perhaps indicating the persistent value of holding a degree for employers (and parents). IU does not offer apprenticeships.
Next Ladder Ventures	<ul style="list-style-type: none"> • <u>\$1bn collaborative initiative</u> to “invest in entrepreneurs developing personalised solutions that help individuals and families navigate critical moments [...] The initiative will offer a mix of grants, equity, and revenue-based financing to back both nonprofit and for-profit organisations.” 	Another illustration of the ambition, deep pockets, and willingness to work together of the US philanthropic ecosystem

Investment trends



Capital invested in HR Tech (source: Pitchbook)



Implications and analysis

US investment values are understated by ~\$2B due to exclusion of signed but not finalised acquisitions such as Workday's acquisitions of Paradox.ai (\$1.0B), Flowise (Undisclosed), Sana Labs (\$1.1B).

Deal volume is still relatively low.

We cover notable deals in following slides and in more detail in the appendix.



Transactions



Theme	Examples
Intense and intensified competition to be the user-friendly “front door” for HR Tech, enabled by AI...	<ul style="list-style-type: none">The headline-grabbing transaction was <u>Workday’s \$1.1bn acquisition of Swedish Sana Labs</u>, creating a rare European unicorn exit for its shareholders (notably, no European Future of Work specialist VC was an investor). Workday also acquired <u>Flowise</u> and <u>Paradox</u> during the quarter. <u>Josh Bersin has good commentary.</u><u>SAP acquired SmartRecruiters</u> in a similar move to expand its scope and incorporate AI.A long list of companies in the UK, Europe and the US raised substantial venture rounds for AI-powered HR Tech during the quarter (see appendix for details).
...whilst AI point solutions continue to raise substantial financing rounds and Silicon Valley VCs question business models	

Implications and analysis

- These developments indicate ongoing market tensions and sites of competition.
- An AI chatbot interface, done right, creates a very user-friendly experience, especially if AI agents then knit together different systems and workflows behind the scenes.
- Workday and SAP are betting on this possibility – and competing to be the “front door” for all HR-related activities, not only against each other but also Big Tech.
- However, point solutions offer the possibility of doing their specific task more effectively due to focus (from recruiting to managing holidays to employee mental health). Generic AI agents could arguably just knit a company’s bespoke choice of such solutions together in an optimal way. And, like Sana, point solutions offer their investors the potential of selling for high valuations to the bigger, comprehensive players.
- In the background, major Silicon Valley VC Andreesen Horowitz is betting that great implementation may become more important than software, given AI can create code. “Enterprises buying AI are like your grandma getting an iPhone: they want to use it, but they need you to set it up.”

Transactions cont.



Theme	Examples and implications
A major change in the UK's vocational certification and training market	<ul style="list-style-type: none">• <u>City and Guilds announced that the vast majority of its operating businesses had been acquired by PeopleCert</u>, funded by debt and internal cash reserves. The price was not disclosed, but PeopleCert are taking on approximately £160m of revenue. This move has some similarities with the acquisition of Edexcel by Pearson in 2005, where a nonprofit awarding body's activities were absorbed into a much larger for-profit organisation which could provide capital and economies of scale. Kirstie Donnelly, City and Guilds' CEO, said in a press release "For the commercial businesses, it brings the freedom to compete, the investment to innovate, and the market access to scale in the UK and internationally".• This transaction demonstrates how global factors are affecting the UK vocational training market, notably the requirement to invest in digital transformation and the opportunities presented by international expansion. It's a clear illustration that even relatively large organisations in the qualification space are seeing the need to find deep pools of capital to thrive and grow; the remaining UK non-profit awarding bodies will likely be reviewing both how they remain differentiated and their financial ambitions.
Upwork's diversification to serve enterprise staffing needs...	<ul style="list-style-type: none">• Coverage of the company's <u>two acquisitions of Bubty and Ascen</u>, allowing it to expand into offering enterprises more staffing services

Transactions cont.



Theme	Examples and implications
...whilst the European “old guard” retrenches	<ul style="list-style-type: none"><li data-bbox="550 439 2242 672">• Pitchbook is reporting a <u>\$648m debt refinancing for Spanish staffing company JobandTalent</u>, which had to <u>raise a “down round” earlier in the year</u>. Staffing solutions remain ferociously competitive, and startups continue to emerge in this space: this quarter alone, we saw 158 companies raise money across the US, UK and Europe according to Pitchbook (see Appendix for details).<li data-bbox="550 686 2242 772">• 85% of French recruitment company <u>GoJob</u> was sold to Japanese quoted staffing conglomerate <u>Persol</u> for €122m (an EV of ~€143.5m). At 0.9x revenues, this was likely below previous valuations.
Apprenticeship providers in the UK continue to attract investors	<ul style="list-style-type: none"><li data-bbox="550 801 2242 983">• Although the Apprenticeship Levy will see some changes in the coming months, UK Private Equity remains interested in providers. <u>Inspirit Capital sold Inspiro Learning to Beech Tree Private Equity</u>, and <u>Impact Futures (backed by August Equity) bought Captiva Learning</u>. Notably, both are specialists in particular industry sectors.

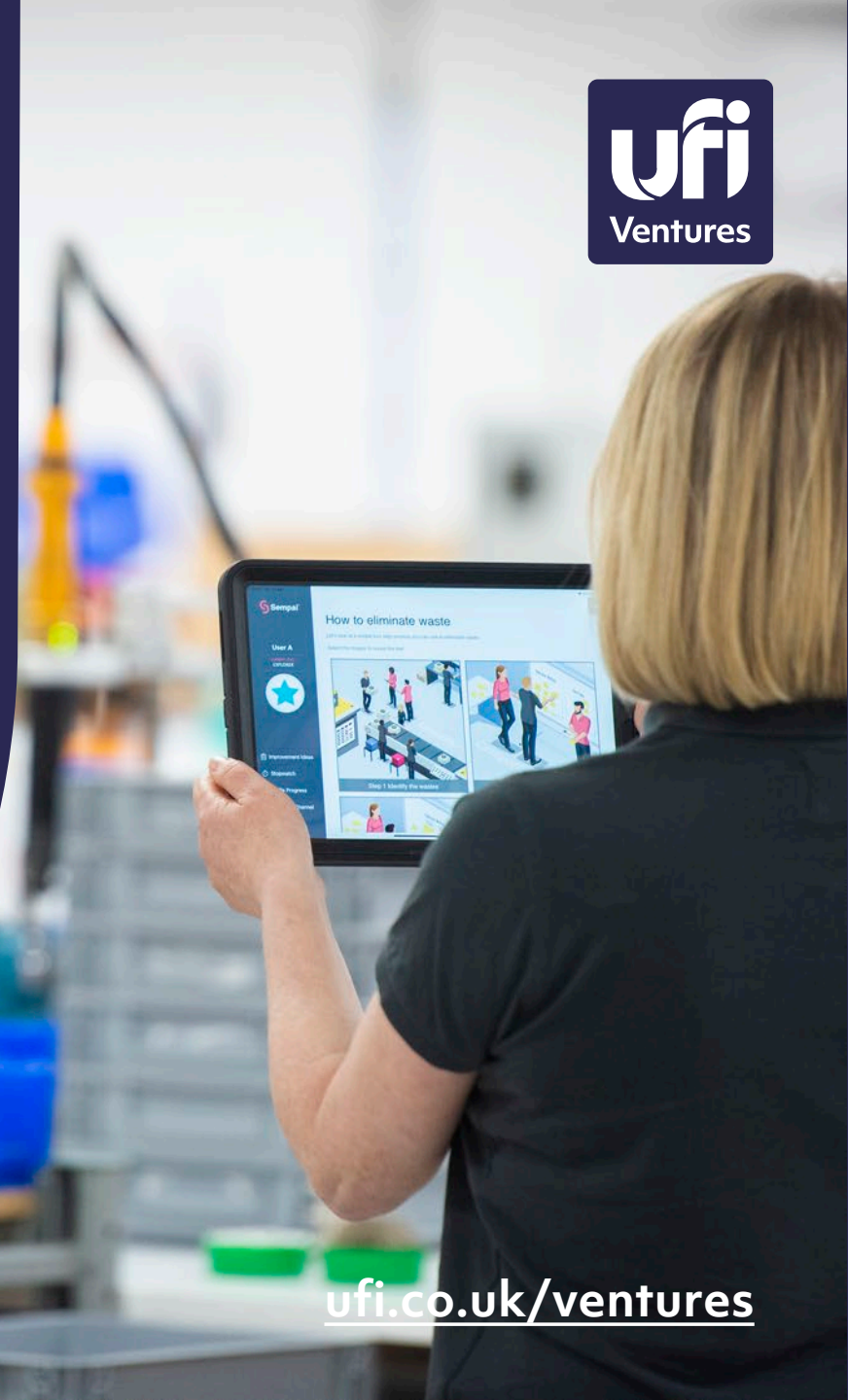
What's made us think this quarter

- FT on how AI isn't killing jobs (although other things might be)
- The Economist on how China's gig economy may have lessons for Europe and the US
- The Educause Review discussing the possibility of an "AI plateau" with a rather good cartoon (something we have also heard informed commentators discuss in meetings)



Appendix

- Venture raises: HR Tech
- Venture raises: Recruiting Tech
- Background statistics



Appendix

Venture raises: HR Tech

- BetterWorks, a developer of human resource software based in Menlo Park, CA, raised \$27M in later -stage venture funding.
- Wisq, a developer of an employee development platform based in Redwood City, CA, raised \$15M in early -stage venture funding from Norwest, Shasta Ventures, and True Ventures.
- M7 Health, a developer of a workforce management platform for nurses based in New York, NY, raised \$10M in early-stage venture funding from 25m Health, First Round Capital, Lakehouse Ventures, and Threshold Ventures.
- Ordio, a developer of a workforce management platform based in Germany, raised \$14M in later -stage venture funding from 3VC, Capnamic Ventures, Simon Capital, and Wecken & Cie.
- Ankored, a developer of staff -requirement and compliance management software based in Boston, MA, raised \$5.21M in a seed round from Rally Ventures.
- CandorIQ, a developer of a compensation management platform based in San Francisco, CA, raised \$4.8M in a seed round from Array Ventures, CRV, Diagram Collective, PeopleTech Partners, Polymath Capital Partners, Switch Ventures, The Untitled Ventures, TRAC VC, and Y Combinator.

Appendix

Venture raises: HR Tech

- Issio, a developer of workforce management software for healthcare and federal organisations based in Lafayette, CA, raised \$1M in later-stage venture funding.
- Work-ID, a developer of a digital skills platform based in Switzerland, raised \$5.01M in a seed round from Future of Work Group, Kaufmännischer Verband, and Zurich Commercial Association.
- Trunk Tools, a developer of an AI platform for construction workforce efficiency based in New York, NY, raised \$40M in early-stage venture funding from Innovation Endeavors, Insight Partners, Liberty Mutual Strategic Ventures, Prudence, Redpoint Ventures, and StepStone Group.
- Sparrow, a developer of human resource management software based in San Francisco, CA, raised \$35M in later - stage venture funding from Silver Lake Waterman.
- Sequifi, a developer of a payroll and performance management platform based in Lehi, UT, raised \$6.7M in a seed round from Cervin Ventures, Frazier Group, K5 Global, and Tokyo Black.
- Tilt, a developer of an employee retention and leave-management platform based in Fort Collins, CO, raised \$18.4M in later-stage venture funding from Bramalea Partners, Firework Ventures, HearstLab, Origin Ventures Group, Plug and Play Tech Center, and Techstars.

Appendix

Venture raises: HR Tech

- Unmind, an operator of a workplace mental health platform based in London, United Kingdom, raised \$35M in later-stage venture funding from Felix Capital, Project A Ventures, Sapphire Ventures, and TELUS Global Ventures.
- EPHY, a developer of a human resource operating system based in Seattle, WA, raised \$1M in a seed round from Impact Venture Capital.
- Employee Navigator, a developer of benefits administration and HR management software based in Bethesda, MD, raised \$100M in growth funding from JMI Equity and Spectrum Equity.
- Valence, a developer of a performance management platform based in New York, NY, raised \$60M in later -stage venture funding from Bessemer Venture Partners, Long Journey Ventures, and M3 Lending.
- TeamSense, a developer of a text-based workforce management platform based in Mukilteo, WA, raised \$19.5M in later-stage venture funding from Altos Ventures and IrishAngels.
- Central, a developer of a payroll and benefits platform based in San Francisco, CA, raised \$8.6M in a seed round from Alumni Ventures, First Round Capital, Joel Fliegelman, Kulveer Taggar, Multimodal Ventures, Phosphor Capital, Richard Aberman, Ritual Capital, SurgePoint Capital, and Y Combinator.

Appendix

Venture raises: HR Tech

- One Stop Wellness, a developer of an on-demand employee wellness platform based in San Antonio, TX, raised \$1M in later-stage venture funding from the Amazon Alexa Fund, Jumpstart Foundry, North Texas Angel Network, and StartUp Health.
- Hubert, a developer of human capital analytics software based in Sweden, raised \$2.91M in a seed round from Spintop Ventures and angel investors including Jakob Tolleryd, Joen Bonnier, and Peder Bonnier.
- Pactos, a developer of an AI-powered workforce management platform based in Germany, raised \$3.15M in a seed round from blueworld.Group, High-Tech Gründerfonds, HR Angels Club, and other investors.
- DianaHR, a provider of payroll and fractional HR services based in San Francisco, CA, raised \$3.7M in early -stage venture funding from General Catalyst, SNR, and Y Combinator.
- Moodwork, a developer of an employee engagement platform based in France, raised \$3.63M in later -stage venture funding from Alain Dublin, Guy Lacroix, and Newfund Management.

Appendix

Venture raises: HR Tech

- Evolve, a developer of a corporate learning platform based in Russia, raised \$1M in a seed round from 500 Global, AltaIR Capital, Brayne, Funders, and ULTRA.VC.
- Refold AI, a developer of an embedded integration platform for SaaS companies based in San Mateo, CA, raised \$6.46M in a seed round from 8i Ventures, AHEAD VC, Better Capital, Eniac Ventures, Karman Ventures, Tidal Ventures, Titan Capital, and z21 Ventures.
- Bandana, an operator of an online job platform for hourly wage workers based in New York, NY, raised \$13M in early-stage venture funding.
- Orbio, a developer of an AI-powered HR platform based in Spain, raised \$7.62M in early-stage venture funding from 2100 Ventures, Enzo Ventures, Plus Partners, and Visionaries Club.
- Aragorn, a developer of enterprise data infrastructure for HR system integrations based in Plano, TX, raised \$4.3M in early-stage venture funding.

Appendix

Venture raises: Recruiting Tech

- LizzyAI, a developer of AI-powered interview automation software based in New York, NY, raised \$5M in a seed round from Axel Springer Porsche, inVest Ventures, New Enterprise Associates, Speedinvest, and Zero Prime Ventures.
- Yello, a developer of a talent acquisition platform based in Chicago, IL, raised \$5.79M in later-stage venture funding from Vondus.
- Each One, a developer of a recruiting platform supporting refugee employment based in France, raised \$1.27M in accelerator funding from 50 Partners.
- Ashby, a developer of recruitment software based in San Francisco, CA, raised \$50M in later-stage venture funding from Alkeon Capital Management, Elad Gil, F-Prime Capital, Gaingels, Harmony Partners, and Lachy Groom.
- Health Advocates Network, a provider of healthcare staffing services based in Boca Raton, FL, raised \$15.63M in later-stage venture funding.
- Red Balloon, a developer of a values-based job board platform based in Moscow, ID, raised \$1.41M in early-stage venture funding.

Appendix

Venture raises: Recruiting Tech

- Cyberr, a developer of a recruitment platform for cybersecurity professionals based in Luxembourg, raised \$4.31M in early-stage venture funding.
- Kiku, a developer of an AI recruitment platform for frontline hiring based in Denmark, raised \$4.67M in a seed round from Cherry Ventures, Felipe García, Fredrik Hjelm, PSV, and Yellow.
- Propel People, a developer of an AI hiring platform for construction teams based in Ohio, raised \$3M in a seed round from 1848 Ventures.
- Connectd, a developer of a community network platform for the early-stage ecosystem based in London, United Kingdom, raised \$7M in later-stage venture funding from Anker Capital, Mail Venture Partners, MMC Ventures, Stena & Swerve, and The Up VC.
- CareRev, a developer of a healthcare staffing marketplace based in Sacramento, CA, raised \$5.25M in later-stage venture funding.
- Energy Hire, a developer of an AI-based hiring platform for the energy sector based in Austin, TX, raised \$3M in a seed round.

Appendix

Venture raises: Recruiting Tech

- CVWallet, an operator of a career management app based in London, United Kingdom, raised \$1.5M in angel funding.
- SalesDraft, a developer of an AI-powered recruiting platform for sales teams based in Lindon, UT, raised \$3M in a seed round from Frazier Group, Marc Jones, and Tower Research Ventures.
- Metaview, a developer of connected artificial intelligence agents for recruitment based in London, United Kingdom, raised \$37M in later-stage venture funding from Barney Hussey-Yeo, Coelius Capital, GV, Octant Ventures, Plural Platform, Seedcamp, True Capital Management, Vertex Ventures US, and Victor Riparbelli.
- Laborup, a developer of a human resource platform connecting job seekers with employers based in San Mateo, CA, raised \$7.73M in a seed round from Daybreak Investments, Heartland Ventures, Threshold Ventures, Torch Capital, and other investors.
- Juicebox, a developer of an AI platform for hiring independent tech talent based in San Francisco, CA, raised \$30M in early-stage venture funding from BOND Capital, Coatue Management, Lux Capital, NFDG, Sequoia Capital, and Y Combinator.

Appendix

Venture raises: Recruiting Tech

- RefAssured, an operator of a human capital platform based in Phoenix, AZ, raised \$3.18M in a seed round from Belal Badat Ventures, Bullhorn Ventures, Dogwood Ventures, HighSage Ventures, Jeffrey Bowling, LocumTenens.com, and other investors.
- TERN Group, a developer of a recruitment platform for healthcare professionals based in London, United Kingdom, raised \$32.4M in early-stage venture funding from EQ2 Ventures, Leon Capital, Notion Capital, Phoenix Court, Presight Capital, RTP Global, SeedToB Capital, and Tom Stafford.
- micro1, a developer of an AI hiring platform based in Palo Alto, CA, raised \$35M in early-stage venture funding from 01 Advisors, Antler, Companyon Ventures, LG Technology Ventures, M12, and Ventioneers.
- Workfully, a developer of an online hiring platform based in Spain, raised \$4.69M in a seed round from Indico Capital Partners, Pitchdrive, Secways, and Shilling.
- Yox, a developer of a recruiting platform based in Bulgaria, raised \$1.76M in a seed round from Early Game Ventures.

Appendix

Venture raises: Recruiting Tech

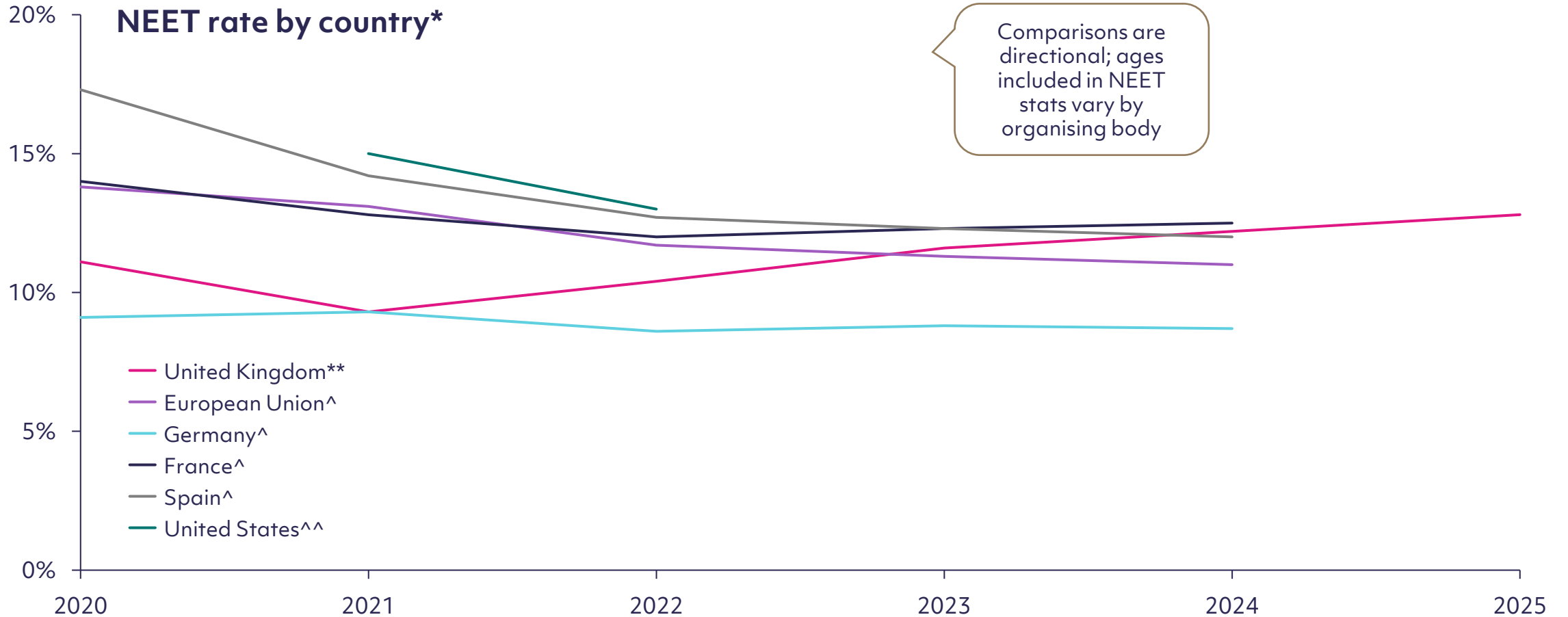
- Alex AI, a developer of an AI-powered recruiting platform for technical talent based in San Francisco, CA, raised \$17M in early-stage venture funding from Dalton Caldwell, Kris Fredrickson, Peak XV Partners, Tim Sackett, Uncorrelated Ventures, and Y Combinator.
- Willo, a developer of a video interviewing platform based in Glasgow, United Kingdom, raised \$4.05M in later -stage venture funding from Mimecast.
- Scorability, an operator of a college athletics recruiting platform based in Austin, TX, raised \$40M in early -stage venture funding from Bluestone Equity Partners, Fanatics Holdings, Luther King Capital Management, Next Coast Ventures, and Silverton Partners.

Appendix

Background statistics



While broader NEET rates have mostly fallen over the past five years, the UK has experienced growing youth economic inactivity



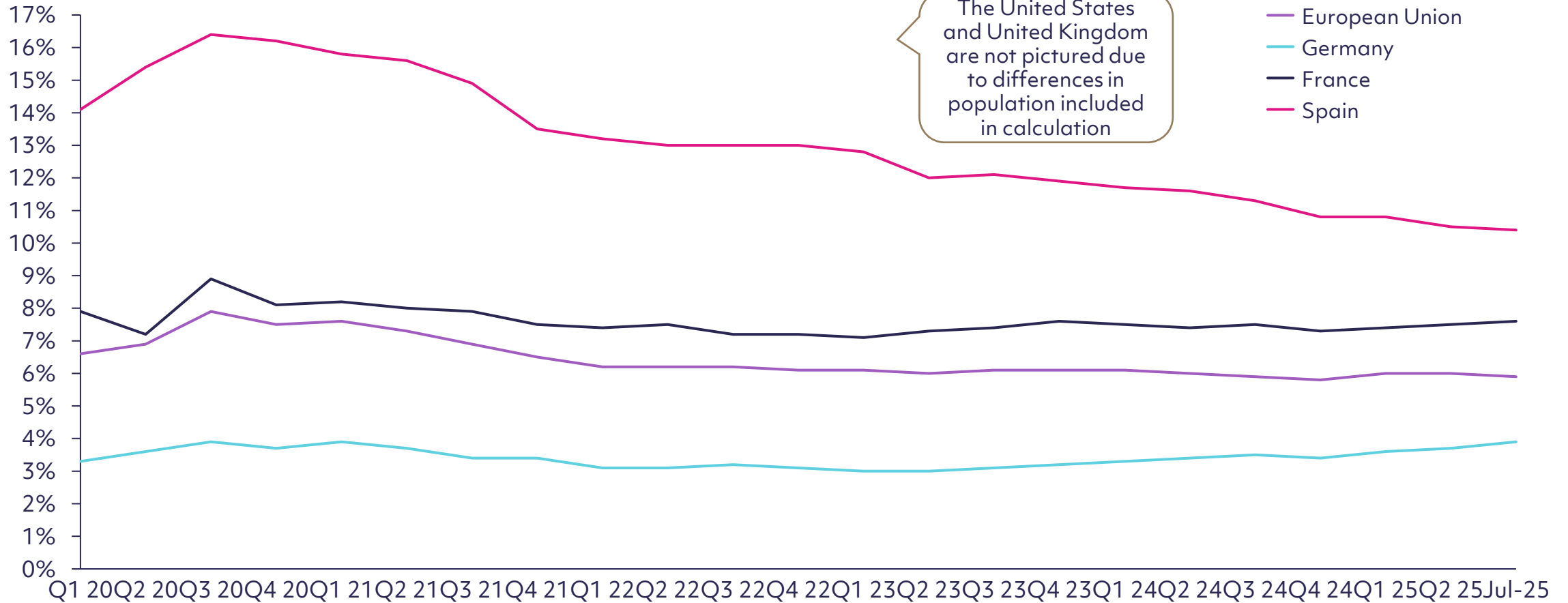
Notes: *Comparisons between countries may be limited by differences in statistical methodology; **The United Kingdom focuses NEET stats on ages 16-24; ^European countries focus NEET stats on ages 15-29; ^^The United States focuses NEET stats on ages 18-24. Sources: Office for National Statistics, Eurostat, NCES, Tyton Partners Analysis.



Unemployment across Europe continues to be stable; Spain's unemployment rate, while above average, continues to fall



Unemployment rate by country* **



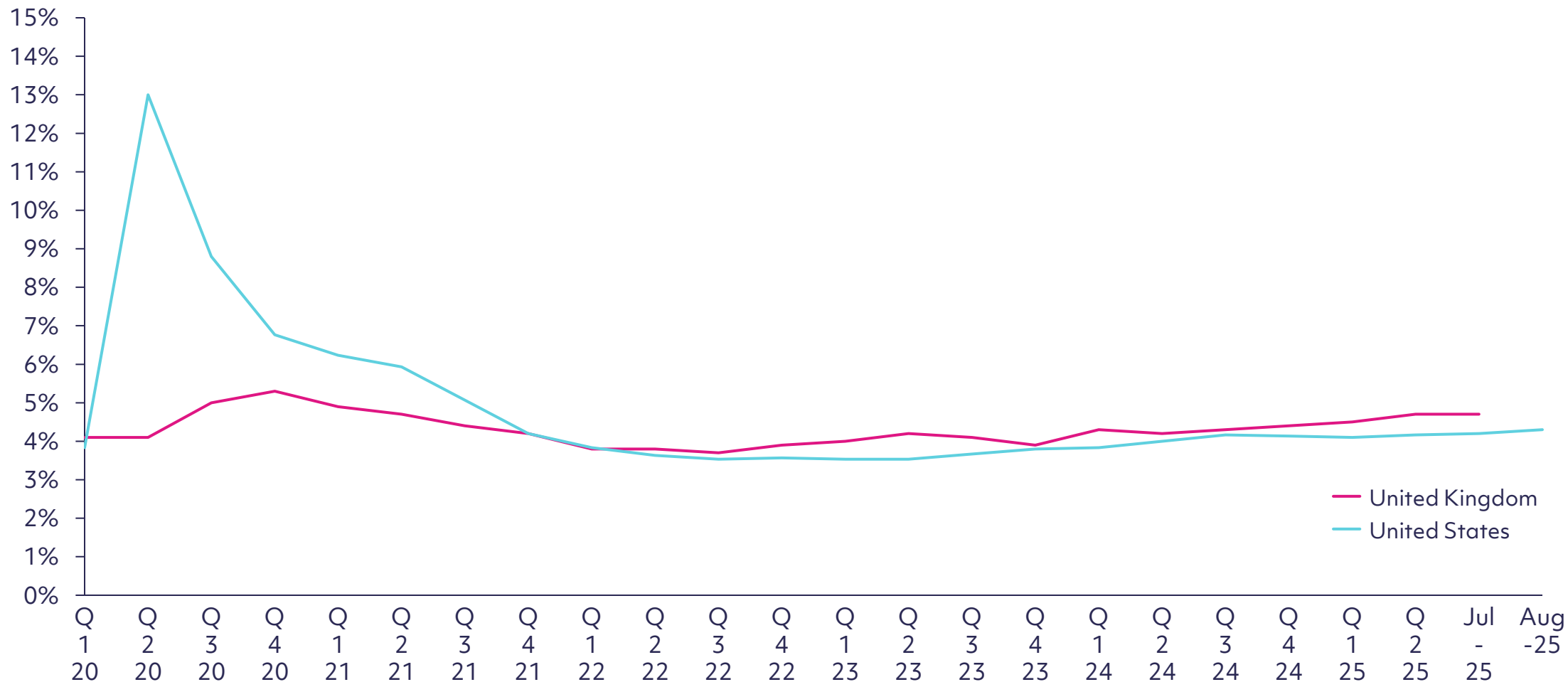
Notes: *Comparisons between countries may be limited by differences in statistical methodology; **Data includes ages 15-74. Sources: Eurostat, Tyton Partners Analysis



The US and UK continue to see stable post-Covid unemployment rates



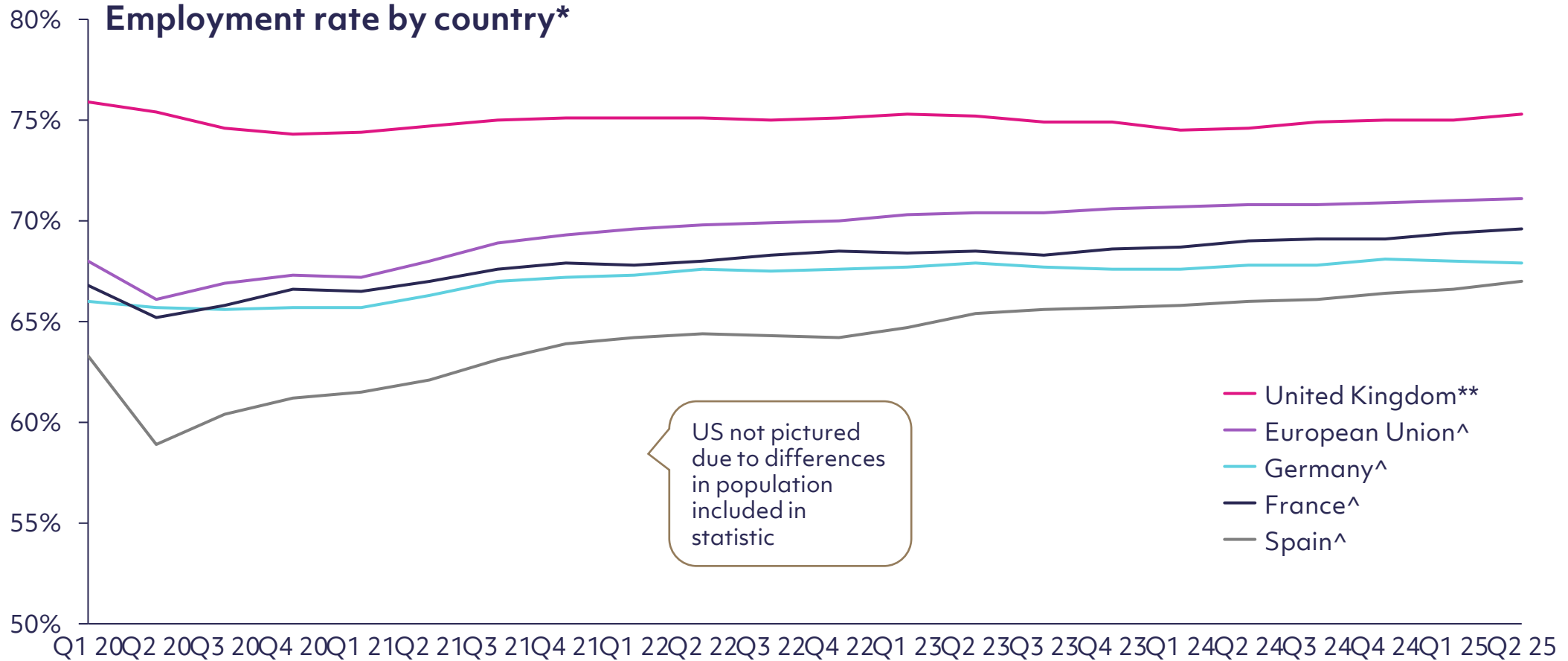
Unemployment rate by country* **



Notes: *Comparisons between countries may be limited by differences in statistical methodology; **Data includes ages 16+. Sources: Office for National Statistics, U.S. Bureau of Labor Statistics, Tyton Partners Analysis

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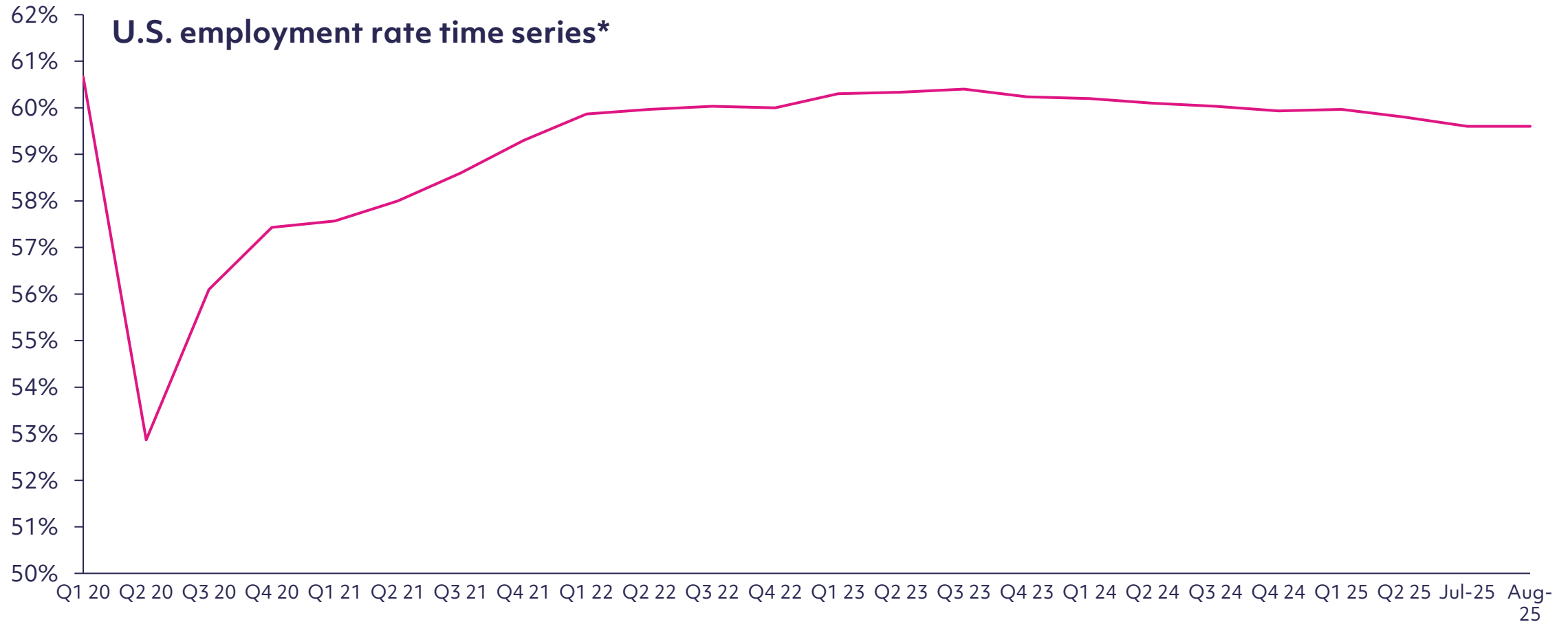
Employment rates continue to be relatively stable across the UK and slightly growing in Europe



Notes: *Comparisons between countries may be limited by differences in statistical methodology; **The United Kingdom includes ages 16-64; ^European countries includes ages 15-64. Sources: Office for National Statistics, Eurostat, Tyton Partners Analysis



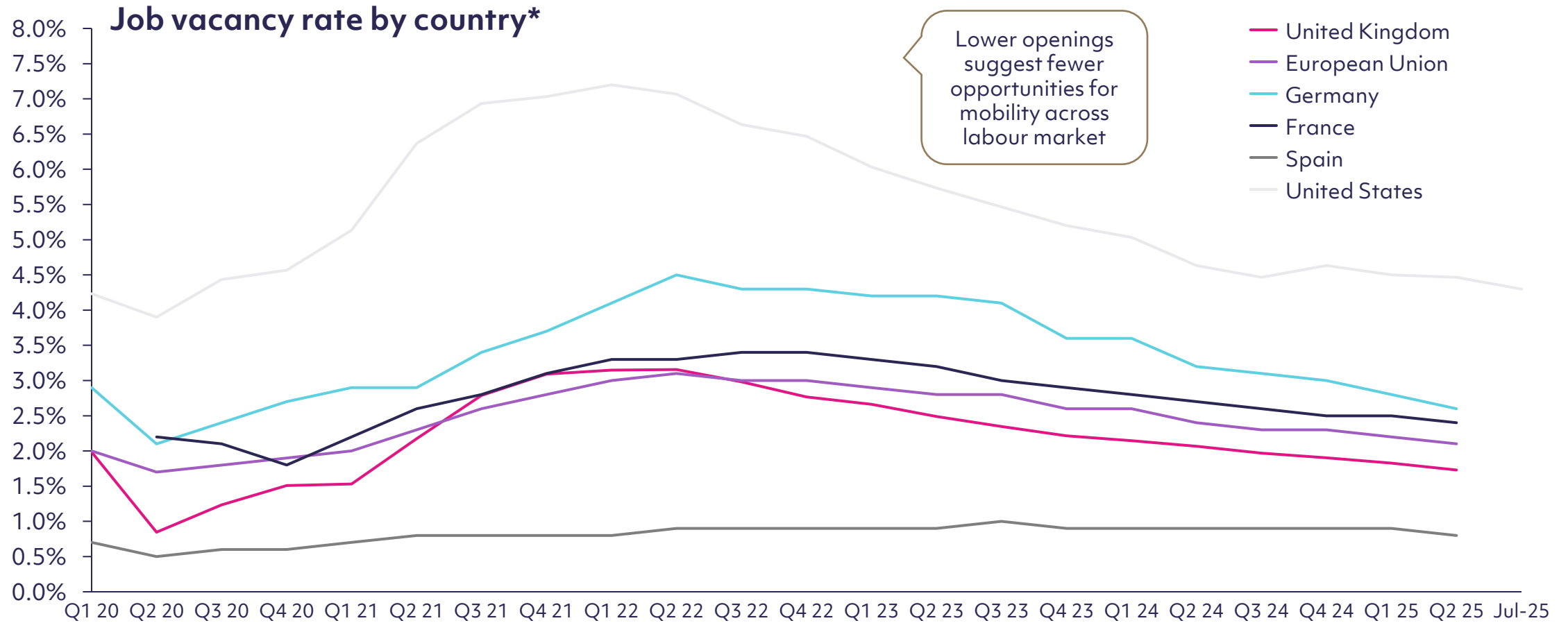
The U.S. continues to see stable employment rates post-covid



Notes: *Includes ages 16+. Sources: U.S. Bureau of Labor Statistics, Tyton Partners Analysis



Job vacancies have settled into median rates compared to the last five years; the US continues to have the highest rates of openings



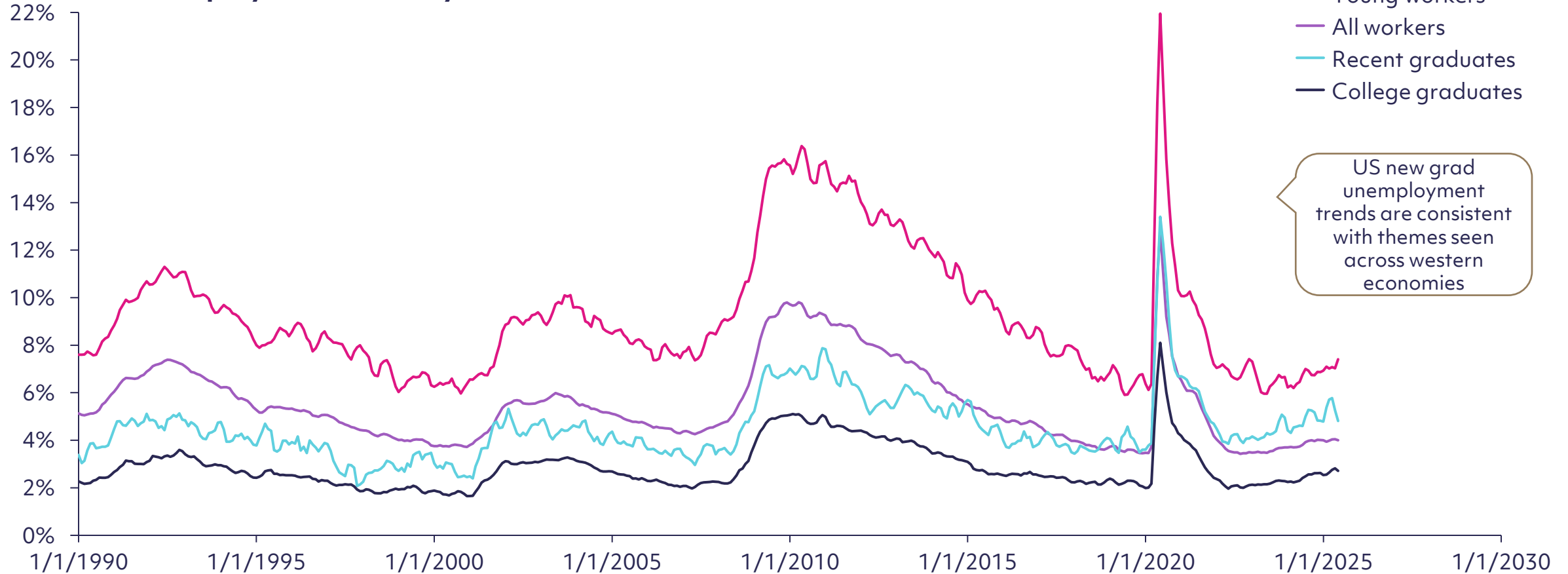
Notes: *Comparisons between countries may be limited by differences in statistical methodology
Sources: Office for National Statistics, Eurostat, U.S. Bureau of Labor Statistics, Tyton Partners Analysis



In the last five years, recent graduate unemployment has risen above the wider workforce, amplified by AI and economic uncertainty



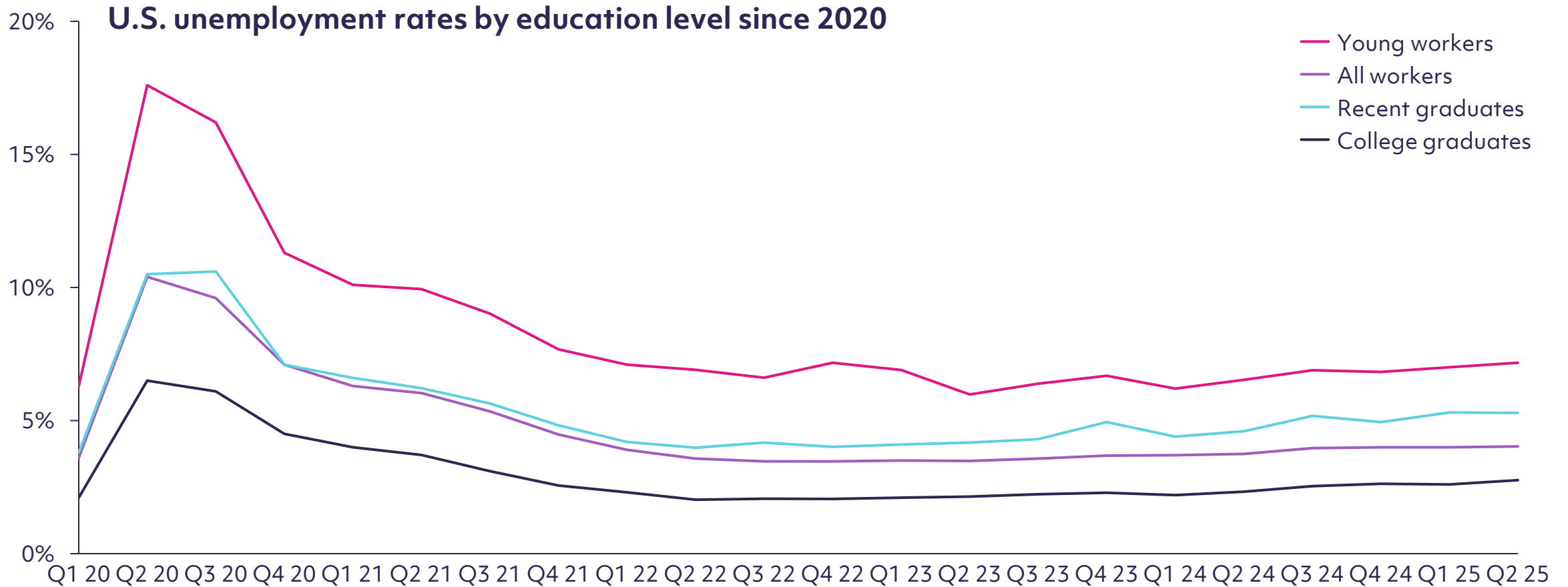
US unemployment rates by education level



Sources: Federal Reserve Bank of New York, Tyton Partners Analysis

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New graduate unemployment grows relative to the broader working population amidst relatively stable rates



Sources: Federal Reserve Bank of New York, Tyton Partners Analysis



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