

LONDON, 31 October 2025

Nova Biochem secures Seed round to scale sustainable chemicals production from pulp and paper side streams

Nova Biochem successfully closed an oversubscribed Seed round with clean-tech investors: led by Circulate Capital with participation from Coca-Cola Europacific Partners, TSP Ventures, Archipelago Ventures and Circular Plastics Accelerator.

Nova Biochem, a UK-based startup pioneering circular chemistry solutions, has closed an oversubscribed Seed round.

Funding was led by Circulate Capital, with participation from Coca-Cola Europacific Partners, TSP Ventures, Archipelago Ventures, and the Circular Plastics Accelerator.

Nova Biochem is pioneering a new approach to using the chemistry of water at high pressure and temperature to break down woody biomass into sustainable chemicals. The new funding will enable Nova to scale and commercialise its proprietary technology, work on industry integration and expand the team.

Unlocking value from pulp and paper side streams

Each year, the global pulp and paper industry generates around 100 million tonnes of lignin in the form of Black Liquor¹, a by-product typically burned for energy recovery. Nova Biochem's patented supercritical water process extracts high-value aromatic chemical building blocks, such as vanillin or chemicals similar to BTX², from this underutilised stream.

These bio-based chemicals are identical to the fossil-based equivalents used to make products like PET³ plastics, coatings, adhesives, and resins, but crucially, they are carbon-negative and do not rely on petroleum. By integrating with existing pulp and paper infrastructure, Nova's technology offers a scalable pathway to decarbonize the chemicals and materials sectors, with potential to save up to a gigaton of CO₂-equivalent emissions⁴.

Nova's scalable approach to circular chemistry

Bio-based aromatic chemicals are currently unavailable at commercial scale or price parity with fossil-based ones, despite being essential components in everyday materials from plastics and coatings to adhesives and resins. Nova's process is designed to integrate seamlessly with existing industrial infrastructure, creating a fast, cost-efficient route to scale. By harnessing the clean chemistry of water, the company aims to lead the global transition away from fossil-based chemicals and enable deep decarbonization across value chains.

Strong consortium of investors

The Seed round was closed with funding from a team of investors each bringing strategic, commercial and geographical benefits to the company. Led by Singapore-based Circulate Capital (a leading circular investment

¹ Black Liquor is a water-based slurry containing lignin (a polymer that gives trees their strength) and cooking chemicals

² BTX is Benzene, Toluene, Xylene a widely used commodity with almost half a trillion dollar market

³ Poly Ethylene Terephthalate (PET), one of the world's most widely used and recycled plastics

⁴ CO₂ emission saved from not burning lignin (c.2.35 ton per ton of lignin) with rest coming from substituting petro-aromatics

fund with strong presence in South America and Asia), the round also brought strategic investment from Coca-Cola Europacific Partners (CCEP) – one of the world's leading consumer goods companies – as well as UK-based impact investors Archipelago Ventures and the Circular Plastics Accelerator, an investment strategy built by climate NGO WRAP and managed by Archipelago Ventures. Pre-Seed investors TSP Ventures, a UK-based early-stage environmental technology investor, followed their investment having provided Nova's pre-seed funding in late 2023.

This investment is further reinforced by a €7.5M EU grant from CBE JU to accelerate product development in speciality chemicals, sustainable aviation fuel components, rubber components and coatings with strong industry support from multibillion companies like Solvay/Syensqo, UPM, Hansen & Rosenthal and Soprema.

Alexander Novitskiy, CEO of Nova Biochem, said, "I am thrilled to reach this critical milestone. Nova's technology will pave the way for bio-aromatic chemicals for widely used applications and materials. We are grateful for the trust we received from our investors, public funding institutes and commercial partners. Our next phase will be even more exciting, with plans to expand our team, start piloting our tech integrated into operating pulp mills and put first products on the market."

Wolfgang Hafenmayer, Founding Partner of Circulate Capital, said, "Bio-based PET remains unavailable at commercial scale despite strong demand from industry. Nova's technology has the dual potential for significant environmental impact and strong commercial returns, offering lower-carbon, renewable feedstocks that can help decarbonize the packaging and pulp and paper sectors while meeting real market demand."

Pete Hodgson, Director, Coca-Cola Europacific Partners, said, "Our belief in innovation – and its role in delivering both sustainable progress and performance – is the driving force behind this investment. We're delighted to welcome Alex and the team at Nova Biochem as our latest Ventures partners."

Mike Doswell, Chief Investment Officer of TSP Ventures, said: "We are delighted to be following our pre-seed investment into Nova at this incredibly exciting phase of the company's development. Since backing Alex, Emre, and Sergey at a very early stage, the rate of technical and commercial progress has been truly impressive. Now, with this funding round secured, the European grant-funded project and a fantastic investor-base, the pathway to commercialisation and deployment of this transformative technology is clear".

Lucy Mortimer, Founding Partner at Archipelago Ventures, said, "Nova Biochem offers an exciting pathway to decarbonisation of deeply embedded scope 3 emissions, at scale, whilst using a by-product of an existing sector which is itself seeking solutions to remove barriers to scale. We're excited about the opportunities it offers, not least of which is the ability to geo-locate manufacturing of bio-based BTX and support resilience of regional and local supply chains."

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Nova Biochem is a green-chemistry startup developing a proprietary technology. It's approach uses supercritical water to access the valuable chemistry of lignin-rich side streams such as Black Liquor. Its second generation prototype plant is being tested at LignoCity (RiSe), leading Swedish research centre operating next to Nordic Paper mill. Their first pilot plant is being developed with construction expected to start in 2027.

For further information reach out to press@nova-biochem.com

Circulate Capital is a leading environmental impact investor advancing the circular economy for plastics in high-growth markets, with teams and activities spanning over 10 countries and approximately \$265 million in AUM. Partnering with global brands and financial institutions, we transform supply chains at scale by

delivering economic, social, and environmental value. Launched in 2018 by supply chain experts and supported by leading corporations - including PepsiCo, Procter & Gamble, Dow, Danone, Chanel, Unilever, The Coca-Cola Company, Chevron Phillips Chemical Company LLC, and Mondelēz International, the firm is scaling solutions across the recycling and innovative materials value chains. Founded in and focused initially on South and Southeast Asia, the firm now targets untapped opportunities in high-growth markets to further advance the circular economy.

Coca-Cola Europacific Partners is one of the world's leading consumer goods companies. We make, move and sell some of the world's most loved brands – serving nearly 600 million consumers and helping over 4 million customers across 31 countries grow. We combine the strength and scale of a large, multi-national business with an expert, local knowledge of the customers we serve and communities we support. The Company is currently listed on Euronext Amsterdam, NASDAQ, London Stock Exchange and on the Spanish Stock Exchanges, and a constituent of both the Nasdaq 100 and FTSE 100 indices, trading under the symbol CCEP (ISIN No. GB00BDCPN049)

For more information about CCEP, please visit www.cocacolaep.com & follow [CCEP](#) on LinkedIn.

TSP Ventures is an early-stage venture capital firm backing transformative hard science solutions to the most pressing environmental and climate challenges. TSP Ventures invest in IP-rich companies at the leading edge of climate innovation, with the potential to disrupt the status quo by delivering more sustainable, geo-secure and cheaper energy, food, water, materials, metals and chemicals.

TSP Ventures provide a high degree of support to their portfolio companies, working closely with founders to drive technologies from the lab to commercial reality as fast as possible.

For more information about TSP Ventures, please visit <https://tspventures.co.uk>

[Archipelago Ventures Ltd](#) is an impact-led investment firm focused on Venture Capital investment into startups developing new and novel technologies, products and processes designed to reduce the impact of the materials we use and the global supply chains that are reliant on them. It invests through its fund, the Archipelago Circular Economy “ACE” fund, and provides investment advice to the Circular Plastics Accelerator.

Investing into deep-tech solutions that are scalable globally, its investment approach aligns competitive financial returns with positive social and environmental impact. Its investments support material innovation & efficiency, novel delivery and re-use, and advanced sorting data and recycling technologies which can reduce material inefficiencies and waste, decarbonise complex Scope 3 emissions within supply chains, and transform the way we use and dispose of materials.

Archipelago is headquartered in London and invests globally but with a focus on UK and European, companies.

For more information on Archipelago Ventures visit: www.archipelagoventures.uk

[Circular Plastics Accelerator](#) (registered as Circular Plastics – Accelerating Growth LLP) is a Limited Liability Partnership (LLP) wholly owned by Accelerating Growth Fund Ltd and supported by Archipelago Ventures Ltd. The Accelerating Growth Fund Ltd is a wholly owned subsidiary of WRAP, established to hold their investments in Circular Economy businesses and funds. WRAP is a global environmental action NGO catalysing policy makers, businesses and individuals to transform the systems that create our food, textiles and manufactured products. Together these account for nearly 50% of global greenhouse emissions. Its goal is to enable the world to transition from the old take-make-dispose model of production to more sustainable approaches that will radically reduce waste and carbon emissions from everyday products. To do so it

examines sustainability challenges through the lens of people's day-to-day lives and create solutions that can transform entire systems to benefit the planet, nature and people.

For more information on WRAP visit: [WRAP - The Climate Crisis: Act Now](#)