

**Press release**

**MIG Capital Participates in £8.1M Series A Financing Round for UK-based Start-up Luffy AI Through Its MIG Fonds**

- The deep-tech start-up develops neuroplastic AI for real-time adaptive control. Its highly efficient models are trained in simulations and adapt on-device to changing situations in order to control complex systems more efficiently.
- The funding will drive Luffy AI's commercialisation pipeline, helping convert successful PoCs and pilots into strategic partnerships with leading industrial companies.
- The round is led by BGF, the most active equity investor in the UK and Ireland. Alongside MIG Capital, existing investors Bow Capital, Chrysalix, Momenta and UKI2S are participating.

**Munich, 7 July 2026**

MIG Capital, one of Germany's leading venture capital firms, today announces its participation in a £8.1 million financing round for Luffy AI, a start-up based in Abingdon, UK. The MIG Fonds 2, 6 and 18 are providing a total of £1.5 million to the company. Luffy AI is a pioneer of neuroplastic AI for real-time adaptive control. The successful closing of the financing round is led by BGF, the most active equity investor in the UK and Ireland, and joined by existing investors Bow Capital, Chrysalix, Momenta and UKI2S.

Industry has not yet benefited from AI in the same way as digital sectors. Physical AI models require large amounts of data, embedded applications are constrained by the compute available on-device, and physical assets often lack reliable cloud connectivity. Luffy AI addresses these limitations with a neuroplastic AI stack for real-time adaptive control. The start-up's efficient neural networks, so-called Sparse Neural Networks, are first trained in simulations and then refined in real-world deployment. Large training datasets are not required. The architecture is lean, energy-efficient and self-refining, avoiding the need for constant retraining from the cloud. According to the company, the technology can be up to 400 times more efficient than traditional deep learning.

The start-up is currently deploying its AI models in industrial motor control and variable frequency drive applications, including industrial pumps, fans and conveyors. Around 50 percent of the world's electrical energy consumption is attributable to electric motors, many of which operate inefficiently. Adaptive AI-based motor control can enable plug-and-play motors that tune themselves to the load and operating conditions in deployment. This can help save energy, reduce commissioning time and improve overall motor performance.

The funding will drive the start-up's commercialisation pipeline and help convert successful PoCs and pilots into strategic partnerships with leading industrial companies. In the longer term, the technology can support a wide range of additional use cases, including positioning control for robotics and drones, thermal process control and further physical AI applications.

For MIG Capital, Luffy AI is a typical investment: a genuine technological breakthrough that solves a concrete real-world problem. Industrial control still runs largely on a digitised version of a century-old paradigm, one that was not designed for the immense potential of modern

neural networks. Luffy AI rethinks that foundation. Motor control is the first proving ground, but the opportunities for this technology reach well beyond it.

**Dr. Nicolas Rose-André, Principal at MIG Capital, comments:** “Luffy AI shows that adaptive AI control is possible with significantly less data and compute. That is exactly what makes AI practical inside physical machines. With electric motors consuming around half the world’s electricity, the efficiency potential alone is enormous. We are backing a rare combination of clearly differentiated technology and an outstanding team to bring it to market.”

**Dr Matthew Carr, co-founder and CEO of Luffy AI, said:** “AI has been transformative for language and image generation, but has yet to make a comparable impact in industry beyond predictive maintenance and dashboards. Factories, motors and physical systems need AI that is small, fast and adaptive in real time, not dependent on the cloud and not reliant on enormous amounts of data or compute. At Luffy AI, we have already shown what is possible with AI-based motor control and will use this new funding to expand our delivery and rollout.”

Kate Ronayne, early-stage investor at BGF, added: “Luffy AI is breaking with an industry standard that has stood for 100 years. Embedding highly specialised AI directly into physical industrial systems reduces reliance on specialist engineers because the systems can commission themselves and be used broadly. The company has made impressive progress in validating its differentiated technology, and we are very pleased to support Luffy AI on its continued path.”

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## About Luffy AI

Luffy uses neuroplastic AI for real-time adaptive control. The company’s neural networks are trained in simulation, without the need for large training datasets, and refined in real-world deployment. There, they can be up to 400 times more efficient than traditional deep learning. The lightweight architecture is particularly energy-efficient and self-refining, meaning that no constant retraining from the cloud is required. This built-in adaptability, combined with the ability to embed the models into existing hardware, makes Luffy’s models particularly suitable for complex edge applications such as industrial motors, variable frequency drives, thermal control and robotics.

Find out more at <https://luffy.ai/>

## About BGF

BGF has invested £5 billion in 650 businesses since 2011. It provides flexible capital as a minority equity partner. Initial investments in growth-stage businesses are between £3 million and £30 million, and between £3 million and £10 million for earlier-stage businesses. BGF provides follow-on funding to support further growth and tailored value creation support from investment to exit.

[www.bgf.co.uk](http://www.bgf.co.uk) / @BGF

## **About MIG Capital**

MIG Capital is one of the leading German VC investors. Through its MIG Fonds, MIG invests in young deep-tech and life-sciences companies in German-speaking Europe and beyond. To date, the company has invested more than €770 million in around 60 companies. MIG portfolio companies develop innovations in areas including biopharmaceuticals, energy and environmental technologies, advanced computing, digitalization / IoT, medical technology and digital health. The MIG investment portfolio currently consists of more than 30 companies.

MIG's investment team is made up of a dedicated group of engineers, scientists, physicians and entrepreneurs who use analytical and creative processes to assess the risks and opportunities of business models and technologies. Their reputation, experience and network provide excellent access to companies, institutions and decision-makers to support the growth of their portfolio companies.

In recent years, MIG Capital has realized more than ten successful portfolio company sales, including the more recent sales of Siltecta to Infineon and Hemovent to MicroPort, and has placed several companies on the stock exchange, including BRAIN, NFON, BioNTech and Immatix.

For further information, please visit: [www.mig.ag](http://www.mig.ag), [www.mig-fonds.de](http://www.mig-fonds.de). LinkedIn: MIG Capital

## **Contact**

MIG Capital  
Dr. Nicolas Rose-André  
+49-151-184-11878  
[na@mig.ag](mailto:na@mig.ag)

## **Media Inquiries**

Sophia Muhr  
+49-176-962-37796  
[sm@mig.ag](mailto:sm@mig.ag)