

The Baobab Network Report
for
ZENMONDO Members
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Baobab Insights weekly round-up
News, views and analysis on tech and VC in Africa

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Forward

In this week's roundup, we look at Lagos' ban on motorbike and tricycle taxis, and try to explain what this means for start-ups and VCs operating in the space. We also look at the latest developments with TLcom's TIDE Africa fund, and there are funding rounds for Gebeya, Daystar Power and Howler.

Good morning,

The Lagos State Government has banned Okadas and Kekes causing commuter chaos and a massive headache for VCs

There was widespread disruption in Lagos last week, as the city authorities put in place a ban on all motorbike taxis (known locally as Okadas), and tricycles, (known locally as Kekes). Okadas and Kekes are the most efficient way to travel around Lagos' busy streets, especially at peak commuter times when the city's famous traffic jams are at their worst.

The ban, which did not include private motorbikes and vehicles used by delivery companies, was introduced due to safety concerns.



Lagos' transport and mobility sector has been a hotbed of start-up and VC activity in recent years, and we were eager to find out what this ban will mean for the market. Three start-ups have led the way in terms of traction, user growth and the ability to attract serious VC funding:




Company Details	Total Amount Raised	Last Funding Raised	Most Recent Investors
 Max.ng Founded: 2015	\$8.1 m	\$7m	Novastar Ventures, Zrosk Investment Management, Alitheia Capital, Yamaha Motor Company
 Gokada Founded: 2018	\$6.2 m	\$5.3 m	Rise Capital, Adventure Capital Global, IC Global Partners, First MidWest Group
 Oride (by Opay) Founded: 2018	\$170 m	\$120 m	IDG Capital, Sequoia Capital China, Source Code Capital, Kunlun, Softbank Ventures Asia

Chart source: [Baobab Insights](#)

As you can see, the stakes are pretty high. Some of the world's biggest VCs have skin in the game, and these companies are going to need to act quickly.

It seems changes are already underway at [Gokada](#), who last week [announced](#) that they will be shifting focus towards logistics, last mile deliveries and dispatch riding while the ban remains in place. Gokada has already laid off 7000 of its workforce since the ban, so the consequences are very hard hitting and the impact to the livelihoods of riders in the city is already being felt.

Following [our report into Africa's ride-hailing space](#) in December, we're eager to see the impact that regulatory challenges like this will have on investment in the space, and will be tracking developments closely as start-ups and investors try and work out what to do in Lagos...

Story Source: [Technext.ng](#)

News

Ethiopian start-up Gebeya has raised \$2m led by Partech & Orange Digital Ventures

[Gebeya](#), an Ethiopia based ed-tech and online software outsourcing marketplace, has closed a \$2m funding round to scale up its operations and continue to train world class software developers in Africa. The round was co-led by [Partech](#) and [Orange Digital Ventures](#) and was followed by [Consonance Investment Managers](#).



[Announcing the round](#), Amadou Daffe, Gebeya's founder, said "this investment will enable us to further strengthen the community of top-notch tech talents and position Gebeya as the go-to for other companies as well as start-ups."

Source: [Gebeya](#)

Egyptian food platform Elmenus raises series B round

Egyptian food ordering platform [Elmenus](#) has raised an [\\$8m Series-B round](#) led by [Global Ventures](#) and [Algebra Ventures](#), to scale up its operations. Elmenus provides users with digitised restaurant menus from food carts to hotels, and has already partnered with over 8000 restaurants since launching in 2011.

Source: [Venture Burn](#)

Deals

- Nigerian Fintech [Aella](#) has raised [\\$10m from Singapore's HQ Financial Group](#).
- Kenya based ag-tech [Taimba](#) has launched a partnership with Enviu backed with €250k in funding from the DOEN Foundation.
- SA based ticketing platform [Howler](#) has raised funding from [Techstars](#), [Platform Investment Partners Growth](#) and [Platform45](#).

- Nigerian solar company [Daystar Power](#) has raised [\\$4m from SunFunder](#) for 'rapid buildout' in Nigeria.

Chart of the week

[TLcom Capital](#) announced a further \$31 million in funding for its TIDE Africa Fund last week, bringing the total fund size to \$71 million. The latest close included some pretty big hitters, with IFC, CDC Group, Sango Capital and BIO all participating.

We've always been big fans of TLcom's work, and for this week's chart, we've taken a look at some of their key Africa investments since their first fund close in 2017:



Name: Twiga Foods
Location: Nairobi, Kenya
Category: Agriculture



Name: Kobo360
Location: Lagos, Nigeria
Category: Transport & Logistics



Name: Terragon
Location: Lagos, Nigeria
Category: Advertising & Marketing



Name: Andela
Location: New York, US
Category: IT & Services



Name: mSurvey
Location: Nairobi, Kenya
Category: Data and Analytics



Name: uLesson
Location: Jos, Nigeria
Category: Education

Source: [TLcom Capital](#)

Start-up spotlight

[Superfluid Labs](#) is a Kenya based data analytics start-up, leveraging AI to help clients identify and unlock hidden revenue opportunities. Founded in 2015 by Kenyan tech entrepreneur Timothy Kotin, the company mines customer transactional data and uses AI to predict future business events, reveal customer behaviours, enhance engagement and increase overall profitability.

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Superfluid Labs [raised funding in January of this year](#), and the good news for the

company continued last week, as they won the [ENGIE Challenge](#) whilst pitching at the [Africa Tech Summit](#) in Kigali. A good start to the year for an exciting young business!

Sources: [Techmoran](#) and [Superfluid Labs](#)

Know a company building something cool?

Nominate them for our weekly spotlight at team@baobabinsights.com.

Get in touch

Want to learn more about our content or send us feedback? Email us on team@baobabinsights.com.



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81 Rivington Street, London EC2A3AY, UK | M2, Mirage Building, Nairobi, Kenya

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