

The Baobab Network Report  
For  
ZENMONDO Members  
[Teaser Version]



16th November 2021

**Hello,**

In this week's edition, a new female-led fund is launched. Also, we take a look at Africa's largest disclosed Pre-seed funding round to date.

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### **Women on top**

This year, we pledged to support more female-led start-ups by featuring them in the Start-up Spotlight segment in every edition (see below), and in a previous edition of our [newsletter](#), we discussed a [report](#) that looked at gender equity in Africa's technology companies that found that only 3% of all deals since 2013 have gone to all-female-founded start-ups in Africa.

This week, [Grindstone Ventures](#), an all-female-led venture capital firm supporting South African entrepreneurs, [announced](#) a \$6.5 million USD fund to provide seed

capital to South African technology companies that are in, or have completed, the Grindstone accelerator programme.



Grindstone Ventures is led by [Andrea Bohmert](#), [Catherine Young](#), [Grace Legodi](#), and [Rapelang Rabana](#). The fund is targeting 30-50 female-led, early-stage technology start-ups. The first investment was from the [SA SME fund](#) and the fund will be managed by [Knife Capital](#).

We took this opportunity to look at funds dedicated to supporting women in Africa.

**The Baobab Network.** Female-led investment firms and investors backing female-led start-ups

**ADDITIONAL INSIGHT**  
9% The percentage of all-female founding teams in Africa, as surveyed in the In Search Of Equity report.

We noted there is a growing focus on supporting women-led technology companies, but there is still a big gap to bridge in terms of equity in VC funding in Africa. Most funding (75%) still goes towards all-male teams, although it has been found that women opt for other types of funding, rather than VC.

In terms of investment, there is also a growing number of women-led initiatives supporting Africa's technology companies, but it still remains a male-dominated space.

Did we miss anyone? We'd love to learn more about the all-female funds or funds for female-led startups, please [get in touch](#).

[Check out our archive for other female-led/founded African start-ups here](#)

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## News

### **Cairo-based e-commerce, Rabbit raises Africa's biggest Pre-seed round**

[Rabbit](#), an e-grocery based in Egypt, has raised \$11 million USD in Pre-seed funding. According to our research, this is the largest disclosed Pre-seed round in Africa. Investors include [Global Founders Capital](#), [Foundation Ventures](#), [Raed Ventures](#), [MSA Capital](#) and [Goodwater Capital](#).

Rabbit was founded in 2021 and operates in Cairo, providing customers with speedy delivery of groceries and more. The funding will go towards expanding across the country, as well as growing the operational capability to process more orders.

Source: [Wamda](#)

### **MFS Africa secures \$100 million Series C funding**

[MFS Africa](#), a digital payments platform, has secured \$100 million in Series C funding round co-led by [AfricInvest FIVE](#), [Goodwell Investments](#) and [LUN Partners Group](#). Other participants in the round included [Allan Gray Ventures](#), [CommerzVentures](#), [Endeavor Catalyst](#) and [Endeavor Harvest](#), and [ShoreCap](#).

This investment is intended to grow the team, as well as expand its departments and

market reach. The announcement follows soon after MFS Africa's acquisition of [Baxi](#), a Nigerian e-commerce payments solution.

Source: [Tech Cabal](#)

[Read our in-house research on Africa's burgeoning tech landscape](#)

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## Deals

[Craydel](#), a Kenyan EdTech enabling students to compare and apply to higher education options, has secured \$1 million USD in a Pre-seed funding round. The round was led by [Enza Capital](#). Other investors included [BriteGaze](#), [Bisk Ventures](#), [Tekton Ventures](#), [Chandaria Capital](#) and [LoftyInc Afropreneurs](#).

South African AdTech, [Adbot](#), has just closed USD \$500,000 in a funding round. The funding was provided by [Enygma Ventures](#), a VC firm that supports women-led/founded ventures, or companies dedicated to empowering women.

[Learn how The Baobab Network is supporting Africa's best tech entrepreneurs](#)

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## Chart of the week

Our chart of this week comes to you from our summary on the expansions, mergers, acquisitions and launches from the month of October.

The first month of Q4 was not a particularly busy one for African technology companies in this regard, with just 5 significant developments this month, compared to 15 in September. Will there be more significant developments as 2021 comes to a close?

# Acquisitions and expansions across Africa: October 2021



**alerzo** > **SHAGO**  
**Start-up:** Alerzo  
**Acquires:** Shago Payments  
**Locations:** Nigeria

**MFS Africa** > **baxi**  
**Start-up:** MFS Africa  
**Acquires:** Baxi (Capricorn Digital)  
**Locations:** Nigeria

**MarketForce**  
powered by Mosaic  
**Start-up:** MarketForce360  
**New Markets:** Nigeria  
**HQ:** Kenya

**peach payments**  
**Start-up:** Peach Payments  
**New Markets:** Mauritius  
**HQ:** South Africa

**digs.**  
**Start-up:** Digs Connect  
**New Markets:** International  
**HQ:** South Africa

**Baobab Insights.**

[Learn more about the latest developments in Africa's tech landscape](#)

## Start-up spotlight

[Sympl](#) is a Buy Now Pay Later (BNPL) platform based in Egypt. Founded in October 2021 by [Yasmine Henna](#), [Mohamed El-Feky](#) and [Karim Tawfik](#), Sympl provides shoppers with the opportunity to shop via their mobile or web app and make payments in instalments.



Since launching last month, Sympl has announced that it has secured an undisclosed investment from [A15](#), a VC firm supporting technology companies in the MENA region.

To the Sympl things!

Source: [Simpl](#)

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This year, we've made a pledge to support more women-led companies through our start-up spotlight feature. Know a team that deserves recognition? [Nominate them](#) for our weekly spotlight.

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**Data in this newsletter comes from [The Baobab Network](#), an accelerator that invests in Africa's boldest tech entrepreneurs. Are you are founder looking for funding and a global platform to scale your business? [Apply now](#).**

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