



Baobab Insights

Market insights from The Baobab Network,
Africa's leading start-up accelerator



26th October 2021

Hello,

This week, we look at the dynamics of incorporation and start-ups in Mauritius. Also, we take a look at gender equity in Africa's tech start-up landscape.

Mauritius looking Peachy

[Peach Payments](#), a South African FinTech founded in 2012 has just set up shop on the island nation of Mauritius. Peach Payments provides an online payments gateway and serves the South African and Kenyan markets, in addition to this latest expansion.

The expansion is supported by an undisclosed amount of funding raised in April of this year. The venture round was co-led by [Allan Gray](#) and [Umkhathi Wethu Ventures](#) (UW Ventures) and included participation from [Launch Africa Ventures](#).



While Mauritius is preferred as a country of incorporation by some start-ups, due to its status as a tax haven for companies, it does not attract much attention as a market, perhaps due to its population of just 1.2 million (compared to a tech hub like Nigeria with 201.6 million people). This piqued our interest and we decided to take a look at the start-up ecosystem in Mauritius.

Of the 25 start-ups our analysts found headquartered in Mauritius, only 2 directly serve the Mauritius populace, and both are in the transport and logistics sector; [Vite](#), a ride-hailing app providing taxi services in Mauritius, and [Bongeni](#), a delivery solution for individuals and businesses in Mauritius.

The other companies, while incorporated in Mauritius, serve other African countries, and some even provide services outside the continent.



An example of this is [MFS Africa](#), a Pan African payments gateway, which has a HQ in Mauritius, with founder and CEO [Dare Okoudjou](#) based in South Africa.

MFS Africa has just announced that it will be expanding in to the Nigerian market through acquisition of [Baxi](#), a Nigerian digital payments platform, pending approval from the Central Bank of Nigeria.

Source: [Tech In Africa](#)

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News

Kepple Africa backs out of Wapi Pay

Following a video that went viral on social media in which the Wapi Pay co-founders, brothers [Eddie](#) and [Paul Ndichu](#), were involved in a scuffle in a Nairobi hotel, investors [Kepple Africa Ventures](#) have cut ties with their portfolio company. In the video, the co-founders allegedly assault women in the lobby of a hotel and have since stepped down from their roles at the start-up.

WapiPay closed a \$2.2 million USD seed funding round in August 2021 in which

Kepple Africa participated, but following the incident, the Japanese VC firm announced they will be giving up their stake in the Singapore-headquartered FinTech.

Source: [Tech Cabal](#)

Gender gap in early-stage VC in Africa

According to the recently released report “[In Search Of Equity: Exploring Africa's Gender Gap in Startup Finance](#)” by [Briter Bridges](#) and the [World Bank's Gender Innovation Lab](#), only 3% of all deals since 2013 have gone to all-female-founded start-ups in Africa. Of the 2,400 start-ups surveyed that have raised funding since 2013, 9% are founded by all-female teams, compared to 75% founded by all-male teams and 14% with mixed founding teams.

Some of the reasons given for the disparity included company characteristics, investor bias and founder attributes. It was found that women were less likely to raise external funding, showing preference for loans or using revenue, however of the sample that pitched for equity financing, those with all-male founding teams received higher amounts of both equity and debt.

Source: [Briter Bridges](#)

[Tap into our curated data on Africa's technology landscape](#)

Deals

[Asante](#), a Kenyan FinTech that provides digital access to loans, has secured \$7.5 million USD in a Series A funding round. The round was led by [Goodwell Investments](#), with participation from [Sorenson Impact Foundation](#) and [Forsage Holdings](#). Asante currently operates in Kenya and Uganda and the investment will go towards expansion into the Nigerian and Rwandan markets and scaling their credit offerings.

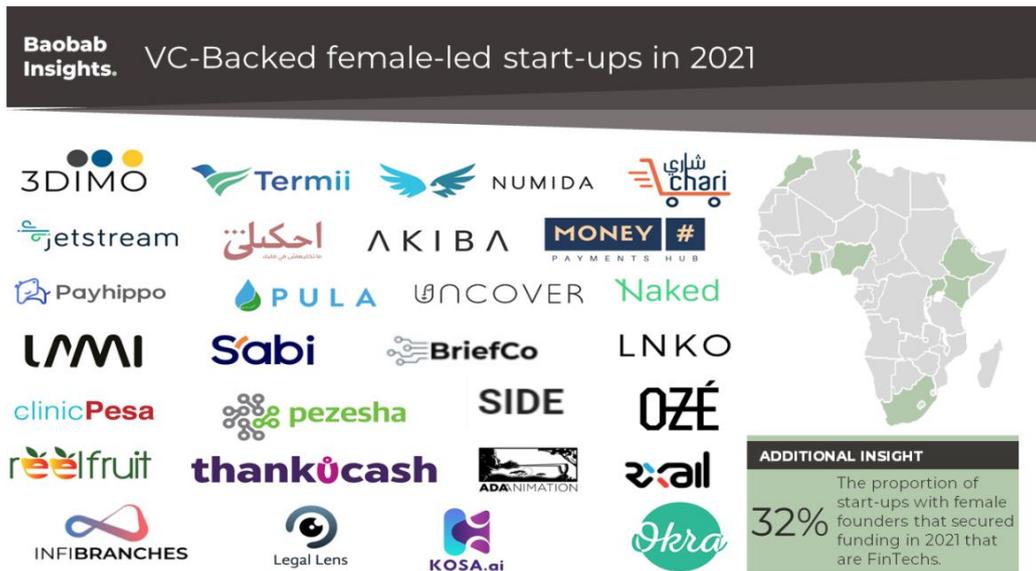
[ILLA](#), an Egyptian FMCG logistics company has raised seven figures in a seed funding round. The round was co-led by [Golden Palm Investments](#) and [Watheeq Financial Services](#). Other participants in the round included [AUC Angels](#), [Cubit Ventures](#), [Flat6Labs Cairo](#), [Kepple Africa](#) and [LoftyInc Capital Management](#).

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Chart of the week

Following the report on Equity in Africa's start-up landscape, we decided to map out the female-founded teams we have featured in our start-up spotlight that have been backed by VCs this year.

Of the \$3.6 billion USD raised over 381 funding rounds (excluding grants, prizes and non-equity rounds) by African technology companies this year so far, only \$42.2 million USD has gone towards teams with female founders, over 28 disclosed rounds.



[Check out our archive for other spotlights on female-founded African teams](#)

Start-up spotlight

[Tendo](#) is a decentralised e-commerce and online retail platform that enables people to become retail sales agents or resellers for warehouses and commercial bulk buyers.

Founded in 2020 by [Primerose Ruvimbo Katena](#) and [Felix Manford](#), the Ghanaian based e-commerce platform connects independent resellers with small businesses. It also allows resellers to add a profit margin to the products on the website and earn profits for each purchase.

tendo



In 2020, the team received \$100 000 USD in seed funding and joined the [MEST Africa incubation programme](#). Earlier this year, the team was among 15 start-ups selected for [Google for Start-ups Accelerator Africa](#).

To social commerce!

Source: [Tendo](#)

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.

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

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