

The Baobab Network Report
For
ZENMONDO Members
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**The
Baobab
Network.**

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



19th April 2022

Hello,

Hope you had a good Easter! This week, we take a look at a growing trend of bigger seed investments across Africa. Also, we break down a few deals from Nigeria, Egypt and Kenya, as well as a new fund.

Pylon secures \$19 million USD seed funding

Egyptian infrastructure management platform, [Pylon](#), has secured \$19 million USD in a [seed funding round](#) led by [Endure Capital](#). Other participants in the round included [Cathexis Ventures](#), [Khawarizmi Ventures](#) and [LoftyInc Capital Management](#) alongside some angel investors.


Pylon was founded in 2017 by [Ahmed Ashour](#) and [Omar Radi](#), and provides subscription-based Smart Meters to electricity and water companies.



The start-up will use the seed funding to expand into new markets across Africa, Latin America and South-East Asia. It will also support product development. According to our [research](#), this is one of the biggest amounts raised in a seed funding round. Our analysts have noted a rise in the size of seed funding amounts.

The Baobab Network. Top 5 seed funding rounds in Africa to date

	FUNDING DETAILS	SELECTED INVESTORS
mnt Halan	\$120 million USD Seed round September 2021	Apis Partners, DPI, Lorax Capital Partners, Endeavor Catalyst, <i>et al.</i>
PYLON	\$19 million USD Seed round April 2022	Endure Capital, Cathexis Ventures, Khawarizmi Ventures, <i>et al.</i>
float*	\$17 million USD Seed round January 2022	JAM Fund, Tiger Global Management, Cauris Finance, <i>et al.</i>
ZAGACE	\$16.7 million USD Seed round September 2020	BlackRock Capital, UHT Investments, P Management, <i>et al.</i>
autochek	\$13.1 million USD Seed round October 2021	TLCOM Capital Partners, 4DX Ventures, Enza Capital, <i>et al.</i>



ADDITIONAL INSIGHT
\$335 million USD
Raised over 187 seed funding rounds in 2021.

In 2019, the average amount in a seed funding round was \$589,000 USD over 146 disclosed rounds. In 2020, there was a tiny dip with \$553,000 USD raised over 173 disclosed rounds. In 2021, this number increased almost four-fold to an average of \$2.2 million, over 147 disclosed rounds.

To date, in 2022, the current average for seed funding rounds is \$3.1 million USD over 44 disclosed funding rounds. Will the trend continue upward over the rest of the year?

[Access in-depth reports on VC-funding across Africa](#)

News

Algebra Fund II receives a \$15 million pledge from IFC

[Algebra Ventures](#), an Egyptian VC firm launched their second \$90 million USD Algebra fund in April 2021. The fund supports primarily Egyptian tech start-ups with a special focus on women-led businesses and companies serving rural communities.

The [International Finance Cooperation](#) (IFC), supported by the World Bank has pledged \$15 million USD towards this fund with the aim of supporting 20 technology companies across Africa.

Source: [Wamda](#)

ImaliPay secures \$3 million in seed funding

[ImaliPay](#), a Nairobi-based FinTech, has secured \$3 million USD in a seed funding round. The round featured participation from [Changecom](#), [Chandaria Capital](#), [MyAsia VC](#), [Ten 13](#), [Uncovered Fund](#), and [Untapped Global](#), to name a few.

Founded in 2020 by [Tatenda Furusa](#) and [Oluwasanmi Akinmusire](#), ImaliPay enables gig workers to get loans via a buy-now-pay-later (BNPL) model. The funding will support growing the team, as well as developing their tech and market reach.

Source: [Tech Crunch](#)

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

Deals

[Simpu](#), a Nigerian start-up providing a communication solution for businesses, has secured \$1 million USD in a seed funding round featuring undisclosed angel investors.

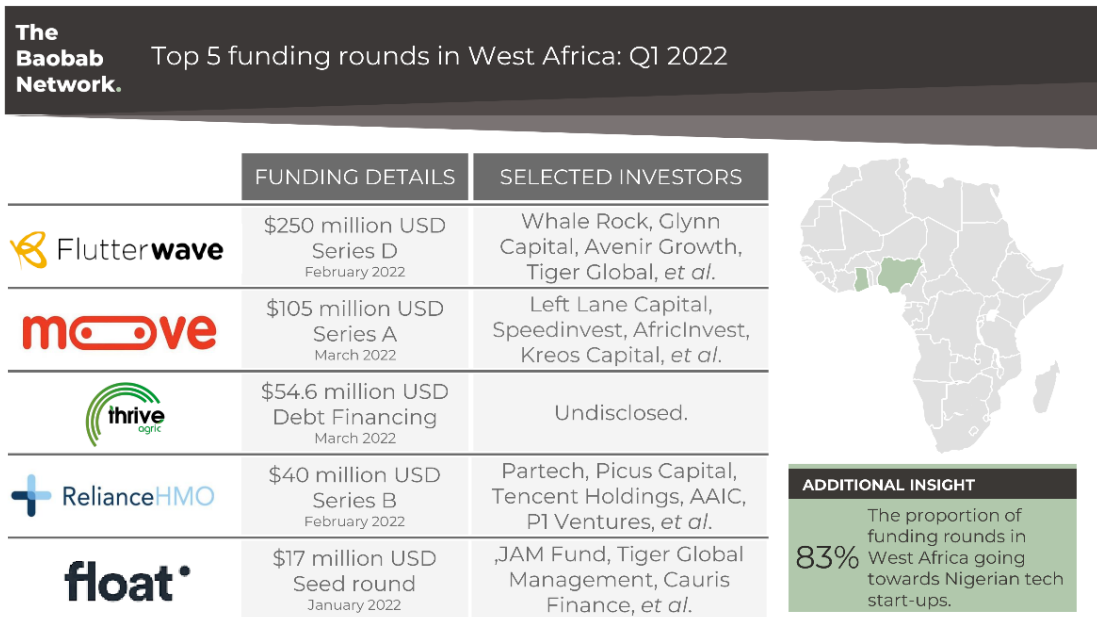
[Rology](#), an Egyptian HealthTech, has closed an undisclosed pre-Series A round.

Participants in the round included [AAIC](#), [Cubit Ventures](#), [DAI](#), [Egypt Ventures](#), [HIM Angels](#), [Waseel](#), [Tawaref](#), and [Viktoria Ventures](#).

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

Chart of the week

Our chart this week comes to us from our last funding report on West African technology companies in Q1 2022. We take a look at the top 5 deals in the region. Notably, all 4 of the 5 are from Nigerian companies. Will this change over Q2?



[Check out the latest report on West Africa's record-breaking Q1](#)

Start-up spotlight

[Torche](#) is a Nigerian fingerprint-based FinTech solution.

Founded in 2021 by [Sisan Dorsu](#) and [Gbenga Oni](#), Torche allows users to make payments and transact using via a biometrics system.



Torche was recently selected to join the [Techstars NYC](#) accelerator programme, receiving \$20,000 USD in equity funding, and access to other support services. To one-Torche payments!

Source: [Torche](#)

This year, we continue with our pledge to support more women-led companies through the weekly start-up spotlight feature. Know a team that deserves recognition? [Nominate them](#) for an upcoming feature!

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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