

The Baobab Network Report
For
ZENMONDO Members
[Teaser Version]

**The
Baobab
Network.**

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



25th October 2022

Hello,

In this week's edition, we take a look at Africa's latest start-up Act. Also, we take a look at a couple of e-commerce deals including social commerce in Nigeria and a B2B food and grocery deal in Egypt.

Nigeria's Start-Up Bill becomes law

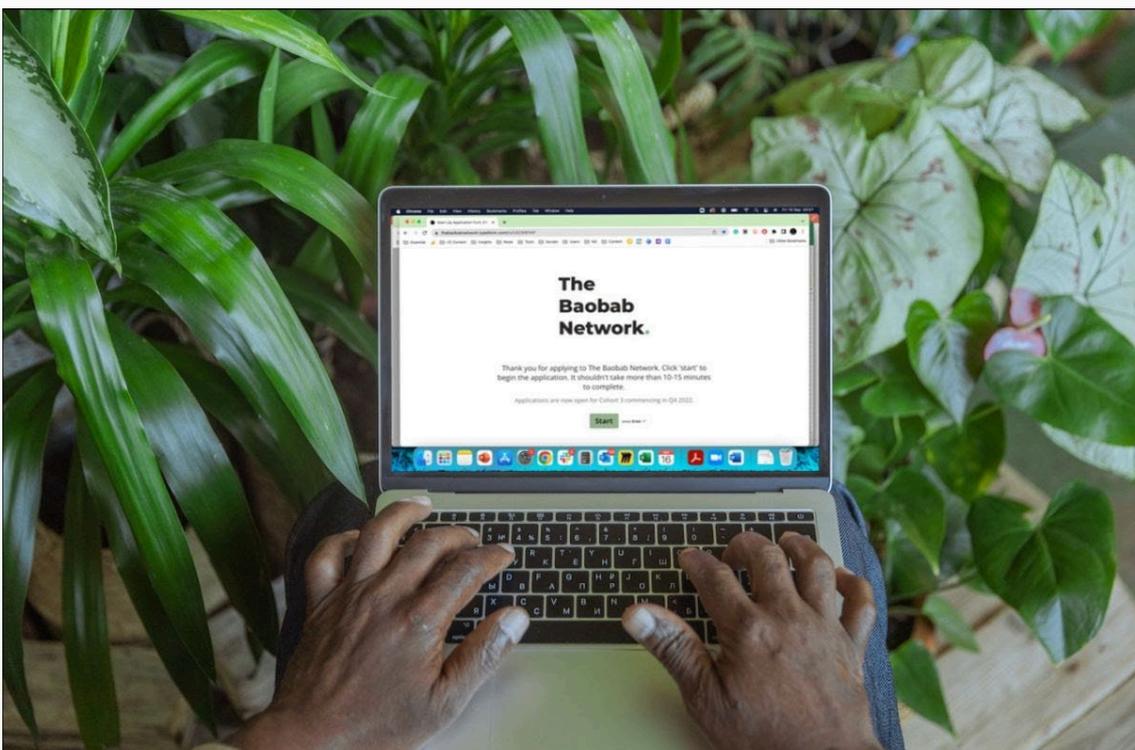
16 months after its draft was introduced, the [Nigeria Start-up Bill](#) (NSB) has been passed into law. Announced via [a Tweet](#) by Nigerian Minister for Communications, Prof. Isa Pantami, the Bill is now officially the Nigeria Start-up Act 2022, as President Muhammadu Buhari has signed it into law.

The objective of the Act is to provide legal and institutional frameworks for the development of start-ups in Nigeria. The Act, which was approved by the Federal Executive Council in December, and passed by the Senate in July, lays out provisions for regulatory support for the development of start-ups, tax and fiscal incentives, funding, training and more.



The Act is the third of its kind in Africa, following [Tunisia](#) and Senegal. Also in the works are Bills from Kenya, Mali, Ghana, Ivory Coast, the Democratic Republic of Congo (DRC), Rwanda and Ethiopia. We can't wait to see how this new law promotes tech entrepreneurship in Nigeria!

[Check out the summary of the Act here](#)



From The Founder Center

Choosing your next capital partner: Investor edition

Our accelerator lead, [Christine Namara](#), shares her take on finding the right investor for your start-up. The second piece in the 2-part series sheds light on what you need to look out for when looking for investment. Click the button below to get the scoop.

[Read the article here](#)

News

Egypt's MaxAB bags \$40m Pre-Series B

[MaxAB](#), a Cairo-based food and grocery B2B supply platform, has secured \$40 million USD in a Pre-Series B funding round. The round featured [4DX Ventures](#), [Africa Platform Capital](#), [Beco Capital](#), [British International Investment](#) (BII), [DisruptAD](#), [Flourish Ventures](#), and [Silver Lake](#).

The e-commerce platform was founded in 2018 by [Belal El-Megharbel](#) and [Mohamed Ben Halim](#) and has since raised over \$100 million USD in funding. Last year, MaxAB acquired a Moroccan counterpart, [Waystocap](#). The latest funding will go towards developing their e-commerce and FinTech verticals and expanding their team, tech and geographical cover.

Source: [Tech Crunch](#)

Nigerian e-commerce platform Bumpa bumps up funding by \$4 million

Lagos-based social commerce start-up [Bumpa](#) has closed \$4 million in a seed funding

round led by [Base10 Partners](#). The round also featured participation from

[Club14](#), [DFS Lab](#), [E62 Ventures](#), [Fast Forward Ventures](#), [FirstCheck Africa Angel](#)

[Programme](#), [Jedar Capital](#), [Magic Fund](#), [Plug & Play Ventures commerce fund](#), and [SHL Capital](#).

Bumpa was founded early in 2021 by [Kelvin Umechukwu](#) and [Adetunji Opayele](#), and will use the funding to broaden its product offerings, grow its team and expand into new markets. The business management app supports SMEs using social media platforms including Facebook, Whatsapp, and Instagram.

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

A banner for 'The African Founder Community' featuring a background image of three people in a meeting. On the left, a dark circular shape contains the text 'The Baobab Network.' in white. In the center, the text 'THE AFRICAN FOUNDER COMMUNITY' is written in bold, uppercase letters, followed by 'Connecting African founders' in a smaller font. A dark button with the text 'Subscribe now' and a white mouse cursor icon is positioned on the right. Below the banner, a dark bar contains the text: 'Coming soon: A weekly newsletter with a founder-first focus providing tech entrepreneurs with information and resources to build and scale in Africa.'

The Baobab Network.

THE AFRICAN FOUNDER COMMUNITY

Connecting African founders

Subscribe now

Coming soon: A weekly newsletter with a founder-first focus providing tech entrepreneurs with information and resources to build and scale in Africa.

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Deals

Egyptian CleanTech [KarmSolar](#) has closed [\\$2.4 million USD in funding](#) from [Qatar National Bank AIAhli](#) (QNB AIAhli).

[Unchorlight](#) Kenya (UNK), a Buy-Now-Pay-Later (BNPL) platform for motorcycle taxis, has secured \$623,000 USD in [equity funding](#) supported by [Honda Trading Corporation](#) and [Skylight Consulting Inc.](#)

[Kenzz](#), an Egyptian mass e-commerce solution, has raised [\\$3.5 million USD in a seed funding round](#) led by [Outliers Venture Capital](#). Other participants in the round included [Foundation Ventures](#), [HOF Capital](#), and [Samurai Incubate](#), alongside some angel investors.

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

Chart of the week

In honour of the latest African start-up Act from Nigeria, we take a look at the top 5 funding rounds from the West African powerhouse in Q3 2022. Nigeria continues to lead as the top geography in Africa both in terms of the amount of funding secured (over \$775 million USD) and the number of founding rounds (80) in 2022.

The Baobab Network. Top 5 VC-backed Nigerian start-ups in Q3 2022		
	FUNDING DETAILS	SELECTED INVESTORS
	\$40 million USD Venture Round July 2022	ABSA Bank, British International Investment (BII)
	\$40 million USD Series B September 2022	Polychain, Valar Ventures, Third Prime, Castle Island Ventures, <i>et al.</i>
	\$30 million USD Series A September 2022	TCom Capital Partners, Partech, VentureSouq, Hustle Fund, <i>et al.</i>
	\$4 million USD Seed September 2022	Global Ventures, Tencent Holdings, Y Combinator, Cathexis Ventures, <i>et al.</i>
	\$2.7 million USD Seed August 2022	Undisclosed.



ADDITIONAL INSIGHT

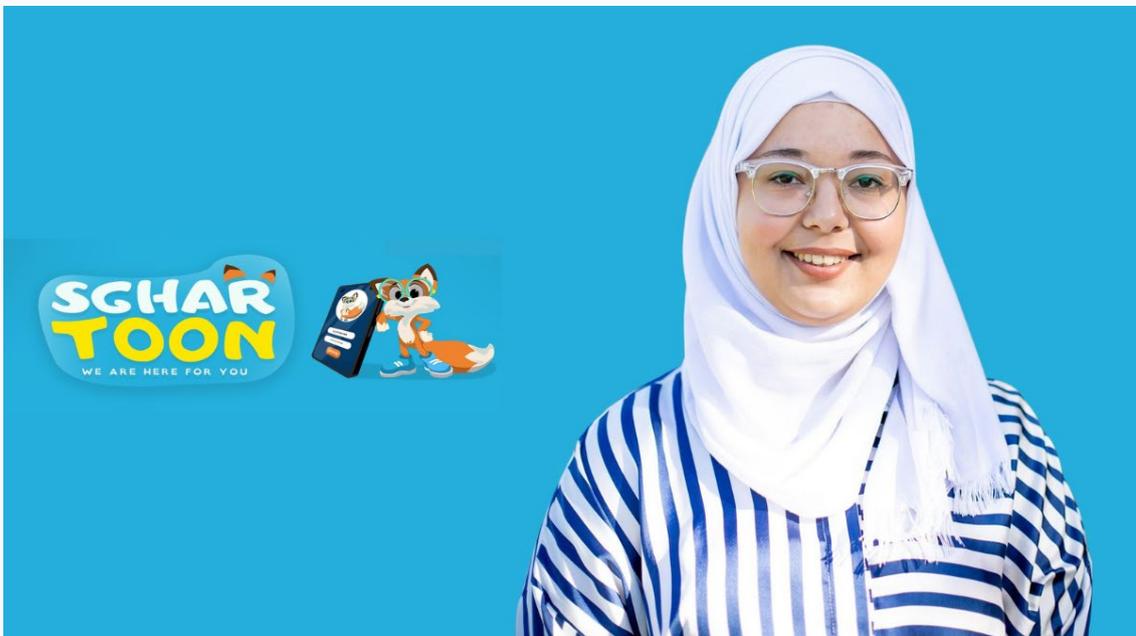
14 The number of Nigerian funding rounds in Q3, excluding grants, prizes and non-equity assistance.

[Access insights on funding in African markets](#)

Start-up spotlight

[Sghartoon](#) is a Tunisian teletherapy platform for children.

Founded in 2018 by [Hidayet Ayadi](#), [Seif Eddine Ben Achour](#), [Qualid Khayati](#), Sghartoon enables parents, therapists and schools to access a digital games library and patient management tools to support children with learning disabilities.



Sghartoon recently secured [\\$150,000 USD in funding](#) supported by the [Oman Investment Fund](#) to support expansion.

To transforming learning difficulties into superpowers!

Source: [Sghartoon](#)

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 are founder looking for

funding and a global platform to scale your business? [Apply now.](#)

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29 start-ups



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