

TLcom Secures First Close of \$150mn Pan-African Tech Fund

TLcom's second African tech fund supported by new and returning investors from the private and public sector

Nairobi and Lagos, 27 January 2022. [TLcom](#), the Africa-focused venture capital firm, has today announced a first close of \$70mn for its \$150mn Africa focused tech fund, firmly positioning the investor to become the largest independent VC firm fully dedicated to the continent.

With a first close in line with the total size of its TIDE Africa Fund closed in 2020, TLcom's second fund sees participation from [Allianz](#), the world's largest insurance company, through [AfricaGrow](#), its joint venture with [DEG Impact \(German Investment Corporation\)](#), as well as a host of new and returning investors including [Bertelsmann](#), [King Philanthropies](#), the TLcom team and [FBNQuest](#) from the private sector, and major DFIs such as [CDC Group \(the UK's development finance institution\)](#), [IFC](#), [Proparco](#) and [Swedfund](#). A second close of the fund is expected later in 2022.

With its new fund, TLcom will expand its existing focus on fast-growth, tech-enabled African startups to Egypt, as well as strengthen its long-standing presence across East and West Africa. With ticket sizes ranging from \$500,000 - \$15mn, TLcom expects to add an additional 20 early-stage startups to its portfolio with an emphasis on Seed and Series A stages and will target entrepreneurs tackling some of the continent's most complex challenges in sectors including fintech, mobility, agriculture, healthcare, education and ecommerce.

Speaking on the launch of the new fund, **Maurizio Caio**, Nairobi-based Founder and Managing Partner at TLcom, says, "Since the closing of our previous fund, African tech has secured more high-value financing rounds, exits and M&As than ever before and this is only just the beginning. It is becoming increasingly evident that our sector has broken into a new era of maturity driven by very strong business fundamentals that African founders are demonstrating not only in the fintech space, but across a huge number of the continent's largely underserved markets."

"As we partner with some of the world's leading global investors for our new fund, this is not only an endorsement of the massive value generation upside on the continent, but also of our proven track record in identifying and supporting entrepreneurs successfully winning and redefining Africa's key verticals. In order to contribute to unlocking the next phase of Africa's huge economic upside, we'll be mobilizing our new fund to strengthen our partnership with African founders, with a special emphasis on female entrepreneurs, as well as our role as the leading local partner of choice for global VCs increasingly looking at Africa."

The entrepreneurs supported by the TIDE Africa Fund have amassed huge traction in recent years with total revenues across its portfolio growing 3x since investment, over 2,300 jobs created and significant up-rounds secured with participation from leading global investors including Softbank, Owl Ventures and Index Ventures. To-date, TLcom's portfolio companies have raised more than half a billion dollars of capital in addition to funding issued by the TIDE Africa Fund and on average, new investments secured from these startups were priced at 5x the valuation of the initial investment received from TLcom. In 2021, the investor

also announced the first unicorn in its portfolio following Andela's \$200mn Series E funding at a valuation of \$1.5bn.

Abhinav Sinha, Director and Head of Technology and Telecom at CDC (soon to become British International Investment (BII)), says "We are excited to expand our partnership with TLcom. The fund's focus on business fundamentals coupled with deep understanding of local context has been instrumental in identifying market shaping businesses and innovative entrepreneurs in Africa. We are confident that our continued relationship will further amplify TLcom's ambitions to accelerate impact to consumers and businesses across Africa's diverse markets."

Martin Ewald, Lead Portfolio Manager Impact Investments, AfricaGrow/Allianz Global Investors, adds "One thing is clear to those who are close to the African VC market: it will grow. We at AfricaGrow believe much more is possible in terms of capital influx into the continent especially in the VC space. There is considerable upside for everyone if investment activities accelerate even more: African businesses can boost productivity, gain in terms of competitiveness and technological edge and tens of millions more Africans could gain stable employment while generating returns for investors."

Launched in 1999, TLcom currently has in excess of \$350mn worth of funds under management across primary and secondary funds and boasts one of the leading portfolios in African tech featuring 12 startups including [Andela](#), [Ajua](#), [Autochek](#), [Ilara Health](#), [Kobo360](#), [Okra](#), [Pula](#), [Seamless HR](#), [Shara](#), [Terragon Group](#), [Twiga Foods](#) and [uLesson](#).

The company's highly experienced and growing team - which is also 50% female at a senior leadership level - consists of Founder and Managing Partner Maurizio Caio based in Kenya, Senior Partner Dr. Omobola Johnson based in Nigeria, and Partners Andreatta Muforo in Kenya, and Ido Sum in the UK. With its offices based in Kenya, Nigeria as well as the UK, TLcom invests across all stages of the venture capital cycle and manages a broad portfolio of tech-enabled startups addressing a range of sectors including agriculture, education, data analytics and logistics.

Ijeoma Agboti, Managing Director at FBNQuest Funds, closes "FBNQuest Funds is pleased to have participated in the first close of TLcom's 2nd edition pan-African Tech Fund (TIDE Africa Fund II). This follows our first close commitment to the manager's maiden fund (TIDE Africa Fund I). Our decision to back TLcom on its second fund was based on the fund manager's demonstrated track record of investing in high growth tech companies with strong business fundamentals and implementing value creation strategies that improve the operations and profitability of these companies. We remain confident that TLcom is well-positioned to continue to deliver on our shared objective to provide capital, the required operational support and access to international partnerships to technology companies in the Africa region through the TIDE Africa Fund II. At FBNQuest Funds, we recognize the transformational role that technology must play in narrowing the gap between industries in Africa and the rest of the world, and we are keen to play a pivotal role in enabling this growth."

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For additional information on TLcom, contact Tommy Rufai of [Wimbart](#) | tommy@wimbart.com or Jessica Hope of [Wimbart](#) | jessica@wimbart.com

About TLcom

Founded in 1999 and with offices in Lagos, Nairobi and London, TLcom has \$350mn of VC assets under management across Africa and Europe and in February 2020 announced the closing of the \$71mn TIDE Africa Fund, dedicated to technology and innovation for Sub-Saharan Africa at all stages of venture capital. The TLcom portfolio includes Twiga Foods, Andela, uLesson, and Kobo360 among others, and it has completed successful Africa VC exits with Upstream acquired by Actis and Movirtu acquired by BlackBerry. The TIDE Africa Fund delivers capital as part of a larger strategic, operational and financial support to entrepreneurs.

About CDC

CDC Group is the UK's impact investor with over 70 years of experience of successfully supporting the sustainable, long-term growth of businesses in Asia and Africa. Under its new strategy, its geographical mandate will be expanded to include Indo-Pacific countries and the Caribbean, with a broader remit to deliver jobs and clean growth. Read more [here](#).

CDC will become British International Investment plc on 4 April 2022.

The company is a leading player in the fight against climate change and has committed more than £700m of climate finance over the last four years. It plans to invest over £3 billion in climate finance between 2022 and 2026. CDC is also a founding member of the 2X challenge which has raised \$10bn to empower women's economic development.

The company has investments in over 1000 businesses in emerging economies and total assets of £6.9 billion. In 2020, CDC committed over £1.1 billion to businesses in Africa and Asia, and aims to invest up to £1.3 billion in 2021 – with a focus on driving inclusive growth, job creation and supporting economic recovery from COVID-19.

CDC is funded by the UK government and is a champion of the UN's Sustainable Development Goals. All proceeds from CDC's investments are reinvested to improve the lives of millions of people in Asia and Africa.

Find out more at www.cdcgroup.com

About AfricaGrow

AfricaGrow is a fund of funds domiciled in Germany, which aims to support small- and medium-sized enterprises (SMEs) and start-ups on the African continent, by investing in Pan-African regional and country-specific private equity and venture capital funds with proven track records and capacities. The Fund intends to have a catalytic effect on the emerging and dynamic African SME and start-up ecosystem, and thus contribute to the promotion of jobs and income, as well as strengthening sustainable economic growth. As a legally independent entity, AfricaGrow is a central instrument of the Compact with Africa ([CwA](#)) initiative, which was launched in 2017 under the 50 German G20 presidency. The fund is managed by [Allianz Global Investors](#), with over 700 investment professionals in 23 offices worldwide and managing EUR 647 billion in assets for individuals, families and institutions.

About FBNQuest Funds

FBNQuest Funds Ltd is the Alternative Investments business of FBNQuest, the Merchant Banking and Asset Management arm of FBN Holdings PLC, the oldest and one of the largest banking groups in Nigeria.

FBNQuest Funds is a multi-strategy alternative investment manager with direct and indirect investments in Private Equity, Venture Capital, Real Estate and Private Credit.

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