

Flat6Labs Launches New US\$95M Venture Capital Fund to Expand its Impact in Africa

Cairo, Egypt – 14th, March 2023: Flat6Labs, MENA's leading seed investor, has announced the launch of a new US\$95 million Seed Fund to nurture the growth and development of early-stage tech startups on the African continent. Flat6Labs has a proven track record in carefully vetting out and investing in promising startups in North Africa since it was founded 12 years ago, with more than US\$16M invested in startups, and over US\$191M raised in follow-on funding while creating more than 2,500 direct jobs and 80,000 indirect jobs through its first two funds in Egypt and Tunisia.

Headquartered in Egypt, the Africa Seed Fund (ASF) will focus on three main investment territories in Africa: North Africa, West Africa, and East Africa. Flat6Labs will be extending its reach into several new territories including Nigeria, Ghana, Kenya, Morocco, and Senegal, amongst others. The ASF will be led by Ramez El-Serafy and Dina el-Shenoufy as General Partners for the fund. The fund will invest in more than 160 early-stage startups over the next five years that operate in the technology sector in Africa, with a focus on impactful sectors that accelerate digital inclusion through the use of information technologies and industries which contribute to addressing social and environmental challenges, such as HealthTech, FinTech, EdTech, GreenTech, AgriTech, ClimateTech, and other sectors.

The significant influx of capital from the ASF has the potential to create more than 14,000 jobs, provide support to more than 1,200 founders with 20% female participation, and generate revenue of more than US\$700M.

Ramez El-Serafy, General Partner for ASF, says, "We are extremely excited about the launch of the Africa Seed Fund. Africa is one of the most exciting regions to invest in tech and innovation, with huge untapped potential and unique business opportunities. We will leverage our experience and knowledge to guide the startup founders to create truly scalable, investment-ready, Africa-based companies."

The African tech ecosystem has continued to grow in 2022. According to Partech 2022 Africa Venture Capital Report, funding for the African sector increased to US\$6.5B in 2022, up from US\$6.0B in 2021. Clearly, the deep forces driving growth of the African tech ecosystem have prevailed against the global headwinds.

With the Africa Seed Fund, Flat6Labs will be investing in 160 companies that are in Pre-Seed up to Pre-Series A stage, with tickets ranging from US\$150K-US\$500K through the Flat6Labs' Africa Seed Program and will also be providing seed tickets to seasoned founders independently of the program. ASF will also be able to reinvest into portfolio companies in follow-on rounds.

Flat6Labs' Africa Seed Program provides portfolio companies joining the program with seed funding, regional business support, access to a regional network of seasoned local mentors, as well as regulatory and logistical support to set up and grow their businesses. The program also adapts to be regional with a hybrid model allowing for physical on-the-ground interactions in local markets while combining

virtual elements that allow for cohort interactions across the entire fund region. Two cohorts will be run annually, with an average of 10 to 15 startups per cohort. The first investments in the selected startups are planned to be made before the end of 2023.

Dina el-Shenoufy, General Partner for ASF, says, “The Africa Seed Fund is well-positioned to be a catalyst for driving long-term positive change that the youth of Africa really deserve, and to providing resources to the brightest of them, while accelerating the future of the African continent. The program is designed to provide entrepreneurs with the resources that they need to be able to grow and to scale-up their businesses to new heights.”

“We have observed that the entrepreneurial market has matured over the years with a new wave of founders that are more experienced. We will also cater for these founders and offer higher ticket sizes to support these companies and a different track to the program” el-Shenoufy added.

The Africa Seed Fund (ASF) is being established by Flat6Labs, project (SAIS), [with the support of the GIZ on behalf of the German Government](#), and through the Egyptian Agricultural Innovation Project (AIP) and Scaling Digital Agricultural Innovations through Start-ups project (SAIS).

- END -

About Flat6Labs

Flat6Labs is the MENA region’s leading seed and early stage venture capital firm, currently running the most renowned startup programs in the region. Flat6Labs invests in innovative and technology-driven startups, enabling thousands of passionate entrepreneurs to achieve their daring ambitions and ultimately becoming their institutional co-founders.

Currently, Flat6Labs is located in seven countries – Egypt, Lebanon, Tunisia, Bahrain, Jordan, UAE, and KSA, managing a number of seed funds with total assets under management (AUM) in excess of \$85M. More than 25 leading institutions have invested into the Flat6Labs managed funds; believing in the asset class and Flat6Labs’ proven track record as the market leader. Flat6Labs provides a wide range of investment ticket sizes ranging from US\$50K to US\$500K, supporting startups through their early journeys from Pre-Seed all the way to Pre-Series A stages. Alongside the investments, Flat6Labs’ exceptional startup programs, executed to cater specifically to the needs of innovative entrepreneurs, help them accelerate their growth by providing them with a plethora of support services and connecting them to unparalleled opportunities with an expansive network comprising hundreds of business mentors, investors, and corporates.

About GIZ

As a service provider in the field of international cooperation for sustainable development and international education work, we are dedicated to shaping a future

worth living around the world. GIZ has over 50 years of experience in a wide variety of areas, including economic development and employment promotion, energy and the environment, and peace and security.

The diverse expertise of our federal enterprise is in demand around the globe – from the German Government, European Union institutions, the United Nations, the private sector and governments of other countries. We work with businesses, civil society actors and research institutions, fostering successful interaction between development policy and other policy fields and areas of activity. Our main commissioning party is the German Federal Ministry for Economic Cooperation and Development (BMZ)

- END -