

# Egyptian e-commerce startup MaxAB secures \$6.2m seed funding

Egyptian B2B e-commerce marketplace MaxAB has secured seed funding of \$6.2 million, one of the largest ever seed rounds raised by a MENA startup. The round was co-led by Beco Capital, 4DX Ventures and Endure Capital, with participation from 500 Startups, Outlierz Ventures and other local investors.



MaxAB connects informal food and grocery retailers with suppliers in Egypt's under-served areas via an easy-to-use app. With this new injection of capital, the company expects to reach 50% of Egypt's population within the next two years before expanding across different markets.

Led by Egyptian and Libyan entrepreneurs Belal El-Megharbel (previously at Careem) and Mohamed Ben Halim (Previously at Aramex), the 270-strong MaxAB team has built a stock list of over 600 products, including groceries, beverages, dairy, confectionery and non-food products.

## Simplifying Egypt's FMCG market

Using technology to close the gap between traditional retailers – over 400,000 in Egypt – and FMCGs, the Cairo based startup leverages technology to connect brands to retailers via its Android app. It is working to automate and simplify Egypt's \$45bn FMCG food retail market and has recorded 50% month-on-month growth, with 9,000 activated retailers on the platform already.

Brands using MaxAB have access to real-time demand monitoring and business intelligence tools, which improve end-to-end supply chain control, and better forecasting. Retailers in remote and under-served areas will have access to a wide variety of products, the convenience of ordering stock online in addition to second-day deliveries not to mention the added benefit of access to credit facilities.

Belal El-Megharbel, co-founder and CEO at MaxAB, says: "Nobody has addressed the underserved retailers before; retailers are faced with a limited assortment of products, the hassle of dealing with multiple wholesalers and restricted access to credit facilities. At the other end of the supply chain, the FMCGs have limited visibility on market trends, demand patterns and retailers' business needs - leading to losing potential revenue opportunities.

"We are using data and analytics to understand purchasing and retail behaviours, as well as make the end-to-end process



of brands seamless and convenient. This will enable FMCGs to make informed decisions about their purchasing, which will ultimately have a positive effect on their bottom line and catalyse one of the biggest markets in Egypt. This investment round will allow us to accelerate our growth plans and develop new products and services throughout North Africa using the first of its kind B2B e-commerce platform."

## Redefining the grocery supply chain

Yousef Hammad, managing partner at Beco Capital, says: "'This is Sparta' was the first impression I got when I met this team of warriors, battling one of the biggest inefficiencies on the country's balance sheets. By leveraging technology, MaxAB is redefining the grocery supply chain in Egypt to fit the requirements of the micro retailers who make up 90% of the grocery market. The metrics they have recorded in such a short period are impressive, and we expect to continue to see double-digit growth as they scale."



## Standard Bank targets informal retail economy with \$4m Nomanini investment

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Peter Orth, co-founder and managing partner at 4DX Ventures, says: "We've been consistently impressed with how Belal and the rest of the team have executed, and achieved significant traction in a very short period of time. We believe that their B2B e-commerce model is the right way to serve this significant market, and we're really excited to partner with the team to drive the next phase of growth."

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