

Twiga Foods raises investment to expand

NAIROBI, Kenya - Twiga Foods, the Kenyan business-to-business food supply platform, has raised \$10.3m in Series A Investment Round. Twiga is the largest distributor of several basic food staples in Kenya, having sold more than 55 million bananas alone, delivering more than 4,000 orders a week.



L-R: Enda Kwinga, HR; Grant Brooke, CEO; Kikonde Mwatela, COO; Caine Wanjau, CTO; Mahia-John Mahiaini, CFO.

Twiga successfully raised \$6.3m in equity and \$4m in debt instruments. The round was led by Wamda Capital and includes Omidyar Network, DOB Equity, Uqalo, 1776, Blue Haven Initiative, Alpha Mundi, and AHL Venture Partners. The investment will enable Twiga to increase the number of vendors it is able to serve each day in Nairobi, diversify its product portfolio, and introduce advanced supplier services.

Through mobile tech and data, Twiga is redefining and improving Kenya's agricultural market, helping address key economic issues including soaring food prices, safety, and sustainable markets.

In Kenya, 96% of food and FMCG products are sold through small and medium size retail stalls, supplied by large-scale, over-capacitated, open air markets. This inefficiency results in 43% of the average household income being spent on food-affecting what individuals and families can spend in other critical areas such as education and healthcare.

Established in 2014, Twiga aims to create a fair and sustainable marketplace for producers, vendors, and consumers by using technology to consolidate the fragmented purchasing power of urban retailers, saving them a trip to the market by delivering better quality, better priced, stock directly to their doorstep.

Twiga then translates this aggregated purchasing power to farmers across the country allowing them to access stable markets at better prices, while minimising post-harvest losses through efficient logistics.

The Series A funding round also signals increased momentum for Nairobi's growing tech industry.

"Twiga is an outcome of the Nairobi start-up ecosystem, the years of investments that have gone into developing talent, supporting hubs, and attracting capital to the market," said Grant Brooke, co-founder of Twiga Foods. "The team at Twiga and growth of the company are testaments to the fact that Kenya is on the cusp of solving huge global problems."

Fadi Ghandour, chairman of Wamda Capital, who will be joining the Twiga board of directors said, "Twiga represents our first investment in East Africa, a new geography for us in which we plan on being increasingly more active. We are particularly excited in beginning our investment program in East Africa by supporting this remarkable set of entrepreneurs building a truly disruptive business. "Drawing on our experience in the logistics and supply chain space, we believe Twiga has developed a unique solution to address the inherent inefficiencies in the delivery of fresh produce in East Africa with significant positive impact for both producers and consumers."

Said Ory Okolloh, director of investments at Omidyar Network: "Twiga is a strong example of how to seize a huge opportunity-addressing both the inefficiencies in wholesale fresh fruit and vegetable markets and poor last mile solutions both for farmers and vendors -and how tech and data can help significantly improve living standards."

Additional to the Series A round closing, Twiga closed some \$2m in grant funding from USAID, GSMA, and others to support bolt-on farmer services, financial inclusion, and first of their kind domestic food safety initiatives.

"The addition of new partners into Twiga, and continued support of our current stakeholders, is a huge affirmation that there's a better way to build marketplaces for Kenya and the rest of urban Africa," said Peter Njonjo, co-Founder, Twiga Foods "We can get consumers and suppliers a better deal, and this support will go a long way in achieving those goals."

Twiga Foods is a mobile-based food supply system for Kenya's urban retailers. Founded in 2014, Twiga allows customers to order daily stock for basic produce staples, aggregates demand, and pushes it to producers. This provides producers with guaranteed markets, while providing vendors with lower-cost, better quality, products delivered to their shops.

Source: African Media Agency.

For more, visit: <https://www.bizcommunity.com>