CARTONA - THE LEADING B2B PLATFORM DIGITIZING EGYPT'S TRADITIONAL TRADE MARKET - COMPLETES $12 MILLION SERIES A FUNDRAISE

Proceeds to help expand market share and extend Cartona's sustainable growth

Enabling via technology, to drive financial inclusion as Egypt's retail sector rapidly grows

Cairo, Egypt - 25 July 2022 - Cartona, a B2B platform digitizing and empowering all stakeholders of Egypt's traditional trade market including mom-and-pop stores, FMCG producers, wholesalers, and distributors, announces the successful closing of its $12 million Series A fundraise.

The round was led by Silicon Badia - the venture capital firm investing in global technology entrepreneurs, together with the active participation of the SANAD Fund for MSME, an impact investment fund dedicated to supporting entrepreneurs in the Middle East and North Africa.

Arab Bank Accelerator and Sunny Side Ventures also participated, alongside existing investors - Global Ventures and Kepple Ventures - who joined Cartona's journey last year, doubled down in this round.

Proceeds will be used to turbo-charge Cartona's expansion across Egypt - to cover all governorates, grow its product, technology, and services - and explore new verticals beyond FMCG.

Cartona embraces a cashless society vision, investing in embedded finance, payments, and operational integration with all stakeholders. This provides retailers and suppliers with an integrated solution boosting financial inclusion enabling them to run and grow their business more efficiently, and reach end-consumers with essential products at affordable prices.

Cartona's model is asset-light, not owning a single product or warehouse or vehicle. This allows Cartona to execute its strategy of digitizing Egypt's traditional, largely offline trade market by eliminating inefficiencies across the supply chain - in a very capital-efficient way - while enabling seamless financial services' solutions to an underserved network of hundreds of thousands of shops.

Mahmoud Talaat, CEO and co-founder of Cartona, commented:

"We are delighted to complete our Series A fundraise. The endorsement of new investors, and re-participation of existing investors, validates our strategy of a capital-efficient, asset light business model focused on enabling all stakeholders in the industry, boosting operational efficiency and underpinned by strong unit economics.

"The market context for Cartona is hugely attractive, and we are just getting started. Egypt has hundreds of thousands of mom-and-pop stores who are core to our business model. We will continue empowering them via efficient and seamless solutions in their trade and financial cycle with FMCG companies and wholesalers, aligning with our mission to help people better manage and control their businesses."

Cartona is growing rapidly and sustainably. It has scaled over a short period of time to currently process around 1 million transactions annually, with ample room to grow. Cartona has 60,000 users, works with 200 FMCG companies - including blue-chip names Henkel, Unilever, Bel, Mondelez; and 1,500 distributors and wholesalers.

The Egyptian market opportunity for Cartona is compelling. The overall retail market size is $120 billion, with the Food & Beverages market worth $70 billion. There are over 400,000 shops and thousands of international and local brands across Egypt, with the sector growing annually by 8%.

Namek T. Zu'bi, Founding Managing Partner at Silicon Badia, said:

"We are thrilled to partner with the Cartona team to help them continue to disrupt the $120 billion Egyptian retail market through its B2B technology platform and embedded financial service offerings. The market is hungry for these type of solutions and we believe Cartona's asset-light approach will allow them to serve as many marketplace participants as possible in a highly efficient manner."

Dr. Daniela Beckmann, SANAD Board Chairperson- commented:

"We are incredibly proud of this transaction as it is the first investment of SANAD ESF II in Egypt, continuing the success of ESF I investments made in the country. By providing both financing and a software tailored to the market, Cartona's digital platform is supporting innovative MSME retailers across Egypt, which will greatly contribute to SANAD's mission of pursuing growth and employment creation across the region."

The latest series A investment round comes less than a year after Cartona raised $4.5 million in a pre-series A round led by Global Ventures.

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Further information

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Notes to Editors

About Cartona

- A B2B platform connecting buyers (retailers) and sellers (FMCG companies, distributors, wholesalers) by digitizing the traditional trade market;
- An online marketplace – an asset-light business model where Cartona does not own a single product or vehicle;
- Enables buyers to order inventory by providing an easy-to-use mobile application that allows them to access a network of curated sellers;
- Provides an instant communication tool between buyers and sellers for offers and promotions;
- Offers detailed market insights on buyer behaviour, price competition, and market share; and
- More information can be found at https://cartona.com/

About Silicon Badia

Silicon Badia is a venture capital group that invests in technology startups globally. With offices in the US and the Middle East region, Silicon Badia has partnered with over 80 technology startups in over 15 different industries and over 15 different cities worldwide.

About SANAD Fund for MSME

The SANAD Fund for MSME finances micro, small, and medium enterprises and low-income households in the Middle East and North Africa and selected countries in sub-Saharan Africa via qualified local lenders. SANAD thereby fosters economic development and job creation – including youth employment – agriculture, affordable housing, and innovations in finance and financial technologies.

SANAD strives to meet these goals by providing debt and equity financing to its local partners in addition to technical assistance support.