

STARTUPS THAT MADE HEADLINES THIS YEAR

2021 has been a roller-coaster ride for the local startup scene. From Shohoz quitting the game to bKash becoming a unicorn, here's a quick look at the startup highlights of 2021.

SOLshare closed \$1.46m financing round

SOLshare, a renewable energy startup based in Bangladesh, is known for its peer-to-peer solar trading platform - solar microgrids that allow household solar panel owners to buy and sell their own electricity. In Dec 2020, after winning EIT InnoEnergy's annual sustainable energy competition, SOLshare was granted a cash prize of US\$ 120,000 along with a further US\$ 364,000 fund.

According to EIT InnoEnergy, the world's largest sustainable energy engine, SOLshare's proposition to utilise the rural power market is a unique balance between profitability and impact.

SOLshare plans on bringing this new wave of solar technology to 350,000 buildings in Bangladesh, India, Africa and the Pacific Islands over the next five years.

Chaldal's expansion

Chaldal, the largest online grocery store in Bangladesh, raised US\$10 million in its Series C round in September this year. This investment was led by Taavet Hinrikus, Co-founder of Wise; Sten Tamkivi, CEO of Topia; Xploration Capital and Mir Group.

Chaldal currently owns 27 warehouses in Dhaka, Chittagong, Narayanganj and Jessore, and works with both wholesale sellers and big-scale manufacturing firms like Unilever. Earlier this month, Chaldal also acquired the digital pharmacy platform BanglaMeds.

Shohoz suspending services

In October, the multi-service startup Shohoz announced that they were terminating the contracts of 50 employees of their

ride-sharing and food delivery teams. The mass firing came about due to the suspension of the ride-sharing services due to the pandemic, as well as a regulatory employee turnover process, according to Shohoz.

While Uber and Pathao had resumed ride-sharing services after the waves of lockdowns were lifted, Shohoz had not, even though they are continuing with other new ventures, namely Shohoz Health, a platform for healthcare providing startups, and Shohoz Learn, an online education platform.

Startup Bangladesh Limited promised to back seven local startups

In August, Startup Bangladesh Limited, the venture capital fund owned by Bangladesh's ICT Ministry, announced that they would provide Tk. 100 crore to 50 local entrepreneurs, including Tk. 15 crores to seven selected local startups: Pathao, Chaldal, Sheba XYZ, Dhaka Cast, Eduhive, Intelligence Machine and Moner Bondhu.

Startup Bangladesh Limited further announced that this funding will help local startups grow to greater heights, while also building future opportunities for employment and technical skills across the country. The fund would be provided in the form of an equity investment, which can be

converted to grants for the startups, as well as co-investment providing support to stakeholders.

bKash became country's first Unicorn

Last month, bKash reached over US\$1.7 billion in valuation, making it the first Unicorn Startup of Bangladesh to cross the \$1 billion market value threshold. Dr Ahsan H Mansur, Chairman of BRAC Bank, stated that SoftBank Vision Fund II will invest US\$ 250 million for ownership of more than 10% of bKash's stakes. This investment is expected to make bKash's valuation rise over \$2 billion.

Daraz acquired HungryNaki

By acquiring HungryNaki in its locally invested venture Daraz, the international e-commerce giant Alibaba entered the Bangladesh food delivery scene.

The negotiation between HungryNaki and Alibaba began back in December 2020 and was finalized in March 2021. It was confirmed after the acquisition that HungryNaki will continue working as an independent brand across the country.

Truck Lagbe raised US\$ 4 million in funding

In September, the digital truck platform Truck Lagbe raised funding worth US\$4 million from a Series A financing round. This investment was led by IFC (International Finance Corporation) and IDLC Venture Capital Fund I.

Used to book trucks for cross-country deliveries, the platform promised to use the funding to train the truck drivers and invest in better technology to boost both customer service and the overall performance of the company. IFC stated that Truck Lagbe was integral in supporting local small enterprises to retain their businesses during the pandemic.

STARTUPS HIGHLIGHTS 2021

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