

## **Egyptian start-up Swvl raises USD 8 million in series A funding round**

*The company that connects Egypt's 25 million daily commuters to buses seeks to optimize micro-transit within and beyond Egypt*

[Swvl](#), the premium app-based mass transit system disrupting commuting in the MENA region, announced a USD8 million Series A funding led by regional venture fund BECO Capital, alongside Africa-based investor DiGAME and global VC fund Silicon Badia. Raed Ventures, Arzan VC, Oman Technology Fund, and chairman of EDventure Holdings Esther Dyson, also participated in the round, which is Egypt's largest round of funding yet.

According to Moustafa Kandil, co-founder and CEO of Swvl, "the USD 8m round is the biggest round of funding for a tech start-up in Egypt and one of the biggest rounds in the Middle East. With this funding, Swvl aims to solidify its position in Egypt and establish the company as a global leader in the affordable smart mobility space, offering fixed routes for a fixed flat fare at prices that are up to 80% cheaper than on-demand ride-hailing services."

"We're trying to build our own version of public transportation, that's smarter basically," Kandil said, who's now 25 and earned a spot on Forbes Middle East's 30 under 30 ranking; along with Mahmoud Nouh and Ahmed Sabbah, his co-founders.

According to Nouh and Sabbah, "Swvl intends to invest 300 million EGP in the local market in the upcoming 3 years to empower as many micro-entrepreneurs as possible in Egypt and the region and to become one of the biggest job creators in the country." Swvl plans to expand beyond Egypt to other emerging markets across the Middle East, South East Asia and Africa region within 2018.

Kandil also gladly announced that Esther Dyson will be joining Swvl's Board of Directors, on behalf of DiGAME; along with Dany Farha the CEO & co-founder of BECO Capital and the co-founder of Bayt.com. Esther was previously on the board of Yandex, which recently formed a joint venture with Uber Russia.

Essentially, Swvl is a product that emerges from a double-sided problem. On the demand side, nearly 25 million Egyptian daily commuters, a quarter of the country's population, are torn between two extremes: expensive on-demand ride-hailing services and less than reliable and inconvenient public transportation. This is coupled with a supply-side opportunity where the economic turndown in Egypt has limited the purchasing power of an aspirational middle-class and, simultaneously, generated a wealth of untapped private infrastructure. With the market finally ready for new transportation disrupters, lifted up by the success of Uber and Careem, and consumers looking for more inclusive and more affordable solutions. Swvl closes this gap by providing an alternative that is more reliable and convenient than public transportation yet cost competitive.

In under a year, the company grew to complete hundreds of thousands of rides per month with hundreds of buses in its network along 200 routes in Cairo and Alexandria. Customers are a mix of university students and corporate employees with a large portion of women commuters, who want to avoid harassment on public transportation. Eventually, Swvl aspires to cater to all customer segments by building out their network, optimization, and differentiated product offerings. "We try to solve all of our problems with technology," says Kandil.

Swvl widens access to new commuting solutions and, ultimately, seeks to re-model public transportation beyond Cairo and Alexandria and into other emerging markets. This year, the company has plans to solidify its position in Egypt and expand into emerging markets across the Middle East, South East Asia

and Africa region with inadequate public transportation infrastructure that have embraced on-demand ride-hailing. UN [reports](#) on key trends in urbanization indicate that by 2030, 60% of the planet's residents will be living in cities, creating a previously unknown demand for commuting services, and a US\$5.4 trillion economic opportunity.

## **About Swvl**

[Swvl](#) is an Egypt-based tech startup that enables riders heading in the same direction to share fixed-route bus trips for a flat fare with no surge pricing. The service is up to 80% cheaper than competing on-demand ride-hailing services, and is currently available on 140 routes in Cairo and Alexandria with plans to expand within and beyond Egypt. Customers can schedule their pick-up and drop-off points on fixed routes at fixed times, and pay through the app or in cash.

Swvl was founded by three young entrepreneurs – Moustafa Kandil, Ahmed Sabbah and Mahmoud Noh, who have built a dream team with past experiences from Careem, Google, Uber, Quora, Rocket Internet and Delivery Hero.

Take a Swvl Now! GET IT ON Google Play ([Link](#)) Download on the App Store ([Link](#))