

Sequoia Leads \$5M Investment in Telda, Egypt's First Digital Banking App

This Marks Sequoia's First Investment in North Africa and GCC

Cairo, Egypt - 12 May 2021 - [Telda](#), the first digital banking app in Egypt, announced today it has raised a \$5 million pre-seed funding round, led by Sequoia Capital with participation from Global Founders Capital and Class 5 Global. This marks the first investment for Sequoia in North Africa and GCC and the first investment by Global Founders Capital and Class 5 Global in Egypt.

Telda also announced it has become the first company to receive a license from the Central Bank of Egypt under the new Banking Agents regulations, empowering it to issue cards and on-board customers to its digital app.

"We refer to Telda as The Money App", said Telda co-founder and CEO Ahmed Sabbah. "It is the first digital banking experience in Egypt, enabling customers to create a free account in seconds, receive a free Telda card to use online, in stores and to withdraw cash from any ATM worldwide and pay bills all directly from their phone. Telda customers will also be able to send and receive money instantly and for free from friends, family and anyone with a mobile phone, as easy as sending a Whatsapp message".

Two out of every three individuals are currently unbanked in Egypt, amounting to 70M people. This is not dissimilar with other countries in the region, in fact only 40% of the population in the Middle East and North Africa have access to a bank account. Digital banks have enormous potential in the region with technology as the catalyst for change.

Telda is the first digital banking app in Egypt. It simply is a better way to send, spend and save money for anyone who has ever sought an alternative to the traditional banking system. Telda is launching in the upcoming few weeks yet the app is now available on the Appstore and Playstore where customers can download it and join the waiting list to be the first to get the free Telda card.

Disheartened by the non-customer centric banking experiences they and their friends experienced in Egypt and the wider region, Sabbah and Youssef Sholqamy launched Telda to provide an alternative. Telda was founded by Sabbah, the cofounder and former CTO of Swvl, and Youssef Sholqamy, a former senior engineer in Uber's infrastructure team. Telda's core team has a strong track record of building mass market consumer products globally - with experience from Facebook, Microsoft, Mckinsey and Noon.

"Today's funding milestone promotes the digital transformation of the Egyptian economy and allows Telda to provide everyone with access to important financial services so they can fully participate in the economy", said Telda CTO Sholqamy.

In 2013, Sequoia partnered with Nubank, a Latin America neobank, at the seed. Now with 38MM customers, Nubank is the world's largest digital bank.

"There are many parallels between Brazil and Egypt. Both countries boast a large, young, talented and tech savvy population with a strong appetite to innovate," said Sequoia Partner George Robson. "We are delighted to partner with Telda and earmark our first investment in the region".

According to Gartner, Startup Genome and Deloitte, Egypt recorded the largest number of investment deals in technology startups amounting to 24% of the total number of transactions in Africa in 2020. Swvl - a ride-hailing firm cofounded by Sabbah - has raised in excess of \$100mm since 2017.

"We are highly impressed by Sabbah and Sholqamy and love their vision for building the region's leading digital banking app and we are proud to be part of their journey. It is GFC's first investment in Egypt and we see that Egypt has the potential to become an important hub in the global tech ecosystem," said GFC Partner Roel Janssen.

The region appears to be ripe for a digital banking experience. According to GSMA intelligence, 280M

people in the Middle East and North Africa (45% of the population) are mobile internet users and growth is not slowing down. The frustration with traditional banks is particularly acute with the younger generation, who crave a simple, user friendly and transparent experience. With 60% of the population under 25 years old, the Middle East and North Africa is one of the most youthful regions in the world.

“Money has become a medium of self-expression - a form of identity - not solely a store of value.”, said Class 5 Global Managing Partner, Youcef Oudjidane. “Telda has done a remarkable job of embedding their culture and values in the product, in both functionality and design. No hidden fees, no maintenance charges, no paperwork nor stress, coupled with an elegant design to enable a self-service experience”.