

## Y COMBINATOR-BACKED, PYLON, ANNOUNCES \$19 MILLION FUNDING ROUND

### ***MENA scale-up saving the planet by reducing energy & water inefficiencies, and CO2 emissions***

**Giza, Egypt - 12 April 2022** - Pylon, the infrastructure management platform transforming electricity and water companies in emerging markets, announces a \$19 million seed funding round.

The seed round for the rapidly-growing startup - which is profitable and grew by 3.5x in 2021 - began with initial funding from US technology startup accelerator, Y Combinator, and attracted a diverse group of investors from North America and MEA.

This funding round, comprising equity and debt, was led by Endure Capital, which is backed up by CDC, the UK Government's Development Finance Institution. Also participating were Cathexis Ventures, Khawarizmi Ventures, Loftyinc Ventures, and various high profile angel investors.

Proceeds will accelerate Pylon's growth via expansion into other emerging markets (South-East Asia, Africa, Latin America) and advance engineering and product development. The startup is already working with multiple companies across two continents who have deployed more than one million end points of Pylon's smart grid technology, across 15 distribution companies. Pylon's goal is to increase its smart metering points to **three million by 2023**, which would represent **4x year-on-year growth**.

Pylon does not charge utility companies an upfront cost for its hardware, but its model, Smart Metering as a Service (SMaaS) makes it easy for cash-conscious utility companies to deploy its solution at scale. With no upfront investment, Pylon can help utility companies increase their top-line by up to 40%, just by signing up.

Pylon democratizes smart grid infrastructure to energy and water distribution companies in emerging markets enabling them to capture up to \$400 billion of losses and uncollected revenue. Pylon's platform uses data and artificial intelligence to improve revenue collection, reduce losses and achieve a more efficient environmental footprint.

Pylon is saving the planet, one metering point at a time, as smart electricity grids can reduce utilities' carbon emissions by **25%**. Another of Pylon's goals is to achieve **1 Gigaton of total CO2 emissions reduction** by 2035. Water losses in emerging markets also reach over 45 million cubic meters/day. Pylon can reduce this by up to **22%**, potentially providing enough water to serve over **40 million people**.

### **Ahmed Ashour, Co-founder, and CEO of Pylon, commented:**

*"We are delighted that our solution received such heightened interest and acclaim from a wide range of global investors. Our impact-driven vision of developing technology to better manage resources, eradicate inefficiencies and remove pain points in the utilities sector raised a call-to-action and many responded.*

*"Our plug-and-play solution and flexible pricing models give utilities the full benefit of smart grids just by signing with us - increasing their aggregate revenue by up to 40%. With a \$22 billion market opportunity, we provide a compelling model for investors who seek a fast-growing, profitable company, which, most importantly, has a significant impact on preserving our planet. Pylon's ultimate goal is to benefit humanity, our clients, and our stakeholders.*

*"2022 will be an exciting year for Pylon as we embark on our next phase of growth which will see us expanding further into Africa, Latin America, and SE Asia. We will also seek increased debt facilities to fast-track the accessibility of infrastructure solutions to utilities in friable economic landscapes."*

**Tarek Fahim, GP and founder of Endure Capital, commented:**

*“We are excited to support the strong team at Pylon, who are building a unique software-centric solution to support more sustainable and smart infrastructure for utilities companies in emerging markets. As one of the highest-ever valuations for a seed-stage company in the Middle East & Africa, and we are delighted to be at the forefront of positive change in the region.*

*“We believe that there is a multi-billion dollar market opportunity at hand, and that Pylon’s frictionless model provides a compelling solution for utility companies to be more efficient, sustainable, and digitally-driven. Most importantly, we believe that Pylon will have a significant environmental impact on preserving our planet, benefit our local communities, and create lasting economic value for our own stakeholders.”*

**Ahmed Medhat, Board Advisor at Pylon (and Principal Research Scientist at Meta), commented:**

*“When Ahmed Ashour and co-founder Omar Radi first walked me through what they had built, I was immediately hooked. The two have taken a bold and imaginative approach to resolving efficiency problems of legacy utility distribution systems in emerging markets, and I'm extremely impressed with the financial traction they have demonstrated within just a few months of their MVP.*

*“By focusing their R&D and overall product ethos on approaches that fit the specific market dynamics of emerging market utilities, Pylon have developed their unique SMaaS model and have been able to upend big international players whose off the shelf utility management solutions don't fit the needs of local utility companies in emerging markets.”*

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**Further information**

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**Notes to Editors**

About Pylon

Pylon is a smart infrastructure management platform providing a subscription-based Smart Metering as a Service (SMaaS) for electricity and water companies in emerging markets. Pylon provides a tailored end-to-end software solution that is adaptive to old and new metering technologies and helps reduce operational inefficiencies, improve revenue collection, and achieve a more efficient environmental footprint, at zero upfront cost.

Pylon was incorporated in 2017 and is backed by Y-Combinator.

About Y Combinator

Y Combinator is one of the top 5 venture funds worldwide, Founded in 2005. Y Combinator companies have a combined valuation of over \$600B. Y Combinator portfolio includes Stripe, Airbnb, DoorDash, Coinbase, Instacart, Dropbox, Twitch, and Reddit.

## About Endure Capital

Endure Capital is a leading early stage venture capital firm focused on partnering with impact-driven founders building enduring technology-enabled businesses to better serve society, and makes investments out of its second fund focused on Africa.