

FlapKap Closes \$3.6M Seed Round

New Investors include Bolt by QED, Nclude and Outliers

12 October 2022 - Cairo, Egypt - [FlapKap](#), the first tech-enabled revenue-based financing platform in the MENA region, revolutionising e-commerce growth, today announced the close of its \$3.6M seed round. The round included participation from Bolt by [QED](#), [Nclude](#), [Outliers](#), and [A15](#). This latest capital injection comes six months after the company's pre-seed raise and coincides with the company recording significant milestones of a MoM growth of ~200% in amount of funding disbursed and number of serviced clients.

With the new funding, FlapKap plans to increase its capacity in helping more e-commerce businesses in the MENA region scale and maximise their growth potential, as well as consolidate its position as the region's foremost and leading revenue-based financing player. The company aims to solidify its presence in Saudi Arabia, the UAE and Egypt by offering e-commerce businesses the ability to scale their inventory and digital ads now, while flexibly paying later.

Cofounded by Ahmad Coucha and Khaled Nassef, with founding team Sherif Bichara and Adel Hodroj, FlapKap enables e-commerce businesses to scale and grow by targeting businesses that have traditionally had limited access to bank or venture capital financing. FlapKap offers insights and analytics to e-commerce businesses to help them accelerate growth and swift access to working capital financing for deployment on inventory and digital marketing spend. The company prides itself on fast and data-driven decision making, which allows it to make merchants an offer less than 48 hours after they sign up. Fees are paid back as a percentage of revenues, meaning that if revenues slow down, so do repayments, and merchants do not have to worry about late fees or penalties

Targeting e-commerce businesses which have been operational for at least 6 months, FlapKap's new capital and low entry threshold means it is able to welcome a lot more online stores to its already expansive roster. FlapKap has so far worked with some of the region's most-promising e-commerce firms, some of which include [Dresscode](#), [Palma](#), [Tam's Shoemaker](#), and [Raw African](#), amongst others, helping in some cases generate >85% increase in revenue and over 70% increase in net profits within a few months. FlapKap has also recently integrated its AI-based insights and financial data analytics with Shopify, Woocommerce, Facebook and Google, and expects to strike more partnerships with players in the ecosystem.

Speaking on the round, **Ahmad Coucha**, FlapKap CEO and Cofounder said, 'As we develop our platform and expand our capacity to enable even more e-commerce platforms to attain their full growth potential, we're excited to be joined by prominent global investors with deep knowledge and extensive expertise in the revenue-based financing space, having previously invested in some of our international peers. Our rapid growth within a short period of time demonstrates the massive unmet demand in our region and, being founders ourselves, we take huge pride in being able to offer this founder-friendly financing to founders and entrepreneurs all across the region'.

Investor QED has invested in some of FlapKap's most successful international peers such as Wayflyer and Fairplay, which have raised more than \$900m in financing combined.

Gbenga Ajayi, Partner at QED commented, "Having invested and worked with similar companies to FlapKap across other regions such as Europe and Latin America, we are confident this team can attain similar success".

Basil Moftah, Partner at Nclude added, "We value companies and entrepreneurs that create innovative solutions that push the envelope and are proud to support FlapKap's previously unavailable financial services to SMEs in the MENA regions"

Mohammed Almeshekah, Partner at Outliers commented, "Coucha and Khaled have combined their first-hand experience and insights at Kijami & N26 and hit the ground running with strong initial performance. We are thrilled to be part of their journey from the beginning"

Karim Beshara, Partner at A15 commented, "Having embarked on this journey with Ahmad from the very start, we are proud FlapKap's success so far. We are pleased with the team's momentum and are excited about the growth opportunities going forward"

The growing post-pandemic trend in online shopping presents a great opportunity for FlapKap to expand its specialised solution to solve the growth-destructive challenges of emerging online stores in the region. Recent research suggests that the e-commerce markets in Saudi Arabia,UAE and Egypt alone account for a combined \$21.4 billion and is projected to grow by more than 50% to \$33.3 billion in 2025. Also, as global shopping festivals such as Singles Day and Black Friday, popularly referred to as 'White Friday' in the MENA region, continue to rise in popularity and spend [MENA shoppers spent ~\$6 billion on Black Friday in 2021], it is increasingly becoming imperative for online stores to prep themselves to take full advantage of the growing