

MENA Startup Ecosystem News

DECEMBER 2023

MENA startups raised \$4B in 2023 across 583 deals, showing a modest growth of 1.7% year-on-year.

According to Wamda's [Investments in MENA 2023 Year in Review](#), half of the total amount raised comes from debt financing, which tripled to \$1.77B. Excluding debt financing, total amount raised would be \$2.25B which is a drop of 35% versus 2022.

- Number of deals also dropped by 27%, with Egypt as the worst affected as number of deals went down by almost half. Countries that saw an uptick in investments are KSA, Morocco and Oman
- The most active markets remain as KSA, UAE and Egypt accounting for 98% of funding amount, and 75.6% of transactions.
- KSA accounted for 4 out of 5 Mega Deals: Tamara (\$340M), Tabby (\$200M), Floward (\$156M) and Nana (\$133M). Egypt took the last spot with MNT-Halan (\$260M)
- Seed Stage saw the most number of transactions with average ticket size of \$2.6M

INVESTMENTS (non-exhaustive)

STARTUP	SECTOR / INDUSTRY	LOCATION	AMOUNT & ROUND	INVESTORS
Tamara	Finance	KSA	\$300M, Series C	Led by SNB Capital and Sanabil Investments; horooq Partners, Pinnacle Capital, Impulse, existing investors Coatue, Endeavor Catalyst and Checkout.com.
Lendo	Finance	KSA	\$28M, Series B	Led by Sanabil Investments; from Shorooq Partners, AB Ventures
Soum	Consumer services	KSA	\$18M, Series A	Led by Jahez; from Isometry Capital, existing investors Khwarizmi Ventures, Alrajhi Partners, Outliers Venture Capital
Tameed	Finance	KSA	\$15M, Series A	Alromaih Investments
Omniful	Logistics	KSA/UAE	\$5.85M, Seed	Led by VentureSouq; from 500 Global, DASH Ventures, Jahez Group, SEEDRA Ventures, Bunat Ventures, Hala Ventures, and RZM Investments, family offices Al Rasheed, Siraj Holding, Al Bawardi, Al Nafea; angels
Chefaa	Health	Egypt	\$5.25M, undisclosed	Led by Newton Partners (South Africa) and Global Brain (Japan); from GMS Capital Partners LLC (US), Verod-Kepple Africa Ventures (Nigeria), and M3, Inc. (Japan)
Hakbah	Finance	KSA	\$5.1M, Series A	Led by VentureSouq; from M-Capital and Bunat Ventures, existing investors Global Ventures, Aditum Investment Management Ltd.
iSchool	Education	Egypt	\$4.5M, Undisclosed	Led by VentureWave Capital; from OneStop Capital UK, Webit Investment Network, Oraseya Capital
Spare	Finance	KSA	\$3M, undisclosed	Led by Vision Ventures; from Wa'ed Ventures, Seedra Ventures, 500 Global, angels

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Mtor	Automotive	Egypt	\$2.8M, Pre-seed	Led by Algebra Ventures; from Dutch Founders Fund, Aditum Ventures, LoftyInc Capital Management, angels
Zeroe	Environment	UAE	\$2.2M, Seed	Led by Owen Rahadiyan
Blink	F&B	KSA	\$2.1M, Seed	500 Global, Global Founders Capital, alongside existing investors Orbit Startup/SOSV
Terra	Mobility (EV)	UAE	\$2M, Seed	Angels
Fundbot	Finance	UAE	\$1.5M, Seed	Led by Hambro Perks Oryx Fund; from Aditum Investment Management Limited, Flat6Labs, Middle East Venture Partners (MEVP), and PlusVC.
Pala de 7 (Pd7)	Sports	KSA	\$1M, undisclosed	Led by Grintafy, ALTahan, Shaghaf Investments
Trends (by LuckyDodo)	Analytics	UAE	\$1M, undisclosed	Undisclosed
Cynoa	Enterprise SaaS	Tunisia	\$930K undisclosed	216 Capital Ventures, BpiFrance
Midori	Environment	UAE	\$200K, Pre-Seed	Kirill Veselov (angel)
Banknbox	Finance	Egypt	Undisclosed	DisrupTech Fund
HyveGeo	Environment	UAE	Undisclosed, Pre-Seed	Led by SystemaNova.vc
Lychee	Health	Egypt	Undisclosed, Series A	Beltone Venture Capital
Lyvely	Marketing	UAE	Undisclosed	Phoenix Group PLC
Naeem	Beauty	KSA	Undisclosed, Pre-Seed	Led by Lunment; from angels
Sol	F&B	KSA	Undisclosed	Jahez International Company
Velents	HR	KSA	Undisclosed, Seed	Led by A15; from Nibras Capital, AUC Venture Lab, local investors

MERGERS & ACQUISITIONS

COMPANY	SECTOR / INDUSTRY	LOCATION	ACQUIRER, LOCATION	DETAILS
Both	Corporate services	UAE	Clara, UAE	Details undisclosed
Fully Charged	Mobility (EV)	UAE	EasyLease, UAE	60% stake in Fully Charged has been acquired by EasyLease
Jump-in	Travel	KSA	Jedo, Netherlands	Undisclosed amount
MaxAB	Ecommerce (B2B)	Egypt	Wasoko, Kenya	Details undisclosed
The Talent Enterprise	HR	UAE	Mercer, USA	Details undisclosed

STARTUPS

Tabby secures pre-IPO debt financing of \$700M

The BNPL startup secured up to \$700 million in receivables securitisation from J.P. Morgan, representing the largest asset-backed facility obtained by a fintech company in the MENA region. In parallel, Tabby also extended their Series D financing to close at \$250M from Hassana Investment Company. The company is valued at \$1.5B.

UAE fintech Qashio partners with Emirates Skywards

Qashio's partnership with Emirates Skywards, the award-winning loyalty program of Emirates and flydubai, will enable customers to convert Qashio Points into Skywards Miles, opening doors to a wider range of benefits for Skywards members.

Pure Harvest acquires Red Sea's production facility in KSA

The acquisition of the controlled-environment agriculture (CEA) production facility by Pure Harvest will see it benefit from Red Sea's heat-blocking roofing solution to improve crop health, and also secures a 40-hectare land bank in partnership with Aljaweed farm.

Micropolis Robotics to file for IPO to raise \$37m

The Dubai-based autonomous mobile robots (AMRs) manufacturer announced its plans for an IPO at the New York Stock Exchange, offering 8.2m shares at a price range of \$4-\$5, valuing the company at \$172M. It raised a seed round of \$4M from Mindrock Capital in 2023.

VENTURE CAPITAL

DFDF allocates AED200m for climatetech investments

Announced during COP28's Finance Day, the amount is equivalent to 20% of Dubai Future District Fund's (DFDF) AED1 billion. The allocation will invest in companies building sustainable and decarbonising technologies. The strategic allocation aligns with UAE's broader vision for economic diversification and sustainable development.

Jada Fund of Funds invests in Iliad Partners Tech Ventures Fund I

Jada's investment in the Fund underscores its commitment to support B2B SMEs in KSA. The Fund has a target size of \$50m and targets companies fintech, logistics, proptech, and edtech, across MENA with a focus on KSA and UAE

KSA's Riyadh Valley Company invests in IMPACT46's third fund

Saudi Arabia's Riyadh Valley Company, the investment arm of King Saud University, has pledged an undisclosed investment in IMPACT46's third fund. IMPACT46 Fund is a Saudi asset manager and advisor specializing in opportunities that invests in tech startups from growth to pre-IPO. IMPACT46 III Fund aims to invest in local and global startups in sectors such as fintech, e-commerce, SaaS.

Bahrain's Investcorp launches \$750m climatetech investment platform

The investment platform targets growth-stage companies operating across North America, Europe, the Middle East and Asia, that typically offer solutions tackling decarbonisation and address the impacts of climate change. The firm plans to make 10-15 investments within the next 4-5 years, each receiving \$50m-\$75M in funding.

Singapore's Golden Gate Ventures opens office in KSA

Golden Gate Ventures, a global early-stage VC founded by Silicon Valley natives, announced the establishment of their first office MENA office in KSA. They have so far invested in 90 companies, with 9 unicorns and 2 IPOs across its portfolio. Since 2018, they have actively been supporting MENA startups via partnerships with entities such as Endeavor.

Careem launches Dubai's first electric motorbike fleet for deliveries

Careem plans to have over 1,000 electric motorbikes in use by its captains by 2024. The motorbikes will be powered by swappable battery packs that can be charged at stations across Dubai. The fleet will be used for Quick Grocery with eventual roll out for Careem Food and Careem Box. It is set to reduce carbon footprint of delivery bikes by up to 24 tonnes of CO2 per day.

STARTUP PROGRAMS

Oraseya's Sandbox prepares to welcome its fourth cohort



Under the umbrella of Oraseya Capital, the venture capital arm of Dubai Integrated Economic Zones (DIEZ), the startup program opens submissions for its fourth cohort, this time with an investment-focused element. The founder-centric program now spans five months with an introduction of a two-phased structure whereby, startups shortlisted into Phase Two of the program will receive a US\$150,000 investment from Oraseya Capital.

Hub71 launches climate-tech focused program

The Hub71+ClimateTech initiative will run for 12 months with participating startups to receive AED 250,000 worth of in-kind incentives and an initial AED 250,000 cash incentive in exchange for equity from Hub71. The program also allows startups to run pilots with corporate partners, including Abu Dhabi National Oil Company (ADNOC), Tabreed, Taqa and Siemens Energy.

Mega Green Accelerator launches to support cleantech startups

PepsiCo, SABIC, AstroLabs, and their strategic partners announced the launch of the program targeting startups in circular economy, clean energy, water, and agriculture. Startups will benefit from seed funding, mentorship and collaborations with industry leaders. Investment partners Dubai Future District Fund, Venture Souq and Shurooq Partners will provide platforms for investment opportunities, mentorship in raising capital, and networking opportunities.

T-Vencubator launches in Egypt to invest in local startups

The VC-incubator fund is the first Egyptian Tech Venture Capital and Incubator, aiming to invest exclusively in Egyptian startups with a vision to digitize the nation and address the daily hurdles faced by its citizens. The program offers expertise, mentorship and resources, in addition to financial investment. Their program is scheduled to open mid-next year.

WORTH THE READ

Wamda

- [Investments in MENA 2023 Year in Review](#)
- [Startups in Mena raised \\$764 million in November 2023, highest amount recorded this year](#)
- [COP28 beyond the negotiations: unleashing innovation and collaboration for climate action](#)
- [Our top stories from 2023](#)
- [Debt financing pushes December 2023 investment to \\$1.15 billion](#)
- [Trends to expect in 2024](#)

Magnitt

- [Predictions and Realities of 2023](#)
- [Venture Capital Unveiled: How did MENA compare by end of year to what we forecasted?](#)

FastCompany Middle East

- [Future of work: 24 leaders reveal key trends that will define 2024 in the Middle East](#)