

MENA Startup Ecosystem News

JANUARY 2023

MENA startups raised \$260M in venture debt in 2022

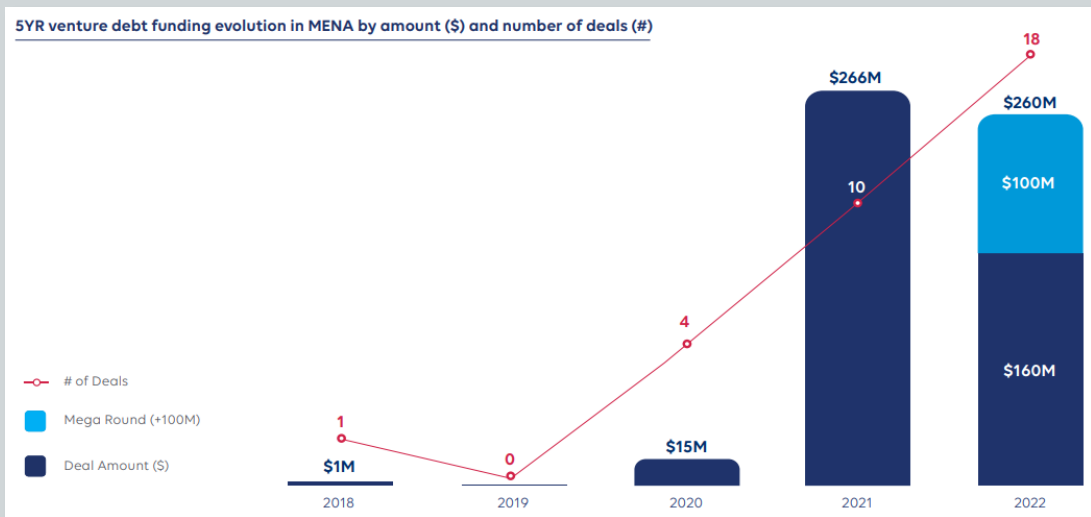
In [Magnitt's 2023 Venture Debt Investment Report](#), a total of \$260M was raised through venture debt in 2022 from 18 transactions.

- Venture debt reached its peak in 2021 with 10 transactions, at 18X its 2020 levels. In 2022, the amount is slightly lower, showing a reduction in average transaction size from \$26.6M in 2021, to \$14.4M in 2022.
- UAE accounted for 50% of total Venture Debt funding between 2018-2022.
- Fintech accounted for 61% of total funding and 33% of total number of deals from 2018-2022, topping the industry list.

INVESTMENTS HIGHLIGHTS

MAGNITT'S 2023 VENTURE DEBT INVESTMENT REPORT

5YR venture debt funding evolution in MENA by amount (\$) and number of deals (#)



- UAE-based Tabby raised \$100M in venture debt in 2022, becoming the first startup to close a MEGA deal with venture debt.
- The top five venture debt deals closed by Tabby, TruKer, Pure Harvest and STARZPLAY accounted for \$275M, half of the venture debt reported between 2018 and 2022 across only 15% of the total deals
- UAE-based startups closed 16 venture debt deals between 2018 and 2022, taking over a share of 49% from the total 33 deals.
- The UAE is the most funded market through venture debt with a share of 50% of total venture debt funding between 2018 and 2022 of \$541M. It is followed by KSA with \$155M (29%)
- FinTech, Transport & Logistics and E-Commerce remain industries of choice in venture debt funding. Fintech startups raised \$332M, taking up 61% of the region's \$541M total funding from 2018-2022.

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INVESTMENTS

STARTUP	SECTOR / INDUSTRY	LOCATION	AMOUNT & ROUND	INVESTORS
One Moto	Transportation	UAE	\$150M, Undisclosed round	Undisclosed
Tabby	Finance	UAE	\$58M, Series C	Sequoia Capital India, STV, PayPal Ventures, Mubadala Investment Capital, Arbor Ventures, Endeavor Catalyst
Nümi	Metaverse	UAE	\$20M, Undisclosed round	Venom Ventures Fund
Alaan	Finance	UAE	\$4.5M, Pre-Series A	Presight Capital, Y Combinator, angels
InvestSky	Finance	UAE	\$3.4M, Pre-Seed	Led by Emkan Capital; from S3 Ventures, Al-Romaizan Family office, angels
KarmSolar	Energy	Egypt	\$3M, Debt Financing	HSBC
Wafeq	Finance	UAE	\$3M, Seed	Led by Raed Ventures; from Wamda Capital
Matbakhi	F&B	KSA	\$2.3M, Pre-Seed	Led by Bugshan Investment Company; from angels
At Home Doc	Health	Qatar	\$1.9M, Pre-Series A	Led by Tawasol Holdings; from angels
ASKWHO	Media	UAE	\$1M, Undisclosed round	\$515 from Crowdfunding; remaining amount from undisclosed investors
Flyby	Logistics / Marketing	UAE	\$1M, Seed	Led by FHS Capital (US), VN2 Capital (UK)
Cathedis	Logistics	Morocco	\$735K, Undisclosed round	Afrimobility, CDG Invest
Millesima Technologies	Media	Tunisia	\$480K, Undisclosed round	BH Equity (VC subsidiary of BH Bank)
Nourish	F&B	UAE	\$400K, Undisclosed round	Undisclosed investors
RestHero	Marketing	UAE	\$200K, Undisclosed round	Hope Ventures, Khalid Al-Taweel
OrderJet	F&B	Bahrain	\$125K, Undisclosed round	Hope Ventures, Dr Abdulelah Algozaibi
Alsaree3	F&B / Logistics	Iraq	Undisclosed	Undisclosed
Ninja	Consumer services	KSA	Undisclosed amount, Pre-Seed	Led by Bunat Ventures; from undisclosed VC investors from US and family office in KSA
Terra	Transportation	UAE	Undisclosed amount, Pre-Seed	Undisclosed

STARTUPS

GBarena acquires Galactech for \$15M

Egypt-based E-sports platform Gbarena, acquires gaming startup Galactech for \$15M to deal to expand its footprint in the GCC region, including Saudi Arabia. GBArena will leverage the on-ground presence and capabilities that Galactech has in Riyadh, Dubai, and Tunis.

Growth Avenue Company acquires 20% stake in SororApp

KSA-based on-demand delivery app SororApp closes its funding round with the acquisition of 20% stake by Growth Avenue Company, a subsidiary of Maharah Human Resources Company. SororApp provides providing on-demand home services in various sectors and regions of Saudi Arabia through authorised service providers.

Bahrain's Beyon Cyber acquires UAE's DTS Solutions

Cyber security provider Beyon Cyber acquires DTS Solution, a leading Cyber Security Advisory, Consulting and Engineering firm in Dubai. This will help the former's expansion plans and add to its portfolio of cybersecurity offerings.

UAE's Hotdesk acquires Spain's YADO

UAE-based global on-demand workspace booking platform acquired its Spanish counterpart YADO to mark its expansion into Europe. Hotdesk will leverage YADO's hyper-local approach to offer increased co-working options around Spain and other Spanish-speaking markets.

UAE-based Astra Tech acquires MENA's leading VoIP solution BOTIM

The acquisition, supported by fundraising of \$500M led by G42, will accelerate the relaunch of BOTIM into an Ultra app. This milestone is the most recent in a string of acquisitions by Astra including Rizek (home cleaning services), and Payby (fintech), both of which will integrate into BOTIM to offer a range of services through single integration

VENTURE CAPITAL

Wa'ed Ventures invests in PASQAL

Wa'ed Ventures, the Saudi Aramco Entrepreneurship Centre (Wa'ed), has invested in a \$108 million Series B for PASQAL, French software startup developing quantum computing for commercial use. The round was led by Temasek, with participation by European Innovation Council (EIC) Fund, Quantonation, Daphni and Eni Next.

KSA's DAAL Ventures invests in Mexico's Pulppo

DAAL Ventures participation in the \$5M seed funding round of Mexico's proptech Pulppo alongside Y Combinator, 1984VC, Boost Capital, and others. Pulppo operates as an online broker, offering a complete solution for everything an agent needs to manage, from property appraisals to home visits.

NB Ventures invests in India's Suraasa V

UAE-based NB Ventures has invested in India-based career-tech Suraasa's \$1.2 million Seed round, led by Inflection Point Ventures. Other investors participating in this round include SuperMorpheus, Vinnors, SucSEED Innovation, along with angel investors. Suraasa focuses on upskilling teachers and providing them with employment opportunities.

WORTH THE READ

Wamda

- [How a failed supermarket and a stint at Uber led to the founding of Abwaab](#)
- [What is next for Careem's mobility of money?](#)
- [How influence is increasingly breeding entrepreneurship](#)
- [Why SWVL's acquisition of Volt Lines came to a halt](#)

Magnitt

- [2023: MAGNITT's Predictions for the Emerging Venture Markets](#)
- [Emerging Venture Markets: Insights from the Ecosystem](#)

Forbes Middle East

- [MENA's Top 50 Most Funded-Startups \(2022\)](#)

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