

# MENA Startup Ecosystem News

MARCH 2024

**MENA startups raised \$254M in March, up 186% MoM, and breaking the trend in the first two months of Q1**

According to [Wamda's report](#), the funding amount was raised across 54 deals showing a 1.17% YoY increase from March 2023's \$251M:

- March's funding pushes the quarter's total to \$429M through 129 transactions. This said, the activity remains 62% lower than Q1 last year.
- KSA startups are at the top of the list again, primarily due to LEAP24, garnering a total of \$198M from 25 deals, \$130M of which goes to Salla's Pre-IPO round. UAE places second with \$39M raised by 12 startups. Egypt a distant third with \$7M from 8 startups.
- SaaS providers take the most funding with \$130.6M, with fintech at second place with \$40M and ecommerce ranking third with \$18M.
- Excluding Salla's Pre-IPO round, Seed rounds attracted most funding with \$49M, followed by Series A with \$38.5M.

## INVESTMENTS (non-exhaustive)

STARTUP	SECTOR / INDUSTRY	LOCATION	AMOUNT & ROUND	INVESTORS
Salla	Ecommerce	KSA	\$130M, Pre-IPO	Led by Investcorp; from Sanabil Investment and STV
RemotePass	Human Resource	UAE	\$5.5M, Series A	Led by 212 VC; from Endeavor Catalyst, Khwarizmi Ventures, Oraseya Capital, Flyer One Ventures, Access Bridge Ventures, A15, and the Swiss Founders Fund
Buildnow	Property / Construction	KSA	\$9.4M, Seed (\$6.5M equity, \$2.9M debt)	Led by Raed Ventures and Khwarizmi Ventures; from international VC's and key local angels, including Abdulla Elyas (co-founder of Careem)
BRKZ	Property / Construction	KSA	\$8M, Series A	Led by 9900 and BECO Capital; from Wa'ed Ventures, Knollwood Investment Advisory, RZM Investment, and MISY Ventures.
Rabeh Financial	Finance	KSA	\$800K, Seed	Majlis Investment Company, angels
Zeroe	Environment	UAE	\$2.3M, Seed	VOYAGERS ClimateTech Fund, Indonesian investor Owen Rahadiyan
Mazadak	Ecommerce	KSA	\$10M, undisclosed	Led by Revival Lab and family offices
dKilo	Advertising	Egypt	\$3.2M, Seed (equity & debt)	Upturn Ventures
Mojo	Ecommerce	Kuwait	Undisclosed	Led by Joa Capital and Emkan Capital; from Plus VC, Atyab Al Marshoud, Wahed Invest, angels
Rakeez Capital	Finance	KSA	\$2M, Seed	Led by Core Vision Investments.
Kitchenara	F&B	KSA	\$380K, undisclosed	Undisclosed
Grintafay	Sports	KSA	Undisclosed	Chiliz
30Med	Health	Egypt	Undisclosed, Pre-Seed	Undisclosed

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Seeru	Travel	UAE	Undisclosed, Pre-Seed	Led by Nabtah Ventures
ORA Technologies	Consumer Services	Morocco	\$1.5M, Seed	Local entrepreneurs
Zetta Technologies	IT solutions	KSA	\$1.5M, Pre-Seed	Led by Core Vision
Tookeez	Finance	Morocco	\$1.5M, undisclosed	Led by Azur Innovation Fund
Barakah	F&B	KSA	Undisclosed	FoodLabs
Zameeli	Human resources	Oman	Undisclosed	Equity crowdfunding via Mamun
Receiptable	Finance	Bahrain	Undisclosed, Pre-Seed	Led by HP Spring Studios
Pharmacy Marts	Health	Egypt	Undisclosed, Bridge	Acasia Ventures
ClusterLab	AI	UAE / Tunisia	\$600K, Pre-Seed	Regional investors
Ahlan App	Marketing	Bahrain	\$3M, undisclosed	Led by Hope Ventures; fro Al Rajhi Holdings, angels
Sprints	Education	Egypt	\$3M, Bridge	led by Disruptech Ventures; from EdVentures and CFYE, among other investors

## ACQUISITIONS

COMPANY	SECTOR / INDUSTRY	LOCATION	ACQUIRER, LOCATION	DETAILS
Pentugram	Finance	UAE	RasMal, KSA	
Embedded	Finance	UAE	Mitgo Group, Germany	Undisclosed amount
Promize	Communication	Oman	T2, KSA	Undisclosed amount
Expert Solutions	Education	KSA	Classera, USA	Undisclosed terms
Advans Pakistan Microfinance bank	Finance	Pakistan	MNT-Halan, Egypt	Undisclosed terms

### STARTUPS

#### Fawry partners with UAE's fintech PayMe

Through this partnership, Egyptian fintech Fawry Dahab targets 12 million Egyptian expats to help conduct financial transactions and pay bills inside Egypt from abroad through the PayMe application. Transactions can cover service bills, school and university fees, driving licenses and cars, club memberships, medical and social insurance.

#### Jordan's Numa partners with Visa

The Jordan-based fintech startup offers banking solutions specifically designed for the freelance economy. The partnership will allow Numa to expand its offering to current and future customers across different markets. It is expected to help Numa fast-track its expansion into KSA and UAE.

#### MBC Group acquires 14% stake in Anghami

MBC Group, through its MBC Ventures arm, has purchased 4,074,533 ordinary shares in music streaming app, Anghami, giving it a 13.7% ownership stake in the Nasdaq-listed company. Following the acquisition, Anghami's share price surged 59% on March 20, closing at \$1.59, up from \$1 on March 19, increasing the value of MBC's 13.7% stake to \$6.48 million from \$4.074 million.

#### ADCCI sets up dedicated working group for startups and SMEs

The Abu Dhabi Chamber of Commerce and Industry (ADCCI) has set up The Startups and SMEs Working Group to represent the interests of startups and SMEs registered in Abu Dhabi. They aim to find solutions to the challenges faced by the sector, develop plans and policies, and implement necessary measures to enhance cooperation and growth of startups and SMEs.

### STARTUP PROGRAMS

#### Oraseya's Sandbox welcome its fourth cohort



Having received 500+ applications, SANDBOX Accelerator welcomes 23 high-caliber startups to the Phase 1 of the Accelerator program, hosted by Oraseya Capital. The founder-centric program spans five months with an introduction of a two-phased structure whereby, startups shortlisted into Phase Two of the program will receive a US\$150K investment from Oraseya Capital.

#### Ministry of Economy launches key initiative to empower women-led startups

The program called 'Investment Readiness Acceleration' was launched by the Ministry of Economy and European Women Association (EWA), and aims at empowering women-led startups in the UAE by equipping them with the necessary skills to navigate new sectors, secure funding, and effectively communicate their vision to investors.

### WORTH THE READ

#### Magnitt

- [What's in store for regional startups in 2024?](#)
- [Decoding Private Capital: How Private Equity Compares to Venture Capital](#)
- [From Startup to Scale-up: How FinTech is Transforming Emerging Venture Markets Amid Economic Uncertainty](#)
- [RANKED: The most active EVM countries in VC across 2023](#)

#### Forbes

- [The Winning Tips For A Successful Fundraising Meeting](#)
- [7 Mistakes To Avoid When Pitching To Investors](#)

#### Wamda

- [How can corporate venturing elevate Mena's entrepreneurial landscape?](#)
- [Tawaref Series: The truth behind Saudi landing hard costs](#)

### VENTURE CAPITAL

#### **Extend Group, Rassanah Financial launch \$26.6M Extend Fund to support Saudi SMEs**

The fund will be managed by a specialised team from Rassanah Financial and aims to create new job opportunities and empower national talent pool to highlight and enhance Saudi culture on the global stage. The Extend Fund will focus on supporting sectors such as digital media, arts, Arab culture, and media production.

#### **Bahrain's Arcapita Capital closed \$500M Fund**

The KSA Logistics Fund III was closed with the participation from a leading sovereign wealth fund from the GCC region and other major institutional investors. A substantial amount has already been deployed in a sizable portfolio of industrial real estate assets across the manufacturing and warehousing sectors. The fund aims to enhance KSA's ambitions to become a global logistics hub.

#### **Gulf Capital partners with RDIA to deploy \$100M in KSA tech sector**

UAE-based investment firm Gulf Capital has partnered with the Saudi Research Development and Innovation Authority (RDIA) to fund the growth of Saudi homegrown companies operating in tech innovation in fields such as healthtech, fintech, renewable energy, sustainability, and future economies. The fund deployment period will be 5 years.

#### **ISSF increases investment in Propeller's Fund**

As the anchor limited partner (LP), ISSF increased its commitment from an initial \$3.5M to \$5M to Propeller's second fund, Propeller Ventures II (PVII), a Jordanian venture capital fund investing in Jordanian companies that specialize in SaaS, enterprise software, and cloud infrastructure sectors.

#### **Saudi Arabia deploys \$120M to boost gaming, esports industry**

National Development Fund (NDF) and the Social Development Bank (SDB) will jointly establish two venture capital funds with a combined value of \$120 million, in an effort to boost the gaming and esports sectors in the kingdom. The fund will be managed by IMPACT46 and Merak Capital.

#### **MBRIF joins Beban TV to empower UAE entrepreneurs**

The strategic partnership between MBRIF and Bahrain's Hope Ventures aims to empower UAE businesses through the reality entrepreneurship show Beban TV, and provide them ease of access to a diverse pool of investors and strategic partners.

#### **SVC invests \$30 million in Olive Rock Partners Fund I**

The investment by SVC is part of its goal to encourage and assist in funding firms that are in the early stages of growth or expansion. As the first fund of ADGM-based private equity firm Olive Rock Partners, it will focus on supporting Saudi SMEs in critical industries.