

HEADLINE

MENA region in 2020 saw a record of \$1 Billion dollars of investment in startups

According to [Magnitt's report](#), MENA venture capital funding crossed the \$1BN threshold in 2020 for the first time, 13% up from 2019. Total deal count was down by 13% to 496 transactions, with later stage rounds trending up .

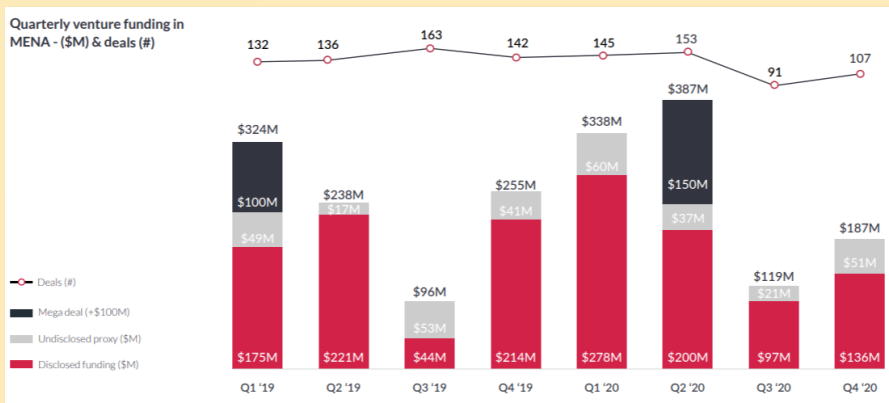
INVESTMENTS

Startup	Sector / Industry	Location	Amount & Round	Investors
Rain	Finance	Bahrain	\$6M, Series A	led by Middle East Venture Partners (MEVP)
Tamara	Finance	KSA	\$6M, Seed	led by Impact46.and regional investors
Zbooni	Ecommerce	UAE	\$5M, Series A	led by an undisclosed London-based fund
SpiderSilk	Technology Solution	UAE	\$2.25M, Series A	Co-led by Global Ventures and STV, along international angel investors.
Hakbah	Finance	KSA	1.2M, Seed	funded by a group of undisclosed investors
Casabana	Technology & AI	Egypt	\$1M, Seed	led by Disruptech. Other Fintech and angel investors
Eljaro	Finance	KSA	\$850K, Seed	Saudi Arabia-based angel investors
NearPay	Finance	KSA	\$600K, Pre-Seed	Musaab Hakami and a group of angel investors
Odango	Transportation	Egypt	\$600K Seed	Essa Al-Saleh, former CEO of the billion-dollar logistics company, Agility Logistics.
Ynmo	Education	KSA	\$500K, Seed	Wa'ed, the entrepreneurship arm of Aramco.
Gocash	Finance	Jordan	\$300K, Pre-Seed	Undisclosed
Opio	Fashion	Egypt	\$300K, Seed	Angel investors
Cwallet	Finance	Qatar	\$220K, Pre-Seed	Founders and MBK Holding
Hi-Express	Technology	Iraq	undisclosed amount, Seed	Iraqi Angel Investors Network (IAIN)
Ziina	Finance	UAE	undisclosed amount, Seed	OTF Jasoor Ventures,

INVESTMENT HIGHLIGHTS

2021 Emerging Venture Markets Report

Source: Magnitt Report



- 2020 saw a record of **\$1BN+** invested in **MENA-based startups**, a +13% increase year-over-year (YoY), thanks to a record H1 of venture funding. This capital, however, was deployed across fewer investments, with the total number of deals down by -13% YoY.
- 2020's record funding was driven by H1 '20, with H2 '20 funding 58% lower than the first 6 months of the year

Geographic Trends

While the UAE maintained its leading position with **56%** of funding allocated to its startups, KSA registered **55%** increase in total funding deployed to Saudi startups (\$152M), reversing the slow down trend seen across the rest of MENA.



Sector Trends

Although E-Commerce deals dropped by **23%**, total funding into the sector went up by **24%** to **\$162M**. Both F&B and Healthcare more than tripled its total funding to **\$122M** and **\$72M** respectively, a sign of the impact from COVID-19.



- Compared to H2 '19, total funding and number of deals in H1 '20 were down by 13% and by 35%, respectively

\$1.03B

Total funding for 2020











496

Total number of deals

\$2.1M

Average investment size

- The Top 5 deals in 2020 accounted for almost a third of total funding (31%). All 5 deals took place in H1 2020, further highlighting the impact of COVID-19 on growth stage (\$10M+) deals in H2 2020
- UAE startups accounted for 3 out of the top 5 largest investment deals in 2020
- In terms of sector funding in Growth stage, 29% went to Real Estate, 15% to F&B and 10% to E-Commerce

	HQ LOCATION	FUNDING ROUND	STAGE	MONTH
1	 	\$150.0M	Series E	April
2	 	\$60.0M	Series B	February
3	 	\$40.0M	Series D	February
4	 	\$36.5M	Series A	June
5	 	\$35.0M	Series C	February

STARTUPS

Dubai-based investment advisory platform **Sarwa** is expanding to KSA after receiving the fintech experimental permit from Saudi's Capital Markets Authority (CMA). This comes a year after their \$8.4 million funding round.

Anghami, the region's leading music streaming service is partnering with the Abu Dhabi Investment Office (ADIO), to establish its global headquarters and research and development (R&D) centre in Abu Dhabi. The partnership is part of ADIO's recently announced \$545M Innovation Programme.

FlexxPay, a social impact technology company with offices in Europe and the GCC, has launched its new telesales centre in Beirut, Lebanon, to support its strategic growth aspirations across the region.

The Abu Dhabi Investment Office (ADIO), launched a new AED2 billion worth program to support new and innovative ideas. The Innovation Program will target innovation-led companies and startups in the financial services, information and communications technology (ICT), health services and biopharma, and tourism sectors

ArabyAds, an advertising and consumer intelligence platform based in the UAE, has announced the acquisition of **Dmenta**, a digital hub that specializes in influencer marketing

Leading mobile telecom innovator Zain's fintech subsidiary **Tamam Financing Company**, receives official license from Saudi Central Bank (SAMA) to provide micro-financing services to consumers across the Kingdom.

EVENTS UPCOMING

05 March | Deadline to apply: Blockchain Bootcamp & Hackathon – Training, Development & Funding for startups to build their platforms on blockchain technology. The event will take place **16 March to 06 April 2021**

ACCELERATORS / INCUBATORS

Zain Group, a leading mobile telecom innovator has announced its 6th edition of the **Zain Great Idea Investment and Acceleration Program**, in partnership with Brilliant Lab. The program is focused on Pre-Seed and Seed stage startups and will accept applications from all tech startups across the GCC.

VC NEWS

Access Bridge Ventures (ABV) a regionally-focused early-stage venture capital fund, has launched and made its first close. The fund, which will target a final commitment of \$25M has garnered commitments from leading regional institutional investors, including **Mubadala Capital, Saudi Venture Capital Company (SVC), Jada,** and several prominent family offices. ABV will support high-growth tech startups from Saudi Arabia, UAE, Egypt, Pakistan, and the wider MENA region.

Jada Fund of Funds has made an official commitment to **Merak Technology Ventures Fund**, which focuses on early-stage technology companies in the Kingdom of Saudi Arabia, and is managed by Merak Capital, a blind pool venture capital company.

Saudi Arabia's startup venture capital funding increased by 55% in 2020, reaching a record high of \$152M in 2020 from investors despite a pandemic-driven economic downturn.

ARTICLES WORTH READING

Magnitt

[State of Startup Funding - 2021 Emerging Venture Markets Report](#)

[Insights from the Emerging Venture Markets ecosystem](#)

[Insights from the Emerging Venture Markets ecosystem: Reflecting on MAGNITT's 2021 EVM Report](#)

[UAE startups top in funding, deals led by E-commerce in 2020](#)

[2020 Saudi Arabia Venture Capital Report](#)

Entrepreneur

[The Year That Was: Mudassir Sheikha, Co-Founder And CEO, Careem](#)

[Gearing Up For 2021: Visa's Top Predictions For The Future Of Payments](#)

NFX

[The Non-Obvious Guide to Fundraising](#)

