

MENA Startup Ecosystem News

J U L Y 2 0 2 3

MENAPT startups brought \$1.88B funding across 530 deals in H1 2023, showing a decline of 64% in funding value and 40% in number of deals vs H1 2022

Based on [Magnitt's H1 2023 MENA Venture Investment Summary](#):

- Q2 2023 was the lowest funded quarter since Q4 2020 while the number of deals retreated to their 2018 level.
- While funding was able to move past the \$1Bn mark, almost half of it came from the MEGA rounds recorded by Saudi Arabia and Egypt. However, if Halan's mega round of \$260M is removed, Egypt would show a decline of 80% in funding and over 70% in number of deals vs. H1 2022.
- Investor interest focused on smaller size / early-stage deals (\$1M-\$5M bracket size) with track record of product market fit.
- Although FinTech is still the leading industry, deal flow has declined by 50%, while Ecommerce went down 47% and Transport and Logistics decreased by 51%.

INVESTMENTS (non-exhaustive)

STARTUP	SECTOR / INDUSTRY	LOCATION	AMOUNT & ROUND	INVESTORS
Alma Health	Health	UAE	\$10M, Series A	Led by Knuru Capital, Hambro Perks Oryx Fund; from e& capital, S3 Ventures, Pinnacle Capital, and Khwarizmi Ventures
Kaso	F&B	KSA	\$10M, Seed	Spade Ventures, Hala Ventures, Seedra Ventures, Cyfr Capital, BY Venture Partners, Pioneer Fund, Vulpes Ventures
Flash	Finance	Egypt	\$6M, Seed	Led by Addition; from Flourish Ventures, angels
YallaHub	Retail / Ecommerce	UAE	\$6M, Pre-Series A	Led by Fedor Ovchinnikov
NOMU Group	F&B	KSA	\$5M, Seed	DIV Capital, Shurfah, Core Vision, Purity for Information Technology, family offices, angels
Alfii	HR	UAE	\$2.5M, Pre-seed	Led by Preface Ventures (US), Kayan Ventures (US, UAE-based Aditum Ventures and Wayfinders, angels
Revibe	Circular commerce	UAE	\$2.3M, undisclosed	led by Resonance, Flat6Labs; from Techmind, Financiere Saint James, angels
Fortune Mine	Gaming	Turkey	\$2M, Seed	Ludus Ventures, Tera Portföy, Heaventures, StartupFon
Wellx.ai	Finance / Insurance	UAE	\$2M, Seed	Led by by Dubai Future District Fund; from DASH Ventures, Annex Investments, Sanabil Investments, Plus VC, Aditum Investments, Loyal VC, Plug and Play Ventures

MENA Startup Ecosystem News

JULY 2023

INVESTMENTS (non-exhaustive)

STARTUP	SECTOR / INDUSTRY	LOCATION	AMOUNT & ROUND	INVESTORS
DESAISIV	Finance / Insurance	KSA	\$2M, Pre-Seed	500 Global, Terra VC, Oqal, family offices
Chari	Retail	Morocco	\$1.5M, undisclosed	Verof-Kepple Africa Ventures
Masroofi	Finance	Egypt	\$1.5M, undisclosed	Undisclosed
Agenz	Real estate	Morocco	\$1.3M, Pre-Series A	Azur Innovation Fund, Maroc Numeric Fund II, and Beenok.
Growdash	F&B	UAE	\$750K, Pre-Seed	Led by Flat6Labs; from Plus Venture Capital (+VC), Judah VC, TPN Investments, angels
Unipal	Education	Bahrain	\$500K, undisclosed	Tenmou, Flat6labs, GTS, angels
Exits.ME	Finance	Egypt	Undisclosed	Practice VC (US)
Get Outfit	Fashion	UAE	Undisclosed, Pre-Seed	Led by Forward Angel
Kaco	Transport / Mobility	Tunisia	Undisclosed	UGFS North Africa
Menthum	Finance	Egypt	Undisclosed, Pre-Seed	Acasia Ventures, A15, angels
Tendrd	Construction	UAE	Undisclosed	Wa'ed Ventures

MERGERS & ACQUISITIONS

STARTUP	SECTOR / INDUSTRY	LOCATION	AMOUNT & ROUND	INVESTORS
Hunger Station	F&B	KSA	Delivery Hero, Germany	\$297M
OrxyLabs	Cybersecurity	UAE	EDGE, UAE	Undisclosed amount
Sanad Cah	Finance	KSA	HyperPay, KSA	Undisclosed amount

STARTUPS

ONE MOTO secures \$40M in lease financing

The lease financing was led by Pyse along with other investors, and will be used to expedite the leasing of electric delivery vehicles and further establish its robust infrastructure network across the UAE to uniquely meet the growing demand for sustainable last-mile delivery solutions.

UAE forms Ministry of Investment

His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice-President and Prime Minister of the UAE and Ruler of Dubai, approved the establishment of a Ministry of Investment. The Ministry will be responsible for proposing the general investment policies in coordination with the relevant authorities, in addition to preparing strategies, legislation, plans, projects, and national programs to promote the investment environment in the country and enhance its competitiveness.

Google launches AI chatbot 'Bard' in Arabic

As Bard's biggest product expansion since its launch in March, it can now understand questions in over 16 Arabic dialects and share response in modern standard Arabic (MSA). It is powered by Google's latest language model "PaLM2" which has multilingual understanding of information

Turkiye's Marti lists on NYSE after SPAC merger

Turkey-based mobility startup Marti has completed its SPAC merger with Galata Acquisition Corp. and began trading its Class A Ordinary Shares and warrants on the NYSE American Stock Exchange under the ticker symbols "MRT" and "MRTW" with market cap of \$190M

Kitopi reveals solar-powered kitchen in Dubai

The multi-brand restaurant chain Kitopi partners with Yellow Door Energy to build a 838 megawatt-hours per year solar-powered kitchen located in National Industries Park. The facility is estimated to reduce carbon emissions by 590 metric tons annually to help the multi-brand kitchen chain to save over one-third of its electricity cost from the first month itself, and boost its operational efficiency further, besides becoming a champion in sustainable development.

noon launches noon Pay

The Peer-to-Peer payment system enables individuals to transfer money in the form of noon credits. The user's noon Pay balance can be used on the noon super app (noon, noon Minutes, noon Grocery, noon Food) and SIVVI or it can be sent to anyone using their mobile number or email address. The money transfer is instant and comes at no fee to its users.

VENTURE CAPITAL

UAE F&B company Agthia Group PJSC launches Agthia Ventures

The corporate venture fund was co-founded Agthia Group's parent company, ADQ to expand the former's innovation capabilities. The fund will be co-managed with Touchdown Ventures. It is stage-agnostic and will invest in startups that offer snack and beverages, functional water and hydration, alternative proteins, sustainability solutions in farming and packaging, and e-commerce solutions for F&B

ISSF invests in Oryx Fund

Jordan's Innovative Startups and SMEs Fund (ISSF), has invested \$2M in Hambro Perks' Oryx Fund to empower the Jordanian startup ecosystem and drive technological innovation in the country. The collaboration aims to unlock opportunities for local entrepreneurs and support startups operating in key sectors such as fintech, healthtech, SaaS, edtech and logistics

STARTUP PROGRAMS

Dtec's SANDBOX for early-stage startups puts Founders at its core



Dtec's landmark 12-month startup program offers founders 200+ hours of workshops, 100+ hours 1:1 with expert practitioners, USD \$950,000+ in-kind credits from partners, access to award-winning office space, Equity Warrant of USD \$50,000, business licensing support, and much more. If you are an early-stage tech entrepreneur in Dubai, seeking to test, grow and scale, [APPLY TODAY](#)

Rainmaking Innovation expands to KSA

The corporate innovation facilitator will launch two industry-focused programmes for KSA local startups: one focused on fintech and the other on tourism and hospitality. The company counts the likes of IKEA, Visa, Jordan Payments and Clearing Company (JoPACC), Kuwait International Bank, Smart Dubai, Du, Orange, Vodafone, Barclays, Morgan Stanley, and Engie as regional partners.

WORTH THE READ

Magnitt

- [H1 2023 MENA Venture Investment Summary](#)
- [H1 2023 Saudi Arabia Venture Capital Report](#)

Entrepreneur ME

- [The Top 10 Trends Shaping The Web3 Ecosystem In 2023](#)
- [On The Right Track: BECO Capital Managing Partner Dany Farha On The Evolution Of The Startup Ecosystem In Dubai \(And The MENA Region\)](#)

Wamda

- [Insurtech: the interplay between insurance companies and startups \[part one\]](#)
- [Where does the next level of innovation lie in Mena's insurtech sector? \[part two\]](#)
- [Cafu: on the road to world domination](#)
- [Is the slowdown in investment a good thing for Mena?](#)
- [Advice for investors: what to bear in mind when looking at AI startups](#)
- [How can technology make law more accessible?](#)
- [Remote working: empowering Arabs to solve the global skills shortage](#)

Forbes

- [20 Women Behind Middle Eastern Tech Brands 2023](#)

Pitchbook

- [How-to guide: Pitching in a VC downturn](#)