

MENAP fintech revenue estimated to increase from \$1.5B in 2022 to between \$3.5B - \$4.5B in 2025

McKinsey's feature titled: [Fintech in MENAP: A solid foundation for growth](#) shows:

- Region's fintech start-ups more than quadrupled the funding raised from nearly \$200 million in 2020 to approximately \$885 million in 2022, with round exceeding \$10M increasing from 4% to 15% share
- Produced 3 unicorns Fawry (in 2020) and MNT-Halan (2023) in Egypt and STCPay (2020) in Saudi Arabia, with anticipation to produce 4-6 more by 2025
- Diversification in terms of geographic scope (multi-country operations), types of fintech offerings across the financial services, and fintech players (incumbents and new entrants) contribute to its momentum.
- Strong economic fundamentals in the region and continued growth of its banking sector places it in a position to continue its strong performance despite valuation drops and the mixed outlook for the global economy. More on this [here](#)

INVESTMENTS HIGHLIGHTS

BNPL Tabby closes new financing, upsizes debt facility to \$350M

The new financing round was led by Partners for Growth (PFG), along with Atalaya Capital Management and CoVenture, upsizing Tabby's debt facility to \$350M. Tabby has now partnered with 15,000 businesses and sees more 20,000 daily installs.

Deliverect (Belgium) acquires ChatFood (UAE)

Belgium-based food delivery software provider Deliverect has acquired UAE-based omni-channel ordering startup ChatFood for an unknown amount. The move will enable Deliverect to extend and support social media, dine-in QR and direct channel ordering, as well as enhance its offerings and its precedence in the Middle East.

Morni invests in Egyptian counterpart Helpoo

Mobility solutions Morni (KSA) invested an undisclosed amount in Helpoo, which offers high quality vehicle insurance inspections, insurance claim management and road assist services in Egypt. This comes as part of Morni's long-term plan to invest \$10M in Egyptian mobility startups through Exits.me, a mergers and acquisitions (M&A) firm.

Anghami unveils AI powered personalized podcast and first ever daily news podcast

The latest feature from the music and entertainment streaming platform will empower users to create their own personalized podcast, select preferred voices and language. Their daily news podcast "Anghami AI Newsroom" will be produced solely by AI and will act as its own editor in researching, curating and summarizing topics.

Zaintech acquires Adfolks

UAE-based one-stop shop digital solutions ZainTech, part of telecoms provider Zain Group, has acquired cloud-native engineering firm, Adfolks. The acquisition is part of Zain Group's '4Sight' strategy to transform from a mobile operator to a digital entity

UAE's EDGE acquires Jordanian MARS Robotics

UAE-based advanced technology and defence group EDGE acquired 80% (majority stake) in MARS Robotics, a leader in autonomous robotic solutions based in Jordan. The acquisition will strengthen EDGE's aerospace and autonomous engineering capabilities and expand its offerings and support to its customers globally.

UNDP launches Deraya Initiative in Libya

The initiative jointly developed by United Nations Development Programme (UNDP) and the Libyan government, aims to equip young entrepreneurs aged 18-35 with essential know-how to turn innovative ideas into successful startups. It is designed and implemented in collaboration with a consortium consisting of Flat6Labs, Tatweer Research and MAZAM.

PayTabs partners with Flapkap to provide working capital financing

The collaboration aims to support new and existing PayTabs entrepreneurs, webpreneurs and SMEs in the UAE to obtain fast and flexible working capital funding within hours, and at the same time, facilitate digital payment processing for more SMEs with e-stores.

MENA Startup Ecosystem News

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INVESTMENTS HIGHLIGHTS

STARTUP	SECTOR / INDUSTRY	LOCATION	AMOUNT & ROUND	INVESTORS
Tarabut Gateway	Finance	Bahrain	\$32M, Series A	Led by Pinnacle Capital; from Aljazira Capital, Visa, Tiger Global
SQUATWOLF	Sports	UAE	\$30M, Undisclosed	ASCA Capital Limited
Snoonu	Consumer Services	Qatar	\$12M, Series B	Led by the Qatar Development Bank
Eighty6	F&B	UAE	\$3.7M, Seed	Sanabil 500 MENA Seed Accelerator Fund, GCC family offices
Wosul	Finance	KSA	\$3.2M, Seed	Led by Khalab Investment Company; angels
PrestaFreedom	Consumer services	Morocco	\$1.1M, undisclosed	Azur Innovation Fund
DataPathology	Health	Morocco	\$1M, undisclosed	Azur Innovation Fund
Raed Health	Health / Medical	KSA	\$1M, Undisclosed	Merak Capital
CardoO	IoT	Egypt	\$660K, Undisclosed	Led by Alexandria Angel Network; from Sofico, angels
Lifemost	Health	UAE	\$650K, Pre-Seed	Angels
Midient	Gaming	Iraq	\$125K, Pre-Seed	Flat6Labs, Loyal VC
Balad	Finance	Egypt	Undisclosed amount, Pre-Seed	Led by Acasia Ventures; from Launch Africa, Future Africa, V&R, Magic Fund, First Circle, Sunny Side, and family offices
Baytonia	Consumer services	KSA	Undisclosed amount, Seed	Led by Khwarizmi Ventures; from angels
Barakah	F&B	KSA	Undisclosed	Plus VC
Cargoz	Logistics	UAE	Undisclosed amount, Bridge	Nama Ventures, RAZ Group, angels
Chari	Ecommerce	Morocco	Undisclosed	Plug and Play
Clara	Legal	UAE	Undisclosed	Plug and Play
DirectFN	Finance	KSA	Undisclosed	Wamid (subsidiary of KSA's Tadawul Group)
Growdash	Marketing	UAE	Undisclosed	Plus VC
Hayi	Marketing	UAE	Undisclosed	Plus VC
Juhhd	Energy	Egypt	Undisclosed	Undisclosed
Lune	Finance	UAE	Undisclosed	Plus VC
The Digital Hotelier	Travel / Hospitality	UAE	Undisclosed	Select Venture Holding
TWIG	Finance	UAE	Undisclosed amount Pre-Seed	Phoenician VC, MMK Capital, Soul Ventures, regional family offices and angels
Vatrin	IT Solutions	Palestine	Undisclosed	Ibtikar Fund

VENTURE CAPITAL

e& acquires majority stake in Beehive

UAE-based "e& enterprise" has acquired a majority stake in the UAE's crowdfunding platform Beehive, for a valuation of \$35 million. The acquisition will enable e& enterprise to provide an innovative lending solution to address the \$250 billion SME credit gap across the GCC region.

MBZUAI partners with OurCrowd Arabia to accelerate AI technology ecosystem

Abu Dhabi's Mohamed bin Zayed University of Artificial Intelligence (MBZUAI) signed an MoU with Israeli VC Fund OurCrowd via its subsidiary OurCrowd Arabia to create and manage initiatives aiming to accelerate and catalyze growth of the AI technology ecosystem in the emirate.

Disrupt Tech raises \$5M from Proparco

The Egypt-based early stage VC aims to provide Seed capital to 28 startups with primary focus on fintech, and has raised \$36M so far. The investment received from Proparco is part of the latter's VC programme, through which it invested over \$128M in African early-stage companies and VCs since 2020.

SVC allocates \$7.5M for Endeavor Catalyst

The allocation from Saudi Venture Capital (SVC) into Endeavor Catalyst, the investment arm of Endeavor Global, is part of a plan to inject \$1.6 billion into early and late-stage startups in Saudi Arabia. SVC is a subsidiary of SME Bank, one of the development banks affiliated with the National Development Fund

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](#)

JoPACC launches JOIN fintech incubator

Jordan Payments and Clearing Company (JoPACC) signed an agreement with Rainmaking Innovation to support in the development of programmes for the incubator. JOIN Incubator will provide startups with access to infrastructure, a sandbox to test and refine their fintech products, mentorship, facilitate access to investors and partnerships.

Reef launches Web3 accelerator program

UAE-based defi blockchain startup Reef, has launched a \$10 million accelerator program for Web3 projects building on the Reef Chain. The program will be managed by Reef Labs to support, incubate, and invest in promising Middle East-based Web3 developers, teams, and projects.

WORTH THE READ

Magnitt

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- [2023 Banking Crisis: Did its impact reflect on MENA's VC ecosystem yet?](#)
- [Q1 2023 VC Performance in the MENA region in light of IMF data Research Brief](#)

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Arabian Business

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