

MENA Startup Ecosystem News

SEPTEMBER 2023

MENA startups raised \$36M in September 2023, a 64% drop from previous month

Based on [Wamda's Investments in MENA recap for September](#)

- \$36M was raised across 36 deals, showing an 82% decrease year-on-year. Total amount of funding raised so far for the year is at \$1.8B, of which \$687M (38%) is from debt financing.
- UAE regains top spot with \$27M in funding raised, followed by KSA with \$2.7M, and Egypt with \$2.6M. Month-on-month, the slowdown in investment in Saudi Arabia has been the most dramatic, with a 95% decline in deal value.
- In terms of top sectors, fintech tops the list at over \$16M, followed by cleantech and gaming.
- B2B startups exceeded \$25M while B2C startups brought in a little over \$10M.
- Average ticket size was a little over \$1M, compared to \$3.4M in September 2022.

INVESTMENTS (non-exhaustive)

STARTUP	SECTOR / INDUSTRY	LOCATION	AMOUNT & ROUND	INVESTORS
Fuze	Finance	UAE	\$14M, Seed	Led by Further Ventures; from Liberty City Ventures
myZoi	Finance	UAE	\$14M, Undisclosed	SC Ventures, SBI Holdings
Zero Carbon Ventures	Energy / Environment	UAE	\$5M, Seed	Sheikh Ahmed Mana Khalifa Al Maktoum
GAM3S.GG	Gaming	UAE	\$2M, Seed	Led by Mechanism Capital; from Polygon, Double Peak, ArkStream Capital, LD Capital, ROK Capital, Hyperithm, Snackclub, Emurgo Ventures, Eden Ventures, Mix Marvel Ventures, 4SV, CommonWealth Capital, Venly Ventures, TKX Capital, SkyVision Capital, Compute Ventures, MarketAcross, angels
Barakah	F&B	KSA	\$1.5M, Seed	Led by Hambro Perks Oryx Fund; from 500 Global, +VC, KAUST Innovation Ventures, Annex Investments, angels
Fanzword	Entertainment / Sports	UAE	\$1.2M, Pre-Seed	Led by XVC tech, angels
Equiptal	Logistics	KSA	\$1M, Pre-Seed	Plug and Play Middle East, angels
Kem	Finance	Kuwait	\$1M, Pre-Seed	Led by Maqamees Holdings
Sehatech	Health	Egypt	\$850K, Undisclosed	A15, Beltone Venture Capital
Cypherleak	Cybersecurity	UAE	\$750K, Seed	Maroc Numeric Fund II, Qatar Insurance Company.
Neqabty	Finance	Egypt	\$550K, Seed	Led by Sanabil Investments

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Ariika	Design	Egypt	Undisclosed amount, Series A	Belton Venture Capital
BILRS	Finance	UAE	Undisclosed, Pre-Seed	Haatch
Cultos Global	Web3	UAE	Undisclosed	Tarun Katial, Ashwath Bhat, Vijay Ratnaparkhe
DigiZag	Marketing	Jordan	Undisclosed amount, Series A	SME Investment Fund by Al-Arabi Investment Group
SoumTech	Real Estate	KSA	Undisclosed	Business Innovation Mine (BIM) Ventures
TruDoc	Health	UAE	Undisclosed	Pulsar Capital

MERGERS & ACQUISITIONS

STARTUP	SECTOR / INDUSTRY	LOCATION	AMOUNT & ROUND	INVESTORS
Media Quest Group (Mquest)	Advertising/ Marketing	UAE	ClearPier, Canada	\$35M

STARTUPS

MoneyHash secures funding from GitHub Founder

US-headquartered Egyptian fintech startup MoneyHash secured new funding from Tom Preston-Werner, cofounder of GitHub, as part of an undisclosed seed financing round. This marks Preston-Werner's first investment in the Middle East and his second in the African market. As an investor in MoneyHash, he now brings his technical strengths and mindset to fuel the company's product development.

Pulsar Capital acquires controlling stake in TruDoc

Private equity firm Pulsar Capital has acquired a majority stake in UAE-based healthtech TruDoc. TruDoc is a telehealth and virtual care provider, including virtual clinics and hospitalist programmes for telemonitoring for acute and chronic care. The investment from Pulsar comes after its initial investment in 2022.

Tabby gets ready to relocate to KSA

Tabby, the buy-now-pay-later fintech startup, is laying the groundwork for its IPO on the Saudi stock exchange (Tadawul) and has signed a Memorandum of Understanding with KSA's Ministry of Investment to shift its headquarters to KSA. 80% of Tabby's customers are from KSA, making it its biggest market. Tabby holds a valuation of \$660M, following its latest funding round from investors including Sequoia Capital India, STV, PayPal Ventures, Mubadala, Arbor Ventures and Endeavor Catalyst.

Xpence partners with neoleap to support SMEs in KSA

Financial management platform Xpence partners with Global Financial Digital Solutions Company, neoleap, to expand its service to KSA, and be active in other GCC countries such as Kuwait and Qatar. KSA marks Xpence's third market as it is operational in UAE and in Bahrain.

UAE's Future 100 secures 25 new partnerships

These partnerships are aimed at supporting the top 100 emerging companies that play a vital role in the competitiveness of the UAE's future economy sectors. These collaborations span strategic, media and community partnerships, of which, includes the Dubai Technology Entrepreneurship Campus. The inaugural list of "Future 100" will be unveiled on December 2.

VENTURE CAPITAL

SVC invests in VentureSouq's fintech fund

Saudi Venture Capital (SVC) announced its investment of \$5 million in a recently launched fintech fund managed by VentureSouq (VSQ). The investment is part of SVC's Investment in Funds Programme to support the development of the VC

WORTH THE READ

Magnitt

- [H1 2023: Market Map of Funded Startups in the Middle East](#)
- [Webinar: Navigating MENA's 2023 VC Funding Trends](#)
- [MENA's Female Founders: A Deep Dive into Venture Funding across MENA](#)

Wamda

- [Middle East's digital economy to hit \\$780 billion by 2030: TechGPT report](#)
- [How to select the right co-founder](#)
- [Transforming access to finance in agriculture](#)

STARTUPS

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](#)

DIEZ launches MIT DesignX accelerator with MIT

Dubai Integrated Economic Zones Authority (DIEZA) has partnered with the Massachusetts Institute of Technology (MIT) to launch the MIT DesignX Dubai accelerator (the first MIT accelerator in the region), aiming to invest in sustainability and cleantech startups. The program is designed to scale startups building solutions in the realms of water, climate change, food security, and energy.

Dar Ventures and Acasia Group launch DARE Incubator

The 6-month program is designed for startups in architecture, engineering, and construction (AEC) industries across the Middle East and Africa. Selected startups will receive financial and non-financial support, such as mentorship and coaching, while also benefiting from consultancy firm Dar Al-Handasah's network of partner universities.

USAID graduates third cohort of its Startup Accelerator Program

23 Egyptian startups graduated from the 3rd accelerator program cohort by the United States Agency for International Development (USAID) in collaboration with the Information Technology Industry Development Agency (ITIDA), the National Bank of Egypt (NBE), and Egypt Post. The 3-month program is run by Plug and Play Tech Center and provided the startups with access to resources, mentorship, and networking opportunities

Thrift for Good wins \$50K grant from She's Next by Visa & First Abu Dhabi Bank (FAB).

The UAE-based charity platform that rehomes preloved clothes and items to raise funds for children's charities globally, was handpicked from 880 applicants from across the GCC, to receive the grant plus a year of business coaching from the International Trade Centre (ITC), a United Nations and World Trade Organisation, and \$3,000 of Amazon Web Services credits

Flat6Labs launches StartMashreq Growth Track program

Kicked off in June 2023 the program has selected 24 startups, 5 of which are women-led, operating in diverse sectors. They collectively generate a total annual recurring revenue of \$20.8 million and have raised a total of \$38.5 million. Joining the program allows them access to new markets and will help them raise \$10M collectively

Archie, a new fintech accelerator, launches in Dubai

Led by serial entrepreneurs Anthony Thomson and Steve Brennen, who helped scale eBay, Uber and PayPal – Archie will work alongside Founders of Series A & B startups to accelerate their growth and leverage partnerships, support capital requirements and recruit talent. The program is free, with Archie taking equity in each startup.