

ZERO  
TO-ONE

# Venture Capital in MENA

Q1 2025

Sponsored by: **squadio** impact46



# Table of Contents

<b>02</b>	<b>Introduction</b>
<b>03</b>	<b>Highlights from the Report</b>
<b>04</b>	<b>Investments in MENA</b>
<b>06</b>	Geographical Distribution
<b>07</b>	Year-over-Year Country Comparison
<b>08</b>	Sector Distribution
<b>09</b>	Year-over-Year Sector Comparison
<b>10</b>	Largest Investment Rounds
<b>11</b>	Investment Round Distribution
<b>12</b>	Most Active Investors
<b>14</b>	Acquisition Deals
<b>16</b>	<b>Venture Capital in Saudi Arabia</b>
<b>17</b>	Deal Distribution
<b>18</b>	Investor Activity
<b>19</b>	A Look at the Startup Ecosystem in KSA
<b>20</b>	<b>Conclusion</b>

## About the Report

This report highlights the venture capital landscape in the Middle East and North Africa (MENA) in Q1 2025. It focuses on announced deals, investor trends, the most active sectors, and significant events impacting startups and the venture capital ecosystem.

## Introduction

Venture capital regained its momentum in the MENA region in Q1 2025 after experiencing a significant decline in Q1 2024 compared to Q1 2023. The first three months of 2025 saw over \$475 million in investments across 85 deals, with Saudi Arabia dominating the market, capturing two-thirds of the announced deals by value and volume.

## Highlights from the Report



### **Saudi Arabia Continues to Lead**

Benefiting from hosting the LEAP 2025 conference in February, startups and investment funds leveraged the event's buzz to announce numerous deals, a recurring trend from previous editions. Tabby announced the largest deal of Q1 during the event.



### **Fintech Remains Dominant**

Tabby's \$160 million funding round represented approximately one-third of total announced venture capital investments in Q1 as the company prepares for its IPO. Additionally, other buy-now-pay-later (BNPL) companies reinforced fintech's dominance in regional venture capital.



### **Artificial Intelligence Surges**

AI continues its upward trajectory, aligning with global trends. Approximately 14 AI startups announced investment rounds in the region from January to the end of March, mostly in Saudi Arabia and the UAE.

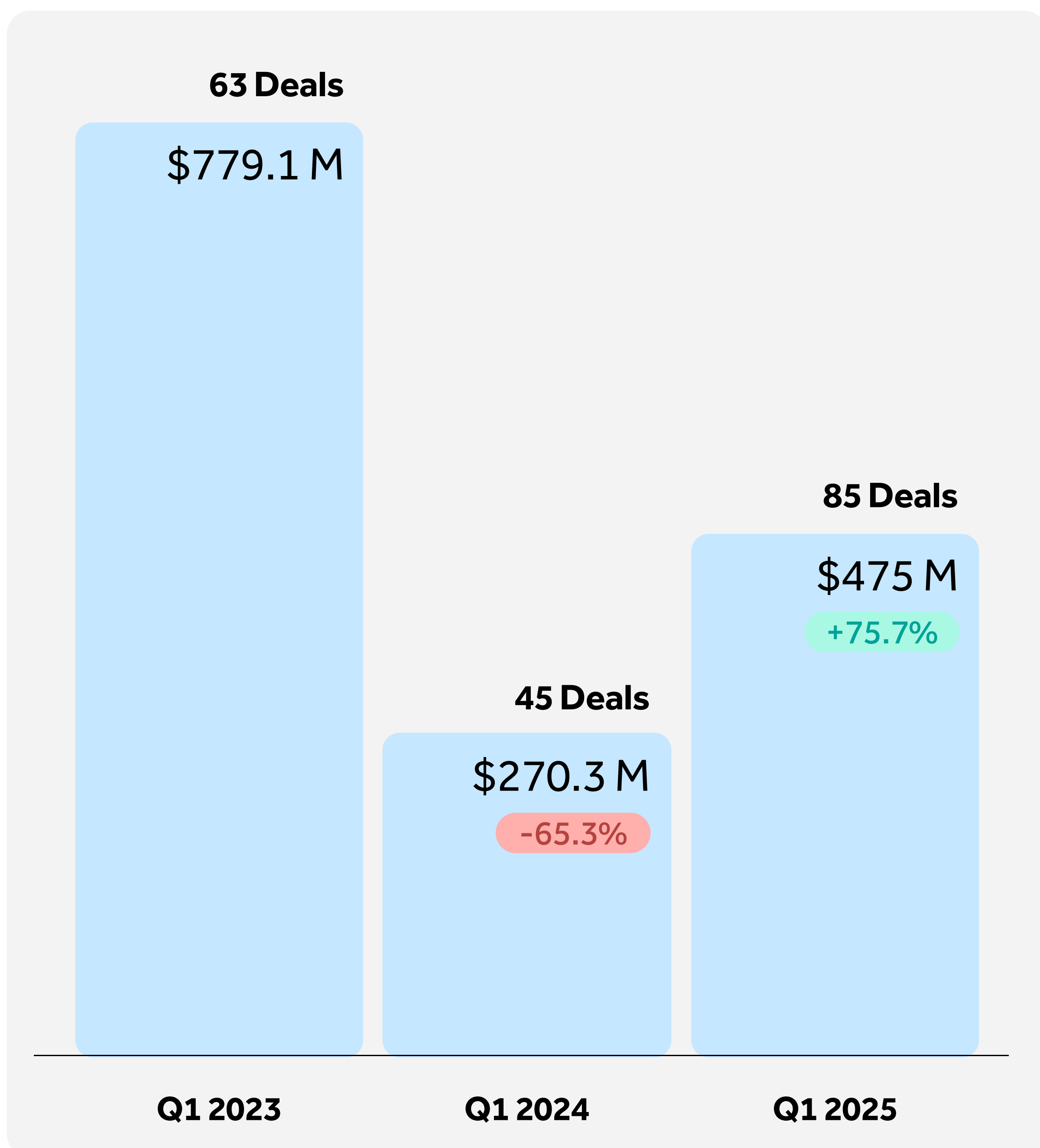


# 01

## Investments in Middle East and North Africa

## The Middle East and North Africa

The value of venture capital investments reached approximately \$475 million in the first quarter of 2025, with the number of announced investment rounds during the same period totaling 85 deals. This represents an increase of 75.7% compared to the first quarter of 2024 in terms of investment value, and a growth of 40% in terms of the number of deals.



## Geographical Analysis

**Saudi Arabia** captured **59.6%** of the venture capital investments (**\$283 million** across **38** deals), followed by the **UAE** with around **30%** (**\$142.5 million** across **20** deals), and **Egypt** capturing **5.6%** (**\$36.4 million** across **9** deals).



Investments: **\$283 M**  
Deals: **38**



Investments: **\$142.5 M**  
Deals: **20**



Investments: **\$36.4 M**  
Deals: **9**



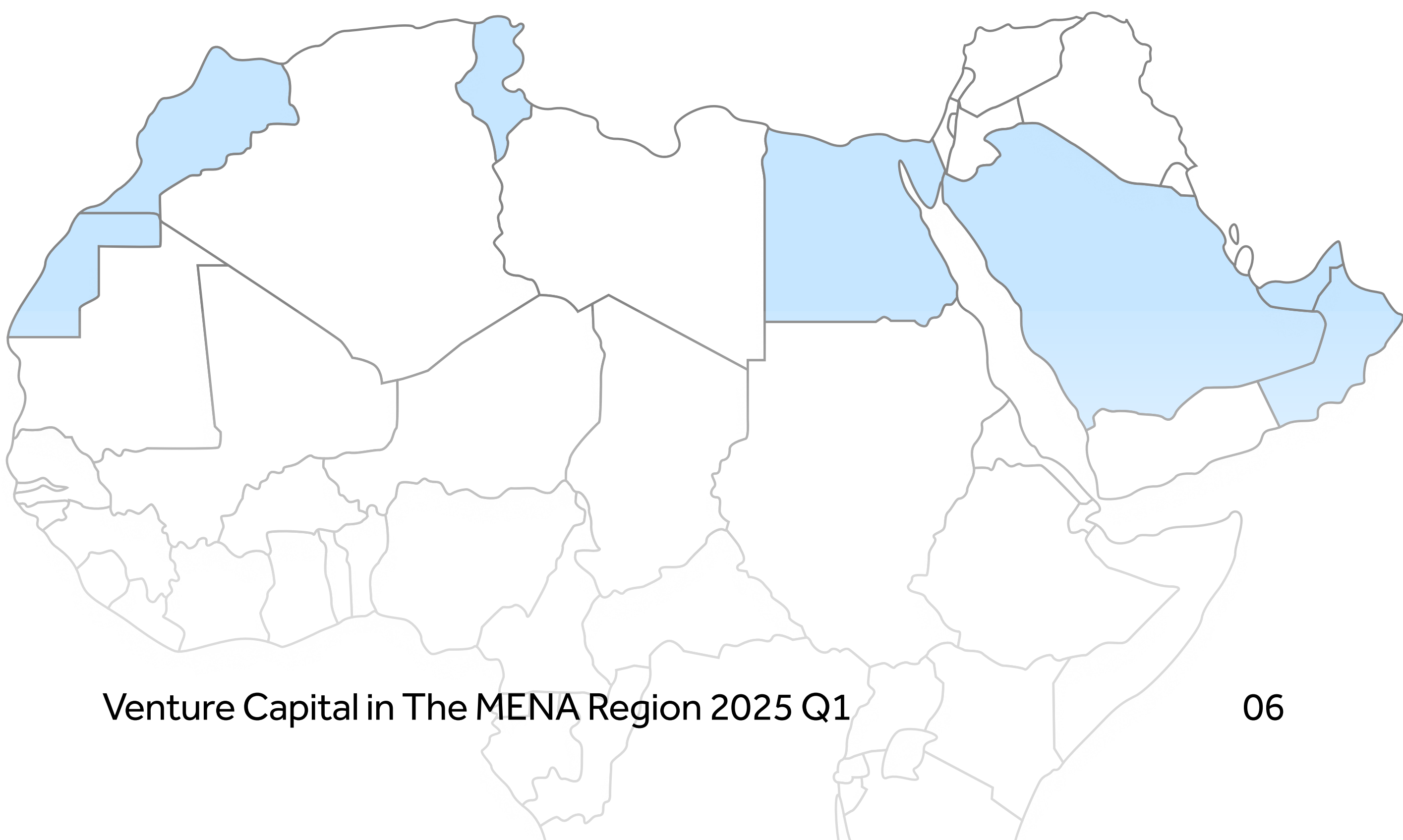
Investments: **\$5.8 M**  
Deals: **3**



Investments: **\$2.7 M**  
Deals: **4**



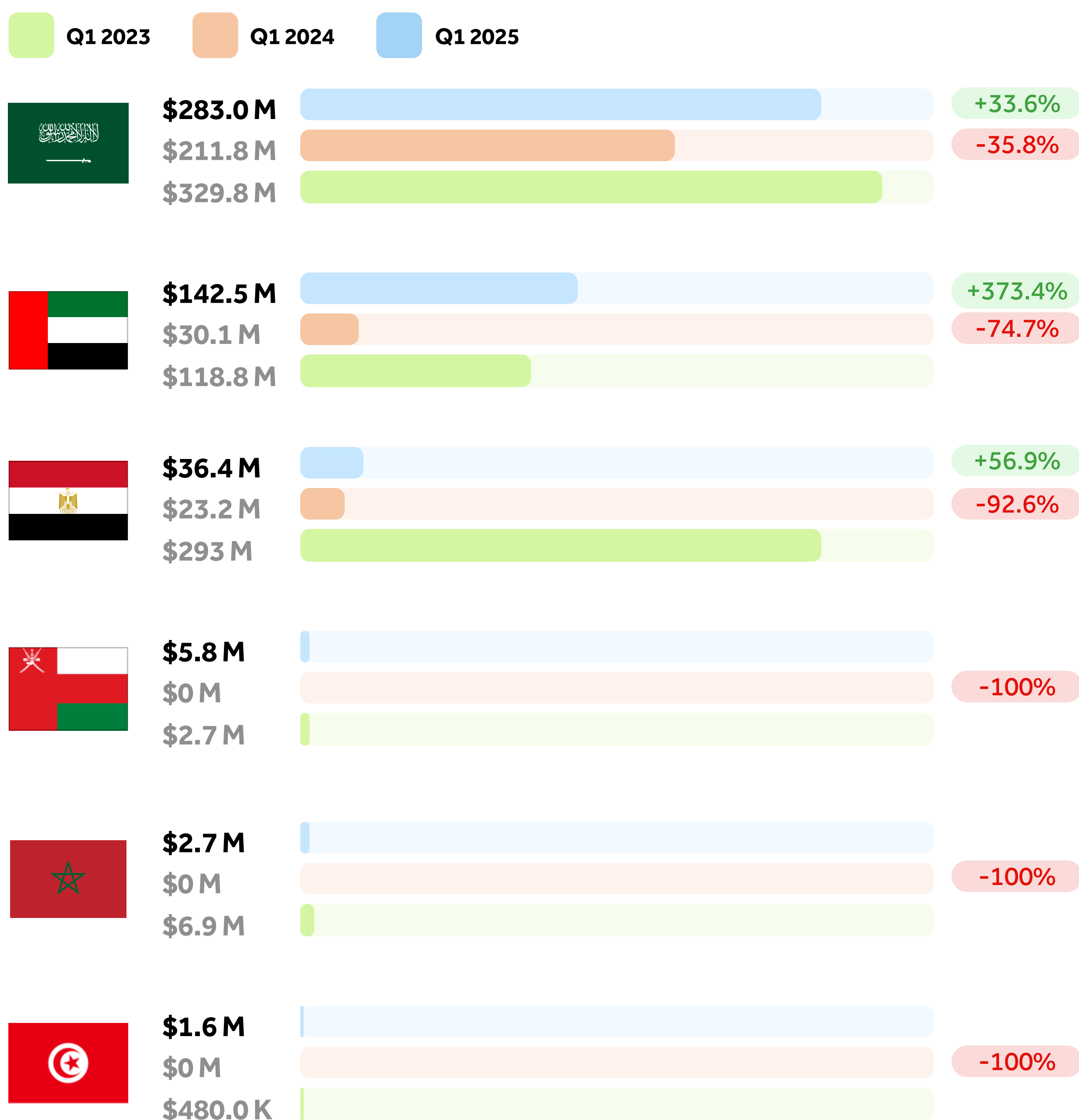
Investments: **\$1.6 M**  
Deals: **4**



## YoY Comparison

**Saudi Arabia's** VC investment grew **33.6%** compared to Q1 2024, totaling **\$283 million**—over half of the regional investment value. The UAE came second with \$142.5 million, marking a **373.2%** increase, and **Egypt** followed with **\$36.4 million**, showing a **56.9%** growth.

**Oman** ranked fourth, with **Tunisia** and **Morocco** also showing activity with **four** and **three** deals, respectively.



Note: The value of investments is calculated based only on announced rounds.

## Sectors Analysis

**Fintech** accounted for **60.6%** of total investments (**\$283.9 million**), followed by **PropTech** at **12.3%**, B2B solutions at **6.3%**, and **AI** at **5.4%**. In contrast, **e-commerce** had dominated Q1 2024, capturing **55.9%** of total investment. **AI** saw a rise in prominence in Q1 2025 compared to Q1 2024, which reflects the global interest in AI.

### PropTech

Investments: **\$57.7 M**  
Deals: **7**

### Fintech

Investments: **\$283.9 M**  
Deals: **26**

### AI

Investments: **\$25.5 M**  
Deals: **14**

### B2B Solutions

Investments: **\$30.0 M**  
Deals: **2**

### Logistics

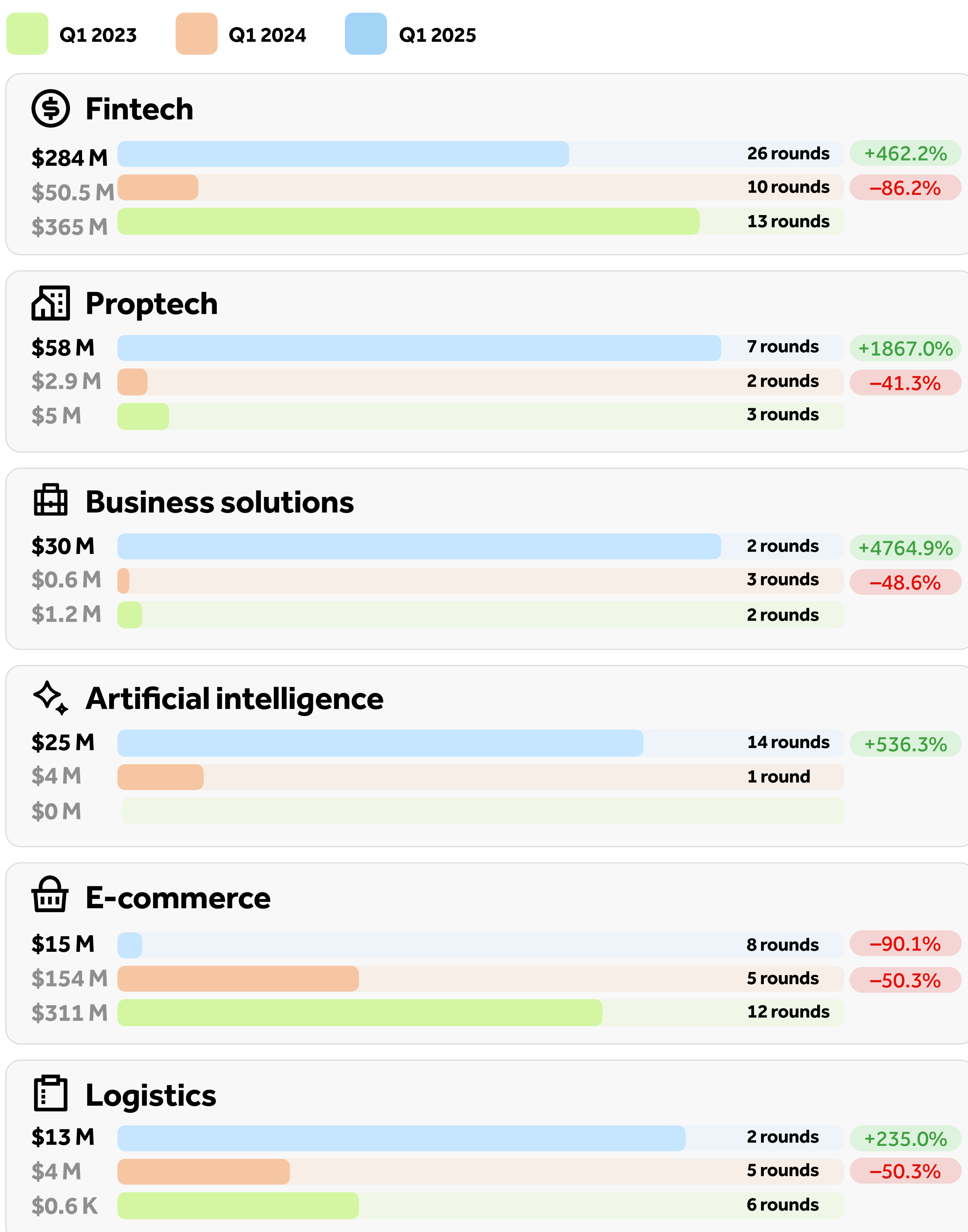
Investments: **\$13.4 M**  
Deals: **2**

### E-commerce

Investments: **\$15.2 M**  
Deals: **8**

## YoY Comparison







**Fintech** remained the most attractive sector in Q1, while **e-commerce** witnessed a significant decline compared to previous years. It is worth mentioning that delivery and **logistics** startups that announced new investments all provide services to the **e-commerce** sector.









## Largest Investment Rounds

**Tabby's** Series E round of \$160 million accounted for nearly a third of total announced investments, reinforcing Saudi Arabia's leading position. UAE companies **Nymcard** and **Zension Technologies** followed with big rounds.







### Q1 2025

		<b>\$160 M</b>	Series E
		<b>\$33 M</b>	Series B
		<b>\$30 M</b>	Series A

### Q1 2024

		<b>\$130 M</b>	Pre-IPO
		<b>\$21 M</b>	Seed
		<b>\$12 M</b>	Series B

### Q1 2023

		<b>\$260 M</b>	-
		<b>\$156 M</b>	Series C
		<b>\$133 M</b>	Series C

# Deals Analysis

Most announced rounds were early-stage (**Pre-Seed and Seed**), with only one advanced-stage (Series E) round by Tabby and one Series B round, while other deals fell within lower stages.

Pre-Seed (23)	Seed (24)	Pre-Series A (10)	Series E (01)
<ul style="list-style-type: none"> <li>Lola</li> <li>Fincart.io</li> <li>Chatberry</li> <li>String</li> <li>Washminute</li> <li>Wilow</li> <li>Up Level</li> <li>Mohami</li> <li>Malaka</li> <li>Thanawi</li> <li>Myne</li> <li>Hopea</li> <li>Paylite</li> <li>VastMenu</li> <li>MANSA</li> <li>Oro Labs</li> <li>MilkStraw</li> <li>Sampo</li> <li>Vminds.ai</li> <li>Vreal</li> <li>Opteam</li> <li>ClearGrid (2 rounds)</li> <li>Blum (2 rounds)</li> </ul>	<ul style="list-style-type: none"> <li>ClearGrid (2 rounds)</li> <li>Spoilz</li> <li>playsout</li> <li>CQR</li> <li>Journify</li> <li>LNKO</li> <li>Leajlak</li> <li>Aya</li> <li>Arable</li> <li>Revie</li> <li>Arzag plus</li> <li>AmwalTech</li> <li>Madkhol</li> <li>add</li> <li>Omnispay</li> <li>Motery</li> <li>Enza</li> <li>Nayla</li> <li>Pieship</li> <li>Halo</li> <li>Teammates</li> <li>qeen ai</li> <li>Qme</li> <li>Blum (2 rounds)</li> </ul>	<ul style="list-style-type: none"> <li>Dabchy</li> <li>ORA</li> <li>Unipal</li> <li>Ajras</li> <li>JeelPay</li> <li>Ebana</li> <li>Pluto</li> <li>RasMal</li> <li>WideBot</li> <li>Byanat</li> </ul>	<ul style="list-style-type: none"> <li>Tabby</li> </ul>
		<ul style="list-style-type: none"> <li>Series A (06)</li> <li>44.01</li> <li>Rize</li> <li>BRKZ</li> <li>Klaim</li> <li>Torod</li> <li>Zension</li> </ul>	<ul style="list-style-type: none"> <li>Undisclosed (18)</li> <li>Merit</li> <li>Mrkoon</li> <li>ReNile</li> <li>AmplifAI</li> <li>Grinta</li> <li>Silkhaus</li> <li>Nabeeh</li> <li>Buildnow</li> <li>Juridoc</li> <li>EasyBank</li> <li>Ebra</li> <li>DataQueue</li> <li>Motherbeing</li> <li>ToumAI</li> <li>Lillia</li> <li>MENA Analytics</li> <li>Ogram</li> <li>Pixii Motors</li> </ul>
		<ul style="list-style-type: none"> <li>Pre-Series B (02)</li> <li>Taager</li> <li>Khazna</li> </ul>	
		<ul style="list-style-type: none"> <li>Series B (01)</li> <li>NymCard</li> </ul>	

## Most Active Investors

Q12025 witnessed heightened activity from funds like **Wa'ed Ventures, Plus VC, and Shorooq**. Global funds also demonstrated increased interest, especially in Saudi startups. Recently announced funds such as Suhail Ventures quickly became active, and Saudi financial institutions, particularly Aljazira Capital, showed increased appetite in the ecosystem.

### +4

 PLUS.VC  RAED  WAED  RASEYA

### 3

Beltone  endeavor  madica SHOROOQ nuwa  رزم للاستثمار  
RZM INVESTMENT

JOA  الجزيرة كابيتال  
ALJAZIRA CAPITAL  صندوق ابتكار  
IBTIKAR FUND  SCENE  
سِين  FJ LABS  ORYX  BECO

### 2

 Sanabil  
venture studio  beyond  
capital  DISRUPTECH  KBW  إيوانس  
إيوانس

 FLAT6LABS  impact46  PLUGANDPLAY  STV

 wamda  مجموعة راز  
raz group  Nama  
Ventures  Omantel  rimu  
Angels  HALA  
ventures

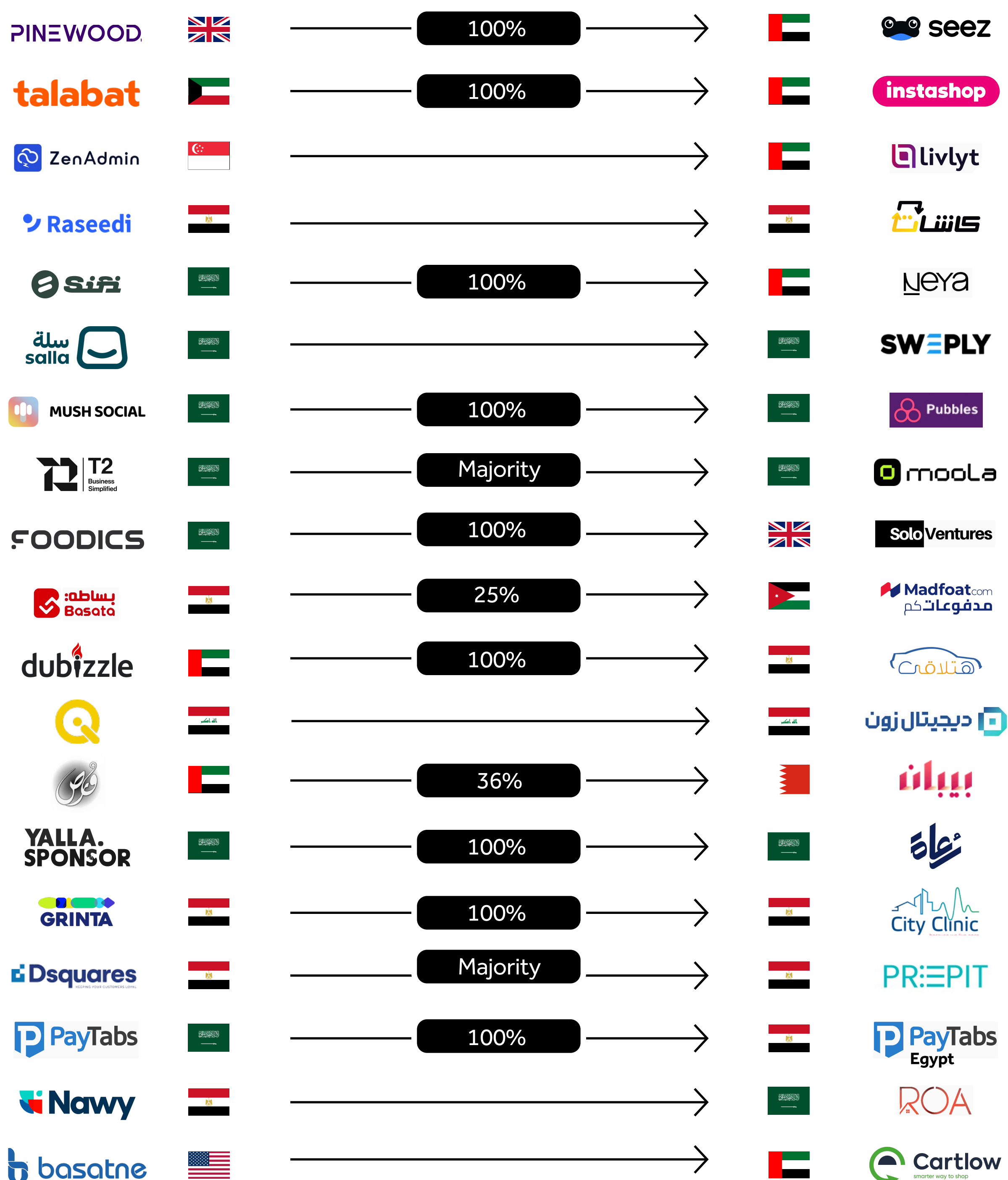
 FOODICS  SEEDRA  wita  WAAD  QUONA  خوارزمي فينتشرز

1



# Acquisitions

Startup acquisitions in MENA reached **19** in Q1, the majority of them in Saudi Arabia. The largest deal was UK-based **Pinewood's** \$42 million acquisition of UAE-based **Seez**, followed by **Talabat's** \$32 million acquisition of **InstaShop**.





02

# Venture Capital in Saudi Arabia

# Venture Capital in Saudi Arabia

Saudi Arabia captured **59.8%** of the MENA's VC investments in Q1 2025, totaling **\$283 million** across **38** deals, concentrated primarily in **fintech**, **PropTech**, and **logistics** sectors.



## Logistics

Investments: **\$13.4 M**

Deals: **2**



## PropTech

Investments: **\$57.7 M**

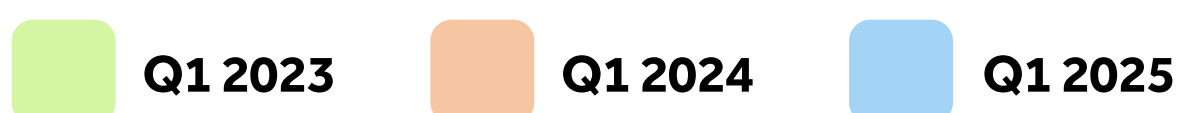
Deals: **6**



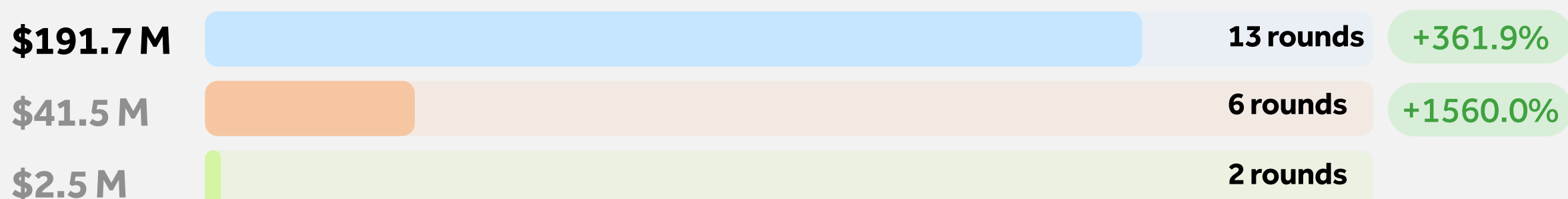
## Fintech

Investments: **\$191.7 M**

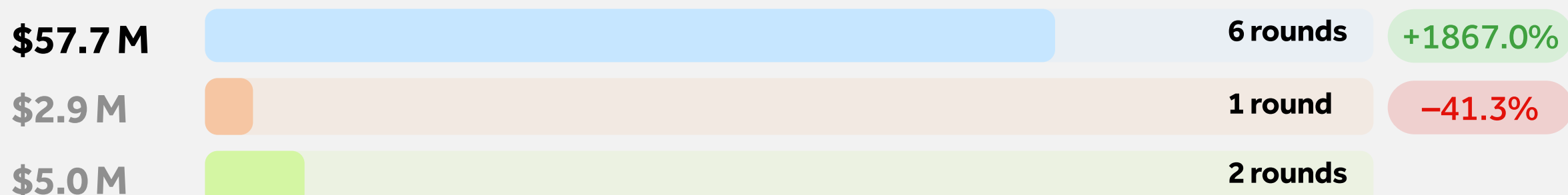
Deals: **13**



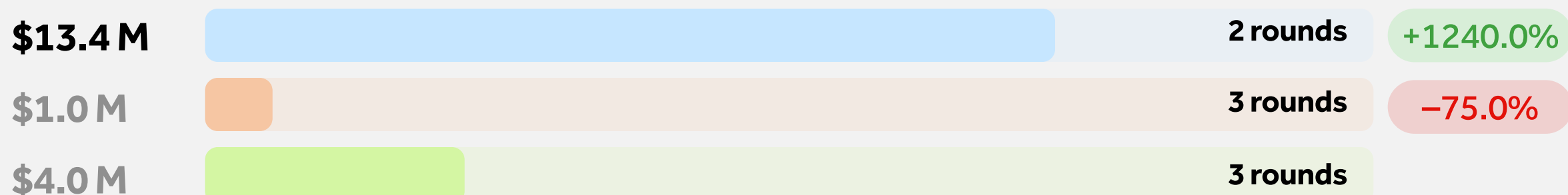
### 🇸🇦 Fintech



### 🇸🇦 PropTech

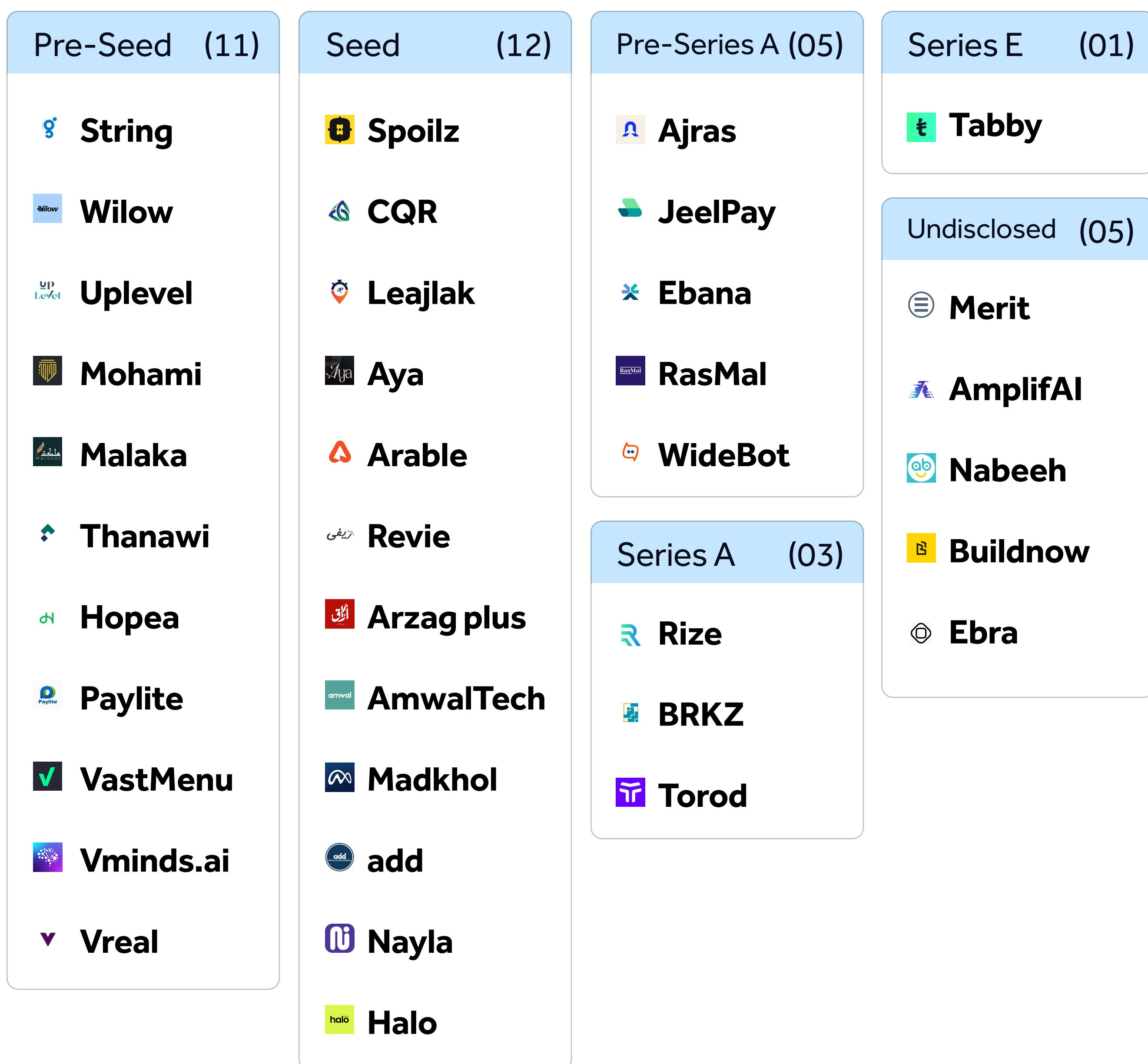


### 🇸🇦 Logistics



## Deals Analysis

Of Saudi Arabia's **38 deals**, over half were early-stage (Seed, Pre-Seed). Tabby's round was the only advanced-stage deal, with other deals primarily in Pre-Series A and Series B.



# Investors Activity

Saudi investors increased their activity alongside growing interest from international investors. Notably, some Saudi tech companies, such as Foodics, Aqar, and Mr. Mandoob invested in other startups.

3+

**RAED**      **WAED**      **JOA CAPITAL**

2

**FOODICS**      **SEEDRA**      **SHOROOQ**      **impact46**  
 **HALA**       **SCENE INVESTMENTS**      **NMU Angels**      **STV**

1

**PLUGANDPLAY**      **Lamarka**      **TAV**      **DEN**      **Pay**      **ENZA**  
**techstars**      **HASSANA**      **STRIDE VENTURES**      **Class 5**      **outliers**  
**BECO**      **ISNAD**      **BW** for Technology Services      **صندوق ابتكار IBTIKAR FUND**      **إيوان**      **BLUE POOL CAPITAL**  
**SUHAIL Ventures**      **جامعة الملك عبد الله للعلوم والتقنية King Abdullah University of Science and Technology**      **TAKAMOL VENTURES**      **ODBA**      **FENA**      **علم elm**  
**شيدو القابضة VEDA HOLDING**      **WELLINGTON VENTURES**      **9900**      **كحيلان**      **الاستثمار كابيتال Alistithmar Capital**      **KNOLLWOOD**  
**Mr Mandoob**      **Better Tomorrow Ventures**      **أرباح المالية Arbah Capital**      **KHWARIZMI VENTURES**      **ORYX FUND**  
**SHG**      **TECH INVEST COM**      **SparkLabs Global Ventures**      **MISTY VENTURES INCORPORATED**      **رزم للاستثمار RZM INVESTMENT**      **عقار AQAR**

## Startup Ecosystem Insights

Apart from VC investments, Saudi startups secured over **\$750 million** in credit facilities and debt financing, largely driven by **Lendo's \$690 million** deal. Companies like **Rize** and **Buildnow** also secured debt financing within their recently announced funding rounds. AI emerged prominently among funded Saudi startups in Q1 2025, indicating strong investor interest across various sectors.

The **PropTech** sector, especially financial-oriented like RNBL providers, construction tech, along **logistics**, continue to thrive in Saudi Arabia, fueled by market demand & innovation. **LegalTech** also shows promising growth potential.



## Conclusion

**Saudi Arabia** continues to attract global investment, significantly bolstering its entrepreneurial ecosystem. This trend is amplified by companies choosing Saudi Arabia as a launchpad or relocating their headquarters there to exploit the abundant opportunities. Tabby exemplifies this trend.

**UAE** and **Egypt** remain key players alongside Saudi Arabia. Tunisia notably increased its activity with **four** deals, while **Palestine** and **Morocco** each closed three deals.

## Data Collection and Methodology

Data and figures were verified through relevant parties to ensure accuracy, excluding debt financing and ensuring regional presence criteria and company categorization accuracy.

The report only covers venture capital in the Arab world; startups with headquarters outside the region were not included.

Companies with over 10 years in operation were excluded.

# ZERO TO-ONE

A media platform covering local startups

## What we offer

News & Talks

Weekly Newsletter

Reports & Articles

Media Consulting

[Subscribe to our weekly newsletter](#)

