

## Press Release

FOR IMMEDIATE RELEASE

### **EXITS MENA Announces Strategic Joint Venture to Expand Operations in Saudi Arabia**

03-07-2024 – EXITS MENA, the premier Fintech Arrangement Platform for startups and small and medium-sized enterprises (SMEs) in the MENA region, is excited to announce the establishment of a new strategic joint venture in Saudi Arabia. This venture is backed by a partnership with a group of esteemed Saudi investors led by Mr Ammar Ahmed Shata, the Founder of Gotrah Ventures, who will also act as the Non-executive Chairman of the new JV.

This strategic move represents a significant milestone for EXITS MENA, solidifying its commitment to addressing the gaps in the entrepreneurial ecosystem across the MENA region. By establishing an on-ground presence in Saudi Arabia, EXITS MENA aims to leverage the Kingdom's dynamic market environment to foster growth and drive innovation among startups and SMEs.

Saudi Arabia's Vision 2030 initiative underscores its dedication to diversifying its economy and supporting the technology and SME sectors. The government's goal to increase the SME sector's contribution to GDP from 20% to 35% by 2030 highlights the immense opportunities available. This joint venture positions EXITS MENA at the forefront of this economic transformation, providing vital support and resources to businesses seeking growth and investment through tailored management advisory and capital arrangement services.

### **Comprehensive Services for Growth and Investment**

EXITS MENA specialises in providing a comprehensive suite of services tailored to the unique needs of startups and SMEs. These services include arranging capital, investment readiness, and strategic consultancy to prepare businesses for significant growth opportunities and facilitate access to investors' M&A opportunities. By combining these offerings with innovative tech automation solutions, EXITS MENA ensures a streamlined and efficient deal-making process. EXITS has already successfully closed nine deals within the past year and a half, with a pipeline of 40+ mandates totaling almost 180 million USD in deal value.

Mr Ammar shared his enthusiasm: "I am thrilled to be a part of EXITS MENA and bring its expertise to the vibrant market of Saudi Arabia. This joint venture is not just an investment but a commitment to fostering innovation and supporting the growth of startups and SMEs in the region. Together, we will create a dynamic ecosystem that empowers businesses to reach their full potential."

The founders of EXITS MENA, Mohamed Abuelnaga Nagaty, Ahella El Saban and Ayman El Tanbouly, collectively emphasized the importance of this expansion: "Our expansion into Saudi Arabia marks a significant milestone in our journey to be the leading catalyst for investment and growth in the MENA region's entrepreneurial ecosystem. With Mr Ammar, industry expertise, and the creation of this joint venture, we are confident in our ability to bridge the gaps in the entrepreneurial ecosystem and drive substantial growth and investment in the Kingdom. This expansion will enable us to provide unmatched support to startups and SMEs, empowering them to navigate the complexities of the market and achieve their business objectives. Additionally, we recognize the critical importance of secondary share sales in providing liquidity

for founders and early investors. By facilitating these transactions, we help startups and SMEs progress towards successful exits, ensuring sustainable growth and rewarding outcomes for all stakeholders involved."

## **Market Opportunity in Saudi Arabia**

Saudi Arabia presents an unparalleled market opportunity for mergers and acquisitions (M&A) and fundraising, driven by a rapidly expanding SME sector and the government's Vision 2030 initiative. This initiative aims to increase the SME sector's contribution to GDP from 20% to 35% by 2030. This ambitious goal translates to an over \$200 billion influx into the economy, emphasizing the critical need for adequate investment services to support this growth.

Government initiatives, such as establishing the General Authority for Small and Medium Enterprises (Monsha'at) and launching the Saudi Venture Capital Company (SVC) with a \$1.07 billion fund, further enhance the demand for specialised advisory services. Additionally, Saudi Arabia's tech ecosystem is rapidly evolving, with substantial government investments in digital infrastructure and innovation hubs, exemplified by the \$500 billion NEOM mega-city project and several tech-focused accelerators and incubators. Furthermore, since the establishment of the FinTech Lab in 2018, the Capital Market Authority (CMA) has been at the forefront of fostering financial technology advancements. Through the Saudi FinTech initiative, the CMA creates a thriving ecosystem by enhancing infrastructure and offering robust support to FinTech entrepreneurs. The FinTech Lab provides a regulatory sandbox, a controlled environment where innovative FinTech products and services can be developed and tested within specific guidelines, timeframes, and regulatory standards, all under the meticulous supervision of the CMA. This initiative is pivotal in ensuring that Saudi Arabia remains at the cutting edge of financial technology in the capital market.

EXITS MENA's establishment in Saudi Arabia effectively allows it to leverage these market dynamics. By providing tailored consultancy and arrangement services that address the specific needs of startups and SMEs, EXITS MENA is poised to become a key player in the Kingdom's economic transformation, driving substantial growth and innovation in the region. Once the new JV has been duly incorporated, Exits MENA will apply for the relevant CMA license before the commencement of business activities.

## **Vision**

EXITS MENA's vision is to be the leading catalyst for investment and growth in the MENA region's entrepreneurial ecosystem. By empowering startups and SMEs to realize their full potential and enhance their access to capital, EXITS MENA aims to provide tailored consultancy and technology solutions to ease the deal-making cycle with innovative tech automation solutions. The firm's mission is to support businesses through every stage of their growth journey, from initial funding to successful exits.