

Q2 sees a rebound in UAE

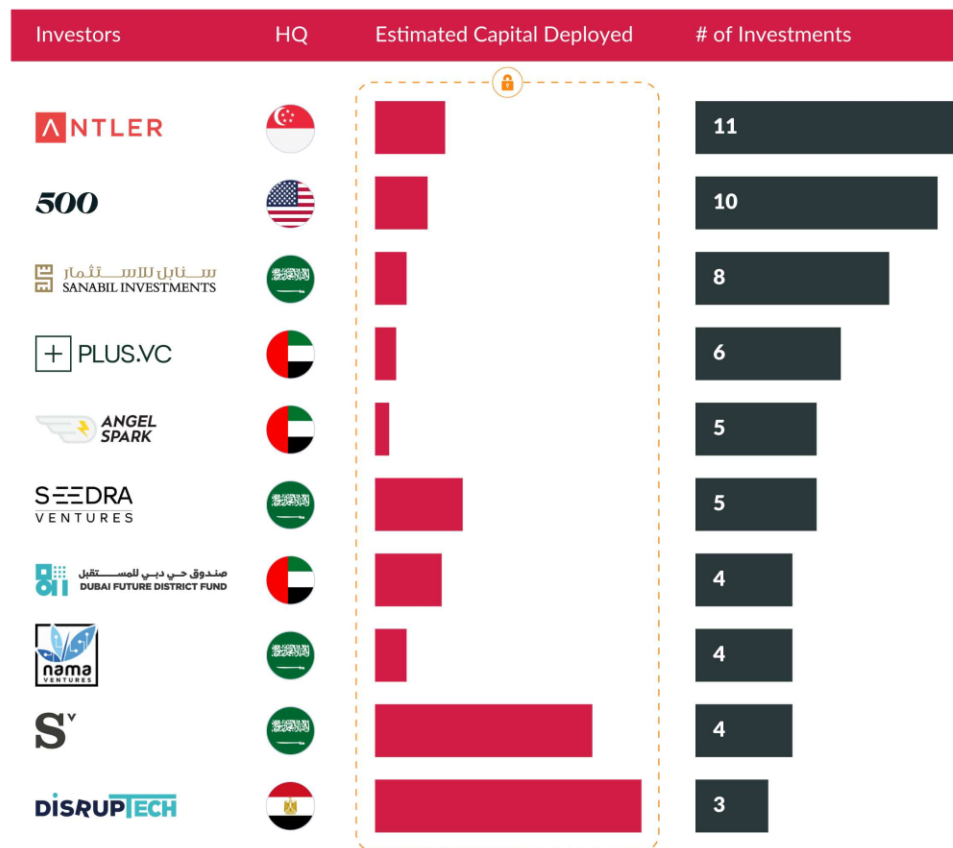
Things looked pretty bleak at the start of the year for the local ecosystem, with Q1 2024 funding hitting its lowest levels since Q3 2019. However, Q2 2024 saw a rebound with a 113% QoQ increase in funding, despite a

31% decline in deal numbers.

This surge in funding is mainly due to six of the largest deals in H1 2024 occurring in Q2, which together accounted for 60% of the total funding in that quarter.

Interestingly, over the course of the first six months, the UAE outshone the broader regional ecosystem when it came to the number of deals receiving funding. The UAE experienced an 11% YoY increase in deal numbers in H1 2024, making it the only country among the top 5 in MENA by deal numbers to see growth. This resilience contrasted with MENA's overall 18% YoY decline in H1 2024! Get more of the inside scoop in the report, [accessible via subscription](#).

Leading Early Stage Investors in MENA by Deals in H1 2024



 H1 2024 | MENA Investor Ranking Report

Local investors maintain their dominance

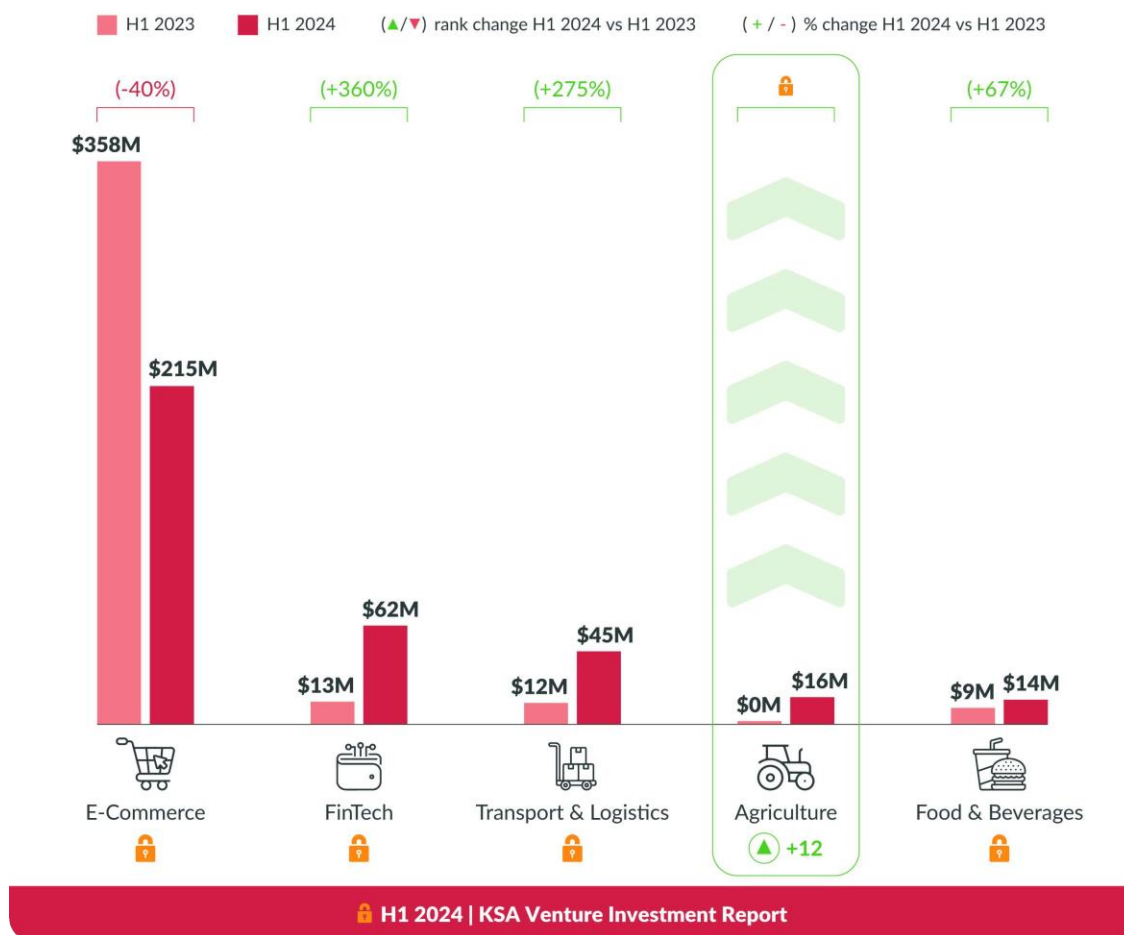
There was still a ray of sunshine, despite a decline in VC activity in the region, and that came from the investors. MENA saw a 32% YoY increase in H1 2024 in investor participation driven by an influx of international investors in the UAE and KSA.

In fact, this report highlights a 75% YoY surge in the number of global investors, primarily investing in startups based in UAE and KSA.

However, local investors still maintained the lead across the board. This comes as no surprise, as unlike other regions such as Africa, regional investors have always been more active in the scene. In H1'24, 8 of the top 10 investors by number of deals in MENA were local, this dominance reflects strong regional investment activity and a focus on nurturing local startups, mainly driven by the diversification efforts in KSA and UAE.

Agriculture jumps 12 spots

to rank in the most funded industries of KSA in H1'24



Agriculture scores big

Saudi Arabia saw most of the industries jumping spots with the levels of funding in H1'24. One such industry was agriculture, which jumped up 12 spots to rank in the top 5 industries in KSA by VC funding. Although this seems impressive, and it is, the funding was purely driven by one deal. Founded in 2018, agritech [lyris](#) (formerly known as RedSea) raised \$16M Series A in May'24.

The industry is a key area of focus in the Kingdom. The recently launched "Sunbolah" program was launched to empower entrepreneurs to establish innovative startups in the agricultural sector. The program seeks to foster innovation & entrepreneurship, supporting startups in delivering sustainable tech-driven solutions for the sector.

[Access the Full Report](#)

Global Investors in

MENA

+75%

(In H1'24 compared to H1'23)

500 Global

Invested in

16

Deals in H1'24

VC Funding in

Philippines

+57%

(In H1'24 compared to H1'23)

SaaS Funding in

MENA

+38%

(In H1'24 compared to H1'23)

AROUND THE WORLD



MENA

- UAE-based [Waha Capital](#) secures a \$400M revolving credit facility for three years to invest in emerging growth opportunities.
- UAE's investment company [ADQ](#) has acquired a minority stake in Sotheby's, a global leader in fine art and luxury goods.



SEA

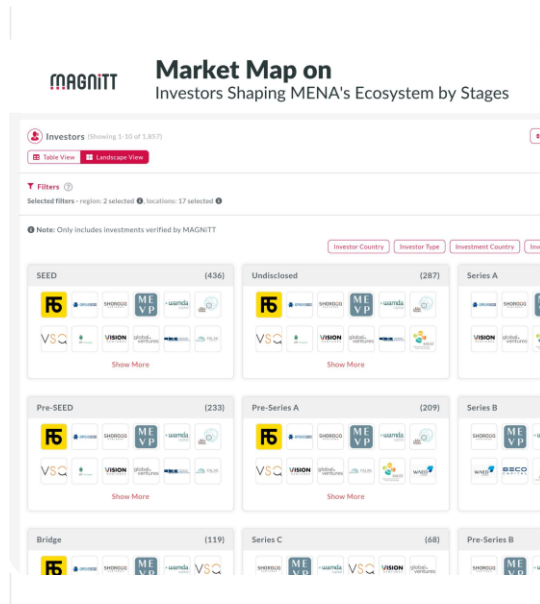
- [Khazanah Nasional](#), Malaysia's sovereign wealth fund, launched a new VC fund worth up to \$627M to invest in SEA startups.
- Vietnam-based [Ethos Fund](#) closes its inaugural \$12M fund to invest in startups bridging the US and Vietnamese tech ecosystems.



Africa

- African venture capital firm [Founders Factory Africa](#) has announced its rebrand and name change to 54 Collective,
- Egypt expects to raise between \$2B and \$2.5B from the state's IPO program in fiscal year 2024 - 2025. Since March 2023, Egypt has raised up to \$3.1B from government offerings.

IN FOCUS: MARKET MAP



Ever wanted a simple tool to map investment landscapes? We've made it easy for you!

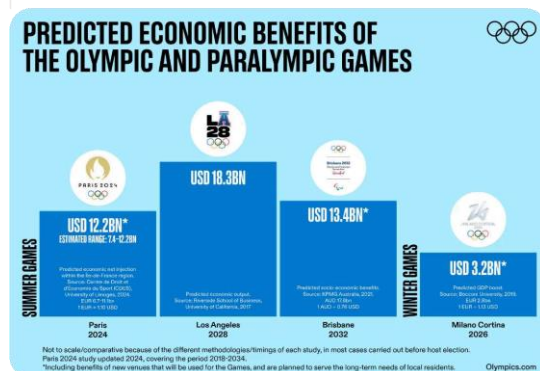
For example, we created an investor market map of those who have invested in MENA over the last 5 years, filtered by investment stage and sorted by the number of deals. It only took 4 filters and 3 seconds for this to come alive!

[Get access to this tool here.](#)

Have any questions on the regional VC landscape?

Just reply to this email, and we'll use our data to answer them in next week's section!

MARKET MARVELS



With the Olympics in everybody's minds, how exactly does the host country reap the economic benefits? And what's to lose? The [IOC came out with its numbers](#), and we also recommend [The Week's article](#) for further reading!